

**Orascom Telecom, Media
And Technology Holding (S.A.E)**

**Subject to the provisions of law no. 95 for year 1992
and its executive regulations**

Condensed Separate Interim Financial Statements

For the Six months ended June 30, 2013

Together with Auditor's Review Report

*Translation of Auditor's Review Report
Originally Issued in Arabic*

Review Report

To: The Board of Directors of Orascom Telecom, Media and Technology Holding – S.A.E

Introduction

We have reviewed the accompanying condensed separate interim financial statements of Orascom Telecom, Media and Technology Holding – S.A.E which comprise of condensed separate interim statement of financial position as of June 30, 2013 and the related condensed separate interim statements of income, changes in shareholders' equity and cash flows for the six months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of the condensed separate interim financial statements in accordance with Egyptian Accounting Standard No 30 - Interim Financial Reporting. Our responsibility is to express a conclusion on these separate financial statements based on our review.

Scope of Review

We conducted our review in accordance with Egyptian Standard on Review Engagements (2410) "Review of Interim Financial Statement Performed by the Independent Auditor of the Entity". A review of condensed separate interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed separate interim financial statements do not present fairly in all material respects of the condensed separate interim financial position of the entity as at June 30, 2013, and of its condensed separate interim financial performance and its condensed separate interim cash flows for the six months then ended in accordance with Egyptian Accounting Standard No 30- Interim Financial Reporting.

Cairo, August 19, 2013



**Kamel Magdy Saleh, ACA
F.E.S.A.A. (R.A.A. 8510)
CMA Registration No "69"**

Orascom Telecom, Media and Technology Holding "S.A.E"

Subject to the provisions of law no. 95 for year 1992 and its executive regulations

Condensed separate interim financial position as of June 30, 2013

(In thousand EGP)	<u>Note</u> <u>No.</u>	<u>June 30, 2013</u>	<u>December 31, 2012</u>
<u>Current assets</u>			
Cash and cash equivalent	(6)	244 932	1 455 092
Due from related parties - current	(7, 19)	160 244	1 054 615
Other debit balances		1 380	2 207
Total current assets		406 556	2 511 914
<u>Current liabilities</u>			
Provisions	(16)	391 203	292 721
Accounts payable		2 280	263
Other credit balances	(9)	11 088	16 425
Current income tax		14 683	89 484
Due to related parties	(10, 19)	666 157	393 415
Total current liabilities		1 085 411	792 308
Working capital		(678 855)	1 719 606
<u>Non-current assets</u>			
Fixed assets (net)	(11)	44 081	44 086
Intangible assets	(12)	1 227	-
Payment to purchase of fixed assets		-	553
Investments in subsidiaries (net)	(13)	2 735 182	1 776 101
Investments in associates	(14)	272 560	272 560
Due from related parties - non current	(7)	41 047	37 356
Financial assets at fair value through profit or loss - financial derivatives	(8)	1 455 090	1 061 159
Total non-current assets		4 549 187	3 191 815
Total investment		3 870 332	4 911 421
Financed as follows:			
<u>Shareholders' equity</u>			
Issued and paid-up capital	(15)	2 203 190	2 203 190
Legal reserve		502 073	414 501
Retained earnings		1 164 716	2 293 377
Total shareholders' equity		3 869 979	4 911 068
<u>Non-current liabilities</u>			
Deferred tax liability		353	353
Total non-current liabilities		353	353
Total equity and non-current liabilities		3 870 332	4 911 421

- The accompanying notes form an integral part of these condensed separate interim financial statements and should be read therewith.

Chief Financial Officer

Chief Executive Officer

- Auditor's Review report attached.

