



Republic of Serbia
RATEL
Regulatory Agency for
Electronic Communications
and Postal Services

**AN OVERVIEW OF THE TELECOM MARKET
IN THE REPUBLIC OF SERBIA**

The Third Quarter of 2016

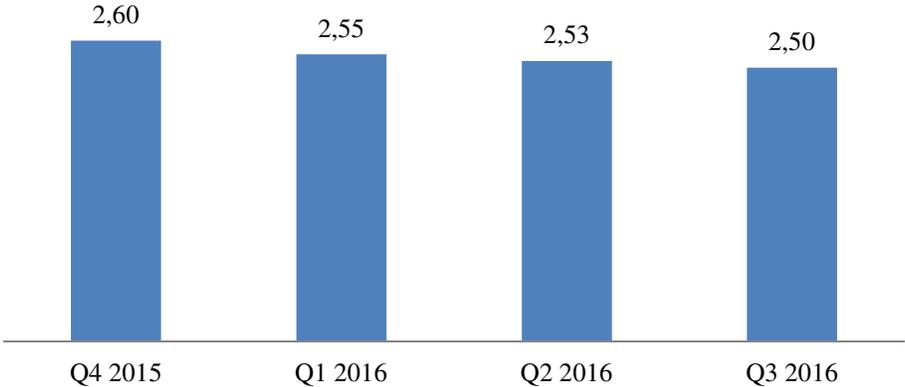
The Overview presents the data for the first, second and third quarter of 2016, compared with the data for the fourth quarter of 2015 collected from the operators based on the annual questionnaires for 2015.

The presented data reflect the overall market status for the given quarters. They comprise the actual quarterly figures of the leading operators which represent 90% of the market, whereas for the remaining 10% of the operators, which were not required to submit the data, an estimate was used based on the data for 2015. Therefore, the total quarterly report may show discrepancies with respect to the data collected in the annual questionnaires. The Agency shall not be held responsible for the correctness of the data submitted by the operators in the quarterly questionnaires.

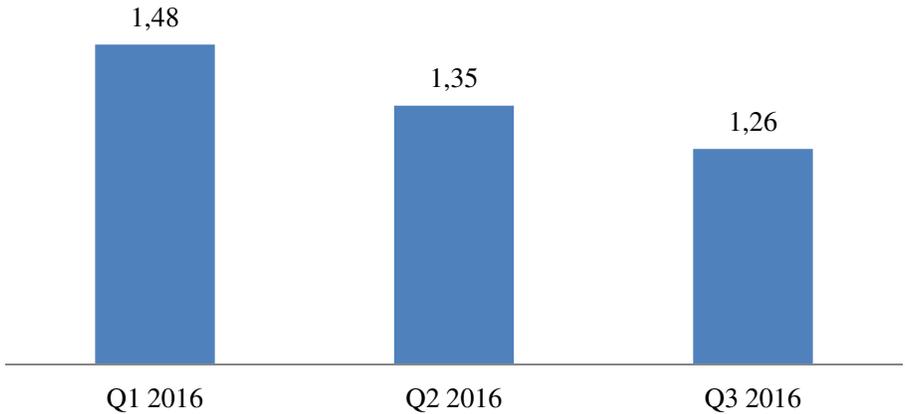
Public Fixed Telecommunications Networks and Services

As on 30 September 2016, the public telephone service over fixed-line network was provided by 30 registered operators. Approximately 2.5 million fixed telephony subscribers generated approximately 1.3 billion minutes of traffic. The market data include the CDMA subscribers and traffic.

Number of fixed line subscribers (million)

