

Telecom Egypt
Invitation to the Ordinary General Assembly
of
Telecom Egypt S.A.E.

Scheduled to Convene on Tuesday, August 16, 2011

The Board of Directors of Telecom Egypt S.A.E. (the "Company") has the privilege to invite the shareholders of the Company to attend the Ordinary General Assembly of the Company (First Meeting) scheduled to convene at 2:15 p.m., on Tuesday, August 16, 2011, at the Conference Building of the Smart Village, at K 28 – Cairo Alexandria Desert Road, Egypt. In the event the requisite legal quorum for the validity of the first meeting is not met, then the Ordinary General Assembly shall convene a second meeting to be held on Wednesday, August 17, 2011 at the same location and time.

Such is for purpose of discussion of the following agenda:

1. Considering the appointment of a Managing Director (Chief Executive officer) of the Company as of 1 June 2011, in accordance with the provision of Article 25 of the Statutes of the Company, which stipulates that: *"The Board of Directors shall be entitled to appoint a Managing Director from among its members, to be named as the Chief Executive Officer of the Company. The appointment and renewal of the appointment of Chief Executive Officer above the age of 60 shall be made annually based on a resolution of the General Assembly"*;
2. Considering the approval of the appointment of Mr. Adel Hussein Abdel Aziz, as a representative of the employees on the Board of Directors of the Company to succeed Mr. Farghaly Bakry;
3. Considering the election of an independent director to succeed Eng. Hesham Saad Mekawy by the non-State shareholders owning 1% or more of the Company's shares for membership on the Board of Directors of the Company, provided that such nominee shall meet the conditions set forth in Article 21 of the Articles of Association of the Company, as follows:
 - *(S)he must not have been an employee of the Company or any of its subsidiaries or affiliates within the last five years;*
 - *(S)he must not have had a material business relationship with the Company within the last three years either directly, or as a partner, shareholder, director or senior employee of an entity that has had such a relationship with the Company;*
 - *(S)he must not have received or be entitled to receive any fees or additional amounts from the Company apart from*

- *the fees and allowances of the board of directors, or be entitled to participate in the Company's share option scheme, if any, or incentives bonus scheme, or be a entitled to participate in the Company's pension scheme;*
- *(S)he must not have family ties up to the fourth degree with any of the Company's directors, the Executive Director or the Deputy Executive Directors;*
- *(S)he must not hold cross directorships in an company working with the Company or have significant links with any of the members of the board of directors through participation in any other companies or entities;*
- *(S)he must not represent a material shareholding in the Company; and*
- *(S)he must not have served on the Board of Directors of the Company for nine years or more from the date of his/her first appointment.*

In the event that the shareholders, other than the Government, do not nominate an independent board member, or in the event that the above-mentioned criteria are not met by the independent board member nominated by the shareholders other than the Government, then the Board of Directors may nominate an independent board member to complete the number of independent board members provided that he/she shall also satisfy the criteria of independent board members mentioned above."

4. Considering the approval of all agreements and contracts made in relation to the submarine cable "TE North" Project.

We also draw the shareholders' attention to the following:

- (a) The Ordinary General Assembly shall not be validly held unless attended by the number of shareholders representing 50% of the Company's share capital.
- (b) Each shareholder shall be entitled to attend the Ordinary General Assembly of the shareholders either in person or by proxy to another shareholder who is not a member of the Board of Directors. To be valid, a proxy must be issued by means of a written power of attorney and the representative must be a shareholder. Any shareholder may not represent by proxy in the Ordinary General Assembly a number of votes exceeding ten percent (10%) of the nominal shares of the Company's share capital or twenty percent (20%) of the shares present at the Meeting.

- (c) Shareholders wishing to attend the General Assembly shall submit an original certified statement issued by one of the bookkeeping companies indicating the shares they own and indicating that the balance of shares reflected in the statement has been blocked until completion of the General Assembly. The foregoing must be effected at least three days prior to the date of convening the Ordinary General Assembly.
- (d) Applications for nomination to membership on the Board of Directors as Independent Directors who satisfy the conditions specified in the invitation must be submitted within a period no later than 2:00 pm, Tuesday, August 9, 2011, at the head office of the Company at K 28, Cairo - Alexandria Desert Road, Smart Village, B7 Building, the office of the Director of Investment and Investor Relations, 2nd floor. Any applications submitted after such deadline will not be accepted. The application shall reflect the applicant's full name; the number of shares owned by the applicant in the Company; the applicant's current position, experience and positions held during the previous years, particularly in other companies; and whether the applicant holds a position in the Company, provided that the following shall be attached to the application:
- (i) The curriculum vitae and substantiating documents of the nominee as an independent director from those who shall satisfy the conditions specified in the invitation notice;
- (ii) A copy of the identification document and/or a copy of the passport with respect to nominees who are not Egyptians;
- (iii) The original documents which evidence the applicant's ownership of 1% or more of the shares of the Company, or the original documents which evidence that he/she has been nominated by shareholders other than the Government holding 1% or more of the shares of the Company, provided that the signatures of such shareholders on the nomination documents have been certified by banks.

The nominee to the Board of Directors must satisfy the conditions set forth in Article 89 of Law No. 159 of 1981 and the provisions of Articles 177 to 180 of that Law concerning employees of the Government, public sector and public enterprise sector and members of the People's Assembly, *Shura* Council or municipal councils.

- (e) Any questions concerning the items of the agenda to be presented to the Ordinary General Assembly must be submitted in writing to the head office of the Company located at K 28, Cairo - Alexandria Desert Road, Smart Village, the 2nd floor, B7 Building, the office of the Director of Investment and Investor Relations, either by registered mail or hand delivery against receipt at least three days prior to the date of convening the Ordinary General Assembly.
- (f) Discussions at the Ordinary General Assembly shall be limited to the items on the agenda.

- (g) Attendance of the General Assembly shall be limited to the shareholders only without being accompanied by any other parties and attendees must be present in enough time before the General Assembly to allow for registration of their attendance in the registers.
- (h) The documents required to be made accessible to the shareholders prior to the Ordinary General Assembly as referred to under Articles 219, 220, 221 and 228 of the Executive Regulations of Law No. 159 of 1981 shall be available at the head office of the Company located at K 28, Cairo Alexandria Desert Road, Smart Village, the 2nd floor, B7 Building, the office of the Director of Investment and Investor Relations, during official business hours.


Akil Hamed Beshir

Chairman