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2008 INDIVIDUAL FINANCIAL STATEMENTS

Balance Sheets as at December 31, 2008 and 2007

ASSETS (In thousands of Moroccan dirhams)	Gross	Amortization, de- preciation and provisions	Net	
			2008	2007
CAPITALIZED COSTS (A)	0	0		0
. Start up costs	0	0		0
. Deferred costs	0	0		0
. Bond redemption premiums	0	0		0
INTANGIBLE ASSETS (B)	6,704,015	3,416,876	3,287,139	3,008,766
. Research and development costs	0	0	0	0
. Patents, trademarks, rights and similar rights	6,033,640	3,394,798	2,638,842	2,454,246
. Goodwill	31,686	22,078	9,608	4,260
. Other intangible assets	638,688	0	638,688	550,260
PROPERTY, PLANT AND EQUIPMENT (C)	38,155,566	24,238,046	13,917,520	12,274,467
. Land	956,636	0	956,636	969,530
. Buildings	4,205,200	2,830,770	1,374,430	1,368,100
. Technical plant, machinery and equipment	26,472,087	19,044,718	7,427,370	7,013,607
. Vehicles	69,574	65,933	3,640	4,279
. Office equipment, furniture and fittings	2,889,598	2,102,418	787,180	726,410
. Other property, plant and equipment	11,048	0	11,048	11,048
. Work in progress	3,551,424	194,207	3,357,217	2,181,492
FINANCIAL ASSETS (D)	4,055,257	410,182	3,645,075	3,510,610
. Long term loans	167,025	118,171	48,854	149,052
. Other financial receivables	1,988	0	1,988	1,966
. Equity investments	3,886,245	292,011	3,594,234	3,359,592
. Other investments and securities				
Unrealized foreign exchange losses (E)	0	0	0	0
. Decrease in long term receivables	0	0	0	0
. Increase in long term debt	0	0	0	0
TOTAL I (A+B+C+D+E)	48,914,837	28,065,103	20,849,734	18,793,843
INVENTORIES (F)	611,997	143,395	468,601	381,903
. Merchandise	432,791	114,177	318,614	294,948
. Raw materials and supplies	179,206	29,218	149,988	86,955
. Work in progress	0	0	0	0
. Intermediary and residual goods	0	0	0	0
. Finished goods				
CURRENT RECEIVABLES (G)	12,991,057	5,407,226	7,583,832	7,242,014
. Trade payables, advances and downpayments	289,489	0	289,489	130,818
. Accounts receivable and related accounts	11,828,625	5,363,708	6,464,917	6,459,978
. Employees	17,664	4,120	13,544	10,304
. Tax receivable	640,545	0	640,545	529,964
. Shareholders' current accounts	0	0	0	0
. Other receivables	169,422	39,397	130,025	29,149
. Accruals	45,313	0	45,313	81,802
MARKETABLE SECURITIES (H)	1,843,576	0	1,843,576	2,810,321
UNREALIZED FOREIGN EXCHANGE LOSSES (I)- (Current items)	58,570	0	58,570	88,978
TOTAL II (F+G+H+I)	15,505,201	5,550,621	9,954,580	10,523,216
CASH AND CASH EQUIVALENTS	161,153	0	161,153	120,530
. Checks	155,900	0	155,900	47,600
. Bank deposits	0	0	0	67,464
. Petty cash	5,253	0	5,253	5,466
TOTAL III	161,153	0	161,153	120,530
GRAND TOTAL I+II+III	64,581,191	33,615,724	30,965,467	29,437,589

