

# Investor Relations Presentation

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May . 2009

## **Disclaimer**

This presentation has been prepared as an informative guide that might assist interested parties in gaining an insight into the history and background of telecommunications within Saudi Arabia as they relate to the Saudi Telecom Company (STC). There may also be 'forward looking' statements within the meaning of current securities laws and regulations.

In this context, any opinions expressed within this document, regarding the company's potential future performance, should be viewed as being accurate at the time of preparation. However, cognizance should be taken of the fact that uncertainty may dictate that actual performance differs substantially from any views articulated herein.

## Saudi Telecom Mission Statement

**“As leaders in a world of constant change, we strive to exceed our customers’ expectations so that, together, we reach new horizons”**

**“ رواد في عالم يتجدد، نحقق فيه تطلعات عملائنا لنبلغ معهم أفقاً جديدة ”**



**Honesty**



**Respect**



**Commitment**



**Initiative**



**Cooperation**



**Loyalty**

## Board of Directors of Saudi Telecom

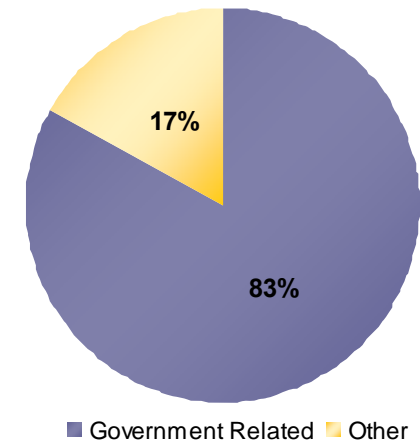
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|-------------------------------------|-----------------|----------------------------------|
| ▪ Dr. Muhammad Suliman Al Jasser    | <u>Chairman</u> | ▪ Mr. Abdulaziz Habdan Alhabdan  |
| ▪ Mr. Mohammad Abdullah Al Kharashi |                 | ▪ Eng. Mohammad Umran Alumran    |
| ▪ Mr. Mohammad Salih Al Dham        |                 | ▪ Mr. Abdulrahman Abdulaziz Mazi |
| ▪ Mr. Ibrahim Ali Al Hasan          |                 | ▪ Mr. Khalid Abdulrahman Alrajhi |
| ▪ Mr. Hamad Suliman Al Gasumi       |                 |                                  |

## Saudi Telecom Management

- |  |  |
|--|--|
| ▪ Saud Al-Daweesh ----- President            | ▪ Ameen Al-Shiddi ----- V P Of Finance             |
| ▪ Omar Al-Turky ----- V P Of Shared Services | ▪ Salah Al-Zamil ----- V P Of human capital        |
| ▪ Ziad Al-Otaibi ----- V P Of Network        | ▪ Hamood Alkusayer ----- V P Of Regularity Affairs |
| ▪ Saad Al-Qahtani ----- V P Of Home          | ▪ Jamil Al-Mulhim ----- V P Of Personal            |
| ▪ Saad Demyati ----- V P Of Wholesale        | ▪ Samir Matbouli ----- V P Of Enterprise           |
| ▪ Ibrahim Al-Dhobaie ----- V P Of IT         | ▪ Khaled AlJasser ----- V P Of Corporate Strategy  |

## Ownership Summary

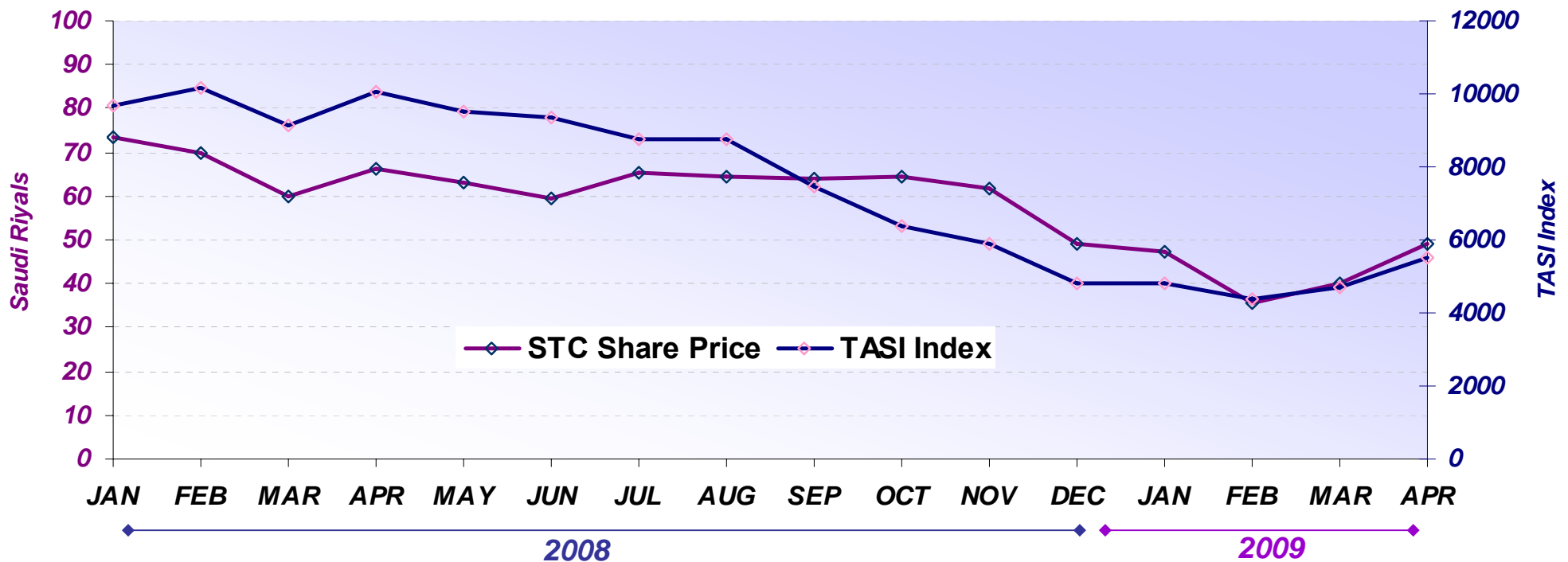
<b>Major Shareholders</b>	<b>83%</b>
1. Public Investment Fund Saudi Arabia	70%
2. The Public Pension Fund	6.5%
3. General Organisation for Social Insurance	6.5%
<b>Other Shareholders</b>	<b>17%</b>
<b>Total</b>	<b>100%</b>



- STC is 83% owned by Government and related bodies, with the remaining 17% widely held by investors
- In 2002, STC sold 30% of its shares, 20% to Saudi Nationals through an IPO, 5% to The Public Pension Fund (PPF), 5% to General Organization for Social Insurance (GOSI). The PPF & GOSI have since increased their respective stakes, as per above.

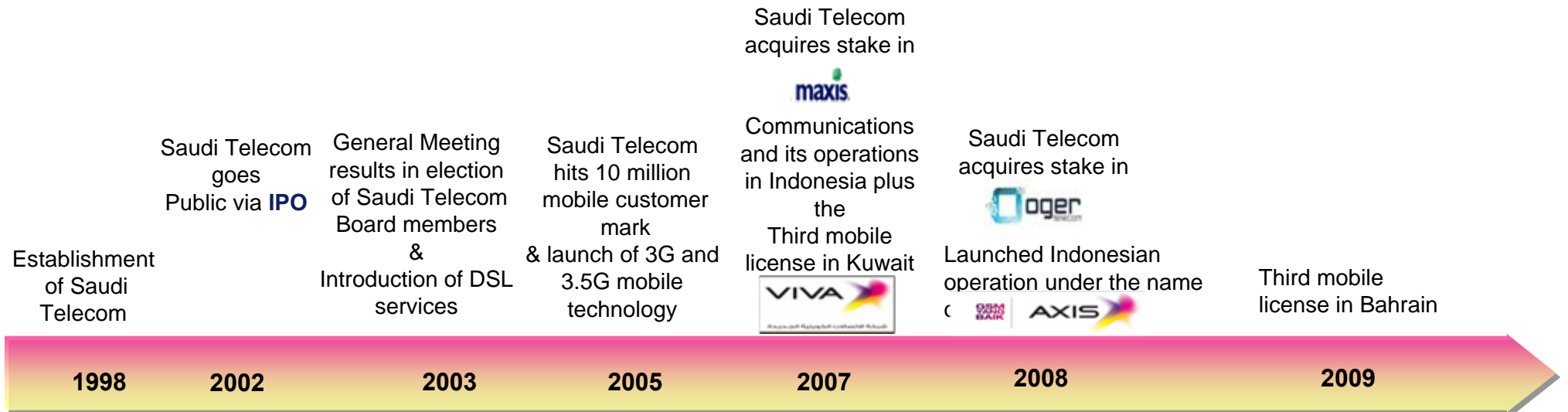
STC's shares are listed on the Saudi Stock exchange (TADAWUL) with a market capitalisation as at 31 Apr. 2009 of SR98.6bn (US\$26.3bn)

<i>Issued Ordinary Shares</i>	<b>2,000,000,000</b>	<i>Annual trading range 2008</i>	<b>SR 54.25-87.75</b>
<i>Par Value</i>	<b>SR 10</b>	<i>Average Daily Share Volume 2008</i>	<b>1,9 Million</b>



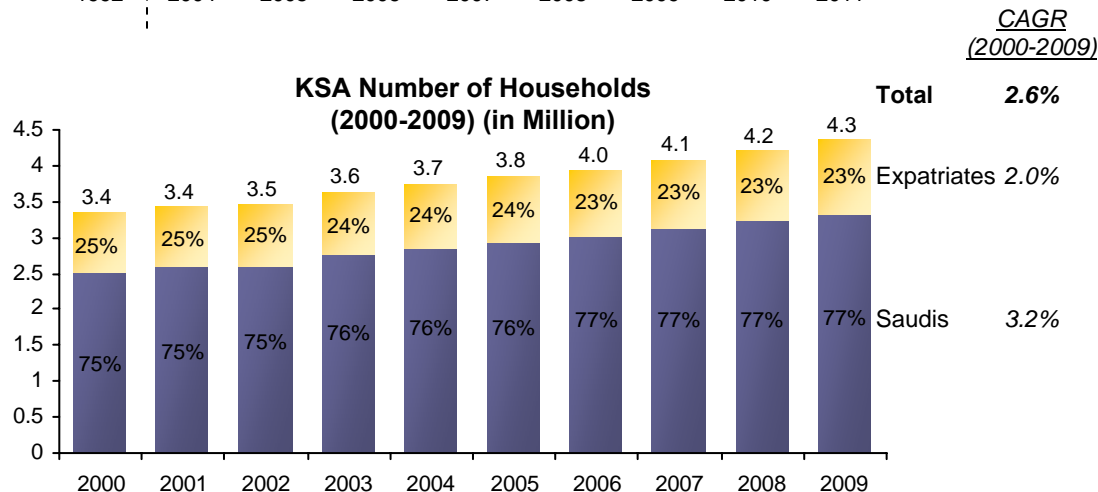
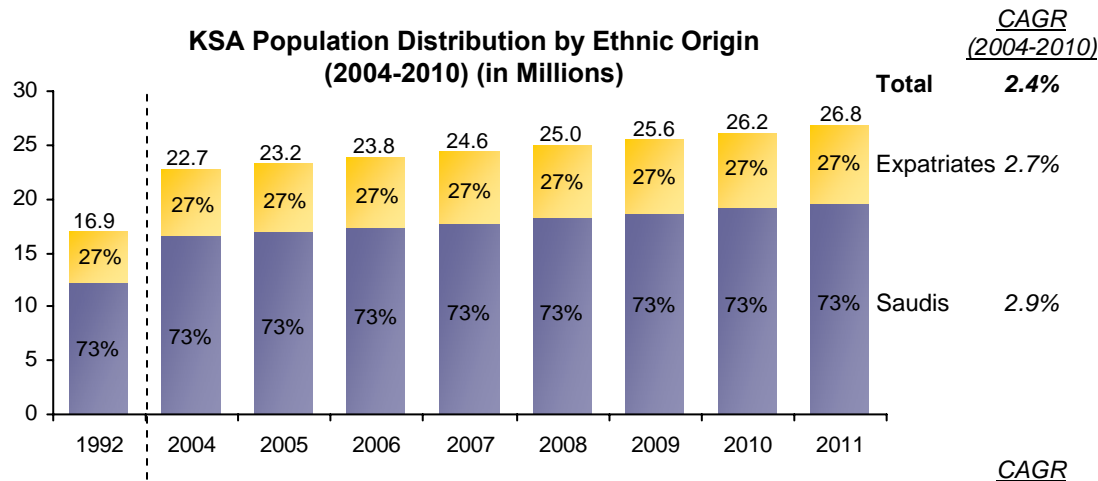
**STC is a leading publicly traded communications company with the aim of enhancing people's quality of life**

