

Earnings Release

Kuwait Telecommunications Company K.S.C.P.

2015

9 months ended 30 September

VIVA



VIVA's financial results

for the 9 months ended 30 September 2015

Kuwait's fastest-growing telecom operator, announced on November 1, 2015, its operational profit of KD 37.7 Mn during the first 9 months of 2015, a 17% increase compared to KD 32.3 Mn recorded the same period during last year, and net profit of KD 32.8 Mn, a 12% increase compared to KD 29.3 Mn recorded during 9 months - 2014.

These results are the culmination of VIVA's commitment to providing high quality services to its clients and increasing operational efficiency to create more value and higher revenues to shareholders. In addition these results also reflect the company's contribution to the growth and development of the telecom industry in Kuwait.

Key Figures & Ratios	9 Months - 2014	9 Months - 2015	Growth
Subscribers (Mn)	2.38	2.41	+1%
Revenue (KD Mn)	174	204	+17%
Operating Profit (KD Mn)	32.3	37.7	+17%
Operating Profit Margin (%)	19%	18%	-1pt.
Net Profit (KD Mn)	29.3	32.8	+12%
Net Profit Margin (%)	17%	16%	-1pt.
EPS (Fils)	59	66	+12%
Equity (KD Mn)	38.9	82.7	+113%
BVPS (Fils)	78	166	+113%

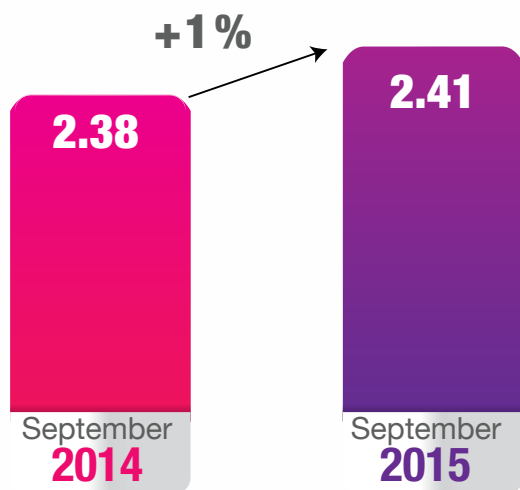
Key Financial**Highlights**

- VIVA continued to report a remarkable growth with mobile revenue for the 9 months ended 30 September 2015 growing by 17% to reach KD 204 Mn compared to KD 174 Mn in the same period last year.
- Operating profit grew by 17% Y-o-Y, compared to the same period last year, with a margin of 18%.
- VIVA's bottom line grew by 12% to reach KD 32.8 Mn for the 9 months ended 30 September 2015 compared to KD 29.3 Mn reported during the same period last year.
- Shareholders equity base increased by 113% to reach KD 82.7 Mn at the end of September 2015 compared to KD 38.9 Mn at the end of September 2014.
- Client base witnessing an increase of 1% to reach 2.41 Mn subscribers as of 30 September 2015, compared to 2.38 Mn at the end of September 2014.

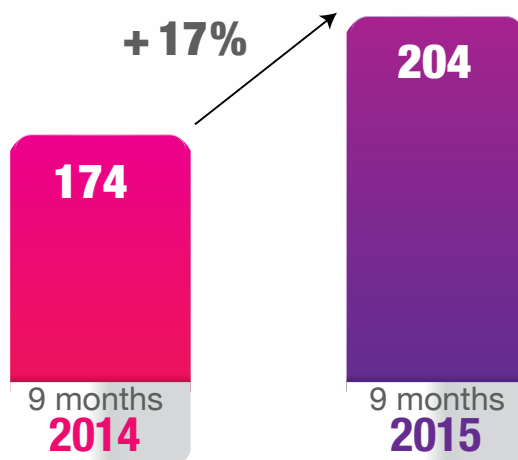
Key News, Developments**& Operational Highlights**

