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Disclaimer:

This English language translation of the first half of 2007 Report and of the Unaudited Condensed Financial Statements for the half-year ended June 30, 2007 prepared under IFRS is provided solely for the convenience of English-speaking readers. Despite all the efforts devoted to this translation, certain errors, omissions or approximations may subsist. Maroc Telecom, its representatives and employees decline any and all responsibility with this regard.

Preliminary comments:

This Report and the unaudited Condensed financial Statements for the half year ended June 30, 2007 were approved by the Management Board on July 26, 2007. On August 1, 2007, they were reviewed by the Supervisory Board, after their review by the Audit Committee on July 31, 2007.

This report should be read in conjunction with the Management Board's Operating and Financial review and Prospects for the year ended December 31, 2006 as published in the 2006 *Document de Référence* (annual report) that was filed with the *Autorité des Marchés Financiers* (AMF) on May 9, 2007 ("the 2006 *Document de Référence*") under number R07-058.

1 HIGHLIGHTS AND KEY FIGURES

January

- ANRT approves the technical and tariff catalogue relating to termination traffic in the fixed-line network of Maroc Telecom.

February

- Maroc Telecom acquired 51% of Gabon Telecom, following an international call of tender.
- Launch of a Blackberry offer

March

- Maroc Telecom launch a new prepaid mobile offer, called Mobisud, with attractive communication tariffs to fixed and mobile local operators and to Mobisud France mobiles, i.e. MAD2 (incl.VAT)/minute.
- Maroc Telecom cuts its communications tariffs from 'téléboutiques' and reinforces its partnership with them. Maroc Telecom cuts also tariffs from its phone boots.

April

- Maroc Telecom launches the installation of Atlas Offshore submarine cable between Asilah in Morocco and Marseille in France.
- The ANRT approves the technical and tariffs catalogue relating to termination traffic in the mobile networks of Maroc Telecom and Médi Télécom.

May

- Mobisud Belgique, a new MVNO, wholly-owned by Maroc Telecom, launches its offers on the Belgium market on May 2, 2007. Mobisud uses the radio network of Proximus, a Belgacom subsidiary.

June

- Number portability is operational since June 1.

July

- The Government of the Kingdom of Morocco sold 4% of Maroc Telecom capital share on the Casablanca stock exchange on July 2, 2007.

| thousands | 30/06/2006 | 31/12/2006 | 30/06/2007 | Var yoy |
|--------------------------------|--------------|---------------|---------------|--------------|
| Number of Fixed-lines | 1,442 | 1,424 | 1,445 | 0.2% |
| Maroc Telecom | 1,310 | 1,266 | 1,280 | -2.3% |
| Mauritel | 36 | 37 | 36 | 0.1% |
| Onatel | 96 | 99 | 107 | 11.4% |
| Gabon Telecom | - | 22 | 22 | - |
| Number of Mobile customers | 9,751 | 11,914 | 13,247 | 35.9% |
| Maroc Telecom | 8,924 | 10,707 | 11,713 | 31.3% |
| Mauritel | 518 | 601 | 767 | 48.1% |
| Onatel | 309 | 365 | 463 | 50.0% |
| Gabon Telecom | 0 | 241 | 263 | 9.1% |
| Mobisud | - | - | 41 | - |
| Number of Internet subscribers | 341 | 402 | 458 | 34.3% |
| Maroc Telecom | 332 | 391 | 444 | 33.7% |
| Mauritel | 3 | 4 | 5 | 57.1% |
| Onatel | 6 | 7 | 8 | 33.1% |
| Gabon Telecom | - | - | 1 | - |

| IFRS (million of MAD) | H1-2006 | H1-2007 | Variation | |
|--------------------------------------|---------|---------------|--------------|------------------|
| | | | Published | Comparable basis |
| Consolidated revenues | 10,888 | 13,007 | 19.5% | 10.1% |
| Mobile (gross) | 7,079 | 8,888 | 25.6% | 19.0% |
| Fixed-line and Internet (gross) | 5,077 | 5,532 | 9.0% | -2.9% |
| EBITDA | 6,206 | 7,548 | 21.6% | - |
| Mobile | 4,032 | 5,399 | 33.9% | - |
| Fixed-line and Internet | 2,176 | 2,149 | -1.2% | - |
| Consolidated operating income | 4,491 | 5,999 | 33.6% | 34.5% |
| Mobile | 3,228 | 4,588 | 42.1% | 39.1% |
| Fixed-line and Internet | 1,262 | 1,411 | 11.8% | 21.2% |
| Net income (group share) | 2,998 | 3,850 | 28.4% | - |
| Capex | 1,512 | 2,143 | 41.7% | - |
| Mobile | 851 | 1,184 | 39.1% | - |
| Fixed-line and Internet | 661 | 959 | 45.1% | - |

2 CERTIFICATIONS

In this Document, "Maroc Telecom" or "the Company" refers to the company Itissalat Al-Maghrib (Maroc Telecom), and "the group" refers to the group constituted by the Company and all direct and indirect subsidiaries.

2.1 PERSON RESPONSIBLE FOR THE HALF YEAR REPORT

Mr Abdeslam Ahizoune
Chairman of the Management Board

2.2 CERTIFICATION OF THE HALF YEAR REPORT

We certify that to our knowledge, the halves summarized consolidated financial statements are established in compliance with applicable accounting standards and give a true fair view of the assets and liabilities, and of the financial position as well as the results of our group and that the half year report of activity give a true fair view of data set in Article 222-6 of general bylaw of stock market regulator.

Rabat, August 1, 2007

Mister Abdeslam Ahizoune
Chairman of the Management Board

2.3 PERSONS RESPONSIBLE FOR THE AUDIT OF THE FINANCIAL STATEMENTS

2.3.1 Statutory auditor

KPMG Maroc

Represented by Mr Fouad Lahgazi

11, avenue Bir Kacem, Souissi - 10000 Rabat, Maroc

First appointed by the general shareholders' meeting held on April 12, 2007, its mandate, of a three fiscal term, will expire at the end of the general shareholders' meeting to be held to approve the financial statements for the fiscal year ended December 31, 2009.

Monsieur Abdelaziz Almechatt

83 avenue Hassan II - 20100 Casablanca, Maroc

First appointed in 1998 by statutes, the current mandate, of a three fiscal year term, was renewed by the general shareholders' meeting held on April 8, 2005 and will expire at the end of the general shareholders' meeting to be held to approve the financial statements for the fiscal year ended December 31, 2007.

2.3.2 Statutory auditors report on the half year information

See page 38.

2.4 INFORMATION POLICY

2.4.1 Person responsible for the information

Mr Arnaud Castille

Chief Financial Officer

Maroc Telecom

Avenue Annakhil - Hay Riad

Rabat, Morocco

Telephone: 00 212 (0) 37 71 67 67

E-mail: relations.investors@iam.ma

2.4.2 Shareholders' information

The social, accounting and legal documents, whose communication is ruled by the Moroccan and French laws and the statutes in favour of the shareholders and third parties can be consulted (or checked out) at the head office of the Company.

Documents de Référence, update of *Documents de Référence* filed with the Autorité des marchés financiers (AMF), presentations for investors and financial analysts made by the Company, as well as the various press releases are available for reading and/or downloading on Maroc Telecom's website: www.iam.ma.

In accordance with the provisions of the Transparency Directive, which is applicable since January 20, 2007, all regulated information is available and stored on Maroc Telecom's website: www.iam.ma/information-reglementee.aspx.

3 GENERAL INFORMATION REGARDING THE COMPANY AND ITS SHARE CAPITAL

3.1 GENERAL INFORMATION RELATING TO THE COMPANY'S SHARE CAPITAL

3.1.1 Share capital

The share capital of Itissalat Al-Maghrib is MAD5,274,572,040 divided into 879,095,340 shares with a par value of MAD6 each, in a single class and fully paid in.

3.1.2 Acquisition by the Company of its own shares

Pursuant to the CDVM's circular 02/03, dated May 23, 2003, implementing Decree 2-02-556, dated February 24, 2003, any corporation (société anonyme), of which the shares are listed on the Securities Exchange and wishing to acquire its own shares in order to adjust the share price, shall be required to issue an information notice, which shall require approval from the CDVM prior to the holding of the assembly of shareholders called to consider the action.

The company has obtained the CDVM Visa on April 6, 2007, with the reference VI/EM/011/2007 for the Information Notice related to a share repurchase program to regulate the market, and the approval of its general shareholders' meeting held on April 12, 2007.

As of today, Maroc Telecom made no operation on its owns shares.

3.1.3 Ownership of share capital and voting rights in the Company

As of July 2, 2007, the share capital and voting rights of the Company are held as follows:

| Shareholders | Number of shares | % of share capital/ voting rights |
|--------------------|------------------|--------------------------------------|
| Vivendi group* | 448,338,570 | 51.00% |
| Kingdom of Morocco | 263,728,575 | 30.00% |
| Management | 155,980 | 0.02% |
| Employees | 1,590,776 | 0.18% |
| Public | 165,281,439 | 18.80% |
| Total | 879,095,340 | 100% |

* Through its 100% subsidiary (Société de Participation dans les Télécommunications)

On July 2, 2007, the Kingdom of Morocco sold 4% of Maroc Telecom capital share on the Casablanca Stock Exchange at a price of MAD130/share. The sale was executed through an accelerated bookbuilt offering to qualified Moroccan and international institutional investors. The order book was opened between June 26 and June 28. Following this operation, the State owns 30% of Maroc Telecom capital and voting rights and the company's free float have been increased from 15% to 19%.

3.2 TRADING OF THE COMPANY'S SHARES

3.2.1 Places of listing

Since December 13, 2004, Maroc Telecom is simultaneously listed on Casablanca Stock Exchange and Euronext Paris.

