



## **MOBILE MARKET OF UZBEKISTAN AS OF OCTOBER 2008**

- **New record on attraction of the new subscribers for month – 712.5 thousand;**
- **According to adjusted data MTS has remained leader on the number of new customers subscription as of III Q and as of October;**
- **Ucell market share increased by 7.9 percent points;**
- **Beeline market share can become equal of the summed market share of Ucell, Perfectum Mobile and Uzbektelecom mobile first time from July-August 2006 by the end of this year;**
- **Forecast of subscribers number is remaining previous – about 13.15 mln. new subscribers as of the end of this year and penetration rate become 100% by the end of 2010;**

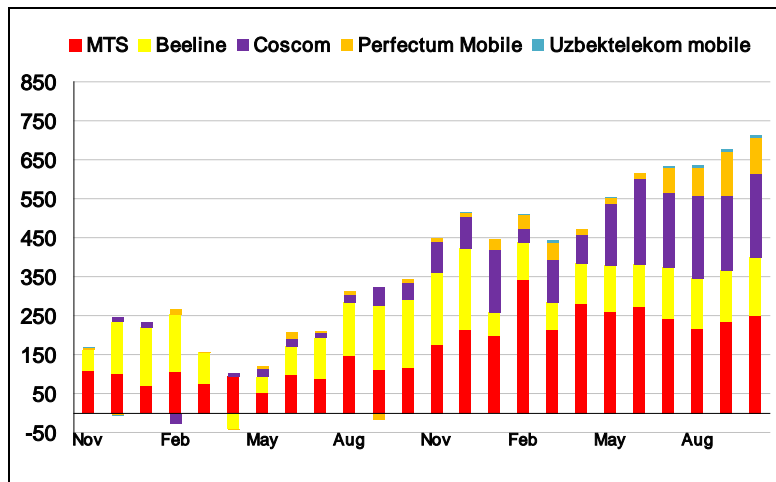
### **New record – 712.5 thousand of subscribers per month**

Number of the mobile subscribers amounted for 11.6 mln. as of the 1 November of 2008 that 2.4 times more then 1 year ago. At the same time number of mobile subscribers amounted for 5.89 at the beginning of this year and it increased almost 2 times for 10 month. One can surely say that number of mobile subscribers increased more then 2 times each of the 4 previous year. Penetration rate thought Uzbekistan amounted for 42.3%. In October 712.5 thousand subscribers was attracted, 34.9% of them fall to MTS that is leader on this indicator. Other big operators attracted 20-22% from this number of the subscribers. Uzbektelecom Mobile attracted less then 1 % from total number of the new subscribers. Previous month brought new record on number of the subscribers.

We have to note that after publishing of the final report of TeliaSonera for 9 month of 2008 we made some corrections to our calculations. According to previous calculation we underestimated market share of Perfectum Mobile and after new calculation we can see that MTS is the leader according to the number of new subscribers with 691 thousand new subscribers and not Ucell that attracted about 600 thousand subscribers.



**Growth rate of the subscription base, thousand people**



Source: «AC&M Consulting», www.gkrch.uz, AC «Avesta Research»

3Q became the luckiest for mobile operators. Totally they attracted 1.95 new subscribers that amounts for 39.1% from total number of subscribers for first 9 month of 2008. It growth rate remained the same 4Q can bring about 2.25 mln. of new subscribers.

**Competition is becoming tougher**

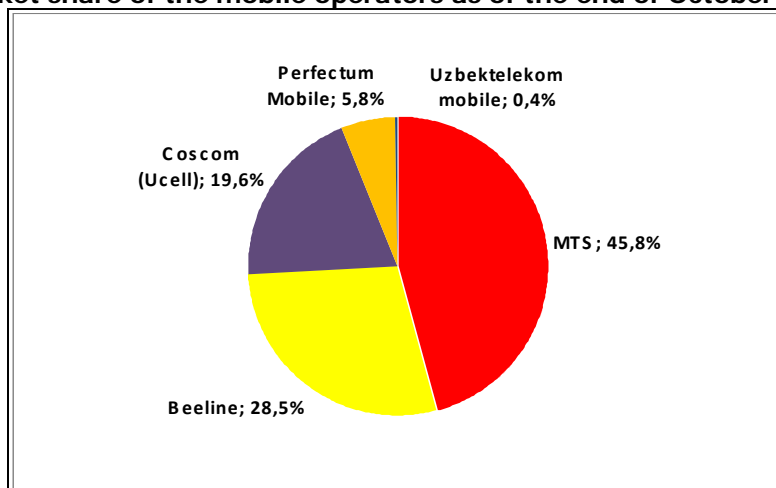
Market share of MTS and Beeline is continuing to decrease despite of the fact that MTS is still leader on the number of new customers attraction. Three other operators are increasing their client base with significant

rate and already amounted for more then 25.8% of the total market.

