



RESULTS OF FIRST-HALF 2012

Presentation to analysts

July 24, 2012



Half year
RESULTS 2012



GROUP PERFORMANCES

Business overview

Financial results

Outlook



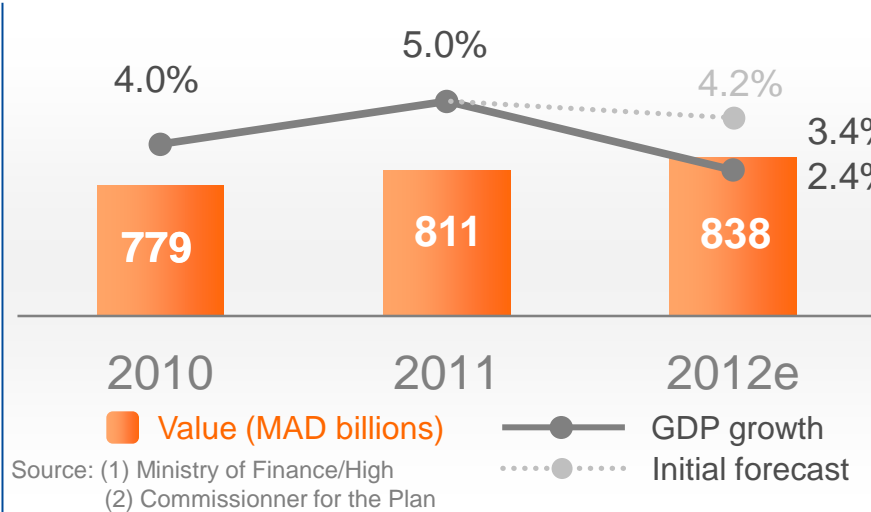
Half year
Results 2012

Maroc Telecom's business environment

Steady growth in sub-Saharan Africa and slower growth in Morocco

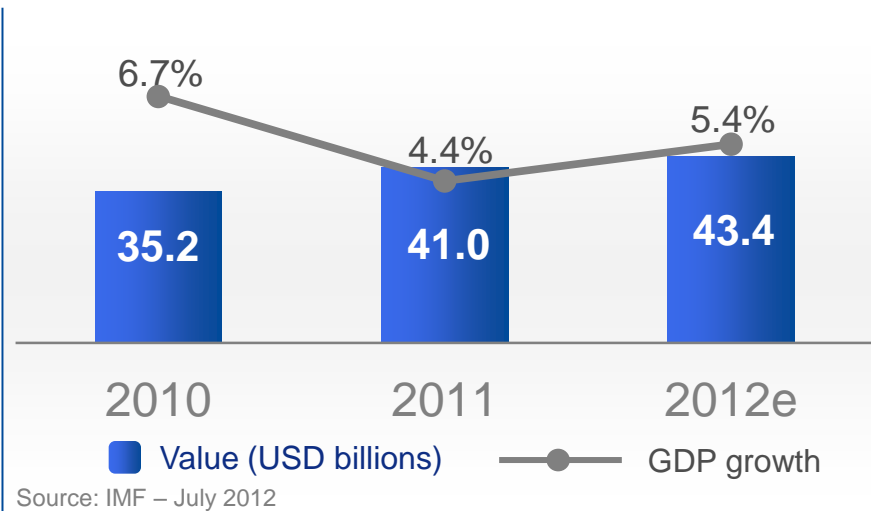


GDP growth



MOROCCO

- Slowdown in the economies of partner countries of Morocco
- Downturn in grain harvest
- Rise in fuel prices



INTERNATIONAL

- Steady economic growth in other countries
- Economic slowdown in Mali due to political events

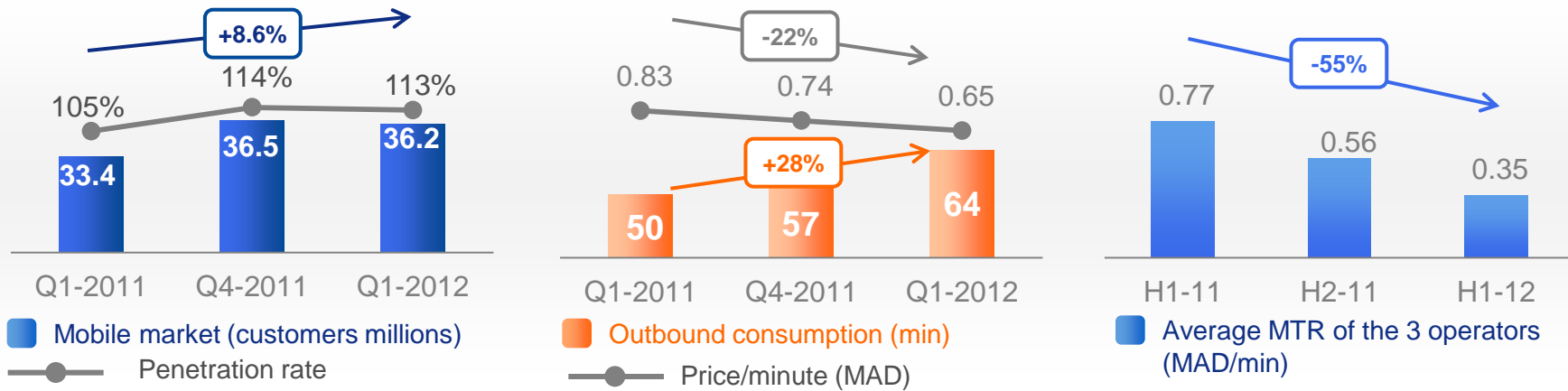
Maroc Telecom's business environment

Intense competition in Morocco and stable conditions in sub-Saharan Africa



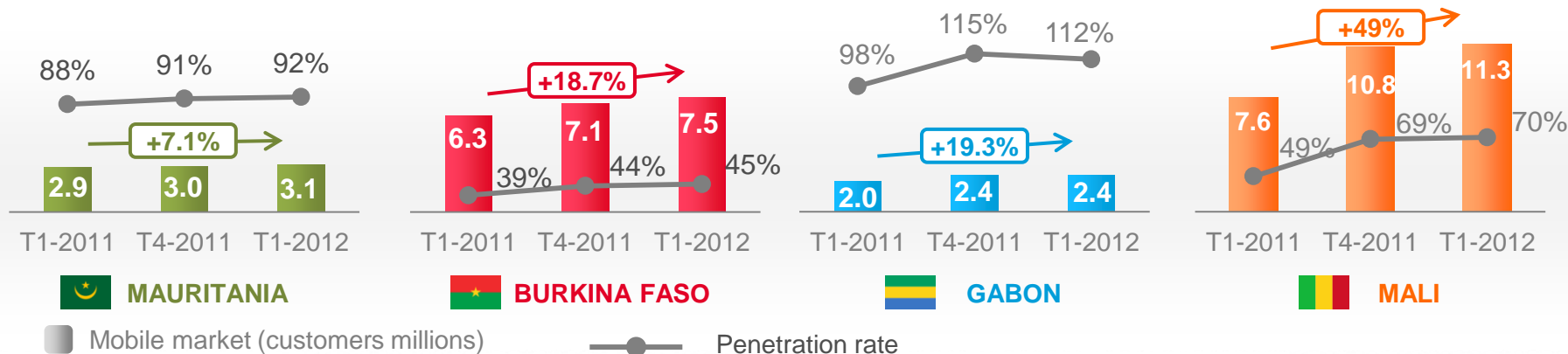
Morocco: persistent competition in mobile market

- Price cuts continue to boost usage
- Despite the maturity of the mobile market
- Significant decline in MTRs weigh on incoming revenues



Source: ANRT

International: strong growth in mobile markets of all foreign subsidiaries



Source: Dataxis

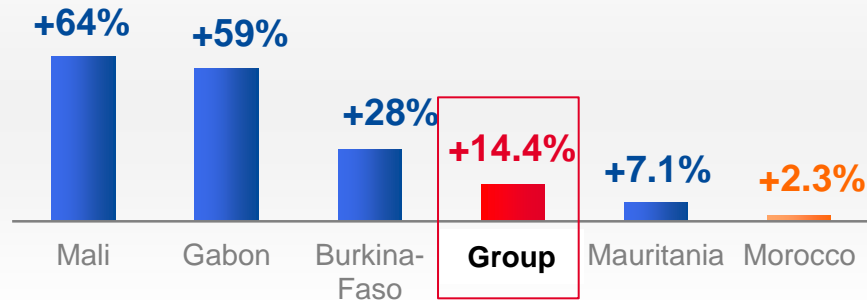
Maroc Telecom's first-half 2012

Strong growth in customer bases and international revenues



Growth of customer bases

(H1-12 vs. H1-11 in %)

