

STC Net profit reach SR 2.6 billion for the 3rd quarter, an increase of 18% compared to comparable quarter last year, and distributes SR 1 per share dividends for the 3rd quarter

Net Income for the 9 months period of 2017 grew 10.4% compared to the comparable period last year.

Riyadh, Kingdom of Saudi Arabia, 26 October 2017 - Saudi Telecom Company (STC) today announced the company's interim financial results for the period ending at 30 September 2017

STC group net income for the 3rd quarter of 2017 increased 18.2% compared to the comparable quarter last year, and for the 9 months period of 2017 net income reached SR 7.5 billion an increase of 10.4% compared to the comparable period last year. Operating profit for the 3rd quarter increased 23% compared to comparable quarter last year, Earnings Per share for the 9 months period of 2017 grew to reach SR 3.76 compared to SR 3.41 for the comparable period last year.

In accordance with the approved dividend policy for three years starting from the 4th quarter 2015 which was announced on 11 November 2015, and have been ratified during the General Assembly Meeting on April 4th 2016, STC will distribute a total of SR 2,000 million in cash dividend for Q3 2017, representing SR 1 per share.

Commenting on the results, STC Group CEO, Dr. Khaled H. Biyari, stated: “The financial results for Q3 2017 were good due to the distinct growth in Enterprise and wholesales sectors revenue despite the decline in consumer revenue during the period. These good results were achieved despite the various economic and regulatory conditions in the domestic market. These good results for the period were achieved as a result to the strategy adopted by the company several years ago to focus on diversifying income sources and to start innovative programs in order to improve the efficiency of the operations through increased productivity and the operational excellence program, which is working and delivering in term of improvement in net income and margins. Therefore, net income for the 3rd quarter increased 18.2% compared to the comparable period last year, and for the 9 months period of 2017 net income increased 10.4% compared to the comparable period last year.”

Dr. Biyari, added “that STC through its various subsidiaries works hard and steadily side by side with public and private sector in the Kingdom to establish a contemporary environment for the digital transformation in Saudi Arabia and to establish a modern environment that contribute to the spread of the digital environment. As the growth strategy adopted by the company recently sought by all means to achieve the kingdom Vision 2030 and the NTP 2020 which means entering into a big change and major transformation in the Telecom sector through new opportunities outside of traditional services. It will provide us with new opportunities outside our core business, and thus our market capitalization will rapidly increase. As an example of a new era for Sales and Distribution, (STC channels) was re-launched recently with an innovative digital vision and new spirit as an important selling and distribution arm of the group, which is an important part of the transition to digital channels in the service of our clients and providing innovative new services. This will be followed by successive steps in the near future that will bring us closer to our objectives in meeting the customers' needs and achieve attractive returns for the investors.”