TeleGeography

GlobalComms Database

Saudi Telecom Company (STC)

Summary Data

Home country:	Saudi Arabia Wireless profile Broadband profile Wireline profile
Wireless subscribers (Sep 2012):	26,500,000
Quarterly growth:	1.9%
Market share:	47.9%
Broadband subscribers (Sep 2012):	900,000
Quarterly growth:	2.9%
Market share:	40.0%
Total lines (PSTN) (2011):	4,200,000

Company Overview

Headquarters Address

Saudi Telecom Company (STC)

PO Box 87912
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Saudi Arabia
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http://www.stc.com.sa

Ownership

Saudi Telecom Company (STC) is owned by the Saudi government (70.0%, following a part-privatisation in 2003), domestic investors (16.4%), the Public Pension Fund (6.6%) and the General Organisation for Social Insurance (7.0%). At end-June 2012 STC had a market capitalisation of USD20.7 billion, the sixth largest of any Middle Eastern company.

Operational Overview

Saudi Telecom Company (STC) was established in 1998 as the state-owned provider of all public telecoms services in Saudi Arabia, enjoying monopolies in its domestic mobile and fixed markets until 2005 and 2009, respectively, whilst it was partially privatised in 2003. With domestic competition toughening rapidly, since 2007 STC has switched its primary focus to foreign expansion, setting a target of generating 10% of revenues through international operations by end-2010, a goal it comfortably exceeded two years early in 2008, by which time its overseas subsidiaries earned 22% of its annual sales. More than 32% of revenues came from international units by 2011, with STC having expanded to nine countries, including Turkey, Bahrain, Kuwait, Malaysia, Indonesia, South Africa and India. Several of STC's strategic investments have been entered into via non-majority stake purchases, but the firm has looked to convert these to controlling stakes where possible. In mid-2007 the Saudi group spent USD3 billion on a minority stake in Binariang, the indirect owner of Malaysian cellco Maxis Mobile, which also gave it an interest in Maxis' Indonesian cellular arm Axis (formerly NTS). STC subsequently increased its share of the Indonesian firm by 29.1% to 80.1% in April 2011, allowing it to fully consolidate Axis into its group reporting that quarter. Maxis also holds a stake in Indian cellco Aircel. Elsewhere, in January 2008 STC invested USD2.6 billion in a 35% stake in Oger Telecom, the Lebanese-controlled firm which has interests in Turkey (Turk Telekom) and South Africa (Cell C), plus a couple of internet operations – branded Cyberia – in Lebanon and Jordan. By end-June 2012 the group's global proportionate wireless subscriber base was calculated at 56 million, roughly half of which comes from Saudi Arabia.

In its domestic market, STC is fighting to stay at the forefront of competitive, technologically cutting-edge services, and in September 2011 it launched a commercial 4G Long Term Evolution (LTE) mobile broadband network, which by May 2012 had been expanded to 38 cities, with the firm looking to achieve coverage of 65% of the population by the end of that year. In the same month STC announced plans to extend the reach of its direct fibre-based high speed internet services to more than 500,000 homes by the end of 2012, rising to two million premises by end-2013. It is also making its mark in its other, less well established Middle Eastern markets, including Kuwait, where its local unit launched mobile services under the Viva brand behind schedule in early 2008, but soon acquired a significant slice of the market, and upgraded its services with the launch of an LTE network in December 2011. STC's Viva Bahrain operation opened its doors to customers more recently, in March 2010, and has been a resounding success, stealing customers from the incumbent cellcos and outperforming predictions despite an already-saturated market; aiming to be amongst the 4G leaders in that country too, as of August 2012 Viva offered a demonstration LTE network to the Bahraini public.

In October 2011 STC revealed plans to make more acquisitions, again focused on the Middle East, during 2012, to take advantage of what it termed a buyer's market. The company stated that it was looking at entering countries in the region where there exists 'a good opportunity and a reasonable outlook on stability', adding that it was looking to gain a foothold in fixed broadband segments alongside mobile voice/data services. However, the first acquisition opportunity of 2012, in January that year, came to nothing when STC pulled out of the running for Iraq's fourth national mobile licence. Looking at other possibilities in the region, in March 2012 the CEO of international operations at STC, Ghassan Hasbani, said that his company maintained an interest in bidding for a mobile concession in Lebanon, if the country ever finalises the long-delayed privatisation of its cellular sector.

