

# a new DAWN



**2009** ANNUAL REPORT





## Welcome to our 2009 Annual Report.

We have divided this year's report in four sections, to help you better understand the remarkable transformation that has taken Qtel from being a one-country operator in 2005, to a diverse integrated entity with business interests in 17 countries.

### Contents:

- 6 - Executive Overview:** including a message from our Chairman and our CEO.
- 16 - Strategic and Performance Review:** including the Board of Directors' report.
- 30 - Qtel's Global Development Review:** including reports from all national operations.
- 65 - Consolidated Financial Statements and Independent Auditors Report.**

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### The Magnificence of Morning

Throughout the ages, the first light has always held a special significance. As the first glow of the sun breaks the darkness, the pulse of the morning traffic transforms the city, and the rhythm of human interaction and prosperity begins anew. Wherever we are in the world, the rise of the sun unites us, bringing with it a fresh start, new opportunities and challenges, and the promise of a brighter future. "A New Dawn" marks another bright spot on the Qtel Group's ongoing journey of growth and development, and also the light of renewed optimism as the global economy recovers and rebuilds.

In the Name of  
**Allah**  
most gracious  
most merciful



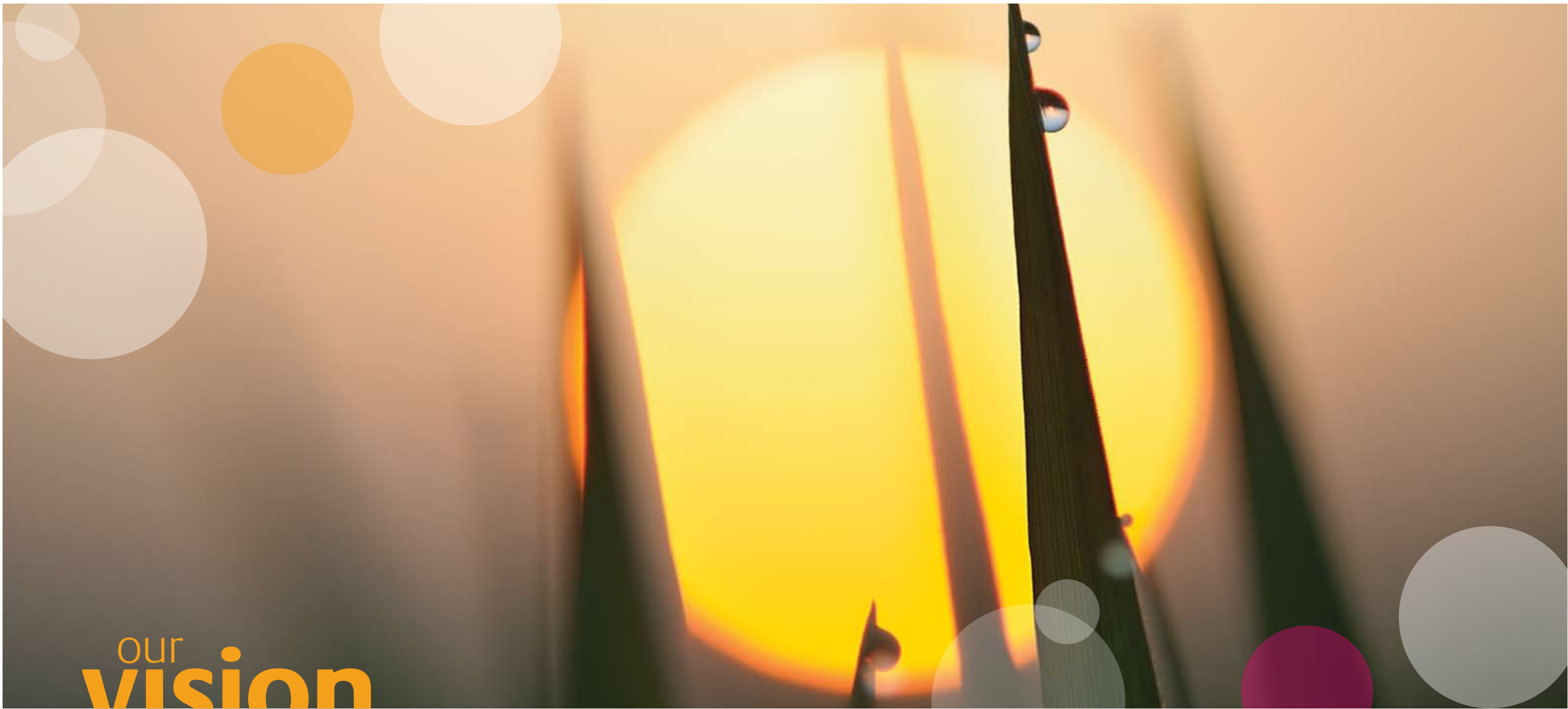
His  
**Highness**

Sheikh Hamad Bin Khalifa Al Thani  
**Emir of the State of Qatar**



His  
**Highness**

Sheikh Tamim Bin Hamad Al Thani  
**Heir Apparent**



our  
**vision**

“To be among the **top 20 telecommunications companies** in the world by **2020**.”



# Qtel at a glance

With firm roots in Qatar, we are an international integrated communications company, with interests in 17 countries, serving more than 60 million customers.

## Our goals and objectives:

### We Said We Would...

Become one of the world's top 20 telecommunications companies by 2020

Continue to deliver value to our shareholders

Drive synergies and share learnings

Support clear business lines that offer immediate returns and long-term potential

Continue to make a difference in the lives of the communities we serve

### Which Means We...

Continue to develop through growth partnerships and acquisitions

Raise capital as required to fuel prudent expansion

Look to maintain healthy EBITDA in mature markets, increase value in developing markets, and protect EBITDA in competitive markets

Look to capitalise on our scale advantage

Leverage growth and "know how"

Prioritise the key areas of consumer mobile, consumer Broadband and corporate managed services

Find and support projects that have genuine social worth across our international operations

### And to Support this in 2009...

Qtel successfully completed the purchase of an additional 1.3 billion shares of Indosat, raising our ownership stake to 65 percent.

We launched operations in Palestine, through Wataniya Palestine, in November 2009.

We continued to execute on our strategy to protect EBITDA in Kuwait, Tunisia and Oman.

We saw enhanced value from Iraq and from Algeria.

The Qtel Group launched its first-ever group-wide service, SmartRoamer, which looked to leverage our size to deliver better long-distance rates for our customers.

We initiated a range of innovation projects on a group level, partnering with several industry leaders.

By driving innovation across mobile and fixed line services, we secured more than 60 million customers worldwide in 17 countries.

We continued to invest in the emerging consumer wireless Broadband sector through wi-tribe, delivering services in Jordan and Pakistan, with the Philippines under development.

The Qtel Group supported disaster relief projects around the world, looking to provide emergency support to those who need it most.

Every regional operation made an important contribution to local grassroots and regional aid projects, reflecting our wider corporate ethos.



# chairman's message

## Dear Shareholders,

If I had to summarise 2009, I would call it a year of achievement. There is no doubt that Qtel, like almost every other organization, faced challenges over the course of the year. The change in the global economy made itself felt across all markets, and competition became fiercer as a result. However, the steps we have taken and the strategy we have in place ensured that the Qtel Group was able to rise to the occasion, and deliver the healthy results presented in this report.

This was a year that demonstrated how important our strategy of diversification and development is to the future of our business. Through the expansion of our operations across mature and emerging markets, we are able to show strong returns even in the most challenging times. We have been able to preserve value in key markets such as Qatar, Kuwait and Oman, and enhance returns in developing areas such as Indonesia, Algeria and Iraq.

Because of our investment in diversifying our product portfolio, we can respond to market demand quickly and whole-heartedly as markets recover and grow. In 2009, we have laid the foundations for building important Broadband businesses in a range of markets, which in the future will be as important as our mobile services are today. We have been successful in rolling-out Group-wide services across our operations, such as our Roaming proposition, creating significant value for Qtel and for our stakeholders.

The strong body of experience that Qtel has drawn from a diverse range of markets has also proved its worth. This was the first year that we have faced competition in our home market of Qatar, yet the collective knowledge base that we have developed through our work in Oman and Kuwait was able to feed into a robust strategy to respond to the new entrant. Equally, our sustained investment and development

in Indonesia – one of the most significant markets by revenue – was strengthened by managerial resources drawn from the wider Qtel Group in 2009.

We often refer to our people as being part of the “Qtel Family,” and like a family we have been drawn closer together by the challenges of 2009 to deliver better results than ever before, and – on behalf of the Board of Directors – I am very pleased to offer this overview of Qtel’s performance to you.

## Healthy results with a firm focus on value

I am pleased to announce that the group has continued to make significant operational and financial progress throughout 2009.

Consolidated revenue has increased this year by 18.2 percent to QAR 24.0 billion (FY 2008: QAR 20.3 billion).

In the same period, net profit attributable to shareholders also grew, increasing 20.5 percent to QAR 2.8 billion (FY 2008: QAR 2.3 billion) and at 31 December 2009 the Group’s consolidated customer base stood at 60.5 million.

The balance across our operations enables us to see strong profitability in even this most challenging of years. EBITDA performance in 2009 was healthy, increasing 15.1 percent over the year to QAR 11.3 billion (FY 2008: QAR 9.8 billion). EBITDA margin remained resilient during the period, standing at 47 percent (FY 2008: 48 percent).

## Looking to the future

Given our achievements over the past 12 months, it is important that we recognise where our strengths are, and build upon them.

In terms of realising opportunities from the regional spread of our operations, we are in a demonstrably stronger position than we were even 12 months ago.



“WE OFTEN REFER TO OUR PEOPLE AS BEING PART OF THE ‘QTEL FAMILY,’ AND LIKE A FAMILY WE HAVE BEEN DRAWN CLOSER TOGETHER BY THE CHALLENGES OF 2009 TO DELIVER BETTER RESULTS THAN EVER BEFORE, AND – ON BEHALF OF THE BOARD OF DIRECTORS – I AM VERY PLEASED TO OFFER THIS OVERVIEW OF QTEL’S PERFORMANCE TO YOU.”

Our base within the Middle East continues to strengthen, so that the Qtel Group can now claim to be the largest operator by number of operations within the region. The successful launch of commercial operations in Palestine, which was a major achievement in 2009, and the warm welcome we have received in that market reflect the ongoing opportunities that exist for us.

Equally in North Africa, we have seen strong progress in Tunisia and in Algeria, built upon our strategy of getting close to our customers and serving them to the fullest of our abilities. Ongoing investment in infrastructure improvements in both countries provides us with an important platform for robust growth in the future.

Qtel was also the first operator from the MENA region to make strategic inroads into Asia, and we are beginning to fully recognise the potential of this diverse region. Indonesia, where Indosat is one of only two operators mandated to provide national and international telecommunication services, is now making an important contribution to group revenue, and we see strong potential from our new operation in Pakistan and future operation in the Philippines.

Serving our diverse customer base across these economically dynamic markets requires us to be able to provide entertainment for enthusiastic youth markets as capably as we support the largest and most ambitious corporate enterprises. To do this, we will need to continue to enhance operational performance throughout the Group, in addition to developing our existing product and service portfolio.

As much as we have grown over the past few years, we need to demand more from our operations in the years ahead, as we stride towards our 2020 vision to be among the top 20 telecommunications companies within a decade from today.

#### **Bringing the benefits home for shareholders**

Throughout all this growth and development, I am proud that we have never forgotten our roots within the community. The Qtel Group continues to give back in every country where we have a presence, supporting corporate social responsibility projects and providing career opportunities for ambitious people from a variety of backgrounds.

We also recognise the importance of bringing the benefits of growth home for shareholders. In line with our financial performance, and taking into account the immediate and long-term needs of the business, the Board of Directors is pleased to recommend to the General Assembly a total annual cash dividend of QAR 7 per share. This represents 70 percent of the share face value.

I would like to close by offering thanks for the support and guidance of His Highness Sheikh Hamad Bin Khalifa Al Thani, the Emir of the State of Qatar, and His Highness Sheikh Tamim Bin Hamad Al Thani, the Heir Apparent. The growth and development of Qtel is founded upon the growth and development of the Qatari nation, made possible through our enlightened leadership.

**Abdullah Bin Mohammed Bin Saud Al Thani**  
Chairman



# message

## from the CEO

### Dear Shareholders,

I am very pleased to give you this brief account of Qtel's performance in 2009. This has been a great year, amid a turbulent economy cycle that highlighted our company's distinct profile, our ability to deliver and our vision of telecommunications as a high growth industry.

I should express my optimism with our company's steadfast drive to maintain and even enhance Qtel's leadership and address the new opportunities in the digital environment.

It is a source of great pride to me and the management team and staff, that in 2009 we faced significant challenges and excelled in responding to them.

Our approach has not only been reflected in the growth of our operations, it has also been shown in the way we operate and serve our customers. The Qtel Group is now a truly international company in our thinking and our processes, yet our businesses retain strong local roots in their respective markets.

