



STRATEGIC RESEARCH SERVICE

June 28, 2015

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An overview of Saudi Arabia’s fixed voice market during the first three months of 2015

By end of Q1 2015, Saudi Arabia’s fixed voice lines stood at 3.67 million lines; a decrease of 6.62% over yearend 2014. The Saudi fixed voice penetration rate reached an estimated 11.9% during the first quarter of 2015.

The Saudi fixed voice market is served by two operators; the incumbent STC, and Etihad Atheeb (operating under the brand name Go). During Q1 2015, the Saudi market lost 260,000 lines, to reach 3.67 million fixed voice lines. By end of Q1 2015, the fixed voice penetration rate stood at an estimated 11.9% down from 12.8% by end of 2014.

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Exhibit 1: Saudi Arabia total market fixed voice lines (2012 - Q1 2015)

	2012	2013	2014	Q1 2015
Fixed voice lines (000s)	4,800	4,710	3,930	3,670
Added (000s)	-	-90	-780	-260
Variance %	-	-1.88%	-16.56%	-6.62%
Fixed voice line penetration %	16.4%	15.7%	12.8%	11.9%*

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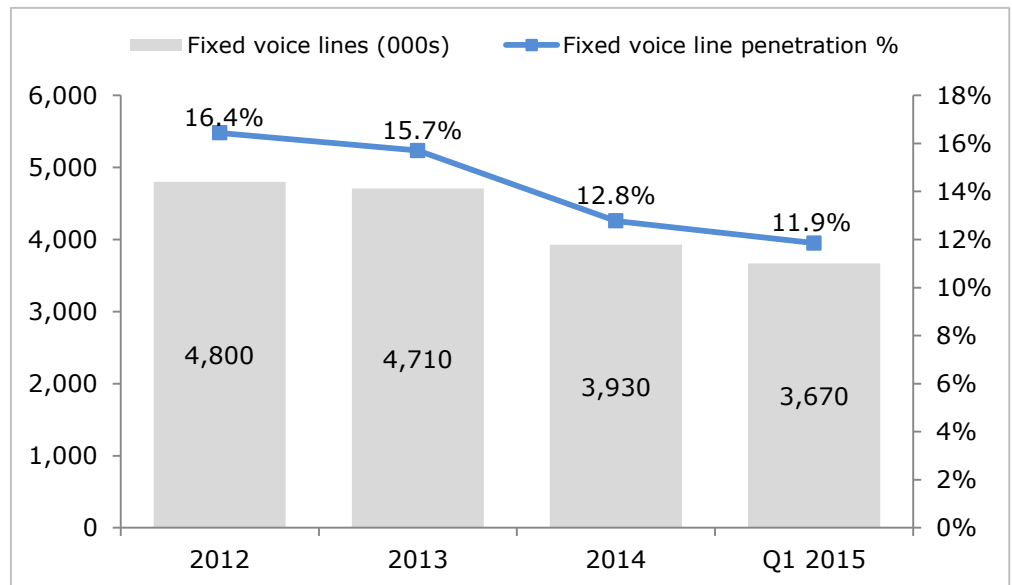
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*Based on an estimated population figure for Q1 2015

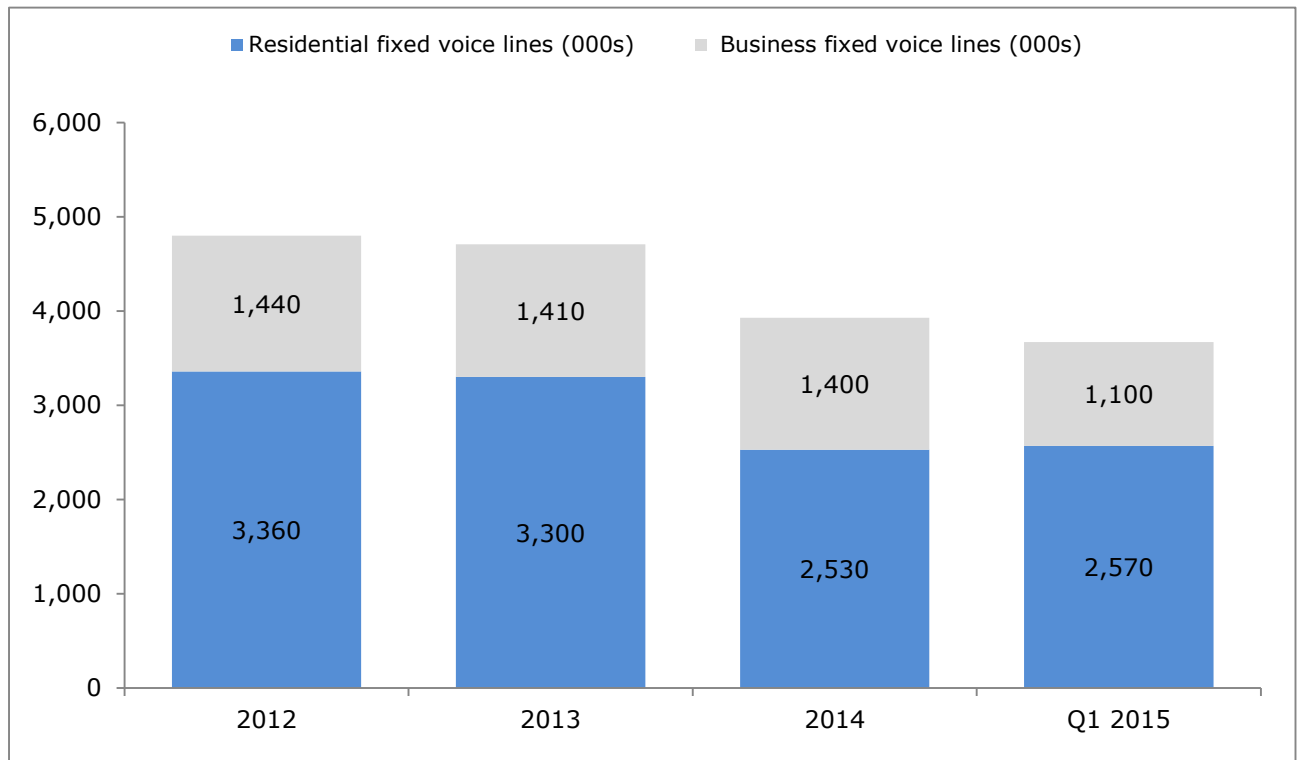
Source: CITC

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By end of March 2015, residential fixed voice lines stood at 2.57 million, contributing to 70% of total fixed voice lines. Meanwhile, business fixed voice lines contributed to the remaining 30% to reach 1.1 million lines by end of Q1 2015.

Exhibit 2: Saudi fixed voice residential/business breakdown (2012 – Q1 2015)

	2012	2013	2014	Q1 2015
Total Market				
Fixed voice lines (000s)	4,800	4,710	3,930	3,670
Added (000s)	-	-90	-780	-260
Variance %	-	-1.88%	-16.56%	-6.62%
Residential				
Residential fixed voice lines (000s)	3,360	3,300	2,530	2,570
Added (000s)	-	-60	-770	40
Variance %	-	-1.79%	-23.33%	1.58%
% of total fixed lines	70.0%	70.1%	64.4%	70.0%
Business				
Business fixed voice lines (000s)	1,440	1,410	1,400	1,100
Added (000s)	-	-30	-10	-300
Variance %	-	-2.08%	-0.71%	-21.43%
% of total fixed lines	30.0%	29.9%	35.6%	30.0%



Source: CITC

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