Earnings Release

9 Months - 2009

Financial & Operational Highlights

As of September 30, 2009, Zain's customer base exceeded 71.8 million active customers across the Middle East and Africa, representing a 28% increase compared to September 30, 2008.

In the 9 months of 2009, Zain announced Consolidated Revenues of KD 1,779.6 million (USD 6,168.6 million), an increase of 24% compared to the previous year.

During the same period, Zain recorded an EBITDA of KD 757.3 million (USD 2,623.9), a 37% increase.

EBITDA Margin stood at 43% as of September 30, 2009, compared to 38% in the previous year.

Zain recorded a Net Income of KD 195.7 million (USD 677.1 million) for the same period, a 17% decrease compared to September 30, 2008.

The Group's EPS stood at 0.18 cents (KD .051) for the same period.

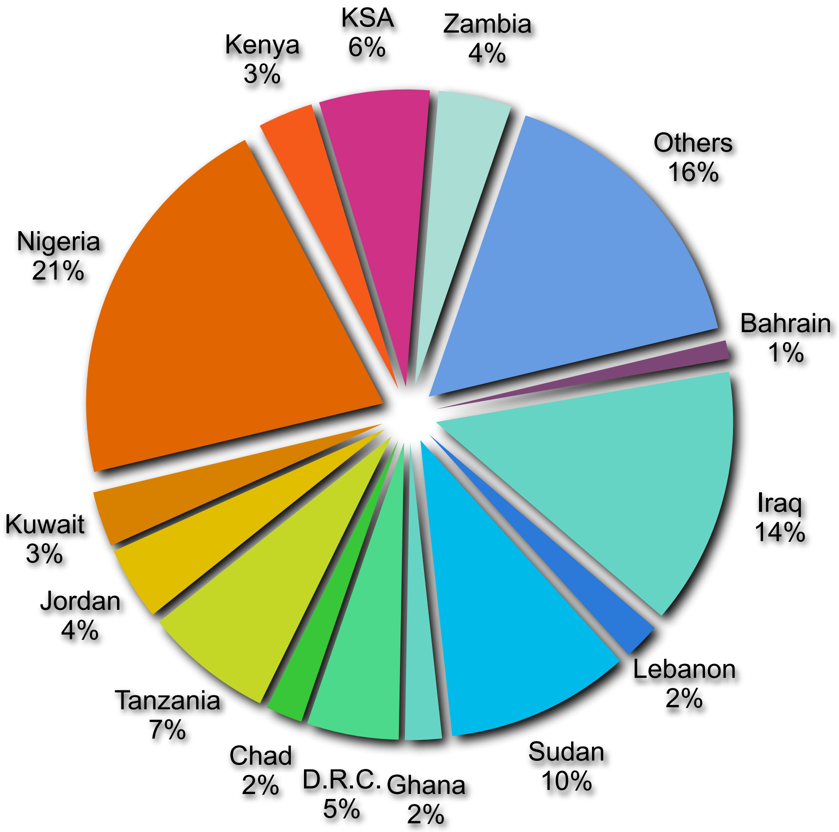
Customers

Table 1: Zain Group Customer Breakdown & Market Positioning

As of September 30, 2009	*Ownership (%)*	*Active Customers (000s) September 30, 2009*	*Active Customers (000s) September 30, 2008*	*Growth (%)*	*Prepaid (%) Q3-2009*	*Market Positioning*
MIDDLE EAST						
Bahrain	56.25%	693	603	15%	81.2%	1
Iraq	71.67%	10,063	8,522	18%	99.5%	1
Jordan	56.53%	2,625	2,253	17%	89.1%	1
Kuwait	100%	1,808	1,711	6%	66.0%	1
Lebanon	MC [1]	1,273	761	67%	83.7%	-
KSA	25%	4,401	966	356%	90.1%	3
Palestine	56.53%	1,731	-	-	85.0%	1
Sudan	100%	7,335	4,530	62%	98.6%	1
Middle East Total	**-**	**29,929**	**19,347**	**55%**	**93.0%**	**-**
AFRICA						
Burkina Faso	100%	1,444	1,236	17%	99.9%	1
Chad	100%	1,194	880	36%	99.8%	1
Congo Brazzaville	90%	1,415	1,246	14%	99.8%	1
DRC	98.5%	3,569	3,023	18%	99.7%	1
Gabon	90%	870	761	14%	99.4%	1
Ghana	75%	1,208	-	-	99.8%	4
Kenya	95%	2,191	2,558	(14%)	97.1%	2
Madagascar	100%	1,425	1,087	31%	98.5%	2
Malawi	100%	1,711	1,170	46%	99.4%	1
Niger	90%	1,432	948	51%	99.9%	1
Nigeria	65.7%	14,936	15,905	(6%)	99.4%	2
Sierra Leone	100%	555	444	25%	98.9%	1
Tanzania	60%	4,764	3,285	45%	99.8%	1
Uganda	100%	2,243	1,865	20%	99.7%	2
Zambia	78.88%	2,940	2,520	17%	99.6%	1
Africa Total	**-**	**41,897**	**36,929**	**13%**	**99.4%**	**-**
Zain Group Total	**-**	**71,826**	**56,276**	**28%**	**96.8%**	**-**

1- MC = Management Contract

Zain Group Customers



As of September 30, 2009, Zain operated in 2 continents and served over 71.8 million active customers. In terms of footprint, Zain is the 3rd largest mobile operator in the world with a commercial presence in 24 countries and a population coverage of over 600 million across Africa and the Middle East. Within Zain's operations, 16 subsidiaries are the leading operators whereas four other operations hold the second position in their respective markets.

With the saturation of mobile markets in the Middle East, coupled with the rising of intra-competition in the African markets, Zain's strategy remains the same – to be the market leader in the markets it serves. As of September 30, 2009, Zain's African operations represented 58% of the Group's customer base while the remaining 42% represented Zain's operations in the Middle East. Zain in Nigeria accounted for 21% of the Group's customer base, followed by Iraq (14%), Sudan (10%), Tanzania (7%), KSA (6%) and DRC (5%).
The Zain Group's operations are mainly made up of prepaid customers, representing over 96% of the total customer base. Of the customer base in the Middle East operations, 93% are prepaid while in the group's African operations, over 99% consist of prepaid customers. This phenomenon reflects the cash based economies of the two regions.

Financial Results

Examining the 9 month 2009 USD results, Zain Group recorded a 24% revenue growth compared to the same period last year. Growth was boosted by the effect of the consolidation of the Iraq operation and the merger of the Paltel operation in May. Group revenues were again dominated and led by the four operations of Iraq, Nigeria, Kuwait, and Sudan, in order of contribution. Consolidated revenues from African operations were significantly affected by the depreciating local currencies vs. the US dollar, despite their solid growth when observed at the Opco level. With an aim to counter the negative pressures on top line growth, Zain will place a renewed focus on its segmented market approach to acquisition and retention in its individual markets to extract the most value from its high end customers. Zain will also expand its successful commercial initiatives such as the mobile money product in East Africa to the rest of its operations.

Group EBITDA improved significantly by 37% compared to 2008. Overall, Zain's operations were able to control operating expenses related to marketing and distribution, recording only a marginal net increase compared to 2008. This was achieved despite the increased number of operations and subsequent costs during the period, including the consolidation of Zain Iraq and Paltel results, along with the losses incurred from the Ghana startup (USD 29 million negative EBITDA). The improved efficiency of operations confirms the synergies achieved through Zain's 'Drive11' program, which is helping to maintain resilient operational performance through what has been a tough economic period in Zain's markets. The effects are evident on the EBITDA margin, which improved dramatically by 5 percentage points year on year. The Group plans to continue enhancing margins by rolling out more cost-cutting Drive11 programs in the operations to counter the pressures against revenue growth from intensifying competition and economic instability.

Below the EBITDA line, several factors led to a decrease in profitability compared to 2008. Most prominently, the year to date 2009 bottom line includes Zain's share of loss from its associate Zain KSA in its first full year of operation (the operation launched full operations in late August 2008). As a result, the net losses of the start-up KSA operation increased by 125% year on year to USD 651 million. Additionally, the expansion of Zain's operations led to an increase in fixed costs from depreciation and amortization (32% vs. 2008) and financing costs (19%). Zain also incurred heavy FX losses from transactions during the period due to the depreciation of its local operational currencies vs. the dollar, most notably in Africa. As a result, total FX losses doubled in 2009 vs. 2008 to reach USD 130 million. It is also noteworthy that In comparing the two periods, 2008 net profit was boosted by the USD 99 million gain from selling shares of Zain Zambia as part of its local listing in June 2008. Going forward, the stabilization of local currencies, coupled with positive financial performance from Zain KSA as it builds a solid foothold in the lucrative KSA market, will serve to relieve pressure from the bottom line and improve profit margin levels.

