Communication Brief content regarding price adjustments

Ethio telecom is one of the largest telecommunications providers in Africa, offering a comprehensive range of services, including mobile, fixed broadband, and international communication solutions. We are dedicated to driving digital transformation and improving connectivity across the nation.

Our company is a pioneer in providing telecommunications services in Africa and has been significantly contributing to our country's comprehensive development for the past 130 years by making the latest technological advancements widely accessible to our community. We announce tariff adjustments for Mobile Services, fixed wired and wireless Broadband, International Calling, and International SMS services following Exchange Rate Policy Changes.

Ethio telecom, a leading provider of telecommunications services, today announced necessary adjustments to its tariffs for all mobile voice, data, and SMS, fixed wired/wireless broadband services, international calling, and international outgoing SMS. The revision is driven by the recent devaluation of the Ethiopian Birr (ETB) due to significant changes in the national exchange rate policy.

The devaluation of the Birr has directly impacted operational costs, particularly in areas that depend on foreign currency, such as international services, equipment procurement, and network maintenance. To ensure the sustainability of our services and to continue delivering high-quality communication solutions, Ethio telecom is implementing a tariff adjustment on its services.

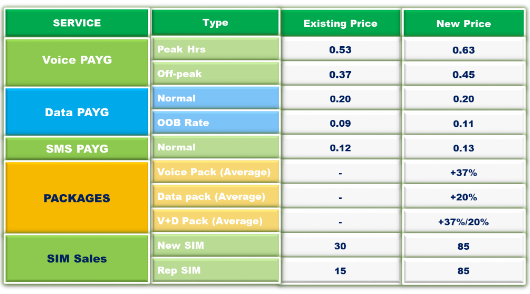
Reason for Tariff Adjustment

The Ethiopian government's recent exchange rate policy change has led to the devaluation of the Birr against major global currencies. This shift has considerably increased our operational expenses, as many aspects of our infrastructure, particularly technology imports, international bandwidth, international call/SMS services and equipment, are acquired in foreign currencies. With the increased costs, the current tariffs no longer align with the economic realities and directly impacting business sustainability, compelling us to revise our pricing model.

New Tariffs Overview

The below revised tariffs will take effect starting from September 30, 2024, and will apply across the following services:

- ✓ The adjustment is made with the objective of ensuring business sustainability/ profitability by taking the impact from the recent macro-economic changes into consideration.
- ✓ Affordability is also considered especially on low value packs like daily 3Br & 5Br packs, one birr/hourly, Morning, night, student packs where No price change is applied.



SERVICE	Type	Existing Price	New Price
Voice PAYG	Peak Hrs	0.53	0.63
	Off-peak	0.37	0.45
Data PAYG	Normal	0.20	0.20
	OOB Rate	0.09	0.11
SMS PAYG	Normal	0.12	0.13
PACKAGES	Voice Pack (Average)	-	+37%
	Data pack (Average)	-	+20%
	V+D Pack (Average)	-	+37%/20%
SIM Sales	New SIM	30	85
	Rep SIM	15	85

1.1. Mobile PAYG Services:

- ✓ The average price adjustment for Voice PAYG (Peak and Off-Peak) is 20%.
- ✓ There is no change for Data PAYG (Br. 0.20 per MB).
- ✓ The data OOB rate has changed from Br. 0.09 to Br. 0.11 per MB.

Mobile PAYG Price Adjustment

Category		Existing	New	Incremement (%)	Average
		Price	Price		
Voice PAYG	Peak	0.53	0.63	19%	20%
	Off-peak	0.37	0.45	22%	
Data PAYG	PAYG	0.20	0.20	0%	
	OOB Rate	0.09	0.11	22%	
SMS PAYG	PAYG	0.12	0.13	8%	

1.2. Residential Mobile Package Services

- ✓ To ensure affordability, No price change is made on Daily 3Br and 5Birr Packs (data and voice packs)
- ✓ The Average price adjustment for mobile Package:
- ✓ Data (Daily, Weekly Monthly) is 18%.
- ✓ Voice (Daily, Weekly & Monthly) is 37%

Mobile Package Price Adjustment

Category		Service type	Min	Max	Average	Remark
			%	%	%	
Mobile	Data Pack	Daily	0%	11%	8%	**No price change** on Daily **3Br** and **5Birr** Packs
		Weekly	10%	20%	15%	
		Monthly	5%	45%	21%	
		Unlimited	21%	30%	26%	
	Voice Pack	Daily	0%	6%	6%	**No price change** on Daily **3Br** and **5Birr** Packs
		Weekly	30%	56%	42%	
		Monthly	37%	43%	39%	
		Unlimited monthly	35%	40%	38%	
	SMS Pack	Daily	40%	67%	52%	
		Weekly	30%	33%	32%	
		Monthly	30%	33%	32%	

1.2.1. Residential Mobile Voice Package

- Offer and price adjustment has been made on Voice packages as follow:

