OOREDOO Q.P.S.C.
DOHA - QATAR

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR’S REVIEW REPORT FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT

For the three-month period ended 31 March 2018

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INDEPENDENT AUDITOR'S REVIEW REPORT

The Shareholders
Ooredoo Q.P.S.C.
Doha - Qatar

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of **Ooredoo Q.P.S.C.** (the "Company") and its subsidiaries (together the "Group") as at 31 March 2018, and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended and summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed consolidated 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 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

Doha – Qatar
25 April 2018

For **Deloitte & Touche**
Qatar Branch

M. Salha

Midhat Salha
Partner
License No. 257
QFMA Auditor License No. 120156

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
For the three-month period ended 31 March 2018

		For the three-month period ended 31 March	
		2018	*2017*
		(Reviewed)	
	Note	***QR'000***	*QR'000*
Revenue	22	**7,763,233**	8,044,391
Operating expenses		**(3,147,076)**	(2,947,123)
Selling, general and administrative expenses		**(1,548,086)**	(1,681,825)
Depreciation and amortisation		**(2,046,135)**	(2,095,558)
Net finance costs		**(423,743)**	(433,708)
Net impairment losses on financial assets		**119**	(1,586)
Other income – net	4	**227,779**	70,977
Share in results of associates and joint ventures – net of tax	9	**(18,999)**	11,342
Royalties and fees	5	**(137,934)**	(151,350)
Profit before income tax		**669,158**	815,560
Income tax	14	**(117,029)**	(148,280)
Profit for the period		**552,129**	667,280
Profit attributable to:			
Shareholders of the parent		**486,047**	584,113
Non-controlling interests		**66,082**	83,167
		552,129	667,280
Basic and diluted earnings per share (Attributable to shareholders of the parent) (Expressed in QR per share)	6	**1.52**	1.82

The attached notes 1 to 26 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
For the three-month period ended 31 March 2018

	Note	***For the three-month period ended 31 March*** ***2018***	2017
		(Reviewed)	
		QR'000	*QR'000*
Profit for the period		**552,129**	667,280
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Effective portion of changes in fair value of cash flow hedges	18	**280**	128
Share of other comprehensive income/(loss) of associates and joint ventures	18	**2,084**	(3,259)
Foreign currency translation differences	18	**189,945**	306,992
Net changes in fair value of available-for-sale investments	18	**-**	21,750
Item that will not to be reclassified subsequently to profit or loss			
Net changes in fair value of equity investments at fair value through other comprehensive income	18	**(39,238)**	-
Net changes in fair value of employees benefit reserve	18	**3,574**	157
Other comprehensive income – net of tax		**156,645**	325,768
Total comprehensive income for the period		**708,774**	993,048
Total comprehensive income attributable to:			
Shareholders of the parent		**647,925**	872,465
Non-controlling interests		**60,849**	120,583
		708,774	993,048

The attached notes 1 to 26 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
As at 31 March 2018

	Note	***31 March 2018 (Reviewed)*** ***QR'000***	*31 December 2017 (Audited) (Restated) QR'000*
ASSETS			
Non-current assets			
Property, plant and equipment	7	**28,792,666**	29,474,307
Intangible assets and goodwill	8	**28,829,637**	28,804,983
Investment property		**58,925**	60,930
Investment in associates and joint ventures	9	**2,142,759**	2,119,041
Financial assets - equity instruments	10	**853,993**	812,933
Other non-current assets		**658,716**	701,831
Deferred tax assets		**337,488**	341,648
Contract cost and assets		**118,401**	-
Total non-current assets		**61,792,585**	62,315,673
Current assets			
Inventories		**552,555**	679,623
Contract cost and assets		**132,464**	-
Trade and other receivables		**8,255,538**	7,912,601
Bank balances and cash	11	**17,324,637**	18,390,694
		26,265,194	26,982,918
Assets held for sale	25 (a)	**152,329**	157,894
Total current assets		**26,417,523**	27,140,812
TOTAL ASSETS		**88,210,108**	89,456,485
EQUITY			
Share capital	12	**3,203,200**	3,203,200
Legal reserve		**12,434,282**	12,434,282
Fair value reserve		**394,389**	522,873
Employees' benefit reserve		**(10,903)**	(12,497)
Translation reserve	13	**(6,102,894)**	(6,298,501)
Other statutory reserves		**1,202,508**	1,202,508
Retained earnings		**11,602,437**	12,000,973
Equity attributable to shareholders of the parent		**22,723,019**	23,052,838
Non-controlling interests		**6,463,867**	6,532,272
Total equity		**29,186,886**	29,585,110

The attached notes 1 to 26 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)
As at 31 March 2018

	Note	*31 March 2018 (Reviewed)* QR'000	*31 December 2017 (Audited) (Restated)* QR'000
LIABILITIES			
Non-current liabilities			
Loans and borrowings	16	**32,012,847**	32,611,650
Employees benefits		**905,392**	888,588
Deferred tax liabilities		**363,999**	374,614
Other non-current liabilities		**1,832,534**	1,959,775
Total non-current liabilities		**35,114,772**	35,834,627
Current liabilities			
Deferred income / contract liabilities		**1,922,780**	1,883,100
Loans and borrowings	16	**7,748,488**	7,243,694
Trade and other payables	17	**12,822,022**	13,512,019
Income tax payable		**1,341,250**	1,321,635
		23,834,540	23,960,448
Liabilities directly associated with assets held for sale	25 (b)	**73,910**	76,300
Total current liabilities		**23,908,450**	24,036,748
Total liabilities		**59,023,222**	59,871,375
TOTAL EQUITY AND LIABILITIES		**88,210,108**	89,456,485

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

....
Nasser Rashid Al Humaidi
Member

The attached notes 1 to 26 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
For the three-month period ended 31 March 2018

