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2008 CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheets as at December 31, 2008 and 2007

ASSETS <i>(In millions of Moroccan dirhams)</i>	December 31, 2008	December 31, 2007
Goodwill	2,117	2,197
Other intangible assets	3,889	3,644
Property, plant and equipment net	18,684	16,870
Investments in equity affiliates	0	1
Non-current financial assets	326	326
Deferred tax assets	17	204
Non-current assets	25,033	23,242
Inventories	744	749
Trade accounts receivable and other	9,827	9,897
Current financial assets	105	104
Cash and cash equivalents	2,678	3,725
Available -for- sale assets	96	32
Current assets	13,450	14,507
TOTAL ASSETS	38,483	37,749

SHAREHOLDERS' EQUITY AND LIABILITIES <i>(In millions of Moroccan dirhams)</i>		
Share capital	5,275	5,275
Retained earnings	3,914	4,071
Net earnings	9,520	8,033
Capital attributable to equity holders of the parent	18,709	17 380
Minority interest	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	14,763	15,385
Current income tax liabilities	114	992
Current provisions	519	142
Borrowings and other current financial liabilities	1,412	1,159
Current liabilities	16,808	17,679
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	38,483	37,749

Consolidated Income Statements as at December 31, 2008 and 2007

<i>(In millions of Moroccan dirhams)</i>	2008	2007
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 (expenses)	(3,643)	(3,562)
Net depreciation, amortization and provisions	(4,059)	(4,038)
Earnings from operations	13,889	12,234
Other income and charges from ordinary activities	(15)	1
Income from equity affiliates	(62)	(34)
Earnings from continuing operations	13,812	12,201
Income from cash and cash equivalents	112	131
Borrowing costs	(106)	(131)
Net borrowing costs	6	0
Other financial income and expenses	388	31
Net financial income (expense)	394	31
Income tax expense	(4,196)	(4,095)
Net earnings	10,010	8,137
Attributable to equity holders of the parent	9,520	8,033
Minority interests	490	104

EARNINGS PER SHARE <i>(In Moroccan dirhams)</i>	2008	2007
Net earnings- group share	9,520	8,033
<i>Number of shares as 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 as at December 31, 2008 and 2007

<i>(In millions of Moroccan dirhams)</i>	December 31,2008	December 31, 2007
Consolidated net earnings (including minority interests)	10,010	8,137
Net depreciation, amortization , impairment and provisions	3,863	3,317
Non-cash expenses (income)	(302)	34
Capital gains and losses	(80)	(106)
Cash flow after net borrowing costs and income tax expense	13,491	11,383
Net borrowing costs	5	0
Income tax expense (including deferred tax)	4,196	4,095
Cash flow before net borrowing costs and income tax expense (A)	17,692	15,477
Tax paid (B)	(4,930)	(3,572)
Change in working capital (C)	(195)	1,164
Net cash from operating activities (D) = (A+B+C)	12,567	13,069
Purchase of PP&E and intangible assets	(5,957)	(5,466)
Proceeds from disposals of PP&E and intangible assets	228	79
Purchase of non-consolidated investments	(22)	(413)
Proceeds from disposals of non-consolidated investments	-	-
Decrease in long-term debt	(18)	(5)
Effects of changes in scope of consolidation (*)	-	149
Net cash 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 interests	(5)	0
Changes in blocked Cash	(30)	(185)
Changes in share capital (share capital reduction)	-	-
Other	18	(8)
Cash flow used in financing activities (F)	(7,857)	(6,432)
Effect for foreign currency translation adjustments (G)	13	3
Change in cash and cash equivalents (D+E+F+G)	(1,047)	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

*Mauritel has been consolidated since July 1, 2004

*Onatel has been consolidated since January 1, 2007

*Mobisud France has been consolidated since November 1, 2006

*Gabon Telecom has been consolidated since March 1,2007

* Mobisud Belgium has been consolidated since May 1,2007

Note 4. Other intangible assets as at December 31, 2008 and 2007

(In millions of Moroccan dirhams)	December 31, 2008	December 31, 2007
Patents, trademarks and similar rights	1,271	1,268
Mobile license	668	727
Other intangible assets	1,950	1,649
Net total	3,889	3,644

2008

(In millions of Moroccan dirhams)	2007	Acquisitions and additions	Disposals and with- drawals	Transla- tion adjust- ment	Change in scope of consolida- tion	Reclassifi- cation	2008
Gross	6,776	834	0	6	7	346	7,969
Patents, trademarks and similar rights	2,424	8	0	0	0	(35)	2,397
Mobile license	893	0	0	3	0	0	896
Other intangible assets	3,459	827	0	2	7	381	4,676
Amortization and impairment	(3,131)	(954)	0	(2)	0	7	(4,080)
Patents, trademarks and similar rights	(1,156)	0	0	0	0	30	(1,126)
Mobile license	(166)	(59)	0	(2)	0	(2)	(288)
Other intangible assets	(1,810)	(894)	0	(1)	0	(22)	(2,726)
Net total	3,644	(119)	0	3	7	353	3,889