### Saudi Telecom Profile and Major Milestones



- ▶ Largest telecom operator in the MENA region
- ▶ Over 19,500 employees
- ▶ 98% coverage of populated areas and highways
- ▶ 19 million mobile subscribers, 4.1 million fixed subscribers and over 1million Broadband subscribers as at 31<sup>st</sup> Dec.2008

## KSA Telecom Growth Potential – Outlook on Population Growth



**Fact Sheet**

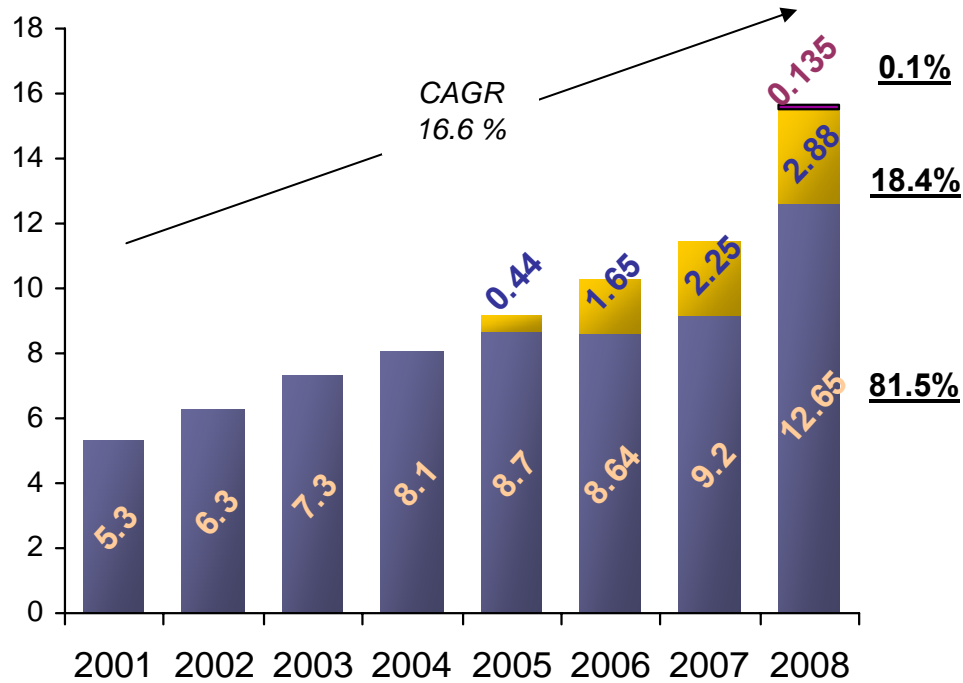
- KSA has a relatively fast growing population at a CAGR (2000-2007) of 2.4% vs. the world population growth rate of 1.21%
- 50% of KSA population is under the age of 20
- Relatively large average household size of 6 people

Note: Saudi household size is estimated at 6.21 persons on average

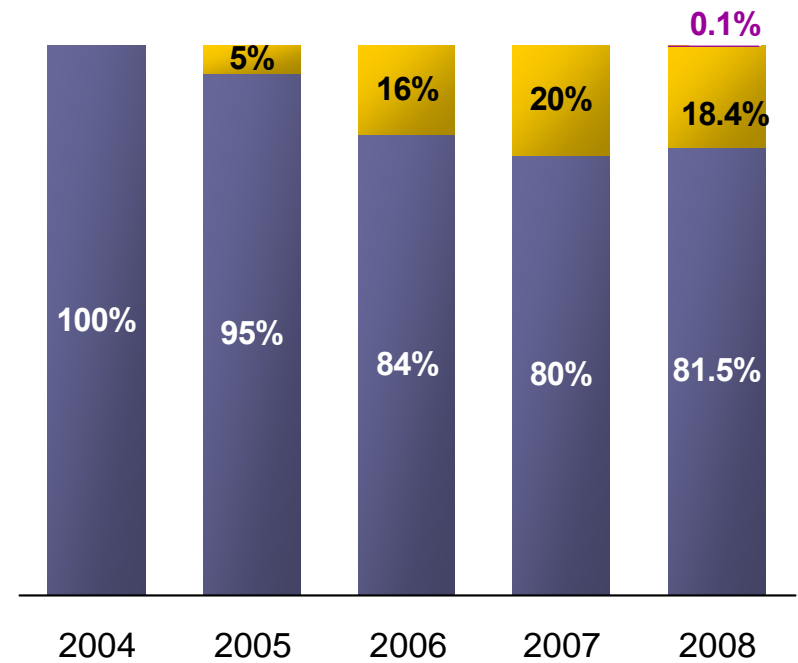
Source: Statistical Yearbook 2004, Ministry of Planning; Rapid Intelligence Pty Ltd; STC Analysis.

## KSA Telecom Market Environment

**KSA Telecom Operators Revenue  
(in US\$ Billion)  
(2001 – 2008)**



**KSA Telecom Operators Revenue  
(in %)  
(2001 – 2008)**

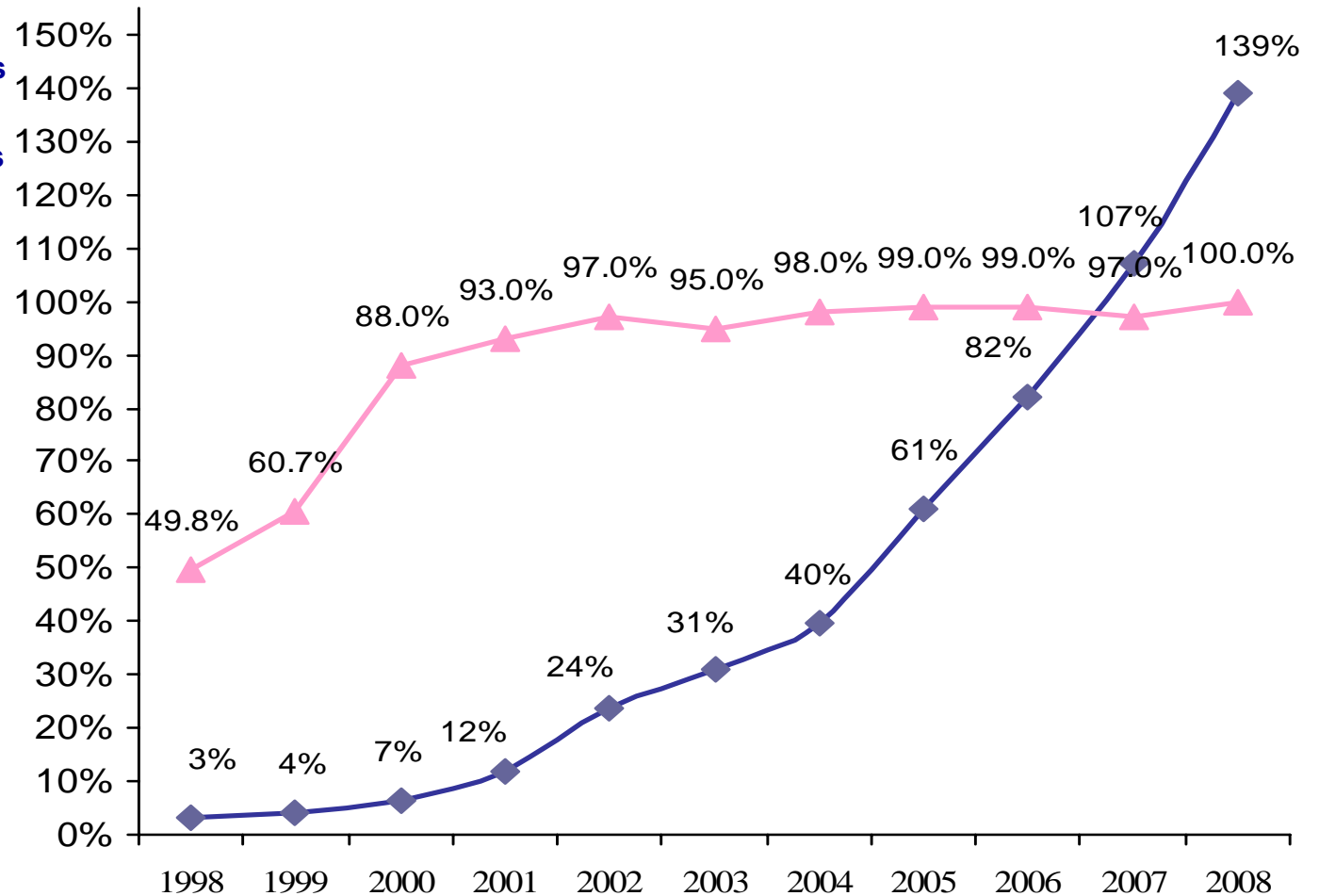
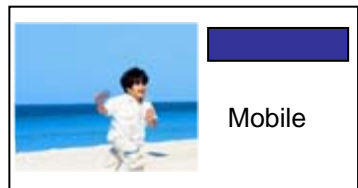
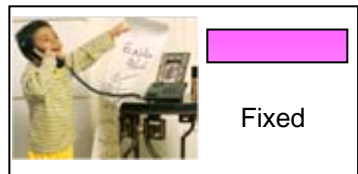


