

Omantel Group Performance - 2011

January - September 2011
Presentation to Investor Community
Conference Call on
15th November 2011 at 2 PM (Oman time)



معاً
Together

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Group Performance



Group Performance Highlights

Growth on track

- Group Revenue increased by 5.5% to RO 333.2 Mn.
- Impressive growth in **Domestic Retail** Revenues – 8% (contributed by both fixed & mobile).
- 13.7% growth in Corporate revenues.

Impressive margin

- Net Profit of RO 82.7 Mn.
- Maintained **Healthy EBITDA** of 46% (53% excluding Royalty)
- Domestic EBITDA 48%. (excluding Royalty 55%)
- Net profit margin of 25%.

Strong & growing subscriber base

- Group customer base grown by 4.1%. (*from 3.437 Mn compared to 3.303 Mn - incl WTL*).
- Continued robust Mobile Subscriber acquisition – Total Market Growth 3.6%, Oman Mobile achieved growth of 8.0%. 120% of the total market net additions (Q3'2011 Vs Q3'2010).
- Growth in both post & pre paid mobile subscriber base (8.3% and 3.4% respectively) and mobile broadband by 77%.

Group Performance Highlights

Market Leadership

- Oman Mobile network subscriber base grown to 2.687 Mn (57.3% Market share) and 60.55% revenue share (*absolute increase of 1.55% compared to Sep'10*).
- Fixed line market share is 94% and 84% revenue share.

Strong balance sheet

- Debt Ratio is 27%.
- Group total assets of over RO 657 Mn.
- Net worth of RO 480 Mn.
- Net Asset per share is RO 0.620

Impressive market fundamentals

- Dividend Yield 8.7% (based on closing price of September 2011).
- Market Capitalization at RO 0.859 Bn (Sep'11).
- Price Earning Ratio {P/E 7.81.
- EV / EBITDA 4.21.
- Price to Book Value 1.85

Group Performance Highlights

Strong Corporate brand image, Corporate Social Responsibility, Achievements

- Omantel supported the Information Technology Authority (ITA) for its “National PC Initiative” with the objective to increase the ownership and usage of personal computers amongst certain segments (e.g. social welfare, students and teachers) of the Omani population. Omantel has provided free internet service upto one year as part of this initiative.
- *During last Ramadhan, Omantel organized its third Ramadhan Charity Campaign reflecting the values of (Give, Share & Care). Around 5000 families in all regions have benefitted from the main activities of the campaign.*
- Recognized award of ISO 9001:2008 certification for the quality of MPLS services provided to Corporate segment.
- The First Arab Telecom Company To Join Global TD-LTE Initiative (GTI).

Group Performance Analysis



Performance Highlights

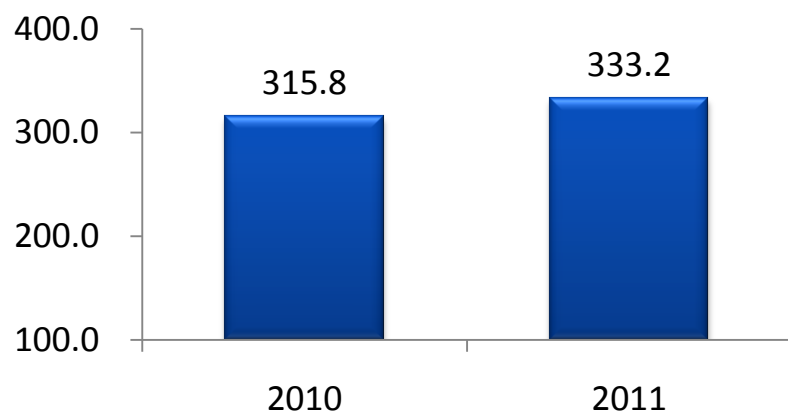
In RO Mn	Three Months ended 30 Sep 2011			Nine Months Ended 30 Sep 2011		
	2011	2010	Change%	2011	2010	Change%
Revenue	109.9	97.4	13%	333.2	315.8	5.5%
EBITDA	58.5	50.6	15%	175.0	170.2	2.9%
EBITDA%	53%	52%		53%	54%	
Net Profit	28.0	22.4	25%	82.7	83.0	(0.3%)
Net Profit %	26%	23%		25%	26%	
Group Customer Base (In Mn)				3.437	3.303	4.1%

Note: EBITDA adjusted to exclude Royalty Expenses. Including Royalty, the comparative EBITDA will be 46% (Yr 2011) and 47% (Yr 2010)

Group Revenue continued its growth and achieved overall growth of 5.5%, while domestic operation revenue growth is 5.9%

