

Together
Matters



Etisalat Group Capital Markets Day 2019

February 21st, 2019

Park Hayatt Saadiyat, Abu Dhabi

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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 Corporate Strategy & Governance Officer – Etisalat Group
Etisalat UAE Presentation	Khaled ElKouly	Chief Consumer Officer – Etisalat UAE
	Salvador Anglada	Chief Business Officer – Etisalat UAE
Mobily Presentation	Ahmed Aboudoma	Chief Executive Officer – Mobily
PTCL Group Presentation	Dr. Daniel Ritz	Chief Executive Officer – PTCL Group
Etisalat Misr Presentation	Hazem Metwally	Chief Executive Officer – Etisalat Misr
Closing Remarks	Saleh Al-Abdooli	Group Chief Executive Officer



Etisalat Group Business Overview

Saleh Al-Abdooli

Group Chief Executive Officer

Our Group at a glance...

Factsheet

141

Million

Subscribers

52.4

AED Billion

Revenue

25.9

AED Billion

EBITDA

@ 49% margin

18.0

AED Billion

OFCF

@ 34% margin

8.6

AED Billion

Net Profit

@ 16% margin

80

Fils

Div. Per Share

@ 81% payout ratio

AA-
Aa3

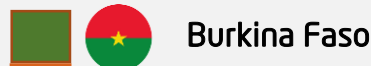
Credit
Rating*



UAE



Pakistan



Burkina Faso



Egypt



Cote d'Ivoire



KSA



Mauritania



Gabon



Benin



Niger



Morocco



Mali



Afghanistan



Togo



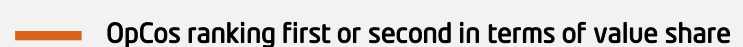
Central Africa



Mobile & Fixed Services



Mobile Services



OpCos ranking first or second in terms of value share



We lend power of technology to connect & enrich people's lives, which is embodied in our brand direction: Together Matters!



Brand Direction

ENABLING
TOGETHERNESS
EVERY SECOND

TOGETHER MATTERS



Source: Etisalat Group.

Etisalat Group Portfolio Brand is the most valuable in MENA and the first & only brand to cross the \$10Bn mark

Portfolio Brand



**MOST VALUABLE
PORTFOLIO
BRAND
IN MENA**

Etisalat Brand Portfolio Value is more than the combined brand values of du, Zain Group and Ooredoo Group.*

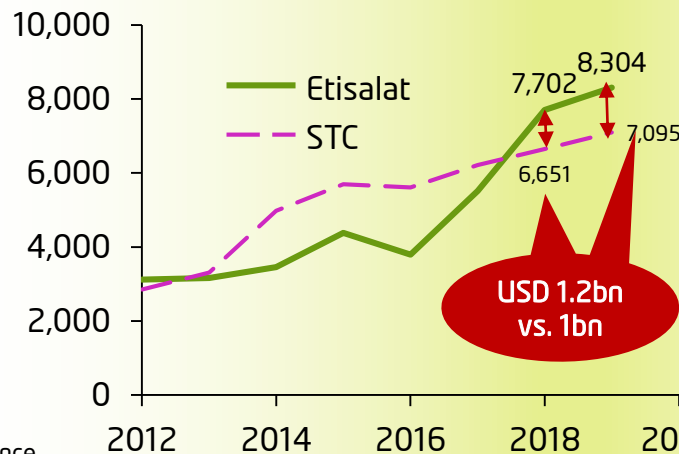
Portfolio	2019 Brand Value (m USD)
etisalat	10,449
STC	7,095
ooredoo	3,747
du	2,509
zain	2,325



**MOST VALUABLE
TELECOM
BRAND
IN MENA**

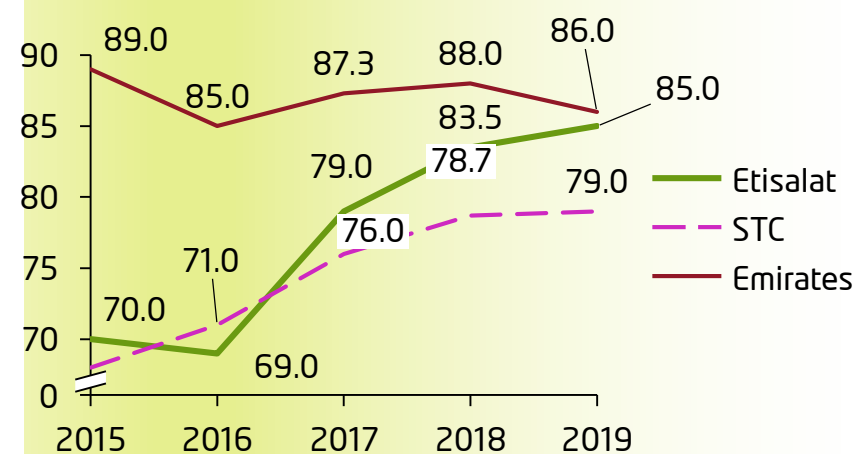
Etisalat Brand Value continues its growth trajectory, which has widened the gap with STC favorably...

Brand Value (M USD)



.. While improvements in Etisalat Brand Strength Index has widened lead vs. STC & narrowed the gap vs. Emirates

Brand Strength Index (BSI)**



Source: Brand Finance

* Etisalat portfolio brand value of USD 10.49 billion is the sum total of all Etisalat branded OpCos as well as non-branded ones like Mobily, Maroc telecom etc. whereas the Etisalat standalone value of USD 8.3 billion is the sum total of the three Etisalat branded opCos (UAE, Misr, Afghanistan) only.

** Brand Strength Index (BSI) is a function of: brand investment, brand equity, and brand performance.



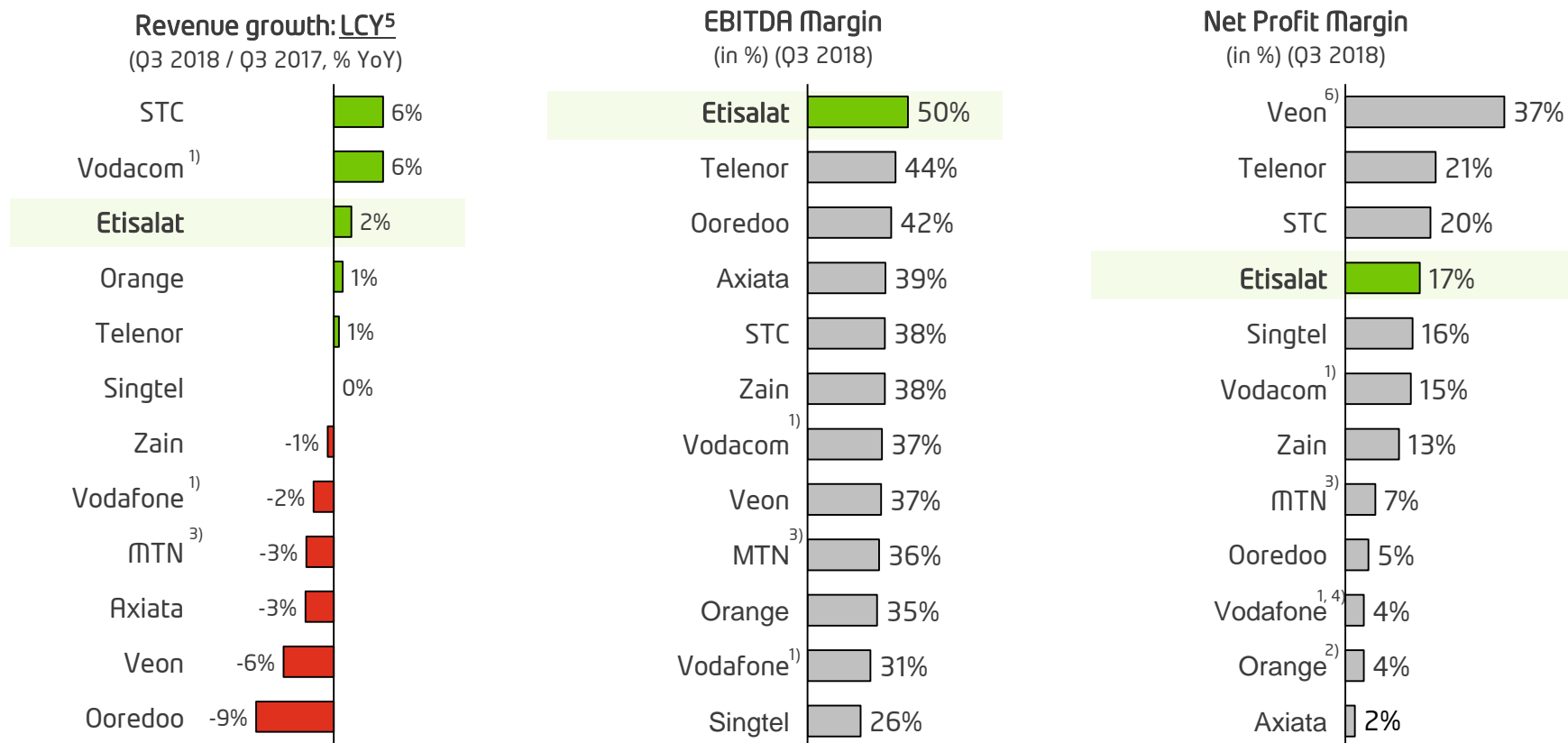
Etisalat Group continues to enjoy the highest EBITDA % and one of the highest Net Profit % among peers



Peer Groups Comparison

Key performance indicators

(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 Q1-Q2 18
 Note 2: Orange Net profit is reported on half year basis and is based on H1 2018
 Note 3: MTN Revenue growth, EBITDA and Net Profit margin are based on the reported half-year results covering the period of H1 2018
 Note 4: Vodafone reported Net Profit is Vodafone Adjusted Net Profit, i.e. before exceptional items (for example impairments)
 Note 5: With LCY is intended the evolution in the currency used by the Telecom Groups to report their financial results, not the performance on organic/ constant-currency basis
 Note 6: Veon Net profit lifted by net gain from closure of Italy JV transaction, reduced by impairment from Bangladesh/ Algeria; losses from continued operation amounted to 718m USD
 Source: Company reports, Etisalat Group

2018 was rich in achievements at Group level which were the result of our focused strategy and successful execution

Key Achievements

Portfolio Related



- Mobily restructuring in progress turnaround started
- Ongoing fixed network transformation in PTCL
- Completed capital increase and launched VOLTE services in Egypt
- Merger of Sri Lanka operations with Hutch telecom
- Completed sale of stake in Thuraya
- 4G population coverage in UAE & MT at **98.95%** **97%** respectively

Strategic Imperatives

Digital Agenda

- Disseminating digital capabilities across the group through knowledge sharing sessions and joint engagements
- Expanding etisalat Digital outside markets by winning global service deals across our footprint.
- Fostering open innovation through Etisalat's Future Now, which encompasses Open Innovation Centre, Co-Creation Lab, Scale-Ups Program, & IoT-Partnerships Programs.
- Key wins in the IoT, smart solutions, and digital signage with key governmental entities.
- Introduction of new digital channels, and enhancement of existing ones to boost adoption and promote self-care

Technological Leadership

- Continued strategic network investments to support company future, e.g. 5G commercial launch, e-SIM service for Apple watches.
- Commercial launch of 4K HDR TV service.
- Strategic partnership with Microsoft for hosting of cloud services.
- Joined Global Telco Security Alliance.

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

The macro and telecoms landscape continues to be dynamic creating opportunities and posing challenges

Market Outlook

Key Macro-Economic Drivers



MENA Economic outlook is cautiously optimistic, against a backdrop of slowing global growth and heightened geo-political risks



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



Oil price lowering in the face of softening global demand and increased production



Range of sectors set for growth e.g. Government-led Infrastructure projects, Tourism etc.

Key Telco Sector Drivers and Implications



Growth in data revenue countered by voice decline via OTT substitution



New access technologies (e.g. 5G, growing fiber) fueling hyper growth in data traffic and thus driving capital investments



Digitization and virtualization gaining scale and unlocking value by enhancing efficiency, Customer Experience and agility



Evolving regulatory landscape creating challenges



Growing Digital/ICT portfolio e.g. digital (B2B), TV and selected adjacencies



4th Industrial revolution being fueled by new wave of disruptive technologies e.g. AI, Blockchain

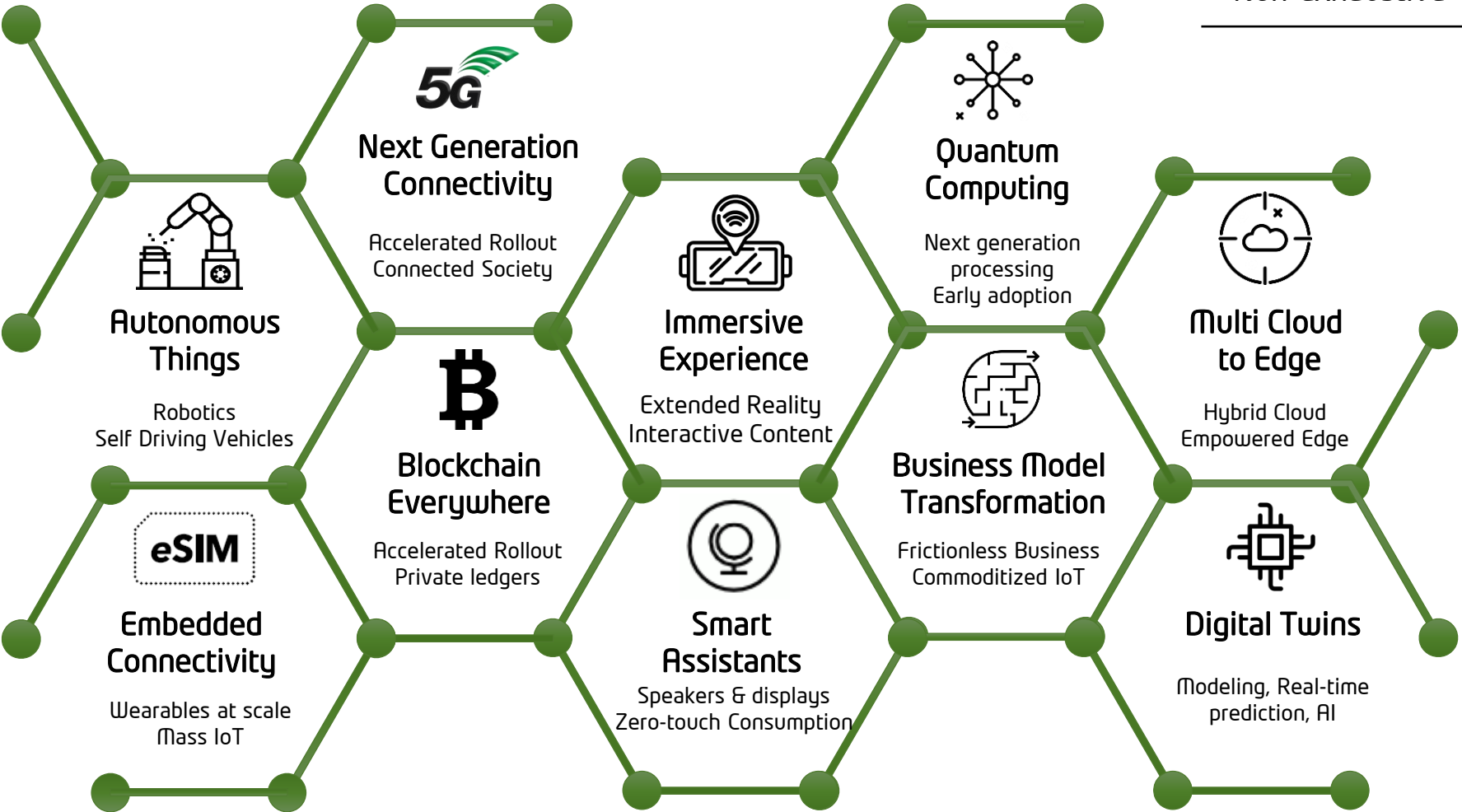


The technological landscape remains vivid with many topics that are expected to mature and/or accelerate in the coming year



Industry Outlook

Non-exhaustive



Source: GSMA, Ovum, Analysis Mason, Forbes, Deloitte, Gartner, GE, Global Data, Accenture, Etisalat

As an industry leader, Etisalat was the first in MENA to launch 5G commercially with EXPO2020 as 1st business customer

5G

5G
Next Generation
Connectivity
Accelerated Rollout
Connected Society

Etisalat unveils commercial 5G network



إكسبو 2020
دبي، الإمارات العربية المتحدة
DUBAI, UNITED ARAB EMIRATES



2019 will witness **accelerated rollout of 5G network** and the introduction of a wide range of **consumer and IoT devices**, becoming an integral part in an progressively connected society.

Etisalat announced that it will **rollout 300 5G sites** by end of H1 2019, in which the network speed could reach up to **4.5Gbps** as opposed to around 600 Mbps in 4G networks

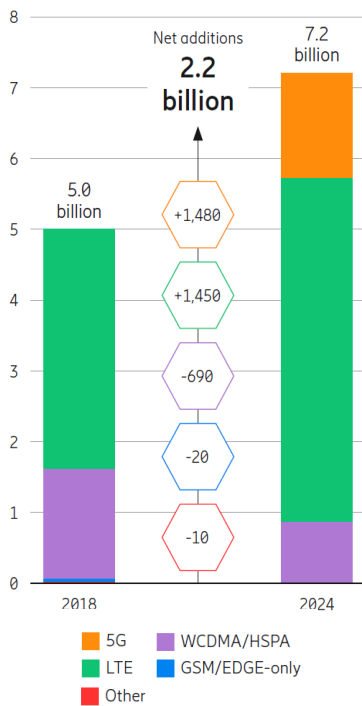
5G will start registering noticeable momentum as of 2020, reaching over 1.48b subscriptions by 2024 and carrying over 25% of global mobile data traffic

5G

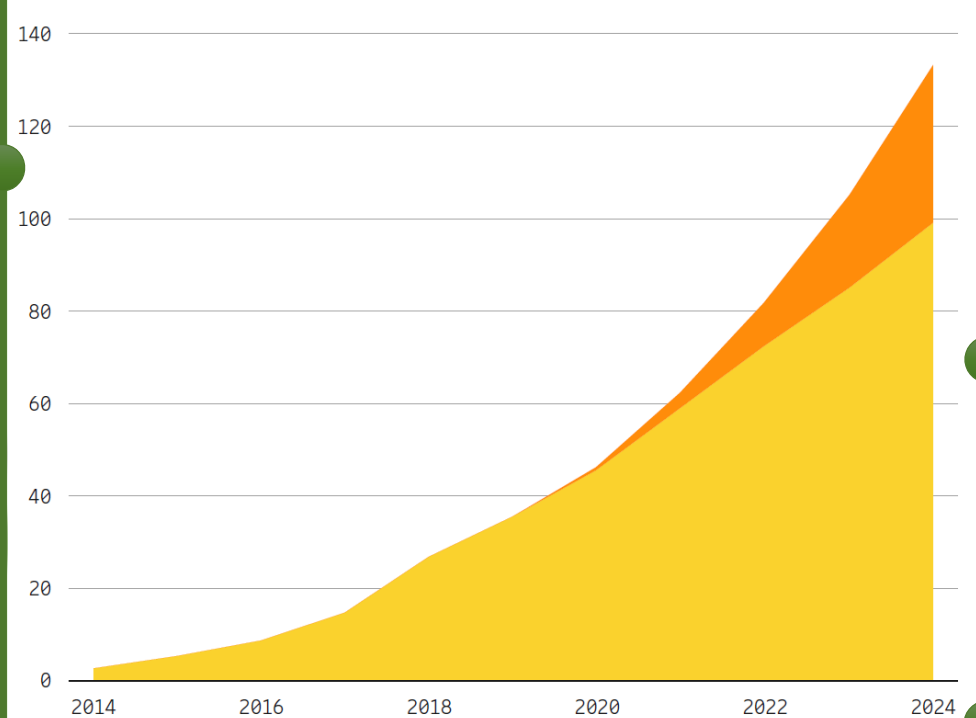
5G
Next Generation
Connectivity

Accelerated Rollout
Connected Society

Smartphone subscriptions
by technology (billion)



Global mobile data traffic (EB per month)

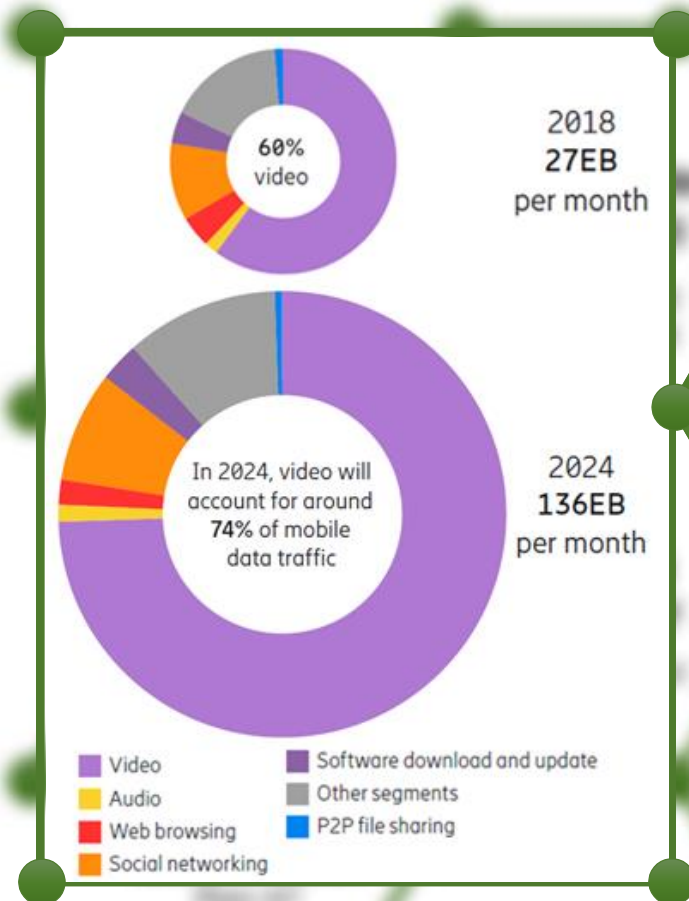


Source: Ericsson Mobility Report, November 2018. EB stands for Exabyte.

Note: In 2024, it is anticipated that there will be 8.9bn mobile subscriptions, 8.4bn mobile broadband subscriptions, and 6.2bn unique mobile subscriptions

Massive growth in mobile video traffic is expected driven mainly by video streaming & immersive experience formats, dictating larger investments in network infrastructure

Immersive Experience




Immersive Experience
 Extended Reality
 Interactive Content



Source: Ericsson, Audi, EB stands for Exabyte.
 Note: Immersive experience formats include: VR, AR, 360 Videos, HD/UHD, etc.)



Our preemptive readiness have allowed us to be one of the first MNOs in the world to offer eSIM service

e-SIM



eSIM

Embedded Connectivity

Wearables at scale
Mass IoT

Etisalat was the first in the region to launch eSIM in 2018 launching Apple Watch series 3, followed by series 4 and the latest iPhones

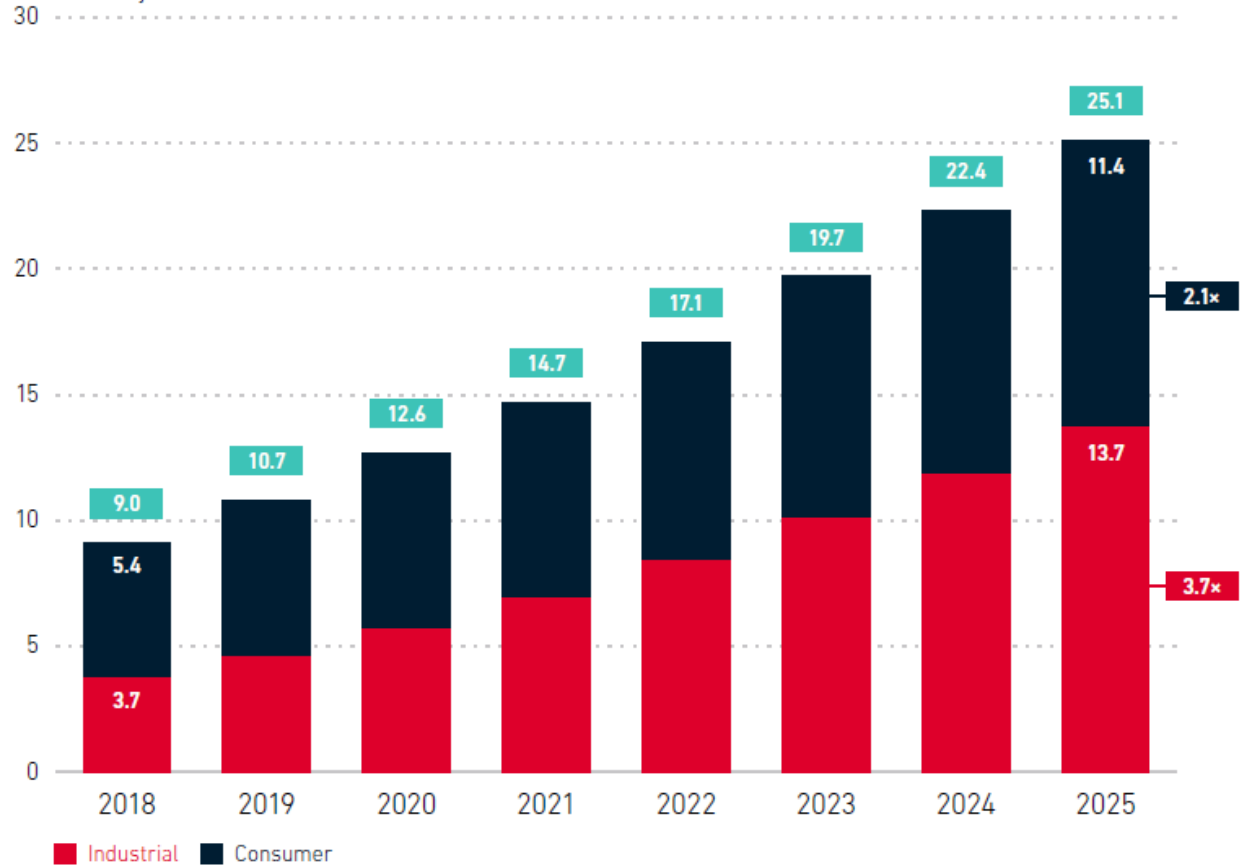
Driven by major consumer and industrial Original Equipment Manufacturers (OEMs). eSIM will allow them to create smaller and lighter devices, while offering a new way to connect entirely. These functionalities will be crucial for the next generation of IoT, smartphones and wearable devices.

Overall, e-SIM is one of the elements that will fuel the upcoming IoT boom, hence enabling massive applications for enterprises & consumers & pushing connected objects to over 25bn by 2025

e-SIM

Global IoT volumes

Connected objects (billion)



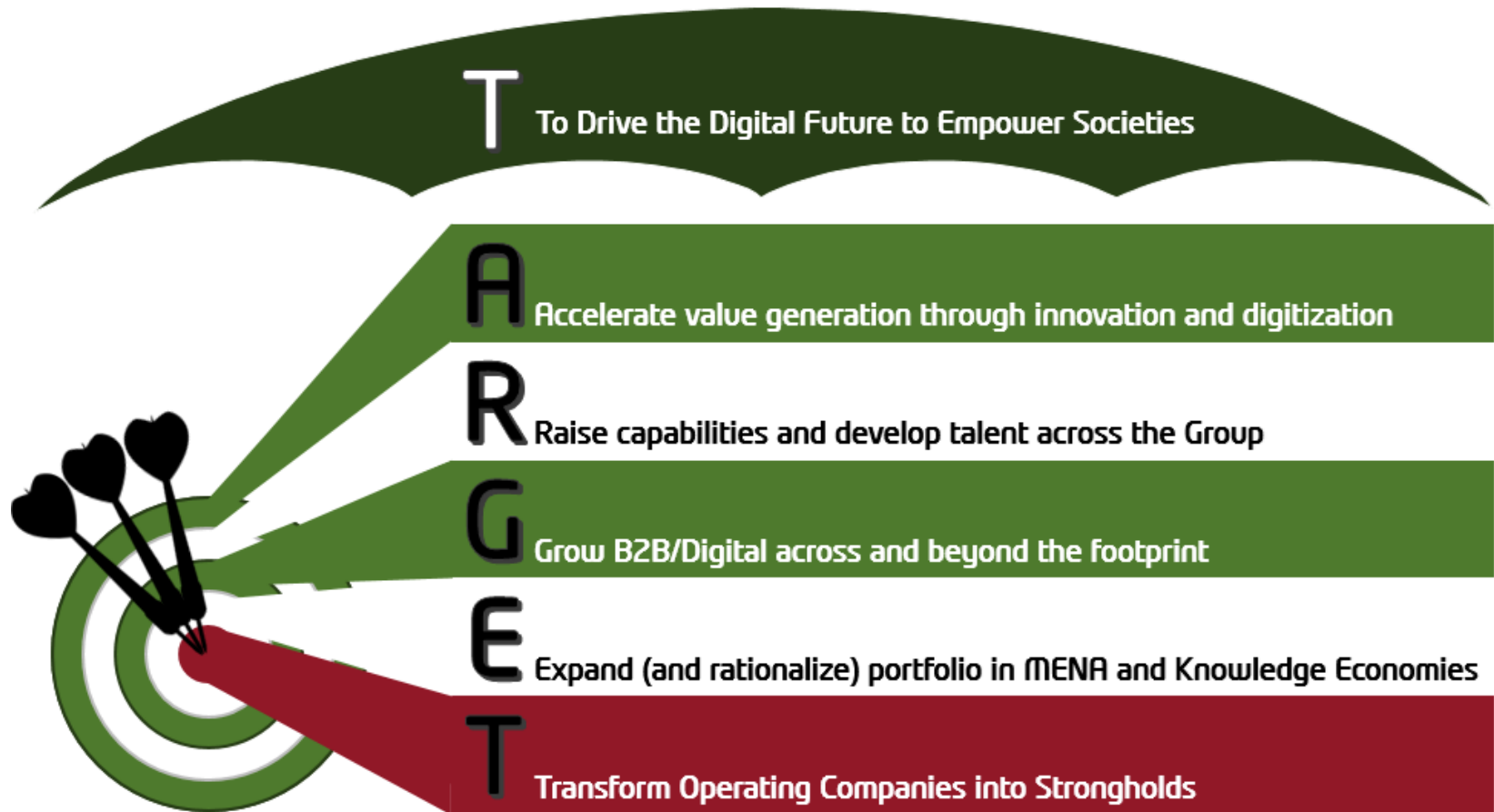
eSIM

Embedded Connectivity

Wearables at scale
Mass IoT

Moving forward, we will continue to push the implementation of our Group digital strategy “TARGET”...

Group Strategy



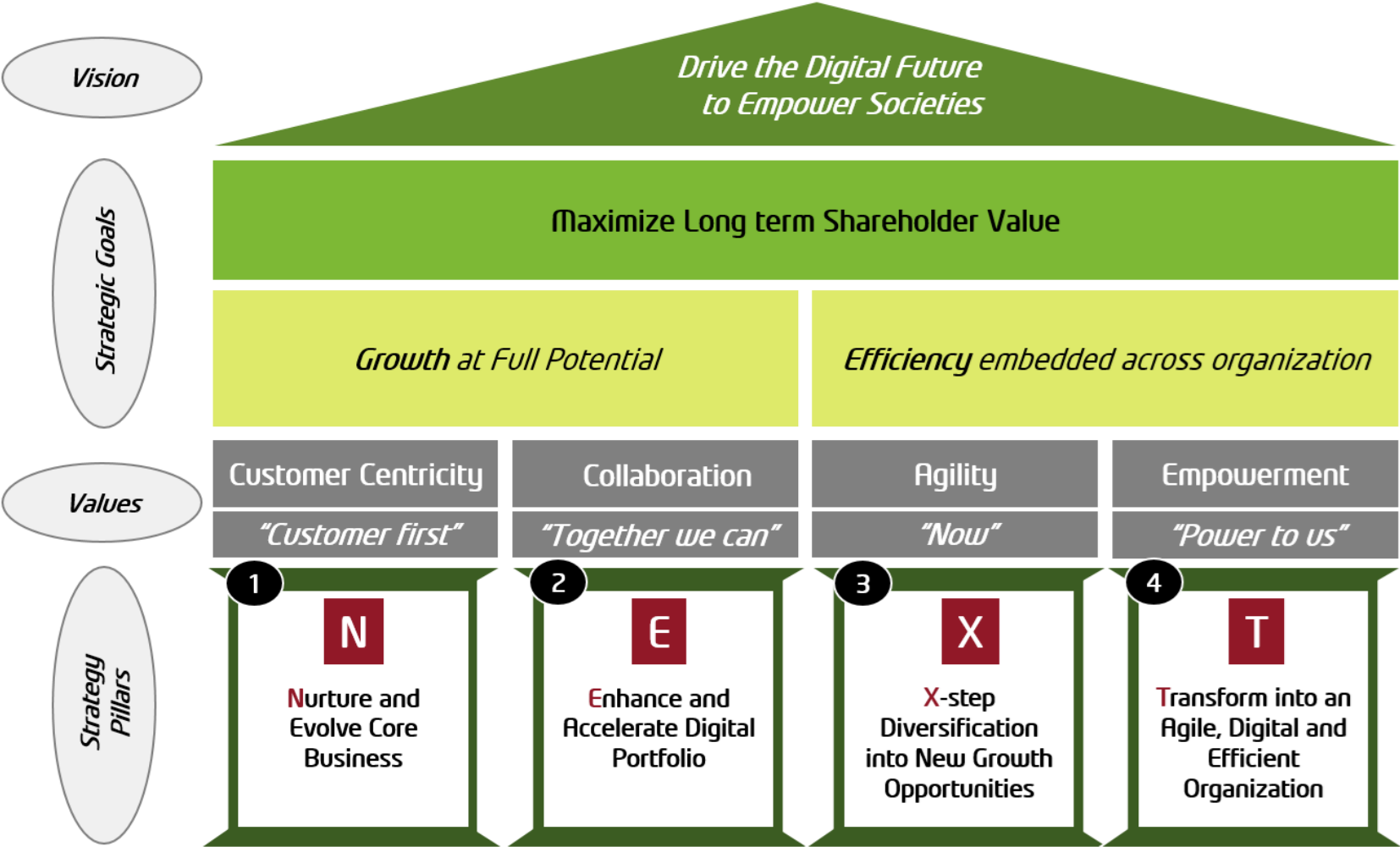


..and will start the implementation of “NEXT” which is UAE’s updated strategy focusing on the core, digital and opportunities beyond the core



UAE Strategy

New Corporate Strategy, 2019-2021



Source: Etisalat Group



Overall, Etisalat Group is determined to lead as a digital telco with enhanced efficiency, improved digitization and digital revenues as the key driver for growth



Closing Remarks

- We are progressing steadily in **delivering against our strategy**, strategic objectives, and shareholders expectations.
- 2019 will witness larger focus on several priorities:
 - **Digital services revenue acceleration** for consumer & business as the key driver for growth.
 - **Efficiency enhancement** through streamlined and agile operations, the adoption of AI and RPA, and driving group wide synergy, which will support in mitigating the currency exposures in certain markets.
 - **Improved Digitization** through new and improved digital channels while stimulating adoption and usage, hence empowering customers and pushing self care.
- Sustaining our **technological leadership** and rolling out 5G network in UAE and selected markets is a main theme, infrastructure investments will continue at solid pace to support our digital transformation, support the delivery of business value and to enhance customer interactions.
- We will continue to invest in our **brand, talent and Group Family Culture** as key enablers for company growth.
- **Portfolio rationalization and optimization** remain relevant, we will continue to pursue **inorganic growth opportunities** that meet our investment criteria.



Etisalat Group Financial Results

Serkan Okandan

Group Chief Financial Officer

ETISALAT GROUP FINANCIAL HIGHLIGHTS

AED Million	Q4 2018	Growth YoY% ⁽¹⁾	FY 2018	Growth YoY% ⁽¹⁾
Revenue	13,034	-3%	52,388	+1%
EBITDA	6,222	-3%	25,880	0%
<i>EBITDA Margin</i>	<i>48%</i>	<i>0pp</i>	<i>49%</i>	<i>-1pp</i>
Net profit	2,021	+2%	8,615	+2%
<i>Net profit Margin</i>	<i>16%</i>	<i>+1pp</i>	<i>16%</i>	<i>0pp</i>
Capex	3,363	+28%	8,379	+5%
<i>Capex/Revenue</i>	<i>26%</i>	<i>+6pp</i>	<i>16%</i>	<i>1pp</i>

Q4 2018 Highlights

- Revenue decline Y/Y is attributed to lower revenue from prepaid mobile segment handsets sales and special ICT project in UAE, currency devaluation in Pakistan & Int'l operations of MT Group
- EBITDA declined Y/Y driven by higher cost of sales, higher impairment for trade receivable and currency devaluation in Pakistan
- Stable EBITDA margin
- Net profit Y/Y positively impacted by lower forex, royalty and impairment
- Higher capital expenditure Y/Y attributed mainly to domestic operations.

(1) Prior period financial figures are restated to reflect IFRS15 adjustments

FY 2018 Highlights

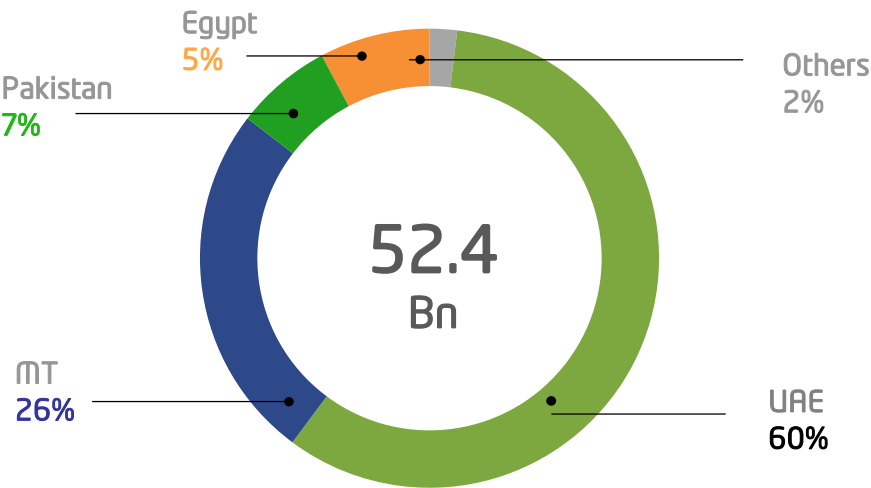
- Revenue growth Y/Y is attributed to both domestic and int'l operations, mainly Morocco and Egypt
- EBITDA stable Y/Y as revenue growth is offset by higher cost of sales and operating expenses
- Lower EBITDA margin due to change in revenue mix
- Net profit Y/Y positively impacted by lower forex losses, royalty, impairment and better share from associates
- Higher capital expenditure Y/Y attributed mainly to domestic operations.



