

INVESTMENT DEPARTMENT



Presentation

to

Altadis Investor Day

Casablanca

January 20th, 2003

By Hassan Bernoussi

IMPROVEMENT OF THE ECONOMIC ENVIRONMENT

SETTING UP STRUCTURAL REFORMS FITTING INTERNATIONAL STANDARDS

LIBERALIZATION OF THE MOROCCAN ECONOMY

MAIN ECONOMIC REFORMS

FISCAL REFORMS

- REDUCTION OF TAX NUMBERS
- REDUCTION OF TAXATION BURDEN
- SIMPLIFICATION OF TAX REIMBURSEMENT

LEGAL REFORMS

- MODERN COMMERCIAL CODE
- MODERN COMPANIES LAW
- MODERN CUSTOM SYSTEM
- NEW AND MODERN LABOUR CODE
- SETTING UP THE PRICE AND COMPETITION LAW
- SETTING UP INTELLECTUAL AND INDUSTRIAL PROPERTY LAWS
- CREATION OF COMMERCIAL COURTS.....

PRIVATIZATION AND CONCESSION PROGRAMS

MAIN PRIVATIZATION OPERATIONS :

TELECOM : VIVENDI (FRANCE) : 2.3 BUS\$

TOBACCO : ALTADIS (FRANCE-SPAIN) : 1.4 BUS\$

OIL REFINING : CORRAL (SWEDEN) : 400 MUS\$

CEMENT : HOLCIM (SWITZERLAND) : 100 MUS\$

AUTOMOTIVE : RENAULT (FRANCE) : 30 MUS\$

PRIVATIZATION AND CONCESSION PROGRAMS

MAIN CONCESSION OPERATIONS :

TELECOM : TELEFONICA (SPAIN) : 1.1 BUS\$

ELECTRICITY PRODUCTION : CMS ENERGY (USA) : 1.6 BUS\$

ELECTRICITY PRODUCTION : SIEMENS (GERMANY) : 800 MUS\$

WATER AND ELECTRICITY DISTRIBUTION:

- Casablanca : LYONNAISE DES EAUX (FRANCE)
- Rabat : VEOLA (FRANCE)
- Tangier : VEOLA (FRANCE)