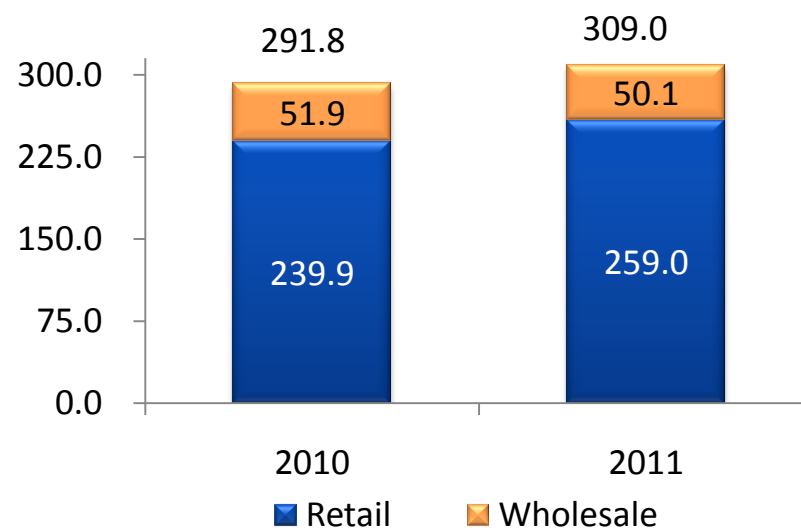
Consolidated With Worldcall

Group Revenue in RO Mn



Domestic Operation

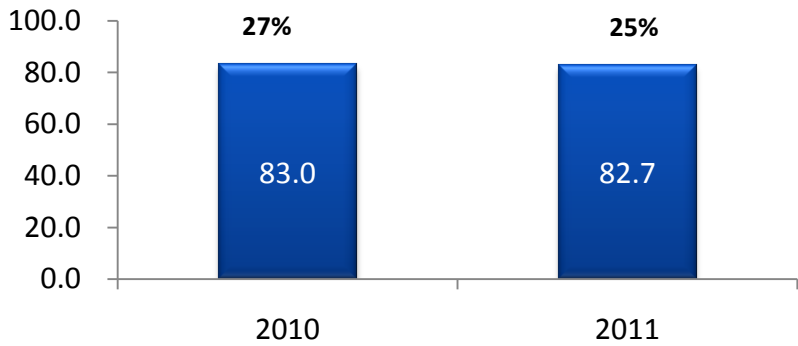
Domestic Revenue in RO Mn



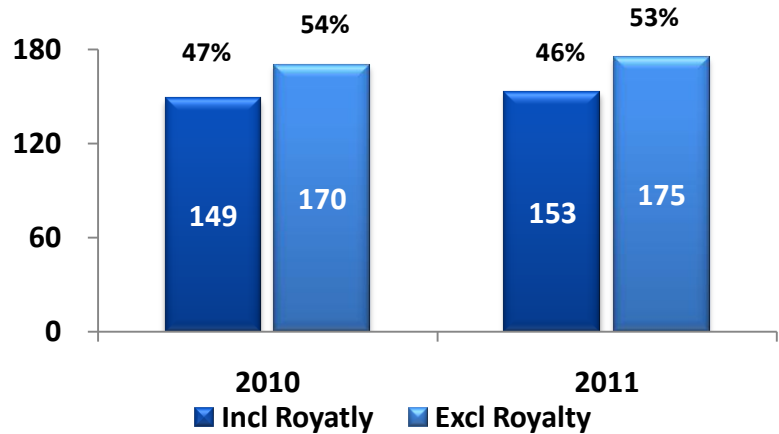
Group Net Profit and EBITDA continue to be healthy

