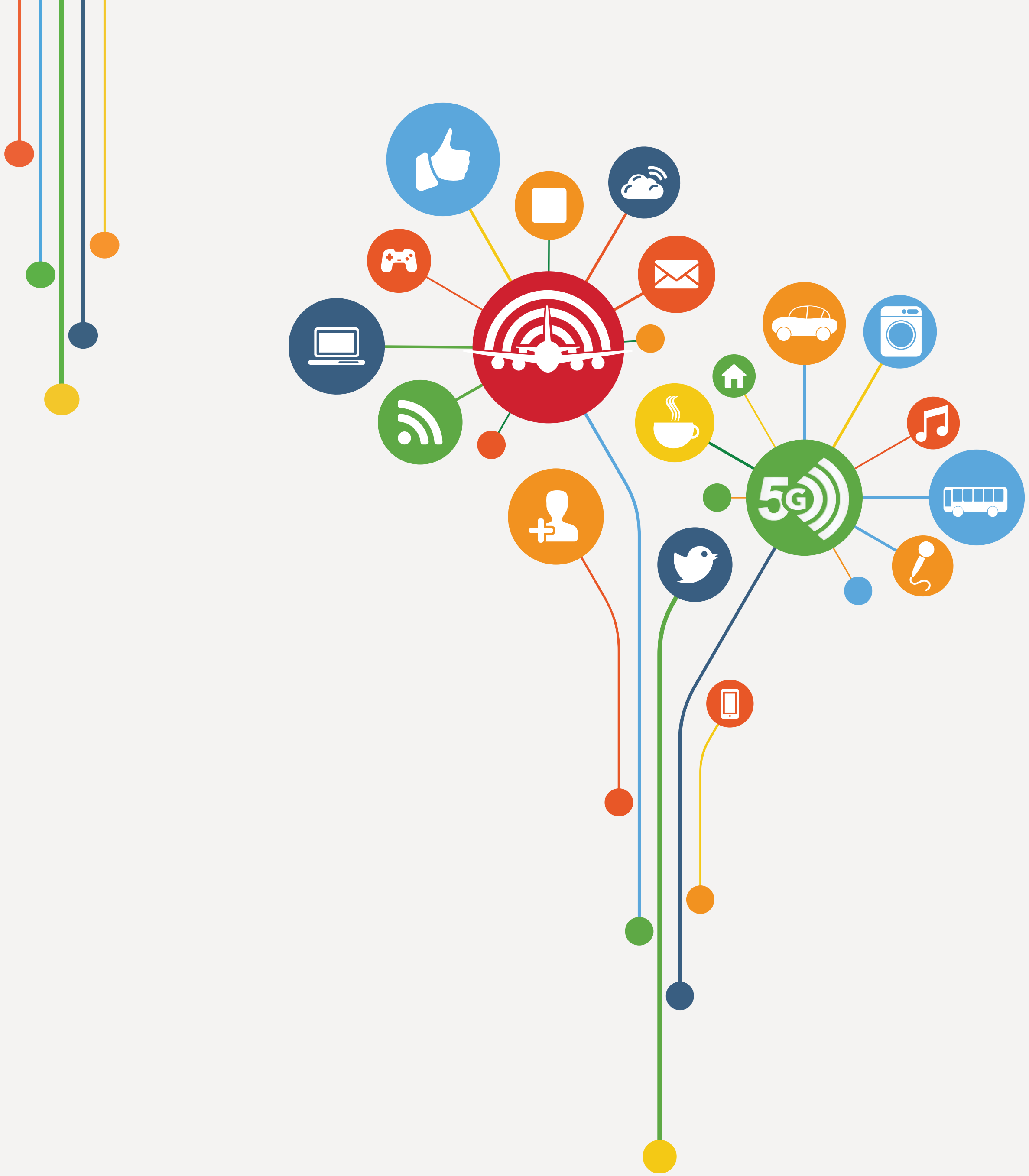
هيئة تنظيم الاتصالات
TELECOMMUNICATIONS REGULATORY AUTHORITY
Kingdom of Bahrain - مملكة البحرين



Q3 2018

Quarterly Market Indicators

Content

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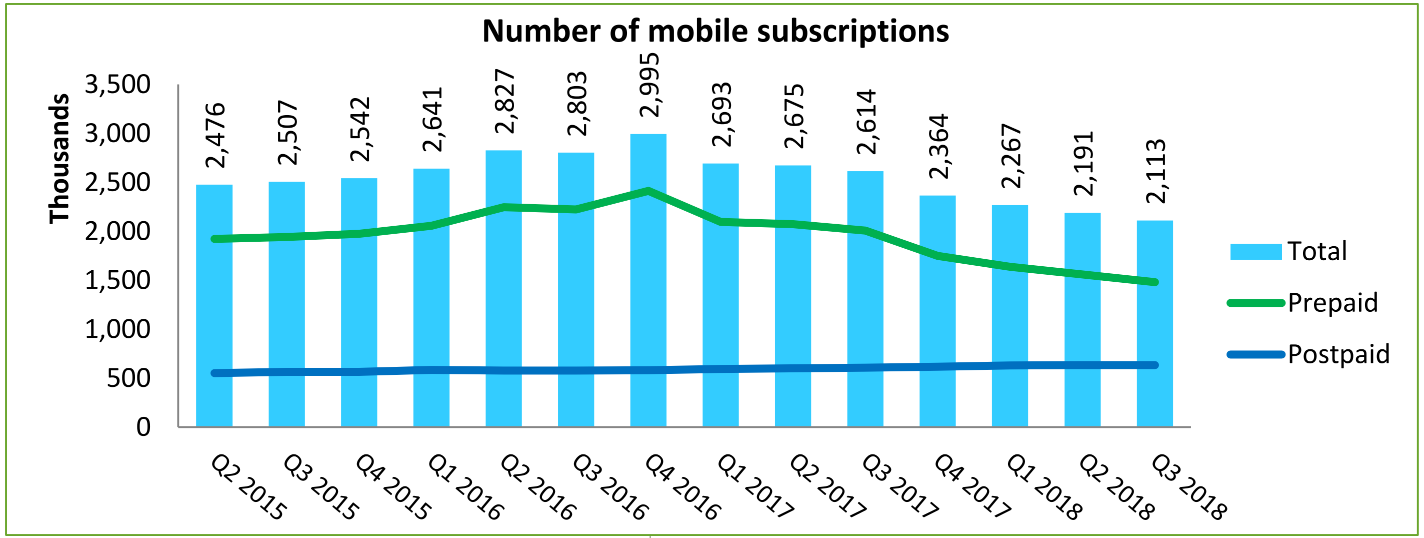
Mobile services: Subscriptions

