

RÉSULTATS 2009

Rabat, February 23, 2010

Consolidated Results at December 31, 2009

- **Better than expected results.**
- **Strong growth in Group customer base: up 12.6% to MAD21.7 million**

- Revenues of MAD30.3 billion (up 2.8%)
- EBITDA of MAD18.1 billion (up 2.9%) vs 2008
- Earnings from operations of MAD14 billion, representing an operating margin of 46.2%
- Proposal to maintain the dividend payout ratio of 100%, representing a dividend per share of MAD10.31 and a dividend yield of around 7%*
- 2010 Outlook :
 - Moderate growth in revenues, driven mainly by growth of subsidiaries
 - Profitability to be maintained at high levels while pursuing a sustained program of capital expenditure

Commenting the 2009 consolidated results, Abdeslam Ahizoune, Chairman of the Management Board of Maroc Telecom, stated:

"In a difficult environment, Maroc Telecom Group exceeded its forecasts both for revenue growth and a stable operating margin. Notwithstanding the acquisition of a 51% stake of Sotelma in Mali and a dividend payout ratio of 100%, it has maintained an active investment policy focused on enhancing the quality of its services and spurring innovation for clients."

* Based on share price at February 19, 2010



GROUP CONSOLIDATED RESULTS

• Revenues

Maroc Telecom Group's 2009 consolidated revenues¹ amounted to MAD30,339 million, up 2.8% versus 2008 (up 1.3% on a comparable basis²), underpinned, on the one hand, by results in Morocco and the solid performances of its subsidiaries, notwithstanding the impacts of a challenging economic and regulatory climate, and, on the other hand, by the promotional efforts, capital expenditure and innovations that Maroc Telecom continues to pursue.

The Group's 2009 fourth quarter revenues amounted to MAD7,917 million, up 5.8% versus 2008 (up 1.9% on a comparable basis²).

Maroc Telecom had 21.7 million customers at end-2009, up 12.6% year on year, reflecting the inclusion of Sotelma, the resurgence in the growth of the Mobile activity in Morocco and continued expansion of the subsidiaries' customer bases.

• Earnings from operations (EFO)

The Group's 2009 consolidated earnings from operations amounted to MAD14,008 million, up 0.9% versus 2008 (up 0.3% on a comparable basis²). This increase was achieved in spite of the impact of maintaining promotional initiatives aimed at stimulating markets and the increased amortization expenses arising from the ongoing capital expenditure program. Consolidated operating margin came to 46.2%.

Consolidated earnings from operations for 2009 fourth quarter amounted to MAD3,856 million, up 10.1% on a comparable basis versus 2008. This increase was attributable to a reduction in amortization expenses for capital expenditure completed at year-end.

Consolidated EBITDA for the 2009 fiscal year amounted to MAD18,149 million, up 2.9% versus 2008 (up 1.7% on a comparable basis²). This contributed to a moderate increase in the EBITDA margin, which rose to 59.8% (up 0.2 points on a comparable basis²), thanks to a systematic cost optimization policy. Consolidated operating expenses (excluding depreciation) increased by just 0.9% on a comparable basis thanks to a more than 5% reduction in the operating expenses of the subsidiaries.

• Net earnings (Group share) and distributable earnings

Net earnings – Group share amounted to MAD9,425 million, down 1.0% versus 2008.

Distributable earnings for fiscal 2009 came to MAD9,063 million.

¹ At December 31, 2009, Maroc Telecom established its results by consolidating the contributions from the Mauritel, Onatel, Gabon Télécom and Sotelma Groups and its subsidiaries Mobisud France (until May 31, 2009) and Mobisud Belgium. Mobisud France was no longer consolidated as from June 1, 2009. Sotelma was consolidated as from August 1, 2009.

² Comparable basis illustrates the full consolidation of Sotelma, as if this transaction had occurred as of August 1, 2008, and constant exchange rates (MAD/Mauritanian Ouguiya/CFA Franc/Euro).

- **Capital Expenditure, Cash and Cash Equivalents**

After distributing a MAD9.5 billion dividend to shareholders in respect of fiscal 2008 and network capital expenditures of more than MAD5.8 billion, the Group's consolidated net cash position³ amounted to a negative MAD3.6 billion at December 31, 2009 versus MAD376 million at December 31, 2008.

Cash flow from operating activities amounted to MAD14,816 million at end-December 2009, up 27.9% versus 2008, and included the positive impact of the reduction in the corporate tax rate.