Consolidated with Worldcall

Group Net Profit in RO Mn

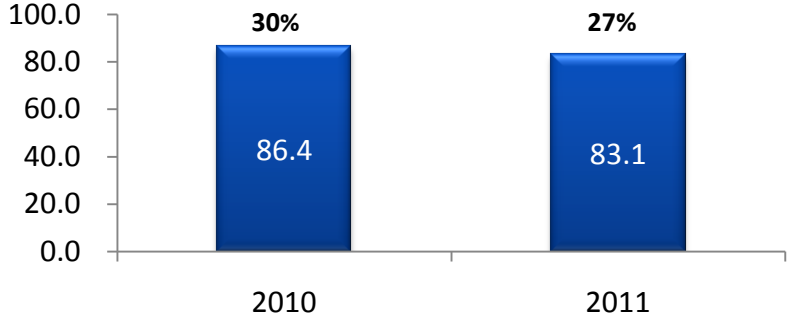


EBITDA RO Mn & %

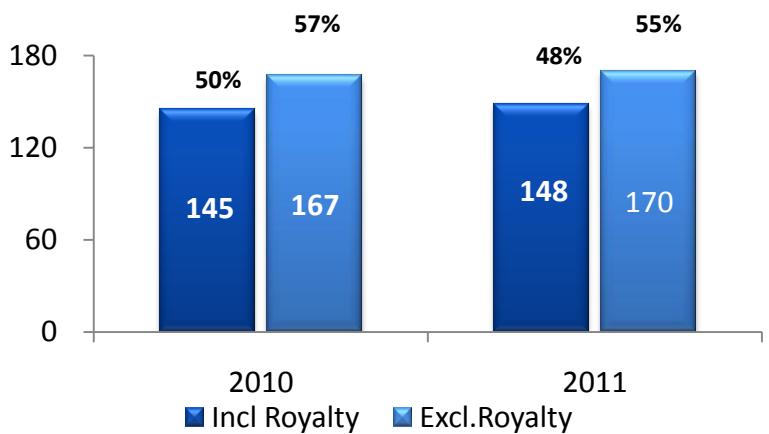


Domestic Operation

Domestic Operation Net Profit in RO Mn

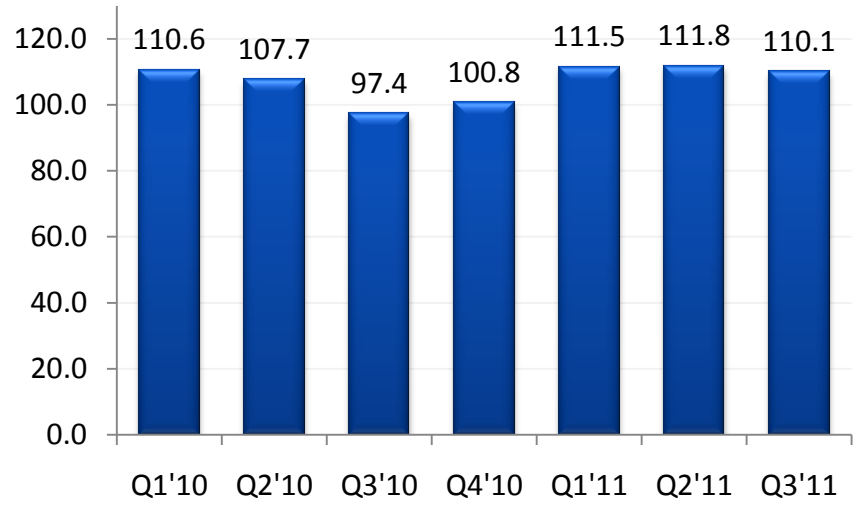


EBITDA RO Mn & %

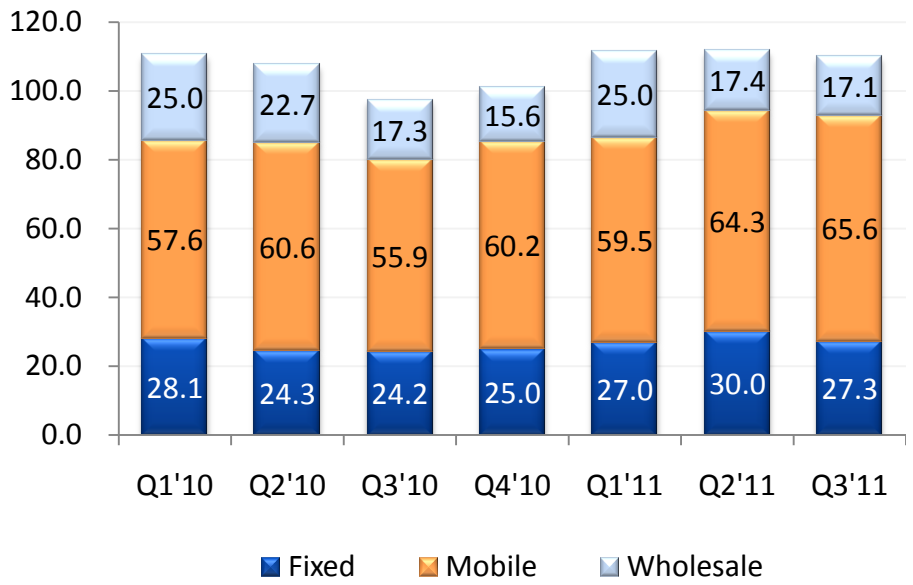


Group Revenue – quarterly analysis