Orascom Telecom, Media and Technology Holding "S.A.E"
Subject to the provisions of law no. 95 for year 1992 and its executive regulations
Condensed separate interim income statement for the six months ended June 30, 2013

<u>(In thousand EGP)</u>	<u>Note</u>	<u>Six months</u> <u>ended</u> <u>June 30, 2013</u>	<u>Financial period from</u> <u>the incorporation date</u> <u>till June 30, 2012</u>	<u>Three months</u> <u>ended</u> <u>June 30, 2013</u>	<u>Three months</u> <u>ended</u> <u>June 30, 2012</u>
	<u>No.</u>				
Technical support revenue	(3)	44 189	133 091	24 976	29 678
Dividends revenue from investments	(4)	-	2 954 728	-	2 822 711
Other income		5 029	-	-	-
Profit on sale of investments in associates		-	2 041 482	-	2 041 482
Total revenues		49 218	5 129 301	24 976	4 893 871
General and administrative expenses		(31 356)	(70 332)	(18 253)	(36 862)
Employees cost & board of directors' remuneration		(12 974)	(5 410)	(9 798)	(4 004)
Depreciation & Amortization	(12-11)	(658)	(459)	(411)	102
Provisions formed	(16)	(98 482)	-	(64 224)	27 431
Total expenses		(143 470)	(76 201)	(92 686)	(13 333)
Interest income		2 025	18 465	221	11 940
Foreign exchange revaluation differences		53 259	(15 486)	(17 429)	(19 982)
Impairment in due from related parties	(7)	(17 047)	(61 050)	(956)	(54 468)
Gain on revaluation of financial derivatives at fair value	(8)	393 931	(423 934)	256 900	(1 266 415)
Total finance income		432 168	(482 005)	238 736	(1 328 925)
Net profit for the period before tax		337 916	4 571 095	171 026	3 551 613
Income taxes	(5)	(27 005)	-	4 673	24 832
Net profit for the period after tax		310 911	4 571 095	175 699	3 576 445
Earnings per share (EGP/share)					
Basic	(17)	0.06	0.87	0.03	0.68
Diluted	(17)	0.06	0.87	0.03	0.68

- The accompanying notes form an integral part of these condensed separate interim financial statements and should be read therewith.

Chief Financial Officer

Chief Executive Officer

Translation of Financial Statements
Originally Issued in Arabic

Orascom Telecom, Media and Technology Holding "S.A.E"

Subject to the provisions of law no. 95 for year 1992 and its executive regulations

Condensed separate interim statement of changes in shareholders' equity for the six months ended June 30, 2013

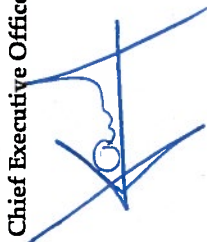
(In thousand EGP)	Note	Issued and Paid-up capital	Legal reserve	General reserve	Retained earnings	Total
Balance as of demerger date		2 203 190	186 711	(9 595)	1 741 491	4 121 797
Transferred to legal reserve		-	227 790	-	(227 790)	-
General Reserve		-	-	9 595	(9 595)	-
Dividends distribution		-	-	-	(5 507 975)	(5 507 975)
Employees' Dividends		-	-	-	(10 000)	(10 000)
Net profit for the period		-	-	-	4 571 095	4 571 095
Balance as of June 30, 2012		2 203 190	414 501	-	557 226	3 174 917
Balance as of January 1, 2013		2 203 190	414 501	-	2 293 377	4 911 068
Transferred to legal reserve		-	87 572	-	(87 572)	-
Dividends distribution		-	-	-	(1 352 000)	(1 352 000)
Net profit for the period		-	-	-	310 911	310 911
Balance as of June 30, 2013		2 203 190	502 073	-	1 164 716	3 869 979

- The accompanying notes form an integral part of these condensed separate interim financial statements and should be read therewith.

