Orascom Telecom Holding
First Quarter 2009 Results

Cairo, May 26th, 2009: Orascom Telecom Holding (OTH) (Ticker: ORTE.CA, ORTEq.L, ORAT EY, OTLD LI), announces its first quarter 2009 consolidated results.

Highlights

- **Total subscribers exceeded 80 million, an increase of 9% over March 2008.**
- **Revenues of US$ 1,197 million[1] (LE 6,730 million), decreased by 4% over March 2008[2] negatively impacted by currency devaluation against the US$ in key operations: revenues for OTA increased by 4% in local currency vs. a decrease by 5% in US$, revenues for Mobilink decreased by 1% in local currency vs. a decrease of 23% in US$, revenues for Tunisiana increased by 24% in local currency vs an increase of 3% in US$.**
- **EBITDA reached US$ 526 million[1] (LE 2,974 million), a decrease of 9% over March 2008[2], mainly as a result of the negative impact of the devaluation against the US$ in key operations: EBITDA for OTA increased by 3% in local currency vs. a decrease of 6% in US$, EBITDA for Tunisiana increased by 18% in local currency vs a decrease of 3% in US$.**
- **Group EBITDA margin at 43.9%**
  GSM EBITDA margin at 48.3%. EBITDA margins of the major subsidiaries were: Djezzy 60.7%, Mobilink 35.8%, Mobinil 48.9%, Tunisiana 54.0%, and banglalink 24.9%.
- **Net income for the period reached US$ 72 million[1] (LE 420 million). Net Income was negatively impacted by unrealised foreign exchange losses of approximately $62 million.**
- **Earnings per GDR reached US$ 0.41 (based on a weighted average for the outstanding GDRs of 174.9 million over Q1 2009)[3].**
- **Net Debt stood at US$ 5,110 million[1] (LE 28,853 million) resulting in a Net Debt/EBITDA of 2.2x for the period.**

1. US$ financial figures in the Income Statement & Balance Sheet are according to the International Financial Reporting Standards (IFRS).
2. After excluding M-Link and OrasInvest figures from Q1 2008.
3. As a consequence of the buy back program the outstanding GDRs as of March 31st, 2009 were reduced to 174.3 million.

Naguib Sawiris, Chairman and CEO of OTH, commented on the results:

"The first quarter of 2009 confirmed our expectation that economic growth would slow further leading to a more challenging operating environment. OTH's US$ revenue performance in Q1 was negatively impacted by currency devaluations in Algeria, Pakistan and Tunisia, which respectively lost 9%, 22% and 17% of their value over Q1 2008.

Performance in Algeria was below our expectations as a result of a slower approval process for our promotions by the local regulator. We finally got approval for new offers in March and these have started to show positive impact on the performance of OTA. Tunisia performed very well in Q1 and we expect this trend to continue going forward into the year. Egypt is continuing to display a solid market growth and Mobinil has exceeded the 21 million subscriber mark. Pakistan continues to suffer from the political and economical turmoil in the country which is having a detrimental impact on market growth; as a result of this uncertainty we will maintain our prudent approach to investing in this country. Bangladesh has performed very well in the quarter.

We have started to implement our OPEX reduction program across all our main subsidiaries and we are on track to reduce OPEX in local currency by 7-9% vs the 2009 budget. The aim of these processes is to ensure OTH maintains a solid liquidity position that will allow it to weather the difficult credit market conditions without specific funding requirements.

We are evaluating various strategic initiatives to further enhance shareholder value including:

- Potential IPO of OTA and OTT to strengthen our ties to these respective countries.
- Potential in-market consolidation in Bangladesh.
- Potential tower and network sharing in Pakistan.

We will continue to adopt a disciplined approach to investments and divestitures based on solid return on equity targets and will conservatively assess the impact of these on our liquidity."

Operational Performance

In the first quarter of 2009 OTH grew its total subscriber base by 9% over the previous year driven by an impressive growth performance in Egypt, up 31%, Bangladesh, up 30%, and Tunisia, which grew 13%. Subscriber growth in Algeria was weak as a result of a lengthy approval process for our promotion by the regulator.

Although Mobilink's customer base decreased in Q1 09, the number of inactive customers was reduced. Prior to January 2009 the market float was counted in the 90 days customer base but as dormant subscribers. As of January 2009, the gross adds reporting rules were changed by the PTA and only SIMs following the PTA sales and activation process are counted in the base. In Q1 09 Mobilink focused its commercial efforts on activating the market float rather than accelerating the sales of new SIMs. This resulted in a lower dormant base, and a corresponding increase in the 30 days calling base, and a slowdown in gross adds, offset by a positive impact on SAC. Trends in April and May show a revival of net additions following the reduction of the dormant subscriber base in Q1 2009.

Telecel Globe is rapidly approaching the 1 million subscriber mark through internal growth and the recent acquisition of Cell One in Namibia.

Table 1: Total Subscribers

Subsidiary	31 March 2008	31 December 2008	31 March 2009	Inc/(dec) Mar. 2009 vs. Mar. 2008
Djezzy (Algeria)	13,765,994	14,108,859	**14,143,028**	3%
Mobilink (Pakistan)	31,774,033	28,479,600	**28,240,125**	(11%)
Mobinil (Egypt)	16,161,486	20,115,377	**21,179,217**	31%
Tunisiana (Tunisia)	3,799,062	4,256,573	**4,302,675**	13%
banglalink(Bangladesh)	8,310,960	10,337,128	**10,836,267**	30%
Telecel Globe[1]	242,252	701,647	**991,000**	309%
koryolink (DPRK)	-	1,694	**19,208**	na
Alfa (Lebanon)	-	-	**661,047**	na
Grand Total	**74,053,787**	**78,000,878**	**80,372,567**	**9%**

1. Includes Zimbabwe subscribers in March 2008, Burundi, Central African Republic & Zimbabwe subscribers in December 2008, and Burundi, Central African Republic, Namibia & Zimbabwe subscribers in March 2009.

ARPU in Q1 2009 was negatively impacted by the depreciation of the local currencies against the US$ in Algeria, Tunisia and Pakistan. ARPU in local currency was down low single digit in OTA, while it increased mid to high single digit in Mobilink and remained substantially stable in OTT. The very high subscriber growth trend in Egypt and Bangladesh also had a dilutive impact on the ARPU as the penetration levels move into the lower income segments.

Table 2: Blended Average Revenue Per User (ARPU)

Subsidiary	31 March 2008 US$ (3 Months)	31 December 2008 US$ (3 Months)	31 March 2009 US$ (3 Months)	Inc/(dec) Mar. 2009 vs. Mar. 2008
Djezzy (Algeria)	12.0	11.8	**10.6**	(11.7%)
Mobilink (Pakistan)	3.6	3.0	**3.0**	(16.7%)
Mobinil (Egypt)[1]	8.0	7.6	**6.7**	(16.3%)
Tunisiana (Tunisia)	13.6	12.7	**11.3**	(16.9%)
banglalink (Bangladesh)	2.8	2.5	**2.5**	(10.7%)
koryolink (DPRK)	-	15.0	**24.7**	na
Alfa (Lebanon)	-	-	**66.7**	na
Global ARPU (YTD)[2]	**6.6**	**6.6**	**5.8**	**(12.1%)**
Global ARPU (3 months)	**6.6**	**6.3**	**5.8**	**(12.1%)**

1. ARPU expressed under OTH's definition may differ from Mobinil's disclosed ARPU. Please see Appendix for definition.
2. Global ARPU is calculated on a Year to date basis, taking into account the weighted average subscribers for calculation, excluding Alfa.

