Investor Relations Presentation

H1-2007 Results

September 9th, 2007

Zain

Disclaimer

Certain expectations and projections regarding future performance of the company referenced in this presentation may be "forward-looking" statements within the meaning of applicable securities laws and regulations.

These are statements which the management believes are true at the time of their preparation based on available data and information and are subject to certain future events and uncertainties, that could cause actual results to differ materially from those anticipated in these forward-looking statements.

Zain

To Become A Global Telecoms Player

Who we are now

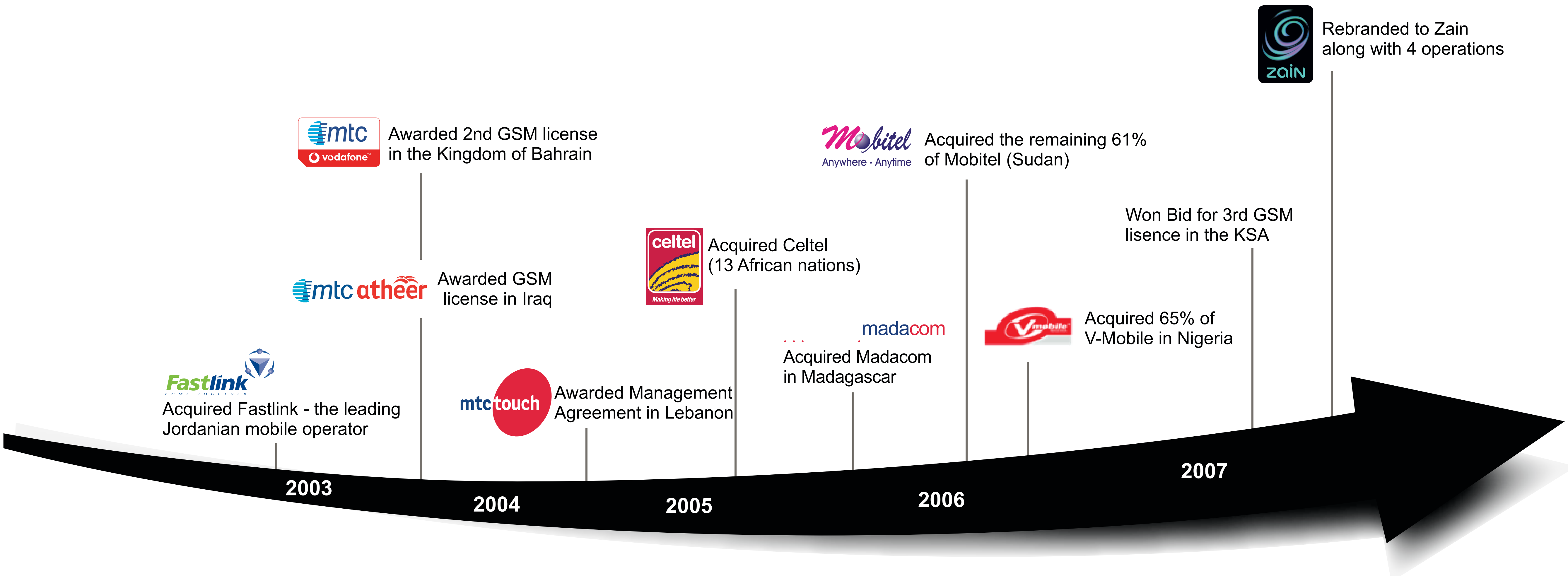
- Zain is an emerging telecoms player operating in 21 countries in the Middle East and Africa and serving over 32 million active customers.
- The company is the leading mobile telecom operator in 14 of its markets, while 5 are in second position
- $2 billion in EBITDA by end of year 2006

Strategic Objectives by 2011

- Become one of the top 10 mobile telecommunications companies in the world
- Have a truly multinational organization and management team
- Reach a customer base of 70 million (organic growth)
- $6 billion in EBITDA

Zain’s Historical Growth

From a National Player to an Emerging Markets Leader



Achieving our 3x3x3 vision

Zain's Historical Growth

From a National Player to an Emerging Markets Leader

1983-2002

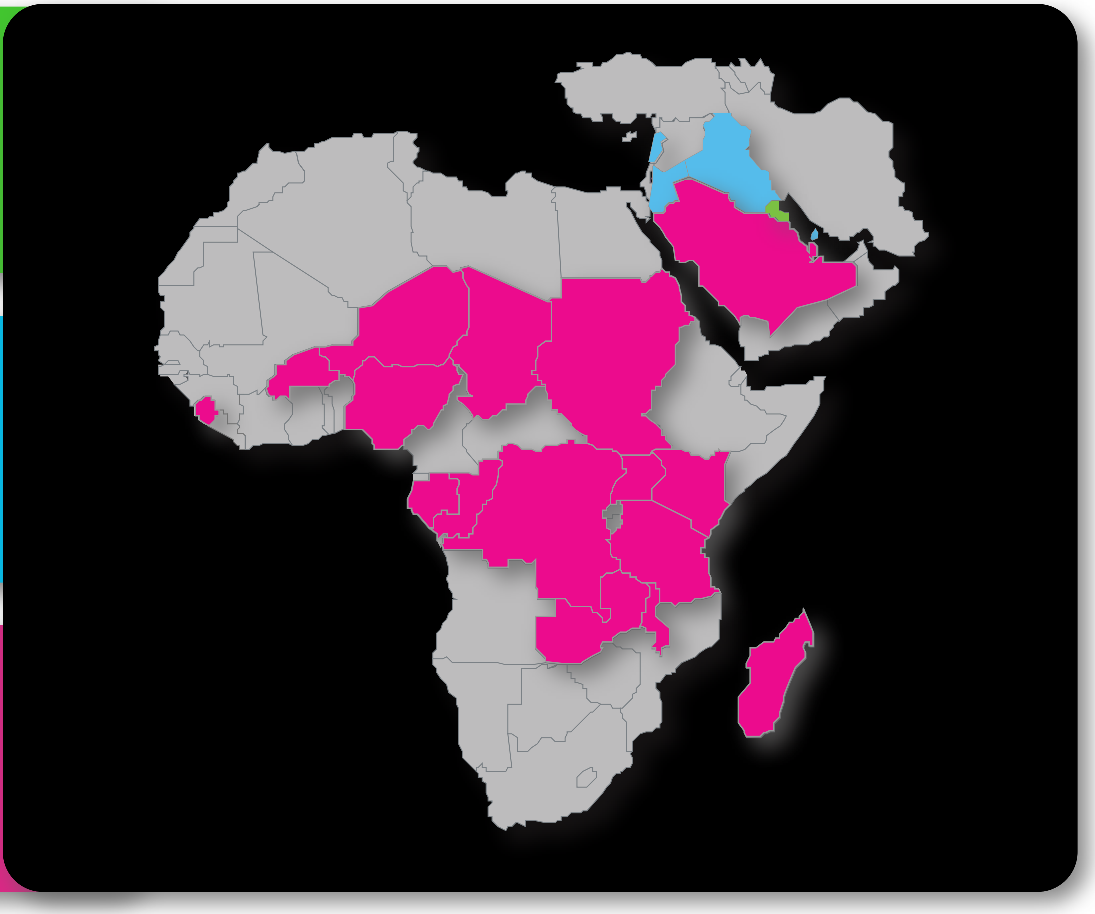
Population under license: 3.2 million
Number of Operations: 1

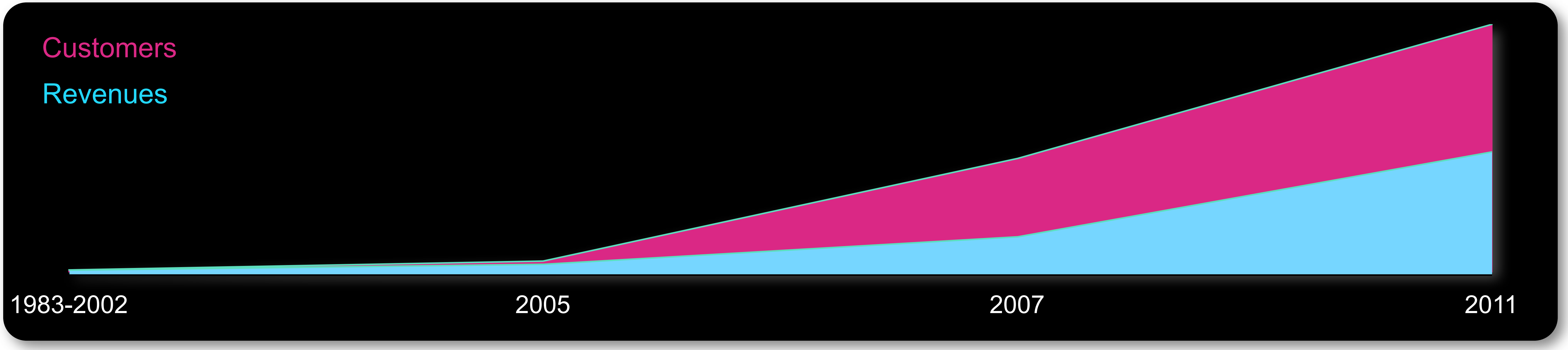
2002-2005

Population under license: 42.8 million
Number of Operations: 5

2005-2007

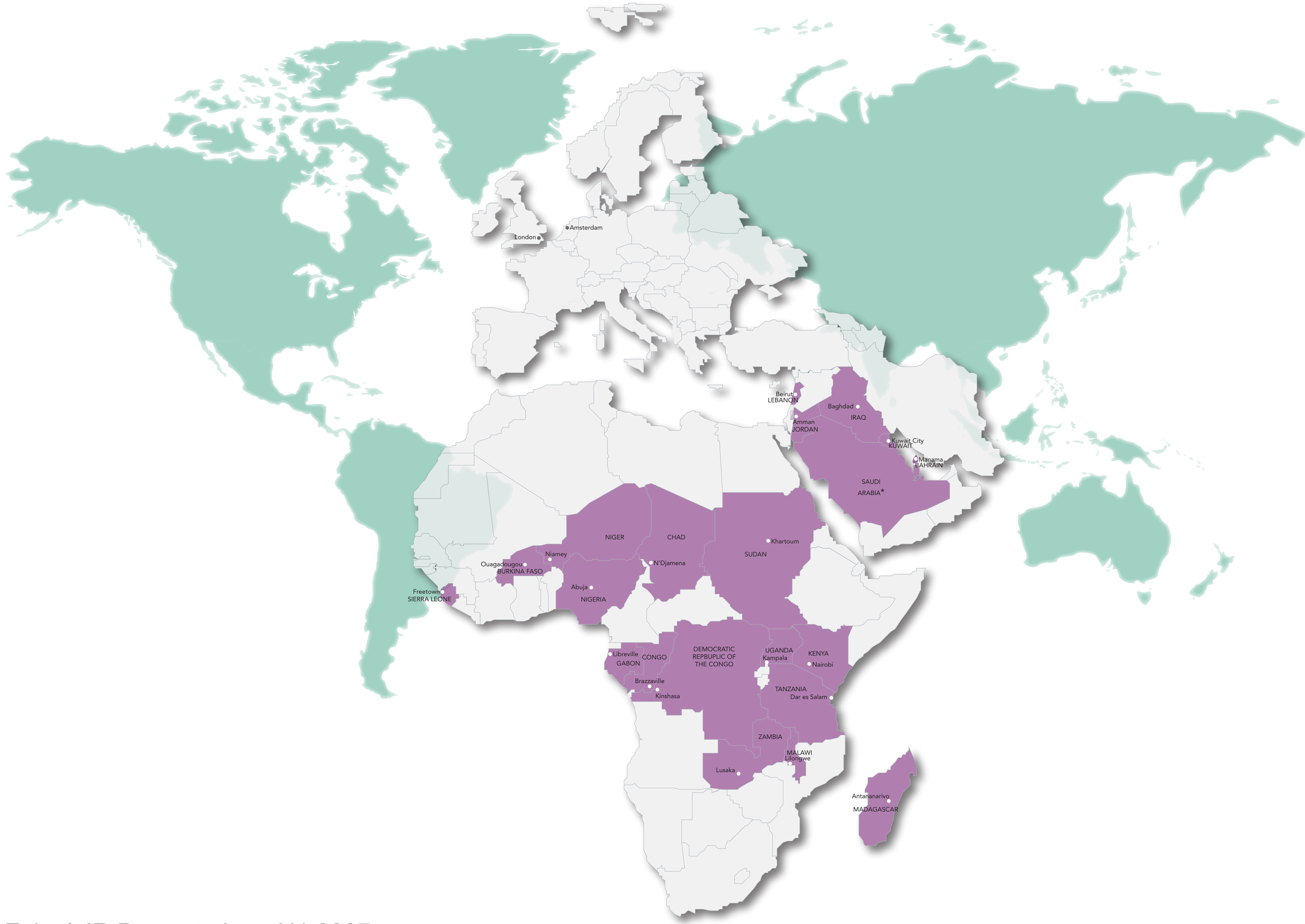
Population under license: 490 million
Number of Operations: 21



