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**Batelco (BTEL.BH)**

**January 19, 2009**

- Batelco issued a press release on January 18 ,2009 announcing that a consortium led by Batelco has agreed to acquire 49% of S Tel limited for USD 225 million (BHD 84.8).
- Through Batelco Millennium India Company Limited (BMICL), a partnership between Batelco and Millennium Private Equity (MPE), 49% of S Tel will be purchased during 2009. The exact details of the deal have not been released yet.
- S Tel was recently established; it received Unified Access Services Licenses (UASL), a start-up spectrum in six category C circles in India: Bihar, Orissa, Jammu & Kashmir, Himachal Pradesh, North East and Assam, and a "category A" for all India ISP license.
- As of 9M2008, Batelco had BHD 161 million as cash and cash equivalents. Batelco's debt/equity ratio dropped from 0.46x at the end of 2007 to 0.34x at the end of 9M2008. As we said earlier in our special report dated November 20, 2008, these levels still allow Batelco to push ahead with its growth plans.
- We will issue an update on Batelco incorporating the new acquisition once we receive further details.

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**Related Research**

- Batelco Update - 10 April 2008
- Batelco Update - 19Aug. 2007