This balance between international strategy and local roots enables us to provide a strong foundation for the future as we progress towards our 2020 vision.

I would like to outline the distinct aspects of our strategy that have enabled us to deliver consistently positive results for our stakeholders, and which position us advantageously for the future.

### **An international leader of greater scale and diversity**

In an industry as competitive as ours, the ability to grow is challenging enough, yet we must at the same time protect long-term profitability by diversification in geographies, technologies and market segments. Our geographic footprint, investment in 4G technologies

and development of business sector offerings attests to the steps we are taking to diversify.

Now, after a few years of significant international growth, we are concentrating on our in-market opportunities to achieve leading positions in our markets. In this way, each market is able to make the necessary contribution to our Group profits to fuel growth.

The key to holding a leadership position is delivering exceptional service to our customers. Management and the employees of the Qtel Group continue to work hard and innovate in this area. Only by exceeding our customers' expectations will we deliver long term returns to our investors.

Most importantly, our in-market strategy is our best assurance of preserving value in our core markets. In 2009, we faced enhanced competitive challenges in both Qatar and Kuwait, and we responded effectively. Our experience as a new entrant in a market like Oman provided us with the perspective and skills necessary to stay on course in the face of these challenges. We will continue to build the infrastructure to improve coverage and increase capacity in growth markets such as Iraq, Algeria and Indonesia to strengthen our market share.

### **Building for the future on stable foundations**

Of course, it is only possible to achieve and defend a leadership position with a firm foundation and a sense of stability at the core of operations. Many of the steps taken in 2009 have significantly reinforced our positioning.

In terms of financial stability, the support and engagement of the global financial community has been critical to our recent successes, and we will continue to work with our financial partners as we move ahead with our plans for development.



“THE QTEL GROUP IS NOW A TRULY INTERNATIONAL COMPANY IN OUR THINKING AND OUR PROCESSES, YET OUR BUSINESSES RETAIN STRONG LOCAL ROOTS IN THEIR RESPECTIVE MARKETS. THIS BALANCE BETWEEN INTERNATIONAL STRATEGY AND LOCAL ROOTS ENABLES US TO PROVIDE A STRONG FOUNDATION FOR THE FUTURE AS WE PROGRESS TOWARDS OUR 2020 VISION.”

Two important initiatives were completed in 2009 – the successful floatation of our inaugural dual tranche bond and the signing of a syndicated forward start credit facility. Both were achieved in some of the most challenging financial conditions in recent history and now provide us access to key international financial markets and important resources for future growth.

The Group’s reputation for innovation and social commitment has been recognised by the industry as a whole in 2009. We received the highest number of awards in our company’s history, including “Middle East Operator of the Year” and “Best Corporate Social Responsibility Programme”. These awards are testimony to the dedication and commitment of our people, reflecting the value of one of our most important assets: the solid brand and reputation of the Qtel Group.

#### **Taking the necessary steps towards our vision**

In the next few years we are going to dedicate our resources to four major priorities:

- Delivering more of what customers want. Today, business and consumers are looking for more mobility, connectivity and speed. They are looking for expanded access to Internet applications and content and for a seamless integration of devices, networks and services, to make their lives better and their businesses more productive. This will be achieved by understanding customer expectations and meeting their needs with segmented offerings that deliver added value.
- Promoting in-house and partner innovation to capitalise on the new growth opportunities.

- Retaining sufficient flexibility in our operating model to be in a position to respond quickly to opportunities and challenges as they arise.
- Making Qtel the best employer, able to attract and retain the best talent, necessary to achieve our vision.

This past year has demonstrated the strength of our employees and our strategy, a year in which all our efforts were devoted to our customers. I thank our staff for all they do. Finally, I thank you, our shareholders, for your continuing confidence.

On behalf of our management and staff, let me renew our commitment to make the most of the opportunities we have to provide outstanding services for our customers and an attractive return to you, our investors.

**Dr. Nasser Marafih**  
Chief Executive Officer



# financial highlights

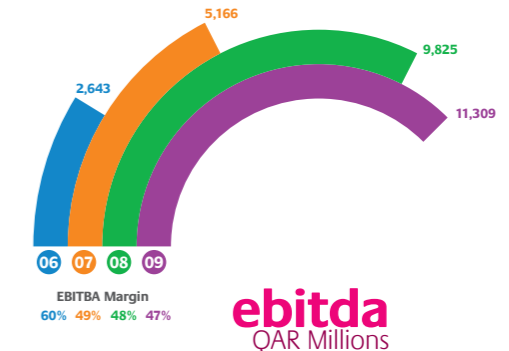
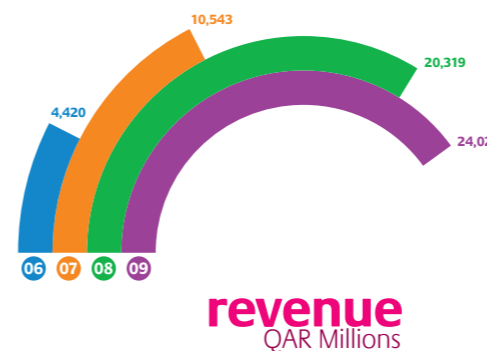
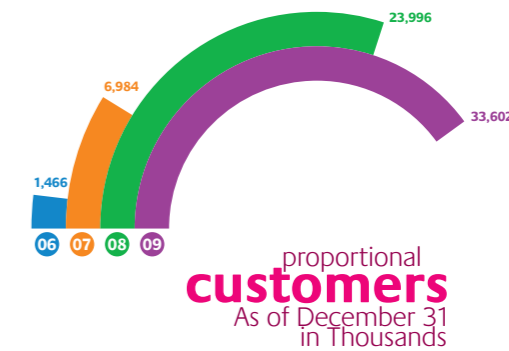
## Strategic and Performance Review

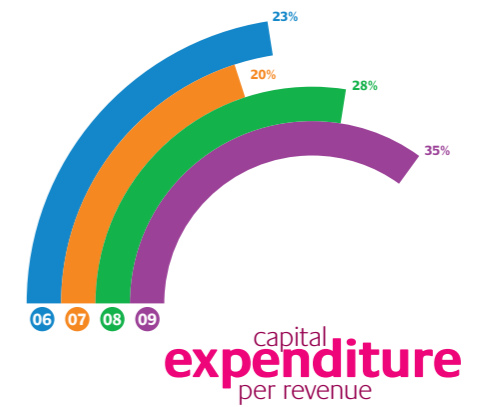
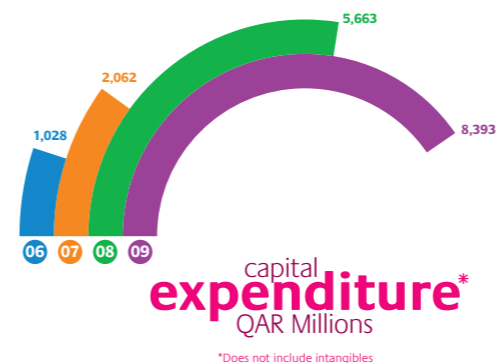
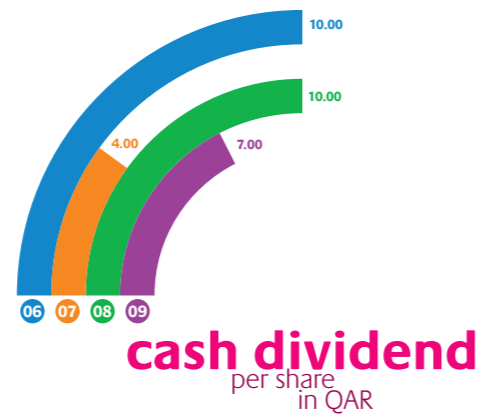
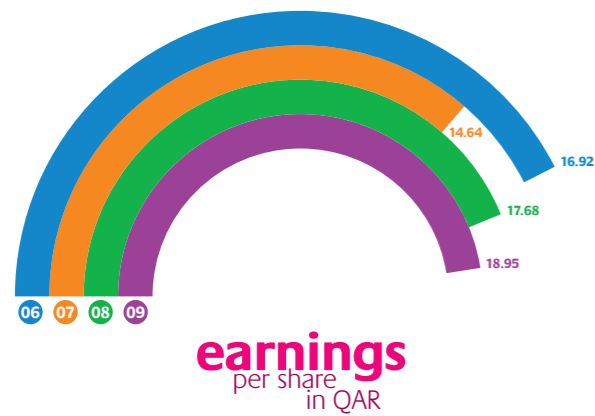
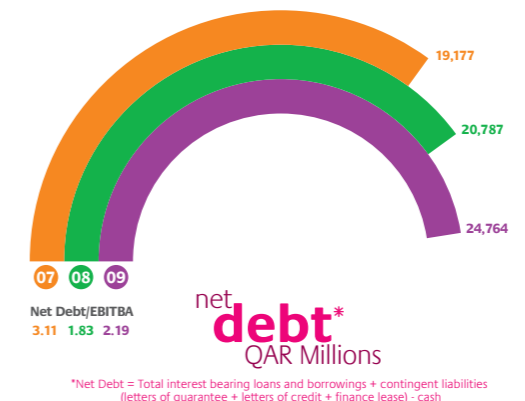
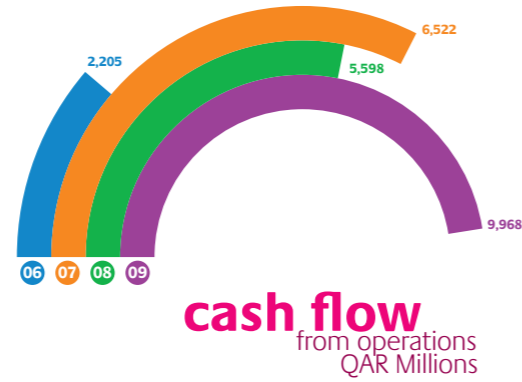
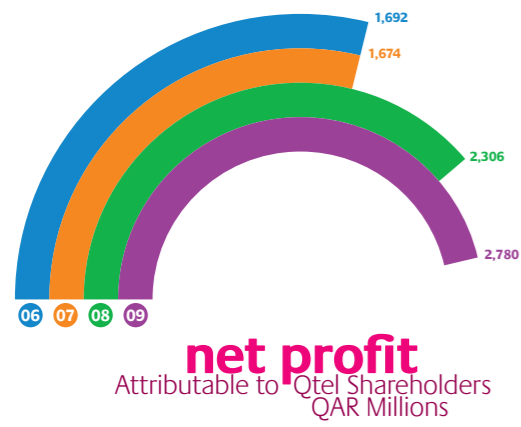
The Qtel Group showed consistently solid consolidated performance throughout 2009.

During the year, the Group achieved solid consolidated group revenue of QAR 24.0 billion, representing year-on-year growth of 18 percent. We are reporting a healthy net profit figure of QAR 2.8 billion, representing 21 percent year-on-year growth.

Driving this success was our clear focus on value-generation across our operations.

In particular, we are increasingly leveraging our presence across regional markets – around 76 percent of total revenue for Qtel now comes from international operations and the company has achieved a balanced representation in markets where mobile penetration is high and in emerging markets with major potential for growth.





# meet the board of directors



**H.E. Sheikh Abdullah Bin Mohammed Bin Saud Al Thani  
Chairman**

Qtel's Chairman of the Board of Directors since July 2000, His Excellency has held several high-profile positions in Qatar, including the Chief of the Royal Court (Amiri Diwan) from 2000 to 2005. His Excellency has a vast background in both the Military and Aviation fields and is a former Member of the Planning Council in Qatar. His Excellency's wide experience in and knowledge of the fields of administration and government enriches the Board considerably.

“The Board of Directors and senior executives are entrusted with overseeing and management of the Qtel Group, and this important responsibility requires commitment, objectivity and accountability from those in leadership positions.

However, adhering to sound governance principles and ethical behaviour is not limited to Board members and senior executives. It is the responsibility of all employees, and for this reason, all employees must inform themselves about the Company's governance principles and policies and put them into practice in their daily work.”

**Abdullah Bin Mohammed Bin Saud Al Thani  
Chairman of the Board**



**H.E. Sheikh Mohammed Bin Suhaim Al Thani  
Deputy Chairman**

His Excellency joined the Board in March 1999. He is currently the President of M Holding, a private Qatari company, and a noted businessman, entrepreneur and investor, with a strong history of supporting commercial enterprises. His Excellency brings wide experience and knowledge of the fields of trade and investment to the Board.



**H.E. Dr. Abdullah Al Kubaisi  
Member**

His Excellency joined the Board in March 2003. He is the Director of the Office of Her Highness Sheikha Moza bint Nasser Al Mesnid, Chairperson of Qatar Foundation. He has held the position of principal advisor on science and technology for Qatar Science and Technology Park, and Dean of the College of Science, Qatar University, in 1995. His Excellency enriches the Board with his wide experience in and knowledge of the fields of technology and administration.