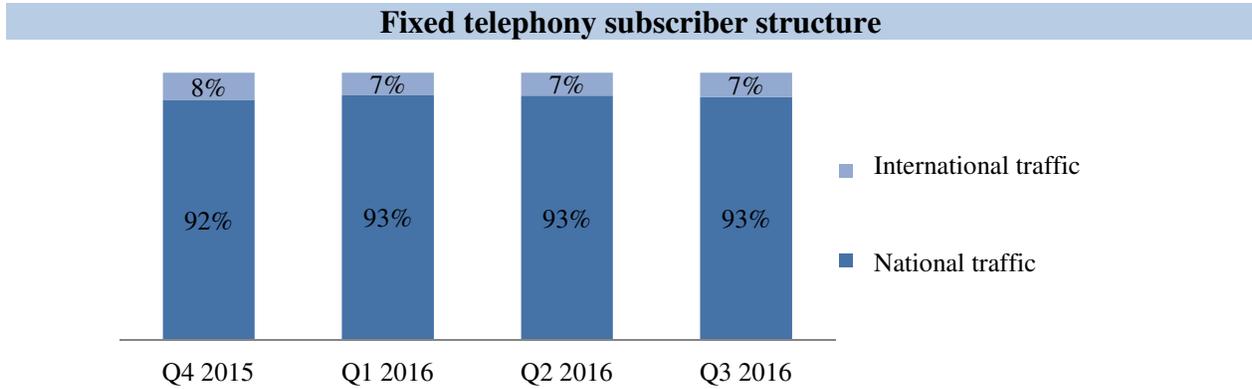


Total fixed telephony traffic (billion minutes)

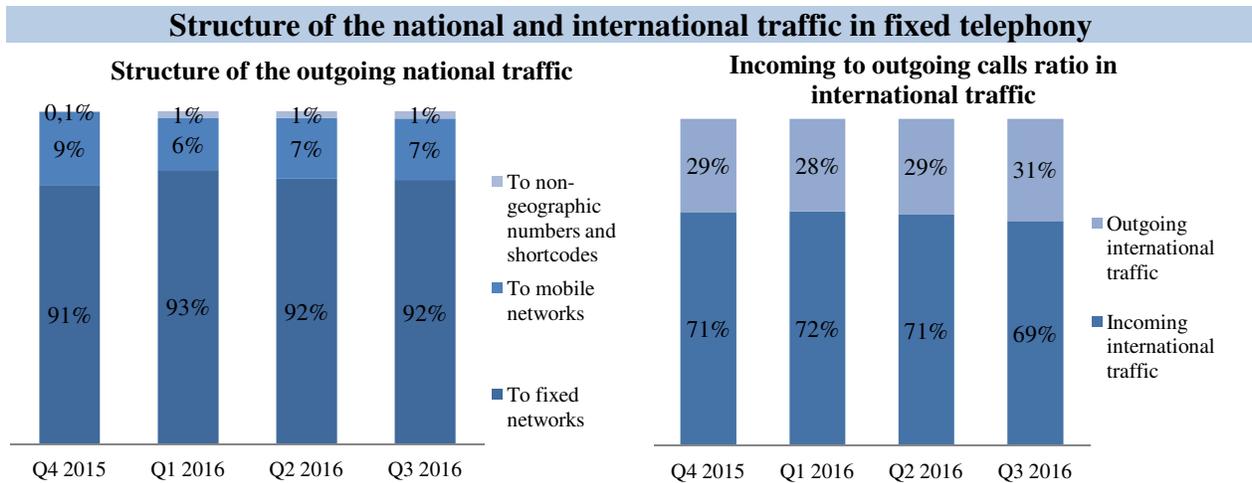


90% of the fixed telephony subscribers are residential users, i.e. natural entities, and the subscriber structure remains constant in the analyzed quarters.

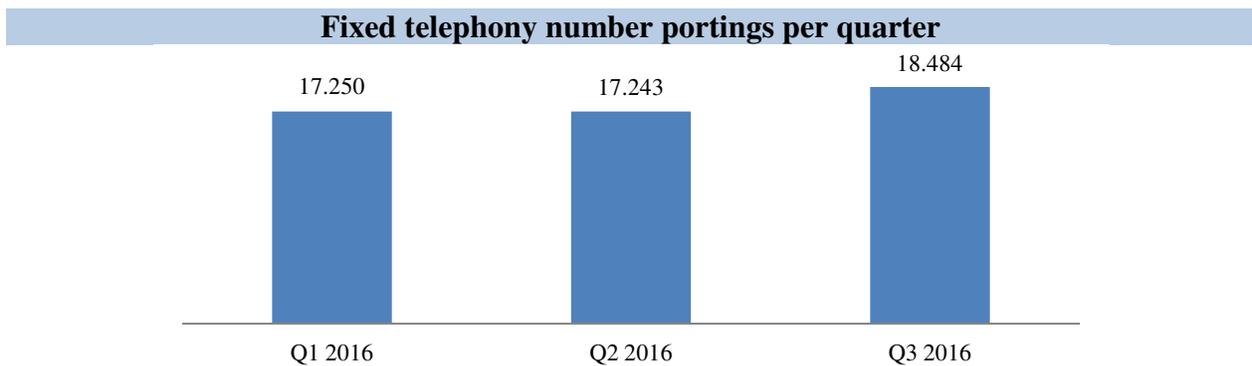
The largest share of the fixed telephony traffic is accounted for by the national traffic, with 93%.