3.2.2 Maroc Telecom share price

- *Casablanca Stock Exchange*

Main market, Code 8001

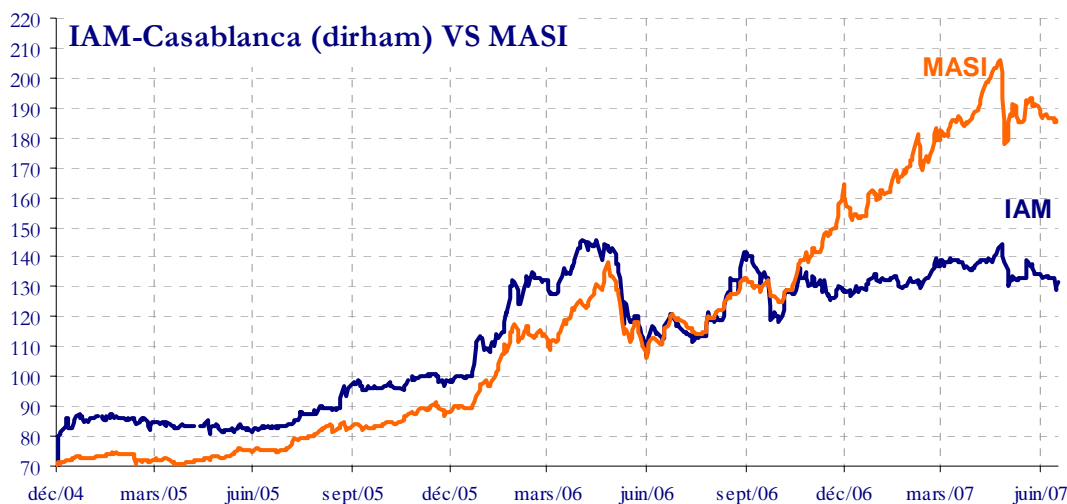
| | Average price* | High (MAD) | Low | Transactions** | |
|---------------|----------------|---------------|--------|---------------------------------|------------------------------|
| | | | | number of shares (thousands) | Trade value (MAD million) |
| January 2007 | 132.73 | 134.95 | 128.55 | 4,907.6 | 651.4 |
| February 2007 | 131.50 | 134.00 | 129.00 | 2,859.1 | 376.1 |
| March 2007 | 137.29 | 139.80 | 133.00 | 3,296.2 | 452.5 |
| April 2007 | 138.41 | 142.50 | 136.50 | 3,079.9 | 426.3 |
| May 2007 | 135.74 | 144.50 | 131.50 | 5,241.8 | 711.5 |
| June 2007 | 132.97 | 138.50 | 131.85 | 4,304.0 | 572.3 |

* The average price is calculated by dividing trade value by number of shares

** Not included transactions of « marché de blocs »

Source: Casablanca Stock exchange

Maroc Telecom's share price on the Casablanca Stock Exchange since December 2004



In May 2007, 80% of free float was traded on Casablanca Stock Exchange.

• *Euronext Paris*

Eurolist –Foreign securities, Code MA0000011488, Eligible to SRD

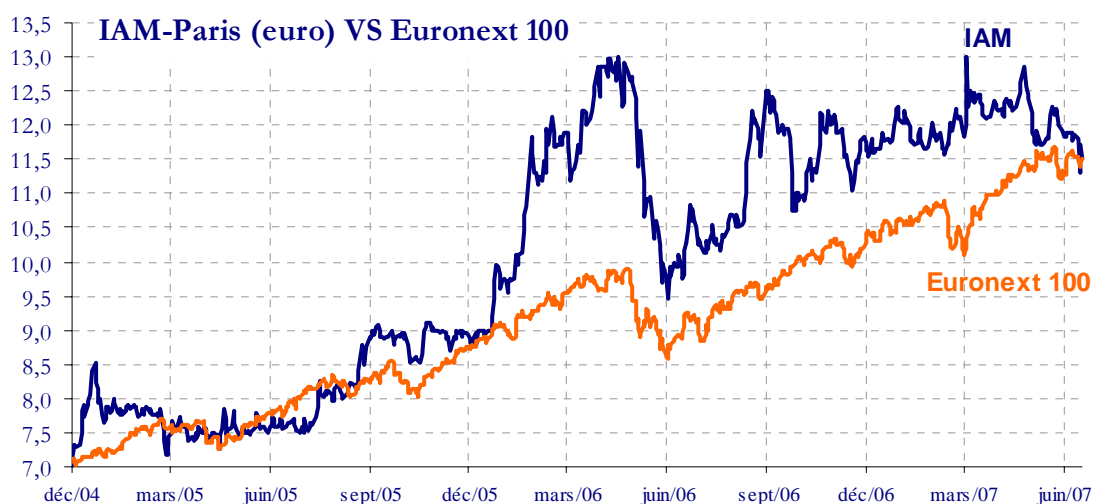
| | Average price* | High (MAD) | Low | Transactions** | |
|---------------|----------------|---------------|-------|---------------------------------|------------------------------|
| | | | | number of shares (thousands) | Trade value (MAD million) |
| January 2007 | 11.92 | 12.40 | 11.61 | 2,625.3 | 31.3 |
| February 2007 | 11.38 | 12.12 | 11.35 | 2,302.1 | 26.1 |
| March 2007 | 12.21 | 12.99 | 11.98 | 2,636.5 | 32.2 |
| April 2007 | 12.26 | 12.99 | 12.14 | 2,042.9 | 25.0 |
| May 2007 | 12.17 | 12.96 | 11.77 | 2,260.3 | 27.5 |
| June 2007 | 11.75 | 12.35 | 11.60 | 3,774.0 | 44.3 |

* The average price is calculated by dividing trade value by number of shares

** Not included transactions of « hors système »

Source : Euronext Paris

Maroc Telecom's share price on Euronext Paris since December 2004



In May 2007, 20% of free float was traded on Euronext Paris.

4 INFORMATION CONCERNING COMPANY BUSINESS ACTIVITIES

4.1 BUSINESS ACTIVITIES

4.1.1 Business activities in Morocco

The information provided in this paragraph only concerns business activities in Morocco.

- **Mobile**

The following table breaks down Maroc Telecom's mobile revenues for the first halves of the past two years:

| MAD million - IFRS As of June 30 | 2006 | 2007 |
|---|-------|-------|
| Mobile gross revenues : | 6,746 | 7,900 |
| o Revenues from Mobile communications services* | 6,292 | 7,520 |
| o Terminal equipement revenues | 454 | 380 |
| Mobile operating income | 3,078 | 4,341 |

* Maroc Telecom restates international interconnection revenues

Global trends of the first quarter, in terms of customer base and ARPU, have been confirmed in the first half of 2007, and allowed Mobile gross revenues in Morocco to achieve a 17.1% growth to MAD7,900 million.

The operating income stands at MAD4,341 million, up 41% compared to the first half of 2006.

The following table breaks down Maroc Telecom's prepaid and postpaid mobile data:

| | H1-2006 | Year 2006 | H1-2007 |
|--|--------------|---------------|---------------|
| Mobile customer base * (thousands) | 8,924 | 10,707 | 11,713 |
| ✓ Prepaid | 8,553 | 10,297 | 11,250 |
| ✓ Postpaid** | 371 | 410 | 463 |
| Churn rate (%) | | | |
| ✓ Prepaid | 16.7% | 20.5% | 24.2% |
| ✓ Postpaid** | 13.1% | 13.4% | 12.8% |
| Blended churn rate | 16.6% | 20.3% | 23.9% |
| ARPU (MAD/customer/month) | | | |
| ✓ Prepaid | 93 | 899 | 83 |
| ✓ Postpaid** | 694 | 706 | 716 |
| Blended ARPU | 117 | 113 | 107 |
| Outgoing usage (minutes/customer/month) | | | |
| ✓ Prepaid | 21 | 21 | 29 |
| ✓ Postpaid** | 462 | 508 | 642 |
| Blended usage | 39 | 40 | 54 |

* : Postpaid subscriptions and prepaid cards

** : including Forfaits sans engagement

The customer base maintained a steady growth and reached 11,713 million of customers, up 31.3% compared to end of June 2006, and a net increase of one million customers since the beginning of the year. With strong increase of the customer base and the decrease of the access fee, the blended churn rate reached 23.9%, up 7.3 points compared to the first half of 2006.

The blended ARPU reached MAD107.3, down 8.5% compared to the first half of 2006, mainly as a result of the customer base strong increase. The usage continues its strong growth with the communication price decrease generated by promotional and unlimited offers.

Mobile Competition

At June 30, 2007, the mobile customer base (of all operators) reached 17.638 million, corresponding to a penetration rate of 57.82% (source: ANRT), of which more than 95% are prepaid customers.

At the end of the first half of 2007, Maroc Telecom remains the leader on the Moroccan mobile market with a 66.4% market share. In the same period, its market share reached 66.6% on prepaid and 61.7% on postpaid (source ANRT/calculation by Maroc Telecom).

| At June 30, 2007 | Status | Market shares (as % of number of customers) |
|------------------------|------------------|--|
| Mobile prepaid | Full competition | Maroc Telecom : 66.6% Meditel : 33.4% |
| Mobile postpaid | Full competition | Maroc Telecom : 61.7% Meditel : 38.3% |
| Total Mobile | | Maroc Telecom : 66,4% Meditel : 33,6% |

(Source : ANRT)

- **Fixed-line and Internet**

The following table breaks down Maroc Telecom's mobile revenues for the first halves of the past two years:

| MAD million - IFRS As of June 30 | 2006 | 2007 |
|---|-------|-------|
| Fixed-line and Internet gross revenues : | 4,918 | 4,727 |
| o Voice* | 3,275 | 3,148 |
| o Interconnection** | 484 | 329 |
| o Data | 793 | 758 |
| o Internet | 366 | 492 |
| Fixed-line and Internet operating income | 1,274 | 1,417 |

* including management services agreement, excluding intercompany

** Maroc Telecom restates international interconnection revenues.

Fixed-line and Internet activities achieved in the first half of 2007 gross revenues of MAD4,727 million, up 3.9%, and operating income of MAD1,417 million, up 11.2%. Excluding redundancy plan impact, the Fixed-line and Internet operating income is down 9.0% and is explained mainly by 3.9% decrease in revenues.

Telecommunication services

The table below describes the development of the fleet of telephone lines by segment:

| Thousands of lines | 30/06/2006 | 31/12/ 2006 | 30/06/2007 |
|--------------------------|--------------|--------------|--------------|
| Residential | 850 | 813 | 820 |
| Public telephony* | 161 | 157 | 159 |
| Corporate | 299 | 296 | 301 |
| Customer base** | 1,310 | 1,266 | 1,280 |

* : combines the lines of Maroc Telecom telestores and public booths.

** : the customer base includes all subscription for a fixed-line telephone regardless of technology used (PSTN or ISDN). It does not include Maroc Telecom's in-house base

The Fixed customer base reached 1.280 million of lines, a net increase of nearly 14,000 lines over the half-year due to the success of unlimited offers, but is down 2.3% compared to June 2006. The monthly average invoice increased by 1.2% between 2006 and 2007 first half-year.