SHAREHOLDERS' EQUITY AND LIABILITIES		Net	
(In thousands of Moroccan dirhams)		2008	2007
SHAREHOLDERS' EQUITY (A)		18,233,492	16,793,541
. Share capital		5,274,572	5,274,572
. Less : capital subscribed and not paid-in		0	0
. Paid-in capital		0	0
. Merger and premium		0	0
. Revaluation difference		0	0
. Statutory reserve		879,095	879,095
. Other reserves		2,552,197	2,546,122
. Retained earnings		0	1,829
. Unallocated income		0	0
. Net income of the year		9,527,628	8,091,922
QUASI EQUITY (B)		0	0
. Investment subsidies		0	0
. Regulated provisions		0	0
LONG TERM DEBT (C)		3,138	1,451
. Debenture bonds		0	0
. Other long term debt		3,138	1,451
PROVISIONS (D)		26,424	27,407
. Provisions for contingencies		0	0
. Provisions for losses		26,424	27,407
UNREALIZED FOREIGN EXCHANGE GAINS (E)		0	0
. Increase in long term receivables		0	0
. Decrease in long term debt		0	0
TOTAL I (A+B+C+D+E)		18,263,054	16,822,399
CURRENT LIABILITIES (F)		10,893,340	11,328,952
. Accounts payable and related accounts		5,426,197	5,382,077
. Trade receivables, advances and downpayments		555,913	380,061
. Payroll costs		642,178	572,635
. Social security contribution		110,237	76,771
. Tax payable		2,289,450	3,129,379
. Shareholders' current accounts		1	1
. Other payables		625,127	424,683
. Accruals		1,244,237	1,363,345
OTHER PROVISIONS FOR CONTINGENCIES AND LOSSES (G)		656,174	433,977
Unrealized foreign exchange gains (current items) (H)		85,735	82,788
Total II (F+G+H)		11,635,250	11,845,717
BANK-OVERDRAFTS		1,067,163	769,474
. Discounted bills		0	0
. Treasury loans		0	0
. Bank loans and overdrafts		1,067,163	769,474
Total III		1,067,163	769,474
GRAND TOTAL I+II+III		30,965,467	29,437,589

Income Statements as at December 31, 2008 and 2007

(In thousands of Moroccan dirhams)	2008	2007
I- OPERATING INCOME	25,637,467	24,198,296
Sales of goods	904,290	977,764
Sales of manufactured goods and services rendered	23,969,851	22,684,747
Operating revenues	24,874,141	23,662,511
Change in inventories	0	0
Self-constructed assets	0	0
Operating subsidies	0	0
Other operating income	79,403	55,474
Operating write-backs, expense transfers	683,924	480,310
TOTAL I	25,637,467	24,198,296
II- OPERATING EXPENSES	12,065,958	12,293,097
Cost of goods sold	1,612,064	1,616,308
Raw materials and supplies	1,985,431	2,223,534
Other external expenses	2,622,754	2,550,059
Taxes (except corporate income tax)	220,049	265,600
Payroll costs	2,145,276	2,133,965
Other operating expenses	2,000	2,000
Operating allowances for amortization	2,762,409	2,591,979
Operating allowances for provisions	715,976	909,651
TOTAL II	12,065,958	12,293,097
III- OPERATING INCOME I-II	13,571,509	11,905,199
IV- FINANCIAL INCOME	394,771	299,404
Income from equity investments	86,317	14,008
Foreign exchange gains	121,330	81,188
Interest and other financial income	98,093	105,997
Financial write-backs, expense transfers	89,031	98,212
TOTAL IV	394,771	299,404
V- FINANCIAL EXPENSES	645,792	217,959
Interest on loans	20,868	44,861
Foreign exchange losses	135,312	37,365
Other financial expenses	0	0
Financial allowances	489,612	135,733
TOTAL V	645,792	217,959
VI- FINANCIAL INCOME IV - V	(251,021)	81,446
VII- ORDINARY INCOME III + VI	13,320,488	11,986,645
VIII- EXTRAORDINARY INCOME	577,803	640,477
Proceeds from disposal of fixed assets	107,967	64,829
Subsidies received	0	0
Write-backs of investment subsidies	0	0
Other extraordinary income	118,019	68,558
Extraordinary write-backs, expense transfers	351,817	507,090
TOTAL VIII	577,803	640,477
IX- EXTRAORDINARY EXPENSES	630,177	610,005
Net book value of disposed assets	28,142	20,488
Subsidies	0	0
Other extraordinary expenses	115,980	240,497
Regulated provisions	0	0
Extraordinary allowance for depreciation and provisions	486,055	349,019
TOTAL IX	630,177	610,005
X- EXTRAORDINARY INCOME VIII - IX	(52,374)	30,473
XI- INCOME BEFORE TAX VII + X	13,268,115	12,017,117
XII- CORPORATE INCOME TAX	3,740,486	3,925,195
XIII- NET INCOME XI - XII	9,527,628	8,091,922
XIV- TOTAL INCOME (I+IV+VIII)	26,610,042	25,138,177
XV- TOTAL EXPENSES (II+V+IX+XII)	17,082,414	17,046,255
XVI- NET INCOME (total income-total expenses)	9,527,628	8,091,922

