PRESS RELEASE

Rabat, April 30, 2013

CONSOLIDATED RESULTS FOR Q1 2013

Continuing trend of profitable growth:

- **strong growth in customer bases:** +14.1%, to 34 million customers;
- **steady growth in subsidiaries:** revenues +7.7% like for like, and EBITDA margin +3.7 points, to 48.2%;
- **Group EBITDA and EBITA growth** attributable to significant cost-cutting efforts, particularly through voluntary redundancy plans carried out in H2 2012;
- **EBITDA and EBITA margins up 2.8 pts and 2.0 pts, to 58.9% and 42.4%, respectively;**
- **rapid progress in the modernization of fixed-line and mobile networks in Morocco.**

These performances confirm objectives for 2013, namely:

- **EBITDA margin maintained at a substantial level of approximately 56%,**
- **Slight growth in "EBITDA – CAPEX*".**

On the occasion of the publication of this press release, Abdeslam Ahizoune, Chairman of the Management Board, stated:

"Despite an overall slowdown in consumer spending since the beginning of the year, Maroc Telecom's results resumed growth in Q1 2013. Such a performance was made possible by the quality and the flexibility of the Group's teams in a highly competitive environment, by the ongoing enhancement of our products and services, by the successful operations of our African subsidiaries, and by constant efforts to optimize costs.
To make this growth sustainable, Maroc Telecom aims to continue its strategy of offering unlimited rate plans and high-quality service to its customers. The Group's large-scale project to upgrade both technical and commercial networks will contribute greatly to these efforts."

* *Excluding potential acquisition of new spectrum and licenses*

GROUP CONSOLIDATED RESULTS

IFRS in MAD millions	Q1 2012	Q1 2013	Change	Change like for like[1]
Revenues	7,534	7,180	-4.7%	-4.5%
EBITDA	4,223	4,228	+0.1%	+0.3%
Margin (%)	*56.1%*	*58.9%*	*+2.8 pts*	*+2.8 pts*
EBITA	3,040	3,042	+0.1%	+0.2%
Margin (%)	*40.4%*	*42.4%*	*+2.0 pts*	*+2.0 pts*
CFFO	2,675	2,321	-13.2%	

- **Revenues**

At March 31, 2013, Maroc Telecom Group's consolidated revenues[2] amounted to MAD 7,180 million, a decrease of 4.7% year on year (-4.5% like for like[1]). In a context of slower consumer spending, the decline in revenues in Morocco (-7.5%) was partially counterbalanced by steady revenue growth from International activities (+7.0%), despite an unfavorable comparison basis.

The Group's customer base stood at nearly 34 million customers at March 31, 2013, a strong rise of 14.1% year on year. This growth was attributable to the expansion of customer bases in Morocco and to momentum in International business, whose customer bases grew by 32%, to 14 million customers.

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

During the first quarter of 2013, Maroc Telecom Group's earnings from operations before depreciation and amortization (EBITDA) amounted to MAD 4,228 million, an increase of 0.1% (+0.3% like for like) from the previous year. The EBITDA margin remains high, at 58.9%, an increase of 2.8 points.

This performance was the result of a 3.4% decline in EBITDA in Morocco, compensated for by strong growth (+16%, or +17% like for like) in International EBITDA. Other factors that contributed to the EBITDA margin were the 2.8-point improvement in gross margin (boosted by lower mobile termination rates), the significant efforts made to reduce acquisition costs, and reduced operating expenses (-4.7%, or -4.5% like for like). The latter were aided by voluntary redundancy plans carried out in Morocco and internationally in the second half of 2012.

- **Earnings from operations**

At March 31, 2013, Maroc Telecom Group's consolidated earnings from operations[3] (EBITA) stood at MAD 3,042 million, 0.1% higher than in the first quarter of 2012 (+0.2% like for like), despite a slight rise in amortization charges. The operating margin rose by 2.0 points, to 42.4%.

- **Cash flow**

In the first quarter of 2013, cash flow from operations (CFFO[4]) declined by 13.2%, to MAD 2,321 million. In line with forecasts, this change reflects the 17% drop in CFFO in Morocco related to the planned increase in investments for network upgrades. The 36% growth in International CFFO compensated partly for the decline of CFFO in Morocco.