- **Dividend**

The Supervisory Board of Maroc Telecom will propose to the shareholders meeting, to be held on April 22, 2010, the payment of an ordinary dividend of MAD10.31 per share, representing an amount of MAD9.063 billion, corresponding to the distribution of all of the 2009 distributable earnings. The dividend will be made available for payment on May 31, 2010.

- **2010 Outlook**

Based on current market conditions, and barring any unforeseen disruptions to the Group's operations, Maroc Telecom will achieve moderate growth in revenues in 2010, driven mainly by growth of subsidiaries, and will maintain profitability at high levels while pursuing a sustained capital expenditure program.

³ Cash and cash equivalents less borrowings and other current and non-current liabilities, including cash held in escrow for bank borrowings.

OPERATING REVIEW

• Morocco

The Group's operations in Morocco generated net revenues⁴ of MAD25,764 million in 2009, up 0.1% versus 2008, EBITDA of MAD16,158 million, down 1.5%, and earnings from operations of MAD13,080 million, down 3.5% versus 2008, chiefly due to the impact of promotional initiatives deployed to stimulate the market and maintain the leadership.

Mobile

In a restrictive regulatory environment, 2009 gross revenues⁵ generated by Mobile operations in Morocco increased by 1.8% to MAD18,866 million, thanks to a continued increase in outgoing revenues of 5.4% and despite reductions of 4.1% in incoming revenues, 5.4% in roaming-in revenues and 15.8% in handset sales.

The number of Mobile customers⁶ continued to expand in the fourth quarter, ending the year with an increase of 5.6% versus 2008 to reach 15.272 million. The postpaid segment continued to record solid customer acquisition, with a growth of 13.2% to 682,000 subscribers. Spurred by the success of the customer loyalty program, the cumulative blended churn rate for 2009 fell to 33.5%, down by 1.4 points relative to 2008 and to 13.2% (-0.7 points versus 2008) for the postpaid segment.

Blended ARPU⁷ for the year came to MAD97.7, reflecting a moderate decline of 1.4% versus 2008, thanks to an increase in outgoing ARPU (up 0.9%) following the rise of the outgoing usage by 3.2% to 52 min/customer/month and despite lower incoming revenues.

Earnings from operations in the Mobile segment fell by 5.3% in 2009 to MAD9,708 million. The operating margin remained at a high level of 51.5%, despite the impact of increases in interconnection costs and inter-company leased line costs necessary for network expansion.

Fixed-Line and Internet

Fixed-Line and Internet activities posted 2009 gross revenues⁵ of MAD9,312 million, down 3.8%, primarily due to a 6.1% fall in Voice revenues and a 30.8% decline in interconnection revenues. Data revenues expanded by 10.6% to MAD2,166 million.

Maroc Telecom had 1.234 million fixed lines in service at year-end, down 5% year on year, due mainly to shrinkage in the Residential customer base (down 8.8%) resulting from Mobile competition. The average amount billed fell by 2.4% versus 2008 to MAD390.

At end-2009, Maroc Telecom had over 469,000 ADSL subscribers, down 1.7% year on year. In addition, it had close to 174,000 3G+ Mobile Broadband customers at year-end versus less than 30,000 customers at end-2008. This brought the number of Internet customers to 645,000, up 26% versus 2008.

⁴ Net revenues exclude inter-segment revenues between the Fixed and Mobile activities of each subsidiary, but include intercompany revenues (e.g. service-level agreements) which are eliminated from consolidated revenues.

⁵ Gross revenues include inter-segment transactions (interconnection costs and leased lines) between Fixed-Line and Mobile operations.

⁶ Active customer base, comprising prepaid customers having made or received a voice call in the last three months, non-cancelled postpaid customers, including 3G customers.

⁷ ARPU (Average Revenue Per User) is defined as revenue from incoming and outgoing calls and data services, net of promotions and excluding roaming in and handset sales, divided by the average prepaid and postpaid customer base over the period.

Earnings from operations in the Fixed-Line and Internet segment came to MAD3,371 million, up 2.1% versus 2008, notably thanks to the positive impact from reductions in interconnection tariffs and growth in inter-company data revenues (up 14.3%)

- **Mauritania**

In 2009, the Group's operations in Mauritania generated net revenues⁴ of MAD1,105 million, up 1.7% (up 4.8% at constant exchange rates). Mauritel posted MAD355 million in earnings from operations, down 1.6% at constant exchange rates versus 2008. This decrease was attributable to a deterioration in Mobile segment profitability in an intensely competitive market context. Mauritel's operating margin stood at 32.1%, down 2.1 points versus 2008, reflecting the impact of the promotional efforts deployed to preserve the operator's market leadership.