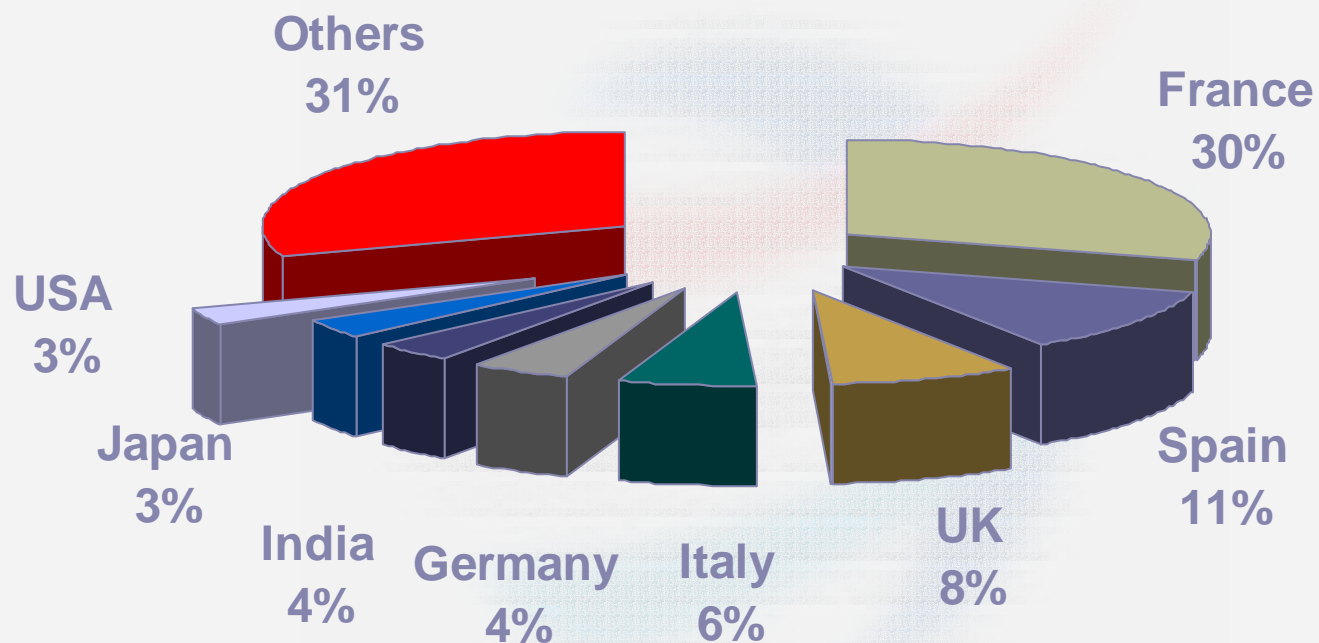
MACRO-ECONOMIC PERFORMANCES

	1982	1998	1999	2000	2001	2002	2003*
Growth rate	2%	6.3%	0.7%	0.9%	6.5%	4%	5.5%
Inflation rate	10%	2.7%	1.1%	1.9%	0.5%	1.5%	2%
Budget Deficit	12%	3.2%	2.3%	2.5%	2.9%	2.5%	3%
Foreign currency reserve	Few days	6 Months	8 Months	8 Months	12 Months	12 Months	13 Months

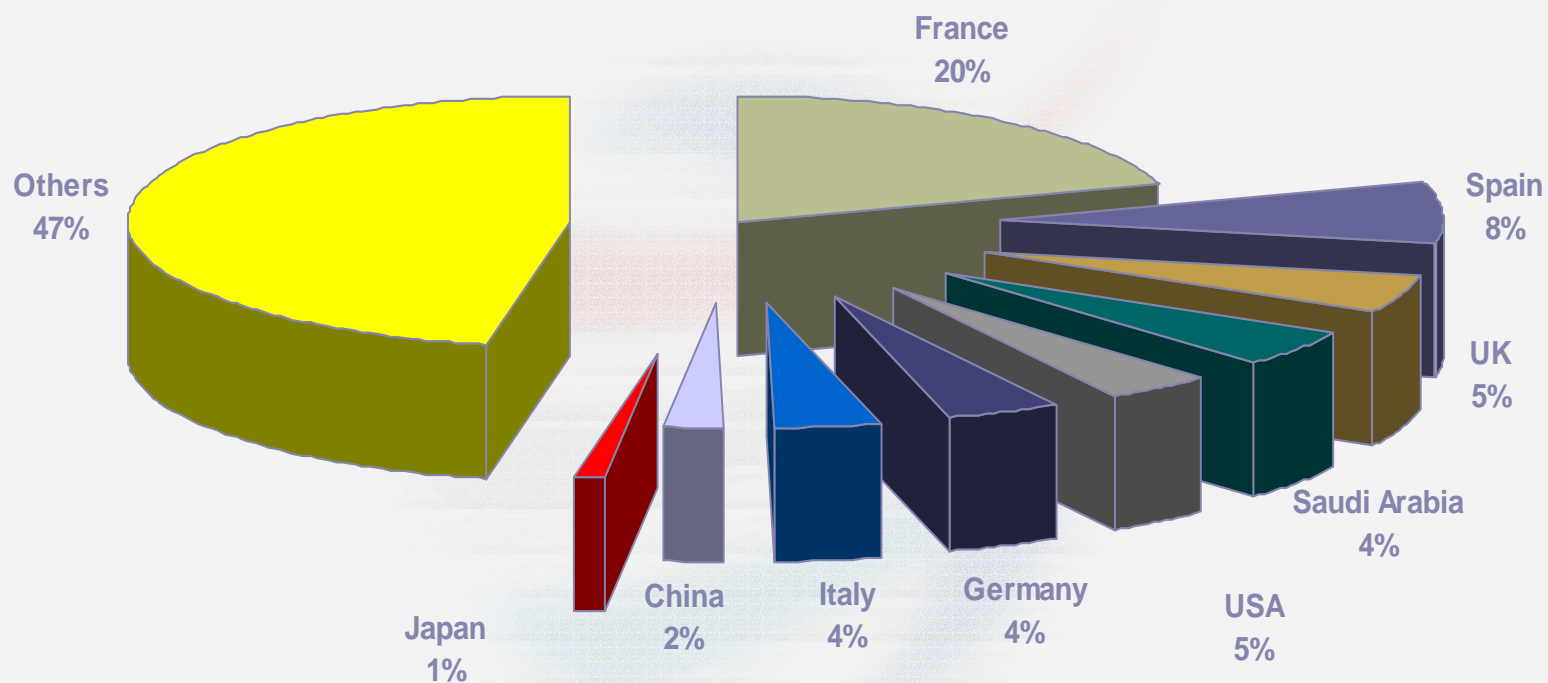
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FOREIGN TRADE

