

grameenphone

Investor Presentation

September 8, 2008



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1. Bangladesh Economic Backdrop

Bangladesh: Large Growth Economy

7th most populous nation with 55% of people in the 15-64 age group.



Demographics

Population (2007E)	140.6 million
Population Growth Rate (2007)	1.3%
Population Distribution (2001 Census)	0 – 14 years: 39.1% 15 – 64 years: 54.7% 65+ years: 6.2%
Median age	
Total:	22.8 years
Male:	22.8 years
Female:	22.9 years
Literacy Rate of ages 15 and above	Male: 53.9% Female: 31.8%
Religion	Muslim 83%, Hindu 16%, other 1%
Area	147,570 sq. km
Population Density (2007E)	952 per sq. km
Legal System	Based on English Common Law

Economic Indicators

GDP Per Capita FY2007E	US\$482.3
Reserves of foreign exchange and gold Dec 2007	US\$5.1 billion
Annual CPI Inflation 2007	7.2%
Avg. Exchange Rate (BDT/US\$, 2007)	68.9
Interest Rate (Money Market Rate 2007)	5.0%
Market Cap / GDP (%) (Jul 2008)	~36.0%

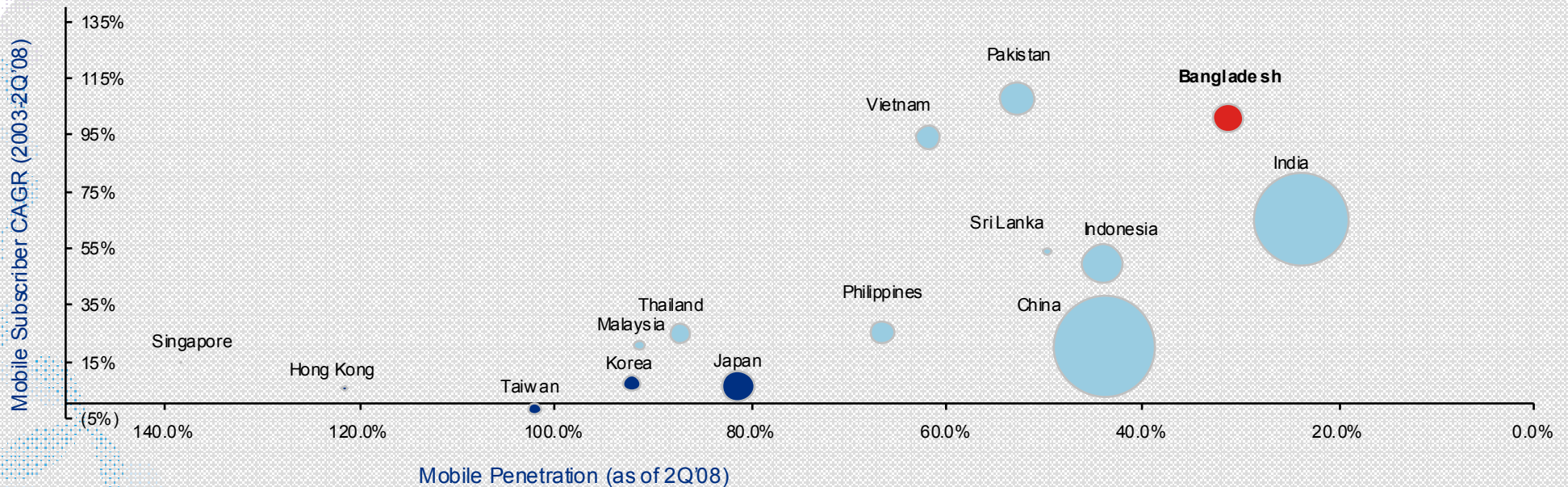
Source: Population and growth from Bangladesh Bank. Other figures from Economist Intelligence Unit, July 2008. CIA – The World Factbook, July 2008. 2001 Bangladesh Census.



2. Industry Overview

Bangladesh - Premium Telecom Market

One of the fastest growing telecom markets with significant future growth potential



Note: Size of bubble denotes relative population of country.
 Population as of 2008. Source: Bangladesh Bank for Bangladesh and EIU for others.
 Mobile subscribers as of 2Q'08. Source: BTRC for Bangladesh and Informa Telecoms & Media for others.

