سلطنة عُمان
Sultanate of Oman

هيئة تنظيم الاتصالات
Telecommunications Regulatory Authority

Quarterly Report

Telecom Market Indicators

Q4, 2012

Market Research & Planning

Economic Affairs Unit

December 2012

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Introduction

This is the 4th Quarter 2012 reports, which provides a brief update on the status of major telecom services in the Sultanate of Oman. It covers fixed, mobile and internet services.

This report has been compiled from the data collected from the telecom operators and mobile resellers operating in Oman. TRA would like to acknowledge and appreciate the service providers for their cooperation and support for providing important statistics to TRA, which helped in preparing and disseminating this information to all interested parties.

This report is also published on the TRA website (www.tra.gov.om).

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Key Market Observations

Market Observations during the Fourth Quarter 2012:

- Over the last quarter the Fixed-line subscribers increased by 1.3%, Mobile Subscribers also increased by 2.6%. There was quite substantial growth of 10.2% in the Fixed Internet subscribers in the Q4.
- Penetration Rates/100 Inhabitant is 10.98% for Fixed, 190.29% for Mobile subscribers. The internet penetration per 100 Households is 29.68%.
- The Active Mobile Broadband Penetration rate increased from 57.42% to 59.35%.
- Blackberry Subscribers represented 2.7% of the total Mobile Subscribers base at the end of Q4 as compared to 3% of total Mobile Subscribers as at the end of Q3.
- The number of fixed broadband subscribers increased by11.5% during Q4.

Tariff Plans & Promotions

- A total of 24 promotional offers were approved during Q4.
- 7 New tariff plans were approved in Q4.
- 3 Tariff Plan Revisions were approved in Q4.

Type Approval

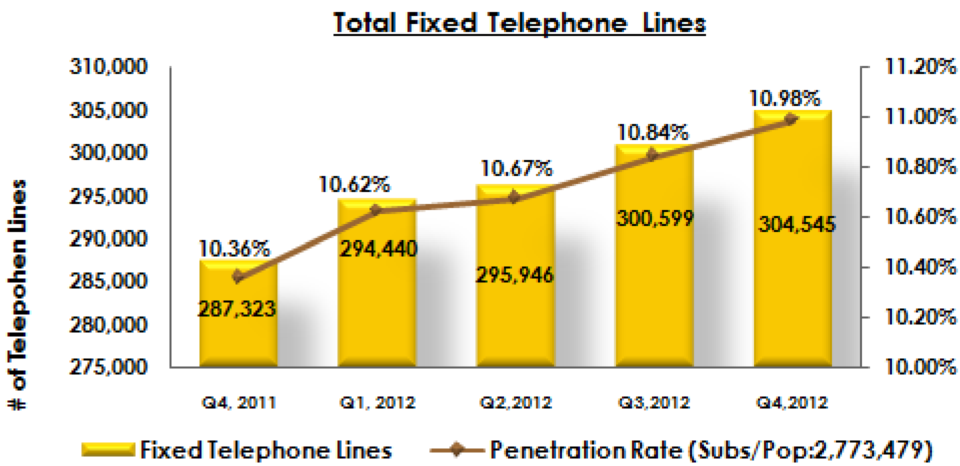
- TRA approved a total number of 277 telecom equipments, renewed 63 registrations of telecom dealers and registered 79 new dealers, Issued 385 releases to customs for imported telecom equipments.
- 22 inspections were carried out to check violations.

Fixed & Mobile Sector

Type of Service	As of Dec 2012	As of Sep 2012	% Change
1. Main Fixed Telephone Lines:			
1.1 Post Paid	225,922	222,955	1.3%
1.2 Pre-Paid	26,065	25,536	2.1%
1.3 Public Telephone – Payphone	6,801	6,801	0.0%
1.4 ISDN Equivalent Channels	43,888	43,442	1.0%
1.5 WLL Connections	1,869	1,865	0.2%
Total Fixed Telephone Lines in Operation (1.1-1.5)	**304,545**	**300,599**	**1.3%**
Fixed Line Penetration /100 Inhabitant	**10.98%**	**10.84%**	**1.3%**
2. Mobile Subscribers:			
2.1 Post Paid			
2.1.1 Operators	464,670	459,327	1.2%
2.1.2 Resellers	-	-	-
Total Postpaid Subscribers	**464,670**	**459,327**	**1.2%**
2.2 Pre Paid			
2.2.1 Operators	4,237,613	4,129,872	2.6%
2.2.2 Resellers	575,308	556,126	3.4%
Total Prepaid Subscribers	**4,812,921**	**4,685,998**	**2.7%**
Total Mobile Subscribers: (2.1+2.2)	**5,277,591**	**5,145,325**	**2.6%**
Mobile Penetration/100 Inhabitant	**190.29%**	**185.52%**	**2.6%**
3. BlackBerry Subscribers:			
3.1 Post Paid	17,076	19,677	-13.2%
3.2 Pre-Paid	124,362	135,058	-7.9%
Total BlackBerry Subscribers (3.1+3.2)	**141,438**	**154,735**	**-8.6%**
% To Total Mobile Subscribers Base in Oman	**2.7%**	**3.0%**	**-10.0%**

NOTE: Penetration rates are based on the latest published figures by NCSI Census 2010 (Final Population: 2,773,479 & Estimated Household: 402,286).

Fixed Telephone Service

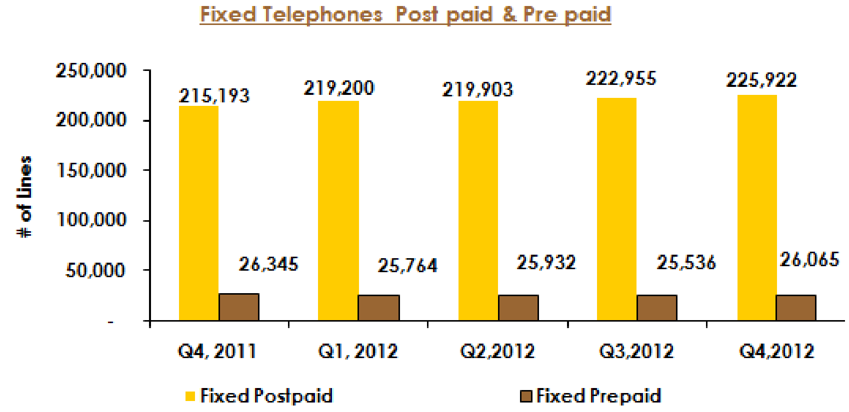


- Q4, 2012 ended with 304,545 fixed lines compared to 300,599 lines, with an increase of 3,946 lines (1.3%) compared to previous quarter.

- Fixed line penetration rate was10.98% as of Q4, 2012, with 1.3% increase over Q3, 2012.

