

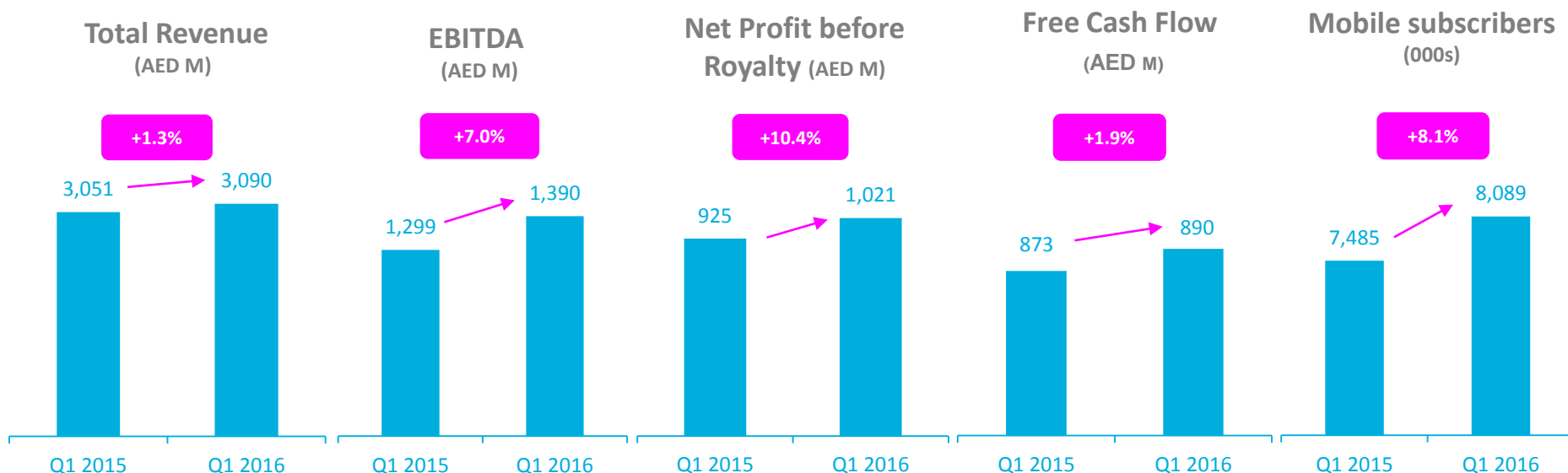
# Q1 2016 Results

Emirates Integrated Telecommunications Company PJSC

April 2016



# Q1 Financial Highlights



## Profitable revenue growth

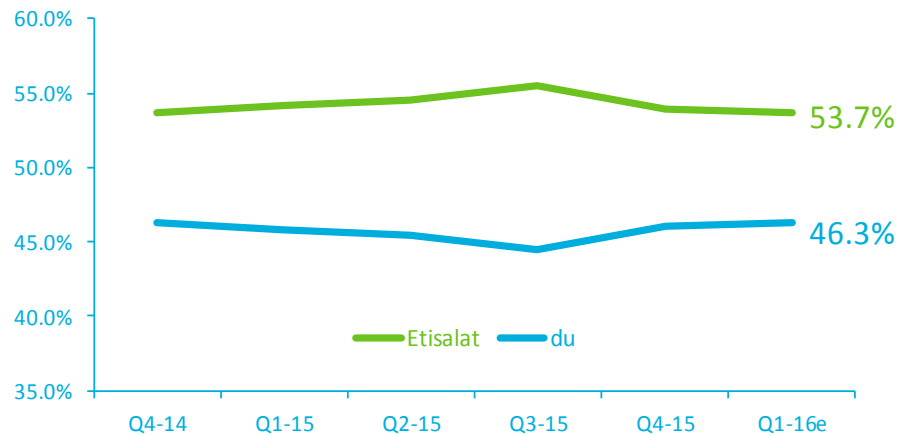
- EBITDA favourably impacted by change of estimate of bad debt provision and settlement of prior year expenses
- Steady growth in mobile subscriber base



