helios towers

Results 2017

12 February 2018

Agenda

1. Executive Summary
2. Financial Results
3. Q&A

Helios Towers Team Today

Kash Pandya
Chief Executive Officer

Tom Greenwood
Chief Financial Officer

Alex Leigh
Chief Commercial Officer

Jeffrey Kriek
Head of Corporate Finance and Investor Relations

Executive Summary

Group FY 2017 Key Highlights

Results Snapshot

In US$m, unless otherwise stated	Q3 17	Q4 17	% change Q-o-Q	FY 16	FY 17	% change Y-o-Y
Revenue	88	88	1%	283	345	22%
Adj. EBITDA(1)	37	41	11%	105	146	39%
Annualised adj. EBITDA(2)	148	164	11%			
Adj. EBITDA margin (%)	*42%*	*46%*	4ppt	*37%*	*42%*	5ppt
Sites (#)	6,540	6,519	0%	6,477	6,519	1%
Colocations (#)(3)	6,033	6,468	7%	6,032	6,468	7%
Tenancy Ratio (x)	*1.92x*	*1.99x*		*1.93x*	*1.99x*	
Capex	42	68	61%	281	171	-39%
Net Debt (4)	467	595	2%	378	595	40%
Net leverage (5)	*3.2x*	*3.6x*		*3.6x*	*4.1x*	

Financial Summary

- Revenue: +22% Y-o-Y / +1% Q-o-Q
- Adj. EBITDA: +39% Y-o-Y / +11% Q-o-Q
- Adj. EBITDA margin: +5ppt Y-o-Y / +4ppt Q-o-Q

Operational Summary

- Y-o-Y +42 sites (+1%) and +436 colocations (+7%)
- Y-o-Y growth driven by organic demand and Business Excellence Program
- Y-o-Y tenancy ratio increased to 1.99x
- Q-o-Q -21 sites (0%) and +435 colocations (+7%)

Financials are presented post-IFRS 16 adoption

(1) Adjusted EBITDA is defined as loss for the period, adjusted for loss for the period from discontinued operations, additional tax, income tax, finance costs, other gains and losses, investment income, share-based payments charges, loss on disposal of property, plant and equipment, amortisation and impairment of intangible assets, depreciation and impairment of property, plant and equipment, deal costs relating to unsuccessful tower acquisition transactions or successful tower acquisition transactions that cannot be capitalised, and exceptional items. Exceptional items are material items that are considered exceptional in nature by management by virtue of their size and/or incidence.

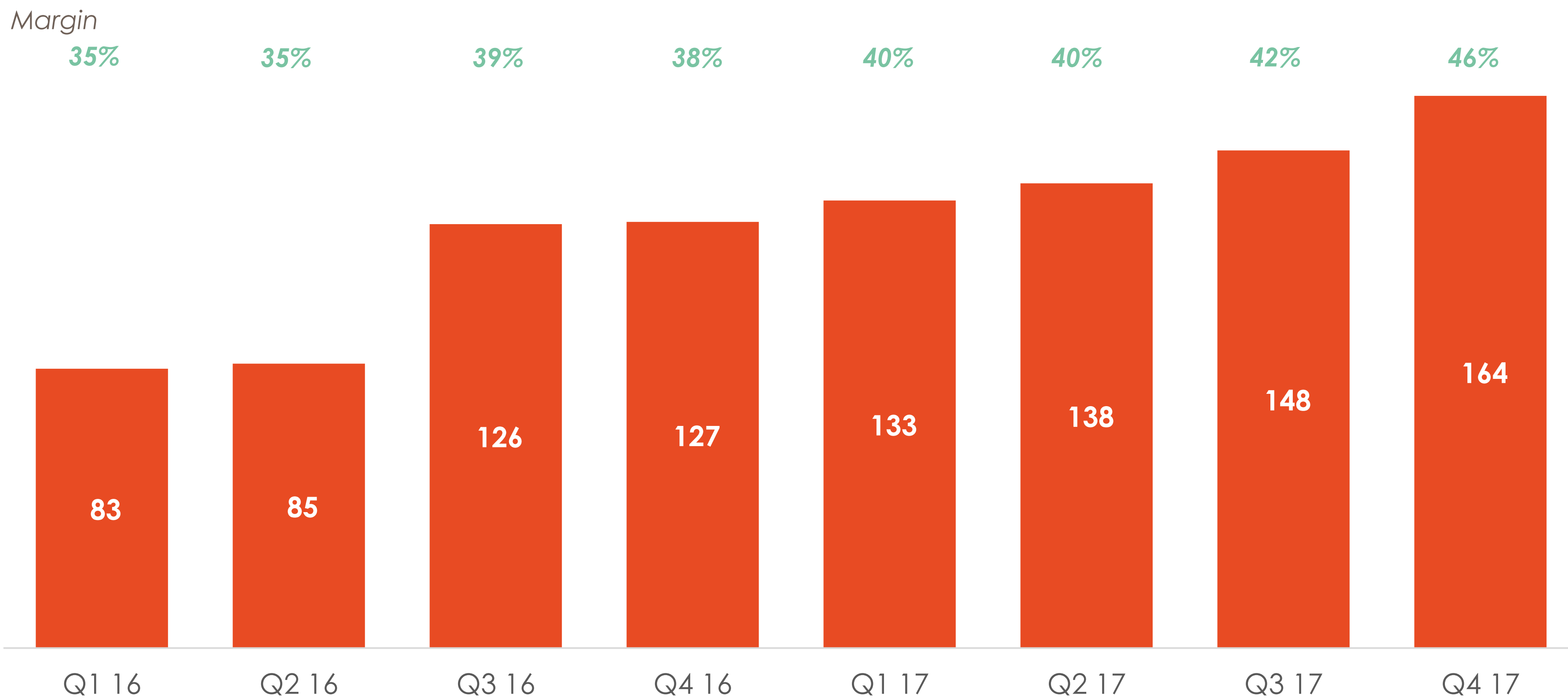
(2) Annualised Adj. EBITDA calculated as per the bond definition as the most recent fiscal quarter multiplied by 4. This is not a forecast of future result

