

WELCOME TO OUR 2008 ANNUAL REPORT

We have divided this year's report into four sections, to help you better understand the remarkable transformation that has taken Qtel from being a one-country operator in 2005, to a diverse integrated entity with business interests in 17 countries.

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THE JOURNEY OF THE DHOW.

The dhow has endured for centuries as one of Qatar's most celebrated icons. It will continue to play an important part in Qatar's vibrant economy for years to come and, today, sits proudly against Qatar's futuristic skyline, reminding us of the values that have fueled our growth. Building a dhow requires skill, experience and traditional craftsmanship. Sailing a dhow takes teamwork, tenacity and expert judgement of the elements. Connecting us to the past and carrying us into the future, what could better represent Qtel's remarkable journey?

IN THE NAME OF
ALLAH
MOST GRACIOUS
MOST MERCIFUL



HIS HIGHNESS

SHEIKH HAMAD BIN KHALIFA AL THANI

EMIR OF THE STATE OF QATAR



HIS HIGHNESS

SHEIKH TAMIM BIN HAMAD AL THANI

HEIR APPARENT



OUR VISION

“TO BE AMONG
THE TOP 20
TELECOMMUNICATIONS
COMPANIES
IN THE WORLD
BY 2020”



QTEL AT A GLANCE

WITH FIRM ROOTS IN QATAR, WE ARE AN INTERNATIONAL INTEGRATED COMMUNICATIONS COMPANY, WITH INTERESTS IN 17 COUNTRIES, SERVING 57.5 MILLION CUSTOMERS AND WITH AN ENTERPRISE VALUE OF MORE THAN QR 44 BILLION.

OUR GOALS AND OBJECTIVES:

WE SAID WE WOULD...	WHICH MEANS WE...	AND TO SUPPORT THIS IN 2008...
Become one of the world's top 20 telecommunications companies by 2020	Continue to develop through partnerships and acquisitions Raise capital to fuel prudent expansion	The Qtel Group completed one of the most significant acquisitions in our history – a 40.8 percent stake in Indosat, making Indonesia the Group's second largest market by revenue.

WE SAID WE WOULD...	WHICH MEANS WE...	AND TO SUPPORT THIS IN 2008...
Continue to deliver value to our shareholders	Look to maintain healthy EBITDA in mature markets, increase value in developing markets, and protect EBITDA in competitive markets	We maintained EBITDA margins of 62% and 53% for Qatar and Kuwait. We continued to drive growth in Iraq. We developed and executed our strategy to protect EBITDA in Qatar, Kuwait and Oman.
Drive synergies and share learnings	Look to capitalize on our new scale Leverage growth and “know how”	We won the fixed license for Oman to enable the extension of Nawras' competitive strengths. We launched Qtel International in February 2008. We consolidated reporting and review processes. We sought increasing marketing and service innovation through collaboration across the Group.
Support clear business lines that offer immediate returns and long-term potential	Prioritize the key areas of consumer mobile, consumer Broadband and corporate managed services	By driving innovation across mobile and fixed line services, we secured 57.5 million customers worldwide in 17 countries. We continued to invest in the emerging consumer wireless broadband sector, recognizing its potential for growth.
Continue to make a difference in the lives of the communities we serve	Find and support projects that have genuine social worth across our operations	We re-engineered our approach to CSR within Qatar, to ensure the maximum impact for the people. We supported the widest and most diverse range of CSR projects in our history across the Qtel Group.



CHAIRMAN'S MESSAGE

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I am very pleased to offer this overview of Qtel's performance in 2008. This has been a record-breaking year for Qtel, as we were able to demonstrate our clarity of purpose and our capacity to deliver on our ambitious vision to be among the top 20 telecommunications companies by the year 2020.

Our priority has always been – and will always be – to deliver value to our shareholders, who have offered sustained support for this company as it has grown and evolved. While 2007 saw us make our “giant leap forward” through a series of targeted international acquisitions, 2008 was a year when we began to demonstrate the significant potential for value extraction from these assets. We have continued to realize success across our international operations, in many territories increasing our share of our existing markets, and also stepping into new business areas.

We have also continued to expand our footprint, with further acquisitions and strategic partnerships in our target geographies of the Middle East and North Africa, the Subcontinent and Southeast Asia. Today, we can proudly state that The Qtel Group's presence stretches across 17 different geographies.

Perhaps most importantly, Qtel has begun executing its strategy to realize synergies and share learning across our diverse operations. We have maintained and enhanced our regional leadership profile to ensure that we are realizing opportunities across our group, and working together to deliver the widest range of services to our customers.

This approach has enabled us to deliver some of the strongest results in our company's history, and has also ensured that we are well-positioned to continue to realize significant success, even in the challenging environment of today.

STRONG RESULTS ACROSS THE GROUP

I am very pleased to announce that consolidated Group revenue this year increased 93 percent to QAR 20.3 billion (FY07: QAR 10.5 billion).

As the Group's footprint has evolved this year, so has the Group's revenue mix. Following the consolidation of Indosat's performance into the Group's results, Qatar, Indonesia, Kuwait, Iraq and Algeria now represent the Group's five largest markets by revenue, contributing 27, 21, 15, 14 and 9 percent to Group revenue, respectively.

Profitability has grown strongly this year. At the end of 2008, consolidated Group EBITDA stood at QAR 9.8 billion: 90 percent higher than at the end of 2007 (FY07: QAR 5.2 billion). Net profit attributable to shareholders also increased during 2008, closing the year 36 percent higher than in 2007 to stand at QAR 2.3 billion (FY07: QAR 1.7 billion): the Group's highest ever annual net profit performance.

BUILDING FOR ONGOING SUCCESS

In order to increase our footprint across the major markets of Asia, we completed one of the most significant acquisitions in our company's history, with the acquisition of a 40.8 percent stake interest in PT Indosat Tbk ("Indosat") in June. This acquisition positioned our Group for sustained development in Indonesia, an under-penetrated market that is also the fourth most populous country in the world, and made an immediate impact on our financial profile. Indonesia now represents the Group's second largest market by revenue.

Our existing operations also showed their ongoing ambition and ability to enter new sectors. We were all delighted when Nawras was successful in its bid to win the second fixed-line license in Oman, reflecting the ongoing potential for growth in the Sultanate. There was equally positive news from Palestine, with the award of the spectrum license for Wataniya Palestine from The Palestinian Ministry of Telecommunications and Information Technologies.

Other operations have continued to deliver extremely positive results with further investments in innovative products to enhance customer experience.

Qatar continues to drive innovation, with the launch of BlackBerry Solutions, Mobile Broadband and advanced mobile entertainment options within the year. As part of an ongoing series of initiatives to support the "Broadband Qatar" program, Qtel also continued to invest in a world-class network infrastructure, including an ambitious upgrade to its national HSDPA (High Speed Downlink Packet Access) mobile network.

There were also significant developments in Kuwait, where the nationwide HSDPA network was upgraded to offer an enhanced 7.2Mbit per second service across the country. Similarly, network densification projects were completed in 2008 in Wataniya's Tunisian business (Tunisia), Algeria, Kingdom of Saudi Arabia and the Maldives.

We have also taken important steps forward in the commercial development of our wi-tribe brand, which we see as an important business for the future. In May, wi-tribe added to its geographic reach with its investment in the Philippines, while in June, we launched WiMAX services in Amman, Jordan.

BUILDING A FRAMEWORK FOR INTERNATIONAL SUCCESS

To summarize, our results and our ongoing track record of productive investment demonstrate Qtel's capacity to connect global growth with strong local focus. Even as we make new strides into new markets, we are ensuring that the right management team is in place in each of our operations to deliver growth and value to our shareholders. Moreover, we have a structure in place at a Group level to ensure solid governance across all operations.

We have ensured that the highest standards of transparency and governance are observed across the Group. Our non-executive and autonomous Board, with board sub-committees including the Audit Committee, Investment Committee, Compensation and Performance Evaluation Committee and Executive Committee, have worked hard this year to ensure stability, transparency and responsibility throughout our decision-making process.

In addition to our financial responsibilities, we will also continue to live up to our community responsibilities. Qtel is committed to its Corporate Social Responsibility strategy, which will see us continue to support projects that make a demonstrable difference to the societies in which we operate.

REINFORCING SHAREHOLDER RETURNS

In line with our financial performance and taking into account the potential to deliver ongoing growth in the future, the Board of Directors is pleased to recommend to the General Assembly a total annual cash dividend of QR 10 per share. The cash dividend represents 100% of the share face value.

Looking to the future, Qtel will continue to deliver on our strategy and continue to enhance the lives of our customers and the quality of our connections with the communities where we operate. We expect to deliver continued growth in revenue and EBITDA as we continue to transform our global operations.

As the Chairman, I am extremely proud of our performance. We have matched the ambition of our acquisition program with the stability and innovation required for success in each of our markets. Qtel has truly become an international company, operating from the heart of Qatar.

Reflecting our status as a Qatari company, we have continued to benefit from the continued support and guidance of His Highness Sheikh Hamad Bin Khalifa Al Thani, the Emir of the State of Qatar, and His Highness Sheikh Tamim Bin Hamad Al Thani, the Heir Apparent. Qatar has emerged as one of the most economically dynamic nations in the world today, and the success we enjoy is due to the vision and wisdom of our leaders.

I also extend my sincerest thanks and appreciation to all the employees of the Qtel Group, whose hard work, imagination and determination continues to inspire new success across the company. We also thank our customers and shareholders, for their continued support as we grow as a global company. Together, as a family, we will reach our vision.

**ABDULLAH BIN MOHAMMED BIN SAUD AL THANI
CHAIRMAN**



MESSAGE FROM THE CEO

Just as Qatar has developed, so has Qtel. With Qatar standing as one of the world's fastest-growing economies in 2008 and continuing to steer a positive course in spite of the global economic storms, Qtel has truly benefited from our positioning as an international company with deep roots in the local community.

One of the strongest sources of pride for me personally – and for many members of the Qtel Family – is that this distinctly Qatari business has become a global entity and at the same time has retained our abiding connection with our culture and traditions. Our strong sense of mission and vision has enabled us to take bold strides that other companies might shy away from. At the same time, our clear sense of responsibility has ensured that we have executed our decisions prudently and retained the support and engagement of the communities we serve.

I would like to outline the distinct aspects of our strategy that have enabled us to deliver such strong results for our shareholders in 2008, and which I believe position us for further success even in the challenging months ahead. These are the reasons why I believe Qtel has the capacity to continue to deliver success and value for our shareholders.

GROWTH BUILT UPON A CLEAR STRATEGY

When we first set ourselves the target of becoming one of the top 20 telecommunications companies by 2020, I think some people assumed that we would pursue growth for growth's sake. In fact, we have executed a clearly defined strategy based on return thresholds, as well as the target area in which we would pursue growth – the three geographies of the Middle East and North Africa (MENA); the Subcontinent; and South East Asia.

Throughout 2008, we have continued to expand our footprint across these geographies. We have done this through acquisition – as is the case with our Indosat investment – and through the commercial development of our existing operations, both in domestic markets and into new territories.

Our growth strategy was designed to ensure a balance of assets across The Qtel Group – with cash-generating assets in markets like Qatar and Kuwait matched by long-term growth potential in Indonesia, Iraq, Algeria, Oman and Palestine. This balance has ensured that we have continued to see strong returns throughout 2008, with our core markets continuing to deliver record profits even as the global financial environment became more challenging.

What is becoming increasingly apparent is that the expertise within these operations has

enormous transferable value across the Qtel Group. In many markets which witness higher levels of competition, but lower levels of penetration, there is tremendous scope to build using the experience, resource and technical expertise of other developed operations. At the same time, the experience of operations in highly competitive markets is very useful for those markets which are only now facing more intense competition.

In other words, our growth strategy is providing us with the knowledge base to operate as an extremely flexible, dynamic company that is able to adapt its approach to match the local economic conditions, and match its talents to situations as appropriate. This flexibility will become increasingly important over the coming months, as we look to launch shared solutions and services for our customers across The Qtel Group.

CLEAR VISION FOR TECHNOLOGY TRANSFORMATION

Another strategic priority for Qtel lay in defining our key business areas and ensuring that we achieve a leadership position in the provision of Consumer Mobile, Consumer Broadband and Managed Services.

This strategy was based on the recognition of the immediate revenue generation potential of the Consumer Mobile sector across the developing markets in which we operate. At the same time, we recognized that Consumer Broadband will only become more important as time progresses and as more of our customers look to secure their entertainment, communication and business needs via the power of Broadband.

Our absolute commitment to delivering these services has seen us invest significantly to transform the infrastructure of many of the communities in which we operate. Several of our core markets now benefit from some of the most advanced network infrastructures in the region, and we are setting ambitious targets for connections across our operations.

This investment has been matched by our aggressive pursuit of key strategic partnerships that will enable us to deliver world-class commercial services to our business and enterprise customers. 2008 saw us push ahead in this area, as we continue to pursue plans to position Qatar as a hub for international IP services.

BUILDING GROWTH ON A FOUNDATION OF FINANCIAL STABILITY

Our strategy for growth and development has ensured that we have delivered financially and strategically for our partners. Most importantly, it has ensured that we retain the strong support of our shareholders, the financial community and our wider network of stakeholders and partners.

A number of important achievements in 2008 reflect our successes in this area.

We secured strong investment grade ratings from Moody's, S&P and Fitch Ratings, three of the world's most prominent organizations in this field. The ratings underline both Qtel's domestic strength and the success of its international expansion of recent years.

