



Vodafone Qatar Q.S.C Financial Results

Year ended 31 March 2014

Tuesday 27th May 2014

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Financial Highlights

For the Year ended 31 March 2014

Mobile Customers



1,327,000

22%

Total Revenue



QR 1.98bn

30%

EBITDA



QR 496m

25% margin

75%

Free Cash Flow



QR 144Mn

n/a

Distributable Profits



QR 157m

Proposed Dividend



QR 144m

17dhs/share



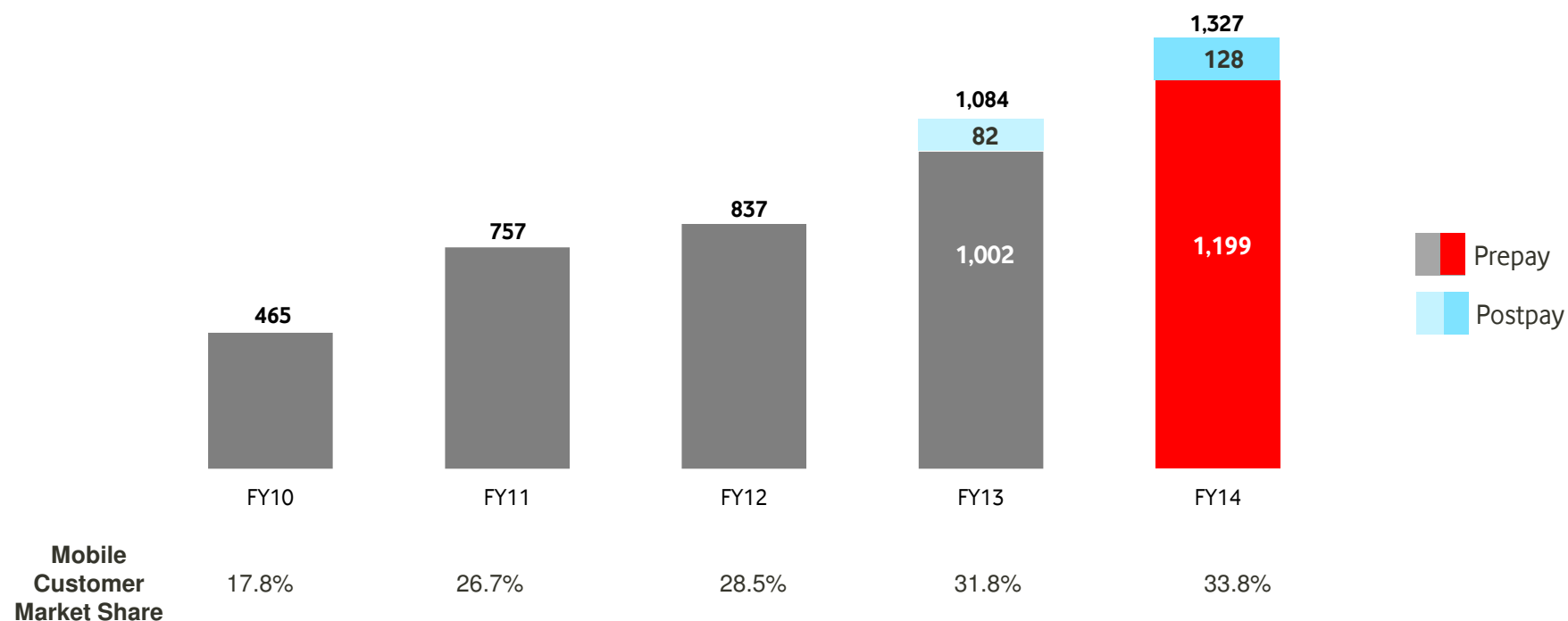


Financial Highlights

Steve Walters

Chief Financial Officer

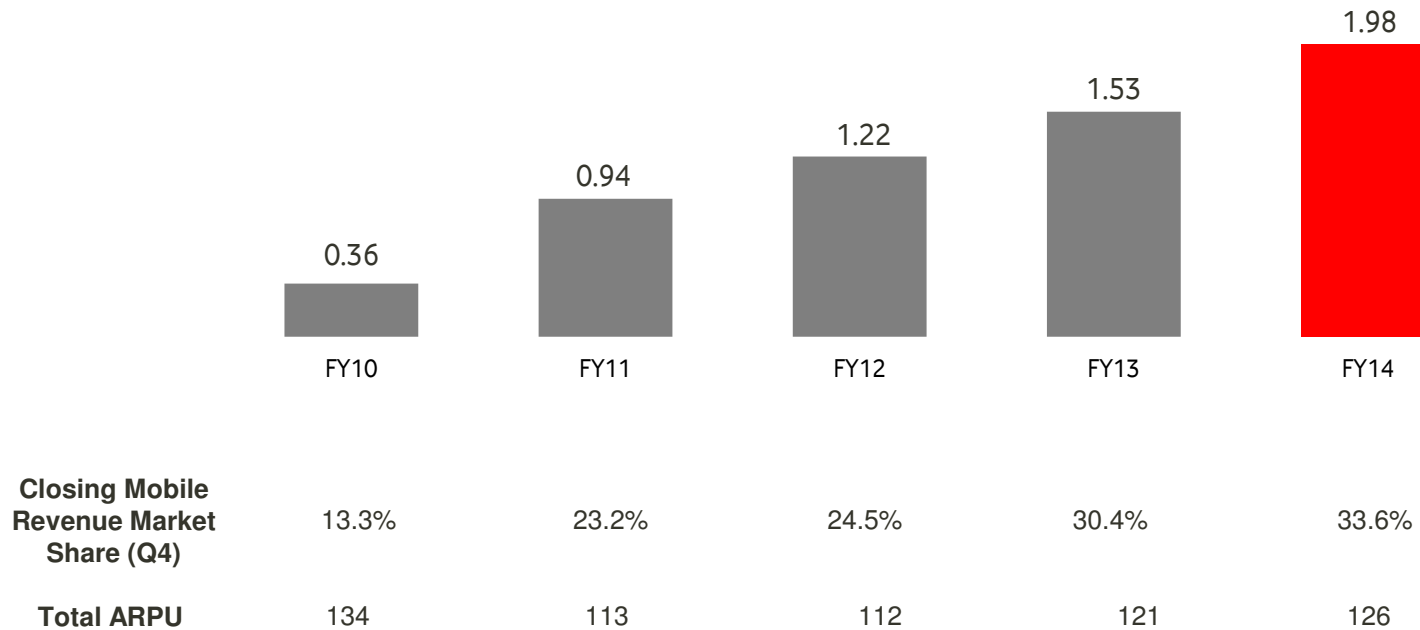
Mobile Customers ('000s)



- **22% growth** in Customers (YoY) – 243k customers added
- 11.6% increase in population
- **Continued strong** Postpaid performance – 55% growth YoY
 - Now represents 9.6% of customer base



