

2008 Consolidated Results

- **Increase in consolidated results:**
 - Revenues: MAD 29.5 billion – up 7.2%
 - Earnings from operations: MAD 13.9 billion – up 13.5% – 47% margin (+2.6 points)
 - Net income - Group share: MAD 9.5 billion – up 18.5% – 32.2% margin (+3 points)

- **Proposal to distribute 100% of the distributable income, representing a dividend of MAD 10.83 per share and a dividend yield of over 7%** (share price at 20/02/09).

- **2009 Outlook:**
 - Consolidated revenue growth in excess of 3%
 - EFO margin maintained at 47%

Commenting on the 2008 consolidated results, Abdeslam Ahizoune, Chairman of the Management Board of Maroc Telecom, stated:

“In 2008, Maroc Telecom Group once again reported strong growth in results and profitability, underpinned by significant revenue growth and improved cost control. As before, Maroc Telecom proposes to pay out 100% of its distributable income.”

The Supervisory Board met on February 23, 2009, to review the consolidated results for the year ended December 31, 2008, prepared in accordance with IFRS and reviewed by the statutory auditors.

Earnings from operations (EFO)

Bolstered by continued strong Mobile revenue growth, Maroc Telecom Group reported consolidated⁽¹⁾ annual revenues of MAD 29,521 million, up 7.2% (up 6.2% on a comparable basis⁽²⁾). Driven by revenue growth and cost control, consolidated EFO rose to MAD 13,889 billion in 2008, up 13.5% (up 13.6% on a comparable basis⁽²⁾), generating an operating margin of 47.0%, an increase of 2.6 points versus 2007.

- Morocco

In 2008, the Group's domestic operations reported net revenues⁽³⁾ of MAD 25,738 million (up 6.6%) and EFO of MAD 13,557 million (up 12.3%), reflecting significant margin improvements in the Mobile and Fixed-line segments.

Mobile

Mobile EFO amounted to MAD 10,255 million (up 12.2%), supported by revenue growth and tight control over customer acquisition costs within an intensely competitive operating environment. In a market that continued to expand, Maroc Telecom maintained its leadership, notably in the postpaid segment, while increasing its operating margin by 1.9 point to 55.3%.

Fixed-line and Internet

Fixed-line and Internet EFO amounted to MAD 3,302 million, an increase of 12.5% on 2007. Factors contributing to this performance included revenue growth of 2.5%, lower interconnection costs and cost control measures. The operating margin increased by 3.1 points to 34.1%.

- Mauritania

Mauritel Group EFO amounted to MAD 372 million in 2008, down 4.4% (down 5.8% on a comparable basis⁽²⁾) despite improvements in operating expenses and cost of sales. This decline was attributable to two factors. Firstly, revenue growth (up 0.8% on a comparable basis⁽²⁾) was constrained by inflationary and competitive pressures, and secondly, amortization expense increased as a result of higher capital expenditure.

- Burkina Faso

In a context of increases in the cost of living and higher amortization expenses associated with the ramp-up of network infrastructure (50% increase in GSM base stations installed during the year), Onatel Group EFO amounted to MAD 210 million, down 0.6% (down 1.9% on a comparable basis⁽²⁾) compared with 2007.

(1) In 2008, Maroc Telecom establishes its revenues by consolidating in its accounts Mauritel, Onatel and Gabon Telecom Groups and the Mobisud France and Mobisud Belgium subsidiaries. Gabon Telecom, acquired on February 9, 2007 has been fully consolidated since March 1, 2007.

(2) Comparable basis illustrates the full consolidation of Gabon Telecom, as if this transaction had taken place at the beginning of 2007, and at constant currency rates (MAD/Mauritanian Ouguiya/CFA Franc/Euro)

(3) Net revenues exclude revenues generated between Fixed and Mobile activities of each subsidiary, but include revenues generated between subsidiaries (including management services agreements) which are eliminated from consolidated revenues.

- **Gabon**

Thanks to the restructuring efforts underway at Gabon Telecom, losses from operations narrowed to MAD 11 million, as against a MAD 180 million loss (on a comparable basis) in 2007.

- **France and Belgium**

Mobisud reported a loss from operations of MAD 239 million, which included restructuring expenses associated with the subsidiary's operations in France.

Net income – Group share

Net income – Group share amounted to MAD 9,520 million, up 18.5% compared with 2007.

