



# **2010** Annual Report

## Maroc Telecom Group

# MAROC TELECOM GROUP PROFILE

► Nearly **26** Million clients in 5 countries **+ 19 %** in one year

► **23,7** Million mobile users in 5 countries

► **1,5** Million landline users in 5 countries

► **580 000** Active Internet Clients in 5 countries

► **31,7** Billion MAD in Sales

**+ 4,3 %** in one year

► **18,6** Billion MAD gross operating income (ebitda)

**+ 2,5 %** in one year

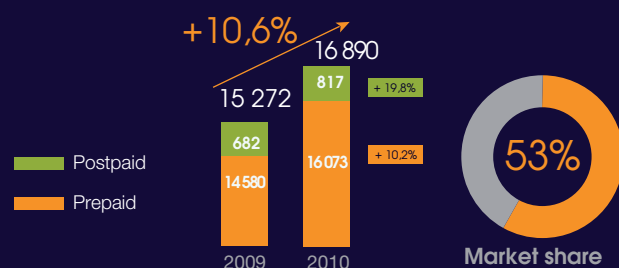
► **9,5** Billion MAD net income, market share

**+ 1,2 %** in one year

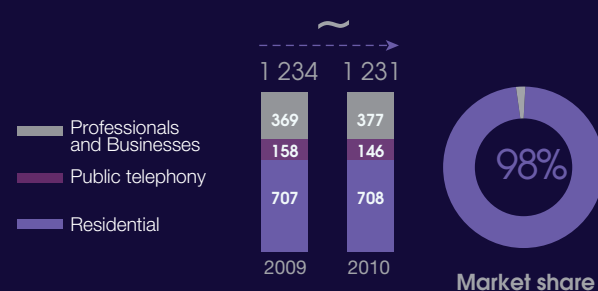
## Activities in Maroc Telecom's subsidiaries

### Activities in Morocco

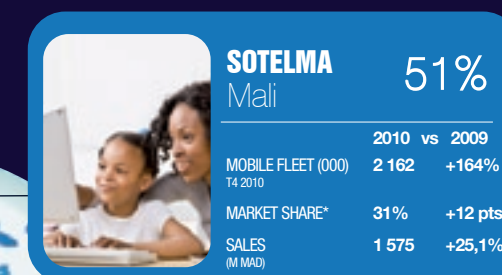
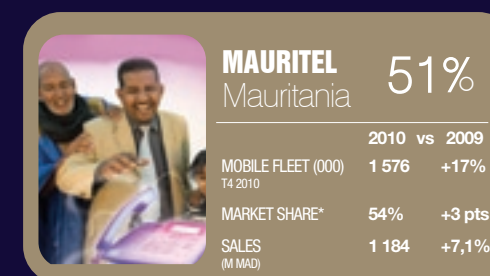
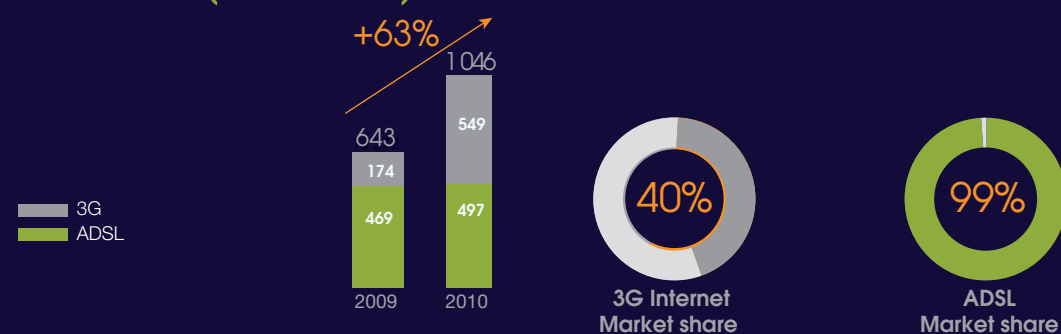
Mobile Fleet (in thousands)



Landline clients base (in thousands)



Internet Fleet (in thousands)



\*T3 2010 vs T4 2009 (Source Dataxis)





# Summary

 A Message from the President	P.06	 2010 Highlights	P.26
 Governance bodies	P.10	 Leading brands	P.31
 Strategic vision	P.16	 Consumer services	P.32
 Key figures	P.19	 Professional and business services	P.42
 The IAM security	P.22	 Expertise-driven Performance	P.50



01

A Message from the President







## A Message from The President

**Abdeslam AHIZOUNE**  
Chairman of the Management Board

2010 was a good year for the Maroc Telecom Group - A year in which we upheld our unquestionable leadership and once again exceeded our objectives in a buoyant economy.

More than 26 million customers have entrusted Maroc Telecom with their telecommunications needs – a 19% increase compared to 2009. The Group's revenues have risen significantly to reach \$31.7 billion Dirham. The Group's subsidiaries – in Burkina Faso, Gabon, Mali and Mauritania – have also contributed substantially as the synergy strategy implemented throughout the various domains is paying off.

The Group's achievements took place in a context of increasingly intensive competition. We followed a consistent and extensive investment policy to ensure both service and network quality, and constant innovation. Our perpetual goal being to provide new solutions, strive for excellence in human resources and be rigorous in our management style.

Although faced with fierce competition, the Maroc Telecom Group kept to its vocation of being an operator at the service of everyone. Once again, our absolute priorities for 2010 included: reducing the digital divide, providing greater accessibility to services through substantial price cuts and strengthening our distribution networks for more closeness.

The Group's role in the economic and social development in partner countries has not wavered. This explains why we are still the leading provider for the Kingdom by supplying about 130,000 direct and indirect jobs. Likewise, our subsidiaries played essential roles in their respective countries by being among the main taxpayers and by contributing to the employment of thousands of employees.

The Group's social commitments were reinforced in multiple ways – by improving the well being of employees, by promoting the access to knowledge, by supporting the various foundations and associations and above all – by touching a wide array of core themes: from social considerations, sports and cultural events, human rights and environmental preservation.

Conscious of its responsibilities and building on the trust of its millions of clients, Maroc Telecom mobilised its energy and resources more than ever to meet the numerous expectations placed upon the Group.

Abdeslam AHIZOUNE



## GOVERNANCE BODIES

Maroc Telecom opted for a corporate governance structure consisting of a Management Board and a Supervisory Board. This form of dual governance separates the company's management powers, which are entrusted to the Supervisory Board, from the control powers, which are entrusted to the Supervisory Board.





## Management Board

### The President



**Abdeslam AHIZOUNE**

Chairman of the  
Management Board

### Members



**Larbi GUEDIRA**

Managing Director  
Services



**Arnaud CASTILLE**

Managing Director  
Finance and Administration



**Janie LETROT**

Managing Director  
Regulations  
and Legal Affairs



**Rachid MECHAHOURI**

Managing Director  
Networks and Systems

The Management Board administers and manages the company under the control of a Supervisory Board. The Board meets on average twice a month. It is composed of five members representing the company's various branches whom ensure its management in a collaborative manner. With the approval of the Supervisory Board, the members take on all the management tasks. Their decisions are taken by majority vote of present or represented members.

## Supervisory Board

### PRESIDENT

**Salaheddine MEZOUAR**

Minister of Economy and Finances

### VICE-PRESIDENT

Jean-Bernard LEVY

CEO of Vivendi's Management Board

### MEMBERS

**Taïeb CHERQAOU**

Interior Minister

**Samir Mohammed TAZI**

Public Enterprises and Privatization Director to the Ministry  
of Economy and Finance

**Jean-René FOURTOU**

Chairman of Vivendi's Supervisory Board

**Philippe CAPRON**

CFO and member of Vivendi's Management Board

**Régis TURRINI**

Strategy and Development Director at Vivendi

**Gérard BREMOND**

CEO of the Pierre et Vacances Group (SA)

**Jacques ESPINASSE**

Corporate Director

The Supervisory Board is composed of at least eight members appointed for six years, three representing the Kingdom of Morocco, five, representing Vivendi. The Supervisory Board is in charge of continuously monitoring the management of the company. It is responsible for presenting at the shareholders' Annual General Meeting comments on the Management Board's report and financial statements. In 2010, the Supervisory Board convened three times to approve both achievements and growth prospects of the company.

## ▾ The Audit Committee

### PRESIDENT

**Philippe CAPRON**  
CFO and member of Vivendi's Management Board

### MEMBERS

**Noureddine BOUTAYEB**  
Wali, Secretary General of the Ministry of Interior

**Monkid MESTASSI**  
Secretary General of the Department of Economic and General Affairs

**Samir Mohammed TAZI**  
Public Enterprises and Privatization Director at the Ministry of Economy and Finance

**Sandrine DUFOUR**  
Innovation Director and Deputy Chief Financial Officer of Vivendi  
Chairwoman of Vivendi Mobile Entertainment (VME)

**Pierre TROTOT**  
Senior Executive Vice President of SFR

**Jacques ESPINASSE**  
Corporate Director

The Audit Committee is responsible for making recommendations and/or giving advice on accounting procedures governing the Group's operations. Created by the Supervisory Board, the Audit Committee responds to the shareholders' will to implement International Standards for Maroc Telecom's Corporate Governance and Internal Controls. The Audit Committee is composed of a chairman and six permanent members, with three representatives to the Kingdom of Morocco and four representatives from Vivendi, including the President. The Audit Committee held three meetings in 2010.





