

2010 First Quarter Results Presentation

Emirates Integrated Telecommunications Company PJSC

11 May 2010

Highlights

Strong first quarter results herald positive start to 2010

- **Robust mobile market position** with 262,000 subscribers added during the quarter
- **Record quarterly revenues** driven by strong mobile performance
- **Double digit growth in fixed line revenues** and healthy outlook with prospect of nationwide infrastructure sharing agreement
- **2010 focus on continuing to increase value** for customers, driving quality, choice and performance
- **Strategy supported by proactive planning and investment** in network and infrastructure enhancement
- **AED 1 billion proposed rights issue** first step to support du's accelerated growth strategy and future funding sources

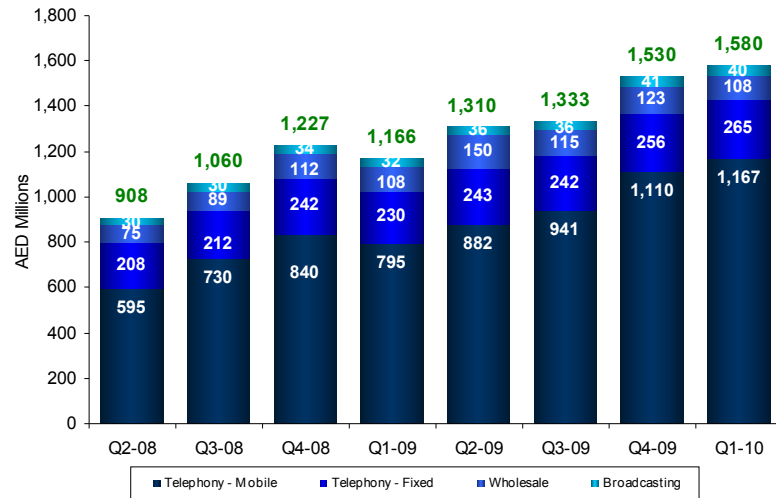
Financial Summary – Q1 2010

- **Record quarterly revenues** reaching AED 1.6bn up 36% vs.Q1 09
- **Highest mobile revenues in a quarter ever** reaching AED1.2bn up 47% vs Q1 09
- **Sustained momentum in post-paid mobile subscribers, adding 26,900 in Q1**, bringing the total to 164,300, equal to 4% of mobile subscriber base
- **47% growth in fixed line subscriber base vs Q1 09**, adding 50,900 lines in the quarter
- **Fixed line revenues of AED265 million, up 15% year on year**, reflecting 456,700 lines
- **Gross margin increased 34% year on year** to AED 1,042 million
- **Net profit before royalty more than quadrupled** to AED 194 m vs Q1 09
- **Capex spend of AED 369m** during the quarter; AED2.2bn estimate for the year

