PRESS RELEASE

Rabat, July 24, 2012

CONSOLIDATED RESULTS FOR H1 2012

Results in line with forecast targets:

- **Morocco:**
  - **outbound mobile revenues slightly increasing, a consequence of a 40% rise in usage;**
  - **strong growth in customer bases for postpaid mobile (+21%), 3G internet (+71%), and ADSL (+19%);**
  - **restructuring: voluntary redundancy plan has so far reduced headcount by 800 employees. Over the year, this figure may experience a marked change given the success met with employees.**
- **International business:**
  - **strong growth in revenues (+21%), earnings from operations (+50%), and customer bases (+37%);**
- **Consolidated results:**
  - **revenues declined slightly, by 1.0%, to MAD 15.2 billion;**
  - **earnings from operations before restructuring charges fell by 2.3%, to MAD 6.0 billion, a margin of 39.3%;**
  - **cash flow from operations (CFFO) rose 16%, to MAD 5.5 billion.**

Outlook for 2012 (excluding restructuring) unchanged:

- **operating margin (EBITDA) approximately 38%;**
- **cash flow from operations (CFFO) stable, at MAD 11.5 billion.**

On the occasion of the publication of this press release, Abdeslam Ahizoune, Chairman of the Management Board, stated: *« The results obtained in the first half of 2012 corroborate Maroc Telecom's strategy of significant price cuts, innovative rate plans, and network investment, all in a competitive environment that remains fierce.*

Maroc Telecom also enjoys excellent momentum from its international activities. As leader in all markets in which it operates, Maroc Telecom is able to maintain high margins as a result of its ability to anticipate, innovate, and adapt to market changes. »

GROUP CONSOLIDATED RESULTS

IFRS in MAD millions	H1 2011	H1 2012	% change	% change like for like[2]
Revenues	15,323	15,172	(1.0%)	(0.8%)
EBITDA	8,317	8,358	0.5%	0.6%
Margin (%)	*54.3%*	*55.1%*	*0.8 pt*	*0.8 pt*
EBITA (before restructuring)	6,094	5,955	(2.3%)	(2.2%)
Margin (%)	*39.8%*	*39.2%*	*(0.6 pt)*	*(0.6 pt)*
EBITA (after restructuring)	6,094	5,155	(15.4%)	(15.3%)
Net income – Group share (before restructuring & one-off Moroccan Tax)	3,985	3,798	(4.7%)	(4.7%)
Margin (%)	*26.0%*	*25.0%*	*(1.0 pt)*	*(1.0 pt)*
Net income – Group share	3,985	3,128	(21.5%)	(21.5%)
CAPEX	(2,009)	(2016)	+0.3%	
CAPEX / Revenues	*13.1%*	*13.3%*	*0.2 pt*	
CFFO	4,715	5,458	15.7%	
Net debt	11,315	11,114	(1.8%)	
Net debt / EBITDA	*0.7 x*	*0.7 x*		

- **Revenues**

At June 30, 2012, Maroc Telecom Group had consolidated revenues[1] of MAD 15,172 million, 1.0% less than revenues in 2011 (-0.8% like for like[2]). This decline is attributable to lower revenues in Morocco (-5.3%) in a context of persistent price cuts in the mobile segment. Solid growth in international business (+21%) compensated partly for the decline in mobile revenues.

In the second quarter, Maroc Telecom Group revenues declined by 1.8%, compared with the same period a year earlier, to MAD 7,637 million.

The Group's customer base showed solid momentum, with growth of 13.7%, to over 31 million. This growth was due mainly to international business, where the customer base grew by 37% year on year.

- **Earnings from operations before depreciation and amortization**

In the first half of 2012, Maroc Telecom Group EBITDA amounted to MAD 8,358 million, stable at +0.5% from a year earlier (+0.6% like for like). This performance was the result of a strategy to expand in sub-Saharan Africa. A 33% (34% like for like) rise in international EBITDA compensated for the 4.8% decline in EBITDA in Morocco. EBITDA margin remained high, at 55.1%, up by 0.8 pts.

