



Press Release

For immediate release
Wednesday 29th March 2017

Batelco Group AGM Approves BD41.58M Cash Dividends

Manama, Bahrain: Batelco Group (Ticker: BATELCO), the international Telecommunications Group with operations across 14 countries, today held its Annual General Meeting (AGM) for the twelve-months ended 31 December 2016 ("the year"). The meeting, held at Batelco's Hamala headquarters, was attended by Shareholders, Company Directors and executive management.

The Group's 37th AGM saw shareholders approve the recommendation of the Board of Directors for a full year cash dividend of BD41.6 (US\$110.3M), at a value of 25 fils per share, of which 10 fils per share was already paid during the third quarter of 2016 with the remaining 15 fils to be paid in the coming weeks.

Speaking on the occasion, Batelco Chairman Shaikh Mohammed bin Khalifa Al Khalifa said: "We are pleased to continue to build and return value to our shareholders as demonstrated by the dividend payment in spite of challenging market conditions in Bahrain and across a number of the Group's operations due to the world's economic climate in general and also due to the vibrant nature of the evolving communications industry."

The Group ended the year with net profit of BD37.6 million (US\$99.7 million) compared to BD49.5 million (US\$131.3 million) reported in 2015. The Group's balance sheet and financial position remained resilient and as of 31 December 2016, net assets were BD537.0 million (US\$1,424.4 million) with substantial cash and bank balances of BD172.4 million (US\$457.3 million). Earnings per share for the full year in 2016 stood at 22.6 fils.

"However, in spite of decreased profits, we are encouraged to note that subscriber numbers were up by 4% year over year. The upswing in customer numbers is attributed to our investments in new networks including fibre and our efforts to strengthen our digital solutions portfolio. We are responsive to changes in our environment which helps us shape a flexible and sustainable business model and accordingly, we are optimistic that our subscriber base will continue to grow and ultimately boost the bottom line as a result of our plans going forward," Shaikh Mohammed noted.

Shaikh Mohammed continued by extending grateful appreciation to Shaikh Hamad bin Abdulla Al Khalifa, Batelco's Chairman from 2006 until December 2016, saying that his vision and dedicated leadership was unmatched.

"Much appreciation is also due to Batelco's shareholders for their continuous support and confidence in our strategic plans. Our goal is to drive shareholder value through sharpening our focus on group wide synergies aimed at enhancing performance in all markets of operation," he said.

"I look forward with enthusiasm to working closely with both the Board of Directors and executive management across the Group in the year ahead."

"Going forward, we will focus on our strengths based on the excellent reputation we have established in the home market of Bahrain and also across our overseas markets via our joint ventures. Our objectives are geared towards making substantial progress with our strategic plans in order to exceed customer expectations and enhance their experience while boosting profitability and positioning Batelco Group as a top tier and leading integrator of digital solutions in its chosen markets."

"Throughout the Batelco Group, our aspiration is to achieve operational excellence. That is central to our goal to drive sustainable revenue growth and deliver value for our stakeholders," Shaikh Mohammed concluded.

Captions:

1. Batelco Chairman Shaikh Mohammed bin Khalifa Al Khalifa
2. Batelco Chairman Shaikh Mohammed bin Khalifa Al Khalifa and Board of Directors

-Ends-

About Batelco

Batelco Group is headquartered in the Kingdom of Bahrain and listed on the Bahrain Bourse. Batelco has played a pivotal role in the country's development as a major communications hub and today is the leading integrated communications' provider, continuing to lead and shape the local consumer market and the enterprise ICT market. Batelco has been growing overseas via investing in other market-leading fixed and wireless operators.

Batelco Group has evolved from being a regional Middle Eastern operation to become a major communications company with direct and indirect investments across 14 geographies, namely Bahrain, Jordan, Kuwait, Saudi Arabia, Yemen, Egypt, Guernsey, Jersey, Isle of Man, Maldives, Diego Garcia, St. Helena, Ascension Island and the Falkland Islands.

www.batelcogroup.com