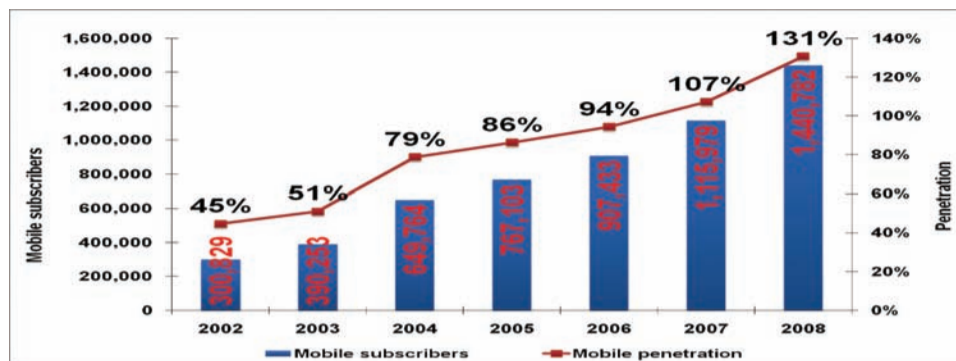
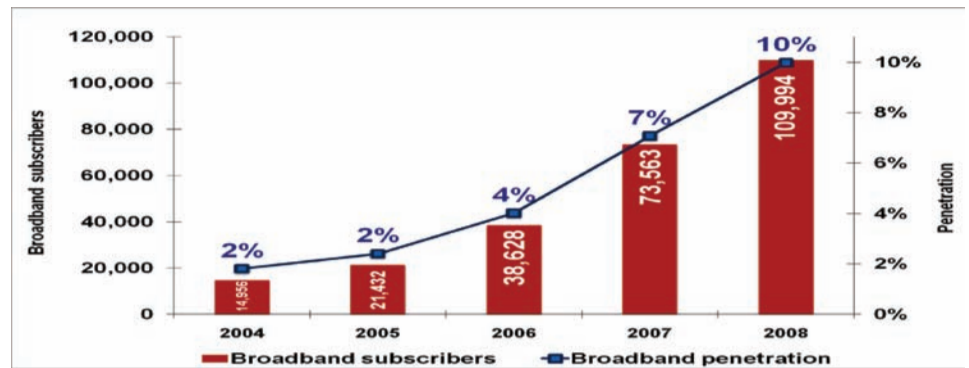


Growth in the number of mobile subscribers



Growth in the broadband subscribers



boon for consumers



● TRA staff monitoring radio frequencies

cable landing station, hosted within Batelco's property.

The combined affect of these actions will increase the diversity and resilience of international capacity available in the Kingdom and significantly reduce cost for all licensed operators.

These will result in lower retail prices, greater speeds and the removal of download thresholds for internet users.

By the end of the first quarter of next year, the TRA will have implemented Local Loop Unbundling, providing other licensed operators direct access to the Batelco copper access network.

The process will have taken approximately a year.

Allowing other licensed operators to replace Batelco as the service provider for fixed broadband and voice services will increase end-user choice and enhancing the competitive landscape.

Moving towards an ex-post retail tariff regime, the TRA is issuing retail tariff notification regulation and competition guidelines.

These clearly articulate the pro-competitive nature of the regulatory environment in Bahrain, providing detailed statements concerning anti-competitive behaviours and their identification thus ensuring robust safeguards against abuse of dominance.

Carrier pre-selection has been available in Bahrain for a number of years effectively allowing end-users access to alternative service providers for certain types of calls, such as international.

This will be complimented by "call-by-call" selection (carrier selection) during the early part of next year.

These market-opening initiatives have allowed for significant development and competition in the provision of international call services.

Performance in the telecommunications sector

Telecommunications revenues increased by 6.3 per cent between 2007 and last year and have doubled since market liberalisation in 2003.

Last year they exceeded BD303 million (Figure 1).

Sector revenues represent about 3.5 pc of Bahrain's Gross Domestic Product.

TRA statistics indicate a four pc growth in the number of employees between 2007 and 2008 and 37pc growth since liberalisation (Figure 2).

Mobile subscribers exceeded 1.4m in December 2008. Based on an estimated 1.1m population, this represents a mobile penetration rate of 131pc..

The mobile market in Bahrain is predominantly prepaid. Prepaid subscribers represented 84% of mobile subscribers at the end of 2008.

The number of broadband subscribers increased by 50pc between 2007 and last year and 635pc since 2004.

Broadband subscribers reach 110,000 subscribers at the end of last year. There were more than 114,000 internet subscribers at the end of last year, of which 96pc were broadband and 4pc were dial-up subscribers.

TRA statistics show strong growth in international outgoing minutes - between 2005 and 2008 international traffic grew by 300pc.



Congratulations

to

His Majesty King Hamad Bin Isa Al Khalifa

His Royal Highness Prince Khalifa Bin Salman Al Khalifa

The Prime Minister

His Royal Highness Crown Prince Salman Bin Hamad Al Khalifa

Deputy Supreme Commander

and the people of the Kingdom of Bahrain

on the occasion of

National Day

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