



OOREDOO Q.S.C.

**CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS**

31 MARCH 2015



OOREDOO Q.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for the three months ended 31 March 2015

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Independent auditors' report on review of condensed consolidated interim financial statements to the Board of Directors of the Ooredoo Q.S.C.

Introduction

We have reviewed the accompanying 31 March 2015 condensed consolidated interim financial statements of Ooredoo Q.S.C. ("the Company"), which comprises:

- the condensed consolidated statement of profit or loss for the three month period ended 31 March 2015;
- the condensed consolidated statement of comprehensive income for the three month period ended 31 March 2015;
- the condensed consolidated statement of financial position as at 31 March 2015;
- the condensed consolidated statement of cash flows for the three month period ended 31 March 2015; and
- the condensed consolidated statement of changes in equity for the three month period ended 31 March 2015;
- notes to the condensed consolidated interim financial statements

The Board of Directors of the Company is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

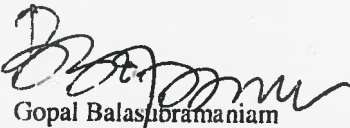
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2015 condensed consolidated interim financial statements is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'

Emphasis of matter

Without qualifying our opinion, we draw attention to note 7(i) of the condensed consolidated interim financial statements which describes the effects on property, plant and equipment of one of the Company's subsidiaries due to the current security situation in Iraq.

29 April 2015
Doha
State of Qatar


Gopal Balasubramaniam
KPMG
Qatar Auditors Registration No. 251



OOREDOO Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months ended 31 March 2015

	Note	<i>For the three months ended</i>	
		<i>31 March</i>	
		<i>2015</i>	<i>2014</i>
		<i>(Reviewed)</i>	
		<i>QR'000</i>	<i>QR'000</i>
Continuing operations			
Revenue		8,037,090	8,102,635
Operating expenses		(2,993,729)	(2,766,870)
Selling, general and administrative expenses		(1,895,630)	(1,976,744)
Depreciation and amortisation		(1,958,827)	(1,799,369)
Net finance costs		(486,049)	(540,539)
Other (expense) / income – net	4	(88,575)	395,803
Share of results in associates and joint venture – net of tax	9	57,164	18,843
Royalties and fees	5	(94,591)	(91,839)
Profit before income taxes		576,853	1,341,920
Income tax	11	(76,587)	(207,741)
Profit from continuing operations		500,266	1,134,179
Discontinued operation			
Profit from discontinued operation – net of tax	20	-	46,725
Profit for the period		500,266	1,180,904
Profit attributable to:			
Shareholders of the parent		501,164	886,643
Non-controlling interests		(898)	294,261
		500,266	1,180,904
Basic and diluted earnings per share	6	1.56	2.77
(Attributable to shareholders of the parent)			
(Expressed in QR per share)			

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.



OOREDOO Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the three months ended 31 March 2015

	Note	<i>For the three months ended</i>	
		<i>31 March</i>	
		<i>2015</i>	<i>2014</i>
		<i>(Reviewed)</i>	
		<i>QR'000</i>	<i>QR'000</i>
Profit for the period		500,266	1,180,904
Other comprehensive income			
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Net changes in fair value of available-for-sale investments	14	(248,154)	5,960
Effective portion of changes in fair value of cash flow hedges	14	(789)	11
Net changes in fair value of employee benefit reserve	14	(1,469)	5,415
Share of other comprehensive income of associates and joint venture	14	1,326	724
Foreign currency translation differences	14	(1,530,524)	906,319
Other comprehensive income – net of tax		(1,779,610)	918,429
Total comprehensive income for the period		(1,279,344)	2,099,333
Total comprehensive income attributable to:			
Shareholders of the parent		(1,070,174)	1,680,883
Non-controlling interests		(209,170)	418,450
		(1,279,344)	2,099,333

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.



OOREDOO Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 March 2015

		<i>31 March 2015 (Reviewed)</i>	<i>31 December 2014 (Audited)</i>
	<i>Note</i>	<i>QR'000</i>	<i>QR'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment	7	32,599,504	33,690,589
Intangible assets and goodwill	8	32,157,571	33,524,208
Investment property		53,817	55,112
Investment in associates and joint venture	9	2,536,462	2,604,367
Available-for-sale investments		1,133,749	1,627,146
Other non-current assets		685,024	750,626
Deferred tax assets		51,973	59,884
Total non-current assets		69,218,100	72,311,932
Current assets			
Inventories		673,021	666,670
Trade and other receivables		7,846,485	7,583,319
Bank balances and cash		16,580,765	17,437,426
Total current assets		25,100,271	25,687,415
TOTAL ASSETS		94,318,371	97,999,347
EQUITY			
Share capital		3,203,200	3,203,200
Legal reserve		12,434,282	12,434,282
Fair value reserve		645,854	892,562
Employment benefit reserve		16,704	17,659
Translation reserve		(4,827,186)	(3,503,511)
Other statutory reserves		1,057,820	1,057,820
Retained earnings		8,608,020	9,386,147
Equity attributable to shareholders of the parent		21,138,694	23,488,159
Non-controlling interests		6,632,336	6,980,354
Total equity		27,771,030	30,468,513


The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.



