



Q3 2009 revenue stable compared to Q1 and Q2 2009

Revenue for the first 9 months down 4.3%

*Impairment for client debts expected at yearend,
in a context of a very poor economic environment*

Paris, 10th November 2009: Groupe Outremer Telecom (FR0010425587 - OMT), the leading alternative telecom operator in French Overseas Regions (FOR), today publishes its consolidated revenue for the third quarter and first nine months of 2009.

(in €m IFRS)	Q3 revenue		9-month revenue		Revenue by quarter			
	2009* ¹	2008	2009 ¹	2008	Q1 2009	Q2 2009	Q3 2009* ¹	TOTAL ¹
Mobile	26.9	28.4	78.7	79.8	25.5	26.2	26.9	78.7
% of total rev.	63%	63%	61%	60%	60%	61%	63%	61%
Residential	11.1	12.7	34.3	38.5	11.8	11.4	11.1	34.3
% of total rev.	26%	28%	27%	29%	28%	27%	26%	27%
Professional	3.3	3.5	9.9	10.9	3.2	3.4	3.3	9.9
% of total rev.	8%	8%	8%	8%	7%	8%	8%	8%
Other	1.6	0.8	5.1	4.5	1.8	1.7	1.6	5.1
% of total rev.	4%	2%	4%	3%	4%	4%	4%	4%
Total	42.9	45.4	127.9	133.6	42.3	42.8	42.9	127.9

* taking into account the updating of the rules for recording revenue concerning some costs described later in this document.

Outremer Telecom's revenue for the third quarter of 2009 came to €42.9m, in line with the level of activity recorded over the first two quarters of the year, and down 5.5% compared to the third quarter of 2008. For the first nine months of the year, revenue totalled €127.9m, down 4.3% compared to the first nine months of 2008.

For more than a year now, the Group's activity has been affected by a substantially worsened context. Indeed, the current economic situation has affected French Overseas Regions significantly more than mainland France, as shown by the deterioration in the main economic indicators since the start of 2009: sharp increase in the rate of unemployment, fall in consumption, deterioration in household solvency (the number of people filing for bankruptcy has reached a record high, increasing 37% over the last year²).

This particularly poor macroeconomic situation combined with the social unrest seen in the first half of the year is penalising the evolution of Outremer Telecom's 2009 revenue.

¹ Unaudited data

² Source: "observatoire du surendettement dans les DROM, IEDOM 2009"



Mobile activity

In the third quarter of 2009, Mobile activity continued to be affected by the reductions in call termination tariffs earlier this year and the macroeconomic difficulties affecting French Overseas Regions. This activity thus generated revenue of €26.9m, down 5.3% compared to the third quarter of 2008.

The French West Indies and French Guiana zone has been the worst affected by this situation, with revenue falling 16.6% to €17.2m, whilst in the Indian Ocean zone revenue jumped 24% to €9.8m.

Over the first nine months of 2009, revenue from Mobile activity slipped 1.5% to €78.7m, with €51.4m of this recorded in the French West Indies and French Guiana zone and €27.3m in the Indian Ocean zone. Over the first nine months of the year, this activity represented 61% of the Group's total consolidated revenue.

Moreover, during the third quarter of 2009, Outremer Telecom recorded a net increase of 23,461 new Mobile subscribers divided as follows: 10,386 in the French West Indies and French Guiana zone and 13,075 in the Indian Ocean zone, taking the total number of Mobile subscribers at 30th September 2009 to 324,129.

The portion of contract subscribers remained globally stable over the third quarter in the two zones in which the Group is present, at 70.4% in the French West Indies and French Guiana zone and at 57.7% in the Indian Ocean zone.

Lastly, according to data from ARCEP ("*Le Suivi des indicateurs Mobiles*" - September 2009), Outremer Telecom's Mobile market share has further improved across both of its zones, to 15.3% in the French West Indies and French Guiana zone and 12.0% in the Indian Ocean zone.

Residential activity

Over the third quarter of 2009, revenue from Residential activity came to €11.1m, down 12.7% compared to the third quarter of 2008.

