سلطنة عُمان
Sultanate of Oman

هيئة تنظيم الاتصالات
Telecommunications Regulatory Authority

Quarterly Report on Telecom Sector Indicators

Q3, 2015

Competition and Tariffs Unit

Table of Content

➢ Introduction

It is our pleasure to present Q3 2015 Report for the Indicators of Telecom Sector of Oman. The TRA has been compiling and publishing basic statistics on quarterly basis to provide market information 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

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Major Market Observations

Q3, 2015

The penetration of different services stood at the following levels at the end of the Q3/2015:

- Fixed line 10.02% per inhabitants
- Mobile subscriptions 155.3% per inhabitants
- Fixed Internet 54.19% per households.

The Active Mobile Broadband Subscribers' Penetration reached 73.85% by the end of Q3/2015 with total active subscribers reaching 3,119,406.

The Blackberry Subscribers represent 1% of the total Mobile Subscribers base at the end of Q3/2015 as compared to 1.1% of total mobile subscribers as at the end of preceding quarter.

During the Q3/2015, the TRA received and approved:

- 3 Tariff Plans for Revisions.
- 7 New tariff plans.
- 35 promotional tariff offers

TRA type approved 404 telecom equipments, renewed 105 registrations of telecom dealers and registered 96 new dealers. TRA Issued 597 releases to customs for importing telecom equipments.

TRA carried out 0 inspections of dealers to check compliance of TRA regulations.

Summary of Main Telecommunications Indicators

Q3, 2015

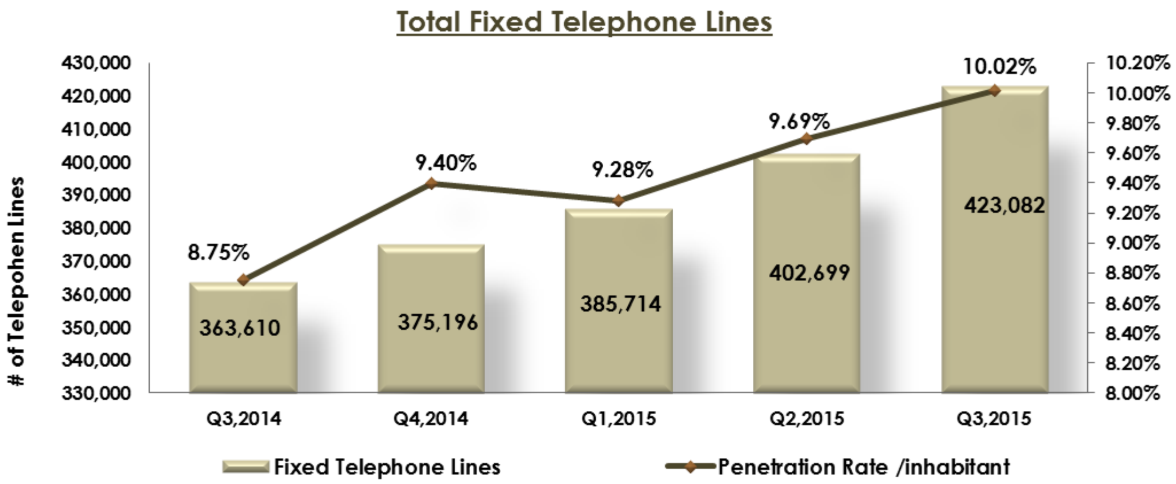
Indicator	Fixed Telephony Service *(other than Fixed Internet)*	Fixed Internet Service	Mobile Service
Subscribers	423,082	218,017	6,561,696
Penetration rate	105.17% of household	54.19% of household	155.3% of inhabitant
Revenue (Mln.RO)	69.565	20.991	153.952
International Outgoing Voice Minutes, (million)	7.025	NA	293.906
ARPU, (RO)	4.84	32.34	7.82
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).**

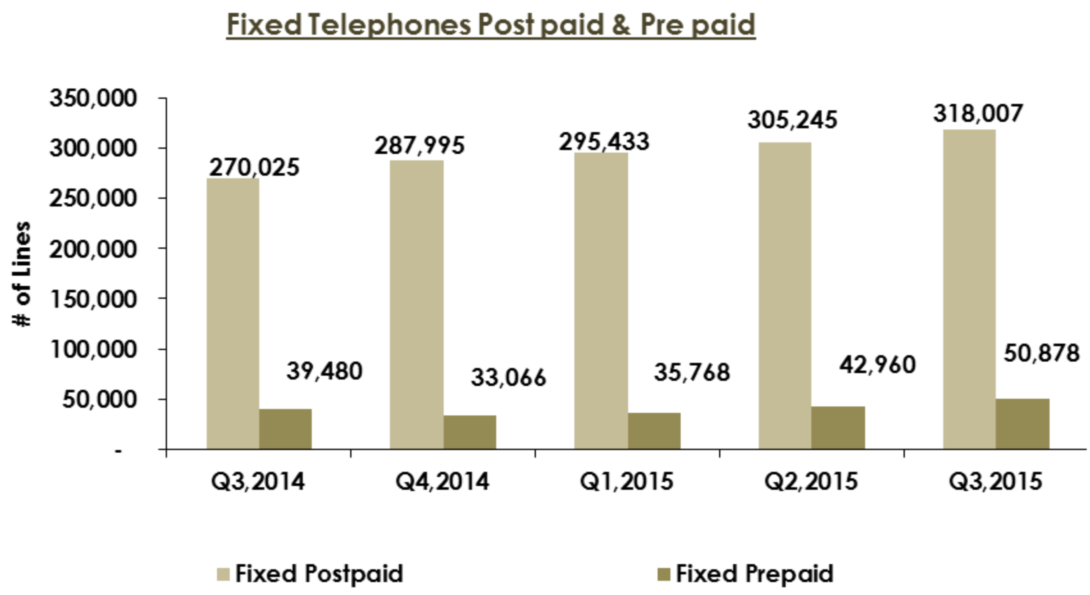
Fixed Telephone Service

Type of Service	Q3/2015	Q2/2015	% Change
1. Fixed Telephone Lines:			
1.1 Post Paid*	318,007	305,245	**4.18%**
1.2 Pre-Paid*	50,878	42,960	**18.43%**
1.3 Public Telephone – Payphone	6,801	6,801	**0.00%**
1.4 ISDN Equivalent Channels	45,622	45,930	**-0.67%**
1.5 WLL Connections	1,774	1,763	**0.62%**
Total Fixed Telephone Lines in Operation (1.1-1.5)	**423,082**	**402,699**	**5.06%**
Fixed Line Penetration /100 Inhabitant	**10.02%**	**9.69%**	**0.33%**
Fixed Line Penetration /100 household	**105.17%**	**100.10%**	**5.07%**

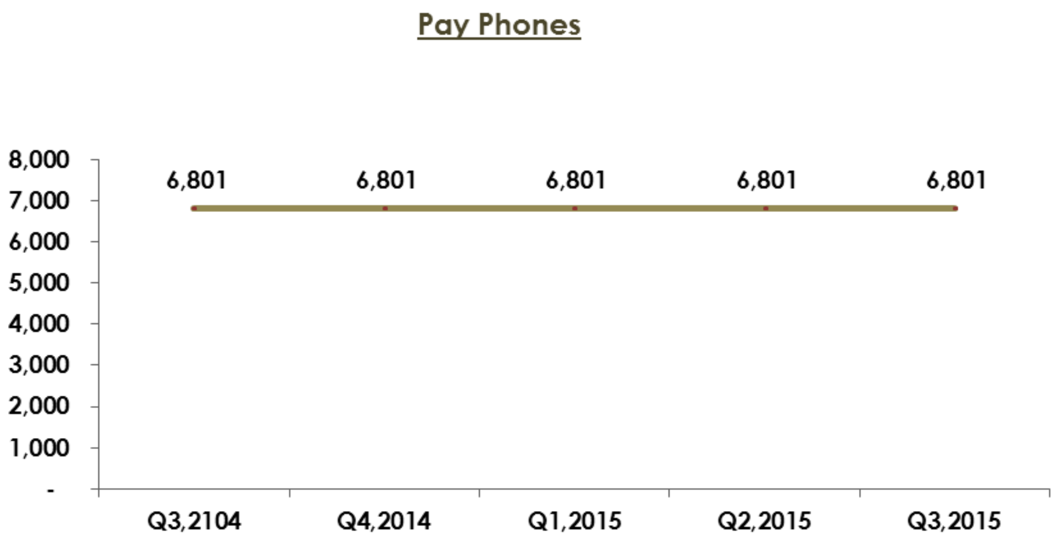
- **Note: The Q3/2015 penetration rates are calculated based on the population (4,224,228), as per the latest bulletin published by NCSI – September 2015.**
- **Households: 402,286 (as per census 2010)**
- ***Note: Ooredoo has added more fixed subscribers during the third quarter which were missing in the previous quarters.**



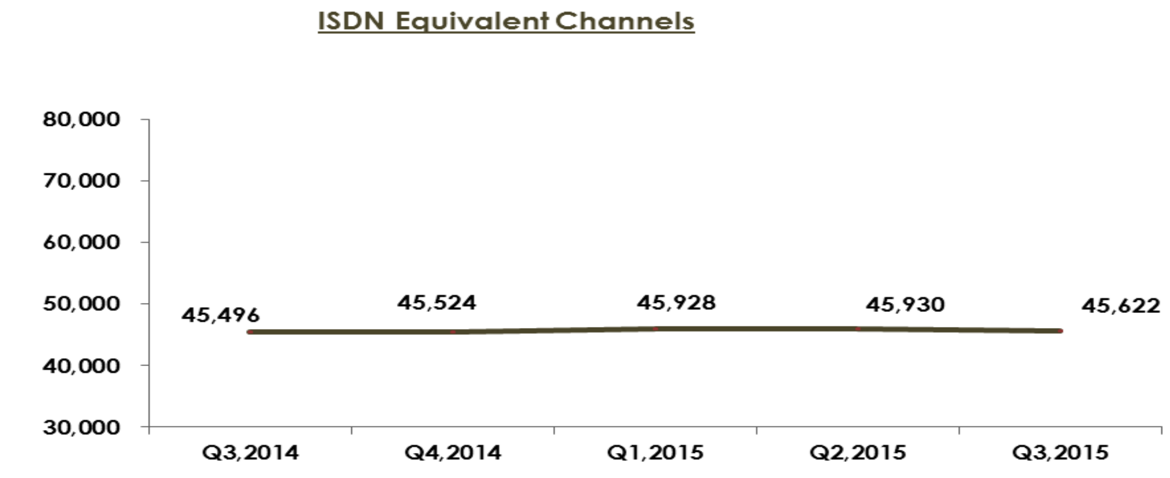
- Third Quarter 2015 achieved 423,082 fixed line subscribers with an increase of 20,383 lines as compared to the previous quarter (Q2/2015).
- The penetration rate per inhabitant of the fixed line subscribers increased from 9.69% to 10.02% by end of the third quarter, 2015.
- Similarly, the penetration rate per household increased by 5.07% during the third quarter from 100.1% to 105.2%.