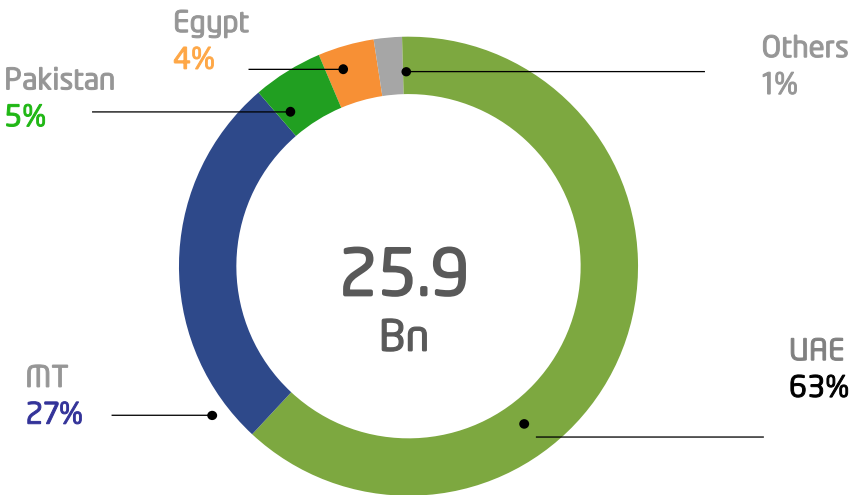
ETISALAT GROUP FINANCIAL HIGHLIGHTS



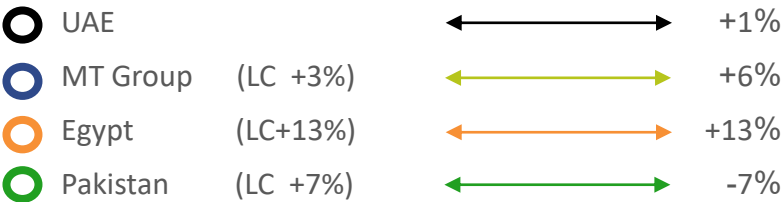
Revenue Breakdown FY 2018 (AED m)



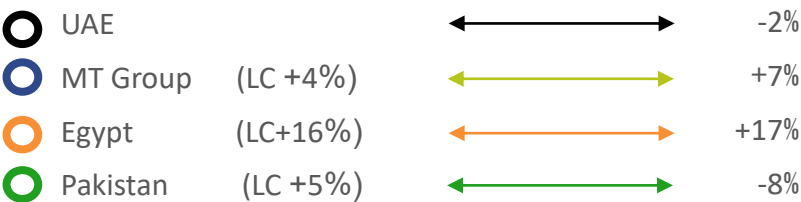
EBITDA Breakdown FY 2018 (AED m)



YOY Growth +1%



YOY Growth 0%

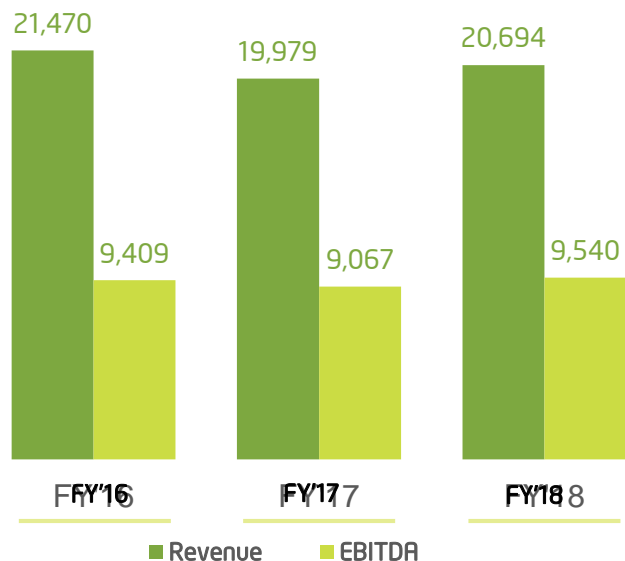
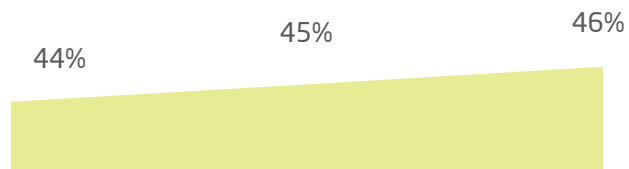


Represents others

(1) Prior period financial figures are restated to reflect IFRS15 adjustments

INT'L OPERATIONS FINANCIAL HIGHLIGHTS FY 2018

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



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

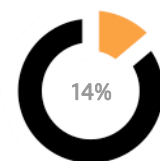
Maroc Telecom	FY 2018	Growth in AED	Growth in MAD
Revenue	13,390	+6%	+3%
EBITDA	6,981	+7%	+4%
EBITDA Margin	52%	+1pp	+1pp



Pakistan	FY 2018	Growth in AED	Growth in PKR
Revenue	3,849	-7%	+7%
EBITDA	1,260	-8%	+5%
EBITDA Margin	33%	0pp	0pp



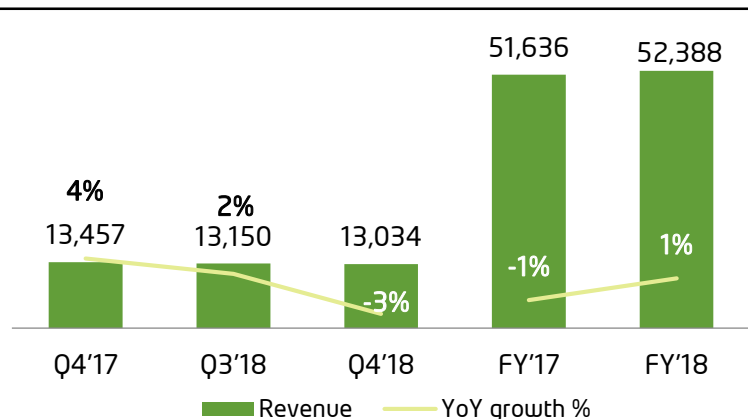
Etisalat Misr	FY 2018	Growth in AED	Growth in EGP
Revenue	2,806	+13%	+13%
EBITDA	1,161	+17%	+16%
EBITDA Margin	41%	+1pp	+1pp



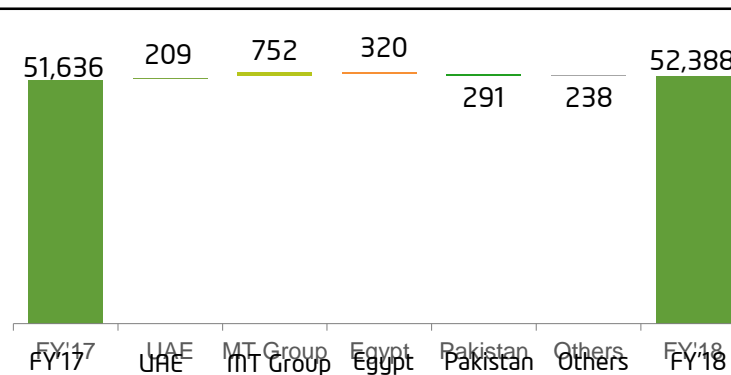
1) Prior period financial figures are restated to reflect IFRS15 adjustments

GROUP REVENUE

Revenue (AED m) and YoY growth (%)



Sources of Revenue growth FY 2018 Vs. FY 2017 (AEDm)



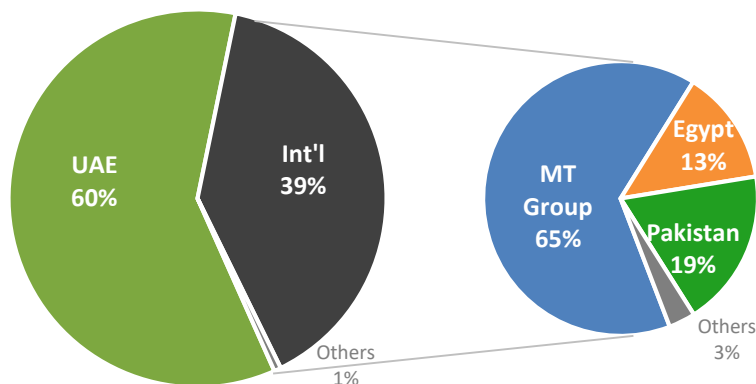
Highlights

- In FY'18 consolidated revenue increased Y/Y by 1% attributed to domestic and Int'l operations
- Growth in the UAE mainly due to higher Internet and TV services, handsets and wholesale revenues
- Revenues from international consolidated operations increased by 4%, resulting in 39% contribution to Group revenues, 1pp higher than prior year :
 - Revenue growth in MT Group attributed to strong data growth in Moroccan operations
 - Revenue growth in Egypt attributed to voice, mobile broadband and national roaming
 - Revenue growth in Pakistan negatively impacted by currency devaluation while grew in local currency

Revenue by Cluster (FY 2018)

Domestic vs. Int'l

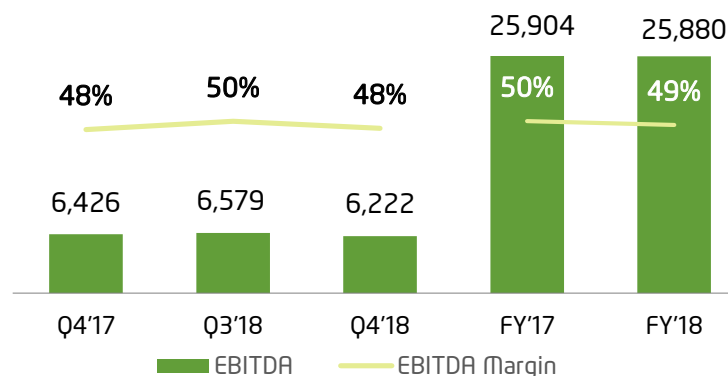
International



(1) Prior period financial figures are restated to reflect IFRS15 adjustments

GROUP EBITDA

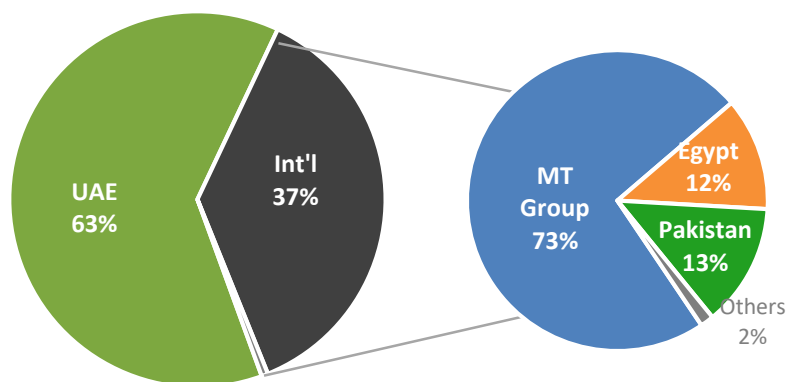
EBITDA (AED m) & EBITDA Margin



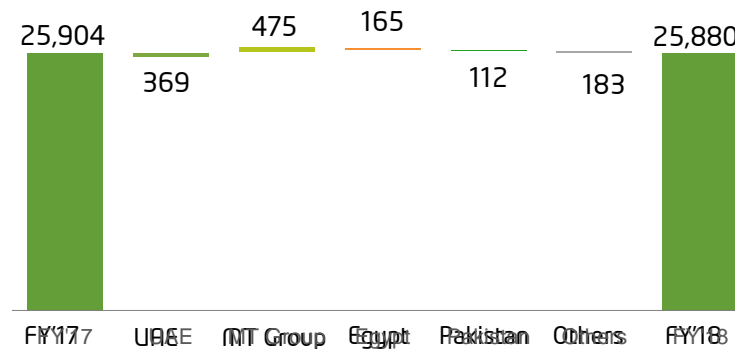
EBITDA by Cluster (FY 2018)

Domestic vs. Int'l

International



Sources of EBITDA growth FY 2018 Vs. FY 2017 (AEDm)



Highlights

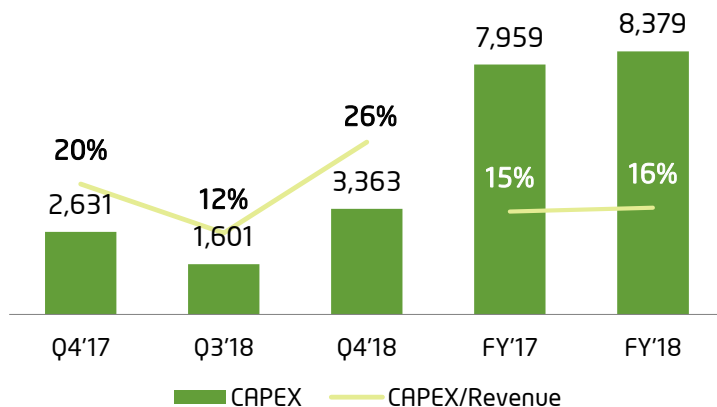
- In FY'18 consolidated EBITDA was stable Y/Y at AED 25.9 billion.
- EBITDA in the UAE negatively impacted by higher interconnection, roaming cost, handsets cost and operating costs
- EBITDA of consolidated international operations increased Y/Y by 5%, resulting in 37% contribution to Group EBITDA, 2pp higher than prior year:
 - Positive contribution from Maroc Telecom Group attributed to Moroccan operations
 - Positive contribution from Egypt due to higher revenues
 - Negative contribution from Pakistan impacted by currency devaluation while grew in local currency



GROUP CAPEX



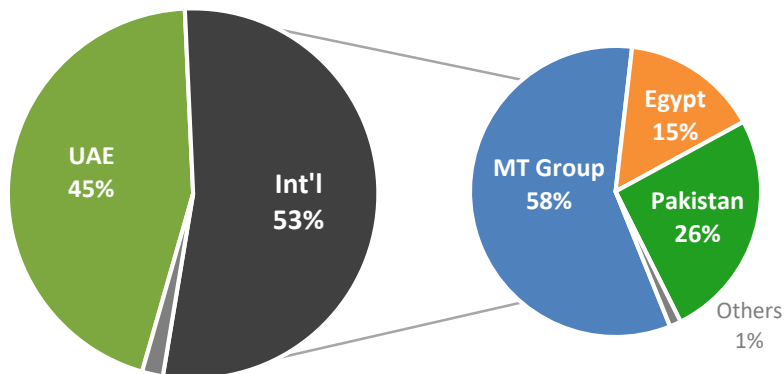
CAPEX (AED m) & CAPEX/Revenue Ratio (%)



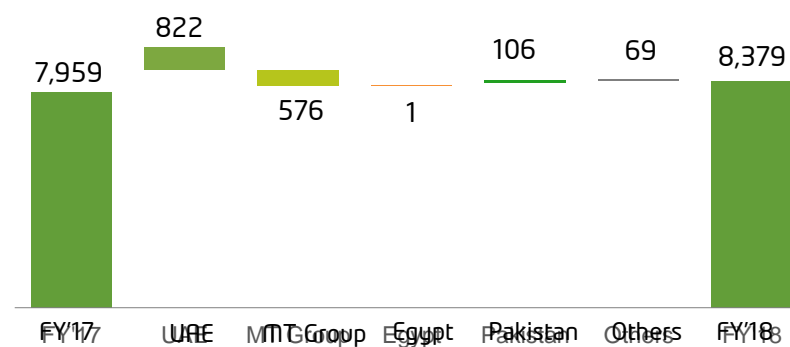
CAPEX by Cluster (FY 2018)

Domestic vs. Int'l

International



Sources of Capex growth - FY 2018 vs FY 2017 (AED m)



Highlights

- FY'18 consolidated capex increased Y/Y by 5% resulting in a Capex / Revenue ratio of 16%
- Higher capital spend in the UAE focused on maintenance, ICT/Digital capabilities and network modernization
- Capital expenditure in international operations decreased by 10% and contributed 53% of consolidated Group Capex
 - Lower capex in MT Group attributed to domestic operation
 - Stable capex in Egypt with focus on 4G deployment
 - Higher capex spend in Pakistan attributed to fixed network modernization

GROUP BALANCE SHEET & CASH FLOWS

Balance Sheet (AED m)	Dec-17	Dec-18
Cash & bank Balances	27,125	28,361
Total Assets	128,842	125,243
Total Debt	24,705	23,526
Net Cash / (Debt)	2,420	4,835
Total Equity	58,090	57,245

Cash flow (AED m)	Dec-17	Dec-18
Operating	20,227	19,039
Investing	(7,488)	(7,764)
Financing	(9,027)	(10,122)
Net change in cash	3,712	1,154
<i>Effect of FX rate changes</i>	<i>(289)</i>	<i>132</i>
Reclassified as held for sales	25	(50)
Ending cash balance	27,125	28,361

Investment Grade Credit Ratings



AA-/Stable


Moody's

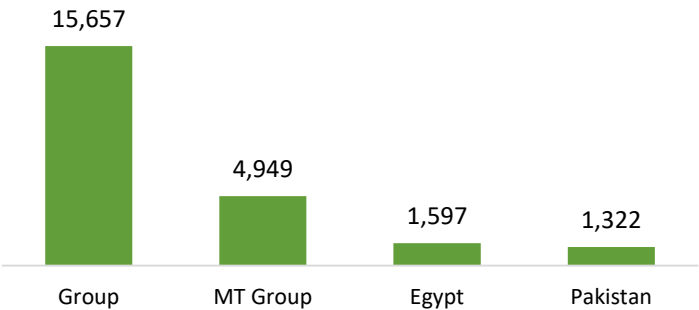
Aa3/Stable

Highlights

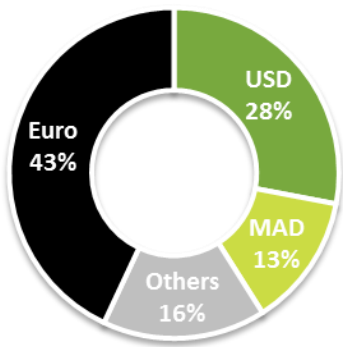
- Strengthened liquidity position with record cash balance and net cash position
- Share buyback delayed to 2019
- Lower operating cash flow due to changes in working capital
- Higher financing cash flow due to repayments of borrowings

(1) Prior period financial figures are restated to reflect IFRS15 adjustments

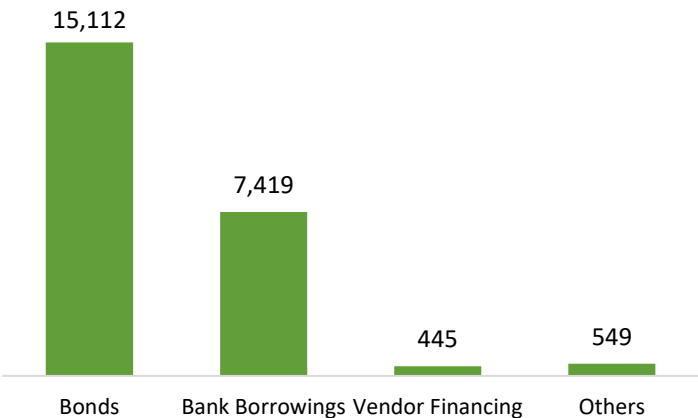
Borrowings by Operation Q4 2018 (AED m)



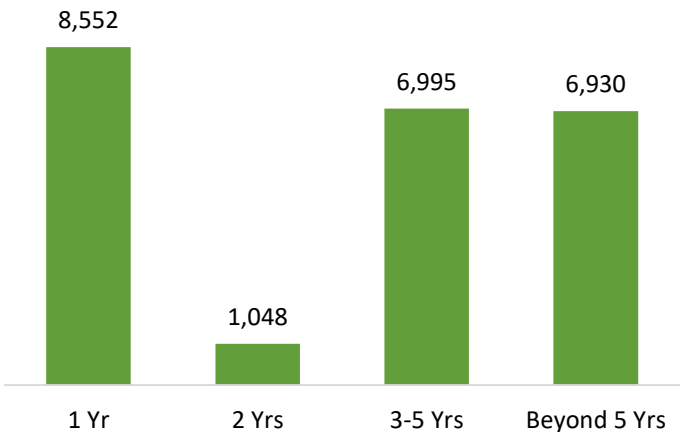
Borrowings by Currency Q4 2018 (%)



Debt by Source Q4 2018 (AED m)

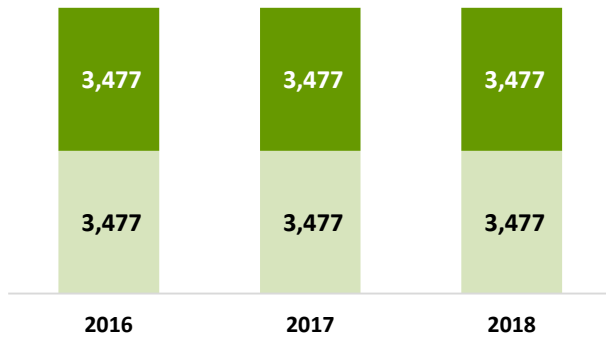


Repayment Schedule Q4 2018 (AED m)

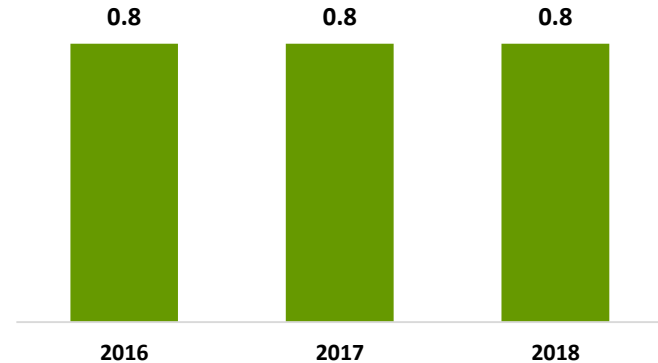


DIVIDENDS: Proposed dividend for 2018 of 80 fils per share

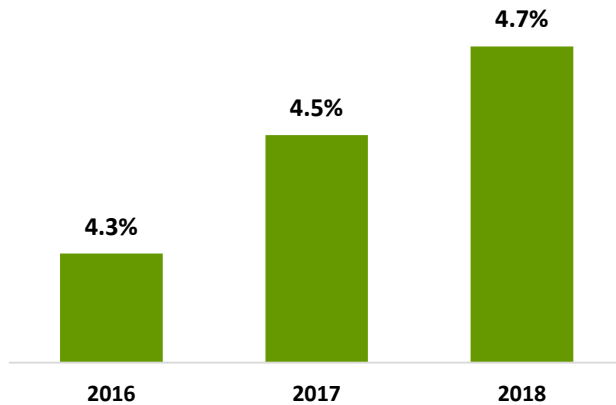
Cash Dividends (AED m)



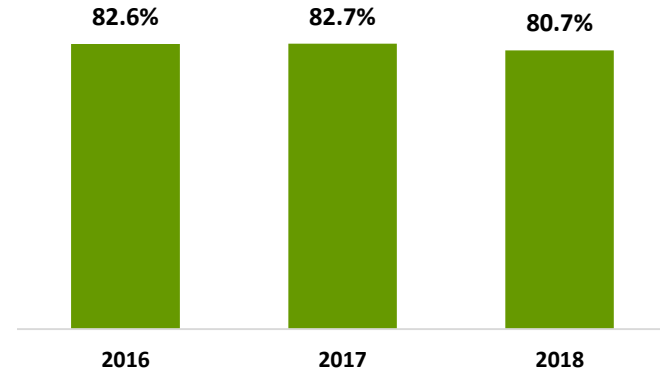
Dividends Per Share (AED)



Dividend Yield ⁽¹⁾ (%)



Dividend Payout Ratio (%)



Proposed final dividends of 40 fils per share bringing the full year dividend to 80 fils per share is subject to shareholders approval on the AGM scheduled March 20th, 2019

(1) Dividend yield if based on share price as of 16 August 2018 and 18 February 2019

COUNTRY BY COUNTRY FINANCIAL REVIEW

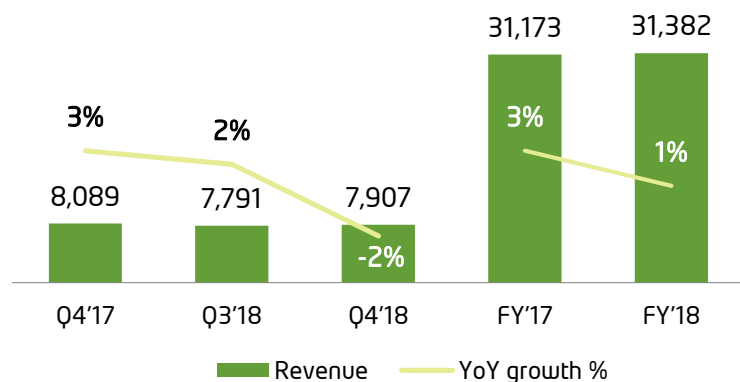




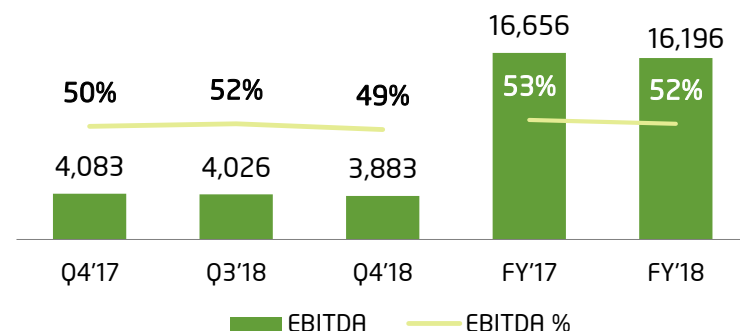
UAE: FOCUS ON PROFITABILITY WHILE INVESTING IN NETWORK CAPABILITIES



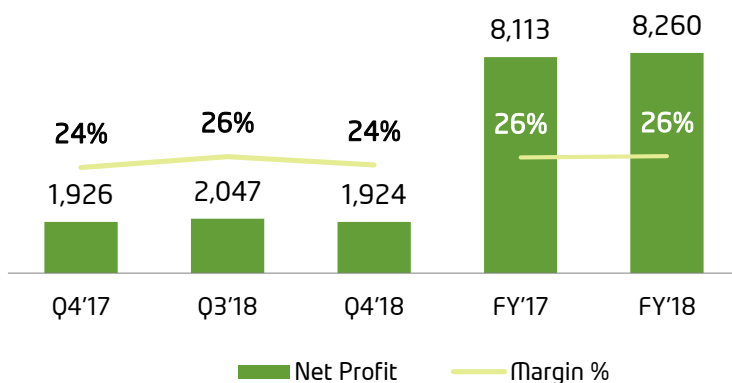
Revenue (AED m) / YoY Growth (%)



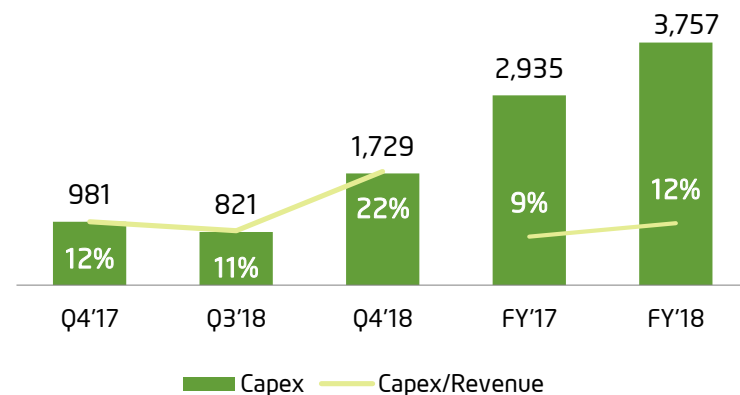
EBITDA (AED m) / EBITDA %



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



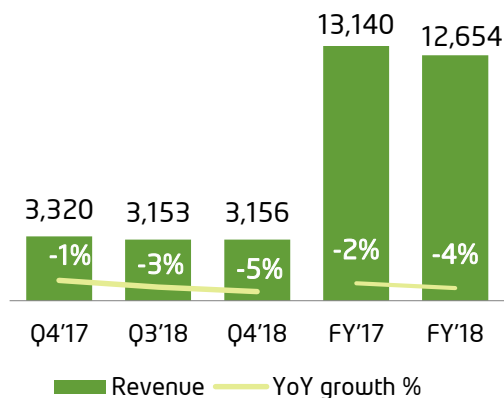
CAPEX (AED m) & CAPEX / Revenue Ratio (%)



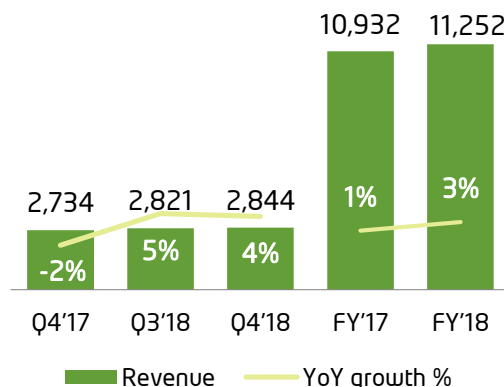
(1) Prior period financial figures are restated to reflect IFRS15 adjustments

UAE: REVENUE BREAKDOWN AND KEY KPI'S

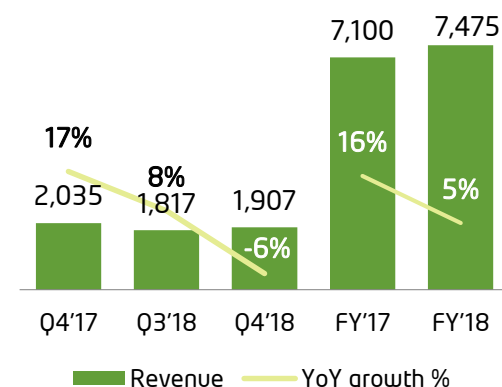
Mobile Revenues⁽¹⁾ (AED m)



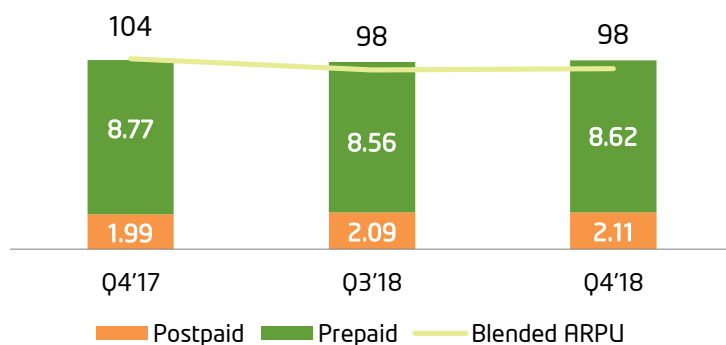
Fixed Revenues⁽²⁾ (AED m)



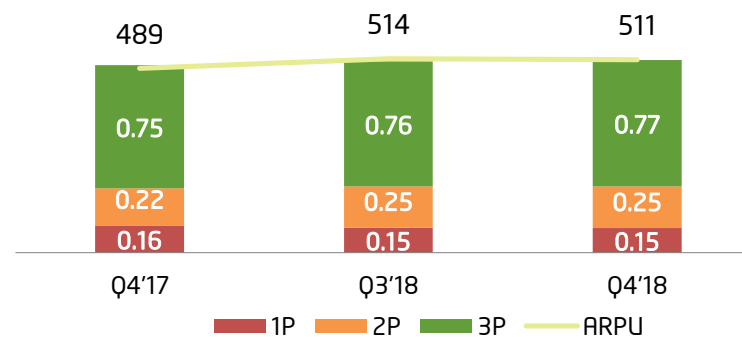
Other Revenues⁽³⁾ (AED m)



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, VAS, and mobile 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), visitor roaming, 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.

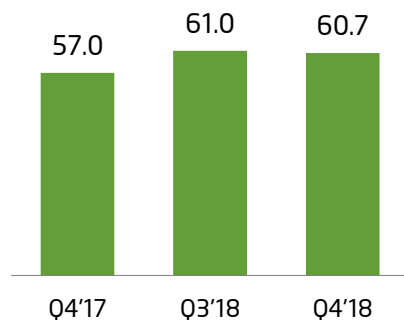
(7) ARPL ("Average Revenue Per Line") calculated as fixed broadband line revenues divided by the average fixed broadband subscribers.

(8) Prior period financial figures are restated to reflect IFRS15 adjustments

MAROC TELECOM: REVENUE AND EBITDA TRENDS IMPROVE

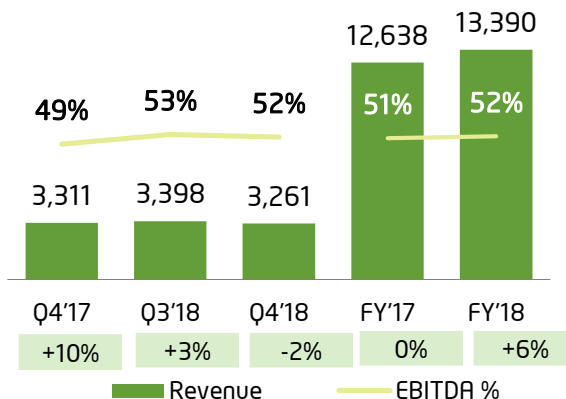
Morocco, Benin, Burkina Faso, CAR, CDI, Gabon, Mali, Mauritania, Niger & Togo

Subscribers (m)

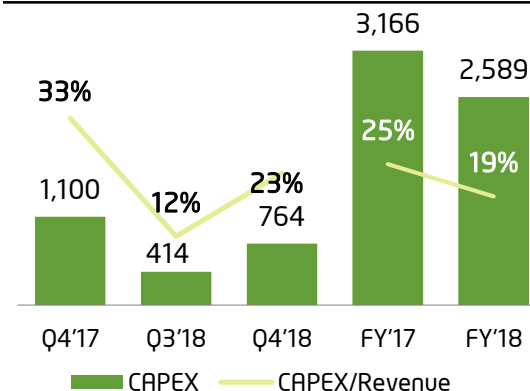


Y/Y % growth

Revenue (AED m) / EBITDA Margin

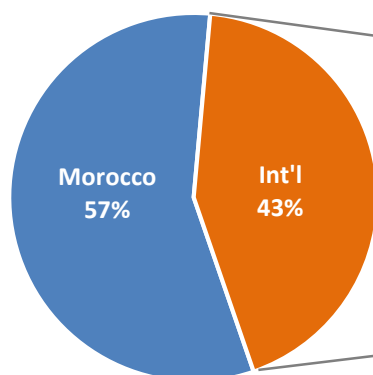


CAPEX (AED m) & CAPEX/Revenue Ratio (%)

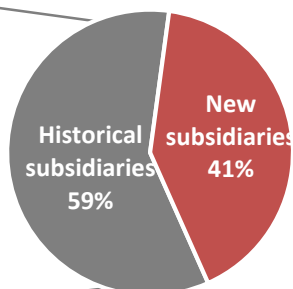


Revenue Breakdown FY 2018

Domestic vs. Int'l

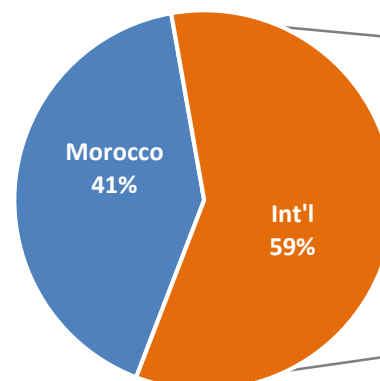


International

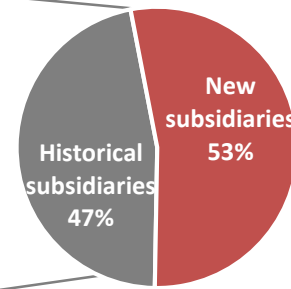


CAPEX Breakdown FY 2018

Domestic vs. Int'l

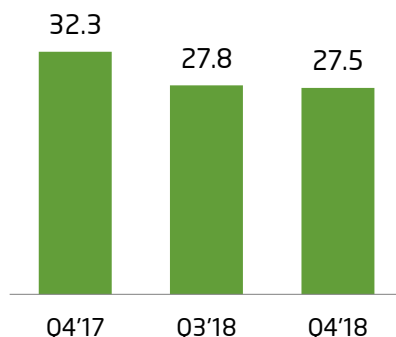


International



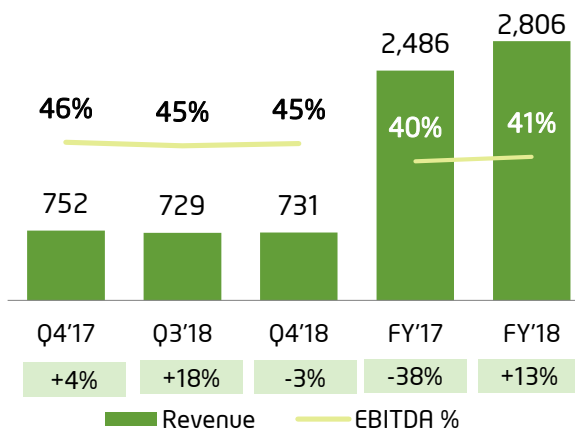
EGYPT: STRONG REVENUE GROWTH & PROFITABILITY INCREASE

Subscribers⁽¹⁾ (m)

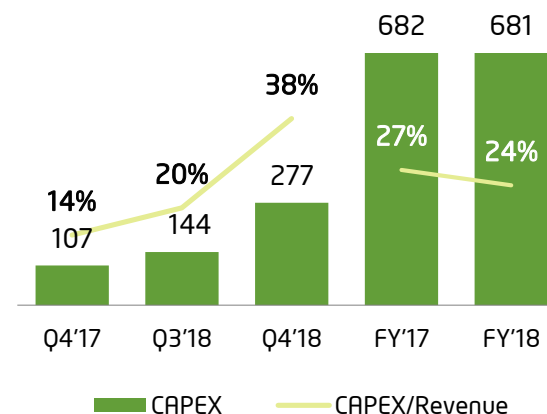


Y/Y % growth

Revenue (AED m) / EBITDA



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



HIGHLIGHTS

- Regulatory restriction negatively impacted customer acquisitions
 - Continued to grow the post-paid segment
- Y/Y revenue growth across all segments
- Y/Y EBITDA growth with higher margin
- Full year capital spending consistent with prior year and focused on 4G deployment

(1)Subscribers figures are restated to fully align with Etisalat Group definition based on 90 days active

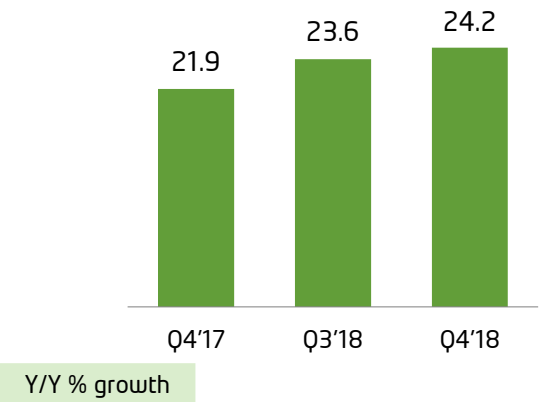
(2)Prior period financial figures are restated to reflect IFRS15 adjustments



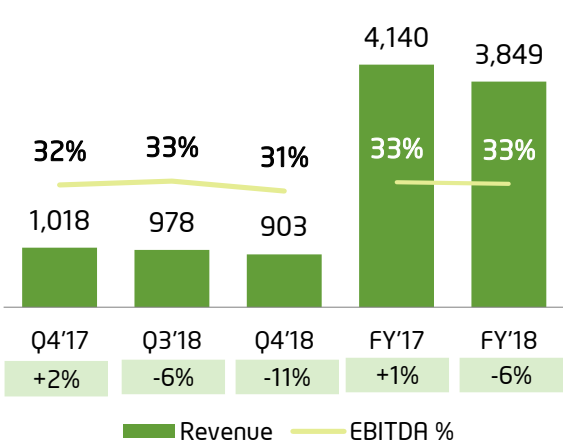
PAKISTAN: GROWTH IN LOCAL CURRENCY, STABLE MARGINS & INVESTING IN NETWORK TRANSFORMATION



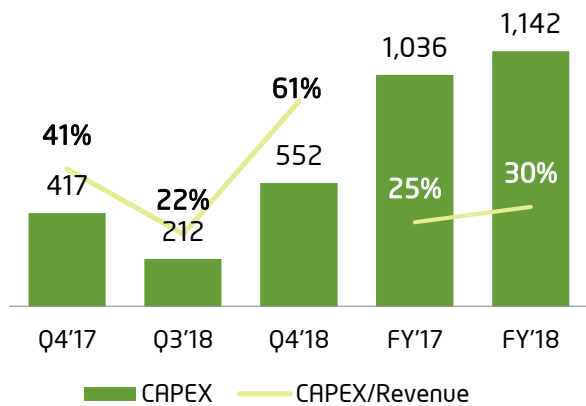
Subscribers (m)



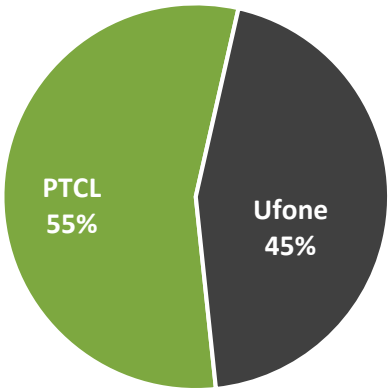
Revenue (AED m) / EBITDA Margin



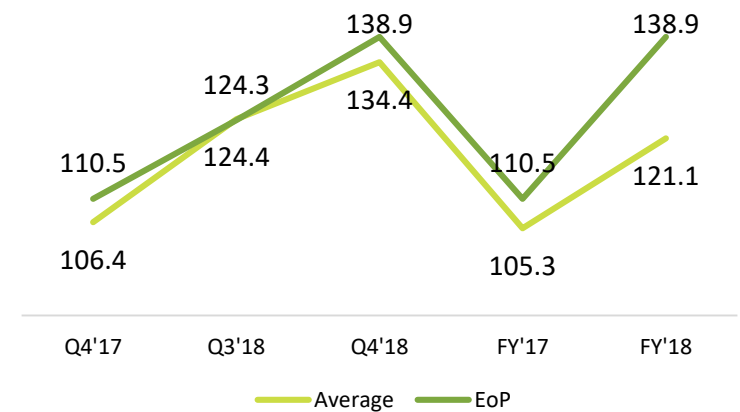
CAPEX (AED m) & CAPEX/Revenue Ratio (%)



REVENUE BREAKDOWN FY'18



USD / PKR FX Rate (PKR)



(1) Prior period financial figures are restated to reflect IFRS15 adjustments



2018 ACTUAL AGAINST GUIDANCE: Met 2018 GUIDANCE



Financial KPI	Original Guidance 2018 in AED	Revised Guidance 2018 in AED	Actual 2018 in AED
Revenue Growth %	Slightly lower	Slightly higher	+1.5%
EBITDA Margin%	49% - 50%	49% - 50%	49.4%
CAPEX / Revenue %	18% - 19%	15.5% - 16.5%	16.0%

(1) Prior period financial figures are restated to reflect IFRS15 adjustments



2019 GUIDANCE: FOCUS ON SHAREHOLDERS' VALUE & INVESTING IN THE FUTURE



Financial KPI	Actual 2018 in AED	Guidance 2019 in AED
Revenue Growth %	+1.5%	Slightly lower
EBITDA Margin%	49.4%	48% - 49%
EPS ⁽¹⁾ (AED)	0.99	0.99 - 1.02
CAPEX / Revenue %	16.0%	18% - 19%

(1) EPS guidance exclude the impact of share buyback



Etisalat International

Hatem Dowidar

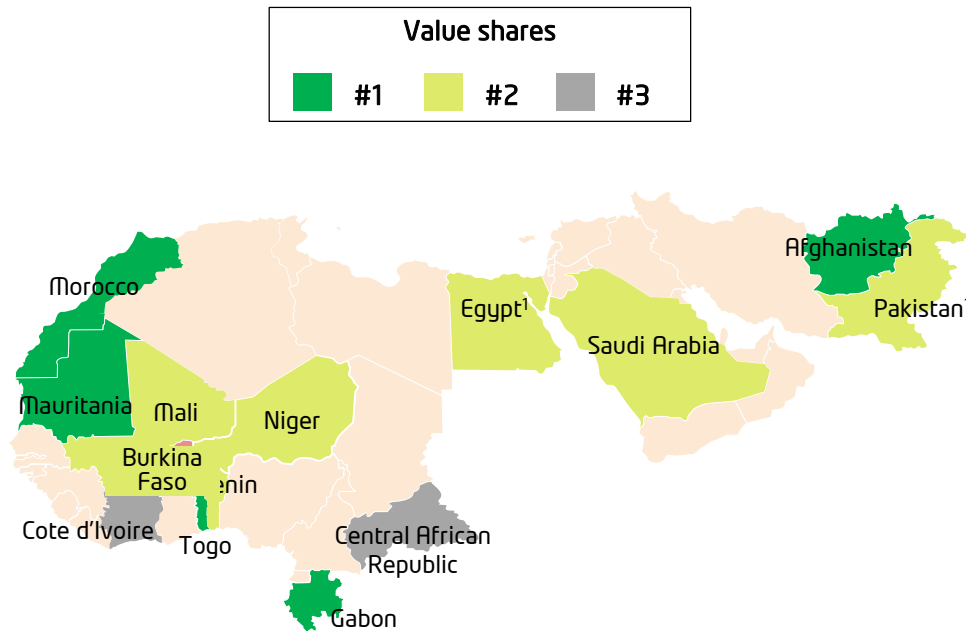
Chief Executive Officer – Etisalat International



Strong portfolio of Int'l investments after rationalization is completed



Etisalat International



- International Portfolio with presence in 14 countries (outside UAE); 13 markets consolidated
- #1 or #2 value share position in 12 out of 14 markets
- Portfolio rationalization completed in 2015-2018: exited Tanzania, Sudan, Nigeria, Sri Lanka and Thuraya

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

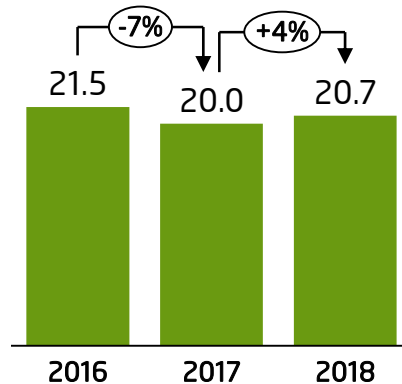


International investments key contributor for Etisalat Group profitable growth

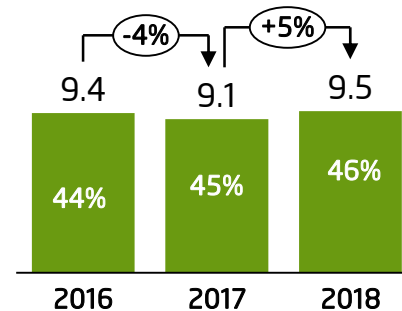


Etisalat International Consolidated

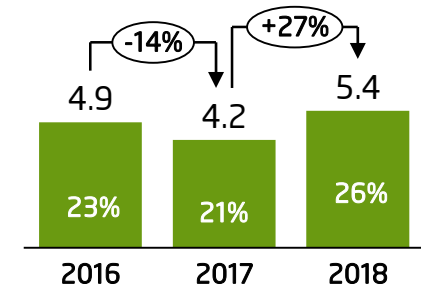
Revenues (AED bn)



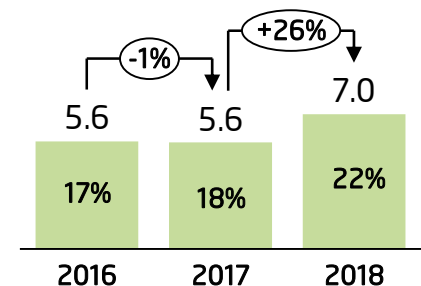
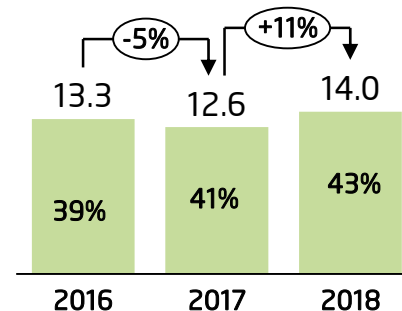
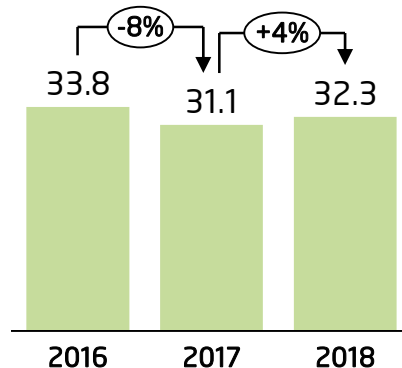
EBITDA (AED bn, %)



OFCF Proxy ⁽²⁾ (AED bn, %)



Etisalat International aggregated perspective¹



(1) Including Mobily (KSA), which is an associate

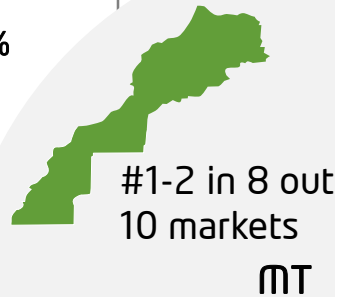
(2) OFCF proxy defined as EBITDA - Capex; Capex excludes costs of license acquisition

4 main markets, strongholds of Etisalat International strategy, are delivering exceptional performance...