MAIN EXPORT MARKETS



MAIN SUPPLIERS



INVESTMENT SYSTEM

A NEW INVESTMENT MANAGEMENT BASED ON A REGIONAL VISION

**REGIONAL CENTERS OF
INVESTMENT**

**NATIONAL COMMISSION OF
INVESTMENT**

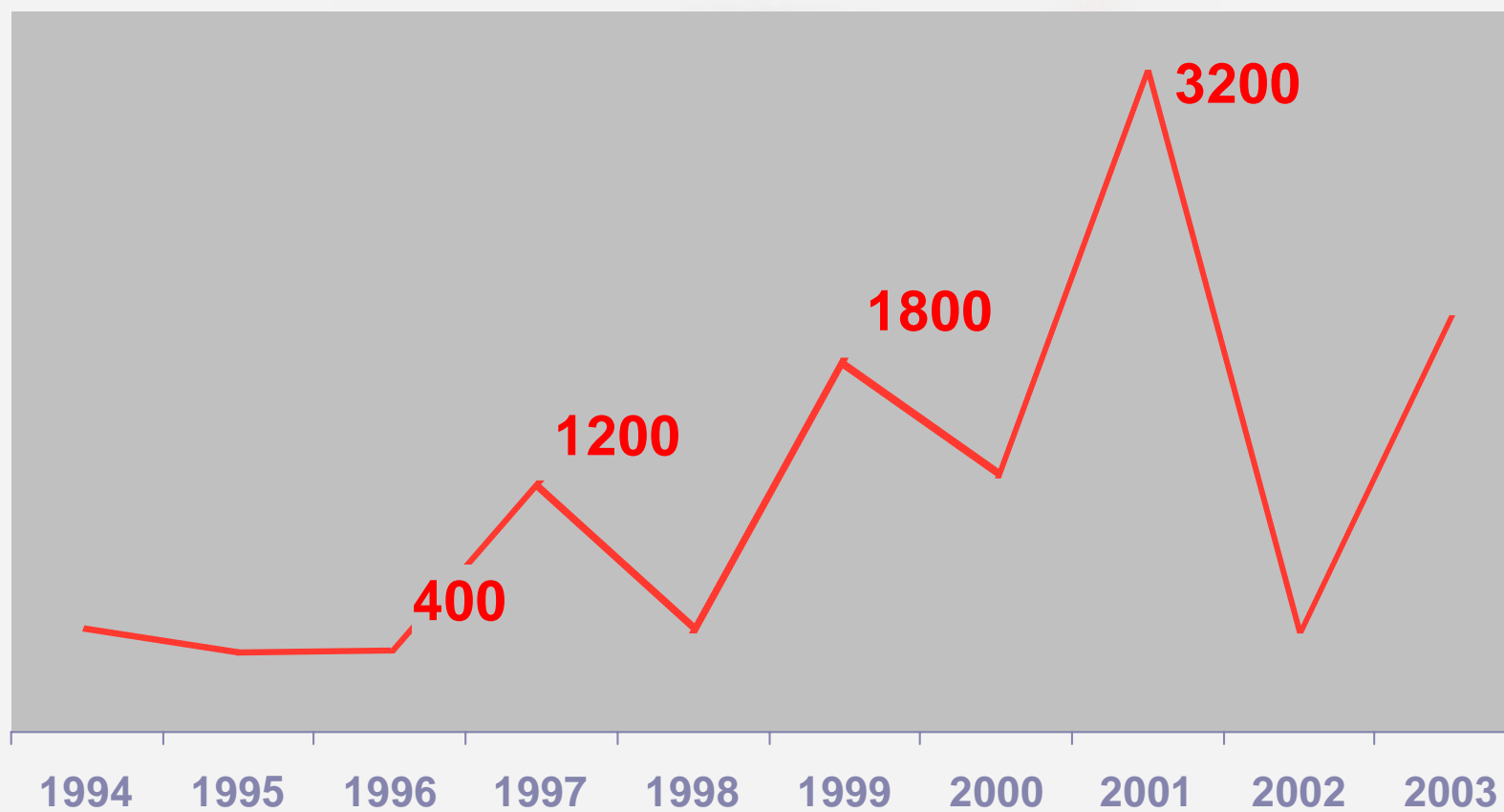
INVESTMENT DEPARTMENT