	Note	*Attributable to shareholders of the parent*									
		Share capital	***Legal reserve***	***Fair value reserve***	***Employees benefit reserve***	***Translation reserve***	***Other statutory reserves***	***Retained earnings***	***Total***	***Non – controlling interests***	***Total equity***
		QR'000	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***
At 1 January 2018 (audited)		**3,203,200**	**12,434,282**	**522,873**	**(12,497)**	**(6,298,659)**	**1,202,508**	**12,070,177**	**23,121,884**	**6,569,451**	**29,691,335**
Restatement		-	-	-	-	158	-	(69,204)	(69,046)	(37,179)	(106,225)
At 1 January 2018 – (restated)		3,203,200	12,434,282	522,873	(12,497)	(6,298,501)	1,202,508	12,000,973	23,052,838	6,532,272	29,585,110
Change in accounting policies											
Adjustment on initial application of IFRS 15		-	-	-	-	-	-	201,129	201,129	42,097	243,226
Adjustment on initial application of IFRS 9		-	-	(93,161)	-	-	-	36,602	(56,559)	(16,797)	(73,356)
Adjusted balance as at 1 January 2018		3,203,200	12,434,282	429,712	(12,497)	(6,298,501)	1,202,508	12,238,704	23,197,408	6,557,572	29,754,980
Profit for the period		-	-	-	-	-	-	486,047	486,047	66,082	552,129
Other comprehensive income		-	-	(35,323)	1,594	195,607	-	-	161,878	(5,233)	156,645
Total comprehensive income for the period		-	-	(35,323)	1,594	195,607	-	486,047	647,925	60,849	708,774
Transaction with shareholders of the parent, recognised directly in equity											
Dividend for 2017	15	-	-	-	-	-	-	(1,121,120)	(1,121,120)	-	(1,121,120)
Transaction with non-controlling interest, recognised directly in equity											
Change in associate's non-controlling interest of its subsidiary		-	-	-	-	-	-	695	695	-	695
Dividends for 2017		-	-	-	-	-	-	-	-	(154,196)	(154,196)
Transaction with non-owners of the Group, recognised directly in equity											
Transfer to employee association fund		-	-	-	-	-	-	(1,889)	(1,889)	(358)	(2,247)
At 31 March 2018 (Reviewed)		**3,203,200**	**12,434,282**	**394,389**	**(10,903)**	**(6,102,894)**	**1,202,508**	**11,602,437**	**22,723,019**	**6,463,867**	**29,186,886**

The attached notes 1 to 26 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
For the three-month period ended 31 March 2018

		Attributable to shareholders of the parent									
	Note	***Share capital***	***Legal reserve***	***Fair value reserve***	***Employees benefit reserve***	***Translation reserve***	***Other statutory reserves***	***Retained earnings***	***Total***	***Non – controlling interests***	***Total Equity***
		QR'000	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***
At 1 January 2017 (audited)		3,203,200	12,434,282	462,600	2,482	(6,319,028)	1,152,553	11,247,966	22,184,055	6,817,056	29,001,111
Profit for the period		-	-	-	-	-	-	584,113	584,113	83,167	667,280
Other comprehensive income		-	-	17,786	102	270,464	-	-	288,352	37,416	325,768
Total comprehensive income for the period		-	-	17,786	102	270,464	-	584,113	872,465	120,583	993,048
Transaction with shareholders of the parent, recognised directly in equity											
Dividend for 2016	15	-	-	-	-	-	-	(1,121,120)	(1,1,21,120)	-	(1,121,120
Transaction with non-controlling interest, recognised directly in equity											
Dividends for 2016		-	-	-	-	-	-	-	-	(234,670)	(234,670)
At 31 March 2017 (Reviewed)		3,203,200	12,434,282	480,386	2,584	(6,048,564)	1,152,553	10,710,959	21,935,400	6,702,969	28,638,369

The attached notes 1 to 26 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
For the three-month period ended 31 March 2018

	Note	*For the three-month period ended 31 March* 2018 (Reviewed) QR'000	2017 (Reviewed) QR'000
OPERATING ACTIVITIES			
Profit before income taxes		**669,158**	815,560
Adjustments for:			
Depreciation and amortization		**2,046,135**	2,095,558
Dividend income		**(11,104)**	(17,145)
Net impairment losses on financial assets		**(119)**	1,586
Gain on disposal of investments at FVTPL		**(295)**	-
Changes in fair value of FVTPL investments		**1,168**	-
Gain on disposal of property, plant and equipment		**(11,575)**	(10,639)
Net finance costs		**423,743**	433,708
Provision for employees' benefits		**85,795**	86,313
Provision for trade receivables		**49,023**	52,832
Share of results in associates and joint ventures – net of tax	9	**18,999**	(11,342)
Operating profit before working capital changes		**3,270,928**	3,446,431
Working capital changes:			
Change in inventories		**127,068**	(1,884)
Change in trade and other receivables		**(557,667)**	393,383
Change in trade and other payables		**(822,932)**	(1,901,009)
Cash from operations		**2,017,397**	1,936,921
Finance costs paid		**(475,523)**	(478,245)
Employees' benefits paid		**(33,303)**	(23,847)
Income tax paid		**(120,316)**	(147,680)
Net cash from operating activities		**1,388,255**	1,287,149
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		**(882,003)**	(656,024)
Acquisition of intangible assets		**(214,880)**	(76,047)
Acquisition of investments at FVTPL		**(3,781)**	-
Additional investment in joint ventures		**-**	(39,153)
Proceeds from disposal of property, plant and equipment		**29,856**	12,514
Proceeds from disposal of investments at FVTPL		**997**	152
Movement in restricted deposits		**(402,452)**	(5,357)
Movement in short-term deposits		**428,628**	49,760
Movement in other non-current assets		**45,199**	(29,414)
Dividend received		**11,104**	17,145
Interest received		**89,677**	82,818
Net cash used in investing activities		**(897,655)**	(643,606)

The attached notes 1 to 26 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (CONTINUED)
For the three-month period ended 31 March 2018

