Orascom Telecom Holding
Full Year 2008 Results

Cairo, March 16th, 2009: Orascom Telecom Holding (OTH) (Ticker: ORTE.CA, ORTEq.L, ORAT EY, OTLD LI), announces its full year 2008 consolidated results.

Highlights

- **Total subscribers reached 78 million, an increase of 11% over December 2007.**
- **Revenues of US$ 5,327 million[1] (LE 29,153 million), growing 13% over December 2007.**
- **EBITDA reached US$ 2,384 million[1] (LE 13,123 million), an increase of 15% over December 2007.**
- **Group EBITDA margin improved to 44.7%, an increase of 90bp. over December 2007.**
  GSM EBITDA margin reached 50.5%. EBITDA margins of the major subsidiaries are: Djezzy 63.2%, Mobilink 40.7%, Mobinil 48.2%, Tunisiana 57.9%, and banglalink 4.7%.
- **Net income for the period reached US$ 431 million[1] (LE 2,464 million), an increase of 7% over December 2007[2] (excluding non-recurring items).**
- **Earnings per GDR reached US$ 2.30 (based on a weighted average for the outstanding GDRs of 187 million over 2008)[3].**
- **Net Debt stood at US$ 5,084 million[1] (LE 28,117 million) resulting in a Net Debt/EBITDA of 2.1x 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 the non-recurring gain of US$761 million resulting from the sale of HTIL's share of profit from the sale of its Indian subsidiary recorded using the equity method, and US$920 gain from Iraqna in 2007, and US$66 million gain from the sale of OrasInvest in 2008.
3. As a consequence of the buy back program the outstanding GDRs as of December 31st, 2008 were reduced to 175.6 million.

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

“2008 demonstrated the strong resilience of our business in increasingly volatile and challenging global economic conditions. Most of our businesses, with the exception of Pakistan, have achieved their target in terms of growth and profitability. In Pakistan the difficult political, economical and financial conditions combined with the dramatic devaluation of the Pakistani Rupee have negatively impacted the strong performance of the rest of the group.

Orascom Telecom has continued to focus on its core strategic goals of creating shareholder value through the continued growth of its existing subsidiaries and through selective geographical expansion. During the course of this challenging year our company has continued to support and maximise growth for Orascom Telecom and its main subsidiaries by providing financial, technical and management resources.

This year Orascom Telecom has exceeded the $5.3 billion turnover mark, an impressive result which also represents our strongest performance to date. We have achieved this growth by maintaining our leadership position in terms of market share in all our main markets, with the exception of Bangladesh where we have grown from fourth to second largest operator, and by launching innovative products and services allowing us to increase our group revenues and EBITDA by 13% and 15% respectively. It is important to note however that our underlying growth in local currency terms was in line with our guidance of 18-20% growth for the year and that the performance in US Dollars has been negatively influenced by the sharp devaluation of the Pakistani Rupee against the US Dollar and by the sharp rise in cost of oil and utilities in Pakistan during Q2 and Q3. During 2008 most of our operations have continued to exhibit robust organic growth, with over 7.5 million net subscribers added; in Pakistan, the slowdown of the economy coupled with our introduction of a new three month active churn policy has eliminated from Mobilink’s customer base approximately two million inactive subscribers. This measure has no impact on our top line. At the end of 2008 Orascom Telecom provides mobile communications to 78 million subscribers.

We have continued to actively explore new business opportunities and have invested only in those where the return on equity is above our target threshold. The launch of our commercial operations in North Korea, our participation in the spectrum auction in Canada and recent acquisitions in Africa through our subsidiary Telecel Globe clearly demonstrate our drive to continue our long term growth. In December we launched our services in North Korea, only 11 months after we were awarded the license. Our strategy to penetrate countries with high population and low penetration was also at the base of our decision to participate in a consortium for the spectrum bid in Canada, which we won in July. The Canadian market has a mobile penetration level below that of Tunisia and Algeria and a high population distributed in few large cities. It also enjoys a cozy competitive environment with very high ARPUs which will allow us to be highly effective with our low cost pre-paid business model. Through our dedicated subsidiary Telecel Globe, we have also continued to actively pursue niche opportunities in countries with low population and low penetration, and have acquired operations in Burundi, Central African Republic and, more recently, Namibia. Our strategy to manage these smaller operations through Telecel Globe has allowed Orascom Telecom’s management to focus on its core operations while allowing these smaller operations to benefit from the strong purchasing synergies of the Weather group. As we had announced at the beginning of the year, we are also going ahead with our plan to focus on our GSM operations and to dispose of our non-core assets: the sale of OrasInvest and the recent sale of M-Link are a part of this strategy and have generated shareholder value by monetizing assets undervalued by the market.

In 2008 we continued to pursue our strategy of shareholder remuneration through two tender offers and buyback program for Orascom Telecom shares. Including the dividend distribution in May Orascom Telecom returned over US$2 billion to its shareholders this year.

2009 is a challenging year with economic growth slowing further across the globe. The markets in which OTH operates will suffer from the economic downturn but probably less so than the more mature and developed economies as a result of lower penetration levels and limited fixed-line coverage which will ensure the mobile remains the key communication means for large portions of the population.

In 2009, we believe that all our markets, except Pakistan, will continue to show robust performance. In Pakistan we will remain cautious in our investments in the country until we see early signs of recovery. We are on track for the implementation of our $1 billion Free Cash Flow optimization program that we have announced last quarter. In addition we have recently initiated a Cost Reduction program aiming at reducing operating expenses by 10% across the group which would further solidify our Free Cash Flow optimization program and strengthen our margins. The main areas of savings are expected in network, marketing, administration expenses and human resources.”

Operational Performance

During 2008 OTH continued to pursue its growth strategy further consolidating its leadership position in its markets, with the exception of Pakistan. The total subscribers reached the 78 million mark, up 11% over 2007, driven by strong growth in Egypt, with five million net additions in the year exceeding the 20 million subscriber mark, and Bangladesh, which added over three million customers to reach 10.3 million subscribers. Algeria and Tunisia also performed strongly, the former further consolidating its leadership position and the latter becoming the leading player in the country. Pakistan subscriber growth was negative as a result of the combined effect of the adoption of the new 90 day validity regime and stringent registration policies that forced all operators to disconnect those customers that did not register their personal details within the set deadline. The introduction of a service tax on mobile services in Pakistan further reduced market uptake thereby reducing the number of gross additions. Subscriber growth in Algeria in Q4 08 was also negatively impacted by the mandatory disconnection of unidentified customers; the impact was however industry wide and allowed OTA to actually increase its market share over the previous quarter.