Ucell distinguish especially. It increased its market share by 0.7% that currently amount about 19.6%.

According to diagram below if trend remain the same, market share of other operators will be more then Beeline market share in the new year that happened last time in July-August 2006.

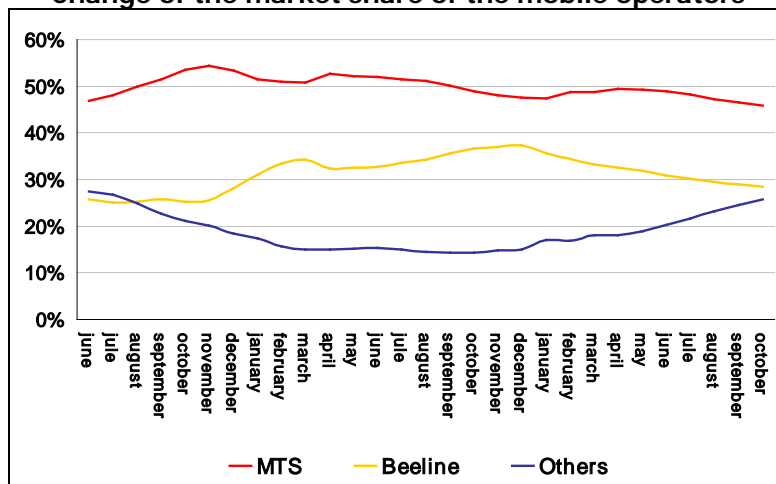
**Market share of the mobile operators as of the end of October 2008**



Source: «AC&M Consulting», www.gkrch.uz, AC «Avesta Research»



**Change of the market share of the mobile operators**

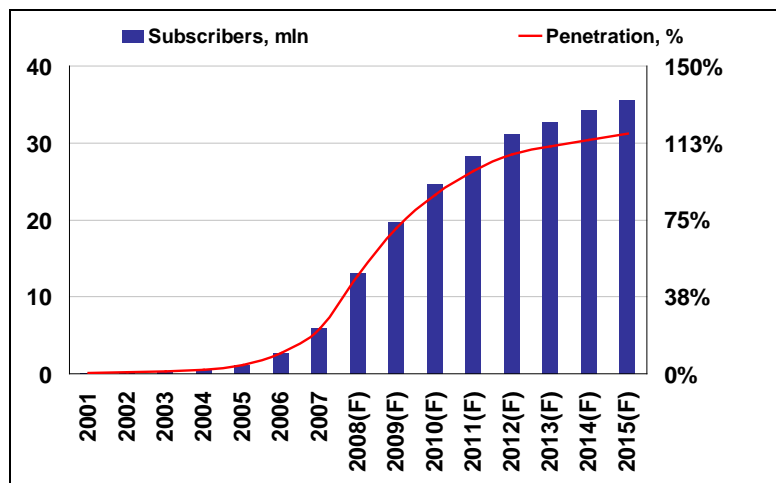


Source: «AC&M Consulting», www.gkrch.uz, AC «Avesta Research»

## Forecasts don't change

Taking into account results of October, «Avesta Research» doesn't change its forecast because forecast for this month came true for 99.0%. Number of subscribers will reach 12.8-13.3 mln. by the end of 2008 and penetration rate will amount for 46.6-48.5%. For longer period of time our forecast amounts for 24.6 mln. subscribers and penetration rate 87.3% by the end of 2010 and about 35.5 mln. and 117% by 2015. Penetration rate in 100.0% will be overcome by the end of 2011-beginning of 2012.

**Mobile Market development forecast**



Source: «AC&M Consulting», www.gkrch.uz, AC «Avesta Research»



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