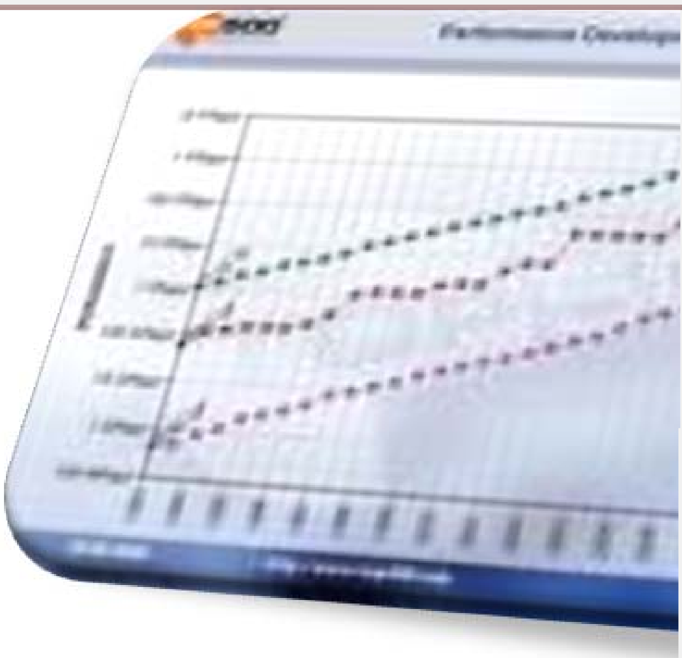
هيئة تنظيم الاتصالات

Telecommunications Regulatory Authority

Telecom Market Statistics Report: Q1, 2010



Market Research & Planning

Issued: 15/06/2010

INTRODUCTION

1. ***This report provides a brief update on the trends for the selected telecom services in the Sultanate of Oman for the 1st Quarter 2010. The report covers the performance of fixed, mobile and internet services.***

2. ***This report has been compiled based on the information received from the three telecom operators and the three resellers: Omantel, Oman Mobile, Nawras, Friendi Mobile, Renna and Mazoon. TRA collects data from these operators and resellers on monthly and quarterly bases, compile, and disseminate it for information of general public.***

3. ***This quarterly report is available on TRA website (www.tra.gov.om).***

4. ***Disclaimer***

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Telecom Sector Indicators at Glance:			
Type of Service	**As on March 2010**	**As on Dec 2009**	***% Change***
Main Fixed Line:			
1. Post Paid	*203,984*	*209,246*	***-3%***
2. Prepaid	*36,031*	*47,888*	***-25%***
3. Public Telephone – Payphone	*6,801*	*6,805*	***-.05%***
4. ISDN Equivalent Channels	*33,618*	*32,509*	***2%***
5. WLL Connections	*2,421*	*3,378*	***-28%***
Total Main Fixed Telephone Lines in Operation; (1-5)	***282,855***	***299,826***	***-6%***
Fixed Line Penetration*	***9.9%***	***10.5%***	***-5.7%***
Mobile:			
1. Mobile Postpaid Subscribers	***369,567***	***358,744***	***3%***
2. Mobile Prepaid Subscriber	***3,844,242***	***3,611,819***	***6%***
Operators	*3,543,335*	*3,371,868*	***5%***
Resellers	*300,907*	*239,951*	***25%***
Total Mobile Subscribers; (1+2)	***4,213,809***	***3,970,563***	***6%***
Mobile Penetration*	***146.98%***	***138%***	***7%***
Internet:			
1. Internet Subscribers (Dial-up): (1.1-1.3)	***28,883***	***37,021***	***-22%***
1.1 Post Paid	*16,716*	*19,139*	***-13%***
*1.2 Pre paid***	*11,579*	*17,220*	***-33%***
1.3 Log & Surf	*588*	*662*	***-11%***
2. Internet Broadband Subscribers (2.1+2.2):	***42,868***	***41,114***	***4.3%***
2.1 DSL	*42,448*	*40,701*	***4%***
22. leased Line	*420*	*413*	***2%***
Total Internet Subscribers: (1+2)	***71,751***	***78,135***	***-8%***