Table 3: Blended Average Revenue Per User (ARPU) (Local Currency)

Subsidiary	31 March 2008 (3 Months)	31 December 2008 (3 Months)	31 March 2009 (3 Months)	Inc/(dec) Mar. 2009 vs. Mar. 2008
Djezzy (Algeria) (DZD)	796.5	799.0	**768.3**	(3.5%)
Mobilink (Pakistan) (PKR)	224.9	242.8	**240.6**	7.0%
Tunisiana (Tunisia) (TND)	16.0	17.0	**16.1**	0.6%

OTH continues to remain market leader in all its countries of operation, with the exception of Bangladesh where it enjoys the second highest market share. Market share continued to improve in Tunisia and Bangladesh, reaching 51.6% and 23.9% respectively, while it declined slightly in Algeria as a result of a highly aggressive promotion launched in Q1 by Nedjma (QTel) which OTA was only able to counter in March when its promotion was approved. Market share in Egypt declined slightly in Q1 mainly as a result of promotion campaign undertaken by Vodafone Egypt. In Pakistan Mobilink remains market leader but its share declined 0.8 p.p. as a result of very aggressive price promotions by competitors and of certain competitors not applying a strict churn policy. Mobilink's market share as measured internally on traffic patterns remains above 40%.

Table 4: Market Share & Competition

Country	Brand name	Market Share (%) 31 December 2008	Market Share (%) 31 March 2009	Number of additional network operations	Names of additional network operations
Algeria	Djezzy	64.7%	63.5%	2	AMN, QTel
Pakistan	Mobilink[1]	31.7%	30.9%	4	U-Fone, Paktel, Telenor, Al Warid
Egypt	Mobinil	47.2%	45.6%	2	Vodafone, Etisalat
Tunisia	Tunisiana	51.1%	51.6%	1	Tunisie Telecom
Bangladesh	banglalink	23.2%	23.9%	5	Grameen, Aktel, Citycell, BTTB, Al Warid

1. Market share, as announced by the Pakistani Regulator is based on information disclosed by the other operators which use different subscriber recognition policies.

Capital expenditures in the first quarter of 2009 were substantially lower than the corresponding period of 2008 mainly as a result of the implementation of OTH's simple free cash flow boost program which entails a reduction in investments in Pakistan and Bangladesh. Capex was stable in Algeria and was significantly higher in Mobinil with increase in network investments on the capacity front, driven by strong subscriber growth, and on the 3G front. The increase in "Other" capex relates to investments made in Q1 2009 in koryolink and our submarine cables.

Table 5: Capital Expenditure of OTH Subsidiaries for the three months to March 31[1]

Country	Service name	Total US$ million 2008	Total US$ million 2009	Inc/(dec)
Algeria	Djezzy	46	40	(13%)
Pakistan[2]	Mobilink	136	29	(79%)
Egypt[2]	Mobinil	37	72	95%
Tunisia	Tunisiana	19	16	(16%)
Bangladesh	banglalink	93	22	(76%)
Other [3]		7	76	986%
Total		**338**	**255**	**(25%)**
Total Consolidated[4]		**310**	**210**	**(32%)**
Consolidated Capex/Sales		**23.9%**	**17.5%**	**(6.4%)**

1. Based on 100% ownership of all subsidiaries.
2. Excludes intangible Capex of US$ 12 million in Pakistan for WiMax License, US$ 408 million in Egypt related to the 3G license fee in 2008.
3. "Other" companies include Linkdotnet, M-link, MedCable, Mena-Cable, OrasInvest, OT Holding, Ring and Telecel in 2008, and CHEO, Linkdotnet, MedCable, Mena-Cable, OT Holding, Ring and Telecel Globe in 2009.
4. Consolidated Capex based on: 48.75% in ECMS and 50% in Tunisiana.

Main Financial Events

Telecel Globe acquires Cell One in Namibia

In January 2009, Orascom Telecom announced that it has acquired the mobile telecommunications operator Cell One in Namibia. Cell One operates a GSM 900/1800 network and has 198,000 active subscribers and over 20% market share. The total consideration of this transaction is approximately US$59 million in cash, of which US$32 million is already paid and the balance due in January 2010. The debt assumed as part of this transaction is non-recourse on Telecel Globe.

Orascom Telecom is awarded a Management Contract in Lebanon

In January 2009, OTH announced that it has been awarded the management contract of one of the two Lebanese mobile telecommunications operators, Alfa, which is owned by the Republic of Lebanon. The management contract extends for one year and is renewable for another year. Under this contract, OTH is required to increase the number of subscribers of Alfa from around 600 thousand at the end of 2008 to around 1 million at the end of 2009. The management fee is paid by the Republic of Lebanon and will be defined based on the performance of the operator as measured by operating expenditure per active subscriber. The Republic of Lebanon is fully responsible for the Capex during the contract period.

Orascom Telecom announces application for share buyback

In February 2009, Orascom Telecom filed an application with the Egyptian Capital Market Authority and the Egyptian Exchange for the selective repurchase of its shares in light of favourable relative market valuations. Orascom Telecom announced plans for a potential on-market GDR and local shares repurchase plan of up to 65 million shares (13 million GDRs) over the following three months. The potential buy-back would be carried out pursuant to CMA regulations for on-market transactions.

Globalive Wireless, OTH's Canadian Investment, is Granted License and Receives Spectrum from Industry Canada

On March 16, 2009, Orascom Telecom announced that Globalive Wireless Management Corp. ("Globalive Wireless"), in which OTH has a 65 per cent indirect equity ownership, had officially been granted its spectrum license from Industry Canada and had received the corresponding spectrum. Globalive Wireless expects to launch its network to consumers in the fourth quarter of 2009, providing affordable, customer-centric and innovative wireless services across Canada in a market that is still not fully penetrated, with relatively high ARPU and a reasonably competitive environment.

PMCL Tender Offer to Repurchase its Own Bonds

In April 2009, Pakistan Mobile Communications Limited ("PMCL") announced an offering to repurchase for cash up to USD 100 million in principal amount of its 8 5/8% Senior Notes due 2013.

In May 2009, PMCL announced the acceptance and final results of its tender offer. As of the Expiration Time, PMCL had received valid tenders of Notes totaling US$153,267,000 in aggregate principal amount. PMCL accepted tenders of validly tendered Notes in an aggregate principal amount of US$137,762,000. Because more than US$140,000,000 in aggregate principal amount of Notes were tendered in the Offer, the Offer was oversubscribed. PMCL repurchased the Notes at the Repurchase Price of US$730 per US$1,000 of principal amount (which includes the Early Tender Amount). As a result of the tender offer PMCL repurchased and cancelled US$137,762,000 of debt for roughly US$ 100.6 million of cash.

