ROYAUME DU MAROC
LE PREMIER MINISTRE

THE TELECOMMUNICATIONS SECTOR EVOLUTION AT 30th JUNE 2008

Mobile Telephony Market

At the end of the second quarter of 2008, the number of mobile subscribers reached **21 411 705**, with a growth of **3,86%.**

This situation was reflected positively on the penetration rate which reached **69.43%** at the end of June 2008 against 66.85% in March 2008.

Market size

MOBILE TELEPHONY (in thousands)	Jun-07	Mar-08	Jun-08
Market size	17 638	20 616	21 412
Quarterly growth [1]	**512**	**587**	**796**
Growth (%)[2]	**2.69%**	**2.93%**	**3.86%**
Penetration rate[3]	**57.82%**	**66.85%**	**69.43%**

Through the analysis of the number of mobile subscribers evolution for the two operators, we notice that the number of subscribers of IAM reached 14 211 (in thousands) against 13 697 (in thousands) at the end of March 2008. For the second mobile operator Medi Télécom, the number of subscribers reached 7201 (in thousands) (6919 thousands subscribers in March 2008) carrying out a quarterly rise of 3.75% for IAM and 4.08% % for Medi Télécom.

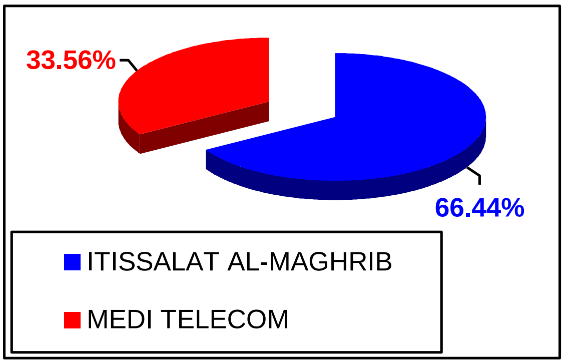
In terms of market share, the incumbent operator holds almost two thirds of the mobile subscribers market with 66.37% of the market and 33.63% for its competitor Medi Télécom.

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

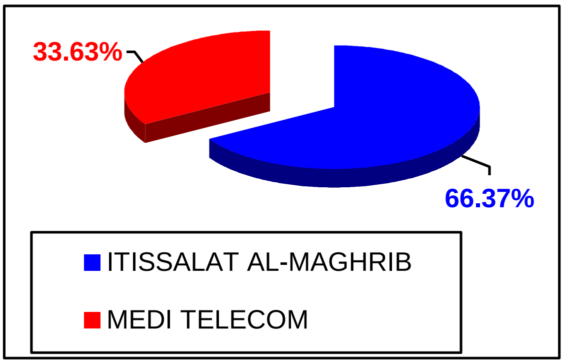
[2] % of growth at the quarter N equals to the difference between the market size of N and N-1 divided by the market size of N-1.

[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.

Market share at 31/03/08



Market share at 30/06/08



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 previous quarter and that prepaid always prevails with a share of 95,95% (95,98% at the end of March 2008) against 4.05% for post-paid.
The two types of subscription finished the quarter with a rather rise by recording **a growth of 4.76% for post-paid** and **of 3.82% for prepaid** compared to the first quarter of 2008.

Post-paid market size evolution

POST-PAID MARKET (in thousands)	Jun-07	Mar-08	Jun-08
Post-paid market size	750	828	868
Quarterly growth	**34**	**28**	**39**
Growth (%)	**4.73%**	**3.50%**	**4.76%**
Penetration rate	**2.46%**	**2.69%**	**2.81%**

Prepaid market size evolution

PREPAID MARKET (in thousands)	Jun-07	Mar-08	Jun-08
Prepaid market size	16 888	19 788	20 544
Quarterly growth	**478**	**559**	**756**
Growth (%)	**2.92%**	**2.90%**	**3.82%**
Penetration rate	**55.36%**	**64.16%**	**66.61%**

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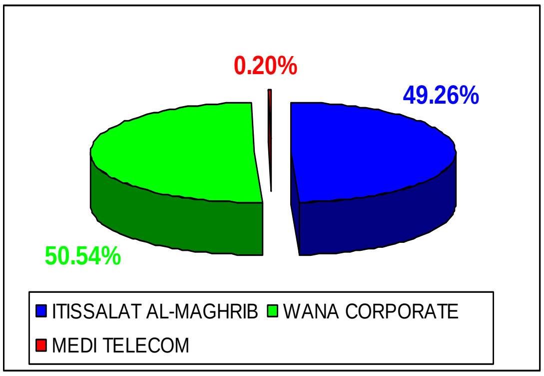
Fixed Telephony[4] Market

