

investor day 2007

rising momentum

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cautionary statement

- This presentation contains forward-looking statements and information on France Telecom's objectives, notably for 2007 and 2008. Although France Telecom believes that these statements are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties and there is no certainty that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could result in material differences between the objectives presented and the actual achievements include, among other things, changes in the telecom market's regulatory environment, competitive environment and technological trends, the success of the NExT program and other strategic initiatives (based on the integrated operator model) as well as France Telecom's financial and operating initiatives, and risks and uncertainties attendant upon business activity, exchange rate fluctuations and international operations.
- Financial information in this presentation is based on international financial reporting standards (IFRS) and present additional specific uncertainty factors given the risk of changes in IFRS standards.
- More detailed information on the potential risks that could affect France Telecom's financial results can be found in the Registration Document and its updates filed with the *Autorité des Marchés Financiers* and in the Form 20-F filed with the U.S. Securities and Exchange Commission.

France Telecom-Orange today

- 1 a transformed leader with strong momentum
- 2 distinctively positioned on attractive markets
- 3 clear priorities to foster profitable growth
- 4 our guidance: strong results in 2008 and beyond

3

1

a transformed leader
with strong momentum



1 | France Telecom-Orange today: a transformed leader with strong momentum



- a different company



- ahead of peers in core business renewal



- leader in innovation



- high performing company



- strong momentum across markets



- solid fundamentals

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1 | a fundamentally transformed company

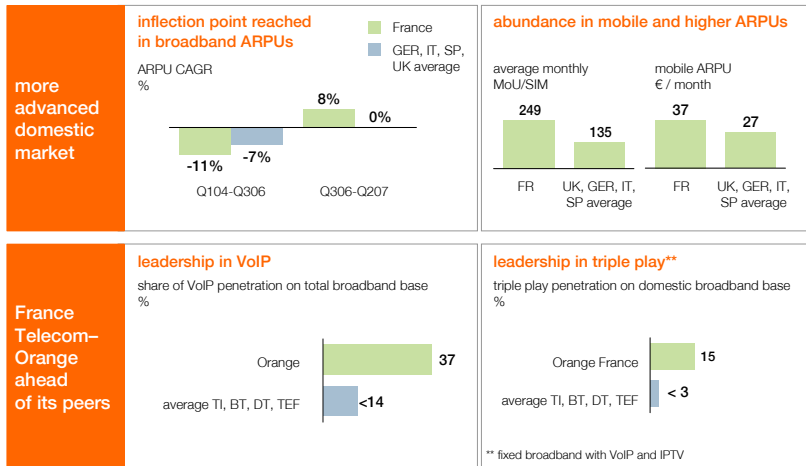


	from 2004...	...to 2007	
subscribers outside France	<ul style="list-style-type: none"> ▪ 63 million 	<ul style="list-style-type: none"> ▪ 103 million 	more international
number of countries of presence, consumer	<ul style="list-style-type: none"> ▪ 19 countries 	<ul style="list-style-type: none"> ▪ 28 countries 	
subscribers with Orange brand	<ul style="list-style-type: none"> ▪ 48 million 	<ul style="list-style-type: none"> ▪ 114 million 	more unified
global products	<ul style="list-style-type: none"> ▪ not relevant 	<ul style="list-style-type: none"> ▪ >100 	
livebox deployed	<ul style="list-style-type: none"> ▪ 264,000 	<ul style="list-style-type: none"> ▪ > 6,000,000 	more customer centric / convergent
unique visitors to Orange portals*	<ul style="list-style-type: none"> ▪ 19 million/month 	<ul style="list-style-type: none"> ▪ 31 million/month 	

