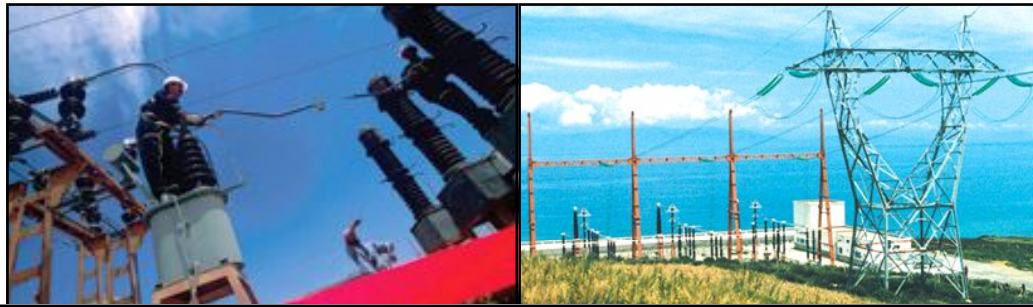




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## SUMMARY

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## CHIEF EXECUTIVE OFFICER'S MESSAGE

The year 2004 is, first of all, the second consecutive year marked by a sharp increase of electricity demand, by + 7%, showing the positive evolution which knows the economic and social development of our country.

The year 2004 was also marked by a general decline of 7% of electricity prices, excluding tax. This measure the cost of which amounts to 890 million dirham, on the fiscal year 2004, was financed at the rate of 610 million dirham by a tax system reform, including the deletion of TIC on fuels used for electricity generation and the increase of the rate of the VAT applied to this service from 7 to 14%. The remainder of 280 million dirham is financed by a decline of ONE receipts. It is important to note that, with this measure, electricity prices in Morocco knew since 1997 a decline in real terms of 44% for the middle voltage, 36% for the high voltage and 10% for the low voltage.

During the same year, the world energy markets registered a historical inspiration of the coal prices of , which represents more than 75% of the national electricity generation. The passage of the average price from 35 USD / ton in 2003 to 73 USD in 2004 was translated for the ONE by loads increase by 810 million dirham.

In spite of the conjunction of these two events, the ONE maintained the cap regarding its program of investment to accompany the development of the economic and social tissue.

Thus, 4.7 billion dirham were invested in 2004 for:

- a**the generalization of the access to electricity to all citizens,
- a**the increase of the generation capacity and the interconnections with nearby countries,
- a**the intensification of transmission and supply systems,
- a**the improvement of service quality offered to our customers.

As for rural electrification, 3610 new villages gathering 187 000 homes have been connected to the national network and 363 villages gathering 8 300 homes have been lighted by solar kits. These realizations, which required an investment of 1.6 billion dirham, carried the rate of access to electricity in rural areas to 72%.

The generalization of access to electricity is reflected in the important evolution of customers which registered, in 2004, 254 000 new subscribers to reach a total of 2 660 000 customers.

Finally, the strong electricity demand, registered since 2003 and which seems to last, considering all the current projects for the economic and social development of our country, implies for the sector and particularly for ONE an acceleration of the necessary investments to guarantee the availability of electricity, to insure our country's supply and to improve service quality.

The consolidation of all these realizations and the infringement of the expected objectives require, more than ever, the conjugation of the efforts of all.

Ahmed NAKKOUCH



## STRUCTURES

### BOARD OF DIRECTORS

#### PRESIDENT

Mr. Driss JETTOU, Prime Minister

#### ADMINISTRATORS

Mr. Chakib BENMOUSSA, General Secretary to the Home Office

Mr. Abdelali BENCHEQROUN, General Secretary to the Ministry of Energy and Mines

Mr. Ahmed BENRIDA, Work Manager in the Ministry of Employment, Social Affairs and Solidarity

Mr. Ahmed IBRAHIMI, Planning Manager at the Department of Economic Forecast and Plan

Mr. Ahmed BOUHAOULI, General Secretary of the State Secretary at the Ministry of Territory Development, Water and Environment

Mr. Abdelali BENBRIK, General Inspector of Finance at the Ministry of Finance and Privatization

Mr. Abou Bekr Seddik EL GUEDDARI, Manager of Rural Engineering Administration at the Ministry of Agriculture and Rural Development

## EXECUTIVE COMMITTEE

### CHIEF EXECUTIVE OFFICER

MR. Ahmed NAKKOUCH

### MANAGERS

MR. Ahmedi ALLACH, FINANCIAL MANAGER

MR. Abdelghani BAAKIL, RURAL ELECTRIFICATION MANAGER

MR. Ben Salem BEN REDOUANE, REPRESENTATIVE WITH THE  
GENERAL MANAGER

MR. Abdesslam BOUDLAL, PROJECT MANAGER

MR. Mohamed FADILI, PLANNING MANAGER

MR. Abdelaziz HOUACHMI, GENERATION MANAGER

MR. Abderrahim JAMRANI, PURCHASE AND MARKETS MANAGER

MR. Ryad JERJINI, COMMUNICATION AND COOPERATION  
MANAGER

MR. Abdesslam KARIM, HUMAN RESOURCES MANAGER

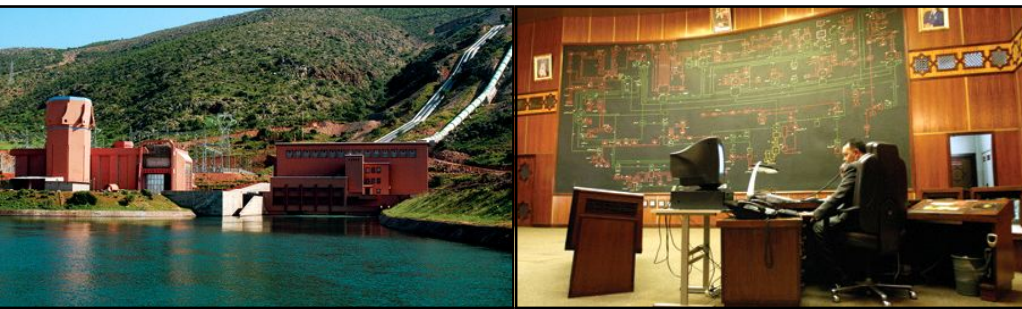
MISS Amina LAMRANI, STRATEGY AND DEVELOPMENT MANAGER

MR. Mohamed RACHID NEJJAR, TECHNICAL AND ENGINEERING  
MANAGER

MR. Ahmed RAHMOUNI, COMMERCIAL AND MARKETING  
MANAGER

MR. Mohamed SEBTI, TRANSMISSION MANAGER

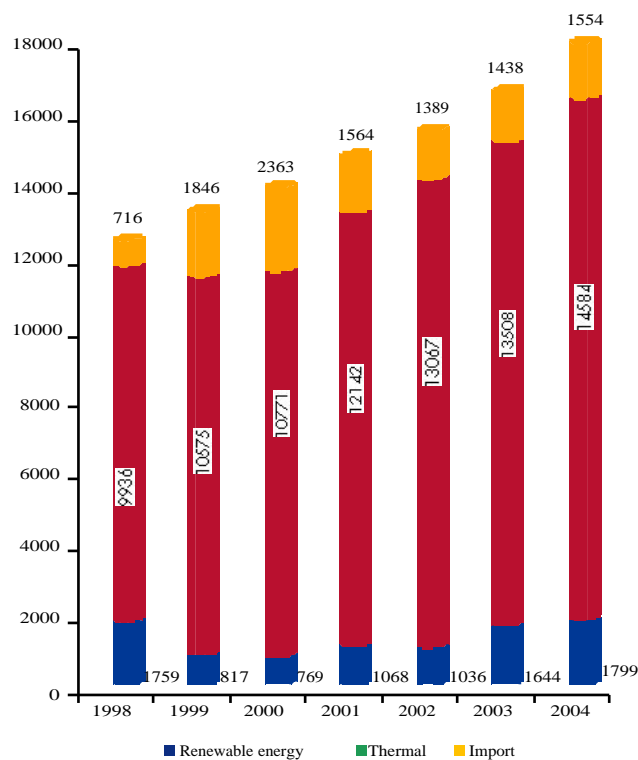
MR. Noureddine SERHIR, SUPPLY MANAGER



## KEY FIGURES

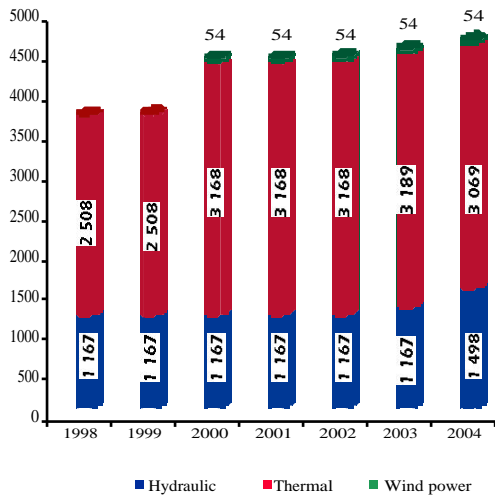
Installed capacity	: 4 621 MW
Net needed power	: 17 945 GWh
National electricity generation	: 16 383.5 GWh
Number of customers to the end of 2004	: 2 654 222
Staff to the end of 2004	: 9104

SATISFACTION OF NEEDED ENERGY IN GWH

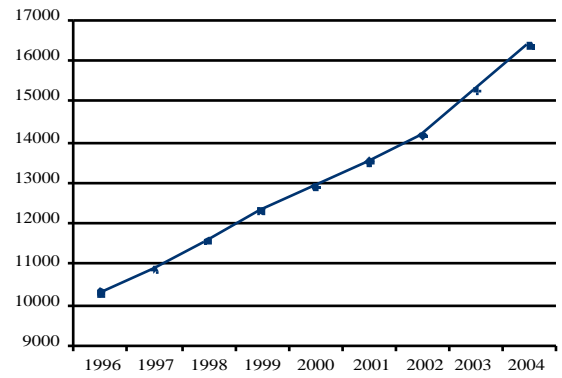




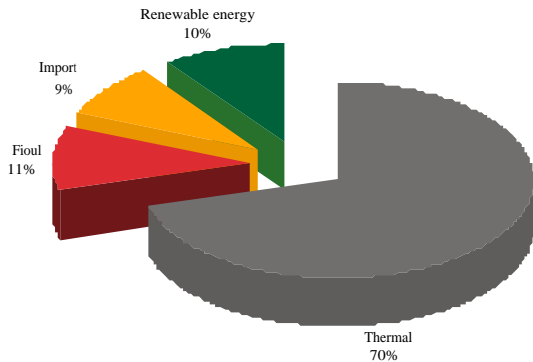
INSTALLED CAPACITY IN MW



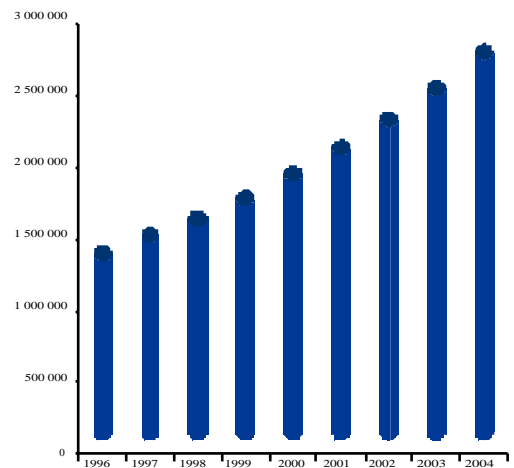
SALES EVOLUTION IN VOLUME (GWH)



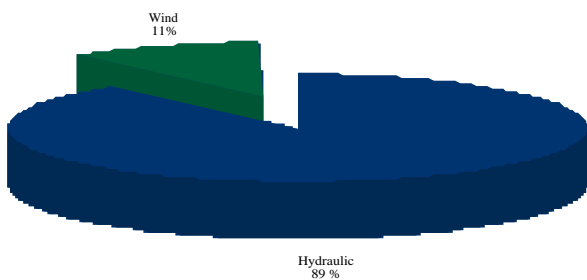
DEMAND SATISFACTION



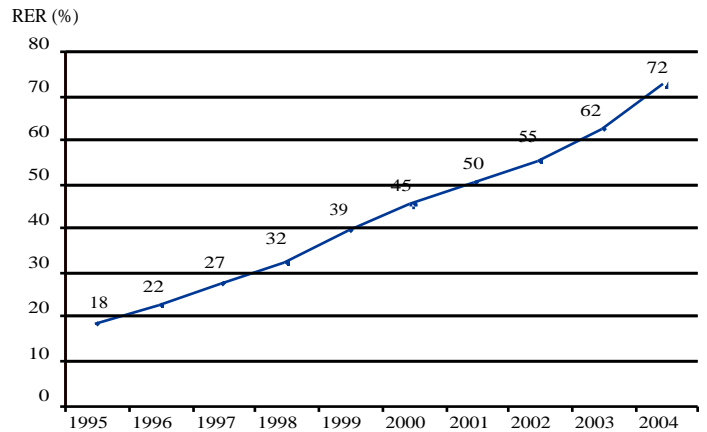
CUSTOMERS NUMBER EVOLUTION



THE DISTRIBUTION OF RENEWABLE ENERGY GENERATION



RURAL ELECTRIFICATION RATE EVOLUTION (RER)





## KEY FACTS 2004

### January

- Decline of electricity sale tariffs, excluding tax, accompanied by the reform modernizing taxation on electricity.
- Connection of Boujdour city to the national transmission electricity network.

