

# Content

A new dawn beckons	02
Strong foundations for a shining future	04
One brand,one philosophy	10
Zain across the world	16
Iraq	16
Kuwait	23
Jordan	28
Bahrain	33
Sudan	36
Saudi Arabia	40
Lebanon	44
Africa	49



# A new dawn beckons

Dear Friends,

We've come a long way together in 25 years...growing from modest beginnings in Kuwait to a team of more than 15,000 employees serving 45 million customers in seven Middle Eastern and 15 sub-Saharan African countries.

Now, we are entering a new and dynamic chapter in our history, one that will take us into the top ten of global mobile telecommunications companies.

We will do so with a new global identity – an identity that will unite us as the world's pre-eminent Arabic brand, connecting with customers everywhere and recognised with affection.

“ We are entering a new and dynamic chapter in our history, one that will take us into the top ten of global mobile telecommunications companies ”

That brand is Zain. It means 'beautiful, good and wonderful' in Arabic and 'intense happiness' in some African languages, but it also resounds to our corporate heartbeat... fresh, bold, and energetic.

Zain is more than just a name and an attractive logo. It captures the spirit that drives us, be it in Kuwait or the Congo, Iraq or Burkina Faso, or anywhere and everywhere we operate.

On September 8, 2007 we successfully launched and introduced Zain to the world, ([www.zain.com](http://www.zain.com)) as it became the Group's corporate master brand. Additionally our operations in Kuwait, Jordan, Bahrain and Sudan were rebranded to Zain.

From January 5, 2008 our operation in Iraq will be known as Zain. This operation will serve over 7 million active customers, a result of our recent acquisition of Iraqna and our operation known as MTC Atheer both being rebranded to Zain.

In the near future all existing and future operations will be branded Zain.

As Zain becomes one international family, it will continue to build on the outstanding progress we have made over the past five years, preserving core values that remain constant irrespective of the different national cultures and identities that we share.

These values are: Radiance, Heart and Belonging.

Radiance is about leading the way with imagination and vision, bringing joy, colour, and richness to our business environment. Heart represents living our lives with courage and resolve, engaging our spirit and touching emotions. Belonging means exactly what it says... being part of the fellowship and community spirit that knows no territorial boundaries.

Such values are not new to us. I believe we all respect and practice them, and that they have been integral to our success to date. The difference now is that we have formally adopted them as business drivers – qualities that we share with our colleagues and customers, people who are progressive achievers and are dedicated to realising their goals.

Welcome to Zain.  
Welcome to our future together.

Dr Saad Al Barrak  
Chief Executive Officer  
Zain Group



Strong foundations  
for a shining future



Zain is born from the Mobile Telecommunications Company (MTC), the pioneer of mobile telecommunications in the Middle East and now a major player on the African continent.

## Strong foundations for a shining future

Established in Kuwait in 1983 as the Gulf region's first mobile operator, the company has since experienced rapid expansion – geographically and operationally.



So much so that the new Zain brand begins life as a leading force in mobile voice and data services, operating in seven Middle Eastern and 14 sub-Saharan African countries with more than 15,000 employees providing a comprehensive range of services to 45 million individual and business customers.

Four of our operations in the Middle East were the flagships for the new Zain brand: Kuwait and Bahrain (both formerly MTC-Vodafone), Jordan (formerly Fastlink) and Sudan (formerly Mobitel). From January 5, 2008 our operation in Iraq will be known as Zain.

After a successful bid in March 2007, the Group was recently awarded the third mobile license in the Kingdom of Saudi Arabia and expects to start operations under the Zain brand in early 2008.

The others, namely MTC Touch in Lebanon and Celtel's 15 sub-Saharan African networks in Burkina Faso, Chad, Democratic Republic of the Congo, Republic of the Congo, Gabon, Ghana, Kenya, Madagascar, Malawi, Niger, Nigeria,

Sierra Leone, Tanzania, Uganda and Zambia, will join the Zain family during 2008.

Today Zain is the fourth largest mobile operator in the world in terms of geographic footprint.

Zain's parent company, MTC, is listed on the Kuwait Stock Exchange with a market capitalisation of around \$28 billion as at December 1, 2007.

In the first nine months of 2007, MTC posted consolidated revenues exceeding \$4.273 billion, up 36 per cent on the previous year's corresponding period. Net income of \$820.5 million was up by 12 per cent. EBITDA rose to \$1.84 billion, a 28 per cent increase.



## Strong foundations for a shining future

Zain inherits the corporate strategy that has been at the heart of MTC's success record.



This «3x3x3» strategy is an ambitious and sustainable expansion programme that started in 2003 and will take Zain to a leading position among global mobile service providers by the end of 2011.

As the name implies, 3x3x3 entails three stages: regional, international and global, with each stage to be completed in three years, and an aim of reaching a customer base in excess of 110 million.

In essence, through acquisitions, partnerships and green-field opportunities, Zain aims to achieve in nine years what has taken other companies more than treble that time.

At the beginning of 2007, the ACE strategy was initiated – an implementation approach to realising the 3x3x3 vision. ACE seeks to extract superior value from existing assets through three main thrusts: Accelerating the growth in Africa; Consolidating existing

assets; and Expanding into adjacent markets.

Through implementation of the ACE strategy, the goals by the year 2011 are to attain:

- \$ 6 Billion EBITDA
- More than 110 million customers
- Top ten status in the world's leading telecom companies

As well as securing the best possible returns for shareholders consistent with a high standard of corporate governance, Zain continues MTC's tradition as a standard-bearer for excellence in providing world-class mobile voice and data services and an ethos of corporate social responsibility in supporting communities, offering employment, and creating business opportunities wherever it operates.

Lastly, Zain's commitment to Corporate Social Responsibility is a core principle that aims to have a positive impact, through economic, social and cultural projects, on the people and communities of all the countries in which we operate.



