سلطنة عُمان
Sultanate of Oman

هيئة تنظيم الاتصالات
Telecommunications Regulatory Authority

Quarterly Report on Telecom Sector Indicators

Q4, 2015

Competition and Tariffs Unit

Table of Content

➢ Introduction

It is our pleasure to present Q4 2015 Report for the Indicators of Telecom Sector of Oman. The TRA has been compiling and publishing this information on quarterly basis to provide market intelligence on Telecom Sector to all interested parties including the investors, consumers, and the licensees. The Quarterly reports provide a brief update on the status of major telecom services in the Sultanate of Oman. These reports cover voice and data services for both fixed and mobile segments.

The quarterly reports are being compiled collecting data from the telecom service providers operating in Oman. The TRA would like to acknowledge and appreciate the service providers for their cooperation and support for providing statistics to TRA, which helped in preparing and disseminating this information. The source data is sometimes delayed by the licensees, which ultimately cause delays in publishing the report. We hope the publication timing will improve in future with the cooperation of service providers.

Comments and suggestions from the users of these reports are welcome for improvement of the contents and structure of the reports.

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

➢ Disclaimer

The TRA tries its best to ensure accuracy of the information provided in this report. However, The users of any information contained in this report are advised to perform their own due-diligence to assess accuracy and relevance of the information and use it at their own risk and responsibility. Since the data is provided by the licensees, the TRA cannot assume responsibility for any loss, damage, and cost or expense whether direct, indirect, or consequential, sustained or suffered by any person using or relying on this information whether caused by reason of any inaccuracy, error, omission or misinterpretation.

Major Market Observations

Q4, 2015

- The total No. of population reached 4,316,539 inhabitants by December 2015, with 0.34% increase over September 2015.

- The total No. of households is 575,000 as per the NCSI estimation for yar 2015.

The penetration of different services stood at the following levels at the end of the Q4/2015:

- Fixed line 10.11% of inhabitants
- Mobile subscriptions 155% per inhabitants
- Fixed Internet 41.04% of households.

The Active Mobile Broadband Subscribers' Penetration reached 75.64% of inhabitants by the end of Q4/2015 with total active subscribers reaching 3,253,949.

The Blackberry Subscribers represent 1% of the total Mobile Subscribers base at the end of Q4/2015 as compared to 1.04% of total mobile subscribers as at the end of preceding quarter.

During the Q4/2015, the TRA received and approved:

- 8 Tariff Plans Revisions.
- 7 New tariff plans.
- 36 promotional tariff offers

TRA type approved 346 telecom equipments, renewed 66 registrations of telecom dealers and registered 85 new dealers. TRA Issued 461 releases to customs for importing telecom equipments.

TRA carried out 61 inspections of dealers to check compliance of TRA regulations.

Summary of Main Telecommunications Indicators

Q4, 2015

Indicator	Fixed Telephony Service *(other than Fixed Internet)*	Fixed Internet Service	Mobile Service
Subscribers	434,932	236,005	6,646,674
Penetration rate	75.64% of household	41.04% of household	154% of inhabitant
Revenue (Mln.RO)	52.221	22.209	155.041
International Outgoing Voice Minutes, (million)	7.513	NA	269.591
ARPU, (RO)	5.10	31.37	7.78
Service Providers	Omantel, Ooredoo, Teo	Omantel, Ooredoo	Oman Mobile, Ooredoo, Friendi, Renna, Teo

***The Fixed ARPU is based on revenue for the fixed telephone lines (post-paid and prepaid).**

- **Note: The Q4/2015 penetration rates are calculated based on the population (4,316,539), as per the latest bulletin published by NCSI – December 2015.**
- **Households: 575,000 (as per the NCSI estimation for year 2015).**

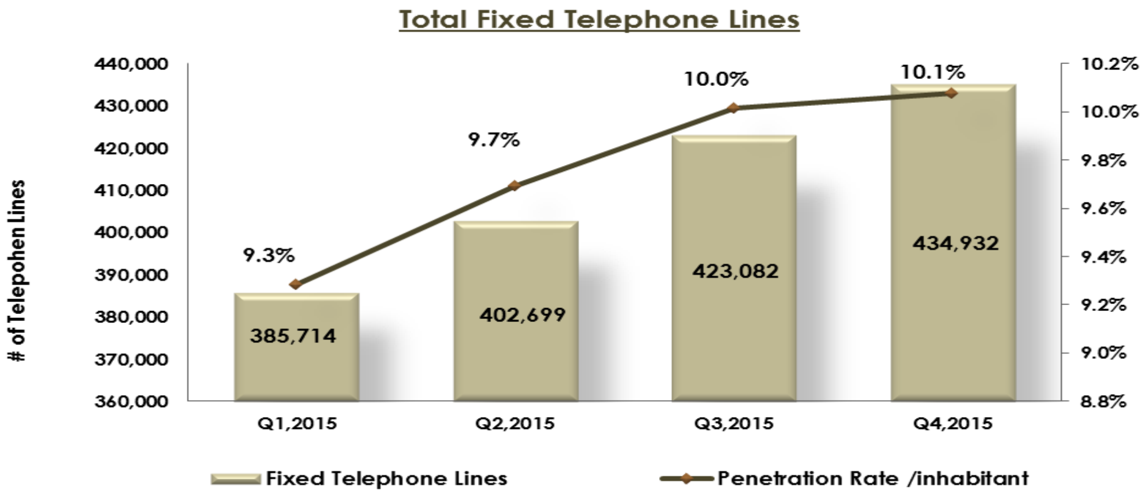
	Q4/2015	Q3/2015	% Change
Population	4,316,539	4,301,825	0.34%
Households	575,000*	575,000	-

- **Household is NCSI estimation for the year 2015.**

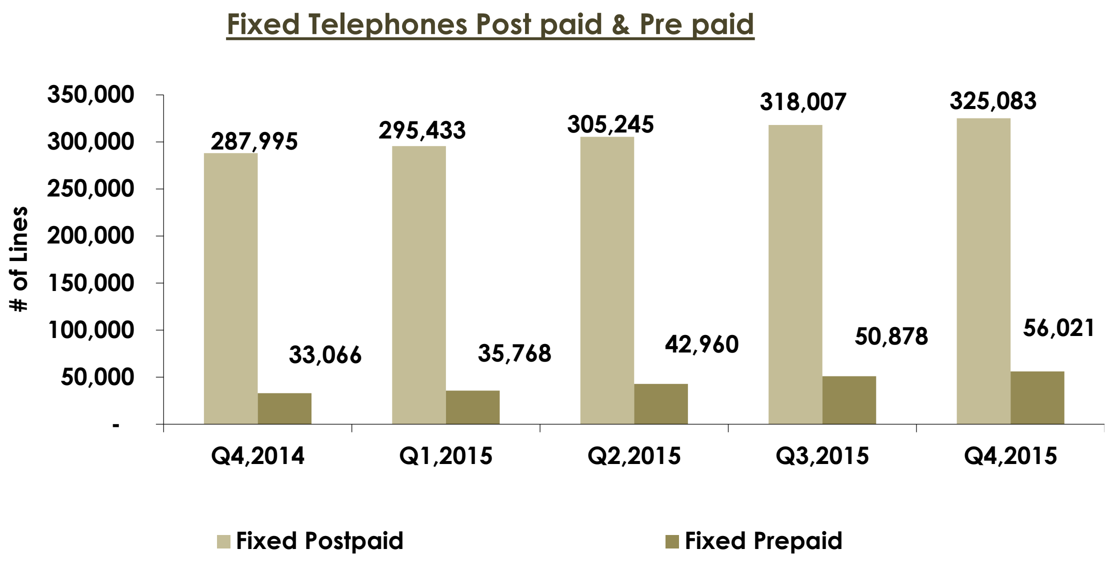
Fixed Telephone Service

Type of Service	Q4/2015	Q3/2015	% Change
1. Fixed Telephone Lines:			
1.1 Post Paid*	325,083	318,007	**2.23%**
1.2 Pre-Paid*	56,021	50,878	**10.11%**
1.3 Public Telephone – Payphone	6,801	6,801	**0.00%**
1.4 ISDN Equivalent Channels	45,256	45,622	**-0.80%**
1.5 WLL Connections	1,771	1,774	**-0.17%**
Total Fixed Telephone Lines in Operation (1.1-1.5)	**434,932**	**423,082**	**2.80%**
Fixed Line Penetration /100 Inhabitant	**10.11%**	**10.02%**	**0.09%**
Fixed Line Penetration /100 household	**75.64%**	**73.58%**	**2.06%**

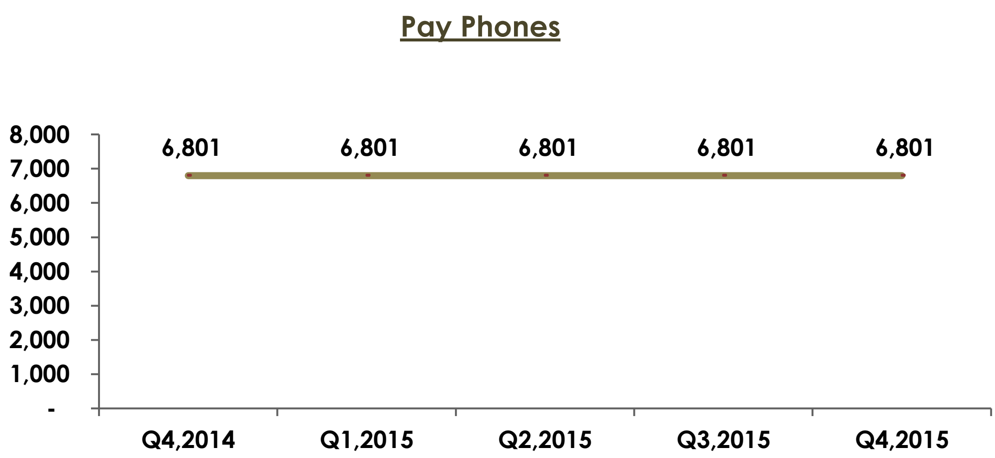
- **Note: The Q4/2015 penetration rates are calculated based on the population (4,316,539), as per the latest bulletin published by NCSI – December 2015.**
- **Households: 575,000 (as per the NCSI estimation for year 2015).**



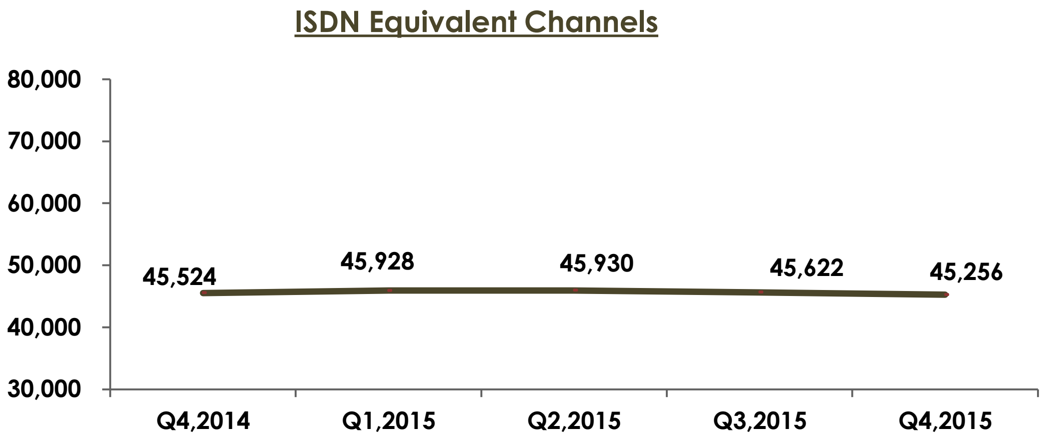
- Fourth Quarter 2015 achieved 434,932 fixed line subscribers with an increase of 11,850 lines as compared to the previous quarter (Q3/2015).
- The penetration rate per inhabitant of the fixed line subscribers increased from 10.02% to 10.11% by end of the fourth quarter, 2015.
- Similarly, the penetration rate per household increased by 0.09% during the fourth quarter from 73.58% to 75.64%.