## KSA Telecom Growth Potential – Market Penetration 1998 - 2008

### KSA Telecom Market Penetrations

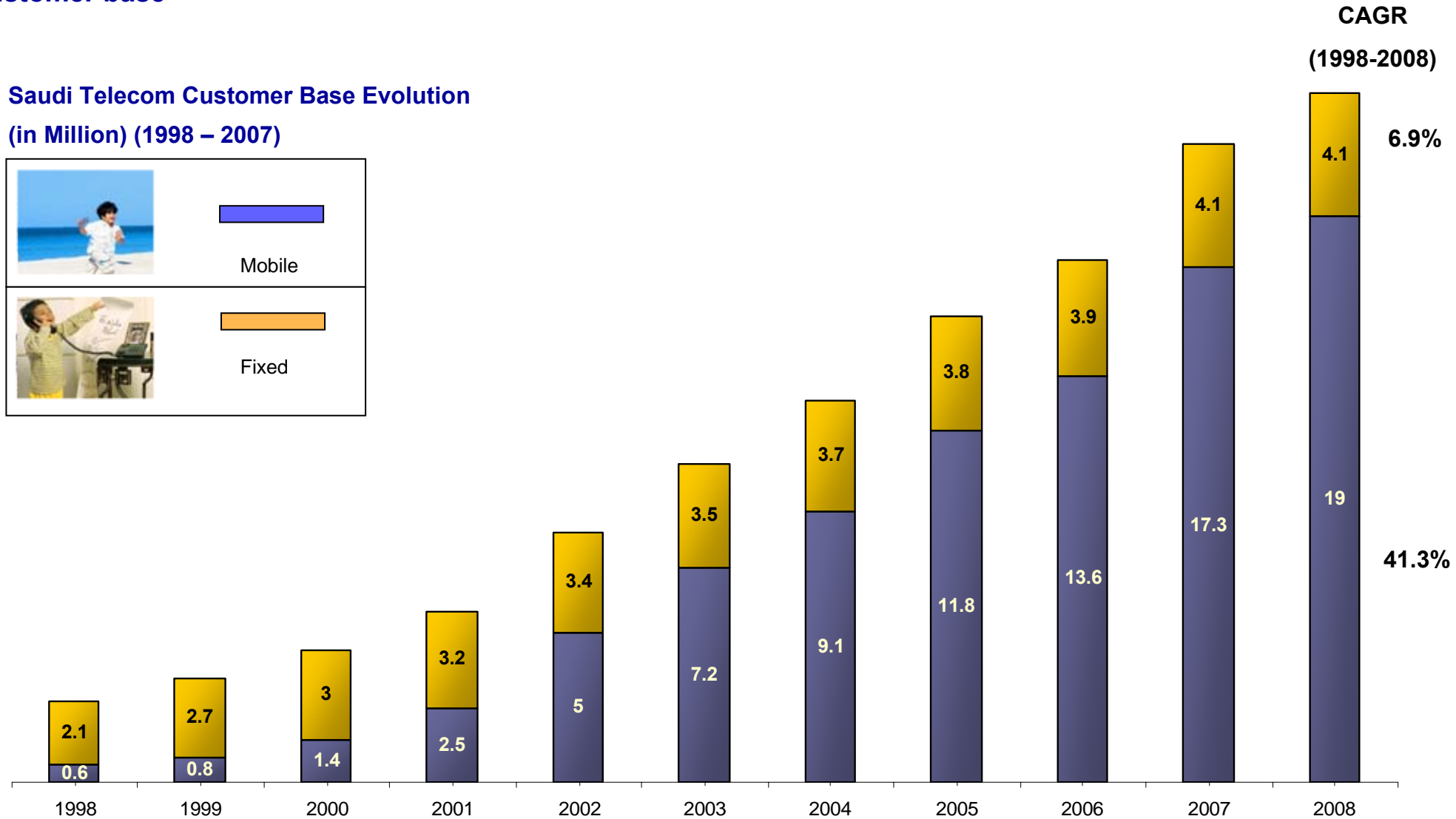
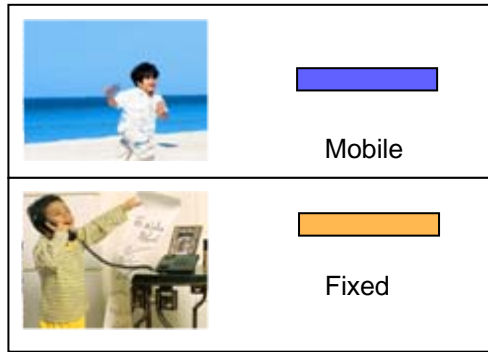
#### Fixed Line - as a % of Households

#### Mobile as a % of Population



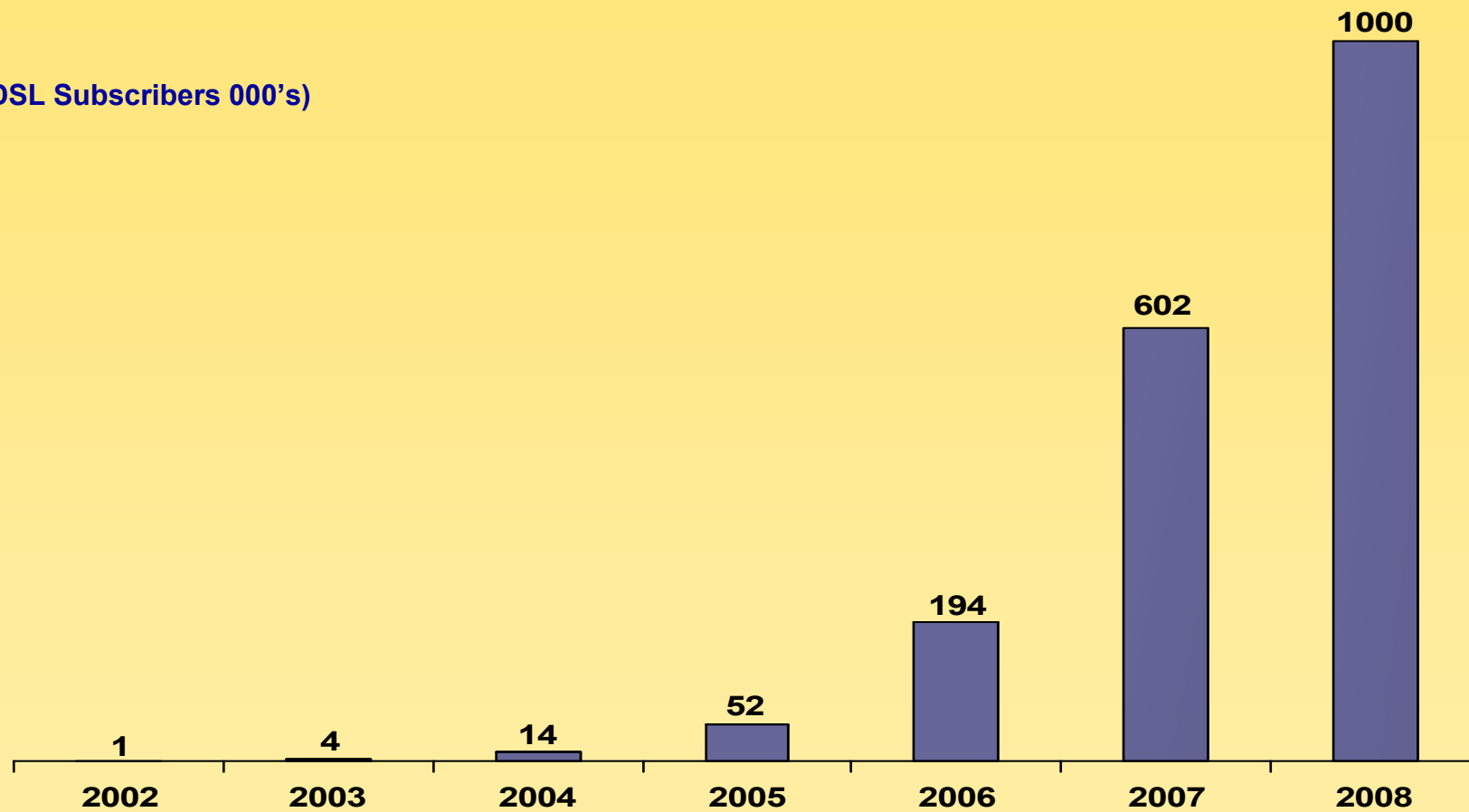
Since it's Incorporation, in 1998, Saudi Telecom has achieved sustained growth in it's Customer base

**Saudi Telecom Customer Base Evolution**  
(in Million) (1998 – 2007)



## The data market has expanded significantly within in The Kingdom

(DSL Subscribers 000's)



## KSA Wireline Market Overview

### Market Growth

- Wireline market growth in Saudi has been slowing since 2000 partly as a result of the ratio of fixed to mobile substitution (3.4% CAGR since 2002)
- The penetration rate has reached 100% of households

### Liberalisation/Competition

- STC is currently the sole wireline service provider in the Kingdom. Recently, the CITC announced initial approval for 3 additional operators that include consortia led by Bahrain Telecommunications, Hong Kong's PCCW and US Verizon Communications. These consortiums are expected to go public via an IPO
- STC has already introduced initiatives to remain competitive although the company believes that competition will bring challenges

### Technology

- STC aims to provide more value-added services that will increase landline business revenue e.g. triple play
- In addition, STC is also leveraging its fixed line position by developing its Internet business and aiming to provide a bundled service package so as to diversify as well as increase the revenue base
- Deployment of Next Generation Network( NGN)

## KSA Wireless Market Overview

### Market Growth

- The Saudi mobile market is characterised by strong growth as a result of KSA's robust economic activity
- The penetration rate in the Kingdom has reached 139%

### Liberalisation/Competition

- The Kingdom currently has three mobile operators.
- As of December 2008 STC's market share is 55%, based on the announced customer numbers of the other operators
- Liberalisation of the sector has introduced competition; declining tariffs increase affordability whilst reducing ARPU

### Technology

- 3.5G has been successfully launched within the Kingdom and is expected to show great potential
- Other value-added services have also been introduced in order to sustain the ARPU level