● Developed Market ● Developing Market

Key Telecom Market Variables

	2007	2Q'08
Mobile Penetration ⁽¹⁾	24.4%	31.1%
Fixed Line Penetration ⁽²⁾	0.8%	0.9%
Internet Penetration ⁽²⁾	0.4%	--
Mobile Subscriber CAGR (2003-2Q'08) ⁽¹⁾	--	100.5%

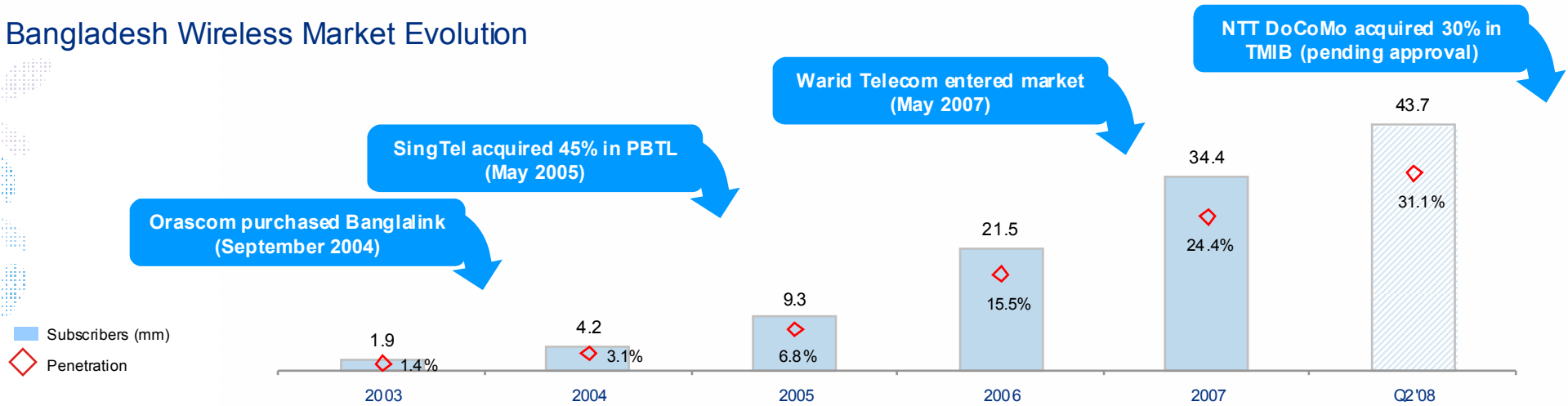
(1) Subscribers for 2007 and 2Q'08 from BTRC.

Subscribers for 2003-2005 taken from Ministry of Finance Economics Review and subscribers for 2006 taken from Pyramid Research.

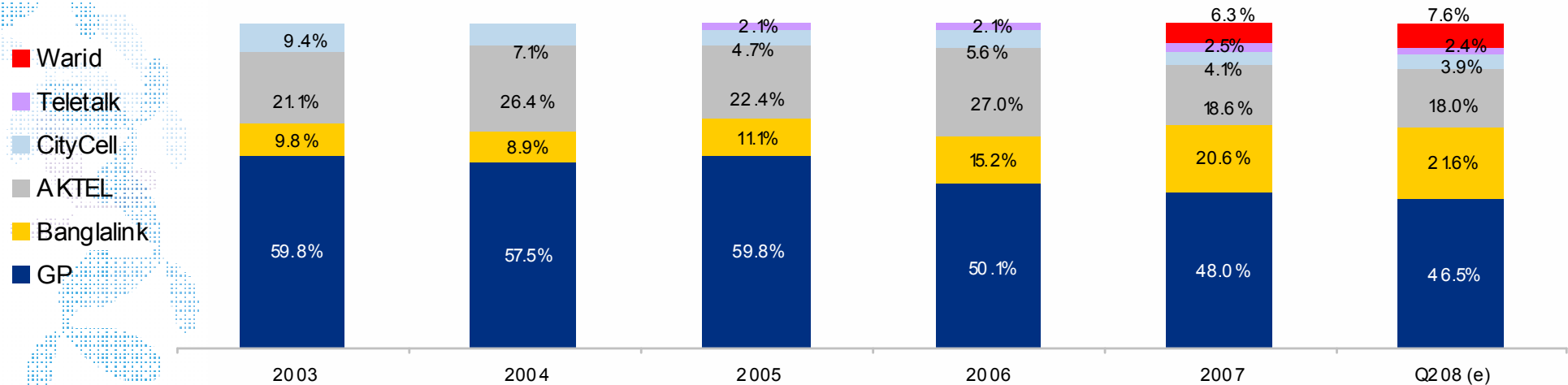
(2) Source: BTRC for fixed-line subscribers, ITU for Internet penetration. Population from Bangladesh Bank.