Financial Review

Revenues

Revenues in Q1 2009 were down year on year mainly as a result of the highly unfavourable evolution of the local currencies against the US$ in Algeria, Pakistan and Tunisia, which declined respectively by 9%, 22% and 17%, and as a result of the exclusion of OrasInvest and M-Link from the Q1 2009 figures following their disposal. GSM Revenues decreased by about 4% YoY mainly driven by the weak performance recorded by Mobilink. It is worth noting that the YoY comparison is heavily impacted by the fact that in Q1 2008 the Pakistan economy was still performing solidly and the Pakistani Rupee was strong against the US$ with the political and economical situation in the country worsening considerably from Q2 2008 onwards. Q1 2009 was also below expectations in Algeria where OTA reported a mid-single digit decline in top-line US$ revenues mainly as a result of a delay in the approval of OTA's promotion by the regulator. Revenue growth continued to remain solid in Egypt and Bangladesh as a result of strong subscriber take up. Revenues were also up in Tunisia although the effective growth was offset by a sharp decline in the Tunisian Dinar against the US$. The decline in Telecom Services is driven by the exclusion of M-Link and OrasInvest from the Q1 2009 results.

Table 6: Consolidated Revenues

Subsidiary	31 March 2008 US$ (000)	31 March 2009 US$ (000)	Inc/ (dec)	Q4 – 2008 (3 months) US$ (000)	Q1 – 2009 (3 months) US$ (000)	Inc/ (dec)
GSM						
Djezzy (Algeria)	485,958	462,537	(5%)	508,922	462,537	(9%)
Mobilink (Pakistan)	338,164	261,402	(23%)	272,929	261,402	(4%)
Mobinil (Egypt)	199,227	216,021	8%	231,772	216,021	(7%)
Tunisiana (Tunisia)	73,966	76,467	3%	74,138	76,467	3%
banglalink (Bangladesh)	68,623	83,155	21%	80,027	83,155	4%
Telecel Globe (Africa)	-	15,931	na	12,017	15,931	33%
koryolink (North Korea)	-	4,459	na	451	4,459	na
Total GSM	**1,165,938**	**1,119,972**	**(4%)**	**1,180,256**	**1,119,972**	**(5%)**
Telecom Services						
Ring	64,518	42,033	(35%)	48,043	42,033	(13%)
M-Link	46,109	-	na	42,584	-	na
OrasInvest	6,001	-	na	9,306[1]	-	na
Other[2]	389	11,918	na	3,650	11,918	227%
Total Telecom Services	**117,017**	**53,951**	**(54%)**	**103,463**	**53,951**	**(48%)**
Internet Services	**12,732**	**23,582**	**85%**	**21,093**	**23,582**	**12%**
Total Consolidated	**1,295,687**	**1,197,505**	**(8%)**	**1,304,812**	**1,197,505**	**(8%)**

1. 2 months only.
2. Other Telecom Services Companies include in C.A.T., OT Lebanon, and TWA Q1 2009, C.A.T.,, and TWA in Q4 2008, and C.A.T. in Q1 2008.

Table 7: Proforma Consolidated Revenues (Local Currency)[1]

Subsidiary	31 March 2008	31 March 2009	Inc/ (dec)	Q4 – 2008 (3 months)	Q1 – 2009 (3 months)	Inc/ (dec)
GSM						
Djezzy (Algeria) (DZD bn)	32.2	33.4	4%	32.7	33.4	2%
Mobilink (Pakistan) (PKR bn)	21.2	20.9	(1%)	22.2	20.9	(6%)
Tunisiana (Tunisia) (TND mn)	87.8	108.8	24%	106.5	108.8	2%

1. Un-audited Figures.

EBITDA

Consolidated EBITDA in the first quarter of 2009 declined 10% YoY mainly as a result of the decrease in US$ top-line growth in Pakistan and Algeria driven by the devaluation of the local currencies and, for Pakistan, for the lower margin caused by the increase of certain cost items,

Table 8: Consolidated EBITDA[1]

Subsidiary	31 March 2008 US$ (000)	31 March 2009 US$ (000)	Inc/ (dec)	Q4 – 2008 (3 months) US$ (000)	Q1 – 2009 (3 months) US$ (000)	Inc/ (dec)
GSM						
Djezzy (Algeria)	300,348	280,846	(6%)	340,329	280,846	(17%)
Mobilink (Pakistan)	159,849	93,695	(41%)	112,804	93,695	(17%)
Mobinil (Egypt)	91,977	105,708	15%	119,310	105,708	(11%)
Tunisiana (Tunisia)	41,964	41,312	(2%)	41,068	41,312	0%
Banglalink (Bangladesh)	422	20,706	na	22,400	20,706	(8%)
Telecel Globe (Africa)	-	(1,769)	na	(1,597)	(1,769)	(11%)
koryolink (North Korea)	-	312	na	(2,437)	312	113%
Total GSM	**594,560**	**540,810**	**(9%)**	**631,877**	**540,810**	**(14%)**
Telecom Services						
Ring	4,459	(931)	(121%)	(6,141)	(931)	85%
M-Link	5,722	-	na	4,496	-	na
OrasInvest	1,336	-	na	4,273[2]	-	na
Other [3]	(1,250)	(3,135)	na	(3,381)	(3,135)	na
Total Telecom Services	**10,267**	**(4,066)**	**(140%)**	**(753)**	**(4,066)**	**na**
Internet Services	**249**	**853**	**243%**	**(205)**	**853**	**416%**
OT Holding & Other[4]	**(17,763)**	**(11,749)**	**na**	**(19,210)**	**(11,749)**	**na**
Total Consolidated	**587,313**	**525,848**	**(10%)**	**611,709**	**525,848**	**(14%)**

1. EBITDA excludes management fees which were previously treated as a cost in each subsidiary and as a revenue for the Holding.
2. 2 months only.
3. Other Telecom Services Companies include in C.A.T., MedCable, Mena Cable, OT Lebanon, TWA, and OTWIMAX Q1 2009, C.A.T., MedCable, and TWA in Q4 2008, and C.A.T. MedCable, Mena Cable, and OTWIMAX in Q1 2008.
4. Other non operating companies include: Cortex, Eurasia, FPPL, Moga Holding, MinMax, OIIH, Oratel, OTCS, OT ESOP, OTFSCA, OTI Malta, OT Services Europe, OT Oscar, OT Wireless Europe, Pioneers, SAWLTD and Telecel.

such as fuel related utilities, priced in US$. In local currency terms OTA's EBITDA grew low-mid single digit. The weak performance in these two countries was partially compensated by a strong performance by Mobinil, with a 15% increase over Q1 08, and by the sharp improvement of the EBITDA recorded in Bangladesh now stably in positive territory. Tunisia reported a stable EBITDA over the previous year in US$ mainly impacted by the local currency devaluation: in local currency terms OTT's EBITDA presented a double-digit growth over the previous year.

