



Telecom Egypt Announces Full Year 2007 Results

Presenters

- Mr. Akil Beshir, Chairman & CEO
- Mr. Tarek Tantawy, Vice President & CFO
- Mr. Mohamed Elnawawy, Vice President for Int'l, Wholesale & Regulatory Affairs
- Ms. Alia Allouba, Investor Relations Manager

Osman Zaki

Hello, Good morning, and good afternoon everybody this is Osman Zaki from Merrill Lynch. I would like to welcome you all to Telecom Egypt Full Year 2007 Results Conference Call that we are very happy to be hosting today.

From Telecom Egypt we have with us Mr. Akil Beshir the Company's Chairman and CEO, Mr. Tarek Tantawy, Vice President and CFO, Mr. Mohamed Elnawawy Vice President for Int'l, Wholesale and Regulatory Affairs and Ms. Alia Allouba, Investor Relations Manager.

The conference call will start with a presentation on the operational and financial highlights for 2007 as summarized in the investor presentation you have been directed to on the TE site. This will be followed by an opportunity to ask questions. I will now hand the call back to Telecom Egypt to Ms. Alia Allouba for a Safe Harbour Statement. Have a good call, thank you very much.

Alia Allouba

Thank you, Osman, for the introduction and for hosting the conference call. Good morning and good afternoon everyone.

As a standard rule of Corporate Governance at Telecom Egypt I will first start by reading a Safe Harbour Statement.

We may make some forward-looking statements in the course of this conference call. These will be based on information available to us as of today and you should therefore not assume in the future that we continue to hold these views then. We do not commit to notify you if our views change. We refer to our public filings for some factors that may cause forward-looking statements to differ from actual future events or results.

So that was the statement, and before handing over to Mr. Akil Beshir, Chairman and CEO of Telecom Egypt, I would like to draw your attention that we have uploaded a presentation on our website summarizing our performance in year 2007. During this call we might

refer to particular slides in the presentation so it will be helpful if you had a chance to go through the presentation before the call and now to Mr. Chairman.

Akil Beshir

Thank you Alia.

Good morning and good afternoon everyone. Before starting, I would like to mention that we also have with us in addition to Tarek Tantawy and Alia Allouba; we have Mohamed Elnawawy, who is our Vice President for International, Wholesale and Regulatory Affairs, and Ahmed Fathallah who is our Investment, Financial Planning and IR Director. So as usual I welcome you to today's call and am delighted by the growing interest in our company, from at home and overseas.

2007 has been a year of much change for our business and our home market and before I reflect on the highlights of the year I would like first to set our achievements in some context.

Many of you know Telecom Egypt, but for those of you who don't, TE truly sits at the heart of the Egyptian telecommunications market. We are Egypt's only fixed line network, providing connectivity to mobile operators and controlling all of the wholesale Internet business. Our fully-modernised network is the backbone of the business and with 11.2million lines, we have one of the largest subscriber bases in the region, we still have excess capacity in our network and this gives us significant opportunity to service the growing Egyptian telecommunications market.

We have worked hard over the course of the year to maintain our margins against the backdrop of a new and constantly evolving telecommunications landscape in Egypt which for example caused pressure on the margins of the mobile operators.

What you see on slide five is testament to this. Our track record of growing the revenue base while maintaining a healthy EBITDA margin that is consistently one of the highest in the industry, speaks for itself.

As I said, 2007 has been characterised by a change in our business model. During the year, mobile operators in Egypt have been marketing aggressively across all call types, offering cheaper mobile to mobile rates. We are seeking to address this by negotiating a change in the interconnection agreement that allows for a reduction in the fixed to mobile termination rates. We are simultaneously boosting awareness of the value and quality that consumers can gain by using the TE network for domestic long distance calls. Reliability is a great asset and our infrastructure supports us well here.

There is no doubt that market liberalisation, new entrants and increasing demand for mobile and internet services have combined to alter our revenue mix, but I do not view this as a negative situation. We have actually grown the top line by five percent during the year inline with our guidance.

While our retail voice revenues are coming under some pressure from fixed to mobile substitution, our position as the network of choice for other operators means that any decline we have seen during the period under review has been more than offset by an increase in wholesale revenues. Over the last four years we have seen a compound annual growth rate of 20 per cent in wholesale revenues.

Expanding our wholesale offering further has been the focus so far in 2007, with visible results accomplished during the year. I am confident that this will continue into 2008 with talks with other mobile operators regarding interconnection and exclusivity agreements on international voice are well underway. Our objective is to ensure that we make economically attractive offers to retain our wholesale customers.

