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Michael Patrick Foley: Assalamualaikum and good morning everybody from Dhaka. My name is Michael Foley. I am the CEO of Grameenphone, along with my colleague Karl Erik Broten, the CFO, we will present today the Quarter-4, 2018 Results. If you have any question, I just want to remind you, feel free to write them into the website as indicated as soon as possible.

Grameenphone delivered a strong financial performance in the 4th quarter in terms of growth, efficiency and profitability. Competitive activity in this quarter was somewhat more muted due to the impending elections and the seasonality effect. This year, the industry acquired 11.8 million new subscribers growing at 8.2% from last year. Real SIM penetration in the country now stands at 57% as of the end of 2018. In the 4th quarter, GP generated 34.7 billion Taka in revenue, which is a growth of 7.7% over the same quarter last year. Our EBITDA margin stood at a healthy 62.3%. We produced 11.5 billion Taka in profit after taxes. We drove 4G SIM replacement in this quarter resulting in 6.3 million 4G SIM replacements. For the full year of 2018, our revenue stood at a 132.8 billion Taka, a growth of 3.4% from 2017. EBITDA grew 5.8% from last year for a total of 80.7 billion Taka at year end. As per the BTRC published data, we ended the year at 72.7 million customers or 46.3% SIM market share. We experienced 6.6% growth in voice revenue this year mainly driven by the unification on on-net off-net traffic rates and that was made effective by the regulator in Quarter-3. And the growth in the subscriber base as well. And that was off-set by the increase in the average number of minutes used by customers. This year, Grameenphone has contributed 84.2 billion Taka to the national exchequer of Bangladesh in the form of taxes, VAT, duties, 4G licenses, tech-neutrality and other fees and levies. That is a billion US Dollars. We have focused strongly on high quality subscriber acquisition and this has been done through a very strong network expansion drive. Throughout the year, we have not only launched 4G by putting new antennas on our towers, but we have modernized the network in order to prepare for 4G, 5G, Narrowband IoT in other technologies. In Quarter-4, we continue to roll-out adding to 2G, 3G and LTE sites. 4G coverage now has reached 350 or more upazillas. Around 1500 new 2G sites, in-building solutions micro-sites, were delivered as well. Now, more than 99% of the population of Bangladesh is under Grameenphone coverage. More than 2000 new 3G sites have been rolled out in the quarter. Now, more than 95% of the population can enjoy Grameenphone’s 3G network. With 14,687 sites, Grameenphone has the most number of high speed enabled sites in Bangladesh. That means 3G and/or 4G on 14,687 sites. There have been challenges. There is significant infrastructure development in the country now, especially on highways and railways. This has caused for us over 1000 fiber optic cable cuts during the year. This is not just a problem for Grameenphone, but for the entire industry as well. However, working with our partners and our teams, we have been able to overcome this challenge with prompt recovery in almost every case. But this is something troubling that we will need to see addressed in the future. We have continued to strengthen our distribution and we did experience an early on-set to winter this year in late November with a lot of rainfall. But we continue to focus on the basics. We measure how long a customer stays with us after joining. We have a measurement called M3, which is what percentage of customers are with us 90 days after they have joined our network. And we move that very aggressively across all our regions. And we have now got that to 83% or more across the country. And that is not only a leading indicator in the country, but for the industry as a whole. We launched very lucrative campaigns for our retailers, which led a renewal of our drive on 4G and with 6.3 million SIM replacements, we are now seeing real effects of our floating customers from the 3G network to the 4G network to the benefits of all the customers in the country. In the 4th quarter as well, we launched a new number series, 013. We had essentially run out of 017 numbers, the numbers that we have had for the last over 22 years. We focused on that significantly during the 4th quarter and 92% of our gross adds in the 4th quarter came from 013. That is 2.9 million new customers on the 013 number range. Another thing that is pretty interesting and important for us is MyGP. This is the app that we use or the people use in the country to be able to manage their accounts, pay for their bills, recharge and access a number of different services. This is a very important initiative for us. These digital channels of distribution are critically important for the future of the company. And now, we have reached 4.5 million active users on MyGP and we have now created a lot of momentum behind the digitization of the relationship we have with our customers. We have seen, in fact, stable voice and data prices over the quarter. There has been some revision to pricing. That correction was implemented on data pack purchases and from Flexiplan we did that. That contributed to us to a 7% month-over-month growth in Flexiplan revenue. There have been no major discounts or