Internet Penetration*	**2.50%**	**2.7%**	***-7.4%***
Mobile Broadband Subscribers	***1,301,668***	***1,226,356***	**6%**
Penetration Rate Mobile Broadband Subscribers	**45.4%**	***42.8%***	**6%**
Estimated Internet Users	***1,476,650***	***1,476,956***	**-0.02%**
Penetration rate of Estimated Internet Users	**51.51%**	**51.52%**	**-0.02%**

**** Penetration rates based on the latest published population by MONE: 2,867,000.***

***** Prepaid subscribers are calculated on the bases of average dial up usage***

Fixed Telephone Line

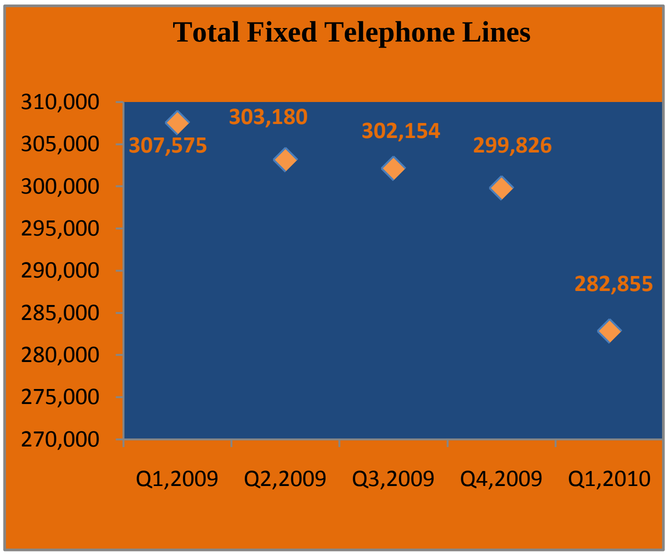
Fixed Telephone Lines:

General trend of fixed line expansion shows continuous decline due to mobile substitution effect. During the last year, fixed lines were shrinking monthly by 2,203 lines on average.

First quarter 2010 ended with total of 282,855 fixed lines with 5.6% drop against the previous quarter Q4/2009.

Fixed line subscribers' penetration rate was 9.9% by March 2010, with 5.7% drop against December 2010.

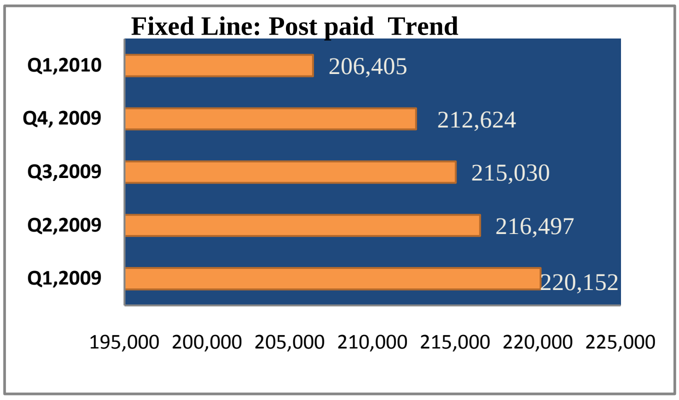
Figure.1: Total Fixed Telephone lines Trend



Fixed Line: Post paid

As compared to the previous quarter, 3% fall has been registered by the fixed post paid lines.

