

Glossary

ADSL: Asymmetric Digital Subscriber Line; a new technology that provides high transmission speeds for video and voice to homes over ordinary copper telephone wire.

Annual General Shareholder's Assembly: This is required to be held each year, within three months from the end of the financial year, in order to approve annual financial statements.

ARENTO: Arab Republic of National Telephone Organization

ARPU: Average Revenue per User; A measure of the revenue generated per user or unit. This measure allows for the analysis of companies' revenue generation and growth at the per unit level, which can identify which products are high or low revenue-generators. (ARPU = Total Revenue / Average number of subscribers during the year).

Balance sheet: A financial statement that summarizes a company's assets, liabilities and shareholders' equity at a specific point in time. The balance sheet gives investors an idea of what the company owns and owes, as well as the amount invested by the shareholders.

BPO: Business process outsourcing is a form of outsourcing that involves the contracting of the operations and responsibilities of specific business functions (or processes) to a third-party service provider.

CAGR: Compound Annual Growth Rate. The year-on-year growth rate of an investment over a specified period of time.

Capex: Capital Expenditure. Investments in tangible and intangible assets, this type of outlay is made by companies to maintain or increase the scope of their operations. Also called capital spending or capital expense.

Cash Flow: Is a term that refers to the amount of cash being received and spent by a business during a defined period of time.

Customer Centricity: Comprehensive customer orientation - i.e. refers to the orientation of a company to the needs and behaviors of its customers, rather than internal drivers. The opposite would be product centricity, where a company focuses primarily on its products

CYTA: Cyprus Telecommunications Authority; established by Cyprus law as a corporate body responsible for the provision of telecommunications facilities, both nationally and internationally.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization; it can be used to evaluate a company's profitability. EBITDA = Operating Revenues - Expenses (excluding Interest, tax, depreciation, and amortization)

EBITDA Margin: EBITDA/ Operating Revenues

EGP: Egyptian Pound

EGX (The Egyptian Exchanges): Egypt's Stock Exchange is comprised of two exchanges, Cairo and Alexandria, both of which are governed by the same board of directors and share the same trading, clearing and settlement systems.

EIG (Europe India Gateway): A new cable system designed to meet the needs of modern telecommunications companies. It will connect 13 countries and three continents. Landings are planned in the United Kingdom, Portugal, Gibraltar, Morocco, Monaco, France, Libya, Egypt, Saudi Arabia, Djibouti, Oman, United Arab Emirates, and India.

EPS: Earnings per Share the portion of a company's profit allocated to each outstanding share of common stock.

Free Cash Flow: Free Cash Flow = Net Income + (Depreciation / Amortization) - changes in working capital - capital expenditures. It can also be calculated by taking operating cash flow and subtracting capital expenditures.

GDR: Global Depositary Receipt; Negotiable certificate issued by one country's bank against a certain number of shares held in its custody but traded on the stock exchange of another country. GDRs entitle the shareholders to all associated dividends and capital gains, and can be bought and sold like other securities.

GDP: Gross Domestic Product; one of the ways for measuring the size of the economy. GDP is defined as the total of all final goods and services produced within a given country in a given period of time (usually a calendar year).

GSM: Global System for Mobile Communications; is the most popular standard for mobile phones in the world.

IAOP: The International Association of Outsourcing Professionals; brings together the world's leading outsourcing customers, providers and advisors in a powerful, active and growing global association to exchange thought leadership, share best practices and network to maximize their effectiveness using outsourcing as a management tool

IFRS: International Financial Reporting Standards; are new standards and interpretations adopted by the International Accounting Standards Board (IASB), introduced as of 1 January 2005.

IMEWE: (India Middle East-Western Europe) submarine cable is an ultra high capacity fiber optic submarine cable system which links India and Europe via Middle East.

IN: Intelligent Network; is a network architecture intended for both fixed as well as mobile telecom networks.

Internet: Is a worldwide, publicly accessible series of interconnected computer networks that transmit data by packet switching using the standard Internet Protocol (IP).

IP: Internet Protocol; is a data-oriented protocol used for communicating data across a packet-switched internetwork.

IP Telephony: Internet Protocol telephony; a general term for the technologies that use the Internet Protocol's packet-switched connections to exchange voice, fax, and other forms of information that have traditionally been carried over the dedicated circuit-switched connections of the public switched telephone network (PSTN).

IPTV: Internet Protocol television; is a system through which internet television services are delivered using the architecture and networking methods of the Internet Protocol Suite over a packet-switched network infrastructure.

IP VPN: Internet Protocol Virtual Private Network

ISDN: Integrated Services Digital Network; is a circuit-switched telephone network system, designed to allow digital transmission of voice and data over ordinary telephone copper wires, resulting in better voice quality than an analog phone.

ISP: Internet Service Provider; is a business or organization that provides consumers or businesses access to the Internet and related services.

KPMG: A global network of professional firms providing Audit, Tax and Advisory services. KPMG has 140,000 outstanding professionals working together to deliver value in 146 countries worldwide.

LSE: London Stock Exchange; is a stock exchange located in London, England, United Kingdom. It is one of the largest stock exchanges in the world, with many overseas listings as well as British companies.

MCIT: Egyptian Ministry of Communication and Information Technology

MENA: Middle East and North Africa

NTRA: Egyptian National Telecommunications Regulatory Authority

PCCW Global: A subsidiary of Hong Kong's premier telecommunications provider PCCW Limited, serves the voice and data needs of multinational enterprises and telecommunication service providers.

POP: Post Office Protocol (POP); is an application-layer Internet standard protocol used by local e-mail clients to retrieve e-mail from a remote server.

SEACOM: A privately funded venture which built, owns, and operates a submarine fiber-optic cable connecting communication carriers in south and east Africa.

SIM card: Subscriber Identity Module Card

Submarine cable system: Is a cable laid beneath the sea to carry telecommunications.

TATA: Is a multinational conglomerate company headquartered in Mumbai, India. Tata Group is the largest private corporate group in India and has been recognized as one of the most respected companies in the world. TATA has interests in steel, automobiles, information technology, communication, power, tea and hospitality.

Teledensity: Telecommunications penetration expressed as a percentage of population

Termination Rate: A per minute charge paid by a telecommunications network operator when a customer makes a call to another mobile or fixed line network operator.

TRA: Telecommunication Regulatory Authority

Transit corridor: A broad geographic band that follows a general route alignment such as a roadway of rail right-of-way and includes a service area within that band that would be accessible to the transit system.

VAS: Value Added Services

VOIP: Voice Over Internet Protocol; is a protocol optimized for the transmission of voice through the Internet or other packet switched networks.

VSNL: Videsh Sanchar Nigam Limited; was formed as a Government of India-owned company in 1986. In 2008, VSNL was renamed as Tata Communications Limited.

YoY: Year on Year. A method of evaluating two or more measured events that compares the results of measurement at one time period with those from another time period (or series of time periods), on an annualized basis.