STC posted revenue of SAR14.6 billion (USD3.90 billion) for the second quarter ending 30 June 2012, up 4.9% year-on-year, while operating income rose 13.5% year-on-year to SAR3.2 billion and net profit grew 6.6% to SAR2.4 billion. The strong results were driven by increased sales from international operations as well as soaring demand for broadband services in its domestic market. Looking at full-year results, STC reported a decrease in net income for FY2011, from USD2.51 billion the year before, to USD2.04 billion, which it attributed in part to the drop to foreign currency exchange losses, while its annual EBITDA climbed steeply, from USD3.63 billion in 2010, to USD5.36 billion in 2011, on consolidated revenues that rose from USD13.79 billion to USD14.99 billion.

Wireless Operations

Saudi Telecom Company (STC) took over the mobile operations of the Ministry of Post, Telegraph and Telephone (MoPTT) in May 1998, when the government moved to separate the agency's regulatory and operational functions. STC offers a range of post-paid tariffs under the umbrella of its 'Al Jawal' brand and added pre-paid SIM services under the banner 'SAWA' in April 2002. The firm held a monopoly on the provision of nationwide mobile services until May 2005 when Mobily, backed by Etisalat of the UAE, launched its own GSM service. STC's network consists of around 11,000 base stations covering around 97% of the population.

Despite the advent of competition and strong growth from both Zain and Mobily, STC maintains a dominant position in the mobile sector, controlling 47% of all subscribers at the end of June 2012 with an estimated subscriber base of 26.25 million. The company's success is attributed in large part to the success of pre-paid services in the country and the benefit of having an established brand such as SAWA offering non-contract services when competitors came to the market. STC, however, is keen to point out that while it is happy with the success of its pre-paid offering it still considers SAWA to be a stepping stone to post-paid services.

In preparation for the arrival of competition following the publication of Decision No. 171 in September 2002, STC set about upgrading its networks and service portfolio. In 2004 it deployed GPRS technology and began to offer WAP services. MMS was introduced in May 2005, and later that year commercial EDGE services were switched on, and subsequently expanded virtually nationwide in 2006. As the market reached 100% penetration levels, the incumbent began to focus its efforts on introducing value added services (VAS) designed to migrate users of SAWA pre-paid products onto post-paid plans. These options included GPS services and a push-email service, launched in September 2007. In October 2008 STC established a new mobile content services company in partnership with Astro All Asia Networks of Malaysia and Saudi Research and Marketing Group. The company continued to push for pre-paid to post-paid migration in July 2009 when it announced that 2G SAWA customers could upgrade to a 3G post-paid plan, whilst keeping the same number, without having to pay any additional fees.

3G services were first introduced in June 2006 over a network supplied by Huawei Technologies of China. STC boasted the largest next generation network in the Middle East at the time of launch, with 500 base stations installed and a total of around 1,000 planned. STC also introduced HSDPA-based 3.5G services in certain areas, beginning the following month, with equipment supplied by Finnish firm Nokia, ahead of a wider rollout across the country. In July 2006 Nokia (now Nokia Siemens Networks – NSN) was selected to supply STC with radio network equipment, including its transmitters, plus additional HSDPA software, operational support and optimisation services. By October 2012 all major towns and cities were covered by the 3G/3.5G networks, which received an additional upgrade in selected areas in January 2009 with the deployment of HSUPA technology, enabling maximum theoretical upload speeds of 2Mbps. High speed mobile services are offered under the 'QuickNet' banner.

