

MOBILE MARKET

2ND QUARTER 2018

TELECOMMUNICATIONS OBSERVATORY

02 August 2018

SUMMARY

A. Mobiles services market	3
I. National report – Total customer and active customer (MtoM excluded)	3
II. Metropolitan report	5
II.1 Total customers and total actives customers segmentation	5
II.2 MVNO market share	7
II.3 Market fluidity	7
III. Metropolitan residential and business market segmentation	9
III.1 Residential market – total customers segmentation	9
III.2 Residential market – MVNO market share	9
III.3 Business market - total customers segmentation	10
IV. Overseas report	11
IV.1 Total customers and total active customers segmentation	11
IV.2 Guadeloupe: total customers and total active customers segmentation	12
IV.3 Guyane: total customers and total active customers segmentation	12
IV.4 Martinique: total customers and total active customers segmentation	13
IV.5 Mayotte: total customers and total active customers segmentation	13
IV.6 Réunion: total customers and total active customers segmentation	14
B. Internet of things: MtoM SIM cards	15
I. MtoM cards of French operators	15
I.1 MtoM cards of French operators in metropolitan France	15
I.2 MtoM cards of French operators in overseas departments	15
Appendix: Definitions	16

The quarterly figures relating to the sales turnover and traffic are published three months after the end of the quarter within the [telecommunications observatory in France](#). Except opposite mention, indicators are in millions of units.

A - Mobiles services market - MtoM SIM cards excluded

I. NATIONAL REPORT - total customers and active customers

	June-17	Sept-17	Dece-17	March-18	June-18
Total customers	73,497	74,192	74,589	74,952	74,938
- Quarterly Net Adds	0,457	0,696	0,397	0,363	-0,014
- Year on year net growth (in %)	2,2%	2,3%	2,2%	2,6%	2,0%

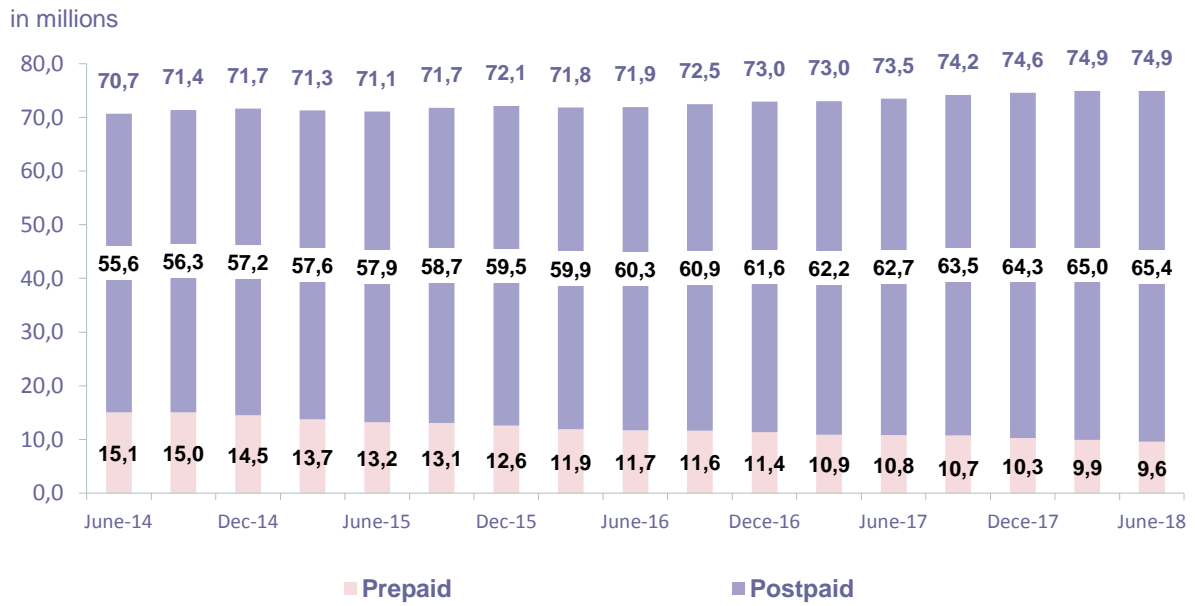
Penetration Rate	110,1%	111,2%	111,8%	111,9%	111,8%
<i>Population at January the 1st of previous year (source: Insee)</i>	66,744			67,004	

Postpaid customers	62,674	63,467	64,328	65,017	65,376
- Quarterly Net Adds	0,513	0,793	0,862	0,689	0,359
- Year on year net growth (in %)	4,0%	4,3%	4,5%	4,6%	4,3%

