

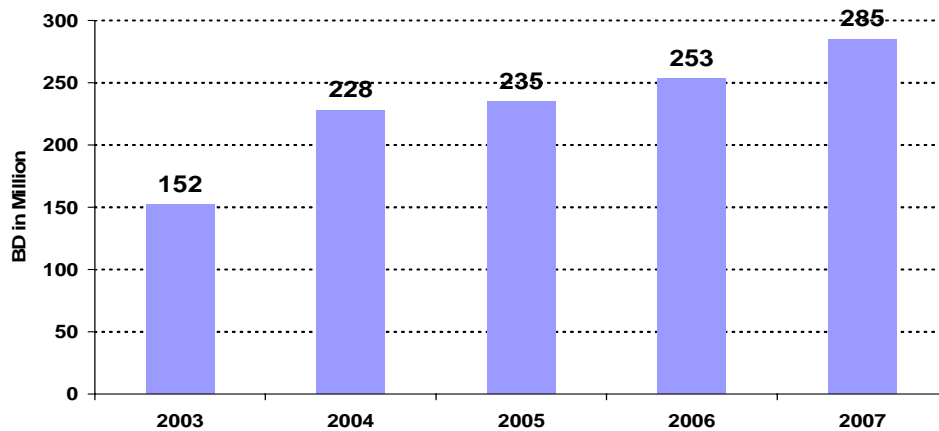
Press Release

**Bahrain Telecom Sector Liberalization is a Success
--13% Revenue Growth and 19% Employment Growth during 2007--**

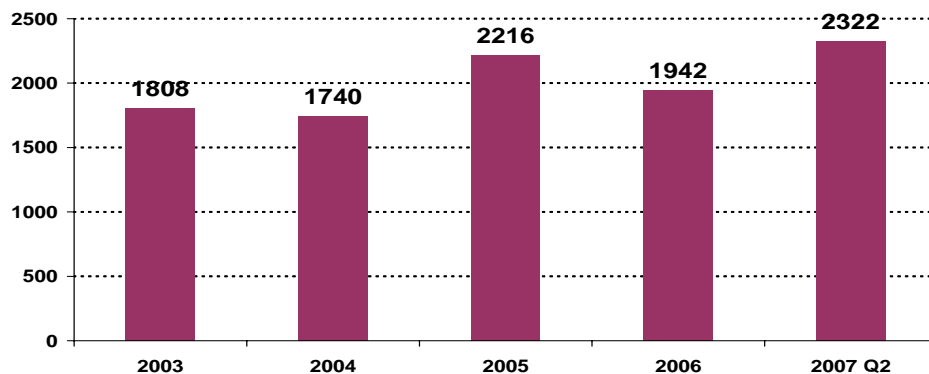
Wednesday, 13 February 2008

"All market indicators' prove the success of the liberalization of the telecom sector in Bahrain. Our latest figures indicate that there was a 13% growth in revenue and a 19% growth in employment during 2007. Consumers benefited from a number of promotions in mobile services, more choices and better prices for broadband and at least 50% drop in international call prices on many routes. In the year, on many routes, there was a staggering 90% growth in international outgoing minutes". TRA's General Director Mr. Alan Horne was commenting on issuing TRA's report on Telecommunications Services Indicators in the Kingdom.

Growth in the telecommunications sector revenues (2003 - 2007)



Number of employees in the telecommunications operators (2003 - 2007 Q2)



Market data is important in assisting TRA monitor the effects of its regulation. Further such data is of importance to licensed operators and investors. TRA will be gathering information related to market indicators and publish a report twice yearly. The information provided in the TRA report uses data provided by operator's as well as historical data held by TRA. The report highlights the telecommunications services indicators such as numbers of subscribers, penetration levels, usage and telecommunications revenues.

Alan Horne praised the investments and actions taken by the telecommunications operators during 2007 which has result in the growth in the telecom sector as outlined in the report.

He went onto say "Of particular interest to TRA is to see appropriate levels of investments in telecommunications infrastructure to support the provision of competitive services to retail and wholesale customers using fair, reasonable and non discriminatory terms."

TRA is working closely with operators, consumers and all interested parties to implement government policy of liberalizing the telecom sector, to protect the interest of subscribers, and the development of sustainable competition. These actions are essential to meet the long term objective of making the Kingdom a regional hub for telecommunications.

Further Mr. Horne said: "We are happy to report the successful of liberalization and the growth in telecom market and looking forward to the next report. 2008 will be a year of growing choice for consumers. We will dedicate our efforts with the support of Government policy through the new national telecommunication plan, to remove any remaining barriers faced by operators. In particular we wish to support their ability to provide their services to customers either directly or via the network of incumbent operator, with the aim to create more competitive choices to consumers and better value for money".

The full report on "Telecommunications Services Indicators in the Kingdom" can be viewed on the TRA web site www.tra.org.bh

About TRA

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