

Rabat, November 10, 2011

Consolidated results for Q3 2011

Solid outlook:

- **Group customer base: +10.9% year on year, to 27.8 million customers**
 - **Morocco:**
 - significant decline in mobile rates and stable outbound revenue supported by a 24% increase in usage;
 - strong growth of mobile postpaid customer base (+28%) and ADSL customer base (+15%), due to attractive offers and increased bandwidth.
 - **Sub-Saharan Africa:**
 - 9.7% growth of 3Q revenue in sub-Saharan affiliates;
 - strong trend continues for Sotelma in Mali, with a 31.3% rise in Q3 revenue.

- **Consolidated results¹ for the first nine months:**
 - revenue down by 2.0%, to MAD 23.2 billion;
 - earnings from operations of MAD 9.5 billion, a margin of 40.9%.

- **Confirmed outlook for 2011:**
 - slight decline in revenues;
 - operating margin comparable to that of H1 2011.

On the occasion of the publication of this press release, Abdeslam Ahizoune, Chairman of the Management Board, stated:

“Results for Q3 2011 prove once again the operational robustness of Maroc Telecom Group, whose margins remain at a high level, despite an intensely competitive environment.

Ongoing marketing efforts and price cuts have strongly stimulated our customers’ consumption and have boosted growth in the Mobile, 3G Internet and ADSL broadband customer bases. This growth justifies the pursuit of large capital expenditures for networks in Morocco as well as in sub-Saharan Africa, where the growth outlook remains solid.”

GROUP CONSOLIDATED RESULTS

- **Revenues¹**

At September 30, 2011, Maroc Telecom had consolidated revenues² of MAD 23,210 million, down 2.0% from September 30, 2010 (-1.9% on a comparable basis³). This performance was due to the decline in revenues in Morocco (-3.5%) in an intensely competitive environment, compensated partly by revenue growth of 8.6% (+8.4% on a comparable basis) in subsidiaries.

Maroc Telecom Group's revenues in the third quarter amounted to MAD 7,886 million, a decline of 4.2% from 2010 (-4.3% on a comparable basis).

At September 30, 2011, the Group's customer base stood at more than 27.8 million customers, an increase of 10.9% on an annual basis. This performance was the result of modest growth in Morocco (+1.6%) and strong sales momentum among subsidiaries, whose mobile customer base grew by 36.5%.

- **Earnings from operations before depreciation and amortization¹**

In the first nine months of 2011, earnings from operations before depreciation and amortization (EBITDA) amounted to MAD 12,876 million, a decline of 7.8%, compared with 2010, because of a decline in revenues in Morocco. The margin nonetheless remained a respectable 55.5%.

- **Earnings from operations¹**

Group consolidated earnings from operations at September 30, 2011, amounted to MAD 9,502 million, down 9.3% from a year earlier (-9.1% on a comparable basis), because of lower EBITDA and continued significant expenditure in networks and systems. Despite this decline, the margin stayed at a respectable 40.9%.

In the third quarter, earnings from operations came to MAD 3,407 million, down 11.1% from 2010 (-11.0% on a comparable basis), a decline of 3.3 points of operating margin (-3.2 points on a comparable basis), at 43.2%.

(1) Data for the year 2010 were restated after a material misstatement was identified in the financial statements concerning distributor commissions paid to Onatel. This restatement lowered revenues by MAD 28.4 million, while earnings from operations before depreciation and amortization, earnings from operations, and net income were affected negatively, by MAD 33.4 million, compared with the data published for the first nine months of 2010.

(2) At June 30, 2011, Mauritel, Onatel, Gabon Telecom, Sotelma, and Casanet were consolidated in Maroc Telecom's financial statements. At June 30, 2010, Mobisud Belgique was no longer consolidated in Maroc Telecom Group's financial statements.

(3) The comparable basis reflects the deconsolidation of Mobisud Belgique, as if it had been effective at January 1, 2010, and as if MAD / Mauritanian ouguiya / CFA franc exchange rates had been constant.

