

etisalat

MOST VALUABLE
BRAND IN THE
MIDDLE EAST 2018

Etisalat Group Capital Markets Day 2018

February 22nd, 2018

Fairmont Bab Al-Bahar, Abu Dhabi



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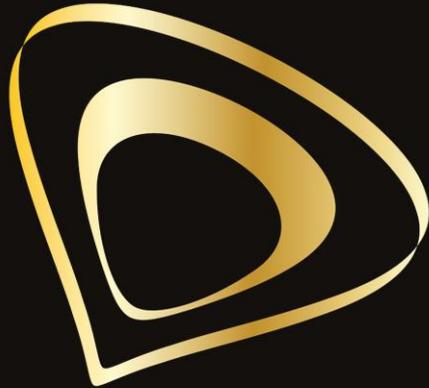
This Presentation includes certain “forward-looking statements”. Such forward looking statements are not guarantees of future performance and involve risks of uncertainties. Actual results may differ materially from these forward looking statements.



Agenda



Business Overview	Saleh Al-Abdooli	Chief Executive Officer - Etisalat Group
Etisalat Group Financial Results	Serkan Okandan	Chief Financial Officer - Etisalat Group
Etisalat Group International	Hatem Dowidar	Chief Executive Officer - Etisalat International
Etisalat Group Strategy	Khalifa Alshamsi	Chief Strategy & Governance Officer - Etisalat Group
Etisalat UAE Presentation	Khaled ElKouly	Chief Consumer Officer - Etisalat UAE
	Salvador Anglada	Chief Business Officer - Etisalat UAE
PTCL Group Presentation	Dr. Daniel Ritz	Chief Executive Officer - PTCL Group
Mobily Presentation	Ahmed Aboudoma	Chief Financial Officer - Mobily
Etisalat Misr Presentation	Hazem Metwally	Chief Executive Officer - Etisalat Misr
Closing Remarks	Saleh Al-Abdooli	Group Chief Executive Officer



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Etisalat Group
Capital Markets Day 2018

Etisalat Group
Business Overview

Saleh Al-Abdooli

Group Chief Executive Officer

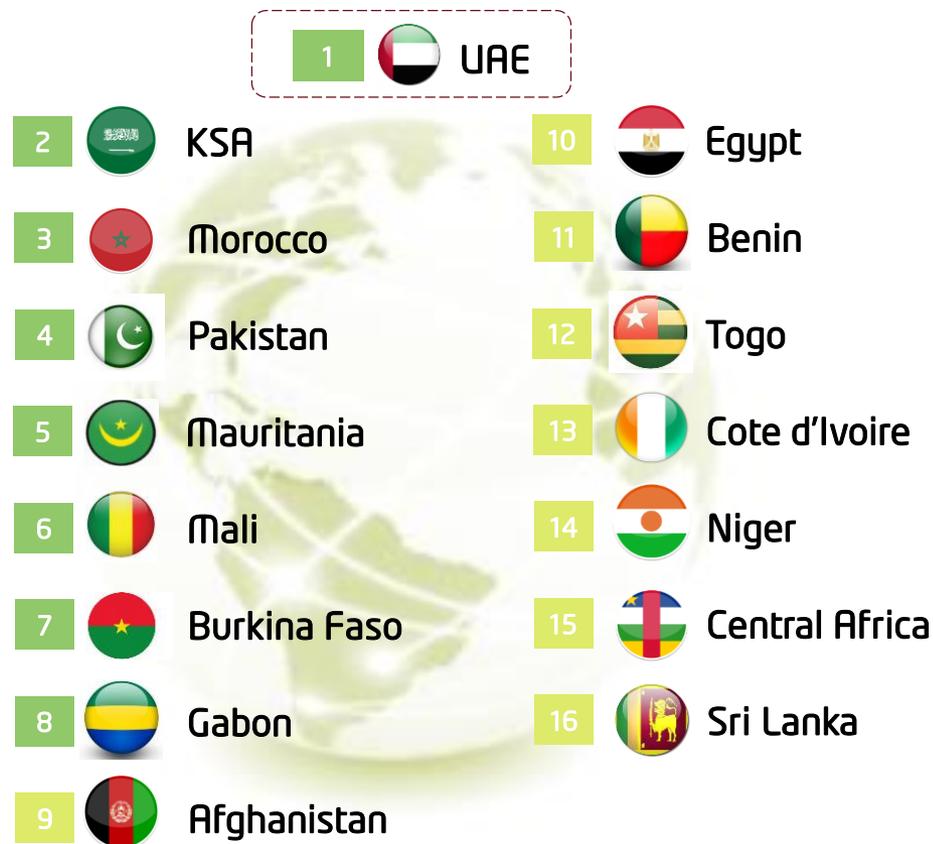
Etisalat Group continues to be amongst the region's top telecom groups supported by its wide reach, solid profitability, & strong cash flow generation



Key Highlights

- **16 countries, over 142 million subscribers**
- **Revenue: AED 51.7 billion**
- **EBITDA: AED 26.0 billion (at 50% margin)**
- **OFCF: AED 18.0 billion (at 35% margin)**
- **Net Profit: AED 8.4 billion (at 16% margin)**
- **Dividends per Share: 80 fils (at 82% payout ratio)**
- **A robust credit rating with AA-/Aa3 by S&P Global and Moody's.**

Etisalat Group Operating Companies



Mobile & Fixed Services
 Mobile Services

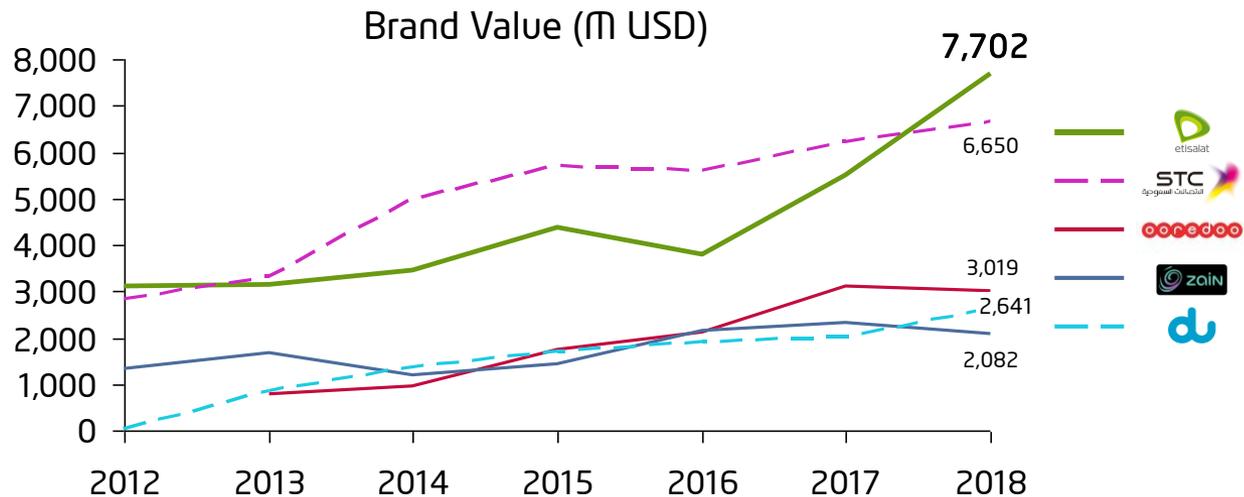
Etisalat stands out as the Middle East's Most Valuable Brand, surpassing STC & Emirates with a brand value of 7.7Bn USD



Brand Ranking

Brand Rank	2015	2016	2017	2018
1				
2				
3				

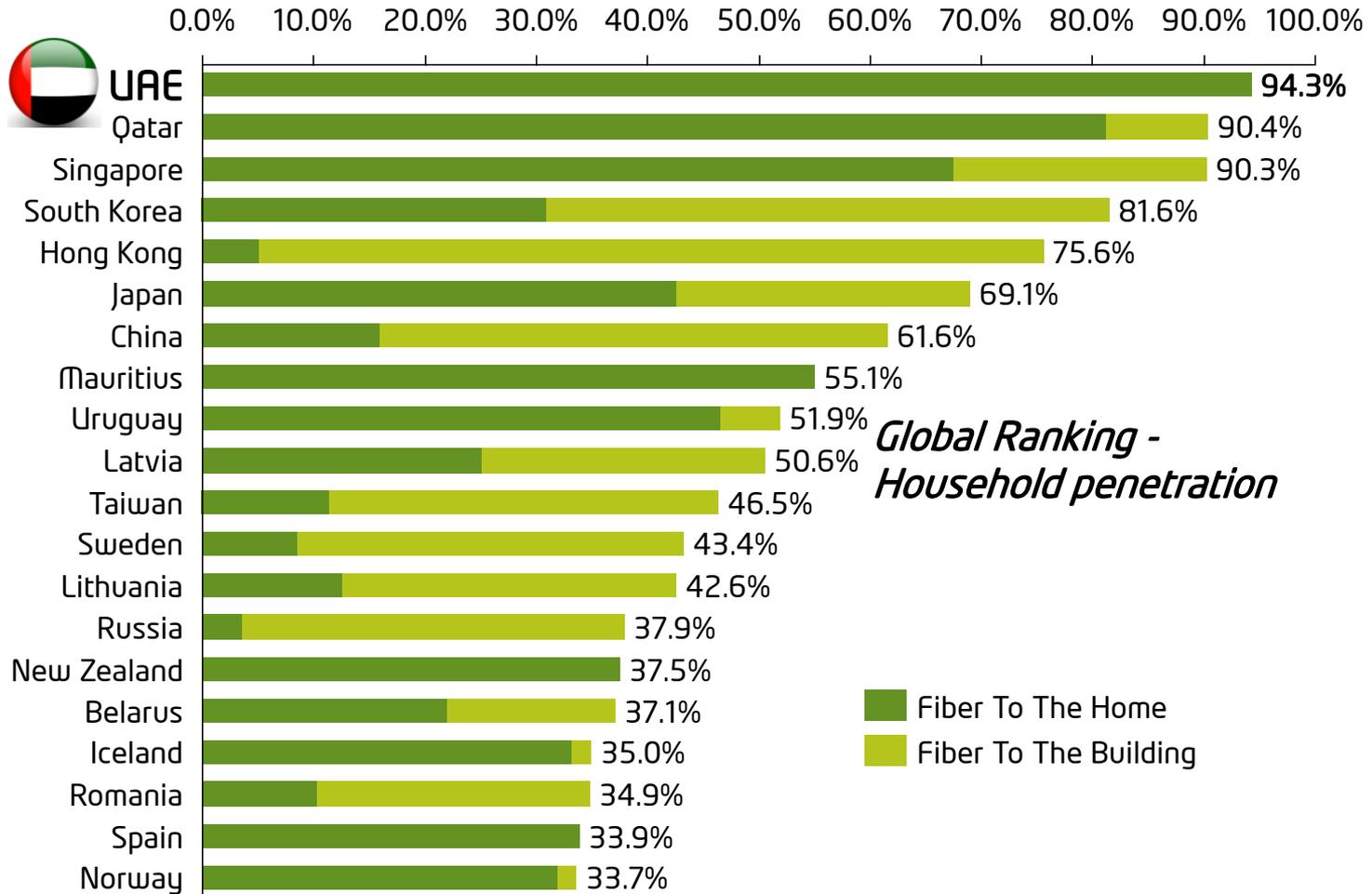
Etisalat 2018 Brand Value stands at **USD 7.7 Bn**
40% YoY growth



Source: Brand Finance, February 2018 (World's ONLY ISO Compliant Global Authority on Brand Valuation)

We sustained our global leadership when it comes to fixed fiber network penetration as a result of our determined modernization strategy

Global Rankings

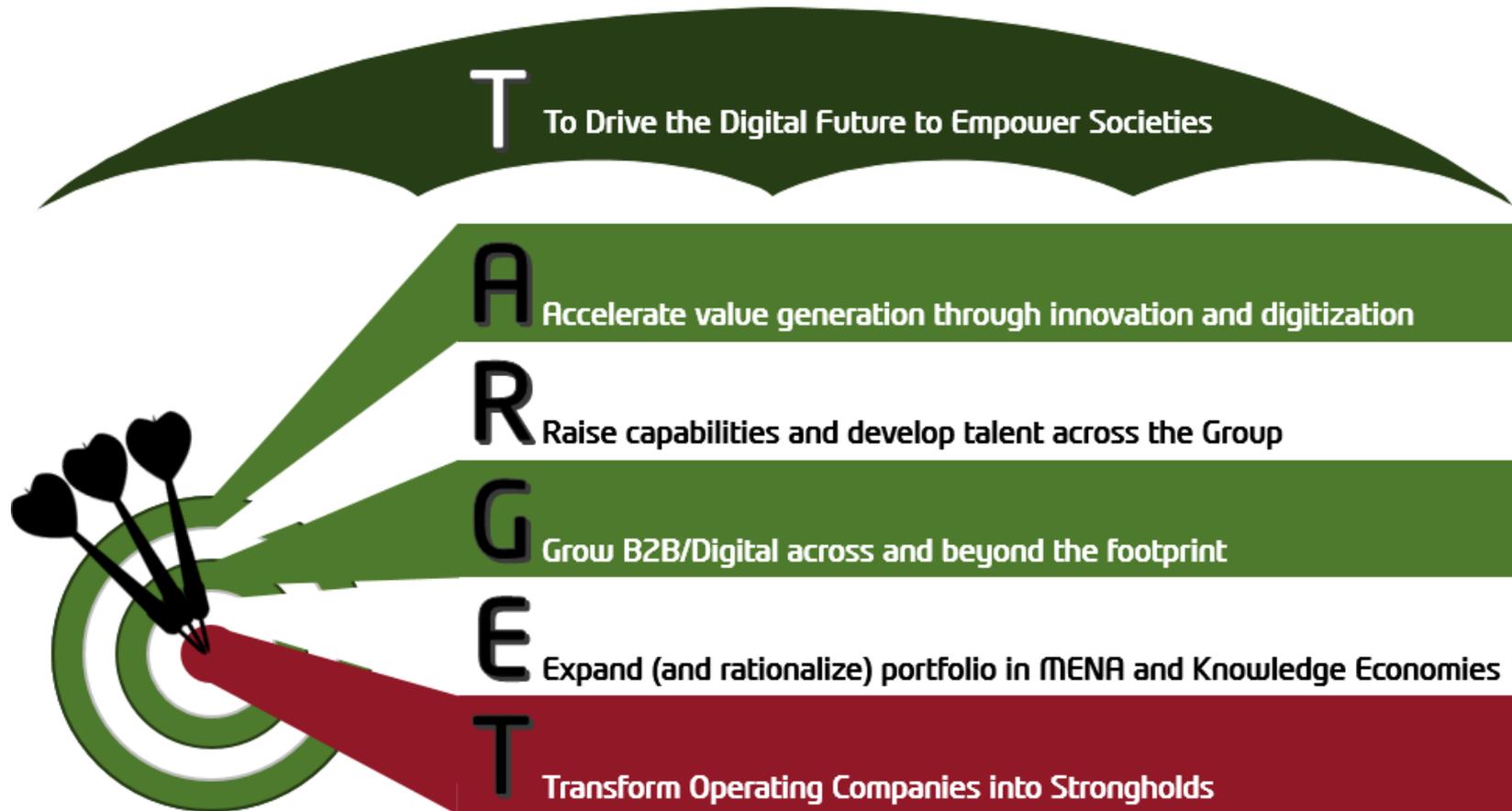


Source: IDATE for FTTH Council Europe, September 2017 Update (Announced on February 2018) covering economies with at least 200,000 households and greater than 1% household penetration
 Tenancies assumed at 1,896,583 household, percentage includes fiber to the curb

In 2017, we reviewed our Group vision & strategy to reflect our digital ambition and key growth priorities...



Key Achievements



.. while delivering against various group wide & OpCos' specific initiatives

Key Achievements

Portfolio Rationalization



- 4G coverage in **MT** exceeding **93%** of population (73% in 2016)
- **Universal license & spectrum acquisition**, in addition to concluding Level 1 restructuring at **Mobily**
- Ongoing **fixed network** transformation in **PTCL**
- Deployment of 4G network in **Egypt**
- **Sri Lanka operations under review.**

Strategic Imperatives



Digital Agenda

- Disseminating digital capabilities across the group.
- Expanding etisalat Digital outside markets by winning global service deals across our footprint.
- Fostering open innovation through collaboration with DFA for startups, launched 2 challenges pertaining to health and digital security risks.
- launched the Etisalat Digital Open Innovation Center.
- Introduced a sub brand "SWYP" for digital millennials

Technological Leadership

- Continued strategic network investments to support company future, e.g. 5G pre-commercial launch, and Group cloud factory.
- Commercial launch of 4K TV service.
- Lunch of VoLTE HD voice, with around 900K Subscribers to date.
- Adoption of AI and RPAs.

Synergy & Value Creation

- Achieved synergy at group level in wholesale business, through group to group roaming and capacity deals, in addition to boosting internalization of services.
- Enhanced value at group level through group procurement savings

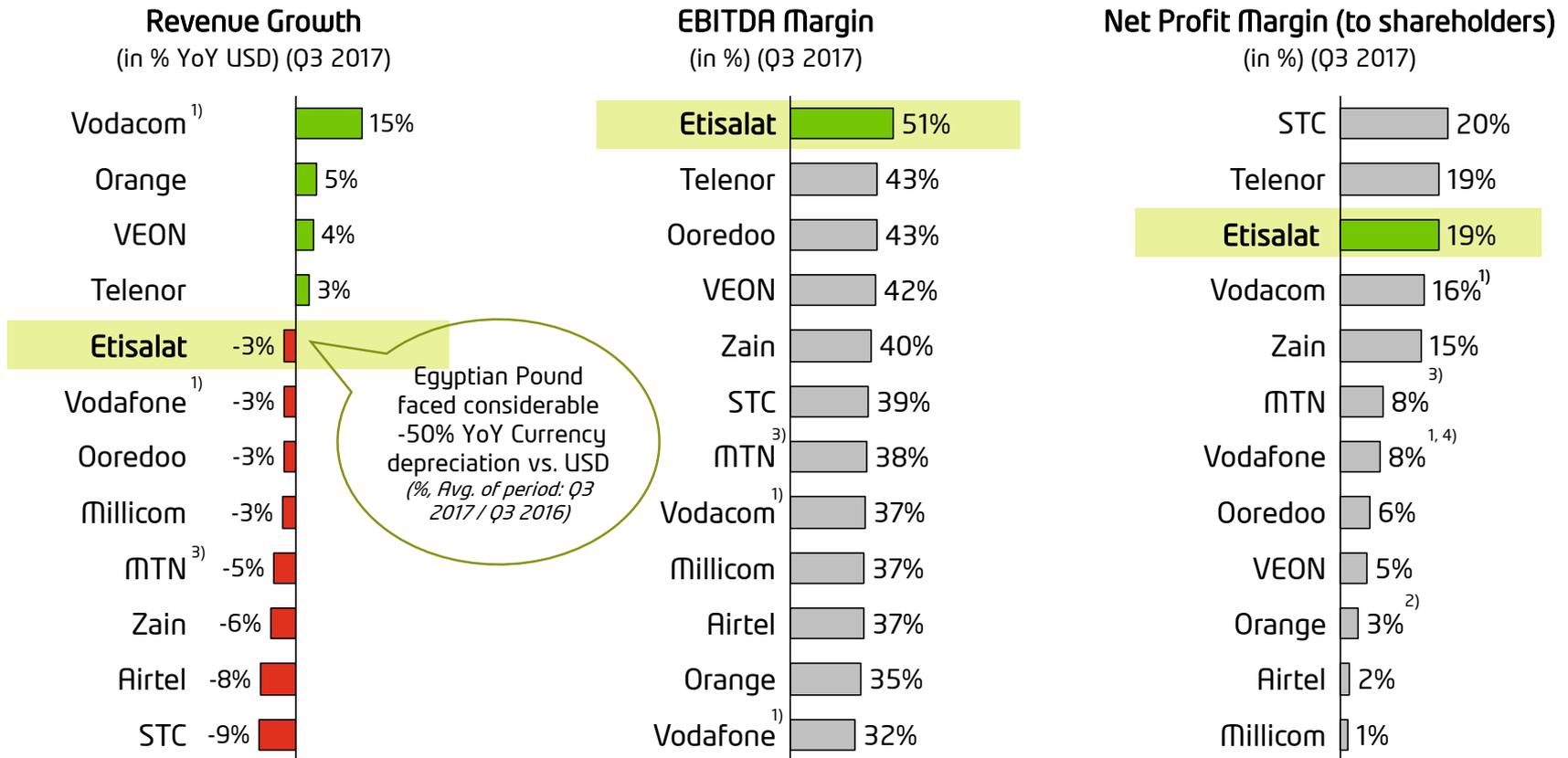
Etisalat enjoys the highest EBITDA % and one of the highest Net Profit % among peers, despite unfavorable exchange rate movements impacting revenue growth



Peer Groups Comparison

Key performance indicators from a Shareholder Perspective

(Comparison on 3m basis, with some operators reporting EBITDA and Net Profit on a half-year basis)



Note 1: Vodafone, Vodacom Revenue growth, EBITDA and Net Profit margin are based on the reported half-year results covering the period of Q2/ Q3 2017
 Note 2: Orange Net profit is reported on half year basis and is based on H1 2017
 Note 3: MTN Revenue growth, EBITDA and Net Profit margin are based on the reported half-year results covering the period of H1 2017
 Note 4: Vodafone reported Net Profit is Vodafone Adjusted Net Profit, i.e. before exceptional items (for example impairments)
 Source: Company reports, Bloomberg

We continue to operate in a dynamic industry with a range of challenges but also opportunities for growth...

Industry Outlook

Macro-Economic Outlook



Country level reforms ongoing across the footprint, particularly in KSA as part of the National Transformation Plan



Oil price currently high but still subject to risk albeit countries are in the process of diversifying their economies



FOREX volatility and devaluations driving uncertainty

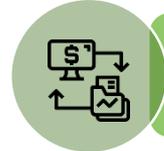


Slight slow-down in population growth across certain OpCo countries



Regional instability driving uncertainty

ICT Market Outlook



ICT remains a pivotal element of our OpCo countries' plans to boost economies



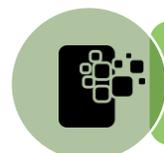
Rapidly changing consumer behavior, as they fully embrace digital lifestyles



Increasingly widespread usage of OTT apps to access services and content



OTT-based substitution of voice and SMS is putting increased pressure on core telco revenue, which remains sizeable



Strong demand for Data, TV and Digital services driving market growth



...fueled by new technologies and business models that are accelerating the transition into a digital future



Industry Outlook

Non-Exhaustive

Selected Key Topics affecting the Telco Industry

Internet of [Every]Thing



Artificial Intelligence and Machine Learning



Big Data Analytics



Cyber Security



Next Generation Connectivity



Omni-channel Customer Experience



Robotics / Automation



Smart Cities / Verticals



Cloud



Blockchain



Entertainment Content, and AR/VR



e/m-Commerce



As an industry leader, Etisalat has successfully launched pre-commercial 5G, achieving global speed records



Industry Outlook

Non-Exhaustive

Selected Key Topics affecting the Telco Industry

Internet of [Every]Thing



Next Generation Connectivity



Cloud



71Gbps

During Gitex October 2017

Big Data Analytics

Cyber Security



5G pre-commercial site

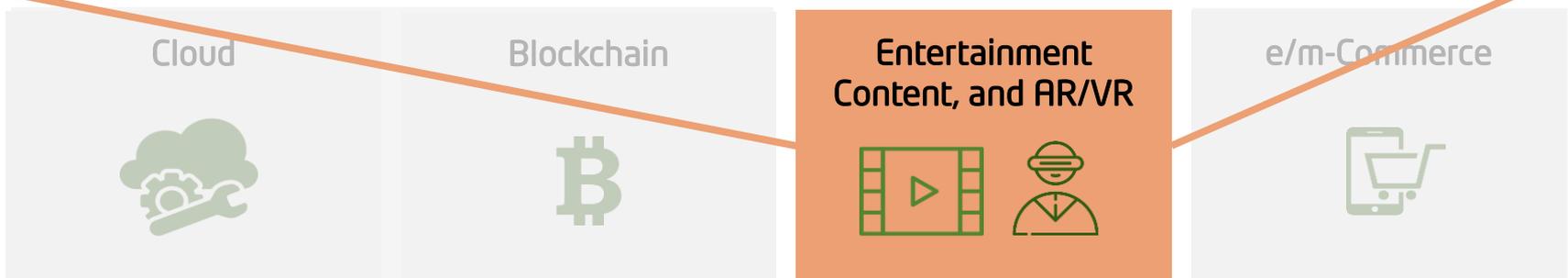
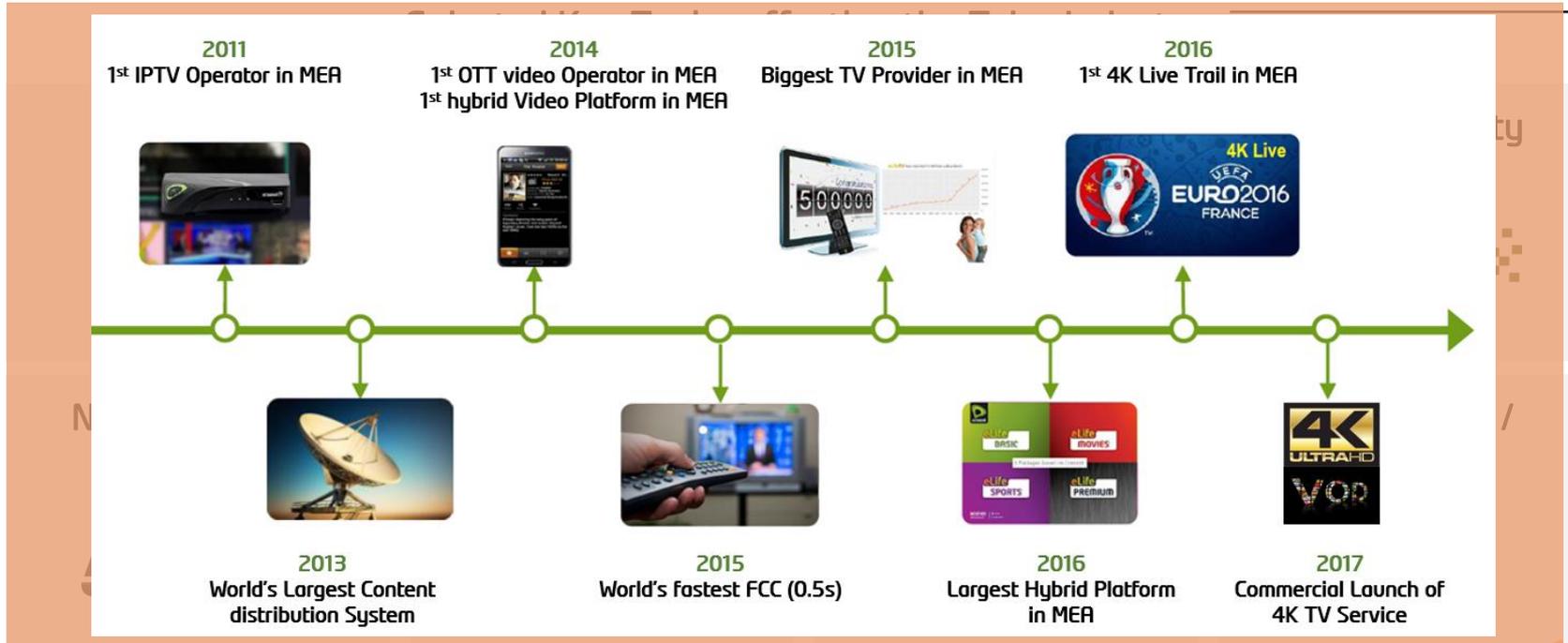
Drone 360° Live VR, site operating on C-Band

Our focus on video and content started long time ago stemming from our understanding of its strategic importance



Industry Outlook

Non-Exhaustive



Source: GSMA, Ovum, Analysys Mason, BMI, Huawei, EIU, Pyramid Research, IMF, IDC, Gartner, Etisalat

FCC stands for Fast Channel Change

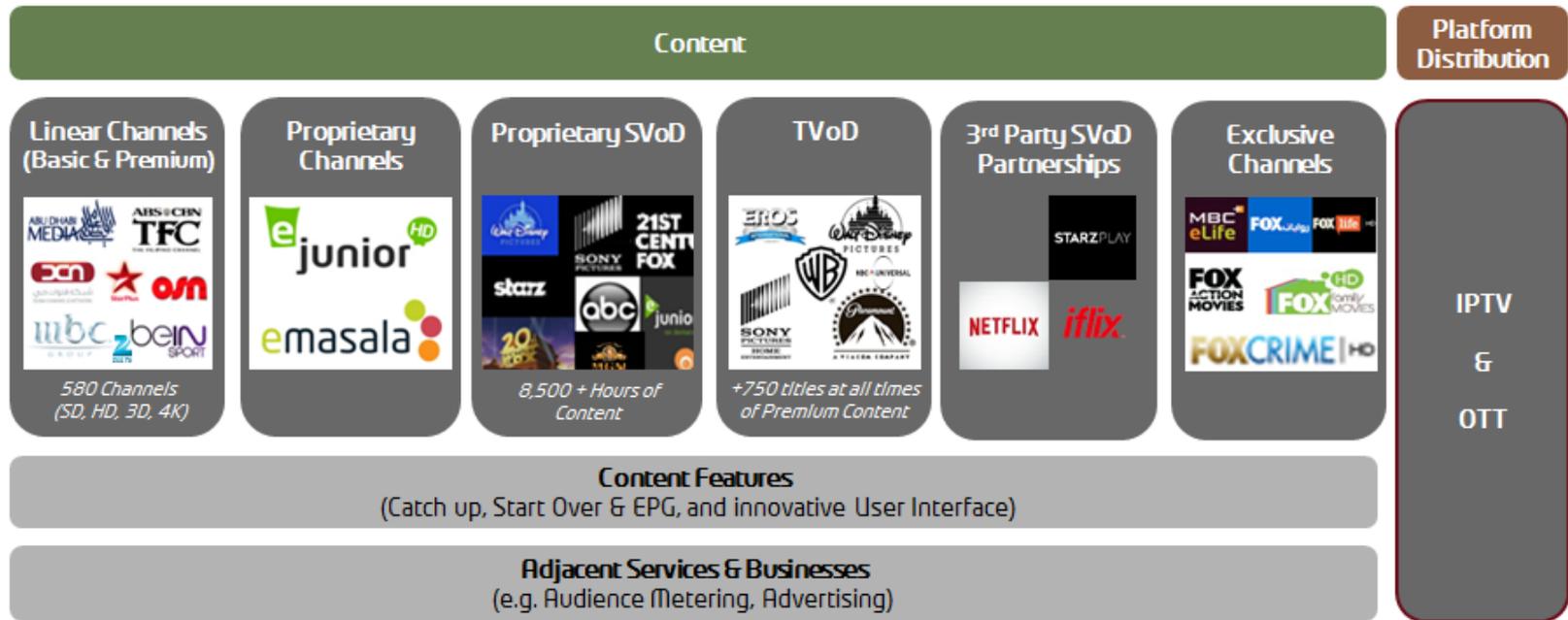
Early entrance, comprehensive offering, and the partnership approach enabled EG to become a leading player in the Pay TV/Content space



Industry Outlook

Non-Exhaustive

Etisalat E2E Media service offering



EG subsidiaries - TV/Content Engagement



Entertainment Content, and AR/VR



EG key partners



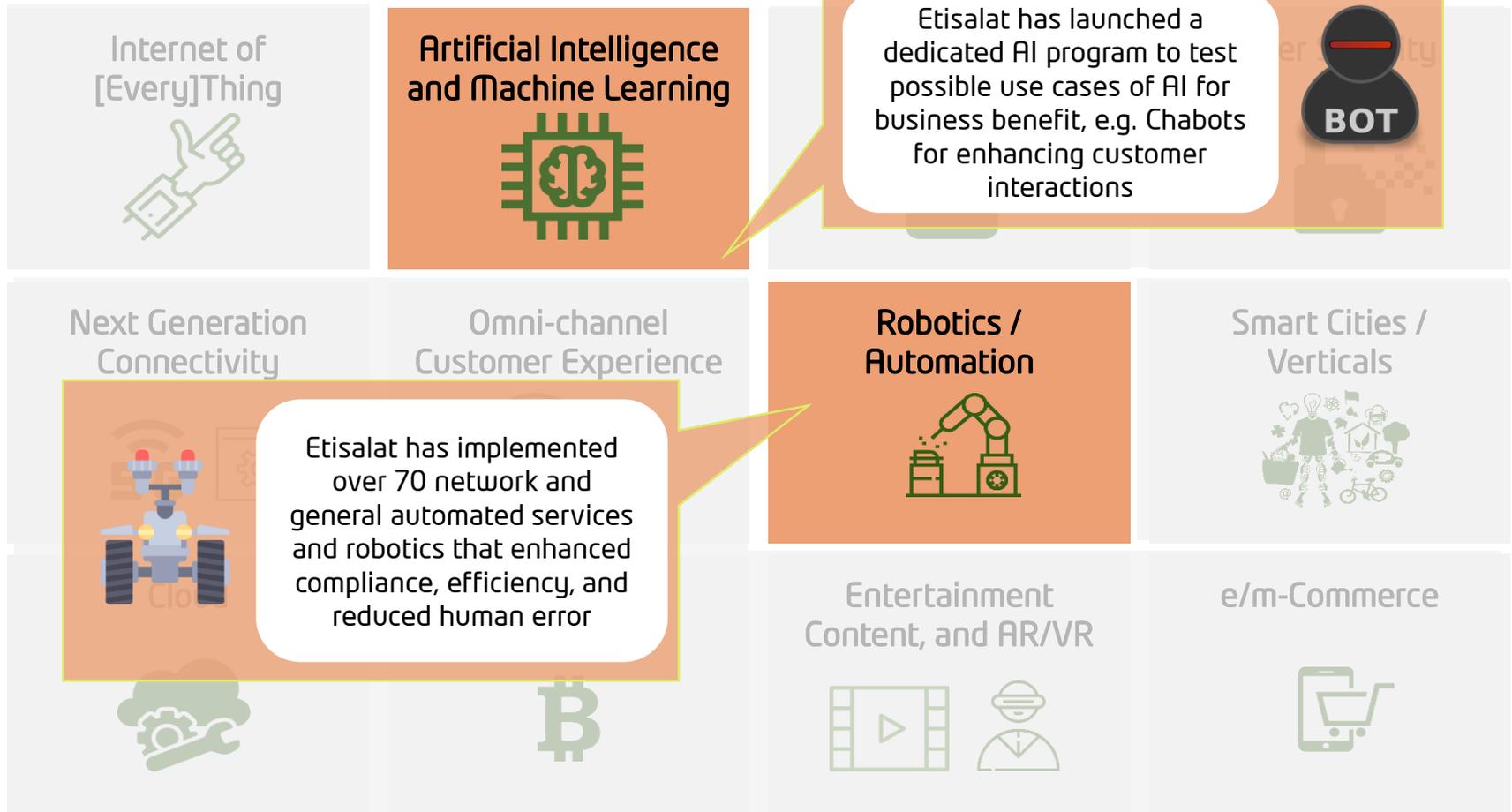
Piloting and trialing futuristic technologies, as in AI and RPAs, for business benefit remains one of Etisalat's strategic imperatives



Industry Outlook

Non-Exhaustive

Selected Key Topics affecting the Telco Industry

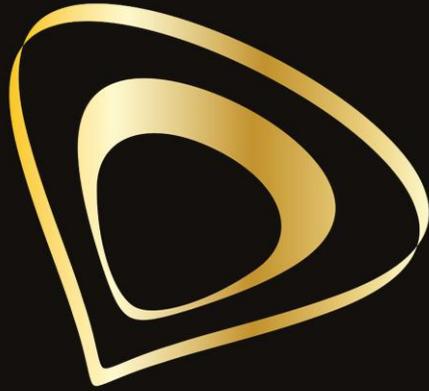


Moving forward, we will continue to follow a growth path while focusing on multiple business critical missions



Closing Remarks

- Focusing on the **implementation of our digital strategy** by working closely with all OpCo's to realize "TARGET".
- Focusing on **nurturing and institutionalizing innovation** within the organization's fabric, while elevating the innovation level in surrounding ecosystem by adopting **open innovation**.
- Sustaining our **technological leadership** by adopting, trialing, and rolling out next generation technologies that bring business value and enhance customer interactions.
- **Enhancing the bottom line** through initiatives that drive group wide synergy and value creation, operational excellence, and cost efficiency, which will support in mitigating the currency exposures in certain markets.
- Continue to invest in our **brand, talent and Group Family Culture** as key enablers for company growth.
- **Portfolio rationalization and optimization** will continue to be an area of focus, as we are trying to enhance the relevance and fit of individual investments within the bigger portfolio.
- We will continue to **pursue inorganic growth opportunities** that meet our investment criteria.