2018 ACHIEVEMENTS

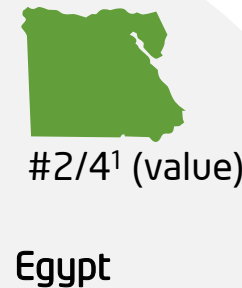
Leadership position

Revenues: 36.0 bn MAD (+3% YoY)
EBITDA: 17.9 bn MAD (+4% YoY), 49.6% margin
Net Profit: 6.0 bn MAD (+5% YoY), 16.7% margin



Profitable challenger

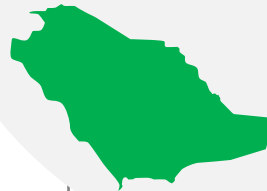
Revenues: 13.6 bn EGP (+13% YoY)
EBITDA: 5.5 bn EGP (+16% YoY), 41.1% margin
Net Profit: 1.4 bn EGP (+33.4% YoY), 10.3% margin



Strong challenger, accelerating turnaround

Revenues: 11.9 bn SAR (+4.5% YoY)
EBITDA: 4.5 bn SAR (+24% YoY), 38.2% margin
Net loss: -0.1 bn SAR, (+83 YoY), 5.1% margin

Saudi Arabia
#2/3 (value)



Pakistan
#2/4¹ (value)



Incumbent, profitable integrated player

Revenues: 126.2 bn PKR (+8% YoY)
EBITDA: 41.5 bn PKR (+5% YoY), 32.9% margin
Net Profit: 5.7 bn PKR (+32% YoY), 4.5% margin

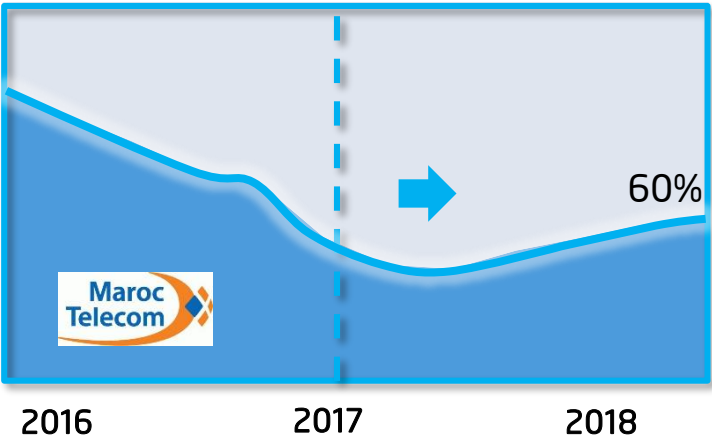
(1) Egypt is #2/4 in mobile market and #3/4 considering fixed and wholesale; Pakistan is #2/4 considering total market



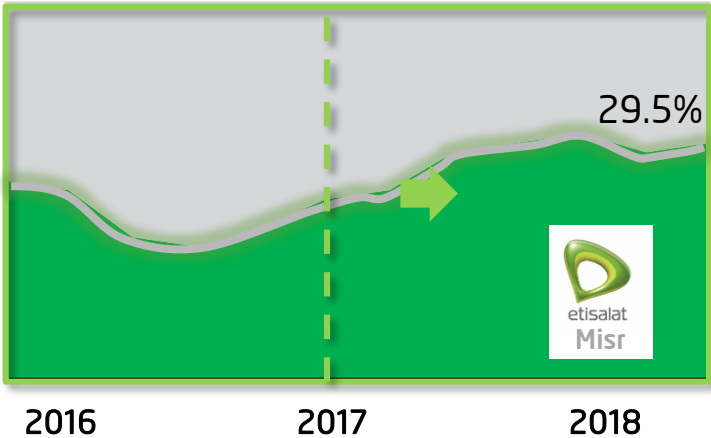
... and are showing significant change of pace, resulting in value share gains in each market in the past two years



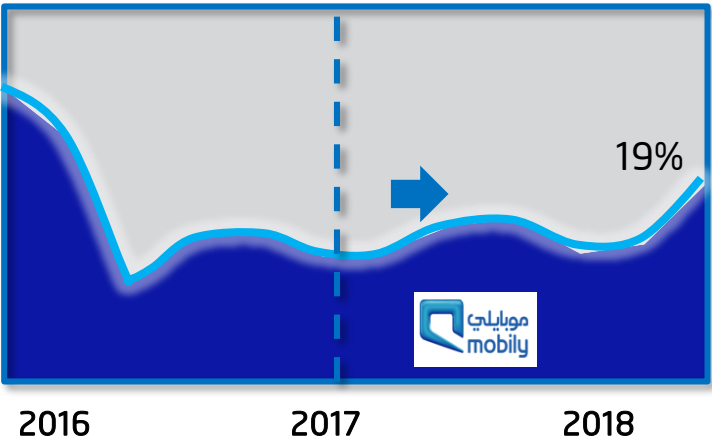
Morocco - mobile



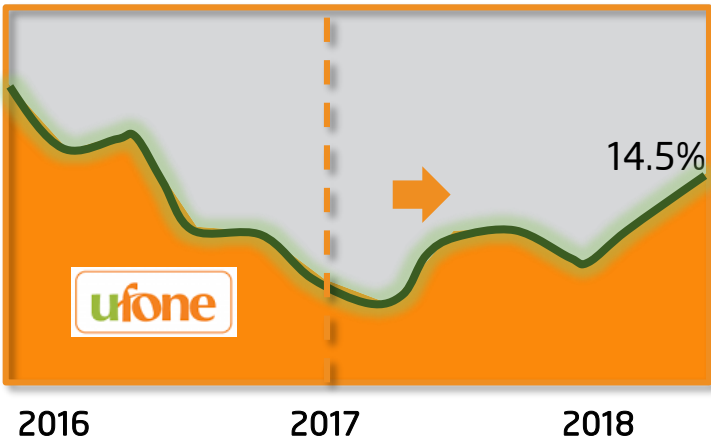
Egypt - mobile



Saudi Arabia - Total telco

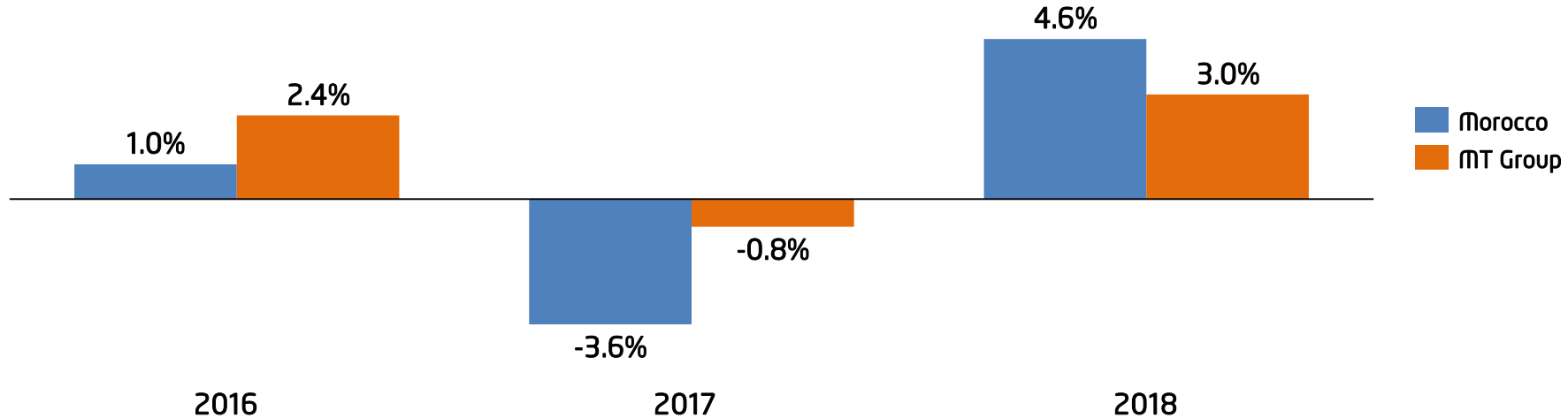


Pakistan - mobile



Maroc Telecom returned to growth while meeting the appetite for Data in Morocco and West Africa subsidiaries

Revenues YoY evolution



Challenging Regulatory environment:

- VOIP liberalization by end of 2016
- Asymmetry in Mobile call termination rates against MT
- Higher floor price than competitors



Strong bet on 4G spectrum and fixed Network enhancement



Investment in 3G and 4G license (Benin & Niger)



Upgrade of access and transmission network to support Data and Voice growth (CDI)



Expansion of the 4G network to 99% of overall sites along with investment in transmission backbone



4G in Togo, Mali



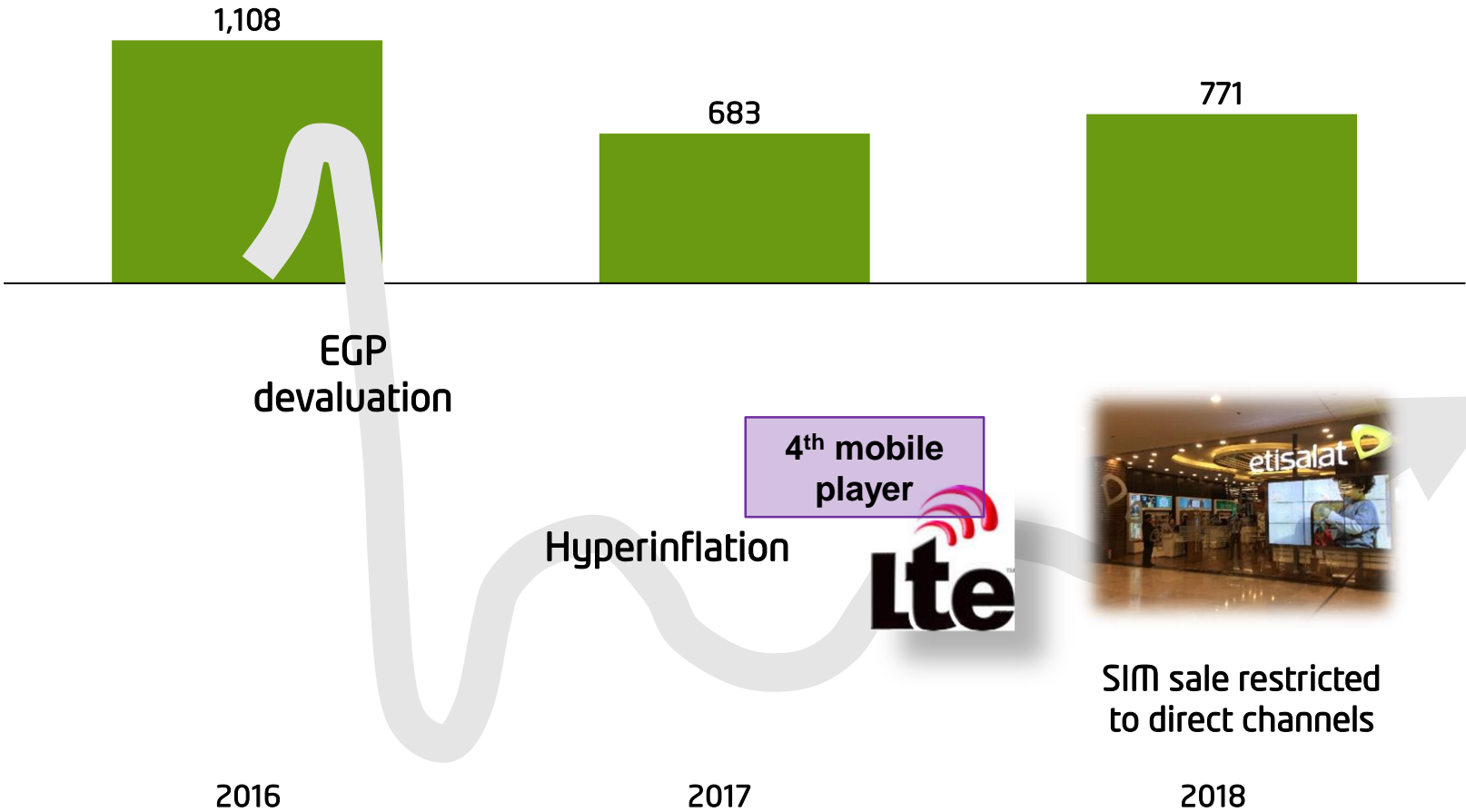
Mobily re-started to grow as turnaround accelerated



EBITDA Margin	32.5%	31.5%	32.2%	32.2%	36.6%	36.8%	36.5%	41.3%
	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	Q4 18
	New Management team in place		New Strategy anchored		RISE Strategy under implementation and acceleration of the turnaround			
			<div><div>R</div><div>Regain COMMERCIAL strength</div></div> <div><div>I</div><div>Ignite CUSTOMER EXPERIENCE and DIGITAL excellence</div></div> <div><div>S</div><div>Strive to gain AGILITY and EFFICIENCY</div></div> <div><div>E</div><div>Enable world-class EXECUTION</div></div>		Price rationalization			
					Successful acquisition of additional spectrum			
					Further talent injection			

Etisalat Misr is outpacing the market, with upward trend of revenues in USD terms

Revenues evolution - USD Million



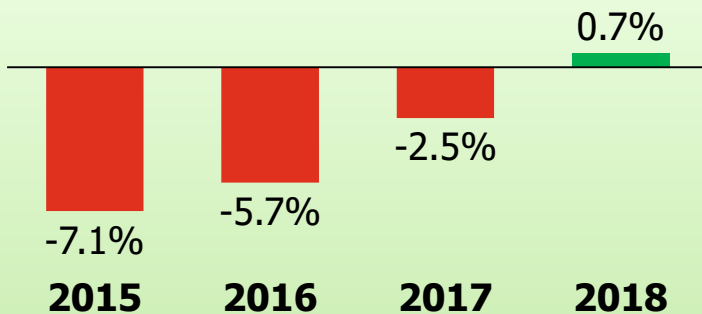
SIM sale restricted to direct channels

In Pakistan, PTCL Group is building very good momentum both in the fixed and in the mobile market



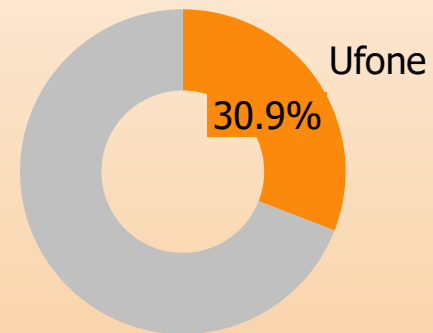
- Investment in Fixed Network transformation delivering value
- 2018 was the first year of growth since 2014

FY Revenues YoY



- Ufone revamped commercial engine continue to capture growing mobile Data demand
- Launch of LTE services in Feb 2019

H2 2018 share of 3G-4G Net Adds



Priorities for Portfolio development

1

Consolidation & Divestments

- Largely completed - multiple divestments completed over the last 5 years
- Continue optimizing footprint via in-market consolidation, acquisition of licenses and spectrum and bolt-on acquisitions

2

Opportunistic expansion in new geographies

- Screen potential opportunities within target geographies
- Opportunities need to meet investment criteria

3

Enhance offering with bolt-on opportunities

- Explore new business development, strategic partnerships and Joint Ventures in selected areas (including in UAE)
- Focus on Digital

Way forward.....

- Continue stronghold strategy reinforcing position in our key markets
- Leverage on new services (for example mobile financial services) to create additional streams to complement core revenues
- Explore growth through inorganic acquisitions which meet our investment criteria



Etisalat Group Strategy

Khalifa Alshamsi

Chief Strategy & Governance Officer

The Macro-economic Environment Across the Footprint Offers both Opportunities to Exploit and Challenges to Mitigate...

Key Macro-Economic Drivers

Highlights



MENA Economic outlook is cautiously optimistic, against a backdrop of slowing global growth and heightened geo-political risks

- Population growth of ~2% across the footprint and major markets' real GDP growing at >3% a year - except KSA
- Forex devaluation uncertainties in Egypt and Pakistan
- Global economic risks e.g. trade tensions, monetary policies



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

- ICT-driven transformative plans gaining scale and momentum e.g. Vision 2021 in UAE, Vision 2030 in KSA and Egypt



Oil price faces continued uncertainty

- Softening global demand and increase in supply has pushed oil prices downwards
- Analyst consensus is for downward price pressure in 2019
- In turn, this could reduce Government spending



A range of sectors are set for growth

- Strong tourism growth expected across footprint driven in part by changes to VISA rules across a range of countries
- Continued execution of multi-year infrastructural expansion plans across the region

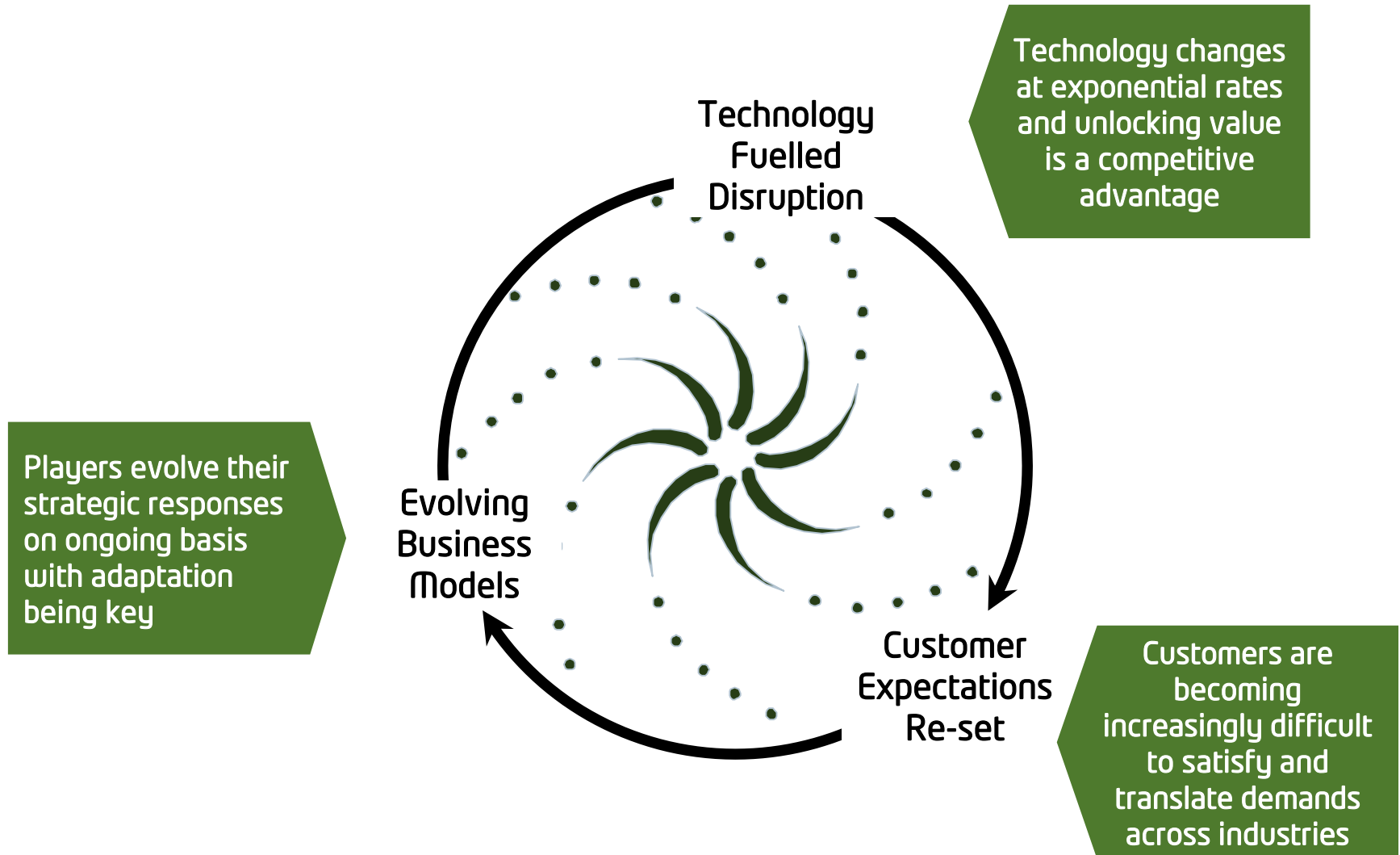


...and we observe a range of driving trends across five areas that will continue to re-shape the Telco/ICT industry



1	2	3	4	5
Evolving Core Telecom Market	Growth in ICT/Digital and Adjacencies	Network/IT Transformation	Changing Customer Behavior	Focus on Internal Transformation
Strong demand for data	Growth in B2B Digital in Cloud, Security, IoT, Mega Projects etc.	Deployment of new access technologies (e.g. 5G, Edge, growing fiber)	Industry 4.0 powering the evolution of enterprises	Optimize operating models and process re-engineering
Declining voice revenue due to OTT substitution	Growth in B2C Digital across Entertainment, Digital Lifestyle etc.	Network Virtualization and Digitization of front-end and back-end	Demand for seamless and personalized Customer Experience	Enhancing efficiency and agility via internal digitization using AI, RPA, Big Data
Challenging regulatory environment	Potential Growth in related Diversified areas e.g. MFS, Digital Advertising, e-commerce etc.	IT full stack modernization with E2E orchestration	Increasing demand for digital interactions across customer journey	Culture change and talent acquisition /re-skilling for new capabilities

These trends are combining to create a faster moving virtuous cycle of industry change





Last Year, Etisalat introduced a new Group Vision and Strategy, "TARGET"



Etisalat Group Strategy: TARGET

Reminder

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

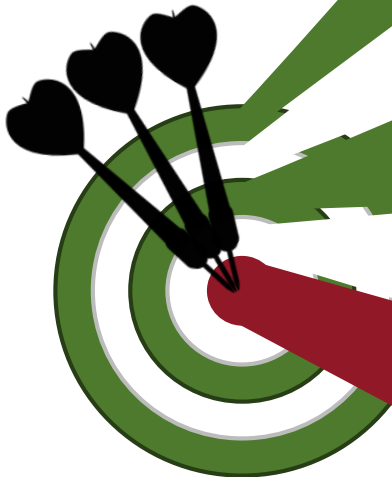
Grow B2B/Digital across the footprint

E

Expand portfolio in MENA and Knowledge Economies

T

Transform Operating Companies into Strongholds

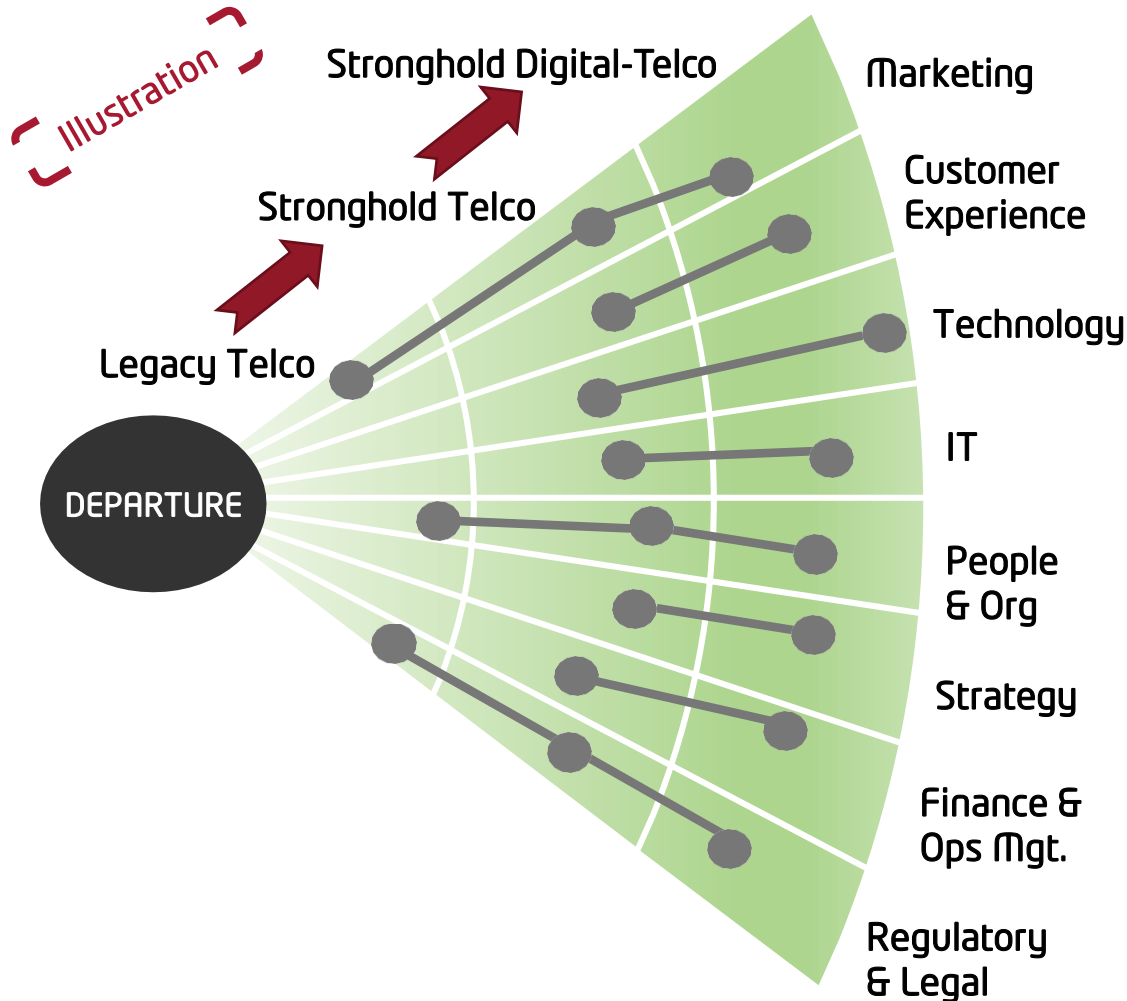




A key focus of TARGET is to protect the core businesses of our OpCos thus becoming stronghold telcos and ultimately stronghold digital-telcos



T: Transform Operating Companies into Strongholds

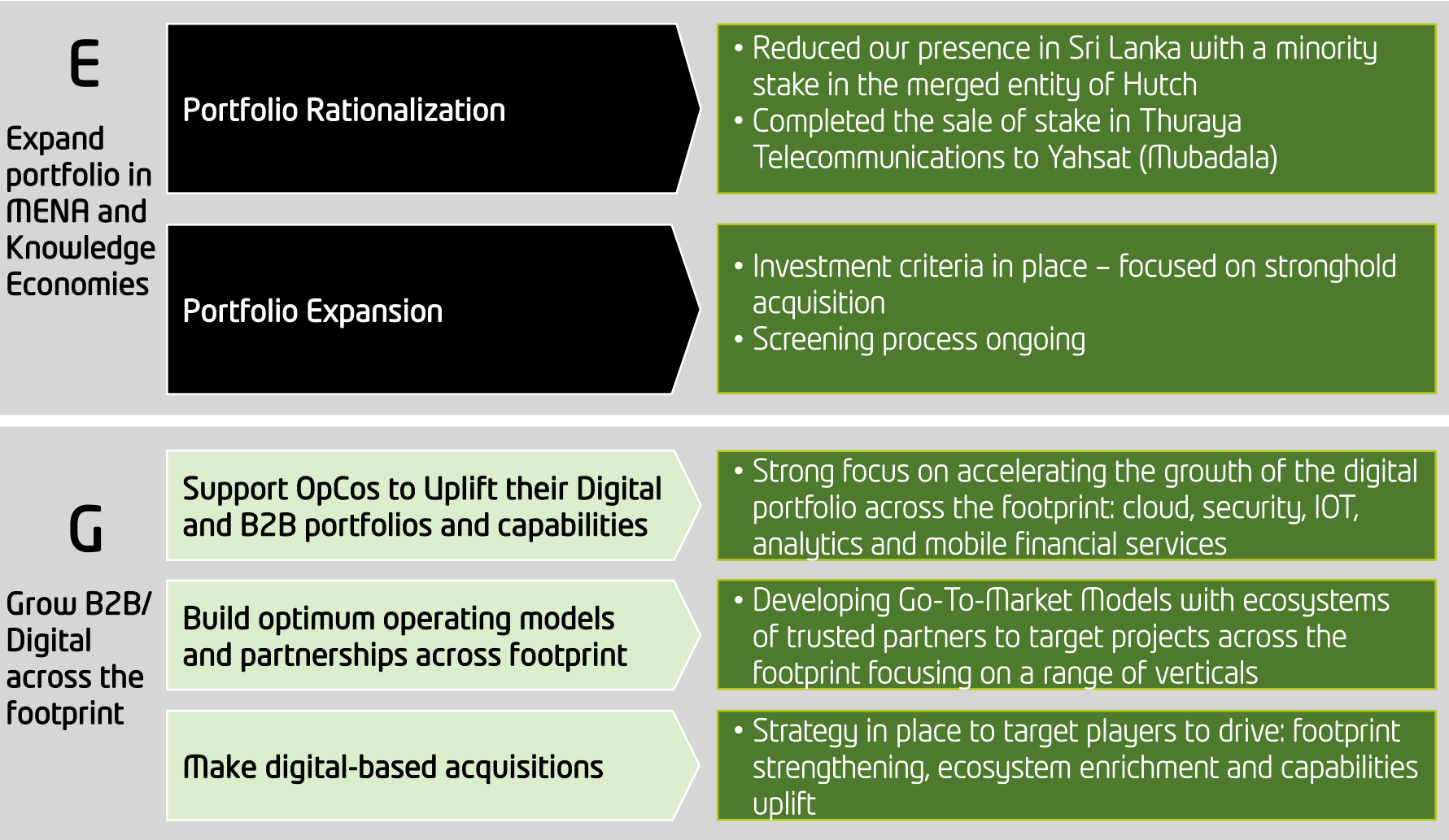


Selected Strategic Achievements:

- Etisalat UAE retained customer experience and network leadership and were first to launch 5G commercially in MENA
- Mobily on the path to becoming a stronghold
- Maroc Telecom maintains leadership across all segments
- PTCL's Network Transformation Program proceeding on target
- Etisalat Mizr achieved strong mobile No.2 status and tapping into fixed



Portfolio expansion/rationalization is also key along with accelerating the growth of digital and related adjacencies across the footprint





Digital transformation is key to drive efficiency and agility with right talent underpinning the entire Group Strategy



R

Raise capabilities & develop talent across the Group

Culture & Collaboration

- Employee Engagement up 9% Vs. 2017
- Enriched culture around e.g. Leadership, Performance Centricity, Innovation, Global Community and Values

Build Talent

- Continued development of digital capabilities e.g. Big Data, AI/RPA, Design Thinking and UI¹⁾ Designers
- Uplifted: Leadership skills and Succession Planning

Rich Talent Acquisition

- Continued acquisition of high caliber executive leadership roles and talent focused on emerging growth areas

A

Accelerate value generation through innovation and digitization

Accelerate Innovation

- Working with start-ups (Dubai Future Accelerators) within our purpose built innovation center in Dubai
- Continued to innovate on products, processes, systems etc. across the footprint

Accelerate (Internal) Digitization

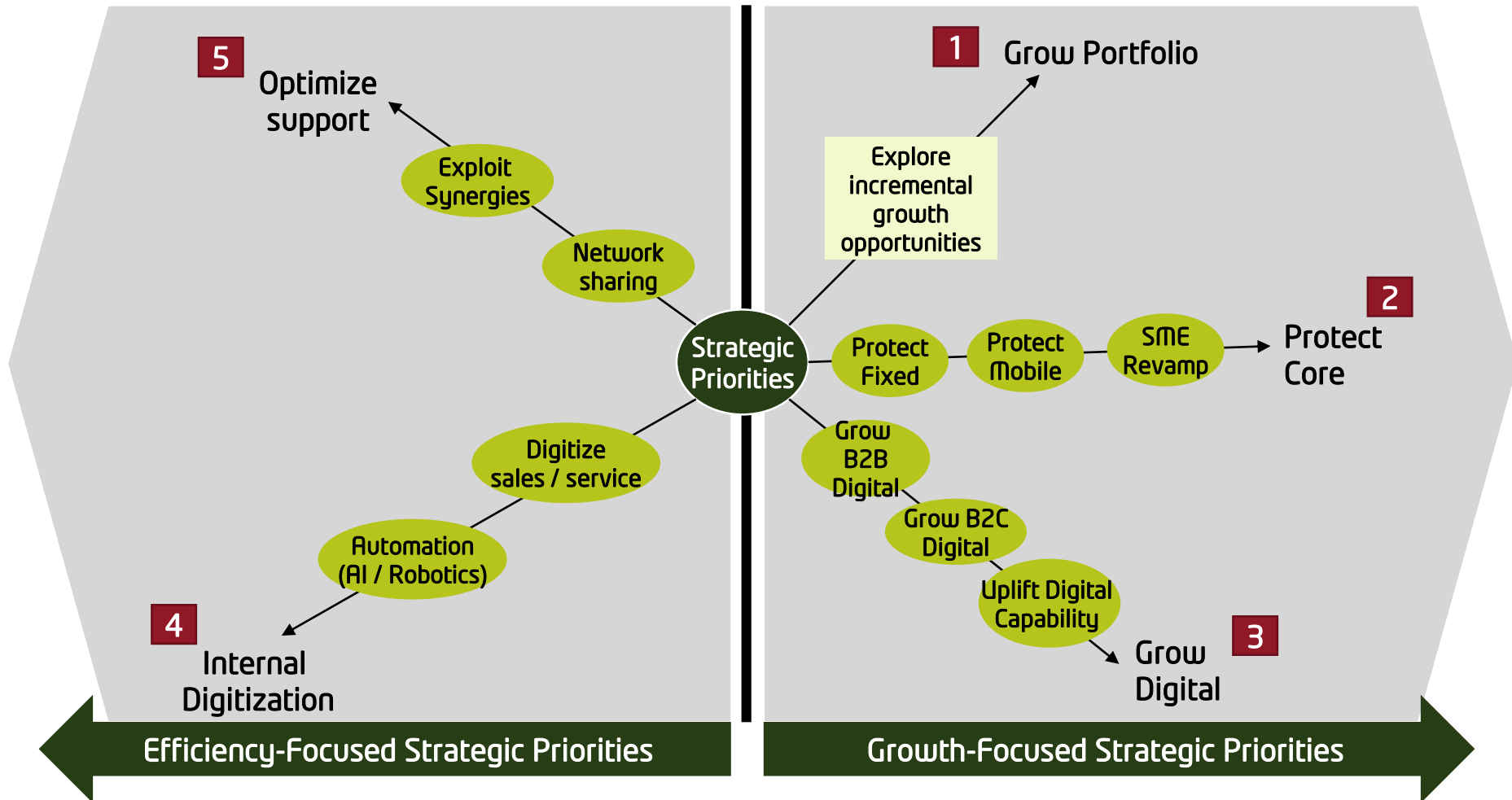
- Leveraged new technologies and new agile operating models to enable the digitization of customer journeys/channels and internal business processes etc. to drive sustainable efficiencies



Going forward, Etisalat has defined several strategic priorities for 2019

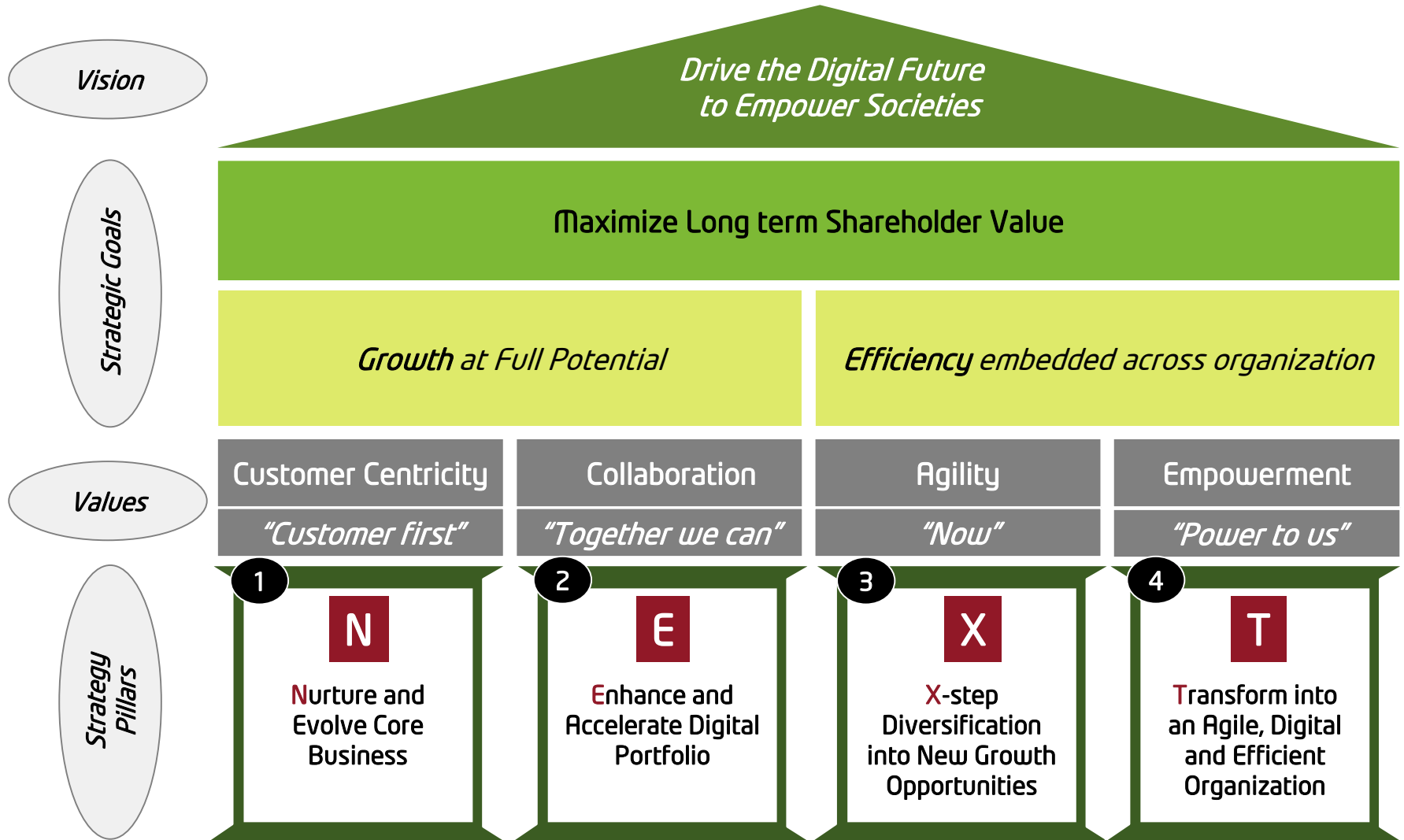


TARGET 2019 Focus Areas











Aligned and cascaded with TARGET, Etisalat UAE has put in place a new Corporate Strategy...





