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The presentation also contains certain non-GAAP financial information. The Group’s management believes these measures provide valuable additional information in understanding the performance of the Company's businesses because they provide measures used by the company to assess performance. Although these measures are important in the management of the business, they should not be viewed as replacements for, but rather as complementary to, the comparable GAAP measures.

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FY 16 Highlights

FY 16 Financial Review

Strategic Focus and Guidance
FY 16 Highlights

• Maintained leading position as Kenya’s most admired brand, with an overall brand equity score of 89%* and a Net Promoter Score of 66%**

• Rolled out a new Regional Sales and Operations structure

• Continued investment in network, IT infrastructure and innovation

• Significant improvements in voice and data service quality

• Maintained market share at 64.7% as at December 2015

*Internally commissioned research performed by Millward Brown  **Internally commissioned research performed by TNS
What we have achieved…Cont’d

Customer First

• Launched segmented way of marketing to drive customer centricity in our propositions development

• Invested in the customer by optimizing the customer experience journey
  o “Hakikisha” (M-PESA name checking)
  o Free M-PESA E-statements to customers
  o Increased use of web self care
  o Strengthened distribution presence
  o Deployed Big Data analytics
  o Reduced roaming prices
What we have achieved…Cont’d

**Mobile Data**
- Grew 30 day active data users to 14.1m up 21.5%
- Mobile data penetration now at 53.1% of total base
- Smartphone users have increased to 7.8m up 128%
- More affordable data plans, usage up 112%
- Entry level 3G smart phone now below US$ 30
- 4G launched in 20 counties

**Voice & Messaging**
- Maintained growth in voice
- SMS penetration now at 72%
What we have achieved…Cont’d

Deepening Financial Inclusion

• Continued M-PESA growth, with 30 day active users at 16.6m, up 19.8%

• Grew international money transfers to Kshs 13.1bn, up 64%

• Continued growth of cashless payments

• Increased uptake of our savings and loans products
What we have achieved...Cont’d

Partner of choice for business
• Continued focus as a partner of choice for business

Supporting Innovations
• Funding the next big innovations through our Spark Fund
• Simplifying access to APIs to boost local development
• MTIBA: Partnership delivering health via mobile
• M-AKIBA: Increasing access to government bonds
• SHUPAVU 291: Delivering educational content one SMS at a time
• Mobile broadband access to Schools: Delivering content and access to data
What we have achieved...Cont’d

Regional Focus
- Implemented regional operations structure with six regions rolled out
- Localization of company strategy with tailor made regional promotions and offers

Best Network For You
- Bringing M-PESA Home: allowing for stability and growth
- Increased coverage and capacity resulting in improved usage and quality
Strong financial performance

- **SERVICE REVENUE**: +14% to Kshs 177.8bn
- **NON-VOICE SERVICE REVENUE**: +26% to Kshs 86.9bn
- **EBITDA**: +17% to Kshs 83.1bn
- **NET INCOME**: +19% to Kshs 38.1bn
- **FREE CASH FLOW**: +10% to Kshs 30.4bn
- **PROPOSED DIVIDEND PER SHARE**: +19% to Kshs 0.76
Delivering on strategy: Strong financial results

More subscribers using our products and services
Increasing ARPU across Data and M-PESA

13.8% growth in service revenue and cost management. Underlying EBITDA margin at 44.6%

Driven by growth in EBITDA

Positive impact of favourable trading results
Service revenue: Sustained strong growth

- 13.8% growth in service revenue
- 7.8% growth in customer base to 25.16m customers, despite removing 1.7m customers from the count
- Voice service revenue growth of 3.9% and non-voice service revenue growth of 26.3%

### Service revenue breakdown

**Kshs. Billion**

<table>
<thead>
<tr>
<th>FY 16</th>
<th>Voice</th>
<th>Non-voice</th>
</tr>
</thead>
<tbody>
<tr>
<td>177.78</td>
<td>49%</td>
<td>51%</td>
</tr>
<tr>
<td>156.25</td>
<td>51%</td>
<td>49%</td>
</tr>
<tr>
<td>138.36</td>
<td>44%</td>
<td>56%</td>
</tr>
<tr>
<td>118.06</td>
<td>8.87</td>
<td>91.13</td>
</tr>
</tbody>
</table>

