

February 1st, 2005

## Press Release

### 2004 consolidated revenues : Double Digit growth

Maroc Telecom 2004 consolidated revenues amounted to MAD 17,922 million, up 12.8 % (and up 11.2% on a comparable basis<sup>1</sup> at constant currency<sup>2</sup>).

In the fourth quarter 2004, Maroc Telecom consolidated revenues has grown by 14.4% (and up 11.2% on a comparable basis<sup>1</sup> at constant currency<sup>2</sup>), reaching MAD 4,619 million, and contributes significantly to the performance of the year.

<i>In millions of MAD</i>	<b>2004<sup>3</sup></b>	<b>2003</b>	<b>% change</b>	<b>% change at comparable base<sup>(1)(2)</sup></b>	<b>Q-4 2004<sup>3</sup></b>	<b>Q-4 2003</b>	<b>% change</b>	<b>% change at comparable base<sup>(1)(2)</sup></b>
Gross revenues Fixed-line and Internet	<b>11,184</b>	11,210	-0.2%	-1.3%	<b>2,860</b>	2,848	0.4%	-1.3%
Gross revenues Mobile	<b>10,147</b>	8,388	21.0%	18.8%	<b>2,605</b>	2,111	23.4%	18.5%
Intersegment transactions	<b>-3,409</b>	-3,704	-8.0%	-9.1%	<b>-846</b>	-923	-8.4%	-10.4%
<b>Total consolidated revenues</b>	<b>17,922</b>	15,894	12.8%	11.2%	<b>4,619</b>	4,036	14.4%	11.2%

<sup>1</sup> Comparable basis illustrates the full consolidation of Mauritel as if this transaction had occurred at the beginning of 2003. In addition, comparable basis takes into consideration a change in presentation of consolidated revenues adopted as at December 31, 2004, in order to homogenize accounting treatments. As a result, this change in presentation consists of the netting of consolidated revenues recognized on sales of services provided to customers by Maroc Telecom on behalf of content providers (mainly special numbers). Previously, such consolidated revenues were presented on a gross basis. This change in presentation of consolidated revenues has no impact on operating income. At Maroc Telecom, it is immaterial.

<sup>2</sup> At constant currency Moroccan Dirhams vs Mauritanian Ouguiya

<sup>3</sup> Mauritel SA is fully consolidated as from July 1<sup>st</sup>, 2004

### ***Fixed-line and Internet : confirmation of the broadband success***

For the full year 2004, Fixed telephony and Internet consolidated revenues<sup>4</sup> amounted to MAD 11,184 million, decreasing by 0.2% (down 1.3% on a comparable basis<sup>1</sup> at constant currency<sup>2</sup>). This decline is essentially due to a tariff reduction on leased lines prices applied retroactively back to January 1<sup>st</sup> 2004, impacting the amount invoiced by the fixed activity to the mobile one. Excluding the impact of this tariff reduction, consolidated revenues increased by 3.7% (up 2.6% on a comparable basis<sup>1</sup> at constant currency<sup>2</sup>) due to a 7% growth of customer base<sup>5</sup> reaching 1.3 million customers at the end of 2004, the growth of incoming international traffic<sup>5</sup> (+17%) and the success of ADSL launch<sup>5</sup> (approximately 60,000 subscribers at the end of 2004 to be compared with approximately 2,600 subscribers at the end of 2003), and in spite of a decrease of the average traffic by user.

For the fourth quarter of 2004, Fixed telephony and Internet consolidated revenues<sup>4</sup> amounted to MAD 2,860 million, up 0.4% (and down 1.3% on a comparable basis<sup>1</sup> at constant currency<sup>2</sup>). Excluding the leased lines tariff reduction, consolidated revenues increased by +4.3% (up 2.4% at constant currency and on a comparable basis) with mainly, sustained incoming international traffic and favourable impact of the monthly fee increase as from August 2004, and in spite of a slight reduction of the residential customer base<sup>5</sup> (-28,000 lines).

### ***Mobile : a 20% growth of the customer base***

For the full year 2004, Mobile consolidated revenues<sup>4</sup> amounted to MAD 10,147 million, up 21.0% (+18.8% on a comparable basis<sup>1</sup> at constant currency<sup>2</sup>), driven by Maroc Telecom continuing customer base growth<sup>5</sup> (+22%) reaching approximately 6.4 million customers. This growth was also driven by the equipment sale related to the acquisition of new customers and the positive performance<sup>5</sup> of the prepaid ARPU<sup>6</sup> (up 2% at MAD 95) reflecting the stimulation of consumption with more promotions and the launch of the 20 dirhams scratch card.

In a higher competitive environment, Maroc Telecom focused on increasing loyalty of customers: prepaid customer<sup>5</sup> churn rate decreased by 1 point from 12% in 2003 to 11% in 2004 and postpaid customer<sup>5</sup> churn rate decreased by 4 points from 20% in 2003 to 16% in 2004.

For the fourth quarter of 2004, Mobile consolidated revenues<sup>4</sup> amounted to €2.605 million, up 23.4% (and up 18.5% on a comparable basis at constant currency) reflecting the growth of its customer base<sup>5</sup> (up 5% on the quarter) and the good momentum of the prepaid ARPU<sup>6</sup>.

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<sup>4</sup> Gross revenue includes intercompany transactions (including interconnection costs and leased lines) between Maroc Telecom fixed activity and mobile activity

<sup>5</sup> Excluding Mauritel

<sup>6</sup> Maroc Telecom ARPU (average revenue per user) is defined as consolidated revenues (from incoming and outgoing calls and data services), net of promotions, excluding roaming in and equipment sales, divided by the average customer base over the period.