In the second quarter, EBITDA amounted to MAD 4,130 million, 3.6% (-3.5% like for like) less than EBITDA in 2011.

- **Earnings from operations**

At June 30, 2012, Maroc Telecom Group's consolidated earnings from operations[3] (EBITA) amounted to MAD 5,155 million, 15.4% less than EBITA in 2011 and -15.3% like for like. Excluding restructuring costs, EBITA declined 2.3%, to MAD 5,955 million, with a margin of 39.3% (i.e., a moderate decline of 0.5 pts). The decline in earnings from operations is attributable to depreciation charges (+5.9%) related to significant, ongoing expenditures, particularly in international business.

A MAD 800 million restructuring provision was recorded consecutively to the launch of a voluntary redundancy plan in Morocco in June 2012. This provision covers all departures expected under the plan.

- **Net income**

Maroc Telecom Group's net income for the first half of 2012 came to MAD 3,128 million, 22% lower than in 2011 (-22% like for like) because of the restructuring provision and the one-off contribution to the solidarity fund in Morocco.

Excluding those items, net income fell 4.7%, to MAD 3,798 million.

- **Cash flow**

At June 30, 2012, cash flow from operations (CFFO[4]) amounted to MAD 5,458 million, 16% higher than at the end of June 2011. This performance is attributable mainly to stable EBITDA, efficient CAPEX (up by 0.3%, to MAD 2,016 million) and well-managed working capital requirements. Note that the voluntary redundancy plan will not affect cash flow until the second half of 2012.

At June 30, 2012, Maroc Telecom Group's consolidated net debt[5] amounted to MAD 11.1 billion, after the dividend payment of MAD 8.6 billion. Net debt represents only 0.7 times the Group's annual EBITDA.

- **Outlook for 2012 unchanged (excluding restructuring)**

On the basis of recent market changes, and insofar as no new major event transpires that might interfere with Group business, Maroc Telecom maintains its forecasts, excluding restructuring expenses, of an EBITA margin of approximately 38% and of stable cash flow from operations (CFFO) of MAD 11.5 billion, despite the persistently intense competitive environment.

OVERVIEW OF GROUP ACTIVITIES

- **Morocco**

IFRS in MAD millions	H1 2011	H1 2012	% change
Revenues	12,545	11,876	(5.3%)
Mobile	**9,418**	**8,937**	**(5.1%)**
Services	*8,922*	*8,630*	*(3.3%)*
Equipment	*496*	*307*	*(38.0%)*
Fixed line	**3,836**	**3,404**	**(11.3%)**
*o/w wireline data**	*869*	*892*	*2.6%*
Elimination	**(708)**	**(464)**	
EBITDA	7,175	6,834	(4.8%)
Margin (%)	*57.2%*	*57.5%*	*0.3 pt*
EBITA (before restructuring)	5,576	5,180	(7.1%)
Margin (%)	*44.4%*	*43.6%*	*(0.8%)*
EBITA (after restructuring)	5,576	4,380	(21.5%)
CAPEX	(1,222)	(1,348)	+10.3%
CAPEX/Revenues	*9.7%*	*11.4%*	*1.7 pt*
CFFO	4,592	4,901	6.7%
Net debt	10,347	9,528	(8.0%)
Net debt / EBITDA	*0.7 x*	*0.7 x*	

*wireline data include internet, TV over ADSL, and enterprise data services.

In the first half of 2012, business activities in Morocco generated revenues of MAD 11,876 million, a decline of 5.3%. This decline reflects the impact on inbound mobile revenues of lower mobile call-termination rates, and the downslide of fixed-line revenues.

During the same period, EBITDA reached MAD 6,834 million, 4.8% lower than in 2011. Direct and operating costs rose only 0.8% overall, while voice traffic on the Maroc Telecom mobile network increased by 34%.