		For the three-month period ended 31 March	
		2018	*2017*
		(Reviewed)	
	Note	***QR'000***	*QR'000*
FINANCING ACTIVITIES			
Proceeds from loans and borrowings		**1,077,157**	1,155,340
Repayment of loans and borrowings		**(1,133,045)**	(716,629)
Additions to deferred financing costs		**(676)**	(422)
Dividend paid to shareholders of the parent	15	**(1,121,120)**	(1,121,120)
Dividend paid to non-controlling interests		**(154,196)**	(234,670)
Movement in other non-current liabilities		**(127,241)**	(103,084)
Net cash used in financing activities		**(1,459,121)**	(1,020,585)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(968,521)**	(377,042)
Effect of exchange rate fluctuations		**(76,087)**	11,308
Cash and cash equivalents at 1 January		**17,095,602**	15,562,730
CASH AND CASH EQUIVALENTS 31 MARCH	11	**16,050,994**	15,196,996

The attached notes 1 to 26 form part of these condensed consolidated interim financial statements.

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.P.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 changed its legal name from Ooredoo Q.S.C. to Ooredoo Q.P.S.C. to comply with the provisions of the new Qatar Commercial Companies Law issued on 7 July 2015.

The Company is a telecommunications service provider licensed by the Communications Regulatory Authority (CRA) (formerly known as 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 CRA 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 Middle East and North African (MENA) region. Qatar Holding L.L.C. is the ultimate Parent Company of the Group.

The condensed consolidated interim financial statements of the Group for three-month period ended 31 March 2018 were authorised for issuance in accordance with a resolution of the Board of Directors of the Group on 25 April 2018.

2 BASIS OF PREPARATION

The condensed consolidated interim financial statements for the three months ended 31 March 2018 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34").

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 consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2017. In addition, results for the three-month period ended 31 March 2018 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2018.

Judgments, estimates and risk management
The preparation of the condensed consolidated interim financial statements requires management to make judgments, 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 2017, except as mentioned in Note 3.

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 2017, and the notes attached thereto, except for the adoption of certain new and revised standards, that became effective in the current period as set out below.

(i) New and amended standards adopted by the Group

A number of new and amended standards became applicable for the current reporting period and the Group had to change its accounting policies and made modified retrospective adjustments as a result of adopting the following standards:

- IFRS 9, *Financial Instruments; and*
- IFRS 15 *Revenue from Contracts with Customers*

The impact of the adoption of these standards and the new accounting policies are disclosed below. The other standards did not have any material impact on the Group's accounting policies and did not require any adjustments.

(ii)Revised Standards:

Effective for annual periods beginning on or after 1 January 2018

• IFRS 2 (Revised)	*Amendments regarding classification and measurement of share based payment transactions*
• IFRS 7 (Revised)	*Amendments relating to disclosures about the initial application of IFRS 9*
• IAS 40 (Revised)	*Investment Property – Amendments to paragraph 57*
• Annual Improvements 2014-2016 Cycle	*Amendments to IFRS 1 and IAS 28*
• IFRIC 22	*Foreign Currency Transactions and Advance Consideration*

(iii) New and revised standards and interpretations but not yet effective:

Effective for annual periods beginning on or after 1 January 2019

• IFRS 16	*Leases*
• IFRIC 23	*Uncertainty over Income Tax Treatments*

IFRS 16 *Leases*

IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the condensed consolidated interim statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments. However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

3a. CHANGES IN ACCOUNTING POLICIES

(i.) IFRS 15 Revenue from Contracts with Customers – Impact of Adoption

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations.

The Group has adopted IFRS 15 *Revenue from Contracts with Customers* from 1 January 2018. The Group has elected not to restate comparative figures but any adjustments to the carrying amounts of assets and liabilities at transition date were recognized in the opening balance of retained earnings and non-controlling interest.

Set out below is the IFRS 15 transition impact disclosure for the Group.

Net impact from the adoption of IFRS 15 as at 1 January 2018 has increased retained earnings by QR 201,129 thousand, and increased the non-controlling interest (NCI) by QR 42,097 thousand:

Particulars		**Retained earnings**	**NCI**
		QR'000	***QR'000***
Closing balance (31 December 2017)		**12,000,973**	**6,532,272**
Impact on revenue recognition			
i.	Transit services and value added services	408,149	-
ii.	Customer loyalty programme	(70,940)	(216)
iii.	Connection fees	(1,986)	6,842
iv.	Multi element arrangements	65,823	11,374
v.	Other revenue streams recognised over the period of time	5,749	4,633
vi.	Handset sales impact	3,094	(1,273)
Impact on cost recognition			
i.	Transit service cost, installation cost, commission to third party dealers, marketing expense	(271,592)	15,750
ii.	Other cost recognised over period of time	7,216	6,906
iii.	Handset cost impact	(1,457)	(291)
iv.	Royalties and fees on net impact	(9,545)	-
v.	Customer loyalty programme	74,436	
vi.	Related tax impact	(7,400)	(1,403)
vii.	Net finance cost	(418)	(225)
Balance as at 1 January 2018 (after IFRS 15 adjustment)		**12,202,102**	**6,574,369**

3a. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Impact on the condensed consolidated interim statement of profit or loss and OCI

For the three months period ended 31 March 2018

	As reported	Adjustments	Amounts without adoption of IFRS 15
	QR'000	*QR'000*	*QR'000*
Revenue	7,763,233	61,061	7,824,294
Cost	(3,147,076)	(52,616)	(3,199,692)

(ii.) IFRS 15 Revenue from Contracts with Customers – Accounting Policies applied from 1 January 2018
Revenue from transit services
The Group has concluded that it is acting as principal on these arrangements and hence revenue has been accounted on gross basis. This change has resulted in an increase in transit revenue and cost.

Customer loyalty schemes
The Group has concluded that it is acting as an agent on customer loyalty scheme arrangements which are redeemed through its partners hence revenue is accounted on net basis. These changes have resulted in decrease in revenue and cost from loyalty schemes.