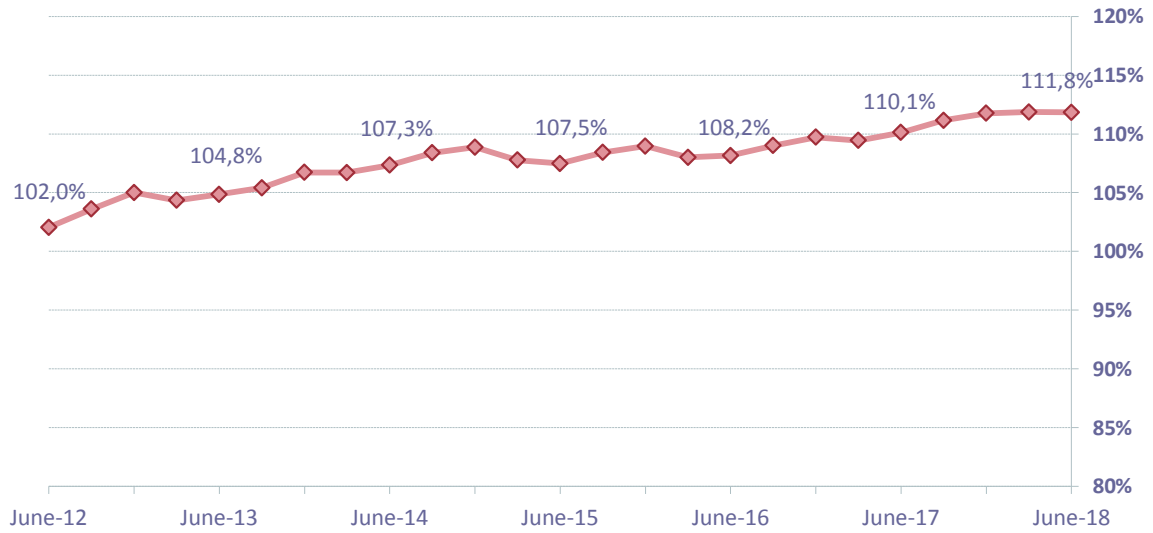
Prepaid customers	10,823	10,726	10,261	9,935	9,562
- Quarterly Net Adds	-0,055	-0,097	-0,465	-0,326	-0,373
- Year on year net growth (in %)	-7,3%	-7,9%	-9,8%	-8,7%	-11,6%

	June-17	Sept-17	Dece-17	March-18	June-18
Total active customers	70,928	71,702	72,053	72,437	72,602
- as a % of total customers	96,5%	96,6%	96,6%	96,6%	96,9%
- Quarterly Net Adds	0,401	0,774	0,351	0,385	0,164
- Year on year net growth (in %)	1,7%	2,0%	2,0%	2,7%	2,4%
Adjusted figure					

Number of national SIM cards (MtoM cards excluded)



Mobile penetration rate in France



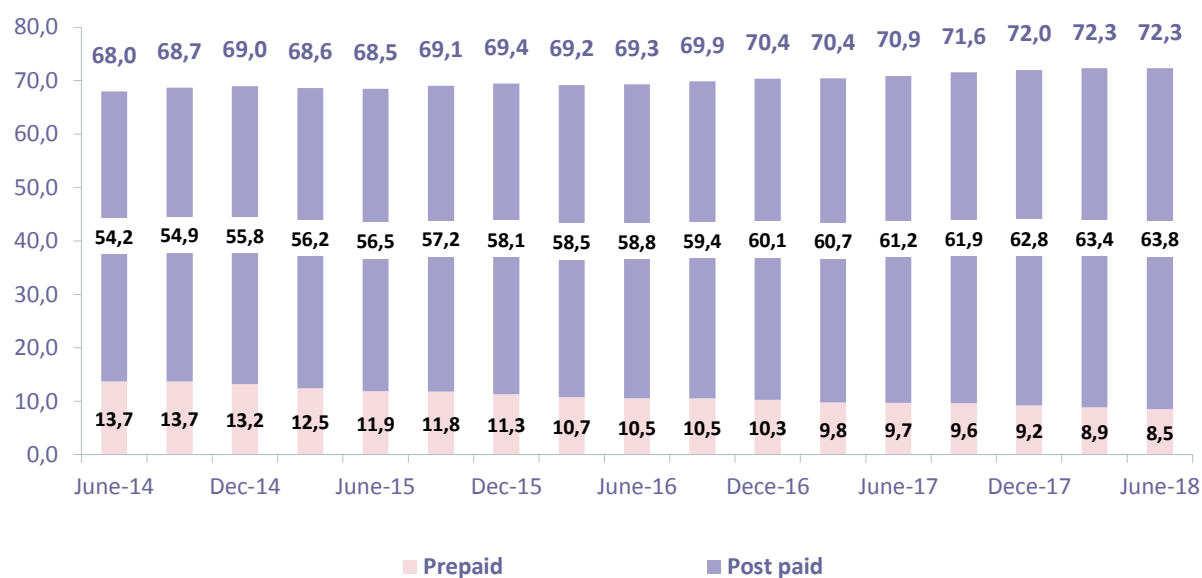
II. METROPOLITAN REPORT

II.1 Total customers segmentation and total active customers (excluding MtoM SIM cards)

	June-17	Sept-17	Dece-17	March-18	June-18
Total customers	70,875	71,585	71,982	72,344	72,337
among which Internet SIM cards	3,531	3,480	3,404	3,444	3,438
- Quarterly Net Adds	0,460	0,710	0,397	0,362	-0,008
- Year on year net growth (in %)	2,2%	2,4%	2,3%	2,7%	2,1%
Penetration Rate	109,8%	110,9%	111,5%	111,6%	111,6%
<i>Population at January the 1st of previous year (source: Insee)</i>	64,558		64,801		
Postpaid customers	61,154	61,938	62,773	63,446	63,792
among which Internet SIM cards	2,743	2,749	2,725	2,817	2,834
- Quarterly gross sales	3,349	3,502	4,389	3,953	3,384
- Quarterly Net Adds	0,502	0,784	0,835	0,673	0,346
- Year on year net growth (in %)	4,0%	4,3%	4,5%	4,6%	4,3%
Prepaid customers	9,721	9,647	9,209	8,898	8,544
among which Internet SIM cards	0,788	0,730	0,679	0,628	0,604
- Quarterly gross sales	1,931	2,216	2,100	1,958	1,962
- Quarterly Net Adds	-0,042	-0,075	-0,438	-0,311	-0,353
- Year on year net growth (in %)	-7,7%	-8,3%	-10,4%	-8,9%	-12,1%
Total active customers	68,574	69,373	69,688	70,073	70,252
- as a % of total customers	96,8%	96,9%	96,8%	96,9%	97,1%
- Quarterly Net Adds	0,408	0,800	0,314	0,385	0,179
- Year on year net growth (in %)	1,8%	2,1%	2,1%	2,8%	2,4%
Adjusted figure					

