



المصرية للاتصالات Telecom Egypt



MARKET

As Egypt's only fixed line network, Telecom Egypt continues to sit in an enviable position at the heart of the Egyptian telecommunications market. They are continuing to serve the Egyptian market with subscriber numbers in Egypt growing to be over 11.7 million. This is still one of the largest numbers of fixed line subscribers in the Arab world, Middle East and Africa. They also provide connectivity to mobile operators and control all of the wholesale internet business. A well-functioning telecommunications sector is a critical component of any national economy and will continue to underpin the development of Egypt in the global market.

The main purpose of the company includes establishing a communication network, providing communication services and operating and maintaining the network, equipment and machinery necessary to provide the services.

Despite the increase in telecommunications activity they continue to have excess capacity in their network giving them significant opportunity to service the growing market.

Telecom Egypt has been corporatised since 1998 and became a private company fully owned by the state. In December 2005 20% of Telecom Egypt shares were sold by the Egyptian government, represented by the Ministry of Communications and Information Technology, to retail and institutional investors across Egypt, the Middle East and internationally. The offering, which was the biggest international offering out of the Middle East and North Africa to date, expanded Telecom Egypt shareholder base to include over 250,000 investors across Egypt, the region, Europe and the US.

ACHIEVEMENTS

One of their great achievements is the new website www.telecomegypt.com.eg that was launched in 2009. The site introduces simpler

structure and navigation, greater access to information and enhanced interactivity (on-line billing and service activation) etc.

Telecom Egypt also launched a number of initiatives to increase its landline subscriber base. For example, for the first time in its history, towards the end of 2008, Telecom Egypt offered its customers a new line with all installation fees waived.

Telecom Egypt's tariffs were rebalanced in July 2008 in order to improve competitiveness on the national and fixed-to-mobile level. In parallel, activation fees for new lines were reduced to stimulate new subscriber growth.

Telecom Egypt also upgraded many of their commercial offices to "Phone Boutiques", bringing a more efficient and satisfying experience to customers visiting their stores. Their customers have also been given easier and improved alternatives to report and track their faults, through the introduction of fault reporting services in their commercial offices as well as an upgrade of processes in their fault clearance centre.

Telecom Egypt significantly expanded its sales channels by signing an indirect distribution deal with RadioShack, potentially adding approx 150 POS and expanding presence of TE Data to 21TE Centrals across Egypt.

HISTORY

Telecom Egypt was established in 1854 and has more than 150 years experience of offering distinctive services in the Egyptian market.

1854 - 1883: Launch of the first telegram line connecting Cairo and Alexandria and installation of the first telephone line between both governorates. The company also extended telephone lines to Port Said, Ismailia and Suez, serving 50 subscribers.

1918 - 1957: The Egyptian Government acquired the Eastern Company and turned it into

the Telephones and Telegram Authority while the number of telephone lines in Egypt reached 62,000. It was later declared the Arab Republic of Egypt National Telecommunications Organisation.

1975 - 1985: The car phone service was launched along with the first microwave network between Cairo, Alexandria and Al Salloum to interconnect Egyptian provinces. This period also witnessed the installation of the first satellite earth station in the Cairo suburb, Maadi, with an initial capacity of 120 channels and the installation of the first fibre optic cable to interconnect telecom exchanges in Cairo.

1989 - 1996: Installation of the first Data Network in Egypt and the inauguration of the first mobile telecom network in Egypt applying GSM technology.

1998: Transforming ARENTO into "Telecom Egypt", an Egyptian joint stock company.

2002 - 2004: The launch of free Internet in Cairo, which was extended to all Egyptian provinces. The Opening of the largest Call Centre served Telecom Egypt's customers across all governorates.

2005 - 2006: The initial public offering of 20% of the company's stock to individual and institutional investors was started by the Egyptian Government. Also Telecom Egypt signed a strategic cooperation agreement with Vodafone Egypt Company, extending and expanding an earlier deal between the two operators.

2006 - 2007: Telecom Egypt's internet subsidiary TE Data launched the first IP-TV based entertainment service in Egypt. Telecom Egypt also signed a contract with the India-Middle East-Western Europe (IMEWE) Submarine Cable System through TE Transit Corridor.

2008: Telecom Egypt brought its shareholding stake from 44.79% to 44.95% in Vodafone Egypt. TE Data, as Telecom Egypt's subsidiary, launched entry-level broadband offer at 45 LE/month.



PRODUCT

Telecom Egypt has vigorous and ever-expanding quality networks that provide the finest services and solutions available in the country and worldwide. It was on account of these assets that Telecom Egypt has, over the years, received many accolades from top experts and opinion leaders in the industry and beyond. Telecom Egypt gets its customer moving through a wide range of services on both business and residential levels to satisfy all telecommunication market needs.