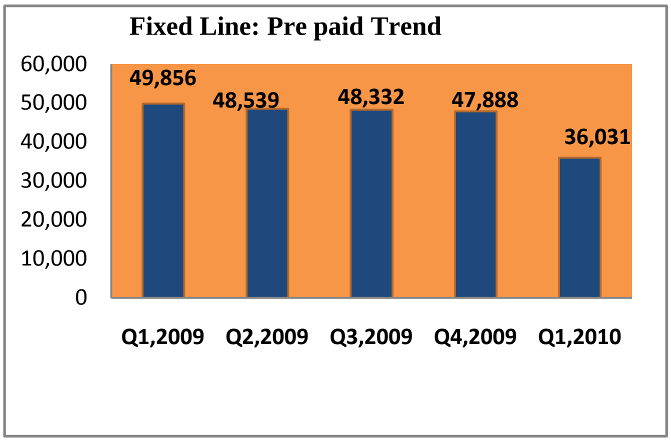
Figure.2: Fixed line: Post paid Trend



Fixed Line: Prepaid

There were 36,031 prepaid connections at the end of 1st quarter 2010. This number was 25% lower than the previous quarter as against an average decline of 3,456 subscribers per quarter.

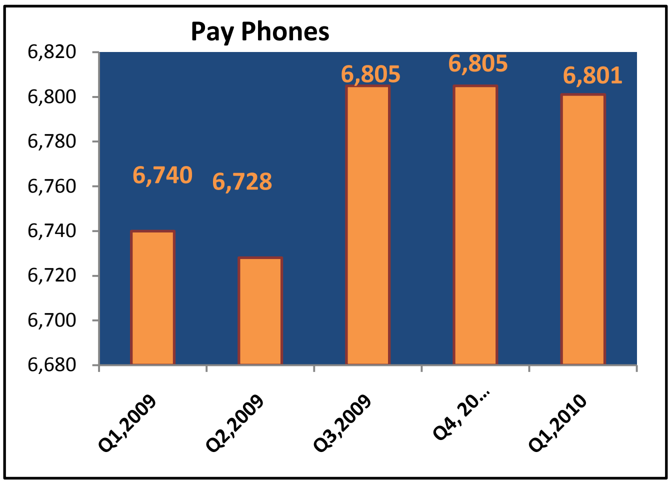
Figure.3: Fixed line: Pre paid



Pay Phones

As reported by Omantel, the main reasons for reduction in payphone numbers are demolition of existing building sites where such phones were installed and modification to the existing building, civil works, non-aesthetic appearance etc. Total public payphones by March 2010 was 6,801 phones.

Figure.4: Public Pay Phones Trend



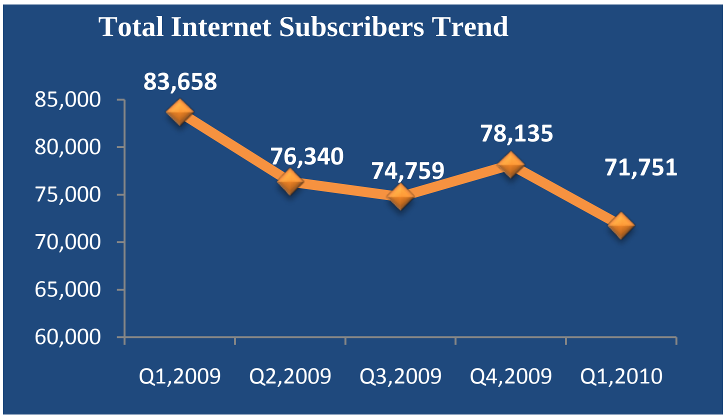
Internet Services

Fixed Internet Subscribers:

Along with the overall negative trend of fixed line services, internet subscribers also went down by 8% showing total of 71,751 subscribers by end of the reported quarter against the previous quarter.

Fixed Internet subscribers' penetration rate was 2.7% by March 2010, with 7.4% drop from the previous quarter.