Competition on Fixed-line

The Fixed-line penetration rate in Morocco reached 6.36% as of June 30, 2007, vs. 4.2% at the end of December 2006 (source ANRT). This growth is mainly due to the launch by competitors in the market of prepaid limited mobility offers. Excluding this customer base, the penetration rate stands at 4.2%.

Two new fixed-line telecommunications licenses were awarded in July and September 2005 to Meditel and Wana. These licenses are currently operational.

| As of March 31, 2007 | Status | Maroc Telecom market share (as % of number of lines) |
|--|------------------|--|
| Fixed-lines | Full competition | 99.7% |
| Fixed-lines, including limited mobility | Full competition | 66.0% |

Source: ANRT

Internet

As of June 30, 2007, Maroc Telecom internet customer base reached 444,000 accesses, of which nearly 99% are ADSL, corresponding to nearly 39% of fixed-lines (excluding public telephony).

The ADSL customer base continues its growth trend, particularly due to promotional offers, and reached 438,000 lines, a net increase of 54,000 lines over the half-year and a growth of 34.7% compared to June 2006.

| Number of active customers - thousands | 30/06/2006 | 31/12/2006 | 30/06/2007 |
|--|------------|------------|------------|
| Narrowband | 7 | 6 | 6 |
| ADSL | 325 | 384 | 438 |
| Total | 332 | 390 | 444 |

Internet Competition

The main competitor on the market for Internet access services is Wana, both on the residential and corporate markets, with an overall market share of less than 7% as of June 30, 2007 (Source: ANRT).

Maroc Telecom has a very strong position on the ADSL market, a market segment which is growing rapidly, with a market share of more than 98% (Source: ANRT).

4.1.2 Subsidiaries business activities

o Mauritel

• *Fixed-line telecommunications, Data and Internet*

Mauritel SA operates now in a liberalized market since further to the grant by the Mauritanian regulator (ARE) in 2006 of fixed-lines licenses to a new operator. As of June 30, 2007, to the best knowledge of Maroc Telecom, this new operator has not launched any commercial service. The penetration rate in Mauritania stands at 1.1% at end of December 2006 (source ITU).

The fixed-line customer base reached more than 36,000 lines as of June 30, 2007, stable compared to June end 2006.

The Internet customer base reached almost 5,000 accesses as of June 30, 2007

• *Mobile telecommunications*

As of June 30, 2007, Mauritel Mobiles customer base reached more than 767,000 customers, up 50% compared to June 30, 2006.

It operates in a liberalized market alongside the Compagnie Mauritano-Tunisienne de Telecommunications (Mattel). In 2006, the ARE granted new licenses, including a 3G license for Mauritel and 2G and 3G licenses to a new operator. As of June 30, 2007, to the best knowledge of Maroc Telecom, this new operator has not launched any commercial service.

According to ITU figures, at the end of 2006, the mobile penetration rate reached nearly 34% and Mauritel Mobiles market share stands at nearly 70%.

The following table summarizes Mauritel Group's main operational and financial data:

| Thousands | 30/06/06 | 31/12/06 | 30/06/07 |
|-------------------------------|----------|----------|------------|
| Mobile customer base | 518 | 601 | 767 |
| Number of fixed-line | 36 | 37 | 36 |
| Internet customer base | 3 | 4 | 5 |

| MADm - IFRS | H1-2006 | H1-2007 | % change on comparable basis |
|-------------------------|---------|------------|------------------------------|
| Revenues (gross) | 492 | 585 | +27.3% |
| Fixed-line (gross) | 159 | 165 | +11.0% |
| Mobile (gross) | 333 | 420 | +35.1% |
| Operating income | 138 | 217 | 67.2% |
| Fixed-line | -12 | 5 | n.s |
| Mobile | 150 | 212 | 50.5% |

In the first half of 2007, gross revenues of all businesses in Mauritania amounted to MAD585 million, up 18.9% (+27.3% on a comparable basis).

The Mauritel Fixed-line business gross revenues amounted to MAD165 million for the first half of 2007, up 3.8% compared to 2006 (+11.0% on a comparable basis).

The Mauritel Mobile business (Mauritel Mobiles) gross revenues amounted to MAD420 million for the first half of 2007, up 26.1% (+35.1% on a comparable basis).

The Mauritel group's operational income reached MAD217 million for the first half of 2007, up 67% on a comparable basis, thanks to Mobile activity performances.

The consolidation method of the Mauritel sub-group, and its contribution to Maroc Telecom's results are summarized in Notes to the Consolidated Financial Statements.

- **Onatel**

On December 29, 2006, IAM acquired a 51% stake in Onatel, Office National des Télécommunications, Burkina Faso's incumbent operator, through an international invitation to tender.

- *Fixed-line telecommunications, Data and Internet*

Onatel had nearly 107,000 lines at end of June 2007, an increase of 11.4%, and its Internet customer base reached nearly 8,000 customers, up 33.1% compared to June 2006.

Onatel is the only fixed-line operator in Burkina Faso. According to ITU figures, the fixed-line penetration rate reached 0.7% at the end of 2006.

- *Mobile telecommunications (Telmob)*

At June 30, 2007, Onatel Mobile customer base stands at 463,000 lines, up 50% compared to June 2006.

The mobile penetration rate reached 7.6% at the end of 2006 (source ITU), offering a very strong growth prospects. The market is shared among 3 operators: Telmob, Celtel, and Telecel. According to data available at end of 2006 (source ITU, MTC and Onatel), market shares are 51% for Celtel, 36% for Telmob and 13% for Telecel.

The following table summarizes Onatel Group's main operational and financial data:

| Thousands | 30/06/06 | 31/12/2006 | 30/06/07 |
|-------------------------------|----------|------------|------------|
| Mobile customer base | 309 | 366 | 463 |
| Number of fixed-line | 96 | 99 | 107 |
| Internet customer base | 6 | 7 | 8 |

| MADm – local accounting standards | H1-2006 | H1-2007 | % change on comparable basis |
|-----------------------------------|---------|------------|------------------------------|
| Revenues (gross) | 618 | 738 | +17.3% |
| Fixed-line (gross) | 363 | 410 | +10.8% |
| Mobile (gross) | 255 | 328 | +26.6% |
| Operating income | 41 | 150 | +262.3% |
| Fixed-line | -58 | 23 | n.s |
| Mobile | 99 | 127 | +26.2% |

In the first half of 2007, gross revenues of all businesses in Burkina Faso amounted to MAD738 million, up 17.3% on a comparable basis.

Onatel Fixed-line business gross revenues amounted to MAD410 million for the first half of 2007, up 10.8% on a comparable basis compared to 2006.

Onatel Mobile business (Telmob) gross revenues amounted to MAD328 million for the first half of 2007, up 26.6% on a comparable basis.

The Onatel group's operating income reached MAD150 million, up 262%.

For the full year 2006, the Onatel group achieved revenues of MAD1,192 million and operating income of MAD85 million.

The consolidation method of the Onatel sub-group, and its contribution to Maroc Telecom's results are summarized in Notes to the Consolidated Financial Statements.

- **Gabon Telecom**

On February 9, 2007, Maroc Telecom acquired a 51% stake in Gabon Telecom, Gabonese incumbent operator, through an international invitation to tender.

- *Fixed-line telecommunications, Data and Internet*

Gabon Telecom is actually the only fixed-line operator in Gabon, where the penetration rate stands at 2% (source ITU). The customer base of Gabon Telecom stands at 22,300 lines at the end of June 2007.

- *Mobile telecommunications (Libertis)*

At the end of 2006, Libertis had nearly 241,000 customers, mostly prepaid. At the end of June 2007, the mobile customer base of Libertis reached 263,000 customers, up 9% compared to December 2006.

According to ITU figures, the mobile penetration rate reached 54.4% at the end of 2006. The market is shared among 3 operators: Libertis, Celtel and Telecel. According to data available at the end of 2006 (source ITU, MTC and Onatel), market shares are 67% for Celtel, 32% for Libertis and 1% for Telecel.

The following table summarizes Gabon Telecom Group's main operational and financial data:

| Thousands | 31/12/06 | 30/06/07 | |
|-------------------------------|------------|------------|--|
| Mobile customer base | 241 | 263 | |
| Number of fixed-line | 22 | 22 | |
| Internet customer base | - | 1 | |

| MADm – local accounting standards | H1-2006 | H1-2007 | % change on comparable basis |
|-----------------------------------|---------|------------|------------------------------|
| Revenues (gross) | 411 | 453 | +8,5% |
| Fixed-line (gross) | 258 | 230 | -12,2% |
| Mobile (gross) | 153 | 223 | +43,5% |
| Operating income | -60 | -26 | ns |
| Fixed-line | -40 | -35 | ns |
| Mobile | -20 | 8 | ns |

Since March 1, 2007, date of Gabon Telecom consolidation, gross revenues of all businesses in Gabon amounted to MAD453 million, up 8.5% on a comparable basis.

Gabon Telecom Fixed-line business gross revenues amounted to MAD230 million on the same period, down 12.2% on a comparable basis compared to 2006.

For the same period, Gabon Telecom Mobile business (Libertis) gross revenues amounted to MAD223 million, up 43.5% on a comparable basis.

The Gabon Telecom group's operating income is MAD-26 million for the first half of 2007, compared to MAD-60 million for the same period in 2006.

For the full year 2006, the Gabon Telecom group realized revenues of MAD929 million and operating income of MAD-912 million.

The consolidation method of the Gabon Telecom sub-group, and its contribution to Maroc Telecom's results are summarized in Notes to the Consolidated Financial Statements.

- **Mobisud (France and Belgium)**

Maroc Telecom launched Mobisud on December 1, 2006 in France and on May 2, 2007 in Belgium, two MVNO, new virtual operators (MVNO) on the European mobile market. Mobisud uses the radio network of the mobile operator SFR in France and Proximus in Belgium.

Mobisud France has 3 shareholders: Maroc Telecom (66%), SFR (16%) and the Moroccan holding Saham (18%). Mobisud Belgique is wholly-owned by Maroc Telecom.

At end of June 2007, the total customer base of Mobisud France and Belgium reached 41,000 customers.

Total revenues for the first half of 2007 reached MAD17 million and operating income of MAD-99 million.