### April

- Supply of the new electric LYDEC post of Dar Bouaaza.

### June

- Signature of two loan agreements, of a total amount of 50 million US dollars, with the Islamic Bank of Development in Jeddah, for the financing of the electrification of 1221 villages.
- Signature of the first electric supply contract quality with SONASID.
- Launch of a communication campaign for the benefit of Moroccans living abroad.

### July

- Inauguration of the lightning of Al Kasba wall and of the Rif Al Andalous mosque minaret in Chefchaouen city.

## August

- The supply of the combined cycles plant of Tahaddart.
- The supply of Draa Lasfar mine.
- The signature of a contract with the SENELEC for the realization of a study on electricity fixing prices in Senegal.
- The starting up of the functioning essays of the turbo-alternators groups of Afourer STEP.

## October

- The ONE and the French Agency of Development sign a loan agreement of 50 million euro for rural electrification financing projects within the PERG fourth phase.

## November

- The ONE and the European Investment Bank sign a loan agreement of 120 million euro for the renovation of Mohammedia thermal plant and the financing of Tangier wind plant.
- The ONE and the German KfW bank sign a loan agreement of 61 million euro for the financing of the Tanafnit-El Borj hydroelectric complex.

## December

- The starting of Oum Er Rbia hydraulic micro plant of an installed power of 220 kW.
- The starting of the first turbo-alternators couple of the Pumping Energy Transfer Station of Afourer.
- The regional transmission Division of Kénitra obtains its ISO 9001/2000 certificate awarded by AFAQ.
- The introduction of the reads meters of 54 customers supplied with very high and high voltage on 66 practicable in RTC lines.
- The ONE and the German Bank KfW sign a loan agreement of 50 million euro for the realization of a wind park in Essaouira.





# COMMERCIAL ACTIVITY



## A STEADY GROWTH OF SALES

In 2004, the total ONE energy sales witnessed a steady growth reaching 16 288 GWh, versus 15 214 GWh the previous year, that is a progress of 7.1%, after having recorded a growth of 8% in 2003.

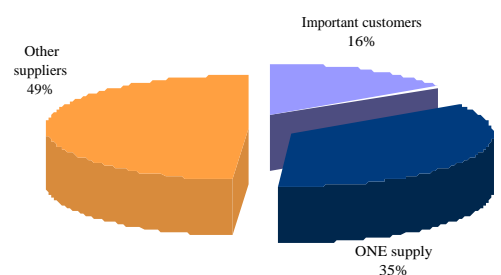
This rising trend is particularly marked in the zones where ONE insures supply, which registered an increase of the demand of 10 %.

These performances are also reflected at the level of ONE customers which knew during the same year, gathering all categories, an increase of 10.6% corresponding to 253 698 new subscribers which carries the total number of ONE customers to 2 654 222 at the end of 2004.

SALES DISTRIBUTION IN 2004

Sales distribution	2003		2004		Sales evolution (%)
	Sales (GWh)	Market shares (%)	Sales (GWh)	Market shares (%)	
IMPORTANT CUSTOMERS	2 333	15,3	2 548	15,6	9,2
SUPPLIERS					
• ONE SUPPLY	5 234	34,4	5 756	35,3	10
• OTHERS SUPPLIERS	7 647	50,3	7 984	49,0	4,4
TOTAL SALES	15 214	100,0	16 288	100,0	7,1

MARKET SHARES DISTRIBUTION IN 2004



The analysis of ONE sales shows the following evolutions:

## IMPORTANT CORPORATE CUSTOMERS

Sales to corporate customers, supplied with very high and high voltage, achieved an important evolution compared to last year valued at 2,548 GWh, i.e. an increase of 9.2%.

In 2004, a new customer was supplied with high voltage: the mine of Draa Lasfar

Besides, extensions were realized for the benefit of other customers:

- the Holcim Ras El Ma cementry workers (+ 4.8 MVA)
- the mine of Tighza (+ 1 MVA)
- the mining complex of Guemassa (+ 3 MVA)
- the steelworks and foundries of Skhirat (+ 2 MVA),
- Maghreb Steel (+ 5 MVA),
- STMicroelectronics (+ 1.2 MVA).

SALES TO VHV- HV CUSTOMERS in MWh

	2003	Market shares	2004	Market shares	Evolution
Cement works	785 023	33,7%	906 047	35,6%	15,4%
Mines	618 892	26,5%	692 046	27,2%	11,8%
Chemistry	352 721	15,1%	336 959	13,2%	-4,5%
Transport	206 731	8,9%	219 131	8,6%	6,0%
Others	369 324	15,8%	393 887	15,4%	11,3%
Total VHV-HV	2 332 690	100%	2 548 070	100%	9,2%

## SUPPLIERS

Distributed between ONE supply, the state control supply and private suppliers, the national market of energy supply added up, in 2004, 13 740 GWh, i.e. an increase of 6.7% with regard to 2003.

### ONE supply

With a sales volume of 5 756 GWh, increasing by 10 % with regard to 2003, the ONE supply registers the strongest growth rate of electricity sales among the national suppliers. The ONE widens consequently its market share, which increases from 40.6 % to 42 % between 2003 and 2004, and strengthens its leader's position of supplier at the national level.

### Other suppliers

The 11 other suppliers, being ONE customers, represent 49 % of ONE global sales versus 50.3 % in 2003. Sales to this category of customers reached 7 984 GWh, in annual progress of 4.4 %.

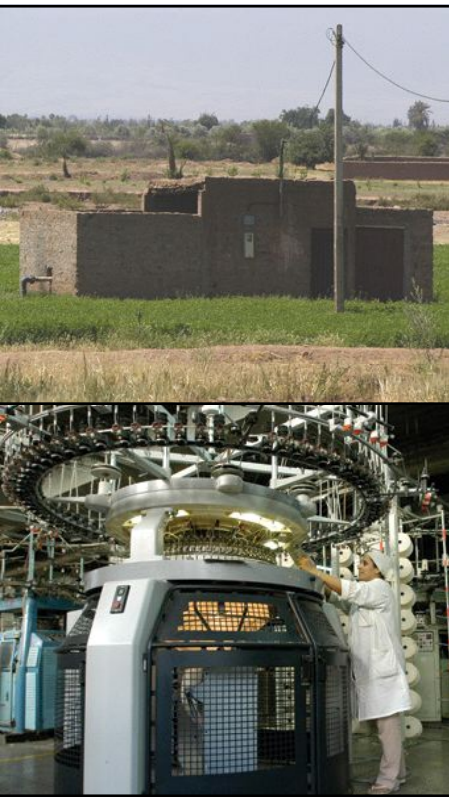
Besides, the year 2004 witnessed the realization of three important projects for the benefit of suppliers name ly:

- the supply in 225 kV of the new post of 2x70 MVA of LYDEC at Dar Bouazza, which is intended to strengthen the supply of the West part of Casablanca city,
- the renovation of the middle voltage part of the ONE post of Fes Amont of a capacity of 80 MVA serving the RADEEF,
- the extension of the post 60/22 kV of Fes Sud of a capacity of 36 MVA.

CONSUMPTION EVOLUTION AND SUPPLIERS MARKET SHARES

	Suppliers market shares	Evolution 2004 / 2003
ONE supply	42 %	10,0 %
LYDEC	24 %	4,22 %
REDAL	10 %	4,82 %
AMENDIS TANGIER	5 %	2,56 %
R.A.D.E.M.A. MARRAKECH	5 %	9,54 %
R.A.D.E.E.F FES	4 %	4,87 %
R.A.D.E.E.M MEKNES	3 %	5,81 %
AMENDIS TETOUAN	2 %	-4,20 %
R.A.K. KENITRA	2 %	6,96 %
R.A.D.E.E.J EL JADIDA	1 %	6,00 %
R.A.D.E.L. LARACHE	1 %	6,04 %
R.A.D.E.S. SAFI	1 %	1,51 %
TOTAL NATIONAL SUPPLIERS	100 %	6,7 %

\* Excluding VHV/HV direct customers



## DIRECT ONE CUSTOMERS

They are ONE supply customers supplied with either middle or low voltage.

### Customers supplied with middle voltage

Sales to middle voltage customers (MV) amounted in 2004 to 2 818 GWh, i.e. an increase of 9.5 % in comparison to the previous year. This category of customers represents 17.3 % of ONE global sales.

SALES TO MV CUSTOMERS in MWh

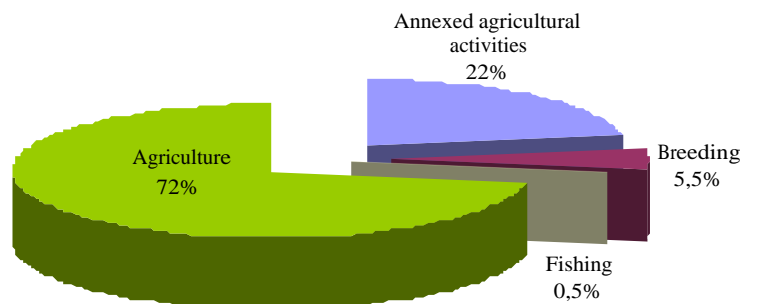
	2003		2004			Evolution	
	Number of subscribers	MWh	Number of subscribers	MWh	Part de marché	N° of subscribers	MWh
INDUSTRY	2 946	1 399 318	3 175	1 504 851	29%	7,8%	7,5%
AGRICULTURE	4 624	772 721	5 054	884 296	46%	9,3%	14,4%
SERVICE INDUSTRY	1 630	245 838	1 772	269 694	16%	8,7%	9,7%
ADMINISTRATIVE	1 014	156 060	1 001	159 146	9%	-1,3%	2,0%
TOTAL MV	10 214	2 573 937	11 002	2 817 987	100%	7,7%	9,5%

### Agriculture

Electricity consumption by agricultural MV customers knew an important progress of 14.4% with regard to 2003 reaching 884 GWh. This growth is due to the increase of consumptions of particular customers and private companies which registered 430 new customers as well as to the increase of the demand emanating from ORMVA among which mainly the ORMVA of Doukkala.

SALES DISTRIBUTION TO AGRICULTURAL CUSTOMERS

BY ACTIVITY SECTOR





## Industry

The industrial customers' number registered an evolution of 7.8% with the arrival of 229 customers operating mainly in the sectors of Water and Electricity and Building with respectively 44 and 30 new customers.

Sales to the industrial MV customers progressed of 7.5% with regard to 2003 adding up a volume of 1 504 851 MWh. This increase is essentially due to the strong demand from sectors of building (+ 16%), agribusiness (+ 6%), water and electricity (+ 7%) and of chemical industry (+ 17%). As for the market share of industrial customers with regard to MV customers, it represents 29%.

## Service industry

This market registered 142 new customers, which is an evolution of 8.7 % with regard to 2003 due essentially to the sector of telecommunications with 109 new subscribers and of tourism with 17 additional customers, which is consequent to a refation of the tourist activity in 2004 when Morocco exceeded 5 million tourists.

As for electricity consumption of this sector, it registered in 2004 an increase of 9.7 % with regard to the previous year where close to 50 % is due to the hotel segment demand, which knew a 10.6% progress.

## Customers supplied with low voltage

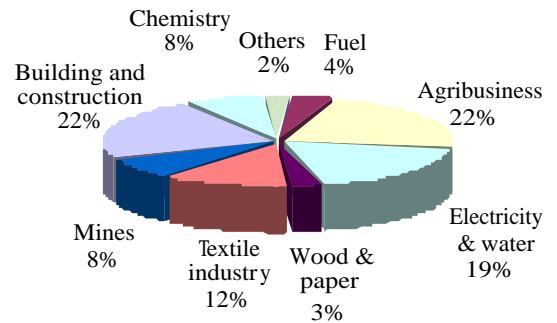
The number of low voltage customers (LV) increased in 2004 from 253 698 the majority of which are constituted by households. They represent 188 548 new customers among whom 148 429 are rural customers of the Global Rural Electrification Program (PERG).

