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188,000 Broadband Subscribers at the End of Q3 2010

TRA Releases Its Market Indicators Report

Manama, Kingdom of Bahrain - Sunday 2 January 2011

The Telecommunications Regulatory Authority of the Kingdom of Bahrain (TRA) has released its fourth telecommunications markets indicators report. This report covers a large range of telecommunications services indicators, such as the number of subscribers, penetration rates, calls usage and telecommunications revenues. The information included in this report is based on data provided by operators and historical data held by TRA. This report contains a wealth of statistics on the telecommunications sector in Bahrain.

The main highlights of the report include:

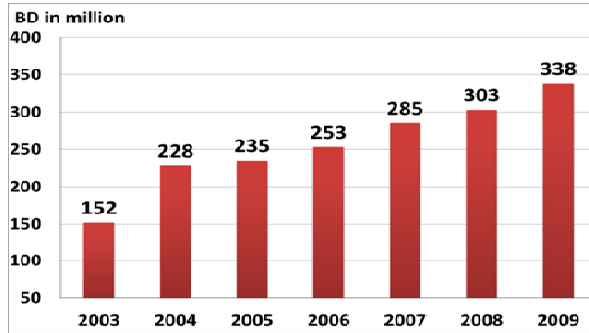
- 11.6 % growth in the telecommunications revenues between 2008 and 2009. Total telecom sector revenues reached BD 338 million in 2009 (See figure 1). Mobile services revenues represent the majority of the telecommunications services revenues (about 50%).
- The telecommunications sector contributed to 4.7% of GDP in 2009.
- 38% growth in the number of staff working in the telecommunications sector since liberalisation.
- By the end of Q3 2010, there were approximately 229,000 fixed lines in Bahrain, and about 1.5 million mobile subscribers in Bahrain.
- About 92% of national mobile traffic is mobile to mobile traffic.
- International traffic is still growing rapidly. Between 2008 and 2009, international traffic grew by 55% (See Figure 2).
- About 72% of total international outgoing minutes were made to South Asian countries (Zone 2) in 2009.
- Revenues originated from calls to zone 2 represented 48% of the total international revenues in 2009.
- At the end of Q3 2010 there were about 188,000 broadband subscribers in Bahrain (See figure 3).
- The number of broadband subscribers increased by 25% between Q3 2009 and Q3 2010
- 44% of broadband subscribers are Fixed Wireless subscribers at the end of Q3 2010.
- Mobile broadband doubled between Q4 2009 and Q3 2010 to reach about 36,000 subscribers

Commenting on releasing this report Dr. Mohammed Al Amer, TRA's Chairman said "Our mission in TRA is to develop a competition led market for the provision of innovative communications services, available to all. This report clearly indicates that we are moving in the right direction and achieving our mission towards having a communications environment that enriches the social and commercial fabric of the Kingdom of Bahrain".

Dr. Al Amer went on to say "It was another good year for the telecommunications sector as evidenced by the growth in the number of subscribers, usage, penetrations, and revenues. Today consumers are enjoy an increasingly diversified choice of providers from which to choose their communications services."

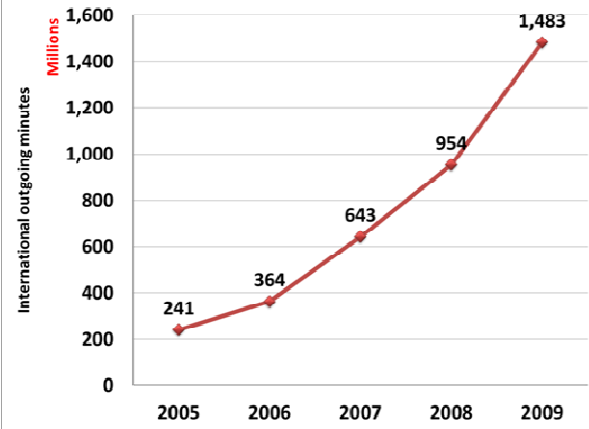
The full Market Indicators report can be viewed on TRA website at www.tra.org.bh.

Figure 1: Growth in telecommunications sector revenues



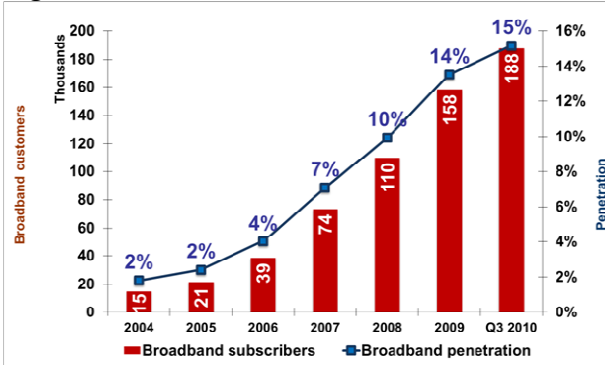
Source: TRA analysis

Figure 2: Growth in international outgoing minutes



Source: TRA analysis

Figure 3: Growth in broadband subscribers



About TRA

Since its establishment in 2002 the Telecommunications Regulatory Authority of the Kingdom of Bahrain (TRA) has been working with government, consumers, operators and investors to develop the Kingdom of Bahrain into the region's most modern communications hub and to facilitate the growth of the market. As an exemplary Regulator for the region, TRA independently carries out its duties in a transparent and non-discriminatory manner. More information about TRA can be viewed at www.tra.org.bh

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