- **VIVA announces opening of 'The VIVA Coded Academy':** In cooperation with 'Coding Campus' one of the most highly renowned coding schools in the United States. 'The VIVA Coded Academy' will be the first coding school of its kind in Kuwait and the entire GCC and will offer highly rigorous and challenging programs to students looking to their software engineering and programming skills ('coding')
- **VIVA Partners with MBC to Launch Mobile Payment for SHAHID PLUS Service:** In an initiative that is the first of its kind in Kuwait, VIVA's customers can pay subscription fees from their mobile devices. The agreement became possible because of the strategic partnership between MBC Group and Intigral, the Middle East leading digital hub.
- **VIVA and Microsoft Announce Direct Operator Billing for App Purchases:** The unique initiative will enable VIVA customers to purchase apps from the Windows store without a credit card, and the same would be directly charged to their monthly post-paid bill or debited from their prepaid account.

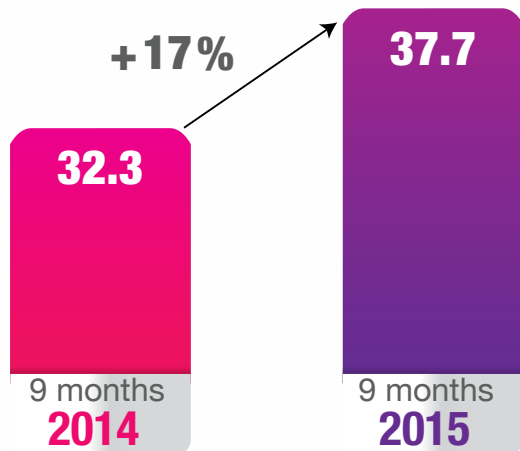
Subscribers (Mn)



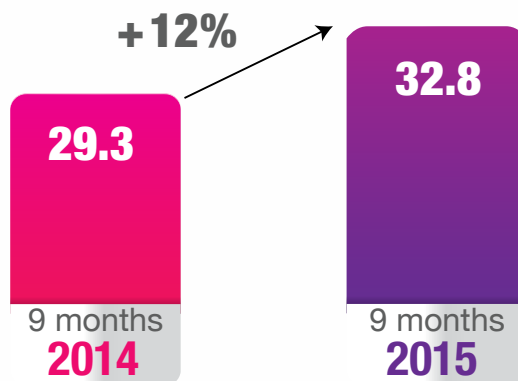
Revenues (KD Mn)



Operating Profit (KD Mn)



Net Profit (KD Mn)



Chairman Statement

Dr. Mahmoud Ahmad Abdul Rahman, VIVA's Chairman, commenting on the financial results: "The excellent financial results posted by VIVA, represent groundbreaking achievements consistently delivered throughout the year. This milestone achieved by the hard work and dedication of VIVA's Board of Directors, senior management, and employees to maintain the highest professional standards in the workplace, while serving the best interests of the company and its valued customers. Our strong performance also reflected our efforts and devotion to achieving excellent results in Kuwait's competitive telecom market."

"VIVA was able to generate KD 32.8 million in net profit (earnings per share of 66 fils) in nine-month period 2015 compared to KD 29.3 million (earning per share 59 fils) in the corresponding period last year. These results reveal the solid performance of the company's revenues and operations through the continued upward trend of financial and operational indicators. This reflected positively on shareholder equity which reached KD 82.7 million, a 113% increase compared to the corresponding period in 2014," Dr. Abdul Rahman added.

"The strong performance of revenues and profitability was yet another great achievement by VIVA. This enabled the company to maintain its leading edge while guaranteeing cash flow and generating positive returns for our shareholders. VIVA's commitment to continuous improvement of customer service quality and profitability will help improve growth opportunities in the long term. It will also enable the company to create more value for our customers and shareholders in the future", Dr. Abdul Rahman concluded. to create more value for our customers and shareholders in the future", Dr. Abdul Rahman concluded.



CEO Statement

Eng. Salman Bin Abdul Aziz Al-Badran, VIVA's Chief Executive Officer stated: "The positive indicators reflected by the nine-month period 2015 financial results met our goals, reaffirming the company's effective strategy skilfully implemented throughout its operations while safeguarding shareholder equity and ensuring the highest return for them.

