Press Release

Rabat, February 27, 2006

2005 results

Strong consolidated[1] revenues and earnings growth in 2005:

- **+16.0% revenues increase on a comparable basis[2]**
- **+13.0% earnings from operations growth on a comparable basis[2]**

Distribution proposal of 10.96 dirham per share:

- **ordinary dividend: 6.96 dirham,**
- **exceptional dividend: 4 dirham from a share capital reduction by reducing the share nominal value.**

Abdeslam Ahizoune, Chairman of the Management Board of Maroc Telecom, declared:

« Maroc Telecom marketing, commercial and technical strategy was a great success and made it possible to boost strongly the market. Following a remarkable growth of mobile and broadband Internet activities, Maroc Telecom recorded very good results, in the top-end of our forecasts. These results permitted to fund the capital expenditure program, up 29%, and allow the Supervisory Board to propose the distribution of 10.96 dh/share.»

On February 24, 2006, the Supervisory Board examined the 2005 consolidated financial statements, closed by the Management Board and approved by the statutory auditors.

MAD million - IFRS [1]	**2005**	2004*	*% change*	*% change comparable basis* [2]
Consolidated revenues	**20,542**	17,408	*18.0%*	*16.0%*
Fixed-line and Internet (gross[4])	**11,949**	11,133	*7.3%*	*5.9%*
Mobile (gross[4])	**12,772**	9,684	*31.9%*	*29.2%*
Earnings from operations	**8,678**	7,597	*14.2%*	*13,0%***
Fixed-line and Internet	**3,284**	3,791	*-13.4%*	*-13,5%*
Mobile	**5,394**	3,806	*41.7%*	*38.8%*
Net income (group share)	**5,809**	5,171	*12.3%*	-
Net cash[5]	**7,466**	6,498	*14.9%*	-

(*) Excluding Mauritel for the 6 first months
(**) Excluding the impact of operating FX gains and losses reclassification[3] in 2005, consolidated earnings from operations are up 11.6%.

Revenues

Maroc Telecom 2005 consolidated revenues[1] amounted to MAD 20,542 million, up 18.0% (16.0% on a comparable basis[2]) mainly due to the achievements of its Mobile and broadband Internet activities. Fixed-line and Internet gross[4] revenues amounted to MAD 11,949 million, up 7.3% (+5.9% on a comparable basis[2]). Mobile gross[4] revenues amounted to MAD 12,772 million up 31.9% (+29.2% on a comparable basis[2]). Excluding the impact of the incoming international interconnection tariff increase applied since January 1, 2005, Mobile gross revenues were up 26.2% (+23.6% on a comparable basis[2]).

Earnings from Operations (EFO)

2005 Maroc Telecom consolidated[1] EFO amounted to MAD 8,678 million, up 14.2% compared to 2004 (+13.0% on a comparable basis[2]).

- **Mobile**

2005 Mobile EFO reached MAD 5,394 million, up 41.7% compared to 2004 (38.8% on a comparable basis[2]). Excluding the impact of the increase of incoming international interconnection tariff, Mobile EFO increased by 27.2% (+24.7% on a comparable basis[2]) thanks to the huge growth of the customer base (+2.4 million customers year-on-year i.e. +38.3%) that reached 8.8 million customers and a good control of acquisition costs.

– **Fixed-line and Internet**

2005 Fixed-line and Internet EFO at MAD 3,284 million, are down 13.4% compared to 2004 (-13.5% on a comparable basis(2)). Excluding the impact of the increase of incoming international interconnection tariff, Fixed-line and Internet EFO increased by 2.8% (+2.6% on a comparable basis(2)).

2005 shows a customer base growth (+2.4%), an excellent performance of broadband Internet with a base of 242,000 (+182,000 since the beginning of the year) and the continuous increase of incoming international traffic that compensated a decline of the average invoice.

Net income

In 2005, Maroc Telecom net income (group share) amounted to MAD 5,809 million, up 12.3% compared to 2004.

Cash and cash equivalent

On December 31, 2005, Maroc Telecom Group had a consolidated net cash(5) position of MAD 7,466 million.

Distribution

At the General shareholders meeting scheduled on March 30, 2006, the Supervisory Board will recommend the payment of a total payout of MAD 9,635 million. This distribution includes 2005 distributable net income and optional reserves (MAD 6.96 per share) and, besides, a share capital reduction (not motivated by losses) by share nominal value reducing leading to MAD 3,516 million (MAD 4 par share) repayment in cash.