The outgoing telephone calls are primarily directed towards other fixed networks, while the incoming calls dominate the international traffic.



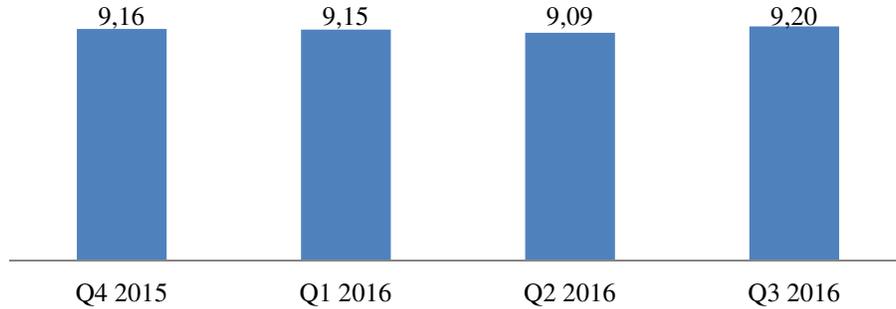
The number of fixed telephony number portings ranges between 17 and 18 thousand per quarter, or over 6 thousand per month.



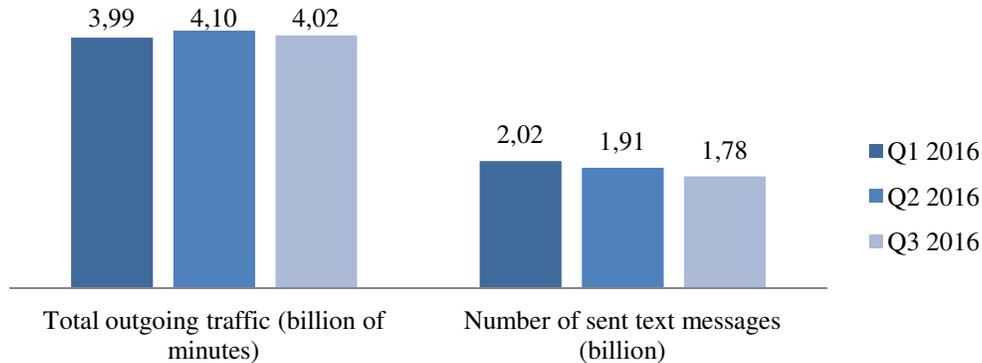
Public Mobile Telecommunications Networks and Services

The quarterly mobile telephony market indicators include the data submitted by all three operators, i.e. 100% of the market. 9 million active mobile telephony subscribers generated approximately 4 billion minutes of national and international voice traffic and sent approximately 1.9 billion messages quarterly, on average.

Total number of active mobile telephony subscribers (million)