OOREDOO Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
At 31 March 2015

		<i>31 March 2015 (Reviewed)</i>	<i>31 December 2014 (Audited)</i>
	<i>Note</i>	<i>QR'000</i>	<i>QR'000</i>
LIABILITIES			
Non-current liabilities			
Loans and borrowings	13	35,597,417	35,641,221
Employees benefits		878,508	837,458
Deferred tax liabilities		668,500	755,494
Other non-current liabilities		<u>2,660,767</u>	<u>3,658,173</u>
Total non-current liabilities		<u>39,805,192</u>	<u>40,892,346</u>
Current liabilities			
Loans and borrowings	13	8,319,077	7,155,509
Trade and other payables		16,209,827	16,998,045
Deferred income		1,632,548	1,914,890
Income tax payable		<u>580,697</u>	<u>570,044</u>
Total current liabilities		<u>26,742,149</u>	<u>26,638,488</u>
Total liabilities		<u>66,547,341</u>	<u>67,530,834</u>
TOTAL EQUITY AND LIABILITIES		<u>94,318,371</u>	<u>97,999,347</u>


.....
Abdulla Bin Mohammed Bin Saud Al Thani
Chairman


.....
Ali Shareef Al Emadi
Deputy Chairman

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.



OOREDOO Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2015

	Note	<i>For the three months ended</i>	
		<i>31 March</i>	
		<i>2015</i>	<i>2014</i>
		<i>(Reviewed)</i>	
		<i>QR'000</i>	<i>QR'000</i>
OPERATING ACTIVITIES			
Profit before income taxes		576,853	1,341,920
Profit from discontinued operation	20	-	46,725
Adjustments for:			
Depreciation and amortization		1,958,827	1,806,652
Dividend income		(1,322)	(40,835)
Gain on disposal of available-for-sale investments		(207,644)	(128,212)
Gain on disposal of property, plant and equipment		(12,391)	(8,532)
Profit on sale of a subsidiary		-	(46,438)
Net finance costs		486,049	540,532
Provision for employees' benefits		61,018	67,324
Provision for trade receivables		38,002	40,051
Share of results in associates and joint venture – net of tax	9	(57,164)	(18,843)
Operating profit before working capital changes		2,842,228	3,600,344
Working capital changes:			
Change in inventories		(6,351)	(36,222)
Change in trade and other receivables		(301,168)	(408,961)
Change in trade and other payables		(1,055,643)	387,022
Cash from operations		1,479,066	3,542,183
Finance costs paid		(522,165)	(534,618)
Employees' benefits paid		(11,912)	(7,947)
Income tax paid		(111,586)	(54,380)
Net cash from operating activities		833,403	2,945,238
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(1,606,239)	(1,946,357)
Acquisition of intangible assets		(941,835)	(1,877,794)
Acquisition of available-for-sale investments		(4,558)	-
Proceeds from disposal of property, plant and equipment		43,557	100,363
Proceeds from disposal of available-for-sale investments		442,186	454,644
Proceeds from disposal of a subsidiary		-	(77,881)
Movement in restricted deposits		19,452	12,920
Movement in other non-current assets		63,646	(155,243)
Dividend received		1,322	40,835
Interest received		59,131	70,873
Net cash used in investing activities		(1,923,338)	(3,377,640)

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.



OOREDOO Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
For the three months ended 31 March 2015

	<i>Note</i>	<i>For the three months ended</i>	
		<i>31 March</i>	
		<i>2015</i>	<i>2014</i>
		<i>Reviewed</i>	
		<i>QR'000</i>	<i>QR'000</i>
FINANCING ACTIVITIES			
Proceeds from loans and borrowings		1,921,604	632,362
Repayment of loans and borrowings		(521,816)	(566,184)
Additions to deferred financing costs		(4,503)	(1,511)
Dividend paid to shareholders of the parent	12	(1,281,280)	(1,281,280)
Dividend paid to non-controlling interests		(138,848)	(169,263)
Movement in other non-current liabilities		(77,927)	(67,463)
Net cash used in financing activities		(102,770)	(1,453,339)
NET CHANGE IN CASH AND CASH EQUIVALENTS		(1,192,705)	(1,885,741)
Effect of exchange rate fluctuations		355,496	(340,185)
Cash and cash equivalents at 1 January		17,315,463	20,203,819
CASH AND CASH EQUIVALENTS AT 31 MARCH	10	16,478,254	17,977,893

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.



