

PRESS RELEASE

Steady as you go in France's Mobile Telecom space despite all the merger and acquisition talks, according to new market research report by IEMR

Vancouver, October 16, 2008 – IE Market Research Corp. (IEMR), the Canadian-based provider of market intelligence services, announced today the release of its 4Q08 France Mobile Operator Forecast.

"We continue to broadly maintain our previous forecasts for France, given that operating metrics among French mobile operators moved in line with previous quarters' trends for 2Q08," said Christopher Fry, Principal Research Associate at IEMR. Subscriber growth remained constant at 6.3%, below the 7% YoY growth seen in 1Q08. Service revenue growth improved slightly to 4.0% YoY in 2Q08 from 3.9% in 1Q08. MVNOs delivered a strong performance by capturing 61% subscriber net adds at the expense of SFR and Bouygues. ARPU decline decelerated to 2.5% YoY as MOU resumed growth (+0.5% YoY) and data ARPU growth continued. EBITDA margins remained stable at 36.2%.

"These steady as you go metrics do not lead us to believe that there will be much happening in terms of the underlying numbers in the French wireless telecom space over the foreseeable future despite the regulatory changes and announced M&As," added Mr. Fry. Readers will note that Altnet Iliad bid for France's fourth mobile license last year but was unsuccessful because it declined to meet the financial criteria for entering the bidding. Since then, media reports suggest that the Government had decided to sell the 3G license spectrum in blocks of frequencies through a 'beauty contest' rather than re-start an auction. In the meantime, France is seeing mobile/broadband consolidation with the EUR 4.4 billion acquisition of Neuf Cegetel by SFR and exclusive discussions between Iliad and TI about a potential Iliad purchase of TI's broadband unit, Alice France.

IEMR's France Mobile Operator Forecast covers up to 65 financial and operational metrics on five wireless operators. Notable highlights of the 4Q08 France Mobile Operator Forecast include:

- Although it is still relatively low compared to other European countries, the wireless penetration level in France is increasing. Our France model now shows that wireless penetration levels will reach 92.9% (previously forecasted at 95.7%) in 2010. We continue to predict that total subscribers in France will increase from 56.9 million to 59.8 million between 2008 and 2010.
- Market shares (by subscribers) of major operators will remain roughly the same over the next several years in France. In 2010, the largest operator will continue to be Orange with a forecasted 43.2% of total subscribers, followed by SFR (Vodafone) with 32.8% and Bouygues with 16.7%.

- In 2010, we continue to forecast that SFR will be enjoying the largest EBITDA margin in France at 38.3%. On the other hand, Bouygues will have the lowest EBITDA margin at 26.0% (previously 28.1%).

IEMR's Global Mobile Operator Forecast covers up to 65 operational metrics of 213 mobile operators in 50+ countries, making up 80% of the world's population. Forecasts are based on our proprietary, country-specific forecasting models. These models deploy multiple regression analysis and cross-impact matrices that estimate relationships between subscriber data, technology use and deployment data, overall economic and demographic changes expected in a particular country; and relate these to company operational and financial metrics.

Companies Covered in this Country Mobile Operator Forecast

Orange
SFR (Vodafone)
Bouygues

Orange's MVNOs (Only "Numbers of subscribers", "Subscriber growth", "Net subscriber adds", "YoY Growth", "Prepaid subscribers", "Prepaid subscriber growth", "Post-paid % of total subscribers", "Prepaid % of total subscribers", "Prepaid net adds", "Prepaid adds growth", and "Share of total subscribers", "Share of net adds" are available)

SFR's MVNOs (Only "Numbers of subscribers", "Subscriber growth", "Net subscriber adds", "YoY Growth", "Prepaid subscribers", "Prepaid subscriber growth", "Post-paid % of total subscribers", "Prepaid % of total subscribers", "Prepaid net adds", "Prepaid adds growth", and "Share of total subscribers", "Share of net adds" are available)

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* Available only for CY04 – CY07



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About IE Market Research Corp.:

IE Market Research Corp. ("IEMR") is a market intelligence and business strategy consulting firm. Our goal is to assist our clients build value and compete in international markets. We build value in four sectors: wireless telecommunications, health care, finance, and government. We build value for our clients by undertaking international brand perception surveys, consumer satisfaction surveys, distributor/channel partner selection and due diligence, market size and opportunity assessments, competitor strategy assessments, government regulatory analysis, and public opinion surveys.

We offer a variety of research products including **CONSUMEREADY™** and **EXPORTREADY™**. **CONSUMEREADY™** provides detailed demographic information on brand strengths and marketing strategies that are crucial to know when competing in international markets. **EXPORTREADY™** is based on our on-going business strategy research that allows us to establish strengths and weaknesses of firms in a wide variety of areas, ranging from intellectual property portfolios to strengths of marketing strategies to quality of engineering. These results are highlighted in our **EXPORTREADY™** publications and form a valuable tool for firms wanting to strategize their market entry options in international markets.

Our corporate values are: Top-Quality Service to Clients, Commitment to see the Client Succeed, Excellence and Integrity in Research, Transparency and Respect toward our Employees. These core values drive all of our research and every client engagement.

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