



## PRESS RELEASE

### VODAFONE QATAR RELEASES FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2011

#### VODAFONE MOVES INTO PROFITABILITY IN THE SECOND HALF

**Doha, 25 May 2011:** Today Vodafone Qatar Q.S.C. ("Vodafone Qatar" or "The Company") announces its financial results for the year ended 31 March 2011.

#### Annual Financial Highlights:

- Strong customer growth of 63% over the last year to 756,767 mobile customers at 31 March.
- 45% of the population of Qatar now actively use Vodafone's services.
- Vodafone's mobile customer market share increased to 27% as at 31 March.
- Revenue increased 159% year on year to QR 934.9 million .
- Fourth quarter revenue market share closed at 22.9%.
- Average revenue per user (ARPU) increased 14% over the year to reach QR 115 for the quarter ended 31 March.
- EBITDA improved 88% on last year with loss before interest, tax, depreciation and amortisation (EBITDA) for the full financial year ending at QR (27.1) million;
- QR 4.8 million EBITDA profitability was achieved in the last 6 month period ended 31 March.

#### Summary

"We are very pleased with our performance this year, we have gained a solid customer base with 45% of the population actively using our services every month, we have increased the average spend per customer, increased revenues to QR 935 million, and crossed into EBITDA profitability in the last six months" commented John Tombleson, Vodafone Qatar's Acting Chief Executive Officer.

"We are excited about the year ahead, in which we plan to increase our network by 25%, offer a full range of products and services to all segments in Qatar, extend our postpay service from businesses to consumers, introduce number portability, and work with the Qatar National Broadband Network to bring fibre to the home" John Tombleson further elaborated.

#### Strategy Review

Vodafone Qatar has focused on five key areas over the past year to help grow its business and deliver on its purpose to make a world of difference for all people in Qatar.

#### Maintaining existing customers and expanding into new customer segments

To continue its appeal to existing customers, Vodafone launched an extensive World Calling Club competition, giving customers the chance to win QR 10,000 every day. Vodafone also launched an international calling card in October giving customers access to low cost international calls to 15 countries across the Middle East and Asia. Vodafone's Flexi 10 recharge card was introduced in September in response to feedback from customers who wanted a lower denomination recharge card.



In addition to servicing its existing customers, Vodafone Qatar has begun widening its appeal by bringing state-of-the-art mobile devices to Qatar and launching its postpay Vodafone Business World. Launched in November 2010, Vodafone Business World allows customers to call anyone in their company for free, offers dedicated customer care services and the opportunity to pay in arrears.

#### Improving the customer experience

Our mobile network provides 100% 2G coverage across Qatar and 99% 3G population coverage, and Vodafone has invested capital this financial year to make significant improvements to the capacity and coverage of its network; this is evidenced by successfully carrying a record eight million minutes on its network on National Day 2010 without any congestion issues. "With the cooperation of the municipalities we soon expect to replace our temporary cell sites and expand the network to provide a world class network experience for our customers" said John Tombleson.

#### Developing people

Vodafone Qatar is dedicated to developing its people; the Company's internship programme was granted the "Shukran" award by Texas A&M University in Qatar for the most innovative internship programme, and in conjunction with its two-year graduate programme is designed to attract talented Qatari nationals.

"As the start-up team begin to come to the end of their contracts, now is the time to significantly step-up on increasing the number of senior Qataris in our business" commented John Tombleson.

#### Innovating for Qatar's Future

The launch of Vodafone Money Account has transformed the mobile phone in Qatar to a cross between a bank account (from which funds can be transferred and deposits made) and a wallet (which can produce payments for goods and services). The launch of the first capability in November last year, Vodafone Money Transfer, will revolutionise the way that Qatar's unbanked expat workers send money home to their families. The service was initially launched to the Philippines, and Vodafone will be rolling this service out to a wide range of international destinations throughout 2011.