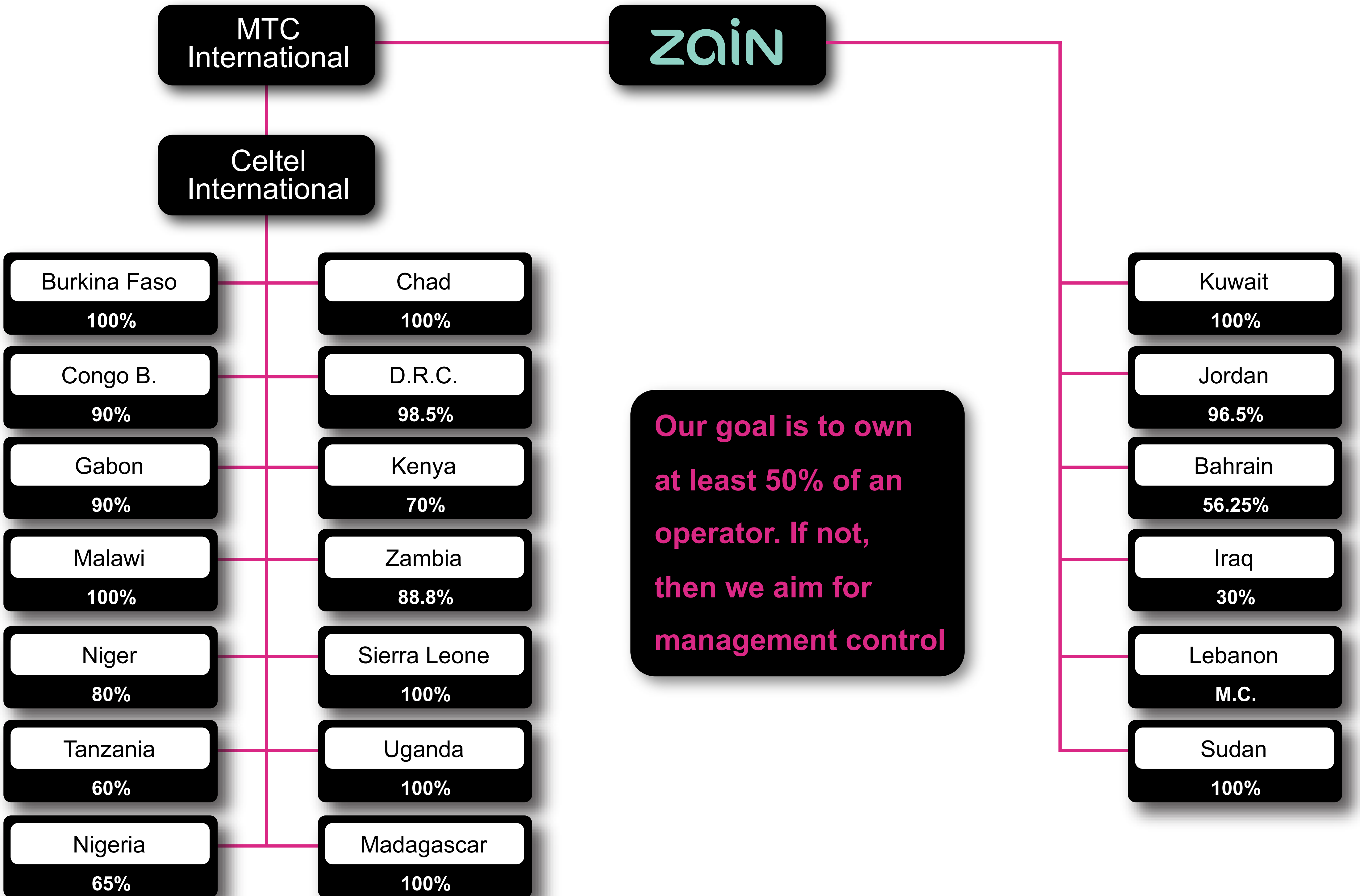


Zain's Historical Growth

From a National Player to an Emerging Markets Leader

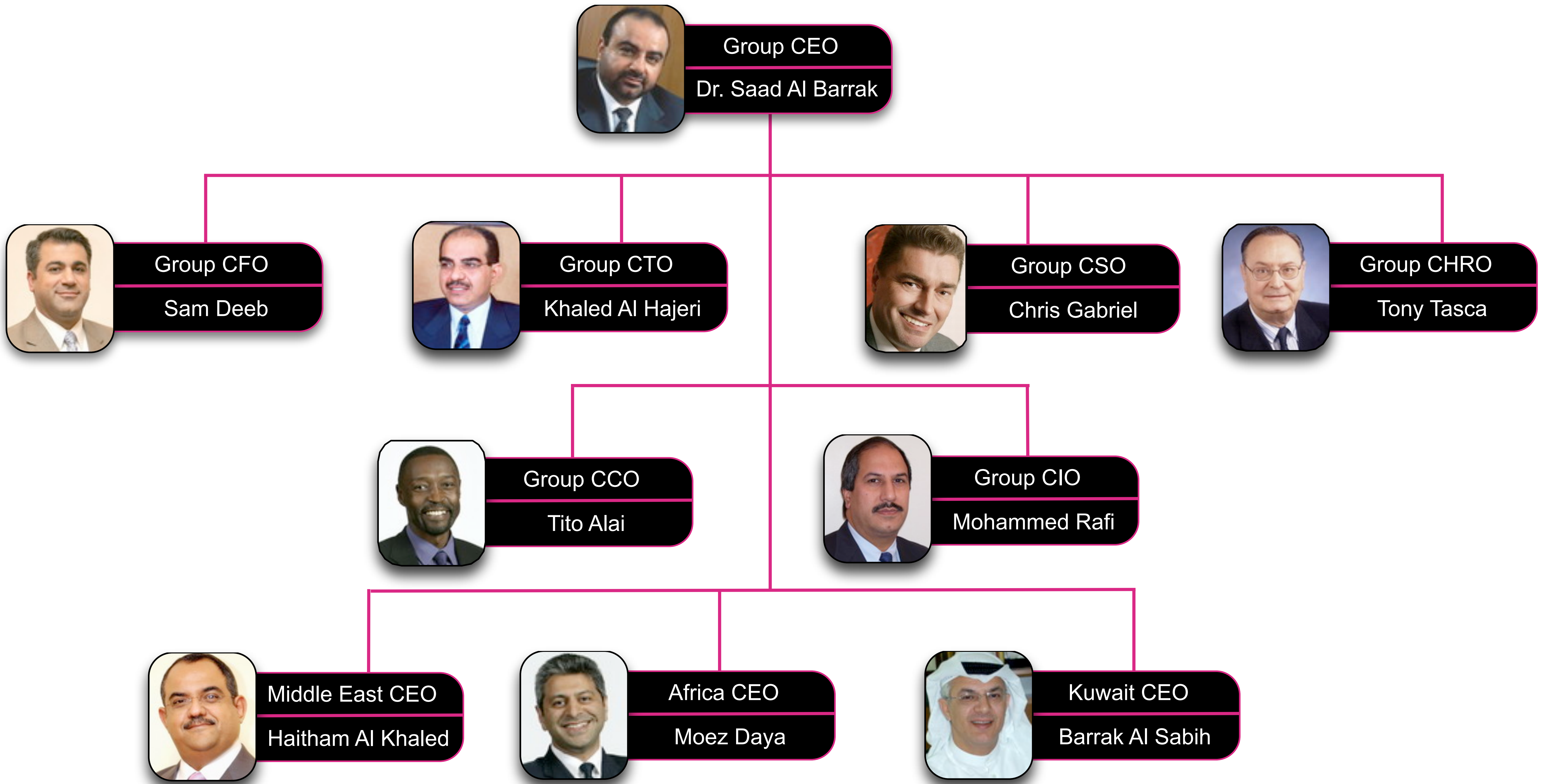


Group Structure



Executive Management

Unified and Experienced Management Team



Executive Management Team

Under Dr. Al Barrak's tutelage, MTC grew from a company with 600,000 customers in 2002 to a conglomerate of 21 operations with over 32 million active customers across the Middle East and Africa. In this period, MTC's market capitalization on the Kuwait Stock Exchange has increased from less than US$3 billion to exceed US$30 billion (Sept. 4, 2007).

Dr. Al Barrak holds a:

- BSc in Electrical Engineering
- MSc in Systems Engineering from Ohio University
- PhD in Information Systems & Technology Management from the University of London.
- He is also an alumnus of Harvard University.

Prior to his appointment with MTC, Dr. Al Barrak was Managing Director of International Turnkey Systems (ITS), one of the leading IT companies in the Middle East and North Africa (MENA) region. Under Dr. Al Barrak, ITS's revenues grew from US$5 million in 1985 to exceed US$100 million in 2000.

Dr. Al Barrak was Vice-Chairman of the Social Development Office (SDO) of the Amiri Diwan in Kuwait; Chairman of Egyptian software developer IT Soft; Chairman of Arab Telecom; and a non-executive Director of Arab Management Association in Cairo.

In 2007, he recieved a "Lifetime Achievement Award" by a leading telecoms magazine for his pionnering efforts in the industry and in 2005 he also received the Middle East's 'CEO of the Year' award in the Information Communication Technology sector. In 2003 Dr. Al Barrak received the 'E-businessman of the Year' award for the region.

Dr. Saad Al Barrak
CEO
Zain Group

Zain's Key Performance Indicators

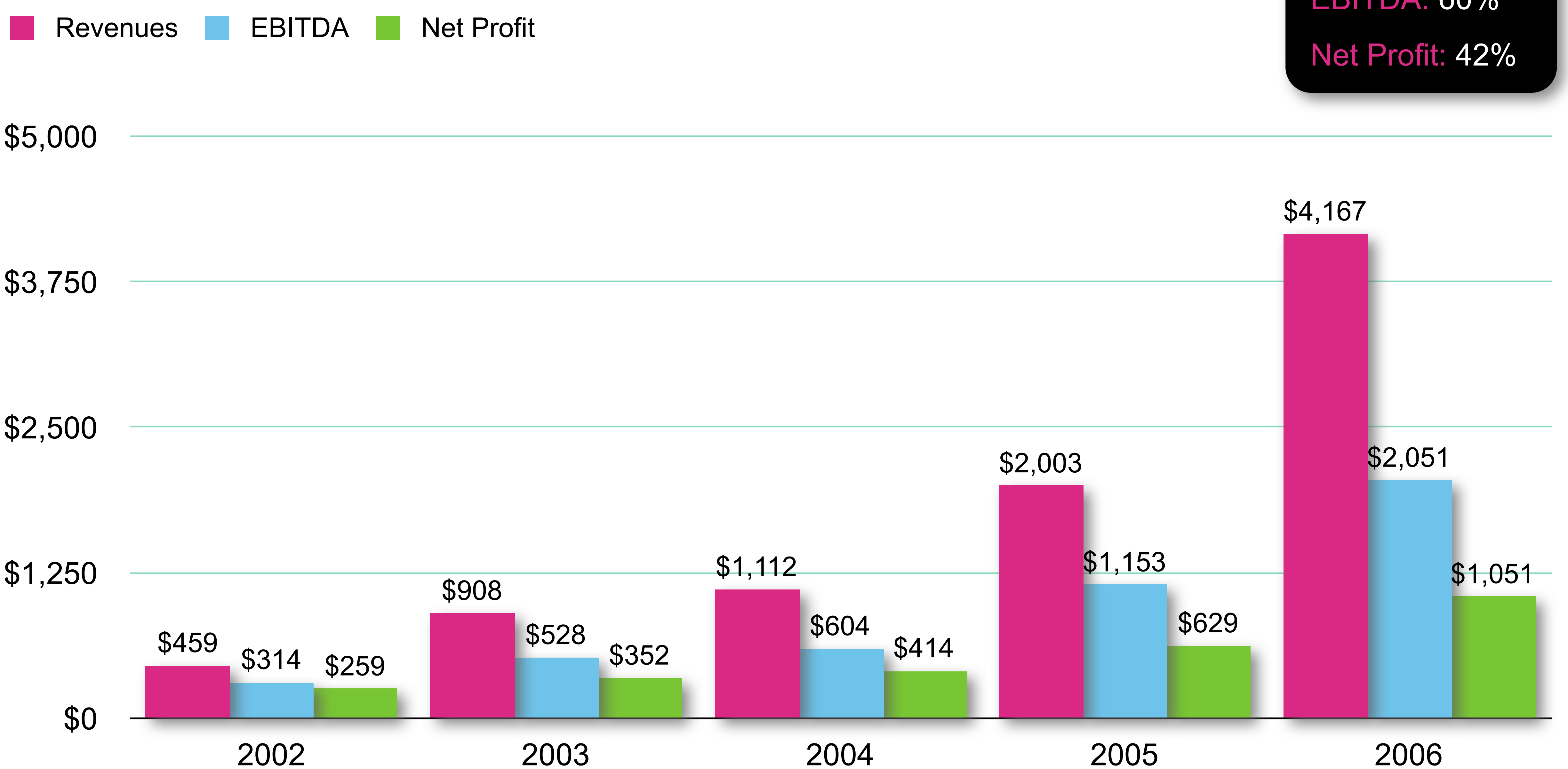
Our Achievements

CAGR

Revenues: 74%

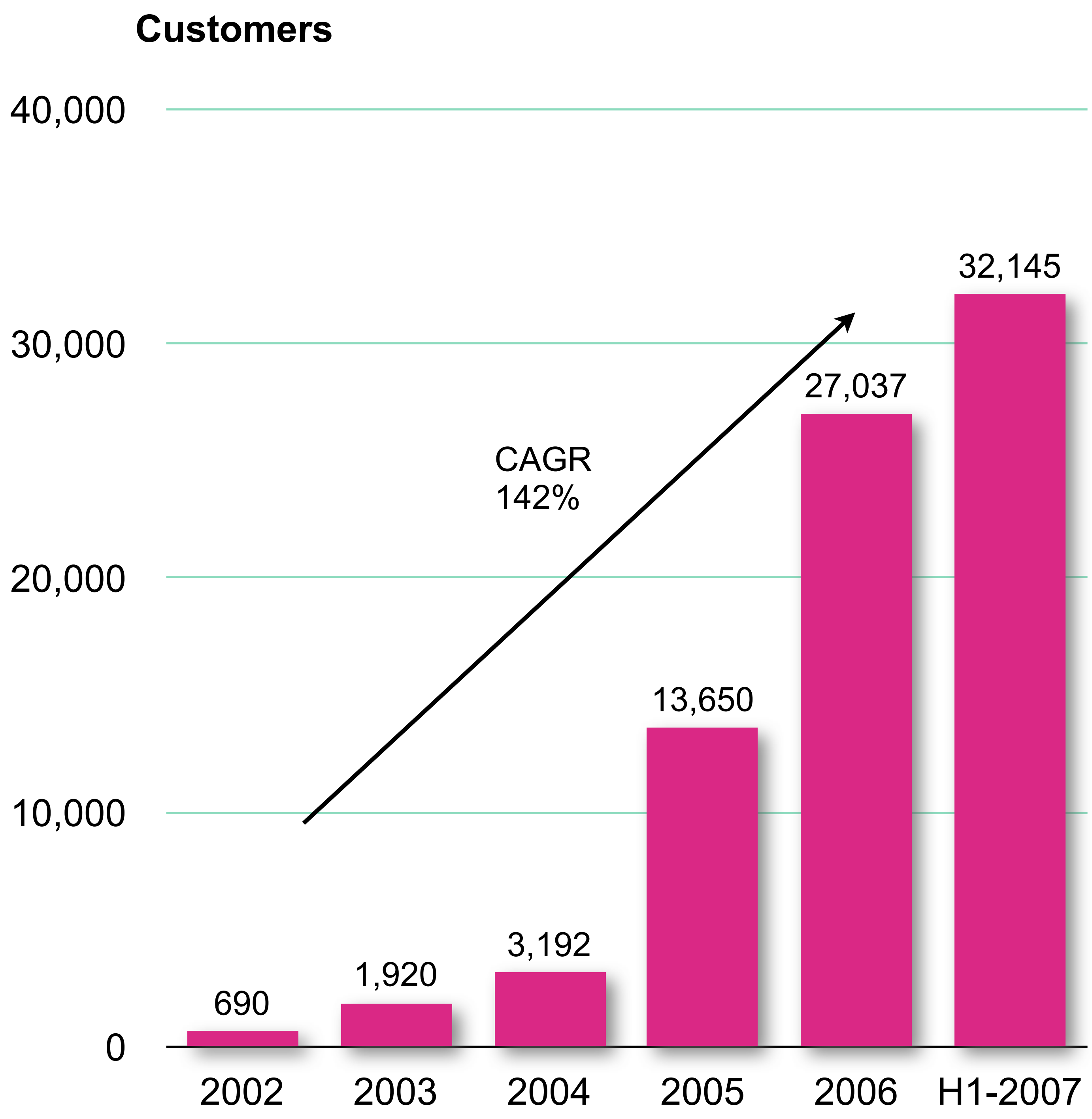
EBITDA: 60%

Net Profit: 42%



Zain's Customers

Driven by Organic Growth



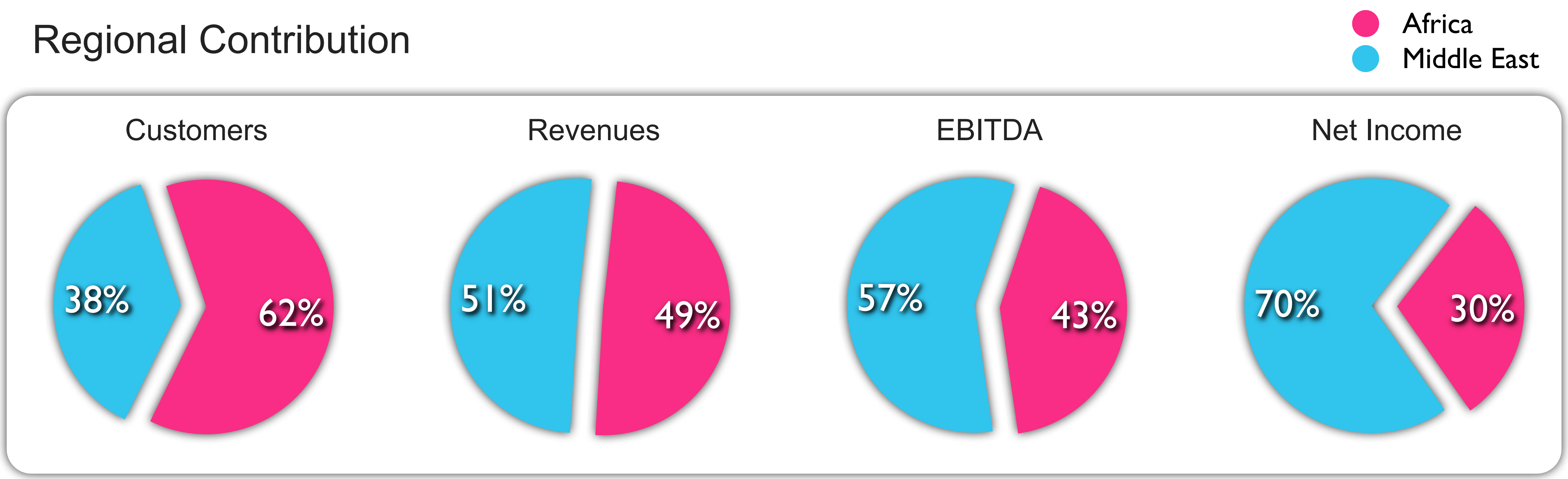
Customer Growth

Our customer numbers will grow organically driven by the high potential markets of the African continent

