

ANALYZE OF THE TELECOMMUNICATIONS SECTOR EVOLUTION AT 31st MARCH 2008

Mobile Telephony Market

At the end of the first quarter of 2008, the number of mobile subscribers reached **20 615 884**, with a growth of **3%**.

This situation was reflected positively on the penetration rate which reached **66.85%** at the end of March 2008 against 65.66% in December 2007.

Market size

MOBILE TELEPHONY (in thousands)	Mar-07	Dec-07	Mar-08
Market size	17 126	20 029	20 616
Quarterly growth ¹	1 121	841	587
Growth (%)²	7%	4.38%	2.93%
Penetration rate³	56.14%	65.66%	66.85%

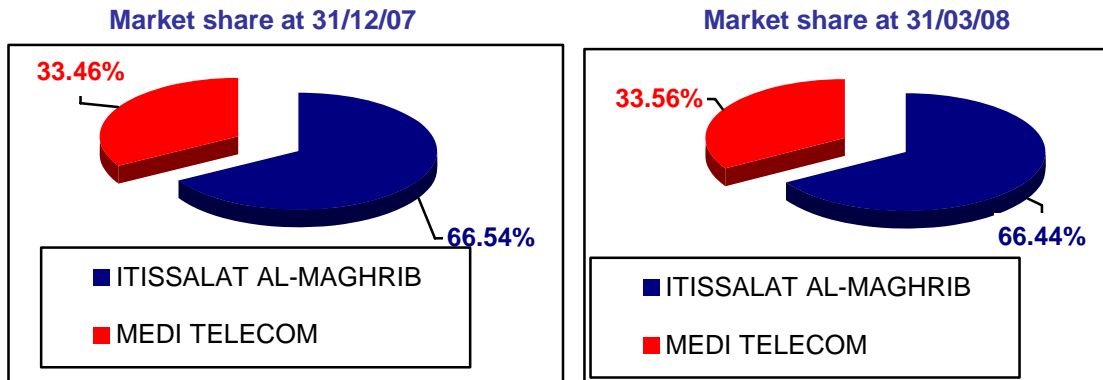
Through the analysis of the evolution of the number of mobile subscribers for the two operators, we notice that the number of subscribers of IAM reached 13 697 (in thousands) against 13 327 (in thousands) at the end of the year 2007. For the second mobile operator Medi Télécom, the number of subscribers reached 6 919 (in thousands) (6 702 thousands subscribers) carrying out a quarterly rise of 2.77% for IAM and 3.24% for Medi Télécom.

In terms of market share, the incumbent operator holds almost two thirds of the mobile subscribers market with 66.44% of the market and 33.56% for its competitor Medi Télécom.

¹ The growth at the quarter N equals to the difference between the market size of N and N-1.

² % of growth at the quarter N equals to the difference between the market size of N and N-1 divided by the market size of N-1.

³ The accounting of the penetration rate for fixed telephony by the ANRT Market Observatory is based on the population projections published by the Statistics Department/HCP based on the General census of population 2004. Starting from March of the year N, the reference population for accounting this rate results from Statistics Department/HCP projections of the year N-1.



With regard to the distribution of mobile customers by type of subscription, we notes that there is no change in the structure of the market compared to the last quarter of 2007 and that prepaid always prevails with a share of 95.98% (96.01% at the end of 2007) against 4.02% for post-paid.

The two types of subscription finished the quarter with a rather rise by recording **a growth of 2.9% for prepaid** and **of 3.5% for post-paid** compared to the last quarter of 2007.

Post-paid market size evolution

POST-PAID MARKET (in thousands)	Mar-07	Dec-07	Mar-08
Post-paid market size	716	800	828
Quarterly growth	26	21	28
Growth (%)	3.82%	2.70%	3.50%
Penetration rate	2.35%	2.62%	2.69%

Prepaid market size evolution

PREPAID MARKET (in thousands)	Mar-07	Dec-07	Mar-08
Prepaid market size	16 410	19 229	19 788
Quarterly growth	1 095	820	559
Growth (%)	7.15%	4.46%	2.90%
Penetration rate	53.79%	63.03%	64.16%

Fixed Telephony⁴ Market

At March 31, 2008, the number of subscribers recorded a growth of **13.24%** compared to the last quarter of 2007. The total number of subscribers reached **2 710 598⁵** (against 2 393 767 at the end of 2007). This good performance is due to the introduction of fixed telephony services with restricted mobility.