In September 2009 STC awarded Huawei a contract to upgrade parts of its 3G/3.5G networks with HSPA+ technology. Huawei initially deployed the upgrade in Dammam, Al-Khobar and the country's Northern region, before eventually deploying in other main cities. The HSPA+ network boosted download speeds to a peak of 21.6Mbps. In January 2011 STC teamed up with Novatel Wireless to launch the country's first commercial dual-carrier (DC) HSPA+ network. Utilising Novatel's 'Ovation MC545' modem, the DC-HSPA+ network gave STC's 3G subscribers access to transmission speeds of up to a theoretical maximum of 42Mbps. At launch the network was available in eight cities across the Kingdom and coverage had been expanded to all major cities by October 2012.

In February 2010 STC picked Ericsson for the deployment of its Long Term Evolution (LTE) 4G network, and a month later contracted Alcatel-Lucent for an end-to-end trial of the technology, to begin in the second half of 2010. Under the second deal, Alca-Lu provided LTE base stations (eNodeBs), the Evolved Packet Core (EPC), IP service routing network elements as well as operation, administration and maintenance (OAM) systems. Then, in April 2010, STC selected Huawei to supply kit for the LTE network deployment. The first phase of the project achieved peak downlink data rates of up to 100Mbps per user with pre-commercial LTE datacards in the field, with the network covering major metropolitan areas such as Riyadh and Dammam.

In September 2011 STC announced the launch of commercial LTE services in the Kingdom, one day after rival mobile operator Mobily inaugurated its own LTE network; both operators claimed to be the first cellco in the Middle East and North Africa (MENA) region to launch a full-blown commercial service based on LTE technology. Key locations such as Riyadh, Jeddah, Dammam, Jubail, Alkhobar and Al-Ahsa were first in line for deployment, with STC adding around 200 base stations in five further cities – Makkah, Madinah, Abha, Khamis Mushayt and Dhahran – in November 2011, taking the total number of base stations deployed to 600. In May 2012 STC added coverage at around 1,500 sites to give it coverage in 38 cities in total. The operator plans to be offering 4G coverage across 65% of the Kingdom by the end of 2012, rising to 95% by end-2014.

In February 2012 STC awarded a further LTE equipment contract to Ericsson. Under the contract, Ericsson will also manage and operate the new 4G infrastructure, adding to the managed services agreements the vendor has for STC's 2G and 3G networks. The following month, STC contracted NSN to expand its nationwide 4G network and upgrade its 2G and

3G infrastructure. NSN is deploying its 4G radio network infrastructure across 2,500 STC sites over the next two years, as well as modernising STC's GSM and 3G networks to its Single RAN (radio access network) platform based on the Flexi Multi-radio Base Station. The Finnish vendor is also providing its FlexiPacket Microwave transport platform and its NetAct network management system to support STC's GSM, 3G and 4G networks.

Wireless Networks

Generation	Platform	Evolution	Frequency	Launch	Status	Network Details
2G	GSM	None	900	Jan 1996	Live	Oct-12: 97%
2.5G	GSM	GPRS	900	Nov 2004	Live	Oct-12: 97%
2.5G	GSM	EDGE	900	Mar 2005	Live	Oct-12: 97%
3G	W-CDMA	None	2100	Jun 2006	Live	Oct-12: ~92% of populated areas and highways
3.5G	W-CDMA	HSDPA	2100	Jul 2006	Live	Oct-12: most major towns and cities
3.5G	W-CDMA	HSUPA	2100	Jan 2009	Live	Oct-12: most major towns and cities
3.5G	W-CDMA	HSPA+	2100	Sep 2009	Live	Oct-12: 15 cities incl. Riyadh, Jeddah, Dammam, Mecca, Al-Khobar
3.5G	W-CDMA	DC-HSPA+	2100	Jan 2011	Live	Oct-12: all major cities (Jan-11: 8 cities)
4G	LTE	None		Sep 2011	Live	Jan-13: ~2,500 base stations across more than 38 cities. Approx. 65%. Plans 90% by end-14

3G/4G Licences

	Price Paid		Term	Licence	Block (MHz)		Frequency Range (MHz)	
Type	(USD million)	Date Issued	(Years)	Name	Paired	Unpaired	Paired	Unpaired (within)
W-CDMA	200.9	Jul 2005			2x15MHz	1x10MHz	within 1920-1980, 2110-2170	within 1900-1920, 2010-2025