This means that wholesale revenues make up a growing component of our revenue base-one which, when domestic and international wholesale are combined, accounts for a greater proportion of total revenues than our retail voice business. In 2007, we recorded total revenues of EGP 10 billion, 3.5 billion of which were attributable to wholesale. This is a year on year rise of 22 per cent.

The performance of TE Data has been, again, characteristically strong. We are now a clear market leader and have grown our market share which by the end of 2007 was more than half of the market for broadband access, with more than 222 thousand ADSL subscribers, up 141 per cent on the same period last year.

While still a small component of total revenue, the success of our internet offering has been instrumental in partially offsetting the decline in retail voice revenues during the period. Internet and data revenues rose 82% from EGP 184 million in 2006 to EGP 335 million in 2007, driven further by rapid uptake of a promotional offer introduced in September of last year designed to combat illegal broadband connection sharing. The concept behind this promotion, a limited traffic quota at a reduced monthly rate of EGP 45 from EGP 95, is to provide an attractive alternative to sharing and thereby reduce the number of illegal connections.

Finally, before I hand over to Tarek to talk through the numbers, I would like to bring you an update in respect of TE North project. 2007 was an important year also for the progress of our cable project TE North, designed to capitalize on the combination of our unique geographic position and the capacity of our infrastructure.

Spanning more than 3,000 km, TE North will be capable of delivering an ultimate capacity of 10 terabits per second on eight fibre pairs. This makes it one of the largest systems in the world in terms of density, if not the largest at large.

For more than two decades TE's Transit Corridor, the terrestrial infrastructure linking the Red Sea to the Mediterranean Sea, has been the route of choice for all crossing submarine cable systems in this geography.

We will increase the service footprint of the existing TE Transit Corridor by building a private submarine cable system that links Sidi Kerir in Egypt to Marseille in France to capture a portion of the non-serviced demand for IP traffic capacity from Asia and India into the West. This will also lower the cost point for international bandwidth for TE and its subsidiaries.

During 2007, we announced three contracts which sell parts of the system to anchor customers. These contracts represent 25 per cent of physical capacity, worth USD 126 million. With anticipated capex for the entire project coming in at between \$150 and \$160 million over the next two years you can see that we have almost covered our build capex with these initial sales, meaning that this is a very safe project.

We have also made progress in selecting our partners for the build. I am delighted to be working with world class suppliers such as Alcatel-Lucent who will be responsible for building the wet part of the cable.

We expect to bring you further updates on TE North as 2008 progresses.

So with that I would like now to hand over to Tarek.

Tarek Tantawy

Thank you, Mr. Beshir.

2007 was undoubtedly a year of significant change, but one from which we emerge in great financial shape. Total revenue growth came inline with our guidance at 5 per cent and our prudent cost controls meant that we were able to grow the bottom line by a similar amount.

EBITDA during 2007 was mainly impacted by the one-off impairment charge in the P&L in respect of our investment in Algeria.

For some time now we have kept you abreast of the difficulties we have been facing in our Algerian joint venture. The anti-competitive practices we have encountered led us to try and extricate ourselves from the venture. This affected our financials for the year to the tune of EGP 365 million in the form of (impairment plus share of loss).

The impact on EBITDA after provisions right through to the bottom line of the one-off impairment loss and share of losses of affiliates of EGP 365 million is a distraction from some excellent operational performance. When stripping out the effect of such loss for the reporting period, consolidated net profit would have shown a 20 per cent increase year-on-year.

Mr. Beshir's recent visit to Algeria with our JV partners, Orascom Telecom, and Egyptian Prime Minister and Minister of Telecommunication would suggest that the regulatory position is seemingly changing in support of a liberal market. It is unclear precisely what the outcome will be, but should there be a partial

reversal of the impairment as a result of these discussions we will of course keep you notified.

I would like to make a few additional observations to add to Mr. Beshir's comments on our revenue mix.

The increase in mobile traffic generated by mobile operators had undoubtedly given us a significant uplift. Our wholesale opportunity is growing strongly driven by higher mobile penetration which resulted in 31% growth in mobile to fixed interconnection revenue and 94% growth in infrastructure leasing revenue captured under other domestic wholesale, revenues from infrastructure leasing recorded rapid growth, reaching EGP 457 million in 2007, up from EGP 236 million one year ago.

