



du Q1 2015 Net Profit Before Royalty Rises 6.9% to AED 925 Million

Fixed line revenue increases 20.5%, while mobile data revenue rises 14.4%

Dubai, 28 April 2015 – Emirates Integrated Telecommunications Company PJSC ("du") today announced its financial results for the first quarter of 2015 showing a 6.9% rise in net profit before royalty to AED 925 million.

First quarter net income after royalty was flat on the year at AED 487.1 million, despite a 16.8% rise in royalty charge.

Underpinning the quarterly performance was a 20.5% rise in fixed line revenue and a 14.4% increase in mobile data revenue.

During the first quarter du continued to rigorously enforce the 'My Number, My Identity' campaign aimed at protecting subscriber privacy and detecting fraudulent behavior. As a result of this, a number of subscribers were suspended, resulting in a year-on-year decline in mobile subscribers.

Key Financial Highlights:

- Revenues amounted to AED 3.05 billion, a 3.2% increase on Q1 2014 (AED 2.96 billion)
- EBITDA rose 9.7% to AED 1.30 billion compared to Q1 2014 (AED 1.18 billion)
- Net profit before royalty was AED 925 million, a 6.9% rise on Q1 2014 (AED 865.3 million)
- Net profit after royalty was flat on the year AED 487.1 million in Q1 2015
- Total mobile customer base stood at 7.48 million by the end of Q1 2015, down 0.9% from Q1 2014 (7.55 million)

Q1 Revenue Breakdown:

- Mobile revenue totalled AED 2.23 billion, a 0.2% increase on Q1 2014 (AED 2.22 billion)
- Mobile data revenues increased by 14.4% to AED 715.6 million from Q1 2014 (AED 625.6 million)
- Fixed revenue climbed 20.5% to AED 616.1 million compared to Q1 2014 (AED 511.4 million)
- Mobile data now represents 30.9% of mobile service revenues compared to Q1 2014 (27.6%)

Commenting on the results, Osman Sultan, du's Chief Executive Officer, said:

"This quarter we delivered against our strategy of focusing on 'quality growth' as evidenced by the 20.5% rise in fixed revenue to AED 616.1 million, the 9.7% increase in EBITDA to AED1.30 billion and the 6.9% rise in net profit before royalty to AED925 million."

"Mobile data continued to be a key earnings generator during the first quarter as customer demand for connectivity remained strong. Mobile data revenue rose 14.4% to AED715.6 million during the first three months of the year and now represents 30.9% of overall mobile service revenues, up from 27.6% in the same period a year ago."

"It is worth noting that we have been rigorously applying the 'My Number, My Identity' campaign requirements over the past nine months. While we support this very worthwhile initiative, we have witnessed an impact in 2015 to our subscriber base."

"Moving forward, we remain deeply committed to the UAE's smart government initiative, and look forward to contributing more in helping make the UAE the 'smartest place on Earth'."