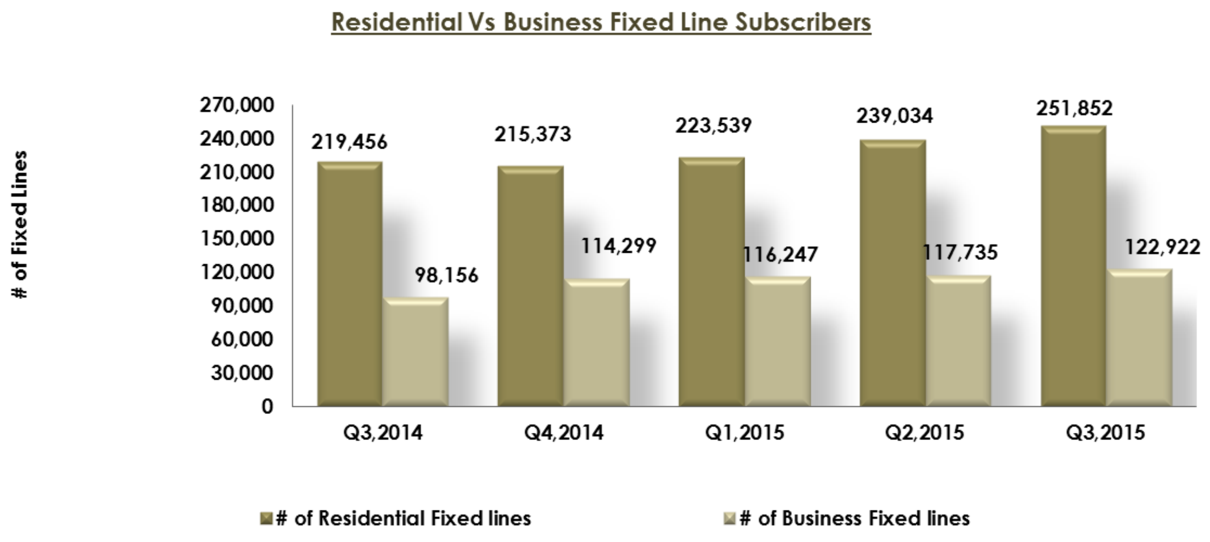
Both the fixed postpaid and pre-paid subscriptions grew during the third quarter 2015 by 4.18%, and 18.43% respectively.



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



During the third quarter 2015, the ISDN equivalent channels declined by 0.67% reaching 45,622 channels.



Both residential fixed line subscribers and business subscribers grew by 5.4%, 4.4% respectively during the third quarter 2015.

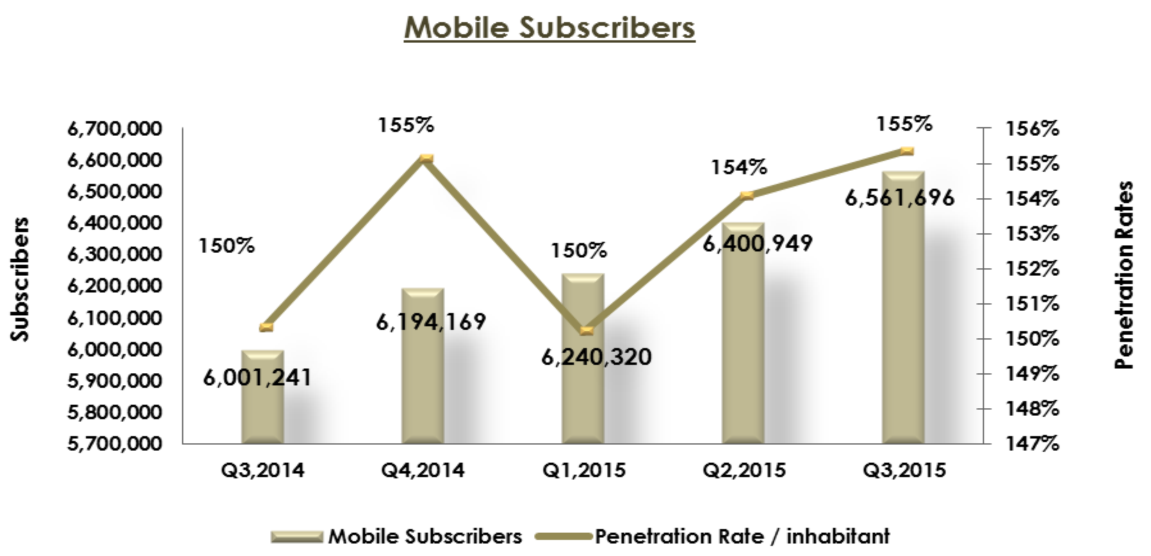
The split between fixed residential and business lines stood at 67.2% and 32.8% respectively in Q3/2015.

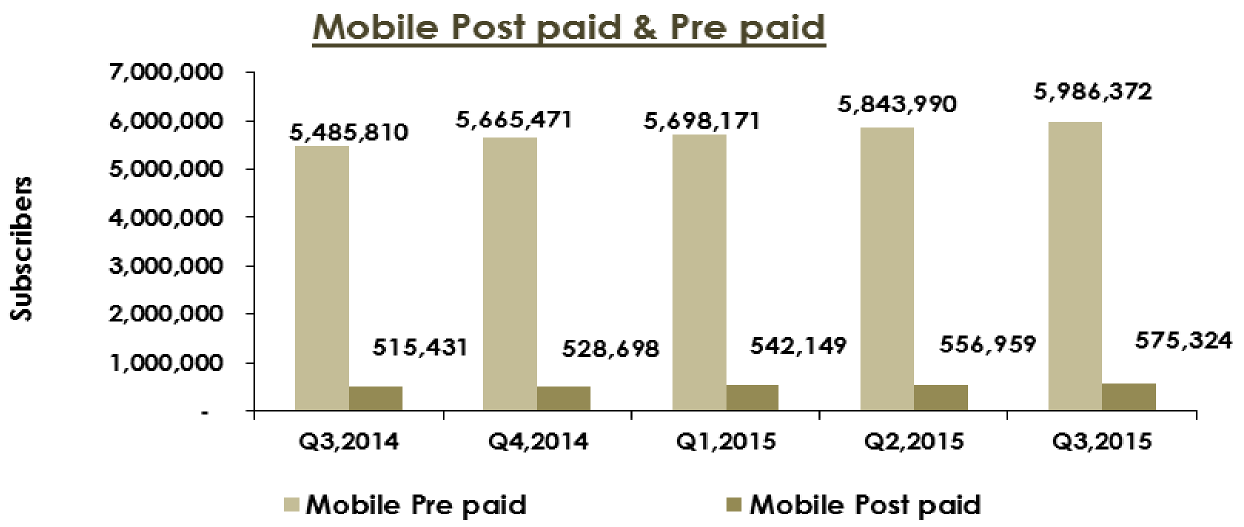
Mobile Service

2. Mobile Subscribers	Q3, 2015	Q2, 2015	% change
2.1 Post Paid			
2.1.1 Operators	*575,324*	556,959	**3.3%**
Total Postpaid Subscribers	***575,324***	**556,959**	**3.3%**
2.2 Pre-Paid			
2.2.1 Operators	*5,046,079*	5,019,927	**0.5%**
2.2.2 Resellers	*940,293*	824,063	**14.1%**
Total Prepaid Subscribers	***5,986,372***	**5,843,990**	**2.4%**
Total Mobile Subscribers: (2.1+2.2)	**6,561,696**	**6,400,949**	**2.5%**
Mobile Penetration/100 Inhabitant	***155.33%***	**154.05%**	**1.3%**
3.1 Post Paid	5,921	6,528	**-9.3%**
3.2 Pre-Paid	56,507	65,098	**-13.2%**
Total BlackBerry Subscribers (3.1+3.2)	**62,428**	**71,626**	**-12.8%**
% of BlackBerry Mobile Subscribers of total Base in Oman	**1%**	**1.11%**	**-0.1%**

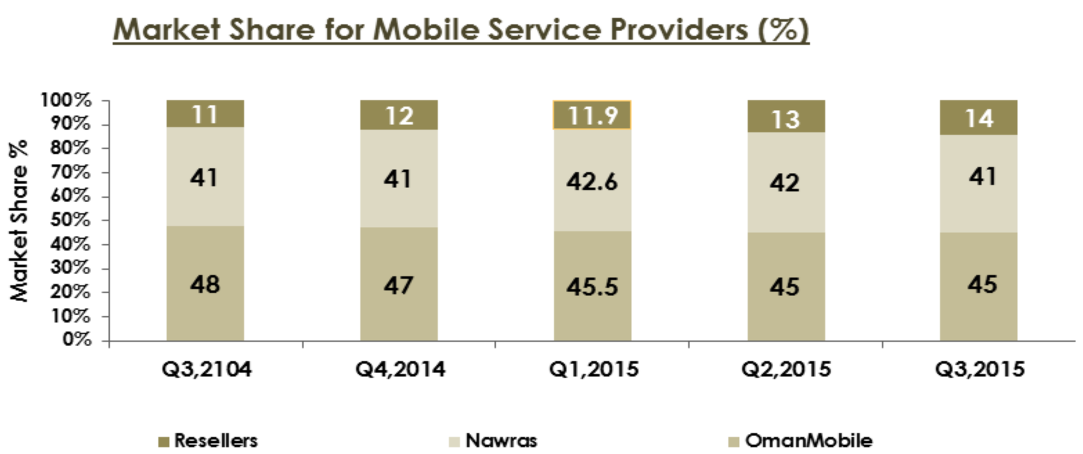
- **Note: The Q2/2015 penetration rates are calculated based on the population (4,224,228), as per the latest bulletin published by NCSI – April 2015.**

- The mobile subscribers grew slightly by 2.5% during the third quarter 2015 achieving a total of 6,561,696 subscribers.
- The mobile penetration increased from 154.05% to 155.33% in comparison to the Q2/2015.