OVERVIEW OF GROUP ACTIVITIES

• **Morocco**

Business in Morocco generated net revenues⁴ of MAD 18,943 million over the first nine months of the year, a decline of 3.4%. In the same period, earnings from operations came to MAD 8,631 million, down 10.6%, compared with 2010.

Mobile

In Morocco, the mobile segment's gross revenues⁵ fell by 2.9%, to MAD 14,331 million, because of a significant price reduction in the mobile sector, partly compensated by strong growth in usage.

Earnings from operations declined by 8.2%, to MAD 7,010 million, as a result of slightly lower revenues, higher interconnection costs to other operators, and a reduction in the exemption from the Universal Service contribution granted to Maroc Telecom for its investments in rural zones (Pacte program). At September 30, 2011, Maroc Telecom covered more than 5,500 rural areas, which significantly improved network coverage.

At September 30, 2011, the mobile customer base⁶ amounted to 16,969 million customers, an increase of 1.4%, compared with September 30, 2010. The annualized blended churn rate improved by 6.7 points, to 24.1%. The high-value postpaid segment continued to perform well, with growth of 27.6% and a total of 959,000 subscribers, thanks to an enriched portfolio of products and services, to price cuts, and to the encouraged internal migration of prepaid customers.

The 3G mobile internet customer base⁷ continued its positive trend, with 930,000 customers, thereby allowing Maroc Telecom to remain leader, with a market share of 39.9% in Q3 2011.

Blended ARPU⁸ for the first nine months fell 7.1% year on year, to MAD 88, affected by growth of the customer base and by significantly lower prices. These two effects were compensated partially by a strong rise in usage and by the growth of 3G mobile internet. Revenues from outbound mobile, excluding voice, reached 10.8% of the average bill.

Fixed-line and internet

In the first nine months of the year, the fixed-line and internet activities in Morocco generated gross revenues of MAD 5,671 million, a decline of 11.4% year on year, mainly because of lower fixed-line call traffic—menaced by mobile activity—and because of lower rates for lines leased by Maroc Telecom's fixed-line activity to its mobile activity.

At September 30, 2011, earnings from operations stood at MAD 1,581 million, down 21.4%, because of lower revenues and despite lower interconnection costs to mobile services.

(4) Revenues are stated net of intersegment revenues between subsidiaries' fixed-line and mobile activities, but include subsidiary-generated revenues (including service agreements), which are eliminated from consolidated revenues.

(5) Gross revenues include intragroup transactions (interconnection and leased-line costs) between fixed-line and mobile activities.

(6) The active customer base comprises prepaid customers who have made or received a voice call (paid or free) or who have sent an SMS or MMS at any time during the past three months; and postpaid clients who have not terminated their agreements.

(7) As from FY 2011, the active customer base for 3G mobile internet includes holders of a postpaid subscription agreement (with or without a voice offer) and holders of a prepaid internet subscription who have made at least one top-up during the past three months or whose top-up is still valid.

(8) ARPU is defined as revenues (generated by inbound and outbound calls and by data services) net of promotional offers, excluding roaming and equipment sales, divided by the average customer base for the period. In this instance, ARPU combines both prepaid and postpaid segments.

At September 30, 2011, the fixed-line customer base in Morocco was stable, at 1.233 million (+0.4% year on year), while the ADSL⁽⁹⁾ customer base had risen significantly, 14.7% year on year, to 552,000 subscribers. Enhanced offerings (MT Duo combining fixed-line telephony and broadband internet via ADSL) and lower prices further supported this trend.

- **Mauritania**

In the first nine months of 2011, Maroc Telecom's Mauritanian businesses generated net revenues of MAD 895 million, an increase of 0.1% (+8.2% at constant exchange rates), as a consequence of continued steady growth in the mobile customer base, boosted voice and data usage, and increased tariffs for international incoming traffic. At September 30, 2011, earnings from operations amounted to MAD 238 million, a decline of 16.1% from a year earlier (-9.4% on a comparable basis), because of higher operating expenses, particularly regulatory taxes.

At September 30, 2011, customer bases stood at:

- +12.3% for mobile, with 1.77 million customers;
- -0.2% for fixed line, with 40,879 lines;
- -1.2% for internet, with 6,530 customers.