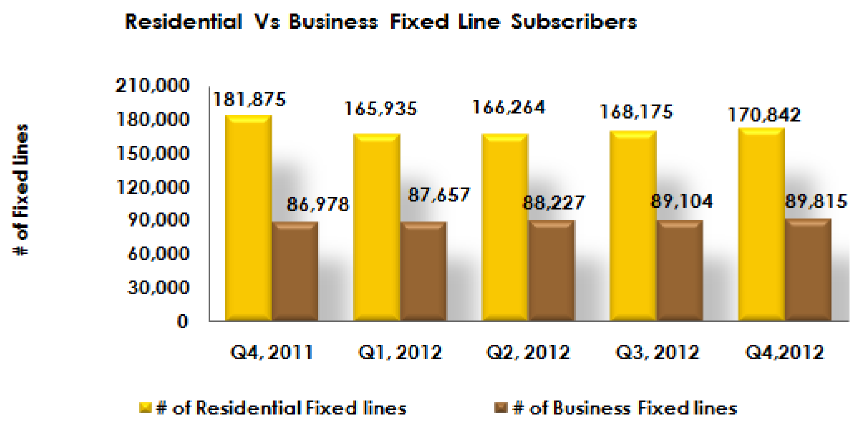
Fixed Line: Post-paid & Prepaid

- The fixed post-paid lines increased by1.3% from the 3rd quarter 2012, resulting in total of 225,922 post-paid lines.
- By Quarter four, 2012 there were 26,065 prepaid connections. This number decreased by 2.1% over the previous quarter.



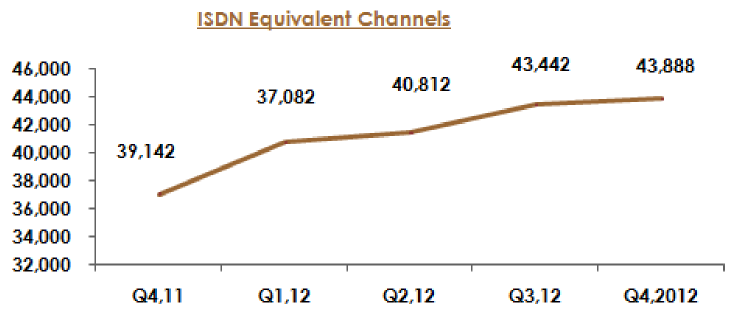
Residential Vs Business/Government Fixed Lines

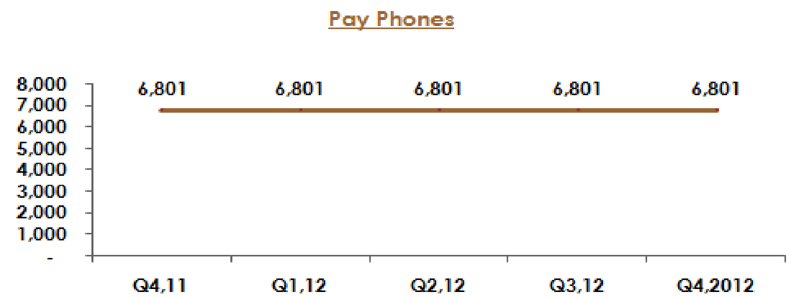
- Total residential fixed lines increased to 170,842 from 168,175 during previous quarter recording an increase of 1.56% during the 4th quarter 2012.
- On the other side, total business lines showed a small increase of 0.80% from 89,104 to 89,815 during Q4.
- The split between fixed residential and business lines stands at 65.5% and 34.5% respectively.



Payphones / ISDN Equivalent Channels

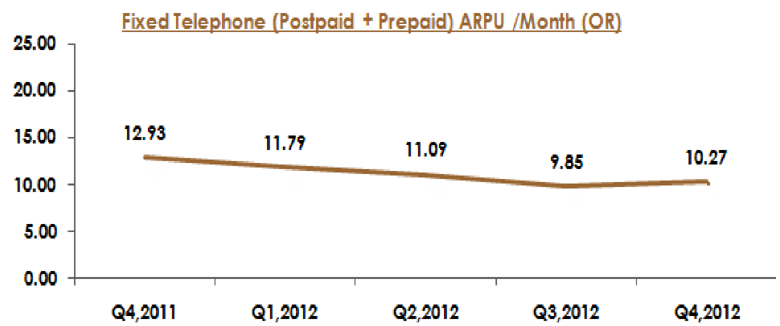
- The ISDN equivalent channels showed an increase of 1% from the Q3, 2012 resulting in total of 43,888 subscribers.
- Public payphones remained static for the last nine quarters with the total of 6,801 pay phones in service.
- There were a total of 1,869 WLL Connections up to December 2012 showing an increase of 0.02% during the Quarter.

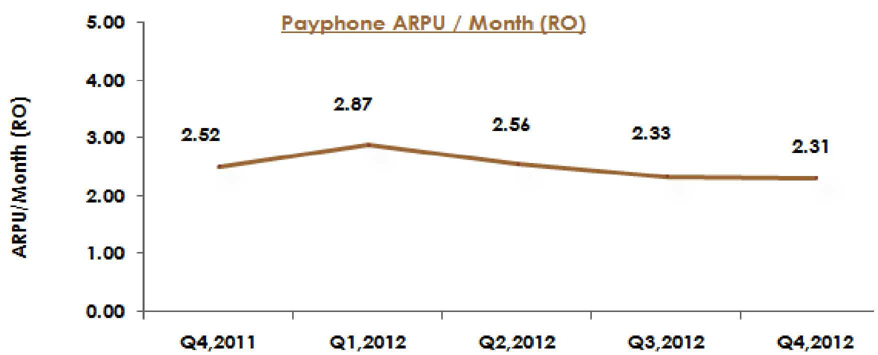




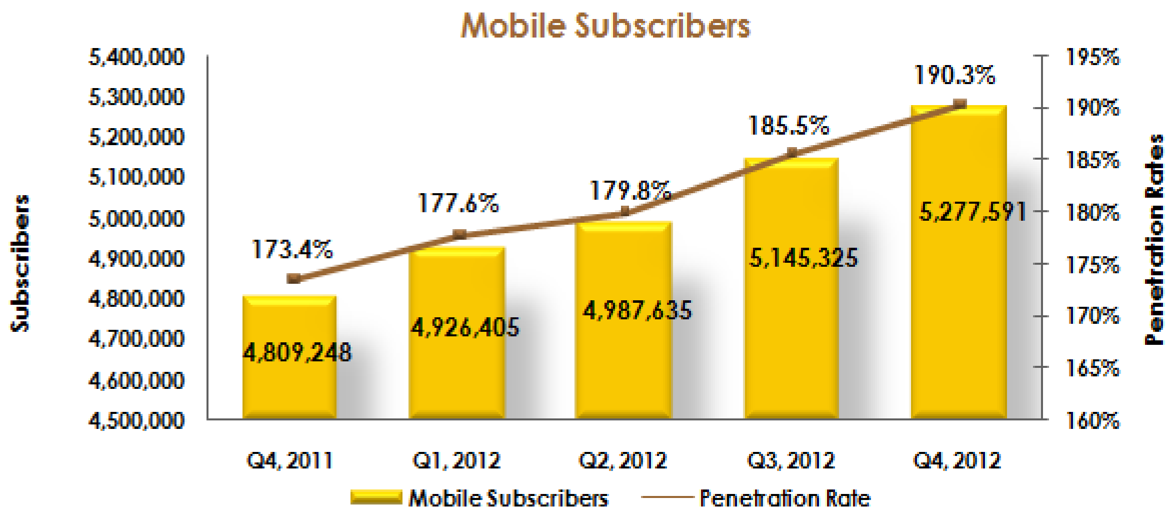
Fixed Line and Payphone ARPU's/month (OR)