- By the end of Q3 2018, Mobile subscriptions continued its decline to reach 2.1 million subscriptions; which is about a 11% decrease from the end of 2017 and a 19% decrease compared to Q2 of 2017.
- Mobile penetration rate declined to 136% by the end of Q3 2018. This decrease is attributed to the increase in the reported population number during 2018 and the 11% decrease in number of mobile subscriptions compared to the end of 2017 due to changes in consumer behavior moving from pre-paid services to post paid services which provide more data allowances catering for the changing needs of subscribers.
- A noticeable change in the Mobile market is the increase of Postpaid subscribers and decrease of Prepaid subscribers. As of Q3 2018, Postpaid subscribers increased by 16,784 subscription while prepaid subscriptions decreased by 268,749.



* In 2018, IGA revised population figures for the year 2018 to 2023

** Revised the number of accepted mobile porting requests for Q4 2017

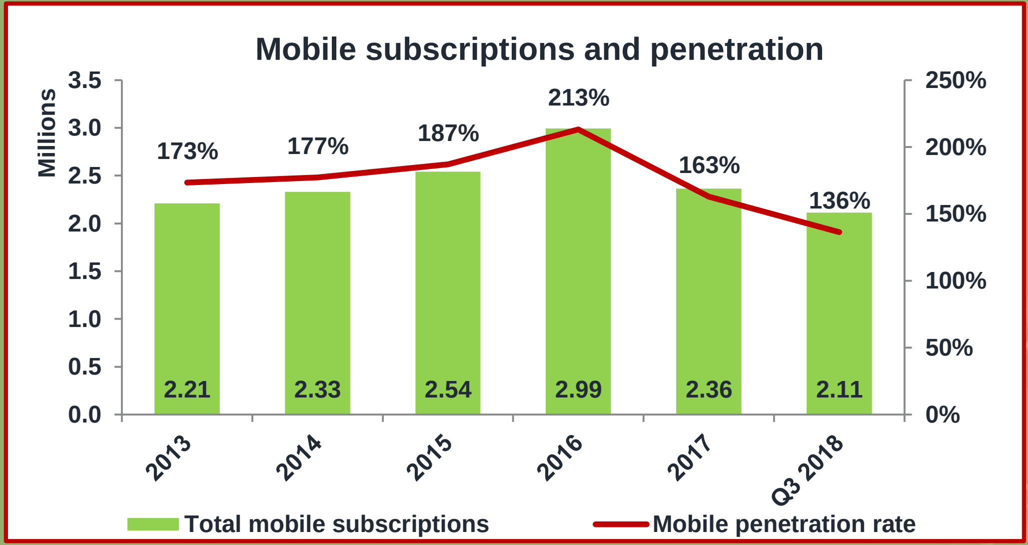
Number of Mobile subscriptions

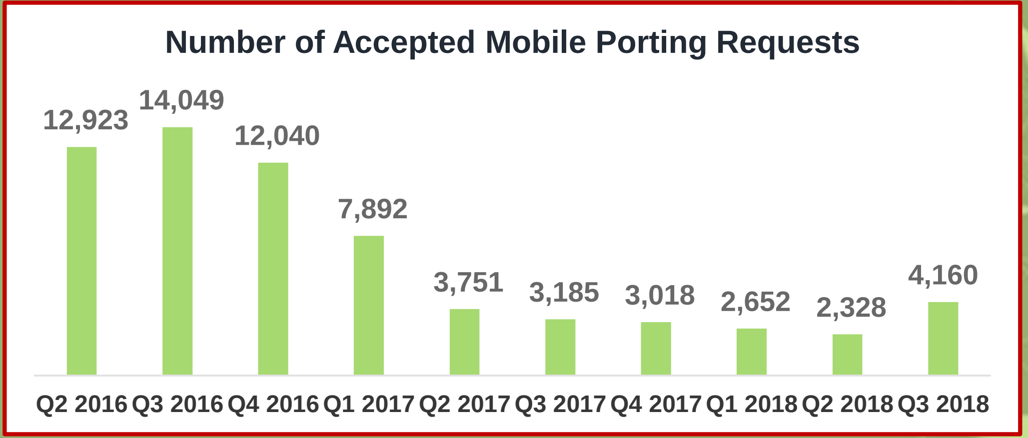
End of Q2 2018

2,112,512 Subscribers

136% Penetration rate

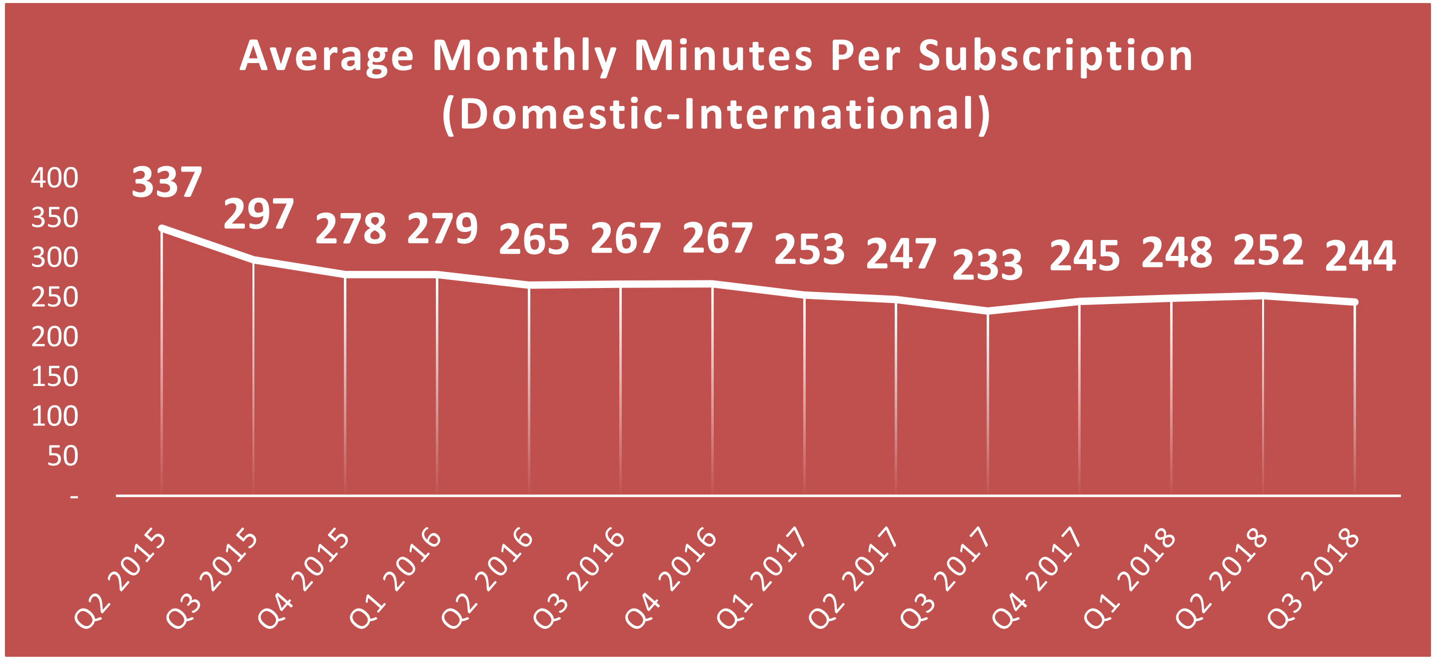
	2015	2016	2017	Q3 2018
Total	2,541,688	2,994,865	2,364,477	2,112,512
% of Prepaid	78%	81%	74%	70%
% of Postpaid	22%	19%	26%	30%





Mobile services: Traffic (Minutes)

- Total outgoing mobile traffic decreased by **13.5%** between Q3 2018 and Q3 2017 continuing the downward trend on voice calls usage.
- The Total domestic outgoing mobile traffic decreased by **12.9%** (164 million minutes) in Q3 2018 compared to Q3 2017, whereas the total international mobile outgoing voice traffic decreased by **15%** (81 million minutes).
- Prepaid voice traffic continued to account for the majority of outgoing domestic mobile calls and represents 53% of total domestic mobile voice traffic in Q3 2018.