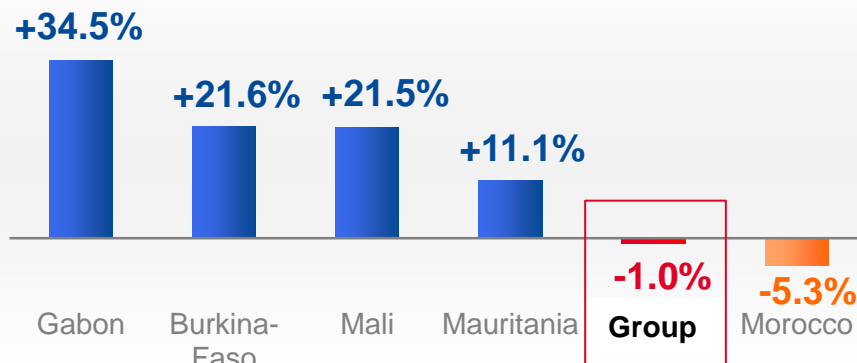


Group customer base growth of 14.4%

- Morocco: customer base growth of 21% for postpaid mobile, 71% for 3G internet, and 19.4% for ADSL
- International: growth of 39% for total mobile customer base

Revenue growth

(H1-12 vs. H1-11 in %)



International revenue growth of 21% compensates for the slowdown in Morocco

- Revenue growth remains strong in Gabon and Burkina Faso
- Impact of significant declines in MTRs in Morocco
- Slight growth in outbound mobile revenues in Morocco
- Fixed-line revenues down in Morocco

Voluntary redundancy plan

- headcount reduced so far by **800 employees**
- restructuring provision of **MAD 800 million** covering the entire projected voluntary redundancy plan

Network restructuring













Cut in subsidies

Ongoing efforts to optimize costs

Results of first-half 2012

Strong international growth and solid cash flow during the half-year

(MAD millions)

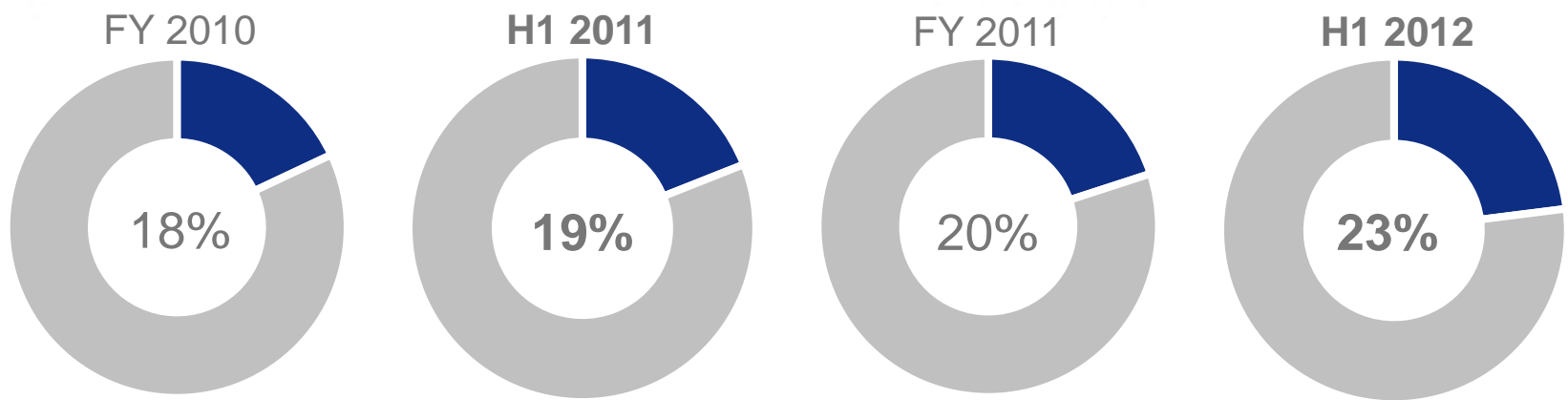
	Morocco	International	Group
Revenues	11,876	3,488	15,172
<i>Change</i>	-5.3% 	+20.9% 	-1.0% 
EBITDA	6,834	1,524	8,358
<i>Change</i>	-4.8% 	+33.4% 	+0.5% 
<i>% revenues</i>	57.5% 	43.7% 	55.1% 
CFFO	4,901	557	5,458
<i>Change</i>	+6.7% 	4.5x 	+15.7% 

Results of first-half 2012

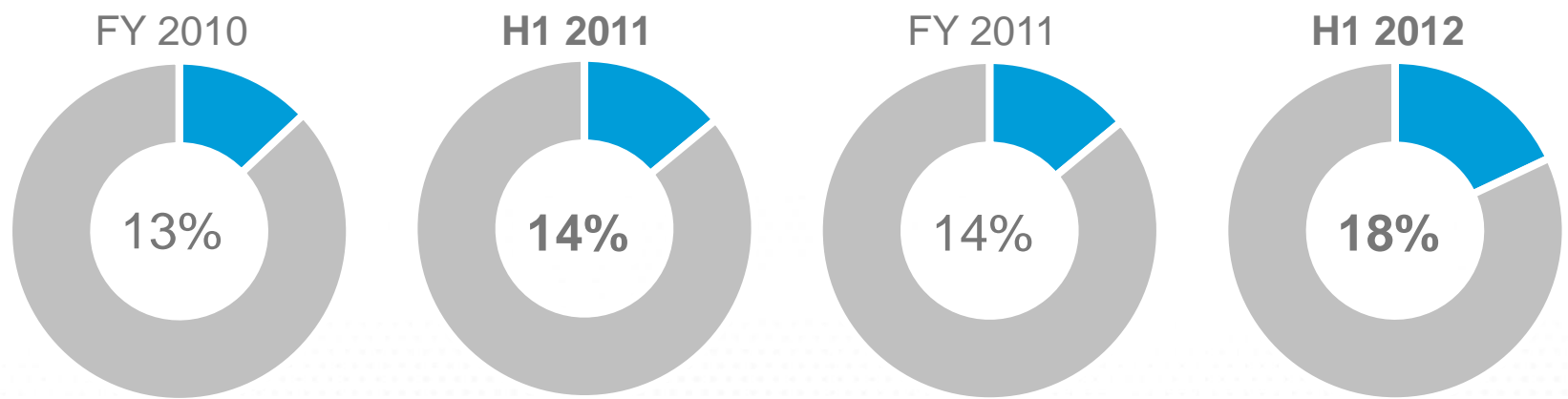
Increasing contribution of subsidiaries to Group results



