

Emirates Integrated Telecommunications Company PJSC (du) Announces Final Dividend Payment of AED 0.21 Per Share

Annual Revenue Rise of 3.2% to AED 12.73 billion

Mobile subscribers increase by 12% during 2016

Dubai, UAE, 16th February 2017: Emirates Integrated Telecommunications Company PJSC (“du”) today published its financial results for 2016 and proposed a final dividend of AED 0.21 bringing the annual dividend payment to AED 0.34 per share. This includes an AED 0.13 per share interim dividend paid in October 2016.

(AED Millions)	Full Year Analysis		
	FY 2015	FY 2016	% change
Revenue (AEDm)	12,337	12,727	3.2%
Fixed line revenue (AEDm)	2,555	2,668	4.4%
Mobile revenue (AEDm)	8,940	8,968	0.3%
Net Profit before Royalty (AEDm)	3,862	3,864	0.1%
Net Profit after Royalty (AEDm)	1,941	1,753	(9.7%)
Mobile Subscribers	7.723	8.646	12.0%

Commenting on the results, Ahmad Bin Byat, Chairman of EITC, said: “I am pleased to report another year of steady growth and also extremely proud of how the company has delivered against its strategic objectives in what were, at times, challenging conditions.

“During 2016, we continued to focus on operational efficiency and enhancing the overall customer experience. By embracing new technology and integrating innovation across our entire business we were able to maximize value for both our customers and shareholders.

“As a result of our financial performance, we have proposed a total annual dividend of AED 0.34 per share, subject to approval at our Annual General Meeting (AGM). This incorporates the AED 0.13 per share interim dividend paid in October 2016.

“As a company, we remain firmly committed to many of the UAE government’s initiatives aimed at improving the lives of UAE citizens and the development of a digitally-enabled ecosystem. During 2016, we continued to progress and integrate smart initiatives throughout our business, in accordance with the UAE’s Smart Government ambitions and Vision 2021. We are both honoured and excited to be part of the strategy that will facilitate digital integration across the UAE.

“We believe that telecommunication is key to improving the quality of people’s lives. We remain dedicated to developing strategies, products and services that support the evolution of our city into a truly smart city, one that improves the lives of UAE residents for generations to come.”

Osman Sultan, EITC’s Chief Executive Officer, added: “Our underlying financial and operational performance in 2016 was solid. We added almost a million new mobile customers during the year, while our focus on cost efficiency maintained our EBITDA levels whilst we invested in our transformation to an integrated digital provider.

“While most of our key indicators showed improvement in 2016, a near 10% rise in the amount of royalty paid to the government meant net profit was lower compared with the previous year.

“In today’s fast-changing telecoms environment, we continue to look beyond traditional revenue streams, adapting our business model to explore ways of better leveraging our digital offering in order to create more value. We have continued to invest in our network, allowing us to capture more opportunities from our increasingly data-centric business. The 52% increase in data usage over FY 2015 shows our customer’s appetite for data consumption has increased dramatically as we release more competitive offers into the market. However, the industry-wide issue of monetizing data remains a challenge.

“Post-period EITC announced the introduction of its second brand, Virgin Mobile, to strengthen its telecommunications offerings. The announcement made in January, is in line with our vision of becoming a digital transformation partner and an ICT solutions provider, geared towards meeting the growing requirements of the fast-paced and dynamic country in which we operate. In addition, as part of our continuous drive for efficiency, we identified some areas where we believe we could optimize our operations.

“Moving forward, we plan to continue our close cooperation with our strategic partners to develop a full range of smart services and cloud solutions, providing only the best possible assistance to du customers, but also helping drive the UAE’s innovation agenda as well as Dubai’s transformation into the smartest city in the world.”

ENDS

About Emirates Integrated Telecommunication Company PJSC (EITC)

The Emirates Integrated Telecommunications Company (EITC) was founded in 2006 as the UAE’s second licensed telecommunications provider. EITC has two telecommunications brands under its umbrella; du was launched in 2007 and serves 9 million active subscribers and over 100,000 businesses throughout the UAE. EITC recently introduced its second brand Virgin Mobile in the market.

EITC is 39.5 percent owned by Emirates Investment Authority, 19.75 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’.

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