- **SIMPLIFICATION & REDUCTION ADMINISTRATIVE PROCEDURES**
- **REDUCTION OF INVESTMENT AND TAXATION COSTS**
- **PREFERENTIEL TREATMENT FOR EXPORT COMPANIES**

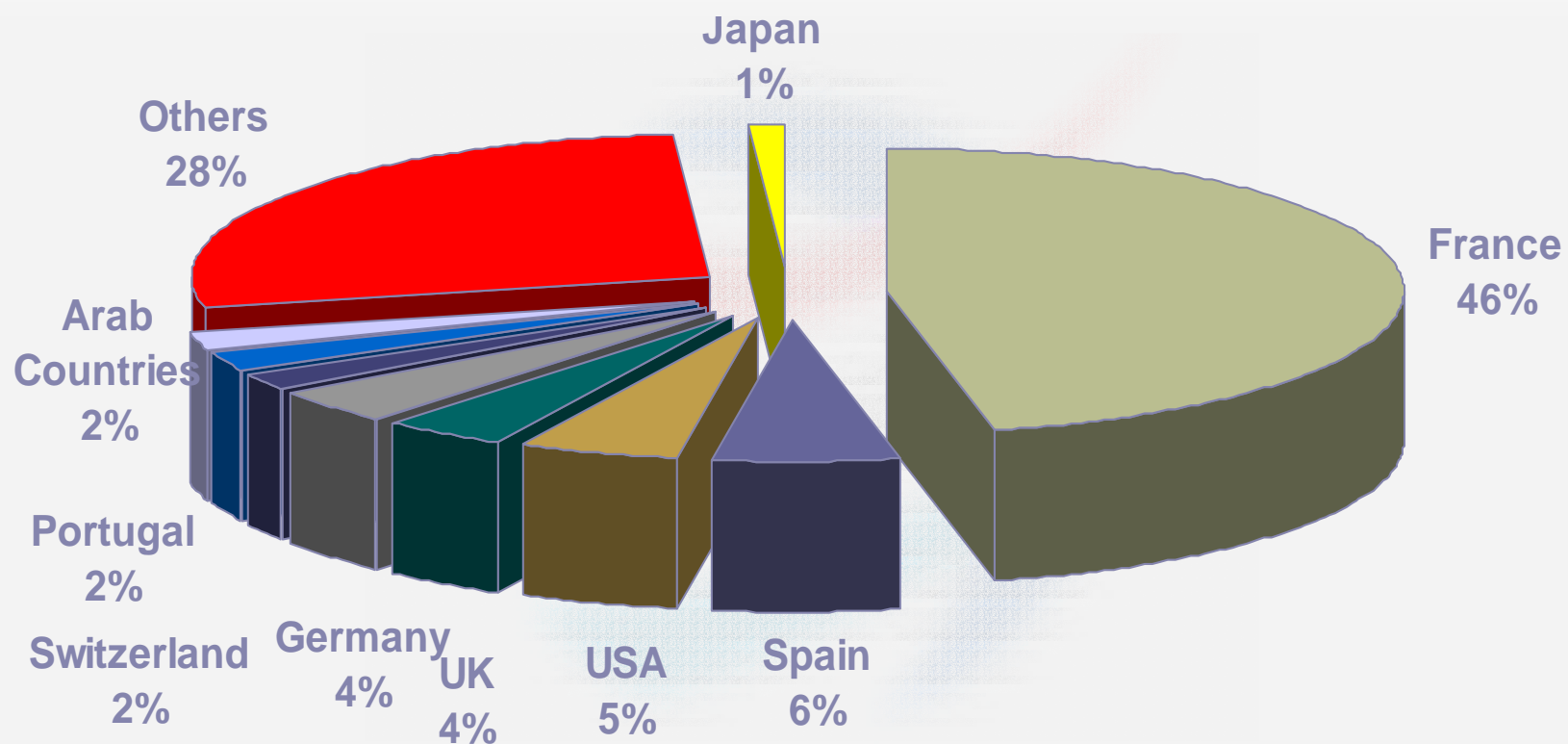
POSITIVE EVOLUTION OF FOREIGN INVESTMENT FLOWS

