

THE TELECOMMUNICATIONS SECTOR EVOLUTION AT 31st MARCH 2010

Mobile Telephony Market¹

At the end of the first quarter of 2010, the number of mobile subscribers reached **27 045 951**, with a **quarterly growth of 6.86%**.

This situation was reflected positively on the penetration rate which reached **85.82%** at the end of March 2010 against 81.18% in December 2009.

Market size

MOBILE TELEPHONY (in thousands)	Mar-09	Dec-09	Mar-10
Market size	23 516	25 311	27 046
Quarterly growth²	700	233	1 735
Growth (%)³	3.07%	0.93%	6.86%
Penetration rate⁴	75.43%	81.18%	85.82%

Through the analysis of the evolution of the number of mobile subscribers for the first quarter of 2010, we notice that the number of subscribers of IAM reached 15 579 (in thousands) against 15 272 (in thousands) at the end of December 2009. For Medi Telecom, the number of mobile subscribers reached 10 178 (in thousands) (9 434 thousands subscribers in December 2009) and for Wana Corporate this number reached 1 290 (in thousands) (604 thousands subscribers in December 2009) carrying out a quarterly rise of 2.01% for IAM, 7.88% % for Medi Telecom and almost 113.47% for Wana Corporate who launches a new range of GSM mobile telephony in the last February.

In terms of market share, the incumbent operator holds almost 57.60% of the mobile subscribers market followed by Medi Telecom with 37.63% and Wana corporate with 4.77%.

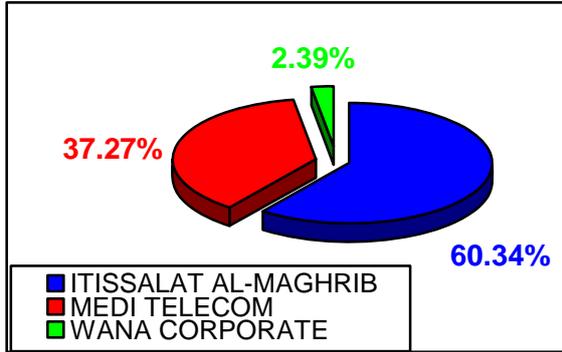
¹ This figure includes mobile subscribers to mobile telephony using the 2G and 3G networks.

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

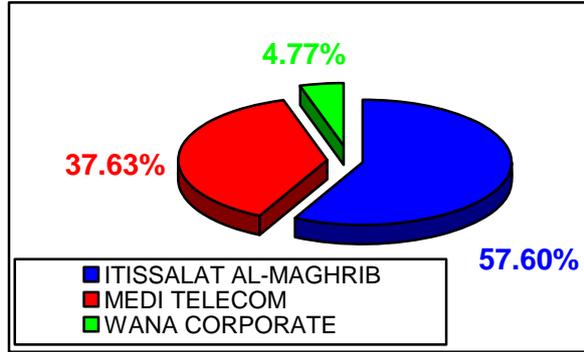
³ % of growth at the quarter N equals to the difference between the market size of N and N-1 divided by the market size of N-1.

⁴ The accounting of the penetration rate for mobile 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 31/12/09



Market share at 31/03/10



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 96.17% (96% at the end of December 2009) against 3.83% for post-paid.

The two types of subscription finished the quarter with a rise by recording a **growth of 7.04% for prepaid** and **of 2.51% for post-paid** compared to December 2009.

Post-paid market size evolution

POST-PAID MARKET (in thousands)	Mar-09	Dec-09	Mar-10
Post-paid market size	938	1 011	1 037
Quarterly growth	16	24	25
Growth (%)	1.70%	2.44%	2.51%
Penetration rate	3.01%	3.24%	3.29%

Prepaid market size evolution

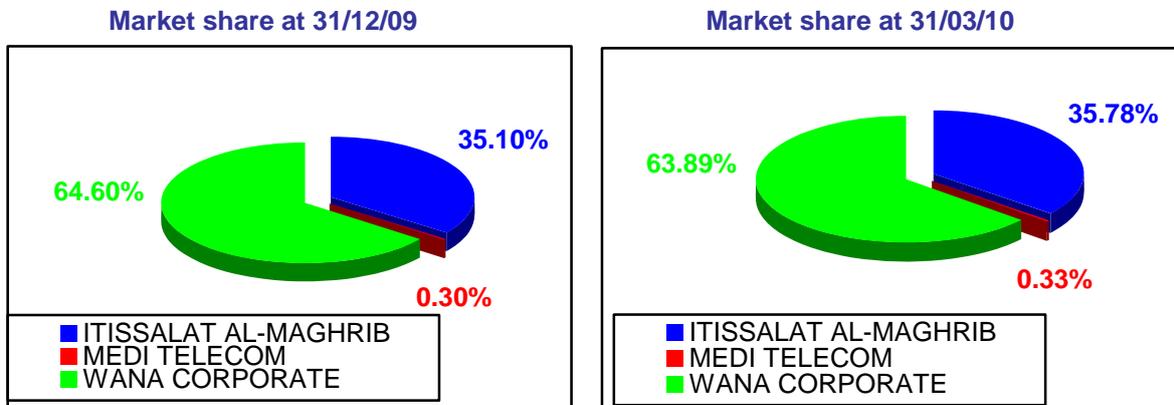
PREPAID MARKET (in thousands)	Mar-09	Dec-09	Mar-10
Prepaid market size	22 578	24 300	26 009
Quarterly growth	685	209	1 710
Growth (%)	3.13%	0.87%	7.04%
Penetration rate	72.42%	77.94%	82.53%