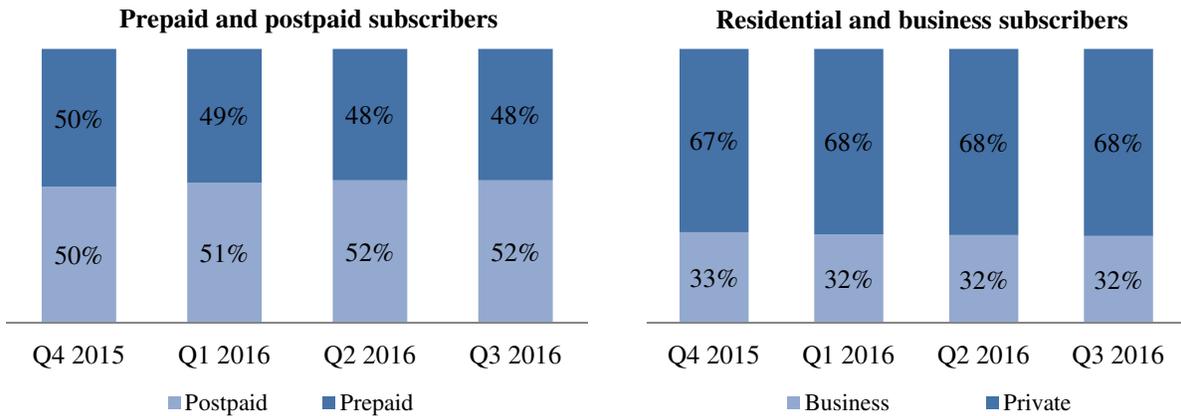


Generated voice and SMS mobile telephony traffic



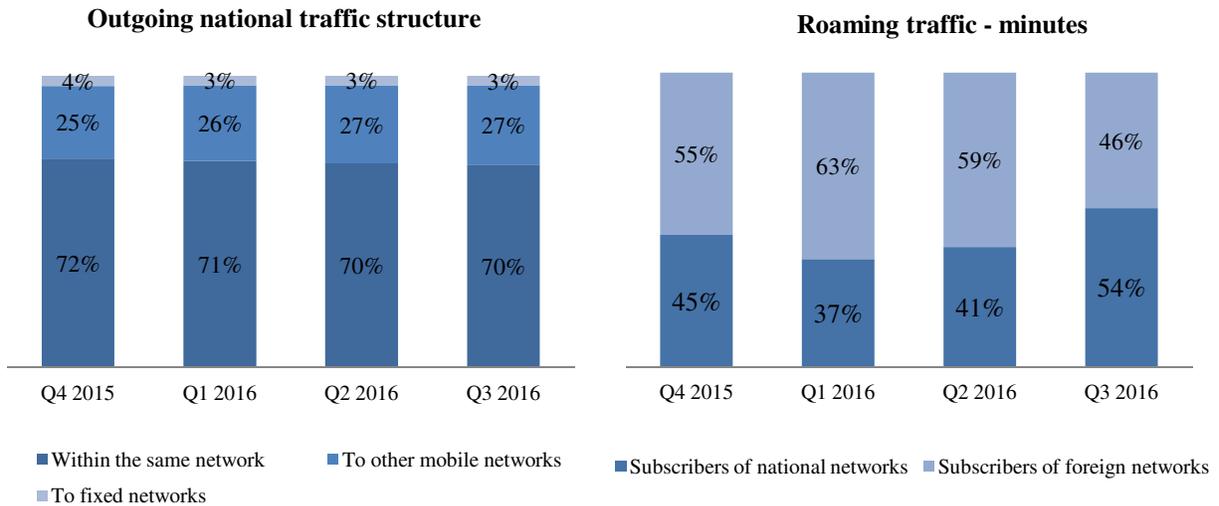
Since the first quarter of 2016, the number of postpaid subscribers has exceeded the number of prepaid subscribers. The postpaid subscribers are still primarily residential users.

Mobile telephony subscriber structure



Most outgoing traffic is generated within the same network. More roaming traffic is generated by the subscribers of foreign networks than by the subscribers of national networks.

Mobile networks outgoing traffic structure



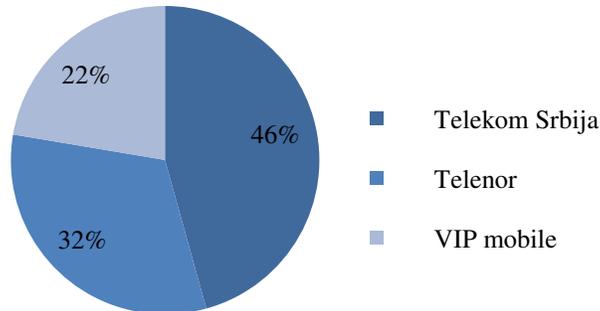
The number of mobile telephony number portings was approximately 30 thousand per quarter, or over 10 thousand per month.

Mobile telephony number portings per quarter



There haven't been any significant changes in market shares over the analyzed quarters, in terms of the number of users.

Market share in terms of the number of users – Q3 2016



According to the ITU definition¹, mobile-broadband subscribers refer to the *standard (active) subscribers of mobile networks with download speeds of at least 256 kbit/s, who have accessed the Internet over IP in the last 3 months (excluding standard SMS and MMS messages), as well as data-only mobile-broadband subscriptions that do not include voice services (modem/dongle or additional bundle).*

Number of active mobile-broadband subscribers (million)