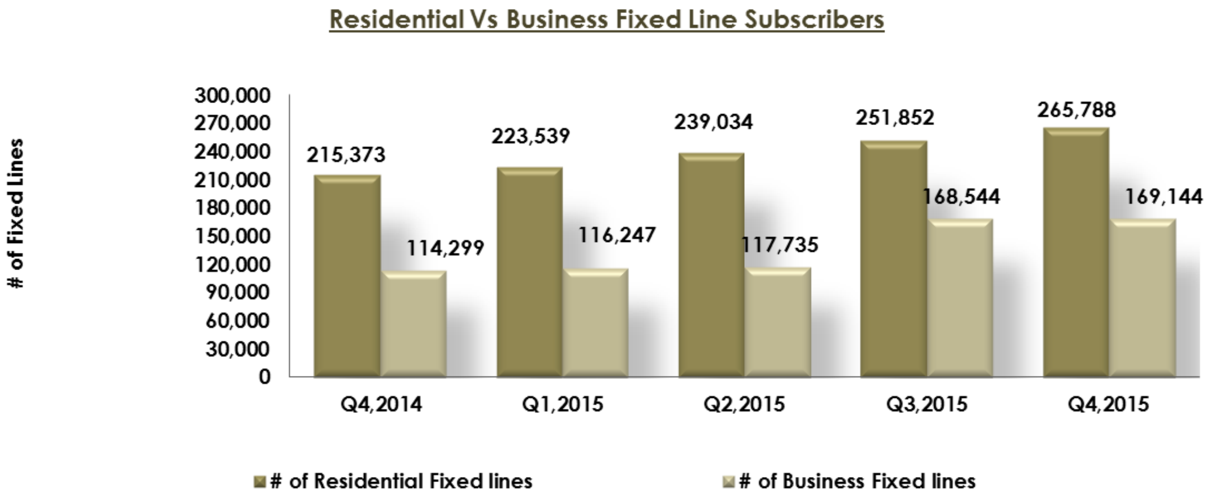
Both the fixed postpaid and pre-paid subscriptions grew during the fourth quarter 2015 by 2.22%, and 10.10% respectively.



Public payphones remained unchanged since last year with the total of 6,801 pay phones in service.



During the fourth quarter 2015, the ISDN equivalent channels declined by 0.80% reaching 45,256 channels.



Both residential fixed line subscribers and business subscribers grew by 0.36% and 5.5% respectively during the fourth quarter 2015.

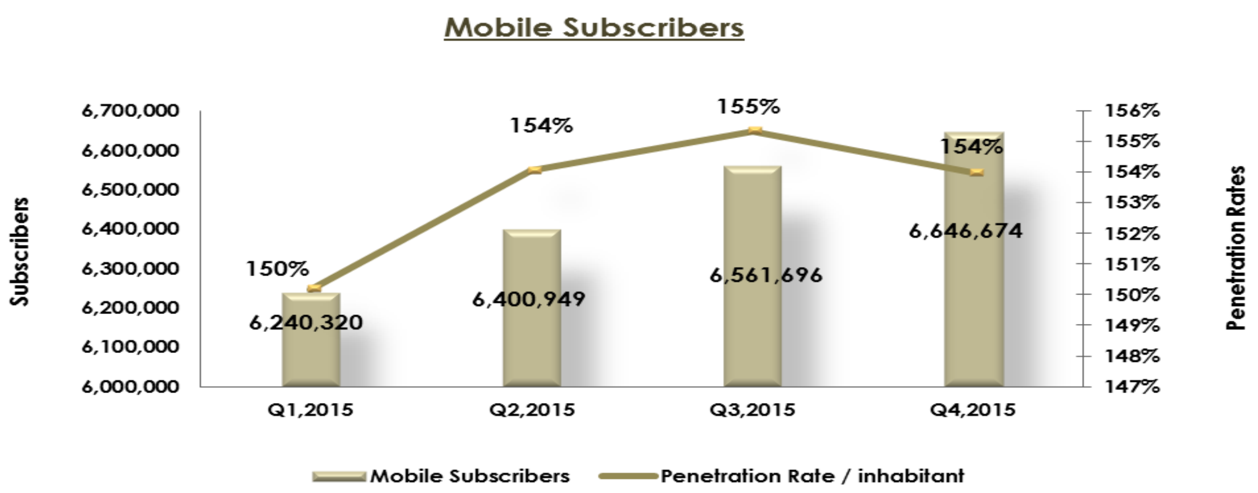
The split between fixed residential and business lines stood at 61.1% and 38.9% respectively in Q4/2015.

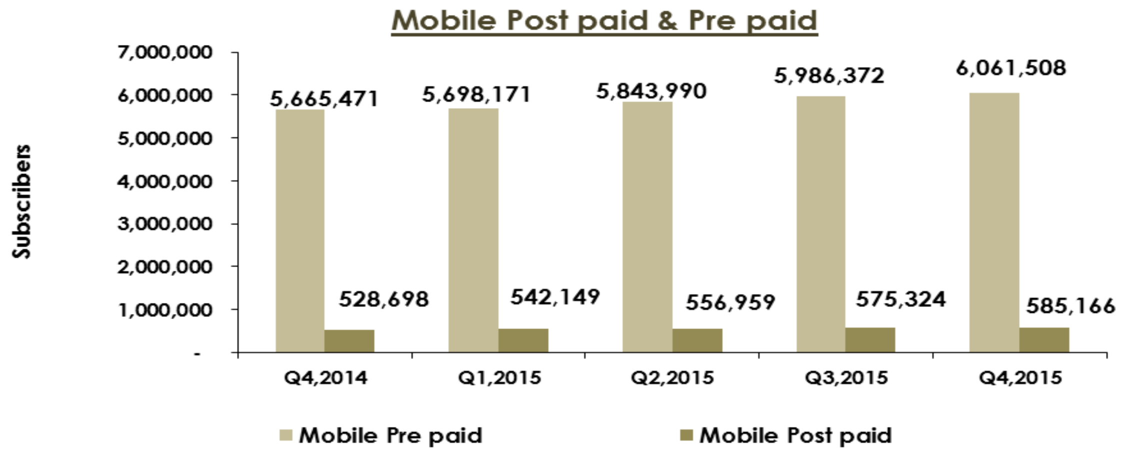
Mobile Service

2. Mobile Subscribers	Q4, 2015	Q3, 2015	% change
2.1 Post Paid			
2.1.1 Operators	585,166	575,324	**1.71%**
Total Postpaid Subscribers	**585,166**	**575,324**	**1.71%**
2.2 Pre-Paid			
2.2.1 Operators	5,036,378	5,046,079	**-0.19%**
2.2.2 Resellers	1,025,130	940,293	**9.02%**
Total Prepaid Subscribers	**6,061,508**	**5,986,372**	**1.26%**
Total Mobile Subscribers: (2.1+2.2)	**6,646,674**	**6,561,696**	**1.29%**
Mobile Penetration/100 Inhabitant	**154.0%**	**155.3 %**	**1.3%**
BlackBerry Subscriptions:			
3.1 Post Paid	5,446	5,921	**-8.02%**
3.2 Pre-Paid	48,167	56,507	**-14.76%**
Total BlackBerry Subscribers (3.1+3.2)	**53,613**	**62,428**	**-14.12%**
% of BlackBerry Mobile Subscribers of total Base in Oman	**0.8%**	**1%**	**0.04%**

- **Note: The Q4/2015 penetration rates are calculated based on the population (4,316,539), as per the latest bulletin published by NCSI – December 2015.**

- The mobile subscribers grew slightly by 1.29% during the fourth quarter 2015 achieving a total of 6,646,674 subscribers.
- The mobile penetration decreased from 155.3% to 154 % in comparison to the Q3/2015 due to the gradual high growth of population than the subscribers' base.