### Service revenue growth

**Kshs. Billion**

<table>
<thead>
<tr>
<th>FY 13</th>
<th>FY 14</th>
<th>FY 15</th>
<th>FY 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>118.06</td>
<td>138.36</td>
<td>156.25</td>
<td>177.78</td>
</tr>
</tbody>
</table>

**FY 16 Service revenue**

- 13.8% growth
Service revenue: Growth across all segments

CAGR +14.6%

Kshs. Billion

190.00
170.00
150.00
130.00
110.00
90.00
70.00
50.00
30.00

FY 13
FY 14
FY 15
FY 16

75.85
84.32
87.41
90.85

21.84
26.56
32.63
41.50

10.15
13.62
15.63
17.28

2.45
9.31
14.82
3.13

0.63
1.98
2.63
3.82

Other service revenue
Fixed service revenue
Mobile data revenue
SMS revenue
M-PESA revenue
Voice revenue

Safaricom
Voice: Resilient growth

- 3.9% growth in voice service revenue
- 7.8% growth in total customers
- 42.3% of airtime top-ups directly through M-PESA
- 252,000 retailers actively sell Safaricom top-up cards
- 22.9% increase in emergency top ups (Okoa Jahazi)
- Average blended rate per minute is Kshs 2.52* for national outgoing calls, a 14.6% decline
- Minutes of use per customer per month for national outbound calls grew to 103.9, an 11.0% increase

*on top of which VAT of 16% and excise tax 10% is loaded
Strong growth in non-voice service revenue

- Non-voice service revenue grew 26.3%, now 49% of service revenue
- Revenue growth of:
  - M-PESA +27.2%
  - Mobile data +42.7%
  - SMS +10.6%
  - Fixed service +22.0%
  - Other service revenue +21.1% (Okoa Jahazi)
M-PESA: Growing revenue & financial inclusion

M-PESA Revenue
Kshs. Billion

<table>
<thead>
<tr>
<th></th>
<th>FY 13</th>
<th>FY 14</th>
<th>FY 15</th>
<th>FY 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>27.2%</td>
<td>21.84</td>
<td>26.56</td>
<td>32.63</td>
<td>41.50</td>
</tr>
</tbody>
</table>

30-day Active M-PESA Customers
Million

<table>
<thead>
<tr>
<th></th>
<th>FY 13</th>
<th>FY 14</th>
<th>FY 15</th>
<th>FY 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>19.8%</td>
<td>10.54</td>
<td>12.16</td>
<td>13.86</td>
<td>16.60</td>
</tr>
</tbody>
</table>

- 27.2% growth in M-PESA revenue, driven by:
  - 19.8% increase in 30 day active users to 16.6m
  - 7.43 chargeable transactions per 30 day active users (16% growth)

- Total M-PESA transactional value at Kshs 5.29tn, up 27%

- 17.5% growth in M-PESA agents, now at 100,744

- M-Shwari: Increased 30 day active customers to 3.9m, Kshs 8.1bn on deposit and Kshs 7.4bn on loan as at 31st March 2016, with NPLs at 1.93%

- KCB - MPESA: 30 day active customers at 0.73m, Kshs 0.19bn on deposit and Kshs 1.47bn on loan as at 31st March 2016, with NPLs at 3.61%
M-PESA: Value transacted – Kshs 5.29tn in FY16

Value transacted approximately 38% of GDP

Computation based on transfers and other payments (B2C, C2B, IMT, Buy goods, etc) and GDP of USD 60.94bn*

*World Bank
Mobile data revenue growth of 42.7% driven by:
  - 21.5% growth in 30 day active mobile data users to 14.08m – now 53% of our customer base
  - 77% increase in mobile data usage per customer while average price per MB declined by 33%
  - 128% growth in smartphone users to 7.8m