Statement of operating data

(In thousands of Moroccan dirhams)		2008	2007
1	Sales of goods	904,290	977,764
2	- Cost of goods sold	1,612,064	1,616,308
I	= GROSS MARGIN ON SALES	(707,774)	(638,544)
II	+ PRODUCTION FOR THE YEAR : (3+4+5)	23,969,851	22,684,747
3	Sales of manufactured goods and services rendered	23,969,851	22,684,747
4	Change in inventories	0	0
5	Self-constructed assets	0	0
III	- COST OF CURRENT YEAR PRODUCTION	4,608,185	4,773,593
6	Raw materials and supplies	1,985,431	2,223,534
7	Other external expenses	2,622,754	2,550,059
IV	= ADDED VALUE (I+II-III)	18,653,892	17,272,610
8	+ Operating subsidies	0	0
9	- Taxes	220,049	265,600
10	- Payroll costs	2,145,276	2,133,965
V	= GROSS OPERATING SURPLUS	16,288,567	14,873,045
	= NET LOSS FROM OPERATIONS	0	0
11	+ Other operating income	79,403	55,474
12	- Other operating expenses	2,000	2,000
13	+ Operating write-backs, expense transfers	683,924	480,310
14	- Operating allowances	3,478,385	3,501,630
VI	= OPERATING INCOME (+ ou -)	13,571,509	11,905,199
VII	+ / - FINANCIAL INCOME	(251,021)	81,446
VIII	= ORDINARY INCOME (+ ou -)	13,320,488	11,986,645
IX	+ / - EXTRAORDINARY INCOME	(52,374)	30,473
15	- CORPORATE INCOME TAX	3,740,486	3,925,195
X	= NET INCOME (+ ou -)	9,527,628	8,091,922

Cash earnings (In thousands of Moroccan dirhams)		2008	2007
1	Net income		
	+ Profit	9,527,628	8,091,922
	- Loss	0	0
2	+ Operating allowances (1)	2,762,409	2,591,979
3	+ Financial allowances (1)	356,593	46,702
4	+ Extraordinary allowances (1)	377,215	349,019
5	- Operating write-backs (2)	983	947
6	- Financial write-backs (2)	0	35,046
7	- Extraordinary write-backs (2) , (3)	340,010	214,567
8	- Proceeds on disposal of fixed assets	107,967	64,829
9	+ Net book value of disposed assets	28,142	20,488
I	CASH EARNINGS	12,603,027	10,784,721
10	- Dividends	8,087,677	6,927,271
II	NET CASH EARNINGS	4,515,350	3,857,450

(1) Excluding allowances related to current assets and liabilities and cash

(2) Excluding write-backs relating to current assets and liabilities and cash

(3) Including write-backs of investments subsidies

Statement of Cash Flows

Selected balance sheet data

LINE ITEMS (in thousands of Moroccan dirhams)	Year		Change (a-b)	
	2008 (a)	2007 (b)	Uses (c)	Sources (d)
1 Equity and long term liabilities	18,263,054	16,822,399		1,440,655
2 Less long term assets	20,849,734	18,793,843	2 055 891	
3 Working capital (1-2) (A)	(2,586,680)	(1,971,444)	615 236	
4 Current assets	8,254,580	7,823,269	431 311	
5 Less current liabilities	11,635,250	11,845,717	210,467	
6 Working capital requirement (4-5) (B)	(3,380,670)	(4,022,448)	641,778	
7 Net cash (A-B)	793,990	2,051,003		1,257,014