The Group concluded that under IFRS 15, the loyalty scheme gives rise to a separate performance obligation because it generally provides a material right to the customer. The Group allocates a portion of the transaction price to the loyalty scheme liability based on the relative standard standalone selling price of loyalty points and a contract liability is recognised until the points are redeemed or expired.

Value-added services
The Group has offerings where it provides customer with additional content, such as music and video streaming and SMS services, as Value-Added Services (VAS). On this type of services, the Group has concluded that they are acting as a principal and revenue will be recognized at a gross basis.

Connection fees
The Group has concluded that connection fees charged for the activation of services will be recognized over the contract period. The connection fees that is not considered as a distinct performance obligation shall form part of the transaction price and recognised over the period of service.

Multi elements arrangements (Mobile contract plus handset)
The Group has concluded that in case of multiple elements arrangements with subsidized products delivered in advance, the component delivered in advance (e.g. mobile handset), will require recognition of contract asset. Contract asset primary relates to the Group's right on consideration for services and goods provided but not billed at the reporting date.

Installation cost, commissions to third party dealers, marketing expenses
The Group has concluded that commissions and installation costs meet the definition of incremental costs to acquire a contract or a costs to fulfil a contract. The Group has capitalized these expenses as contract assets and amortized as per portfolio approach. Recognized contract assets will be subject to impairment assessment under IFRS 9 requirements.

Significant financing component
The Group has determined to recognize interest expense at appropriate annual interest rate over the contract period and total transaction price including financing component is recognized when equipment is delivered to customer.

3a. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Contract assets and liabilities
The Group has determined that contract assets and liabilities are to be recognised at the performance obligation level and not at the contract level and both contract assets and liabilities are to be shown separately in the condensed consolidated interim financial statements.

Discounts and promotions
The Group provides various discounts and promotions to its customers, which may be agreed at inception or provided during the contract term.

The impact and accounting of these discounts and promotions vary under IFRS 15 which may result in recognition of contract asset and increase/decrease in opening retained earnings.

(iii.) IFRS 9 Financial Instruments – Impact of Adoption
IFRS 9 sets out requirements for recognition and measurement of financial assets, financial liabilities and certain contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The Group has adopted IFRS 9 Financial Instruments from 1 January 2018. The Group has elected not to restate comparative figures but any adjustments to the carrying amounts of financial assets and liabilities at transition date were recognized in the opening balances of retained earnings, fair value reserve and non-controlling interest.

Net impact from the adoption of IFRS 9 as at 1 January 2018 was an increase in retained earnings of QR 36,602 thousand, decrease in the fair value reserve by QR 93,161 thousand and decrease in the non-controlling interest by QR 16,797 thousand:

Particulars	**Retained earnings**	**NCI**	**Fair value reserve**
	QR'000	***QR'000***	***QR'000***
Closing balance as at 31 December 2017	**12,202,102**	**6,574,369**	**522,873**
Impact on reclassification and re-measurements			
i. Investment securities (equity) from available-for-sale to those measured at fair value through other comprehensive income ("FVTOCI")	8,569	733	45,838
ii. Investment securities (equity) from available-for-sale to those measured at fair value through profit or loss ("FVTPL")	150,161	8,545	(138,999)
Impact on recognition of Expected Credit Losses			
i. Accounts receivables	(111,762)	(26,025)	-
ii. Bank deposits	(9,269)	-	-
iii. Group loan guarantees and financial commitments	(475)	-	-
iv. Other financial assets	(622)	(50)	-
Balance as at 1 January 2018 (after IFRS 9 adjustment)	**12,238,704**	**6,557,572**	**429,712**

3a. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(iii.) IFRS 9 Financial Instruments – Impact of Adoption (continued)

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Group's financial assets as at 1 January 2018.

	Note	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
				QR'000	**QR'000**
Financial assets					
Equity securities	a	Available for sale	FVTOCI – equity instrument	729,633	729,633
Equity securities	b	Designated as at FVTPL	Mandatorily at FVTPL	-	83,270
Trade and other receivables	c	Loans and receivables	Amortised cost	7,928,731	7,790,898
Cash and cash equivalents		Loans and receivables	Amortised cost	18,459,188	18,449,915

a. These equity securities represent investments that the Group intends to hold for the long term for strategic purposes. As permitted by IFRS 9, the Group has designated these investments at the date of initial application as measured at FVTOCI. The accumulated fair value reserve related to these investments will never be reclassified to the condensed consolidated interim statement of profit or loss.

b. Under IAS 39, these equity securities were designated as at available-for-sale, because they were valued on a fair value basis and their performance were monitored on this basis. These assets have been classified as mandatorily measured at FVTPL under IFRS 9.

c. Trade and other receivables that were classified as loans and receivables under IAS 39 are now classified at amortised cost. An increase of QR 364 thousand in the allowance for impairment over these receivables were recognised in opening retained earnings at 1 January 2018 on transition to IFRS 9.

(iv.) IFRS 9 Financial Instruments– Accounting Policies applied from 1 January 2018

a. Investments and other financial assets

Classification

From 1 January 2018, the Group classified its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through OCI, or through profit or loss); and
- Those to be measured at amortised cost.

The Group performed a detailed analysis of its business models for managing financial assets as well as analysing the contractual terms of the cash flows. There were no changes to the classification and measurement of financial liabilities.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the condensed consolidated statement of profit or loss.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in condensed consolidated interim statement of profit or loss as other income when the Group's right to receive payments is established.

3a. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(iv.) IFRS 9 Financial Instruments– Accounting Policies applied from 1 January 2018 (continued)

Equity instruments (continued)

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the condensed consolidated interim statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from the changes in fair value.

Impairment
IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model. The new impairment model applies to accounts receivable, bank deposits, loan guarantees and commitments. The Group applied a simplified approach to measuring expected credit losses ("ECL").