Consequently, the penetration rate of fixed telephony reached **8.79%** at the end of March 2008 against 7,85% in December 2007.

Market size

FIXED TELEPHONY	Mar-07	Dec-07	Mar-08
Market size⁵	1 611 002	2 393 767	2 710 598
Restricted mobility	337 376	1 100 302	1 369 908
Quarterly growth⁶	344 883	127 442	316 831
Growth (%)⁷	27.24%	5.62%	13.24%
Penetration rate	5.39%	7.85%	8.79%

Number of residential subscribers

Residential subscribers	Mar-07	Dec-07	Mar-08
Market size	1 153 882	1 924 816	2 188 483
Quarterly growth	340 882	124 685	263 667
Growth (%)	41.93%	6.93%	13.70%

Number of Professional subscribers

Professional subscribers	Mar-07	Dec-07	Mar-08
Market size	296 860	309 259	362 044
Quarterly growth	1 098	2 616	52 785
Growth (%)	0.37%	0.85%	17.07%

⁴ A draft decision for the definition of a subscriber to Fixed telephony is in process in coordination with the different operators. The fixed lines number could be modified in the next publications after the adoption of the decision relating to the definition of a subscriber to the Fixed telephony.

⁵ This figure includes residential and professional subscribers and payphones using fixed telephony network.

⁶ The growth at the quarter N equals to the difference between the market size of N and N-1.

⁷ % of growth at the quarter N equals to the difference between the market size of N and N-1 divided by the market size of N-1.

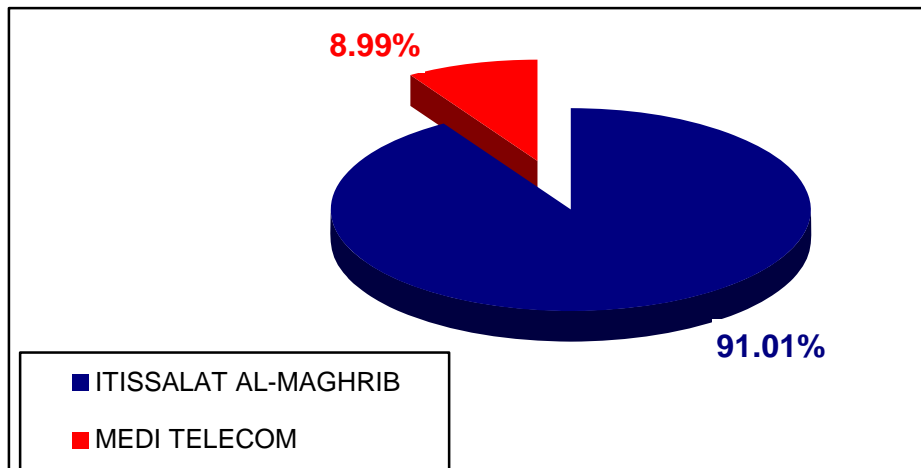
Public Payphones Market

At March 31, 2008, the number of public payphones recorded an insignificant growth of **0.14%** compared to December 2007. The total number of public payphones reached **175 887** (against 175 645 at the end of 2007).

Number of Public payphones

Public payphones ⁸	Mar-07	Dec-07	Mar-08
Market size	174 308	175 645	175 887
Quarterly growth	1 114	- 662	242
Growth (%)	0.64%	- 0.38%	0.14%

Market share at March 31st, 2008



⁸ The public payphones includes fixed and GSM phone shops, coin and card public telephones.

Internet Market

At 31st March 2008, the total Internet subscribers reached **581 866⁹** carrying out an increase of **10.6%** during the last three months, of **34.26%** between March 2007 and March 2008 and of almost **84.2%** since March 2006.

Market size

INTERNET MARKET	Mar-07	Dec-07	Mar-08
Market size	433 399	526 080	581 866
Quarterly growth	33 679	35 993	55 786
Growth (%)	8.43%	7.34%	10.60%

The number of the narrowband subscribers¹⁰, by including the users of "Internet access without subscription" option, moved from 7 663 in March 2007 to **5 734** in March 2008.