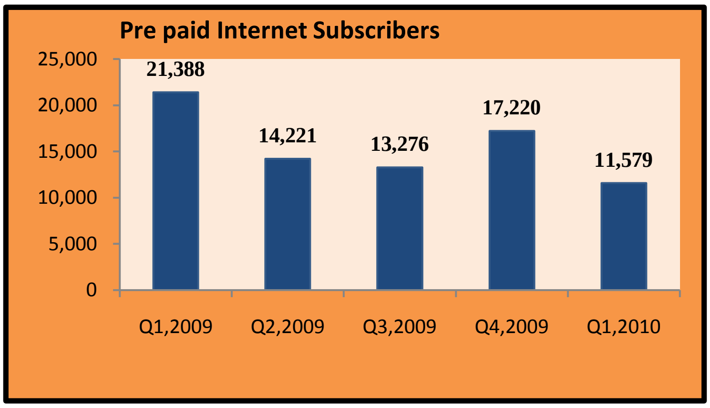
Figure.5: Internet Subscribers



Internet Pre paid Subscribers:

The previous quarter (Q4/2009) witnessed 29.71% growth in the internet prepaid segment, while Q1/2010 suffered with remarkable decline of 32.7%.

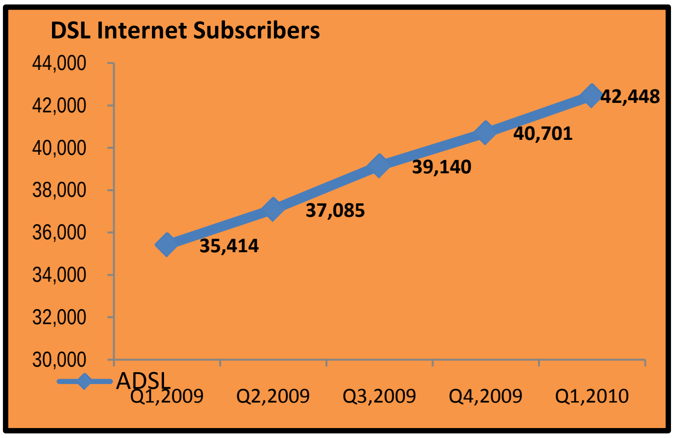
Figure.6 Prepaid Internet Subscribers



DSL Subscribers

During the first quarter 2010, 1,747 subscribers were added to the DSL subscribers' base, making the total as 42,448 subscribers. This is an increase of 4.3% over the previous quarter.

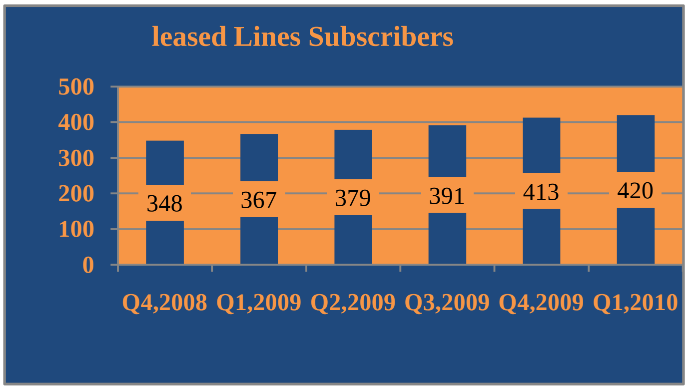
Figure.7: DSL Subscribers



Leased Lines Subscribers:

By March 2010, total leased line subscribers were 420. This service registered an average growth rate of 14.4 subscribers per quarter, and 1.7% over the previous quarter.

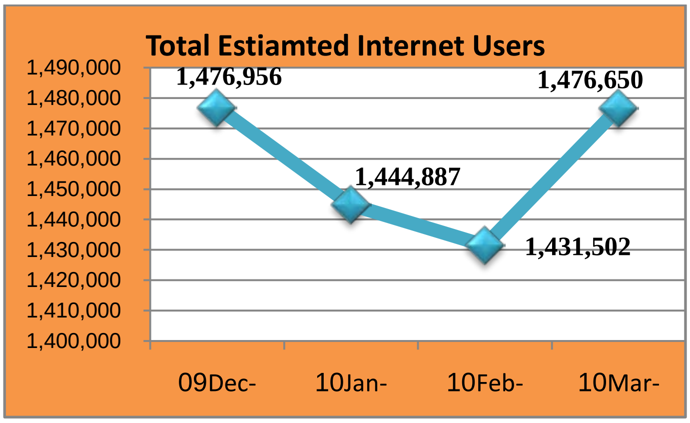
Figure.8: leased Lines Trend



Estimated Internet Users

There were 1,476,650 total estimated internet users by March 2010 with minor drop of .02% from the previous quarter.

