



***PRESS RELEASE***  
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**Two New Cellular Companies in Azerbaijan**

Two new cellular communication operators – Azerphone and Catel companies with partial foreign capital – will soon start operating in Azerbaijan.

According to the Minister of Communications and Information Technologies Ali Abbasov, it was decided to grant these companies licenses at a recent board meeting of the Ministry.

The government will sign a contract with the providers by the year-end, he said. Catel will be able to launch its business sooner, as it already has a mobile communication network. Azerphone will begin establishing its network early in 2006, he noted. “This company plans to invest \$300 million over two years. Its services will encompass all of the country’s regions.”

Azerphone was set up as a joint venture, with Siemens holding a 30% stake, British companies Extel and Celex Communications have 60%, and local provider Aztelekom has 10%.

Catel, a US-Azeri joint venture with equal shares owned by Aztelekom and OMNI Communication, has been providing communication services in Azerbaijan since 1999.

Currently, two operators are working in Azerbaijan’s mobile communications market – Bakcell and Azercell. Bakcell company is fully owned by Israeli GTIB-96. The state-owned share of Azercell Telecom Joint Venture is expected to be privatized.

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