

Telecom Egypt Signs a Contract with a Consortium of 4 Banks to Lead Manage & Underwrite its Forthcoming L.E 2 Billion Bond Issue

Cairo , Monday, August 16, 2004

Telecom Egypt (TE) signed a contract today with a consortium of 4 banks (Banque du Caire, Alexandria Bank, Citibank & Arab African International Bank) to lead manage and underwrite its L.E 2 billion bond which is expected to be issued by end of September 2004. The offering will be split into two equal tranches; fixed and floating with a tenor of 5 to 7 years. TE intends to use the bond proceeds to replace more expensive debts (refinance) and to finance new investments. TE has mandated HSBC as its sole financial advisor for this transaction which will be Egypt 's largest ever corporate bond issue

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.

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