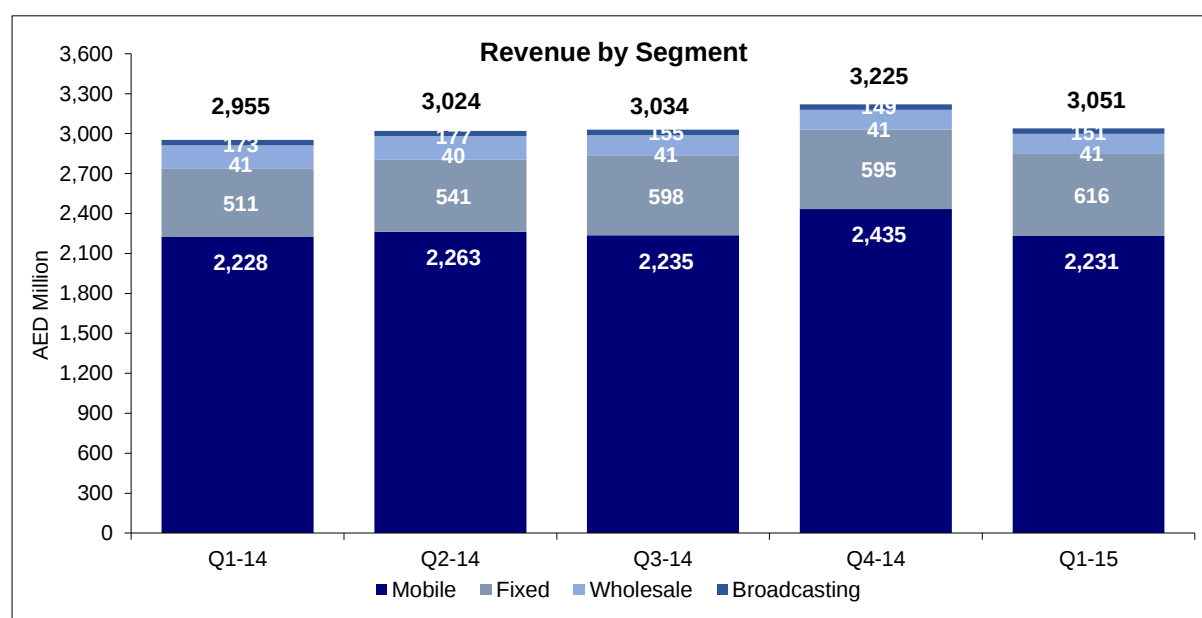


Q1 2015 Results Analysis:

Total Revenue

Overall revenue rose an annual 3.2% to AED 3.05 billion in the first quarter of 2015 with strong contributions from the mobile data and fixed line segments of the business.

Mobile revenue rose 0.2% year-on-year to AED 2.23 billion compared to Q1 2014 (AED2.22 billion). Fixed revenue amounted to AED 616.1 million, a 20.5% increase on Q1 2014 (AED 511.4 million).

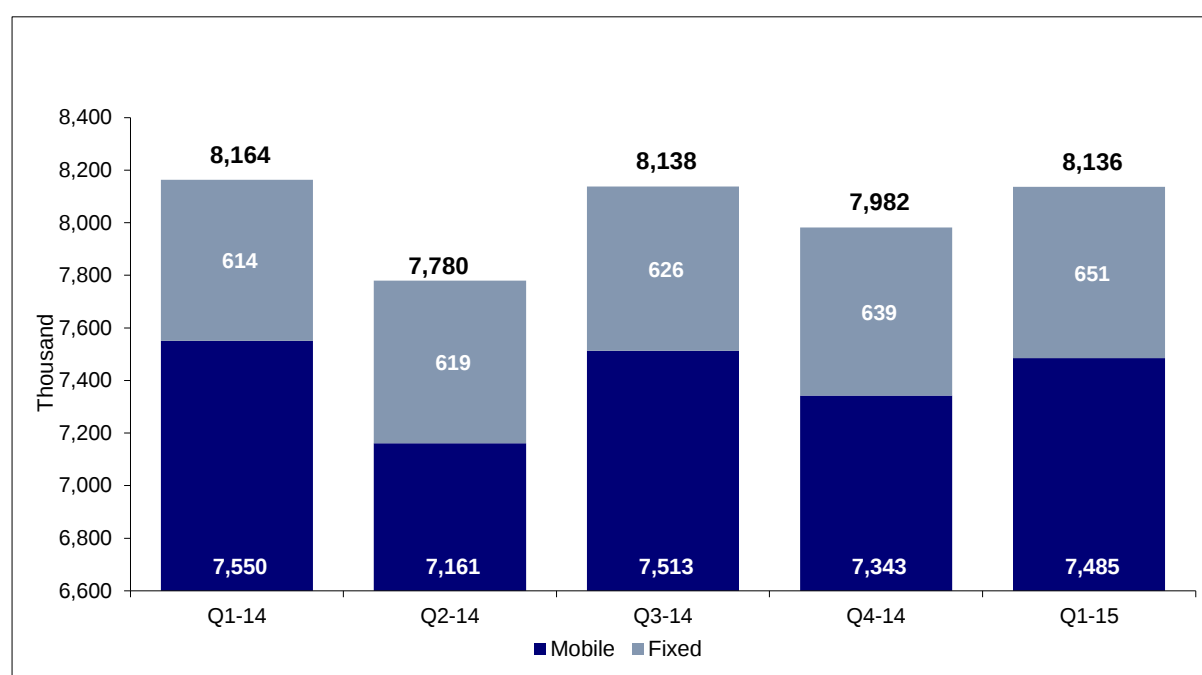




Mobile and Fixed Customer:

By the end of the first quarter, the total number of active mobile subscribers stood at 7.48 million, a 0.9% decline compared with same period in 2014. Within this, mobile postpaid customers grew 15.2% in Q1 2015 to 825,000 compared with Q1 2014 (716,000 customers).