Zain's Key Performance Indicators

Synergies of Two Regions

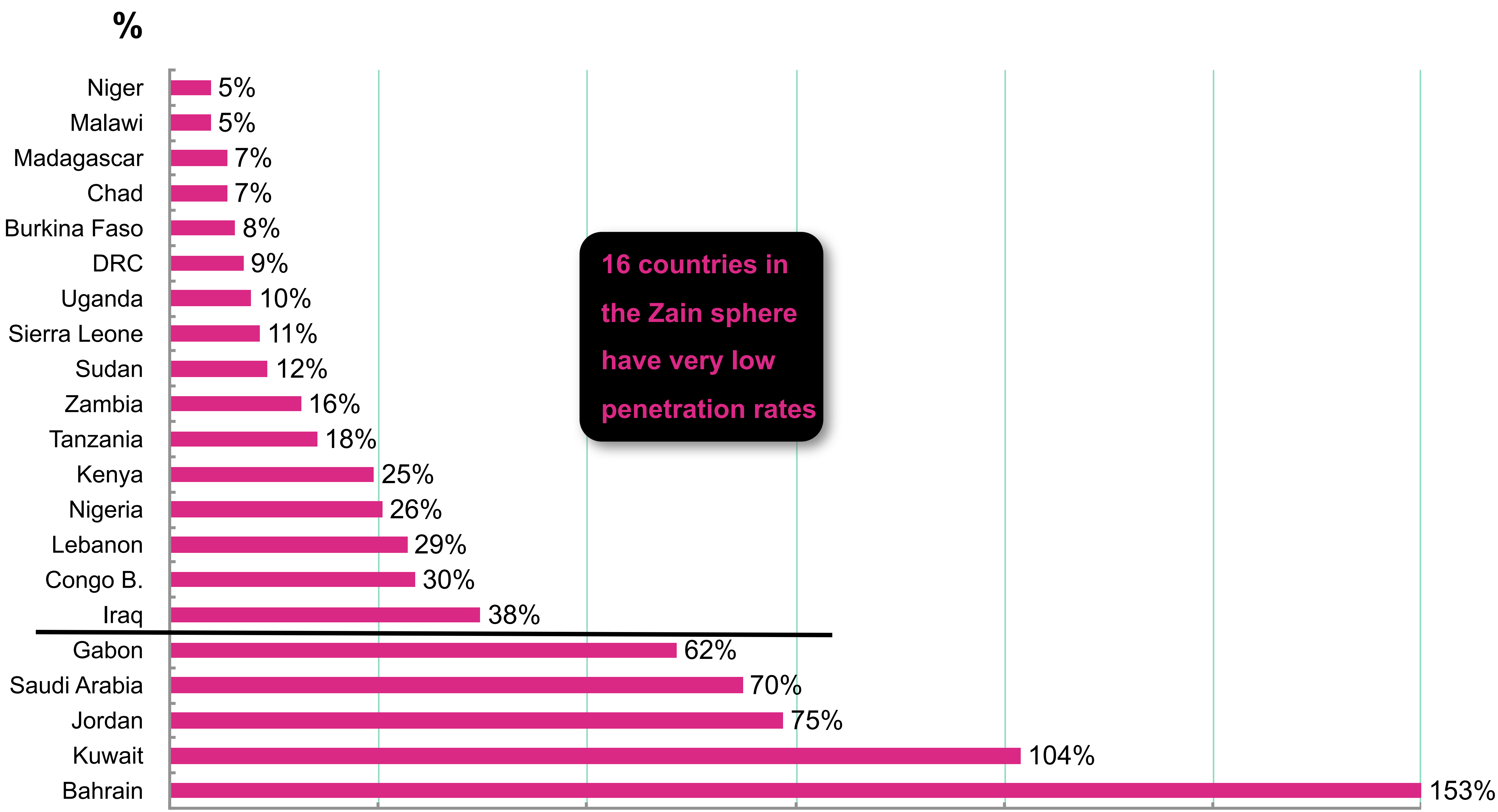
Regional Contribution



Full Year 2006	Customers (m)	Revenues (m)	EBITDA (m)	Net Income (m)
Middle East	10.167	$2,116	$1,210	$787
Africa	16.870	$2,050	$897	$333
Group Total	27.037	$4,166	$2,045	$1,050
YoY Growth	+98% ▲	+110% ▲	+79% ▲	+69% ▲

Penetration Rates

Substantial Potential for Future Growth



Source: Informa

Zain's Stock Price

Building Investor Confidence

Zain's market cap recorded a 140% year-on-year increase as of September 4, 2007.

As of end of year 2006, Zain had a total of 1,238,307 shares outstanding.

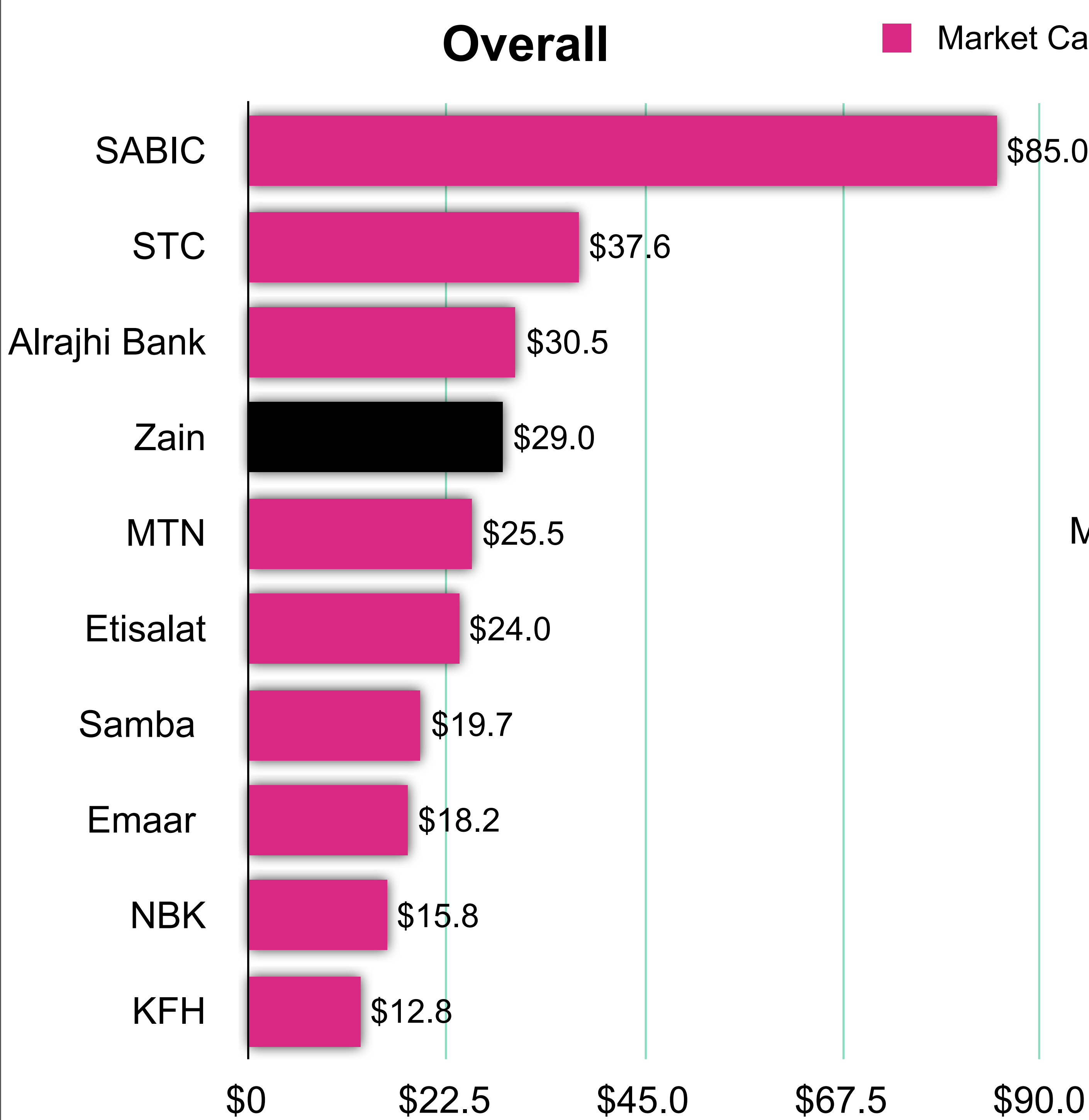
USD (million)	2003	2004	2005	2006
Average Daily Trading (value)	4.62	4.25	9.49	8.67
Average Daily Trading (share)	454,694	359,819	622,730	806,075

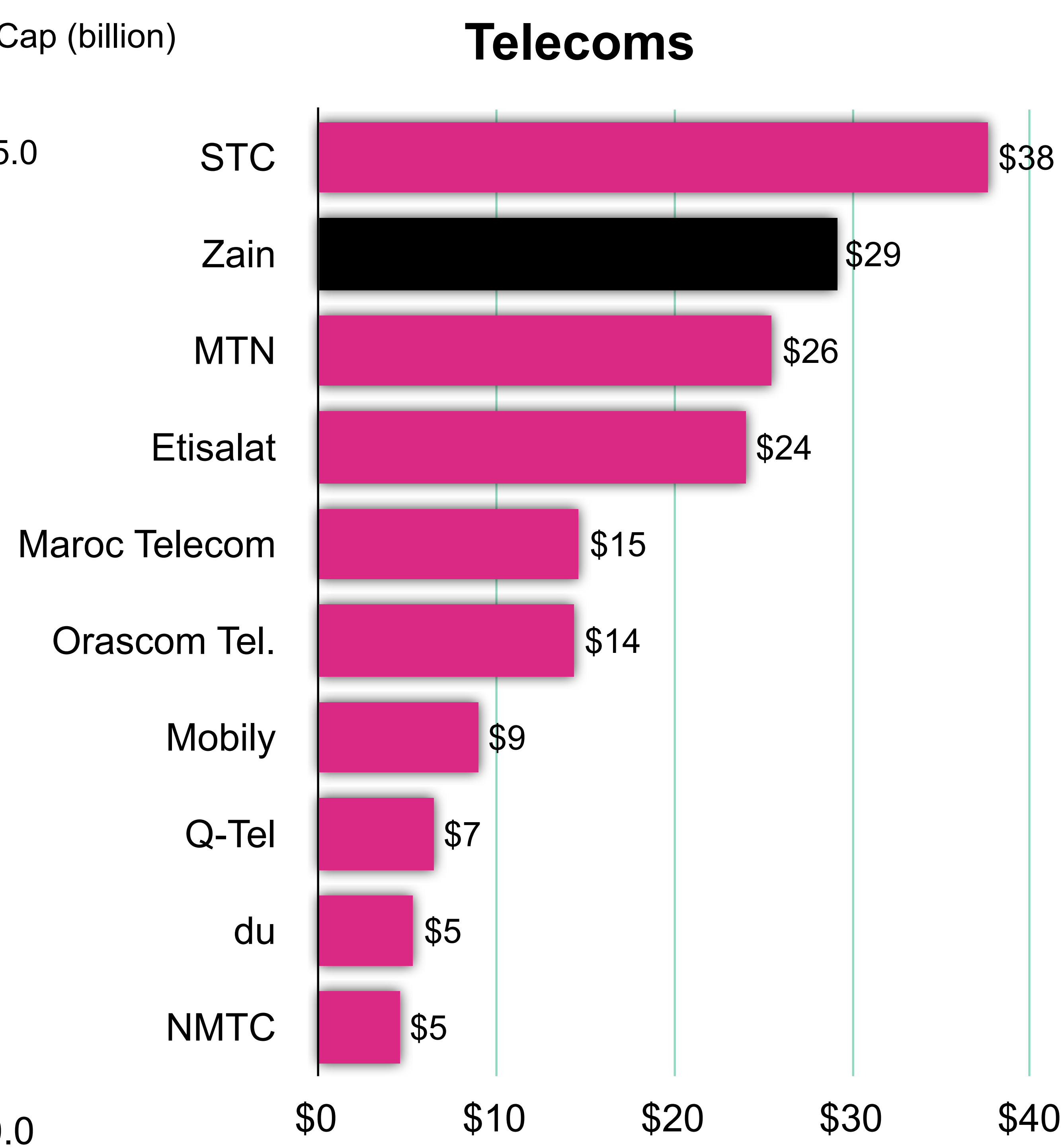
Return on Investment from Jan 2003 to Dec 2006 (Dividends & Price Appreciation)	240%
Annual CAGR (from 2002 to 2006)	37%

- MTC distributed 5%, 7%, 15% Bonus shares on April 2004, 2005, 2006 respectively
- MTC did a 100% Capital increase on Nov 2005

Top 10 Companies in Middle East & Africa

Overall and Telecoms





As of 15 August,2007

Source: Reuters

Moving Forward

Expansion

- Start of operations in Saudi Arabia by Q1-2008
- Acquired a 15-year license in Iraq
- Looking to bid for a license in Lebanon
- Assessing viable opportunities in key adjacent markets

IPO

- The Zain Group through its international subsidiary MTC International is working towards a primary listing on the London Stock Exchange (LSE) by 2008

- The Zain consortium will initiate an IPO in Saudi Arabia in accordance with legal requirements which will eventually reduce the company's ownership stake to 25% by Q4-2007

- Zain's K.S.C stock will continue to be listed on the Kuwait Stock Exchange under the stock ticker ZAIN

ACE

- Zain will become one of the **Top-10 mobile operators in the world by 2011**

ACE Strategy

Spearheading our Global Vision

Accelerate

- Accelerate growth in all operations:
  - Middle East
  - Africa

Consolidate

- Capture group-wide synergies
- Attain full ownership in subsidiaries where possible and where price is value creating
- Improve performance of the Middle East and Africa operations

Expand

- Expand into adjacent markets, i.e. Iraq, Saudi Arabia and Africa
- Expand existing operations into adjacent businesses, e.g., Wireless broadband and Home-zone pricing
- Opportunistically pursue value-creating M&A activities in complimentary markets

One Network

Innovative Services Guaranteeing Further Competitive Advantages

What is One Network?

- The world's first border-less mobile network - started in Sept. 2006 and expanded in June 2007
- Includes Kenya, Tanzania, Uganda, Democratic Republic of Congo, Congo and Gabon - thus covering a 4.7 million square kilometers strip with over 160 million people.
- Allows post-paid and pre-paid Celtel subscribers in all six countries to:
    - Make calls at local rates,
    - Receive incoming calls free of charge
    - Use voice mail and other local services anywhere
    - Top-up their pre-paid phones with airtime cards bought in their home country or any of the six countries they are located in.