In strong progress, PERG customers who represented by the end of 2003, 20.8% of all ONE customers increased to 24.5% at the end of 2004.

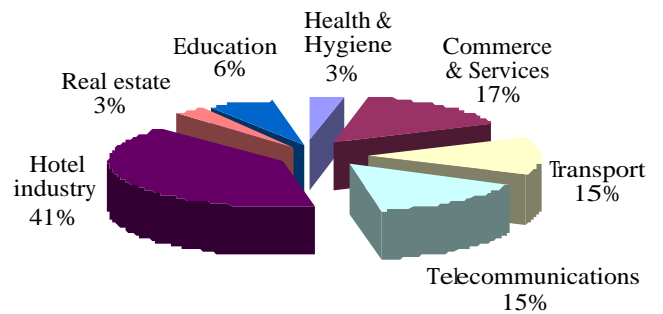
The total number of LV customers, who practically doubled since 1995, reached 2 654 222 registering a progress of 10.6% with regard to 2003.

In annual progress of 10.4%, sales to these customers reached 2 938 GWh, which represents 18% of the ONE global sales.

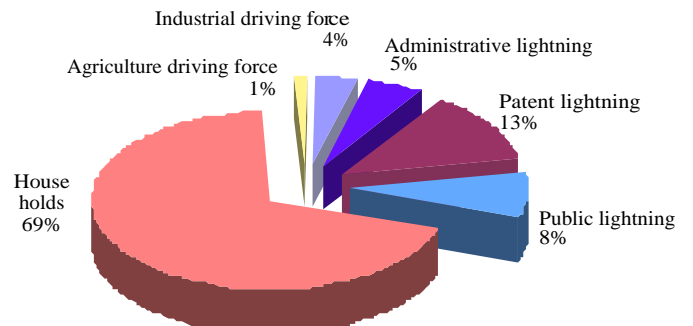
SALES DISTRIBUTION TO INDUSTRIAL CUSTOMERS

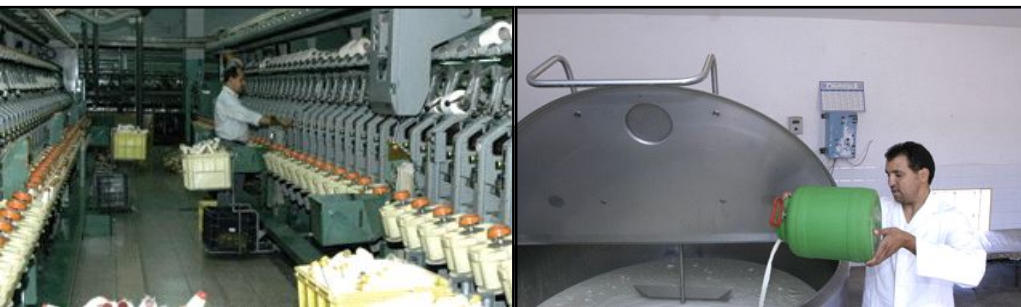


SALES DISTRIBUTION TO TERTIARY CUSTOMERS



SALES DISTRIBUTION TO LV CUSTOMERS





## OUR PRIORITY: THE SUPPORT OF THE NATIONAL ECONOMY

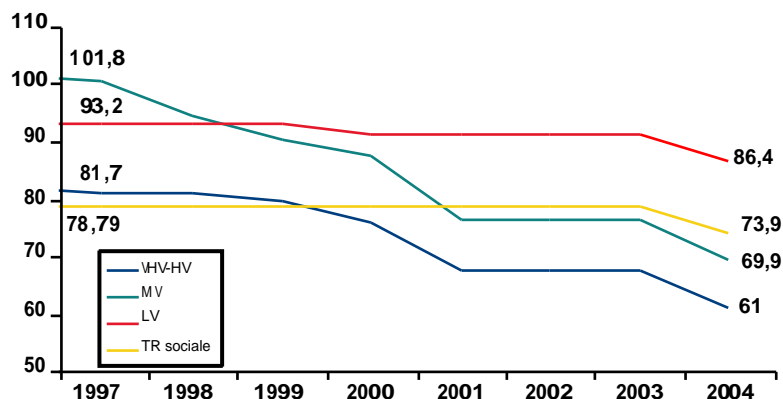
### TARIFFS DECLINE FOR THE BENEFIT OF THE NATIONAL PRODUCTIVE TISSUE

In support for the competitiveness of the economic operators, a new electricity tariffs decline (excluding tax) benefiting to all the customers' segments intervened within the framework of the reform modernizing the tax system applying to the electricity sector and which came into effect from January 1st, 2004.

It results from this tariff decline a financial effort of 890 millions MAD in 2004 injected in the national economy and supported collectively by the State through this fiscal reform at the level of 70 % and by the ONE for the remainder.

The fiscal modification consisted in suppressing various taxes and customs duties settled by the ONE on fuels for electricity generation and in operating in replacement an increase of tax rate on electricity sales from 7 to 14 %.

EVOLUTION OF THE AVERAGE ELECTRICITY  
SELLING PRICES EXCLUDING TAX (centimes/kW h)



With the new rates decline granted to the economic operators, the electricity prices registered, since October 1997, declines accumulated in real terms of 44,4 % for MV customers and 36,4 % for HV customers.

### SUPPORT FOR THE INDUSTRIAL SECTOR

Engaged with authorities for the support to the state economy, the ONE adapts and develops its services to meet the needs of its professional customers and help them to strengthen their competitiveness.

#### Tourist zones

To accompany the tourist sector's development, the ONE set up, in association with the Ministry of Tourism, a partnership frame fixing its participation to the realization of new integrated tourist resorts projects.

In 2004, five agreements were signed with the tourist zones of Taghazout, Saidia, Mogador, Mazagan and Chrifia. These agreements foresee the electric supply of the tourist stations, the realization of infrastructures among which the ONE supports 80 % of the investment amount and the accompanying outside site for the realization of studies and works for in site infrastructures.

#### Unique ticket office

In order to improve the services supplied to professional and institutional customers, a personalized service " unique ticket office of access to services " was set up at the national level in favour of important customers having several contracts such as the ONEP, the SOREAD (2M), the RTM, Meditel, Maroc Télécom and Ministries and Public Administrations.

#### Assistance to VHV-HV customers

In 2004, the ONE brought to its important corporate customers its technical aid by coordinating the studies and the works for the supply relative to important new industrial and tourist projects. It concerns mainly:

- the future SONASID steelworks in Jorf Lasfar ( 105 MVA),
- the SAMIR refinery in Mohammedia (65 MVA),
- the new cement work ATLACIM next to Settat (5 MVA),
- the extension of the cement work ASMENT in Temara (6 MVA),
- the news understations of the ONCF in Fes (2x3 MVA) and Zenata (3 MVA)
- the ONEP station of Sidi El Khattan in Smara (1 MVA),

The services offer in favour of Important Corporate Customers have been developed and gave place, in 2004, to several contracts for the maintenance of their HV posts as well as the training of their staff on the electric installations.





**ELECTRICITY FOR ALL**



## GENERALIZATION OF ACCESS TO ELECTRICITY

In 2004, the Global Rural Electrification Program (PERG) knew a very steady realization rhythm never reached previously in the objective to generalize access to electricity in rural areas by the year 2007. This objective is being realized to meet the Government's will to improve the level of life of rural citizens, and this in accordance to the High Royal Directives.

So, the investment amount dedicated to rural electrification in 2004, amounted to 1.6 billions MAD, showing an important rise of 45 % with regard to 2003.

Since its launch, the PERG allowed, thanks to the various used techniques, the electrification of 17 208 villages gathering 1 176 954 homes.

## AN INCREASING RHYTHM OF REALISATION

In 2004, 3 610 villages were electrified by interconnected networks and 363 villages by photovoltaic kits, what allowed 187 008 homes to benefit from electricity.

The realizations of 2004 represent, with regard to the previous year, a 26.3 % increase in term of villages and 16 % in term of homes.

Since the launch of the PERG, the annual rhythm of the realizations kept rising. It increased from 557 villages in 1996 to 4 000 villages in 2004, what allowed carrying the rural electrification rate during this period from 18 % to 72 %. The accumulation of the profitable homes connected to the network at the end of 2004 amounts to 1 158 173 whereas the number of the profitable homes electrified by solar kits reached 18 781.

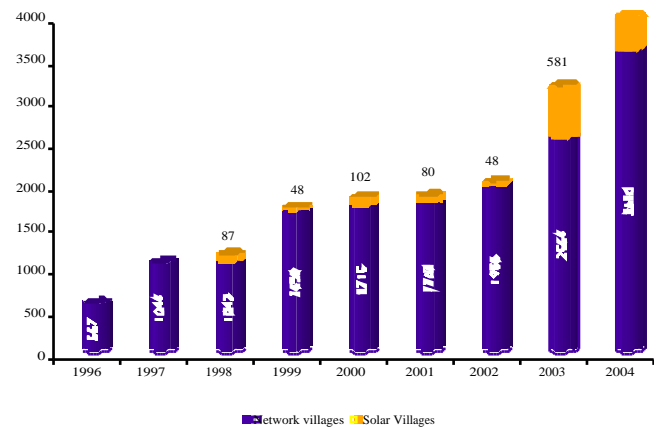
## NOUR SYSTEM: A CONFIRMED SUCCESS

At the conclusion of the experiment led on three sites in various regions, the ONE launched the generalization of NOUR prepayment system, which entered in its full development phase in 2004.

Developed by the ONE to accompany the PERG, the NOUR prepayment meter has for main advantage to free the customers from going to Agencies to pay their invoice, a particular problem in rural areas where homes are generally far away from the ONE Commercial Agencies.

Since its launch in November 2002, the NOUR prepayment meter benefited to 41 808 new rural customers connected to the network and who represent 6.5% of all PERG customers. The NOUR customers subscribed in 2004 represent 24 % of the new PERG customers registered during the year.

NUMBER OF ANNUALLY CONNECTED VILLAGES SINCE 1996



REALIZATIONS PER REGION IN 2004

REGIONS	Number of villages	% realizations	Nbre of houses	% realizations
MARRAKECH	1 067	27%	32 204	17%
SOUSS	865	22%	30 520	16%
DOUKKALA	444	11%	22 856	12%
CHAOUIA	308	8%	23 628	13%
TAZA	259	7%	12 508	7%
TANGIER-TETUAN	222	6%	16 397	9%
MEKNES	221	6%	10 095	5%
THE ORIENTAL	159	4%	16 048	9%
FÉS	134	3%	6 952	4%
RABAT	100	3%	2 227	1%
GHARB	92	2%	6 942	4%
TADLA	83	2%	5 419	3%
GUELMIM	13	0,3%	810	0,4%
THE GREAT CASABLANCA	6	0,2%	402	0,2%
TOTAL	3 973	100%	187 008	100%



## DECENTRALIZED ELECTRIFICATION: A SOLUTION OF DURABLE DEVELOPMENT

Besides the connection to the network, several other solutions leaning on a sustainable development are selected from the use of the renewable energies. Those are particularly adapted in zones that are far from the network and characterized by a scattered environment. It concerns decentralized electrification basing on techniques using the solar and wind energy or on hydroelectric micro-power plants.

### Photovoltaic kits

In 2004, the electrification by photovoltaic kits concerned 363 villages, what allowed 8 322 homes in 8 provinces to benefit from electricity.

In front of the success of this electification mode, the ONE established in 2004 five new contracts totalling 37 000 individual photovoltaic kits for the benefit of the provinces of Berkane, Jerada, Larache, Oujda Angad, Figuig, Taounate, Al Hoceima, Kénitra, Sidi Kacem, Chefchaouen, Taourirt, Nador, Taza, Zouaga Moulay Yacoub, Al Ismailia, Agadir Ida Outanane, El Hajeb, Ifrane, Tata and Chtouka Aït Baha.

Besides, a call for tender was launched by the ONE for the supply, the installation and the maintenance of 40 000 individual photovoltaic kits in other provinces, notably Guelmim, Tétouan, Marrakech Menara, Sidi Youssef Ben Ali, Zagora, Sefrou, Boulemane, Al Haouz, Ouarzazate, Ben Slimane, Errachidia, Salé Al Jadida, Skhirat Temara, Taroudant, Tiznit, El Kalaa des Sraghna, Béni Mellal and Azilal.