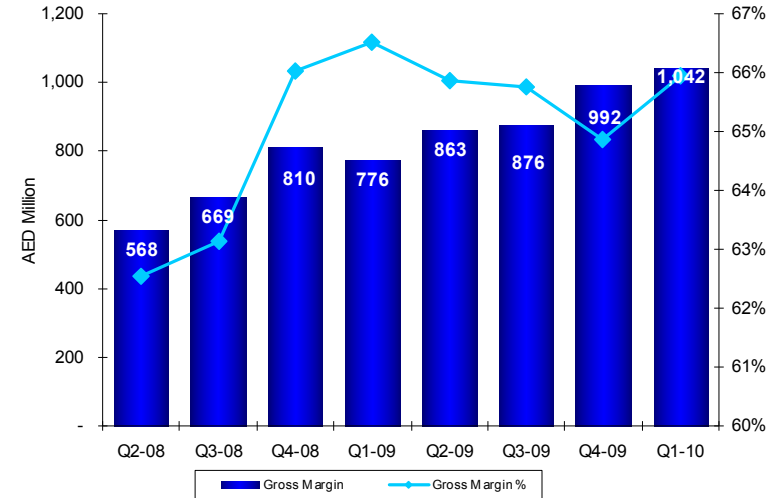
Revenues & Margins

Revenues driven by strong mobile subscriber acquisitions

Revenue by Segment



Gross Margin



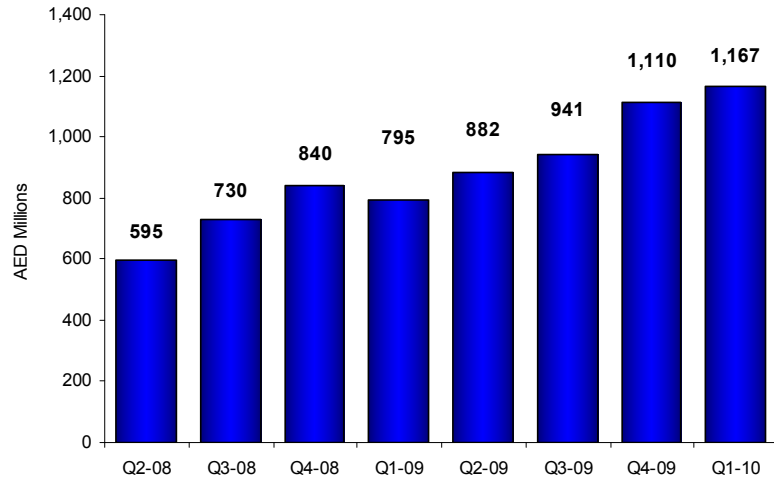
- Combined Q1 10 revenues reached AED1,580m, a solid 36% increase year on year and 3% quarter on quarter
- Revenue growth driven primarily by mobile, up 47% to AED 1,167m vs. Q1 09, through strong subscriber acquisitions attracted by new launches and enriched existing products
- 15% increase in fixed line revenues to AED265m vs Q1 09 and 3% vs Q4 09, reflecting a total of 456,700 lines at quarter end

- Growth in gross margin related to high customer base combined with innovative products like WoW International and Elite.

Revenue Drivers - Mobile

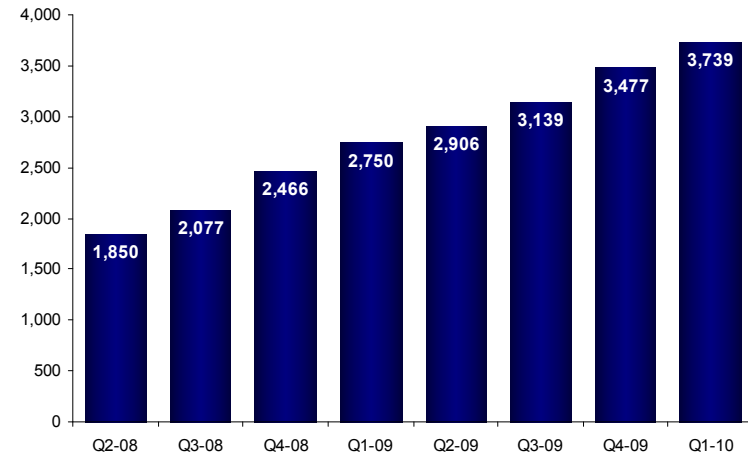
Strong subscriber additions and record mobile revenues in Q1 2010

Revenue - Mobile



- Record mobile revenues for the quarter at AED1,167m, up 5% vs. Q4 09 and 47% vs. Q1 09
- Mobile subscriber growth driven by uptake of new products, including Blackberry plans, Apple iPhone, WoW International combined with excellent customer service

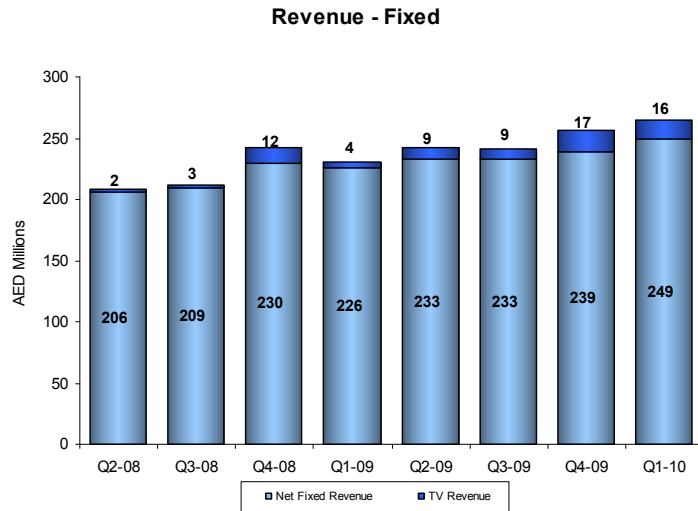
Subscribers - Mobile - Active 90 days ('000)