Group Revenue in RO Mn

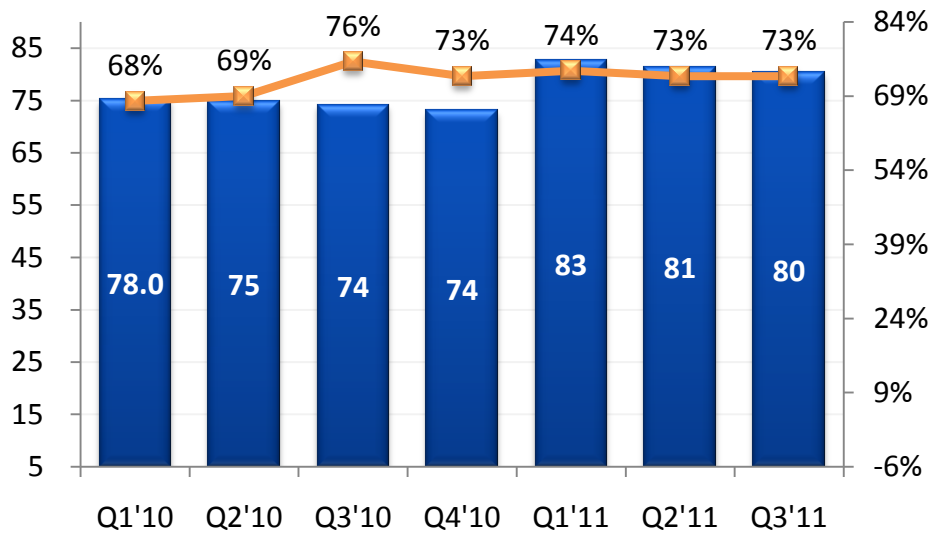


Revenue by Segment RO Mn



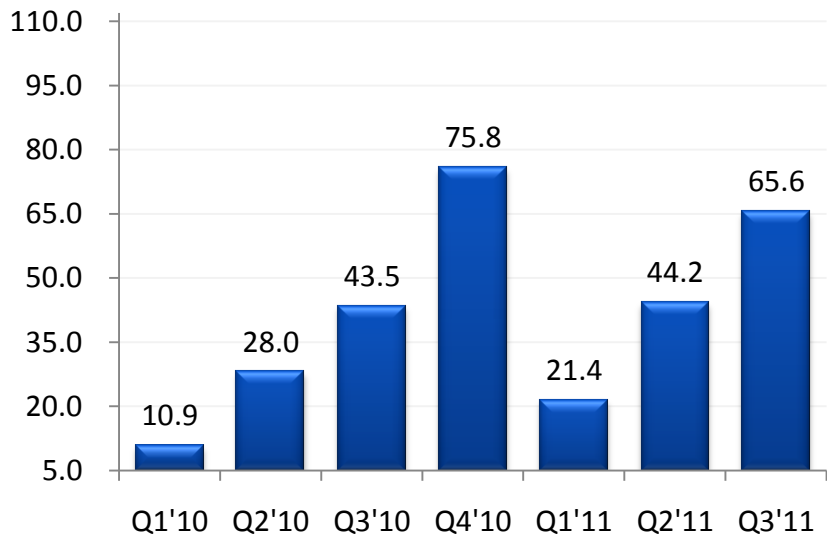
Consolidated OPEX and Capex movement by quarter

Total Opex (incl Depreciation) by Qtr – RO Mn & Opex Ratio- % to Revenue



Increase in Opex is mainly due to increase in employee costs, administrative and depreciation expenses