(3) Total Colocations is equal to Standard Colocations plus Amendment Colocations

(4) Net debt is calculated as our gross debt less cash and cash equivalents

(5) Calculated as net debt divided by Annualised Adj. EBITDA for quarterly and Adj. EBITDA for yearly financial information

Group Annualised Adj. EBITDA[1] Evolution



(1) Calculated as per the bond definition as the most recent fiscal quarter multiplied by 4. This is not a forecast of future result

Recent Developments

Vodacom Buy-out Completed

- $62m option for Vodacom's shares in Tanzania
- Option exercised on 5 Sep 2017
- Exercise completed in October 2017 following Fair Competition (FCC) and TCRA approval

Tanzania Listing

- Recent Tanzanian law for network facilities licences (incl. HT) requires 25% listing of shares locally
- 1 February 2017 HTT interim prospectus submitted
- Final prospectus to be submitted (subject to regulatory approval)

Directorate change

- Allan Cook CBE DSc, the former Chairman of WS Atkins, has been appointed as Independent Chairman
- Allan currently serves on advisory board of JF Lehman & company and is Industry Co-Chair of the Defence Growth Partnership

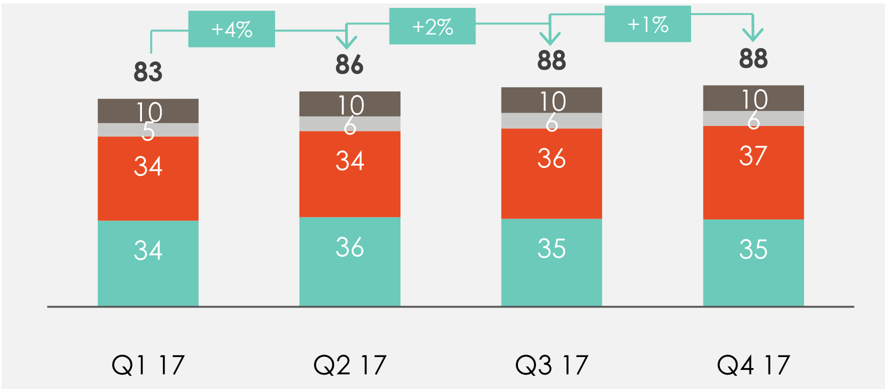
Power saving initiatives

- 430 solar sites expected to be functional by end of Q1 2018
- Targeted roll out of 400 hybrid sites by end of Q1 2018
- 375 grid connections and grid restorations rolled out in 2017