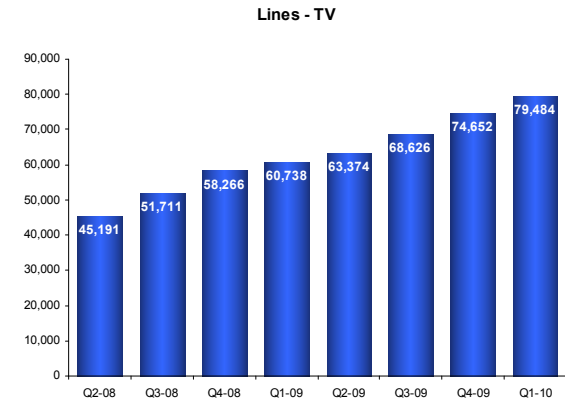
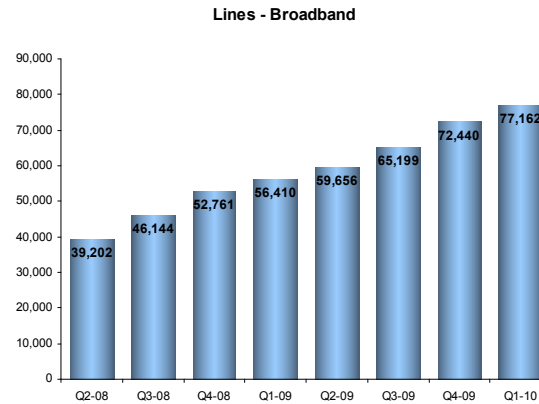
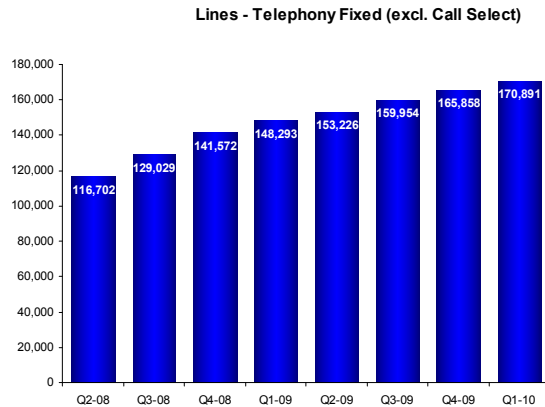
- Total mobile active subscribers increased to 3,739,000 up 7.5% vs Q4 09 and 36% vs Q1 09
- 262,000 net active mobile subscribers added during the quarter
- 26,900 post paid active mobile subscribers added during the quarter bringing the total to 164,300, 4% of the mobile subscriber base, more than double that of Q1 09 (67,300). This growth is driven by Elite for consumers and Premier Plan for enterprise customers

Revenue Drivers – Fixed

Fixed line take up rises by 47% year on year



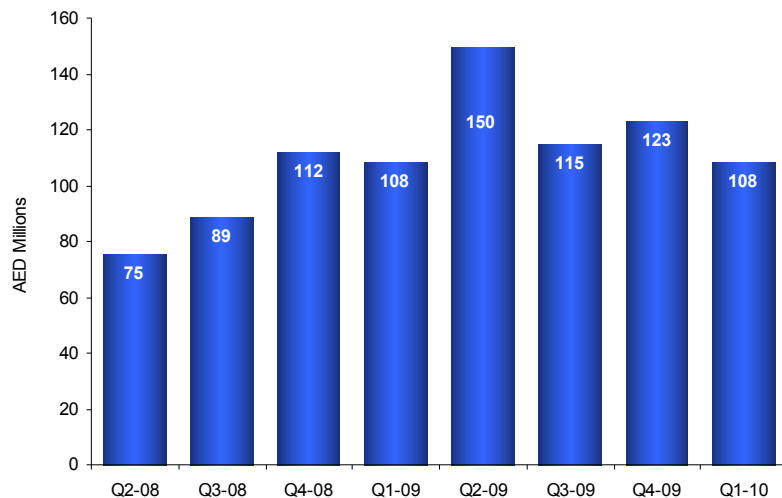
- Fixed revenues grew by 15% year on year to AED 265m
- Total fixed lines increased 12.5% quarter on quarter and 47% year on year closing with 456,700 lines
 - 50,900 lines added during the quarter
- Fixed telephony lines rose 15% year on year to 170,900
- TV lines increased 31% year on year to 79,500 at quarter end
- Broadband lines rose 37% year on year to 77,200