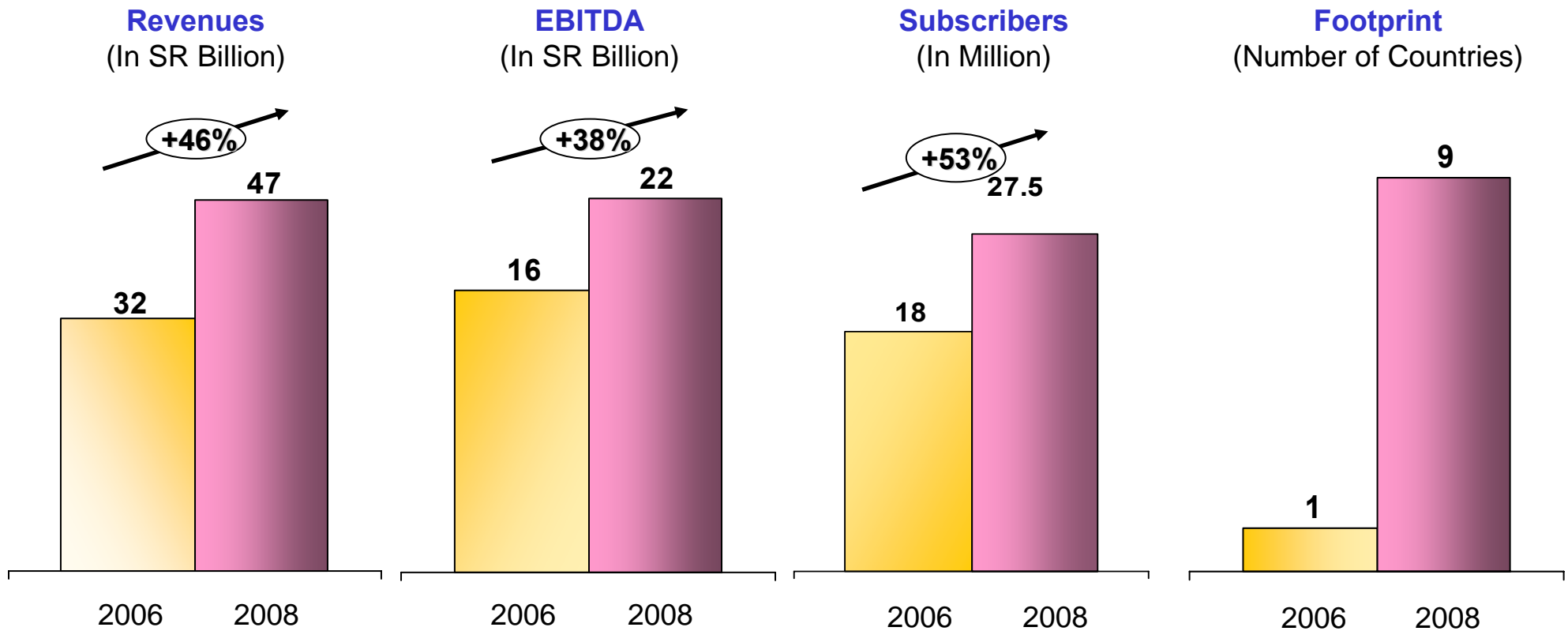
## FORWARD Management Strategy

<b>F</b>	Fulfil Personal Communication Potential	Continue growing the personal communication market by broadly deploying 3.5 G technology, expanding convergence offerings and providing top-class customer experience
<b>O</b>	Offer Wholesale Services	Pursue wholesale growth opportunities by expanding reach and broadening service offering in both the national and regional markets.
<b>R1</b>	Re-invent Home Communication	Accelerate retail broadband adoption through rapid deployment and multi-play applications
<b>W</b>	Win Enterprise Customers	Broaden enterprise customer base by tailoring integrated and managed communication solutions
<b>A</b>	Achieve External Growth	Pursue telecom-related non-organic growth opportunities inside and outside Saudi Arabia
<b>R2</b>	Re-align for Customer Excellence	Build customer-centric operating model with aligned people, processes and systems
<b>D</b>	Derive Operational Efficiencies	Optimize costs and improve efficiency through shared services implementation, manpower, network and IT optimization

STC has come a long way since implementing **FORWARD** and has delivered tangible results

### STC Actual Results

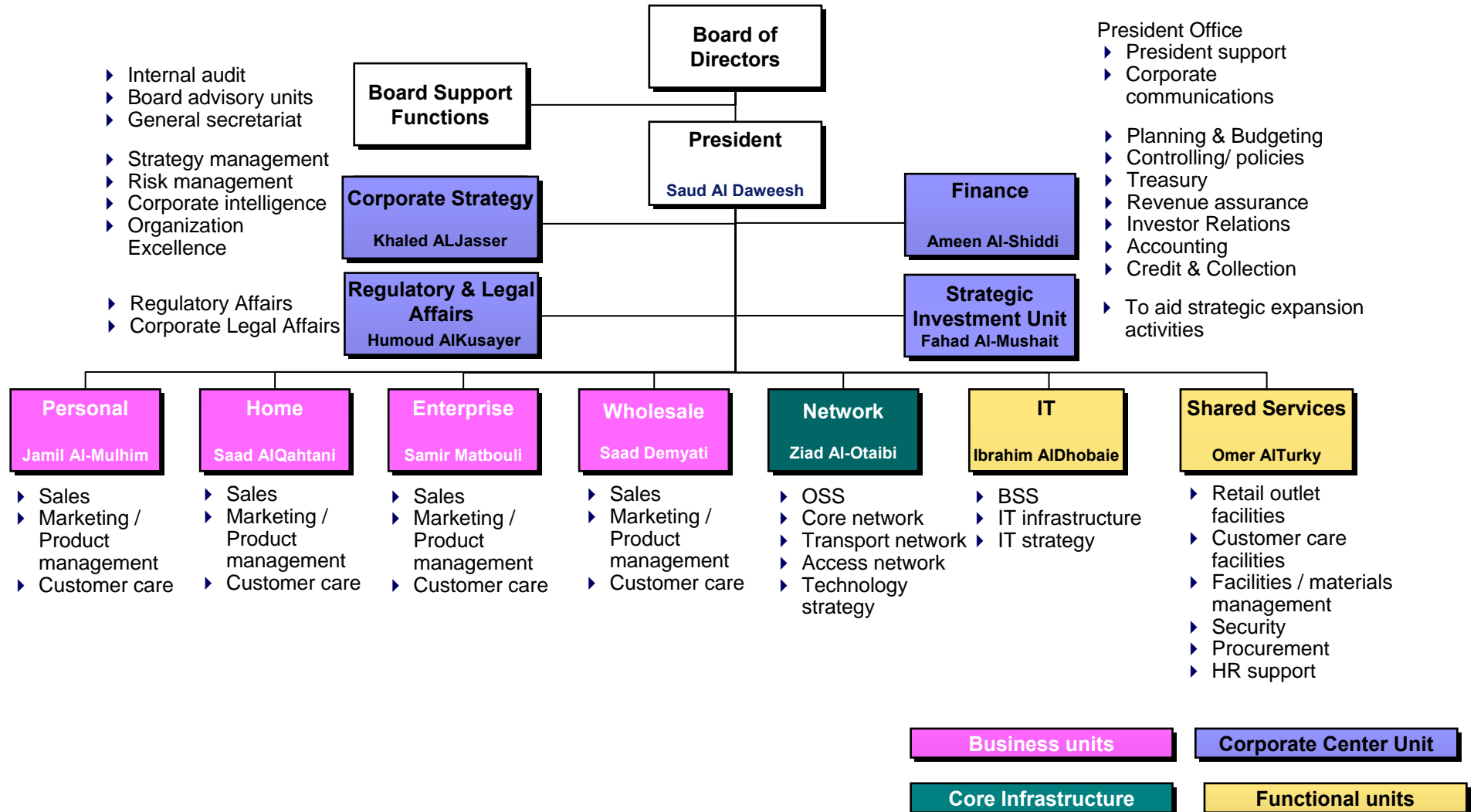
(2006 – 2008)



\* 2006 Revenues are revised figures. Subscribers include STC (fixed & mobile), Axis and Viva