Table 1: Total Subscribers

Subsidiary	31 December 2007	30 September 2008	31 December 2008	Inc/(dec) Dec. 2008 vs. Dec. 2007
Djezzy (Algeria)	13,382,254	14,455,123	**14,108,859**	5%
Mobilink (Pakistan)	30,612,630	31,359,049	**28,479,600**	(7%)
Mobinil (Egypt)	15,117,626	18,910,861	**20,115,377**	33%
Tunisiana (Tunisia)	3,651,813	4,155,057	**4,256,573**	17%
banglalink(Bangladesh)	7,082,348	10,143,274	**10,337,128**	46%
Telecel Globe[1]	241,874	244,088	**701,647**	190%
Grand Total	**70,088,545**	**79,267,452**	**77,999,184**	**11%**

1. Includes Zimbabwe subscribers in 2007 & Q3 2008 and Burundi, Central African Republic & Zimbabwe subscribers in December 2008.

ARPU in 2008 has declined over 2007 in a number of our markets mainly as a result of increased competition and regulatory pressure on interconnection rates. The increased focus of our on-net offerings in our key markets has also caused ARPU to decline, as these offerings have a lower average price but do not pay away interconnection. In Algeria and Tunisia Q4 ARPU in US Dollars was negatively affected by the appreciation of the US$ against the Algerian and Tunisian Dinar. ARPU in Pakistan increased over the previous quarter as the subscriber base clean-up took its course.

Table 2: Blended Average Revenue Per User (ARPU)

Subsidiary	31 December 2007 US$ (3 Months)	30 September 2008 US$ (3 Months)	31 December 2008 US$ (3 Months)	Inc/(dec) Dec. 2008 vs. Dec. 2007
Djezzy (Algeria)	12.1	12.4	**11.8**	(2.5%)
Mobilink (Pakistan)	3.8	2.9	**3.0**	(21.1%)
Mobinil (Egypt)[1]	8.1	8.4	**7.6**	(6.2%)
Tunisiana (Tunisia)	14.3	14.7	**12.7**	(11.2%)
banglalink (Bangladesh)	2.9	2.4	**2.5**	(13.8%)
Global ARPU (YTD)[2]	**7.0**	**6.6**	**6.6**	**(5.7%)**
Global ARPU (3 months)	**6.8**	**6.5**	**6.3**	**(7.4%)**

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.

Orascom Telecom continued to remain market leader in all its countries of operation, with the exception of Bangladesh where we are stably the second largest player. Our market share continued to improve in Algeria, Tunisia and Bangladesh while it remained stable in Egypt, where we continue to remain the market leader. In Pakistan the market share as reported by the regulator declined further as our subscriber base was negatively impacted by the implementation of our 3 month active subscriber rule and by the mandatory disconnections; the market share calculated on our internal traffic database of active subscribers shows a stable market share over the previous quarter.

Table 3: Market Share & Competition

Country	Brand name	Market Share (%) 30 September 2008	Market Share (%) 31 December 2008	Number of additional network operations	Names of additional network operations
Algeria	Djezzy	63.6%	64.7%	2	AMN, QTel
Pakistan	Mobilink[1]	34.8%	31.7%	4	U-Fone, Paktel, Telenor, Al Warid
Egypt	Mobinil	47.7%	47.2%	2	Vodafone, Etisalat
Tunisia	Tunisiana	50.8%	51.1%	1	Tunisie Telecom
Bangladesh	banglalink	22.5%	23.2%	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 2008 were in line with the previous year. In Bangladesh we have continued to invest extensively in the roll-out of the network, while capex in Pakistan was mainly related to capacity and coverage. In Egypt a significant portion of investment was dedicated to the roll-out of the 3G network, which was launched in September. Capex in Algeria in 2008 was lower than the previous year mainly as a result of the time lag between the purchase order cycle and the accounting recognition of the capex.

Table 4: Capital Expenditure of OTH Subsidiaries for the twelve months to December 31[1]

Country	Service name	Total US$ million 2007	Total US$ million 2008	Inc/(dec)
Algeria	Djezzy	325	167	(49%)
Pakistan[2]	Mobilink	520	537	3%
Egypt[2]	Mobinil	578	524	(9%)
Tunisia	Tunisiana	76	99	30%
Bangladesh[2]	banglalink	353	407	15%
Other [3]		47	160	240%
Total		**1,899**	**1,894**	**0%**
Total Consolidated[4]		**1,565**	**1,576**	**1%**
Consolidated Capex/Sales		**33.1%**	**29.6%**	**(3.5%)**

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 and US$ 33 million in Bangladesh for additional spectrum allocation.
3. "Other" companies include Linkdotnet, M-link, MedCable, OrasInvest, OT Holding, Ring and Telecel in 2007, and Linkdotnet, M-link, MedCable, Mena-Cable, OrasInvest, OT Holding, Ring and Telecel in 2008.
4. Consolidated Capex based on: 48.75% in ECMS and 50% in Tunisiana.

Main Financial Events

Orascom Telecom secures commitments to subscribe for US$230 mln senior bond

In November 2008, Orascom Telecom announced that it had secured commitments for a US$230 million financing with a maturity of approximately 3 to 4 years, to be implemented in a fully subscribed private placement. The transaction was completed and funds received by OTH in February 2009.

Orascom Telecom announces sale of OrasInvest and M-Link

In November 2008, OTH announced the sale of its non-GSM subsidiary OrasInvest to The Abu Dhabi Investment Company for a total consideration of US$ 180 million; US$ 90 million was paid in cash in November 2008 while the remaining US$ 90 million is in the form of interest bearing promissory notes due 12 months after the closing of the transaction.
In January 2009, OTH announced the sale of M-Link to TLC SERVIZI S.p.A, a wholly owned subsidiary of Wind Telecomunicazioni S.p.A., for a total consideration of approximately US$ 77 million in cash. By integrating M-link with the international wholesale activities performed by Wind Telecomunicazioni, the Orascom Telecom subsidiaries will benefit from substantial economies of scale and stronger negotiating power.

Orascom Telecom inaugurates the first 3G network in DPRK

In December 2008, OTH announced the inauguration of Koryolink, the first 3G mobile network in the Democratic People's Republic of Korea (DPRK). Koryolink has deployed its network to initially cover Pyongyang with a plan to expand its coverage to the entire country.

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.

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 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 plans a potential on-market GDR and local shares repurchase plan of up to 65 million shares (13 million GDRs) over the next three months. The potential buy-back will be made pursuant to CMA regulations for on-market transactions.

Orascom Telecom announces offer for sale of LINKdotNet

In February 2009 Orascom Telecom announced that it has received an indicative non-binding offer from The Egyptian Company for Mobile Services (“ECMS”) for the acquisition of 100% of the shares of LINKdotNet and Link Egypt; the final valuation will be finalized at the end of the due-diligence process.

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, has officially been granted its spectrum license from Industry Canada and has 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.