Revenue Drivers

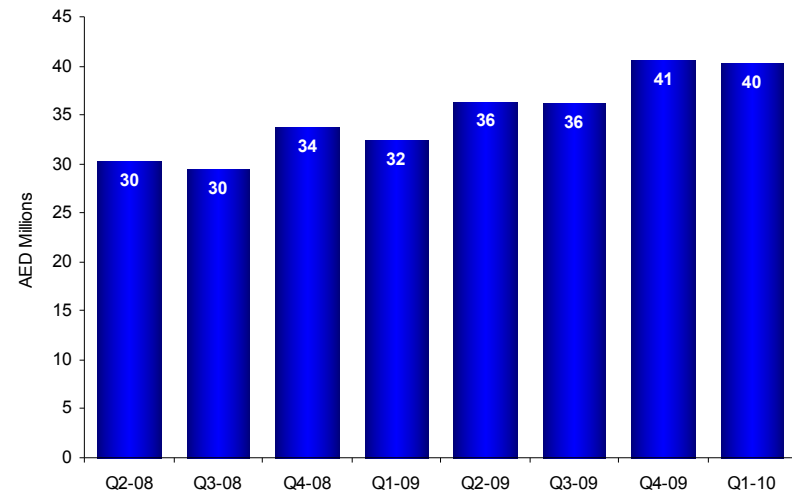
Wholesale & Broadcasting

Revenue - Wholesale



- Wholesale revenue performance flat year on year at AED 108.1m for the quarter, down quarter on quarter due to lower incoming traffic related to seasonality

Revenue - Broadcasting

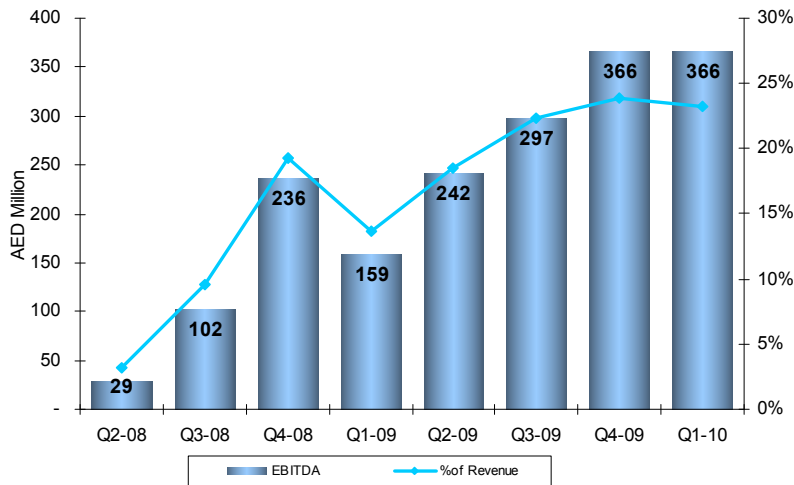


- Broadcast revenues at AED40.2 million up 25% vs Q1 09 and down 2% vs Q4 09 due to seasonality

Profit & Loss

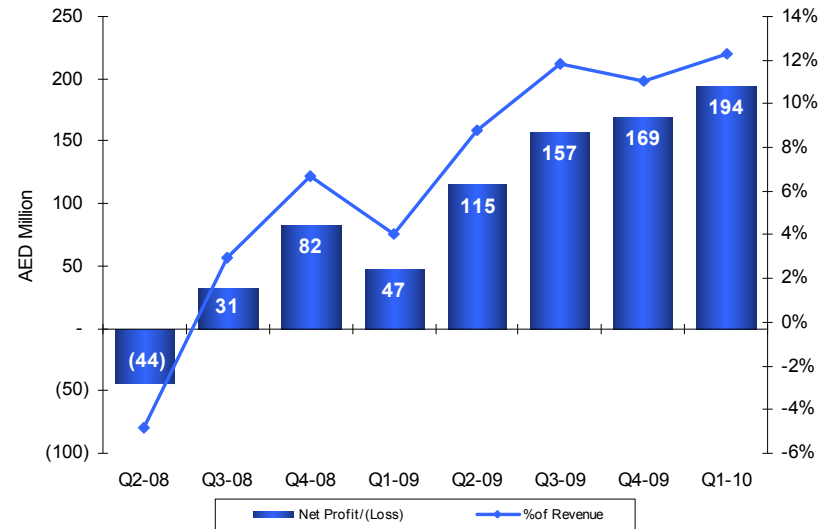
Net profit before royalty quadrupled vs Q1 09 to reach AED 194m

