



Scalable investment with high return potential in the telecom tower business consolidation in Africa

- **Strong underlying growth in a high risk and turbulent environment**
Rapid expansion of mobile phone use in Africa
Ongoing consolidation
- **Undisputed African leader**
- **Recent volume hypergrowth** leading to ...
- ...an already **large installed base of towers**

\$825m equity invested

~26% equity stake

35% of voting rights with **co-investors**

Ted Manvitz—CFO of IHS



Ted joined IHS in 2009 and, as Group CFO, he is responsible for the company's financial management, debt and equity funding initiatives, M&A activities and the investor relations programme. Prior to being named CFO, **Ted served as the group's Chief Operating Officer and Chief Investment Officer** as the company expanded into four new countries, **raised over \$5.5 billion in debt and equity funding and completed 13 acquisitions.**

Before joining IHS, Ted lived in Nigeria and was managing Investment AB Kinnevik's new investments in Africa. Ted **previously worked with JP Morgan in London and San Francisco** and started his career as a corporate lawyer with Bryan Cave in Missouri, USA.

Ted has an MBA from the Kelly School of Business, Indiana University; a law degree from the University of Iowa College of Law (with distinction); and a Bachelor's Degree in Business Administration from Avila University (major in Accounting cum laude).



W E N D E L



Towers of strength



IHS

Ted Manvitz– Group CFO

c. 23,000

Towers⁽¹⁾

5 countries

#1 towerco in each market

\$6.5bn capital

Raised over the last 5 years

2,000

Direct employees

+40,000

Direct & indirect jobs



EMEA leader

Largest towerco in EMEA

\$946m

H1 2016 annualised Revenue

13 acquisitions






In last 4 years

80% engineers

Of direct employees

99%

availability rates to customers

Country	# Towers ⁽¹⁾
 Nigeria	c.15,389
 Cameroon	c.2,409
 Cote d'Ivoire	c.2,429
 Zambia	c.1,967
 Rwanda	c.767
Total	c.22,961



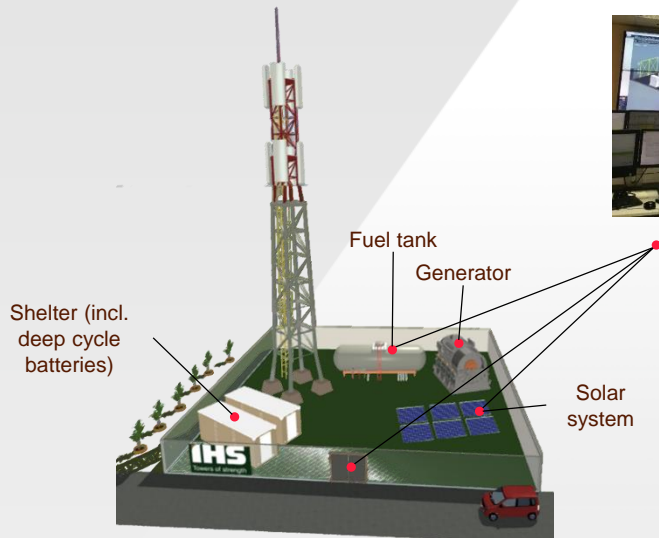
IHS & The African Market

IHS provides critical infrastructure to mobile operators

Digitalization is a core component of IHS' strategy, enhancing the business

Wireless tower schematic

Tower site



NOC



Remote monitoring systems connecting sites to NOC

- IHS Group provides passive infrastructure including tower space, power supply, maintenance, and site security
- Mobile Network Operators (“MNOs”) lease tower space for their active wireless equipment

Digitalization enhances IHS' proposition

- Across its footprint, digitalization and modernization is at the heart of IHS' business
- Key initiatives include:
 - Deployment of hybrid power systems (solar systems and batteries) to reduce power consumption
 - Installation of remote monitoring solutions to monitor and track KPIs (power consumption, tank levels, remote access control, etc.)
 - Significant investment into state-of-the-art NOCs (\$70 million in Nigeria alone)
- These initiatives minimize site downtime, and enable more efficient, regional service delivery and competitiveness
- 99%+ availability now maintained across footprint

