ROYAUME DU MAROC
LE PREMIER MINISTRE
ANRT
الوكالة الوطنية لتقنين المواصلات
Agence Nationale de Réglementation des Télécommunications

ANALYZE OF THE TELECOMMUNICATIONS SECTOR EVOLUTION AT 30th JUNE 2010

Mobile Telephony Market[1]

At the end of the second quarter of 2010, the number of mobile subscribers reached **27 879 117**, with a **quarterly growth of 3.08%.**

This situation was reflected positively on the penetration rate which reached **88.47%** at the end of June 2010 against 85.82% in March 2010.

Market size

MOBILE TELEPHONY (in thousands)	Jun-09	Mar-10	Jun-10
Market size	23 534	27 046	27 879
Quarterly growth [2]	**18**	**1 735**	**833**
Growth (%)[3]	**0.08%**	**6.86%**	**3.08%**
Penetration rate[4]	**75.49%**	**85.82%**	**88.47%**

Through the analysis of the evolution of the number of mobile subscribers for the second quarter of 2010, we notice that the number of subscribers of IAM reached 15 900 (in thousands) against 15 579 (in thousands) at the end of March 2010. For Medi Telecom, the number of mobile subscribers reached 10 396 (in thousands) (10 178 thousands subscribers in March 2010) and for Wana Corporate this number reached 1 583 (in thousands) (1 290 thousands subscribers in March 2010) carrying out a quarterly rise of 2.06% for IAM, 2.14% for Medi Telecom and almost 22.78% for Wana Corporate.

In terms of market share, the incumbent operator holds almost 57.03% of the mobile subscribers market followed by Medi Telecom with 37.29% and Wana corporate with 5.68%.

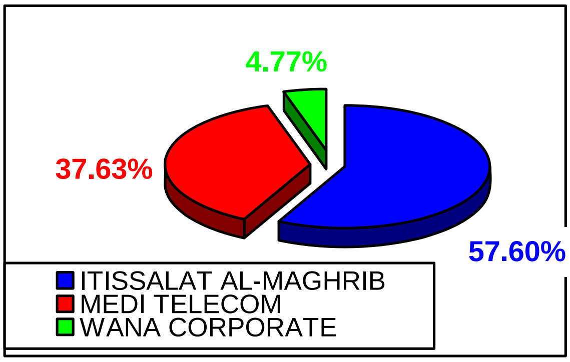
1 This figure includes mobile subscribers to mobile telephony using the 2G and 3G networks.

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

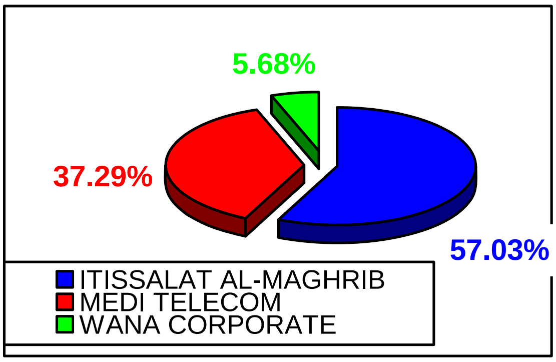
3 % of growth at the quarter N equals to the difference between the market size of N and N-1 divided by the market size of N-1.

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 31/03/10



Market share at 30/06/10



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 96.13% (96.17% at the end of March 2009) against 3.87% for post-paid.

The two types of subscription finished the quarter with a rise by recording **a growth of 3.04% for prepaid** and **of 3.99% for post-paid** compared to March 2010.