Wireless Market Overview

Bangladesh Wireless Market Evolution



Subscription Market Share



(1) Subscribers for 2007 and Q2'08 from BTRC, subscribers for 2006 from Pyramid Research and subscribers for 2003-2005 taken from Ministry of Finance Economic Review.

Overview of Key Telecom Regulations

License

- Current License fee BDT50.0 mm + annual revenue sharing of 5.5% of collected rent and call charges + VAS
- All current wireless licenses except for Waird and Teletalk to expire in 2011

Tariff and promotions

- Tariff Range fixed between Taka 0.25 to Taka 2.00 (0.4cents - 3cents)
- Promotional tariffs allowed for a maximum of three consecutive months

Interconnection

- Current Interconnection charge fixed at BDT0.40 (0.6 cents)
- New interconnection regime in 3Q'08 and 4Q'08 to replace bilateral connections between operators with operators connecting to an interconnection exchange (ICX) for routing domestic call and to International gateways (IGW) for international calls with revenue sharing agreement between all parties

Spectrum

- Bangladesh Telecom Regulatory Commission (BTRC) manages and distributes spectrum amongst various parties
- Spectrum Management Committee has been set up to manage radio frequency

Foreign Ownership

- No regulations specifically concerning the foreign ownership of telecommunications companies in Bangladesh
 - However foreign companies were prohibited from participating in the bidding process for licensing of international voice and data gateways (IGW, ICX). The draft guidelines for Wi-Max license however allows foreign companies to participate if 60% or less foreign ownership of the applicant company. Current operators may not apply

- USD:BDT = 68.58 (As on March 31, 2008. Source: Bangladesh Bank.)



3. Overview of Grameenphone

Introduction to Grameenphone

The largest telecommunications operator in Bangladesh by revenue and subscriber base.

- Grameenphone Limited (“GP”, the “Company”) was established in 1996 and commenced services on March 1997 as a joint venture between Telenor of Norway and Grameen Telecom
- GP is a strong wireless operator in Bangladesh with approximately 20.3 million subscribers at June 30, 2008 with 46.5% of the Bangladesh wireless market
- For the fiscal year ended December 2007, GP generated total revenues of US\$792 mn and underlying EBITDA of US\$396 mn, representing an EBITDA margin of 50.1%
- GP operates on the GSM 900 standard with a total bandwidth of 7.4 MHz; and the GSM 1800 standard with a total bandwidth of 7.2 MHz
- The Company has a comprehensive network, with over 10,000 base stations, covering 97% of Bangladesh’s population and is GPRS/EDGE enabled

USD:BDT = 68.58 (As on March 31, 2008. Source: Bangladesh Bank.)

GP Milestones

Significant Contributions to the development of wireless telecommunications in Bangladesh.



Mar 1997
Commenced operation on the Independence Day of Bangladesh



Aug 2003
Reached One million subscribers

1997–1999

2000–2002

2003

2004

2005

2006

2007

2008

Jun 1998
Launched mobile to mobile service (without PSTN access)

2001
Launched WAP service

Oct 2003
Launched Prepaid product with PSTN connectivity

Aug 2004
Reached 2 million subscribers

Apr 2005
Launch of "Djuice" brand targeting the youth segment

Nov 2006
Celebrated 10 million subscribers in 10 yrs & launched new GP logo

Apr 2007
Re-Branding of Djuice

May 2008
Launched "Customer Care" Campaign

Aug 1999
Launched first Prepaid Service in the country

2002
Bangladesh Business Award for "Best Joint venture Enterprise"



Aug 2005
Reached 4 million subscribers

Nov 2006
Launch of Healthline

Apr 2007
Launched PayForMe Service

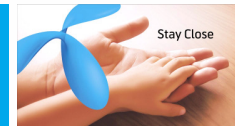
June 2008
Reached 20 million subscribers



