Press Release

13 July 2017

Strong all around performance amid concerns of evolving Business Environment Risk

Second quarter of 2017 for Grameenphone Ltd. at a glance

- 27.0 million data subscribers out of 61.6 million total subscribers at the end of June 2017
- BDT 32.4 billion revenues, 5.8% QoQ growth
- Net profit after taxes of BDT 7.9 billion and BDT 5.87 EPS
- BDT 3.3 billion investment mainly for 3G as well 2G coverage expansion
- BDT 16.4 billion contribution to the national exchequer

Grameenphone Ltd. ended the second quarter of 2017 with 61.6 million active subscribers, registering a 2.9% growth from first quarter of 2017. With 27.0 million data subscribers, 43.9% of total subscribers are using Grameenphone internet services.

Grameenphone Ltd. reported revenue of BDT 32.4 billion for the second quarter of 2017, up 5.8% from first quarter of 2017.

"Industry was very competitive during quarter, specially in the subscriber acquisition front. Amidst this environment we were able to deliver a healthy growth both in data and voice segments", said Michael Patrick Foley, CEO of Grameenphone Ltd.

Net profit after taxes for the quarter was BDT 7.9 billion. Higher revenue and operating efficiency contributed to EBITDA (before other items) of BDT 19.9 billion. Earnings per share for the quarter was BDT 5.87.

"The revenue growth and normalized earnings growth for the period is a reflection of our committed focus on driving growth with efficiency", said Dilip Pal, CFO of Grameenphone Ltd. He added, "I am also happy to announce that Grameenphone Board of Directors declared interim dividend at the rate of 105% of paid up capital.

"Offsetting the commercial performance of the business are growing concerns relative to the business environment, in particular the regulatory regime and local taxation policy", added Michael Patrick Foley, CEO of Grameenphone Ltd. "We remain strongly committed to, and hopeful that, meaningful consultation between Industry and Government on the 4G License, Spectrum Neutrality / Auction, historical SIM tax claims and consumer consumption taxes among other issues, will lead to a more predictable environment for investors and more affordable and widely available services for customers”. Finally he added, “The mobile industry is a great FDI success story for Bangladesh, we need to work together so that continued FDI for our industry and for others interested in investing in Bangladesh remains attractive”.

Grameenphone Ltd. invested BDT 3.3 billion during the quarter for 3G as well as 2G coverage expansion and customer experience enrichment. Grameenphone Ltd. added 141 2G and 225 3G sites, taking the cumulative site numbers to 12,363 for 2G and 11,557 for 3G. During the quarter, the company contributed BDT 16.4 billion to the exchequer, comprising 50.6% of total revenue, in the form of taxes, VAT, duties and license fees.

Communications, Grameenphone Ltd.
Phone: 9882990
Detail Financial Statements are available at: https://www.grameenphone.com/about/investor-relations/ir-financial-report