Mauritel's Mobile customer base stood at 1.335 million customers at end-2009, up 17% versus 2008. The number of fixed lines in service fell by 16% to 41,000 lines while the number of Internet access points fell to 6,000 (down 33%), following a clean-up of the subscriber database which gave rise to terminations.

- **Burkina Faso**

In 2009, the Group's operations in Burkina Faso generated net revenues⁴ of MAD1,693 million, up 15.3% (up 16.3% at constant exchange rates), thanks to its solid performances in the Mobile, Fixed-Line and Internet segments. Onatel posted MAD322 million in earnings from operations, up 54.8% at constant exchange rates versus 2008, mainly thanks to an improvement in Mobile segment profitability. Although Onatel once again posted losses from operations for 2009 in the Fixed-Line segment, its overall EBITDA margin increased by 3.5 points to 44.8%.

Onatel's Mobile customer base stood at 1.569 million customers at end-2009, up 61% versus 2008. The number of fixed lines in service rose by 5% to 152,000 lines while the number of Internet subscribers increased by 35% to around 23,000 customers.

- **Gabon**

In 2009, the Group's operations in Gabon generated net revenues⁴ of MAD1,220 million, up 2.8% (up 3.7% at constant exchange rates). Gabon Télécom posted MAD214 million in earnings from operations, versus a negative MAD11 million in 2008, boosted by a significant increase in Fixed-Line segment profitability following the restructuring plan introduced in late 2008.

The Mobile customer base stood at 513,000 customers at end-2009, up 15% versus 2008. The number of fixed lines in service rose by 9% to 36,000 lines while the number of Internet subscribers increased by 43% to around 20,000.

- **Mali**

The Group's operations in Mali generated net revenues⁴ of MAD554 million in the final five months of 2009, up 3.7% on a comparable basis². Earnings from operations posted by Sotelma amounted to MAD63 million for the same period, versus MAD21 million in 2008.

At end-2009, Sotelma had around 818,000 Mobile customers (up 39% versus end-2008), 65,000 fixed lines in service and 7,000 Internet customers.

- **France and Belgium**

The MVNO Mobisud posted combined revenues of MAD125 million and a MAD25 million loss from operations in fiscal 2009. For reference, Mobisud France has no longer been consolidated since June 1, 2009. At end-2009, Mobisud Belgium had an active customer base of around 95,000 customers.

A full-service telecommunications operator, Maroc Telecom is the domestic market leader in all its business activities: Fixed-Lines, Mobile and Internet. Maroc Telecom is listed on the Casablanca and Paris stock exchanges since December 2004 and its main shareholders are Vivendi (53%) and the Kingdom of Morocco (30%).

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2009 Revenues and EFO

MAD million - IFRS	2008			2009			% change comparable basis		
	Total (net ⁴)	Mobile (gross) ⁽⁵⁾	Fixe/Internet (gross) ⁽⁵⁾	Total (net ⁴)	Mobile (gross) ⁽⁵⁾	Fixe/Internet (gross) ⁽⁵⁾	Total (net ⁴)	Mobile (gross) ⁽⁵⁾	Fixe/Internet (gross) ⁽⁵⁾
Consolidated revenues⁽¹⁾	29,521	21,183	11,319	30,339	22,190	11,106	1.3%	3.4%	(3.2%)
Maroc Telecom	25,738	18,529	9,683	25,764	18,866	9,312	0.1%	1.8%	(3.8%)
Mauritel ⁽⁸⁾	1,086	898	256	1,105	935	263	4.8%	7.3%	5.8%
Onatel	1,467	881	758	1,693	1,162	770	16.3%	33.0%	2.4%
Gabon Télécom	1,187	692	622	1,220	688	615	3.7%	0.1%	(0.3%)
Sotelma	-	-	-	554	414	145	3.7%	13.2%	(17.6%)
Mobisud	183	183	-	125	125	-	0.0%	0.0%	-
Consolidated EFO⁽¹⁾	13,889	10,720	3,169	14,008	10,712	3,297	0.3%	(1.4%)	6.3%
Maroc Telecom	13,557	10,255	3,302	13,080	9,708	3,371	(3.5%)	(5.3%)	2.1%
Mauritel ⁽⁸⁾	372	390	(18)	355	328	27	(1.6%)	(13.1%)	ns
Onatel	210	270	(60)	322	428	(106)	54.8%	59.9%	(77.9%)
Gabon Télécom	(11)	44	(55)	214	111	103	ns	155.4%	ns
Sotelma	-	-	-	63	162	(98)	ns	84.3%	(48.2%)
Mobisud	(239)	(239)	-	(25)	(25)	-	ns	ns	-