campaigns in the 4th quarter, no bonus campaigns. But the promotion of monthly packs, 199 Taka for example, has generated hundred thousand hits per day for us and a 38 Taka data pack is generating for us 550 thousand hits per day. I will talk about this a little bit more. Monthly packs continue now to be more important for us as well. The revision of our monthly packs of data to upgrade customers from daily and weekly packs to monthly packs has really been important for us. And it has been successful with positive reaction in the market. So, a 350 minute/199 Taka voice pack is a hero product of the year for us leading for up to hundred thousand plus daily hits. And this has been a positive contribution for us on revenue of 16 million Taka per day. A 2 GB/38 Taka data pack as well has also been a hero product for this year with 550 thousand hits per day and a positive contribution to our revenue of 19 million Taka per day. 4G is one of the big stories for the year. We reached over 5000 sites, actually 5009 sites by the end of the year 2018. And this is not just, as I said, putting up radios on existing towers, but it is also modernizing our sites to single-ran architectures so that we can support 4G, network slicing, 5G, IoT and so on. And this includes modernization of our radio backhaul and other backhaul infrastructures. 54.6% of the sub-base, that is under our current coverage, have 4G SIMs in their 4G devices. Now, there are about 10.7 million 4G devices in the Grameenphone network. This is encouraging. It says, as we continue to grow our 4G network, we will find more and more people coming on to the 4G network. And as we convert more people from ordinary SIMs to 4G SIMs in their 4G handsets, we are going to continue to off-load customers from the 3G network helping the experience for both kinds of clients. We ended the year with 37.1 million data subscribers, which is 51% of our total sub-base. And an 18.9% growth from the same quarter last year. We met our objectives on the 4G network, which is now carrying already, after essentially seven or eight months of operation, and only partially deployed, 20% of our total data traffic is being covered and carried over the 4G network. We did reach 7 million unique 4G users in the quarter, which means 7 million users have latched on to Grameenphone for their data network on 4G at least once. Now, we will continue to focus like a laser beam on the best network experience for customers as we continue with the 4G roll-out.

Regulatory, for those of you who have been listening on a regular basis, is a rich area for discussion. SMP regulations were brought forth on the 14th of November by the BTRC and the SMP regulates telecommunications sector includes MNOs, ISPs, NTTNs, Tower Cos., ICXs, IGWs and so on. Mobile service providers holding at least 40% of the subscriber market share or revenue market share or spectrum market share of over 40%, in fact, can be and will be defined as SMP. On the 4th of December, we sent a letter to the BTRC requesting industry consultation and BTRC continues to work on the formulation of rules for SMP and in this area we are very clear. We request and require the best possible international practices in this area. The BTRC audit continues to be an issue of interest. On the 17th of December, BTRC invited GP and the auditor in the tri-party meeting, to discuss selected areas of findings. The next course of action will be determined in the upcoming commissioner meetings. We are expecting a few more discussions leading to the closure of this item. On tower sharing, the BTRC has handed over the licenses to the selected firms on the 1st of November. The industry is in dialogue with the BTRC for smooth transition and GP is running commercial negotiations with the licensees. On quality of service, on November 11th, the BTRC has made the quality of service guidelines public on their website. The QoS parameters have been set only for MNOs, the public switch telephone network and broadband service providers. However, no parameters have been set for the NTTNs yet, who are in fact self-styled carrier of carriers and it is critically important that this part of the value chain be managed in a way to service quality across all the client base of the country. A letter with our concerns has been sent to the BTRC on 10th of December and we continue to have discussions on these issues with them. so, what are our priorities going forward? First, on growth and renewal. We will continue to win in voice. There is a significant number of people in this country that still do not have access to basic phone services and we will continue to work in this area with coverage leadership, distribution leadership and challenging in red markets. We will enable personalization. Critically important. Tools like MyGP, which I showed you earlier, are extremely important for distribution and the enabled personalization offers to customers to get what they need when they need it. The second one is simplification efficiency. We will continue our business simplification program boosting collaboration and efficiency. It is critically important that we understand that our businesses have to digitize and have to be more efficient. On winning team, we will continue to sharpen our focus enabling capacity, capabilities in our core business and looking for opportunities in the adjacent businesses to