4.2 REGULATORY ENVIRONMENT

On January 29, 2007, the ANRT approved Maroc Telecom's technical and pricing terms for interconnection to Fixed-line networks for 2007.

The table below sets out the operators' domestic interconnection charges to Fixed-line networks as applicable on January 1, 2007 (at peak time, whilst a 50% reduction is applied off-peak):

| MAD (excl. taxes) per minute | Maroc Telecom | Meditel | Wana |
|-------------------------------------|--|---------------------------|---------------------------|
| Fixed-line termination | Local CAA : 0.1268 Single Transit : 0.3617 Double Transit : 0.4742 | Single tariff : 0.3847 | Single tariff : 0.4256 |
| Limited mobility termination | - | - | 0.9981 |

On April 24, 2007, the ANRT sets interconnection tariffs to Maroc Telecom and Meditel networks. These tariffs are for 2007, 2008 and 2009 (at peak time, whilst a 50% reduction is applied off-peak):

| MAD (excl. taxes) per minute | Interconnection tariffs |
|-------------------------------------|-------------------------|
| from January 1 to June 30, 2007 | 1.3309 |
| from July 1 to December 31, 2007 | 1.2883 |
| from January 1 to December 31, 2008 | 1.2217 |
| from January 1 to December 31, 2009 | 1.1551 |

Between Méditel and Maroc Telecom, the international interconnection charges have been fixed at:

- MAD1 excluding tax/min at anytime for termination charges to Fixed-lines (January 2006)
- MAD1.6289 excluding tax/min at anytime for termination charges to Mobiles (December 2004).

For Wana, international interconnection charges are the same as domestic interconnection charges.

Numbering and number portability

The ANRT allocates numbers, blocks of numbers and prefixes to the operators of public telephone networks on terms which must be objective, transparent and non-discriminatory. These numbers, blocks of numbers and prefixes may not be transferred without prior consent of the ANRT. Act 55-01 provides that the conditions for number portability are to be set by the ANRT.

In accordance with the ANRT and all operators, the numbering portability is operational since June 1, 2007.

Unbundling of the local loop

On January 17, 2007, the ANRT approved the technical aspects and pricing of the partial unbundling offer.

The total unbundling will be implemented on July 2008.

4.3 HUMAN RESOURCES

The table below shows the changes in the number of employees at Maroc Telecom:

| | 31/12/2005 | 31/12/2006 | 30/06/2007 |
|---------------------|------------|------------|------------|
| Number of employees | 11 178 | 11 212 | 11 058 |

4.4 REAL PROPERTIES

Maroc Telecom is currently in the process of obtaining formal legal title of sites historically owned by the Kingdom of Morocco and legally transferred to Maroc Telecom at the time of its incorporation in 1998.

At June 30, 2007, the sites owned by Maroc Telecom can be broken down as follows:

- 46% of the sites are legally owned by Maroc Telecom, which has legal title to them.
- 36% of sites are under requisition (a claim to a property right, delivered by the land registrar once the application for land registration has been made);
- 18% of sites are in the process of being formally registered.

4.5 LEGAL AND ARBITRATION PROCEEDINGS

To the Company's knowledge, there are no pending or potential government, legal or arbitration proceedings, including proceedings of which the Company has knowledge, that may have or have had in the past 6 months, a significant effect on the Company and on the group's financial position, profits, business and property, with the exception of those mentioned on the section 4.13 of the 2006 '*Document de Référence*'.

5 FINANCIAL REPORT

5.1 CONSOLIDATED FINANCIAL DATA

Maroc Telecom group's consolidated financial data are summarized in the table below. The financial data years ended December 31, 2004, 2005 and 2006 have been taken from the Group's consolidated financial statements, which were prepared in accordance with International Financial Reporting Standards (IFRS), and reviewed by the statutory auditors Abdelaziz Almechatt and KPMG Maroc, represented by Fouad Lahgazi.

5.1.1 Financial data

Income statement for the first halves of 2006 and 2007:

| <i>(in millions of Moroccan dirhams)</i> | 2007 | 2006 |
|---|-------------|-------------|
| Consolidated revenues | 13,007 | 10,888 |
| Operating expenses | -7,008 | -6,398 |
| Operating income | 5,999 | 4,490 |
| Earnings from continuing operations | 5,989 | 4,484 |
| Earnings | 3,928 | 3,028 |
| Attributable to the equity holders of the parents | 3,850 | 2,998 |
| Earnings per share (in Moroccan dirhams) | 4.5 | 3.4 |

Balance sheet:

ASSETS *(in millions of Moroccan dirhams)*

Non-current assets

Current assets

TOTAL ASSETS

| | June 30, 2007 | December 31, 2006 |
|---------------------------|----------------------|--------------------------|
| Non-current assets | 21,725 | 18,095 |
| Current assets | 13,405 | 10,129 |
| TOTAL ASSETS | 35,130 | 28,224 |

LIABILITIES *(in millions of Moroccan dirhams)*

Share capital

Equity attributable to equity holders of the parent

Minority interests

Total equity

Non-current liabilities

Current liabilities

TOTAL LIABILITIES AND EQUITY

| | 30/06/2007 | 31/12/2006 |
|--|-------------------|-------------------|
| Share capital | 5,275 | 5,275 |
| Equity attributable to equity holders of the parent | 13,202 | 16,261 |
| Minority interests | 1,348 | 592 |
| Total equity | 14,550 | 16,853 |
| Non-current liabilities | 1,390 | 224 |
| Current liabilities | 19,190 | 11,147 |
| TOTAL LIABILITIES AND EQUITY | 35,130 | 28,224 |

5.1.2 Scope of consolidation

| Company name | Legal form | % group interest | % group control | Consolidation method |
|--|------------|------------------|-----------------|----------------------|
| Maroc Telecom Avenue Annakhil Hay Riad Rabat - Maroc | SA | 100% | 100% | FC |
| Compagnie Mauritanienne de Communication (CMC) June 30, 2007 December 31, 2006 Avenue Roi Fayçal Nouakchott - Mauritanie | SA | 80.0% 80.0% | 80.0% 80.0% | FC FC |
| Mauritel SA June 30, 2007 December 31, 2006 Avenue Roi Fayçal 7000 Nouakchott - Mauritanie | SA | 41.2% 41.2% | 51.5% 51.5% | FC FC |
| Mauritel Mobile June 30, 2007 December 31, 2006 Av Charles De gaulle ilot 37-38 Nouakchott -Mauritanie | SA | 41.2% 41.2% | 51.5% 51.5% | FC FC |
| Onatel June 30, 2007 December 31, 2006 705, AV. de la nation 01 BP 10000 Ouagadougou | SA | 51% 51% | 51% 51% | FC |
| Telmob June 30, 2007 December 31, 2006 705, AV. de la nation 01 BP 10000 Ouagadougou | SA | 51% 51% | 51% 51% | FC |
| Gabon Telecom June 30, 2007 December 31, 2006 B.P.40 000 LIBREVILLE – GABON | SA | 51% - | 51% - | FC |
| Libertis June 30, 2007 December 31, 2006 BP8900 immeuble 9 étages Libreville- Gabon | SA | 51% - | 51% - | FC |
| Medi-1 sat June 30, 2007 December 31, 2006 Zone franche, lot n°31 BP 2397 - Tanger - Maroc | SA | 28.0% 26.8% | 28.0% 26.8% | EM |
| Mobisud France June 30, 2007 December 31, 2006 55, avenue Hoche, 75008 Paris - France | SA | 66% 66% | 66% 66% | FC FC |
| Mobisud Belgique June 30, 2007 December 31, 2006 | SA | 100% - | 100% - | FC - |

Change in the scope of consolidation in the first half of 2007:

- **Onatel:** Maroc Telecom acquired in December 29, 2006, 51% of Onatel, the incumbent operator in Burkina Faso and its 100% Mobile subsidiary Telmob. Onatel is consolidated in Maroc Telecom's financial statements since January 1, 2007.
- **Gabon Telecom:** Maroc Telecom acquired in February 9, 2007, 51% of Gabon Telecom, the incumbent operator in Gabon and its 100% Mobile subsidiary Libertis. Gabon Telecom is consolidated in Maroc Telecom's financial statements since March 1, 2007.
- **Mobisud Belgique:** Maroc Telecom has launched an MVNO activity in Belgium, through its 100% subsidiary Maroc Telecom Belgique (commercial brand: Mobisud Belgique). This company launched its commercial services in May 2007 and is consolidated in Maroc Telecom's financial statements since April 1, 2007.

Other non consolidated investments

Maroc Telecom's other non-consolidated investments include Casanet (in charge of maintaining Maroc Telecom's "Menara" Internet portal), an investment in Matelca (currently in liquidation), and other minority interests. These companies are not consolidated as their results would not have a material impact on Maroc Telecom's financial statements.

5.2 INCOME STATEMENT

The table below sets out data regarding Maroc Telecom's consolidated income statement for first halves ended June 30, 2006 and 2007.

| <i>(in millions of Moroccan dirhams)</i> | Note | 2007 | 2006 |
|--|-------------|--------------|--------------|
| Consolidated revenues | | 13,007 | 10,888 |
| Cost of purchases | | -2,089 | -1,808 |
| Payroll costs | | -1,303 | -1,037 |
| Sundry taxes and duties | | -371 | -404 |
| Other operating income and expenses | | -1,514 | -1,292 |
| Net depreciation, amortization and provisions | | -1,731 | -1,858 |
| Operating income | | 5,999 | 4,491 |
| Income from ordinary activities | | 2 | 2 |
| Income from equity affiliates | | -12 | -9 |
| Earnings from continuing operations | | 5,989 | 4,484 |
| Income from cash and cash equivalents | | 64 | 98 |
| Finance expense | | -52 | -4 |
| Net finance costs | | 12 | 94 |
| Other finance income | | 1 | 3 |
| Other finance expense | | -10 | -1 |
| Net financial items | | 3 | 96 |
| Tax expense | | -2,064 | -1,552 |
| Earnings | | 3,928 | 3,028 |
| Attributable to the equity holders of the parents | | 3,850 | 2,998 |
| Minority interests | | 78 | 30 |
| Earnings per share <i>(in Moroccan dirhams)</i> | | 2007 | 2006 |
| Earnings per share | | 4.5 | 3.4 |
| Diluted earnings per share | | 4.5 | 3.4 |

The various items of Maroc Telecom's consolidated income statement and their changes during the periods under consideration are discussed below.