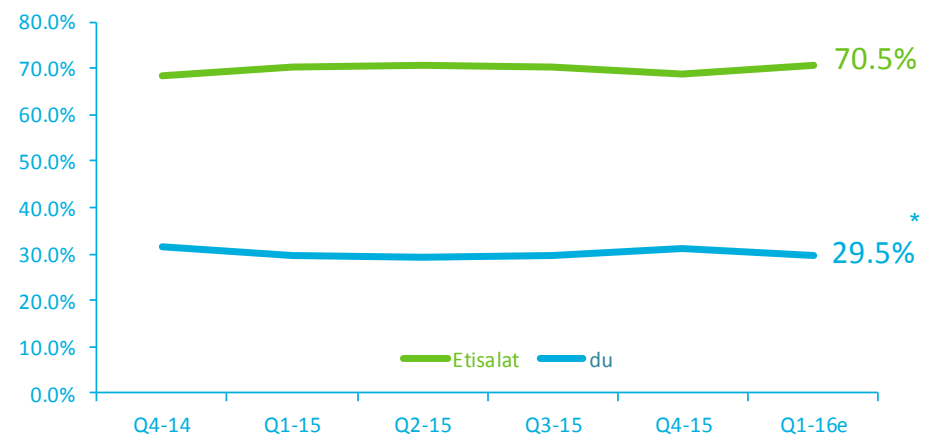
# Market overview

Market share consolidation – sustain competitiveness in the market

## UAE Mobile Subscribers - Market share quarterly evolution



## UAE Telecom Market – Revenue share quarterly evolution



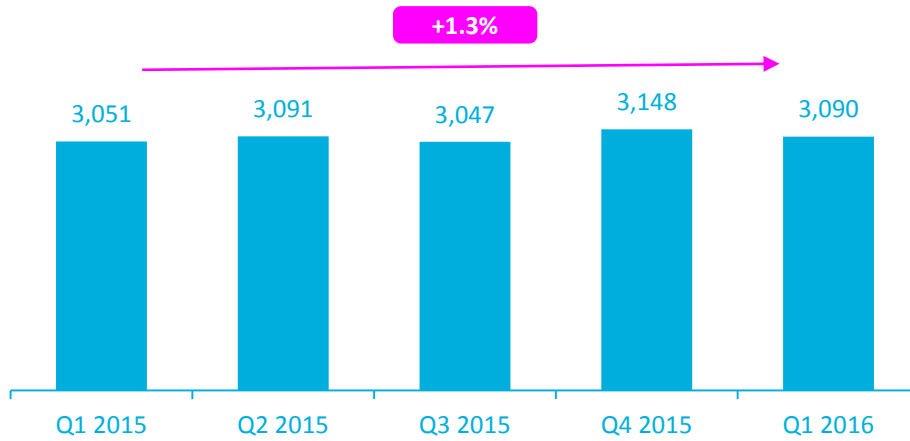
\* du revenue share for the last 12 months is 30.0%

Source: TRA Market Statistics Feb 2016, Internal estimates, Etisalat Quarterly analyst presentations

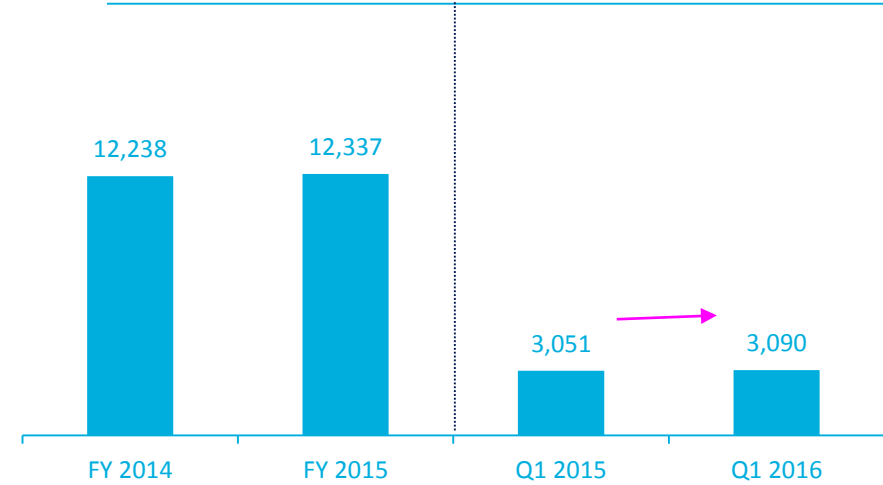


# Total Revenues

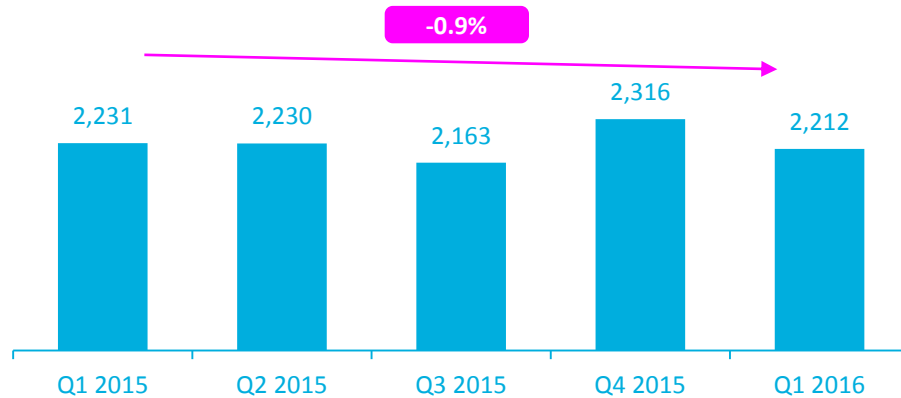
## Quarterly Revenue (AED M)



