

## **Telecom Egypt [TE] Financial Highlights For The First Quarter 2005**

Cairo, June 7<sup>th</sup> 2005: Telecom Egypt (TE) (Ticker: ETEL.CA), announced its financial results for the first quarter 2005. Key performance indicators for the period are highlighted below:

- Total number of subscribers reached 9.6 million, an increase of 5.5% over March 2004.
- Fixed line penetration rate reached 13.7%, compared to 13.2% penetration rate in March 2004
- Revenues reached L.E 1.98 billion, an increase of 2.95% over March 2004.
- Net Profit before Tax for the period reached L.E 586 million in comparison to L.E 469 million in March 2004 showing a 25% increase. Net Profit after Tax reached L.E 373 million compared to L.E 440 million in March 2004, a decrease of 15.3%. This decrease is due to the company being subject to income tax as a result of the agreement between TE and the Tax Authority ( refer to TE's press release dated 14/10/2004)
- Earnings per Share (EPS) reached L.E 2.18 vs. L.E 2.57 in March 2003, a 15.3% decrease.
- Monthly ARPU increased to L.E 52.4 in March 2005 a 1.9% increase compared to L.E 51.4 in March 2004.
- EBITDA reached L.E 1.19 billion, an increase of 3% over March 2004.
- EBITDA margin rose to 59.84% from 59.78% in March 2004

### **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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