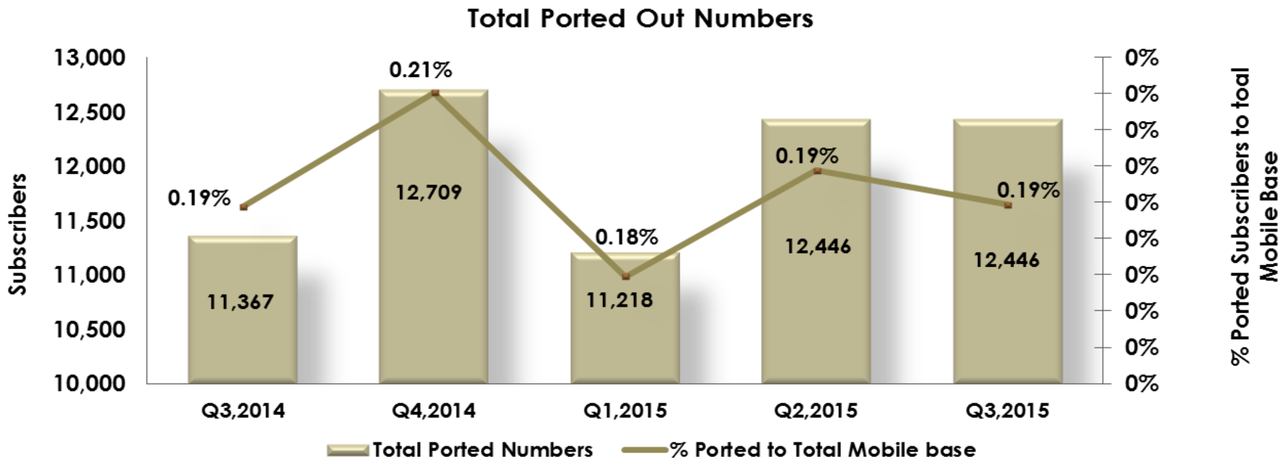




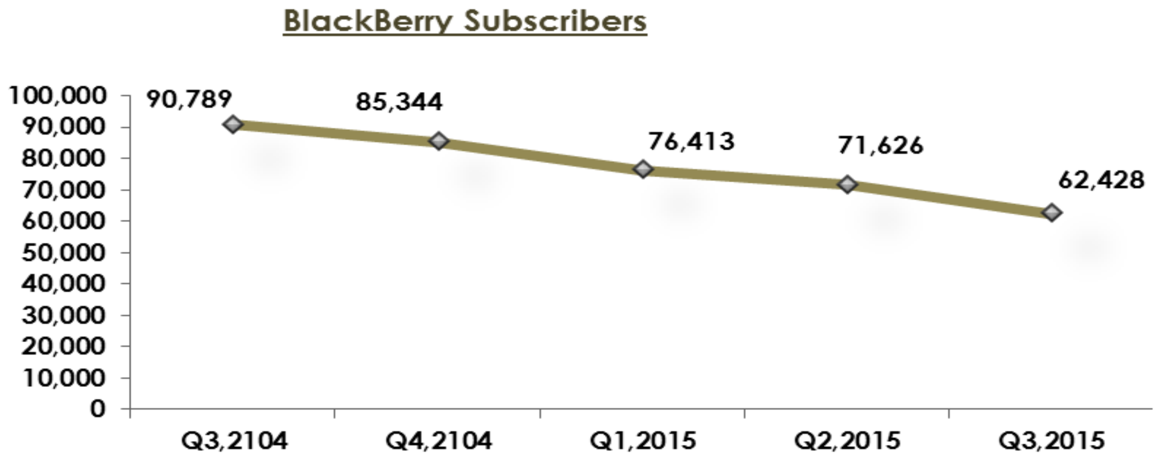
- Both the mobile postpaid and prepaid subscribers grew steadily during this quarter.
- Post-paid mobile subscribers reached 575,324, with 3.3% growth over the previous quarter.
- Prepaid mobile subscribers got addition of 2.4% reaching to 5,986,372 subscribers.



- Oman mobile keeps the highest market share of 45% during the third quarter 2015, while Ooredoo scored 41% market shares. The Resellers attained 14% market share by the reported quarter.



- The mobile ported out numbers stayed constant for the third quarter with total of 12,446, and 0.19% contribution to the total mobile subscriber's base.



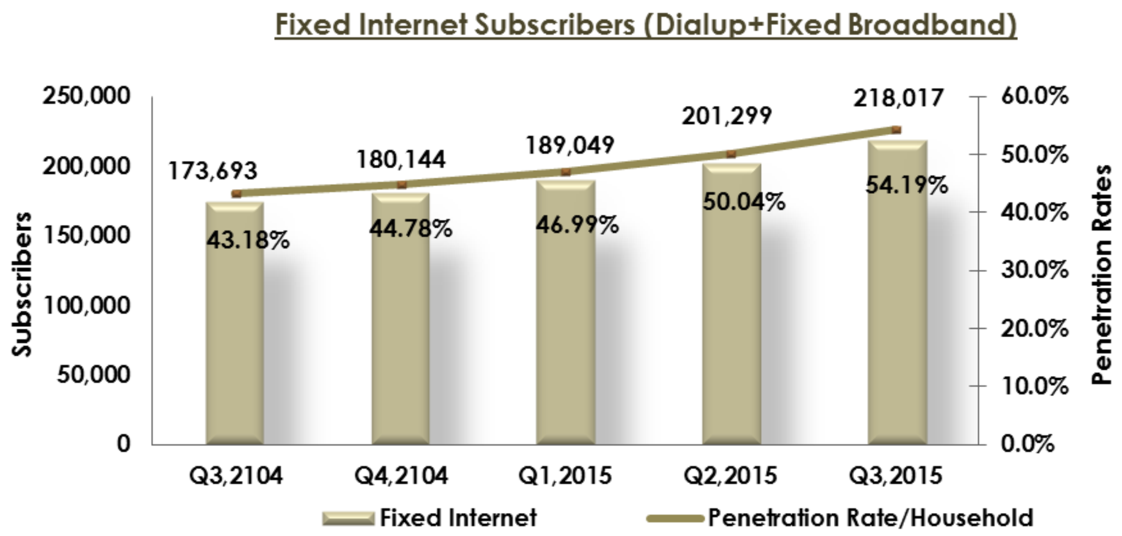
- By end of third quarter 2015, the blackberry subscribers reached 62,428 with 12.8% drop in comparison with the second quarter 2015.

- Blackberry subscribers represent 1% of the total mobile subscribers as compared to the previous quarter when it was 1.1%.

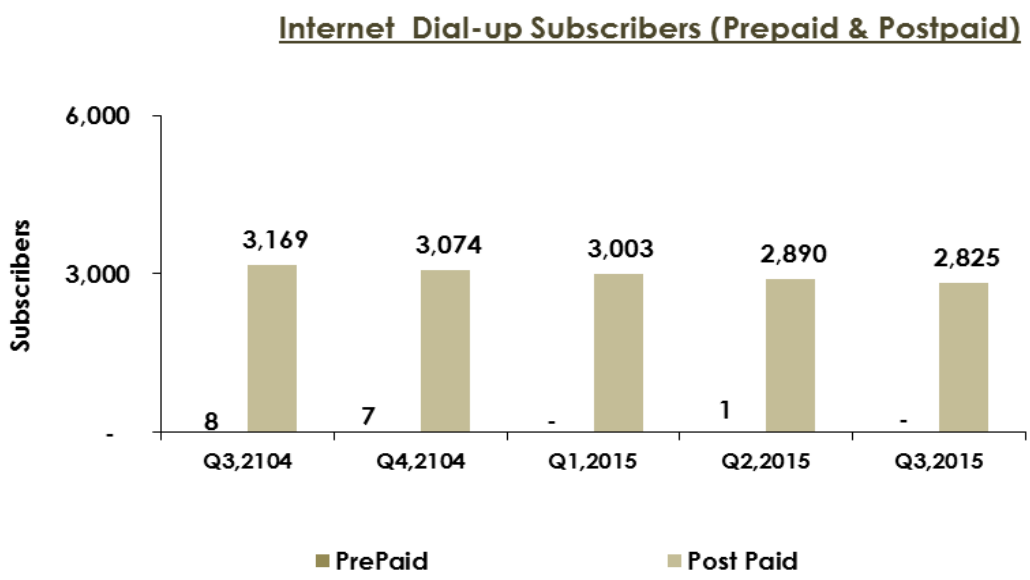
Internet Services

Type of Service		Q3,2015	Q2,2015	% change
Dial Up Subscribers				
	1.1 Post Paid	2,825	2,890	**-2.2%**
	1.2 Pre-Paid	0	1	**-100%**
1.	**Total Dial-Up Subscribers: (1.1+1.2)**	**2,825**	**2,891**	**-2.3%**
Fixed Broadband Subscribers				
2.	**Total Fixed Broadband Subscribers***	**215,192**	**198,408**	**8.46%**
	Total Fixed Internet Subscribers (1+2)	**218,017**	**201,299**	**8.31%**
	Fixed Internet Penetration /100 Household	**54.19%**	**50.04%**	**5.86%**
	Fixed Broadband Subscribers Penetration/100 Household	**53.49%**	**49.32%**	**4.17%**
3. Active Mobile Broadband Subscribers				
	3.1 Dedicated mobile-broadband Subscribers	2,134,286	2,107,907	**1.3%**
	3.2 Standard mobile-broadband Subscribers	985,120	975,468	**1.0%**
	Total Active Mobile Broadband Subscribers (3.1+3.2)	**3,119,406**	**3,083,375**	**1.16%**
	Active Mobile Penetration Rate /100 Inhabitant	**73.85%**	**74.21%**	**-0.36%**

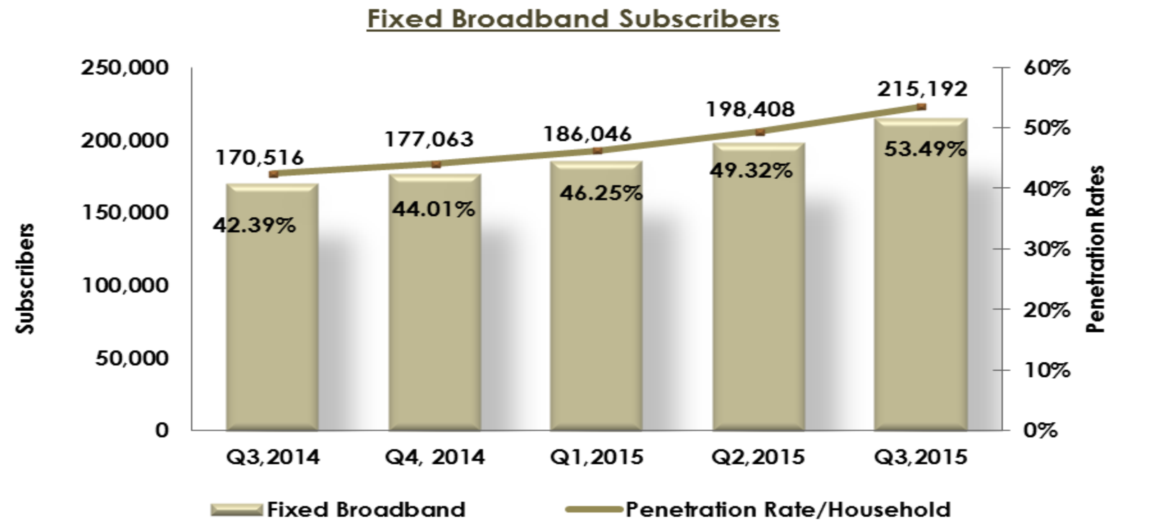
- **Note: The Q3/2015 penetration rates are calculated based on the population (4,224,228), as per the latest bulletin published by NCSI – September 2015.**
- **Households: 402,286 (as per census 2010)**
- ***Note: Ooredoo has added more fixed broadband subscribers during the third quarter which were missing in the previous quarters.**



