



Vodafone Qatar Q.S.C Financial Results

9 months ended 31 December 2015

26 January 2016

Disclaimer

- The following presentation is made only to, and is directed only at, persons to whom such a presentation may lawfully be communicated (“relevant persons”). Any person who is not a relevant person should not act or rely on this presentation or any of its contents.
- This presentation contains forward-looking statements that are subject to risks and uncertainties, including statements about Vodafone Qatar’s beliefs and expectations.
- These forward-looking statements are based on assumptions that Vodafone Qatar has made in light of its experience in the industry in which it operates, as well as its perceptions of historical trends, current conditions, expected future developments and other factors which Vodafone Qatar believes are appropriate under the circumstances. Prospective investors should understand that these statements are not guarantees of future performance or results.
- Due to these factors, Vodafone Qatar cautions that prospective investors should not place undue reliance on any forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time-to-time, and it is impossible to predict these events or how they may affect Vodafone Qatar.
- Vodafone and the Vodafone logo are trademarks of the Vodafone Group.



Financial Summary

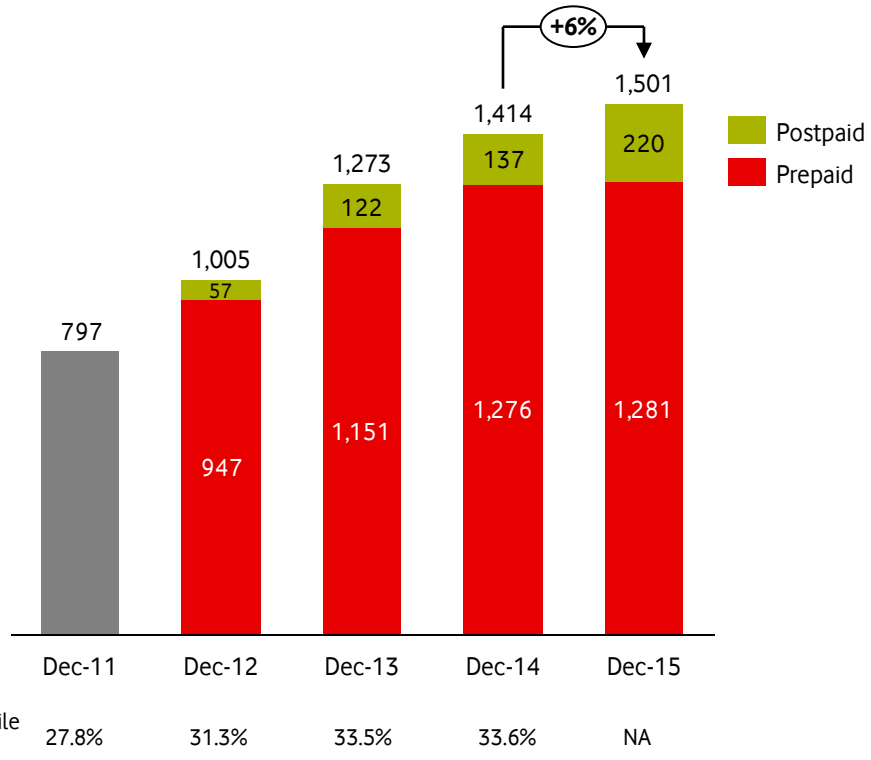
For the nine months ended 31 December 2015

QR m (unless otherwise stated)	9m to Dec 2015	YoY Growth
Mobile Customers (000)	1,501	<i>6%</i>
Total Revenue	1,603	<i>(8%)</i>
EBITDA	343	<i>(19%)</i>
<i>EBITDA Margin %</i>	<i>21%</i>	<i>(3pp)</i>
Distributable Profit	17	<i>(89%)</i>
Net Loss	(286)	<i>(91%)</i>
Loss per Share (QR)	(0.34)	<i>(91%)</i>
Capital Expenditure	271	<i>(8%)</i>

- **Healthy Customer growth** surpassing 1.5 million customers
- **Revenue decline** reflecting difficult economic conditions, the continued tough competitive situation particularly in prepaid and large declines in handset sales of iphone 6s
 - Underlying quarterly trend indicates return to growth
- **Lower EBITDA and Margin %** from revenue shortfall and higher cost base but witnessing improving trend in second half of the year
- **Net Loss and Distributable Profit** impacted by lower EBITDA and depreciation growth from continued network investment
- **Continued CAPEX investment** to deliver enhanced customer experience



