

GROWTH IN 2011 FIRST-HALF RESULTS

EBITDA: €26.5m, +24.3%

Paris, 31st August 2011: Groupe Outremer Telecom (FR0010425587 - OMT), the leading alternative telecom operator in the French Overseas Regions (FOR), today publishes its consolidated and audited* results for the first half of 2011.

Simplified income statement			
(in €m IFRS)	H1 2011	H1 2010	Δ (€m)
Revenue	94.2	90.9	+€3.3m
Gross margin % of total revenue	57.3 <i>60.8%</i>	53.6 <i>59.0</i> %	+€3.7m
EBITDA % of total revenue	26.5 28.1%	21.3 23.5%	+€5.2m
Operating income	14.5	7.7	+€6.8m
Net income	10.5	4.8	+€5.7m

Revenue: €94.2m

Over the first half of 2011, Outremer Telecom's sales totalled €94.2m, an increase of 3.7%. The Group recorded growth of 10.0% in the French West Indies and French Guiana zone, whilst activity in the Indian Ocean zone slipped 2.4%.

Revenue from Mobile activity was up 8.8% despite the still-significant impact of the reduction in call termination tariffs. Professional activity was also up 8.4% compared to the first half of 2010.

Lastly, over the first half of 2011, Internet revenue saw a return to growth of around 10.8%.

At 30th June 2011, the Group had 585,187 subscribers to its offers, 467,052 of whom were active subscribers.

Gross margin: €57.3m (+6.8%)

The gross margin improved by 6.8% over the first half of 2011, thus recording a faster rate of growth than revenue. The gross margin rate reached 60.8% due to the combined effect of increasing revenue and control over network and technical costs (-0.8%).



EBITDA: up 24.3%

The Group's EBITDA continued to improve over the first half of 2011 and is close to sectorial norms. It totalled €26.5m, an increase of 24.3%, giving an EBITDA margin of 28.1% over the half, compared to 23.5% over the first half of 2010.

This improvement was the result of the increase in the gross margin and the 5% fall in operating costs essentially associated with the decrease in provisions for client debts.

EBITDA split

IFRS / €m	30/06/11	30/06/10	Δ
FWI/Guiana	20.9	15.5	+35%
% of revenue	35%	28%	
Indian Ocean	7.3	6.5	+13%
% of revenue	22%	19%	
Other (incl. head office costs)	-1.7	-0.6	ns
TOTAL	26.5	21.3	+24%
% of revenue	28%	23%	

IFRS / €m	30/06/11	30/06/10	Δ
Residential	7.8	7.0	+11%
% of revenue	31%	27%	
Mobile	16.1	11.4	+42%
% of revenue	27%	21%	
Professional	4.4	3.6	+21%
% of revenue	56%	50%	
Other (incl. head office costs)	-1.8	-0.7	ns
TOTAL	26.5	21.3	+24%
% of revenue	28%	23%	

The French West Indies and French Guiana zone provided the largest contribution to Group EBITDA over the first half of 2011, with a 35% increase in its performance.

Increase in operating income and net income

With depreciations and other allowances totalling some €12m, a decrease of 12% compared to the first half of 2010, the Group's operating income was up 88.0% to €14.5m.

Over the first half of 2011, Outremer Telecom benefited from the debt reduction measures instigated since FY 2010, with the net borrowing costs almost halved to €0.7m.

Lastly, the Group wrote down a tax charge of €3.6m for the first half of 2011.

Net income for the first six months of 2011 thus totalled €10.5m, giving a net margin of 11.2%, compared to 5.2% a year earlier.

Improvement in cash flow and the financial structure

The Group's cash flow recorded an improvement, with free cash flow totalling €17.2m over the first half of 2011 (up 22.9% on the 1st half of 2010).

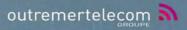
The Group continued to reduce its debt, both by reimbursing €3.0m in loans and by increasing its cash position by €6.8m to €44.5m at 30^{th} June 2011.

Outremer Telecom's net debt stood at €9.8m at 30th June 2011, versus €34.0m at 30th June 2010.

Outlook for the 2nd half of 2011

Over the 1^{st} half of 2011, Outremer Telecom reached an EBITDA margin of 28.1%, which is close to the levels recorded by telecom sector leaders.

These results were almost entirely due to the outperformance of the Group's most mature zone, the French West Indies and French Guiana zone. Indeed, for a number of quarters, Outremer Telecom has experienced a recurrent underperformance in the Indian Ocean zone, notably on the island of Reunion. It has therefore been decided to modify the organisation of the Indian Ocean zone. The





job of Executive Vice President Indian Ocean Zone is henceforth the responsibility of Mr Matthieu Cocq, Deputy CEO for Strategy and Development.

Moreover, some of the fiscal measures announced by the French Prime Minister on Wednesday 24th August 2011 could be applicable from the closing of accounts to 31st December 2011. The planned abolition of the allowance the Group benefits from vis-à-vis some of its taxable income from the French Overseas Regions could thus affect the Group's accounts.

The Group is nevertheless reaffirming its EBITDA target for 2011, conditional on the evolution of the global economic situation.

Change in the Group's shareholding

Having been granted authorisation by the French competition authority, on 1st August OMT Invest registered a Simplified Takeover Bid project with the *Autorité des Marchés Financiers* stock market regulators. This Simplified Takeover Bid will begin in September 2011 and concerns all of the Company's remaining shares at a price of €12 a share excluding any dividend distribution.