the company. We will implement new ways of work to ensure agility and ways of increasing our efficiency and our effectiveness. And let me spend a little bit of time on responsible business. License regime reform is critically important and we intend to launch advocacy and platform building exercises in this area to ensure that the platforms are ready, the license regimes are ready to enable really the Digital Bangladesh dream that we all share. Spectrum pricing advocacy is also critically important. And we are actually going to work very clearly on this to work on the availability of spectrum at reasonable prices for operators to be able again to deliver the best services in the world and to deliver on Digital Bangladesh. On the resolution of financial issues, we started to use the alternative dispute resolution mechanism at the NBR and we are looking forward to the results of that. We will continue to reputation building. We focus on Sustainable Development Goal no. 10, which is about reducing inequalities through the use of telecommunication services and we are going to continue to increase our emphasis on reputation building. Flexibility in organizational development is also critically important and we will be working on that as part of our responsible business. with this, I would like to invite Karl Erik Broten, our CFO, to talk a little bit about the results in detail. Karl…

Karl Erik Broten: Thank you, Michael. So, it is a great pleasure that I present the 4th quarter and, as highlighted by Michael, we have had a very strong financial performance with both topline growth in efficiency improvements and margin improvements. There is double digit growth in subs and traffic revenues, which is 11.3% year-over-year in the 4th quarter. We are reporting a 62.3% EBITDA margin for the last four quarters, which basically means, in 2018 - the full year, we have a Capex to Sales with a healthy level of 12.7%, maintaining our network superiority on all technologies. And we also have a record high earnings per share of 6.72 in the 4th quarter. This is a growth of year-over-year of 51.8%. If we normalize the one-off impacts from both Quarter-4, 2018 and the same quarter in 2017, the earnings per share increase is 23.6. So, it is still strong on a normalized basis. When we normalize subscription and traffic revenues, we have 12.2% growth year-over-year in Quarter-4 and 8.3% for the full year. In nominal terms, this means that we have grown subs and traffic revenues in Quarter-4 with 3.5 billion year-over-year. On a reported basis, we will report 11.3% growth in subs and traffic revenues and for the full year, it is 7%. And as we have emphasized in every quarter this year, we have made some accounting changes in how we book revenues related to third party content and devices. On total revenues, we are reporting 7.7% growth in total revenues and for the full year it is 3.4%. And again, if we normalize for the contract change impact, we have 9.9% growth in Quarter-4 and 6.3% for the full year. This is, of course, driven by the growth in subs and traffic revenue, which is 3.5 billion, but partly off-set by somewhat lower interconnect revenues. Moving on to data – we have a 25.1% in data revenues and this is driven by more subscribers that is 18.9% growth in our subscriber base. And we also see that we have added 5.9 million new internet subscribers and that we have a 5.2% growth in the data ARPU. As you see here now, data revenues represent 19.5% of the total service revenues. And also, on the active data users, we have now 37.1 million active data users, which is now 51% of the total base. And it keeps growing as we are growing the number of 4G base-stations and we also see that the smartphone penetration is increasing and, as Michael mentioned in the beginning, we have 5.5 million active 4G users in our base. Moving on to ARPU – on year-over-year basis, we have a 2.0% service ARPU drop, but as mentioned, we have a 3.6% data ARPU growth. If we compare to Quarter-4, there is a quarter-over-quarter drop in the service ARPU mainly due to seasonality impact and the early on-set of winter. And if we look at the 2.0% service ARPU drop year-over-year, we could say that it is driven by lower interconnect revenues, especially after the unified floor price and harmonization of on-net and off-net. If we correct for that, we have a quite flat service ARPU year-over-year. And on data, we have the data ARPU growth year-over-year, which is 5.2%. we have an Average Price Per Megabyte (APPM) decline by 30.6% mainly due to competitive offers. But still we believe that we are able to monetize data and as you see, it is a rather stable Average Price Per Megabyte if you compare Quarter-3 with Quarter-4. And also, you could say regarding data that this is where we see the most aggressive offers from our competitors. Moving back to the financials – we have a normalized EBITDA at least of 30.3 billion year-over-year. But let us focus on Opex first. Opex remains stable on a reported basis for the quarter and it is 6.5% for the full year. Despite network expansion and 4G driven market expansion, we have a normalized Opex increase of 3.0% in Quarter-4. And as you see from the gridline, we have an improvement in Opex to Sales of 1.5%. and normalized EBITDA growth was 12.3% with 2.6% improvement in EBITDA margin – 61.3% this year and 58.7% last year. But on a reported