Table 2: Financial Highlights

Consolidated Results	*9 Months - 2009*		*9 Months - 2008*		*Annual Growth*
Currency	KD	USD	KD	USD	
Revenues (millions)	1,779.6	6,168.6	1,439	5,374.7	24%
EBITDA (millions)	757.3	2,623.9	554.1	2,069.0	37%
EBITDA Margin	*43%*		*38%*		+5%
Net Profit (millions)	195.7	677.1	235.2	878.1	(17%)
EPS	0.051	0.18	0.065	0.24	-

Revenues Contribution

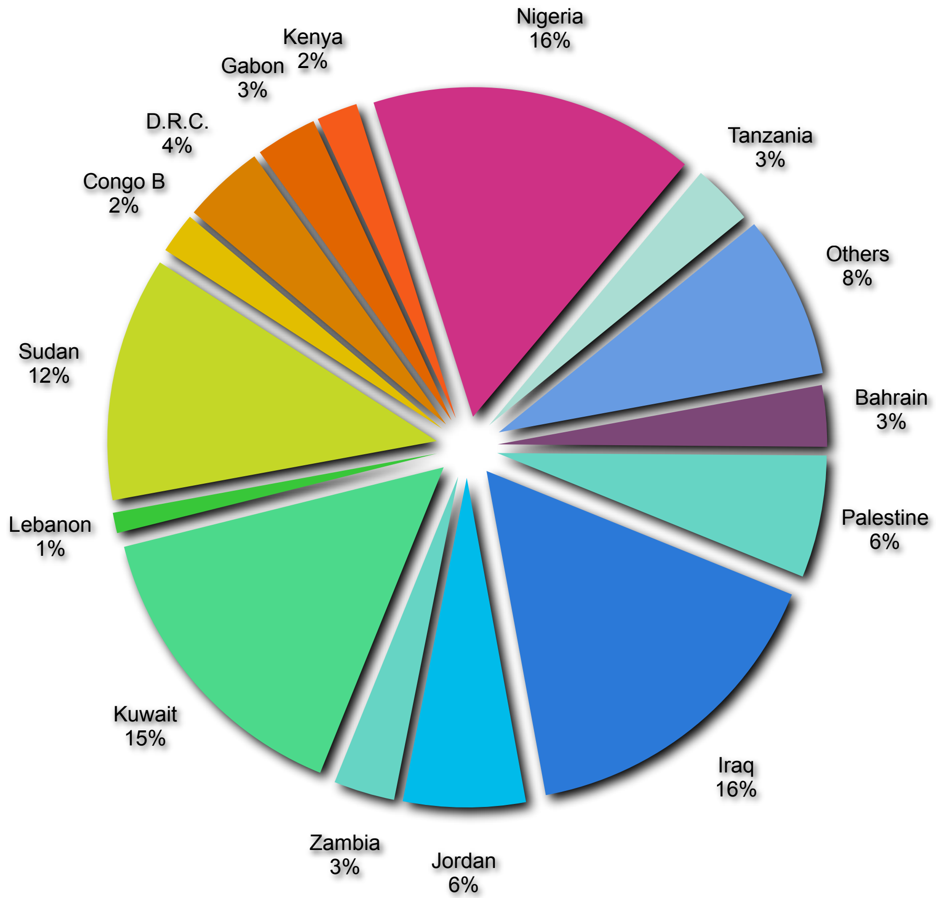


Table 3: Income Statement Summary

Consolidated Results	*9 Months - 2009*		*9 Months - 2008*		*Annual Growth*
	KD m	USD m	KD m	USD m	
Revenues	1,779.6	6,168.6	1,439.3	5,374.7	24%
Cost of Sales	(478.5)	(1,658.6)	(409.5)	(1,529.0)	17%
Gross Profit	1,301.1	4,510.0	1,029.9	3,845.7	26%
Operating, General and Administrative Expenses	(543.8)	(1,886.1)	(475.8)	(1,776.8)	14%
EBITDA	757.3	2,623.9	554.1	2,069	37%
EBITDA Margin	43%		38%		-
Depreciation & Amortization	(302.4)	(1,048.1)	(212.3)	(792.8)	42%
EBIT	454.9	1,575.8	341.8	1,276.1	33%
Currency Variance	(37.3)	(129.8)	(16.6)	(61.9)	125%
Others (Below EBIT)	(221.9)	(768.9)	(90.0)	(336.1)	147%
Net Profit	195.7	677.1	235.2	878.1	(17%)

Table 4: Balance Sheet - Summary

Consolidated Results	*Sep 30, 2009*		*Sep 30, 2008*	
	KD m	USD m	KD m	USD m
Current Assets	954.2	3,331.6	1,461.8	5,481.0
Non-Current Assets	5,382.5	18,793.8	3,898.1	14,616.1
Total Assets	6,336.7	22,125.4	5,359.9	20,097.1
Current Liabilities	1,618.1	5,649.6	1,045.5	3,920.0
Non-Current Liabilities	1,798.7	6,280.4	1,700.1	6,374.6
Shareholders' Equity	2,427.1	8,474.6	2,437.1	9,138.2
Minority Interest	492.8	1,720.8	177.2	664.3
Total Liabilities and Equity	6,336.7	22,125.4	5,359.9	20,097.1

Table 5: Cash Flows - Summary

Consolidated Results	*9 Months - 2009*		*9 Months - 2008*	
	KD m	USD m	KD m	USD m
Net Cash from Operating Activities	565.3	1,959.5	419.4	1,566.3
Net Cash from Investing Activities	(368.1)	(1,272.5)	(362.9)	(1,355.0)
Net Cash from Financing Activities	(235.3)	(819.6)	728.7	2,721.0
Net Increase in Cash and Cash Equivalents	(38.1)	(132.5)	785.3	2,932.3
Cash and Cash Equivalents at end of Year	329.9	1,151.8	1,041.5	3,905.0

In terms of cash flows, Zain recorded USD 1.96 billion in net cash from operating activities for the first 9 months of 2009, while net cash used in investing activities stood at USD 1.27 billion, a 6% decrease compared to 2008. Free cash flow levels improved from last year in part due to a decrease of 24% in spending on property and equipment. Overall, there was a net decrease of USD 132.5 million in cash and cash equivalents for the period.

Q3-2009 Stock Performance

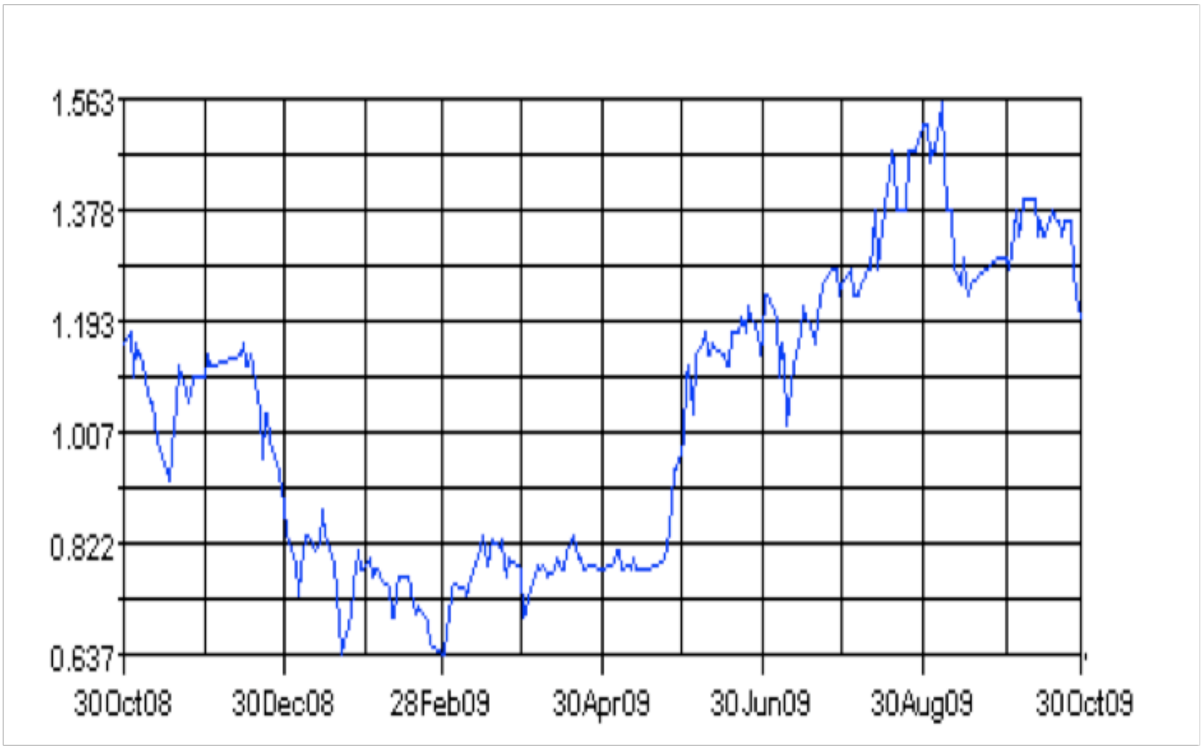
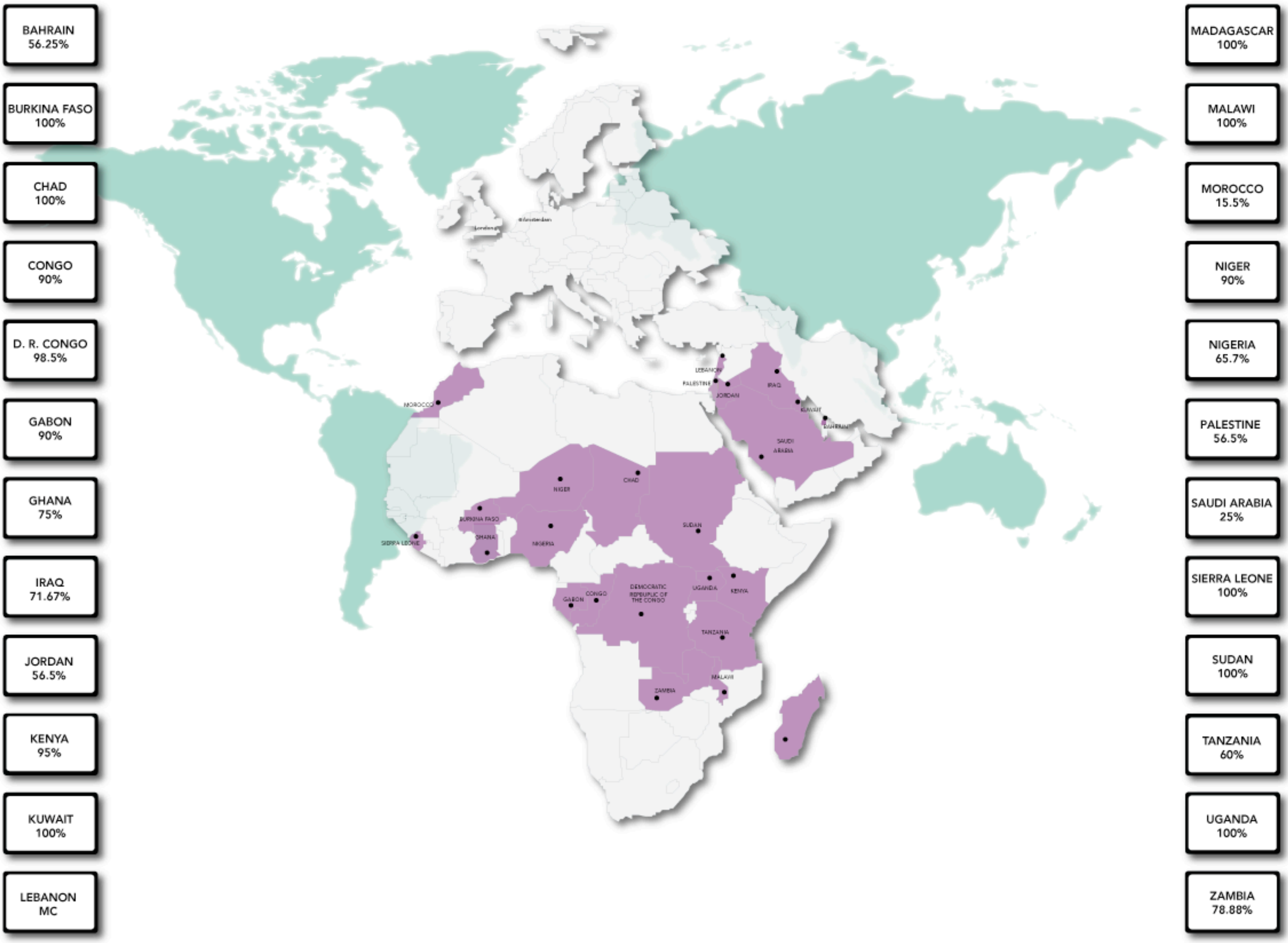


