

International Capacity Infrastructure in Kenya, Nigeria, and South Africa

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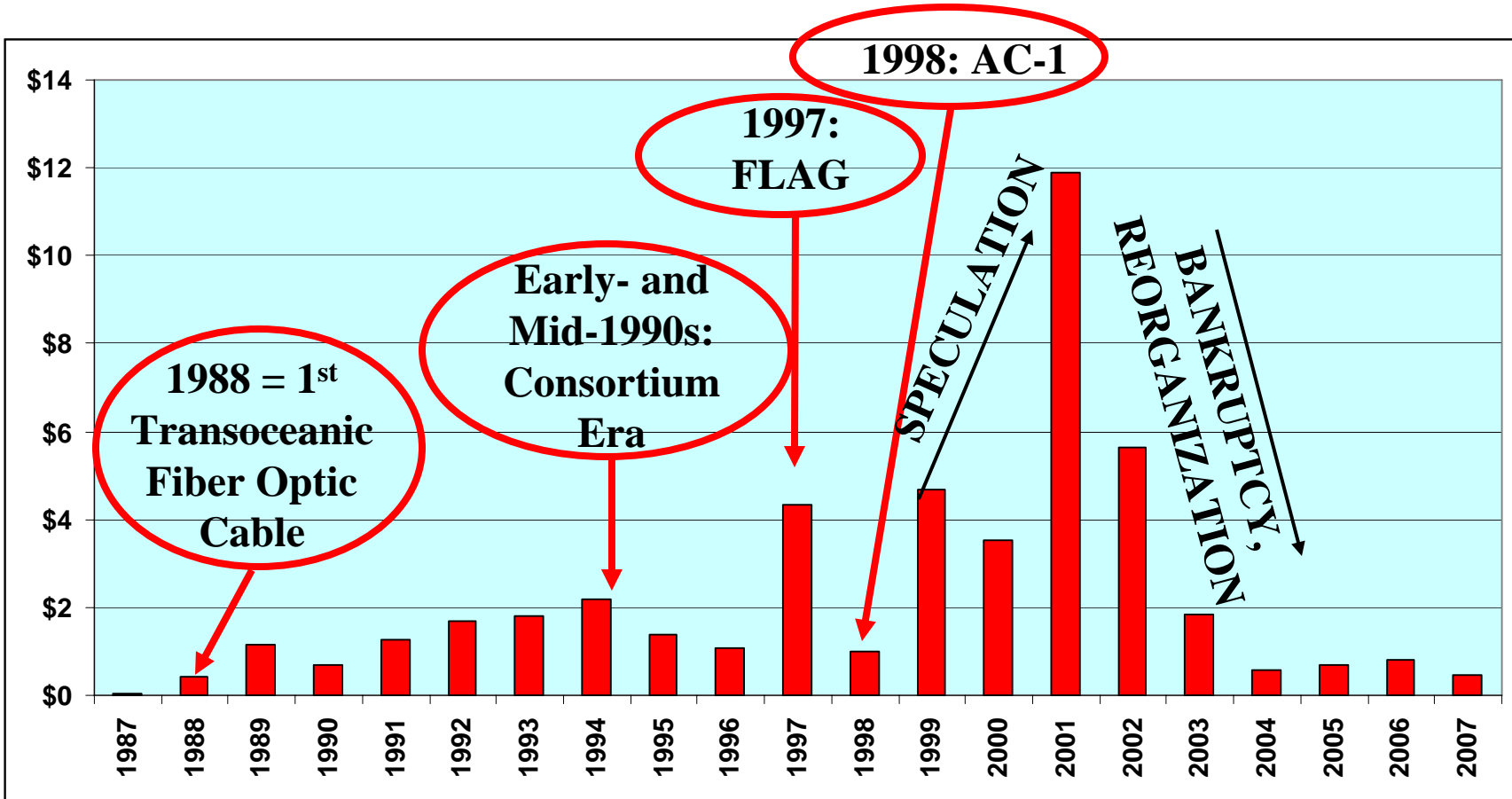


International Capacity Infrastructure in Sub-Saharan Africa

- Total worldwide investment in undersea fiber optic cable systems, 1987-2007: \$46 billion (source: Terabit Consulting *Undersea Cable Report 2008*)
- Total investment in sub-Saharan African undersea fiber optic cable systems, 1987-2007: \$934 million
- Mtunzini, South Africa to Djibouti remains the longest unserved coastline in the world (7,000 kilometers)