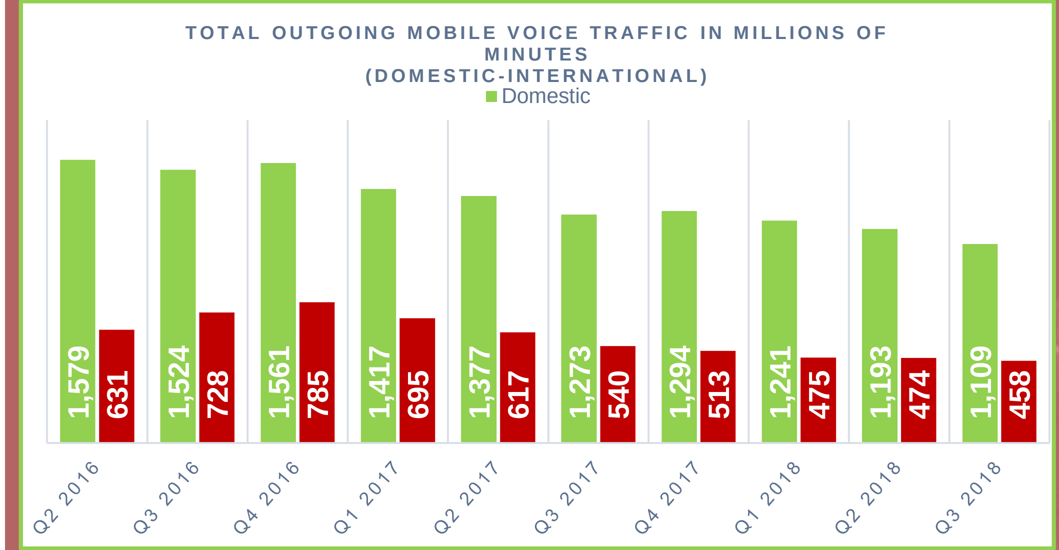


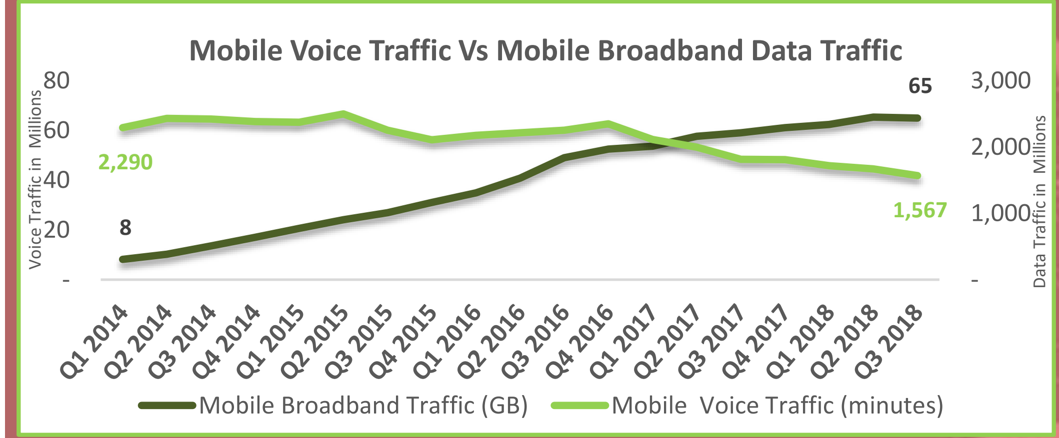
Total Outgoing Traffic in Minutes (Domestic + International)

△ (13.5%)

Q3 2017
1,813,066,131

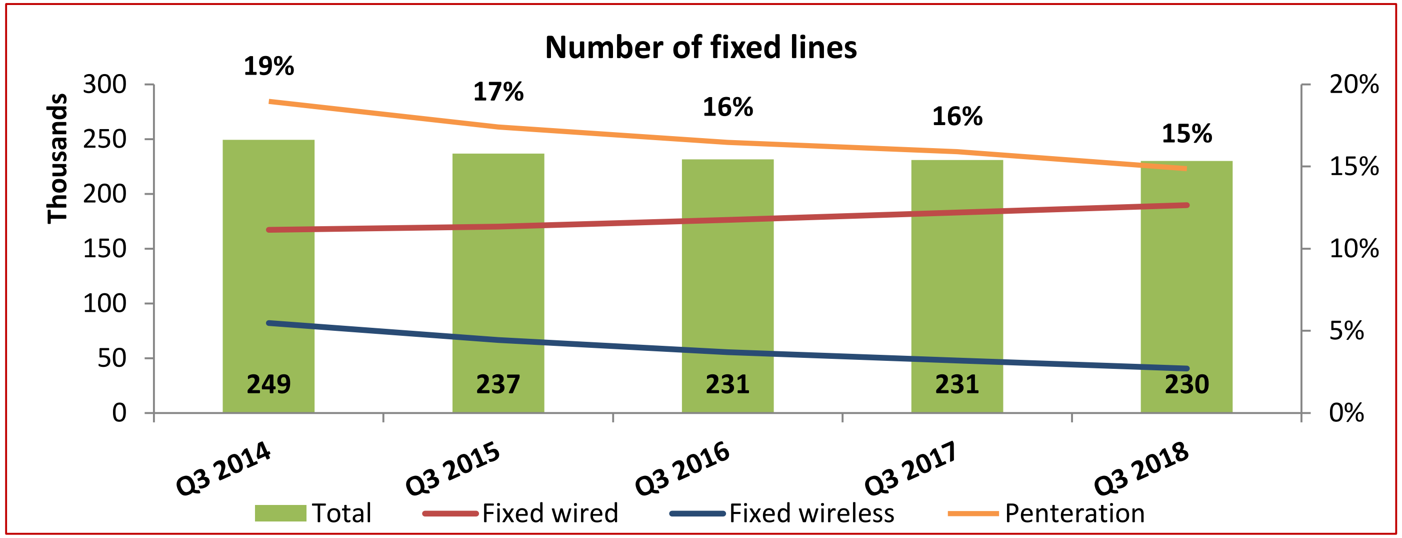
Q3 2018
1,567,269,735





Fixed telephony services: Subscriptions (PSTN & Wireless)*

- As of Q3 2018, Fixed telephony subscriptions has decreased by **2%**.
- The fixed-wired telephony services continue to increase, as it has recorded an increase of **6,491** subscription from end of Q3 2017 to Q3 2018.
- On the other hand, fixed-wireless service has decreased by **7,227** subscriptions between Q3 2017 to Q3 2018.
- Accepted ported fixed lines were 381 requests in Q3 2018.

