

## Telecom Egypt signs agreement with Orange Data to provide bitstream services

**Monday, 20 February 2018:** Telecom Egypt announces signing an agreement with Orange Data to provide infrastructure and transmission services for three years. The agreement formalizes existing relationships with Orange Data in regards to new services offered through Telecom Egypt's modernized network, which is based on fiber technology instead of the legacy services offered on the historical copper network.

The agreement was signed by Telecom Egypt's Managing Director & CEO Ahmed El Beheiry and Mr. Jean Marc Harion, Orange Egypt's CEO.

With regards to the financial impact, the company is not expecting an immediate impact from the agreement as the new services are replacing old services provided on the copper network. However, it is expected that the impact will be visible over the medium term given that the pricing of the new services is capacity based.

The agreement provides Telecom Egypt with a mechanism that enables it to better monetize its current investments in the fiber network. The new pricing mechanism introduced allows the ISPs in the market to upgrade to bitstream services instead of the old local loop unbundling services and at the same time provide Telecom Egypt with a charging tool to capitalize on the expected growth in the data market. The pricing of the services is based on the capacity utilized including a minimum commitment, similar to the other transmission agreements Telecom Egypt has signed with the local operators.

### **Ahmed El Beheiry, Managing Director and Chief Executive Officer, commented:**

"The agreement is important to Telecom Egypt as it allows it to grow the strategic partnership with Orange Egypt and the volume of business between the two companies. It also boosts Telecom Egypt's leadership in the infrastructure services and allows it to monetize the huge investments it has undertaken over the last few years to modernize its network".

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## **About Telecom Egypt**

Telecom Egypt is the first total telecom operator in Egypt providing all telecom services to its customers including fixed and mobile voice and data services. Telecom Egypt has a long history serving Egyptian customers for over 160 years maintaining a leadership position in the Egyptian telecom market by offering its enterprise and consumer customers the most advanced technology, reliable infrastructure solutions and the widest network of submarine cables. Aside from its mobile operation "WE", the company owns a 45% stake in Vodafone Egypt. Telecom Egypt's shares and GDRs (Ticker: ETEL.CA; TEEG.LN) are traded on The Egyptian Exchange and the London Stock Exchange. Please refer to Telecom Egypt's full financial disclosure on [ir.te.eg](http://ir.te.eg)

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