* France, UK, Spain
Source : Nielsen, August 2007

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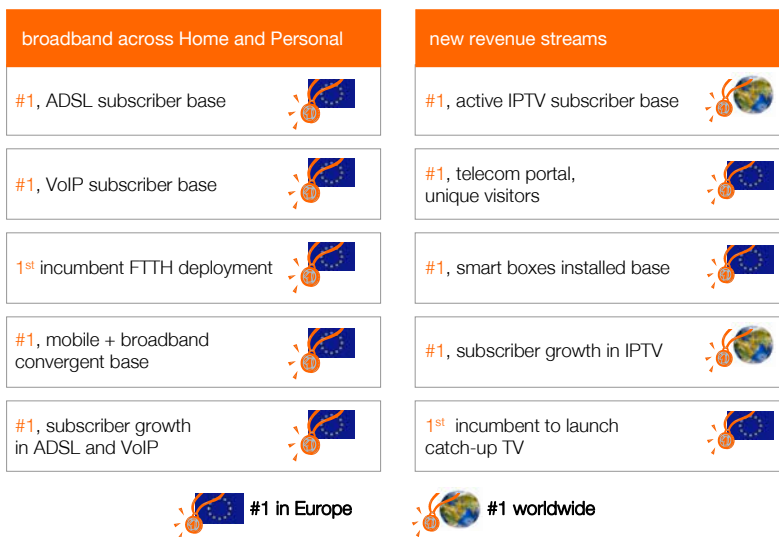
1 | ahead of peers in business renewal of its domestic market



source: Arocep, Merrill Lynch, Dataxis, company quarterly reports, FT estimates

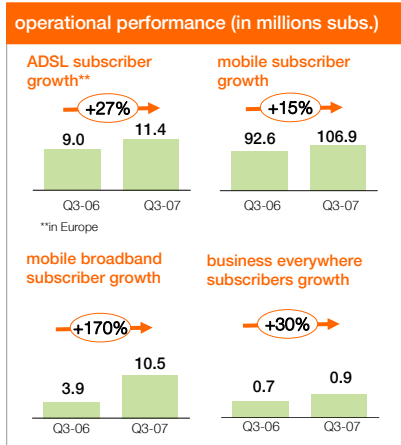
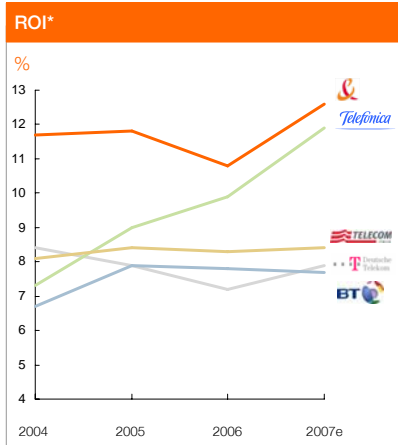
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1 | a leader in innovation



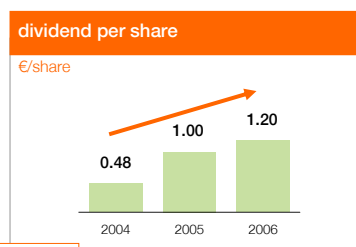
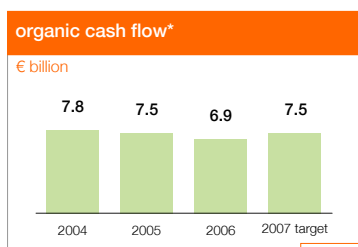
8

1 | a robust performer



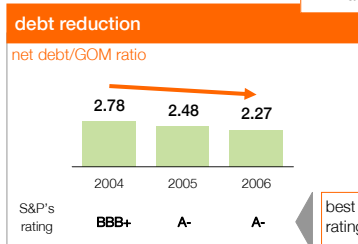
* ROI is HOLT CFOI expressed in nominal terms ; 2007 numbers based on I/B/E/S consensus estimates.
 source : Credit Suisse ValueSearch, november 2007.