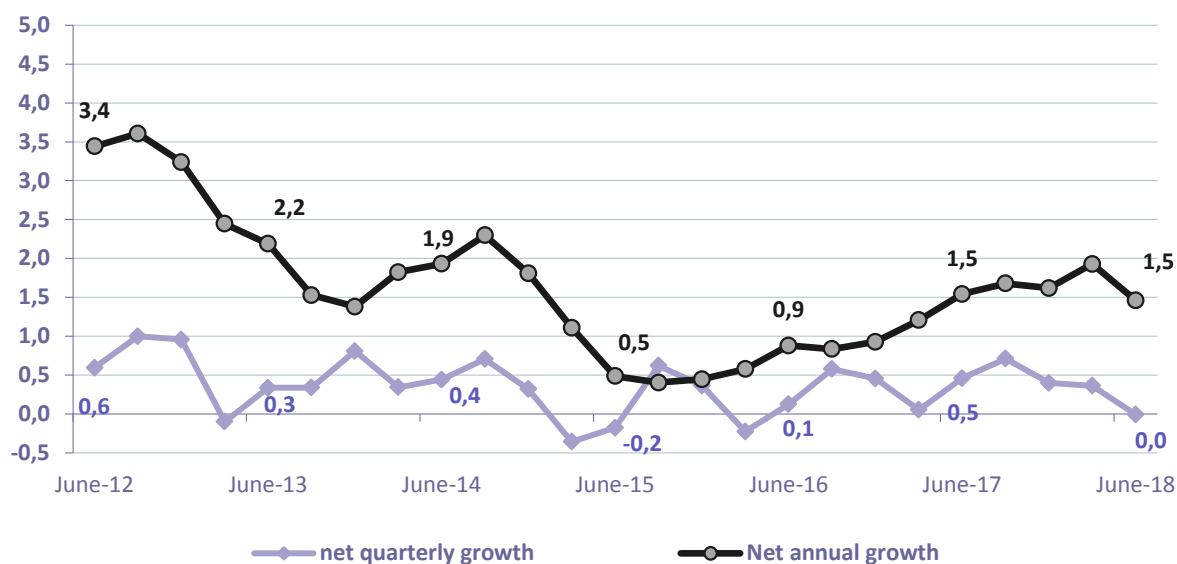
Number of metropolitan SIM cards

in millions



Net quarterly and annual growths of the total metropolitan customers (MtoM cards excluded)

in millions



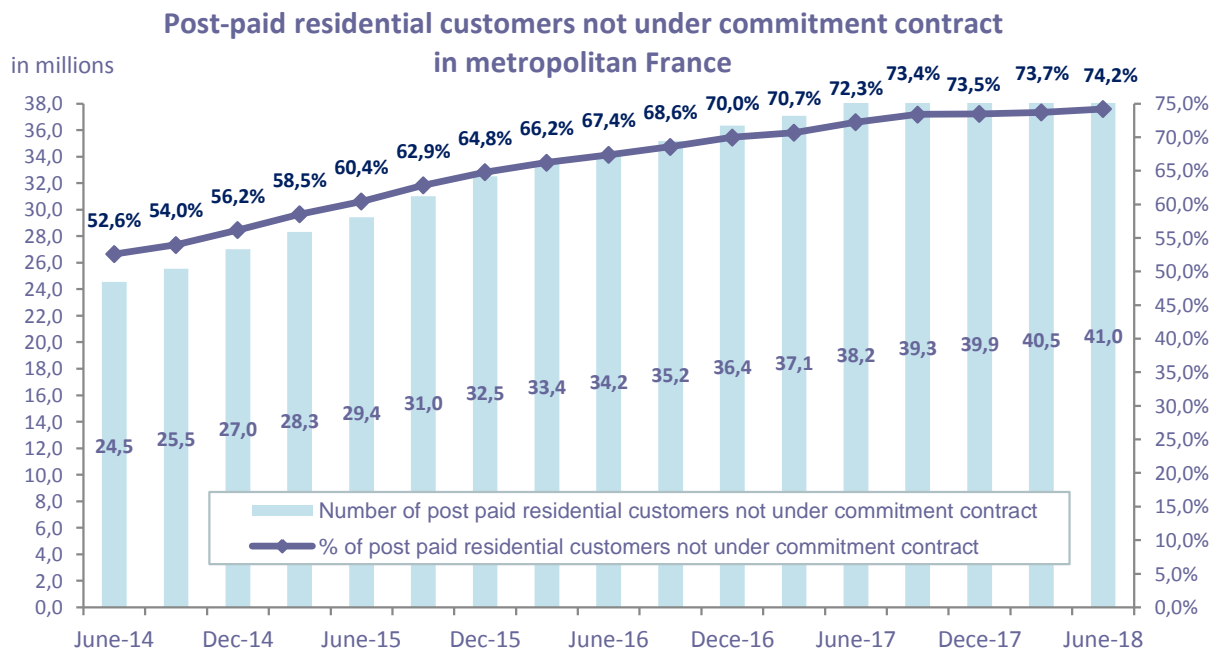
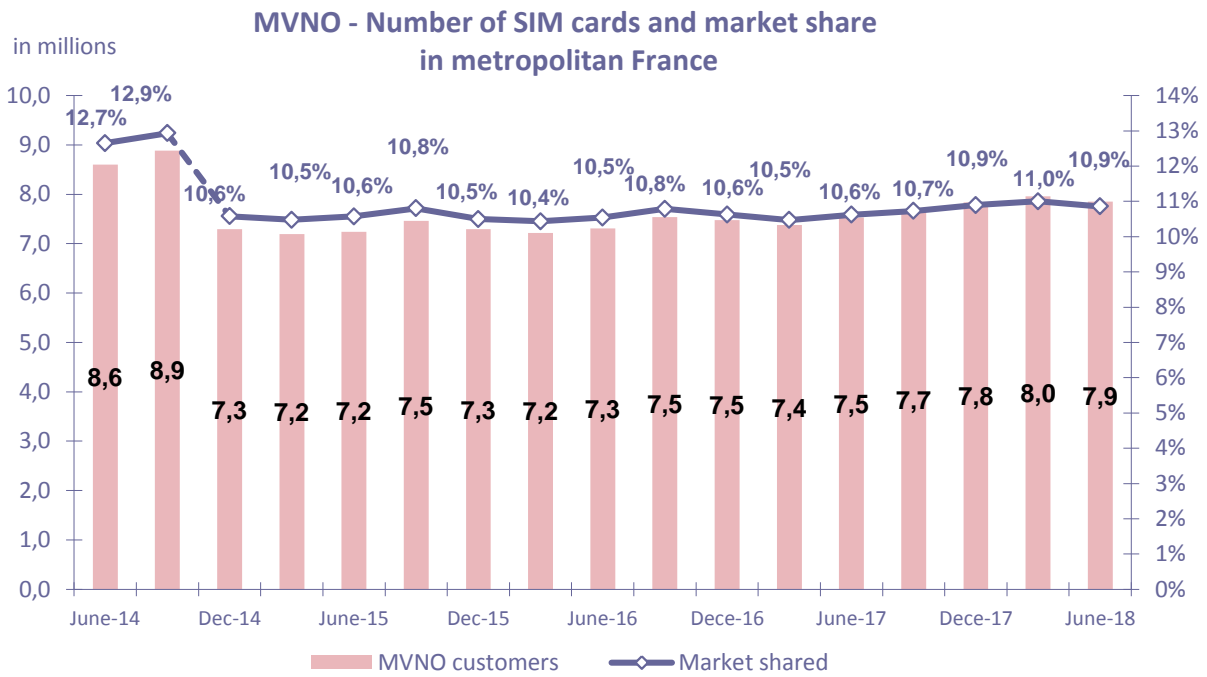
II.2 Virtual mobile network operators (MVNO) market share