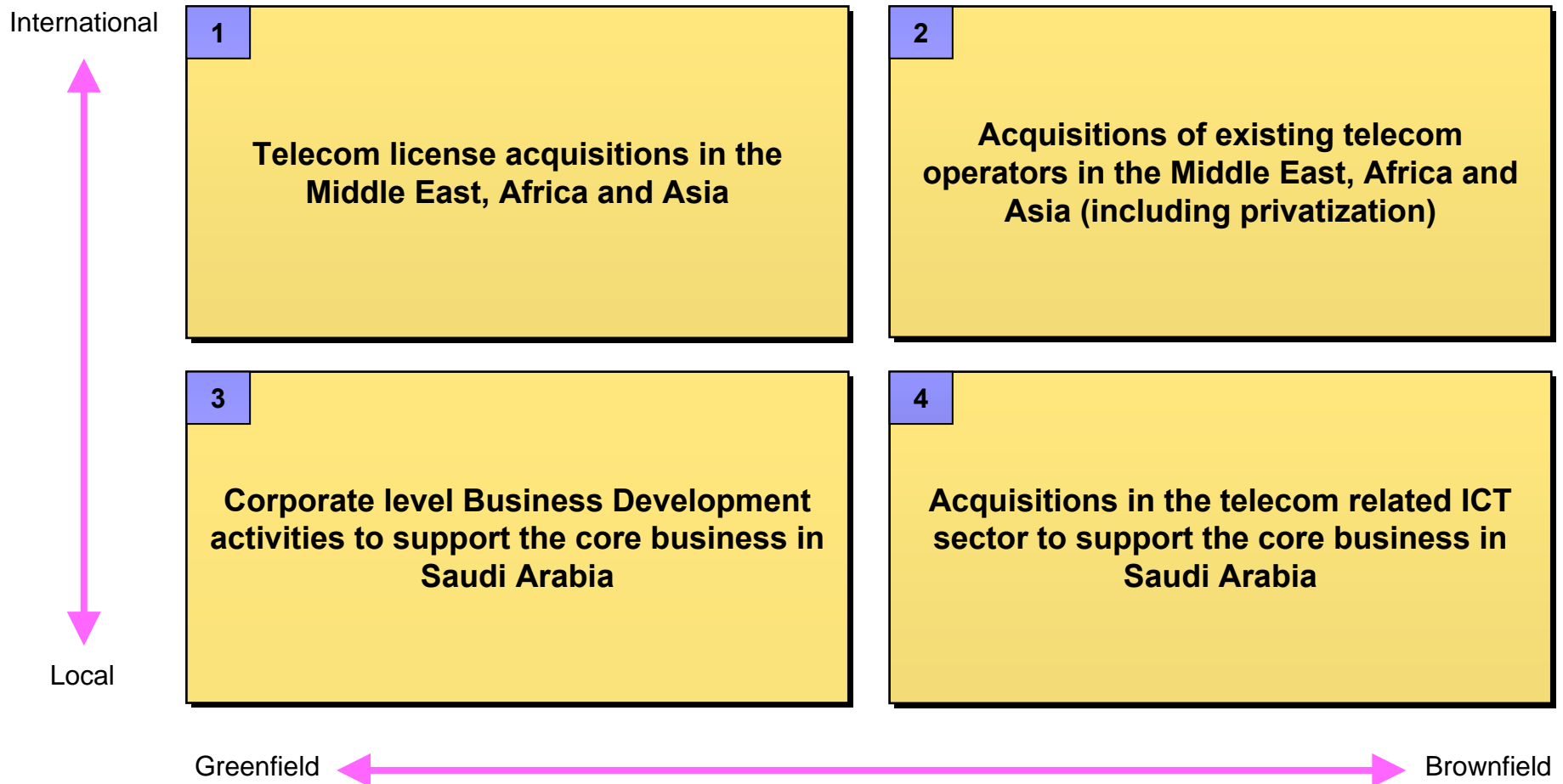
## Forward Organizational Structure

Approved in Q1 2006 by the Board of Directors



STC's growth can be achieved through both local and international investments

### STC's Strategy for Growth



## For STC synergy potential is a key focus area when identifying acquisition targets

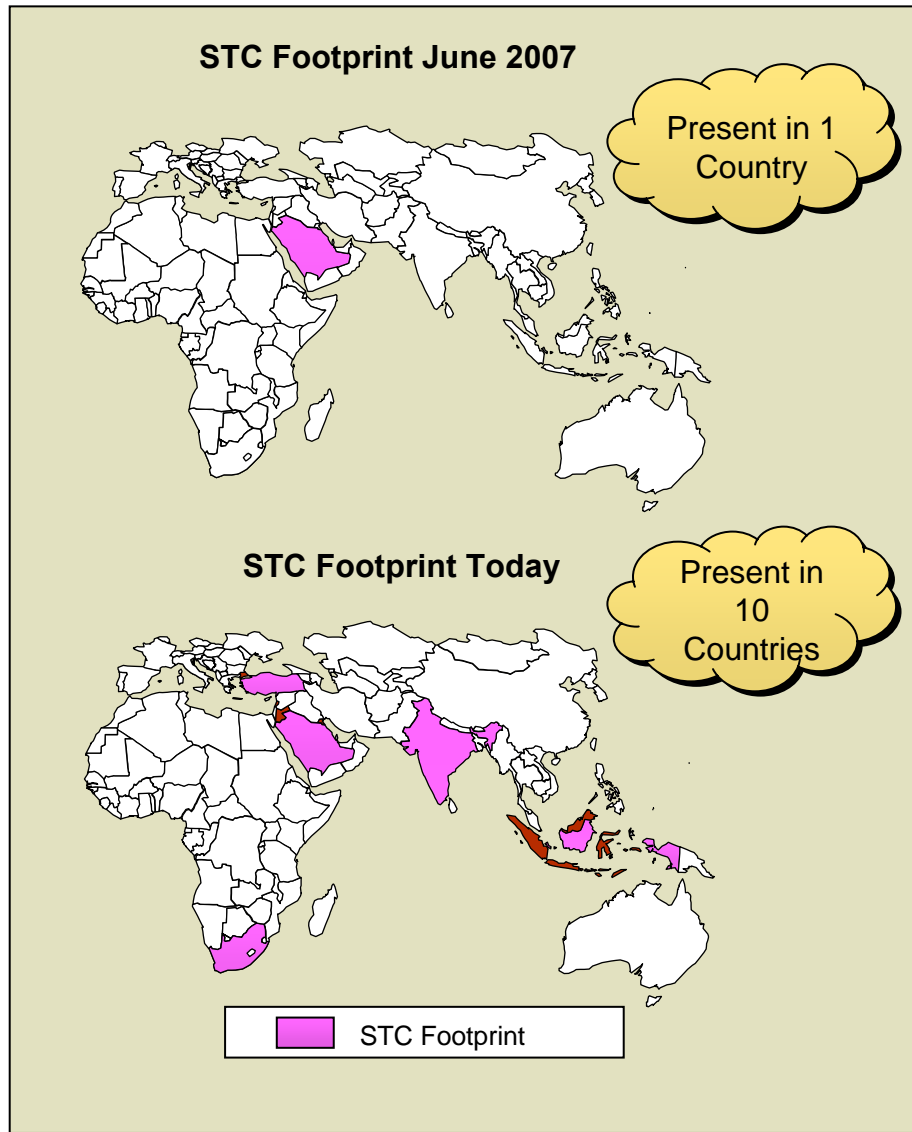
### Synergy Category Selected Synergy Drivers for Saudi Telecom









<b>Revenue Increase</b>	<ul style="list-style-type: none"> <li>▶ Passenger and voice calls traffic between the target country and Saudi Arabia and future STC footprint</li> </ul>
<b>Roaming Charges Saving</b>	<ul style="list-style-type: none"> <li>▶ Roaming traffic between the target country and Saudi Arabia and future STC footprint</li> </ul>
<b>OPEX Saving</b>	<ul style="list-style-type: none"> <li>▶ Possibility of integrating the operations and establishing a common shared services setup</li> <li>▶ Level of common vendors between STC and the target acquisition</li> </ul>
<b>CAPEX Saving</b>	<ul style="list-style-type: none"> <li>▶ STC's economies of scale assessment versus that of the target acquisition</li> <li>▶ Level of common vendors between STC and the target acquisition</li> </ul>

### Description of STC Competitive Advantage

- ▶ As the largest telecom operator in the Middle East, STC is well positioned to realize above average synergies due to economies of scale
- ▶ STC has a large expatriate population from various regions spanning a wide range of countries from the Middle East to Asia
- ▶ STC Hajj and Umrah traffic provides significant room for value creation through synergies
- ▶ STC has existing shared services infrastructure that could be leveraged to incorporate its international operations
- ▶ STC cash capability could be leveraged to reduce incremental costs from interest expenses and vendor financing premiums

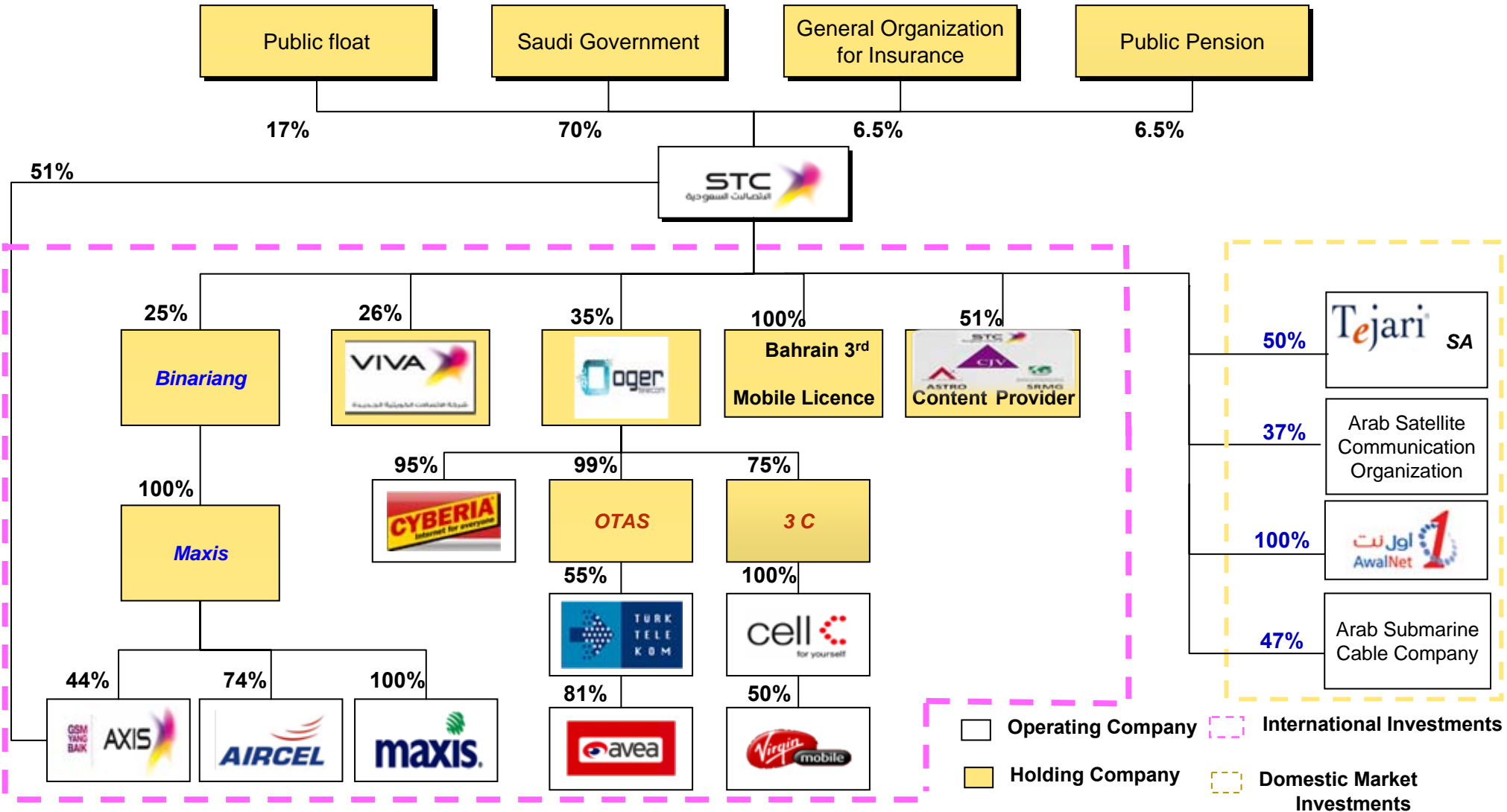
**STC has managed to successfully complete 4 highly strategic M&A transactions in less than one year**



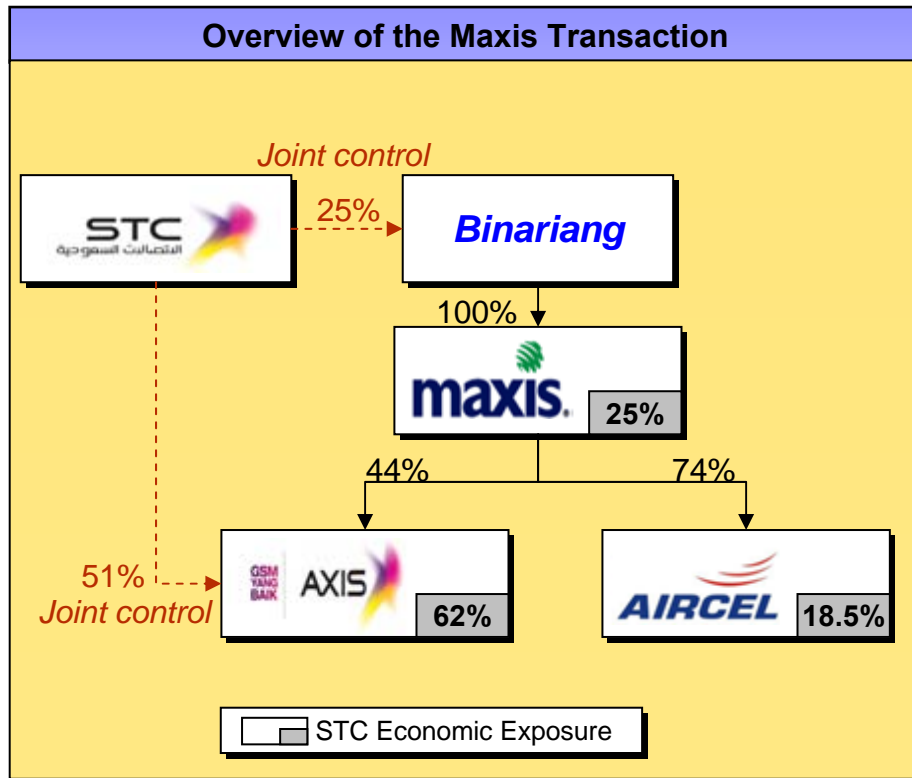
Transaction	Operator	Country
1 Maxis Group (June 2007)	Maxis 	Malaysia
	Aircel 	India
	NTS (Greenfield) 	Indonesia
2 3 <sup>rd</sup> License (June 2007)	Greenfield 	Kuwait
3 Oger Telecom (Jan. 2008)	Turk Telekom 	Turkey
	Avea 	Turkey
	Cell C 	South Africa
	Cyberia 	Saudi, Jordan and Lebanon
4 3 <sup>rd</sup> License (Jan 2009)	Greenfield	Bahrain

## STC holds several strategic national and international investments

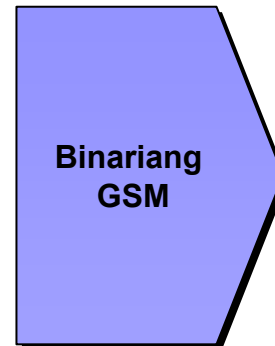
### Overview of existing STC Investments



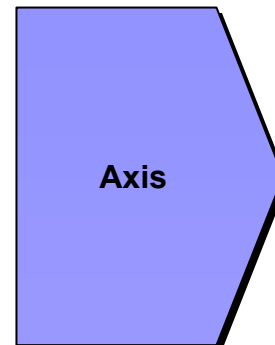
**STC ACQUIRED 25% OF MAXIS GROUP AND A 51% DIRECT STAKE IN NTS FOR USD 3.1 Bn, SR 11.4 Bn (June 2007)**