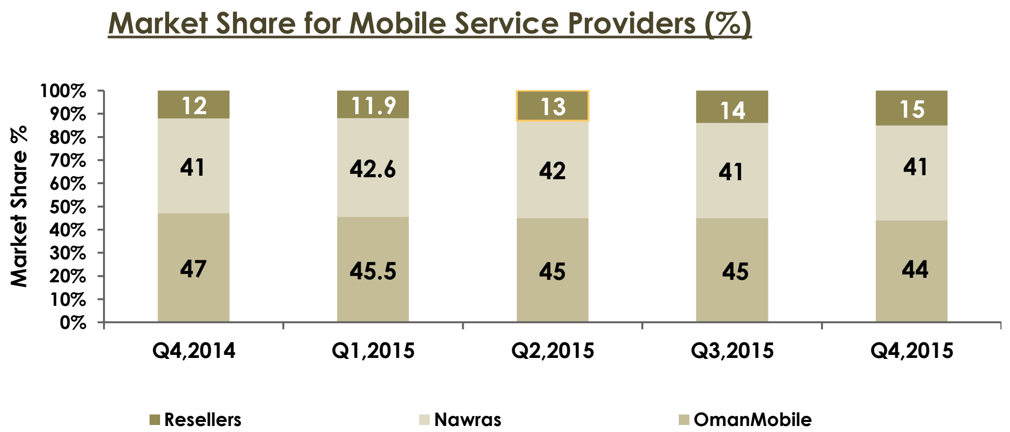




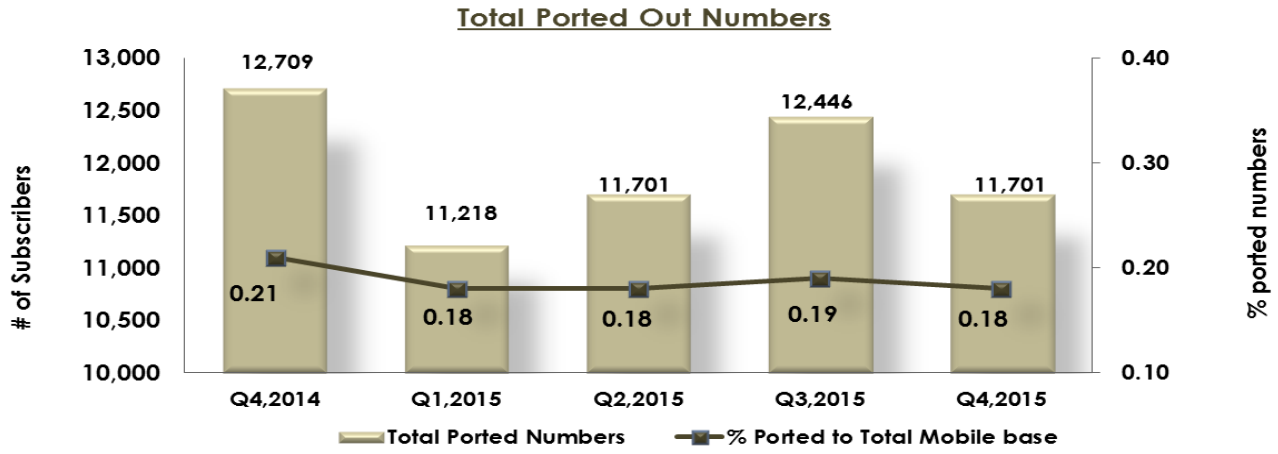
➢ Both the mobile postpaid and prepaid subscribers grew steadily during this quarter.

➢ Post-paid mobile subscribers reached 585,166 with 1.71% growth over the previous quarter.

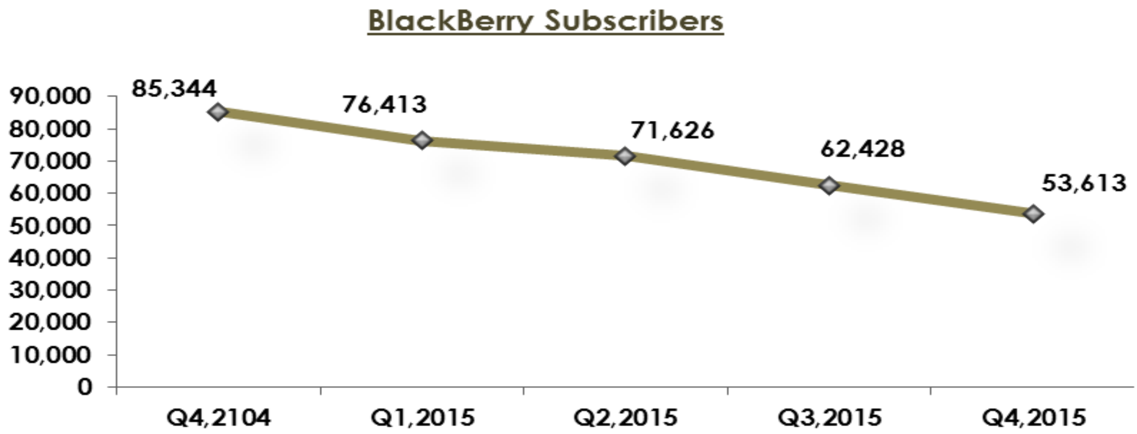
➢ Prepaid mobile subscribers got addition of 1.25% reaching to 6,061,508 subscribers.



➢ Omantel mobile keeps the highest market share of 44% during the fourth quarter 2015, while Ooredoo keeps 41% market shares. The Resellers attained 15% market share by end of the reported quarter.



- The mobile ported out numbers during the fourth quarter were 11,701, which was 0.18% of the total mobile subscriber's base.



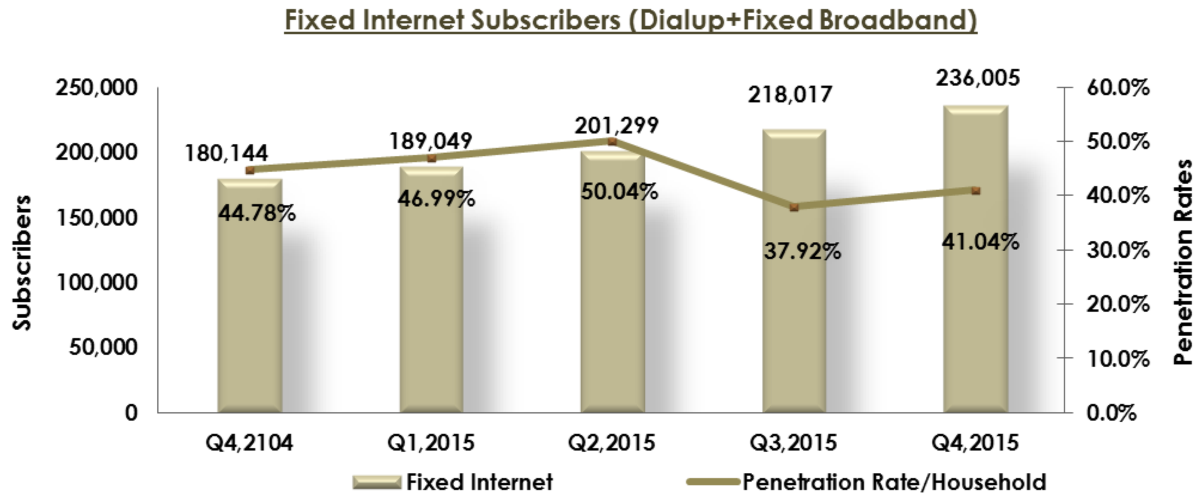
- By end of fourth quarter 2015, the blackberry subscribers reached 53,613 with 14.12% drop in comparison with the third quarter 2015.

- Blackberry subscribers represent 0.8% of the total mobile subscribers as compared to the previous quarter when it was 1.04%.

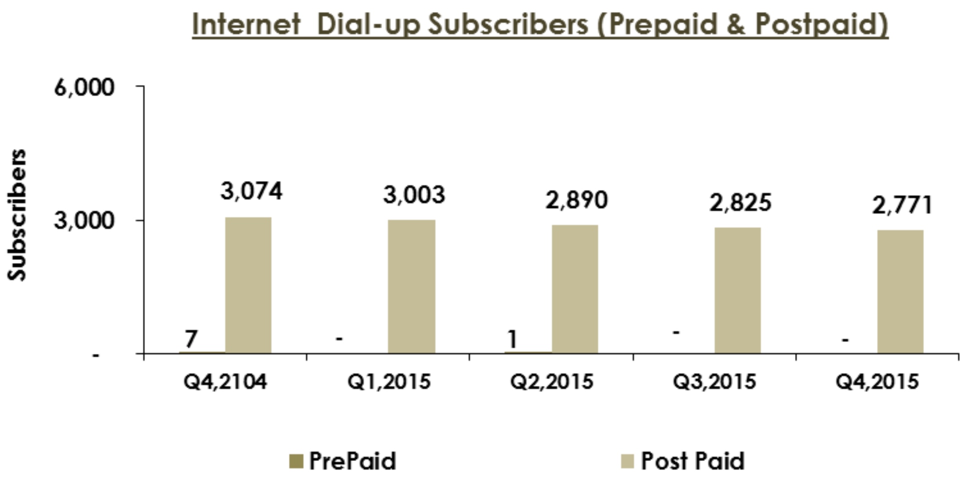
Internet Services

Type of Service		Q4,2015	Q3,2015	% change
Dial Up Subscribers				
	1.1 Post Paid	2,771	2,825	**-1.91%**
	1.2 Pre-Paid	0	0	**0%**
1.	**Total Dial-Up Subscribers: (1.1+1.2)**	**2,771**	**2,825**	**-1.91%**
Fixed Broadband Subscribers				
2.	**Total Fixed Broadband Subscribers***	**233,234**	**215,192**	**8.38%**
	Total Fixed Internet Subscribers (1+2)	**236,005**	**218,017**	**8.25%**
	Fixed Internet Penetration /100 Household	**41.04%**	**37.92%**	**3.22%**
	Fixed Broadband Subscribers Penetration/100 Household	**40.56%**	**37.42%**	**3.14%**
3. Active Mobile Broadband Subscribers				
	3.1 Dedicated mobile-broadband Subscribers	2,181,072	2,134,286	**2.19%**
	3.2 Standard mobile-broadband Subscribers	1,072,877	985,120	**8.91%**
	Total Active Mobile Broadband Subscribers (3.1+3.2)	**3,253,949**	**3,119,406**	**4.31%**
	Active Mobile Broadband Penetration Rate /100 Inhabitant	**75%**	**73.85%**	**1.79%**

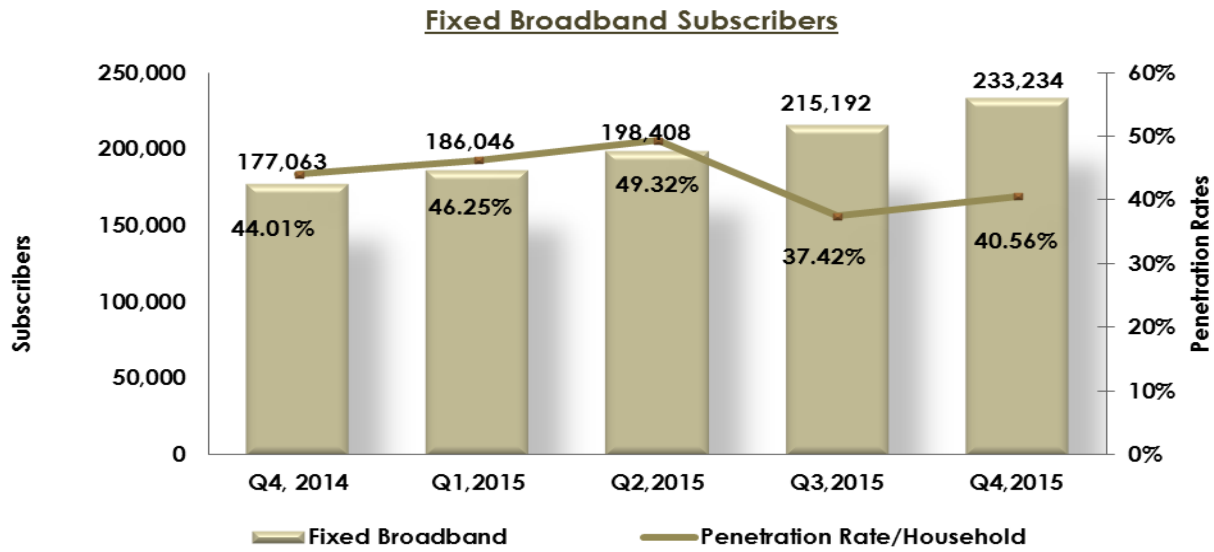
- **Note: The Q4/2015 penetration rates are calculated based on the population (4,316,539), as per the latest bulletin published by NCSI – December 2015.**
- **Households: 575,000 (as per the NCSI estimation for year 2015).**