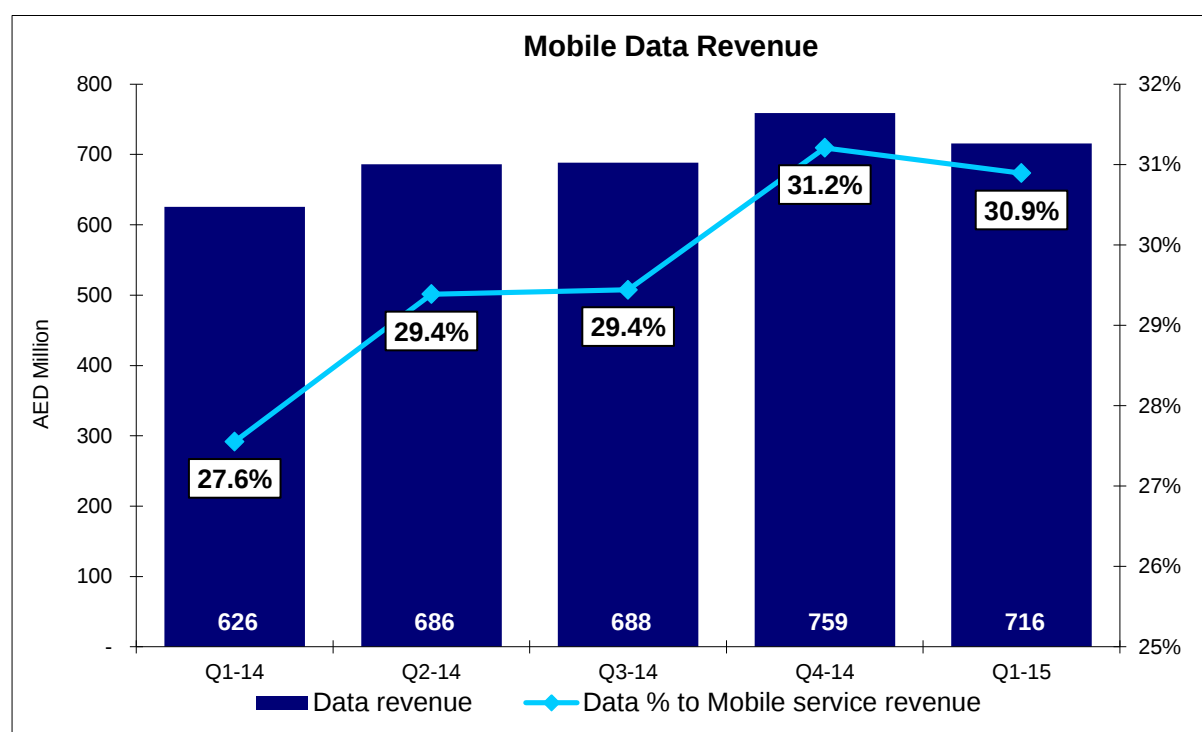
ARPU was AED 94.5 in the first quarter of 2015 in comparison to AED 92 in Q1-14.





Mobile Data:

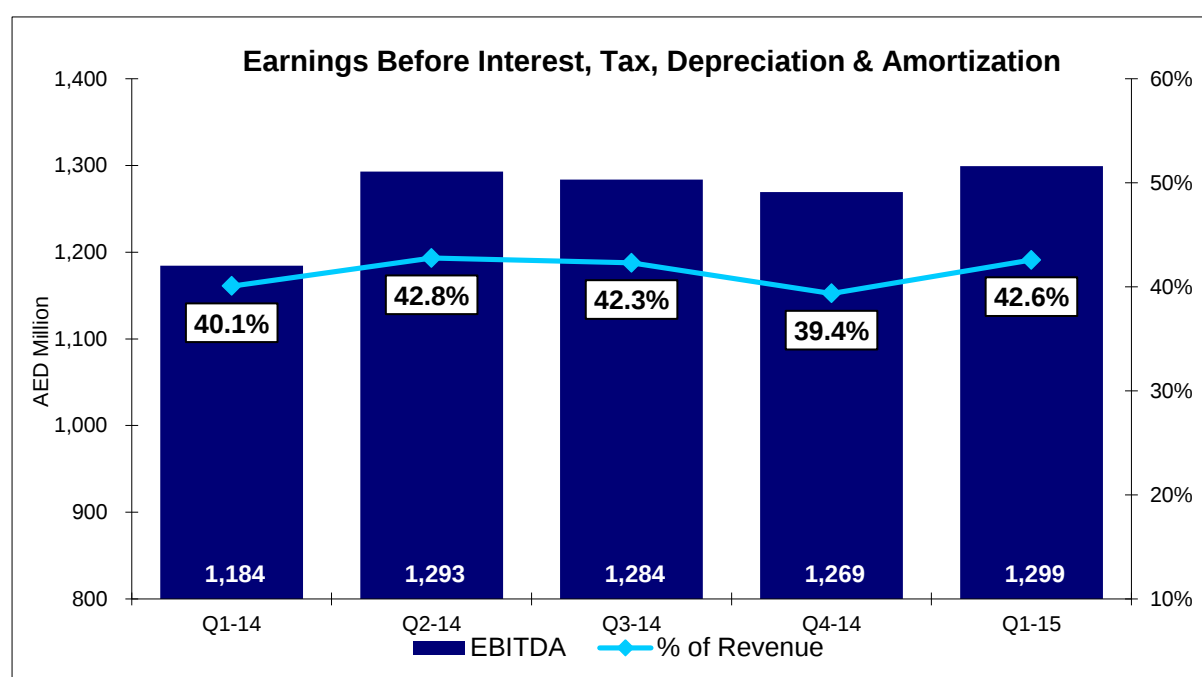
Mobile data revenue increased 14.4% to AED 715.6 million in the first quarter compared with 1Q 2014 (AED 639.1 million).