Outlook for 2006

Based on the current market conditions, and assuming no major exceptional disrupt of the group's business, consolidated revenues growth is expected to range between 6% and 8% and EFO growth is expected to range between 12% and 14%.

Maroc Telecom is Morocco's incumbent telecommunications operator and the country's market leader in fixed-line and mobile telecommunications and Internet access. Since December 2004, Maroc Telecom is listed on the Casablanca and Paris stock exchanges and its main shareholders are Vivendi Universal (51%) and the Kingdom of Morocco (34.1%).

Contacts

Investor relations	***Press relations***
Bertrand Leroy / Badr Benyoussef	Ali Jouahri
+212 (0)37 71 90 39 - relations.investisseurs@iam.ma	+212 (0)37 71 90 12 - ajouahri@iam.ma

APPENDIX 1 :

Breakdown of revenues and operating income by business segment on a comparable basis

	YEAR				4th QUARTER			
	2005	2004*	% change	% change comparable basis (2)	2005	2004	% change	% change comparable basis (2)
Revenues (MAD million - IFRS(1))								
Fixed-line and Internet (gross)(4)	**11,949**	11,133	***7.3%***	***5.9%***	**3,091**	2,887	***7.1%***	***7.0%***
Maroc Telecom	**11,617**	10,944	*6.1%*	*6.2%*	**3,003**	2,780	*8.0%*	*8.0%*
Mauritel	**332**	189	*75.7%*	*-2.2%*	**88**	107	*-17.8%*	*-18.4%*
Mobile (gross)(4)	**12,772**	9,684	***31.9%***	***29.2%***	**3,241**	2,467	***31.4%***	***31.3%***
Maroc Telecom	**12,198**	9,445	*29.1%*	*29.2%*	**3,088**	2,351	*31.3%*	*31.4%*
Mauritel	**574**	239	*140.2%*	*29.3%*	**153**	116	*31.9%*	*30.9%*
Intercompany transactions	**-4,179**	-3,409	*22.6%*	*20.8%*	**-1,068**	-875	*22.1%*	*22.0%*
Consolidated	**20,542**	17,408	***18.0%***	***16.0%***	**5,264**	4,479	***17.5%***	***17.5%***
Earnings from operations								
Fixed-line and Internet	**3,284**	3,791	*-13.4%*	*-13.5%*				
Mobile	**5,394**	3,806	*41.7%*	*38.8%*				
Consolidated	**8,678**	7,597	***14.2%***	***13.0%***	**2,224**	1,873	***18.7%***	***18.7%***

(*) Excluding Mauritel for the 6 first months

APPENDIX 2 :

Consolidated Balance Sheet
as of December 31, 2005, December 31, 2004 and January 1, 2004

ACTIF *(MAD million)*	**31/12/2005**	**31/12/2004**	**01/01/2004**
Goodwill	129	137	-
Intangible assets	1,392	1,307	1,003
Property, Plant and Equipment	12,584	11,922	11,684
Investments in equity affiliates	22	8	475
Other non current assets	136	152	166
Deferred income tax assets	525	495	433
Non current assets	**14,788**	**14,021**	**13,761**
Inventories	373	420	318
Accounts receivables and other	7,115	5,829	5,081
Short term financial assets	17	-	-
Cash and cash equivalent	7,585	7,414	7,700
Current assets	**15,090**	**13,663**	**13,099**
TOTAL ASSETS	**29,878**	**27,684**	**26,860**

EQUITY AND LIABILITIES *(MAD million)*	**31/12/2005**	**31/12/2004**	**01/01/2004**
Share capital	8,791	8,791	8,791
Retained earnings	4,595	3,811	8,965
Net income	5,809	5,171	-
Shareholders' equity, group share	**19,195**	**17,773**	**17,756**
Minority interests	529	428	67
Total equity	**19,724**	**18,201**	**17,823**
Provisions for commitments and contingencies - non current	35	32	24
Long-term debt and other liabilities	57	720	1,427
Deferred income tax liabilities	172	129	47
Non current liabilities	**264**	**881**	**1,498**
Short-term debt	9,380	7,561	6,606
Deferred income tax liabilities	347	557	398
Provisions for commitments and contingencies - current	101	288	355
Other short term debt	62	196	180
Current liabilities	**9,890**	**8,602**	**7,539**
TOTAL EQUITY AND LIABILITIES	**29,878**	**27,684**	**26,860**