Capital expenditure - Cash and cash equivalents

After distributing a MAD 8.1 billion dividend (+17%) to shareholders in respect of the 2007 financial year and investing around MAD 6 billion (up 9%) in capital expenditure, mainly related to network, the Group's consolidated net cash⁽⁴⁾ position amounted to MAD 376 million at December 31, 2008, versus MAD 1.5 billion at the end of 2007.

Cash flow from operating activities amounted to MAD 12,566 million at end-December 2008, down 3.8% compared with 2007, due to the fact that the reduction in the corporate tax rate was not applied to tax installment payments made in 2008. Excluding this item, cash flow from operating activities increased 5.1%.

Dividend

Maroc Telecom's Supervisory Board will propose to the shareholders' meeting to be held on April 23, 2009, the payment of an ordinary dividend of MAD 10.83 per share, representing an amount of MAD 9.521 billion, corresponding to the full distribution of its 2008 distributable income.

2009 Outlook

Based on current market conditions, and barring any unforeseen circumstances, Maroc Telecom will achieve revenue growth in excess of 3% while maintaining a high operating margin of 47%.

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

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(4) Cash and cash equivalent less current and non-current borrowings and other financial liabilities, excluding blocked cash at December 31, 2008 (MAD150 million).

Appendices:

2008 Revenues and earnings from operations (EFO)

<i>MAD million – IFRS</i>	2008	2007	<i>Reported</i>	<i>% change Comparable basis</i>
Consolidated revenues	29,521	27,532	7.2%	6.2%
Mobile (gross)	21,160	19,296	9.7%	8.9%
Maroc Telecom	18,529	17,096	8.4%	8.4%
Mauritel	875	834	4.9%	3.4%
Onatel	881	719	22.5%	21.1%
Gabon Telecom	692	583	18.7%	0.1%
Mobisud	183	64	185.9%	181.3%
Fixed-line and Internet (gross)	11,354	11,090	2.4%	1.1%
Maroc Telecom	9,683	9,451	2.5%	2.5%
Mauritel	290	319	(9.1%)	(10.4%)
Onatel	758	799	(5.1%)	(6.2%)
Gabon Telecom	622	521	19.4%	(4.0%)
Elimination of inter-segment transactions	(2,993)	(2,854)	4.9%	4.3%
Consolidated⁽¹⁾ EFO	13,889	12,234	13.5%	13.6%
Mobile	10,697	9,557	11.9%	11.8%
Maroc Telecom	10,255	9,138	12.2%	12.2%
Mauritel	367	397	(7.6%)	(9.0%)
Onatel	270	246	9.9%	8.5%
Gabon Telecom	44	45	(1.1%)	(7.4%)
Mobisud	(239)	(269)	11.2%	7.5%
Fixed-line and Internet	3,192	2,677	19.2%	19.8%
Maroc Telecom	3,302	2,934	12.5%	12.5%
Mauritel	5	-9	NS	NS
Onatel	(60)	(35)	(73.9%)	(71.7%)
Gabon Telecom	(55)	(214)	74.3%	76.0%

Fourth quarter revenues and earnings from operations (EFO)

<i>MAD million - IFRS</i>	2008	2007	<i>Reported</i>	<i>% change Comparable basis</i>
Consolidated revenues	7,484	7,205	3.9%	3.6%
Mobile (gross)	5,388	5,148	4.7%	4.3%
Maroc Telecom	4,668	4,474	4.3%	4.3%
Mauritel	231	199	16.1%	3.9%
Onatel	238	229	3.9%	4.8%
Gabon Telecom	199	213	(6.6%)	(5.9%)
Mobisud	53	32	65.6%	65.6%
Fixe et Internet (gross)	2,938	2,789	5.3%	5.2%
Maroc Telecom	2,497	2,347	6.4%	6.4%
Mauritel	73	81	(9.9%)	(20.0%)
Onatel	204	197	3.6%	4.8%
Gabon Telecom	164	164	0.0%	1.5%
Elimination of inter-segment transactions	(843)	(731)	15.3%	14.9%
Consolidated⁽¹⁾ EFO*	3,469	2,724	27.3%	25.2%
Mobile	2,615	2,191	19.3%	19.9%
Fixed-line	854	533	60.2%	44.7%