We were also honoured to receive a number of key awards from our peers in the industry. Qtel received the "Telecoms Deal of the Year" award for its strategic investment in Indosat at the 3rd

annual CommsMEA Awards 2008 – the second year running we have won this category. I was also personally honoured by being named the winner of the "Outstanding Leadership" award at the Telecoms World Awards Middle East – although I have long maintained that such awards are an important recognition of the work and support of our employees, shareholders and management.

TRANSFORMING OUR GROUP

Having achieved so much in such a short period of time, we now have the opportunity to focus upon extracting value from these assets. The launch of Qtel International in 2008 – a team charged with leadership and management of services and functions across The Qtel Group – has provided us with an opportunity to drive consolidation and build synergies between the different operations.

With our strong track record of investment and growth through acquisition, we now have tremendous potential for value creation, particularly as we drive operational efficiencies. In addition, there are shared synergies and learnings that we can transfer across the group to make us more competitive and ultimately more profitable.

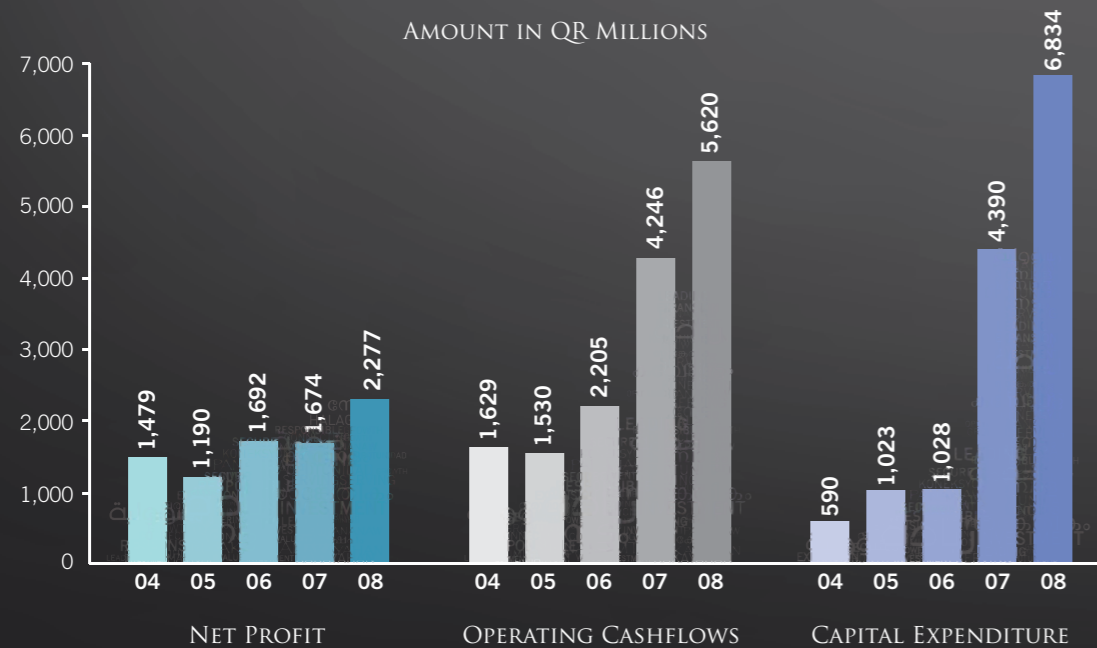
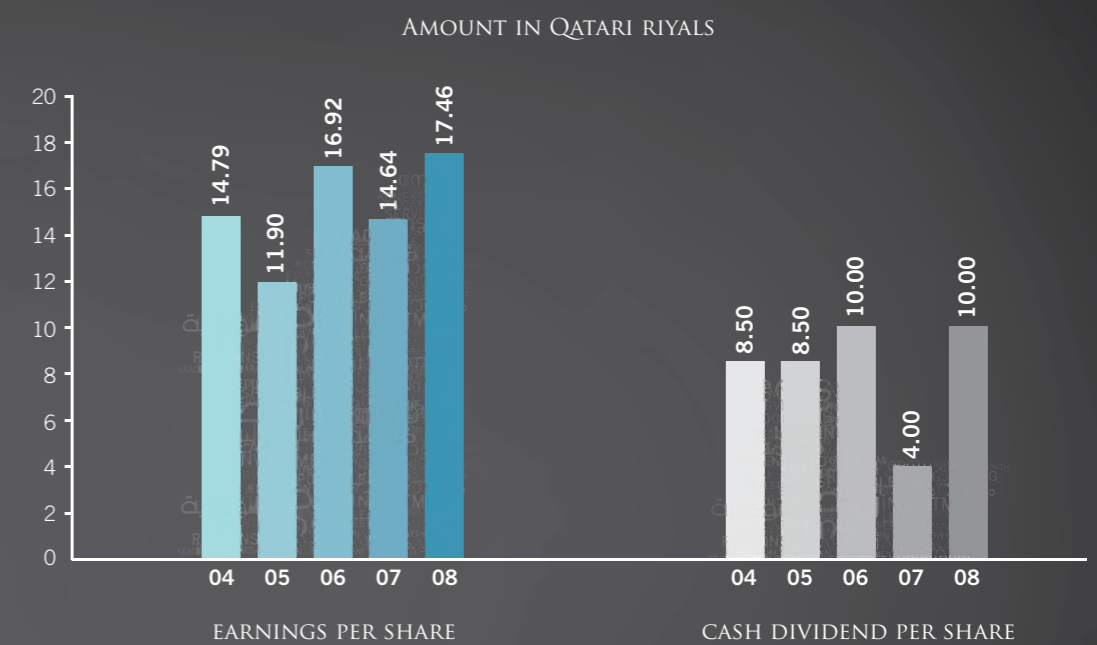
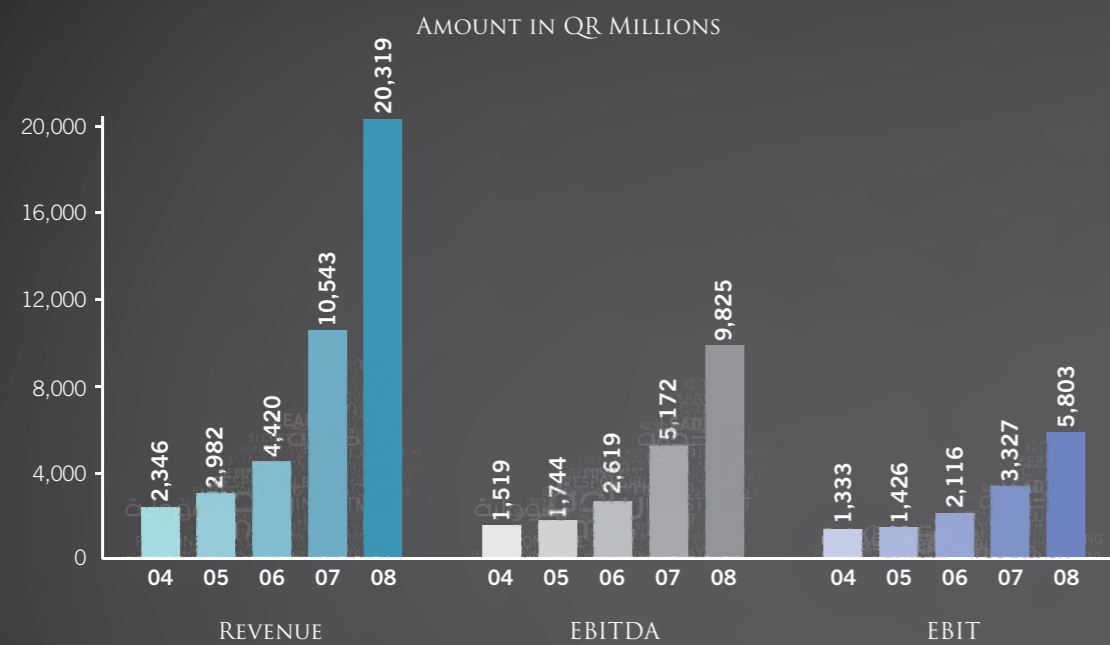
All of this is achieved through our people, and 2008 was a year when members of the Qtel family demonstrated their commitment, creativity and strong sense of teamwork time and time again. It is impossible to single out any specific individual, but I would like to pay tribute to the team as a whole, and particularly to the wise counsel and prudent management of our Board of Directors.

With a strong team onboard, and with a growing international family adding their talents to the Group, I have no doubt that 2009 will be a year of significant success.

DR. NASSER MARAFIH
CHIEF EXECUTIVE OFFICER

FINANCIAL HIGHLIGHTS

FIVE YEAR ANNUAL PERFORMANCE SUMMARY



MEET THE BOARD OF DIRECTORS



H.E. SH. ABDULLAH BIN MOHAMMED BIN SAUD AL THANI
Chairman

Qtel's Chairman of the Board since July 2000, H.E. Sh. Abdullah has held several high profile positions in Qatar, including the Chief of the Royal Court (Amiri Diwan) from 2000 to 2005. He has a background in both the Military and Aviation fields and is a Member of the Planning Council.

“QTEL FIRMLY BELIEVES THAT ADHERING TO SOUND CORPORATE GOVERNANCE PRINCIPLES PLAYS A SIGNIFICANT ROLE IN ENHANCING A COMPANY’S GLOBAL PERFORMANCE AND PROMOTING INVESTOR CONFIDENCE, THUS HELPING TO CREATE AND MAINTAIN SHAREHOLDER VALUE. THE BOARD OF DIRECTORS IS COMMITTED TO FOSTERING A CULTURE OF BUSINESS INTEGRITY, ACCOUNTABILITY AND RESPONSIBLE BUSINESS PRACTICES THROUGHOUT THE QTEL GROUP. INDEED, JUST AS QTEL ASPIRES TO BECOME ONE OF THE TOP 20 TELECOMMUNICATIONS COMPANIES IN THE WORLD BY 2020, IT AIMS TO BE A LEADER IN CORPORATE GOVERNANCE AS WELL, PUTTING ITSELF AT THE FOREFRONT OF BEST PRACTICES IN THIS AREA.”

ABDULLAH BIN MOHAMMED BIN SAUD AL THANI
CHAIRMAN OF THE BOARD



H.E. SH. MOHAMMED BIN SUHAIM AL THANI
Deputy Chairman

Joining the Board in March 1999 and re-elected subsequently, H.E. Sh. Mohammed is a noted businessman, entrepreneur and investor, with a strong history of supporting local commercial enterprises. He is President of M Holding, a private Qatari company.



H.E. MOHAMMED BIN ISA AL MOUHANADI
Member

Joining the Board in July 2000 and re-appointed subsequently, H.E. Mohammed Bin Isa is active on the boards of a number of Qatari companies and is Chief Financial Officer of the Royal Court (Amiri Diwan). A former State Minister, he brings strong understanding of governmental and state relations to the Qtel Board.



H.E. DR. ABDULLAH AL KUBAISI
Member

Joining in March 2003, and being subsequently re-appointed, H.E. Dr. Abdullah is Director of the Office of Her Highness Sheikha Moza, Consort of the Emir of Qatar and Chairman of the Qatar Science and Technology Park (QSTP). He joined Qatar Foundation in 2003 as its principal advisor on science and technology.



H.E. SAAD MOHAMMED AL RUMAIHI
Member

Having joined the Board in March 2003, H.E. Saad Al Rumaihi brings significant experience to his position. He is a Secretary for Follow-up Affairs to His Highness, the Emir of Qatar, and was previously Chief Manager of Qatar TV. He has also held a number of senior positions within Qatar's dynamic and fast-growing media sector.



MR. ABDALLAH ZAID AL TALIB
Member

A member of the Board since March 2003, Mr. Abdallah Zaid Al Talib is currently the Director of IT for Qatar Petroleum. He holds a Board-level position on a number of highly-significant oil and energy companies.



MR ALI SHAREEF AL EMADI
Member

Having joined the Board in March 1999 and been re-elected subsequently, Mr. Ali Shareef Al Emadi is the Group Chief Executive of Qatar National Bank.



MR HAREB MASOUD AL DARMAKI
Member

Joining the Board in March 1999, and being subsequently re-elected, Mr Hareb Masoud Al Darmaki is the Executive Director of Private Equity, Abu Dhabi Investment Authority.



MR HAMED ABDULLAH AL SHAMSI
Member

Becoming part of the Board in March 1999, and being re-elected subsequently, Mr Hamed Abdullah al Shamsi is the CEO of International Capital Trading, United Arab Emirates. He sits on the Board of Directors of several prominent companies in the United Arab Emirates.



MR HAMAD SAEED AL BADI
Member

The most recent arrival on the Board, joining in March 2007, Mr Hamad Saeed Al Badi is Assistant Director, International Equities, Abu Dhabi Investment Authority.



BOARD OF DIRECTORS' REPORT

QTEL'S VALUES AND CORPORATE GOVERNANCE PHILOSOPHY

Sound corporate governance principles are the foundation upon which the trust of investors is built and are critical to growing a company's reputation for its dedication to both excellent performance and high integrity.

As Qtel continues its rapid growth and global expansion, it is particularly critical to demonstrate to its new shareholders, customers, employees and the communities we serve the same high level of commitment and good corporate citizenship that have earned it a strong reputation in Qatar.

ROLE OF THE BOARD

The Board of Directors and senior executives are entrusted with the oversight and management of the Qtel Group, and this important responsibility requires commitment, objectivity and accountability from those in leadership positions.

The primary role of the Board of Directors is to provide entrepreneurial leadership of the Company within a framework of prudent and effective controls enabling risk to be assessed and managed. The Board of Directors has the power and full authority to manage the Company and to pursue the prime objective of creating value for shareholders, with consideration given to the continuity of the Group's business.

The Qtel Board of Directors affairs are managed by the Chairman of the Board of Directors, who ensures that it functions effectively and meets its obligations and responsibilities. They meet at least six times a year.