Table 6: Stock Summary

Stock Summary	*KD*	*USD*
Closing Price (30/09/2009)	1.300	4.54
Paid-Up Capital (millions)	429.737	1,483.00
Share Par Value	0.100	0.35
EPS	0.051	0.18
Market Capitalization (Billions)	5.586	19.47
P/E multiples	16.3x	

Zain's Presence in the Middle East and Africa



*Percentages reflect ownership

Country Insight

Kuwait

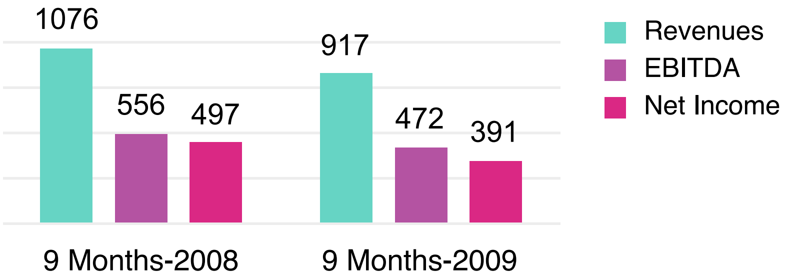
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	3,480	3,440
GDP/Capita ($; PPP)	40,943	35,190
Mobile Penetration	128%	102%
Number of Peers	2	1
Market Positioning	1	1
Ownership	100%	100%
Customers (000s)	1,808	1,711
Postpaid	614	526
Prepaid	1,194	1,185
Market Share	49%	57%
ARPU ($)	55	71

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	916.9	1,076.2	(15%)
EBITDA ($ m)	471.8	556.1	(15%)
EBITDA Margin	51%	52%	-
CAPEX ($ m)	85.3	57.7	48%
Net Income ($ m)	390.5	496.5	(21%)

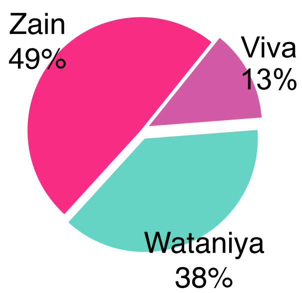
Zain in Kuwait, the Group's flagship operation, was established in 1983 and made history in 1994 by becoming the first telecom operator to launch commercial GSM services in the region.

Zain Kuwait was able to maintain a lead position in the market with a 49% market share despite intense competition essentially based on price discounts and promotions. This was achieved on the back of increased network coverage reaching 1640 sites as well as key services and promotions aimed at indirectly stimulating inactive subs and motivating customers who might churn because of increased competition. To date, geographical coverage stands around 94% for 2G and 94.6% for 3G.

Financials ($ m)



Market Share



Sudan

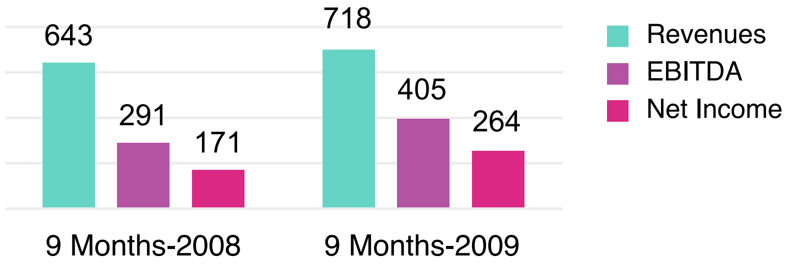
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	40,581	39,715
GDP/Capita ($; PPP)	2,335	3,180
Mobile Penetration	40%	26%
Number of Peers	2	3
Market Positioning	1	1
Ownership	100%	100%
Customers (000s)	7,335	4,530
Postpaid	102	91
Prepaid	7,233	4,439
Market Share	58%	52%
ARPU ($)	13	16

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	718.4	642.8	12%
EBITDA ($ m)	405.3	291.3	39%
EBITDA Margin	56%	45%	-
CAPEX ($ m)	179.5	102.9	74%
Net Income ($ m)	263.6	170.9	54%

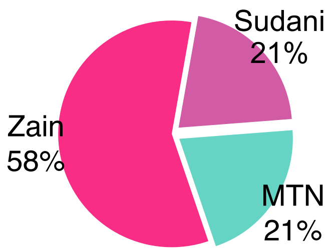
In February 2006, Zain Group acquired the remaining 61% stake of Mobitel, Sudan's first mobile operator in a deal valued at USD 1.332 billion, resulting in 100% ownership. The company was rebranded to Zain in September 2007. Today, Zain in Sudan is the leading mobile provider with a commanding 58% market share.

Zain's Sudan outstanding performance was driven by a solid customer growth (62%) resulting in a higher Net Income and EBITDA levels of 54% and 39% respectively. On the marketing front, Zain Sudan continues to provide unprecedented services to its customers including F&F unlimited calls offer and 50% discount on international calls; also Q3 was marked by the launch of prepaid roaming service with Mobinil and Vodafone Egypt.

Financials ($ m)



Market Share

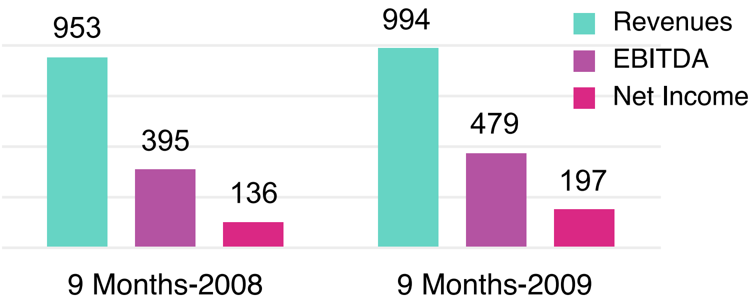


Iraq

Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	30,285	29,746
GDP/Capita ($; PPP)	12,063	3,100
Mobile Penetration	71%	54%
Number of Peers	2	2
Market Positioning	1	1
Ownership	71.67%	30%
Customers (000s)	10,063	8,522
Postpaid	46	51
Prepaid	10,017	8,471
ARPU ($)	11	13

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	994.0	953.1	4%
EBITDA ($ m)	479.2	395.1	21%
EBITDA Margin	48%	41%	-
CAPEX ($ m)	98.7	221.3	-55%
Net Income ($ m)	197.4	136.3	45%

Financials ($ m)



Zain in Iraq has been providing mobile services in Iraq since December 2003. After securing a 15-year license in August 2007, Zain Iraq has expanded its services to cover 90% of the population. In 2008, following the acquisition of Iraqna and achieving full integration between MTC-Atheer and Iraqna, Zain managed to increase its ownership stake from 30% to 71.67%, to become a fully-fledged subsidiary.

The Iraqi mobile market continues to endure the absence of an effective regulatory authority as decisions for the last two years were still tackled by the Ministry of Communications (MOC) and are partially driven by politics. Zain Iraq witnessed a minor decrease in its customer base as compared to the first half of 2009 due to intense competition and the aggressive acquisition strategy adopted by the second operator (Asiacell). In addition, Zain Iraq led the market by offering new products and promotions such as Blackberry, min/sms bundle and MMS promotions.

