

Telecom Egypt and the Bond Issue Received "AA" as Credit Rating

Cairo, 29th of September 2004

Meris "Middle East Ratings and Investors Service", Moody's Investors Service partner and affiliate in Egypt, issued an entity and a bond issue national scale credit rating of "AA" to Telecom Egypt with a "stable" outlook. This rating, "AA", is a reflection of Telecom Egypt's stable and solid financial performance. Meris also clarified that TE is a well established entity that has clear mitigates for potential risk factors.

Mr. Ali Salama, Vice Chairman and CFO of Telecom Egypt, has pointed out that the credit rating is a reflection of Telecom Egypt's position in the field of telecommunications in Africa and the Middle East as well as an indication of the developments and achievements that the company had made throughout the past years. In addition, Mr. Salama clarified that this credit rating will pave the way for TE to issue its bonds at a competitive price.

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.

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

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