## Fast facts

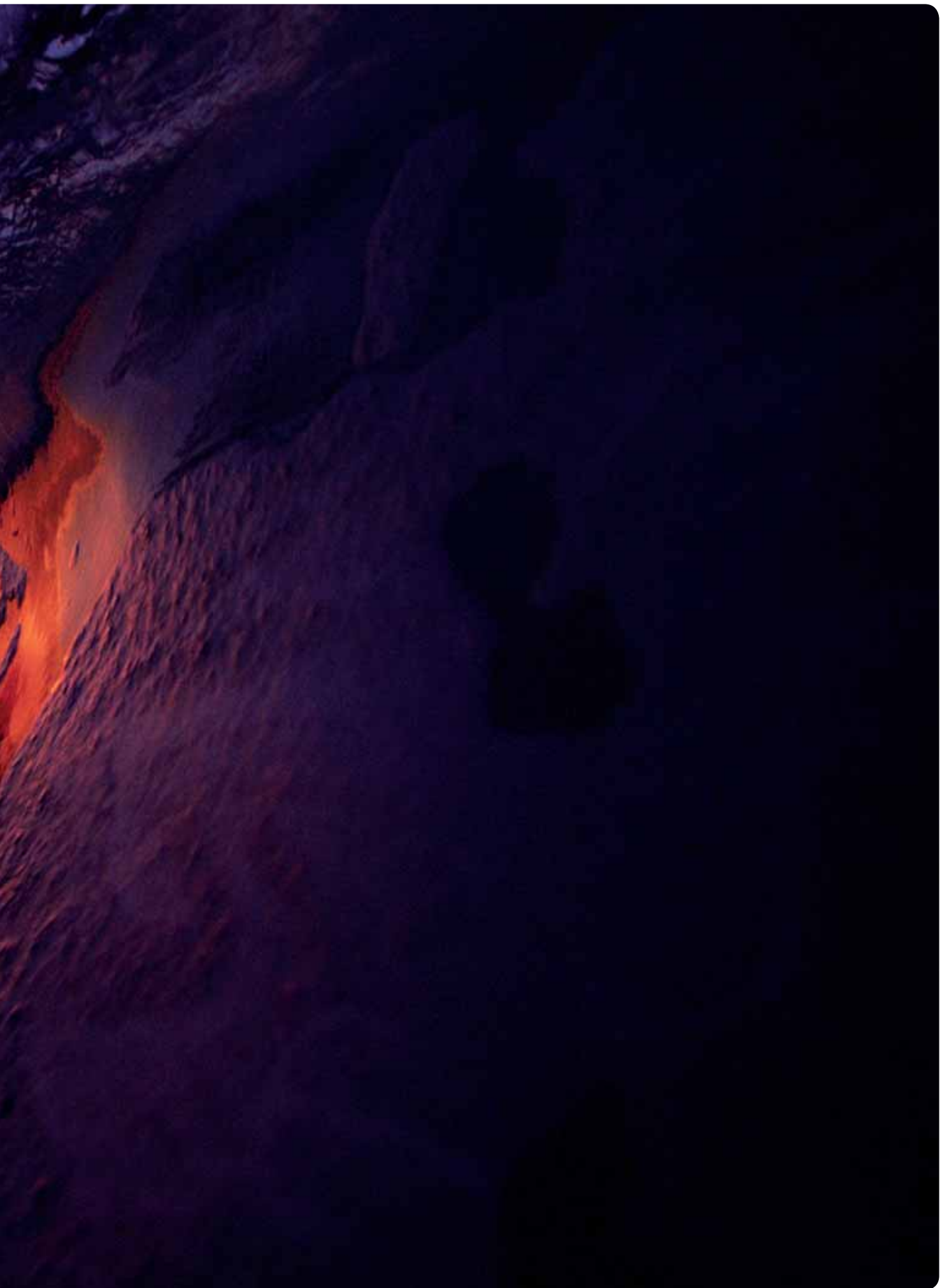
- Zain transforms MTC into a single brand to support the Group's goal of becoming one of the top ten global mobile telecommunication companies in the next four years
- 14 subsidiaries are consistently the market leaders in their territories while five are in second position
- 15,000 employees, 45 million customers as at Decembet 31, 2007
- Operating in seven Middle Eastern and 15 sub-Saharan countries
- Market capitalisation around \$30 billion as at September 1, 2007
- High local employment: Jordan 99%, Bahrain 89%, Iraq 100%, Lebanon 99%, Africa 98%
- Largest publicly traded company on the Kuwait Stock Exchange
- A core focus on supporting the communities we serve



# One brand, one philosophy

A strong, distinctive brand name has always been a prerequisite for any company with global aspirations – as illustrated by the most successful examples.

“Brand power” drives the very core of companies like Apple, Nike and McDonalds with logos which are now part of everyday life.



“Zain is also about adopting new values; about living a beautiful and enriched life, not only seizing the opportunities to progress and achieve, but also grasping every chance to celebrate life”



Zain intends to have an equally potent impact – instantly recognisable and redolent of values that go beyond mere graphics; a reassuringly familiar identity that customers everywhere can confidently rely on for the same high quality of service, no matter where they work, live, or travel.

United under the Zain brand, all operations will benefit from the power of a common global philosophy, delivering more for customers and maximizing the value of combined investment in advertising and promotions.

With five operations in the Middle East already carrying the Zain brand, our other networks will follow suit during 2008 and 2009, paving the way for Zain's development as a top rank global player with commanding brand equity.

Strong brand equity adds value to our Group operations, improving returns for shareholders and

employees alike. And with the Group considering listing on other international exchanges in the future, there is no better time to launch the new Zain brand name.

Some 400 names were considered and tested among our customers across the Middle East and North Africa. That name will now grace every advert and SIM card, as well as every facet of corporate branding from brochures to carpets, employee uniforms, store fronts, vehicles, stationery, and business cards. That name is Zain.

Zain was chosen due to its Arabic meaning, 'beautiful, good and wonderful,' and in part because of the company's origins in the Middle East. Extensive research could find no negative translation of Zain in any of the world's languages. Moreover, Zain has the added advantage of having a unique linguistic flexibility.

Whether you are a Chinese, Senegalese or Russian speaker



there seems to be only one way to pronounce the word – a matter of crucial importance in our globalised world and for an aspiring global brand.

Zain is also about adopting new values; about living a beautiful and enriched life, not only seizing the opportunities to progress and achieve, but also grasping every chance to celebrate life.

Through Zain people can achieve their individual potential as well as their role within the family and the

wider community. The Zain brand reflects the priority assigned to each member of the company in helping them achieve their personal goals and individual potential.

The core values of “radiance, heart, and belonging” are about the integrity to be brave as an organization. They represent the essence of Zain, a company that is truly unique in the manner in which it lives and breathes a rich corporate philosophy.





## Fast facts

- 400 names were considered before settling on Zain
- Employees and creative agencies contributed to the process
- Re-branding to apply globally in a staggered process till early 2009
- Enormous payback in shareholder value, stock value, and business performance
- Brand identity that goes beyond mere graphics
- Brand values that engage with people
- Colours that are inspirational and evocative

One brand,  
one philosophy



## The new logo and colours

Along with a new brand name and set of values, Zain's inspiring and distinctive logo symbolises all that Zain represents. "The swirling design captures the spirit of radiance and beauty," say the art directors of Zain's branding consultancy and advertising agencies.

"This swirl has the idea of an aura, something important to your life. We decided to create something that echoed that with beautiful colours.

"We realised that black was a wonderful foil for all these visible colours that we started to develop. We found a mint colour that is sympathetic to the brand and the story we are trying to tell. It is not about an identity, it's about a global language," he adds

Our colours are inspirational and evocative. They create an emotional

language that reflects our character, engaging a global audience.

Aqua Green brings freshness and cool assurance

Purple represents our energy and warmth

Black expresses a sophisticated and contemporary approach

Coming up with a typeface meant that for the logo to be used in a multitude of different locations all over the world, as it will be, Zain needed to be clearly read, whether in close proximity to the viewer or from far away.

Two logo versions have been developed, one with soft edges for larger advertisements, the other with a hard edge line for use on more specific products, such as on caps and t-shirts. The swirling aura of Zain will eventually be applied to all Group and operating company products and materials, including the corporate website.

The whole design language extends to the internet, creating the same look and feel for the home page – a simple, bold and dynamic website.



Zain across the world

Iraq

[www.iq.zain.com](http://www.iq.zain.com)

Press Release

## Zain acquires Iraqna for \$1.2 billion Combined operations will serve 7 million customers in Iraq.

Mobile Telecommunications Company K.S.C. ("Zain") announced today that it has concluded a binding agreement for the purchase of 100% of the share capital of Iraqna Company for Mobile Phone Services Ltd. ("Iraqna") a subsidiary of Orascom Telecom Holding, ("The Transaction") for US\$ 1.2 billion ("The Purchase Price").

This acquisition will consolidate MTC-Atheer's market-leading position in Iraq giving rise to a combined customer base of more than 7 million customers. In August 2007, MTC-Atheer made a successful bid of US\$1.25 billion to secure one of three 15-year nationwide licences awarded by the Iraqi Communication and Media Commission.

Commenting on the transaction, Dr. Saad Al Barrak, Managing Director-Deputy Chairman of Zain Group, stated: "We are delighted that MTC-Atheer's acquisition of Iraqna will create one of the most dynamic and resourceful mobile telecoms companies in Iraq and in the region at large. This investment reinforces and demonstrates our commitment to the future prosperity of Iraq while complementing Zain's aspirations of becoming a top ten global mobile operator by 2011."

The expanded MTC-Atheer operation will have the second largest customer base in the Zain Group's 22 operations across the Middle East and Africa now serving more than 43 million customers. Ali Al-Dahwi, General Manager of MTC-Atheer said: "This is a proud day for Iraq as we integrate Iraqna into MTC-Atheer, creating the country's leading telecommunications operator. The combined strengths and skills of our employees will better serve the people of Iraq, offering essential and high quality mobile services to more communities across the nation."