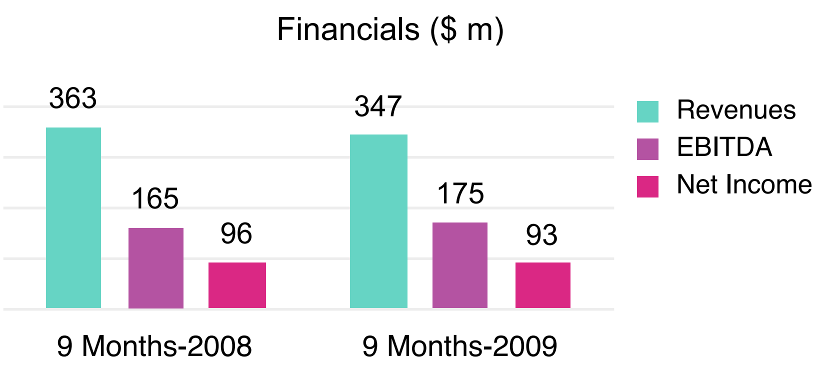
Jordan

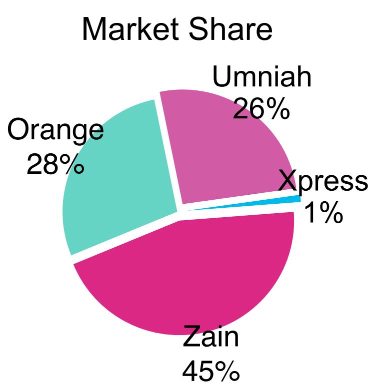
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	6,317	6,135
GDP/Capita ($; PPP)	5,172	6,200
Mobile Penetration	91%	85%
Number of Peers	3	3
Market Positioning	1	1
Ownership	56.53%	96.52%
Customers (000s)	2,625	2,253
Postpaid	285	265
Prepaid	2,340	1,988
Market Share	45%	42%
ARPU ($)	14	21

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	346.6	362.8	(4%)
EBITDA ($ m)	175.2	165.0	6%
EBITDA Margin	51%	46%	-
CAPEX ($ m)	27.4	22.7	21%
Net Income ($ m)	93.1	95.9	(3%)

In 1994, Zain in Jordan, revolutionized the telecom sector in Jordan by introducing mobile services in the country. In 2003, Zain Jordan was the first to join the Group in the Middle East. Despite the tough competition in this liberalized market, Zain quickly became the foremost telecom operator in the country.

The Jordanian telecom market is still affected by the aftershocks of the financial turmoil causing strain on disposable income and leading to lower spending as well as lower ARPUs. On the other hand, Zain's market share continued to grow with more acquisitions in the Governorates' regions, thanks to the Muhafathat product and recorded 45% as of September 2009. Zain's revenue share in Q3 alone reached 53% due to the interconnect revenue provision. With coverage over 67% of the population, 11 new sites are rolled-out to have a have a total of 1,429 sites on air to date.





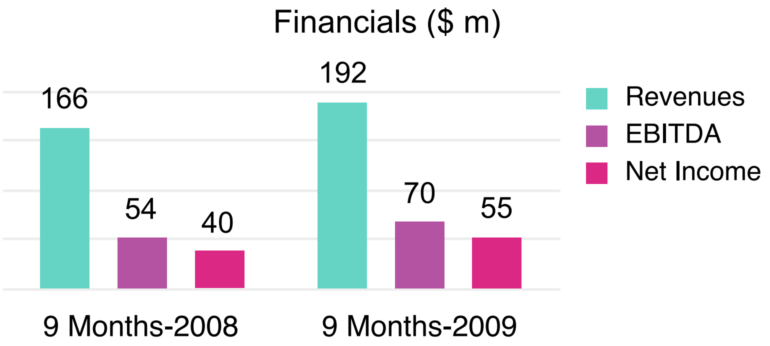
Bahrain

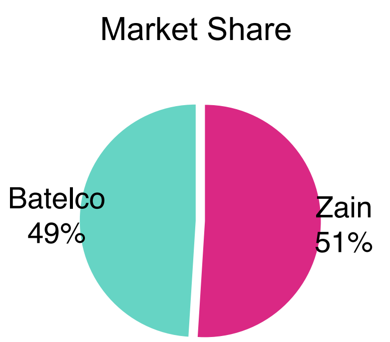
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	1,130	1,130
GDP/Capita ($; PPP)	33,988	30,550
Mobile Penetration	188%	174%
Number of Peers	1	1
Market Positioning	1	2
Ownership	56.25%	56.25%
Customers (000s)	693	603
Postpaid	130	109
Prepaid	563	494
Market Share	51%	48%
ARPU ($)	26	30

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	191.7	166.0	15%
EBITDA ($ m)	70.1	53.7	31%
EBITDA Margin	37%	32%	-
CAPEX ($ m)	18.4	5.2	254%
Net Income ($ m)	54.6	39.7	38%

Zain in Bahrain started operations in the Kingdom in December 2003 as MTC-Vodafone. Since its first historic introduction of 3.5G, WIMAX and One Network, Zain has tapped into a rich seam of telecommunication records, placing itself and Bahrain firmly on the Global telecoms map.

Zain Bahrain closed the third quarter with a 51% market share, to be the market leader for the first time. The company planned an aggressive acquisition on youth and the untapped vocational segments through introducing attractive packages aimed to stimulate usage and boost share of wallet. A new entrant was granted an MVNO license (mobile virtual network operator) to start operating by the end of 2009.





Zambia

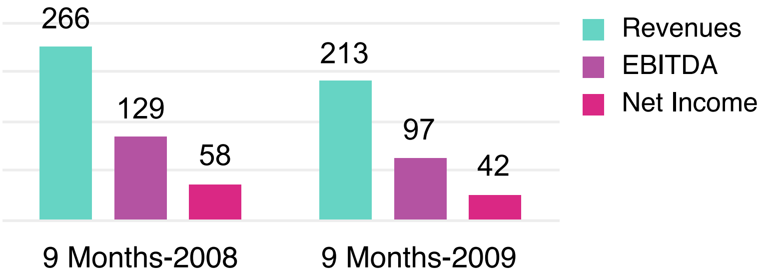
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	12,453	12,224
GDP/Capita ($; PPP)	1,397	1,430
Mobile Penetration	33%	27%
Number of Peers	2	2
Market Positioning	1	1
Ownership	78.88%	78.88%
Customers (000s)	2,940	2,520
Postpaid	13	10
Prepaid	2,927	2,510
Market Share	70%	74%
ARPU ($)	8	13

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	213.3	265.7	(20%)
EBITDA ($ m)	97	128.7	(25%)
EBITDA Margin	45%	48%	-
CAPEX ($ m)	51.6	63.2	(18%)
Net Income ($ m)	41.8	58.2	(28%)

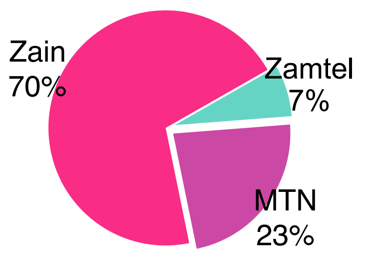
Zain in Zambia launched services in 1998. The past year has been an exciting year for the operation with two main highlights: the successful IPO of Celtel Zambia Plc. and its subsequent rebranding to Zain.

Zain continues to be the preferred network in Zambia with 70% market share despite the delay in 3G launch due to license injunction and the restraints on the International Gateway's liberalization which is still under discussion with the government. On the commercial front, several initiatives were carried-out to exploit new technologies and customer base segmentation, notably Location Based Execution, Customer Value Development, and Prepaid Roaming.

Financials ($ m)



Market Share



Niger

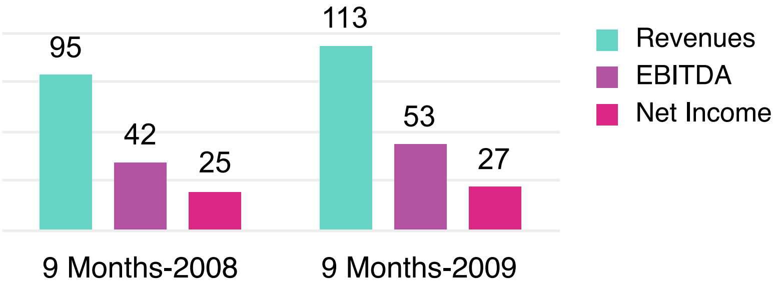
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	15,412	14,907
GDP/Capita ($; PPP)	691	275
Mobile Penetration	16%	10%
Number of Peers	4	4
Market Positioning	1	1
Ownership	90%	90%
Customers (000s)	1,432	948
Postpaid	1	1
Prepaid	1,431	947
Market Share	67%	67%
ARPU ($)	10	13

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	113.3	95.2	19%
EBITDA ($ m)	53.1	42.2	26%
EBITDA Margin	47%	44%	-
CAPEX ($ m)	43.4	30.4	43%
Net Income ($ m)	27.4	24.5	12%

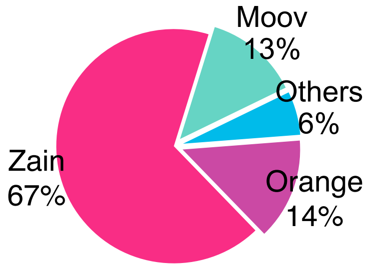
Zain in Niger started officially in October 2001. Since its formation, Zain in Niger has evolved to remain the market leader with a 67% market share.