MORE THAN 12 BILLION DOLLARS
OF FOREIGN INVESTMENTS
DURING THE LAST DECADE

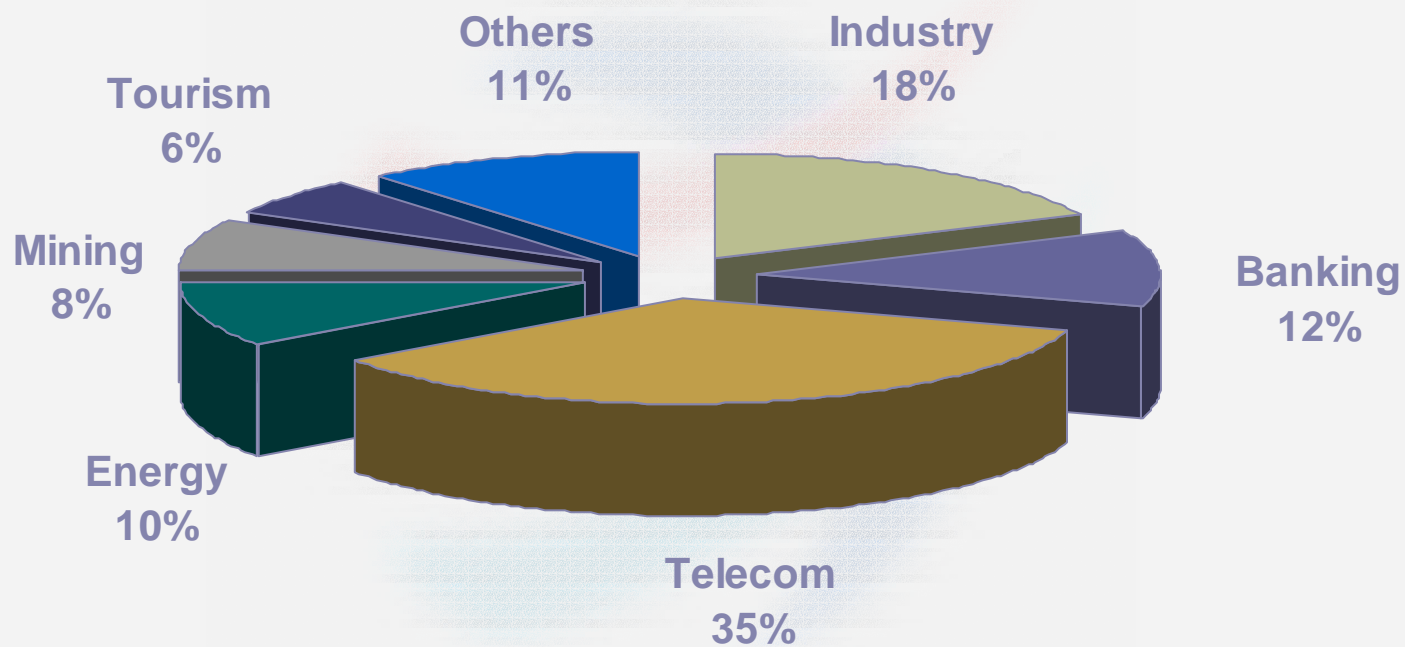
FOREIGN INVESTMENT EVOLUTION (IN MILLION DOLLARS US)