Financial Review

Revenues

Revenue growth in 2008 was strong, notwithstanding the adverse developments in Pakistan which caused the revenues from this country to decrease significantly as a result of the depreciation of the local currency versus the US Dollar. Revenues reached $5.33 billion growing 13% over the prior year mainly driven by the growth of the GSM business which was up 14% over the prior year. Performance was especially strong in Algeria, Egypt, Tunisia and Bangladesh but was offset by a decline in the US Dollar revenues from Mobilink in Pakistan. It is worth noting that in local currency terms underlying growth in Pakistan was double digit over the previous year; this is clearly demonstrated by the revenue performance in Q4 which improved over Q3 with of the stabilisation of the Pakistani Rupee against the US Dollar. Organic growth in 2008, net of foreign exchange impacts, was in line with the 18-20% growth guidance provided.

Table 5: Consolidated Revenues

Subsidiary	31 December 2007 US$ (000)	31 December 2008 US$ (000)	Inc/ (dec)	Q3 – 2008 (3 months) US$ (000)	Q4 – 2008 (3 months) US$ (000)	Inc/ (dec)
GSM						
Djezzy (Algeria)	1,761,859	2,040,544	16%	543,648	508,922	(6%)
Mobilink (Pakistan)	1,263,901	1,207,520	(4%)	261,166	272,929	5%
Mobinil (Egypt)	705,233	890,949	26%	239,959	231,772	(3%)
Tunisiana (Tunisia)	265,372	326,110	23%	92,064	74,138	(19%)
banglalink (Bangladesh)	193,144	288,144	49%	75,875	80,027	6%
Telecel Globe (Africa)	-	25,345	na	13,328	12,017	(10%)
Total GSM	**4,189,509**	**4,778,612**	**14%**	**1,226,040**	**1,179,805**	**(4%)**
Telecom Services						
Ring	285,089	228,252	(20%)	55,365	48,043	(13%)
M-Link & MedCable	148,854	194,868	31%	55,817	42,584	(24%)
Other[1]	51,040	48,741	(5%)	12,549	13,287	6%
Total Telecom Services	**484,983**	**471,861**	**(3%)**	**123,731**	**103,914**	**(16%)**
Internet Services	**52,118**	**76,076**	**46%**	**20,318**	**21,093**	**4%**
Total Consolidated	**4,726,610**	**5,326,549**	**13%**	**1,370,089**	**1,304,812**	**(5%)**

1. Other Telecom Services Companies include C.A.T., CHEO, OrasInvest (for 11 months), and TWA in Q4 2008, C.A.T. OrasInvest, and TWA in Q3 2008 and C.A.T. OrasInvest and ARPU+ in 2007.

EBITDA

Consolidated EBITDA in the twelve months ended December 31, 2008 grew 15% over the previous year reaching $2,384 million, as a combined result of top-line growth and further efficiency on the costs side. The performance was strong across all main subsidiaries, with the exception of Pakistan, with Mobinil and Tunisiana delivering an impressive growth and banglalink now in positive EBITDA territory. EBITDA growth was solid also in Algeria although impacted by the devaluation of the local currency against the US Dollar in the fourth quarter of 2008. In local currency terms Mobilink's EBITDA grew single digit in 2008 and improved significantly during Q4.

Table 6: Consolidated EBITDA[1]

Subsidiary	31 December 2007 US$ (000)	31 December 2008 US$ (000)	Inc/ (dec)	Q3 – 2008 (3 months) US$ (000)	Q4 – 2008 (3 months) US$ (000)	Inc/ (dec)
GSM						
Djezzy (Algeria)	1,115,740	1,290,062	16%	345,630	340,329	(2%)
Mobilink (Pakistan)	554,905	491,664	(11%)	88,603	112,804	27%
Mobinil (Egypt)	317,198	429,683	35%	113,721	119,310	5%
Tunisiana (Tunisia)	135,580	188,912	39%	55,255	41,068	(26%)
banglalink (Bangladesh)	(42,151)	13,683	132%	2,835	22,400	690%
Telecel Globe (Africa)	-	492	na	3,473	(1,597)	na
Total GSM	**2,081,272**	**2,414,496**	**16%**	**609,517**	**634,314**	**4%**
Telecom Services						
Ring	5,397	(1,593)	(130%)	(739)	(6,141)	(731%)
M-Link & MedCable	23,292	24,985	7%	7,408	4,982	(33%)
Other [2]	6,008	9,144	52%	4,990	(2,031)	na
Total Telecom Services	**34,697**	**32,536**	**(6%)**	**11,659**	**(3,190)**	**(127%)**
Internet Services	**3,583**	**(62)**	**(102%)**	**1,937**	**(205)**	**(111%)**
OT Holding & Other[3]	**(47,010)**	**(63,411)**	**na**	**(11,376)**	**(19,210)**	**na**
Total Consolidated	**2,072,542**	**2,383,559**	**15%**	**611,737**	**611,709**	**0%**

1. EBITDA excludes management fees which were previously treated as a cost in each subsidiary and as a revenue for the Holding.
2. Other Telecom Services Companies include ARPU+, C.A.T., OrasInvest, OT WIMAX, and TWA in 2007, and C.A.T., CHEO, Mena Cable, OrasInvest (11 months), OT WIMAX, and TWA in 2008.
3. Other non operating companies include: Cortex, Eurasia, FPPL, Moga Holding, MinMax, OIIH, Oratel, OTCS, OT ESOP, OTFSCA, OTI Malta, OT Services Europe, OT Wireless Europe, Pioneers, SAWLTD and Telecel.

Consolidated EBITDA margin was up 90 basis point over the previous year reaching 44.7%, mainly driven by the impressive performance of the GSM business which displayed a margin above 50%. Margins were up or stable in all major subsidiaries with OTA maintaining a solid 63.2% margin, Mobinil improving its margin by 3 p.p. to 48.2%, Tunisiana up almost 7 p.p. to 57.9% and banglalink achieving a mid-single digit margin. Mobilink's margin in 2008 suffered from the sharp increase in cost of oil in Q2 and Q3 which significantly impacted its operating expenditures as it had to rely increasingly on fuel powered generators to run its network during blackouts on the national electricity grid; with the utilities cost stabilising in Q4 the margin in Pakistan has improved over Q3. The margin in Tunisiana declined in Q4 over Q3 mainly as a result of the decline in incoming visitor roaming revenues, and as a result of the depreciation of the Tunisian Dinar against the US Dollar.