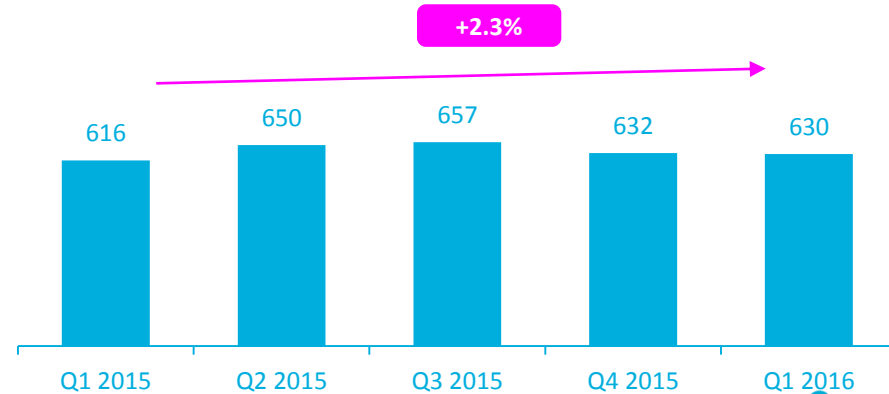
## Full Year revenue (AED M)



## Quarterly Mobile Revenues (AED M)



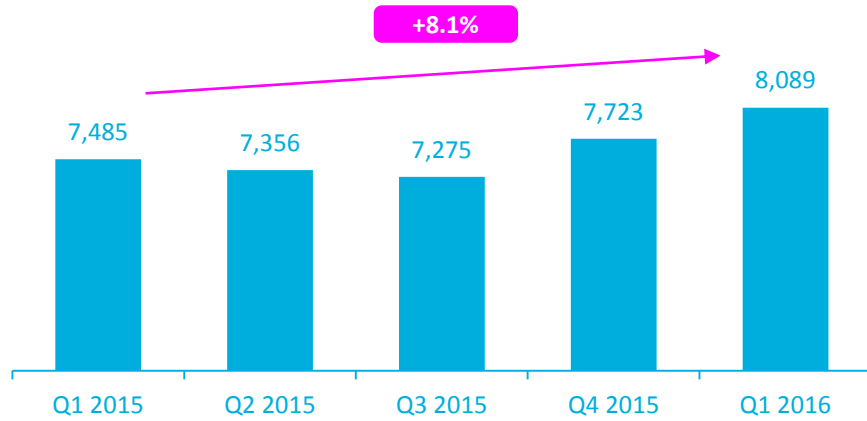
## Quarterly Fixed Revenue (AED M)



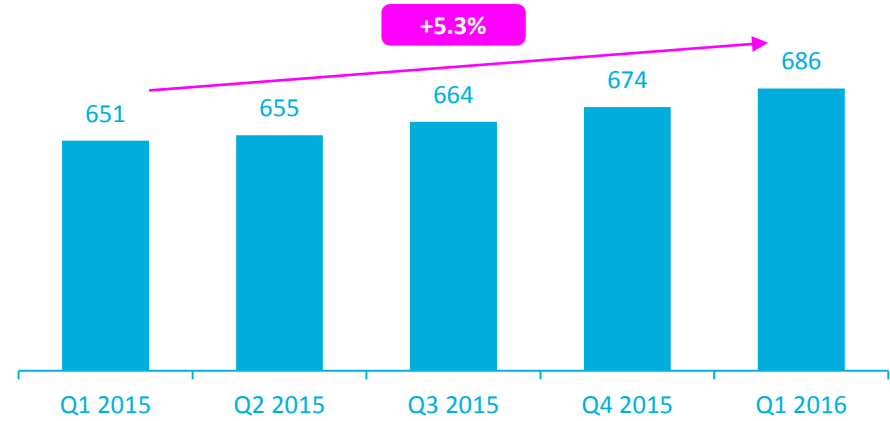
# Revenue Drivers

Increase in mobile subscribers impacted by MNMI

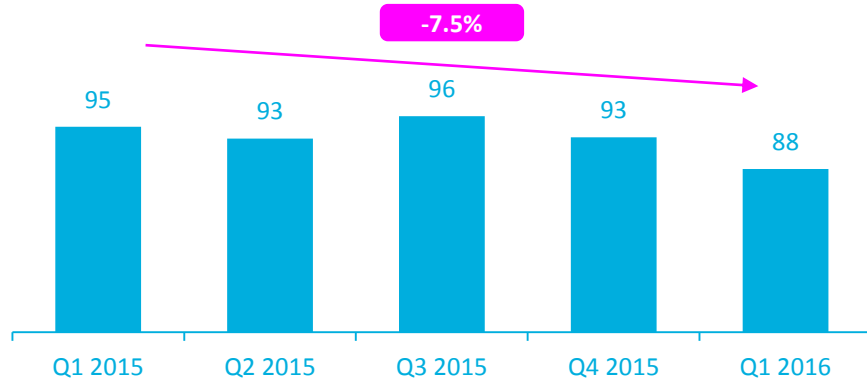
## Mobile Subscribers Active 90 Days ('000)



