



THIRD QUARTER REPORT 2015

JULY TO SEPTEMBER



Touch Maldives



DEVELOPMENTS DURING THE QUARTER

1.1 SUMMARY

The company continued to perform well during the third quarter, posting revenues of MVR 549m, up 2% over the previous quarter. This is driven mainly by increases in mobile and roaming revenues. Net profit increased by 7% over the prior quarter mainly resulting from higher revenue and lower operating costs. Cash flow before financing was lower in the third quarter due to settlement of interim tax payments for 2015 and lower capital expenditure. During the quarter, the company also returned an interim dividend of MVR 367.8m to shareholders.

1.2 KEY PRODUCTS & SERVICES

Key products, services and promotions introduced or conducted during the third quarter includes;

- Improved consumer fixed broadband packages and offered promotion for add-ons.
- Improved Mobile Data plans offering 40% more value.
- Promotion for Postpaid new connections offering exciting weekly prizes.
- Continued IDD lowest call rate promotion for Bangladesh.
- Intro bonus for new Prepaid connections

1.3 CORPORATE SOCIAL RESPONSIBILITY

Key Corporate Social Responsibility initiatives during the third quarter are:

- Enrolled 26 new apprentices in Dhiraagu Apprenticeship Programme.
- Contributed teaching and developmental resources to Care Society, to support children with disabilities.
- Donated over MVR 180,000 to 8 local NGOs that were endorsed in Dhiraagu Maldives Road Race 2015. With 3000 participants, the event was also a platform for NGOs to raise awareness to help protect children.
- Dhiraagu was the official Telecom Partner of the "Sixth Regional 3R Forum in Asia and the Pacific".
- Offered free calls throughout the day to Saudi Arabia to help families of Hajj pilgrims get in touch with loved ones in the aftermath of the tragic crane collapse in Mecca and stampede in Mina.

BOARD ADMINISTRATION

2.1 BOARD COMPOSITION

The Board composition as at 30th September 2015 was as follows:

Name	Position
Mr. Mohamed Ashmalee	Chairperson
Mr. AbdulRazzaq AlQassim	Deputy Chairperson
Mr. AbdulRahman Fakhro	Non-Executive Director
Mr. Ihab Hinnawi	Non-Executive Director
Mr. Abdulla Ahmed	Non-Executive Director
Mr. Imran Ali	Non-Executive Director
Mr. Ismail Rasheed	Executive Director

2.2 BOARD ACTIVITY

Frequency of Board meetings held during the quarter are as follows:

	Number
Board Meeting	2
Audit Committee Meeting	1
RNG Committee Meeting	-

2.3 BOARD DECISIONS

During the quarter the following key decisions were made by the Board:

- Approval of Interim Dividend for 2015
- Accepting retirement of CEO & MD Mr. Ismail Waheed.
- Appointing Mr. Ismail Rasheed as the CEO & MD of the Company.
- Appointing Mr. Ismail Rasheed as a Board Director of the Company.



SHARE INFORMATION

3.1 SHAREHOLDING

The company's shareholding as at 30th September 2015 was as follows:

Shareholding	%	Number of Shares
BTC Islands Limited (Batelco)	52.0%	39,520,000
Government of Maldives	41.8%	31,770,150
Public	6.2%	4,709,850
	100%	76,000,000

3.2 SHARE TRADING

	Q3 2015	Q2 2015
Highest Traded Price (MVR)	80	79
Lowest Traded Price (MVR)	78	75
Last Traded Price (MVR)	80	78
Number of Shares Traded	550	2,375
Number of Trades	3	11
Weighted Average Traded Price (MVR)	78	78.07
Market Capitalization as at quarter end	6.08 bn	5.93 bn

3.3 SHARE PERFORMANCE

	Q3 2015	Q2 2015
EPS (Annualized) MVR	10.20	9.56
P/E Ratio (Annualized)	7.84	8.16
Net Asset Per Share (MVR)	30.47	32.76
Dividend Yield	NA	NA