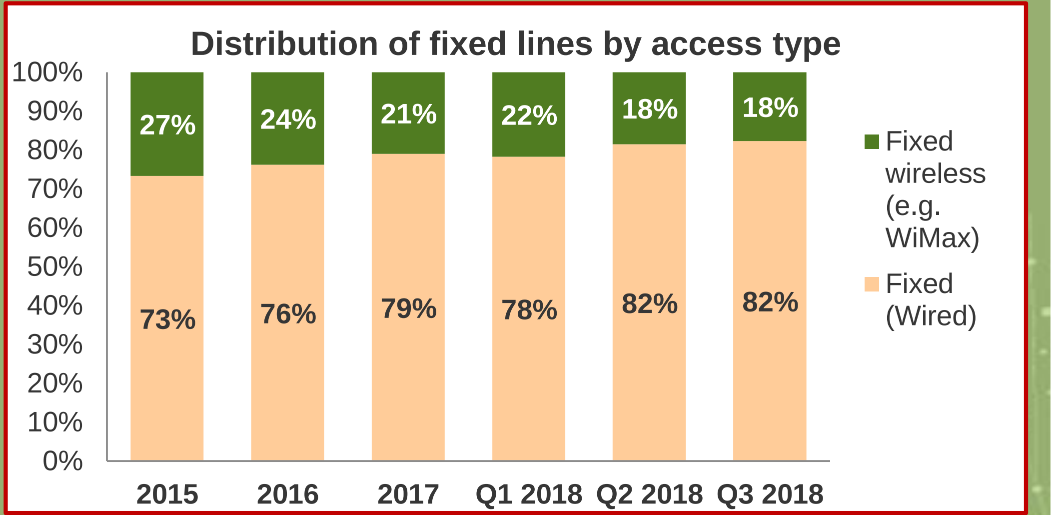


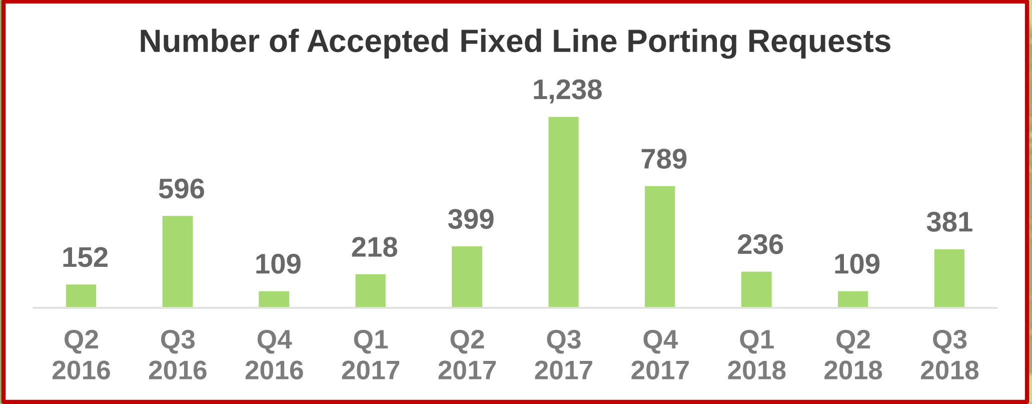
*The number of OLO's subscriptions' are estimated for 2018. The number of fixed telephony were revised in for 2017 subscriptions.
*The number of Fixed telephony for Q2 2018 was revised by an operator.

Number of fixed telephony subscriptions

End of Q3 2018
230,182
15% Penetration rate

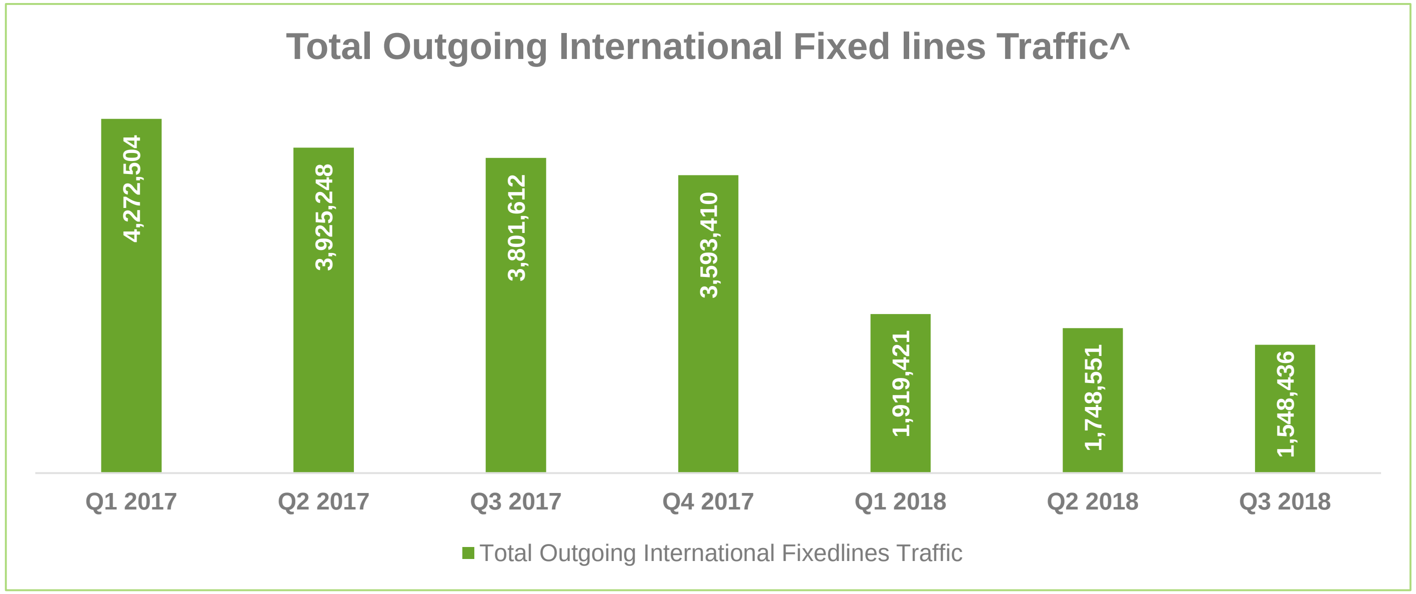
	2015	2016	2017	Q3 2018
Total	**242,439**	**233,917**	**234,709**	**230,182**
% of Fixed Wired	73%	76%	79%	82%
% of Fixed Wireless	27%	24%	21%	18%





Fixed telephony services: Traffic (PSTN & Wireless - Minutes)*

- Domestic fixed telephony traffic continued the downward trend as traffic has decreased between Q3 2018 & Q3 2017 by **5.9%** a decline of 1.956 Million minutes.
- The monthly average outgoing minutes per subscription decreased to **134** minutes in Q3 2018 compared to 144 minutes in Q3 2017.
- International Outgoing Fixed line traffic decreased in 2018 due to the removal of ISDN traffic from the calculation.