Chief Financial Officer



Chief Executive Officer



Orascom Telecom, Media and Technology Holding "S.A.E"
Subject to the provisions of law no. 95 for year 1992 and its executive regulations
Condensed separate interim statement of cash flows for the Six months ended June 30, 2013

(In thousand EGP)	<u>Six months</u> <u>ended</u> <u>June 30, 2013</u>	<u>Period from</u> <u>the incorporation date</u> <u>Till June 31, 2012</u>
Net profit of the period before tax	337 916	4 571 095
Adjusted as:		
Depreciation & Amortization	(12.11) 658	459
Impairment in due from related parties	(7) 17 047	61 050
Gain on revaluation of financial derivatives at fair value	(8) (393 931)	423 934
Foreign exchange revaluation differences	(45 808)	(6 125)
Interest income	(2 025)	(18 075)
Profit on sale of investments in associates	-	(2 041 482)
Dividends revenue from investments	-	(2 954 728)
Provisions formed	98 482	-
Net operating income before changes in working capital	12 339	36 128
Increase in due from related parties - current	(35 667)	(286 567)
Increase (decrease) in other debit balances	2	(2 401)
Increase in accounts payable	2 017	1 602
Increase in other credit balances	658	4 980
Increase in due to related parties	272 742	633 245
Increase in due from related parties - non current	(3 691)	(43 647)
Cash flows generated from operating activities	248 400	343 339
Taxes paid	(100 980)	-
Net cash flows generated from operating activities	147 420	343 339
<u>Cash flows from investing activities</u>		
Payments for purchase of fixed assets	(35)	(130)
Payments for purchase of intangible assets	(1 292)	-
Payments for investments in Subsidiaries	(15)	-
Payments for investments in associates	-	(56 073)
Proceeds from sale of associates	-	3 186 419
Net payments for financial derivatives	-	(242 256)
Dividends received from investments	-	2 845 004
Interest received	1 758	-
Net cash flows generated from investing activities	416	5 732 964
<u>Cash flows from financing activities</u>		
Dividends distribution	(1 357 996)	-
Net cash flows generated from financing activities	(1 357 996)	-
Net change in cash and cash equivalent during the period	(1 210 160)	6 076 304
Cash at the beginning of period	1 455 092	-
Cash at the end of the period	(6) 244 932	6 076 304

- The accompanying notes form an integral part of these condensed separate interim financial statements and should be read therewith.

Chief Financial Officer

Chief Executive Officer

Orascom Telecom, Media and Technology Holding
Notes to the Condensed Separate Interim Financial Statements
For the six months ended June 30, 2013

1- General information

a- Legal status and activity

Orascom Telecom Media and Technology Holding S.A.E "the Company" is an Egyptian Joint Stock Company pursuant to the provisions of the capital market law No. 95 of 1992 and its executive regulations. The Company was registered at Cairo Commercial Register on November 29, 2011 under No 394061. The Company's head office located at Nile City Towers, Ramlet Boulak – Cairo –Egypt. The Company's duration is 25 years starting from November 29,2011.

The financial period from this date till December 31, 2012 is considered the first the financial year for the company.

b- Purpose of the Company

The Company's purpose is to participate in establishing the joint stock and limited liability companies that issue securities or to increase its share capital of these companies, and considering the provisions of Article 127 of the executive regulations and the regulations of the Capital Market Law. The Company may have interest or participate, by any mean, in companies and other enterprises that have activities similar to those of the Company or those that may assist the Company to achieve its objectives in Egypt or abroad. It may also merge into those companies and enterprises purchase them or affiliate them pursuant to the provisions of the law and its executive regulations.

2- Basis of preparation of condensed separate interim financial statements

a- Statement of compliance with the Egyptian Accounting Standards

The condensed separate interim financial statements have been prepared in accordance with the Egyptian Accounting Standard No. 30 "Interim Financial Reporting". As permitted by EAS 30, condensed separate interim financial statements do not include all of the information required for the full annual financial statements, and should be read in conjunction with the separate financial statements for year ended December 31, 2012.

The Egyptian Accounting Standards require referral to International Financial Reporting Standards "IFRS" for certain types of transactions or events when no Egyptian Accounting Standard or legal requirement exists to address treatment for these transactions or events.

b- Basis of measurement

These condensed separate interim financial statements are prepared on the historical cost convention, except for assets and liabilities, which are measured at fair value which comprise of the, financial instruments and financial assets and liabilities classified at fair value through profit or loss.