Significant increase in credit risk
When determining the risk of default the Group considers both quantitative and qualitative information and analysis based on the Group's historical experience and expert credit assessment and including forward-looking information.

Credit risk grades
Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default considering nature of the exposure and the type of borrower.

Generating the term structure of Probability of Default (PD)
The Group employs statistical models to analyse the data collected and generate estimates of PD of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Group.

Changes in judgement, estimate and risk management

Classification of investment securities
On acquisition of an investment security, the Group decides whether it should be classified as fair value through profit or loss or fair value through other comprehensive income or financial assets to be measured at amortized cost.

The Group follows the guidance of IFRS 9 on classifying its investments in securities.

Business models and Solely Payments of Principal and Interest ("SPPI") as significant judgments
Determining the appropriate business models and assessing the SPPI requirements for financial assets may require significant accounting judgement and have a significant impact on the condensed consolidated interim financial statements. Details of the Group's classification of financial assets are given in Note 3a (iii).

Measurement of the expected credit loss allowance
The measurement of the expected credit loss allowance for financial assets measured at amortised cost and applicable FVTOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

3a. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Changes in judgement, estimate and risk management (continued)

Principal versus agent
The Group determines whether it is acting as a principal or an agent, for each of the arrangement, to provide good or service promised to the customer by:

a) identifying the specified goods or services to be provided to the customer; and
b) assessing whether it controls each specified good or service before that good or service is transferred to the customer.

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer while the Group is an agent if the Group's performance obligation is to arrange for the delivery of the specified good or service for another party.

Recognition revenue
Management considers recognizing revenue overtime, if one of the following criteria is met, otherwise revenue will be recognized at a point in time:

a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
c) the Group's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Capitalisation of costs
Management determines whether the Group will recognise an asset from the costs incurred to fulfill a contract if the costs meet all the following criteria:

a) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;
b) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and
c) the costs are expected to be recovered.

Such asset will be amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

The 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 2017, except for the below:

Credit risk measurement
The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Group measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD).

Credit quality assessments
The Group has mapped its internal credit rating scale to Moody's rating scale as at 31 March 2018.

4 OTHER INCOME / (EXPENSE) - NET

	For the three-month period ended 31 March	
	2018	2017
	(Reviewed)	
	QR'000	*QR'000*
Foreign currency gains - net	**172,188**	81,678
Dividend income	**11,104**	17,145
Rental income	**7,640**	6,895
Change in fair value of derivatives – net	**3,726**	(8,365)
Loss on investments in securities FVTPL	**(1,168)**	-
Miscellaneous income / (expenses)	**34,289**	(26,376)
	227,779	70,977

5 ROYALTIES AND FEES

		For the three-month period ended 31 March	
		2018	2017
		(Reviewed)	
		QR'000	*QR'000*
Royalty	(i)	**76,171**	76,082
Industry fees	(ii)	**56,271**	67,148
Other statutory fees	(iii)	**5,492**	8,120
		137,934	151,350

i. Royalty is payable to the Government of the Sultanate of Oman based on 12% (2017: 12%) of the net of predefined sources of revenue and operating expenses.

ii. The Group provides for a 12.5% (2017:12.5%) industry fee on profits generated from the Group's operations in Qatar.

iii. Contributions by National Mobile Telecommunications Company K.S.C.P to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST") and Zakat are included under other statutory fees.

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.

	For the three-month period ended 31 March	
	2018	*2017*
	(Reviewed)	
	QR'000	*QR'000*
Profit for the period attributable to shareholders of the parent (QR'000)	**486,047**	584,113
Weighted average number of shares (In '000)	**320,320**	320,320
Basic and diluted earnings per share (QR)	**1.52**	1.82

7 PROPERTY, PLANT AND EQUIPMENT

	31 March 2018 (Reviewed)	*31 December 2017 (Audited) (Restated)*
	QR'000	*QR'000*
Net book value at beginning of the period / year	**29,474,307**	32,450,005
Additions	**882,003**	4,257,992
Disposals	**(18,281)**	(510,085)
Reclassification	**746**	(35,607)
Depreciation for the period / year	**(1,549,141)**	(6,464,816)
Exchange adjustment	**3,032**	(167,616)
Reclassified to asset held for sale	**-**	(55,566)
Carrying value at the end of the period / year	**28,792,666**	29,474,307

i) Asiacell reached an agreement with the local bank wherein Asiacell received properties in exchange for the equivalent value of the bank deposits. As at 31 March 2018, Asiacell had received parcels of lands and buildings located in Baghdad and Sulaymaniah amounting to a total amount of QR 440,440 thousand. Currently, the legal title is transferred to a related party of Asiacell and it will be transferred in the name of Asiacell upon completing legal formalities. However, the Group has obtained an indemnity letter from the related party that these assets are under the Group's control and the ownership will be transferred upon completing the legal formalities.

8 INTANGIBLE ASSETS AND GOODWILL

	31 March 2018 (Reviewed) QR'000	*31 December 2017 (Audited) (Restated) QR'000*
Net book value at beginning of the period / year	**28,804,983**	29,617,154
Additions	**360,540**	1,262,563
Reclassification	**(746)**	35,607
Amortisation for the period / year	**(494,989)**	(1,946,690)
Reversal of impairment	**-**	8,265
Exchange adjustment	**159,849**	(155,886)
Reclassified to asset held for sale	**-**	(16,030)
Carrying value at the end of the period / year	**28,829,637**	28,804,983

i) Indefeasible rights of use (IRUs) are initially included in capital work in progress under property, plant and equipment once it meets the criteria for recognizing and measuring and subsequently transferred to intangibles once they are ready for intended use.