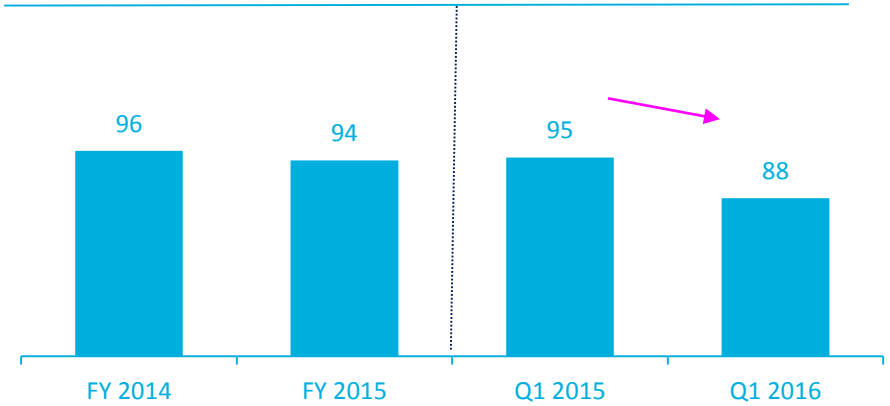
## Quarterly Fixed Lines ('000)



## Quarterly Mobile ARPU (AED)



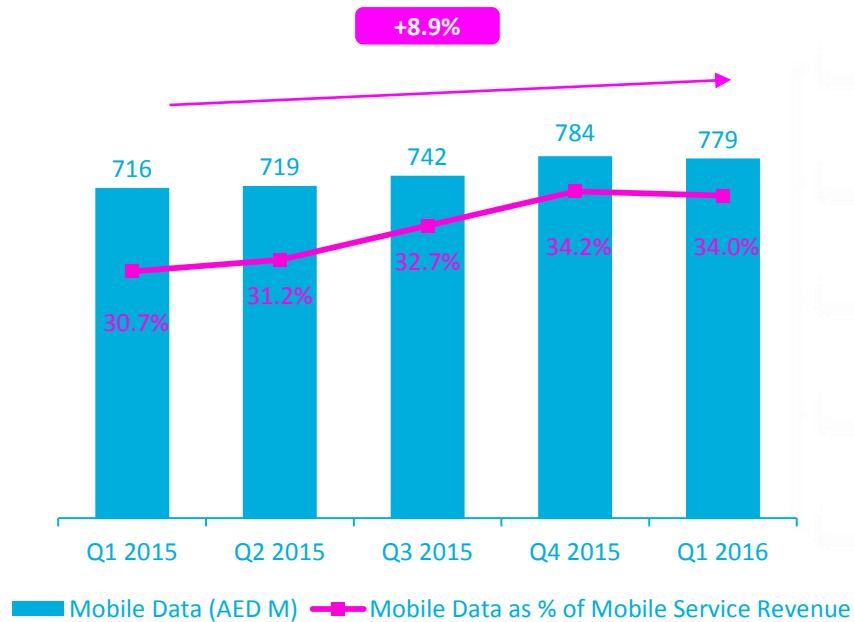
## Full Year Mobile ARPU (AED)



