

# Extending our reach

During 2003, Telecom Egypt focussed on increasing its rate of penetration into many of the basic services in order to serve the needs of the community and maximise the rate of return on investment to its shareholders.

Facing fierce competition in the field of prepaid telephone calls, Telecom Egypt undertook a programme to reposition its own prepaid product, "Marhaba". After careful assessment of customer requirements, Telecom Egypt invested in a new project serving the whole country and providing many enhancements to the existing products. It also extended the reach of the service by adding 5,000 more points of sale across the country and by using some of the largest distributors in the country to increase the sales channels.

In the other area of extreme competition, the payphone market, Telecom Egypt took aggressive measures to improve its service and invested in over 3,000 new payphones cabins which were installed across the country.

The summer migration of families to the North Coast offers opportunities to extend lines to many families in their summer cottages. Telecom Egypt exploited this opportunity through a highly visible campaign, supported by a discount on lines in the area. This campaign promoted the cost efficiency of rational calls across fixed lines. The same discounts were provided to other summer resorts as well as to rural areas.

The year 2003 witnessed a great push towards meeting Telecom Egypt's universal access obligation. This was achieved by rapidly extending the rural network to more isolated communities as represented in the number of rural subscribers which increased from 1.5 million in 2002 to 1.9 million in 2003.

In an effort to support Egypt's national objective to increase PC penetration and internet access, Telecom Egypt (along with other IT business leaders) undertook an aggressive campaign to promote the "Computer for Every Home" initiative. This initiative enables Telecom Egypt's customers to purchase new PCs and to spread the cost over a three year period, making payments through Telecom Egypt's facilities.