Fixed telephone (Post-paid + Prepaid) and payphone ARPU per month are as follows:





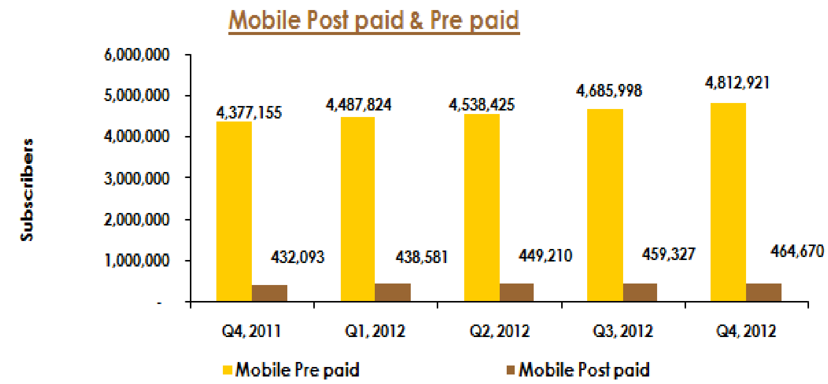
Mobile Cellular Services



- By end of Q4, 2012, total mobile subscribers stood at 5,277,591 with an increase of 132,266 subscribers during this quarter.
- The penetration rate of mobile subscribers during the quarter reached to190.3% as against 185.5% at the end of Q3.

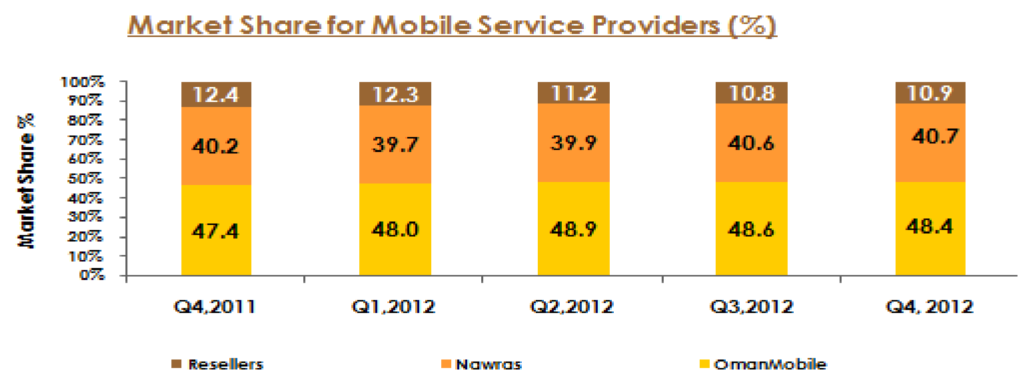
Mobile Post paid & Prepaid Subscribers

	Mobile Pre paid	Mobile Post paid
Q4,2011	4,377,155	432,093
Q1,2012	4,487,824	438,581
Q2,2012	4,538,425	449,210
Q3,2012	4,685,998	459,327
Q4,2012	4,812,921	464,670



- Post-paid mobile subscribers stood at 464,670 at the end of 4th Quarter 2012 showing an increase of 1.16% compared to previous quarter.
- Prepaid mobile subscribers were 4,812,921 showing an increase of 2.71% compared to Q3, 2012.

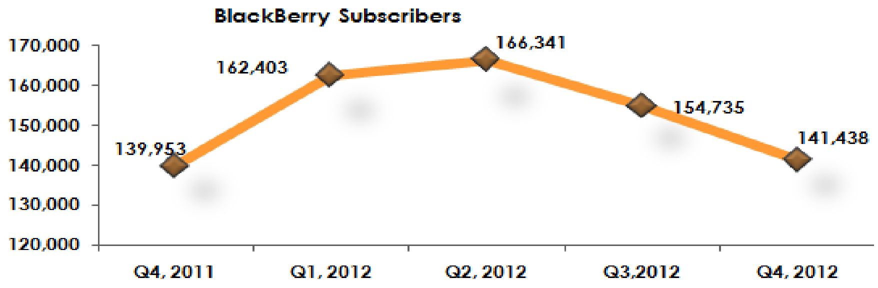
Mobile Market Share



- As of end of Q4, 2012, Oman Mobile possessed a market share of 48.4% while Nawras had 40.7%. Resellers achieved 10.9% market share during the reported quarter.

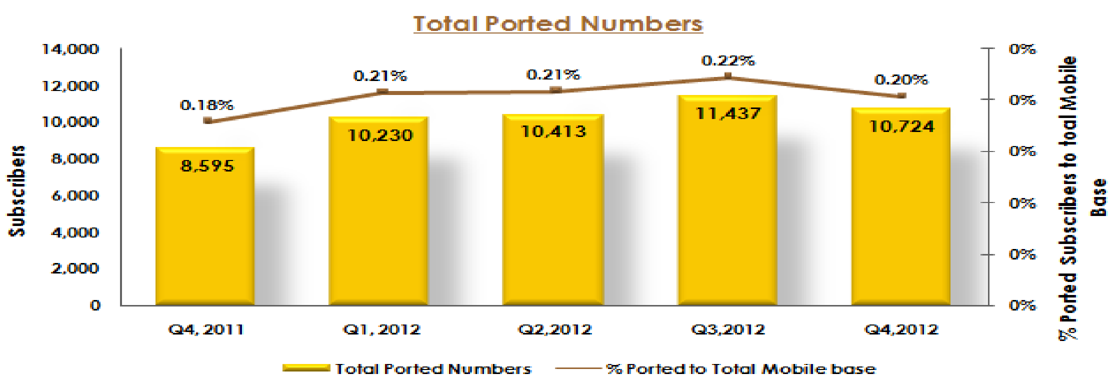
BlackBerry Subscribers

- Blackberry Subscribers at the end of Q4, 2012 represented 2.7% of the total Mobile Subscribers base.
- This has registered a drop of 10% over the previous quarter when it was 3.0% of the total mobile subscriber base in Oman.