Table 7: Consolidated EBITDA Margin

Subsidiary	31 December 2007	31 December 2008	Change	Q3 2008 (3 months)	Q4 2008 (3 months)	Change
GSM						
Djezzy (Algeria)	63.3%	63.2%	(0.1%)	63.6%	66.9%	3.3%
Mobilink (Pakistan)	43.9%	40.7%	(3.2%)	33.9%	41.3%	7.4%
Mobinil (Egypt)	45.0%	48.2%	3.2%	47.4%	51.5%	4.1%
Tunisiana (Tunisia)	51.1%	57.9%	6.8%	60.0%	55.4%	(4.6%)
banglalink (Bangladesh)	(21.8%)	4.7%	26.5%	3.7%	28.0%	24.3%
Telecel Globe (Africa)	-	1.9%	na	26.1%	(13.3%)	(39.4%)
Total GSM	**49.7%**	**50.5%**	**0.8%**	**49.7%**	**53.8%**	**4.1%**
Total Telecom Services	**7.2%**	**6.9%**	**(0.3%)**	**11.0%**	**(3.1%)**	**(14.1%)**
Internet Services	**6.9%**	**(0.1%)**	**(7.0%)**	**9.5%**	**(0.1%)**	**(9.6%)**
EBITDA Margin	**43.8%**	**44.7%**	**0.9%**	**44.6%**	**46.9%**	**2.3%**

Table 8: Foreign Exchange Rates used in the Income Statement & Balance Sheet

	Income Statement[1]					Balance Sheet[2]				
Currency	**Dec. 2007**	**Sept. 2008**	**Dec. 2008**	**Change Dec. 2008 vs. Dec. 2007**	**Change Dec. 2008 vs. Sept. 2008**	**Dec. 2007**	**Sept. 2008**	**Dec. 2008**	**Change Dec. 2008 vs. Dec. 2007**	**Change Dec. 2008 vs. Sept. 2008**
Egyptian Pound / US Dollar	0.1764	0.1838	0.1827	3.6%	(0.6%)	0.1797	0.1818	0.1807	0.56%	(0.61%)
Algerian Dinar / US Dollar	0.0144	0.0158	0.0155	7.6%	(1.9%)	0.0149	0.0166	0.0141	(5.4%)	(15.1%)
Tunisian Dinar / US Dollar	0.7828	0.8396	0.8129	3.8%	(3.2%)	0.8062	0.8141	0.7612	(5.6%)	(6.5%)
Pakistan Rupee / US Dollar	0.0165	0.0147	0.0141	(14.5%)	(4.1%)	0.0163	0.0128	0.0127	(22.1%)	(0.78%)
Bangladeshi Taka / US Dollar	0.0144	0.0145	0.0144	0.0%	(0.69%)	0.0145	0.0145	0.0144	(0.69%)	(0.69%)
Canadian Dollar / US Dollar	Na	0.9603	0.8876	na	(7.6%)	na	0.9652	0.8304	na	(14.0%)

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.

Net Income

Net Income in 2008 reached US$431 million (LE 2,464 million), a 79% decrease over the previous year which was positively impacted by the non-recurring gain of US$761 million recorded in 2007 resulting from HTIL's share of profit from the sale of its Indian subsidiary recorded using the equity method, and by the US$ 920 million gain from Iraqna in 2007. Operating Income in 2008 increased 15% over the previous year to US$1,498 million. On a quarterly basis Profit Before Tax grew 33% over the previous quarter to US$240 million notwithstanding the increase in Net Financing Costs resulting from foreign exchange losses. Unrealized foreign exchange losses resulted from liabilities to suppliers and remaining license payments in Pakistan that cannot be hedged, from the shareholder loan provided to Globalive Wireless to comply with Canadian legal requirements (loan will be marked to market every quarter in function of the exchange rate), and from the financial liabilities in Algeria. Net Income in the fourth quarter increased by 23% over the previous quarter resulting in a QoQ increase of EPS of 28% to US$ 0.46 per GDR.

Table 9: Income Statement in IFRS/US$

	31 December 2007 US$ (000)	31 December 2008 US$ (000)	Inc/ (dec)	Q3 2008 (3 months) US$ (000)	Q4 2008 (3 months) US$ (000)	Inc/ (dec)
Revenues	**4,726,610**	**5,326,549**	**13%**	**1,370,089**	**1,304,812**	**(5%)**
Other Income	48,934	41,257		11,279	9,518	
Total Expense	(2,703,002)	(2,984,247)		(769,631)	(702,621)	
EBITDA[1]	**2,072,542**	**2,383,559**	**15%**	**611,737**	**611,709**	**0%**
Depreciation & Amortization	(752,136)	(912,173)		(234,894)	(224,870)	
Impairment of Non Current Assets	(18,718)	(39,464)[2]		(2,195)	(1,480)	
Gain (Loss) on Disposal of Non Current Assets	(2,605)	66,315		59	65,862	
Operating Income	**1,299,083**	**1,498,237**	**15%**	**374,707**	**451,222**	**20%**
Financial Expense	(520,320)	(468,453)		(121,170)	(96,642)	
Financial Income	38,074	53,110		(3,787)	10,364	
Foreign Exchange Gain (Loss)	41,949	(201,083)[3]		(69,459)[3]	(121,735)[3]	
Net Financing Cost	(440,297)	(616,426)		(194,416)	(208,013)	
Share of Profit (Loss) of Associates	761,295	(2,955)		-	(2,955)	
Gain (Loss) on Disposal of Associates	(2,592)	27,262		-	-	
Profit Before Tax	**1,617,489**	**906,118**	**(44%)**	**180,291**	**240,255**	**33%**
Income Tax	(453,621)	(403,494)		(89,836)	(135,121)	
Profit from Continuing Operations	**1,163,868**	**502,624**	**(57%)**	**90,455**	**105,134**	**16%**
Gain (Loss) from Discontinued Operations[4]	919,628	-		-	-	
Profit for the Period	**2,083,496**	**502,624**	**(76%)**	**90,455**	**105,134**	**16%**
Attributable to:						
Equity Holders of the Parent[5]	**2,021,353**	**430,822**	**(79%)**	**69,414**	**85,448**	**23%**
Earnings Per Share (US$/GDR)	**9.69**	**2.30**[6]	**(76%)**	**0.36**	**0.46**	**28%**
Minority Interest	62,143	71,802		21,041	19,686	
Net Income	**2,083,496**	**502,624**	**(76%)**	**90,455**	**105,134**	**16%**

1. Management Presentation developed from IFRS financials.
2. Includes a full impairment of the license of C.A.T. for US$ 30 million recorded in Q2 2008.
3. Mainly due to the FX loss reported in Pakistan, Canada and Algeria as a result of the depreciation of the Pakistani Rupee, the Canadian Dollar and the Algerian Dinar against the US Dollar.
4. Represents Iraqna net profit net of Tax and inter-company transactions.
5. Equates to Net Income after Minority Interest
6. Based on a weighted average for the outstanding number of shares of 187,335,132 GDRs in 2008

Balance Sheet

Aldo Mareuse, Group CFO commented: "OTH has no significant debt maturities until 2013 mainly as a result of the successful refinancing of the US$2.5 billion senior secured facility completed in April 2008 which has a five year maturity. We expect the operating subsidiaries of Orascom Telecom to continue to generate substantial cash flow, in particular in Algeria, Egypt and Tunisia thereby allowing for steady cash upstreams to consolidate OTH's cash position in 2009 and beyond. In Pakistan and Bangladesh we will focus on cash flow optimization through a highly flexible approach to capex spend which will be reduced in line with the slower market demand for mobile services while preserving a highly effective service proposition and quality of service. Orascom Telecom remains committed to these markets and will ensure that both entities, and in particular Pakistan, have sufficient liquidity to respect their financial covenants for 2009 and beyond.

