

investor day 2007

capturing growth in e-health

Thierry Zylberberg
executive VP, Orange healthcare
Paris, December 5, 2007



overview

- 1 Orange healthcare - 9 months after launch
- 2 our addressable market is attractive and growing fast
- 3 we have a unique position to capture growth opportunities in Europe
- 4 we created a new operating model to capture value
- 5 our strategy is expected to deliver...

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Orange healthcare 9 months after launch

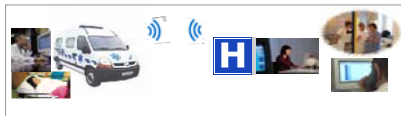


1

Orange healthcare - 9 months after launch



Columba GSM-GPS bracelet for Alzheimer patients



A través de su división "Orange Healthcare", se le proporcionará la tecnología necesaria para la monitorización de la salud de losu Feijgo, diabético insulino dependiente Tipo I
Orange Spain press release

"Orange se implica in dezvoltarea e-health in Romania" Banii Nostri

Pharmacie - Santé
ORANGE SE LANCE DANS L'E-SANTÉ
26/05/2007
L'opérateur a présenté aujourd'hui sa nouvelle division.

- significant existing product lines (e.g. Alмеры on-line billing solution for private payors)
 - around €70m of revenues
- launch of a full range of innovative solutions consistent with market segments
- a focused team with medical expertise and multidisciplinary capabilities
- engaging European wide deployment (e.g. UK, Spain, Poland, Romania) based on replicable offers
- positioning image in health sector by building external awareness

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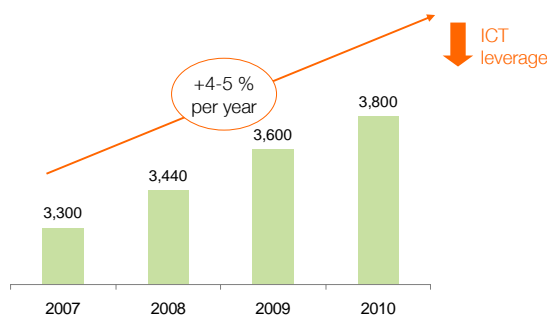
our addressable market
is attractive and
growing fast



2

demand for improvement and productivity is strong
in healthcare due to ageing population and growing
spending in OECD countries

healthcare spending in OECD (€ billion)



objective
help contain health
spending through




- improved coordination
between players
- treatment observance
- increased efficiency

health expenditure: 9-11% of GDP in Western
Europe with 4-5% annual growth (faster than
EU economic growth)

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source: OECD 2007, EU commission 2007, Espicom 2007

2 | 3 mega trends structure our market which extends beyond traditional IT healthcare sector*

1	<ul style="list-style-type: none"> better living for elderly 	<ul style="list-style-type: none"> 25% population over 60 by 2010 in Europe 20 million dependants by 2010 in Europe
2	<ul style="list-style-type: none"> skyrocketing cost of managing chronic diseases 	<ul style="list-style-type: none"> diabetes (\$44 billion/year in the US) cardiovascular diseases (€170bn/year in Europe)
3	<ul style="list-style-type: none"> connecting healthcare players <ul style="list-style-type: none"> hospitals physicians 	<ul style="list-style-type: none"> NHS transformation (~£13 billion over 10 years) €270 billion plan for Eastern Europe modernization





IPSOS survey 2007

- | | |
|--|--|
| <ul style="list-style-type: none"> top 3 issues selected by respondents** <ul style="list-style-type: none"> long term illness (chronic disease) lack of professionals autonomy of dependent/elderly people | <ul style="list-style-type: none"> main ICT usages in health <ul style="list-style-type: none"> emergencies home stay / home discharge chronic illness / Alzheimer diseases |
|--|--|