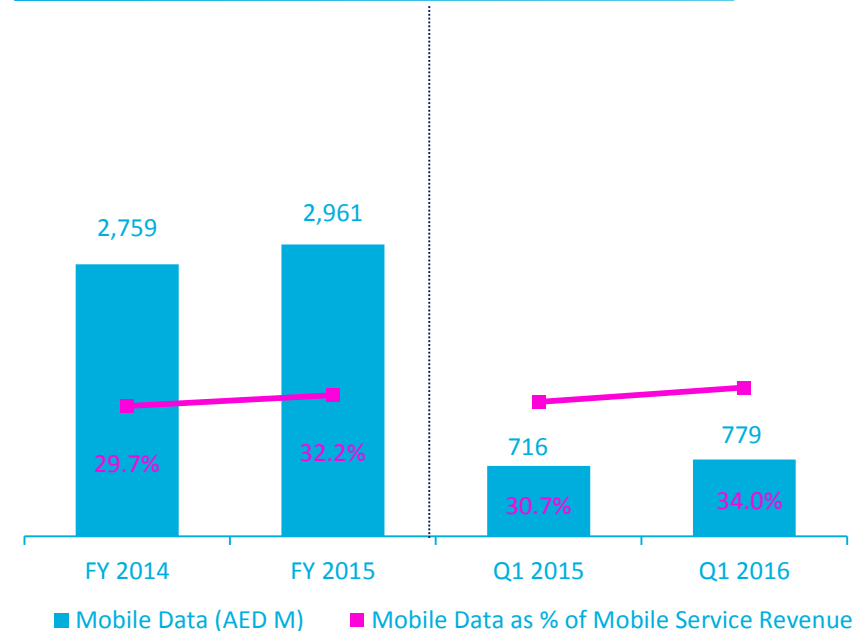
# Revenue Drivers – Mobile Data

Data revenues continue to grow steadily

## Quarterly Mobile Data Revenues (AED M)

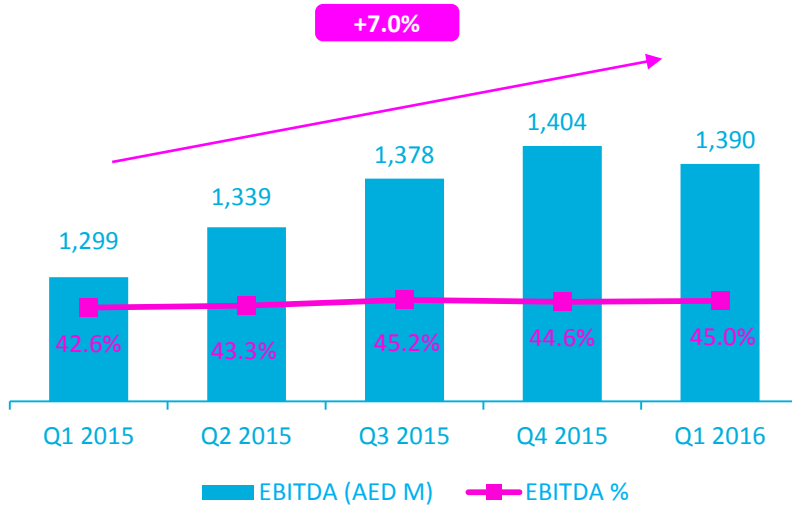


## Full Year Mobile Data Revenues (AED M)

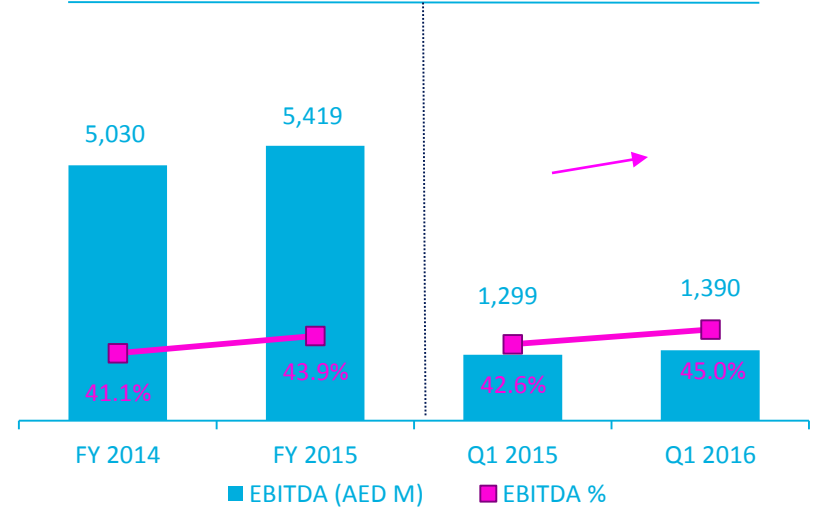


# EBITDA

Quarterly EBITDA (AED M)



Full Year EBITDA (AED M)



## Steady improvement in EBITDA

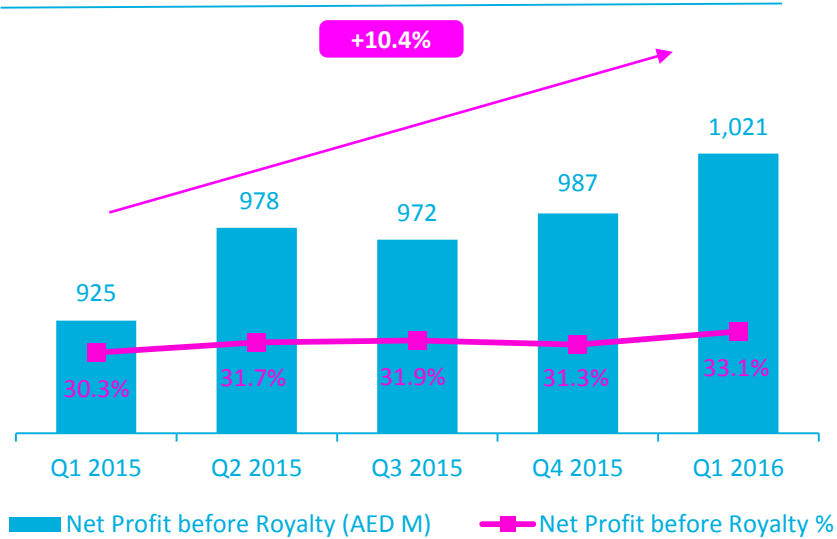
- EBITDA favourably impacted by a change of estimate of bad debt recognition and a favourable settlement of prior year expenses