OOREDOO Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2015

Note	<i>Attributable to shareholders of the parent</i>									
	<i>Share capital</i>	<i>Legal reserve</i>	<i>Fair value reserve</i>	<i>Employee benefit reserve</i>	<i>Translation reserve</i>	<i>Other statutory reserves</i>	<i>Retained earnings</i>	<i>Total</i>	<i>Non – controlling interests</i>	<i>Total equity</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
At 1 January 2015	3,203,200	12,434,282	892,562	17,659	(3,503,511)	1,057,820	9,386,147	23,488,159	6,980,354	30,468,513
Profit for the period	-	-	-	-	-	-	501,164	501,164	(898)	500,266
Other comprehensive income	-	-	(246,708)	(955)	(1,323,675)	-	-	(1,571,338)	(208,272)	(1,779,610)
Total comprehensive income for the period	-	-	(246,708)	(955)	(1,323,675)	-	501,164	(1,070,174)	(209,170)	(1,279,344)
<i>Transactions with shareholders of the parent, recognised directly in equity</i>										
Dividend for 2014	12	-	-	-	-	-	(1,281,280)	(1,281,280)	-	(1,281,280)
<i>Transactions with non-controlling interest, recognised directly in equity</i>										
Change in non-controlling interest of an associate	-	-	-	-	-	-	1,989	1,989	-	1,989
Dividends for 2014	-	-	-	-	-	-	-	-	(138,848)	(138,848)
At 31 March 2015 (Reviewed)	3,203,200	12,434,282	645,854	16,704	(4,827,186)	1,057,820	8,608,020	21,138,694	6,632,336	27,771,030

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.



OOREDOO Q.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the three months ended 31 March 2015

Note	Attributable to shareholders of the parent							Non – controlling interests	Total equity	
	Share capital	Legal reserve	Fair value reserve	Employee benefit reserve	Translation reserve	Other statutory reserves	Retained earnings			
	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	QR'000	
At 1 January 2014	3,203,200	12,434,282	1,326,369	43,165	(1,665,232)	980,788	8,645,312	24,967,884	7,459,448	32,427,332
Profit for the period	-	-	-	-	-	-	886,643	886,643	294,261	1,180,904
Other comprehensive income	-	-	49,774	3,520	740,946	-	-	794,240	124,189	918,429
Total comprehensive income for the period	-	-	49,774	3,520	740,946	-	886,643	1,680,883	418,450	2,099,333
<i>Transactions with shareholders of the parent, recognised directly in equity</i>										
Dividend for 2013	12	-	-	-	-	-	(1,281,280)	(1,281,280)	-	(1,281,280)
<i>Transactions with non-controlling interest, recognised directly in equity</i>										
Dividend for 2013		-	-	-	-	-	-	-	(169,263)	(169,263)
At 31 March 2014 (Reviewed)	3,203,200	12,434,282	1,376,143	46,685	(924,286)	980,788	8,250,675	25,367,487	7,708,635	33,076,122

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements.



OOREDOO Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS As at and for the three months ended 31 March 2015

1 REPORTING ENTITY

Qatar Public Telecommunications Corporation (the "Corporation") was formed on 29 June 1987 domiciled in the State of Qatar by Law No. 13 of 1987 to provide domestic and international telecommunication services within the State of Qatar. The Company's registered office is located at 100 Westbay Tower, Doha, State of Qatar.

The Corporation was transformed into a Qatari Shareholding Company under the name of Qatar Telecom (Qtel) Q.S.C. (the "Company") on 25 November 1998, pursuant to Law No. 21 of 1998.

In June 2013, the legal name of the Company was changed to Ooredoo Q.S.C. This change had been duly approved by the shareholders at the Company's extraordinary general assembly meeting held on 31 March 2013.

The Company is the telecommunications service provider licensed by the Supreme Council of Information and Communication Technology (ictQATAR) to provide both fixed and mobile telecommunications services in the state of Qatar. As a licensed service provider, the conduct and activities of the Company are regulated by ictQATAR pursuant to Law No. 34 of 2006 (Telecommunications Law) and the Applicable Regulatory Framework.