% Group revenues



% Group EBITDA





Group performances

BUSINESS OVERVIEW

Financial results

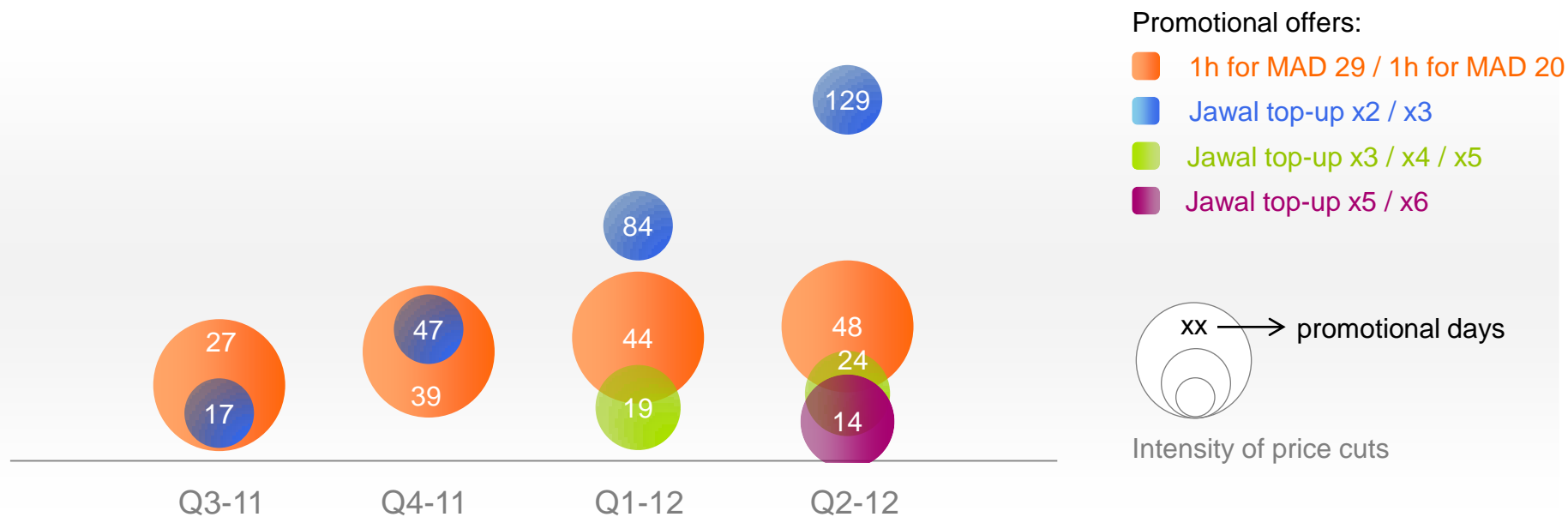
Outlook



Half year
Results
2012

Mobile in Morocco: highlights of H1 2012

Marketing policy focused on stimulating usage through price cuts and enhanced offers



Intensification of price cuts through enhanced offers:

- Switch from promotional offer of 1h Jawal for MAD 29 to **promotional top-up of 1h for MAD 20**
- Promotions for **top-ups x4 / x5 / x6** for Jawal Classique and **x2 / x3** for Jawal Thaniya (prepaid, billed per second)
- **Additional free hours** for all mobile postpaid plans

Increasingly frequent launches of prepaid promotional offers:

- Introduction of the **double/triple permanent top-up** for Jawal Classique
- Number of promotional days **multiplied by 2.7 in one year**

Promotional offers spread throughout the day to smooth the network load:

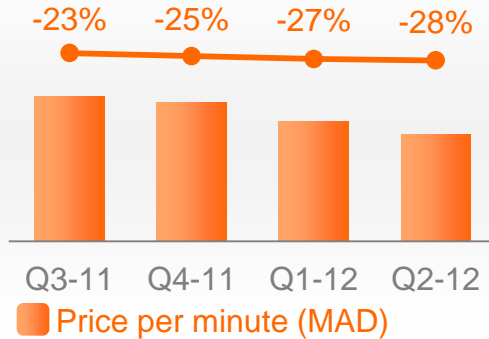
- Promotion of 1h for MAD 20 **valid 24/24 for 7 days** instead of evenings and weekends
- Total 2G voice traffic increased by **25%**, but by only **6%** at the busy hour

Mobile in Morocco: change in revenues

Outbound revenues stable

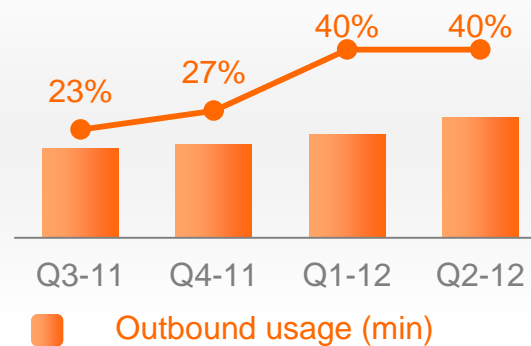
Change in price per minute

(%)



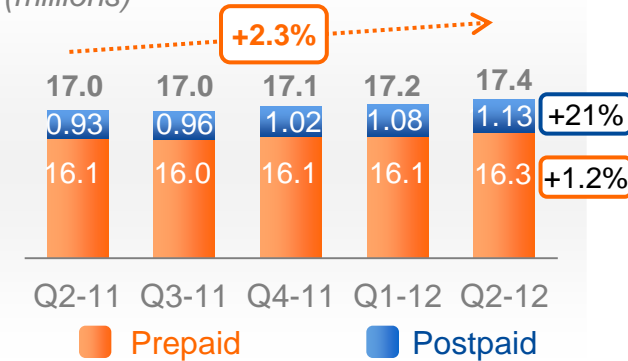
Change in outbound consumption

(%)



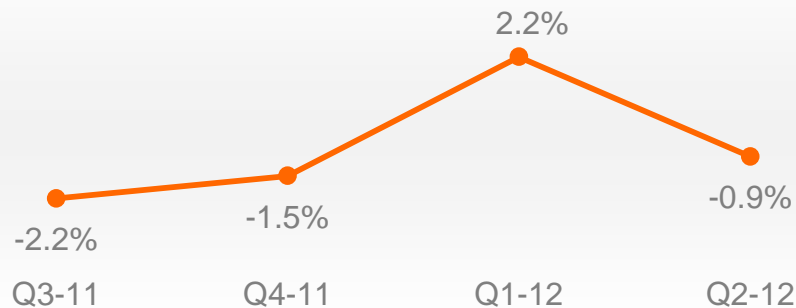
Mobile client base

(millions)



Change in outbound mobile revenues

(%)

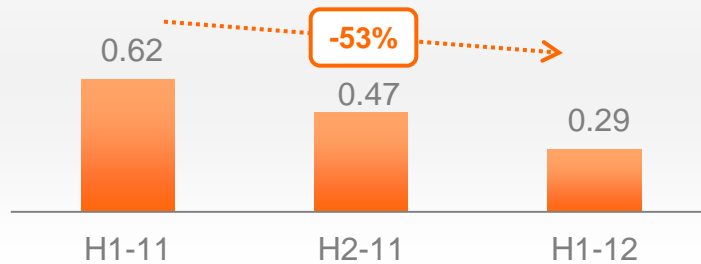


- Excellent elasticity in usage subsequent to price cuts (~1)
- Growth of mobile client base driven by strong momentum of postpaid customer base (+21%)

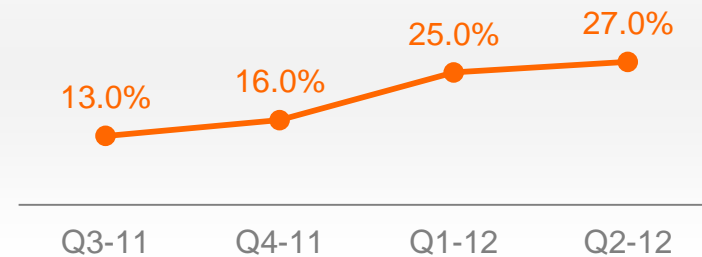
Mobile in Morocco: change in revenues

Inbound revenues impacted by lower MTRs

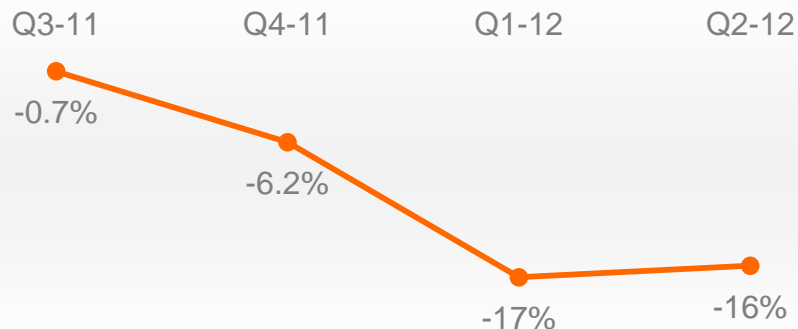
National Mobile termination rates
(MAD/min)



Change in inbound mobile traffic
(%)



Change in inbound mobile revenues
(%)