Zain’s
Mobile Operations

Regional Characteristics

Middle East

Mature Market

High ARPU

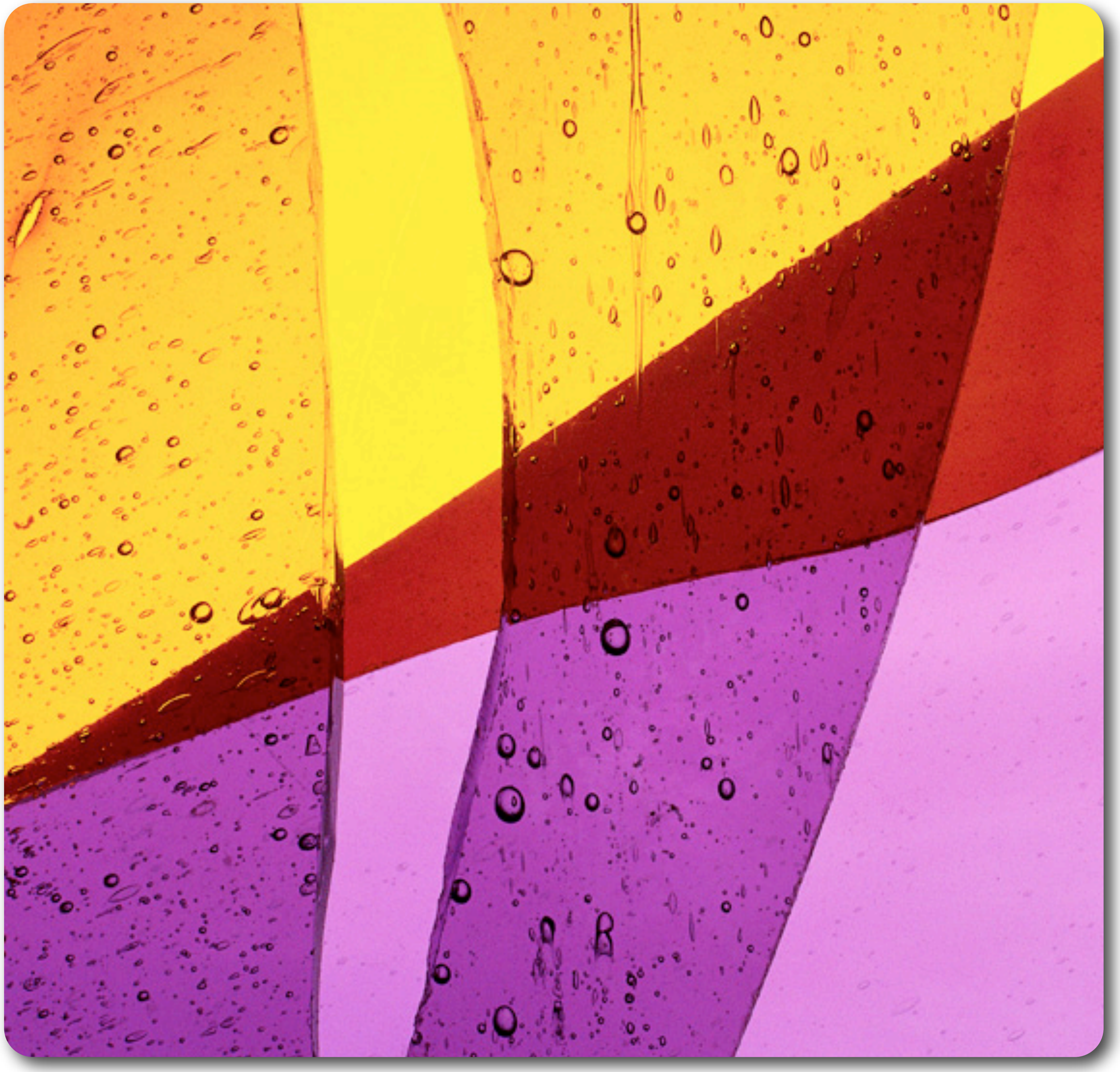
Moderate Growth

Africa

Emerging Markets

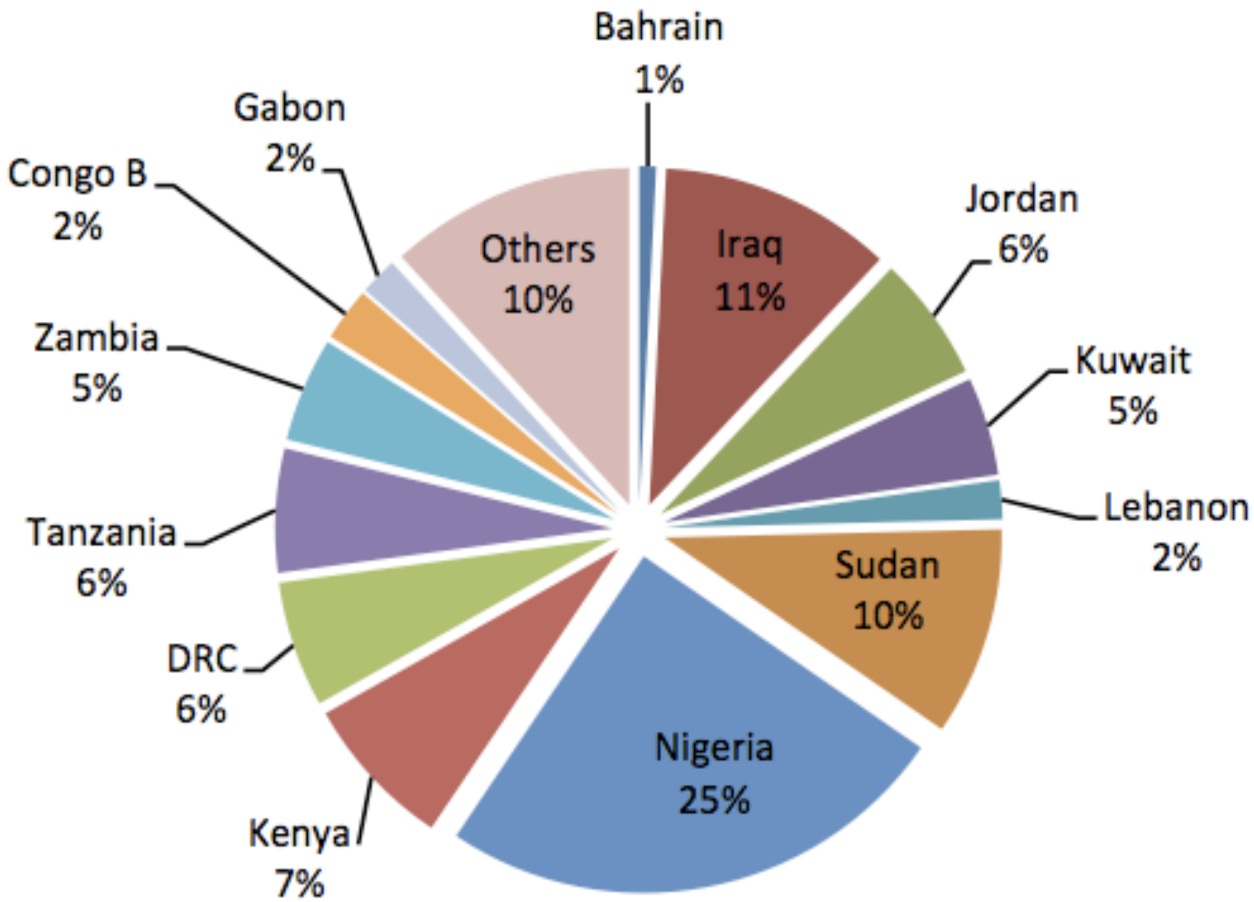
Medium ARPU

Very High Growth

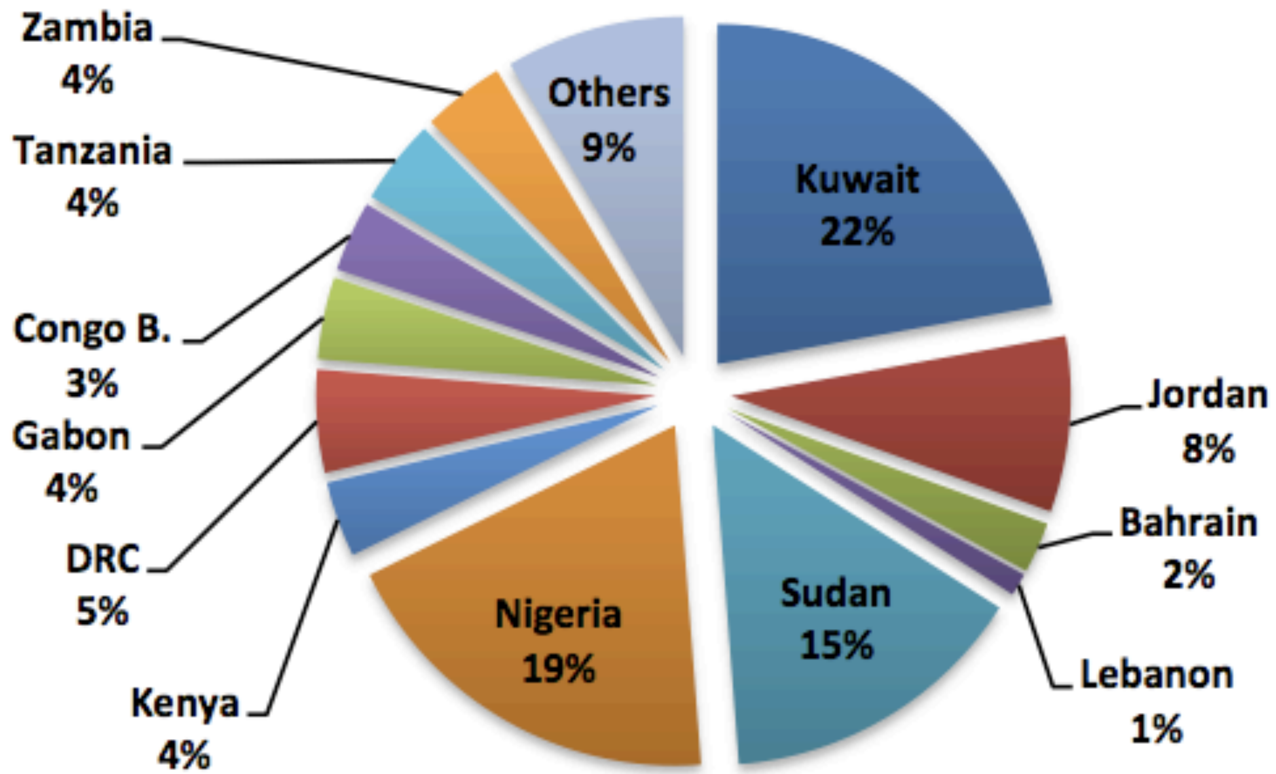


Zain Group Country Breakdown

Zain Group Customers

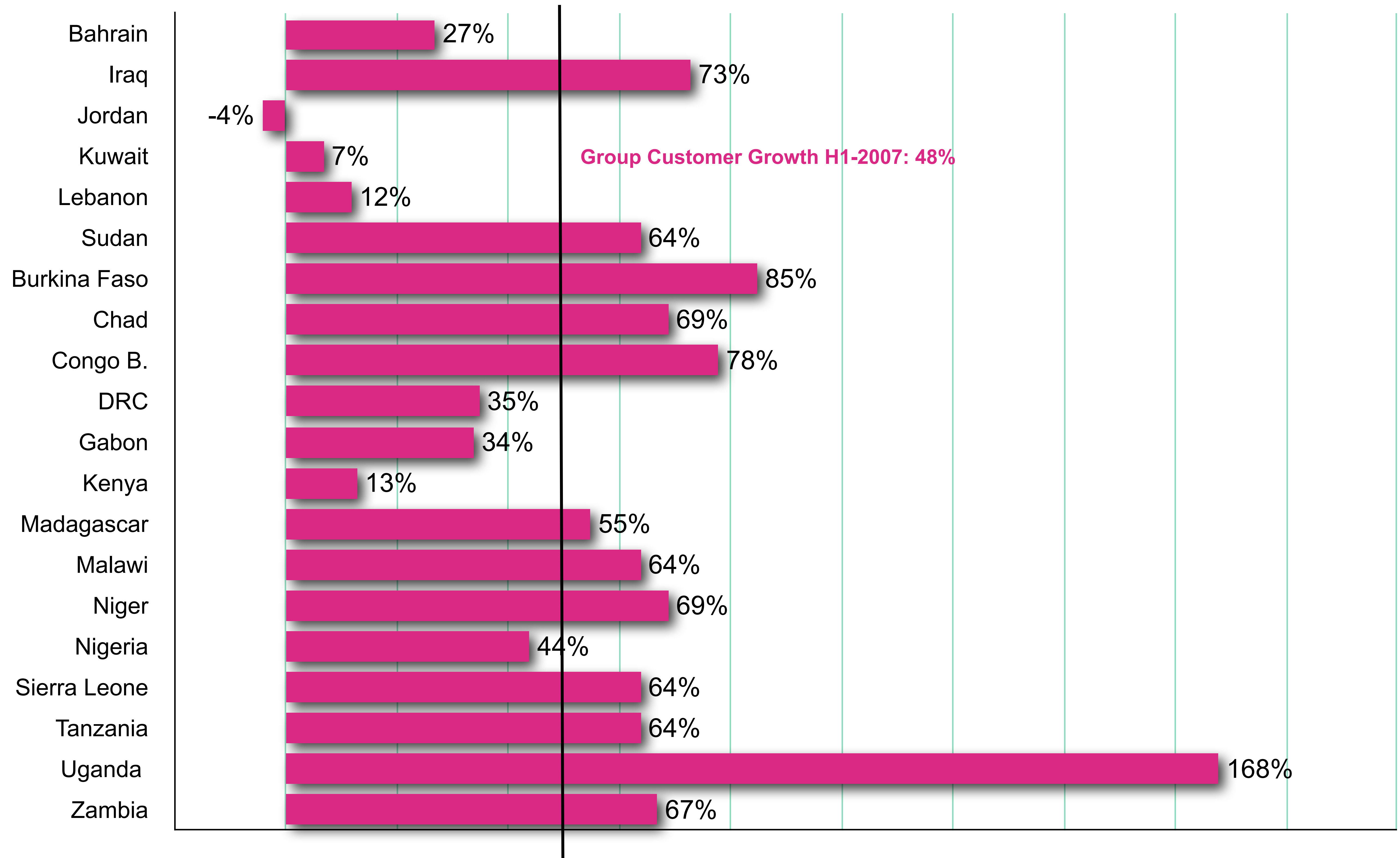


Zain Group Revenues*



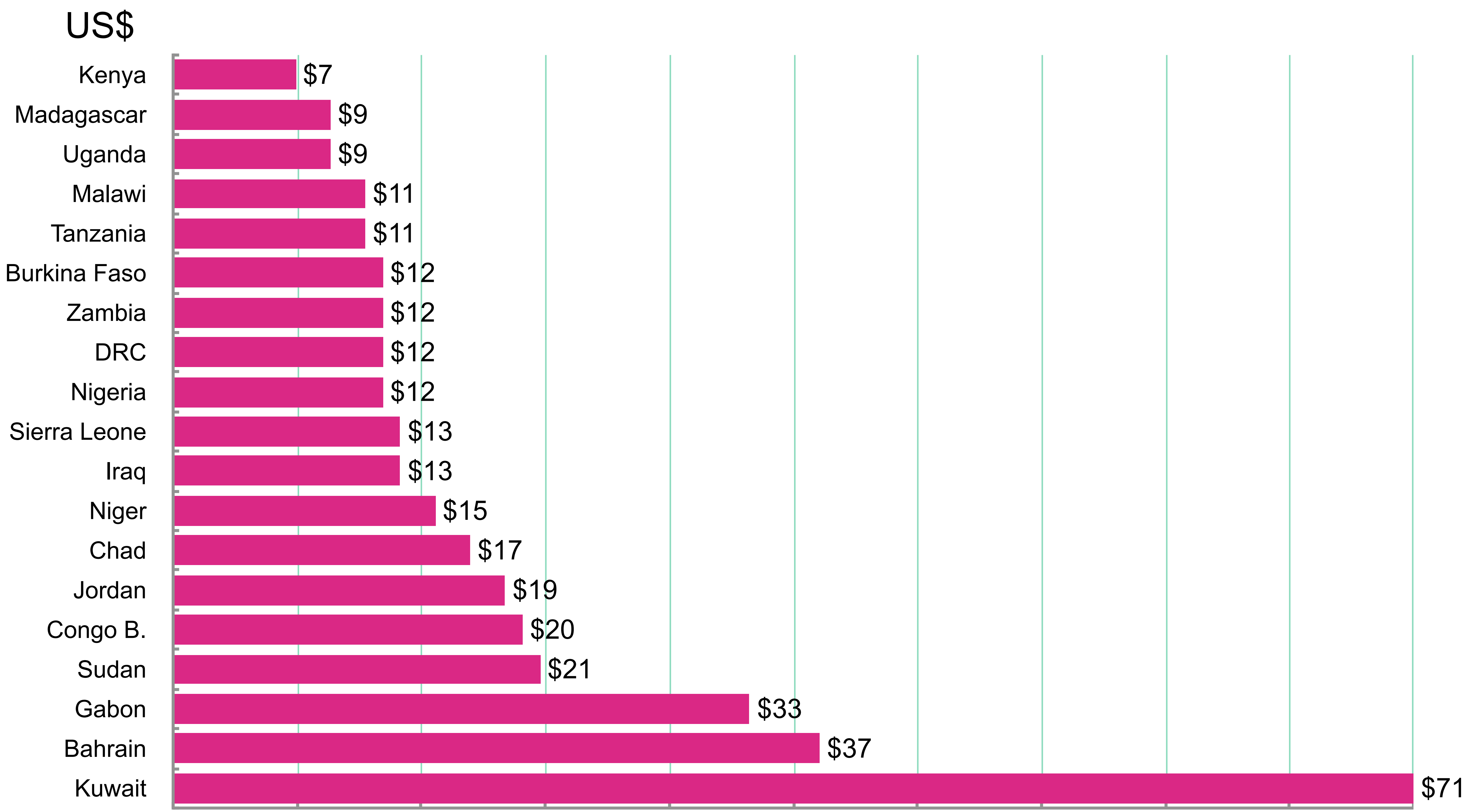
*Iraq is not consolidated

Zain Group Customer Growth



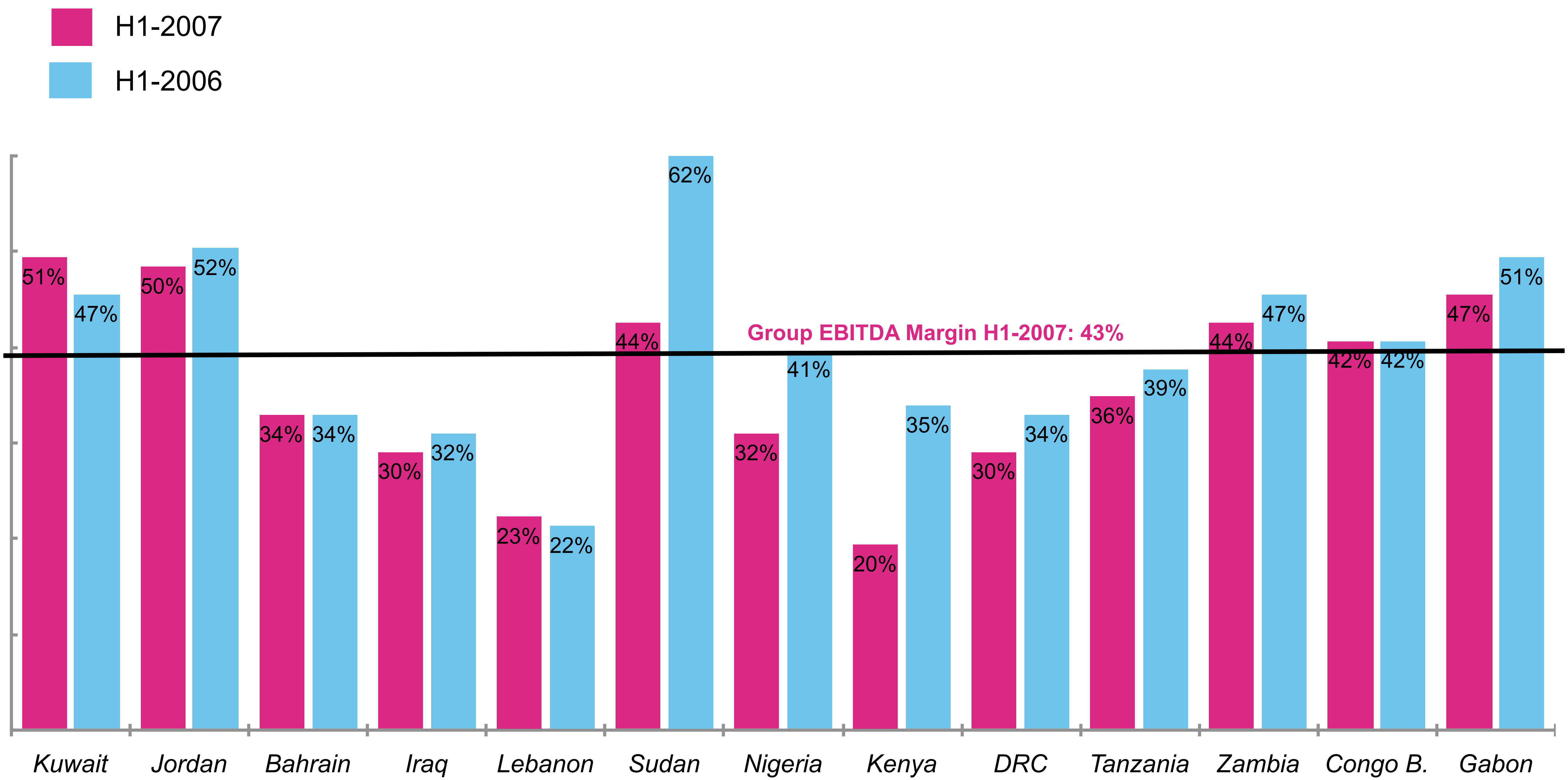
Blended ARPUs

H1-2007



Note: Lebanon ARPU not included due to Management Contract

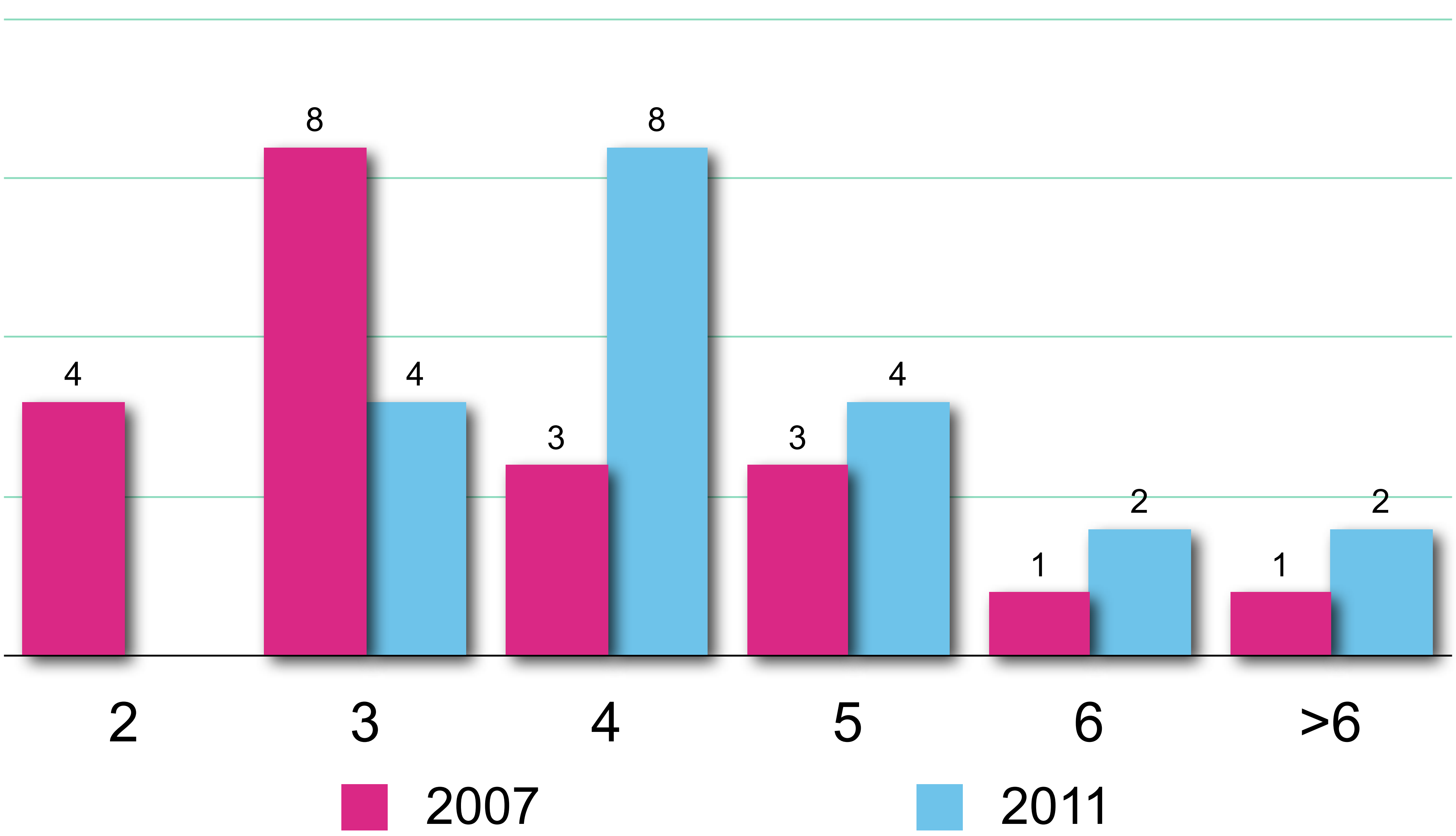
EBITDA Margins



Competitive Landscape

Growing Rapidly

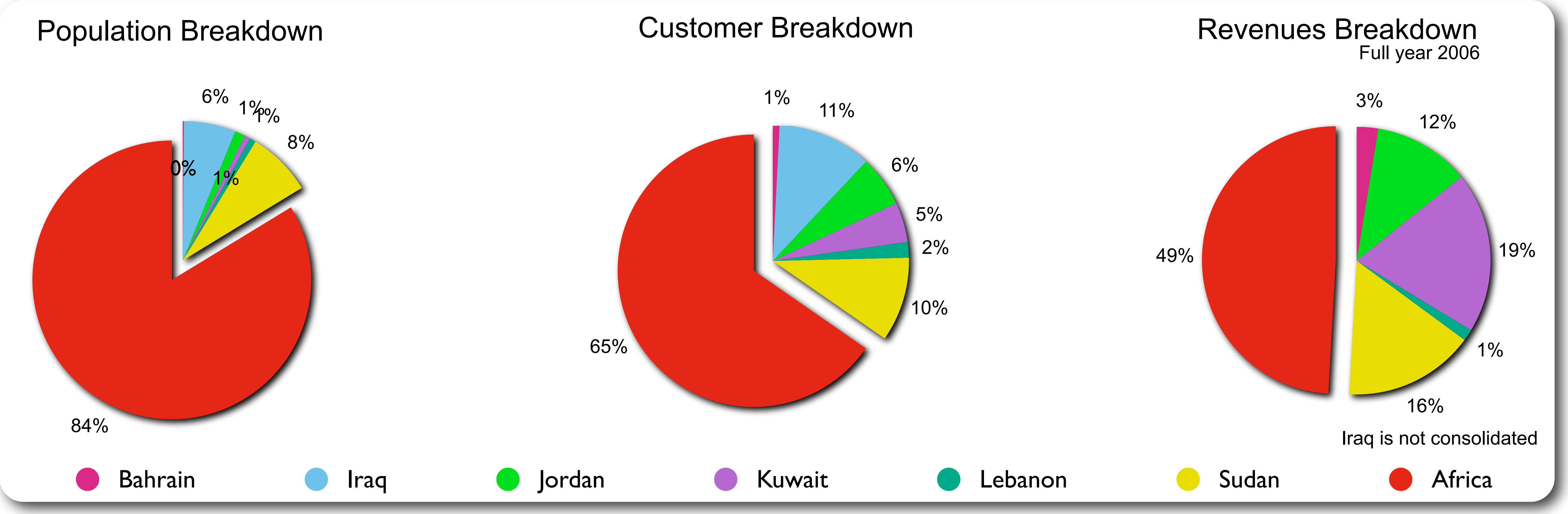
Number of market players in Zain countries



Middle East

High Revenues Stream

	Population (000s)	Customers (000s)
Kuwait	3,200	1,518
Jordan	5,900	1,941
Bahrain	700	257
Iraq	29,400	3,601
Lebanon	3,600	598