Investments in subsidiaries and associates are accounted for in the accompanying condensed separate interim financial statements at cost, which represents the Company's direct ownership interest in equity and, not on the results of operations and net assets of the subsidiaries and associates. The consolidated financial statements provide more understanding of the consolidated financial position, results of operations and the consolidated cash flows of the Company and its subsidiaries (The Group).

c- Functional and presentation currency

The Company's functional and reporting currency is the Egyptian Pound. All the financial information presented in Egyptian pound has been rounded to thousands, except earnings per share and unless otherwise stated.

d- Use of estimates and judgments

According to Egyptian Accounting Standards, in the application of the Company's accounting policies, the management are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The critical judgments and estimates that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the separate financial statements have not changed from those used and applied in the company's separate financial statements as at December 31, 2012.

e- Significant accounting policies applied

The accounting policies adopted for the preparation of the condensed separate interim financial information are consistent with those used in the separate financial statements for the period ended December 31, 2012.

3- Technical support revenue

<u>(In thousand EGP)</u>	<u>For the six months ended</u> <u>June 30, 2013</u>	<u>For the period from incorporation date till</u> <u>June 30, 2012</u>
Egyptian Company for Mobile Services *	3 000	85 026
CHEO Technology (KoryoLink)	41 189	48 065
	<u>44 189</u>	<u>133 091</u>

According to the demerger agreement, Technical support revenue was recognized starting from April 15, 2011. The amount of EGP 72 881 thousand due to the company for the financial period until December 2011 was settled against the balance due to Orascom Telecom Holding.

* On October 15, 2012, and pursuant to the amended and restated shareholders agreement between the Company and France Telecom dated April 11, 2012, FT exercised its option to call the technical support contract governing the management services provided by the company to ECMS.

4- Dividends revenue from investments

The Company did not recognize any dividends revenue during the period (EGP 2 954 728 thousand during the period from incorporation date till June 30, 2012), as the investees did not declare any dividends during the current period.

5- Income taxes

During the current period income tax expense recognized amounted to EGP 27 703 thousand (period from the incorporation date until June 30, 2012 amounted to EGP Zero), which was calculated at the estimated weighted average of the effective tax rate applicable to the whole financial year.

6- Cash and cash equivalent

The significant change in cash and cash equivalent represented in the payment of shareholders dividends amounted to EGP 1 352 000 thousand which was offset by cash transfer received from Orascom Telecom Lebanon amounted to USD 40 million equivalent to EGP 277 million.

7- Due from related parties**a- Current**

	<u>June 30, 2013</u>	<u>December 31, 2012</u>
(In thousand EGP)		
CHEO Technology (Koryolink) *	104 212	51 813
Link Egypt	216	216
Egyptian Company for Mobile Service	5 038	1 874
Orascom Telecom Lebanon	5 574	4 583
Arpu Communication Services	3 597	3 421
Trans World Associate Ltd – Pakistan	23 614	24 600
Oracap Holding **	345 775	328 728
Link Dot Net	--	5 500
Orascom Telecom Holding (Demerging company)	3 541	3 541
Middle East and North Africa Submarine Cable – MENA Cable (Note 13)	14 172	959 067
Weather Investment	280	--
Impairment		
Oracap Holding **	(345 775)	(328 728)
	<u>160 244</u>	<u>1 054 615</u>

* Significant transactions with the subsidiary represented in the accrued technical support fee for the period ended June 30, 2013 amounted to EGP 41 189 million.

** During the period, the Company recognized impairment losses with an amount of EGP 17 million based on the current estimate of the expected recoverable value for the amounts transferred to Oracap Holding.