**Hareb Masoud Al Darmaki  
Member**

Mr. Al Darmaki joined Qtel's Board in March 1999. He is currently the Executive Director of Private Equity, Abu Dhabi Investment Authority, and a Board member of several other financial institutions in the United Arab Emirates. His strengths in the fields of economics and finance greatly enrich the Board.



**H.E. Mohammed Bin Isa Al Mouhanadi  
Member**

His Excellency joined the Board in July 2000. He currently serves on the Boards of a number of Qatari companies and has held many prominent positions, including former State Minister and Chief Financial Officer of the Royal Court (Amiri Diwan). His Excellency's considerable experience in and knowledge of administration and government are greatly beneficial to the Board.



**H.E. Saad Al Rumaihi  
Member**

His Excellency joined the Board in March 2003. He is currently the Secretary of His Highness the Emir of Qatar, and was formerly General Manager of Qatar TV. He has also held a number of senior positions within Qatar's media sector, and brings considerable experience in the fields of media and government to the Board.



**Hamad Abdullah Al Shamsi  
Member**

Mr. Al Shamsi joined the Board in March 1999. He is the CEO of International Capital Trading, United Arab Emirates, and a Board member of several prominent Emirati financial corporations, bringing considerable experience in the fields of economics and finance to the Board.



**Abdulla Zaid Al-Talib  
Member**

Mr. Al-Talib has been a member of the Board since March 2003. He is currently the Corporate Manager of Information and Communication Technology (ICT) for Qatar Petroleum, and holds Board-level positions in energy as well as technology organisations. He enriches the Board with his significant experience in information technology.



**Hamad Saeed Al Badi  
Member**

Mr. Al Badi joined the Board in March 2007. He holds the position of Assistant Director of International Equities, Abu Dhabi Investment Authority, and is a noted expert in the fields of finance and investment.



**Ali Shareef Al Emadi  
Member**

Mr. Al Emadi joined the Board in March 1999. He is currently the Group Chief Executive of Qatar National Bank, and enriches the Board with his vast experience and knowledge in the fields of finance and banking.

# Board of Directors' report

## Qtel's Values and Corporate Governance Philosophy

Qtel's Board and Management believe that good corporate governance practices contribute to the creation, maintenance and increase of shareholder value. Sound corporate governance principles are the foundation upon which the trust of investors is built and are critical to growing a company's reputation for its dedication to both excellence and integrity.

As Qtel continues its growth and global expansion, it is particularly critical to demonstrate to its new shareholders, customers, employees and communities the same high level of commitment and good corporate citizenship that have earned it a strong reputation in Qatar.

Qtel aims to be a leader in corporate governance and ethical business conduct by maintaining best practices, transparency and accountability to its stakeholders. This includes a commitment to the highest standards of corporate governance by reviewing, on an ongoing basis, the governance structures and practices in place to ensure their effectiveness and consistency with local and international developments.

## Role of the Board

The primary role of the Board of Directors is to provide entrepreneurial leadership to the Company within a framework of prudent and effective controls enabling risk to be assessed and managed.

The Board of Directors has the power and full authority to manage Qtel and to pursue the primary objective of

creating value for shareholders, with consideration given to the continuity of the Group's business and conducive to the achievement of the corporate objectives. As Qtel QSC is both the parent company of the Qtel Group and an operating company in the State of Qatar, its Board of Directors plays a dual role.

The Board of Directors consists of 10 members, five of whom, including the chairman, are appointed by the State of Qatar. The other five Board members are elected by secret ballot of the General Assembly.

The Board has a number of key responsibilities and duties, including:

- **Vision and Strategy** including determining and refining the Group vision and objectives, as well as those of Qtel, which are the foundation for all the actions and decisions of the Board and management.
- **Management Oversight** including appointing, establishing the duties and powers of, and assessing the performance of and determining the remuneration of the CEO and nominating the chairman, Board members and the key officers of subsidiaries.
- **Financial and Investment** including reviewing and approving reports and accounts, and overseeing the Group and Qtel financial positions.
- **Governance and Compliance** including preparing and adopting the corporate governance rules for Qtel and establishing the guidelines for the governance of the Group.
- **Communications** with stakeholders including overseeing shareholder reporting and communications.



The Board is also responsible for the timely and accurate disclosure of information to Qtel's shareholders. Stock Exchanges in Qatar and Abu Dhabi, where Qtel's shares are listed – and in London where Qtel has a Global Depository Receipt (GDR) program – are notified via quarterly reports and full-year financial results.

#### Board Committees

In June 2009, following a review of the functions and performance of the Board Committees, Qtel decided to reassign the duties and responsibilities of the Investment Committee and Compensation and Performance Committee to the Executive Committee.

Each committee is composed of at least three Board members appointed by the Board, taking into account the background and experience of each Board member. The Board can replace committee members at any time.

Each Board committee has a written charter setting forth its responsibilities, duties and authorities. The Board may add new committees or remove existing committees, as it deems advisable for purposes of fulfilling its primary responsibilities.

#### Executive Committee Objectives

1. To ensure that the high-level decision-making process to achieve the Company's objectives is flexible and timely, and is in accordance with the authorities entrusted or delegated by the Board of Directors to the Committee.
2. To study the issues that need detailed and in-depth review before being raised to the Board of Directors for final decisions.
3. To control the execution of Qtel's corporate strategy and review the business plan before the submission to the Board.

4. To authorise expenditure, approve contracts and to award tenders as delegated by the Board.
5. To undertake any duties or responsibilities delegated to the Committee by the Board.

#### Audit Committee Objectives

1. To assist the Board of Directors in fulfilling its oversight responsibilities for the integrity of the company's financial statements.
2. To advise the Board of Directors on the adequacy and effectiveness of the systems of internal control and arrangements for risk management, control and governance processes in the Company.
3. To ensure independence and objectivity of the Internal and External Audit functions and top management support.
4. To establish communication links between the Company's top management and its auditors (External and Internal) and the State Audit Bureau.
5. To undertake any duties or responsibilities delegated to the Committee by the Board.

#### Office of Corporate Governance

The Office of Corporate Governance within the Qtel International Legal Department is charged with assisting the management and Board in ensuring the effectiveness of and adherence to corporate governance practices and policies throughout the Group. The office was established in 2008, with the launch of Qtel International.

#### The Internal Audit

The mission of Internal Audit is to provide independent, objective assurance and consulting services designed to add value and improve Qtel's operations.

Qtel's Internal Audit is responsible for setting strategies, standards and rules for providing support and assistance to the OpCo Internal Audit functions.

#### Risk Management and Internal Control

Qtel has established a system of overseeing, managing and controlling internal risk. It is designed to:

1. Identify, assess, monitor and manage risk and
2. Inform the Board of material changes to Qtel's risk profile.

The board is responsible for establishing the risk management system and to review at least annually the effectiveness of Qtel's implementation of that system. Management is responsible for systematically identifying, assessing, monitoring and managing material risk throughout the organisation. This system includes the Company's internal compliance and control systems.

#### Enterprise Risk Management (ERM)

The Enterprise Risk Management (ERM) function has been created and it is in the process of being established.

#### Corporate Governance – Steps Taken

Building on the steps taken in recent years, and to support the Group's commitment to transparency and prudent management, the Board instituted a number of key measures to strengthen corporate governance across the Group.

- The Board met six times in 2009.
- Standardising processes in line with the Qtel Group Corporate Governance Manual, which outlines all aspects of agreed governance policies across the Group, with a particular focus on how international businesses are managed by the Group.
- To execute good governance and improve efficiency in decision-making, the Board supported revising the number of primary committees, and reforming the Executive Committee and Audit

Committee. Each Board committee updated its written charter.

- The Board also oversaw the completion of revisions to the Code of Business Conduct and Ethics and extended processes to ensure annual certificates of compliance.
- The Office of Corporate Governance worked to assist the management and Board in ensuring the effectiveness of and adherence to corporate governance practices and policies throughout the Group. The Committee held three meetings during 2009.
- The Committee completed a review of the company's Corporate Governance manual to be published.
- The Committee worked to ensure the alignment of the company's Corporate Governance Manual with the Corporate Governance Codes issued by the Financial Market Authorities in Doha and Abu Dhabi.

# Key moments

## 2009 – A Year of Achievement and Delivery

From the launch of operations in Palestine and Pakistan, to the milestone of achieving two million customers in Qatar, the Qtel Group continued to break new ground in 2009, with every month marked by accomplishment and achievement.

### January

#### *Coordinated Tender Offer for Indosat*

Two concurrent tender offers in Indonesia and the United States for shares in PT Indosat Tbk, listed on the Jakarta and New York Stock Exchanges, put Qtel in a strong position to develop Indosat into a leading regional telecoms company.

### February

#### *Qtel Elected Board Member of Mobile Entertainment Forum*

Qtel was elected as a board member of the prestigious Mobile Entertainment Forum (MEF), Europe, Middle East and Africa (EMEA) Chapter. A first for a telecommunications group in the MENA region, Qtel brings knowledge and in-depth expertise to address the growing demand of mobile media innovation in the Middle East, North Africa (MENA) and Asia.

#### *Qtel Successfully Concludes Indosat Tender Offers*

The number of shares tendered by shareholders exceeded the amount Qtel was seeking to buy, ensuring the successful completion of the most important transactions in the company's history. Qtel owns 65 percent of Indosat after completing the tender offer.

### March

#### *US\$ 1.5 Billion Forward Start Credit Facility Secured*

In a year of challenging economic conditions, Qtel successfully tapped the international loan markets with a pioneering initiative: a US\$ 1.5 billion Forward Start Credit Facility that was oversubscribed.

### May

#### *Qtel Launches Pioneering Customer Reward Programme*

As part of the company's strategy to protect EBITDA in Qatar, Qtel launches "Nojoom," its customer reward programme that delivers points whenever people buy Qtel products and services. The programme is a major success, with more than 150,000 members by the end of 2009.

#### *Qtel Opens Singapore Office*

The opening of a new office in Singapore signaled the company's efforts to expand its presence in the region of Southeast Asia and to enhance levels of support for its branches and in the region.

### June

#### *Nawras wins Fixed License in Oman*

Nawras wins the license to provide fixed, data and international telecommunication services for customers in the Sultanate of Oman, and can use its network infrastructure to offer a range of leading-edge technologies, such as Wi-Max and HSDPA services.

#### *Huge Success for Inaugural Bond Issue*

Qtel's inaugural note issuance of US\$ 1.5 billion under its Global Medium Term Note Programme was the first telecom bond issue in the GCC. The inaugural issue attracted substantial interest with global orders in excess of US\$ 13 billion, a testament to investor confidence in company strategy and financial strength and of Qatar's strong economic fundamentals.

### July

#### *Commercial Launch of wi-tribe Pakistan*

wi-tribe launched its wireless Broadband service using Wi-Max technology in four major cities in Pakistan (Karachi, Islamabad, Rawalpindi and Lahore). With more than 180 million people, Pakistan represents a significant opportunity for wi-tribe and its service that focuses on providing a more convenient and simplified Broadband offering.

#### *Two Million Mobile Customers in Qatar*

Qtel experienced accelerating growth within the Qatari market in 2009, registering 1.8 million customers in March escalating to 2.1 million customers in July. The official population of Qatar stood at 1.65 million, according to the Qatar Statistics Authority (QSA), with Qtel achieving a penetration rate of 121 percent.

### August

#### *Launch of New Indosat Satellite*

In China, a delegation of senior Qtel executives witnessed the launch of the Palapa D satellite. Owned by Indosat, the satellite provides high quality satellite links and broadcasting services for Indonesia and other south-eastern Asian nations.

### September

#### *Qtel's Forward Start Credit Facility Oversubscribed by 100 Percent*

Qtel announced the signing of a syndicated forward start credit facility, following the closing of the general syndication phase of the US\$ 1.5 billion facility that was closed in March 2009. The general syndication was to provide existing and new lenders to Qtel an opportunity to join the facility. The Facility was oversubscribed by more than 100 percent and the final facility size was increased to US\$ 2.0 billion.

### November

#### *A New Telecommunications Provider Opens for Business in Palestine*

Qtel and Wataniya launched Wataniya Palestine in November with an investment of US\$ 140 million in license fees and over US\$ 100 million in the network build-out. Further investments are planned over a ten-year period for Palestine's largest economic project since the establishment of the Palestinian Authority.

#### *Qtel Signs Major Cable Agreement with Tata Communications*

The state-of-the-art cable system will connect the Gulf Region directly to the world's major business hubs and city centres through the Global Network, improving connectivity and providing the foundations for next generation communication technology. Completion of the system will make an important contribution to Qtel's strategy to connect Qatar with the world.

### December

#### *A New Partnership to Foster Mobile Innovation*

Qtel and Qatar Science & Technology Park announced a new collaboration to develop relevant and localised mobile innovations for key industries such as healthcare, education and banking. The partnership hopes to position Qatar at the forefront of mobile industry research and development. Innovations developed through this partnership will be shared across the Qtel Group.



