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

THE TELECOMMUNICATIONS SECTOR EVOLUTION AT 31st MARCH 2011

Mobile Telephony Market[1]

At the end of the first quarter of 2011, the number of mobile subscribers reached **33 375 498**, with a **quarterly growth of 4.36%.**

This situation was reflected positively on the penetration rate which reached **104.78%** at the end of March 2011 against 101.49% in December 2010.

Market size

MOBILE TELEPHONY (in thousands)	Mar-10	Dec-10	Mar-11
Market size	27 046	31 982	33 375
Quarterly growth [2]	**1 735**	**1 479**	**1 393**
Growth (%)[3]	**6.86%**	**4.85%**	**4.36%**
Penetration rate[4]	**85.82%**	**101.49%**	**104.78%**

Through the analysis of the evolution of the number of mobile subscribers for the first quarter of 2011, we notice that the number of subscribers of IAM reached 16 655 (in thousands) against 16 890 (in thousands) at the end of December 2010. For Medi Telecom, the number of mobile subscribers reached 11 121 (in thousands) (10 789 thousands subscribers in December 2010) and for Wana Corporate this number reached 5 599 (in thousands) (4 303 thousands subscribers in December 2010) carrying out a quarterly decrease of 1.39% for IAM and a quarterly rise of 3.08% for Medi Telecom and 30.12% for Wana Corporate.

In terms of market share, the incumbent operator holds almost 49.90% of the mobile subscribers market followed by Medi Telecom with 33.32% and Wana corporate with 16.78%.

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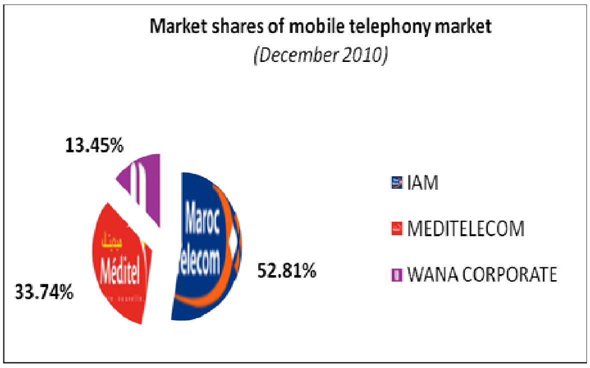
[1] This figure includes mobile subscribers to mobile telephony using the 2G and 3G networks.

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

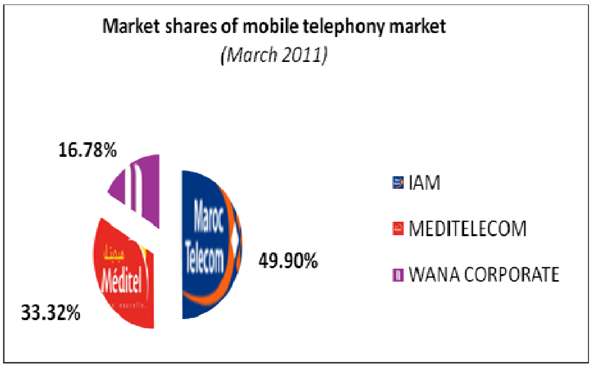
[3] % of growth at the quarter N equals to the difference between the market size of N and N-1 divided by the market size of N-1.

[4] The accounting 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 June of the year N, the reference population for accounting this rate results from Statistics Department/HCP projections of this year.

Market share at 31/12/10



Market share at 31/03/11



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 96.02% (96.16% at the end of December 2010) against 3.98% for post-paid.

The two types of subscription finished the quarter with a rise by recording a growth of 4.2% for prepaid and of 8.16% for post-paid compared to December 2010.