Earnings from operations (EBITA) amounted to MAD 4,380 million, a decline of 22% from a year earlier. Excluding the restructuring provision of MAD 800 million for the voluntary redundancy plan begun in June 2012, earnings from operations come to MAD 5,180 million (-7.1%), with a margin of 43.6%, due to lower EBITDA, a 1.0% rise in depreciation charges for large capital expenditures made in recent years.

Despite a 4.8% decline in EBITDA, cash flow from operations in Morocco rose by 6.7%, the result of efficient CAPEX and excellent management of WCR.

Mobile

	Unit	H1 2011	H1 2012	% change
Mobile				
Customers[6]	**(000)**	**16,994**	**17,385**	**2.3%**
Prepaid	*(000)*	*16,060*	*16,255*	*1.2%*
Postpaid	*(000)*	*934*	*1,130*	*21.0%*
o/w 3G internet	*(000)*	*812*	*1,385*	*70.6%*
ARPU[8]	(MAD/month)	86.3	81.4	(5.7%)
Data % of ARPU	*(%)*	*8.7%*	*9.1%*	*0.4 pt*
MOU	(min/month)	79	110	38.5%
Churn	(%)	21.7%	22.3%	0.6 pt
Postpaid	(%)	11.5%	15.9%	4.5 pt
Prepaid	(%)	23.0%	23.8%	0.8 pt

At June 30, 2012, revenues for the mobile segment had declined year on year by 5.1%, to MAD 8,937 million.

Maroc Telecom price cuts of 28% resulted in a rise of 40% in outbound consumption, while mobile-services revenue fell by 3.3% from a year earlier. This decline reflects stable outbound revenue (+0.6%) and a downturn in inbound revenue of 16%, attributable to a 37% reduction in Maroc Telecom's mobile interconnection rates, effective January 1, 2012, a decrease of 53% over 1 year. Equipment revenues slumped 38%, the result of Maroc Telecom's determination to rationalize acquisition costs.

At the end of the first half of 2012, the mobile customer base[6] comprised 17.4 million customers, an increase of 2.3% from June 2011. The high-value postpaid segment confirmed its positive momentum, with growth of 21%, to 1.1 million subscribers, the result of marketing efforts to persuade prepaid customers to migrate to subscription offers. The total churn rate rose slightly, to 22% (+0.6 pt, compared with the first half of 2011).

The 3G mobile internet customer base[7] grew by 71%, to 1.4 million customers at the end of June 2012. Maroc Telecom remains the leader in this segment. At March 31, 2012, Maroc Telecom's market share stood at 44.3% (source: ANRT).

Blended ARPU[8] for the first half of 2012 came to MAD 81.4, a decline of 5.7%. The impact of severe price cuts in the mobile segment and of lower call-termination rates was partially compensated for by a rise in outbound voice consumption and by data-service growth, which account for 9.1% of ARPU.

Fixed line and internet

	Unit	H1 2011	H1 2012	% change
Fixed				
Fixed lines	**(000)**	**1,234**	**1,245**	**0.9%**
Broadband access[10]	**(000)**	**528**	**630**	**19.4%**

In the first half of 2012, fixed-line and internet activities in Morocco generated revenues of MAD 3,404 million, a decline of 11.3%. This downturn is attributable to the marked decline in public telephony—victim to fierce competition from the mobile segment—and to fixed-line rate cuts in early May that followed heavy price cuts in the mobile segment.

Revenues from fixed-line data rose by 2.6%, to MAD 892 million. Lower rates were more than compensated for by growth in customer bases.

At June 30, 2012, the fixed-line customer base in Morocco had grown by 0.9% year on year, to 1,245 thousand lines. Strong growth (+19%, to 630,000 subscribers) in the ADSL customer base was underpinned by an enhanced rate plan and doubled bandwidth for the same price.