Fixed service revenue growth of 22.2% driven by 21.6% increase in fixed customers to 10,490
SMS: Active users, attractive bundles driving growth

- 10.6% growth in SMS revenue, driven by:
  - 14.0% growth in 30 day active SMS users to 15.23m
  - 24.1% growth in active SMS bundle users to 4.96m
  - Growth in Premium rated services (Lottery and gaming)
Growth in usage: Driven by M-PESA and Data

**Voice**
- Kshs.
  - FY15: 328
  - FY16: 305
  - ARPU decline due to large growth in new customers spending less than the base customers

**SMS**
- Kshs.
  - FY15: 59
  - FY16: 58
  - SMS ARPU near flat on account of growth in users spending less

**M-PESA**
- Kshs.
  - FY15: 209
  - FY16: 222
  - 19% growth in chargeable transactions per 30 day active customers

**Mobile Data**
- Kshs.
  - FY15: 110
  - FY16: 130
  - 77% increase in mobile data usage driven by attractive bundles, amid a 33% decline in rates

**Service ARPU**
- Kshs.
  - FY15: 587
  - FY16: 598
  - Driven by growing usage of non-voice services

* Voice, SMS and Service ARPU are calculated based on 90 day active mobile customers
** M-PESA and Mobile Data ARPUs are calculated based on respective 30 day active customers
10.0% growth in direct costs, lower than the 14.1% growth in total revenue (excludes construction revenue)

Contribution margin improvement to 66.7%, up 1.1ppt
Cost management through operational excellence

FY 16 OPEX

- Maintained Opex as a % of revenue despite a 9.8% depreciation of the KES against the USD in the financial year

- Continued with cost optimization across the operations:
  - Improvements in site energy costs including conversion to free cooling, integration to solar power, connection to the power grid and deep cycle battery installation
  - IT and Network Support contracts rationalization and optimization
  - Increased use of own fiber for customers and own transmission requirements

* Operating costs relate to Payroll, Publicity, Leased Lines, Network & IT operational costs, FX loss and other costs (including rent, rates and insurances)

* OPEX Intensity is based on total revenue less construction revenue
16.7% growth in FY16 EBITDA to Kshs 83.07bn

FY 16 underlying EBITDA margin improvement of 0.9ppt to 44.6%*

* EBITDA margin is based on total revenue less construction revenue
Improved cash generation funding Capex

**FY 16 Free Cash Flow & Net cash position**

<table>
<thead>
<tr>
<th>Kshs. Billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
</tr>
<tr>
<td>83.07</td>
</tr>
<tr>
<td>(15.65)</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

- 10.4% increase in Free cash flow* attributed to improved trading results
- FY 16 ended with cash at bank of Kshs 8.50bn and no debt

* Free Cash Flow excludes M&A and spectrum purchases

**FY 16 Capex**

![Bar chart of FY 13, FY 14, FY 15, FY 16 Capex and CAPEX Intensity]

Capital expenditure* of Kshs 32.13bn invested in:
- Expansion of 2G, 3G & 4G networks to support customer growth & improve network quality
- Fibre roll out,
- Information System Upgrades

*Safaricom*
Network at a glance

- **20M** Active Voice customers
- **14M** Active Data customers
- **HD Voice** on 2G & 3G
- **100G** optimized Packet Core
- **50%** Local Traffic (CDN)

**Internal upgrades**
- Fully converged billing
- MPESA (G2) – Stability

**Fiber**
- **3,236 km**
- **34%** sites
- **16 towns**
- **1,138 Buildings**
- **6,848 Homes**

**Data Centers**
- **8 Main MSR’s**
- **7 Satellite MSR’s**

**Network statistics**
- **95%** 2G Population Coverage
- **78%** Broadband Coverage

**Site counts**
- **3,800** 2G Sites
- **2,517** 3G Sites
- **467** 4G Sites
- **193** WiMAX sites
- **56** VSAT sites

**Network infrastructure**
- **100G** IP & Optical Backbone
- **25G** Undersea Capacity
Independent Benchmark | Leadership in Voice and Data