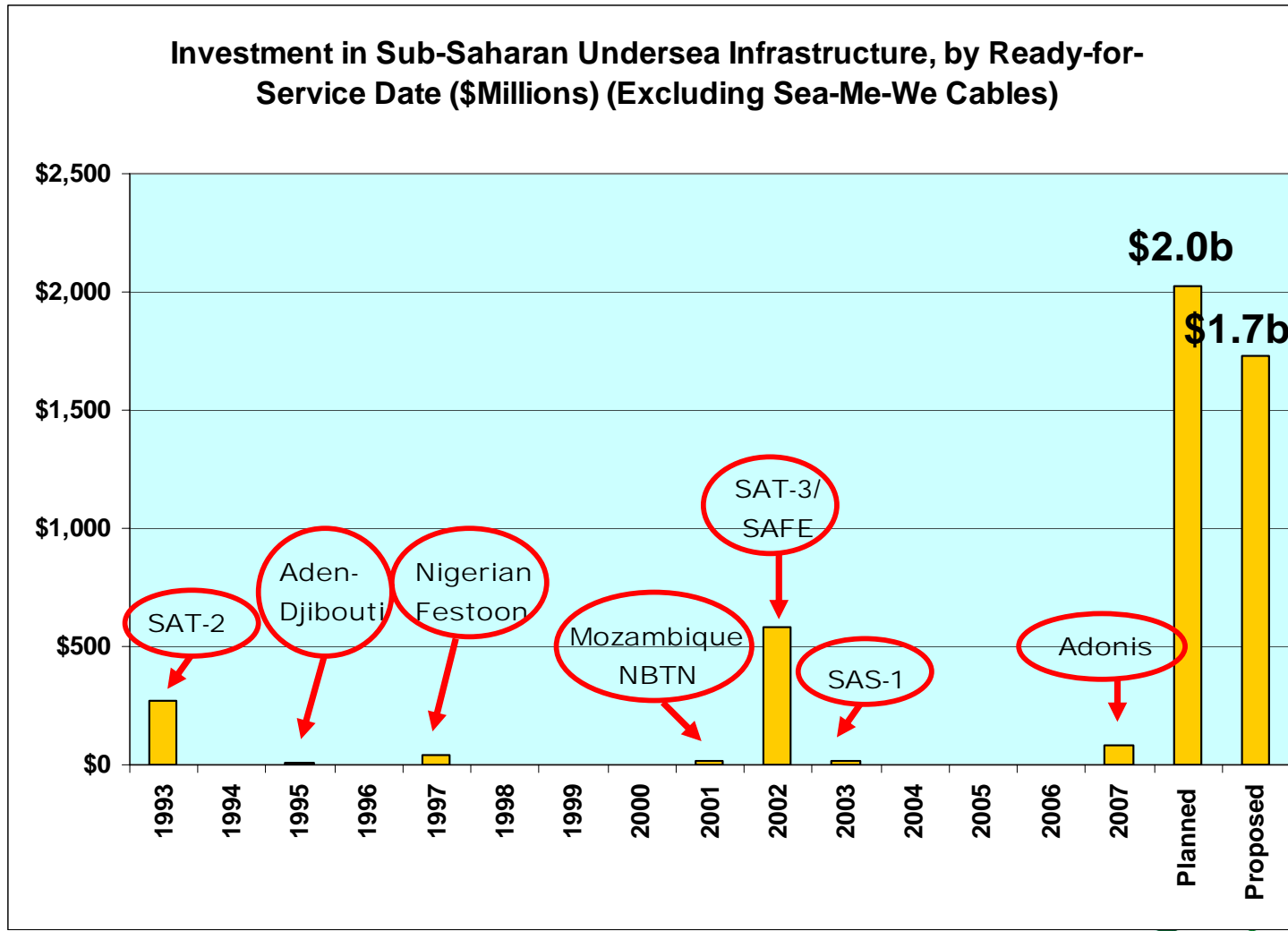
Historical Undersea Investment, 1987-2007: Milestones

(\$Billions by ready-for-service date; includes systems under construction in 2007)



Investment in Sub-Saharan Undersea Infrastructure, by Ready-for-Service Date

(\$Millions; excludes Sea-Me-We and Falcon systems)





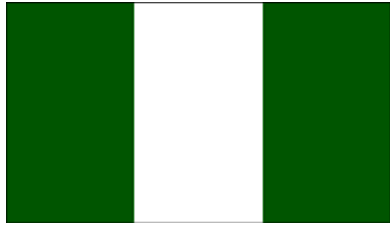
Kenya and the East Coast: Planned and Proposed Systems

- EASSy – consortium; 8,840km, \$265 mil
- Seacom – Herakles, Sithe Global, Blackstone Group (supported by VSNL/Neotel); \$450 mil
- FLAG Next-Generation Network (NGN) – FLAG Telecom (Reliance Group); \$1.5 bil plan to connect 60 countries to FLAG Network
- TEAMS – Proposed by Kenyan government, Etisalat; \$110 mil
- NEPAD Broadband Infrastructure Network



South Africa: Planned and Proposed Systems

- East African systems would serve S.A.
- Infraco recently announced a 2-cable system to Brazil and UK
- SAT-4: plans haven't fully materialized



Nigeria and the West Coast: Planned and Proposed Systems

- **Glo-1: Globacom; connecting Nigeria to the UK**
- **Project West Africa: Infinity Worldwide Telecommunications Group of Companies; West Africa-Portugal**
- **West African Festoon System (WAFS): connectivity to other west African nations**

South Africa: Nationalization of Landing Rights

- South African communications director has said that undersea cable landing rights will be limited to systems that are majority-owned by South Africans
- Bodes well for Infraco project
- Probably does not bode well for EASSy (S.A. holding=27%), FLAG NGN, or Seacom
- Business Daily (Nairobi) reported on Sep. 10: “Seacom...said a recent decision by the South African government to nationalize submarine cable landing rights had forced it to reconsider the plan.”

Thank You!

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