PROVINCE	Number of houses	% realizations	Number of villages	% realizations
KHOURIBGA	2 076	25%	26	7%
KHENIFRA	1 988	24%	82	23%
KHEMISSET	1 730	21%	91	25%
TAROUDANT	733	9%	13	4%
SETTAT	731	9%	7	2%
EL JADIDA	480	6%	39	11%
CHICHAOUA	477	6%	91	25%
SAFI	107	1%	14	4%
TOTAL	8 322	100%	363	100%



## Hydraulic micro power plants

Pursuing its program of using the micro-hydraulics for rural electrification, the ONE proceeded in 2004 to the starting of the Oum Er Rbia micro power plant of a power of 220 kW.

This micro power plant has an annual producible of 2000 MWh and is intended to supply 18 villages in separated network, that is 556 homes and administrative buildings belonging to the municipality " Oum Er Rbia Sources " in the province of Khénifra. The steady debit of these sources, which amounts to 1100 l/s with a height of fall of 27 metres, will allow to insuring a rate of use superior to 95 %.

It is the second project of this type after that of the hydraulic micro power plant of Askaw in the Province of Agadir which started in May, 2002.

## Electrification of suburban districts

In suburban zones situated outside the perimeter concerned with the PERG, the ONE proceeds to the electrification of districts situated on the verge of built-up areas entering its zones. This is developed in accordance to the High Royal Directives aiming at the promotion of the social environment and at the fight against the proliferation of the unhealthy environment for the improvement of the conditions of life of the deprived populations.

### THE IMPLEMENTATION OF HOUSES OF ENERGY

Today, more than 7 000 micro-companies have been created and operate in the electricity sector within the PERG or within electrification works.

Besides, the ONE accompanies the Centre of Renewable Energies Development (CDER) for the implementation of micro-companies called "Houses of Energy" through the ONE regional units that insure a relay function to help in the success of this project.

The first experimental stage concerned the implementation of more than 90 Houses of Energy. The second current phase concerns the launch of more than 500 other micro-companies.

### SOCIOECONOMIC IMPACT OF THE PERG:

During 2003-2004, the ONE realized a study of socioeconomic impact of the rural electrification with the cooperation of a specialized research department. This study represents, on an international scale, one of the first large-scale works concerning the impact of the rural electrification of a country, using successful statistical methods of multidimensional analysis.

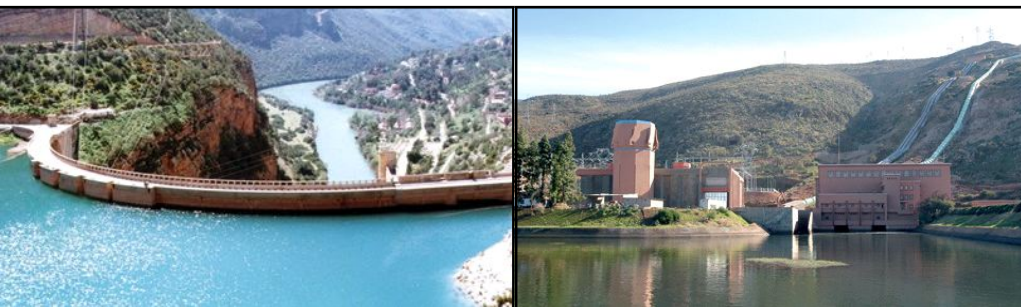
The main impacts raised by this study are:

- the emergence of new generative economic activities of incomes leading a new dynamics in the rural environment as well as the appearance of the light industry as the joinery or the mechanics. This engendered a slowing down of about 5 % of the drift from rural lands and an increase of the return rate of 1.5 %.
- 82 % of the electrified rural households consider that the electrification contributed to the improvement of the schooling conditions of their children whose rate of schooling registered a progress of 16 % to 75 % according to socioprofessional groups.
- the decrease of the global expenses of lighting by replacement of the traditional means (candle, kerosene gas or lamp, electric cells etc.)
- the improvement of the equipment rate in audiovisual sets the rate of which increased from 24 % before the launch of the PERG to 90 % in 2004.



A blue-tinted photograph of an industrial facility. In the foreground, there is a body of water reflecting the sky and the structures. The middle ground features a large, multi-story industrial building with a prominent vertical structure on the left. The background shows a hilly landscape under a clear sky. The text "INDUSTRIAL ACITIVITY" is overlaid in yellow on the right side of the image.

# INDUSTRIAL ACITIVITY



## DEMAND SATISFACTION

In 2004, the net needed power reached 17 945 GWh, versus 16 779 GWh in the previous year, in progression of 7%.

Maximal needed power grew by 7.2% compared to 2003 and reached 3191 MW on July 28th, 2004.

Demand satisfaction was guaranteed at the level of 81.4% by national generation of thermal origin, 10% from renewable energies and 8.6% by import through the Morocco-Spain Interconnection.

At the end of 2004, the total installed power amounts to 4 621 MW, registering an increase of 113 MW with regard to the end of 2003. This is due to:

- the partly industrialized start of the 1st couple of the turbo alterateurs groups of the Energy Transfer Pumping Station of Afourer,
- the displacement of both units of 60 MW each of Casablanca thermal power plant.

## NATIONAL GENERATION

In 2004, the national electric generation reached 16 383.5 GWh versus 15 297 GWh in 2003, i.e. an increase of 6.8%.

### Thermal generation

The thermal generation amounted to 14 584, 4 GWh in 2004, in 6.5% increase with regard to 2003.

Thermal generation of coal origin represents 86% while generation from fuel origin registered 14%, these proportions having not varied with regard to 2003.

Independent power production of Jorf Lasfar plant of coal origin increased by 6% reaching 9936 GWh.

The contribution of ONE thermal generation progressed by 7.6% reaching 4 648.1 GWh.

### THERMAL GENERATION DISTRIBUTION

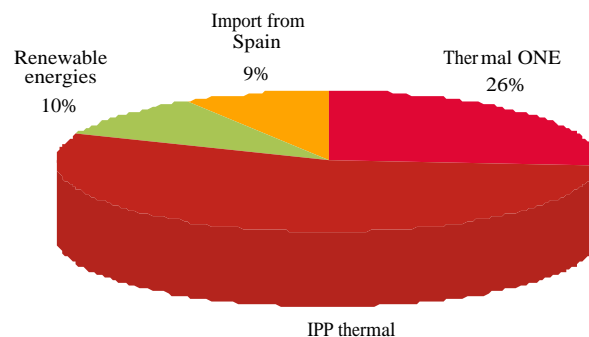
	Generation in GWh		Variation %
	2003	2004	
Coal	11750,80	12519,00	6,5%
• J.EC	9375,20	9936,00	6,0%
• Mohammediâ Thermal Plant	1495,50	1571,40	5,1%
• TP.Jérada	880,10	1011,80	15,0%
Fuel-oil	1817,80	2060,50	3,5%
• Mohammediâ Thermal Plant	1064,60	1113,10	4,6%
• TP.Kénitra	753,10	768,10	2,0%
• Gas turbines	74,70	126,10	68,8%
• Diesel groups	36,40	53,30	46,5%
Gasoil	16,10	4,20	-74,0%

### Generation from renewable energies

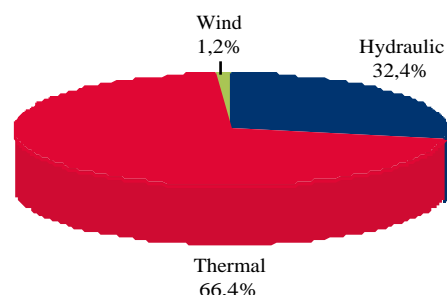
In 2004, the contribution of renewable energies to the national electricity generation amounted to 1 799.2 GWh, marking an annual progress of 9.4%.

It was insured by hydraulic generation at the level of 1 600.3 GWh and by wind generation at the level of 199 GWh among which 185.8 GWh supplied by the Compagnie Eolienne du Détroit (CED). In an increase of 11% with regard to 2003, the contribution of hydraulic generation to the satisfaction of the national demand reached 8.9%, which constitutes the strongest level reached since 1999.

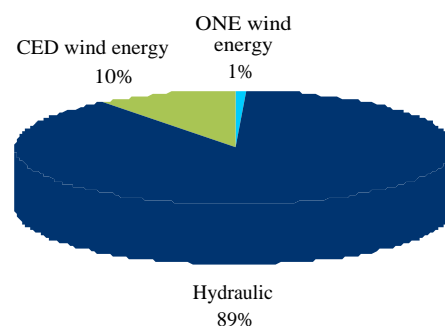
### NEEDED ENERGY DISTRIBUTION



### INSTALLED POWER DISTRIBUTION



### RENEWABLE ENERGY GENERATION DISTRIBUTION





## TRANSMISSION NETWORK

The functioning of the transmission network was characterized in 2004 by a new progress of the performances realized at the level of service quality, so translating the ONE will to raise this activity at the level of the best practices and the international standards within the framework of a process of increasing improvement.

Measured by the “equivalent time of cut”, service quality offered to VHV-HV customers witnessed a sensitive improvement by being established in an average of 4.4 minutes / customer versus 7.5 minutes / customers in 2003.

The important customers, who saw this quality indicator improving from 18.7 to 6.6 on average, were the first beneficiaries of this improvement.

### Certification ISO 9001 : 2000

The ONE improved its technical performances by opting for the certification ISO 9001 - version 2000 within the framework of a global initiative engaged at the beginning of 2003 and aiming at obtaining this label through the implementation of a Quality Management System for all its transmission activities.

This certification aims at placing the ONE transmission activity at the same level as that of the certified European operators in order to offer to its customers a high service quality and a ceaselessly growing level of satisfaction through the implementation of a formalized and an integrated process of continuous improvement to meet their needs and expectations.

Chosen as experimental site, the Regional Transmission Unit of Kénitra obtained in December 2004 the ISO 9001 certificate, version 2000, for all its activities of operation and maintenance of the VHV-HV network covering the whole Northern Western Region of the country.

Being well advanced in all other transmission entities of the ONE, this project aims at obtaining this certification for all the activity of the national network in 2006

### TRANSMISSION NETWORK INFRASTRUCTURES

LINES LENGTH IN KM			INSTALLED POWER IN ONE POSTS		
	2003	2004		Number of Transformers	Installed power in MWA
VHV	7 503	7 532	VHV/HV	96	11 630
HV	9 605	9 655	HV/MV	355	5 089
TOTAL	17 108	17 186	TOTAL	451	16 719

## SUPPLY NETWORK

Considering the important evolution of the supply network infrastructure, mainly bound to the rural electrification program for all citizens by the year 2007, and of the necessity of insuring supply with a good quality of electric current, the ONE launched in 2004 a three-year action plan having for objective to reach performances of a similar level to that of the best international suppliers.

The operated actions concern:

- The intensification and the improvement of MV posts and lines.
- The modernization of the methods of driving and management of the supply networks.

In this frame, three important HV/MV posts of 20 MVA of power each, were started in AIN BENI MATHAR, ZIDANIA and AGHBAR and works for the realisation of 13 other posts were launched during 2004.

The posts of SIDI MAAROUF, TIZNIT, GOULMIMA, EL KELAA and MANSOUR EDDAHBI were concerned by an intensification of power.

The connecting operated for the locking up of the 60kV source post of KHEMISST allowed to strength security in this province previously supplied with antenna.

Besides, within the framework of the measures aiming at reducing the number of energy interruptions and the unsupplied energy volume, the ONE strengthened the automation of the supply network by pursuing the installation overall MV network of new circuit breakers and organs of detection of defects and cuts.

In the same objective, the ONE introduced the technique of under voltage works allowing to insure the continuity of the supply during works of maintenance of the MV network.

These various actions allowed a reduction of 22% of duration average of energy interruption per customer between 2003 and 2004. The number of incidents on the MV/LV network registered a fall of 12% during the same period.



## SUPPLY INFRASTRUCTURES

		2003	2 004	Variation
LINES LENGTH (KM)	MV Lines	36 956	40 560	9,8%
	LV Lines	92 130	112 017	21,6%
POSTS NUMBER	ONE	14 222	16 054	12,4%
	Customers	9 727	10 542	8,4%





An aerial photograph of an industrial facility, likely a power plant or refinery, featuring several tall, lattice-structured chimneys and various buildings. The facility is situated in a semi-arid landscape with sparse vegetation. In the background, a city with a grid of streets and numerous buildings is visible under a clear sky. The entire image has a blue color cast.