Table 9: Proforma Consolidated EBITDA (Local Currency)[1]

Subsidiary	31 March 2008	31 March 2009	Inc/ (dec)	Q4 – 2008 (3 months)	Q1 – 2009 (3 months)	Inc/ (dec)
GSM						
Djezzy (Algeria) (DZD bn)	18.6	19.2	3%	21.9	19.2	(12%)
Mobilink (Pakistan) (PKR bn)	8.6	6.2	(28%)	8.1	6.2	(23%)
Tunisiana (Tunisia) (TND mn)	50.0	58.8	18%	56.5	58.8	4%

1. Un-audited Figures.

Margins were stable across most operations, with the notable exception of Pakistan, supported by a strong performance in Egypt, up almost 3 p.p. to 48.9%, and Bangladesh, approaching 25%. Margin was slightly down in Tunisia mainly as a result of the reduction in high margin visitor roaming revenues due to volume discounts with the major foreign operators. The EBITDA margin decline for Mobilink, which was in line with the margins recorded in Q2 and Q3 2008, was driven by the sharp YoY increase in network maintenance and utility expenses which are mostly denominated in US$. The decline in EBITDA and EBITDA margins from Q4 08 to Q1 09 is mainly due to seasonal factors as Q1 is traditionally the weaker quarter.

Table 10: Consolidated EBITDA Margin

Subsidiary	31 March 2008	31 March 2009	Change	Q4 2008 (3 months)	Q1 2009 (3 months)	Change
GSM						
Djezzy (Algeria)	61.8%	60.7%	(1.1%)	66.9%	60.7%	(6.2%)
Mobilink (Pakistan)	47.3%	35.8%	(11.5%)	41.3%	35.8%	(5.5%)
Mobinil (Egypt)	46.2%	48.9%	2.7%	51.5%	48.9%	(2.6%)
Tunisiana (Tunisia)	56.7%	54.0%	(2.7%)	55.4%	54.0%	(1.4%)
banglalink (Bangladesh)	0.6%	24.9%	24.3%	28.0%	24.9%	(3.1%)
Telecel Globe (Africa)	na	(11.1%)	na	(13.3%)	(11.1%)	2.2%
Total GSM	**51.0%**	**48.3%**	**(2.7%)**	**53.5%**	**48.3%**	**(5.2%)**
Total Telecom Services	**8.8%**	**(7.5%)**	**(16.3%)**	**(0.7%)**	**(7.5%)**	**(6.8%)**
Internet Services	**2.0%**	**3.6%**	**1.6%**	**(1.0%)**	**3.6%**	**4.6%**
EBITDA Margin	**45.3%**	**43.9%**	**(1.4%)**	**46.9%**	**43.9%**	**(3.0%)**

Table 11: Foreign Exchange Rates used in the Income Statement & Balance Sheet

	Income Statement[1]					Balance Sheet[2]				
Currency	**Mar. 2008**	**Dec. 2008**	**Mar. 2009**	**Change[3] Mar. 2009 vs. Mar. 2008**	**Change[3] Mar. 2009 vs. Dec. 2008**	**Mar. 2008**	**Dec. 2008**	**Mar. 2009**	**Change[3] Mar. 2009 vs. Mar. 2008**	**Change[3] Mar. 2009 vs. Dec. 2008**
US Dollar / Egyptian Pound	5.528	5.473	5.620	(1.6%)	(2.6%)	5.495	5.534	5.650	(2.8%)	(2.1%)
US Dollar / Algerian Dinar	66.225	64.516	72.295	(8.5%)	(10.8%)	65.789	70.922	73.146	(10.1%)	(3.0%)
US Dollar / Tunisian Dinar	1.187	1.230	1.423	(16.6%)	(13.5%)	1.162	1.3137	1.396	(16.8%)	(5.9%)
US Dollar / Pakistan Rupee	62.50	70.922	79.842	(21.8%)	(11.2%)	62.50	78.740	80.450	(22.3%)	(2.1%)
US Dollar / Bangladeshi Taka	69.444	69.444	69.400	0%	0%	68.966	69.444	69.500	(0.8%)	(0.1%)
US Dollar / Canadian Dollar	na	1.127	1.229	na	(8.3%)	na	1.2042	1.239	na	(2.8%)

Source: Banks

1. Represents the average monthly exchange rate from the start of the year until the end of the period.
2. Represents the spot exchange rate at the end of the period.
3. Local Currency vs. USD.

Net Income

Net Income for the first quarter of 2009 was US$72 million. The YoY decline was mainly due to the increase in unrealized foreign exchange losses resulting from the mark to market value of the US$ denominated debt at OTH (US$ 2.5 billion bank facility and US$750 million bond) arising from the appreciation of the US$ against the Egyptian Pound from 5.535 to 5.650 with a net effect of approximately US$62 million. The Net Income resulted in an EPS of US$0.41 slightly below the previous quarter EPS of US$0.46.

Table 12: Income Statement in IFRS/US$

	31 March 2008 US$ (000)	31 March 2009 US$ (000)	Inc/ (dec)	Q4 2008 (3 months) US$ (000)	Q1 2009 (3 months) US$ (000)	Inc/ (dec)
Revenues	**1,295,687**	**1,197,505**	**(8%)**	**1,304,812**	**1,197,505**	**(8%)**
Other Income	11,804	7,672		9,518	7,672	
Total Expense	(720,178)	(679,329)		(702,621)	(679,329)	
EBITDA[1]	**587,313**	**525,848**	**(10%)**	**611,709**	**525,848**	**(14%)**
Depreciation & Amortization	(216,549)	(236,839)		(224,870)	(236,839)	
Impairment of Non Current Assets	(2,606)	(3,459)		(1,480)	(3,459)	
Gain (Loss) on Disposal of Non Current Assets	(147)	36,133		65,862	36,133	
Operating Income	**368,011**	**321,683**	**(13%)**	**451,222**	**321,683**	**(29%)**
Financial Expense	(109,193)	(123,333)		(96,642)	(123,333)	
Financial Income	26,419	21,321		10,364	21,321	
Foreign Exchange Gain (Loss)	4,828	(67,624)[2]		(121,735)[2]	(67,624)[2]	
Net Financing Cost	(77,946)	(169,636)		(208,013)	(169,636)	
Share of Profit (Loss) of Associates	-	(2,980)		(2,955)	(2,980)	
Gain on Disposal of Associates	27,262	-		-	-	
Profit Before Tax	**317,327**	**149,067**	**(53%)**	**240,255**	**149,067**	**(38%)**
Income Tax	(91,138)	(64,587)		(135,121)	(64,587)	
Profit from Continuing Operations	**226,189**	**84,480**	**(63%)**	**105,134**	**84,480**	**(20%)**
Profit for the Period	**226,189**	**84,480**	**(63%)**	**105,134**	**84,480**	**(20%)**
Attributable to:						
Equity Holders of the Parent[3]	**210,021**	**71,758**	**(66%)**	**85,448**	**71,758**	**(16%)**
Earnings Per Share (US$/GDR)	**1.03**	**0.41**[4]	**(60%)**	**0.46**	**0.41**	**(11%)**
Minority Interest	16,168	12,722		19,686	12,722	
Net Income	**226,189**	**84,480**	**(63%)**	**105,134**	**84,480**	**(20%)**

1. Management Presentation developed from IFRS financials.
2. Mainly due to the unrealised FX loss from mark to market value of the US$ denominated debt at OTH (US$ 2.5 billion bank facility and US$750 million bond) as a result of the depreciation of the Egyptian Pound.
3. Equates to Net Income after Minority Interest
4. Based on a weighted average for the outstanding number of shares of 174,908,073 GDRs.