2007

(in millions of Moroccan dirhams)	2006	Acquisitions and additions	Disposals and with- drawals	Translation adjustment	Change in scope of consolida- tion	Reclassifica- tion	2007
Gross	4,625	1,302	0	8	372	468	6,776
Patents, trademarks and similar rights	812	116	0	3	193	1,300	2,424
Mobile license	591	188	0	4	109	0	893
Other intangible assets	3,222	998	0	2	70	(832)	3,459
Amortization and impairment	(2,210)	(746)	0	(3)	(182)	10	(3,131)
Patents, trademarks and similar rights	(396)	(645)	0	(2)	(123)	10	(1,156)
Mobile license	(88)	(44)	0	(1)	(33)	0	(166)
Other intangible assets	(1,726)	(57)		(1)	(26)	0	(1,810)
Net total	2,415	556	0	5	190	478	3,644

Note 5. Property, plant and equipment as at December 31, 2008 and 2007

(In millions of Moroccan dirhams)	Dec. 31, 2008	Dec. 31, 2007
Land	1,354	1,305
Buildings	2,010	2,010
Technical plant, machinery and equipment	10,888	10,358
Transportation equipment	63	62
Office equipment, furniture and fittings	789	726
Other property, plant and equipment	3,590	2,410
Net total	18,684	16,870

2008

(in millions of Moroccan dirhams)	2007	Acquisitions additions	Disposals and withdrawals	Translation adjustments	Change in scope of consolidation	Reclassification	Assets held for sale	2008
Gross	43,595	5,122	(121)	(33)	121	(541)	(81)	48,062
Land	1,311	17	(28)	(3)	121	0	(57)	1,362
Buildings	5,557	147	0	(7)	0	(1)	11	5,706
Technical plant, machinery and equipment	31,398	2,964	(82)	(25)	0	(63)	(35)	34,157
Transportation equipment	265	16	(9)	(1)	0	(6)	0	266
Office equipment, furniture and fittings	2,517	287	0	(1)	0	7	0	2,810
Other property, plant and equipment	2,547	1,691	(2)	3	0	(478)	0	3,761
Depreciation and impairment	(26,724)	(2,822)	91	26	0	43	10	(29,378)
Land	(6)	0	0	0	0	0	(1)	(8)
Buildings	(3,546)	(177)	0	5	0	1	11	(3,706)
Technical plant, machinery and equipment	(21,040)	(2,359)	82	19	0	29	0	(23,269)
Transportation equipment	(204)	(21)	9	0	0	13	0	(203)
Office equipment, furniture and fittings	(1,790)	(232)	0	1	0	0	0	(2,021)
Other property, plant and equipment	(137)	(34)	0	0	0	0	0	(171)
Net total	16,870	2,299	(30)	(7)	121	(499)	(70)	18,684

2007

(in millions of Moroccan dirhams)	2006	Acquisitions additions	Disposals and withdrawals	Translation adjustments	Change in scope of consolidation	Reclassification	Assets held for sale	2007
Gross	31,858	4,164	(40)	133	8,353	(833)	(40)	43,595
Land	989	8	(17)	5	290	68	(32)	1,311
Buildings	4,048	19	(2)	19	1,253	228	(8)	5,557
Technical plant, machinery and equipment	22,015	812	(19)	104	6,502	1,984	0	31,398
Transportation equipment	101	13	(2)	2	151	0	0	265
Office equipment, furniture and fittings	2,127	20	0	2	116	252	0	2,517
Other property, plant and equipment	2,578	3,292	0	1	42	(3,366)	0	2,547
Depreciation and impairment	(19,398)	(2,875)	6	(76)	(4,705)	315	7	(26,724)
Land	0	(1)	0	0	(6)	0	0	(6)
Buildings	(2,503)	(310)	1	(11)	(731)	1	7	(3,546)
Technical plant, machinery and equipment	(15,205)	(2,337)	4	(61)	(3,753)	313	0	(21,040)
Transportation equipment	(60)	(19)	2	(2)	(126)	1	0	(204)
Office equipment, furniture and fittings	(1,476)	(227)	0	(2)	(85)	0	0	(1,790)
Other property, plant and equipment	(153)	19	0	0	(3)	0	0	(137)
Net total	12,460	1,289	(33)	58	3,648	(518)	(32)	16,870

Note 7. Non-current financial assets as at December 31, 2008 and 2007

(In millions of Moroccan dirhams)	December 31, 2008	December 31, 2007
Non-consolidated investments	104	93
Other financial assets (a)	222	233
Net total	326	326

(In millions of Moroccan dirhams)	December 31, 2008	December 31, 2007
Due within one year	12	14
Due between 1 and 5 years	156	184
Due after 5 years	54	35
Net total	222	233