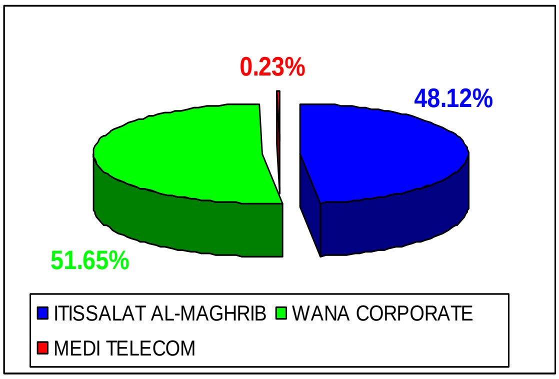
At June 30th 2008, the number of subscribers recorded a growth of **1.89%** compared to the first quarter of 2008. The total number of subscribers reached **2 761 783**[5] (against 2 710 598 at the end of March 2008).

Consequently, the penetration rate of fixed telephony reached **8.95%** at the end of June 2008 against 8.79% in March 2008.

Market share at 31/03/08



Market share at 30/06/08



Market size

FIXED TELEPHONY	Jun-07	Mar-08	Jun-08
Market size [5]	**1 940 896**	**2 710 598**	**2 761 783**
Restricted mobility	656 784	1 369 908	1 426 493
Quarterly growth [6]	**329 894**	**316 831**	**51 185**
Growth (%)[7]	**20.48%**	**13.24%**	**1.89%**
Penetration rate	**6.36%**	**8.79%**	**8.95%**

Number of residential subscribers

Residential subscribers	Jun-07	Mar-08	Jun-08
Market size	1 476 648	2 188 483	2 232 632
Quarterly growth	**322 766**	**263 667**	**44 149**
Growth (%)	**27.97%**	**13.70%**	**2.02%**

[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.

Number of Professional subscribers

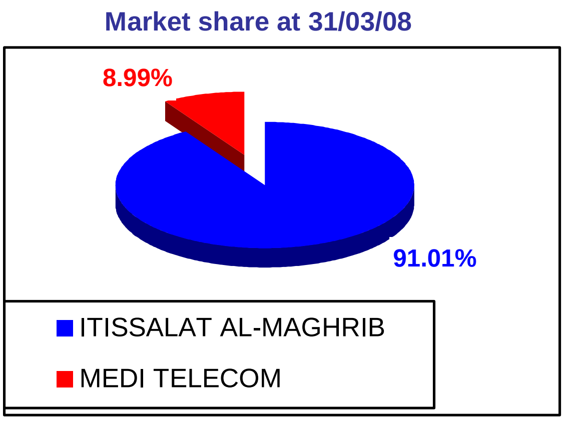
Professional subscribers	Jun-07	Mar-08	Jun-08
Market size	305 071	362 044	367 338
Quarterly growth	**5 687**	**52 785**	**5 294**
Growth (%)	**1.9%**	**17.07%**	**1.46%**

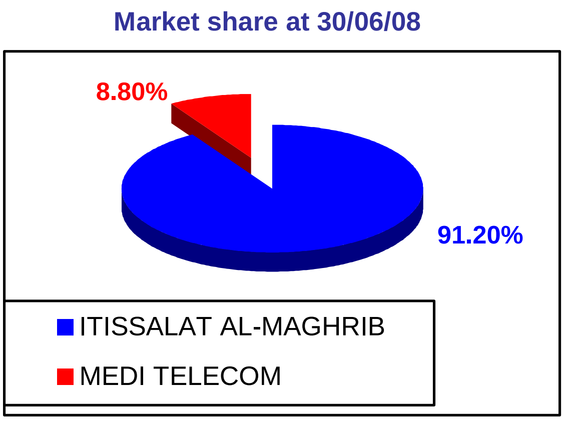
Public Payphones Market

At June 30th 2008, the number of public payphones recorded a growth of **0.87%** compared to March 2008. The total number of public payphones reached **177 422** (against 175 887 at the end of March 2008).