Zain Niger was able to maintain its no.1 position in the market with 67% in spite of the face of recurring network stability due to heavy rains and aggressive promotional offers from the competition. In attempt to reduce congestion and improve the instability of the new backbone in semi-urban areas, 4 new sites were rolled-out to have a total of 289 sites on air. This period was marked by the Data Bundle and BlackBerry launch as well as the roll-out of ULCH and Merveilles de Zain.

Financials ($ m)



Market Share



Malawi

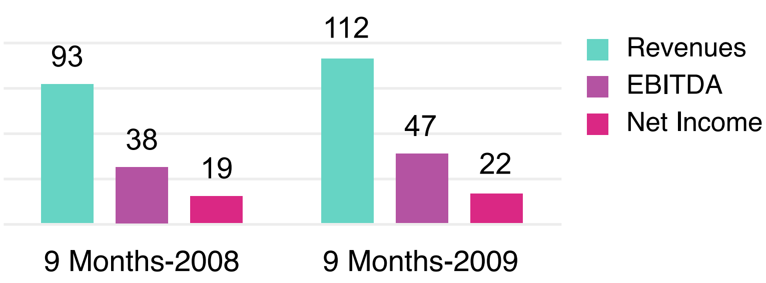
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	14,766	14,403
GDP/Capita ($; PPP)	850	865
Mobile Penetration	17%	11%
Number of Peers	1	1
Market Positioning	1	1
Ownership	100%	100%
Customers (000s)	1,711	1,170
Postpaid	9	6
Prepaid	1,702	1,164
Market Share	72%	74%
ARPU ($)	8	11

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	111.6	93.2	20%
EBITDA ($ m)	46.9	38.1	23%
EBITDA Margin	42%	41%	-
CAPEX ($ m)	43.8	36.1	21%
Net Income ($ m)	21.6	18.6	16%

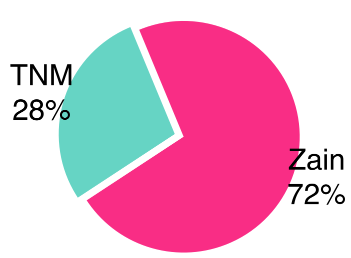
Zain in Malawi started its operations in October 1999. Zain Malawi was the second mobile operator to grace the market; however, it soon overtook 'TNM' the only competitor to become the market leader, a position it currently holds with a market share of 72%.

Market conditions in Malawi began to improve as global crude oil prices stabilized, economic activity related to tobacco trading and staple crop harvest increased, and local inflation began to ease. Zain Malawi managed to sustain its profitability level during the period and looks to capitalize on the healthier economic outlook. On the competitive front, a new entrant was given the 3rd mobile license and is expected to launch before the end of the year. Seven new sites were rolled-out in Q3, bringing the total number of sites on air to 311.

Financials ($ m)



Market Share



Burkina Faso

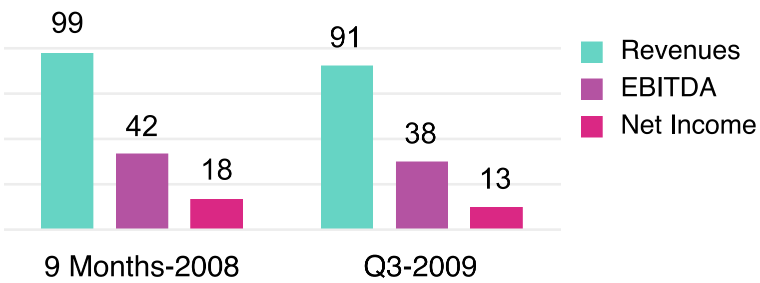
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	15,772	15,339
GDP/Capita ($; PPP)	1,259	1,380
Mobile Penetration	23%	16%
Number of Peers	2	2
Market Positioning	1	1
Ownership	100%	100%
Customers (000s)	1,444	1,236
Postpaid	1	1
Prepaid	1,443	1,235
Market Share	51%	53%
ARPU ($)	7	10

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	91.1	99.4	(8%)
EBITDA ($ m)	37.9	42.1	(10%)
EBITDA Margin	42%	42%	-
CAPEX ($ m)	2.9	33.3	(91%)
Net Income ($ m)	13.4	17.5	(23%)

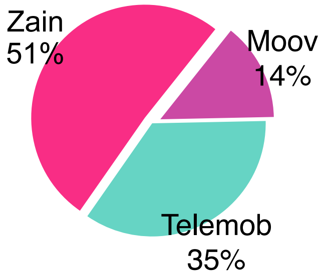
Zain in Burkina Faso officially launched its commercial services on January 1st, 2001. As the third operator to enter the market, it quickly transitioned from a challenger to a leader with a market share of 51%, making it the preferred network in Burkina Faso.

Zain in Burkina Faso was able to maintain a lead position in the market despite the erosion of purchasing power and the intensive competition from price discounts and recurrent refill bonus promotions. Customer base growth for the period was affected to a great extent by the Mandatory Customer Identification and the subsequent increase in deactiv-ations along with a slowdown in acquisitions. To date, population coverage stands at 92% while geographical coverage is at 82%.

Financials ($ m)



Market Share



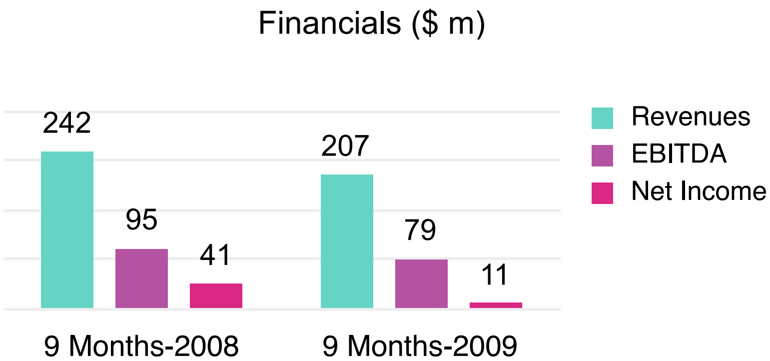
Tanzania

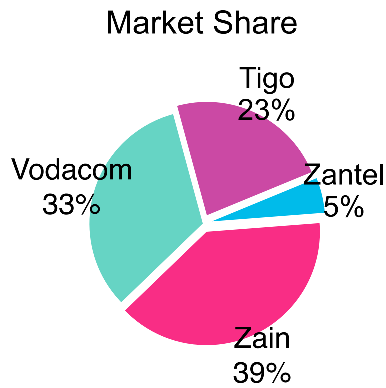
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	45,782	41,769
GDP/Capita ($; PPP)	1,352	1,460
Mobile Penetration	33%	28%
Number of Peers	3	3
Market Positioning	1	2
Ownership	60%	60%
Customers (000s)	4,764	3,285
Postpaid	11	11
Prepaid	4,753	3,274
Market Share	39%	36%
ARPU ($)	5	9

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	207.1	242.2	(14%)
EBITDA ($ m)	79.2	95.3	(17%)
EBITDA Margin	38%	39%	-
CAPEX ($ m)	39.3	114.1	(66%)
Net Income ($ m)	11.2	40.9	(73%)

Zain Tanzania was launched in November 2001 and was the fifth entrant into this highly competitive mobile market. Today, Tanzania hosts four mobile operators.

Zain Tanzania market share leadership continued despite nominal market revenue growth. By being the first mobile operator to connect to Seacom, Zain has seen a steady improvement in the quality and speed of its data service due to solid demand. In addition to the successful launch of Zap, Zain has enabled a number of first to market services through this platform including payment of utility bills as well as bank to mobile and mobile to bank transfers.





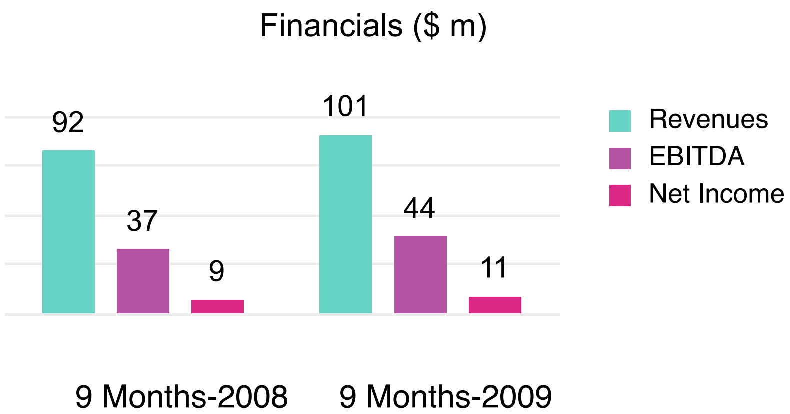
Chad

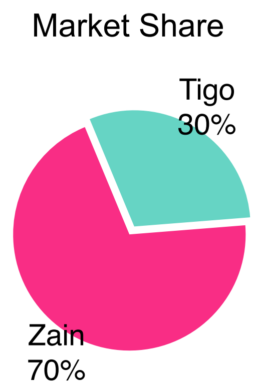
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	11,480	11,166
GDP/Capita ($; PPP)	1,670	2,170
Mobile Penetration	19%	12%
Number of Peers	1	1
Market Positioning	1	1
Ownership	100%	100%
Customers (000s)	1,194	880
Postpaid	2	2
Prepaid	1,192	878
Market Share	70%	66%
ARPU ($)	10	14

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	101.1	92.3	10%
EBITDA ($ m)	43.7	37.2	17%
EBITDA Margin	43%	40%	-
CAPEX ($ m)	35.1	32.1	9%
Net Income ($ m)	10.5	9.4	12%

Zain Chad launched its services in October 2000. A pioneer in the Chadian telecom industry through offering highly competitive services, Zain in Chad is the no. 1 operator with 70% market share.