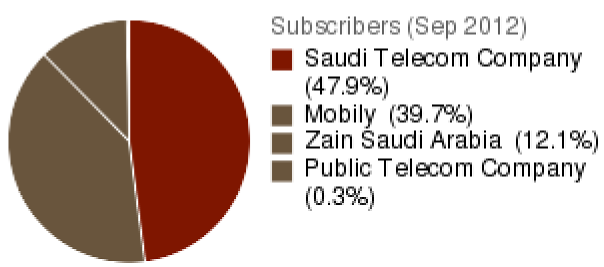
Wireless Quarterly Statistics – Group

	Sep 2011	Dec 2011	Mar 2012	Jun 2012	Sep 2012	Dec 2012
Total Subscribers	49,712,417	52,988,366	54,641,085	55,817,466	56,844,207	
3G Subscribers	10,445,888	11,189,022	11,943,219	12,530,773	13,216,678	
4G (LTE) Subscribers	1,000	2,000	3,000	8,000	10,000	

Wireless Quarterly Statistics

	Sep 2011	Dec 2011	Mar 2012	Jun 2012	Sep 2012	Dec 2012
Total Subscribers	24,500,000	25,000,000	25,500,000	26,000,000	26,500,000	27,189,000
Market Share (%)	44.2	46.3	47.3	46.9	47.9	0.0
3G Subscribers	6,000,000	6,100,000	6,200,000	6,300,000	6,400,000	
4G (LTE) Subscribers	1,000	2,000	3,000	8,000	10,000	

Subscriber Market Share by Operator



Total Country Subscribers (Sep 2012): 55,364,110

Broadband Operations

Saudi Telecom Company (STC) was created in May 1998 when the Ministry of Post, Telegraph and Telephone (MoPTT – since renamed the Ministry of Communications and Information Technology [MCIT]) separated the operation of the PSTN from its regulatory functions. Just a few months after the company's inception, internet service providers (ISPs) began to offer the country's first dial-up internet services across the incumbent's network infrastructure. In 2001 STC introduced the Kingdom's first DSL-based services since when it has maintained a dominant position over the broadband internet market.

STC's residential internet customers are served by its post-paid wireline division Al-Hatif, or its pre-paid option Saudinet. Beginning in the last quarter of 2006, the firm improved its range of residential ADSL speeds, with 4Mbps the top download rate available at the time, and by mid-2011 offered 1Mbps, 4Mbps and 20Mbps options (with an unchanged line-up of package speeds at October 2012). In March 2009 STC cut its internet tariffs by up to 70%, a move believed to have been prompted by the impending arrival of three fixed line operators to the Saudi market, namely Al-Mutakamilah Company, Optical Communications Company (OCC) and Etihad Atheeb (GO Telecom) – the last named of which has now launched. The introduction of faster services and lower costs has spurred growth in the sector; by the end of June 2012 STC had an estimated 875,000 broadband subscribers, up from 775,000 a year earlier.

In October 2009 Alcatel-Lucent was hired to extend and upgrade STC's existing broadband networks to reach an additional two million residential and corporate customers by the end of 2010. Under the frame contract, Alca-Lu provided its packet optical transport solution for traffic aggregation and Ethernet business services, along with DSL and Gigabit Passive Optical Network (GPON) technology. The network upgrade was designed to bring triple-play services, including fixed line telephony, broadband and IPTV (see below), to underserved areas across Saudi Arabia. A further GPON contract was signed between STC and Alcatel-Lucent in November 2010.

At the end of July 2010 STC deployed state-of-the-art technology to allow for the introduction of advanced interactive TV services under the banner 'InVision'. The following month the telco launched commercial IPTV services over its xDSL network in the capital Riyadh and two other large cities, Jeddah and Dammam; by the time of writing (October 2012) the service was available in twelve cities. InVision packages include broadband-delivered subscription TV channels alongside a free-to-air line-up, video-on-demand (VoD) content, a catch-up TV facility, programme recording and other interactive features.