	<u>June 30, 2013</u>	<u>December 31, 2012</u>
b- Non-current		
(In thousand EGP)		
Arpu Communication Services	21 274	19 338
Trans World Associate Ltd – Pakistan	19 773	18 018
	<u>41 047</u>	<u>37 356</u>

8- Financial derivatives at fair value through profit or loss

Derivative instruments as of June 30, 2013 represented in the following:

(In thousand EGP)	<u>Fair value</u> <u>assets/ (liability)</u>	<u>Charged to</u> <u>income statement</u> <u>income/ (loss)</u>
Fair value of put options *	1 455 090	393 931
	<u>1 455 090</u>	<u>393 931</u>

* Represents the fair value of the put options, which entitle the company to sell its direct and indirect stake in the Egyptian Company for Mobile Services (associate company) to France Telecom, and in accordance with the amended and restated shareholders agreement between the Company and France Telecom dated April 11, 2012.

The agreement provide for the Company option to put 1.67% per annum of its direct interest in the ECMS over a three-year period from 2015 to 2017 subject to the trading rules of the Egyptian Stock Exchange - EGX and the then applicable law.

This option is exercisable in January-February of each such year at accreting prices determined based on the date of exercise ranging from EGP 268.5 in 2015 to EGP 296 in 2017 per ECMS share.

The agreement also provides that France Telecom has the option to call all (but not less than all) of the Company's remaining direct stake in Egyptian Company for Mobile Services - ECMS and in MT Telecom, which are reported in the separate financial statements as investments in associates with direct ownership interest of 5% and 28.75% respectively. This option is exercisable during a January-February exercise period in each year from 2013 to 2017, ranging from EGP 243.5 to EGP 296 per ECMS share.

The Company appointed an independent valuator to estimate the fair value of both call and put options, which resulted in an asset to the company with an amount of EGP 1 455 million (December 31, 2012 EGP 1 061 million). The fair value was estimated using one of the known options' valuation methodologies.

9- Other credit balances

<u>(In thousand EGP)</u>	<u>June 30, 2013</u>	<u>December 31, 2012</u>
Withholding tax	--	21
Social insurance authority	47	38
Payroll tax	930	127
Accrued expenses	7 153	7 285
Employees dividends payable	2 958	8 954
	<u>11 088</u>	<u>16 425</u>

10- Due to related parties**(In thousand EGP)**

	<u>June 30, 2013</u>	<u>December 31, 2012</u>
Orascom Telecom Ventures *	666 158	365 290
Weather Investment	--	28 125
	<u>666 158</u>	<u>393 415</u>

* The increase in Orascom Telecom Ventures represents the transfers from one of Orascom Telecom Ventures subsidiaries amounting to USD 40 million.

11- Fixed assets (net)**(In thousand EGP)**

	<u>Buildings</u>	<u>Computers</u>	<u>Furniture and Fixture</u>	<u>Vehicles</u>	<u>Total</u>
<u>Cost</u>					
As of December 31, 2012	44 743	147	126	--	45 016
Additions during the period	--	24	11	553	588
As of June 30, 2013	<u>44 743</u>	<u>171</u>	<u>137</u>	<u>553</u>	<u>45 604</u>
<u>Accumulated depreciation</u>					
As of December 31, 2012	895	30	5	--	930
Depreciation for the period	447	32	22	92	591
As of June 30, 2013	<u>1 342</u>	<u>62</u>	<u>27</u>	<u>92</u>	<u>1 521</u>
Net book value as of June 30, 2013	<u>43 401</u>	<u>109</u>	<u>110</u>	<u>461</u>	<u>44 081</u>
Net book value as of December 31, 2012	<u>43 848</u>	<u>117</u>	<u>121</u>	<u>--</u>	<u>44 086</u>

12- Intangible assets**(In thousand EGP)**

	<u>Computer Software</u>	<u>Total</u>
<u>Cost</u>		
As of December 31, 2012	--	--
Additions during the period	1 292	1 292
As of June 30, 2013	<u>1 292</u>	<u>1 292</u>
<u>Accumulated depreciation</u>		
As of December 31, 2012	--	--
Depreciation for the period	65	65
As of June 30, 2013	<u>65</u>	<u>65</u>
Net book value as of June 30, 2013	<u>1 227</u>	<u>1 227</u>
Net book value as of December 31, 2012	<u>--</u>	<u>--</u>