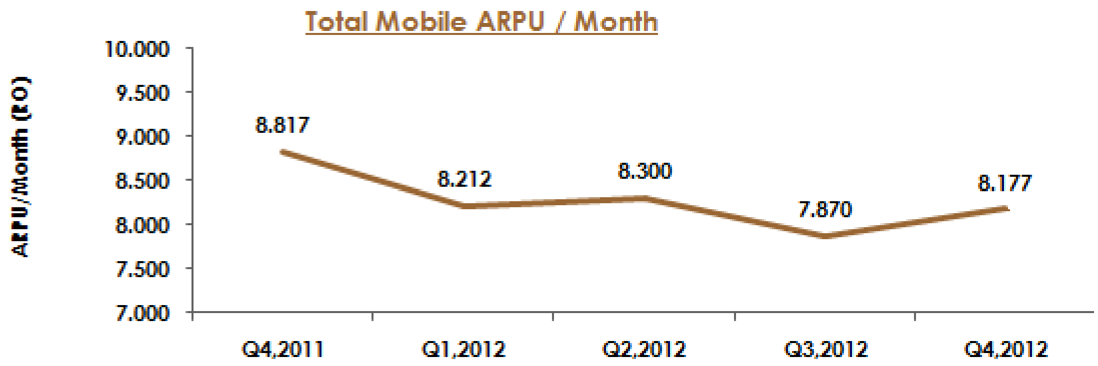
	Post Paid	Pre Paid
Q4, 2011	17,244	122,709
Q1, 2012	17,237	145,166
Q2, 2012	17,949	148,392
Q3,2012	19,677	135,058
Q4,2012	17,076	124,362

Mobile Number Portability



- Total numbers ported during Q4, 2012 were 10,724 while during Q3, 2012 were11,437, a decrease of 6.23% over the previous quarter. During the quarter the ported numbers represented 0.20% of the total mobile subscribers base.

Mobile ARPU's/Month (OR)



- Mobile subscribers' contributed monthly revenue of RO 8.177 per subscriber during Q4, which is 3.9% higher as compared to Q3.

Internet Services

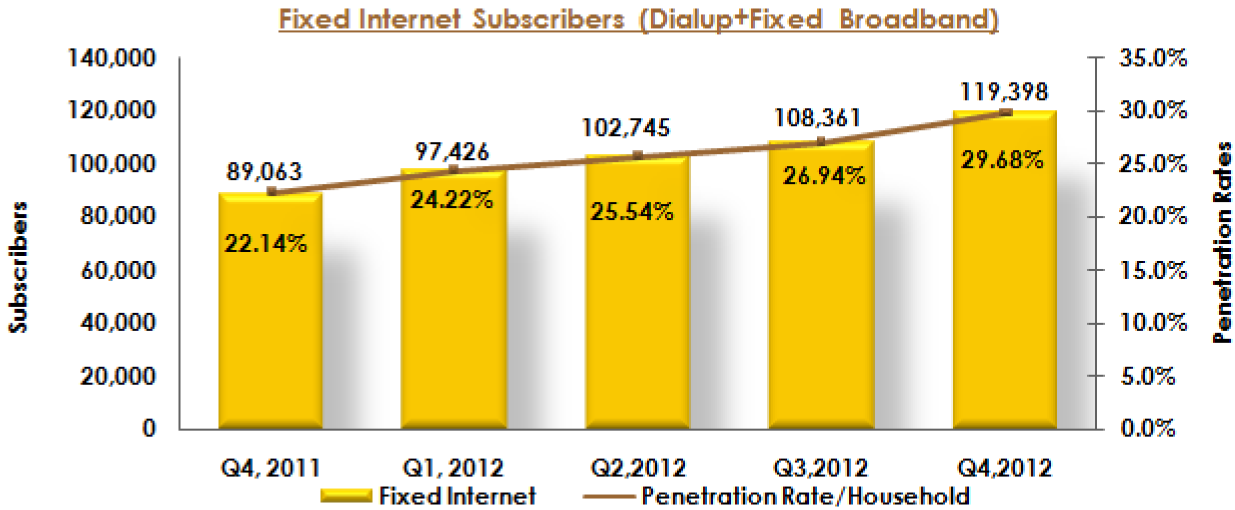
Type of Service	As of Dec 2012	As of Sept 2012	% Change
Internet Subscribers:			
1. Dial Up Subscribers			
1.1 Post Paid	**5,406**	**5,887**	**-8.2%**
1.2 Pre Paid**	**668**	**825**	**-19.0%**
Total Dial-Up Subscribers: (1.1+1.2)	**6,074**	**6,712**	**-9.5%**
2. Fixed Broadband Subscribers			
2.1 Total Fixed Broadband Subscribers	**113,324**	**101,649**	**11.5%**
Total Fixed Broadband Subscribers Penetration/100 Household	**28.17%**	**25.27%**	**11.5%**
Total Fixed Internet Subscribers (1.1+1.2+2.1)	**119,398**	**108,361**	**10.2%**
Total Internet Penetration /100 Household	**29.68%**	**26.94%**	**10.2%**
3. Active Mobile Broadband Subscribers			
3.1 Standard mobile-broadband Subscribers	**660,336**	**650,869**	**1.5%**
3.2 Dedicated mobile-broadband Subscribers	**985,762**	**941,742**	**4.7%**
Total Active Mobile Broadband Subscribers (3.1+3.2)	**1,646,098**	**1,592,611**	**3.4%**
Active Mobile Penetration Rate /100 Inhabitant	**59.35%**	**57.42%**	**3.4%**

NOTE: ** Internet prepaid subscribers are calculated on the basis of average dial up usage for post-paid.

Penetration rates are based on the latest published figures by NCSI Census 2010 (Final Population: 2,773,479 & Estimated Household: 402,286).

TRA started collecting data for "**Active mobile-broadband**" effective from December 2011 only, as per ITU definition.

Fixed Internet Subscribers (Including Dial-Up + Fixed Broadband)

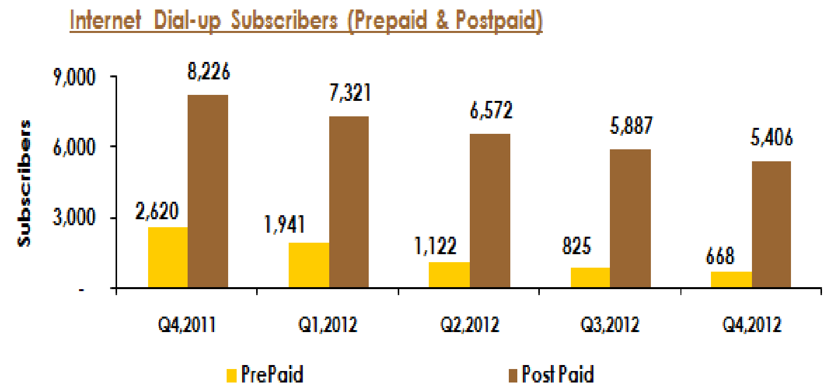


- At the end of Q4, 2012 there were 119,398 total fixed Internet subscribers showing an increase of 10.2% against the previous quarter.