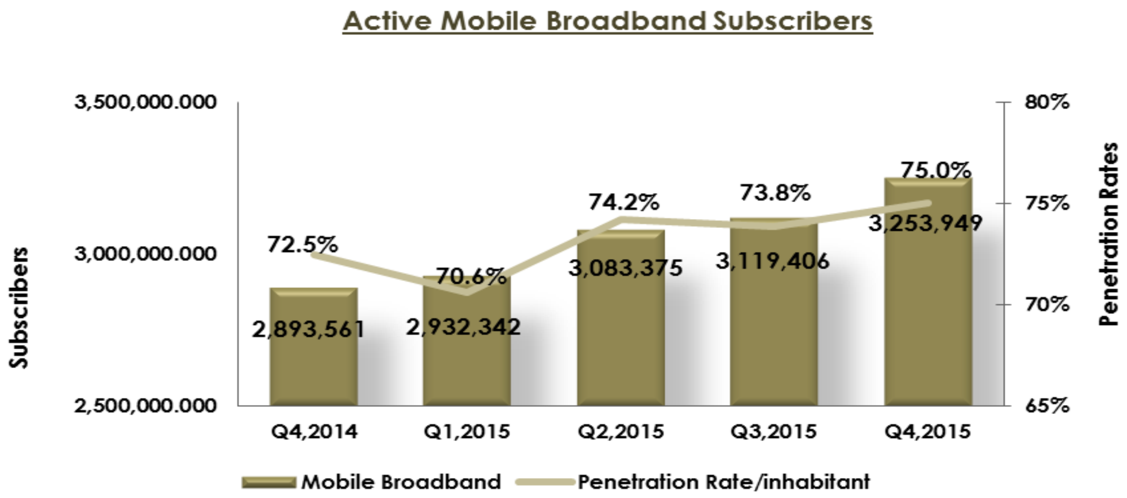
- The fixed internet subscribers were added up by 17,988 subscribers during the fourth quarter 2015 reaching a total of 236,005 subscribers. This showed 8.25% growth over the previous quarter.
- During the reported quarter, the fixed internet penetration rate per household reached 41.04% which is 3.12% higher than the previous quarter.



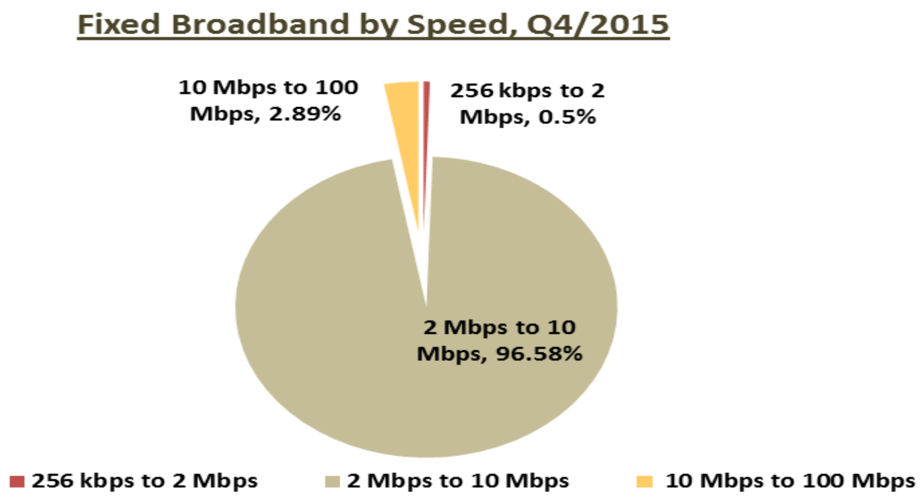
- Since the last year, dial up postpaid internet subscribers have been continuously shrinking reaching to 2,771 subscribers by end of Q4, 2015.
- During fourth Quarter 2015, there was no internet prepaid subscriber.



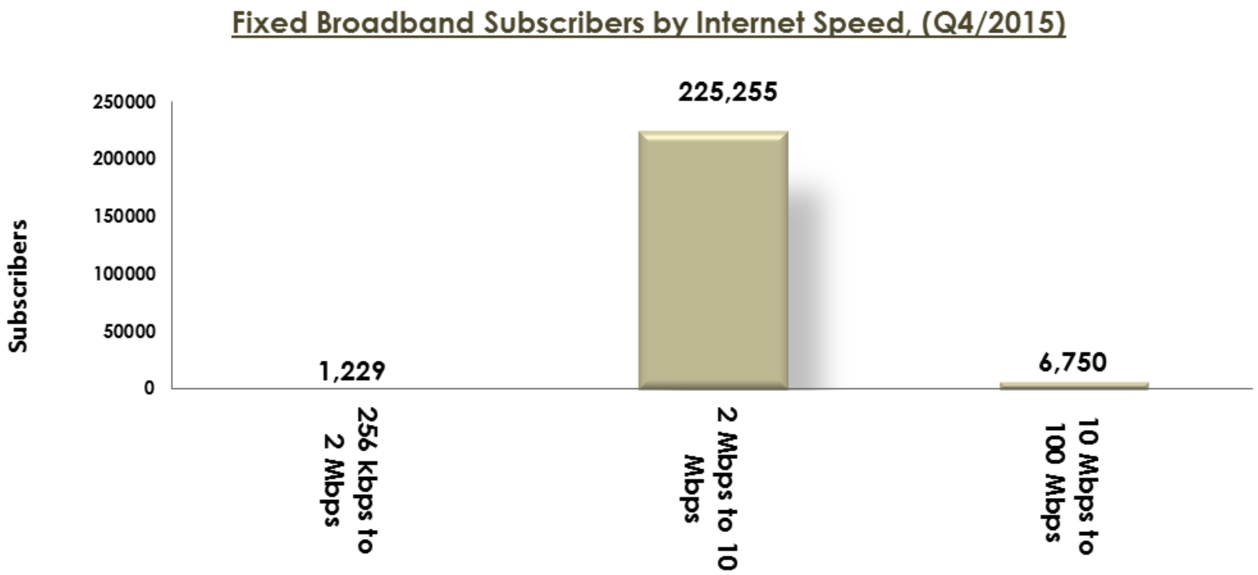
- During the fourth quarter 2015, fixed broadband segment has experienced 8.38% growth over the previous quarter. Fixed Broadband subscription reached 233,234 subscribers with penetration rate of 40.56% per household.

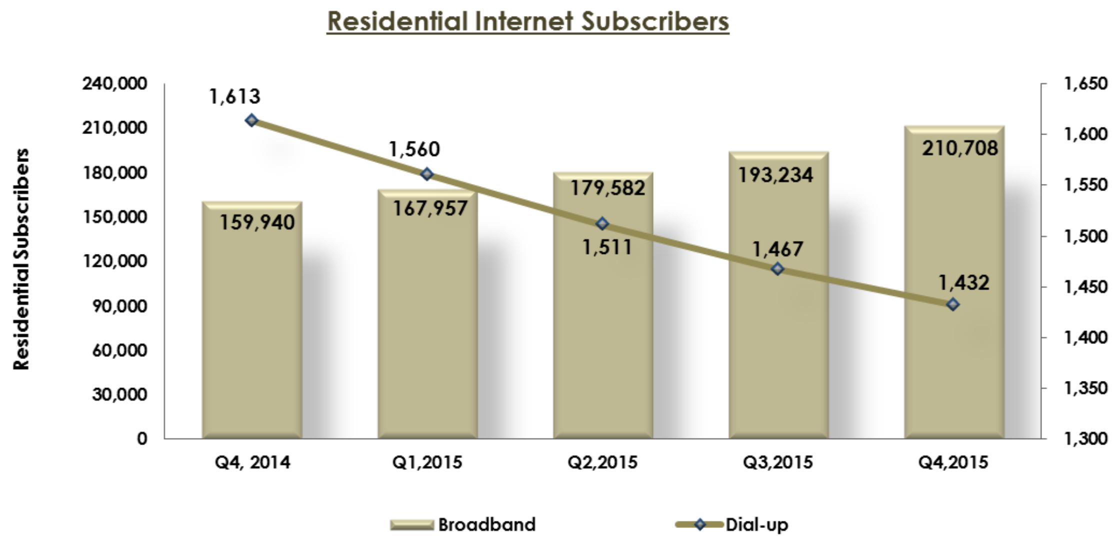


- During the fourth quarter 2015, total active mobile broadband subscribers rose by 4.31% to 3,253,949 from 3,119,406. Also, the penetration rate increased by 1.79% from 73.85% to 75.4% per inhabitant, which is not proportionate due to revision of the population data as updated by NCSI in November 2015 Statistical Bulletin.