## Awards and industry recognition

The Qtel Group's ongoing growth and development were repeatedly recognised by industry peers throughout 2009. In fact, last year we received more awards in the year than at any time in our history, reflecting the growing regional and business line diversity of our operations.

The Qtel Group saw stunning success at the 4th annual CommsMEA Awards 2009 in Dubai. The company was presented with **"Middle East Mobile Operator of the Year"** and **"Overall Operator of the Year,"** in recognition of the Group's ongoing transformation into one of the most effective and customer-focused telecommunications companies in the region. Nawras was awarded **"Customer Service Provider of the Year,"** ensuring that the Group received the top three company awards at the high-profile event.

We also scored a double win at the TMT Finance and Investment Middle East Awards, where we received the **"Telecom Deal of the Year Middle East"** award for our Indosat acquisition, and Dr. Nasser Marafih received the **"Outstanding Leader of the Year"** award. Both awards saw Qtel succeed against a shortlist of leading companies that included a number of the most significant names in regional and international telecommunications.

The Qtel Group's charitable and community initiatives were also recognised when the company received the **"Corporate Social Responsibility"** Recognition at the CEO Middle East Awards 2009. The award was presented to Qtel in recognition for its ongoing efforts to support CSR activity in its home market of Qatar, and for its success in extending its CSR strategy into regional and international markets.

There were also a host of awards for specific business units, with the Qtel Call Centre winning Gold in the International Call Centre Contest, Nawras winning first prize in the telecommunications services category of the prestigious Pan Arab Web Awards, Qtel being named Best Company for Investor Relations in Qatar, and the Qtel Group winning Corporate Treasury Deal of the Year in the Middle East.

2009 was also a year when Qtel increased its international prominence within the communications industry. The Qtel Group was elected as a Board member of the prestigious Mobile Entertainment Forum (MEF), the first time that a telecommunications group in the MENA region was elected to the Board.

## Why invest in Qtel

An investment in Qtel is an investment in both value and growth. A leading telecom company, diversified across geographies and three lines of business - mobile, consumer Broadband and corporate managed services – Qtel is well positioned to take advantage of demand for these services in both mature and emerging markets in the Middle East, North Africa, the subcontinent and in Southeast Asia. Going forward, shareholders can expect to benefit from immediate income while also participating in the upside from growth in value.

### Clear strategic path

- To be among the top 20 telecommunications companies globally (by Enterprise Value) by the year 2020
- Three business lines - consumer mobile, consumer Broadband, and corporate managed services
- Three geographies - MENA, the subcontinent and Southeast Asia

### Strong state support

- International "flag carrier" for Qatar
- 55 percent owned directly by Qatari government, 13 percent by other Qatari government-related entities
- One of the largest public companies in Qatar

### Cash-generating assets in mature markets

- Cash-generating positions in Qatar, Kuwait, Oman and Tunisia

### Growth assets in emerging markets

- Growing positions in Indonesia, Iraq, Algeria and Palestine
- First Middle Eastern "consolidator" in Asia
- Continued development of consumer Broadband offering in Jordan, Pakistan and Philippines

### Solid financials

- Strong top line growth
- High and stable EBITDA margins
- Continued and sustainable net profitability
- Strong credit rating

### Top management team

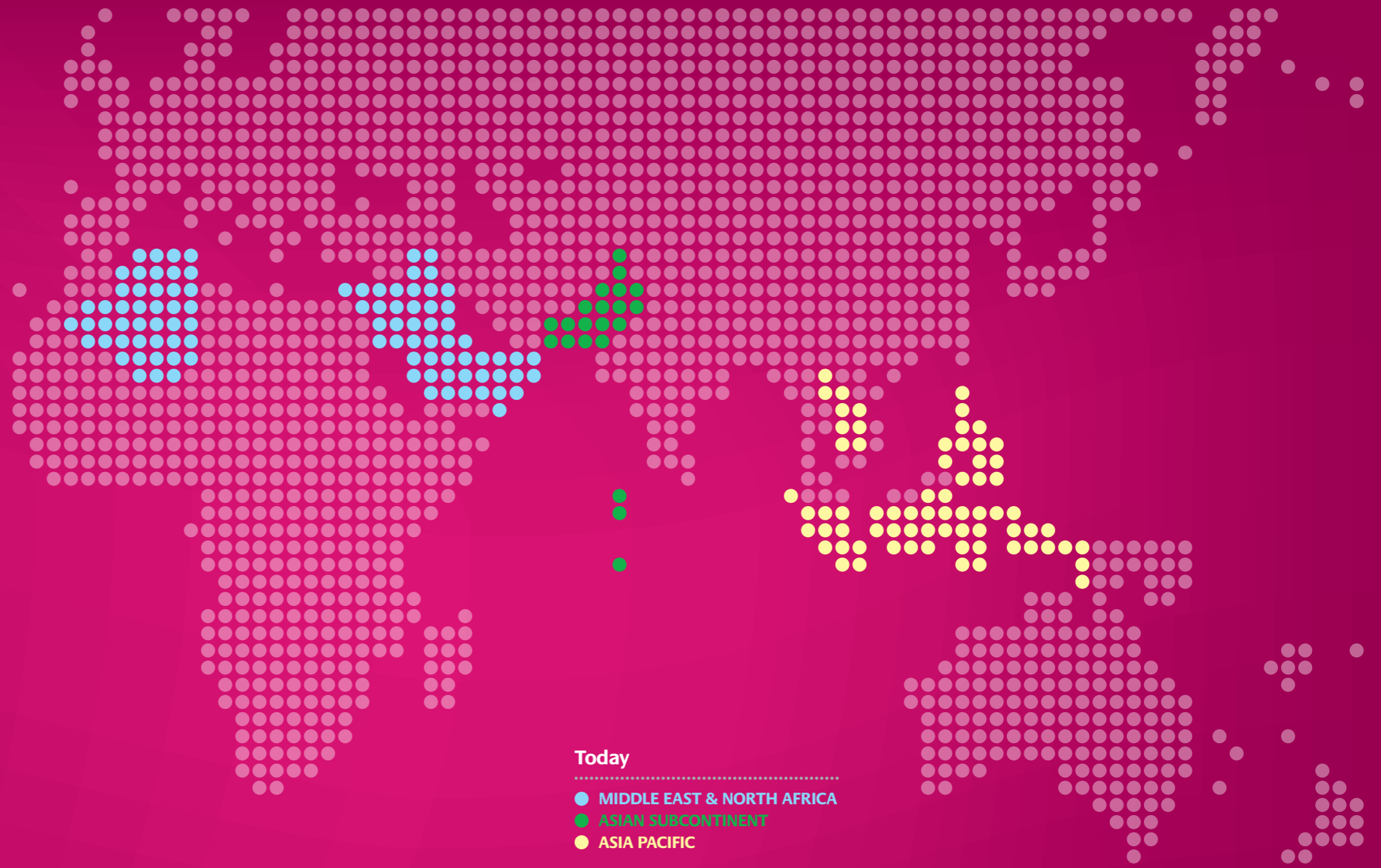
- Experienced Board and proven track record
- Mix of local and international talent in the shape of Qtel International
- Leveraging synergies across the Group
- Internationally recognized management and performance



January 2005



January 2007



Today

- MIDDLE EAST & NORTH AFRICA
- ASIAN SUBCONTINENT
- ASIA PACIFIC

# Qtel footprint

## Focused on three business segments...

- Consumer Wireless
- Consumer Broadband
- Corporate Managed Services

## in three regions

| Qatar Telecom (Qtel) QSC | Country      | Effective Stake | Qatar Telecom (Qtel) QSC | Country         | Effective Stake |
|--------------------------|--------------|-----------------|--------------------------|-----------------|-----------------|
| ● Qtel                   | Qatar        | 100%            | ● Tunisiana              | Tunisia         | 26.25%          |
| ● Indosat                | Indonesia    | 65%             | ● StarHub                | Singapore       | 12%             |
| ● Nawras                 | Oman         | 55.6%           | ● LTC                    | Laos            | 6%              |
| ● Asiacell               | Iraq         | 30%             | ● MFone                  | Cambodia        | 12%             |
| ● Wataniya               | Kuwait       | 52.5%           | ● wi-tribe               | Jordan          | 77.5%           |
| ● Wataniya               | The Maldives | 52.5%           | ● wi-tribe               | Pakistan        | 77.5%           |
| ● Nedjma <sup>1</sup>    | Algeria      | 46.3%           | ● Liberty Telecom        | The Philippines | 40%             |
| ● Wataniya               | Palestine    | 29.9%           | ● Navlink                | UAE             | 38%             |
| ● PTC - Bravo            | Saudi Arabia | 29.2%           |                          |                 |                 |

<sup>1</sup> 71 percent is held via NMTC and a 9 percent stake is held via Qatar Telecom (Qtel) QSC



## Qtel qatar

With deep roots in the Qatari community and proven management expertise leading our development, Qtel continues to position its Qatar operations at the heart of its global strategy for growth and expansion.

The company has grown into one of the most diverse integrated operators in the Middle East region, offering a range of world-class GSM, fixed, cable, entertainment and technology services to consumers and businesses. Increasingly, the new products and services developed within our innovation hubs in Qatar help to drive growth across the Qtel Group, building on the market leadership that Qtel has enjoyed for over 20 years. Despite the global economic downturn in 2009, Qatar continued to thrive as a major growth market and driver of entrepreneurialism and investment.

The nation is expected to remain one of the world's fastest growing economies, as continued heavy investment in the hydrocarbon sector enhances higher oil and gas output levels. Qtel is proud of its history of building the network that has provided the foundations of the world's fastest-growing economy.

Real GDP growth will average 7.5 percent from 2009 to 2013, with the most rapid expansion occurring in 2010 and 2011, when growth is expected to come in at 13.3 percent and 9.1 percent, according to the business research group Business Monitor International (BMI). Positioned at the heart of this dynamic economy, and with its close links with government and corporate stakeholders, Qtel continues to anticipate strong organic growth in the medium and long-term.

### **Ownership**

Qtel is 100 percent owned and managed by Qatar Telecom (Qtel) Q.S.C.

### **Highlights of 2009**

With 2009 seeing the arrival of a new entrant in the Qatar market for the first time, Qtel was able to leverage our competitive experience from markets like Kuwait and Oman to not only prepare for competition, but to actively enhance our operations and the level of experience provided for our customers. At the beginning of the year, Qtel announced its Qtel Qatar strategy, designed to support the wider Qtel Group vision and protect EBITDA in its home nation in the face of new competition.



“WITH 2009 SEEING THE ARRIVAL OF A NEW ENTRANT IN THE QATAR MARKET FOR THE FIRST TIME, QTEL WAS ABLE TO LEVERAGE OUR COMPETITIVE EXPERIENCE FROM MARKETS LIKE KUWAIT AND OMAN TO NOT ONLY PREPARE FOR COMPETITION, BUT TO ACTIVELY ENHANCE OUR OPERATIONS AND THE LEVEL OF EXPERIENCE PROVIDED FOR OUR CUSTOMERS.”

At the heart of this strategy was the vision that Qtel in Qatar becomes the preferred choice for world-class communication services in Qatar. Through this strategy, Qtel Qatar would enhance its contribution to Group operations by providing both an innovation hub and a role model for management behaviour and customer service.

The Qtel Qatar strategy identified key factors in retaining our market leadership position: retaining and enhancing our deep connection with customers; moving into or expanding in new high potential segments; and continuing to improve our infrastructure, processes and organisation to better serve customers.

To ensure success in these key areas, Qtel launched a number of initiatives in 2009, which had a demonstrable impact on company performance and delivery. The strategy provided the basis for a major brand refresh within Qatar, “Fuel Your Senses,” executed at the end of 2009, which confirmed the strength of our brand and our relationship with our customers in our home-market.

Results from the Qatar operations reflect this impact. Qtel’s active customer base – including GSM, fixed line and entertainment services customers – reached 2.4 million by the end of 2009. Our mobile business passed the two-million-customer milestone in June 2009, and the company successfully attracted more than 300 thousand new customers in the period between March and the end of the year, in direct competition with another market operator for the first time.

Central to this success was retaining and enhancing the relationship with our customers, and placing particular emphasis on high-value clients and decision-makers. This focus on the value segment of the market positions us well in an era of intense competition, and will ensure that we maintain leadership in market revenue share. Two pioneering initiatives of 2009 – the launch of the “Nojoom” customer reward programme and the delivery of our Customer Charter – reflect our ongoing investment in improving customer service and delivery.

Our enhanced approach to supporting our customers was confirmed in the brand refresh programme, “Fuel Your Senses,” which was initiated in December 2009 and which will run throughout 2010. Among the launch activities, Qtel supported a range of popular community activities and events.

We also enhanced the consumer Broadband element of our portfolio in Qatar, investing in important technical upgrades that delivered real benefits for our customers. Our entertainment service, Mozaic TV+, emerged as one of the most popular options for premium television and Internet in Qatar, attracting a significant number of new customers.