Post-paid market size evolution

POST-PAID MARKET (in thousands)	Mar-10	Dec-10	Mar-11
Post-paid market size	1 037	1 229	1329
Quarterly growth	**25**	**103**	**100**
Growth (%)	**2.51%**	**9.16%**	**8.16%**
Penetration rate	**3.29%**	**3.90%**	**4.17%**

Prepaid market size evolution

PREPAID MARKET (in thousands)	Mar-10	Dec-10	Mar-11
Prepaid market size	26 009	30 752	32 046
Quarterly growth	**1 710**	**1 376**	**1 293**
Growth (%)	**7.04%**	**4.68%**	**4.20%**
Penetration rate	**82.53%**	**97.59%**	**100.61%**

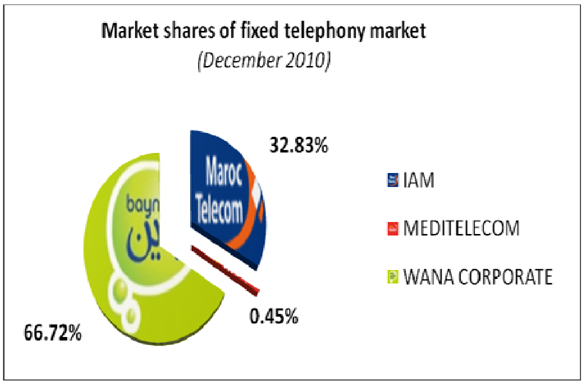
Fixed Telephony Market

At March 31st 2011, the number of subscribers recorded **a decrease of 2.83%** compared to the previous quarter. The total number of subscribers reached **3 643 106**[5] (against 3 749 364 at the end of December 2010) which 2 377 618 subscribers used the fixed telephony with restricted mobility.

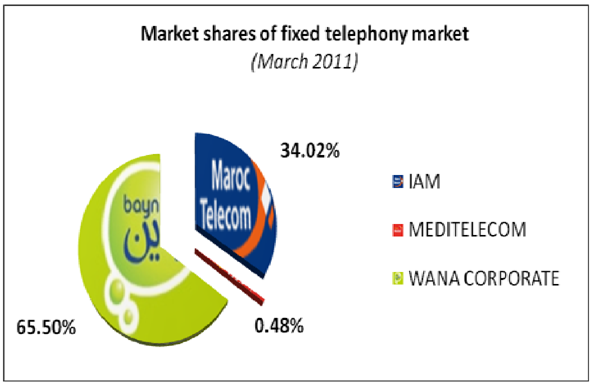
Consequently, the penetration rate of fixed telephony is **11.44%** at the end of March 2011 against 11.90% in December 2010.

In terms of market share, Wana Corporate holds 65.5% of the fixed telephony subscriber followed by IAM with 34.02% and Medi Telecom with 0.48%.

Market share at 31/12/10



Market share at 31/03/11



Market size

FIXED TELEPHONY	Mar-10	Dec-10	Mar-11
Market size	**3 444 658**	**3 749 364**	**3 643 106**
Restricted mobility	2 193 863	2 493 336	2 377 618
Quarterly growth [6]	**- 71 623**	**43 793**	**- 106 258**
Growth (%)[7]	**- 2.04%**	**1.18%**	**- 2.83%**
Penetration rate[8]	**10.93%**	**11.90%**	**11.44%**

[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 June of the year N, the reference population for accounting this rate results from Statistics Department/HCP projections of this year.

Number of residential subscribers

Residential subscribers	Mar-10	Dec-10	Mar-11
Market size	2 897 894	3 200 750	3 097 732
Quarterly growth	**- 72 885**	**43 479**	**- 103 018**
Growth (%)	**- 2.45%**	**1.38%**	**- 3.22%**

Number of Professional subscribers

Professional subscribers	Mar-10	Dec-10	Mar-11
Market size	391 403	403 028	406 344
Quarterly growth	**4 319**	**4 404**	**3 316**
Growth (%)	**1.12%**	**1.10%**	**0.82%**

Public Payphones Market

At March 31st 2010, the number of public payphones recorded a **quarterly decrease of 3.57%** compared to December 2010. The total number of public payphones[9] reached **175 090** (against 181 580 at the end of December 2010).