Number of Public payphones

Public payphones[8]	Jun-07	Mar-08	Jun-08
Market size	175 770	175 887	177 422
Quarterly growth	**1 462**	**242**	**1 535**
Growth (%)	**0.84%**	**0.14%**	**0.87%**





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

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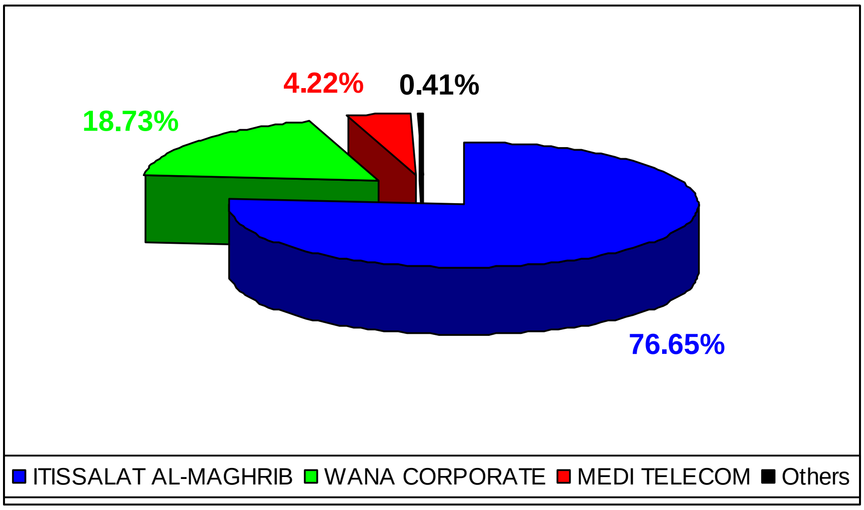
Internet Market

At 30th June 2008, the total Internet subscribers reached **653 591**[9] carrying out an increase of **12.33%** during the last three months and of **37.05%** between June 2007 and June 2008.

In terms of market share, IAM holds 76.65% of the Internet subscribers market followed by Wana Corporate with 18.73% and Medi Télécom with 4.22%.

Market shares at June 30th 2008



Market size

INTERNET MARKET	Jun-07	Mar-08	Jun-08
Market size	476 909	581 866	653 591
Quarterly growth	43 510	55 786	71 725
Growth (%)	10.04%	10.60%	12.33%

The number of the narrowband subscribers[10], by including the users of "Internet access without subscription" option, moved from 6 953 in June 2007 to **5 433** in June 2008.

The number of ADSL[11] subscribers is in continuous **growth of almost 9.81%** since June 2007 and **47.18%** since June 2006.

The number of Internet access via Leased Lines (LL) is stable. The total LL Internet subscribers reached **1 027** at the end of June 2008.

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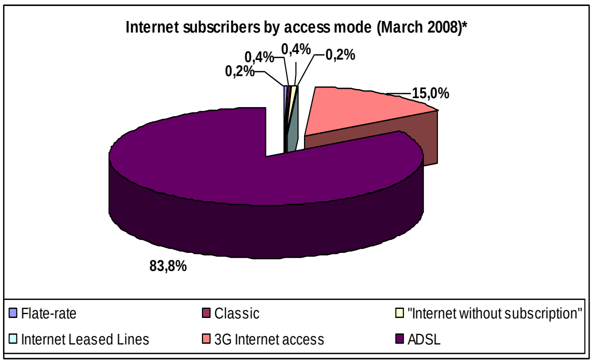
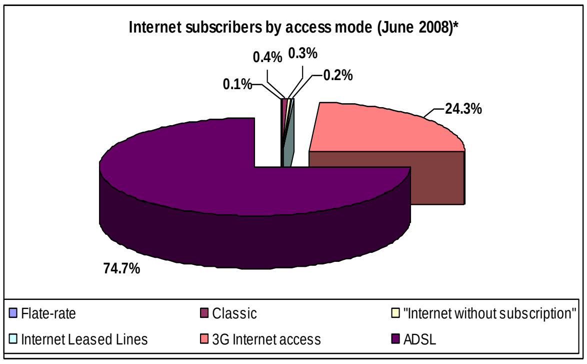
[9] Starting from June 2007, the total number of Internet subscribers includes also the offers of 3G Internet access.
[10] The Wireless Internet access offer recorded so far in the narrowband Internet is the subject of a new section entitled "State of the 3G Internet Market" at the end of the current document.
[11] Since April 2005, the total ADSL subscribers is calculated by adding up the ADSL subscribers of the ISP's.

The distribution of subscribers by access mode is as follows, with a predominance of broadband ADSL accesses representing **74.7%** of the global Internet market and 3G Internet access with **24.3%**.