Balance Sheet

Table 13: Balance Sheet in IFRS/US$

	IFRS/US$ 31 December 2008 US$ (000)	IFRS/US$ 31 March 2009 US$ (000)
Assets		
Property and Equipment (net)	5,056,570	4,988,710
Intangible Assets	2,371,053	2,330,357
Other Non-Current Assets	727,436	752,372
Total Non-Current Assets	**8,155,059**	**8,071,439**
Cash and Cash Equivalents	651,783	765,806
Trade Receivables	327,638	323,771
Assets Held for Sale	80,471[1]	1,841
Other Current Assets	705,409	637,843
Total Current Assets	**1,765,301**	**1,729,261**
Total Assets	**9,920,360**	**9,800,700**
Equity Attributable to Equity Holders of the Company	1,080,230[2]	1,079,261
Minority Share	120,994	104,522
Total Equity	**1,201,224**	**1,183,783**
Liabilities		
Long Term Debt	5,205,030	5,304,390
Other Non-Current Liabilities	515,279	380,611
Total Non-Current Liabilities	**5,720,309**	**5,685,001**
Short Term Debt	530,315	571,739
Trade Payables	1,186,464	1,067,220
Other Current Liabilities	1,282,048	1,292,957
Total Current Liabilities	**2,998,827**	**2,931,916**
Total Liabilities	**8,719,136**	**8,616,917**
Total Liabilities & Shareholder's Equity	**9,920,360**	**9,800,700**
Net Debt [3]	**5,083,562**	**5,110,323**

1. Includes M-Link.
2. Reflects the purchase of approximately 29.3 million GDRs of treasury shares in 2008.
3. Net Debt is calculated as a sum of Short Term Debt, Long Term Debt, less Cash and Cash Equivalents.

Cash Flow Statement

Table 14: Cash Flow Statement in US$

	IFRS/US$ 31 March 2008 US$ (000)	IFRS/US$ 31 March 2009 US$ (000)
Cash Flows from Operating Activities		
Profit for the Period	**226,189**	**84,480**
Depreciation, Amortization & Impairment of Non-Current Assets	219,155	240,298
Income Tax Expense	91,138	64,587
Net Financial Charges	82,770	102,202
Share of Loss (Profit) of Associates Accounted for Using the Equity Method	-	2,980
Other	(20,713)	25,436
Changes in Assets Carried as Working Capital	(42,196)	5,469
Changes in Other Liabilities Carried as Working Capital	(22,861)	(67,569)
Income Tax Paid	(111,591)	(112,569)
Interest Expense Paid	(113,384)	(135,156)
Net Cash Generated by Operating Activities	**308,507**	**210,158**
Cash Flows from Investing Activities		
Cash Outflow for Investments in Property & Equipment, Intangible Assets, and Financial Assets & Consolidated Subsidiaries	(428,262)	(358,420)
Proceeds from Disposal of Property & Equipment, Associates, Subsidiaries and Financial Assets	959,419	85,723
Dividends & Interest Received	12,048	8,713
Net Cash Used in Investing Activities	**543,205**	**(263,984)**
Cash Flows from Financing Activities		
Proceeds from Non-Current Borrowings	325,413	446,118
Repayment of Non-Current Borrowings	(1,312,992)	(298,660)
Net Proceeds (Payments) from Current Financial Liabilities	(88,165)	31,252
Advances & Loans made to Associates & Other Parties	-	(6,727)
Net Change in Cash Collateral	(5,401)	44,940
Payments for Treasury Shares	(117,544)	(25,932)
Change in Minority Interest	(10,975)	(7,746)
Net Cash generated by (Used in) Financing Activities	**(1,209,664)**	**183,245**
Net Increase (Decrease) in Cash & Cash Equivalents	**(357,952)**	**129,419**
Effect of Exchange Rate Changes on Cash & Cash Equivalents	**18,351**	**(15,396)**
Cash & Cash Equivalents at the Beginning of the Period	1,238,568	651,783
Cash & Cash Equivalents at the End of the Period	898,967	765,806

Table 15: Income Statement in EAS/Egyptian Pounds

	31 March 2008 LE (000)	31 March 2009 LE (000)	Inc/ (dec)	Q4 2008 (3 months) LE (000)	Q1 2009 (3 months) LE (000)	Inc/ (dec)
Net Revenues	**7,163,419**	**6,729,582**	**(6%)**	**7,266,348**	**6,729,582**	**(7%)**
Other Income	65,258	43,115		53,082	43,115	
Total Expense	(3,983,909)	(3,798,241)		(3,901,172)	(3,798,241)	
EBITDA[1]	**3,244,768**	**2,974,456**	**(8%)**	**3,418,258**	**2,974,456**	**(13%)**
Depreciation & Amortization	(1,194,737)	(1,327,541)		(1,248,779)	(1,327,541)	
Other	(15,223)	183,618		351,219	183,618	
Operating Income	**2,034,808**	**1,830,533**	**(10%)**	**2,520,698**	**1,830,533**	**(27%)**
Financial Expense	(603,040)	(692,566)		(539,956)	(692,566)	
Financial Income	146,061	119,818		58,050	119,818	
Foreign Exchange Gain (Loss)	26,691	(380,025)		(668,742)	(380,025)	
Net Financing Cost	*(430,288)*	*(952,773)*		*(1,150,648)*	*(952,773)*	
Share of Profit (Loss) of Associates		(16,748)		(16,171)	(16,748)	
Gain (Loss) on Disposal of Associates	150,723	-		845	-	
Profit Before Tax	**1,755,243**	**861,012**	**(51%)**	**1,354,725**	**861,012**	**(36%)**
Income Tax	(503,872)	(362,955)		(747,881)	(362,955)	
Profit from Continuing Operations	**1,251,371**	**498,057**	**(60%)**	**606,844**	**498,057**	**(18%)**
Profit for the Period	**1,251,371**	**498,057**	**(60%)**	**606,844**	**498,057**	**(18%)**
Attributable to:						
Equity Holders of the Parent	**1,162,015**	**419,852**	**(64%)**	**502,944**	**419,852**	**(17%)**
Earnings Per Share (LE/Share)	**1.14**	**0.48**	**(58%)**	**0.54**	**0.48**	**(11%)**
Minority Interest	89,356	78,205		103,900	78,205	
Net Income	**1,251,371**	**498,057**	**(60%)**	**606,844**	**498,057**	**(18%)**

1. Management Presentation developed from EAS financials

Table 16: Balance Sheet in EAS/Egyptian Pounds[1]