Despite Tigo's increased competition through speed roll-out based on price and network extension, Zain Chad still holds the no.1 position at 70% market share. At large, Zain's performance was underpinned by strategic activities (Bundle Offer, PSB Tariff) rolled-out to accelerate coverage in Lake Chad, to boost customer loyalty and reinforce Brand communication. Competition is expected to further liberalize with the launch of a third entrant by the end of 2009.





Congo Brazzaville

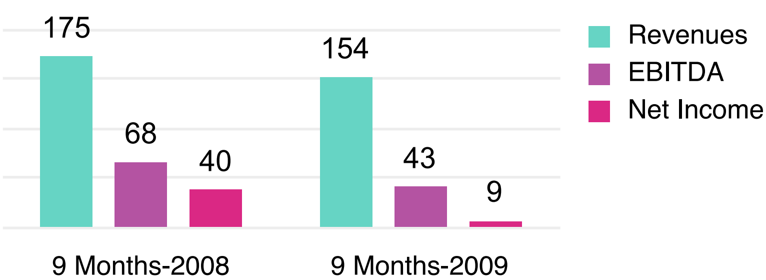
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	3,951	3,871
GDP/Capita ($; PPP)	4,044	1,380
Mobile Penetration	75%	54%
Number of Peers	2	2
Market Positioning	1	1
Ownership	90%	90%
Customers (000s)	1,415	1,246
Postpaid	3	3
Prepaid	1,412	1,243
Market Share	53%	64%
ARPU ($)	12	17

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	153.8	174.8	(12%)
EBITDA ($ m)	42.7	67.6	(37%)
EBITDA Margin	28%	39%	-
CAPEX ($ m)	38.0	63.8	(40%)
Net Income ($ m)	8.6	40.2	(79%)

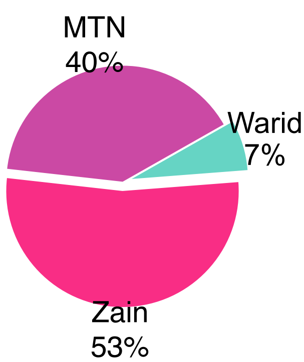
Zain Congo Brazzaville acquired its GSM license in 1998 and subsequently launched its network in 1999. Despite the increased competition hovering over the mobile market, Zain remains no.1 with a 53% market share.

Zain Congo B. ended the third quarter with a market share of 53%, a decrease of 2 percentage points compared to June 2009. This was essentially due to the competition's aggressive price promotions. That coupled with the increase of clubbing effect resulted in a meager growth for Zain's customer base. On the commercial front, new campaigns were put in place to increase share of wallet through ARPU stimulation.

Financials ($ m)



Market Share



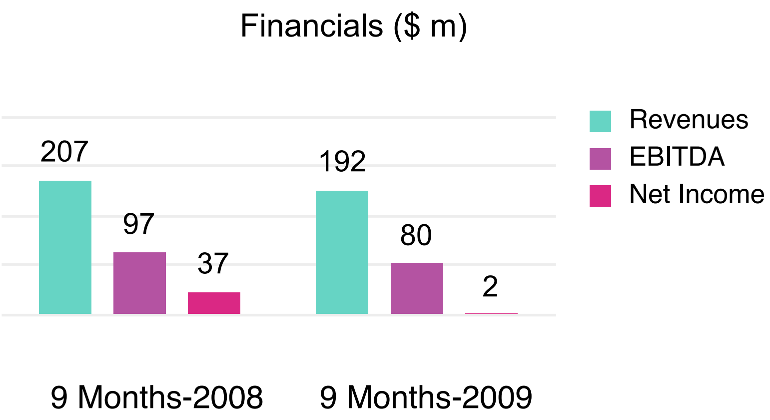
Gabon

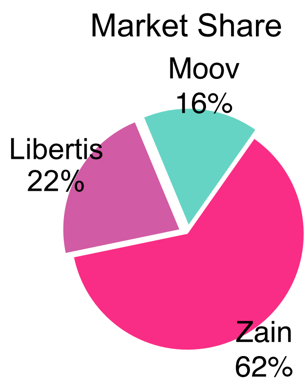
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	1,375	1,300
GDP/Capita ($; PPP)	14,747	9,130
Mobile Penetration	123%	107%
Number of Peers	2	2
Market Positioning	1	1
Ownership	90%	90%
Customers (000s)	870	761
Postpaid	5	5
Prepaid	865	756
Market Share	62%	59%
ARPU ($)	25	32

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	191.7	207.2	(7%)
EBITDA ($ m)	79.7	96.5	(17%)
EBITDA Margin	42%	47%	-
CAPEX ($ m)	23.9	29.4	(19%)
Net Income ($ m)	1.7	36.7	(95%)

Zain Gabon launched its services in June 2000 and grew steadily to take leadership since 2003. As of June 30, 2009, Zain's market share stood at 62%.

As Gabon's voice market nears saturation, Zain continues to face the pressure of aggressive price competition while simultaneously avoiding a value-destroying price war. On the commercial front, several initiatives were put in place to deliver superior customer experience and world class loyalty program to boost acquisition and stimulate usage. On a macro level, Zain's performance was hurt by the instability of the political situation post-presidential election, multi-simming usage, and to the devaluation of the local currency versus the dollar.





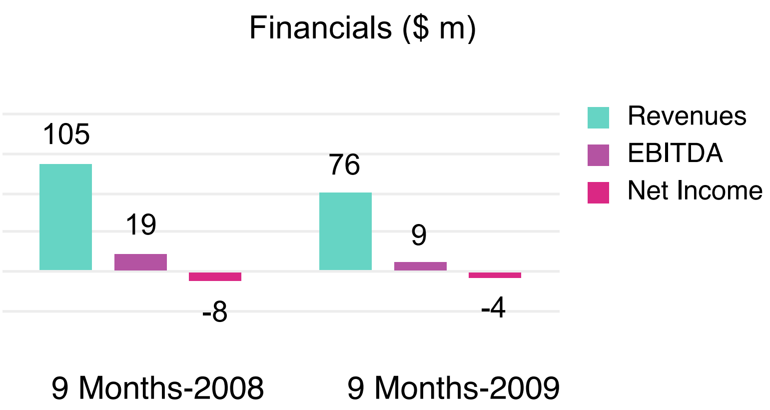
Uganda

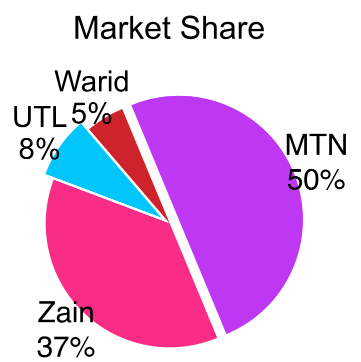
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	33,276	32,258
GDP/Capita ($; PPP)	1,148	1,680
Mobile Penetration	35%	23%
Number of Peers	3	3
Market Positioning	2	2
Ownership	100%	100%
Customers (000s)	2,243	1,865
Postpaid	6	6
Prepaid	2,237	1,859
Market Share	37%	38%
ARPU ($)	4	7

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	76.4	104.6	(27%)
EBITDA ($ m)	9	18.6	(52%)
EBITDA Margin	12%	18%	-
CAPEX ($ m)	21.1	56.6	(63%)
Net Income / (Loss) ($ m)	(3.6)	(8.0)	55%

Zain Uganda started operations in 1995, and was the first GSM network in sub-Saharan Africa. In spite of the pressure of aggressive new entrants in this highly volatile market, Zain Uganda stands as the no.2 operator with a market share of 37%.

The last 9 months were filled with various activities both in terms of the country's political and economic environment as well as the company's business performance. On a macro level, Zain's revenue performance was mainly attributed to destructive competition activities, price wars and the launch of a new mobile operator. However on the upside, the Uganda Shilling gained tremendous strength against the US dollar in Q3 as a result of foreign exchange inflows from offshore investors, thus easing the pressure on Net Income.





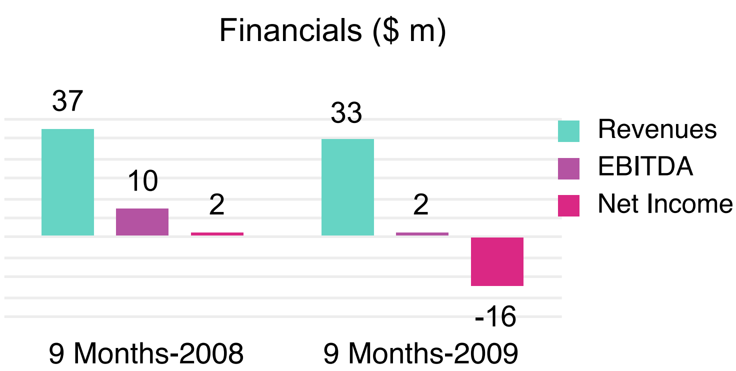
Sierra Leone

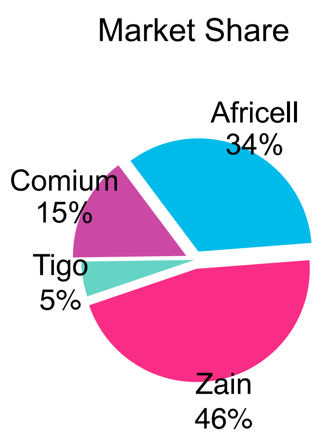
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	6,095	5,976
GDP/Capita ($; PPP)	728	250
Mobile Penetration	39%	27%
Number of Peers	3	3
Market Positioning	1	1
Ownership	100%	100%
Customers (000s)	555	444
Postpaid	6	3
Prepaid	549	441
Market Share	46%	46%
ARPU ($)	7	10

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	33.4	37	(10%)
EBITDA ($ m)	2.2	9.7	(77%)
EBITDA Margin	7%	26%	-
CAPEX ($ m)	10.4	7.8	33%
Net Income / (Loss) ($m)	(15.8)	1.8	(978%)

Zain in Sierra Leone launched its services in September 2000 as the first mobile operator in the country. It indirectly played an active part in assisting both the government and the British Military to communicate in a way that had never been possible, in a bid to end the war.