OTH will continue to support the development of its new ventures in North Korea and in Canada. In North Korea we expect the business to become EBITDA positive in the first year of operation thereby significantly reducing our needs to inject equity going forward. In Canada OTH has already invested in Q3 2008 a substantial part of its committed expenditure of US$500 – US$700 million and further liquidity requirements are therefore expected to remain relatively limited.

The overall liquidity profile of Orascom Telecom for 2009 and beyond will be further improved through our US$1 billion free cash flow optimization program. We will also continue to opportunistically monitor attractive financing opportunities, as demonstrated by our recent $230 million secured bond issue, to further strengthen our balance sheet."

Debt Repayment Profile

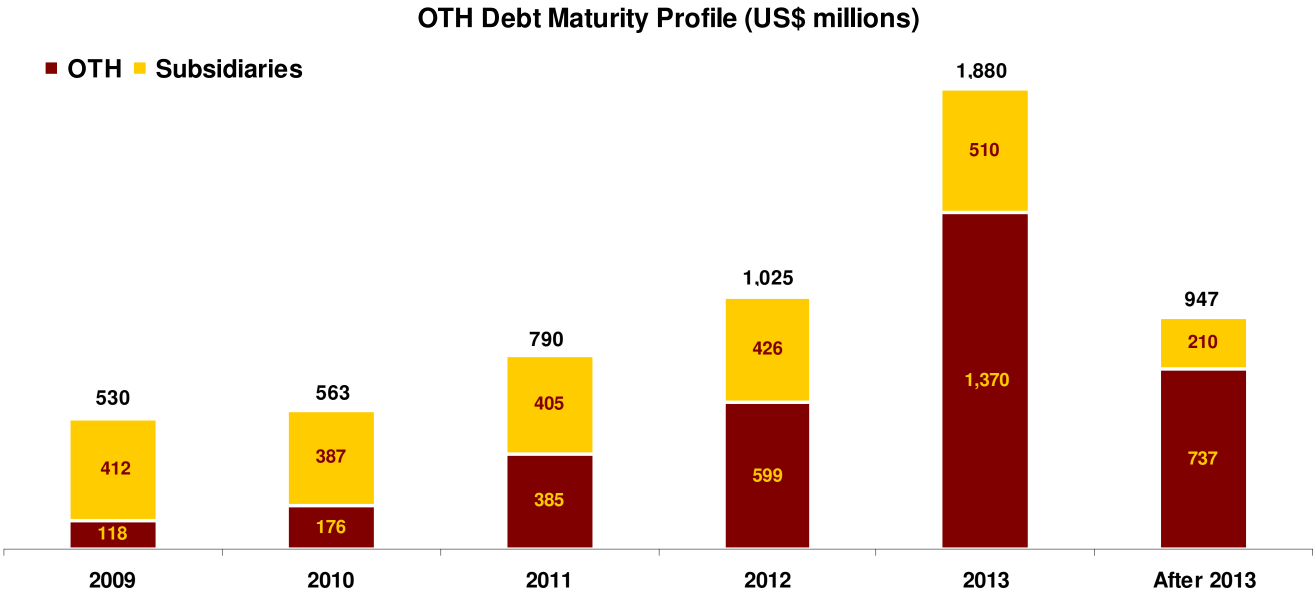

Table 10: Balance Sheet in IFRS/US$

	IFRS/US$ 31 December 2007 US$ (000)	IFRS/US$ 31 December 2008 US$ (000)
Assets		
Property and Equipment (net)	4,803,014	5,056,570
Intangible Assets	2,225,304	2,371,053
Other Non-Current Assets	714,270	727,436
Total Non-Current Assets	**7,742,588**	**8,155,059**
Cash and Cash Equivalents	1,238,568	651,783
Trade Receivables	370,345	327,638
Assets Held for Sale	924,351[1]	80,471[2]
Other Current Assets	1,067,800	705,409
Total Current Assets	**3,601,064**	**1,765,301**
Total Assets	**11,343,652**	**9,920,360**
Equity Attributable to Equity Holders of the Company	3,149,069	1,080,230[3]
Minority Share	93,063	120,994
Total Equity	**3,242,132**	**1,201,224**
Liabilities		
Long Term Debt	3,378,582	5,205,030
Other Non-Current Liabilities	516,907	515,279
Total Non-Current Liabilities	**3,895,489**	**5,720,309**
Short Term Debt	1,839,618	530,315
Trade Payables	1,083,378	1,186,464
Other Current Liabilities	1,283,035	1,282,048
Total Current Liabilities	**4,206,031**	**2,998,827**
Total Liabilities	**8,101,520**	**8,719,136**
Total Liabilities & Shareholder's Equity	**11,343,652**	**9,920,360**
Net Debt [4]	**3,979,632**	**5,083,562**

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

Cash Flow Statement

Table 11: Cash Flow Statement in US$

	IFRS/US$ 31 December 2007 US$ (000)	IFRS/US$ 31 December 2008 US$ (000)
Cash Flows from Operating Activities		
Profit for the Period	**1,163,869**	**502,624**
Depreciation, Amortization & Impairment of Non-Current Assets	770,996	951,637
Income Tax Expense	453,621	403,498
Net Financial Charges (Income)	482,317	415,074
Share of Loss (Profit) of Associates Accounted for Using the Equity Method	(761,295)	2,956
Other	6,174	96,152
Changes in Assets Carried as Working Capital	(276,909)	(151,775)
Changes in Other Liabilities Carried as Working Capital	110,394	111,808
Income Tax Paid	(164,420)	(480,807)
Interest Expense Paid	(494,927)	(428,436)
Net Cash Generated by Operating Activities	**1,289,820**	**1,422,731**
Cash Flows from Investing Activities		
Cash Outflow for Investments in Property & Equipment, Intangible Assets, and Financial Assets & Consolidated Subsidiaries	(2,009,924)	(1,743,441)
Proceeds from Disposal of Property & Equipment, Associates, Subsidiaries and Financial Assets	267,203	2,085,120
Dividends & Interest Received	816,406	34,392
Net Cash Used in Investing Activities	**(926,315)**	**376,071**
Cash Flows from Financing Activities		
Proceeds from Non-Current Borrowings	2,334,307	2,522,216
Repayment of Non-Current Borrowings	(987,809)	(1,975,760)
Net Proceeds (Payments) from Current Financial Liabilities	(480,841)	(56,633)
Advances & Loans made to Associates & Other Parties	-	(441,910)
Net Change in Cash Collateral	36,286	(76,872)
Dividend Payments	(131,303)	(165,977)
Net Payments for Treasury Shares	(855,772)	(2,086,224)
Change in Minority Interest	(63,677)	(62,562)
Net Cash generated by (Used in) Financing Activities	**(148,809)**	**(2,343,722)**
Net Change Generated by Discontinued Operations	**234,677**	**-**
Net Increase (Decrease) in Cash & Cash Equivalents	**449,373**	**(544,920)**
Cash Included in Assets Held for Sale	**-**	**(7,805)**
Effect of Exchange Rate Changes on Cash & Cash Equivalents	**32,997**	**(34,060)**
Cash & Cash Equivalents at the Beginning of the Period	756,198	1,238,568
Cash & Cash Equivalents at the End of the Period	1,238,568	651,783