13- Investments in subsidiaries (Net)

<u>(In thousand EGP)</u>	<u>Country</u>	<u>%</u>	<u>June 30, 2013</u>	<u>December 31, 2012</u>
CHEO Technology (Koryo link)	North Korea	75	613 632	613 632
Middle East and North Africa Submarine Cable – MENA Cable *	Egypt	100	1 711 851	752 766
Trans World Associate Ltd Pakistan	Pakistan	51	60 862	60 862
Orascom Telecom Ventures S.A.E	Egypt	99.9	605 602	605 602
Arpu for Telecommunications**	Egypt	1	160	160
Orascom Telecom for Infrastructure	Egypt	99.2	41	27
<u>Impairment in investments in subsidiaries</u>				
Middle East and North Africa Submarine Cable – MENA Cable			(256 966)	(256 948)
			<u>2 735 182</u>	<u>1 776 101</u>

* The increase in the investment balance represents the capitalization of the outstanding receivable balance due from the subsidiary amounting to EGP 959 million which represent payments under capital increase according to the subsidiary's Extraordinary General Assembly meeting held in May 26, 2013. The subsidiary is in the process of obtaining necessary regulatory approvals for the capital increase as part of fulfilling the legal requirements.

** Arpu's investment balance classified as investment in subsidiaries although the Company holds 1% direct interest in Arpu for Telecommunications Company, while holding 99% indirect interest through its wholly owned subsidiary Orascom Telecom Ventures.

14- Investment in associates

<u>(In thousand EGP)</u>	<u>Country</u>	<u>%</u>	<u>June 30, 2013</u>	<u>December 31, 2012</u>
Egyptian Company For Mobile Services	Egypt	5	216 487	216 487
MT Telecom SCRL	Belgium	28.75	56 073	56 073
Total			<u>272 560</u>	<u>272 560</u>

15- Capital

The Company's authorized capital amounted to EGP 22 Billion, the issued and paid up capital amounted to EGP 2 203 190 060 distributed among 5 245 690 620 shares of EGP 0.42 par value each, according to the approval of the General Authority for Investment and the Extraordinary General Assembly of Orascom Telecom Holding (Demerging company).

16- Provisions

<u>(In thousand EGP)</u>	<u>December 31, 2012</u>	<u>Formed</u>	<u>June 30, 2013</u>
Provisions	292 721	98 482	391 203
Total	<u>292 721</u>	<u>98 482</u>	<u>391 203</u>

17- Earnings per share

- a- **Basic:** Earnings per share calculated on the basis of weighted average number of ordinary shares outstanding during the period

	<u>For the six</u> <u>months ended</u> <u>June 30, 2013</u>	<u>For the period from the</u> <u>incorporation date till</u> <u>June 30, 2012</u>
Net profit of the period (in thousand EGP)	310 911	4 571 095
<u>Deduct</u>		
Employee dividends (in thousand EGP)	--	(10 000)
	310 911	4 561 095
Weighted average number of shares during the period (in thousand)	5 245 691	5 245 691
Earnings per share (EGP/share)	0.06	0.87

- b- **Diluted :** The diluted earnings per share is calculated by reconciling the weighted average number of ordinary shares, assuming the conversion of all financial instruments to shares and stock options and adjusting the net profit by excluding the cost of convertible debt instruments with regard to the tax effect. Regarding the stock option, Probable shares to be issued are added to the weighted average number of ordinary shares and excluded from these probable shares subject to the relationship between stock option price and weighted average fair value during the period. As there is no convertible debt instruments for shares so the basic and diluted earnings per share are the same.

18- Tax position

On April 29, 2013, the Law No. 9 of 2013 was issued to amend certain provisions of the Stamp Tax Law No.111 of 1980 and to replace the law No. 104 of 2012. The president of Egypt issues the law at April 29, 2013 and published in the same date of issuance to be effective the day next publishing.