Uses and sources

I - LONG TERM FINANCING SOURCES (In thousands of Moroccan dirhams)	2008		2007	
	Uses	Sources	Uses	Sources
NET CASH EARNINGS (A)		4,515,350		3,857,450
Cash earnings		12,603,027		10,784,721
Dividends		8,087,677		6,927,271
DISPOSALS AND REDUCTIONS OF FIXED ASSETS (B)		233,508		157,438
Reduction of intangible assets		0		0
Reduction of property, plant and equipment		116,737		78,211
Disposal of property, plant and equipment		107,967		64,829
Disposal of financial assets		0		0
Write-backs of long term receivables		8,805		14,398
INCREASE IN SHAREHOLDERS' EQUITY AND QUASI EQUITY (C)		0		0
Increase in equity, capital contribution		0		0
Investments subsidies		0		0
INCREASE IN LONG TERM DEBT (D)		1,688		0
(Net of redemption premiums)				
TOTAL (I) LONG TERM RESOURCES (A+B+C+D)		4,750,546		4,014,888
II - LONG TERM USES FOR THE YEAR				
ADDITIONS & INCREASE IN FIXED ASSETS (E)	5,365,782		4,647,895	
Acquisitions of intangible assets	667,862		918,218	
Acquisitions of property, plant and equipment	4,198,056		3,264,716	
Acquisitions of financial assets	473,064		384,933	
Increase in long term receivables	26,799		80,028	
Increase in property, plant and equipment (*)	0		0	
REIMBURSEMENT OF EQUITY (F)	0		0	
REIMBURSEMENT OF LONG TERM DEBT (G)	0		532	
CAPITALIZED COSTS (H)	0		0	
TOTAL (II) STABLES USES(E+F+G+H)	5,365,782		4,648,427	
III - CHANGE IN WORKING CAPITAL REQUIREMENT	641,778	0	0	430,341
IV - CHANGE IN CASH AND CASH EQUIVALENTS	0	1,257,014	0	203,198
GRAND TOTAL	6,007,560	6,007,560	4,648,427	4,648,427

Exceptions

NONE

Changes in methods

Non-financial assets

(In thousands of Moroccan dirhams)

year ended December 31, 2008

DESCRIPTION	Gross balance	INCREASE			DECREASE			Gross balance
	Carried forward	Acquisition	Self-constructed assets	Transfer	Disposal	Withdrawal	Transfer	Year end
CAPITALIZED COSTS	0	0	0	0	0	0	0	0
Start up costs	0	0	0	0	0	0	0	0
Deferred costs	0	0	0	0	0	0	0	0
Bond redemption premiums	0	0	0	0	0	0	0	0
INTANGIBLE ASSETS	5,674,606	667,862	0	940,981	0	0	579,434	6,704,015
Research and development costs	0	0	0	0	0	0	0	0
Patents, trademarks, rights and similar rights	5,100,082	0	0	933,558	0	0	0	6,033,640
Goodwill	24,264	0	0	7,422	0	0	0	31,686
Other intangible assets	550,260	667,862	0	0	0	0	579,434	638,688
PROPERTY, PLANT AND EQUIPMENT	34,471,308	4,198,056	0	2,511,695	35,515	116,737	2,873,241	38,155,566
Land	969,530	0	0	15,247	28,142	0	0	956,636
Buildings	4,085,423	0	0	119,777	0	0	0	4,205,200
Technical plant, machinery and equipment	24,360,427	0	0	2,111,711	50	0	0	26,472,087
Vehicles	75,318	0	0	1,227	6,971	0	0	69,574
Office equipment	2,626,216	0	0	263,734	352	0	0	2,889,598
Other property, plant and equipment	11,048	0	0	0	0	0	0	11,048
Work in progress	2,343,346	4,198,056	0	0	0	116,737	2,873,241	3,551,424

