



Telecommunications observatory (mobiles market)

2^d quarter 2015

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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” to the following address: <http://www.arcep.fr/index.php?id=36>

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

All the indicators are now excluding MtoM SIM cards

	June-14	Sept-14	Dec-14	March-15	June-15
Total customers	70,669	71,357	71,672	71,308	71,115
- Quarterly Net Adds	0,418	0,688	0,315	-0,365	-0,192
- Year on year net growth (in %)	2,9%	3,3%	2,5%	1,5%	0,6%

Penetration Rate	107,4%	108,5%	108,9%	107,9%	107,6%
Population at January the 1 st of previous year (source: INSEE)	65,795			66,070	

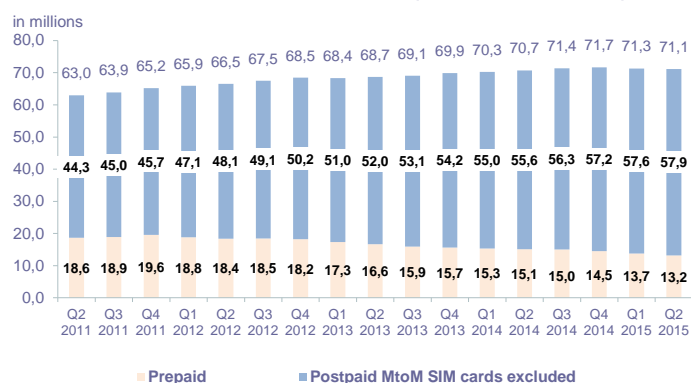
Postpaid customers	55,594	56,310	57,158	57,560	57,935
- Quarterly Net Adds	0,643	0,716	0,847	0,402	0,376
- Year on year net growth (in %)	6,8%	6,0%	5,4%	4,7%	4,2%

Prepaid customers	15,074	15,047	14,515	13,748	13,181
- Quarterly Net Adds	-0,225	-0,028	-0,532	-0,767	-0,567
- Year on year net growth (in %)	-9,4%	-5,6%	-7,3%	-10,1%	-12,6%

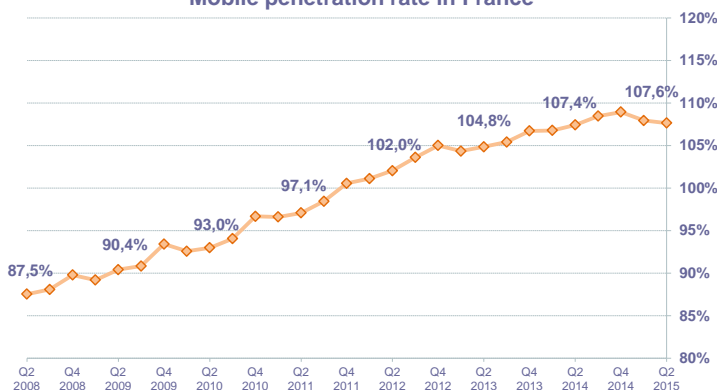
	June-14	Sept-14	Dec-14	March-15	June-15
Total active customers	67,544	68,228	68,585	68,485	68,769
- as a % of total customers	95,6%	95,6%	95,7%	96,0%	96,7%
- Quarterly Net Adds	0,562	0,684	0,357	-0,100	0,284
- Year on year net growth (in %)	2,6%	3,0%	2,3%	2,2%	1,8%

Adjusted figures

Number of national SIM cards (MtoM cards excluded)