Sep 2005
Launched EDGE and Voice SMS for the first time in Bangladesh

Dec 2006
Launched Smile Prepaid & Explore Postpaid

Dec 2007
Reached 16 million subscribers



Oct 2005
Reached 5 million subscribers

Dec 2006
Launched Bill Pay Service



Apr 2005
Reached 3 million subscribers

Apr 2005
Launched Electronic Recharge system (Flexi load)

Jan 2006
Launch of Business Solutions, customized offering for businesses

Jan 2006
Reached 6 million subscribers

Jul 2006
Launch Cellbazaar

Feb 2006
Launch of Community Information Centre

Feb 2007
Re-launching of Business Solutions

Feb 2007
Launching New VAS ; Bull Stock Information, Missed Call Alert

Jan 2008
Introduces BlackBerry services to Bangladesh

Apr 2008
Brand positioning and launching of "stay close" campaign



Key Strategic Initiatives

Consolidate Premium Position

- Limit decline in APPM, with quality offering, higher % contribution from VAS
- Maintain reputation for superior network coverage / reliability and retain high income subscribers

Exploit Untapped Potential in Rural / Low Income Subs

- Tailored strategy envisaged, including bundled product with handsets
- Increase distribution and penetration into rural areas

Capex and Operational Efficiencies to Improve FCF Generation

- Continued discipline over operating costs and capital expenditures
- Recently entered into long term capex contract with Huawei

Continue to Reinforce GP Brand and Brand Values

- Launch of Stay Close Campaign in April 2008
- 360 degree media campaign to reinforce key messages across all customer sub-segments

Increase Revenue from Non Voice Services

- Substantial scope for increasing revenues from non-voice services
- Further expand presence as one of the largest providers of Internet access in Bangladesh

GP Products and Services

Comprehensive line of products and services



- Target Market: Youth
- Product Type: Prepaid
- Focus on Music, Messaging and Community to appeal to the youth
- Completely separate from the Grameenphone brand

GP Smile Prepaid

- Target Market: Mass Consumers
- Product Type: Prepaid
- Offering competitive tariff, easy recharge and balance check facilities etc.

GP xplore Postpaid

- Target Market: High Income Mass and Professionals
- Product Type: Postpaid
- Offering competitive tariff with features such as unlimited internet, flat call tariff, easy bill payment facilities etc.

GP Business Solutions

- Target Market: Business
- Product Type: Postpaid & Prepaid
- Customized solutions for Corporations, SME and SOHO businesses
- Provides closed user group functionality, business messaging, Blackberry services, priority customer service etc.

GP Public Phone

- Target Market: Urban Low Income Segment
- Product Type: Prepaid for calling businesses
- Low tariff appealing to use the phone to generate businesses with bonus on usage

GP Village Phone

- Target Market: Rural
- Product Type: Prepaid for calling businesses
- Catered specifically to the rural subscribers to generate income from phone business through subsidized tariff

Source: Company.

Innovative Data Portfolio

Market leader in providing non-voice services

Messaging Services

MMS and mobile email services, Blackberry service and "PayForMe" service



MMS



Voice SMS



Missed call Alerts

Business SMS



Pay for Me (Collect call Service)

Music and Data

Dedicated WAP portal for value added services. Branded instant messenger service



GP World



Internet



Welcome Tunes

Infotainment

Wide range of services to keep subscribers updated with latest news, stock information, beauty tips etc.