2nd year in a row “P3 Best in Test” certification

Opportunities for improvement in Data especially on video and web browsing; and Voice in cities

Safaricom P3 Score Trend

<table>
<thead>
<tr>
<th></th>
<th>Apr-16</th>
<th>Apr-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voice</td>
<td>Best</td>
<td>Co-Best</td>
</tr>
<tr>
<td>Data</td>
<td>Best</td>
<td>Best</td>
</tr>
</tbody>
</table>

C3 - Safaricom Confidential
### Key Financials: Kshs bn

<table>
<thead>
<tr>
<th></th>
<th>FY16</th>
<th>FY15</th>
<th>GROWTH</th>
<th>H2 FY16</th>
<th>H2 FY15</th>
<th>GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voice - Outgoing</td>
<td>83.66</td>
<td>81.19</td>
<td>3.0%</td>
<td>42.03</td>
<td>40.46</td>
<td>3.9%</td>
</tr>
<tr>
<td>Voice - Incoming</td>
<td>7.14</td>
<td>6.18</td>
<td>15.5%</td>
<td>3.63</td>
<td>3.28</td>
<td>10.7%</td>
</tr>
<tr>
<td>MPesa revenue</td>
<td>41.50</td>
<td>32.63</td>
<td>27.2%</td>
<td>22.15</td>
<td>17.03</td>
<td>30.0%</td>
</tr>
<tr>
<td>Messaging revenue</td>
<td>17.33</td>
<td>15.63</td>
<td>10.6%</td>
<td>9.30</td>
<td>8.46</td>
<td>9.9%</td>
</tr>
<tr>
<td>Mobile data revenue</td>
<td>21.15</td>
<td>14.82</td>
<td>42.7%</td>
<td>11.99</td>
<td>8.32</td>
<td>44.1%</td>
</tr>
<tr>
<td>Fixed service revenue</td>
<td>3.82</td>
<td>3.13</td>
<td>22.0%</td>
<td>1.96</td>
<td>1.64</td>
<td>19.2%</td>
</tr>
<tr>
<td>Other service revenue</td>
<td>3.18</td>
<td>2.63</td>
<td>20.9%</td>
<td>1.81</td>
<td>1.46</td>
<td>24.6%</td>
</tr>
<tr>
<td><strong>Service Revenue</strong></td>
<td>177.78</td>
<td>156.25</td>
<td><strong>13.8%</strong></td>
<td>92.87</td>
<td>80.65</td>
<td><strong>15.2%</strong></td>
</tr>
<tr>
<td>Handset &amp; other revenue</td>
<td>8.62</td>
<td>7.11</td>
<td>21.2%</td>
<td>4.75</td>
<td>3.38</td>
<td>40.7%</td>
</tr>
<tr>
<td>Construction revenue</td>
<td>9.28</td>
<td>-</td>
<td>-</td>
<td>0.84</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>195.68</td>
<td>163.36</td>
<td><strong>19.8%</strong></td>
<td>98.46</td>
<td>84.03</td>
<td><strong>17.2%</strong></td>
</tr>
<tr>
<td>Other Income</td>
<td>0.23</td>
<td>0.58</td>
<td>-60.3%</td>
<td>0.16</td>
<td>0.02</td>
<td>&gt;100%</td>
</tr>
<tr>
<td>Direct Costs</td>
<td>(62.30)</td>
<td>(56.71)</td>
<td>9.9%</td>
<td>(32.29)</td>
<td>(27.79)</td>
<td>16.4%</td>
</tr>
<tr>
<td>Construction costs</td>
<td>(9.28)</td>
<td>-</td>
<td>-</td>
<td>(0.84)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Contribution margin</strong></td>
<td>124.33</td>
<td>107.23</td>
<td><strong>15.9%</strong></td>
<td>65.49</td>
<td>56.26</td>
<td><strong>16.4%</strong></td>
</tr>
<tr>
<td>Contribution margin %</td>
<td>66.7%</td>
<td>65.6%</td>