	EAS/LE 31 December 2008 LE (000)	EAS/LE 31 March 2009 LE (000)
Assets		
Property & Equipment	27,929,538	28,127,508
Intangible Assets	12,927,369	12,970,106
Other Non-Current Assets	4,026,358	4,250,899
Total Non-Current Assets	**44,883,265**	**45,348,513**
Cash & Cash Equivalents	3,607,620	4,326,806
Trade Receivables	1,813,478	1,829,306
Assets Held for Sale	445,408	10,400
Other Current Assets	3,912,554	3,611,595
Total Current Assets	**9,779,060**	**9,778,107**
Total Assets	**54,662,325**	**55,126,620**
Equity Attributable to Equity Holders of the Company	5,791,788	5,880,397
Minority Share	632,979	582,715
Total Equity	**6,424,767**	**6,463,112**
Liabilities		
Long Term Debt	28,794,164	29,955,042
Other Non-Current Liabilities	2,852,074	2,150,457
Total Non-Current Liabilities	**31,646,238**	**32,105,499**
Short Term Debt	2,929,972	3,224,624
Trade Payables	6,567,076	6,029,794
Other Current Liabilities	7,094,272	7,303,591
Total Current Liabilities	**16,591,320**	**16,558,009**
Total Liabilities	**48,237,558**	**48,663,508**
Total Liabilities & Shareholder's Equity	**54,662,325**	**55,126,620**
Net Debt[2]	**28,116,516**	**28,852,860**

1. Management presentation developed from EAS financials.
2. Net Debt is calculated as a sum of Short Term Debt, Long Term Debt, less Cash and Cash Equivalents.

Operational Overview

Highlights

Country Highlights

Algeria

Djezzy – Algeria

	March 2008	March 2009	Inc/ (dec)
Financial Data			
Revenues (US$ 000)	485,958	462,537	(5%)
Revenues (DZD bn)	32.2	33.4	4%
EBITDA (US$ 000)	300,348	280,846	(6%)
EBITDA Margin	61.8%	60.7%	(1.1%)
Capex (US$ m)	46	40	(13%)

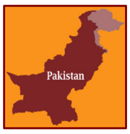
	March 2008	December 2008	March 2009	Inc/(dec) Mar. 2009 vs. Mar. 2008
Operational Data				
Subscribers	13,765,994	14,108,859	14,143,028	3%
Pre-paid	13,423,265	13,489,222	13,521,995	1%
Post-paid	342,729	619,637	621,033	81%
Market Share	62.7%	64.7%	63.5%	0.8%
ARPU (US$) (3 months)	12.0	11.8	10.6	(11.7%)
ARPU (DZD) (3 months)	796.5	799.0	768.3	(3.5%)
MOU (YTD)	122	164	206	69%
Churn (3 months)	10.7%	12.5%	8.5%	(2.2%)

During Q1 2009, OTA prepared itself for new innovative prepaid tariff packages to be launched in early Q2 2009. At the same time three main tariff actions were launched at the end of the first quarter: one, promoting long calls duration on for higher value segments and two new tariff plans on the lower segments of the market (Allo OTA), one tariff per second from the fifth second and one digressive tariff plan from after the first minute and onwards. These new offerings intend to maintain ARPU under control while generating further subscriber base growth.

During the period OTA maintained a strong focus on the products and services market through promotion programs based on SMS, MMS, voice and data channels which contributed to create additional value from the existing subscriber base (chatting, voting, content, mobile internet,…).

On the distribution front, the restructuring exercise that was initiated in 2008 was consolidated in Q1 and continued to shape the sales activities towards more power of distribution and increased relationship with its over 15,000 authorized points of sales (recently re-categorized) in addition to the 72 flagship shops owned by OTA. The airtime distribution channels grew to reach over 60,000 physical points of contacts with the market.

OTA continued to reinforce its strong bond and affinity with the Algerian social community as a leading company and brand in top of mind awareness, preference and recommendation levels, through various actions of sponsoring and social welfare. During Q1 a particular emphasis was applied to the communication tied to the launch and support of the different tariff structures for Djezzy and Allo OTA.



Mobilink – Pakistan

	March 2008	March 2009	Inc/ (dec)
Financial Data			
Revenues (US$ 000)	338,164	261,402	(23%)
Revenues (PKR bn)	21.2	20.9	(1%)
EBITDA (US$ 000)	159,849	93,695	(41%)
EBITDA Margin	47.3%	35.8%	(11.5%)
Capex (US$ m)	136	29	(79%)

	March 2008	December 2008	March 2009	Inc/(dec) Mar. 2009 vs. Mar. 2008
Operational Data				
Subscribers	31,774,033	28,479,600	28,240,125	(11%)
Pre-paid	31,256,445	27,971,755	27,744,161	(11%)
Post-paid	517,588	507,845	495,964	(4%)
Market Share*	38.5%	31.7%	30.9%	(7.6%)
ARPU (US$) (3 months)	3.6	3.0	3.0	(16.7%)
ARPU (PKR) (3 months)	224.9	242.8	240.6	7.0%
MOU (YTD)	164	172	186	13%
Churn (3 months)	4.8%	11.8%	5.7%	0.9%

* Market share, as announced by the Pakistani Regulator is based on information disclosed by the other operators which use different subscriber recognition policies.

During the first quarter of 2009, Pakistan continued to face challenges on the political and security fronts. However, on the economic side, inflation decreased to 19% from 23% in December 2008.

Mobilink closed Q1 2009 with over 28.2 million subscribers achieving a market share, according to Pakistan Telecommunication Authority, of 30.9%. This market share is based on information disclosed by other operators which use different subscriber recognition polices. On the basis of its internal reporting, Mobilink has a market share of 40.5%.

The telecommunications market in Pakistan remained highly competitive during the first quarter with Telenor continuing to promote its competitive cross-net rates along with sporadic on-net offers. Ufone, an Etisalat company also continued its aggressive marketing and heavy spending on media while China Mobile's Zong continued to follow its low tariff strategy and also launched its post-paid packages. Warid, which had been a silent player in the industry, also showed some media presence by launching another low priced tariff.

In order to eliminate complexity and offer a competitive cross-net rate, Mobilink started the quarter with a renewed positioning on one of its prepaid packages – Jazz Budget. With this package, customers can now call any network in Pakistan for just Rs 0.68/30 second. For SMS savvy segments, Mobilink introduced attractive SMS bundle offers, which complemented the already competitive voice rates. Keeping in mind the new SIM activation rule, Mobilink launched a subscriber acquisition promotion in March, which gives incentives to all new Jazz customers based on their recharge. Mobilink also ran a dormant revival campaign in March, which helped in increasing the active subscriber base. On the post paid front, Mobilink revised the tariffs of Indigo – the post paid brand.

In addition to voice, Mobilink introduced several innovative value added services. During the quarter, Mobilink launched its M-Commerce product by the name of Mobile Money Order in collaboration with Pakistan Post. This is a first of its kind service in Pakistan, which allows customers to conduct monetary transactions from their mobile phones.

The above actions helped Mobilink to increase its active base with MOUs growing 8% over Q4 08. Another positive change is the decrease in three months churn percentage from 11.8% in December 2008 to 5.7% in March 2009.

In January, Pakistan Telecommunication Authority (Regulator) changed the rule for new SIM activation due to security reasons. According to the new rule, sale of pre-activated SIMs has been prohibited and all new customers have to dial a specific short code (789) and register their details to activate the new SIM. Also during the quarter, Pakistan Telecommunication Authority reduced the interconnect charges from Rs. 1.10 to Rs. 1.00 per minute.