Earnings Before Interest, Tax, Depreciation & Amortization



- EBITDA for the quarter remained strong, equal to the record EBITDA achieved in Q4 09 of AED 366m, and more than double year on year from AED 159m in Q1 09
- Q1 10 overheads increased to AED 676m from AED 626m in Q4 09, primarily as a result of the new higher spectrum fees introduced by the TRA in 2010
- As a percentage of revenue, overheads in Q1 10 remained stable at 43% from 41% in Q4 09 and down compared to 53% in Q1 09 due to management's continued focus on efficient growth

Net Profit before Royalty

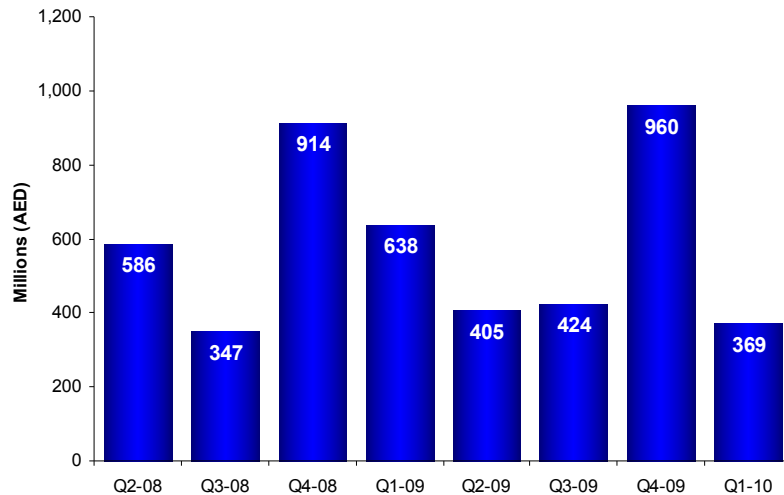


- Q1 10 net profit before royalty more than quadrupled compared to Q1 09 to reach AED 194m
 - Increase of 15% over Q4 09, excluding a one-time gain in the fourth quarter equal to AED 39.7m for a vendor liquidated damages claim, which resulted in reported net profit before royalty of AED 209 million in Q4 09
- Provision for potential royalty maintained at 50% of net profit (AED 97m)

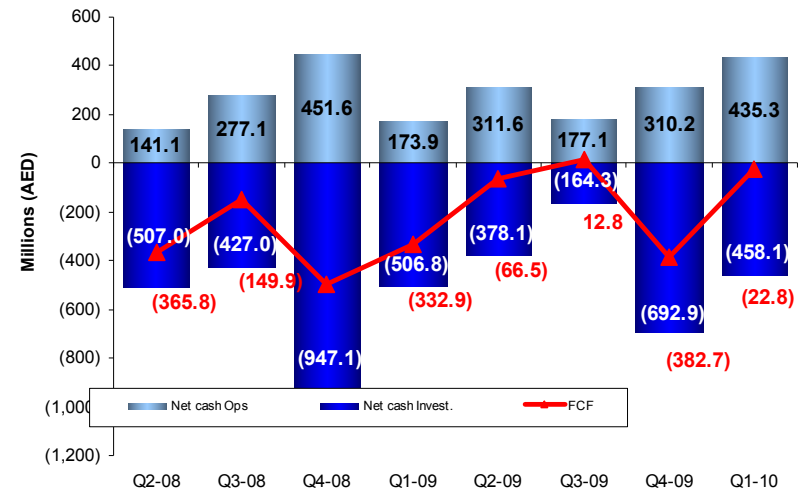
Capital Investments and Cash Flow

Continued investment in du's network and infrastructure to support growth

Capex Additions



Cash Flow



- Investment in du's network and infrastructure continued in the first quarter, with AED 369m accounted for in Q1 10
- Total of AED 2.2bn planned capex spend for the full year 2010
- Investment to continue to enhance coverage and quality to provide a solid base for future growth
- Strong cash flow generation for the quarter, up from AED 174m in Q1 09 to AED 435m in Q1 10, corresponding to strong year on year EBITDA growth

Q&A

Mr Osman Sultan
Chief Executive Officer

Mr Mark Shuttleworth
Chief Financial Officer