One important thing you should bare in mind as well concerning fixed to mobile substitution is the fact that any revenue we lose to the mobile operators partially comes back to us in one of two ways. First, through the investment income from Vodafone Egypt and secondly through more demand for infrastructure by the mobile operators to be able to cater for the increased traffic.

When we turn to the P&L you will see that we are maintaining margins. Our commitment to tight cost controls and a prudent financial strategy means that our margins have remained robust. Our underlying EBITDA margin trend remains on target at low to mid fifties.

I have already pointed out that our strong operational performance has been masked somewhat by the impairment charge relating to Algeria in 2007, but as a further demonstration of our commitment to strict cost controls, I wanted to also run through a breakdown of the major cost points we strip out to arrive at our EBITDA calculations.

As you see in slide 14 of the presentation there are three major costs items in addition to provision and impairment:

First, in interconnection costs, shown here as 13.7 per cent of total revenues and this percentage have declined slightly from 14.4 per cent in 2006. Second, personnel costs include costs relating to our employees remuneration and other contributions. In 2007, these costs represented 17.3 per cent of total revenues, still within industry norms. Other operating expenditure was only marginally higher in 2007 at 14.8 per cent versus 14.6 percent in 2006.

The stability of our EBITDA margin, consistently one of the highest in the industry, is something we are immensely proud of and are committed to protect.

EBIT for the year ended of 2007 was actually up 10 per cent on 2006, reaching EGP 3.6 billion.

We are also committed to the bottom line and our Net Profit Margin of 25 percent is a testament to this.

As far as the mobile market is evolving and our investment in Vodafone Egypt allow me to first start by saying a few words on how the market is changing before going into the details of Vodafone Egypt's performance:

First, industry margins have come down as a result of customer numbers and minutes growing faster than revenues, compounded by falling prices.

Second, we are seeing a fall off in elasticity across the board in particular the reductions in post pay monthly fees has had no volume impact and even on prepay the tax removal shows elasticity as considerably less than 1.

Third, VE continues to grow its share of revenues vs. competition and Q3 numbers reflect a widening gap in share of revenues in favour of VE.

Having said that, our investment in Vodafone Egypt has again made a substantial contribution to the results we are sharing with you today.

Our investment stake has delivered another strong financial result – contributing EGP 1.1 billion in investment income for the twelve month period. In a highly competitive market, Vodafone Egypt's offering continues to be compelling.

Vodafone Egypt reports a financial year ending on 31 March, so the numbers we are presenting to you today are from April to December 2007. During this period, Vodafone Egypt recorded net additions of 3.7 million, representing a growth of over 75% relative to the comparative period in '06. This has created a subscriber base of more than 13.3 million customers, a base comparable to our own, that now generated a total of 16.3 billion minutes in 9 months in '07. This is a year-on-year increase of voice minutes of 63 per cent, showing just how far the business has come in a short time.

Financial performance was also strong. Vodafone Egypt reached service revenue of EGP 7.7 billion during the same period of '07, up 30 per cent year-on-year. Vodafone Egypt's net profit for the nine month period exceeded EGP 2 billion, representing a year-on-year increase of 6 per cent when compared with the same period of 2006.

Capex figures reached EGP 1.7 billion for the nine month period, an increase of 35 per cent on Y-o-Y.

If we now turn to over to slide 15 of the presentation, you will see that we have made substantial headway during the year in deleveraging the business, reducing total debt by EGP 2.5 billion.

We geared up the balance sheet in 2006 to finance the acquisition of the additional stake in Vodafone Egypt. This took net debt to EGP 6.8 billion by the end of '06, giving a net debt to EBITDA ratio of 1.27 times. We have now brought this down to 0.7 times for 2007.

Obviously our intention is not to deleverage and pile cash, our aim is to keep sufficient borrowing headroom in case we find the right investment opportunity, failing which, we will continue to deleverage in 2008 and will probably go for an interim dividend distribution during the year in addition to the dividend which will be decided by our annual general assembly meeting at the end of March. The current proposed dividend by the board is EGP 0.8 per share.

I would like to make two comments when looking at the cash flow statement. Firstly, our capex rationalisation programme has continued successfully during the year. We were successful to reduce capex, while maintaining quality and servicing the appetite for capacity from other operators, because our network is fully digitalized and still has significant headroom capacity. Comparable capex related cash flows were more than halved against those in 2006 coming in at EGP 945 million versus EGP 1.9 billion in 2006.