**Maxis Transaction Highlights**



- ▶ **Stake:** 25% providing exposure to Malaysia, India and Indonesia
- ▶ **Other Partners:** Usaha Tegas (45%) and Bumiputera (30%)




- ▶ **Stake:** 51% direct investment and 25% via Binariang effective 62%
- ▶ **Other Partners:** Maxis (44%) and Local Indonesian Partner (5%)

 **Malaysia**

- ▶ Population: 26 Million
- ▶ Maxis ownership: 100%
- ▶ Subs: 11.1 m

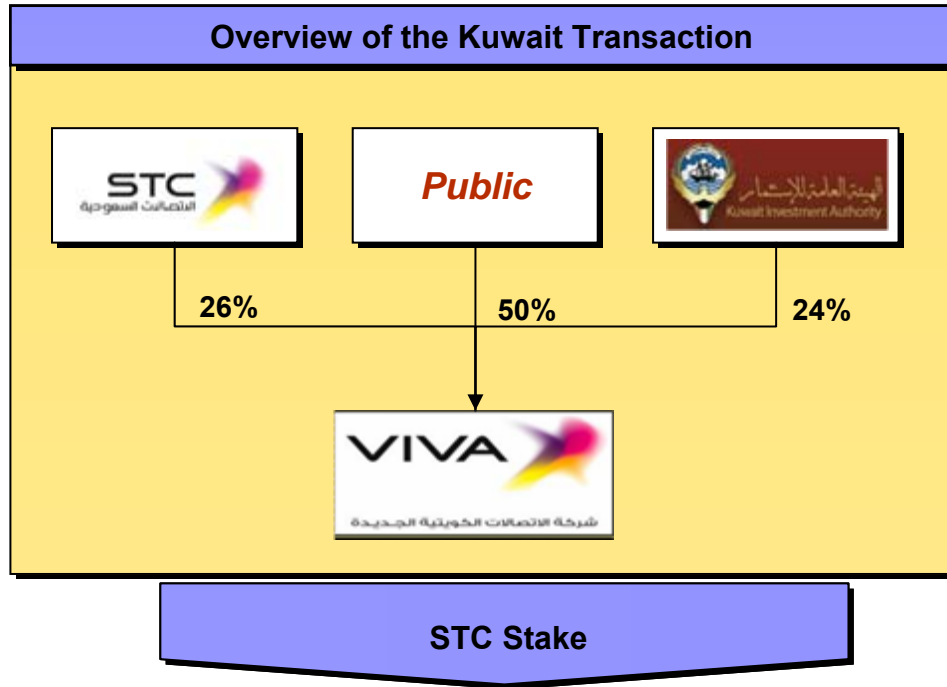
 **Indonesia**

- ▶ Population: 228 Million
- ▶ Maxis ownership: 44%
- ▶ Subs: 3.1 m

 **India**

- ▶ Population: 1,136 Million
- ▶ Maxis ownership: 74%
- ▶ Subs: 16.1 m

**STC ACQUIRED 26% STAKE IN KUWAIT'S THE THIRD GSM MOBILE LICENSE FOR US\$ 0.9b or SR 3.37b (Nov. 2007)**



- ▶ STC has management control
- ▶ Additionally, STC will receive annual fees for managed services
- ▶ 300.000 subscribers at 31<sup>ST</sup> Dec.2008

**Kuwait License Highlights**

**Strong Economy**

- ▶ Kuwait is the **fourth oil producer in the world**
- ▶ **One of the highest GDP per capita** in the region (~ USD 31,000)
- ▶ Kuwait GDP **expected growth of 5%** pa for the next 6 years

**Growing Population**

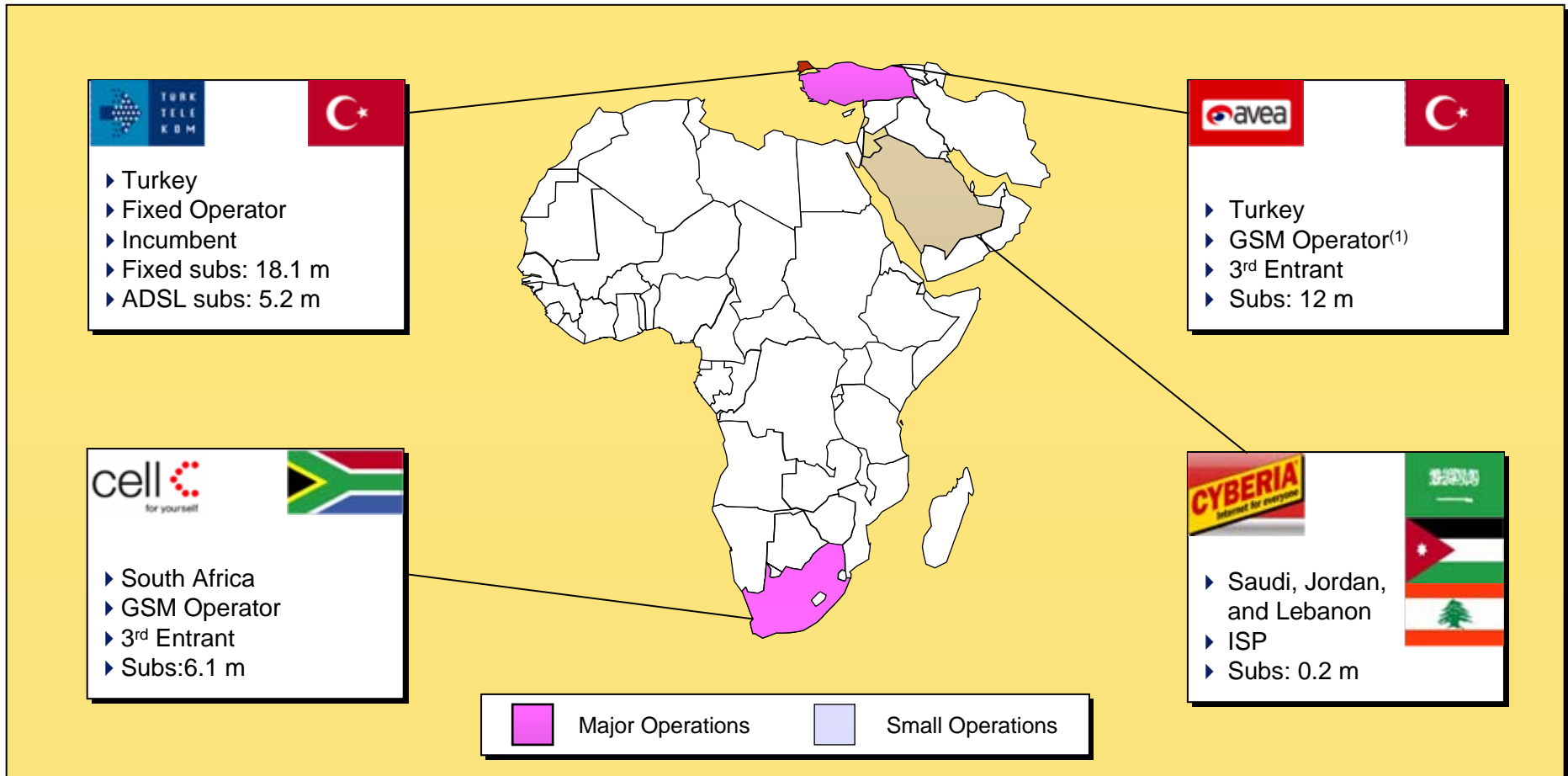
- ▶ **Population is 3.2 million growing at 3.5%**
- ▶ **96% of the population** is concentrated in the east of the country in **urban areas** or 2% of the land mass (380km<sup>2</sup>) implying easy coverage
- ▶ **Young population** with average age of 27
- ▶ **66%** of the population are **expatriates**

**Potentially Favourable Regulation Environment**

- ▶ Current **legislation (to be approved ) is favorable to new entrants** (asymmetric interconnection tariffs, national roaming and site sharing, MNP)
- ▶ **Not expected MVNO, new mobile licenses or fixed line competition**

**OGER TELECOM IS A REGIONAL TELECOM PLAYER WITH OPERATIONS MAINLY IN TURKEY AND SOUTH AFRICA, STC ACQUIRED A 35% STAKE IN OGER FOR US\$ 2.56 Bn OR SR 9.6 Bn (Jan. 2008)**

**Oger Telecom Subsidiaries and Footprint ( Aug 2008)**

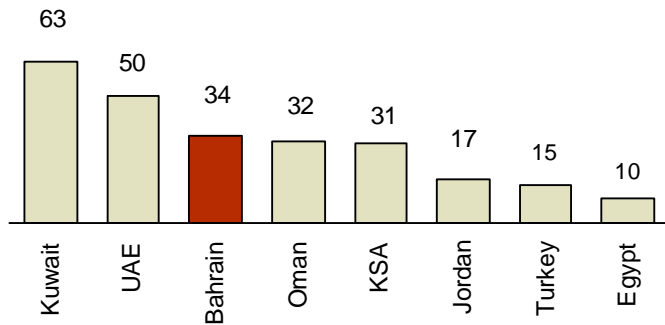


(1) Turk Telekom owns 81% of Avea

## IN JANUARY 2009 STC ACQUIRED THE THIRD MOBILE LICENSE IN BAHRAIN FOR US\$230M OR SR 862M

### 1 Bahrainis have an appetite for telecom consumption

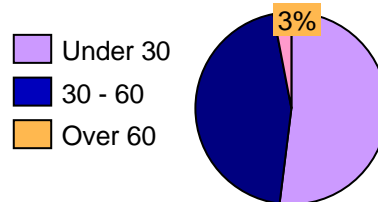
- ▶ Monthly ARPU - Selected Countries (USD) (Q3 2008)



### 2 Young - growing population that is tech savvy

- ▶ Young population indicating an expanding addressable market
- ▶ Tech savvy population with propensity to adopt advanced VAS services
- ▶ Willing to change and try new things (54% of Bahraini's indicated that they are willing to switch operators)

Age Distribution of Bahrainis (2007)



### 3 Strong independent regulator with pro-competition agenda

- ▶ Strong independent regulator that is in favor of increased competition
- ▶ The regulator has a proven track record:
  - ▶ Enabled new entrants to capture market share
  - ▶ Implemented several regulations that are favorable to the new entrants, e.g. MNP, LLU, etc.