Zain Sierra Leone has been able to maintain a lead with 46% market share despite the aggressiveness of price-based competitors. Zain's performance for the period was severely affected by the aftershocks of the economic doldrums and the devaluation of the local currency (26%) which put strain on the Net Income. Several initiatives were carried-out to boost the quality and reliability of international traffic; and Location Based Charging and revised competitive tariff plans are underway to mitigate high churn levels as well as to exploit latent data opportunities.





Madagascar

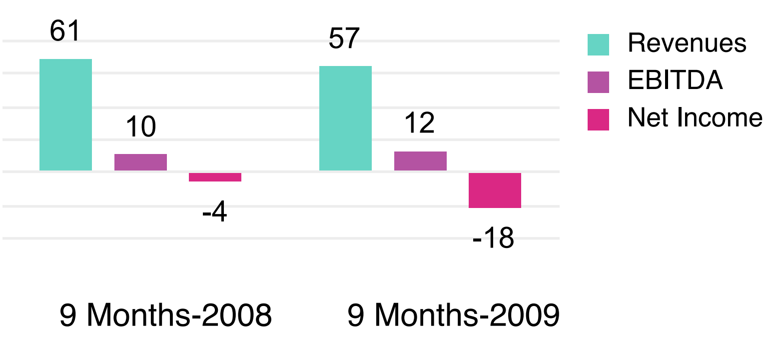
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	20,901	20,370
GDP/Capita ($; PPP)	995	1,080
Mobile Penetration	23%	18%
Number of Peers	2	2
Market Positioning	2	2
Ownership	100%	100%
Customers (000s)	1,425	1,087
Postpaid	21	21
Prepaid	1,404	1,066
Market Share	38%	36%
ARPU ($)	5	8

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	56.7	61.3	(8%)
EBITDA ($ m)	11.9	9.9	20%
EBITDA Margin	21%	16%	-
CAPEX ($ m)	13.2	56.5	(77%)
Net Income / (Loss) ($ m)	(18.2)	(3.5)	(420%)

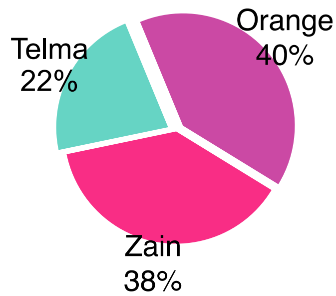
Madacom was established in November 1997, and was the first GSM operator in Madagascar. Zain Madagascar joined the Group's African portfolio in 2005, and is considered one of the most innovative operators in the market.

Despite the adverse conditions of the socio-economic landscape and the growing political instability, which are significantly affecting distribution activities, Zain's market share has remained relatively stable at 38%. In a move to mitigate the negative conditions, several strategic initiatives were launched in Q3 aiming to increase usage in low traffic sites including Zain'ena – modular tariffs and Location Based Charging.

Financials ($ m)



Market Share



Democratic Republic of Congo

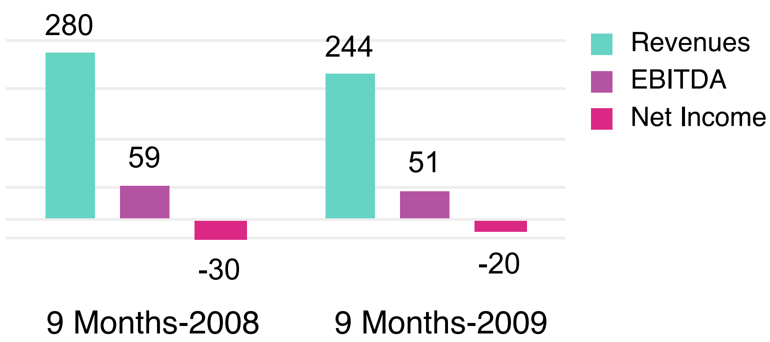
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	67,470	65,416
GDP/Capita ($; PPP)	340	143
Mobile Penetration	14%	13%
Number of Peers	4	4
Market Positioning	1	1
Ownership	98.5%	98.5%
Customers (000s)	3,569	3,023
Postpaid	10	8
Prepaid	3,559	3,015
Market Share	45%	44%
ARPU ($)	8	11

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	244.3	279.8	(13%)
EBITDA ($ m)	50.7	59	(14%)
EBITDA Margin	21%	21%	-
CAPEX ($ m)	43.4	134.8	(68%)
Net Income ($ m)	(19.5)	(30.2)	35%

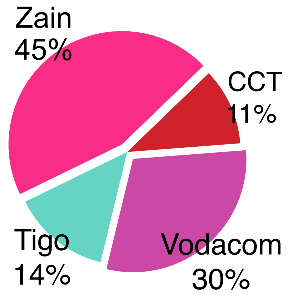
In December 2000, Zain DRC started commercial services in DRC, and distinguished itself rapidly as the first operator in the country.

At large, the socio-economic landscape remains challenging in DRC as recession is lingering over Kinshasa and Katanga – Zain's main source for revenue share. Coupled with aggressive promotional activities, Zain's market share in DRC declined 2% in Q3 compared to the previous quarter. In addition, sluggish growth was exacerbated by high inflation (45% annualized) causing strain on airtime usage. The increase of tax on usage 'Taxe d'accise' from 4% to 7% also played a major role in reducing revenue.

Financials ($ m)



Market Share



Kenya

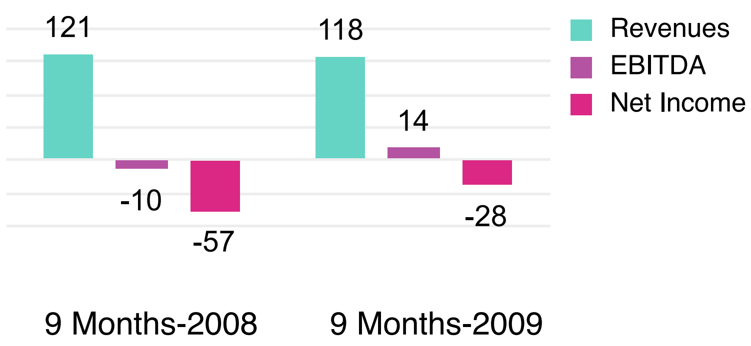
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	39,888	38,879
GDP/Capita ($; PPP)	1,735	1,630
Mobile Penetration	48%	38%
Number of Peers	3	2
Market Positioning	2	2
Ownership	95%	80%
Customers (000s)	2,191	2,558
Postpaid	63	61
Prepaid	2,128	2,497
Market Share	17%	17%
ARPU ($)	4	7

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	117.8	121.2	(3%)
EBITDA ($ m)	13.5	(9.5)	242%
EBITDA Margin	11%	(8.0%)	-
CAPEX ($ m)	47.8	31.6	51%
Net Income / (Loss) ($ m)	(28.3)	(57.2)	51%

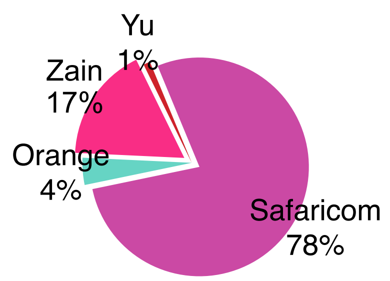
The Group acquired Zain in Kenya in May 2004. Hosting three mobile operators, Kenya is considered a highly competitive market with a very low ARPU.

Given the recurring clean-up exercise which impacted Zain in Kenya for the last 9 months, the customer base was reduced by 9% as compared to June 2009. Market shares remained to stable to some extent with all mobile operators putting initiatives in place to get share of wallet in a multi-SIM market. On a commercial front, several key initiatives were put in place to drive acquisition, increase retention and usage including Loyalty Rewardz, Zap, International Calls Promotion and ULCH.

Financials ($ m)



Market Share



Ghana

Market Overview	*Sep 30, 2009*
Population (000s)	24,537
GDP/Capita ($; PPP)	1,513
Mobile Penetration	61%
Number of Peers	4
Market Positioning	4
Ownership	75%
Customers (000s)	1,208
Postpaid	3
Prepaid	1,205
Market Share	9%
ARPU ($)	3

Financial Performance	*9 Months 2009*
Revenues ($ m)	34.5
EBITDA ($ m)	(29.2)
EBITDA Margin	(85%)
CAPEX ($ m)	74.0
Net Income / (Loss) ($ m)	(74.1)

Zain Ghana was the first telecom operator to introduce the 3.5G network, when it officially launched on December 15, 2008. That had started with Zain's acquisition of a majority stake in Westel in 2007 which solidified Zain's leading position in Africa.