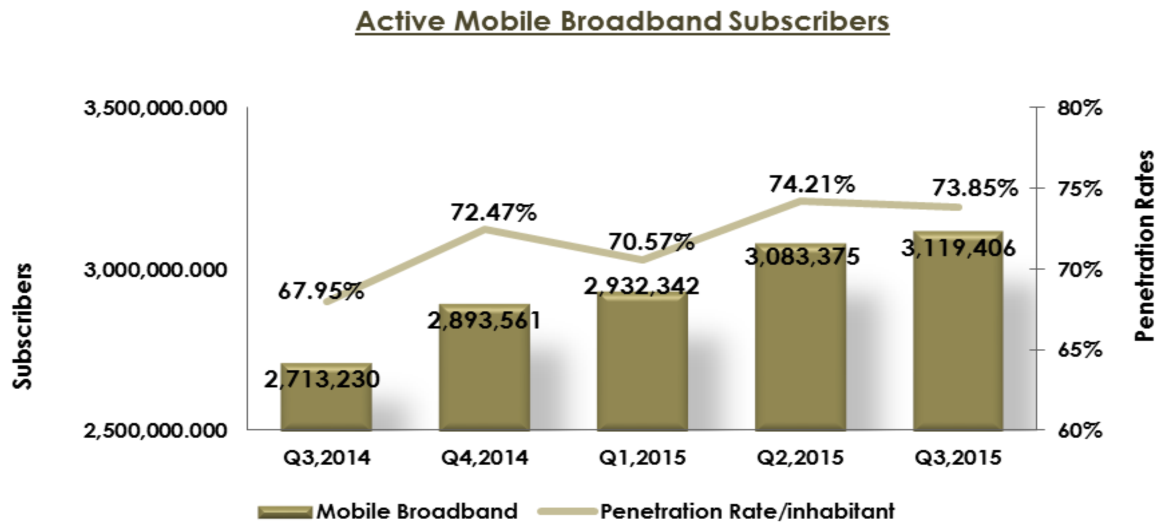
- The fixed internet subscribers were added up by 16,718 subscribers during the third quarter 2015 and reached a total of 218,017 subscribers. This showed 8.31% growth over the previous quarter.
- During the reported quarter, the fixed internet penetration rate per household reached 54.19% which is 4.15% more than the previous quarter.



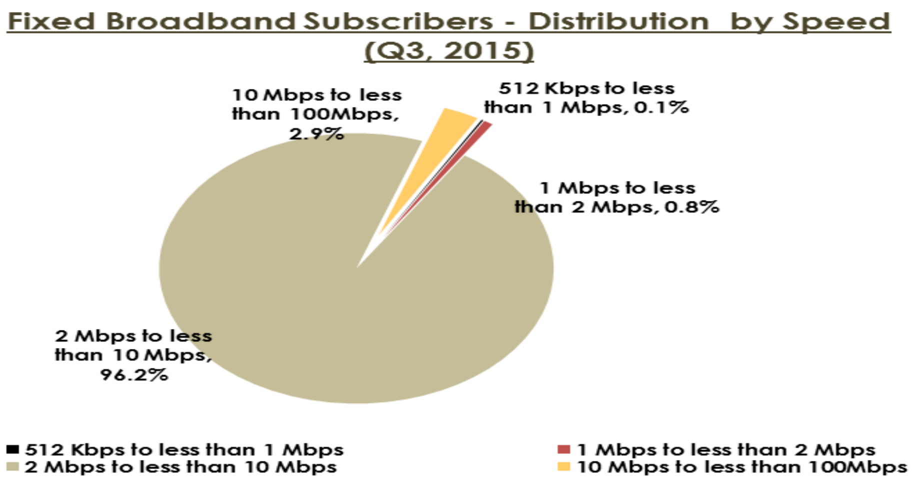
- Since the last year, dial up postpaid internet subscribers have been continuously shrinking reaching to 2,825 subscribers by end of Q3, 2015.
- During third Quarter 2015, there was zero internet prepaid subscriber was registered.



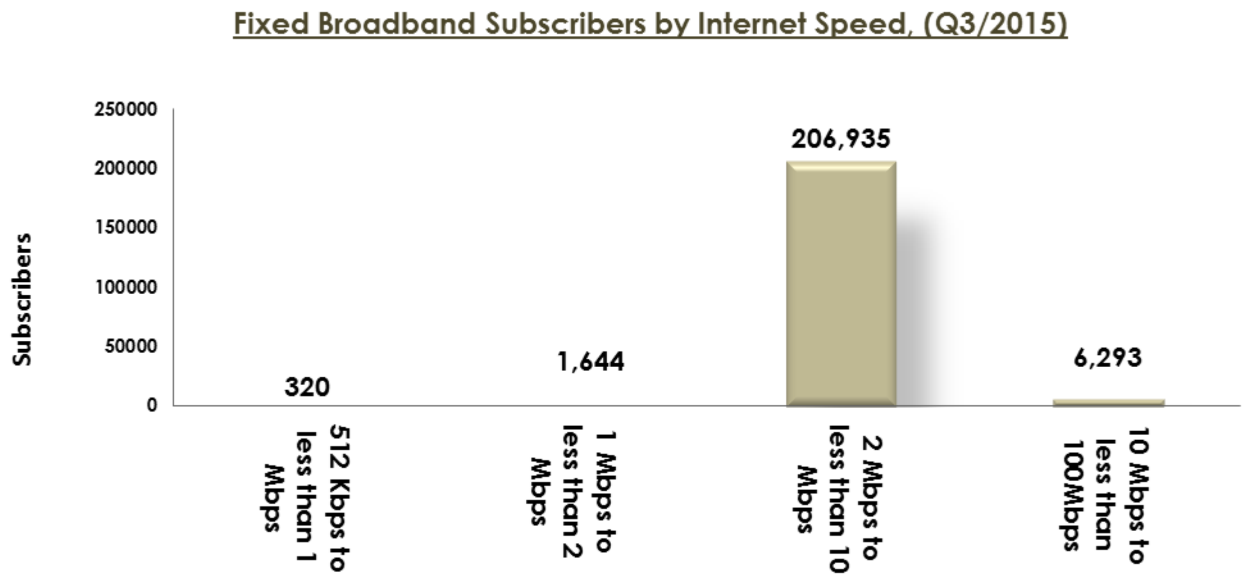
- During the third quarter 2015, fixed broadband segment has experienced 8.45% growth over the previous quarter. Fixed Broadband subscription reached 215,192 subscribers with penetration rate of 53.49% per household.

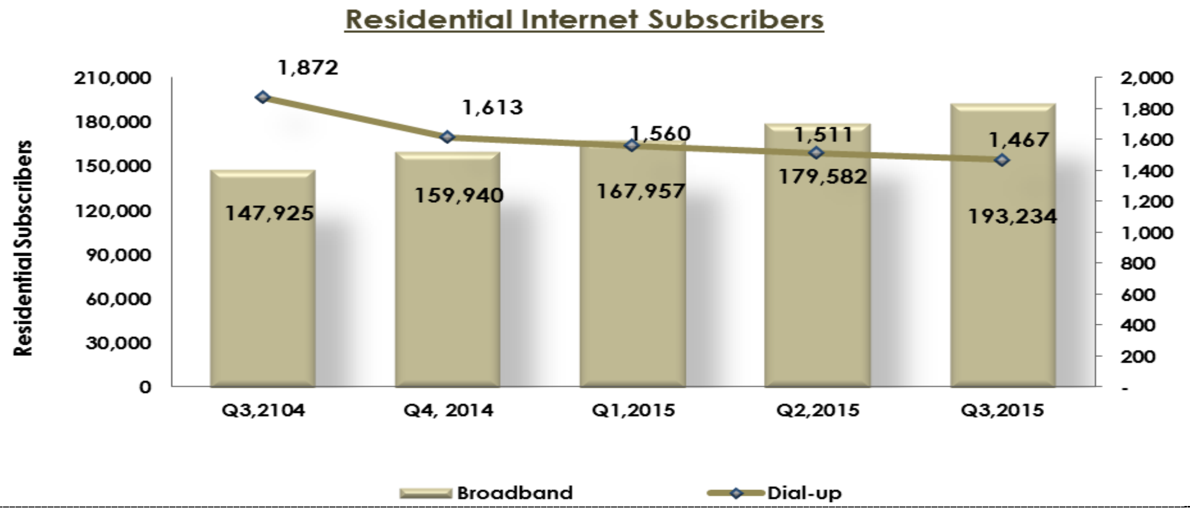


- During the third quarter 2015, total active mobile broadband subscribers rose slightly by 1.2% to 3,119,406 from 3,083,375. Whereas, the penetration rate declined by 0.36% from 74.21% to 73.85% per inhabitant which is due to revision of the population data as updated by NCSI in September 2015 Statistical Bulletin.



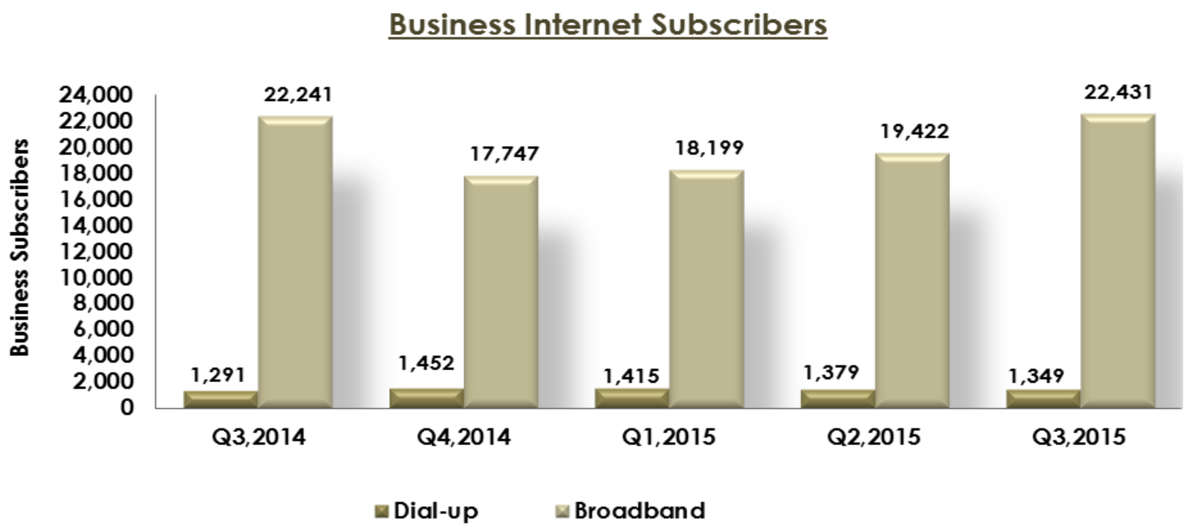
- 0.1% of fixed Broadband subscribers during Q3, 2015 had access speed of 512 Kbps to less than 1 Mbps.
- 0.8% of fixed Broadband subscribers during Q3, 2015 had access speed of 1Mbps to less than 2 Mbps.
- 96.2% of fixed Broadband subscribers during Q3, 2015 had access speed of 2 Mbps to less than 10 Mbps.
- 2.9% of fixed broadband subscribers have access of 10 Mbps and to less than 100 Mbps.

