

JORDAN TELECOM (JTEL.AM)

- Jordan Telecom reported total revenue of JOD 94.7 million for 1Q2009, a 2% decline over 1Q2008 results. This was slightly below our forecast of JOD 98.9 million (4% difference). As expected, the continuous strong competition, as well as the economic slowdown are behind the decline in total revenue.
- The mobile business (which represent 43% of total revenue in 1Q2009) declined by 6% YoY on the back of a negative growth in mobile subscribers (-3%) and drop in ARPU level due to lower prices. As for fixed-line business, it also witnessed a decline in revenue by 2.7% during the same period. However, Internet business which now represent 7% of total revenues increased by 54%.
- On the operating level, EBITDA decreased by 2% to JOD 43.1 million. This result was 6% below our forecast of JOD 45.9 million. Thus EBITDA margin edged down from 45.7% in 1Q2008 to 45.5% in 1Q2009 versus our forecast of 46.5%.
- Net profit reached JOD 25.3 million, a 0.4% increase compared to the same period last year. This result was 3% below our forecast of JOD 26 million.
- As for total capital expenditure for the quarter, it reached JOD 4.3 million and represents 4.5% of total sales.
- We will be issuing an update on Jordan Telecom to incorporate the latest performance.

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