<td>1.1%</td>
<td>67.1%</td>
<td>66.9%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(40.99)</td>
<td>(35.96)</td>
<td>14.0%</td>
<td>(21.77)</td>
<td>(18.60)</td>
<td>16.2%</td>
</tr>
<tr>
<td>Forex loss on trading</td>
<td>(0.27)</td>
<td>(0.08)</td>
<td>&gt;100%</td>
<td>0.51</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Opex &amp; forex loss % of service revenue</strong></td>
<td>22.1%</td>
<td>22.1%</td>
<td>-</td>
<td>21.7%</td>
<td>22.1%</td>
<td>-0.4%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>83.07</td>
<td>71.19</td>
<td><strong>16.7%</strong></td>
<td>44.23</td>
<td>37.66</td>
<td><strong>17.4%</strong></td>
</tr>
<tr>
<td>EBITDA margin %</td>
<td>44.6%</td>
<td>43.6%</td>
<td>0.9%</td>
<td>45.3%</td>
<td>44.8%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Depreciation &amp; Amortisation</td>
<td>(27.94)</td>
<td>(25.57)</td>
<td>9.3%</td>
<td>(14.40)</td>
<td>(12.98)</td>
<td>10.9%</td>
</tr>
<tr>
<td>Net Finance income / (cost)</td>
<td>0.51</td>
<td>0.22</td>
<td>&gt;100%</td>
<td>0.18</td>
<td>0.15</td>
<td>20.9%</td>
</tr>
<tr>
<td>Forex gain / (loss) on cash &amp; cash equivalents</td>
<td>0.39</td>
<td>0.21</td>
<td>85.7%</td>
<td>(0.30)</td>
<td>0.12</td>
<td>&lt;100%</td>
</tr>
<tr>
<td>Fair value loss on investment property</td>
<td>(0.37)</td>
<td>-</td>
<td>-</td>
<td>(0.37)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Share of associate profit / (loss)</td>
<td>0.10</td>
<td>-</td>
<td>-</td>
<td>0.01</td>
<td>(0.00)</td>
<td>&lt;100%</td>
</tr>
<tr>
<td>Asset purchase gain</td>
<td>-</td>
<td>0.11</td>
<td>&lt;100%</td>
<td>0.00</td>
<td>0.11</td>
<td>&lt;100%</td>
</tr>
<tr>
<td><strong>Earnings Before Tax (EBT)</strong></td>
<td>55.76</td>
<td>46.15</td>
<td><strong>20.8%</strong></td>
<td>29.36</td>
<td>25.05</td>
<td><strong>17.2%</strong></td>
</tr>
<tr>
<td>Tax</td>
<td>(17.66)</td>
<td>(14.28)</td>
<td>23.7%</td>
<td>(9.33)</td>
<td>(7.89)</td>
<td>18.3%</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>38.10</td>
<td>31.87</td>
<td><strong>19.6%</strong></td>
<td>20.03</td>
<td>17.16</td>
<td><strong>16.7%</strong></td>
</tr>
<tr>
<td>Earnings per share</td>
<td>0.95</td>
<td>0.80</td>
<td>19.6%</td>
<td>0.50</td>
<td>0.43</td>
<td>16.7%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>30.36</td>
<td>27.52</td>
<td>10.3%</td>
<td>9.52</td>
<td>15.48</td>
<td>-38.5%</td>
</tr>
<tr>
<td>Recommended ord dividend</td>
<td>30.48</td>
<td>25.64</td>
<td>18.9%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Recommended ord dividend per share</td>
<td>0.76</td>
<td>0.64</td>
<td>18.9%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
Future Outlook
Priorities going forward…cont’d