Capex Additions (Cumulative) RO Mn

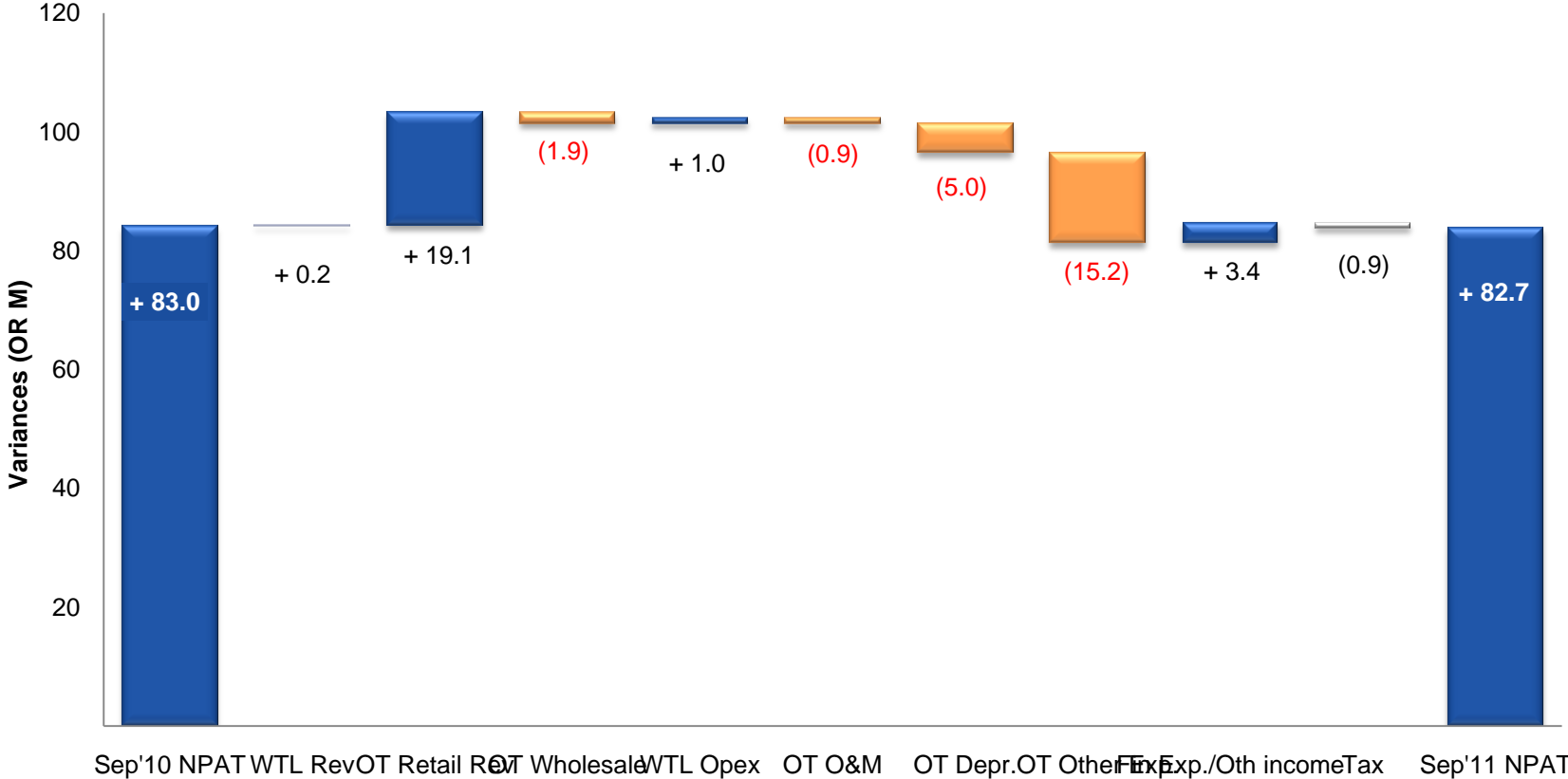


Capex to Revenue ratio is at 20% same as in Q2'2011.



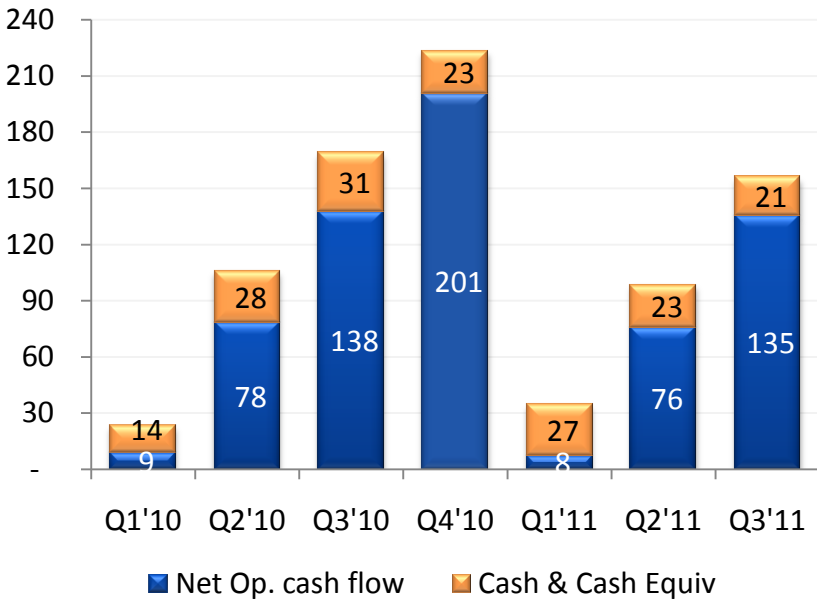
Net Profit After Tax Variance Analysis (Sep'11 Vs Sep'10)

NPAT Actual Variance Including WorldCall (Sep'11 Vs Sep'10) OR (0.3) Mn



Net Cash from operating activities at 41% of Gross Revenue.

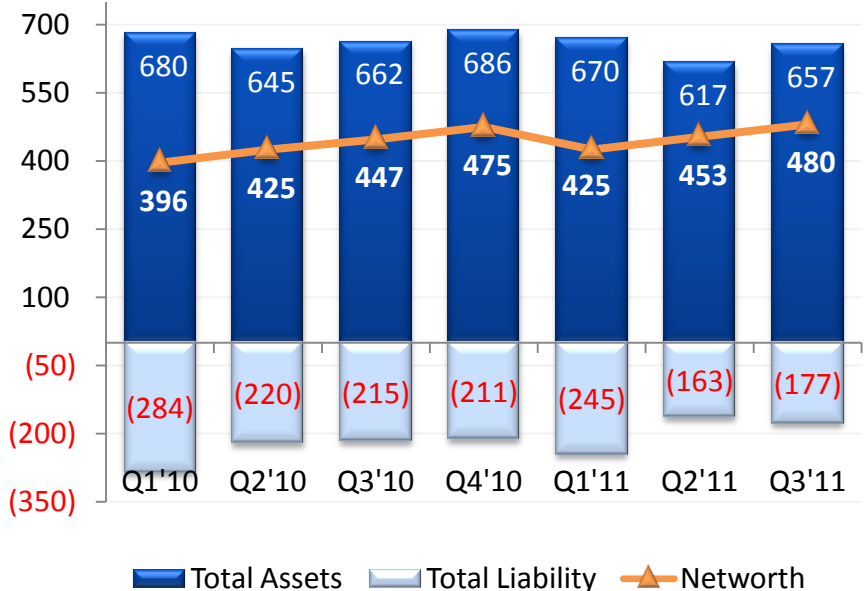
Cash Flow (Cumulative) RO Mn



Note:

- 1) Operating cash flow before working capital is RO 160.6 Mn which is 48% of revenue.
- 2) Cash & Cash equivalent exclude current & non-current deposits with banks amounting to RO 79.4 Mn