As Qtel QSC is both the parent company of the Qtel Group and an operating company in the State of Qatar, its Board of Directors has a dual role, firstly with respect to the Group as a whole and secondly with respect to the strategy of the Qatari operations.

The Board is also responsible for the timely and accurate disclosure of information to Qtel's shareholders. Stock Exchanges in Qatar, Bahrain and Abu Dhabi, where Qtel's shares were listed – and in London where Qtel has a Global Depositary Receipt (GDR) program – were notified via quarterly reports and full-year financial results.

The Board welcomes the involvement of all shareholders at the Annual General Assembly. Every shareholder has the right to attend and to vote, whether in person or by proxy. The meetings of the General Assembly are chaired by the Chairman of the Board of Directors, his deputy or any member authorized by the Board. Also present are the Board of Directors, CEO and external auditors.

BOARD COMMITTEES

The Board has established Committees to assist in the discharge of its responsibilities by advising and making recommendation to the board the Board Committees are composed of at least three Board members, taking into account the background and profile of the specific Board Members. The Board appoints a Chairman who leads committee meetings and determines the committee's agenda.

COMMITTEE FORMATION

The Qtel Group's Board of Directors is guided by four steering committees to guarantee good corporate governance. The committees are mandated with responsibility for specific areas of significance to the company's corporate governance.

Committee memberships are as follows:

Board Member	Executive Committee	Audit Committee	Investment Committee	Compensation and Performance Evaluation Committee
H.E. Sh. Abdullah bin Mohammed bin Saud Al Thani	Chairman			Chairman
H.E. Sh. Mohammed Bin Suhaim Al Thani	Member		Chairman	
H.E. Mohammed Bin Isa Al Mouhanadi	Member			
H.E. Dr. Abdullah Al Kubaisi		Member		Member
H.E. Saad Al Rumaihi			Member	
Mr. Abdallah Zaid Al Talib		Chairman		Member
Mr. Ali Shareef Al Emadi		Member	Member	
Mr. Hareb Masoud Al Darmaki			Member	
Mr. Hamed Abdullah Al Shamsi	Member			
Mr. Hamad Saeed Al Badi		Member		

EXECUTIVE COMMITTEE

Purpose – The Executive Committee focuses on strategic issues and is responsible for budget and procurement issues.

Function – The Executive Committee authorises expenditure and approves contracts, as delegated by the Board. In 2008 the Executive Committee awarded several major contracts, approved the revised tariff and pricing proposals for various products and services and authorized the write-off of assets and customer debts.

The Executive Committee also reviewed the 2009 Business Plan before it was submitted to the Board of Directors.

AUDIT COMMITTEE

Purpose – The Audit Committee assists the Board with the oversight of the integrity of the Company's financial statements, as well as with providing advice to the Board on the adequacy and effectiveness of the Company's systems of Internal Control and oversight the performance of the company's Internal and External audit functions.

Function – The Audit Committee reviews, with the Auditors, the audit plan, their audit report, and report on matters arising from the audit in respect of the Company and its subsidiaries, and also the Management's response, the level of cooperation and provision of information during the course of the audit, and the cost effectiveness of the audit.

INVESTMENT COMMITTEE

Purpose – The Investment Committee assists the Board in matters relating to financial investments, strategic investment transactions, and treasury functions.

Function – The Investment Committee reviews all proposals for strategic investment opportunities. In 2008, the Investment Committee reviewed Qtel's opportunities for growth in the region and initiated and recommended major investment opportunities for the company. It also made recommendations on Qtel's strategic shareholdings and financing strategy..

COMPENSATION AND PERFORMANCE EVALUATION COMMITTEE

Purpose – This Committee assists the Board in matters relating the compensation of Company employees and evaluation of the employees' performance.

Function – This Committee supervises the process to fix annual individual objectives, performance evaluations, and personal development programs for executives.

CORPORATE GOVERNANCE – STEPS TAKEN

Building on commitments made in 2007, and in recognition of the Company's significant and ongoing international growth, The Board instituted a number of key measures to strengthen corporate governance across the Group.

- Completion of the Qtel Group Corporate Governance Manual, finalized in December 2008, which outlines all aspects of agreed Governance policies across the Group, with a particular focus on how international businesses are managed by the Group.
- The Board supported the work of a number of primary committees: Executive Committee, Audit Committee, Investment Committee, and Compensation and Performance Evaluation Committee. Each Board committee has a written charter outlining key responsibilities, duties and authorities.
- Following a review in 2007, the Board also oversaw revisions to the Code of Business Conduct and Ethics and instituted processes to ensure compliance.
- The Office of Corporate Governance within the Qtel International Legal Department is charged with assisting the management and Board in ensuring the effectiveness of and adherence to corporate governance practices and policies throughout the Group. The office was established in 2008, with the launch of Qtel International.

Aerial view of a traditional wooden dhow sailing on the open sea. The boat is positioned in the lower-left quadrant of the page, moving towards the right. The water is a deep, vibrant blue with visible ripples and small waves. The sky is a lighter, hazy blue, suggesting a clear day. The overall mood is serene and expansive.

QTEL INTERNATIONAL

During 2008, the Board of Directors has continued to pursue enhanced leadership and extended corporate governance functions necessary to support the Group's 2020 vision.

To that end, in February 2008, a new and discrete business division was launched: Qtel International. Qtel International (QI) was created to provide a range of important management services and functions across the Group. These services are essential for the Board and Management team to continue to successfully execute the Group's strategic goals. Reporting directly to the Group Chief Executive Officer, the QI team has a mandate to:

- **PROVIDE LEADERSHIP AND GOVERNANCE AT A GROUP LEVEL**

The QI team is mandated to provide strong management and governance for the enlarged Group. It already delivers standards of governance and transparency that go above those required of its Primary Exchange, the Doha Stock Exchange. It provides direction and guidance to operational management in a variety of areas including strategy, sales and marketing, technical, finance, human resources, legal and regulatory.

- **EXTRACT SYNERGIES AND LEVERAGE SCALE FOR THE GOOD OF THE ENTIRE GROUP**

As a large and diversified group of Companies, there are many opportunities to share skill and knowledge across the Group. The QI team aids this interaction, by enabling the sharing of experiences and skill-sets between the various Operating Companies. The QI team is also focused on extracting cost synergies from across the Group, be that in the form of leveraging scale in procurement activities or in combining areas of duplication.

- **EFFECTIVELY CENTRALISE AND MANAGE KEY GROUP FUNCTIONS**

The QI team carries out a number of key 'Headquarter' functions essential to the management and stewardship of the enlarged Group. Treasury Management and Financial Reporting are conducted centrally under QI, bringing greater cohesiveness and consistency to the Group's financial disclosures. The QI team also has responsibility for the Group's strategy development and execution. This includes oversight of Group-wide Merger & Acquisition activity and the subsequent integration of acquired businesses into the Qtel Group.

The creation of QI marks another phase in the Qtel Group's growth strategy and clearly illustrates the continued maturity of the Group's management, control, leadership and governance functions.



A REMARKABLE YEAR

KEY MOMENTS

2008 – A REMARKABLE YEAR FOR THE QTEL GROUP

2008 was a historic year for the Qtel Group, seeing the company consolidate its operations and enhance value in existing markets, and expand its presence into 17 countries.

JANUARY

Launch of first Blackberry Solution in Qatar

Qtel began the year with the launch of the first BlackBerry solution for Qatar, working with strategic partner Research in Motion. With strong demand for wireless communication and corporate data applications across Qatar's fast-growing commercial sectors, Qtel found a highly receptive market for the new innovation.

FEBRUARY

Qtel International Starts Work

Qtel International was created in order to leverage full benefit from The Qtel Group's recent international expansion. The new division, launched in February, was charged with providing leadership and corporate governance for The Qtel Group.

MARCH

Extraordinary General Meeting

On March 23, 2008, Qtel held an Extraordinary General Meeting of Shareholders which approved the restructuring of share capital of the company to authorize the creation of two-tiers of capital - Authorized Capital and

Issued Capital. At the same meeting, the creation of a number of board sub-committees was approved to ensure efficient and prudent decision making.

MAY

Asiacell Launches Service in Two new Governorates

Asiacell commenced operations in two new Iraqi governorates, Irbil and Dhok in May 2008, part of an impressive service expansion that would see the company serve over a third of all Iraqi mobile customers by the end of the year.

JUNE

Qtel Acquires Significant Stake in Indosat

In June 2008 Qtel completed its acquisition of Indonesia Communications Limited ("ICLM") and Indonesia Communications Pte. Ltd. ("ICLS"), which held a combined 40.8%,

interest in PT Indosat Tbk ("Indosat") for US\$1.7 billion in cash. With this transaction, the Group increased its strategic stake in Indosat and broadened the company's interests in Indonesia, the fourth most populous country in the world.

wi-tribe Launched in Jordan

The Qtel Group's wireless broadband vision received a boost with the launch of the first wireless broadband services from wi-tribe in Amman, Jordan.

Rights Issue Oversubscribed by 2.2 times

Qtel conducted a successful rights issue that raised QR 5.9 billion for the company. The total subscriptions received for the rights issue amounted to QR 12.7 billion, indicating an oversubscription of QR 6.9 billion.



A YEAR OF PROGRESS

AUGUST

Wataniya is Proud Supporter of Kuwait's National Olympic Team in Beijing

Wataniya Telecom sponsored the Kuwait National Team at the Beijing Summer Olympics, bringing them closer than ever to the local community.

Wataniya Telecom Receives Spectrum License for Palestine

The Palestinian Ministry of Telecommunications and Information Technologies (MTIT) released the spectrum license to enable Wataniya Telecom to begin operations on its mobile network.

SEPTEMBER

Holy Month of Ramadan

Operations across The Qtel Group engaged in the widest range of community service activities in the company's history to mark the Holy Month of Ramadan. Reflecting the spirit of the Holy Month, a huge number of charities and social welfare initiatives benefited from activities organized by members of the Qtel Family.

OCTOBER

Important Decision Relating to Indosat Acquisition

Indonesian authorities clarified that Qtel's ownership of shares in PT Indosat Tbk ("Indosat") would be permitted up to 65%.

DECEMBER

The Qtel Group Secures Strong Ratings

In December 2008, The Qtel Groups secured strong investment grade public credit ratings from Moody's Investors Service, Standard & Poor's Ratings Services and Fitch Ratings. This was the first time that any agency had assigned a rating for Qtel.

This significant issue concerning Qtel's investment – foreign ownership limitations on our shareholding – was now addressed, opening the door for one of the most important investments in the company's history to date.

NOVEMBER

Success for Nawras in bid for Second Fixed Line License

Oman's telecommunications regulator confirmed that Nawras had won the license to establish the Sultanate's second fixed-line network in November. The award provided Nawras with the opportunity to serve its customers in exciting new ways, building on the experience gained since entering the mobile sector in 2005.

RATINGS SUCCESS

Securing a strong investment grade credit profile has always been a key strategic objective for Qtel as it pursues its strategy for growth and development. In December 2008, The Qtel Group received public credit ratings from Moody's Investors Service, Standard & Poor's Ratings Services and Fitch Ratings. This was the first time that any agency had assigned a rating for Qtel.

The strong credit profile assigned by these well-respected rating agencies confirms our commitment to capital discipline. We believe these ratings underline both Qtel's domestic strength and the success of its international expansion of recent years.

AGENCY	RATING	OUTLOOK
 Moody's Investors Service	A1	STABLE
STANDARD & POOR'S	A-	STABLE
Fitch Ratings <small>KNOW YOUR RISK</small>	A+	STABLE

AWARDS AND INDUSTRY RECOGNITION

The Qtel Group's ongoing success in 2008 secured a number of important industry recognitions. Qtel was named as the winner of the "Telecoms Deal of the Year" award for its strategic acquisition of a stake in PT Indosat at the 3rd annual CommsMEA Awards 2008 ceremony held in Dubai, United Arab Emirates.

In winning the "Telecoms Deal of the Year" award, Qtel successfully came ahead of a wide range of global and international operators who have sought to grow in the Middle East and Asian markets over the past 12 months.

It is the second year running that Qtel has received this award, which aims to honor the transaction that creates the highest value for stakeholders and greatest long-term benefits for the market. In 2007, Qtel received the award for its acquisition of a controlling interest in Wataniya Telecom of Kuwait.

His Excellency Sheikh Abdullah Bin Mohammed Bin Saud Al Thani, Chairman of Qtel, collected the "Telecoms Deal of the Year" award on behalf of the company.

In addition, Dr. Nasser Marafih, Qtel Chief Executive Officer (CEO), won the "Outstanding Leadership" award at the 2nd annual Telecoms World Awards Middle East, also held in Dubai. In the judges' report for the award, Qtel was cited for our clear vision for growth, ongoing community contribution and strong record of innovation and customer service.

In particular, the report cited Qtel's pioneering acquisition of the stake in Indosat; its impressive growth in markets like Kuwait, Iraq and Algeria; and its investment and development in the telecommunications foundations of Qatar, one of the world's fastest-growing economies.

The judges also commended Qtel's firm commitment to Corporate Social Responsibility, as well as our pioneering range of research programs, including our support for unique telecoms studies at Carnegie Mellon University, Qatar University, College of the North Atlantic- Qatar (CNAQ) and Texas A&M University.



WHY INVEST IN QTEL

An investment in Qtel is an investment in both value and growth. An emerging telecom company, diversified across geographies and three lines of business - mobile, consumer Broadband and corporate managed services – Qtel is well positioned to take advantage of demand for these services in both mature and emerging markets in the Middle East, North Africa, the subcontinent and in South East Asia. Going forward, shareholders can expect to benefit from immediate income while also participating in the vast upside from growth in value.