Table 12: Income Statement in EAS/Egyptian Pounds

	31 December 2007 LE (000)	31 December 2008 LE (000)	Inc/ (dec)	Q3 2008 (3 months) LE (000)	Q4 2008 (3 months) LE (000)	Inc/ (dec)
Net Revenues	**26,793,594**	**29,153,310**	**9%**	**7,410,508**	**7,266,348**	**(2%)**
Other Income	281,754	225,805		61,026	53,082	
Total Expense	(15,209,824)	(16,255,932)		(4,133,544)	(3,901,172)	
EBITDA[1]	**11,865,524**	**13,123,183**	**11%**	**3,337,990**	**3,418,258**	**2%**
Depreciation & Amortization	(4,257,471)	(4,980,805)		(1,267,457)	(1,248,779)	
Other	(120,879)	146,959		(11,017)	351,219	
Operating Income	**7,487,174**	**8,289,337**	**11%**	**2,059,516**	**2,520,698**	**22%**
Financial Expense	(2,947,994)	(2,562,098)		(654,621)	(539,956)	
Financial Income	215,833	290,682		(21,404)	58,050	
Foreign Exchange Gain (Loss)	237,599	(1,100,569)		(377,840)	(668,742)	
Net Financing Cost	*(2,494,562)*	*(3,371,985)*		*(1,053,865)*	*(1,150,648)*	
Share of Profit (Loss) of Associates	4,315,530	(16,171)		-	(16,171)	
Gain (Loss) on Disposal of Associates	(14,695)	149,210		(470)	845	
Profit Before Tax	**9,293,447**	**5,050,392**	**(46%)**	**1,005,181**	**1,354,725**	**35%**
Income Tax	(2,571,426)	(2,208,409)		(485,822)	(747,881)	
Profit from Continuing Operations	**6,722,021**	**2,841,983**	**(58%)**	**519,359**	**606,844**	**17%**
Gain (Loss) from Discontinued Operations	5,213,066	-		-	-	
Profit for the Period	**11,935,087**	**2,841,983**	**(76%)**	**519,359**	**606,844**	**17%**
Attributable to:						
Equity Holders of the Parent	**11,563,307**	**2,463,594**	**(79%)**	**414,425**	**502,944**	**21%**
Earnings Per Share (LE/Share)	**11.08**	**2.63**	**(76%)**	**0.43**	**0.54**	**26%**
Minority Interest	371,780	378,389		104,934	103,900	
Net Income	**11,935,087**	**2,841,983**	**(76%)**	**519,359**	**606,844**	**17%**

1. Management Presentation developed from EAS financials

Table 13: Balance Sheet in EAS/Egyptian Pounds[1]

	EAS/LE 31 December 2007 LE (000)	EAS/LE 31 December 2008 LE (000)
Assets		
Property & Equipment	26,688,621	27,929,538
Intangible Assets	12,187,406	12,927,369
Other Non-Current Assets	3,974,910	4,026,358
Total Non-Current Assets	**42,850,937**	**44,883,265**
Cash & Cash Equivalents	6,892,630	3,607,620
Trade Receivables	2,060,972	1,813,478
Assets Held for Sale	5,144,015	445,408
Other Current Assets	5,945,949	3,912,554
Total Current Assets	**20,043,566**	**9,779,060**
Total Assets	**62,894,503**	**54,662,325**
Equity Attributable to Equity Holders of the Company	17,300,808	5,791,788
Minority Share	521,460	632,979
Total Equity	**17,822,268**	**6,424,767**
Liabilities		
Long Term Debt	18,792,359	28,794,164
Other Non-Current Liabilities	2,876,590	2,852,074
Total Non-Current Liabilities	**21,668,949**	**31,646,238**
Short Term Debt	10,234,451	2,929,972
Trade Payables	6,028,997	6,567,076
Other Current Liabilities	7,139,838	7,094,272
Total Current Liabilities	**23,403,286**	**16,591,320**
Total Liabilities	**45,072,235**	**48,237,558**
Total Liabilities & Shareholder's Equity	**62,894,503**	**54,662,325**
Net Debt[2]	**22,134,180**	**28,116,516**

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

Djezzy – Algeria

	December 2007	December 2008	Inc/ (dec)
Financial Data			
Revenues (US$ 000)	1,761,859	2,040,544	15.8%
EBITDA (US$ 000)	1,115,740	1,290,062	15.6%
EBITDA Margin	63.3%	63.2%	(0.1%)
Capex (US$ m)	325	167	(48.6%)

	December 2007	September 2008	December 2008	Inc/(dec) Dec. 2008 vs. Dec. 2007
Operational Data				
Subscribers	13,382,254	14,455,123	14,108,859	5.4%
Pre-paid	13,037,600	13,806,267	13,489,222	3.5%
Post-paid	344,654	648,856	619,637	79.8%
Market Share	62.4%	63.6%	64.7%	2.3%
ARPU (US$) (3 months)	12.1	12.4	11.8	(2.5%)
MOU (YTD)	141	158	164	16.3%
Churn (3 months)	9.7%	10.2%	12.5%	2.8%

Orascom Telecom Algeria (OTA) continued its success in the three player Algerian market and achieved a strong performance in 2008 with over 14 million subscribers, 95% of the population covered, and further improvement in its market leadership position with a 64.7% market share.

Revenues in 2008 grew 16% over the previous year to over US$2 billion as a result of the strong commercial performance resulting in subscriber growth. Through its lean organization OTA was able to grow its EBITDA by the same percentage reaching US$ 1,290 million with an impressive 63.2% margin.

To maintain a healthy ARPU throughout the year together with subscriber base growth, a number of commercial actions were undertaken in order to successfully develop outgoing usage traffic (voice, SMS and data based) and loyalty to the network. OTA launched new innovative prepaid and postpaid tariffs and promotions that enhanced its competitive position in the market and optimized performance at lower costs. OTA achieved a major success doubling its postpaid subscriber base thanks to its highly successful Millenium product that not only grew the postpaid base but also developed a strong recurrent revenue generation. Usage per subscriber coupled to the development of a strong on-net effect helped to maintain a yearly average blended ARPU of US$ 12.1.

