

Issue of Telecom Egypt Bonds Next September

Telecom Egypt (TE) Chairman, Engineer Akil Beshir has signed an agreement assigning HSBC Bank to operate as the company's financial consultant.

HSBC will oversee the issuing of TE's bonds in the local market next September at a value of round Two Billion L.E., to enable the company to widen its prospective investments. TE's Board had approved the initial procedures to issue the company's bonds in the local market ahead of ratification at the general shareholders meeting.

Seven companies bid for the job as TE's Financial Consultant and five passed the initial evaluation.

The different technical and financial bids were then evaluated and HSBC was selected and an agreement was signed today between TE and HSBC, following negotiations.

The different technical and financial bids were then evaluated and HSBC was selected and an agreement was signed today between TE and HSBC, following negotiations.

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 10 million subscribers which makes it the largest fixed line provider in the Middle East.

Investor Relations Contacts

Tarek Tantawy

Telephone: +202 5788826

Fax: +202 5789314

Eman Anis

Telephone: +202 5788787

Fax: +202 5789314

Alia Allouba

Telephone: +202 5788787

Fax: +202 5789314

For Financial or Investment queries **ONLY** please send to:

E-mail: investor.relations@telecomegypt.com.eg