## STRATEGIC VISION

Countries where the Maroc Telecom Group operates: Morocco and Sub-Saharan countries benefit from a booming population and economic growth. The International Monetary Fund expects a 4.3% growth of the Gross Domestic Product in 2011 for Morocco and a 5.5% growth for Sub-Saharan Africa. The Moroccan telecommunications market grew by 6% in 2010 while mobile penetration reached 101% in late 2010 (source ANRT). In this positive economic

trend, the Group was able to benefit in 2010 from the growth of telecom markets where it operates, especially the mobile sector. Maroc Telecom's vision is based on strong fundamentals and its solid capacity to anticipate. A strategy that bears multiple usage opportunities to as many people as possible, both in Morocco and in the subsidiaries' countries.



# 03

## STRATEGIC VISION



### Strengthening the leadership

- ▶ Continue carrying out major investment programs for the group, to expand and densify networks, deploy the most recent technologies and improve service quality
- ▶ Continue developing the distribution networks for more proximity
- ▶ Maintaining a policy of constant innovation by anticipating consumer expectations



### Pursuing our international expansion

- ▶ Strengthening and consolidating the subsidiaries' growth
- ▶ Improving the coverage and densification of networks
- ▶ Seizing opportunities of acquisitions that create value

### Working towards sustainable development

- ▶ Pursuing efforts to open up to the most isolated regions
- ▶ Bridging the digital divide and promoting broadband technology
- ▶ Supporting the development of countries where the Group operates

### Maintaining margins

- ▶ Ensuring rigorous management and improving cost control

# 04

## KEY FIGURES

« The Maroc Telecom Group once again exceeded its operational and financial goals». Its revenues have grown significantly and margins were maintained at a high level. This performance, recorded in an intensely competitive environment is the result of significant investments made to improve the quality of both services and networks. These efforts, combined with the innovation of its solutions that helped seduce and retain more customers, reinforce the undeniable leadership of the Group on all its activities.»

Abdeslam Ahizoune, Chairman of the Management Board



## Key figures for the Maroc Telecom Group as of December 31, 2010

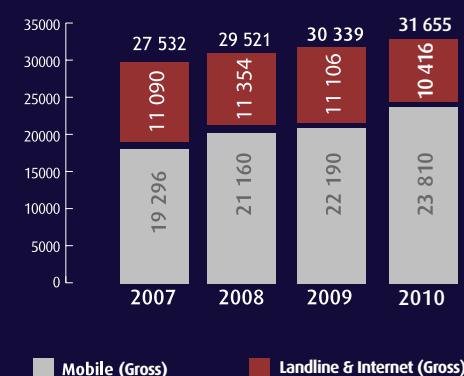
Employees of the Maroc Telecom Group  
**13942 employees**



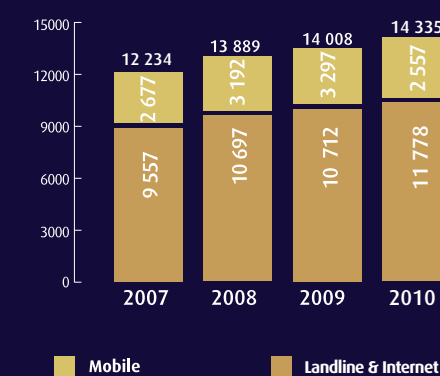
### Number of mobile clients (In thousands)



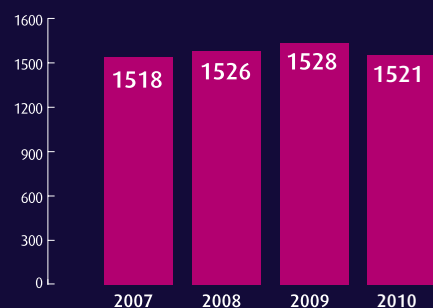
### Consolidated turnover in IFR standards (in million MAD)



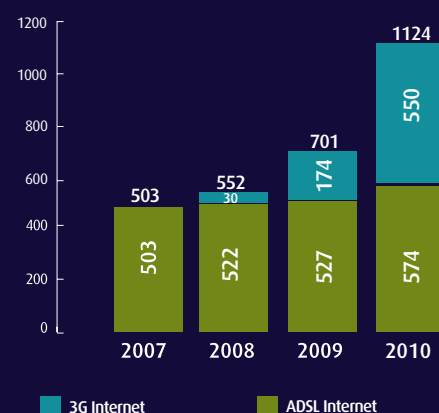
### Consolidated operating result in IFR standards (in million MAD)



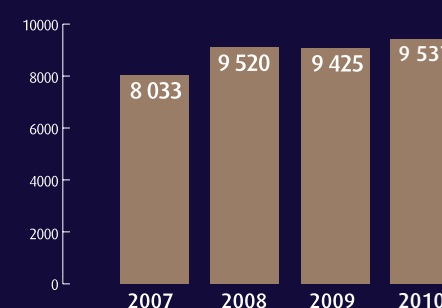
### Number of landlines (In thousands)



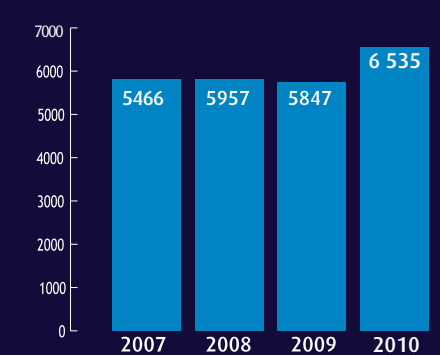
### Number of internet subscribers (including 3G) (In thousands)



### Consolidated net income (group share) in IFR standards (in million MAD)



### Consolidated investments in IFR standards (in million MAD)





05

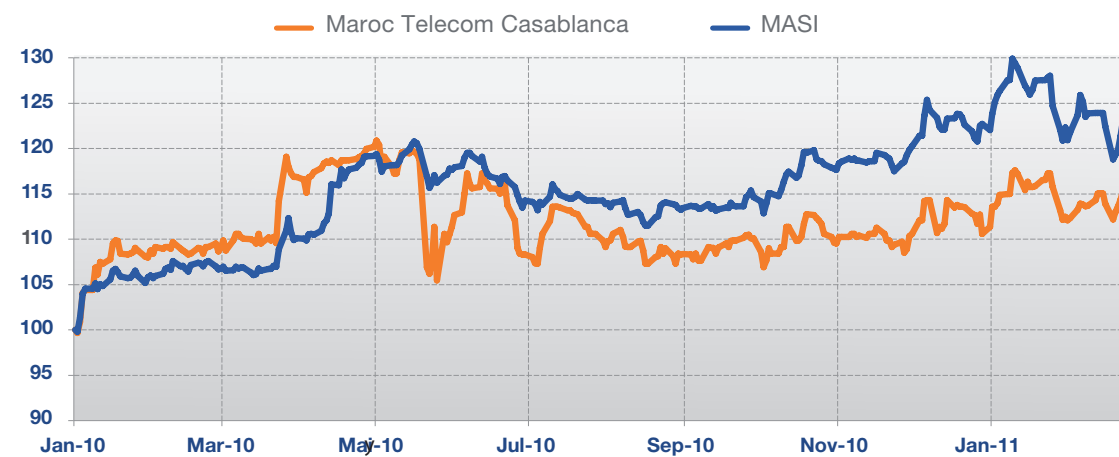
## THE IAM SECURITY

Since December 13, 2004, the IAM security is listed both on the stock markets of Paris and Casablanca.