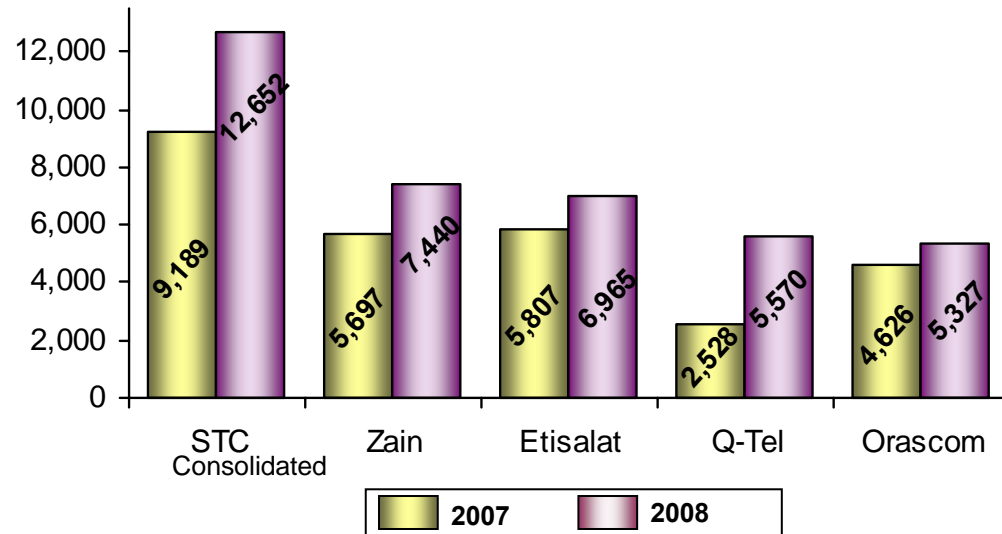


### 4 High cross border passenger traffics

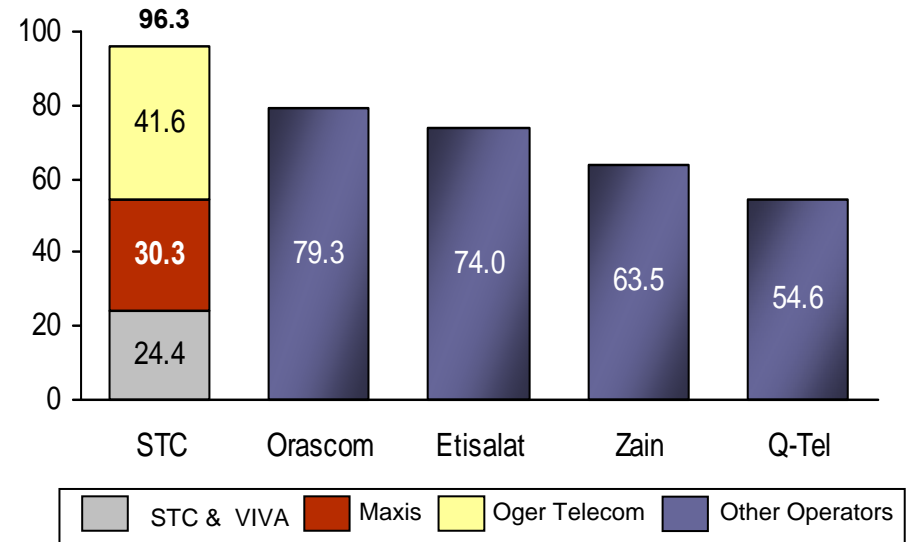
- ▶ Significant passenger traffic between Saudi and Bahrain
- ▶ Bahrain is among the top destinations for Saudis and STC subscribers

## Following these acquisitions, STC became the regions undisputed telecoms leader

\* Revenues Relative to STC  
(Selected Operators) (USD Billion)



\* Subscribers ( fixed , mobile , data )  
(Selected Operators) (Millions) (2008)



### \*\* STC Ranked the Middle East most valuable Telecoms brand in 2008

Rank	Brand	Owner	Country of ownership	Total Brand Value US\$m	Top100 Brand value rank
1	SAUDI TELECOM	Saudi Telecom Company	Saudi Arabia	2,409	28
2	ZAIN	Zain Group	Kuwait	2,343	30
3	MOBILY	Etihad Etisalat	Saudi Arabia	1,514	43
4	QTEL	Qatar Telecom	Qatar	802	66
5	WATANIYA	Wataniya Telecom	Kuwait	491	88
6	CELLCOM	Cellcom	Israel	483	89
7	PELEPHONE	Pelephone	Israel	426	91

Source \* : Research & Media sources

\*\* : [www.intangiblebusiness.com](http://www.intangiblebusiness.com)

These accomplishments have had a positive impact on STC's financial standing

**Buy**



'STC's recent acquisition of Maxis led us to revise our forecasts...'  
'...our new recommendation is '



'STC is now making a significant commitment to growth....'



'STC will post a 7.4% compounded growth in earnings ....'




' STC will be able to offer a richer range of bundled services at reduced costs'




' Stronger than expected mobile market performance in Saudi Arabia...'


**Over weight**



'The giant has finally awakened...'  
"STC + Maxis = A Good Call'



'We expect STC to carry out more acquisitions.... to generate 10% of revenues externally by 2010'



'Expanding footprint to high-growth (India, Indonesia) and value markets (Kuwait) at reasonable cost 'high dividend yield(c.8% in 2008e)

## Standard & Poor's and Moody's assigned strong A+ and A1 credit ratings

Saudi Telecom Company has been rated again by Standard & Poor's Ratings Services and Moody's Investor's Services. The rating initiative gives STC access to international markets both for its financing needs and also extends confidence to its stakeholders.

- Standard & Poor's Ratings Services has assigned STC with A+ long-term.
- Moody's Investors Services assigned A1 long term local and foreign currency issuer ratings.
- In their report dated April 11th 2008, S&P has ranked STC as the No.1 telecom operator within Europe, the Middle East & Africa (EMEA).
- STC is the first telecom company in the region to attain this strong rating, and one of the top five rated telecom companies world wide

## STC's awards & achievements

- King Abdul Aziz Quality Award for the year 2008, granted by Saudi Arabian Standards & Specifications Organization (SASO)



- Maintained our No.1 position in the Forbes magazine Telecom Companies ranking for the Region in 2008

**Forbes**

- “The Best Telecommunications Company Award “ for the year 2008”, granted by Arabian Business Magazine



- Won the “Leadership” award for Social Responsibility from the International Institute for Social Responsibility in Dubai

**CSR  
AWARDS**

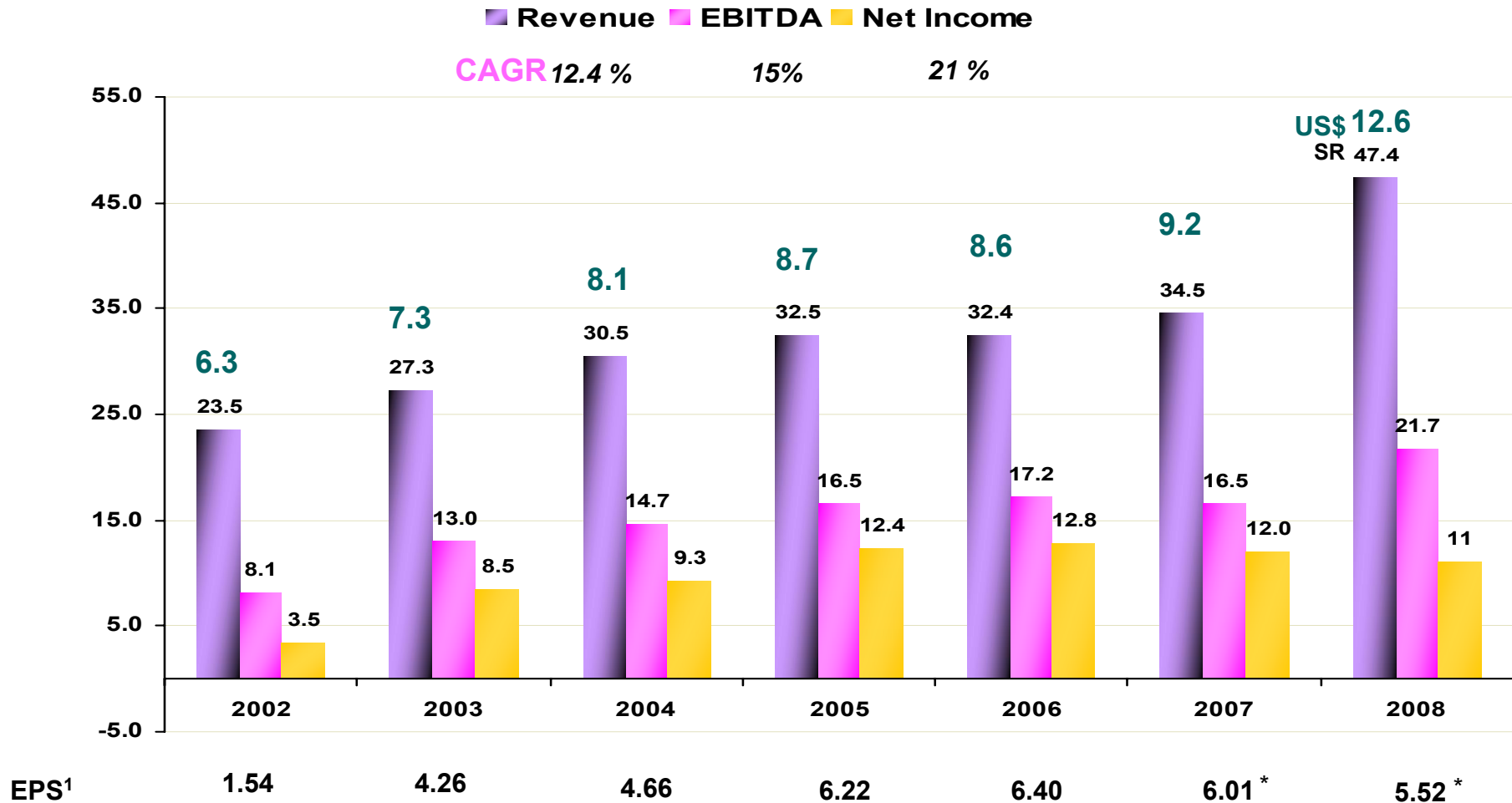
- “Transparency Award for Saudi Stock Companies” for the year 2008- granted by BMG Financial Consultations Firm



- The Ministry of Communications and Information Technology (MCIT) Digital Excellence Award for the year 2008



## Saudi Telecom's Financial Performance



1- Earning Per Share (EPS) is in SR

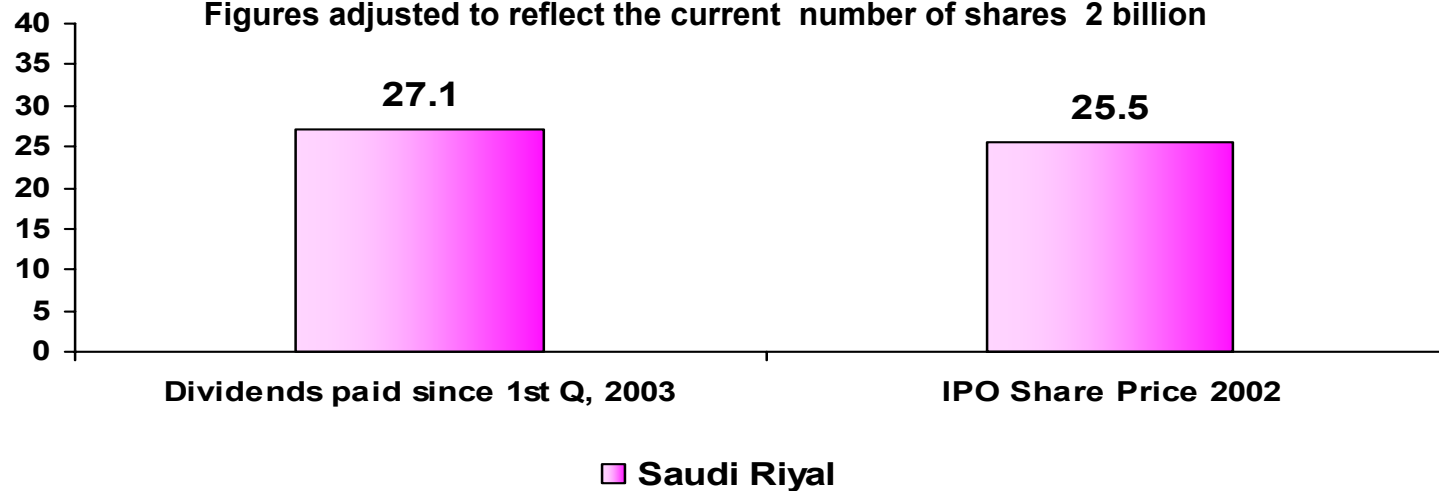
\* Consolidated

STC has the highest dividend yields in the region dividends paid up to date exceed the IPO Price.