Qtel also looked to complete a number of major agreements to position Qatar as a major hub for international communications services for enterprises. A major agreement with Tata Communications saw Qtel positioned as the designated “landing party” in Tata’s Global Network Gulf Cable System, with other regional operators playing the same role for their respective nations. Qtel’s relationship with the overwhelming majority of successful companies provided significant scope for the expansion of our Business Solutions unit.

Finally, as well as challenges, the launch of competition created important business opportunities. With another competitor in the market, Qtel was able to offer a wholesale service for the first time in Qatar, opening significant revenue generation potential.

#### Looking Ahead

In terms of growth, competition will continue to present challenges in 2010, creating pressure on prices and impacting ARPU numbers. However, Qatar’s newly-liberalised market has also created a wealth of opportunities, which Qtel is well positioned to capitalise upon. In particular, the wider potential of the Information, Communications, Technology and Entertainment (ICTE) market in Qatar provides attractive growth potential. We see particular potential in the Broadband, Entertainment and Managed Services sectors, where we benefit from a strong track record and attractively-positioned services.

To ensure that we continue to be lean as an operational principle, we continue to carefully manage costs and ensure prudent and sustainable investment. Qatar continues to take a lead in this area, with a full value retention strategy.

In order to protect our market share, we continue to listen to our customers, and look for ways to enhance loyalty and retention. The launches of Nojoom and the Customer Charter provide us with tools to continue to demonstrate value to our customers, and to communicate how much they mean to us.



## Indosat indonesia

“THE PAST YEAR CAN BE CHARACTERISED AS ONE OF GREAT CHANGE IN OUR MARKET. AT INDOSAT, WE HAVE NOT ONLY KEPT PACE WITH THIS CHANGE BUT IN SOME AREAS HAVE ACTED AS THE CATALYST FOR IT, RE-SHAPING THE WAY IN WHICH OUR INDUSTRY UNDERSTANDS INDONESIA’S CONSUMERS, THEIR BEHAVIOUR AND THEIR DEMANDS. AGAINST THIS BACKDROP WE HAVE CONTINUED TO INVEST IN NETWORK QUALITY AND RESILIENCE AS WELL AS MAINTAIN OUR REPUTATION FOR INNOVATIVE CONSUMER AND CORPORATE SERVICE. THIS IS A REPUTATION WE ARE PROUD OF AND ONE WE SEEK TO PROTECT AND ENHANCE AS WE MOVE FORWARD INTO 2010.”

Harry Sasongko Tirtotjondro  
President Director and CEO Indosat

Indosat is a fully integrated telecommunications network and services provider operating in Indonesia, the fourth most populous nation on earth. Indosat is the country’s second largest mobile operator with over 30 million customers connected to its nationwide network. It is one of only two operators mandated to provide national and international long-distance telecommunications services and offers a product suite that spans voice, Internet, data and VoIP making it a significant force in the country’s communications market.

### Ownership

The Qtel Group has a 65 percent stake in Indosat.

### Indosat’s achievements

Indonesia’s fast-paced communications market continued to change shape in 2009 and, as in previous years, Indosat has worked hard to keep pace with these changes. The company has continued to pay careful attention to the strength of its network, investing significantly throughout the year in technologies to help improve efficiency and throughput. Indosat has also prioritised further investments aimed at ensuring that network capacity, performance and reliability continue to meet our customers’ expectations. At the same time, the company is continuing to extend its reach this year into new areas outside of its Java core, and successfully launched both the Palapa-D satellite system and Jakabare submarine cable in November 2009.

These developments are just some of the many ways in which Indosat has worked in 2009 to build on its proud heritage, spearheaded by new leadership within the organisation. During 2009 a series of major management changes were carried out – most notably the appointment of Mr. Harry Sasongko as President

Director and CEO – all of which further enhances the already rich skills and expertise Indosat can call on as it moves forward with its development plans.

As Indonesian consumers become ever more sophisticated and demanding, Indosat has worked hard to ensure that it is able to offer services and solutions better able to meet these changing needs. By continuing to combine service innovation with an internal commitment to sensible, sustainable cost reduction, Indosat is able to offer customers the services that they want at attractive prices. These initiatives – such as the roll-out earlier in the year of HSPA+ Broadband services – have helped to reduce costly customer churn and increase customer activity.

### Indosat in the year ahead

The Indonesian communications market continues to hold great promise for Indosat and the company remains keenly focused on its aim to offer superior network performance together with the widest possible range of dynamic, in-demand services. In particular, Indosat’s broad infrastructure positions it well to take advantage of the growing Internet market in Indonesia where demand is high and customer penetration and Indosat’s market share leave opportunity for further growth. Indosat continues to concentrate on extending its mobile and Broadband reach in key urban clusters outside of the Java area.

Ultimately Indosat continues to see Indonesia as a country of opportunity given its extremely large and young population, abundant natural resources and a now stable political environment.



# Wataniya kuwait

“THIS YEAR, IN THE FACE OF GREAT CHALLENGE, OUR BUSINESS HAS DEMONSTRATED GREAT STRENGTH. OUR NETWORK HAS BECOME MORE SOPHISTICATED, HELPING US REINFORCE OUR REPUTATION FOR EXCELLENCE. OUR SERVICE OFFERING HAS ALSO BECOME MORE VARIED, STRENGTHENING CUSTOMERS’ CONFIDENCE IN OUR ABILITY TO MEET THEIR EVER-CHANGING NEEDS. IT IS THIS STRENGTH THAT WILL SERVE US WELL IN 2010 AS WE LOOK FORWARD TO PUSHING AHEAD WITH OUR STRATEGIC PLANS IN WHAT REMAINS A DECIDEDLY DYNAMIC AND REWARDING MARKETPLACE.”

Scott Gegenheimer  
General Manager and  
Chief Executive Officer  
Wataniya, Kuwait

Having demonstrated strong and consistent growth in the past ten years, Wataniya enters this new decade as the second largest operator in one of the most competitive, demanding and fast-paced mobile markets in the Gulf region. Serving a significant share of Kuwait’s mobile customers, Wataniya has built its success on three strategic pillars: offering innovative services, providing excellent network quality and delivering outstanding customer service.

The company offers a wide range of pre-paid and post-paid mobile voice and data services to both individual and corporate customers, as well as WNet, a secure wireless and mobile Internet service for portable PCs. Wataniya also offers a suite of business efficiency tools for corporate customers under the WPro brand as well as a number of value added services such as “Call Collect,” “Call Back Home” while roaming and “Please Call Me,” each giving customers more options for staying connected.

#### Ownership

The Qtel Group holds a 52.5 percent stake in Wataniya Telecom (NMTC) which is a listed stock on the Kuwait Stock Exchange. NMTC is the legal entity owning shares in Wataniya Maldives, Bravo, Tunisiana, Nedjma and Wataniya Palestine.

#### Wataniya Kuwait’s achievements

2009 brought great challenges for Wataniya in Kuwait: challenges which the company has successfully overcome thanks to clear planning and continued focus on its core strategic aims. This year – the first full year of competition from a third operator and a year in which changes to inbound calling charges have altered consumer behaviour in Kuwait – Wataniya has still continued to grow both its customer base and its reputation for service excellence and diversity.

Acknowledging the emerging BlackBerry trend in the region, the most significant addition this year to Wataniya’s service portfolio came in June when the company succeeded in launching the BlackBerry solution in-market. This innovation was enhanced in October when Wataniya became the first operator to unveil a pre-paid “pay-as-you-go” BlackBerry package in Kuwait. However, while significant, BlackBerry was not 2009’s only innovation. In April, Wataniya launched Maxpress: a second pre-paid bonus reward plan based on usage. November saw further momentum with the launch of Wink: a revolutionary new youth program that merges the best possible price plans with membership discounts at local merchants for some of the company’s most demanding and sophisticated youth customers.

Alongside the addition of these new services to Wataniya’s portfolio, the company also paid attention this year to reinforcing its existing products and their market position. One major initiative was the introduction during 2009 of a new set of unique WPro business tariffs, covering all levels of corporate need from senior management with a focus on value, down to employees with a focus on control.

These new services continue to be supported by a “best-in-class” network infrastructure. During the year Wataniya successfully completed a range of network upgrades and enhancements so, that by the end of 2009, the network was able to support up to 14.4Mbps HSDPA data speeds and up to 2Mbps HSUPA data speeds anywhere in the country.

#### Wataniya Kuwait in the year ahead

The three strategic pillars of service innovation, network excellence and outstanding customer experience remain the cornerstone of Wataniya’s plans as the company moves forward into 2010 – its eleventh year of operations in Kuwait. In the year ahead Wataniya will seek to consolidate and extend its strong market position, working hard to ensure and reward customer loyalty while continuing to enhance customer experience through targeted programmes. At the same time, Wataniya remains focused on pursuing new revenue-generating opportunities where they exist, particularly in data and value-added services.



## Asiacell iraq

“2009 HAS SEEN ASIACELL FORGE AN INCREASINGLY DEEP AND STRONG BOND WITH THE PEOPLE OF IRAQ. WE HAVE NOT ONLY SIGNIFICANTLY INCREASED OUR COUNTRY-WIDE SUBSCRIBER BASE BUT ALSO SUCCEEDED IN ALL-IMPORTANT EFFORTS TO SECURE AND ENHANCE THE QUALITY OF OUR NETWORK. CLEAR OPPORTUNITIES REMAIN FOR US TO CONTINUE OUR GROWTH IN THIS IMPORTANT EMERGING MARKET AND WE LOOK FORWARD TO 2010 WITH RENEWED OPTIMISM AND WITH CONFIDENCE.”

Dr. Diar Ahmed  
Chief Executive Officer  
Asiacell

Asiacell has proud roots as the first company to introduce mobile services to Iraq. In a joint-venture started in 2007, the Qtel Group and Asiacell, in partnership with prominent Iraqi businessmen, came together to win a competitive bid for a long-term, fifteen-year mobile license in the country, a major milestone in the development of Iraq’s communications market.

Through a period of rapid growth, Asiacell has continued to pass and set new milestones. In its capacity as the country’s second largest mobile operator by number of customers, Asiacell serves more than a third of all Iraqi mobile customers with a wide range of critical mobile services including GPRS, SMS, MMS and voicemail delivered across a national network that reaches from Dhok in the north to Basra in the south.

### Ownership

The Qtel Group has a 30 percent effective economic stake in Asiacell.

### Asiacell’s achievements

Asiacell has continued to make significant progress this year, forging ahead with its ambitious growth plans in this challenging yet rewarding emerging marketplace. The clearest signs of this progress can be seen in the explosive growth achieved this year in the company’s subscriber base, with total active subscribers growing by over 20 percent during 2009 to close the year at over 7.3 million. A number of initiatives have contributed to this growth, both in terms of investment in infrastructure and in terms of broadening the choice of services available to Iraqi consumers.

At the network level, Asiacell has continued in 2009 with plans to extend the coverage of its north-south

network into new governorates. With an April launch of services in Diyala following quick on the heels of a February launch of services in Anbar, the Asiacell network is the only one in Iraq that is now accessible in all of Iraq’s 18 governorates, a significant achievement.

Service expansion has also continued in 2009, with particular emphasis this year placed on products targeted at the international and roaming segments. A range of new GPRS and “on-air” roaming services was launched during the year, backed up by the implementation of network-wide inbound roaming and traffic steering tools to support reliability and user satisfaction.

Alongside these services, Asiacell continued to pay careful attention to the “youth” market segment, launching in September a range of new tariffs tailored specifically to the needs and communication habits of these important and demanding communicators. In addition, the launch of a per second billing service in January has seen significant growth in popularity among customers.

### Asiacell in the year ahead

Asiacell remains committed to consolidating the significant gains made this year as it moves into 2010. Whilst the political and economic situations remain challenging, both the short and long-term opportunities for Asiacell in Iraq are evident, with mobile connectivity remaining the back-bone means of communication across the country.

Asiacell continues to view Iraq as an excellent market with significant opportunity. It is a large populous country with favourable demographics, and possesses substantial hydrocarbon resources that are now just beginning to be fully developed.



# Nedjma algeria

“OUR KEY OBJECTIVES AT THE START OF THIS YEAR WERE TO INCREASE OUR MARKET SHARE THROUGH A TARGETED SEGMENT SWITCHING STRATEGY AND TO ENHANCE THE RESILIENCE AND CAPACITY OF OUR NETWORKS, BOTH OF WHICH HAVE BEEN DECISIVELY ACHIEVED. IN 2010 WE WILL SEEK TO FOSTER FURTHER GROWTH, NOT ONLY WORKING TO MAINTAIN OUR BRAND PERCEPTION BUT ALSO BY CONTINUING TO ATTRACT HIGH-END CUSTOMERS, PROVIDING THEM WITH THE BEST QUALITY OF SERVICE AND THE TAILORED OFFERS THEY NEED.”