Instant Messenger



Romance



Bull Stock Information

Innovative Services

Offers award winning CellBazaar and Healthline service. Community Info centers provide internet to rural population



24 Hour Healthline



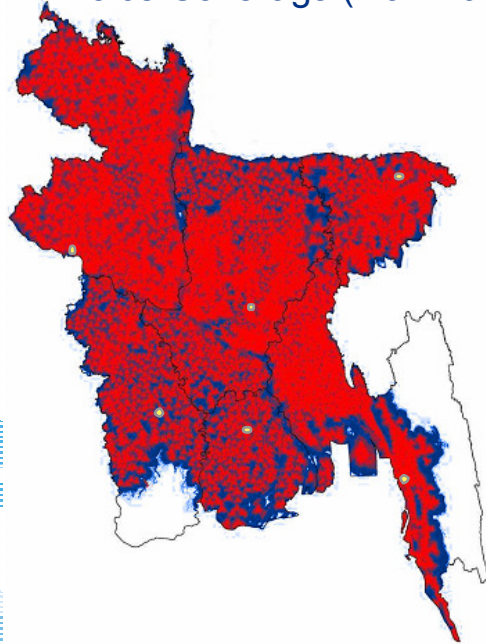
Utility Bill payment service

Source: Company.

Network Overview

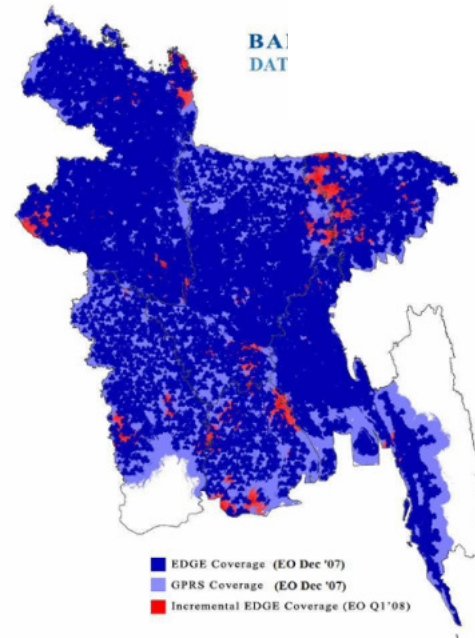
Advanced, countrywide GSM network

Voice Coverage (Mar. 2008)



Indoor Coverage 0 ~ (78) dBm Outdoor Coverage 0 ~ (95) dBm

Data Coverage (Mar. 2008)



EDGE Coverage (EO Dec '07)
GPRS Coverage (EO Dec '07)
Incremental EDGE Coverage (EO Q1'08)

Key Network
Equipment Vendors

ERICSSON 
TAKING YOU FORWARD


HUAWEI

- Almost 100% Population coverage
- The Network is EDGE/GPRS enabled

GP Centers & Community Information Centers

Convenient one-stop shop for clients' everyday wireless communication needs

GP Center



Flagship sales and service point shops designed to serve GP subscribers

Typical GP Center Inauguration



82 GP centers as of March 31, 2008 aimed at servicing GP customers

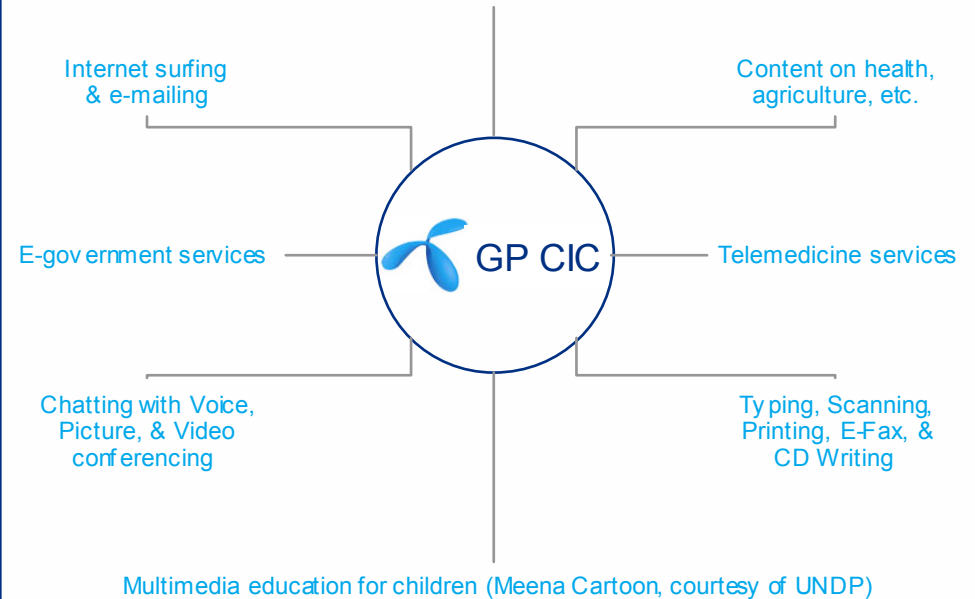
- Sales and recharge of connections
- Various Product related information and Services
- Genuine Handsets, GPRS, EDGE Modem and Accessories
- Any other solution required by GP subscribers for seamless service

