

## **SLT Group reported Rs. 18.7 billion during the 1Q 2017**

Sri Lanka Telecom Group released its results for the 1st quarter 2017. The group comprises of 7 subsidiaries and the holding Company.

During the 1st quarter 2017 the group reported Rs. 18.7 billion, revenue with 1.4% year on year growth. Tax Changes made by the government had an adverse impact on the revenue growth of the Group. The reduced revenue growth impacted profitability as well. Group operating expenditure increased by 2.7% to Rs. 13.1 billion from LKR 12.7 billion in line with business expansions and external factors. Impact of foreign currency translation losses continued due to the depreciation of the LKR against the USD. During the quarter there was a foreign exchange loss of Rs. 364 million. Owing to the above reasons and increase of depreciation by 19.7% year on year to Rs. 3.9 billion, the profit before tax and Profit for the period dipped to Rs. 1.8 billion and Rs. 1.5 billion respectively.

Operating revenue of the holding company increased by 3.6% to Rs. 11.2 billion despite the external challenges as explained above. However, increase of depreciation to Rs. 2.5 billion by 30% year on year and increase of foreign currency translation losses to Rs. 257 million from Rs. 64 million of same period of last year the Profit Before tax and Profit for the period dipped to Rs. 627 million and Rs. 545 million respectively.

As the ICT industry and a market that shifts very quickly, SLT group continually strive to remain technologically innovative. As such the, group continue to accelerate multiple projects, especially the long-term evolution (LTE) project and the fibre to the home (FTTH) under which rolled-out 1,000 LTE base stations and 100,000 fibre ports respectively. A significant addition to the mobile industry is underway with the Mobitel's forthcoming 4G expansion. The group remained focused on strategic investments to enhance the lifestyle of the nation and as well as continue to gear Sri Lankan lives for the future.

SLT group is devising ICT-reinforced facilities for the mega investment zones of the Colombo International Financial City and the Megapolis Project. Consequently, group expect to be well-prepared to handle any and all foreign direct investments (FDIs) coming into the respective zones.

The rise in economic development of Sri Lanka will drive an influx of investors and projects into the country. SLT is fully-equipped to meet these with cutting edge communications and infrastructure solutions. SLT Group equally foresee exciting prospects in the Megapolis Project and its associated ventures.