- **Burkina Faso¹**

In the first nine months of 2011, Maroc Telecom's business activities in Burkina Faso generated net revenues of MAD 1,288 million, a decrease of 3.9% (-4.9% at constant exchange rates), because of significant price cuts carried out after the second half of 2010. In the third quarter of 2011, Onatel recovered top-line growth, which increased by 3.9%, compared with 2010. Growth was driven by steady expansion of the customer base and by increased usage.

In the first nine months of 2011, earnings from operations fell by 48.6%, to MAD 168 million (-49.3% on a comparable basis), the result of lower sales and higher interconnection costs to competitors. In the third quarter, earnings from operations grew by 19.0%, because of growing revenues and fixed-cost optimization efforts.

At September 30, 2011, Onatel had:

- 2.829 million mobile customers (+33.4%);
- 141,670 fixed lines (-8.9%);
- 29,796 internet customers (+16.9%).

(1) Data for the year 2010 were restated after a material misstatement was identified in the financial statements concerning distributor commissions paid to Onatel. This restatement lowered revenues by MAD 28.3 million, while earnings from operations before depreciation and amortization, earnings from operations, and net income were affected negatively, by MAD 33.4 million, compared with the data published for the first 9 months of 2010.

(9) The ADSL customer base includes narrow band and leased lines.

- **Gabon**

At September 30, 2011, Maroc Telecom's net revenues generated in Gabon amounted to MAD 746 million, a decline of 5.2% (-6.2% on a comparable basis) in a competitive environment that remains intense. Earnings from operations came to MAD 33 million, a margin of 4.4 points, down by 4.6 points year on year.

At September 30, 2011, Gabon Telecom had 502,000 active customers, including:

- 455,295 mobile customers (-27.9%);
- 24,033 fixed-line customers (-33.6%);
- 23,326 internet customers (+6.2%).

- **Mali**

At September 30, 2011, Maroc Telecom's net revenues from business activities in Mali amounted to MAD 1,530 million, a rise of 36% (+34.5% on a comparable basis) and the consequence of sustained growth of the mobile customer base (+87%) and of the international income. Earnings from operations tripled from the same period a year earlier, to MAD 432 million, with a margin of 28.2%.

Sotelma's customer bases continued to show impressive growth:

- +87% for mobile, with 3.655 million customers;
- +21% for fixed line, with 90,035 lines;
- +99% for internet, with 31,917 customers.

Maroc Telecom is a full-service telecommunications operator in Morocco and the domestic market leader in the fixed-line, mobile, and internet sectors. Maroc Telecom, whose main shareholders are Vivendi (53%) and the Kingdom of Morocco (30%), has been listed on the Casablanca and Paris stock exchanges since December 2004.

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Revenues and earnings from operations of first 9 months*

MAD million - IFRS		2010 restated**		2011			% change comparable basis		
	Total (net)	Mobile (gross)	Fixed/Internet (gross)	Total (net)	Mobile (gross)	Fixed/Internet (gross)	Total (net)	Mobile (gross)	Fixed/Internet (gross)
Consolidated revenues	23,687			23,210			(1.9%)		
Maroc Telecom	19,618	14,754	6,400	18,943	14,331	5,671	(3.4%)	(2.9%)	(11.4%)
Mauritel	894	770	161	895	763	171	8.2%	7.0%	14.6%
Onatel***	1,340	1,002	441	1,288	1,042	308	(4.9%)	2.9%	(30.9%)
Gabon Télécom	787	434	424	746	372	454	(6.2%)	(15.2%)	6.0%
Sotelma	1,126	881	251	1,530	1,288	253	34.5%	44.6%	(0.1%)
Mobisud	28	28	-	-	-	-	-	-	-
Consolidated EFO	10,472			9,502			(9.1%)		
Maroc Telecom	9,649	7,638	2,011	8,631	7,010	1,581	(10.5%)	(8.2%)	(21.4%)
Mauritel	284	276	9	238	223	15	(9.4%)	(12.7%)	84.3%
Onatel	327	448	(121)	168	420	(252)	(49.3%)	(7.2%)	ns
Gabon Télécom	70	21	50	33	(3)	36	(54.2%)	ns	(28.3%)
Sotelma	144	367	(223)	432	582	(151)	ns	56.9%	33.2%
Mobisud	(2)	(2)	-	-	-	-	-	-	-

* including Mobisud Belgium until 06/30/2010 - non audited

**The impact of the restatements under IAS 8 apply for correction of errors affected the data published at the end of June 2010. This restatement lowered revenues by MAD 28.3 million, while earnings from operations before depreciation and amortization were affected negatively, by MAD 33.4 million, compared with the data published for the nine first months of 2010.