African telecoms are poised to be mobile and data hungry, with huge growth potential

Population:
1.2bn in 2015
2.5bn in 2050,
ie one fourth of humanity

Internet bandwidth in 2015:
6kbit/s per inhabitant
The lowest in the world, almost 75% of
Africans are offline, 0.7% of people have
fixed-broadband subscriptions

Unique mobile subscribers

2015: 557m
2020: 725m

Smartphones

2015: 226m
2020: 720m

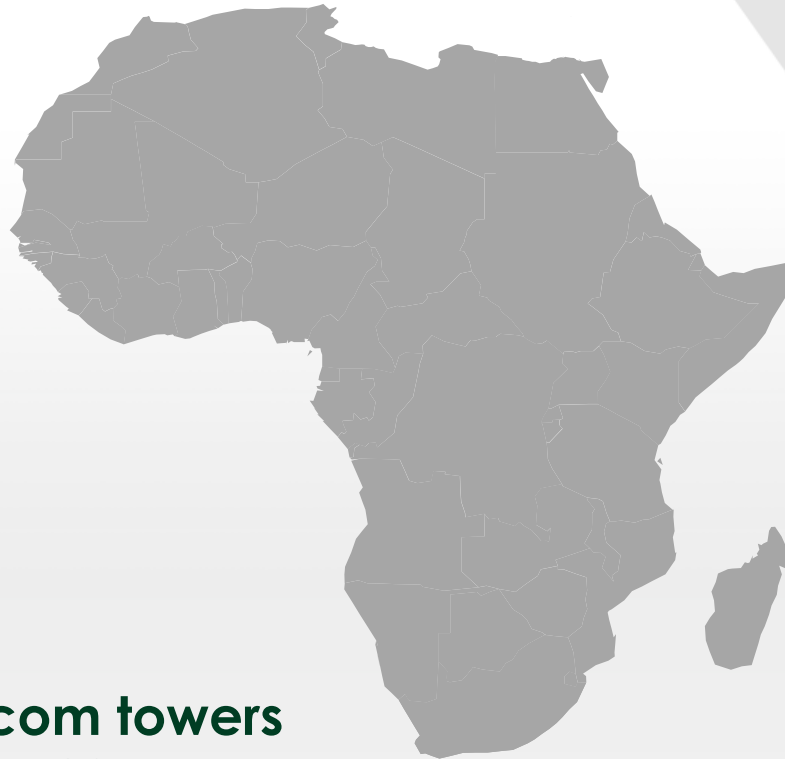
**c. 130,000 telecom towers
in Sub-Saharan Africa**