* mainly hospital IS spending (source: OMS)
 ** professional and general public

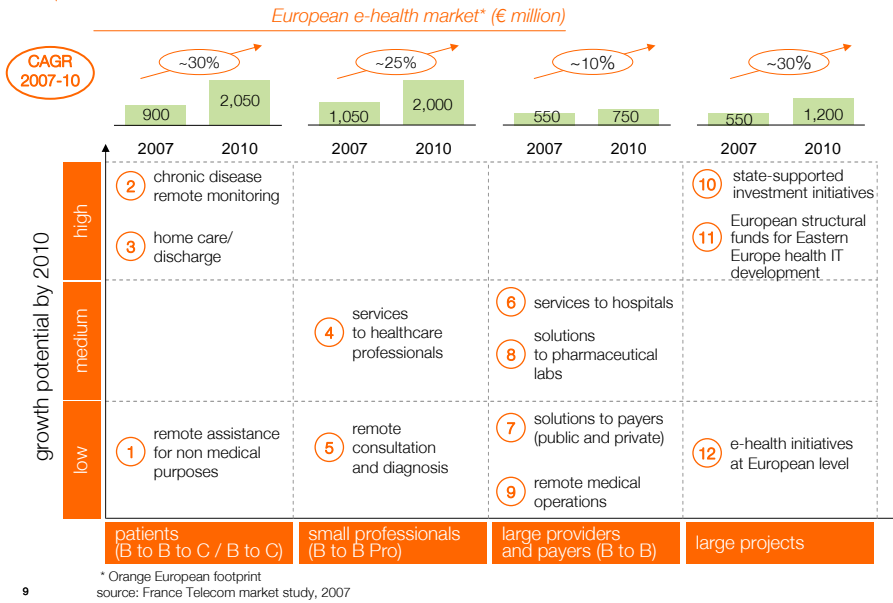
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2 | we identified 4 types of go-to-market approach for which a telco is legitimate

patients (B to B to C / B to C)	small professionals (B to B Pro)	large providers and payers (B to B)	large projects
 <ul style="list-style-type: none"> 1 remote assistance for non medical purposes <ul style="list-style-type: none"> Alzheimer bracelet fil Orange 2 chronic disease remote monitoring (CDRM) <ul style="list-style-type: none"> hypertension diabetes heart/kidney failures dialysis monitoring 3 home care / discharge <ul style="list-style-type: none"> home hospital discharge home support 	 <ul style="list-style-type: none"> 4 services to healthcare professionals <ul style="list-style-type: none"> secured email and file transmission e-booking remote medical imaging 5 remote consultation and diagnosis 	 <ul style="list-style-type: none"> 6 services to hospitals <ul style="list-style-type: none"> connected hospital connected emergency 7 solutions to payers and insurers (public and private) <ul style="list-style-type: none"> private payer payment e-payment solutions electronic vaccination book 8 solutions to pharmaceutical labs 9 remote medical operations 	 <ul style="list-style-type: none"> 10 state-supported investment initiatives <ul style="list-style-type: none"> electronic health records hospital modernization plan 11 European structural funds for Eastern Europe health IT development <ul style="list-style-type: none"> Romanian health IT project 12 e-health initiatives at European level <ul style="list-style-type: none"> e-inclusion program

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2 | growth potential and market sizing by segment by 2010



2 | this fast growing market is addressable by telcos (1/2) driver 1 – connecting players, intermediation and flow management

develop the flow management within the extended hospital system for

- efficiency of healthcare delivery
 - optimize the flow of medical information
- hospitality
 - improve wellness of patients
- resource optimization
 - optimize financial and human resources
- make day-to-day work easier for healthcare professionals
- modular architecture that can be replicated

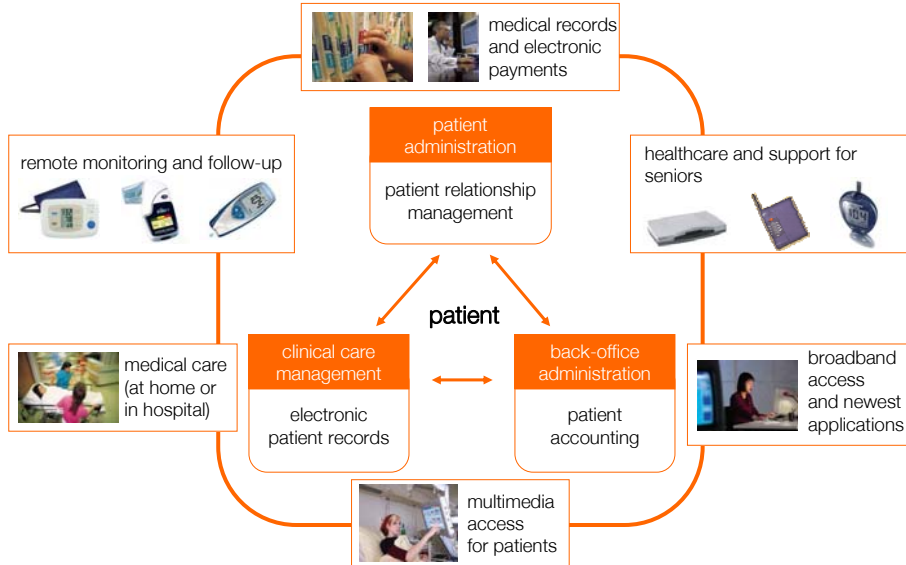
link the healthcare institutions and provide applications to health professionals