Customer First

• Accelerate acquisition and retention of subscribers
• Create a customized experience for all our customers
• Increase access to customer service points
• Reduce calls to call center
• Leverage Big Data insights
• Empower our customers to manage their services through the launch of the Safaricom App
Priorities going forward…cont’d

### Relevant Products

**Mobile Data**
- Accelerate 3G and 4G smartphone penetration
- Grow our base of active data users
- Continue to drive affordability via bundle propositions
- Provide relevant content to increase usage in line with customer demand
- Deliver home internet connectivity through 4G and fiber to the home propositions

**Voice & Messaging**
- Aim to create unique experiences supported by best in breed technology.
- Continuous development to catalyze consumption for our various customer segments
Priorities going forward…cont’d

Driving Financial Inclusion

• Deepen M-PESA penetration and usage
• Grow our Lipa Na M-PESA merchants and increase activity level on the platform
• Partnerships with banks to deliver more real time Merchant settlements
• Fuel the expansion of business to business payments in the SME segment
• Increase uptake of savings and loans products
• Grow international money transfers
Priorities going forward...cont’d

**Partner of Choice for Business**
- Investment in fibre infrastructure to expand data footprint and provide better connectivity to business
- Invest in SMEs by partnering for success through co-creation of solutions to meet their business needs
- Deepen corporate engagements

**Supporting Innovations**
- Continue building Kenya’s innovation ecosystem
- Enhance opportunities to develop capabilities among local developers
- Provide testing environment for developers to use SMS, USSD & M-PESA APIs
- Partnerships to support customer transforming innovations
Priorities going forward…cont’d

**Customer Service**
- Expand our customer service points countrywide
- Increase capacity at call centers
- Introduce voice bio-metric to fast track resolution

**Best Network For You**
- Increased accountability through network guarantees
- Democratize data by expanding 3G population coverage from 78% to 82%
- Continue investments in the network to deepen coverage and deliver best experience (2G, 3G, 4G)
FY 17 Guidance

EBITDA for FY 17

Expected to be in the range of Kshs 89bn - 92bn

Capital Expenditure for FY 17

Expected to be in the range of Kshs 32bn - 33bn
FY 16 Highlights

- Maintained leading position as Kenya’s most admired brand, with an overall brand equity score of 89%* and a Net Promoter Score of 66%**

- Rolled out a new Regional Sales and Operations structure

- Continued investment in network, IT infrastructure and innovation

- Significant improvements in voice and data service quality

- Maintained market share at 64.7% as at December 2015

*Internally commissioned research performed by Millward Brown  **Internally commissioned research performed by TNS
Industry Performance: Dec 2015 vs Dec 2014

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Safaricom</th>
<th>Airtel and YU</th>
<th>Orange</th>
<th>Finserve</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dec '15</td>
<td>Dec '14</td>
<td>%</td>
<td>Dec '15</td>
</tr>
<tr>
<td><strong>Market Share by Subscribers (%)</strong></td>
<td>64.70</td>
<td>67.40</td>
<td>-2.7ppt</td>
<td>19.20</td>
</tr>
<tr>
<td><strong>Mobile Subscribers (mn)</strong></td>
<td>24.41</td>
<td>22.66</td>
<td>7.7%</td>
<td>7.24</td>
</tr>
<tr>
<td><strong>Market Share by Voice Minutes (%)</strong></td>
<td>72.10</td>
<td>84.00</td>
<td>-11.9ppt</td>
<td>16.80</td>
</tr>
<tr>
<td><strong>Total Minutes (bn)</strong></td>
<td>7.39</td>
<td>6.22</td>
<td>18.8%</td>
<td>1.72</td>
</tr>
<tr>
<td><strong>SMS Market Share (%)</strong></td>
<td>90.70</td>
<td>96.40</td>
<td>-5.7ppt</td>
<td>8.20</td>
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<tr>
<td><strong>Total SMS (bn)</strong></td>
<td>7.36</td>
<td>7.03</td>
<td>4.6%</td>
<td>0.67</td>
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<tr>
<td><strong>Mobile Data market share (%)</strong></td>
<td>63.00</td>
<td>72.22</td>
<td>-9.2ppt</td>
<td>18.00</td>
</tr>
<tr>
<td><strong>Total Mobile Data Subscriptions (m)</strong></td>
<td>14.99</td>
<td>11.80</td>
<td>27.0%</td>
<td>4.28</td>
</tr>
</tbody>
</table>