Mobile broadband connections

2015: 28%
2020: 60%

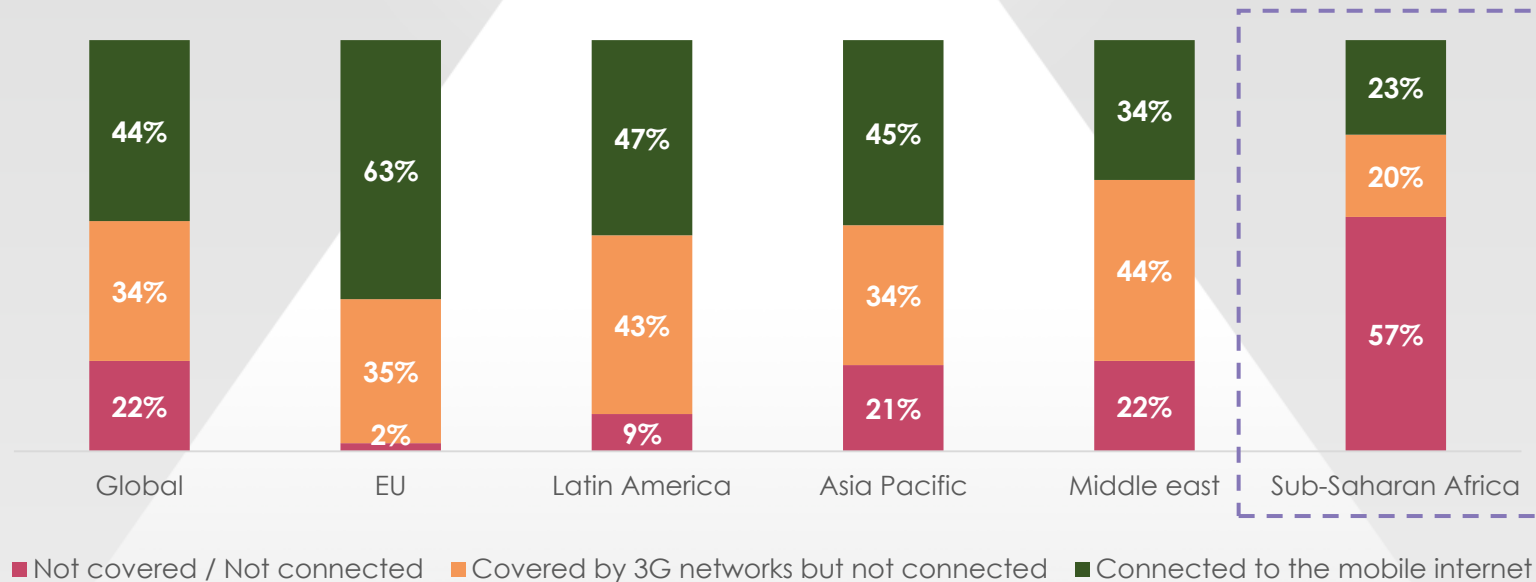
Mobile industry contribution to GDP

2015: \$153bn (6.7%)
2020: \$214bn (7.6%)



The telecom fundamentals of Africa and IHS markets

Mobile data connectivity:



IHS Markets	Population	Median age	GDP / capita (\$ at PPP)	Mobile penetration	Data % of revenue
Nigeria	179m	18	6,185	84%	24%
Cameroon	23m	19	3,121	89%	16%
Côte d'Ivoire	24m	21	3,304	108%	15%
Rwanda	11m	19	1,783	75%	35%
Zambia	16m	17	4,165	67%	22%

IHS is the absolute leader in each of its markets

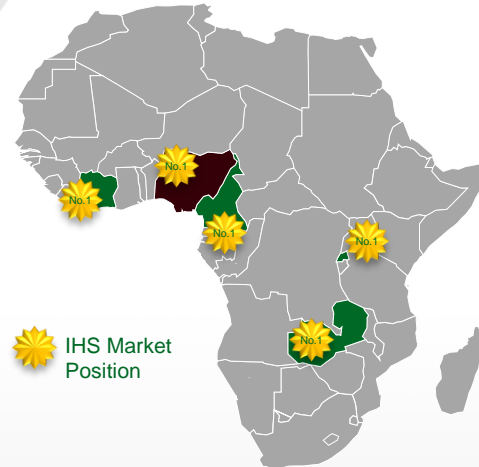
Nigeria (Commenced 2001)

No. of IHS Towers ⁽¹⁾	15,389
No. of Large MNOs	4
No. of Other Key MNOs	4
Mobile Market Penetration	84%

- ✓ The clear #1 out of 2 independent tower operators in the largest telecom market in Africa

Key Customers:

TowerCo market share



Cameroon (Commenced 2013)

No. of IHS Towers ⁽¹⁾	2,409
No. of MNOs ⁽²⁾	5
Mobile Market Penetration	89%

- ✓ Only TowerCo in Cameroon
- ✓ Already secured business with new entrants – Camtel and Afrimax

Key Customers:

TowerCo market share

Cote d'Ivoire (Commenced 2013)

No. of IHS Towers ⁽¹⁾	2,429
No. of MNOs ⁽²⁾	3
Mobile Market Penetration	108%

- ✓ Only TowerCo in Cote d'Ivoire, the fastest growing economy in West Africa
- ✓ Imminent 4th licence award

Key Customers:

TowerCo market share

Zambia (Commenced 2014)

No. of IHS Towers ⁽¹⁾	1,967
No. of MNOs ⁽²⁾	4
Mobile Market Penetration	67%

- ✓ Only TowerCo in Zambia
- ✓ Already secured business with new entrant: Afrimax

Key Customers:

TowerCo market share

Rwanda (Commenced 2014)

No. of IHS Towers ⁽¹⁾	767
No. of MNOs ⁽²⁾	3
Mobile Market Penetration	75%

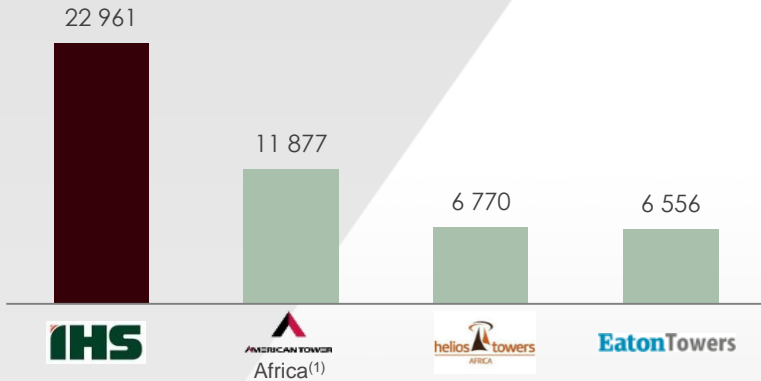
- ✓ Only TowerCo in Rwanda

Key Customers:

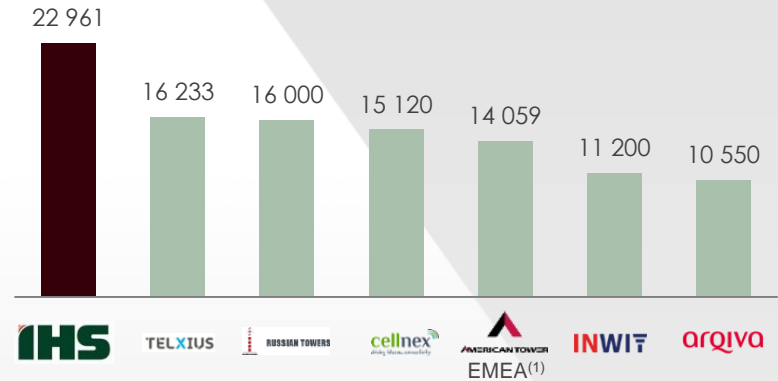
TowerCo market share

IHS is now one of the largest independent tower companies globally and will continue to leverage its platform to lead growth in EMEA