On May 18, 2013 the Law No.11 of 2013 was issued to amend certain provisions of the Income Tax Law issued by Law No. 91 of 2005 and replace the Law No. 101 of 2012. The law published in the same date of issuance to be effective the day next publishing.

Corporate income tax

The Company is subject to the provisions of the Tax Law No. 91 of 2005 and its executive regulations. The company submitted its first tax return for the financial period from November 29, 2011(incorporation date) to December 31, 2012 (extended financial period) during April 2013.

Payroll tax

The company pays payroll tax to the tax authority on due dates.

Withholding tax

The company pays withholding tax to the tax authority on due dates.

19- Significant transactions with related parties during the period

<u>In thousand EGP</u>	<u>Nature of the relationship</u>	<u>Nature of the transactions</u>	<u>Volume of transactions</u>	<u>Balance Debit (credit)</u>
CHEO Technology (KoryoLink)	Subsidiary	Payments of expenses on behalf of related party	2 692	104 213
		Technical support revenue	41 189	
The Egyptian Company for Mobile Services	Associate	Technical support revenue	3 000	5 038
Orascom Telecom Lebanon	Subsidiary of Orascom Telecom Ventures	Payments of expenses on behalf of related party	262	5 574
Middle East and North Africa Submarine Cable – MENA Cable	Subsidiary	Cash transfer to related party	6 173	14 172
		Payments of expenses on behalf of related party	201	
TransWorld Associate (private) Ltd-Pakistan	Subsidiary	Payments of expenses on behalf of related party	136	23 613
		Interest income on loans	267	
Orascom Telecom Ventures	Subsidiary	Cash transfer to related party.	19 388	(666 158)
		cash transfers from related party	(278 850)	
Oracap Holding	Subsidiary	Payments of expenses on behalf of related party	17 047	--
Weather Investment		Cash transfer to related party.	31 570	280
		Payments of expenses on behalf of related party	10	

20- Financial instruments and management of associated risks

The Company's financial instruments comprise cash at banks, treasury bills, due from related parties, assets resulted from financial derivatives and certain other debit balances .The financial liabilities comprise financial liabilities through profit and loss, certain other credit balances, liabilities resulted from financial derivatives and due to related parties.

a- Liquidity risk

Liquidity risk represents the factors which may affect the Company's ability to pay part or all of its liabilities, management monitors its liquidity position and manage it through management of excess cash at subsidiaries level and through dividends distributions from the subsidiaries.

b- Interest rate risk

Interest rate risk represents fluctuations in interest rates which may affect the company's results of operations and cash flows as the company depend on its own resources and finance from subsidiaries. This risk is considered limited as Management depends on equity finance.

c- Foreign currencies' risk

Foreign currencies' risk represents fluctuations in exchange rates of foreign currencies, which affect receipts and disbursements in foreign currencies as well as the value of assets and liabilities denominated in foreign currencies. Management monitors the foreign currencies positions and banks exchange rates on an ongoing basis and seeks to reduce uncovered positions of foreign currencies, the matter which may reduce this risk to an acceptable level.

21- Contingent liabilities

<u>Company Name</u>	<u>Guarantee</u>	<u>Maximum level for liability</u>	<u>As of June 30, 2013</u> <u>EGP</u>	<u>Expiry date of the guarantee</u>
Orascom Telecom Lebanon	Guarantee of the company to pay any due amount to participators	USD 10 Million	70 494 000	September 2013
Orascom Telecom Lebanon	Guarantee of the company to pay any due amount to participators	USD 30 Million	211 482 000	September 2013

22- Noncash transactions

During the current period, the company eliminated the following non-cash transactions from the investing and financing activities:

- The capitalization of the due from related parties as part of investment in subsidiaries amounted to EGP 959 Million.

23- Comparative figures

As shown in more details in note (1) the company was incorporated at November 29, 2011, so the comparative figures are presented for the separate statements of income, changes in shareholders' equity and cash flows for the period from the incorporation date till June 30, 2012.

Chief Financial Officer

Chief Executive Officer