1 | solid fundamentals

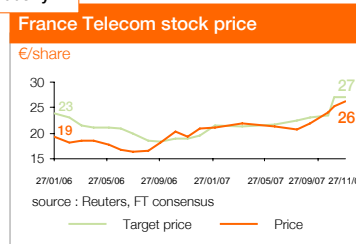


*without PagesJaunes and with Amena

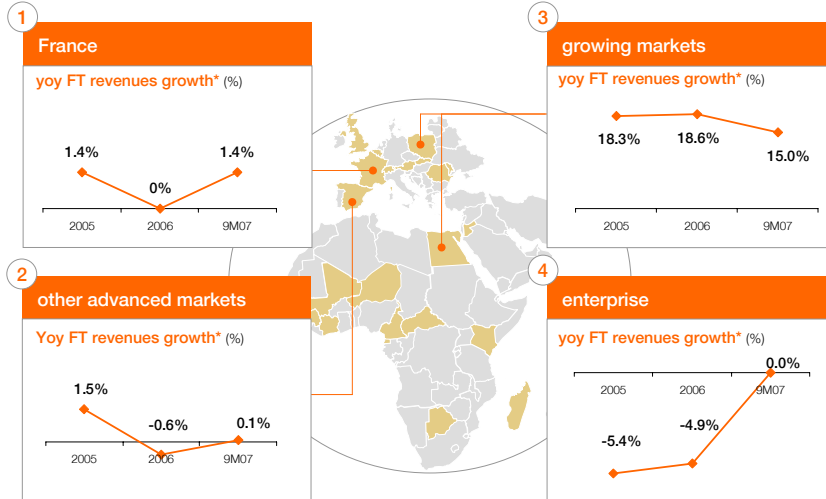
solid fundamentals
in an attractive industry



best industry
rating



1 | strong momentum across all our markets



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* growth on a comparable basis; for 2007: 9M07 vs 9M06 ; growth numbers excluding recent footprint extension (Niger, Kenya).

2

distinctively positioned
on attractive markets

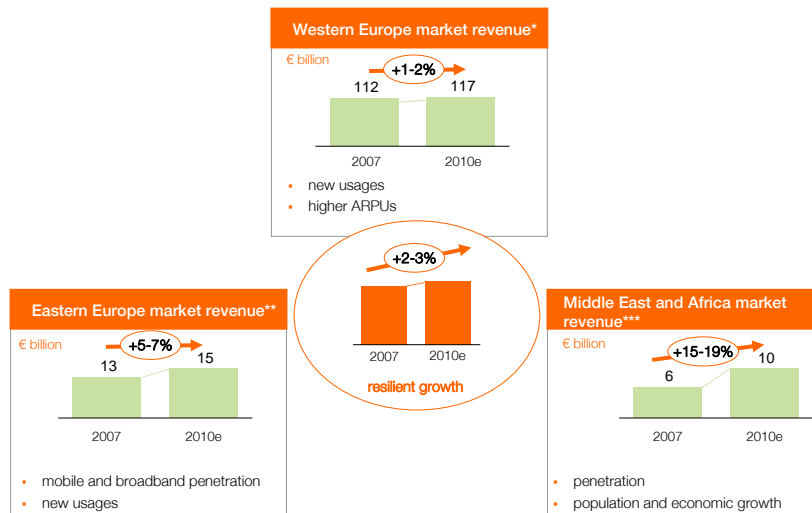


2 | France Telecom-Orange is distinctively positioned on attractive businesses

core business	<ul style="list-style-type: none"> • solid, resilient growth on Orange markets • more predictable regulatory environment • distinctive Group assets to capture growth 	
new revenue streams	<ul style="list-style-type: none"> • creation of new revenue streams in a transforming industry • France Telecom-Orange uniquely positioned to capture them 	

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2 | France Telecom-Orange markets: showing solid growth



* France, Spain, UK, Belgium, Switzerland, Luxemburg

** Poland, Slovakia, Romania

*** Senegal, Egypt, Jordan, Botswana, Cameroon, Ivory Coast, Mauritius

source: Yankee Group, Pyramid, Ovum

CAGR 07-10e

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2 | a more predictable regulatory outlook

key items on regulatory perspective

- all relevant markets defined at European level, regulation now focused on wholesale
- visibility on mobile voice termination and roaming rate decrease in our European markets until 2009
- regulatory framework on Next-Generation Networks under definition, overall direction given on duct sharing in France
- possible incorporation of functional separation in the European telecommunication regulatory framework, as a last resort remedy proposed by the Commission