- ### International

IFRS in MAD millions	H1 2011	H1 2012	% change	% change like for like[2]
Revenues	2,885	3,488	20.9%	21.7 %
Mauritania	**601**	**667**	**11.1%**	**10.0%**
o/w mobile services	*505*	*607*	*20.1%*	*18.9%*
Burkina Faso	**846**	**1,028**	**21.6%**	**22.9%**
o/w mobile services	*667*	*845*	*26.6%*	*28.0%*
Gabon	**472**	**635**	**34.5%**	**36.0%**
o/w mobile services	*220*	*332*	*50.8%*	*52.5%*
Mali	**976**	**1,186**	**21.5%**	**22.8%**
o/w mobile services	*812*	*1,004*	*23.6%*	*25.0%*
Elimination	**(9)**	**(28)**		
EBITDA	**1,143**	**1,524**	**33.4%**	**34.2%**
Margin (%)	*39.6%*	*43.7%*	*4.1 pts*	*4.1 pts*
EBITA	**518**	**776**	**49.8%**	**50.6%**
Margin (%)	*18.0%*	*22.2%*	*4.3 pts*	*4.3 pts*
CAPEX	**(788)**	**(668)**	**(15.2%)**	
CAPEX/Revenues	*27.3*	*19.2%*	*(8.1 pts)*	
CFFO	**123**	**557**	**4.5x**	
Net debt	**968**	**1,586**	**63.9%**	
Net debt / EBITDA	*0.4 x*	*0.5 x*		

In the first half of 2012, Maroc Telecom Group's international activities generated revenues of MAD 3,488 million, an increase of 21% (+22% like for like). This performance was the result of very strong growth in mobile customer bases (+39%) and of higher customer consumption, in a stable competitive environment. Maroc Telecom collects the benefits of its internationalization towards buoyant markets and of human and financial investments to its subsidiaries.

In the same reporting period, EBITDA rose by 33% year on year (+34% like for like), to MAD 1,524 million. Earnings from operations (EBITA) came to MAD 776 million, 50% higher than in 2011 (51% like for like). Maroc Telecom benefited from cost optimization, despite a strong rise in call traffic on its networks.

International cash flow from operations rose sharply, to MAD 557 million, because of higher EBITDA and a 15% decline in CAPEX subsequent to completion of the major coverage programs for mobile networks.

Mauritania

	Unit	H1 2011	H1 2012	% change like for like[2]
Mobile				
Customers[6]	(000)	1,827	1,956	7.0%
ARPU[8]	(MAD/month)	47.3	53.8	12.7%
Fixed lines	**(000)**	**41**	**41**	**1.4%**
Broadband access	**(000)**	**7**	**7**	**1.7%**

In the first half of 2012, business activities in Mauritania generated revenues of MAD 667 million, an increase of 11.1% (10.0% like for like). This performance was aided by the 20% rise (+19% like for like) in revenues from mobile services, the result of customer-base growth of 7.0%, stable rates, and considerably higher consumption.

Burkina Faso

	Unit	H1 2011	H1 2012	% change like for like[2]
Mobile				
Customers[6]	(000)	2,796	3,574	27.8%
ARPU[8]	(MAD/month)	39.0	42.3	9.6%
Fixed lines	**(000)**	**143**	**143**	**0.0%**
Broadband access	**(000)**	**29**	**31**	**5.9%**

At June 30, 2012, business activities in Burkina Faso had generated revenues of MAD 1,028 million. This rise of 22% (+23% like for like) reaffirms the return of sustained business growth, boosted by 28% growth in the mobile customer base and by increased mobile consumption. The fixed-line customer was stable, at 143,000 customers, while the internet customer base grew by 5.9%, to 31,000 subscribers.

Gabon

	Unit	H1 2011	H1 2012	% change like for like[2]
Mobile				
Customers[6]	(000)	448	714	59.3%
ARPU[8]	(MAD/month)	98.4	85.6	(12.1%)
Fixed lines	**(000)**	**24**	**18**	**(27.3%)**
Broadband access	**(000)**	**22**	**7**	**(69.4%)**

The first half of 2012 was distinguished by markedly positive business momentum in Gabon, after the severe price cuts at the end of 2010 that hurt results of the first half of 2011. Revenues amounted to MAD 635 million, an increase of 35% (+36% like for like) attributable to increased market share in a more stable competitive environment.