Total number of securities : 879 095 340

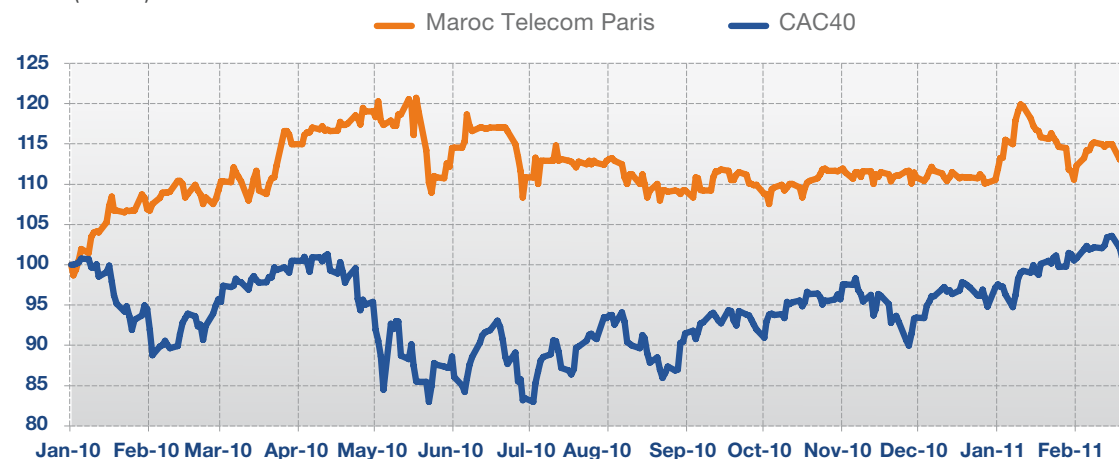
## Evolution of the Maroc Telecom security on the Casablanca Stock Exchange

The Maroc Telecom security is listed on Casablanca's Stock exchange's main marketplace under: IAM.  
Code 8001 IAM  
Casablanca (MAD) vs. MASI



## Evolution of the Maroc Telecom security on the Paris Stock Exchange

The Maroc Telecom security is also listed on NYSE Euronext Paris - Foreign Securities under IAM.  
Code ISIN MA 00000 11488  
Eligible for Deferred Payment (SRD) IAM  
Paris (Euros) VS CAC40



## Financial meetings 2010

Date	Event
Tuesday, February 22, 2011	<b>Sales - Results</b> Press release, press conference and Investors & Analysts Conference
Monday, April 18, 2011	<b>Shareholders' General Meeting</b>
Friday, May 6, 2011	<b>Turnover - Results</b> Press release
Tuesday, July 26, 2011	<b>Sales - Results</b> Press release, press conference and Investors & Analysts Conference
Thursday, November 10, 2011	<b>Turnover - Results</b> Press release

## Dividends

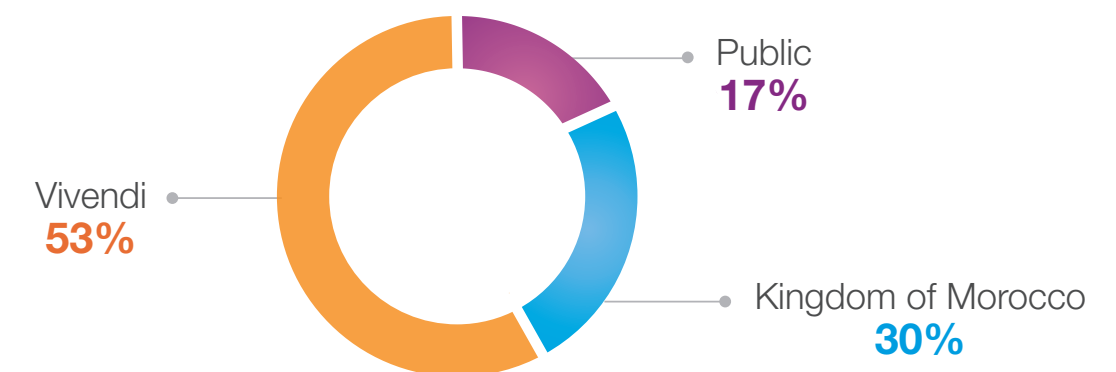
Since opening its capital, Maroc Telecom was keen to pay its shareholders in a satisfactory manner while ensuring its sustained economic development. The company intends to pursue a regular and significant dividends distribution policy, depending on global market conditions, benefits and financing needs.

Year of allocation	2006*	2007	2008	2009	2010	2011**
Ordinary dividend (in Million of MAD)	6119	6927	8088	9 521	9 063	9 300
Ordinary dividend per share (MAD)	6,96	7,88	9,20	10,83	10,31	10,58

\* Additional distribution of an outstanding 3.516 million dirhams in 2006

\*\* Subject to approval by the General Meeting of April 18, 2011

## Distribution of capital as of 31/12/09





06

## 2010 HIGHLIGHTS

Thanks to a strong culture of innovation, coupled with the knowledge of its clients' aspirations, Maroc Telecom pursues its proactive policy of lowering prices and always increasing its range of products and services by pursuing a sustained investing policy.







## January

- 30 minutes of talk time added to the main postpaid mobile packages
- MobiCash service launched: money deposits and withdrawals, money transfers are now available within the country
- New National Numbering Plan in Mauritania, moving from seven to eight digits
- Integration of Morocco into the unlimited triple play offers of foreign operators like SFR, Free or France Telecom thanks to major price cuts granted by Maroc Telecom
- Price drops by Onatel of their prepaid offers

## February

- Launching a new range of DECT landline receivers from MAD 199 (tax included)
- Extension of IP VPN range of solutions for Businesses
- Extension of the Intra Fleet Mobile solution and Enterprise packages to Professional customers
- Sotelma introduced a new version of small refill cards at 1000 and 2000 CFA

## March

- Free doubling of ADSL Internet speeds for MTBOX customers and launching of a new MT Box solution with a 4MB broadband throughput
- Introduction in the MobiCash offers of Maroc Telecom mobile, landline and Internet bill payments and mobile refills
- Sotelma commissioned a new, extensible prepaid platform of 3 million customers

## April

- Free integration of 4 Canal + channels (CANAL+, CANAL+ Cinéma, CANAL+ Family & CANAL+ Décalé) in the Prestige broadband TV package
- Redesigned the www.mobilezone.ma portal with more interactive content
- Launched the capped Optimis packages, a range of capped plans for businesses (2H to 75H)
- Sotelma launched its postpaid mobile Internet solution
- Onatel's customers mobile fleet exceeds the 2 million subscribers mark
- Commissioning by Sotelma of the new CTI (Centre de Transit International / International Transit Centre)

## May

- Launched the Double refill for 3G+ prepaid internet for MAD 100 and 200 refills
- Free permanent ADSL offer for high-speed modems for any 24-month contract
- Expansion of the ADSL TV packages by introducing three new channels, Boomerang, SyFy and "13<sup>ème</sup> Rue"
- Launch of Nomadis, Maroc Telecom's roaming
- Launching by Sotelma of Internet and Ankaso landline credit refill cards
- Expansion by Mauritel of the ALJIWAR (Nomadis) roaming solution in Burkina Faso, Gabon and Morocco
- Launching of Sotema's PAANI mobile electronic refill cards

## June

- Ended low speed, entry-level 256K and 512K Internet and doubled speeds ranging from 1MB to 8MB for free
- Provided all Mobile customers with the 2010 World Cup SMS alert for tracking games in real time
- Sotelma launched the unlimited BANBALI landline offer
- Mauritel sponsored the local broadcast of the 2010 World Cup
- ADSL coverage in new locations in Gabon: Lambaréné, Mouila and Tchibanga

## July

- 20% price drop on international calls from landlines
- Launch a new MobiCash service : international money transfers now available from Belgium
- Price cuts of up to 52% for the International Privilège Option to southern Europe and of 33% for subscription rates for the Mobile Privilège option
- Launch of the Mobile MTBOX PRO Triple Play offer for Professional customers
- Lower InfiniFix subscription rates for Professionals & Businesses (InfiniFix intra fleet, landline Option to Mobile Intra Fleet)
- Price drop on Internet 3G+ modems: Now starting from MAD 249 (taxes included)

## August

- Reduced the duration of contracts for residential landline subscriptions from 24 to 12 months for new subscriptions and contract renewals

- Mauritel: 4 MB and 10 MB ADSL broadband internet speeds now available
- Onatel: +30% price cut on internet subscription prices
- 40% cut on average for international calls and applied a single-price of CFA 150 per minute whatever the international destination
- Gabon Telecom launched the «INSTANT» mobile offer with per second billing

## September

- Further increase of the refill credit from 30 to 60 minutes depending on the mobile package coupled with many advantages
- Enhancement of the SMS Info service through the integration of new sections : Health Tips, Recipes, Douâa, Special offers and Fidelio handset
- Price cuts on the "Intra landline Fleet" and "Intra Mobile Fleet" options
- Sotelma sponsored a great and free Salif Keita concert also featuring Moroccan artists to commemorate the 50th anniversary of Mali's independence
- 50% price cut on Mauritel 3G+ modems
- Gabon Telecom: Launching of INTENSE - its first landline package





# 2010 HIGHLIGHTS

## October

- Free 3G 512 Mb/s internet access for all Maroc Telecom mobile plans
- Shortening of the ADSL Internet subscription contract to 12 months
- Launched the on-demand BlackBerry service for both prepaid and postpaid customers
- Reduced service fees for Optimis capped and uncapped plans: Intra fleet voice and SMS, Free between 8am/8 pm
- Price drop of the InfiniFix subscription and extension of unlimited calling for Business landlines
- Mauritel launched the Jaw@I Net solution - the prepaid unlimited 3G+ Internet offer (Data Only)
- Onatel implemented per-second billing and single-price regardless of the national destination
- Unveiling of Mauritel's new visual identity