9 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

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

	31 March 2018 (Reviewed) QR'000	*31 December 2017 (Audited) QR'000*
Group's share in associates and joint ventures statement of financial position:		
Current assets	**894,618**	1,010,408
Non-current assets	**2,839,643**	2,739,428
Current liabilities	**(857,923)**	(792,942)
Non-current liabilities	**(1,946,753)**	(2,026,090)
Net assets	**929,585**	930,804
Goodwill	**1,213,174**	1,188,237
Carrying amount of the investment	**2,142,759**	2,119,041

9 INVESTMENT IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

	For the three-month period ended 31 March	
	2018	*2017*
	(Reviewed)	
	QR'000	*QR'000*
Share in revenues of associates and joint ventures	**433,427**	421,836
Share in results of associates and joint ventures – net of tax	**(18,999)**	11,342

10 FINANCIAL ASSETS – EQUITY INSTRUMENTS

	31 March 2018	*31 December 2017*
	(Reviewed)	*(Audited) (Restated)*
	QR'000	*QR'000*
Financial assets at fair value through other comprehensive income	**789,123**	-
Financial asset at fair value through profit or loss	**64,870**	-
Available-for-sale investments	**-**	812,933
	853,993	812,933

11 CASH AND CASH EQUIVALENTS

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

	For the three-month period ended 31 March	
	2018	*2017*
	(Reviewed)	
		(Restated)
	QR'000	*QR'000*
Bank balances and cash	**17,324,637**	16,091,740
Less: deposits with maturity more than three months	**(90,628)**	(151,267)
Less: restricted deposits	**(1,245,710)**	(743,477)
	15,988,299	15,196,996
Cash and cash equivalents of discontinued operation	**62,695**	-
Cash and cash equivalents	**16,050,994**	15,196,996

12 SHARE CAPITAL

	2018		*2017*	
	No of shares (000)	***QR'000***	*No of shares (000)*	*QR'000*
Authorised				
Ordinary shares of QR 10 each				
At 31 March/31 December	**500,000**	**5,000,000**	500,000	5,000,000
Issued and fully paid up				
Ordinary shares of QR 10 each				
At 31 March/31 December	**320,320**	**3,203,200**	320,320	3,203,200

13 TRANSLATION RESERVE

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

14 INCOME TAX

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

	For the three-month period ended 31 March	
	2018	*2017*
	(Reviewed)	
	QR'000	*QR'000*
Current income tax		
Current income tax charge	**139,931**	190,933
Deferred income tax		
Relating to origination and reversal of temporary differences	**(22,902)**	(42,653)
	117,029	148,280

15 DIVIDEND

Dividend paid and proposed:

	For the three-month period ended 31 March	
	2018	*2017*
	(Reviewed)	
	QR'000	*QR'000*
Declared and approved at the Annual General Meeting :		
Final Dividend for 2017, QR 3.50 per share (2016: QR 3.50 per share)	**1,121,120**	1,121,120

16 LOANS AND BORROWINGS

	31 March 2018	*31 December 2017*
	(Reviewed)	*(Audited)*
	QR'000	*QR'000*
Loans and borrowings	**40,033,499**	40,144,062
Less: deferred financing costs	**(272,164)**	(288,718)
	39,761,335	39,855,344

16 LOANS AND BORROWINGS (CONTINUED)

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

	31 March 2018 (Reviewed) QR'000	*31 December 2017 (Audited) QR'000*
Non-current portion	**32,012,847**	32,611,650
Current portion	**7,748,488**	7,243,694
	39,761,335	39,855,344

The comparative fair value and carrying value of the Group's loans and borrowings are as follow:

	Carrying amounts		*Fair values*	
	31 March 2018 (Reviewed) QR'000	*31 December 2017 (Audited) QR'000*	***31 March 2018 (Reviewed) QR'000***	*31 December 2017 (Audited) QR'000*
Fixed rates	**28,069,655**	27,808,854	**28,307,194**	28,586,651
Floating rates	**11,963,844**	12,335,208	**11,936,609**	12,349,719
	40,033,499	40,144,062	**40,243,803**	40,936,370

17 TRADE AND OTHER PAYABLES

	31 March 2018 (Reviewed) QR'000	*31 December 2017 (Audited) (Restated) QR'000*
Trade payables	**4,514,592**	4,486,152
Accrued expenses	**4,885,201**	5,089,111
Interest payable	**356,474**	371,157
Profit payable on Islamic financing obligation	**49,221**	14,651
License costs payable	**490,189**	336,605
Amounts due to international carriers -net	**502,358**	451,145
Negative fair value of derivatives	**66,043**	45,338
Finance lease liabilities (note 19)	**156,418**	154,462
Cash settled share based payments	**141,824**	133,473
Other payables	**1,659,702**	2,429,925
	12,822,022	13,512,019

18 COMPONENTS OF OTHER COMPREHENSIVE INCOME

	For the three-month period ended 31 March	
	2018	2017
	(Reviewed)	
	QR'000	QR'000
Items that may be reclassified subsequently to profit or loss		
Available-for-sale investments		
Fair value gain arising during the period	**-**	20,164
Reclassification to profit or loss	**-**	-
Transfer to profit or loss on impairment	**-**	1,586
	-	21,750
Cash flow hedges		
Income arising during the period	**280**	132
Deferred tax effect	**-**	(4)
	280	128
Share of changes in fair value of cash flow hedges	**2,084**	(3,259)
Foreign exchange reserve		
Foreign exchange translation differences – foreign operations	**189,945**	306,992
Items that will not be reclassified subsequently to profit or loss		
Fair value reserve		
Net changes in fair value of equity investments at fair value through other comprehensive income	**(39,238)**	-
Employees benefit reserve		
Net movement in employees benefit reserve	**3,574**	157
Other comprehensive income for the period – net of tax	**156,645**	325,768

19 COMMITMENTS

Capital expenditure commitments not provided for	***31 March 2018 (Reviewed) QR'000***	*31 December 2017 (Audited) QR'000*
Estimated capital expenditure contracted for at reporting date	**2,532,919**	2,610,737

