

With a Customer base up by 3% to reach almost 27 million

Ooredoo reports revenue of KWD 665 million for FY 2018

- **Sh. Saud Bin Nasser Al Thani: “ A Significant Progress in Kuwait and continued our digital transformation journey”**
- **Dividend of 50 fils per share recommended**
- **Customer base in Kuwait increased to 2.3 million in 2018**
- **B2B in Kuwait was enhanced by a partnership with SAP to provide best in class enterprise cloud services**

Kuwait City, Kuwait, 7th February 2019: National Mobile Telecommunications Company K.S.C.P “Ooredoo” (Ticker: OOREDOO) announced today its financial results for year 2018:

Financial Highlights:

	Quarterly Analysis			Full Year Analysis		
	Q4 2018	Q4 2017	% change	2018	2017	% change
Consolidated Revenue (KWD m)	162.7	175.0	-7%	665.0	697.6	-5%
EBITDA (KWD m)	55.0	57.9	-5%	217.1	255.6	-15%
<i>EBITDA margin (%)</i>	34%	33%	-	33%	37%	-
Net Profit attributable to NMTC (KWD m)	13.5	4.8	182%	29.7	39.5	-25%
Consolidated Customers (m)	27.0	26.3	3%	27.0	26.3	3%

Financial highlights:

- Consolidated customer base increased by 3% to 27.0 million in 2018, compared to 26.3 million in 2017.
- In local currency terms Kuwait, Tunisia, Maldives and Palestine recorded good growth in revenue. However, revenues in KWD were impacted due to 9.8% depreciation of the Tunisian Dinar and 5.5% depreciation in the Algerian Dinar. Consequently, consolidated revenue decreased by 5% to KWD 665.0 million for 2018, compared to KWD 697.6 million for the same period in 2017.
- EBITDA was KWD 217.1 million for 2018, compared to KWD 255.6 million for the same period in 2017.
- Net profit attributable to NMTC was KWD 29.7 million for 2018, compared to KWD 39.5 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 59 fils for 2018, compared to 79 fils per share earned for the same period last year. The Board of Directors recommends a dividend payment of 50 fils per share, subject to shareholder approval at the General Assembly scheduled for 14 March 2019.

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

“Despite a challenging environment Ooredoo Kuwait (NMTC) had a good year in 2018, with revenues at KWD 665 million and net profit at KWD 29.7 million. Earnings per share were 59 fils for 2018 and we are pleased to announce that our Board of directors proposed a dividend payment of Fils 50 per share, subject to shareholder approval. We remain committed to delivering long-term shareholder value, whilst working hard to ensure our customers receive the greatest levels of service.

In 2018, we continued our digital transformation journey, with innovation and excellence in customer experience at the heart of our strategy. We launched a number of initiatives and offerings that brought greater flexibility and value to our customers whilst opening up new revenue streams for the future.

Our proactive approach to managing the shifting landscape of the telecommunications industry, reflected by the move from voice to data, enabled us to grow our customer number by 3% to 27 million for the year ended 31 December 2018, despite the challenging conditions in some of our markets.

Financially, we reported good growth in local currency terms, however, due to currency fluctuations, our consolidated financial results were adversely impacted. Additionally, we have seen margin compression in Kuwait, as a result of increased handset sales and weak economic conditions in Algeria. All our other operations contributed positively to EBITDA.

In Kuwait we made significant progress towards becoming the leading integrated communications provider and our customer base increased by 4% and revenues were up by 8%.

In Tunisia, we increased our mobile customer base by 7% confirming our position as the Number 1 mobile telecom player.

In Algeria we made strong progress in preparing for a data centric future, adding 1400 4G sites to its LTE network creating the first 4G network to serve 48 wilayas covering 48% of the country's population.

In Palestine we successfully rebranded Wataniya Mobile to Ooredoo Palestine aligning the company more closely with the group and enabling greater synergies. Customer numbers increased by 27% and revenue increased by 17%.

Maldives performed well, with a 5% increase in revenue and a stable customer base of 440,000.”

Review of Operations

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

Ooredoo - Kuwait

Ooredoo's customer base in Kuwait increased to 2.3 million in 2018, up by 4% compared to 2017. Revenues for 2018 were KWD 240.9 million, an increase of 8% compared to KWD 222.7 million in 2017. Higher handset sales led to an increase in revenue, while at the same time negatively impacting margins. EBITDA was KWD 55.0 million for 2018, compared to KWD 54.3 million for the previous year.

The B2B in Kuwait was enhanced by a partnership with SAP to provide best in class enterprise cloud services and by leveraging Ooredoo's state-of-the-art data centres to provide end to end IT solutions to strategic enterprise clients.

Ooredoo - Tunisia

Ooredoo's customer base in Tunisia increased 8% to reach 9.1 million customers in 2018, compared to the previous year. Growth was supported by digital offerings such as Tedallel,' an in-app multi-platform offering providing users with the flexibility to choose between voice, data or value-added services such as music, video and gaming.

The Tunisian Dinar depreciated by 9.8% year on year, leading to a decrease in revenues from KWD 127.5 million in 2017 to to KWD 126.6 million in 2018. In local currency terms, revenues were up by 9.0%. EBITDA was KWD 49.3 million in 2018 compared to KWD 50.5 million in 2017.

Ooredoo – Algeria

Ooredoo Algeria added 1400 4G sites to its LTE network creating the first 4G network to serve 48 wilayas covering 48% of the country's population. Data traffic increased 117% in 2018 compared to the previous year.

Business in Algeria was negatively impacted by the devaluation of the Algerian Dinar, intense price competition and a weak economic environment. Customer base declined by 3% to 13.9 million in 2018, compared to 2017. Revenues also decreased to KWD 228.9 million in 2018, compared to KWD 285.1 million in the previous year. EBITDA was KWD 85.3 million in 2018, down from KWD 125.5 million in 2017. Algerian Dinar depreciated by 5.5% year on year.

Ooredoo - Palestine

Ooredoo Palestine made good progress in 2018, with the launch of the 3G network in the West Bank in January 2018 Customer numbers increased by 27% to 1.3 million, benefiting from the Gaza launch in October 2017. Revenue increased to KWD 30.3 million, up by 17% compared to KWD 26.0 million in 2017. EBITDA was strong, increasing to KWD 8.0 million in 2018 compared to KD 5.7 million in 2017.

Ooredoo - Maldives

Ooredoo Maldives reported a 5% increase in revenues to KWD 38.2 million in 2018, compared to KWD 36.3 million in 2017. EBITDA was stable at KWD 19.7 million in 2018. Ooredoo Maldives now serves a total of 440k customers.

Ooredoo Maldives entered the content space with the launch of Amazon Prime Video and OpenMiTV, an application allowing television to be viewed anywhere.

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 31 December 2018 was KWD 0.714, giving a market valuation for Ooredoo (NMTC) of KWD 0.4 Billion.