Sudan	37,000	3,224
Total	**79,800**	**11,139**



Kuwait

Zain

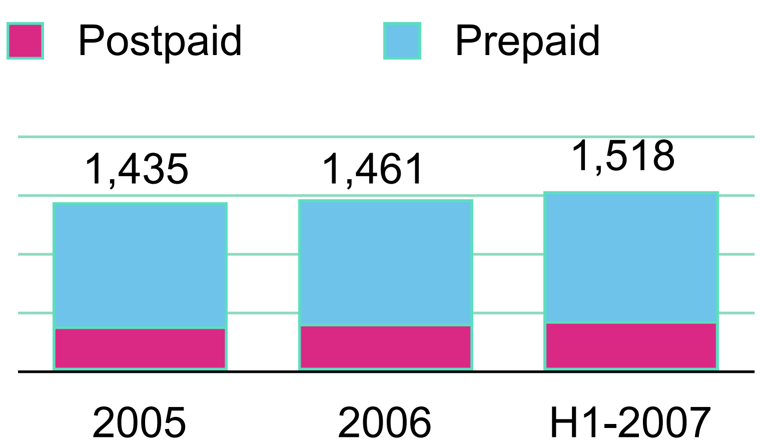
Contribution to Group total - Population: 1% Customers: 5% Revenues: 22% - Customer YoY Growth: 7%

- Zain's Kuwait operation is the single largest contributor to the company's net profit along with one of the highest ARPUs in the Middle East & Africa region
- In June 2007, Zain Kuwait launched Blackberry services under an exclusive 1-year license agreement
- The Zain Group is listed on the Kuwait Stock Exchange with a 24.6% holding by the Kuwait Investment Authority
- The Kuwaiti government will issue a third mobile license before end 2007, thus further increasing competition

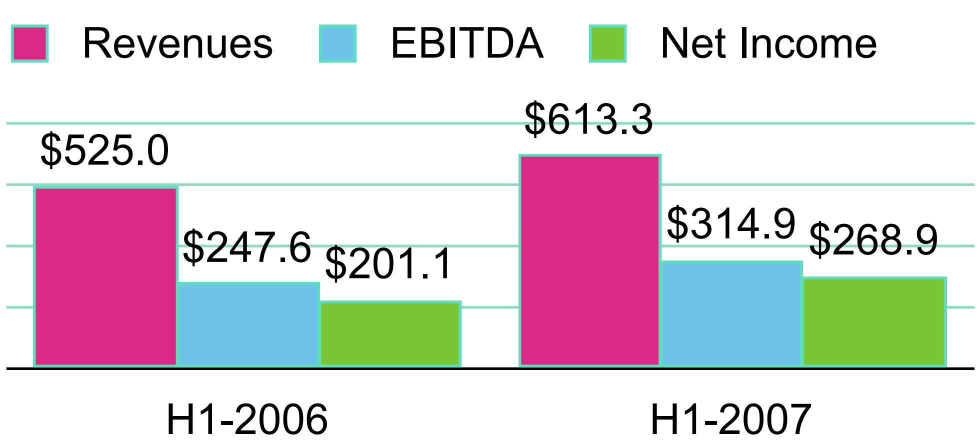
Key Statistics H1-2007

Population (000s)	2,900
GDP/Capita (PPP)	$23,100
Year of launch	1983
Ownership	100%
Mobile Penetration	104%
Number of Operators	2
Market Positioning	1
Market Share	52%
ARPU	$71

Customers (000s)



Financial Performance (USD m)