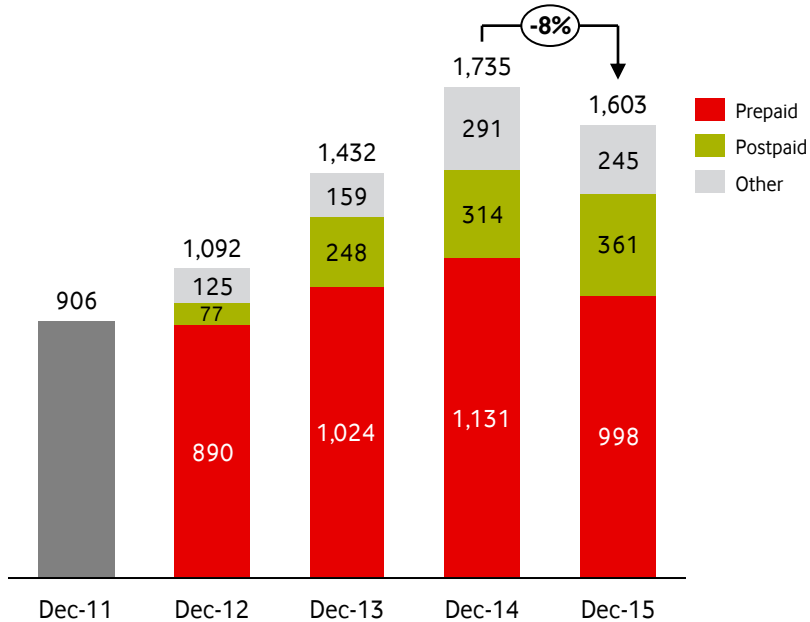
Mobile Customers (000)



- **6% growth in customers**
 - Strong growth in Postpaid customers across mid-range and high value plans
- **Postpaid customers** now account for 14.7% of the total base up from 9.7% in previous period



Revenues (QR m)

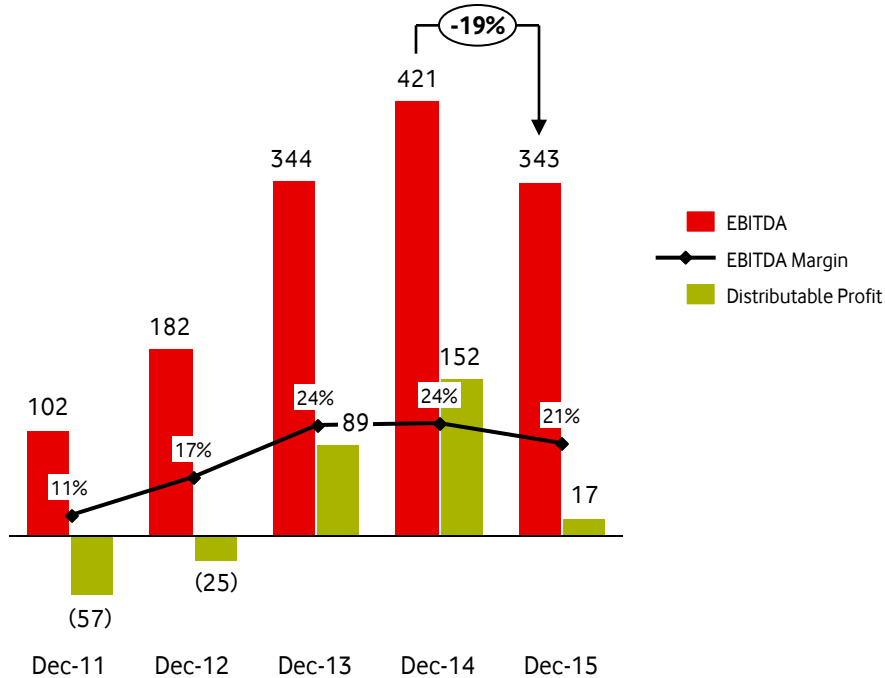


Mobile RMS	25.5%	28.2%	32.0%	32.7%	NA
Mobile ARPU	111	121	125	125	110

- **8 % Revenue decline** reflecting a combination of:
 - Difficult economic conditions
 - Tough competitive situation on prepaid
 - Migration from Voice to Data
 - Weaker demand for iPhone 6s
 - Reduced Inbound revenues from mobile termination rate (MTR) reduction
- **Postpaid segment grows by 15%** bolstered by increased demand for data only plans
- **12% reduction in Mobile ARPU** primarily due to price declines in Prepaid



EBITDA & Distributable Profits (QR m)