Operating lease commitments		
Future minimum lease payments:		
Not later than one year	**491,513**	481,206
Later than one year and not later than five years	**1,912,174**	1,844,125
Later than five years	**2,110,920**	2,146,811
Total operating lease expenditure contracted for at the reporting date	**4,514,607**	4,472,142

19 COMMITMENTS (CONTINUED)

Finance lease commitments	***31 March 2018 (Reviewed) QR'000***	*31 December 2017 (Audited) QR'000*
Amounts under finance leases		
Minimum lease payments		
Not later than one year	**229,255**	229,308
Later than one year and not later than five years	**741,889**	770,458
Later than five years	**66,990**	54,030
	1,038,134	1,053,796
Less: unearned finance income	**(207,272)**	(213,288)
Present value of minimum lease payments	**830,862**	840,508
Present value of minimum lease payments		
Current portion	**156,418**	154,462
Non-current portion	**674,444**	686,046
	830,862	840,508
Letters of credit	**295,644**	253,428

20 CONTINGENT LIABILITIES AND LITIGATIONS

	31 March 2018 (Reviewed) QR'000	*31 December 2017 (Audited) QR'000*
i) Contingent liabilities		
Letters of guarantees	**675,027**	654,258
Claims against the Group not acknowledged as debts	**2,208**	2,208

Litigation

All other litigations position reported in the Group's annual consolidated financial statements as at 31 December 2017 have not materially changed as at 31 March 2018.

21 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

As stated in Note 1, Qatar Holding L.L.C. is the Parent Company of Ooredoo Q.P.S.C. Group, which is controlled by Qatar Investment Authority.

The Group enters into commercial transactions with the Government and 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. Following are the significant balances and transactions between the Company and the Government and other Government related entities.

21 RELATED PARTY DISCLOSURES (CONTINUED)

a) Transactions with Government and related entities (continued)

In accordance with IAS 24 Related Party Disclosures, the Group has elected not to disclose transactions with the Qatar Government and other entities over which the Qatar Government exerts control, joint control or significant influence. The nature of transactions that the Group has with such related parties relates to provision of telecommunication services.

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 96,972 thousand (for the period ended 31 March 2017: QR 93,363 thousand) and end of service benefits amounted to QR 5,059 thousand (for the period ended 31 March 2017: QR 6,356 thousand). The remuneration to the Board of Directors and key management personnel has been included under the caption "Selling, general and administrative expenses".

22 REVENUE

	For the three-month period ended 31 March	
	2018	2017
	(Reviewed)	
	QR'000	*QR'000*
Revenue from rendering of services	**7,089,101**	7,566,695
Sale of telecommunication equipment	**606,228**	402,689
Equipment rental revenue	**67,904**	75,007
	7,763,233	8,044,391

22 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 mainly 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.

23 SEGMENT INFORMATION (CONTINUED)

For management reporting purposes, the Group is organized into business units based on their geographical area covered, and has seven 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 group* is a provider of mobile telecommunication services in Kuwait and elsewhere in the Middle East and North African (MENA) region. NMTC group includes balances of Ooredoo Kuwait, Ooredoo Tunisia, Ooredoo Algeria, Wataniya Palestine, Ooredoo Maldives PLC and others. Management believe that presenting NMTC as one segment will provide the most relevant information to the users of the consolidated financial statement of the Group, as NMTC is a public listed company in Kuwait and it presents detailed segment note in its consolidated financial statements, which are publically available;
4. Indosat Ooredoo is a provider of telecommunication services such as cellular services, fixed telecommunications, multimedia, data communication and internet services in Indonesia. The Group has recorded a prior year adjustment related to revenue and provision for receivables of PT Indosat in opening retained earnings amounting to QR 106 million related to reversal of certain sales to distributors.
5. *Ooredoo Oman* is a provider of mobile and fixed telecommunication services in Oman;
6. *Ooredoo Myanmar* is a provider of mobile and fixed telecommunication services in Myanmar; and
7. 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.

23 SEGMENT INFORMATION (CONTINUED)

Operating segments
The following table present revenue and profit information regarding the Group's operating segments for the three-month period ended 31 March 2018 and 2017:

For the three-month period ended 31 March 2018 (Reviewed)

	Ooredoo Qatar QR'000	*Asiacell QR'000*	*NMTC QR'000*	*Indosat Ooredoo QR'000*	*Ooredoo Oman QR'000*	*Ooredoo Myanmar QR'000*	*Others QR'000*	*Adjustments and eliminations QR'000*		*Total QR'000*
Revenue										
Revenue from rendering of telecom services	1,762,147	1,116,007	1,708,422	1,445,905	653,208	371,870	29,619	-		7,087,178
Sale of telecommunications equipment	51,554	-	367,290	21,851	2,310	174	161,667	-		604,846
Revenue from use of assets by others	4,562	-	943	60,262	4,129	1,313	-	-		71,209
Inter-segment	160,388	3,785	41,284	1,318	1,678	530	38,561	(247,544)	(i)	-
Total revenue	**1,978,651**	**1,119,792**	**2,117,939**	**1,529,336**	**661,325**	**373,887**	**229,847**	**(247,544)**		**7,763,233**
Timing of revenue recognition										
At a point in time	51,554	-	367,290	21,851	2,310	174	161,667	(146,156)		458,690
Over time	1,927,097	1,119,792	1,750,649	1,507,485	659,015	373,713	68,180	(101,388)		7,304,543
	1,978,651	**1,119,792**	**2,117,939**	**1,529,336**	**661,325**	**373,887**	**229,847**	**(247,544)**		**7,763,233**
Results										
Segment profit/ (loss) before tax	**401,316**	**219,569**	**264,066**	**(140,327)**	**117,585**	**(2,820)**	**(54,287)**	**(135,944)**	**(ii)**	**669,158**
Depreciation and amortisation	**212,373**	**339,723**	**404,751**	**586,889**	**154,059**	**205,303**	**7,093**	**135,944**	**(iii)**	**2,046,135**
Net finance costs	**235,472**	**6,846**	**18,493**	**150,594**	**3,742**	**8,224**	**372**	**-**		**423,743**

