

**Q1 2010 REVENUE: €43.8m (+3.4%)****Acceleration in the growth momentum****+ 12,354 Mobile subscribers recruited over the period**

Paris, 12<sup>th</sup> May 2010: Groupe Outremer Telecom (FR0010425587 - OMT), the leading alternative telecom operator in the French Overseas Regions (FOR), today publishes its revenue for the first quarter to 31<sup>st</sup> March 2010.

(in €m IFRS)	Quarterly revenue <sup>1</sup>		
	Q1 2010*	Q1 2009	Δ
Mobile % of total revenue	26.4 60%	25.5 60%	+3.4%
Residential % of total revenue	12.3 28%	11.8 28%	+4.2%
Professional % of total revenue	3.6 8%	3.2 7%	+13.9%
Other % of total revenue	1.4 3%	1.8 4%	-19.5%
<b>Total</b>	<b>43.8</b>	<b>42.3</b>	<b>+3.4%</b>

\* Q1 2010 revenue does not include certain incomes written down in Q1 2009, which came to €1.4m

Revenue for the first quarter of 2010 totalled €43.8 million, an increase of +3.4% compared to the figure published for the 1<sup>st</sup> quarter of 2009, and an increase of +7% compared to that quarter minus certain incomes relating to suspended lines, cancelled services and unpaid bills that are no longer billed since 1<sup>st</sup> July 2009.

Revenue for the French West Indies and French Guiana zone came to €26.4m, stable on the first quarter of 2009. Following a number of quarterly decreases in activity across this zone hit hard by the economic crisis and social unrest, this stabilisation confirms the normalisation of the situation and the return to growth in the French West Indies and French Guiana zone.

The Indian Ocean zone continued to grow, with revenue totalling €16.3m, an increase of 10% compared to the first quarter of 2009.

The 1<sup>st</sup> quarter of 2010 thus confirms the growth momentum observed since the fourth quarter of 2009, despite the further substantial reduction in call termination tariffs that came into effect on 1<sup>st</sup> January 2010 for Mobile activity.

### Mobile activity

In the 1<sup>st</sup> quarter of 2010, revenue from Mobile activity came to €26.4m, up 3.4% compared to the 1<sup>st</sup> quarter of 2009. Mobile revenue in the French West Indies and French Guiana zone totalled €16.7m, down 1%, whilst Mobile revenue in the Indian Ocean totalled €9.7m, up 11.5%.

The substantial decrease in call termination tariffs (-34% in French Guiana, -43% in the French West Indies and -37% in the Indian Ocean zone) has a major impact on the Group's Mobile revenue, and

<sup>1</sup> Unaudited data

partly explains the reduction in monthly ARPU (Average Revenue Per User). At 31<sup>st</sup> March 2010, ARPU was €24.8 in the French West Indies and French Guiana zone and €20.9 in the Indian Ocean zone.

However, this impact was broadly offset by the growth in the number of Mobile subscribers. At 31<sup>st</sup> March 2010, the Group had 359,390 Mobile subscribers, an increase of close to 80,000 subscribers compared to the figure at 31<sup>st</sup> March 2009 (+28.5%).

At 31<sup>st</sup> March 2010, Outremer Telecom had an additional 4,976 Mobile subscribers in the French West Indies and French Guiana zone compared to 31<sup>st</sup> December 2009, even though the overall Mobile market only increased by 6,900 subscribers in this zone, and the Group thus accounted for over 72% of all new subscribers over the first quarter.

In the Indian Ocean, Outremer Telecom actually managed to record an increase of 7,378 subscribers over the first quarter of 2010, when the overall number of Mobile subscribers in this zone slipped by 1,100 over the period.

The Group's market share therefore continued to rise, reaching 16.4% in the French West Indies and French Guiana zone at 31<sup>st</sup> March 2010 (versus 16.1% at 31<sup>st</sup> December 2009) and 13.5% in the Indian Ocean zone (versus 12.8% at 31<sup>st</sup> December 2009). (Source: ARCEP - Quarterly observatory of electronic communications (mobile services) in France - 1<sup>st</sup> quarter 2010 - provisional results - 6<sup>th</sup> May 2010)

### Residential activity

Residential activity recorded revenue of €12.3m in the 1<sup>st</sup> quarter of 2010, up 4.2% on the first quarter of 2009.

Internet revenue was up 38% whilst fixed-phone revenue was down 31%, due to the migration of fixed-phone and dial-up Internet subscribers to the Group's multiple-play offers.

Nevertheless, exceptionally the number of Internet subscribers fell, decreasing from 77,981 at 31<sup>st</sup> December 2009 to 73,597 at 31<sup>st</sup> March 2010, because of the cancellation of 7,000 suspended subscribers who had in any case been generating no revenue for some months.

### Professional activity

Revenue from Professional activity was up 13.9% at €3.6m, in the first quarter.

This increase is encouraging and reflects the successful launches at end-2009 of the new *OnlyBox Pro* offer, in the French West Indies and Reunion, and the *Mobile Enterprise* business mobile offer.

### Other activity

Revenue from Other activity totalled €1.4m, down 20% in line with the Group's announced divestment of these non-strategic activities.

### Number of subscribers by segment of activity

At 31<sup>st</sup> March 2010, the Group had 523,701 subscribers to its offers, split as follows:

	31/03/2010	31/12/2009	31/03/2009
Mobile	359,390	347,036	279,623
Fixed	90,714	96,352	108,637
Internet	73,597	77,981	68,501
of which: broadband	61,394	65,511	53,838
<b>TOTAL</b>	<b>523,701</b>	<b>521,369</b>	<b>456,761</b>



## Main events since the start of 2010

Since 1<sup>st</sup> January 2010, Outremer Telecom has strengthened its offer with:

- The overhaul of the CANAL CONNECT offer, which now provides access to the CanalSat package and Canal+ channels via ADSL in the French West Indies and Reunion,
- The extension of the TRACE MOBILE offer, which is aimed at those under 26, in the French West Indies and French Guiana. This is thus part of a global partnership between Outremer Telecom and the TRACE Group,
- The pursuance of the deployment of 3G networks in Guadeloupe and French Guiana, following their deployment in Martinique and Reunion. To mark this, Outremer Telecom has launched an offer incorporating a 3G mobile handset, a mobile portal with attractive content and a 3G key.

## General description of Outremer Telecom's financial situation

The level of activity recorded over the 1<sup>st</sup> quarter of 2010 confirms the stabilisation of the economic situation in French Overseas Regions and the return to growth for the Group's activities.

Hence, despite the substantial cuts in call termination tariffs, revenue in the French West Indies and French Guiana zone has stabilised whilst activity in the Indian Ocean zone is continuing to grow. As the reduction in call termination tariffs affects all telephone operators, Outremer Telecom should be able to significantly cut its interconnection costs.

At 31<sup>st</sup> March 2010, Outremer Telecom had over 12,000 more Mobile subscribers than it did at 31<sup>st</sup> December 2009. This performance reflects the appeal of its offers, whilst recruitment procedures have been substantially toughened to improve the quality of the Group's subscriber base.

The Group's new offers (TRACE MOBILE and professional offers) and the continual improvement in the quality of service should allow Outremer Telecom to recruit yet more subscribers and to pursue its growth.

### 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.

Revenue for the first half of 2010 will be published on:  
thursday 29<sup>th</sup> July 2010



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