OTA successfully launched new products and services and segmented animation programs on the Algerian market based on SMS, MMS, voice and data channels that contributed to create additional value from the existing base (chatting, voting, content, mobile internet,…).

During the course of 2008, OTA initiated a restructuring exercise of its distribution model in order to adapt to the market evolution and to drive its sales activities towards a stronger distribution and an increased relationship with its points of sales. This was achieved by increasing the number of distribution partners from 7 to 8; commission plans were also revamped to gain on revenue and cost generation. OTA also developed a direct relationship with 15,000 authorized points of sales on top of the 72 flagship shops owned by OTA. The airtime distribution channels grew to reach over 50,000 physical points of contacts with the market.

In 2008 OTA continued to reinforce its strong bond and affinity with the Algerian community as a leading company and brand in top of mind awareness, preference and recommendation levels, and also citizenship and corporate responsibility through various actions of sponsorship and social welfare. OTA partnered with the Ministry of Tourism to develop a campaign and plan to contribute to reshape the image of Algeria, that will be launched both in Algeria and abroad at the beginning of 2009.

Mobilink – Pakistan

	December 2007	December 2008	Inc/ (dec)
Financial Data			
Revenues (US$ 000)	1,263,901	1,207,520	(4.4%)
EBITDA (US$ 000)	554,905	491,664	(11.4%)
EBITDA Margin	43.9%	40.7%	(3.2%)
Capex (US$ m)	520	537	3.3%

	December 2007	September 2008	December 2008	Inc/(dec) Dec. 2008 vs. Dec. 2007
Operational Data				
Subscribers	30,612,630	31,359,049	28,479,600	(7.0%)
Pre-paid	30,111,756	30,840,735	27,971,755	(7.1%)
Post-paid	500,874	518,313	507,845	1.4%
Market Share*	39.8%	34.8%	31.7%	(8.1%)
ARPU (US$) (3 months)	3.8	2.9	3.0	(21.1%)
MOU (YTD)	149	169	172	15.4%
Churn (3 months)	5.2%	9.5%	11.8%	6.6%

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

In the wake of the overall business environment in the country and increased competition, Mobilink adapted its strategy and launched several new promotions and campaigns to enhance usage, retain customers and maintain its market leadership.

As per Pakistan Telecommunication Authority (Regulator), Mobilink's market share in December 2008 was 31.7%. This market share is based on information disclosed by other operators which use different subscriber recognition polices. According to internal reporting, Mobilink has a market share of 41.6%. The decrease in the net subscriber base fully reflects the impact of the new 90-day validity regime. The new regime encompasses the customers that have performed any type of activity (except incoming SMS) in the last 90 days and is in line with the regime applied across OTH's subsidiaries.

Mobilink closed the year with revenues of US$ 1,208 million and EBITDA of US$ 492 million. In local currency terms revenues in 2008 were up 12% reaching PKR 86 billion while EBITDA reached PKR 29.5 billion, up 2.5% over 2007. The decline in price per minute coupled with the depreciation of Pakistani Rupee resulted in an overall decrease of ARPU in terms of US Dollars.

During 2008, Mobilink invested USD 537 million in its infrastructure, as compared to USD 520 million in 2007. This capex was primarily targeted to enhance the capacity, network quality and coverage. During the year, Mobilink added 1,487 new cell sites to its network, taking the total number of the cell sites to 7,915.

During the year, the federal government raised the sales tax on telecommunication services from 15% to 21% and also imposed a duty of PKR 750 on all imported mobile handsets. This was accompanied by stringent sales registration policies and decrease in the interconnect charges by the Pakistan Telecommunication Authority.

In the course of 2008, Mobilink introduced a call set up fee for the first time in the industry with the launch of its new prepaid tariff ‘Jazz One’ thereby preserving value while providing a competitive on-net rate. To reward its high value customers, Mobilink launched ‘Club Red’ which offered discounted calls to high usage customers. To bring back dormant subscribers, Mobilink launched three revival campaigns in April, August and December.

In addition to voice, Mobilink introduced several cutting edge value added services for its customers. First in line was Mobile TV, which was launched with eight live TV channels alongside four FM radio channels. Mobilink Yellow Pages, an SMS based directory service that provided addresses for banks, hospitals, ATMs etc, was also launched in August 2008. In order to cater to the needs of young professionals as well as students, Mobilink launched a Pay-As-You-Go BlackBerry Service called Optimail.

Egypt

Mobinil - Egypt

	December 2007	December 2008	Inc/ (dec)
Financial Data			
Revenues (US$ 000)	1,454,917	1,827,505	25.6%
EBITDA (US$ 000)	647,872	855,294	32.0%
EBITDA Margin	44.5%	46.8%	2.3%
Capex (US$ m)	578	524	(9.3%)

	December 2007	September 2008	December 2008	Inc/(dec) Dec. 2008 vs. Dec. 2007
Operational Data				
Subscribers	15,117,626	18,910,861	20,115,377	33.1%
Pre-paid	14,562,595	18,301,576	19,476,772	33.7%
Post-paid	555,031	609,285	638,605	15.1%
Market Share	49.5%	47.7%	47.2%	(2.3%)
ARPU (US$) * (3 months)	8.1	8.4	7.6	(6.2%)
MOU (YTD)	161	165	165	2.5%
Churn (3-month)	5.8%	9.6%	8.8%	3.0%

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

In 2008 Mobinil continued to lead the mobile telecommunications market in Egypt with 20.115 million subscribers and almost five million net additions.

Revenues grew 26% over the previous year to US$1,828 million. As a result of the company's effectiveness in deploying its cost optimization plan, 2008 EBITDA reached US$ 855 million representing an increase of 32% over the same period last year reflecting an EBITDA margin of 46.8%.

Fourth quarter blended ARPU reached US$ 7.6 with a decline of 6% over the same period last year mainly driven by the change of subscriber mix as Mobinil continued to penetrate lower market segments. Blended ARPU for the full year was US$8.0.

MOU in 2008 reached 165 minutes representing an increase of 3% versus 2007 while Q4 usage reached 165 minutes with an increase of 6% over the same period last year, mainly driven by the increase in prepaid usage and the decline in post-paid usage.

Capital expenditure in 2008 reached US$ 524 million, a reduction versus the previous year's figure of US$ 578 million.

During 2008, Mobinil launched the new 3G i-Phone in the Egyptian market available for all its subscribers along with exclusive data offers providing the most technically advanced services in the telecommunications industry. Mobinil also launched U-Control, a web-based solution that allows corporate customers to self manage their account services.

Mobinil proudly celebrated its unprecedented success over the last 10 years, earning the trust of 20 million subscribers by a give back to all those trusting subscribers through the "20 million subscribers promotion" that took place across all market segments.