The resulting MTC-Atheer operation's network will span over 15,000 sq km, covering all major populated areas, as well as expanded coverage to the whole of Iraq in the near future. Recently MTC-Atheer extended its services to Kirkuk in the north of Iraq.

The enhanced MTC-Atheer operation in Iraq will be re-branded Zain in early 2008.

UBS Investment Bank acted as sole financial advisor to Zain.

1st December 2007  
Baghdad, Iraq

## Part of a 45 million mobile community.

Zain in Iraq is born out of the two most successful mobile operations in Iraq, namely MTC Atheer and Iraqna who have been providing a wide range of mobile telephony and data services since early December 2003.

Together under one brand, "Zain", the 7 million customers they serve, will benefit from being part of the Zain global family of 45 million mobile customers spread across the Middle East and Africa.

Together, Zain will be stronger in offering better mobile services, whilst at the same time connecting more Iraqis to each other and to the world.

Zain's commitment to Corporate Social Responsibility is a driving force for its operations worldwide. Together, Zain will contribute more to the economic prosperity of Iraq creating more employment and business opportunities to Iraqi citizens, as well support social and cultural projects throughout the communities of Iraq.



## MTC Atheer becomes Zain: A brief history



In December 2003, Zain (then known as MTC Atheer) was licensed to install and operate a GSM network in the Southern region of Iraq. On August 17, 2007 the company was successful in attaining a 15 year nationwide licence.

In its first two years of operation, MTC Atheer succeeded in achieving its initial objectives, despite the security situation in Iraq, and expanded to be Iraq's leading mobile operator.



Their current operation offers the highest standard of services and the most technologically advanced products in Iraq.

The number of active customers stands at more than 4 million and the network is equipped to offer full GPRS capabilities. Heavy investment in the future of Iraq extends to microwave links covering spans of over 8,000 kms. It has the widest reaching mobile telecommunications network in the country. Recently the operation expanded its services to northern governorate of Kirkuk in northern Iraq.

Zain has succeeded in supporting various industry sectors, including engineering, sales, and commerce and expects to double these investments as it expands coverage.

As well as voice telephony services, the company offers customers SMS, MMS, international calls, roaming services and recently introduce GPRS and Voicemail. A strong network of authorised distributors and retailers has been organized to support the distribution of its pre-paid service.

One of Zain's objectives is to be a force for good and a force for human advancement. As such, Zain supports the local community, offering employment and creating business opportunities. More than 1500 Iraqis are employed between Basra and Baghdad.

Zain also sponsors the National Football team, and aims to support various Iraqi cultural organisations such as the Iraqi National Orchestra. In keeping with its commitment to CSR, Zain is very active in supporting NGOs and health organizations, spending millions over the past years.

## Fast facts

- January 5, 2008: MTC Atheer and Iraqna to be known as Zain
- Active customers: 7million
- Staff numbers: 3000
- Market share: 70%
- Roaming: Over 300 operators in more than 130 countries

## Iraqna becomes Zain: A brief history

Zain (formerly Iraqna) launched operations in Iraq in December 2003, then with an exclusive license to provide mobile telephony services in Iraq's central region. Despite challenging market conditions, the scope was extended to cover other areas in Iraq where at December 1, 2007 it covered 99% of the central region of Iraq and approximately 90% of the southern region spanning some 7000 kms.

The operation provides a range of quality prepaid and postpaid voice, data and multimedia telecommunications services, serving more than 3 million customers.

The operations experienced, energetic and "young at heart" staff helped it to come up with innovations, think outside the box, and made plans to accelerate the strong sales performance; citing the need to capitalize on the current market opportunities.

A strong believer in being a responsible global citizen, Zain founded the Kadhum El Saher Charity. Kadhum El Saher supports

orphanages with basic equipment; has donated funds to the Martyr of Al Aema Bridge; holds social festivals in cooperation with the Hunting Club; distributes food and household supplies to poorer families in Baghdad; provides sewing machines to the homes of widows; as well as numerous blood donation campaigns.

Additionally Kadhum El Saher has sponsored various sporting activities ranging from soccer and basketball teams, as well as various universities through scientific agreements -- funding computer equipment and establishing courses in technology and high technology studies

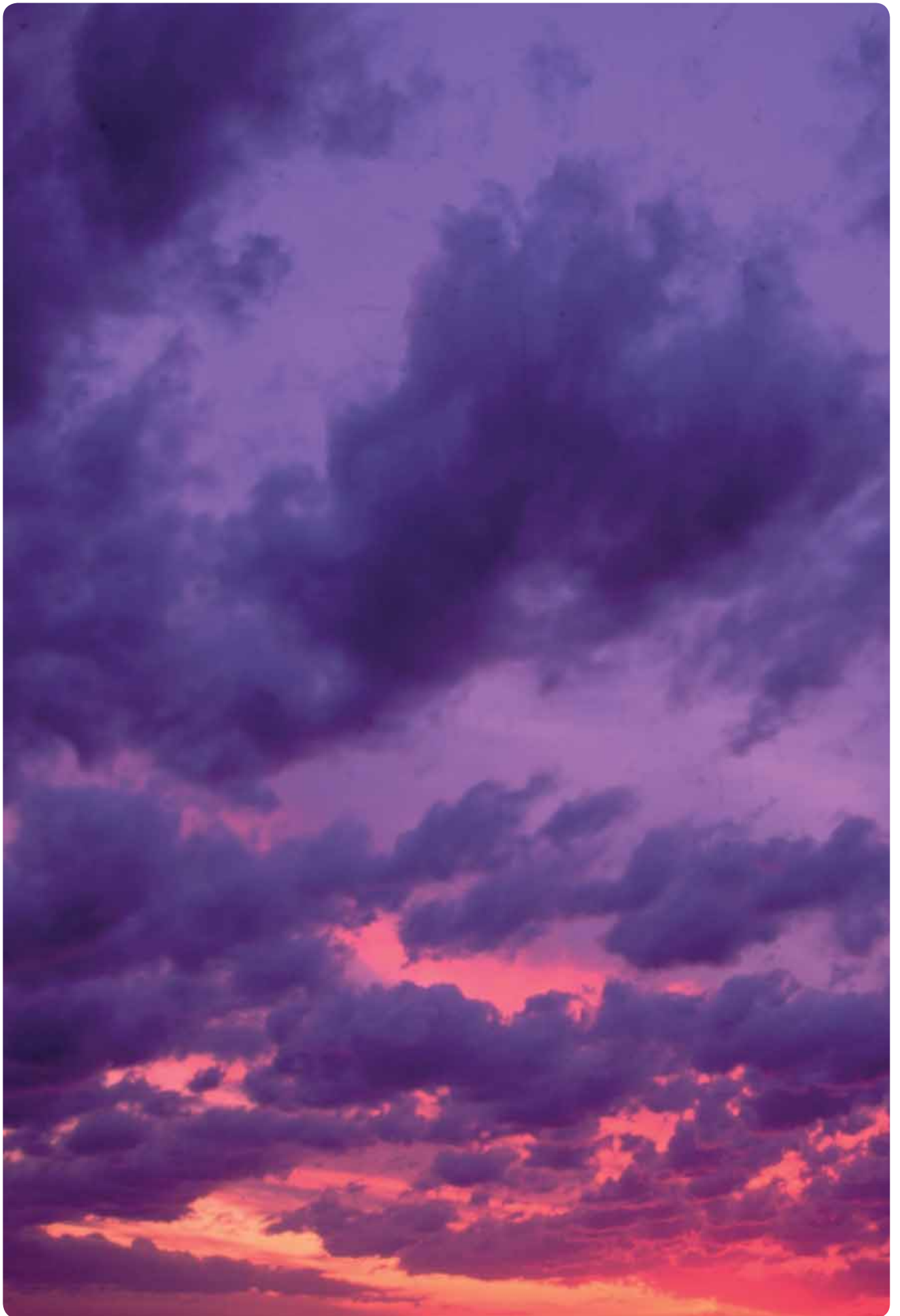
One of the most significant factors behind its success was investing in human resources through recruiting young people and starting long term training programs for staff to cover different specialties. Management is driven by strong belief in meeting high customer standards through skilled and motivated personnel.