The Company and its subsidiaries (together referred to as the "Group") provides domestic and international telecommunication services in Qatar and elsewhere in the Asia and MENA region. Qatar Holding L.L.C is the ultimate Parent Company of the Group.

2 BASIS OF PREPARATION

The condensed consolidated interim financial statements for the three months ended 31 March 2015 have been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ("IAS 34").

The condensed consolidated interim financial statements of the Group for the three months ended 31 March 2015 were authorised for issue by the Chairman and the Deputy Chairman of the Company on 29 April 2015.

The condensed consolidated interim financial statements are prepared in Qatari Riyals, which is the Company's functional and presentation currency and all values are rounded to the nearest thousands (QR'000) except when otherwise indicated.

The condensed consolidated interim financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2014. In addition, results for the three months ended 31 March 2015 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2015.

Risk management, judgements and estimates

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2014.

Group's financial risk management objectives and policies are consistent with those disclosed in the Group's annual consolidated financial statements as at and for the year ended 31 December 2014.



OOREDOO Q.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for the three months ended 31 March 2015

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2014, and the notes attached thereto, except for certain new, revised standards and interpretations, that became effective in the current period, which have introduced certain changes. Some of these new, revised standards and interpretations are changes in terminology only, and some are substantive but have had no material effect on these condensed consolidated interim financial statements of the Group.

Standards, amendments and interpretations issued but not yet effective

Certain new, revised standards and interpretations have been issued are not yet effective for the three month period ended 31 March 2015 and have not been early adopted in preparing these condensed consolidated interim financial statements.

4 OTHER (EXPENSE) / INCOME - NET

	<i>For the three months ended</i>	
	<i>31 March</i>	
	<i>2015</i>	<i>2014</i>
	<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Foreign currency (losses) / gains – net	(385,109)	263,281
Profit on disposal of assets	12,391	8,532
Dividend income	1,322	40,835
Rental income	10,469	8,658
Profit on disposal of available-for-sale investments	207,644	128,212
Change in fair value of derivatives – net	62,389	(88,713)
Miscellaneous income – net	2,319	34,998
	<u>(88,575)</u>	<u>395,803</u>

5 ROYALTIES AND FEES

	Note	<i>For the three months ended</i>	
		<i>31 March</i>	
		<i>2015</i>	<i>2014</i>
		<i>(Reviewed)</i>	
		<i>QR'000</i>	<i>QR'000</i>
Royalty	(i)	37,597	33,922
Industry fees	(ii)	55,289	46,394
Other statutory fees	(iii)	1,705	11,523
		<u>94,591</u>	<u>91,839</u>

- i. Royalty is payable to the Government of the Sultanate of Oman based on 7% of the net of predefined sources of revenue and operating expenses.
- ii. The Group provides for a 12.5% industry fee on profits generated from the Group's operations in Qatar.
- iii. Contributions by National Mobile Telecommunications Company K.S.C to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST") and Zakat are included under other statutory fees.



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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for the three months ended 31 March 2015

6 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the parent by the weighted average number of shares outstanding during the period.

There were no potentially dilutive shares outstanding at any time during the period and, therefore, the dilutive earnings per share is equal to the basic earnings per share.

	<i>For the three months ended</i>	
	31 March	
	2015	2014
	<i>(Reviewed)</i>	
Profit for the period attributable to shareholders of the parent (QR '000)	501,164	886,643
Weighted average number of shares (In '000)	320,320	320,320
Basic and diluted earnings per share (QR)	1.56	2.77

7 PROPERTY, PLANT AND EQUIPMENT

	31 March	31 December
	2015	2014
	<i>(Reviewed)</i>	<i>(Audited)</i>
	QR'000	QR'000
Net book value at beginning of the period / year	33,690,589	32,315,832
Additions	1,606,239	8,391,008
Disposals	(31,166)	(136,857)
Reclassification	3,992	(25,343)
Depreciation for the period / year	(1,510,708)	(6,027,815)
Impairment losses	-	(23,307)
Exchange adjustment	(1,159,442)	(802,929)
Carrying value at the end of the period / year	32,599,504	33,690,589

i) *Uncertainty in Iraq*

One of the Group's subsidiaries Asiacell which operates in Iraq, may have effect on its business and profitability due to the current security situation in certain parts of Iraq. Asiacell may be unable to effectively exercise control over some of its property and equipment in certain locations, with a net book value of QR 487,961 thousands as of 31 March 2015. Based on an assessment performed by Asiacell, an insignificant amount of damage has occurred which has been provided for.

ii) During the previous year, the parent company entered into an agreement to acquire land under master development plan for which an amount of QR 378,619 thousands is paid to master developer. The company is a beneficial owner of the land and the legal ownership is expected to be transferred in foreseeable future.

iii) During the quarter, one of the Group's subsidiaries, Asiacell reached a settlement agreement with one of the banks in Iraq to receive four parcels of lands in certain locations in Iraq in lieu of a portion of available bank balance in the name of Asiacell at that bank. Asiacell is currently in the process of transferring legal title of some lands amounting to QR 279.3 million in its name which will be completed in foreseeable future.