STC announced it was rolling out fibre-to-the-home (FTTH) technology in August 2010 – a first for the Kingdom – offering internet speeds of up to 100Mbps in many parts of the country. FTTH products were introduced in February 2011 and are marketed under the 'Verve' brand. At launch the FTTH service was available in Riyadh, Jeddah and Dammam, with plans to expand coverage to most of the Kingdom's cities; twelve cities were covered by October 2012. The telco's ultra high speed 100Mbps package costs SAR499 per month and also allows customers to enjoy InVision (IPTV) products and unlimited downloads each month.

Internationally, in August 2007 STC announced upgrades of its wholesale services for other ISPs, by increasing its international internet gateway capacity to above 10Gbps and introducing ISP discounts of up to 29%. STC switched on its Global Network (SGMN) in July 2010, marking another milestone in its long-term objective to establish extensive global network reach and to reinforce its position as the leading telecoms operator in the Middle East. In the latest initiative the telco launched new Points of Presence (PoPs) in Bahrain, Qatar, Kuwait, UAE, Jordan, India, the UK and Singapore, using support from affiliates in Bahrain (VIVA) and India (Bharti), and partnerships with Tier-1 operators and tele-houses in the other countries. The internet-enabled PoPs allow STC to offer high performance international wholesale IP transit services via extensive connectivity with internet access points, and various peering arrangements with major global carriers and backbone providers. Saudi Telecom says its Global Wholesale MPLS Service permits regional operators to provide their multi-national enterprise customers with comprehensive regional and global IP VPN solutions, managed router services (MRS) and other value added services (VAS).

Alongside its fixed broadband initiatives, STC has also been active in the wireless broadband arena. The telco contracted Redline as its WiMAX equipment supplier in October 2005 and launched fixed WiMAX services in March 2006, beginning in Riyadh, Jeddah and Dammam. The company holds a 3.5GHz licence covering the entire Kingdom, and in March 2007 STC selected Redline again to roll out a nationwide fixed-nomadic WiMAX network. At the same time, STC announced it had deployed Redline's RedMAX products in Riyadh, Jeddah and Dammam as part of the first phase of its mobile WiMAX network deployment.

In August 2007 the telco awarded Huawei Technologies a contract to build out WiMAX 802.16e infrastructure to provide mobile WiMAX coverage of all major cities. STC's WiMAX deployments were predominantly aimed at the business market, with the eventual goal being to enable broadband access to IP-VPNs in every city and community in the country. Airspan Networks also supplied equipment for the WiMAX rollouts, and in July 2008 the vendor announced that it had completed the first phase of its deployment with STC, and was progressing with the second stage incorporating the delivery of STC's first indoor and outdoor WiMAX subscriber units which support both fixed and mobile WiMAX.

By mid-2009 STC had 452 WiMAX base stations in operation, covering all major markets in the Kingdom, and reported around 2,000 WiMAX subscribers at that date, up from 1,200 three months earlier. Since then, however, it has scaled back its WiMAX operations as it looks more to Long Term Evolution (LTE) cellular equipment to fulfil its 4G wireless broadband needs, and WiMAX technology is not now among the services marketed at its website.

STC posted revenue of SAR14.6 billion (USD3.9 billion) for the second quarter ending 30 June 2012, up 4.9% year-on-year. Operating income rose 13.5% to SAR3.2 billion while net income grew 6.6% to SAR2.4 billion. The strong results came on the back of soaring demand for broadband services, the company said, as well as increased sales from its domestic business and wholesale services, along with higher revenue from international operations.