Number of Public payphones

Public payphones	Mar-10	Dec-10	Mar-11
Market size	185 197	181 580	175 090
Quarterly growth	**11 598**	**- 2 204**	**- 6 490**
Growth (%)	**6.68%**	**- 1.20%**	**- 3.57%**

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

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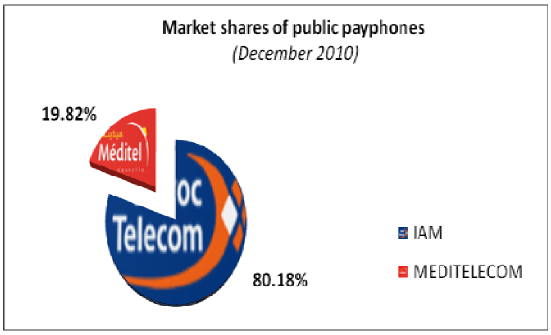
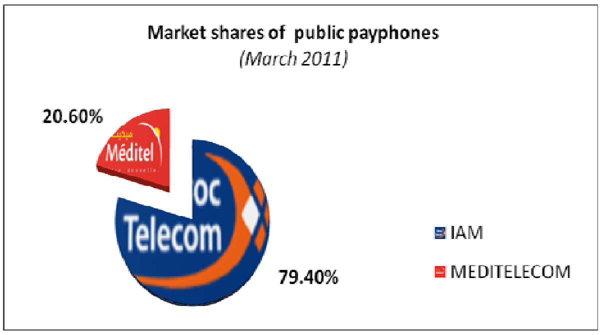
Market share at 31/12/10	Market share at 31/03/11



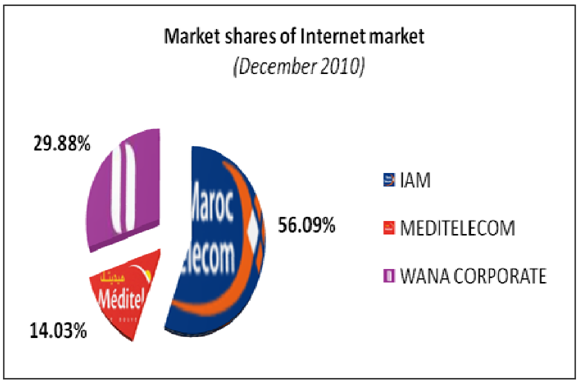


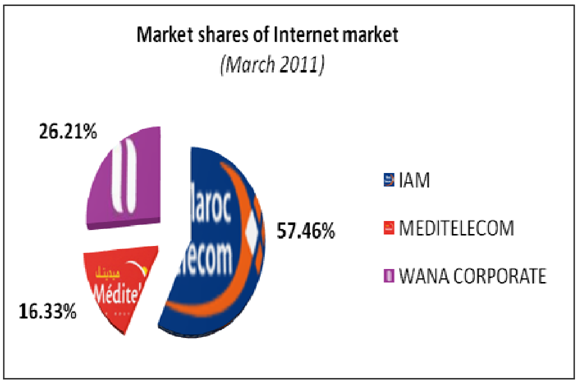
Internet Market

At 31th March 2011, the total Internet subscribers[10] reached **2 172 903** carrying out **an increase of 16.39%** during the first quarter of 2011 and of **59.54%** since March 2010.

In terms of market share, IAM holds 57.46% of the Internet subscribers market followed by Wana Corporate with 26.21% and Medi Telecom with 16.33%.