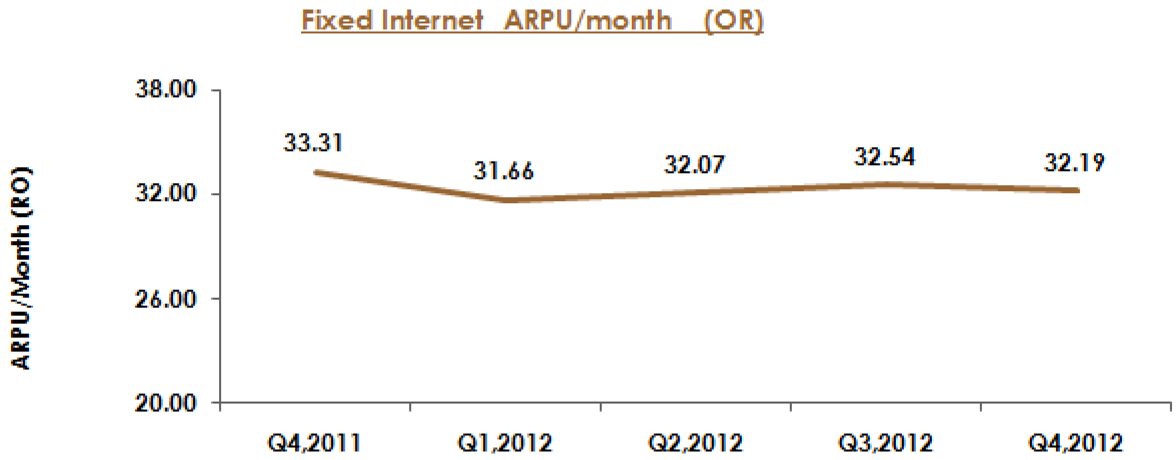
- Fixed internet subscribers' penetration rate per 100 Household increased to 29.68% by end of the fourth quarter.

Internet Dial up (Post paid & Prepaid Subscribers)

- The Dial up subscribers are showing continuous decline. The Q4, 2012 saw a decline of 9.5% from the previous quarter.



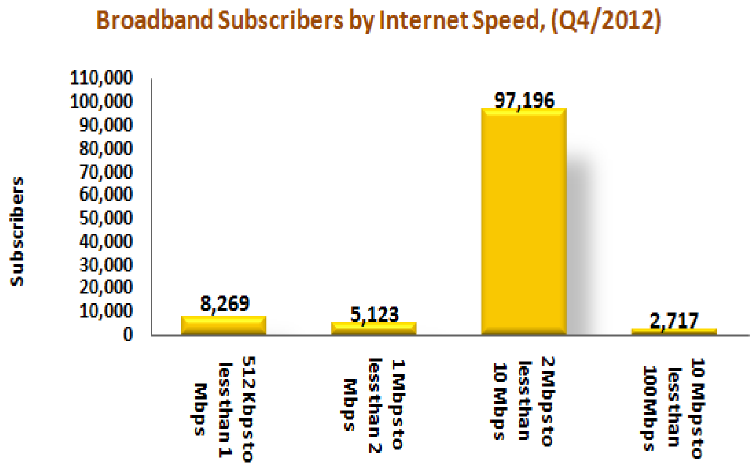
Fixed Internet ARPU's/month (OR)

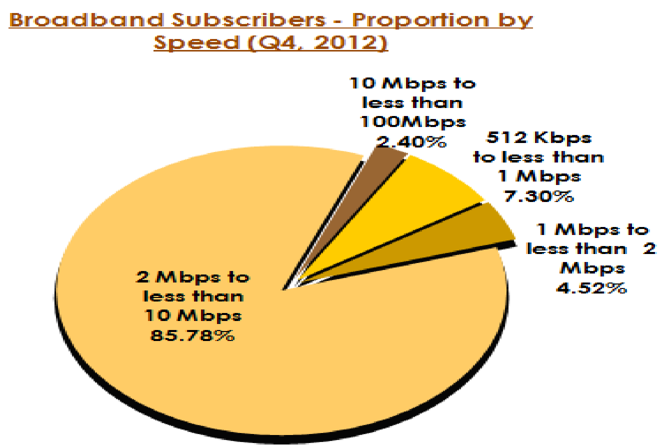


- Fixed internet ARPU decreased during Q4, 2012 to 32.19, a drop of 1.08% over the previous quarter.

Speed-wise break up of Broadband

Fixed Broadband Subscribers by Speed	As of Dec 2012	As of Sept 2012	% Change
1 512 Kbps to less than 1 Mbps	8,269	7,693	7.5%
2 1 Mbps to less than 2 Mbps	5,123	4,332	18.3%
3 2 Mbps to less than 10 Mbps	97,196	86,907	11.8%
4 10 Mbps to less than 100 Mbps	2,717	2,515	8.0%
5 100 Mbps to less than 1 Gbps	0	0	0%
6 Above 1 Gbps	0	0	0%
Total Fixed Broadband Subscribers (1 to 5)	113,305	101,447	11.7%

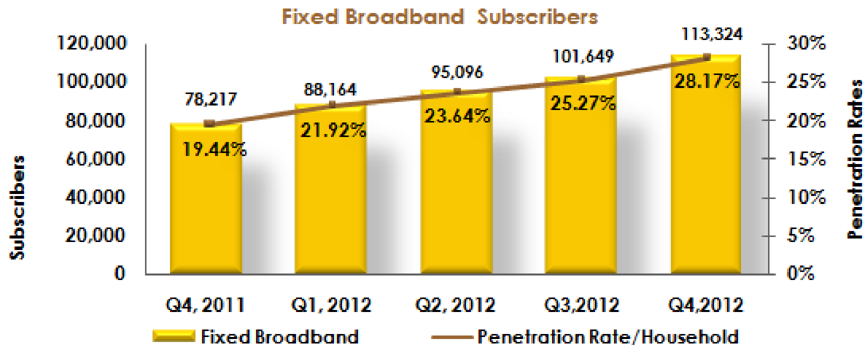




- 7.30% of Broadband subscribers during Q4, 2012 had access speed of 512Kbps to less than 1 Mbps.
- 4.52% of Broadband subscribers during Q4, 2012 had access speed of 1Mbps to less than 2 Mbps.
- 85.78% of Broadband subscribers during Q4, 2012 had access speed of 2 Mbps to less than 10 Mbps.
- 2.40% of the broadband subscribers have access to 10 Mbps and above.

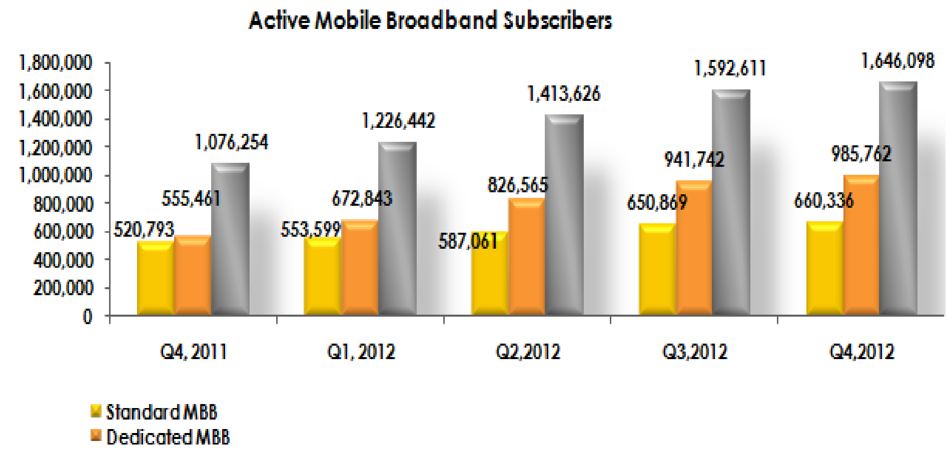
Fixed Broadband Subscribers

- Fixed Broadband subscription increased by11,675 (from 101,649 to 113,324). Penetration rate per Household also increased to 28.17% from 25.27% during Q4, 2012.