Fixed Telephony Market

At March 31st 2010, the number of subscribers recorded a **decline of 2.04%** compared to the previous quarter. The total number of subscribers reached **3 444 658⁵** (against 3 516 281 at the end of December 2009) which 2 193 863 subscribers used the fixed telephony with restricted mobility.

Consequently, the penetration rate of fixed telephony is **10.93%** at the end of March 2010 against 11.28% in December 2009.

In terms of market share, Wana Corporate holds 63.89% of the fixed telephony subscriber followed by IAM with 35.78% and Medi Telecom with 0.33%.



Market size

FIXED TELEPHONY	Mar-09	Dec-09	Mar-10
Market size	3 093 054	3 516 281	3 444 658
Restricted mobility	1 791 199	2 265 023	2 193 863
Quarterly growth ⁶	101 896	122 289	- 71 623
Growth (%) ⁷	3.41%	3.60%	- 2.04%
Penetration rate ⁸	9.92%	11.28%	10.93%

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.

⁸ 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.

Number of residential subscribers

Residential subscribers	Mar-09	Dec-09	Mar-10
Market size	2 551 969	2 970 779	2 897 894
Quarterly growth	96 105	126 990	- 72 885
Growth (%)	3.91%	4.47%	- 2.45%

Number of Professional subscribers

Professional subscribers	Mar-09	Dec-09	Mar-10
Market size	380 737	387 084	391 403
Quarterly growth	5 515	452	4 319
Growth (%)	1.47%	0.12%	1.12%

Public Payphones Market

At March 31st 2010, the number of public payphones recorded a **quarterly growth of 6.68%** compared to December 2009. The total number of public payphones⁹ reached **185 197** (against 173 599¹⁰ at the end of the year 2009).

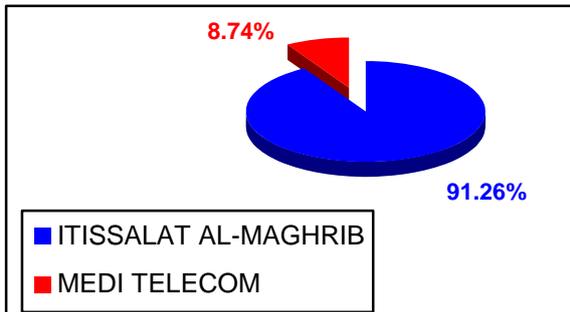
Number of Public payphones

Public payphones	Mar-09	Dec-09	Mar-10
Market size	174 666	173 599	185 197
Quarterly growth	- 224	- 3 896	11 598
Growth (%)	- 0.13%	- 2.19%	6.68%

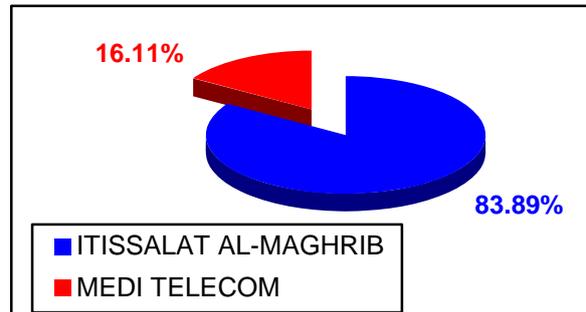
⁹ The public payphones includes fixed and GSM phone shops, coin and card public telephones.

¹⁰ This figure supersedes the old figure of 172 101 in the previous quarterly observatory of December 2009. This change comes following the review of the park by a payphone operators. Consequently, the market shares at the end of December 2009 saw a slight variation and become 91.26% against 92.05% for IAM and 8.74% for MEDI TELECOM against 7.95%.

