

news release



VODAFONE QATAR P.Q.S.C. H1 2018 RESULTS SHOWS STRONG CASH GENERATION

Doha, Qatar, 25 October 2017: Vodafone Qatar P.Q.S.C. ("Vodafone Qatar" or the "Company") today announced its financial results for the six months ended 30 September 2017.

Financial Highlights:

- QAR 236 million EBITDA; flat year-on-year
- 1.3 pps growth in EBITDA margin
- 26.4% growth in Net Profit (excluding amortization)
- 20.8% growth in Postpaid Customers
- 19.3% reduction in net debt levels from March 2017

	Half Year Analysis		
	H1 2018	H1 2017	% Change
Total Customers (000)	1,389	1,457	(4.7%)
Total Revenue (QAR m)	945	1,000	(5.5%)
Service Revenue (QAR m)	899	969	(7.3%)
EBITDA (QAR m)	236	237	(0.2%)
EBITDA Margin (%)	25.0%	23.7%	1.3pp
Net Profit (Excl Amortization) (QAR m)	48	38	26.4%
Net Loss (QAR m)	(154)	(164)	6.1%

Financial Summary

Despite the network outage that took place in July, the Company's EBITDA stood at QAR 236 million for the six-month period ended 30 September 2017. EBITDA Margin improved in H1

2018 to reach 25%, up from 23.7% over the same period last year representing a 1.3pp increase year-on-year aided by a more profitable product mix and a QAR18 million reversal of provisions no longer required.

During the first six months of the year the Net Profit excluding Amortization stood at QAR 47.8 million representing an improvement of 26.4% driven by assets becoming fully depreciated.

Total revenue and service revenue in H1 2018 declined to QAR 945 million and QAR 899 million respectively due to events arising from the network outage and an aggressive pricing environment.

The Net Financing Position continued to improve to reach QAR 626 million in Q2 2018 recording the lowest level in the Company's history.

By the end of September 2017, the total customers number decreased to 1,389,000 customers, 68,000 customers lower compared to the same period last year due to the impact of the network outage, a slowdown of economic growth and the timing of holidays. However, Postpaid customers grew by 20.8% led by the popularity of Vodafone's FLEX plans. FLEX is an innovative product which gives customers the freedom and flexibility to use data, make local & international calls and SMS interchangeably on one balance with no pre fixed quota.

Commenting on the results, Ian Gray, CEO, Vodafone Qatar said: "Despite the setback in July, our recovery and growth plans continue. We also recently announced our new brand positioning 'The Future is Exciting.... Ready?' in which we want our customers to truly feel our commitment to Qatar and trust that the Vodafone brand will always be their digital partner delivering great innovation and world class technology."

"Moreover, I'm very pleased that a number of changes to our Articles of Association were approved by shareholders at our Extraordinary General Assembly meeting held last week. These changes, including change of the Company's financial year end to December each year, will closer align the Company to other listed companies in Qatar," continued Ian Gray.

-ENDS-

About Vodafone Qatar P.Q.S.C

Vodafone Qatar P.Q.S.C. ("Vodafone Qatar") is part of the Vodafone Group, one of the world's largest telecommunications companies and is the holder of the Second Public Mobile and Fixed Telecommunications Networks and Services License in the State of Qatar. Vodafone Qatar commenced commercial operations in Qatar on 1 March 2009. Having built a world class converged IP network, Vodafone launched fibre-based consumer and enterprise fixed-line services commercially in October 2012. Vodafone Qatar is proud to be a part of the telecommunications industry in Qatar, delivering the benefits of sustainable and effective competition through increased

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choice, better value, better service and innovation to consumers and businesses alike. The company is committed to providing world class telecommunications infrastructure and services in support of Qatar National Vision 2030. Please visit www.vodafone.qa for more details.

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