Post-paid market size evolution

POST-PAID MARKET (in thousands)	Jun-09	Mar-10	Jun-10
Post-paid market size	978	1 037	1 078
Quarterly growth	**40**	**25**	**41**
Growth (%)	**4.28%**	**2.51%**	**3.99%**
Penetration rate	**3.14%**	**3.29%**	**3.42%**

Prepaid market size evolution

PREPAID MARKET (in thousands)	Jun-09	Mar-10	Jun-10
Prepaid market size	22 556	26 009	26 801
Quarterly growth	**- 22**	**1 710**	**792**
Growth (%)	**- 0.10%**	**7.04%**	**3.04%**
Penetration rate	**72.35%**	**82.53%**	**85.05%**

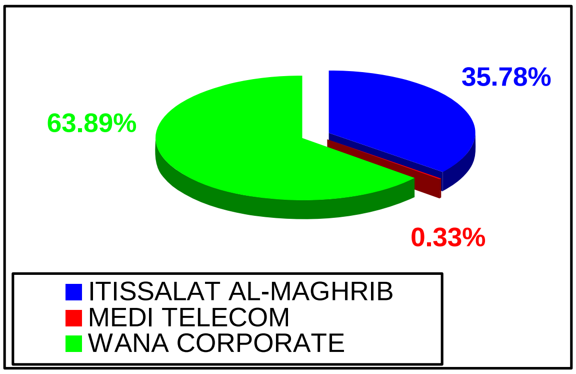
Fixed Telephony Market

At June 30th 2010, the number of subscribers recorded **a growth of 6.91%** compared to the previous quarter. The total number of subscribers reached **3 682 748**[5] (against 3 444 658 at the end of March 2010) which 2 425 608 subscribers used the fixed telephony with restricted mobility.

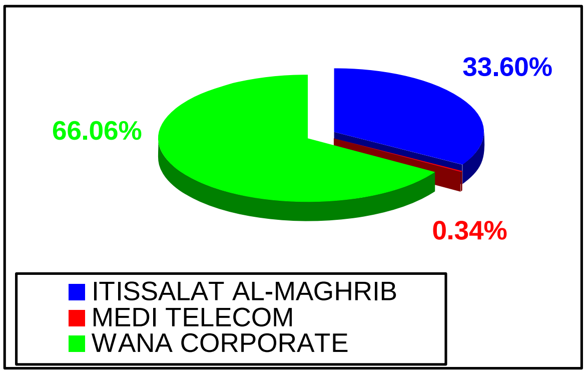
Consequently, the penetration rate of fixed telephony is **11.69%** at the end of June 2010 against 10.93% in March 2010.

In terms of market share, Wana Corporate holds 66.06% of the fixed telephony subscriber followed by IAM with 33.6% and Medi Telecom with 0.34%.

Market share at 31/03/10



Market share at 30/06/10



Market size

FIXED TELEPHONY	Jun-09	Mar-10	Jun-10
Market size	**3 267 518**	**3 444 658**	**3 682 748**
Restricted mobility	1 963 994	2 193 863	2 425 608
Quarterly growth [6]	**174 464**	**- 71 623**	**238 090**
Growth (%)[7]	**5.64%**	**- 2.04%**	**6.91%**
Penetration rate[8]	**10.48%**	**10.93%**	**11.69%**

[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.

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Number of residential subscribers

Residential subscribers	Jun-09	Mar-10	Jun-10
Market size	2 716 312	2 897 894	3 130 860
Quarterly growth	**164 343**	**- 72 885**	**232 966**
Growth (%)	**6.44%**	**- 2.45%**	**8.04%**

Number of Professional subscribers

Professional subscribers	Jun-09	Mar-10	Jun-10
Market size	387 512	391 403	397 891
Quarterly growth	**6 775**	**4 319**	**6 488**
Growth (%)	**1.78%**	**1.12%**	**1.66%**

Public Payphones Market

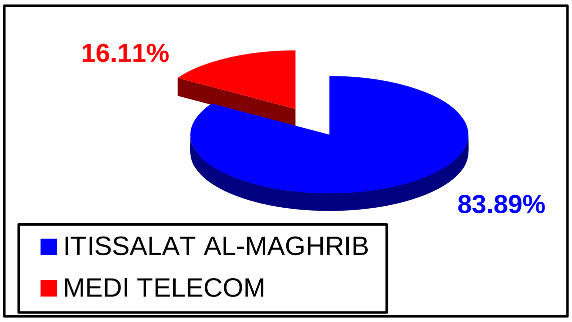
At June 30th 2010, the number of public payphones recorded a **quarterly growth of 1.58%** compared to March 2010. The total number of public payphones[9] reached **188 119** (against 185 197 at the end of March 2010).

