



STRATEGIC ALLIANCE CTC – MTN GROUP LIMITED

CTC ENTERS MOBILE TELECOMMUNICATIONS

COMPETITIVE ENVIRONMENT STRENGTHENED

Cyprus Trading Corporation Plc (“CTC”), a member of **The Shacolas Group of Companies**, is pleased to announce that, as a result of a series of agreements signed on Friday 16 May, 2008, it has actively entered the field of mobile telecommunications in Cyprus, in addition to the provision of fixed telephony and other relevant services which are already provided by one of its subsidiaries. In particular:

1. **Amaracos Holding (CTC + PG) Ltd**, a company in which CTC holds 51% and **Germanos Cyprus Ltd** (“Germanos”) holds 49% of the issued ordinary shares, has signed an agreement with a subsidiary of **MTN Group Limited** (“MTN”) to acquire, in a series of stages, 50% of the share capital of **Areeba Ltd**. **Areeba Ltd**, which trades under the name **MTN Cyprus**, is a subsidiary of MTN, the leading mobile phone operator in Africa and the Middle East with networks in 21 countries across the region.
2. **Areeba Ltd** will at the same time acquire 100% of the share capital of **Infotel Ltd** (“Infotel”), owner of the **Germanos Chain** of 31 shops in Cyprus, from CTC and Germanos who currently own 51% and 49% respectively of the issued ordinary shares of Infotel. The acquisition by **Areeba** of **Infotel** is strategic and will offer strong distribution support to the operations of **MTN Cyprus** in the marketing and sales of handsets and post-paid contracts.

3. Areeba Ltd will also concurrently acquire from CTC 100% of the issued share capital of **OTEnet (Cyprus) Ltd** and, as a result, its wholly owned subsidiary **OTEnet Telecommunications Ltd**. OTEnet Cyprus, 100% of which was recently acquired by CTC, offers fixed telephony, internet and other similar services in the Cyprus market.

The above agreements are subject to the approval of the relevant Authorities of the Republic of Cyprus.

Under its new structure and management, **MTN Cyprus** will be in a position to offer to the public a full range of mobile and fixed services such as broadband internet, local and international telephony, entertainment and media and Corporate Data Communications. **MTN Cyprus** will in addition be able to offer fully converged telecommunications services at attractive prices and with a single bill.

With the support of its key shareholders and affiliates, particularly the Shacolas Group of Companies in Cyprus, the parties believe that **MTN Cyprus** will have all the elements necessary to become a major player in the telecommunications market in Cyprus providing a first class service to its customers.

Nicosia, 19 May 2008