...which is our updated strategy focusing on the core, digital and opportunities beyond the core



Vision	To Drive the Digital Future to Empower Societies	
Goals	Shareholder value creation in the long term by coupling growth and efficiency	
Breakthrough Moves in the Core...	...focused on innovation in our core propositions and technology supported by fostering a positive regulatory environment	
Accelerated Digital...	...through selected inorganic moves and ongoing organic execution via best fit operating model choices	
Related Diversification...	...via a coordinated portfolio of moves that are anchored in our core strengths but open up new sources of growth	
Internal Transformation...	...to drive agility and efficiency by leveraging the power of digital technology	



For example, Etisalat UAE is taking a leading position on 5G via exploration of a range of use cases across different segments



Key Features of 5G

Massive Internet of Things (mIoT)	Ultra Reliable Low Latency Communication (uRLLC)	Enhanced Mobile Broadband (eMBB)	Fixed Wireless Access (FWA)
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Non Exhaustive

Key Verticals	Transportation	<ul style="list-style-type: none">IoT communications for roadsAutonomous VehiclesTraffic flow & Infrastructure management	Oil & GAS	<ul style="list-style-type: none">Predictive maintenanceEmissions and equipment monitoringDrones for assets inspection
	Smart City	<ul style="list-style-type: none">Smart Mobility and Intelligent Transport SystemSmart InfrastructureSmart Stadiums	Public Safety	<ul style="list-style-type: none">Drones for 4K live surveillance with face recognitionInfrastructure securityID management
	Entertainment	<ul style="list-style-type: none">VR live event streaming4K / 8K IPTV on demandAR/VR Cloud based applicationsImmersive VR cloud Gaming	Logistics	<ul style="list-style-type: none">Real-time data on container location and temperatureSharing data between shippers, trucks and port operators
	Smart Health	<ul style="list-style-type: none">Smarter medicationRemote treatmentVR for telemedicineRemote surgery	Energy & Utilities	<ul style="list-style-type: none">Grid access, Grid backhaul, Grid backboneHazard & maintenance servicesDrones for assets inspection

On a broader level, Etisalat UAE has a clear agenda of strategic priorities for 2019

Non exhaustive

Digital Growth



- Reshaping revenue structure
- Digital services revenue acceleration for consumer and business
- Etisalat Digital potential M&A and International opportunity

Efficiency



- Streamlining operations and processes
- Delivering internal efficiency targets
- Implementing agile at scale

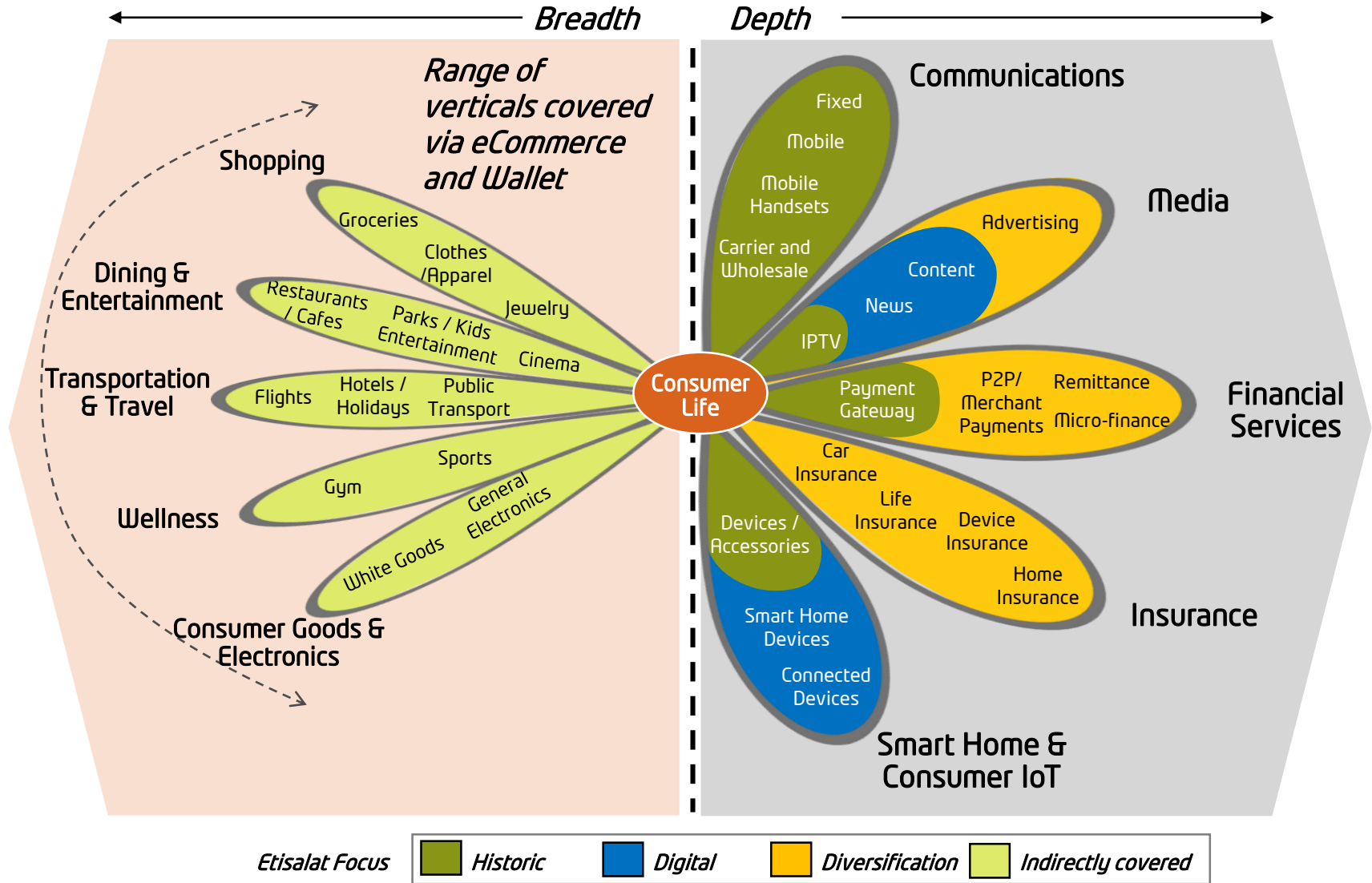
Digitization



- Introducing new digital channels
- Increasing the adoption of digital channels
- Pushing Self-care
- Pushing e-Commerce

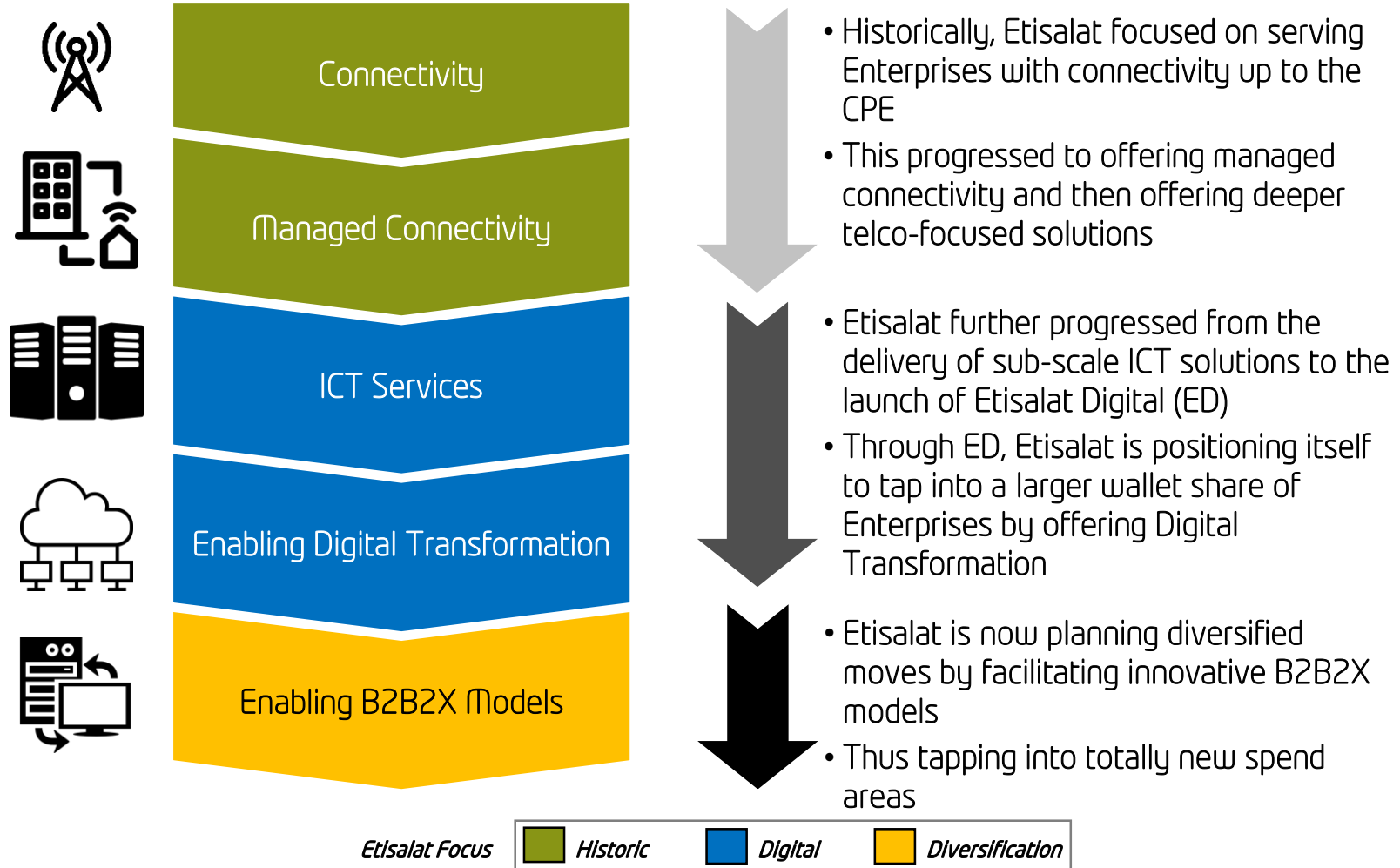
Accelerating Analytics, AI, and Automation tracks (AAA)

 This will enable Etisalat UAE to play both a deeper and broader role in Consumers' overall lives...



...and via Etisalat Digital and B2B diversification focus, Etisalat UAE will power Enterprise transformation and enable new business models

Etisalat Evolved Focus in Enterprise Life





In summary, Etisalat Group **has a strategy and plans in place to deliver digital growth and efficiency**



Portfolio

- Strong focus to reinforce and strengthen Etisalat UAE via NEXT Strategy execution
- OpCos transformed/sustained as strongholds
- Portfolio rationalized with expansion plans in place

Core Business Protection

- Protecting data
- Increasing penetration of bundles to tackle OTT moves
- Up-sell focus e.g. pre-to-post migration
- SMB transformation/uplift

Digital/Adjacencies Growth

- Strong focus on growing B2B Digital/ICT portfolio
- TV service being strengthened in key markets along with focus on MFS
- Related diversification being pursued in UAE

Network/IT Enhancement

- Networks/IT being modernized and virtualized
- 5G launched in UAE & clear plans for mobile technology upgrades across footprint
- Fibre being rolled out on strategic basis

Digital Transformation

- Digitization of customer experience
- Shift to agile at scale
- Focus on simplification and efficiency
- Scaling up use of digital tech
- Becoming data centric

Talent Enrichment

- Re-skilling programs in place
- Right-sizing via best fit operating models
- Succession planning for executive roles
- Employee Engagement and cultural values alignment



Q&A



Etisalat UAE

Khaled El-Khouly

Chief Consumer Officer - Etisalat UAE

placing Customer at the heart of our proposition and aiming at value maximization

Etisalat UAE Consumer - "ART" strategy

A

Augmenting the Customer relationship

Expand the depth of customer engagement

Address consumers with digital + physical sales

Advance the customer experience transformation

R

Reshaping the business structure and growth profile

Migrate customers to bundles and monetize access

Explore growth on devices and content

Monetize the customer base via partnerships

T

Transforming operations to a new efficiency paradigm

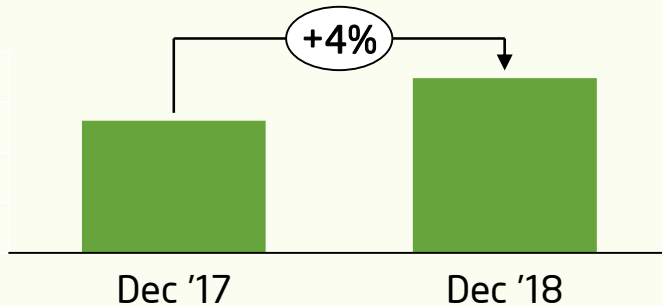
Bring up our People's talent to thrive in the digital age

Adopt automation and artificial intelligence

Consolidate operations and streamline processes

In home segment, the year was marked with a YoY ARPU uplift of 10%, with the eLife base surpassing the 1 million level

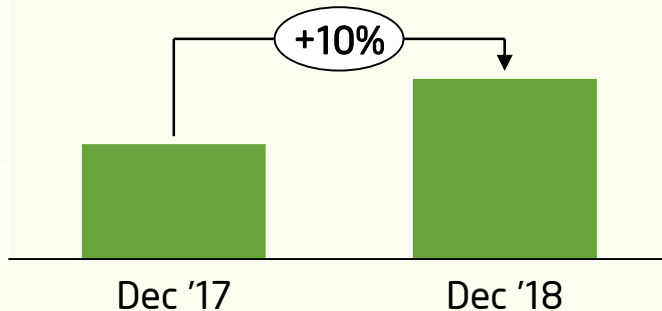
Consumer eLife base



Performance Highlights

- Despite the market penetration reaching to saturation levels, eLife base surpassed 1 million subscribers, placing Etisalat among the global leaders in FTTH
- ARPU-wise, Etisalat registered an even higher growth, thanks to the ongoing push for packages with higher speeds and enriched content

Consumer eLife ARPU

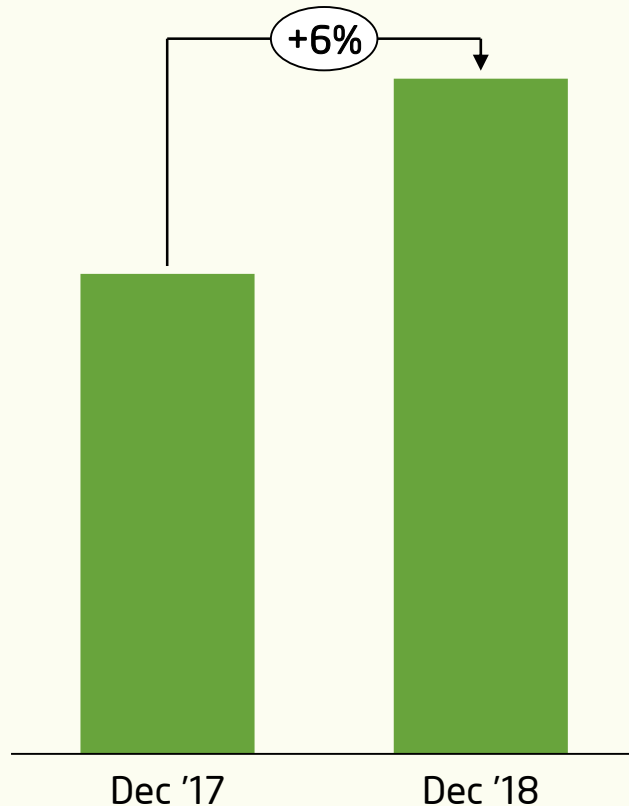


Strategic Priorities

- Complete redesign of our home products portfolio with launch of the “eLife Unlimited” plans, demonstrating Etisalat’s continuous commitment to provide superior customer experience to its subscribers
- Continue to monetize connectivity and network via several marketing campaigns throughout the year

In mobile, postpaid segment kept being at the core of our value-focused approach

Mobile Postpaid base



Performance Highlights

- Despite the less favorable macroeconomic context and the VAT introduction, postpaid subs continued to grow with a YoY rate of 6%, growing their share in the base

Strategic Priorities

- Sustained focus on segmented approach in development of propositions, to capture incremental revenue growth while preventing price/ARPU erosion
- Scale-up of ICP plans to neutralize the impact from OTT
- Expansion of the data focused propositions, to monetize the growing need for data and video
- Continued efforts and investments in use of advanced technologies for base management

In addition, our brand was recognized as the most valuable consumer brand in MENA for the 2nd consecutive year

Etisalat wins again and sets a new record

Etisalat wins the Brand leadership title once more and becomes the first and only portfolio brand in the MENA region to cross the USD 10 billion value mark.



**MOST VALUABLE
PORTFOLIO
BRAND
IN MENA**



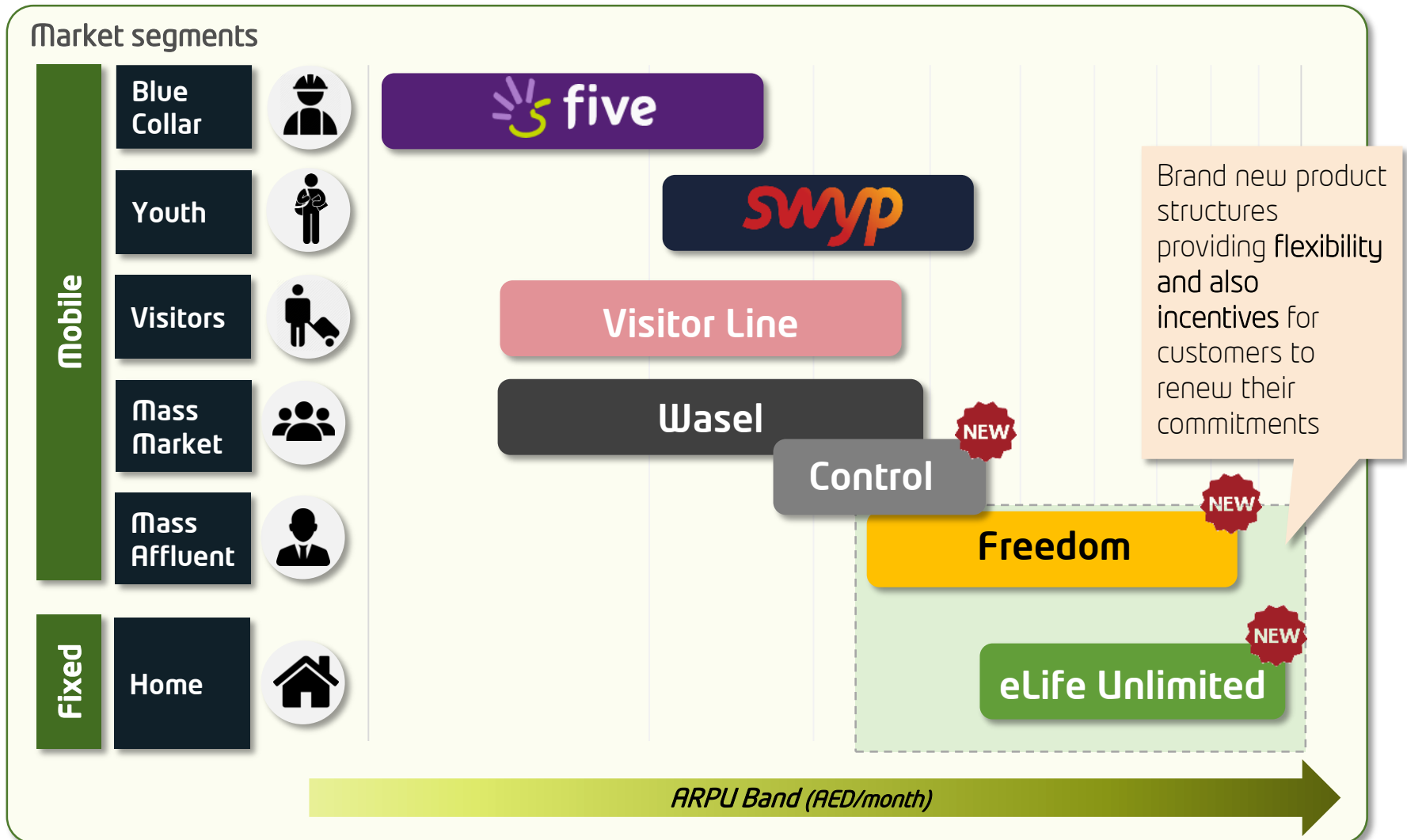
**MOST VALUABLE
CONSUMER
BRAND
IN MENA**



**MOST VALUABLE
TELECOM
BRAND
IN MENA**

Our postpaid and home segment portfolio has been revamped, in line with our ambitions to drive value-focused growth and effective monetization of the base

Positioning of Etisalat UAE Consumer propositions



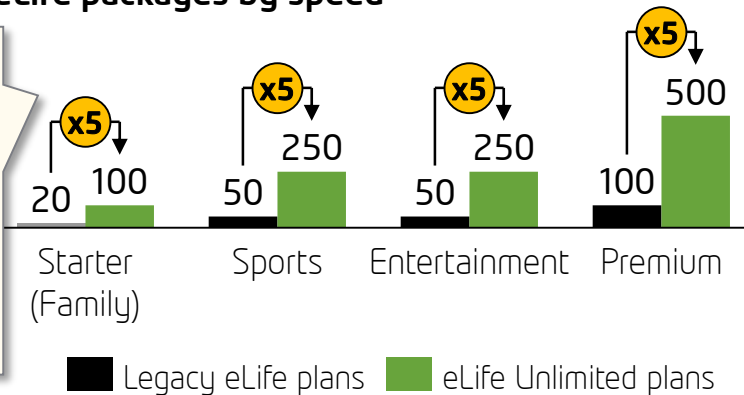
In home segment, eLife Unlimited plans' family was launched with 5x greater speeds and enriched TV content, driving the shift of subs to higher packages

Introduction of eLife Unlimited

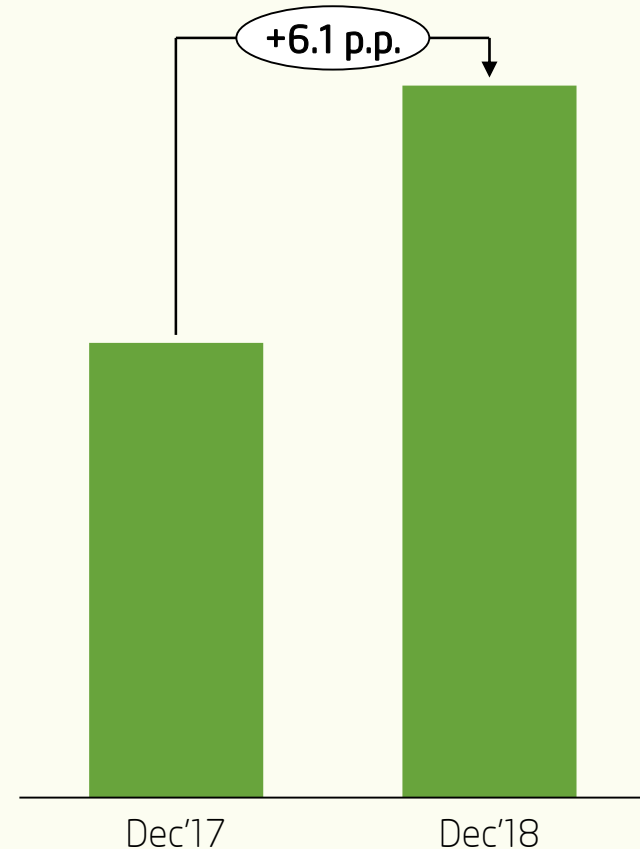


eLife packages by speed

Entry level speed became 100 Mbps, with 5x increase compared to legacy packages



% of customers with speeds >20 Mbps



In mobile, introduction of Freedom and Control plans aims at triggering ARPU growth by offering more premium benefits and greater flexibility

Commercial Highlights

Freedom plans



Introducing Freedom, the all new postpaid plans

Your choice... **your rules**

etisalat.ae/freedom

Control plan

Enjoy great benefits with a fixed monthly bill

Get 2GB* & 100 local mins or 50 flexi mins for only AED 60/monthly, with **Control Line**

Get personal value and benefits aligned with the new Control Line. To see more, check website for your account and enjoy the best call rates on purchase with local data and minutes packs.

*2GB is inclusive of promotional 1GB valid for a limited time.

800101 | 800101
etisalat.ae/controlline

In line with our customer-centric approach, several add-ons were launched to complement our data-centric portfolio...

Commercial Highlights

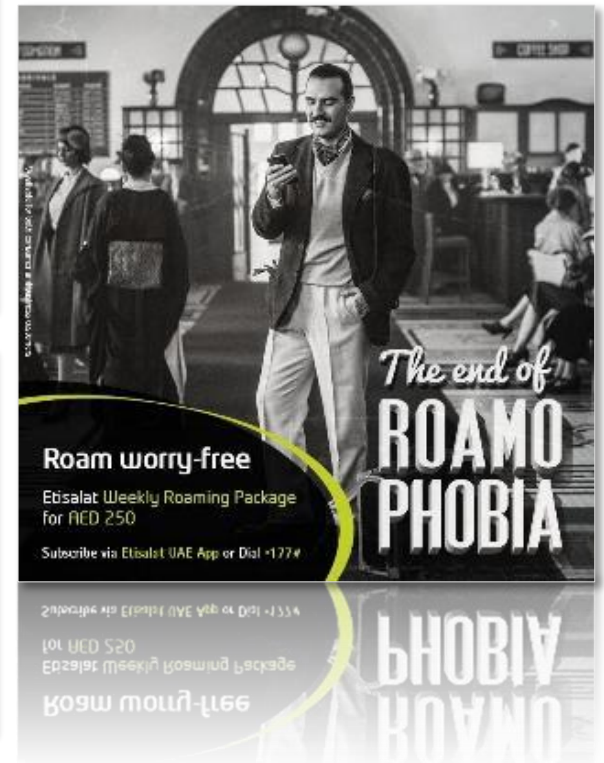
Annual Add-ons



Non-Stop data



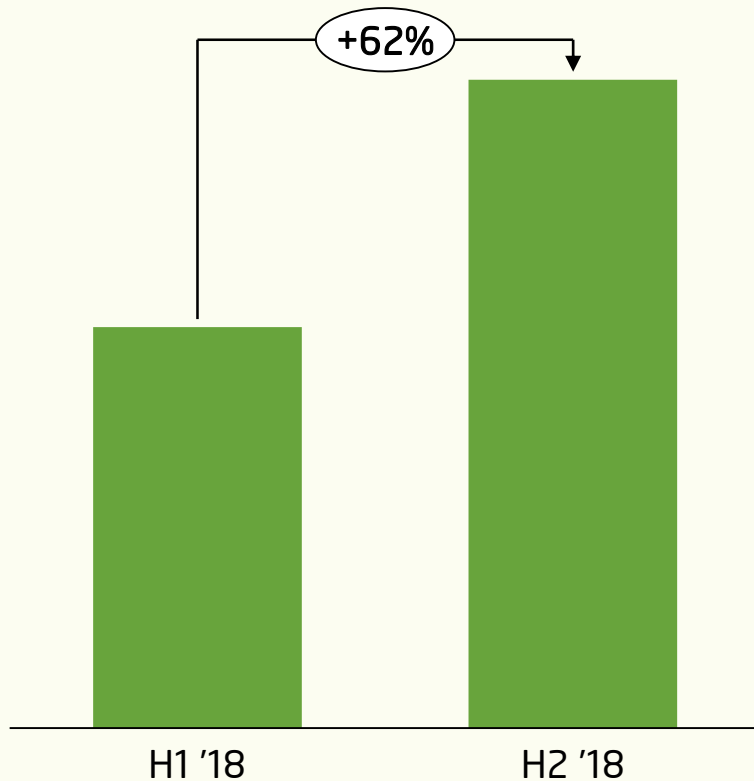
The end of Roamophobia



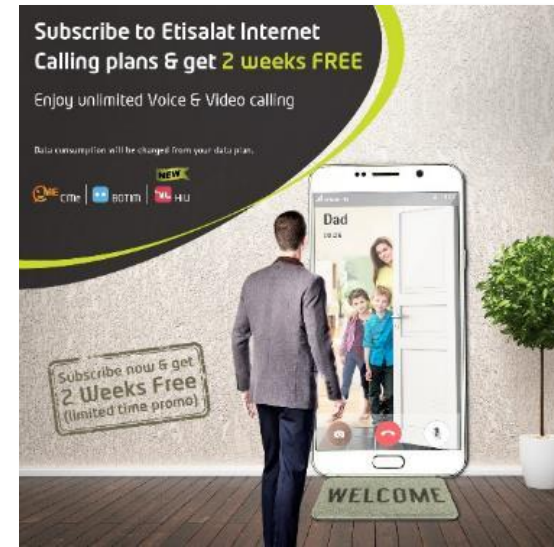
Play on demand

...and Internet Calling Plans have also demonstrated strong performance so far, driven by the roll out of new apps and the launch of daily and monthly plans

Etisalat UAE ICP revenues



Commercial Highlights



Our device portfolio is also continuously expanding beyond traditional, to include latest gadgets, technologies and ecosystem-related services

Commercial Highlights - Reinforcement of Etisalat's position as the operator of choice

**The latest technology
at your fingertips.**
The eSIM from Etisalat.

eSIM 

Go big. Go iPhone XS
Get iPhone XS and enjoy 6 months free Apple Music and a yearly free iPhone upgrade



iPhone XS
+ 

All new. Better for you.
Experience the amazing Apple Watch Series 4 with 6 months free Apple Music



WATCH
SERIES 4

Brilliant. In every way
Get iPhone XR and enjoy 5 months free Apple Music and yearly free iPhone Upgrade



iPhone XR

Back-to-School is better with iPad
Get two iPad for AED 112/month only



iPad

We also expanded our non-core propositions, opening new avenues for customer base monetization

Commercial Highlights - Monetization of existing base with beyond the core services

eLife TV Gaming



Home Protection plan



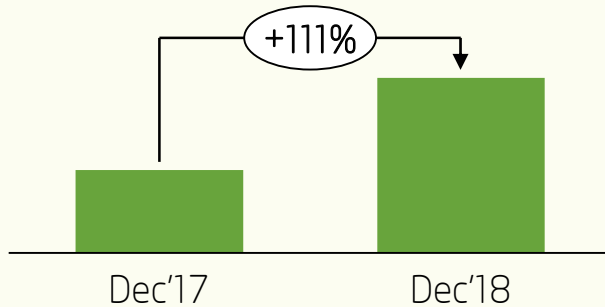
Starz Play



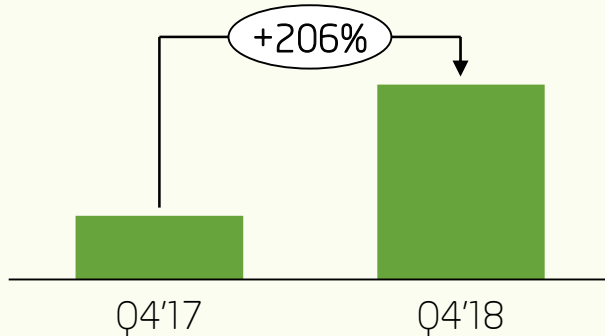
Apple Music

Smiles base more than doubled with record engagement levels and expanded synergies with the participating partners

Registered Smiles unique users



Smiles purchases



Smiles highlights



350+
partners

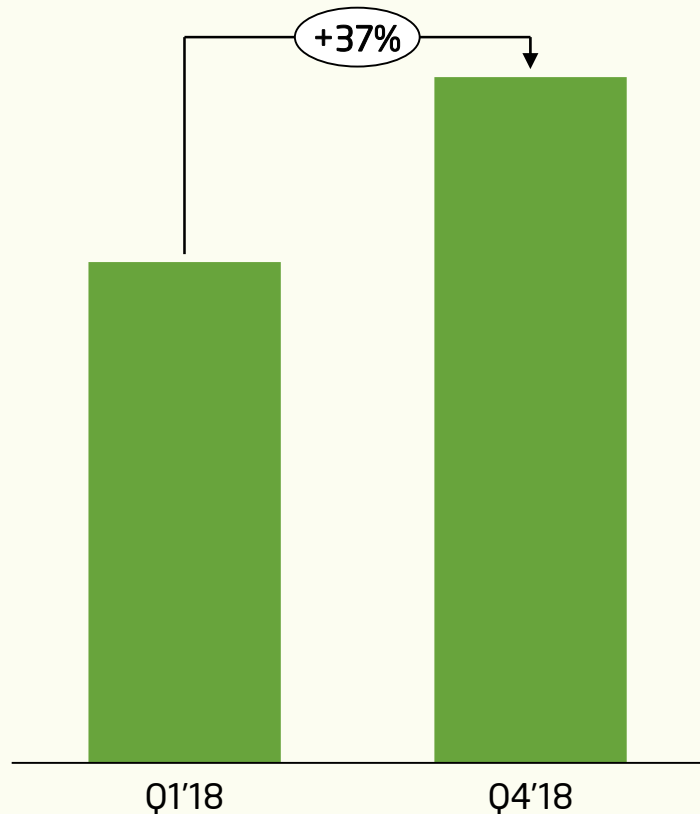


3,000+
outlets

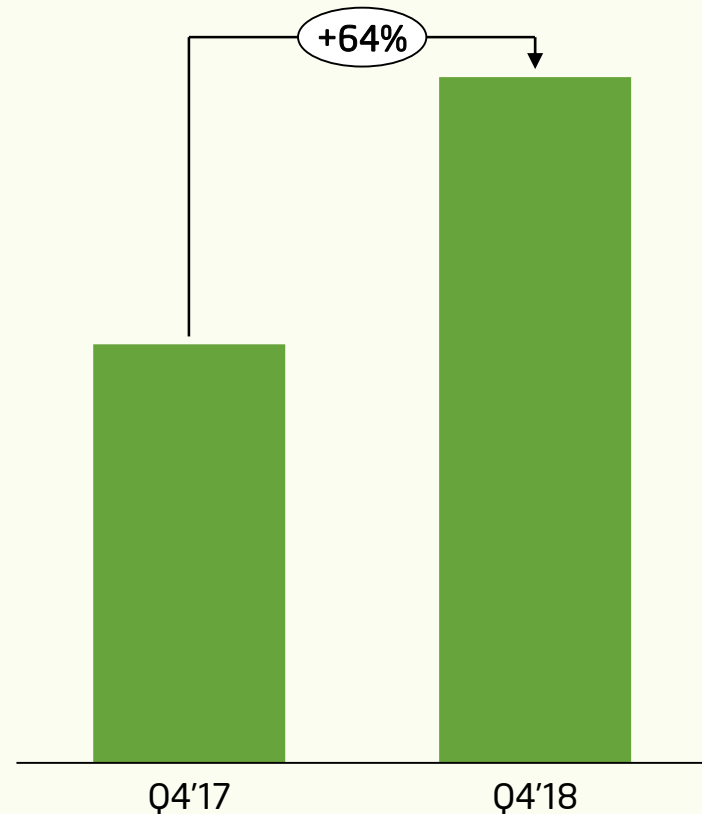


Enhancement of our digital touch points and channels continue at greater speeds, enabling a seamless experience and higher adoption by customers

Mobile App active users

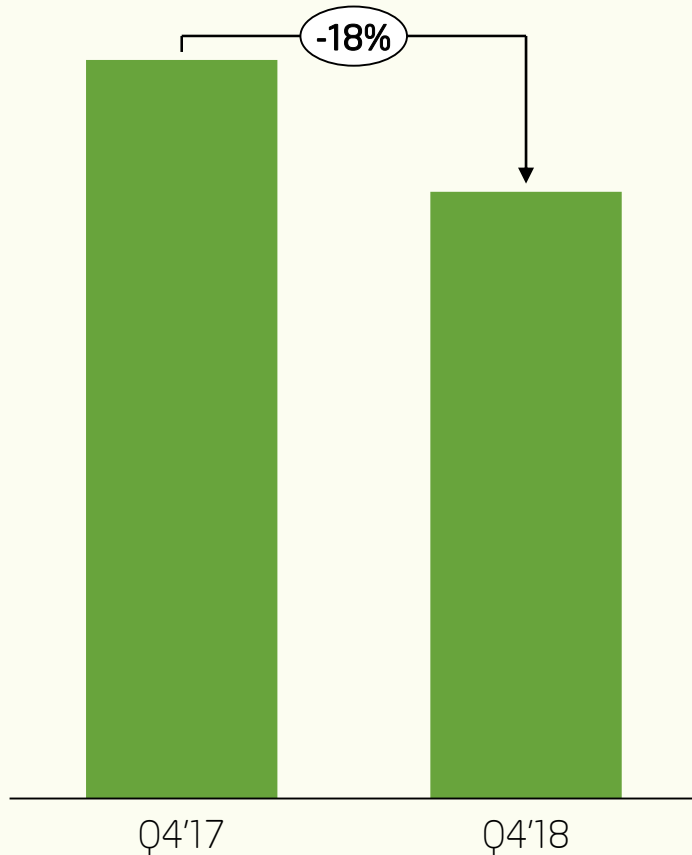


Recharges via Digital & Self-Care

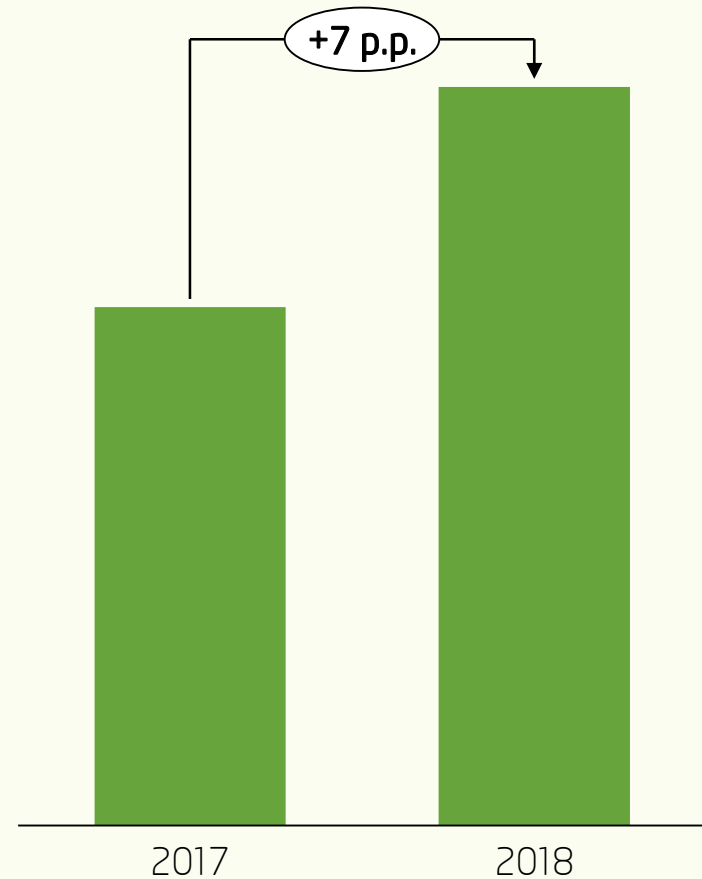


 Digital channels' expansion combined with automation efforts in customer services, deliver significant improvements in customer satisfaction and operational efficiencies

Registered complaints

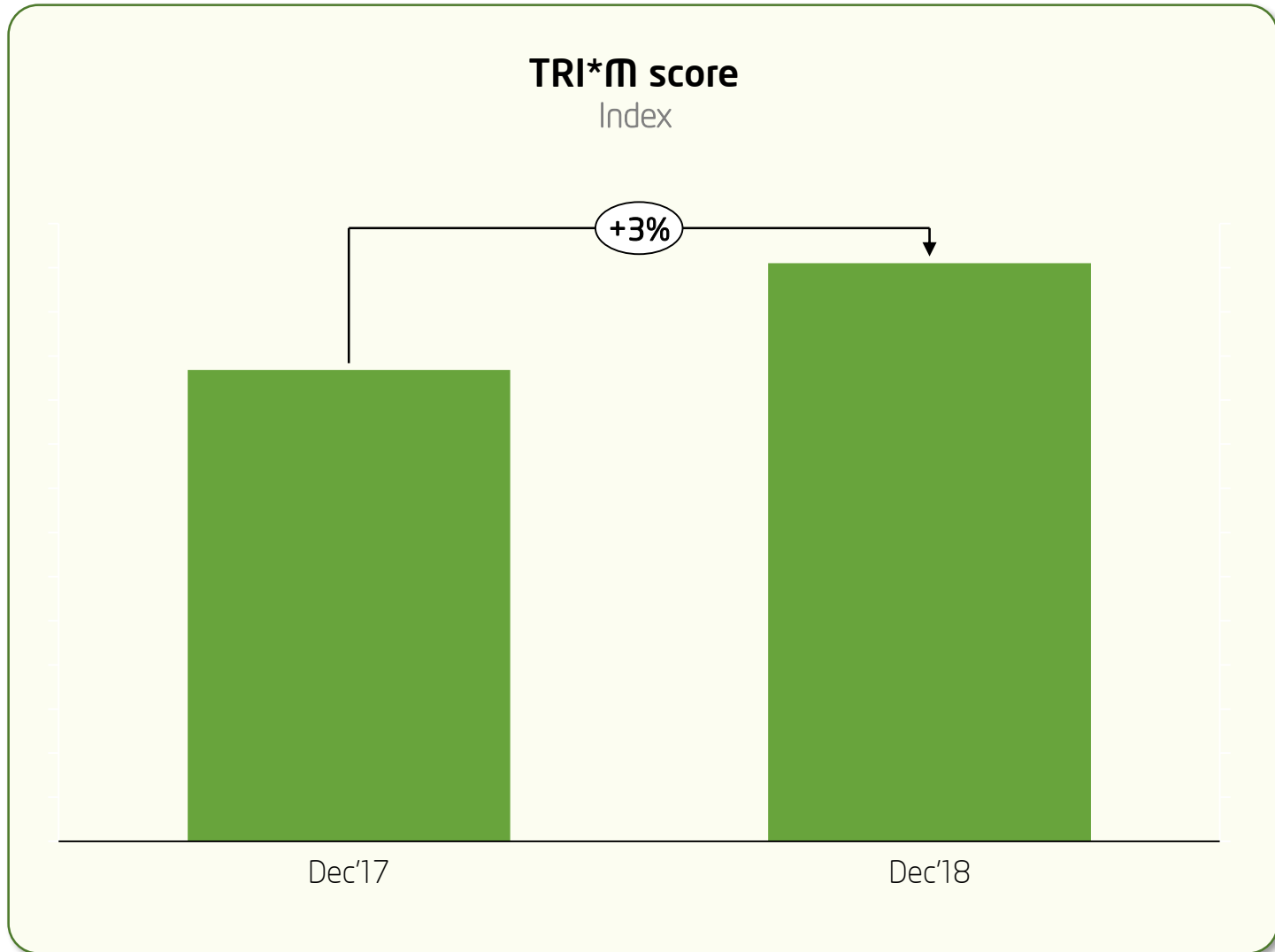


Retail satisfaction





Finally, all our efforts on different fronts strengthened the relationship with our customers, as reflected in our TRI* ∞ score



In summary...