Jordan

Zain

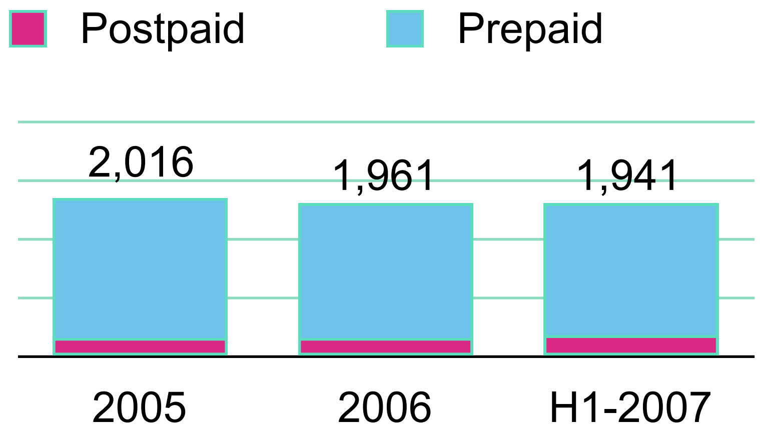
Contribution to Group total - Population: 1% Customers: 6% Revenues: 8% - Customer YoY Growth: (4)%

- Zain Jordan is the Group’s first acquisition in the Middle East. It was acquired for US $423.9 million in January 2003
- Jordan is considered one of the most liberalized telecom markets in the Middle Eastern region. Despite being one of the most competitive markets, the operator maintains its no 1 position.
- The operation has witnessed a slowdown in customer growth, mainly due to the market entering the maturity phase. Zain Jordan has thus strategically shifted its focus from customer acquisition to retention and value extraction from the company’s existing base

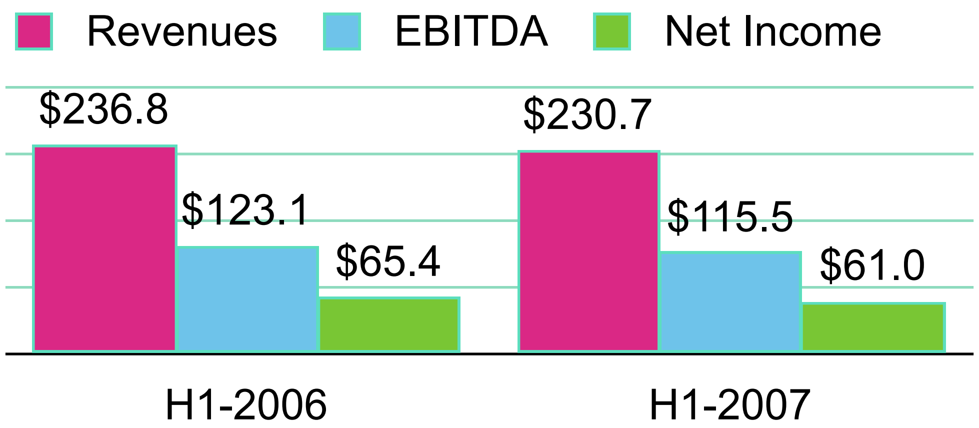
Key Statistics H1-2007

Population (000s)	5,900
GDP/Capita (PPP)	$5,100
Year of acquisition	2003
Ownership	96.5%
Mobile Penetration	75%
Number of Operators	4
Market Positioning	1
Market Share	46%
ARPU	$19

Customers (000s)



Financial Performance (USD m)



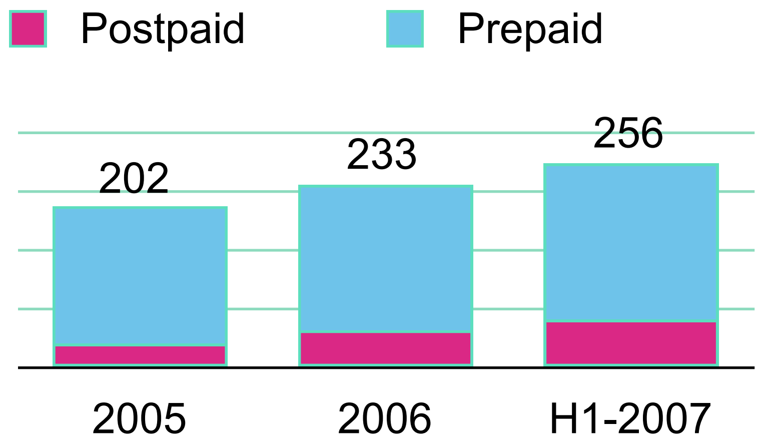
Bahrain

Zain

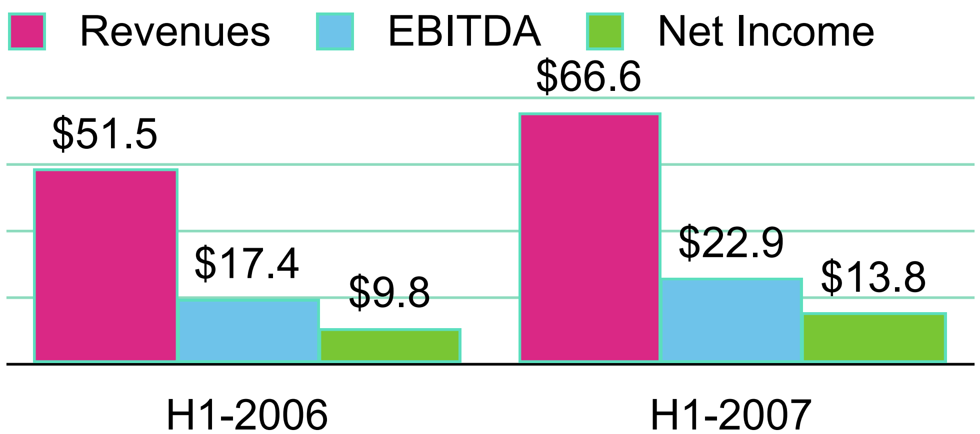
Contribution to Group total - Population: 0% Customers: 1% Revenues: 2% - Customer YoY Growth: 27%

- Zain Bahrain is the Group's most technologically advanced mobile operator. As an example, the operator was the first to launch 3G and 3.5G services in the region, in Dec. 2003 and May 2006 respectively.
- Zain Bahrain acquired a nationwide Wi-Max license for US$14.58 million. Full commercial services will begin by Q3-2007
- Bahrain has fully liberalized the fixed line, cellular and data sectors and has a very effective and fully independent Telecom Regulatory Authority (TRA)
- Bahrain has the highest mobile penetration rate in the Middle East & Africa region

Customers (000s)



Financial Performance (USD m)



Key Statistics H1-2007

Population (000s)	700
GDP/Capita (PPP)	$25,800
Year of launch	2003
Ownership	56.25%
Mobile Penetration	153%
Number of Operators	2
Market Positioning	2
Market Share	34%
ARPU	$37

Iraq

MTC Atheer

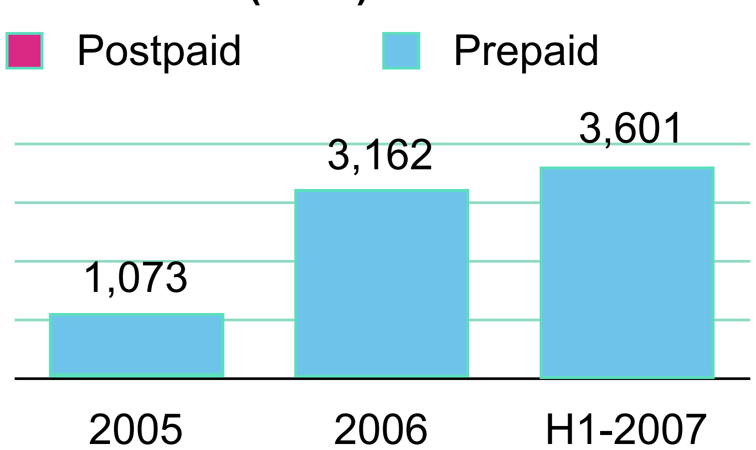
Contribution to Group total - Population: **6%** Customers: **11%** Revenues: **nc** - Customer YoY Growth: **73%**

- Acquired a 15-year nationwide mobile license for US$1.25 billion in August 2007. The payment to the Government of Iraq is phased over three installments.
- Competitive market with 3 mobile operators regulated by the Iraqi Communications and Media Commission (CMC)
- MTC Atheer's GPRS mobile network offers the most advanced mobile services in Iraq and has the widest reaching mobile telecommunications network in the country spanning over 6,000 kms.
- MTC Atheer will invest an additional US$200 million in network expansion in 2007/2008
- The operation will be re-branded to Zain in due time.

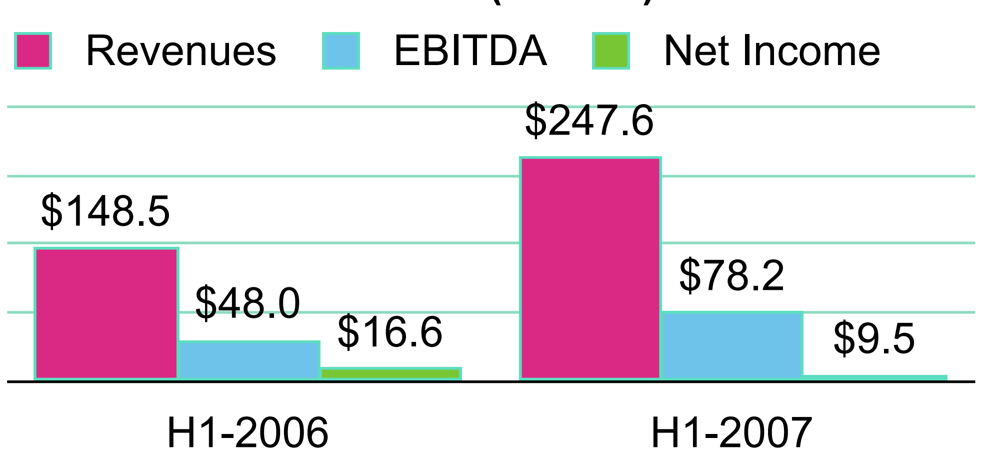
Key Statistics H1-2007

Population (000s)	26,800
GDP/Capita (PPP)	$2,900
Year of launch	2003
Ownership	30%
Mobile Penetration	38%
Number of Operators	3
Market Positioning	1
Market Share	39%
ARPU	$13

Customers (000s)



Financial Performance (USD m)



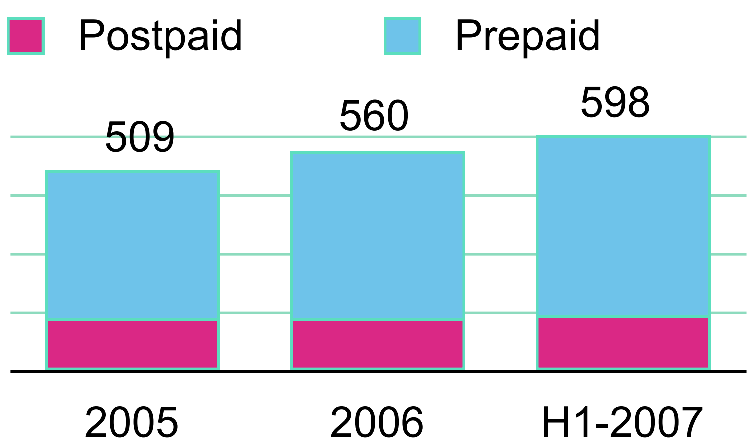
Lebanon

MTC Touch

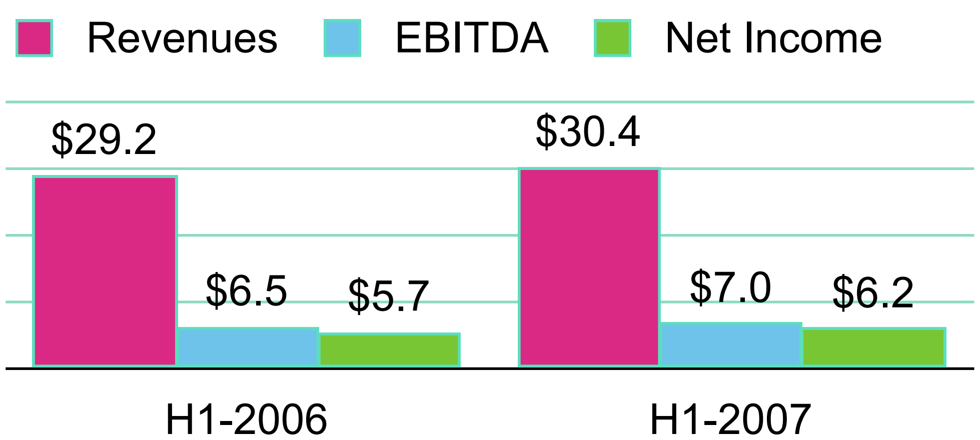
Contribution to Group total - Population: 1% Customers: 2% Revenues: 1% - Customer YoY Growth: 12%

- Zain won a 4-year Management Contract Award to operate one of Lebanon's two GSM operations in June 2004
- The company has since become the no 1 operator in Lebanon, taking the lead over the only other operator in the country
- Zain is very keen to add the Lebanese operation to its portfolio as soon as the Government undergoes the process of privatization
- In February 2007, the Lebanese Government established the Telecommunications Regulatory Authority with the appointment of the Board of Commissioners - a first step for liberalization and privatization

Customers (000s)



Financial Performance (USD m)



Key Statistics H1-2007

Population (000s)	**3,600**
GDP/Capita (PPP)	**$5,700**
Year of MC award	**2004**
Ownership	**MC**
Mobile Penetration	**29%**
Number of Operators	**2**
Market Positioning	**1**
Market Share	**53%**
ARPU	**n/a**

MC= Management Contract

Sudan

Zain

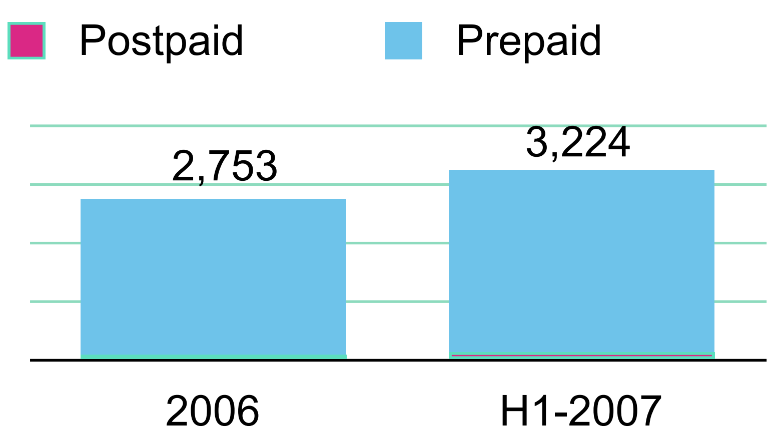
Contribution to Group total - Population: **8%** Customers: **10%** Revenues: **15%** - Customer YoY Growth: **64%**

- In 2001, Celtel International first acquired 39% of Zain Sudan (known as Mobitel at the time). In February 2006, Zain acquired the remaining 61% in a deal valued at US$1.332 billion.
- Sudan is a very competitive market with downward pressure on tariffs resulting in higher churn especially in the overheating market of Khartoum.
- To counter this, the company has successfully increased population coverage across Sudan from 32% to 57% in the last 18 months and plans to reach an 80% coverage by Q1-2008. This has resulted in high increase in customer numbers
- It is worthy to note that Sudan is witnessing significant foreign investment resulting in economic growth and GDP increase

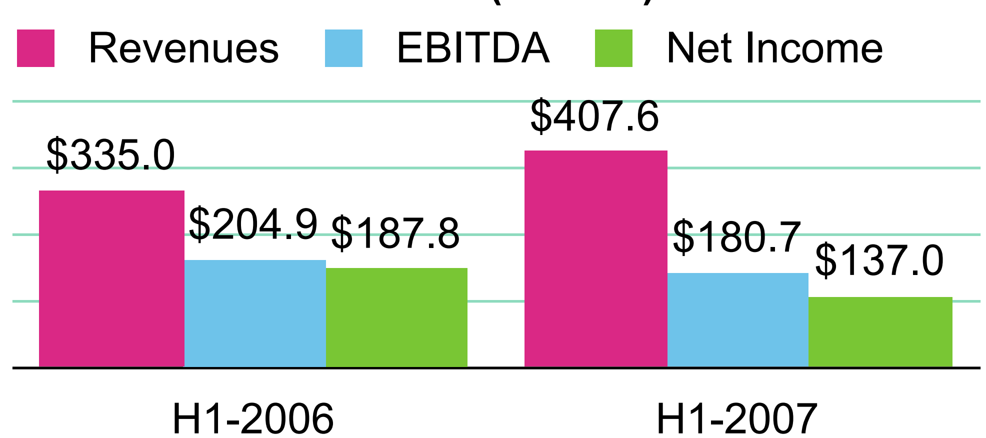
Key Statistics H1-2007

Population (000s)	**41,000**
GDP/Capita (PPP)	**$2,400**
Year of full acquisition	**2006**
Ownership	**100%**
Mobile Penetration	**12%**
Number of Operators	**4**
Market Positioning	**1**
Market Share	**52%**
ARPU	**$21**

Customers (000s)



Financial Performance (USD m)



Saudi Arabia

Zain's Latest Middle Eastern License Acquisition

Zain's Saudi Arabia license details and objectives

- Zain led consortium won the US$6.1 billion bid in May 2007
- 25-year license to offer GSM, 3G and 3.5G services and future state-of-the-art telecom services
- Zain holds a 50% interest in the consortium which will have to be reduced to 25% following a mandatory Initial Public Offering (IPO) of the new mobile operator in Saudi Arabia and allocation to two government entities
- Saudi Arabia shares borders with 5 of our Middle Eastern operations (Kuwait, Bahrain, Jordan, Iraq and Sudan) and creates significant synergies with all of our 21 operations across the Middle East & Africa
- Zain plans to acquire a 30% market share within 5 years of start of operations

Why Saudi Arabia?

