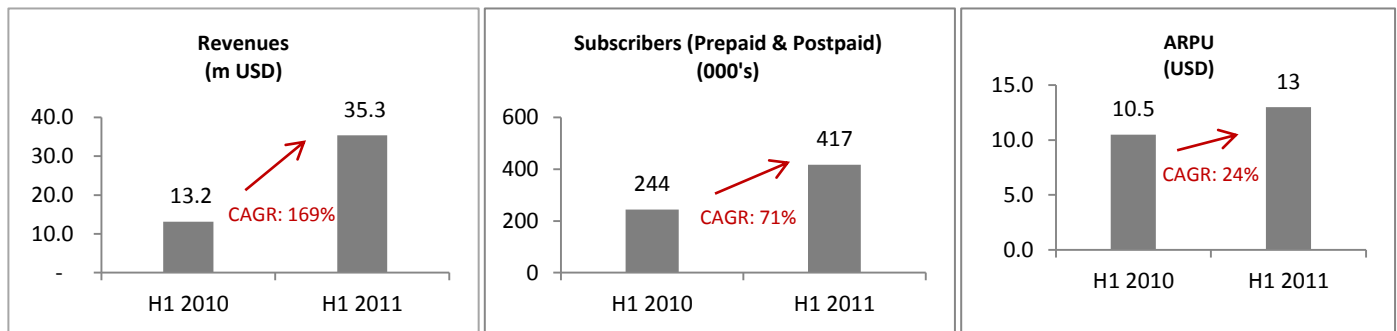


Financial Performance of the First Half of the year 2011

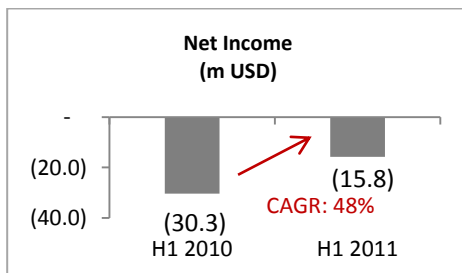
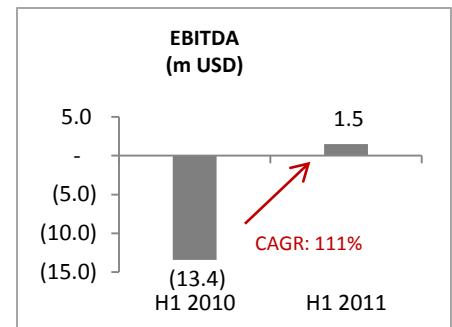
First: Revenues & Subscribers

Wataniya Mobile subscribers reached 417k by the end of June 2011 compared to 244k subscribers at the end of June 2010. ARPU has also increased to U.S. \$ 13 during the first half of 2011 compared to U.S. \$ 10.5 during the same period of the former year. Therefore, revenue has increased by 169% during the first half of 2011 compared to the same period last year; an increase from U.S. \$ 13.2 million to U.S. \$ 35.3 million. Additionally, new revenue stream has been created by providing communication services to other Palestinian and regional telecommunication companies.



Second: EBITDA

In less than one and a half year in operation, EBITDA has become positive and has been reported to be U.S. \$ 1.5 million in the first half of 2011 compared to a negative U.S. \$ (13.4) million in the first half of 2010; an increase of 111%.



Third: Net Income

Pursuant to the positive performance above, net loss for the first half of 2011 has reached U.S. \$ (15.8) million; compared to U.S. \$ (30.3) million for the first half of 2010.