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2 | unique assets to capture profitable growth



- 68% of our customer base under Orange brand

brand premium



- above 95% of our customer base on our network

innovation and quality of service



- 68% of our customer acquisitions through direct sales, leveraging our retail outlets and online sales

market presence



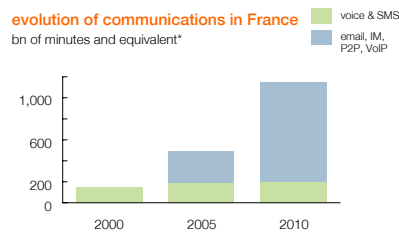
- 74% of our customer base in markets where Orange FT leads (#1 or #2)

attractive return

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2 | further growth for Orange to be expected from industry transformation (1/2)

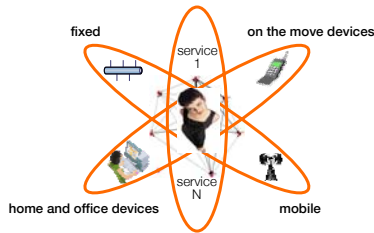
trend #1
"usage: from time and distance to abundance"



FT-Orange early positioned

- leadership in abundant offers
- leadership in multi-modal interfaces (e.g. orange world)
- first to market new usage offers

trend #2
"convergence: customer becomes the node of networks"



FT-Orange early positioned

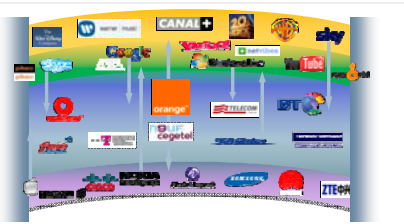
- leadership in convergence
- early adopter of integrated operator model, followed by peers

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* Source: IDATE 2006, FT estimates

2 | further growth for Orange to be expected from industry transformation (2/2)

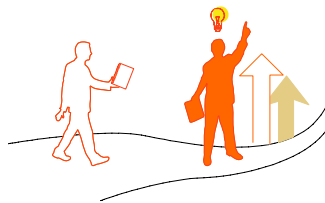
trend #3
"implosion of the ecosystem"



FT-Orange early positioned

- multiple initiatives
 - content
 - audience
 - health
- partnership with industry leaders

trend #4
"from regulatory to innovation stimulation"

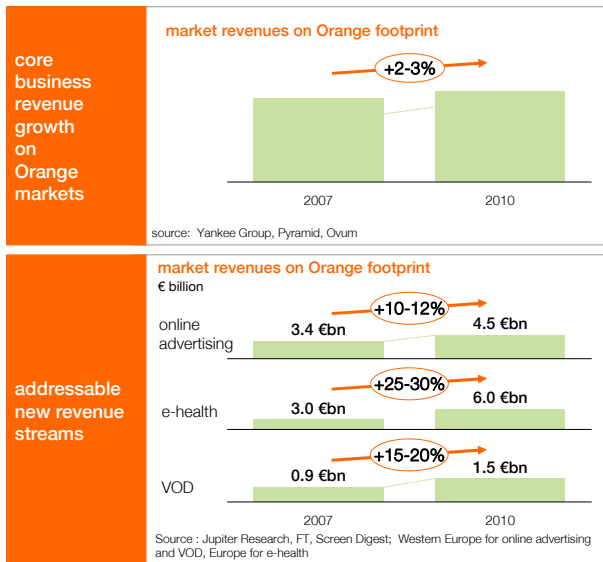


FT-Orange uniquely positioned

- successful track record in innovation
- presence in all leading markets
- 1.7% revenues invested in R&D every year