GP Community Information Center



More than 550 CICs at 64 Districts in 427 Upzillas as of June 30, 2008

GP value added services such as FlexiLoad, Ring tones downloading etc.

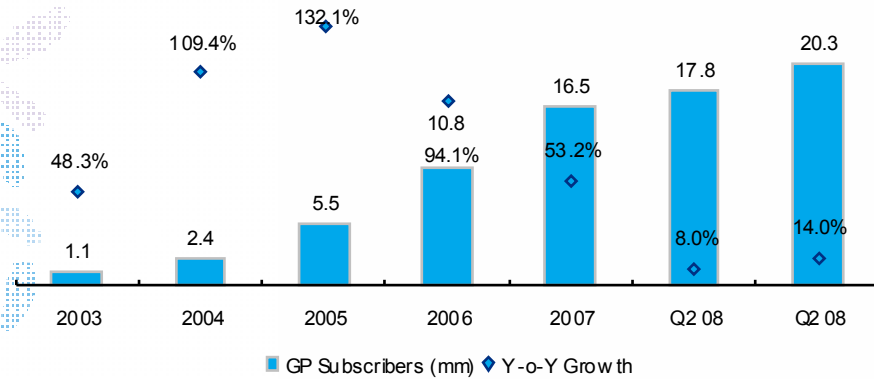




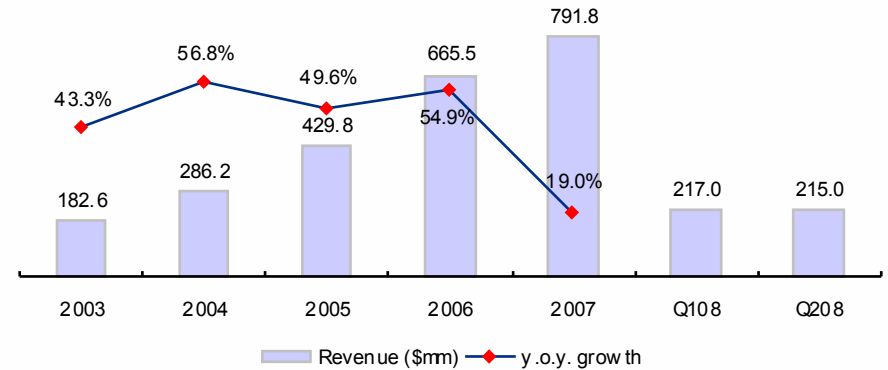
4. Grameenphone Operational Performance

GP Key Metrics

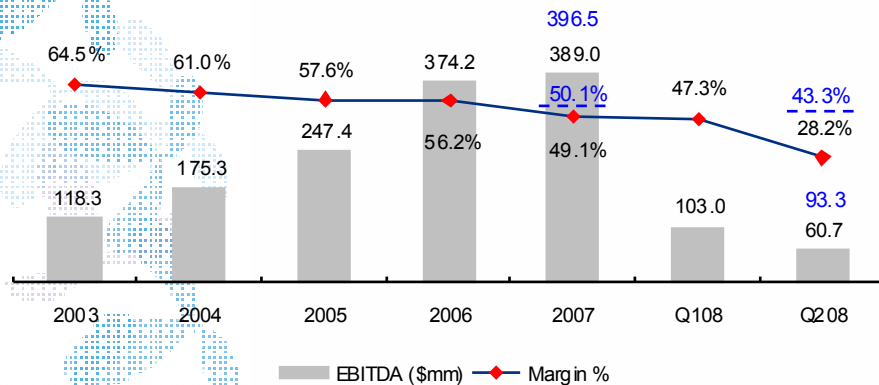
GP Mobile Subscribers (mm)