* Following the favourable opinion issued by the Audit Committee at its meeting of 30th August 2011, the Board of Directors, which met on 31st August 2011 under the chairmanship of Mr Jean-Michel Hégésippe, approved the Group's accounts for its first half to 30th June 2011. Audit procedures have been carried out. The auditors have completed their audit and are preparing to issue their reports.

About Outremer Telecom

Founded in 1986, Groupe Outremer Telecom has established itself in the French Overseas Regions (Martinique, Guadeloupe, French Guiana, Reunion and Mayotte) as the leading alternative telecom operator able to offer a full range of fixed line, mobile and Internet access services for both residential and business customers. Groupe Outremer Telecom has developed its own telecom network and has a single brand; Only. The group intends to develop the convergence of its various offers, its business customers and pursue its innovative and competitive services.

Next press release

Revenue for the third quarter of 2011: Tuesday 15th November 2011



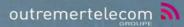
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APPENDICES: half-year accounts

CONSOLIDATED BALANCE SHEET

(in EUR 000)	30/06/2011	31/12/2010
Goodwill	41,634	41,634
Other intangible fixed assets	25,078	24,438
Tangible fixed assets	67,048	64,110
Non-current financial assets	1,293	1,259
Deferred tax	6,070	9,394
Total non-current assets	141,123	140,835
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Stocks	3,486	2,719
Accounts receivable from clients	25,124	26,412
Tax receivables	31	31
Other current assets	6,850	6,338
Cash & cash equivalents	44,760	38,379
Total current assets	80,250	73,880
TOTAL ASSETS	221,373	214,714
in EUR 000)	30/06/2010	31/12/2010
Capital	2,756	2,756
Share premium	108,721	108,721
Consolidated reserves	(27,746)	(34,573)
Conversion reserve	41	41
Profit for the financial year	10,506	13,889
Equity capital - Group share	94,279	90,834
Minority interests	345	398
Total equity capital	94,623	91,232
Loans and debts	28,848	24,735
Employee benefits	1,703	1,640
Provisions	3,792	3,448
Deferred tax	247	339
Other non-current liabilities	2,545	3,218
Total non-current liabilities	37,135	33,381
Loans and debts	25,739	25,190
Provisions	2,032	1,866
Due from suppliers and related accounts	39,605	40,621
Other current liabilities	21,793	22,400
Tax due	446	25
Total current liabilities	89,615	90,102
TOTAL LIABILITIES	221,373	214,714



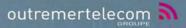


CONSOLIDATED INCOME STATEMENT

(in EUR 000)	30/06/2011	31/12/2010	30/06/2010
Turnover	94,220	188,125	90,874
External purchases	(50,209)	(104,023)	(50,841)
Employee costs	(14,238)	(28,976)	(14,565)
Duties and taxes	(1,595)	(3,459)	(1,472)
Provisions	(317)	(569)	(260)
Other operating expenses	(2,377)	(8,248)	(3,200)
Other operating income	1,020	4,312	785
Operating profit before depreciation	26,504	47,163	21,321
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Depreciation and amortisation	(11,997)	(25,655)	(13,606)
Operating profit	14,507	(21,508)	(7,715)
Net borrowing costs	(726)	(2,282)	(1,420)
Other financial income and charges	292	(247)	(419)
Change in the Fair Value of debt hybrid instruments			
Pre-tax profit	14,073	18,978	5,876
Income tax	(3,563)	(4,860)	(1,107)
Net profit for the financial year	10,511	14,119	4,769
Net profit - Group share	10,506	13,889	4,701
Net profit - minority interests	4	229	69
Earnings per share			
Earnings per share	0,50	0,67	0,23
Diluted earnings per share	0,50	0,66	0,23

CONSOLIDATED STATEMENT

(in EUR 000)	30/06/2011	31/12/2010	30/06/2010
Net profit for the financial year	10,511	14,119	4,769
Other elements of the overall profit:			
Conversion differences		101	137
Total	-	101	137
Total profit for the financial year	10,511	14,220	4,906
Of which Group share	10,506	13,990	4,838
Of which minority interest share	4	229	69





CASH FLOW STATEMENT

(in EUR 000)	30/06/2011	30/06/2010
Total consolidated net profit Elimination of effects of :	10,510	4,769
- Unrealised profits (losses) on financial instruments	(443)	418
- Net allocations to depreciation and provisions	12,257	13,871
- Other income and expenses	327	119
- Profits/losses on sales	114	(42)
- Tax income	3,562	1,107
- Interest charge	877	1,454
Effect of changes in stocks	(766)	214
Effect of change in customer receivables and other debtors	774	2,047
Effect of change in supplier debts and other creditors	(3,054)	(2,065)
Cash flows from operating activities before tax and interest	24,158	21,893
Tax paid	90	(133)
Interest paid	(731)	(1,404)
Cash flows from operating activities	23,517	20,356
Effects of changes in consolidation structure	-	-
Acquisitions of tangible and intangible fixed assets	(6,328)	(6,753)
Investment subsidies received	-	-
Change in loans and advances granted	(34)	189
Disposals of tangible and intangible fixed assets	-	169
Cash flows from investment activities	(6,362)	(6,395)
Bond issues	55	395
Bond redemptions	(2,980)	(4,410)
Dividends paid to minority shareholders	(56)	(98)
Dividends paid to Group shareholders	(7,313)	-
Sale (acquisition) of own shares (net)	(74)	(96)
Cash flows from financial activities	(10,368)	(4,209)
	6,787	9,752
Opening cash flow	37,751	24,857
Effect of changes in interest rates	(1)	28
Cash flow at year end	44,538	34,637