APPENDIX 3 :

2005 and 2004 consolidated Statement of Income

(en millions MAD)	**31/12/2005**	**31/12/2004**
Revenues	20 542	17 408
Purchases	-3 879	-3 209
Payroll and payroll-related costs	-2 056	-1 688
Taxes	-680	-398
Other operating income and expenses	-2 610	-1 781
Depreciation, amortization and provisions, net	-2 639	-2 735
Earnings from operations	**8 678**	**7 597**
Other operating income	4	-
Income from equity affiliates	14	30
Earnings from ordinary activities	**8 695**	**7 627**
Revenues from cash and cash equivalent	143	200
Cost of financial debt - gross	-13	-29
Cost of financial debt -net	130	171
Other financial income and charges	-18	4
Financial result	**112**	**175**
Income taxes	-2 886	-2 574
Net income	**5 921**	**5 228**
Group share	**5 809**	**5 171**
Minority interests	112	57

Earnings per share (MAD)	**31/12/2005**	**31/12/2004**
Net income per share (MAD)	**6,6**	**5,9**
Diluted net income per share (MAD)	**6,6**	**5,9**

APPENDIX 4 :

Consolidated Cash Flow Statement
as of December 31, 2005 and 2004

(MAD million)	**31/12/2005**	**31/12/2004**
Consolidated net income (including minority interests)	**5,921**	**5,228**
Depreciation,amortization and provisions, net	2,503	2,833
Calculated income and charges	-14	-29
Gains (losses) on asset disposals	-33	-23
Self-financing activity after net cost of debt and taxes	**8,377**	**8,009**
Cost of financial debt, net	-130	-171
Tax (including deferred tax)	2,886	2,574
Self-financing activity before net cost of debt and taxes	**11,133**	**10,412**
Tax paid (B)	-3,084	-2,420
Change in working capital (C)	377	-186
Net cash provided by operating activities (D) = (A+B+C)	**8,425**	**7,806**
Purchase of tangible and intangible assets	-3,210	-2,488
Proceeds from tangible and intangible assets	26	18
Purchase from financial assets (non consolidated equities)	-13	-
Proceeds from financial assets (non consolidated equities)	62	11
Net cash from long-term debt	16	18
Change in scope of consolidation		160
Net cash used in investing activities (E)	**-3,119**	**-2,281**
Dividends paid	-4,424	-5,154
Principal payment of long term debt	-757	-853
Net financial interests paid	83	161
Net cash used in financing activities (F)	**-5,098**	**-5,846**
Foreign exchange impact	11	-13
Increase (decresase) in cash and cash equivalent (D+E+F+G)	**219**	**-334**

Notes

(1) Since January 1, 2005, Maroc Telecom's consolidated financial statements are prepared in accordance with the applicable IFRS (International Financial Reporting Standards) standards. Figures for 2005 are then published under IFRS, with 2004 comparable figures. Given the remaining uncertainties regarding the standards and interpretations applicable in 2005, Maroc Telecom reserves the right to modify certain accounting methods and options adopted today. There is in particular uncertainty related to the treatments of loyalty programs.
(2) Comparable basis illustrates the effects of the consolidation by global integration of Mauritel group as if it had occurred at the beginning of 2004 and the constant currency rate Moroccan Dirham vs Mauritanian Ouguiya.
In the 4th quarter, the comparable basis illustrates only effects of the constant currency rate Moroccan Dirham vs Mauritanian Ouguiya because Mauritel group is fully consolidated since July 1, 2004.
(3) A reclassification of FX gains and losses was carried out in 2005. Indeed, FX gains and losses related to operating credits and debts were previously recorded in financial result. From now on, they are recorded in EFO in order to better reflect the destination of these proceeds and expenses. 2005 operating FX gains, reclassified in EFO, are MAD 105 million. 2004 operating FX losses, recorded in financial result amounted to MAD -36 million.
(4) Gross revenues include intercompany revenues between the fixed and mobile businesses of Maroc Telecom (interconnection fees and leased lines).
(5) Net cash corresponds to cash and cash equivalent, less loans, and excluding other current assets (term deposits) the maturity of which is more than 3 months.