MAIN INVESTING COUNTRIES (1998-2002)



INVESTMENT BY SECTOR (1998-2002)



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INVESTMENT INCENTIVES

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FISCAL INCENTIVES

- ◎ CORPORATE TAX : 35%
- ◎ EXPORT COMPANIES
 - 0-5 YEARS : 0%
 - AFTER : 17,5%
- ◎ SPECIFIC REGULATION FOR EXPORT FREE ZONE OF TANGIER

CUSTOM INCENTIVES

- IMPORT TAX : 2,5% OR 10 %
- EXONERATION OF IMPORT TAXES FOR SPECIFIC INVESTMENTS
- SIMPLIFICATION OF CUSTOM PROCEDURES

INFRASTRUCTURE

- 12 INTERNATIONAL AIRPORTS
- 10 COMMERCIAL PORTS
- HIGHWAY PROGRAM
- INDUSTRIAL ZONES PROGRAM
- TECHNOPARKS PROGRAM
- FREE TRADE ZONE IN TANGIER

HUMAN RESOURCES

- QUALIFIED AND FLEXIBLE
- ADEQUATE COST OF MANPOWER
- HIGH LEVEL ENGINEERS
- PROFESSIONAL TRAINING PROGRAMS

INVESTMENT SUBSIDIES

**LAND ACQUISITION AND FACTORY CONSTRUCTION
THROUGH HASSAN II FUND**

Textile, Garment and Leather
Electronic components
Automotive components and Equipments
Environment Industry...

INVESTMENT SUBSIDIES

LAND AQUISITION, EXTERNAL INFRASTRUCTURE AND
PROFESSIONAL TRAINING

20 M Euros

250 jobs

Technology transfer

Environment protection

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A blurred image of the Moroccan flag, featuring horizontal stripes of red, green, and white, with a blue pentagram in the center.

MOROCCO CHOICE !

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FROM FRANCE

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- ALTADIS
- LAFARGE
- ST MICROELECTRONICS
- THALES
- VALEO
- SANOFI-SYNTHELABO
- ALCATEL
- NEXANS
- EADS
- SNECMA
- LABINAL
- ACCOR.....

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FROM SPAIN

- ALTADIS
- FAGOR
- ROCA
- GONVARRI
- ENDESA
- TELEFONICA...

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A blurred image of the German flag, showing the horizontal stripes of black, red, and gold, centered in the background.

FROM GERMANY

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● BAYER

● VOLKSWAGEN BORDNEDZE

● SIEMENS POWER

● LEONI

● BEIRSDORF...

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FROM UNITED KINGDOM

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● UNILEVER

● BEST FOOD (KNORR)

● CADBURY SCHEWEPPE

● SMITHKLINE BEECHAM

● COURTAULD...

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FROM USA

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- DELPHI
- LEAR
- POLYTECH NETTING
- PROCTER & GAMBLE
- JOHNSON & JOHNSON
 - GOOD YEAR
 - COCA COLA
- FRUIT OF THE LOOM
 - JORDACHE
 - SARA LEE
- CMS ENERGY
- KRAFT FOOD
- PFIZER.....