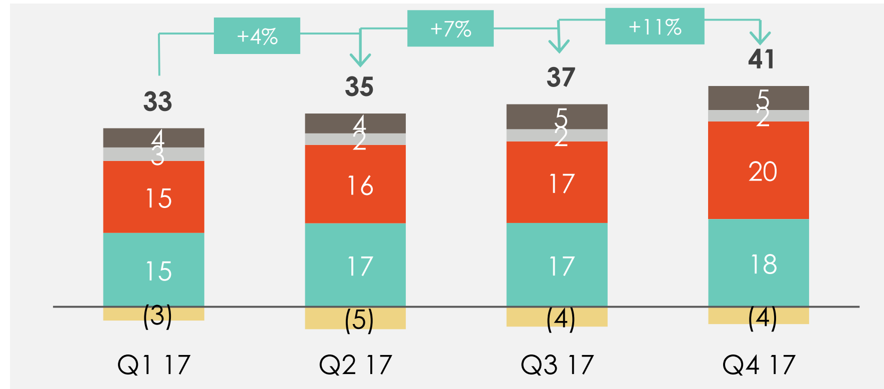
Financial Results

Historical Performance of KPIs

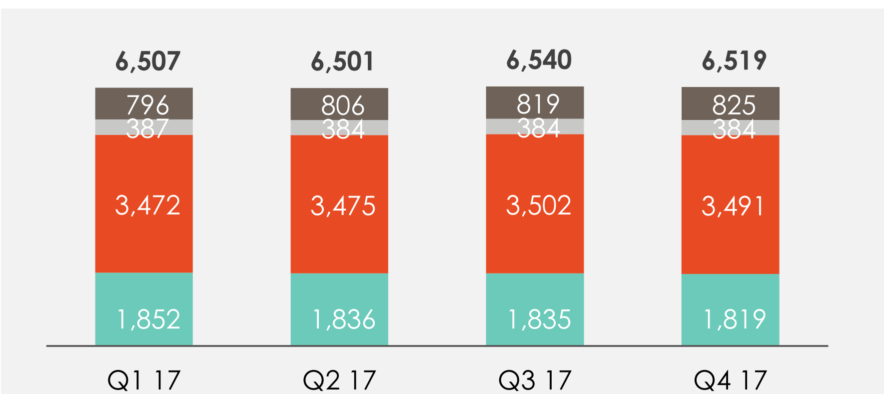
Revenue Growth ($m)



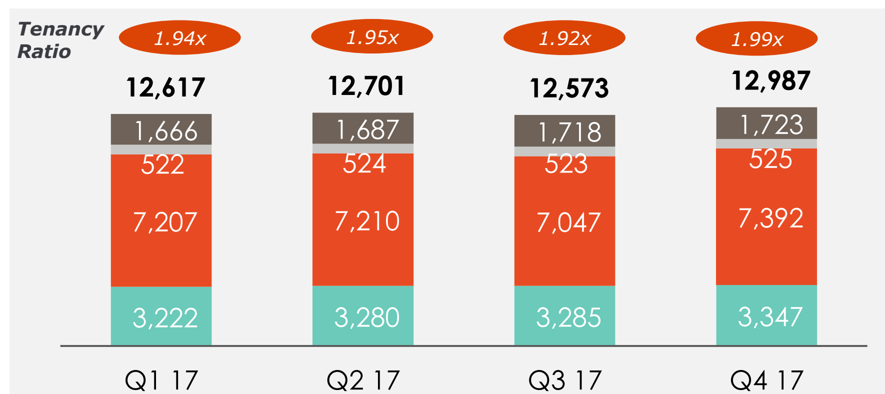
Adjusted EBITDA Growth ($m)



