

Press Release

Invitation to Participate in the Tender Process for the Sale of Two Mobile Businesses and Award of Associated Mobile Licenses

Beirut, [2] November 2007 - The Republic of Lebanon, acting through the Higher Council for Privatization (the "HCP"), and the Telecommunications Regulatory Authority (the "TRA"), is pleased to announce the invitation to participate in the tender process for the privatisation of the mobile telecommunications sector in Lebanon.

The tender process will be conducted by way of a simultaneous sale of the existing subscriber and other contracts, network and certain other assets and liabilities of each of the two existing mobile operations (each a "Mobile Business"), together, in each case, with the award of a 20-year license to build, own and operate a mobile network and provide mobile services in Lebanon (each Mobile Business together with a license, a "Combination"). The Mobile Businesses are currently operated by MTC Lebanon and Fal Dete Telecommunication pursuant to management agreements which were entered into for a four year period and which terminate in June 2008.

Applicants may submit offers for each Combination. Under the timetable in the RFA, applications must be submitted on [18] January 2008. Applications must include sealed pre-auction bids. The auction will take place in a live public session (with media and television invited) in Beirut on [7] February 2008. Bidding will be conducted in rounds.

Each winning bidder will be required to incorporate the relevant licensee in the form of a Lebanese joint stock company (Société Anonyme Libanaise). Each winning bidder will hold two thirds and Republic of Lebanon will hold one third of the issued share capital in each of such joint stock companies. The Republic of Lebanon plans to sell its shares via an initial public offering (the "IPO") within 12 months of the incorporation of the relevant licensee. Each IPO will be conducted by the HCP on the Beirut Stock Exchange. The initial placement and the continued ownership of these shares are expected to be restricted to Lebanese nationals.

Further details on the exact conduct of the tender process and the auction together with a detailed timetable are set out in the RFA which is available on the TRA's website. The contents of the RFA and the terms of the Tender Process and Auction were approved by the Council of Ministers pursuant to its resolution dated October 9, 2007.

Citigroup Global Markets Limited and J.P. Morgan plc are acting as joint financial advisors to the HCP and the TRA in connection with the sale of the Mobile Businesses and the award of the mobile licenses.

About the HCP:

The HCP was established pursuant to the Privatization Law. Its mission is the planning and implementation of privatization programs in Lebanon. Amongst others, the HCP's aims are to increase the efficiency, productivity and competitiveness of sectors which have been state-controlled, to broaden the private ownership by Lebanese citizens of projects to be privatized, to encourage private investment in Lebanon and to encourage the emergence of a true partnership between the public and private sectors.

About the TRA:

The TRA was established pursuant to the Telecommunications Law and is responsible for the regulations of the telecommunications sector. The Telecommunications Law gives the TRA the mandate to prepare draft decrees and regulations relating to, amongst other matters, competition, interconnection, dispute resolution, pricing, quality of service, consumer affairs and tariff monitoring, to refer such drafts to the Minister of Telecommunications and to provide its opinion on all draft laws and decrees relating to the telecommunications sector.

[Legal counsel to provide disclaimer for HCP and TRA]

[Investment banks to provide their disclaimer]