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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for the three months ended 31 March 2015

8 INTANGIBLE ASSETS AND GOODWILL

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Net book value at beginning of the period / year	33,524,208	31,473,769
Additions	22,356	5,024,164
Disposals	-	(53)
Reclassification	(3,992)	25,343
Amortization for the period / year	(446,824)	(1,593,243)
Impairment losses	-	(1,310)
Exchange adjustment	(938,177)	(1,404,462)
Carrying value at the end of the period / year	<u>32,157,571</u>	<u>33,524,208</u>

One of the subsidiaries of the Group, Ooredoo Myanmar Limited (OML) was awarded a 15 year nationwide telecommunication license and associated spectrum license by Myanmar Post and Telecommunications Department, Ministry of Information and Technology with an effective date of 5 February 2014. Additions in 2014 to the intangible assets include the full cost of license fees.

9 INVESTMENT IN ASSOCIATES AND JOINT VENTURE

The following table presents the summarised financial information of the Group's investment in associates and joint venture.

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Group's share in associates' and joint venture statement of financial position:		
Current assets	903,904	1,131,532
Non-current assets	2,901,156	2,876,017
Current liabilities	(935,123)	(1,032,442)
Non-current liabilities	(1,639,730)	(1,730,186)
Net assets	1,230,207	1,244,921
Goodwill	1,306,255	1,359,446
Carrying amount of the investment	<u>2,536,462</u>	<u>2,604,367</u>
	<i>For the three months ended 31 March</i>	
	<i>2015 (Reviewed) QR'000</i>	<i>2014 QR'000</i>
Share in revenues of associates and joint venture	<u>438,715</u>	<u>437,007</u>
Share in results of associates and joint venture – net of tax	<u>57,164</u>	<u>18,843</u>



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10 BANK BALANCES AND CASH

For the purpose of the condensed consolidated statement of cash flows, cash and cash equivalents comprise the following items:

	<u>31 March</u> 2015	<u>31 March</u> 2014 (Reviewed)
	<u>QR'000</u>	<u>QR'000</u>
Bank balances and cash	16,580,765	18,265,386
Less: restricted deposits	<u>(102,511)</u>	<u>(287,493)</u>
Cash and cash equivalents	<u>16,478,254</u>	<u>17,977,893</u>

11 INCOME TAX

The income tax represents amounts recognised by subsidiary companies. The major components of the income tax expense for the period included in the condensed consolidated statement of profit or loss are as follows:

	<u>For the three months ended</u> <u>31 March</u>	
	<u>2015</u>	<u>2014</u> (Reviewed)
	<u>QR'000</u>	<u>QR'000</u>
Current income tax		
Current income tax charge	122,239	180,049
Deferred income tax		
Relating to origination and reversal of temporary differences	<u>(45,652)</u>	<u>27,692</u>
	<u>76,587</u>	<u>207,741</u>

12 DIVIDEND

Dividend paid and proposed:

	<u>For the three months ended</u> <u>31 March</u>	
	<u>2015</u>	<u>2014</u> (Reviewed)
	<u>QR'000</u>	<u>QR'000</u>
Declared and approved at the Annual General Meeting : Final Dividend for 2014, QR 4 per share (2013: QR 4 per share)	<u>1,281,280</u>	<u>1,281,280</u>

13 LOANS AND BORROWINGS

	<u>31 March</u> 2015 (Reviewed)	<u>31 December</u> 2014 (Audited)
	<u>QR'000</u>	<u>QR'000</u>
Loans and borrowings	44,276,901	43,185,191
Less: deferred financing costs	<u>(360,407)</u>	<u>(388,461)</u>
	<u>43,916,494</u>	<u>42,796,730</u>



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13 LOANS AND BORROWINGS (CONTINUED)

Presented in the condensed consolidated statement of financial position as follows:

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Non -current portion	35,597,417	35,641,221
Current portion	<u>8,319,077</u>	<u>7,155,509</u>
	<u>43,916,494</u>	<u>42,796,730</u>