CLEAR STRATEGIC PATH

- To be among the top 20 telecommunications companies globally (by Enterprise Value) by 2020
- Three business lines - consumer mobile, consumer broadband, and corporate managed services
- Three geographies - MENA, the Asian Subcontinent and South East Asia

CASH GENERATING ASSETS IN MATURE MARKETS

- Cash-generating positions in Qatar, Kuwait and Oman

GROWTH ASSETS IN EMERGING MARKETS

- Growing positions in Indonesia, Tunisia, Algeria and Iraq
- First Middle Eastern 'consolidator' in Asia
- Development of consumer broadband offering in Jordan, Pakistan and Philippines

SOLID FINANCIALS

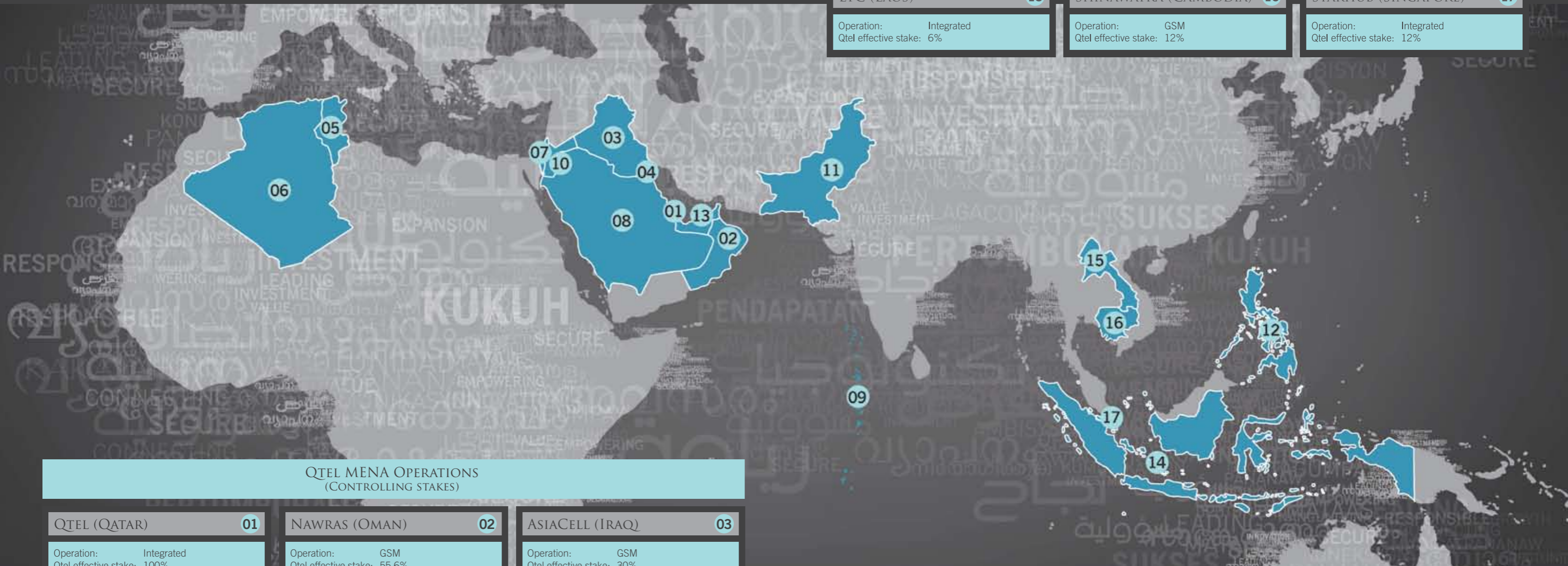
- Strong top line growth, record revenue in 2008
- High and stable EBITDA margins
- Highest ever net profit in 2008
- Strong credit rating

STRONG MANAGEMENT TEAM

- Experienced Board and proven track record
- Mix of local and international talent in the shape of Qtel International
- Leveraging synergies across the Group
- Corporate governance above and beyond requirements

QTEL IS NOW PRESENT IN 17 COUNTRIES

With a clearly-defined growth strategy targeting the Middle East and North Africa, The Asian Subcontinent, and South East Asia, Qtel continues to chart fresh passage into new territories. In 2008, 73 percent of Group revenue came from outside of Qatar – a dramatic extension for a company that was a one-country operator in 2005.



QTEL MENA OPERATIONS (CONTROLLING STAKES)

QTEL (QATAR) 01	NAWRAS (OMAN) 02	ASIACELL (IRAQ) 03
Operation: Integrated Qtel effective stake: 100%	Operation: GSM Qtel effective stake: 55.6%	Operation: GSM Qtel effective stake: 30%

WATANIYA (QTEL STAKE 52.5%)

WATANIYA (KUWAIT) 04	TUNISIANA (TUNISIA) 05	NEDJMA (ALGERIA) 06
Operation: GSM Qtel effective stake: 52.5%	Operation: GSM Qtel effective stake: 26.25%	Operation: GSM Qtel effective stake: 46.3%
WATANIYA (PALESTINE) 07	BRAVO (KSA) 08	WATANIYA (MALDIVES) 09
Operation: GSM Qtel effective stake: 29.9%	Operation: PTT (IDEN) Qtel effective stake: 29.2%	Operation: GSM, submarine cable Qtel effective stake: 52.5%

WI-TRIBE LIMITED (QTEL STAKE 78%)

WI-TRIBE JORDAN 10
Operation: WiMAX Qtel effective stake: 78%

WI-TRIBE PAKISTAN 11
Operation: WiMAX Qtel effective stake: 78%

WI-TRIBE ASIA (QTEL STAKE 69%)

LIBERTY (PHILIPPINES) 12
Operation: WiMAX Qtel effective stake: 40%

ASIA MOBILE HOLDINGS (QTEL STAKE 25%)

LTC (LAOS) 15
Operation: Integrated Qtel effective stake: 6%

SHINAWATRA (CAMBODIA) 16
Operation: GSM Qtel effective stake: 12%

STARHUB (SINGAPORE) 17
Operation: Integrated Qtel effective stake: 12%

NAVLINK (QTEL STAKE 38%)

AGN NODE DEPLOYMENT 13
Live: Qatar, UAE Ongoing: KSA, Kuwait Planned: Morocco, Egypt, Bahrain

INDOSAT (QTEL STAKE 40.8%)

INDOSAT (INDONESIA) 14
Operation: Integrated Qtel effective stake: 40.8%



QATAR - QTEL

As the leading communications provider in Qatar, Qtel – which was officially established in 1987 – has grown into one of the most diverse integrated operators in the Middle East region, offering a range of world-class GSM, fixed, cable, entertainment and technology services to consumers and businesses. With over 20 years' experience in supporting the people of Qatar, the company benefits from a deep and abiding connection with its customers, as well as an instinctive understanding of their needs and expectations.

Qtel has played a key role in providing the infrastructure to enable the ongoing growth of one of the world's fastest-growing economies – Qatar's real GDP growth in 2008 was estimated at 16 percent, according to the International Monetary Fund. In turn, Qtel's positioning at the heart of this dynamic market provides significant scope for the growth of high-end and advanced telecommunications solutions.

OWNERSHIP

Qtel's operations in Qatar are 100 percent owned and managed by Qatar Telecom (Qtel) Q.S.C.

HIGHLIGHTS OF 2008

2008 was marked by a newly-energized spirit across Qatar operations, as the company prepared to face competition in its home market for the first time. This new dynamic saw the company begin to execute on a new range of strategic initiatives, designed to bring the company closer to its customers than ever before.

This new approach to innovation, openness and interaction with its customers delivered some of the strongest results in our company's history. Qtel's active customer base – including GSM, fixed line and entertainment services customers – reached 1.9 million by the end of 2008. Full-year revenue was QR 5.4 billion (FY07: QAR 4.4 billion), 23 percent higher than at the end of 2007. Qtel's EBITDA margins remain strong, and have resulted in an EBITDA of QR 3.4 billion – a 62% margin.

Qatar remained the largest contributor of revenue and EBITDA within The Qtel Group, contributing 27 percent to Group revenue in 2008.

To achieve such strong results, and ensure that they are sustainable in the new era of competition, 2008 saw one of the most far-reaching market research processes ever undertaken by the Qtel Group, which aimed to examine customer experiences and expectations in relation to the services provided by The Qtel Group.



Feedback generated by this year-long process was used to support one of the broadest series of product and service improvements in the company's history, with major enhancements unveiled for GSM (postpaid and prepaid), fixed line, payphone, Mobile Broadband and Home Entertainment services. Our world-class Mozaic TV+ service – which offers digital television, telephone and Internet through a single ADSL line – became the single most popular choice for television services in Qatar.

In addition a series of new customer service value-adds - including a partnership with the Qatar Airways' Privilege Club and a year-round run of seasonal promotions – enabled us to enhance loyalty and deepen its relationships with its customers.

As part of an ongoing series of initiatives to support the “Broadband Qatar” programme, Qtel also continued to invest in a world-class network infrastructure, including an ambitious upgrade to its national HSDPA (High Speed Downlink Packet Access) mobile network that ensured that mobile broadband customers in Qatar benefit from some of the most advanced network speeds available. Qtel's Business Solutions Division also generated strong returns, with the launch of Qatar's first BlackBerry Solution and a number of key strategic alliances that should help position Qatar as a hub for world-class enterprise solutions, including a major agreement signed with Reliance Globalcom that will enable Qtel to deliver international Internet Protocol (IP) Services including Global Ethernet to local and regional enterprises.

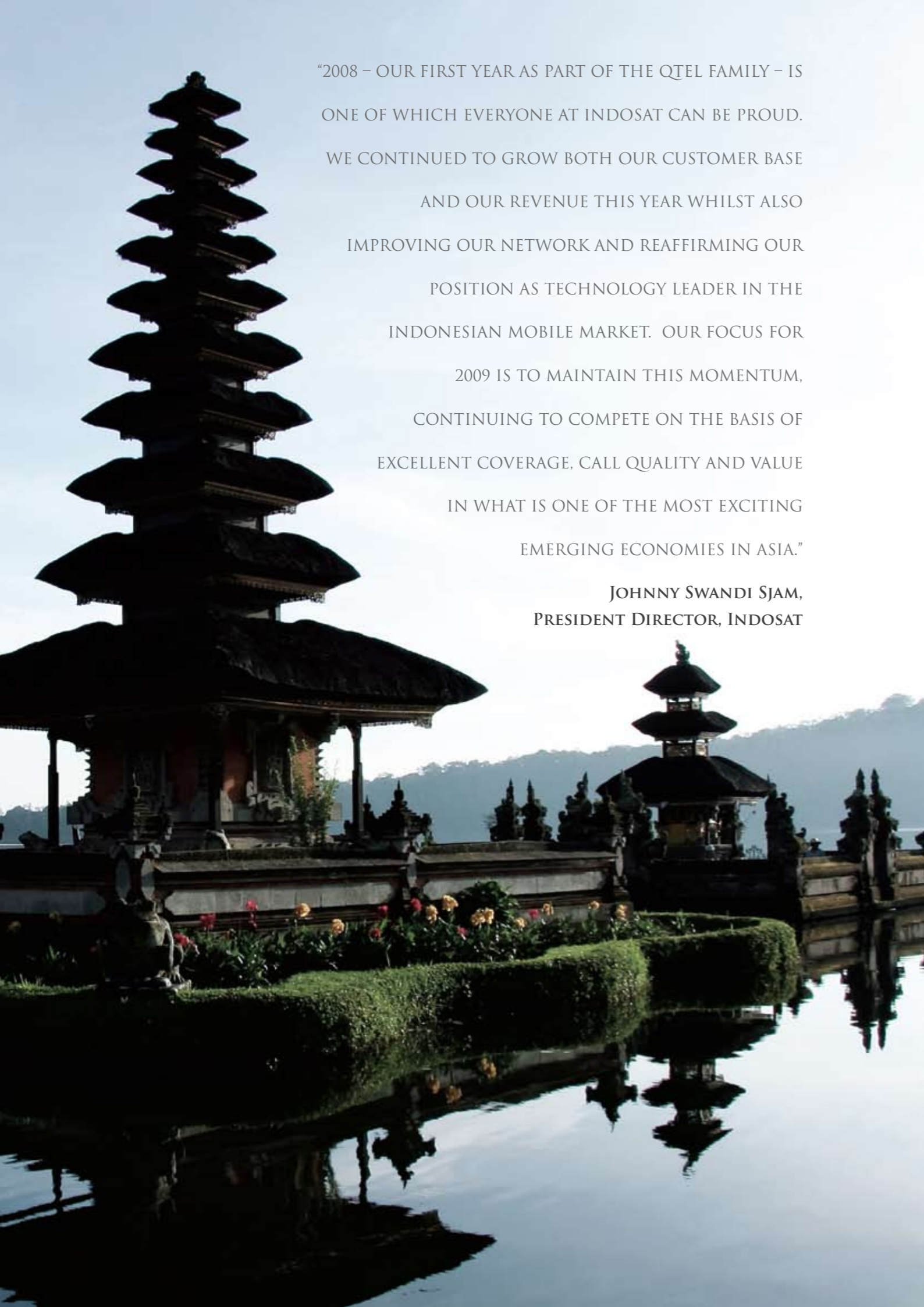
THE NEXT STAGE IN THE QTEL JOURNEY

A major focus of the 2008 Strategic Planning cycle was to clearly define the priorities for the Qatar operations within The Qtel Group. The clear consensus from this process was that the role of Qtel Qatar is to proactively add value to the Qtel Group by supporting the expansion of the Group by providing a stable and growing cash flow; leading and shaping the local market in our chosen sectors; and being a role model within the Group, both giving to other Group companies and being willing to learn and take from them.