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Group Financial Results

Serkan Okandan

Group Chief Financial Officer

Etisalat Group Financial Highlights



<i>AED Million</i>	Q4 2017	Growth YoY%	Growth QoQ%	FY2017	Growth YoY%
Revenue	13,481	+4%	+5%	51,666	-1%
EBITDA	6,438	+3%	-2%	25,977	-1%
<i>EBITDA Margin</i>	48%	-1pp	-3pp	50%	0pp
Net profit	1,969	-12%	-35%	8,444	0%
<i>Net profit Margin</i>	15%	-3pp	-18pp	16%	0pp
Capex	2,645	-50%	+68%	8,040	-24%
<i>Capex/Revenue</i>	20%	-21pp	+7pp	16%	-4pp

4Q2017 Highlights

- Revenue growth is attributed to both domestic and int'l operations
- Lower EBITDA margin due to change in revenue mix
- Net profit impacted by higher royalty, taxation and minority interest
- Lower capital expenditure attributed to domestic and international operations

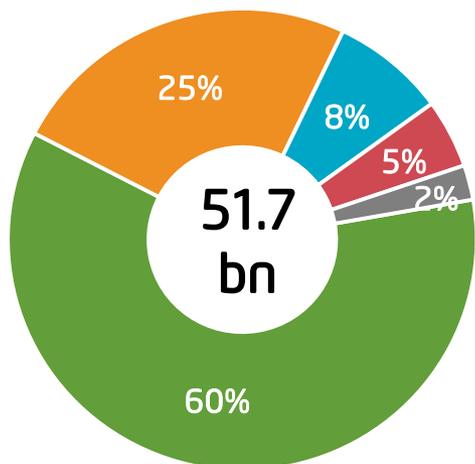
FY2017 Highlights

- Revenue and EBITDA impacted by unfavourable exchange rate movement in Egyptian Pound
- Maintained strong EBITDA margin at 50% level
- Net profit slightly higher impacted by higher share of losses from associate and royalty charges
- Lower capital expenditure attributed to 4G license acquisition in Egypt prior year

Etisalat Group Financial Highlights



Revenue Breakdown FY 2017 (AED m)



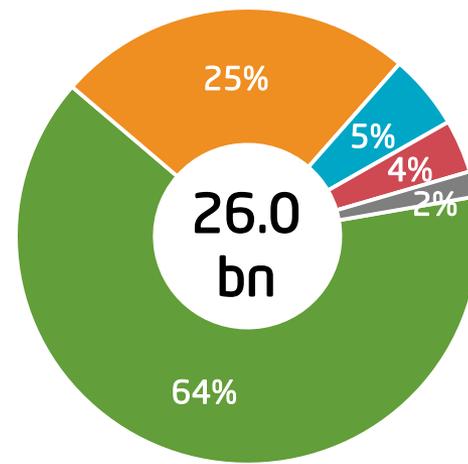
■ UAE ■ MT ■ Pakistan ■ Egypt ■ Others

-1%

YoY Growth

UAE		+3%
MT Group	(LC -1%)	0%
Egypt	(LC +17%)	-38%
Pakistan	(LC 0%)	-1%

EBITDA Breakdown FY 2017 (AED m)



■ UAE ■ MT ■ Pakistan ■ Egypt ■ Others

-1%

YoY Growth

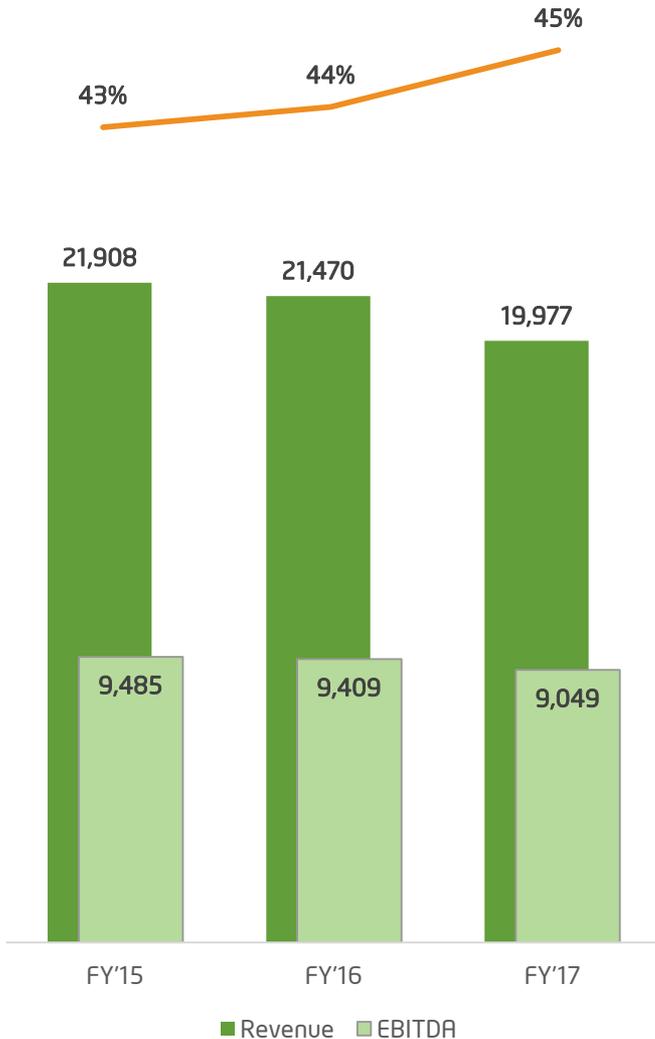
UAE		+2%
MT Group	(LC +1%)	+3%
Egypt	(LC +20%)	-38%
Pakistan	(LC -1%)	-1%

■ Represents others

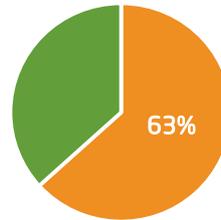
(1) Financial figures are restated to exclude the impact of discontinued operations

Int'l Operations Financial Highlights FY 2017

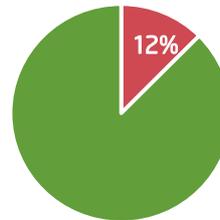
Revenue (AED m)/EBITDA (AED m) /
EBITDA Margin (%)



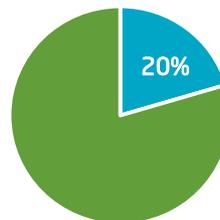
Maroc Telecom Group



Etisalat Misr



Pakistan



Revenue & EBITDA (AED m) /
EBITDA Margin (%) / YoY Growth %

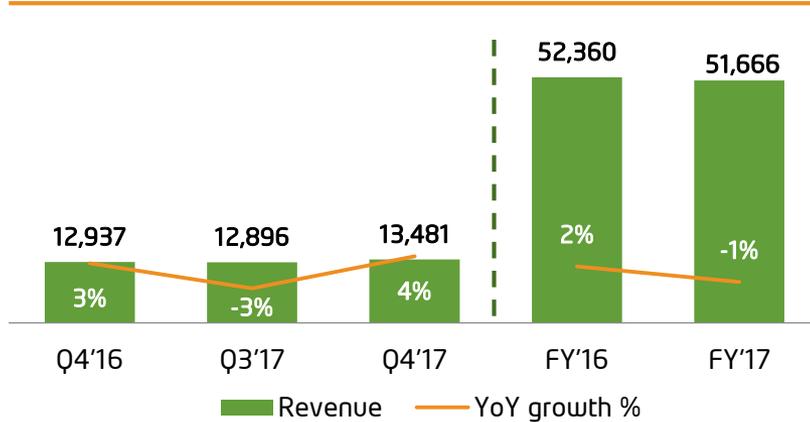
	FY 2017	YoY Growth in AED	Growth in MAD
Revenue	12,638	0%	-1%
EBITDA	6,506	+3	+1%
<i>EBITDA Margin</i>	<i>51%</i>	<i>+2pp</i>	<i>+2pp</i>

	FY 2017	YoY Growth in AED	YoY growth in EGP
Revenue	2,486	-38%	+17%
EBITDA	979	-38%	+20%
<i>EBITDA Margin</i>	<i>39%</i>	<i>Opp</i>	<i>Opp</i>

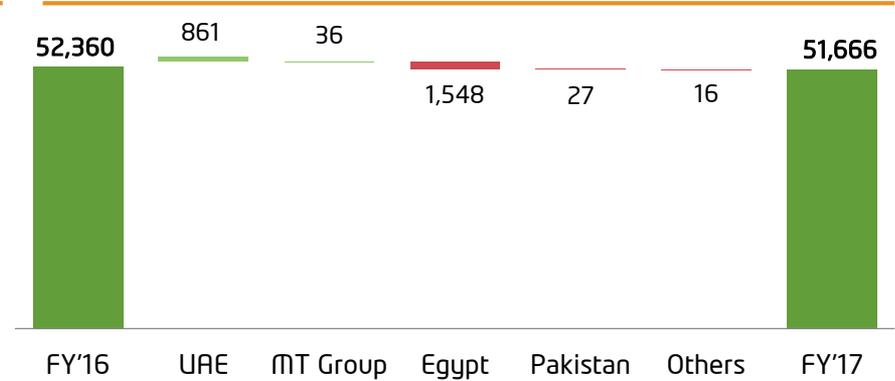
	FY 2017	YoY Growth in AED	YoY growth in PKR
Revenue	4,084	-1%	0%
EBITDA	1,373	-1%	-1%
<i>EBITDA Margin</i>	<i>34%</i>	<i>Opp</i>	<i>Opp</i>

Group Revenue

Revenue (AED m) and YoY growth (%)



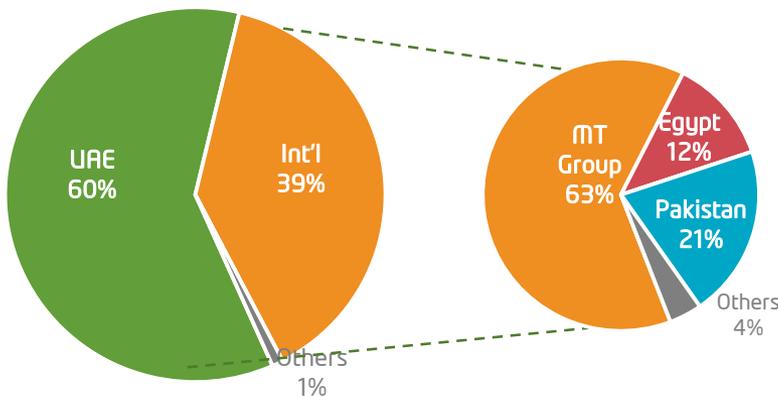
Sources of Revenue growth - FY'17 vs FY'16 (AED m)



Revenue by Cluster (FY'17)

Domestic vs. Int'l

International



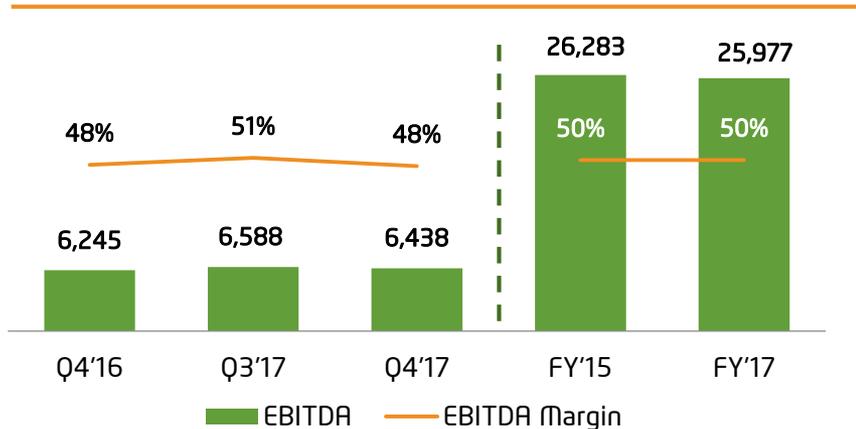
Highlights

- In FY'17 consolidated revenue decreased Y/Y by 1% attributed to Int'l operations that was impacted by currency depreciation in Egypt
- Growth in the UAE mainly due to higher broadband, digital services, handsets and wholesale revenues
- Revenues from international consolidated operations declined by 7%, resulting in 39% contribution to Group revenues, 2pp lower than prior year mainly attributed to currency devaluation in Egypt
 - Revenue growth in MT Group mainly from international operations and domestic fixed segment
 - Revenue growth in Egypt impacted by currency devaluation
 - Revenue growth in Pakistan impacted by lower subscriber base, usage and mobile broadband competition faced by EVO product

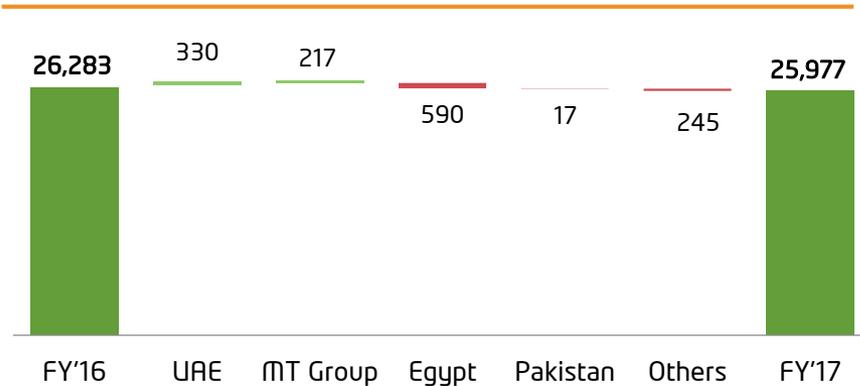
Group EBITDA



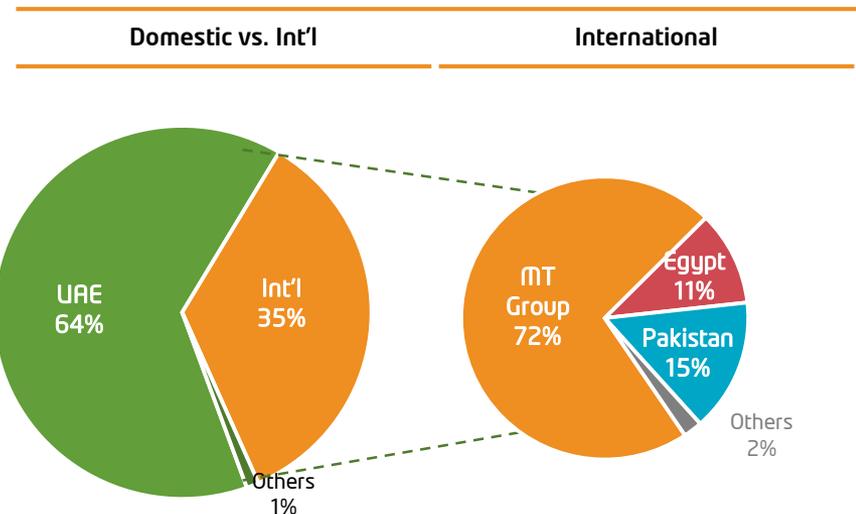
EBITDA (AED m) & EBITDA Margin



Sources of EBITDA growth - FY'17 vs FY'16 (AED m)



EBITDA by Cluster (FY'17)

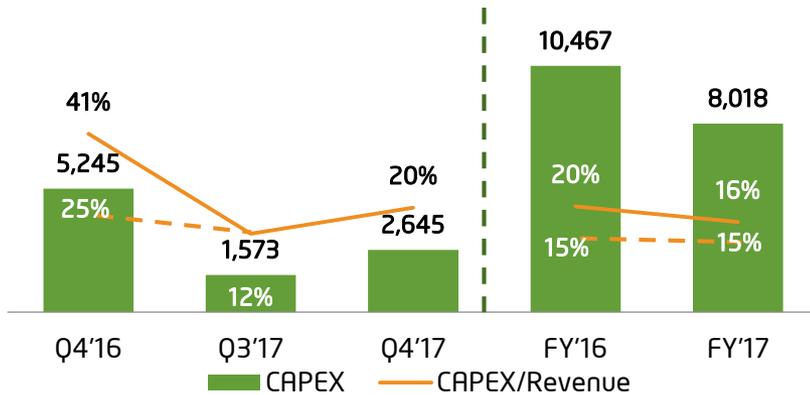


Highlights

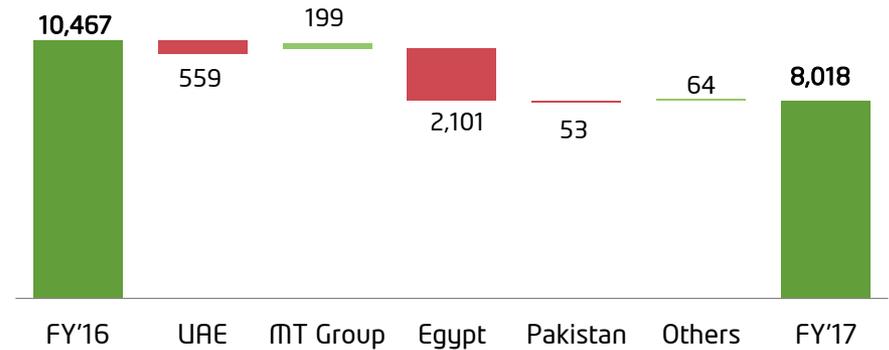
- FY'17 consolidated EBITDA decreased Y/Y by 1% mainly due to currency devaluation in Egypt
- EBITDA in the UAE positively impacted by higher revenue and lower operating costs
- EBITDA of consolidated international operations decreased Y/Y by 4% mainly due to currency devaluation, resulting in 35% contribution to Group EBITDA
 - Positive contribution from Maroc Telecom Group attributed to international operations
 - Egypt impacted by currency devaluation and inflationary pressure
 - Pakistan impacted by higher interconnection and termination costs

Group Capex

CAPEX (AED m) & CAPEX/Revenue Ratio (%)



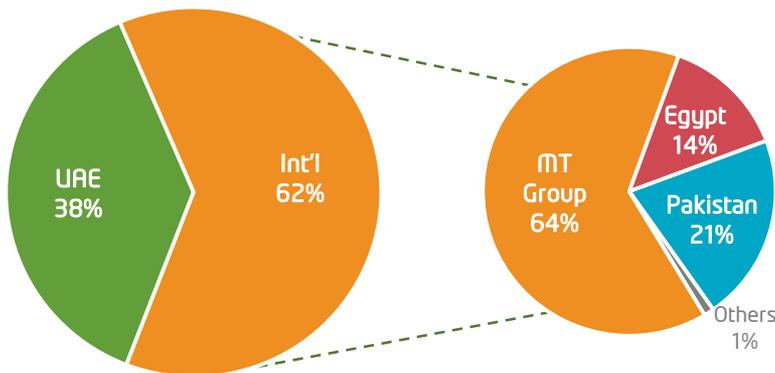
Sources of Capex growth - FY'17 vs FY'16 (AED m)



CAPEX by Cluster (FY'17)

Domestic vs. Int'l

International



Highlights

- In FY'17 consolidated capex decreased Y/Y by 23% resulting in Capex / Revenue ratio of 16%
- Lower capital spend in the UAE focused on network maintenance and modernization
- Capital expenditure in international operations decreased by 28% and contributed 62% of consolidated Group Capex
 - Higher capex in MT Group attributed to 4G+ deployment in Morocco and network expansion in Int'l markets
 - Lower capex in Egypt attributed to acquisition of 4G license in prior year
 - Lower capex spend in Pakistan with focus on fixed network modernization

Group Balance Sheet & Cash Flows



Balance Sheet (AED m)	Dec-16	Dec-17
Cash & bank Balances	23,676	27,125
Total Assets	122,521	128,284
Total Debt	22,279	24,705
Net Cash / (Debt)	1,398	2,420
Total Equity	55,915	57,704

Net cash position (AED m)	FY-16	FY-17
Operating	18,926	20,306
Investing	(9,361)	(7,567)
Financing	(7,726)	(9,027)
Net change in cash	1,839	3,712
<i>Effect of FX rate changes</i>	<i>355</i>	<i>(288)</i>
Reclassified as held for sales	60	25
Ending cash balance	23,676	27,125

Investment Grade Credit Ratings

S&P Global

AA-/Stable



Moody's

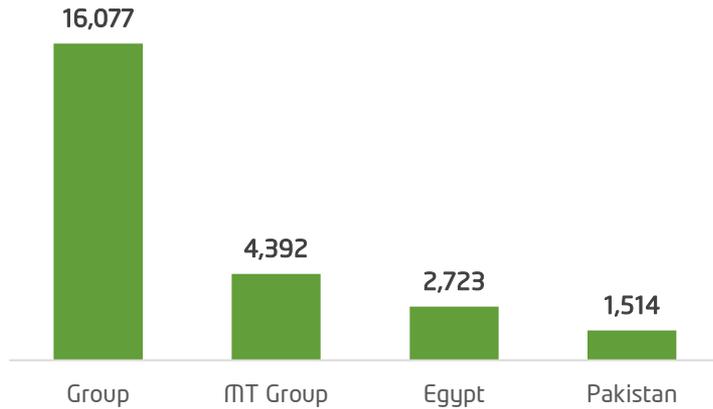
Aa3/Stable

Highlights

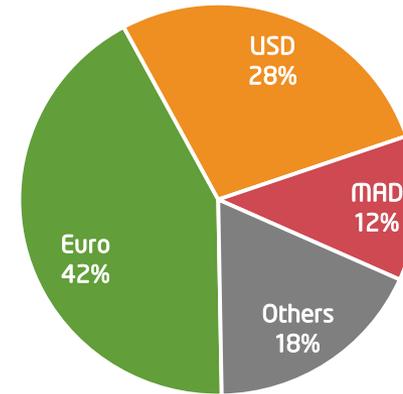
- Strong liquidity position with record cash balance
- Continued net cash position
- Higher operating cash flow due to improvements in working capital
- Lower investing cash flow due to lower capex
- Higher financing cash flow due to lower net proceeds from borrowings

Debt Profile: Diversified debt portfolio

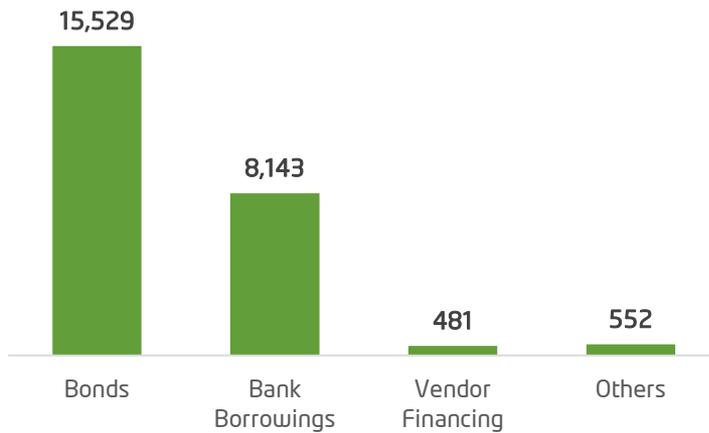
Borrowings by Operation Q4 2017 (AED m)



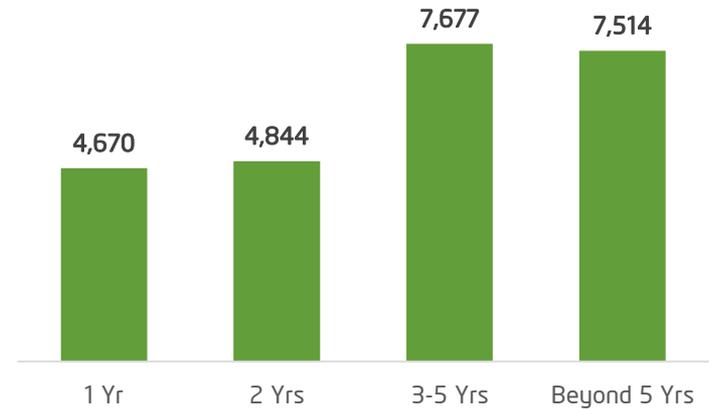
Borrowings by Currency Q4 2017



Debt by Source Q4 2017 (AED m)

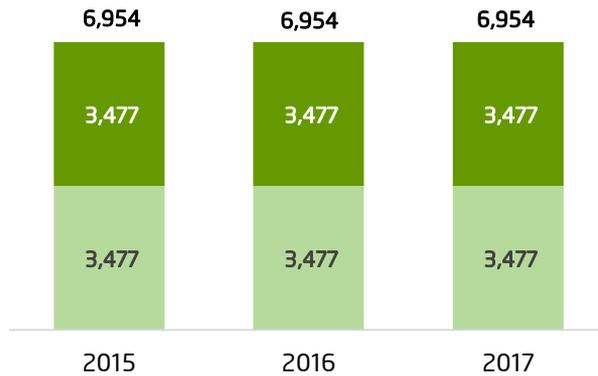


Repayment Schedule Q4 2017 (AED m)

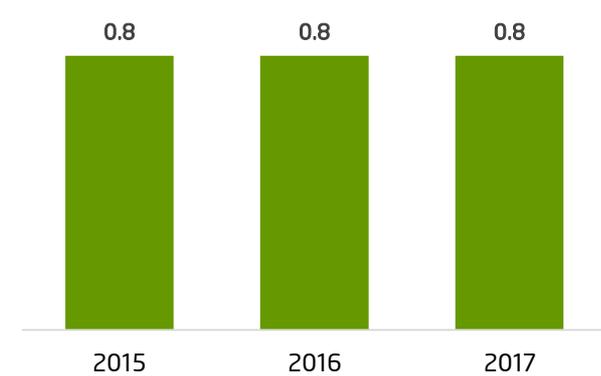


Group Dividends: Proposed dividend for 2017 of 80 fils per share

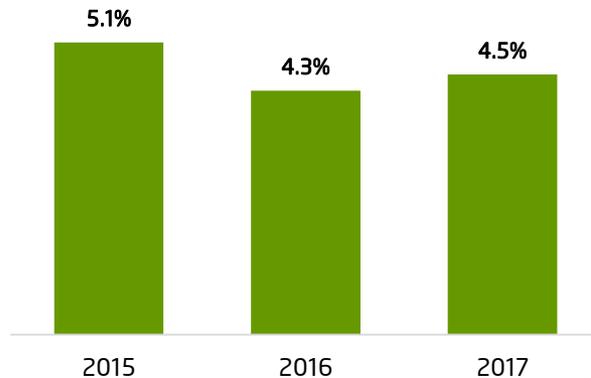
Cash Dividends (AED m)



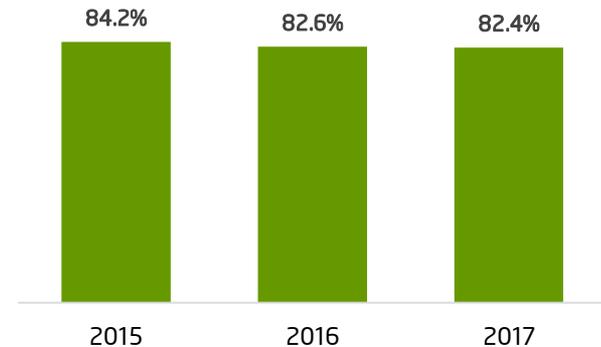
Dividends Per Share (AED)



Dividend Yield ⁽¹⁾ (%)



Dividend Payout Ratio (%)



Proposed final dividend of 40 fils per share, bringing the full year dividend to 80 fils per share is subject to the shareholders approval on the AGM scheduled on March 21th, 2018

(1) Dividend yield is based on share price as of 24 August 2017 and 19 February 2018



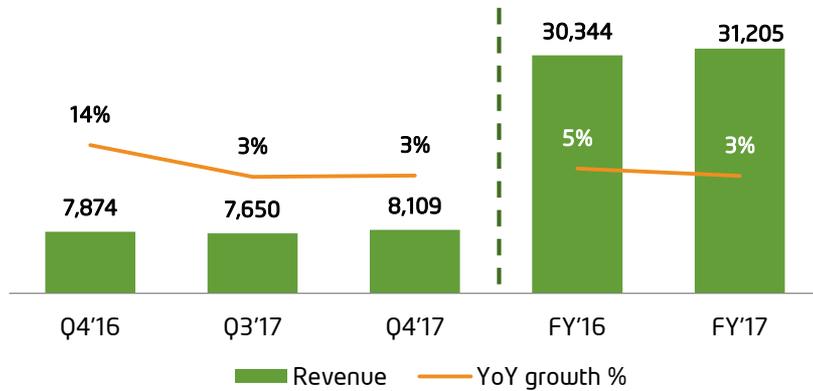
Country by Country Financial Review



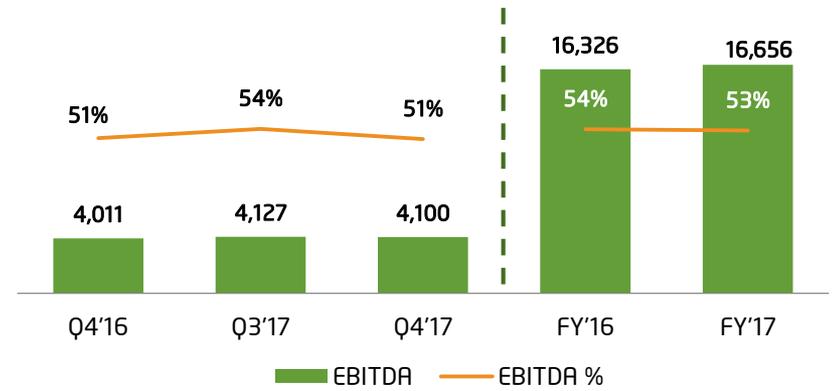
UAE: Maintained revenue growth with improved profitability



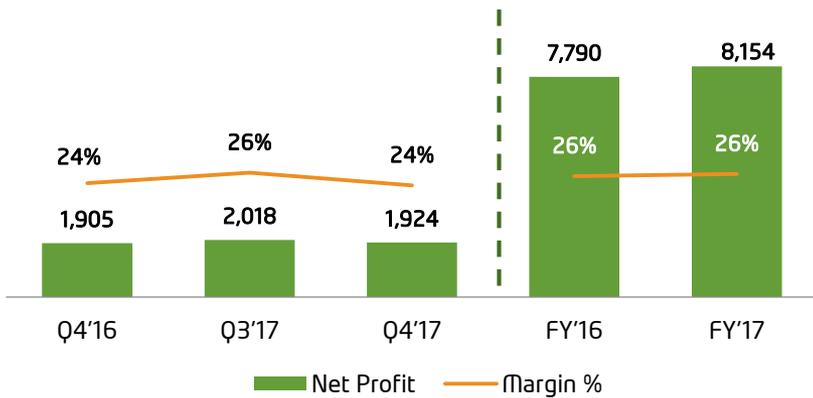
Revenue (AED m) / YoY Growth (%)



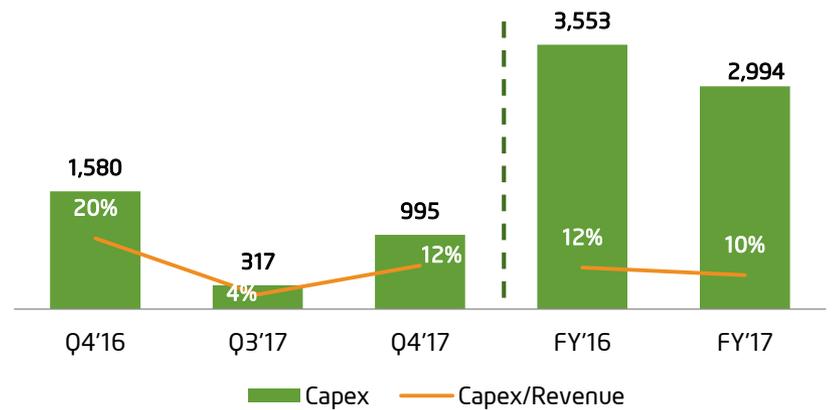
EBITDA (AED m) / EBITDA %



Net Profit (AED m) / Profit Margin (%)



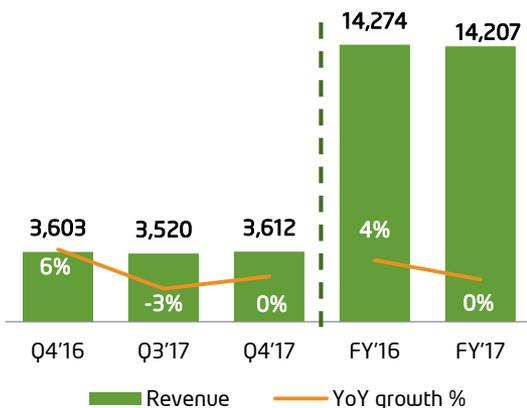
CAPEX (AED m) & CAPEX/Revenue Ratio (%)



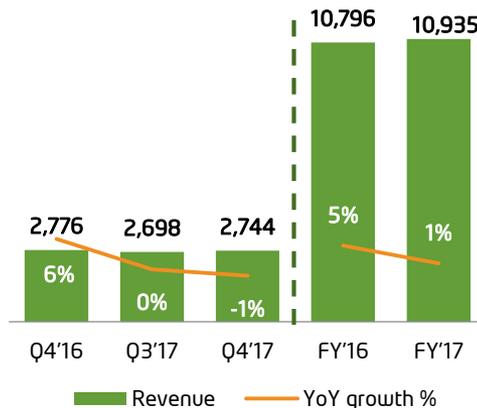
UAE: Revenue Breakdown and Key KPIs



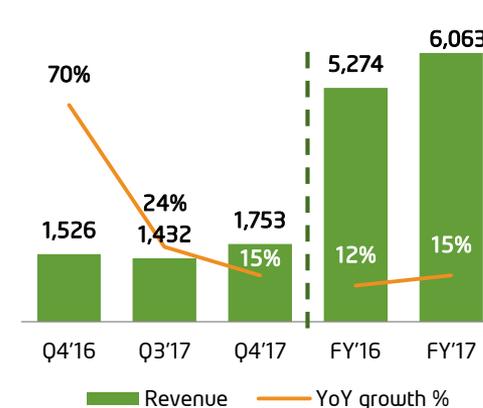
Mobile Revenues ⁽¹⁾ (AED m)



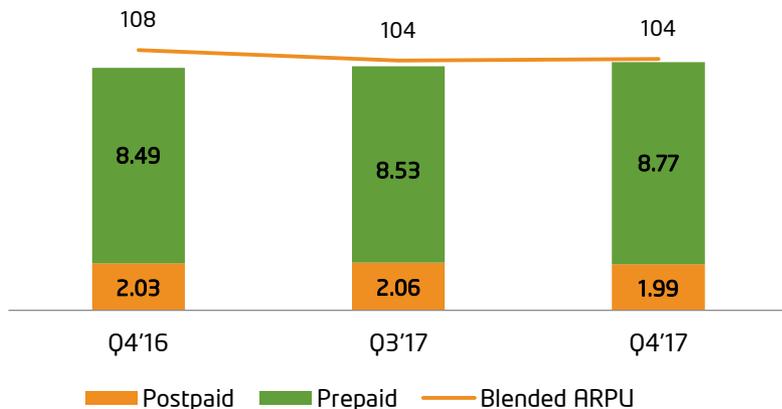
Fixed Revenues ⁽²⁾ (AED m)



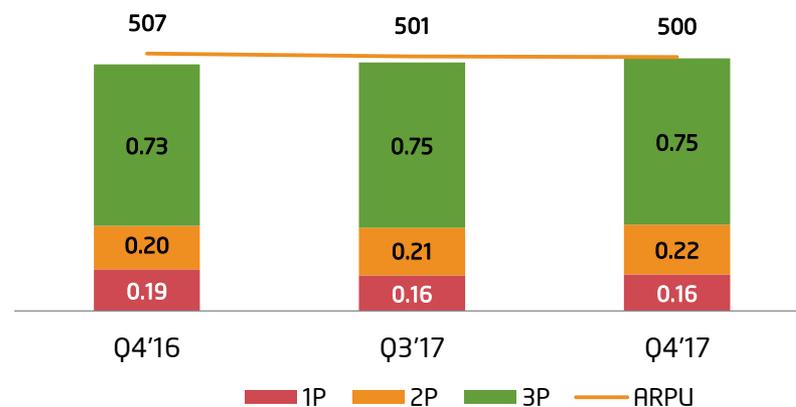
Other Revenues ⁽³⁾ (AED m)



Mobile Subs⁽⁴⁾ (m) & ARPU⁽⁵⁾ (AED)



Fixed Broadband ⁽⁶⁾ Subs (m) & ARPU ⁽⁷⁾ (AED)



- (1) Mobile revenues includes mobile voice, data, rental, outbound roaming, visitor roaming, VAS, and Digital services
- (2) Fixed revenues includes fixed voice, data, rental, VAS, internet and TV services
- (3) Others Revenues includes ICT, Managed Services, Wholesale (local and int'l interconnection, transit and others), Handsets and Miscellaneous
- (4) Mobile subscribers represents active subscriber who has made or received a voice or video call in the preceding 90 days, or has sent an SMS or MMS during that period
- (5) Mobile ARPU ("Average Revenue Per User") calculated as total mobile revenue divided by the average mobile subscribers.
- (6) Fixed broadband subscriber numbers calculated as total of residential DSL (Al-Shamil), corporate DSL (Business One) and E-Life subscribers.
- (7) ARPL ("Average Revenue Per Line") calculated as fixed line revenues divided by the average fixed subscribers.

Maroc Telecom: Improvement in operating margins and profitability

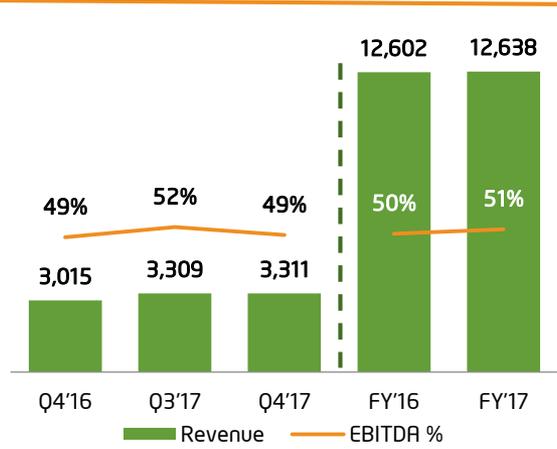
Morocco, Benin, Burkina Faso, CAR, CDI, Gabon, Mali, Mauritania, Niger and Togo



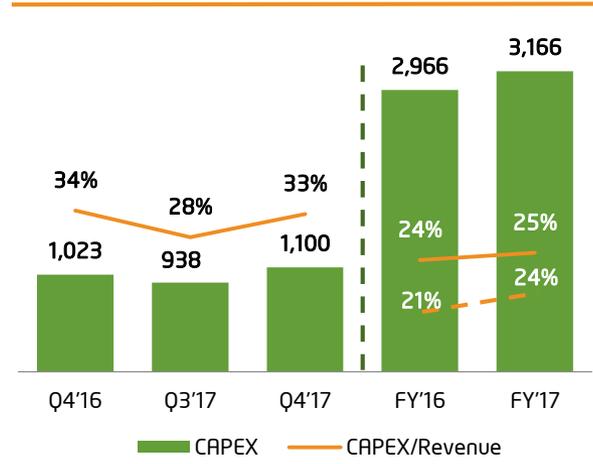
Subscribers (m)



Revenue (AED m) / EBITDA Margin



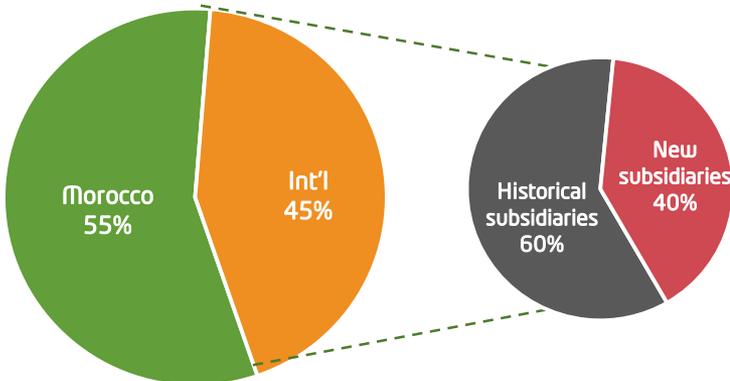
CAPEX (AED m) & CAPEX/Revenue Ratio (%)



Revenue Breakdown FY'17

Domestic vs. Int'l

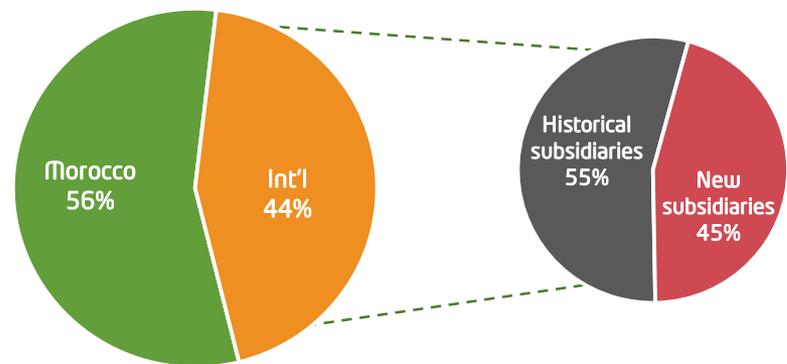
Int'l



Capex Breakdown FY'17

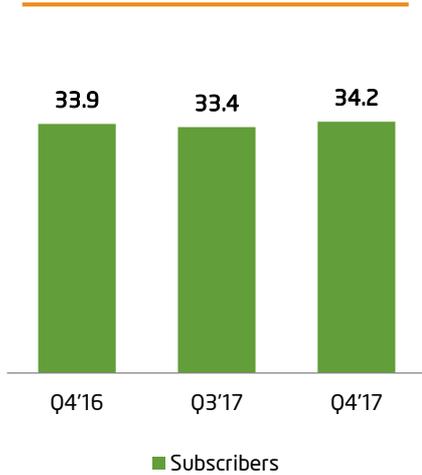
Domestic vs. Int'l

Int'l

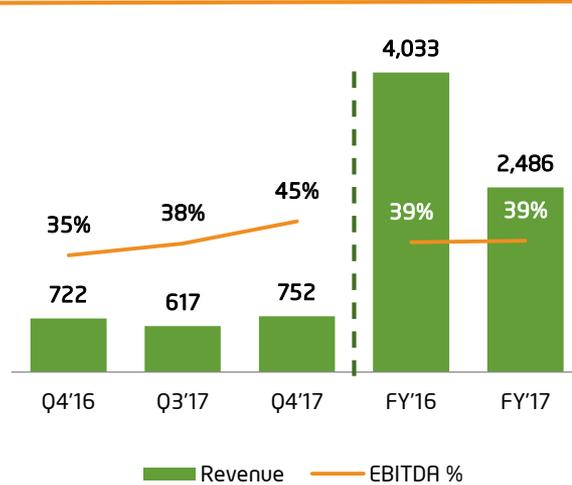


Egypt: Launch of 4G services and entrance of 4th mobile operator while Etisalat reinforcing its 2nd position in the market

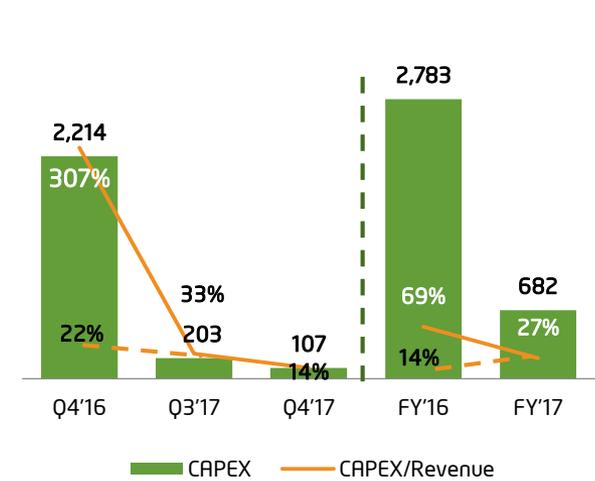
Total Subscribers ⁽¹⁾ (m)



Revenue (AED m) / EBITDA Margin



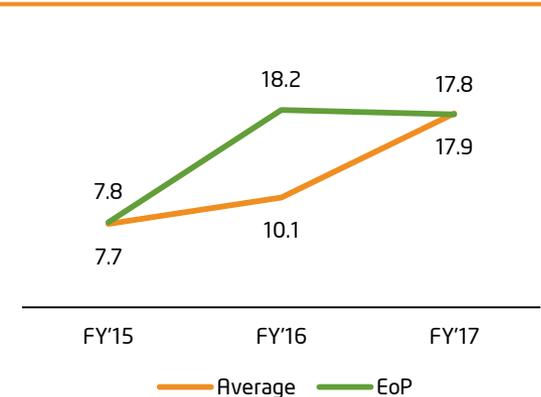
CAPEX (AED m) & CAPEX/Revenue Ratio (%)



Highlights

- 4G services launched in September 2018
- Incumbent fixed operator launched mobile services
- Y/Y revenue growth impacted by steep currency devaluation
 - Strong revenue growth Y/Y in local currency
 - Revenue growth across all segments
- Maintained EBITDA margin despite inflationary pressure on opex
- Excluding 4G license cost from prior year, higher capital spending focusing on 4G deployment

USD / EGP FX Rate (EGP)

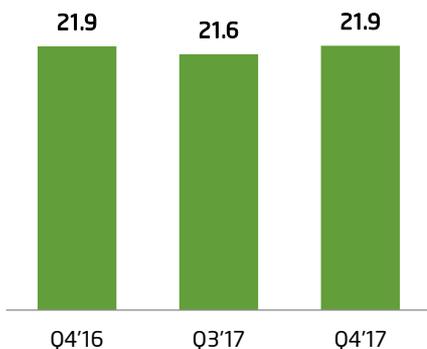


(1) Subscribers figures are based on Etisalat Group definition

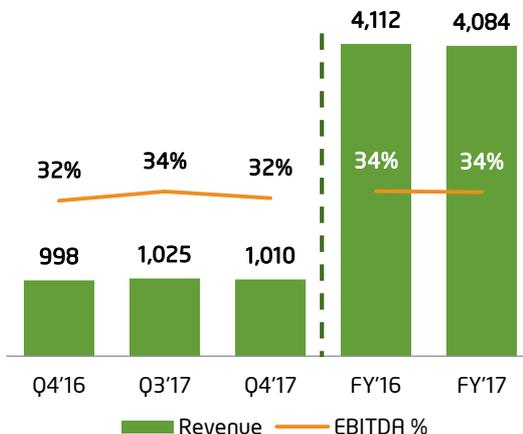
Pakistan: Stabilizing revenues with sustained profitability margins



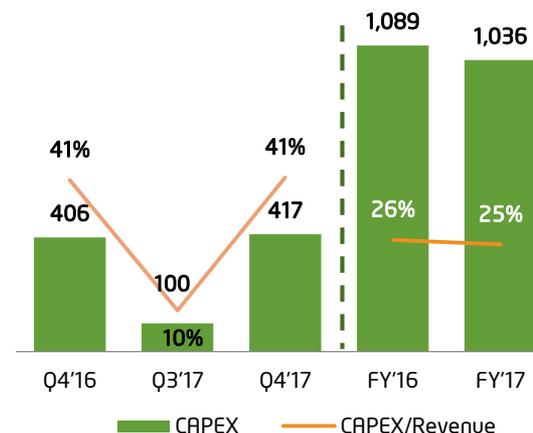
Subscribers (m)



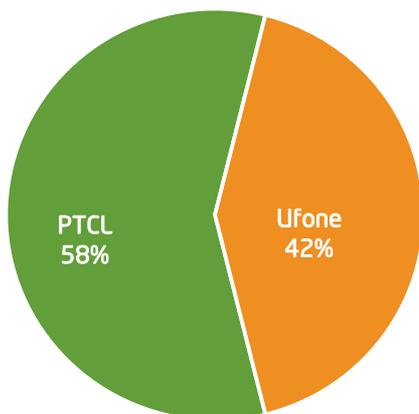
Revenue (AED m) / EBITDA Margin



CAPEX (AED m) & CAPEX/Revenue Ratio (%)



Revenue Breakdown FY'17



Highlights

- Second consecutive quarter with positive mobile subscriber growth
- Slightly lower revenue Y/Y impacted by lower usage and increased mobile broadband competition facing EVO segment
- Stable EBITDA margin with focus on optimizing network costs
- Lower capex spend focused on fixed network modernization

2017 Actual Against Guidance: Met 2017 guidance while over-achieving the revenue guidance for the year

Financial KPI	Guidance 2017 in AED	Guidance 2017 Constant Currencies ⁽¹⁾	Revised Guidance 2017 in AED	Revised Guidance 2017 Constant Currencies ⁽¹⁾	Actual FY 2017 In AED	Actual FY 2017 Constant Currencies ⁽¹⁾
Revenue Growth %	Slightly Lower	1% - 2%	-2.5% to -3.0%	+1.5% to +2.0%	-1.3%	+2.4%
EBITDA Margin%	around 50%		50.0% to 51.0%		50.3%	
CAPEX / Revenue %	18% - 19%		15.5% - 16.5%		15.5%	

(1) Constant currency: Financial results assuming constant foreign currency exchange rates used for translation based on the rates in effect for the comparable prior-year period. In order to compute our constant currency results, we multiple or divide, as appropriate, our current AED results by the current year monthly average foreign exchange rates and then multiply or divide, as appropriate, those amounts by the prior year monthly average foreign exchange rates.