Mobile penetration rate in France



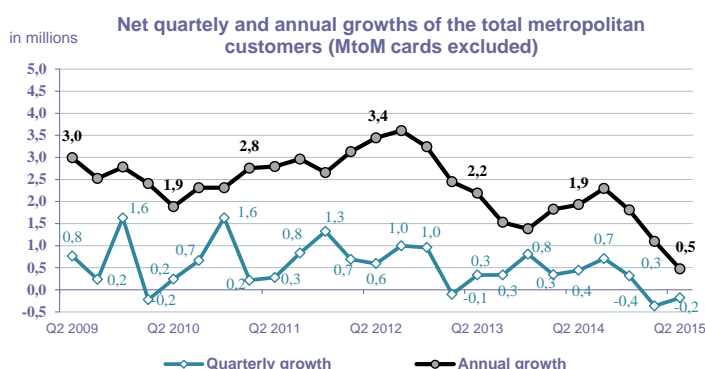
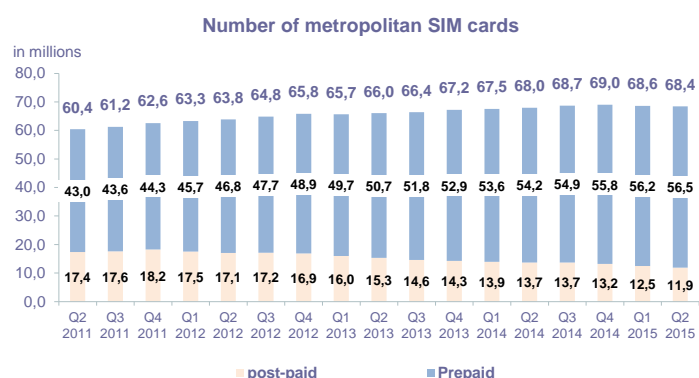
II. METROPOLITAN REPORT



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

	June-14	Sept-14	Dec-14	March-15	June-15
Total customers	67,966	68,672	68,989	68,624	68,441
among which Internet SIM cards	3,675	3,684	3,690	3,530	3,480
- Quarterly Net Adds	0,441	0,706	0,317	-0,365	-0,183
- Year on year net growth (in %)	2,9%	3,5%	2,7%	1,6%	0,7%
Penetration Rate	106,8%	107,9%	108,4%	107,4%	107,1%
Population at January the 1st of previous year (source: INSEE)	63,652			63,920	
Postpaid customers	54,245	54,946	55,772	56,172	56,529
among which Internet SIM cards	2,928	2,919	2,884	2,755	2,729
- Quarterly gross sales	2,752	3,022	3,541	2,829	2,674
- Quarterly Net Adds	0,636	0,701	0,826	0,399	0,358
- Year on year net growth (in %)	6,9%	6,1%	5,4%	4,8%	4,2%
Prepaid customers	13,721	13,726	13,216	12,453	11,912
among which Internet SIM cards	0,747	0,765	0,806	0,775	0,751
- Quarterly gross sales	2,386	2,552	2,263	2,114	2,406
- Quarterly Net Adds	-0,195	0,005	-0,510	-0,764	-0,540
- Year on year net growth (in %)	-10,3%	-5,8%	-7,4%	-10,5%	-13,2%
Total active customers	65,225	65,894	66,255	66,175	66,460
- as a % of total customers	96,0%	96,0%	96,0%	96,4%	97,1%
- Quarterly Net Adds	0,577	0,668	0,361	-0,080	0,285
- Year on year net growth (in %)	2,6%	3,1%	2,4%	2,4%	1,9%