5.2.1 Comparaison of 2006 and 2007 first halves

Revenues

The table below shows the breakdown of revenues for the first halves of 2006 and 2007.

| <i>(in millions of Moroccan dirhams)</i> | 2007 | 2006 |
|---|---------------|---------------|
| Gross revenues-Mobile* | 8,889 | 7,079 |
| Gross revenues-Fixed-line and Internet* | 5,532 | 5,077 |
| Total consolidated gross revenues | 14,420 | 12,155 |
| Elimination of inter-segment transactions | - 1,413 | - 1,268 |
| Total consolidated revenues | 13,007 | 10,888 |

* Maroc Telecom has changed the presentation of international interconnection revenues.

Maroc Telecom group achieved on the first half of 2007 consolidated revenues of MAD13,007 million, up 19.5%, thanks in particular to the continuing growth of Mobile and Internet activities in Morocco and to the steady growth of subsidiaries. On a comparable basis, first half consolidated revenues are up 10.1%.

In 2007, revenue linked to incoming international traffic towards Maroc Telecom Mobile and to outgoing international traffic from Maroc Telecom Mobile is directly accounted in the Mobile activity in 2007 whereas it was accounted as transit revenue for Fixed and Internet activity in 2006. Revenues evolution rates are consistent with this new presentation. This intragroup reallocation has no impact on Maroc Telecom global net revenues.

The table below presents the impact of the change of international traffic to Fixed-line and Mobile, in the historical data published in 2006:

| <i>In MAD million</i> | | <i>Fixed-line revenues (gross) Morocco</i> | <i>Mobile revenues (gross) Morocco</i> | <i>Intercompany transactions Consolidated</i> |
|-----------------------|-----------------|--|--|---|
| Q1 2006 | Published | 3,005 | 3,118 | -1,087 |
| | Restated | 2,483 | 3,184 | -632 |
| Q2 2006 | Published | 2,981 | 3,507 | -1,126 |
| | Restated | 2,435 | 3,562 | -635 |
| Q3 2006 | Published | 3,196 | 3,991 | -1,239 |
| | Restated | 2,561 | 4,058 | -671 |
| Q4 2006 | Published | 3,122 | 3,381 | -1,229 |
| | Restated | 2,524 | 3,416 | -667 |
| 2006 | Published | 12,304 | 13,996 | -4,682 |
| | Restated | 10,003 | 14,220 | -2,605 |

Operating expenses

Operating expenses for the first halves of 2006 and 2007 were as follows:

| (in millions of Moroccan dirhams) | 2007 | 2006 |
|---|---------------|---------------|
| Consolidated revenues | 13.007 | 10.888 |
| Cost of purchases | 2.089 | 1.808 |
| % | 16% | 17% |
| Payroll costs | 1.303 | 1.037 |
| % | 10% | 10% |
| Sundry taxes and duties | 371 | 404 |
| % | 3% | 4% |
| Other operating income and expenses | 1.514 | 1.292 |
| % | 12% | 12% |
| Net depreciation, amortization and provisions | 1.731 | 1.858 |
| % | 13% | 17% |
| Total operating expenses | 7.008 | 6.398 |

Purchases

Between first halves of 2006 and 2007, group purchases increased by 16% to MAD2,089 million with the main effect of the change of the scope of consolidation.

Excluding the impact of new subsidiaries consolidated in 2007, Maroc Telecom's costs of handsets dropped by 3.3%, mainly in relation with purchases of Mobile handsets.

Payroll costs

Between first halves of 2006 and 2007, payroll costs increased by 26%, mainly due to the effect of the change of the scope of consolidation.

Excluding the impact of new subsidiaries consolidated in 2007, Maroc Telecom's payroll costs increased by 7.3%, in relation with global and individual salaries increases granted over the period.

Sundry taxes and duties

Between first halves of 2006 and 2007, taxes, duties are down 8.2% to MAD371 million, with the effect in 2006 of taxes paid for the Maroc Telecom share capital decrease.

Other operating income and expenses

Between first halves of 2006 and 2007, other operating income and expenses rose by 17.2% with the main effect of the change of the scope of consolidation.

Net depreciation, impairment and provisions

Net depreciation, impairment and provisions include in the first half of 2006 a MAD300 million provision relating to voluntary redundancies plan of Maroc Telecom, and a release of MAD100 million in the first half of 2007.

Operating income

The operating income increased by 33.6% between 2006 and 2007 first halves, to MAD5,999 million.

This result reflects the substantial increase of revenues, the acquisition costs control despite of the huge growth of customer bases and the monitoring of operating costs.

The table below presents the impact of the change of international traffic to Fixed-line and Mobile, in the historical data published in 2006:

| <i>IFRS - MADm</i> | | <i>Consolidated operating income</i> | |
|--------------------|-----------------|--------------------------------------|---------------|
| | | <i>Fixed-line</i> | <i>Mobile</i> |
| Q1 2006 | Published | 915 | 1,411 |
| | Restated | 828 | 1,498 |
| Q2 2006 | Published | 512 | 1,653 |
| | Restated | 434 | 1,731 |
| Q3 2006 | Published | 971 | 2,135 |
| | Restated | 873 | 2,233 |
| Q4 2006 | Published | 741 | 1,705 |
| | Restated | 679 | 1,767 |
| 2006 | Published | 3,139 | 6,904 |
| | Restated | 2,814 | 7,229 |

Income from equity affiliates

Medi1-SAT is accounted for using the equity method as from fiscal year 2006 with an impact as of June 30, 2007 of MAD-12 million. As of June 30, 2006, income from equity affiliates amounted to MAD-9 million.

Financial income

Between first halves of 2006 and 2007, the financial income decreased from MAD96 million to MAD3 million. This decrease is mainly explained by the consolidation of Gabon Telecom and Onatel, companies that are using banking loans. In the first half of 2007, Maroc Telecom used overdraft facilities for an amount of MAD4 billion.

Net income

The net income increased from MAD3,028 million at the end of June 2006, to MAD3,928 million at the end of June 2007, up 30% thanks to Maroc Telecom performances.

Minority interests

Minority interests, reflecting the interests of shareholders other than Maroc Telecom in the earnings of the group's consolidated entities, amounted to MAD78 million at end of June 2007, vs. MAD30 million at end of June 2006.

Net income (group share)

The consolidated net income (group share) amounted to MAD3,850 million at June 30, 2007, vs. MAD2,998 million at June 30, 2006, up 28.4%.

Earnings per share

Earnings per share amounted to MAD4.5 in the first half of 2007, vs. MAD3.4 in the first half of 2006.

5.2.2 Cash and cash equivalents

The group's main source of liquidity has been net cash from operation. Maroc Telecom group funds all its capital expenditure with its operating cash flow.

Statement of cash flows

The table below contains information relating to Maroc Telecom's consolidated cash flows for the specified periods:

| <i>(in millions of Moroccan dirhams)</i> | June 30, 2007 | June 30, 2006 |
|---|----------------------|----------------------|
| Cash flow from operating activities | 5,443 | 4,385 |
| Cash flow used in investing activities | -2,322 | -1,518 |
| Cash flow used in financing activities | -2,962 | -9,636 |
| Foreign currency translation adjustments | 9 | -12 |
| Change in cash and cash equivalents | 168 | -6,781 |
| Change in cash and cash equivalents at the beginning of period | 2,741 | 7,585 |
| Change in cash and cash equivalents at the end of period | 2,909 | 804 |
| Change in cash and cash equivalents | 168 | -6,781 |

- **Cash flow from operating activities**

At June 30, 2007, cash flow from operating activities totalled MAD5,443 million, vs. MAD4,385 million at June 30, 2006. This increase is mainly the result of the net income improvement.

- **Cash flows used in investing activities**

At June 30, 2007, cash flows used in investing activities amounted to MAD2,322 million compared with MAD1,518 million in 2006. This is mainly due to a high capital expenditure program compared to 2006 and to the consolidation of subsidiaries capital expenditures.

In 2007, Maroc Telecom will continue to pursue its international growth strategy and its investing efforts both in Morocco and in its subsidiaries.

A detailed breakdown of investments by segment is shown below.

- **Cash flows used in financing activities**

At June 30, 2007, cash flows used in financing activities amounted to MAD2,962 million, compared with MAD9,636 million in 2006. This drop is due mainly to the change in bank facility for an amount of MAD4 billion, that has offset the distribution of an ordinary dividend of MAD6.9 billion, compared to a total distribution in 2006 of MAD9.6 billion.

Capital expenditure

The table below sets out Maroc Telecom's capital expenditure by segment for the periods specified.

| <i>(in millions of Moroccan dirhams)</i> | <u>June 30, 2007</u> | <u>June 30, 2006</u> |
|--|----------------------|----------------------|
| Fixed-line | 959 | 661 |
| Mobile | 1,184 | 851 |
| Total | <u>2,143</u> | <u>1,512</u> |

Mobile capital expenditure

In the first half of 2007, capital expenditure continues to grow with, in one hand, the increase of network capacity and coverage, and in the other hand, the deployment of 3G equipment and the extension of service platforms.

Fixed-line and Internet capital expenditure

In 2007, investments have been focused on increasing the capacity due to ADSL traffic and Mobile traffic using the fixed-line network, on service platforms and on completion of the submarine cable Atlas Offshore.

Capital resources

In the first half of 2007, Maroc Telecom used a bank overdraft of MAD4 billion to finance its activity. Companies acquired in the first half of 2007 used bank loans for an amount of MAD1.4 billion.

| (in million of Moroccan dirhams) | June 2007 | December 2006 |
|--|------------------|----------------------|
| Outstanding debt and accrued interests (a) | 5,666 | 55 |
| *Cash (b) | 2,909 | 2,741 |
| Net cash position (b) - (a) | -2,757 | 2,686 |

*: Investments securities are treated as cash equivalents if their maturity does not exceed three months.