"VIVA was able to accomplish this growth in an extremely competitive telecom market in Kuwait. VIVA was able to maintain its position as the second largest telecom operator in the Kuwaiti market in term of subscribers and revenues, which positively affected the company's financial performance, expanded our market share while increasing our customer base by 1% to reach 2.4 million subscribers at the end of September 2015. Total revenues reached KD 204 million, representing a strong growth of 17% compared to the same period last year," added Al-Badran.

"VIVA's commercial presence across Kuwait has been expanded, as we are reaching currently 70 branches", continued Al-Badran.



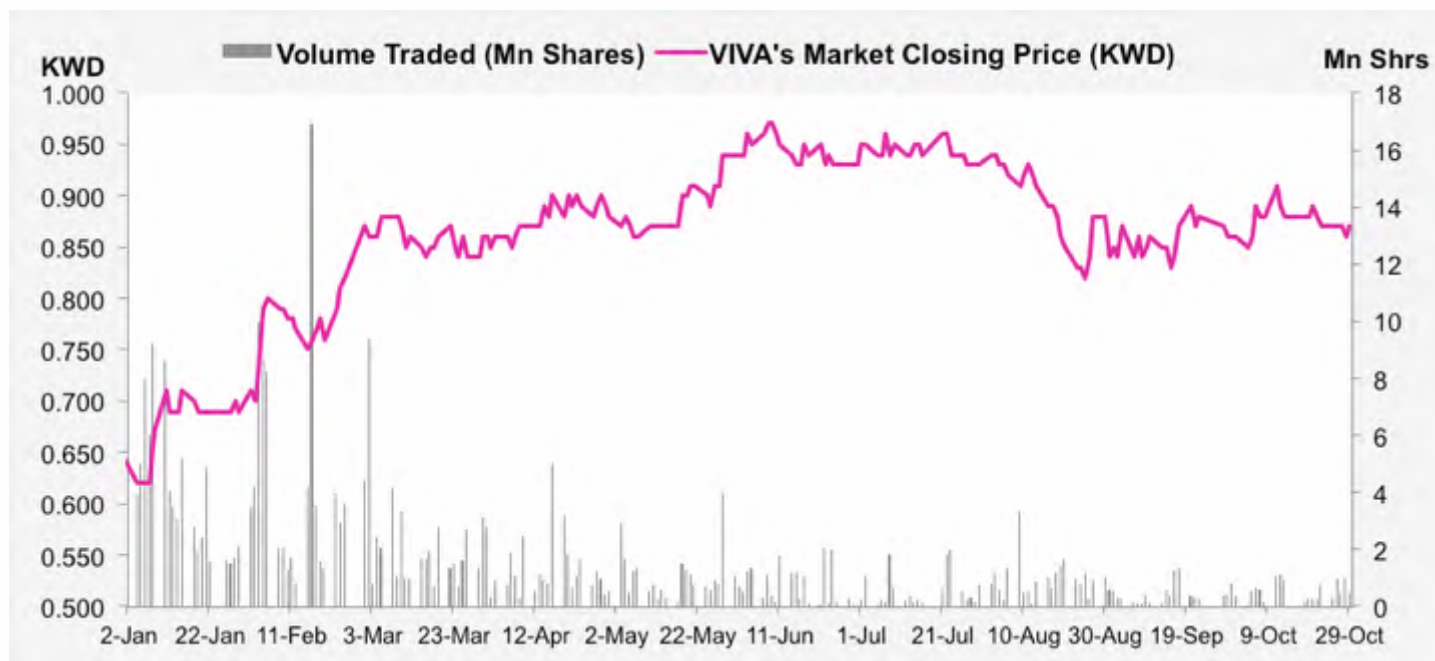
CFO Statement

Abdulaziz Abdullah Al Qatie, VIVA's 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 affected free cash flow, which has reached KD 32 million at the end of the nine-month period of 2015, reflecting a growth of 292%, compared to the same period in 2014. We will continue our hard work in implementing our strategy to increase our competitive edge and achieve further growth and success in the next period."



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 (%)
0.870	0.970	0.590	331.6	267.3	61,192	66.4%	+33.8%

Source: Kuwait Stock Exchange,

Note: Data provided in the above table as of 29 October 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.

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