Evolution of Tower Portfolio



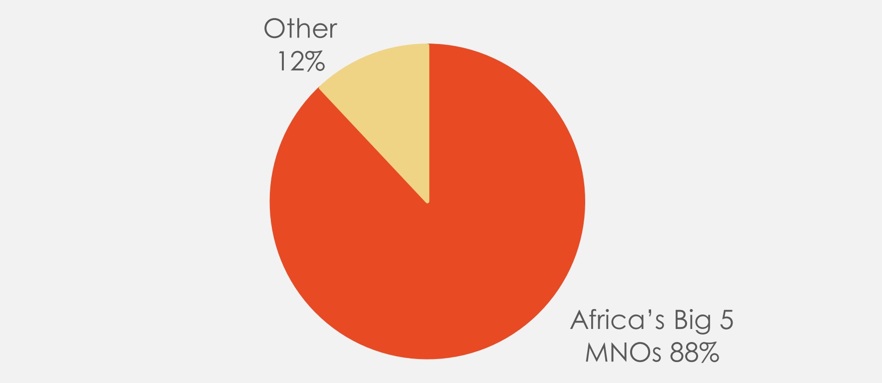
Evolution of Tenants



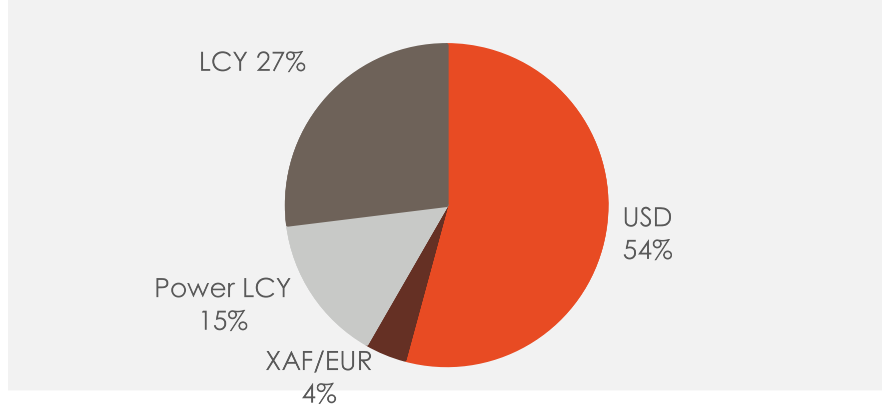
DRC Tanzania Congo Brazzaville Ghana Holdco