Total estimated internet users (1,476,650) scored penetration rate of 51.51% by March 2010. This total includes 416,156 estimated fixed internet users and 1,060,494 estimated mobile internet users (2G & 3G).

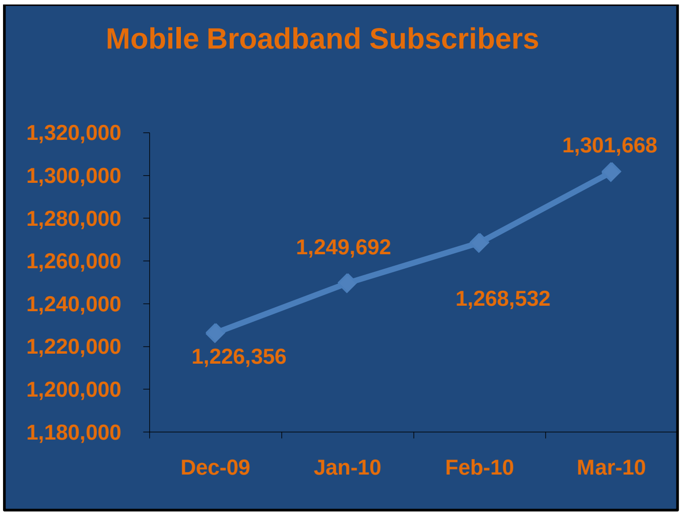


Mobile Broadband Subscribers

Mobile broadband subscribers have been calculated as total number of mobile subscribers with unique 3G supported devices.

Total mobile broadband subscribers were 1,301,668 in March 2010 which is 6% higher than the previous quarter.

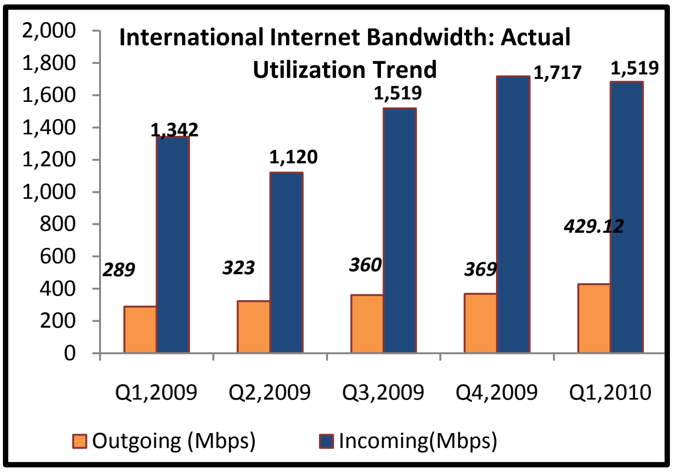
Mobile broadband subscribers' penetration rate reached 45.4% by March 2010.



International Internet Bandwidth

The actual utilization of outgoing international internet bandwidth increased from 369 Mbps in the fourth quarter 2009 to 429.12 Mbps in the first quarter 2010. On the other hand, the actual utilization of the incoming reduced from 1,717 Mbps to 1,519 Mbps during the same period.

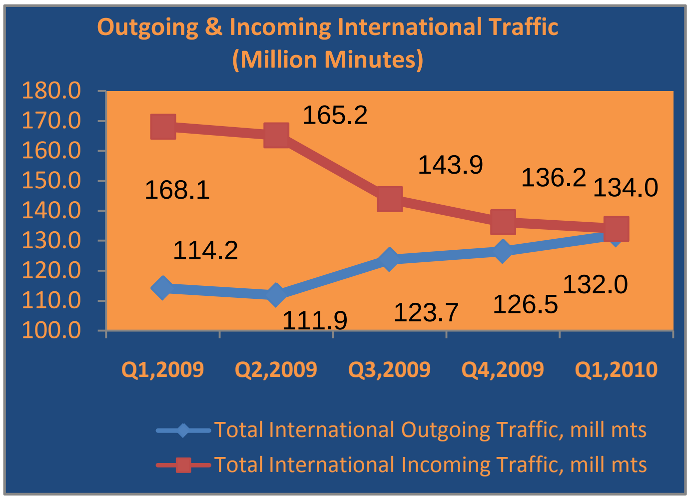
Figure.9: International Internet Bandwidth



