



Du Announces a Further Year of Solid Performance and Delivery of Strong Shareholder Value

Emirates Integrated Telecommunications Company PJSC ("du") publishes Q4/Full Year Results for 2013

- *Du announces revenues of AED 10.80 billion close to 10% increase on 2012*
- *Annual dividend payment of AED 0.31 for full year 2013*

Dubai, 18 February 2014 – Emirates Integrated Telecommunications Company PJSC ("du") today announced its financial results for the full year and the fourth quarter of 2013 and outlined its future plans. The results show another year of solid performance for the company on all main indicators resulting in an increased dividend payout to shareholders. By continuing to invest in the business, du strives to deliver consistently excellent service for customers, generate long term value for all shareholders and contribute to the growth of the UAE's economy.

Highlights for the full year 2013:

- Revenues grew to AED 10.80 billion; a 9.7% increase against 2012 (AED 9.84 billion)
- Mobile revenue reached AED 8.37 billion, a 9.6% increase year-on-year
- Mobile data revenues increased by 33.8%, from AED 1.77 billion in 2012 to AED 2.36 billion, with Data now representing 27.7% of mobile service revenues, up from 22.6% in 2012
- Fixed line revenue grew to AED 1.71 billion, up 6.8% over the course of 2013
- EBITDA increased 7.3% to AED 4.29 billion versus 2012 (AED 4.00 billion)
- Free cash flow reached AED 2.33 billion up from AED 1.75 billion in 2012
- Net profit before royalty grew 6.7% year-on-year to AED 3.01 billion versus 2012 (AED 2.82 billion).
- Net profit after royalty stood at AED 1.99 billion up from AED 1.98 billion in 2012 despite an increase in year-on-year royalty of AED 183.5 million year-on-year
- Proposed final dividend payment of AED 0.19. This follows the AED 0.12 interim dividend issued in August bringing the total annual dividend payment to AED 0.31 per share.
 - In a one-off move, there was a special dividend of AED 0.10 declared and paid in the first week of September

Highlights for the fourth quarter:

- Revenues for the fourth quarter reached AED 2.87 billion, an 8.3% increase on Q4 2012 (AED 2.65 billion) and an 8.6% increase on Q3 2013 (AED 2.64 billion)
- EBITDA grew to AED 1.08 billion up 1.6% compared to Q3 2013 (AED 1.06 billion)
- Net profit before royalty was AED 716.4 million in Q4 2013
- Net profit after royalty grew to AED 570.0 million in Q4 2013, a 20.2% increase on Q3 2013.
- 348,300 net active mobile customers added during the fourth quarter, bringing the total mobile customer base to 7.24 million

Operational highlights:

- Reorganisation of the business into two distinct divisions: Consumer and Enterprise to enable our people to operate cross-functionally and driving greater efficiency
- Restructuring of Product Engineering function to improve product development cycle and time-to-market
- Significant infrastructure investments, including LTE and broadband coverage and additional capacity to support the leading products and services we offer
- Purchase of a 10% stake in Khazna Data Centre to better serve our Enterprise customers and aide ICT industry-related diversification



Ahmad Bin Byat, Chairman of du, said: "I am pleased to report that our business has experienced another year of solid growth, in line with our expectations. Despite a strong competitive environment, we recorded near double digit growth by developing innovative propositions to meet the requirements of our rapidly evolving customer base, including a focus on providing high speed data.

"As a result of our dedication to serving our customers and improving efficiency, we maintained robust fundamentals, have significant free cash flow, and delivered additional shareholder value.

"Going forward, we are proud to be working under the umbrella of the UAE's 2012 Vision to implement Smart Government and we look forward to contributing to the transformation of Dubai into a Smart City."

Osman Sultan, du's Chief Executive Officer, commented:

"Enhancing the customer experience remained at the heart of our business in 2013, which enabled us to deliver another strong year of growth. Over the full year we achieved good revenue growth and healthy levels of profitability driven by our strategic focus on higher value segments of the market and greater operational efficiency. Our strong performance is reflected in our net profit before royalty, which was up on 2012 at AED 3.01 billion. EBITDA for the year reached AED 4.29 billion, an annual increase of 7.3%.

"Data continued to be a key market driver during 2013 as our customers' demand for connectivity remained strong. This demand translated into significant growth in mobile data revenue, which increased by 33.8%, from AED 1.77 billion in 2012 to AED 2.36 billion. As was the case last year, data now represents a larger percentage of mobile service revenues at 27.7% up from 22.6% in 2012.

"In 2013 we also implemented a number of key management changes to ensure that the best people are in the positions to respond to the challenges and opportunities our business now faces, as we move into its next phase. We say goodbye to Mark Shuttleworth after eight and a half years of dedicated and professional service, with gratitude, and in his place welcome Amer Kazim as new CFO."

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About du

We opened for business in 2006. We offer mobile and fixed telephony, broadband connectivity and IPTV services to individuals, homes and businesses. We also provide carrier services for businesses and satellite up/downlink services for TV broadcasters. As a rapidly-growing enterprise, we have a team of experts working to enhance and expand our bouquet of service offerings. Our people come from over 60 countries - we mirror the rich cultural diversity of our nation, while being able to serve our customers in a variety of languages.

Over 50% of our senior management team and customer-facing employees are UAE nationals, and we remain committed to providing fulfilling opportunities for quality talent in a cosmopolitan working environment. By the end of Q4 2013, more than 6.8 million people and over 50,000 businesses have chosen to use our services. In a survey conducted by ARC Chart, we were named the Best Mobile Broadband Network 2012 in the Middle East and Africa region. We also ranked first in MENA's Standard & Poor/Hawkamah Environmental, Social and Corporate Governance Index in 2011.

du is 39.5 percent owned by Emirates Investment Authority, 20.081 percent by Mubadala Development Company PJSC, 19.5 percent by Emirates Communications and Technology LLC and the remaining stake by public shareholders. du is listed on the Dubai Financial Market (DFM) and trades under the name 'du'.

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