Broadband Networks

Access	Technology	Frequency	Launch	Status	Network Details
DSL	ADSL		2001	Live	Oct-12: 95%+ (est.)
WiMAX	802.16-2004	3500	Mar 2006	Shut Down	
WiMAX	802.16e	3500	Jul 2008	Shut Down	
LAN/FTTx	FTTH		Aug 2010	Live	Oct-12: twelve major cities

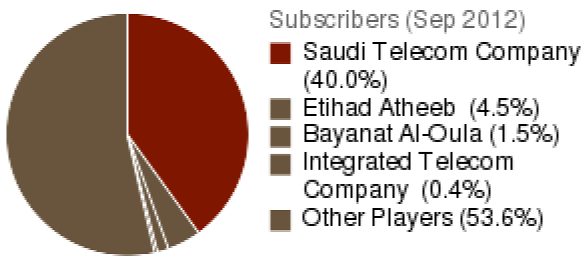
Broadband Subscription Plans

		Speed						
Access	**Product Name**	**Downstream**	**Upstream**	**Cap/ Limit**	**Set-up Fee**	**Monthly Cost**		**Date Observed**
DSL	Jood 2 - 1Mbps	1Mbps		Unlimited	SAR300	SAR199.00	USD53.04	Oct 2012
DSL	Jood 2 - 20Mbps	20Mbps		Unlimited	SAR300	SAR296.00	USD78.89	Oct 2012
DSL	Jood 2 - 4Mbps	4Mbps		Unlimited	SAR300	SAR249.00	USD66.36	Oct 2012

Broadband Quarterly Statistics

Year Ending: December	Sep 2011	Dec 2011	Mar 2012	Jun 2012	Sep 2012	Dec 2012
Retail Subscribers	800,000	825,000	850,000	875,000	900,000	980,000
Market Share (%)	38.6	38.9	39.4	39.8	40.0	
Fibre/LAN Subscribers					67,000	100,000

Retail Subscriber Market Share by Provider



Total Country Subscribers (Sep 2012): 2,250,000

Wireline Operations

Saudi Telecom Company (STC) was created in May 1998 when the Ministry of Post, Telegraph and Telephone (MoPTT – since renamed the Ministry of Communications and Information Technology [MCIT]) separated the operation of the PSTN from its regulatory functions. STC enjoyed a monopoly over the country's fixed line industry until June 2009, when market entrant Etihad Atheeb (EA) launched its first commercial services in Riyadh and Jeddah under the GO Telecom banner. Despite the lack of competition, Saudi Arabia's market has not stagnated, and customer figures have seen fairly consistent growth over the past decade, as a growing population has supported network expansion. The total number of fixed lines in service at STC rose marginally during 2011 to an estimated 4.2 million, up from 4.17 million twelve months earlier. With GO Telecom claiming 102,000 fixed subscribers in total by mid-2012, STC is still by far the dominant provider of wireline services. The company's basic fixed line service 'Al-Hatif' accounts for the vast majority of its fixed accesses.

Following the regulator's publication of Decision No. 171 in September 2002, which outlined the state's plans to open up the telecoms market to foreign direct investment (FDI) and liberalise the communications sector, STC ramped up its efforts to update and expand its networks and services. The incumbent embarked on a four-year investment programme which saw it deploy MPLS upgrades, introduce DSL-based broadband services and launch new value added services (VAS). In April 2004 STC, alongside 15 other national telecoms operators, signed an agreement to develop a submarine cable system stretching 20,000km from Singapore to France. With a capacity of 1Tbps, the SE-ME-WE 4 cable was commissioned in the third quarter of 2005. STC is also a partner in the I-ME-WE (India-Middle East-Western Europe) international cable system (landing at Jeddah) which entered full commercial service in December 2010, and is one of a number of regional telecoms operators backing the JADI link between the Middle East and Europe, that launched on 1 July 2010. The terrestrial fibre-optic connection covers a total length of 2,530km, of which 770km is in Turkey, 480km in Syria, 360km in Jordan and 920km in Saudi Arabia. STC switched on its Global Network (SGMN) in July 2010, marking another milestone in its long-term objective to establish extensive global network reach.