International Traffic

Outgoing and Incoming international traffic showing opposite trend. The outgoing traffic has registered a positive growth of 4.4%, while the incoming traffic showed decline of 1.6% during the reported quarter.

Figure.10: Outgoing & Incoming International Traffic



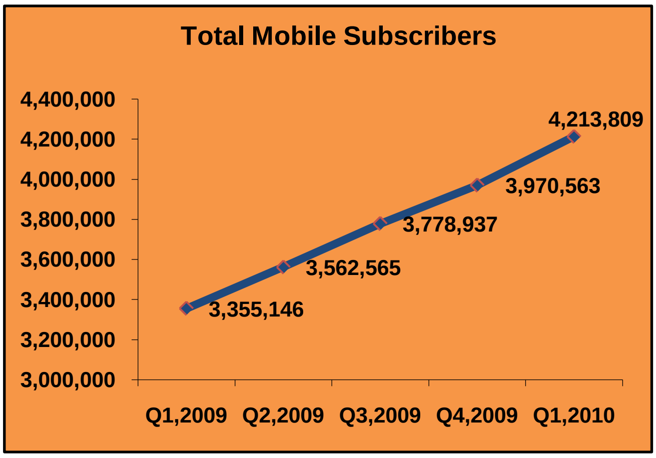
Cellular Mobile Services

Mobile Subscribers

Mobile subscription indicated steady growth of 25.6% during the past year, raising the total to 4,213,809 subscribers. Mobile operators reported that 243,246 subscribers were added to their network during the 1st quarter 2010 which is an increase of 6% over the past quarter.

The penetration rate of mobile subscribers was 147% by March 2010, achieving 7% growth rate from December 2009.

Figure.15: Total Mobile Subscribers

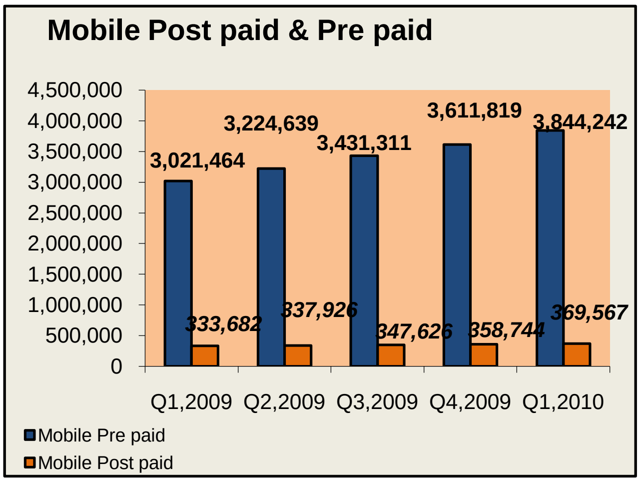


Mobile Postpaid & Pre paid Subscribers

Due to affordability and ease of acquisition, mobile prepaid service is the most demanded services. This can be indicated by the continuous growth of this segment achieving 3,844,242 subscribers with quarterly average growth of 6%.

Mobile post paid is moving also on the same track, achieving growth rate of 3% during the first quarter 2010.

