



PRESS RELEASE

VODAFONE QATAR ANNOUNCES ANNUAL FINANCIAL RESULTS

- FROM TURNAROUND TO RECOVERY TO GROWTH

Doha, Qatar, 17 May 2017: Vodafone Qatar Q.S.C. ("Vodafone Qatar" or the "Company") today announced its financial results for the twelve months ended 31 March 2017.

Financial Highlights:

- EBITDA at QAR 537 million, an increase of 34% year-on-year
- Net Profit (excl amortization) at QAR 134 million, an improvement of QAR196 million from losses last year
- Free Cash Flow at QAR 116 million, an improvement of QAR 250 million year-on-year
- Customer numbers at 1,501,000

| | Twelve Months Analysis | | | Half Year Analysis | | |
|---|------------------------|---------|----------|--------------------|------------|----------|
| | FY 2017 | FY 2016 | % Change | H2 FY 2017 | H1 FY 2017 | % Change |
| Total Customers (QAR 000) | 1,501 | 1,548 | (3.0%) | 1,501 | 1,457 | 3.0% |
| Total Revenue (QAR m) | 2,059 | 2,119 | (2.9%) | 1,059 | 1,000 | 5.9% |
| Service Revenue (QAR m) | 1,941 | 1,967 | (1.3%) | 972 | 969 | 0.3% |
| EBITDA (QAR m) | 537 | 401 | 33.8% | 300 | 237 | 26.5% |
| EBITDA Margin (%) | 26.1% | 18.9% | 7.1pps | 28.3% | 23.7% | 4.6pps |
| Net Profit (Excl Amortization) (QAR m) | 134 | (62) | 315.7% | 96 | 38 | 153.1% |
| Net Profit (QAR m) | (269) | (466) | 42.2% | (106) | (164) | 35.4% |

Financial Summary

Commenting on the results, Vodafone Qatar's Chief Executive Officer Ian Gray said: "This has been an important year for Vodafone Qatar. We have achieved a turnaround in the business and delivered real improvements in financial and operational performance. Notably, the superior quality of our network was substantiated by independent technical network audit and our world class customer service is reflected in our positive customer satisfaction results.



EBITDA increased significantly by 34% year-on-year to QAR 537 million supported by gains in post-paid market share, a better mix of higher margin revenues and the success of new innovative products introduced to the market. This was coupled with strong cost control following on from the restructuring of the business and 10% reduction in overall headcount in Q1.

Although total revenues decreased by 2.9%, due to a shift away from lower margin business and reduction in mobile termination rates, underlying total revenues increased by 3.3%. Total number of mobile customers reached 1.5 million, representing a decrease of 3% over the same period last year due to a one-time disconnection of customers with inadequate customer registration information.

The Board is encouraged by the progress of the business and, in order to accelerate investment in coverage and fixed line opportunities, has decided to recommend that no distribution be made in respect FY 2017.

Key priorities for the coming year

In the coming year, we will continue to build on the current positive momentum in the business; expanding from our core mobile strength, further investing in fixed line activities and building on our international reputation through innovation and delivery of quality products and services.

-ENDS-

About Vodafone Qatar Q.S.C

Vodafone Qatar 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 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.

For press enquiries, please contact:

Lana Khachan

Head of External Communications, Vodafone Qatar

E-mail: lane.khachan@vodafone.com