

SLT-MOBITEL Achieves Financial Recovery in the Third Quarter of 2024



Janaka Abeysinghe, CEO, SLT-Mobitel.

SLT-MOBITEL Group has reported a Profit After Tax (PAT) of 1,093 million rupees for Q3 2024, compared to a loss of 1,543 million rupees for the same period last year, demonstrating a significant 171 percent turnaround in bottom-line performance.

At the company level, Sri Lanka Telecom (SLT) also recorded a positive PAT of

932 million rupees for Q3 2024 compared to a 651 million rupees loss last year, indicating a successful transition from loss to profit.

The Group has announced consolidated revenues for the quarter at 28.5 billion rupees, a three percent increase from 27.7 billion rupees in the previous year.

Gross Profit showed a marked increase at 12.3 billion rupees, a 24.8 percent increase compared to 9.9 billion rupees. The rise has been driven primarily by cost savings through successful initiatives implemented across the Group.

The Group's EBITDA showed strong growth, reaching 10.5 billion rupees during Q3 2024, an increase of 30.6 percent compared to eight billion rupees in the previous year. In addition, operating profit showed a marked increase of 3.6 billion rupees, a massive growth of 551 percent compared to 549 million rupees last year.

On the cost side, the Group achieved significant reductions across multiple areas as of Q3 2024. Notable savings were realized in Annual Maintenance Costs (AMC) and repair expenses, contributing to substantial year-on-year cost reduction. Costs for the quarter (excluding depreciation and amortization) were 18 billion rupees, an 8.3 percent reduction from 19.7 billion rupees in the previous year. Additionally, finance costs decreased by 18.1 percent, further supporting the positive financial performance.

At the company level, SLT achieved a revenue of 18 billion rupees for the 3rd quarter of the year, an increase of 603 million rupees, representing a 3.4 percent growth compared to 17.5 billion rupees last year.

Gross Profit also showed a robust increase of 1.6 billion rupees with a 22.8 percent growth compared to Q3 2023. In addition, the company successfully managed operating expenses, achieving a reduction of 638 million rupees, down 5.4 percent from last year, contributed through a combination of reduced Annual Maintenance Costs, repairs, and vehicle hiring expenses.

EBITDA growth of 1.2 billion rupees, a 21.8 percent increase, indicated improved company operational efficiency. Operating profit surged to 2.5 billion rupees, signaling an impressive 299 percent growth compared to Q3 2023. The company successfully reduced its finance costs by 28.2 percent, improving the bottom line for the quarter.

Most notably, the company has achieved a remarkable turnaround in PAT, improving 243 percent, an increase of 1.6 billion rupees compared to Q3 2023. This demonstrates effective financial management and successful implementation of growth strategies. Mobitel showed significant improvements during Q3 2024 across key metrics compared to the previous year. Revenue increased by 7.9 percent to 11.7 billion rupees, driven primarily by broadband growth, while EBITDA rose by 40 percent to 3.6 billion rupees, reflecting strong operational efficiency. Notably, Mobitel achieved a positive operating profit of 898 million rupees, a substantial turnaround from previous losses, and a net profit improvement of 102 percent, indicating a successful recovery and effective cost management strategies.

The Group has returned to profitability across business units SLT and Mobitel in Q3 2024, demonstrating the effectiveness of its cost optimization strategy while maintaining service quality.

The Group remains committed to strategic investments and continued operational efficiency, and it is looking towards a brighter Q4.