23 SEGMENT INFORMATION (CONTINUED)

For the three-month period ended 31 March 2017 (Reviewed)

	Ooredoo Qatar QR'000	*Asiacell QR'000*	*NMTC QR'000*	*Indosat Ooredoo QR'000*	*Ooredoo Oman QR'000*	*Ooredoo Myanmar QR'000*	*Others QR'000*	*Adjustments and eliminations QR'000*		*Total QR'000*
Revenue										
Third party	1,882,577	1,056,031	1,959,691	1,984,286	660,020	321,599	180,187	-		8,044,391
Inter-segment	156,788	4,800	56,383	5,048	1,724	1,315	41,132	(267,190)	(i)	-
Total revenue	2,039,365	1,060,831	2,016,074	1,989,334	661,744	322,914	221,319	(267,190)		8,044,391
Results										
Segment profit/ (loss) before tax	491,666	85,990	307,757	95,950	96,673	(110,381)	(34,753)	(117,342)	(ii)	815,560
Depreciation and amortisation	212,377	360,449	424,995	641,160	161,763	169,426	8,046	117,342	(iii)	2,095,558
Net finance costs	225,518	9,902	24,703	159,490	5,356	8,407	332	-		433,708

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

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

	For the three-month period ended 31 March	
	2018	*2017*
	(Reviewed)	
	QR'000	*QR'000*
Amortisation of intangibles	**135,944**	117,342

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

23 SEGMENT INFORMATION (CONTINUED)

The following table presents segment assets of the Group's operating segments as at 31 March 2018 and 31 December 2017.

	Ooredoo Qatar QR'000	*Asiacell QR'000*	*NMTC QR'000*	*Indosat Ooredoo QR'000*	*Ooredoo Oman QR'000*	*Ooredoo Myanmar QR'000*	*Others QR'000*	*Adjustments and eliminations QR'000*	*Total QR'000*
Segment assets (i)									
At 31 March 2018 (Reviewed)	**18,377,891**	**10,155,008**	**21,682,435**	**14,590,053**	**3,519,583**	**6,628,165**	**4,138,249**	**9,118,724**	**88,210,108**
At 31 December 2017(Audited)	19,483,794	9,959,541	21,644,579	15,055,507	3,744,225	6,428,654	4,042,955	9,097,230	89,456,485

(i) Goodwill amounting to QR 9,118,724 thousand (31 December 2017: QR 9,097,230 thousand) was not considered as part of segment assets.

24 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; and

Level 3: Unobservable inputs for the asset or liability.

The following table provides the fair value measurement hierarchy of the Group's financial asset and liabilities at 31 March 2018 and 31 December 2017:

	31 March 2018 (Reviewed) QR'000	***Level 1 QR'000***	***Level 2 QR'000***	***Level 3 QR'000***
Assets:				
Financial assets measured at fair value:				
FVTOCI	**789,123**	**-**	**207,279**	**581,844**
FVTPL	**64,870**	**5,009**	**59,835**	**26**
Derivative financial instruments	**1,901**	**-**	**1,901**	**-**
	855,894	**5,009**	**269,465**	**581,870**
Liabilities:				
Other financial liability measured at fair Value				
Derivative financial instruments	**66,043**	**-**	**66,043**	**-**
Other financial liability for which fair value is disclosed				
Loans and borrowings	**40,243,803**	**26,818,337**	**13,425,466**	**-**
	40,309,846	**26,818,337**	**13,491,509**	**-**

	31 December 2017 (Audited) QR'000	*Level 1 QR'000*	*Level 2 QR'000*	*Level 3 QR'000*
Assets				
Financial assets measured at fair value:				
Available-for-sale investments	779,086	5,116	227,876	546,094
Derivative financial instruments	241	-	241	-
	779,327	5,116	228,117	546,094
Liabilities:				
Other financial liability measured at fair Value				
Derivative financial instruments	45,338	-	45,338	-
Other financial liability for which fair value is disclosed				
Loans and borrowings	40,936,370	27,413,054	13,523,316	-
	40,981,708	27,413,054	13,568,654	-

There were no transfers among Levels 1, 2, and 3 for the three-month period ended 31 March 2018 and for the year ended 31 December 2017.

25. DISPOSAL OF SUBSIDIARY CLASSIFIED AS HELD FOR SALE

The assets and liabilities related to Artajasa Pembayaran Elektronis ("APE") an indirect subsidiary of Ooredoo through Indosat have been presented as held for sale following the approval by the Extraordinary General Shareholders' Meeting of APE on 13 October 2017 to the plan of partial divestment of APE that will result in the Group's not controlling APE anymore.

a. Assets classified as held for sale

	31 March 2018	*31 December 2017*
	(Reviewed)	*(Audited)*
		(Restated)
	QR'000	*QR'000*
Cash and cash equivalents	**62,695**	68,494
Trade receivables and prepayments	**16,820**	16,130
Property, plant and equipment	**55,504**	55,566
Intangible assets	**15,434**	16,030
Investment in associate	**912**	895
Other non-current assets	**964**	779
Total assets classified as asset held for sale	**152,329**	157,894

b. Liabilities directly associated with assets classified as held for sale

	31 March 2018	*31 December 2017*
	(Reviewed)	*(Audited)*
	QR'000	*QR'000*
Accounts payable and accruals	**67,528**	68,950
Income tax payable	**2,145**	1,814
Deferred tax liabilities	**2,341**	2,283
Other non-current liabilities	**1,896**	3,253
Total liabilities directly associated with assets classified as held for sale	**73,910**	76,300

26. EVENTS AFTER REPORTING DATE

One of the Group's joint venture, Asia Internet Holdings S.ar.l, entered into a Sale and Purchase Agreement with a third party for the disposal of one of its major subsidiary, which was approved and the operations expected to be legally transferred during May 2018.