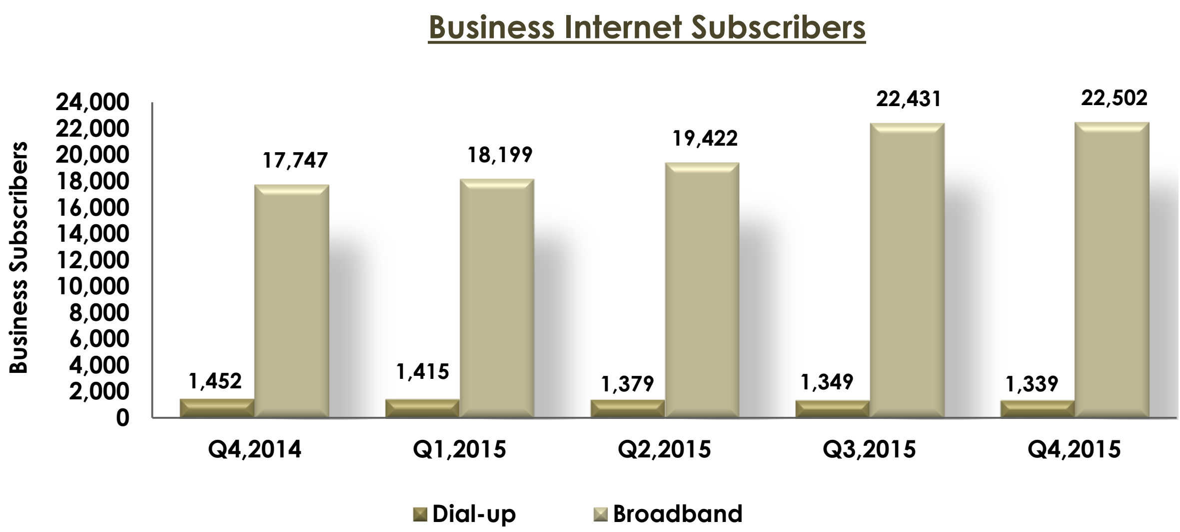
- 0.5% of fixed Broadband subscribers during Q4, 2015 had access speed of 256 Kbps to 2 Mbps.
- 96.58% of fixed Broadband subscribers during Q4, 2015 had access speed of 2 Mbps to 10 Mbps.
- 2.89% of fixed Broadband subscribers during Q4, 2015 had access speed of 10 Mbps to 100 Mbps.

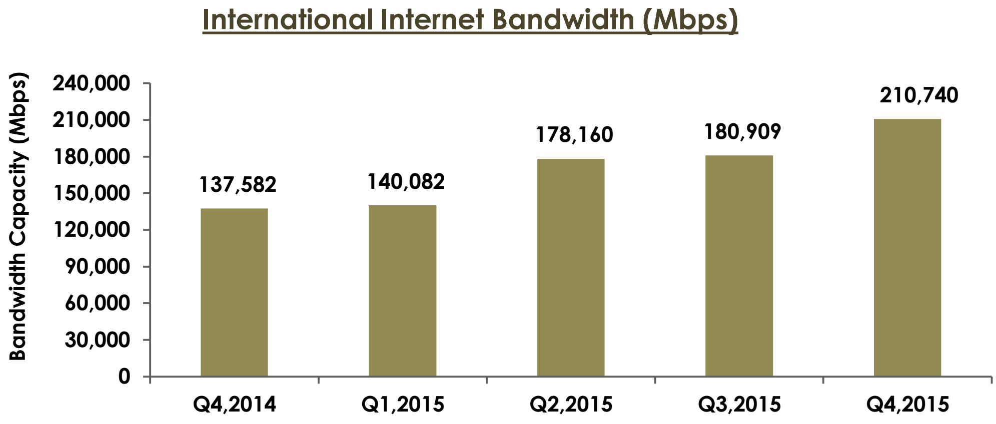




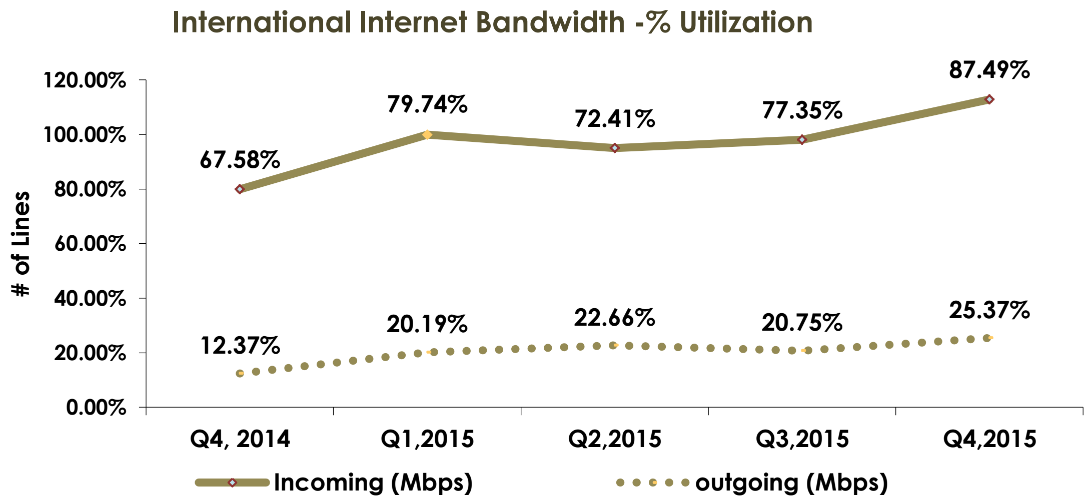
- The residential broadband subscribers in the above chart registered a decline of 9.04% during the fourth quarter 2015, on the other hand the residential dial up subscribers dropped by 2.4% over the third quarter 2015.

- The below chart presents an increase of 0.32% in the business broadband segment, while 0.74% drop in the dial up internet subscribers.



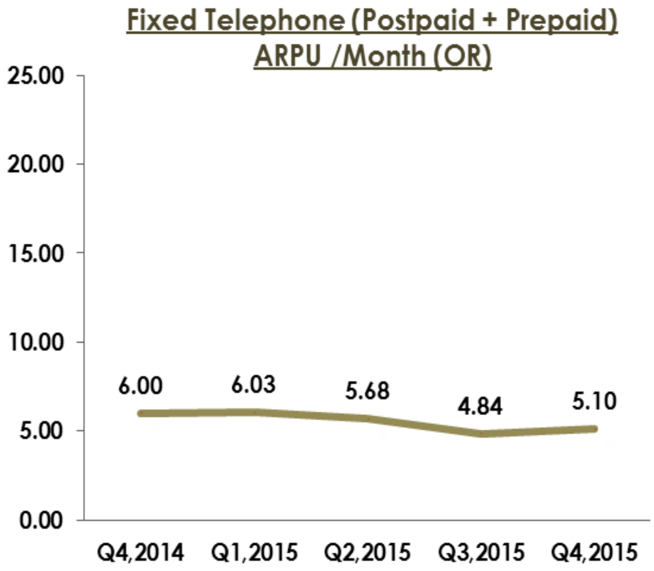


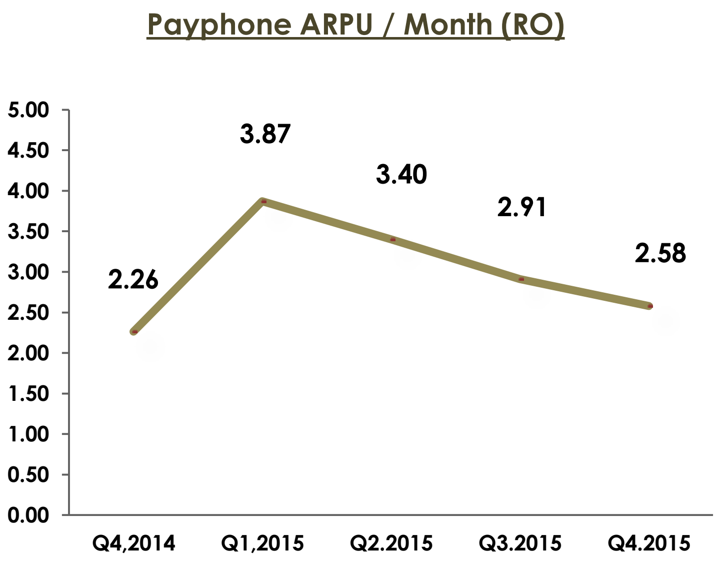
➢ During the fourth quarter 2015 the operators had 210,740 Mbps capacity for international internet bandwidth as compared to the previous quarter when it was 180,909 Mbps.

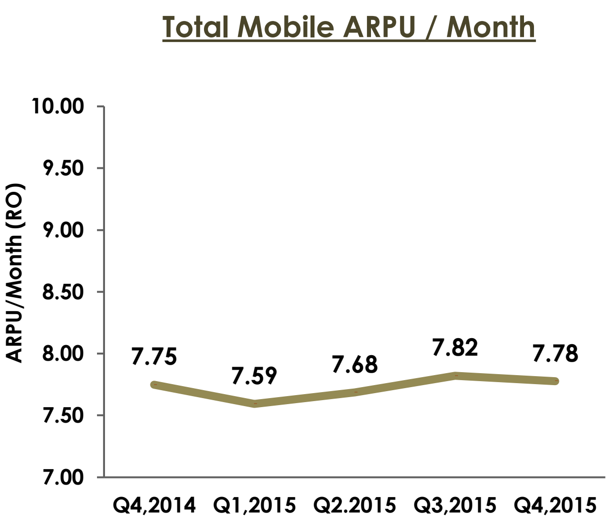


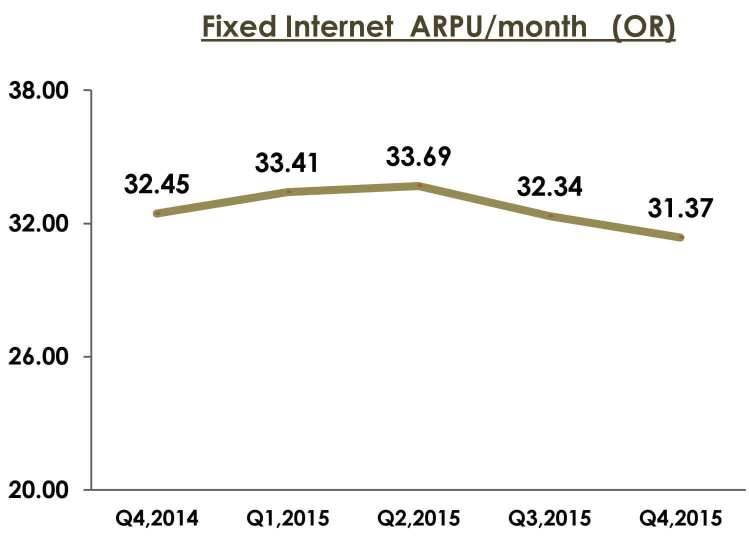
➢ Out of 210,740 Mbps capacity, on average 25.37% was utilized for the outgoing and 87.49% for the incoming traffic.