- “ART Strategy” is yielding strong results by placing customer at the heart of our proposition and maximizing value
- In 2018, focused on delivering value in core services, both in home (10% YoY ARPU growth) and mobile (6% YoY base growth) enabled by:
 - Revamp of Home portfolio through launch of eLife Unlimited packages
 - Launch of Freedom and Control plans for Postpaid
 - Scale-up of Internet Calling Plans
- Maintained the title for the most valuable consumer brand in MENA for the 2nd consecutive year
- Continued to drive customer engagement and provide innovative products & services in line with our strategy;
 - Registered record engagement levels within Smiles ecosystem
 - Continued to expand our device portfolio beyond traditional
 - Extended our non-core propositions, opening new avenues for customer base monetization
- Achieved significant improvements in customer satisfaction and operational efficiencies, which were fueled by digital channels’ expansion and automation efforts



Q&A



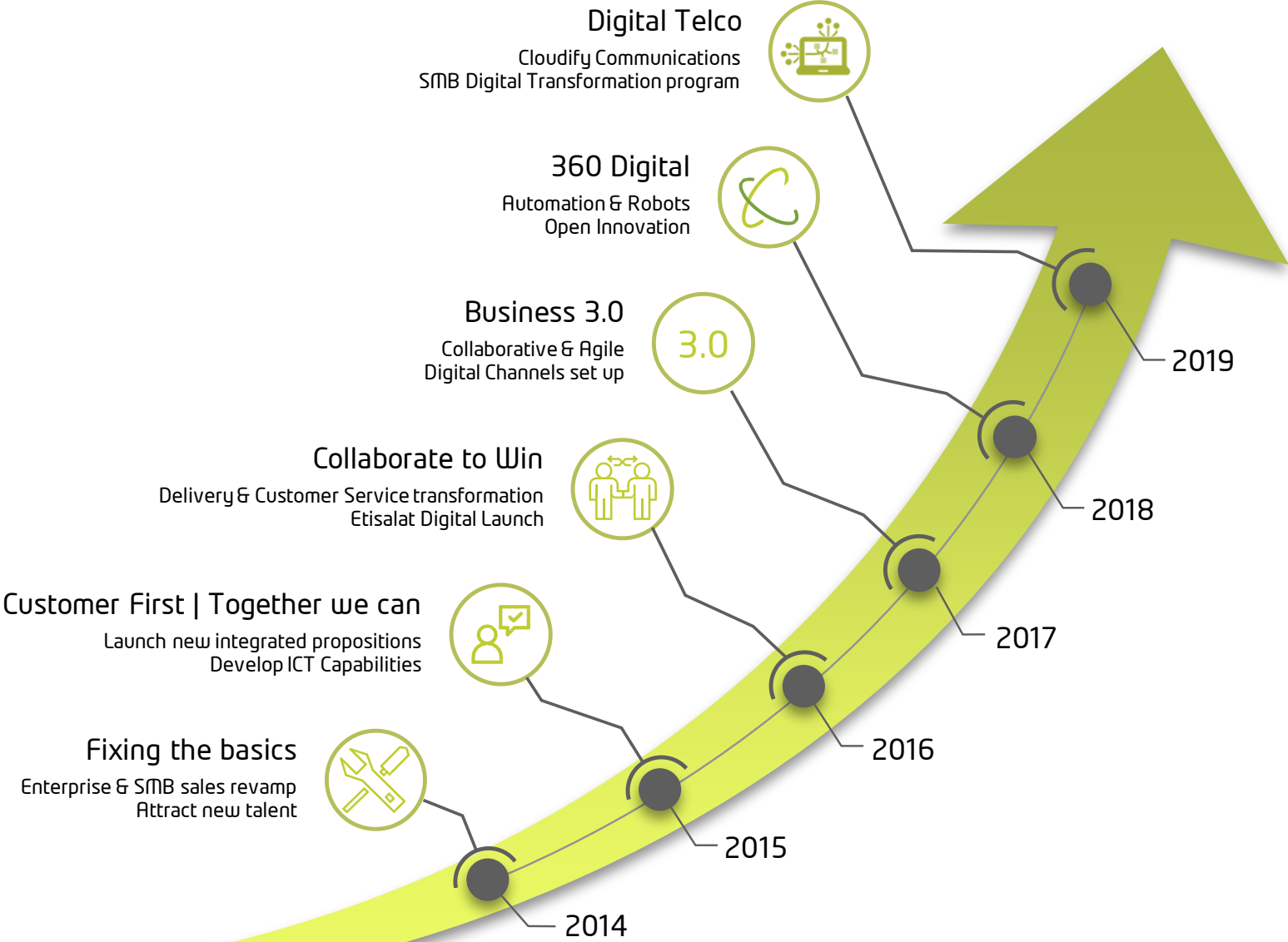
Etisalat UAE

Salvador Anglada

Chief Business Officer - Etisalat UAE



Etisalat UAE business unit has continued reinforcing its capabilities to become a digital telco

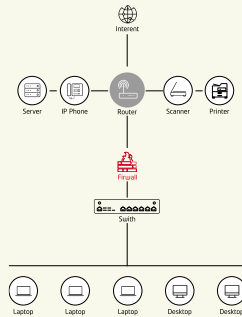


We are executing our SMB Transformation Program to create a new engine of growth

Proposition

Become the single point of contact for all the ICT needs, making it easier for SMBs to move to the cloud

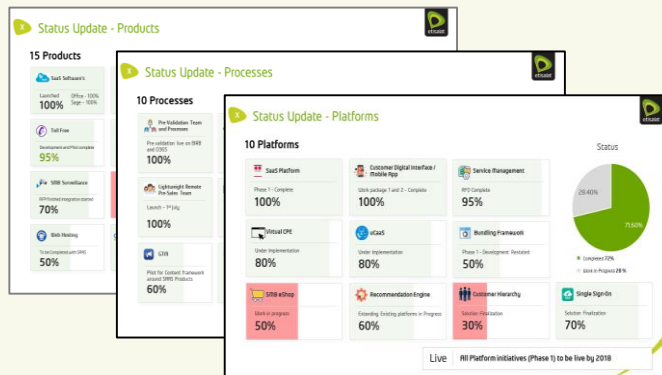
Traditional Office



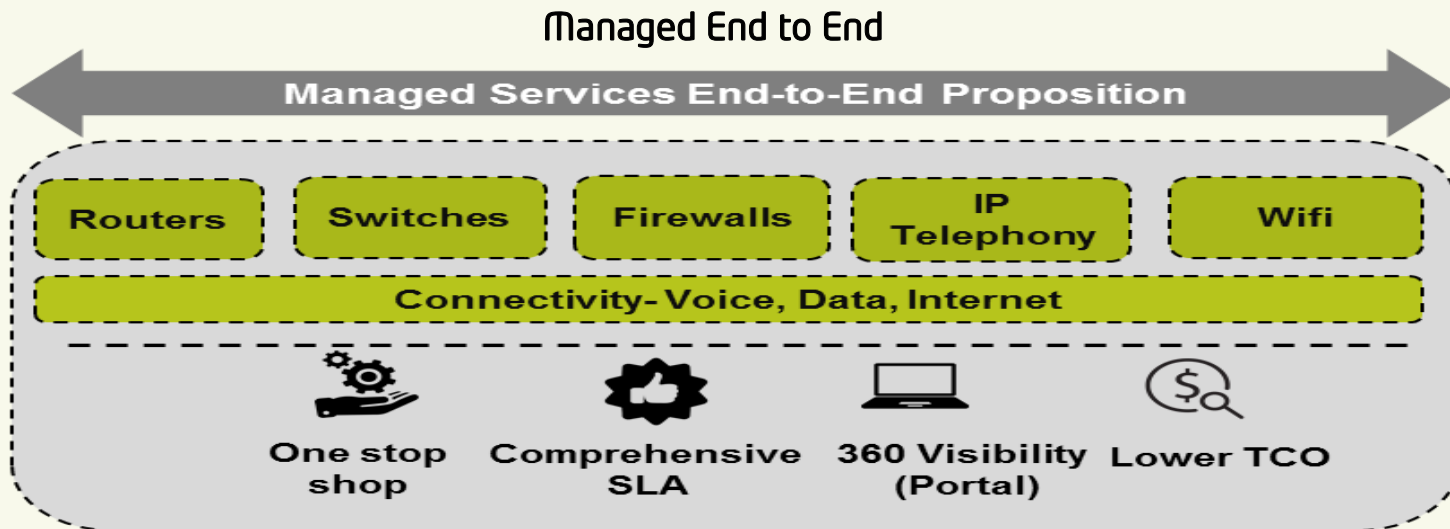
Cloud Office



Status



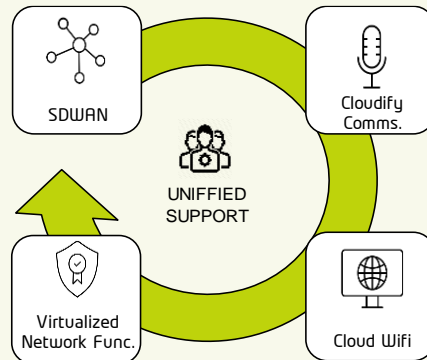
We are moving from Managed Services towards Managed E2E and this year focus will be on the Network Virtualization



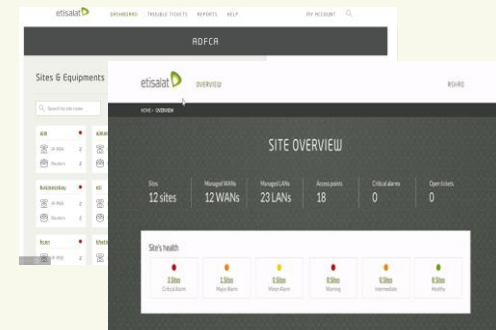
Network Virtualization & Cloudify Coms

*Launch
June 2019*

Cloudify and
Virtualize all
building blocks +
unify support
model

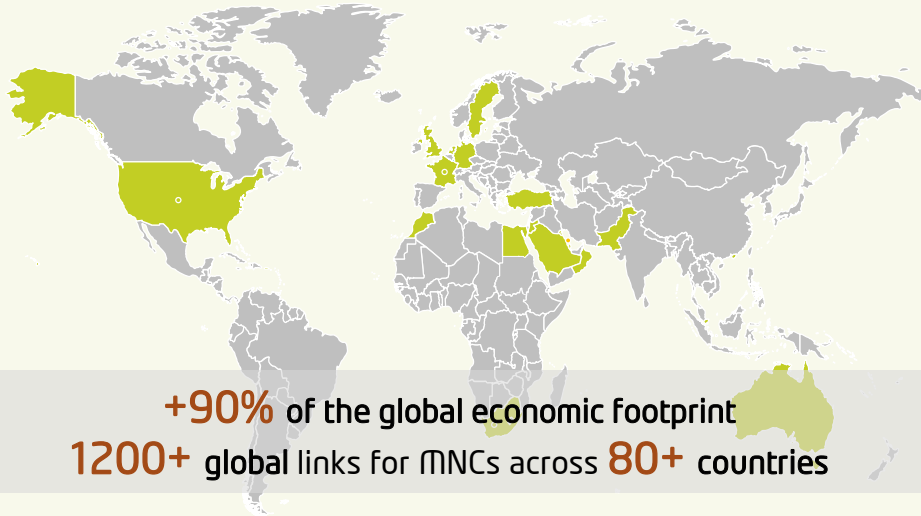


MSS Portal &
E2E
Dashboard



We continue investing to become the 'Global Services' regional leader

Coverage



Key Highlights




- New Pops **with 13 additional nodes**
- New propositions:
New MNC Mobile plans
Microsoft Cloud Express
SDWAN

Key References

Key 2018 wins



Etisalat Digital is delivering a remarkable growth meeting key milestones while building capabilities for the future

Years	TCV Growth	Capabilities		Key Wins
		People	Tools & Platforms	
2015	-	- HC	<ul style="list-style-type: none"> M2M C. Center Khalifa DC Ph. 1 	  
2016	28%	+20%	<ul style="list-style-type: none"> OneCloud GSOC 	  
2017	29%	+163%	<ul style="list-style-type: none"> ThingWorx Generic Niagara Appspace 	   
2018	188%	+35%	<ul style="list-style-type: none"> Open Innovation Center Scale Ups Program Microsoft Cloud International Expansion 	    

In Expo we are building the fastest, smartest and most connected site on earth



Infrastructure

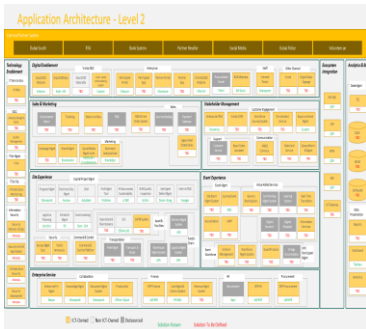
- Two onsite PoPs
- GPON fiber deployment
- First 5G commercial client in the region



إكسبو 2020
دبي، الإمارات العربية المتحدة
DUBAI, UNITED ARAB EMIRATES



شريك أول رسمي | OFFICIAL PREMIER PARTNER



IT Applications and Systems

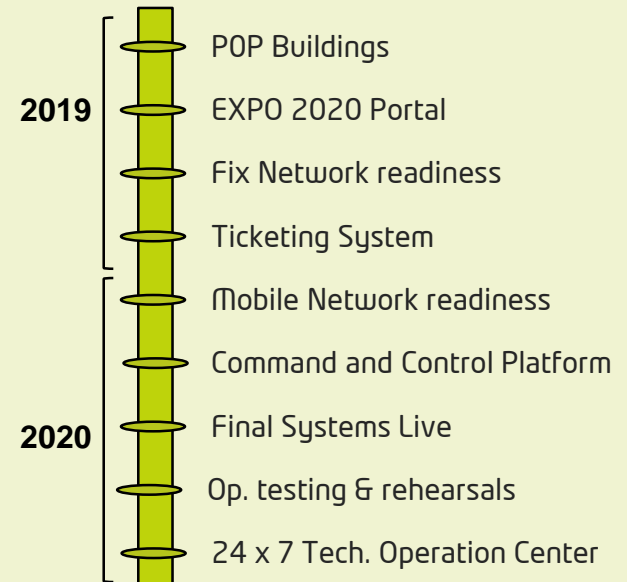
- Master System integrator
- Multicloud IT infrastructure and applications



Additional business opportunity

- Telco & Digital services for participant pavilions
- Exclusive rights for EXPO Wearable, Audio guide and Virtual Assistant
- Visitor Experience use cases

Timeline



EXPO LIVE EVENT



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

Al Ain Smart Hospital



Scope

- End-to-end converged network
- Design, Supply and Installation of:
 - WLAN infrastructure
 - Unified Management wired/wireless
 - IP-Telephony
 - Datacenter Network
 - WLAN infrastructure
 - Servers and Storage
 - Dedicated Network for Video Surveillance system
 - Digital Security Services



Mohamad Bin Rashid Smart Library



Scope

- Smart Infrastructure & Application Operation
 - Managed LAN, WAN, Wireless, RFID Infrastructure
- System Integration
- Smart Services:
 - Library Specialist system, library websites, experience design, AR Edutainment, Indoor Navigation etc.





We are closely working with large customers as trusted partner to support them in their digital journey



E2E Managed Service Solution

Managed Connectivity, Security,
Disaster Recovery and Operations

Private Cloud
Private Cloud Infrastructure
Design and Deployment



Cyber Security

Data Lake for advance user-entity
behavior analytics



Smart Surveillance

E2E smart surveillance & security
For 101 service stations



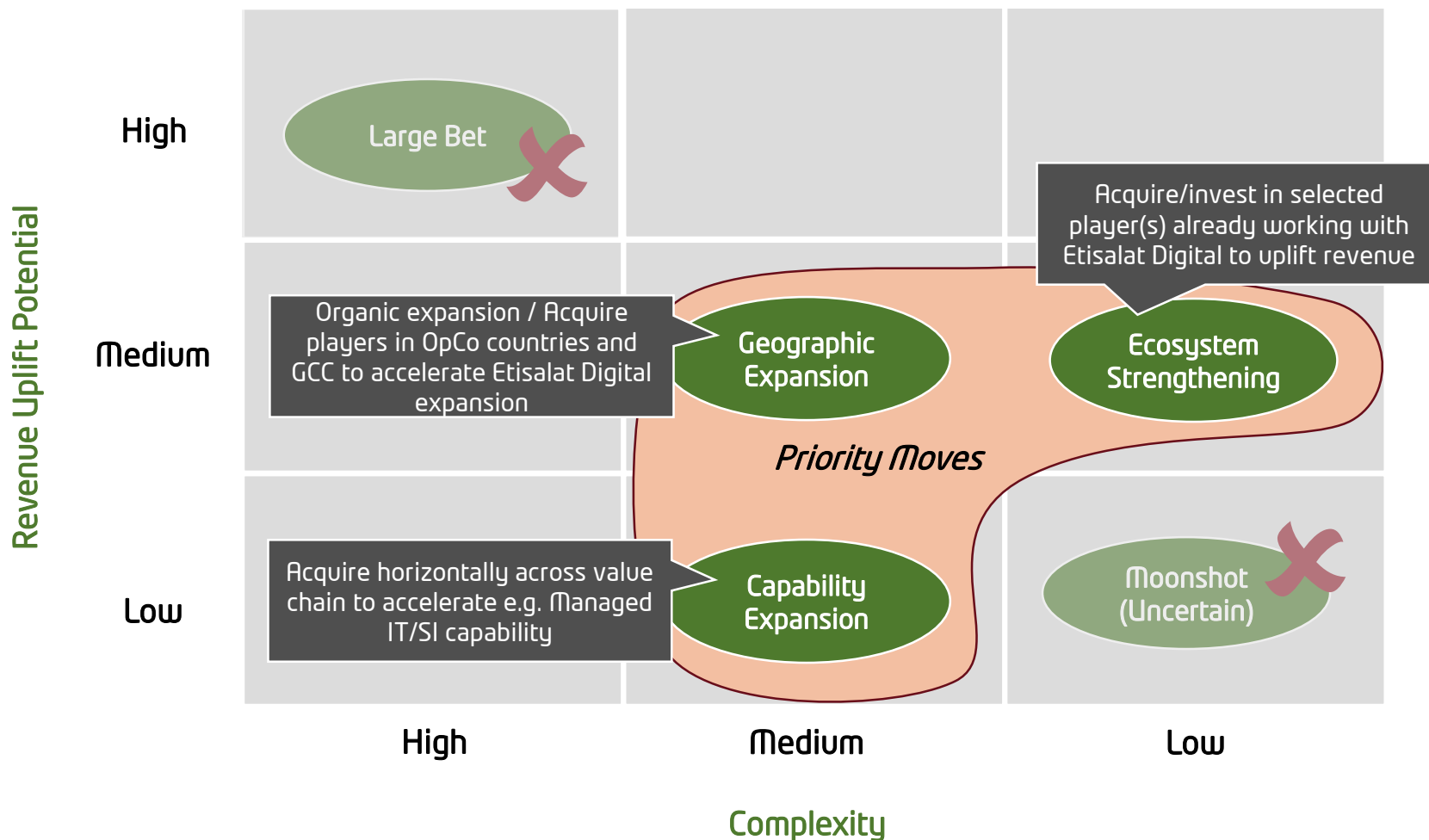
Digital Signage

Largest digital out of home
Advertising network in the UAE

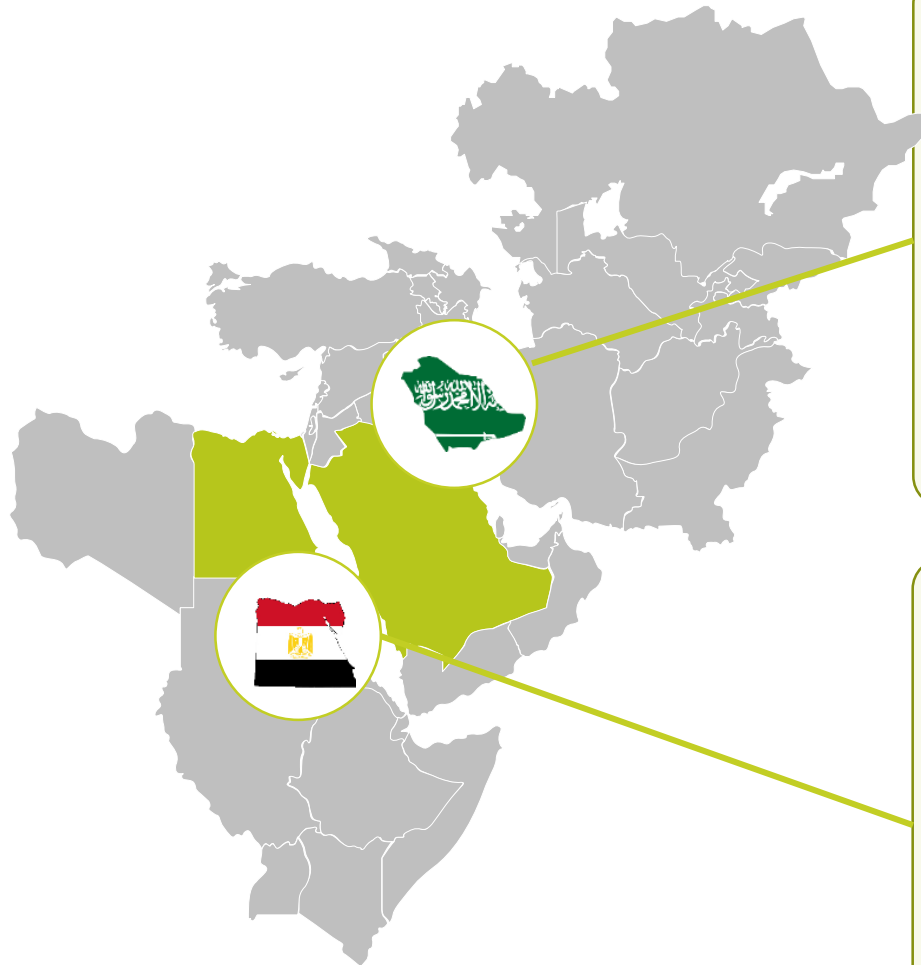




In order to further accelerate, we are assessing geographic expansion and inorganic additional moves



We are considering opening an Etisalat Digital office in KSA and Egypt by leveraging on a mega project win



Shib Sehe project

**Saudi Healthcare
Unified Platform**

Customer



End customer



E-Claim project

**Automate the
comprehensive health
insurance system (CHIS)**

Customer



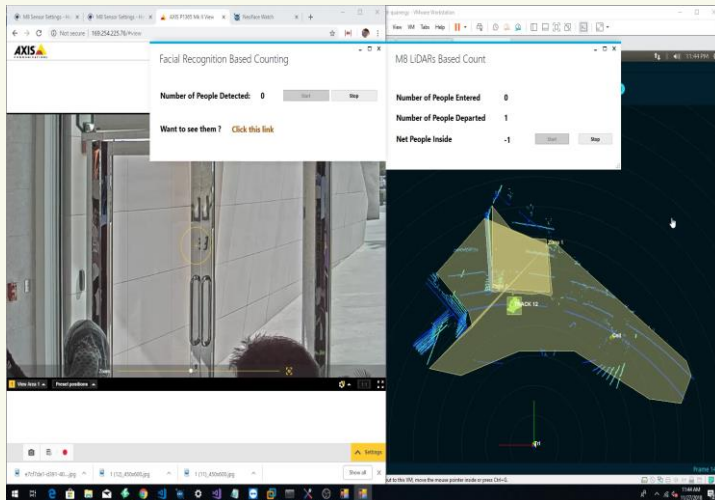
Partner



We have detected new emerging technologies that will help further accelerate



VCloud - IoT AI



Potential Applications

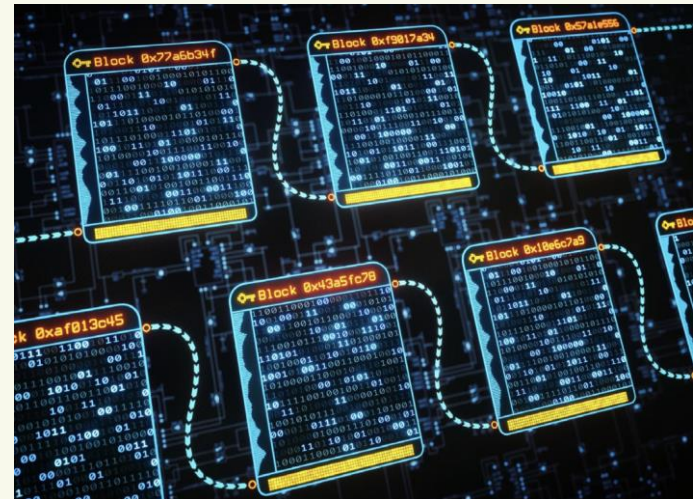
Crime prevention

Reduction in Traffic Violations

Suspicious Behavior Control



Blockchain Networks



Blockchain networks for

Banking

Logistics

We have launched the Etisalat Digital Future Now program as our innovation arm to create a state of the art portfolio



Open Innovation
Center



Co- Creation
Lab



Scaleups
Programme



IoT Partnership
Programme




We are executing our internal digital transformation increasing our efficiency and delivering a superior customer experience

1

Customer Experience Factory




-  Customer Onboarding
-  Ordering
-  Bill Delivery and Payments

Front-end transformation

2

Agile at scale for product development


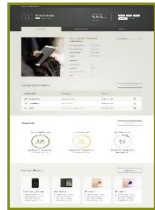
100% scale up




Internal Digital Transformation

3

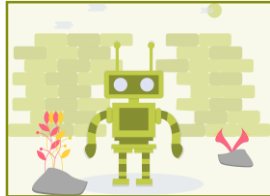
New Digital Channels

4

Virtual Agent

June 2019



- Channel
- Self Service
- Virtual Agent
- Human

Processes Transformation

Way forward....

- We will continue our transformation journey to become a digital telco
- We are maximizing the value of our core business through an excellent commercial and operational control and delivering superior customer experience
- We will continue cloudifying our communications, moving towards E2E propositions and launching new digital services for SMB
- Etisalat Digital will remain to be the source of growth with potential to further accelerate through geographic and inorganic moves
- Future Now will allow us to innovate through collaboration with third parties and to accelerate the launch of innovative services and solutions



Q&A



Mobily

Ahmed Aboudoma

Chief Executive Officer - Mobily

Regulatory and Telecom Environment | General overview

Regulatory and Telecom Environment

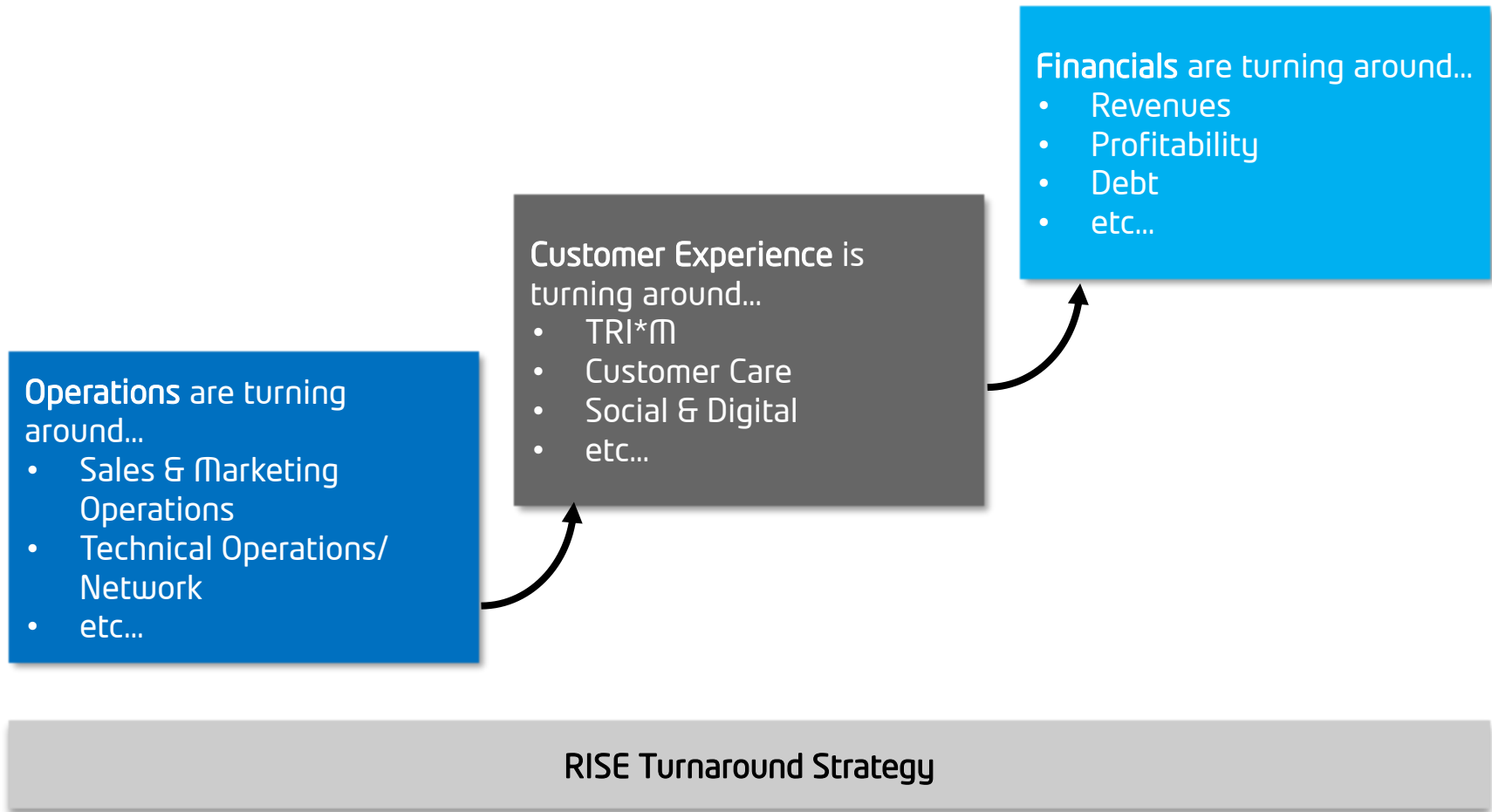
- Price rationalization
- Delay of e-SIM regulation
- Spectrum auction in the 800 and 1800 MHz bands
- New royalty fee regime with effect starting from 2018
- Settlement of previous disputes with the regulator in connection with government royalties and definition of new investment framework
- New active and passive sharing regulation
- Government expediting their efforts to improve digital infrastructure for the country.
- Continuing the implementation of large governmental projects.

Major Highlights | 2018 Key messages

Performance Highlights

- The RISE turnaround strategy is yielding steady strong results: Mobily is on the right trajectory.
- Consistent strong performance:
 - 5th consecutive QoQ quarterly revenue growth
 - 3rd consecutive YoY quarterly revenue growth
 - 6th consecutive QoQ quarterly EBITDA growth
 - 8th consecutive quarter of net debt reduction
 - 4th consecutive quarter of net result enhancement
 - Highest yearly EBITDA in the last 5 years
 - Highest cash flow in the last 7 years
 - Lowest net debt in the last 6 years
- Topline steady growth due to:
 - Healthier base
 - Price rationalization
 - Strong data
 - Strong performance of business segment especially in the government sector
- Strong cash-flow generation and deleveraging: 2.1 BSAR of free cash flow, net debt reduction by 1.4 BSAR, net debt/EBITDA below 2.5, its lowest level since 2016. Prepayment of 1 BSAR of debt

Key Takeaway | Mobily's turnaround is showing sustainable results



The Journey | In 2017 we identified the size of the challenge to achieve sustainable performance improvements and a financial turnaround



Strategy | RISE Turnaround strategy revamps our commercial performance, centers in on customer experience, and makes us “better, faster, cheaper”

R Regain
COMMERCIAL
strength

- Strong, meaningfully differentiated **brand**
- Clear and distinct segment focused **value propositions**
- Revamped and relevant **distribution** network
- Support KSA's **transformation** agenda

I Ignite CUSTOMER
EXPERIENCE and
DIGITAL excellence

- Enhanced and seamless **customer experience** (incl. customer care, omni-channel, digital)
- Fully **digital** along all customer interactions

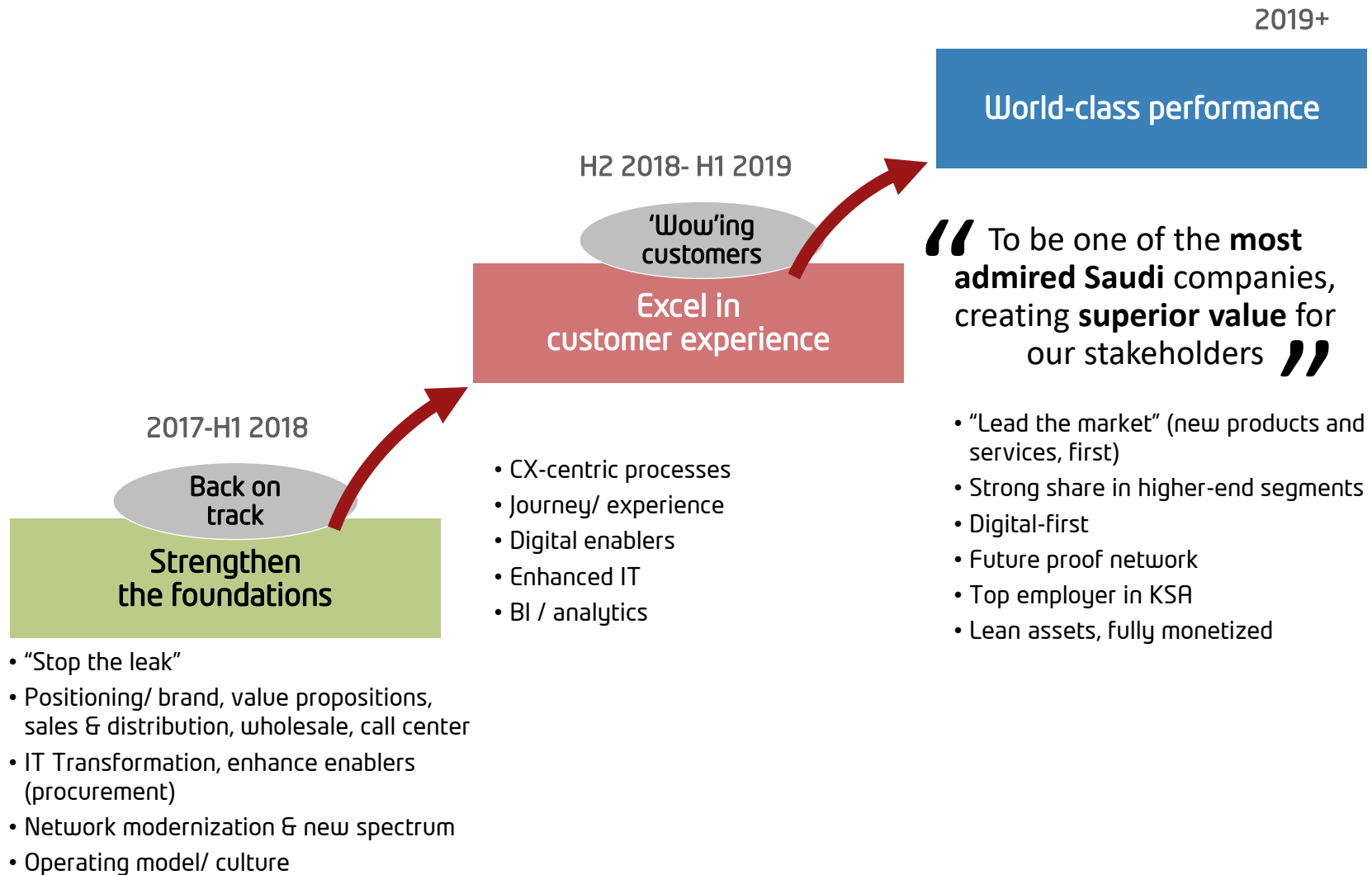
S Strive
to gain **AGILITY** and
EFFICIENCY

- **Simplified & agile IT systems**
- **Future-proof network**
- **Optimized resources**

E Enable
world-class
EXECUTION

- **Leading culture** and employee **engagement**
- Improved **organization** and **capabilities**
- **Customer-centric end2end** processes with strong yet **empowered** governance

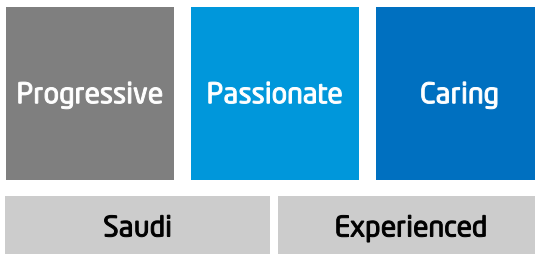
Strategy | We fixed the foundations and solved legacy problems leading the way for sustainable improvements



Mobily DNA & Culture | First of all, we revamped our Mobily culture to re-energize our people and DNA. This plants the seeds for future success

New Mobily positioning

// **Passionate to
progress your life** //



Build a **proactive culture** with high levels of individual **accountability** and **leadership**

Instill **winning culture** aligned with new positioning

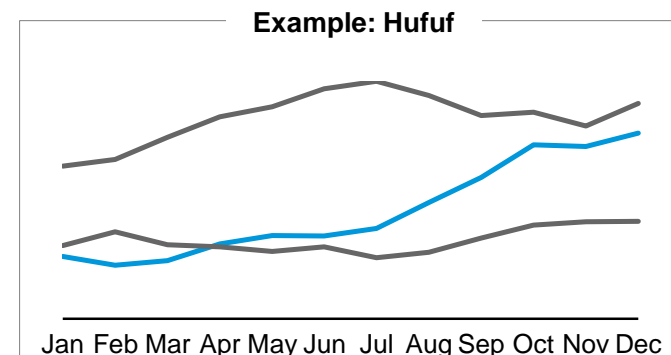
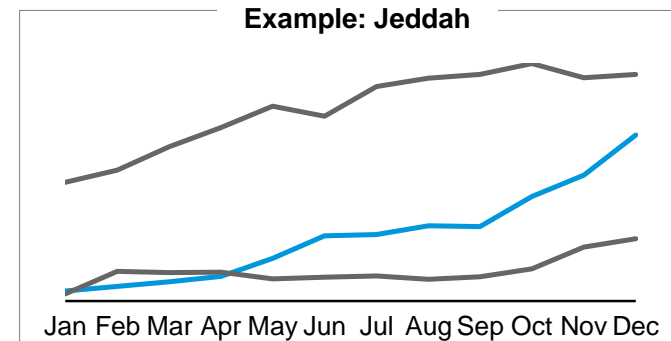
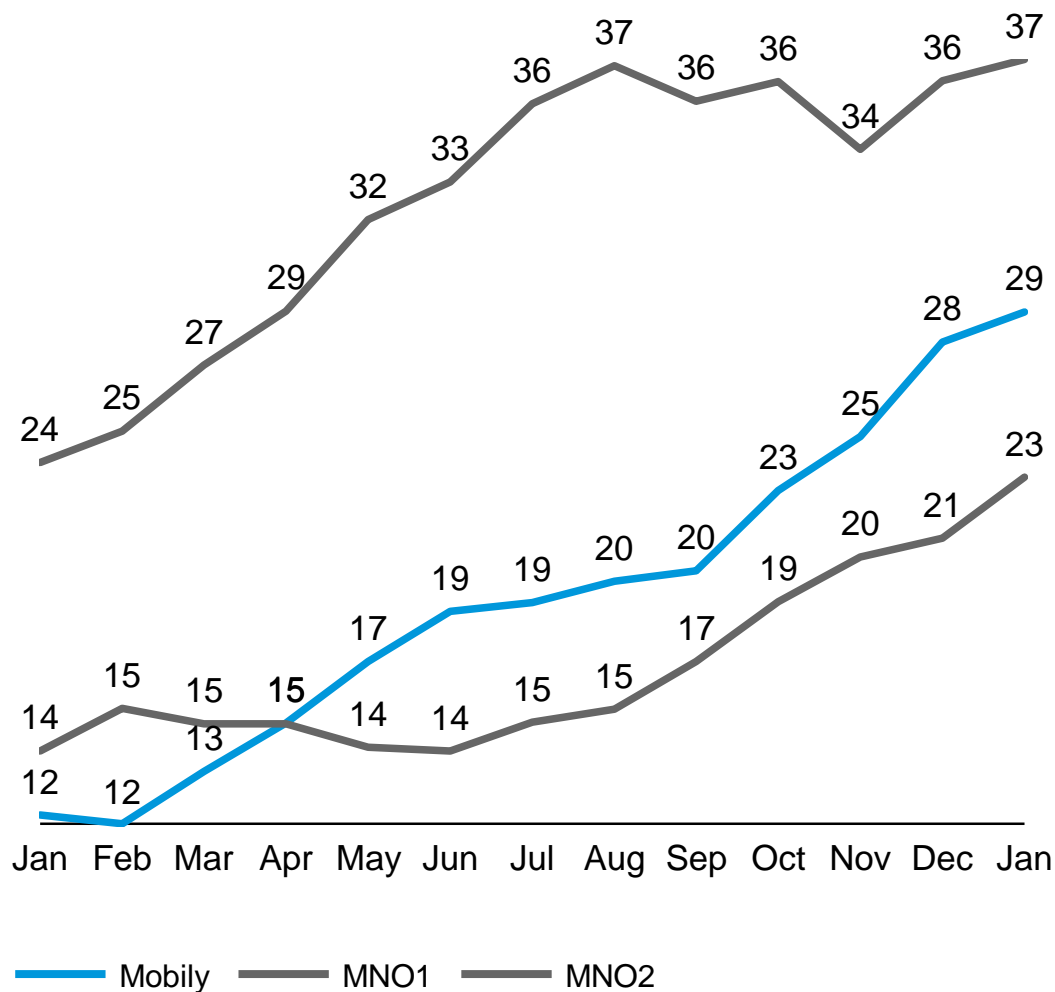
Continuous improvement as a daily task

Targeting to become one of the **most admired employers**



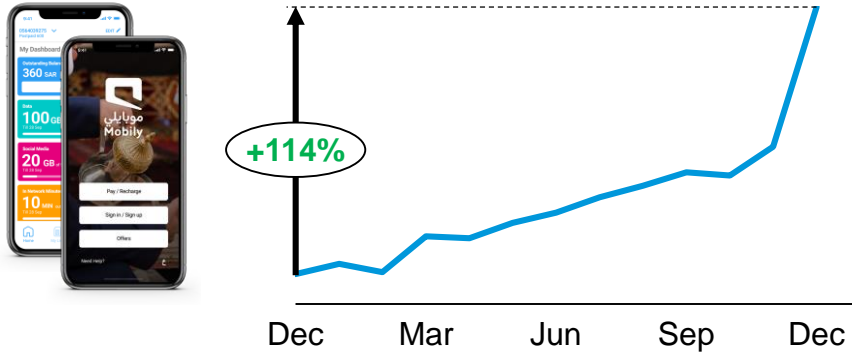
Performance "on the ground"