As a result of sustained marketing actions and network expansion, the mobile customer base grew by 59%. The fixed-line (-27%) and internet (-69%) customer bases diminished after a clean-up of the CDMA prepaid customer bases.

Mali

	Unit	H1 2011	H1 2012	% change like for like[2]
Mobile				
Customers[6]	(000)	3,284	5,377	63.7%
ARPU[8]	(MAD/month)	50.3	37.8	(24.1%)
Fixed lines	**(000)**	**87**	**95**	**9.7%**
Broadband access	**(000)**	**28**	**41**	**46.7%**

At June 30, 2012, revenues from business in Mali amounted to MAD 1,186 million, an increase of 22% (23% like for like). This performance is attributable to strong growth in the mobile customer base (+64%), supported by network expansion and frequent promotional offers. The fixed-line and broadband-internet segments also posted very positive trends, with customer bases rising by 9.7% and 47%, respectively.

Political events had repercussions on the economy, slowing the business activity of telecom operators. Despite the difficult context, revenues from business in Mali showed growth of 12.0% (+14.0% like for like) in the second quarter of 2012.

Notes

1 At December 31, 2011, Mauritel, Onatel, Gabon Telecom, Sotelma, and Casanet were consolidated in Maroc Telecom's financial statements.

2 Like for like comparison reflects constant exchange rates for MAD / Mauritanian ouguiya / CFA franc.

3 Earnings from operations before amortization of intangible assets.

4 CFFO comprises pretax net cash flows from operations (see the statement of cash flows), and dividends received from affiliates and nonconsolidated investments. CFFO also comprises net capital expenditure, which corresponds to net uses of cash for acquisitions and disposals of property, plant, equipment, and intangible assets.

5 Borrowings and other current and noncurrent liabilities less cash and cash equivalents, including cash held in escrow for bank loans.

6 The active customer base comprises prepaid customers who have made or received a voice call (paid or free) or who have sent an SMS or MMS at any time during the past three months, and postpaid clients who have not terminated their agreements.

7 As from 2011, the 3G mobile-internet customer base includes customers with a postpaid subscription contract (with or without a voice plan) and customers with a prepaid internet subscription who have made at least one top-up in the past three months or whose top-up is still valid.

8 ARPU (average revenue per user) is defined as revenue from incoming and outgoing calls and data services, net of promotions and excluding roaming costs and handset sales, divided by the average customer base for the period. ARPU here includes both prepaid and postpaid customers.

9 Mobile Data revenue includes revenues from all invoiced non-voice services (SMS, MMS, mobile internet, etc..). As of Q2-2012, mobile data revenue also includes the valuation of 3G Internet access at 512 kbit / s included in all Maroc Telecom postpaid packages. The comparable basis has been changed retroactively.

10 Broadband access includes narrowband and leased line accesses.

Maroc Telecom is a full-service telecommunications operator in Morocco and leader in the fixed-line, mobile, and internet sectors. Maroc Telecom has been listed in both Casablanca and Paris since December 2004. The Group's major shareholders are Vivendi (53%) and the Kingdom of Morocco (30%).

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CONSOLIDATED FINANCIAL SITUATION

ASSETS (in MAD millions)	June 30, 2012	December 31, 2011
Goodwill	6,826	6,863
Other intangible assets	3,498	3,683
Property, plant, and equipment	24,622	24,850
Investments in equity affiliates	0	0
Noncurrent financial assets	273	297
Deferred tax assets	49	51
Noncurrent assets	35,269	35,743
Inventories	583	709
Trade accounts receivable and other	11,358	11,401
Short-term financial assets	53	115
Cash and cash equivalents	697	617
Available-for-sale assets	56	56
Current assets	12,746	12,898
TOTAL ASSETS	**48,015**	**48,641**