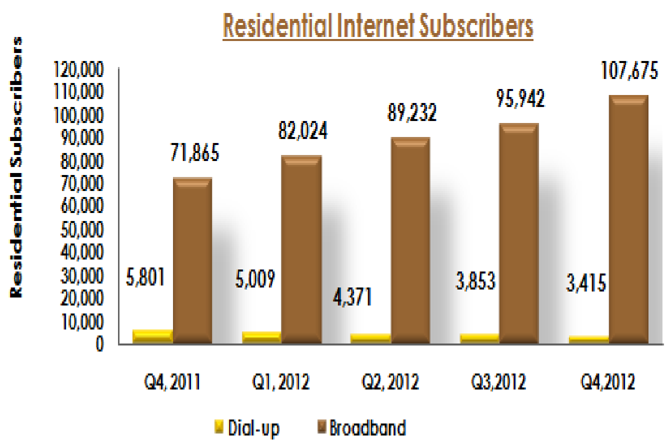
Active Mobile Broadband Subscribers

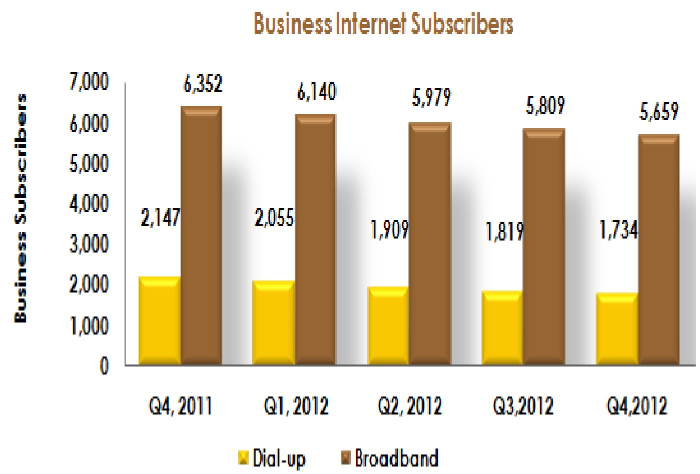
- At the end of Q4, 2012 the Total Active Mobile Broadband subscribers as per ITU definition increased to 1,646,098 from 1,592,611 of Q3, 2012 and the penetration rate stood at 59.35% compared to 57.42% of previous quarter.



Residential Vs Business Internet Subscribers

Type of Service		As of Dec 2012	As of Sept 2012	% Change
Fixed Resident & Business Internet Subscribers				
Dial Up Lines	1.1 Residential	3,415	3,853	-11.4%
	1.2 Business / Government	1,734	1,819	-4.7%
	Total Dial up Internet Subscribers (1.1-1.2)	**5,149**	**5,672**	**-9.2%**
Fixed Broadband Lines	2.1 Residential	107,675	95,942	12.2%
	2.2 Business / Government	5,659	5,809	-2.6%
	Total Broadband Internet Subscribers (2.1-2.2)	**113,334**	**101,751**	**11.4%**
	GRAND TOTAL (1 + 2)	**118,483**	**107,423**	**10.3%**



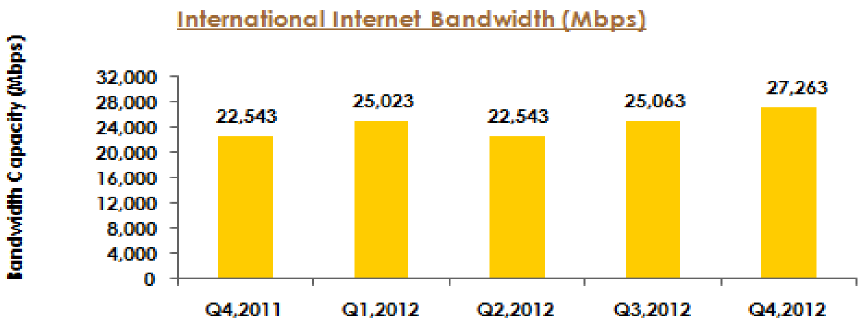


International Internet Bandwidth (Mbps) – Capacity

Type of Service	As of Dec 2012	As of Sept 2012	% Change
International Internet Bandwidth (Mbps)			
1. International Internet Bandwidth (Mbps) - Capacity	27,263	25,063	8.8%
2. International Internet Bandwidth (Mbps) - % Utilized (Outgoing)	10.58%	11.09%	-4.6%
3. International Internet Bandwidth (Mbps) - % Utilized (Incoming)	65.26%	64.84%	0.65%

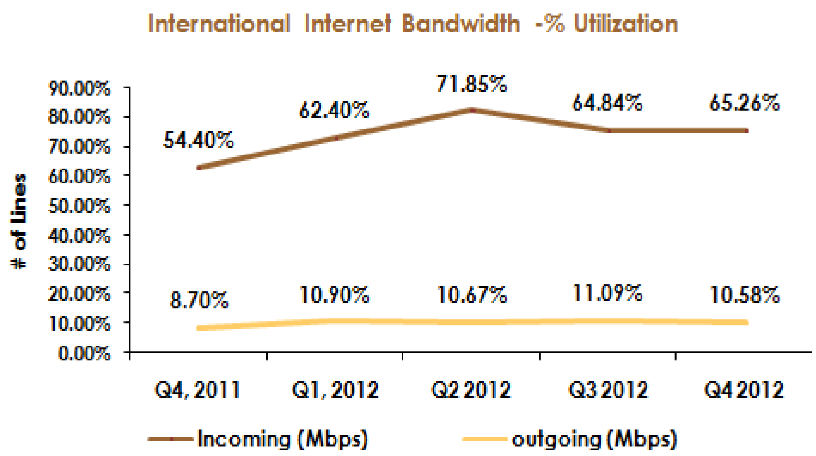
International Internet Bandwidth (Mbps)

- Q4, 2012 recorded 27,263 Mbps as total of international internet bandwidth capacity in the market, an increase of 8.8% over the previous quarter.



International Internet Bandwidth - % utilization

- Out of 27,263 Mbps capacity, on an average 10.58% has been utilized for the outgoing and 65.26% for the incoming traffic.