Egypt

Mobinil - Egypt

	March 2008	March 2009	Inc/ (dec)
Financial Data			
Revenues (US$ 000)	409,054	443,094	8%
Revenues (EGP mn)	2,261.3	2,490.2	10%
EBITDA (US$ 000)	181,607	216,122	19%
EBITDA Margin	44.4%	48.8%	4.4%
Capex (US$ m)	37	72	95%

	March 2008	December 2008	March 2009	Inc/(dec) Mar. 2009 vs. Mar. 2008
Operational Data				
Subscribers	16,161,486	20,115,377	21,179,217	31%
Pre-paid	15,606,109	19,476,772	20,520,345	31%
Post-paid	555,377	638,605	658,872	19%
Market Share	48.8%	47.2%	45.6%	(3.2%)
ARPU (US$) * (3 months)	8.0	7.6	6.7	(16.3%)
ARPU (EGP) * (3 months)	44.0	42.3	37.7	(14.3%)
MOU (YTD)	151	165	169	12%
Churn (3-month)	6.4%	8.8%	8.6%	2.2%

* ARPU, MOU & Churn expressed under OTH's definition may differ from Mobinil's disclosed figures.

In Q1 2009 Mobinil continued to lead mobile telecommunications in the Egyptian market with 21.2 million subscribers, a 31% growth over same period last year, having added over 1 million subscribers during the quarter. As a result of this strong performance Mobinil achieved a market share of 45.6%.

During first quarter 2009, Mobinil launched a new Off-Peak promotion allowing all prepaid customers to make On-Net calls at a discounted minute rate between 12AM and 12PM. Mobinil also launched Prepaid Internet line to allow customers to enjoy the fastest Internet speed in Egypt while paying as they consume rather than committing to fixed monthly consumption.

Mobinil offered a promotion for all its Star 100 & Star 500 customers allowing them to make free calls all day to any Mobinil number of their choice.

As part of its environmental efforts, Mobinil has been a proud partner in the Regional e-Waste Forum organized by the Center of Environmental Development in Arab Region and Europe

(CEDARE) in collaboration with the UN Environment Program.

As part of its social responsibility, Mobinil issued Health and Environment Booklet aiming to convey direct environmental awareness messages for the public in order to correct the wrong perception about the harms of cellular networks and mobile phones.

Tunisiana – Tunisia

	March 2008	March 2009	Inc/ (dec)
Financial Data			
Revenues (US$ 000)	161,244	153,179	(5%)
Revenues (TND mn)	191.4	218.0	14%
EBITDA (US$ 000)	84,192	82,719	(2%)
EBITDA Margin	52.2%	54.0%	1.8%
Capex (US$ m)	19	16	(16%)

	March 2008	December 2008	March 2009	Inc/(dec) Mar. 2009 vs. Mar. 2008
Operational Data				
Subscribers	3,799,062	4,256,573	4,302,675	13%
Pre-paid	3,738,959	4,177,092	4,216,549	13%
Post-paid	60,103	79,481	86,126	43%
Market Share	48.5%	51.1%	51.6%	3.1%
ARPU (US$) (3 months)	13.6	12.7	11.3	(16.9%)
ARPU (TND) (3 months)	16.0	17.0	16.1	0.6%
MOU (YTD)	161	158	169	5%
Churn (3 months)	8.0%	8.0%	9.0%	1.0%

Tunisiana closed the first quarter of 2009 with over 4.3 million subscribers resulting in an overall market share of 51.6% and further growing its market share by 0.9%.

This success is closely associated to Tunisiana's strategy based on three fundamental axes: Get, Keep and Grow. As a result the objective on both the residential and corporate segments is to increase value market share by targeting mid to high value potential subscribers; for the mid to high value residential subscribers Tunisiana launched two acquisition promotions, one for prepaid and the second for post-paid, in addition to relaunching its capped Residential Bundles. For the professional segment and in order to improve satisfaction within the enterprise market Tunisiana refreshed its offer "Business Pro" in January. To retain its prepaid subs Tunisiana extended the Promo Bonus On Incoming Calls "BOIC" throughout Q1. In response to the competitor's Elissa offer targeting the youth segment, Tunisiana launched the student option refresh combined with a promotional offer with strong street targeted actions (in universities, high schools and main railways stations).

In terms of retention and loyalty, Tunisiana has continued to focus on developing communities within its subscriber base multiplying subscriber advantages with innovative approaches and further improving user experience, especially regarding Value Added Services.

In light of the potential entry of a third player in the market Tunisiana has developed a strong communication positioning building around users experience with their phone that represents a way of living.

banglalink – Bangladesh

	March 2008	March 2009	Inc/ (dec)
Financial Data			
Revenues (US$ 000)	68,623	83,155	21%
Revenues (BDT bn)	4.8	5.8	21%
EBITDA (US$ 000)	422	20,706	na
EBITDA Margin	0.6%	24.9%	24.3%
Capex (US$ m)	93	22	(76%)

	March 2008	December 2008	March 2009	Inc/(dec) Mar. 2009 vs. Mar. 2008
Operational Data				
Subscribers	8,310,960	10,337,128	10,836,267	30%
Pre-paid	7,746,793	9,699,375	10,153,500	31%
Post-paid	564,167	637,753	682,767	21%
Market Share	21.3%	23.2%	23.9%	2.6%
ARPU (US$) (3 months)	2.8	2.5	2.5	(10.7%)
ARPU (BDT) (3 months)	192.6	175.0	172.5	(10.4%)
MOU (YTD)	250	256	278	11%
Churn (3 months)	5.3%	1.9%	1.9%	(3.4%)

Banglalink closed a successful first quarter of 2009 with a subscriber base of 10.8 million, a 30% increase compared to same period last year and a 5% increase compared to Q4 2008. As a result of this strong performance banglalink's market share as of Q1 2009 was 23.9% increasing from 23.2% last quarter.

Banglalink reported a 21.5% increase year-on-year with total revenue of US$83 million for Q1 2009. The growth was driven by revenue enhancement initiatives, improved network quality, and selective subscriber acquisitions. EBITDA in the quarter reached US$21 million achieving an impressive growth over the previous year as a result of the decrease in customer acquisition costs and increase in revenue. The EBITDA margin for the quarter 25%.

During the first three months of 2009 the overall telecoms industry in Bangladesh experienced a slowdown as connection prices were increased due to withdrawal of SIM tax subsidy by major operators. Hence, industry penetration increased by only 0.7% and as of Q1 2009, market penetration was about 30%.