Market share at 31/12/09



Market share at 31/03/10

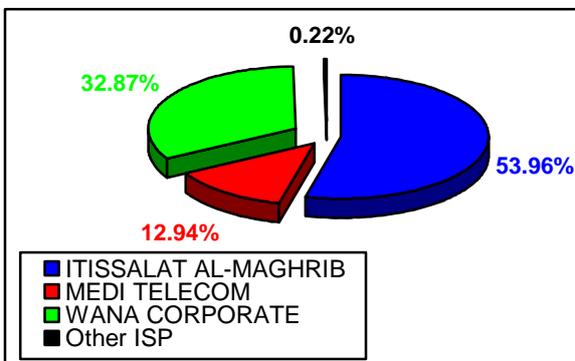


Internet Market

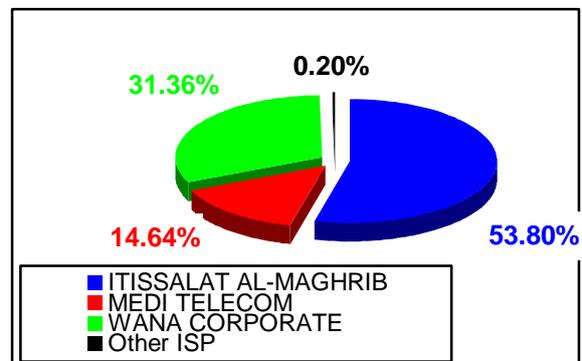
At 31st March 2010, the total Internet subscribers reached **1 362 017** carrying out **an increase of 14.75%** during the first quarter of 2010 and of **63.22%** since March 2009.

In terms of market share, IAM holds 53.80% of the Internet subscribers market followed by Wana Corporate with 31.36% and Medi Telecom with 14.64%.

Market share at 31/12/09



Market share at 31/03/10



Market size

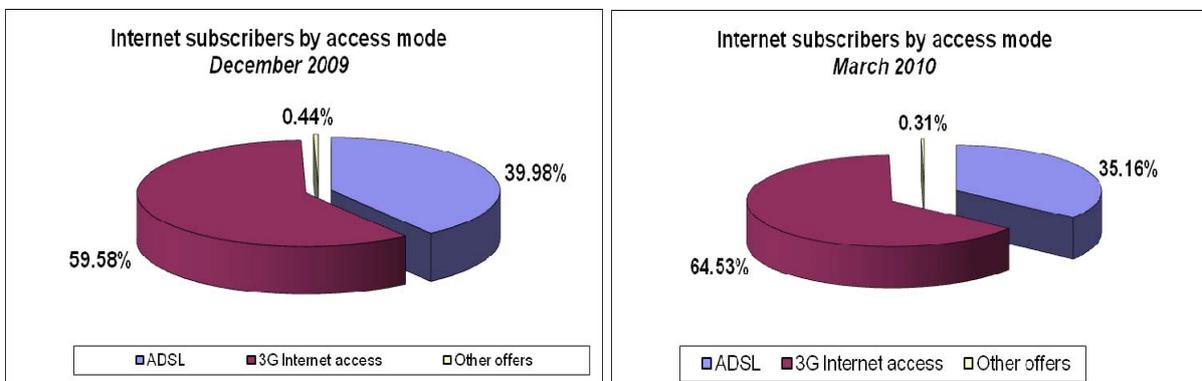
INTERNET MARKET	Mar-09	Dec-09	Mar-10
Market size	834 463	1 186 923	1 362 017
Quarterly growth	77 010	138 756	175 094
Growth (%)	10.17%	13.24%	14.75%

The number of the narrowband subscribers, by including the users of "Internet access without subscription" option, moved from 5 009 in March 2009 to **2 504** in March 2010.

The number of ADSL subscribers **increases by 0.93%** for the first quarter of 2010. From March 2009, this number is decreasing by 2.06%. The total of Internet **ADSL subscribers reached 478 970** at the end of the first quarter of 2010.

The estimated number of Internet access via Leased Lines (LL) is **growing by 39.52%** for the first quarter of 2010 and by 53.45% since March 2009. This number reached **1 638 subscribers** in March 2010.

The distribution of subscribers by access mode is as follows, with a predominance of the 3G internet access, representing **64.53%** of the global Internet market and broadband ADSL Internet access with 35.16%.