#### A full service telecommunications company

The award of Qatar's second public fixed telecommunications networks and services licence enables Vodafone Qatar to eventually be transformed into a full service telecommunications company offering a full range of products and services to all people in Qatar. Vodafone started this journey by connecting residents of The Pearl with broadband services in May 2010. "We are now half-way through building our core converged mobile and fixed network to provide fixed services, and with partnering the Qatar National Broadband Network we are aiming to provide 95% of the homes in Qatar with extremely fast broadband" said John Tombleson.

As announced by ictQATAR in March, the government is to invest in a nationwide, open and accessible high-speed broadband Fibre to the Home (FTTH) network by 2015. The Qatar National Broadband Network (Q.NBN) as stated by Dr Hessa Al-Jaber Secretary General of ictQATAR, is "a bold step forward in Qatar's drive to be a leading knowledge economy" and Vodafone Qatar is proud to be working closely with the Q.NBN as part of our provision of fixed telecommunications services in Qatar.

#### **Encouraging a Better World**



**vodafone**

Corporate social responsibility is known in Vodafone Qatar as 'Better World', aiming to make the world a better place in everything they do, from supporting local charities to developing hybrid powered base stations. This year local charities were again supported through the Vodafone Qatar Charitable Fund, with USD 2.5 million donated to Reach Out To Asia (ROTA) to support educational projects in Qatar, Nepal and Indonesia. In addition, over QAR 2.5 million has been committed towards building a park for everyone in Qatar to enjoy, through Vodafone's highly successful "Get Together" campaign.

### **Grahame Maher**

The Company's financial year was marked by the passing of former CEO Grahame Maher on 2 November 2010 who was instrumental in shaping Vodafone Qatar, providing solid foundations for the executive management team to continue to build upon. Following Grahame's passing, the Board of Directors immediately asked John Tombleson to stand in as Acting CEO whilst a successor was sought. At today's Board Meeting, Vodafone Qatar's Chairman Sheikh Abdulrahman bin Saud al-Thani expressed his gratitude to Mr Tombleson for assuming the role of CEO under very difficult circumstances, stating "On behalf of the Board I would like to thank John for all his efforts; he has done an excellent job of leading our Company over the last seven months".

### **Annual General Assembly Meeting**

Vodafone Qatar will be holding its annual general meeting on Sunday 12 June at 5pm at Al Ghariyah Hall, La Cigale Hotel. Registration starts at 4pm. Proxy voting forms and full details of the agenda are available on Vodafone Qatar's website [www.vodafone.com.qa/AGM-EN](http://www.vodafone.com.qa/AGM-EN)

-ENDS-

### **Trade mark notice**

Vodafone, the Vodafone logo and Vodafone Money Transfer are trade marks of the Vodafone Group.

### **Summary Information**

Authorised Capital:	QAR 8,454,000,000
Paid-in Capital:	QAR 8,454,000,000
Number of Shares:	845,400,000
Free Float (as of 31 March):	338,160,000 shares
Reuters ticker symbol:	VFQS.QA
Listing:	Qatar Exchange
Market Capitalisation (as of 31 March):	QAR 6,518,034,000

### **Results Publication**

The Financial Statements for the year ended 31 March 2011 are available on the Vodafone Qatar website, [www.vodafone.com.qa/go/en/investorrelations](http://www.vodafone.com.qa/go/en/investorrelations) and the Qatar Exchange website, [www.qe.qa](http://www.qe.qa)

### **About Vodafone Qatar Q.S.C.**

Vodafone Qatar Q.S.C. ("Vodafone Qatar") is the holder of the Second Public Mobile and Fixed Telecommunications Networks and Services Licence in the State of Qatar.



Vodafone Qatar's purpose is to "Make a World of Difference for All People in Qatar" by aiming to become "the most admired brand in Qatar."

Please visit [www.vodafone.com.qa](http://www.vodafone.com.qa) for more details.

**For further information, please contact:**

**Investor Relations**

Rachael Mayo-Smith

E-mail: [Rachael.mayo-smith@vodafone.com](mailto:Rachael.mayo-smith@vodafone.com)

Khalid Barzak

E-mail: [khalid.barzak@vodafone.com](mailto:khalid.barzak@vodafone.com)

**Media Relations**

Lana Khachan

Email: [ana.khachan@vodafone.com](mailto:ana.khachan@vodafone.com)