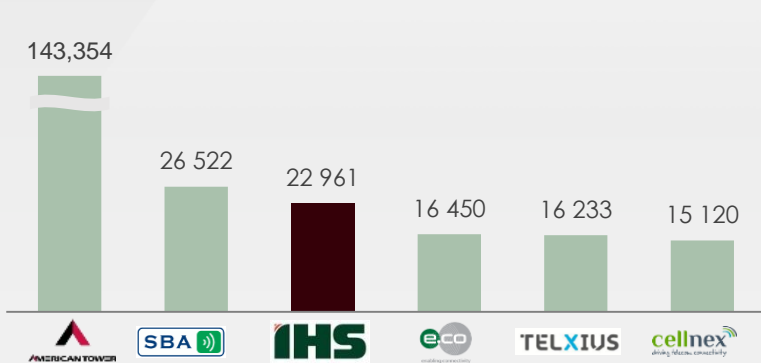
#1 African TowerCos



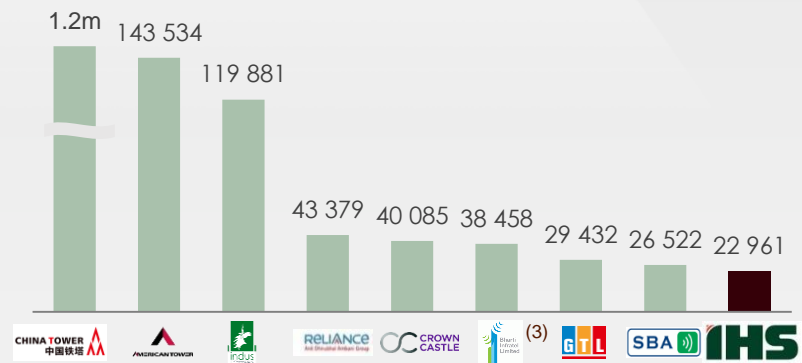
#1 EMEA TowerCos



#3 International TowerCos⁽²⁾



#9 Global TowerCos



Source: TowerXchange, Company websites.

Note: Information for independent TowerCos. IHS information as at June 2016, includes acquired, MLL, managed, BTS and IBS sites less decommissioned sites, excludes 1,104 Work-In-Progress and dormant. (1) Includes recent acquisition of Eaton Towers South Africa and Airtel Tanzania pending closure; (2) Represents independent TowerCo's operating in more than country; (3) Excludes Bharti Infratel's 42% of Indus Towers, which would increase their portfolio by 48,696 towers.

The image shows two male technicians in green polo shirts and orange hard hats. They are standing outdoors at what appears to be a power substation, with a large metal lattice tower in the background. The technician on the left is holding a clipboard and a pair of yellow and grey work gloves, looking down at the clipboard. The technician on the right is holding a red clamp meter and looking at it. The text 'Financials & Corporate Activity' is overlaid in white serif font across the center of the image. The IHS logo and tagline 'Power of Strength Across Africa' are visible on the technician's shirts.

Financials & Corporate Activity

Key 2016 initiatives

Investment focused on improving operational efficiencies that translate into financial performance

Consolidate leadership

- Acquisition of HTN strengthening the position in Nigeria, while delivering synergies
- Continued focus on delivering growth in other countries

Focus on LUR

- Increase in LUR as customers roll-out networks and add technologies

Rationalization of portfolios

- Optimising acquired tower portfolios through targeted decommissioning

Operational efficiencies

- Deployment of hybrid power solutions across portfolio to reduce consumption
- 7,000+ towers refurbished, significantly reducing diesel consumption

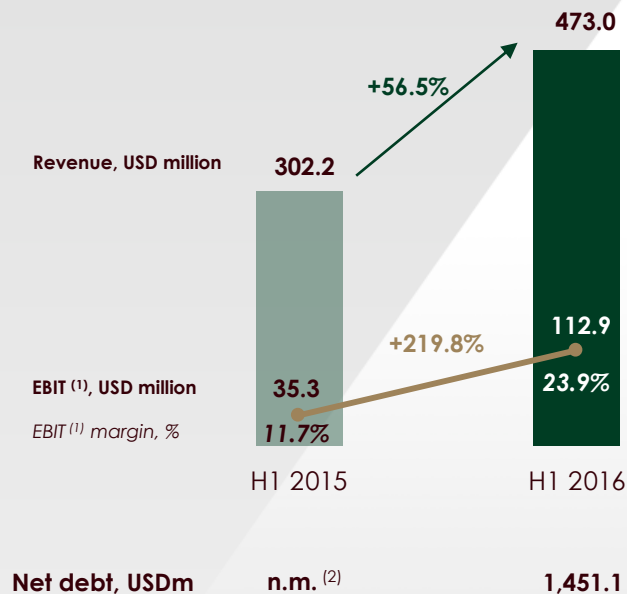
Capital structure optimization and flexibility