- One of the last attractive telecom bids in the region
- Low penetration rate of 70% compared to 118% average for neighboring Gulf states
- High ARPU of $35
- Saudi Arabia possesses about 25% of the worlds oil reserves and is the world's largest oil exporter
- Economic growth also driven by diversification and a young and growing population
- 6 economic cities are being constructed - over US$1 trillion of projects in the pipeline attracting high ARPU expatriates to the region
- Goal of the Saudi Arabian General Investment Authority ("SAGIA") and the Government is to place Saudi Arabia amongst the top 10 business-friendly environments in the next three years

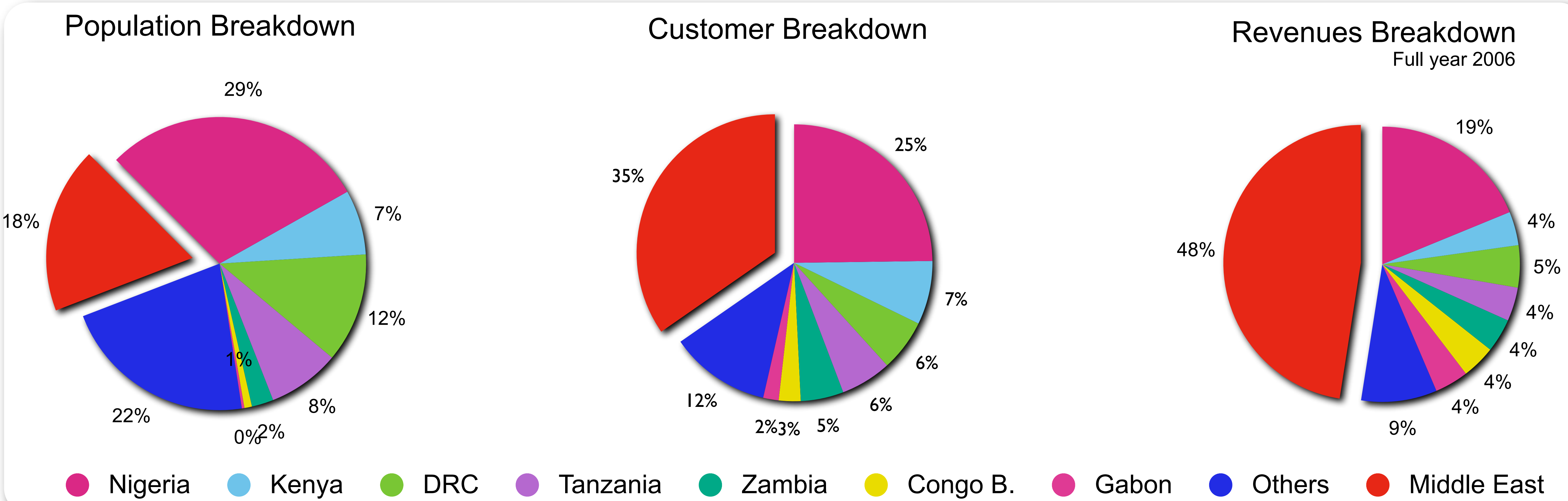
Key Statistics H1-2007

Population (000s)	**27,600**
GDP/Capita (PPP)	**$13,600**
Year of launch	**Q1-2008**
Ownership	**25%**
Mobile Penetration	**70%**
Number of Operators	**3**
Market Positioning	**n/a**
Market Share	**n/a**
ARPU	**n/a**

Africa

High Growth Markets

	Population (000s)	Customers (000s)
Nigeria	**144,000**	**7,967**
Kenya	**35,100**	**2,392**
DRC	**59,300**	**1,944**
Tanzania	**39,100**	**1,912**
Zambia	**11,800**	**1,610**
Congo Brazzaville	**4,100**	**821**
Gabon	**1,400**	**581**
Others	**105,930**	**3,779**
Total	**400,730**	**21,006**



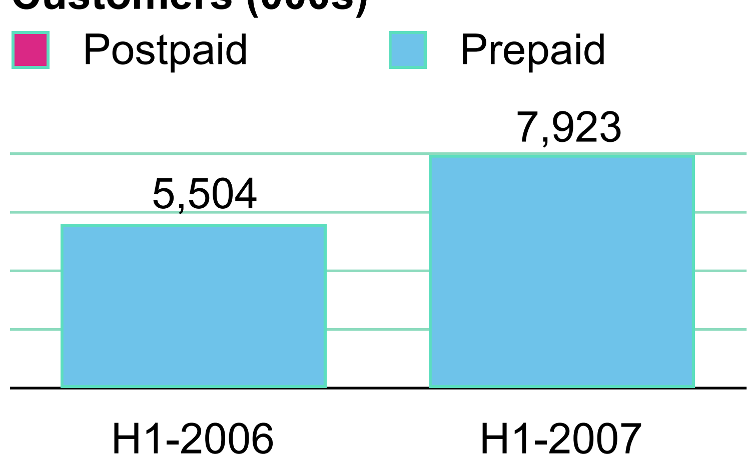
Nigeria

Celtel

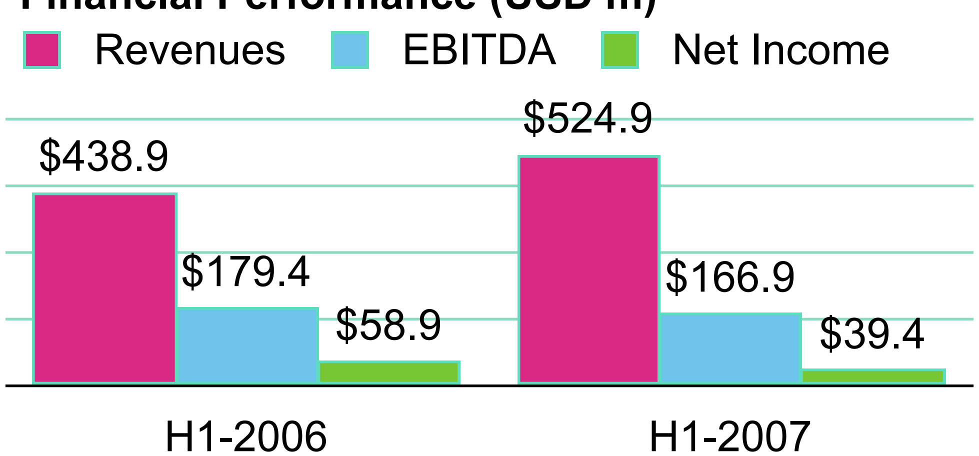
Contribution to Group Total - Population: 28% Customers: 25% Revenues: 19% - Customer YoY Growth: 44%

- With over 140 million people, Nigeria is by far the region's most populous nation and will soon overtake South Africa as the continent's largest telecoms market.
- Celtel Nigeria was awarded a 3G license in June 2007 for a price of US$150 million, allowing the operator to offer better technology to Nigerians
- The network rollout is proceeding according to plan with a focus on quality and network availability.
- H2-2007 earnings are expected to reflect current customer growth

Customers (000s)



Financial Performance (USD m)



Key Statistics H1-2007

Population (000s)	144,000
GDP/Capita (PPP)	$1,500
Year of acquisition	2006
Ownership	65%
Mobile Penetration	26%
Number of Operators	4
Market Positioning	3
Market Share	25%
ARPU	$12

Kenya

Celtel

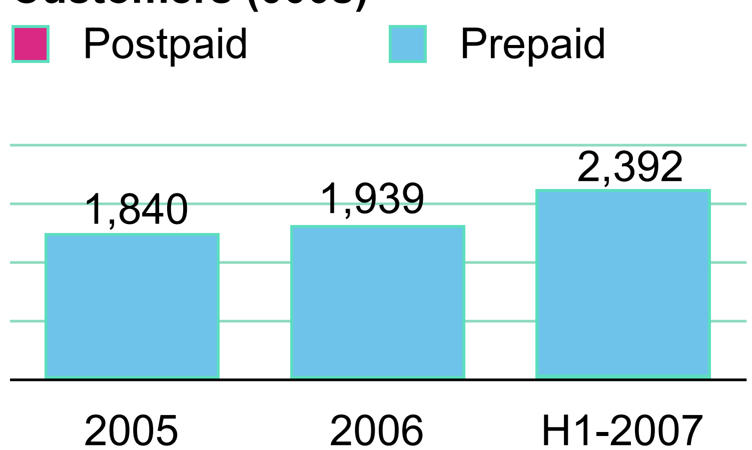
Contribution to Group Total - Population: 7% Customers: 7% Revenues: 4% - Customer YoY Growth: 13%

- Celtel Kenya has witnessed considerable competition in the low ARPU market
- The operator's results were impacted by marketing and pricing initiatives designed to improve future performance and to strengthen the company's competitive position
- Celtel Kenya successfully launched various new tailored tariff plans along the lines with the strategy of the operator
- The operation has continued to record steady growth in customer numbers and minutes of use (MoU)

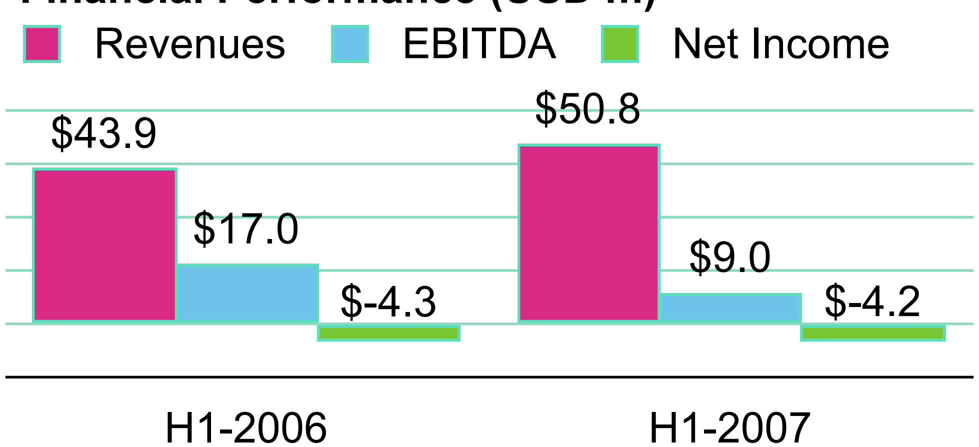
Key Statistics H1-2007

Population (000s)	35,100
GDP/Capita (PPP)	$1,200
Year of acquisition	2004
Ownership	60%
Mobile Penetration	25%
Number of Operators	2
Market Positioning	2
Market Share	31%
ARPU	$7

Customers (000s)



Financial Performance (USD m)



Democratic Republic of Congo

Celtel

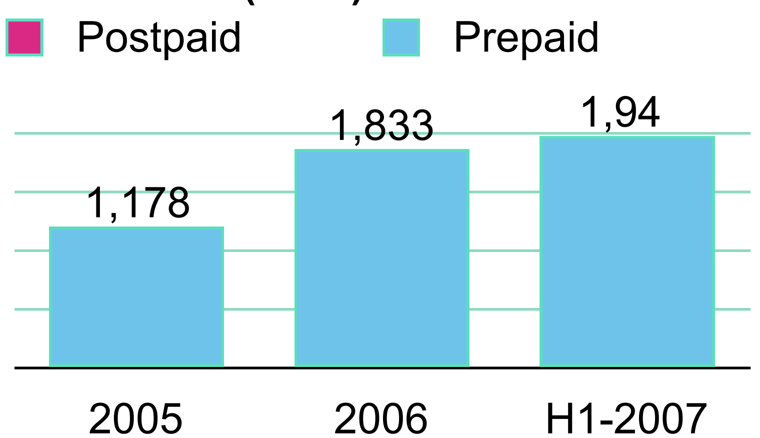
Contribution to Group Total - Population: 13% Customers: 6% Revenues: 5% - Customer YoY Growth: 35%

- Celtel DRC has recorded significant year-on-year increases in customers (35%), revenues (18%) and net income (25%) in H1-2007
- The operator has introduced per second billing and has initiated strong marketing campaigns to counter the rise of competition
- Even though the market is highly competitive with 5 operators, Celtel maintains its leadership with a 46% market share
- The launch of One Network in DRC in June 2007 was very well received, promising further increases in customer numbers
- Celtel DRC successfully introduced a new tariff plan in May 2007

Key Statistics H1-2007

Population (000s)	**59,300**
GDP/Capita (PPP)	**$700**
Year of launch	**2000**
Ownership	**98.5%**
Mobile Penetration	**46%**
Number of Operators	**5**
Market Positioning	**1**
Market Share	**46%**
ARPU	**$12**

Customers (000s)



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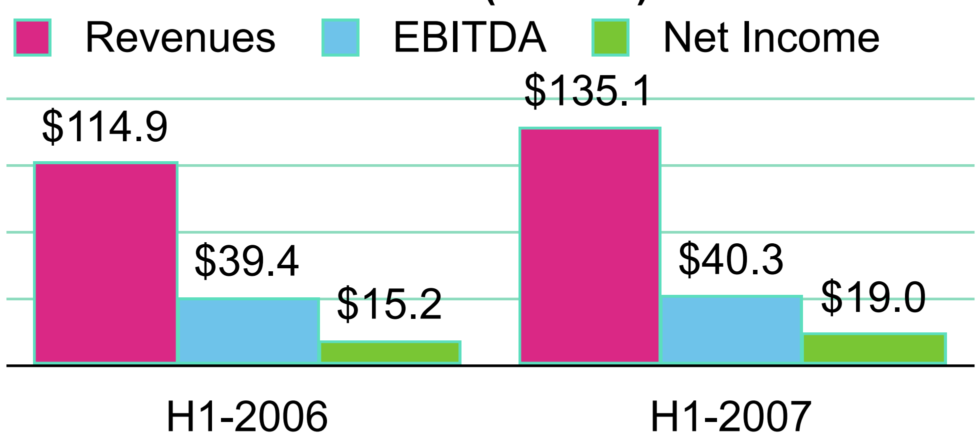


Tanzania

Celtel

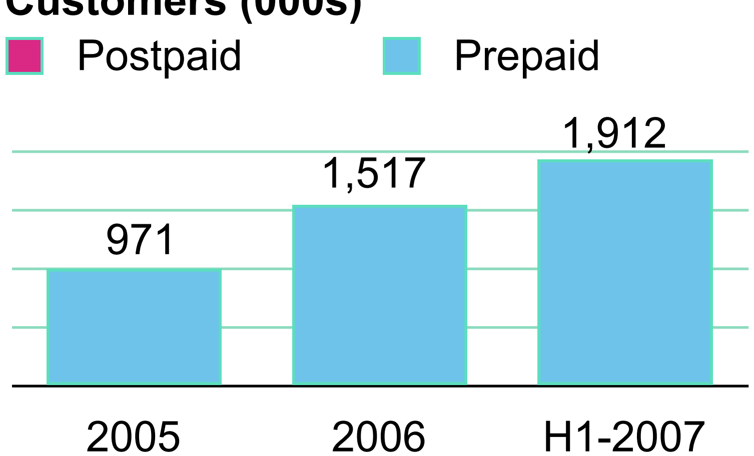
Contribution to Group Total - Population: **8%** Customers: **6%** Revenues: **4%** - Customer YoY Growth: **64%**