* The OLO's traffic (minutes usage) is estimated for 2017

** The OLO's traffic was revised from Q4 2014 to Q4 2016

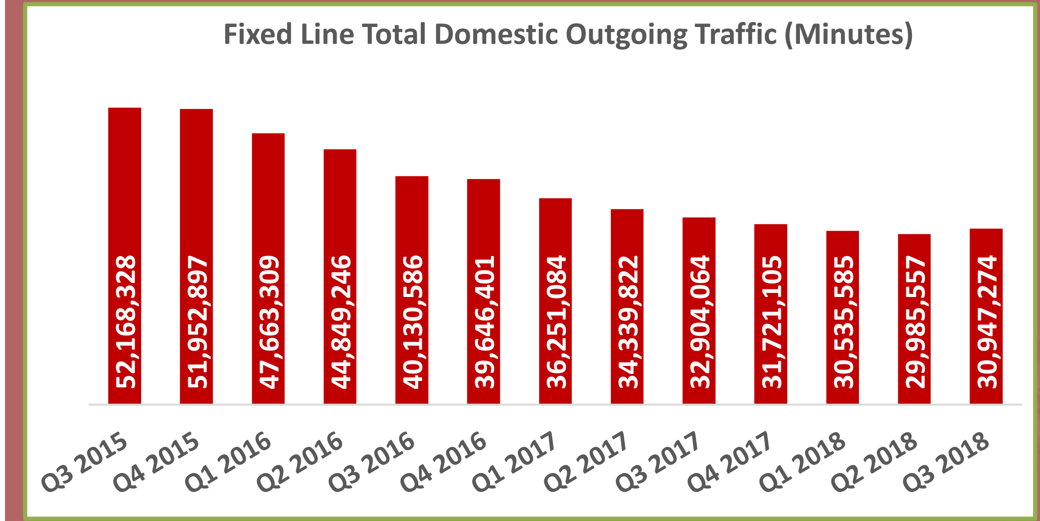
*** Domestic traffic was revised in June 2018 due to an operator revision

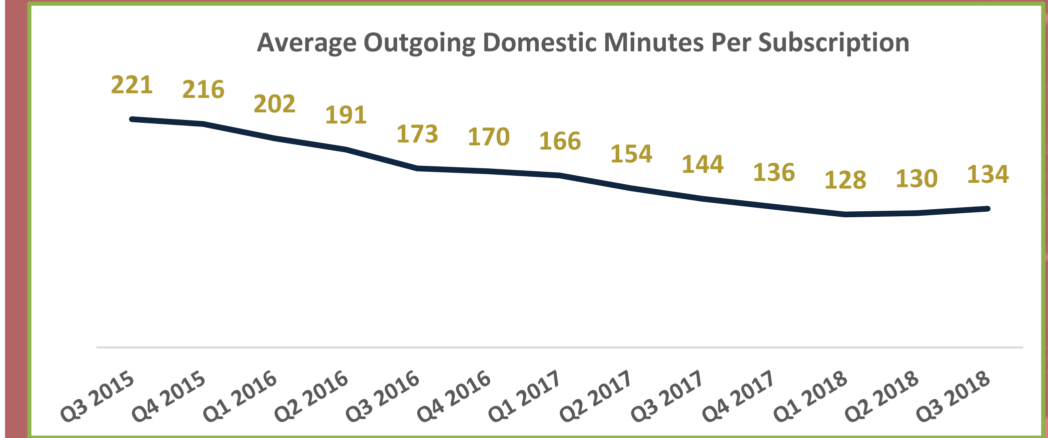
^ In 2018 Fixed ISDN traffic has been removed

Total fixed domestic outgoing traffic in minutes

△ (5.9%)