Fourth quarter revenues and EFO

MAD million - IFRS	2008			2009			% change comparable basis		
	Total (net ⁴)	Mobile (gross) ⁽⁵⁾	Fixe/Internet (gross) ⁽⁵⁾	Total (net ⁴)	Mobile (gross) ⁽⁵⁾	Fixe/Internet (gross) ⁽⁵⁾	Total (net ⁴)	Mobile (gross) ⁽⁵⁾	Fixe/Internet (gross) ⁽⁵⁾
Consolidated revenues⁽¹⁾	7,484	5,391	2,933	7,917	5,901	2,789	1.9%	5.9%	(8.2%)
Maroc Telecom	6,456	4,668	2,497	6,518	4,847	2,284	1.0%	3.8%	(8.5%)
Mauritel ⁽⁸⁾	288	234	68	269	235	65	9.6%	17.5%	11.6%
Onatel	394	238	204	437	313	189	8.7%	29.3%	(9.2%)
Gabon Télécom	334	199	164	356	216	167	4.7%	7.1%	(0.3%)
Sotelma	-	-	-	351	269	85	2.4%	14.8%	(25.8%)
Mobisud	53	53	-	38	20	-	-	(2.3%)	-
Consolidated EFO⁽¹⁾	3,469	2,618	851	3,856	3,073	783	10.1%	14.8%	(5.1%)
Maroc Telecom	3,344	2,478	866	3,514	2,759	755	5.1%	11.4%	(12.7%)
Mauritel ⁽⁸⁾	56	71	(15)	57	56	1	28.0%	(1.2%)	114.9%
Onatel	70	74	(4)	80	100	(20)	14.3%	32.4%	ns
Gabon Télécom	8	4	4	127	63	64	ns	ns	ns
Sotelma	-	0	-	83	101	(18)	98.3%	54.2%	28.5%
Mobisud	(9)	(9)	-	(6)	(6)	-	(21.1%)	(29.0%)	-

Operational data

thousands - end of period	2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Mobile customer base⁽⁶⁾	15,897	16,574	17,204	17,184	17,624	17,553	19,306	19,602
Maroc Telecom	13,697	14,224	14,629	14,456	14,630	14,289	15,239	15,272
Prepaid	13,172	13,658	14,064	13,853	13,988	13,618	14,570	14,590
Postpaid	525	566	565	603	642	671	669	682
Mauritel	959	1,015	1,104	1,141	1,218	1,315	1,351	1,335
Onatel	645	756	877	977	1,162	1,316	1,402	1,569
Gabon Télécom	392	424	453	447	471	533	545	513
Sotelma	-	-	-	-	-	-	685	818
Mobisud	204	155	141	163	143	100	84	95
Fixed-line customer base	1,526	1,536	1,530	1,526	1,524	1,533	1,576	1,528
Maroc Telecom	1,335	1,329	1,314	1,299	1,286	1,290	1,269	1,234
Mauritel	40	46	47	49	54	56	57	41
Onatel	126	130	138	145	149	151	152	152
Gabon Télécom	25	31	31	33	35	36	36	36
Sotelma	-	-	-	-	-	-	62	65
Internet customer base	517	520	518	522	536	537	529	527
Maroc Telecom	487	487	482	482	488	486	473	471
Mauritel	6	7	8	9	10	11	11	6
Onatel	13	15	16	17	19	21	22	23
Gabon Télécom	11	11	12	14	19	19	20	20
Sotelma	-	-	-	-	-	-	3	7

(8) As from 2009, revenues generated by Mauritel from international incoming and outgoing Mobile traffic were accounted for directly under Mobile segment revenues whereas until the end of 2008, they were accounted for as transit revenues of Mauritel's Fixed-line operations. 2008 financial data was therefore restated in order to allow for comparisons.

CONSOLIDATED BALANCE SHEET

ASSETS *(In millions of Moroccan dirhams)*

	<u>Dec. 31, 2009</u>	<u>Dec. 31, 2008</u>
Goodwill	7,271	2,117
Other intangible assets	3,723	3,889
Property, plant and equipment net	21,468	18,684
Investments in equity affiliates	0	0
Non-current financial assets	572	326
Deferred tax assets	63	17
Non-current assets	33,096	25,033
Inventories	653	744
Trade accounts receivable and other	11,196	9,827
Current financial assets	45	105
Cash and cash equivalent	874	2,678
Available for-sale assets	56	96
Current assets	12,824	13,450
TOTAL ASSETS	45,920	38,483