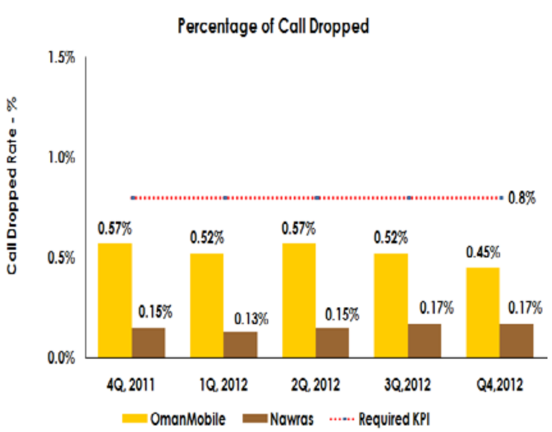


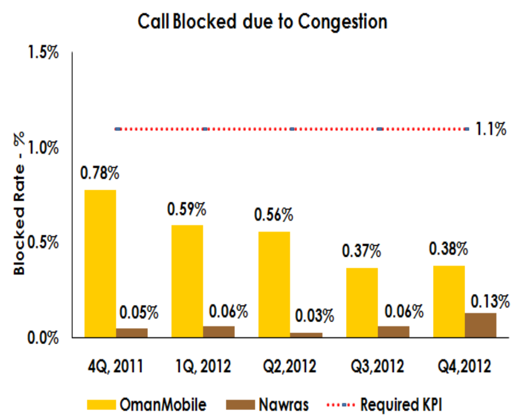
Quality of Service

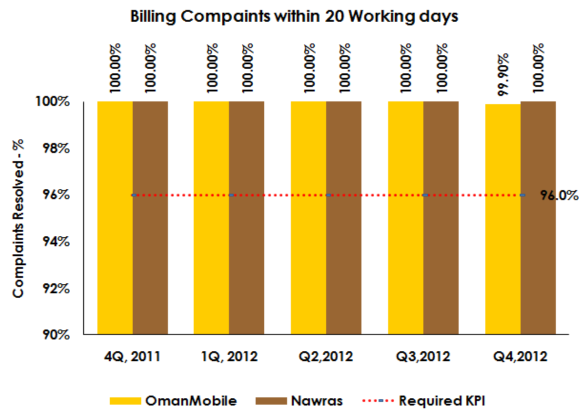
(as measured and reported by the operators)

Mobile Services KPIs*

Mobile Services KPIs	Required KPI (Bi-Annual)	Q4/2012 Oman Mobile	Q4/2012 Nawras	Q3/ 2012 Oman Mobile	Q3/ 2012 Nawras
1. Percentage of Calls Dropped	Less than 0.8%	0.45%	0.17%	0.52%	0.17%
2. Percentage of Calls Blocked due to Congestion	Less than 1.1%	0.38%	0.13%	0.37%	0.06%
3. Percentage of billing complaints resolved within 20 working days	More than 96%	99.9%	100%	100%	100%







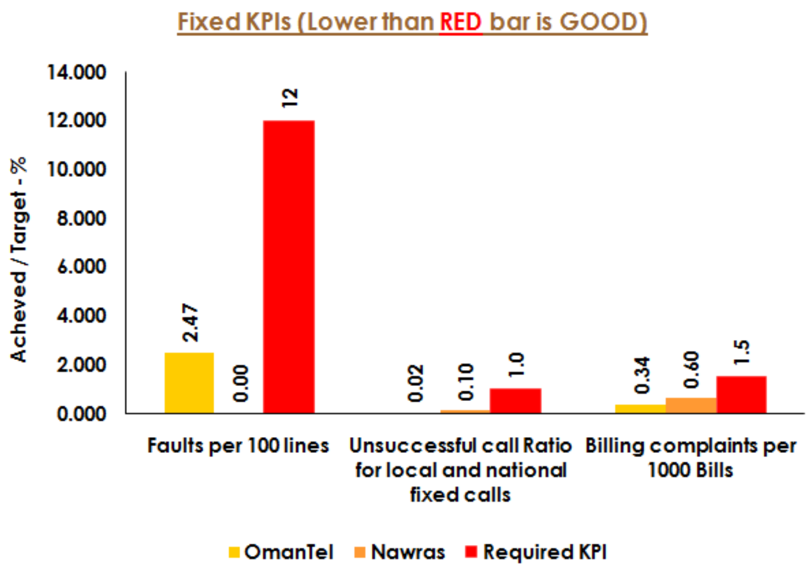
*The figures are not audited by TRA.

Fixed Services KPIs*

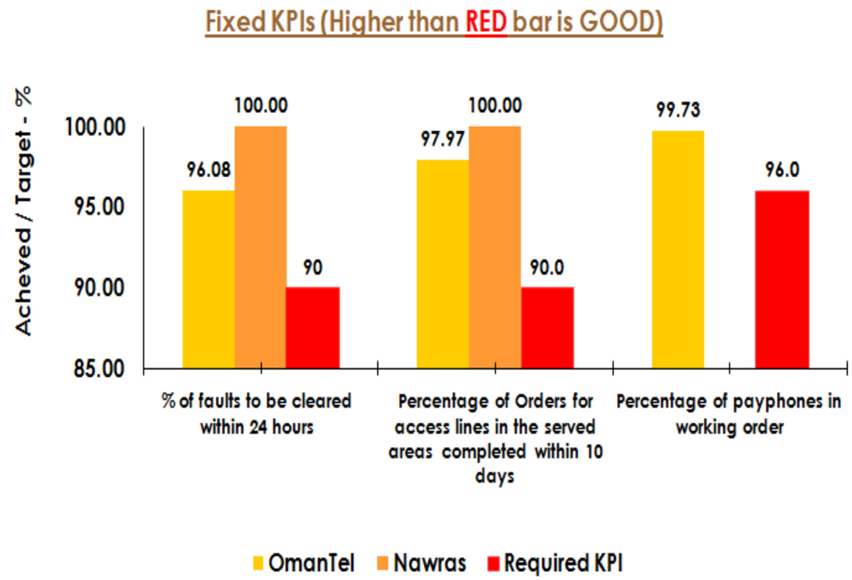
(As measured and reported by the operators)

Fixed Services KPIs	Required KPI (Bi-Annual)	Q4/2012		Q3/2012	
		Omantel	Nawras	Omantel	Nawras
1. Faults per 100 lines	Less than 12	2.47	0	2.24	0.3
2. % of faults to be cleared within 24 hours	More than 90%	96.08%	100%	95.95%	100%
3. Unsuccessful call Ratio for local and national fixed calls	Less than 1%	0.02%	0.10	0.06%	0.05%
4. Percentage of Orders for access lines in the served areas completed within 10 days	More than 90%	97.97%	100%	96.26%	100%
5. Percentage of payphones in working order	More than 96%	99.73%	NA	99.77%	NA
6. Billing complaints per 1000 Bills	Less than 1.5	0.343	0.60	0.36	0.50
7. Percentage of billing complaints resolved within 20 working day	More than 96%	100%	100%	100%	100%

*The figures are not audited by TRA.



