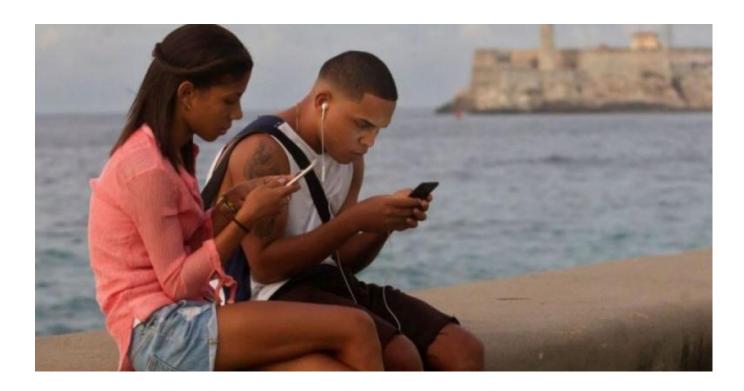


ETECSA 2019: This Year Has Been One of Progress and Complexity

30/12/2019



The steady increase of new services that certainly improved the quality of life of the Cuban people, as well as the commitment to the nation's informatization and development, was a goal accomplished by ETECSA (Cuban Telephone Company) in 2019.

ETECSA faced a lot of challenges and benefited from several accomplishments in 2019, led by a strong will of continuing to grow in the field of networks and services for citizens, with a guaranteed commitment of quality.

This was the assessment of Tania Velázquez, first vice-president of the company, at a press conference earlier this month.

Many of the complexities faced by ETECSA are actually linked to the tightening of the U.S. blockade imposed on Cuba, which jeopardizes the shortening of terms of the digital divide that is separating us from the rest of the developed world; not to mention the damages caused by the tornado, which hit Havana last January.

To the aforementioned, we must add the challenge of implementing and displaying 3G/4G technologies, which have requested the dynamic increase of network capacities.

Having quality as a premise, ETECSA will end the year with more than 6 million mobile lines, 1.4 million fixed lines, 124.000 Nauta Hogar services, 1.161 navigation rooms — including third parties — 1.034 WiFi hotspots, and around 2 million Permanent Accounts for Internet browsing.



State-owned companies boast more than 48.000 Internet access connections, and ETECSA is working hard to offering individualized solutions to each of them, aiming to expedite their informatization and automation processes.

In total, nearly 3.268 radio base stations were installed for 2G/3G/4G technologies.

As part of the informatization of society, 190 new navigation facilities were created; namely, WiFi hotspots and navigation rooms set up nationwide. Each shows how much the company has improved.

More than 124.000 houses from each of the 168 municipalities of the country have access to Internet by hiring the Nauta Hogar service. A total of 938 People's Councils everywhere in the island benefit, at least, from one sort of Internet access.

67% of these territories have a public navigation solution, and 49% have at least 3G coverage, which helps to get better quality in mobile Internet access, while almost a quarter have navigation areas in the wired mode (fixed rooms), and 47%, navigation areas in the wireless mode (WiFi).

As for the mobile Internet service, it is worth noting that after its launching on December 6, 2018, 1.2 million mobile lines — all met the necessary requirements — were activated in three days.

To date, there has been a growing demand, which translates into nearly 3.07 million mobile lines with access to Internet.

On December 2018, 46% of users had phones with the required characteristics to browsing, today this number rises up to 56%, which means 3.18 million users.

Of this total, 97% have been granted access mobile data, and last November, 72% of them made use of this service.

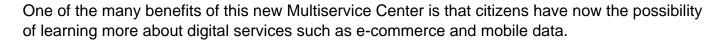
With regard to 4G technology — this service was launched last March — there are now more than 470 radio bases installed, and by the end of this year the goal is to reach 500 radio bases installed all around the country except for the province of Cienfuegos, whose technical availability will be ready next year. In the case of Havana, it is being projected that by the end of the year, 49.8% of its territory may enjoy 4G/LTE coverage.

Based on the strategy of moving 3G-network traffic to 4G/LTE-network, new offers were introduced to encourage users to exploit the virtues of 4G. One of them was the launching of *Bolsa Diaria* (Daily Package 150 mb / 1 cuc) for 24 hours after first use. In just ten days, more than 100.000 packages were activated.

After a first offer for high consumers, the company focused on average users and introduced affordable packages.

Thus, as of December 4, new options for Internet browsing via 4G/LTE-network were implemented. They provide continuity to that service expansion with more affordable prices.

In addition to this and as part of the informatization of society, the opening of a state-of-the-art Multiservice Center in Obispo Street back in mid-November, first of its kind in the country, was part of the celebrations for the 500<sup>th</sup> anniversary of Havana.



In 2019, as of July 22, ETECSA implemented new offers for website hosting for natural persons. This service of website hosting at the ETECSA's Data Center, which kicked off last April, allows owners to manage their own websites for free from Nauta Hogar and national public hotspots.

At the same time, it guarantees the protection and stability of the web performance and makes easier the access of Internet users to these websites with cheaper prices using national navigation accounts (0.10 CUC / hour) from public accesses.

That month, users were notified of another new prepaid mobile phone service: *Adelanta Saldo* (Advance Balance Service) which allows, from meeting certain requirements, to recharge a balance advance of 1.00 or 2.00 CUC by dialing \* 234 # and then check option #3.

Concerning e-commerce, the company developed, along with the national banking system, the *Transfermóvil* apk, which had more than 305.000 registered users in October and made more than 4.4 million monthly transactions.

Several promotions, as well as a new payment offer via *Transfermóvil*, are added this year to ETECSA's actions, which will welcome 2020 with its permanent commitment to meet the needs of our users and society in general, by offering telecommunications services that contribute to the increase of the quality of life of Cubans, with a high social responsibility aimed at the informatization and development of the country.

On December 17, the company announced that six million mobile lines had been activated in the country, according to the Twitter profile of Mayra Arevich, CEO of the Cuban Telephone Company S.A. She pointed out that this figure was achieved "thanks to the effort, commitment, and love of ETECSA's workers, contributing to the informatization process and celebrating the anniversary of the Triumph of the Revolution."

Regarding the prospects for the Internet access in particular, CEO Mayra Arevich stated during the 2<sup>nd</sup> International Congress Cibersociedad 2019: "The Internet service in Cuba will continue to develop, not only regarding its widespread growth and rise, but also regarding its diversification."

Translated by Sergio A. Paneque Díaz / CubaSí Translation Staff