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2 | in summary, France Telecom-Orange distinctively positioned on attractive, growing businesses



solid growth on France Telecom-Orange addressable markets






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3

clear priorities to foster profitable growth

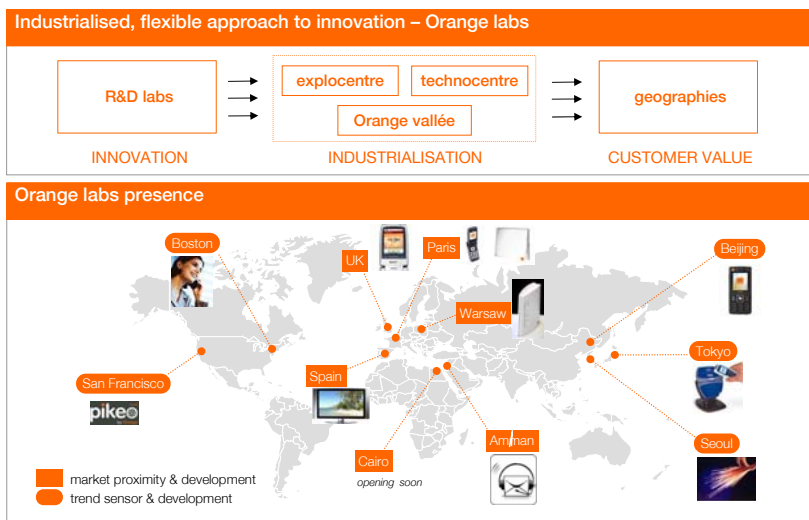


3 | France Telecom-Orange: 5 priorities to foster profitable growth

- 1  • lead **innovation** in products, contents and services
- 2  • set high **quality of service** standards for our customers
- 3  • continue to build and leverage a leading, **trusted brand**
- 4  • further improve our **efficiency** and streamline our **costs**
- 5  • capture non-organic growth through **disciplined M&A**

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3 | priority 1 – capture and bring innovation to the market leveraging a global and flexible organization



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3 | priority 1 – invest in broadband infrastructure to lay foundations for innovative services

% of population coverage by France Telecom-Orange networks






	France 	Poland 	UK 	Spain 
ADSL	98%	81%	40%	60%
3G+Edge	98%	99%	95%	83%
3G+ (HSDPA)	66%	35%	18%	78%

- large deployment in ADSL
- selective investment in fiber
- strong mobile broadband, that will be complemented by further HSDPA deployment

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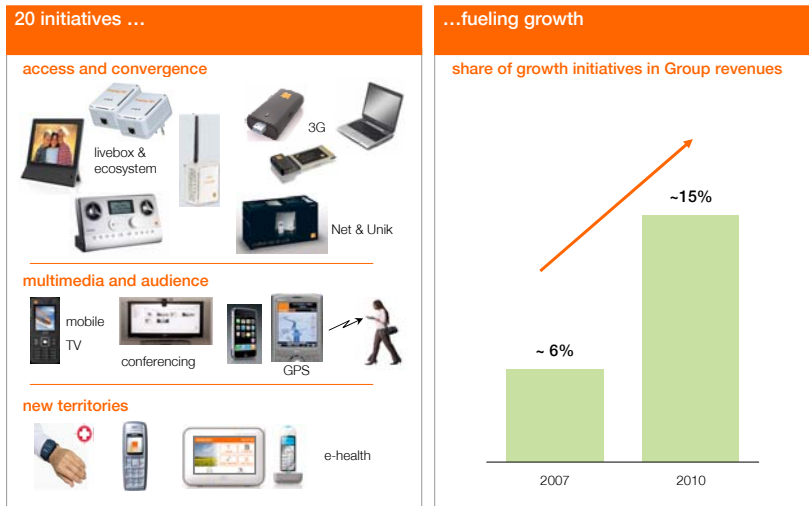
3 | priority 1 – deliver innovations at the service of our customers: highlights of the fall / winter 2007 collection

