



PRESS RELEASE

VODAFONE QATAR Q.S.C.FIRST QUARTER RESULTS DEMONSTRATES BEGINNING OF IMPROVEMENT

Doha, 26 July 2016: Vodafone Qatar Q.S.C. ("Vodafone Qatar" or the "Company") today announced its financial results for the three months ended 30 June 2016.

Operational Highlights for the 3 months to 30 June 2016:

- 1,458,000 mobile customers; an increase of 2.6% compared to June 2015.
- Service revenue of QR 485 million; 2.8% growth compared to last quarter, 0.8% growth over the same period last year, adjusting for mobile terminating rate cut effective 1 October 15
- Mobile average revenue per user (ARPU) was QR 101; this is a 2.1% improvement over last quarter
- Total revenue of QR 501 million; 7% decline over the same period last year; 3% decline compared to last quarter
- EBITDA of QR 100m representing an EBITDA margin of 20%
 - Excluding seasonal variations, EBITDA margin is now stable since last quarter
- Reported Net Loss of QR (100) million for the quarter delivering a loss per share of QR (0.12) with Distributable Profits of QR 1m, an increase of 2% over the same period last year

Financial Summary

Ian Gray, CEO, Vodafone Qatar commented, "I am pleased to say that there is some hard evidence emerging of an improvement in the company performance in the first quarter results of our new financial year. International voice revenue continues to decline but data revenue has increased helping our total service revenue to increase over the previous quarter by almost 3% with mobile ARPU also improving.



In May we reduced our headcount by 10% some of which will be permanent and some creates an opportunity to redistribute activity into the skill sets required to augment our mobile revenue streams with adjacent business opportunities and follow a cost effective approach to giving Qatar choice in fixed services. Our EBITDA margin is broadly stable after taking into account seasonal variations.

During the first quarter, the higher quality of our network was substantiated by an independent technical audit conducted in April 2016 by the international leader in mobile performance testing, P3 Communications which showed that Vodafone was the best performing company in Qatar for mobile voice and data combined by achieving 'Best in Test' certification.

We launched a number of Postpaid and Prepaid plans that ensures our customers feel empowered and confidently connected whether they're in the country or abroad. In addition, the holy month of Ramadan was filled with philanthropic endeavours with the highlight being our #GivingChallenge fundraising initiative through which we raised more than QR 1 million in proceeds that will go to four different charities in Qatar.

We are enthusiastic about the future for our company, with a new Board whose input will be valuable, an improved quality in our technical and care delivery and a streamlined organization allowing us to make fast and effective decisions."

-ENDS-

About Vodafone Qatar Q.S.C

Vodafone Qatar Q.S.C. ("Vodafone Qatar"), part of one of the world's largest telecommunications group, the Vodafone Group, 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.

Vodafone's vision is to expand successful product offerings and be the best at what we do. The Company is committed to providing world class telecommunications infrastructure to support Qatar National Vision 2030.



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Effective January 2015, Vodafone Qatar became fully compliant with Islamic Sharia practices throughout its business, including commercial and financial operations.

Please visit www.vodafone.qa for more details.

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