Adjusted figures



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

All the indicators are now excluding MtoM SIM cards



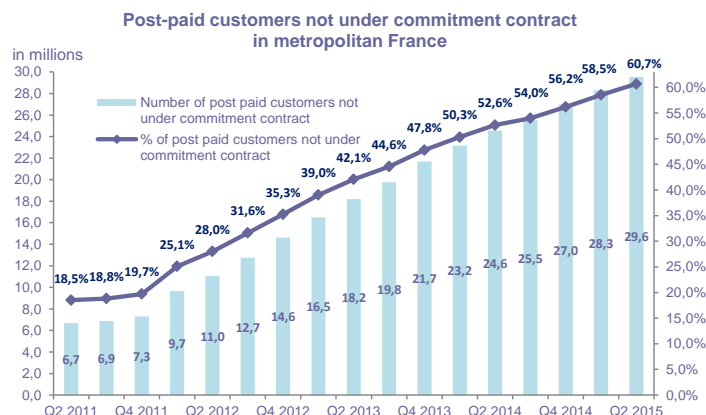
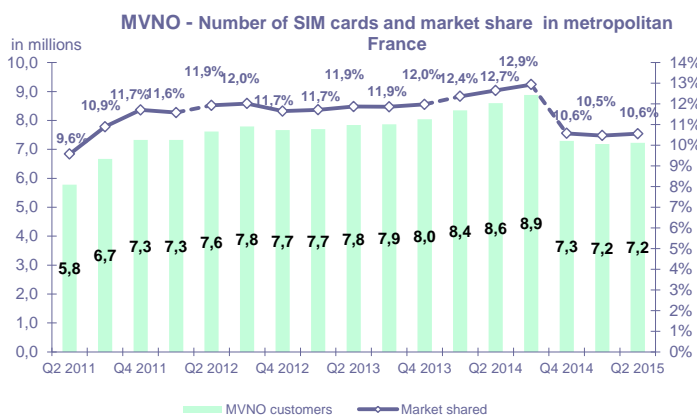
	June-14	Sept-14	Dec-14	March-15	June-15
Mobile networks operators (MNOs) customers	59,368	59,791	61,694	61,441	61,216
- Among which postpaid customers	50,017	50,664	52,886	53,204	53,456
- Quarterly Net Adds	0,193	0,423	1,903	-0,253	-0,226
- Year on year net growth (in %)	2,0%	2,2%	4,3%	3,8%	3,1%
MVNOs customers	8,599	8,881	7,294	7,183	7,225
- Quarterly Net Adds	0,248	0,282	-1,587	-0,112	0,043
- Year on year net growth (in %)	9,7%	12,9%	-9,3%	-14,0%	-16,0%
MVNO Market share	12,7%	12,9%	10,6%	10,5%	10,6%
MVNO Market share of gross postpaid sales	14,3%	12,0%	8,0%	9,1%	9,9%
MVNO Market share of gross prepaid sales	53,3%	47,8%	48,1%	52,7%	52,9%

II.3 Market fluidity

	June-14	Sept-14	Dec-14	March-15	June-15
Quarterly postpaid cancellation rate	3,9%	4,3%	5,0%	4,4%	4,2%
Quarterly prepaid cancellation rate	18,5%	18,6%	20,5%	22,2%	24,0%
Numbers ported during the quarter	1,191	1,317	1,672	1,373	1,273
- Year on year net growth (in %)	-15,2%	-0,3%	8,1%	0,7%	6,9%
Post-paid residential customers not under commitment contract	24,557	25,528	27,004	28,320	29,551
- % of post-paid customers not under commitment contract	52,6%	54,0%	56,2%	58,5%	60,7%
Total residential customers not under commitment contract	26,458	27,463	29,135	30,382	31,663
- % of customers not under commitment contract	48,8%	50,0%	52,2%	54,1%	56,0%

Not relevant growths (integration of a part of the MNOs customers in the MVNOs market)

Note relevant growth (intégration of Numericable et Omea Telecom in the MNOs market)



III. METROPOLITAN RESIDENTIAL AND BUSINESS MARKET

All the indicators are now excluding MtoM SIM cards



III.1 Residential market - Total customers segmentation

	June-14	Sept-14	Dec-14	March-15	June-15
Total residential customers	60,367	61,019	61,271	60,835	60,620
- Quarterly Net Adds	2,527	2,533	2,546	2,387	2,330
- Quarterly Net Adds	0,409	0,652	0,252	-0,436	-0,214
- Year on year net growth (in %)	3,1%	3,6%	2,7%	1,5%	0,4%
Postpaid residential customers	46,646	47,293	48,054	48,382	48,708
- Quarterly gross sales	2,429	2,719	3,126	2,285	2,284
- Quarterly Net Adds	0,604	0,647	0,761	0,328	0,326
- Year on year net growth (in %)	7,8%	6,7%	5,9%	5,1%	4,4%
Prepaid residential customers	13,721	13,726	13,216	12,453	11,912
- Quarterly gross sales	2,386	2,552	2,263	2,114	2,406
- Quarterly Net Adds	-0,195	0,005	-0,510	-0,764	-0,540
- Year on year net growth (in %)	-10,3%	-5,8%	-7,4%	-10,5%	-13,2%

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

	June-14	Sept-14	Dec-14	March-15	June-15
MNOs	52,020	52,396	54,225	53,909	53,656
- Quarterly Net Adds	0,168	0,377	1,828	-0,316	-0,253
- Year on year net growth (in %)	2,2%	2,4%	4,8%	4,0%	3,1%
MVNOs	8,347	8,623	7,046	6,926	6,965
- Quarterly Net Adds	0,241	0,275	-1,577	-0,120	0,039
- Year on year net growth (in %)	8,7%	11,9%	-10,5%	-14,6%	-16,6%
MVNO Market share	13,8%	14,1%	11,5%	11,4%	11,5%
MVNO Market share of gross postpaid sales	15,5%	12,9%	8,4%	10,0%	10,8%

