

Ooredoo Q.S.C.

Ooredoo Reports 1H 2015 Revenue of QAR 16 billion Customer Numbers up by 21% Exceeding 114 million

Strong growth in data continues with 64% YoY increase

Doha, Qatar, 29 July 2015: Ooredoo Q.S.C. ("Ooredoo") - Ticker: ORDS.QA today announced results for the six months ended 30 June 2015.

Financial and Operational Highlights:

	Quarterly Analysis			Half Year Analysis		
	Q2 2015	Q2 2014	% change	1H 2015	1H 2014	% change
Consolidated Revenue (QAR m)	8,005	8,401	-5%	16,042	16,504	-3%
EBITDA (QAR m)	3,251	3,492	-7%	6,456	6,870	-6%
EBITDA Margin (%)	41%	42%	-	40%	42%	-
Net Profit Attributable to Ooredoo Shareholders (QAR m)	501	817	-39%	1,002	1,704	-41%
Consolidated Customers (m)	114.2	94.3	21%	114.2	94.3	21%

- Group customers increased by 21% or almost 20 million net customer adds to over 114 million driven by strong performances in Indonesia, Myanmar and Algeria.
- Revenue growth in local currency terms in Qatar, Oman, Indonesia, Myanmar, Algeria, Kuwait and the Maldives. Overall performance was negatively impacted by adverse currency movements and the security situation in Iraq. Excluding the negative FX impact in Indonesia, Algeria, and Tunisia, Group revenue would have increased by 3%.
- Excluding FX impact, Group EBITDA would have been in line with 1H 2014 and Group Net Profit would have decreased by 24%. The decrease in Net Profit was primarily due to the ongoing challenges in Iraq.
- Group earnings per share in 1H 2015 stood at QAR 3.13 (1H 2014: QAR 5.32)
- Data now constitutes 34% of the Group's revenue (20% in 1H 2014) which is equivalent to 64% growth year-on-year. Qatar, Oman, Algeria and Tunisia were the main drivers for the growth, as Ooredoo rolled out high-speed broadband networks, introduced innovative pricing and bundles, data offers and services for its consumer and enterprise customers.
- B2B strategy accelerating with B2B revenue reaching more than QAR 2.5 billion
- New USD 500 million credit facility in May to refinance an existing USD 498 million Islamic loan

- Post period: New local currency loan established in Algeria in July (DZD 38.5 billion or approximately USD 389 million)
- Post period: Agreed sale of non-core asset Wi-tribe Philippines (pending regulatory approvals)

Commenting on the results, His Excellency Sheikh Abdulla Bin Mohammed Bin Saud Al-Thani, Chairman of Ooredoo said:

“Ooredoo has shown strong growth in its customer numbers reaching over 114 million customers during the first half of the year. Ooredoo’s international brand, high speed broadband networks and services are increasingly building a compelling and valued range of services for our customers. Our investments across our markets into a digital future with a focus on data services will further enhance the lives of our customers and their local economies. As access to information, content and services is increasingly made available, new opportunities are being created for individuals and businesses. Ooredoo is increasingly at the heart of our customers’ shift to a digital world. Our ability to create value for our customers is, in turn, generating value for our shareholders.”

Also commenting on the results Dr. Nasser Marafih, Group Chief Executive Officer said:

“The first half of 2015 reflects the continued successful execution of our strategy. Customers have grown by 21% to over 114 million driven by the appeal of our ultra-fast broadband networks as customers increasingly demand fast access to digital content. Our group revenues and EBITDA reached QAR 16 billion and QAR 6.5 billion respectively in the period. Excluding the adverse FX impact, Ooredoo Group revenue would have actually increased by 3%. Data revenue grew by 64% compared to the first half of 2014, and now delivers 34% of the Group’s total revenue. Data revenue and smart phone penetration levels are still relatively low in our markets offering good growth prospects. Ooredoo has continued to innovate with new services and strategies across our markets. We have seen revenue grow in local currency terms in Qatar, Indonesia, Algeria, Kuwait and Oman during the period. Our Myanmar operations sustained its healthy growth performance. Ooredoo Tunisia maintained its market leadership position in a challenging macro environment. The security situation in Iraq and currency depreciation in Indonesia, Algeria and Tunisia continued to impact our results. Data and B2B growth are driving the long term potential of Ooredoo Group to generate value for our shareholders.”

Financial and Strategy Review

As at 30 June 2015, the Group’s consolidated customer base stood at 114 million (1H 2014: 94 million), representing year-on-year growth of 21%. Excluding the impact of foreign currency depreciation, Group revenue would have increased by 3% and Group EBITDA would have been in line with the first half of 2014. Net Profit attributable to Ooredoo shareholders for 1H 2015 was QAR 1,002 million (1H 2014: QAR 1,704 million) which was impacted by adverse currency movements and the challenges in Iraq.