The number of ADSL subscribers is in continuous evolution with a **growth of almost 14.86%** since March 2007 and **61.31%** since March 2006.

The number of Internet access via Leased Lines (LL) recorded an increase of **8.35%** during the last three months. In general, this number stagnates for the two last years. This tendency could be explained by a substitution effect of LL access to the ADSL access.

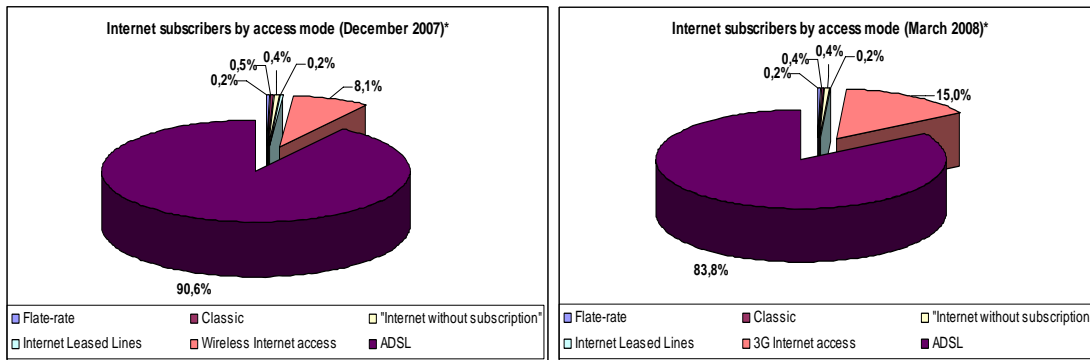
ADSL market size evolution

ADSL INTERNET	Mar-07	Dec-07	Mar-08
Market size	424 713	476 414	487 829
Quarterly growth	33 879	26 562	11 415
Growth (%)	8.67%	5.90%	2.40%

The distribution of subscribers by access mode is as follows, with a predominance of broadband ADSL accesses representing **83.8%** of the global Internet market.

⁹ Starting from June 2007, the total number of Internet subscribers includes also the offers of 3G Internet access.

¹⁰ The Wireless Internet offer access recorded so far in the narrowband Internet is the subject of a new section entitled "State of the 3G Internet market" at the end of the current document.

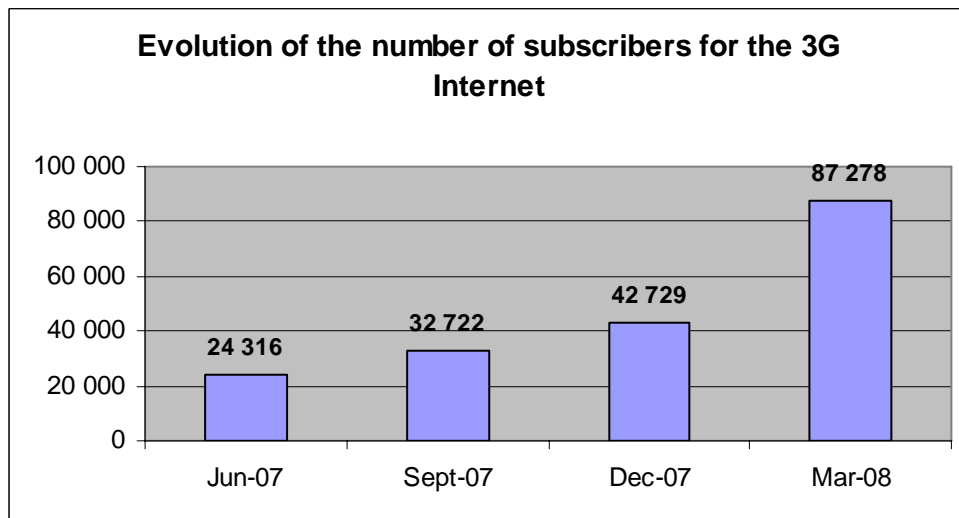


The number of ADSL subscribers was calculated by adding up The ISP's ADSL subscribers

3G Internet Market size evolution

A new Internet access services using 3G technology are launched in the Internet Moroccan Market.

At the end of March 2008, the number of 3G Internet subscriber's reached **87 278¹¹** by recording an increase of **104.26%** during the last three months.



¹¹ This figure doesn't include data for all the ISP's.