Number of Public payphones

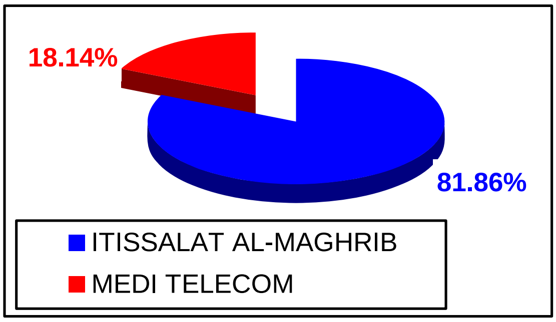
Public payphones	Jun-09	Mar-10	Jun-10
Market size	178 030	185 197	188 119
Quarterly growth	**3 364**	**11 598**	**2 922**
Growth (%)	**1.93%**	**6.68%**	**1.58%**

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

Market share at 31/03/10



Market share at 30/06/10

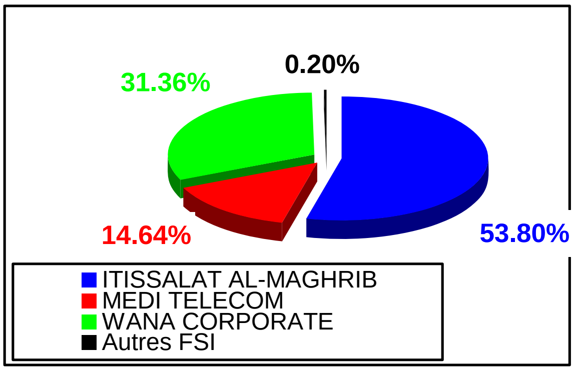


Internet Market

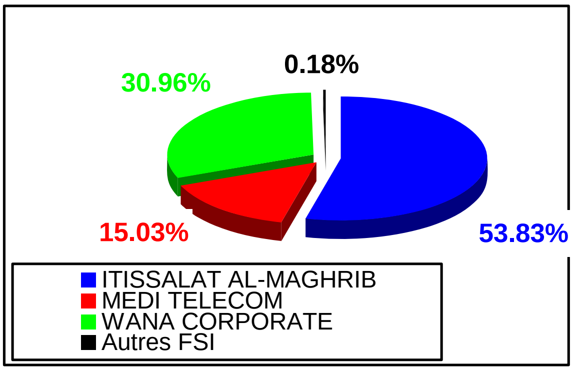
At 30th June 2010, the total Internet subscribers reached **1 499 505** carrying out **an increase of 10.09%** during the second quarter of 2010 and of **55.76%** since June 2009.

In terms of market share, IAM holds 53.83% of the Internet subscribers market followed by Wana Corporate with 30.96% and Medi Telecom with 15.03%.

Market share at 31/03/10



Market share at 30/06/10



Market size

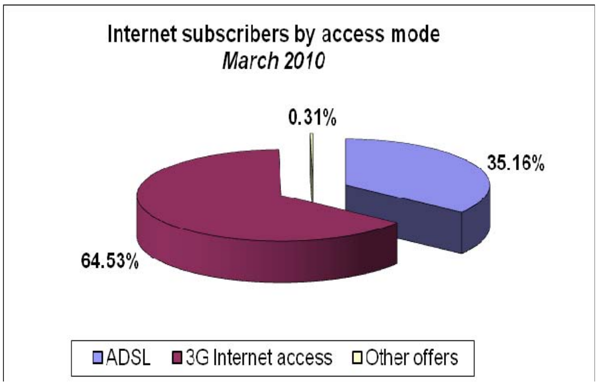
INTERNET MARKET	Jun-09	Mar-10	Jun-10
Market size	962 685	1 362 017	1 499 505
Quarterly growth	**128 222**	**175 094**	**137 487**
Growth (%)	**15.37%**	**14.75%**	**10.09%**