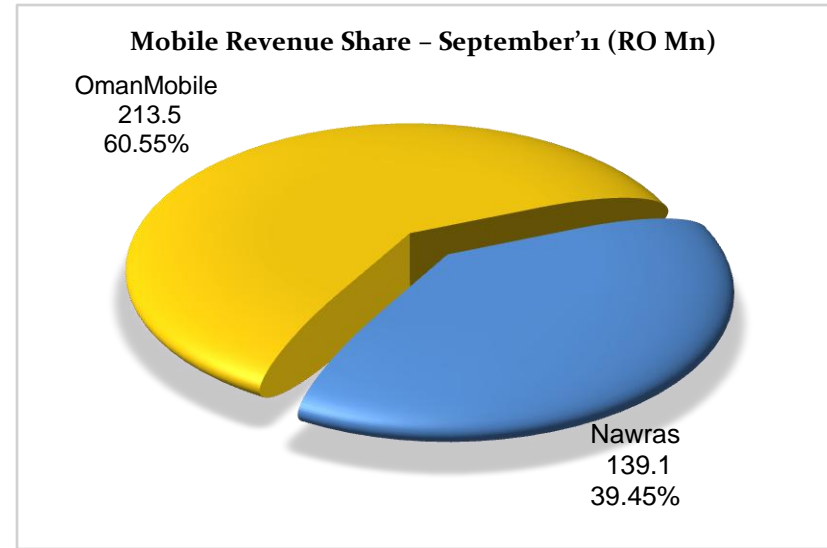
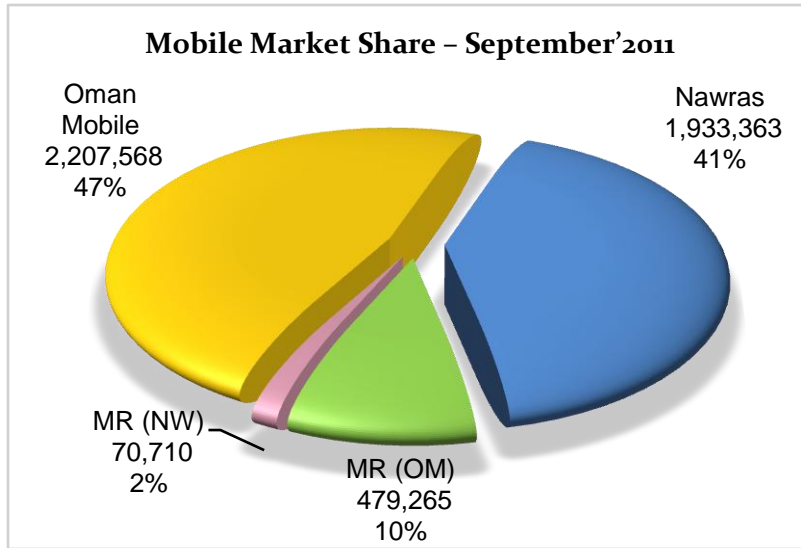
Assets, Liability & Net worth RO Mn



Growth & Market share



Oman Mobile continue to be the leading mobile operator –Subscriber market share including mobile resellers (57.3%) and Revenue market share (60.55%)

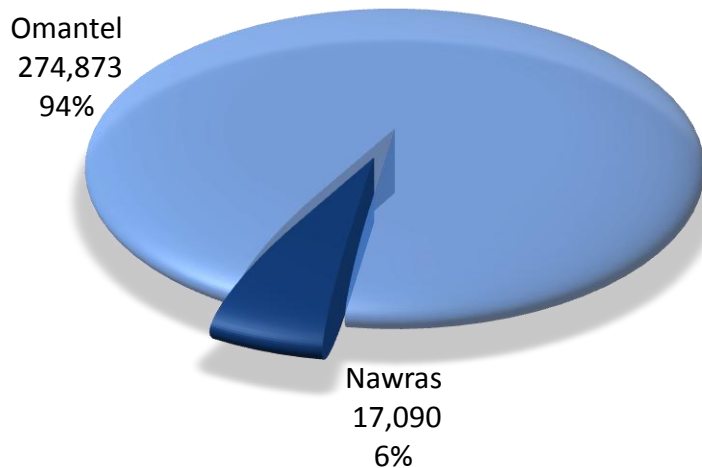


- 1) Total Mobile market grew by 3.6% as compared to Q3'10. Oman Mobile (incl Mobile Resellers) achieved a growth rate of 8.0%, net addition is around 198.1 K, which is around 120% of total net additions.
- 2) Compared to Q3 2010, Oman Mobile gained 2.3% subscriber share and 1.55% revenue share (in absolute terms)