Validity	Existing Package Resource & Price		New Package Resource & Price		% Increment	Remark
	Resource	Price	Resource	Price		
Daily	14Min+3SMS+14 Min Night bonus	3	14Min+3SMS+14 Min Night bonus	**3**	0%	**No Change**
	25 Min+5 SMS+25 Min Night bonus	5	25 Min+5 SMS+25 Min Night bonus	**5**	0%	
	53 Min+10 SMS+53 Min Night bonus	10	60 Min+10 SMS+60 Min Night bonus	**12**	6%	Both Resource & Price Adjustment
Weekly	71 Min+15 SMS+71 Min Night bonus	15	80 Min+15 SMS+80 Min Night bonus	**22**	30%	
	104 Min+20 SMS+104 Min Night bonus	20	110 Min+20 SMS+110 Min Night bonus	**30**	56%	
	137 Min+25 SMS+137 Min Night bonus	25	137 Min+25 SMS+137 Min Night bonus	**35**	41%	Price Adjustment only
Monthly	118 Min+35 SMS+118 Min Weekly Night Bonus	35	140 Min+35 SMS+140 Min Weekly Night Bonus	**50**	43%	Both Resource & Price Adjustment
	199 Min+50 SMS+199 Min Weekly Night Bonus	50	199 Min+50 SMS+199 Min Weekly Night Bonus	**70**	40%	Price Adjustment only
	380 Min+1GB+95 SMS+380 Min Weekly Night Bonus	95	400 Min+1GB+95 SMS+400 Min Weekly Night Bonus	**130**	37%	Both Resource & Price Adjustment
	475 Min+1GB+120 SMS+475 Min Weekly Night Bonus	120	550 Min+1GB+120 SMS+550 Min Weekly Night Bonus	**165**	38%	
	1330 Min+2GB+195 SMS+1330 Min Weekly Night Bonus	195	1330 Min+2GB+195 SMS+1330 Min Weekly Night Bonus	**270**	38%	Price Adjustment only
	1900 Min+380 SMS+1900 Min Weekly Night Bonus	380	1900 Min+380 SMS+1900 Min Weekly Night Bonus	**525**	38%	

1.2.2. Residential Mobile Data Package

- Offer and price adjustment has been made on Data packages as follow:

Validity	Existing Package Resource & Price		New Package Resource & Price		% Increment	Remark
	Resource	Price	Resource	Price		
Daily	50MB+50MB Bonus	3	50MB+50MB Bonus	**3**	0%	**No price Change**
	100MB+100MB Bonus	5	100MB+100MB Bonus	**5**	0%	
	250MB+250MB Bonus	12	280MB+280MB Bonus	**14**	4%	Both Resource & Price Adjustment
	600MB+600MB Bonus	25	650MB+650MB Bonus	**30**	11%	
Weekly	400MB	24	500MB	**33**	10%	Both Resource & Price Adjustment
	650MB	38	700MB	**45**	10%	
	1GB	49	1GB	**59**	20%	Price Adjustment only
	6GB	180	6GB	**216**	20%	
Monthly	500MB	35	650MB	**43**	5%	Both Resource & Price Adjustment
	1GB	50	1GB	**60**	20%	Price Adjustment only
	2GB	100	2GB	**120**	20%	
	4GB	175	4GB	**210**	20%	
	10GB	379	10GB	**455**	20%	
	20GB	549	20GB	**660**	20%	
	50GB	799	50GB	**960**	20%	
	100GB+Unlimitted SMS	849	100GB+Unlimitted SMS	**1,229**	45%	

1.2.3. Residential Mobile Packages Excluded from Price Adjustment

- Daily 3Br & 5Br Packs of data and voice services are excluded from tariff adjustment
- Other 18 different packages are Excluded from tariff adjustment due to their insignificant impact, branding, price sensitive segmented offers and affordability

1 Birr	**Night**	**Morning**	**Student**	**FNF**	**Happy hour**

1.3. SIM card

- Offer and price adjustment has been made on Voice packages as follow
- Customer will get additional Br.15 e-Money if they activate telebirr account up on SIM Subscription i.e., 40 Birr total cashback

SIM Card Price Adjustment

Category		Existing		New	
		Price	Resource	Price	Resource
SIM Card	New	30	Br. 15 Airtime	85	Br. 25 Airtime
	Replacement	15	NA	85	NA

2. Residential Fixed Broad Band Services

- FBB Offer adjustment has been made by balancing service delivery cost, the need to deliver enhanced customer experience and better service offerings
- Minimum FBB Speed has been upgraded from 3Mbps to 5Mbps for copper and from 5Mbps to 7Mbps for fiber media.
- On average 26% price adjustment has been made on the services

Fixed BB Price Adjustment (Residential)

Existing Speed	Existing Price	New Speed	New Price	Price Increment	Remark
3Mbps	499	5Mbps	699	40%	3Mbps & 4Mbps will be upgraded to 5Mbps.
4Mbps	699			0%	
5Mbps	605	7Mbps	879	45%	5Mbps & 6Mbps will be upgraded to 7Mbps
6Mbps	785			12%	
8Mbps	975	10Mbps	1,255	29%	8Mbps will be upgraded to 10Mbps
10Mbps	1,135			11%	
20Mbps	1,945	20Mbps	2,335	20%	Only price adjustement
50Mbps	4,199	50Mbps	5,255	25%	
NA	NA	100Mbps	9,245		New Access speed
NA	NA	200Mbps	15,715		
Average Price Increment				**26%**	