2018 Guidance: Continue to invest in technology while protecting operating margins and free cashflow

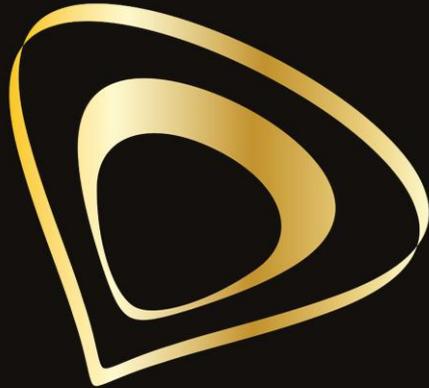
Financial KPI	Actual FY 2017		Guidance 2018 in AED
	in AED	Constant Currencies ⁽¹⁾	
Revenue Growth %	-1.3%	+2.4%	Slightly lower
EBITDA Margin%	50.3%		49% - 50%
CAPEX / Revenue %	15.5%		18% - 19%

(1) Constant currency: Financial results assuming constant foreign currency exchange rates used for translation based on the rates in effect for the comparable prior-year period. In order to compute our constant currency results, we multiple or divide, as appropriate, our current AED results by the current year monthly average foreign exchange rates and then multiply or divide, as appropriate, those amounts by the prior year monthly average foreign exchange rates.



Q&A

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Etisalat Group Capital Markets Day 2018

Etisalat International Business Overview

Hatem Dowidar

Chief Executive Officer - Etisalat International

Agile portfolio of Int'l investments after further optimization

Etisalat Group International Footprint - Key Developments

Etisalat Group

- International Portfolio with presence in 15 countries (outside UAE); 13 markets consolidated
- Focus on in-market scale i.e. #1 or strong #2 in the majority of markets and in all key Operations



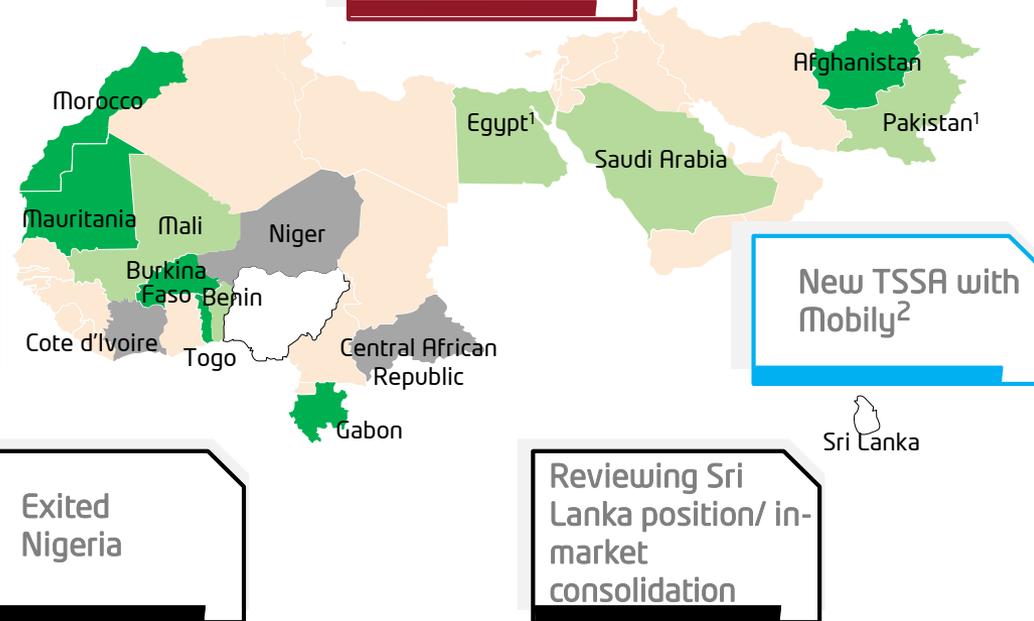
Successful turnaround of Moov OpCos³

Capital increase in Egypt

Exited Nigeria

New TSSA with Mobily²

Reviewing Sri Lanka position/ in-market consolidation



(1) Egypt is #2/4 in mobile market and #3/4 considering fixed and wholesale; Pakistan is #2/4 considering total market
 (2) TSSA stands for Technical Services and Support Agreement
 (3) Moov OpCos (ex Atlantique Telecom OpCos) are: Cote d'Ivoire, Niger, Togo, Benin, Gabon and CAR

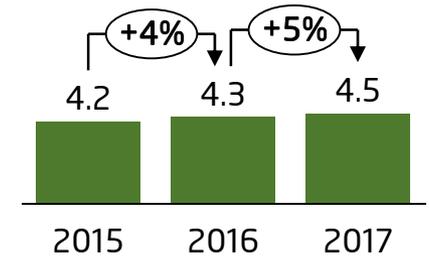
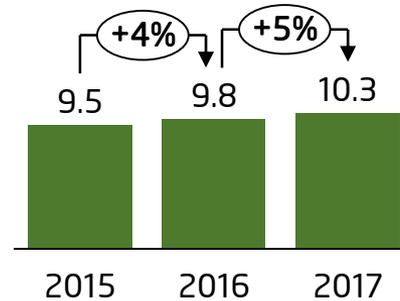
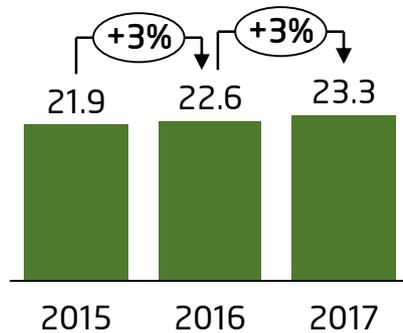
International investments are a solid platform for profitable and cash generating growth...

Revenues ⁽²⁾ (AED bn)

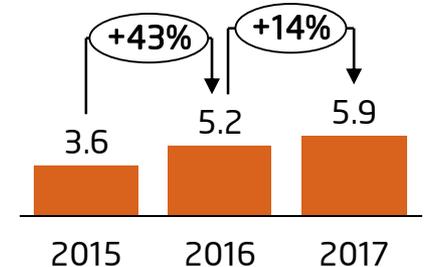
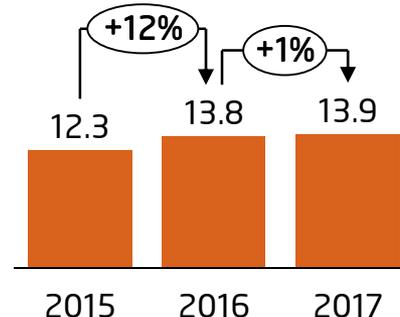
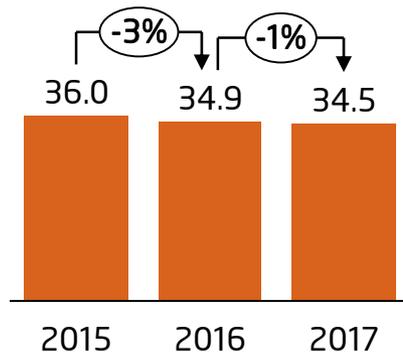
EBITDA ⁽²⁾ (AED bn, %)

OFCF Proxy ^{(2),(3)} (AED bn, %)

Etisalat
International
Consolidated



Etisalat
International
aggregated
perspective¹



- (1) Including Mobily (KSA), which is an associate but excluding Etisalat Nigeria, Zantel, Canar and Sri Lanka from 2015 onwards
- (2) The evolution of financial KPIs is made with constant FX, using 2015 rates
- (3) OFCF proxy defined as EBITDA - CapEx; CapEx excluding the cost of license acquisition

... laid on Etisalat operations in 4 sizable markets

2017 ACHIEVEMENTS

Leadership position

- Revenues: 35.0 bn MAD (-0.8% YoY)
- EBITDA: 17.2 bn MAD (+1.5% YoY), 49.1% margin
- Net Profit: 5.7 bn MAD (+4.4% YoY), 16.8% margin



#1-2 in 7 out
10 markets

MT

Profitable challenger

- Revenues: 12.1 bn EGP (+16.7% YoY)
- EBITDA: 4.7 bn EGP (+19.8% YoY), 39.2% margin
- Net Profit: 1.0 bn EGP (Net losses in 2016), 8.0% margin



#2/4¹ (value)

Egypt

Strong challenger, turnaround in progress

- Revenues: 11.4 bn SAR (-9.7% YoY)
- EBITDA: 3.6 bn SAR (-10.4% YoY), 32.1% margin
- Net Losses: -0.7 bn SAR, -6.2% margin



Saudi Arabia
#2/3 (value)

Pakistan
#2/4¹ (value)



Incumbent, profitable integrated player

- Revenues: 117.0 bn PKR (-0.1% YoY)
- EBITDA: 39.4 bn PKR (-0.7% YoY), 33.7% margin
- Net Profit: 4.3 bn PKR (+167% YoY), 3.7% margin

(1) Egypt is #2/4 in mobile market and #3/4 considering fixed and wholesale; Pakistan is #2/4 considering total market

MT is successfully protecting its leadership position in domestic market and continued growth of AT OpCos

Morocco: undisputed leader



Above 60% value share
in mobile market



Intact leadership of
Fixed market

- Leading position in a challenging market:
 - Market slowdown, driven by OTT, and impacting MT incoming Int'l ICX
 - Intense competition

Despite relevant challenges, leading
position is preserved

MT OpCos: overall solid growth



Defend leadership in
historic subsidiaries,
operating mostly in
mature markets



Gain value shares in new
subsidiaries, closing the
gap with competitors in
term of coverage and QoS

International operations now contribute
45% of MT revenues (43% in 2016)

Etisalat Misr took over the #2 position in Egypt mobile market

Delivered best network quality with fast LTE roll-out



Continue growth after Telecom Egypt entry in mobile arena

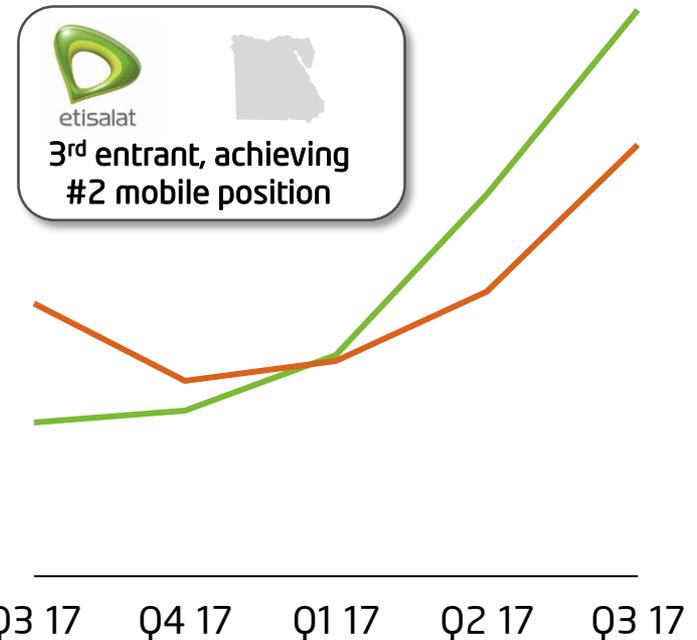
Back to strong levels of profitability after EGP decline in 2016



Etisalat Misr outgrow the market in a very dynamic, eventful year

Mobile Service revenues (LCY)

Etisalat Previous #2



In Pakistan, positive developments both in fixed and mobile arms



Fixed Line business recovering



Transforming PTCL infrastructure to serve Pakistan appetite for **fixed connectivity** with **high quality of service**



Mobile business has turned around



Re-starting growth engine, reaching **critical scale** in subscriber base to stay **relevant** in mobile market

Consolidated Net profit margin of PTCL Group more than doubled from 2016 levels

Mobily is showing signs of improvement despite a challenging market in Saudi Arabia

In a challenging market ...

- Difficult macro environment
- Regulatory evolution: reduction of MTR and opening access to most of VoIP

... Mobily has taken decisive steps toward operational RISE



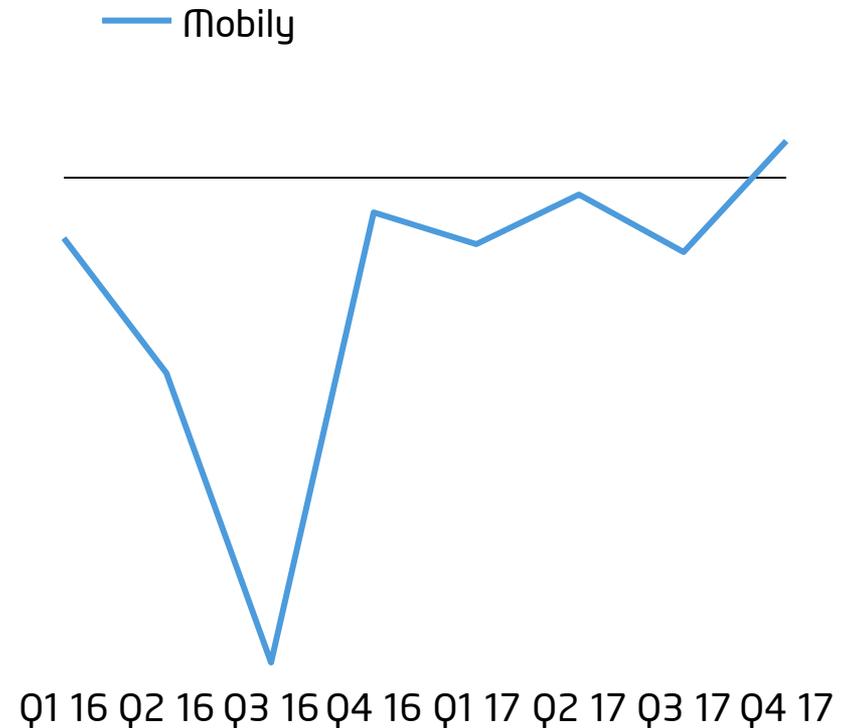
New and stronger management team

New Strategy implementation underway



Successful acquisition of additional spectrum

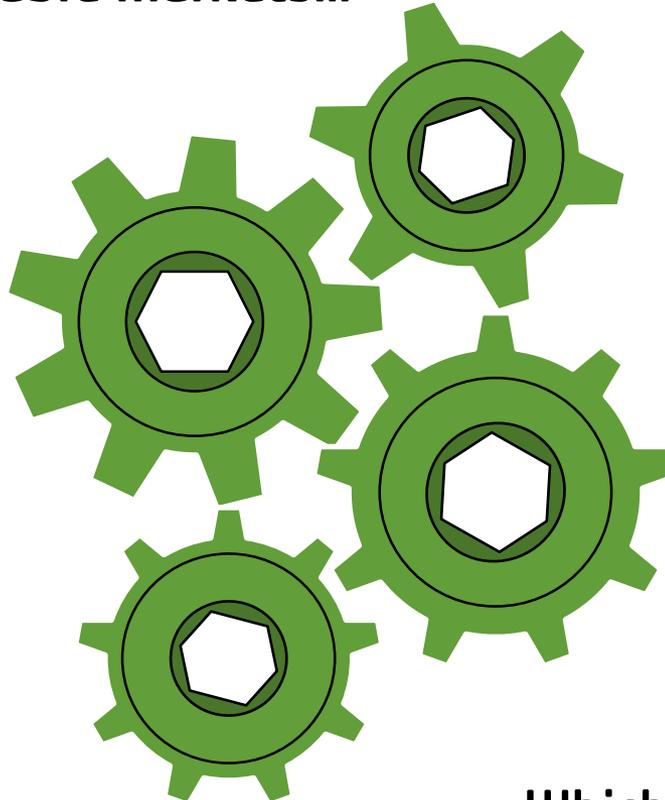
Mobily QoQ revenues evolution (%)



Overall, Etisalat views the foundation of its International presence and value creation in 4 strongholds

Key players in 4 sizable markets...

-  Egypt
-  Saudi Arabia
-  Pakistan
-  Morocco



- #1 or strong #2 position to secure scale
- Towards solid margins of profitability and relevant cash generation
- Convergent Ready or Moving towards Convergence

... Which represent the engine for Etisalat International growth

Guidelines and priorities for portfolio development focused on reinforcing our existing footprint positioning



Etisalat Group M&A Guidelines and priorities

Primary Focus

Optimize existing footprint

Explore strategic options for current portfolio, including, where required;

- Selective divestments
- In-market consolidation
- Acquisition of licenses and spectrum
- Bolt-on acquisitions

Seek opportunistic investments in new geographies

- Acquisitions within target geographies
- Very selective on greenfields (must be sizeable opportunity adjacent to core operation)

Enter New Business with solid potential

- New business development, strategic partnerships and Joint Ventures
- Selective acquisitions to accelerate business development in select areas

Way forward / Key messages



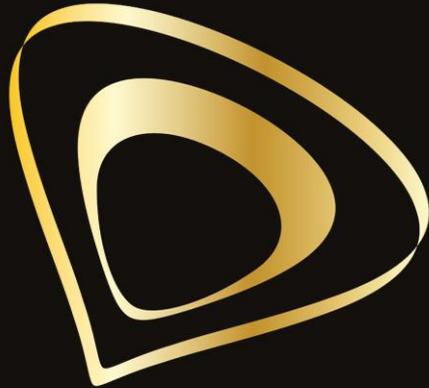
- **International operations are a relevant contributor to Etisalat Group**
 - Including Mobily, Int'l Operations generate revenues of ~ 10bn USD a year with ~41% EBITDA margin
 - On consolidated level they represents 39% of Etisalat Group revenues with 45% EBIDTA margin
 - Int'l portfolio is growing at constant rate, especially cash flow generation

- **Strengthened the position in Int'l operations despite several challenges from macro and regulatory environment**
 - Morocco successfully protecting its leadership position while improving Int'l operations
 - Etisalat Misr became #2 operator with improved profitability
 - In Pakistan, improved fixed segment positioning with network transformation program and ignited growth in the mobile operation
 - In KSA, turnaround in progress to strengthen #2 position; early signs of improvement despite a challenging market

- **Pursue selective inorganic growth opportunities that reinforce existing footprint**

Q&A

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Etisalat Group Capital Markets Day 2018

Introducing the New Vision and Strategy for Etisalat Group

Khalifa Alshamsi

Chief Strategy & Governance Officer - Etisalat Group

Key External Drivers and Implications

- OpCo Country Vision snapshot
- Industry drivers
- International best practices overview

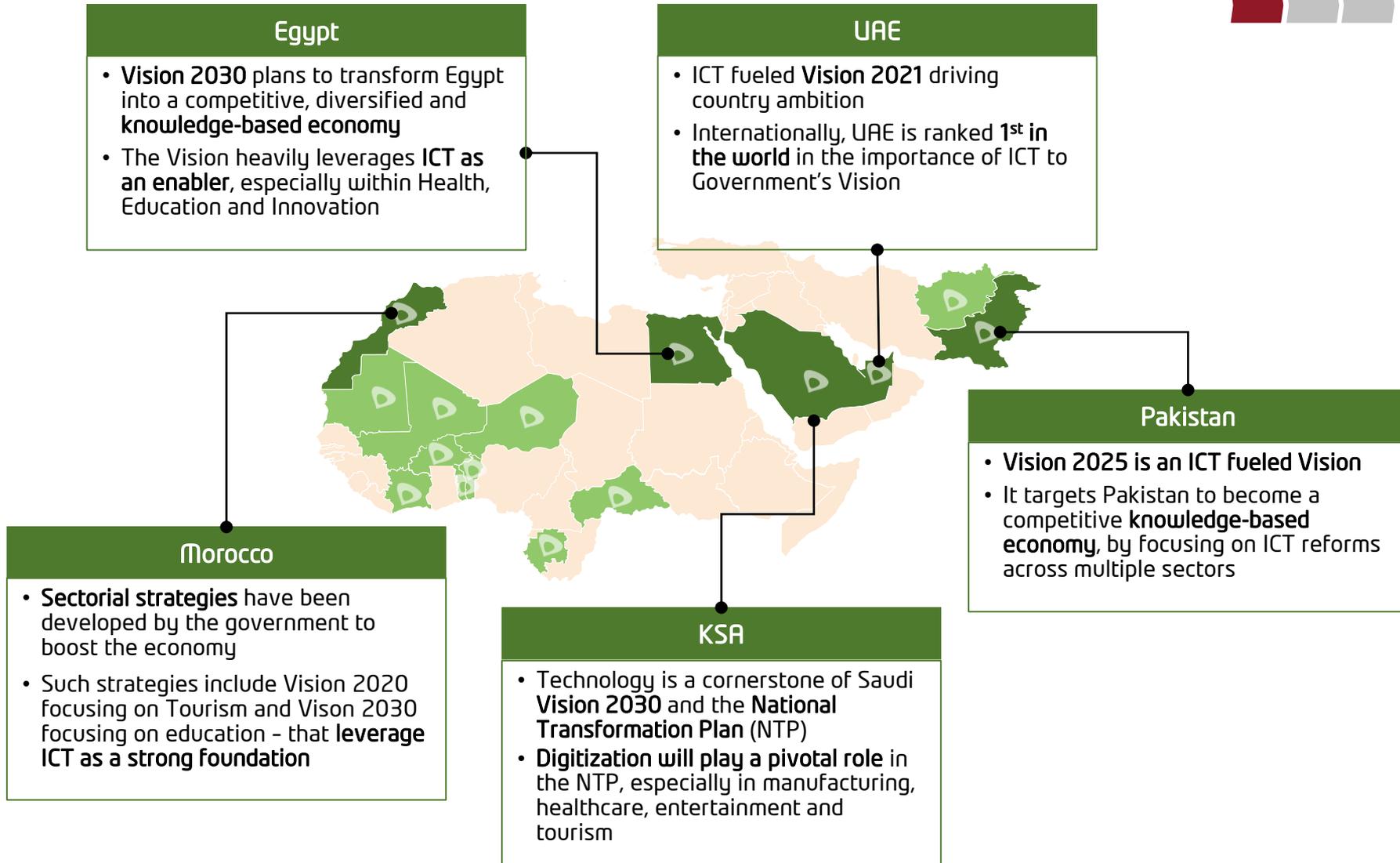
Summary of New Vision

- Context for a new Group Vision
- Definition of the new Group Vision
- Relationship with OpCo Vision statements

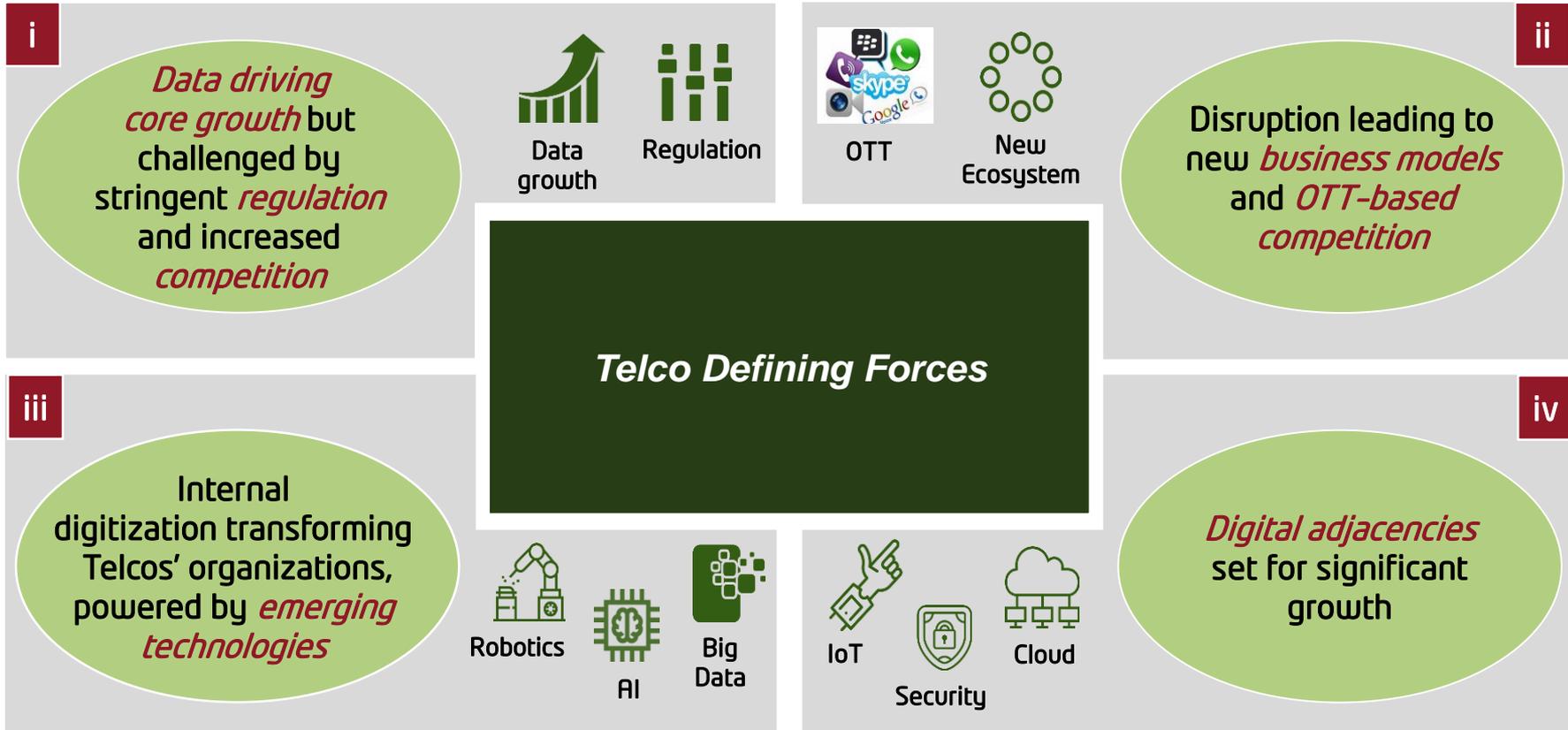
Summary of New Strategy

- Overview of five strategic pillars
- Closing messages

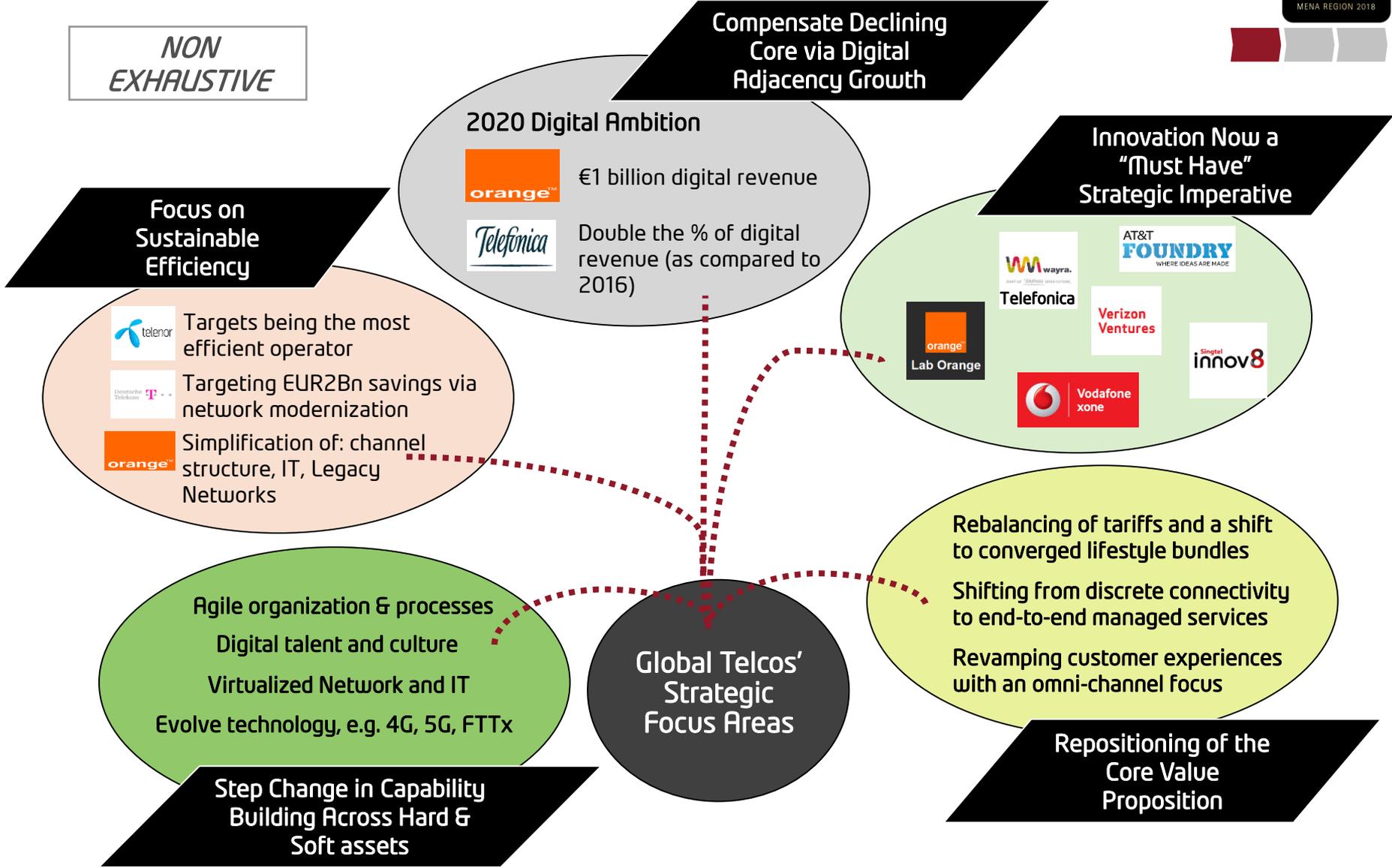
Our OpCo countries are introducing transformative plans that leverage ICT to boost economies



Within the telco sector, the industry continues to be shaped by four major inter-related forces...

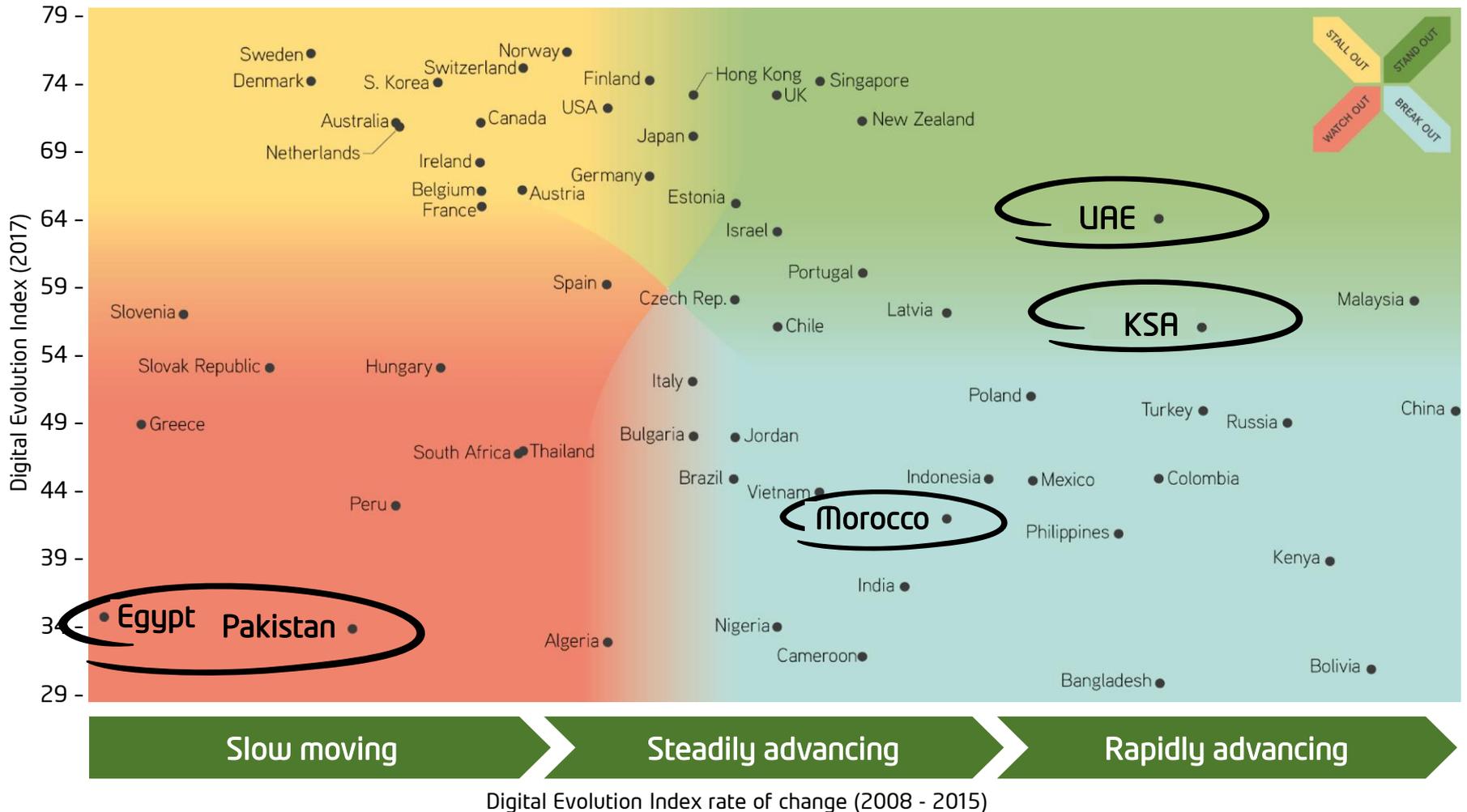


...and accordingly, Global Telcos are adapting their strategic focus areas



All Etisalat Group OpCo markets are evolving, albeit at different trajectories, towards a digital future

Digital Evolution Index (2017) vs Rate of change in Digital Evolution Index (2008-2015)



Source: Digital Evolution Index 2017, The Fletcher School at Tufts University and Mastercard, Etisalat

Consequently, we have adopted a bold new vision for Etisalat Group, which is highly aspirational and has a digital focus



Old Vision

“To be the leading and most admired emerging markets telecom group”

New Vision

Etisalat Group Corporate Strategy

Etisalat Group VISION STATEMENT

Drive the Digital Future
to Empower Societies

This new vision addresses the future of the industry, our winning role and our value add...