FY 2017 Revenue Breakdown

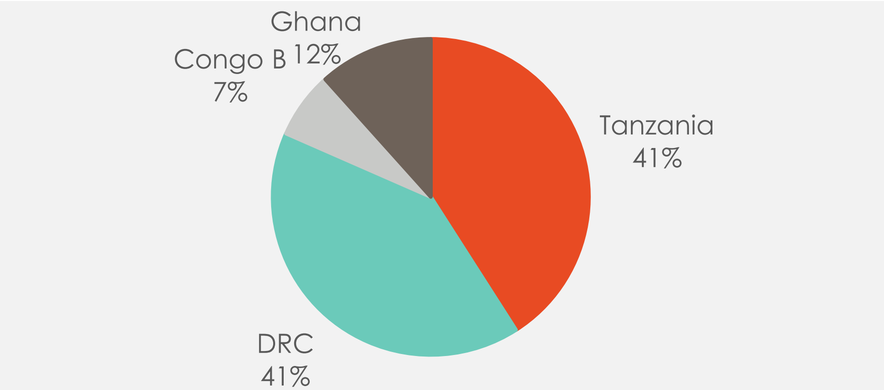
FY 17 Revenue Breakdown by Customer



FY 17 Revenue Breakdown by FX



FY 17 Revenue Breakdown by Country

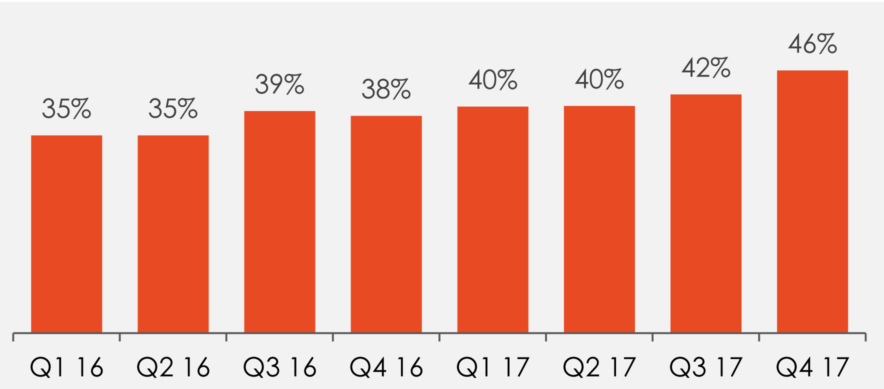


Commentary

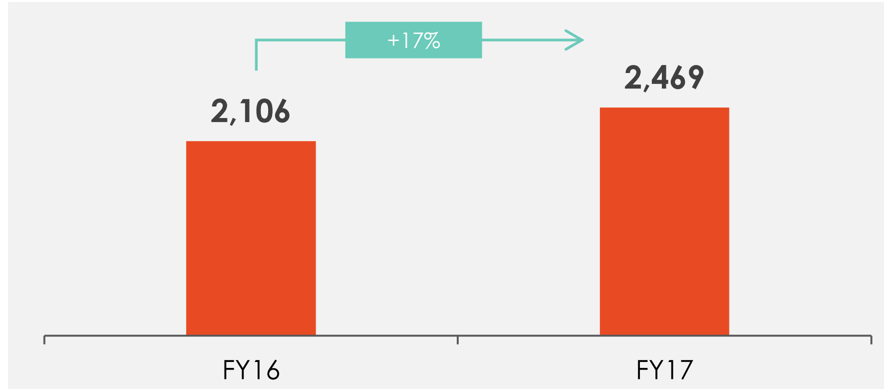
- **88%** of FY 17 revenues from Africa's Big 5 MNOs
- **58%** of revenues in USD or XAF (which is pegged to the Euro)

Costs and Margin Analysis

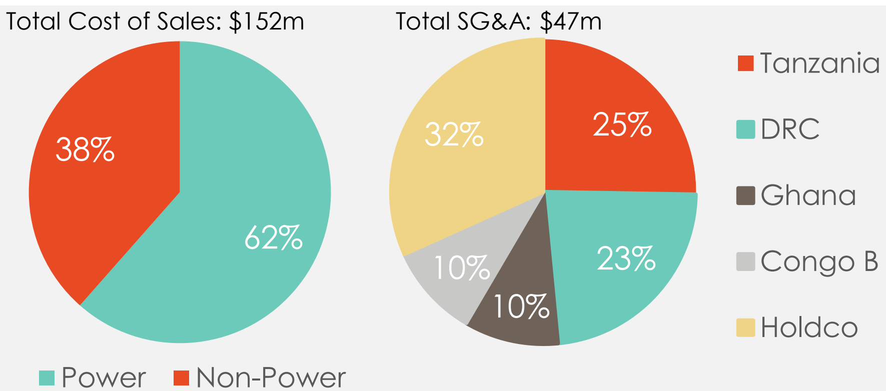
Q-o-Q Adj. EBITDA Margin Growth



Monthly Tower Cash Flow per Tower ($) (1)



FY17 Costs Breakdown (excl. depreciation) (2)