## November

- Sneak preview launch of the Samsung S Galaxy tablet
- Standardization of Jawal rates at MAD 3.60 (taxes included) regardless of the national destination and timeframe
- Enhancement of the Internet TV offer service with the integration of "Pause LIVE TV" and "TV on demand"
- Lower prices for Business mobile communications to landlines in Northern Europe and to Southern Europe for the Optimis, Intenso, Extenso, Extenso+ plans
- Sotelma lowered its internet fees: a Landline + broadband internet decreased from CFA 39 800 to CFA 15 000
- Sotelma launched its prepaid mobile Internet offer
- Mauritel doubled the 3G+ throughput and made available the new 3.6M throughput



## December

- The price of calls from postpaid plans to landlines and mobiles in Europe, North Africa and North America, is matched to the price of a national call
- Migration offer for Jawal customers to mobile Postpaid offers
- Exclusive launch of the first package dedicated to young people: "Universal Music Mobile Package": 60 min + 300 SMS / MMS and unlimited streaming access to MTV and the UM catalog.
- 25% drop in subscription rates for 8M and 20M broadband internet
- Lower rates for Business customers under the Optimis Plans and extension of the Optimis Plan to Professionals
- Extension of the postpaid roaming service for Optimis customers
- Exclusive launch of Jawal's international refill transfer service from France
- ISO 9001 (2008) certification of landline and mobile activities for Mauritel, Onatel, Gabon Telecom and Sotelma
- Launching of the new Malitel website: [www.malitel.ml](http://www.malitel.ml)
- Launch of Sotelma's prepaid Mobile+ Internet dongle.



## LEADING BRANDS

Maroc Telecom enjoys a strong reputation, owed partly by its presence throughout the territory, its concern for proximity and quality service, and its ability to innovate and to provide adequate pricing policies. Each of its brands' products benefit from these advantages - Jawal, Phony, Menara, MTBox Mobicash for individuals, Optimis and Infinifix for companies, all of which give access to a wide array of services.

Each of the Group's subsidiaries is a strong brand, to which clients feel close and attached to, whether it is Mauritel in Mauritania, Gabon Telecom and Libertis in Gabon, Onatel and Telmob in Burkina Faso or Sotelma and Malitel in Mali. Our subsidiaries have diversified their brand products towards new services tailored to the needs of various categories of clients, for instance, the international prepaid "Ogooué" card by Libertis, and the "One" card developed by Mauritel provide the lowest mobile calls price on the market, the DUO pouch with two phone numbers - very popular among the youth, or the BANBALI landline offer by Sotelma.



# 07

## CONSUMER SERVICES

From customers who simply want to place calls, to avid broadband and multimedia mobile users, the Group serves various expectations for the diverse needs of the general public.

Both Maroc Telecom and its subsidiaries are involved in the Group's innovation dynamics, adapting to local telecommunications customs and building on the newest technology developments.

The availability on the market of specific mobile, landline and Internet solutions for youth and households of all social backgrounds, the recurrent price drops, and the continuous improvement of service quality – are there to attest of the loyalty of our clients.





## Mobile telephony and services

The sustained enhancement of solutions, lower rates and the introduction new services attest why the Group maintained its mobile telephony leadership in 2010. Maroc Telecom's mobile fleet experienced a sustained growth of 10.6% with nearly 17 million customers, while its subsidiaries' grew even more sharply: +58% compared to 2009 - to reach 6.8 million customers.

### Maroc Telecom's Jawal: big refills and a single price to all operators



In 2010, **Maroc Telecom's** Jawal prepaid service showed steady growth, thanks to the sale of packages including a GSM handset at a low price and various offers and refills and communications.

A 5 Dirham bonus was introduced for 20 and 30 Dirham refills. Bonuses for 200 and 300 Dirham refills increased to 100 and 150 Dirham, respectively. A 3.6 Dirham (tax included) single-price is now applied for calls to all national operators regardless of the time frame.

### The Group's Mobile Activity in figures

#### Mobile telephony in Morocco

➤ **53%** market share  
➤ **16,9** million customers  
➤ **95%** of prepaid customers

#### ONATEL Mobile telephony in Burkina Faso

➤ **45%** market share of customers  
➤ **2,4** million customers

#### Mauritel Mobile telephony in Mauritania

➤ **54%** market share of customers  
➤ **1,6** million customers

#### Gabon Telecom Mobile telephony in Gabon

➤ **37%** market share of customers  
➤ **0,7** million customers

#### SOTELMA Mobile telephony in Mali

➤ **31%** market share of customers  
➤ **2,2** million customers

### SMS/MMS-specific refills

Given the craze for SMS communication, especially among youth, **Maroc Telecom** launched in 2010 refill cards specific to SMS and MMS messages to all national operators with volume discounts depending on the amount refilled - starting at MAD 0.42 (tax included) per SMS.

### Maroc Telecom plans : a wide array of benefits

The number of postpaid customers increased by 20% to reach nearly 762,000 in late 2010. The talk-time increase in customers' plan, along with the diversification of services provided explain their growing appeal.



### Maroc Telecom's postpaid plans: a comprehensive solution

Twice in 2010, postpaid clients benefited from the expansion of their plans: 30 minutes in January and then 30 to 60 minutes depending on plans from September - without rate increase. Free calls made to all national operators are possible even when the main plan is exhausted. Mobile subscribers can access a wealth of enhanced and simplified services to communicate without limitations: unlimited calls to a Maroc Telecom mobile number of their choice, free mobile Internet 3G+ access, international calls to landlines and mobiles in Europe, Africa and North America at the cost of a national call.

### Encouraging the transition from prepaid to postpaid solutions

**Maroc Telecom** introduced new attractive benefits to customers wishing to adopt the Jawal postpaid plan with a 24 month subscription: 1 hour of free communication per month for a duration of 3 months plus 300 Fidelio point and high-end handsets starting at 0 Dirham.

### Universal Music Mobile: a plan dedicated to the youth



To meet the growing needs of a young customer base, hungry of communications and new content, yet careful about their budget, **Maroc Telecom** launched in 2010 a new package fully dedicated to teenagers: Universal Music Mobile. The result of a partnership with Universal Music and MTV Networks, this subscription provides 60 minutes of talk time, 300 SMS/MMS messages, exclusive and unlimited access to a both rich and unique music videos catalog from Universal Music and four television channels: MTV France, MTV Pulse, MTV Idol, MTV Base, all for just MAD 99 (tax included) a month (capped plan).

### The booming sector of Mobile Internet

After having made widely available the access to 3G+ mobile Internet service to all postpaid and prepaid customers, **Maroc Telecom** pursued a policy of reducing rates and increasing throughputs: reducing the price of modems, doubling throughputs without impacting prices, introducing the double refill for prepaid 3G+ Internet. In addition, Maroc Telecom offered its new postpaid customers lower prices for Voice and Data plans as well as periodic promotions on the price of equipment and 3G Internet: 50% discount on postpaid bills, "2 free months" and "3 free months, "student special" ...

#### Maroc Telecom's 3G Internet figures

➤ **549 000** customers in 2010 vs. 174,000 in 2009  
➤ **Fleet X 3.2** in 2010



## In Maroc Telecom's subsidiaries

2010 was the year of the introduction of Mobile+ Internet solutions in the Group's subsidiaries.

- **Sotelma** marketed a Year End Gift Pack at 25,000 CFA, an Internet access solution with the Ankaso prepaid mobile card of 5000 CFA - a resounding success.



- **Mauritel** launched later this year the Jaw@l Net Internet offer, an unlimited prepaid 3G+ Internet access offer (Data Only) as well as USB 3G+ modems at very attractive prices. 3G internet speeds have been expanded to 7.2 Mbit/s.



- **Onatel**, after having launched GPRS technology in 2009, made available mobile Internet packages to its prepaid customers for 24 hours, one week or one month. The operator also launched the Mobilis pack with a USB GPRS dongle, a Telmob chip and a one month package, all for 35 000 CFA.

## Always more content

### Mobile TV

**Maroc Telecom's** Mobile TV service now offers a richer, more diverse 19 TV channels package. Previously only offered to postpaid customers, it has been extended to prepaid customers in late 2010.

### The #111# Portal

All convenient services available nearby: card refills, balance check, weather services, prayer times, train schedules, pharmacies on duty, screensaver downloads, videos are now available on the new brand new #111# portal launched by **Maroc Telecom** in July 2010. Based on USSD technology (Unstructured Supplementary Service Data), the portal is accessible to all mobile clients.

### MobileZone



The Mobilezone portal provides access to **Maroc Telecom** mobile customers to all kinds of entertainment content and personalization options via two channels: WEB and WAP. In 2010, a new version of the Mobilezone portal was put in place to offer our young customers rich and entertaining content on user-friendly interfaces.