Revenue (US\$ mm)



EBITDA⁽¹⁾ (US\$ mm)

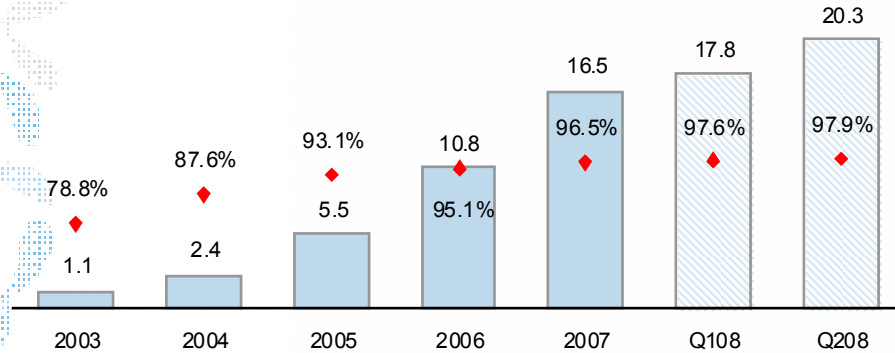


GP achieved significant subscriber and revenue growth during the rapid growth of Bangladesh's wireless sector

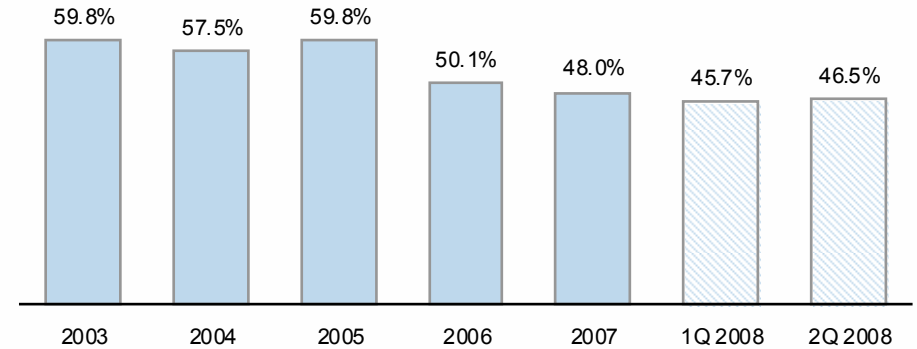
Note: (1) 2007 and Q2 08 EBITDA (in Blue) is normalized and excludes extraordinary expenses/charges.
 USD:BDT = 68.58 (As on March 31, 2008. Source: Bangladesh Bank.) : Source: Company.

Operational Performance

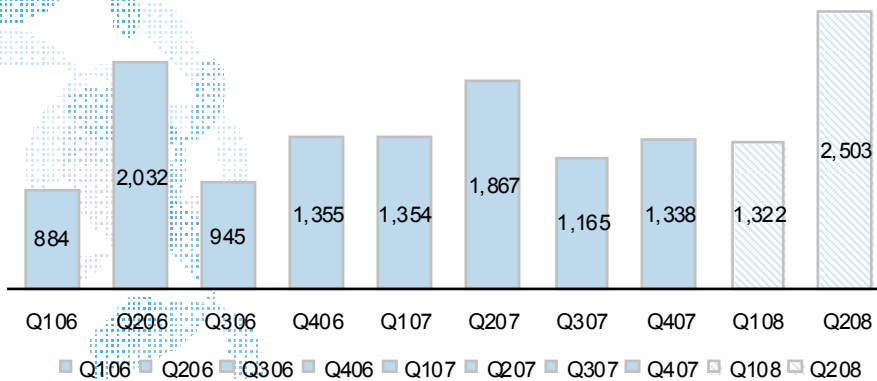
GP Subscribers (mm), Prepaid as % Total



GP Market Share⁽¹⁾



Net Adds ('000)



GP has built a commanding market share and has strong subscriber additions despite intense competition

Source: Company

(1) Subscribers for 2007 and 1Q 08 from BTRC.

Subscribers for 2003-2005 taken from Ministry of Finance Economic Review and subscribers for 2006 taken from Pyramid Research.



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