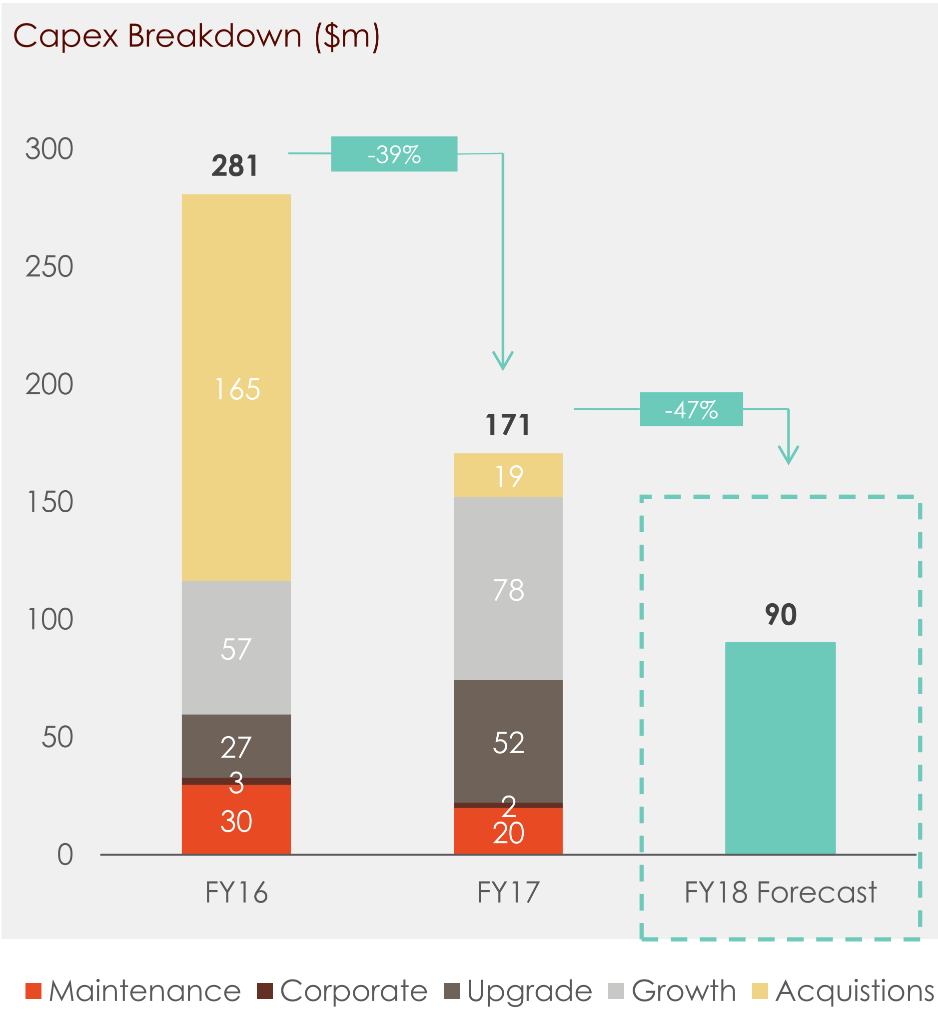


Commentary

- Strong growth in Tower Cash Flow and Adj. EBITDA
- Organic demand
- Opex saving initiatives
- Business Excellence Program

(1) Tower Cash Flow calculated as Reported Gross Profit + Site Depreciation
(2) Costs breakdown excludes depreciation, amortisation, one-off restructuring costs and aborted deal costs

Capital Expenditure



Commentary

- FY 17 capex of $171m is 39% lower than FY 16
- Capex guidance for 2018 is $90m, a further 47% reduction from FY 17
- Since 2012 the Group has invested $169m in Upgrade capex on sites acquired from MNOs and are able to add additional tenancies to majority of sites with minimal additional capex

Summary of Financial Debt

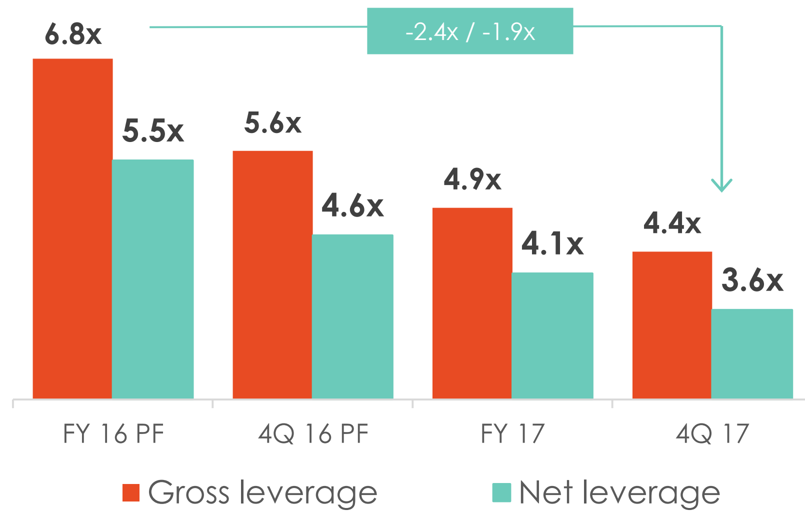
Debt KPIs

($m)	FY 16 PF[1]	4Q 16 PF[1]	FY17	4Q 17
Cash & cash equivalents	134	134	120	120
Bond	600	600	600	600
Lease Obligations + Other [2]	111	111	115	115
Gross Debt	711	711	715	715
Net Debt	577	577	595	595
Annualised adj. EBITDA	105	127[3]	146	164[3]
Gross Leverage [4]	**6.8x**	**5.6x**	**4.9x**	**4.4x**
Net Leverage [5]	**5.5x**	**4.6x**	**4.1x**	**3.6x**

4Q 17 IFRS reconciliation

($m)	Pre IFRS 16	Adjustment	Post IFRS 16
Gross Debt	598 [6]	117	715
Net Debt	478	117	595
Annualised adj. EBITDA	141	23	164
Gross Leverage	**4.2x**		**4.4x**
Net Leverage	**3.4x**		**3.6x**