- Refinancing Nigeria debt, equity raise and HoldCo RCF

IHS financial performance through H1 2016

Sharp growth boosted by successful integration of acquired towers and underlying organic growth

Key figures



H1 2016 highlights

Strong sales growth driven by:

- Integration of c.6,000 towers over the last 12 months
- Significant increase in LUR

EBIT margin improvement due to:

- Deployment of hybrid power solutions
- Positive margin benefit from LUR increase

Significant devaluation in June

- Majority of contracts are USD-linked, but paid in NGN
- NGN depreciation of more than 30% results in temporary drop in revenue until FX rates are reset, quarterly, semi-annually or annually

Group financing

\$200 million equity raised

- Demonstrating ongoing support for IHS

\$120 million Holdco RCF

- 100% USD facility at Holding level
- Provides additional Group liquidity for organic opportunities



c. 23,000

towers in portfolio ⁽³⁾

The image shows two male technicians in green polo shirts and orange hard hats. They are standing outdoors at what appears to be a power substation, with a large metal lattice tower in the background. The technician on the left is holding a clipboard and a pair of yellow and grey work gloves. The technician on the right is holding a red clamp meter. Both shirts feature the IHS logo and the slogan "Power of Strength Across Africa". A semi-transparent dark grey horizontal band is overlaid across the middle of the image, containing the text "Outlook & Strategy" in white serif font. A thin white diagonal line is positioned to the left of the text.

Outlook & Strategy

Current macro conditions have presented headwinds in Nigeria; IHS focus remains on operational efficiencies and targeted investment / growth

Challenging macro environment

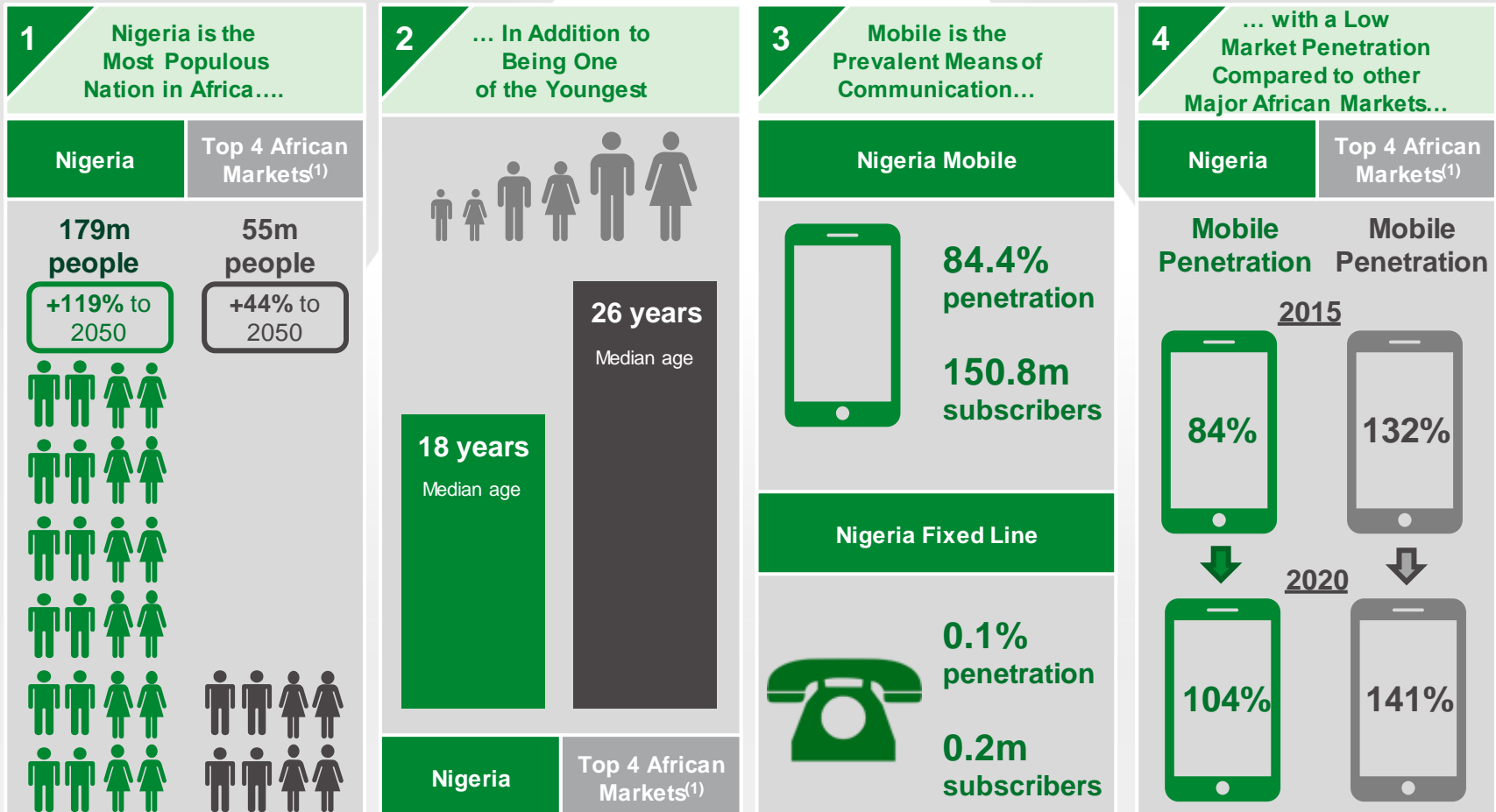
- Naira devaluation from 197 to 305
- GDP slowdown (1.8% decline in 2016)
- Rising inflation (currently over 18%)
- Oil price / production
- USD liquidity issues