Envisioned Future



- Our vision for the future is for everyone and everything to be seamlessly connected, benefiting from tailored digital solutions delivered via a world-class digital experience
i.e. a **“Digital Future”**
- In this Digital Future, the core remains relevant but challenged, it will open up new possibilities and also create new business models

Winning Role



- Etisalat has to be proactive to retain a leading role over the evolving ecosystem along with enriching customer relationships
- Therefore, Etisalat has to **“Drive”** the evolution of the ecosystem through transforming and expanding its core business, diversifying its portfolio, enriching capabilities and driving innovation balanced with world-class efficiency

Value Add



- Consequently, Etisalat will **“Empower Societies”** thus enabling everyone to fully maximize their true potential in the digital future

...and will inspire and accelerate our OpCos that have telco-focused visions to a *telco+digital* positioning



To realize the new vision, Etisalat Group has introduced a new Strategy structured around five pillars



- Transform Operating Companies into Strongholds



- Expand portfolio in MENA and Knowledge Economies



- Grow B2B/Digital across the footprint



- Raise capabilities and develop talent across the Group



- Accelerate value generation through innovation and digitization



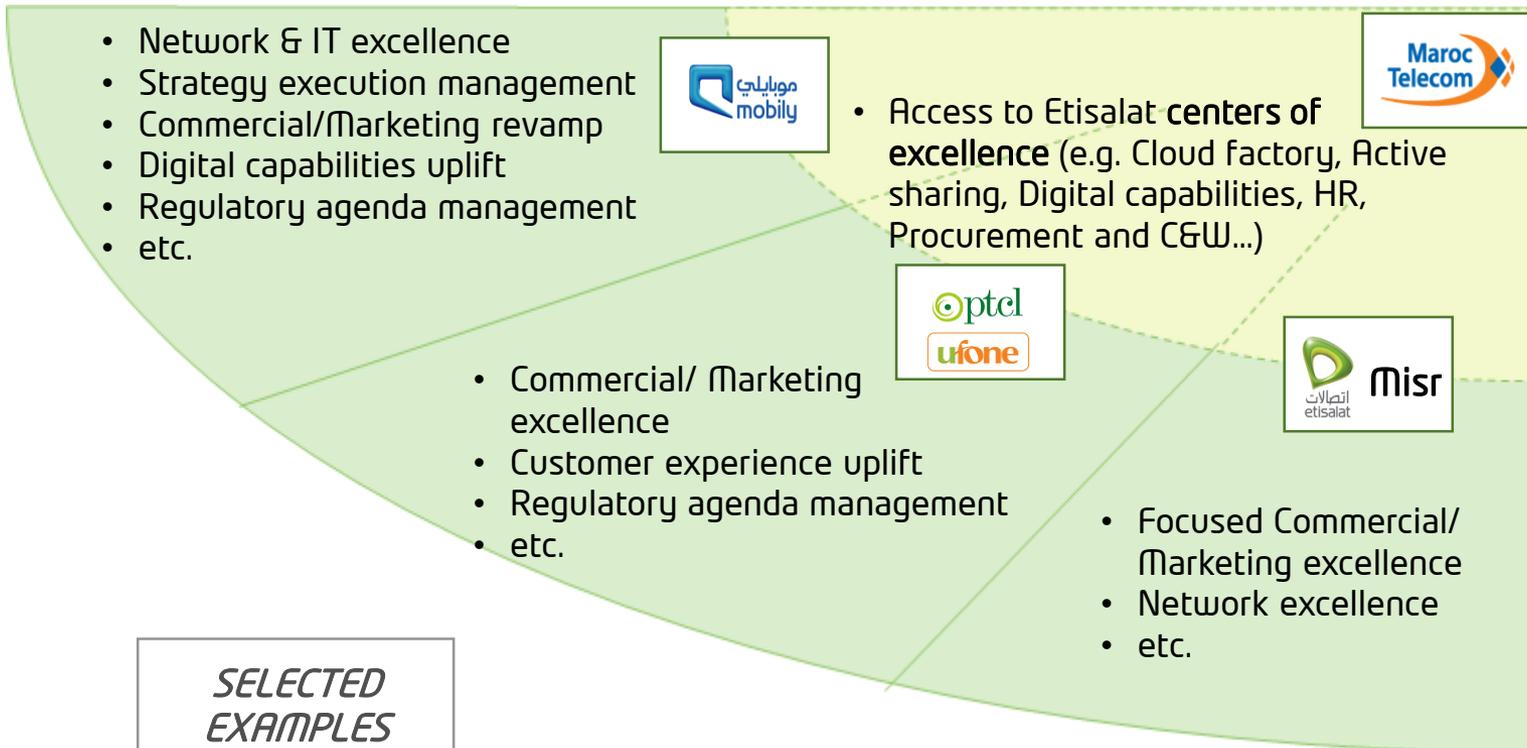
Transform OpCos into Strongholds: Etisalat provides both Transformational and Group support



Etisalat intervention in Must-win battles through:

Transformational Support

Group Support



Protect and sustain stronghold status

Transform into stronghold status

Transform OpCos into Strongholds: A key focus area of Group support being centered on Customer Experience uplift



NON EXHAUSTIVE

Customer Experience Uplift Areas of Focus

Optimize Traditional Channels	Increase Digital Channel Penetration	Enhance Service Design Approach	Develop Talent
<ul style="list-style-type: none">Improving efficiency and experience of contact centers by integrating AIContact center and back office workflow automation and simplificationEnhanced visibility of billing by providing real-time usage dataOptimization of customer centers across footprint	<ul style="list-style-type: none">Launched Self-Service KiosksIncreased use of Social media as a support channelWebsite redesignExpansion of EPMs¹ network and continuous push for the use of digital channels for bill payments/recharges	<ul style="list-style-type: none">Transition to End-to-End Journey led design approachA range of projects launched with new digital design methodologyConsistent and regular measurement of end-to-end Customer Experience	<ul style="list-style-type: none">Staff recruited with the required new skillsEnhanced training to develop staff in both traditional and digital skills domainsAgents with retention skills recognized, compensated and promoted

1. EPM=Electronic payment machines



Expand portfolio in MENA and Knowledge Economies: Target inorganic growth opportunities



Investment Thesis

Target inorganic growth opportunities through majority control of well-positioned operators within target geographies, and continue to explore opportunities to optimize portfolio in order to balance growth and shareholder returns

Target Geographies

Middle East



Africa



Asia



Europe

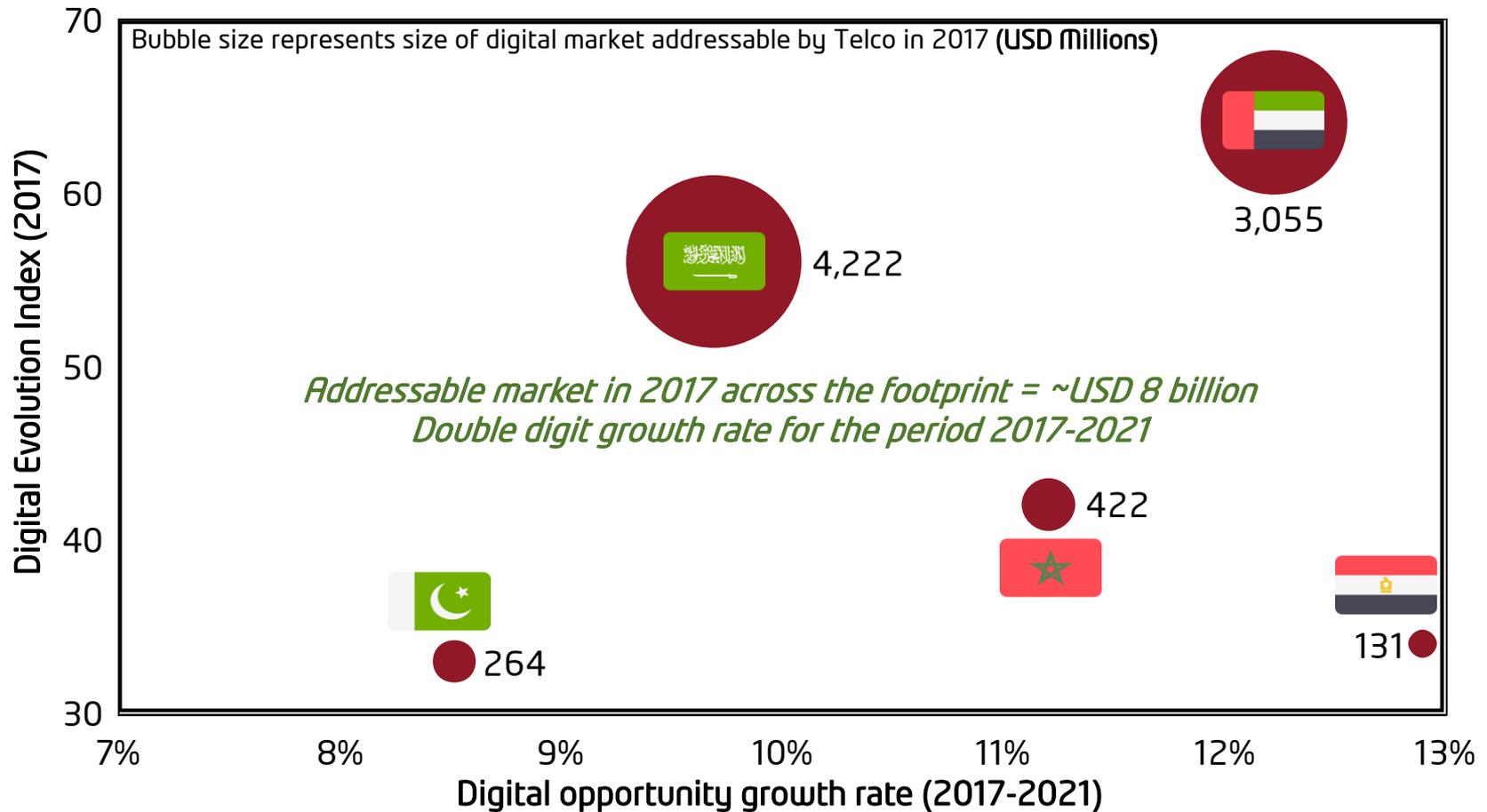




Grow B2B/Digital across the footprint: Across our footprint, the Digital sector offers huge growth opportunities



Digital Market Opportunity Size Across OpCo Countries



Source: Etisalat analysis based on IDC and Digital Evolution Index

Grow B2B/Digital across the footprint: We have clearly defined areas of Group support to maximize the Digital opportunity



Scope of B2B/Digital Uplift Areas

Enrich B2B/Digital Services Portfolio

Uplift B2B/Digital-related Capabilities

Support Go-to-Market & Delivery for Megaprojects

Support OpCos in Driving National Digital Agendas

Share **Best Practices** and Knowledge

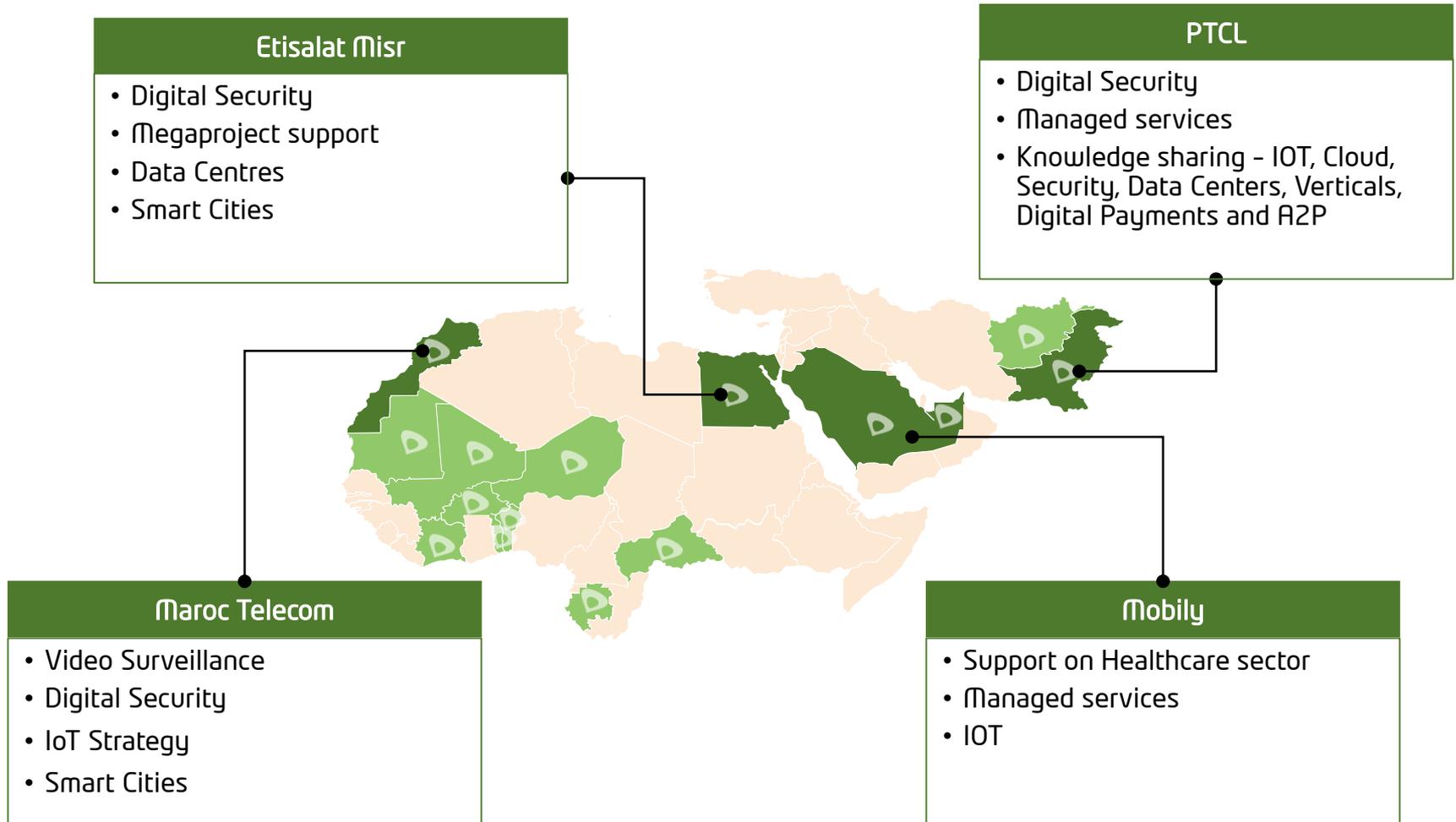
Provide Consultancy and **Professional Services** Support

Extend Etisalat Group Digital **Platforms and Services**

Provide **PMO** Support



Grow B2B/Digital across the footprint: Specifically, Etisalat Group is extending customized support across our footprint





Raise capabilities and develop talent across the Group: HR Strategy focuses on three key pillars



Talent & Culture Strategy to Ensure Execution Capability is in Place

1 Culture & Collaboration

Global Engagement Survey

HR Collaboration

Etisalat Core Values

2 Strategic Frameworks for Building Talent

Leadership Competency Framework Aligned with Strategy

Succession Management Framework for Critical Positions

Skills Inventory Model to Leverage Talent Data

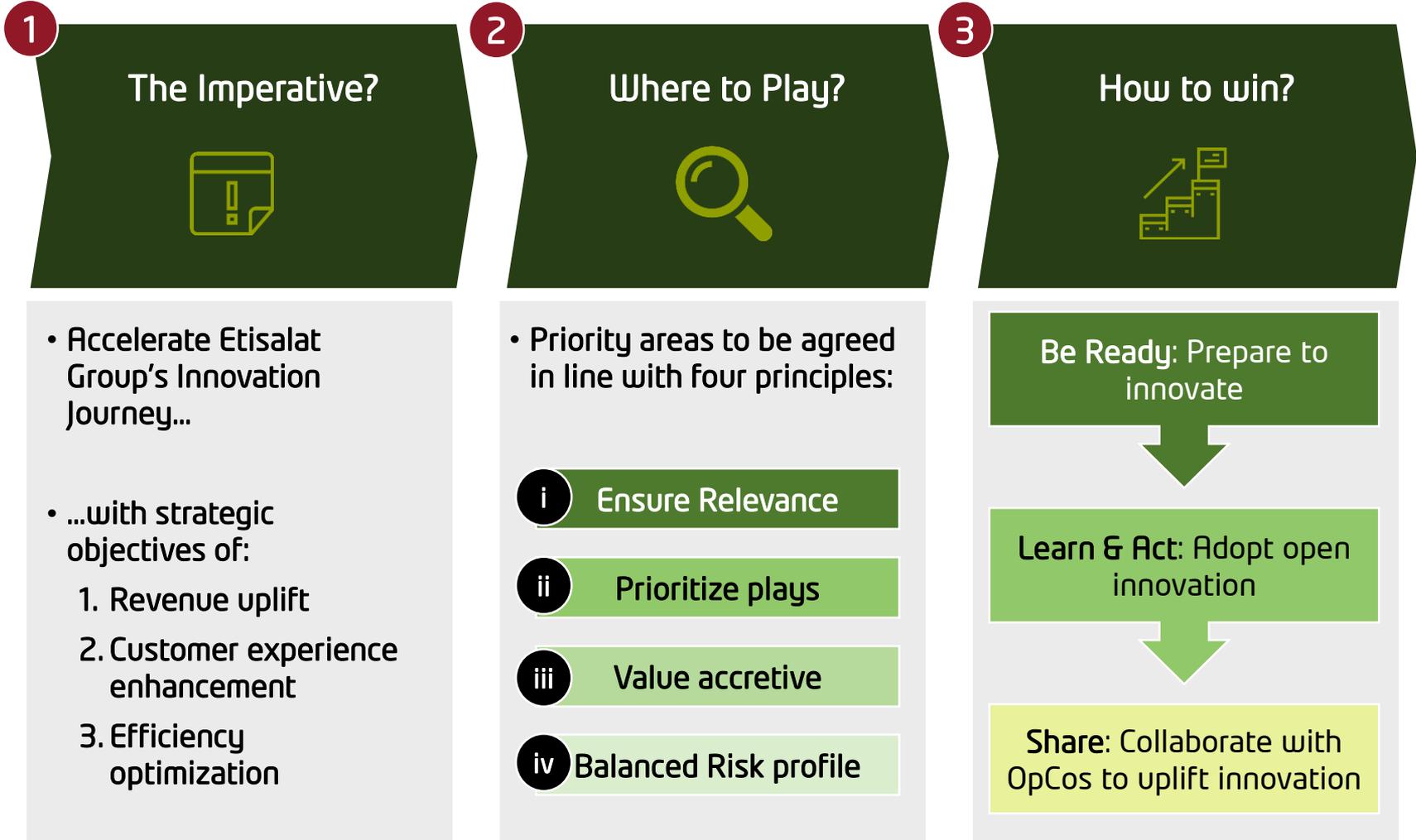
3 Rich Talent Acquisition

Talent Acquisition for Critical Positions

Assessments Framework for Talent Acquisition & Development

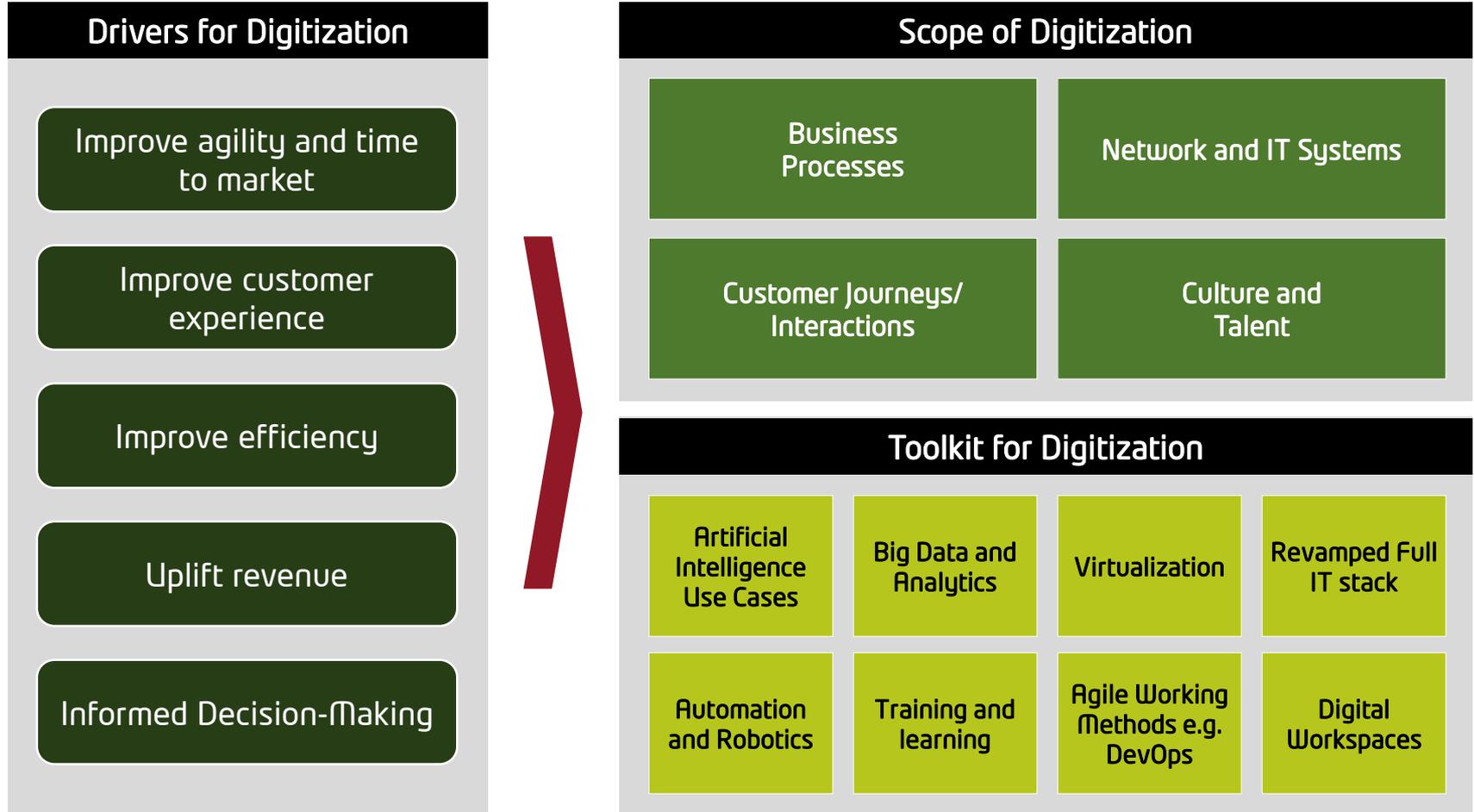


Accelerate value generation through innovation and digitization: Focus is on readiness and innovation toolkit expansion





Accelerate value generation through innovation and digitization: Internal digitization leveraged to transform organizations



Accelerate value generation through innovation and digitization: With specific internal digitization initiatives underway



NON EXHAUSTIVE

Network Modernization: Continued roll-out of our NFV and SDN plans

Future Networks: Preparation for 5G (three main use cases: eMBB, mMTC and URLLC), focused roll-out of NB-IOT, video delivery optimization etc.

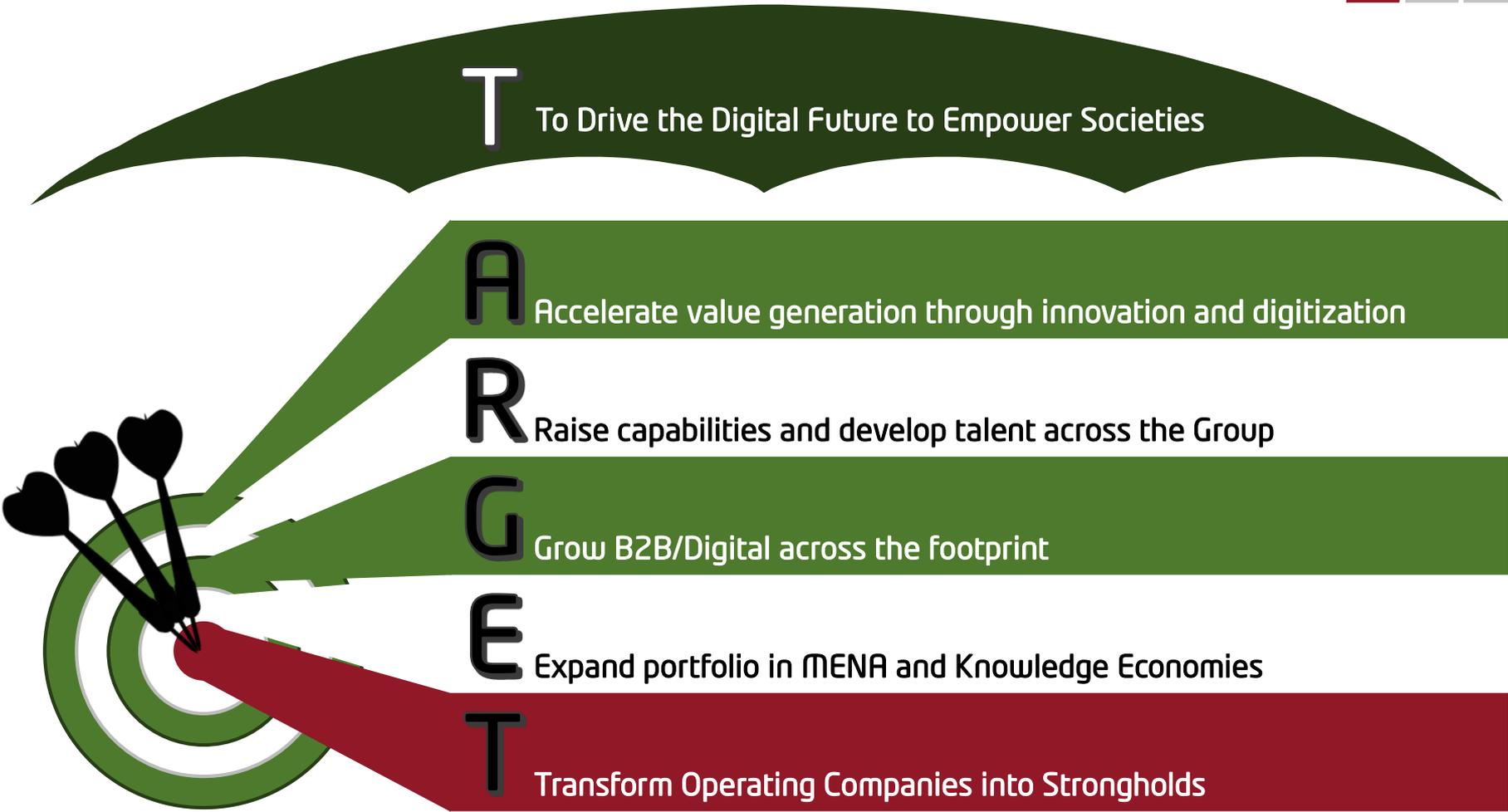
Big Data : Multiple use cases centered on e.g. real time applications (location based, event based campaigns) and analytics (e.g. fraud detection, cost optimization, segmentation)

AI: Multiple use cases centered on e.g. Consumer Cognitive Automation (Chatbot) and Business Cognitive Automation

Robotics Process Automation: Focus on processes across multiple domains, including: contact center, network, B2B and sales

Digital Talent: Focus on both development and acquisition of digital talent in key areas e.g. Big Data, AI, service design, virtualization etc.

"TARGET" unites both our vision and strategic pillars whilst conveying a clear sense of direction and focus



T To Drive the Digital Future to Empower Societies

A Accelerate value generation through innovation and digitization

R Raise capabilities and develop talent across the Group

G Grow B2B/Digital across the footprint

E Expand portfolio in MENA and Knowledge Economies

T Transform Operating Companies into Strongholds

Closing messages



1

Etisalat Group continues to deliver industry leading financial results

2

Data and digital adjacencies are driving growth, however, hyper competition and digital disruption need to be managed

3

In line with market evolution, Etisalat has set a bold, new vision:
"Drive the Digital Future to Empower Societies"

4

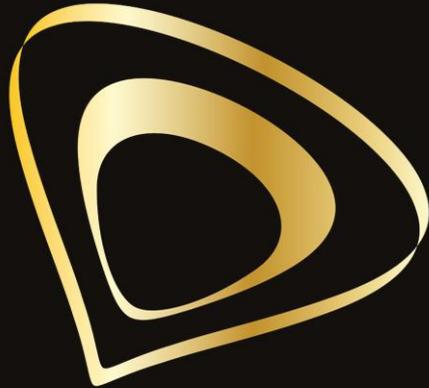
To realize the new vision, Etisalat Group has introduced a new Strategy structured around five pillars

5

"TARGET" unites both our vision and strategic pillars whilst conveying a clear sense of direction and focus

Q&A

THANK YOU



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**MOST VALUABLE
BRAND IN THE
MIDDLE EAST 2018**

Etisalat Group Capital Markets Day 2018

Etisalat UAE Consumer Overview

Khaled Elkhoully

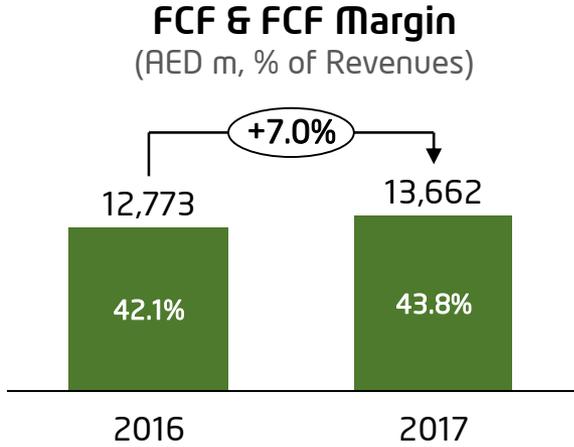
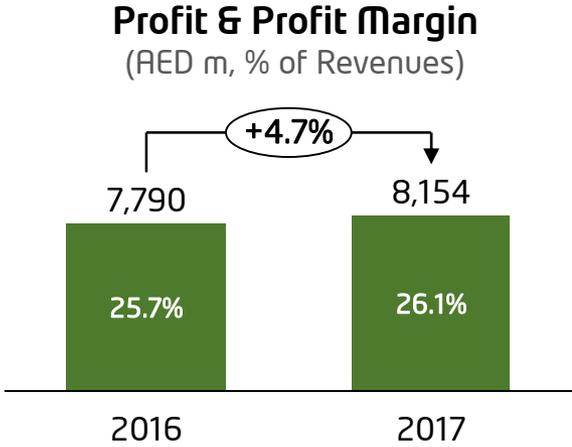
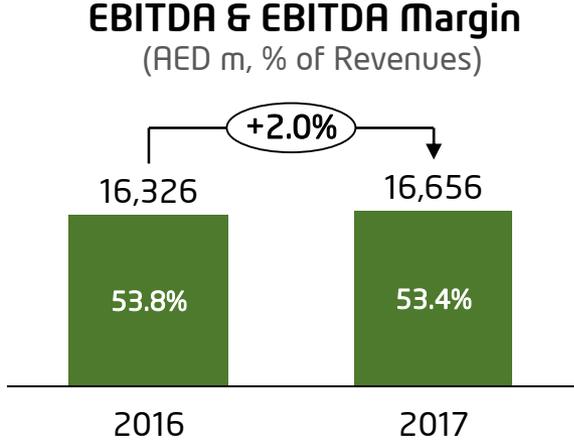
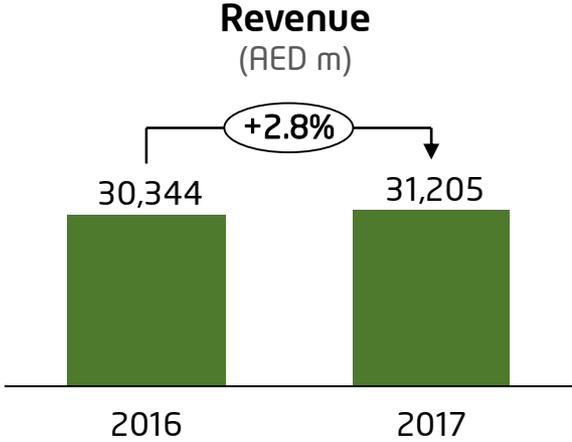
Chief Consumer Officer - Etisalat UAE

Financial

- **Strong +2.8% YoY revenue growth**
 - Fifth consecutive year of topline growth with 2013-17 CAGR of 6.0%
- **Reinforcement of Etisalat's value share, which has consistently increased YoY, reaching 70.6% in 2017**
- **EBITDA margin at 53.4%, one of the highest in the industry**
- **Healthy +4.7% YoY growth in Net Profit with increase of the profit margin to 26.1%**
- **Strong delivery of cash-flow (+7.0% YoY) confirms healthy ROI on FTTH, LTE and ICT investments**

Strategic

- **Etisalat recognized as the most valuable brand in the region by Brand Finance**
- **Strong subscriber growth in both Mobile (+3% YoY) and eLife (+5% YoY)**
- **Continued monetization of our network investments** in both LTE (via the launch of prepaid combos, data promotions, etc.) and FTTH (i.e. push towards higher speed and better content packages)
- **Launch of swyp** to cater to the needs of the Youth segment and **Smiles platform** to increase customer engagement
- Completion of rollout of another 16 **Smart stores** in 2017, reaching in total 119 across UAE
- **Digital and Customer Experience transformation efforts are paying results**, with measurable improvements in customer satisfaction and reduced cost to serve

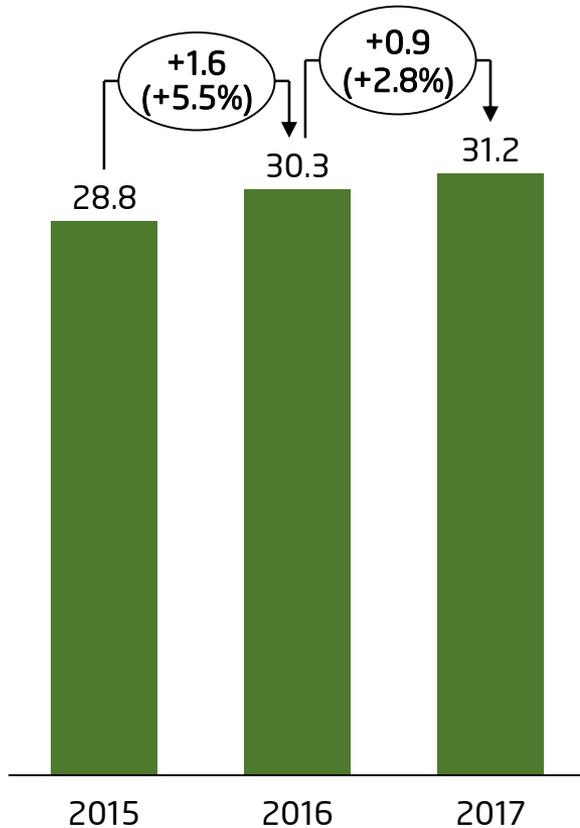


Note: Free cash Flow represents EBITDA less Capex

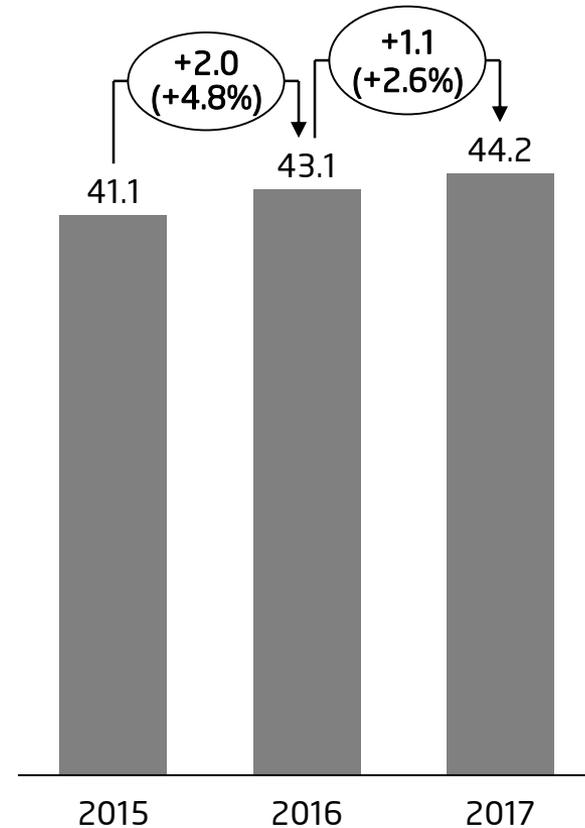
Despite the challenging macroeconomic context, our topline grew by 2.8% and we continued to strengthen our value share



Etisalat UAE Revenues (AED billion)



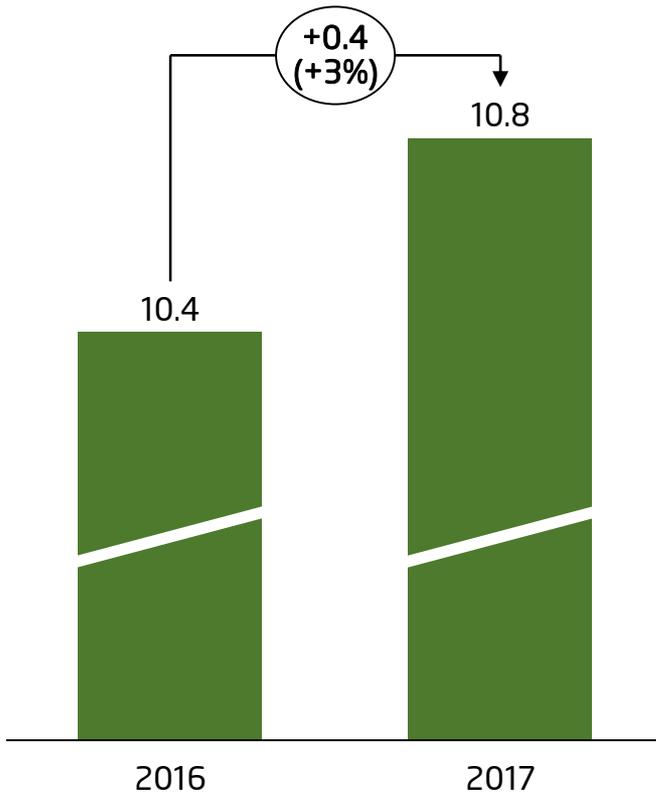
UAE Market Revenues (AED billion)



Solid subscriber growth in Mobile (+3% YoY growth) with Etisalat reinforcing its leadership in the market



Etisalat UAE Mobile Subscribers
(millions)



Performance Highlights

- **Solid mobile subscriber growth (+3% YoY)**, despite the weaker macroeconomic scenario, increased competition from new brands, and regulatory obligations (i.e. mobile re-registration)
- **Strong leadership in MNP**, with Etisalat capturing more subscribers than competition

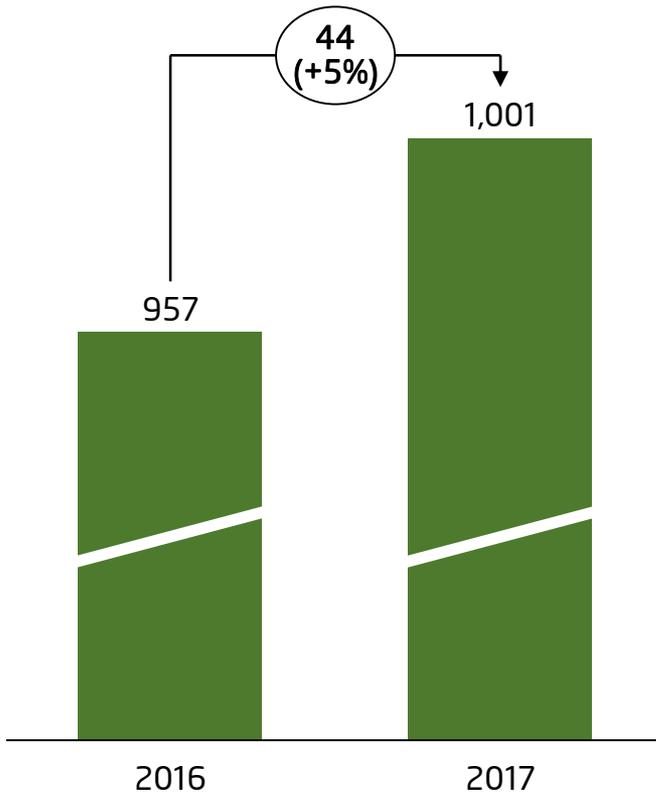
Strategic Priorities

- **Drive data monetization** with innovative data offers and **neutralize the impact from OTT** by pushing bundles/combo and monetizing the access
- **Continue to leverage on segmented approaches**, to capture incremental growth while minimizing price erosion, and ensure optimal value vs. volume balance
- Continue to **drive the Customer Experience and Digital** as key competitive advantages