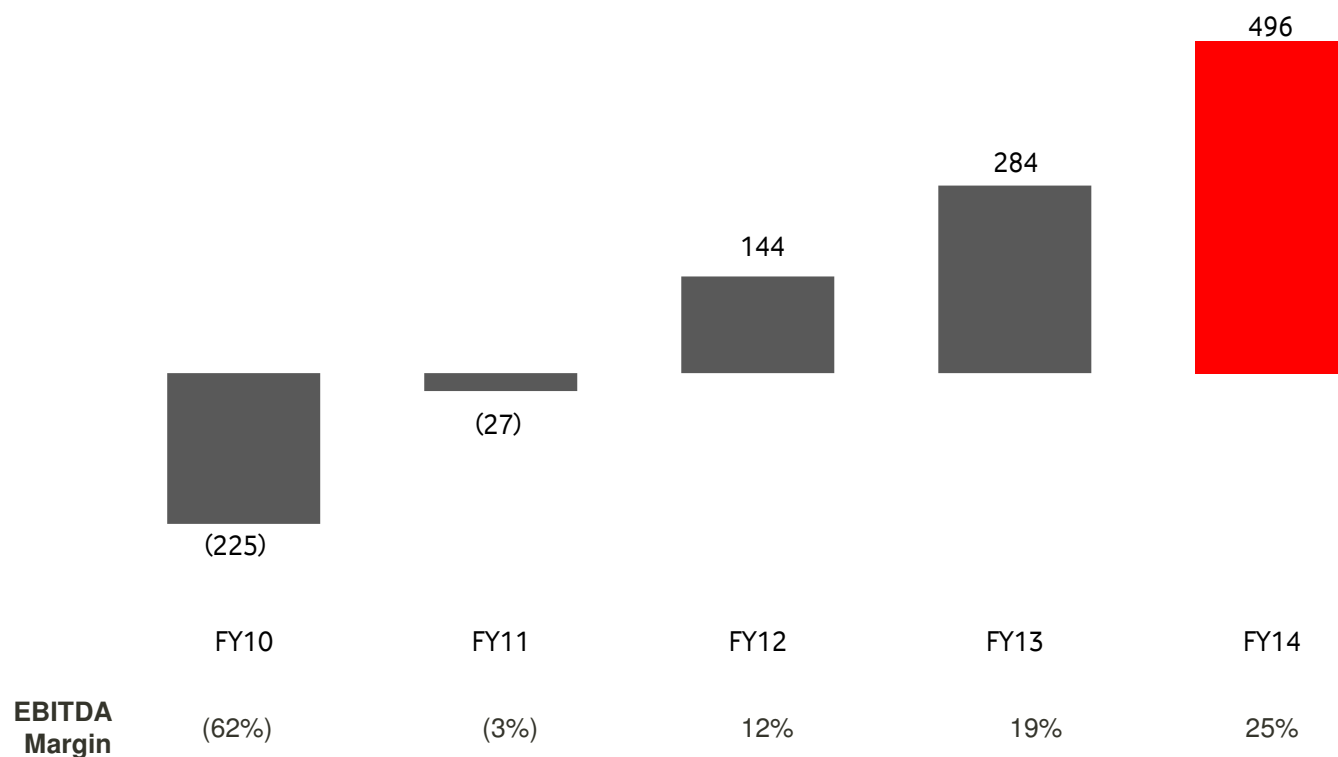
Total Revenue (QR bn)



- **30% improvement YoY** – continued customer base growth and higher ARPU
- **ARPU improves 4%** (YoY) driven by increased contribution from Postpaid customers
- **Strong** market share improvement, benefiting from Postpaid
- Postpaid revenues **contribute 17%** of Total Revenue



EBITDA (QRm)