Non-consolidated investments

2008

(In millions of Moroccan dirhams)	% Interest	Gross	Impairment	Net carrying amount	Earnings	Total equity
Casanet	100%	18	0	18	ND	ND
Matelca	50%	NS	NS	NS	ND	ND
Arabsat	NS	13	0	13	ND	ND
Autoroute du Maroc	NS	20	4	16	ND	ND
Thuraya	NS	10	0	10	ND	ND
Sindbad investment fund	10%	5	5	0	ND	ND
Rascom	NS	34	8	26	ND	ND
Sonatel	NS	5	0	5	ND	ND
CMTL	NS	6	4	2	ND	ND
INMASAT	NS	12	0	12	ND	ND
Other	NS	1	0	1	ND	ND
Total		125	21	104	ND	ND

2007

(In millions of Moroccan dirhams)	% Interest	Gross	Impairment	Net carrying amount	Earnings	Total equity
Casanet	100%	18	0	18	8	30
Matelca	50%	NS	NS	NS	ND	ND
Arabsat	NS	13	0	13	ND	ND
Autoroute du Maroc	NS	20	4	16	ND	ND
Thuraya	NS	10	0	10	ND	ND
Sindbad investment fund	10%	3	3	0	ND	ND
Rascom	NS	34	10	25	ND	ND
Sonatel	NS	5	0	5	ND	ND
CMTL	NS	6	4	2	ND	ND
INMASAT	NS	4	0	4	ND	ND
Other	NS	1	1	0	ND	ND
Total		114	22	93	8	30

Note 10. Trade accounts receivable and other as at December 31, 2008 and 2007

(In millions of Moroccan dirhams)	December 31, 2008	December 31, 2007
Accounts receivable	7,858	8,062
Other receivables and accruals	1,969	1,835
Net total	9,827	9,897

Accounts receivable

(In millions of Moroccan dirhams)	December 31, 2008	December 31, 2007
Trade receivables	10,650	14,200
Government receivables	2,314	1,998
Impairment of receivables (-)	(5,106)	(8,136)
Net total	7,858	8,062

Other receivables and accruals

(In millions of Moroccan dirhams)	December 31, 2008	December 31, 2007
Trade payables, advances and downpayments	323	171
Employee accounts	41	40
Tax receivables	1,102	1,234
Other receivables	382	219
Accruals	121	171
Net total	1,969	1,835

Note 14. Provisions as at December 31, 2008 and 2007

(In millions of Moroccan dirhams)	December 31, 2008	December 31, 2007
Non-current provisions	179	203
Provisions for life annuities	26	27
Provisions for termination benefits	90	172
Provisions for disputes with third parties	4	3
Other provisions	59	
Current provisions	519	143
Provisions for voluntary redundancy plan	179	11
Provisions for employee-related expenses	22	23
Provisions for disputes with third parties	182	108
Other provisions	137	
Total	698	345

2008

(In millions of Moroccan dirhams)	2007	Charges	Utilized	Change in scope of consolidation	Translation adjustment	Releases	Reclassification	2008
Non-current provisions	203	19	(75)	(17)	0	(1)	51	179
Provisions for life annuities	27					(1)		26
Provisions for termination benefits	172	10	(75)	(17)	0			90
Provisions for disputes with third parties	3	1						4
Other provisions		8			0		51	59
Current provisions	143	362	(25)	0	(1)	(2)	43	519
Provisions for voluntary redundancy plan	11	180	(11)		(1)			179
Provisions for employee- related expenses	23	12	(12)		0	(2)		22
Provisions for disputes with third parties	108	76	(2)		0			182
Other provisions	0	94					43	137
Total	345	381	(100)	(17)	(1)	(3)	94	698

2007

(In millions of Moroccan dirhams)	2006	Charges	Utilized	Change in scope of consolidation	Translation adjustment	Releases	Reclassification	2007
Non-current provisions	36	13	(10)	163	2	(3)	0	203
Provisions for life annuities	28	0	(1)	0	0	0		27
Provisions for termination benefits	8	13	0	152	2	(3)		172
Other provisions	0	0	(9)	11	0	0		3
Current provisions	388	51	(223)	28	1	(101)	0	143
Provisions for voluntary redundancy plan	304	0	(193)	0	0	(100)		11
Provisions for employee- related expenses	26	14	(17)	1	0	(1)		23
Provisions for disputes with third parties	35	37	(13)	27	1	0	23	108
Other provisions	23	0	0	0	0	0	(23)	0
Total	424	64	(233)	191	3	(104)	0	345

Note 16. Accounts payable as at December 31, 2008, 2007 and 2006

(In millions of Moroccan dirhams)	December 31, 2008	December 31, 2007
Trade accounts payable	7,264	7,209
Employee-related liabilities	880	758
Tax liabilities and other payables	5,064	5,685
Accruals	1,555	1,734
Total	14,763	15,386