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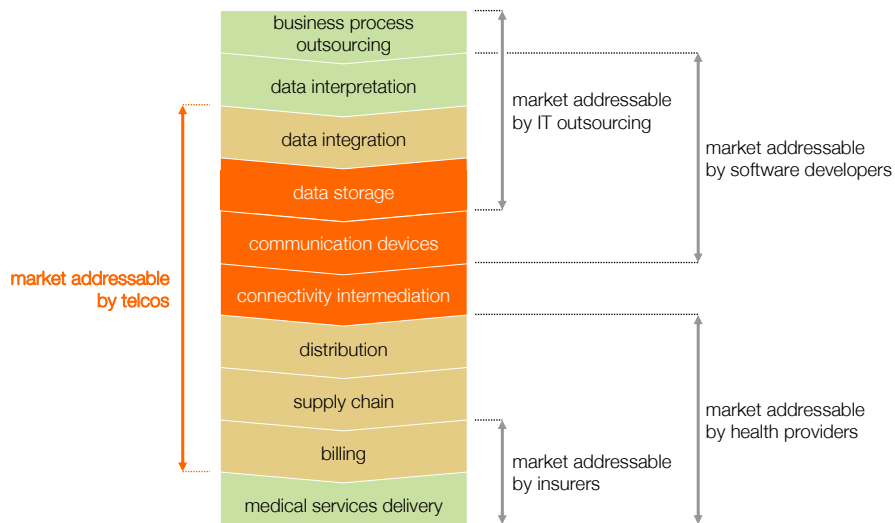
source: extract from EU commission presentation, October 23, 2007

**2 | this fast growing market is addressable by telcos (2/2)
driver 2 - proliferation of communicating devices/handsets**



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2 | telcos have a unique addressable market along e-health value chain



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we have a unique position
to capture growth
opportunities in Europe



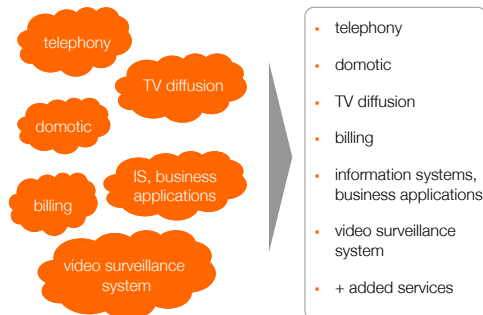
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Orange healthcare is confident in its ability to capture profitable growth in the sector



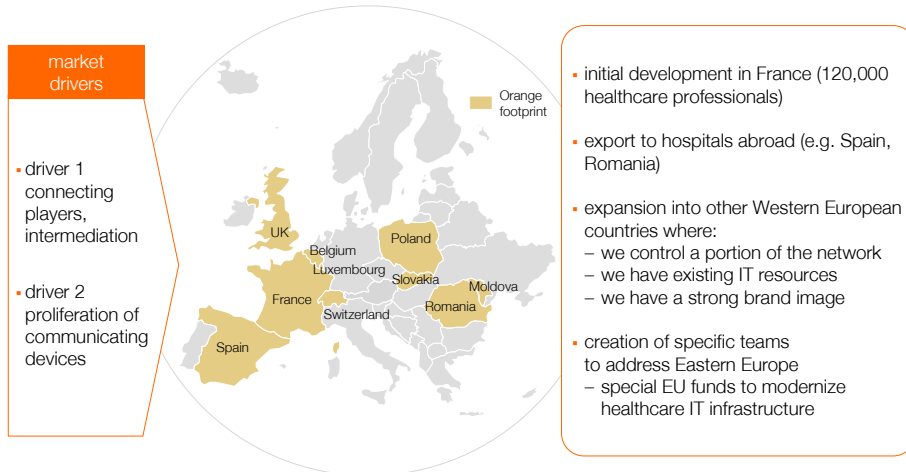
from "one use = one network"...