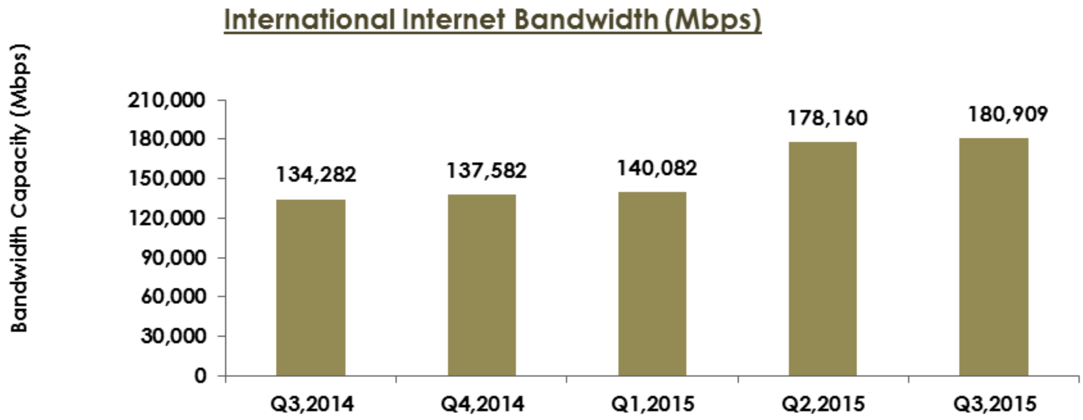




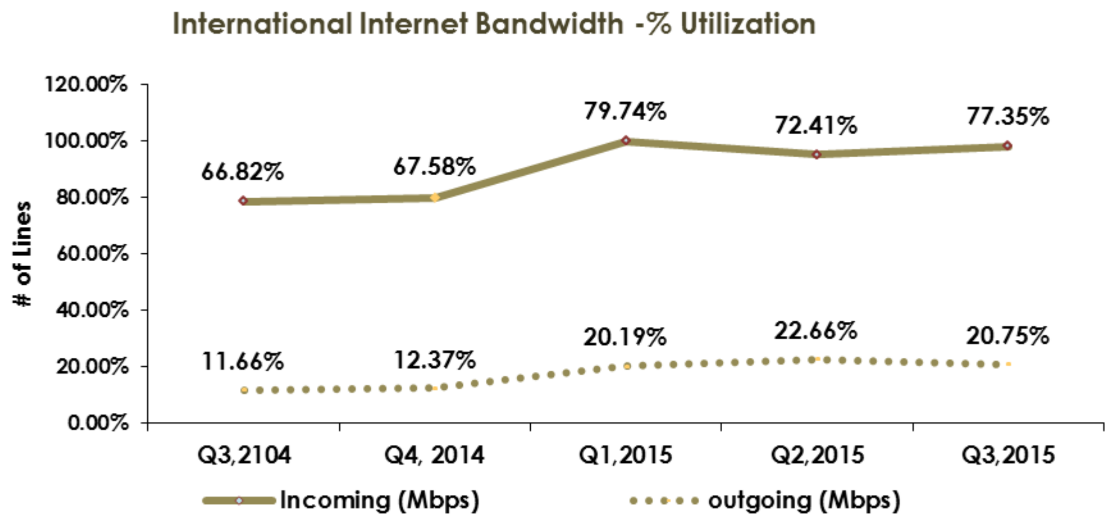
- The residential broadband subscribers in the above chart registered a growth of 7.6% during the third quarter 2015, on the other hand the residential dial up subscribers dropped by 3% over the second quarter 2015.

- The below chart presents an increase of 15.4% in the business broadband segment, while 2.2% drop in the dial up internet subscribers.



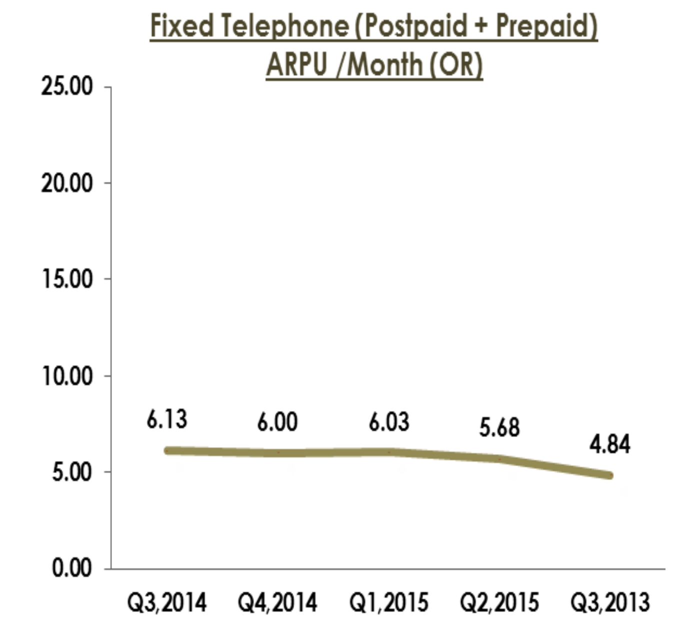


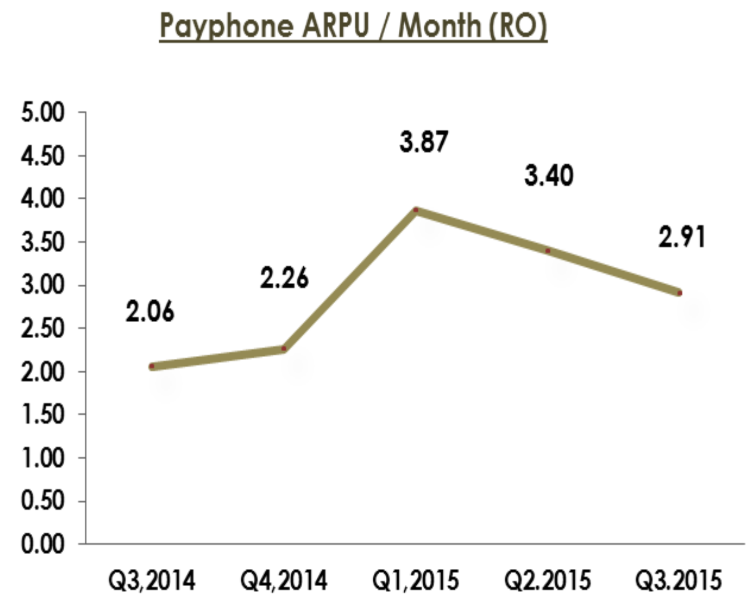
- The third quarter 2015 has 180,909 Mbps capacity for international internet bandwidth with increment over the previous quarter when it was 178,160 Mbps.

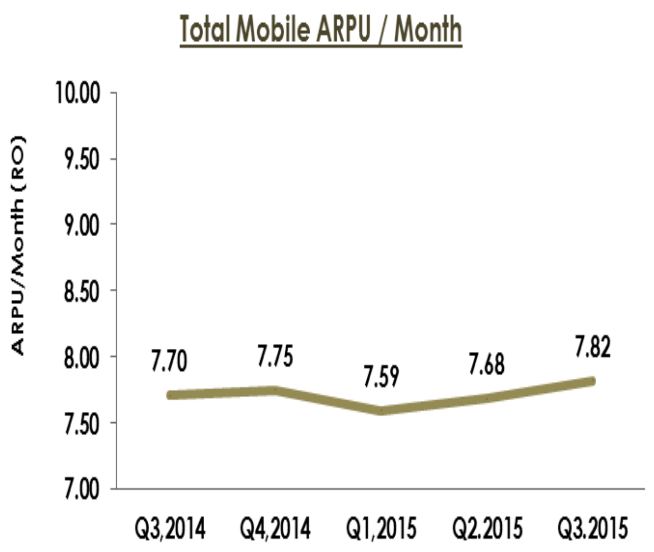


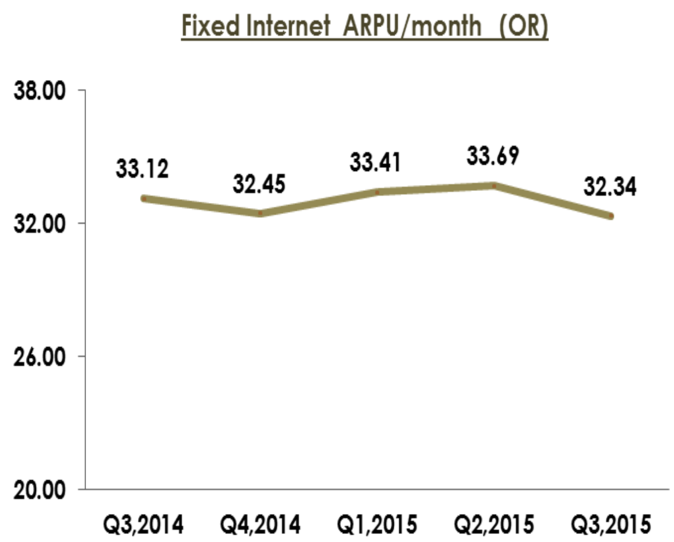
- Out of 180,909 Mbps capacity, on average 20.75% was utilized for the outgoing and 77.35% fo incoming traffic.

ARPUs









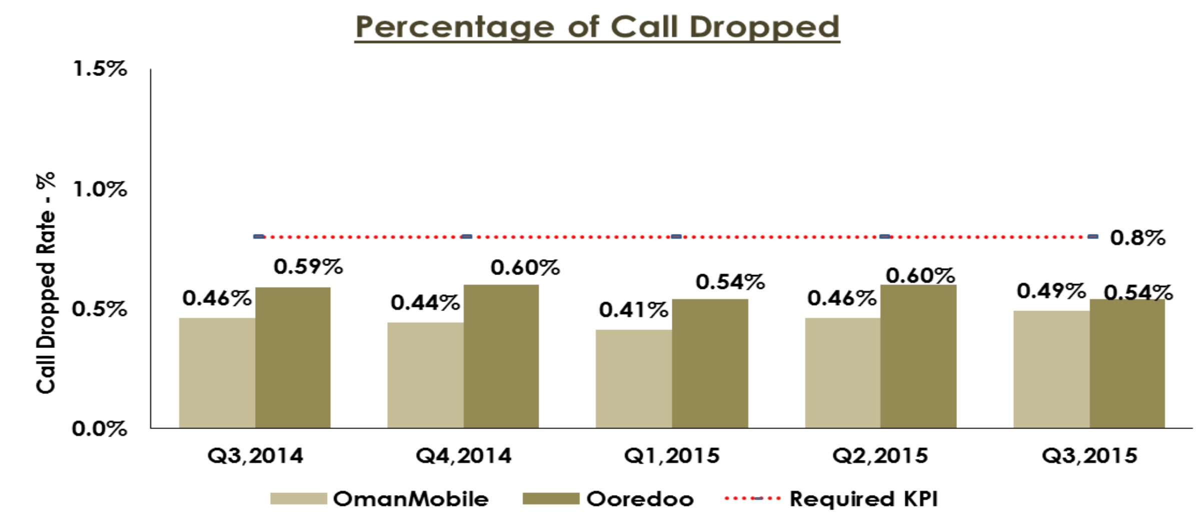
Note: (Calculation of the ARPUs is to divide the total revenue of a service on number of subscribers of that service divide by 3).