“ Management is driven by strong belief in meeting high customer standards through skilled and motivated personnel ”

## Milestones

1. Attained a 15 year nationwide licence in august 2007
2. Market leader with over 7 million active customers
3. 70% market share
4. Commitment to supporting communities, offering employment and creating business opportunities
5. Widest network in country spanning 15,000 kms
6. Part of the 45 million worldwide zain mobile community





# Kuwait

[www.kw.zain.com](http://www.kw.zain.com)

From being the first mobile operator in the Middle East back in 1983, Zain in Kuwait (formerly mtc-vodafone) has grown to be an exceptional company and one that has always managed to lead from the front.

“ Zain was one of the first to introduce GSM pre-paid services in 2000 and has continued to serve both pre- and post-paid customers offering value for money and advanced services and applications ”



## Zain across the world: Kuwait



It was one of the first to introduce GSM pre-paid services in 2000 and has continued to serve both pre- and post-paid customers offering value for money and advanced services and applications.

Kuwait's results for the first nine months of 2007 show a total of 1.536 million active customers. Like most markets in the GCC, mobile penetration is well over 100 per cent, but strong economic conditions create room for continued growth.



Customer loyalty programmes and a strong focus on data services - such as the recently launched BlackBerry service for corporates and consumers - are high priorities.

In September 2002, the operation entered into a Partner Network Agreement with Vodafone to create mtc-vodafone Kuwait and allow customers to access their home services when roaming abroad on any of Vodafone's networks and to access Vodafone's global products and services. The association with the Vodafone brand was a great

boost for the Kuwait operation.

The Vodafone brand provided the image and associated awareness of what is undoubtedly one of the true leaders of the mobile industry. Vodafone brought a vibrant and exciting profile for the youth segment and at the same time an international, serious and professional image for business customers.

The focus now is on enhancing customer service, improved operational efficiencies, and continuing to seek ways to deliver greater value for money through the products, services and advanced applications offered.

Over the years, Zain has donated millions of dollars through corporate social responsibility programmes, directed at education, health, environmental awareness, and cultural resources.

## Milestones

### Fast facts

(as at June 30, 2007)

- Established: 1983
- Staff:  
1.300 employees
- Active customers:  
1.536 million
- Market share: 58%
- Roaming:  
146 countries  
through 274  
operators

1. First Mobile operator established in the Middle East 1983
2. First in Middle East to be awarded GSM licence in 2000
3. Became MTC -Vodafone in September 2002
4. One million pre-paid customers announced in March 2004 and one million pre-paid (Eeezee) customers June 2005
5. 3G services launched in April 2006
6. PC data card and HSDPA (3.5G) capabilities launched in November 2006
7. 100% mobile coverage capability of Kuwait population and 99% of Kuwait's geography (year end 2006)
8. Greatest contribution to MTC Group Middle East revenues (37+%) in 2006
9. 1.46 million active customers at year-end 2006
10. Blackberry™ enterprise mobile email services launched for business and consumer in May and August 2007 respectively





# Jordan

[www.jo.zain.com](http://www.jo.zain.com)



Thirteen years ago the Jordan Mobile Telephone Services Company Ltd: Zain (formerly known as Fastlink) revolutionized telecommunications in the Kingdom by introducing GSM mobile services.

Zain's leadership of the local and regional telecom sector is attested by its awe inspiring crop of firsts: It was the first Middle Eastern operator to launch MMS and mobile data services and infotainment solutions; the first to introduce WAP connectivity in Jordan; the first to form mobile banking partnerships with leading banks in Jordan; and the first to support Blackberry communication services in Jordan.

Hand-in-hand with its investment in the latest technology and services to enrich the lives of its customers, Zain also developed the most active and substantive corporate social responsibility (CSR) programme in the country to support education, health, youth and sports.

Regarded as a pillar of the national economy, directly employing over a thousand Jordanians and creating indirect job opportunities for thousands more, the operation is the service provider of choice for more than two million customers.

In 2003 the operation joined the MTC Group in a deal that was at the time the single largest acquisition in the Middle East and the largest private sector investment in Jordan. Now the company is set for further transformation as it integrates itself fully with the MTC Group under the Zain brand.

The family of two million Jordanian customers now joins an extended community of over 45 million that works together to build a better future.



## Fast facts

(as at June 30, 2007)

- Established: 1994
- Staff: 1.100 employees
- Active customers: 2.032 million
- Market share: 47%
- International and roaming agreements (2G & 3G):
  - . International voice roaming agreements with 288 operators on 6 continents
  - . GPRS and MMS roaming in 64 countries with 121 operators

# Milestones & awards

June 2007

First Automated Speech Recognition (ASR) system in the region

February 2007

Start of deployment of Fiber Optic Transmission Technology

February 2007

First to introduce the BlackBerry service in 2007, for which it was awarded Research in Motion's (RIM) International Award of Excellence, the only company in the Middle East to receive this honor

January 2006

Established its ISP arm, Fastlink Data

January 2006

Won the regional telecom magazine CommsMEA's award in the category "Best New Non-voice Service" for its BLOG service, which provides an online interactive forum where users can set up their own Blogs and publish articles and thoughts by using the web, MMS and SMS

February 2005

Introduced 2.75 G (EDGE) technology

October 2005

Offered international gateway services directly through Company's network

January 2003

MTC acquired 91.6% of Fastlink in 2003, in the largest single acquisition in the Middle East and the largest private sector investment in Jordan at the time

July 2002

Introduced the MMS for the first time in the Arab World

January 2002

Introduced the 2.5G GPRS technology

September 1995

Established as the first mobile phone operator in Jordan





# Bahrain

[www.bh.zain.com](http://www.bh.zain.com)

Since the launch of Zain in Bahrain (formerly known as mtc-vodafone) in December 2003, its operations have been characterised by an energetic setting of new standards in the telecommunications industry.

“ The company’s pro-active approach to every aspect of its business has helped to re-define standards in the workplace as well as for consumers ”

The company has displayed a lithe and flexible response to the market that has seen it quickly assume leadership position with a slew of new technology offerings and superb coverage quality.

In many ways, the new Zain brand values are already reflected. The operation’s arrival in Bahrain did more than just add a new mobile telecommunications provider to the scene.

The company’s pro-active approach to every aspect of its business has helped to re-define standards in the workplace as well as for

consumers. Today, the operation is the employer of choice for over 300 employees and through intensive training and committed human resources management, the company has succeeded in ramping up its Bahrainisation programme and has more than 86 per cent Bahraini staff.

Consumers have benefited from technology leadership, plugging Bahrain into new telecommunications technology zones. Whether it is nationwide 3G coverage, the recent Wi-Max service or facilities like the WoW entertainment suite and the first

live TV-to-Mobile coverage in the region, Zain has firmly put Bahrain on the global map as a telecommunications hub. In just over three years the operation had gained 319,000 customers and taken over than 35 per cent market share.

Business energies have also been channeled to positively impact our community, with social responsibility initiatives extending to education, youth development and empowerment, sport, technology, and caring for people with special needs.