ARPUs









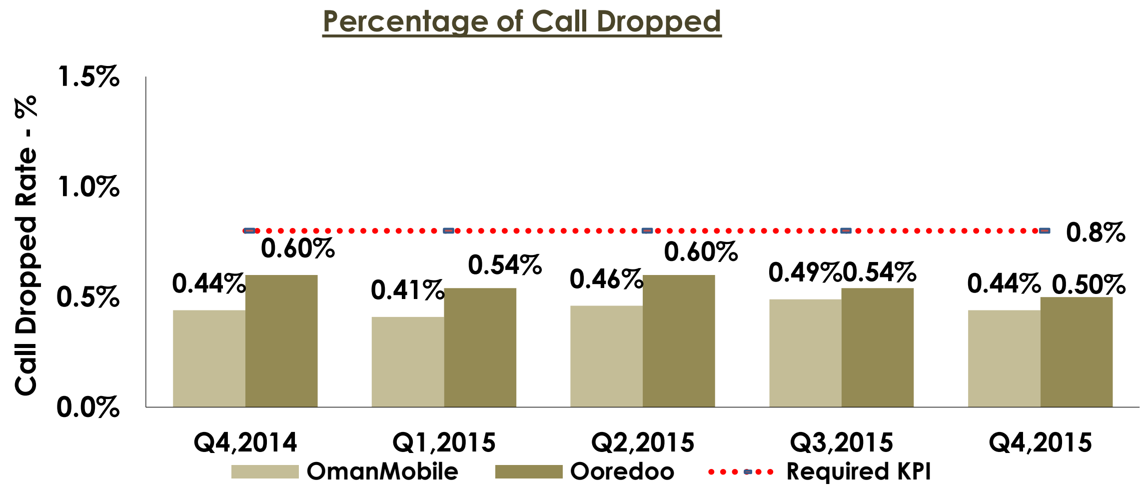
Note: (Calculation of the ARPUs is to divide the total revenue of a service on number of subscribers of that service divide by 3).

Quality of Service

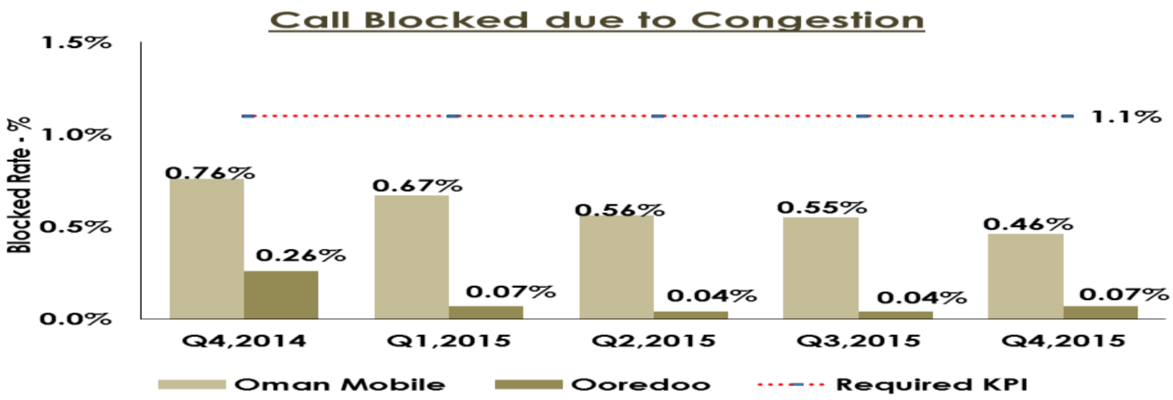
Mobile Services KPIs*

Mobile Services KPIs	Required KPI (Quarterly)	Q4/2015		Q3/2015	
		Oman Mobile %	Ooredoo %	Oman Mobile %	Ooredoo %
1. Percentage of Calls Dropped	Less than 0.8%	0.44	0.50	0.49	0.54
2. Percentage of Calls Blocked due to Congestion	Less than 1.1%	0.46	0.07	0.55	0.04
3. Percentage of billing complaints resolved within 20 working days	More than 96%	100	100	100	100

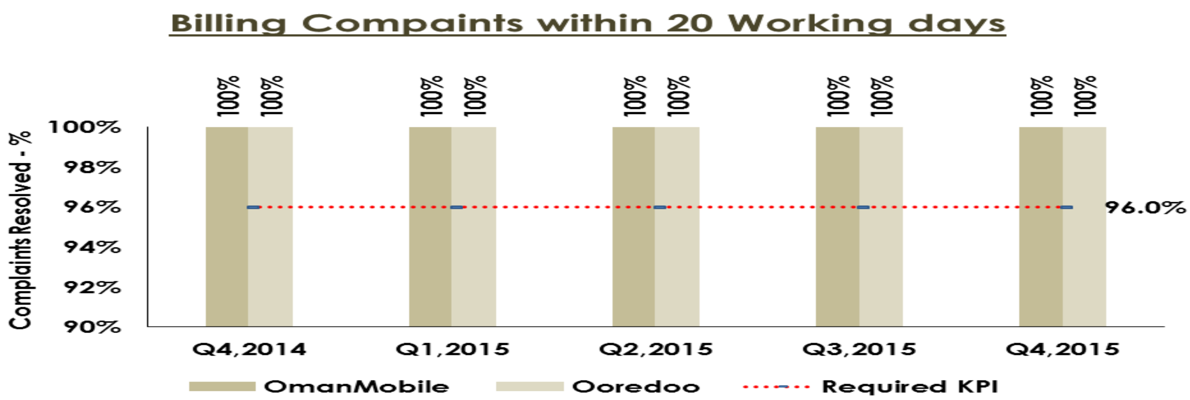
*(QoS indicators are as measured and reported by the operators, not audited or verified figures by TRA)



Percentage of Call Dropped
Call Dropped Rate - %
1.5%
1.0%
0.5%
0.0%
0.8%
0.44%
0.60%
0.41%
0.54%
0.46%
0.60%
0.49%
0.54%
0.44%
0.50%
Q4,2014
Q1,2015
Q2,2015
Q3,2015
Q4,2015
OmanMobile
Ooredoo
Required KPI



Call Blocked due to Congestion
Blocked Rate - %
1.5%
1.0%
0.5%
0.0%
1.1%
0.76%
0.26%
0.67%
0.07%
0.56%
0.04%
0.55%
0.04%
0.46%
0.07%
Q4,2014
Q1,2015
Q2,2015
Q3,2015
Q4,2015
Oman Mobile
Ooredoo
Required KPI

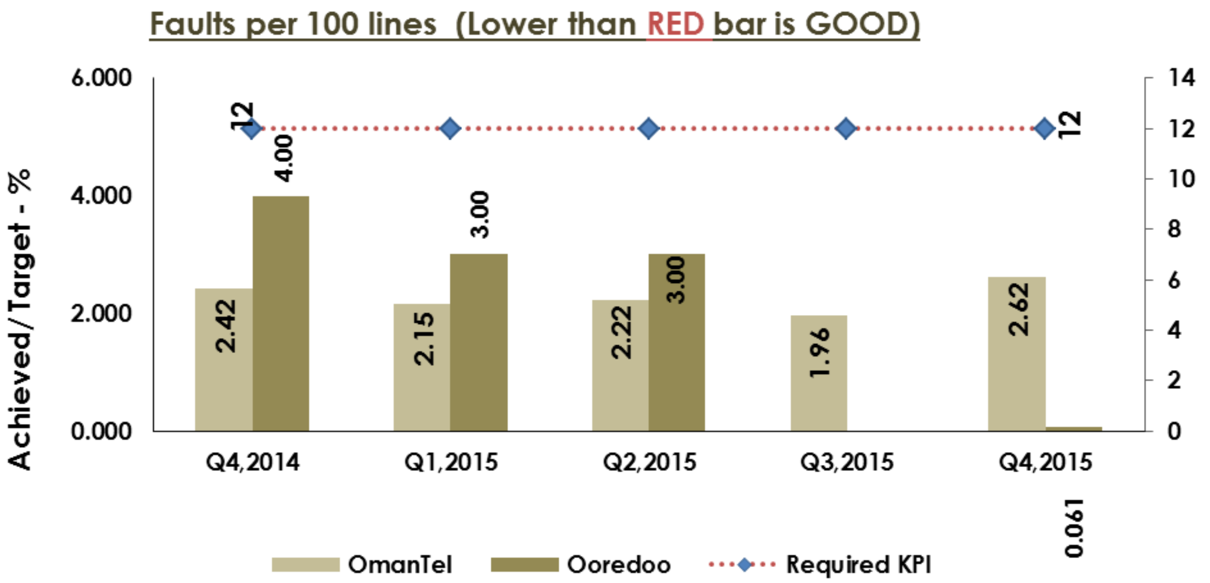


Billing Compaints within 20 Working days
Complaints Resolved - %
100%
98%
96%
94%
92%
90%
100%
100%
100%
100%
100%
100%
100%
100%
100%
100%
96.0%
Q4,2014
Q1,2015
Q2,2015
Q3,2015
Q4,2015
OmanMobile
Ooredoo
Required KPI

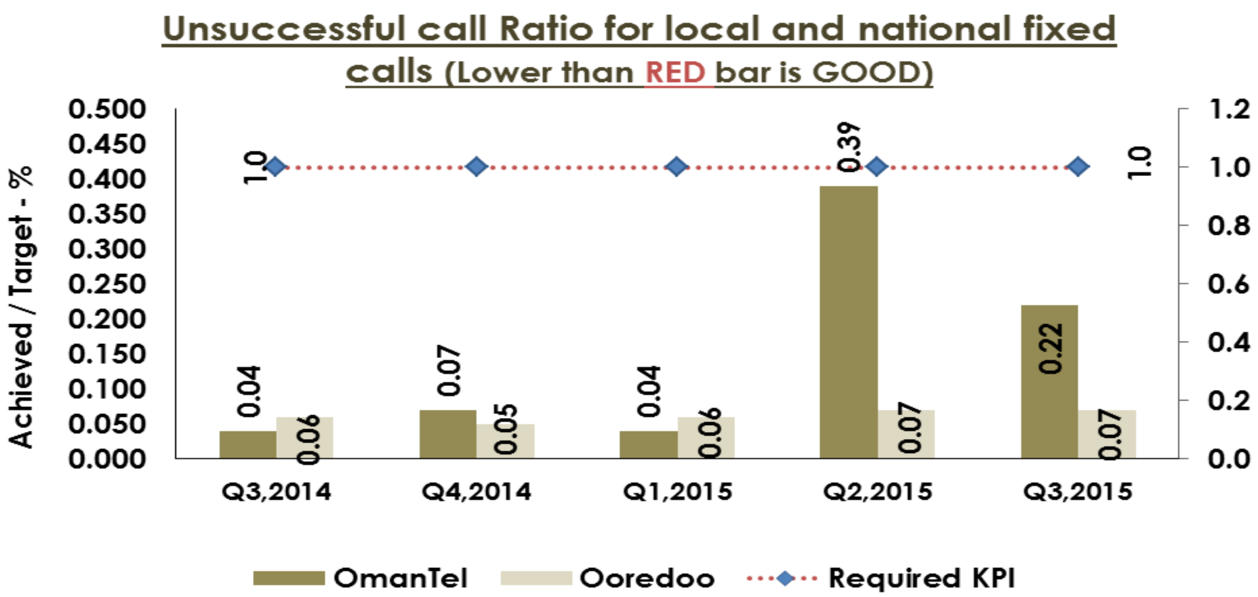
Fixed Services KPIs*

Fixed Services KPIs	Required KPI (Quarterly)	Q4/2015		Q3/2015	
		Omantel	Ooredoo	Omantel	Ooredoo
1. Faults per 100 lines per quarter	Less than 3	2.62	0.061	1.96	0
2. % of faults to be cleared within 24 hours	More than 90%	96.82	99.02	95.55	96.82
3. Unsuccessful call Ratio for local and national fixed calls	Less than 1%	0.07	0.13	0.22	0.07
4. Percentage of Orders for access lines in the served areas completed within 10 days	More than 90%	96.73	99.76	95.97	99.17
5. Billing complaints per 1000 Bills	Less than 1.5	0.67	0.127	1.17	0.90
6. Percentage of billing complaints resolved within 20 working day	More than 96%	100	100	100	100