Technology Modernization | Network modernization project, along with new spectrum, shows strong results. Speed tests in 2018 prove it

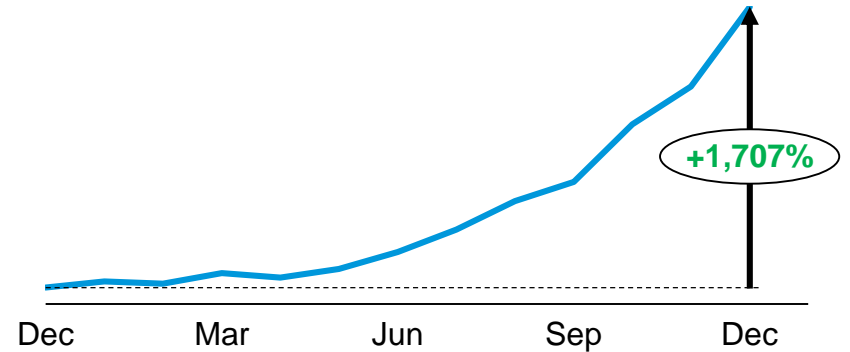


CEX & Digital Performance | We are digitizing key customer interfaces. The new app is driving growth and self-service

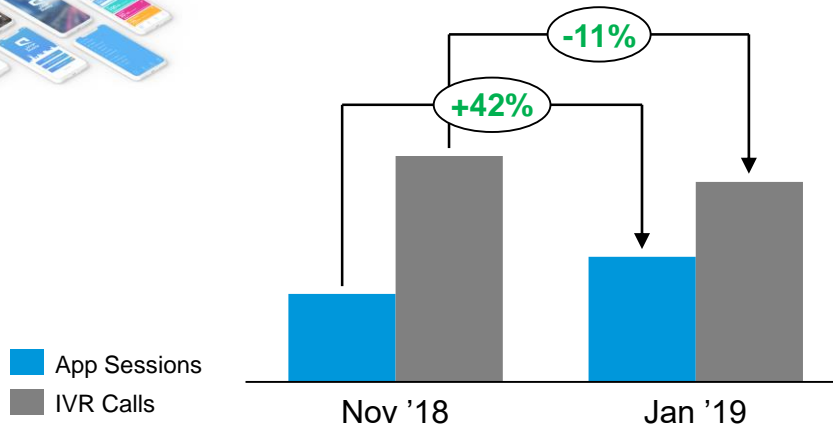
Unique App Users 2018



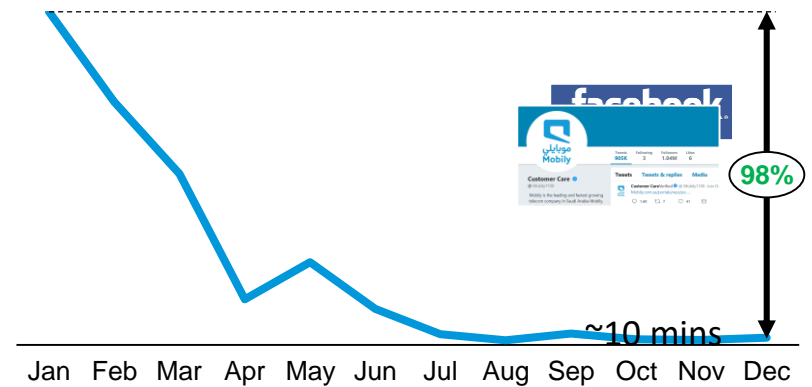
Digital Subscriptions 2018



IVR Calls vs. App Sessions

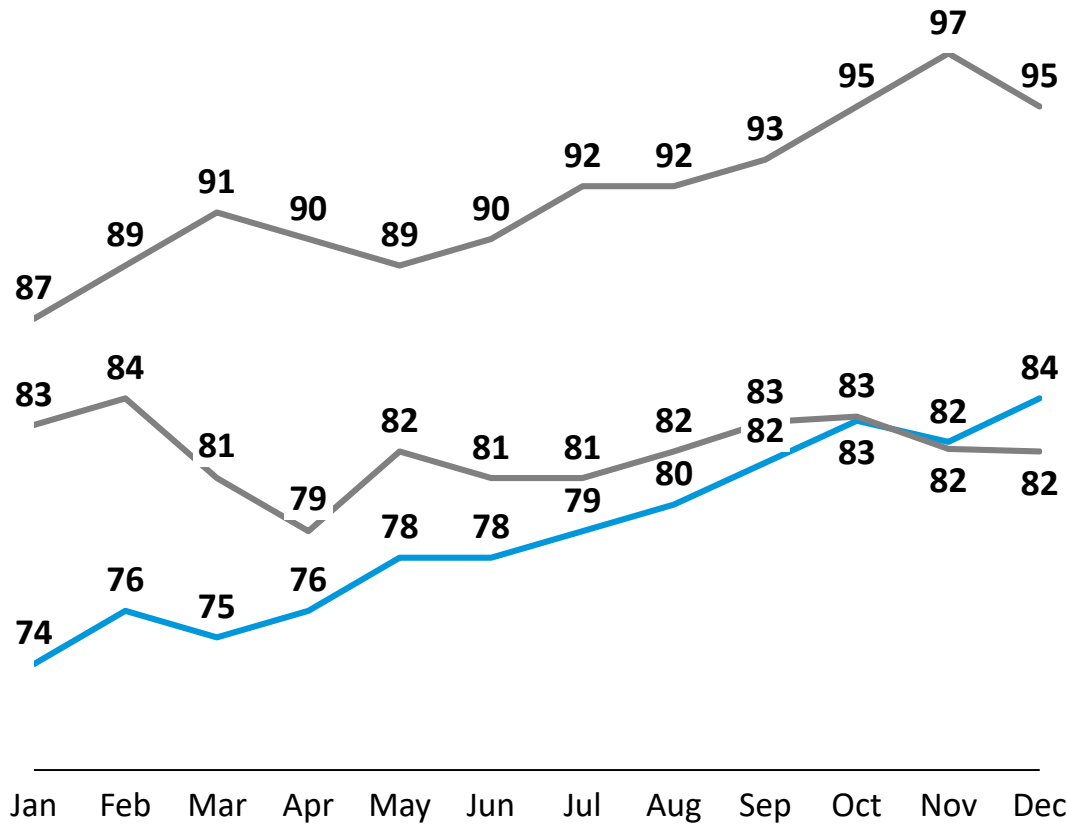


Social Media Response Time (Minutes)

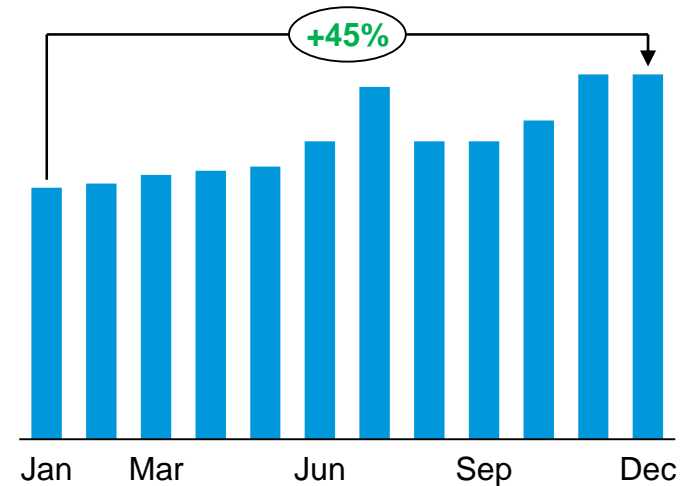


CEX & Digital Performance | Customer Experience has increased steadily in 2018. TRI*M results show improvement

TRI*M 2018



Customer Satisfaction
"Care Service Request
Closure"



#1  **mobily** for 6 months in a row
(CITC ranking)

Commercial Performance - Consumer | New prepaid offerings have been well accepted. New bundle customers have grown by x10 in 2018

Prepaid

Prepaid Bundles Subscriptions

موبايلي
Mobily

**باقات موبايلي
مسبقة
الدفع**

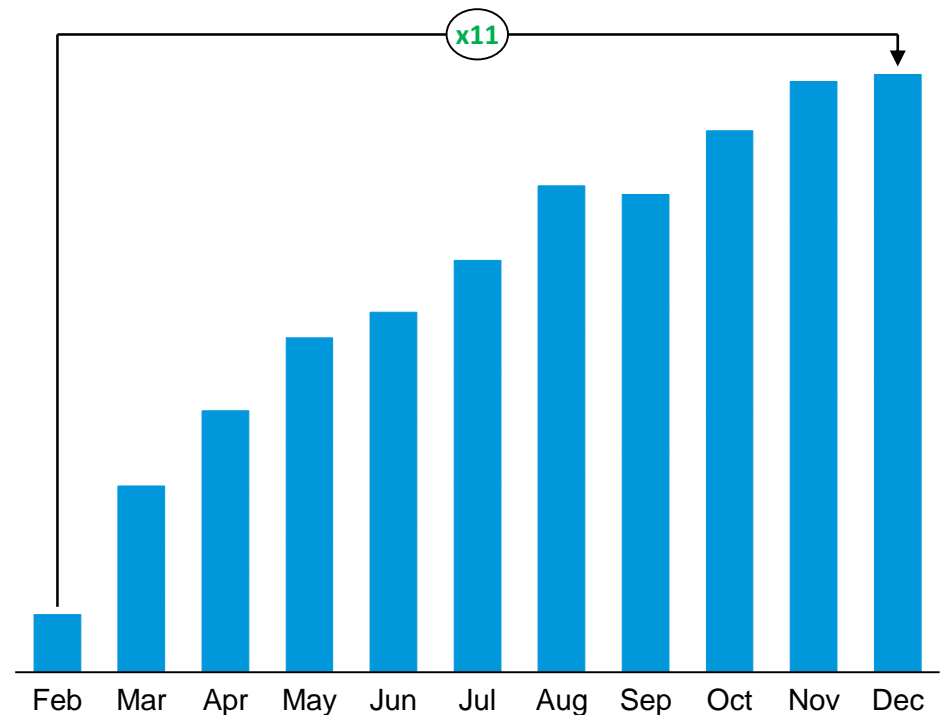
150 باقة
1500 دقيقة لكل الشبكات | 10GB إنترنت
وتواصل اجتماعي لا محدود

30 باقة
100 دقيقة لكل الشبكات | 1GB إنترنت
وتواصل اجتماعي 1GB

75 باقة
500 دقيقة لكل الشبكات | 5GB إنترنت
وتواصل اجتماعي 5GB

اشترك الآن
مع دقائق لكل الشبكات
واستخدام لا محدود لتطبيقات التواصل الاجتماعي*
وللمزيد أرسل 444 إلى 1100

* على باقة الـ 150 فقط



Commercial Performance - Consumer | New postpaid portfolio has been well accepted by customers and contributed significantly to growth

Postpaid

رَبِّحْ بِالكِ مَعَ مِفْوَتَرِنَا
الجديد

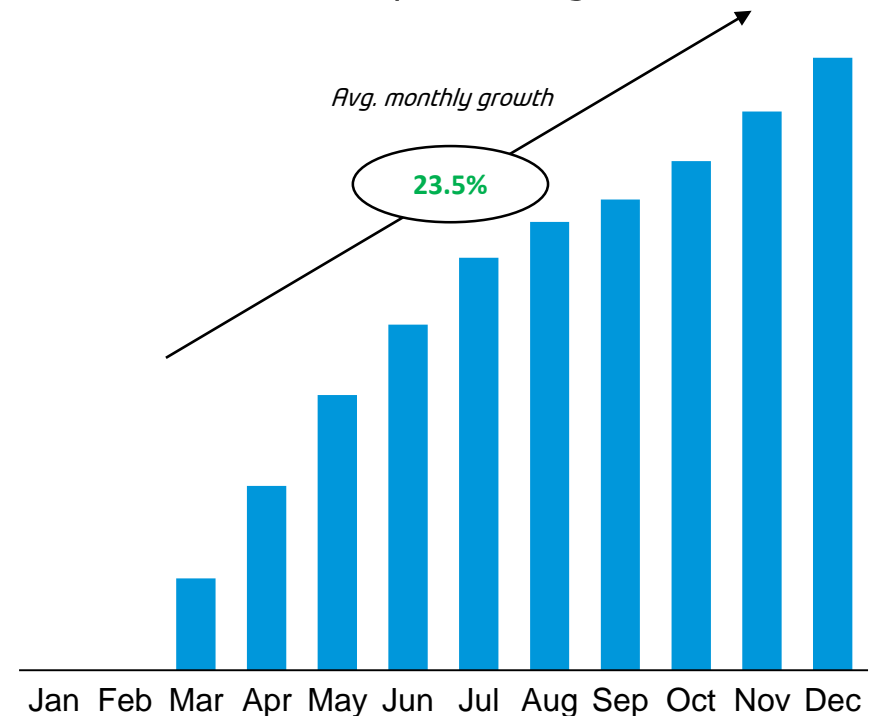
دقائق أكثر
على كل الشبكات

إنترنت أكثر
بدون استخدام عادل

200 موبايلي مِفْوَتَر
100 موبايلي مِفْوَتَر
50 موبايلي مِفْوَتَر
600 موبايلي مِفْوَتَر
300 موبايلي مِفْوَتَر

للاشتراك تفضل بزيارة أقرب فرع
ولتفاصيل أكثر.. أرسل 777 إلى 1100

Subscriber Base for New Postpaid Packages



Commercial Performance - Consumer | New "all you can eat" IDD tariffs lead to traffic/ usage. New Hajj/Umra packs increased subscribers by +54%

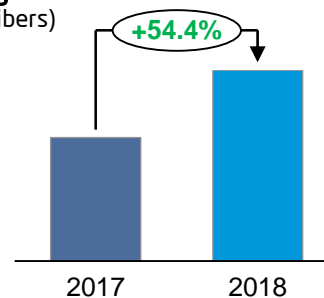
IDD



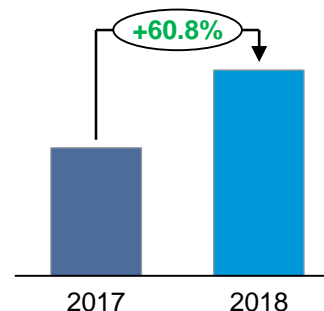
- Monthly IDD traffic is growing again in 2018

Hajj & Umra

Yearly GA (Subscribers)

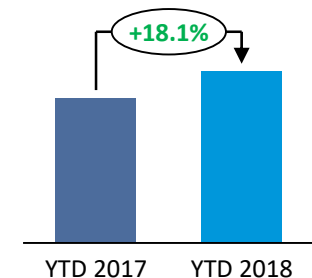


Yearly Data Traffic (Usage GB '000)



FTTH

Revenues



- New pricing schemes in place
- New partner model
- New commission scheme in place
- Strong CVM push to upgrade speed

Commercial Performance - Business | Major multi-year deals closed with key government and business clients

Business



Ministry of
Foreign
Affairs



وزارة الصحة
Ministry of Health



المؤسسة العامة للتأمينات الاجتماعية
GOSI
حقن لخم



Saudi Aramco



Al Rajhi Bank



Ministry of
Finance



Ministry of Labor
& Social
Development



مطارات الرياض
Riyadh
Airports



SABIC



National
Commercial
Bank



Ministry of
Municipal &
Rural Affairs



Yesser
eGovernment
Program



Saudi
Wildlife
Authority



General
Electric



Gulf
International
Bank



Saudi Air
Navigation
Services



Jazan
Municipality



Almarai



Atheer /
Jeraisy



Saudi
British
Bank



Public
Security



Medina
Development
Authority



Pepsi Co

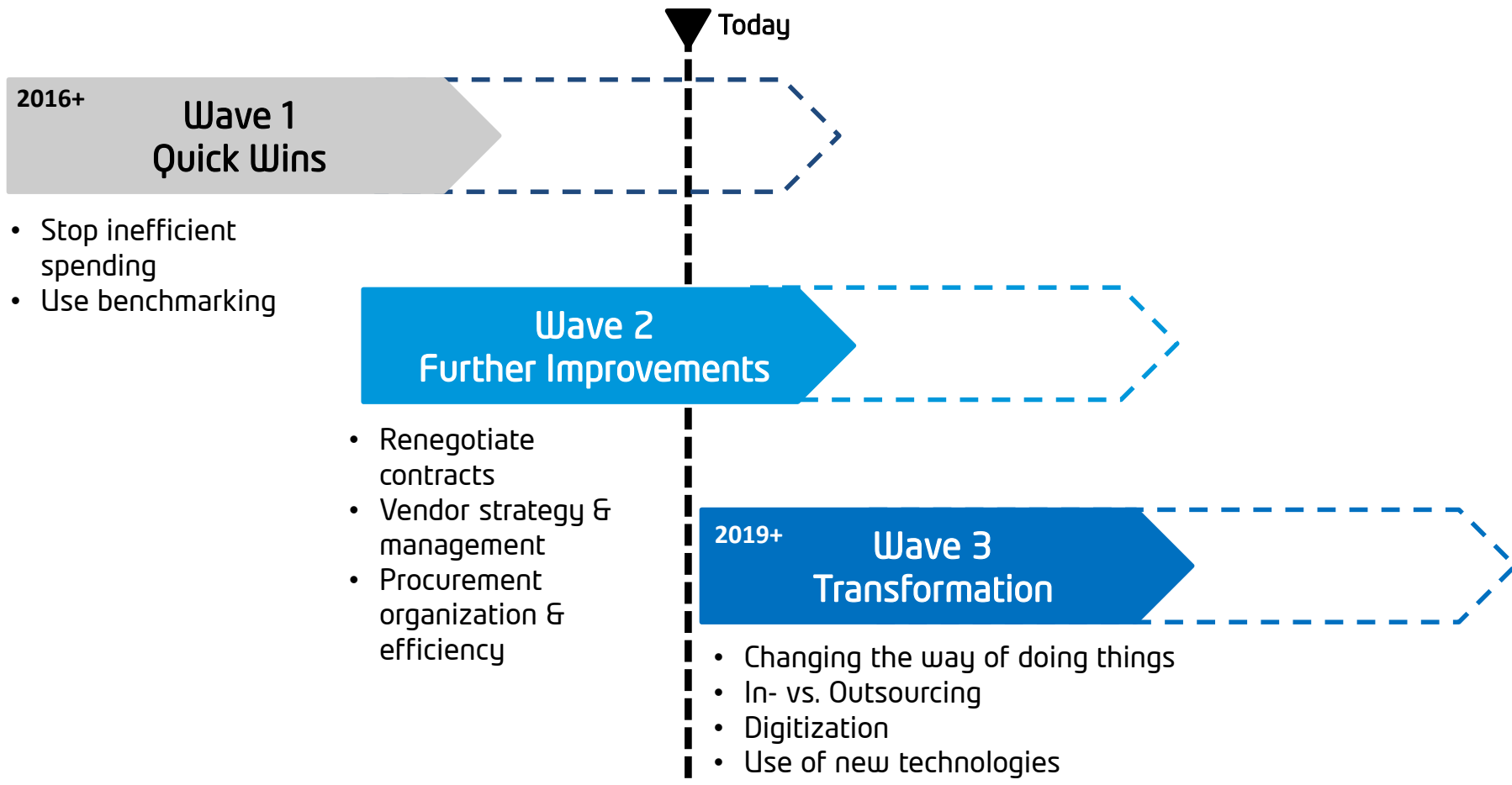


المجدوعي
Almajdoui
Trading Co.



Bank of
Tokyo

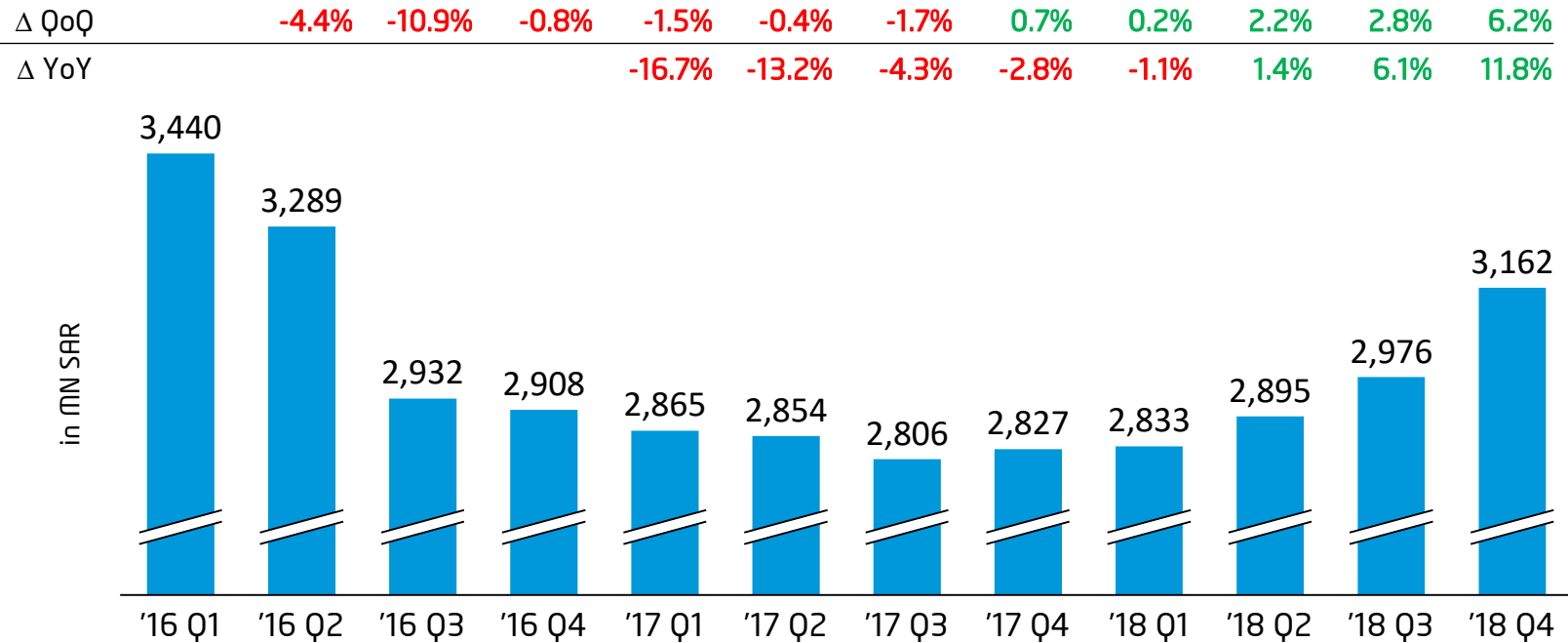
Cost Control | Mobily has been running a systematic cost efficiency program. This created the basis for a sustainable financial performance



In 2019 we will continue our optimization journey

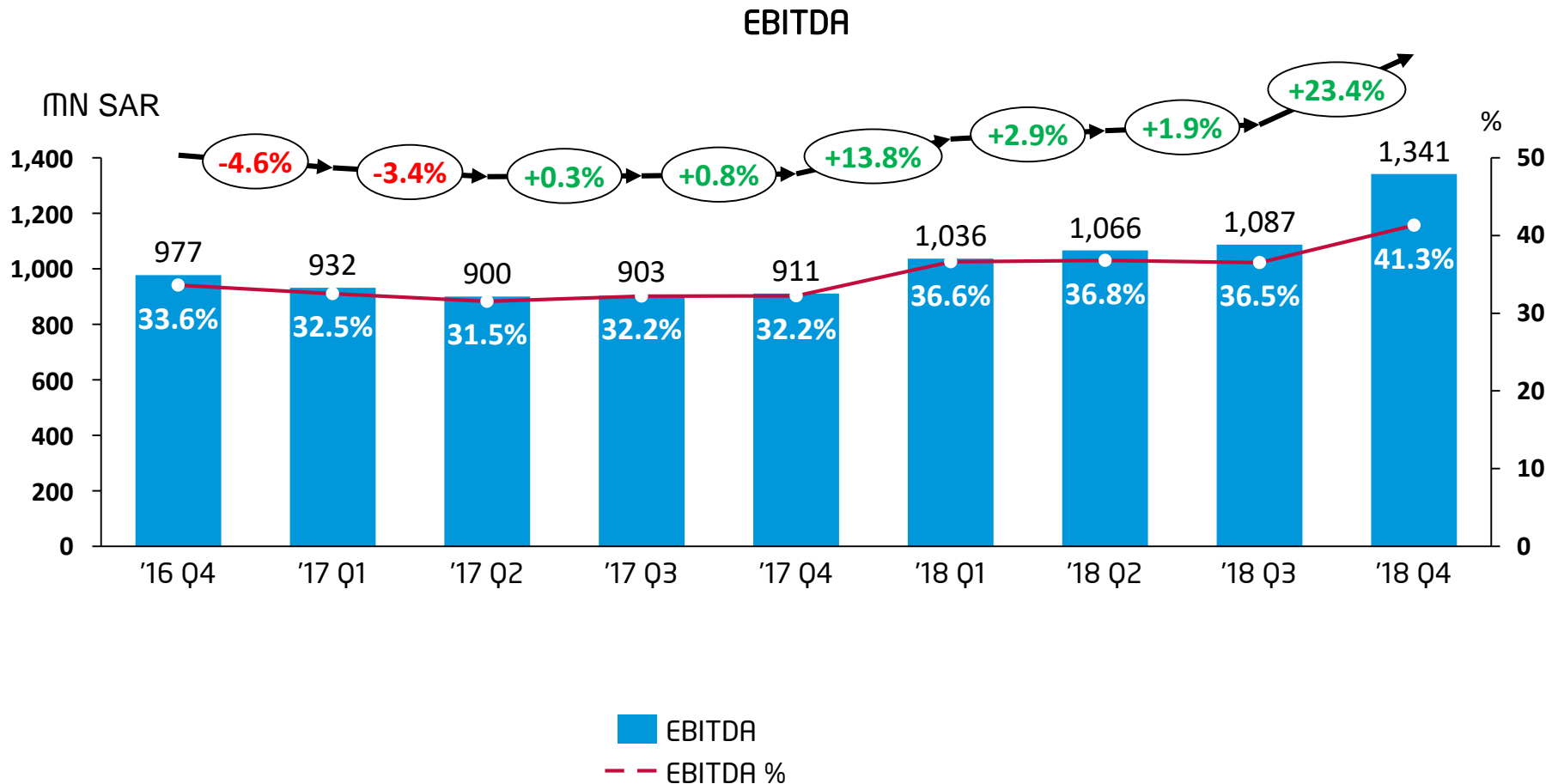
Key Financial Highlights | QoQ revenue growth for 5 consecutive quarters in a row

Revenue



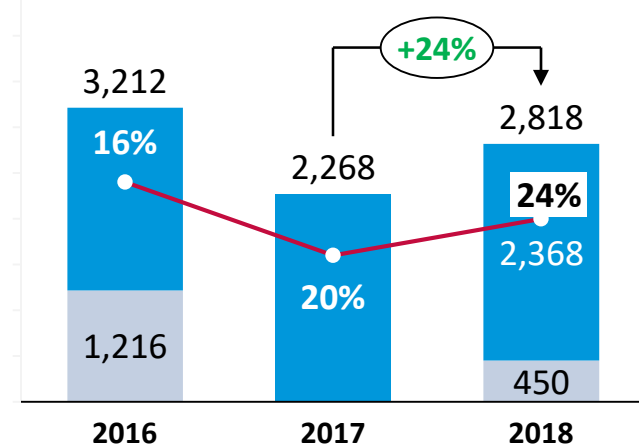
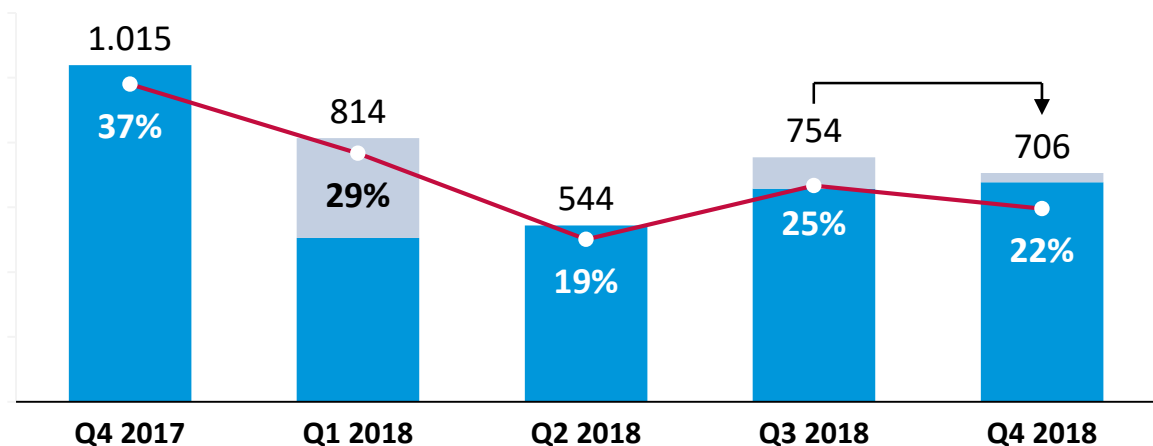
- Wireless subscriber base is returning to growth
- Wireless ARPU has been growing for the last 2 years

Key Financial Highlights | QoQ EBITDA growth for 6 consecutive quarters in a row, and highest annual EBITDA since 2013



Key Financial Highlights | Deployment of intensive capital program

CAPEX/ CAPEX to revenues %
(In SAR Million)

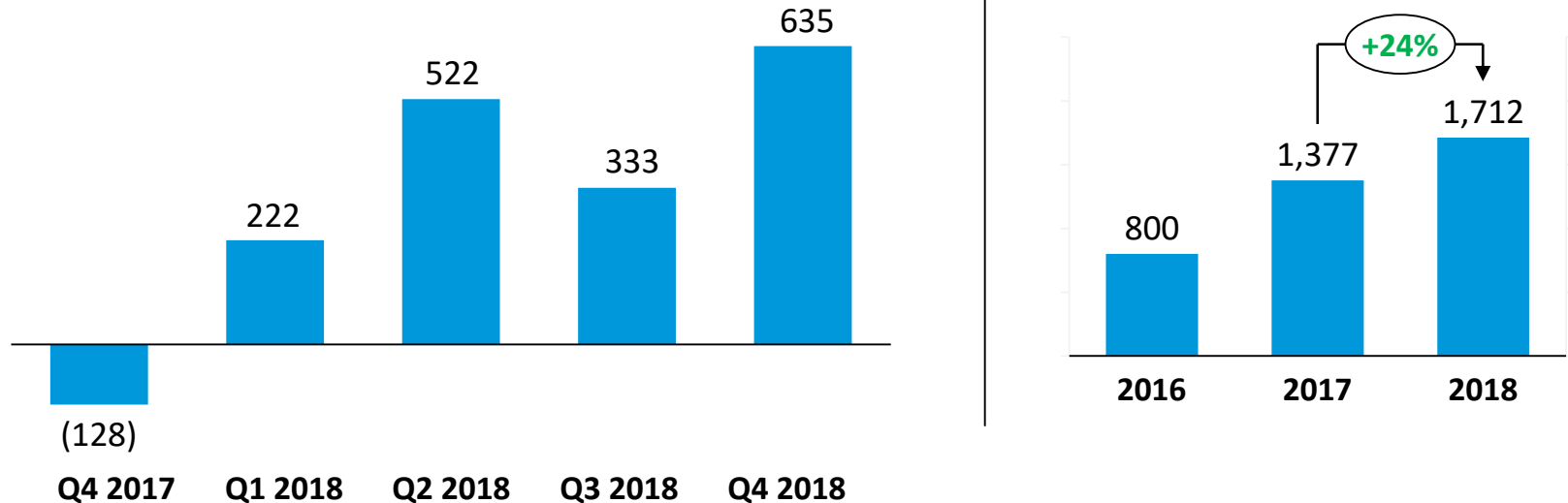


— CAPEX/Revenues%
■ CAPEX
■ Spectrum
■ Capitalization from prior years

- Mobily continues the deployment of its modernization program to cope with the growth in data traffic and improve its customer experience
- Mobily acquired also in 2018 10 MHz block in the 1800 MHz and the 800 MHz bands
- Capex intensity (Capex to revenues) at 20% excluding spectrum and 23.8% including spectrum reflects the company commitment to its customers and the continuous improvement of quality of service

Key Financial Highlights | Highest Operational Cash Flow Since 2011

Operational Cash Flow (EBITDA - CAPEX)
(In SAR Million)

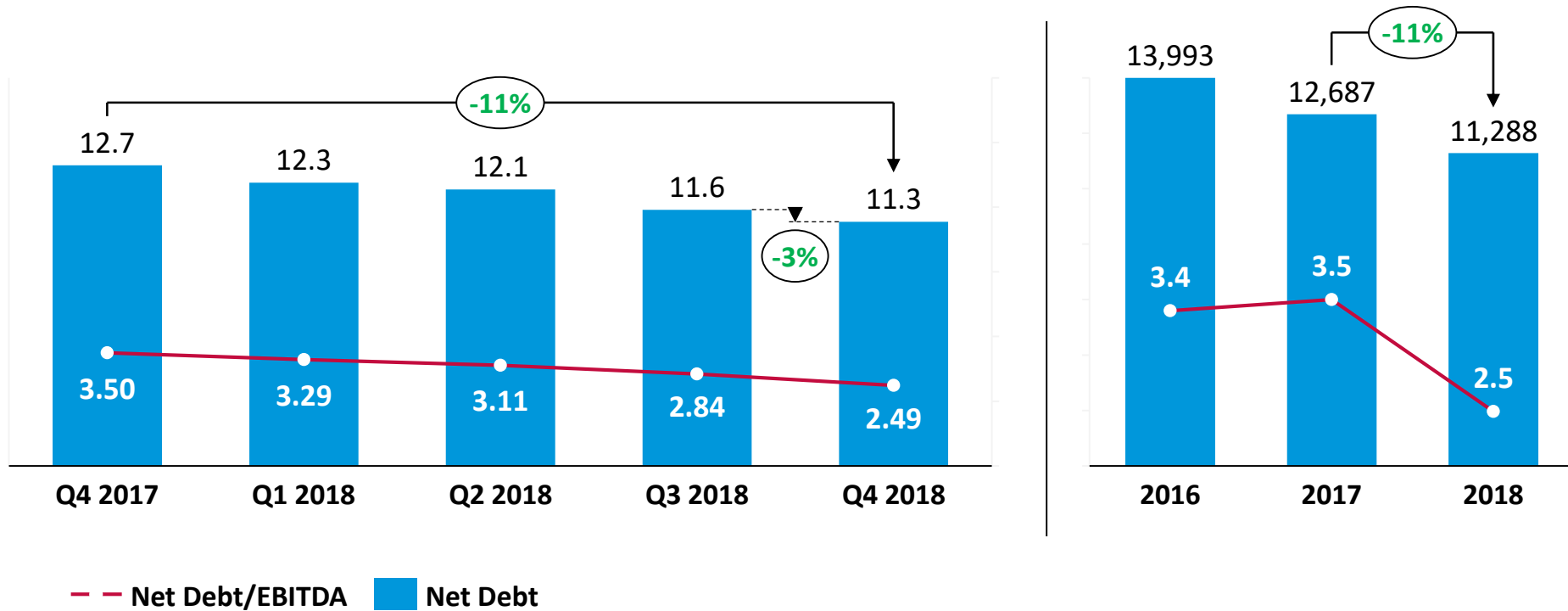


■ Operational Cash Flow

- Mobily continues to deliver consistently strong cash flow
- 2018 Operational cash flow reached 1.7 BSAR one of the highest during the last years reflecting the focus of the company on generating cash

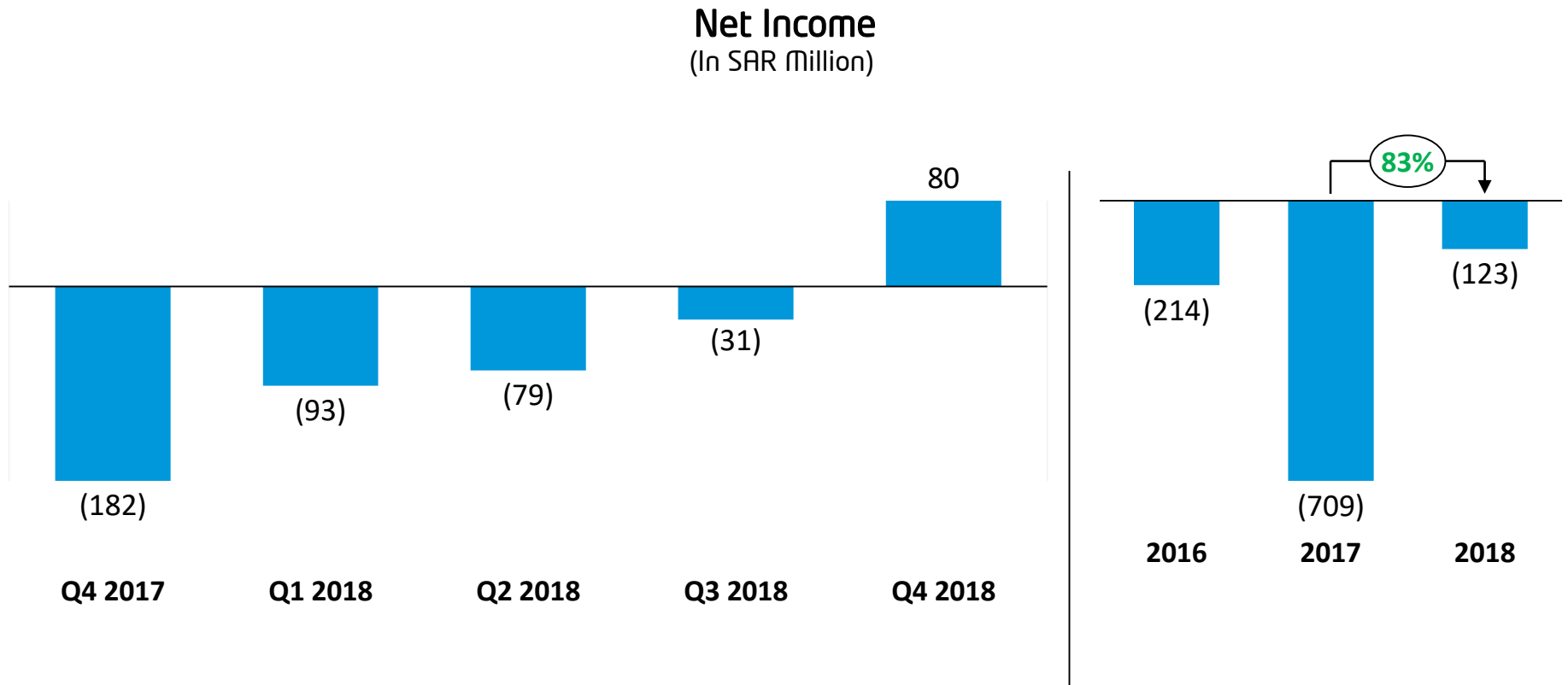
Key Financial Highlights | Lowest net debt since 2012

Net Debt and Net Debt/EBITDA
(In SAR Million)



- 2018 marks the year where Mobily brings its Net Debt to EBITDA below the symbolic 2.5 times threshold.
- During the last two years Mobily has reduced its net debt by SAR 2.7 billion and in 2018 Mobily successfully reduced its net debt by SAR 1.4 billion

Key Financial Highlights | Net result development



- Mobily succeeded in reducing its net losses by 82.7% at the end of 2018, where the net loss for year ending at 31 December 2018 amounted to SAR 123 million versus net loss of SAR 709 million in 2017.
- Mobily succeeded in reaching a positive net profit for the first time since Q2 2016 where Q4 2018 net profit of reached SAR 80 million versus losses at SAR 182 million in Q4 2017 and versus losses at SAR 31 million in Q3 2018.

Outlook 2019 | “Digital First” - Becoming digital across all dimensions will drive 2019 activities



The diagram illustrates the 'Digital First' strategy. At the top is a large blue triangle with the text 'Digital First' inside. Below the triangle are two horizontal rows of blue rectangular boxes. The first row contains five boxes: 'Commercial', 'Brand & Marcom', 'IT', 'Network', and 'Customer Care'. The second row contains four boxes: 'Organization', 'Culture', 'Governance', and 'Agile Procurement'.