5.3 CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheet at June 30, 2007 and December 31, 2006

Consolidated Income Statement for the first halves of 2007 and 2006

Consolidated Cash flows for the first halves of 2007 and 2006

Consolidated Statement of Changes in Equity for 2007 and 2006

Notes to consolidated financial statements

Note 1. Accounting principles and valuation methods

Note 2. Scope of consolidation for 2007 and 2006

Note 3. Dividends

Note 4. Borrowings and other financial liabilities at June 30, 2007 and December 31, 2006

Note 5. Restructuring

Note 6. Tax expense for 2007 and 2006

Note 7. Segment data at June 30, 2007 and 2006

Note 8. Contractual obligations and contingent assets and liabilities

8.1. Contractual obligations and commercial commitments recorded in the balance sheet

8.2. Other commitments given and received relating to operations

Note 9. Post-balance sheet events

CONSOLIDATED BALANCE SHEET AT JUNE 30, 2007 AND DECEMBER 31, 2006

| ASSETS <i>(in millions of Moroccan Dirhams)</i> | <i>Note</i> | June 30, 2007 | December 31, 2006 |
|---|-------------|--------------------------|------------------------------|
| Goodwill | | 2,182 | 146 |
| Intangible assets | | 2,769 | 2,415 |
| Property, plant and equipment | | 16,266 | 12,460 |
| Investment in equity affiliates | | 22 | 9 |
| Other non-current financial assets | | 223 | 2,620 |
| Deferred tax assets | | 263 | 445 |
| Non-current assets | | 21,725 | 18,095 |
| Inventories | | 884 | 438 |
| Trade accounts receivable and other | | 9,563 | 6,928 |
| Other current financial assets | | 0 | 22 |
| Cash and cash equivalents | | 2,909 | 2,741 |
| Available to sale assets | | 49 | |
| Current assets | | 13,405 | 10,129 |
| TOTAL ASSETS | | 35,130 | 28,224 |
| | | | |
| LIABILITIES <i>(in millions of Moroccan dirhams)</i> | <i>Note</i> | June 30, 2007 | December 31, 2006 |
| Share capital | | 5,275 | 5,275 |
| Retained earnings | | 4,076 | 4,247 |
| Earnings for the fiscal year-group share | | 3,850 | 6,739 |
| Equity attributable to equity holders of the parent | | 13,202 | 16,261 |
| Minority interests | | 1,348 | 592 |
| Total equity | 3 | 14,550 | 16,853 |
| Non-current provisions | | 205 | 36 |
| Borrowings and other non-current financial liabilities | 4 | 1,184 | 11 |
| Deferred tax liabilities | | 0 | 177 |
| Non-current liabilities | | 1,390 | 224 |
| Trade accounts payable and other | | 13,915 | 10,278 |
| Current income tax liabilities | | 534 | 437 |
| Current provisions | 5 | 259 | 388 |
| Borrowings and other current financial liabilities | 4 | 4,482 | 44 |
| Current liabilities | | 19,190 | 11,147 |
| TOTAL LIABILITIES AND EQUITY | | 35,130 | 28,224 |

CONSOLIDATED INCOME STATEMENT FOR THE FIRST HALVES OF 2007 AND 2006

| <i>(in millions of Moroccan dirhams)</i> | Note | 2007 | 2006 |
|--|-------------|--------------|--------------|
| Consolidated revenues | | 13,007 | 10,888 |
| Cost of purchases | | -2,089 | -1,808 |
| Payroll costs | | -1,303 | -1,037 |
| Sundry taxes and duties | | -371 | -404 |
| Other operating income and expenses | | -1,514 | -1,292 |
| Net depreciation, amortization and provisions | | -1,731 | -1,858 |
| Operating income | | 5,999 | 4,491 |
| Income from ordinary activities | | 2 | 2 |
| Income from equity affiliates | | -12 | -9 |
| Earnings from continuing operations | | 5,989 | 4,484 |
| Income from cash and cash equivalents | | 64 | 98 |
| Finance expense | | -52 | -4 |
| Net finance costs | | 12 | 94 |
| Other finance income | | 1 | 3 |
| Other finance expense | | -10 | -1 |
| Net financial items | | 3 | 96 |
| Tax expense | | -2,064 | -1,552 |
| Earnings | | 3,928 | 3,028 |
| Attributable to the equity holders of the parents | | 3,850 | 2,998 |
| Minority interests | | 78 | 30 |
| Earnings per share <i>(in Moroccan dirhams)</i> | | 2007 | 2006 |
| Earnings per share | | 4.5 | 3.4 |
| Diluted earnings per share | | 4.5 | 3.4 |

CONSOLIDATED CASH FLOWS FOR THE FIRST HALVES OF 2007 AND 2006

| <i>(in millions of Moroccan dirhams)</i> | 2007 | 2006 |
|---|---------------|---------------|
| Consolidated earnings (including minority interests) | 3,928 | 3,028 |
| Net depreciation, impairment and provisions | 1,517 | 1,691 |
| Non-cash expenses/income | 12 | 9 |
| Capital gains and losses | -3 | -2 |
| Net earnings after net finance costs and income tax | 5,454 | 4,726 |
| Net finance costs | -12 | -94 |
| Income tax expense (including deferred taxes) | 2,064 | 1,552 |
| Net earnings before net finance costs and income tax (A) | 7,506 | 6,184 |
| Tax paid (B) | -2,024 | -1,757 |
| Change in WCR related to operating activities (C) | -39 | -42 |
| Cash flow from operating activities (D) = (A+B+C) | 5,443 | 4,385 |
| Acquisitions of PP&E and intangible assets | -2,143 | -1,512 |
| Disposals of PP&E and intangible assets | 14 | 7 |
| Purchase of investments | -334 | -10 |
| Proceeds from disposals of investments | | 13 |
| Cash flow of long-term debt | 8 | -8 |
| Cash flow of other financial assets | -6 | |
| Effects of changes in scope of consolidation | 139 | -8 |
| Cash flow used in investing activities (E) | -2,322 | -1,518 |
| Dividends paid during the year | -6,950 | -6,143 |
| Change in Borrowings and overdrafts | 3,968 | -35 |
| Net interest | 20 | 58 |
| Changes in share capital (share capital reduction) | | -3,516 |
| Cash flow used in financing activities (F) | -2,962 | -9,636 |
| Foreign currency translation adjustments (G) | 9 | -12 |
| Change in cash and cash equivalents (D+E+F+G) | 168 | -6,781 |
| Change in cash and cash equivalents at the beginning of period | 2,741 | 7,585 |
| Change in cash and cash equivalents at the end of period | 2,909 | 804 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT JUNE 30, 2007 AND DECEMBER 31, 2006

| <i>(in millions of Moroccan dirhams)</i> | Share Capital | Earnings & retained earnings | Attributable to equity holders of the parent | Minority interests | Total |
|--|---------------|------------------------------|--|--------------------|---------------|
| Balance at January 1, 2006 | 8,791 | 10,404 | 19,195 | 530 | 19,724 |
| Dividends | | -6,119 | -6,119 | -24 | -6,143 |
| Earnings | | 2,998 | 2,998 | 30 | 3,028 |
| Cumulative translation differences | | -24 | -24 | -7 | -31 |
| Other adjustments | -3,516 | | -3,516 | | -3,516 |
| Changes in scope of consolidation | | 4 | 4 | -4 | 0 |
| Balance at June 30, 2006 | 5,275 | 7,264 | 12,539 | 525 | 13,062 |
| Dividends | | -2 | -2 | -7 | -9 |
| Earnings | | 3,741 | 3,741 | 64 | 3,805 |
| Cumulative translation differences | | -12 | -12 | -28 | -40 |
| Other adjustments | | | | | |
| Changes in scope of consolidation | | -4 | -4 | 37 | 33 |
| Balance at December 31, 2006 | 5,275 | 10,986 | 16,261 | 592 | 16,853 |
| Dividends | | -6,927 | -6,927 | -23 | -6,950 |
| Earnings | | 3,850 | 3,850 | 78 | 3,928 |
| Cumulative translation differences | | 9 | 9 | 12 | 21 |
| Other adjustments | | 9 | 9 | -9 | |
| Changes in scope of consolidation | | | 0 | 697 | 697 |
| Balance at June 30, 2007 | 5,275 | 7,926 | 13,202 | 1,348 | 14,550 |

At 30 June 2007, Maroc Telecom's share capital comprises 879,095,340 ordinary shares. Ownership of these shares is as follows:

- Kingdom of Morocco: 34%;
- Vivendi: 51% via its wholly owned subsidiary Société de Participations dans les Télécommunications (SPT);
- Other: 15%.

NOTE 1. ACCOUNTING PRINCIPLES AND VALUATION METHODS

1 Significant events

- On February 9, 2007, Maroc Telecom Group acquired a 51% stake in Gabon Telecom, the incumbent operator in Gabon.
- Onatel which was acquired on December 29, 2006, has been consolidated for the first time because of unavailability of financial data (ref. Registration Document 2006).

The information relating to the acquisitions of Gabon Telecom and Onatel were as follows:

- Price of acquisition and goodwill:

| <i>(in millions of Moroccan dirhams)</i> | <u>Onatel</u> | <u>Gabon Telecom</u> |
|---|---------------|----------------------|
| Acquisition price | 2,460 | 279 |
| Cost of purchase | 16 | 8 |
| Total cost of purchase | 2,476 | 287 |
| Consolidated net position- group share (*) | 453 | 272 |
| Goodwill (provisional) (**) | 2,022 | 14 |

(*) Net position in OHADA standards (local reporting standards in Gabon and Burkina-Faso)

Net position at January 1, 2007 for Onatel

Net position at March 1, 2007 for Gabon Telecom

(**) The definitive allocation will be realized during the second half-year

- Earnings at June 30, 2007:

| <i>(in millions of Moroccan dirhams)</i> | <u>Gabon Telecom</u> | <u>Onatel</u> |
|--|----------------------|---------------|
| Revenues | 428 | 656 |
| Operating income | -26 | 150 |
| Earnings - group share | -29 | 59 |

- Extension of the voluntary redundancy plan launched in 2006 which aims Maroc Telecom's employees.
- Launch of Atlas off shore's investment for a total cost of MAD300 million.

2 Accounting principles and valuation methods

Maroc Telecom Group prepared its consolidated financial statements of 2006 in accordance with IFRS (International Financial Reporting Standards) such as adopted by the European Union at today.

The principles accounting retained for preparing the consolidated financial statements for the first half of 2007, are similar to these adopted for the full fiscal year 2006.

The financial informations at June 30, 2007 relating to Gabon Telecom and Onatel subsidiaries were established in accordance with the local standards of their respective countries (standards OHADA), the convergence to IFRS standards will be carried out during the second half-year.

The consolidated financial statements for the first half of the year 2007 have been prepared in accordance with IAS34 « Intermediate financial information » which allowed to present a selection of additional notes. These consolidated accounts must be read jointly with the consolidated financial statements of 2006.