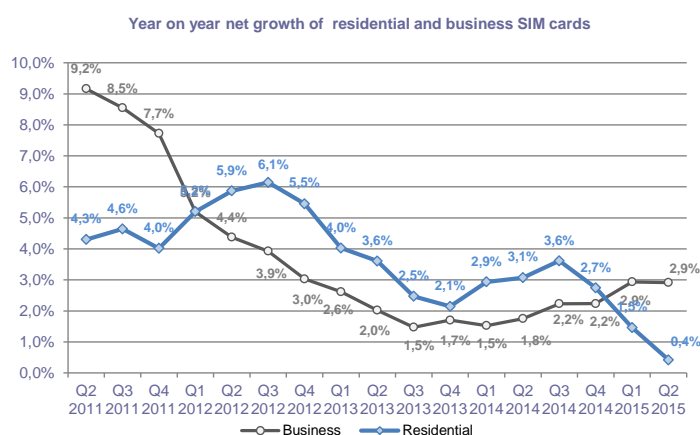
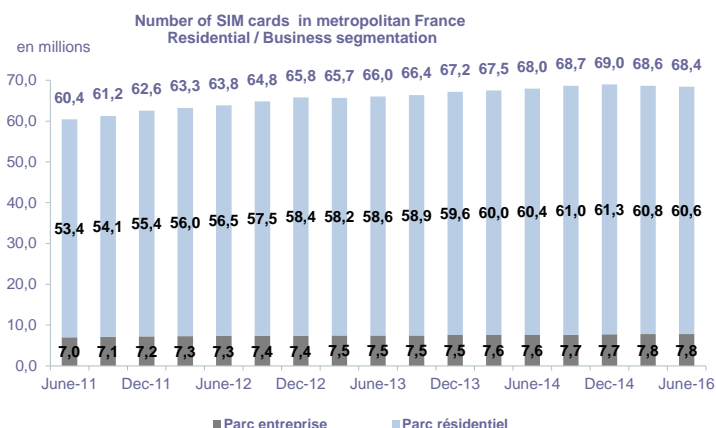
III.3 Business market - total customers MtoM SIM cards excluded

	June-14	Sept-14	Dec-14	March-15	June-15
Postpaid residential customers among which Internet SIM cards	7,599	7,653	7,718	7,789	7,821
- Quarterly Net Adds	1,148	1,151	1,144	1,143	1,150
- Quarterly Net Adds	0,032	0,054	0,065	0,071	0,031
- Year on year net growth (in %)	1,8%	2,2%	2,2%	2,9%	2,9%

Not relevant growths (integration of a part of the MNOs customers in the MVNOs market)

Note relevant growth (intégration of Numericable et Omea Telecom in the MNOs market)

Adjusted figures



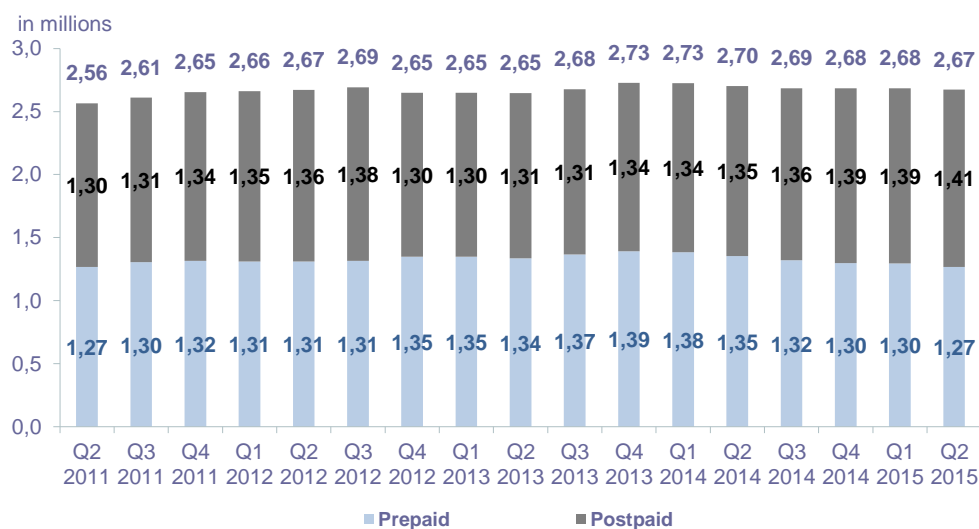
IV. OVERSEAS REPORT : DOM, Saint-Martin, Saint-Barthélemy, Saint-Pierre-et-Miquelon