OVERVIEW OF GROUP ACTIVITIES

- **Morocco**

IFRS in MAD millions	Q1 2012	Q1 2013	Change
Revenue	5,902	5,461	-7.5%
Mobile	**4,387**	**4,083**	**-6.9%**
Services	*4,208*	*3,961*	*-5.9%*
Equipment	*179*	*122*	*-31.8%*
Fixed line	**1,724**	**1,811**	**+5.0%**
*Fixed-line data**	*447*	*441*	*-1.4%*
Elimination	**-209**	**-433**	
EBITDA	3,456	3,338	-3.4%
Margin (%)	*58.5%*	*61.1%*	*+2.6 pts*
EBITA	2,627	2,511	-4.4%
Margin (%)	*44.5%*	*46.0%*	*+1.5 pts*
CFFO	2,484	2,061	-17.0%

*Fixed-line data include internet, ADSL TV, and business data services.

Activities in Morocco in Q1 2013 generated revenue of MAD 5,461 million, a decline of 7.5%. This decrease was attributable to the impact of additional price cuts in the mobile segment, successive reductions in mobile termination rates, and the cannibalization of fixed-line revenue by the mobile segment.

The EBITDA margin rose by 2.6 points over the year, to 61.1%, with EBITDA down slightly (-3.4%), to MAD 3,338 million. This excellent performance was the result of a higher gross margin (+2.8 points), made possible by lower termination rates, by a reduction in subsidies for handsets, and by a 9.3% decline in operating expenses, attributable largely to the effects of the voluntary redundancy plan carried out in the second half of 2012.

With amortization stable, the EBITA margin for business in Morocco rose by 1.5 points, to a substantial 46.0%. EBITA amounted to MAD 2,511 million, a moderate decline of 4.4%.

Cash flow from operations in Morocco declined by 17%, to MAD 2,061 million, because of stepped-up spending to modernize fixed-line (MSAN) and mobile (single RAN) networks.

Mobile

	Unit	Q1 2012	Q1 2013	Change
Mobile				
Customer base[5]	**(000)**	**17,194**	**17,871**	**+3.9%**
Prepaid	*(000)*	*16,113*	*16,627*	*+3.2%*
Postpaid	*(000)*	*1,081*	*1,244*	*+15.1%*
o/w 3G internet	*(000)*	*1,247*	*1,610*	*+29.1%*
ARPU[6]	(MAD/month)	80	72.3	-9.4%
Data in % of ARPU[7]	*(%)*	*9.9%*	*13.8%*	*+3.9 pts*
MOU	(Min/month)	97	*120*	+23.8%
Churn	(%)	18.9%	17.9%	-1.0 pt

At March 31, 2013, revenues for the mobile segment had declined year on year by 6.9%, to MAD 4,083 million. This figure reflects the overall slowdown in consumer spending since the beginning of the year.

The mobile customer base[5] continued to grow (+3.9% year on year), to 17.871 million customers. Because of the positive response by consumers to increasingly attractive rate plans, the prepaid customer base grew by 3.2% (+514,000 clients) and the high-value postpaid customer base maintained its momentum (+163,000 customers). The churn rate improved substantially, to 17.9% (-1.0 point year on year). The mobile 3G internet[8] customer base continued to grow rapidly (+29% year on year), reaching 1.6 million customers at March 31, 2013.

Outgoing mobile revenues declined year on year by 5.2%. The 25% increase in outgoing call traffic was insufficient to counterbalance the 27% price cut. Revenue from mobile services fell 5.9% because of an 8.1% decline in incoming revenue after the new cut in mobile termination rates effective January 1, 2013. Equipment revenue continued to decline (-32% in Q1 2013) because of reduced acquisition costs.

Blended ARPU[6] in the first quarter of 2013 amounted to MAD 72 (-9.4%), with outgoing ARPU down by 8.8%. The impact of severe price cuts (-27%) in the mobile segment, the reduction in termination rates (-52% in 12 months), and the expanded customer base were partially neutralized by the very strong rise in outgoing voice usage (+21%) and by the growth of data services,[7] which account for 13.8% of ARPU (+3.9 points year on year).

