

MTN now has 195m subscribers

Mobile phone operator MTN has increased its subscriber numbers by 3.2% in the first quarter 2013 and now has 195.4m users of its service in 22 countries across Africa and the Middle East.



In South Africa, despite a slow start to the year, MTN maintained its market share. In Nigeria, MTN continued to perform strongly in a highly competitive market, it said on Thursday (25 April).

The company said it maintained its forecast that it would add a further 21m subscribers to its user base this year.

In South Africa after a strong 2012, the past quarter was characterised by a weaker consumer environment as well as increased pricing competition.

The business recorded 470,000 net disconnections, a quarter-on-quarter (q/q) decrease of 1.9% in the traditionally weak period, which was further exacerbated by the strong subscriber growth recorded in the last quarter of 2012.

In the period under review, the average price per minute declined 5.5% compared with the same period a year earlier, placing some pressure on revenue growth.

Blended ARPU declined 8.1% to R110.62 as a result of promotional activities and a decline in effective tariffs. Towards the end of the quarter there has been some sign of an improvement in both subscriber and revenue trends.

Data revenue remains a key focus for the business. In the past quarter, active data subscribers reached 13.3m while data revenue, including MTN Business and mobile data, increased by 15.7% year-on-year.

MTN says that following a challenging 2012 in Nigeria, there was a continued improvement in the key operating metrics for the its business in that country in the past quarter.

MTN attracted 3.9m new subscribers, an increase of 8.1% q/q, as the market rebounded following the significant price

reductions during August and September 2012. MTN increased its market share in Nigeria by 2 percentage points to 49.7%.

Average daily revenue continued to grow from September 2012 and over the past six months, average daily revenue has increased 12.8%.

Despite the recently announced sharper-than-expected reduction in mobile termination rates, MTN is confident that the market will return to robust conditions and higher revenue growth levels by the start of the fourth quarter 2013.

MTN Irancell also increased subscribers growing by 2.6% q/q. Local currency ARPU continued to track higher although US dollar ARPU was impacted by the movement in the rial.

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