*(QoS indicators are as measured and reported by the operators, not audited or verified figures by TRA)

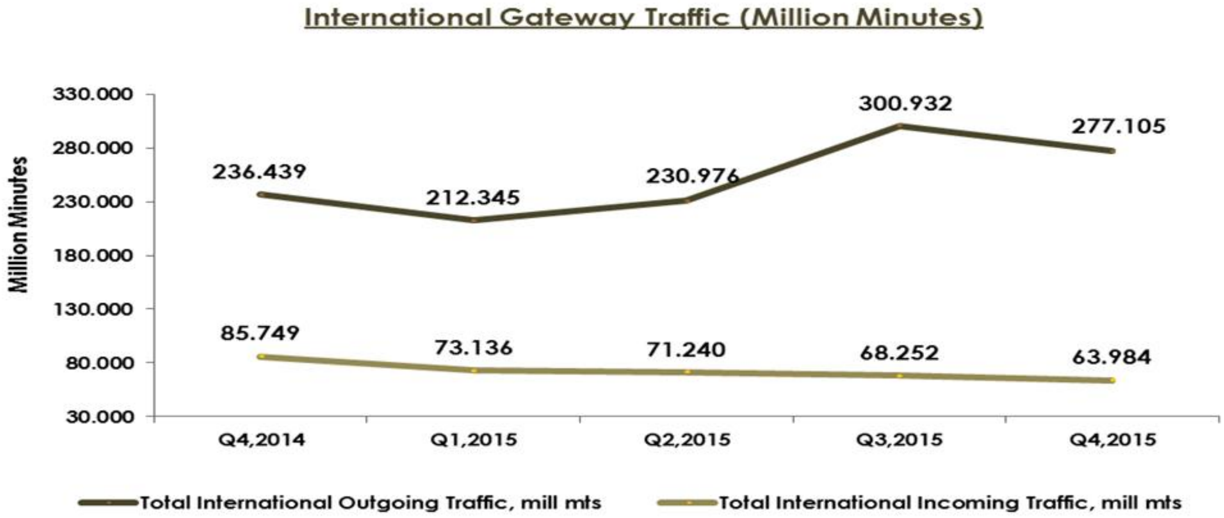


Faults per 100 lines (Lower than RED bar is GOOD)
Achieved/Target - %
6.000
4.000
2.000
0.000
14
12
10
8
6
4
2
0
12
4.00
3.00
2.42
2.15
2.22
3.00
1.96
2.62
12
Q4,2014
Q1,2015
Q2,2015
Q3,2015
Q4,2015
0.061
OmanTel
Ooredoo
Required KPI

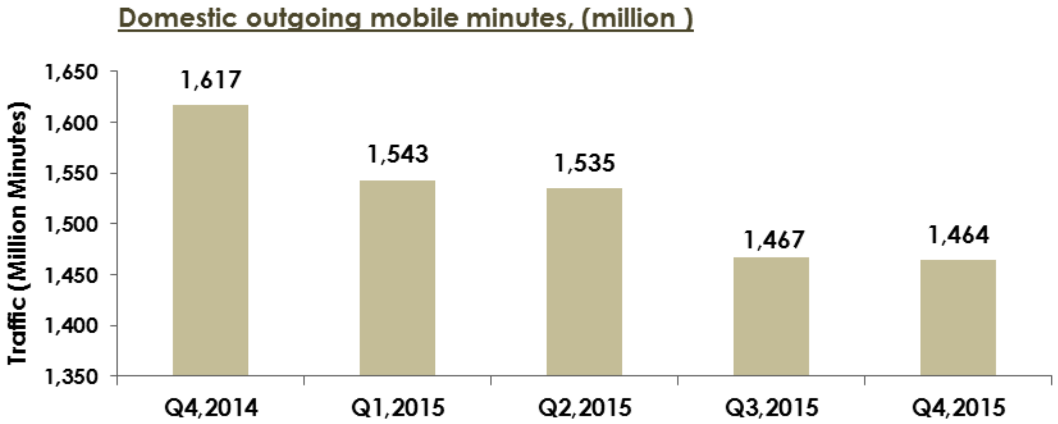


Unsuccessful call Ratio for local and national fixed calls (Lower than RED bar is GOOD)
Achieved / Target - %
0.500
0.450
0.400
0.350
0.300
0.250
0.200
0.150
0.100
0.050
0.000
1.2
1.0
0.8
0.6
0.4
0.2
0.0
1.0
0.39
1.0
0.04
0.06
0.07
0.05
0.04
0.06
0.07
0.22
0.07
Q3,2014
Q4,2014
Q1,2015
Q2,2015
Q3,2015
OmanTel
Ooredoo
Required KPI

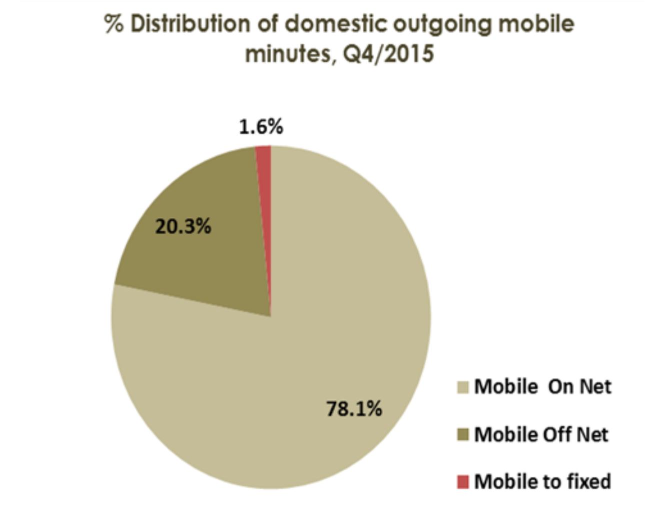
Traffic

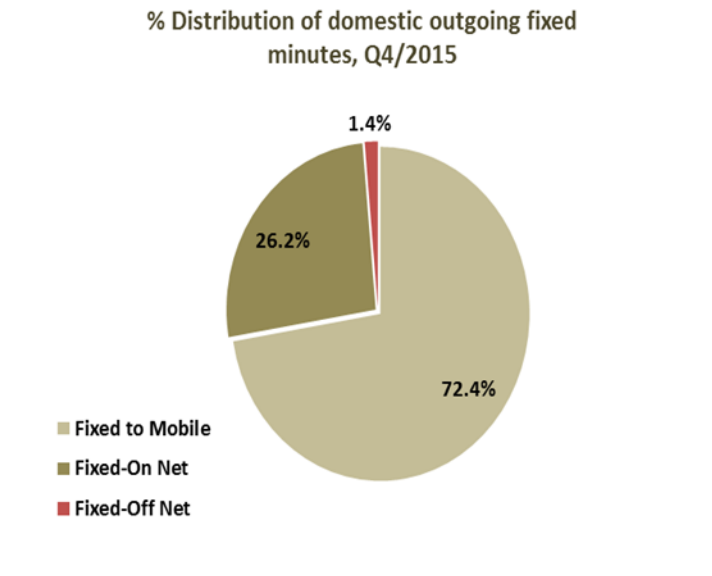


➢ The fourth quarter 2015 experienced decline in the international traffic. The international outgoing traffic decreased by 7.91%%, similarly the incoming traffic declined by 6.25% during fourth quarter.



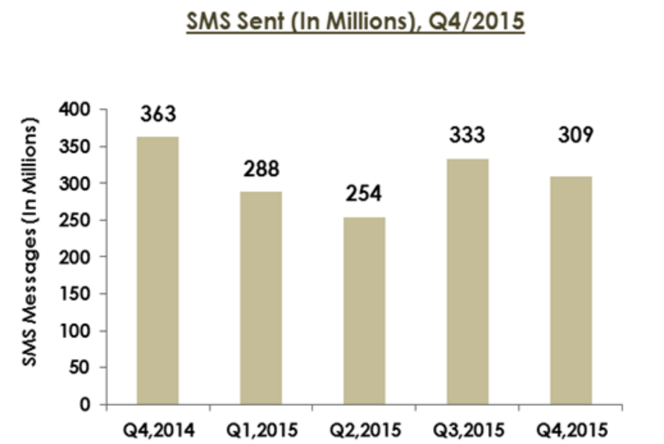
➢ During the fourth quarter 2015, the domestic outgoing mobile declined by 0.20% to 1,464 million minutes from the 1,467 million minutes.

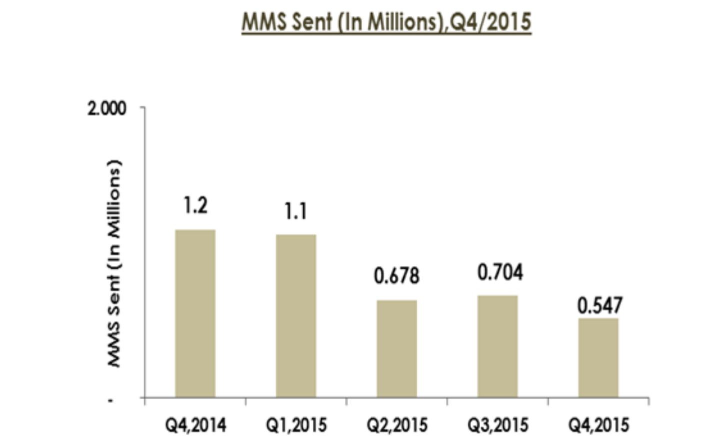




- By the end of the fourth quarter 2015, mobile to mobile (On net) traffic has the major share of the 78.1% out of the total domestic outgoing traffic. While the Off net mobile domestic traffic has 20.3%, and mobile to fixed represents1.6% of the mobile domestic traffic.