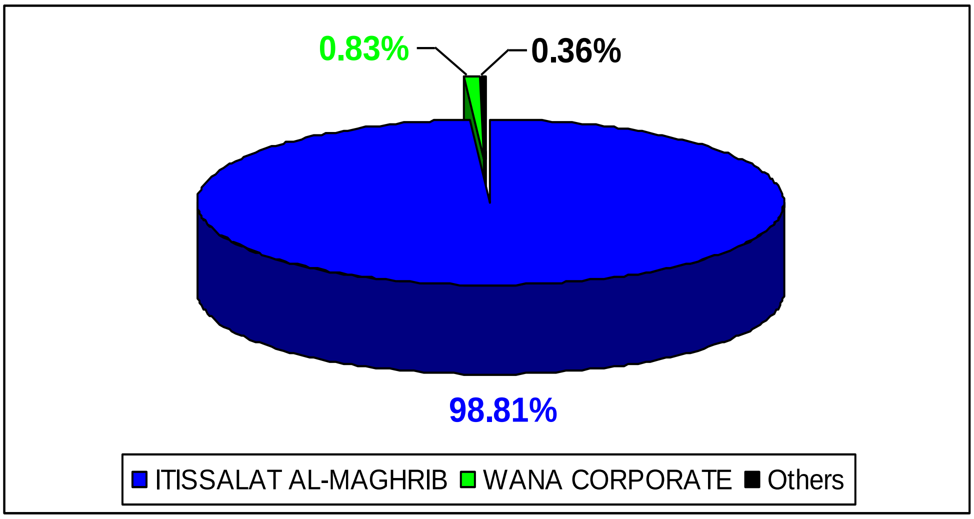
* The number of ADSL subscribers was calculated by adding up The ISP's ADSL subscribers.

ADSL market size evolution

ADSL INTERNET	Jun-07	Mar-08	Jun-08
Market size	444 633	487 829	488 263
Quarterly growth	**19 920**	**11 415**	**434**
Growth (%)	**4.69%**	**2.40%**	**0.09%**

In terms of market share, IAM holds 98,81% of the ADSL Internet subscribers followed by Wana Corporate with 0.83%.

Market shares of ADSL Internet at June 30th 2008



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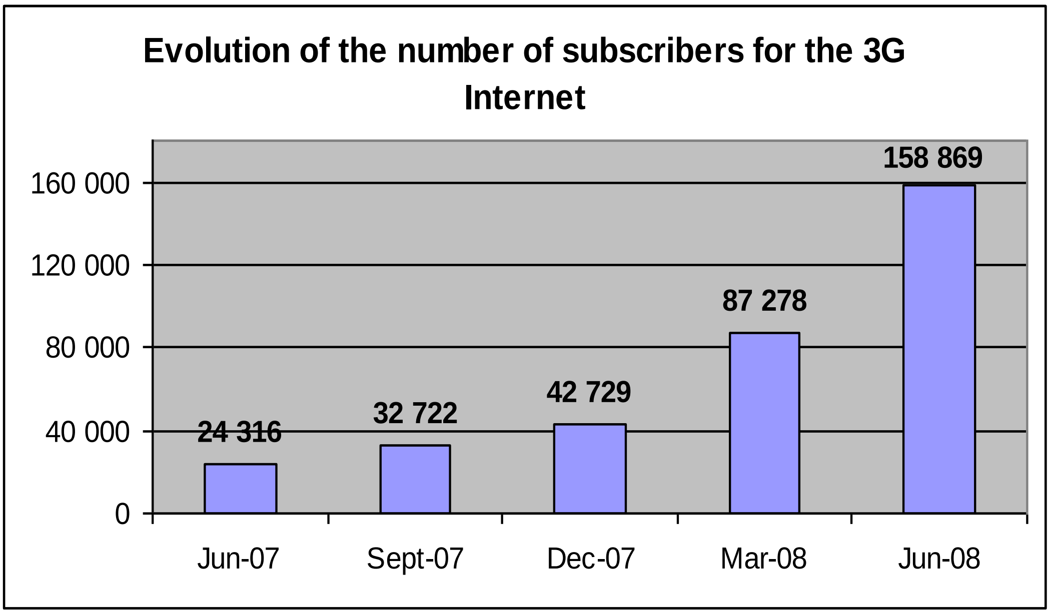
3G Internet Market size evolution

New Internet access services using 3G technology were lunched in the Internet Moroccan Market.

At the end of June 2008, the number of 3G Internet subscribers reached **158 869** by recording an increase of **553.35%** since June 2007.



In terms of market share, Wana Corporate holds 73.98% of the 3G Internet access followed by Medi Télécom with 17.35% and IAM with 8.68%.

Market shares of 3G Internet at June 30th 2008