STC also slashed its domestic call tariffs in the run-up to market liberalisation, reducing all local and domestic long-distance rates by up to 50%, and introducing 'flat' national call tariffs to simplify pricing. In April 2008 STC launched a new flat-rate monthly call package, 'Jood', under which customers pay SAR99 a month for unlimited local and national calls, with discounts available on calls to international and mobile numbers. The introduction of competition also gave STC the opportunity to capitalise further on its wholesale offerings. In May 2009 the Communications and IT Commission (CITC) released the 'Regulatory Framework on Unbundling', under which STC is obliged to provide 'some form of interconnection deal' for a minimum period of five years, allowing rival operators to link into the local loop.

STC posted revenue of SAR14.6 billion (USD3.9 billion) for the second quarter ending 30 June 2012, up 4.9% year-on-year. Operating income rose 13.5% to SAR3.2 billion while net income grew 6.6% to SAR2.4 billion. The strong results came on the back of soaring demand for broadband services, the company said, as well as increased sales from its domestic business and wholesale services, along with higher revenue from international operations.

Wireline Networks

Local Access Type	Licence(s)
Wireline	Local, Long-distance, International

Wireline Annual Statistics

Year ending: December	2006	2007	2008	2009	2010	2011
Total lines (PSTN)	3,951,000	3,996,000	4,123,000	4,171,000	4,165,750	4,200,000

Financial Highlights

Group (Annual)

USD Millions	2007	2008	2009	2010	2011	2012
Total Revenue	9,183.9	12,651.8	13,526.1	13,802.5	14,835.3	15,824.0
Operating Expenses	5,820.9	8,946.3	10,124.1	10,875.8	11,857.9	12,825.2
Operating Profit	3,363.0	3,705.5	3,401.9	2,926.7	2,977.3	2,998.9
Net Profit	3,204.1	2,941.8	2,884.3	2,515.0	2,059.9	1,959.1
EBITDA	4,455.0	5,413.1	5,492.0	3,629.5	5,337.1	5,411.5
EBITDA Margin	48.5%	42.8%	40.6%	26.3%	36.0%	34.2%
CAPEX	2,221.4	4,338.5	4,244.6	2,844.9	2,088.8	2,342.2
CAPEX as a % of Revenue	24.2%	34.3%	31.4%	20.6%	14.1%	14.8%

Group (Quarterly)

USD Millions	Sep 2011	Dec 2011	Mar 2012	Jun 2012	Sep 2012	Dec 2012
Total Revenue	3,735.3	4,064.0	3,912.3	3,879.0	4,036.7	3,995.9
Operating Expenses	2,935.8	3,314.1	3,065.3	3,037.4	3,232.7	3,489.6
Operating Profit	799.6	749.9	847.0	841.6	804.0	506.3
Net Profit	416.4	607.1	671.9	641.7	520.7	124.7
EBITDA	1,385.4	1,338.1	1,432.3	1,431.4	1,400.2	1,148.0
EBITDA Margin	37.1%	32.9%	36.6%	36.9%	34.7%	28.7%
CAPEX	426.4	449.9	513.1	295.4	698.7	835.1
CAPEX as a % of Revenue	11.4%	11.1%	13.1%	7.6%	17.3%	20.9%

Profits for Q4 2012 negatively impacted by one-time charges/writedowns in South Africa (Cell C) and India (Aircel)

National Wireless

USD Millions	2008	2009	2010	2011
Total Revenue	7,497.9	8,009.6	8,407.3	9,297.5

USD Millions	2008	2009	2010	2011
Operating Expenses	4,033.1	5,211.1		
Operating Profit	3,464.8	2,798.5		
Net Profit	3,073.0	2,390.5	2,137.0	2,030.9
EBITDA	4,211.1	3,731.3		
EBITDA Margin	56.2%	46.6%		

National Wireline

USD Millions	2008	2009	2010	2011
Total Revenue	5,120.2	5,509.1	5,307.1	5,557.3
Operating Expenses	4,613.8	5,082.6		
Operating Profit	506.4	426.4		
Net Profit	375.8	350.7	392.8	112.6
EBITDA	746.3	666.3		
EBITDA Margin	14.6%	12.1%		

Group (Annual)