Ooredoo’s strategy to become a data-centric business continued to make progress during the period. Customer and data revenue growth were driven by Ooredoo’s investment in its broadband networks, data infrastructure, and creating innovative new bundles and data offers for customers. Strong growth of data revenue in Qatar, Oman, Algeria and Tunisia reflecting the growing adoption of data-based services, enabled by the pervasiveness of Ooredoo’s ultra-fast broadband networks. Ooredoo now has 4G deployed across five out of its nine markets, with Ooredoo Kuwait having launched 4G+ in March 2015. Algeria, Iraq, Qatar, the Maldives and Tunisia are all markets where Ooredoo is the market leader in data customer share. Ooredoo generated strong revenue of more than QAR 2.5 billion from its B2B segment.

Operational Review

Middle East

Ooredoo Qatar

Ooredoo Qatar delivered a strong performance in the first half of 2015, seeing significant growth in customer numbers and revenue market share. Revenue increased by 14% to QAR 4,003 million (1H 2014: QAR 3,502 million), while EBITDA increased by almost 16% to QAR 2,020 million (1H 2014: QAR 1,743 million). Net Profit increased by 25% to QAR 1,137 million (1H 2014: QAR 910 million) due to higher revenue and EBITDA.

Ooredoo Qatar celebrated a major milestone, surpassing three million mobile customers to reach more than 3.4 million total customers this quarter, representing a 14% year-on-year increase. In particular, data services maintained their strong performance. Ooredoo Qatar continued to ensure it offered the biggest, fastest network in Qatar, launching a number of new packages in support of its 4G+ service, in addition to enhancing its nationwide Ooredoo Fibre network, which now serves 236,000 homes. In July, Ooredoo announced the next phase of its fibre roll-out, which will position Qatar in the top ranks of nations globally for fibre connectivity.

Ooredoo continued to enhance its focus on business and enterprise services, recognizing the opportunity presented by the growth of Qatar's business sector. This included the launch of enhanced cloud security services, a mobility software-as-a-service analytics solution, and smart traffic management services.

Ooredoo Oman

Ooredoo Oman's investment in its network continued to deliver strong growth with revenue increasing by 12% to QAR 1,194 million for the first half of 2015, compared with QAR 1,066 million for the first half 2014. Strong growth in both mobile and fixed data also contributed to the rise in revenue. EBITDA increased by 19% to QAR 648 million from QAR 544 million driven by revenue growth. Net Profit increased by 18% to QAR 210 million compared with QAR 177 million in 1H 2014 driven by higher EBITDA. Total customer numbers increased by 11% to 2.8 million with significant increases in mobile post-paid customers (6%) and mobile pre-paid customers (12%) when compared with 1H 2014 as Ooredoo continued to attract new customers. Ooredoo Oman continued to enhance its network capacity and took the first steps in deploying LTE Advanced to provide faster and more reliable services for its customers.

Ooredoo Kuwait

Ooredoo Kuwait's turnaround strategy generated customer, revenue and EBITDA growth in the period. Driven by its LTE Advanced network, the fastest network in the country, Ooredoo Kuwait's customer base reached over 2.5 million at the end of 1H 2015, an increase of 8% on the same period in 2014. Revenues for 1H 2015 were QAR 1,111 million, an increase of 2% (up 8% in Kuwaiti Dinar) compared to QAR 1,092 million in 1H 2014. EBITDA was QAR 250 million compared to QAR 235 million in 1H 2014, an increase of 6% (up 16% in Kuwaiti Dinar). Net Profit was at QAR 55 million compared to QAR 60 million for the same period in 2014.

Key drivers of the growth in revenue were the rapid expansion of Ooredoo's 4G customer base, the increase of data business and the B2B performance, as Ooredoo Kuwait offered an increasing number of services.

Asiacell - Iraq

Asiacell's customer base was 11 million at the end of 1H 2015 supported by the launch of Iraq's first 3G service. The ongoing security situation in Iraq and the high level of competition impacted Asiacell's results for the period. However, the aggressive pricing which has been prevalent in the market started to moderate towards the end of the quarter. Revenue for 1H 2015 was QAR 2,457 million (1H 2014: QAR 3,220 million), a decrease of 24%. EBITDA decreased to QAR 1,032 million in 1H 2015 from QAR 1,544 million in 1H 2014. Net Profit including provisions for historic tax claims stood at QAR 63 million for 1H 2015 (QAR 615 million in 1H 2014).