The half-year financial statements at June 30, 2007 and notes were approved by the Management Board of Maroc Telecom at July 26, 2007.

NOTE 2. SCOPE OF CONSOLIDATION AT JUNE 30, 2007 AND DECEMBER 31, 2006

Maroc Telecom is a Moroccan corporation, its main activity being the sale of telecommunications goods and services. Its registered office is located at Avenue Annakhil Hay Riad Rabat – Morocco.

| Company name | Legal form | % group interest | % group control | Consolidation method |
|---|-------------------|-------------------------|------------------------|-----------------------------|
| <u>Maroc Telecom</u> Avenue Annakhil Hay Riad Rabat - Maroc | SA | 100% | 100% | FC |
| <u>Compagnie Mauritanienne de Communication (CMC)</u> June 30, 2007 December 31, 2006 Avenue Roi Fayçal Nouakchott - Mauritanie | SA | 80.0% 80.0% | 80.0% 80.0% | FC FC |
| <u>Mauritel SA</u> June 30, 2007 December 31, 2006 Avenue Roi Fayçal 7000 Nouakchott - Mauritanie | SA | 41.2% 41.2% | 51.5% 51.5% | FC FC |
| <u>Mauritel Mobile</u> June 30, 2007 December 31, 2006 Av Charles De gaulle ilot 37-38 Nouakchott -Mauritanie | SA | 41.2% 41.2% | 51.5% 51.5% | FC FC |
| <u>Onatel</u> June 30, 2007 December 31, 2006 705, AV. de la nation 01 BP 10000 Ouagadougou | SA | 51% 51% | 51% 51% | FC |
| <u>Telmob</u> June 30, 2007 December 31, 2006 705, AV. de la nation 01 BP 10000 Ouagadougou | SA | 51% 51% | 51% 51% | FC |
| <u>Gabon Telecom</u> June 30, 2007 December 31, 2006 B.P.40 000 LIBREVILLE – GABON | SA | 51% - | 51% - | FC |
| <u>Libertis</u> June 30, 2007 December 31, 2006 BP8900 immeuble 9 étages Libreville- Gabon | SA | 51% - | 51% - | FC |
| <u>Medi-1 sat</u> June 30, 2007 December 31, 2006 Zone franche, lot n°31 BP 2397 - Tanger - Maroc | SA | 28.0% 26.8% | 28.0% 26.8% | EM |
| <u>Mobisud France</u> June 30, 2007 December 31, 2006 55, avenue Hoche, 75008 Paris - France | SA | 66% 66% | 66% 66% | FC FC |
| <u>Mobisud Belgique</u> June 30, 2007 December 31, 2006 | SA | 100% - | 100% - | FC - |

NOTE 3. DIVIDENDS AT JUNE 30, 2007 AND DECEMBER 31, 2006

| <i>(in millions of Moroccan dirhams)</i> | June 30, 2007 | December 31, 2006 |
|--|---------------|-------------------|
| Dividends received from equity affiliates | | |
| Dividends paid by consolidated companies to their minority shareholders (a) | | |
| - Mauritel | 23 | 23 |
| - Other | | |
| | 23 | 23 |
| Dividends paid by Maroc Telecom to shareholders (b) | | |
| - Moroccan government | 2,355 | 2,080 |
| - Vivendi | 3,533 | 3,121 |
| - Other | 1,039 | 918 |
| | 6,927 | 6,119 |
| Total dividend payout (c) = (a)+(b) | 6,950 | 6,142 |

NOTE 4. BORROWINGS AND OTHER FINANCIAL LIABILITIES AT JUNE 30, 2007 AND DECEMBER 31, 2006

4.1. Net cash position

| <i>(in millions of Moroccan dirhams)</i> | June 30, 2007 | December 31, 2006 |
|---|------------------|----------------------|
| Borrowings due less than one year | 292 | 44 |
| Borrowings due more than one year | 1,184 | 11 |
| Facilities and overdrafts | 4,190 | |
| BORROWINGS AND OTHER FINANCIAL LIABILITIES | 5,666 | 55 |
| Cash and cash equivalents | 2,909 | 2,741 |
| NET CASH POSITION | -2,757 | 2,686 |

4.2. Breakdown by maturity of net cash position

The breakdown by maturity is based on the repayment terms and conditions of borrowings.

Half-year ended June 30, 2007

| <i>(in millions of Moroccan dirhams)</i> | < 1 an | 1 to 5 years | > 5 years | TOTAL |
|---|---------------|--------------|-------------|---------------|
| Borrowings | 292 | 765 | 419 | 1,476 |
| Facilities and overdrafts | 4,190 | | | 4,190 |
| Borrowings and other financial liabilities | 4,482 | 765 | 419 | 5,666 |
| Cash and cash equivalents | 2,909 | | | 2,909 |
| Net cash position | -1,573 | -765 | -419 | -2,757 |

Year ended December 31, 2006

(in millions of Moroccan dirhams)

| | < 1 an | 1 to 5 years | > 5 years | TOTAL |
|---|--------------|--------------|-----------|--------------|
| Borrowings | 44 | 11 | | 55 |
| Facilities and overdrafts | | | | 0 |
| Borrowings and other financial liabilities | 44 | 11 | 0 | 55 |
| Cash and cash equivalents | 2,741 | | | 2,741 |
| Net cash position | 2,697 | -11 | 0 | 2,686 |

4.3. Table of analysis

(in millions of Moroccan dirhams)

| | Interest rate % | Maturity | June 30, 2007 | December 31, 2006 |
|---|-----------------|----------|------------------|----------------------|
| License Mobile's borrowing (October 2000) | 8.00% | 01/01/08 | 33 | 53 |
| ABCI €7,2 million (September 1996) | 7.41% | 28/03/07 | - | 1 |
| BORROWING SBIF 2005-2011 | 6.65% | 01/06/11 | 274 | - |
| CONS.BIB-ECOBANK-BICIA | 7.65% | 01/07/12 | 138 | - |
| BORROWING retroceded by the government | 7.50% | 01/12/08 | 15 | - |
| BORROWING BOAD 96.00 | 6.00% | 01/07/11 | 33 | - |
| BORROWING BEI | 2.00% | 01/12/10 | 26 | - |
| BORROWING AFD 1109 | 7.69% | 01/10/09 | 6 | - |
| BORROWING AFD110-1111 | 2.00% | 01/10/18 | 24 | - |
| BORROWING BOAD 09 00 | 8.00% | 01/07/10 | 76 | - |
| BORROWING BEI | 3.00% | 01/03/12 | 174 | - |
| BORROWING BID | 8.00% | 01/12/12 | 179 | - |
| BORROWING AFD | 5.00% | 01/10/09 | 2 | - |
| BORROWING COMMERZBANK | Euribor+0,75% | 01/12/13 | 82 | - |
| BGFI BANK | 13.30% | | 2 | - |
| BGFI BANK | Euribor+3,5% | 01/09/09 | 21 | - |
| ALCATEL PHASE I | Euribor+3,5% | 01/11/09 | 68 | - |
| ALCATEL PHASE II | Euribor+0,75% | 01/03/11 | 292 | - |
| Mobisud fr BORROWING | NA | NA | 15 | - |
| Others | NA | NA | 17 | 1 |
| | | | 1476 | 55 |

NOTE 5. RESTRUCTURING PROVISIONS FOR THE FIRST HALVES OF 2007 AND 2006

The current provisions mainly comprise restructuring provisions.

| <i>(in millions of Moroccan dirhams)</i> | MarocTelecom | Mauritel Group | Onatel Group | Gabon Telecom Group | Total Maroc Telecom Group |
|--|--------------|----------------|--------------|---------------------|---------------------------|
| Restructuring | | | | | |
| Changes in scope of consolidation and adjustments of allocation of acquisition price | | | | | - |
| Addition | 304 | | | | 304 |
| Utilization | | | | | - |
| Release | | | | | - |
| Balance at December 31, 2006 | 304 | - | - | - | 304 |
| Restructuring | | | | | |
| Changes in scope of consolidation and adjustments of allocation of acquisition price | | | | | - |
| Addition | - | | | | - |
| Utilization | (35) | | | | (35) |
| Release | (100) | | | | (100) |
| Balance at June 30, 2007 | 169 | - | - | - | 169 |

NOTE 6. TAX EXPENSE FOR THE FIRST HALVES OF 2007 AND 2006

| <i>(in millions of Moroccan dirhams)</i> | Year ended June 30, | |
|--|---------------------|--------------|
| | 2007 | 2006 |
| Income tax | 2,056 | 1,519 |
| Deferred taxes | 8 | 33 |
| Current tax | 2,064 | 1,552 |
| Consolidated effective tax rate* | 34% | 34% |

* Income tax/earnings before taxes

NOTE 7. SEGMENT DATA FOR THE FIRST HALVES OF 2007 AND 2006

Breakdown of earnings by business segment

By business segment

First half of 2007

| <i>(in millions of Moroccan dirhams)</i> | Fixed-line | Mobile | Eliminations | Total |
|--|-------------|-------------|--------------|---------------|
| Consolidated revenues | 5,532 | 8,889 | -1,413 | 13,007 |
| Operating income | 1,411 | 4,588 | | 5,999 |
| Net depreciation and impairment | -809 | -843 | | -1,652 |

First half of 2006

| <i>(in millions of Moroccan dirhams)</i> | Fixed-line | Mobile | Eliminations | Total |
|--|-------------|-------------|--------------|---------------|
| Consolidated revenues | 6,145 | 6,957 | -2,214 | 10,888 |
| Operating income | 1,428 | 3,063 | | 4,491 |
| Net depreciation and impairment | -679 | -712 | | -1,391 |

NOTE 8. CONTRACTUAL OBLIGATIONS AND CONTINGENT ASSETS AND LIABILITIES

8.1. Contractual obligations and commercial commitments recorded in the balance sheet

| <i>(in millions of Moroccan dirhams)</i> | <u>Total</u> | <u>Due less than 1 year</u> | <u>Due 1-5 years</u> | <u>Due more than 5 years</u> |
|--|--------------|-----------------------------|----------------------|------------------------------|
| Long-term debts | | | | |
| Capital lease obligations | | | | |
| Operating leases* | 32 | 20 | 11 | |
| Irrevocable purchase obligations | | | | |
| Other long-term commitments | | | | |
| Total | 32 | 20 | 11 | - |

* long-term vehicle leases (excluding tax)

8.2. Other commitments given and received relating to operations

Commitments given

Commitments given include:

- Commitment to invest MAD3,228 million made up of:
 - MAD2,953 million related to an investment agreement concluded between Maroc Telecom and Moroccan government, including MAD1,614 million with respect to the suppliers of fixed assets;
 - MAD275 million related to the commitment given by other companies of group to the suppliers of fixed assets.
- Mauritel's commitment to invest MAD163 million in the third generation license;
- Banks' guarantees for an amount of MAD99 million;
- Acquiring stake for an amount of MAD20 million mainly due to the commitment relating to quasi capital of Medi-1-Sat (MAD18 million);
- Partnership with Forum de Casablanca's association for an amount of MAD10.5 million;
- Operating leases amounted to MAD10.4 million;
- Satellite's lease amounted to MAD308 million;
- Various Mauritel's commitments for an amount of 0.7 million.