## MobiCash, the first payment and money transfer service by mobile phone in Morocco



Always ahead of the market, Maroc Telecom partnered with Banque Centrale Populaire and Attijariwafa Bank to develop the exclusive MobiCash option - an innovative tool allowing mobile customers to easily perform money transfers and banking operations. Clients enjoy an array of convenient services and can safely perform transactions, such as depositing and

withdrawing money from their MobiCash account at all Maroc Telecom branches and Authorized MobiCash Dealers or even transferring money to relatives across Morocco. They may also pay their phone, mobile, Internet and Redal bills (or a relative's), refill their own Jawal account or even someone else's without having to own a bank account or paying recordkeeping fees.

## Enhanced Community Services

### «SMSZone» and «MMSZone» chat services

The SMS Chat or SMS zone - providing a space for discussion, game playing and sharing between customers – was expanded in 2010 to the multimedia "MMSZone Chat" that allows for sharing MMS pictures, images, sounds and mini-clips on your mobile.

### SMS info and MMS info

In addition to the SMS Info Service: Convenient information service (pharmacies on duty, movies playing in major theaters, soccer scores ... etc), customers can now receive real-time, rich text information and MMS images right on their mobile. To enable customers to block unwanted SMS advertising, **Maroc Telecom** launched in October 2010 the new Antispam SMS service available by sending "SMS" to 414.

- **Mauritel** provides a breaking news service via SMS with the help of various partners. These services include current national, regional and international news.

By dialing 160, you have access to all the information you're seeking on your mobile



Regardless of their operator, customers can dial 160 to Look up someone in the phone directory, get support services: Movies, plays, festivals, weather forecast or train schedules... **Maroc Telecom's** information service expanded in 2010 to offer new benefits. In addition to the information via SMS, the customer may, on request, be connected directly with the person they are trying to reach thanks to the new User Connection service.

## New messaging services



### BlackBerry on demand

Since October 2010, **Maroc Telecom** also offers all its prepaid customers, the BlackBerry BIS on demand service (Internet, messaging and applications) with 7-days and 30-days refills.

### SMS Emailing

SMS emailing launched in July 2010, allows mobile customers to send emails instantly from their mobile phone via SMS.

### Voice SMS

Like a regular SMS, the Voice SMS service is a simple means of communication facilitating spontaneous proximity and sharing of emotions sometimes difficult to express in writing.

- **Onatel** introduced in 2010 the Voice SMS service was made available to its customers for prepaid plans of 30, 50 or 100 SMS.



## In Maroc Telecom's subsidiaries

All subsidiaries of the group participated actively to the dynamism of mobile telephony in countries where prepaid usage prevails.

► **At Mauritel**, the leader in mobile telephony in Mauritania, the success of the "One" card that provides a single-price to all national operators and to all international destinations kept its promise. The AlJiwar (Nomadis) service allows Mauritel customers to communicate at the national rate with all countries of the Group's subsidiaries. During the pilgrimage periods (Haj and Umrah), clients can call their loved ones while roaming in Saudi Arabia at the cost of local communications.

► **Gabon Telecom** established the prepaid INSTANT mobile offer for per-second billing. It also drastically reduced rates for its prepaid offers and launched the ILLIMITIS offers - Free and unlimited after 2 minutes of talk time between Midnight and 7 am, "NOCTILIS" at 80 F per min between 10 pm and midnight TEMPORIS at 100 F per min from 7 am to 10 pm. The operator reduced by 50% its rates to France, now starting at 175 CFA/Min



► **Sotelma** introduced new offers such as "Weekend Nisondia" and proposed mobile packages tailored to the needs its "Waatuduman" customers. The operator also introduced the "Unlimited Night" prepaid mobile offer at 490 CFA - a full night of free calls to Malitel customers, from 11 pm to 8 am.

► **Onatel** lowered the price of its prepaid customers offers in January and adopted in October per -second billing while applying a single-price, regardless of the country of destination. This was accompanied by a sharp price cut.

Onatel also reduced prices of its FAN kit targeting young people.



## Landline telephony, ADSL high-speed internet and TV via ADSL

Sustained success of value-packed offers for voice with Phony, further price drops for international calls, doubling of ADSL broadband throughputs without price increases, continuous enhancement of IPTV channel packages, unlimited landline offers in subsidiaries were also widely appreciated.

### "Phony" by Maroc Telecom: unlimited landline calling

The success of unlimited subscription packages confirms the attractiveness of Maroc Telecom's value-packed offers to residential customers. The most popular plan remains the capped plan "Phony" that combines the advantages of unlimited calling and a capped bill. From December 2010, the customers of Phony capped benefited from permanent, free credit bonus offers based on the value of refills performed: MAD 50 or MAD 100 for refills based on equivalent amounts. The bonus adds up to the former El Manzil bonus and is combined with other double refill promotions is valid at all times (24/7).



In addition, for calls placed from a landline to international destinations, the promotion: "30 minutes to international destinations at MAD 49" was introduced in October 2010. During Ramadan 2010, a month when communications witness a massive boost, all "Phony Evening and Weekend" customers benefit from the unlimited "Phony Anytime" advantages at the cost of the Evening & Weekend plan. In addition, El Manzil customers enjoyed significant discounts on their monthly bills and price packages through various promotions.

Landline telephony in Morocco in figures

1,231 million lines

### Continued declines in landline rates to international destinations

The prices of international calls were reduced by 20% as of July. At MAD 0.80 per minute during the discounted timeframe to landlines and mobile phones in Europe and North America, it is the lowest rate on the market. During the Pilgrimage (Haj) period, El Manzil rates for calls to Saudi Arabia have been halved.

### Maroc Telecom's subsidiaries

**Maroc Telecom's** subsidiaries also diversified their offers by emphasizing valuepacked solutions and unlimited plans - all have been highly successful among customers.

► **Sotelma** in Mali enhanced the "BANBALI" Landline package, a subscription with unlimited calls to landlines between 8 pm and 7 am (24/24h) during weekends and holidays. It also started selling the Ankaso refill card for landlines (landline + internet).

► **Gabon Telecom** launched its first landline "INTENSE" package after having introduced in 2009 the Ogooué prepaid card with special rates for all international landline and mobile calls.



► **Mauritel** launched the triple refill to promote the prepaid Ehli and Eddar landline solutions.

► **Onatel** introduced the unlimited "BOOLYAM" landline solution and launched the "Phone Cash" solution that enables customers to make unlimited calls to two national numbers of their choice. Moreover, landline activity has been busy throughout the year with promotions for both national and international communications. With the "Dounia" offer, launched in April, Onatel provides attractive offers for international calls.





## ADSL Internet: increasingly faster speeds

At the end of 2010, the ADSL fleet using **Maroc Telecom** landlines accounted for over 497,000 lines, or 99.42% of the total ADSL fleet. Nearly 40% of Maroc Telecom landlines are equipped with ADSL. Internet access via DSL allows Maroc Telecom customers to connect at speeds ranging up to 20 Mbps, regardless of connection time or volume of data exchanged. Thanks to increases in throughput regularly made possible by Maroc Telecom (the latest dating back to June 2010) yet without concomitant price increase, the share of ADSL subscriptions increased, respectively to over 40% of the total for 1 Mbps, 28% for 2 Mbps and 27 % for 4 Mbit/s.

### ADSL Internet in Morocco in figures

► **497 000**  
ADSL lines

► **99%**  
of the market share

## Maroc Telecom's subsidiaries

Subsidiaries continued promoting Internet development and reducing the digital divide by combining lower prices and higher speeds.

► **Sotelma** significantly decreased landline rates coupled to ADSL, which helped significantly increase the customer base.

► In 2010, **Gabon Telecom** provided ADSL coverage in new locations: Lambaréné, Mouila, Tchibanga and agreed to further reductions on CDMA Internet following the success of the Free Net Internet offer (a CFA 95,000 combo + 1 free month of unlimited connection), while increasing throughputs.



► **Mauritel** also reduced the price of ADSL subscriptions by doubling all the throughputs and started selling 4 Mbps and 10 Mbps broadband speeds as of August.



► **Onatel** lowered rates by 30% and launched the "all in one" pack to help its clients acquire a computer and an ADSL connection.

## Maroc Telecom launches MT Box, The first triple play offer in Morocco



As a gateway to multimedia services, Maroc Telecom's MTBox provided its customers in 2010 with new benefits and exclusive offers: 50% off the subscriptions in July and December and price cuts made possible thanks to the doubling ADSL speeds in March and in June. To discover the richness and diversity of channels included in the broadband TV catalog, Maroc Telecom granted all its MTBOX customers with free access to the complete "Evasion" package in April and May

## Maroc Telecom TV, more channels and more diversity

"Maroc Telecom TV" - The digital TV over ADSL offer accounts for over 100 TV and radio, national and international quality channels of all genres. In 2010, this offer was complemented with 3 new TV and radio channels: CANAL+ Décalé, Boomerang, 13ème Rue, SyFy and Medi1 Radio. With its latest features: "Pausing live TV" and "TV on demand", TV over ADSL has become interactive, allowing the viewer to take full control of their favorite live shows and to watch programs they may have missed.

