

# a million & beyond



## a million & beyond...



President  
People's Republic of Bangladesh

### Message

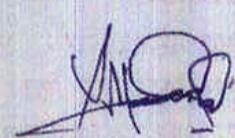
I am happy to learn that GrameenPhone Ltd. has succeeded in providing one million people of Bangladesh access to modern telecommunications facilities.

The Government policy of allowing Foreign Direct Investment for the development of infrastructural facilities has proven to be a success. This will certainly encourage other private investors to become partners in the country's development.

I am confident that GrameenPhone will continue to provide more innovative services at reasonable cost for the benefit of the common people.

I wish GrameenPhone every success in the future.

Allah Hafez, Bangladesh Zindabad.



Professor Dr. Iajuddin Ahmed



Minister  
Posts & Telecommunications  
Government of Bangladesh

### Message

I am happy to learn that GrameenPhone Ltd. has attained the "One Million" subscribers mark.

The development of the telecommunications sector is most essential for socio-economic upliftment of the country. Moreover, telecommunication is an integral component for the growth and flourishing of the information technology.

The pragmatic decision taken by the Government to allow private operators along with public one's participation in the telecommunications sector has enabled GrameenPhone to attain such success.

GrameenPhone has also played a commendable role in increasing the country's teledensity. I congratulate them for the good work done. I hope the company will continue to provide quality telecommunications service to the people at an affordable price.

I wish the continued success of GrameenPhone Ltd.

Allah Hafez  
Bangladesh Zindabad



(Barrister Md. Aminul Hoque)



Managing Director  
GrameenPhone Limited

The reaching of the One Million subscriber landmark by GrameenPhone Ltd. is a tremendous achievement.

We have built a world-class cellular phone network and the GP operation is comparable to any other operator anywhere. The managerial expertise and technical know-how of Telenor, a leading telecom operator of Norway, the strong local base of Grameen Telecom and the strong support of the other shareholders of GrameenPhone, Marubeni Corporation of Japan and the US-based Gonofone Development Corp., has enabled us to set up such a quality network within a relatively short period of time.

This achievement was primarily due to the hard work of our employees and the excellent support of our valued subscribers. So, I take this opportunity to thank all of our employees for a job well done.

and our valued subscribers for their active support over the years.

GrameenPhone is proud to be participating in the development of Bangladesh. The company has so far invested more than Tk. 1,268 crore and has provided over Tk 1,360 crore to the National Exchequer in direct and indirect taxes and levies. In addition to directly employing more than 700 people, the company has created employment opportunities for a much larger number of people who are working for the GP channel partners, contractors, suppliers and other business partners. The Village Phone Program alone provides an income-earning opportunity to more than 32,000 Village Phone operators, who are mostly rural, poor women.

## a million & beyond

GrameenPhone has reached the One Million subscriber-base, marking a major milestone in the development of the country's telecommunications sector. This is a remarkable achievement indeed within a short period of time. GrameenPhone launched its service on March 26, 1997. The company celebrated its first 100,000 subscribers only in June 2000 while it reached the 500,000 subscriber mark in January last year.

GrameenPhone is now the largest telephone operator in the country. Presently, the four cellular operators together have more than 1.5 million mobile phone subscribers in the country as against some 700,000 fixed-line telephone users of the state-owned Bangladesh Telegraph and Telecommunication Board. The telecommunications sector has been one of the fastest growing areas of the economy in recent years. GrameenPhone is one of the largest private investments in the country with more than Tk. 1,270 crore invested as of May 2003. The company has so far reinvested all its earnings to expand the coverage and enhance the capacity of its network.

GrameenPhone has also directly and indirectly contributed substantially to the National Treasury during the last six years. Since its inception till May 2003, GP contributed over Tk. 1,360 crore to the Government Exchequer in the form of direct and indirect taxes and levies. Rapid expansion of coverage of the network, competitive pricing and unique products and services are the primary reasons for GrameenPhone's success in such a short span of time. All of these efforts were greatly aided by the active support of the shareholders of the company.

The GP network now has coverage in some 52 districts around the country including all six divisional headquarters, with 595 base stations in operation. The 1600-kilometer fiber optic cable network leased from the Bangladesh Railway aided the expansion. GrameenPhone also set up a microwave link connecting Khulna and Chittagong, bringing Barisal and other coastal areas under the coverage of its network. This also formed a National Loop in the network, enabling GP to provide a secured service to its valued subscribers.

GrameenPhone also introduced a number of unique products and services over the years. Faced with limited interconnection channels with the fixed-line network of Bangladesh Telegraph and Telephone Board, GrameenPhone introduced the GP-GP or mobile-to-mobile service in June 1998. This service went on to become a very successful product and now accounts for over 90 percent of all GP subscribers.

The mobile-to-mobile product is now being replicated in some developing countries, as it was found to be more economical to render telecommunications facilities to the people compared to land-line telephones.

In September 1999, GP also became the first mobile phone operator in the country to introduce the EASY pre-paid service. This went on to become very popular with a majority of the GP subscribers now opting for the pre-paid service.

The Village Phone Program is another innovative GP initiative. Introduced in 1997, this unique service provides telecommunication services in remote rural areas where no such facilities existed before. Moreover, it also provides an income-generating opportunity for the Village Phone operators, who are mostly rural poor women.

The Village Phone Program is administered by Grameen Telecom in cooperation with Grameen Bank. Presently, there are more than 32,000 Village Phones in operation in nearly as many villages, providing access to telephone facilities to some 50 million people. The Village Phone Program won the 'GSM in the Community' Award given at the GSM World Congress held in Cannes, France in February 2000.