14 COMPONENTS OF OTHER COMPREHENSIVE INCOME

	<i>For the three months ended 31 March</i>	
	<i>2015 (Reviewed) QR'000</i>	<i>2014 QR'000</i>
<i>Available-for-sale investments</i>		
(Loss) / gain arising during the period	(40,510)	134,172
Reclassification to profit or loss	<u>(207,644)</u>	<u>(128,212)</u>
	<u>(248,154)</u>	<u>5,960</u>
<i>Cash flow hedges</i>		
(Loss) / gain arising during the period	(893)	11
Deferred tax effect	<u>104</u>	<u>-</u>
	<u>(789)</u>	<u>11</u>
<i>Employee benefit reserve</i>		
Net movement in employee benefit reserve	(1,956)	7,156
Deferred tax effect	<u>487</u>	<u>(1,741)</u>
	<u>(1,469)</u>	<u>5,415</u>
<i>Associates and joint venture</i>		
Share of changes in fair value of cash flow hedges	<u>1,326</u>	<u>724</u>
<i>Translation reserve</i>		
Foreign exchange translation differences – foreign operations	(1,530,524)	897,494
Transferred to profit or loss	<u>-</u>	<u>8,825</u>
	<u>(1,530,524)</u>	<u>906,319</u>
Other comprehensive income for the period – net of tax	<u>(1,779,610)</u>	<u>918,429</u>



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15 COMMITMENTS

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Capital expenditure commitments not provided for		
Estimated capital expenditure contracted for at reporting date	<u>5,599,656</u>	<u>4,803,664</u>
Operating lease commitments		
Future minimum lease payments:		
Not later than one year	322,260	284,617
Later than one year and not later than five years	1,166,395	1,009,745
Later than five years	<u>1,403,532</u>	<u>998,799</u>
Total operating lease expenditure contracted for at the reporting date	<u>2,892,187</u>	<u>2,293,161</u>
	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
Finance lease commitments		
<i>Amounts under finance leases</i>		
<i>Minimum lease payments</i>		
Not later than one year	247,830	254,229
Later than one year and not later than five years	913,990	948,486
Later than five years	<u>463,675</u>	<u>523,149</u>
	<u>1,625,495</u>	<u>1,725,864</u>
Less: unearned finance income	<u>(486,318)</u>	<u>(532,546)</u>
Present value of minimum lease payments	<u>1,139,177</u>	<u>1,193,318</u>
<i>Present value of minimum lease payments</i>		
Current portion	127,821	126,914
Non-current portion	<u>1,011,356</u>	<u>1,066,404</u>
	<u>1,139,177</u>	<u>1,193,318</u>

16 CONTINGENT LIABILITIES AND LITIGATIONS

	<i>31 March 2015 (Reviewed) QR'000</i>	<i>31 December 2014 (Audited) QR'000</i>
i) Contingent liabilities		
Letters of guarantees	<u>932,619</u>	<u>946,070</u>
Letters of credit	<u>176,236</u>	<u>200,041</u>
Claims against the Group not acknowledged as debts	<u>1,447</u>	<u>1,647</u>



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16 CONTINGENT LIABILITIES AND LITIGATIONS (CONTINUED)

ii) Litigations

(a) Disallowance of management fees

During the quarter, tax department completed the tax assessment of one of the group's subsidiaries, Omani Qatari Telecommunications Company (the "Company") up to 2008. The tax department has restricted the deduction for management fees paid to one of its related party at 1% of gross income as against 3% of gross income claimed by the Company.

Currently, the Company is in the process of discussing this matter with HE The Secretary General for Taxation in Oman ("SGT") and has filed an objection against the disallowance. The Company has strong grounds to believe that the objection decision will be favourable. Consequently, no provision is set up in these condensed consolidated interim financial statements.

Litigations reported in the Group's consolidated financial statements as at 31 December 2014

All other litigations position reported in the group's annual consolidated financial statements as at 31 December 2014 have not materially changed as at 31 March 2015.

17 RELATED PARTY DISCLOSURES

Related parties represent associated companies including Government and semi Government agencies, associates, major shareholders, directors and key management personnel of the Group, and companies of which they are principal owners. In the ordinary course of business, the Group enters into transactions with related parties. Pricing policies and terms of transactions are approved by the Group's management. The Group enters into commercial transactions with Government related entities in the ordinary course of business in terms of providing telecommunication services, placement of deposits and obtaining credit facilities etc.

a) Transactions with Government and related entities

The Group enters into commercial transactions with other Government related entities in the ordinary course of business which includes providing telecommunication services, placement of deposits and obtaining credit facilities. All these transactions are at arm's length and in the normal course of business.

b) Transactions with Directors and other key management personnel

Key management personnel comprise the Board of Directors and key members of management having authority and responsibility of planning, directing and controlling the activities of the Group.