Figures not adjusted as of 2002 number of shares 300 million



Figures adjusted to reflect the current number of shares 2 billion

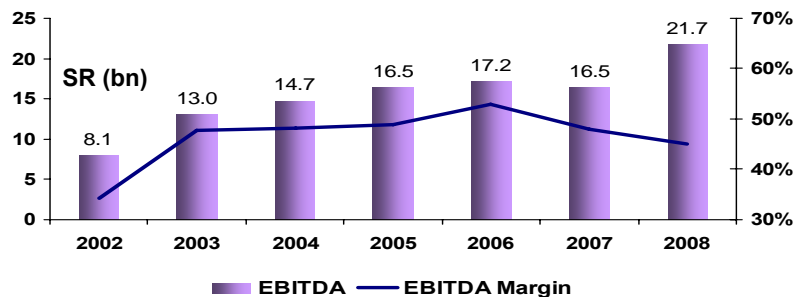


## Financial Statements – Profit & Loss Account 2002 - Q1 2009

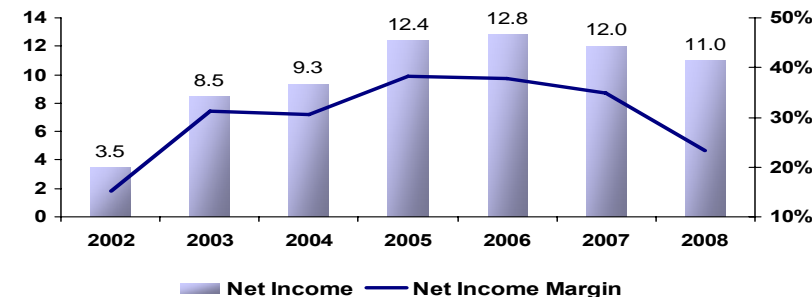
(Fiscal year ended in December)

Saudi Riyal millions	2002	2003	2004	2005	2006	2007*	2008*	Q1 2009*
<b>Revenues</b>	<b>23,547</b>	<b>27,292</b>	<b>30,499</b>	<b>32,540</b>	<b>32,394</b>	<b>34,458</b>	<b>47,445</b>	<b>12,143</b>
Depreciation and amortization	(3,265)	(3,813)	(4,261)	(3,836)	(3,836)	(4,098)	(6,406)	(1,774)
Other operating expenses	(15,494)	(14,192)	(15,758)	(15,342)	(15,910)	(17,742)	(27,156)	(6,532)
<b>Operating Income</b>	<b>4,788</b>	<b>9,287</b>	<b>10,480</b>	<b>13,362</b>	<b>12,648</b>	<b>12,618</b>	<b>13,883</b>	<b>3,837</b>
Other Income/expenses	(1,150)	(536)	(913)	(623)	493	(172)	(1,801)	(1,172)
<b>Net Income before Zakat, Tax &amp; Minority interests</b>	<b>3,638</b>	<b>8,751</b>	<b>9,567</b>	<b>12,739</b>	<b>13,141</b>	<b>12,446</b>	<b>12,082</b>	<b>2,665</b>
Provision for Zakat and Tax	(92)	(226)	(253)	(292)	(342)	(427)	(872)	(220)
Minority interest	-	-	-	-	-	3	(163)	43
<b>Net Income</b>	<b>3,546</b>	<b>8,525</b>	<b>9,314</b>	<b>12,447</b>	<b>12,799</b>	<b>12,022</b>	<b>11,047</b>	<b>2,488</b>
<b>Earnings per share (in Saudi Riyals)</b>	<b>1.77</b>	<b>4.26</b>	<b>4.65</b>	<b>6.22</b>	<b>6.40</b>	<b>6.01</b>	<b>5.52</b>	<b>1.24</b>

### EBITDA Growth



### Net Income Growth



\* consolidated

## Financial Statements – Balance Sheet 2002 –Q1 2009

\*Fiscal year ended in December

Saudi Riyal millions	2002	2003	2004	2005	2006	2007*	2008*	Q1 2009*
Current assets	7,927	8,884	10,297	11,950	13,362	13,977	18,987	20,786
Long-term assets	32,986	32,889	31,821	32,794	32,760	54,834	80,922	80,983
<b>Total Assets</b>	<b>40,913</b>	<b>41,773</b>	<b>42,118</b>	<b>44,744</b>	<b>46,122</b>	<b>68,811</b>	<b>99,909</b>	<b>101,769</b>
Current liabilities	13,190	9,423	8,559	9,455	9,524	17,219	22,927	24,360
Long-term liabilities	3,714	2,955	2,650	2,434	2,444	15,700	34,279	33,318
<b>Total Liabilities</b>	<b>16,904</b>	<b>12,378</b>	<b>11,209</b>	<b>11,889</b>	<b>11,968</b>	<b>32,919</b>	<b>57,206</b>	<b>57,678</b>
<b>Total shareholders' equity</b>	<b>24,009</b>	<b>29,395</b>	<b>30,909</b>	<b>32,855</b>	<b>34,154</b>	<b>35,892</b>	<b>42,703</b>	<b>44,091</b>
Cash	1,942	3,281	5,014	4,005	2,909	7,618	8,063	9,014
Accounts receivable, net	5,448	3,015	3,134	3,624	3,939	4,973	8,135	8,995
Property, plant and equipment, net	32,018	31,907	30,782	30,533	30,128	34,369	44,412	48,062
Accounts payable	6,932	2,943	2,729	2,606	1,960	3,082	6,555	6,948
Borrowings (ST+LT)	1,233	-	-	-	-	13,580	31,908	30,778

\* consolidated

## Financial Statements – Cash Flow 2002 - Q1 2009

\*Financial year ended in December

Saudi Riyal millions	2002	2003	2004	2005	2006	2007*	2008*	Q1 2009*
<b>Net Income</b>	<b>3,546</b>	<b>8,525</b>	<b>9,314</b>	<b>12,447</b>	<b>12,799</b>	<b>12,022</b>	<b>11,047</b>	<b>2,488</b>
Depreciation and amortization	3,265	3,813	4,261	3,836	3,836	4,098	6,406	1774
Other reconciliation adjustments (net)	658	(890)	(649)	-	(762)	2,421	3,744	(462)
<b>Cash flow from operating activities</b>	<b>7,469</b>	<b>11,448</b>	<b>12,926</b>	<b>16,283</b>	<b>15,873</b>	<b>18,541</b>	<b>21,197</b>	<b>3,800</b>
Capital expenditure	(5,780)	(4,673)	(3,750)	(4,389)	(3,393)	(8,335)	(16,357)	(5,581)
Other investments (net)	14	(1,070)	326	(2,562)	(1,933)	(8,584)	(19,093)	2,169
<b>Cash flow from investing activities</b>	<b>(5,766)</b>	<b>(5,743)</b>	<b>(3,424)</b>	<b>(6,951)</b>	<b>(5,326)</b>	<b>(16,919)</b>	<b>(35,450)</b>	<b>(3,412)</b>
Dividends paid	(896)	(3,133)	(7,769)	(10,341)	(11,642)	(10,508)	(8,552)	(4)
Proceeds of borrowing	1,000	350	1,800	-	-	13,580	18,329	(1,208)
Repayments of borrowings	(1,667)	(1,583)	(1,800)	-	-	-	-	-
Minority interest	-	-	-	-	-	15	4,921	1,777
<b>Cash flow from financing activities</b>	<b>(1,563)</b>	<b>(4,366)</b>	<b>(7,769)</b>	<b>(10,341)</b>	<b>(11,642)</b>	<b>3,087</b>	<b>14,698</b>	<b>565</b>
<b>Net change in cash</b>	<b>140</b>	<b>1,339</b>	<b>1,733</b>	<b>(1,009)</b>	<b>(1,096)</b>	<b>4,709</b>	<b>445</b>	<b>953</b>
<b>Cash and Cash equivalents at beginning of period</b>	<b>1,802</b>	<b>1,942</b>	<b>3,281</b>	<b>5,014</b>	<b>4,005</b>	<b>2,909</b>	<b>7,618</b>	<b>8,061</b>
<b>Cash balance year end</b>	<b>1,942</b>	<b>3,281</b>	<b>5,014</b>	<b>4,005</b>	<b>2,909</b>	<b>7,618</b>	<b>8,063</b>	<b>9,014</b>

\* consolidated

Segmental Information – as part of STC’s ongoing policy of transparency, 2008 was the first year that the Group began providing a breakdown of financial information.

Quarter 1 2009

SR (000's)	GSM	PSTN	DATA	Un-allocated	TOTAL
Operating Revenues	8,203,410	2,276,020	1,641,094	22,260	12,142,784
Interconnect Revenues	399,285	1,515,316	110,706	-	2,025,307
Interconnect Expenses	(1,328,593)	(365,230)	(331,484)	-	(2,025,307)
Net Operating Revenue	7,274,102	3,426,106	1,420,316	22,260	12,142,784
Depreciation & Amortisation	789,584	902,679	113,799	(31,585)	1,774,477
Net Income	2,725,429	(77,978)	416,391	(576,093)	2,487,749
Total Assets	36,148,862	37,721,583	5,586,988	22,311,397	101,768,830
Total Liabilities	21,635,217	12,514,381	1,348,340	22,179,646	57,677,584

## Financial Ratios

		2004	2005	2006	2007*	2008*
<b>Profitability Ratios</b>	Net Profit Margin	30.9%	38.4%	39.5%	34.9%	23.3%
	Return on Shareholders Equity	30.9%	39.0%	38.2%	34.3%	30.0%
	Return on Assets	22.2%	28.7%	28.2%	21.3%	14.8%
<b>Operating Performance</b>	Operating Profit Margin	34.3%	41.1%	39%	36.7%	29.3%
	Depreciation to Total Revenue	14.0%	11.8%	11.8%	11.9%	13.5%
	Employee Costs to Total Revenue	12.5%	11.9%	13.2%	12.4%	13.1%
	S, G&A Expenses to Total Revenue	6.8%	6.6%	6 %	7.0%	15.1%
<b>Liquidity and Leverage Ratios</b>	Current Ratio	1.42	1.47	1.64	0.90	0.93
	Quick Ratio	1.37	1.39	1.53	0.82	0.79
	Cash Flow from Ops. to Total Liab.	1.41	1.75	1.61	0.91	0.50
<b>Cash Flow Ratios</b>	EBITDA to Total Revenue	45.8%	51.1%	52.4%	49.0%	45.8%
	Cash Flow from Ops. to Capex	3.07	4	4.08	3.16	1.72
	Free Cash Flow Margin	30.4%	36.7%	38.5%	29.6%	10.2%

\* consolidated