Likewise, strong growth in Home segment, with +5% YoY growth of eLife base and reinforced market leadership



Etisalat UAE eLife Subscribers
(thousands)



Performance Highlights

- **eLife base has reached and surpassed for the first time the 1.0 million subscribers**, placing Etisalat as the global leader in FTTH
- **Push of top-tier bundles** (more speed and content) is driving **positive ARPU development** and increased product stickiness

Strategic Priorities

- **Continue to monetize connectivity and network**, by pushing high-speed and content-rich bundles, via several marketing campaigns throughout the year
- **Expand the competitive advantage around content, user interface and overall experience**, in order to minimize market share and price risk
- **Continue to drive the Customer Experience and Digital as key competitive advantages**

Our leadership and strong market presence led to Etisalat being recognized as the most valuable brand in the region



Brand Finance®
Global 500

Most Valuable Brands by Region



In line with our segmented market approach and Digital strategy, we've launched swyp, a digital-first proposition



Highlights

- swyp is our new brand to **target exclusively 15-29 year olds**
- swyp is a **digital-first proposition**, co-designed with the target segment
- As a result, we have a **data rich proposition** (mobile data bundles and free Wi-Fi), that also includes **non-telecom benefits and perks** for a greater differentiation vs. competition
- Being restricted to 15-29 year olds, the **experience and communication is mostly digital**, fitting the target audience

Mobile Data

5 GB of social apps at full speed + optional packages

[SEE MORE](#)



swyp perks

Easy to use free vouchers for shopping, dining and entertainment

[SEE MORE](#)



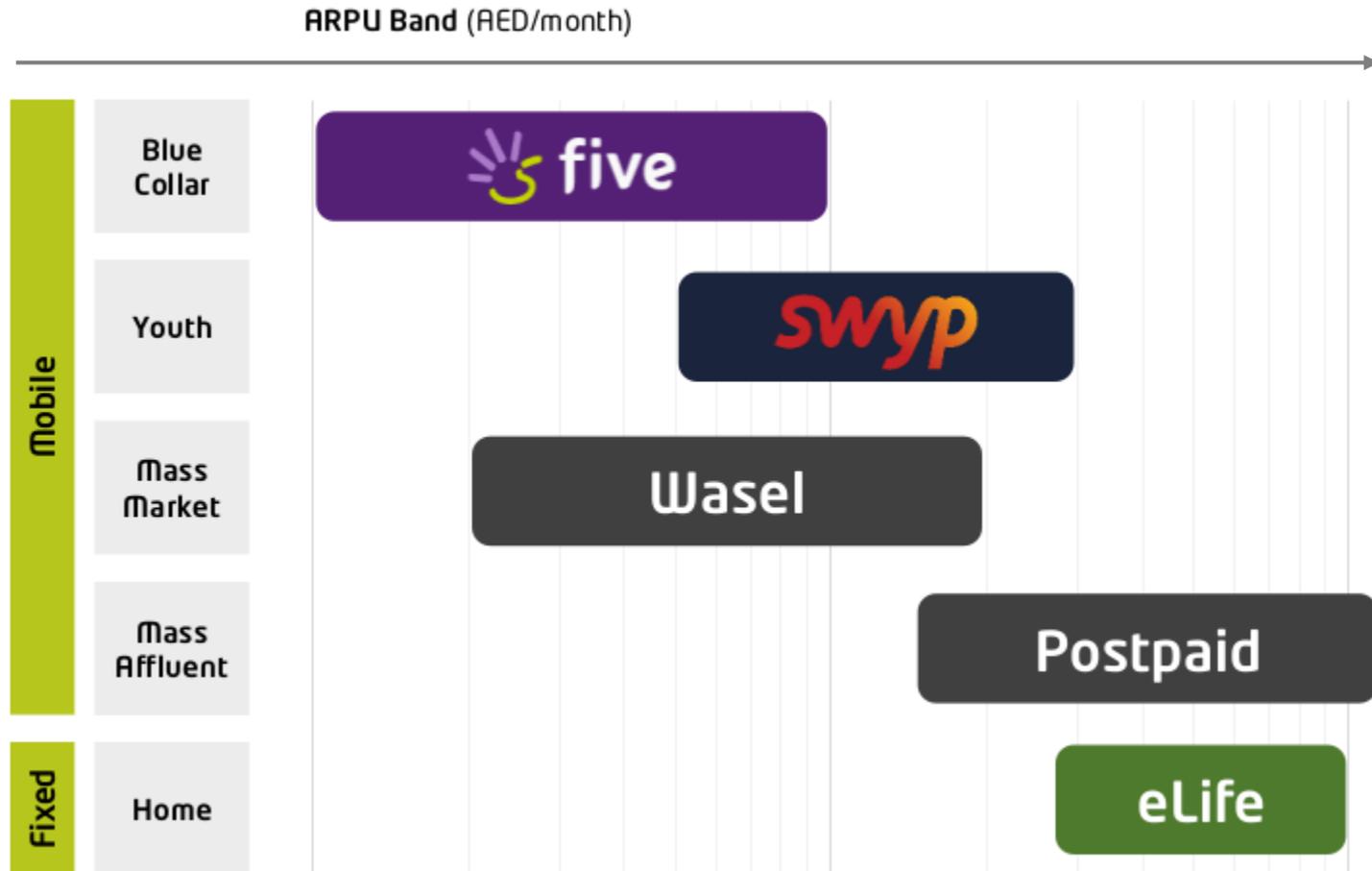
Free nationwide WiFi

Login once to swyp WiFi and you will always be connected to any hotspot

[SEE MORE](#)

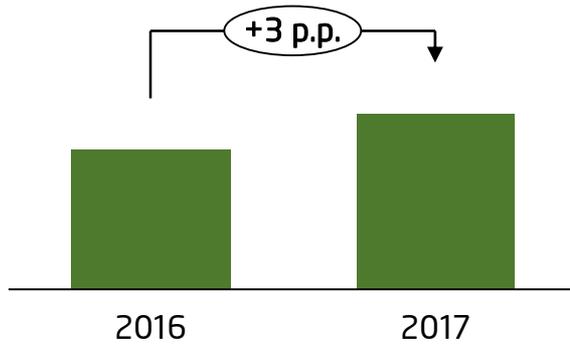


swyp follows our brand segmentation strategy, and should support share gains in the youth sub-segment

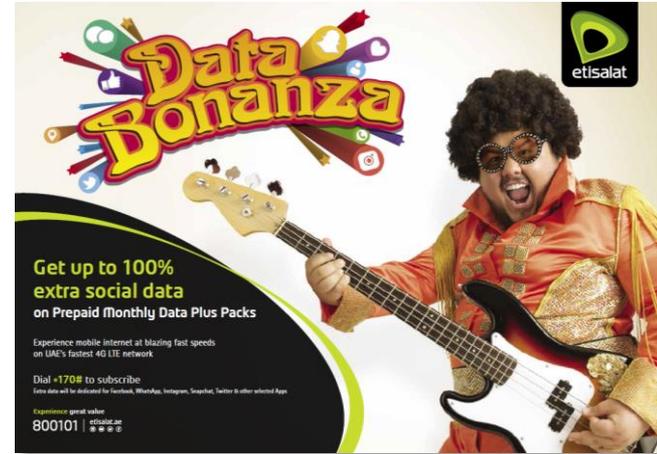


Monetizing data traffic growth (+45% YoY) continues to be a priority in order to ensure adequate ROI of our LTE investments

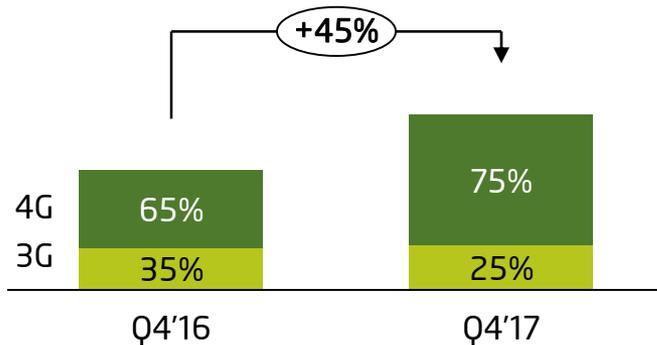
Data as % of Mobile Revenue



Commercial Highlights

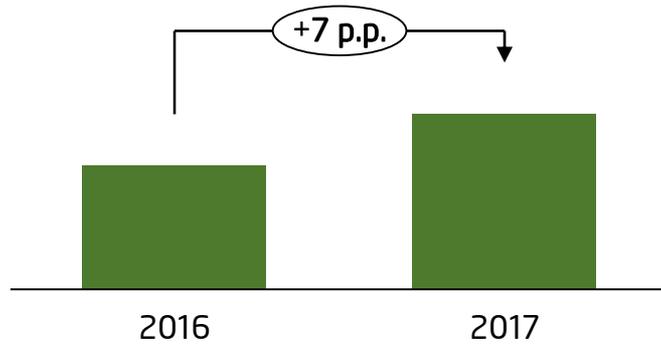


Mobile Data Traffic



Similar efforts on FTTH monetization, with strong focus on monetizing higher speeds and TV content

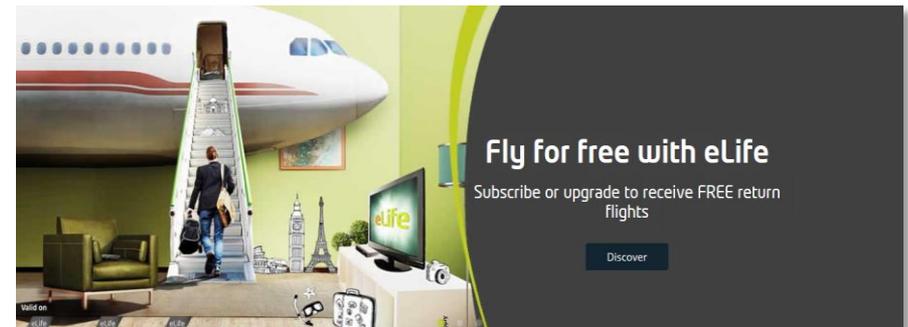
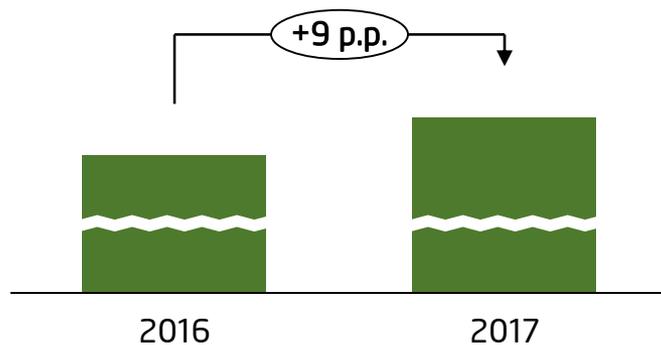
% of High-End 3P Bundles (% of Gross Adds)



Commercial Highlights



% of customers with ≥ 10 Mbps (% of customers)



On TV, our positioning was significantly enhanced thanks to exclusive deals and partnerships with FOX, MBC and Starz Play



Commercial Highlights

Get your first month of **STARZ PLAY** FREE!

Customers who connect or upgrade to eLife can enjoy a free month of **STARZ PLAY** on eLife TV.










eLife TV is the Home of MBC HD channels

Watch all the best MBC shows at home or on the go across the UAE.

Every eLife TV customer now has access to the entire line-up of MBC channels and eContent Shows. Best of all, eLife TV subscribers have exclusive access to watch on the go, anywhere in the UAE, with the eLifeON App! If you're a fan of MBC, there is only one choice: eLife TV.

Anywhere, any time, with eLifeON App

Entertainment the way you want it

For queries:
 Post: Dandiy
 Tel: 600-8442
 Email: pkr@etisalat.ae




BE SPOILT FOR CHOICE.

Enjoy entertainment like never before. Fox Networks Group has added three new channels to its Middle East portfolio: FOX Life, FOX Showcase - the network's first Arabic channel and FOX Crime, all exclusively available on eLife.

With an interesting mix of programs on food, travel, home and wellness, the best stories from around the world and unique crime and investigation shows, get ready for a... spot for choice.





Be inspired



روايات عربية



Available exclusively on eLife TV

As the operator of choice for smart devices in UAE, we expanded our portfolio to increase our revenue resilience



Commercial Highlights

iPhone X

Say hello to the future.



Open up to bigger worlds at an affordable price

Explore new and exciting boundaries with Samsung Galaxy S8/S8+ and Gear VR bundles, for as low as AED 124 per month.

Mi 6

AED 1,499 **PRE-ORDER NOW**

FREE

Mi Devices
Get your hands on the latest Mi devices Offered exclusively from Etisalat

SAMSUNG Galaxy Note8

Be the first to own Galaxy Note8

Pre-order now
Receive a complimentary AED speaker

Nokia devices are back

The Nokia 3 starting from AED 22

Nokia 3

Get up to 38% discount on your Samsung gadget

Smart Technology with Smart Pay and Standalone payment options

We launched a new digitally centric engagement platform, Smiles, which is showing strong uptake and satisfaction



Get your ticket using the **Smiles** app and enjoy a **50%** discount

Novo www.novocinemas.com

Presented by
Smiles
by etisalat

Download the app now!

VALERIAN AND THE CITY OF A THOUSAND PLANETS

in Novo Cinemas starting from July 20th



500,000+
active users



460,000+
purchases



50,000+
daily users



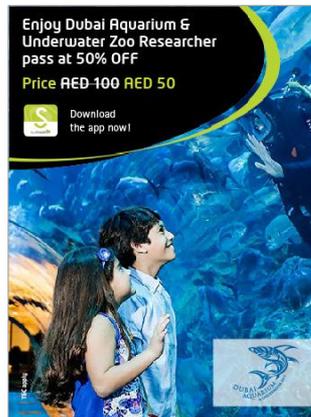
4.1-4.5
app rating¹



200+
partners



1,500+
outlets



Enjoy Dubai Aquarium & Underwater Zoo Researcher pass at 50% OFF

Price AED 100 AED 50

Download the app now!



Delight yourself with the **World's Greatest Hamburger!**

Enjoy Buy 1 get 1 Free on main course with Smiles at all Fuddrucker's outlets across UAE

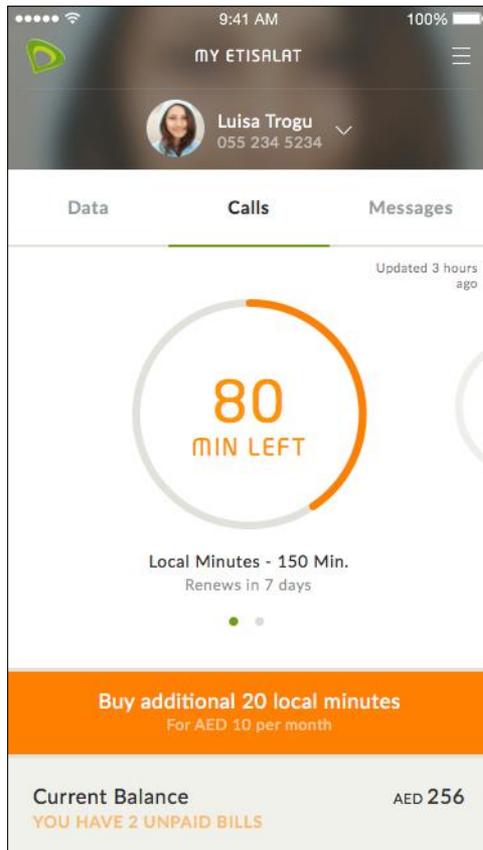
Download the app now!

Note: Smiles launched in May'17; figures are updated till Dec'17

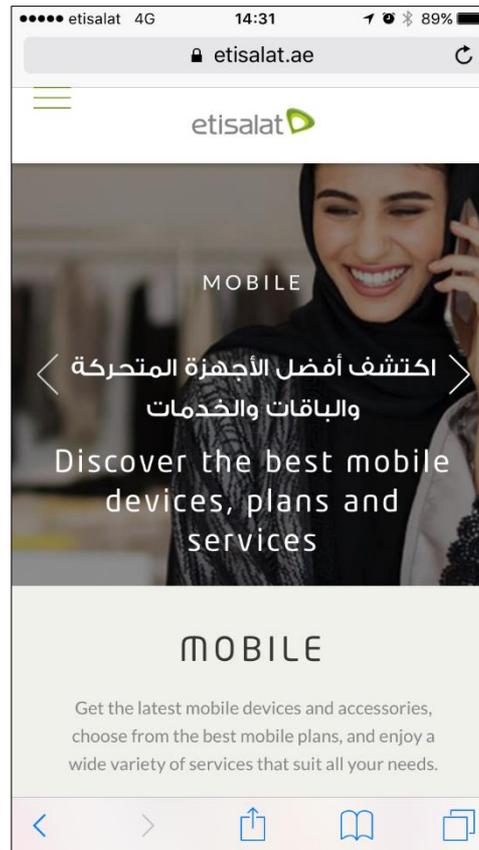
In the CEX front, we revamped the UI for the major touch-points to better meet consumer needs and achieve efficiencies



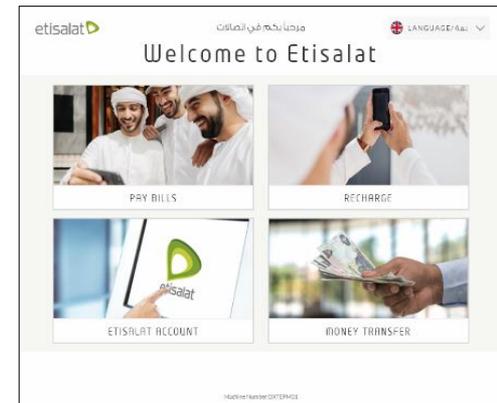
Mobile App



Website



EPMs



We continued to revamp our retail experience by rolling out 16 new smart stores to better meet customer expectations

Ajman City Center



Riverland, Dubai Parks & Resorts

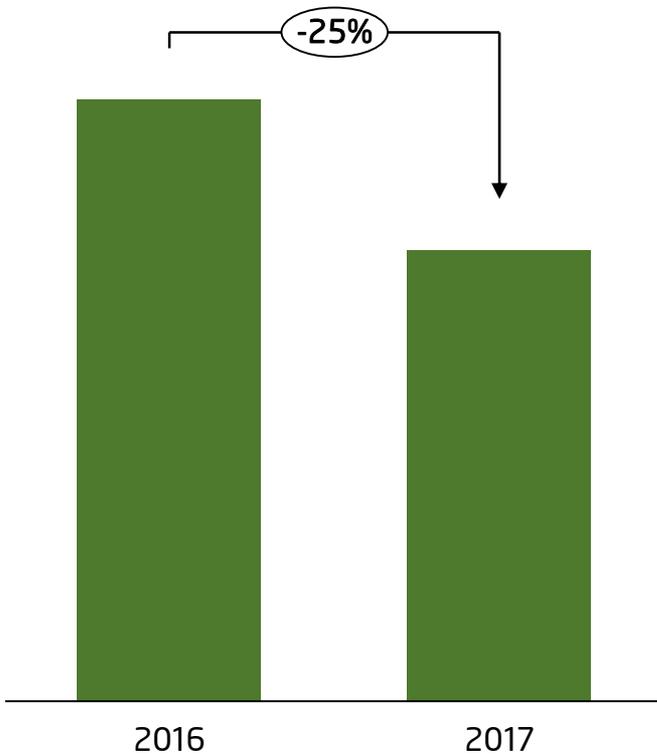




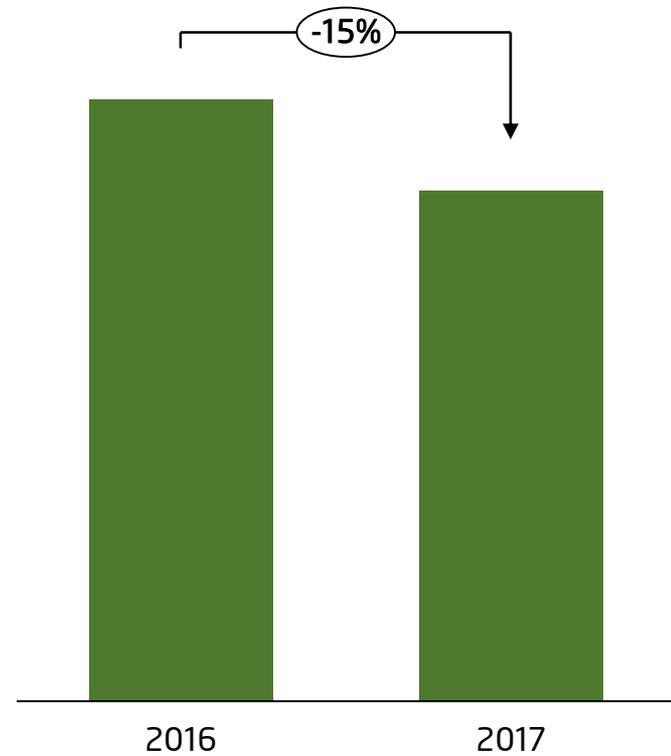
Our Customer Experience transformation is delivering strong improvements, and driving efficiencies in the cost to serve



Store Waiting Time (minutes)

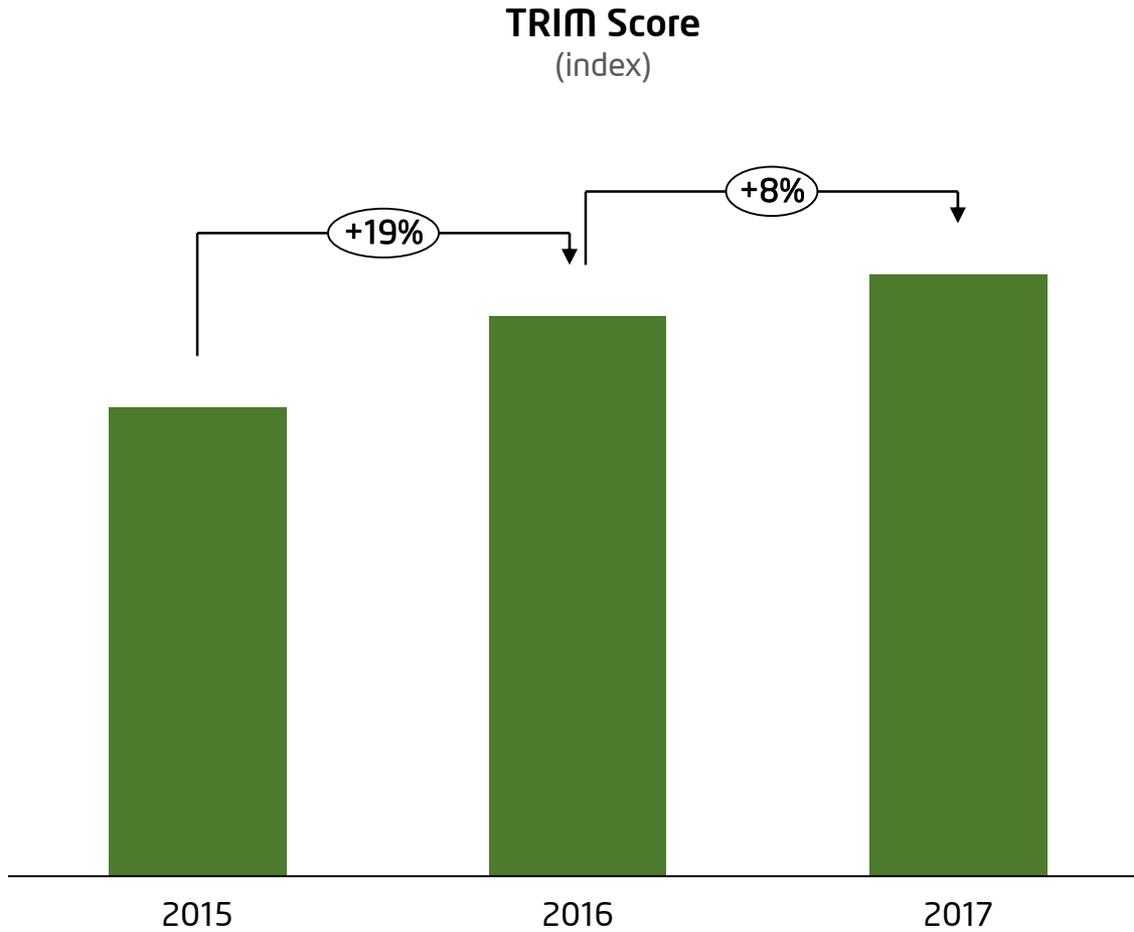


Customer Care Calls (millions)





... as well as relevant improvements in Customer satisfaction and loyalty, as measured by TRIM





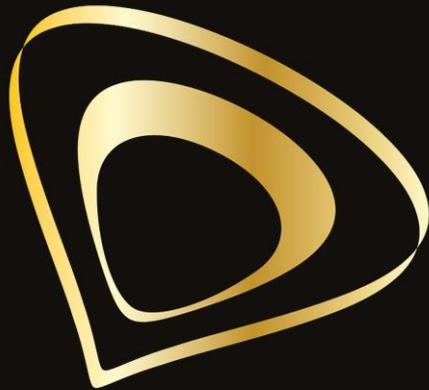
In summary...



- **Positive +2.8% YoY top-line growth of Net Revenues**, resulting in the 5th consecutive year of growth in our turnaround story
- Etisalat was recently recognized as the **most valuable brand in the region**, continuing to **expand its customer based (+3% YoY on mobile, +5% YoY on eLife)** and reinforcing its market share
- **Data monetization** efforts continue to deliver good results in both mobile and fixed, ensuring an **adequate ROI for the investments on LTE and FTTH**
- Following the strategy to **better segment our market and rise customer engagement**, we have **launched swyp (a “digital first” brand** to cater for the needs and wants of the youth segment) and **Smiles, a new digitally centric engagement platform**, which is showing strong uptake and satisfaction
- Digital and **Customer Experience transformation continues to deliver measurable impact**, with improvements on the cost to serve, and most importantly on the Customer satisfaction and loyalty ratings

Q&A

THANK YOU



etisalat

MOST VALUABLE
BRAND IN THE
MIDDLE EAST 2018

Etisalat Group Capital Markets Day 2018

Etisalat UAE Business Overview

Salvador Anglada

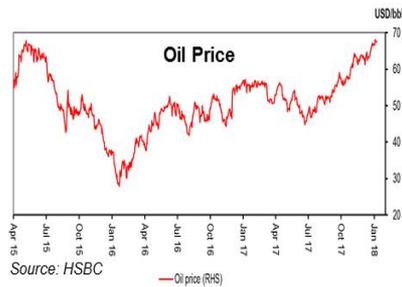
Chief Business Officer - Etisalat UAE

Different elements continue influencing the UAE economy although we expect steady recovery in 2018

UAE Economy Key Influencers

Favorable Influencers

Oil Prices Recovery



UAE Government Budget Expansion

UAE Government Budget (Billion AED)			
Government	2017	2018	YoY Growth
Federal	49	51.4	4.9%
Abu Dhabi *	100	100	0%
Dubai	47	56.6	20.4%

*Estimate

Annual GDP Growth

	2016	2017 Estimated	2018 Forecast
Worldwide GDP Growth (IMF)	3.2%	3.7%	3.9%
UAE GDP Growth (Emirates NBD)	3.0%	2.0%	3.4%

Dampening Influencers

Regional Instability

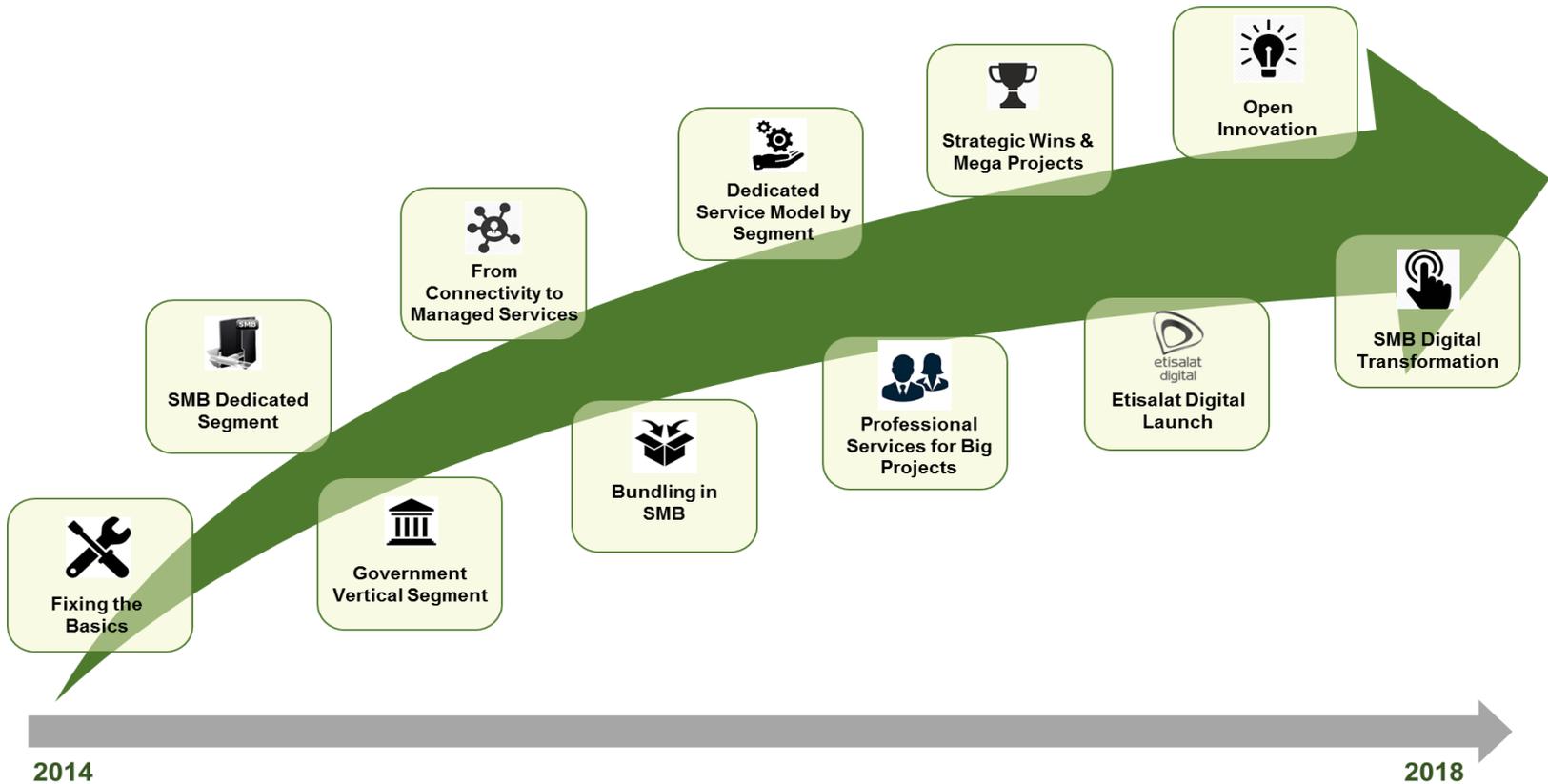


Introduction of VAT





We have continued reinforcing our capabilities to become a digital telco





Our vision and strategy evolve to be the 'digital solutions platform' for our customers



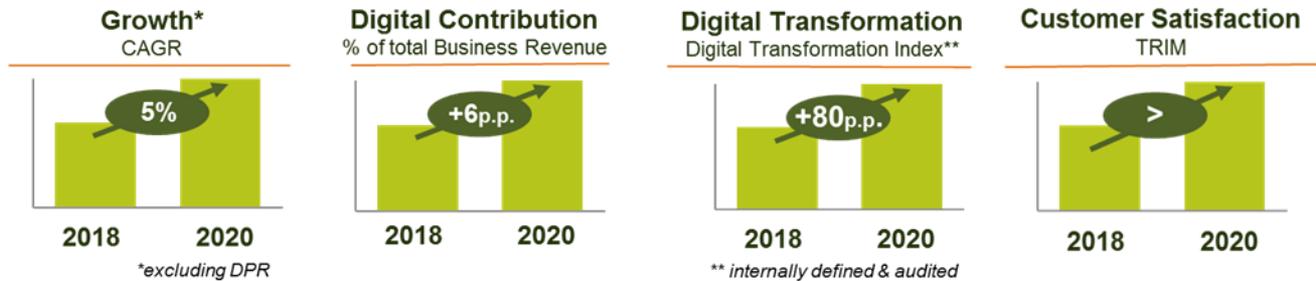
Our Vision...

“To be the digital solutions platform for government and businesses in a hyper-connected world”

Our Strategy...

<p>Platforms</p> <p>Building Platforms</p> 	<p>Power</p> <p>Power to the User</p> 	<p>Process</p> <p>Smarter & More Intelligent</p> 	<p>People</p> <p>Scalable Learning Environment</p> 
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Our Goals...



In mobile we are differentiating through propositions that provide great experience and control

MobileHub



Our flagship proposition providing full control to our customers

Enhanced Mobile Roadshows



The best mobile employee program for our business customers

Mobile First



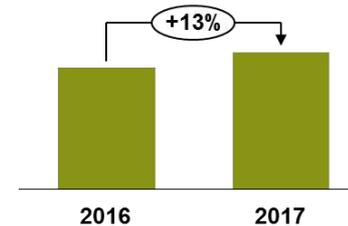
New data rich non-stop mobile tariffs

Launched in Jan'18

500+ Roadshows in 2018

Business Mobile Customer Base Performance

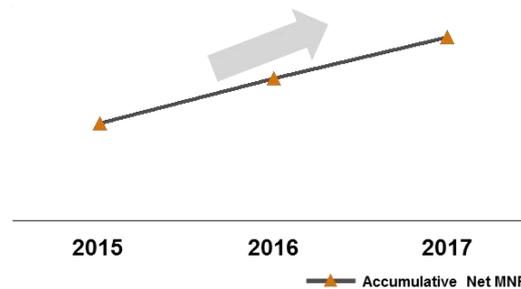
Average Customer Base* Number of lines



Business Mobile Subscriber Base

*company owned company paid lines, excluding data SIMs

Business Yearly MNP Number of lines



Accumulative Net MNP

SMB segment is transforming to become the platform for communications and digital services

The Best Telco Infrastructure in the Region

3X Speed Broadband Upgrade



Speed Upgrade
Customer Base
Coverage

> 60%

Starting speed @ 50 Mbps*

*for bundles

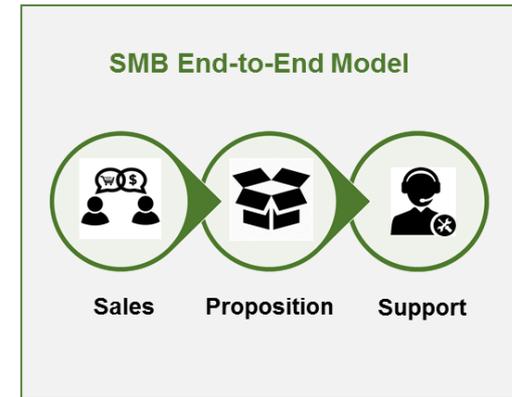
Enhanced SMB Digital & Telco Bundling



Digital Contribution
in SMB Revenue
by 2020

10%

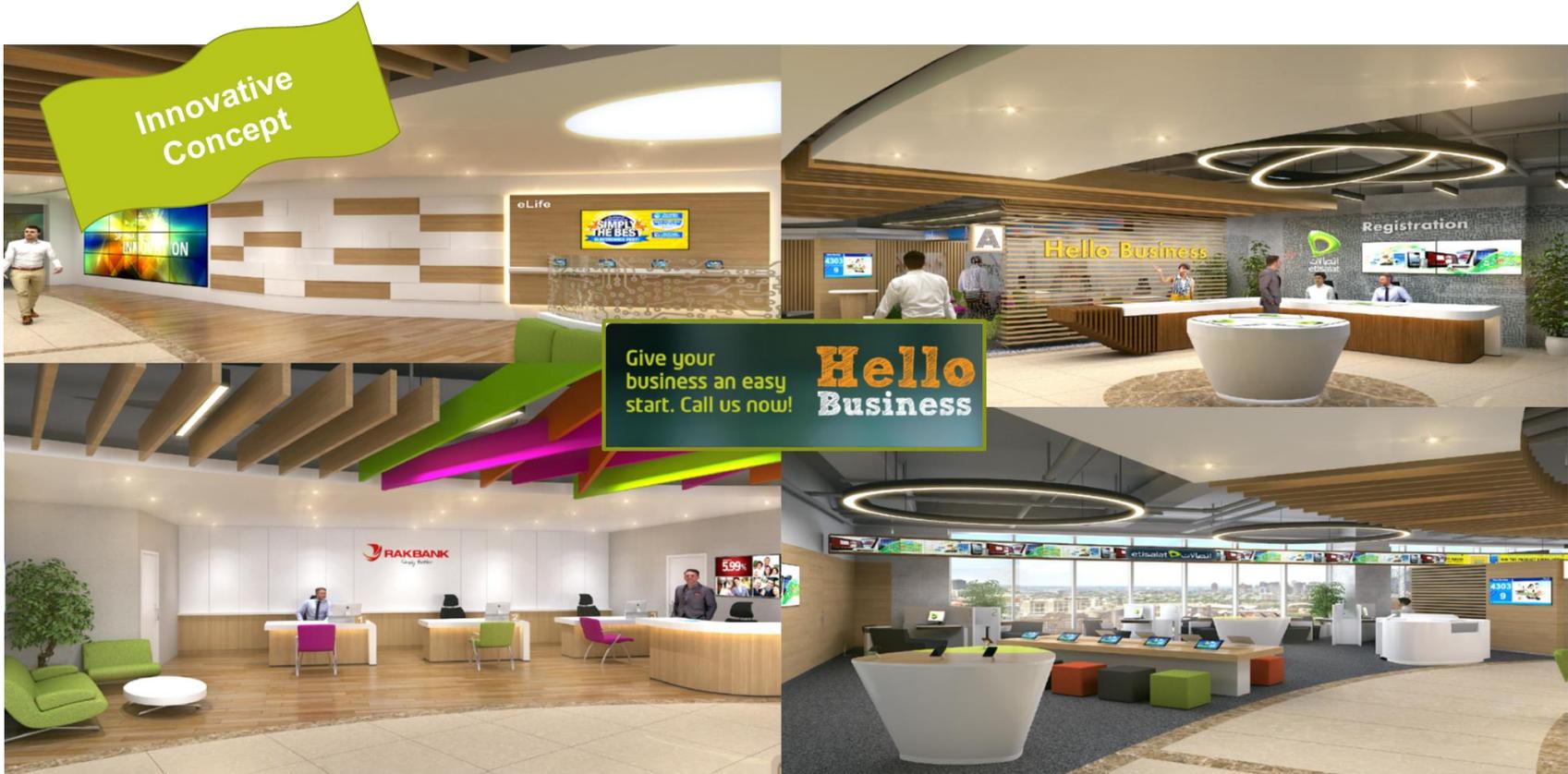
Build New Capabilities for Sustainable Digital Growth



SMB Transformation
Program to be
completed by

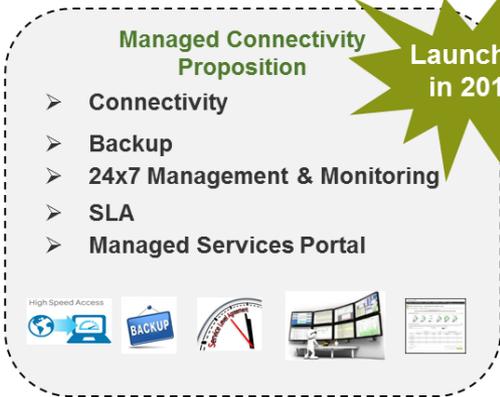
2019

SMB Hello Business Hub is the first true one-stop-shop to set up new businesses in the UAE



We are extending and virtualizing Etisalat managed connectivity proposition as an engine of additional growth

