

# SLT Records Impressive First Half Performance For 2019

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*P G Kumarasinghe Sirisena, Group Chairman, SLT.*



*Kiththi Perera, CEO, SLT.*



*Priyantha Fernandez, COO, SLT.*



*Nalin Perera, CEO, Mobitel.*

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Announcing its financial results for the first half of 2019, SLT Group recorded a growth of 42 per cent YoY in Operating Profit to reach 4.5 billion rupees. An increase of revenue by 7.9 per cent YoY to 42.6 billion rupees was also reported. The Gross Profit was recorded at 18.8 billion rupees with a YoY growth of 13 per cent. The growth momentum was driven by better management with significant contributions from SLT Group's key business portfolios of fixed and mobile broadband services, Global business, Career domestic, Enterprise intelligent business solutions, PEO TV services, National Backbone Services and Digital Services. The EBITDA was 14.2 billion rupees, a margin of 33.4 per cent. Profit after Tax (PAT) rose to 3.5 billion rupees with a YoY growth of 23 percent. The Group was able to reduce FOREX losses to 15 million rupees from 550 million rupees in the first half of 2018 as a result of rupee stabilization, effective hedging strategies and reduction of foreign currency denominated loans which positively contributed to the PAT growth. The PAT margin grew to 8.2 percent for the period under review from 7.2 percent during the corresponding period in 2018. SLT Group paid a total of 13.9 billion rupees of Direct & Indirect taxes and other contributions to the Government of Sri Lanka during the six months ended June

30, 2019. SLT Group embarked on a transformational journey towards a Digital Service Provider and has continually invested in strategically important digital infrastructure which is vital for the transformation of the country towards a SMART Sri Lanka. SLT was licensed to build the National Backbone Network with high speed fiber infrastructure. In discharging the obligations under the license, SLT commenced building Fiber to the Home (FTTH) enabling every household and business across the country to enjoy high speed broadband access with more than 100 mbps broadband speed. Multiple international submarine cables including SMW 5 with lowest latency, Akaza Cloud infrastructure and Tier III National Data Centre built in Pitipana also contribute to this transformational journey towards a SMART Sri Lanka. Further, SLT's mobile arm Mobitel, a fully owned subsidiary of SLT has continually invested to expand their coverage in 4G LTE networks and launched 5G trials successfully in the country.

Kumarasinghe Sirisena, Group Chairman stated, "The results of our performance for the first half of 2019 has once again proven to be strong and impressive. I'm proud of my management team as well as my staff for working as one unit to face the challenges with commitment and determination. The Group with its nine subsidiaries continues its transformational journey to become the nation's preferred digital lifestyle provider. I strongly believe 2019 and the years ahead will be very encouraging with us pursuing opportunities for a positive growth." The operating profit of the Holding Company almost doubled to 2.3 billion rupees during the period under review. This was aided by a 6.8 per cent YoY growth in revenues to 24.9 billion rupees and the management of operating costs at 22.6 billion rupees with a minimum escalation of 0.24 per cent YoY. The Company EBITDA improved by 25.8 per cent YoY to 8.4 billion rupees. PAT improved by 76 per cent YoY to 1.8 billion rupees. "SLT has already planned to invest aggressively in fiber and digital infrastructure, paving the way to provide access to all citizens while inviting everyone to reap the benefits of the investments," said Kiththi Perera, Chief Executive Officer of the Holding Company. Priyantha Fernandez, Chief Operating Officer, SLT added "SLT continues its persistent progress across all its key business segments, with ongoing strategic investments to ensure unparalleled digital experience. This journey towards digital transformation will continually enhance expectations of SLT customers with improved quality and service levels." Mobitel continued to grow its revenue and profitability compared to the same period the year before. Mobitel revenue for the first half of 2019 was 19.8 billion rupees, up by 5 per cent compared to the

corresponding period in 2018. The Company recorded 0.5 billion rupees improvement in EBITDA, an increase of 8 per cent YoY. PAT for the first half of 2019 was 1.8 billion rupees, an increase of over 100 million rupees. “Mobitel continued its growth momentum in the first half of 2019 compared to the same period the previous year. Mobitel revenue and profitability improved despite heavy competition in the market and broadband has been the key driving force of growth,” said Nalin Perera, Chief Executive Officer, Mobitel.