### Pausing Live TV and enjoying «on demand» TV

► **Pausing Live TV is a service available with** Al Aoula, 2M, Arryadia, Al Maghribia, Medi1TV, TF1, M6, France 2, France 3, CANAL+, CANAL+ Cinéma, CANAL+ Family, Cinécinéma Star, Cinécinéma Frisson, MBC, MBC2, ART Aflam 1, ART Aflam 2

► **On-demand TV is available with** Al Aoula, 2M, Medi1 TV.

## Menara, a leading information portal

Casnet, one of the Moroccan leaders in the field of ICTs and a fully owned subsidiary of Maroc Telecom, is responsible for the development of the Menara.ma

information portal and bilingual service (Arabic - French) and is the most visited site in Morocco since 1997 with more than 2.1 million monthly visitors in 2010. Menara.ma was able to constantly adapt to changes in the web usage of each online community (youth, women, and children) by providing free services and content in line with their concerns and interests, all in a friendly and interactive environment. In 2010, menara.ma offered new services (Menara Real estate, Menara Yellow Pages) and covered major events such as the Salon International de l'Agriculture in Meknes (Menara SIAM) or the 2010 World Cup.





08

## PROFESSIONAL AND BUSINESS SERVICES

As an integrated telecom services operator, Maroc Telecom targets companies of all sizes. Professionals and multinationals alike as well as small and medium enterprises, each organization can rely on communication technologies and dedicated solutions to interact more effectively with its work environment (customers, suppliers, employees), regardless of the industry: services, distribution, heavy industries or administrations.



## PROFESSIONAL AND BUSINESS SERVICES



## PROFESSIONAL AND BUSINESS SERVICES

### Flexible and scalable services

Professionals and businesses entrusted Maroc Telecom with the management of all or part their telecom services.

Maroc Telecom added the Pro MTBox to solutions that were already developed specifically for professionals such as the Pro Pack, which enables to enjoy landline, mobile and internet subscriptions with handsets and equipment at attractive prices. The Business Go solution meanwhile supports recently created small structures by halving the first 3 landline, mobile and internet bills as well as the price of telecom equipment.

### MTBOX Pro

In July 2010, **Maroc Telecom** launched the Pro version of the MTBox - a corollary to the offer made to residential customers yet dedicated to Professionals: 3 in 1 offer: two phone lines including one on unlimited IP to all Maroc Telecom landlines, an ADSL connection (1MB to 4MB range) with value-added services (Emails, professional web hosting, Internet Self Care) and a basic ADSL TV package of 25 channels (plus optional thematic channel packages).



### The Optimis Packages

In addition to Business Class and Business Control packages already available for professionals, in 2010, Maroc Telecom extended the range of capped and uncapped Optimis mobile packages, allowing for this category of customers to enjoy the same benefits as those granted to big companies.

### Phony Pro

By subscribing to the "landline to intra mobile fleet" option, professionals were able in 2010 to introduce to their structure an unlimited number of handsets and free, unlimited talk time with their employees from their landline to their entire fleet of postpaid or prepaid mobiles.

### Mini-PABX

This offer was implemented to meet professional needs in mini "standard switchboards" to manage their incoming and outgoing calls.

### Menara ADSL Pro

Internet allows small businesses and professionals to increase their visibility and to develop business opportunities. For each internet access subscription, **Maroc Telecom** provides Professional customers and Businesses with a national domain name www.mycompany.ma field type, free website hosting, a personalized and secure mailbox, and free storage space.

### Landline and mobile solutions tailored to business needs

Operators of the Maroc Telecom Group are widely recognized as partners providing lasting relationships with large and small businesses, based on values of service quality, reliability and competitiveness. Faced with a demand moving increasingly towards the implementation of value-added solutions, instead, they are able to provide a comprehensive telecommunication solution to help companies be more effective.

Whether in open or capped packages or per usage billing to the customer, **Maroc Telecom** owns a catalog of mobile telephony specially designed for businesses.

### Optimis packages, Voice solutions for businesses



The communication rates of the Optimis offer were cut by 72% in 2010. This value-packed offer is very popular with businesses for its numerous benefits: per-second billing from the first minute, possibility of capping the line of any employee's mobile phone on the basis of a capped amount (tax included) pre established by the customer, unlimited intra fleet talk time, even when reaching the cap, possibility to refill using Jawal prepaid cards at the same rate offered on the Optimis plan. Optimis packages' rates were revised and reduced in 2010 for international calls (Northern Europe and Southern Europe). This offer was a great success with business customers thanks to its many advantages (see box).

### Optimis, a solution tailored to optimize corporate communications

New pricing options:

- Lower rates for the intra fleet voice option for plans between 2,5 hours and 7,5 hours
- Free intra fleet option for voice plans starting at 9 hours
- Price cuts on the SMS intra fleet option
- Opening of the free day option (8 am to 8 pm) to all national destinations regardless of the operator
- Integration into the main plan of calls made mobiles in Europe, North Africa and North America, for the price of a national call
- 40% or more price cut of mobile communications to landlines in Southern Europe and Northern Europe for uncapped Optimis, Intenso, Extenso and Extenso+ plans

Free 3G (512K) internet access

### Value added services for mobiles

**Maroc Telecom** facilitates the mobility of teams and the continuity of professional practice through powerful technologies enabling professionals to access their corporate email and business applications while enjoying a fast Internet connection.

### Mobile Internet

Mobility is a strategic issue for any business. With the rapid development and the performance of its 3G network, **Maroc Telecom** meets the specific needs of businesses with unlimited mobile data access at competitive rates. In 2010, professionals and businesses benefited from attractive promotional campaigns.



## BlackBerry®

In 2010, the highly popular BlackBerry® service, among professionals and company employees saw unprecedented growth and became increasingly popular thanks to proper price positioning and regular promotional activities undertaken by **Maroc Telecom**.



## Maroc Telecom's subsidiaries

Each of our operators strives on developing solutions for companies taking into account the specifics of their industry and telecommunications needs.

- **Mauritel** put on the market the "Unlimited GFU"\*: 24/7, unlimited intra fleet calls for a monthly fee, and added a 50% free credit valid to all destinations on capped numbers part of the fleet. Moreover, the rates of the Dual card – a feature that enables managing a private account (paid for by the employee) and a professional account (paid for by the employer) on the same SIM card were reduced from 2000 UM to 500 UM

\*GFU/CFU: Closed User Group

- **Sotelma** launched new tailored products to businesses: The "Refillable Business pack" granting special fares and the possibility of capping any subscription for 5 lines and more, and the "Prestige" solution which allows the customer to take advantage of price cuts for intra fleet calls for up to 10 lines and more.

## Landline Solutions



**Maroc Telecom** developed landline solutions tailored to the needs and challenges for businesses: cost optimization of telephony, efficient call management, efficient answering. In 2010, Maroc Telecom proceeded to rates adjustments to strengthen the competitiveness of its landline deals. InfiniFix subscription rates were reduced for easier access to more businesses. In addition, the unlimited solution for landline numbers has been made available for the company's entire landline fleet.

Regarding intra fleet landline calls, Maroc Telecom now offers a packaged option with unlimited intra fleet landline and mobile calls at a very competitive rate. International calls benefitted of more price cuts in 2010: -20% from landline numbers and up to -52% for landline Communications of the International Privilège option (Southern Europe, Northern Europe and North Africa). Subscription rates for the Privilège mobile option were reduced by 33%.

## Maroc Telecom's subsidiaries

- **Onatel** diversified its "Business Fleet" offer. A company now chooses, as needed, to opt for free and total Intra fleet calling for a moderate fee.
- **Sotelma** pursued its efforts to ensure, via dedicated lines, the best conditions of networks interconnection (IRE) for large accounts, banks, customs agencies and administrations.

## IP solutions to support telecommuting

The market for business communications changed drastically in recent years under the leadership of IP technologies (Internet Protocol). Maroc Telecom offers Business Customers a full range of services in terms of data transmission - in tune to the latest technological standards. The operator is committed to high level of service quality. Maroc Telecom is capable of assessing the level of network availability while maintaining international standards. In 2010, Maroc Telecom extended the range of IP VPN solutions by introducing two new ranges of services capable of defining the priority of communications exchanged: Class Multimedia Plus for real-time applications requiring intensive use of voice, especially Call Centres, and the Critical Business Class for Data applications highly sensitive in terms of transfer latency and their zero-error factor – perfect for banking operations.

## Providing counseling and support

Regardless of the size of the company, the role of Maroc Telecom is to support its client in implementing the ideal solution. When the projects contribute to major transformation issues, the Group offers innovative solution for managing these complex projects, drawing on both communications technologies and computer systems.





To route international traffic under the best quality and efficiency conditions while ensuring continuous services to roaming users, regardless of their destinations, Maroc Telecom and its subsidiaries have partnered with world leading telecom operators.