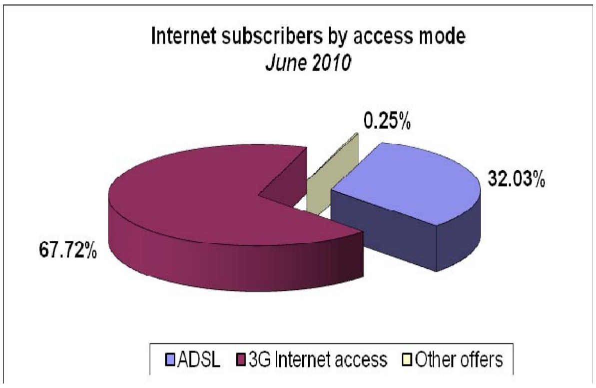
The number of the narrowband subscribers, by including the users of "Internet access without subscription" option, moved from 4 227 in June 2009 to **2 441** in June 2010.

The number of ADSL subscribers **increases by 0.28%** for the second quarter of 2010. From June 2009, this number is decreasing by 1.69%. The total of Internet **ADSL subscribers reached 480 304** at the end of the second quarter of 2010.

The estimated number of Internet access via Leased Lines (LL) is **decreasing by 26.62%** for the second quarter of 2010 and is growing by 11.26% since June 2009. This number reached **1 235 subscribers** in June 2010.

The distribution of subscribers by access mode is as follows, with a predominance of the 3G internet access, representing **67.72%** of the global Internet market and broadband ADSL Internet access with 32.03%.



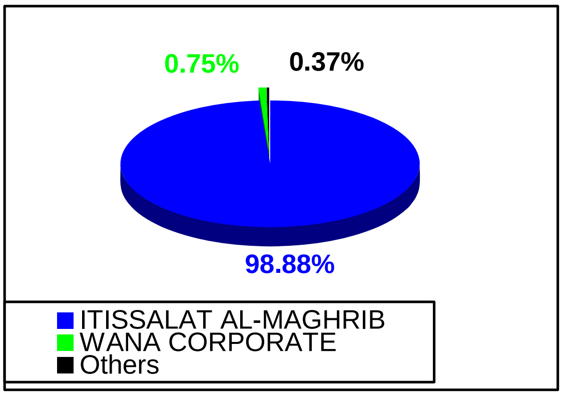


ADSL market size evolution

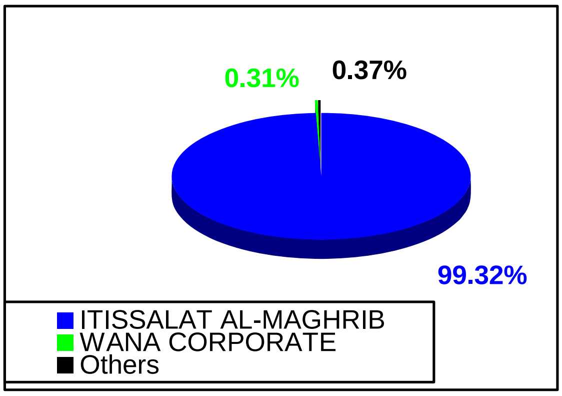
ADSL INTERNET	Jun-09	Mar-10	Jun-10
Market size	488 567	478 970	480 304
Quarterly growth	**- 476**	**4 409**	**1 334**
Growth (%)	**- 0.10%**	**0.93%**	**0.28%**

In terms of market share, IAM holds 99.32% of the ADSL Internet subscribers followed by Wana Corporate with 0.31%.