Equity investments

(In thousands of Moroccan dirhams)

year ended December 31, 2008

Business segment	Share capital	% of interest	Overall acquisition price	Net book value	Derived from latest selected financial data of issuer company			Income recorded in income statement	
					Closing date	Net equity	Net income		
1	2	3	4	5	6	7	8	9	
Matelca	Study and realization of submarines cables	300	50	50	0	Dec.31, 08	-	-	-
Arabsat	Operation and commercialization of telecommunications systems	5,094,637	0,61	6,454	6,454	Dec.31, 08	-	-	-
ADM	Building and operation of Moroccan road network	6,507,629	0,31	20,000	16,000	Dec.31, 08	-	-	-
Thuraya	Regional satellite operator	5,312,845	0,16	9,872	9,872	Dec.31, 08	-	-	-
Casanet	Internet service provider	14,414	100	18,174	18,174	Dec.31, 08	-	-	-
CMC	Financial holding	396,546	80	399,469	399,469	Dec.31, 08	-	-	86,317
Fonds Amorceage Sindbad	Amor-Capital –amorçage fund	48,000	10	5,000	0	Dec.31, 08	-	-	-
Medi-1- Sat	Media (Satellite television)	62,390	37	65,097	0	Dec.31, 08	-	-	-
Mobisud SA	Telecommunication	168,075	66	110,976	0	Dec.31, 08	-	-	-
Maroc Telecom	Telecommunication	106,888	100	106,888	0	Dec.31, 08	-	-	-
Belgium									
Onatel	Telecommunication	583,631	51	2,459,380	2,459,380	Dec.31, 08	-	-	-
Gabon Telecom	Telecommunication	1,280,985	51	684,885	684,885	Dec.31, 08	-	-	-
Total				3,886,245	3,594,234		0	0	86,317

Provisions as at December 31, 2008 and 2007

(In thousands of Moroccan dirhams)

year ended December 31, 2008

DESCRIPTION	Opening balance	ALLOWANCES			WRITE-BACKS			Closing balance
		Operating	Financial	Extraordinary (*)	Operating	Financial	Extraordinary (*)	
1- Provisions for depreciation of fixed assets	424,759	0	356,593	325,974	0	0	340,010	767,316
2- Regulated provisions	0	0	0	0	0	0	0	0
3-Provisions for contingences and losses	27,407	0	0	0	983	0	0	26,424
Sub- total (A)	452,167	0	356,593	325,974	983	0	340,010	793,740
4-Provisions for depreciation of current assets (excluding cash and cash equivalent)	5,289,743	576,539	0	0	315,608	52	0	5,550,621
5-Other provisions for contingencies	433,977	139,437	133,018	108,840	58,313	88,978	11,807	656,174
6-Provisions for depreciation of cash and cash equivalents	0	0	0	0	0	0	0	0
Sub-total (B)	5,723,720	719,976	133,018	108,840	373,921	89,031	11,807	6,206,795
Total (A+B)	6,175,886	715,976	489,612	434,814	374,904	89,031	351,817	7,000,535

(*) Of which:

Provision of asset retirements

(*) Of which:

MAD113 M Amortization

MAD7 M

Depreciation of inventories class 2

MAD133 M Spare parts

MAD101 M

Depreciation of cable

MAD18 M Write-backs of cable

MAD104 M

Delayed placing in service of work in progress

MAD62 M Delayed placing in service of work in progress

MAD61 M

Write-backs of Land

MAD67 M

Total

MAD326 M

MAD340 M

Receivables as at December 31, 2008 and 2007

(In thousands of Moroccan dirhams)

year ended December 31, 2008

RECEIVABLES	TOTAL	BREAKDOWN BY MATURITY			OTHER BREAKDOWN			
		Due in more than one year	Due in less than one year	Matured but not recovered	Amount in foreign currency	Amounts due: Government and security	Amounts due: related parties	Amounts in notes
FIXED ASSETS	169,012	159,185	9,828		118,171		120,471	
Long term loans	167,025	157,197	9,828		118,171		120,471	
Other financial receivables	1,988	1,988	0					
CURRENT ASSETS	12,991,057	0	6,511,090	6,479,967	2,309,780	2,306,781	495,648	4,077
. Trade payables, advances and down-payments	289,489	0	289,489	0	62,193			
. Accounts receivable and related accounts	11,828,625	0	5,392,175	6,436,450	2,144,933	1,666,236	409,331	
. Employees	17,664	0	13,544	4,120				
. Tax receivable	640,545	0	640,545			640,545		
. Shareholders' current accounts	0	0	0					
. Other receivables	169,422	0	130,025	39,397	102,654		86,137	
. Accruals	45,313	0	45,313					4,077

