

## **STARCOMMS RAISES N64bn THROUGH PRIVATE PLACEMENT**

Starcomms, Nigeria's 4<sup>th</sup> largest telecommunications operator and leading "triple-play" (mobile, fixed wireless voice, wireless broadband) provider has raised N64 billion from its successfully completed private placement exercise from investors. The fund is expected to further position the company for the challenges that lies ahead in the rapidly expanding telecommunications industry in Nigeria. With this feat, the now predominantly Nigerian-owned operator will become the first listed Nigerian telecoms company on the domestic stock exchange, when it lists later this month.

The success of the private placement will also serve as a springboard for the company to return capital to its shareholders. It would be recalled that Actis, a leading private equity investor in emerging markets, and Emerging Capital Partners (ECP), an international private equity firm focused on Africa sold their interests thus enabling a widening of the company's Nigerian ownership.

Commenting on the success of the private placement, Chief Maan Lababidi, founder of the company said it demonstrate the fact that investors "Believe in the future of Starcomms and in the management team led by our CEO, Maher Qubain. With Actis and ECP, we have grown the business into a world class, well managed national telecoms operator and a market leader."

Lababidi stressed that he looks forward to the next exciting phase of development for the country as Starcomms grow in size to serve more Nigerians and 'as we go public on the Nigerian stock exchange – a first for Nigeria.'

Also lending his voice to the success of the private placement, Mr. Simon Harford, CEO Actis West Africa stated that the company is pleased to have had the opportunity of being involved with Starcomms and for growing its business.

"Actis's partnership with Chief Lababidi, the management team, ECP and the Board has meant we have been able to contribute to the growth of the company and the development of the business into a market leader in an exciting and competitive market. The successful closing of the private placement is a testament to the very positive investor sentiment and interest in the company." Harford added.

Hudley Doddy, CEO ECP, who also commented on the success of the exercise, said his company partnership with Starcomms in the past has paid off as it has expanded its regional footprint, developed new services and generated top corporate business accounts.

“The proceeds from the private placement” he stressed “will enable the company to expand rapidly and bring its services to more of the Nigerian market. Now, as the company prepares for its landmark listing, we hope to watch it grow even further as a publicly owned company.”

Starcomms has grown in leaps and bounds since it was established by the Lababidi family in 1995. From a humble beginning with less than 140,000 subscribers, the company boasts of more than 1.5 million subscribers today making it the 4<sup>th</sup> largest telecoms company in Nigeria.

The company’s foray into the Nigerian market is not without its benefits as it is widely recognized for the innovation it has brought into the industry (it is the leading high-speed broadband services provider). The Starcomms brand is easily recognizable in most part of the country. To this end, it won the Nigerian Telecoms Company of the year 2007, and Nigerian Wireless Company of the year (Nigeria Information Technology and Telecoms Awards). Starcomms is currently rolling out in a further 20 cities across the country as well as increasing its network capacity in its existing operations.

Other garlands for Starcomms include IT Company of the Year (Internet Service Provider) and the Communication Company of the Year (Wireless Operator), at the Niger Delta Advancement Awards (NDAA), which the organizers, Bonux Communication, said was in recognition of its excellent performance both within and outside the Niger Delta. This, they said, has bridged the communication gap in the difficult terrain of the area.

Recently the United States-based CDMA Development Group (CDG) commended Starcomms, Nigeria’s largest CDMA 3G Mobile network, on the successful deployment of West Africa’s first CDMA2000(r) 1xEV-DO Revision A (Rev. A) network in Abuja, the Federal Capital Territory.

With over 130 members, the CDMA Development Group is a trade association formed to foster the worldwide development, implementation and use of CDMA2000 technologies. The primary activities of the CDG include development of CDMA2000 features and

services, public relations, education and seminars, regulatory affairs and international support. Currently, there are more than 500 individuals working within various CDG subcommittees on CDMA2000-related matters.

CDMA2000 is the most widely deployed 3G technology with 227 operators in 97 countries, including 77 CDMA2000 1xEV-DO systems, serving more than 350 million subscribers.

The network's aggressive expansion project in Nigeria remains on course with the opening in Abuja, Onitsha, Aba, Asaba, Kaduna, Benin, Abeokuta and Zaria, which have now joined other key cities as Lagos, Ibadan, Kano, Maiduguri and Port Harcourt in the Starcomms network.

Over the years, the company has invested millions in new technologies and innovations towards improving the quality of its products and service with the ultimate aim of building a solid network for voice and data to cater for all categories of subscribers.

The deployment of the world-class CDMA technology in 2002 exponentially established Starcomms as Nigeria's largest CDMA network. As the African leader in the commercialization of CDMA, Starcomms has continued to demonstrate its expertise in maximizing the performance of new technologies across its infrastructure equipment and subscriber products in order to meet customer expectations.