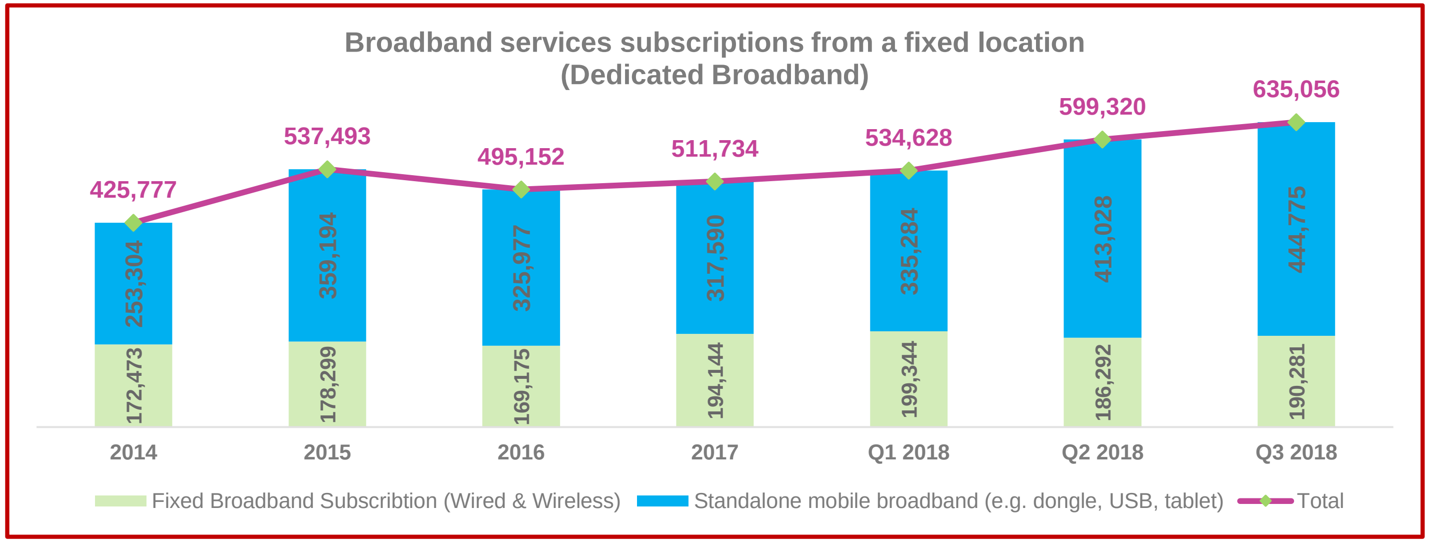
Q3 2017	Q3 2018
32,904,064	30,947,274





Broadband services: Subscriptions

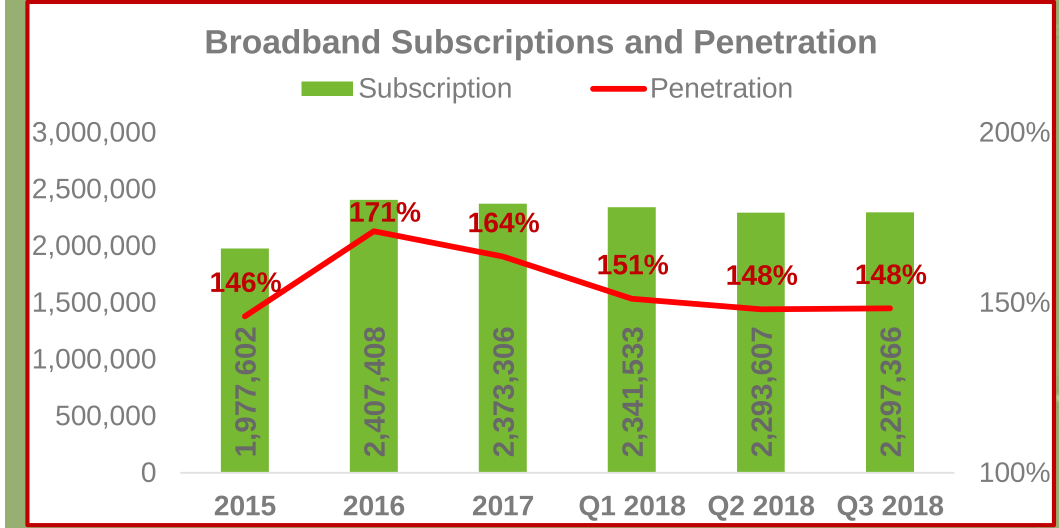
- At the end of Q3 2018, there were about 2.3 million broadband subscriptions, a decrease of **3%** compared to end of 2017, and an increase of **3,759** compared to Q2 2018.
- Broadband penetration stayed stable at **148%** at the end of Q3 2018.
- Fixed broadband subscription has increased by **2%** between Q2 2018 & Q3 2018 while mobile broadband subscription stayed stable over the same period.
- Add-on broadband to voice and pay-per-use mobile broadband represent 66% of mobile broadband subscriptions at the end of Q3 2018. In addition, **80%** of mobile subscribers have data subscription confirming the importance of data services to the consumers.



* The number of OLO's subscriptions' are estimated for 2017 and 2018.

Number of broadband subscriptions

End of Q3 2018
2,297,366
148% Penetration rate



Mobile Broadband – Q3 2018

Proportion of broadband subscriptions by access type – Q3 2018

Broadband services: Data Traffic*

- The upward trend in data consumption is continuing to grow as data traffic reached to 145.9 PB in Q3 2018, a growth of **21.7%** over the year from Q3 2018.

- Year-on-Year, Mobile broadband traffic has increased by **10%** while Fixed broadband traffic has increased by **33%.**

- The monthly average mobile broadband traffic per mobile subscription remained at 10 GB compared to the monthly average fixed broadband traffic per fixed subscription which increased to **142 GB**.

- Overall, the monthly average traffic per user remained at 21 GB.

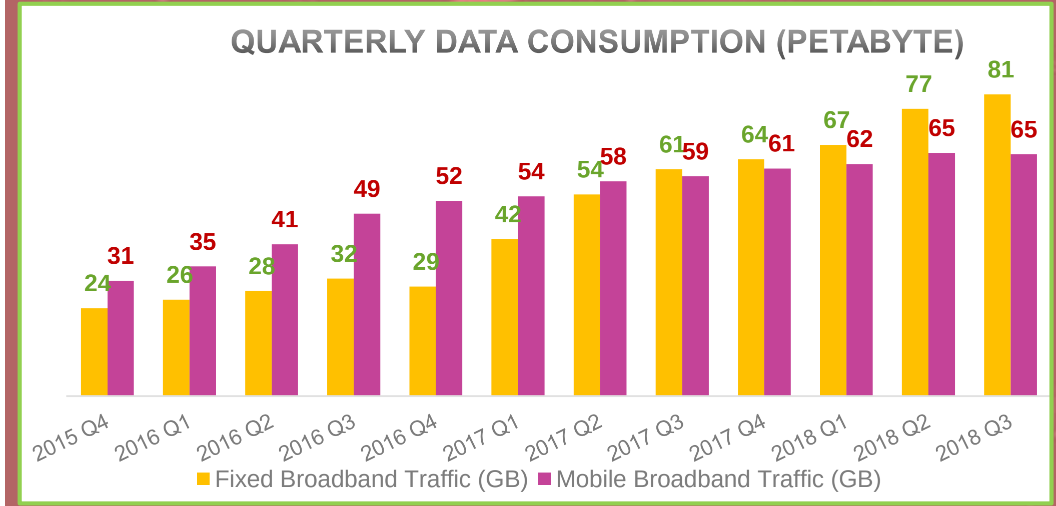
* The OLO's traffic (data usage) is estimated for 2018
** Revised Q2 2018 mobile data traffic from 136.7 PB to 142.2 PB

