



PRESS RELEASE

du Q1 2016 Revenue Grows 1.3% to AED 3.09 Billion

Fixed line and mobile data revenue underpin Q1 performance

Dubai– Emirates Integrated Telecommunications Company PJSC (“du”) today published its financial results for the first quarter of 2016 showing a 1.3% rise in revenue to AED 3.09 billion. Net profit before royalty rose 10.4% to AED 1.02 billion.

Q1 Financial Highlights:

- Revenue grew to AED 3.09 billion, a 1.3% increase compared to 2015 (AED 3.05 billion)
- EBITDA increased 7% to AED 1.39 billion versus 2015 (AED 1.30 billion)
- Net profit before royalty grew 10.4% to AED 1.02 billion compared to 2015 (AED 925.0 million)
- Net profit after royalty stood at AED 480.1 million, down from AED 487.1 million in 2015 due to an increase in year-on-year royalty of 23.6%.

Q1 Revenue Breakdown:

- Mobile revenue totaled AED 2.21 billion, a 0.9% decrease on Q1 2015 (AED 2.23 billion)
- Mobile data revenue increased by 8.9% to AED 779.0 million from Q1 2015 (AED 715.6 million)
- Fixed revenue climbed 2.3% to AED 630.3 million compared to Q1 2015 (AED 616.1 million)
- Mobile data now represents 34% of mobile service revenues compared to Q1 2015 (30.9%)

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

“We continued to make progress during the quarter, delivering the right mix of products and services to the market, and ensuring an even better customer experience. Operationally, we are executing our strategy at speed at a time when demand for digital services and data is growing rapidly.

Data has become a cornerstone of our business and the appetite for connectivity remains robust. Mobile data revenue increased during the first three months of the year, while total data usage grew exponentially during the same period.

With a growing mobile subscriber base of more than 8 million, it is clear that our customers appreciate the value of du products and services. Quality growth remains a key focus for du and a 10.1% year-on-year rise in the number of postpaid subscribers in the first quarter shows our strategy is on the right track.

We continue to align our business with the UAE’s Smart Government initiative in accordance with Vision 2021. We see Smart City as a vital component of the UAE’s drive to become a leading integrated technology provider. We are truly excited by the opportunity to help make this a reality.”

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About du

We started operating in 2007, offering mobile and fixed telephony, broadband connectivity and IPTV services. Today, we serve more than 7.5 million individual customers and over 80,000 businesses in the UAE. We also provide carrier services for businesses and satellite up/downlink services for TV broadcasters. We won the Gallup Great Workplace Award. Our recruitment strategy aims to provide fulfilling opportunities for quality talent in a cosmopolitan working environment where more than 60 nationalities work 35% of which are Emiratis. We are the first telecom company in the world to release a Sustainability Report based on GRI-G4 comprehensive guidelines. Among our other laurels, we also have the credit of being the first in the UAE to be awarded with prestigious LEED Platinum certification for 2 of our green retail outlet. du is 39.5 percent owned by Emirates Investment Authority, 20.08 percent by Mubadala Development Company PJSC, 19.5 percent by Emirates Communications and Technology LLC and the remaining by public shareholders. Listed on the Dubai Financial Market (DFM), the company trades under the name 'du'.

The company's Board members who represent Mubadala Development Company PJSC are considered related parties as Mubadala, through one of its wholly-owned subsidiaries, is the other Khazna shareholder.

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