Market share at 31/12/10	Market share at 31/03/11





Market size

INTERNET MARKET	Mar-10	Dec-10	Mar-11
Market size	1 362 017	1 866 963	2 172 903
Quarterly growth	**175 094**	**219 996**	**305 940**
Growth (%)	**14.75%**	**13.36%**	**16.39%**

[10] According to the new decision No. 06/11 of 25 January 2011 laying down detailed accounting of the 3G Internet subscribers and given the expansion of this service for Internet data access combined with the 3G mobile phone service as well as the significant development of the mobile phone market that supports this new generation technology (Smart Phones), the Internet observatory is modified. The park 3G Internet is now presented in two distinct parts, one relating to the park “Data only” and another for the park “Voice + Data”. These two offers will be considered together in calculating the global Internet park while 3G offers combined “Voice + Data " were not recorded so far in the park 3G in previous publications.

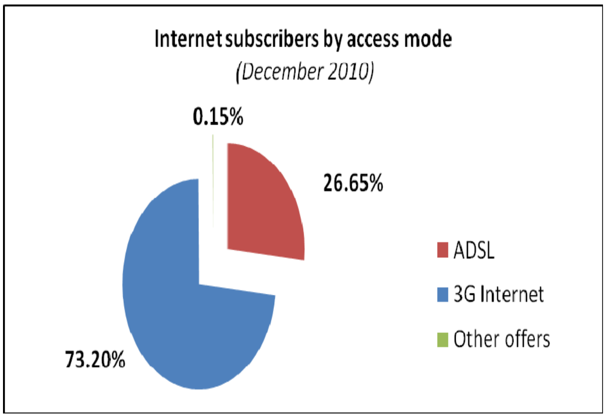
At the end of March 2011 the number of the narrowband subscribers ('Classic' and 'Flat rate') reached **966** subscribers by recording a **quarterly decrease of 40.8%.**

The number of ADSL subscribers' **increases by 3.58%** for the first quarter of 2011. From March 2010, this number increases by **7.62%**. The total of Internet **ADSL subscribers reached 515 464** at the end of March 2011.

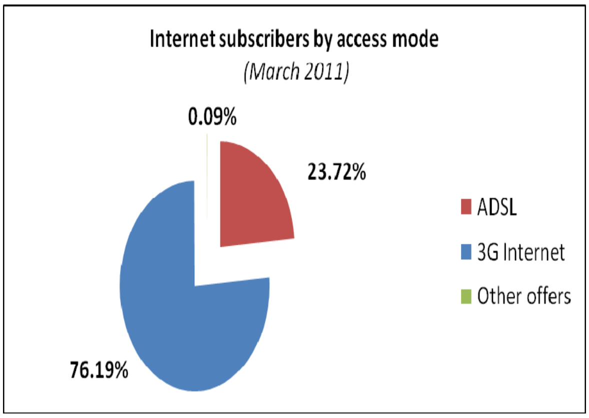
The estimated number of Internet access via Leased Lines (LL) **increases by 6.53%** for the first quarter of 2011 and decreases by 42.13% since March 2010. This number reached **974 subscribers** in March 2011.

The distribution of subscribers by access mode is as follows, with a predominance of the 3G internet access, representing **76.19%** of the global Internet market and broadband ADSL Internet access with 23.72%.