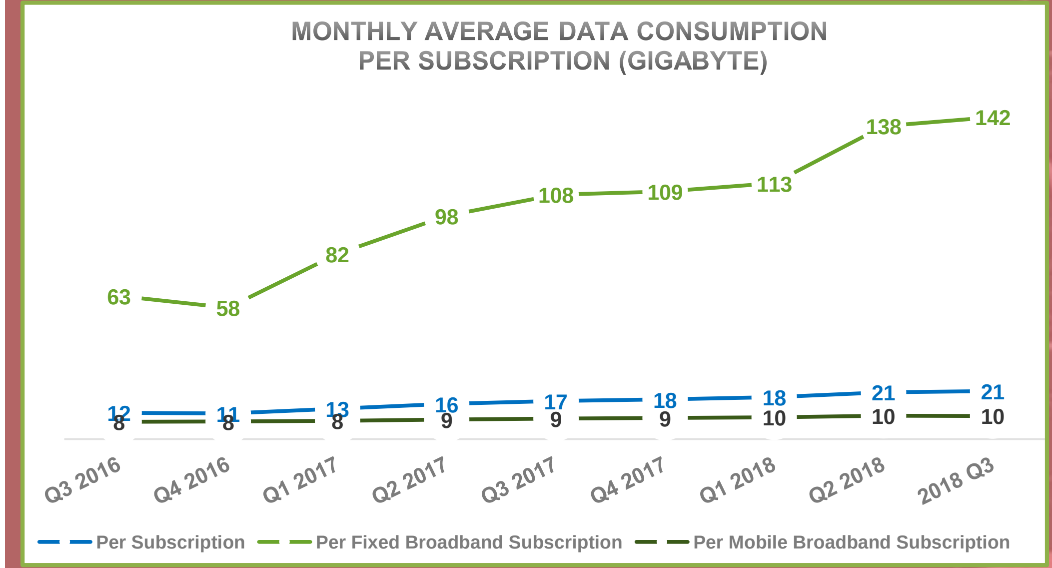
Total data traffic in Gigabyte

Q3 2018
145,994,500

Q3 2017
119,960,799

△ 21.7%





Definitions

Indicator	Definition
Fixed-telephone subscriptions	Fixed-telephone subscriptions refers to the sum of active number of analogue fixed-telephone lines, voice-over-IP (VoIP) subscriptions, fixed wireless local loop (WLL) subscriptions.
Prepaid mobile subscribers	Prepaid mobile-cellular telephone subscriptions (ITU code i271p) Refers to the total number of mobile-cellular telephone subscriptions that use prepaid refills. These are subscriptions where, instead of paying an ongoing monthly fee, users purchase blocks of usage time. Only active subscriptions should be included (those used at least once in the last three months for making or receiving a call or carrying out a non-voice activity such as sending or reading an SMS or accessing the Internet).
Postpaid mobile subscribers	Postpaid mobile-cellular telephone subscriptions Refers to the total number of mobile-cellular subscriptions where subscribers are billed after their use of mobile services, at the end of each month. The postpaid service is provided on the basis of a prior arrangement with a mobile cellular operator. Typically, the subscriber's contract specifies a limit or allowance of minutes, text messages, etc. The subscriber will be billed at a flat rate for any usage equal to or less than that allowance. Any usage above that limit incurs extra charges. Theoretically, a subscriber in this situation has no limit on use of mobile services and, as a consequence, unlimited credit.
Active mobile-broadband subscriptions	Active mobile-broadband subscriptions refers to the sum of standard mobile-broadband and dedicated mobile broadband subscriptions to the public Internet. It covers actual subscribers, not potential subscribers, even though the latter may have broadband enabled-handsets. The indicator can be further broken down into: Standard mobile-broadband subscriptions (ITU code i271mb_active): Refers to active mobile-cellular subscriptions with an advertised data speed of 256 kbit/s or greater that allow access to the greater Internet via HTTP and have been used to make a data connection using Internet protocol (IP) in the previous three months. Standard SMS and MMS messaging do not count as active Internet data connections, even if they are delivered via IP. This includes mobile subscriptions that use mobile-broadband services on a pay-per-use basis. It excludes mobile subscriptions with a separate monthly data plan for mobile-broadband access (see Indicator 25b, Dedicated mobile broadband subscriptions). Dedicated mobile-broadband subscriptions (ITU code i271md): Refers to subscriptions to dedicated data services (over a mobile network) that allow access to the greater Internet and that are purchased separately from voice services, either as a standalone service (e.g. using a data card such as a USB modem/dongle) or as an add-on data package to voice services that requires an additional subscription. All dedicated mobile-broadband subscriptions with recurring subscription fees are included as 'active data subscriptions' regardless of actual use. Prepaid mobile-broadband plans require use in the last three months if there is no monthly subscription. This indicator could also include mobile WiMAX subscriptions.

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