Networks are one of the key factors for fixed operator success and one of the pillars to Telecom Egypt future strategy. Telecom Egypt always invests in its network to make it a state-of-the-art network that provides all kinds of services, not only for today but also for the future. Telecom Egypt divided the market into two main segments (business and residential), but due to market changes they have focused on the real estate market that lead them to provide most of the new compounds with FTTH technology called 'Smart Home' that can provide all 'IP' services such as :

- Telephony (IP, Pots and centrex)
- Internet services (Web, Email and Hosting)
- TV and home automations (TV channels, Video on Demand, Video Gaming, Security, Surveillance and Home automation).

Telecom Egypt also offers a large set of wholesale solutions such as:

Hosting: Telecom Egypt offers flexible and scalable space option for all collocation needs with redundant facilities that are energy-efficient and that ensure 99.999 % network availability. These flexible options create a cost-effective infrastructure model to suit enterprises of all sizes and scales.

Internet Transit: They provide international and local ISPs with internet connectivity, through their internet nodes and IP backbone. The service provides highly reliable internet connections within Egypt and with the international connectivity with a high quality of service and low cost.

MPLS IP-VPN: It offers fully managed end-to-end reliable and cost-efficient connectivity to share voice, data and video traffic between multiple sites of enterprises. It offers high performance

efficient connectivity are key elements of thriving Telecom Egypt bandwidth services.

RECENT DEVELOPMENTS

Spanning more than 3,000 km Telecom Egypt North is one of the largest cable systems in the world in terms of density. The project will increase the service footprint of the existing Telecom Egypt Transit Corridor by building a private submarine cable system that links Egypt to France, enabling them to capture a portion of the non-serviced demand for IP traffic capacity from Asia and India into the West and vice versa.

Crucially, TE North will also lower the cost point for international bandwidth for Telecom Egypt and its subsidiaries.

TE Data was selected to design, implement and operate broadband wireless outdoor metropolitan area networks as part of a project aimed at improving and expanding Internet connectivity within Egypt and promoting Egypt's "high-tech" image within the tourism sector. "The While in Egypt Stay Connected" project is sponsored by the Ministry of Communications and Information Technology (MCIT), the National



connection to internet, intranet and extranet systems.

Bandwidth:

It presents a dedicated, end-to-end digital link between a location in Egypt and other international destinations. The service delivers integrated communications for voice, data, images and multimedia contents. Global reach via terrestrial fibre links and submarine cables and instant,

Telecom Regulatory Authority (NTRA), and managed by the United States Agency for International Development (USAID) through Emerging Markets Group (EMG) as the prime contractor for this project.

TE Data has launched its network in Luxor with sixteen Wi-Fi access points through WiMAX CPEs' backhauled offering free access covering almost seven km of the Nile Corniche, connecting users at 256K in hotels, Nile cruise ships as well as in public area such as outdoor cafes, the Train Station and historical areas such as Luxor and Karnak Temple.

PROMOTION

To maintain customers' loyalty Telecom Egypt provides them with customised services and promotions while presenting maximum value for money. Services and promotions are well planned and based on an effective segmentation exercise to enable better customer understanding through grouping customers' segments and deeply studying their profile exploring hidden needs and demands. The latest promotions included:

Upper Egypt Promotion: for all Upper Egypt residents, customers can enjoy 50% discount on installation fees, a telephone set with screen (wire or wireless), and three months free subscription to Caller ID service.

Short Number (19xxx & 16xxx): for all companies and enterprises, Telecom Egypt offered: 1- Installation offer: subscription to this service will be paid for first year in four equal installments + 10% discount for the first installment for the first year only, or 2- Cash offer: 15% discount on subscription for the first year only + two-business landlines free.

PRI: 40 % discount on installation fees. ISDN PRI provides 30 channels of ISDN each operating at 64 Kbps. Customer can bond the channels together to achieve 2.048 Mbps. It offers high speed Internet access for fast file transfer, voice or data services or with an ISDN compatible phone system PBX for voice calls.

BRAND VALUES

Telecom Egypt is the only company in Egypt that connects the whole country. It is one network uniting us.

Brand Core Values are:

- Leadership
- Modernity
- Egyptian
- Honest
- Professionalism
- Friendliness and accessibility

Things you didn't know about Telecom Egypt

TE Data is one of the largest Telecom Egypt's subsidiaries; it is the Internet Service Provider market leader in Egypt.

TE Data was established in 2001 by Telecom Egypt to function as its data communications and Internet arm.

TE Data's portfolio includes narrowband and broadband Internet access services, managed dedicated Internet access services, IP VPN connectivity services and global connectivity services.

Superbrands