## THE GREAT PROJECTS



## THE GREAT PROJECTS

In front of an increasing demand, the ONE keeps developing new capacities of electric generation, transmission and supply through important projects to accompany the evolution and meet electricity needs in the national territory at the best conditions of price and service quality.

In 2004, ONE granted an investment effort of 3.7 billions MAD for the development of its industrial infrastructure of generation and electricity networks.

## GENERATION CAPACITY DEVELOPMENT

The generation equipment program leans mainly on the implementation of thermal works using the technology of the combined cycles using natural gas, which is distinguished by the high technical and economic performances and a better environmental protection, as well as on the valuation of the national potential in renewable energies by mobilizing the hydraulic, wind and solar energy sources.

### THERMAL GENERATION PROJECTS

#### Combined cycle plant of Tahaddart

The combined cycle plant of Tahaddart, which is developed in Independent Power Production by the ONE in partnership with the Spanish operator ENDESA and SIEMENS group, is situated in the South of Tangier. The plant entered in 2004 in the finalisation phase preceding its operation, which is foreseen for the beginning of 2005.

The main electromechanic equipments: turbine, alternator, recovery boiler and cooling system were assembled. The connection to the Maghreb Europe gas pipeline through a canal of 13 km of length for the supply in natural gas was completely finished, as well as the energy evacuation post towards the national VHV-HV transmission network.

The operation tests began during the year 2004.

The power plant, which capacity amounts to 385 MW, will represent in its first year of functioning 17 % of the national electricity demand.

A project company of Moroccan law named Energie Electrique de Tahaddart (EET) was created to build and run the power plant in which 48 % of the capital is held by the ONE, 32 % by Endesa Europa and 20 % by Siemens Project.

EET benefits from a right of enjoyment for 20 years during which all the generated energy will be bought by the ONE.

#### FINANCIAL ASSEMBLY OF THE PROJECT OF TAHADDART

- Global investment amount:  
3 billions MAD
- Own funds: 25 %
- Financing by loans: 75 %:
  - Banque Centrale Populaire : 1 300 MMAD (43%)
  - Bank consortium (32%) :
    - . BCP : 460 MMAD
    - . BMCE : 289 MMAD
    - . CNCA : 202 MMAD



### Thermo-solar plant of Ain Beni Mathar

The thermo-solar plant of Ain Beni Mathar, 230 MW, which the ONE develops as owner, is particularly distinguished by its configuration that integrates a solar constituent into a combined cycle using the natural gas carried from the Maghreb Europe gas pipeline.

The annual solar productible, about 55 GWh, will be generated by a system of cylindrical and parabolic mirrors covering an area of 220 000 m<sup>2</sup>.

Situated in the province of Jerada, this site was distinguished by its advantages, namely:

- an optimal sunshine level,
- the nearness with the Maghreb-Europe gas pipeline,
- the availability of a refrigeration water source,
- the nearness with the high voltage electricity network.

The project amount is valued at 2.4 billion MAD; it was granted a fund of 50 million USD by The World Fund for Environment. It will also be financed by a fund granted by the African Bank for Development and by the ONE own funds.

The ONE proceeded during the year 2004 to the prequalification of companies for the participation to a call for tender for the plant's realization within the framework of a "turnkey" contract of construction, operation and maintenance during the first five years.

The steps for supplying the plant in natural gas and acquiring plots were launched at the same time to the studies of the plan and the topographic works of the natural gas supplying pipe.

### The combined cycle power plant of Al Wahda

Situated in the province of Sidi Kacem near Al Wahda dam and the passage of the Maghreb Europe gas pipeline, this project includes two combined cycle units of 400 MW each.

The site prequalification studies were led during the year 2004.

The annual electric energy generation which amounts to 6 billions kWh will represent 23 % of the global demand by the horizon 2010.

The first unit of 400 MW is planned to be operating for the end of 2008, whereas the second unit will start in 2009.

### Rénovation of Mohammedia Thermal Power Plant

This project is realized within the framework of the environment conservation policy pursued by the ONE. It has for objective the environmental correspondence of the coal units (2 x 150 MW) of the plant with the strictest European standards.

This correspondence concerns the solid, liquid and gas discharges and will consist of a total renovation of the installations of filtering and handling of flying and heavy ashes stemming from the coal combustion.

Through this project, the ONE plans to reach a net improvement of the technical and economic performances of Mohammedia plant which, with a total power of 600 MW, constitutes the most powerful national generation unit after that of Jorf Lasfar.

To realize this objective, the systems of coal grind and combustion equipping boilers as well as the systems of control commands and of instrumentation of both units will be completely replaced by new systems meeting the most updated technologies.

The European Investment Bank and the Islamic Bank of Development will finance this project, the cost of which amounts to 1 billion dirhams approximately.

Having handed the contract conditions to pre-qualified companies within the international call for tender for the project realization, the ONE will proceed to its adjudication during the year 2005.

The works, which will last 16 months, will intervene successively on each of the two units after the phase of manufacture of equipments and necessary materials the delay of which is fixed to 12 months.

These are scheduled in 2007 and 2008.





## THE PROMOTION OF RENEWABLE ENERGIES

### HYDRAULIC GENERATION PROJECTS

#### Pumping Energy Transfer Station of Afourer

The building site of the Pumping Energy Transfer Station of Afourer started in June 2001 and entered its finalisation phase in 2004 with the starting up, from the month of September, of tests in pumping and turbinage modes of the 1<sup>st</sup> couple of the turbo-alternators groups.

With a total power of 463 MW and an annual average producible of 800 MWh, the Afourer STEP allows running and better using the available capacities of the generation park during the night to meet the strong energy demand in rush hours.

Between 10 pm and 7 am when energy demand is weak, water is pumped thanks to turbines of reversible type to be stored as a potential energy in a superior pond. It is then used by turbines to generate electricity during rush hours when the demand is maximal.

This generation unit, which is planned to start in 2005, required an investment of 1 600 million dirham financed by loans granted by the European Investment Bank and by the Arabic Fund of Economic and social Development.

#### Hydro-Electric Complex of Tanafnit El Borj

Situated in the province of Khénifra, the project of hydroelectric complex of Tanafnit and El Borj is constituted by two hydroelectric stations of a total power of 44 MW, situated in waterfall on the Oum Er Rbia river.

This complex, the annual average producible of which is 212 GWh, will allow to run the naturally settled debits of the Oum Er Rbia's sources. These will be turbinés in the Tanafnit factory and restored to the amount of the El Borj factory.

This work will allow an annual economy of 48 900 ton of fuel, and will participate in the environmental protection by avoiding every year the discharge in the atmosphere of 154 000 tons of dioxide of carbon and 1250 tons of dioxides of sulfur and nitrogen.

The complex, the global cost of which amounts to 95 million dirhams, is collectively financed by the ONE and the German KfW bank.



## WIND PROJECTS

### Wind park of Essaouira

Situated on the Cap Sim site at 15 km in the South of Essaouira city, the wind park of an installed power of 60 MW will be realized by the ONE which will insure its financing and operation as owner.

Constituted by aero generators of a minimal unitarian power of 850 kW, its annual average producible is 210 GWh.

After the studies of the site and of its environmental impact, the international call for tender for the realization of the wind park was launched on November 2004 and works will start during the second half of the year 2005.

The wind park is foreseen to start in March 2007.

The global cost of this investment is estimated at 650 million dirhams and is financed by the German bank KfW and the ONE.

The positive impact on the environment is estimated at 156 000 tons of CO<sub>2</sub> gas emissions with greenhouse effect that will be avoided every year.

The future park of Essaouira represents the first big experimental project at the national level within the framework of the clean development mechanism.

### Wind park of Tangier

With a total power of 140 MW, the wind park of Tangier will be implanted in about fifteen kilometres in the Southeast of the city. Its annual average producible is of 510 GWh. The studies of the site and of its environmental impact began in 2004.

With a global cost estimated at 1 800 million dirhams, it will be also realized and run by the ONE as owner. The European Investment Bank, the German KfW bank, the French Agency of Development and the ONE insure its financing.

On the environmental side, this project will contribute to the economy of 120 000 ton of fuel oil each year and then to reduce the CO<sub>2</sub> gas emissions of 470 000 tons/year.

The park will be achieved in 18 months and start by the end of 2007.





#### DEVELOPING THE TRANSMISSION NETWORK

The scheduled investments for the development of the transmission network, within the framework of the guiding plan of big transmission projects set by the ONE, aim at increasing the capacity and optimizing the exchange with the nearby countries. They also aim to improve the service quality and strengthen the supply security of energy of the various consumption centres.

The ONE launched for that purpose several projects for the intensification of the interconnections with Spain and Algeria as well as the extension of the 400 kV, 225 kV and 60 kV lines and the implementation of a 400 kV ridge extending until the border posts.

#### Morocco Spain interconnection

The project intended to double the exchange capacity of the Morocco Spain submarine interconnection to increase it from 700 MW to 1400 MW entered its realization phase through the manufacture of the submarine energy cables and the progress of the plan studies of the maritime funds and the project engineering.

The project will start by the beginning of 2006.

Of a global cost of 117,2 million euro financed to equal part by both parties, this project of strategic partnership between the Spanish operator Red Electrica de Espana and the ONE will allow to strengthen the position of Morocco as energy crossroads between both banks of the Mediterranean. It will also base the necessary basic infrastructure for the emergence of a regional market in the perspective of the electricity sector liberalization.

#### Great transmission works

In 2004, three VHV new posts of 400 kV were built in Oualili, Médiouna and Bourdim. Their completion is planned for June, 2005 as well as the operation of four VHV posts of 225 kV in Laawamar, Laayoune, Tit Mellil and Sehoul and the VHV line 225 kV Sehoul-Zaer



### Transmission network by optical fibres

In 2004, the first section of 2 100 km optical fibres was realized within the framework of the transmission project by optical fibres concerning the display of a network of 4 000 km coupled with the VHVHV electricity network. The completion of the works is foreseen for the beginning of 2006.

This realization enters within the framework of an action plan aiming at the modernization of the ONE telecommunications network, necessary for a better mastery of the management of the national system of electricity generation and transmission.

The optical fibres technology presents the advantage of an excellent reliability and a great capacity of data transmission.

### Renewal of the National Dispatching

The starting of the new national dispatching, the realization contract of which was signed at the end of 2004, is foreseen for the beginning of 2007.

The objective aimed by the ONE through this project, being the control center of the whole national electric system, is to optimize, on the technico-economic plan, the exploitation of the generation and transmission means and the interconnections with the nearby countries.

Benefiting from the most recent advanced technologies in this field, the new dispatching will allow a better flexibility and a higher security management of the network.





مجلس التعاون  
الخليجي  
البحريني  
مجلس التعاون  
الخليجي  
البحريني



# HUMAN RESOURCES





## HUMAN RESOURCES

In a context marked by an increasing requirement of competitiveness in front of the opening of markets to competition, of which notably that of the electric sector, the human resources development constitutes for the ONE an essential control lever to strengthen its capacity to accompany the changes and to meet the challenges imposed by its environment.

### STAFF

At the end of 2004, the ONE staff amounts to 9104 agents versus 9285 in 2003.

The management rate were improved: the rate of executives and that of supervisors both progressed since the end of 2003, by becoming established respectively in 16 % and 41 %, thanks to development training accompanying the internal promotion.

## TRAINING

The ONE is strongly invested in staff training to raise the level of professionalism and know-how of its staff and realize a continuous improvement of its productivity and global performances.

Training in the ONE is declined according to three axes:

- the first one concerns the "development training" and aims at accompanying the career evolution through the development of the staff competence who will change their function in conformity with the promotion
- the second corresponds to "training of accompanying" and is mainly intended for the responsible executives to assist them in the coverage and the mastery of their function,
- the third concerns "training action" and has for objective the professionalism development and the staff know-how to face specific constraints relative to a definite job.

The training actions realized in 2004 added up 66 448 men.day of training and benefited to 4 773 agents, that is 52 % of the total staff.

The budgetary corresponding effort, which amounted to 41.3 million dirhams, represents about 5 % of the direct salary mass.

## WORK MEDICINE

The work medicine strengthened in 2004 its action which is essentially relative to:

- the implementation of the supervision medical tools at the level of all ONE units: the medical capacity bars, the working situation index cards and the risks surveillance guide,
- the awareness campaigns against the chronic pathologies as the diabetes, the hepatitis and smoking,
- the realization of vaccination campaigns, search of the hepatitis C and cardiovascular check up,
- the analysis of the causes of work accidents and the implementation of the prevention recommendations.