## International interconnection



Thanks to the efforts made by **Maroc Telecom** to reduce the price of call routing on its landline network, the Morocco destination was incorporated into the triple play offer of foreign operators such as Free, SFR and France Telecom allowing their subscribers to make free and unlimited calls to relatives in Morocco. The Kingdom's tourism industry generates a substantial flow of visitors – this led to the increased roaming inbound traffic , all of which is routed by Maroc Telecom. Price cuts offers have been regularly launched this year for customers traveling abroad. For example, pilgrims were able to benefit from free calls during the period of pilgrimage to Mecca. Faced with the increasing popularity of mobile internet, Maroc Telecom's 3G services were included in agreements with key partners both for visitors coming to Morocco and Moroccans traveling abroad.

### Maroc Telecom's international roaming capacity- in figures

- **47** partners in 35 countries for 3G roaming, including 32 countries for 3G
- **519** outbound roaming agreements with mobile operator partners in 215 countries
- **105** operators in 67 countries for prepaid roaming, including 56 countries for outbound roaming
- **182** partners from 105 countries for GPRS and MMS roaming
- **410** operators in 201 countries to send SMS while roaming
- **100** partners in 59 countries for the 333 mailbox number and the 777 customer service number
- **622** operators for the MMS service via MMVD

### Maroc Telecom's subsidiaries

In 2010, operators signed new roaming agreements, extending the network of their foreign partners.

- **Gabon Telecom** signed new roaming agreements with 6 operators, bringing the total number of partners to 55.
- **Mauritel** signed 2 new postpaid roaming agreements and 6 prepaid roaming agreements, thus increasing the number of partnerships to 92 and 22 respectively, including a data roaming agreement with Maroc Telecom.
- **Sotelma** extended its network by signing 12 new roaming agreements in 2010, bringing to 187 the total number of its partners.
- **Onatel** concluded 62 roaming agreements, bringing the total to 207 partners in 89 countries.

## The «One Stop Shopping» (OSS) leased line service

International leased lines for Multinational Companies customers recorded in 2010 significant growth, Maroc Telecom consolidated its position as a national and regional market leader. This increase is due to increased throughputs of links of our major accounts operating in Morocco and our countless participations to national and international tenders.

### Fighting against international traffic diversion

To face the phenomenon of international traffic misuse giving prejudice to the telecommunications sector as a whole, Maroc Telecom is continuously strengthening and adapting its system by using high-end detection equipment and advanced control systems and by raising the awareness of its sales and technical teams.







09

## EXPERTISE-DRIVEN PERFORMANCE

The good performance of the Maroc Telecom Group can be explained by its ability to combine dynamic innovation, local human resources expertise, a concern for quality and of course, the operational efficiency of its networks and information systems. This helps providing customers with the best market conditions, both in terms of price and quality service. The constant modernization of our infrastructure leads to the gradual migration of

systems towards ever more advanced technologies, faster speeds, more extensive coverage and more reliable services.

The rise of technology also meets the growing needs of mobility and of collaboration within the Group to enable employees to stay connected. These services improve everyone's productivity while playing a key role in the sharing policy implemented by the Maroc Telecom Group.



## EXPERTISE-DRIVEN PERFORMANCE



## EXPERTISE-DRIVEN PERFORMANCE

Committed in a total quality approach based on the ISO 9001 quality certification, which was renewed each year since it was first awarded in 2004, the Maroc Telecom Group established customer relationship at the forefront of its priorities. In 2010, the Group's operators implemented a wide number of actions aimed at maintaining high level of quality, availability and reliability of services, reducing processing times for claims, and servicing rural areas in Voice and Internet services by resorting to every available technology.

### Diversification of means of payment and reduction of waiting times

Expectations for service quality provided to customers are becoming stronger. By integrating this critical issue in its development strategy, Maroc Telecom pursued its policy of expanding its sales network and new means of bill payment: direct debit, payment terminals installed in agencies, payment made possible in the points of sales of the alternative network (authorized partners), ATMs, online payment and the Mobicash mobile payment solution.

### Always improving Services

The optimal management of after-sales service for all products as well as the technical quality of the transmission networks represent a major asset for **Maroc Telecom**. In order to enjoy visibility on overall services provided to clients and to be able to react quickly regardless of the technical problem, Networks and Systems teams rallied throughout the year 2010 to establish a quality control system from one end to the other of the technical chain. Moreover, the merging of landline and Internet bills into a single one was gradually introduced in 2010 to the benefit of the consumer market. The electronic bill will, in turn, be introduced as of early 2011.



### Call centers and information centers



**Maroc Telecom's** call centers, dedicated to consumers and specialized by product (landline: 110, mobile: 777; Internet: 115), provide information, activation or service modification, customer support, after-sales service and claims processing.

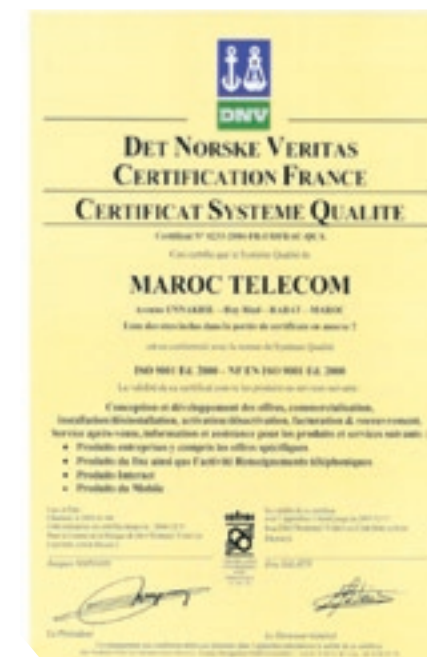
In 2010, increasingly more sophisticated customer relationship management systems helped optimizing the management of customers by ensuring for example the processing of multiple claims in real time. Meanwhile, the development of "Selfcare" helped ensuring automated service activation via Interactive Voice Response (IVR) or through the Internet portal. The information center (#160) meanwhile was improved in 2010 with new value-added services such as the ability to send information by SMS and direct linking.

### ISO certifications

In late 2010, **Maroc Telecom** obtained the renewal of its two certifications: ISO 9001: 2008 for quality and ISO 27001 (version 2005) for its information security policy.

Both certifications attest to the quality of products and services and its management system, effectiveness of its processes and information security - all representing a strategic asset for the operator.

This quality approach has spread to the whole group: **Mauritel**, **Onatel**, **Gabon Telecom**, and **Sotelma** - all having obtained their first ISO 9001 certification in late 2010.





## EXCELLENCE IN HUMAN RESSOURCES

The Group's growth strategy relies on the daily commitment of its human resources and its wealth of expertise. Maroc Telecom and subsidiaries strive on modernizing their human resources management policy to constantly adapt their employees' skills to both the fast-evolving environment and the needs of the company. Internal mobility, positive for career prospects within the group is encouraged. Cultural diversity, wealth of expertise and generally speaking, the greatness of human capital, are essential assets taking part in the Group's performance.

### 2010 Enrolment figures

Maroc Telecom Group	13942 employees
Maroc (Maroc Telecom)	11033 employees
Casane	69 employees
Burkina Faso (Onatel)	1207 employees
Mauritania (Mauritel)	427 employees
Gabon (Gabon Telecom)	417 employees
Mali (Sotelma)	789 employees

## Training to develop skills

Helping each employee develop their skills and adapt to changing technologies and markets in which Maroc Telecom and its subsidiaries operate is a major issue of the Group's Human Resources Strategy. Rich training and capacity building programs allow for a continuous evolution and adaptation of knowledge and trades, both front office and back office. This activity resulted in 2010 in Morocco by organizing effectively 36,499 training days to benefit 14,567 employees. The training plan helped ensure an average of nearly 3.3 days of training per employee. To support the growing skills of its staff, Maroc Telecom has helped more than 2,366 people with professional mobility thus contributing to boosting their careers in 2010.

## Continuous social dialogue

Social dialogue has continued in each of the Group's entities. In 2010, in Morocco, for instance, annual negotiations culminated in the signing of an agreement on salary increases and improved benefits, including the upward revision of the contribution rate to the supplementary pension fund to which over 80% of the workforce benefit. Social dialogue is led by the management of each of the company's group.



## NETWORK DISTRIBUTION IN THE SERVICE OF ALL

The high dynamics of the Group's distribution policy are based on synergies of direct and indirect sales channels efforts in all regions of Morocco and in countries where the Group operates. They aim to satisfy all customer expectations in terms of customer care and counseling, while streamlining the purchasing experience through greater accessibility of products.

## A modern retail network



The year 2010 also marks the continuation of the development and modernization of Maroc Telecom's own network branches in an open space concept designed to enable visitors to discover the range of services and the latest generation of mobiles exposed and available for testing, with the assistance of sales advisors and without the lineup constraint. With 18 newly created commercial branches in high potential neighborhoods and 106 completely refurbished agencies - in late 2010, no less than 124 Maroc Telecom official points of sales displayed the new concept design. Regardless of the profile of visitors, everyone finds in these new branches a welcoming environment.