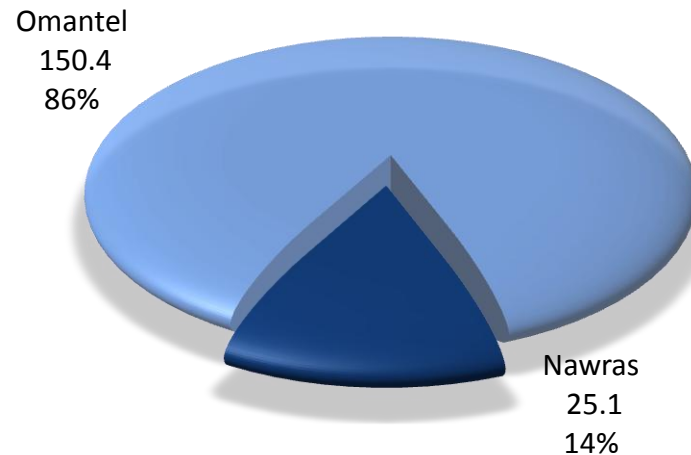


Fixed line market share - Subscriber market share (94%) and Revenue market share (86%)

Fixed Market Share – September'2011

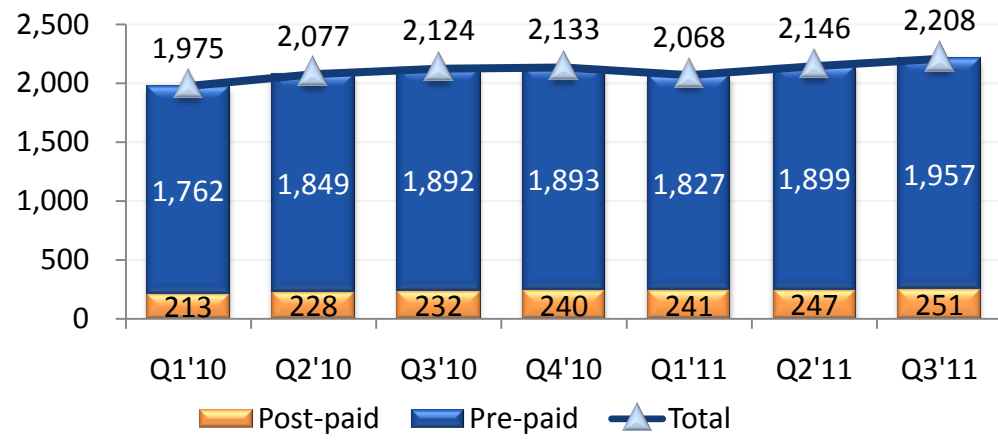


Fixed Revenue Share – September'11 (RO Mn)