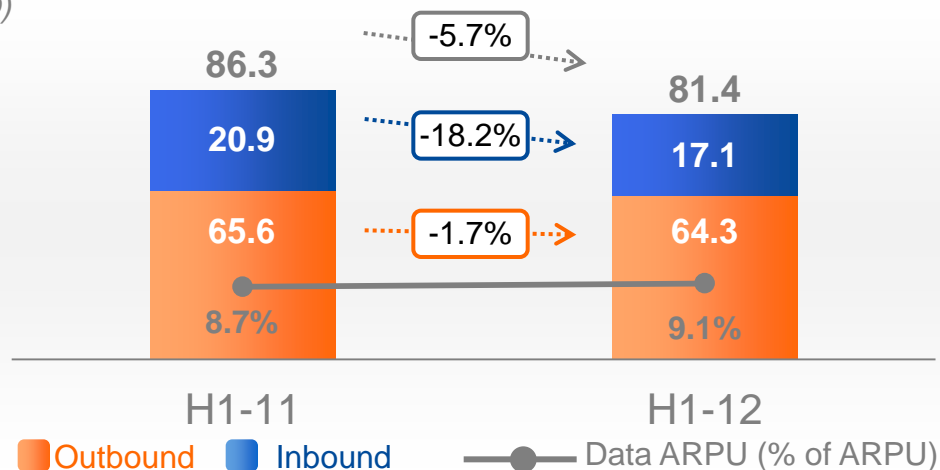


- Mobile termination rates (MTRs) divided by two in one year
- Inbound traffic from other mobile operators multiplied by more than two in one year

Mobile in Morocco: change in revenues

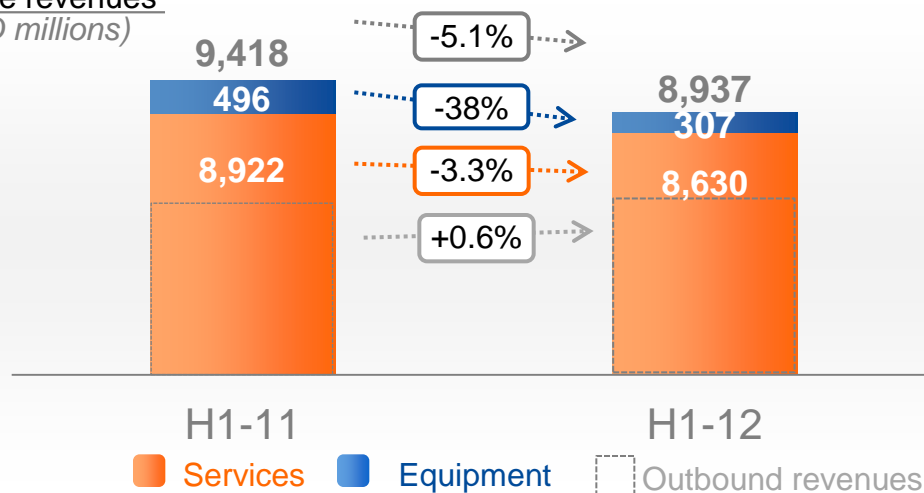
Mobile revenues down because of lower MTRs

ARPU
(MAD)



- Strong impact of lower MTRs on inbound ARPU
- Decline in outbound ARPU offset by the strong growth of consumption
- Rise in data in ARPU due to the widespread inclusion of 3G mobile internet in postpaid rate plans

Mobile revenues
(MAD millions)



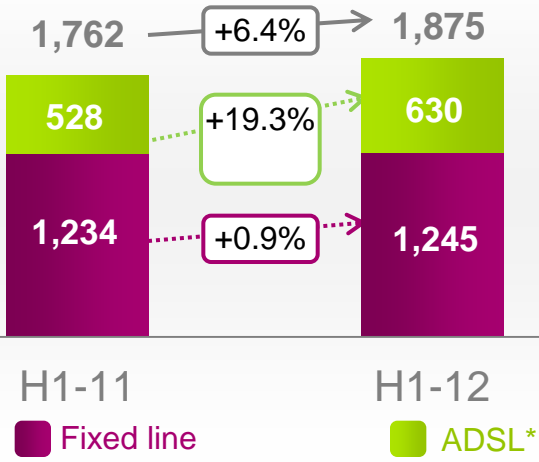
- Slight increase of outbound revenues
- Service revenues down slightly
- Equipment revenues down sharply because of efforts to contain acquisition costs

Fixed lines in Morocco: business development



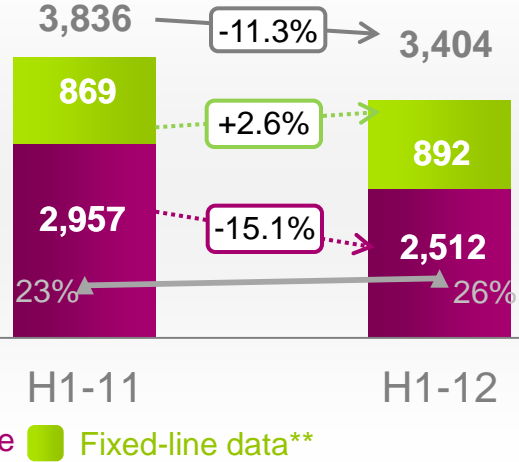
Price cuts and enhanced content for rate plans

Fixed-line and internet customer base
(thousands)



* Including narrowband and leased lines

Fixed-line revenues
(MAD millions)



▲ Fixed-line data in % of revenues)

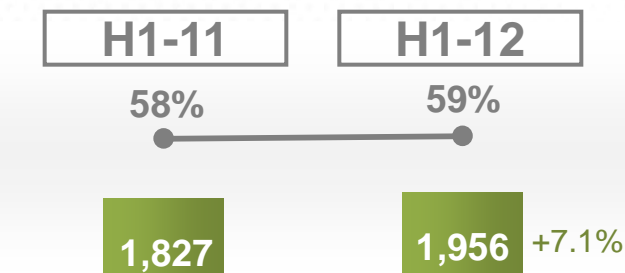
**Fixed-line data includes internet, TV over ADSL, and data services for businesses

HIGHLIGHTS

- **Lower fixed-line voice consumption** because of competition from mobile
- **Price policy adjusted over the half-year:** rates cut by as much as 83% for calls from fixed lines
- **Bandwidth doubled for free for ADSL, MT DUO, and MT Box** starting at 4 Mb/s for MAD 99 / month
- Loukkos submarine cable activated, bringing **Maroc Telecom's international bandwidth to 160 Gb/s**

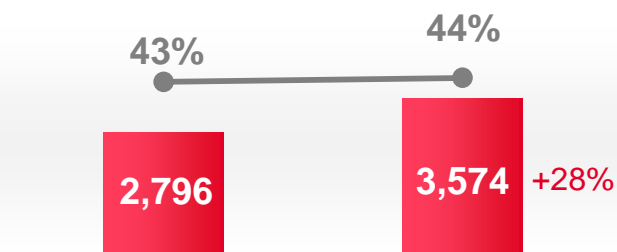
International activity: H1 2012 highlights

Competitive environment stabilized; gain in market share



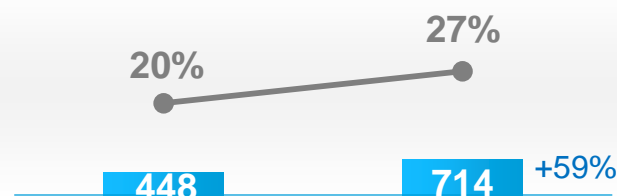
MAURITANIA

- Success of offer combining voice, SMS, and mobile internet
- Increase in usage
- Increased share in international tariffs



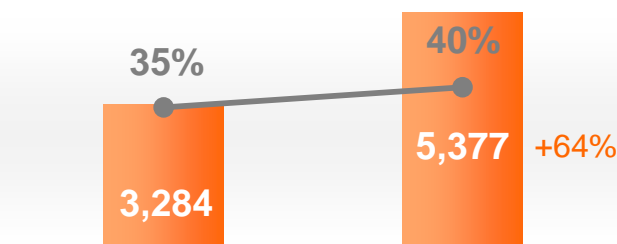
BURKINA FASO

- Competitive environment stabilized
- Sharp rise in usage



GABON

- Gain in market share from enhanced offers and expanded network
- Positive impact from the Africa Cup of Nations 2012
- New tax on inbound international calls set at 34.3% of inbound international call revenues



MALI

- Intense promotional activity and offer enhancement
- Political crisis causes severe economic slowdown and decline in usage