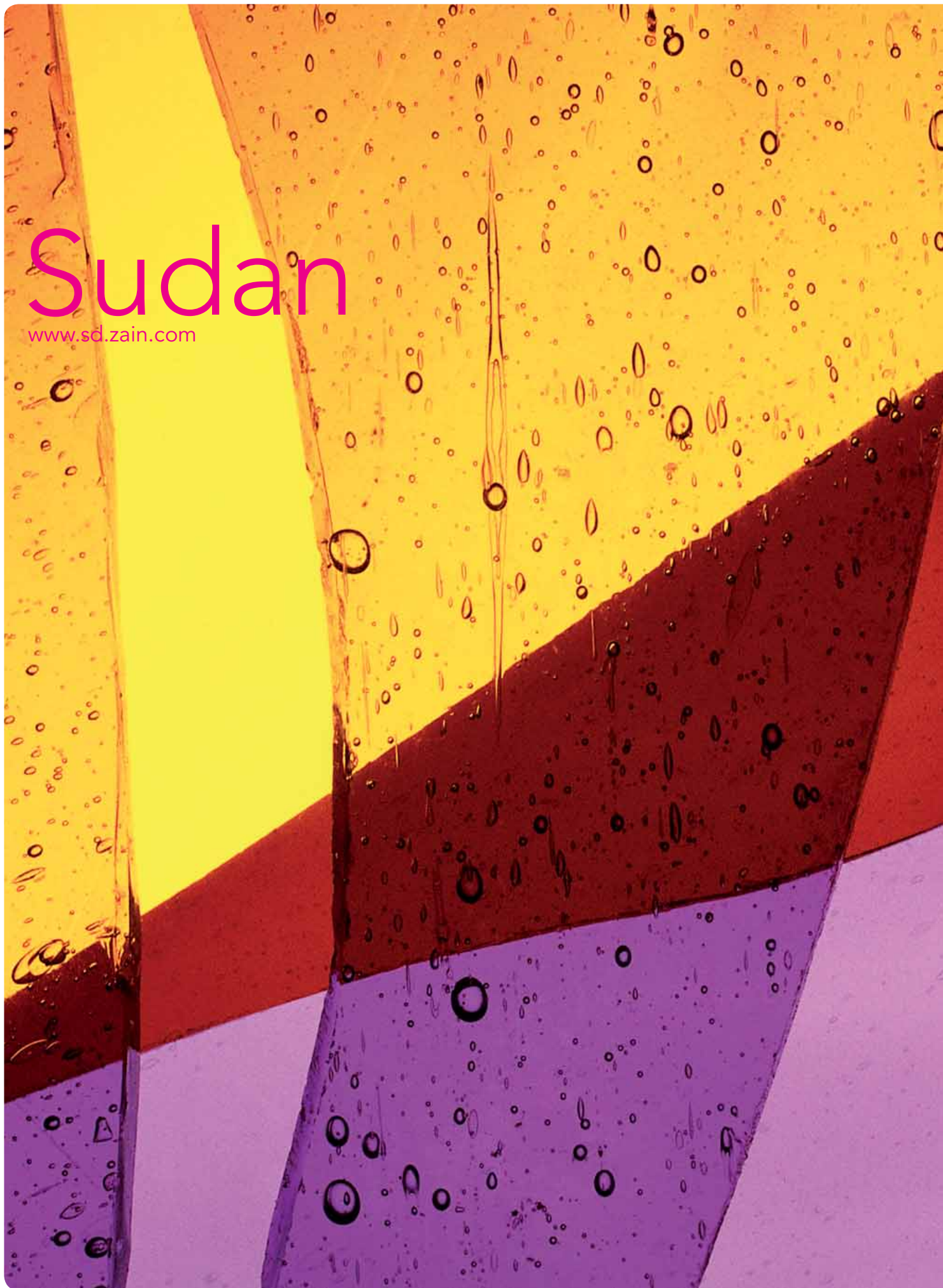
## Fast facts

- Established: end 2003
- Staff: 301 employees
- Active customers: 319.000
- Market share and rank: 34% up to June 2007, rank No 2
- Number of roaming agreements (2G & 3G):  
2G - 328  
3G - 41

## Milestones

1. World's first nationwide WIMAX –29 September, 2007
2. First 3.5G nationwide network in the world
3. First 3G Network in the Middle East – 15 December 2003
4. First EDGE nation wide network in the Middle East – December 2003
5. First mobile entertainment services "World of WoW" in the Kingdom of Bahrain – December 2004
6. First Live TV to Mobile in the Middle East – July 2004
7. First Virtual Private Network services in Bahrain – October 2004
8. First Ring Back Tune(RBT) in the Gulf and Middle East – 2005
9. First traffic info services in the Kingdom – Feb 2006
10. First University registration services in the Kingdom "My University"
11. Roaming with more than 144 countries and 311 operators, include 3G, (HSDPA) 3.5G, GPRS and Prepaid Roaming
12. The first to launch a Women Corner and special women packages
13. Launched e-learning Centre in Bahrain: This highly advanced technological centre was developed in coordination with the University of Bahrain, at a cost of more than BD 310,000
14. Children with special needs (Bahrain): More than BD 200,000 was allocated for various day care centres that are supporting support services for children with special needs





# Sudan

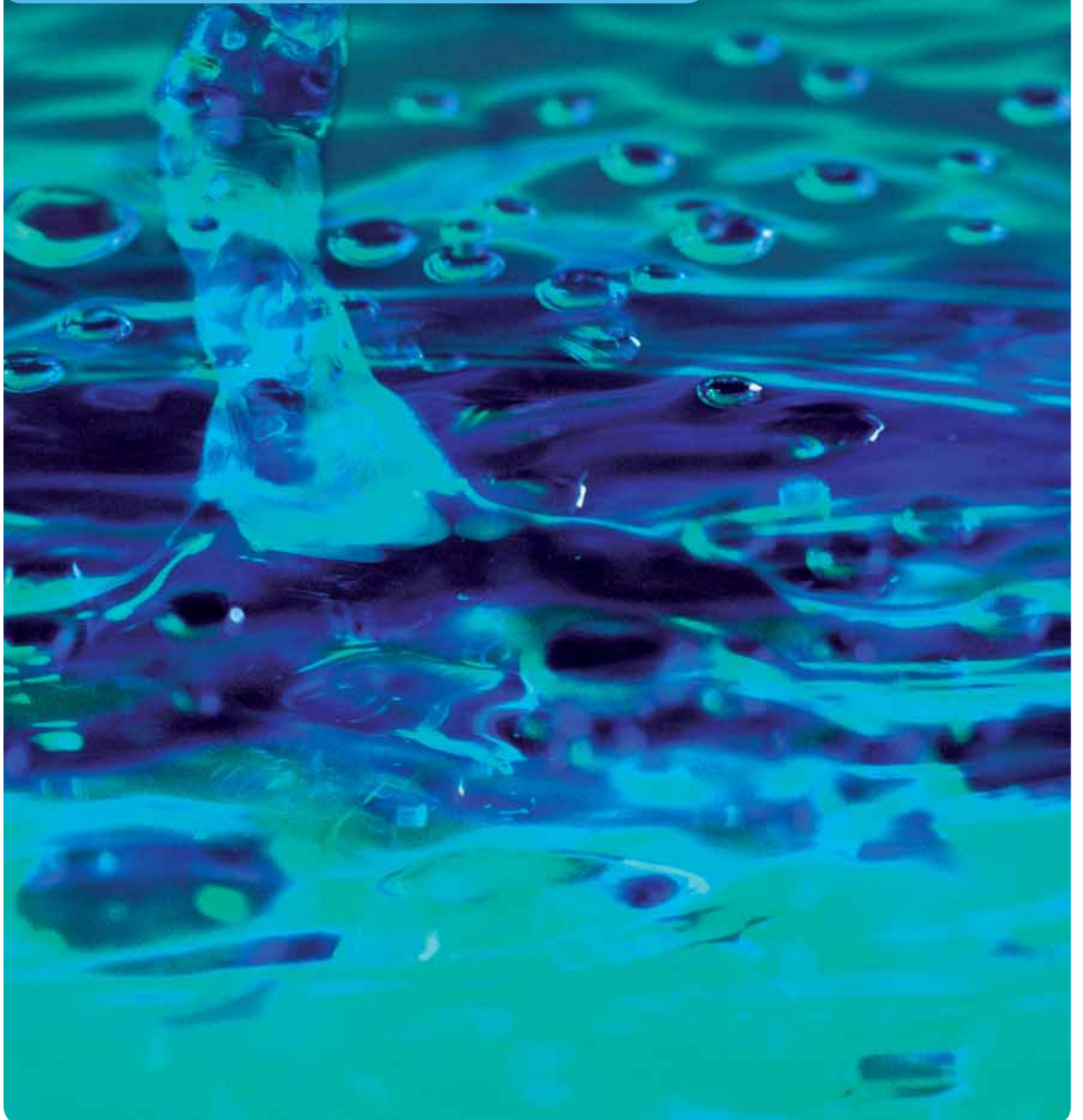
[www.sd.zain.com](http://www.sd.zain.com)