	June-17	Sept-17	Dece-17	March-18	June-18
Mobile networks operators (MNOs) customers	63,348	63,907	64,142	64,388	64,484
- Among which postpaid customers	57,627	58,352	59,100	59,661	59,951
- Quarterly Net Adds	0,308	0,558	0,236	0,245	0,096
- Year on year net growth (in %)	2,1%	2,5%	2,0%	2,1%	1,8%
MVNOs customers	7,527	7,678	7,840	7,957	7,853
- Quarterly Net Adds	0,153	0,151	0,161	0,117	-0,104
- Year on year net growth (in %)	3,0%	1,8%	4,9%	7,9%	4,3%
MVNO Market share	10,6%	10,7%	10,9%	11,0%	10,9%
MVNO Market share of gross postpaid sales	7,3%	7,0%	7,0%	8,4%	8,2%
MVNO Market share of gross prepaid sales	58,3%	58,4%	63,0%	64,2%	64,4%

II.3 Market fluidity

	June-17	Sept-17	Dece-17	March-18	June-18
Quarterly postpaid cancellation rate	4,7%	4,4%	5,7%	5,2%	4,8%
Quarterly prepaid cancellation rate	20,2%	23,6%	26,9%	25,0%	26,5%
Numbers ported during the quarter	1,799	1,766	2,453	2,137	2,065
- Year on year net growth (in %)	18,0%	21,4%	5,8%	36,8%	14,8%
Post-paid residential customers not under commitment	38,226	39,345	39,948	40,516	41,013
- % of customers not under commitment contract	72,3%	73,4%	73,5%	73,7%	74,2%
Post-paid customers not under commitment contract	41,296	42,442	43,164	43,765	44,429
- % of customers not under commitment contract	67,5%	68,5%	68,8%	69,0%	69,6%



III. METROPOLITAN RESIDENTIAL AND BUSINESS MARKET



III.1 Residential market - Total customers segmentation

	June-17	Sept-17	Dece-17	March-18	June-18
Total residential customers	62,629	63,261	63,577	63,878	63,806
- Quarterly Net Adds	2,338	2,266	2,184	2,223	2,205
- Quarterly Net Adds	0,409	0,632	0,317	0,301	-0,073
- Year on year net growth (in %)	2,2%	2,3%	2,2%	2,7%	1,9%
Postpaid residential customers	52,907	53,614	54,369	54,981	55,261
- Quarterly gross sales	2,990	3,173	3,948	3,557	3,026
- Quarterly Net Adds	0,450	0,707	0,755	0,612	0,281
- Year on year net growth (in %)	4,2%	4,5%	4,7%	4,8%	4,4%
Prepaid residential customers	9,721	9,647	9,209	8,898	8,544
- Quarterly gross sales	1,931	2,216	2,100	1,958	1,962
- Quarterly Net Adds	-0,042	-0,075	-0,438	-0,311	-0,353
- Year on year net growth (in %)	-7,7%	-8,3%	-10,4%	-8,9%	-12,5%