3. Enterprise Mobile Services:

- Minimum price increase: 19%, Maximum price increase: 193%, Average price increase: 33% has been applied on enterprise mobile services

Mobile services	Price increment		
	Min	Max	Average
USSD	25%	25%	25%
M2M	40%	40%	40%
SMS Auto replay	30%	30%	30%
Bulk SMS	30%	30%	30%
Long Validity	35%	193%	84%
Mobile VPN	14%	37%	27%
Mobile Share Plan (MSP)	30%	30%	30%
Mobile Data Package	7%	64%	27%
Business Mobile	30%	30%	30%
Wireless to the Office (WTTO)	30%	30%	30%
Mobile Voice plus Data	25%	30%	30%
Mobile voice	30%	56%	33%
5G mobile data	30%	30%	30%
Postpaid mobile service	30%	30%	30%
Average	**19%**	**193%**	**33%**

Customers will see a moderate increase in their mobile voice, SMS, M2M and USSD rates. The adjustments have been carefully calculated to ensure that communication remains accessible while reflecting the rising costs incurred by the devaluation.

4. Enterprise Fixed Wired/Wireless Broadband Services:

- Minimum price increment: 18%, Maximum price increment: 26%, Average price increment: 30%, has been applied on enterprise fixed services

Fixed Wired & Wireless Broadband services	Price increment		
	Min	Max	Average
tele Business Fiber Internet	18%	26%	24%
Tailored tele Business Fiber Internet	18%	26%	25%
tele Business Fiber Internet for SOHO	11%	26%	17%
tele Business Fiber Local MPLS-VPN	26%	51%	39%
Dedicated Internet Access (DIA)	18%	26%	25%
BB VSAT	21%	98%	52%
Virtual Internet Service Provider (vISP)	18%	26%	23%
P2P & P2MP BB Internet & VPN	23%	26%	26%
Enterprise Starter Pack (ESP)	31%	46%	37%
Average	**11%**	**51%**	**30%**

Fixed broadband services, both wired and wireless, have been impacted due to the increasing cost of imported technology and international bandwidth. While we understand the importance of internet accessibility, this adjustment is necessary to maintain and improve the quality of service.

5. International Calling service:

- Minimum price increase: 94%, Maximum price increment: 658%, Average price increment: 188%, has been applied on international outgoing call services

International Outgoing calling services	Price increment		
	Min	Max	Average
Top 24 countries	94%	658%	188%
All Countries	-12%	16471%	523%

As international call services rely heavily on foreign currency, the devaluation of the Birr has had a significant impact on international calling rates. The tariff adjustment reflects the increased cost of international call routing to the global telecom service providers and/or hub partners as Ethio telecom is going to collect the service in ETB and settle routing costs in US dollars.

6. International outgoing SMS service:

- Minimum price increment: 50%, Maximum price increment: 68%, Average price increment: 59%. has been applied on international outgoing SMS services

International Outgoing SMS services	Price increment		
	Min	Max	Average
USA & +1 code 20 countries (7 ETB/SMS)	100%	100%	100%
Other 207 Countries (11 ETB/SMS)	214%	214%	214%
Average	**100%**	**214%**	**157%**

NB: Existing price ETB 3.50 per SMS

As international outgoing SMS services rely heavily on foreign currency, the devaluation of the Birr has had a significant impact on international outgoing SMS rates. The tariff adjustment reflects the increased cost of international SMS routing to the global telecom service providers and/or hub partners as Ethio telecom is going to collect the service charge in ETB and settle routing costs in US dollars.

7. Telebirr basic service:

The below price adjustment on P2P, telebirr to bank has been made.

1. telebirr to bank transfer tariff revision

S/No.	Band	Existing tariff	New tariff	% Change
1	< 100	0.1%	1	900%
2	101 to 500		3	500%
3	501 to 1500		6	300%
4	1501 to 5000		9	80%
5	5001 to 75000	5	15	200%
Average				396%

2. telebirr to telebirr (P2P) transfer tariff revision

S/No.	Band	Existing tariff	New tariff	% Change
1	< 100	0.1%	1	900%
2	101 to 500		2	300%
3	501 to 1500		4	167%
4	1501 to 5000		6	20%
5	5001 to 75000	5	8	60%
Average				289%

8. VAS services

- Price increment have been made on current targeted Digital & VAS Service with an average of 31% in comparison to current price.
- Price increment has been made on the services subscription and on-demand price of major Digital & VAS Service ranging up to a minimum of 17%.

Commitment to Customers

Ethio telecom recognizes the importance of affordable communication in today's world. While this adjustment is necessary due to macroeconomic factors and to reduce business sustainability risk, we remain committed to offering competitive pricing and value-added services to our customers. We will continue to invest in expanding and upgrading our infrastructure to ensure that you receive the best possible service.

Customer Support: We encourage customers to explore our updated tariffs on our website [*https://www.ethiotelecom.et*] or contact our customer service team via 994 and 980 for any assistance.