agenda

Orange Money, key data and ambitions

Orange Money, what is it?

rationales & key success factors

focus on Egypt, Tunisia, Morocco and Jordan
Orange Money
key data and ambition
The Group serves private customers in **25 countries** in the AMEA regions and **85 million customers**.
Orange Money available in 12 countries out of the 25

- Morocco: Nov 2012
- Mali: May 2010
- Senegal: June 2010
- Guinea: Sept 2012
- Ivory Coast: Dec 2008
- Niger: June 2010
- Botswana: August 2011
- Cameroon: Sept 2011
- Jordan: April 2012
- Kenya: Oct 2010
- Madagascar: Sept 2010
- Mauritius: April 2012
Orange Money reaches 5,5 million customers in 2012
Orange Money key figures in 2013

6 million Customer

18 000 distributors

m€ 65 transactions per month

Quarter 1, 2013
our ambition

30 million customers launch in all countries full ecosystem of services
Orange Money, What is it?
what is **Orange Money**?

- account linked to a mobile number
- large range of payment services (transfer, bill, saving...)
- instant, secure & simple
- free subscription
- compliant with all mobile
Orange Money

**credit**
- Money deposit
  - Customer deposits money in an Orange Money agent shop
- Money transfer
  - Customer receives money from an other Orange Money customer account
- Transfer from a bank account towards an Orange Money account
  - Client transfers money from his bank account to his Orange Money account
- International money transfer
- Salary payment

**debit**
- money withdraw
  - Customer withdraws money from an Orange Money agent shop
- Money transfer
  - Customer transfers money to an other person owner of an Orange Money account but not necessarily
- Mobile time units
  - Client recharges his mobile units
- Bill payment
- Merchant payment
rationales & key success factors
Low penetration of the financial services: holding back development of Africa

- Economy is based on Cash, with some drawbacks
  - Lack of security
  - Money transfer remains tricky
  - Lack of remote payment solution

- Existing solutions, sometimes informal are costly, unsecure & slow
  - Informal money transfer (bus...)
  - Huge queue during the bill payment period
Orange can contribute in social and economic development

- more than 85 millions customers
- large distribution network
- capacity to address low incomes populations
- customer are used to transfer airtime
key success factors of OM in Western Africa

- star services directly related to customer’s needs in Western Africa
  - need for securisation of money: cash in and cash out services, PtoP transfer services
  - lack of local infrastructures: Bill payment
- key success factors
  - a wide distribution of Orange Money via direct and indirect networks
  - communication and customer training via a mobile sales force
  - product innovation
focus on Egypt, Tunisia, Morocco and Jordan
context: higher bancarised population

a bancarisation rate way above that of Western Africa (exception of Egypt)

Percentage of population older than 15 with an account at a formal financial institution

<table>
<thead>
<tr>
<th>country</th>
<th>year 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Morocco</td>
<td>39.07%</td>
</tr>
<tr>
<td>Tunisia</td>
<td>32.19%</td>
</tr>
<tr>
<td>Jordan</td>
<td>25.47%</td>
</tr>
<tr>
<td>Egypt, Arab Rep.</td>
<td>9.72%</td>
</tr>
</tbody>
</table>

Egypt, Tunisia and Morocco

- restrained distribution
  Mobile Money to be distributed via bank outlets
  - exclusively in Tunisia
  - partially in Egypt and Morocco

- limited services
  - cash in / cash out
  - PtoP

context: legal context reluctant to MNOs
Mobile Money services can follow different models for a mobile operator depending on its mobile market share and market context.

- Issue money
- Operate M-Money service & platform
- Distribute the service
- Brand the service
- Carry data for banking applications

- Orange Money in Kenya, in partnership with Equity Bank
- Most telco follows this model, incl. OM in Ivory Coast, Senegal, Niger, Mali and Mada

Strong Bank position - Co-operate

Strong MNO position - Operate
mitigated results in Jordan, Botswana and Kenya

Kenya: a bank led model
• bank led model
• issue of distribution and marketing

Botswana and Jordan: heavy bancarised population
• weak results so far
• Orange Money model needs to be rethought according to a new set of needs related to a larger bancarised population
⇒ How can Orange Money add value for bancarised clients?
(eg: Visa & Orange Botswana)
next steps

soft launch in Morocco end of 2012

study in Tunisia
- pilot in the region
- Mobile banking services vs. mobile money services

a huge stake: Egypt
- a large market potential reach (approx 30 million Mobinil customers)
- 30% market share
- need for a Mobile Money ecosystem study (customer, enterprise, banks)
- lobbying towards bank authorities to allow MNOs led Mobile Money models
thank you
### Challenges in regards to our current Key Success Factors

<table>
<thead>
<tr>
<th>Challenges for Orange Money</th>
<th>Bank led model</th>
<th>High bancarised population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jordan</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Botswana</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Morocco</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Tunisia</td>
<td>✓ ✓</td>
<td>✓</td>
</tr>
<tr>
<td>Egypt</td>
<td>✓ ✓</td>
<td></td>
</tr>
</tbody>
</table>
nice to know...
Orange Money: launch Orange Money
new challenge for the Group : a new activity

Distribution : Distribution channel able to provide the Cash

Marketing & Communication : New usages and Customer need to be educated

HR : dedicated resources and new skill to be developed

Settlement & Fraud : handle the bank compliance

IT : Technical solution with high expectation on security and reliability

Finance : Manage flow between money electronic money and

Business Processes : More than 50 processes are defined with the Bank
Ivory Coast
a success story
exponential growth over 2012

30% of Orange clients are Orange Money customers

- number of Orange Money customers
- monthly value of transactions

![Graph showing exponential growth over 2012 for number of Orange Money customers and monthly value of transactions.](Graph.png)
bill payment: a rapid adoption

monthly amount of transactions over 12 months