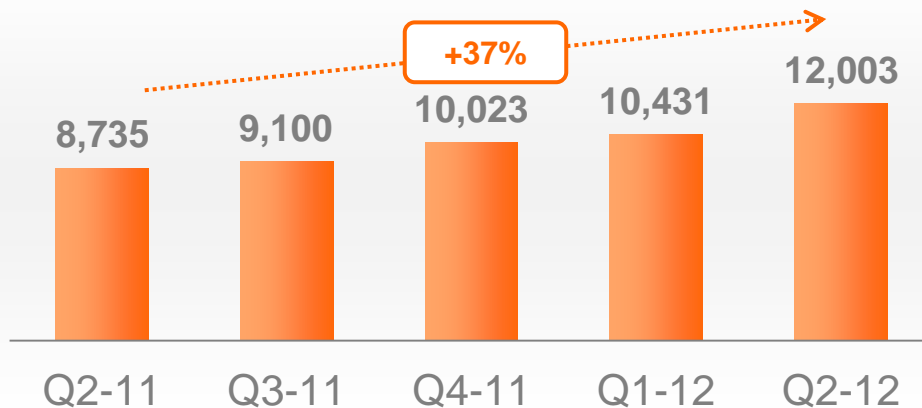
■ Mobile customer base (thousands) ● Market share*

* Source: Datisis Q1-2012 vs. Q1-2011

International activity: change in revenues and customer bases

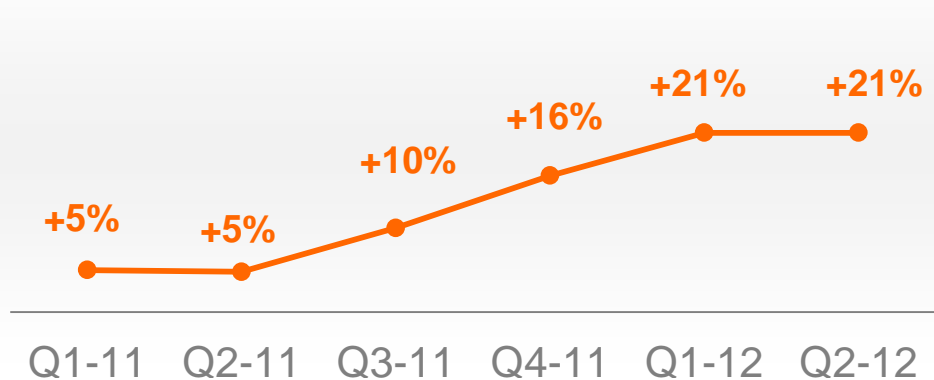
Strong growth in customer bases and revenues

Mobile, fixed-line, and internet customer bases
(thousands)



- **Growth of customer base** driven by mobile (+39%)

Change in international revenues
(%)



- **Strong, steady growth of international revenues** attributable to contributions from all subsidiaries, incl. Mali (Q2 +12%)
- International business accounts for 23% (+4.2 pts) of Group revenues



Group performances

Business overview

FINANCIAL RESULTS

Outlook



Half year
Results
2012

Consolidated results

Results in line with Group forecasts

(MAD millions)

	H1-2011	H1-2012	Change
Revenues	15,323	15,172	-1.0%
EBITDA	8,318	8,358	+0.5%
<i>Margin (%)</i>	54.3%	55.1%	+0.8 pt
EBITA (before restructuring)	6,094	5,955	-2.3%
<i>Margin (%)</i>	39.8%	39.3%	-0.5 pt
EBITA	6,094	5,155	-15.4%
Net income – Group share (before restructuring & one-off Moroccan Tax)	3,985	3,798	-4.7%
<i>Margin (%)</i>	26.0%	3,128	-1.0 pt
Net income – Group share	3,985	2,886	-21.5%

High margins
maintained

Restructuring charge:
MAD 568 million after
taxes

One-off Moroccan tax:
MAD 102 million

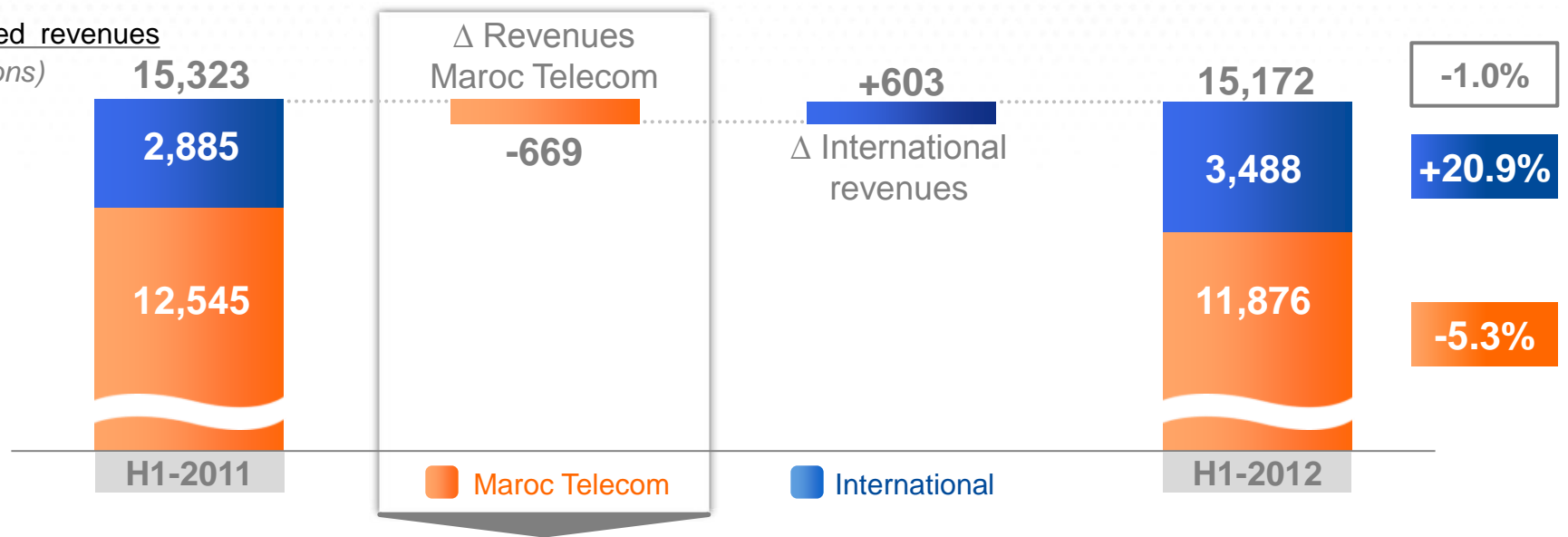
Consolidated revenues

International growth compensates for slowdown in Morocco



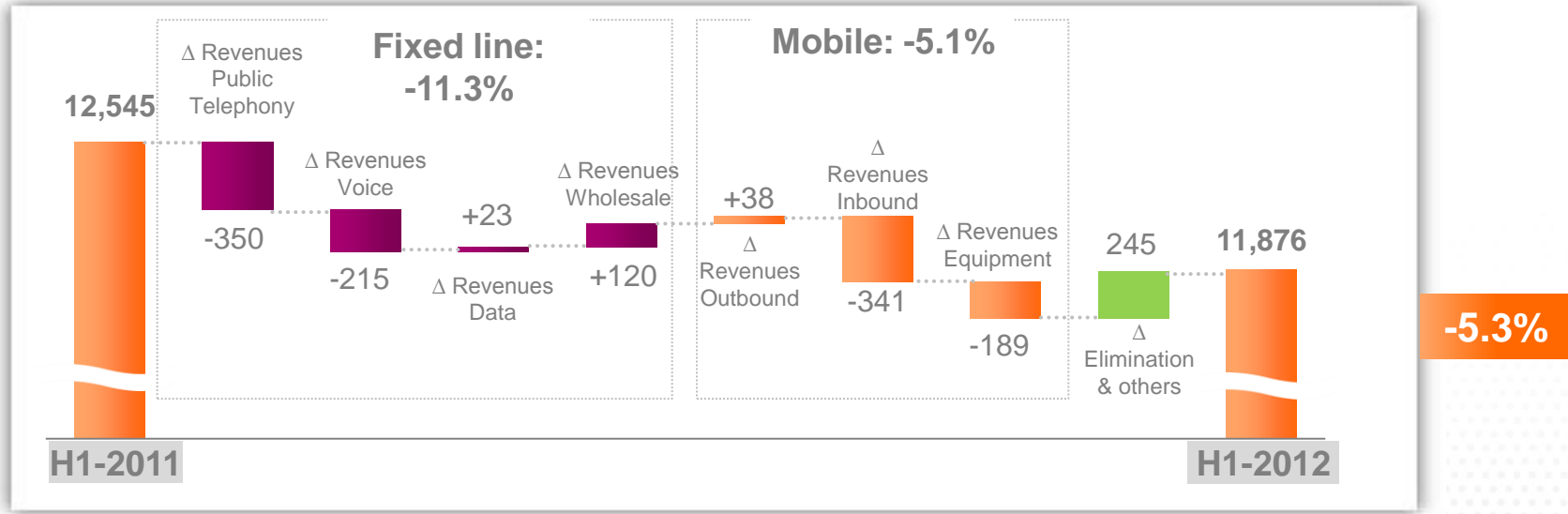
Consolidated revenues

(MAD millions)