All the indicators are now excluding MtoM SIM cards

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

	June-14	Sept-14	Dec-14	March-15	June-15
Total customers	2,703	2,685	2,684	2,683	2,675
- Quarterly Net Adds	-0,023	-0,018	-0,001	0,000	-0,009
- Year on year net growth (in %)	2,1%	0,3%	-1,6%	-1,5%	-1,0%
Penetration Rate	126,1%	125,3%	125,2%	124,8%	124,4%
Population at January the 1st of previous year (source: INSEE)	2,143			2,150	
Postpaid customers	1,349	1,364	1,385	1,388	1,406
- Quarterly Net Adds	0,007	0,015	0,021	0,003	0,018
- Year on year net growth (in %)	3,0%	4,1%	3,8%	3,4%	4,2%
Prepaid customers	1,353	1,321	1,298	1,295	1,268
- Quarterly Net Adds	-0,030	-0,033	-0,022	-0,003	-0,027
- Year on year net growth (in %)	1,2%	-3,3%	-6,7%	-6,4%	-6,3%
Total active customers	2,319	2,334	2,331	2,310	2,309
- as a % of total customers	85,8%	86,9%	86,8%	86,1%	86,3%
- Quarterly Net Adds	-0,015	0,016	-0,004	-0,020	-0,002
- Year on year net growth (in %)	2,1%	2,2%	0,1%	-1,0%	-0,4%

Number of SIM cards in Overseas



IV.2 Guadeloupe, Saint-Martin, St-Baryhélemy: total customers and total active customers segmentation



	June-14	Sept-14	Dec-14	March-15	June-15
Total customers	0,701	0,687	0,679	0,682	0,683
- Quarterly Net Adds	-0,018	-0,014	-0,008	0,003	0,001
- Year on year net growth (in %)	1,0%	-2,8%	-5,3%	-5,1%	-2,5%
Penetration Rate	155,7%	152,6%	150,8%	151,7%	151,9%
Population at January the 1st of previous year (source: INSEE)	0,450		0,450		
Postpaid customers	0,315	0,318	0,322	0,322	0,327
- Quarterly Net Adds	0,001	0,003	0,004	0,004	0,005
- Year on year net growth (in %)	1,6%	2,7%	2,5%	2,6%	4,1%
Prepaid customers	0,385	0,369	0,357	0,360	0,356
- Quarterly Net Adds	-0,020	-0,017	-0,012	0,003	-0,003
- Year on year net growth (in %)	0,6%	-7,1%	-11,5%	-11,2%	-7,5%
Total active customers	0,573	0,569	0,574	0,573	0,575
- as a % of total customers	81,7%	82,8%	84,6%	84,0%	84,2%
- Quarterly Net Adds	-0,003	-0,004	0,006	-0,001	0,002
- Year on year net growth (in %)	0,5%	0,2%	-0,1%	-0,4%	0,5%

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



	June-14	Sept-14	Dec-14	March-15	June-15
Total customers	0,320	0,316	0,321	0,320	0,325
- Quarterly Net Adds	0,005	-0,005	0,005	-0,001	0,004
- Year on year net growth (in %)	6,5%	1,8%	1,5%	1,4%	3,1%
Penetration Rate	130,8%	128,8%	131,0%	127,9%	130,0%
Population at January the 1st of previous year (source: INSEE)	0,245		0,250		
Postpaid customers	0,111	0,112	0,114	0,114	0,115
- Quarterly Net Adds	0,001	0,001	0,002	0,000	0,001
- Year on year net growth (in %)	4,2%	6,7%	4,6%	3,9%	3,7%
Prepaid customers	0,210	0,204	0,207	0,206	0,210
- Quarterly Net Adds	0,004	-0,006	0,003	-0,001	0,004
- Year on year net growth (in %)	7,7%	-0,7%	-0,1%	0,1%	0,4%
Total active customers	0,252	0,254	0,257	0,257	0,259
- as a % of total customers	78,5%	80,6%	79,9%	80,1%	79,6%
- Quarterly Net Adds	-0,001	0,003	0,002	0,000	0,002
- Year on year net growth (in %)	2,6%	3,3%	1,6%	1,5%	3,0%