***Revenues generated by Onatel from international incoming and outgoing Mobile traffic are accounted for directly under Mobile segment revenues in 2011, while they were accounted for as transit revenues of Onatel's Fixed-line operations. 2010 financial data was therefore restated in order to allow for comparisons

Operational data*

thousands - end of period	2010				2011		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Mobile customer base	20,333	21,515	23,031	23,724	24,055	25,348	25,680
Maroc Telecom	15,578	15,904	16,740	16,890	16,655	16,994	16,969
Prepaid	14,872	15,173	15,989	16,073	15,778	16,060	16,010
Postpaid	706	731	751	817	877	934	959
Mauritel	1,473	1,547	1,578	1,576	1,696	1,827	1,772
Onatel	1,812	1,994	2,122	2,397	2,692	2,796	2,829
Gabon Télécom**	528	577	631	699	398	448	455
Sotelma	911	1,464	1,959	2,162	2,614	3,284	3,655
Mobisud	31	29	-	-	-	-	-
Fixed-line customer base	1,533	1,541	1,534	1,521	1,527	1,529	1,529
Maroc Telecom	1,232	1,237	1,227	1,231	1,239	1,234	1,233
Mauritel	43	42	41	41	40	41	41
Onatel	153	154	155	144	143	143	142
Gabon Télécom	36	36	36	27	24	24	24
Sotelma	69	72	74	79	80	87	90
Internet customer base	537	546	551	574	599	615	644
Maroc Telecom	476	479	481	497	516	528	552
Mauritel	7	7	7	7	7	7	7
Onatel	24	25	25	28	29	29	30
Gabon Télécom	20	21	22	22	23	22	23
Sotelma	10	14	16	20	24	28	32

* including Mobisud Belgium until 06/30/2010

**clean-up of the customer base during Q1-11

Revenues and earnings from operations of the 3rd quarter*

MAD million - IFRS		2010 restated**		2011			% change comparable basis		
	Total (net)	Mobile (gross)	Fixed/Internet (gross)	Total (net)	Mobile (gross)	Fixed/Internet (gross)	Total (net)	Mobile (gross)	Fixed/Internet (gross)
Consolidated revenues	8,240			7,886			(4.3%)		
Maroc Telecom	6,855	5,235	2,088	6,398	4,913	1,836	(6.7%)	(6.2%)	(12.1%)
Mauritel	299	260	51	294	253	54	6.3%	5.0%	13.7%
Onatel***	425	316	142	442	368	95	1.8%	14.2%	(34.7%)
Gabon Télécom	275	157	143	274	151	146	(2.3%)	(5.6%)	0.0%
Sotelma	422	343	79	555	471	87	28.7%	34.7%	8.0%
Consolidated EFO	3,829			3,407			(11.0%)		
Maroc Telecom	3,546	2,897	648	3,053	2,533	520	(13.9%)	(12.6%)	(19.8%)
Mauritel	89	90	(2)	68	60	9	(16.5%)	(28.4%)	ns
Onatel	68	123	(55)	81	156	(75)	16.3%	23.6%	(33.0%)
Gabon Télécom	36	16	21	22	17	4	(41.3%)	9.6%	(79.6%)
Sotelma	90	153	(64)	182	172	10	99.4%	9.7%	ns

* non audited

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***Revenues generated by Onatel from international incoming and outgoing Mobile traffic are accounted for directly under Mobile segment revenues in 2011, while they were accounted for as transit revenues of Onatel's Fixed-line operations. 2010 financial data was therefore restated in order to allow for comparisons