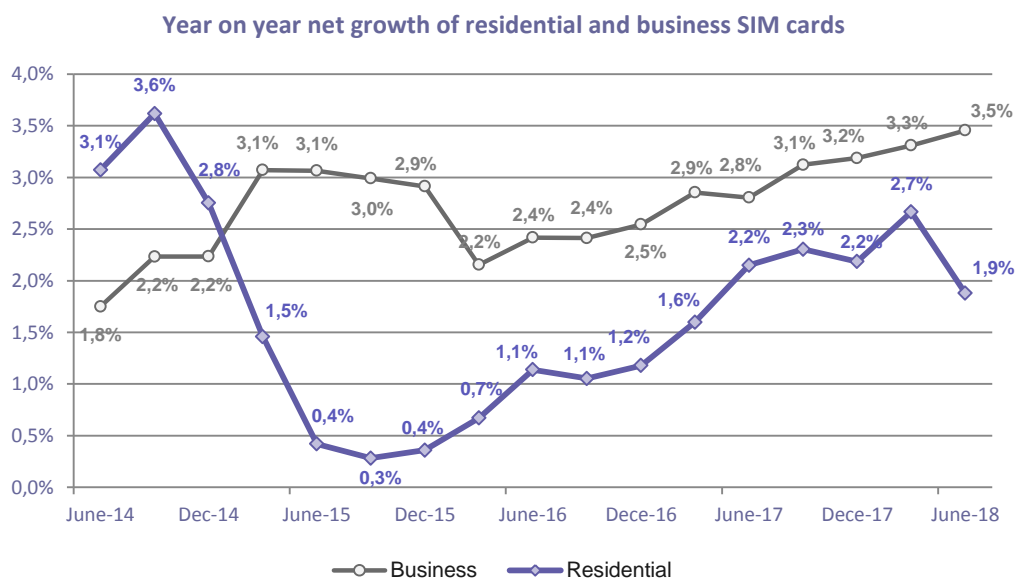
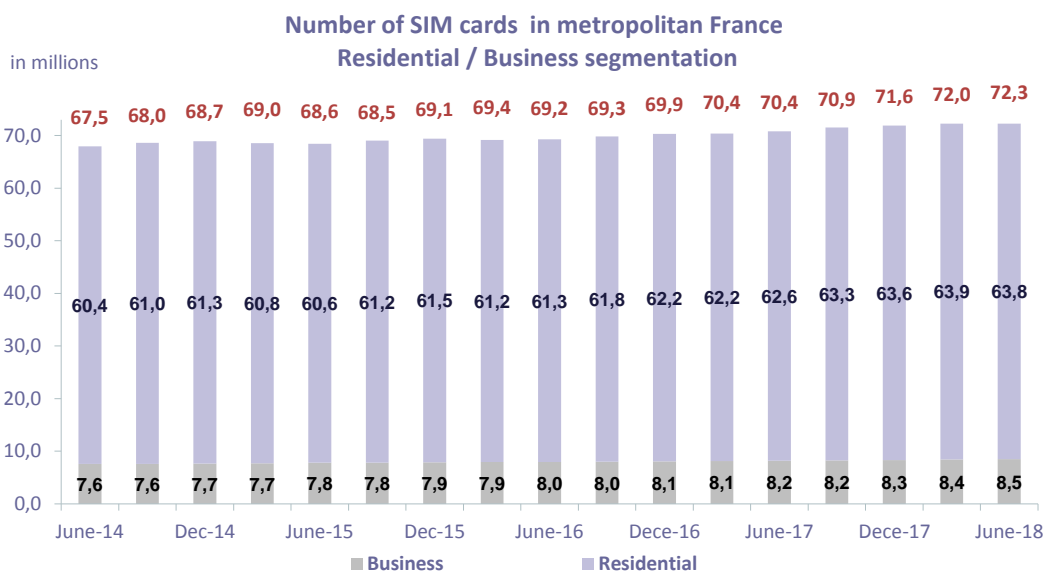
III.2 Residential market - Mobile Virtual Network Operators market share

	June-17	Sept-17	Dece-17	March-18	June-18
MNOs	55,380	55,873	56,037	56,225	56,260
- Quarterly Net Adds	0,261	0,493	0,164	0,188	0,035
- Year on year net growth (in %)	2,1%	2,4%	1,9%	2,0%	1,6%
MVNOs	7,249	7,387	7,540	7,654	7,546
- Quarterly Net Adds	0,148	0,139	0,153	0,113	-0,108
- Year on year net growth (in %)	2,8%	1,5%	4,6%	7,8%	4,1%
MVNO Market share	11,6%	11,7%	11,9%	12,0%	11,8%
MVNO Market share of gross postpaid sales	7,7%	7,3%	7,3%	8,8%	8,7%
Adjusted figure					

III.3 Business market - total customers MtoM SIM cards excluded

June-17	Sept-17	Dece-17	March-18	June-18
---------	---------	---------	----------	---------

Postpaid business customers	8,246	8,324	8,405	8,466	8,531
among which Internet SIM cards	1,193	1,214	1,220	1,221	1,232
- Quarterly Net Adds	0,052	0,078	0,081	0,061	0,065
- Year on year net growth (in %)	2,8%	3,1%	3,2%	3,3%	3,5%
Adjusted figure					



IV. OVERSEAS REPORT : DOM, Saint-Martin, Saint-Barthélemy, Saint-Pierre-et-Miquelon

IV.1 Overseas départements: total customers and total active customers segmentation