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



	June-14	Sept-14	Dec-14	March-15	June-15
Total customers	0,592	0,589	0,587	0,586	0,580
- Quarterly Net Adds	0,000	-0,003	-0,002	-0,001	-0,006
- Year on year net growth (in %)	3,6%	0,9%	-1,6%	-0,8%	-2,0%
Penetration Rate	153,7%	153,0%	152,5%	153,8%	152,1%
<i>Population at January the 1st of previous year (source: INSEE)</i>	0,385			0,381	
Postpaid customers	0,300	0,303	0,305	0,305	0,307
- Quarterly Net Adds	0,001	0,002	0,003	0,000	0,002
- Year on year net growth (in %)	1,3%	2,4%	2,0%	1,8%	2,3%
Prepaid customers	0,291	0,286	0,282	0,282	0,273
- Quarterly Net Adds	-0,001	-0,005	-0,004	0,000	-0,009
- Year on year net growth (in %)	6,1%	-0,6%	-5,2%	-3,5%	-6,3%
Total active customers	0,482	0,487	0,482	0,479	0,473
- as a % of total customers	81,5%	82,7%	82,1%	81,6%	81,6%
- Quarterly Net Adds	-0,002	0,005	-0,005	-0,004	-0,005
- Year on year net growth (in %)	0,6%	1,3%	-0,4%	-1,1%	-1,8%

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



	June-14	Sept-14	Dec-14	March-15	June-15
Total customers	0,205	0,206	0,217	0,220	0,220
- Quarterly Net Adds	-0,002	0,001	0,011	0,003	0,000
- Year on year net growth (in %)	5,6%	5,3%	7,2%	6,6%	7,5%
Penetration Rate	94,3%	94,9%	100,0%	101,4%	101,4%
<i>Population at January the 1st of previous year (source: INSEE)</i>	0,217			0,217	
Postpaid customers	0,046	0,048	0,050	0,052	0,052
- Quarterly Net Adds	0,001	0,002	0,002	0,002	0,000
- Year on year net growth (in %)	8,3%	14,7%	18,2%	15,8%	13,1%
Prepaid customers	0,159	0,158	0,167	0,168	0,168
- Quarterly Net Adds	-0,003	-0,001	0,009	0,001	0,000
- Year on year net growth (in %)	4,8%	2,7%	4,3%	4,0%	5,9%
Total active customers	0,177	0,179	0,193	0,193	0,193
- as a % of total customers	86,5%	86,9%	89,1%	87,6%	87,6%
- Quarterly Net Adds	0,001	0,002	0,014	-0,001	0,000
- Year on year net growth (in %)	7,0%	5,4%	14,2%	9,5%	8,8%

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



	June-14	Sept-14	Dec-14	March-15	June-15
Total customers	0,881	0,884	0,876	0,871	0,862
- Quarterly Net Adds	-0,008	0,003	-0,008	-0,005	-0,009
- Year on year net growth (in %)	-0,2%	0,7%	-1,7%	-2,0%	-2,2%
Penetration Rate	105,0%	105,3%	104,3%	103,0%	102,0%
<i>Population at January the 1st of previous year (source: INSEE)</i>	0,840			0,845	
Postpaid customers	0,574	0,581	0,591	0,593	0,602
- Quarterly Net Adds	0,002	0,007	0,010	0,011	0,012
- Year on year net growth (in %)	4,2%	4,4%	4,2%	4,4%	5,4%
Prepaid customers	0,307	0,303	0,285	0,278	0,259
- Quarterly Net Adds	-0,010	-0,004	-0,018	-0,007	-0,019
- Year on year net growth (in %)	-7,5%	-5,6%	-12,0%	-12,3%	-15,5%
Total active customers	0,832	0,841	0,820	0,805	0,804
- as a % of total customers	94,4%	95,2%	93,6%	92,5%	93,3%
- Quarterly Net Adds	-0,010	0,010	-0,021	-0,015	-0,001
- Year on year net growth (in %)	2,9%	2,9%	-2,8%	-4,3%	-3,3%