Fixed KPIs (Lower than RED bar is GOOD)
Achieved / Target - %
14.000
12.000
10.000
8.000
6.000
4.000
2.000
0.000
2.47
0.00
12
0.02
0.10
1.0
0.34
0.60
1.5
Faults per 100 lines
Unsuccessful call Ratio for local and national fixed calls
Billing complaints per 1000 Bills
OmanTel
Nawras
Required KPI



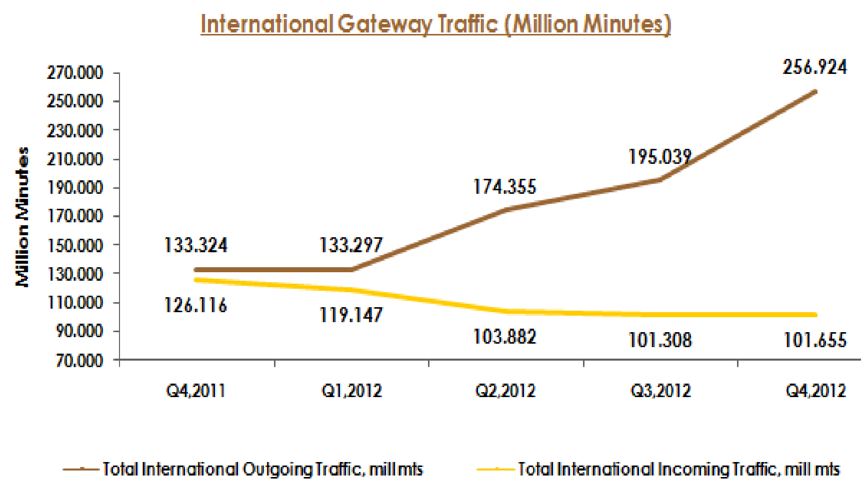
Fixed KPIs (Higher than RED bar is GOOD)
Achieved / Target - %
100.00
95.00
90.00
85.00
96.08
100.00
90
97.97
100.00
90.0
99.73
96.0
% of faults to be cleared within 24 hours
Percentage of Orders for access lines in the served areas completed within 10 days
Percentage of payphones in working order
OmanTel
Nawras
Required KPI

Traffic

Type of Service		Q4/ 2012	Q3/ 2012	% Change
	Traffic:			
1	Total International Outgoing Traffic; Million Minutes at International Gateway	256.924	195.039	31.7%
2	Total International Incoming Traffic; Million Minutes at International Gateway	101.655	101.308	0.34%
3	Originated National Mobile Traffic (Minutes) –In Millions	1,717	1,664	3.2%
4	Total Mobile SMS Sent - In Millions	626	908	-31.1%
5	Total Mobile MMS Sent - In Millions	3.1	4.796	-35.4%

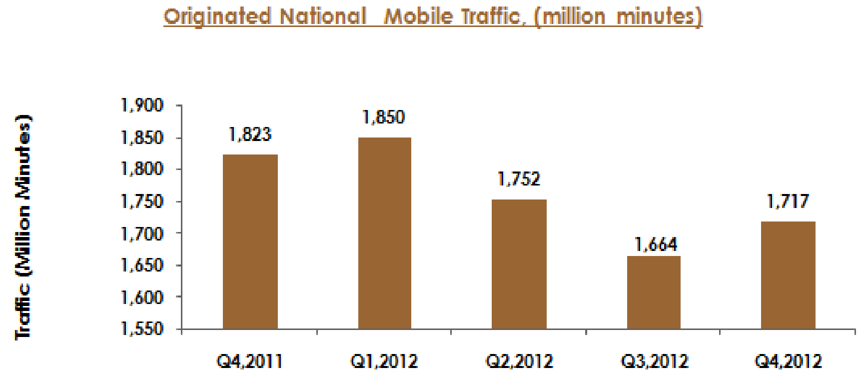
International Traffic for Voice (Million Minutes): Outgoing & Incoming

- During the quarter, both the total international outgoing and incoming minutes at the international gateway increased by 31.7% & 0.34% respectively.



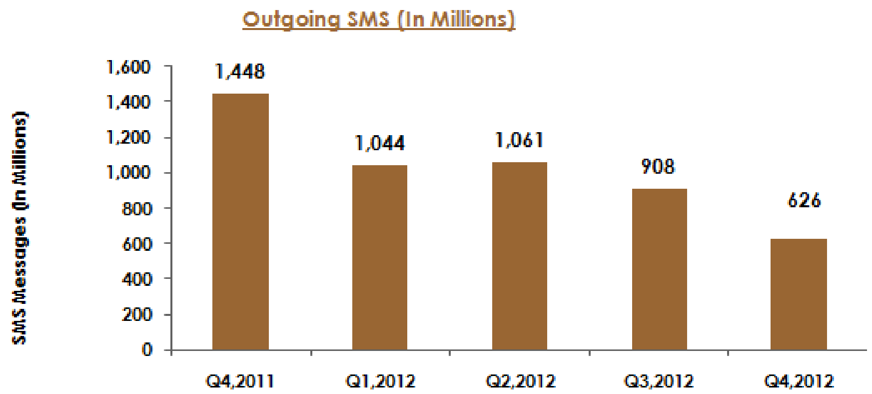
National Mobile Traffic – Originated (Minutes)

- The originated national mobile traffic increased to 1,717 million during the quarter from 1,664 million minutes. This has shown an increase of 3.2% compared to the previous quarter.



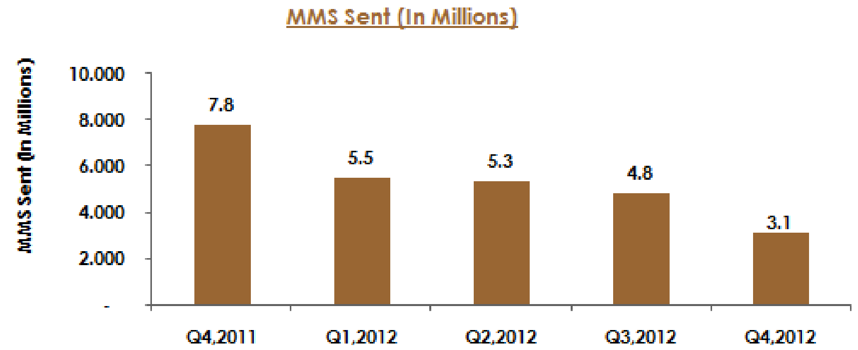
SMS Traffic – In Millions

- During the quarter, the total volume of Sent SMS messages decreased to 626 million from 908 million SMS which is 31.1% less compared to Q3, 2012.



MMS Traffic – In Millions

- The number of MMS dropped during the Q4 by 35.4%, achieving a total of 3.1 million.



Type Approval

Type Approval

During the 4th Quarter 2012, TRA :

- Approved a total number of 281(Previous Quarter 277) Telecom Equipments.
- Renewed 63 (Previous Quarter: 64) registrations of Telecom Dealers.
- Registered 79(Previous Quarter: 96) new dealers.
- Issued 385(Previous Quarter: 313) Releases to Customs for Imported Telecom equipments.
- Inspected 22(Previous month 32) Violations (Breakdown by Type indicated in the graph).