

Telecom Egypt Financial Highlights H1 2004

Cairo, October 31, 2004: Telecom Egypt (TE) (Ticker: ETEL.CA), announced its financial results for the First Half ended June 30, 2004. Key performance indicators during the first half of 2004 are highlighted below:

- Total number of subscribers exceeded 9.2 million, an increase of 9.5% over June 2003.
- Fixed line penetration rate reached 13.3%, compared to 12.3% penetration rate in June 2003.
- Revenues exceeded L.E 3.8 billion, an increase of 15% over June 2003.
- Net income for the period reached L.E 954 million in comparison to L.E 736 million in June 30, 2003.
- Earnings per Share (EPS) reached LE 3.55 vs. LE 3.07 in June 2003, a 15.6% increase.
- Monthly ARPU increased to LE 51.6 in June 2004 a 3% increase over June 2003.
- EBITDA reached LE 2.2 billion, an increase of 20% over June 2003.
- EBITDA margin rose to 57.4% from 54.3% in June 2003

About Telecom Egypt

Telecom Egypt (TE), Egypt's incumbent telecommunications operator, was established in 1998 to replace the former Arab Republic of Egypt National Telecommunication Organization (ARENTO). The company has a fixed line subscriber base in excess of 9 million subscribers which makes it the largest fixed line provider in the Middle East and Africa.

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