Business Review - 2011

One of the major initiatives of 2011 was the network upgradation. Network has always been a strong point for GP and seen as the best network by the mobile phone users in Bangladesh. To retain this position, GP decided to upgrade its entire network with future proof technology. A total of 7,272 base stations were modernized and upgraded to enhance GP's network in less than a year.

A year of Consistent Business **Performance**

Grameenphone completed 2011, retaining its position as market leader amid fierce competition and regulatory turmoil.

2011 was a very important year for the Company as the existing operating license fell due for renewal.

The process got delayed by legal complicacies due to disagreement over the payment of the license fees. The court's decision in this respect will facilitate the license renewal.

GP took a good number of initiatives that made the year a very successful

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always been a strong point for GP and seen as the best network by the mobile phone users in Bangladesh. To retain this position, GP decided to upgrade its entire network with future proof technology. A total of 7,272 base stations were modernized and upgraded to enhance GP's network in less than a vear.

The modernized network will make it easy for GP to facilitate 3G technology and broadband services. Moreover, the simplified network infrastructures will enable the Company to offer a range of different services to its valued customers.

The Company has so far invested more than BDT 17,093 crore to build the network infrastructure since inception. Over BDT 1,296 crore was invested during 2011 alone.

Innovation and Useful Products and Services

In the products and services side, the Company introduced 'My Zone', first of its kind in Bangladesh, which offers discount on call tariff depending on customer's location.

During the year, GP introduced its first ever 1 second pulse Prepaid package 'Spondon'. The price plans for prepaid package 'Apon' and 'Bondhu' have also been modified for greater benefits of the customers.

To serve the rural population, GP introduced a very affordable GP branded As an innovative company, GP handset named 'C200' in 2011. With a user friendly interface, a built-in torch light, FM Radio, long lasting battery and both Bangla and English menu. GP continued its efforts to make telephony affordable in rural areas. Another handset named 'Q100' with QWERTY

keypad was also introduced in 2011.

Making Internet affordable for general people has been one of the focal areas for GP in 2011. In this regard, it has introduced several affordable internet packages namely Minipack 99MB, 15MB, 3MB and 1MB. These packages were designed to cater to the needs of the customers who generally use internet through mobile phone. GP also partnered with 'Opera' software to introduce a customized version of Opera Mini, a mobile web browser for GP customers.

GP also arranged a countrywide internet awareness campaign in cooperation with the Daily Prothom Alo. 'Grameenphone Prothom Alo Internet Utshob' was designed to make aware the students and their parents about usefulness of internet in their daily life.

To make the internet experience even better for the customers, GP also introduced 'Grameenphone Crystal', a low cost Android handset. The handset was bundled with free internet usage, SMS, MMS and other value added services.

For the subscribers without internet connection. GP launched Facebook SMS, which allows the subscribers to use basic functionalities of Facebook while they are offline. GP also partnered with Facebook to run an awareness campaign to expedite the Bangla translation of the social networking site.

introduced Digital Right Management (DRM) platform, which encouraged some of the most prominent Bangladeshi musicians to launch their new albums through mobile phone exclusively for GP subscribers. The DRM platform protects the right of the artists and musician over their content & music. million new subscribers in 2011, amid

In 2011, GP has partnered with Southeast Bank and Premier Bank to launch foreign remittance service. This will help the migrant workers to send money to their family in a secured and efficient way. Under the 'MobiCash' platform, the Company has arranged several government approved M-lottery, which enabled the customers to buy lottery tickets through their mobile phones.

Better Customer Experience

GP always strives to provide quality services to its valued subscribers. In 2011, special attention was given to meet the subscribers' demand and satisfaction.

Grameenphone established a Customer Experience Lab, which is helping the Company to gain valuable customer insight about its products and services. The lab is being used to validate ideas and concepts with potential customers early in the product development phase.

The corporate website of the Company has been revamped with many new tools and applications to make life easy for its customers. Bangla versions of the website along with WAP version were also lunched. One of the major features of the website has been the eCare system, which enabled the customers to avail many services online.

Excellent Performance

GP earned BDT 8,906 crore revenues for the year 2011 with 19.2% increase from 2010. The growth was driven by subscription. There has been increasing contribution from data, roaming and wholesale business.

Company's subscriber base increased from 30 million to 36.5 million by the end of 2011 giving it a market share of around 43%. The Company added 6.5

million new subscribers in 2011, amid fierce competition.

GP continued to be the largest

Corporate Tax payer of the country. In 2011, GP has paid to Bangladesh

Government BDT 6,015 crore as direct taxes, VAT and duties, and in fees paid to the Bangladesh Telecommunication

Regulatory Commission (BTRC). GP has contributed BDT 24,517 crore to the National Exchequer since its formation

reterral services, which will make legal information easily accessible to peop who are unable to afford legal support recognized best among the telecom operators in Bangladesh and the Company was awarded with 'HSBC -T Daily Star Climate Awards 2011'. The Company is using one of its solar powered base stations in Sunamagonic

For a Brighter Tomorrow

As a responsible corporate citizen, GP has continued to invest for common good of the society. In 2011, the Company has integrated its technological expertise with social projects to bring positive changes in the life of general people ensuring better sustainability.

One of these initiatives was Online School. The basic idea of Online school is that a sub-urban/rural classroom of Bangladesh will be connected to a classroom in Dhaka via video conference technology and internet.

GP has also taken different initiatives to deliver M-health. In collaboration with Mobile Alliance for Maternal Action and D.net, GP has been providing life-saving health information to parents-to-be and new parents in Bangladesh using mobile phones. Another agreement has been signed with Telemedicine Working Group of Bangladesh to increase accessibility of specialized dermatology services for the rural community.

The Company helped Women Support and Investigation Division (WSID) of Dhaka Metropolitan Police (DMP) to establish a help line. Women violence victims will be able to use this help line to seek police help.

Another initiative has been taken with National Legal Aid Services Organization

(NLASO). Under this initiative, GP is helping NLASO to launch call-center referral services, which will make legal information easily accessible to people who are unable to afford legal support.

GP's Green initiatives have also been recognized best among the telecom operators in Bangladesh and the Company was awarded with 'HSBC -The Daily Star Climate Awards 2011'. The Company is using one of its solar powered base stations in Sunamgonj district to provide electricity to the 136 village households and a CIC in the local bazaar. This could be a model to address the demand for electricity in rural Bangladesh. Meanwhile GP continued to convert its base stations to use renewable energy and at the end of 2011, 50 BTSs are being operated by solar power.

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