## MOTIVATION SYSTEM

The ONE established from January 1st, 2004, within the framework of the staff encouragement policy to double efforts for the improvement of the performances, a variable annual premium called "Performance premium" indexed to the annual obtained results.

## SOCIAL ACTIONS

The ONE dedicated an envelope of 32 millions MAD in 2004 for improvement actions of its staff social situation concerning loans granting.

This allowed satisfying respectively 1563 and 927 the number of profitable agents of a loan for property ownership and for vehicle purchase since the institution of this operation in 1997.

Furthermore, the ONE launched in 2004:

- a transfer operation of 222 function apartment for the benefit of its agents,
- a construction program of 230 apartments.





# FINANCIAL RESULTS AND STATEMENTS



## FINANCIAL RESULTS AND STATEMENTS

The year 2004 was marked by a strong demand (+ 7%), by the increase of the realized investments (4.45 billion dirhams versus 3.27 billion dirhams in 2003) and a series of events which had an important impact on the financial situation of the ONE. It concerns mainly:

- the reform of the sector's tax system which concerned the tax increase from 7 % to 14 % and the deletion of the TIC on fuels accompanied by a decline of electricity selling prices (exclusive of tax) for all customers from January 1<sup>st</sup>,
- the increase of coal international prices which exceeded the bar of 80 USD / ton in August 2004 versus 45 USD / ton in October, 2003. This was translated by a negative impact on the ONE accounts which amounted to 811 MDH in 2004.

These various factors neutralized the favourable impacts of the average price decline of energy purchases from JLEC, in application of the capacities of the amendment of energy purchase contract, and the decline of the purchases average costs on the electricity Spanish market.

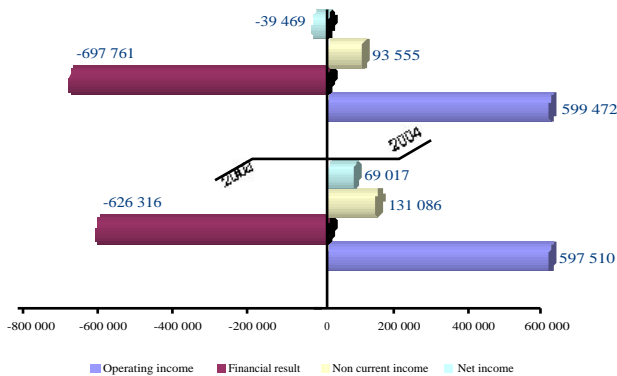
So, the net result, having registered a profit of 69 MDH in 2003, showed a deficit of 39 MDH in 2004.



## EXPENSE & PRODUCT ACCOUNT

The expense and product account showed a profit turnover of 599.5 million MAD versus -598 million MAD in 2003. Concerning sales turnover, exclusive of tax, it knew a quasi-congestion by registering 11 148 MDH versus 11 166 MDH in 2003 (-0,2 %) which is explained by the effect of tariffs decline and by changes in the customers consumption structure.

RESULTS ACCOUNT 2003 – 2004 IN MMAD



The fuel charges in value increased by 11% passing from 1 666 million MAD in 2003 to 1 849 million MAD in 2004. This is mainly due to the quantities consumption increase (+ 79 % for petcoke and + 8.7 % for fuel) and the increases of coal prices partially compensated with the TIC deletion and the improvement of the specific consumption of power plants.

Energy purchases in value registered a light decline of - 0.6 % with regard to 2003 passing from 5034 to 5003 MDH, due notably to the compensation between:

- the increase by 6,2 % of energy purchases in quantities (11 733 GWh in 2004 versus 11 043 GWh in 2003),
- and the decline of their average prices further to the renegotiation of purchase tariffs from IEC and the recession of the average purchasing prices from Spain in light decline with regard to 2003.

It is worth noting that the quantities purchased on the Spanish market depend on arbitrages made between the generation costs of ONE power plants and the purchasing prices from Spain.

## MANAGEMENT BALANCE

Considering the generation weak variations (+ 0,4 %) and of consumption (+ 2,8 %), the added value remained quasistable passing from 4 873 MDH in 2003 to 4 714 MDH, translating an improvement of the productivity and a good mastery of running expenses in spite of the difficult situation which characterized this year

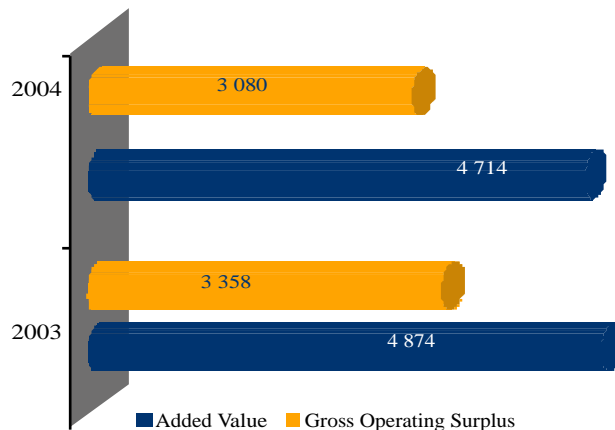




The exploitation gross excess knew a bending by registering 3 080 MDH in 2004 versus 3 358 MDH in 2003.

Considering the overdrawn financial result of 698 MDH, the current result during the year 2004 was established to - 98 MDH versus - 29 MDH in 2003.

ADDED VALUE AND GROSS OPERATING SURPLUS 2003-2004 IN MILLION MAD

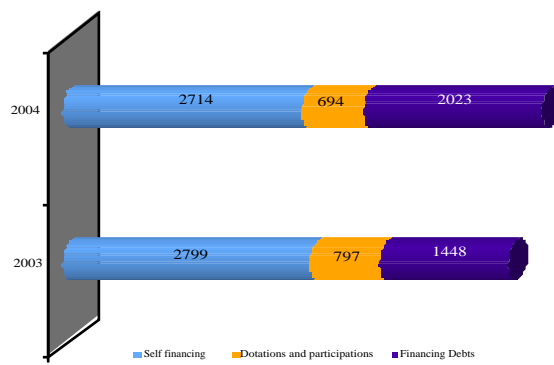


In spite of the negative effects of a difficult situation (the increase of coal prices) and the efforts granted by the ONE (price decline), the realized productivity gains contributed to the conservation of the financial balances.

RESOURCES & ALLOCATIONS

Self-financing clearly improved rising from 827 million MAD in 2003 to 2 799 million MAD in 2004, thus reinforcing ONE financial capacity to carry out its investments, refund its financial debts.

FINANCING EVOLUTION 2002-2003 IN MILLION MAD



Acquisitions and increases in fixed assets amounted to 4 662 million MAD in 2004 versus 3 441 million MAD in 2003 that is an increase of 35,5%.

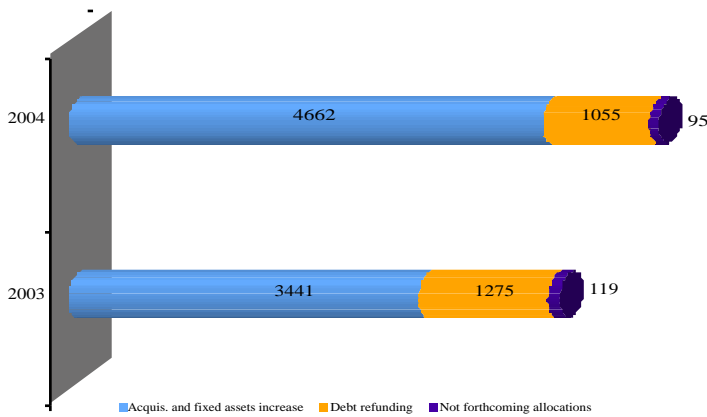
Acquisitions of fixed assets were primarily related to industrial investments, including works of generation, transmission, supply and rural electrification as well as the necessary investments for the maintenance of the installations and the logistic support, and amounted to 4 446 MDH versus 3 274 MDH in 2003.

The financial investments amounted to 205 MDH in 2004 (versus 161 MDH in 2003) and concerned the involvement of the ONE in the capital of the Energie Electrique de Tahaddart Company for an amount of 142 MDH and the loans granted to the personnel for houses acquisition and personal vehicles purchases.

Debt refunding recorded a decrease of 17,2% passing from 1 275 million MAD in 2003 to 1 055 million MAD in 2004.

So, the treasury balance is settled to +58 MDH at the end of 2004 versus 1 173 MDH in 2003.

ALLOCATIONS EVOLUTION 2003 - 2004 IN MMAD



## OFFICE NATIONAL DE L'ELECTRICITE (ONE) ATTESTATION DES AUDITEURS EXTERNES

Nous avons procédé à l'audit des états de synthèse de l'Office National de l'Electricité (ONE) arrêtés au 31 décembre 2004, lesquels comprennent le bilan, le compte de produits et charges, l'état des soldes de gestion, le tableau de financement, ainsi que l'état des informations complémentaires (ETIC), relatifs à l'exercice clos à cette date.

Nous attestons que le bilan et le compte de produits et charges, présentés ci-joint, sont extraits des états de synthèse objet de notre rapport d'audit du 25 mai 2005, lequel conclut que, à l'exception des points cités ci-dessous, les états de synthèse cités au premier paragraphe donnent, dans tous leurs aspects significatifs, une image fidèle du patrimoine et de la situation financière de l'Office National de l'Electricité au 31 décembre 2004, ainsi que du résultat de ses opérations et de l'évolution de ses flux de trésorerie pour l'exercice clos à cette date, conformément aux principes comptables admis au Maroc.

Notre rapport d'audit fait état des situations suivantes :

1. L'ONE a entamé depuis 1997 la comptabilisation de ses engagements de retraite sur la base d'une étude actuarielle réalisée en 1997 puis actualisée en 2000 par un cabinet indépendant. Le montant de l'engagement ainsi calculé puis actualisé annuellement au taux de 7,58%, a atteint DH 9 441 millions au 31 décembre 2004. Cet engagement a été constaté par l'Office au passif du bilan, en provision pour charges, en contrepartie du compte charges à répartir parmi les immobilisations en non valeur. Les amortissements cumulés du montant inscrit en charges à répartir ont atteint DH 4 796 millions au 31 décembre 2004. Ainsi, les engagements sociaux restant à constater en charges au 31 décembre 2004 par rapport aux engagements requis s'élevaient à DH 4 645 millions.
2. Les comptes clients figurant au bilan pour DH 4 656 millions comprennent des arriérés de créances datant de plus d'un an, dont une créance sur l'ex-RAD pour DH 990 millions et une créance sur l'ex-RDE Tétouan pour DH 72 millions. Ces créances n'étant pas encaissées à ce jour, nous ne sommes pas en mesure à ce stade de savoir si elles seront recouvrées en totalité.
3. Les comptes de régularisation d'actif comprennent un compte d'attente débiteur de DH 1 550 millions correspondant aux contributions de l'ONE au Budget de l'Etat prévues par les Lois de Finances des exercices 1998 à 2001 et celle de l'exercice 2004. Ces contributions ont été comptabilisées dans ce compte en attendant que le Conseil d'Administration décide de leur affectation (acomptes sur dividendes ou charges). A ce stade, nous ne sommes pas en mesure de savoir quel sort sera réservé à ce montant.
4. Les comptes clients et comptes rattachés comprennent la rubrique intitulée "écarts de migration", présentant au 31 décembre 2004 un solde de DH 28 millions. Il s'agit du reliquat des écarts dégagés en octobre 2000, au moment de la migration des données de l'ancien système de comptabilité vers le nouveau système SAP. A ce stade, et en attendant l'issue des travaux d'assainissement toujours en cours, nous ne sommes pas en mesure de savoir quelle serait l'incidence éventuelle de l'apurement de ces suspens sur les comptes de l'ONE.