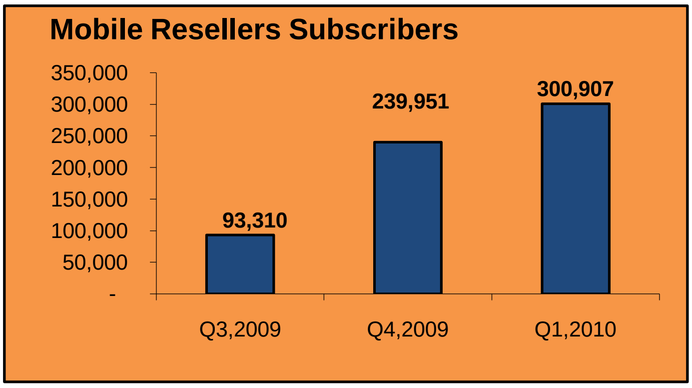
Figure.16: Mobile Post paid and Pre paid Subscribers



Mobile Resellers

Since September 2009, mobile resellers has been growing steadily, recording a growth of 222.5% raising the base from 93,310 to 300,907 subscribers.

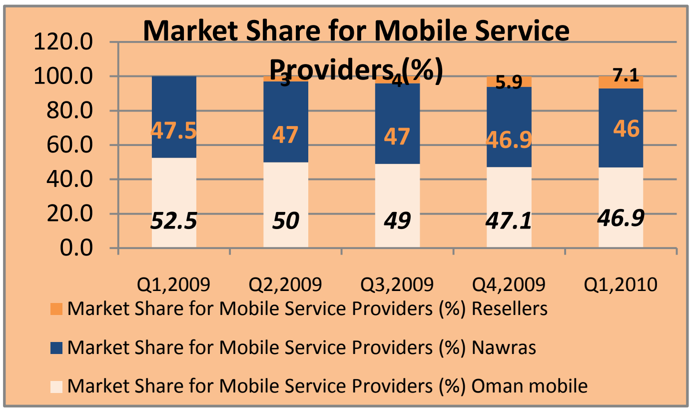
Figure.17: Mobile Resellers Subscribers



Mobile Market Share

Up to date, Oman mobile is still the dominant in the mobile market with 46.9% market share. Nawars is competing fiercely achieving 46%, market share while resellers obtained 7.1% market share.

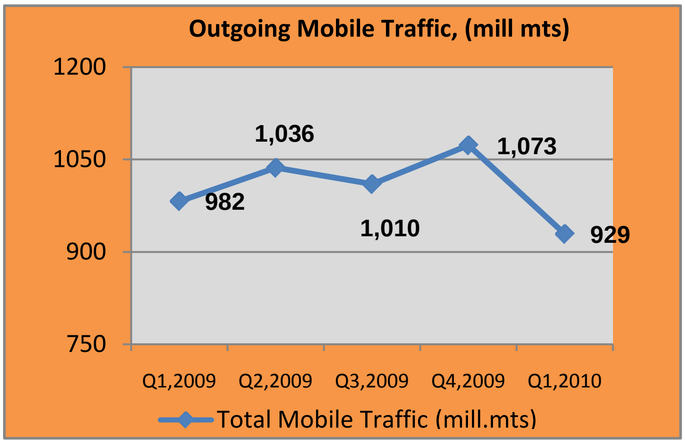
Figure .18: Mobile Operators' Market Share



Outgoing Mobile Traffic

With 13.4% shrink compared to the previous quarter, mobile operators produced 929 million minutes by the end of first quarter 2010.

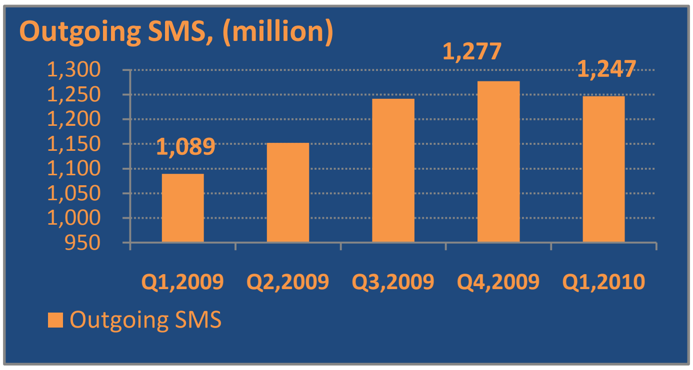
Figure .19: Mobile Traffic



SMS

Total volume of outgoing messages dropped slightly from 1,277 million to 1,247 million SMS, which is a 2.3% decline at the end of March 2010 as compared to December 2009.