Mobinil introduced a new level of connectivity in Egypt by launching the smallest laptop in the world, bundled with free 3G USB modem (ASUS Eee PC 900 offer, ASUS Eee PC 701 offer) providing the fastest Internet speed in Egypt, offered at a very attractive price.

As part of its environmental efforts, Mobinil collaborated with the Ministry of State for Environmental Affairs to contain the yearly "black cloud" phenomena by launching a national awareness campaign urging the public to stop burning rice straw, advising them against the hazards of the practice. The campaign targeted 2.4 million subscribers living in Delta governorates over a period of four weeks. The total number of SMS sent by end of the campaign exceeded 10 million.

Tunisiana – Tunisia

	December 2007	December 2008	Inc/ (dec)
Financial Data			
Revenues (US$ 000)	558,616	724,091	29.6%
EBITDA (US$ 000)	278,303	378,383	36.0%
EBITDA Margin	49.8%	52.3%	2.5%
Capex (US$ m)	76	99	30.3%

	December 2007	September 2008	December 2008	Inc/(dec) Dec. 2008 vs. Dec. 2007
Operational Data				
Subscribers	3,651,813	4,155,057	4,256,573	16.6%
Pre-paid	3,601,102	4,081,682	4,177,092	16.0%
Post-paid	50,711	73,375	79,481	56.7%
Market Share	47.7%	50.8%	51.1%	3.4%
ARPU (US$) (3 months)	14.3	14.7	12.7	(11.2%)
MOU (YTD)	135	153	158	17.0%
Churn (3 months)	7.6%	8.6%	8.0%	0.4%

Tunisiana is the market leader in Tunisia since the end of July 2008 and ended the year with an overall market share of 51.1% and approximately 4.3 million subscribers. This growth is closely associated to the launch of community and abundance concepts, aggressive acquisition promotions, such as summer promo, new offers launches such as Partners, Business Group+, Awal family and the loyalty program.

OTT's revenues grew almost 30% over 2007 to US$724 million mainly as a result of the strong subscriber base growth, up 16.6% over 2007. The performance is also explained by the ARPU boosting actions like Friends & Family which increased on-net off peak usage and significantly improved ARPU thanks to subscriptions fees, in particular within low to mid value. The ARPU growth was also enhanced by the Progressive permanent Bonus concept, which had the dual effect of retaining customers and of encouraging top-ups with higher domination recharges i.e. greater than 5 TND.

During the course of 2008, we have achieved an excellent performance in roaming in revenues compared to 2007 (+134.6%). The 2008 EBITDA grew to US$378 million, up 36% over the corresponding figure for 2007.

In local currency OTT's revenues grew 25% to TND 891 million while EBITDA reached TND 465.5 million, up 31% over the previous year.

Capex in 2008 reached US$ 99 million, growing 30% over the amount recorded in 2007.

banglalink – Bangladesh

	December 2007	December 2008	Inc/ (dec)
Financial Data			
Revenues (US$ 000)	193,144	288,144	49.2%
EBITDA (US$ 000)	(42,151)	13,683	132.4%
EBITDA Margin	(21.8%)	4.7%	26.5%
Capex (US$ m)	353	407	15.3%

	December 2007	September 2008	December 2008	Inc/(dec) Dec. 2008 vs. Dec. 2007
Operational Data				
Subscribers	7,082,348	10,143,274	10,337,128	46.0%
Pre-paid	6,577,336	9,509,485	9,699,375	47.5%
Post-paid	505,012	633,789	637,753	26.3%
Market Share	20.6%	22.5%	23.2%	2.6%
ARPU (US$) (3 months)	2.9	2.4	2.5	(13.8%)
MOU (YTD)	222	248	256	15.3%
Churn (3 months)	4.2%	7.1%	1.9%	(2.3%)

Banglalink's subscriber base at the end of 2008 reached 10.34 million, growing 46% over the previous year. As a result, banglalink's market share as of 31st December 2008 was 23.2%, a significant increase compared to last year where the year-end share was 20.6%. Banglalink focused on product offers aimed at increasing customer retention and acquiring customers giving better value during the year.

Banglalink reported an increase in revenues of approximately 50% year-on-year reaching total revenues of US$288 million. The revenue growth was driven by the increase in subscriber base, improved network quality, and usage enhancement initiatives. The launch of new VAS offerings including Music Station, Healthlink, SME helpline helped in tapping new revenue streams. Banglalink achieved a positive EBITDA of US$13.7 million mainly as a result of its focus on revenue enhancement and cost optimization.

Network quality improvement continued to be a high priority, and hence Banglalink continued its aggressive network expansion with investment of $407 million by year end 2008.

During Q4 2008, the telecom regulator allocated 17.5MHz additional spectrum to three top mobile operators at a cost of $11.5 million per MHz.

Table 14: Ownership Structure & Consolidation Methods

Subsidiaries	Ownership December 31 2007	Ownership December 31 2008	Consolidation Method December 31 2007	Consolidation Method December 31 2008
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	98.15%	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
Arpu +[6]	99.07%	-	Full Consolidation	-
M-Link	100.00%	100.00%	Full Consolidation	Full Consolidation
OT Services Europe	100.00%	100.00%	Full Consolidation	Full Consolidation
MedCable	100.00%	100.00%	Full Consolidation	Full Consolidation
Mena Cable	-	100.00%	-	Full Consolidation
Moga Holding	100.00%	100.00%	Full Consolidation	Full Consolidation
Oratel	100.00%	100.00%	Full Consolidation	Full Consolidation
C.A.T.[6]	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	-	100.00%	-	Full Consolidation
OT Holding	100.00%	100.00%	Full Consolidation	Full Consolidation
FPPL	-	100.00%	-	Full Consolidation
MinMax Ventures	100.00%	100.00%	Full Consolidation	Full Consolidation
OIH[7]	100.00%	100.00%	Full Consolidation	Full Consolidation
OTFCSA	100.00%	100.00%	Full Consolidation	Full Consolidation
OT Holding Canada[8]	-	100.00%	-	Full Consolidation
ITCL	50.00%	50.00%	Proportionate Consolidation	Proportionate Consolidation
SAWLTD	-	100.00%	-	Full Consolidation

1. Mobinil is a holding company which controls 51% of ECMS, the mobile operator. Mobinil is also the brand name used by ECMS.
2. Direct and Indirect stake through Moga Holding Ltd. and Oratel.
3. Orascom Telecom Tunisia is proportionately consolidated through Orascom Tunisia Holding and Carthage Consortium.
4. OT Ventures owns 100% of Sheba Telecom which operates under the trade name banglalink.
5. In September 2007, ARPU+ became fully consolidated in Intouch.
6. Direct and Indirect stake through International Telecommunications Consortium Limited (ITCL).
7. OIH owns 100% of Orascom Telecom Iraq which sold Iraqna in December 2007.
8. 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 & 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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