- During the fourth quarter 2015, the domestic outgoing fixed traffic achieved 72.4% share for fixed to mobile, 26.2% for fixed to fixed (On-net), and 1.4% for fixed to fixed (Off-net) traffic.





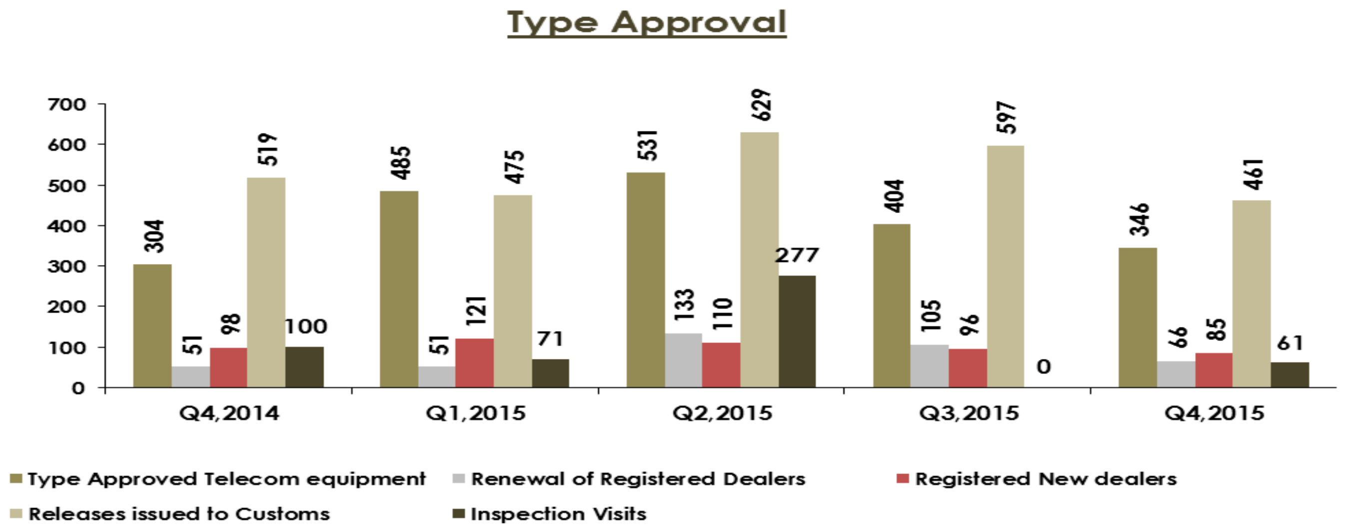
- Total outgoing SMS decreased to reach 309 million messages by the fourth quarter from 333 million messages in the fourth quarter, 2015.

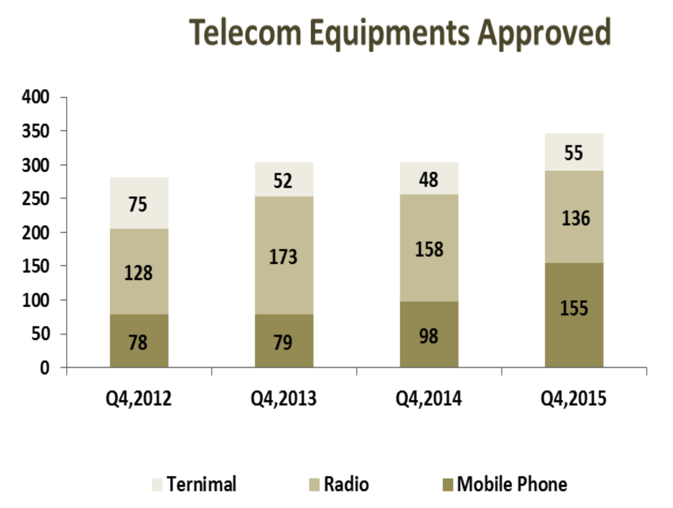
- The number of outgoing MMS has been gradually decreasing since the last year. In fourth quarter, it decreased from 0.704 to 0.547 million messages.

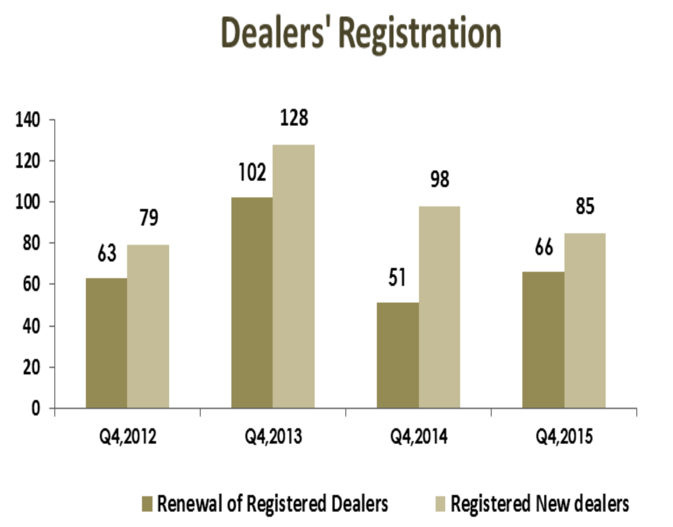
Type Approval

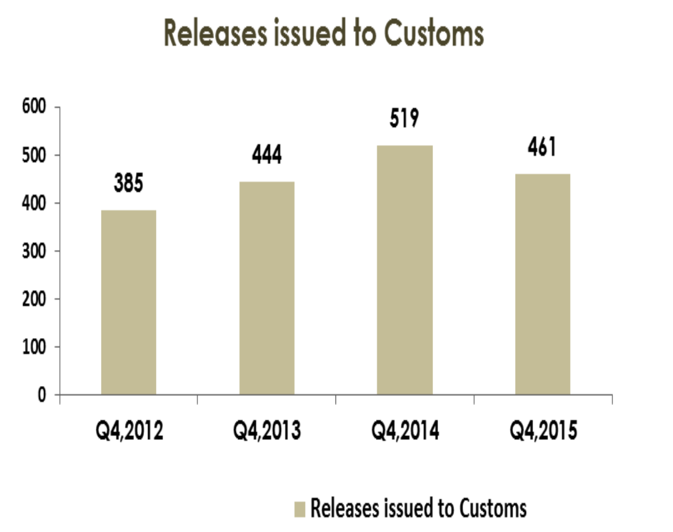
During the fourth Quarter 2015 , TRA :

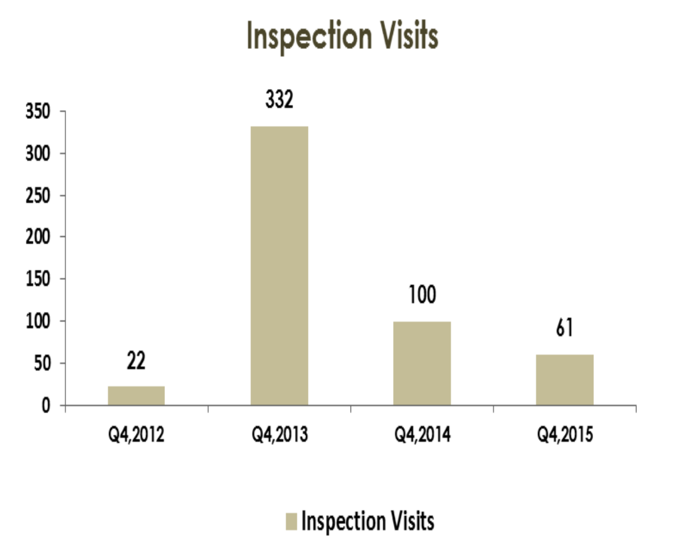
- Approved a total number of 346 (Previous Quarter 404) Telecom Equipment.
- Renewed 66 (Previous Quarter: 105) registrations of Telecom Dealers.
- Registered 85 (Previous Quarter: 96) new dealers.
- Issued 461 (Previous Quarter: 597) Releases to Customs for Import of Telecom equipment.
- Inspected 61 (Previous month zero) dealerships.




Telecom Equipments Approved
400
350
300
250
200
150
100
50
0
75
128
78
52
173
79
48
158
98
55
136
155
Q4,2012
Q4,2013
Q4,2014
Q4,2015
Ternimal
Radio
Mobile Phone


Dealers' Registration
140
120
100
80
60
40
20
0
63
79
102
128
51
98
66
85
Q4,2012
Q4,2013
Q4,2014
Q4,2015
Renewal of Registered Dealers
Registered New dealers


Releases issued to Customs
600
500
400
300
200
100
0
385
444
519
461
Q4,2012
Q4,2013
Q4,2014
Q4,2015
Releases issued to Customs


Inspection Visits
350
300
250
200
150
100
50
0
22
332
100
61
Q4,2012
Q4,2013
Q4,2014
Q4,2015
Inspection Visits

Tariffs & Promotions

Number of Promotions approved Q4 2015										
Licensee	Voice		Voice	Data		New		International	Bundled Services	Total
	Mobile	Fixed	International	Mobile	Fixed	Mobile	Fixed	Mobile	and Vaue Added	
Renna	1		4			1			1	7
Friendi	1		5							6
Teo			2						1	3
Omantel	1				1			1	8	11
Ooredoo			1		3			1	4	9
Total	3	0	12	0	4	1	0	2	14	36

Number of new services, Tariffs and Revisions approved Q4, 2015												
Licensee	Voice		Voice		Data		New		International	Bundled Services		Total
	Mobile	Fixed	Mobile	Fixed	Mobile	Fixed	Mobile	Fixed	Mobile	and Vaue Added		
Renna					2					1		3
Friendi					2							2
Teo			1	1								2
Omantel	1									2		3
Ooredoo			1			1				3		5
Total	1	0	2	1	4	1	0	0	0	6	0	15

Summary of Promotion's Statistics for Q4/2015:

- The number of promotions comparing with the same quarter last year decreased from 41 to 36 promotions.
- 58% of promotions were for Prepaid customers, only 17% of promotions approved were exclusive for postpaid
- 72% of promotions focused on Mobile segment.
- International calls promotions account for 33% of the total promotions approved, compared with
- 29% last Quarter.
- Contrary to usual focus on starter packs, Top-Up offers and bundles, promotions of licensees this quarter targeted services such as FBB, International Roaming, Loyalty programs in order to maintain their customers' base.

Summary of the Tariff Activities in Q4/2015:

- 7 new services and tariffs launched in the 4th Quarter and 8 revisions made as well.
- Out of 15, 5 new services and revisions were exclusively for corporate sector.