Although 2009 will see a number of new competitors enter the market across a range of sectors – which has the potential to impact market share in some segments – Qtel is already positioned to enter new areas of the Information, Communications, Technology and Entertainment (ICTE) market that provide attractive growth opportunities and will leverage Qtel's core strengths and assets.

The vision for Qtel in Qatar is to become the preferred choice for world-class communication services in Qatar. The key factors in retaining Qtel's market leadership position will be retaining and enhancing the company's deep connection with its customers, moving into or expanding in new high potential segments and continuing to improve its infrastructure, processes and organization to better serve consumers, businesses and to help enable Qatar's transformation to a sustainable knowledge-based economy.

Qtel is making the Qtel Qatar strategy one of its top priorities for 2009. The full resources and expertise of its senior management and the wider Qtel Family are being deployed to ensure that Qtel fully lives up to our ambitious vision for Qatar.



"2008 – OUR FIRST YEAR AS PART OF THE QTEL FAMILY – IS ONE OF WHICH EVERYONE AT INDOSAT CAN BE PROUD. WE CONTINUED TO GROW BOTH OUR CUSTOMER BASE AND OUR REVENUE THIS YEAR WHILST ALSO IMPROVING OUR NETWORK AND REAFFIRMING OUR POSITION AS TECHNOLOGY LEADER IN THE INDONESIAN MOBILE MARKET. OUR FOCUS FOR 2009 IS TO MAINTAIN THIS MOMENTUM, CONTINUING TO COMPETE ON THE BASIS OF EXCELLENT COVERAGE, CALL QUALITY AND VALUE IN WHAT IS ONE OF THE MOST EXCITING EMERGING ECONOMIES IN ASIA."

**JOHNNY SWANDI SJAM,
PRESIDENT DIRECTOR, INDOSAT**

INDONESIA - INDOSAT

Indosat, the latest addition to the Qtel family, is a fully-integrated telecommunications network and services provider operating in Indonesia, the fourth most populous nation on earth. As the country's second largest mobile operator, Indosat commands a 28.7 percent share of Indonesia's GSM mobile market with over 37.2 million customers connected to its nationwide network. Offering a product suite that spans voice, internet, data and VoIP, Indosat is a significant force in the country's communications market.

OWNERSHIP

At 31 December 2008 the Qtel Group had a 40.8 percent stake in Indosat, which has been increased in 2009 to 65 percent.

ACHIEVEMENTS IN 2008

Indosat continued along its growth path in 2008, adding some 12 million customers to its customer base and delivering double digit year-on-year growth in consolidated revenue. Operating in a richly promising yet competitive market place, this performance owes much to Indosat's efforts over the past twelve months to further consolidate its market reputation for offering a full range of voice and data services at good value. Service innovation has also continued apace during the year. 2008 saw Indosat add to its list of industry 'firsts' by becoming the first operator in Indonesia to offer pre-paid wireless Broadband services to consumers.

At the same time, 2008 has presented mobile operators in Indonesia with a number of challenges. During the year, a combination of keen industry-wide pricing and a subsequent upsurge in mobile usage has put the networks of all operators under pressure. Against this backdrop, the Company has continued to invest this year in network improvements that should underpin its ability to deliver more higher-value services to more people in more places. For example, Indosat was not only the first operator to offer 3.5G (HSDPA) services in Indonesia but its coverage was extended this year to reach nineteen of the country's largest cities and today offers some of the fastest download speeds in the market. Indosat also invested around USD 200 million this year in the Satellite Palapa-D project which aims to replace the existing Palapa C-2 system, with a view to improving service coverage and reliability.

THE NEXT STAGE IN THE INDOSAT JOURNEY

With a population of 237.5 million and with mobile penetration rates still low for an economy of its size, Indonesia holds significant growth potential for an operator like Indosat which is able to offer dynamic services and comprehensive coverage.

Indosat continues to invest in its network, in a bid to keep pace with these market demands and a 13,000 km cabling programme to enhance connections on Indosat's backbone network is also underway. Alongside this investment, Indosat also continues to drive innovation in new areas such as value-added services, where demand is steadily increasing for new products that enable m-commerce and other business functions. Furthermore, the Company continues to drive expansion in key markets, protect and grow mobile market share and pay particular attention to retaining long-term, high-value mobile customers.

"WE HAVE CONTINUED TO FOCUS KEENLY IN 2008 ON EACH OF THE THREE PILLARS OF OUR STRATEGY: OFFERING INNOVATIVE SERVICES, MAINTAINING EXCEPTIONAL NETWORK QUALITY AND DELIVERING OUTSTANDING CUSTOMER EXPERIENCE. THIS HAS ENABLED US TO DELIVER ANOTHER YEAR OF DOUBLE DIGIT REVENUE GROWTH AND OUR FOCUS IN 2009 WILL BE NO DIFFERENT. WE ARE WELL PLACED TO RETAIN OUR EXISTING LOYAL CUSTOMER BASE AS WELL AS TO WIN OVER NEW CUSTOMERS THROUGH ADDITIONAL, INNOVATIVE SERVICES: EVEN IN THE FACE OF ENHANCED COMPETITION."

**SCOTT GEGENHEIMER,
GENERAL MANAGER AND
CHIEF EXECUTIVE OFFICER,
WATANIYA IN KUWAIT**

KUWAIT - WATANIYA

Over the past nine years Wataniya has risen to be the second largest operator in one of the most competitive, demanding and fast-paced mobile markets in the region.

Serving 42 percent of the country's mobile customers, Wataniya offers a wide range of pre-paid and postpaid mobile voice and data services to both individual and corporate customers, including WNet, a secure wireless and mobile internet service. Wataniya also offers a suite of business efficiency tools for corporate customers under the WPro brand as well as "Call Collect" and "Please Call Me" services which give customers more options for staying connected.

Wataniya has built its reputation on offering innovative services, maintaining excellent network quality and delivering outstanding customer service. These three pillars remain the basis of Wataniya's strategy as it continues to consolidate its strong market position, despite the arrival in December 2008 of a third mobile operator.

OWNERSHIP

The Qtel Group holds a 52.5 percent stake in Wataniya Telecom (NMTC) which holds 100 percent of the operations of Wataniya in Kuwait. This gives the Qtel Group a 52.5 percent effective economic stake in Wataniya in Kuwait.

ACHIEVEMENTS IN 2008

2008 marked another successful year for Wataniya, delivering seven percent revenue growth against a backdrop of great change in the country's communications market.

During the year, Wataniya, in partnership with the other Kuwaiti operators, successfully completed a countrywide new numbering program, moving from seven to eight digits. In line with the Company's commitment to service excellence, Wataniya offered a free and unrivalled number conversion service during this process to all customers as well as a range of intelligent solutions to business customers, enabling them to update their corporate contact books and minimise disruption.

Throughout 2008, the Company has committed itself to ensuring that customers continue to receive a "Red Carpet" service, be it through targeted promotions for long-term, high value customers, or as a result of overall improvements to the Company's retail presence which have raised customer satisfaction levels right across the board. At the same time, Wataniya has invested heavily in its network and infrastructure. As part of this programme, the Company upgraded its nationwide HSDPA network, which now offers an enhanced 7.2Mbit per second service across Kuwait.

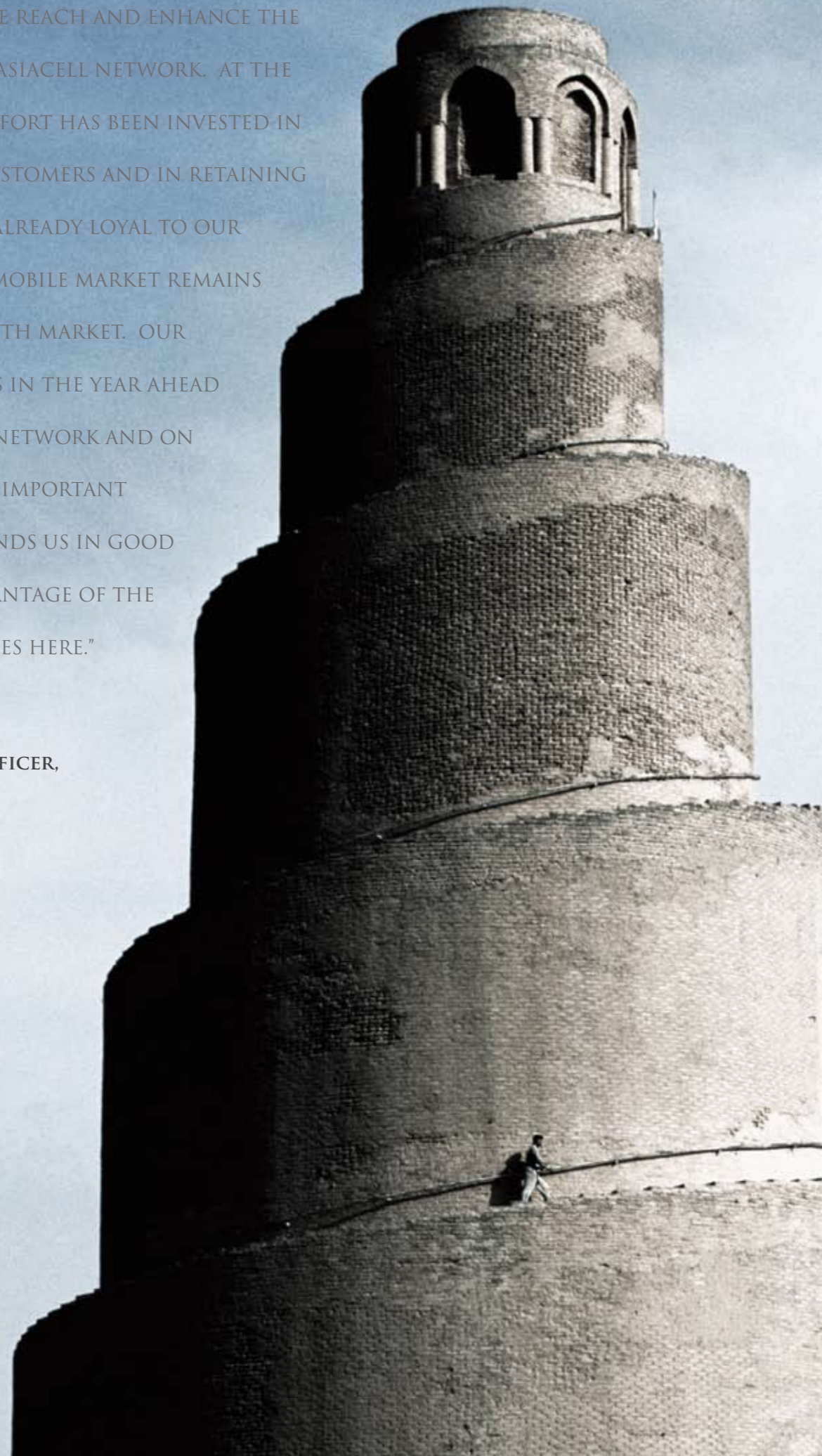
THE NEXT STAGE IN THE WATANIYA KUWAIT JOURNEY

Wataniya enters 2009 confident in its position and highly regarded by customers. Data services remain a high-growth market segment in Kuwait and, as a result of the enhancements made this year to its HSDPA network, Wataniya is well positioned to continue to take market share in this area.

At the same time, Wataniya is not complacent as to the arrival of a third operator and will remain focused in 2009 on ensuring that it stands well placed to counter the challenge of increased competition. Over the coming twelve months the Company will continue to deliver on its commitment to service excellence. It will continue to introduce new products, tariffs and bonus schemes which will enhance Wataniya's ability to retain existing high-value customers, as well as unveil new promotions targeted at increasing market share and further extending the Company's reach in this exciting and rewarding mobile marketplace.

"GREAT STRIDES HAVE BEEN MADE THIS YEAR IN IRAQ TO EXTEND THE REACH AND ENHANCE THE RELIABILITY OF THE ASIACELL NETWORK. AT THE SAME TIME MUCH EFFORT HAS BEEN INVESTED IN ACQUIRING NEW CUSTOMERS AND IN RETAINING THOSE CUSTOMERS ALREADY LOYAL TO OUR BRAND. THE IRAQI MOBILE MARKET REMAINS VERY MUCH A GROWTH MARKET. OUR CONTINUING FOCUS IN THE YEAR AHEAD ON GROWING OUR NETWORK AND ON TARGETING THE ALL-IMPORTANT YOUTH MARKET STANDS US IN GOOD STEAD TO TAKE ADVANTAGE OF THE GREAT OPPORTUNITIES HERE."

**DR. DIAR AHMED,
CHIEF EXECUTIVE OFFICER,
ASIACELL**



IRAQ - ASIACELL

Asiacell has its roots as the first company to introduce mobile services to Iraq: a significant milestone in the development of Iraq's communications market. In a successful joint-venture started in 2007, Qtel and Asiacell, in partnership with local Iraqi stakeholders, came together to win a competitive bid for a long-term, 15-year mobile license in the country.

Today, in its capacity as the country's second largest mobile operator by number of customers, Asiacell serves more than a third of all Iraqi mobile customers with a wide range of critical mobile services including GPRS, SMS, MMS and voicemail delivered across a national network that reaches from Dhok in the north to Basra in the south.

OWNERSHIP

The Qtel Group has a 30 percent effective economic stake in Asiacell.

ACHIEVEMENTS IN 2008

While Iraq remains a challenging operational environment, Asiacell's investments in infrastructure, services and marketing this year have not been without reward. During 2008, Asiacell added almost two million customers to its customer base and grew revenue from QR 732 million in 2007 (post acquisition) to QR 2.8 billion at the end of 2008.

