

STATUS OF TELECOM MARKET; MARCH 2009 REPORT

1.0 Voice Telecom Subscriptions¹

- 1.1 The number of subscriptions increased by 7% in 1st quarter 2009 as compared to 11% of 4th quarter 2008, with mobile and fixed lines grew by 6% and 32% respectively.
- 1.2 This quarter penetration rate stood to 33% as compared to 32% of the last quarter.
- 1.3 VODACOM is still leading the market with more subscriptions (40%) which is a drop of 1% from the last quarter

2.0 Traffic Air Time and ARPU²

- 2.1 Total traffic calls made within the networks (on net calls) increased by 13% this quarter as compared to 24% of the last quarter
- 2.2 Total out going and incoming traffic calls dropped by 4% and 6% respectively, with 21% increase of outgoing calls to East Africa and 18% decline of the same to other Internationals. The incoming traffic from East Africa increased by 10% while from other Internationals dropped by 9%.
- 2.3 The Average Revenue Per User (ARPU) this quarter grew by 3% from Tshs 51,740/= of the last quarter to Tshs 53,461/= of the quarter under review.

3.0 Traffic Data (SMS and MMS)³

- 3.1 The volume of SMS and MMS sent within Networks (On Net) grew by 43% and 18% respectively
- 3.2 While volume of Outgoing SMS to International destinations increased by 14%, the volume for MMS declined by 73%

¹ See Table 1

² See Table 2

³ See Table 3

Table1: Voice Telecom Subscriptions

	Q4 2008				Q1 2009		
Operators	Oct-08	Nov-08	Dec-08		Jan-09	Feb-09	Mar-09
VODACOM	5,115,867	5,269,761	5,408,439		5,509,600	5,589,891	5,670,122
TIGO	2,167,762	2,211,530	2,569,527		2,571,360	2,722,832	2,954,452
CELTEL	3,471,668	3,660,190	3,862,371		3,976,534	4,051,528	4,104,879
ZANTEL _{Mobile}	1,061,311	1,079,732	1,057,652		1,095,672	1,095,672	1,030,490
ZANTEL _{Fixed}	7,876	7,981	7,544		7,840	7,840	11,879
TTCL _{Fixed}	169,640	168,966	116,265		171,299	170,688	170,021
TTCL _{Mobile}	109,686	107,846	105,804		152,587	124,433	121,233
BENSON	3,000	3,000	3,000		3,500	3,500	3,500
TOTAL MOBILE	11,929,294	12,332,059	13,006,793		13,309,253	13,587,856	13,884,676
TOTAL FIXED	177,516	176,947	123,809		179,139	178,528	181,900
TOTAL	12,106,810	12,509,006	13,130,602		13,488,392	13,766,384	14,066,576
Mobile Share	98.5%	98.6%	99.1%		98.7%	98.7%	98.7%
Penetration	29%	30%	32%		32%	32%	33%

Table2: Traffic Calls and Average Revenue Per User (ARPU)

Destination	Q4 2008				Q1 2009			
	Oct-08	Nov-08	Dec-08	Total	Jan-09	Feb-09	Mar-09	Total
Outgoing Off Net National	93,095,252	84,172,625	87,314,701	264,582,577	83,320,033	74,634,670	82,281,293	240,235,996
Outgoing to East Africa	4,617,801	4,709,549	4,395,856	13,723,207	4,069,550	3,387,449	9,841,048	17,298,048
Outgoing to Other Internationals	10,634,587	12,318,887	11,225,780	34,179,254	10,455,827	9,841,048	8,630,360	28,927,235
Incoming On Net	506,581,966	494,577,732	432,831,281	1,433,990,980	558,146,235	492,189,784	596,389,562	1,646,725,581
Incoming from East Africa	3,219,454	3,466,719	3,945,794	10,631,967	4,070,962	3,621,147	4,061,496	11,753,605
Incoming from Other Internationals	22,446,753	21,443,408	20,669,613	64,559,774	20,822,179	19,701,172	18,720,532	59,243,883
ARPU	Tshs19,758	Tshs18,527	Tshs15,872	Tshs51,740	Tshs18,919	Tshs16,391	Tshs19,279	Tshs53,461

Table3: Traffic Data: Short Messages-SMS and Multimedia Messages-MMS

Destination	Q4 2008				Q1 2009			
	Oct-08	Nov-08	Dec-08	Total	Jan-09	Feb-09	Mar-09	Total
SMS On Net	57,510,229	62,671,373	161,932,325	282,113,927	168,674,694	156,000,673	168,091,539	492,766,906
MMS On Net	31,725	25,312	76,858	133,895	83,196	38,688	40,476	162,360
Out Going SMS	796,050	740,779	1,047,427	2,584,256	1,069,137	956,850	972,968	2,998,955
Out Going MMS	1,592	1,454	4,234	7,280	3,402	772	40	4,214

Table 4: Historical Subscriptions Data

OPERATORS	2000	2001	2002	2003	2004	2005	2006	2007	2008	Mar-09
VODACOM	50,000	180,000	300,000	700,000	1,050,000	1,562,435	2,975,580	3,870,843	5,408,439	5,670,122
TIGO	56,511	89,056	160,000	210,000	303,000	422,500	760,874	1,191,678	2,569,527	2,954,452
CELTEL			120,089	320,000	504,000	882,693	1,516,832	2,505,546	3,862,371	4,104,879
ZANTEL _{Mobile}	4,007	6,501	26,770	68,000	85,000	96,109	355,993	684,214	1,057,652	1,030,490
ZANTEL _{Fixed}									7,544	11,879
TTCL _{Fixed}	173,591	177,802	161,590	147,006	148,360	154,420	157,287	236,493	116,265	170,021
TTC _{Mobile}									105,804	121,233
BENSON									3,000	3,500
TOTAL_{Fixed}	173,591	177,802	161,590	147,006	148,360	154,420	157,287	236,493	123,809	181,900
TOTAL_{Mobile}	110,518	275,557	606,859	1,298,000	1,942,000	2,963,737	5,609,279	8,252,281	13,006,793	13,884,676
TOTAL	284,109	453,359	768,449	1,445,006	2,090,360	3,118,157	5,766,566	8,488,774	13,130,602	14,066,576
Mobile Share	39%	61%	79%	90%	93%	95%	97%	97%	99%	99%