



PRESS RELEASE

STRONG FINANCIAL YEAR FOR VODAFONE QATAR

-DIVIDEND PAYMENT RECOMMENDED

Doha, 27 May 2014: Vodafone Qatar Q.S.C. ("Vodafone Qatar" or "The Company") announced its financial results today for the year ending 31 March 2014.

Annual Financial Highlights at 31 March 2014:

- Continued mobile customer growth of 22% over the last year to 1,327,000
- Vodafone's mobile customer market share increased to 33.8%
- This has helped to deliver a 30% increase in revenue year on year to QR 1.98 billion
- Mobile revenue market share closed at 33.6% by the end of the final quarter which is an increase of 3.2ppt over the same period of last year
- Average revenue per user (ARPU) improved 4% to QR 126
- Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) margin improved 6ppts to 25% with EBITDA for the full financial year of QR 496 million, a 75% improvement over last year.
- Net Loss improved by 39% to a loss of QR 246million The Company delivered Distributable Profits of QR 157m; compared to QR 2million for the same period last year. The term Distributable Profits represent the net loss of the Company plus amortization of the license for the financial year.
- The return per share is minus (0.29) QR compared with minus (0.47) QR of the same period last year
- The Company's Board will recommend, at its Annual General Meeting, a dividend payment to its shareholders of 1.7% of nominal share value (QR 0.17 per share).

Summary

H.E Sheikh Dr Khalid Bin Thani Al Thani, Chairman, Vodafone Qatar commented: "We continue to deliver solid growth in our fifth full year of operations with strong revenue growth of 30% over the year to reach QR1.98 billion. As a result, our mobile revenue market share grew to 33.6% for the year, up from 30.4% last year. This growth enabled the Company to further increase its profitability with EBITDA margin improving six percentage points over the year to reach 25%. Consequently, we have achieved positive Distributable Profit of QR 157 million, and as such, the board recommends a dividend payment to its shareholders of QR 0.17 per share."

"Our strong financial performance can be attributed to the following key factors:

- A growth in customer numbers to 1.327 million driven by continued population growth and further gains in market share due to the popularity of our commercial offerings



- ARPU improvement driven by increased contribution from Postpaid customers and Data

"This financial year has seen many major achievements for Vodafone Qatar. Most recently we launched two exciting products with exclusive benefits- Red Postpaid and Falla targeted to the youth segment which have proven very successful.

We have identified big growth opportunities in the enterprise segment and are rapidly growing in this market. This year; we launched a comprehensive range of enterprise grade fixed products including Corporate Voice, Internet and Data Network solutions. We brought two firsts to the business market in Qatar with a locally supported Secure Device Management solution and an Audio Conferencing solution with a free local dial-in number which can significantly reduce the telecoms costs for local businesses.

We continue working with Qatar National Broadband Network (Qnbn) to provide high-speed broadband to the country, advancing the digital infrastructure of Qatar. Together, we've brought high-speed internet connectivity to several business and residential towers in West Bay as well as to Barwa City and the 8.5 km Barwa Commercial Avenue project.

There has also been significant investments made to enhance our 3G network and we will continue to invest in our network to ensure that it's of the highest standards.

Our obsession with customer service has been recognised with six awards this year. We continue to be uniquely innovative in using technology to engage our customers with customer care via their mobile platforms, and information about the latest phones, apps, mobile and innovative technology. We expanded our Self-service channels and with the addition of MyVodafone *100# and IVR self-service channels, we have effectively doubled our capacity to service customers, now efficiently managing 63% of all care inquiries through self-service channels. In addition to this, our retail footprint has been expanded to ensure we can service customers wherever they are."

Key Priorities for the Coming Year

Our work with Qnbn will enable us to continue to expand our residential and enterprise fixed network coverage across West Bay and other key parts of the country.

We will aggressively compete in enterprise to deliver the most innovative and tailored solutions to our business customers whilst ensuring that their costs are well managed.

Our consumer customers will continue to see amazing offers and propositions from Vodafone bringing what's best from Vodafone globally to Qatar. This will be supported by world class customer service which is at the heart of what we do.

Additionally, our relentless pursuit of network excellence continues, as we plan further capacity and coverage enhancements and the roll out of 4G services, empowering everybody to be confidently connected.



Finally, Vodafone is committed to playing a key role in Qatar's society and to bring the world's most advanced technologies to help realize the 2030 Qatar National Vision.

Annual General Assembly Meeting

Vodafone Qatar will be holding its Annual Ordinary General Assembly Meeting on Wednesday 18 June at 7:00pm at The InterContinental-Doha, Al Wajba function room. Registration starts at 6:00pm. Proxy voting forms and full details of the agenda are available on Vodafone Qatar's website www.vodafone.qa/AGM-EN

-ENDS-

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 License in the State of Qatar.

Vodafone Qatar switched on its mobile network on 1 March 2009 and shortly after started delivering great value to its customers with a range of exciting products and services.

Having built a world class converged IP network, Vodafone launched fibre-based consumer and enterprise fixed-line services commercially in October 2012 and is expanding its fibre services in conjunction with Qnbn deployment of Fibre to Homes and Corporates.

Vodafone's objective is to be the most admired brand in Qatar and the Company is committed to providing world class telecommunications infrastructure to support Qatar National Vision 2030. Please visit www.vodafone.qa for more details.

For press enquiries, please contact:

Lana Khachan

E-mail: lane.khachan@vodafone.com

For investor relations enquiries, please contact:

Khalid Barzak

E-mail: khalid.barzak@vodafone.com