La collection
automne-hiver 07

		usage context		
		at home	on-the-move	at work
macro-trend	efficiency	 <ul style="list-style-type: none"> • Flybox (Livebox HSDPA) • new Livephone 	 <ul style="list-style-type: none"> • Internet Everywhere • Orange money 	 <ul style="list-style-type: none"> • reach anyone • virtual presence
	peace of mind	 <ul style="list-style-type: none"> • new Liveplug 	<ul style="list-style-type: none"> • new Unik devices • text Talk 	<ul style="list-style-type: none"> • switchboard • WiFi extender
	entertainment/fun	 <ul style="list-style-type: none"> • home library • enriched VOD 	<ul style="list-style-type: none"> • Orange Music • TV on Unik 	

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3 | priority 1 – accelerate our portfolio renewal to sustain growth



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3 | priority 2 – set high, recognized quality of service standards for our customers

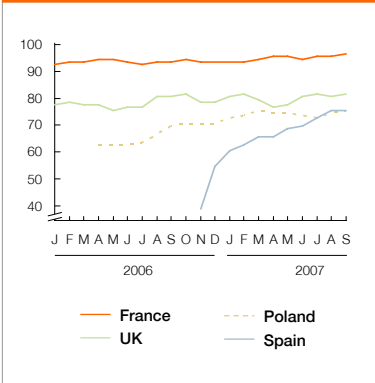
priorities	achievements to date
<ul style="list-style-type: none"> compelling customer experience 	<ul style="list-style-type: none"> internet provider with the lowest number of customer complaints best availability rate for ADSL TV 1st on fixed/ISP customer relation
<ul style="list-style-type: none"> reliability of our products and services 	<ul style="list-style-type: none"> from n°3 to n°1 in broadband quality of service in one year Orange business services designated as best global operator for the 2nd consecutive year

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source: TNS Sofres / BearingPoint for fixed/ISP customer relation (France)
broadband global satisfaction survey of 2,595 broadband residential customers conducted by telephone by Triple In (Spain)

3 | priority 3 – continue to build and leverage a leading, trusted brand

Orange's strength is based on powerful brand awareness*

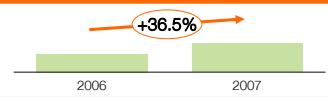


Orange's brand is well ranked amongst global and telecom brands (2007)**

ranking, telecom	brand	brand value change
1	China Mobile	5%
2	Vodafone	-12%
3	NTT DoCoMo	0%
4	Verizon Wireless	9%
5	Orange	5%
6	Cingular Wireless	39%
7	TIM	NA
8	T-Mobile	-32%
9	Movistar	NA
10	O2	1%

Orange #67 overall and #2 in European telecoms with \$9,922M in brand value

positive impact of global rebranding on brand value***



* base: Orange own customers UK mobile (271); France mobile (498); Spain mobile (198); Switzerland mobile (226); Romania mobile (371); Slovakia mobile (419); UK internet (45); France internet (121); Spain internet (57); Poland mobile (300)