Morocco's revenues

(MAD millions)

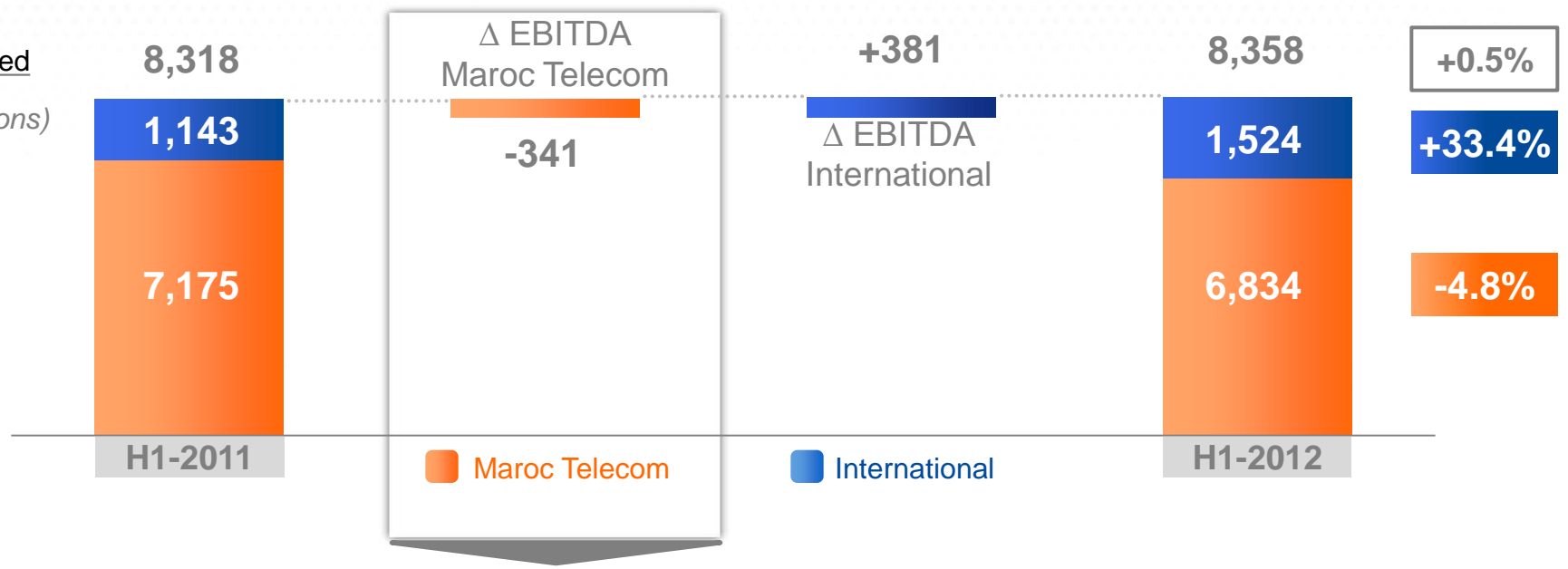


EBITDA

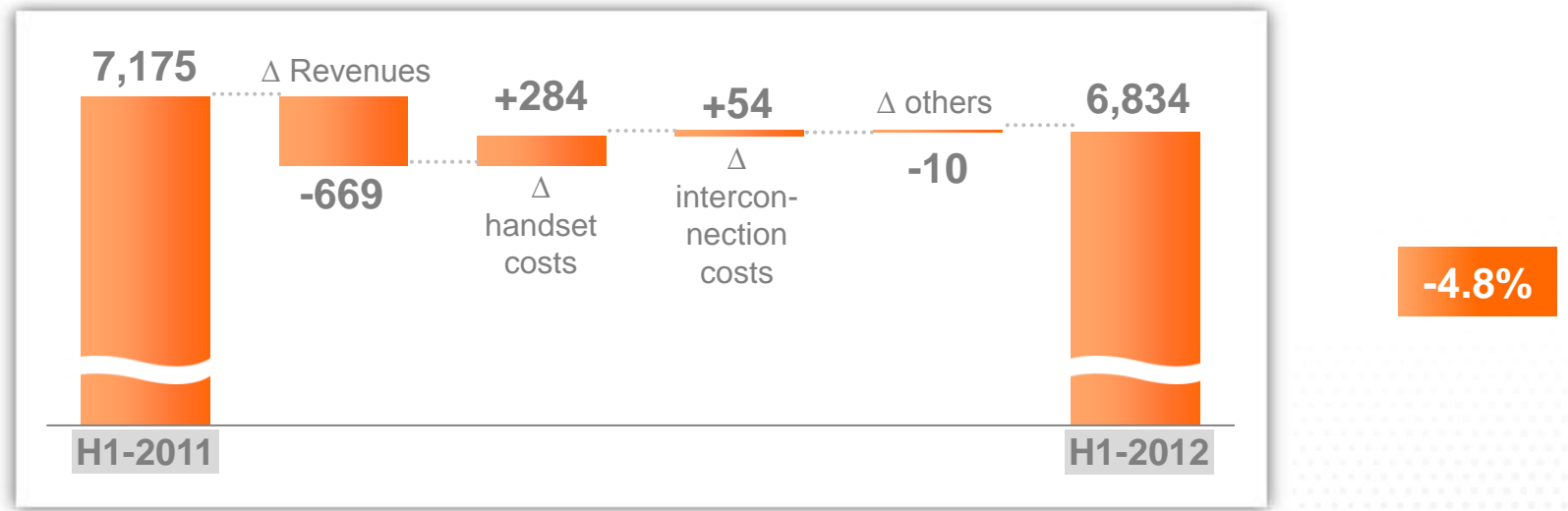


Slower decline in Morocco thanks to cost control, strong improvement in international profitability

Consolidated EBITDA (MAD millions)