Figure .20: Mobile SMS



ARPUs:

ARPU for Fixed Line services (Post paid, Prepaid, Payphones and Internet) is depicted in the diagrams given below:

Figure.21: ARPU/Month for Post paid

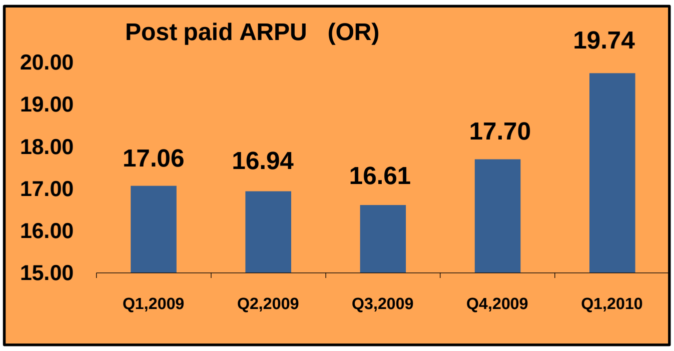


Figure.22: ARPU/Month for Pre paid

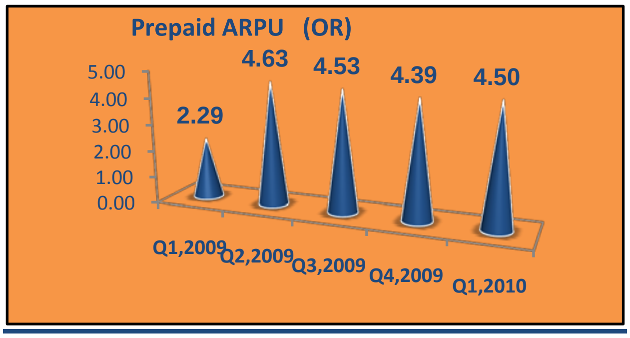


Figure.23: ARPU/Month for Payphone

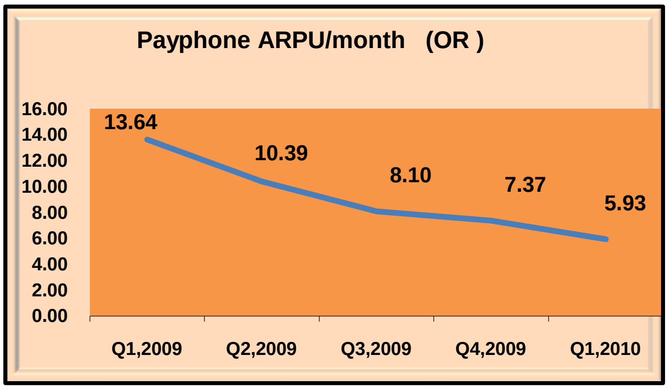


Figure.24: ARPU/Month for Internet

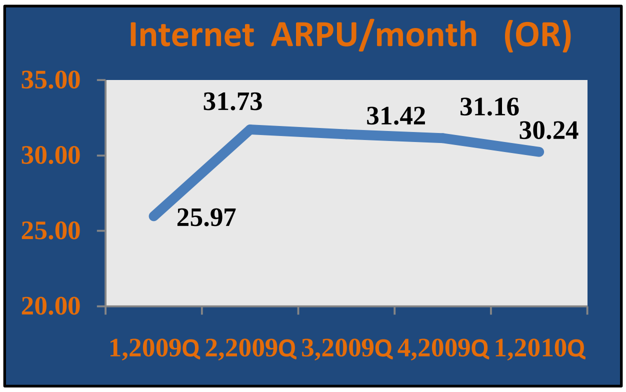


Figure.25: Mobile Services ARPU/Month