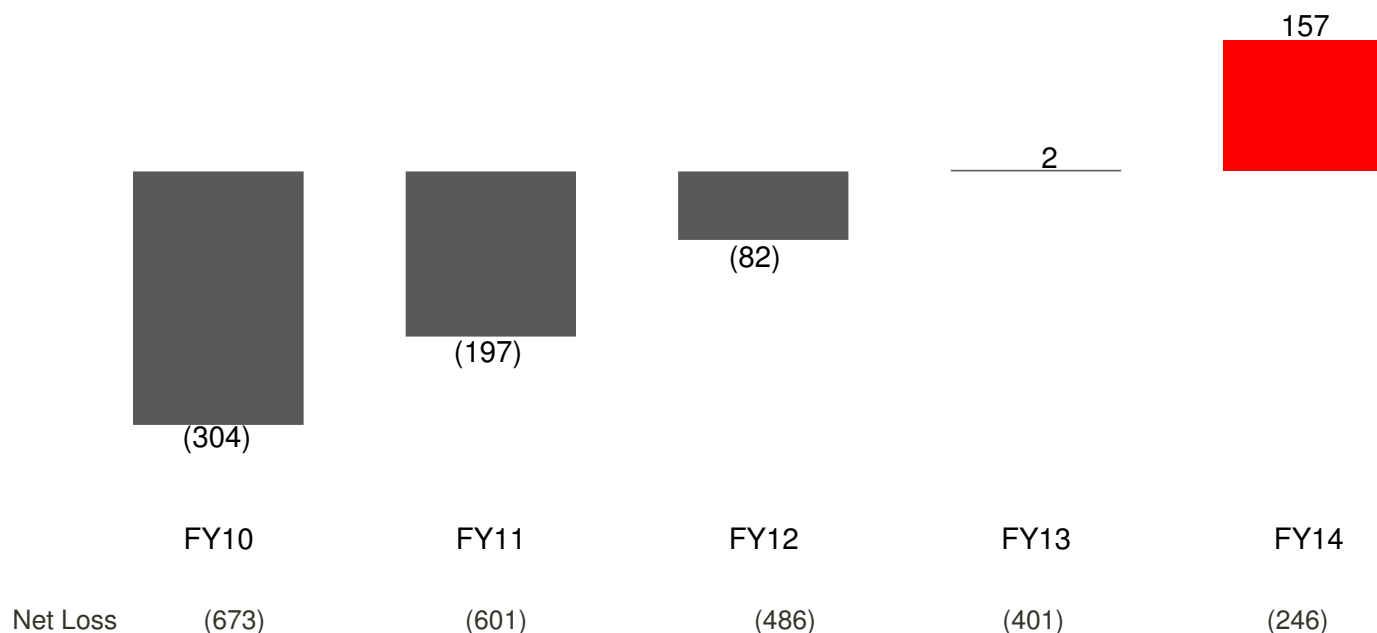


- **75% growth in EBITDA (YoY)** – benefiting from revenue increase and cost focus
- **Continuous EBITDA margin improvement** reflecting better sales mix, scale benefits and cost control



Distributable Profit (QRm)

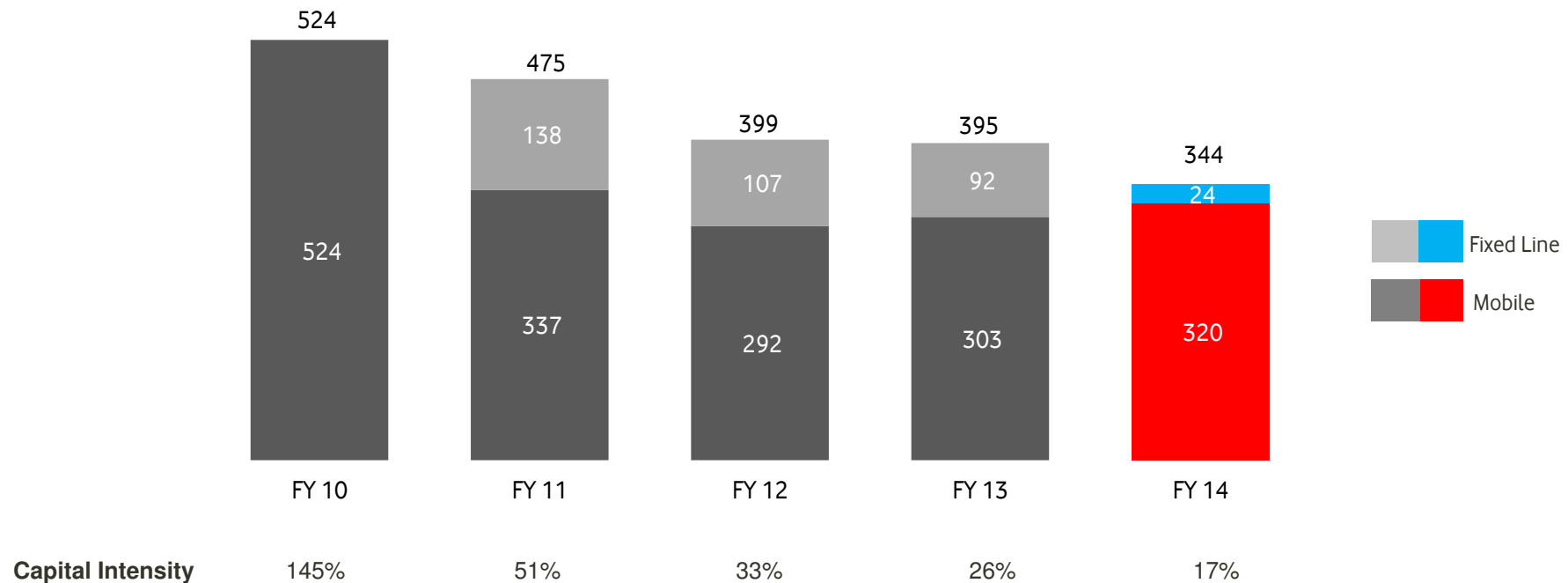
Distributable Profit is defined as the net profit for financial year plus license amortization for that year.