In 2008, Asiacell completed a number of initiatives to further extend the reach of its network. During the year, Asiacell commenced operations in two new governorates, Irbil and Dhok, as well as extending the EDGE network to certain key locations across the country. In April this year Asiacell partnered with other operators to launch a national roaming service and also completed construction of a new fiber ring around Sulaimaniyah.

While extending its network reach, Asiacell has also focused considerable effort this year on bringing the Asiacell experience to new customers through intelligent pricing and targeted marketing campaigns. As evidence of the effectiveness of these initiatives, a six-month marketing drive in Baghdad succeeded in growing Asiacell's customer base in the capital significantly.

At the same time, Asiacell has not softened its resolve to retain those customers already loyal to the network. During the year, the Company unveiled a range of customised billing and service solutions for several major customers in the region as well as launching per-second billing. Other initiatives, such as the Asiacell credit transfer service launched in February 2008 have each contributed in their own way to increasing customer loyalty and reducing customer churn.

THE NEXT STAGE IN THE ASIACELL JOURNEY

Asiacell remains committed to further enhancing its network coverage and service offering in Iraq as the political and economic situation in the country continues to improve. With mobile networks increasingly substituting a compromised and outdated fixed line infrastructure across much of the country, mobile services look set to capture the majority of voice and data traffic in Iraq for the foreseeable future.

Market segmentation has a particular role in Asiacell's continuing growth strategy for 2009. In a nation where 40 percent of the population is under 15 years of age, successful targeting of the youth market is critical to any operator's long-term success. In the year ahead, Asiacell plans to launch a range of promotions and services to secure a major share of this large and aspirational group, in addition to other market segments.



“WE CONTINUE TO OFFER A COMPELLING VALUE-BASED PROPOSITION TO OUR CUSTOMERS WHICH HAS DONE MUCH TO CEMENT OUR STRONG POSITION IN THIS MOST COMPETITIVE OF MOBILE MARKETS. WITH OUR NATIONWIDE NETWORK DEPLOYMENT COMPLETE, OUR FOCUS FOR 2009 IS TO FURTHER GROW MARKET SHARE BY COMBINING OUR EXPANDED COVERAGE WITH A COMMITMENT TO HIGH QUALITY OF SERVICE AND COMPETITIVE DIFFERENTIATED OFFERS.”

JOSEPH GED,
CHIEF EXECUTIVE OFFICER,
NEDJMA

ALGERIA - NEDJMA

Branded as Nedjma, Wataniya commenced operations in Algeria in 2004. Starting out life as Algeria's third mobile operator, today Nedjma commands second place and controls twenty-two percent of this North African mobile marketplace. As one of the most instantly recognisable brands in the country – Nedjma offers value-for-money mobile voice, data and multimedia services delivered across a nationwide EDGE-ready network.

OWNERSHIP

The Qtel Group holds a 52.5 percent stake in Wataniya (NMTC), which holds a 71 percent stake in the operations of Nedjma. In addition, the Qtel Group directly owns a nine percent stake in Nedjma. Taken together, these holdings give the Qtel Group a 46.3 percent effective economic stake in Nedjma.

ACHIEVEMENTS IN 2008

Nedjma continued to gain ground in 2008, delivering double-digit customer growth and increasing revenue year-on-year by 30 percent. Much of this performance is attributable to the Company's continued positioning as the 'value-added' operator. During the year, Nedjma launched a number of attractive new offers and bonus tariffs which helped to attract market share in the face of competition. As a result of these targeted offers, and in just seven months, Nedjma succeeded in doubling its post-paid customer base.

At the same time as consolidating the value reputation of the Nedjma brand, management has also managed to unlock considerable value this year through cost savings within Nedjma's own operations. Through a comprehensive cost optimisation programme initiated in March, Nedjma not only succeeded in reducing operating expenditure this year but has also laid the foundation for a more dynamic and efficient cost base, further enhancing its competitiveness in the market place.

Significantly, these cost savings were delivered against the backdrop of strict regulatory obligations connected with the Company's mandatory fourth year license test. Significant extensions have been made during the year to the network with eight hundred signal sites added to the grid in twelve months.

THE NEXT STAGE IN THE NEDJMA JOURNEY

Even with the enhancements made during 2008, some further strategic network improvements are expected to reach completion in the year ahead. In particular, VSAT connections linking the deep southern regions of Algeria to Nedjma's network are expected to come on-line in early 2009. These connections should significantly improve coverage in an under-served, low penetrated region.

With much of the infrastructure work complete, the real challenge for 2009 is to further entrench Nedjma's strong competitive position in the market. Addressing the high speed data Internet market via enhanced EDGE and triple-play services is now a step closer, thanks to this year's network development programme. A number of initiatives are scheduled for 2009 that seek not only to win over high-spending customers but also to increase customer spending within Nedjma's existing customer base.



"2008 WAS YET ANOTHER SUCCESSFUL YEAR FOR NAWRAS IN WHICH WE MADE FURTHER PROGRESS IN INCREASING OUR SHARE OF REVENUE OF THE MOBILE MARKET. FOR THE YEAR AHEAD WE CONTINUE TO FOCUS OUR ATTENTION ON OPPORTUNITIES FOR GROWTH, CONCENTRATING ON ATTRACTING HIGH VALUE CUSTOMERS AND INCREASING OUR SHARE OF THE GROWING BROADBAND AND BUSINESS MARKETS IN THIS FAST-MOVING COMMUNICATIONS ARENA."

ROSS CORMACK
CHIEF EXECUTIVE OFFICER,
NAWRAS

OMAN - NAWRAS

Since its launch in 2005 as Qtel's first venture outside of Qatar, Nawras has delivered tremendous growth. As Oman's second mobile operator, Nawras delivers a wide range of mobile services across an advanced network. Nawras has a proud history of unveiling industry 'firsts.' In 2007, the Company became the first operator to launch 3G+ based wireless broadband services in Oman, allowing customers access to advanced services such as video calling and high speed internet access. Nawras was also the first operator in Oman to launch EDGE across its network.

OWNERSHIP

The Qtel Group has a 55.6 percent effective economic stake in Nawras.

ACHIEVEMENTS IN 2008

2008 marked another successful year for Nawras, with the company increasing its customer base by 49 percent to one and a half million customers and further deepening its share of the country's mobile market from 42 to 47 percent, two significant achievements.

This progress has been largely driven by the Company's continued commitment to new services. In a move to further increase its penetration of the non-voice market, Nawras not only launched BlackBerry and an enhanced range of premium SMS services in 2008 but also unveiled a suite of high-speed Broadband access products covering the pre-paid and postpaid segments. During the year the Company also successfully rolled out a series of initiatives to capture customers from two important market segments: the High-Value Customer and Youth segments.

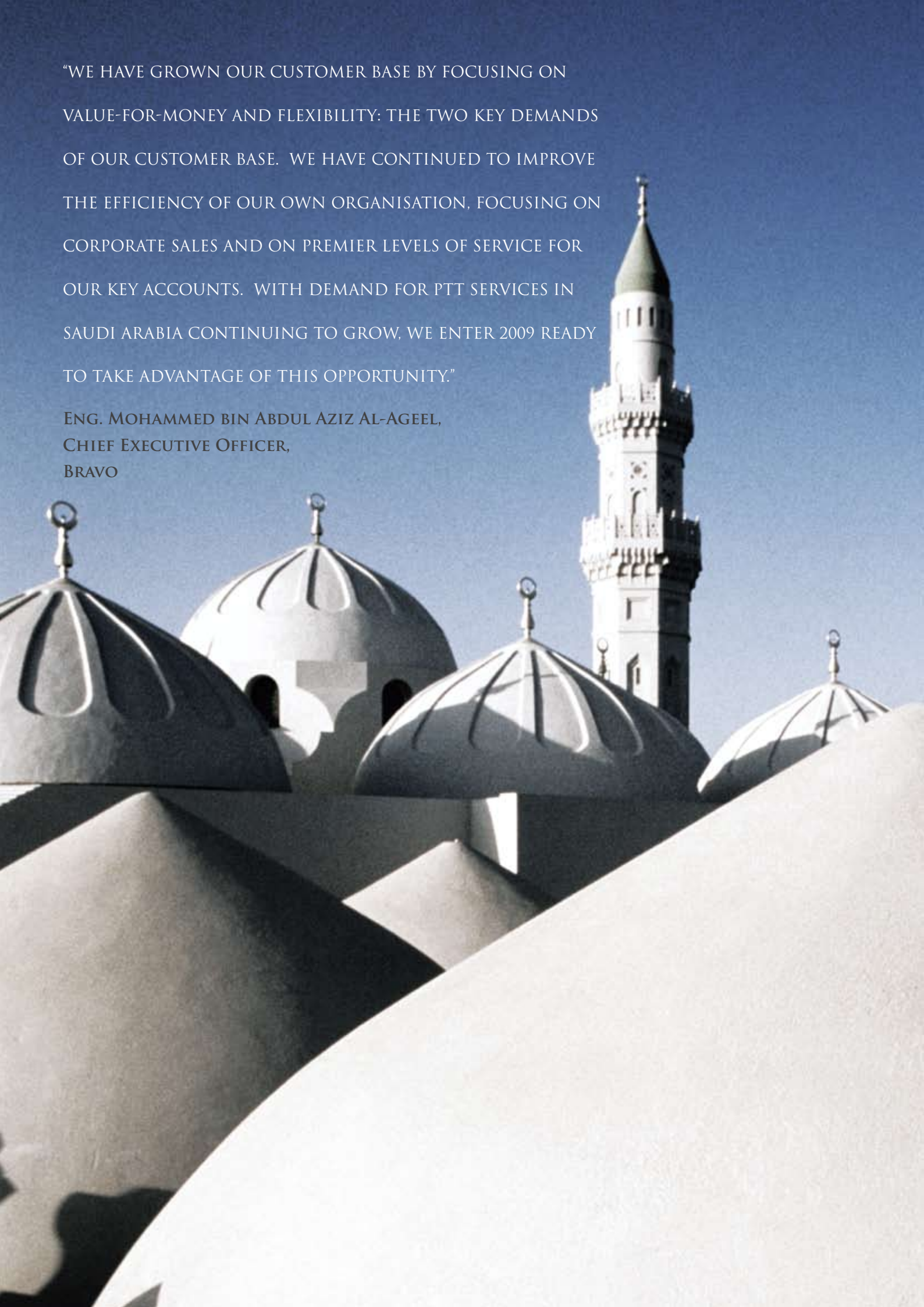
Strategically, 2008 marked a bold step for Nawras outside of its core mobile communications business. Following a competitive application process, in November 2008 Nawras was selected as the winning applicant for Oman's second fixed licence. The Company looks forward to rolling out fixed-line services in the year ahead, extending to fixed service customers the same commitment to quality and service excellence that Nawras mobile customers already enjoy.

Included in the fixed licence is permission for Nawras to operate its own international gateway which opens the way for Nawras to offer higher quality and capacity to its mobile and fixed customers.

THE NEXT STAGE IN THE NAWRAS JOURNEY

With these developments complete, Nawras continues to focus in 2009 on opportunities for growth: both in existing market segments and in new ones. The most exciting opportunities exist in the broadband segment, where Oman's internet market is still undeveloped in comparison to other countries in the region. Today, Nawras has the chance to increase its share of this growing market by rolling out new and improved mobile broadband solutions and, at the same time, adding fixed-line wireless broadband products to its portfolio.

Oman's demographics support these ambitions. The Youth segment, which Nawras is already targeting, makes up a large share of Oman's population. It is precisely this group that is both demanding and should respond well to new ways of keeping in touch. At the same time, Nawras will also focus in 2009 on opportunities to increase its share of the Business segment. The Company has established a dedicated Corporate and Business Unit and has plans to introduce a range of enhanced mobile and fixed-line services dedicated to the needs of customers in this segment.



“WE HAVE GROWN OUR CUSTOMER BASE BY FOCUSING ON VALUE-FOR-MONEY AND FLEXIBILITY: THE TWO KEY DEMANDS OF OUR CUSTOMER BASE. WE HAVE CONTINUED TO IMPROVE THE EFFICIENCY OF OUR OWN ORGANISATION, FOCUSING ON CORPORATE SALES AND ON PREMIER LEVELS OF SERVICE FOR OUR KEY ACCOUNTS. WITH DEMAND FOR PTT SERVICES IN SAUDI ARABIA CONTINUING TO GROW, WE ENTER 2009 READY TO TAKE ADVANTAGE OF THIS OPPORTUNITY.”

ENG. MOHAMMED BIN ABDUL AZIZ AL-AGEEL,
CHIEF EXECUTIVE OFFICER,
BRAVO

SAUDI ARABIA - BRAVO

Bravo launched operations in 2005 as Saudi Arabia's first specialised push-to-talk (PTT) provider, offering PTT and cellular communication services to the business and government sectors. Bravo's solutions are ideally suited to organisations which need to connect and manage large numbers of employees or related groups in a flexible, efficient and cost-effective way. Today Bravo provides almost 150,000 customers from across 10,000 business and government institutions with mobile voice, messaging, GPS-based tracking and even data services across its iDEN-based nationwide wireless network.

OWNERSHIP

The Qtel Group has a 52.5 percent stake in Wataniya (NMTC), which holds a 55.6 percent stake in the operations of Bravo. This gives the Qtel Group a 29.2 percent effective economic stake in Bravo.