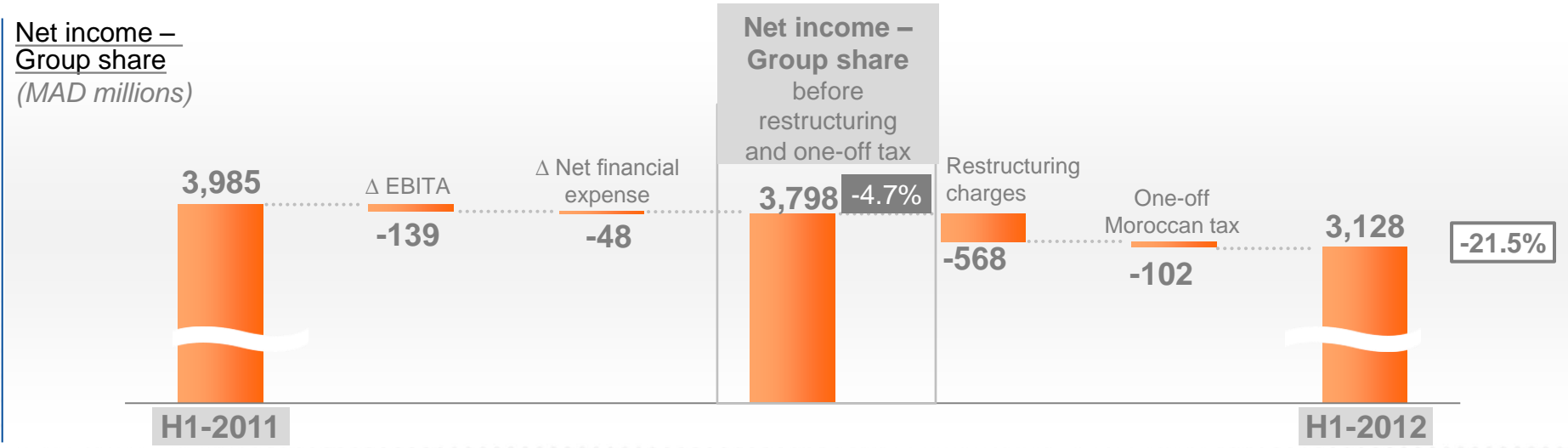
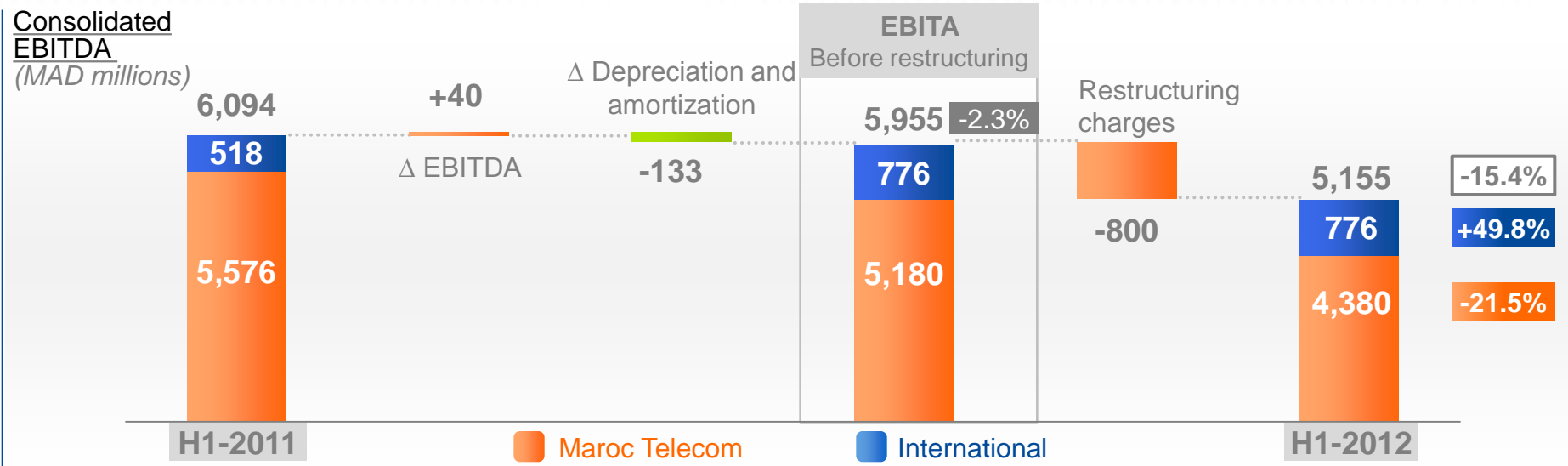
EBITDA Morocco (MAD millions)



EBITA / NET INCOME – GROUP SHARE



Higher depreciation and amortization, restructuring charges, and one-off Moroccan tax affect EBITA and net income



Cash flow

Strong growth in CFFO

(MAD millions)

	H1-2011	H1-2012	Change	
EBITDA	8,317	8,358	+0.5%	
<i>Morocco</i>	7,175	6,834	-4.8%	
<i>International</i>	1,143	1,524	+33.4%	
CAPEX	-2,009	-2,016	+0.3%	Efficient CAPEX
% revenues	13.1%	13.3%	+0.2 pt	
<i>Morocco</i>	-1,222	-1,348	+10.3%	
<i>International</i>	-788	-668	-15.2%	
Δ WCR	-1,592	-884	-44.5%	
CFFO	4,716	5,458	+15.7%	
<i>Morocco</i>	4,592	4,901	+6.7%	
<i>International</i>	123	557	x4.5	
Net debt	11,315	11,114	-1.8%	Net debt at only 0.7 x EBITDA
<i>Morocco</i>	10,347	9,528	-8.0%	
<i>International</i>	968	1,586	63.9%	



Group performances

Business overview

Financial results

OUTLOOK



Half year
Results
2012

Outlook unchanged for 2012

Trends for 2012: focus on cash flow

Morocco

- Continued price cuts and increased usage
- Growth in ADSL
- Lower CAPEX

International

- Stabilized competitive environment
- Revenue growth in all countries
- Optimized spending
- Net decrease in CAPEX

Outlook 2012 (excl. restructuring charges)

EBITA

Margin approximately 38%

CFFO

Stable at MAD 11.5 billion



APPENDICES

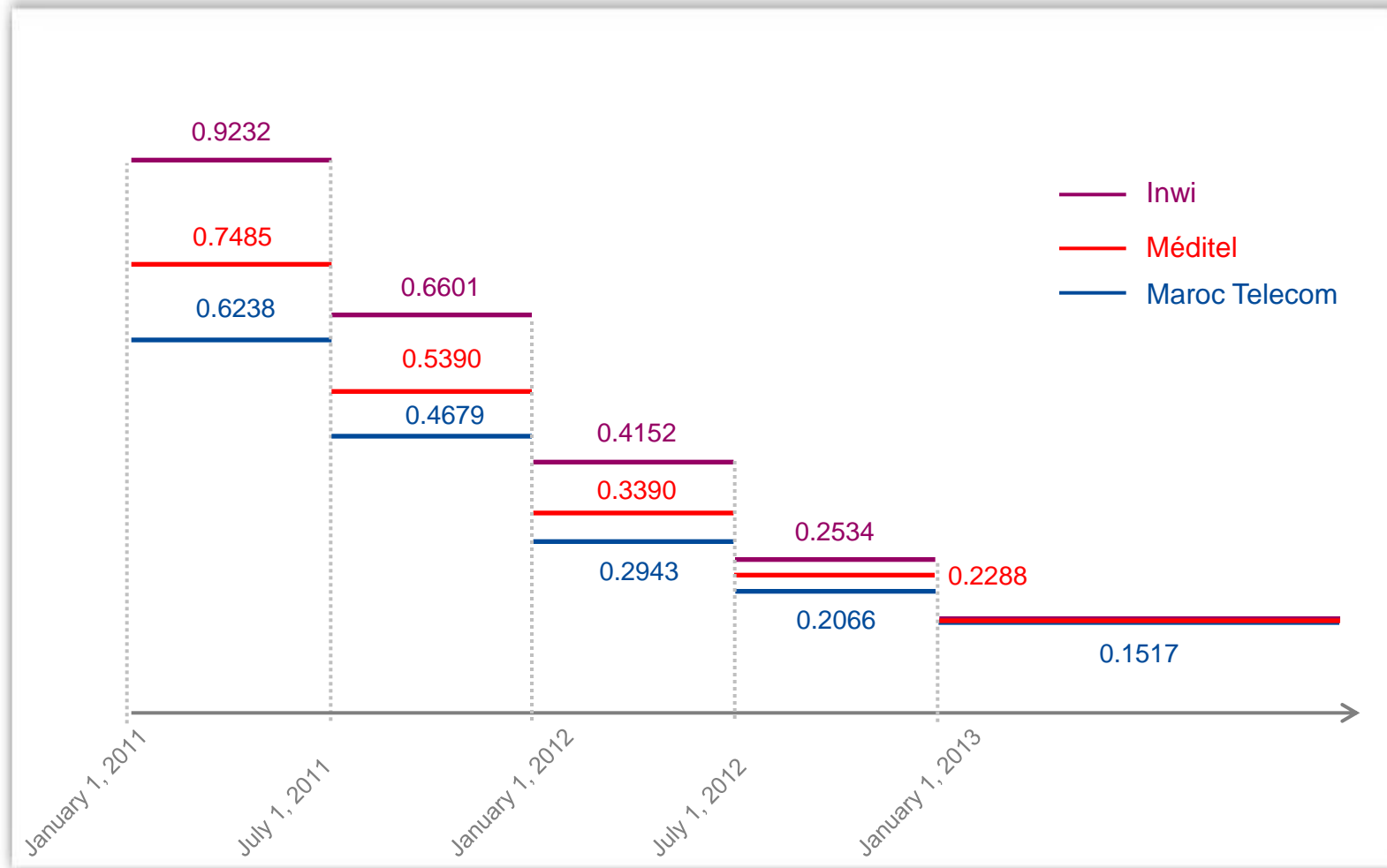


Half year
Results
2012

Regulatory context in Morocco

Lower MTRs with asymmetry maintained

Average MTR*
(MAD/minute)