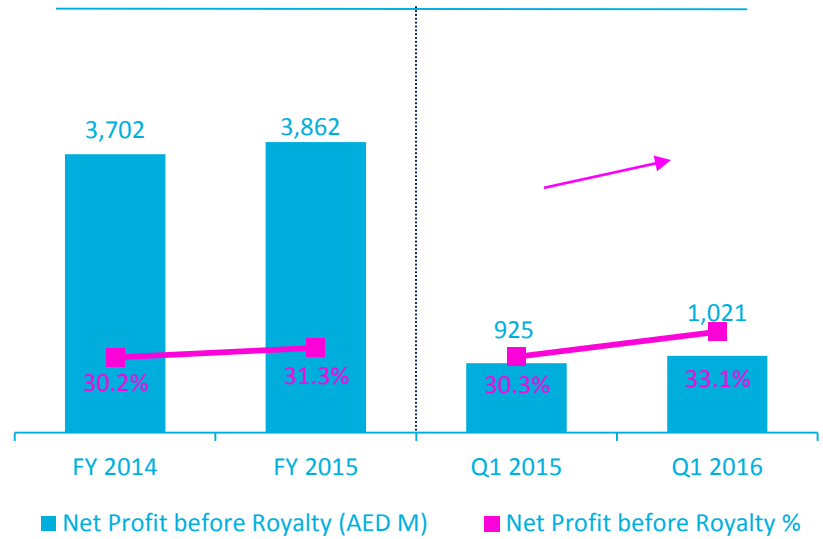
# Net profit before royalty

Solid Net Profit Before Royalty growth

Quarterly Net Profit before Royalty (AED M)



Full Year Net Profit before Royalty (AED M)



## Net Profit before Royalty growing

- Net Profit before Royalty impacted favourably by a change in bad debt recognition policy and favourable settlements related to prior years

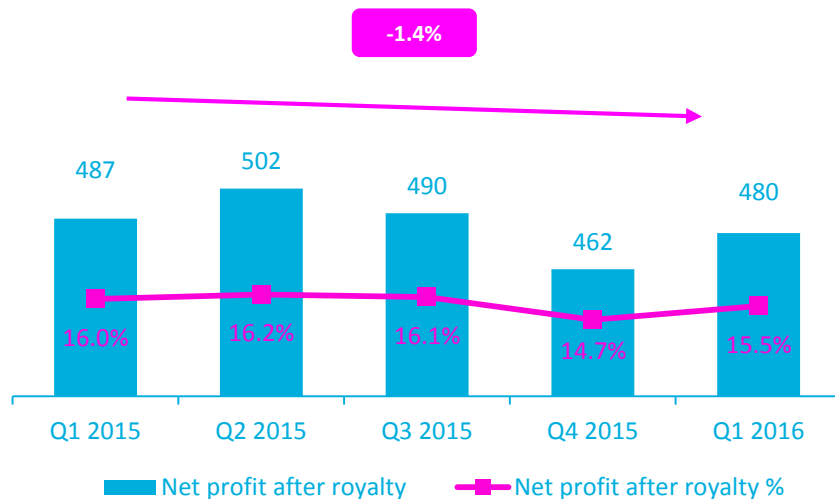




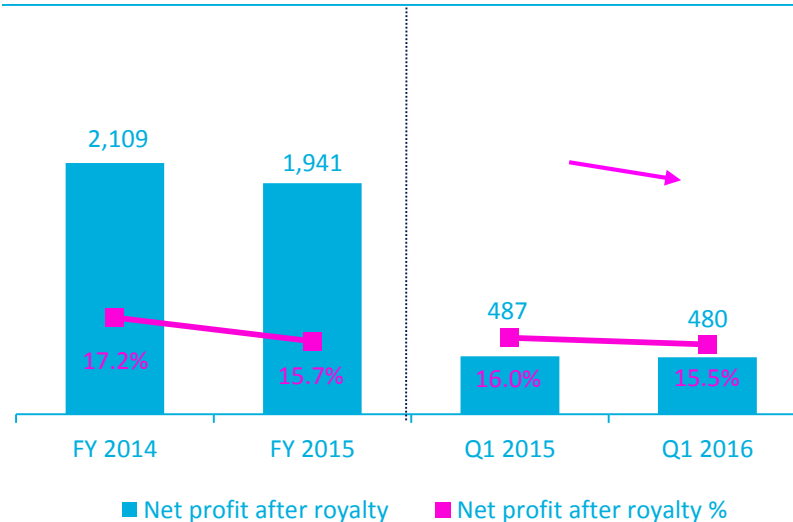
# Net Profit after Royalty

Increasing royalty rates – Effective royalty increasing to 53.0% from 47.3% in Q1 2015