B - Internet of things : MtoM SIM cards

I. MtoM CARDS OF FRENCH OPERATORS

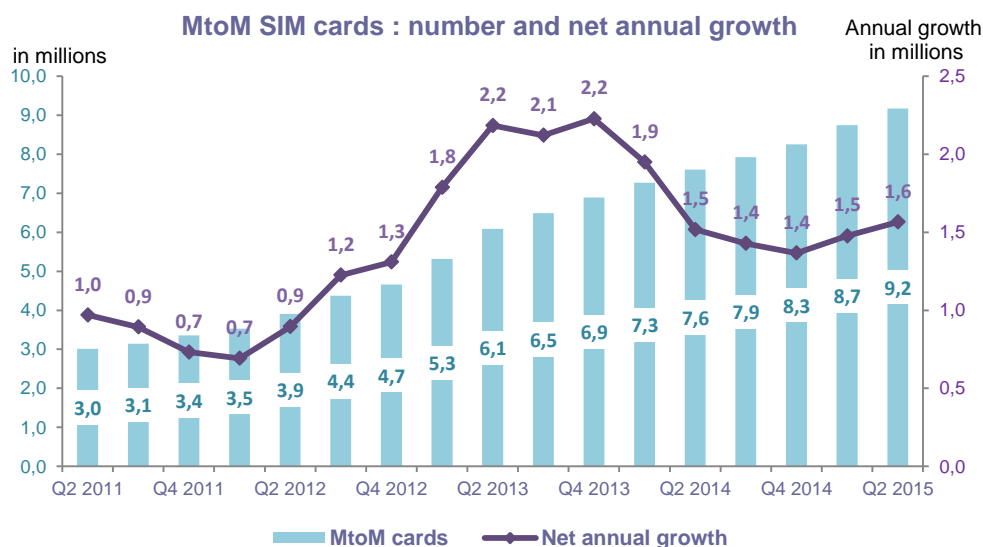
	June-14	Sept-14	Dec-14	March-15	June-15
MtoM SIM cards	7,609	7,922	8,257	8,742	9,174
-Gross sales for the quarter	0,404	0,375	0,397	0,559	0,558
- Quarterly Net Adds	0,344	0,313	0,335	0,485	0,432
- Year on year net growth (in %)	24,9%	22,0%	19,8%	20,3%	20,6%

I.1 MtoM CARDS OF FRENCH OPERATORS - METROPOLITAN

	June-14	Sept-14	Dec-14	March-15	June-15
MtoM SIM cards	7,589	7,901	8,235	8,721	9,152
- Quarterly Net Adds	0,343	0,312	0,334	0,486	0,431
- Year on year net growth	25,0%	22,0%	19,9%	20,4%	20,6%
- Year on year net growth (in %)					

I.2 MtoM CARDS OF FRENCH OPERATORS - OVERSEAS DEPARTMENTS

	June-14	Sept-14	Dec-14	March-15	June-15
MtoM SIM cards	0,021	0,021	0,022	0,021	0,022
- Quarterly Net Adds	0,000	0,000	0,001	-0,001	0,001
- Year on year net growth (in %)	7,9%	7,2%	9,6%	5,0%	6,8%



Appendix 2: Definitions

Total SIM cards: Total SIM cards registered with an operator's Home Location Register (HLR) 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/3G+ 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 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 was deleted during the quarter. Modifications to the registration in the HLR 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 2015, from estimates published in January 2015 (and therefore of the population for January 1st, 2014), includes a metropolitan population 63 920 000 people, to which is added, for the DOM and the COM, a population of 2 150 000 people (450 000 people for Guadeloupe, St-Martin and St-Barthelemy, 250 000 people for Guyana, 381 000 people for Martinique, 217 000 people for Mayotte, 845 000 people for La Réunion and 6 000 for Saint Pierre and Miquelon).

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 or used a multimedia (e-mail, etc.) service during the past three months (not including incoming SMS).

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