

## Telecom Egypt [TE] Financial Highlights For the 9 months period ending September 2004

Cairo, December 30, 2004: Telecom Egypt (TE) (Ticker: ETEL.CA), announced its financial results for the nine months period ended September 30, 2004. Key performance indicators for the period are highlighted below:

- Total number of subscribers reached 9.35 million, an increase of 10% over September 2003.
- Fixed line penetration rate reached 13.5%, compared to 12.5% penetration rate in September 2003.
- Revenues reached L.E 5.9 billion, an increase of 14% over September 2003.
- Net Profit before Tax for the period reached L.E 1.3 billion in comparison to L.E 918 million in September 30, 2003, showing a 40% increase.
- Net Profit after Tax reached 769 million compared to 918 million in September 2003, a decrease of 16.2%. This decrease in net profit is a result of the agreement reached with the tax authority as announced in our press release dated 14/10/2004.
- Earnings per Share (EPS) reached LE 4.50 vs. LE 5.37 in September 2003, a 16.2% decrease.
- Monthly ARPU slightly decreased to LE 50.9 in September 2004 a 1.4% decrease compared to L.E 51.6 in September 2003.
- EBITDA reached LE 3.4 billion, an increase of 18% over September 2003.
- EBITDA margin rose to 57.2% from 55.3% in September 2003

### 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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