Joseph GED  
Chief Executive Officer  
Nedjma

Branded as Nedjma, Wataniya Telecom Algeria commenced operations in 2004. Starting out life as Algeria’s third mobile operator, today Nedjma commands second place in this North African mobile marketplace. As one of the most instantly recognisable brands in the country, Nedjma offers value-for-money mobile voice, data and multimedia services delivered across a nationwide EDGE-ready network.

#### **Ownership**

The Qtel Group holds a 52.5 percent stake in Wataniya (NMTC), which holds a 71 percent stake in the operations of Nedjma. In addition, the Qtel Group directly owns a 9 percent stake in Nedjma. Taken together, these holdings give the Qtel Group a 46.3 percent effective economic stake in Nedjma.

#### **Nedjma’s achievements**

Nedjma has continued to make impressive progress this year, delivering yet another year of major customer growth. This progress owes much to Nedjma’s brand recognition, innovative product offering and competitive network quality, all of which have resulted in a significant amount of customer acquisition this year. 2009 also saw Nedjma begin its sponsorship of the Algerian National Football Team. Football plays a significant role in Algerian society and this sponsorship has large potential to attract key segments in the market, particularly the youth segment.

At a network level, Nedjma has succeeded this year in making infrastructure improvements in all parts of the country, many of which saw the company follow through on initiatives started back in 2008. For example, a programme started in 2008 to connect transmission sites in the deep south of the country via VSAT to the main Nedjma network was successfully completed this year, reducing disruption and improving

call quality. Similarly, in the north of the country, Nedjma commenced roll-out in 2008 of three SDH transmission rings in a bid to secure traffic across the 1,200km region. In September 2009 these rings carried their first traffic, resulting in better availability of the Nedjma network and reduced reliance on leased lines.

Now complete, these network enhancements have supported the roll-out in 2009 of new services and offers for all types of customer, particularly “high value” users. And, in a bid to further appeal to this target group, Nedjma has devoted particular attention this year to making the process easier for customers wishing to make the switch to Nedjma. New customers have been able to enjoy free text messages to share their new number with friends whilst, at the same time, been able to select a number which matches as closely as possible with their previous one.

#### **Nedjma in the year ahead**

The year ahead represents a real opportunity for Nedjma to continue to acquire new customers, particularly by leveraging its sponsorship participation in upcoming high-profile sporting events such as the World Cup in 2010. At the same time, growth in demand for Broadband services remains one area for potential long-term growth for the company, as does the potential for new products linked to e-money, such as e-bill payments and money transfer. Ultimately it is the significant opportunity to grow its market share in Algeria where Nedjma sees considerable potential.



## Nawras oman

“2009 HAS BEEN YET ANOTHER YEAR OF PROGRESS AND ACHIEVEMENT FOR NAWRAS, A YEAR IN WHICH WE HAVE NOT ONLY STRENGTHENED OUR POSITION IN OUR CORE MOBILE MARKET, BUT ALSO MOVED ONE STEP CLOSER TO UNVEILING A NEW RANGE OF FIXED LINE SERVICES IN THE SULTANATE. 2010 HOLDS ITS CHALLENGES, BUT ALSO A HOST OF OPPORTUNITIES. WE LOOK FORWARD TO CAPITALISING ON THESE OPPORTUNITIES BY REMAINING TRUE TO OUR COMMITMENT TO OPERATIONAL EXCELLENCE AND OUR PASSION FOR SERVICE INNOVATION.”

Ross Cormack  
Chief Executive Officer  
Nawras

In 2005, Nawras marked the first of many bold steps taken by the Qtel Group outside of its home market. Since that time, Nawras has delivered tremendous growth. As Oman’s second mobile operator, Nawras today commands almost half of the country’s mobile market customers, and delivers a wide range of mobile services across an advanced network. In 2007, Nawras became the first operator to launch 3G+ based wireless Broadband services in Oman, allowing customers access to advanced services such as video calling and high speed Internet access. In 2009 Nawras was proud to be granted the Sultanate’s second fixed telecommunications license.

### Ownership

The Qtel Group has a 55.6 percent effective economic stake in Nawras.

### Nawras’s achievements

Nawras continued to make further strong progress in 2009, introducing a new range of innovative pre-paid mobile Broadband services which have contributed to an impressive ten-fold increase this year in the number of unique Broadband users on the Nawras network. In addition, in November the company unveiled a full Mobile TV offering following the successful “soft” launch of Mobile TV functionality earlier in the year to coincide with Oman’s hosting of the GCC football championship.

These advanced service developments continue to be made possible by Nawras’s commitment to network quality and strength. During the year the company has continued to invest in its 3G+ network, making further improvements to network capacity and indoor coverage. Alongside these improvements, in March Nawras also launched a fully-fledged WAP portal to support the increasing local demand for content

services. In November, this consistent innovation and development earned Nawras “SuperBrand” status, with the strength of the Nawras brand in the Omani telecom market further supported by the fact that Nawras attracts close to 90 percent of customers who change operator using mobile number portability.

The year has not been without challenge. 2009 saw the introduction of mobile resellers to the Omani market, the first development of its kind in the region. Nawras rose to this challenge with a continued focus on international call promotions and the development of key segmented services, particularly in the youth segment as well as reaching agreements to host resellers on the Nawras network.

Progress has not only been limited to Nawras’s core mobile business. In June 2009, Nawras was proud to be awarded the second fixed telecommunications license for Oman, now providing the company with an opportunity to deliver a full range of communications services to its customers. Nawras continues to work towards the commercial implementation of its fixed line mandate, with an international gateway expected to become operational in 2010.

### Nawras in the year ahead

The year ahead holds exciting opportunities for growth at Nawras, particularly in the Omani Broadband segment where penetration currently lags behind other countries in the region. The roll-out of fixed line services should further assist Nawras as it works to make deeper in-roads into this under-developed part of the market. The business segment also remains a growth area for 2010 with the opportunity for Nawras to grow its share of this segment through the roll-out of further services tailored to the Sultanate’s business community.

In 2010 Nawras will also continue to pay careful attention to the quality and reach of its network, with plans in place to transition the current mobile and fixed business network to an IP-based core and a continued fast build-out of its fibre-based backbone. This ongoing commitment to service innovation and network excellence positions the company well as it looks to maintain its market position in the face of competition from additional mobile resellers expected to enter the Omani marketplace in 2010.





# Bravo saudi arabia

“WE HAVE CONTINUED TO MAKE ADVANCES THIS YEAR, FURTHER ADDING TO OUR CUSTOMER BASE BY FOCUSING HARD ON CLIENT SERVICE AND SATISFACTION. DEMAND FOR OUR FLEXIBLE, INTEGRATED SERVICES HAS REMAINED ROBUST AND WE HAVE INTRODUCED NEW SERVICES TO FURTHER ENTRENCH OUR POSITION IN THIS GROWING MARKET. IN THE YEAR AHEAD WE WILL CONTINUE TO STICK CLOSE TO OUR CORE PRINCIPLES, ENSURING THAT THE SIMPLICITY, COST-EFFECTIVENESS AND HIGH-QUALITY OF OUR OFFERINGS REMAIN UNPARALLELED IN SAUDI ARABIA.”

Eng. Mohammed Bin Abdul Aziz Al-Ageel  
Chief Executive Officer  
Bravo

Bravo launched operations in 2005 as Saudi Arabia’s first specialised push-to-talk (“PTT”) provider, offering PTT and cellular communication services to the business and government sectors. Bravo’s solutions are ideally suited to organisations which need to connect and manage large numbers of employees or related groups in a flexible, efficient and cost-effective way. Today Bravo provides customers from across a diverse group of businesses and government institutions with mobile voice, messaging, fleet management, inventory management solutions and even data services across its iDEN-based nationwide wireless network.

#### Ownership

The Qtel Group has a 52.5 percent stake in Wataniya (NMTC), which holds a 55.6 percent stake in the operations of Bravo. This gives the Qtel Group a 29.2 percent effective economic stake in Bravo.

#### Bravo’s achievements

Bravo made solid progress in 2009, delivering year-on-year revenue growth and further growing its customer base. This progress has largely been driven by Bravo’s continued focus on service enhancement, such as the launch of advanced new billing methods as well as the implementation of a new Fleet Management solution. 2009 also saw Bravo launch its “Business Family” service concept, a compelling tool which allows Bravo customers to network not just only with their own employees but also with their suppliers, contractors and clients.

#### Bravo in the year ahead

Today, Bravo stands proud as a trusted name for specialized communications solutions in Saudi Arabia and remains fully committed to its aim of becoming the PTT provider of choice for the country’s government and business sectors. By continuing to focus on tailoring and enhancing its vertical offerings, particularly within the corporate arena, Bravo will seek to make further strategic progress in the year ahead.



## the **maldives** Wataniya

“WE HAVE CONTINUED TO GROW OUR BUSINESS THIS YEAR, EVEN WHEN FACED WITH LOWER TOURISM BROUGHT ABOUT BY SHAKE-UPS IN THE GLOBAL ECONOMY. WE HAVE DONE THIS BY REMAINING TRUE TO OUR STRATEGY: FOCUSING HARD ON EXTENDING NOT ONLY THE NUMBER OF TOURIST CENTRES OUR NETWORK CAN REACH, BUT ALSO BY ENSURING THAT OUR VISITING CUSTOMERS ENJOY SERVICES JUST AS SOPHISTICATED AS THOSE THEY DEMAND BACK HOME. IT IS THIS STRATEGY THAT WILL CONTINUE TO DRIVE US FORWARD IN 2010.”

Abraham Smith  
Chief Operating Officer  
Wataniya, the Maldives

Since commencing operations in the Maldives in 2005, Wataniya is today able to offer mobile and data services across all of the inhabited islands of this Indian Ocean nation. Supporting a vibrant economy centred on tourism, Wataniya offers a range of mobile services for the Maldives’ numerous international visitors and local inhabitants, delivered across the country’s first-ever 3G and HSDPA-ready network. Wataniya Maldives continues to execute to its long-term strategy, focusing on increasing network coverage, penetration and the availability of data services, particularly in the country’s growing resort sector.

### **Ownership**

The Qtel Group has a 52.5 percent stake in Wataniya (NMTC), which holds 100 percent of the operations of Wataniya in the Maldives. This gives the Qtel Group a 52.5 percent effective economic stake in Wataniya in the Maldives.

### **Wataniya in the Maldives: achievements**

In the second half of 2008, Wataniya Maldives stepped up plans to take advantage of growth opportunities in the Maldives’ tourism industry, setting up a dedicated “Resort Solutions Team” to speed up the acquisition of transmission sites in key resort areas. In 2009, this team has succeeded in doubling the number of resort site agreements held by the company, so much so that, by the end of 2009, the number of “on-air” resort sites had increased by more than 50 percent year-on-year.

At the same time, the company remained committed to increasing the availability of 3G data connectivity in the Maldives, enhancing 3G coverage in the capital, Male, and rolling out 3G coverage to two new resorts during the year. These roll-outs have allowed other innovations to take place, such as this year’s landmark

agreement with Facebook which – for the first time – allows visitors to the Maldives the chance to keep close to their Facebook friends through SMS. In 2009, even with tourist arrivals down, Wataniya was still able to grow its roaming revenue year-on-year in this unique market, a significant achievement.

### **Wataniya in the Maldives: the year ahead**

The Maldives and tourism go hand-in-hand and it is the tourism sector that continues to represent a major growth opportunity for Wataniya in 2010. There remains significant potential to grow the number of “on-air” resort-based transmission sites this year, as well as potential to pursue growth through the continued expansion of the 3G network and by making further enhancements to Wataniya Maldives’ already robust microwave network backbone.



## Wataniya palestine

“ONE THING IS CERTAIN: WE WILL LOOK BACK ON 2009 AS A LANDMARK YEAR FOR OUR OPERATIONS IN PALESTINE. OUR COMMERCIAL SERVICE LAUNCH IN NOVEMBER FOLLOWED TWELVE MONTHS OF INTENSIVE NETWORK BUILDING, SERVICE DEVELOPMENT AND MARKETING PREPARATIONS TO ENSURE A SUCCESSFUL START TO OUR OPERATIONS. IN THE YEAR AHEAD WE WILL REMAIN FOCUSED ON BUILDING A HIGH QUALITY NETWORK IN SUPPORT OF OUR COMMITMENT TO OFFER THE PEOPLE OF PALESTINE SIMPLE, HIGH QUALITY AND COST-EFFECTIVE COMMUNICATIONS SERVICES.”

Allan Richardson  
Chief Executive Officer  
Wataniya, Palestine

Wataniya is the second licensed mobile operator in Palestine. Awarded its license to operate in 2006 through a competitive process, operations were successfully launched in the West Bank in November 2009 after final grant of necessary radio spectrum in Q3 2009. Wataniya is now poised to become a significant player in the Palestinian mobile market, offering a population of approximately four million people the opportunity to enjoy service based on network quality, reliability and choice.

### Ownership

The Qtel Group has a 52.5 percent stake in Wataniya (NMTC), which holds a 57 percent stake in the operations of Wataniya in Palestine. This gives the Qtel Group a 29.9 percent effective economic stake in Wataniya in Palestine.