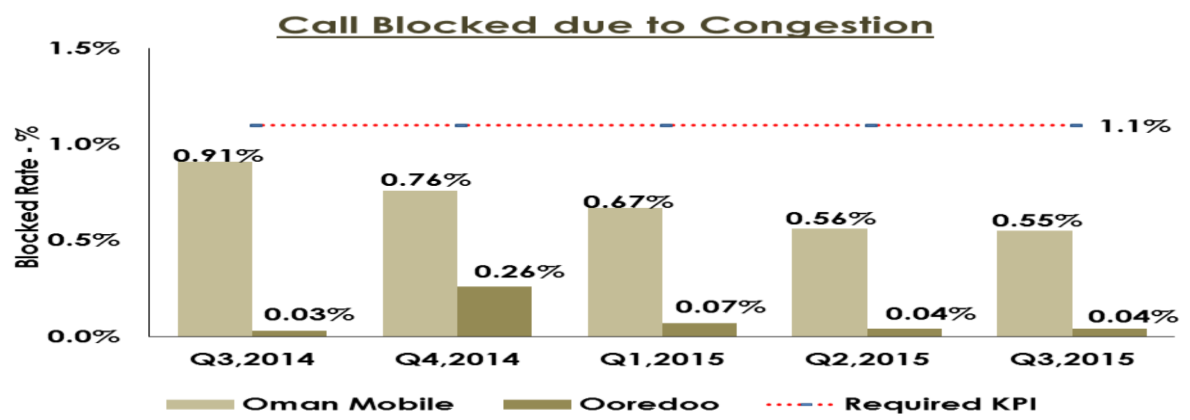
Quality of Service

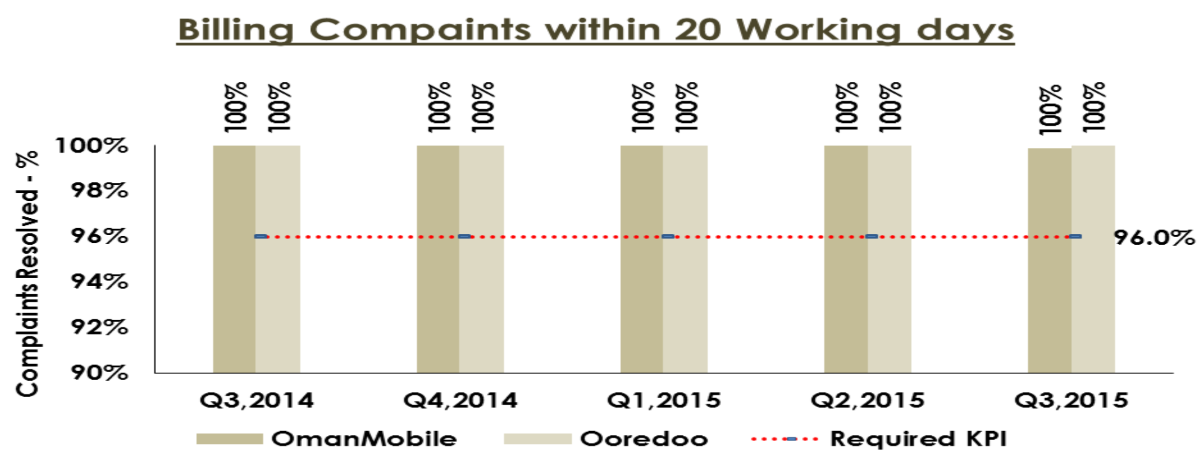
Mobile Services KPIs*

Mobile Services KPIs	Required KPI (Quarterly)	Q3/2015		Q2/2015	
		Oman Mobile %	Ooredoo %	Oman Mobile %	Ooredoo %
1. Percentage of Calls Dropped	Less than 0.8%	0.49	0.54	0.46	0.6
2. Percentage of Calls Blocked due to Congestion	Less than 1.1%	0.55	0.04	0.56	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%
0.46%
0.59%
0.44%
0.60%
0.41%
0.54%
0.46%
0.60%
0.49%
0.54%
0.8%
Q3,2014
Q4,2014
Q1,2015
Q2,2015
Q3,2015
OmanMobile
Ooredoo
Required KPI

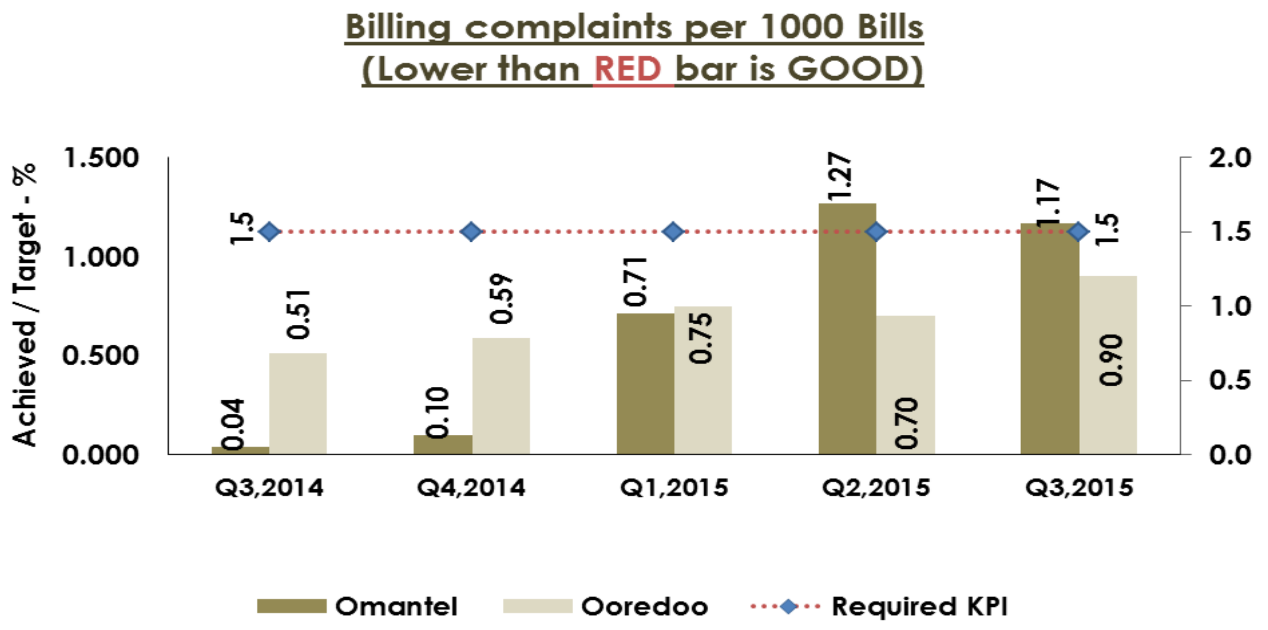

Call Blocked due to Congestion
Blocked Rate - %
1.5%
1.0%
0.5%
0.0%
0.91%
0.03%
0.76%
0.26%
0.67%
0.07%
0.56%
0.04%
0.55%
0.04%
1.1%
Q3,2014
Q4,2014
Q1,2015
Q2,2015
Q3,2015
Oman Mobile
Ooredoo
Required KPI

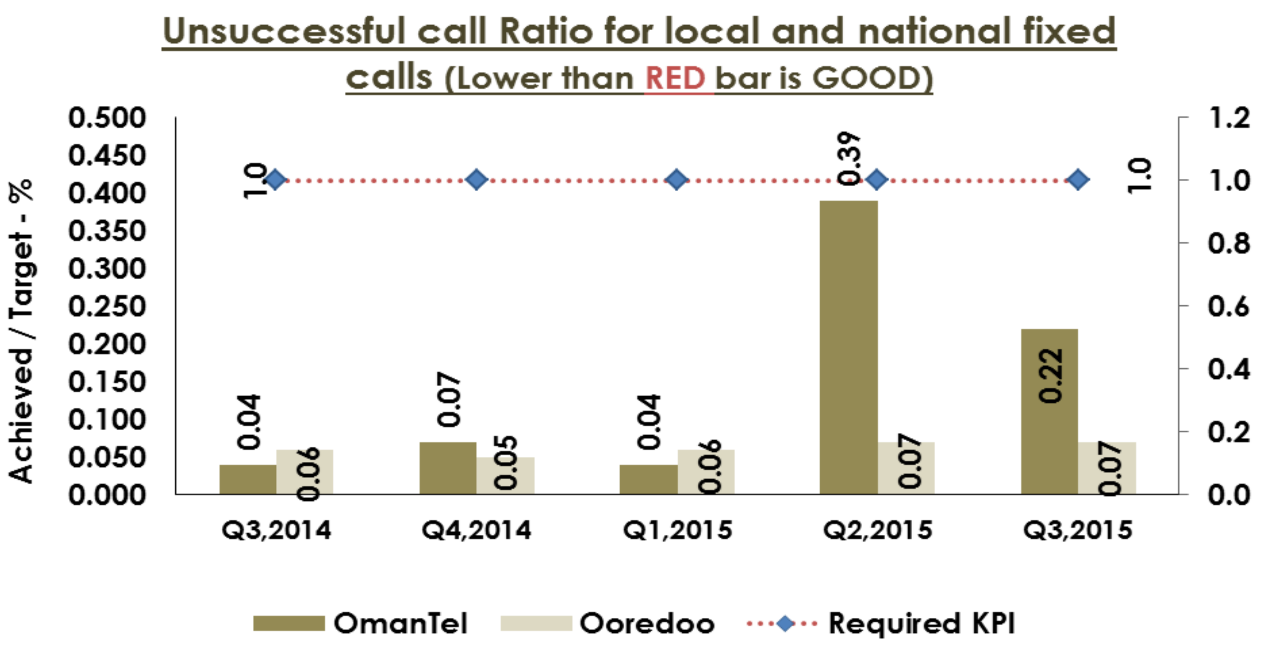

Billing Compaints within 20 Working days
Complaints Resolved - %
100%
98%
96%
94%
92%
90%
100%
100%
100%
100%
100%
100%
100%
100%
100%
100%
96.0%
Q3,2014
Q4,2014
Q1,2015
Q2,2015
Q3,2015
OmanMobile
Ooredoo
Required KPI