The compensation and benefits related to Board of Directors and key management personnel amounted to QR 86,951 thousands (for the period ended 31 March 2014: QR 93,069 thousands) and end of service benefits amounted to QR 9,179 thousands (for the period ended 31 March 2014: QR 5,045 thousands). The remuneration to the Board of Directors and key management personnel has been included under the caption "Selling, general and administrative expenses".



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18 SEGMENT INFORMATION

Information regarding the Group's reportable segments is set out below in accordance with "IFRS 8 Operating Segments". IFRS 8 requires reportable segments to be identified on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker ("CODM") and used to allocate resources to the segments and to assess their performance.

The Group is engaged in a single line of business, being the supply of telecommunications services and related products. The majority of the Group's revenues, profits and assets relate to its operations in the MENA. Outside of Qatar, the Group operates through its subsidiaries and associates and major operations that are reported to the Group's CODM are considered by the Group to be reportable segment. Revenue is attributed to reportable segments based on the location of the Group companies. Inter-segment sales are charged at arms' length prices.

For management reporting purposes, the Group is organized into business units based on their geographical area covered, and has six reportable segments as follows:

1. *Ooredoo Qatar* is a provider of domestic and international telecommunication services within the State of Qatar;
2. *Asiacell* is a provider of mobile telecommunication services in Iraq;
3. *NMTC* is a provider of mobile telecommunication services in Kuwait and elsewhere in the Middle East and North African (MENA) region;
4. *Indosat* is a provider of telecommunication services such as cellular services, fixed telecommunications, multimedia, data communication and internet services in Indonesia;
5. *Ooredoo Oman* is a provider of mobile and fixed telecommunication services in Oman; and
6. Others include some of the Group's subsidiaries which are providers of wireless and telecommunication services.

Management monitors the operating results of its operating subsidiaries separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss of these reportable segments. Transfer pricing between reportable segments are on an arm's length basis in a manner similar to transactions with third parties.



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18 SEGMENT INFORMATION (CONTINUED)

Operating segments

The following tables' present revenue and profit information regarding the Group's operating segments for the period ended 31 March 2015 and 2014:

For the three months ended 31 March 2015 (Reviewed)

	<i>Ooredoo Qatar QR'000</i>	<i>Asiacell QR'000</i>	<i>NMTC QR'000</i>	<i>Indosat QR'000</i>	<i>Ooredoo Oman QR'000</i>	<i>Others QR'000</i>	<i>Adjustments and eliminations QR'000</i>	<i>Total QR'000</i>
Revenue								
Third party	1,961,637	1,262,250	2,084,848	1,726,734	578,933	422,688	-	8,037,090
Inter-segment	24,666	3,660	57,335	5,665	2,658	24,528	(118,512) (i)	-
Total revenue	1,986,303	1,265,910	2,142,183	1,732,399	581,591	447,216	(118,512)	8,037,090
Results								
Segment profit/ (loss) before tax	656,893	151,118	104,714	(156,340)	132,680	(205,283)	(106,929) (ii)	576,853
Depreciation and amortisation	187,888	354,904	437,177	617,649	131,206	123,074	106,929 (iii)	1,958,827
Net finance costs	255,667	15,721	27,139	182,869	6,120	(1,467)	-	486,049

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18 SEGMENT INFORMATION (CONTINUED)

For the three months ended 31 March 2014 (Reviewed)

	<i>Ooredoo Qatar QR'000</i>	<i>Asiacell QR'000</i>	<i>NMTC QR'000</i>	<i>Indosat QR'000</i>	<i>Ooredoo Oman QR'000</i>	<i>Others QR'000</i>	<i>Adjustments and eliminations QR'000</i>	<i>Total QR'000</i>
Revenue								
Third party	1,691,386	1,614,140	2,340,111	1,771,553	516,904	168,541	-	8,102,635
Inter-segment	14,586	4,199	18,091	8,412	2,164	32,432	(79,884) (i)	-
Total revenue	<u>1,705,972</u>	<u>1,618,339</u>	<u>2,358,202</u>	<u>1,779,965</u>	<u>519,068</u>	<u>200,973</u>	<u>(79,884)</u>	<u>8,102,635</u>
Results								
Segment profit/ (loss) before tax	<u>360,721</u>	<u>436,627</u>	<u>393,618</u>	<u>310,095</u>	<u>111,799</u>	<u>(147,028)</u>	<u>(123,912) (ii)</u>	<u>1,341,920</u>
Depreciation and amortisation	<u>179,412</u>	<u>284,396</u>	<u>448,311</u>	<u>635,979</u>	<u>101,794</u>	<u>25,565</u>	<u>123,912 (iii)</u>	<u>1,799,369</u>
Net finance costs	<u>301,941</u>	<u>6,915</u>	<u>21,846</u>	<u>206,434</u>	<u>5,499</u>	<u>(2,096)</u>	<u>-</u>	<u>540,539</u>

(i) Inter-segment revenues are eliminated on consolidation.