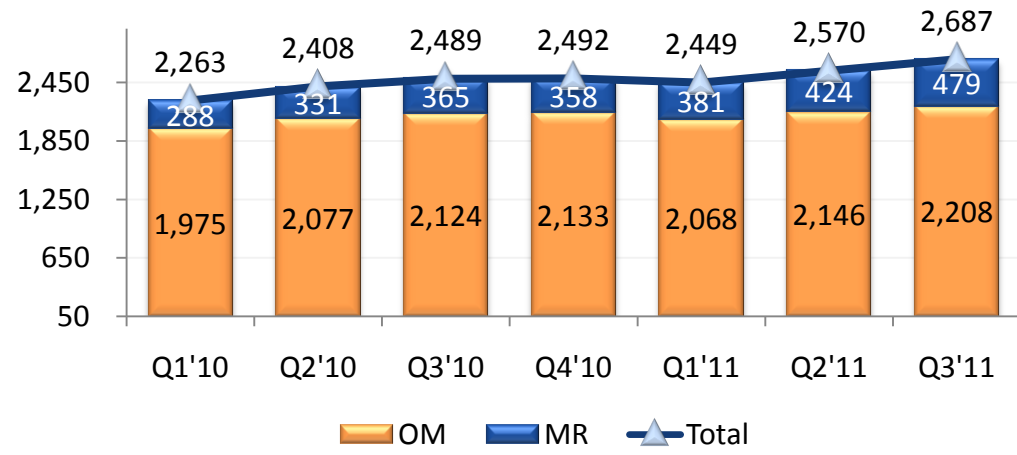


Quarter – to – Quarter Oman Mobile Subscriber Base

Oman Mobile Subscribers – In '000s



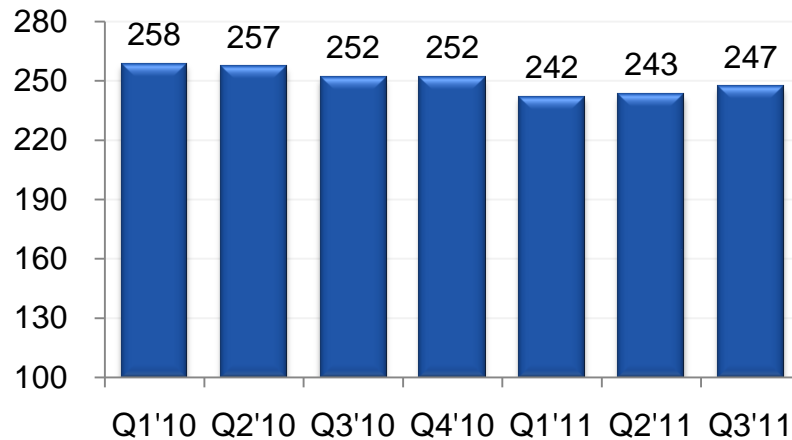
With Mobile Resellers – In '000s



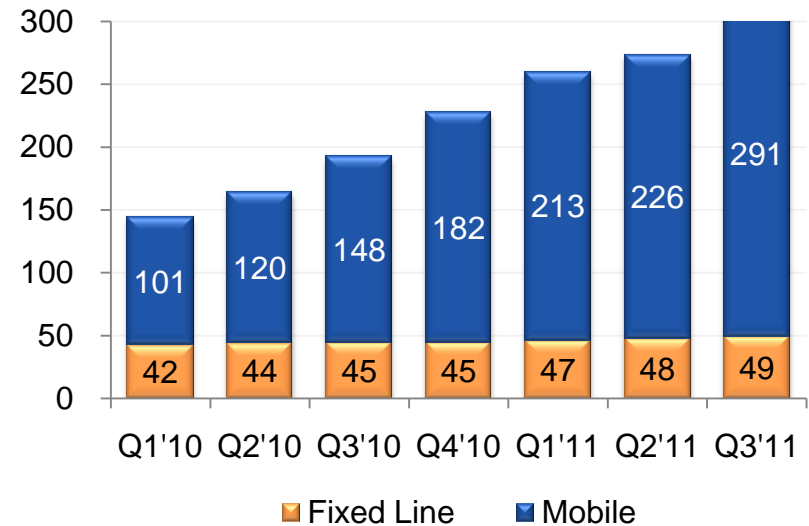
Fixed Line shows marginal increase in Q3 2011. Combined Broadband Subscribers recorded a growth of 77%

Fixed Line Subscribers – In '000s

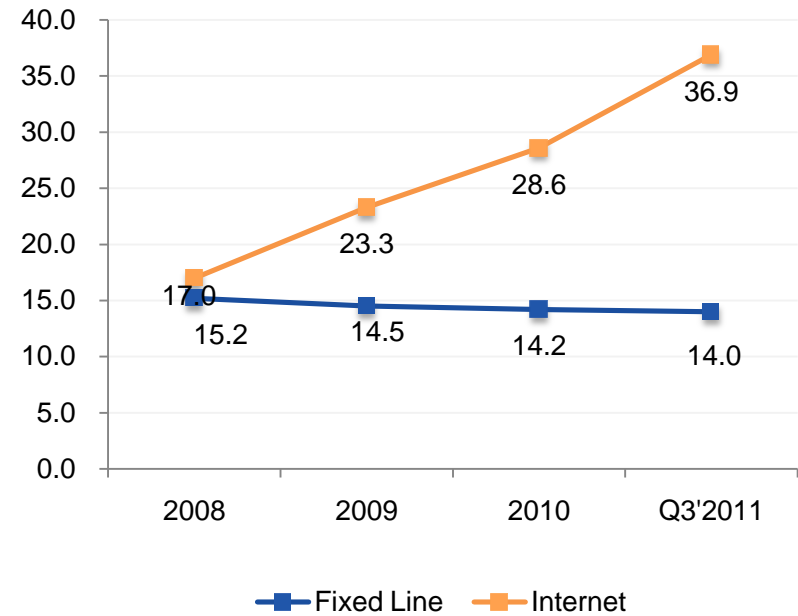
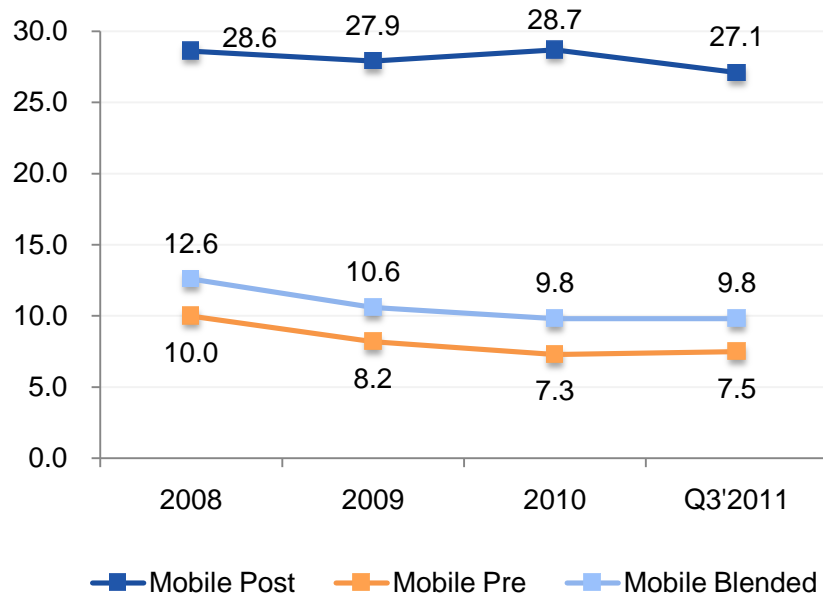
Fixed line include pre-paid and payphone



Fixed & Mobile Broadband – In '000s



ARPU / Month for major products / services



Note:

- 1) Fixed line include post & pre-paid including payphone.
- 2) Internet include Broadband and all internet services (dialup post & prepaid, dedicated)

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Thank you



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