PRESS RELEASE

du Q3 2016 Revenue Rises 2.9% to AED 3.14 Billion

Increase in Q3 postpaid mobile subscribers highlights "quality growth" strategy

Dubai, [01 November 2016] – Emirates Integrated Telecommunications Company PJSC ("du") today published its financial results for the third quarter of 2016 showing a 2.9% rise in revenue to AED 3.14 billion. Net profit before royalty rose 2.4% to AED 995.1 million.

Financial Highlights:

- Revenue for the quarter grew to AED 3.14 billion, a 2.9% increase compared to Q3 2015 (AED 3.05 billion). Year to date, revenue is up by 1.1% compared to the nine months to 30 September 2015.
- EBITDA was steady at AED 1.38 billion versus Q3 2015 (AED 1.38 billion) and up 2.6% year to date compared to 2015.
- Net profit for the quarter before royalty grew 2.4% to AED 995.1 million compared to Q3 2015 (AED 971.7 million). Net profit before royalty is up 3.9% to AED 2.99 billion year to date compared to 2015.
- Net profit after royalty stood at AED 457.2 million, down from AED 489.8 million in 2015 due to an increase in year-on-year royalty of 11.6%.

Q3 Revenue Breakdown:

- Mobile revenue totaled AED 2.22 billion, a 2.7% increase on 2015 (AED 2.16 billion)
- Mobile data revenue was largely flat at AED 737.3 million versus 2015 (AED 741.8 million)
- Fixed revenue increased 3.7% to AED 681.1 million compared to 2015 (AED 656.8 million)
- Mobile data now represents 33% of mobile service revenues compared to 2015 (32.9%)

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

"Our consistent focus on improving the entire customer experience, while providing the right mix of products and services to the market, has resulted in a steady performance during the quarter. Revenue and EBITDA remain at healthy levels and free cash flow is robust, despite an increase in the amount of royalty paid to the government. A 10.9% increase in postpaid mobile customers during the quarter shows our commitment to 'quality' growth remains intact.

"du is an enabler of the economic development of the UAE as well as a facilitator of communication between the Emirates and the rest of the world. We are proud to support residents and citizens of the UAE, as well as those who travel here, to communicate with each other and their families as well as do business. This quarter, du reduced roaming rates during Hajj, expanded its retail network and continued to create innovative tools for business customers with the launch of du's Enterprise Mobility Management Solutions.

"As demand for digital services and data continues to grow significantly, the challenge for the entire telecommunications industry is finding ways to better monetise this structural shift. Nevertheless, as we move towards becoming a truly integrated digital enabler, we remain focused on delivering more innovative data solutions for our customers and continue to see data and digital services, as well as managed services, as key areas of growth for our business.

"In this fast-evolving digital world we continue to align our business with the UAE's Smart Government initiative in accordance with Vision 2021. As a strategic partner we are particularly excited to help promote the smart future agenda, and through new-to-market innovation we have a prominent role to play in establishing Dubai as the Smartest City of the future."

ENDS

About du

We started operating in 2007, offering mobile and fixed telephony, broadband connectivity and IPTV services. Today, we serve more than 8.1 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'.

Media Contacts:

Bell Pottinger

Tim Falconer: tfalconer@bellpottinger.com; +971 55559 7398
Amy Piek: apiek@bellpottinger.com; +971 55459 3260
Rima Ali: (Arabic) rali@bellpottinger.com; +971 55559 7414