basis, we have 62.3%. Now, moving on to investments, and as Michael mentioned, we are focused a lot on rolling out 4G and as of 31st of December, we have 5009 4G sites but they are expanded over footprints on 2G and 3G. We have a population coverage for 2G and 3G, which is now at 99.54% and 94.23% respectively. And we are doing capacity enhancements and, of course, network and IT modernization for future business. Now, we will get back to the Capex number. We had total Capex of 16.9 billion for the year. But this is without the investments that we did in spectrum and licenses. And we have been hovering around 4 to 4.5 billion per quarter and we do all the international procurement through the Telenor procurement company based in Singapore. And we strongly believe that we have the best process possible in the market and that is a big part of our competitive advantage in Bangladesh as well. Moving to the earnings, as mentioned, there is normalized earnings growth of 22.6% on a reported basis. We have 51.8% growth in the reported earnings per share, mainly driven by the higher 13.9% growth in EBITDA. We have lower FX losses but as you might remember, we had a negative impact of 2 billion in the same quarter last year. That is the big difference between the reported earnings per share and net profit after tax. There is growth of 51.8% compared to the normalized 22.6%. Operational Cash Flow for the quarter is 17.7 billion. And having it said, we have hardly any debt. We have net debt to EBITDA of 0.03. You can see more fluctuation in the net debt to EBITDA than you do on the Operational Cash Flow. But that is in Quarter-3 when we had the interim dividend payment for 2018. But basically, we have very low debt and very high financial flexibility going forward. For the year, we have an Operational Cash Flow to Sales margin of 47.8%. Dividends – the recommendation from the board that we presented in the AGM is 155% of

Paid-up Capital Cash as final dividend for 2018. That means that the total earnings per share for the year will be 26.04 and the full dividend for 2018 recommended is 28. The paid out 12.5 BDT as interim dividend and we are suggesting 15.5 BDT per share as the final dividend for 2018 subject to approval on the 22nd AGM scheduled for 23rd of April. This gives a payout ratio as the profit after tax of 108%, the highest since 2014. Regarding the investment and then looking back over the years, this year was very high because we bought the 1800 MHz. We have converted the existing spectrum portfolio to technology neutrality and we also bought the 4G license. We are on the slide with the heading Investment and Contribution to the Bangladeshi Economy and we can see on the right side, (we are very proud of what Michael also mentioned in the introduction), that we have contributed with 84.2 billion Taka to the national exchequer in the form of taxes, VAT, duties, 4G license, spectrum and tech neutrality. And if you look back over the last five years, you can see the impact that Grameenphone have had financially on the economy of the country. And we will do so going forward as well. Now, I will say just a few words on accounting standards under IFRS because there will be some small differences in our statutory financials and what we have presented here today or answered here because we have used IAS 18 and then produced two sets of numbers, one of which is under IFRS 15, in order for all of you to be able to compare with the same period last year. IFRS 15 have not had a big impact on us. I think the biggest impact have been the opening balance adjustment on retained earnings of BDT 2.6 billion based on the fact that we have our pre-paid customers with average lifetime of more than four years. Then we have to amortize the acquisition cost over that period. Since first of January this year, IFRS 16 has been introduced. We will have much more impact because this is regarding all the leases and the leases have to be reflected in our balance sheet and they have to be amortized over the contract period. This also means that they will not be booked as cost of goods sold or Opex. But they will be reported as amortization. Now, before Michael takes to summary, I will inform you that all the financial material will be uploaded to our Investor Relation website later today so that you will have access to everything. And, of course, we will interact with many of you in the days and weeks to come. Thank you.

Summary

Michael Patrick Foley: So, let me just speak in summary for a moment on the presentation we gave you here today. Then I will go to the Q&A. So, on 4th quarter, there was healthy growth despite some external challenges and seasonality. We have seen growth in revenue with stability in voice and data pricing. We are working very hard on quality of acquisition. So, we are not wasting subscriber acquisition costs and our new number series 013 has been very helpful to us in doing that. We have some earning impacts from one-off items. For the full year, that is a strong business performance with healthy returns despite a lot of challenges, especially at beginning of the year with weather. The growth in voice and data revenue was driven by consistent investment in 2G, 3G and 4G as well. Our earnings growth is strong with a high dividend payout and our focus always remains on providing a superior network experience for our customers.