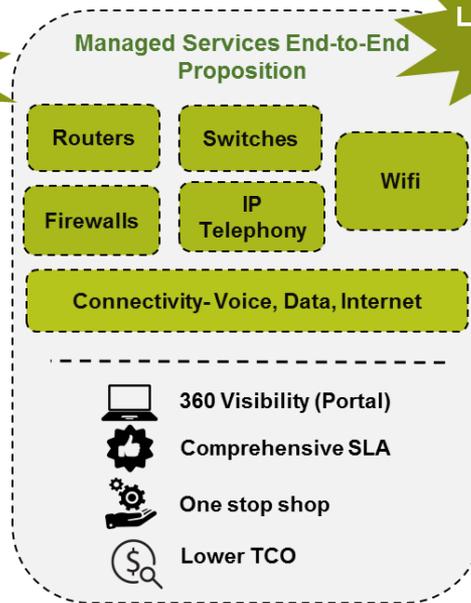
From Connectivity to Managed Connectivity



Launched in 2014

60%
Managed Connectivity
Base Penetration in
2017

End-to-End Managed Propositions



Launched in 2017

- Increase our **share of wallet**
- Increase **customer stickiness**
- New **revenue stream**

Moving to SDN/NPV



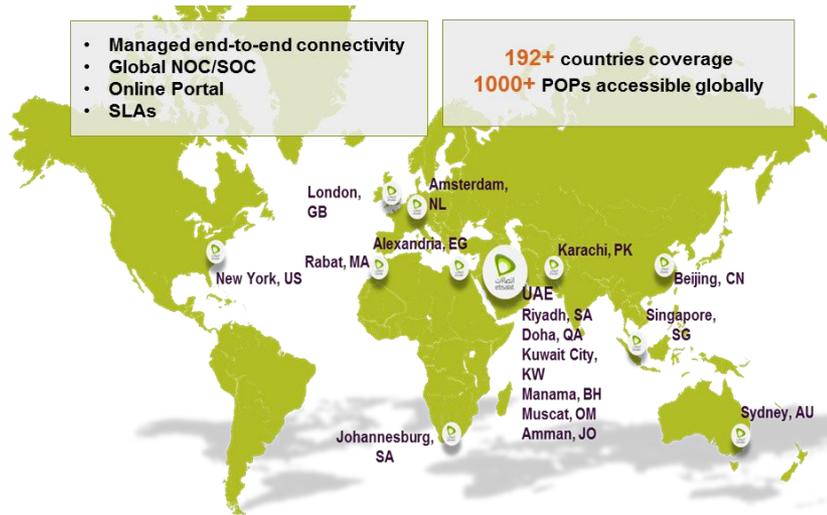
- Customer empowerment
- Agility
- Efficiency

Full Program
Launch in
2018

Etisalat continues investing to become the 'Global Services' regional leader



Global Services Proposition & Network Coverage

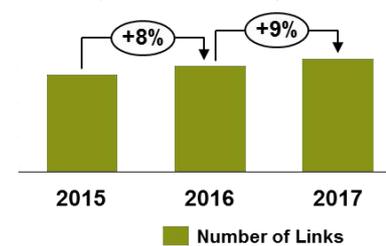


2018 Key Highlights

- New POPs- 11 new nodes
- London Office- first sales office outside the UAE
- SDN/NFV Global- to be launched in Q2'18

Global Services Performance

Global Services Links
(Number of Links)



Global Services Customers Across Various Sectors



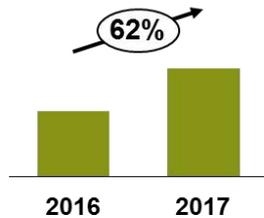
New Customers added in 2017

Etisalat Digital has been rolled out and is the engine of Etisalat business unit growth



Etisalat Digital Performance

Etisalat Digital Revenue
(Million AED)

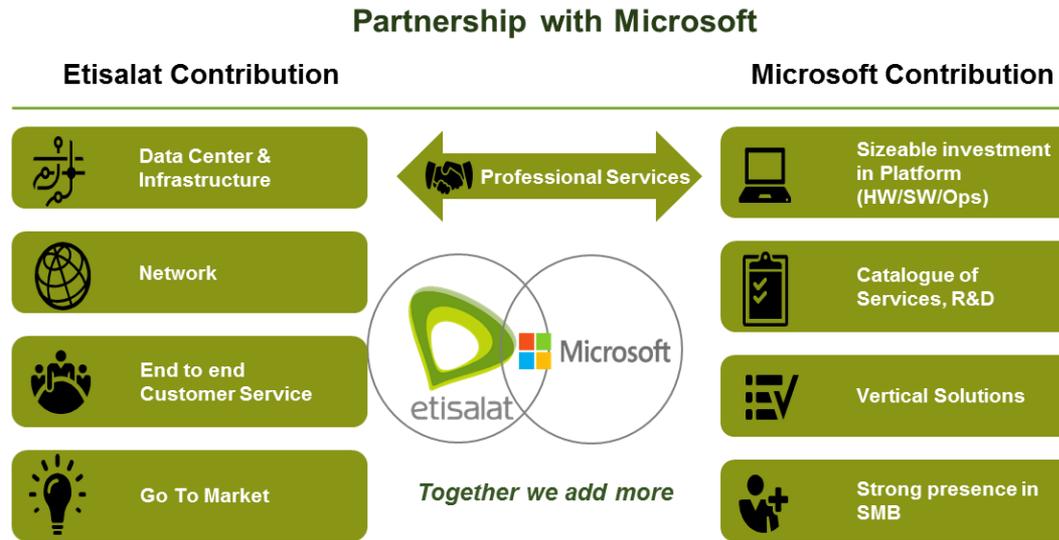


Etisalat Digital Capabilities

People	New Platforms
<div style="background-color: #76923c; color: white; border-radius: 50%; width: 60px; height: 60px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">300+</div> <p>Staff</p>	<ul style="list-style-type: none"> ➤ Khalifa Datacenter Phase 2 ➤ GDH Datacenter ➤ IoT Platform ➤ Command & Control Center ➤ Digital Signage Platform ➤ VSaaS Platform ➤ Smart Buildings Platform
Key Customers	



Concluded a strategic partnership with Microsoft to create the first hyper-scale public cloud in the Middle East and Africa



Launch in Oct'18

Partnership Advantages

- ✓ First mover advantage
- ✓ Leading edge technology
- ✓ Joint Go-To-Market
- ✓ Joint infrastructure (private & public)
- ✓ Market makers



Unique Customer Selling Points

- ✓ Local data residency
- ✓ Ultra-low latency
- ✓ Cost competitiveness
- ✓ Hybrid integration

We continue creating important references in different verticals that will be replicated in the future



Smart Monitoring System for Homes in the UAE 300,000 Villas

Project Scope

- Supply and Installation of fire alarm solution across the UAE
- Real time remote monitoring using IoT Wireless technology
- Dedicated Command Control Center



Customer: Ministry of Interior Civil Defense



Smart Surveillance & Security Solution for Petrol Stations 101 Petrol Stations

Project Scope

- End-to-end smart surveillance & security solution
- Managed Connectivity
- 24/7 support & real time monitoring



Managed POS

Project Scope

- End to End managed POS (point of sale) solution
- Connectivity- M2M & fixed connectivity
- 24 x 7 Monitoring and Support



Digital Solutions for Dubai Safari Zoo

Project Scope

- Access controls
- Ticketing system & kiosks
- Visitors mobile application & portal



Work is underway to deliver Expo2020 Dubai the fastest, smartest and best connected places in the world



EXPO
2020
DUBAI
UAE



OFFICIAL PREMIER PARTNER

To be ready
one year ahead
of the opening

“As a premier partner of Dubai Expo 2020 for telecom and digital solutions, we will provide visitors and participants with **cutting edge immersive smart living experience** that brings the Expo themes to life”



Etisalat is embracing open innovation to accelerate digital transformation and growth

Etisalat Digital Open Innovation Center

50+
Customer
Visits*



**since opening in Dec 2017*

Partnership with Dubai Future Accelerators

4
Challenges
Launched



Digital Health



Digital Security



Transformation of
Visitor Experience



Digital Self Care
Channels





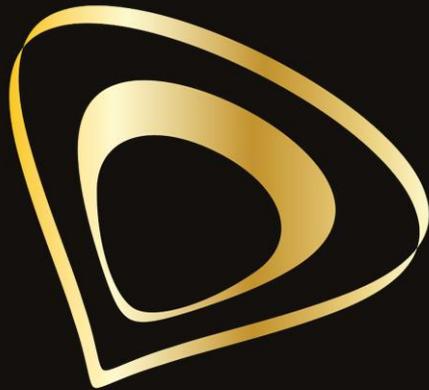
Conclusions



- ❖ We will continue in our **transformation towards a digital telco**
- ❖ Our core business will further expand through **innovative mobile propositions** and **end-to-end managed services**
- ❖ **SMB segment** has the potential to grow through bundling of telecom services and digital solutions
- ❖ **Etisalat Digital** will remain to be the source of growth with potential to expand outside the UAE
- ❖ **Open innovation** will allow us to accelerate the launch of new services and solutions

Q&A

THANK YOU



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Etisalat Group
Capital Markets Day 2018

PTCL Group Operations

Dr. Daniel Ritz

Chief Executive Officer - PTCL Group

Key Highlights FY2017

Financial (PKR)

consolidated
net profit
+168%

Stable
consolidated
revenue 117 B
& EBITDA 40 B

PTCL
Corporate
revenue
+11%

PTCL
DSL revenue
+4%

PTCL:
Dividend of
5 B (Yield
7,7%)

Strategic

PTCL:

- Major network transformation for high speed data and growth in DSL, 31 exchanges completed out of 100.
- Launch of LTE services in AJK, Baluchistan, KPK and central Punjab.
- Launch of cloud based services in June 2017 and added 39 new customers and new ICT partnerships – Microsoft, Oracle, Etisalat, Dell EMC

Ufone:

- Stabilizing market share.
- Price rationalization to support revenue growth.
- Cost leadership.

PTCL Group:

- Group synergies worth PKR 2.5 B achieved
- Integration of Finance and Procurement functions
- 137% growth in Ubank revenue

Presentation Overview



- 1 Overview of the Operating Environment**
- 2 Key operational and financial highlights of 2017**
- 3 Management focus during 2017 / Key developments**
- 4 Strategic priorities/Way forward**

Country highlights



- 6th most populous country 207 Mn with annual Growth rate of 2,4%
- Urban population is 75 Mn which is 36% of total population.
- ~51% population is <24 years of age which is positive for uptake of data.

- GDP of 304 B with growth ~ 5,3% which is highest during last 10 years
- Inflation CPI at 4,1%
- CPEC mega project of US\$46 billion – will provide major support for development of infrastructure in coming years
- Aggressive infrastructure development by the government
- Pak rupee devalued against USD in Dec 17 ~ 4,7%



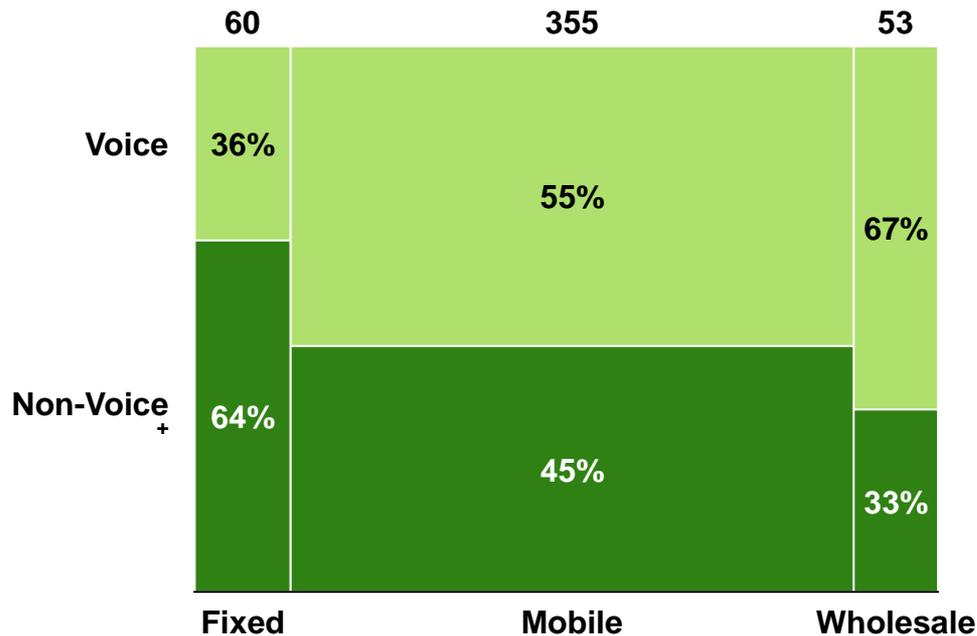
- Penetration: Cellular 71%, 3G/4G 24%, Fixed Broadband 8,8%
- 3rd LTE license auction of 1800 MHz won by Jazz @ USD 295 M (+ tax 29.5 M USD)
- GST @ 19,5% was imposed on Data services in Punjab.

Telco market overview

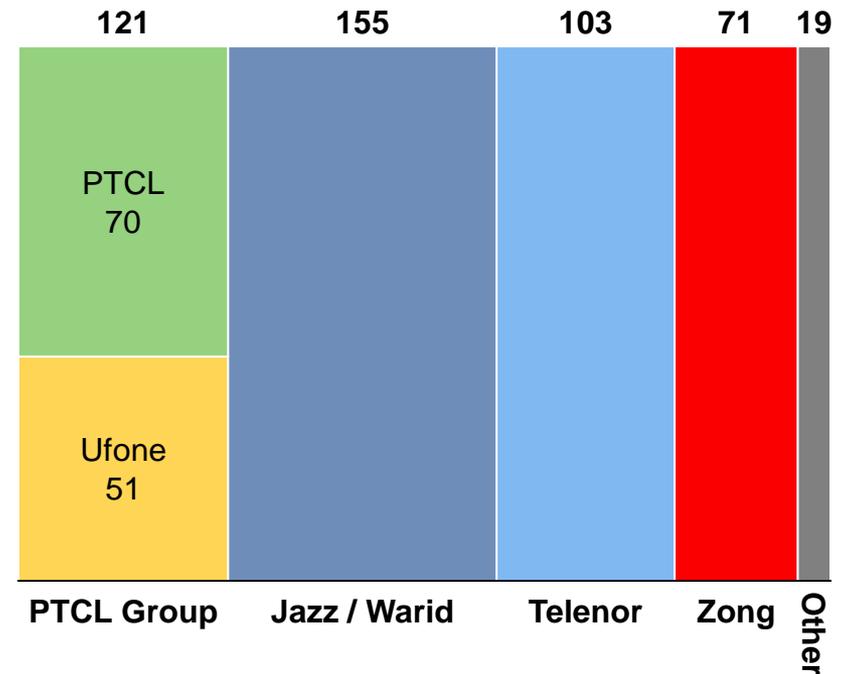


Total market value 469 PKR b

2017: Overall Market Value ~ PKR 469bn



Market map 2017 by competitor (PKR b)



⁺Includes dongles revenue

PTCL Group - a strong full service provider



Market Positioning

- Strong # 2 by revenue
- #1 in Fixed
- #4 in Mobile
- Only player with Fixed and Mobile

Fixed

- Largest fiber footprint in Pakistan > 38,000 KM of Fiber
- Market leader with 89% value share in fixed broadband
- Broadband customers:1,9 Mn
- Market leader in Corporate & C&WS

Mobile

- 18,5 Mn cellular subscribers
- More than 8,000 mobile towers
- 2nd in TRI*M results.

Microfinance Bank

- Enables the mobile financial services business of the group
- Profitable and well positioned to tap into the nascent E-Commerce market
- 33% increase in number of branches during the year (Total branches are 100)
- 91 % increase in advances to customers.

Presentation Overview



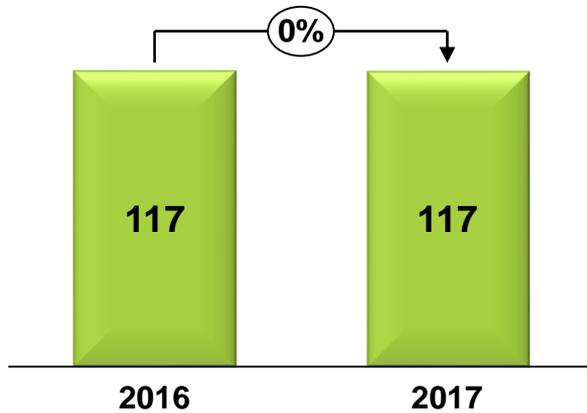
- 1 Overview of the Operating Environment**
- 2 Key operational and financial highlights of 2017**
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PTCL Group - Key financial highlights 2017



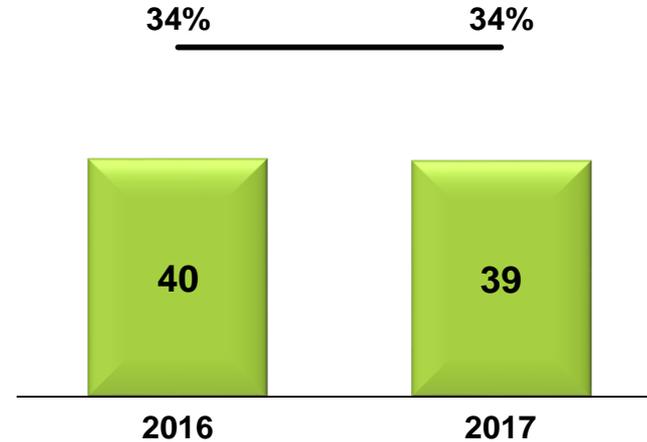
Revenue / Revenue Growth (%)

(Pkr b)



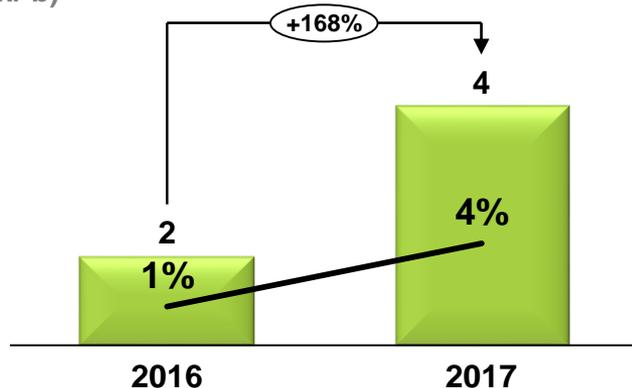
EBITDA / EBITDA Margin (%)

(Pkr b)



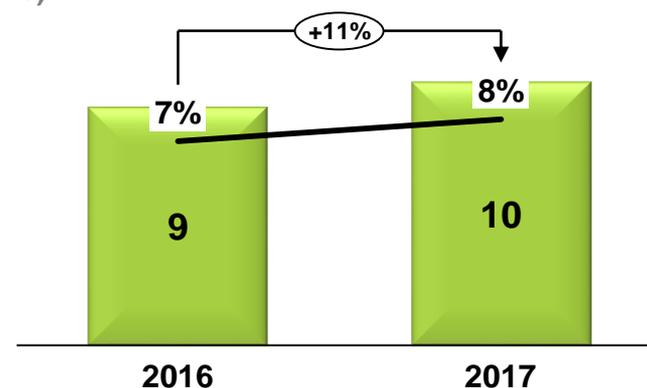
Net Profit / Profit Margin (%)

(Pkr b)



Free Cash flow & FCF/Revenue (%)

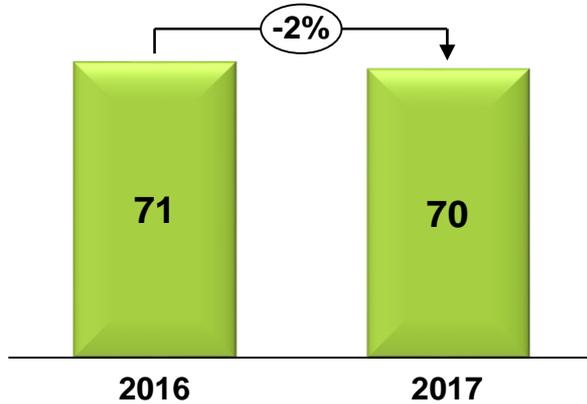
(Pkr b)



PTCL - Key financial highlights 2017

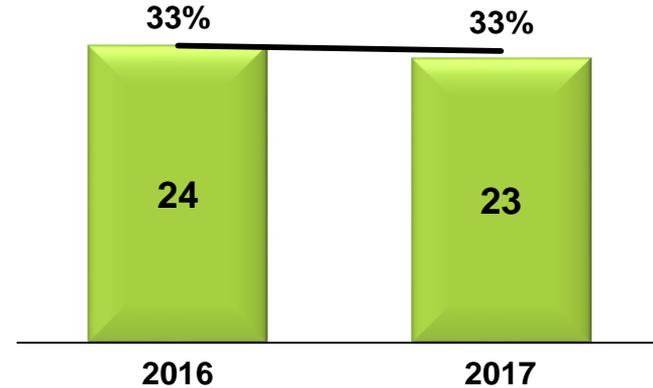
Revenue / Revenue Growth (%)

(Pkr b)



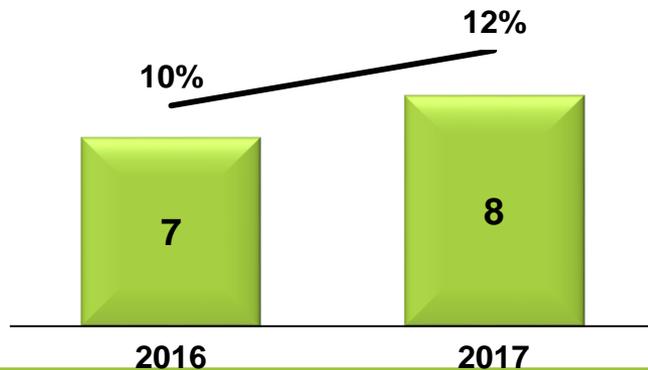
EBITDA / EBITDA Margin (%)

(Pkr b)



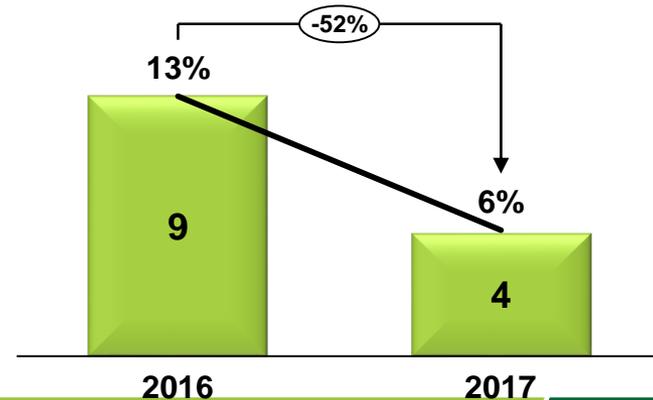
Net Profit / Profit Margin (%)

(Pkr b)

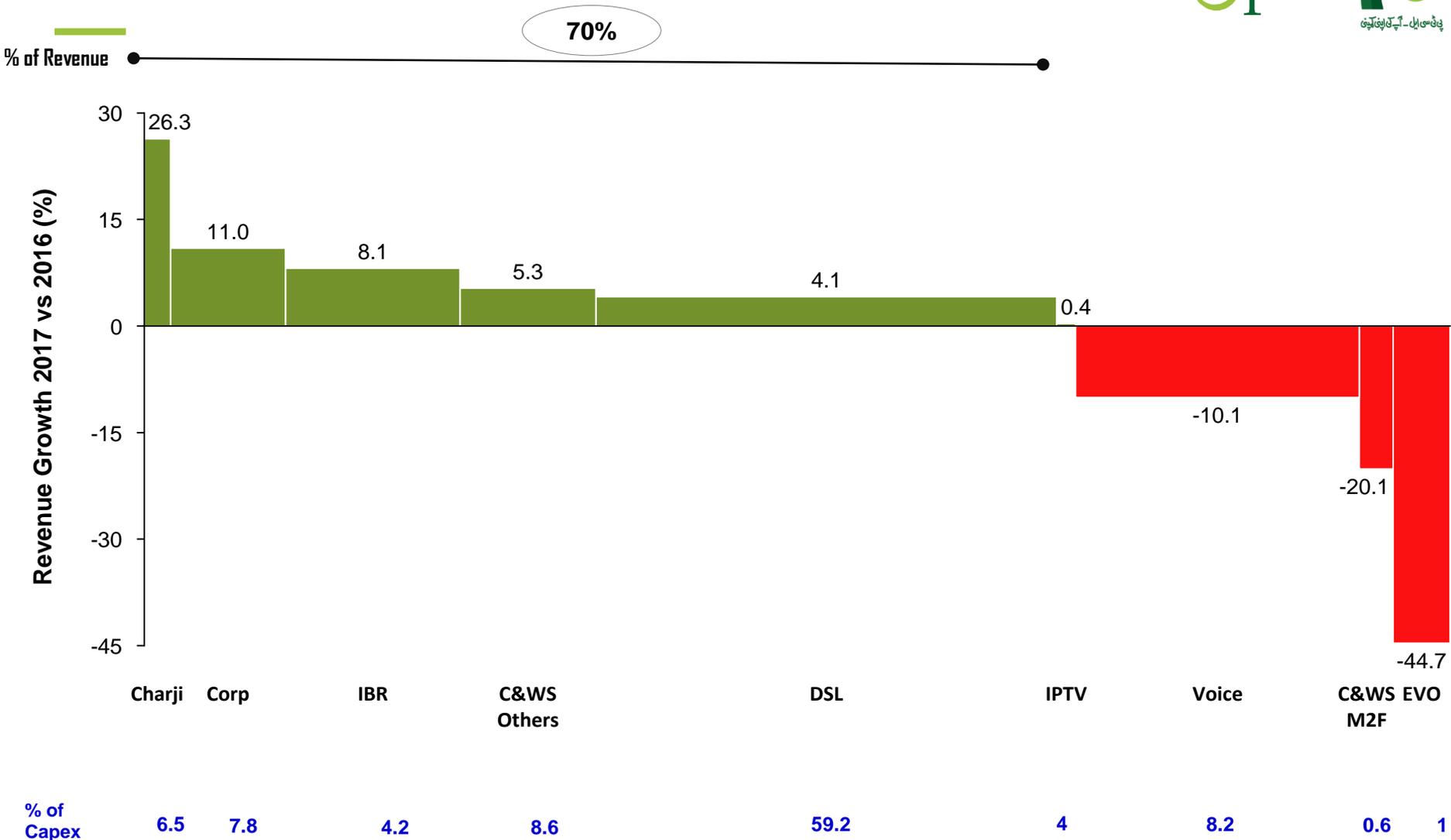


Free Cash flow & FCF/Revenue (%)

(Pkr b)

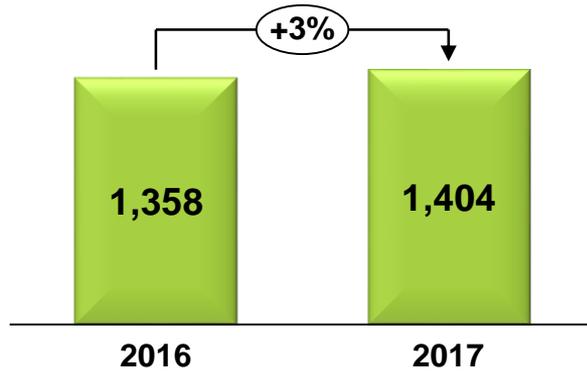


PTCL: 70% of revenue base showing growth.

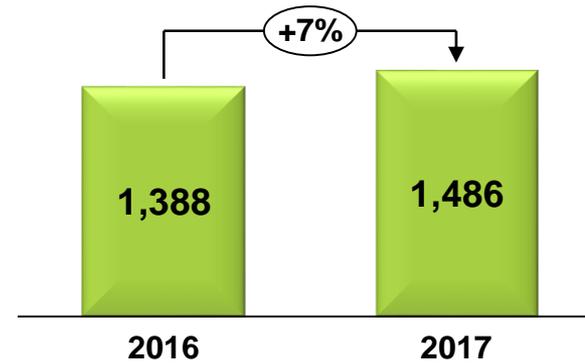


PTCL - Key operational highlights 2017

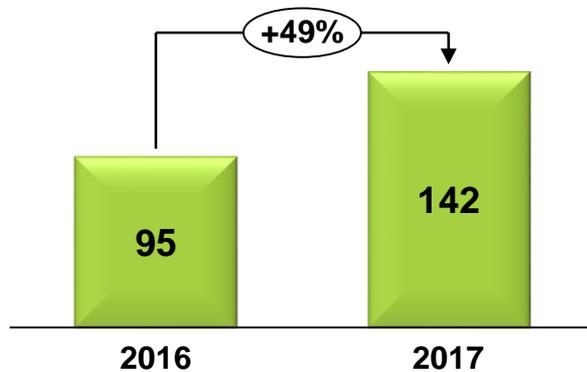
Subs – DSL (K)



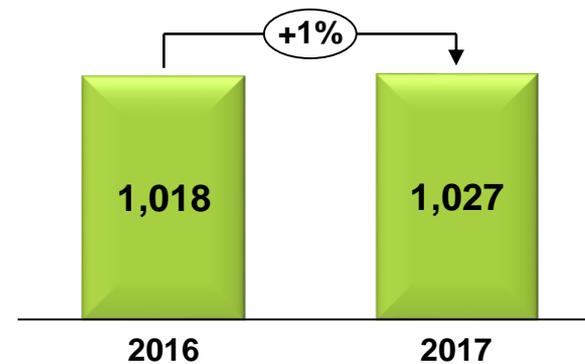
ARPU – DSL (PKR)



Subs – Charji (K)



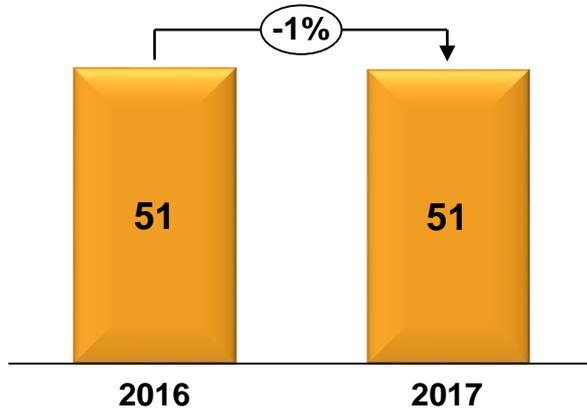
ARPU – Charji (PKR)



Ufone - Key financial highlights 2017

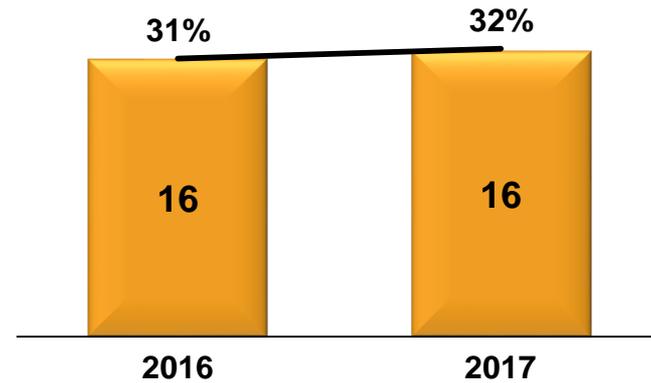
Revenue / Revenue Growth (%)

(Pkr b)



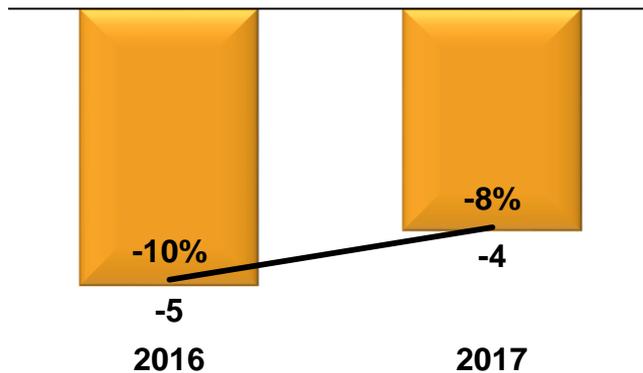
EBITDA / EBITDA Margin (%)

(Pkr b)



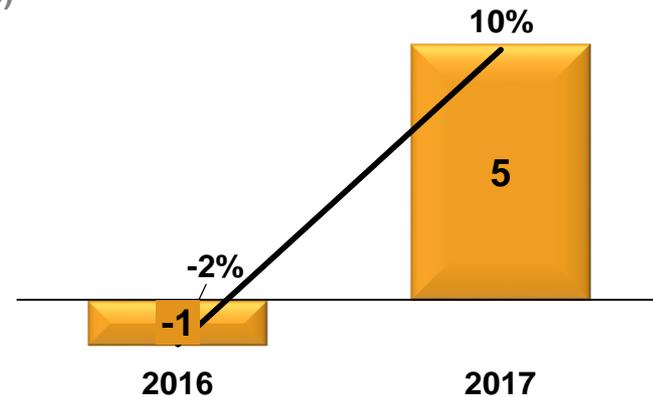
Net Profit / Profit Margin (%)

(Pkr b)



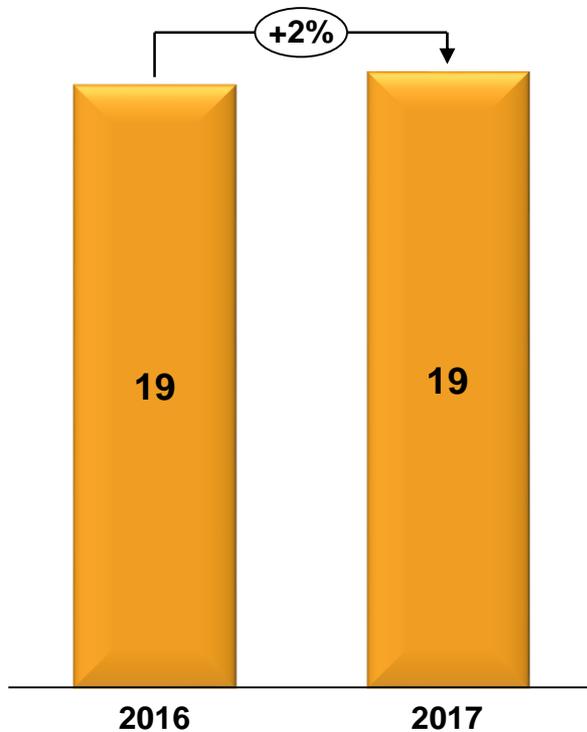
Free Cash flow & FCF/Revenue (%)

(Pkr b)

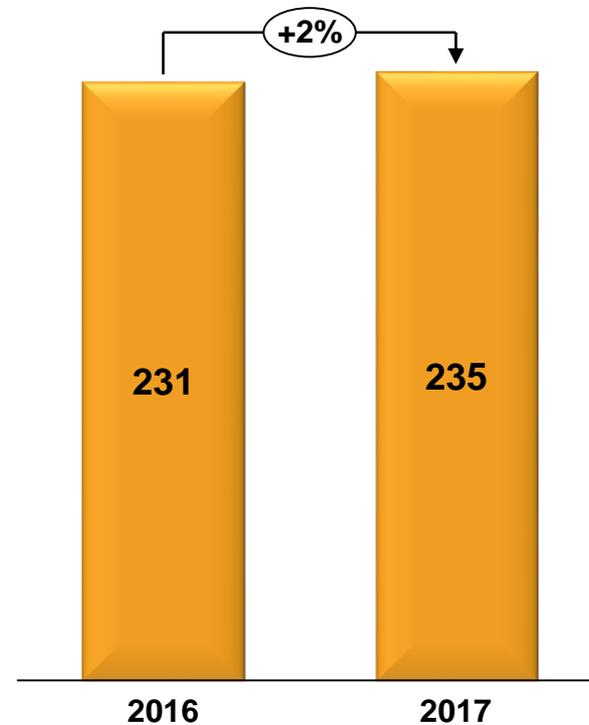


Ufone - Key operational highlights 2017

Subs – Ufone (M)



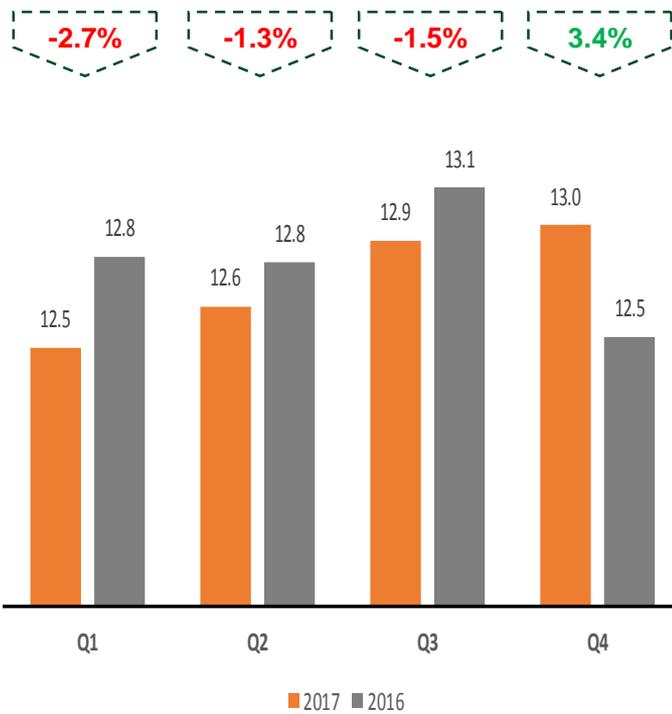
ARPU – Ufone (PKR)



Ufone: Improved quarter-on-quarter revenue

Quarterly Revenue

(Billion PKR)



Quarterly Net Additions

(Thousand Customers)