Fixed line and internet

	Unit	Q1 2012	Q1 2013	Change
Fixed line				
Fixed lines	**(000)**	**1,246**	**1,298**	**+4.2%**
Broadband access[9]	**(000)**	**612**	**722**	**+18.3%**

In the first quarter of 2013, fixed-line and internet activities in Morocco achieved revenues of MAD 1,811 million, up by 5.0%, mainly because of the increase (+96%) in lines leased from Maroc Telecom's mobile segment to the fixed-line segment. Excluding this effect, revenues from the fixed-line and internet business in Morocco declined by 7.5%. The causes for this performance were the strong decline in public telephony, cannibalized by mobile telephony, and the H1 2012 reduction of fixed-line rates that was intended to boost the competitiveness of fixed lines against mobile.

The fixed-line customer base grew by 4.2% year on year in Morocco. At March 31, 2013, there were 1.298 million lines. The fixed-line business has benefited from the price cuts, from enhanced offers (particularly the addition of free minutes to mobiles in fixed-line rate plans), and from the success of ADSL, whose customer base continues to grow at a steady clip, amounting to 722,000 subscriptions at March 31, 2013 (+18% annually).

Because of fierce competition, revenues in fixed-line data fell slightly, by 1.4%, to MAD 441 million.

• International

IFRS in MAD millions	Q1 2012	Q1 2013	Change	Change like for like[1]
Revenue	1,726	1,846	+7.0%	+7.7%
Mauritania	**324**	**345**	**+6.5%**	**+10.6%**
Mobile services	*295*	*314*	*+6.4%*	*+10.6%*
Burkina Faso	**501**	**535**	**+6.8%**	**+6.8%**
Mobile services	*419*	*450*	*+7.3%*	*+7.2%*
Gabon	**301**	**342**	**+13.5%**	**+13.4%**
Mobile services	*166*	*190*	*+14.8%*	*+14.7%*
Mali	**612**	**640**	**+4.5%**	**+4.5%**
Mobile services	*523*	*549*	*+4.8%*	*+4.7%*
Elimination	-12	-16		
EBITDA	**768**	**890**	**+16.0%**	**+16.8%**
Margin (%)	*44.5%*	*48.2%*	*+3.7 pts*	*+3.8 pts*
EBITA	**414**	**531**	**+28.4%**	**+29.5%**
Margin (%)	*24.0%*	*28.8%*	*+4.8 pts*	*+4.9 pts*
CFFO	**192**	**260**	**+35.7%**	

Maroc Telecom Group's International operations grew strongly in the first quarter of 2013 (+7.0%, or +7.7% like for like), with revenues totaling MAD 1,846 million. This performance was achieved despite the high comparison basis in Gabon (impact of the Africa Cup of Nations) and in Mali (very strong business growth in Q1 2012). The steady expansion of mobile customer bases (+33%), enhanced rate plans, and elasticity of usage contributed to overall growth in a stable operating environment.

EBITDA rose by 16% year on year (+17% like for like), to MAD 890 million. The EBITDA margin amounted to 48.2%, up a significant 3.7 points as a result of a 1.3-point improvement in the gross margin and of stabilized operating expenses.

EBITA in Q1 2013 amounted to MAD 531 million, a rise of 28% year on year (+30% like for like) due to moderate growth in the amortization charges. The EBITA margin rose by 4.8 points, to 28.8%.

International cash flow from operations (CFFO) improved by 36%, to MAD 260 million, underpinned by growth in EBITDA and by lower working capital requirements (WCR).

Mauritania

	Unit	Q1 2012	Q1 2013	Change like for like[1]
Mobile				
Customer base[5]	(000)	1,848	2,027	+9.7%
ARPU[6]	(MAD/month)	53.5	50.7	-1.5%
Fixed lines	**(000)**	**41**	**42**	**+0.5%**
Broadband access[9]	**(000)**	**7**	**7**	**-3.3%**

At March 31, 2013, Maroc Telecom's Mauritanian business had generated revenue of MAD 345 million, an increase of 6.5% (+10.6% like for like). This performance was attributable mainly to the mobile business, whose service revenues rose by 6.4% (+10.6% like for like) and were driven by growth in the mobile customer base (+9.7%), increased outgoing usage (+7%), and stable prices (-4.5%). The fixed-line customer base was stable, at 41,541 lines, while the internet customer base decreased by -3.3%, to 6,789 clients.