With the stabilization of the economic landscape over the third quarter, the telecom market size increased modestly to 13.1 million customers. In relative terms, Zain's growth rate was the highest among the competitors, attributed largely to a solid growth in corporate post paid customers and to the introduction of telesales. To date, Zain has 311 sites on air covering 53% of geographical area.

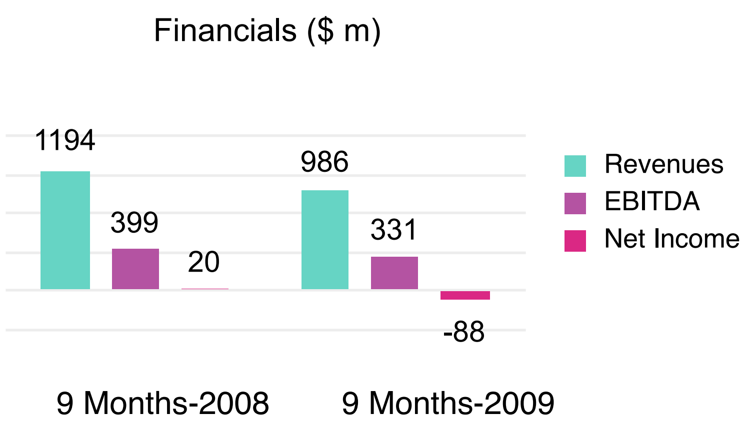
Nigeria

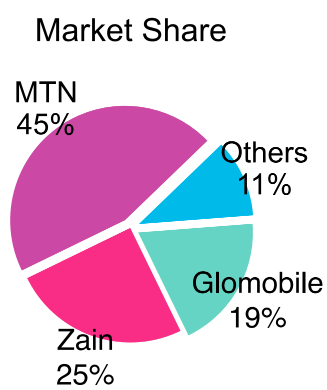
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	155,770	152,378
GDP/Capita ($; PPP)	2,142	1,420
Mobile Penetration	45%	37%
Number of Peers	3	3
Market Positioning	2	2
Ownership	65.7%	65.7%
Customers (000s)	14,936	15,905
Postpaid	89	82
Prepaid	14,847	15,823
Market Share	25%	32%
ARPU ($)	7	10

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	985.9	1,194.0	(17%)
EBITDA ($ m)	331.2	399.2	(17%)
EBITDA Margin	34%	33%	-
CAPEX ($ m)	356.4	488.8	(27%)
Net Income / (Loss) ($ m)	(88.3)	20.0	(542%)

Zain in Nigeria made history on August 5, 2001 by becoming the first telecom operator in the country to launch commercial services. Following Zain Group's acquisition of a majority stake in the company in 2006, the operation was rebranded to Zain in August 2008.

Being the first to adopt Drive 11 initiatives, Zain Nigeria has been focusing on revamping the Distribution model, Customer Care, Network Optimization, Outsourcing of IT and Networks as well as cost optimization initiatives. These initiatives have seen positive impact in Opex reduction, improved customer service and improved Network quality. The operation will gain momentum gradually following the successful completion of the transformation exercise (Drive 11). On the commercial front, several offenses were carried-out to drive customer acquisition; most notably, Zain StepUp targeted at high ARPU customers, Data & SME Offer as well as Mass Offer (Zain Joli) which was able to stimulate usage for non-revenue generating customers given its unique feature of competitive tariff offer.





Lebanon

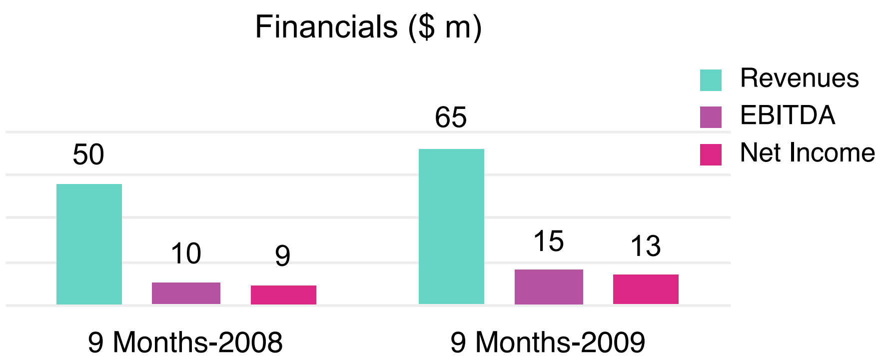
Market Overview	*Sep 30, 2009*	*Sep 30, 2008*
Population (000s)	4,195	4,152
GDP/Capita ($; PPP)	12,063	7,860
Mobile Penetration	53%	34%
Number of Peers	1	1
Ownership	MC	MC
Customers (000s)	1273	761
Postpaid	208	149
Prepaid	1065	612
Market Share	56%	50%

Financial Performance	*9 Months 2009*	*9 Months 2008*	*Annual Growth*
Revenues ($ m)	64.6	50.1	29%
EBITDA ($ m)	14.8	9.8	51%
EBITDA Margin	23%	20%	-
Net Income ($ m)	12.6	9.1	38%

In June 2004, MTC won a 4-year management contract to operate one of Lebanon's two GSM networks. Rebranded to mtc-touch, Zain has developed the Lebanese operation to its full potential by seeking the best in having a world-class communication solutions and cutting-edge technology.

In January 2009, the Ministry of Telecommunications signed an annual renewal agreement with Zain. Due to the unpredictable political situation in Lebanon, the process of selling the two existing networks is still on hold.

The disclosed revenues are those from the management contract and not the total revenues of the operation which are collected by the Government of Lebanon.



KSA

Market Overview	*Sep 30, 2009*
Population (000s)	28,831
GDP/Capita ($; PPP)	24,120
Mobile Penetration	122%
Number of Peers	2
Market Positioning	3
Ownership	25%
Customers (000s)	4,401
Postpaid	437
Prepaid	3,964
Market Share	15%
ARPU ($)	19

Financial Performance	*9 Months 2009*
Revenues ($ m)	562.3
EBITDA ($ m)	(261.1)
EBITDA Margin	(46%)
CAPEX ($ m)	310.2
Net Income / (Loss) ($ m)	(651.1)

Zain in the Kingdom of Saudi Arabia launched commercial services in late August 2008. Despite the fact that more than one operator offers services in the Kingdom, Zain succeeded in receiving over 4 million customers in less than a year.

Most notably in the period, Zain KSA successfully closed a $2.5 billion Murabaha financing facility in August to meet the company's financial obligations and fund future operational growth. In terms of results, revenues and gross profit showed significant improvement on the last quarter as Zain's market share and on-net traffic continue to increase. This has allowed Zain to capitalize on new product offerings such as the 10/10 package and the newly launched Blackberry service.

Consolidated net income includes 25% of Zain KSA's bottom line.

Palestine

Market Overview	*Sep 30, 2009*
Population (000s)	4,312
GDP/Capita ($; PPP)	1,046
Mobile Penetration	40%
Number of Peers	-
Market Positioning	1
Ownership	56.53%
Customers (000s)	1,731
Postpaid	260
Prepaid	1,471

Financial Performance	*9 Months 2009*
Revenues ($ m)	348.8
EBITDA ($ m)	145.0
EBITDA Margin	42%
CAPEX ($ m)	26.3
Net Income / (Loss) ($ m)	109.6

In May 2009, Zain Jordan and Paltel entered into a merger agreement which extended the Zain Group's portfolio and geographical footprint to include mobile, fixed line and data services in the Palestinian territories. Paltel's units currently operate under their original brands, with rebranding to Zain slated upon finalization of pending legal requirements. Through the end of the quarter, Paltel was the only licensed operator providing mobile and fixed line services in Palestine, although it faced illegal competition from unlicensed operators. In November, the second licensed mobile operator, Wataniya, launched commercial operations.

Note: The results presented here reflect 5 months of operation and exclude Zain Jordan. More detailed standalone results of Paltel operations for the year are available through the company's Q3 disclosures on the websites of the Palestine Stock Exchange and Abu Dhabi Securities Exchange.

About Zain

Zain is a leading emerging markets player in the field of telecommunications aiming to become one of the top ten mobile groups in the world by 2011. In terms of country footprint, it is the 3rd largest mobile operator in the world with a commercial presence in 24 countries spread across the Middle East and Africa providing mobile voice and data services to 71.8 million active customers (as of 30 September 2009).

Zain operates in the following countries: Bahrain, Burkina Faso, Chad, the Republic of the Congo, the Democratic Republic of the Congo, Gabon, Ghana, Iraq, Jordan, Kenya, Kuwait, Malawi, Madagascar, Niger, Nigeria, Palestine (currently operating as Paltel Group), Saudi Arabia, Sierra Leone, Sudan, Tanzania, Uganda and Zambia. In Lebanon, the company manages 'mtc touch' on behalf of the government. In Morocco, Zain owns 15.5% stake of Wana Corporate SA.

Zain offers innovative services in its markets such as 'One Network', the world's first border-less mobile telecommunication network enabling customers to receive and make calls throughout 21 countries in Africa and the Middle East at local rates.

The Zain brand is wholly owned by Mobile Telecommunications Company KSC, which is listed on the Kuwait Stock Exchange (Stock ticker: ZAIN). Zain is listed in the Financial Times' Global 500 Index which ranks the world's largest companies based on market capitalization (http://www.ft.com/reports/ft5002008).

For more information about Zain, visit www.zain.com.

Or Contact our Investor Relations Team:

Investor.relations@zain.com

Note: All population figures, GDP per Capita and Mobile Penetration figures are sourced from Informa and represent September 2008-2009 for the addressable markets.