Fixed Services KPIs*

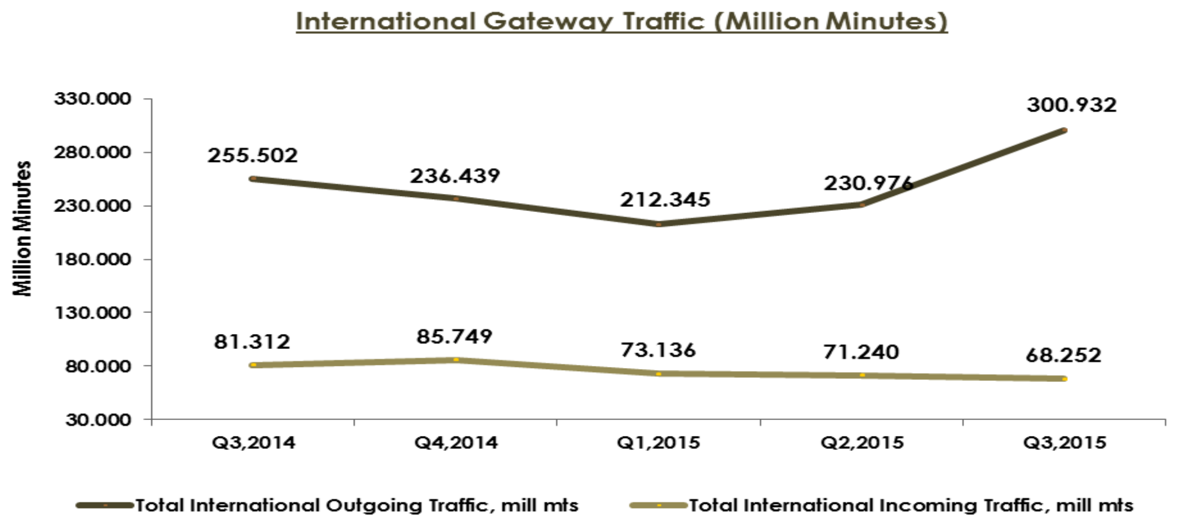
Fixed Services KPIs	Required KPI (Quarterly)	Q3/2015		Q2/2015	
		Omantel	Ooredoo	Omantel	Ooredoo
1. Faults per 100 lines per quarter	Less than 3	1.96	0	2.22	3
2. % of faults to be cleared within 24 hours	More than 90%	95.55	96.82	94.23	98.38
3. Unsuccessful call Ratio for local and national fixed calls	Less than 1%	0.22	0.07	0.39	0.07
4. Percentage of Orders for access lines in the served areas completed within 10 days	More than 90%	95.97	99.17	97.36	99.84
5. Billing complaints per 1000 Bills	Less than 1.5	1.17	0.90	1.27	0.70
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)

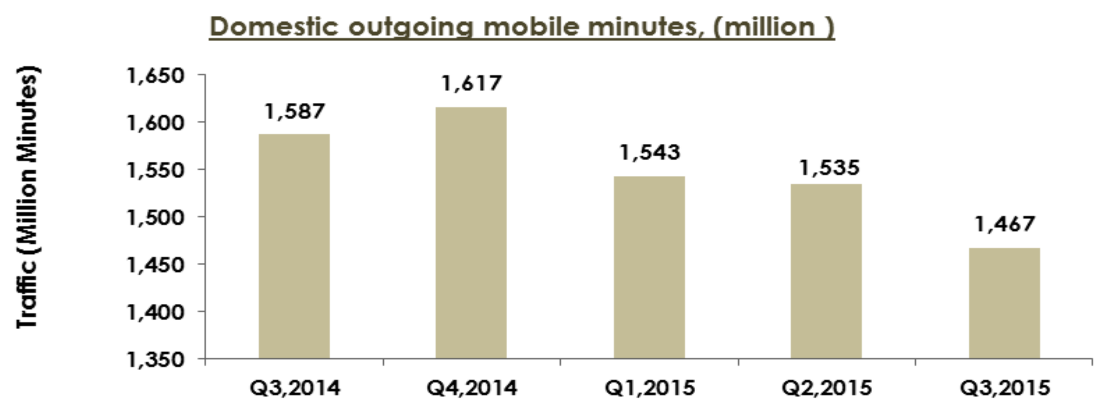

Billing complaints per 1000 Bills
(Lower than RED bar is GOOD)
Achieved / Target - %
1.500
1.000
0.500
0.000
2.0
1.5
1.0
0.5
0.0
1.5
0.04
0.51
0.10
0.59
0.71
0.75
1.27
0.70
1.17
0.90
1.5
Q3,2014
Q4,2014
Q1,2015
Q2,2015
Q3,2015
Omantel
Ooredoo
Required KPI


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
0.04
0.06
0.07
0.05
0.04
0.06
0.39
0.07
0.22
0.07
1.0
Q3,2014
Q4,2014
Q1,2015
Q2,2015
Q3,2015
OmanTel
Ooredoo
Required KPI

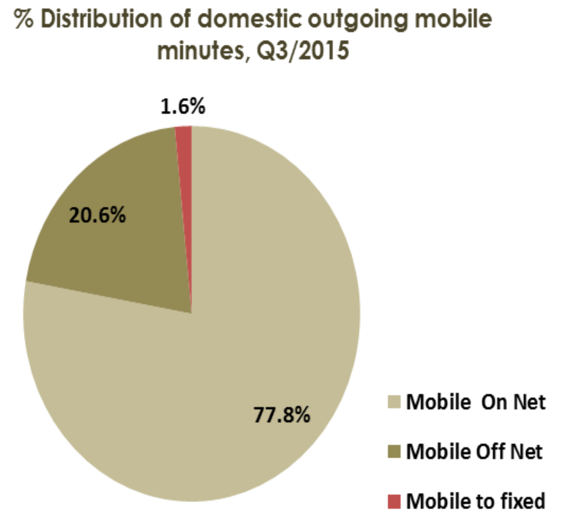
Traffic

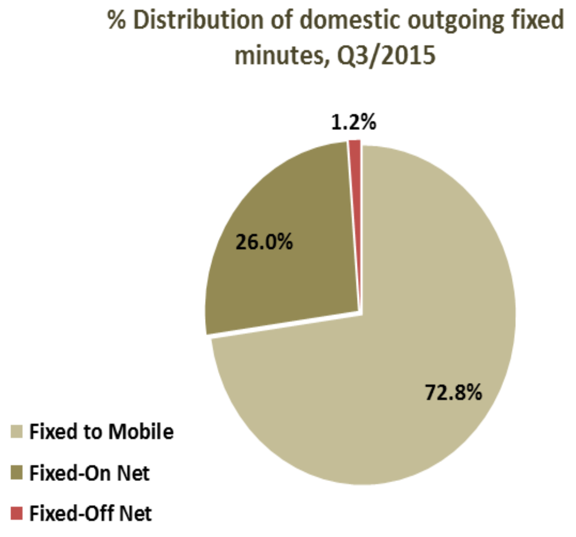


- The third quarter 2015 experienced growth in the international outgoing traffic. The international outgoing traffic increased by 30.3%, while the incoming traffic declined by 4.2% during second quarter.



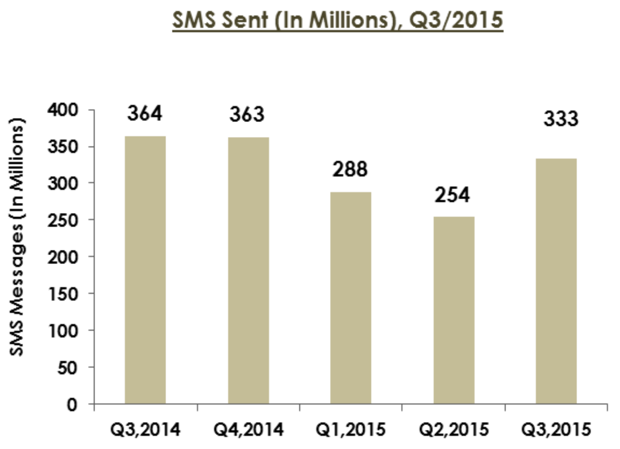
- During the third quarter 2015, the domestic outgoing mobile declined by 4.4% to 1,467 million minutes from the 1,535 million minutes.

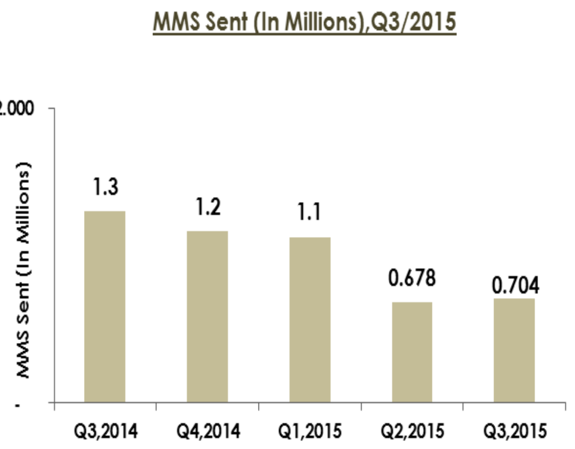




- By the end of the third quarter 2015, mobile to mobile (On net) traffic has the major share of the 77.8% out of the total domestic outgoing traffic. While the Off net mobile domestic traffic has 20.6%, and mobile to fixed represents1.6% of the mobile domestic traffic.

- During the third quarter 2015, the domestic outgoing fixed traffic achieved 72.8% share for fixed to mobile, 26% for fixed to fixed (On-net), and 1.2% for fixed to fixed (Off-net) traffic.





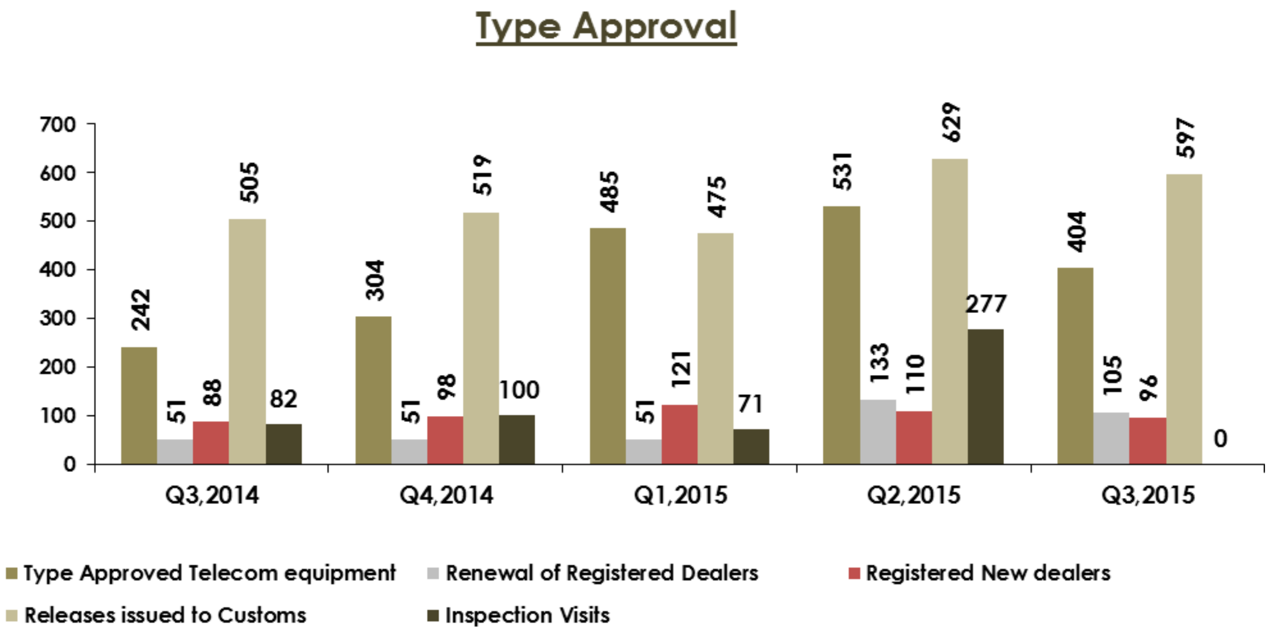
- Total outgoing SMS increased to reach 333 million messages by the third quarter from 254 million messages in the second quarter, 2015.