Zain in Sudan (formerly Mobitel) is the pioneer of GSM services in Sudan, being the first to offer mobile operations back in February 1997. Today it serves the largest number of mobile customers in the country with 3.408 million active customers.

# Fast facts

- Established: 1997
- Staff: 942 employees
- Active customers: 3.4 million
- Market share and rank: 52% of Sudan Telecom Market, rank No 1
- Roaming agreements: 281 partners in 127 countries
- Coverage: 57.9% of the total population



## Milestones & awards

1. Zain completed 100% acquisition of operation in February 2006
2. The Presidential Duty Order (Award) of the First Degree
3. \$400 million invested to date in network expansion

Mobitel was a joint venture between the Sudanese Telephone Company Ltd and several private shareholders until 2006, when it was fully acquired by the Zain Group as part of its strategy of becoming first a regional, then a global telecom entity.

Zain has since invested more than \$400 million in Mobitel's network expansion and improvement; in a move to realize the objectives of providing coverage to 80 per cent of Sudan's population by the end of 2007. As a gesture of goodwill to customers, recently the company reduced call tariffs by 45 per cent to celebrate the company's re-launch.

In its ongoing development Zain Group has engaged 500 new employees within an advanced plan

to further enhance the company's performance.

A board of advisors has been appointed to ensure transparency and justice in distributing \$6 million that has been allocated to a corporate social responsibility fund that will support worthy causes and projects that benefit the Sudanese community.

The original message of Mobitel has always been and will continue to be under the Zain branding: to provide unprecedented services to customers, advance and develop the community, and provide the best value to all stakeholders.





# Saudi Arabia

[www.sa.zain.com](http://www.sa.zain.com)



Mobile Telecommunications Company Saudi Arabia (Zain in Saudi Arabia), a Saudi joint stock company under formation, is being formed to operate a mobile telecommunications business in the Kingdom of Saudi Arabia under the terms of the third mobile operating licence awarded in July 2007.

## Zain across the world: Saudi Arabia



In Saudi Arabia, healthy competition has already lowered prices and stimulated rapid growth in the mobile telecommunications market. It is one of the world's fastest growing mobile telecommunications markets and offers considerable opportunities for continued expansion. It has more than 25 million inhabitants and more than nine million visitors each year.

The founding shareholders comprise established Saudi and international companies including Zain Group. And upon completion of its Initial Public Offering (IPO), the company plans to commence operations as Zain in the Kingdom in the first half of 2008. Key elements of the services are planned to include not only classic and value-added voice messaging and data services, but also to include multimedia applications, such as video calling and content services, including ring tones, sports updates, news quotes, games and facilities.

Zain in Saudi Arabia is committed to the Saudi nationals as a local company with Saudi executive managers leading the business. The company has committed itself to hire and train Saudi nationals and after three years of operation is committed to 70% of Saudisation.

Zain enters the Saudi market in strength, bringing with it the benefits of its operations with a global network which include the knowledge and operational synergies. Zain will serve the Saudi market not only with all the leading and innovative technologies that modern customers require but also by employing Saudi nationals at all levels of the organization. That results in bringing into reality our motto "For Saudis, By Saudis."

This licence will give Zain a presence in the largest market in the Gulf Cooperation Council ("GCC") in terms of population and the largest economy in the Middle East and Africa, reinforcing Zain's position as the leading regional mobile operator. The expected launch date of services in the KSA is the first half of 2008 and the headquarters will be in Riyadh.

The operation's vision is: "To build Zain KSA to be the international model for a successful Telecom Operator that breaks all records of any third entrant operator in the world."

“ The operation’s vision is to build Zain KSA to be the international model for a successful Telecom Operator that breaks all records of any third entrant operator in the world ”



## Fast facts

- Commencement date: First half 2008
- License cost: USD 6.11 billion
- License termst: 25 years
- Services: 2.5G, 3G and 3.5G



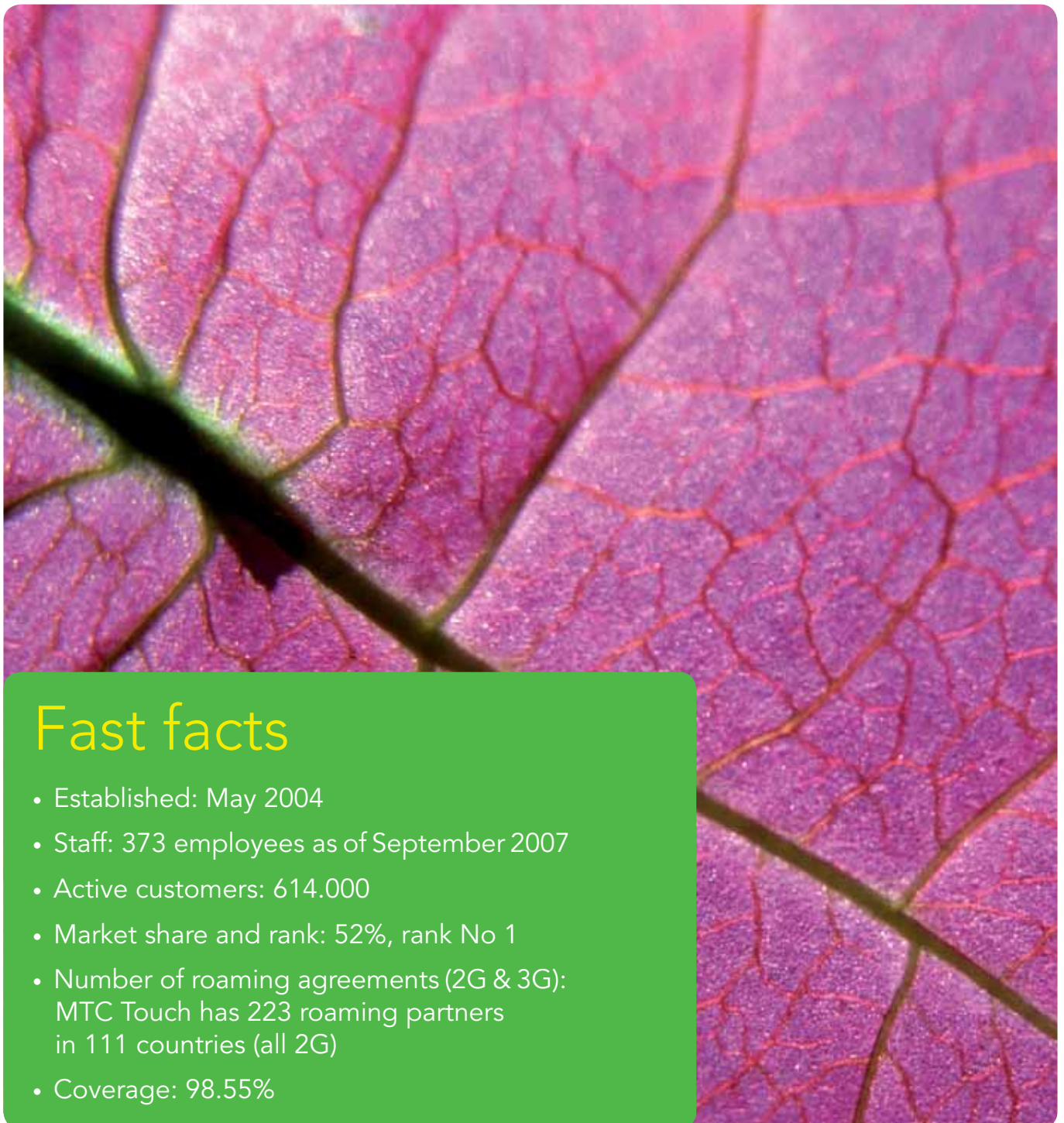
# Lebanon

[www.mtctouch.com.lb](http://www.mtctouch.com.lb)



MTC Group established MTC Touch in Lebanon in 2004, following a four-year agreement with the Lebanese Government to manage one of the two mobile telecom networks in the country.