As has been the case since the start of the year, the migration of fixed phone and low-bandwidth Internet subscribers towards the onlyBox multiple-play offer resulted in an increase in Internet revenue and a decrease in fixed-phone revenue.

Internet revenue thus jumped 30.3% to €6.1m, whilst fixed-phone revenue fell 39.9% to €4.3m.

Over the first 9 months of the year, Residential activity recorded revenue of €34.3m, down 10.9%.

Professional activity

Over the third quarter of 2009, revenue from Professional activity came to €3.3m, down 5.3%. Since the start of 2009, total revenue from this activity has been €9.9m, a decrease of 9.2%.

Other activity

Over the third quarter of 2009, revenue from Other activity remained in line with that recorded over the first two quarters of 2009, and totalled €1.6m.

Over the first 9 months of the year, revenue from this activity came to €5.1m, an increase of 15.2% compared to the same period of 2008.



Number of subscribers and change by segment of activity

At 30th September 2009, the Group had 499,679 subscribers to its offers:

	30/09/2009	30/06/2009	Variation
Mobile	324,139	300,678	+ 7.8%
Fixed	100,173	104,889	- 4.5%
Internet	75,367	69,097	+ 9.1%
<i>of which: Broadband</i>	62,455	55,113	+ 13.3 %
TOTAL	499,679	474,674	+ 5.3%

Measures taken by Outremer Telecom's upper management and impact on the Group's accounts

Given the deterioration in the economic environment, Outremer Telecom instigated, from the second half of 2008 and through 2009, a series of measures aimed at considerably limiting the risk of unpaid bills, notably by joining the PREVENTEL Economic Interest Group enabling it to avoid recruiting a number of customers at risk and by accelerating the suspension of services provided to subscribers with unpaid bills. These measures have already resulted in a significant improvement in the quality of its subscriber base.

Over the same period, the Group also intensified its efforts to collect unpaid debts. Outremer Telecom has, nevertheless, noted that, over the second half of 2009, difficulties in collecting unpaid debts have increased, reflecting the increase in the financial vulnerability of households in French Overseas Regions.

Within this context, the Group is determined to continue its efforts to reduce the risk of unpaid bills. Outremer Telecom has thus updated its rules for recording revenue to reflect the negative evolution in the probability of collecting certain costs billed to clients relating to unpaid bills, suspension of service and termination of contract. These changes had a negative impact of around €1.7m on Outremer Telecom's revenue for the third quarter of 2009.

Similarly, to address this situation, the Group wishes to intensify its approach in terms of provisions for client debts. This approach will lead the Group to record, in its accounts for the second half of 2009, significant provisions for bad debt allowances taking into account the following factors:

- firstly, the Company estimates that the application at 31st December 2009 of current bad debt depreciation rates should result in provisions in the second half of 2009 of a similar amount to that recorded in the first half of the year (which was €7.4m);
- secondly, given the updates in its rules for recording revenue relating to certain costs as described above, the Company is considering depreciating residual debts from similar revenue over the first half of 2009. According to an initial estimate by the Company, and subject to work currently being carried out by the Group, this extra provision would be around €3m;
- Lastly, the Company will continue to intensify the terms of the provisioning of its client debts in its 2009 annual accounts. Work aiming to finalise the analysis of client debts is in progress, and will enable the Group to give details of its depreciation rate in function of collection performances at the end of the second half of 2009. This evolution should cause the Company to record further provisions at 31st December 2009 on a significant non-recurring sum.



Development ambitions reaffirmed

The Company's objective is to pursue the growth of its subscriber base through a selective approach favouring the quality of recruited subscribers as well as customer relations.

This approach is in line with the substantial efforts carried out by the Group to improve the quality of the services provided to its customers, in terms of both network investments and strengthening its customer service teams.

Encouraged by the recently-announced governmental measures to dope consumption in French Overseas Regions, the Group is reaffirming its ambition to further develop across its markets.

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.

FY 2009 revenue will be published on 11th February 2010



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