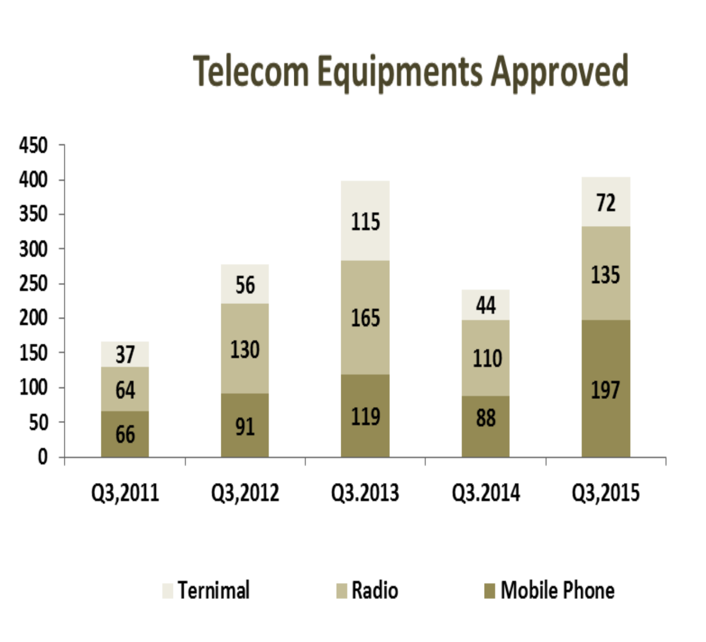
- The number of outgoing MMS has been gradually decreasing since the last year. However, it increased in the third quarter to reach 0.704 million messages.

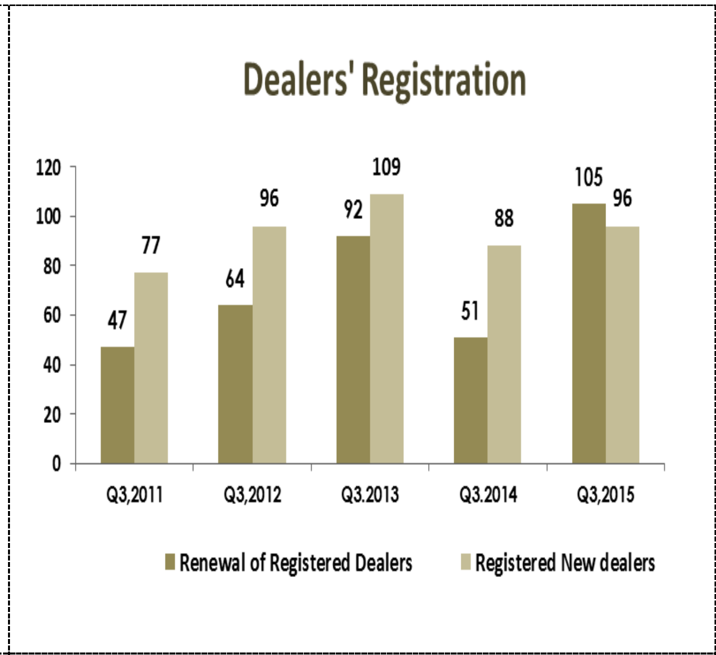
Type Approval

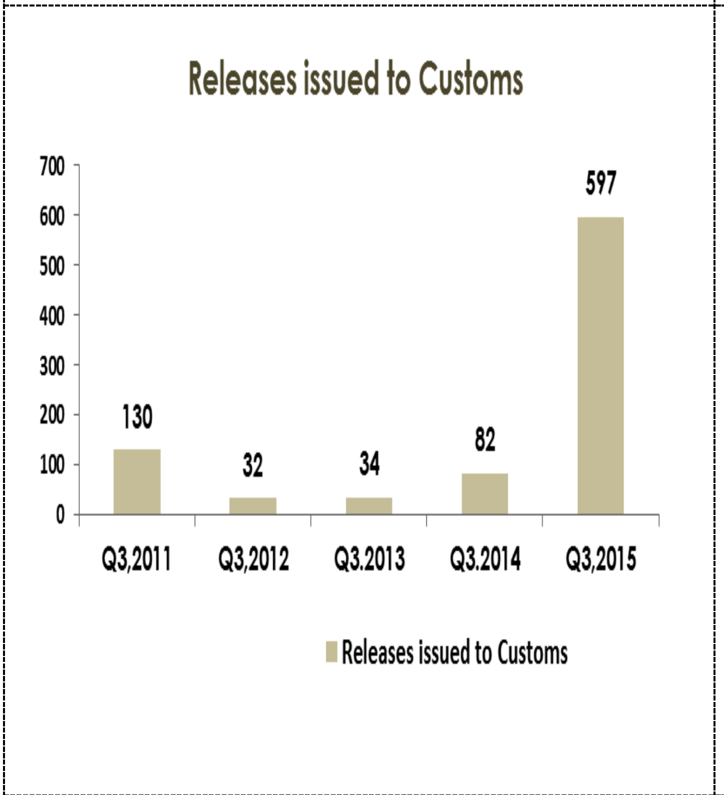
During the third Quarter 2015 , TRA :

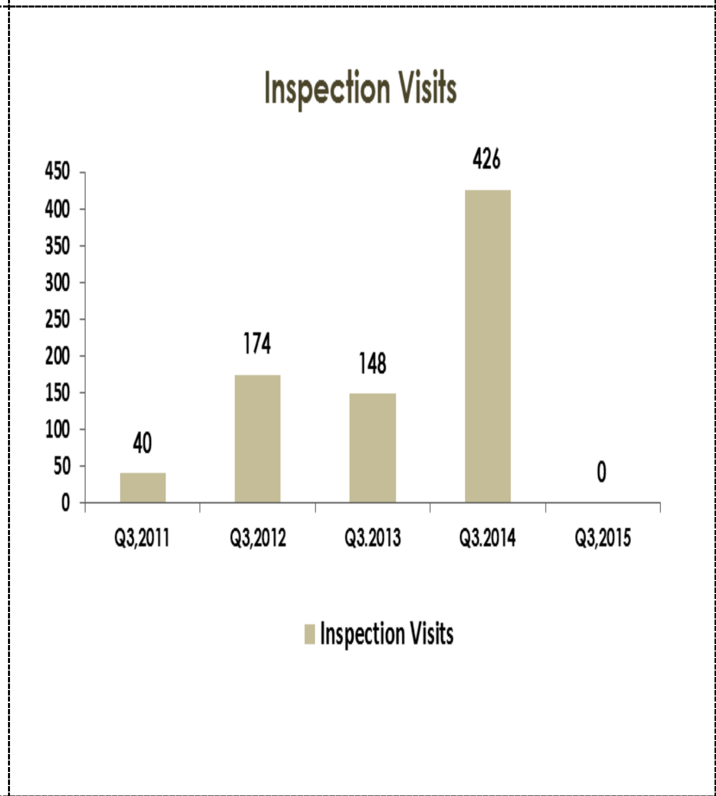
- Approved a total number of 404 (Previous Quarter 531) Telecom Equipment.
- Renewed 105 (Previous Quarter: 133) registrations of Telecom Dealers.
- Registered 96 (Previous Quarter: 110) new dealers.
- Issued 597 (Previous Quarter: 629) Releases to Customs for Import of Telecom equipment.
- Inspected zero (Previous month 277) dealerships.




Telecom Equipments Approved
450
400
350
300
250
200
150
100
50
0
37
64
66
56
130
91
115
165
119
44
110
88
72
135
197
Q3,2011
Q3,2012
Q3.2013
Q3.2014
Q3,2015
Ternimal
Radio
Mobile Phone


Dealers' Registration
120
100
80
60
40
20
0
47
77
64
96
92
109
51
88
105
96
Q3,2011
Q3,2012
Q3.2013
Q3.2014
Q3,2015
Renewal of Registered Dealers
Registered New dealers


Releases issued to Customs
700
600
500
400
300
200
100
0
130
32
34
82
597
Q3,2011
Q3,2012
Q3.2013
Q3.2014
Q3,2015
Releases issued to Customs


Inspection Visits
450
400
350
300
250
200
150
100
50
0
40
174
148
426
0
Q3,2011
Q3,2012
Q3.2013
Q3.2014
Q3,2015
Inspection Visits

Tariffs & Promotions

Promotions approved during 3rd Quarter 2015														
Licencee	Voice	Plans	International Calls	MBB	HBB	International Roaming	Valued Added Service	Starer Pack + Bundled Mobiles	Top-Up	Voice, Data & SMS	Voice & Data	Voice & International Calls	Leased Lines	Total
Renna			5						1					6
Friendi			5	1				2						8
Teo			1				0							1
Omantel	1		1		3	1	2	5	3					16
Ooredoo		1	1		1			1	1					5
Total	1	1	13	1	4	1	2	8	5	0	0	0	0	36

Services and Revisions approved during 3rd Quarter 2015														
Licencee	Voice	Plans/CPN	International Calls	MBB	HBB/FBB	International Roaming	Valued Added Service	Starer Pack	Top-Up	Voice, Data & SMS	Voice & Data	Voice & International Calls	Leased Lines	Total
Renna														
Friendi														
Teo			1											1
Omantel		1			1		3		1					6
Ooredoo					1	1							1	3
Total	0	1	1	0	2	1	3	0	1	0	0	0	1	10

Summary of Promotion’s Statistics for Q3/2015:

- The number of promotions comparing with the same quarter last year decreased from 43 to 35 promotions.
- 67% of promotions were for prepaid customers, only 14% of promotions approved were exclusive for postpaid customers, while the remaining were for mixed.
- 83% of promotions focused on Mobile segment.
- International calls promotions account for 37% of the total promotions approved, compared with 26% last Quarter.
- Promotions of licencees` plans, Starter Packs and Top-up accounted for 31 % of the total.

Summary of the Tariff Activities in Q3/2015:

- During the third quarter, 10 services lunched or revamped including 4 services for business/corporates and 6 services for residential.
- Out of the 10 lunched services, 7 services were new and 3 services were revisions.