



PRESS RELEASE

VODAFONE QATAR RELEASES THIRD QUARTER FINANCIAL RESULTS ANNOUNCES OVER 700,000 CUSTOMERS

Doha, 11 January 2011: Today Vodafone Qatar Q.S.C. ("Vodafone Qatar" or "The Company") announced its financial results for the nine months ended 31 December 2010.

It has been another exceptionally strong quarter of customer growth for Vodafone Qatar; over 43% of the population is now actively using Vodafone's services. This means over 1,200 customers per day joined Vodafone during the December quarter to reach over 711,000 by 31 December. This is an 18% increase in customers over the quarter and was driven by the successful roll out of new products and continued focus on delivering additional value to customers.

Total revenue was QAR 652.0 million for the nine months ended 31 December 2010. Total revenue for the December quarter was QAR 266.5 million, a 27% increase compared to the September quarter. ARPU (Average Revenue per User) continued to increase; ARPU for the December quarter was QAR 120 which is an increase of 8% from the September quarter. "This is our third consecutive increase in quarterly ARPU and represents Vodafone Qatar's progress in bringing new products to market and acquiring customers in new target segments," commented Wade Kirkland, Acting Chief Financial Officer.

Loss before interest, tax, depreciation and amortisation (EBITDA) continued to improve, with EBITDA of QAR (30.9) million for the nine months to 31 December 2010, a six-fold improvement on last year's result. "I am delighted to announce that EBITDA was positive for the first time in the December quarter at QAR 1.0 million; this is a significant milestone that we have achieved," said John Tombleson, Acting Chief Executive Officer.

Vodafone Qatar's key achievements were as follows:

- 711,000 customers at 31 December 2010, an increase of 18% over the quarter
- 43% of the population of Qatar are now actively using Vodafone Qatar's services



- Estimated* 25% Mobile Customer Market Share as of 31 December 2010
- Average Revenue Per User (ARPU) increased 8% quarter-on-quarter to QAR 120 for the three months ended 31 December 2010
- Total Revenue of QAR 652.0 million for the nine months ended 31 December 2010. Revenue for the December quarter increased by 27% to QAR 266.5 million compared to the September quarter
- Loss before interest, tax, depreciation and amortisation (EBITDA) for the nine months ended 31 December was QAR (30.9) million.
- EBITDA profits of QAR 1.0 million for the three months ended 31 December 2010; this is the first quarter of positive EBITDA.

* data is estimated as Qtel's December quarter results have not yet been released

These results have been achieved through Vodafone's continued focus on their customers including:

1. Looking after existing customers

Vodafone Qatar initially targeted the labour and service workers in Qatar and in response to customer requests, launched its lowest denomination QAR 10 environmentally friendly recharge card, the Flexi 10. The Company swiftly followed with the launch of its International Calling Card, allowing customers to access reduced calling rates to 15 countries across Asia, the Middle East and North Africa.

"We pride ourselves on listening to our customers; providing a lower value QAR 10 recharge card and launching our International Calling Card ensures our customers can stay closer to friends and family," said Michael Portz, Chief Marketing Officer.

2. Expanding into new customer segments

Vodafone Qatar began targeting other customer segments this quarter with the launch of its Freedom Accounts which offer great value and flexibility and put the customer in complete control of their spend with a monthly limit option.

Vodafone Qatar's major launch was the introduction of Vodafone Business World on 1 November 2010, offering a personalised service to businesses in Qatar. "For the first time in Qatar, businesses have a choice of telecom provider. Vodafone's Business World offers businesses the opportunity to keep track of expenditure in real-time. Vodafone also provides monthly usage analysis to ensure businesses maximise the value from their telecommunications expenditure," said Jan Holzberg, Head of Business Marketing.



3. Innovating for the future

Vodafone Qatar launched its revolutionary new service, Vodafone Money Transfer, in November 2010 following approval from the Qatar Central Bank. Vodafone Money Transfer allows Vodafone customers to instantly send money overseas directly from their mobile phones. Initially launching to the Philippines, Vodafone will be rolling this service out to a range of other countries in 2011.

Vodafone Qatar continues to emphasise its support for the Qatar National Broadband Network with John Tombleson commenting "we are fully aligned with the Government's objective of providing all of the households in Qatar with superfast broadband within five years. We will be working closely with ictQATAR and Qtel to support the Government to achieve its vision."

4. Continuing investments in the network

Vodafone is continuing to focus on improving the quality of its network and capacity. Vodafone Qatar currently has 100% 2G coverage across the whole of Qatar and provides 3G coverage to 98% of the population. "We are currently analysing and making improvements to our network design; we will continue to add new cell sites next financial year to continue our improvements to network quality and coverage. This will enable our network to reach deeper into buildings, providing enhanced network quality and coverage in more family homes in Qatar," said Jenny Howe, Chief Technology Officer.

5. Creating a Better World

Vodafone Qatar is living true to its purpose to make a world of difference for all people in Qatar, donating USD 2.5 million to the non-profit organisation Reach Out To Asia (ROTA) which was founded by Her Excellency Sheikha Al Mayassa Bint Hamad Bin Khalifa Al Thani. ROTA will use the donation to support educational projects in Nepal, Indonesia and Qatar.

Furthermore, Vodafone Qatar recently announced that it has raised over QAR 2.2 million towards building public parks for the people of Qatar, and has extended this promotion to 31 March 2011. Vodafone will unveil the design of the parks, their location and the detailed delivery time plan later this month.

"It has been a great quarter with many customers making the decision to be with Vodafone and to use our services everyday. With over 43% population share, the Vodafone community continues to grow. We will continue to invest to expand the



business further and to ensure a great quality experience for all our customers on Vodafone,” concluded John Tombleson.

-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 December):	338,160,000 shares
Reuters ticker symbol:	VFQS.QA
Listing:	Qatar Exchange
Market Capitalisation (as of 31 December):	QAR 7,016,820,000

Results Publication

The Financial Statements for the nine months ended 31 December 2010 are available on the Vodafone Qatar website, www.vodafone.com.qa/go/en/investorrelations and the Qatar Exchange website, 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 for more details.

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