(ii) Segment profit before tax does not include the following::

<i>For the three months ended 31 March (Reviewed)</i>	
<i>2015</i>	<i>2014</i>
<i>QR'000</i>	<i>QR'000</i>
<u>(106,929)</u>	<u>(123,912)</u>

Amortization of intangibles

(iii) Amortisation relating to additional intangibles identified from business combination was not considered as part of segment expense.



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18 SEGMENT INFORMATION (CONTINUED)

The following table presents segment assets of the Group's operating segments as at 31 March 2015 and 31 December 2014.

	<i>Ooredoo Qatar QR'000</i>	<i>Asiacell QR'000</i>	<i>NMTC QR'000</i>	<i>Indosat QR'000</i>	<i>Ooredoo Oman QR'000</i>	<i>Others QR'000</i>	<i>Adjustments and eliminations QR'000</i>	<i>Total QR'000</i>
Segment assets (i)								
At 31 March 2015 (Reviewed)	<u>19,800,808</u>	<u>10,950,180</u>	<u>23,785,656</u>	<u>16,253,153</u>	<u>3,518,285</u>	<u>9,889,208</u>	<u>10,121,081</u>	<u>94,318,371</u>
At 31 December 2014 (Audited)	<u>20,630,223</u>	<u>10,726,691</u>	<u>25,468,737</u>	<u>17,280,107</u>	<u>3,644,133</u>	<u>9,713,764</u>	<u>10,535,692</u>	<u>97,999,347</u>

(i) Goodwill amounting to QR 10,121,081 thousands (31 December 2014: QR 10,535,692 thousands) was not considered as part of segment assets.

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19 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1: Quoted prices (unadjusted) prices in active markets for identical assets or liabilities that the Group can access at the measurement date
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the assets of liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

Financial assets

	31 March 2015 (Reviewed) QR'000	Level 1 QR'000	Level 2 QR'000	Level 3 QR'000
Available-for-sale investments	1,064,526	12,939	1,051,587	-
Derivative financial instruments	38,964	-	38,964	-
	1,103,490	12,939	1,090,551	-
	31 December 2014 (Audited) QR'000	Level 1 QR'000	Level 2 QR'000	Level 3 QR'000
Available-for-sale investments	1,590,279	13,278	1,577,001	-
Derivative financial instruments	72,080	-	72,080	-
	1,662,359	13,278	1,649,081	-

Financial liabilities

	31 March 2015 (Reviewed) QR'000	Level 1 QR'000	Level 2 QR'000	Level 3 QR'000
Derivative financial instruments	16,427	-	16,427	-
	31 December 2014 (Audited) QR'000	Level 1 QR'000	Level 2 QR'000	Level 3 QR'000
Derivative financial instruments	17,075	-	17,075	-

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20 DISCONTINUED OPERATION

On 31 January 2014, the Group completed the legal formalities relating to the disposal of one of its subsidiaries, PTC to Saudi Telecom at a net settlement of QR 77,881 thousands. The net assets of the subsidiary at the date of disposal was QR 55,553 thousands and a gain of QR 46,438 thousands was recognised on this disposal. As a result of this disposal, the Group no longer controls the subsidiary and ceases to consolidate its results and net assets after 31 January 2014.

The consolidated statement of profit or loss and statement of cash flow for the comparative period have been represented to disclose the discontinued operation separately from continuing operations.

Results of discontinued operations

	<i>For the three months ended</i>	
	<i>31 March</i>	
	<i>2015</i>	<i>2014</i>
	<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Revenue	-	18,178
Operating expenses	-	(1,979)
Selling, general and administrative expenses	-	(8,443)
Depreciation and amortization	-	(7,283)
Net finance costs	-	7
Other income – net	-	89
Royalties and fees	-	(282)
Results from operating activities	-	287
Profit on sale of discontinued operation	-	46,438
Profit for the period	-	46,725

21 COMPARATIVE INFORMATION

Reclassification of comparative information

Certain comparative figures have been reclassified to conform to the presentation in the current period's condensed consolidated interim financial statements. However, such reclassifications did not have any effect on the profit, total assets and equity of the comparative period.