

Earnings Release

Kuwait Telecommunications Company K.S.C.P.

2015
First Quarter

VIVA



VIVA's financial results

for the 3 month ended 31 March 2015

Kuwait's fastest-growing telecom operator, announced on 3 May 2015, its operational profits of KD 12.2 Mn during Q1-2015, a 34% increase compared to KD 9.1 Mn recorded during Q1-2014, and net profits of KD 10.4 Mn, a 21% increase compared to KD 8.6 Mn recorded during Q1-2014.

Key Figures & Ratios	Q1-2014	Q1-2015	Growth
Subscribers (Mn)	2.27	2.51	+11%
Revenue (KD Mn)	55.4	66.5	+20%
Operating Profit (KD Mn)	9.1	12.2	+34%
Operating Profit Margin	16%	18%	+2pts.
Net Profit (KD Mn)	8.6	10.4	+21%
Net Profit Margin (%)	15%	16%	+1pt.
EPS (Fils)	17	21	+21%
Equity (KD Mn)	18.1	60.3	+232%
BVPS (Fils)	36	121	+232%

Key Financial

Highlights

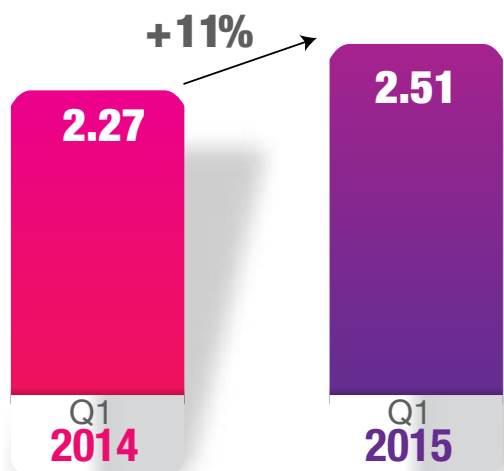
- Strong and growing client base witnessing an increase of 11% to reach 2.51 Mn subscribers as of 31 March 2015, compared to 2.27 Mn at the end of March, 2014.
- VIVA continued to report a remarkable growth with mobile revenues in Q1-2015 growing 20% to reach KD 66.5 Mn compared with KD 55.4 Mn achieved in Q1-2014.
- Operating Profit grew 34% Y-o-Y, with an operating profit margin of 18% recording 2 pts improvement compared to the same quarter last year.
- VIVA's bottom line saw a robust growth during the first quarter of 2015 recording a net profit of KD 10.4 Mn up by 21% as compared to KD 8.6 Mn recorded during the same period in 2014.
- Total Assets have increased by 29% to accumulate to KD 232.5 Mn at the end of Q1-2015 compared to KD 179.5 Mn at the end of same period last year.
- Shareholders equity base increased by 232% to reach KD 60.3 Mn at the end of Q1-2015 compared to KD 18.1 Mn at the end of Q1-2014.

Key Developments

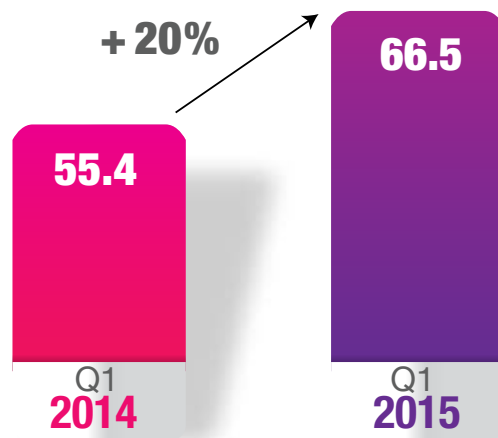
& Operational Highlights

- Eng. Salman Bin Abdulaziz Al-Badran made the list of the Best 100 Chief Executive Officers (CEO) in the Gulf Cooperation Council (GCC) region for 2015.
- During the annual AGM, VIVA's shareholders elected a new board of directors.

