



Announcement

Manama, 14 June 2006

The General Director of the Telecommunications Regulatory Authority (TRA) has confirmed that he has submitted his resignation to the Board of Directors of the TRA. The resignation of Mr Avgousti from the post comes near the end of his three-year term, which saw the full liberalization of the telecommunications market in the Kingdom of Bahrain. The General Director considered that, as a number of significant projects will have reached completion in the next few months, it was the right time for the TRA to seek his replacement so as to allow the next General Director the opportunity to lead the next phase in the development of the liberalized telecommunications market.

The General Director also addressed the rumors that have been circulating about his departure, stating that they had no basis. He made his decision for strictly professional reasons, in order to allow the TRA to start the new phase of market development with a new General Director. He considers that the first phase of market development has achieved a considerable number of milestones taking the timeframe into account.

The General Director will continue in his post until the end of August. The work of the TRA will continue as usual pending the appointment of his replacement. The General Director also confirms that the TRA will continue to perform its duties in accordance with the Law, so as to ensure that operators are acting in compliance with the Law and their license conditions. Furthermore, it should not be assumed that the TRA's positions or approach will change as a result of the resignation of the General Director. The TRA will continue to act in accordance with the Law and its obligations under it.

It should be noted that, as per the Telecommunications Law, the resignation of the General Director of the TRA must be submitted by the Board of Directors to the Council of Ministers and the relevant decree will be issued in due time. .

Out of respect for the above process and the Telecommunications Law that mandates it, the General Director had not publicly announced his resignation. However, in view of unfounded rumors circulating in certain quarters he felt that he should set the record straight through

this announcement. An official press release will be issued in due time.

Notes to Editors:

About the TRA

The Telecommunications Regulatory Authority (TRA) was established by Legislative Decree No. 48 of 2002 promulgating the Telecommunications Law. The TRA is an independent body and its duties and powers include, among other things, protecting the interests of subscribers and users and promoting effective and fair competition among existing and new licensed operators. More information regarding the TRA can be viewed at www.tra.org.bh