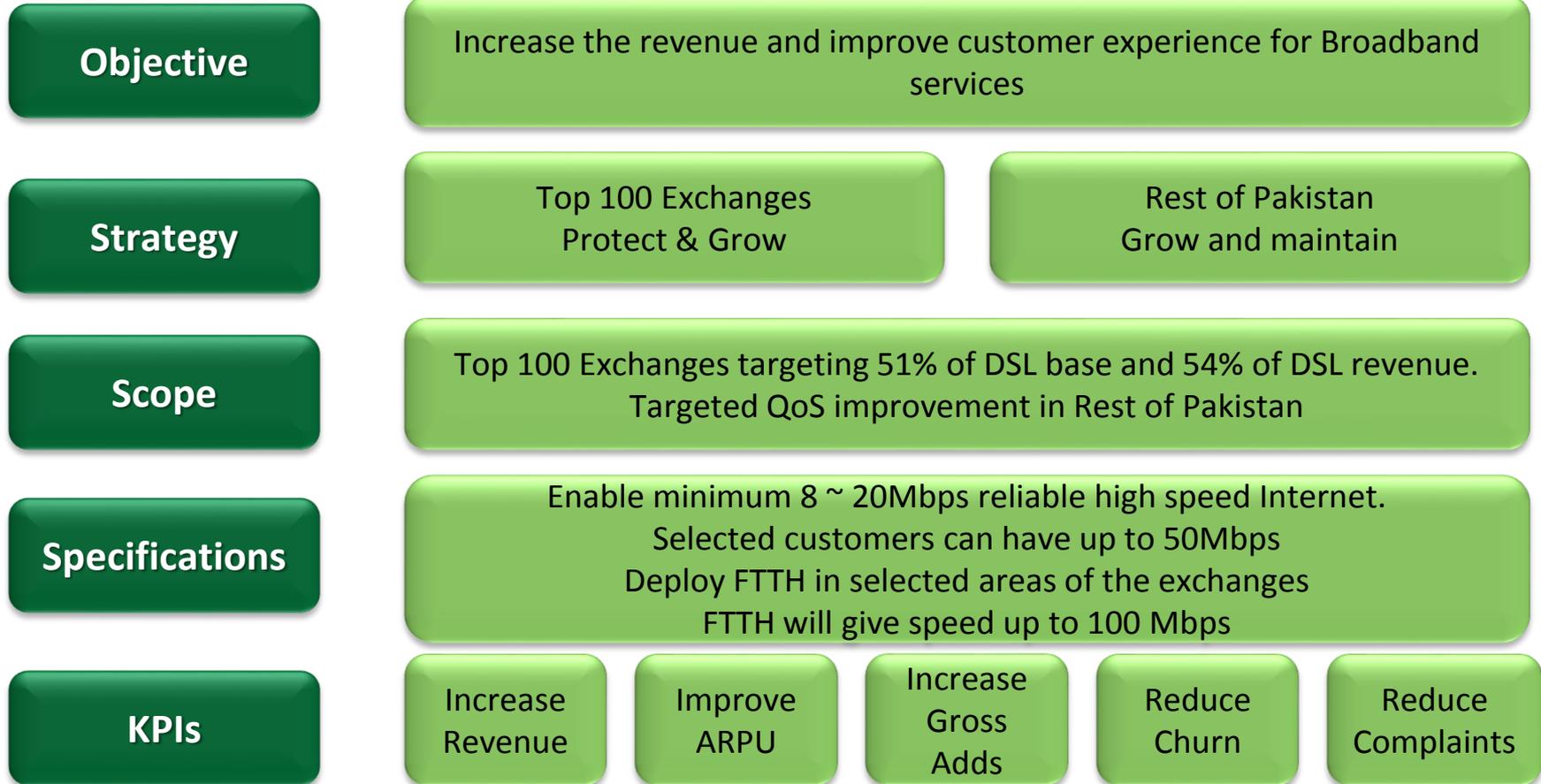


Presentation Overview

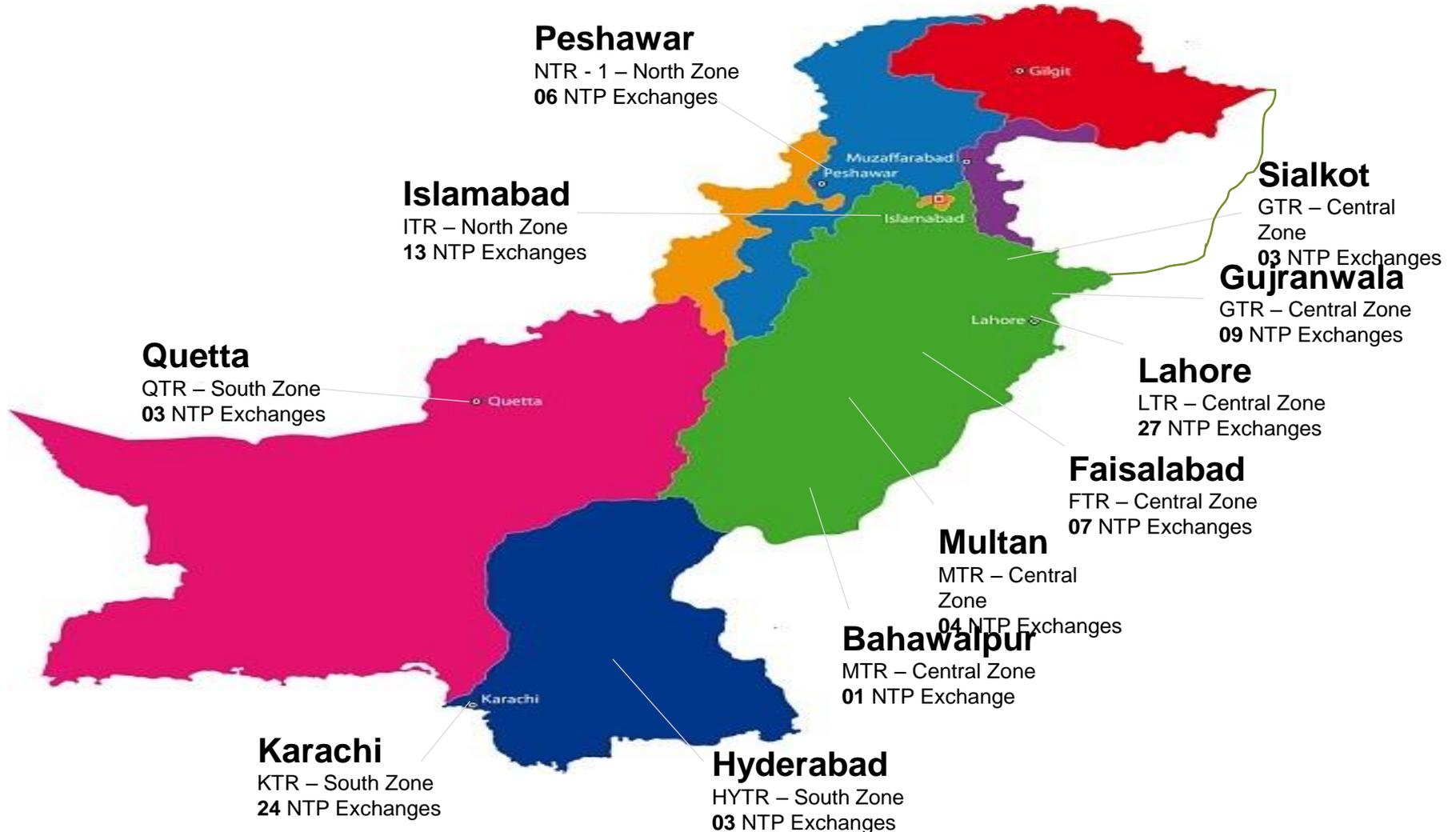


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PTCL - Network Transformation Project

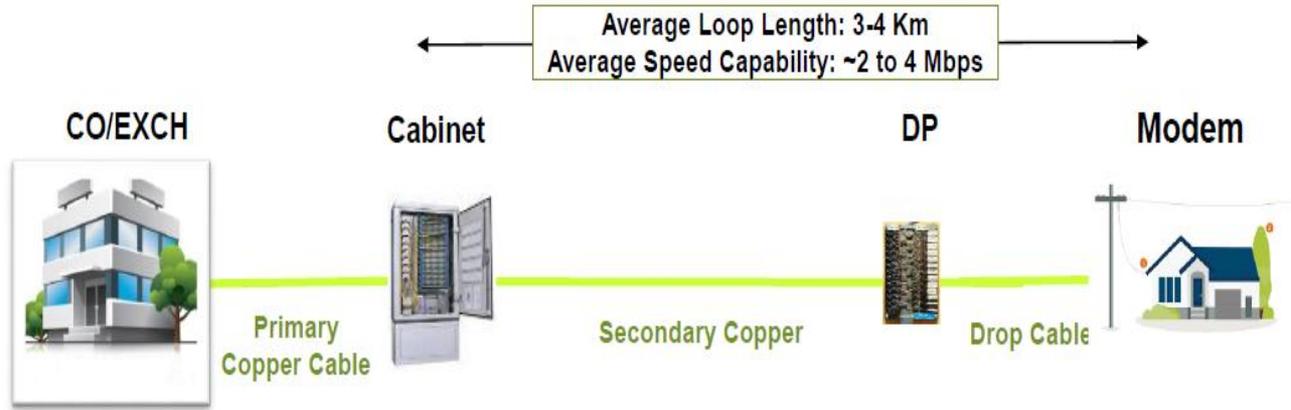


NTP 100 Exchanges - all over Pakistan

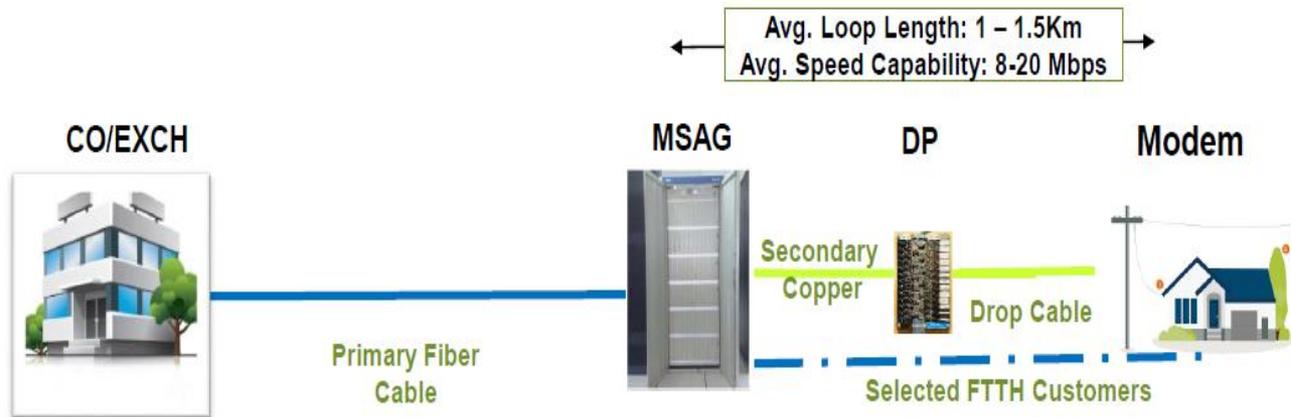


Reducing Loop Lengths, increasing Speeds

BEFORE
TRANSFORMATION

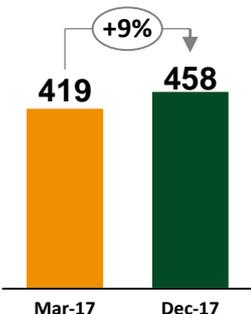
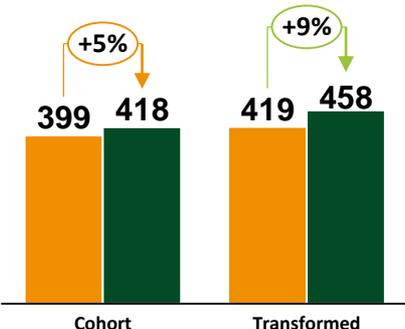
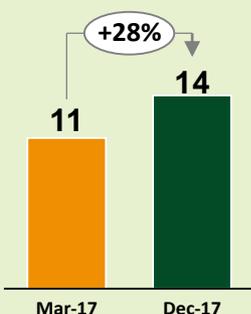


AFTER
TRANSFORMATION



NTP driving strong revenue growth

Monthly Revenues growing compared to all benchmarks

Pre vs. Post	Transformed vs. Cohort	Gulgasht Exchange
 <p>419 (Mar-17) → 458 (Dec-17) +9%</p> <p>Pre Transformation (Orange) Post Transformation (Green)</p>	 <p>Cohort: 399 (Mar-17) → 418 (Dec-17) +5%</p> <p>Transformed: 419 (Mar-17) → 458 (Dec-17) +9%</p> <p>Mar-17 (Orange) Dec-17 (Green)</p>	 <p>11 (Mar-17) → 14 (Dec-17) +28%</p> <p>Pre Transformation (Orange) Post Transformation (Green)</p>
<p>31 Exchanges progress of March compared with December.</p>	<p>Cohort is of 43 exchanges other than NTP to match the base and monthly revenue</p>	<ul style="list-style-type: none"> - MTR – Central Zone - Base: 7,184 - Transformed Month: May - 2017

Key Highlights of Ufone Turnaround 2017



Infrastructure

Strengthening of network via U900 in major metros; increasing 3G footprint by **~29%**

422 new coverage sites (164 for HVC, 90 for 3G coverage in high revenue areas, 168 in USF area)

Largest recipient of USF funds, for under served areas; winning 64% bids worth **~USD 72 'Mn**

Distribution

BVS footprint increased by **28%**

Relationship strengthening with 'high footfall' retailers

~66% higher sales in Q4'17 vs Q4'16

~28% increase in High Value Sales in Q4'17 vs Q4'16

Commercial

Smart price ups helped improve the ARPU slightly: Super Card, PAYG packages

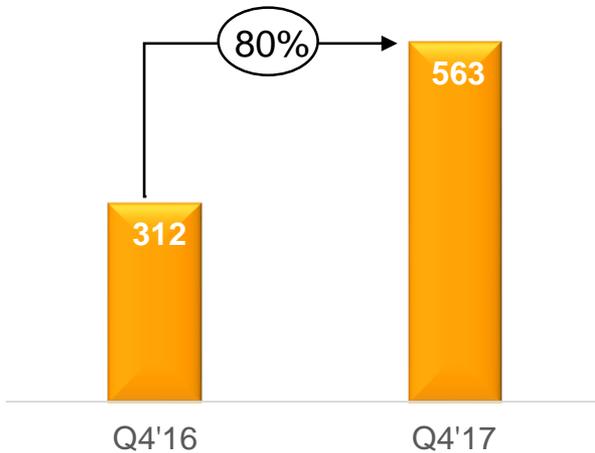
Simplification of product portfolio: **closure of 32 products**

Building on brand communication of **'Convenience'**

Opex saving of **~USD 13.5** achieved during the year

Ufone's 'Win SIM Share' strategy has laid the foundation of growth in FY 2018

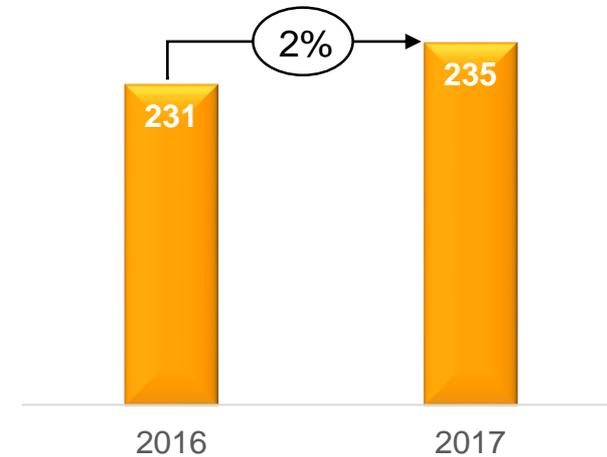
Avg. Monthly Gross Adds
(‘K)



Avg. Monthly Net Adds
(‘K)



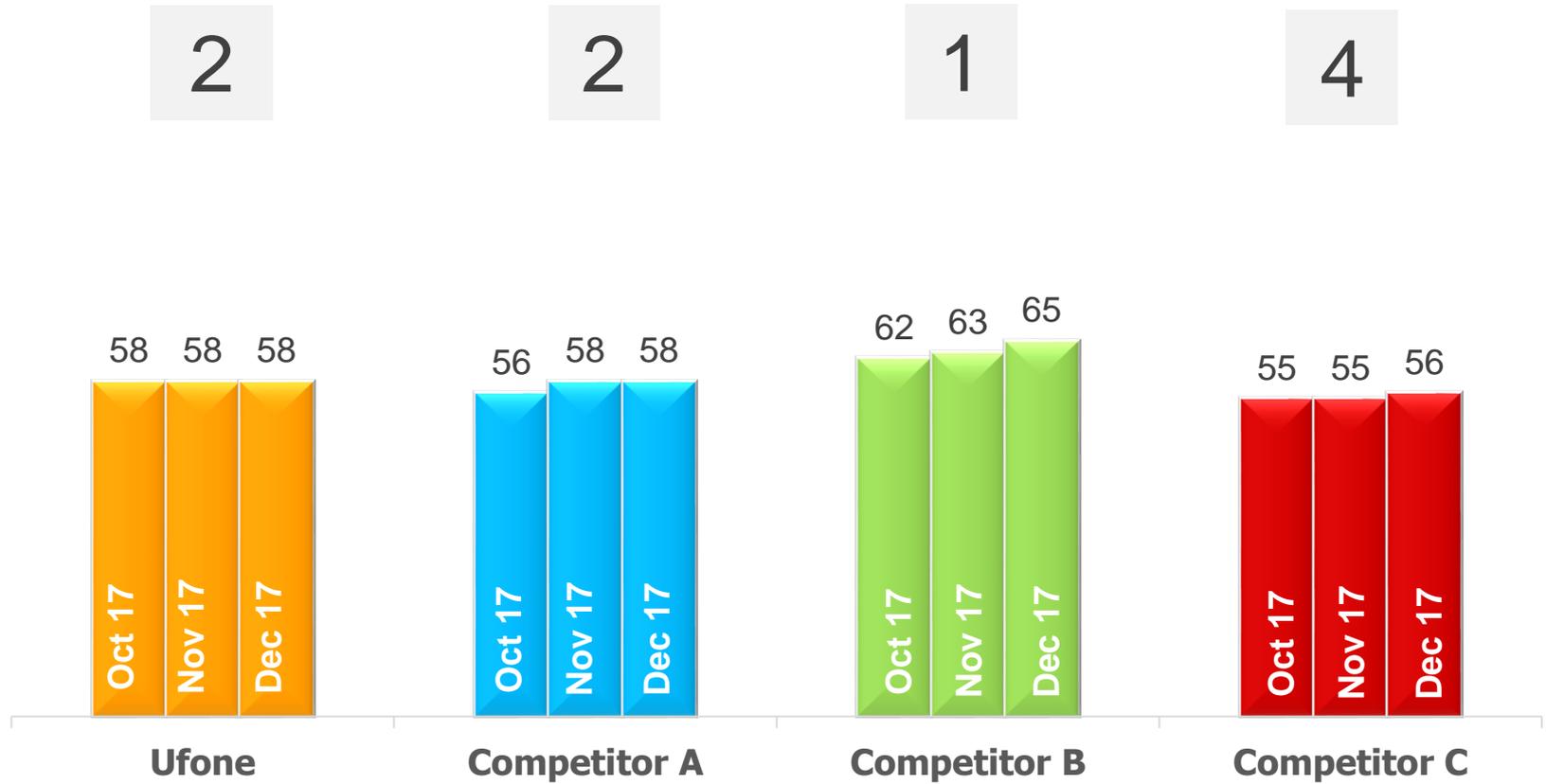
Blended ARPU
(Pkr/Month)



TRI*M scores were also maintained, despite limited coverage and spectrum



TRI*M
Ranking



Presentation Overview



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Strategic priorities / Way forward

Theme

Description

PTCL

- Grow Consumer Broadband business aggressively (Fixed and Fixed wireless)
- Deliver network transformation and LTE migration, drive FTTH deployment
- Grow ICT business aggressively, leverage partnerships
- Capitalize on tower fiberisation opportunity, maintain IP Bandwidth market leadership

Ufone

- Increase subscriber market share to improve top line
- Secure additional spectrum, while re-farming existing spectrum resources
- Maintain cost leadership.

Ubank

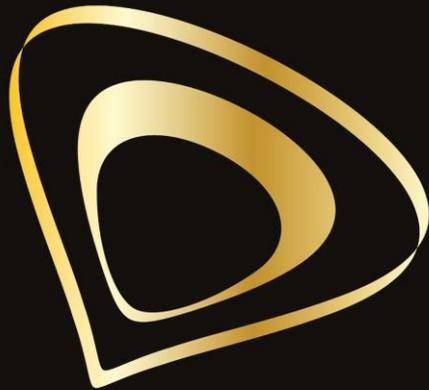
- Capturing the untapped opportunities in the attractive Microfinance Market
- Regaining ground on the branchless banking business
- Increased contribution to Group profitability

Group

- Drive cross selling and bundling opportunities
- Extract operational synergies between group companies

Q&A

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Capital Markets Day 2018

Mobily Operations

Ahmed A. Aboudoma

Chief Executive Officer - Etihad Etisalat (Mobily)

Challenging macroeconomics environment

Macro Environment

- Saudi Arabia partially removed the subsidies from certain utilities weighing on consumer purchase power.
- Fees on expat and dependents have been applied since July 2017, starting with 100 SAR per month per dependent creating pressure on expat population.
- To reduce the impact of the removed of the subsidies, Saudi Gov. deposited 2 BSAR into the accounts of subscribed eligible citizens, the Gov. have allocated in its 2018 budget 32 BSAR to be spent for the Citizen's Account.
- VAT is imposed on a wide range of goods and services in Saudi Arabia starting January 1, 2018.

Large telecom market

Telecom Market

- KSA is the largest telecom market in the Middle-East (~US\$18 Mds)
- 3 players market and 3 MVNOs
- Young population with high percentage level of smart segment
- Large expats population (~30%)
- High level of penetration ~136% but recently affected with a loss of 34 pts of penetration due to the fingerprint registration process implementation.

2017 in Mobily

- **Focus in 2017 was to rebuild Mobily foundations:**
 - Analyzing legacy issues
 - **The approach was to fix root causes rather than scratching the surface**
 - Starting to devise a new strategy fitting the company abilities
 - **Rolling out the implementation of the new strategy**
- **Keeping an eye on the operational performance while fixing the basics...**
 - Commercial performance improvement
 - Financial stabilization and early signs of growth
- **...and even over performing the market**
 - Top line growth
 - Revenues share
- **Within a very challenging regulatory environment**

2017 at glance: fixing the root cause rather than scratching the surface...

SELECTION

Strategy

- New vision & brand positioning
- Launched CEX & digital transformation program
- Built new capabilities (analytic & research)

HR

- Defined new organization and governance (incl. leadership assessment)
- Refining the HR framework (retain and attract talent)
- Enhance quality of execution and culture mindset
- Revamp product portfolio

Commercial

- Refocus on BU
- Developed a new sales operating model
- Improved the customer care support

Technology

- IT transformation
- Network modernization under-way and successful spectrum acquisition

Finance

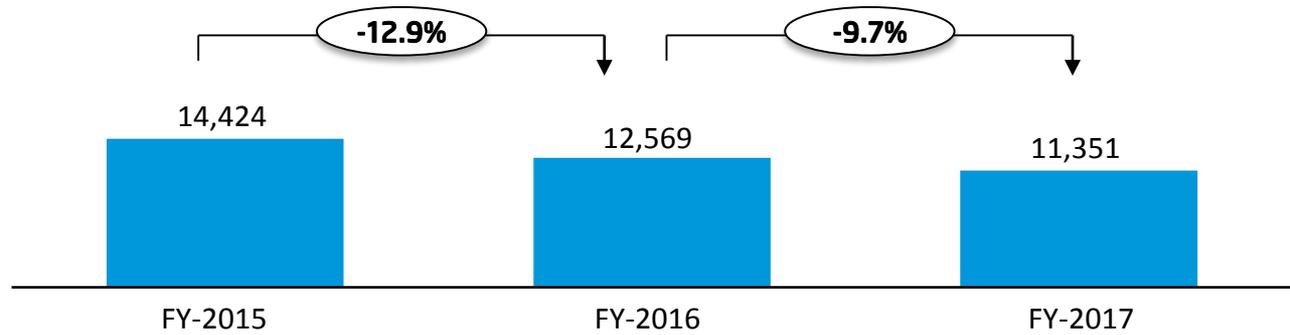
- Refinancing
- Cost optimization

... Meanwhile not loosing focus on operational performance...

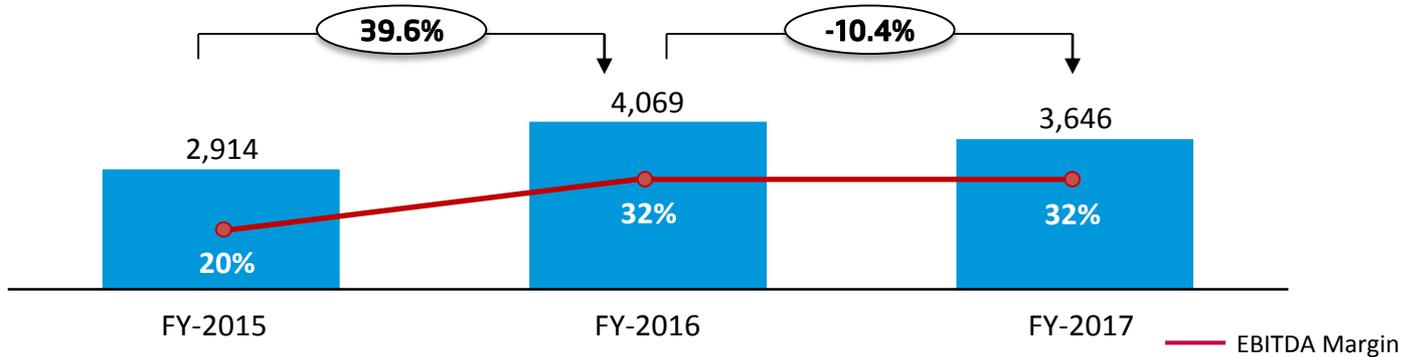
High Level FY 2017 Results 1/2

In SAR mn

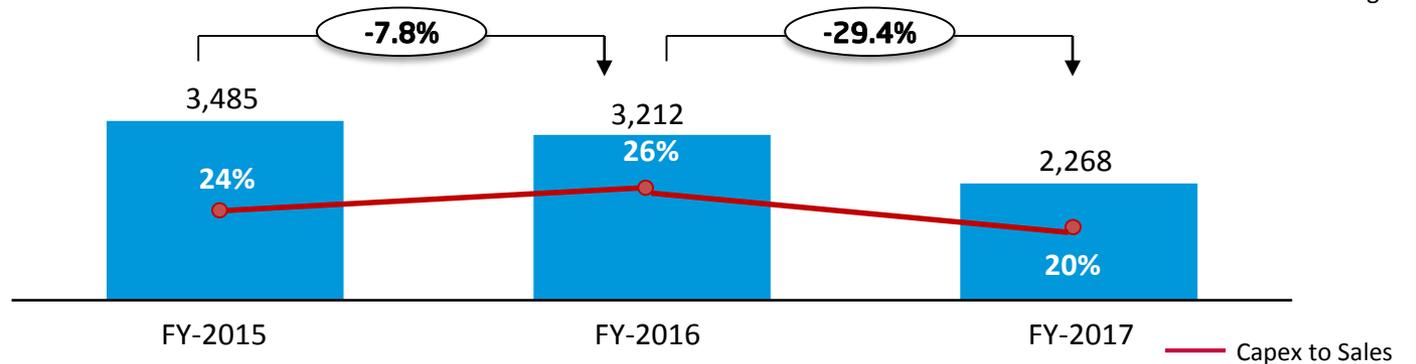
Revenues



EBITDA & EBITDA margin



Capex & Capex to Sales

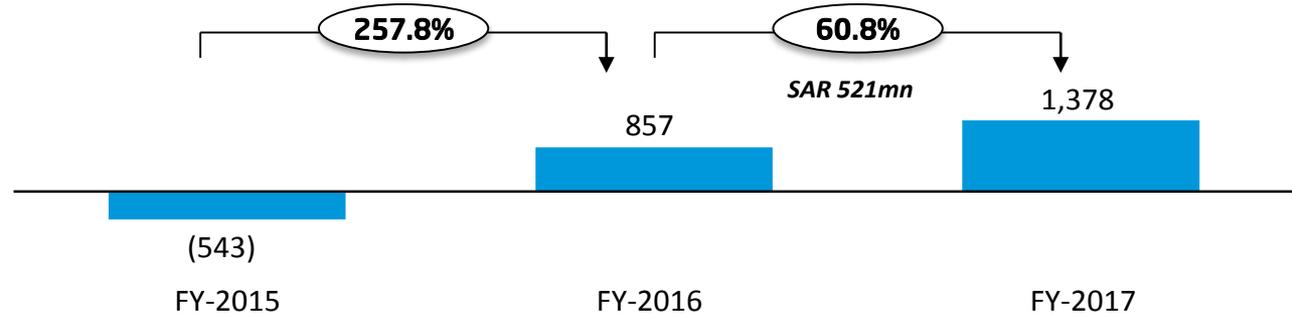


Source: Mobily financials

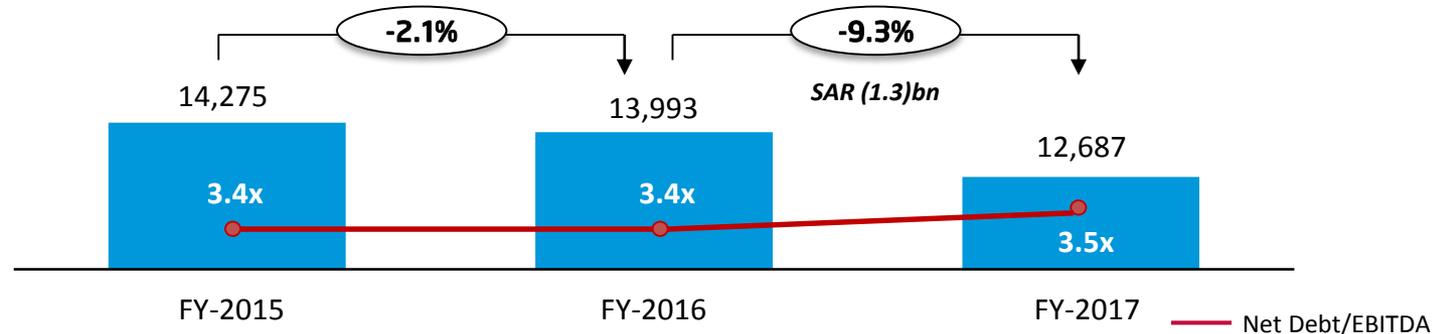
High Level FY 2017 Results 2/2

In SAR mn

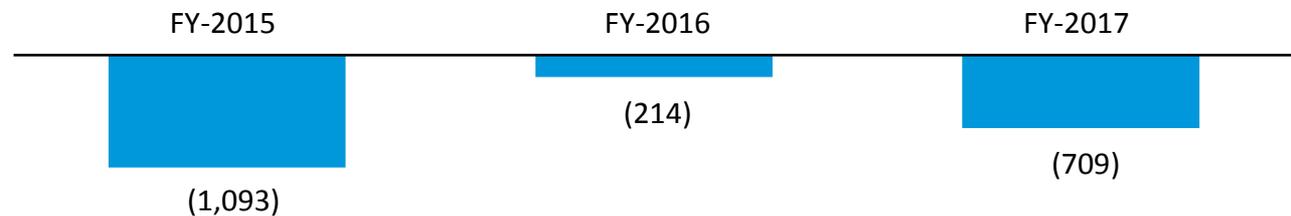
Operational Cash Flow



Net Debt & Net Debt/EBITDA



Net Income

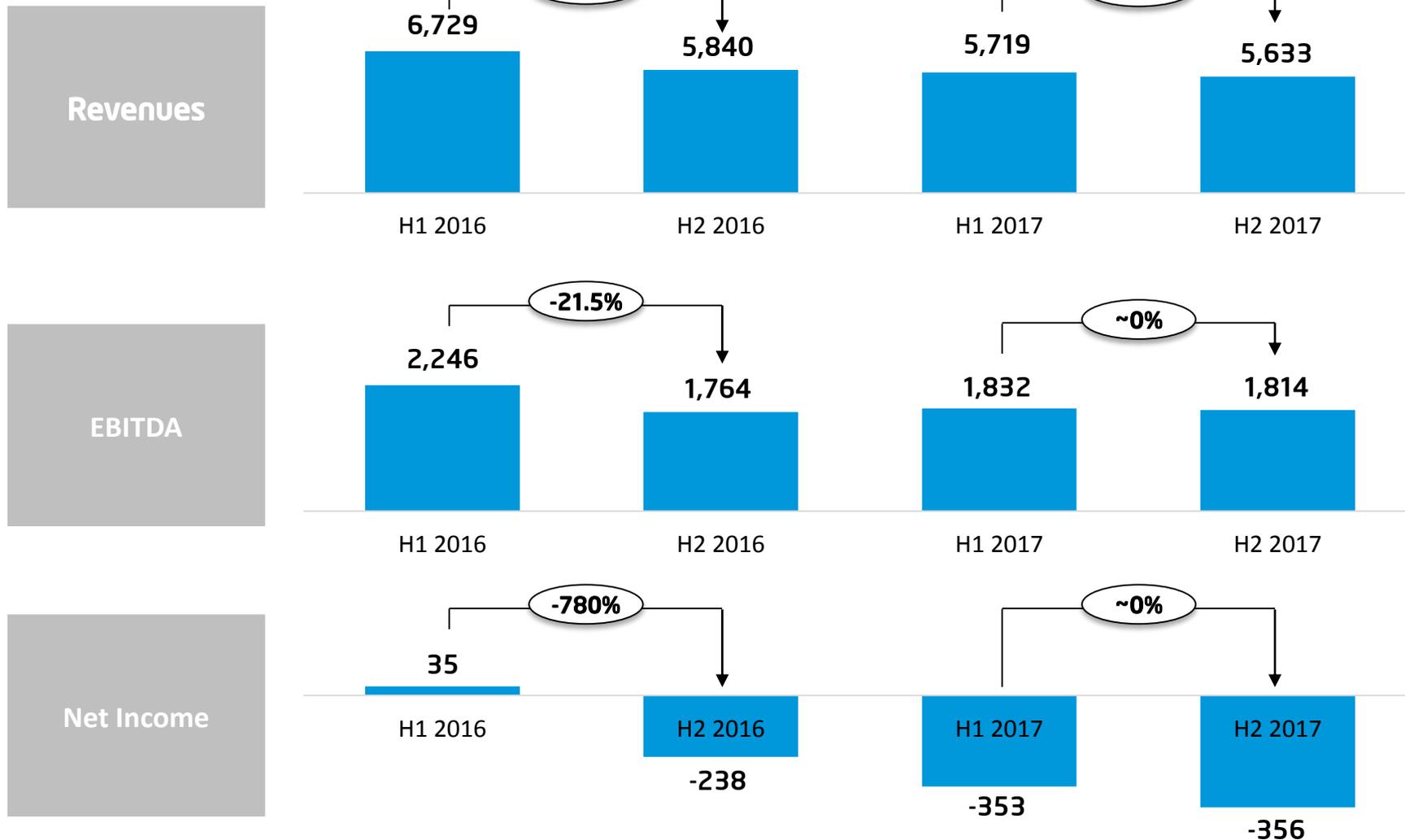


Source: Mobily financials

Financial stabilization in 2017

Strong H-o-H improvement

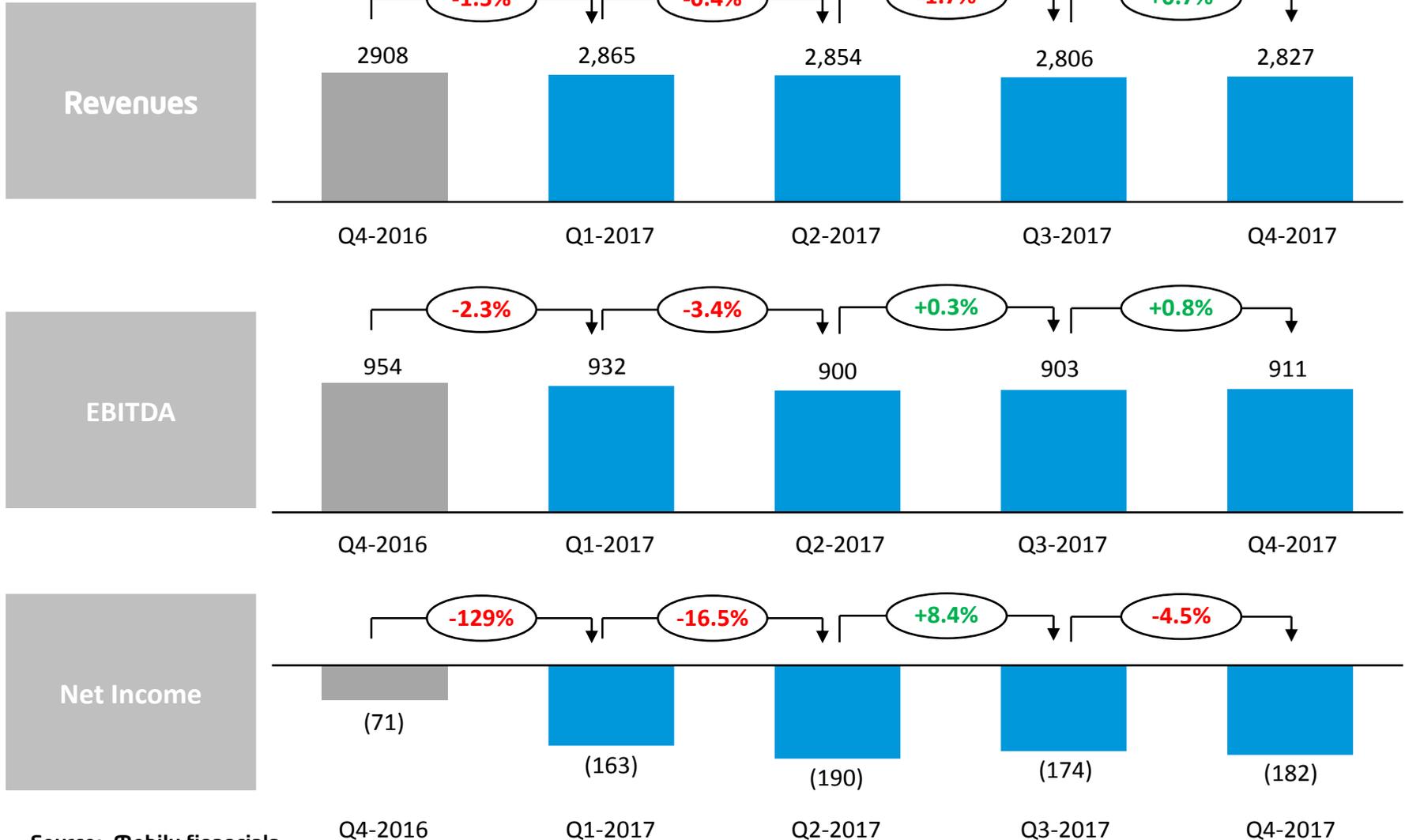
In SAR mn



Source: Mobily financials

For the first time since 2015, growth of Top Line and continuation of EBITDA growth in Q4