Key:

- **↑** - Increase
- **↓** - Decrease
- **-** - No Change

Source: Communications Authority of Kenya (CA) Sector Statistics reports
## Income Statement - Projected (Kshs m)

<table>
<thead>
<tr>
<th></th>
<th>FY 15</th>
<th>FY 16</th>
<th>FY 17</th>
<th>FY 18</th>
<th>FY 19</th>
<th>FY 20</th>
<th>FY 21</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed data revenue</td>
<td>-</td>
<td>906</td>
<td>906</td>
<td>906</td>
<td>604</td>
<td></td>
<td></td>
<td>3,323</td>
</tr>
<tr>
<td>Service Revenue</td>
<td>-</td>
<td>906</td>
<td>906</td>
<td>906</td>
<td>604</td>
<td></td>
<td></td>
<td>3,323</td>
</tr>
<tr>
<td>Total revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,323</td>
</tr>
<tr>
<td>Other income</td>
<td>9,280</td>
<td>773</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10,053</td>
</tr>
<tr>
<td>Contribution margin</td>
<td>9,280</td>
<td>1,679</td>
<td>906</td>
<td>906</td>
<td>604</td>
<td></td>
<td></td>
<td>13,376</td>
</tr>
<tr>
<td>Network costs</td>
<td></td>
<td>(606)</td>
<td>(606)</td>
<td>(606)</td>
<td>(404)</td>
<td></td>
<td></td>
<td>(2,223)</td>
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<tr>
<td>Other operating costs</td>
<td>(214)</td>
<td>(9,280)</td>
<td>(773)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(10,267)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(214)</td>
<td>-</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>200</td>
<td></td>
<td>886</td>
</tr>
<tr>
<td>Taxation</td>
<td></td>
<td>(77)</td>
<td>(77)</td>
<td>(77)</td>
<td>(51)</td>
<td></td>
<td></td>
<td>(282)</td>
</tr>
<tr>
<td>Net Income</td>
<td>(214)</td>
<td>-</td>
<td>223</td>
<td>223</td>
<td>223</td>
<td>149</td>
<td></td>
<td>604</td>
</tr>
</tbody>
</table>

## Cashflow - Projected (Kshs m)

<table>
<thead>
<tr>
<th></th>
<th>FY 15</th>
<th>FY 16</th>
<th>FY 17</th>
<th>FY 18</th>
<th>FY 19</th>
<th>FY 20</th>
<th>FY 21</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading Cash Flow</td>
<td>(214)</td>
<td>-</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>200</td>
<td></td>
<td>886</td>
</tr>
<tr>
<td>Working Capital Changes</td>
<td>(903)</td>
<td>(5,705)</td>
<td>2,493</td>
<td>925</td>
<td>925</td>
<td>1,276</td>
<td>988</td>
<td></td>
</tr>
<tr>
<td>Movement in Stocks</td>
<td>(7,227)</td>
<td>7,227</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Movement in Debtors</td>
<td></td>
<td>(9,280)</td>
<td>5,165</td>
<td>925</td>
<td>925</td>
<td>1,276</td>
<td>988</td>
<td></td>
</tr>
<tr>
<td>Movement in Creditors</td>
<td>6,324</td>
<td>(3,652)</td>
<td>(2,672)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Operating Cash Flow/ Free Cash Flow</td>
<td>(1,117)</td>
<td>(5,705)</td>
<td>2,793</td>
<td>1,225</td>
<td>1,225</td>
<td>1,476</td>
<td>988</td>
<td>886</td>
</tr>
</tbody>
</table>