This number is slightly below our guidance for the year, as a result of the delay of an IT project we have been working on.

We do, therefore, continue to generate significant free cash flow and we are putting this to good work.

As Mr. Beshir described, the last quarter has again proven that our business is changing and the competitive landscape is evolving.

As I mentioned last quarter for competitive reasons, we will begin to reduce the level of information we give in our financial disclosures – in particular the breakdown of revenues. This will take effect from the first quarter of this year. The breakdown contained within our financial notes will be compressed to the form shown on slide 17. We will be grouping retail revenues under headings of total access, total voice, internet & data and other. Wholesale revenues will be grouped as total domestic and total international.

Cost breakdowns will be presented as at present under our IFRS disclosures.

Many of you have asked for an outlook for 2008 and I would like to provide you with our view of the coming year.

We expect to add 250 thousand to 350 thousand fixed line subscribers in 2008 and we expect the total market for broadband subscribers to be between 700 thousand and 800 thousand ADSL subscribers. We also expect that TE Data will be able to grow its market share to 55 to 60%

Management expects revenue growth for 2008 of between 2 and 3 per cent in light of tariff rebalancing expected to take place towards the end of the second quarter of the year, and we expect our EBITDA margin to remain in the low fifties.

And we expect capex for the year to increase to EGP 1.5 – 2 billion mainly as a result of TE North project, further broadband subscribers take up and upgrading our transmission network to cater for the increasing need of the mobile operators and ISPs.

With that, I would now like to hand back to Mr. Beshir for his closing remarks.

Akil Beshir

Thank you, Tarek.

I would like to leave you with some final thoughts the highlights I believe characterise the opportunity we have.

Our performance this year has undoubtedly been positively affected by the Egyptian economy, which continues to be one of the fastest growing economies among emerging markets, with real GDP growth of almost 7 per cent, and exceeding that actually and rising GDP per capita having a positive effect on personal disposable income.

As a result the telecommunications market in Egypt continues to develop rapidly, and 2007 was a pivotal year for us. We have worked hard to ensure that the challenges facing our business are met head on.

Mobile penetration in Egypt continues to grow rapidly and we stand to benefit, not only as a strategic investor in Vodafone Egypt, but also from the positive effect of mobile related income streams on our core business.

The technical scope of our infrastructure already positions us well to embrace the growing demand for greater capacity and wholesale services from other operators.

Continuing to facilitate building out from our secure base, we'll maintain exploiting our unique geographic location and the existing TE transit corridor.

The next challenge for TE is to apply its deep rooted experience and track record of delivery to other regional markets and we will continue to monitor and assess expansion opportunities carefully. In the absence of these opportunities during 2007, we have worked to further improve our debt position. This gives us greater flexibility to pursue expansion options where they meet our rigorous investment criteria.

Finally, as you know, during the year we passed a resolution to enable us to pay an interim dividend should these opportunities not present themselves. It is our intention to consider such a payment in 2008. More details on this will follow in due course.

With that I would like to open up to your questions. Operator, please go ahead.

Questions and Answers Session

(Coordinator) Our first question comes from Mr. Istvan Matetoth, please go ahead.

Istvan Matetoth Very good afternoon gentlemen and Alia. I have 3 very quick questions. I wonder that if you could give us an update on the details of the expected rebalancing in the second quarter, what can we expect for the regulated basket and particular elements you need?

Secondly on the balance sheet, I think it's very positive that you're considering entering dividends. I wonder whether you would be willing to commit to some kind of leverage indicator below which you do not intend to go. Would that be the current 0.7 times, that EBITDA would be lower, that would make it probably a little bit easier?

And thirdly, it seems to me that you expect very significant acceleration in residential broadband and if you could talk a little bit about this market, what is going to try and boost the growth? Can we expect the growth dynamics to remain similar to this kind of growth up to 460,000 net additions in '08/09 and what shall we assume for pricing and can you assume this 45 Egyptian pounds promotional rate to remain in place?

Akil Beshir Thank you. Well I'll answer the first question and then leave the second to Tarek and the third to Mohamed Elnawayy.

Basically you know we have a continuing tariff rebalancing, we have not done with our rebalancing and as promised during our IPO, we promised the next tariff rebalancing in '09, however, we brought it forward to '08, it is expected mid-year, probably by the 1st July.