- **EBITDA drives strong** growth in Distributable Profit and 39% YoY improvement in Net Loss
- **Maiden** dividend proposed:
 - Cash dividend of 17dhs per share
 - Total dividend of QR144m subject to approval at AGA
- Dividend will be paid from available cash and facilities



Capitalised Fixed Asset Additions (QRm)



- **Mobile** – additional 54 sites on air and improved transmission capacity
- **Continuous improvement** in Capital Intensity
- **Higher** investment expected in FY15



Free Cash Flow (QRm)



- **First year of positive free cash flow** - higher EBITDA and working capital management
- **Reduction** in Net Debt
- Overall borrowing capacity of QR1.2bn





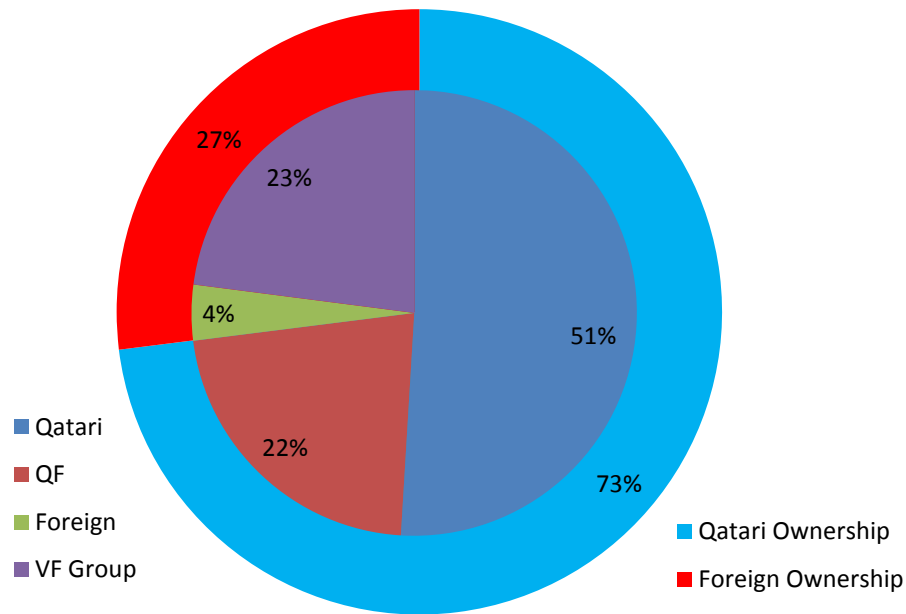
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FY14 Full-Year