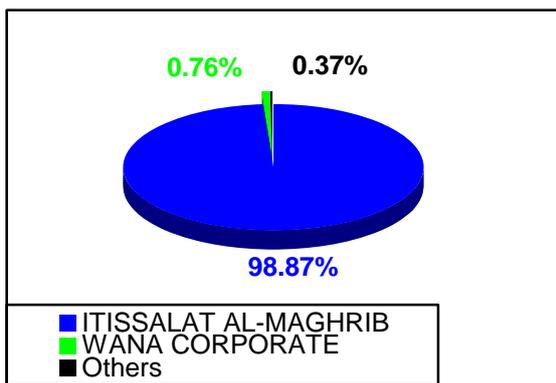


ADSL market size evolution

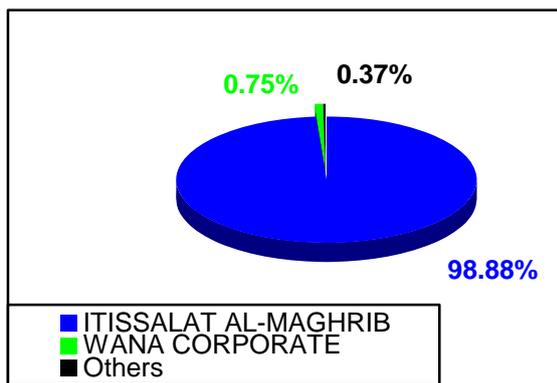
ADSL INTERNET	Mar-09	Dec-09	Mar-10
Market size	489 043	474 561	478 970
Quarterly growth	6 252	- 1 796	4 409
Growth (%)	1.29%	- 0.38%	0.93%

In terms of market share, IAM holds 98.88% of the ADSL Internet subscribers followed by Wana Corporate with 0.75%.

Market shares of ADSL Internet at 30/06/09

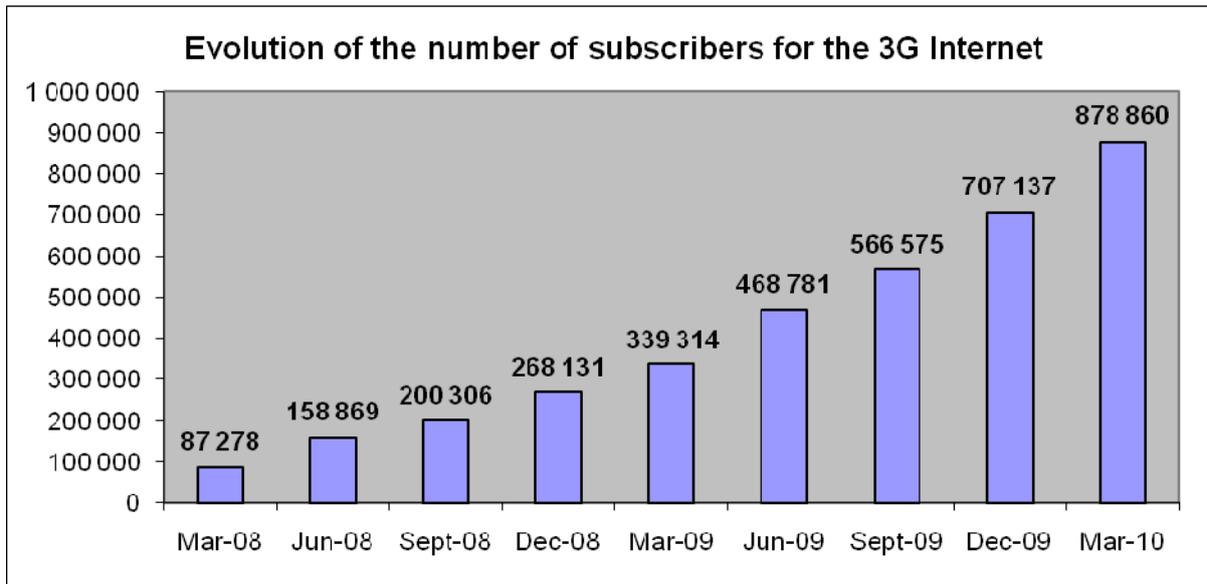


Market shares of ADSL Internet at 30/09/09



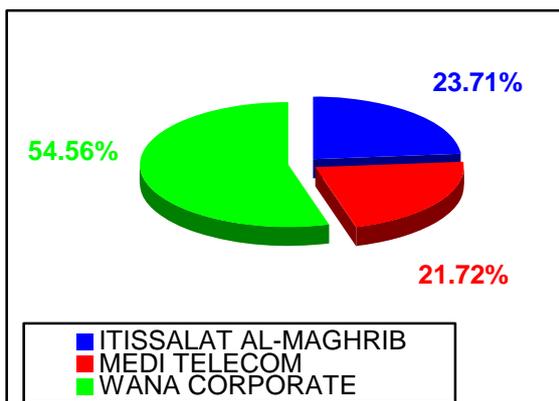
3G Internet Market size evolution

At the end of March 2010, the number of 3G Internet subscriber's reached **878 860** by recording an **increase of 24.28%** for the first quarter of 2010 and by **159%** since March 2009.



In terms of market share, Wana Corporate holds 48.11% of the 3G Internet access followed by IAM with 29.20% and Medi Telecom with 22.69%.

Market shares of 3G Internet at 31/12/09



Market shares of 3G Internet at 31/03/10

