

Telecom Egypt's joint venture launches commercial services in Algeria

Cairo, 22nd February, 2006: Telecom Egypt (TE) (Ticker: ETEL.CA; TEEG.LN), announced today that **Consortium Algérien des Télécommunications s.p.a. (CAT)** a joint venture between Telecom Egypt and Orascom Telecom Holding, launched today fixed line services in the Algerian capital, Algiers under the brand name "Lacom". CAT's intention is to then extend coverage outside of Algiers while also introducing other innovative telecommunications services to the Algerian market during the coming years.

In May 2005, CAT was awarded a 15 year renewable license to operate fixed line local, national and international services by the Algerian Post and Telecommunications Regulatory authority for US\$ 65 million. Since then it has embarked on deployment of state of the art network infrastructure to cater for the delivery of Next Generation Network services for the Algerian Market.

Mr. Akil Beshir, Chairman of Telecom Egypt, commented:

"Algeria is an important part of Telecom Egypt's regional expansion strategy and we believe the market there represents an exciting opportunity. Algeria's low fixed line teledensity and fast growing economy makes it an attractive market for telecommunications services. Historically, the Algerian fixed line market has been underserved and unexploited representing a potential for growth ahead of us."

Mr. Emad Elazhary, Chief Executive Officer of CAT commented on the launch:

"Algeria is a very promising market for fixed line services, we have very aggressive plans to introduce new services to the market and we are confident that we can deliver the quality of services that all Algerians deserve".

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Notes to Editors:

About Telecom Egypt

Telecom Egypt (TE), Egypt's incumbent telecommunications operator, started its operations in 1854 with the first telegraph line in Egypt. Then it was corporatized in 1998 to replace the former Arab Republic of Egypt National Telecommunication Organization (ARENTO). The Company is the largest provider of fixed-line services in the Middle East and Africa with more than 10.3 million subscribers as at the end of September 2005 representing a teledensity of 14.5%.

TE provides retail telecommunication services including access, local, long distance and international voice, Internet and data, and other services. The company also provides wholesale services including bandwidth capacity leasing to ISPs, and national and international interconnection services. Telecom Egypt's services also include the provision of narrowband and broadband internet access through its subsidiary TE Data. TE Data has current operations in Egypt, Jordan, and Dubai and has ambitious plans in other parts of the MENA region.

Telecom Egypt's shares and GDRs (Ticker: ETEL.CA; TEEG.LN) are traded on the Cairo and Alexandria Stock Exchanges and the London Stock Exchange.

About Orascom Telecom Holding

Orascom Telecom Holding S.A.E. ("Orascom Telecom" or "OTH") is a leading international telecommunications company operating in seven emerging markets in the Middle East, Africa and South Asia, having a total population under license of approximately 460 million with an average mobile telephony penetration of approximately 11.5%. Orascom Telecom operates GSM networks in Algeria ("Djezzy"), Pakistan ("Mobilink"), Egypt ("MobiNil"), Tunisia ("Tunisiana"), Iraq ("IraQna"), Bangladesh ("Banglalink"), and Zimbabwe ("Telecel Zimbabwe"). Orascom Telecom had approximately 30 million subscribers as of December 2005.

In December of 2005, OTH acquired 19.3% of Hutchison Telecommunications International Limited, a leading global provider of telecommunication services, operating in eight emerging markets. The total population under license of the two groups together is approximately two billion. Orascom Telecom is traded on the Cairo & Alexandria Stock Exchange under the symbol (ORTE.CA, ORAT EY), and on the London Stock Exchange its GDR is traded under the symbol (ORTEq.L, OTLD LI).