



October 24, 2013

The Egyptian Company for Mobile Services S.A.E (Mobinil)
Board of Directors Report
On the separate and the consolidated financial statements
For the period Started January 1, 2013 ended September 30, 2013

The Egyptian Company for Mobile Services S.A.E. (the "Company" or "ECMS") Board of Directors has the honor to announce the Company results to its shareholders for the period ended September 30, 2013.

It is Company policy to develop the mobile market through the introduction of new offers that cater to the needs of all the mobile market segments in the Egyptian market.

First the separate financial statements

- Total revenues for the period ended September 30, 2013 reached 7,440 MEGP, compared to 7,363 MEGP over the same period last year, with an increase of 1%.
- EBITDA (Earnings before interest, taxes, depreciation, and amortization) for the period ended September 30, 2013 were 2,219 MEGP, compared to 2,433 MEGP during the same period last year, with a decrease of 8.8%.
- Transactions with related parties during the period were similar to non-related entities on an arm's length basis. These transactions correspond to: purchase of network equipment, provision of technical and accounting assistance for different periods, network operation and maintenance, network construction activities, computer supplies, internet services, provision of advertising campaigns, payment and collection of roaming revenues on behalf of related parties, sales, purchases, commissions, training, advisory services and hotel services. Total transactions with related parties during the period ended September 30, 2013 reached 381 MEGP, compared to 600 MEGP over the same period last year.

Management fee agreements:

The AGM dated March 10, 2013 approved the following:

- The related parties' transactions that took place during the financial year 2012.
- Signing an Advisory service Agreement with OTMT , by which OTMT shall provide ECMS with the consulting and advisory services for a consideration of twelve million Egyptian Pounds per annum (excluding taxes) , agreement will be effective from the date ECMS AGM approved it.

Major transaction details are described in note (15) of Notes to the financial Statements.





Second the consolidated financial statements

- Total revenues for the period ended September 30, 2013 reached 7,874 MEGP, compared to 7,736 MEGP over the same period last year, with an increase of 1.8%.
- EBITDA (Earnings before interest, taxes, depreciation, and amortization) for the period ended September 30, 2013 were 2,252 MEGP, compared to 2,455 MEGP during the same period last year, with a decrease of 8.3%.
- Transactions with related parties during the year were similar to non-related entities on an arm's length basis as stated in the consolidated financial statements. Total transactions with related parties during the period ended September 30, 2013 reached 361 MEGP, compared to 501 MEGP over the same period last year.

A handwritten signature in black ink, appearing to read "M. Monzani".

Michel Jean-Marie Monzani
Vice Chairman