- Celtel Tanzania has recorded significant growth in customer numbers (64%), revenues (46%) and net income (118%) underpinned by the improved economic situation of the country as a whole.
- Strong performance is anticipated for the remainder of the year
- Celtel Tanzania reached 2 million customers in July 2007
- The operation has increased market share (from 26% in H1-2006 to 39% in H1-2007) even though it is in a very competitive environment with 4 mobile operators

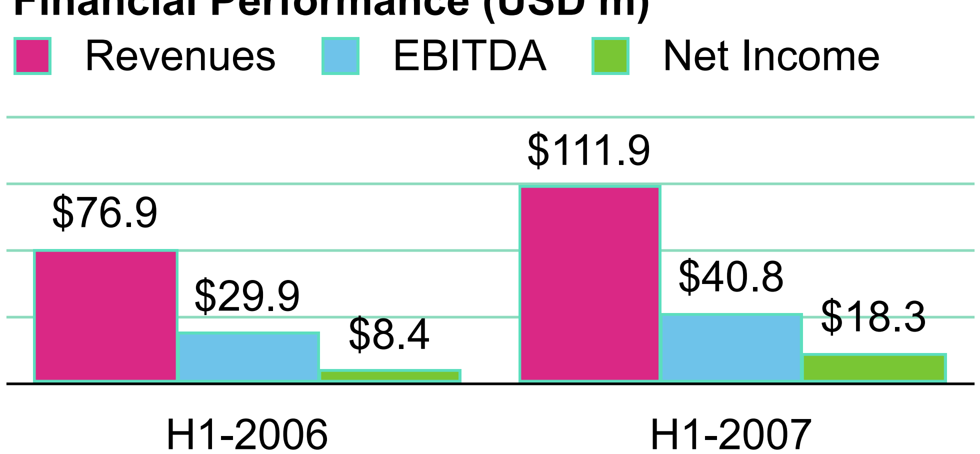
Key Statistics H1-2007

Population (000s)	**39,100**
GDP/Capita (PPP)	**$800**
Year of launch	**2001**
Ownership	**60%**
Mobile Penetration	**18%**
Number of Operators	**4**
Market Positioning	**2**
Market Share	**39%**
ARPU	**$11**

Customers (000s)



Financial Performance (USD m)



Zambia

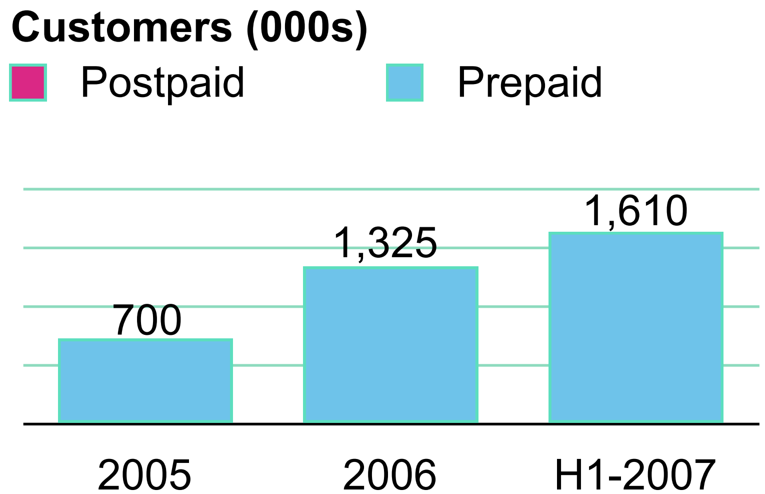
Celtel

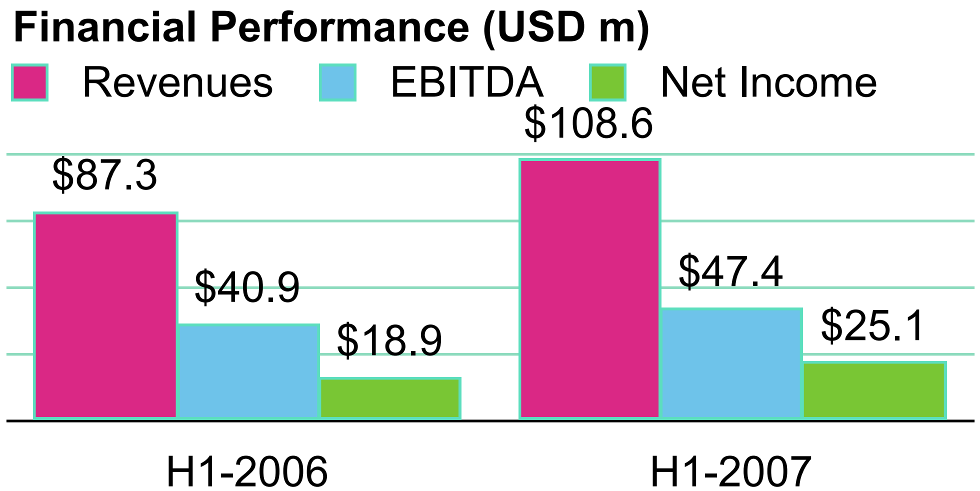
Contribution to Group Total - Population: 2% Customers: 5% Revenues: 4% - Customer YoY Growth: 67%

- Celtel Zambia holds the lion's market share with 79% of customers. This dominance is set to continue since the operator keeps on recording impressive customer number growths as well as retention
- Due to the depreciation of the local currency - Kwacha - against the US$, Celtel Zambia removed the dollar peg on its services
- The operation is the best performing African operation in the Group

Key Statistics H1-2007

Population (000s)	**11,800**
GDP/Capita (PPP)	**$1,000**
Year of launch	**1998**
Ownership	**88.8%**
Mobile Penetration	**16%**
Number of Operators	**3**
Market Positioning	**1**
Market Share	**79%**
ARPU	**$12**





Congo Brazzaville

Celtel

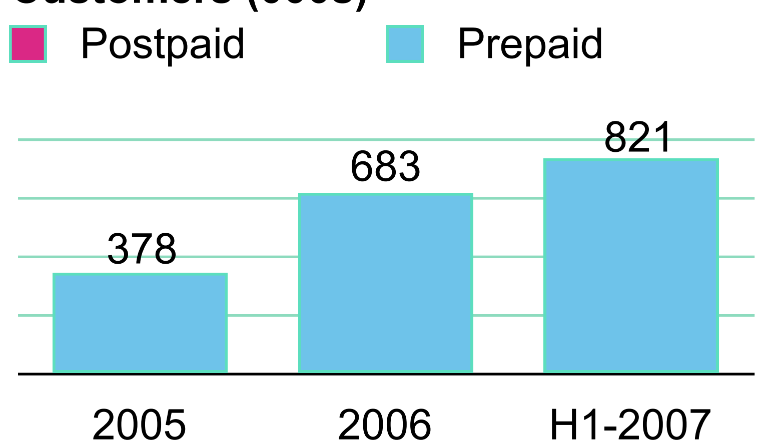
Contribution to Group Total - Population: 1% Customers: 2% Revenues: 3% - Customer YoY Growth: 78%

- Celtel Congo Brazzaville performed very strongly in H1-2007 underpinned by solid customer growth (78%), revenues growth (56%) as well as an increased market share (from 66% to 73%)
- It is expected that Celtel will gain market share in the short term as further services and offers are launched
- Mobile penetration dramatically increased since H1-2006, from 17% to some 30% currently

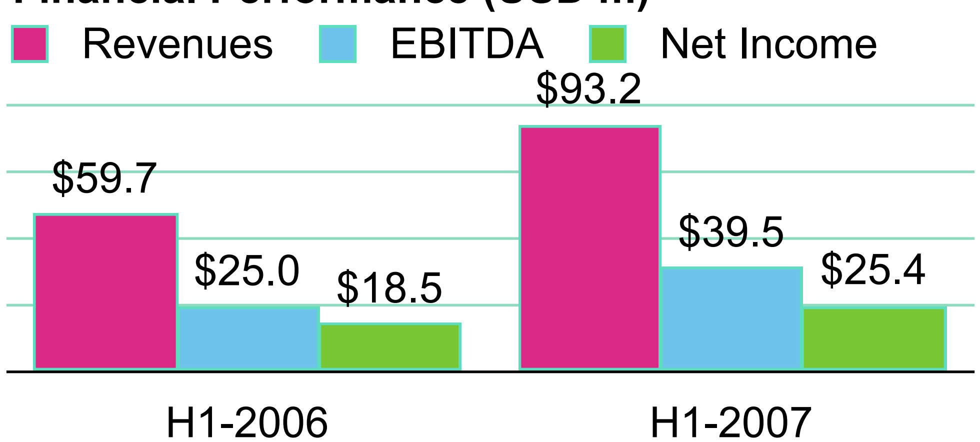
Key Statistics H1-2007

Population (000s)	**4,100**
GDP/Capita (PPP)	**$1,400**
Year of launch	**1999**
Ownership	**90%**
Mobile Penetration	**30%**
Number of Operators	**2**
Market Positioning	**1**
Market Share	**73%**
ARPU	**$20**

Customers (000s)



Financial Performance (USD m)



Gabon

Celtel

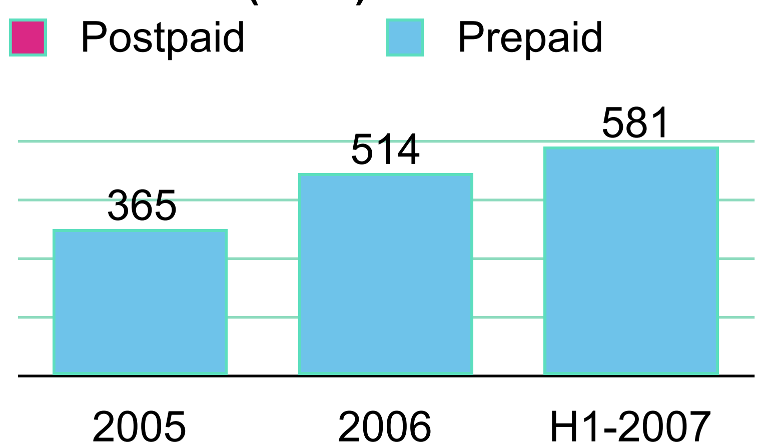
Contribution to Group Total - Population: 0% Customers: 2% Revenues: 4% - Customer YoY Growth: 35%

- The Group has increased its ownership in Celtel Gabon from 84% to 90%
- The operator is the undisputed leader in the Gabon market despite competition, holding a 63% market share. It is also financially performing very well
- The market is maturing with a 62% mobile penetration from 47% a year ago. Despite this, Celtel recorded a 35% increase in customer numbers
- Celtel Gabon launched a new tariff plan and GPRS in Q1-2007 and improved network reliability in Q2-2007
- Gabon is unique in Africa as it has a high GDP per capita, high ARPUs and a high penetration rate

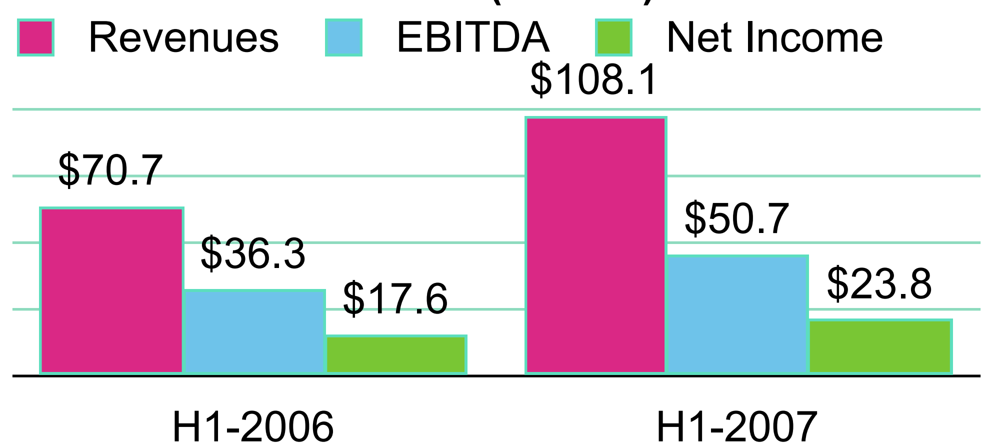
Key Statistics H1-2007

Population (000s)	**1,400**
GDP/Capita (PPP)	**$7,100**
Year of launch	**2000**
Ownership	**90%**
Mobile Penetration	**62%**
Number of Operators	**3**
Market Positioning	**1**
Market Share	**63%**
ARPU	**$33**

Customers (000s)



Financial Performance (USD m)



7 Others

Celtel

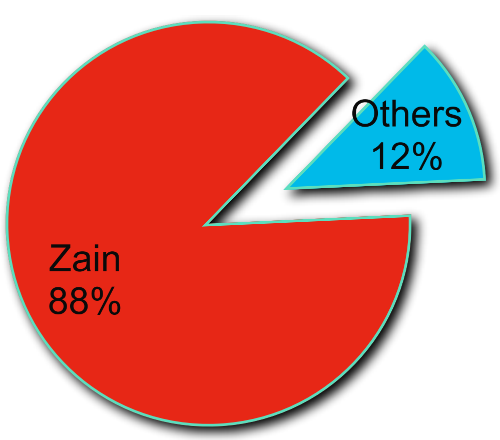
Contribution to Group Total - Population: 20% Customers: 12% Revenues: 9% - Customer YoY Growth: 85%

- Celtel's remaining operations are grouped as Others and include: Burkina Faso; Chad; Madagascar; Malawi; Niger; Sierra Leone and Uganda
- Others performed very well in terms of customer growth, registering an 85% increase. All 7 operations represent some 12% of Zain Group's customer base
- Chad: Still performing to plan despite prolonged civil servant strife
- Malawi: No adverse effects on growth despite 10 day network outage due to an accidental fire
- Burkina Faso: Increased ownership by 4.29% to 100% following an acquisition from existing shareholder
- Niger: Strong growth; ahead of budget

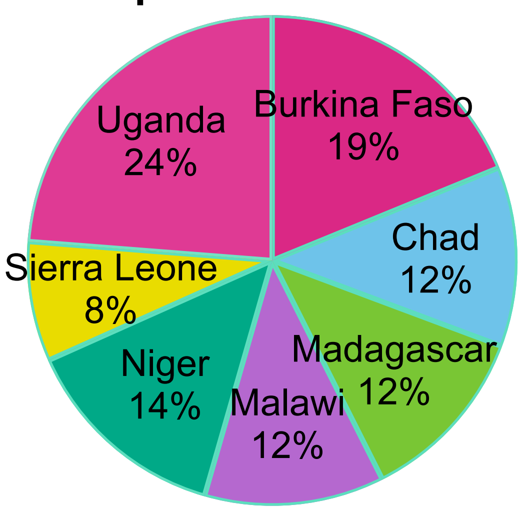
Key Statistics H1-2007

Population (000s)	**105,930**
Lowest GDP/ Capita	**$168 (Malawi)**
Highest GDP/ Capita	**$645 (Chad)**
Customers (000s)	**3,779**
Prepaid %	**99.4%**
Highest Market Share	**73% (Niger)**
Lowest Market Share	**28% (Uganda)**
Average ARPU	**$14**

Zain Group Total Customers



Zain Group "Others" Customers



Summary of Key Messages

- Successful execution of 3x3x3 strategy
- Regional powerhouse in ME and Africa
- Two very attractive regions:
  - Mature high ARPU base in ME
  - Emerging high growth markets in Africa
- Capture synergies and accelerated growth through integration and ACE