In March 2009, the local regulator (BTRC) lowered the interconnection rates by 50% and also increased off-net floor price to Tk.0.65 from Tk.0.25.

koryolink – Democratic People's Republic of Korea

	March 2008	March 2009	Inc/ (dec)
Financial Data			
Revenues (US$ 000)	-	4,459	na
EBITDA (US$ 000)	-	312	na
EBITDA Margin	-	7.0%	na
Capex (US$ m)	-	11	na

	March 2008	December 2008	March 2009	Inc/(dec) Mar. 2009 vs. Mar. 2008
Operational Data				
Subscribers	-	1,694	19,208	na
Market Share	-	100.00%	100.00%	na
ARPU (US$) (3 months)	-	15.0	24.7	na
MOU (YTD)	-	na	146	na

Koryolink was inaugurated in December 15th, 2008 as the first 3G mobile network in the Democratic People's Republic of Korea (DPRK). Koryolink has deployed its 3G network to initially cover the capital Pyongyang - which has a population of more than 2 million - with plans to extend the network to cover the entire country.
Since the launch of the service, market reaction has been positive with 5.3 thousand subscribers joining in the first month of operation. As of the end of Q1 2009 koryolink had a subscriber base of 19.200.

Koryolink reported revenues of US$ 4.4 million in the first quarter of 2009 and EBITDA of US$ 0.3 million.

Koryolink's retail network has started off with one sales shop with an ambitious expansion plan aiming to extend its reach to customers located in different areas of Pyongyang. In order to cope with the large demand during the March promotion, a second temporary shop was introduced in the heart of downtown Pyongyang.

Being the first company of its kind in DPRK, koryolink established many precedents; the first of its kind Call Center was established to cater for customers' needs through highly trained bi-lingual agents. Additionally, despite the conservative nature of DPRK and the almost non-existent marketing and advertising industries, koryolink's launch was advertised in major newspapers and radio. Koryolink also managed to implement the first advertising billboard of its kind in Pyongyang

For the first time in the history of the DPRK, a mobile fair was launched during the last two weeks of March. As a part of this mobile fair, the prices of offered bundles were tuned, free minutes were introduced and handset prices were reduced. As a result, sales increased by 138% compared to February.

Table 17: Ownership Structure & Consolidation Methods

Subsidiaries	Ownership March 31 2008	Ownership March 31 2009	Consolidation Method March 31 2008	Consolidation Method March 31 2009
GSM Operations				
Mobinil (Egypt)[1]	28.75%	28.75%	Proportionate Consolidation	Proportionate Consolidation
Egyptian Co. for Mobile Services	20.00%	20.00%	Proportionate Consolidation	Proportionate Consolidation
IWCPL (Pakistan)	100.00%	100.00%	Full Consolidation	Full Consolidation
Orascom Telecom Algeria[2]	96.81%	96.81%	Full Consolidation	Full Consolidation
Telecel (Africa)	100.00%	100.00%	Full Consolidation	Full Consolidation
Orascom Telecom Tunisia[3]	50.00%	50.00%	Proportionate Consolidation	Proportionate Consolidation
Telecel Globe	-	100.00%	-	Full Consolidation
OT Ventures[5]	100.00%	100.00%	Full Consolidation	Full Consolidation
CHEO	-	75.00%	-	Full Consolidation
Internet Service				
Intouch	99.96%	100.00%	Full Consolidation	Full Consolidation
Non GSM Operations				
Ring	99.00%	99.00%	Full Consolidation	Full Consolidation
Orasinvest	100.00%	-	Full Consolidation	-
OTCS	100.00%	100.00%	Full Consolidation	Full Consolidation
OT ESOP	100.00%	100.00%	Full Consolidation	Full Consolidation
M-Link	100.00%	-	Full Consolidation	-
OT Services Europe	100.00%	100.00%	Full Consolidation	Full Consolidation
MedCable	100.00%	100.00%	Full Consolidation	Full Consolidation
Mena Cable	99.97%	100.00%	Full Consolidation	Full Consolidation
Moga Holding	100.00%	100.00%	Full Consolidation	Full Consolidation
Oratel	100.00%	100.00%	Full Consolidation	Full Consolidation
C.A.T.[5]	50.00%	50.00%	Proportionate Consolidation	Proportionate Consolidation
OT Wireless Europe	100.00%	100.00%	-	Full Consolidation
OT WIMAX	100.00%	100.00%	Full Consolidation	Full Consolidation
TWA	51.00%	51.00%	Full Consolidation	Full Consolidation
OIIH	99.90%	100.00%	Full Consolidation	Full Consolidation
OT Holding	100.00%	100.00%	Full Consolidation	Full Consolidation
FPPL	100.00%	100.00%	Full Consolidation -	Full Consolidation
MinMax Ventures	100.00%	100.00%	Full Consolidation	Full Consolidation
OIH[6]	100.00%	100.00%	Full Consolidation	Full Consolidation
OTFCSA	100.00%	100.00%	Full Consolidation	Full Consolidation
OT Holding Canada[7]	-	100.00%	-	Full Consolidation
ITCL	50.00%	50.00%	Proportionate Consolidation	Proportionate Consolidation
SAWLTD	-	100.00%	-	Full Consolidation

3. Mobinil is a holding company which controls 51% of ECMS, the mobile operator. Mobinil is also the brand name used by ECMS.
4. Direct and Indirect stake through Moga Holding Ltd. and Oratel.
5. Orascom Telecom Tunisia is proportionately consolidated through Orascom Tunisia Holding and Carthage Consortium.
6. OT Ventures owns 100% of Sheba Telecom which operates under the trade name banglalink.
7. Direct and Indirect stake through International Telecommunications Consortium Limited (ITCL).
8. OIH owns 100% of Orascom Telecom Iraq which sold Iraqna in December 2007.
9. Holding company for OTH's Share in Globalive which has been accounted for under the equity method.

Appendix I

Glossary

ARPU (Average Revenue per User): Average monthly recurrent revenue per customer (excluding visitors roaming revenue & connection fee). This includes airtime revenue (national & international), as well as, monthly subscription fee, SMS, GPRS & data revenue. Quarterly ARPU is calculated as an average of the last three months.

Capex: Tangible & Intangible fixed assets additions during the reporting period, includes work in progress, network, IT, and other tangible and intangible fixed assets additions but excludes license fees.

Churn: Disconnection rate. This is calculated as the number of disconnections during a month divided by the average customer base for that month.

Churn Rule: A subscriber is considered churned (removed from the subscriber base) if he exceeds the 90 days from the end of the grace period without recharging. It is worth noting that the grace period is a function of the scratch card being recharged by the subscriber in case this card has a certain validity and grace period. In cases where scratch cards have open validity, the subscriber is considered churned in case he has not made a single billable event in the last 90 days (i.e outgoing or incoming call or sms, wap session…). Open cards validity is applied for OTA, Mobilink and banglalink so far.

MOU (Minutes of Usage): Average airtime minutes per customer per month. This includes billable national & international outgoing traffic originated by subscribers (on-net, to land line & to other operators). Also, this includes incoming traffic to subscribers from land line or other operators.

OTH's Market Share Calculation Method: The market share is calculated through the data warehouse of OTH's subsidiaries. The number of SIM cards of competitors that appeared in the call detail record of each of OTH's subsidiaries is collected. This reflects the number of subscribers of the competition. However, OTH deducts the number of SIM cards that did not appear in the call detail records for the last 90 days to account for churn. The same is applied to OTH subsidiaries. This method is used to calculate the market shares of Djezzy, Mobinil, and Tunisiana only. In Pakistan and Bangladesh, Market share as announced by the Regulators is based on disclosed information by the other operators which may use different subscriber recognition policies.

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