Digital First

Commercial

Brand &
Marcom

IT

Network

Customer Care

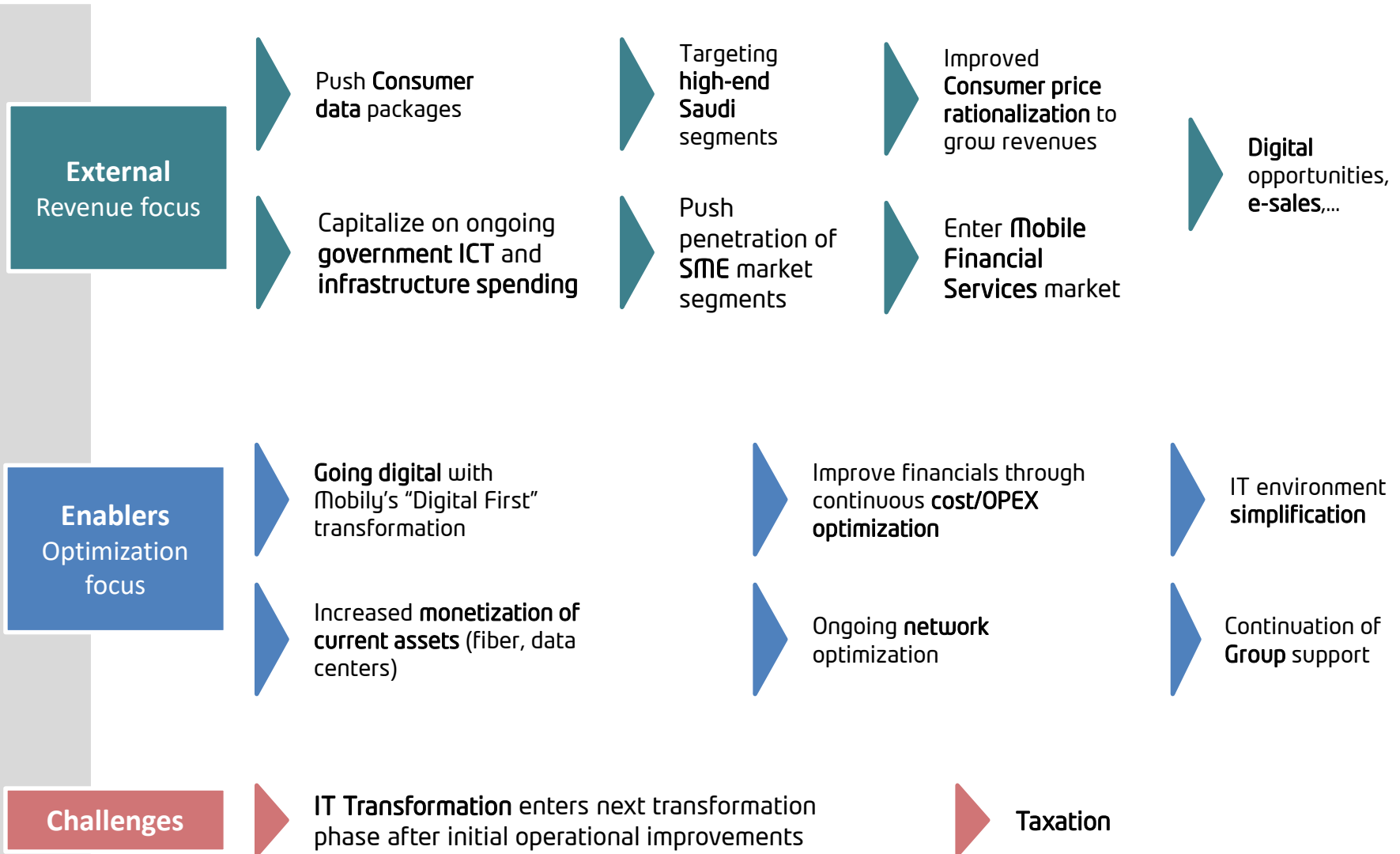
Organization

Culture

Governance

Agile Procurement

Outlook 2019 | Continuing on the strong momentum while exploring new horizons





Q&A



PTCL Group

Dr. Daniel Ritz

Chief Executive Officer – PTCL Group

PTCL Group - Key Highlights FY 2018

8% growth in consolidated revenue mainly driven by growth in mobile and fixed line data segments

PTCL GROUP

PKR 126 bn

8% ↑

Consolidated
Revenue

PKR 41 bn

5% ↑

Consolidated
EBITDA

PKR 5.7 bn

32% ↑

Consolidated
Net Profit

Key Strategic & Operational Highlights



- PTCL returns to full year revenue growth after 4 years
- Network transformation project (NTP) half way done – double digit revenue growth in NTP areas
- Corporate services grew 13% YoY - mainly driven by Managed Services and Cloud based solutions
- PTCL assigned Long Term Entity Credit Rating of AAA, declared fastest growing telco brand in Pakistan



- Ufone returns to positive EBIT after 4 years
- Subscribers growth momentum continues leading to revenue upside – increase in market share 13% to 14%
- Ufone base crosses 21.6 M by adding 2.6 M subscribers in 2018 with significant growth in data subscribers
- Increased 3G network footprint by adding 1,744 network sites in 2018



- Increase in deposit base by 72% and loan base by 61% during the year 2018
- Accelerated profitable growth - double digit growth in Revenue, EBITDA and Net Profit
- Tier II Capital Injection of PKR 4 Billion by PTCL
- Automation & digitization of the core lending operations, synergies with PTCL and Ufone in progress

Agenda

- **Overview of Operating Environment**
- Key Financial and Operational Highlights
- Strategic Priorities / Way Forward

Country Highlights



Demographics

- 6th most populous country 208 Mn with annual Growth rate of 2.4%
- Youth potential is untapped. 52% of population is less than 24 years of age



Economic

- GDP for year 2018 is PKR 34.39 Trillion
- CPI Inflation increased to 7.2% YoY
- Interest Rates increased to 10.25% from 5.75% during the year 2018
- Risk Rating – Moody's (B3 Negative Outlook) / S&P (B- Stable Outlook)



Forex

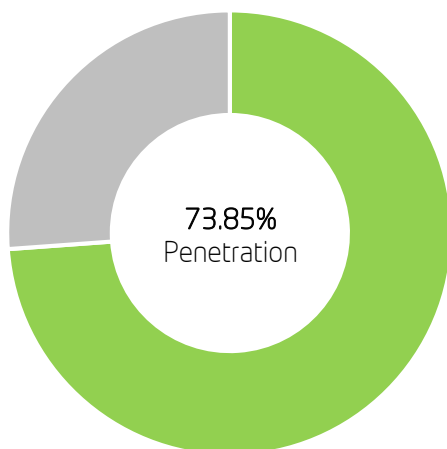
- Foreign Currency Reserve as on Dec 2018 – USD 13.75 Billion
- PKR devaluation of 28% against USD during 2018

Telecom Market – Subscribers and Penetration

Significant opportunity in fixed line broadband segment for growth

Mobile Subscriber & Penetration

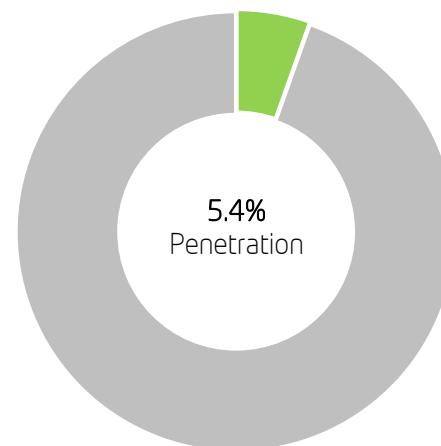
As % of Population



Mobile
154 Million

Fixed Broadband Subscribers & Penetration

As % of Households



¹ Fixed Broadband
1.75 Million

¹ Only includes DSL, HFC and FTTH

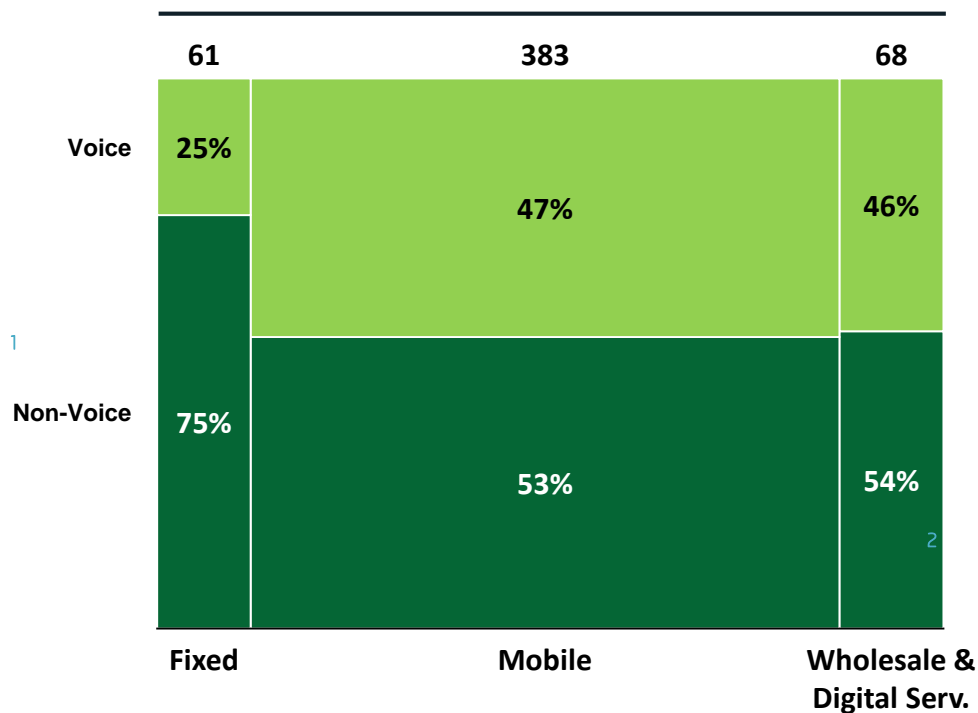
Source: PTA & Economic Survey of Pakistan

Telecom Market - Value Share

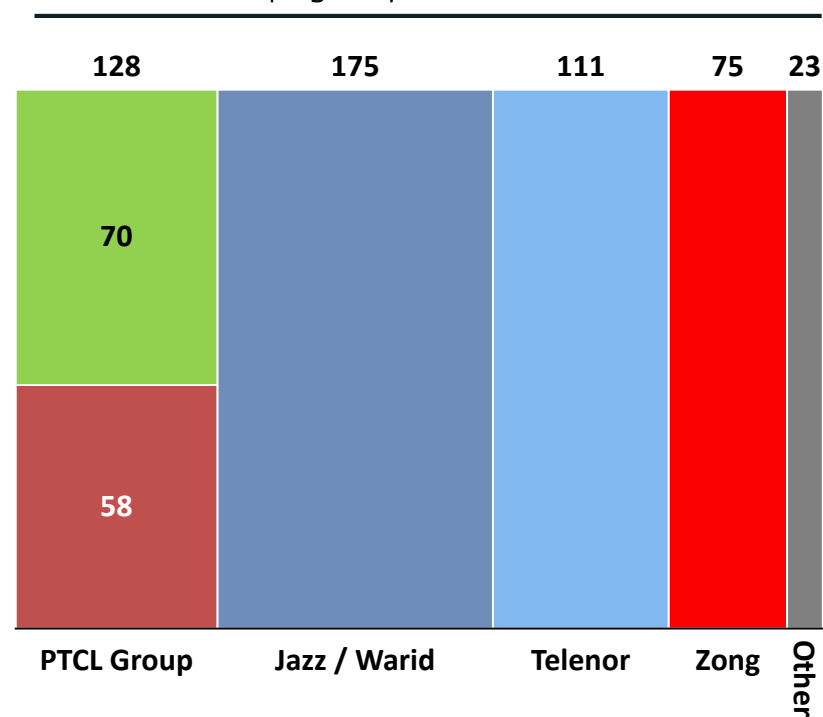
PTCL Group holds 25% of the market value share

Total market value PKR 512 bn

Overall Market Value 2018 - PKR 512 bn



Market map by competitor 2018 - PKR 512 bn



¹ Includes digital services, dongles business

² PTCL Group Revenue includes standalone revenue of PTCL and Ufone Only

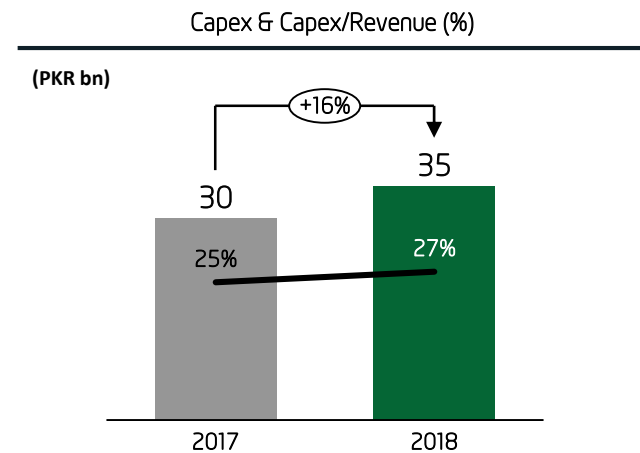
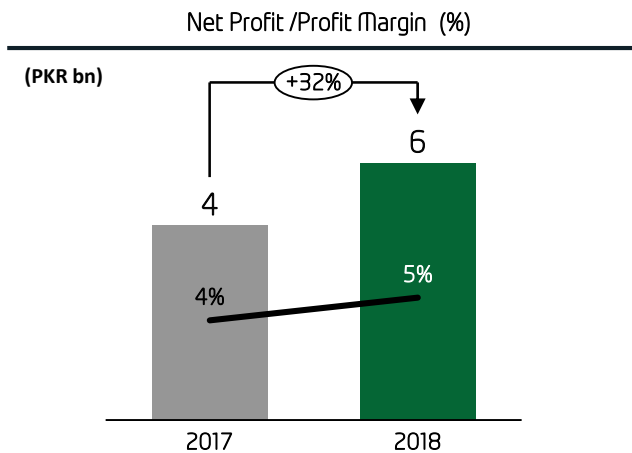
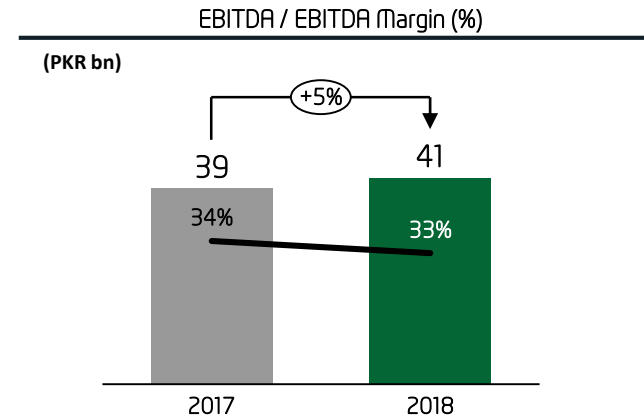
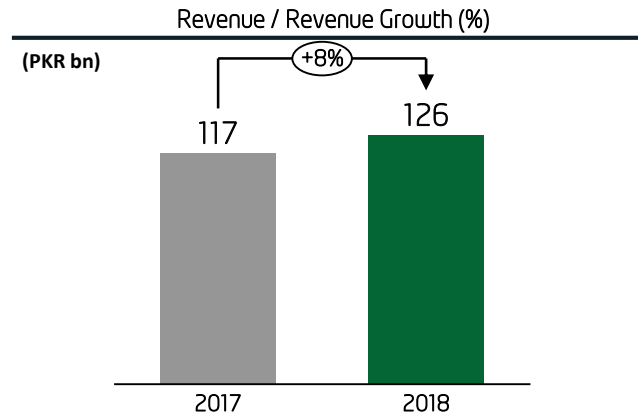
Agenda

- Overview of Operating Environment
- **Key Financial and Operational Highlights**
- Strategic Priorities / Way Forward

PTCL Group - Key Financial Highlights 2018

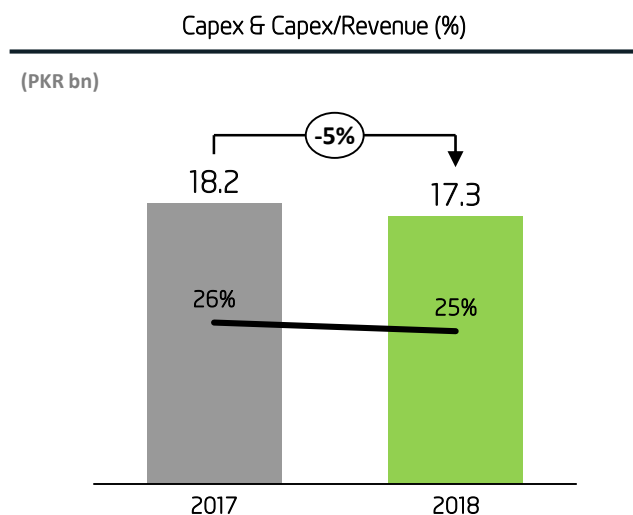
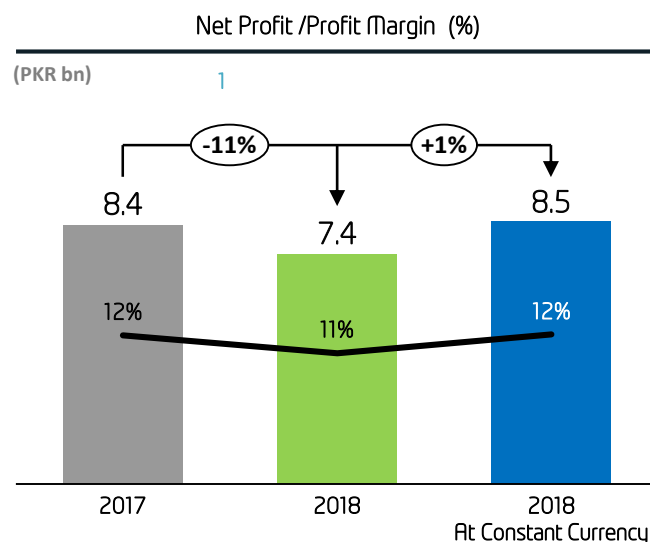
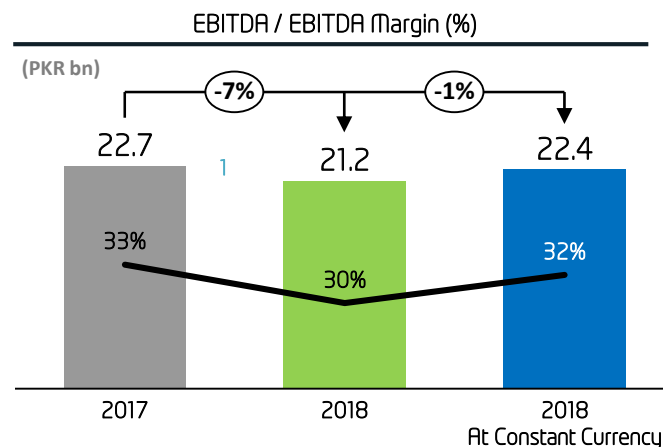
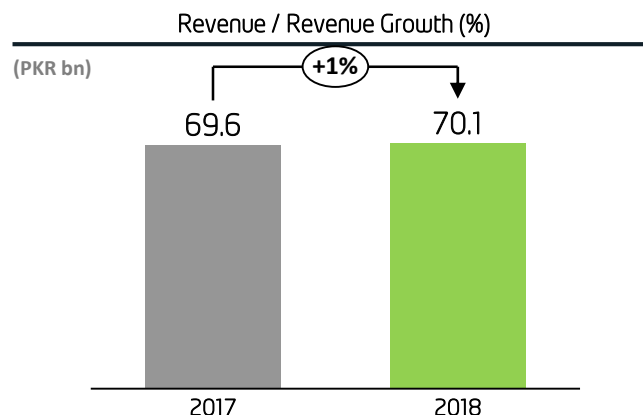


YoY growth of 5% in EBITDA and 32% in Net Profit on account of strong topline growth



PTCL - Key Financial Highlights 2018

YoY change in EBITDA -1% and Net Profit +1% at constant currency

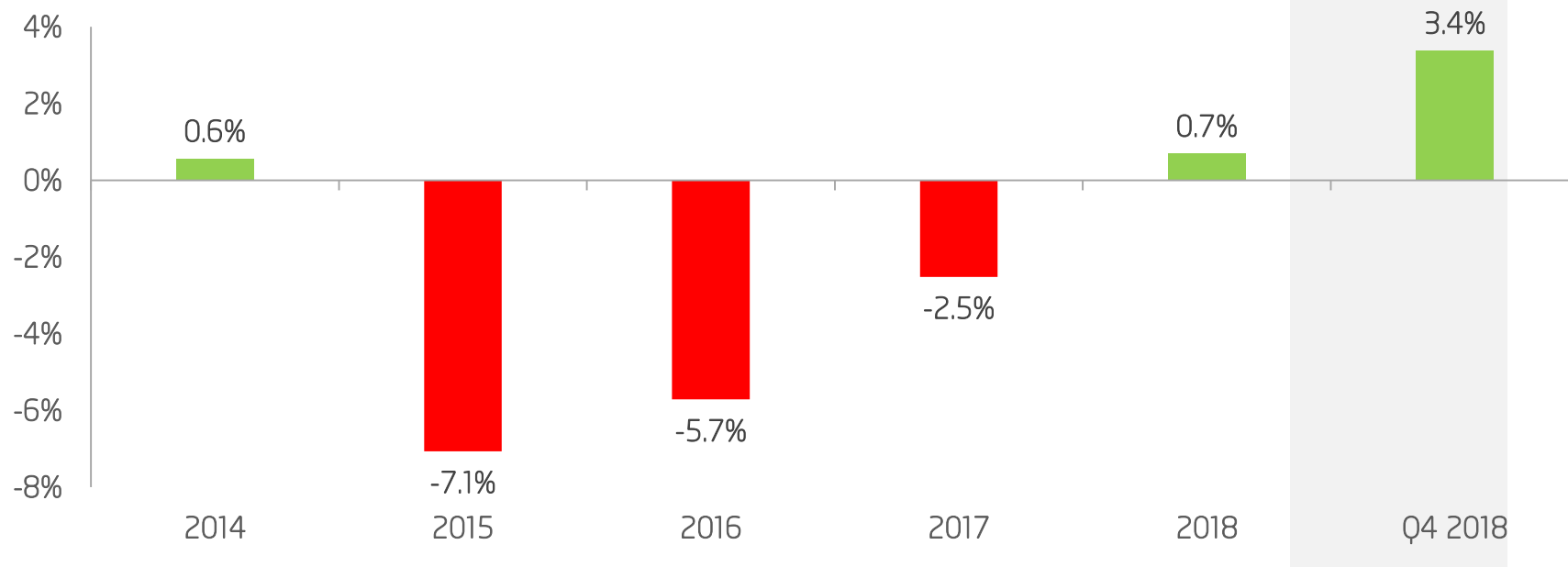


¹ YoY EBITDA and Net Profit were -7% and -11% respectively, due to increase in SAC, Cost of Devices, Cable & Media Costs, O&M, Fuel and Power, Staff Cost and Foreign Exchange Loss mainly on account of inflation and currency devaluation.

PTCL Revenue Growth 2018

YoY revenue has shown growth first time since 2014

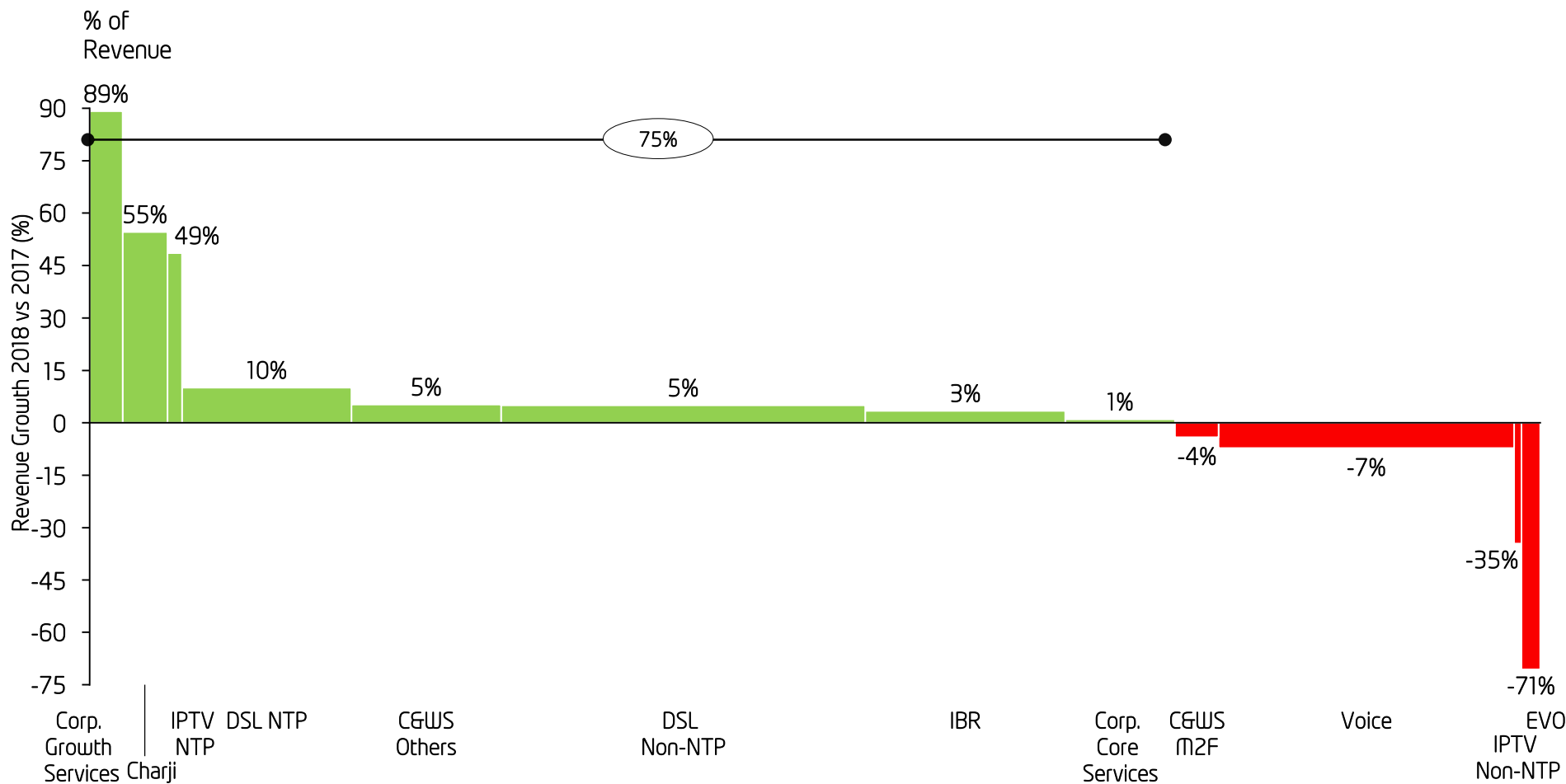
% Change in Revenue YoY



- Share of growing segments increased from 70% in 2017 to 75% in 2018
- 6% growth in Wireline data, 13% growth in corporate services and 3% growth in carrier & wholesale and international business

PTCL Revenue Segments 2018

75% of revenue base showing growth

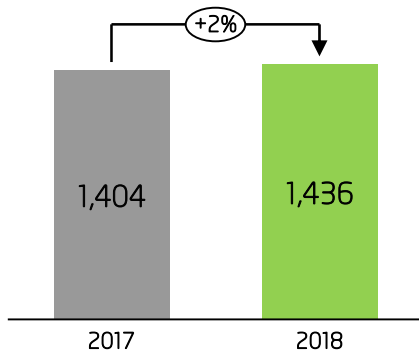


PTCL - Key Operational Highlights 2018

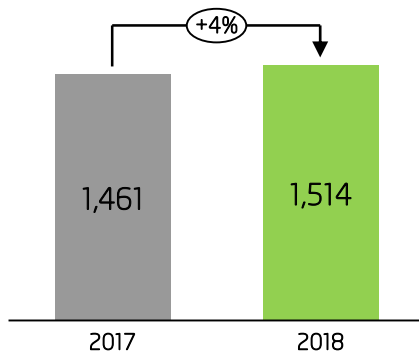


Growth in DSL Subscribers along with ARPUs based on shifting of subscribers on higher bandwidth packages

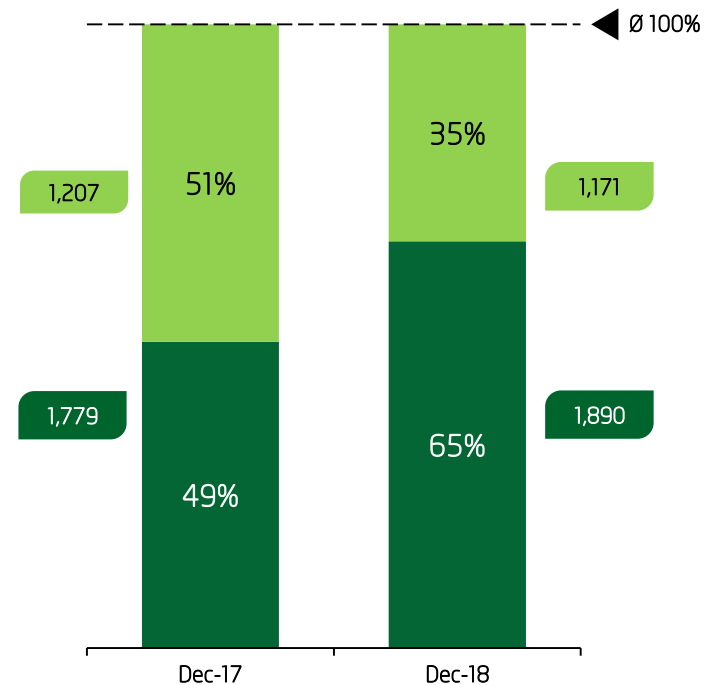
Subs DSL (# in '000)



ARPU DSL (PKR)



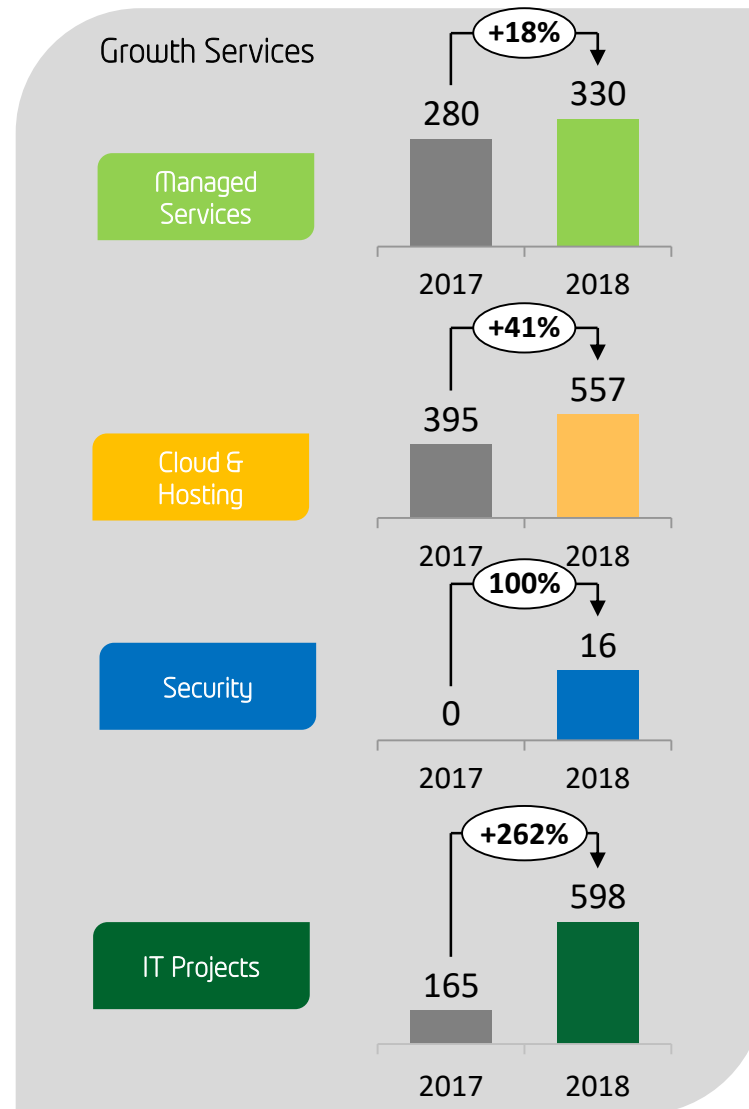
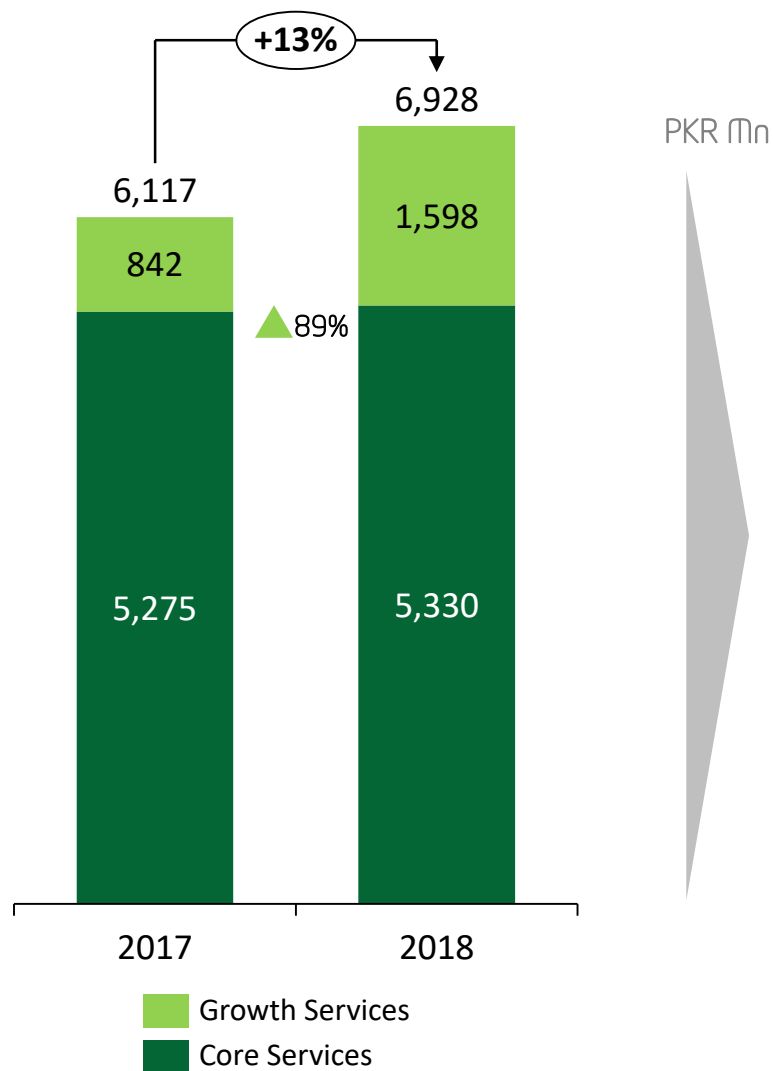
DSL Customer Breakup % - Based on Mbps



Less than 4 Mbps 4 Mbps & Above Avg. ARPU (PKR)

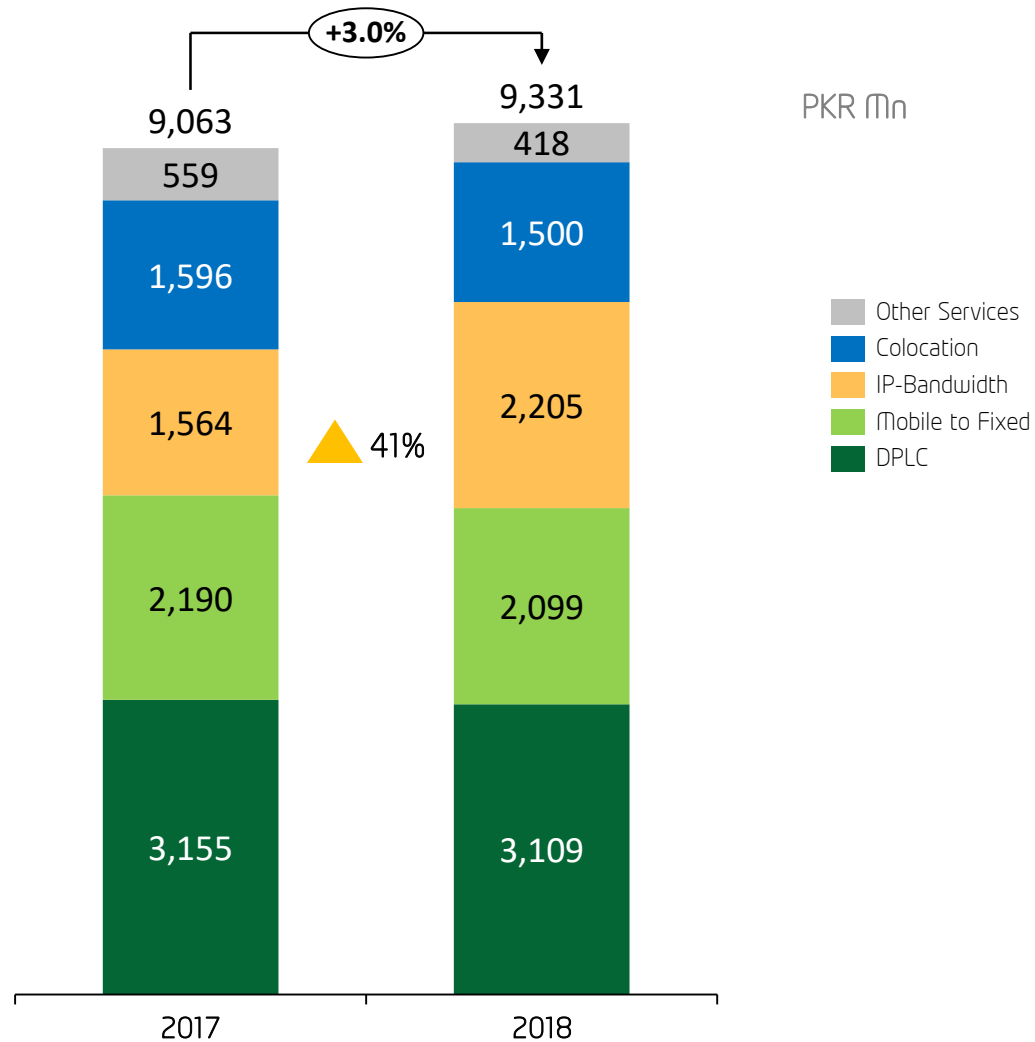
PTCL Corporate Business 2018

Overall 13% growth mainly driven by 89% increase in growing segments which includes Managed Services, Cloud & Hosting, Security and IT Security Services



Carrier & Wholesale Business 2018

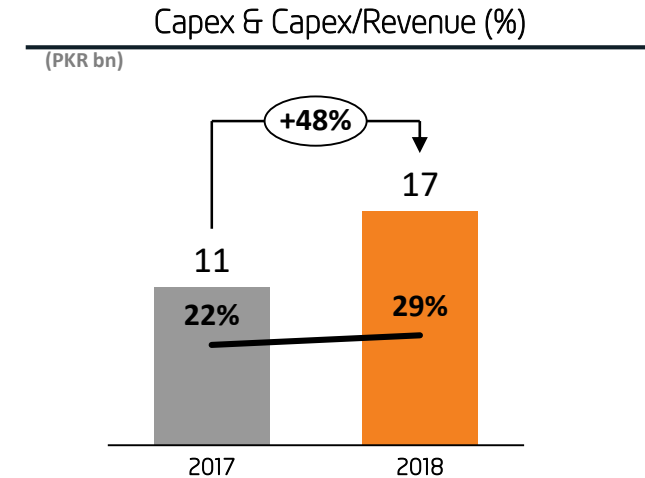
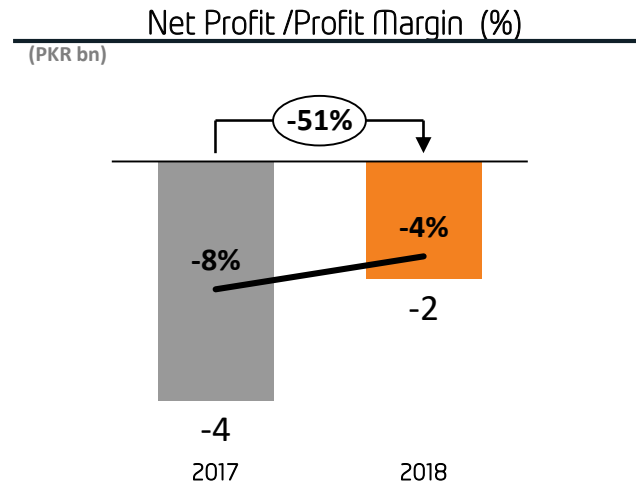
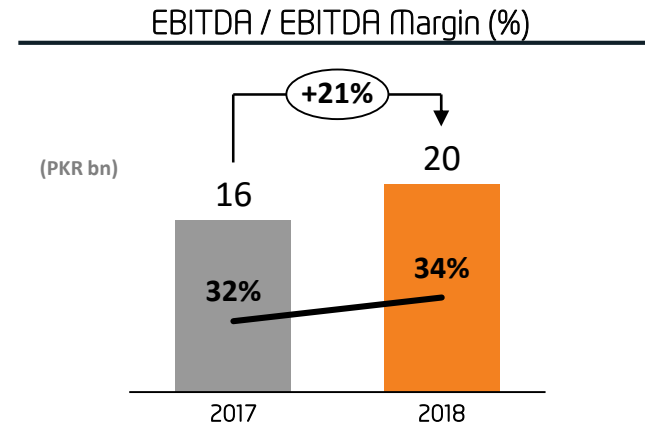
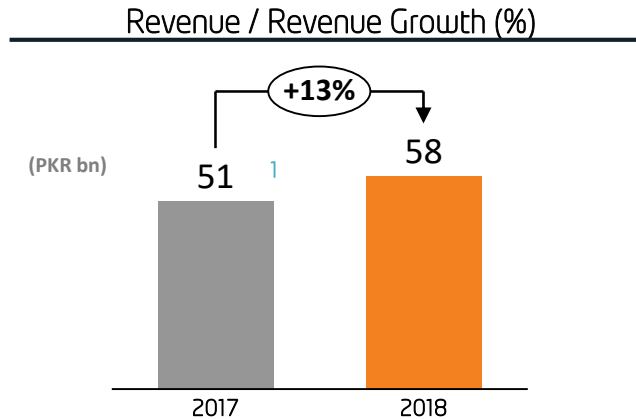
3% growth in Carrier Business mainly driven by 41% growth in IP Bandwidth Services



Ufone - Key Financial Highlights 2018



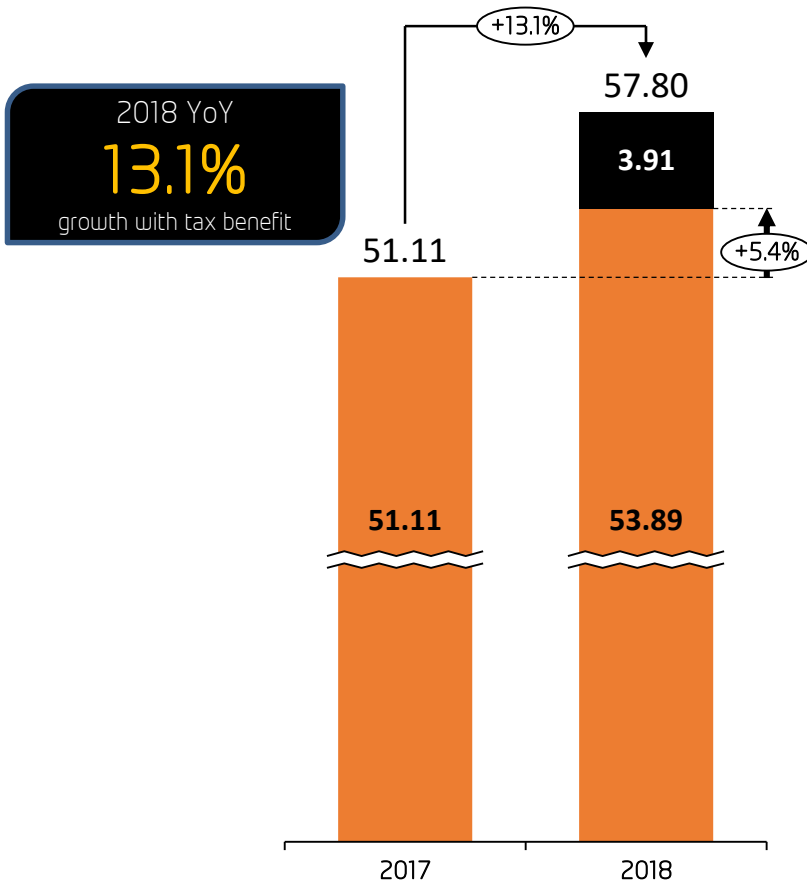
Strong topline growth of 13% resulted in improvements in EBITDA and Net Losses