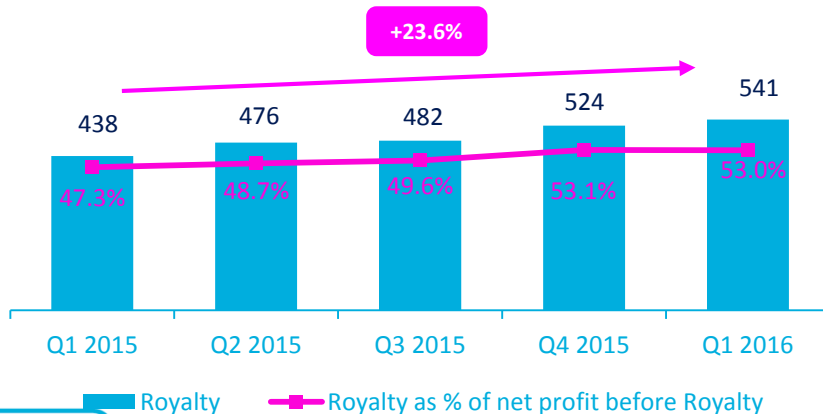
## Quarterly Net Profit after Royalty (AED M)



## Full Year Net Profit after Royalty (AED M)



## Full Year Royalty (AED M)



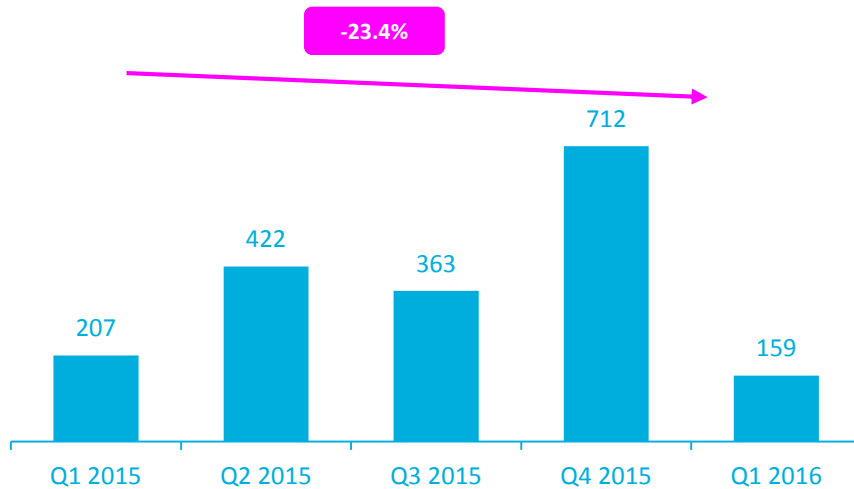
## Royalty Rates Compared

Royalty	2013	2014	2015	2016
Royalty rate on Regulated Revenue	7.50%	10.00%	12.50%	15.00%
Royalty rate on Net Profit	20.00%	25.00%	30.00%	30.00%

