





A glance at 2006

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The telecommunication sector in Jordan went through many changes in the year 2006 in response to local and international trends that highly impacted the local scene with increased competition, regulatory issues and entry of new technologies - resulting in impacts on tariffs, improved services, operational restructuring and new players in the market.

Being a major player in the local market and in anticipation of such global trends, Jordan Telecom Group instigated changes on its business and structure to set a different stage that impacted the market.

In 2006, Jordan Telecom Group embarked on an integration process that streamlined the operations of its four affiliates to work as one operation. Jordan Telecom Group local and regional model soon became recognized as the direct response to the growing and changing demands of the customers and telecom sector at large.

The Telecommunications Regulatory Commission (TRC), who plays a major role in keeping the tabs on the telecom market in Jordan, issued in 2006 four new individual licenses additional to the two issued the year before. The TRC also granted the first two fixed broadband wireless access frequency licenses during the year.

On the other hand, telecom operators in Jordan agreed to sign a standard interconnection agreement that would put them on equal footing as far as network infrastructure. Twenty-two interconnection agreements got approved by the TRC.

Although the year 2006 witnessed a drop in international call rates, an increase in traffic led Jordan Telecom, the fixed business unit, to maintain its 98% share of the fixed market, with a slight increase in the number of subscribers from 663.7k in 2005 to 677.4k by end of 2006. In addition, there was a 95% growth in ADSL lines in 2006 reaching up to 56,503 in comparison to 29,000 by end of 2005.

Despite the crushing level of competition and growth that took their toll on the cellular ARPU in Jordan; MobileCom, the mobile business unit, still managed to achieve the highest growth in market share to reach 30% in 2006, compared to 23.9% in 2005, with a customer base of one million in the year 2006.

Wanadoo, the internet and data business unit, also succeeded in raising its subscriber base by 40% from 27,600 by end of 2005 to 38,000 by end of 2006, mainly due to the increase in ADSL subscribers from 12,800 in 2005 to 30,000 by end of 2006; a 134% growth.





The significant strategic partnership with France Telecom Group has enabled Jordan Telecom Group to open up wider perspectives with new wholesale services as the wholesale business unit was created in 2006 to address the business requirements of the existing and newly licensed service providers in a consistent, regulatory compliant and time effective manner. The wholesale business unit stimulated new revenue sources for the Group, resulting in an increase in the Group's revenues amounting to 30% generated solely by this unit.

As 2006 drew to a close, trends started to unfold in 2007, and the logic that demanded business and structural changes is proving its merits. Jordan Telecom Group's integrated operations has been wisely steered resulting in increased market share.

# Best of 2006

Jordan Telecom Group announces the full integration of operations between Jordan Telecom, MobileCom, Wanadoo and e-Dimension into one organization with a single management structure.

Jordan Telecom Group Foundation responds timely to the Governorate of Aqaba's call for assistance, by providing financial support to alleviate the suffering of families badly affected by the floods that overtook the city at the beginning of the year.

The Group launches its first set of bundled offers bringing together fixed, mobile and internet services with Family Talk, a combination of fixed and mobile; Surf and Talk, which integrates internet and fixed; and Ahlan prepaid fixed line, which can be recharged with MobileCom's scratch cards.

Jordan Telecom Group's customer database reaches two million subscribers, with a new customer added every 30 seconds.

Jordan Telecom Group opens a Telemarketing Sales Center on the University of Jordan campus, in a bid to fight unemployment amongst the youth through skill-building and training, by introducing university students to telemarketing skills.

MobileCom, the mobile business unit, reaches the one million-customer milestone with network coverage reaching over 99% of the Jordanian population.

France Telecom, through JITCO (wholly-owned by France Telecom), becomes the majority shareholder owning 51% of Jordan Telecom; making it its gateway in the Middle East region.

France Telecom Group's logo (&) is adopted as the new corporate identity for Jordan Telecom Group, reflecting the relationship with its parent international company.

The Group's first one-stop shop offering integrated services of fixed, mobile and internet opens in Mecca Mall inviting customers to enjoy the convenience of concluding all their telecommunication needs, easily, quickly, comfortably and in one location.

Jordan Telecom, the fixed business unit, launches the latest ADSL full option, which is wireless connection with a routing option for new and existing ADSL customers.

Wanadoo, the internet and data business unit, launches for the first time ever in Jordan, the 2 mega ADSL speed asserting its leading position in the market while decreasing its 1 mega prices.