Burkina Faso

	Unit	Q1 2012	Q1 2013	Change like for like[1]
Mobile				
Customer base[5]	(000)	3,303	4,055	+22.7%
ARPU[6]	(MAD/month)	43.9	37.2	-14.9%
Fixed lines	**(000)**	**142**	**101**	**-29.0%**
Broadband access[9]	**(000)**	**32**	**30**	**-4.3%**

At March 31, 2013, the Burkina Faso business had generated revenue of MAD 535 million, a rise of 6.8% (+6.8% like for like). The quarter was notable for the completion of negotiations with unions. The mobile customer base continued to show steady growth (+23%), although ARPU declined by 15% like for like. A rise in usage did not compensate for the 16% price cut.

In Q1 2013, Onatel updated the prepaid fixed-line customer base of its CDMA network, revealing a total fixed-line active customer base of 100,789 lines. The internet customer base declined by 4.3%, to 30,250 customers.

Gabon

	Unit	Q1 2012	Q1 2013	Change like for like[1]
Mobile				
Customer base[5]	(000)	644	824	+28.1%
ARPU[6]	(MAD/month)	93.1	80.4	-13.6%
Fixed lines	**(000)**	**17**	**18**	**+3.7%**
Broadband access[9]	**(000)**	**7**	**8**	**+27.0%**

Revenues from business in Gabon for the first quarter of 2013 amounted to MAD 342 million, a rise of 13.5% (+13.4% like for like), despite an unfavorable comparison basis due to the positive impact from organizing the Africa Cup of Nations in Gabon in early 2012. Business was driven by the mobile segment, whose services grew by 14.8% (+14.7% like for like). This growth is attributable to a strong expansion of the customer base (+28%), which benefited from promotional offers and network expansion.

After an update of the active CDMA customer base in 2012, the fixed-line (+3.7%) and internet (+27%) customer bases resumed solid growth.

Mali

	Unit	Q1 2012	Q1 2013	Change like for like[1]
Mobile				
Customer base[5]	(000)	4,255	6,504	+52.9%
ARPU[6]	(MAD/month)	40.3	28.7	-28.8%
Fixed lines	**(000)**	**95**	**98**	**+2.8%**
Broadband access[9]	**(000)**	**40**	**45**	**+14.8%**

Despite the nationwide crisis and a very unfavorable comparison basis (like-for-like revenue growth of 32.7% in Q1 2012), the revenue generated by business in Mali in the first quarter of 2013 increased by 4.5% (+4.5% like for like), to MAD 640 million. This performance was attributable to strong growth in the mobile customer base (+53%), despite the 29% decline in mobile ARPU. It is noteworthy that the fixed-line (+2.8%) and internet (+14.8%) customer bases continued to show steady growth.

Notes

1 Fixed exchange rates for MAD / Mauritanian ouguiya / CFA franc.

2 At March 31, 2013, Maroc Telecom consolidated Mauritel, Onatel, Gabon Telecom, Sotelma, and Casanet in its financial statements.

3 EBITA corresponds to EBIT before the amortization of intangible assets acquired through business combinations and the impairment losses on goodwill and other intangibles acquired through business combinations, other income and charges related to financial investing transactions and to transactions with shareowners (except if directly recognized in equity).

4 CFFO comprises pretax net cash flows from operations (see the statement of cash flows), dividends received from affiliates, and unconsolidated equity interests. 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 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.

6 ARPU is defined as revenues (generated by inbound and outbound calls and by data services) net of promotional offers, excluding roaming and equipment sales, divided by the average customer base for the period. In this instance, blended ARPU combines both prepaid and postpaid segments.

7 Mobile data revenues include revenues of all nonvoice services billed (SMS, MMS, mobile internet mobile, etc.). As from second-quarter 2012, revenues from mobile data also include the valuation of 3G internet access at 512 kb/s included in all Maroc Telecom postpaid rate plans. The comparison base has been modified retroactively.

8 The active customer base for 3G mobile internet includes holders of a postpaid subscription agreement (with or without a voice offer) and holders of a prepaid internet subscription who have made at least one top-up during the past three months or whose top-up is still valid.

9 The broadband customer bases include narrowband access and leased lines.

Maroc Telecom is a full-service telecommunications operator in Morocco and leader in the fixed-line, mobile, and internet sectors. The Group has developed internationally and today has operations in Mauritania, Burkina Faso, Gabon, and Mali. Maroc Telecom has been listed on the Casablanca and Paris stock exchanges since December 2004. The Group's major shareholders are Vivendi Group (53%) and the Kingdom of Morocco (30%).

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