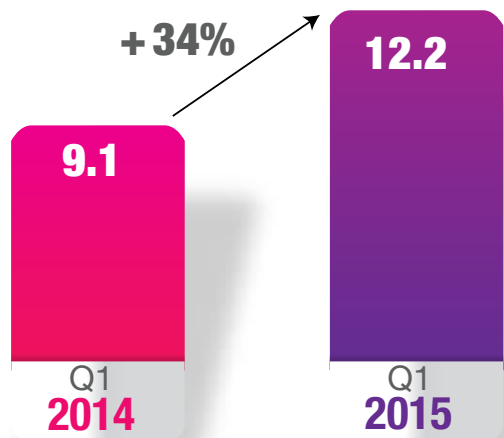
Subscribers
(Mn)



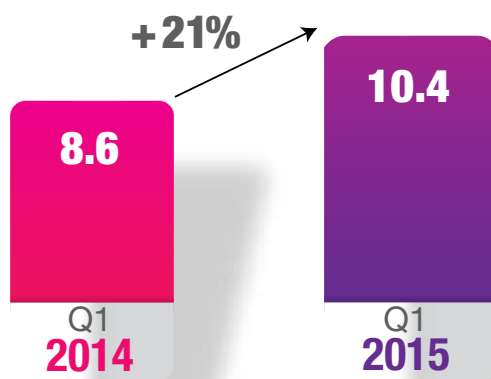
Revenue
(KD Mn)



Operating Profit
(KD Mn)



Net Profit
(KD Mn)



Chairman Statement

Commenting on the financial results, Dr. Mahmoud Ahmad Abdulrahman, VIVA's Chairman, said: "I am pleased to announce that VIVA continued to deliver solid and excellent performance at the beginning of another year. These financial results reflect the company's hard work and the dedication of the board of directors, the executive management and employees reaffirming our commitment to achieving excellent outcomes in an exceptionally competitive telecom market in Kuwait." He added: "The company was able to deliver outstanding results in revenues and profitability, and maintained our excellence in guaranteeing cash flows and positive returns for our shareholders, driven by our commitment to improving the quality of customer service and our operational efficiency."



CEO Statement

Eng. Salman Bin Abdulaziz Al-Badran, VIVA's Chief Executive Officer said: "We are glad to have ushered in 2015 with these strong financial results. We were able to uphold our leading edge in customer service, which had a positive impact on our strong financial performance and improved our market share. This also helped us establish our position as the second largest telecom operator in Kuwait with our customer base reaching 2.51 million subscribers. We are looking forward to playing a central role in providing smart capabilities and harness telecom solutions to provide the latest and most advanced services to our customers." Adding: "The solid performance of revenues and operational efficiency contributed to the improved profitability. VIVA recorded a revenue of KD 66.5 million in Q1 2015 representing an increase of 20% when compared to same period last year. This has resulted in a net profit of KD 10.4 million or earnings per share of 21 fils as compared to a net profit of KD 8.6 million in Q1 2014 (earnings per share of 17 fils).



CFO Statement

Abdulaziz Abdullah Al Qatie, Chief Financial Officer said: "VIVA's performance continued to be steady and strong which enhanced the company's main financial indicators, and increased its customer base. This has positively impacted free cash flow that reached KD 10.3 million by the end of the first quarter of 2015, reflecting growth of 692% when compared to same period last year." Al Qatie concluded: "We shall continue to work hard to implement our strategy and improve our competitiveness in order to achieve further growth and success in the future."



YTD – 2015 Stock

Performance and Indicators



Closing Price (KD)	High Price (KD)	Low Price (KD)	Volume Traded (Mn Shrs)	Value Traded (KD Mn)	Number of Deals	Share Turnover (%)	YTD Return (%)
0.880	0.920	0.590	239.6	184.5	45,142	48%	+35.4%

Source: Kuwait Stock Exchange,

Note: Data provided in the above table as of 30 April 2015

- End -

About VIVA

VIVA is the fastest-growing telecom operator in Kuwait. Launched in December 2008 and was listed on Kuwait Stock Exchange during December 2014. VIVA makes things Possible for its customers by transforming communication, information and entertainment experiences. The company has rapidly established an unrivalled position in the market through its customer centric approach. VIVA's quest is to be the mobile brand of choice in Kuwait by being transparent, engaging, energetic and fulfilling. VIVA continues to take a considerable share of the market by offering an innovative range of best value products, services and content propositions; a state of the art, nationwide network and world-class service. VIVA offers internet speeds of more than 100 Mbps, due to the implementation of the most advanced fourth generation (4G LTE) network in Kuwait resulting in superior coverage, performance and reliability.

Investor Relations:

Investor.relations@viva.com.kw

Tel: +965 5000 1911

www.viva.com.kw