...to an integrated network



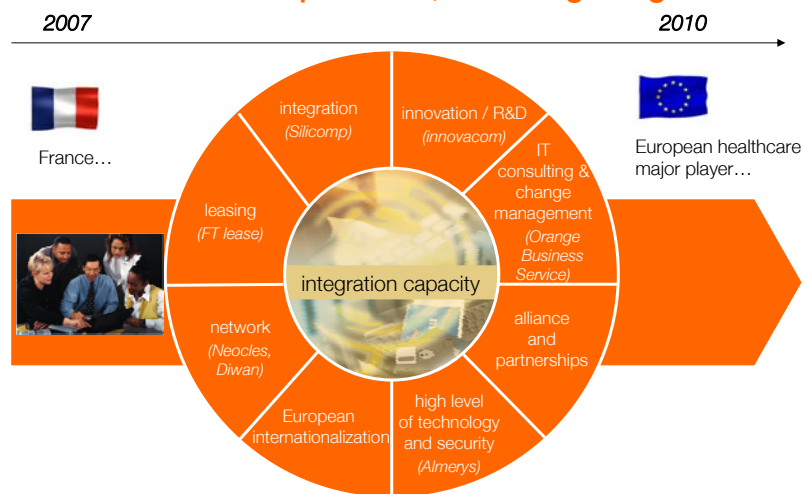
- France Telecom-Orange has key assets
 - Orange brand uniquely positioned across all segments
 - communication networks used by healthcare players
 - adjacent technologies
 - integration capabilities
 - partnership track records
 - R&D work force: usage analysis & product development
- France Telecom-Orange will circulate its solutions and brand across
 - the whole healthcare community
 - its European footprint
- France Telecom-Orange will benefit from customer win-backs and data traffic increase

3 | France Telecom-Orange will leverage its fixed and mobile networks to offer services to healthcare professionals across Europe



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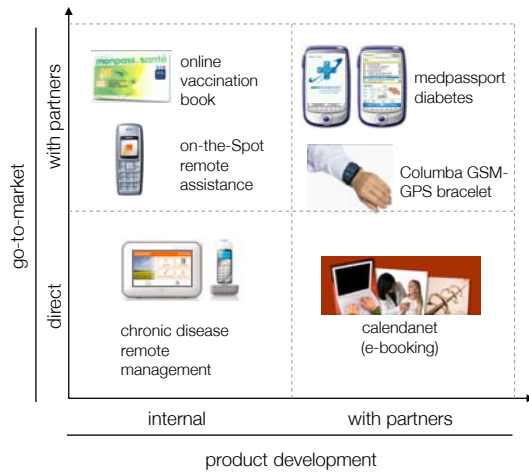
3 | France Telecom-Orange can mobilize a wide range of world-class IT capabilities, including integration



Orange healthcare is the link between healthcare professionals and patients

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3 | Orange healthcare has strong track records in leveraging both internal and external capabilities through partnerships



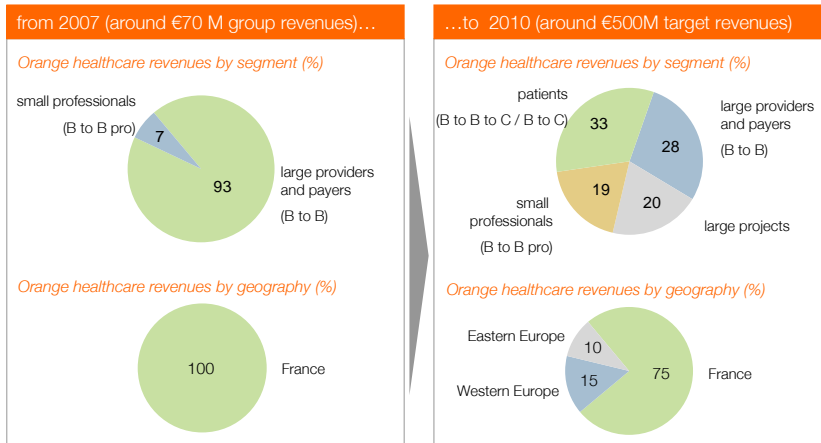
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we created a new operating model to capture value