## Fast facts

- Established: May 2004
- Staff: 373 employees as of September 2007
- Active customers: 614.000
- Market share and rank: 52%, rank No 1
- Number of roaming agreements (2G & 3G):  
MTC Touch has 223 roaming partners  
in 111 countries (all 2G)
- Coverage: 98.55%

“ Thorough growth and development strategies have helped the company capture the Lebanese market and reach a current market share of 52 per cent ”

Its customer database has since grown to 614,000 customers with prepaid or postpaid lines. Thorough growth and development strategies have helped the company capture the Lebanese market and reach a current market share of 52 per cent.

With a country mobile penetration of 26 per cent, MTC Touch views the Lebanese market as an attractive investment territory that offers promising prospects in terms of mobile telecommunications development.

Today, the company enjoys a consolidated status and sees further growth opportunity in privatisation of the GSM cellular network

operator, an event expected to increase the number of customers in Lebanon by 30-40 per cent.

MTC Touch has proved to be a pioneer telecom operator, introducing services such as credit transfer from prepaid/postpaid to prepaid, prepaid SMS roaming, E-recharge, bill e-pay, GPRS Roaming and MMS international.

The company is also an active and integral part of the Lebanese society, extensively involved in creating job opportunities and supporting community projects ranging from child welfare to care of the elderly, health awareness, environmental improvements, and sport.



## Milestones & awards

1. 2004 awarded management contract by Lebanese Government, commenced June 1, 2004
2. MTC Touch awarded the ISO 14001 Environmental Management System Certification
3. MTC Touch CTO Rula Abu Daher wins 2007 Middle East ICT Woman of the Year Award



# Africa

[www.celtel.com](http://www.celtel.com)

Marking a bold new expansion, Zain Group acquired African mobile telecoms leader Celtel International BV for \$3.36 billion in April 2005, underscoring the company's ambition to become an international telecommunications services provider.

Notably for the Group, the acquisition of Celtel is the largest corporate transaction of African assets as well as being the Middle East's largest private sector transaction in the telecommunications industry.

## Fast facts

(as at June 30, 2007)

- Acquisition: April 2005
- Staff: 9,000 employees
- Active customers: 24 million
- Market share and rank: Market leader in 10 of 14 operations

After the purchase of Celtel, MTC's market capitalization increased from \$6 billion to reach more than \$13 billion and the end of 2005, (inclusive of a \$2.3 billion capital rights issue on November 16, 2005). Today MTC's market capitalisation is nearing \$30 billion.

As a leading mobile operator in sub-Saharan Africa, Celtel operates in 14 countries (soon 15 with Ghana) serving more than 24.77 million customers as of September 30, 2007. Celtel is the most successful pan-African mobile network, offering telecommunications services to more people in Africa than any other network. The company is one of the best-known branded businesses in Africa.

Countries in which Celtel offers telecommunications services are: Burkina Faso, Chad, Democratic Republic of the Congo, Republic of the Congo, Gabon, Kenya, Madagascar, Malawi, Niger, Nigeria, Sierra Leone, Tanzania, Uganda and Zambia.

In 2006, Celtel acquired a controlling stake of 65 per cent in Vmobile, one of Nigeria's leading mobile telecom operators, for \$1.005 billion. This agreement marked the company's largest ever acquisition, expanding Celtel's presence on the African continent to 14 markets.

On October 22, 2007, Celtel International announced it had signed an agreement to acquire

75% of Western Telesystems Ltd (Westel) from the Government of Ghana for USD 120 million. The Government of Ghana remains a shareholder in Westel with a 25% holding through the Ghana National Petroleum Corporation. Westel is the second national operator in Ghana and is licensed to provide fixed and mobile (GSM) telecommunications services. The company aims to launch enhanced telecom services nationwide in the first half of 2008.

Celtel is market leader in 10 of the 14 African countries in which it operates.

Driven by its commitment to achieve sustainable development of telecommunications in Africa, Celtel's over-riding vision is 'Making life better' for the 430 million people it has under licence.

Celtel's 8,000 plus experienced African staff are committed to sustaining the company's record of profitable growth.

Zain through Celtel has invested more than US\$ 10 billion in Africa in less than three years and continuously innovates and introduces new products and services which are relevant to the needs of people of the continent. Celtel promotes African arts and culture and sponsors many music and cultural events across the continent.



Celtel endeavours to operate as a socially responsible company. Under the company's corporate social responsibility programme, Build Our Nation, more than 1 million dollars of books and other educational supplies were donated in Africa in 2006 and this year the total will be higher.

## Milestones & awards

1. One network borderless roaming...a world's first
2. Zain Group has invested \$10 billion to date in Africa
3. Commitment to supporting communities
4. Over-riding vision is 'Making life better' for the 430 million people it has under licence.



## Zain, Celtel and One Network

Celtel has demonstrated how the value of a single brand and contiguous networks can directly benefit customers.

In September 2006 Celtel introduced One Network, the world's first borderless mobile phone network. One Network is the world's first borderless mobile telecommunications operation offering for 400 million people in twelve countries across east, west and central Africa the opportunity to move freely across geographical borders without roaming call surcharges and without having to pay to receive incoming calls. These countries are Burkina Faso, Chad, the Republic of Congo, the Democratic Republic of Congo, Gabon, Kenya, Malawi, Niger, Nigeria, Sudan, Tanzania and Uganda..

Reporting on the launch of One Network renowned international magazine, The Economist, said 'Celtel has, in effect, created a unified market of the kind that regulators can only dream about in Europe.'



From the customer perspective the One Network service means:

- There are no roaming surcharges when Celtel customers are outside their home country. The customers can make calls and send SMS at local rates, receive incoming calls free-of-charge, top up with scratch cards brought from their home country, and, the most importantly, with locally-purchased scratch cards widely available in more than 500,000 points of sales in One Network countries.
- Zain makes it easy for customers - there is no registration, there are no extra fees, no roaming or international access deposit, no complicated dialling formats, no need to remember to change tariffs before travelling, etc.
- Customers continue to have access all of their Home network services (Voicemail, Customer Care, Know. It All., Me2U – the air time transfer service, GPRS/EDGE high speed internet access, Corporate Private Networks, Blackberry e-mail, Mobile Fun Portals) no matter which One Network country they are in. Should they need assistance, calls to Customer Care (via home network short codes) are free of charge and are routed to their Home network call centre where they may speak to a service representative in their own language.



- Zain aims to expand One Network to all its operations in Africa. The service expands the customer's coverage and service experience from one country to all of Africa (where Zain operates) becoming their network and Zain becoming the preferred pan-African mobile operator.