### Wataniya Palestine's achievements

November's launch of commercial services in the West Bank not only marks Wataniya's most notable achievement of 2009, but also represents a crowning moment in its development so far. As a result of this successful launch, Wataniya now offers the people of Palestine a full range of pre-paid, post-paid and hybrid-payment services as well a robust set of roaming products, including the Qtel Group's flagship SmartRoamer offering.

While maintaining the quality and reliability of these services is an important daily focus for Wataniya, ensuring their accessibility is also crucial. To that end, in 2009 Wataniya established a distribution network to support its West Bank operations spanning six company-owned centres in Ramallah, Tulkarem, Jenin, Nablus, Hebron and Bethlehem. Linked to a live network of over 60 trained dealers and over 3,000

grocery store points of sale, Wataniya is today able to ensure that both urban and rural Palestinians have easy access to its products and services.

As a result of this broad network, Wataniya not only directly employs over 300 talented professionals in Palestine, but has also supported the creation of a further 3,000 jobs in the wider Palestinian economy.

### Wataniya Palestine in the year ahead

The Palestinian communications market offers strong long-term prospects for growth which should, in turn, support the wider growth of Palestine's fledgling economy. In 2010, Wataniya intends to remain focused on building and supporting a high quality network. At the same time, the Company hopes to make further progress towards increasing its population coverage in both urban and rural areas, as well as its in-car coverage on major roads and highways and its in-building coverage in major urban centres.



## Tunisiana tunisia

“THE SOLE FOCUS OF OUR BUSINESS – WHAT WE DO, HOW WE PACKAGE IT AND HOW WE DELIVER IT – REMAINS THE CUSTOMER. OUR CUSTOMERS TRUST US TO OFFER THEM INNOVATIVE AND HIGH QUALITY SERVICES, SUPPORTED BY A ROBUST AND RELIABLE NETWORK. IT IS THEIR HARD-WON SATISFACTION AND LOYALTY THAT WILL CONTINUE TO GIVE US A UNIQUE ADVANTAGE IN 2010 AS THE COMPETITIVE LANDSCAPE CHANGES IN THIS MOST EXCITING AND DEMANDING OF MARKETS.”

Yves Gauthier  
Chief Executive Officer  
Tunisiana

Launched in 2002 as Tunisia’s first privately owned telecoms company, Tunisiana’s arrival marked a step-change in the country’s communications market. Since that time, Tunisiana has grown to become not only the country’s number one mobile operator with more than 50 percent market share but also one of the country’s most trusted and recognised brands. Each day Tunisiana’s truly national network delivers a range of pre-paid and post-paid voice and data services to more than four million individual and business customers right across this North African nation.

### Ownership

The Qtel Group holds a 52.5 percent stake in Wataniya (NMTC), which holds a 50 percent stake in the operations of Tunisiana. This gives the Qtel Group a 26.3 percent effective economic stake in Tunisiana.

### Tunisiana’s achievements

With the arrival of a third 3G and fixed-line operator scheduled for early 2010, Tunisiana has paid close attention this year to not just maintaining but also bolstering its leading market position. Much of this attention has focused on enhancing Tunisiana’s already high quality network, most notably in improving indoor hot-spot coverage in key urban centres. The company also successfully completed an upgrade to its core transmission layer, with the key cities of Tunis, Sousse and Sfax now connected by a state-of-the-art fibre-optic ring.

Recognising the importance of customer loyalty and satisfaction, these network enhancements have been made alongside a number of service upgrades and new service roll-outs. During the year, Tunisiana launched “Service+,” the first offering of its kind in Tunisia, aimed at helping customers repair or replace handsets

when problems strike. At the same time, Tunisiana has continued to develop its all-important national distribution network making it easier for customers to access new services, products and offers. Two new service centres and a new “e-shop” were launched in 2009 and Tunisiana customers now have access to over 33,000 recharge points nationwide. And, by accessing this expanded footprint, Tunisiana customers are able to take advantage of other innovative services introduced this year such as reverse billing, international top-ups and a USSD recharge platform.

### Tunisiana in the year ahead

Tunisiana enters 2010 in a strong position with a solid market share, a robust and sophisticated network infrastructure and an ever-evolving range of innovative products and services. However, whilst the company is well positioned to combat enhanced competition, it is not complacent. The focus for 2010 remains the same focus that has served Tunisiana well since its inception: its customers. The company will continue to target those rural areas of Tunisia where mobile usage lags behind more urbanised centres, rolling out its services to these areas not only in a more intensive way but also in a way that is designed to meet the unique needs of these rural customers. The evolving data market also remains an area of focus for Tunisiana, where the company’s sophisticated network is able to meet the growing demand for data services not only from domestic customers but also from business visitors and tourists.



# wi-tribe

“THIS YEAR, WE HAVE PUSHED FORWARD WITH OUR VISION OF BECOMING THE PREFERRED WIRELESS BROADBAND EXPERIENCE IN THE COMMUNITIES THAT WE SERVE, BY EXTENDING OUR COVERAGE AREA AND VAS OFFERINGS IN JORDAN AND BY BEGINNING TO ESTABLISH A SIZEABLE CUSTOMER BASE IN PAKISTAN. WE REMAIN EXCITED BY THE PROSPECTS FOR WIRELESS BROADBAND, AND HOPE TO MAKE PROGRESS FOR THE YEAR AHEAD, BEGINNING WITH OUR LAUNCH IN THE PHILIPPINES.”

Dr. Sami Hinedi  
Group Chief Executive Officer  
wi-tribe

The wi-tribe group (“wi-tribe”) is a cornerstone in Qtel’s strategy to capture share of the rapidly growing consumer wireless Broadband market in MENA, the Asia sub-continent and in Southeast Asia. Within a short period of time, wi-tribe has deployed multiple frequency and multiple feature 4G networks in three diverse markets.

wi-tribe is managed through two holding companies: wi-tribe Limited and wi-tribe Asia Limited. With operations in Jordan and Pakistan (through wi-tribe Limited), and a key investment in the Philippines (through wi-tribe Asia Limited), wi-tribe represents an exciting opportunity for Qtel to help shape the future of wireless technology in these fast-growing regions.

#### Ownership

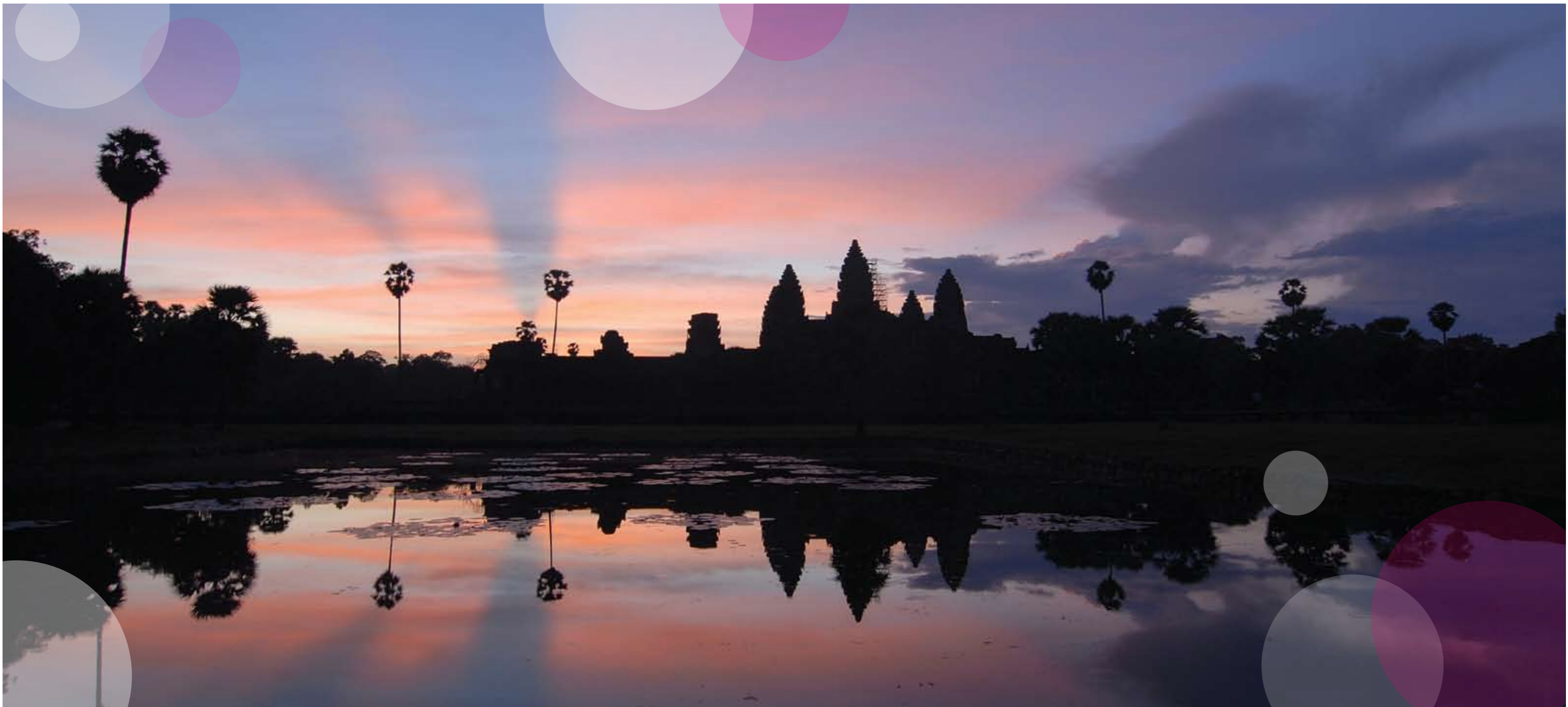
The Qtel Group has a 77.5 percent stake in wi-tribe Limited and a 100 percent stake in wi-tribe Asia Limited.

#### wi-tribe’s achievements

wi-tribe continued to make important progress in 2009 across its portfolio. In July, wi-tribe delivered on one of its key strategic commitments by launching commercial operations in Pakistan. The service, which already represents wi-tribe’s largest Broadband operation, covers the four major metropolitan areas of Islamabad, Karachi, Lahore and Rawalpindi. The network is also the first “environmentally friendly” network to be deployed in Pakistan, with a minimal reliance on fossil fuel back-ups. Also this year, in its initial market of Jordan, wi-tribe rolled-out a range of value-added services and launched operations in five new cities, significantly expanding its coverage area. In the Philippines, wi-tribe started deployment and user trials on its world-class 4G Broadband network.

#### wi-tribe in the year ahead

wi-tribe remains excited by the potential for wireless Broadband services in its current markets and its regions of interest. The Pakistan and Philippine markets are both highly populous and under-served in the area of home Broadband connectivity. In the year ahead, wi-tribe will continue to develop its offerings in both Jordan and Pakistan, as well as working towards a targeted launch of services in the Philippines in 2010, with the objective of becoming the preferred multimedia experience in the communities it serves.



# Asia mobile holdings

Asia Mobile Holdings Pte. Ltd. (AMH) is a mobile communications investment company formed in 2007 to explore and invest in new mobile opportunities in the Asia Pacific region. The Qtel Group owns a 25 percent stake in AMH. The remaining 75 percent stake is owned by Singapore Technologies Telemedia (STT). AMH, incorporated in Singapore, is the preferred investment vehicle for both Qtel and STT for investing in mobile operations in the Asia Pacific region.

#### **The AMH portfolio**

AMH closed 2009 with investments in the following companies:

#### **StarHub Ltd**

AMH has a 49 percent stake in StarHub Ltd (StarHub) which equates to a Qtel effective stake of 12 percent. Launched in 2000, StarHub is a fully integrated communication company offering a full range of information, communications and entertainment services for both consumer and corporate markets.

#### **Shenington Investments Pte. Ltd.**

AMH has a 49 percent stake in Shenington Investments Pte. Ltd. (Shenington). Shenington has a 100 percent shareholding in Mfone Co Ltd (formerly known as Camshin), which equates to a Qtel effective stake of 12 percent. Mfone is the second largest GSM operator in Cambodia. Shenington also owns a 49 percent shareholding in Lao Telecommunications Company Limited (LTC), which equates to a Qtel effective stake of 6 percent. LTC is the largest telecoms operator in Laos.



## Corporate Social Responsibility (CSR) strategy

Qtel has a long-established tradition of providing material and social support for community groups and charities throughout Qatar, building on our core corporate philosophy. In 2008, we organised our CSR strategy around five pillars, under a core message “For Qatar, Hand in Hand.” The aim was to create a clear basis for partnership with local stakeholders for initiatives that could make a measurable, demonstrable impact on the lives of people across the country.

### The five key areas established under the “Hand in Hand” strategy were:

- Healthcare
- Education
- Environmental Issues
- Social Welfare Initiatives
- Sport

In applying this model across our initiatives in 2009, we have been able to provide direction for the different parts of the business that engage with charitable and community initiatives. We also increased the number of touch-points with the local community, to encourage customers and local organisations to engage with Qtel initiatives.

