



PRESS RELEASE

VODAFONE QATAR REPORTS A QR 374 MILLION INCREASE IN NET PROFIT YEAR ON YEAR BOARD RECOMMENDS QR 211.4 MILLION CASH DIVIDEND

Doha, Qatar, 11 February 2019: Vodafone Qatar P.Q.S.C. (“Vodafone Qatar” or the “Company”) announced its financial results for the full year ended 31 December 2018.

Key highlights compared to calendar year 2017:

- ✓ Total Revenue of QR 2,101 million, increased by 5.1% returning to year on year growth for the first time in 4 years
- ✓ EBITDA of QR 584 million, increased by 8.5%
- ✓ First-ever yearly Net Profit of QR 118 million, increased by QR 374 million
- ✓ Postpaid customers increased by 24.1%
- ✓ Board of Directors recommends the distribution of QR 211.4 million Cash Dividend

Financial Summary:

Vodafone Qatar’s strong financial results for the financial year 2018 are primarily due to its success in growing its Postpaid subscribers and fixed services, as well as its effective cost optimisation programme.

Total Revenue returned to year-on-year growth for the first time in 4 years, increasing 5.1% year-on-year to reach QR 2,101 million for the year ended 31 December 2018 driven by growth in Postpaid, fixed and handset revenue.

EBITDA for the reported period stood at QR 584 million representing an increase of 8.5% compared to last year, positively impacted by higher revenue and lower costs. Consequently, the EBITDA Margin improved by 0.9 percentage points to reach QR 27.8%.

The Company reported Net Profit of QR 118 million for the year ended 31 December 2018, the first ever-profitable year, resulting in a significant increase of QR 374 million compared to last year. Free Cash Flow for the year was QR 201 million, a 33% increase year-on-year, consequently reducing net debt to QR 419 million.

Based on the 2018 solid financial results, the Board of Directors has recommended the distribution of a cash dividend of 5% of the nominal share value, i.e. QR 0.25 per share, totalling QR 211.4 million, for approval at the Company’s Annual General Assembly.

Vodafone Qatar is now serving 1,417,000 customers. Postpaid customers grew outstandingly this year by 24.1% due to the innovative products and the popularity of Vodafone’s FLEX, Red and Enterprise plans that suit all customer needs. Reflecting the Company’s growth in Postpaid, the total Average Revenue Per User (ARPU) for the year stood at QR 105, a 5.6% growth year-on-year.

Commenting on the results, Vodafone Qatar’s CEO, Sheikh Hamad Abdulla Jassim Al Thani, said: “2018 was defined by strong financial performance and a year that truly marked a significant turning point in the life of our Company. The crucial decisions made and milestones achieved in our strategy have put us on a clear path to growth.”

We made major strides in 2018 to become a fully converged telecommunications company and I am extremely proud of our role of being at the forefront of the digital era. We have built an ecosystem of digital products and services for the evolving demands of our customers for both consumers and businesses alike. Now, with 5G deployments well underway across key locations in the country, since switching on our 5G network in August 2018, we have strengthened our commitment to invest in Qatar's information, communication, and technology sector and bring world-class infrastructure to the country. Beyond our investments in 5G technology, we are also investing heavily in our fixed-network infrastructure. We are rolling out Vodafone GigaNet fibre in more than 20 strategic areas with plans in 2019 to continue our roll-out.

We are confident that we have the right strategy in place to succeed and accelerate our Company's growth in 2019 and beyond. We will continue our strong commitment to pioneer digital innovation in Qatar and to be a leading contributor to the bold and ambitious aims of the Qatar National Vision 2030."

Financial Highlights:

In QR million (unless otherwise stated)	Yearly Analysis		
	12 months ended		YoY Growth (%)
	31/12/2018	31/12/2017	
Total Customers (000)	1,417	1,390	2.0%
Total Revenue	2,101	1,998	5.1%
Service Revenue	1,904	1,852	2.8%
EBITDA	584	538	8.5%
EBITDA Margin (%)	27.8%	26.9%	0.9pp
Net Profit / (Loss)	118	(256)	N/A

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About Vodafone Qatar P.Q.S.C

Vodafone Qatar P.Q.S.C. ("Vodafone Qatar") provides a range of services including voice, messaging, data, fixed communications and Managed ICT Services in the State of Qatar. Vodafone Qatar commenced commercial operations on 1 March 2009 with around 1.4 million customers now actively using Vodafone Qatar's mobile services supported by the Company's state of the art network. Vodafone Qatar's purpose is to inspire everyone to live a better today and build a better tomorrow. By being the most innovative digital company, blending the best of technology and human interaction in a personal, instant and simple way. Please visit www.vodafone.qa for more details.

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