SHAREHOLDRS' EQUITY AND LIABILITIES (in MAD millions)		June 30, 2012	December 31, 2011
Share capital		5,275	5,275
Retained earnings		4,302	4,383
Net earnings		3,128	8,123
Equity attributable to equity holders of the parent		12,705	17,781
Noncontrolling interest		4,080	4,304
Total shareholders' equity		16,785	22,085
Noncurrent provisions		702	701
Borrowings and other long-term financial liabilities		1,315	1,782
Deferred tax liabilities		190	218
Other noncurrent liabilities		142	138
Noncurrent liabilities		2,349	2,838
Trade accounts payable		16,952	17,600
Current income tax liabilities		391	153
Current provisions		967	145
Borrowings and other short-term financial liabilities	5	10,572	5,819
Current liabilities		28,881	23,718
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**48,015**	**48,641**

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

INCOME STATEMENT (in MAD millions)	H1-2012	H1-2011
Revenues	15,172	15,323
Cost of purchases	(2,517)	(2,839)
Payroll costs	(1,504)	(1,443)
Taxes and duties	(697)	(586)
Other operating income (expenses)	(1,992)	(2,117)
Net depreciation, amortization, and provisions	(3,306)	(2,244)
Earnings from operations	5,155	6,094
Other income and charges from ordinary activities	(21)	(21)
Income from equity affiliates	0	0
Earnings from continuing operations	5,135	6,073
Income from cash and cash equivalents	2	13
Borrowing costs	(142)	(128)
Net borrowing costs	(140)	(115)
Other financial income and expenses	(12)	(8)
Net financial income (expense)	(152)	(123)
Income tax expense	(1,618)	(1,814)
Net earnings	**3,364**	**4,136**
Attributable to equity holders of the parent	3,128	3,985
Noncontrolling interest	236	151

Earnings per share (in MAD millions)	H1-2012	H1-2011
Net earnings – Group share	3,128	3,985
Number of shares at June 30	879,095,340	879,095,340
Earnings per share (in MAD)	**3.6**	**4.5**
Diluted earnings per share (in MAD)	**3.6**	**4.5**

CONSOLIDATED STATEMENT OF CASH FLOWS

STATEMENTS OF CASH FLOWS (in MAD millions)	H1-2012	H1-2011
Earnings from operations	5,155	6,094
Amortization and other adjustments	3,210	2,225
Gross cash earnings	8,365	8,318
Other elements of the net change in working capital	114	(671)
Cash flow from operations before tax expense	8,479	7,647
Tax paid	(1,135)	(2,124)
Net cash from operating activities (a)	7,344	5,523
Purchase of PP&E and intangible assets	(3,048)	(2,923)
Increase in financial assets	0	0
Disposal of PP&E and intangible assets	77	98
Decrease in financial assets	0	0
Dividends received from nonconsolidated investments	1	1
Net cash used in investing activities (b)	(2,970)	(2,825)
Share capital increase	0	1
Dividends paid by Maroc Telecom	(8,137)	(9,301)
Dividends paid by subsidiaries to minority shareholders	(302)	(114)
Changes in share capital	(8,439)	(9,414)
Borrowings and increase in other noncurrent financial liabilities	230	144
Payments on borrowings and decrease in other noncurrent financial liabilities	(79)	0
Borrowings and increase in other current financial liabilities	2,786	7,187
Payments on borrowings and decrease in other current financial liabilities	(576)	(561)
Changes in shareholders' current accounts debtors / financial creditors	1,935	0
Net interest (cash only)	(137)	(114)
Other cash expenses (income) used in financing activities	(14)	(8)
Changes in borrowings and other financial liabilities	4,145	6,648
Net cash used in financing activities (d)	(4,294)	(2,766)
Effect of foreign currency adjustments and other noncash expenses (income) (g)	(0)	(2)
Total cash flows (a)+(b)+(d)+(g)	80	(69)
Cash and cash equivalents at beginning of period	**617**	**788**
Cash and cash equivalents at end of period	**697**	**719**