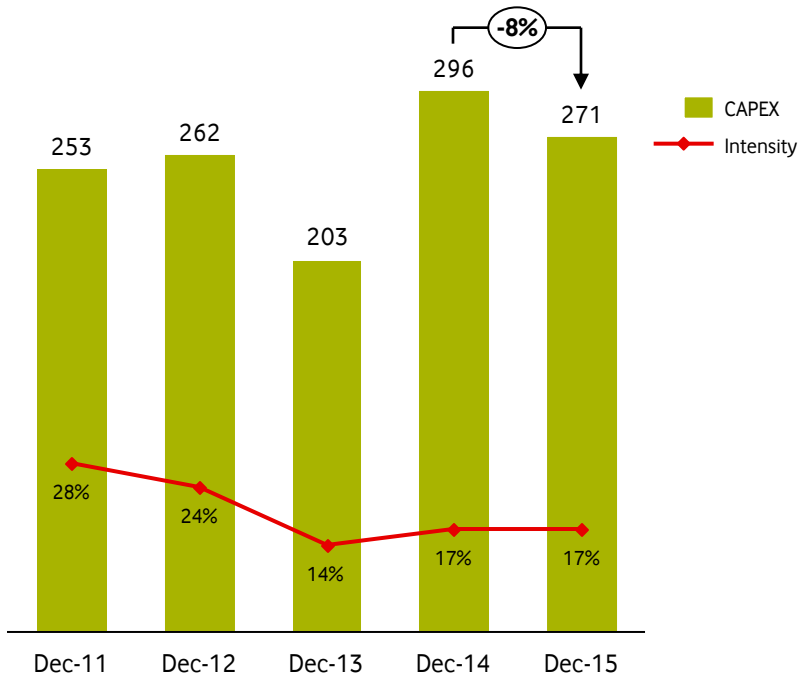


Net Loss (353) (327) (213) (150) (286)

- **Lower EBITDA** resulting from revenue decline and higher cost base due to network investment
- **Decline in EBITDA margin %** is a direct consequence of reduced Prepaid pricing and higher cost base
- **Lower Distributable Profit and Net Loss** flowing from lower EBITDA and increased depreciation (higher Capex investment) and the impact of our network modernization program



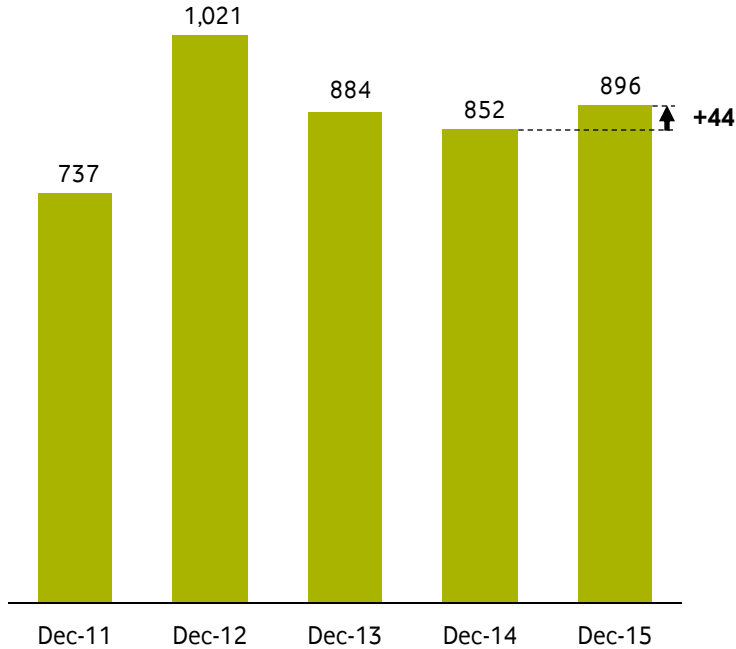
CAPEX (QR m)



- **Continued CAPEX** investment in network modernization with new site rollouts and capacity upgrades to ensure a world class network experience.



Net Financing Position (QR m)



- **Net Financing position increased** following payment of FY15 dividend of QR 177.5m (21dh per share) to shareholders in July
- Headroom of QR 184m on current wakala facility



Appendices



Financial Summary

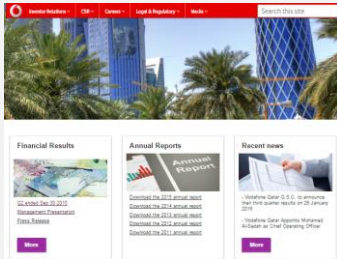
	9m Dec-11	9m Dec-12	9m Dec-13	9m Dec-14	9m Dec-15
	QRm	QRm	QRm	QRm	QRm
Total Revenue	906	1,091	1,432	1,735	1,603
EBITDA	102	182	343	421	343
Net Loss	(353)	(327)	(213)	(150)	(286)
Distributable Profit	(50)	(26)	89	152	17
CAPEX	253	262	203	296	271
Free Cash Flow	(93)	(84)	114	13	(138)
Net Financing Position	737	1,021	884	852	896
Key Performance Indicators (KPIs)					
	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15
Qatar's Population (k)	1,708	1,837	2,045	2,235	2,421
Qatar's Mobile Penetration	168%	175%	186%	188%	NA
Total Mobile Customers (k)	797	1,005	1,273	1,414	NA
ARPU (QR)	111	121	125	125	110
Mobile Customer Market Share	27.8%	31.3%	33.5%	33.6%	NA
Mobile Revenue Market Share ¹	25.5%	28.2%	32.0%	32.7%	NA

¹ Revenue market share is based on Vodafone Qatar's total mobile revenue (in which content revenue is reported as net) versus the competitor's reported postpay, prepay and other mobile revenue.



Contact Details

Visit our website for more information



www.vodafone.qa/en/investor-relations

Investor and Media Queries

Yaman Al-Jundi
Investor Relations
yaman.aljundi@vodafone.com
+974 7777 5562

Lana Khachan
Media Relations
lane.khachan@vodafone.com
+974 7777 5787

