



## **Zain Bahrain reports 2017 net profit of BD 4.3 million** ***Annual revenues up by 13% to BD73 million***

- **Q4, 2017 net profit jumps 24.8% to BD 1.5 million; revenues up 16.8% to BD 18.5 million**
- **Data revenues surge 23% year on year**
- **Focus on digitization fueling Zain Bahrain's continued growth, says Chairman**

**Manama – 6 February, 2018:** Zain Bahrain (Ticker: ZAINBH), a leading telecommunications provider in the Kingdom of Bahrain, reported a BD 4.306 million (USD 11.4 million) net profit for the full year 2017, up 1.2% from BD 4.254 million (USD 11.3 million) a year earlier. This positive performance was driven by a 23% surge in annual data revenues, resulting in revenue growth of 13% year-on-year, in addition to further developments in operational efficiency.

The annual net profit increase comes on the back of BD 73.012 million (USD 193.2 million) in revenues for the year, up from BD 64.647 million (USD 171 million) in 2016. Data growth was fueled by a continued expansion in data-centric products and digital offerings, important components of Zain Bahrain's growth strategy. The company's EBITDA reached BD 22 million (USD 58.2 million) in 2017 compared to BD 24.8 million (USD 65.6 million) a year earlier, while its EBITDA margin stood at 30% for the year.

For the fourth quarter of 2017, Zain Bahrain reported a net profit of BD 1.507 million (USD 4 million), a 24.8% increase on the BD 1.207 million (USD 3.2 million) recorded a year earlier, with Q4 revenues growing by 16.8% to BD 18.485 million (USD 49 million), up from BD 15.824 million (USD 41.8 million) in 2016. The company's EBITDA for Q4, 2017 amounted to BD 5.3 million (USD 14 million) compared to BD 6.2 million (USD 16.4 million) in 2016.

Zain Bahrain Chairman, His Excellency Shaikh Ahmed bin Ali Al Khalifa said: "Future growth in the telecoms sector will be driven by data and digital services, and Zain Bahrain is poised to capture this market through a differentiated, best-in-class digital customer experience. The focus remains on customer empowerment, convenience, and autonomy. We continue to prioritize this strategy by expanding our range of innovative digital products and services, enhancing our mobile app and online customer portals, and building partnerships with third party content and service providers that can add value to the customer experience."

Shaikh Ahmed continued, "Zain Bahrain remains profitable and growing despite a challenging market. Our positive annual and quarterly results in such a difficult environment are a

demonstration of the competence of our growth strategy. In 2018 we expect to build on the momentum gained last year through a further expansion of Zain Bahrain's digital offerings."

### **Key achievements for Zain Bahrain during 2017**

Excluding financial indicators, the Zain brand was ranked by leading London-based valuation and strategy consultancy Brand Finance as the second most powerful home-grown brand in the region. The valuation of Zain's brand for 2017 was calculated at US\$2.34 billion, a 9% increase on its 2016 valuation. In September 2017, Zain was awarded the 'Best Brand' for Telecom for a fourth consecutive year at the prestigious Telecoms World Middle East Awards.

Zain Bahrain was also recognised by ResponseTek C.A.R.E. Awards for its outstanding customer experience program, winning first place in the Overall Best in Class Program category. The award was in recognition of the company's impressive year-on-year improvement in customer engagement across all channels.

At the annual Ministry of Labour and Social Development Awards, Zain Bahrain received the Human Resources Development and Training Award for its outstanding efforts in developing talent. Zain Bahrain was also awarded the prestigious 2017 GCC Best Employer Brand in recognition of its outstanding human resources practices.

Zain Bahrain hosted the 10th MIT Enterprise Forum Arab Startup Competition's final award ceremony on behalf of Zain Group this year. The ceremony, held at the Bahrain International Circuit (BIC), welcomed public figures, investors, media personnel and entrepreneurs from across the globe. The competition was organised in partnership with Community Jameel and Tamkeen.

Zain Bahrain also entered the 10th year of its partnership with the Bahrain Basketball Association by launching a new logo for the Zain Bahrain Basketball League. The collaboration is one of the most successful and enduring sports sponsorships in the Kingdom, which has helped improve the skills of players and taken the sport to new levels of popularity.

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**About Zain Bahrain:** Zain Bahrain, a telecommunications industry innovator focused on enhancing customer experience, was awarded a mobile telecom license on 22 April, 2003 and commenced commercial operations on 28 December 2003. The operation promptly placed Bahrain on the world telecom map through the introduction of many mobile technology innovations that continue to this day with nationwide high-speed 4G LTE services being offered through the Kingdom's most advanced mobile network. Zain Bahrain, listed on the Bahrain Bourse (Ticker: ZAINBH), is part of Zain Group, a leading telecommunications operator across the Middle East and Africa, which provides mobile voice and data services to over 45 million active customers. With a commercial presence in eight countries, Zain operates in Kuwait, Bahrain, Iraq, Jordan, Saudi Arabia, Sudan and South Sudan. In Lebanon, the Group manages 'touch' on behalf of the government. In Morocco, Zain has a 15.5% stake in 'INWI', through a joint venture. For more information, please email [info@bh.zain.com](mailto:info@bh.zain.com) or visit: [www.bh.zain.com](http://www.bh.zain.com)