FINANCIAL STATEMENTS

4.1 BALANCE SHEET (UNAUDITED)

AS AT	30-Sep-15 (Q3 2015) MVR "000"	30-Jun-15 (Q2 2015) MVR "000"
ASSETS AND LIABILITIES		
Non-Current Assets		
Intangible Assets	143,699	67,691
Property, Plant and Equipment	1,820,048	1,845,835
Deferred Tax Asset	7,624	7,782
Total Non-Current Assets	1,971,371	1,921,308
Current Assets		
Inventories	27,464	30,511
Trade and Other Receivables	375,484	401,399
Investment in Fixed Deposits	46,260	-
Cash and Cash Equivalents	730,653	953,388
Total Current Assets	1,179,861	1,385,298
Total Assets	3,151,232	3,306,606
Current Liabilities		
Trade and Other Payables	(664,571)	(621,790)
Current Tax Liabilities	(42,220)	(67,118)
Total Current Liabilities	(706,791)	(688,908)
Non-Current Liabilities		
Provisions	(128,480)	(128,024)
Total Non-current Liabilities	(128,480)	(128,024)
Total Liabilities	(835,271)	(816,932)
Net Assets	2,315,961	2,489,674
Equity		
Share Capital	190,000	190,000
Retained Earnings	2,125,961	2,299,674
Total Equity	2,315,961	2,489,674

4.2 INCOME STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED	30-Sep-15 (Q3 2015) MVR "000"	30-Jun-15 (Q2 2015) MVR "000"
Revenue	549,370	539,903
Operating Costs	(230,164)	(231,495)
Depreciation and Amortization	(89,750)	(86,335)
Other Income	971	779
Results from Operating Activities	230,427	221,327
Net Financing Income / (Expense)	(2,183)	(7,113)
Profit Before Taxation	228,244	214,214
Income Tax Expense	(34,117)	(32,252)
Net Profit / (Loss)	194,127	181,962
Basic Earnings Per Share (Weighted Average Ordinary Shares Outstanding)		
Basic Earnings Per Share (Annualized MVR)	10.20	9.56
Basic Earnings Per Share (Q3 MVR)	2.55	2.39

4.3 CASH FLOW STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED	30-Sep-15 (Q3 2015) MVR "000"	30-Jun-15 (Q2 2015) MVR "000"
Net Cash Inflow from Operating Activities	272,579	349,335
Net Outflow from Investing Activities	(121,064)	(96,025)
Net Outflow from Financing Activities	(374,250)	(393,291)
Net Increase / (Decrease) in Cash and Cash Equivalents	(222,735)	(139,981)
Cash and Cash Equivalents at beginning of the Period	953,388	1,093,369
Cash and Cash Equivalents at end of the Period	730,653	953,388

Robin Wall
Chief Financial Officer

Ismail Rasheed
CEO & Managing Director

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LEGAL & REGULATORY COMPLIANCE

5.1 NATIONAL BROADBAND POLICY

Work was completed on the 24 August 2015 with respect to the 3G rollout to the 40 islands assigned to be covered by the company, under the National Broadband Policy.

5.2 MOBILE NUMBER PORTABILITY

The company continued working under Communication's Authority of Maldives (CAM)'s instructions to launch Mobile Number Portability.

5.3 COMPLIANCE TO CMDA CORPORATE GOVERNANCE CODE

The company has been in compliance with the CMDA's Corporate Governance Code and the Dhiraagu Corporate Governance Code during the quarter. Highlights include ensuring regular, timely and effective disclosures as required by the Code.

The company's Corporate Governance Code can be viewed in the investor relations section of the Dhiraagu website: <http://www.dhiraagu.com.mv/investor/>.

5.4 REPORTING COMPLIANCE

This report has been prepared in compliance with CMDA's Minimum Quarterly Reporting Requirements for Listed Companies.