ACHIEVEMENTS IN 2008

Bravo continued to make very good progress in 2008. This performance owes much to the flexibility and adaptability of Bravo's technology platform which has formed the basis of a number of new vertical service launches this year. These services range from exciting infotainment offerings to a new Wireless TELEX solution which is designed to operate in tandem with a customer's existing legacy private radio network and has already been adopted by a number of 'blue-chip' Saudi Arabian companies.

THE NEXT STAGE IN THE BRAVO JOURNEY

Bravo's strategy is to become the trusted partner in Saudi Arabia for business communication. The demand for PTT services in the country remains high as large organisations seek to maintain communication channels across their fleets while also keeping a close eye on costs. Through continued service development and a dedicated sales and account servicing programme, Bravo intends to capitalise on this opportunity through 2009 and beyond.



“THE MALDIVES IS A SMALL NATION, BUT ONE WHICH OFFERS MANY AVENUES FOR GROWTH. WE HAVE DEMONSTRATED OUR ABILITY THIS YEAR TO DRIVE REVENUE THROUGH INNOVATIVE PRODUCT AND INFRASTRUCTURE DEVELOPMENT. THIS INNOVATION AND DRIVE WE HOPE TO REPLICATE NEXT YEAR AS WE FOCUS OUR EFFORTS ON DEVELOPING PRODUCTS AND SERVICES TO SUPPORT ALL THOSE WHO WORK IN AND VISIT THE EVER INCREASING NUMBER OF RESORTS ACROSS THIS TROPICAL ISLAND NATION.”

ABRAHAM SMITH,
CHIEF OPERATING OFFICER,
WATANIYA IN THE MALDIVES

THE MALDIVES - WATANIYA

Wataniya commenced operations in the Maldives in August 2005 and today offers mobile and data services across all of the inhabited islands of this Indian Ocean nation. Supporting a vibrant economy centred on tourism, Wataniya offers a range of mobile services for the Maldives' numerous international visitors and local inhabitants, delivered across the country's first ever 3G and HSDPA-ready network. Having focused first on connecting local population centres, the second phase of Wataniya's Maldives strategy is now underway, focusing on increasing network coverage and penetration in the country's rapidly growing resort sector.

OWNERSHIP

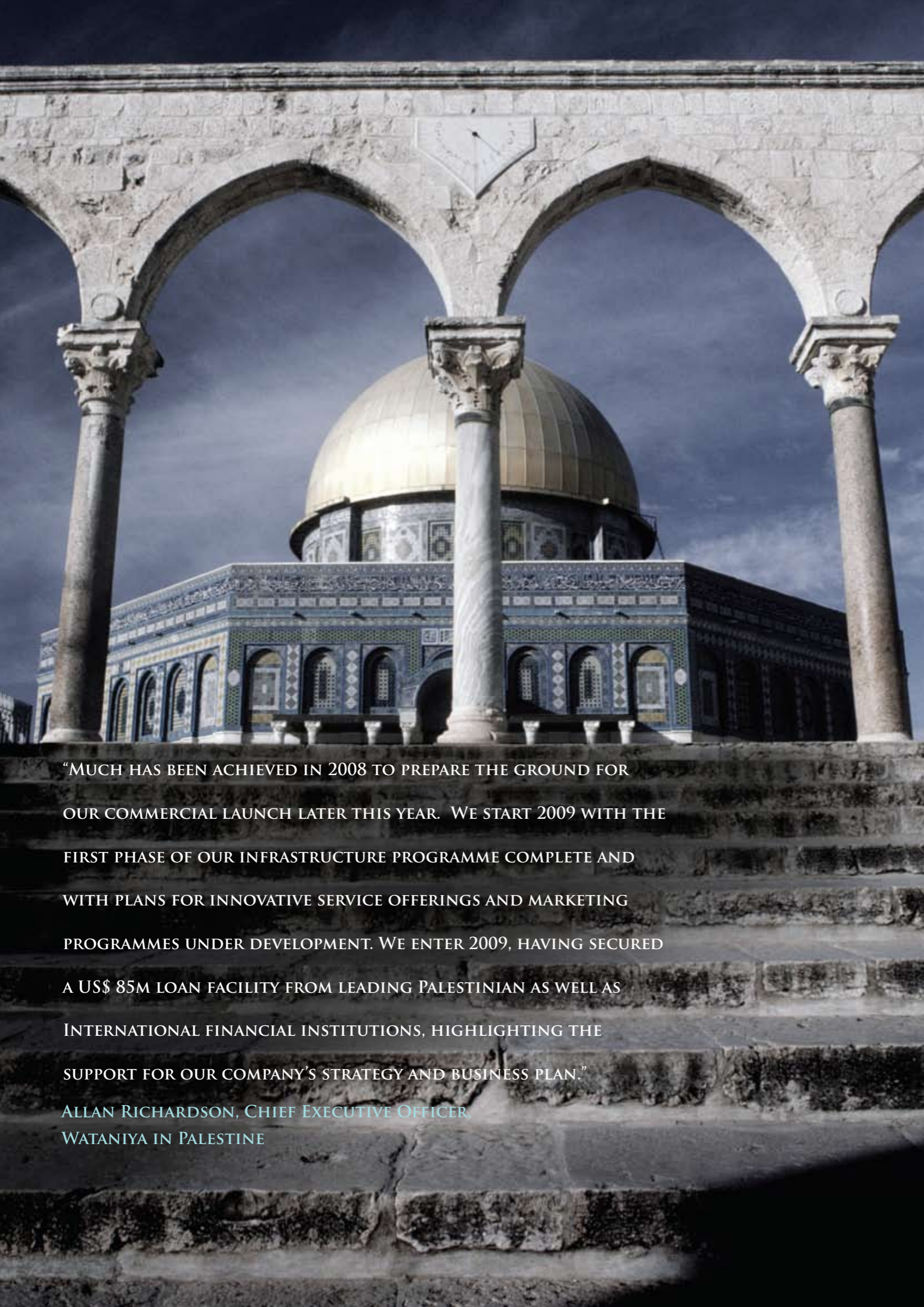
The Qtel Group has a 52.5 percent stake in Wataniya (NMTC), which holds 100 percent of the operations of Wataniya in the Maldives. This gives the Qtel Group a 52.5 percent effective economic stake in Wataniya in the Maldives.

ACHIEVEMENTS IN 2008

Wataniya in the Maldives has succeeded this year in delivering 21 percent revenue growth, in spite of a small permanent population and relatively high penetration rates. This success is due in no small part to the Company's continuing focus on innovative product and infrastructure design, evident in the 2008 roll-out of specially designed towers and base stations for the country's successful tourist industry. Intelligent targeting of specific customer groups has also played a role in circumventing the barrier of high local penetration, such as the extension of good value long distance rates to the many international workers in the country.

THE NEXT STAGE IN THE WATANIYA MALDIVES JOURNEY

Tourism remains the backbone of the Maldives' economy. It continues to represent a major opportunity for the Company as it enters 2009, particularly in the resort sector where the number of resorts under construction continues to expand significantly. Wataniya is in a strong position to capture voice and data traffic in this sector from not only the resort operators but also the individual resort employees and guests. The Company has developed a dedicated business group to focus on resort site identification, product development and sales to capitalise effectively on the various avenues for growth in this segment.



PALESTINE - WATANIYA

Wataniya is the second licensed mobile operator in Palestine. Awarded its license to operate in 2006, the Company undertook extensive planning and preparatory initiatives ahead of being granted its frequencies in late 2008. Wataniya, which has been rapidly rolling out its network, is now poised to become a significant player in the Palestinian mobile market as it prepares to launch commercial services as early as possible in 2009. Following launch, the Palestinian population of approximately 4 million, will be able to enjoy improved network quality, heightened reliability and increased service choice.

OWNERSHIP

The Qtel Group holds a 52.5 percent stake in Wataniya (NMTC), which holds a 57 percent stake in the operations of Wataniya in Palestine. This gives the Qtel Group a 29.9 percent effective economic stake in Wataniya in Palestine.

ACHIEVEMENTS IN 2008

Wataniya passed a number of significant milestones in 2008. In August, the Ministry of Telecommunications and Information Technology granted Wataniya sufficient frequencies over which to launch its services. An agreement was also reached during the year to commence construction of the Company's network infrastructure. With these building blocks in place, 2008 has been a year of network building so that these services can be rolled out in the year ahead.

Also in 2008, Wataniya identified and selected many preferred dealers as well as distributors in preparation for service roll-out. This mix of dealers and distributors will give Wataniya a market reach in Palestine that, at launch, will touch a large number of points of sale throughout the West Bank. Wataniya has also concentrated effort on developing a key leadership team that spans all functional areas that includes skill assessment, leadership development and succession planning.

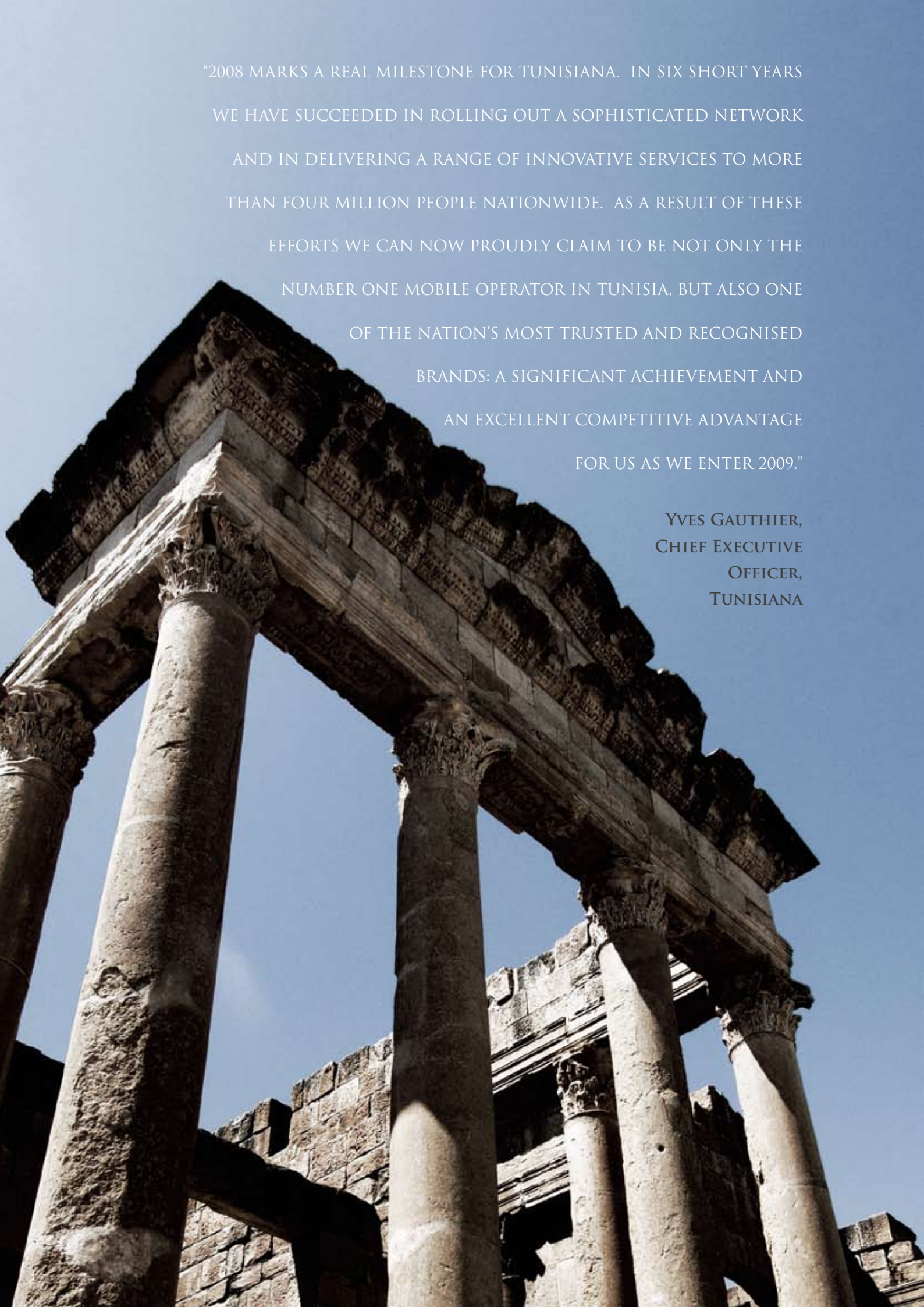
THE NEXT STAGE IN THE WATANIYA PALESTINE JOURNEY

The Palestinian mobile market is unique, with its own set of challenges and requires a very specific set of services and solutions. For example, with such a large youth population, Wataniya intends to launch a range of products in Palestine targeted specifically at this customer segment. Wataniya Palestine is well positioned to successfully identify and meet these unique requirements, drawing on the experience and support of the wider Qtel Group.

Wataniya also intends to compete in Palestine on network quality and reliability. In the first agreement of its kind in this field, in February 2009 Wataniya secured an US\$85m loan facility which will be used to finance the next phase of the Company's network build-out programme.

"MUCH HAS BEEN ACHIEVED IN 2008 TO PREPARE THE GROUND FOR OUR COMMERCIAL LAUNCH LATER THIS YEAR. WE START 2009 WITH THE FIRST PHASE OF OUR INFRASTRUCTURE PROGRAMME COMPLETE AND WITH PLANS FOR INNOVATIVE SERVICE OFFERINGS AND MARKETING PROGRAMMES UNDER DEVELOPMENT. WE ENTER 2009, HAVING SECURED A US\$ 85M LOAN FACILITY FROM LEADING PALESTINIAN AS WELL AS INTERNATIONAL FINANCIAL INSTITUTIONS, HIGHLIGHTING THE SUPPORT FOR OUR COMPANY'S STRATEGY AND BUSINESS PLAN."