	June-17	Sept-17	Dece-17	March-18	June-18
Total customers	2,622	2,608	2,607	2,608	2,601
- Quarterly Net Adds	-0,003	-0,014	0,000	0,000	-0,006
- Year on year net growth (in %)	1,0%	0,8%	0,2%	-0,6%	-0,8%

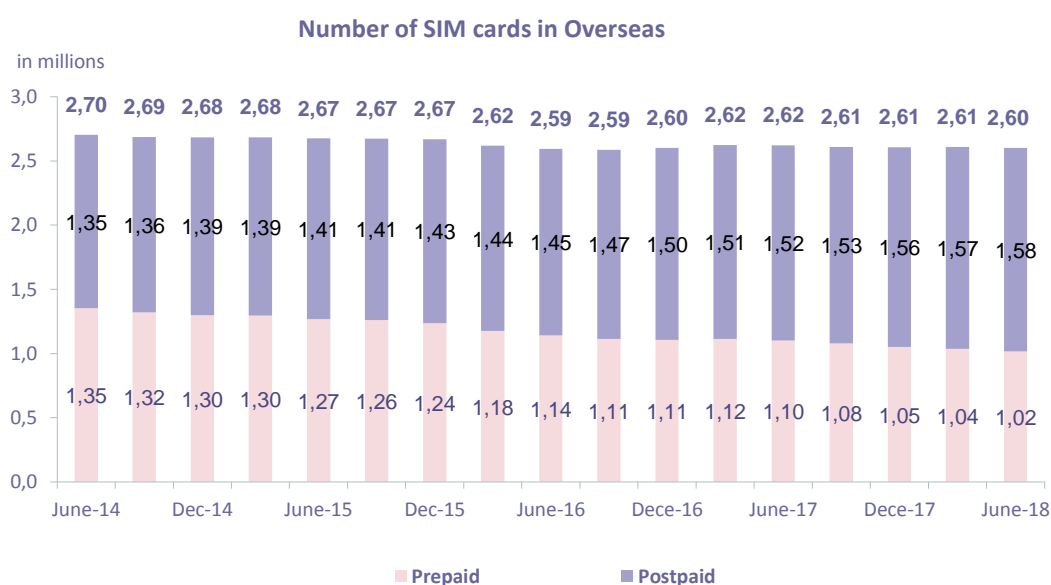
Penetration Rate	119,9%	119,3%	119,3%	118,4%	118,1%
<i>Population at January the 1st of previous year (source: Insee)</i>	2,186			2,203	

Postpaid customers	1,520	1,529	1,555	1,570	1,583
- Quarterly Net Adds	0,011	0,009	0,026	0,015	0,013
- Year on year net growth (in %)	4,6%	3,8%	4,0%	4,0%	4,1%

Prepaid customers	1,101	1,079	1,052	1,037	1,018
- Quarterly Net Adds	-0,014	-0,023	-0,027	-0,015	-0,019
- Year on year net growth (in %)	-3,5%	-3,2%	-4,9%	-7,0%	-7,6%

Total active customers	2,354	2,328	2,365	2,365	2,350
- as a % of total customers	89,8%	89,3%	90,7%	90,7%	90,3%
- Quarterly Net Adds	-0,007	-0,026	0,037	0,000	-0,015
- Year on year net growth (in %)	1,0%	-0,5%	0,1%	0,1%	-0,2%

Adjusted figure



IV.2 Guadeloupe, St-Martin, St-Barth. total customers and active customers segm.



	June-17	Sept-17	Dece-17	March-18	June-18
Total customers	0,633	0,632	0,626	0,631	0,622
- Quarterly Net Adds	-0,008	-0,001	-0,006	0,005	-0,009
- Year on year net growth (in %)	-2,7%	-1,3%	-1,3%	-1,6%	-1,7%
Penetration Rate	144,0%	143,8%	142,3%	144,0%	142,0%
Population at January the 1 st of previous year (source: Insee)	0,440		0,438		
Postpaid customers	0,343	0,344	0,349	0,352	0,354
- Quarterly Net Adds	0,002	0,002	0,004	0,004	0,002
- Year on year net growth (in %)	3,7%	3,5%	3,2%	3,4%	3,3%
Prepaid customers	0,290	0,288	0,277	0,278	0,268
- Quarterly Net Adds	-0,009	-0,003	-0,011	0,002	-0,010
- Year on year net growth (in %)	-9,2%	-6,6%	-6,5%	-7,1%	-7,7%
Total active customers	0,568	0,558	0,559	0,558	0,548
- as a % of total customers	89,7%	88,2%	89,4%	88,5%	88,0%
- Quarterly Net Adds	-0,006	-0,010	0,002	-0,001	-0,010
- Year on year net growth (in %)	0,2%	-1,1%	-1,0%	-2,8%	-3,6%

IV.3 Guyane: total customers and total active customers segmentation



	June-17	Sept-17	Dece-17	March-18	June-18
Total customers	0,300	0,299	0,296	0,294	0,297
- Quarterly Net Adds	0,002	-0,001	-0,003	-0,002	0,004
- Year on year net growth (in %)	4,0%	4,4%	1,2%	-1,2%	-0,8%
Penetration Rate	112,3%	112,0%	110,8%	107,1%	108,4%
Population at January the 1 st of previous year (source: Insee)	0,267		0,274		
Postpaid customers	0,119	0,120	0,122	0,124	0,125
- Quarterly Net Adds	0,000	0,001	0,003	0,001	0,001
- Year on year net growth (in %)	2,3%	2,5%	3,6%	3,9%	4,8%
Prepaid customers	0,180	0,179	0,173	0,170	0,172
- Quarterly Net Adds	0,002	-0,002	-0,006	-0,003	0,002
- Year on year net growth (in %)	5,1%	5,7%	-0,4%	-4,6%	-4,5%
Total active customers	0,262	0,262	0,260	0,259	0,260
- as a % of total customers	87,3%	87,8%	87,9%	88,4%	87,6%
- Quarterly Net Adds	0,001	0,001	-0,002	-0,001	0,001
- Year on year net growth (in %)	0,1%	0,1%	-2,4%	-0,5%	-0,5%
Adjusted figure					