However what we're doing this time, in all the previous tariff rebalancing that we've done, was all tariff increase although it was for rebalancing. This time, we intend to have increase in local and in subscriptions fees but we're also making this with the reduction in the fixed to mobile tariff. And our intention is to have a significant reduction. That's why we are negotiating with mobile operators reducing the interconnection is because, as it is now you have an interconnection agreement with mobile operator, which is renewed every 5 years, so it's still due for renewal next year, but we've initiated this discussion to renew the agreement now because we believe that our fixed to mobile tariff are becoming not competitive with mobile to mobile, particularly after introduction of third operator. So we would like to bring down the tariff, the fixed mobile tariff significantly and that's what we're negotiating now with the Mobile operators.

So obviously once we're done with this, then we'll decide exactly what we want to do, what increase we want to do with the local and have it as a total package of tariff rebalancing approved by the regulator.

Concerning the interim dividends, Tarek are you taking this?

Tarek Tantawy Yes. On the balance sheet and the minimum debt in reality, it's not really a matter of minimum that we're saying that we can not go below?, it's more of a long term net debt to EBITDA ratio that we want to achieve and the numbers that you will be comfortable with is a net debt EBITDA of 1-1.5 times and that is in the case of absence of investment opportunities. If we find the right investment opportunity, we're willing to even give up some more than this.

Akil Beshir Concerning broadband, our expectations, Mohammed Elnawawy?

Mohamed Elnawawy Year end 2007 we had about 220,000 paying subscribers. This is the fourth year in a row that this number has been doubling. We expect this doubling to continue to move forward, perhaps it should slow down a little bit by the appetite in terms of the intake, and in terms of the facility able to set up by the internet service provider.

The other side, if you look at the population 60% of the population is under the age of 25, about a third of the population is under the age of 15, so that's approximately 25 million people that will go from the age of 15 or less to the age of 25 or less, and hence plenty of potential customers.

From an affordability point of view, more than 6 million households can afford the service. The entry level package today is about 8 dollars a month and accordingly we haven't really started scratching the surface with only 420,000 subscribers.

So the output is very positive and with the fact that we have a company retail arm to Telecom Egypt called TE Data, that is currently with more than 52% of this market means that we are also able to enjoy the market at the retail side, not only at the wholesale side.

Istvan Matetoth Yes, that's very helpful. Really my question was that so if you assume half a million net additions in broadband over the next few years, this will be far of the market beyond '08, this is something which you wouldn't find it too aggressive?

Akil Beshir No, half a million over the years

Mohamed Elnanawy For 2009 is 1.5 million year end, total subscribers.

(Coordinator) Your next question is from William Kirby, please go ahead.

William Kirby My question, I've just got one question it's on local voice revenues. Through the first 9 months of 2007 they were fairly stable or declining slightly and then in the fourth quarter, so they declined by sort of 30 or 40%, was that some sort of one-off in the fourth quarter or was that fixed mobile substitution or what should we be expecting in future years? Thank you.

Tarek Tantawy It's a combination of several things actually. The local call revenue includes not only the fixed voice local calls, it includes premium numbers

and it includes free internet, which is the dial-up internet. So with the rapid growth of broadband, we have been seeing a decline in dial-up usage and this has affected local calls negatively. And I think we have some substitutions as well on the traditional fixed voice. Going forward you should expect similar trends, with the exceptions that obviously after we implement the tariff rebalancing, that should be a hike again in local call revenues.

(Coordinator) Your next question comes from Dina Osama, please go ahead.

Dina Osama Hello good afternoon. I would first like to congratulate you on impressive results. They're really good. Once again you've managed to do what you have told investors you're going to do.

I just have a few questions. I'd like to go back to the tariff rebalancing and I wanted to ask what would you think would be the net effect of the tariff rebalancing on the top line revenues?

Tarek Tantawy We foresee a net effect of anywhere between 450 – 500 million pounds for a full year after the re-balancing.

Dina Osama 450?

Tarek Tantawy 450-500 million yes, for a full year.

Dina Osama And my other question is; with the Algeria, the Algeria joint venture with OT, I believe things are supposedly getting better now. Is it expected to go from being a negative contributor to a positive contributor in 2008?

Akil Beshir Well you know the Algeria situation of course has changed to a great extent, at the beginning in January we were on the verge of deciding to close the operation, then in February it turns out much more positively. Well of course, as I said the situation is much better, we've got approval of some of our demands, solutions to some of our problems. Some other issues are still under negotiation with the regulators there, but generally it's much better.