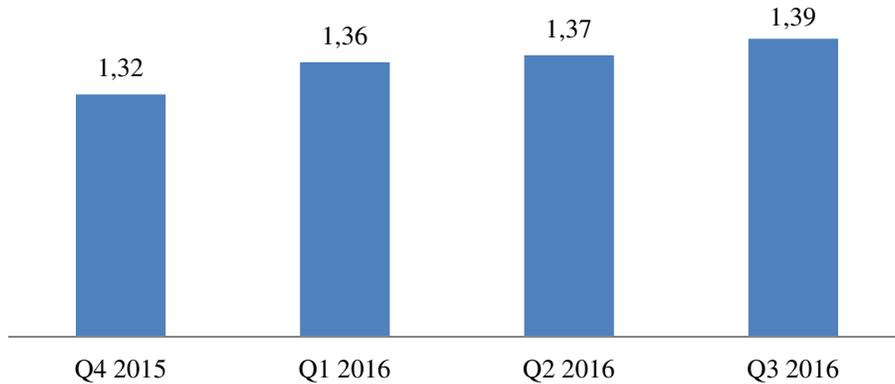
Data transmission over mobile network in Q3 2016 was approximately 11.5 million GB.

¹ ITU definition i271mb_active and i271md

Internet Services

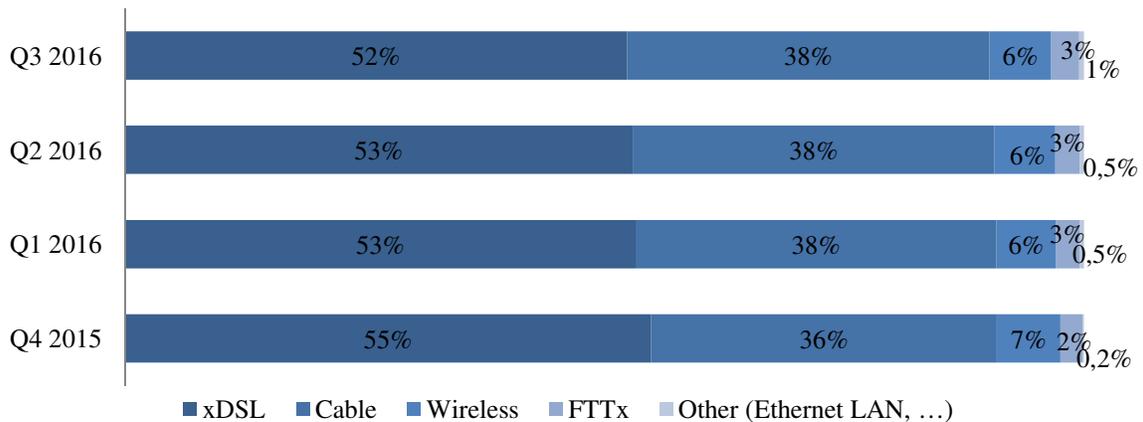
As on 30 September 2016, the Internet services were provided by 203 registered operators. The number of fixed broadband Internet access subscribers was approximately 1.4 million.

The number of fixed broadband Internet access subscribers (million)



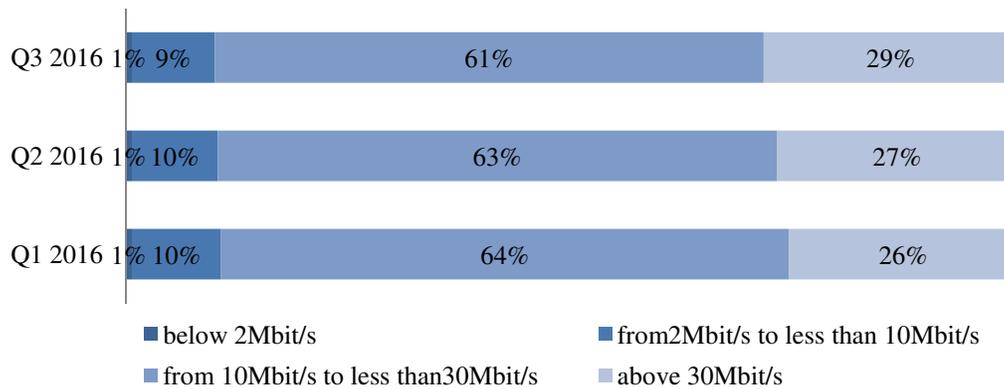
The majority of fixed broadband subscribers have xDSL or cable access.