IV.4 Martinique: total customers and total active customers segmentation



	June-17	Sept-17	Dece-17	March-18	June-18
Total customers	0,533	0,529	0,525	0,527	0,527
- Quarterly Net Adds	-0,006	-0,004	-0,004	0,002	0,000
- Year on year net growth (in %)	-3,1%	-2,5%	-2,1%	-2,3%	-1,2%
Penetration Rate	141,1%	139,9%	138,8%	140,6%	140,6%
<i>Population at January the 1st of previous year (source: Insee)</i>	0,378		0,375		
Postpaid customers	0,318	0,319	0,322	0,324	0,326
- Quarterly Net Adds	0,001	0,001	0,003	0,002	0,001
- Year on year net growth (in %)	2,6%	1,7%	2,3%	2,4%	2,4%
Prepaid customers	0,215	0,210	0,202	0,203	0,201
- Quarterly Net Adds	-0,007	-0,006	-0,007	0,000	-0,001
- Year on year net growth (in %)	-10,4%	-8,3%	-8,5%	-9,0%	-6,5%
Total active customers	0,461	0,458	0,460	0,459	0,453
- as a % of total customers	86,4%	86,5%	87,8%	87,1%	85,9%
- Quarterly Net Adds	-0,003	-0,003	0,003	-0,001	-0,006
- Year on year net growth (in %)	-3,0%	-3,0%	-2,2%	-1,1%	-1,7%
Adjusted figure					

IV.5 Mayotte: total customers and total active customers segmentation



	June-17	Sept-17	Dece-17	March-18	June-18
Total customers	0,277	0,277	0,281	0,280	0,281
- Quarterly Net Adds	0,010	0,000	0,005	-0,002	0,001
- Year on year net growth (in %)	17,1%	12,7%	8,9%	4,6%	1,4%
Penetration Rate	115,6%	115,5%	117,5%	112,2%	112,6%
<i>Population at January the 1st of previous year (source: Insee)</i>	0,240		0,249		
Postpaid customers	0,065	0,066	0,065	0,066	0,065
- Quarterly Net Adds	0,001	0,000	-0,001	0,001	0,000
- Year on year net growth (in %)	8,9%	7,2%	3,1%	1,7%	0,1%
Prepaid customers	0,212	0,211	0,216	0,214	0,215
- Quarterly Net Adds	0,009	-0,001	0,005	-0,002	0,001
- Year on year net growth (in %)	19,9%	14,5%	10,8%	5,6%	1,7%
Total active customers	0,229	0,224	0,236	0,241	0,241
- as a % of total customers	82,9%	80,8%	83,8%	86,4%	85,8%
- Quarterly Net Adds	0,004	-0,006	0,012	0,006	-0,001
- Year on year net growth (in %)	10,5%	4,7%	6,4%	6,9%	4,9%

IV. 6 Réunion: total customers and total active customers segmentation



	June-17	Sept-17	Dece-17	March-18	June-18
Total customers	0,873	0,866	0,875	0,871	0,869
- Quarterly Net Adds	-0,003	-0,007	0,009	-0,003	-0,003
- Year on year net growth (in %)	1,0%	-0,2%	-0,3%	-0,5%	-0,5%
Penetration Rate	102,0%	101,2%	102,2%	101,2%	100,9%
<i>Population at January the 1st of previous year (source: Insee)</i>	0,856		0,861		
Postpaid customers	0,670	0,675	0,692	0,700	0,709
- Quarterly Net Adds	0,005	0,005	0,017	0,008	0,009
- Year on year net growth (in %)	5,8%	4,6%	5,0%	5,2%	5,7%
Prepaid customers	0,203	0,191	0,183	0,172	0,160
- Quarterly Net Adds	-0,008	-0,012	-0,008	-0,011	-0,011
- Year on year net growth (in %)	-12,2%	-14,2%	-16,3%	-18,4%	-21,0%
Total active customers	0,830	0,822	0,845	0,842	0,843
- as a % of total customers	95,0%	94,9%	96,6%	96,6%	97,1%
- Quarterly Net Adds	-0,003	-0,008	0,023	-0,003	0,002
- Year on year net growth (in %)	1,5%	-0,3%	1,0%	1,1%	1,7%