5. Les autres débiteurs et comptes de régularisation actif comprennent des imputations provisoires totalisant environ DH 106 millions, dont différentes affaires antérieures à l'exercice 2004 ne sont pas régularisées à ce jour.
6. Les immobilisations financières comprennent un montant de DH 32,8 millions correspondant à deux prêts octroyés par l'ONE au Conseil des Œuvres Sociales (COS). Par ailleurs, les débiteurs divers comprennent un montant de DH 126 millions relatifs aux dépenses engagées pour le compte du COS dans le cadre de la dotation annuelle statutaire. Du fait que les travaux de recensement et de valorisation des actifs et passifs adossés au COS ne sont pas achevés en vue de leur intégration dans les comptes de l'Office, ces montants n'ont pas encore reçu leur affectation comptable définitive (charges ou immobilisations). La commission constituée à cet effet pour arrêter les modalités juridiques et financières du transfert n'ayant pas encore achevé ses travaux, nous ne sommes pas en mesure, à ce stade, d'estimer l'impact, sur les comptes de l'ONE, de la compensation envisagée.
7. Certains états de rapprochement bancaires font apparaître au 31 décembre 2004 de nombreuses opérations en suspens non régularisées à ce jour. A ce stade, nous ne sommes pas en mesure de nous prononcer sur les ajustements éventuels qui pourraient résulter des travaux d'apurement de ces suspens qui sont toujours en cours.
8. Suite à un contrôle fiscal, l'Office a fait l'objet en 2003 d'une notification de redressement qu'il a réfuté entièrement. A ce jour, le contentieux n'a pas encore abouti. Nous ne sommes donc pas encore en mesure de savoir quelle en sera l'issue.
9. Jusqu'à l'exercice 2003, toutes les participations en nature comme en numéraire reçues des abonnés au titre des travaux et installations de branchements électriques étaient considérées comme des subventions d'investissement et, par conséquent, rapportées, comme le prévoit le Code Général de Normalisation Comptable (CGNC), aux résultats sur la durée de vie moyenne des immobilisations qu'elles ont financées. Au cours de l'exercice 2004, suite au contrôle fiscal intervenu en 2003 et qui a considéré que ces subventions devaient être rapportées au résultat de l'exercice de leur obtention, l'Office a conservé le traitement antérieur pour les participations en nature figurant au bilan pour DH 1,5 milliards, mais a repris en produits non courants un montant de DH 1,2 milliards correspondant à l'essentiel du reliquat non encore amorti des participations en numéraire relatives au Programme d'Électrification Rural Général (PERG) et régime normal (autres que le PERG). Ce changement de pratique au titre des participations en numéraire est sans impact sur le total des capitaux propres et assimilés au 31 décembre 2004, mais a pour effet d'augmenter le résultat de l'exercice d'environ DH 1,2 milliards. Cette option n'étant pas explicitement prévue dans le Code Général de Normalisation Comptable, une demande a été adressée et par l'ONE et par nos soins au Conseil National de la Comptabilité (CNC) pour connaître sa position quant à la conformité de ce changement de pratique aux principes comptables admis au Maroc. Dans l'attente de la réponse de cette instance, nous ne sommes pas en mesure de nous prononcer sur le bien fondé de la régularisation opérée.

*Riv. W. Tahoun*

Le 25 mai 2005

# BALANCE SHEET

Financial year ended 12/31/2004

ASSETS	FISCAL 2004			FISCAL 2003
	GROSS	DEP. & PROV.	NET	NET
NON-PRODUCTIVE FIXED ASSETS (A)	9 815 148 743,05	4 929 245 113,16	4 885 903 629,89	4 764 254 556,52
STARTUP COSTS	216 657 593,94	64 381 381,30	152 276 212,64	138 372 948,58
EXPENSES TO BE ACCRUED OVER SEV. YRS	9 598 491 149,11	4 864 863 731,86	4 733 627 417,25	4 625 881 607,94
BOND REDEMPTION PREMIUMS	-	-	-	-
INTANGIBLE FIXED ASSETS (B)	87 040 854,12	16 271 500,70	70 769 353,42	65 430 947,91
RESEARCH & DEVEL	-	-	-	-
PATENTS, MAKES, FEES AND SIM.	47 046 739,81	16 271 500,70	30 775 239,11	35 547 259,36
OTHER INTANGIBLE ASSETS	39 994 114,31	-	39 994 114,31	29 883 688,55
TANGIBLE FIXED ASSETS (C)	68 818 009 442,22	32 185 970 870,42	36 632 038 571,80	34 841 391 133,76
LAND	136 914 047,54	901 677,03	136 012 370,51	136 251 132,73
BUILDINGS	9 808 016 555,77	5 563 476 976,31	4 244 539 579,46	4 465 956 329,20
TECH. INSTAL. EQUIPMENT AND TOOLS	47 678 371 673,16	25 654 300 100,91	22 024 071 572,25	22 729 651 785,44
VEHICLES	227 733 743,21	222 663 799,61	5 069 943,60	4 062 472,60
OFFICE FURNITURE AND FITTINGS	320 638 434,99	263 203 900,60	57 434 534,39	73 270 275,07
OTHER TANGIBLE FIXED ASSETS	575 146 732,68	481 424 415,96	93 722 316,72	119 760 430,75
CONSTRUCTION WORK IN PROGRESS	10 071 188 254,87	-	10 071 188 254,87	7 312 438 707,97
LONG-TERM INVESTMENTS (D)	653 118 325,79	-	653 118 325,79	492 139 295,77
LONG- TERM LOANS	333 167 045,95	-	333 167 045,95	314 625 620,73
OTHER FINANCIAL LOANS	1 871 728,84	-	1 871 728,84	165 109 924,04
EQUITY INVESTMENTS	0,00	-	0,00	7 560 000,00
OTHER LONG- TERM DEBTS	318 079 551,00	-	318 079 551,00	4 843 751,00
TRANSLATION DIFFERENTIAL ASSETS (E)	447 680 320,39	-	447 680 320,39	271 876 030,16
REDUCTION IN LONG- TERM LOANS	-	-	-	-
INCREASE IN FINANCING DEBTS	447 680 320,39	-	447 680 320,39	271 876 030,16
<b>TOTAL I (A+B+C+D+E)</b>	<b>79 820 997 685,57</b>	<b>37 131 487 484,28</b>	<b>42 689 510 201,29</b>	<b>40 435 091 964,12</b>
STOCKS (F)	666 680 791,95	29 152 133,53	637 528 658,42	630 421 806,42
GOODS	-	-	-	-
CONSUMABLE MATERIALS & SUPPLIES	661 872 834,95	29 152 133,53	632 720 701,42	617 263 806,42
WORK IN PROGRESS	-	-	-	-
INTERMED PRODUCTS & RESID. PRODUCTS	4 807 957,00	-	4 807 957,00	13 158 000,00
FINISHED PRODUCTS	-	-	-	-
CURRENT ASSETS CLAIMS (G)	7 369 480 729,20	211 687 279,93	7 157 793 449,27	6 832 243 222,14
TRADE DEBTORS ADVANCES & DOWN PAYMTS	646 013 907,71	-	646 013 907,71	308 853 187,72
CUSTOMER ACCOUNTS RECEIVABLE	4 655 523 075,06	211 687 279,93	4 443 835 795,13	4 248 003 717,34
STAFF	22 760 769,35	-	22 760 769,35	28 111 423,81
STATE DEBIT	262 288 930,57	-	262 288 930,57	528 505 006,41
RELATED ACCOUNTS RECEIVABLE	-	-	-	-
OTHER DEBTORS	95 128 095,02	-	95 128 095,02	161 688 401,28
ACCRUAL ASSETS	1 687 765 951,49	-	1 687 765 951,49	1 557 081 485,58
MARKETABLE & INVESTMENT SECURITIES (H)	141 088 914,20	-	141 088 914,20	-
TRANSLATION DIFFERENTIAL ASSETS + A15 (I)	10 218 000,81	-	10 218 000,81	6 045 998,64
<b>TOTAL II (F+G+H+I)</b>	<b>8 187 468 436,16</b>	<b>240 839 413,46</b>	<b>7 946 629 022,70</b>	<b>7 468 711 027,20</b>
CASH ASSETS	1 462 024 715,82	-	1 462 024 715,82	663 416 686,04
CHECKS & PAYMENTS FOR COLLECTION	135 812 526,16	-	135 812 526,16	128 434 163,90
BANKS TREAS & GIRO CHECKS	1 322 583 768,16	-	1 322 583 768,16	530 617 864,96
CASH ADVANCE PUBLIC PAYMENTS & LC	3 628 421,50	-	3 628 421,50	4 364 657,18
<b>TOTAL III</b>	<b>1 462 024 715,82</b>	<b>-</b>	<b>1 462 024 715,82</b>	<b>663 416 686,04</b>
<b>GRAND TOTAL (I+II+III)</b>	<b>89 470 490 837,55</b>	<b>37 372 326 897,74</b>	<b>52 098 163 939,81</b>	<b>48 567 219 677,36</b>

## BALANCE SHEET

LIABILITIES	FISCAL 2004	FISCAL 2003
EQUITY CAPITAL (A)	8 937 322 884,06	8 458 107 048,11
STARTUP CAPITAL	14 545 604 706,62	14 026 919 746,44
MERGER, SHARE, CONTRIBUTION PREMIUMS	-	-
REVALUATION RESERVE	-	-
LEGAL RESERVES	-	-
OTHER RESERVES	-	-
RETAINED EARNINGS	(5 568 812 698,33)	(5 637 829 295,42)
EARNINGS BEING APPROPRIATED	-	-
EARNINGS FOR THE YEAR	(39 469 124,23)	69 016 597,09
ASSIMILATED EQUITY CAPITAL (B)	8 908 345 413,73	10 471 162 160,41
INVESTMENT SUBSIDIES	8 908 345 413,73	10 471 162 160,41
REGULATED PROVISIONS	0,00	0,00
FINANCE DEBTS (C)	13 716 505 509,80	12 659 786 854,65
BOND LOANS	23 997 600,00	61 996 800,00
OTHER FINANCE DEBTS	13 692 507 909,80	12 597 790 054,65
LT. PROV. CONTINGENT LIABILITIES (D)	10 962 314 193,81	9 061 270 695,16
PROVISIONS FOR RISKS		
PROVISIONS FOR EXPENSES	10 962 314 193,81	9 061 270 695,16
TRANSLATION DIFFERENTIAL LIABILITIES (E)	236 902 867,02	150 501 953,95
INCR. IN LONG-TERM LOANS		-
REDUCTION IN FINANCE DEBTS	236 902 867,02	150 501 953,95
TOTAL I (A+B+C+D+E)	42 761 390 868,42	40 800 828 712,28
CURRENT LIABILITIES DEBTS (F)	7 918 836 233,83	5 917 897 163,14
TRADE CREDITORS	3 105 765 282,56	2 031 345 300,02
CUSTOMER CREDIT, ADVANCES, DOWNPAYMENTS	155 790 890,42	120 998 221,43
PERSONNEL	31 921 640,36	35 616 922,37
SOCIAL BODIES	65 336 974,68	47 162 803,25
STATE	172 418 361,75	78 539 893,10
TRANSITIONAL OR SUSPENSE ACCOUNTS	-	-
OTHER CREDITORS	2 313 536 291,88	1 427 916 213,57
ACCRUALS LIABILITIES	2 074 066 792,18	2 176 317 809,40
OTHER PROV. CONTINGENT LIABILITIES (G)	10 218 000,81	6 045 998,64
TRANSLATION DIFF CURR LIABILITIES (H)	3 762 195,56	6 006 527,05
TOTAL II (F+G+H)	7 932 816 430,20	5 929 949 688,83
CASH LIABILITIES	1 403 956 641,19	1 836 441 276,25
DISCOUNT CREDIT		-
CASH CREDIT		394 976 875,00
BANKS (CREDIT BALANCES)	1 403 956 641,19	1 441 464 401,25
TOTAL III	1 403 956 641,19	1 836 441 276,25
GRAND TOTAL (I+II+III)	52 098 163 939,81	48 567 219 677,36