SHAREHOLDERS' EQUITY AND LIABILITIES *(In millions of Moroccan dirhams)*

	<u>Dec. 31, 2009</u>	<u>Dec. 31, 2008</u>
Share capital	5,275	5,275
Retained earnings	3,864	3,914
Net earnings	9,425	9,520
Capital attributable to equity holders of the parent	18,564	18,709
Minority interest	4,369	1,647
Total shareholders' equity	22,934	20,356
Non-current provisions	230	180
Borrowings and other non-current financial liabilities	3,108	1,039
Deferred tax liabilities	126	100
Non-current liabilities	3,464	1,319
Trade accounts payable	17,176	14,763
Current income tax liabilities	146	114
Current provisions	503	519
Borrowings and other current financial liabilities	1,697	1,412
Current liabilities	19,522	16,808
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	45,920	38,483

CONSOLIDATED INCOME STATEMENT

(In millions of Moroccan dirhams)

	2009	2008
Revenues	30,339	29,521
Cost of purchases	(4,874)	(4,471)
Payroll costs	(2,604)	(2,705)
Taxes and duties	(877)	(754)
Other operating income (expenses)	(3,783)	(3,643)
Net depreciation, amortization and provisions	(4,193)	(4,059)
Earnings from operations	14,008	13,889
Other income and charges from ordinary activities	(5)	(14)
Income from equity affiliates	43	(62)
Earnings from continuing operations	14,046	13,812
Income from cash and cash equivalents	79	112
Borrowing costs	(228)	(106)
Net borrowing costs	(149)	6
Other financial income and expenses	2	388
Net financial income (expense)	(147)	394
Income tax expense	(4,120)	(4,196)
Net earnings	9,779	10,010
Exchange gain or loss from foreign activities	(57)	16
Other income and expenses		
Earnings	9,722	10,026
Net earnings	9,779	10,010
Attributable to equity holders of the parents	9,425	9,520
Minority interests	354	490
Earnings	9,722	10,026
Attributable to equity holders of the parents	9,403	9,526
Minority interests	319	500
EARNINGS PER SHARE (In Moroccan dirhams)	2009	2008
Net earnings - group share	9,425	9,520
Number of shares at December 31	879,095,340	879,095,340
Earnings per share	10.7	10.8
Diluted earnings per share	10.7	10.8

CONSOLIDATED STATEMENT OF CASH FLOWS

	<u>2009</u>	<u>2008</u>
Earnings from operations	14,008	13,889
Amortization and other adjustments	4,046	3,971
Gross Cash Earnings	<u>18,055</u>	<u>17,859</u>
Other elements of the net change in working capital	576	(1,350)
Cash flow from operating before income tax expense	<u>18,631</u>	<u>16,510</u>
Tax paid	(3,815)	(4,930)
Net cash from operating activities (a)	<u>14,816</u>	<u>11,580</u>
Purchase of PP&E and intangible assets	(5,585)	(4,972)
Purchase of consolidated investments	(3,045)	
Purchase of equity affiliates		(18)
Increase in financial assets	(153)	(80)
Disposals of PP&E and intangible assets	153	228
Decrease in financial assets	39	4
Dividends received from non-consolidated investments	8	1
Net cash used in investing activities (b)	<u>(8,583)</u>	<u>(4,838)</u>
Share capital increase	43	19
Dividends paid by Maroc Telecom	(9,516)	(8,088)
Dividends paid by subsidiaries to minority shareholders	(160)	(146)
Changes in share capital	<u>(9,633)</u>	<u>(8,215)</u>
Borrowings and increase in other non-current financial liabilities	2 997	208
Payments on borrowings and decrease in other non-current financial liabilities	(58)	(9)
Borrowings and increase in other current financial liabilities	67	308
Payments on borrowings and decrease in other current financial liabilities	(1,026)	(263)
Changes in current accounts debtors/financial creditors	(167)	162
Net interests (only Cash)	(149)	5
Other cash expenses (income) used in financing activities	(34)	1
Changes in borrowings and other financial liabilities	<u>1,631</u>	<u>412</u>
Net cash used in financing activities (d)	<u>(8,002)</u>	<u>(7,803)</u>
Effect of foreign currency adjustments and other non-cash expenses (income) (G)	<u>(35)</u>	<u>13</u>
Change in cash and cash equivalents (a)+(b)+(d)+(g)	<u>(1,804)</u>	<u>(1,048)</u>
Cash and cash equivalents at beginning of period	<u>2,678</u>	<u>3,725</u>
Cash and cash equivalents at end of period	<u>874</u>	<u>2,678</u>