Whether it will turn positive in '08, I doubt that this is going to happen because what's happening now is that we are developing a new business plan, within the next 4-6 weeks we'll have a new business plan based on which we will decided how much to invest in Algeria to complete the coverage and when and we take it from there.

So the short answer to your question is no, we don't expect it to turn positive in '08.

Dina Osama In '08, so could you tell me again what was the year todate for '07 impairment charges on the income statement relating to Algeria?

Tarek Tantawy It was only low in terms of impairment and share of losses of 365 million pounds of which 301 was the impairment charges.

Dina Osama 301 was the impairment?

Tarek Tantawy Yes.

(Coordinator) Your next question comes from Franziska Salem, please go ahead.

Franziska Salem My question is basically; I have seen that you have offset declining retail revenues by increasing your wholesale revenue. So I was wondering once the second fixed line operator starts operations, how will that effect your wholesale revenue?

Akil Beshir I just did not hear the first part of your question. You said we replaced what?

Franziska Salem By increasing your wholesale revenue, you offset the decline in retail revenue. So I was wondering once the second fixed line operator starts his operations how will this affect your wholesale revenue?

Akil Beshir Ok, yes. The introduction of a second operator, obviously the second operator is not expected to duplicate the infrastructure that we have. He will have of course some coverage obligations but at large, he's going to rely on using our network. Which means more wholesale business for us and I would think that the wholesale revenues would offset the retail losses from the traffic that we lose to the second operator.

Franziska Salem Ok. As far as I know, the second operator will be getting an international gateway, so how would that affect?

Akil Beshir The operator will have an international gateway only for his own customers for a period of 2 years after starting operation, after launching.

Franziska Salem Okay, thank you. That was my question, thank you very much.

(Coordinator) Your next question is again from Istvan Matetoth, please go ahead.

Istvan Matetoth Sorry to press you on this with a follow up question; on your acquisition versus balance sheet, if you could come to some of the interim dividend, when you are looking at acquisitions? If you come to the conclusion that there's nothing going really prudently for the next 12 months, you don't really have good possibility of an acquisition, then would you go to the longer term target in a major step, that idea that interim dividend could be a very, very substantial one because then you share your acquisition plans for a while. Or would you look at this in a more dynamic context? An idea that you would take a big step towards deleveraging but not too much because you will still want to look at acquisitions.

And also if you could a little bit what kind of assets do you think you have a good chance looking at?

Tarek Tantawy On the first question, let me put it this way, we have the intention to pay out an interim this year, irrespective of whether we find the right investment opportunity or not. So it's a matter of just how much. We do

not expect that you find the target, negotiate and close the deal within a matter of months. Those sorts of acquisitions take much longer. So even if we do not find the right investment opportunity this year, we'll not go for a huge one-off pay, we'll not be doing this. We'll be paying interim amount whether target is there or not.

Concerning the what sort of targets we're looking for, I've think we've discussed this on a previous call in terms of we know that there are very few assets, very expensive ones and we do not believe that stand a chance in an outright bidding process, since we do not overtake what we're asked to do, we must have the right financial resources to do so.

So we move around the lines of privately negotiated deals and there are a couple of these that can be done in that way.

The preference for us is an integrated operator in the MENA region and to a lesser extent to having a look in Africa and Eastern Europe as well.

(Coordinator)

Ladies and gentlemen at this point it seems we do not have any further questions and I would now like to hand the call back to Mr. Akil Beshir for his closing remarks.

Akil Beshir

Thank you.

Before closing I would like to mention that TE North, our cable project is something that we're very enthusiastic about and just to give you an idea of what sort of revenues. We've been asked this question actually in a conference a couple of days ago and we couldn't answer before we had our conference call.

Well with being very conservative with this, we expect, I said earlier that the Capex for the project is 150-160 million dollars and we expect revenues during, I mean by the time the cable starts in operation, that's 18 months from last January, we expect about 200 million dollars of revenues including what we have already, which is 126.

And in the next 10 years or so, if we are very, very conservative the minimum we expect is about 500 million dollars of revenues.

I'm sure many of you would like to have an outlook of what we're expecting from this cable.

Having said that, I'd like to thank you all for being with us and I look forward to the next conference call when we have another set of good results for you.

Thank you very much.

(Coordinator)

Again a replay of the call will be available from Thursday 13 March at 5pm UK time and will be available for one week. To access this replay for international callers the number is +44 207 136 9233. The UK Toll Free number is 0800 032 9687 and the Pin is 26513531.

END