Market shares of ADSL Internet at 31/03/10

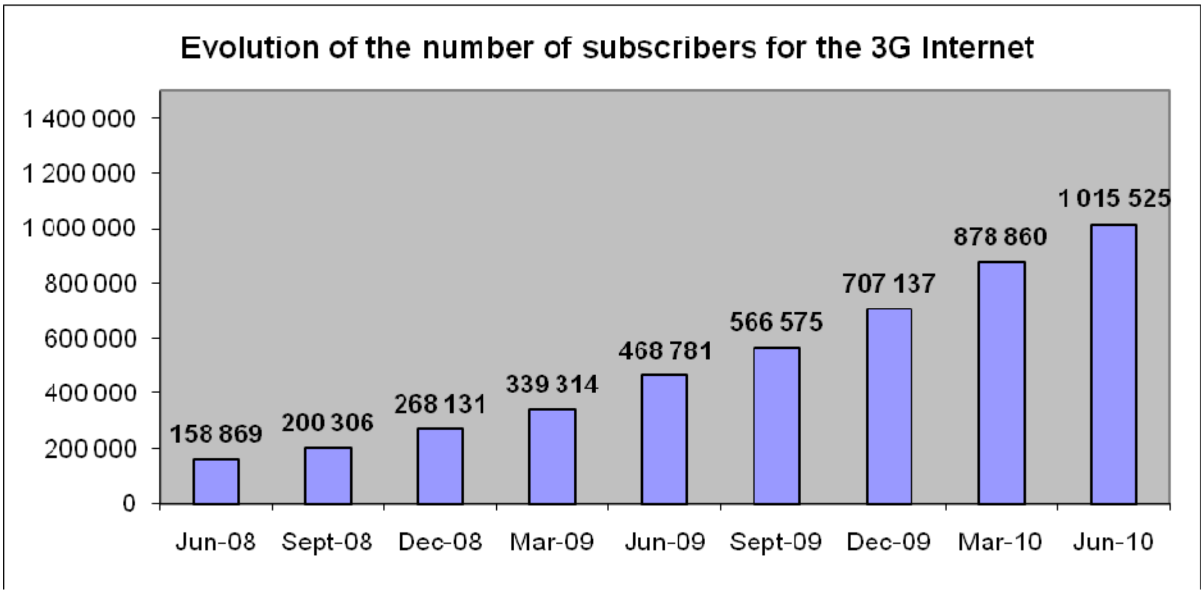


Market shares of ADSL Internet at 30/06/10



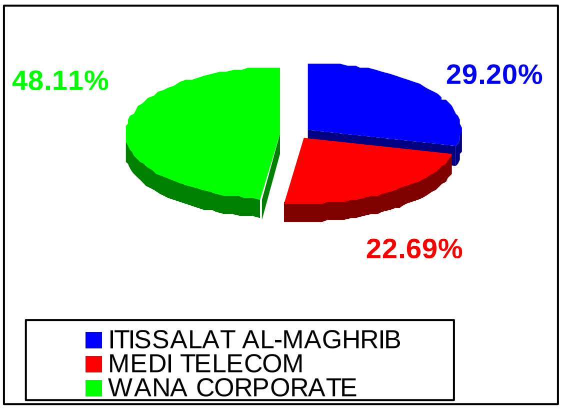
3G Internet Market size evolution

At the end of June 2010, the number of 3G Internet subscriber's reached **1 015 525** by recording an **increase of 15.55%** for the second quarter of 2010 and by **116.63%** since June 2009.



In terms of market share, Wana Corporate holds 45.50% of the 3G Internet access followed by IAM with 32.30% and Medi Telecom with 22.20%.

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



Market shares of 3G Internet at 30/06/10