In SAR mn

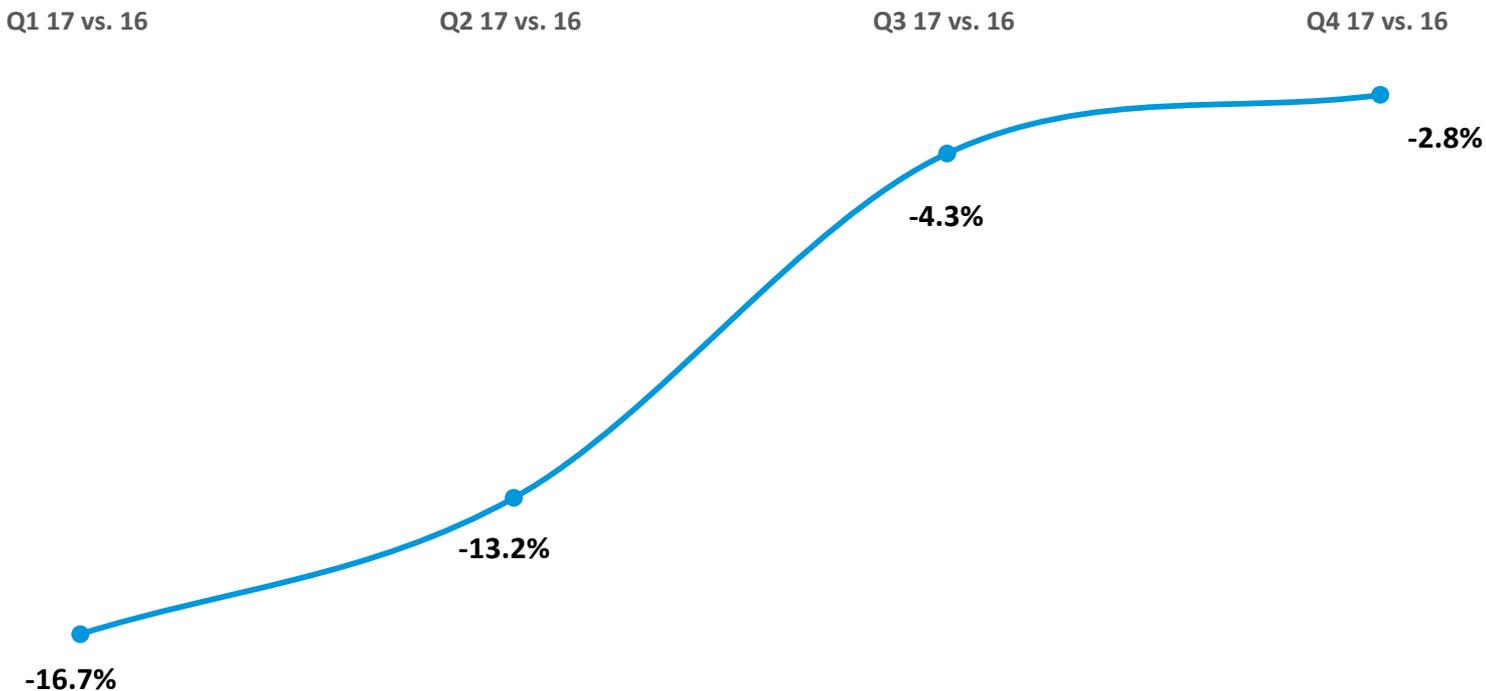


Source: Mobily financials

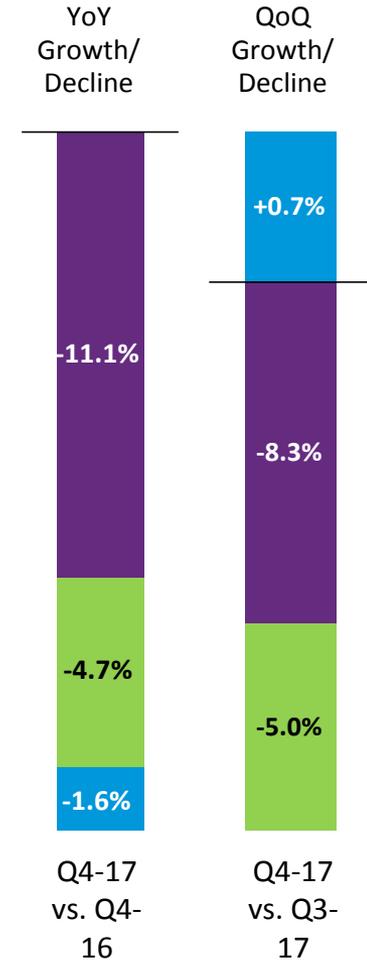
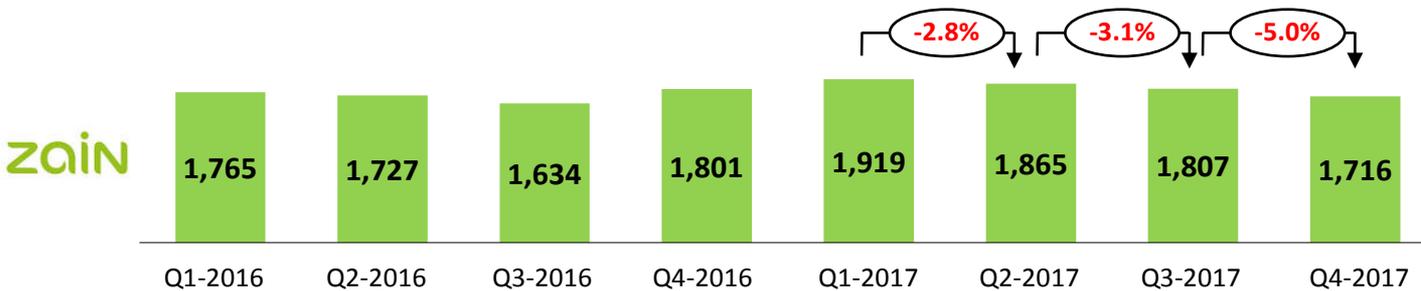
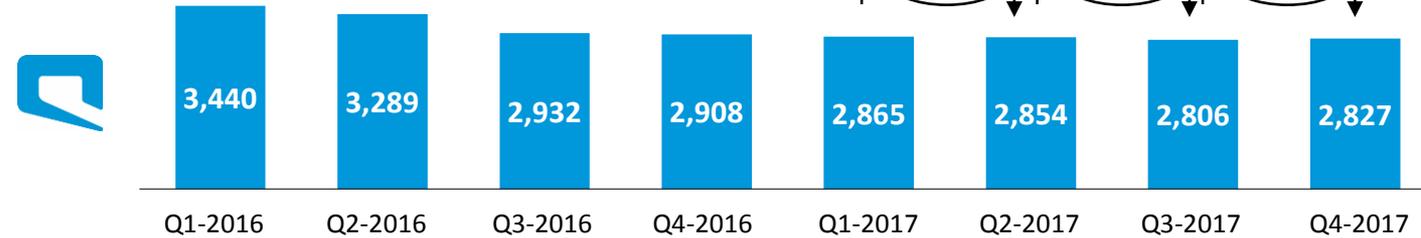
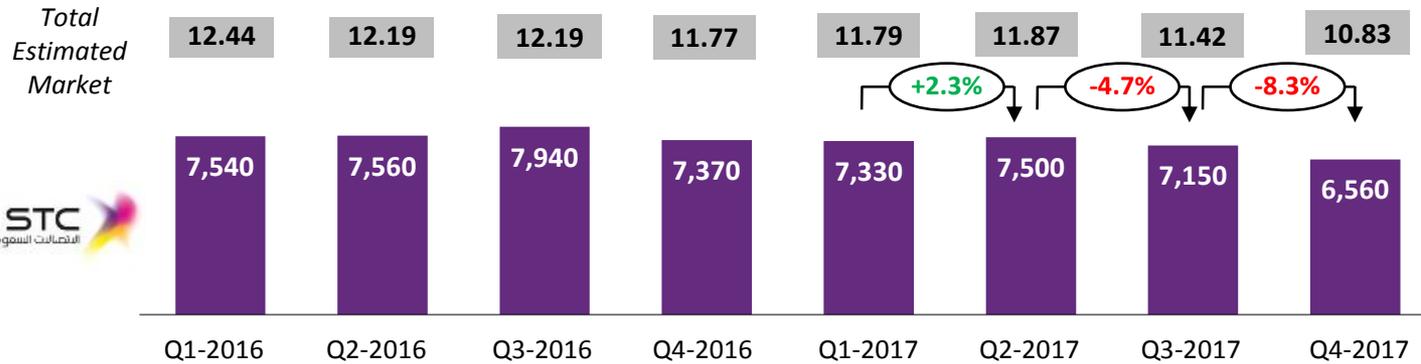
2017 vs. 2016 Q-o-Q Revenues Performance

Y-o-Y performance is steadily improving

Revenues Q-o-Q 2017 vs. 2016 performance

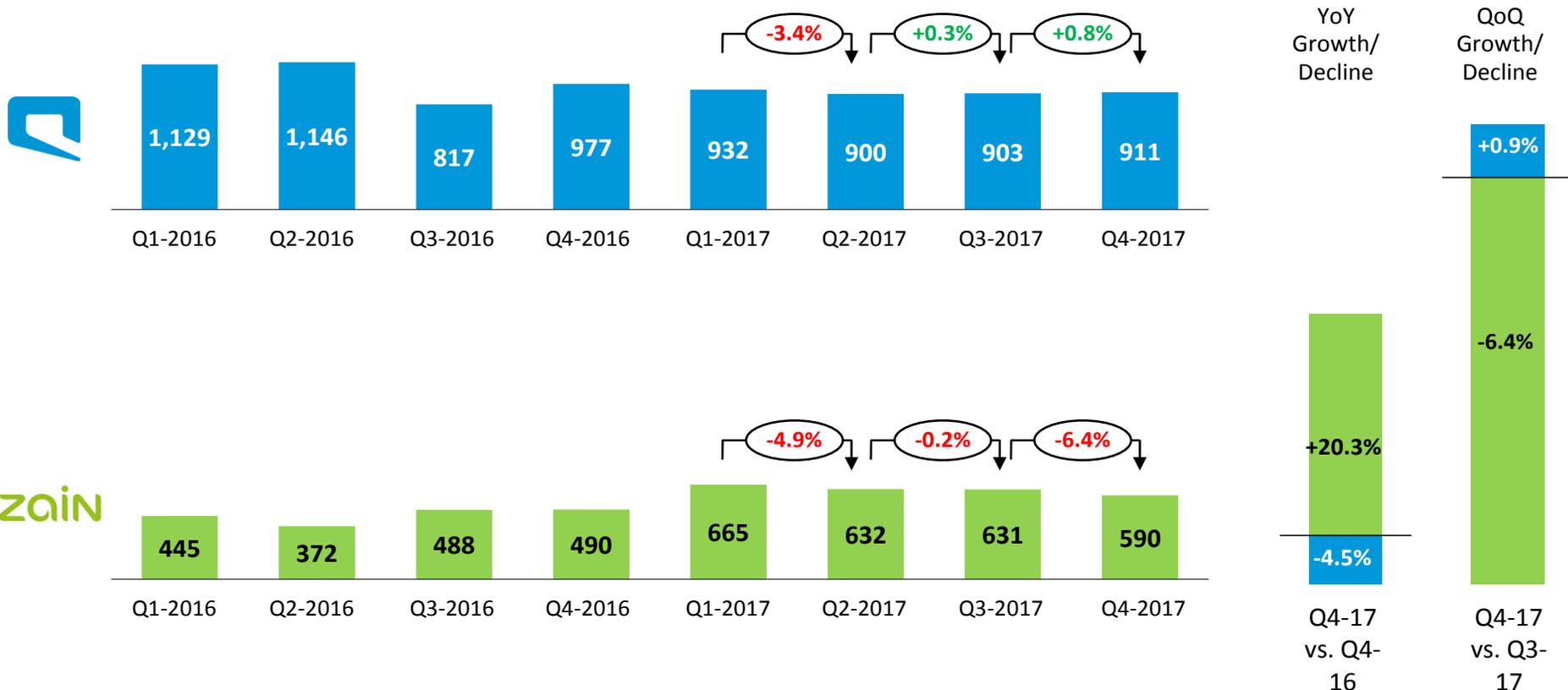


Mobily is the only players to grow Q-o-Q and witnessed the minimum decline Y-o-Y



Mobily's EBITDA has grown over the past two quarters while Zain's has declined every quarter in 2017

In SAR mn

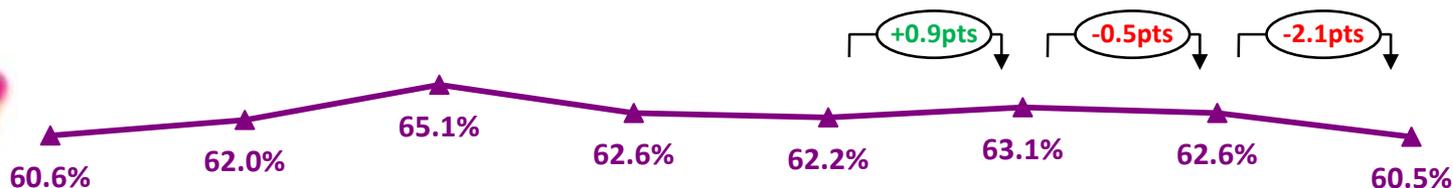


Mobily is outperforming the market

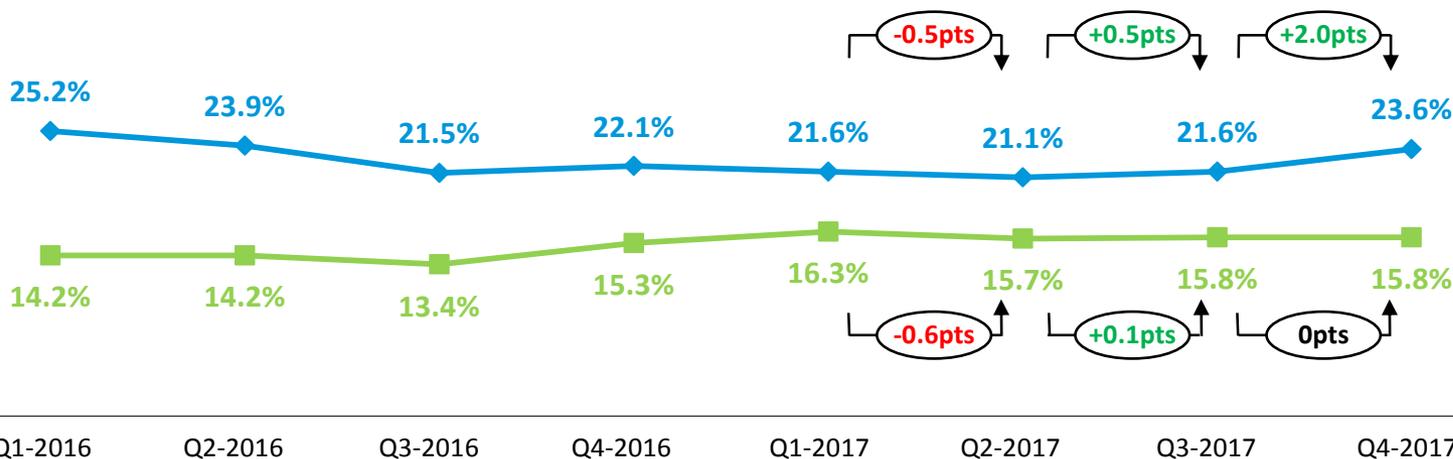
Mobily is the only telco to grow its revenues share in 2017

KSA Wireless Telecom - Revenues Share (in %)

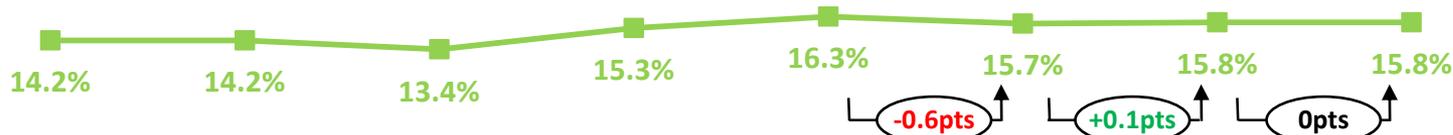
FY 2017



-1.7pts



+2pts

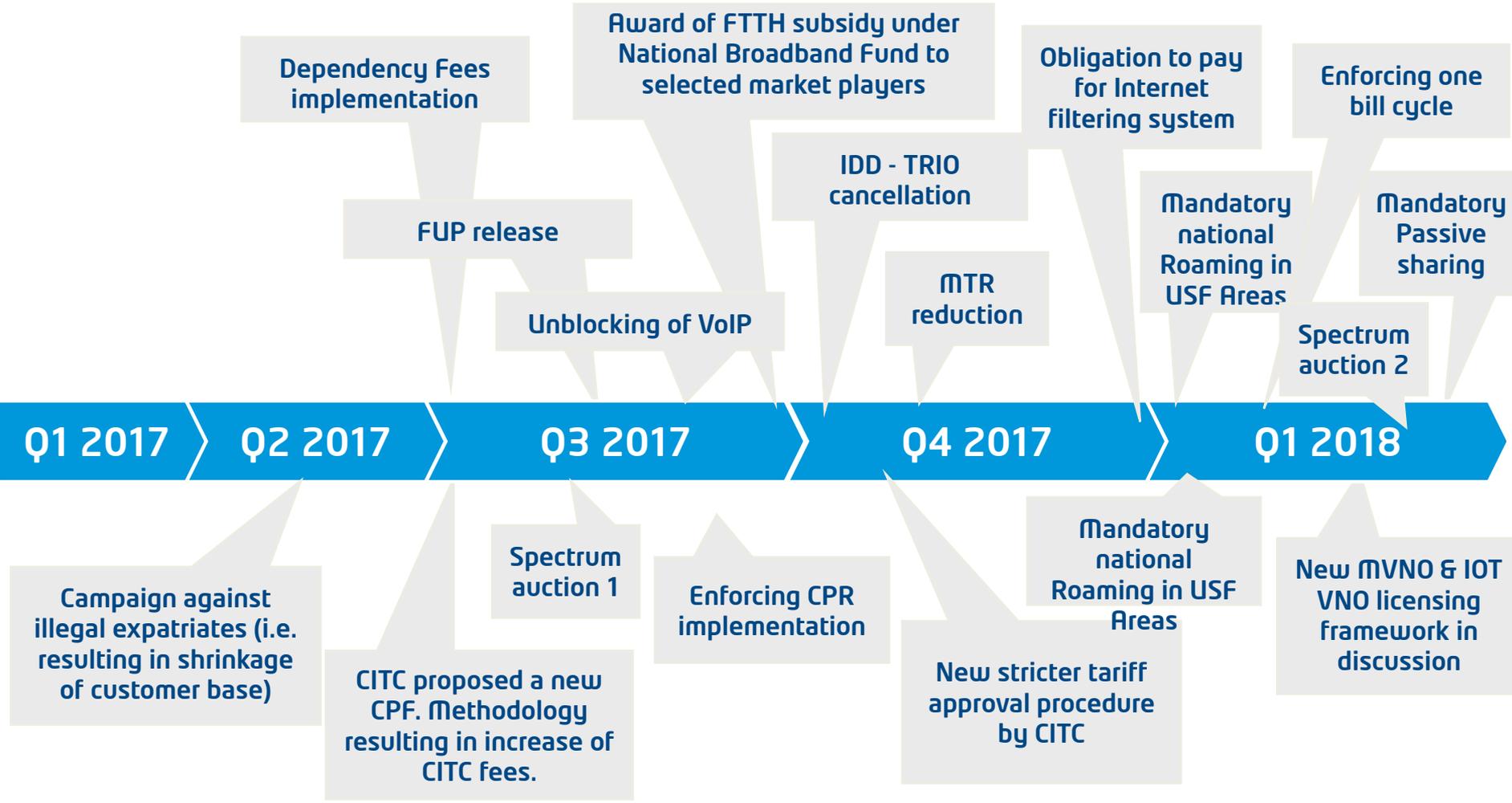


-0.5pts

Source: Mobily financials Note: STC domestic revenues estimation

Within a challenging regulatory environment

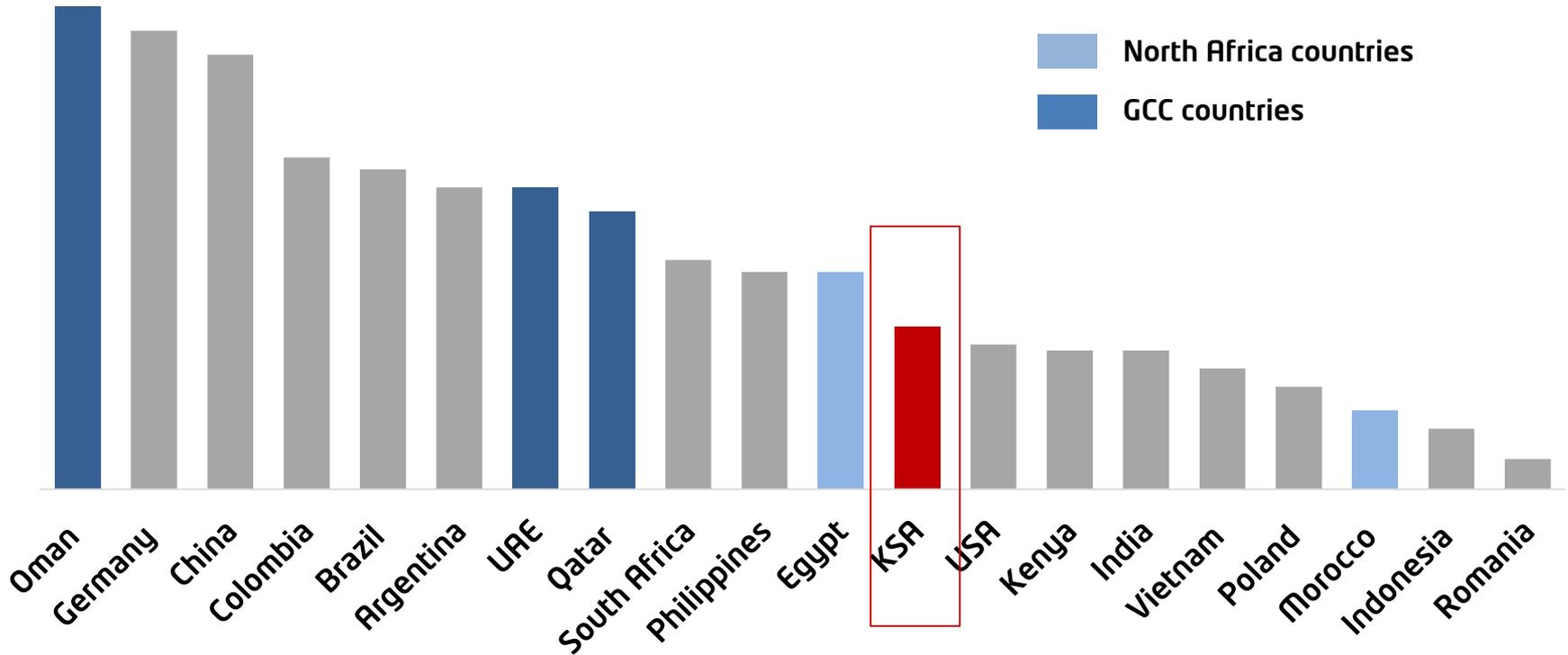
Multiple regulatory measures implemented in 2017 and continued in Q1 2018



Prices are low in KSA

Data prices decreased by 5 times compared to Q1 2016

Price per GB



Lowest achieved price per GB, SIM-only postpaid plans, selected countries H2 2016

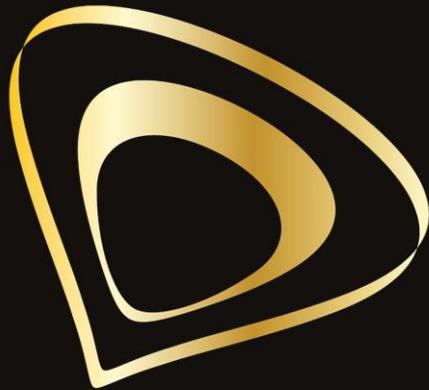
Source: Analysis Mason

Way forward

- **Strictly driving the implementation of the new strategy with customer experience & digital transformation at its heart**
- **Continuation of regulatory pressure**
- **Anticipation of some price rationalization in the market**
- **Continuation of strong data growth**
- **Strong execution push on IT transformation and network modernization**
- **Cost optimization program strictly followed**
- **Participate and take a fair share of government increased telecom spending**
- **Focus on postpaid segment and SME large market opportunities**
- **Explore the mobile financial services market potential**

Q&A

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Etisalat Group
Capital Markets Day 2018

Etisalat Misr Operations

Hazem Metwally

Chief Executive Officer - Etisalat Misr

Macroeconomic Positive Outlook despite Short-term Bottleneck

Despite challenging Market conditions ...



TE mobile operator (WE) entering the market hammering **on local brand image** and **competitive data offers**



EGP/USD reaching **17.78** in Dec'17 compared with **18.24** in Dec'16; with a stable outlook



Inflation reaching **22%** in Dec'17 (**dropping** from **31%** in Mar'17) affecting consumer telecom spending



Following the high **inflation** rates, multiple interest rate hikes reaching **19.75% in Q4'17** from (12.75% in Q4'16), more rational rates expected with recovering economy

... positive macroeconomic outlook lies ahead

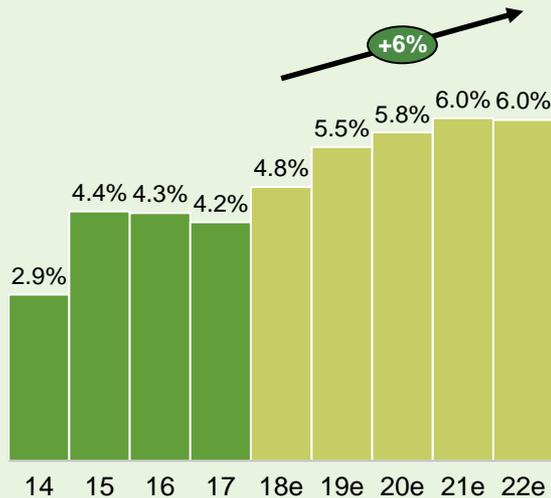
- Egypt ranks **#1 in Population** among Arab countries (~50% < 24 years old), with IMF expectation for **real GDP growth** of **4.8% in 2018** (revised from 4.5% initial fcst) and **4.2% in 2017** (revised from 3.5% initial fcst)
- Net **foreign direct investments** reached a 14% growth recording ~\$8bn in 2017 against ~ \$7bn in 2016, while **Int'l Monetary Reserve** reached first-time record of **\$37bn since 2011**
- **Zohr natural gas field** has started **production** with initial expectation of **saving \$60mn per month** and **\$2bn annually** after **finalizing** project as announced by the **Oil minister**
- **IMF** completed two reviews under the three years **\$12bn Extended Fund Facility** bringing total disbursements of **\$6bn**
- **S&P and Fitch** revised Egypt's credit rating of B- and B respectively from stable outlook to positive outlook*

Macroeconomic indicators reinforcing the signals for positive future outlook

Egypt's Economic Indicators

Real GDP Growth Rate

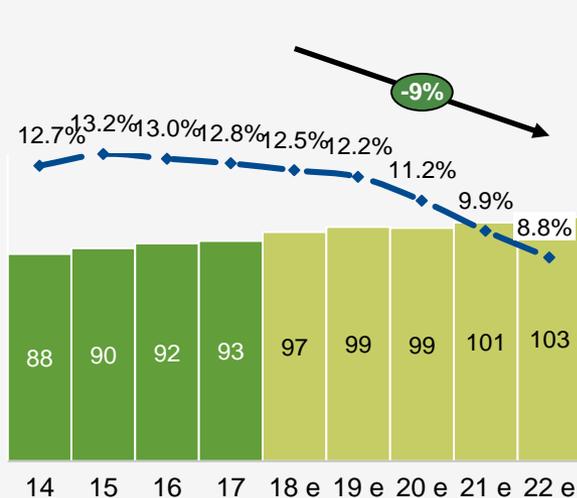
%, IMF estimate



- Starting 2015, Real GDP has been following a positive trend reflecting **political** and **economic reforms**

Population and Unemployment

Millions, %, IMF estimate

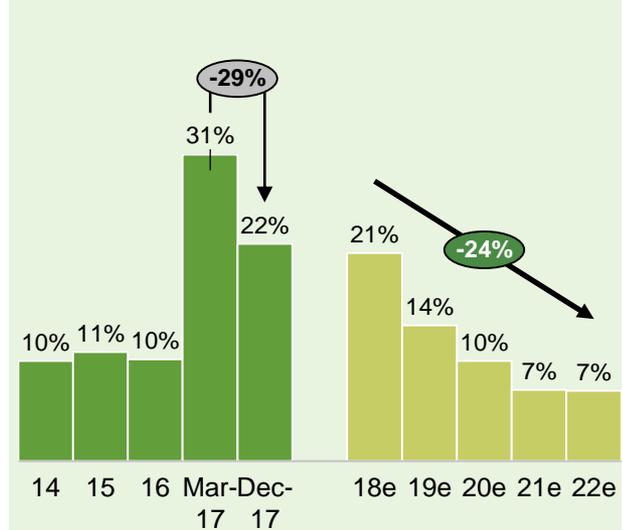


- Population** has been growing by more than 2% Y/Y, while **Unemployment** has been following a declining trend Y/Y starting 2015, signaling economic growth aspirations

Ⓜ Growth Ⓜ CAGR (2018 – '22)

Inflation Rate (period average)

%, IMF estimate



- Despite 2017 high inflation, IMF forecasts more optimistic inflation rates in the future

TE dispute settled out of court after almost ~10 years

Interconnect Legal Disputes

EM & TE sign an agreement to settle historical disputes



TE finally settled on **EGP1.45 BN** as EM's dues against **incoming international calls** covering the period from 2007 till June 2017



International Voice Agreement

Pending since launch



Signed **int'l voice agreement** with TE, **5yrs duration**, reviewed after 3, setting the interconnect price **till 2022**

National Roaming Agreement

The only operator to sign



Etisalat Misr **solely** signs a 5-yr commercial agreement (reviewable after 3-yrs) to provide **national roaming services nationwide**

Promising telecom sector in Egypt, despite new competition entry



Market Attractiveness

Etisalat and **Orange** shareholder taken decision to **increase Capital** reaffirms investors' **confidence** in the Egyptian market



Market Growth

Mobile market **sustains strong growth** (~15% in 2017) outpacing overall GDP and many other industries



Youth

With ~50% of the population less than 24 years of age, **Youth remain to be Etisalat's heartland**



4G/LTE

LTE **expected huge traffic growth**, (EM LTE traffic contribution reached ~28% since launch) supported by growing number of smartphone users and **internet penetration** reaching **41.2%**



Digitalization

Offering a **compelling, integrated digital services** and **enhancing customer experience**



Enterprise

Enterprise and high value market with a **double digit growth** (EM EBU growth nearing the 21% mark in 2017) supported by the country's mega projects and micro financing initiatives



Adjacencies

Opportunity to export **ICT services**, **business process outsourcing**, and **mobile money services** i.e. Financial Inclusion Global Initiative accelerated by the World Bank paving the way for uptake of payment solutions (EM e-wallet transactions' volume and value grew in 2017 by ~330%, and ~175%, respectively)



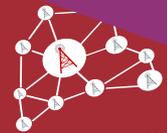
High license cost and its required return



High inflation rates and price hikes put more pressure on operators' margins

WE

4th Market Entrant with potential risk of price dilution



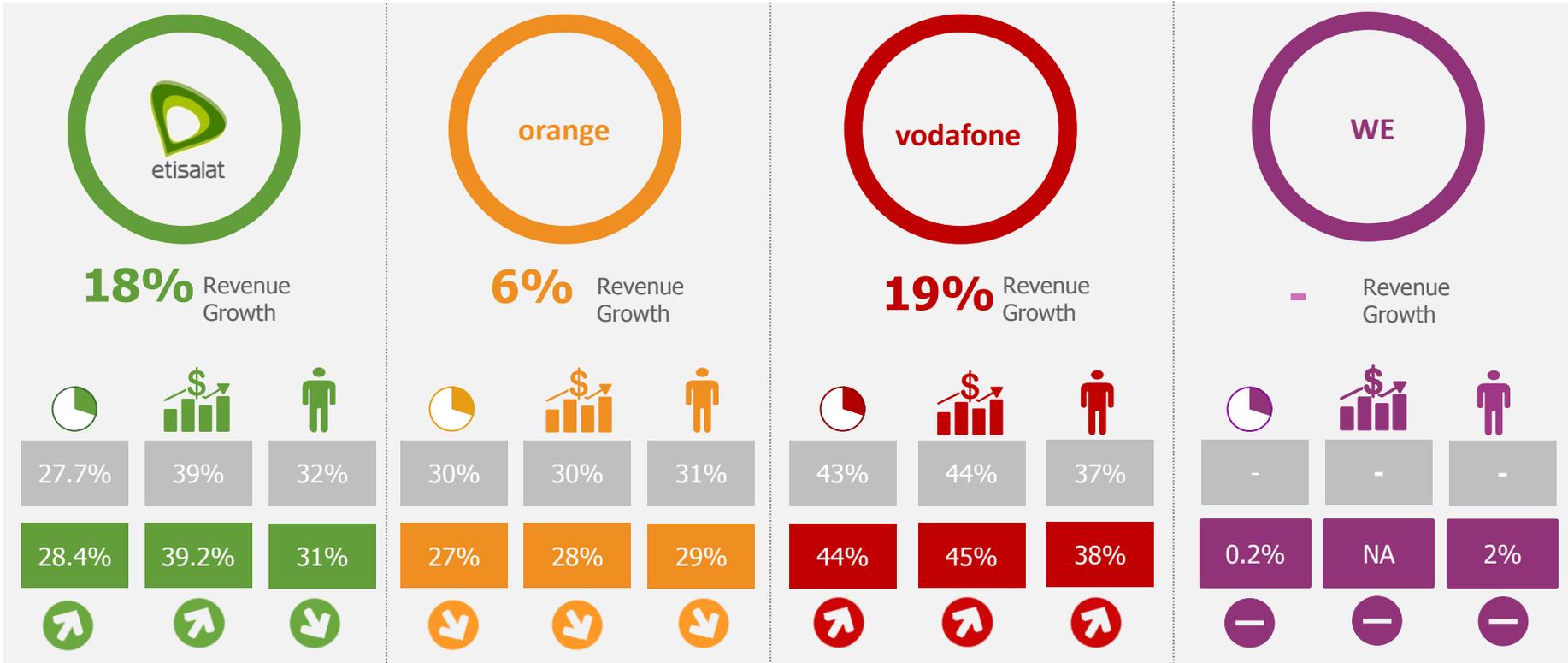
Infrastructure is controlled by one operator (TE)

EM remarkably became 2nd market player across all KPIs

 Value Share

 EBITDA Margin

 Market share



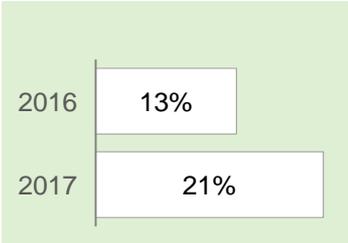
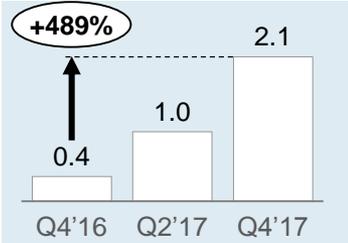
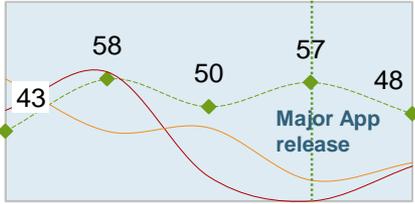
Focus on Data, Youth, and Enterprise segments supported by **resources optimization** and **Capital** increase

Capitalizing on **Capital** increase, and **rebranding** to retrieve its market **position**

Focus on high value and data segments, adopting **more-for-more** proposition approach

Hammers on **1st national brand, 1st integrated operator,** and **lowest mobile internet prices**

Strong-in market performance driven by well-positioned consumer tariffs and enterprise transformation

<p>Enablers</p> <p>Increasing uptake of well positioned segmented market platforms contributing to robust growth</p> <p>Consumer</p> 	<p>Performance</p>																																			
<p>Enterprise sales transformation efforts along with distinct propositions accelerated growth year-on-year</p> <p>Enterprise</p> 	<p>Mass</p> 	<p>Youth</p>  <p>في مئة ثانية</p>	<p>Data Centric</p> 	<p>Young Professionals</p> 	<p>High Value</p> 																															
<p>Focused on building digital capabilities, increasing uptake through an aggressive acquisition plan & extending digital across all platforms</p> <p>Digital</p> 	<p>7.1% ARPU Uplift</p>	<p>7.6% Exceeding ARPU expectations</p>	<p>26% ARPU Uplift</p>	<p>9.4% Base mix improvement</p>	<p>21% Av. Revenue growth rate m-o-m in H2</p>																															
<p>Enterprise Revenue growth rate %, year-on-year</p>  <table border="1"> <tr><th>Year</th><th>Growth Rate (%)</th></tr> <tr><td>2016</td><td>13%</td></tr> <tr><td>2017</td><td>21%</td></tr> </table>	Year	Growth Rate (%)	2016	13%	2017	21%	<ul style="list-style-type: none"> EBU segment showing an accelerated growth of 21% driven by SMB & connectivity Sales focused on the fundamentals; acquiring new SMEs, large accounts, and farming in existing accounts 	<p>29% EBU ARPU growth</p>	<p>81% Solutions Revenue growth rate</p>	<p>32% Connectivity Revenue growth rate</p> <p>15% GSM Revenue growth rate</p>																										
Year	Growth Rate (%)																																			
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<p>Digital Customer Adoption Users, Millions</p>  <table border="1"> <tr><th>Quarter</th><th>Users (Millions)</th></tr> <tr><td>Q4'16</td><td>0.4</td></tr> <tr><td>Q2'17</td><td>1.0</td></tr> <tr><td>Q4'17</td><td>2.1</td></tr> </table>	Quarter	Users (Millions)	Q4'16	0.4	Q2'17	1.0	Q4'17	2.1	<ul style="list-style-type: none"> EM leading customer experience indices (TRI*M/NPS), EM has the Mobile App best TRI*M scores and leader for 3 consecutive months 	<p>Mobile App TRI*M Score 2017,</p>  <table border="1"> <tr><th>Month</th><th>ET</th><th>VF</th><th>OR</th></tr> <tr><td>Jul'17</td><td>43</td><td></td><td></td></tr> <tr><td>Aug'17</td><td>58</td><td></td><td></td></tr> <tr><td>Oct'17</td><td>50</td><td></td><td></td></tr> <tr><td>Nov'17</td><td>57</td><td></td><td></td></tr> <tr><td>Dec'17</td><td>48</td><td></td><td></td></tr> </table>			Month	ET	VF	OR	Jul'17	43			Aug'17	58			Oct'17	50			Nov'17	57			Dec'17	48		
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Etisalat Misr operating model proved successful to drive remarkable performance

2017 challenges

Achievements

Drivers

Economics	<ul style="list-style-type: none"> Currency floatation Subsidy removal New taxes & VAT Inflation & interest rates 	18% Global revenue growth	28% Data growth	21% Enterprise revenue growth	9% ARPU growth EGP26.8 up from EGP24.5	<ul style="list-style-type: none"> Well positioned consumer tariffs and enterprise transformation Efficient operational performance Cost optimization initiatives Effective risk management and corporate finance
	Competition	<ul style="list-style-type: none"> WE (TE mobile operator) Two world's class competitors Less frequency Vs. competition Competition intensive CapEx investment 	EGP 1 bn Monthly revenue >EGP1bn mark	39% EBITDA margin	18% EBITDA growth	
Regulatory		<ul style="list-style-type: none"> Legal disputes Managing external environment 	Libor hedging Agreement concluded		Financing restructure Capital increase	
			31% Market share	28.4% Value share	28% EBITDA share	
		TE dispute settlement Settlement out of court after 10 years	Legal disputes +ve signals More control over disputes with positive signals	Signed agreements Signed 5 years National Roaming and incoming int'l voice (reviewable after 3-yrs) with TE		<ul style="list-style-type: none"> Management focus on allocating efforts and appropriate resources to manage & interact effectively with external environment

Pursuit for Mobile Broadband Leadership

Vigorously expanded our 4G footprint to assert our customer centricity objectives

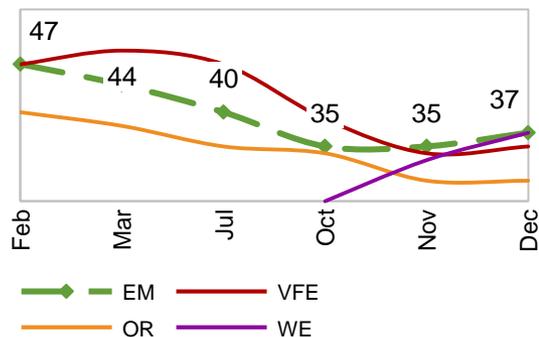
Sites rollout



Total Rolled out sites; 7267 sites

- 6,567 3G Sites, represents ~90% of total sites which supported our TRIM superiority

Network trim index 2017



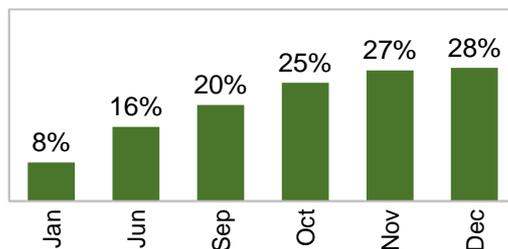
LTE readiness



Rolled out LTE sites; 2632 sites

- Throughput reached ~22 MBPS (~90% growth over last year) and 104 TB LTE traffic

EM 4G contribution % of total traffic %, 2017



- EM plans to invest ~EGP6bn in its network in the coming 3 years to cater for data growth and superior customer experience

EM 4G expanded footprint driven by our speedy technology advancement and SIM cards readiness ahead of competition



2,632 2017
LTE Sites
1,000 2016



21.8 MBPS 2017
Throughput
11.5 MBPS 2016



104 TB 2017
LTE daily traffic
17 TB 2016



10.4 MN
Smartphones
4.7 MN
LTE terminals

2018 and beyond

Value



1 Emphasis on fundamental **execution** and deliver **value** to **shareholders** through a **double** digit growth & **healthy** cash flow

4G



2 Continue building a **superior** network offering best **4G performance, optimizing CapEx** for revenue yield

Environment



3 Managing competitive landscape to **avoid price war** & **shredding** market **value** via a robust mitigation plan from technology & commercial perspective

Customer



4 Focus on **customer revenue growth** through **differentiated** & segmented offerings

Digitalization



5 Continue enhancing customer **experince** inline with our **digital journey** & direct sales expansion

Conversion



6 Offer fully **integrated fixed** & **mobile** services

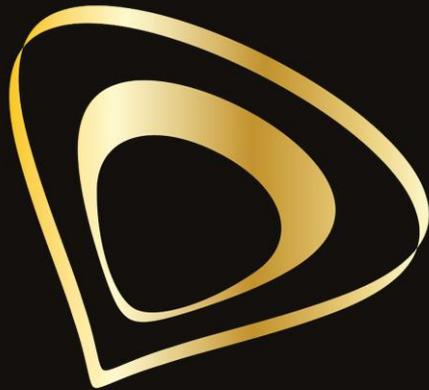
Adjacencies



7 **Enhancing adjacent** revenue streams through outsourcing business & **mobile money** services

Q&A

THANK YOU



etisalat

MOST VALUABLE
BRAND IN THE
MIDDLE EAST 2018

Etisalat Group
Capital Markets Day 2018

Closing Remarks

Saleh Al-Abdooli

Group Chief Executive Officer