# INCOME AND EXPENDITURE ACCOUNT (EXCLUSIVE OF TAX)

INCOME AND EXPENDITURE ACCOUNT <small>(EXCLUSIVE OF TAX)</small>	TRANSACTIONS		TOTALS FOR FISCAL 2004 3=1+2	TOTALS FOR FISCAL 2003 4
	SPECIFIC TO THE YEAR 1	CONCERNING PREVIOUS YEARS 2		
<b>1 OPERATING REVENUES</b>				
- sales of goods as are	-	-	-	-
- sales of goods & services produced	12 124 835 472,40	(82 593 557,91)	12 042 241 914,49	11 989 351 560,68
- change in stocks of products	-	-	-	-
- fixed assets produced by the firm for itself	107 644 300,56	-	107 644 300,56	117 493 270,24
- operating subsidies	-	-	-	-
- other operating revenues	1 754 199,35	0,00	1 754 199,35	1 930 599,41
- operating write-backs & transfer of expenses	288 676 511,50	1 724 001,80	290 400 513,30	229 746 270,34
<b>TOTAL I</b>	<b>12 522 910 483,81</b>	<b>(80 869 556,11)</b>	<b>12 442 040 927,70</b>	<b>12 338 521 700,67</b>
<b>2 OPERATING EXPENSES</b>				
- purchases of goods resold	-	-	-	-
- purchases of materials and supplies used	7 092 465 413,69	9 206 031,23	7 101 671 444,92	6 922 142 345,69
- other external expenses	327 527 531,06	7 075 142,15	334 602 673,21	311 123 763,96
- tax expenses	56 478 076,57	5 359 829,80	61 837 906,37	53 225 420,28
- payroll costs	1 571 093 614,70	184 849,86	1 571 278 464,56	1 462 046 135,74
- other operating expenses	0,00	0,00	0,00	261 986,03
- operating allowances	2 773 178 406,12	-	2 773 178 406,12	2 992 211 761,93
<b>TOTAL II</b>	<b>11 820 743 042,14</b>	<b>21 825 853,04</b>	<b>11 842 568 895,18</b>	<b>11 741 011 413,63</b>
<b>3 OPERATING PROFIT/ LOSS (I-II)</b>			<b>599 472 032,52</b>	<b>597 510 287,04</b>
<b>4 NON-OPERATING REVENUES</b>				
- revenues from equity investments and other long term loans	-	-	-	-
- foreign exchange gains	59 985 853,33	278 154,86	60 264 008,19	90 105 473,88
- interest and other financial revenues	5 567 909,18	680 135,42	6 248 044,60	13 395 232,71
- financial write-backs and transfer of expenses	277 922 028,80	0,00	277 922 028,80	185 429 196,85
<b>TOTAL IV</b>	<b>343 475 791,31</b>	<b>958 290,28</b>	<b>344 434 081,59</b>	<b>288 929 903,44</b>
<b>5 NON-OPERATING EXPENSES</b>				
- interest expenses	528 890 778,58	8 778 622,23	537 669 400,81	595 258 428,43
- foreign exchange losses	43 171 073,32	1 095 879,42	44 266 952,74	41 998 055,54
- other financial expenses	3 337,32	2 357 449,18	2 360 786,50	67 488,35
- financial allowances	457 898 321,20	-	457 898 321,20	277 922 028,80
<b>TOTAL V</b>	<b>1 029 963 510,42</b>	<b>12 231 950,83</b>	<b>1 042 195 461,25</b>	<b>915 246 001,12</b>
<b>6 NON-OPERATING PROFIT/LOSS (IV-V)</b>			<b>(697 761 379,66)</b>	<b>(626 316 097,68)</b>
<b>7 CURRENT PROFIT/LOSS (III+VI)</b>			<b>(98 289 347,14)</b>	<b>(28 805 810,64)</b>
<b>CURRENT PROFIT-LOSS (BROUGHT FORWARD)</b>				<b>(28 805 810,64)</b>
<b>8 NON-CURRENT REVENUES</b>				
- revenues from disposals of assets	334 257 757,42	-	334 257 757,42	338 562 176,96
- equilibrium subsidies	-	-	-	-
- write-backs on investment subsidies	1 406 749 240,22	-	1 406 749 240,22	260 678 541,09
- other non-current revenues	54 568 099,41	28 768 491,28	83 336 590,69	91 206 329,83
- non-current write-backs and transfer of expenses	-	-	-	-
<b>TOTAL VIII</b>	<b>1 795 575 097,05</b>	<b>28 768 491,28</b>	<b>1 824 343 588,33</b>	<b>690 447 047,88</b>
<b>9 CHARGES NON COURANTES</b>				
- valeurs nettes d'amortissement des immobilisations cédées	-	-	-	-
- subventions accordées	13 944 345,71	16 518 017,42	30 462 363,13	-
- autres charges non courantes	32 126 430,48	37 694 485,39	69 820 915,87	22 884 177,10
- dotations non courantes aux amortissements et provisions	1 630 505 504,42	-	1 630 505 504,42	525 247 442,00
<b>TOTAL IX</b>	<b>1 676 576 280,61</b>	<b>54 212 502,81</b>	<b>1 730 788 783,42</b>	<b>559 361 396,15</b>
<b>10 NON-CURRENT PROFIT (VIII-IX)</b>			<b>93 554 804,91</b>	<b>131 085 651,73</b>
<b>PRE-TAX PROFIT/LOSS (VII+X)</b>			<b>(4 734 542,23)</b>	<b>102 279 841,09</b>
<b>CORPORATE TAX</b>			<b>34 734 582,00</b>	<b>33 263 244,00</b>
<b>NET EARNING/LOSS (XI-XII)</b>			<b>(39 469 124,23)</b>	<b>69 016 597,09</b>
<b>TOTAL REVENUES (I+IV+VIII)</b>	<b>14 661 961 372,17</b>	<b>(51 142 774,55)</b>	<b>14 610 818 597,62</b>	<b>13 317 898 651,99</b>
<b>TOTAL EXPENSES (II+V+IX+XII)</b>	<b>14 562 017 415,17</b>	<b>88 270 306,68</b>	<b>14 650 287 721,85</b>	<b>13 248 882 054,90</b>
<b>NET EARNING/LOSS (T.Revenues-T.expenses)</b>	<b>99 943 957,00</b>	<b>(139 413 081,23)</b>	<b>(39 469 124,23)</b>	<b>69 016 597,09</b>



# STATEMENT MANAGEMENT BALANCES

STATEMENT MANAGEMENT BALANCES		2004	2003
1	.Sales of goods (as are)	0,00	0,00
2	- .Purchases of goods resold	0,00	0,00
I	= GROSS MARGIN / SALE AS ARE	0,00	0,00
II	+ PRODUCTION OF THE YEAR (3+4+5)	12 149 886 215,05	12 106 844 830,92
3	.Sales of goods and services produced	12 042 241 914,49	11 989 351 560,68
4	.Change stocks of products		
5	.Assets produced for itself	107 644 300,56	117 493 270,24
III	- CONSUMPTION FOR THE YEAR (6+7)	7 436 274 118,13	7 233 266 109,65
6	.Purchases of materials and supplies	101 671 444,92	6 922 142 345,69
7	.Other external expenses	334 602 673,21	311 123 763,96
IV	= ADDED VALUE (I+II-III)	4 713 612 096,92	4 873 578 721,27
8	+ .Operating subsidies	0,00	0,00
9	- .Tax expenses	61 837 906,37	53 225 420,28
10	- .Payroll costs	1 571 278 464,56	1 462 046 135,74
V	= GROSS OPERATING PROFIT	3 080 495 725,99	3 358 307 165,25
	= GROSS OPERATING DEFICIT	0,00	0,00
11	+ .Other operating revenues	1 754 199,35	1 930 599,41
12	- .Other operating expenses	0	261 986,03
13	+ .Operating write-backs and transfer of expenses	290 400 513,30	229 746 270,34
14	- .Operating allowances	2 773 178 406,12	2 992 211 761,93
VI	= OPERATING PROFIT/LOSS	599 472 032,52	597 510 287,04
VII	+ NON-OPERATING PROFIT/LOSS	(697 761 379,66)	(626 316 097,68)
VIII	= CURRENT PROFIT/LOSS	(98 289 347,14)	(28 805 810,64)
IX	+ NON-CURRENT PROFIT/LOSS	93 554 804,91	131 085 651,73
15	- .Corporate tax	34 734 582,00	33 263 244,00
X	= EARNING FOR THE YEAR	(39 469 124,23)	69 016 597,09
<b>II CASH FLOW - SELF FINANCING</b>			
1	.Earnings for the year	(39 469 124,23)	69 016 597,09
	.Profit +	0,00	69 016 597,09
	.Loss -	(39 469 124,23)	0,00
2	+ .Operating allowances (1)	2 728 314 141,90	2 755 458 042,90
3	+ .Financial allowances (1)	447 680 320,39	271 876 030,16
4	+ .Non-current allowances (1)	1 630 505 504,42	525 247 442,00
5	- .Operating write-backs (2) (3)	97 381 086,05	97 771 086,05
6	- .Financial write-backs (2)	271 876 030,16	182 771 682,62
7	- .Non-current write-backs (2) (3)	1 640 482 053,12	494 411 353,99
8	- .Revenues from disposal of assets	43 776 383,80	48 080 803,34
9	+ .NPV of assets disposed of	0,00	0,00
I	= CASH FLOW	2 713 515 289,35	2 798 563 186,15
10	- .Profit distribution	0,00	0,00
II	SELF-FINANCING	2 713 515 289,35	2 798 563 186,15

- (1) Excluding allowances for current assets and liabilities  
(2) Excluding write-backs for current assets and liabilities  
(3) Including write-backs on investment subsidies

# STATEMENT OF FINANCING FOR FISCAL 2004

SYNTHESIS OF THE BALANCE MASSES	FISCAL 2004 - A -	FISCAL 2003 - B -	VARIATION A - B	
			APPLICATIONS	SOURCES
			- C -	- D -
1 INVESTED CAPITAL (1)	42 761 390 868,42	40 800 828 712,28	0,00	1 960 562 156,14
2 LESS FIXED ASSETS	42 689 510 201,29	40 435 091 964,12	2 254 418 237,17	0,00
3 = OPERATING WORKING CAPITAL (1-2) (A)	71 880 667,13	365 736 748,16	293 856 081,03	0,00
4 CURRENT ASSETS	7 946 629 022,70	7 468 711 027,20	477 917 995,50	0,00
5 LESS CURRENT LIABILITIES (2)	7 932 816 430,20	5 929 949 688,83	0,00	2 002 866 741,37
6 = OVERALL FINANCING REQUIREMENTS (4-5) (B)	13 812 592,50	1 538 761 338,37	0,00	1 524 948 745,87
7 NET CASH (ASSETS-LIABILITIES) =A-B	58 068 074,63	(1 173 024 590,21)	1 231 092 664,84	0,00

II- APPLICATIONS AND SOURCES	FISCAL 2004		FISCAL 2003	
	APPLICATIONS	SOURCES	APPLICATIONS	SOURCES
I- STABLE SOURCES FOR THE YEAR				
SELF-FINANCING (A)		2 713 515 289,35		2 798 563 186,15
. Cash flow		2 713 515 289,35		2 798 563 186,15
- Profit distribution				
DISPOSALS AND REDUCT. OF ASSETS (B)		88 038 674,62		135 229 852,37
.Reduction of tangible assets		0,00		46 978 515,00
.Disposals of tangible assets		43 776 383,80		48 080 803,34
.Disposals of financial assets		0,00		0,00
.Payback on long-term loans		44 262 290,82		40 170 534,03
INCR. EQUITY CAP. & ASS CAP (C)		693 731 352,67		796 819 514,48
.Increase of capital contribution		518 684 960,18		409 565 994,48
.Assimilated equity capital		175 046 392,49		387 253 520,00
INCR. FINANC. DEBTS (D) (Net of premium on redemption)		2 022 761 525,60		1 448 214 573,11
<b>TOTAL STABLE SOURCES (A+B+C+D)</b>		<b>5 518 046 842,24</b>		<b>5 178 827 126,11</b>
II- STABLE APPLICATIONS FOR THE YEAR				
ACQUIS. AND INCR. OF ASSETS (E)	4 661 652 115,99		3 441 088 289,67	
. Acquisition of intangible assets	10 110 425,76		6 162 525,67	
. Acquisition of tangible assets	4 446 300 369,39		3 273 562 269,01	
. Acquisition of financial assets	142 437 604,80		114 785 493,82	
. Increase of long-term loans	62 803 716,04		46 578 001,17	
REPAYMENT OF EQUITY CAPITAL (F)	0,00		0,00	
REPAYMENT OF FINANC. DEBTS (G)	1 055 446 247,61		1 274 725 410,34	
NON-PRODUCTIVE APPLICATIONS (H)	94 804 559,67		119 411 559,26	
<b>TOTAL II- STABLE APPLICATIONS (E+F+G+H)</b>	<b>5 811 902 923,27</b>		<b>4 835 225 259,27</b>	
III- CHANGE IN OVERALL FINANCING REQUIREMENTS (BFG)	0,00	1 524 948 745,87	1 027 543 015,22	0,00
IV- CHANGE IN CASH	1 231 092 664,84	0,00	0,00	683 941 148,38
<b>GRAND TOTAL</b>	<b>7 042 995 588,11</b>	<b>7 042 995 588,11</b>	<b>5 862 768 274,49</b>	<b>5 862 768 274,49</b>





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### Fès Supply Agency

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### Sefrou Supply Agency

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### Taounate Supply Agency

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### Missour Supply Agency

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## Oujda

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