Gross and Net Leverage



Commentary

- Continued deleveraging supported by Q-o-Q growth in Adj. EBITDA

(1) Pro forma for $600m bond refinancing and excludes unamortised loan issue costs, derivative liability and shareholder loans
(2) 'Other' relates to unamortised loan issue costs, derivative liability and shareholder loans
(3) *Annualised adj. EBITDA calculated as per the bond definition as the most recent fiscal quarter multiplied by 4. This is not a forecast of future result*
(4) *Calculated as gross debt divided by Annualised Adj. EBITDA for the quarter and Adj. EBITDA for the year*
(5) *Calculated as net debt divided by Annualised Adj. EBITDA for the quarter and Adj. EBITDA for the year*
(6) $600m bond net of unamortised loan issue costs, derivative liability and shareholder loans

Outlook for 2018

2018 Performance Outlook

Strong pipeline driving 2018 tenancies and top-line growth

Business Excellence Program expected to continue to drive margin improvement

Organically, we expect strong momentum to continue in 2018 along with improved capital efficiency

Q&A

Appendix

Income Statement

($m)	FY 2016	FY 2017
Revenue	282.5	345.0
Cost of sales	(235.9)	(275.7)
Gross profit	46.6	69.3
Administrative expenses	(77.7)	(91.3)
Loss on disposal of property, plant and equipment	(3.8)	(2.0)
Operating loss	(34.9)	(24.0)
Investment income	0.2	0.7
Other gains and losses	(6.7)	21.8
Finance costs	(73.3)	(102.8)
Loss before tax	(114.6)	(104.2)
Tax expenses	(1.5)	(3.2)
Loss after tax	(116.1)	(107.4)
Loss for the year	**(116.1)**	**(107.4)**
Adj. EBITDA	**105.2**	**146.0**
Adj. EBITDA Margin	**37%**	**42%**

Reconciliation of Adj. EBITDA to loss before tax for 2016 & 2017	FY 2016	FY 2017
Adj. EBITDA	105.2	146.0
Ajdustments applied to give Adjusted EBITDA		
Exceptional items(1)	(5.7)	(17.8)
Lost on disposal of assets	(3.8)	(2.0)
Other gains and losses	(6.7)	21.8
Recharged depreciation	(1.1)	(1.2)
Depreciation of property, plant and equipement	(107.4)	(127.1)
Amortisation of intangibles	(22.1)	(21.8)
Investment income	0.2	0.7
Finance cost	(73.3)	(102.8)
Loss before tax	(114.6)	(104.2)

(1) Includes restructuring costs, advisory and other costs relating to the preparation for the IPO of the Group's operating subsidiary in Tanzania, exceptional project costs, deal costs for aborted acquisitions and share based payments.

Balance Sheet

($m)	FY 2016	FY 2017
Non–current assets		
Intangible assets	35.6	18.0
Property, plant and equipment	655.1	705.7
Right–of–use assets	112.7	115.3
Investments	0.1	0.1
Derivative financial assets	1.4	23.9
	804.9	863.0
Current assets		
Inventories	19.5	9.5
Trade and other receivables	126.9	108.5
Prepayments	20.5	23.4
Cash and cash equivalents	133.7	119.7
	300.6	261.1
Total assets	1,105.6	1,124.1
Equity		
Issued capital and reserves		
Share capital	909.1	909.2
Share premium	186.8	187.0
Stated capital	1,095.9	1,096.1
Other reserves	(11.7)	(12.8)
Minority interest buy–out reserve	(54.4)	
Translation reserve	(77.5)	(79.7)
Accumulated losses	(544.4)	(741.8)
Equity attributable to owners	408.0	261.9
Non–controlling interest	(36.3)	
Total Equity	371.6	261.9
Current liabilities		
Trade and other payables	163.9	147.3
Loans	60.5	17.3
Short–term lease liabilities	20.9	20.5
Minority interest buy–out liability	57.9	
	303.2	185.0
Non–current liabilties		
Long–term lease liabilities	90.1	96.1
Loans	340.6	581.1
Total Liablilities	733.9	862.2
Total equity and Liabilities	1,105.6	1,124.1