Market share at 31/12/10



Market share at 31/03/11

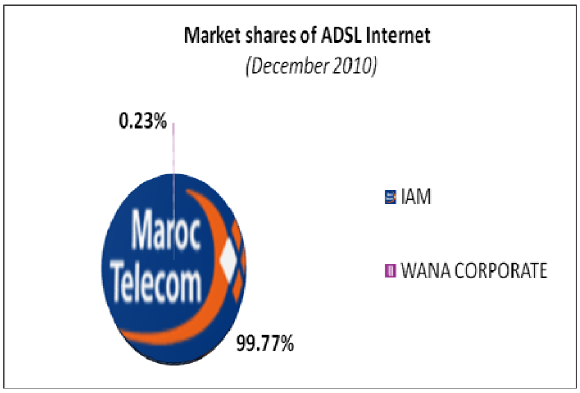


ADSL market size evolution

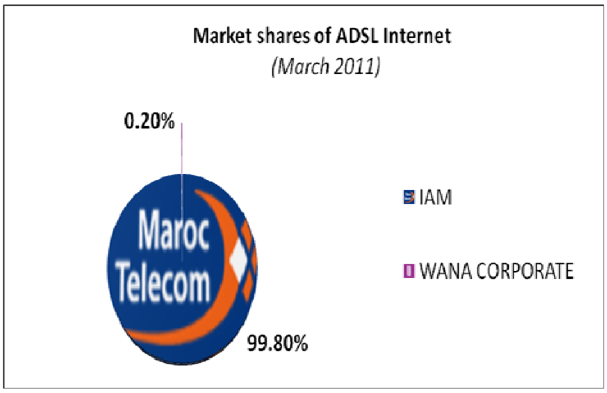
ADSL INTERNET	Mar-10	Dec-10	Mar-11
Market size	478 970	497 640	515 464
Quarterly growth	**4 409**	**15 192**	**17 824**
Growth (%)	**0.93%**	**3.15%**	**3.58%**

In terms of market share, IAM holds 99.8% of the ADSL Internet subscribers.

Market shares of ADSL Internet at 31/12/10



Market shares of ADSL Internet at 31/03/11



The 1 024 kbps ADSL access predominates with 43.03% of the ADSL Internet market followed by the 2 Mbps with 27.08% and 4 Mbps with 25.81%.

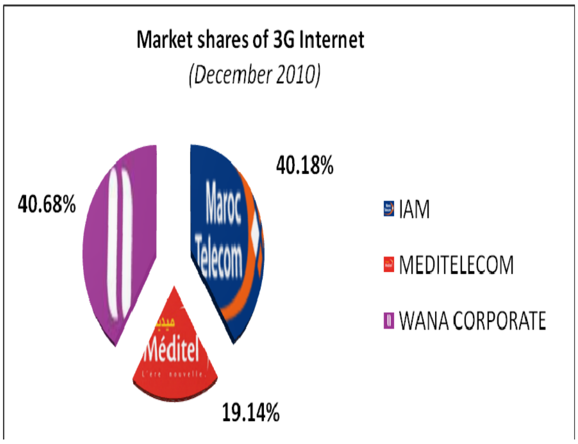
3G Internet Market size evolution

At the end of March 2011, the number of 3G Internet subscriber's reached **1 655 499** by recording an **increase of 21.15%** for the first quarter of 2011 and by **88.37%** since March 2010.

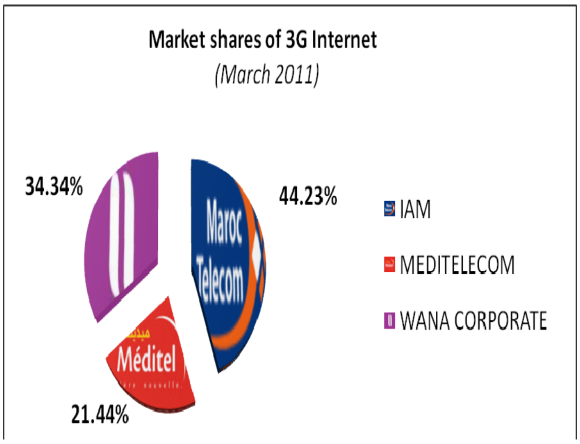
3G INTERNET	Mar-10	Dec-10	Mar-11
Market size	878 860	1 366 472	1 655 499
Quarterly growth	**171 723**	**204 815**	**289 027**
Growth (%)	**24.28%**	**17.63%**	**21.15%**

In terms of market share, IAM holds 44.23% of the 3G Internet access followed by Wana Corporate with 34.33% and Medi Telecom with 21.44%.

Market shares of 3G Internet at 31/12/10



Market shares of 3G Internet at 31/03/11



At the end of the first quarter of 2011, the subscribers to **3G Internet "Data only" totaled 1 248 538** (75.42% of 3G Internet subscribers) while the number of customers using **"voice+data" reaches 406 961** (24.58%).