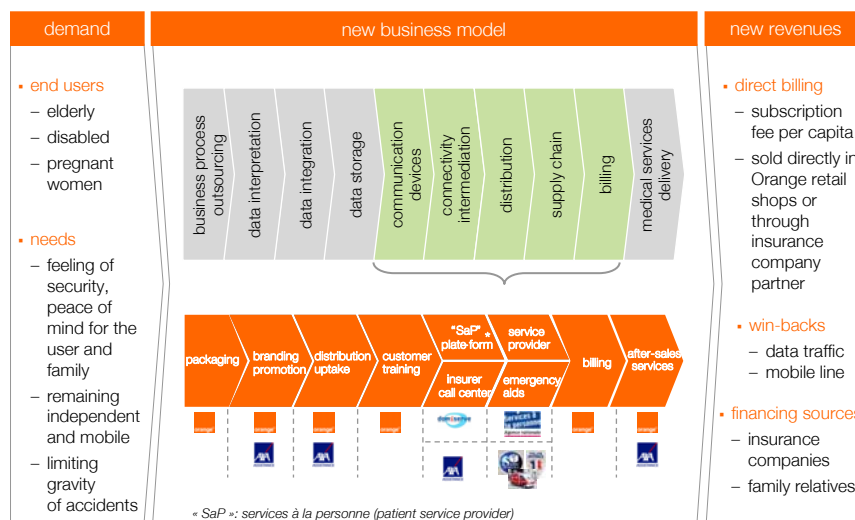
4 | France Telecom-Orange on track to deliver significant revenue uptake by 2010 through the roll-out of new business models in healthcare



Orange healthcare will target patients (B to B to C / B to C), large providers/payers (B to B) and 1-3 large projects in Europe over 2008-2010

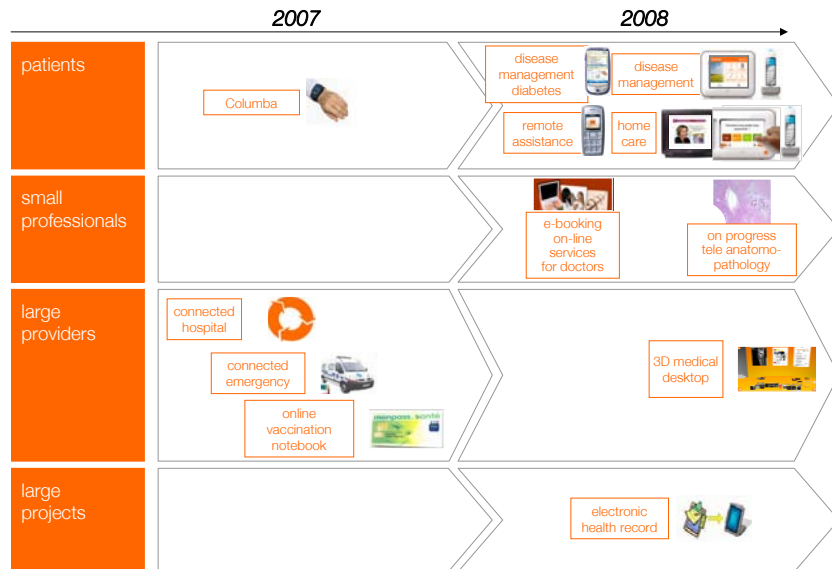
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4 | one example of business model transformation to capture growth in healthcare – “on-the-spot remote assistance”



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4 | Orange healthcare product roadmap 2007-2008



21 note: not exhaustive

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our strategy is expected to deliver...



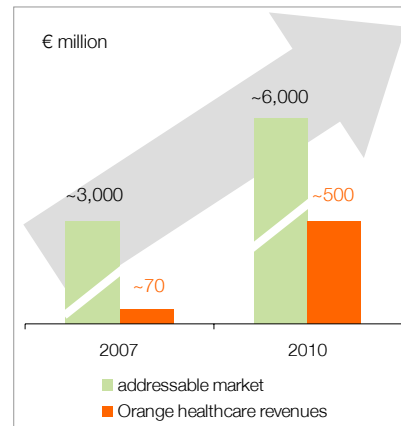
5 | wrap-up on Orange healthcare vision

we are confident in the market growth opportunities

we have a structured strategy and a segmented approach

we started to roll-out initiatives and execute

by 2010, our new business models will be implemented and growth delivery will be there



we cranked the machine during the last 9 months, on track to deliver our objective of ~€500m of revenues by 2010