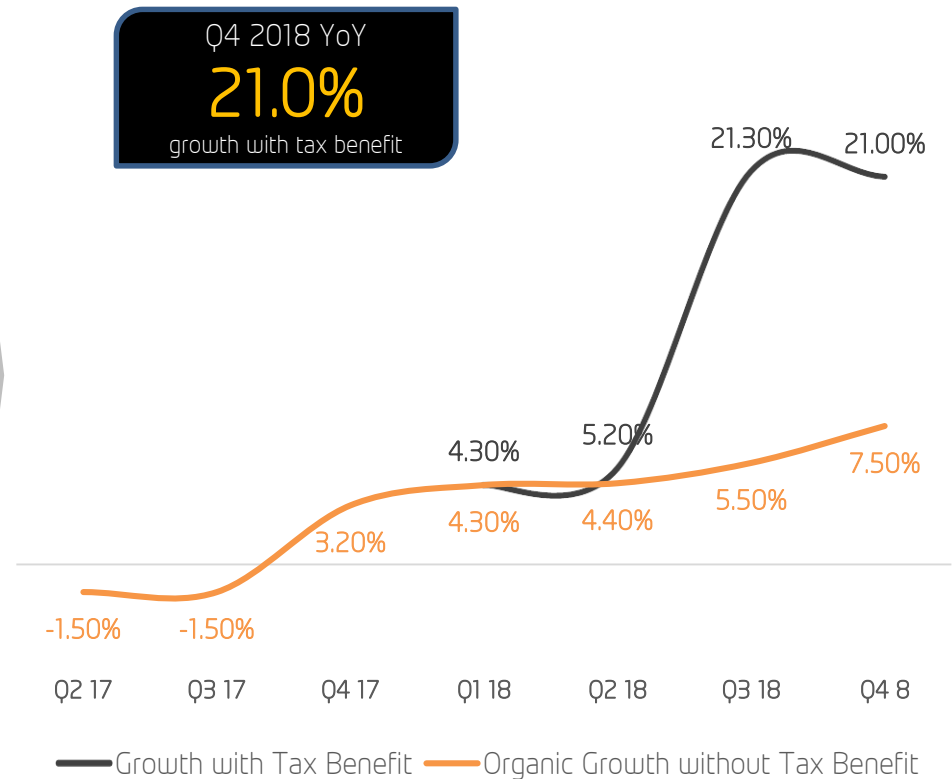
¹ 7.3% growth was due to suspension of tax, while 5.4% was organic growth

Ufone Revenue Growth

Significant revenue growth YoY for the Year and Q4 2018



■ Tax Benefit ■ Organic Revenue

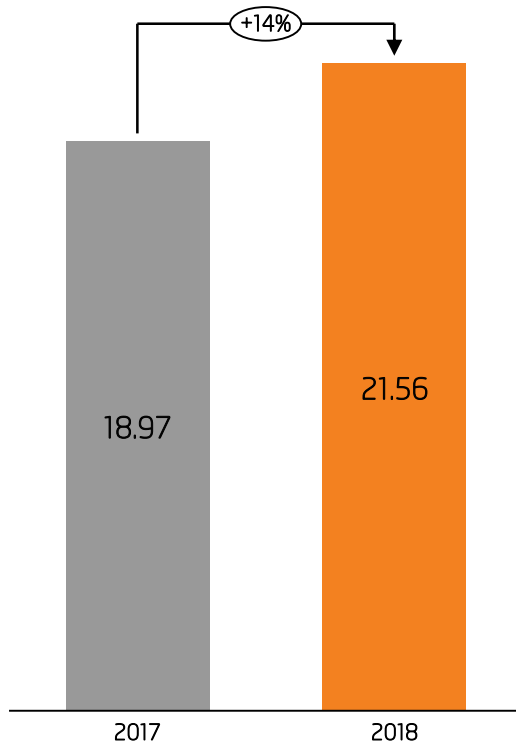


Ufone - Key Operational Highlights 2018

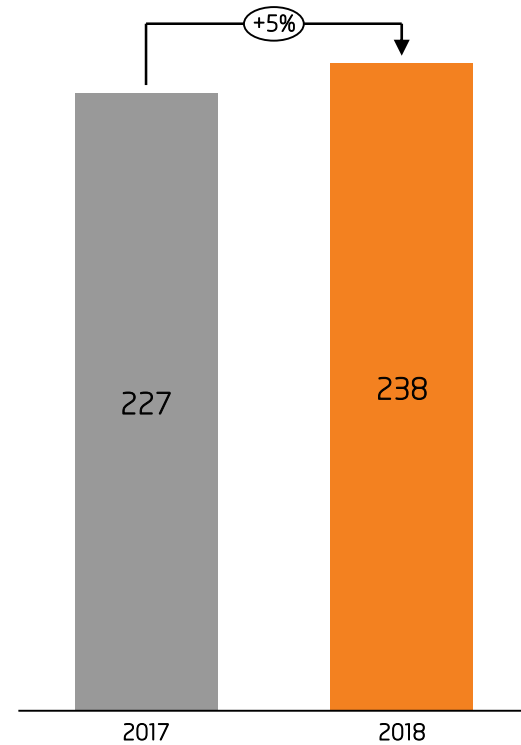
2.6 M subscribers addition in 2018



Sub - Ufone (# in Million)



ARPU - Ufone (PKR)



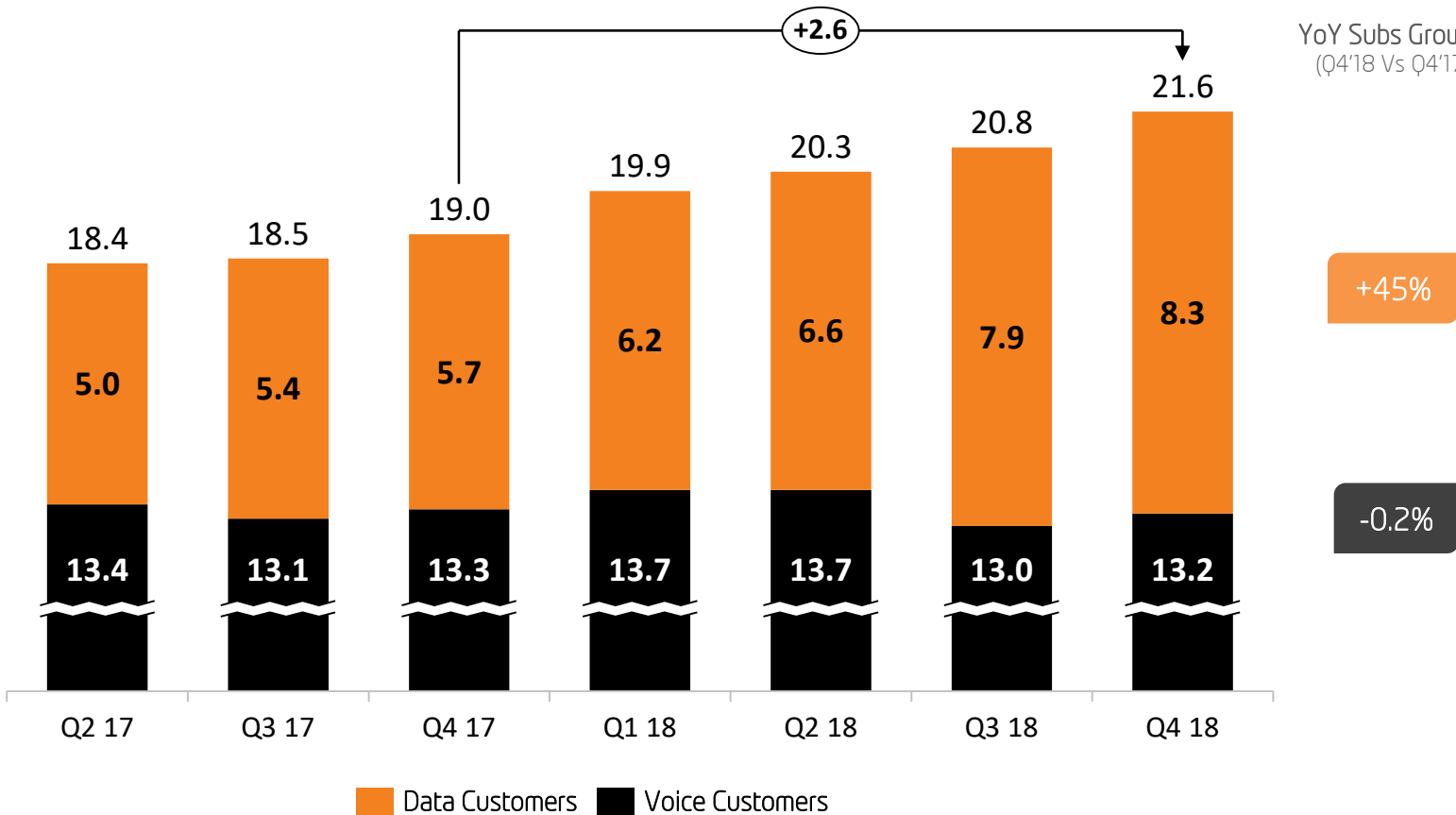
Ufone Subscriber Base

Subscriber base crosses 21.6 Million with significant growth in data subscribers



90 Days Subscribers
(mn)

YoY Subs Growth
(Q4'18 Vs Q4'17)

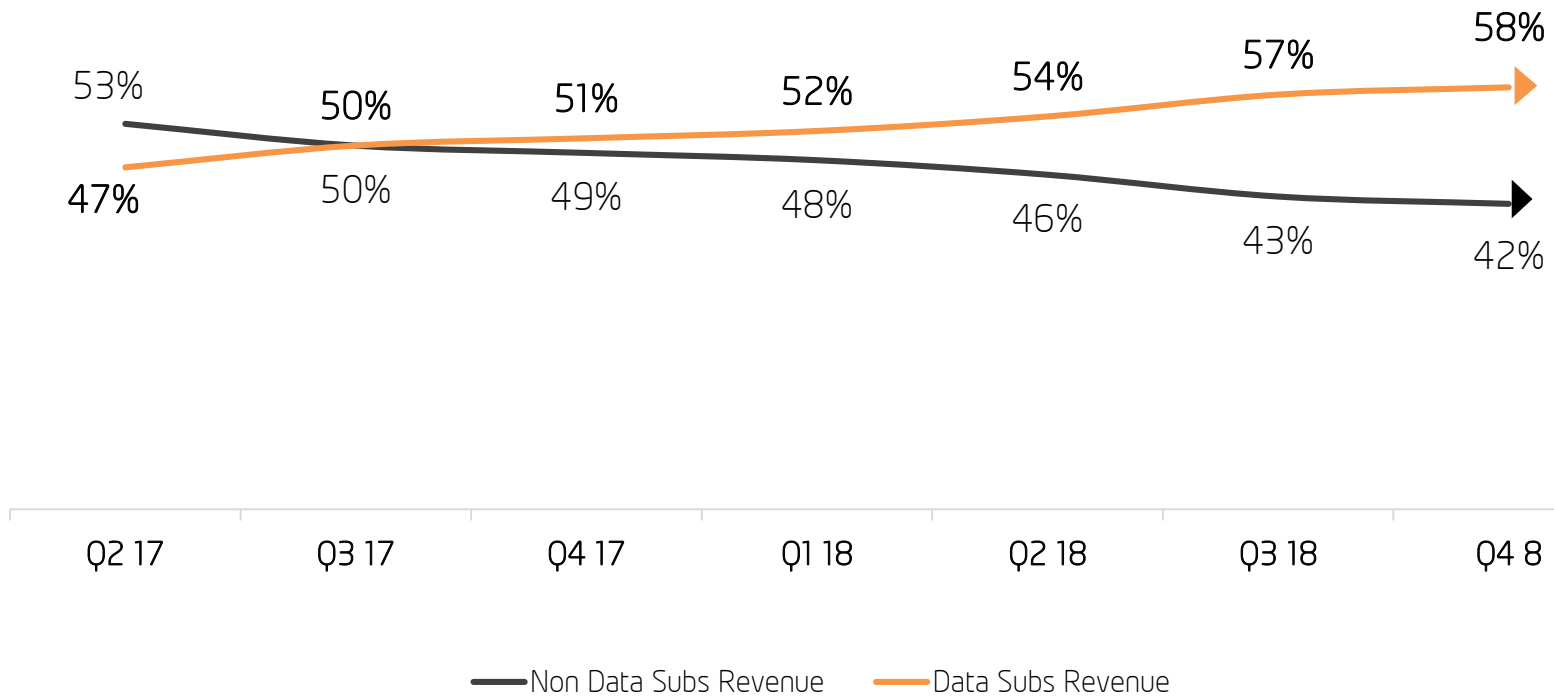


Ufone Data Revenue

38% data Subscribers contributing almost 60% of revenue

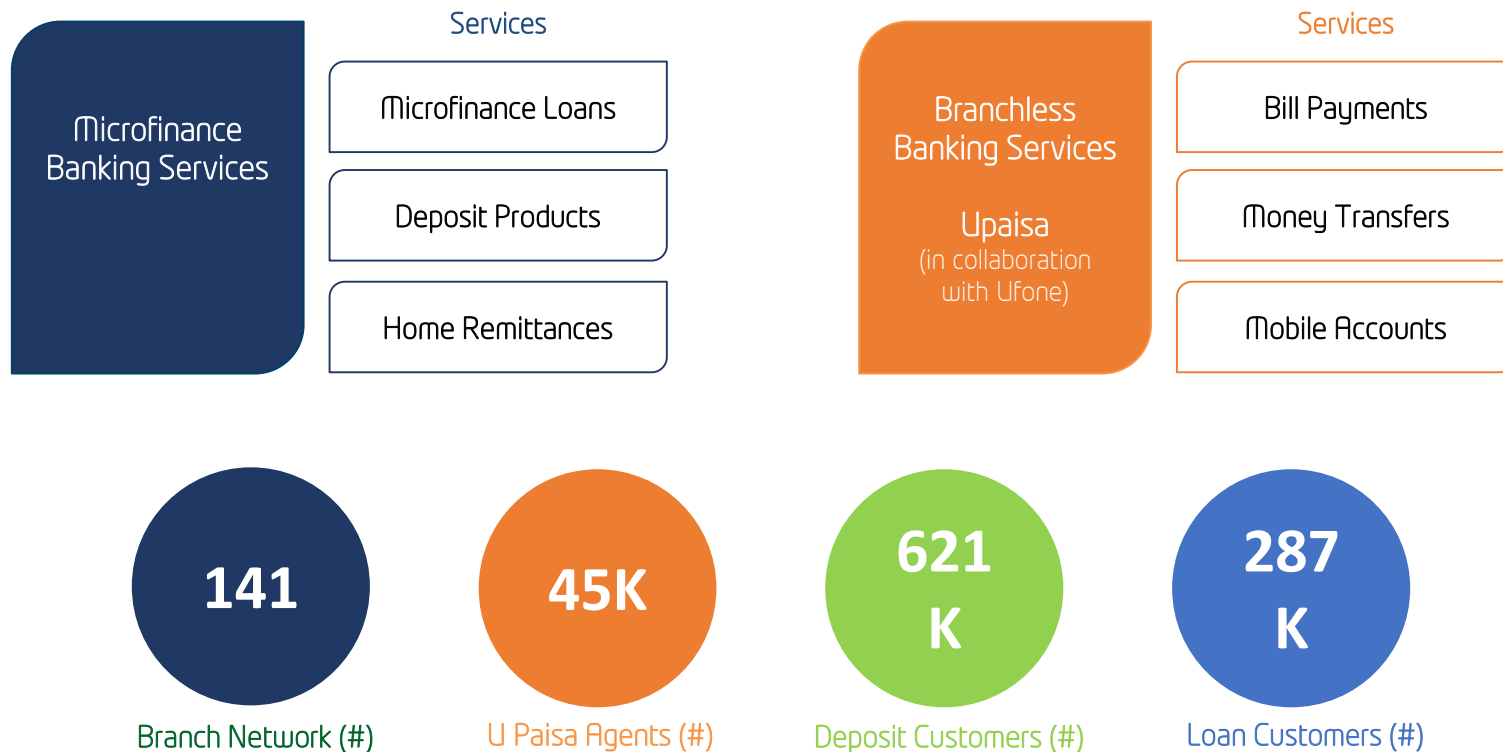


Revenue Split (%)
(Data Vs Non-Data)



U Microfinance Bank Limited - Ubank

Business Operations



Ubank - Key Operational Highlights

Significant growth in all the key performance indicators



	No. of Loan Customers	Customer Loans	Customer Deposits	No. of Employees	Branches
2015	22 K	0.919 Bn	1.10 Bn	409	38
2016	118 K	5.57 Bn	8.10 Bn	939	75
2017	187 K	10.6 Bn	11.97 Bn	1,321	100
2018	287 K	17.02 Bn	20.53 Bn	1,980	141

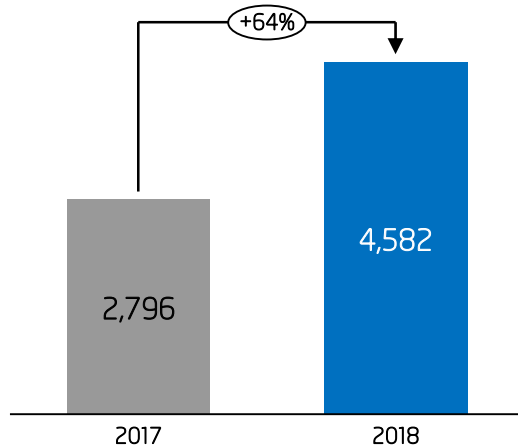
Ubank - Key Financial Highlights 2018

YoY 64% growth in revenue and 111% in Net Profit driven by growth in loan and deposit portfolios



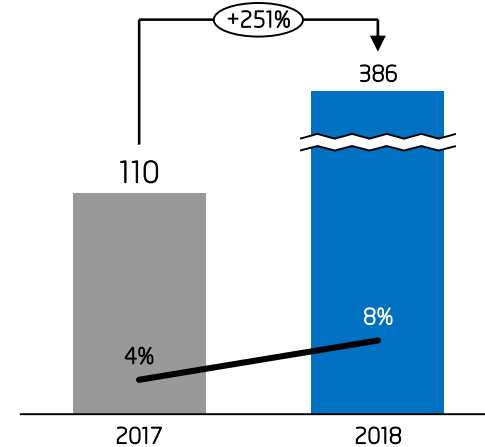
Revenue / Revenue Growth (%)

(PKR Mn)



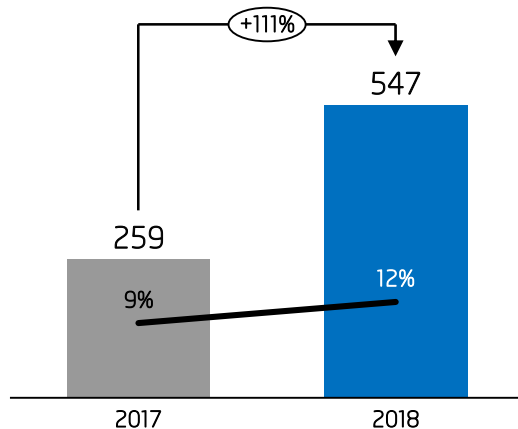
Operating Profit / Operating Profit Margin (%)

(PKR Mn)

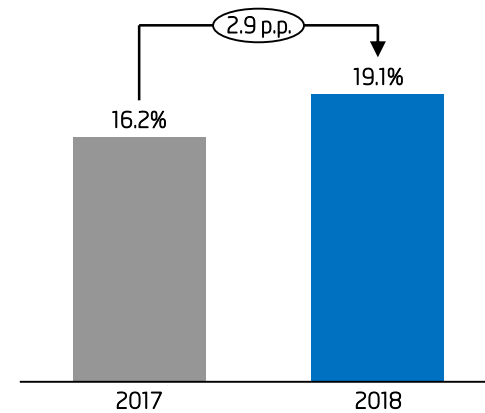


Net Profit / Profit Margin (%)

(PKR Mn)



Capital Adequacy Ratio (%)



Agenda



- Overview of Operating Environment
- Key Financial and Operational Highlights
- **Strategic Priorities / Way Forward**

Strategic Priorities / Way Forward

Our 'must win battles' 2019 and beyond



Opco

Strategic Priorities / Way Forward 2019



- Grow Broadband business aggressively
- Improve service levels and quality to reduce customer churn
- Build/grow ICT Business aggressively
- Capitalize on significant wholesale opportunity: IP Bandwidth, tower fiberization



- Grow subscriber base by expanding 4G & 3G footprint
- Increase SIM Share
- Focus on operational efficiency and timely execution of projects
- Adopt Non-aggressive pricing strategy for stable ARPU



- Grow Microfinance business aggressively while keeping NPL in check
- Digitize loan disbursement process into mobile wallets
- Increased contribution to Group profitability



Q&A



Etisalat Misr

Hazem Metwally

Chief Executive Office - Etisalat Misr



COUNTRY OVERVIEW

A highly competitive market with significant opportunities

Despite challenging conditions

... positive macroeconomic outlook lies ahead

TE MOBILE "WE" Entry

(WE) hammers on local brand image & competitive data offers, and telecom bundles



MARKET REGULATIONS

Channel restrictions and state development tax on new lines



INFLATION

Despite inflation drop reaching 12% in Dec'18 (dropping from 22% in Dec'17), another round of subsidy cut is expected in 2019



COMPETITION

Fierce market competition with international brands, plus TE, the main provider of ADSL, Fixed, as well as Infrastructure



GROWTH MOMENTUM

- Egypt ranks #1 in Population among Arab countries (~52% < 24 yrs)
- IMF expectation for real GDP to grow by 5.5% in '19 vs. 5.3% in '18

POSITIVE INDICATORS

- Int'l Monetary Reserve reached \$42.5bn in Dec'18 vs. \$37bn in Dec'17
- The CBE monetary policy helped bring down inflation from 33% in July 2017 to 12% in Dec 2018
- EGP/USD stabilizing at 17.70 in Jan'19 vs. 17.78 in Dec'17

INTERNATIONAL TESTIMONIALS

- IMF completed the 4th review of \$2bn under the 3 years \$12bn Extended Facility bringing total disbursements to \$10bn
- World Bank declared Egypt as the country with the most economic reforms compared to Arab countries and signed a \$1bn program to support the next reform phase

STABILITY

- S&P, Fitch affirmed Egypt's credit rating of B with stable and positive outlooks respectively *
- Egypt is hosting the 2019 African Cup of Nations, signaling for political stability & reviving tourism

OUTLOOK IMF 2023



In spite of intensified competitiveness, Telecom sector continue to provide growth opportunities



Market Attractiveness

The Egyptian telecom industry witnessed Eᄢ & Orange capital injections in 2018 reaffirming investors' confidence in the Egyptian market



Mobile Market Growth

Mobile market sustains strong growth (~16% in 2018) outpacing overall GDP and many other industries



Youth

Egypt's mass population of youth is one of the main growth pillars for telecom, Eᄢ is the 1st operator in Egypt to launch a full digitally customizable tariff gaining traction among youth



Digitization

Digitization became one of the main enablers & opportunities in the market. Eᄢ building its digital capabilities to enhance its OpEx and CapEx structure, while driving new revenue streams. i.e. IT Virtualization reduced OpEx/CapEx by ~84%- Eᄢ use case



LTE

LTE significant and healthy traffic growth in the market. Eᄢ data traffic¹ grew by 52% in 2018)



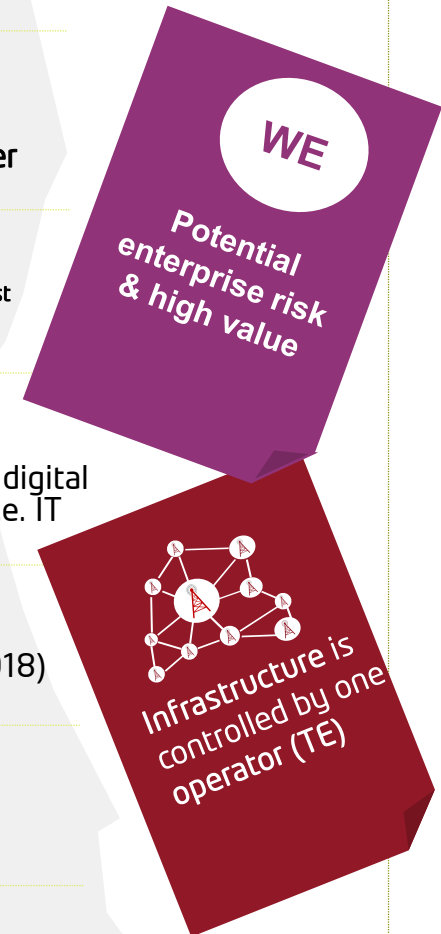
Enterprise

Enterprise market growth of ~19% in 2018 (Eᄢ EBU growth ~ 30% mark in 2018 vs 17% in 2017) supported by country's mega project and micro Finance Initiatives.



Adjacencies

Opportunity to export ICT services, business process outsourcing, mobile money services (Eᄢ transactions and value increased by 30%, ~150% in 2018), & national roaming.



¹ Eᄢ data traffic incl. Ml, ADSL, MBB, & NR



COMPETITION LANDSCAPE

EM leadership across key market KPIs



Value
Share

EBITDA
Margin



16 %
REVENUE
GROWTH



9 %
REVENUE
GROWTH ¹



16 %
REVENUE
GROWTH



~EGP 0.9 bn
MOBILE
REVENUE ¹

2018 2017



27.6%



40%

27.7%

41%



27.8%



32%

26.2%

29%



44.4%



45%

44.3%

44%



0.2%



NA

1.8%

NA



Focus on **Customer Growth** through **differentiated** and **segmented** offerings, while building **adjacent revenue streams**

Capitalizing on **rebranding** to retrieve its market **position with more focus on data**

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

Hammers on **1st national brand**, **1st integrated operator** (fixed & ADSL bundling), and **competitive mobile internet prices**

¹ Q4 estimated for Orange, WE revenues estimated

Sources: EM 2018 Financials | Vodafone release | Orange release till Q3

REGULATORY ENVIRONMENT: EM engages the external environment in a focused and effective way

Interconnect Legal Disputes

EM won arbitral award against Vodafone



- Winning the arbitration case against **Vodafone** with above EGP 750 M (including application of interests) in addition to favorable interconnection rates

Sales Tax Adjustment

Settlement with Tax Authorities



- Reaching a final **settlement with tax authority** regarding a pending disputes from 2012 till 2016

EM & TE strategic Cooperation

NR updated agreement



- EM and TE signed a new **NR agreement (extended till 2022)** while remaining the sole provider for NR

Fixed Voice Agreement

Comprehensive Telecom Offering











- Signing the fixed agreement allowing EM to provide **total telecom offering** in the Egyptian Market



- EM filed an **annulment lawsuit** and **blocked the enforcement of orange arbitral**

EM COMMERCIAL PERFORMANCE: Maintained our strong performance in consumer and enterprise segments while leading the way to digital transformation

Enablers		Performance				
<div>Consumer</div> <div></div>	Increasing uptake of well positioned segmented market platforms contributing to robust growth	<div>Mass (Micro commitment)</div> <div></div> <div>22%</div> <div>TOTAL OUTGOING REVENUE CONTRIBUTION</div>	<div>Youth</div> <div></div> <div>31%</div> <div>REVENUE GROWTH</div> <div>Dec'18 vs Dec'17</div>	<div>Young Professionals</div> <div></div> <div>29%</div> <div>REVENUE GROWTH</div>	<div>High Value</div> <div></div> <div>24%</div> <div>REVENUE GROWTH</div>	<div>10%</div> <div>CONSUMER REVENUE GROWTH</div> <div><div>1st HYBRID FAMILY PROPOSITION</div><div>JAN 2019</div><div></div></div>
	<div>Enterprise</div> <div></div>	Enterprise sales transformation efforts along with distinct propositions accelerated growth year-on-year <div><div>Enterprise Revenue growth rate</div><div>%, year-on-year</div><div><div><div>2017</div><div>17%</div></div><div><div>2018</div><div>30%</div></div></div></div> <div><div><div>▪ EBU segment showing an accelerated growth of 30% driven by SMB & connectivity</div><div>▪ Sales focused on the fundamentals; acquiring new SMEs, large accounts, and farming in existing accounts</div></div></div>	<div></div> <div>33%</div> <div>GSM REVENUE GROWTH RATE</div>	<div>30%</div> <div>EBU REVENUE GROWTH</div> <div>27%</div> <div>CONNECTIVITY REVENUE GROWTH RATE</div>		

EM DIGITAL PERFORMANCE: EM's digital transformation technology tracks

Enablers

Performance



Digital Touch points

- My Etisalat App
- Web dashboard
- I-pipe self care



Digital purchases

- M-commerce & e-shop



Digital CVM

- I-Pipe & RTIM



Rich content

- Sports, Music & Games



2018
47 %
UNIQUE
DIGITAL
USERS
GROWTH



2018
150 %
WALLET CASH
GROWTH



2018
108 %
E-SHOP REVENUE
GROWTH

**1st TO
MARKET**
REAL-TIME CVM

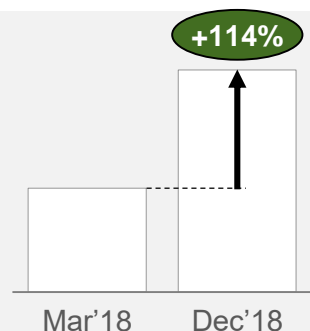
Branded Platforms,
Base reached at Dec'18

etisalat **5.3** mn base
sports

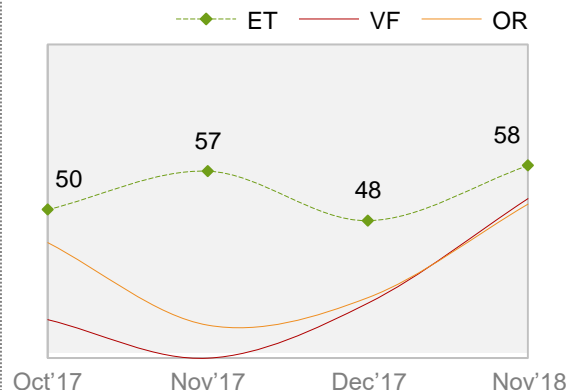
etisalat **2.4** mn base
music

etisalat **7.2** mn base
games

**Engaged
Customers, CVM**
platform, Daily Users,
thousands



Mobile App TRI*M
Score,



- **Leading digital trim indices**

- **EM Mobile App is the best rated Operator "App" :**

 **4.5**

 **4.3**

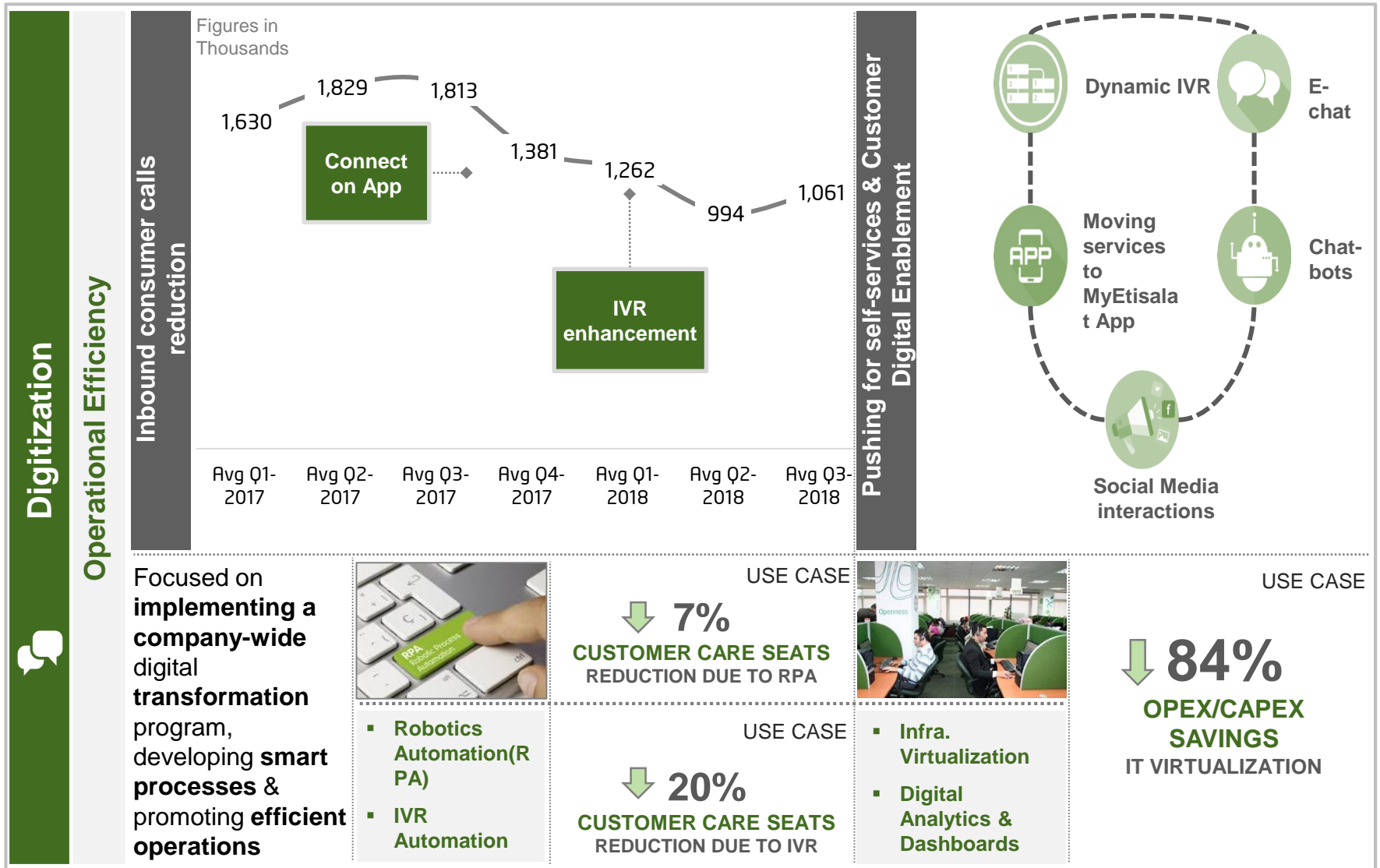
Digitization



Customer Experience

Focused on **building** digital capabilities, phasing **uptake** & **extending** digital across all platforms

EM DIGITAL PERFORMANCE: Our digital activities are paying off (Reduction On Call Center Demand)



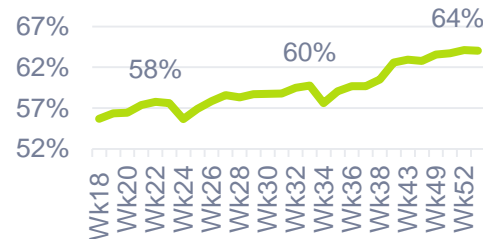
EM NETWORK CAPABILITY: 4G network offering superior customer experience with noticeable yield enhancement



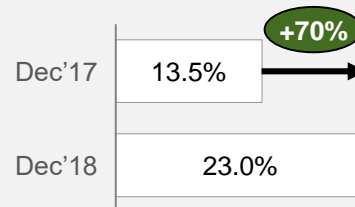
Network Performance

- Total sites in 2018 reached **7,414 sites**
- Total **expansions** of **3G/4G** reached **6,516** with **growth** of **~49%** over 2017
- 4G Throughput** reached **~23 MBPs**

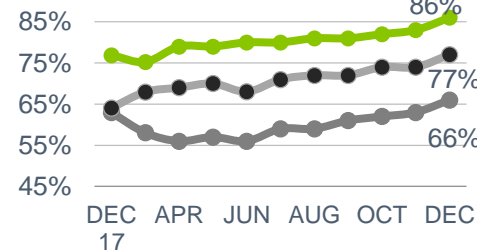
4G Continuity , 2018, % (4G usage % on 4G handsets)



LTE Handset Penetration , 2018, %



LTE penetration % (Street pulse vs. Competition)



Investment Appetite

- EM plans to invest **~EGP9 bn** in the coming **3 years** to cater for **data growth** and to **enhance customer experience**



2018

6,516

**3G/4G
EXPANSIONS**

2017

4,383



2018

23 mbps

**4G
THROUGHPUT**

2017

21.8 mbps



2018

52 %

**DATA
TRAFFIC
INCREASE**



2018

50 %

**CAPEX
REDUCTION
PER SITE**



2018

20 %

**4G
ARPU
GROWTH**



2018

4.5 %

**DATA
CUSTOMERS'
GROWTH**

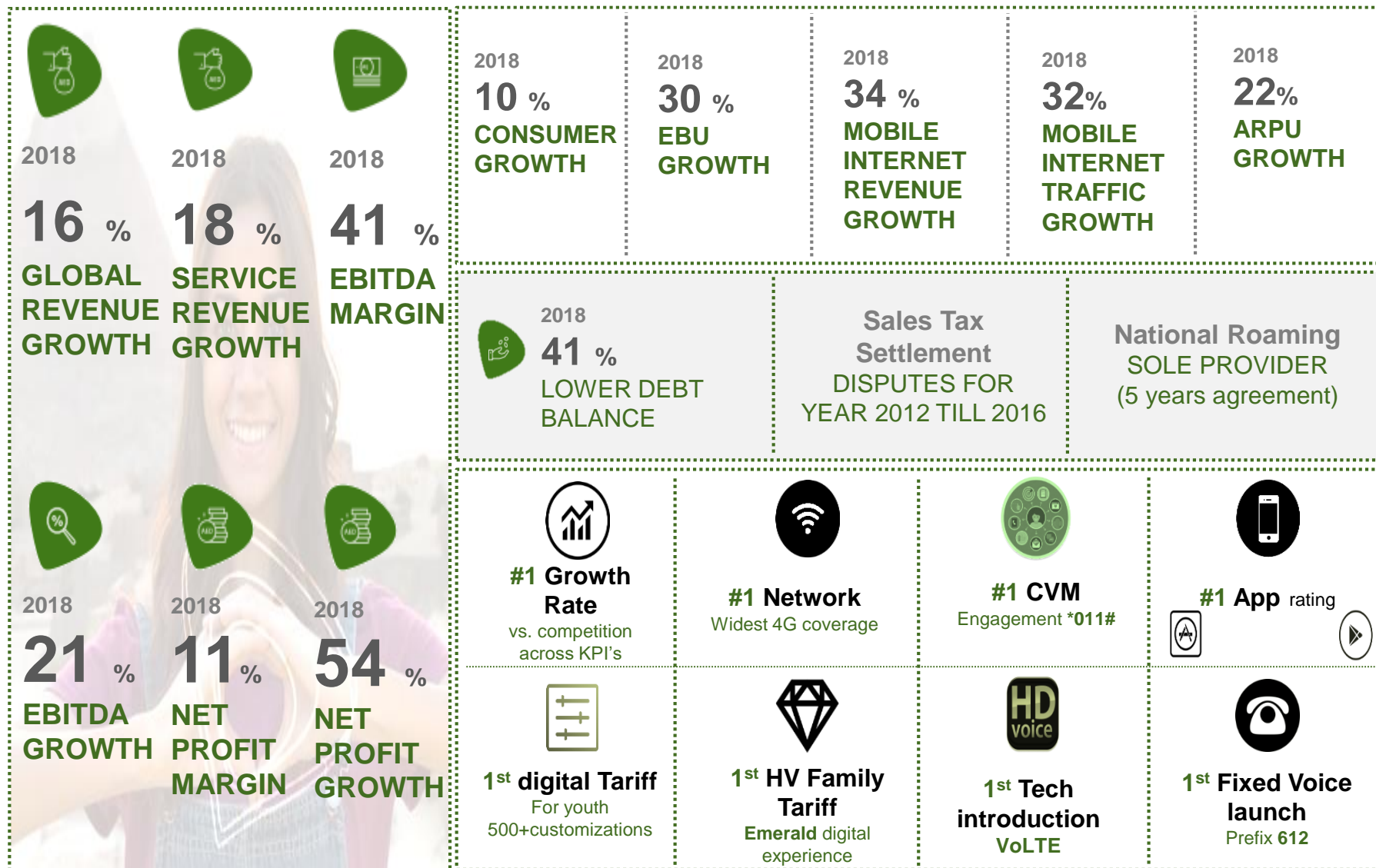


2018

1.0

**DATA
YIELD
2017
0.4**

EM 2018 PERFORMANCE: Rigorous operation is our main lever to deliver sustainable great results



Way Forward....

SHAREHOLDERS

- Continue **delivering value to shareholders** despite challenging market conditions & increasing competition, focusing on **cash flow & dividends**

ENVIRONMENT

- Management **focus on allocating efforts** and appropriate **resources** to manage & interact effectively with **external environment**

WIN CUSTOMER

- Continue our **4G superiority**; investing in **rollout, continuity & throughput**
- Reliable network & aggressive rollout** guided by areas of opportunities & business needs
- Continued emphasis on **segmented platforms** focusing on **MI**

PEOPLE

- EM** ensures its **position as the top employer** through: Reward & benefits market competitiveness, Workplace environment enhancement, and drive engagement & collaboration to boost efficiency & productivity

DIGITIZATION

- Positioning Etisalat as “**The Digital Brand**” of the future capitalizing on our superb customer experience & differentiated digital offering

CONVERSION

- Offer fully integrated **fixed & mobile services**
- Achieve unprecedented **Enterprise** growth focusing on **core solutions & long term strategic projects**

ADJACENCIES

- Support government in its transformation initiatives (**Financial inclusion, New capital, technology parks, etc...**)





Q&A



Closing Remarks

Saleh Al-Abdooli

Group Chief Executive Officer



Thank You

**Etisalat's financial and corporate
information in one click**

Introducing Etisalat Investor Relations App



ETISALAT GROUP INVESTOR RELATIONS

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