ALLAN RICHARDSON, CHIEF EXECUTIVE OFFICER,
WATANIYA IN PALESTINE



“2008 MARKS A REAL MILESTONE FOR TUNISIANA. IN SIX SHORT YEARS WE HAVE SUCCEEDED IN ROLLING OUT A SOPHISTICATED NETWORK AND IN DELIVERING A RANGE OF INNOVATIVE SERVICES TO MORE THAN FOUR MILLION PEOPLE NATIONWIDE. AS A RESULT OF THESE EFFORTS WE CAN NOW PROUDLY CLAIM TO BE NOT ONLY THE NUMBER ONE MOBILE OPERATOR IN TUNISIA, BUT ALSO ONE OF THE NATION’S MOST TRUSTED AND RECOGNISED BRANDS: A SIGNIFICANT ACHIEVEMENT AND AN EXCELLENT COMPETITIVE ADVANTAGE FOR US AS WE ENTER 2009.”

YVES GAUTHIER,
CHIEF EXECUTIVE
OFFICER,
TUNISIANA

TUNISIA - TUNISIANA

From its launch in 2002 as Tunisia’s first privately owned telecoms company, Tunisiana has grown to become not only the country’s number one mobile operator but also one of the country’s most trusted and recognised brands. Delivered over a truly national network, each day Tunisiana provides a range of pre-paid and postpaid voice and data services to more than four million individual and business customers right across this North African nation.

OWNERSHIP

The Qtel Group holds a 52.5 percent stake in Wataniya (NMTc), which holds a 50 percent stake in the operations of Tunisiana. This gives the Qtel Group a 26.3 percent effective economic stake in Tunisiana.

ACHIEVEMENTS IN 2008

The nature and shape of the Tunisian mobile market continue to change, and many of the achievements of 2008 underpin Tunisiana’s ambition to drive the pace of this change in the year ahead. First of all, major projects took place to enhance both the scope of the Tunisiana network as well as its capacity and quality. Network densification projects were successfully completed in 2008 in areas of high traffic and, in an innovative and cost effective partnership with rail operator SNCFT, the fiber network was extended to three new governorates. At the same time, a roll-out of the EDGE network has begun across the nation’s major cities, paving the way for new and enhanced data services.

THE NEXT STAGE IN THE TUNISIANA JOURNEY

The investments Tunisiana has made in 2008 in its network infrastructure should underpin and support the Company’s strategic efforts in 2009 as it seeks to unlock the country’s nascent data market. As the Tunisian economy grows ever more sophisticated, the need to transmit more than just voice traffic over the network is increasing. Entering 2009 with a denser, more intelligent network than ever before means Tunisiana is well placed not just to benefit from this emerging demand but also to set the standard for the way data traffic is managed, monitored and used across the region. It also helps to keep Tunisiana on a firm competitive footing, well ahead of the arrival of a new 3G and fixed line operator, expected in early 2010.

At the same time as enabling this new data demand, Tunisiana will also focus in 2009 on targeting those areas of the country – particularly rural areas outside of the major cities – where even traditional mobile usage remains comparatively low. With a national network infrastructure firmly in place, Tunisiana hopes to tap in to these pockets of opportunity by continuing to develop new offerings and by marketing its services more intensively in these rural communities. And the development and marketing of services is also expected to play a key role in Tunisiana’s efforts to develop in 2009 its share of the important tourist market. Once again, the recently expanded sales network will have a role to play here: ensuring that the Tunisiana brand remains highly visible and easily accessible to this mobile and demanding customer group.



“2008 WAS A PIVOTAL YEAR FOR WI-TRIBE. SEEING OUR FIRST SERVICES LAUNCHED IN JORDAN AND MARKING OUR ENTRY INTO THE EXCITING MARKETS OF PAKISTAN AND THE PHILIPPINES. WE HOPE IN 2009 TO MAKE FURTHER INROADS INTO THESE MARKETS THROUGH RAPID NETWORK DEPLOYMENT AND SERVICE LAUNCHES SO THAT WE CAN TAKE AN EARLY LEAD IN CAPTURING SIGNIFICANT SHARE IN THE WIRELESS BROADBAND MARKET IN THESE DYNAMIC REGIONS.”

DR. SAMI HINEDI,
GROUP CHIEF EXECUTIVE OFFICER,
WI-TRIBE

WI-TRIBE

wi-tribe is the cornerstone in Qtel’s strategy to capture significant market share of the growing consumer wireless Broadband market in MENA, the Asian Subcontinent and in South East Asia. Launched in March 2007, wi-tribe has long term plans to develop into a full mobile communications and fixed wireless company. With a recently launched operation in Jordan, and with key investments in the heavily populated but under-penetrated internet markets of Pakistan and the Philippines, wi-tribe represents an exciting opportunity for Qtel to help shape the future of wireless technology in this region.

OWNERSHIP

The Qtel Group has a 77.5 percent stake in wi-tribe Limited.

ACHIEVEMENTS IN 2008

2008 bore witness to a number of key milestones in wi-tribe’s development. The most significant of these was the commercial launch in June of WiMAX services in Amman, Jordan’s capital city. From a standing start, the service has won over almost four thousand customers in its first six months of operation, a third of these customers having migrated from rival services. In July, the Company consolidated control of its interests in Pakistan’s Burraq Telecom by purchasing the remaining 25 percent stake in the firm from the existing shareholder.

In May, wi-tribe added to its geographic reach by taking a stake in a company in the Philippines with WiMAX spectrum. Initially acquiring a 27 percent associate stake, this stake was increased to 40 percent in December 2008.

THE NEXT STAGE IN THE WI-TRIBE JOURNEY

In 2009 wi-tribe will continue to focus on opportunities to extend its reach, targeting WiMAX launches in both Pakistan and the Philippines. Both of these markets carry significant potential for wi-tribe, with high demand in both countries for better and more reliable consumer wireless broadband services. At the same time, wi-tribe will assess opportunities to acquire further spectrum, where strategically and financially justified, in order to continue the Company’s development.



ASIA MOBILE HOLDINGS

Asia Mobile Holdings Pte. Ltd. (AMH), incorporated in Singapore, is the preferred investment vehicle for both Qtel and STT for investing in mobile operations in the Asia Pacific region. The Qtel Group owns a 25 percent shareholding in AMH. The remaining 75 percent shareholding is owned by Singapore Technologies Telemedia (STT).

DEVELOPMENTS IN 2008

In June this year, the Qtel Group and AMH jointly announced that AMH would sell its 40.8 percent shareholding in PT Indosat Tbk (Indosat) – Indonesia's second largest mobile operator – to the Qtel Group. Under the terms of the Agreements dated 6 June 2008, the Qtel Group agreed to pay USD 1.7 billion in cash to acquire AMH's 40.8 percent interest in Indosat.

THE AMH PORTFOLIO

AMH closes 2008 with investments in the following companies:

- **STARHUB LTD**

AMH has a 49 percent stake in StarHub Ltd (StarHub) which equates to a Qtel effective stake of 12 percent. Launched in 2000, StarHub is a fully integrated communication company offering a full range of information, communications and entertainment services for both consumer and corporate markets.

- **SHENINGTON INVESTMENTS PTE. LTD.**

AMH has a 49 percent stake in Shenington Investments Pte. Ltd. (Shenington). Shenington has a 100 percent shareholding in Cambodia Shinawatra Company Limited (CamShin), which equates to a Qtel effective stake of 12 percent. CamShin is the second largest GSM operator in Cambodia. Shenington also owns a 49 percent shareholding in Lao Telecommunications Company Limited (LTC), which equates to a Qtel effective stake of 6 percent. LTC is the largest telecoms operator in Laos.



CORPORATE SOCIAL RESPONSIBILITY (CSR) STRATEGY

For many years at Qtel, we have provided material and social support for community groups and charities across Qatar, as part of a strong tradition for local companies to be active members of society. These initiatives have typically been carried out in partnership with the community, with ideas and requests coming from our colleagues, customers, local schools and charitable organizations. At the heart of Qtel's development strategy was our "triple P" approach, where people and the planet are valued as highly as profit.

As our operations have expanded internationally, we have encountered high levels of interest in our Corporate Social Responsibility (CSR) activities from our partners and new colleagues.

This process of dialogue with our partners encouraged us to look again at how we organize CSR, to maximize the impact of our initiatives, and to leverage the full benefit from how our different campaigns interact together. In particular, we wanted to develop a model that could be executed across The Qtel Group, and which could deploy our resources in the most effective and appropriate way possible.

The first stage of this process was reorganizing our strategy into five key pillars, under the core message, "Hand in Hand," to emphasize the key priorities and to provide us with a framework to decide which initiatives provided the best fit with our CSR strategy. Moving forward, our key areas of intervention will be:

- Education
- Healthcare
- Environmental Issues
- Social Welfare Initiatives
- Sports

This model has already been applied within Qatar, and we are looking to extend it across our operations in 2009. In particular, we are looking at a number of initiatives that fit within the "five pillar" strategy that could also have an impact across multiple countries within our regions.

A number of key initiatives have been developed out of the new strategy. These include:

- **CHARITY AUCTION OF EASY-TO-REMEMBER MOBILE NUMBERS**
Qtel continues to organize auctions of Easy-To-Remember (ETR) numbers, with funds raised going into a central Charitable Fund, designed to provide resources to both long-standing charities and emergency provision for people in need.

A wide range of **social welfare** charities and projects have received donations from the money generated by the auctions since 2005. As well as social charities, the Funds raised by the phone auctions are used to support a range of cultural charities.

- **MEDICAL CAMP IN SEALINE**

One of the new **healthcare** initiatives was the development of a medical center in the Sealine area to provide the community with much needed care. Qtel's initiative was held in cooperation with the Qatari Red Crescent (QRC) and the Ministry of Environment (MoE).

- In **healthcare**, Qtel supported the construction of the full-fledged dialysis facility at the Hamad Medical Corporation (HMC). The state-of-the-art 'Qtel Kidney Dialysis Centre' will cater to over 60 patients at a time when it opens in 2009.
- For **education**, Qtel is a major support of original research within Qatar, supporting the creation of a wireless communication research laboratory in Education City in partnership with local universities, and supporting a range of school events and educational projects.
- With regards to **environmental issues**, Qtel supports the National Program for Raising Awareness and Safe Disposal of Electronic Waste (NPRASDEW), which aims to provide a clean and safe environment in Qatar by targeting the proper disposal of electronic waste.
- In **sport**, Qtel is one of Qatar's most active supporters of local, regional and international sport.

QTEL GROUP COMPANIES' HIGHLIGHTS

Across the Qtel Group, the different operations have continued to work to make a difference to the different communities they serve, recognizing the specific needs and cultural priorities in each market.

Here are some of the highlights:

ASIACELL IN IRAQ

Since its beginning in 2007, Asiacell has looked to play an active and engaged role with the people of Iraq, supporting a wide range of cultural, social and sporting events. This has included sponsoring Investment Conferences, Football Competitions, Sports Club activity and Cultural Festivals.

Asiacell has looked in particular to support road safety across Iraq, printing traffic regulation leaflets for distribution to visitors during local celebrations and launching a major SMS campaign to raise awareness of the issues.

BRAVO IN THE KINGDOM OF SAUDI ARABIA

In the Kingdom of Saudi Arabia, Bravo is an active supporter of the SAGIA (Saudi Arabian General Investment Authority) re-investment agreement, which sees PTC-Bravo commit to reinvest a

proportion of revenue generated into social welfare projects in collaboration with SAGIA.

INDOSAT IN INDONESIA

Indosat's CSR strategy adopts both a short and long term approach. In 2008, based on its long-term CSR initiatives, the company focused on four areas; Education; Health; Environment; and Social and Philanthropy activities. Its umbrella campaign program - *Indosat Cinta Indonesia* (Indosat Loves Indonesia) – proved a memorable one for the people of Indonesia.

For education, Indosat supported a Science and Math Teacher Development Program, engaging 572 teachers from 226 high schools, and also helped build and support two schools, and for health, Indosat supported 16 mobile health clinics to provide free medical services in 16 cities across Indonesia.

In relation to the environmental strand, Indosat took part in the "Million Trees for Indonesia" initiative in Jakarta, while under the program *Berbagi Bersama Indosat* (Sharing Together with Indosat), Indosat made significant donations to Social and Philanthropic initiatives in partnership with its customers.

NAWRAS IN OMAN

Nawras has continued to build on its exemplary tradition of meaningful corporate social responsibility with the Nawras Goodwill Journey, launched in 2005 and extended every year since then.

Every Ramadan since the launch of the initiative, the Nawras convoy of goodwill messengers has been reaching out to schools and charitable associations across the Sultanate of Oman. By setting up computer centres, creating gardens and playgrounds, extending help in renovating buildings and making charitable donations, Nawras gets closer to communities across Oman.

In 2008, a convoy of volunteers travelled in a convoy of Nawras branded cars across Oman, providing different charitable organisations with carefully chosen donations, and spending time with the members and beneficiaries of the organisations concerned. A huge logistical exercise, the Goodwill Journey takes a great deal of advance preparation to obtain the often specialist items that charities require.

WATANIYA IN KUWAIT AND TUNISIA

Wataniya continued to look for ways to support its customers and the wider community. In Kuwait, the company provided support for the Kuwait National Olympic Team at the 2008 Beijing Olympic Summer Games, and also sponsors the Kuwait National Para-Olympic team. The company also supported autism awareness campaigns and raised SMS donations to support research into this condition.

In Tunisia, the company supported a range of NGO and social welfare activity, including work to support the Red Crescent and the "Butterfly Rally," Tunisia's first-ever rally for women.

A full CSR report on each of the operations in The Qtel Group is available upon request.