North Africa

Ooredoo Algeria

Ooredoo Algeria continues to grow its market share in Algeria with a 13.2 million customer base at the end of 1H 2015, an increase of 21% compared with the same period last year. During 1H 2015, the Algerian Dinar depreciated by 18% compared with 1H 2014, which has impacted the results reported in QAR despite strong revenue growth performance in local currency terms (6% increase). Revenues for 1H 2015 were QAR 2,055 million, compared with revenues of QAR 2,359 million for the same period in 2014. EBITDA for 1H 2015 was QAR 736 million (QAR 946 million 1H 2014). Net Profit for 1H 2015 was QAR 40 million compared to a Net Profit of QAR 381 million for the same period in 2014. Excluding the losses caused by depreciation of the Algerian Dinar, Net Profit would have been QAR 215 million.

Ooredoo Algeria is now the market leader in data revenue with data contributing 17% of revenue. It has also continued its customer acquisition strategy in the B2B market. Ooredoo Algeria successfully completed a mobile LTE trial, confirming its position as the leading technology operator in the country.

Ooredoo Tunisia

Ooredoo Tunisia maintained its market leadership position with a total customer base of 7.3 million. The results reported in QAR were impacted by challenging economic conditions and the depreciation of the Tunisian Dinar, which depreciated by 17% compared with 1H 2014. Revenues for 1H 2015 were QAR 920 million, compared to revenues for the same period in 2014 of QAR 1,198 million. EBITDA was QAR 412 million compared to QAR 563 million for the same period last year. Net Profit for 1H 2015 was QAR 105 million (1H 2014: QAR 183 million)

Ooredoo Tunisia had strong growth in the market in mobile data, which was achieved through innovative bundle offers. The growth in mobile data was partly offset by a decline in the mobile voice market. Ooredoo Tunisia focused on convergence and experienced growth in B2B fixed services resulting in a healthy increase in the number of fixed line customers.

Asia

Indosat – Indonesia

Indosat increased its customer base by 24% to 68.5 million compared with 55 million in 1H 2014. In local currency terms, revenue and EBITDA increased by 9% and 7% respectively, driven by strong growth in data revenues. Reported revenue decreased slightly to QAR 3,543 million from QAR 3,609 million (1H 2014). Reported EBITDA decreased by 4% to QAR 1,598 million (1H 2014: QAR 1,659 million). Adverse currency movement and resulting FX losses in Indonesia impacted Net Income for the period, which stood at QAR 188 million Net Loss, compared to QAR 99 million Net Profit in 1H 2014. Excluding the FX impact, Indosat would have recorded a Net Profit of QAR 49 million for 1H 2015.

Indosat's network modernization is on track with the last phase of the project completed in July. Indosat continued to add new cities to its LTE coverage in the period.

Ooredoo Myanmar

Ooredoo Myanmar continued its strong growth performance and generated revenue of QAR 510 million in 1H 2015. Ooredoo Myanmar reached 4.3 million mobile customers across the country. The high quality of its 3G network contributed to almost doubling the number of customers in the first half of 2015. Strong EBITDA performance continued resulting in positive EBITDA in Q2 2015, less than one year after the launch of services in August 2014. More than 80% of Ooredoo Myanmar's customers use smart devices with data usage doubling during the first half of the year, generating an average ARPU of USD 6.5. This has been driven by the quality and reach of the crystal clear voice and fast internet services provided by Ooredoo Myanmar with its 3G network now covering more than 35 million people across the country. Ooredoo Myanmar continues to invest in its infrastructure to benefit from the opportunity offered by low mobile phone and data usage penetration rates among the 51 million population of Myanmar.

Ooredoo 1H 2015 financial statements will be available on its website, accessible at: <http://www.ooredoo.com>.

For further information:

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Follow us on Twitter: [@Ooredoo IR](https://twitter.com/OoredooIR)

About Ooredoo

Ooredoo is a leading international communications company delivering mobile, fixed, broadband internet and corporate managed services tailored to the needs of consumers and businesses across markets in the Middle East, North Africa and Southeast Asia. As a community-focused company, Ooredoo is guided by its vision of enriching people's lives and its belief that it can stimulate human growth by leveraging communications to help people achieve their full potential. Ooredoo has a presence in markets such as Qatar, Kuwait, Oman, Algeria, Tunisia, Iraq, Palestine, the Maldives, Myanmar and Indonesia. The company was named "Best Mobile Operator of the Year" at the World Communication Awards 2013.

The company reported revenues of US\$ 9.1 billion in 2014 and had a consolidated global customer base of more than 114 million customers as at 30 June 2015. Ooredoo's shares are listed on the Qatar Exchange and the Abu Dhabi Securities Exchange.