### Fund-raising Model (Qatar)

Qtel’s charitable donations and third-party support are partly funded by a series of Easy-to-Remember (ETR) mobile number auctions, held regularly with the support of the community. Funds raised by the auctions provide both long-standing support for partnership charities, and emergency provision for people in need.



### Support from Qtel in 2009

Key initiatives in the field of healthcare included ongoing support for a medical centre in the Sealine area of Qatar, in response to reports about a high rate of accidents and emergencies in the area during the Eid al-Adha holiday and the camping season. The initiative, conducted in partnership with the Qatari Red Crescent (QRC) and the Ministry of Environment (MoE), sponsored a hospital camp for use during peak periods for visitors, and was directly responsible for saving a number of lives and helping in a number of cases of serious injury.

Qtel also fully-funded the construction of the new Fahad Bin Jassim Kidney Centre in 2009. Managed by Hamad Medical Corporation, the Centre offers a modern and spacious area for patients, with 80 stations and 20 private rooms. It has been designed to offer some of the most advanced treatment standards in the region, to provide comfort for those in need. Qtel also provided support for Al Amal Hospital in Doha.

Another major initiative that received support from Qtel was the Supreme Council of Health's (SCH) premarital testing programme. This campaign, which ran throughout 2009, provided a free screening service.

Qtel also provided direct support for a number of families needing emergency treatment for sick children. In addition, we sponsored an initiative by the Indian Islamic Association to support medical camps for health-checks for workers within Qatar.

In education, Qtel made a donation of QAR 500,000 to the Al Thakhira Youth Centre, for the construction and development of a new Lecture Hall and Education Area that supports the scientific and social education of people in the area.

In partnership with the Ministry of Labour and Social Affairs, Qtel also organized a "Back to School" campaign for 2009, which provided selected families with vouchers to secure essential supplies for the new academic year. It was the second year running that Qtel has worked directly with the Social Affairs Ministry as part of this important community initiative. Qtel also donated QAR 1 million to Qatar's Zakat Fund. Half of the donation went towards promoting the fund's student sponsorship project, which aims to provide educational opportunities for high-potential young scholars across Qatar.

Qtel is a major supporter of original research within Qatar, enabling the creation of a wireless communication research laboratory in Education City in partnership with local universities, and funding a range of school events and educational projects. In 2009, Qtel signed a Memorandum of Understanding with the Qatar University Wireless Innovations Centre (QUWIC) to carry out joint applied research and technology development in the key areas of wireless systems, services, and applications. To encourage the inclusion of people studying overseas, Qtel also supported a special Career Day for Qatari nationals in the UK, held in Manchester, England.

As part of its wider awareness-raising programme around environmental activities, Qtel supported Earth Hour in 2009. The company switched-off every light in its imposing 28-storey Headquarter Tower in West Bay, Doha as part of the international awareness-raising campaign.

Qtel also examined other areas of its operations for ways to reduce the company's environmental footprint. One issue that emerged was the use of PVC "scratch cards" by prepaid mobile customers to top up their airtime. The cards result in a large amount of non-biodegradable waste. In November 2009, Qtel introduced a new series of biodegradable scratch cards for mobile phone

customers. Over time, these new cards will replace the millions of PVC scratch cards Qtel sells every year.

Inside Qtel as well, there have been opportunities to reduce the use of resources. Despite providing the facilities for an entirely paper-free environment for many corporate customers, we were using more paper than was necessary in our own offices. To provide incentives for employees to reduce paper usage, the company launched a monthly contest designed to increase awareness of environmental efforts throughout Qtel Headquarters.

In the Conservatree Contest, staff on each floor of the office building try to reduce paper use, and their efforts are evaluated by a volunteer "Green Committee" every month. The floor that most successfully reduces its paper consumption wins a potted pine tree and is known, for that month, as "The Qtel Conservatree Floor."

When it comes to the role of environmental stewardship, the goal at Qtel has been, from the outset, to increase environmental awareness among Qtel employees so that they, in turn, can act as ambassadors carrying this important message to the wider community.

For social welfare, Qtel made a special donation to support the work of the Social and Cultural Special Needs Centre in Qatar. The QAR 250,000 contribution will help the Centre deliver a range of social and cultural activities for people with special needs and their families. There was also a donation of QAR 100,000 to the Qatar Centre for Voluntary Activities (QCVA), to enable the Centre to continue its programme of training and development for volunteers.

In October 2009, Qtel made a direct donation to the Ifaf project, which aims to help young Qatari nationals pay for their weddings and cover the associated costs,

helping them build stable families and contribute effectively to the growth of the nation. During Ramadan, Qtel organised a series of hospital visits, so that people could visit the sick and needy, and bring them good wishes for a speedy recovery. The company also organised and participated in a wide range of charity and community activities to mark the Holy Month.

On a daily basis, Qtel-sponsored volunteers positioned at strategic locations across Qatar distributed Iftar snacks of water and dates as people broke their fast. It also ran an innovative social awareness campaign, encouraging people to use communication with respect during the Holy Month, called "Let's Connect with Kind Words."

Qtel also provided support for a number of national organisations, with a particular focus on sponsoring National Day celebrations and public competitions. In addition, Qtel provided material support for events held at a number of embassies within Qatar.

To provide facilities for young people during the hot summer months, Qtel helped organise the Qtel Summer Camp in association with the Eid Charity, which offered summer fun for more than 2,000 young members of the Qatari community.

Finally, for sport, Qtel remained active in sport at grass-roots, national and regional levels. Qtel has provided direct support for the Qatar Racing Equestrian Club (QREC), Qatar Sports Federation for Special Needs, the Qatar Women's Sports Committee (QWSC), ATP ExxonMobil Qatar Open and WTA Sony Ericsson Championships, the Qatar Stars League plus the three Official Cups (H.H. Heir Apparent Cup, H.H. The Emir Cup and Sheikh Jassim Cup), the AFC Asian Champions League, the AFC Asian Cup Qatar 2011, Al Sadd Club, and the QMMF World Championships Endurance.



## Supporting our employees

At Qtel, we are on a journey as the region's leading telecommunications business. Our continued success relies on having some of the very best talent in business today. Hence, releasing the potential of our people is at the heart of our growth strategy.

Qtel's HR philosophy is grounded in the organisation's vision to be the employer of choice by creating an environment that is capable of attracting, developing and retaining the best talent.

Qtel is an Equal Opportunity Employer and in recent years, we have done much to create a platform for progressive people practices and programs in keeping with our vision to make Qtel a preferred employer, not just in Qatar but also in the region.

## Qtel Group highlights – CSR

As in our Qatar operations, our international operations continue to look to make a major contribution for the communities they serve. Increasingly, the Qtel Group is looking to share best practice in CSR initiatives across our diverse operations.

Here are some of the achievements of 2009.

### Asiacell in Iraq

In recognition of both the daily challenges of life in Iraq and its own responsibilities as a leading corporate citizen, Asiacell played an active role in initiatives designed to foster a strong sense of community, and provide emergency aid for those in need.

For victims of the Abdulla Restaurant attack just north of the city of Kirkuk, in which 55 people were killed and over 120 injured by a suicide bombing at a popular restaurant, Asiacell contributed funds to the affected families and individuals to assist with medical care and rehabilitation.

As a gesture of healing, Asiacell also sponsored the Iraqi National Symphony Orchestra, a successful artistic organization that not only produces world-acclaimed music but also brings the community together in celebration. Al-Mirbad, one of Iraq's most prominent poetry festivals traditionally held near Basra and known throughout the Arab world, came to life again through Asiacell's sponsorship.

For thousands of young couples who could otherwise not afford the necessities of a traditional Iraqi wedding, Asiacell funded mass wedding parties in the northern Iraq cities of Erbil and Kirkuk.

## Indosat in Indonesia

Under the banner of the Indosat Community Campaign 2009, "Unite Our Country with Love" or "Satukan Cinta Negeri," the company has long focused its outreach on four areas: education, health, environment, and social and philanthropy.

"Together We Learn," Indosat's campaign to support education, strives to improve competency levels among the younger generation while elevating teacher competency levels as well.

Efforts of this campaign include the 4th Indosat Wireless Innovation Contest 2009, which produced innovative products in wireless technology; development for science and mathematics teachers in West Sumatera; development and training for schools in Nangroe Aceh Darussalam; a scholarship program for 15 universities in Indonesia; the Indosat Science and Multimedia School, providing multimedia equipment, Internet connection, and a science software program to 103 high schools throughout Indonesia; and, through "Sharing with Indosat," the collection of donations from customers for projects such as school renovations and the provision of additional learning and teaching tools.

"Healthy Indonesia," Indosat's health campaign, seeks to improve health and healthcare standards in Indonesia, particularly for expecting mothers and children. Sixteen mobile clinics in 16 cities provide free community health services. In 2009, the program received a Metro TV MDGs Award for decreasing death among children under the age of five.

"Green Indonesia" is the company's campaign for environmental conservation. With the goal of nurturing and instilling a culture of environmental consciousness among Indosat employees, the campaign calls for the use of solar, wind and bio-fuel energy to run Indosat's base transceiver stations; the planting of one million trees throughout Indonesia; and a joint effort with local farmers in Sumbawa to plant jathropa trees as a bio-fuel energy resource for base transceiver stations.

Indosat Cares, a relief program, provides aid to disaster victims and social initiatives such as donation and social support services including Indosat's Search and Rescue (SAR) team and outreach in communities surrounding Indosat facilities.

## Wataniya in Kuwait

Wataniya continues to find ways to enhance its contribution to the Kuwaiti community through outreach efforts, among them a campaign on autism awareness with film screenings and fund-raising through SMS donations; partnering with authorized bottled water company Al Rowthtain to distribute bottles of water through Kuwait mosques during Ramadan; and the sponsorship of the Kuwait National Para-Olympic team as well as local artists and art shows in Kuwait.

## Nawras in Oman

The fifth year of Nawras's Goodwill Journey saw over 100 fasting volunteer employees travelling thousands of kilometres nationwide during Ramadan to deliver assistance to the less fortunate in society.

Nawras also facilitated SMS donation schemes to support victims in Gaza, for the Environmental Society of Oman, and the Al Wisal Radio toy collection for children with cancer. When the city of Salalah was affected by cases of H1N1 flu, Nawras assisted Ministry officials there with communication solutions. In addition to supporting major Omani events such as the Khareef Festival, Muscat Festival and Comex, Nawras also supported the first Youth Summit held in Oman, a CEO golf tournament attracting decision-makers of major corporations, and the popular amusement and recreation park Marah Land.

## Wataniya in Palestine

In its first year of operation, Wataniya Mobile established a relationship with the Municipality of Ramallah to help build the first-ever outdoor amphitheatre in the West Bank. The new centre will create a venue for cultural exchange in music, dance, film and art among Palestinians as well as with other cultures throughout the world. The project is scheduled for completion in 2010.

## Tunisia

Tunisia concentrated its community outreach efforts on social welfare activities such as partnering with the Tunisian Solidarity Union to repair facilities damaged by the country's Rdaief or September floods; providing better living conditions for the disabled children living in the therapeutic centre of Sidi Thabet; in partnership with the Tunisian Association of Road Safety, launching a road safety awareness campaign; and in partnership with the NPO and the MADA Association, financing tree plantations to fight erosion and desertification.

## wi-tribe in Jordan

As a provider of Broadband services, wi-tribe is engaging its customers and the wider Jordanian community through sponsorships supporting technology (JOFELT - Jordanian Forum for Electronic Legislation and Transactions) and Issra University Science Day; job development, through the U.S. aid project, the INJAZ Job Fair; and community events such as the Dunes Club Marathon Day and the British May Fair.

## wi-tribe in Pakistan

As a result of internal conflicts going on in Pakistan, a number of families have been displaced throughout the country's northern areas. wi-tribe made charitable contributions to these displaced people, including the co-sponsorship of a charity rugby match with Red Bull to benefit the people of war-stricken Waziristan. The event raised close to one million rupees.

wi-tribe's education initiatives include the establishment of a WiMAX R&D lab with the National University of Science & Technology (NUST), a top technology university in Pakistan. With "wi-tribe Recyclables," the company sought to provide underprivileged children with durable school bags made from recycled outdoor campaign materials. Over 2,000 bags were distributed.

In a green initiative that was an industry first in Pakistan, wi-tribe is deploying rechargeable battery power as primary backup supply for all WiMAX towers nationwide, reducing the fuel expenses, carbon emission and noise pollution of the previously used diesel generators.

## wi-tribe in the Philippines

When Typhoon Ketsana unleashed floods in September, many wi-tribe Philippines' employees' homes were significantly damaged. Acting quickly, the company formed a relief fund supplemented by employee donations of cash and goods. wi-tribe also implemented a disaster loan and donated equipment to help affected employees replace living necessities and facilitate home repairs.



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