Key 2016 initiatives

- Acquired and fully integrated HTN portfolio, strengthening position
- Increased LUR by 12% y-o-y
- Upgraded over 7,000 sites
- Signed amendment with key customer
- Refinanced capital structure with \$800m bond and NGN credit facility

Despite the current macro environment, Nigeria remains a core part of IHS' growth story, where strong underlying fundamentals persist



**Forecast +62 million additional mobile subscribers in Nigeria by 2020
c. 13,000 new towers in Nigeria over the next 5 years to 2020**

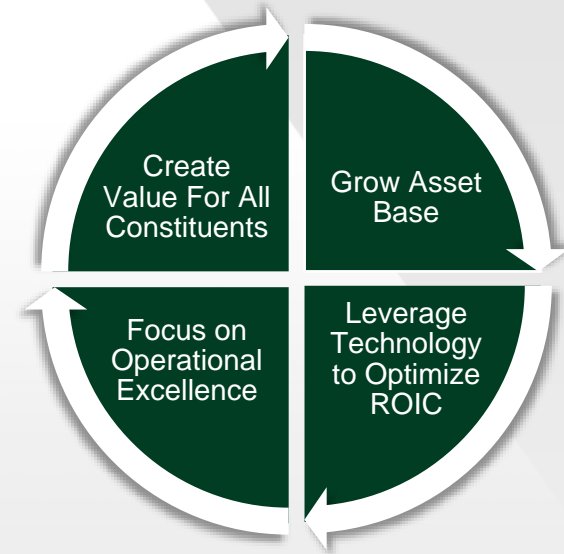
IHS Group medium & long-term strategy remains attractive

Medium Term Strategy

- Focus on driving 3G/4G and further BTS deployment
- Complete power investment
- Cautious approach to new capex given macro environment
- Consolidate leading position in each market

Number of Owned Towers:
c.23,000

Long Term Strategy



**DEVELOP IHS
AS A GLOBAL LEADER**

Number of Owned Towers:
c.40,000



Thank You



WENDEL



Investor Day

December 1, 2016



WENDEL



Break