GrameenPhone also introduced a number of value-added services over the years. A News Update service was introduced in cooperation with two leading national newspapers of the country. Subscribers can get a two-minute update of the latest news by dialing 222 on their GP mobile. Similar services were launched providing latest scores of the Asian Cricket Cup held in Dhaka and providing medical information when there was an outbreak of Dengue fever in the city.

In early 2003, GP again became the first cellular operator in the country to introduce the Text Message-based (SMS) "push-pull" service, providing access to much-needed information to the subscribers. It may be noted that GrameenPhone was the first mobile phone operator in the country to introduce value-added services like Voice Mail Service, Text Mail Service, Wireless Application Protocol (WAP) and fax and data transmission services.

The International Roaming facility is another useful service provided by GrameenPhone. Subscribers of the GP Regular service can use their mobile phones in many foreign countries with this facility while subscribers of our partner networks can also use their mobile phones when they are in Bangladesh. As of June 2003, GrameenPhone has International Roaming agreements with 158 mobile phone operators in 57 countries.

As a socially responsible company, GrameenPhone actively participates in the development of cricket in the country and has also sponsored a number of socio-cultural events in recent years. GrameenPhone has recently become the official sponsor of the Bangladesh Cricket Team and it is presently sponsoring the Premier Cricket League for a period of three years.

GP was also the only company from Bangladesh that worked for the development of primary education under the auspices of UNICEF. When called upon, GrameenPhone also rendered cooperation to a number of cultural activities, with emphasis on children's development.

When GrameenPhone started its journey in March 1997, reaching the One Million subscriber mark was a dream figure and very few people actually believed that this could be accomplished in Bangladesh, so soon and so efficiently! The journey towards reaching One Million subscribers was a long one and has not been easy. There were a lot of obstacles and hindrances to overcome.

Pro-active policies of the Government and strong support of our stakeholders has enabled GrameenPhone to achieve this success. We are confident that we will continue to receive similar support in the years to come and hope that the Government will ensure a level-playing field in the telecommunications sector, allowing for a healthy competitive environment for the benefit of the subscribers.

GrameenPhone will continue to make additional investment to further expand the coverage and increase the capacity of its network. The company is committed to provide quality telecommunication services all over Bangladesh and to have satisfied customers. This commitment is also the main theme of the Vision Statement of GrameenPhone: "To be the leading provider of telecommunication services all over Bangladesh with satisfied customers and shareholders, and enthusiastic employees".



Secretary  
Ministry of Posts & Telecommunications

### Message

I am pleased to know that GrameenPhone Ltd. has reached the One Million subscriber milestone.

It is heartening that more and more people are using telecommunication services in a developing country like Bangladesh.

I congratulate GrameenPhone for providing telecommunication services to an increasing number of people. I am confident that the company will expand its network and provide quality services to the people of Bangladesh.

Wishing GrameenPhone Ltd. greater success in the years ahead.

F. Siddiqi  
(Faruq Ahmad Siddiqi)



Prime Minister  
Government of the People's  
Republic of Bangladesh

### Message

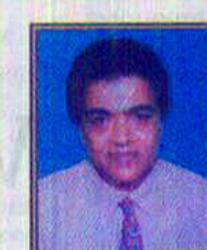
I am happy to note that the GrameenPhone Ltd. (GPL) has been able to provide telecommunication services to one million people of the country. This is a welcome success.

The success of GrameenPhone demonstrates that the Government policy to allow private sector along with public sector to participate in the telecommunications system, has started to yield positive results by increasing the country's teledensity and contributing to its economic growth. And the growth in this sector will also enable the growth in the field of Information and Communication Technology (ICT), which has been declared as a thrust sector by the Government.

I wish the GrameenPhone continued success.

Allah Hafez, Bangladesh Zindabad.

Khaleda Zia



Chairman  
Bangladesh Telecommunication  
Regulatory Commission

### Message

I am pleased to know that GrameenPhone Ltd. has reached the One Million subscriber landmark. I heartily congratulate GrameenPhone on this great achievement.

Pragmatic Government policies and incentives have attracted substantial Foreign Direct Investments in the Telecommunications sector in recent years. This in turn is helping to increase the country's telephone penetration rate, which is a declared priority area of the Government.

I am sure GrameenPhone along with the other telephone operators will continue to play a pivotal role in further increase the country's teledensity in the years to come and provide quality Telecommunications services for the people of Bangladesh.

I wish GrameenPhone Ltd. greater success in the future.

Syed Marghub Morshed  
(Syed Marghub Morshed)

We gratefully acknowledge the excellent support and cooperation we have received over the years from the Ministry of Posts and Telecommunications, Bangladesh Telecom Regulatory Commission, Bangladesh Railway, Bangladesh Telegraph and Telecommunication Board, Board of Investment, Bangladesh Bank, the National Board of Revenue and our business partners and other stakeholders.

I am confident that we will continue to receive the support and cooperation. We hope the Government will remove the existing bottlenecks and reduce the import duty on telecom equipment and mobile phone handsets to enable the continued growth of this sector. Most importantly, we urge the Government to maintain a level-playing field for the healthy growth of the telecommunications sector.

GrameenPhone will continue to make substantial investments to expand the coverage and enhance the capacity of its network in the years to come. We want to continue the existing growth trend. GrameenPhone is committed to provide service.