- **Mauritel** opened three new national branches, redeveloped a next generation reception area and upgraded 5 agencies in Nouakchott.
- **Onatel** saw further development of its commercial branch and "telecommunications offices" in both cities and small towns, bringing the number to 64 outlets. In 2010, two new branches were opened in the towns of Kaya and Bobo.

## Availability of services throughout the territory

### A network of local dealers

In late 2010, Maroc Telecom's indirect sales network consisted of over 70 000 outlets - more than half benefitted from agreements with local resellers (small phone shops and independent retailers) or with national distribution networks (Poste Maroc, Altadis, GAM, Sicotel) to cover the entire national territory. Maroc Telecom's capillary network provides for local distribution, ensures the reliability and availability of services and enhances the customer's loyalty to the brand.

- **Gabon Telecom** and its subsidiary **Libertis** operate a sales network comprising 16 branches and operate an indirect network of more than 6000 outlets. Throughout the year 2010 Gabon Telecom organized promotional and entertainment events in many city neighborhoods.



### An entertainment program intended for resellers

Maroc Telecom, for its part, carried out fun initiatives with a wide range of resellers. To develop bonding relationships to its dealer network, Maroc Telecom periodically organizes training and awareness seminars, regional motivation meetings, contests and sales animation events during the launch of new offers and rewards the top 100 retailers.

- **Sotelma** under its Malitel brand, carried out a number of promotional campaigns in Bamako and surroundings and introduced an electronic form of credit refill called "PAANI" to facilitate the sale of prepaid cards.



Nowadays, clients are connected to a global communication network providing for a multitude of services. Not simply talk time, but also evermore diversified services. This is why the Maroc Telecom Group constantly provides more reliability and simplicity through the convergence of networks (landline, mobile, internet) and the sheer number of services available to each country where it operates. This implies a sustained modernization policy of the networks' infrastructure and of information systems to ensure ever faster speeds, more coverage, greater availability and service reliability. The year 2010 was witness to intense exchange and sharing activity between Maroc Telecom and its subsidiaries with the plan to consolidate the Group's core fundamentals while accelerating the performance of the subsidiaries.

## Investment agreements made between the Kingdom of Morocco and Maroc Telecom from 2009-2011

10,5 Billion MAD

## Investment programs in 2010

4,3 Billion MAD

16.2% of the 2010 turnover

## increasingly greater coverage and better service quality

In late 2010, the infrastructure of Maroc Telecom networks covered all cities, small towns, main roads and most rural communities thanks to the expansion of the GSM network where the number of mobile base stations (BTS 2G) amounted to nearly 6,200. For 98% of the population disseminated throughout the Kingdom's

regions, access to mobile telephony is now possible - this contributes to local development. Nearly 4,400 rural villages benefited from the mobile network coverage in late 2010 with the installation of 482 relays as provided by the National PACT Programme (Telecom Access Program), for which Maroc Telecom committed to reach 7,340 villages with mobile communications between 2008 and 2011.



Maroc Telecom also considerably developed its third generation network with nearly 800 3G Internet access points (nodes B) newly installed in 2010, bringing the total to around 3000 to provide advanced services, including broadband Internet access. The 3G network offers all types of multimedia services (video conference, streaming, downloading, online gaming ...) with a throughput reaching up to 7.2 Mbit per second, and including broadband Internet access via an USB 3G dongle. 3G coverage in Morocco stood at 46.4% of the population vs. 32% in late 2009. To cope with the massive boom of phone calls during peak holidays such as Eid Al Fitr and Eid Al Adha where demand for capacity increases significantly, Maroc Telecom also committed significant investments to the core of the mobile network and service platforms.

## Morocco's networks in figures

- **Mobile**  
6,285 2G (BTS) GSM base stations / +6%  
2,993 NodeB 3G antennas / +36.5 %
- **International Internet broadband**  
60 Gbits/s (gigabit per second) / +20%
- **Landline fiber optic**  
23,500 km / +7%

## The rapid expansion of fiber optics



The landline network was upgraded to meet additional needs in national and international telecommunications, since the major expansion of new needs, whether voice or data. Optical fiber is now deployed on nearly 23,500 km. The Laayoune-Dakhla section of the Agadir-Lagouira connection that begun in 2009, was commissioned in April 2010.

To improve technological capabilities made available to companies, the operator continued to work locally in major cities of the Kingdom to implement more optical loops. 11 new loops were installed in 2010 and 13 others received an extension.

## Taking into account the international dimension

Maroc Telecom ensures Morocco's connectivity to all countries of the world through two gateways (Casablanca and Rabat) and 4 submarine fiber optics cables (SMW3, Tétouan-Estepona; Eurafrica and Atlas Offshore, owned by Maroc Telecom since 2007), which complement satellites (Intelsat and Arabsat) to link the most remote areas of the Kingdom to Maroc Telecom's backbone.

## Evolution of the broadband capacity in Giga or Gigabit per second (Gbit/s, Gb/s, or Gbps)

	2009	2010
► MAROC TELECOM	48 Gbits/s	60 Gbits/s
► MAURITEL	310 Mbits/s	620 Mbits/s
► ONATEL	654 Mbits/s	964 Mbits/s
► GABON TELECOM	465 Mbits/s	465 bits/s
► SOTELMA	189 Mbits/s	310 Mbits/s



## INTEGRATED NETWORKS AND INFORMATION SYSTEMS

The Group's subsidiaries are heavily investing in the modernization and expansion of their broadcasting infrastructure. The launch in 2010 of a 2,000 km long terrestrial optical fiber cable - of which some sections are already completed - including the Nouakchott - Nouadhibou segment, with a capacity up to 800GB/s, will eventually help connect these countries and provide them with enough capacity to access ICTs.

### Investments in subsidiaries - 2010 in figures

	BTS GSM 2G 2010 vs 2009	CDMA Antennas
► Mauritel	483 vs 426	41
► Onatel	532 vs 438	45
► Gabon Telecom	455 vs 211	19
► Sotelma	211	46

**2,3** billion of investments made in 2010 / +100%  
Over **40%** % of the subsidiaries' sales

## Increasingly Efficient Information Systems

Maroc Telecom is pursuing efforts to adapt and develop its information systems to better support the development of its business while maintaining highly reliable and fluid systems. Several major projects were completed in 2010, such as the expansion of the mobile claims management system for landline and Internet products, the upgrade of the landline and internet business systems and the integration of the MobiCash solution in commercial management systems.



## INTRA GROUP SYNERGIES

The year 2010 witnessed an intense exchange and sharing of experience between Maroc Telecom and its subsidiaries to consolidate the Group's fundamentals, while accelerating the performance of subsidiaries. This approach - combining both operational synergies and major investment efforts, included networking and information systems, resulted in significant cross-functional projects operated by Maroc Telecom, namely: the ISO 90001 certification for 4 subsidiaries, the convergence of business processes, the plan to consolidate Information Systems, the implementation of Nomadis (Intra group roaming) and the continuation of the fiber optic cable construction to link subsidiaries.

## The same demand for quality in every subsidiary

All subsidiaries have taken initiatives to develop powerful tools and processes to both manage and monitor the quality of customer relations. Drawing on Maroc Telecom's expertise, 3 axes for improvement were put into action in each subsidiary - upgrading: call centers, management tools, customer relationship, billing systems and debt collection; management techniques in line with the introduction of new information systems which performances are subject to the efficiency of business processes; and lastly: quality of the reporting protocol service enabling each branch to monitor operational client satisfaction indicators and evolution with respect to their established goals.



## Human resources that share the same values

The group continued its policy of training local human resources and transferring its experience to the subsidiaries.

New management and training tools for human resources helped strengthening skills and adapting to new market trends. This resulted in a significant amount of support missions on networks, business, finance and service quality at a rate of 1604 man-days, and by organizing seminars and immersion internships at Maroc Telecom for a total of 102 days in 2010.



# INTRA GROUP SYNERGIES

## ISO 9001 certification

When Mauritel, Onatel, Gabon Telecom and Sotelma were awarded the ISO 9001 certification in late 2010, the Maroc Telecom Group proved it ensures a consistency in the management of its systems and in the quality control of its services.



## Expertise Sharing

The Maroc Telecom Group organized several seminars to the benefit of its subsidiaries in 2010. Some of these seminars were themed around the sharing of expertise and best practices among the Group's subsidiaries in terms of international activity - others on implementing payment solutions such as MobiCash.

## The Convergence Project

The Convergence project was launched to standardize business processes and to strengthen Maroc Telecom's subsidiaries' internal control systems. Crucial to the implementation of a structured internal control framework and to align common IT tools to the needs of our trades.

## NOMADIS, Maroc Telecom's roaming service

Launched in May 2010 in the entire Group, Nomadis enabled all our customers to enjoy both national rates and to receive free calls when roaming in Morocco, Mauritania, Burkina Faso, Gabon and Mali.

