A strong performance in a challenging quarter

3rd Quarter 2017 of Grameenphone Ltd. at a glance

- 30.0 million data subscribers out of 63.9 million total subscribers at the end of September 2017
- BDT 33.2 billion revenues, 2.4% QoQ growth
- Net profit after taxes of BDT 7.0 billion and BDT 5.16 EPS
- BDT 2.1 billion investment mainly for 3G coverage and capacity enhancement
- BDT 18.7 billion contribution to the national exchequer

Grameenphone Ltd. ended the third quarter of 2017 with 63.9 million active subscribers, registering a 3.7% growth the previous period. With 30.0 million data subscribers, 46.9% of total subscribers are using Grameenphone internet services.

Grameenphone Ltd. reported revenue of BDT 33.2 billion for the third quarter of 2017, up 2.4% from second quarter of 2017.

“The quarter was particularly challenging one due to heavy rainfall and the disastrous flooding that affected much of the country. The industry continued to be very competitive on a number of fronts including subscriber acquisition. Nevertheless, we delivered growth both in data and voice segments”, said Michael Patrick Foley, CEO of Grameenphone Ltd. He added, “During the quarter, strong retail execution and competitive offers contributed to adding close to 3 million data subscribers.

Net profit after taxes for the quarter was BDT 7.0 billion. Higher revenue and operating efficiency contributed to EBITDA (before other items) of BDT 19.5 billion. Earnings per share for the quarter was BDT 5.16.

“Grameenphone Ltd. continued with its growth momentum and healthy profitability during the quarter, said Karl Erik, newly appointed CFO of Grameenphone Ltd. He added, “The healthy growth in our revenue generating subscriber base, price stability in voice segment and ongoing operational efficiency programs are all contributing in value creation for our shareholders.”

Grameenphone Ltd. invested BDT 2.1 billion during the quarter mainly for further rollout of 3G sites and capacity enhancement. During the period 154 2G and 284 3G sites were rolled out, taking the cumulative site numbers to 12,517 for 2G and 11,841 for 3G. The company contributed BDT 18.7 billion to the exchequer, comprising 56.4% of total revenue, in the form of taxes, VAT, duties and license fees. The cumulative contribution to the state for the year stands at BDT 46.9 billion.

“The results point to the significant upside opportunity in the Bangladeshi telecom industry particularly in mobile data services. The potential for 4G to spur economic growth and enhance the competitiveness of the economy is considerable,” said Michael Patrick Foley, CEO of Grameenphone Ltd. He added, “We are committed to meaningful consultations between Industry and Government that will result in the creation of a set of 4G License and Spectrum Auction guidelines that strengthen investor confidence in regulatory and fiscal policy. This will facilitate widespread and affordable data services for people of the country and strengthen investor confidence and appetite for the material investments required for the launch of 4G.”