

Telecom Egypt signs USD 500mn medium-term syndicated loan

Dubai, 18 October 2018: Telecom Egypt has signed a USD 500mn medium-term syndicated loan, which will be used to support its capital and operational expenditure, and refinance an existing short-term facility.

First Abu Dhabi Bank PJSC (FAB) and Mashreq Bank PSC (Mashreq) were mandated as Joint Bookrunners and Mandated Lead Arrangers of the facility. FAB is the facility agent for the transaction and Mashreq Bank is the designated Account Bank.

The final syndicate of banks is as follows:

Mandated Lead Arrangers & Bookrunners

First Abu Dhabi Bank PJSC
Mashreq Bank PSC

Mandated Lead Arrangers

Arab Bank PLC - Bahrain
Union National Bank PJSC
National Bank of Kuwait
Arab Banking Corporation BSC

Lead Arrangers

Ahli United Bank BSC
Industrial & Commercial Bank of China Limited - DIFC branch

Arrangers

Al Ahli Bank of Kuwait KSCP - DIFC branch
Attijariwafa Bank
ICICI Bank Limited - Bahrain branch
Bank of Jordan Company
BMCE Bank International PLC

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

“Telecom Egypt’s USD 500mn medium-term syndicated loan was 1.46× oversubscribed, which reflects the confidence of the respected international financial institutions in the company’s financial and operational strength. Telecom Egypt has previously announced that its board of directors approved obtaining the 5-year syndication arranged by First Abu Dhabi Bank and Mashreq Bank on 10 May 2018. The aim of the facility is to convert our short-term USD overdrafts into longer-term loans to enable the company to repay installments in line with its cash flow generation.

The facility will also ensure the flexibility to finance Telecom Egypt’s working capital needs as well as to invest in its 4G infrastructure. The facility comes in line with our financing strategy, which is to enhance and reduce the financing expenses incurred and drive growth by contributing to the launch of mobile services, the overhauling of the fixed internet infrastructure in Egypt, and the expansion of Egypt’s international network. This will enable our vision of turning Egypt into a digital route and a regional hub to host international content developers in addition to our new direction to expand in IoT services.”

- End -

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

For more information, contact:

The investor relations team

Email: investor.relations@te.eg