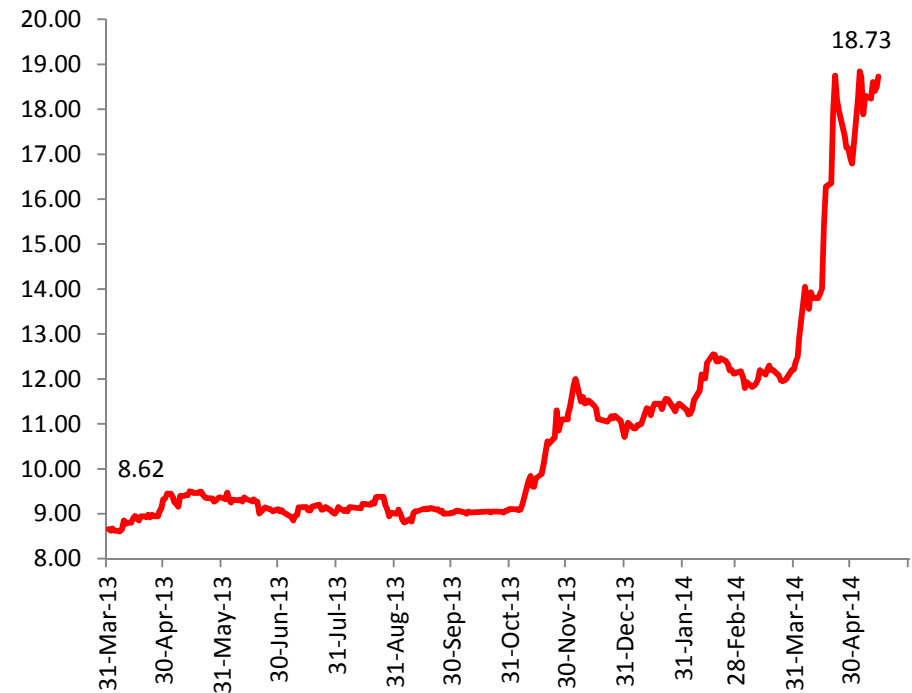
Kyle Whitehill
Chief Executive Officer

Our Shareholding structure

Ownership Structure



Share Price Performance



Vision and Strategic Pillars

“To be the most admired brand in Qatar”

**Grow Revenue
Share**

**Differentiated
Customer
Experience**

**Connect with
Qatar**

**Great place to
work**

**Reward
Shareholders**

Business Priorities

High Value Customers

Win in Enterprise

Future of Fixed

Network Evolution

Lead in Innovation

Strategic Partnerships

Continued growth momentum

Growth in all Market Segments

- Population growth continues, with Vodafone taking strong share
- Solid Postpaid base with a healthy continuous growth
- Continuous growth in Prepaid
- Enterprise expanding and more opportunities for Enterprise business solutions.

New Mobile Plans

- Red
- Falla
- More to come ...

Network

- Massive 2G and 3G improvements
- 4G service launch soon

Customer Experience

- Six awards
- Expansion of self-service channels
- Expansion of retail foot print

Rewarding our Shareholders

- Distributable Profits
- First dividend payout - Board recommended 17dhs per share
- Strong share price growth





Questions



Appendices

Financial Summary

Financial Performance

	Year to Mar-10 QRm	Year to Mar-11 QRm	Year to Mar-12 QRm	Year to Mar-13 QRm	Year to Mar-14 QRm
Total Revenue ('000)	362	935	1,222	1,527	1,982
EBITDA (QRm)	(225)	(27)	144	284	496
Net Loss (QRm)	(673)	(601)	(486)	(401)	(246)
Distributable Profit (QRm)	(304)	(197)	(82)	2	157
Fixed Asset Additions (QRm)	524	475	399	395	344
Free Cash Flow (QRm)	(259)	(341)	(293)	(61)	144
Net Debt (QRm)	(294)	(644)	(937)	(998)	(854)

Key Performance Indicators (KPIs)

	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14
Total Mobile Customers	465,000	757,000	837,000	1,084,000	1,327,000
Qatar's Population (m)	1.677	1.679	1.774	1.921	2.144
Qatar's Mobile Penetration	156%	169%	166%	176%	183%
Mobile Customer Market Share	17.8%	26.7%	28.5%	31.8%	33.8%
Mobile Revenue Market Share (Q4) ¹	13.3%	23.2%	24.5%	30.4%	33.6%

¹ Revenue market share is based on Vodafone Qatar's total mobile revenue in Q4 (in which content revenue is reported as net) versus competitor's reported postpay, prepaid and other mobile revenue.



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