(*) non-audited

Consolidated balance sheet

	<u>31/12/2008</u>	<u>31/12/2007</u>
ASSETS (MAD million)		
Goodwill	2,117	2,197
Intangible assets	3,889	3,644
Property, plant and equipment	18,684	16,870
Investment in equity affiliates	0	1
Other non-current financial assets	326	326
Deferred tax assets	17	204
Non-current assets	25,034	23,242
Inventories	744	749
Trade accounts receivable and other	9,827	9,897
Other current financial assets	105	104
Cash and cash equivalents	2,678	3,725
Available for sale assets	96	32
Current assets	13,449	14,507
TOTAL ASSETS	38,483	37,749
LIABILITIES (MAD million)	<u>31/12/2008</u>	<u>31/12/2007</u>
Share capital	5,275	5,275
Retained earnings	3,914	4,071
Earnings for the fiscal year- Group share	9,520	8,033
Equity attributable to equity holders of the parent	18,709	17,380
Minority interests	1,647	1,254
Total equity	20,356	18,634
Non-current provisions	180	203
Borrowings and other non-current financial liabilities	1,039	1,233
Deferred tax liabilities	100	0
Non-current liabilities	1,319	1,436
Trade accounts payable and other	14,763	15,385
Current income tax liabilities	115	992
Current provisions	519	142
Borrowings and other current financial liabilities	1,412	1,159
Current liabilities	16,809	17,679
TOTAL LIABILITIES AND EQUITY	38,483	37,749

Consolidated income statement

<i>(MAD million)</i>	2008	2007
Consolidated revenues	29,521	27,532
Cost of purchases	(4,471)	(4,215)
Payroll costs	(2,705)	(2,695)
Sundry taxes and duties	(754)	(788)
Other operating income and expenses	(3,643)	(3,562)
Net depreciation, amortization and provisions	(4,059)	(4,038)
Earnings from operations	13,889	12,234
Other Income and costs from ordinary activities	(14)	1
Income from equity affiliates	(62)	(34)
Earnings from continuing operations	13,812	12,201
Income from cash and cash equivalents	112	131
Finance expense	(106)	(131)
Net finance costs	6	0
Other finance income and expense	388	31
Net financial items	394	31
Tax expense	(4,196)	(4,095)
Earnings	10,010	8,137
Attributable to the equity holders of the parent	9,520	8,033
Minority interests	490	104
Earnings per share <i>(MAD million)</i>	2008	2007
Earnings - Attributable to the equity holders of the parent	9,519	8,033
<i>Number of shares at December 31</i>	879,095,340	879,095,340
Earnings per share	10.8	9.1
Diluted earnings per share	10.8	9.1

Consolidated statement of cash flows

(MAD million)

	<u>31/12/2008</u>	<u>31/12/2007</u>
Consolidated earnings (including minority interests)	10,009	8,137
Net depreciation, impairment and provisions	3,863	3,317
Non-cash expenses/income	(302)	34
Capital gains and losses	(80)	(106)
Net earnings after net finance costs and income tax	13,490	11,383
Net finance costs	5	0
Income tax expense (including deferred taxes)	4,196	4,095
Net earnings before net finance costs and income tax (A)	17,691	15,477
Tax paid (B)	(4,930)	(3,572)
Change in WCR related to operating activities (C)	(195)	1,164
Cash flow from operating activities (D) = (A+B+C)	12,566	13,069
Purchase of PP&E and intangible assets	(5,957)	(5,466)
Disposals of PP&E and intangible assets	228	79
Purchase of non-consolidated investments	(22)	(413)
Cash flow of long-term debt	-	-
Purchase of PP&E and intangible assets	(18)	(5)
Effects of changes in scope of consolidation	-	149
Cash flow used in investing activities (E)	(5,769)	(5,656)
Dividends paid during the year	(8,246)	(6,953)
Principal payments on borrowings	406	714
Net interest	(5)	0
Changes in blocked cash	(30)	(185)
Changes in share capital	-	-
Other	18	(8)
Cash flow used in financing activities (F)	(7,857)	(6,432)
Foreign currency translation adjustments (G)	13	3
Change in cash and cash equivalents (D+E+F+G)	(1,048)	984
Cash and cash equivalents at beginning of period	3,725	2,741
Cash and cash equivalents at end of period	2,678	3,725