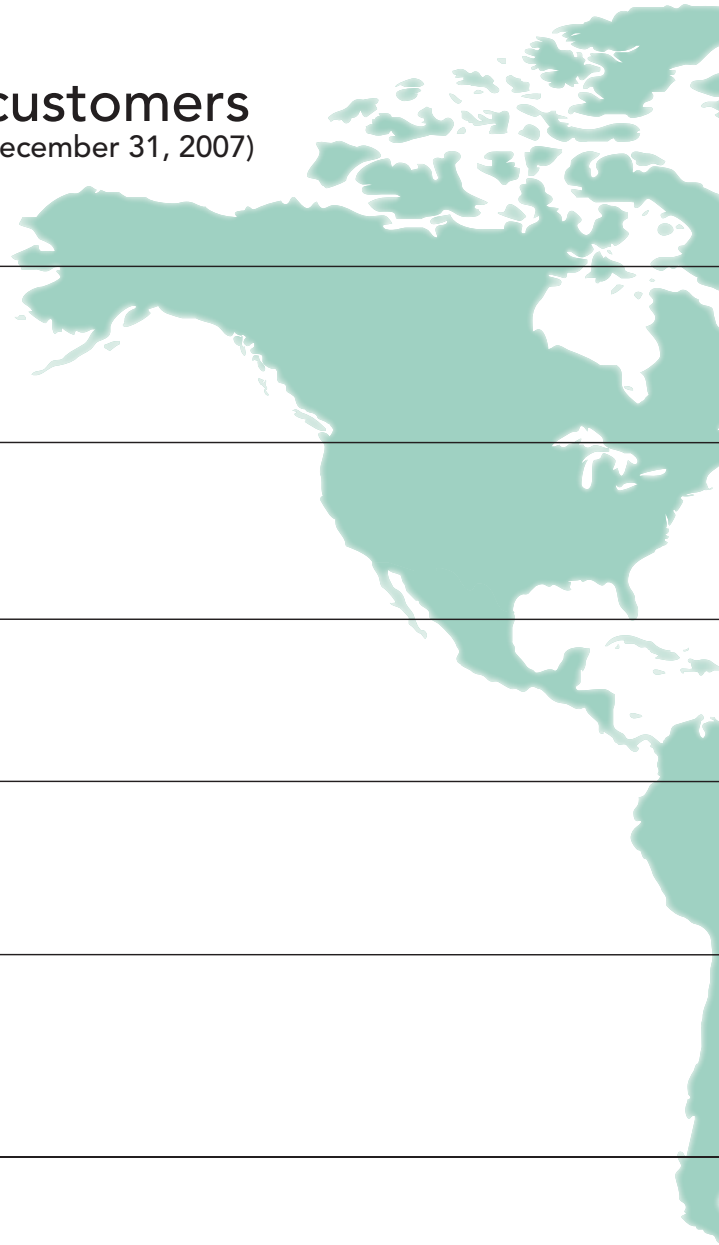
- One Network service is presently available to more than 22 million Celtel customers in Burkina Faso, Chad, the Republic of Congo, the Democratic Republic of Congo, Gabon, Kenya, Malawi, Niger, Nigeria, Sudan, Tanzania and Uganda . Not surprisingly more than 3 million customers used the service at least once since service introduction.

- Celtel introduced One4All, a sim based payphone handset, which enables more people to have access to telephony by reducing making it easier for people to operate a payphone service. This handset costs considerably less than other payphone and is small and very portable.

- Celtel introduced GPRS/ EDGE technology which has enable faster internet access to customers and is introducing 3G. Celtel's product offering also caters to top end business people by introducing services such as Blackberry e-mail.



**22 countries**  
**45 million active customers**  
(December 31, 2007)



CHAD

NIGER

NIGERIA

BURKINA FASO

SIERRA LEONE

GHANA

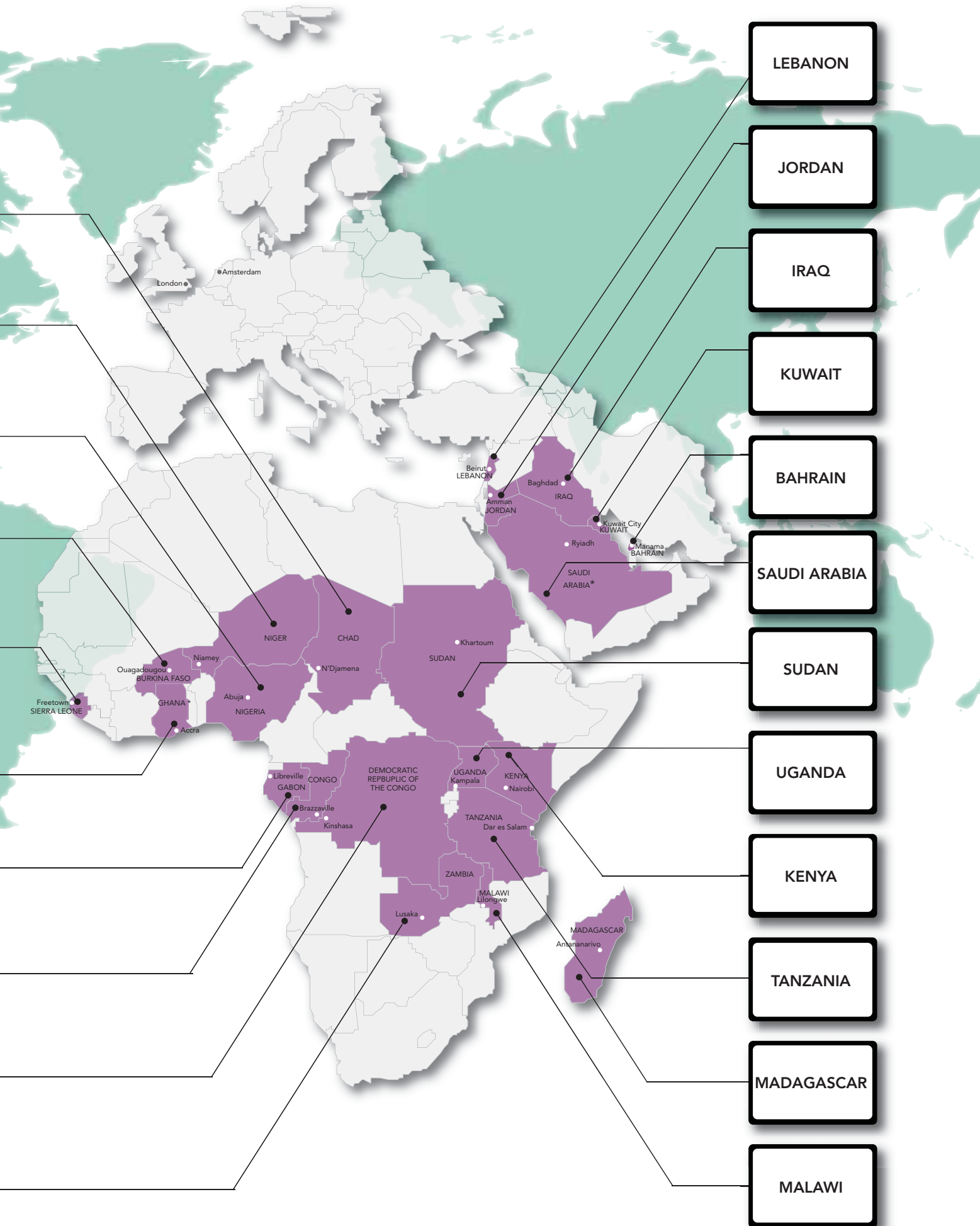
GABON

CONGO

D. R. CONGO

ZAMBIA

\* Saudi Arabia and Ghana: launch of commercial services in H1 2008



LEBANON

JORDAN

IRAQ

KUWAIT

BAHRAIN

SAUDI ARABIA

SUDAN

UGANDA

KENYA

TANZANIA

MADAGASCAR

MALAWI