EBITDA:

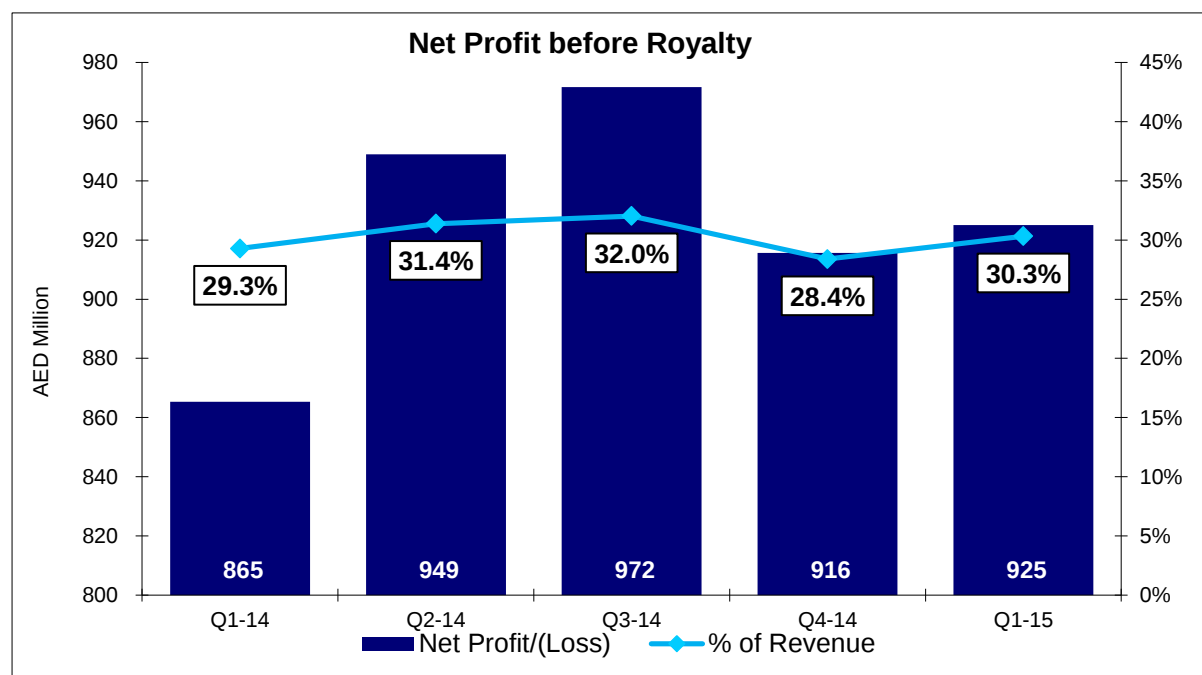
Earnings before interest, tax, depreciation and amortization (EBITDA) increased to AED 1.30 billion in the first quarter compared with 1Q 2014 (AED 1.18 billion) and now accounts for 42.6% of total revenue.





Net Profit before Royalty:

Net profit before royalty rose to AED 925 million, up 6.9% compared with Q1 2014 (AED 865.3 million).



ENDS

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. In a survey conducted by ARC Chart, we were named the Best Mobile Broadband Network 2012 in the Middle East and Africa region.

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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