Number of subscribers according to type of access



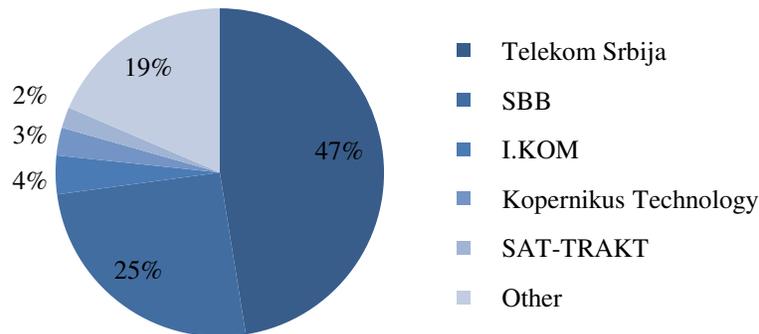
The majority of subscribers in Q1 and Q2 had access rates between 10 Mbit/s and 30 Mbit/s.

Number of fixed broadband Internet subscribers according to access rate



There haven't been any significant changes in market shares over the three-month period, in terms of the number of subscribers.

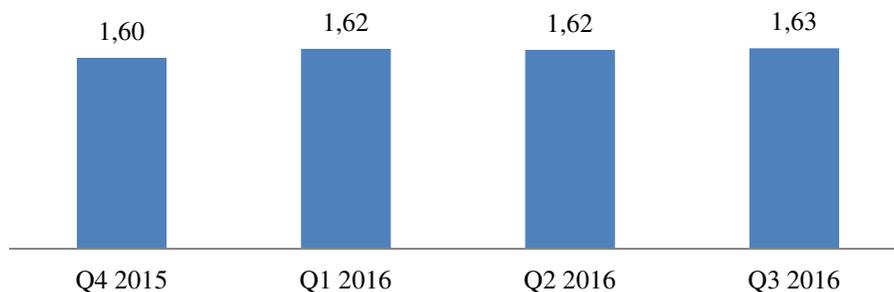
Market share in terms of number of fixed broadband subscribers – Q3 2016



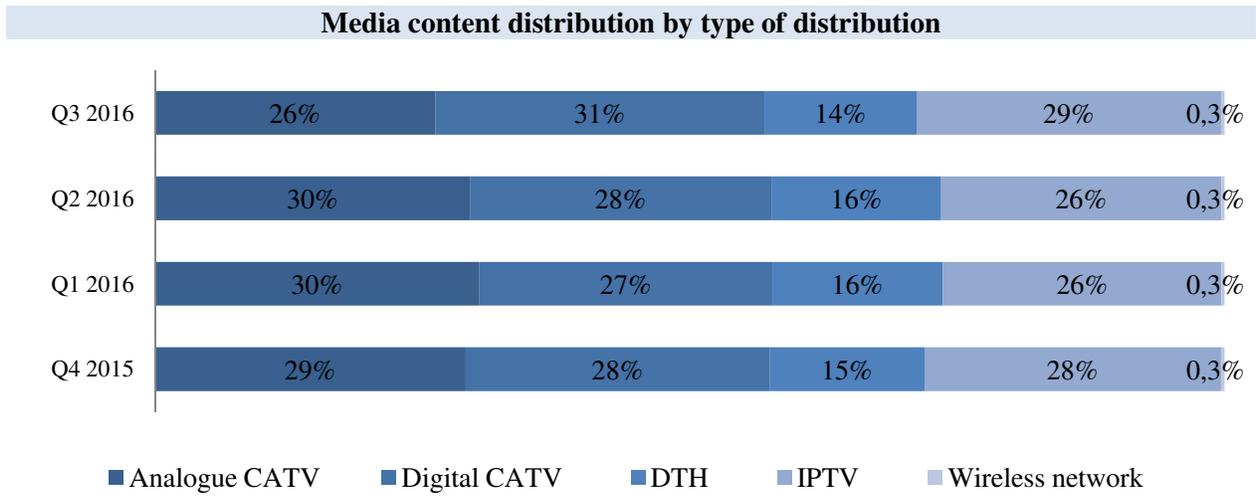
Media Content Distribution

As on 30 September 2016, media content distribution services were provided by 84 registered operators. The number of media content distribution service subscribers was approximately 1.6 million.

The number of media content distribution service subscribers (million)



The majority of subscribers use CATV distribution.



There haven't been any significant changes in market shares over the three-month period, in terms of the number of subscribers, and the leading operators took approximately 90% of the media content distribution market.