Commitments received

Commitments received comprise:

- Guarantees of MAD1,234 million at June 30, 2007
- Other guarantees for an amount of MAD28 million

Maroc Telecom is exempt from customs duty on all capital goods imported, due to an investment agreement with the public authorities of the kingdom of Morocco, whereby Maroc Telecom agrees to carry out a capital expenditure for MAD7.4 billion and create 150 new jobs over the period 2006-2009.

NOTE 9. POST-BALANCE SHEET EVENTS

At July 2, 2007, The Moroccan Government sold 4% of Maroc Telecom in Casablanca's stock exchange.

5.4 STATUTORY AUDITORS REPORTS – 2007 FIRST- HALF FINANCIAL DATA FROM JANUARY 1, TO JUNE 30, 2007

To the shareholders,

As statutory auditors of the company and in compliance with the assignment entrusted to us by your shareholders' meeting, we proceeded to:

- Limited review of summarized half-year consolidated financial statements of Itissalat Al-Maghrib (IAM), related to the period from January 1, to June 30, 2007, such as they are joined to the present report.
- Examination of the information given in the half-year report.

These halves consolidated accounts summarized have been established under the Management Board's responsibility. Our role is to express an opinion in these financial statements based on our limited review. We conducted our limited review in accordance with international generally accepted auditing standards. These standards require us to plan and perform the limited review to obtain moderating assurance about whether the summarized financial statements are free of material misstatement. A limited review of intermediate accounts to obtain the information considered necessary, mainly from the persons responsible for accounting and financial appearances, and implementation of analytical proceeding as well as all appropriate proceeding adopted. An examination of this nature does not comprise all controls appropriate to an audit carried out in compliance with international generally accepted auditing standards. It does not make possible to obtain the assurance to identify all significant points which could have been within it the framework of an audit, in result, we do not set out an audit opinion.

On basis of our limited review, we do not pick up any material misstatement enable to question the compliance, in all their significant aspects, halves consolidated financial statements summarized with IAS34-standard from IFRS as adopted by European Union related to intermediate financial information.

Without questioning the conclusion formulate above, we draw your attention to the points exposed in the appendix summarized attached :

- By reference to the appendices relating to the consolidated financial statements ended June 31, 2006:
 - o Note 2 (§ 2.3.9.3) and Note 5 from appendix related to the consolidated financial statements of 2006, by reference to property, plant and equipment: as of December 31, 2006, the majority of land and buildings transferred by the ONPT at the time of the incorporation of Maroc Telecom has been formally registered or under requisition, although the process continues for properties that have not yet been registered with the property office;
 - o the estimates used for segment information published as of December 31, 2006 as explained on notes 2.5 and 28 from appendix related to consolidated financial statements of 2006.
- Note 1 from appendix related to the halves consolidated financial statements closed June 30, 2007 which specify that the consolidated financial statements of the subsidiaries Onatel and Gabon Telecom have been consolidated according to the local standards and not according to IFRS standards.

We also performed, in compliance with the international professional standards, to the verifications of information contained in the half report commenting the summarized halves consolidated financial statements to which our limited review related.

We do not have any remarks about sincerity and concordance with summarized halves financial consolidated statements.

**July 27, 2007
Statutory Auditors**

6 CORPORATE GOVERNANCE

6.1 MANAGEMENT AND SUPERVISORY BOARDS

6.1.1 Composition of the management board as of March 1, 2007

| Name (age) | Current office and main duties | Date of appointment | Expiry of term of office |
|------------------------|---|--|--------------------------|
| Abdeslam AHIZOUNE (52) | Chairman | First appointed February 20, 2001 Renewed on March 1, 2007 | 2009 |
| Arnaud CASTILLE (35) | Managing Director CFO Administration and Finance | First appointed : February 24, 2006, effective on April 1, 2006 Renewed on March 1, 2007 | 2009 |
| Larbi GUEDIRA (52) | Managing Director Services | First appointed February 20, 2001 Renewed on March 1, 2007 | 2009 |
| Mohammed HMADOU (54) | Managing Director Network | First appointed February 20, 2001 Renewed on March 1, 2007 | 2009 |
| Janie LETROT (53) | Managing Director Regulation, Communication and International Development | First appointed : June 29, 2006 Renewed on March 1, 2007 | 2009 |

6.1.2 Composition of the Supervisory board as of April 12, 2007

| Name (age) | Fonction actuelle | Date of appointment | Expiry of term of office | Principal post or occupation |
|-------------------------|-------------------|---|---|--|
| Fathallah OUALALOU (65) | Chairman | General Shareholders Meeting of February 20, 2001 | Ordinary General Assembly of Shareholders called to approve the financial statements for 2013 | Minister of Finance and Privatization |
| Jean-Bernard LEVY (52) | Vice-Chairman | Supervisory Board Meeting of December 17, 2002 | Ordinary General Assembly of Shareholders called to approve the financial statements for 2013 | Chairman of the Management Board of Vivendi |
| Chakib BENMOUSSA (49) | Member | Supervisory Board Meeting of February 24, 2006 | Ordinary General Assembly of Shareholders called to approve the financial statements for 2013 | Minister of the Interior |
| Abdelaziz TALBI (57) | Member | Supervisory Board Meeting of March 4, 2005 | Ordinary General Assembly of Shareholders called to approve the financial statements for 2013 | Director of State Owned Enterprises at the Ministry of Finance and Privatization. President of the Permanent Committee of the National Accounting Council |
| Jean-René FOURTOU (68) | Member | Supervisory Board Meeting of January 4, 2005 | Ordinary General Assembly of Shareholders called to approve the financial statements for 2013 | Chairman of the Supervisory Board of Vivendi |
| Jacques ESPINASSE (64) | Member | Supervisory Board Meeting of December 17, 2002 | Ordinary General Assembly of Shareholders called to approve the financial statements for 2013 | Member of companies boards |
| Frank ESSER (49) | Member | Supervisory Board Meeting of March 4, 2005 | Ordinary General Assembly of Shareholders called to approve the financial statements for 2013 | CEO of SFR group Member of the Management Board of Vivendi |
| Robert de METZ (55) | Member | Supervisory Board Meeting of December 17, 2002 | Ordinary General Assembly of Shareholders called to approve the financial statements for 2013 | Deputy Manager Director of Strategy and Development of Vivendi |
| Philippe CAPRON (49) | Member | Supervisory Board Meeting of March 1, 2007 | Ordinary General Assembly of Shareholders called to approve the financial statements for 2009 | CFO of Vivendi Member of the Management Board of Vivendi |

6.2 CORPORATE GOVERNANCE

6.2.1 Audit Committee

The Audit Committee is composed of the following members:

| Name (age) | Current office | Date of appointment | Principal post or occupation |
|-----------------------------|----------------|---------------------|--|
| Jacques ESPINASSE (64) | Chairman | 2003 | Member of companies boards |
| Noureddine BOUTAYEB (50) | Member | 2003 | Director of Rural affairs of the Ministry of Interior |
| Abdelaziz TALBI (57) | Member | 2004 | Director of State Owned Enterprises at the Ministry of Finance and Privatization. President of the Permanent Committee of the National Accounting Council |
| Monkid MESTASSI (55) | Member | 2007 | Secretary General of the Ministry of General and Economic Affairs |
| Robert de METZ (55) | Member | 2003 | Deputy Manager Director of Strategy and Development of Vivendi |
| Pierre TROTOT (53) | Member | 2003 | Senior Executive Vice President, Administration and Finance, and Director of SFR |

6.3 RELATED PARTY TRANSACTIONS

By reference, related party transactions mentioned on pages 220 and 221 of the 2006 Registration Document, are still effective and no new agreements have been signed during the first half of 2007.

Following a material error, the agreement conclude between Maroc Telecom and Mobisud France, related to current account advance, has been approved by Supervisory Board of March 1st, 2007, and not of December 19, 2006, as previously mentioned on the 2006 Registration Document.

7 RECENT DEVELOPMENTS AND OUTLOOK

7.1 RECENT DEVELOPMENT

- Gabon Telecom

Maroc Telecom has been informed that following a request introduced by seven employees of Libertis to cancel the privatisation process of Gabon Telecom and Libertis, the Gabonese Supreme Court (*Cour Constitutionnelle*) has ordered an interim measure suspending the transfer and sale agreements.

This interim measure has been cancelled on July 24, 2007 by the President of the Supreme Court.

Pending the decision of the Supreme Court, Maroc Telecom will continue to follow this matter with the greatest attention and shall take all necessary action in order to protect its rights and those of its shareholders.

7.2 OUTLOOKS

This section contains information regarding the Company's objectives for the fiscal year 2007. The Company warns potential investors that these forward-looking statements are dependent on circumstances and events which are expected to occur in the future. These statements do not reflect historical data and are not to be interpreted as warranties that the facts and data mentioned will occur or that the targets will be achieved. By their nature, these are targets and it is therefore possible that they may not be achieved, and the assumptions on which they are based may be found to be erroneous. Investors are invited to take into consideration the fact that some of the risks described in section 4.14 "Risk factors" in the 2006 Registration Document may affect the Company's operations and its ability to achieve its targets.

Given continuing growth in the mobile and ADSL markets and Maroc Telecom's capacity to maintain leadership given stringer growth on the Fixed-line segment, the Company's growth targets for 2007 like-for-like including its recent acquisitions, are as follows:

- Consolidated revenues should grow by more than 16% in 2007 (more than 8% on a comparable basis);
- Consolidated earnings from operations should grow by more than 18% in 2007 (more than 20% on a comparable basis).