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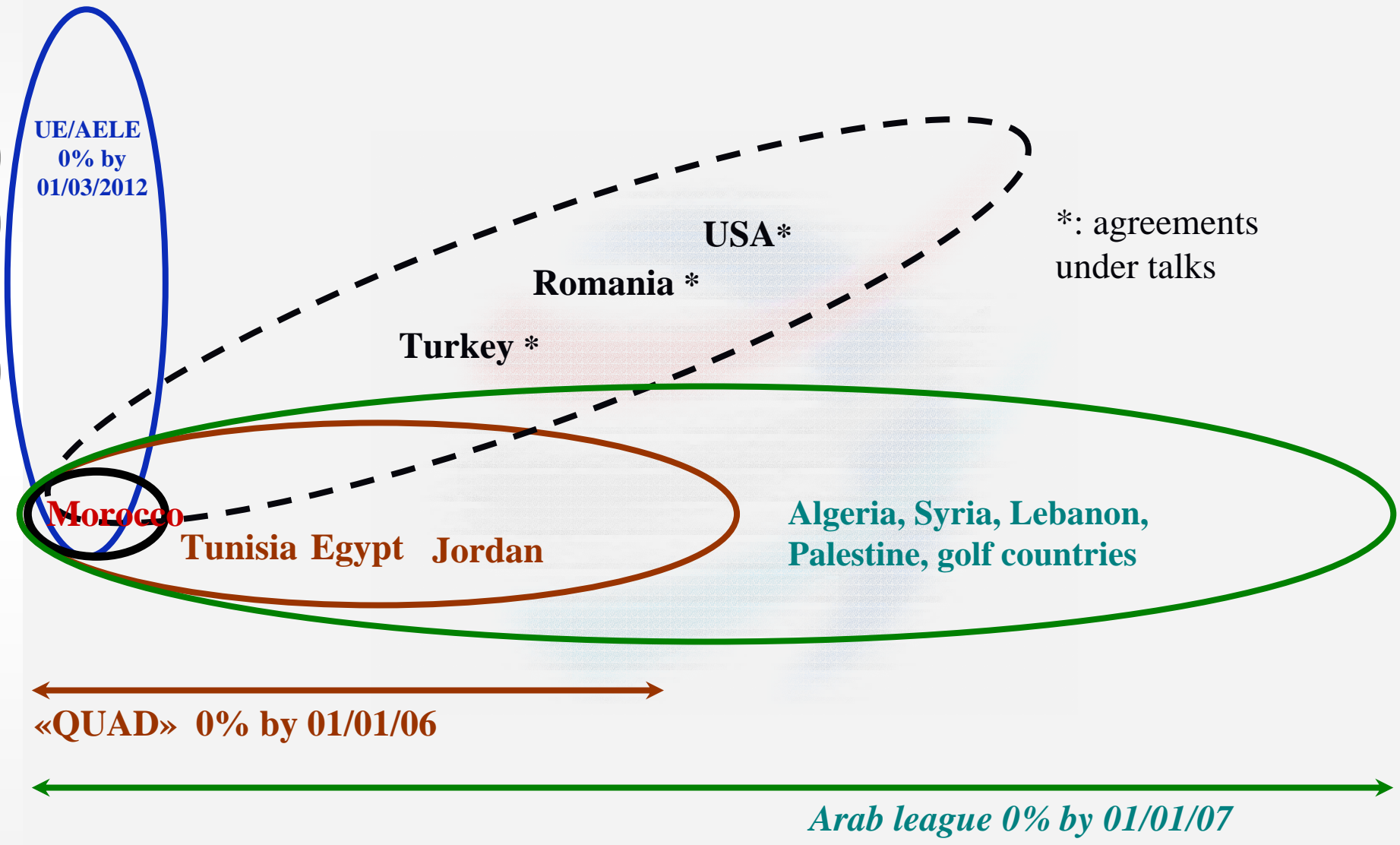
AND FROM JAPAN

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 **YAZAKI**

 **SUMITOMO ELECTRIC WIRING
SYSTEM**

MARKET ACCESS



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THANK YOU

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Morocco

Presentation

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