Liabilities as at December 31, 2008 and 2007

(In thousands of Moroccan dirhams)

year ended December 31, 2008

LIABILITIES	TOTAL	BREAKDOWN BY MATURITY			OTHER BREAKDOWN			
		Due in more than one year	Due in less than one year	Matured but not recovered	Amount in foreign currency	Amounts due: Government and security	Amounts due: related parties	Amounts in notes
LONG TERM DEBT	3,138	0	3,138		558	0	0	
Debtenture bonds	0	0	0	0	0	0	0	0
Other long term debt	3,138	0	3,138	0	558			0
CURRENT LIABILITIES	10,893,340	109,635	9,437,730	1,345,976	2,985,363	2,595,299,	581,366	4,470
. Accounts payable and related accounts	5,426,197	109,635	4,035,493	1,281,069	2,037,730	0	189,645	4,470
. Trade receivables, advances and down-payment	555,913	0	555,913	0	555,913	0	0	
. Employee	642,178	0	642,178		0	0	0	
. Social security	110,237	0	110,237	0	0	110,237	0	0
. Tax payable	2,289,450	0	2,289,450	0	0	2,289,450	0	0
. Shareholders' current accounts	1	0	1	0	0	0	0	0
. Other payables	625,127	0	560,220	64,907	391,721	195,611	391,721	0
. Accruals	1,244,237	0	1,244,237	0	0	0	0	0

Guarantees given or received as at December 31, 2008 and 2007

(In thousands of Moroccan dirhams)

Year ended December 31, 2008

Third parties	Amount covered by guarantee	Description (1)	Date and place of registration	Purpose (2) (3)	Net book value of the guarantee given at closing date
. Guarantees given					
. Guarantees received					
Long term loans	46,554	(1)		Guarantees received are from employees	

(1) Collateral : 1-Mortgage :2-Pledge: 3-Warrant : 4- Others : 5- (to specify)

(2) State if the guarantee is given to a company or to a person (guarantees given) (related parties, associates, employees)

(3) State if the guarantee is received from a person other than the debtor (guarantees received)

Financial commitments received or given excluding leasing transactions as at December 31, 2008 and 2007

(In thousands of Moroccan dirhams)

year ended December 31, 2008

COMMITMENTS GIVEN	Amounts Year end	Amounts Previous year
- Investments not yet realized		
* Property, plant and equipment	2,812,316	1,533,298
* Investment commitment	0	390,742
	2,812,316	1,533,298
- Guarantees from banks		
* Documentary credit	0	14,943
* Endorsements	61,981	63,709
	61,981	78,652
- Equity investments		
* Gabon Telecom	175,408	
* Fonds Amorceage SINDIBAD	0	2,164
* Medi-1-Sat (capital increase)	55,836	0
* Medi-1-Sat (quasi capital)	0	0
* Mobisud France (capital increase)	37,224	74,773
* Mobisud France (quasi capital)	0	0
* Casanet (quasi capital)	3,800	6,100
	272,268	83,036
- Partnership commitment with ASSOCIATION FORUM DE CASABLANCA	0	10,500
	0	10,500
- Operating lease obligations (*)	11,281	10,340
	11,281	10,340
- Purchase commitment of land in Casa technopôle	230	230
	230	230
Total	3,158,076	1,716,056

(*) 2 to 15 year rent contract with tacit renewal. The amount indicated is related to one month's notice

COMMITMENTS RECEIVED	Amounts year end	Amounts Previous year
Endorsements and guarantees	1,528,452	1,383,607
Other commitments received		
Commitment on acquisition of land	0	39,000
Commitment on acquisition of material from NOKIA (SWAP)	0	615,514
Investment commitment		
Exemption of the customs duties and the VAT on the imports relating to the investments.	0	0
Total	1,528,452	2,038,121