SAR Millions	2007	2008	2009	2010	2011	2012
Total Revenue	34,457.8	47,469.4	50,749.8	51,787.0	55,662.0	59,371.8
Operating Expenses	21,839.9	33,566.5	37,985.8	40,806.0	44,491.0	48,120.0
Operating Profit	12,617.9	13,902.9	12,764.0	10,981.0	11,171.0	11,251.8
Net Profit	12,021.7	11,037.8	10,822.0	9,436.3	7,728.7	7,350.4
EBITDA	16,715.0	20,310.1	20,606.0	13,618.0	20,025.0	20,303.8
EBITDA Margin	48.5%	42.8%	40.6%	26.3%	36.0%	34.2%
CAPEX	8,334.8	16,278.0	15,925.7	10,674.0	7,837.0	8,788.1
CAPEX as a % of Revenue	24.2%	34.3%	31.4%	20.6%	14.1%	14.8%

Group (Quarterly)

SAR Millions	Sep 2011	Dec 2011	Mar 2012	Jun 2012	Sep 2012	Dec 2012
Total Revenue	14,015.0	15,248.0	14,679.0	14,554.0	15,145.7	14,992.7

SAR Millions	Sep 2011	Dec 2011	Mar 2012	Jun 2012	Sep 2012	Dec 2012
Operating Expenses	11,015.0	12,434.3	11,501.0	11,396.3	12,129.1	13,092.9
Operating Profit	3,000.0	2,813.7	3,178.0	3,157.7	3,016.6	1,899.8
Net Profit	1,562.5	2,278.0	2,521.0	2,407.6	1,953.8	467.8
EBITDA	5,198.0	5,020.7	5,374.0	5,370.5	5,253.4	4,307.1
EBITDA Margin	37.1%	32.9%	36.6%	36.9%	34.7%	28.7%
CAPEX	1,600.0	1,688.1	1,925.0	1,108.4	2,621.4	3,133.3
CAPEX as a % of Revenue	11.4%	11.1%	13.1%	7.6%	17.3%	20.9%

Profits for Q4 2012 negatively impacted by one-time charges/writedowns in South Africa (Cell C) and India (Aircel)

National Wireless

SAR Millions	2008	2009	2010	2011
Total Revenue	28,132.0	30,052.0	31,544.3	34,884.3
Operating Expenses	15,132.0	19,552.0		
Operating Profit	13,000.0	10,500.0		
Net Profit	11,530.0	8,969.0	8,018.0	7,620.0
EBITDA	15,800.0	14,000.0		
EBITDA Margin	56.2%	46.6%		

National Wireline

SAR Millions	2008	2009	2010	2011
Total Revenue	19,211.0	20,670.0	19,912.3	20,851.0
Operating Expenses	17,311.0	19,070.0		
Operating Profit	1,900.0	1,600.0		
Net Profit	1,410.0	1,316.0	1,473.9	422.3
EBITDA	2,800.0	2,500.0		
EBITDA Margin	14.6%	12.1%		

Subsidiaries

Subsidiaries

			Wireline	Wireless		Broadband	
Country	Subsidiary Name		Lines/ Subs	Subscribers	Market Share	Subscribers	Market Share
							Ownership > 20%
Saudi Arabia	Saudi Telecom Company (STC)			26,500,000	47.9%	900,000	40.0%
Bahrain	Viva (Bahrain)			610,000	32.4%		
South Africa	Cell C			9,782,407	14.7%		
Turkey	Turk Telekom	Additional Subsidiaries				5,420,257	69.6%
Lebanon	Cyberia (Lebanon)						
Jordan	Cyberia (Jordan)						
Kuwait	Kuwait Telecom Company (Viva)			1,100,000	20.7%		
							Ownership < 20%
Malaysia	Maxis Communications	Additional Subsidiaries					0.0%
Indonesia	Axis Indonesia			17,550,000	6.5%		
India	Aircel			66,607,361	7.5%		

Wireline data: company financial year end 2012
Wireless and broadband data: Sep 2012

Country Presence

Company Directory

Addresses and Contacts

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Axis Indonesia

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Cyberia (Lebanon)

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