

***Ooredoo reports revenue of KWD 502 million for the Nine Months Ended
30 September 2018
Customer base up by 2% to reach almost 27 million***

Kuwait City, Kuwait, 26th October 2018: National Mobile Telecommunications Company K.S.C.P “Ooredoo” (Ticker: OOREDOO) announced today its financial results for the nine months ended 30 September 2018:

Financial Highlights:

	Quarterly Analysis			Nine Months Analysis		
	Q3 2018	Q3 2017	% change	9M 2018	9M 2017	% change
Consolidated Revenue (KWD m)	161.0	178.8	-10%	502.4	522.6	-4%
EBITDA (KWD m)	54.5	68.8	-21%	162.1	197.6	-18%
EBITDA margin (%)	34%	38%	-	32%	38%	-
Net Profit attributable to NMTC (KWD m)	4.0	11.5	-65%	16.2	34.8	-53%
Consolidated Customers (m)	26.6	26.1	2%	26.6	26.1	2%

Financial highlights:

- Consolidated customer base increased by 2% to reach 26.6 million for the nine months ended 30 September 2018, compared to 26.1 million for the same period in 2017.
- Revenue decreased by 4% to KWD 502.4 million for the nine months ended 30 September 2018, compared to KWD 522.6 million for the same period in 2017.
- EBITDA was KWD 162.1 million for the nine months ended 30 September 2018, compared to KWD 197.6 million for the same period in 2017.
- Net profit attributable to NMTC was KWD 16.2 million for the nine months ended 30 September 2018, compared to KWD 34.8 million for the same period in 2017. The decrease was mainly caused by a lower Algerian contribution due to a weak economic environment, currency devaluation and price competition.
- The consolidated earnings per share was 32 fils for the nine months ended 30 September 2018, compared to 69 fils per share earned for the same period last year.

Sheikh Saud Bin Nasser Al Thani, Chairman of the Board of Directors commented:

“Despite challenging market conditions, we continue to see strong demand for our cutting edge products and services, with customer numbers up 2% to 27 million for the nine-month period ended 30 September 2018. We are progressing further with our digital transformation strategy to enrich people’s digital lives.

Financially, our results at a Group level were negatively impacted by margin compression in Kuwait and challenging economic conditions in Algeria. All our other operations showed healthy EBITDA levels.

Kuwait recorded a significant increase in revenue for the first nine-months of 2018 to KWD 182 million, up 13% compared to the same period last year. Revenue growth was driven by customer additions and an increase in handset sales.

In Algeria, market conditions remain depressed with the devaluation of the Algerian Dinar and intense price competition putting pressure on revenue and EBITDA. However, in line with our data first strategy, we maintained our mobile data leadership in Algeria.

We made good progress in Tunisia, where we increased our customer base by 5%, while our continued focus on cost optimization helped deliver EBITDA improvement for the nine-month period.

In Palestine we are benefitting from the launch of our network in Gaza. Since the beginning of 2018, we have increased our customer base by 57% to 1.3 million. Consequently, revenue was up 19%, while EBITDA increased to KWD 6 million for the same period.

Maldives performed well, with a 6% increase in revenue and a stable customer base of 430,000.”

Review of Operations

The Group’s operational performance can be summarized as follows:

Ooredoo - Kuwait

Ooredoo’s customer base in Kuwait increased 2% to 2.3 million for the nine months period ended 30 September 2018, compared to the same period in 2017. Revenues for the nine month period were KWD 181.7 million, an increase of 13% compared to KWD 160.7 million for the same period in 2017. Higher handset sales led to an increase in revenue, while at the same time negatively impacting margins. EBITDA was KWD 36.8 million for the nine months ended 30 September 2018, lower than KWD 39.6 million for the same period in 2017.

Ooredoo - Tunisia

Ooredoo’s customer base in Tunisia increased 5% to reach 8.8 million for the nine months ended 30 September 2018, compared to the same period in 2017. Revenues slightly decreased to KWD 95.4 million for the nine months ended 30 September 2018, compared to KWD 96.2 million for the same period in 2017. However, in local currency terms revenues were up by 6%. EBITDA was KWD 39.5 million compared to KWD 38.0 million for the same period in 2017.

Ooredoo – Algeria

Business in Algeria was negatively impacted by the devaluation of the Algerian Dinar, intense price competition and a weak economic environment. Customer numbers of Ooredoo Algeria declined by 3% to 13.8 million for the nine months ended 30 September 2018, compared with the same period in 2017. Revenues also decreased to KWD 173.6 million for the nine months ended 30 September 2018, compared to KWD 219.4 million for the same period in 2017. EBITDA was KWD 66.3 million for the nine months ended 30 September 2018, down from KWD 99.9 million for the same period in 2017.

Wataniya - Palestine

Wataniya Mobile made good progress in the first nine months of the year, with the launch of the 3G network in the West Bank in January 2018. Customer numbers increased by 57% to 1.3 million, benefiting from the Gaza launch in October 2017. Revenue increased to KWD 23.0 million, up by 19% compared to KWD 19.3 million for the same period in 2017. EBITDA increased to KWD 5.8 million compared to KD 5.1 million for the same period in 2017.

Ooredoo - Maldives

Ooredoo Maldives reported a 6% increase in revenue for the nine months ended 30 September 2018 to KWD 28.7 million, compared to KWD 27.0 million for the same period in 2017. EBITDA was KWD 14.4 million for the nine months ended 30 September 2018, compared to KWD 15.1 million for the same period in 2017. Ooredoo Maldives now serves a total of 430k customers, representing a 1% decrease compared to the same period in 2017.

For more information, please visit www.ooredoo.com.kw

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About Ooredoo Kuwait (NMTC)

Commercially launched in December 1999, the Company's share price as of 30 September 2018 was KWD 0.760, giving a market valuation for Ooredoo (NMTC) of KWD 0.4 Billion.