Cash Flow Statement

($m)	FY 2016	FY 2017
Adj. EBITDA	105.2	146.0
Less: Tax Paid	(0.6)	(1.3)
Less: Maintenance and Corporate Capex	(32.8)	(22.2)
Unlevered Recurring Cash Flow	**71.8**	**122.5**
% Cash Conversion	*68.3%*	*83.9%*
Less: Change in Working Capital	(30.8)	(16.5)
Less: Finance costs paid	(41.6)	(51.6)
Less: Investment Capex	(263.4)	(148.5)
Less Exceptional items and other income	(6.9)	(18.0)
Less: Vodacom buyout		(58.6)
Cash Flow before financing	**(271.0)**	**(170.6)**
Equity	184.3	0.1
Debt	132.9	156.3
Net Cash Flow	**46.2**	**(14.1)**
Cash brought forward	88.3	133.7
FX	(0.7)	0.2
Cash carried forward	**133.8**	**119.7**

IFRS16 Leases reconciliation

($m)	FY 2016 Pre-IFRS 16	Change	FY 2016 Post-IFRS 16
Income statement			
Adjusted EBITDA	84.5	20.6	105.2
D&A	(118.9)	(10.6)	(129.5)
Finance costs	(60.0)	(13.2)	(73.3)
Other items	(18.5)	-	(18.5)
Loss after tax	**(113.0)**	**(3.2)**	**(116.1)**
Balance sheet			
Debt funding	401.1	-	401.1
Lease obligations	-	111.0	111.0
Total debt	**401.1**	**111.0**	**512.2**
Cash & cash equivalents	133.7	-	133.7
Net debt	**267.4**	**111.0**	**378.5**
Metrics			
Gross leverage	4.7x	0.2x	4.9x
Net leverage	3.2x	0.4x	3.6x

Disclaimer

This presentation (the "Presentation") is provided on a strictly private and confidential basis for information purposes only and must not be relied up for any purpose. This Presentation does not constitute or form part of, and should not be construed as, an offer, invitation or inducement to purchase or subscribe for securities nor shall it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever. This Presentation does not constitute either advice or a recommendation regarding any securities.

The financial figures for the Company and its consolidated subsidiaries (the "Group") in this presentation have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The quarterly financial figures for the Group in this presentation have not been audited. Certain figures in this presentation, including in a number of tables, have been rounded to the nearest whole number or the nearest decimal place. Therefore, when presented in a table, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages in this presentation reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Adjusted EBITDA is defined as EBITDA for the period, adjusted for loss for the period from discontinued operations, additional tax, income tax, finance costs, other gains and losses, investment income, loss on disposal of PP&E, amortisation and impairment of intangible assets, depreciation and impairment of PP&E, deal costs relating to unsuccessful tower acquisition transactions or successful transactions that cannot be capitalised, and exceptional items. Exceptional items are material items that are considered exceptional in nature by management by virtue of their size and/or incidence. Adjusted EBITDA is not a measurement of financial performance or liquidity under IFRS. Adjusted EBITDA is not a standardised term and as a result, a direct comparison between companies using such term may not be possible.

This Presentation contains illustrative returns, projections, estimates and beliefs and similar information ("Forward Looking Information"). This Forward Looking Information can be identified by the use of forward looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "plans", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. Forward Looking Information is subject to inherent uncertainties and qualifications and is based on numerous assumptions, in each case whether or not identified in the Presentation. Forward Looking Information is provided for illustrative purposes only and is not intended to serve as, and must not be relied on by any analyst as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Nothing in this Presentation should be construed as a profit forecast. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of the Company. Some important factors that could cause actual results to differ materially from those in any Forward Looking Information could include changes in domestic and foreign business, market, financial, political and legal conditions. There can be no assurance that any particular Forward Looking Information will be realised, and the performance of the Company may be materially and adversely different from the Forward Looking Information. The Forward Looking Information speaks only as of the date of this Presentation. The Company expressly disclaims any obligation or undertaking to release any updates or revisions to any Forward Looking Information to reflect any change in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any Forward Looking Information is based. Accordingly, undue reliance should not be placed upon the Forward Looking Information. In addition, even if the results of operations, financial condition and liquidity of the Group, and the development of the industry in which the Group operates, are consistent with the forward-looking statements set out in this Presentation, those results or developments may not be indicative of results or developments in subsequent periods.

helios towers

Contact

Investorrelations@heliostowersafrica.com