* Average MTR of peak and offpeak times



Morocco

<i>MAD Millions</i>	H1-2011	H2-2012	Change
Revenues	12,545	11,876	-5.3%
Mobile	9,418	8,937	-5.1%
<i>Services</i>	8,922	8,630	-3.3%
<i>Equipment</i>	496	307	-38.1%
Fixed-line	3,836	3,404	-11.3%
<i>Fixed-line Data</i>	869	892	-2.6%
Elimination	-708	-464	
EBITDA	7,175	6,834	-4.8%
<i>Margin (%)</i>	57.2%	57.5%	0.3 pt
EBITA (before restructuration)	5,576	5,180	-7.1%
<i>Margin (%)</i>	44.5%	43.6%	-0.9 pt
EBITA	5,576	4,380	-21.5%
CAPEX	-1,222	-1,348	+10.3%
<i>CAPEX / Revenues</i>	9.7%	11.4%	+1.7 pt
CFFO	4,592	4,901	+6.8%
Net debt	10,347	9,528	-8.0%
<i>Net debt / EBITDA</i>	0.7 x	0.7 x	



Morocco



Population	32.5 million
GDP	\$100.3 billion
	+3.4%/2.4%* in 2012 ^e
Revenue per inhabitant (PPP)	≈ \$5,251 in 2012 ^e
Inflation	+2.0% in 2012 ^e

Source: IMF

*Ministry of Finance/High Commissioner for the Plan



<i>In MAD millions - IFRS</i>	<i>H1-2011</i>	<i>H1-2012</i>	<i>Change</i>
Revenues	12,545	11,876	-5.3%
Mobile	9,418	8,937	-5.1%
<i>Service</i>	8,922	8,630	-3.3%
<i>Equipment</i>	496	307	-38.1%
Fixed-line et Internet	3,836	3,404	-11.3%
<i>Fixed-line Data</i>	869	892	2.6%
Elimination	-708	-464	

	<i>H1-2011</i>	<i>H1-2012</i>	<i>Change</i>
Mobile			
Customer Base (thousands)	16,994	17,385	+2.3%
ARPU (MAD)	86	81	-5.7%
Market Share*	49.9%	47.5%	-2.4 pts
Pénétration rate*	104.8%	112.6%	+7.8 pts
Number of operators	3	3	-
Fixe-line			
Customer Base (thousands)	1,234	1,245	+0.9%
Market Share*	98%	98%	-
Pénétration rate*	4%	4%	-
Number of operators	3	3	-
Internet			
Customer Base (thousands)	528	630	+19.4%



International

MAD Millions	H1-2011	H1-2012	Change	Change like to like
Revenues	2,885	3,488	20.9%	21.7%
Mauritania	601	667	11.1%	10.0%
<i>incl. Mobile Services</i>	505	607	20.1%	18.9%
Burkina Faso⁽¹⁾	846	1,028	21.6%	22.9%
<i>incl. Mobile Services</i>	667	845	26.6%	28.0%
Gabon	472	635	34.5%	36.0%
<i>incl. Mobile Services</i>	221	332	50.8%	52.5%
Mali	976	1,186	21.5%	22.8%
<i>incl. Mobile Services</i>	812	1,004	23.6%	25.0%
Elimination	-9	-28		
EBITDA	1,143	1,524	33.4%	34.2%
<i>Margin (%)</i>	39.6%	43.2%	3.6 pts	3.6 pts
EBITA	518	776	49.8%	50.6%
<i>Margin (%)</i>	18.0%	22.2%	4.2 pts	4.2 pts
CAPEX	-788	-668	-15.2%	
<i>CAPEX / Revenues</i>	27.3%	19.2%	-8.1 pts	
CFFO	123	557	4.5 x	
Net debt	968	1,586	63.8%	
<i>Net debt/ EBITDA</i>	0.4 x	0.5 x	+0.1 x	



Mauritania



Population 3.3 million

GDP \$4.1 billion

+5.1% in 2012e

Revenue per inhabitant (PPP) ≈ \$2,268 in 2012e

Inflation +6.0% in 2012e

1 MAD = 1 MAD = 34.3MRO
depreciation of 1% vs.
2011

Source: IMF, World Economic Outlook Database, April 2012



In MAD millions – IFRS

H1-2011

H1-2012

*Change like
for like*

Revenues

601

667

+10.0%

Mobile services

505

607

+18.9%

Mobile

H1-2011

H1-2012

*Change like
for like*

Customer base (thousands)

1,827

1,956

+7.1%

ARPU (MAD)

47.3

53.8

+12.7%

Market share*

58.3%

59.4%

+1.1 pts

Penetration rate*

88%

92%

+4.0 pts

Number of operators

3

3

-

Fixed line

Customer base (thousands)

41

41

+1.4%

Market share

51.2%

49.5%

-1.7 pts

Penetration rate

2.4%

2.5%

-

Number of operators

2

2

-

Internet

Customer base (thousands)

7

7

+1.7%

* Source: Datisis (end of Q1-2012 vs. end of Q1-2011)



Burkina Faso

Population 15 million

GDP \$10.21 billion

+5.0% in 2012e

Revenue per inhabitant (PPP) \$1,524 in 2012e

Inflation +2.5% in 2012e

1 MAD = 1 MAD = 58.3 FCFA
appreciation of 0.2% vs.
2011

Source: IMF, World Economic Outlook Database, April 2012



In MAD millions – IFRS

Revenues

Mobile services

H1-2011

H1-2012

*Change like
for like*

846

1,028

+22.9%

667

845

+28.0%

Mobile

Customer base (thousands)

ARPU (MAD)

Market share*

Penetration rate*

Number of operators

H1-2011

H1-2012

*Change like
for like*

2,796

3,574

39.0

42.3

42.5%

44.0%

38.8%

44.7%

3

3

+27.8%

+27.8%

+9.6%

+9.6%

+1.5 pt

+1.5 pt

+5.9 pts

+5.9 pts

-

-

Fixed line

Customer base (thousands)

Market share

Penetration rate

Number of operators

143

143

100%

100%

0.9%

0.8%

1

1

0.3%

0.3%

-

-

-

-

-

-

Internet

Customer base (thousands)

29

31

+4.8%

* Source: Dataxis (end of Q1-2012 vs. end of Q1-2011)



Gabon

Population	1.5 million
GDP	\$18 billion
	+5.6% in 2012e
Revenue per inhabitant (PPP)	\$ 17,053 in 2012e
Inflation	+2.3% in 2012e
1 MAD =	1 MAD = 58.3FCFA appreciation of 0.2% vs. 2011

Source: IMF, World Economic Outlook Database, April 2012



In MAD millions - IFRS	H1-2011	H1-2012	Change like for like
Revenues	472	635	+36.0%
Mobile services	220	332	+52.5%

Mobile	H1-2011	H1-2012	Change like for like
Customer base (thousands)	448	714	+59.3%
ARPU (MAD)	98.4	85.6	-12.1%
Market share*	20%	27%	+7 pts
Penetration rate*	98%	112%	+14.0 pts
Number of operators	4	4	-
Fixed line			
Customer base (thousands)	24	18	-26.2%
Market share	100%	100%	-
Penetration rate	1.8%	1.5%	-
Number of operators	1	1	-
Internet			
Customer base (thousands)	22	7	-69.4%

* Source: Dataxis (end of Q1-2012 vs. end of Q1-2011)



Mali

Population	13.8 million
GDP	\$11.1 billion
	+6.0% in 2012e
Revenue per inhabitant (PPP)	\$1,173 in 2012e
Inflation	+6.0% in 2012e
1 MAD =	1 MAD = 58.3 FCFA appreciation of 0.2% vs. 2011

Source : FMI, World Economic Outlook Database, April 2012



<i>In MAD million - IFRS</i>	<i>H1-2011</i>	<i>H1-2012</i>	<i>Change like for like</i>
Revenues	976	1,186	+22.8%
Mobile services	812	1,004	+25.0%

Mobile	<i>H1-2011</i>	<i>H1-2012</i>	<i>Change like for like</i>
Customer base (thousands)	3,284	5,377	+63.7%
ARPU (MAD)	50.3	37.8	-24.1%
Market share*	34.3%	37.6%	+3.3 pts
Penetration rate*	48.8%	69.7%	+20.9 pts
Number of operators	2	2	-
Fixed line			
Customer base (thousands)	87	95	+9.7%
Market share**	100%	100%	-
Penetration rate	0.6%	0.6%	-
Number of operators	2	2	-
Internet			
Customer base (thousands)	28	41	+46.7%

* Source: market data at the end of Q1-2012 vs. the end of Q1-2011



Half year
Results

2012