

Market Data

Bloomberg Code:	BATELCO BI
Reuters:	BTEL.BH
CMP (31 Jan. 2010):	BD0.595
O/S (mn):	1440.0
Market Cap (BD mn):	856.8
Market Cap (US\$ mn):	2,272.7
Price/EPS 2010e (x):	7.9
Price/BV 2010e (x):	1.6

Price Performance

1-Yr

High (BD):	0.655
Low (BD):	0.530
Average Volume:	146,516

Share Price Performance



Source: Zanyza

Bahrain Telecommunications Company – 2009 Review

- **Bahrain Telecommunications Co. (Batelco)** recorded consolidated revenue of BD346.9mn for the year 2009, an increase of 8.7% over BD319.1mn reported in 2008.
- The company's consolidated EBITDA increased by 5.1% in 2009 to BD150.3mn, resulting in an EBITDA margin of 43.3%. Consolidated net profit attributable to shareholders increased marginally by 0.8% from BD104.2mn (EPS: 72.4fils) in 2008 to BD105.0mn (EPS: 72.9fils) in 2009.
- Batelco's overseas operations contributed 31% of gross revenue and 22% of EBITDA.
- On Q-o-Q basis, the group achieved a growth of 6.0% in total revenue in Q4-2009 while EBITDA and net profit grew by 4.6% and 1.1% respectively.
- On Y-o-Y basis, the group's revenue and EBITDA grew by 23.1% and 1.2%, respectively, in Q4-2009 while net profit declined by 1.2%.

Financial Highlights

(BD mn)	Q4-2008	Q3-2009	Q4-2009	QoQ	YoY	2008	2009	YoY
Sales Revenue	73.73	85.6	90.8	6.0%	23.1%	319.1	346.9	8.7%
EBITDA	38.31	37.1	38.8	4.6%	1.2%	143.1	150.3	5.1%
EBITDA Margin (%)	52.0%	43.3%	42.7%	-	-	44.8%	43.3%	-
Net Profit att. to shareholders	25.88	25.3	25.6	1.1%	-1.2%	104.2	105.0	0.8%

Source: Company Results and Global Research

- Batelco in Bahrain had 822,000 active mobile subscribers, 85,000 Broadband customers and 200,000 fixed lines, as of the end of 2009.
- The group's expansion strategy has resulted in over 5.1mn mobile subscribers, a strong 19% Y-o-Y increase, and 200,000 broadband customers from its operations in Bahrain, Jordan, Kuwait, Yemen and India.
- Batelco's India joint venture, Stel, started its operation in mid-December 09 and reached a customer base of over 450,000 in India within six weeks, Batelco has a 49% stake in Stel and India-based Siva Group holds the remainder.
- At the CMP of BD0.595 the stock trades at 7.9x and 1.6x FY2010E P/E and P/BV multiples.

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