



Press Release

du Announces Third Quarter 2009 Results

Strong Growth in EBITDA and Net Profit 233,200 net mobile subscribers added during the quarter

Dubai, 1 November 2009– Emirates Integrated Telecommunications Company ("du") today announced its third quarter 2009 results¹.

Highlights for the third quarter:

- 3,139,100 active² mobile subscribers at quarter end, up from 2.1 million versus Qtr 3 2008 (a 51% increase)
 - 233,200 net active mobile additions during the quarter
 - 25,900 net increase in post-paid mobile additions in Q3
- Revenues for the quarter of AED1,332.9 million consistent with the previous quarter and up 25.8% vs Q3 2008
- EBITDA³ of AED297.3 million, representing an increase of 22.8% vs Q2 09 (AED242.1 million), and 192.9% vs Q3 08 (AED101.5 million)
- Net profit (before royalty) of AED157.1 million for the quarter a 398% outperformance vs Q3 08 and up 36% vs Q2 09

Commenting on the results, Ahmad Bin Byat, Chairman of du, said, "We are pleased with the results for the quarter. Again, du has shown that it is the preferred mobile provider in the country with its impressive performance this quarter in terms of its new customer's additions and its overall financial performance".

¹ All financial reports have been disclosed in accordance with IFRS standards.

² Defined by the Telecommunications Regulatory Authority as a customer that has sent or received a call, or sent an SMS or MMS within the last 90 days

³ Earnings before interest tax, depreciation and amortization (EBITDA) is a commonly used performance indicator in the telecommunications industry and demonstrates the underlying performance of a company





"In a challenging economic environment, du continues to focus on its core business objectives, our customers, by providing continual upgrades to our network infrastructure and product range in order to bring continued customer satisfaction on all interactions with the company. Both profit and subscriber number growth is a clear indication that we have a robust business strategy".

Osman Sultan, du's Chief Executive Officer, said, "du has maintained its growth strategy and remains Emirates focused, as well as securing further market share. du has seen continued growth of mobile subscribers with 233,200 additional net subscribers added for the quarter. Despite seasonal influence du has maintained positive profit and EBITDA growth demonstrating du's commitment to both customers and shareholders".

"During the quarter du has continued to enhance both network coverage and product range with the launch of the du "Business Super Plan" a new mobile plan for Small to Medium Enterprises, as well as enhancing our network coverage throughout the UAE".

"du continues to provide market leading information on our active customer base especially with regards to our pre- and post-pay mobile subscriber additions. This reinforces a strengthening in these business segments with post paid attracting 25,900 subscribers during the quarter".

"Our vision is to provide superior network capabilities as well as competitive products and services and as such our investment programme for our network capabilities are in line with our strategic capital expenditure program for 2009 where we are on target to invest around AED 2 billion and expect to spend a similar amount on Capex during 2010"

Q3 2009 results analysis

Revenues remained steady during the quarter and are comparable to Q2 at AED 1,332.9 million. Revenue performance across our fixed and mobile segments was positive with mobile providing the largest gains with increased subscriber numbers. Revenue growth was

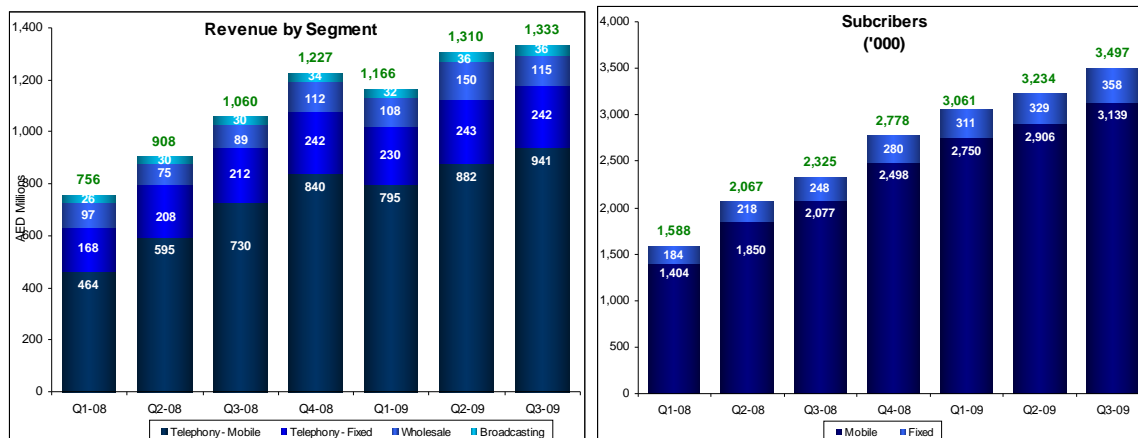




seen across all business segments, with the exception of the wholesale which was highlighted in Q2 09 as being exceptional.

Revenues for du's fixed business, including fixed telephony, TV and Broadband, totalled AED241.6 million from 358,000 lines compared to AED242.6 million Q2 09 and AED211.8 million during the same quarter in 2008.

Combined revenues of AED1,332.9 million showed an increase of 25.8% compared to the same time last year (AED1,059.6 million). The mobile sector provided the strongest revenue with growth of 28.8% compared to the same period last year.



Total active mobile subscribers increased to 3.139 million with 233,200 subscribers additions during the quarter. Mobile revenues for the quarter again reached record highs achieving AED940.6 million an increase of 6.7% over Q2 09 (AED881.6 million) and 29% year on year (AED729.6million).