** Milward Brown Optimor (including data from BRANDZ, Datamonitor and Bloomberg)

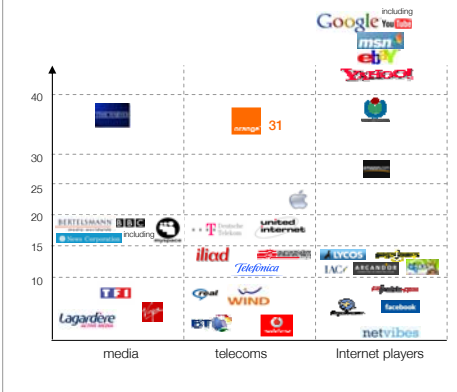
*** Interbrand International survey

3 | priority 3 – brand as a lever to grow audience revenues

web audience

Western Europe

unique visitors, million, August-October 2007



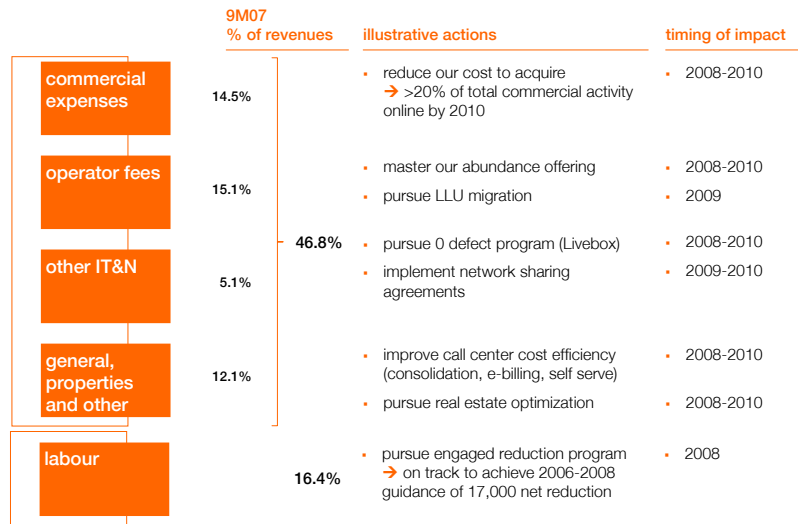
France, UK, Spain

unique visitors, million, August-Oct 2007



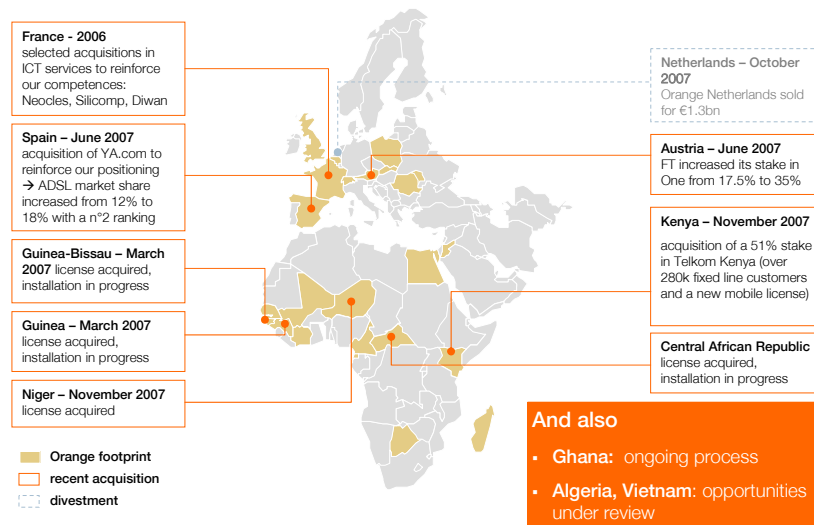
source: Nielsen net ratings august-oct 2007, France, UK, Spain, Germany, Italy, Switzerland; Orange

3 | priority 4 – continuous operational improvement and cost management, non labour and labour



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3 | priority 5 – improve France Telecom-Orange presence on relevant markets through disciplined M&A



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4

our guidance: strong results
in 2008 and beyond



4

guidance 2008 in line with our transformation plan

group revenue should keep pace
with market growth in the footprint

GOM
rate

- stabilization

CAPEX
rate

- around 13% of revenues

organic
cash flow

- at least €7.5 billion

4 | what we will hear today

home

by A. Anguita

- FT-Orange is at the forefront of the fixed business transformation and uniquely positioned to capture growth opportunities

personal

by O. Swantee

- markets with growth potential where Orange will demonstrate operational excellence and leading innovation

France

by L.P. Wenes

- confirmed market leadership and ability to capture growth as an integrated operator

health

by T. Zylberberg

- an attractive market where FT-Orange can reach a unique position to capture value

financial performance

by G. Pellissier

- FT-Orange is delivering and will deliver on its guidance, capturing the benefits of its business transformation

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