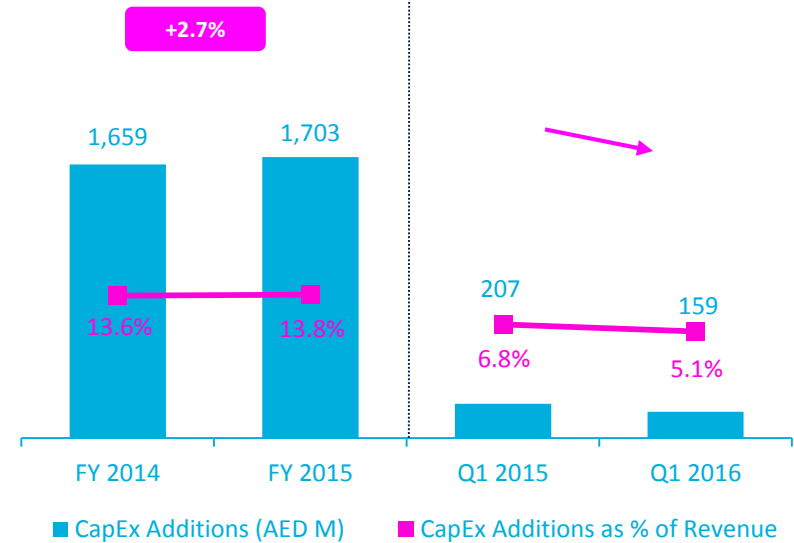


# Capital Investments

## Quarterly CapEx Additions (AED M)



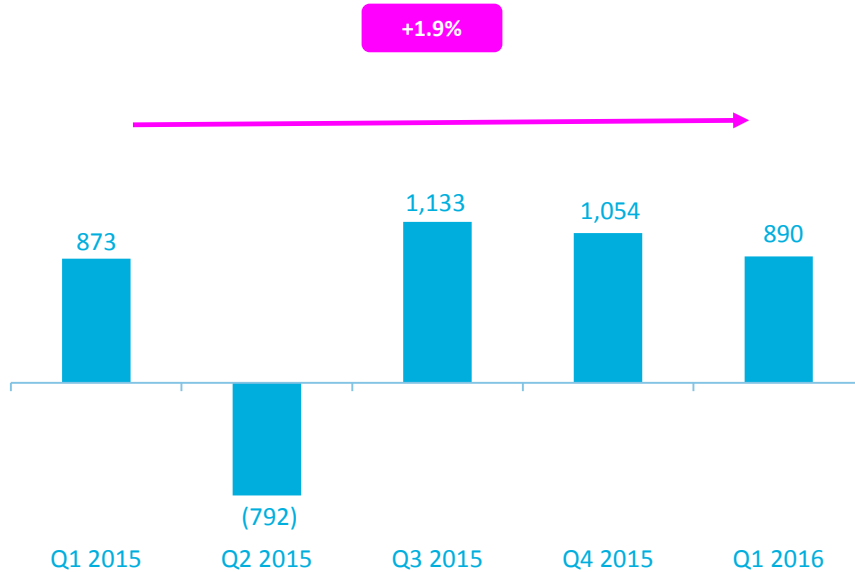
## Full Year CapEx Additions (AED M)



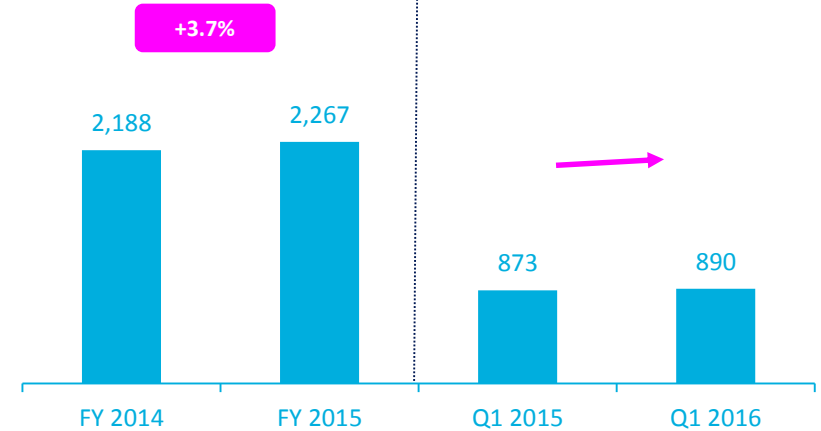
# Free cash flow

Solid free cash flow generation

<sup>\*</sup>  
Quarterly Free Cash Flow (AED M)



Full Year Free Cash Flow (AED M)



\* Free cash flow is defined as cash from operations less spending on tangible and intangible assets and investments in subsidiaries and associates

# Disclaimer

- Emirates Integrated Telecommunications Company PJSC (hereafter "du") is a telecommunication services provider in the UAE.
- du cautions investors that certain statements contained within this document state management's intentions, hopes, beliefs, expectations or predictions of the future are forward-looking statements.
- Management wishes to caution the reader that forward-looking statements are not historical facts and are only estimates or predictions. Actual results may differ materially from those projected as a result of risks and uncertainties, but are not limited to:
  - Our ability to manage domestic and international growth and maintain a high level of customer service
  - Future sales growth
  - Market acceptance of our product and service offerings
  - Our ability to secure adequate financing or equity to fund our operations
  - Network expansion
  - Performance of our network and equipment
  - Our ability to enter into strategic alliances or transactions
  - Co-operation by the incumbent in provisioning lines and enabling us to interconnect our equipment at the local exchange
  - Regulatory approval processes
  - Changes in technology
  - Price competition
  - Other market conditions and associated risks
- The company undertakes no obligation to update publicly any forward-looking statements, whether as a result of future events, new information, or otherwise.
- For further information about the company, or material contained within this forward looking statement, please direct your enquiries to our Investor Relations team by email at [investor.relations@du.ae](mailto:investor.relations@du.ae) or by telephone on +971 4 434 5101.