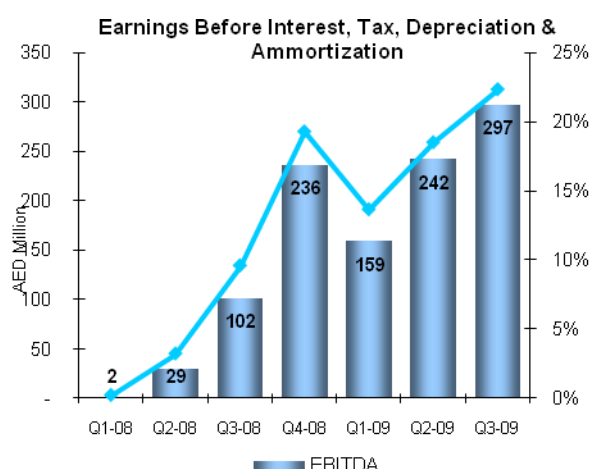
During the third quarter du's pre and post paid mobile subscriber numbers saw continued growth with the addition of 25,900 post-paid mobile subscribers, representing a 55% increase in subscriber additions over the second quarter as a result of continued marketing strategy to increase market share. Post-paid customers represent 3.6% of du's mobile business. Pre-paid mobile subscribers also increased with an additional 207,300 subscribers added for the quarter.



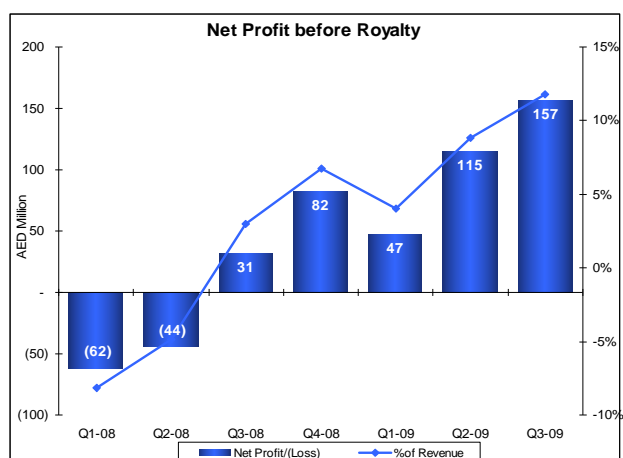


Total overheads decreased to AED579 million in the quarter, compared with AED620.9 million in the previous period. This is a result of du's continued focus on cost controls and driving efficiencies, the percentage of costs to revenue fell from 47% in Q2 to 43% in Q3.

Earnings Before Interest, Tax and Depreciation (EBITDA) increased to AED297.3 million up 23% compared to Q2 09 of AED242.1 million and a significant increase to the same period in 2008 of AED101.5 million or 193%. This represents 22% of revenues, up from 18% of revenues in the second quarter of the year, again highlighting du's effective cost control management.



Net profit before Royalty for the quarter was AED157.1 million corresponding to a 36% increase from the previous quarter and an impressive 398% increase when compared to Q3 2008.





du's ongoing capital expenditure (CAPEX) programme is on track to exceed AED 2 billion in 2009, with AED 424 million accounted for during Q3 2009 bringing year to date expenditure to AED 1466.7 million. The CAPEX programme is fundamental to du's ongoing growth strategy and is resulting in enhanced network capabilities, as well as continued competitive products and services. du expects to continue with its CAPEX programme and expects to commit an additional AED 2 billion during 2010.

- Ends -

About du

du, the integrated telecom service provider in the UAE, launched mobile telecommunication services in February 2007 across the UAE, in addition to internet and pay TV services that du provides in some of the free zones of Dubai. Call Select, du's nationwide fixed line services for voice telephony, was launched in July 2007. By the end of 2008, over 3 million people in the UAE chose to become du customers.

Among du's many firsts is its historic Number Booking Campaign for both individuals and business, Pay by the Second billing system, Mobile TV, Mobile Payments, first of its kind 'WoW' recharge card (which offers customers the choice between more credit, more time and now 'more international' recharge option with additional credit on international calls) and Self Care.

For business customers, du business offers include Closed Business User Group and preferred International Destinations. du Broadcast Services division brings scalable media technology platforms and telecommunication solutions to the broadcast community through its world class teleport (Samacom) and Master Control Room (MCR) facilities.

du products and services for consumers and business are available through du's retail network, currently numbering 33 du shops located in strategic locations across the UAE, more than 3000 authorized dealers Or through du e-shop, accessible at <http://www.du.ae/en/where-to-buy/eshop.html>. du shops are a one stop shop for mobile service, carrier select and the payment of the service bills.

du is 39.5 percent owned by the UAE Federal Government, 19.75 percent by Mubadala Development Company, 19.5 percent by Emirates Communications & Technology Company LLC and the remaining stake by public shareholders. It is listed on the Dubai Financial Market (DFM) and trades under the name du.

Awards to date

- du wins prestigious 2009 Global Telecoms Business Innovation Award, together with VOSS and Cisco, in recognition of du's implementation of an industry leading unified communication service delivery platform (UC SDP).
- du presented with an award for Best Middle Eastern Local Currency Deal 2008 by UK's EuroWeek





- du won two prestigious awards at UAE Web Awards 2008. du e-shop portal won the best strategic online portal award in the e-commerce category and du media club website won the bronze award in the media and press category.
- du corporate brand launch campaign awarded a Cristal MENA award in 2008
- du declared 'Best Brand' at Telecoms World Awards Middle East 2007 for innovative branding and outstanding brand success
- Second place in the New Brand Launch category at the GMR Effectiveness in Marketing Awards 2007
- Silver Award for the best website in the ICT category at the UAE Web Awards 2007
du WoW TV Commercial awarded amongst the best 50 TV commercials in mobile telecom category in the world for 2007

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