B - Internet of things : MtoM SIM cards

I. MtoM CARDS OF FRENCH OPERATORS

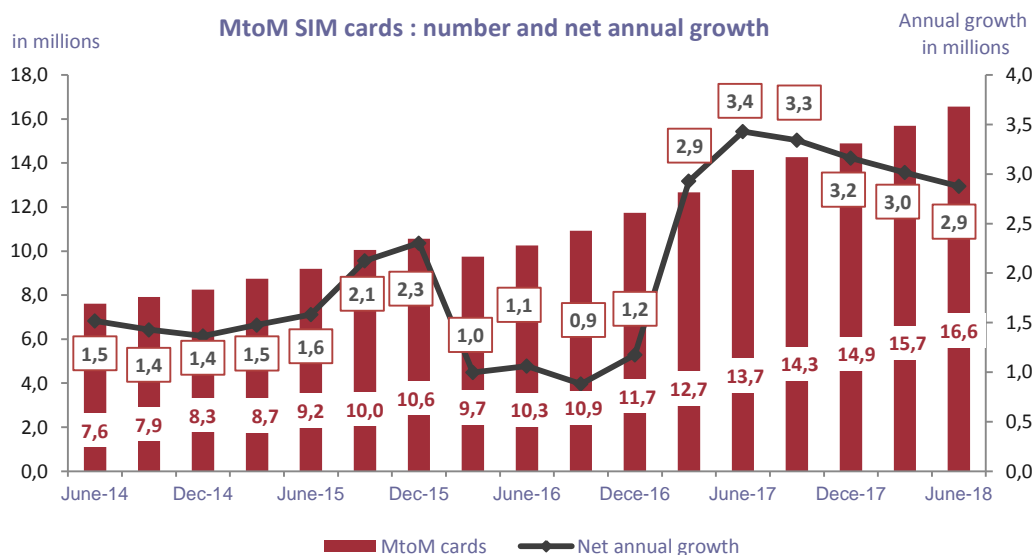
	June-17	Sept-17	Dece-17	March-18	June-18
MtoM SIM cards	13,684	14,272	14,899	15,685	16,561
-Gross sales for the quarter	1,103	0,735	0,738	0,918	1,012
- Quarterly Net Adds	1,015	0,588	0,626	0,786	0,876
- Year on year net growth (in %)	33,5%	30,6%	26,9%	23,8%	21,0%

I.1 MtoM CARDS OF FRENCH OPERATORS - METROPOLITAN

	June-17	Sept-17	Dece-17	March-18	June-18
MtoM SIM cards	13,659	14,247	14,873	15,659	16,535
- Quarterly Net Adds	1,015	0,588	0,626	0,786	0,876
- Year on year net growth (in %)	33,5%	30,7%	27,0%	23,9%	21,1%

I.2 MtoM CARDS OF FRENCH OPERATORS - OVERSEAS DEPARTMENTS

	June-17	Sept-17	Dece-17	March-18	June-18
MtoM SIM cards	0,025	0,025	0,025	0,026	0,026
- Quarterly Net Adds	0,000	0,000	0,000	0,000	0,000
- Year on year net growth (in %)	2,4%	1,5%	-0,7%	1,0%	3,2%
Adjusted figure					



Appendix: DEFINITIONS

Total SIM cards: Total SIM cards registered with an operator's Home Location Register (HLR) or in the Home Subscriber Server (HSS) at the date in question. So, for business clients, each line is considered as a post-paid contract. Post-paid cards are those whose service is invoiced regularly (packages, metered offers, blocked accounts, etc.). By default, any non-post-paying client is considered to be a pre-paying client.

Internet SIM cards: number of SIM cards sold by mobile operators (flat rates or prepaid cards), to be used solely for accessing the Internet (PCMCIA cards, 3G/4G USB keys). These cards cannot be used to make voice calls.

Gross sales: total SIM cards at the end of the quarter which are registered with the HLR/HSS during the quarter. They exclude migrations: pre-paid to post-paid migration corresponds to clients asking their operator to replace their pre-paid offer in force at the beginning of the quarter with a post-paid offer; conversely, post-paid to pre-paid migration corresponds to clients asking their operator to replace their post-paid offer in force at the beginning of the quarter with a pre-paid offer.

Cancellation: Total SIM cards at the beginning of the quarter whose registration in the HLR/HSS was deleted during the quarter. Modifications to the registration in the HLR/HSS are not cancellations. So, this definition does not cover changes in offers within a line, or pre- to post-paid migrations or post- to pre-paid migrations, or service suspensions.

Penetration rate: Penetration rate: it is obtained by dividing the total number of clients by the population. The reference population is 1st January of the year N-1 published by Insee on the 1st January of the year N. The reference population in 2017, comes from estimates published in January 2017 (and therefore of the population for January 1st, 2016).

Customers not under commitment contract: a client under a commitment contract is any client having taken out or renewed a contract (out of all or part of the contracts related to mobile service) for a minimum period not having expired at the date in question. A client not under commitment contract is any client not having a contract.

Total active customers: the number of active clients equals to all post-paid customers under contract and pre-paid customers under contract having made or received a telephone call, whether free or paid, sent a SMS, MMS used a multimedia (e-mail, internet) service during the past three months (not including incoming SMS).

Number of ported numbers : is calculated as half of the volume of numbers of "in" porting and "out" porting done by all operators. "In" porting is considered to be an effective porting from the receiving operator's point of view. "Out" porting is an effective porting from the donor operator's point of view.

Total MtoM cards: number of SIM cards used for communication between remote equipment (remote management of equipment, terminals and servers, fixed or mobile). The communications from these cards are generally carried out without human intervention. These cards are used for example for tracking of objects and tools (fleets of vehicles, machinery, etc.), for purposes of updating of data (surveys at distance of meters, sensors...), for the identification and monitoring of all kinds (alarms, remote actions...), the list of those uses where communication is from "machine to machine" is not limited. Are taken into account the MtoM SIM cards, the communication was done only in downstream, only upstream or both. The cards used for interpersonal communication and exclusive internet cards are not included here.

Operators

- Metropolitan mobile network operators: Bouygues Telecom, Free mobile, Orange, Société Française du Radiotéléphone (SFR).
- Overseas mobile network operators : Dauphin Telecom, Digicel AFG, Globaltel, Orange Caraïbes, Orange Réunion, Outremer Telecom, SAS SPM, Société Réunionnaise du Radiotéléphone (SRR), Telco OI, UTS Caraïbe.
- Mobile Virtual Network Operators independent of mobile network operators active on the quarter.