

Shareholder's summary 2007



a year on the stock market

In a turbulent stock market context, driven by fears of a recession in the United States and by the subprime crisis in the summer of 2007, the France Telecom share broadly kept pace with the Stoxx Telecom and CAC 40 indexes in the first six months of the year and then enjoyed a better run in the second half, thanks to the upward revision of the Group's targets for 2007.

stock market performance in 2007

The start of the year was difficult for shares listed on the Paris market due to fears of a possible recession on the American market. As with most listed stocks, the France Telecom share performed in line with the market until the middle of the year.

The first signs of the subprime crisis appeared in mid-July, sending the indexes and the France Telecom share on a downward spiral. At the beginning of August the share was trading at 20.25 euros, about the same as in January 2007. Then the share price started to recover, first due to the publication of good half-year results, which reinforced investors' views that the Group would achieve its targets in 2007. The share also

benefited from the telecoms sector returning to favour: this sector is less exposed both to changes in the American economic situation and to the financial crisis, resulting in a superior performance by the Stoxx Telecom index compared to that of the CAC 40. The share price was also boosted by the upward revision of the Group's targets for 2007 when it announced its 3rd quarter results and this helped it achieve an annual-high of 26.70 euros on 20 November 2007. It outperformed the indexes over the whole year and offered one of the highest returns to shareholders in the CAC 40.

the share

share details

Markets: Eurolist – Euronext; New York Stock Exchange.

ISIN code: FR0000133308.

Stock code: FTE.

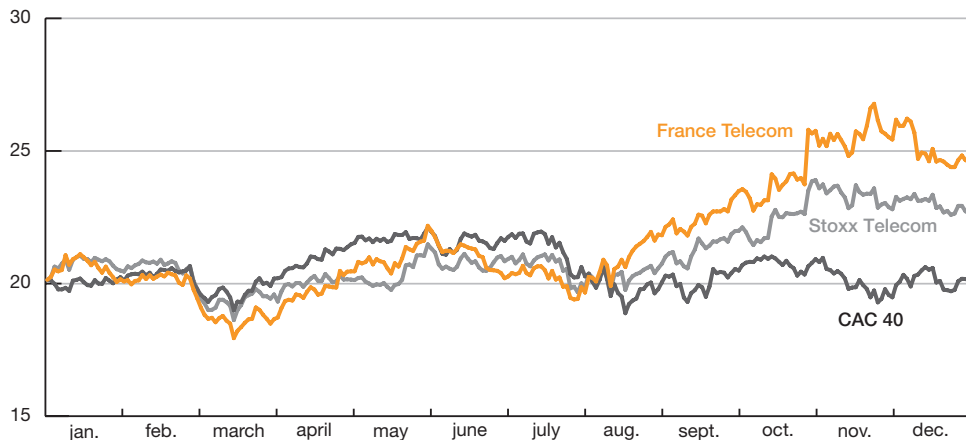
Par value: 4 euros.

Included in the following indexes: CAC 40, Euronext 100, FTSEurofirst 100, FTSEurofirst 80, IT. CAC, S&P 100.

Eligible for deferred settlement service and employee savings plans.

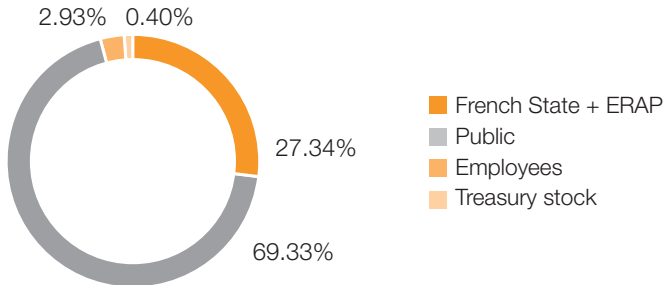
Number of shares in circulation at 31 December 2007: 2,614,348,911.

France Telecom share price in 2007 (in euros)

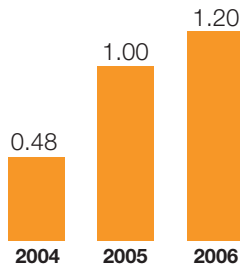


capital and distribution

capital structure at 31 December 2007



dividends (in euro)



€1.30/share

is the amount of the dividend for the financial year 2007 submitted to the vote of shareholders at the Annual General Meeting on 27 May 2008

a direct link with shareholders

A full range of services is available to the Group's shareholders so they can be well informed and participate in the life of France Telecom.

customised services for individual shareholders

The Group lays particular emphasis on maintaining deep long-term relationships with shareholders, based on trust and it makes every effort to communicate information to shareholders about its strategy, business and the world of telecoms. It ensures that shareholders have regular access to Group news and results. With this in mind, in 2007, the Group continued adapting its range of innovative services to respond to shareholders' expectations, including 1010, the dedicated shareholder club phone number (0 800 05 10 10 from France or +33 1 60 95 87 24 from outside France), information source available on the web site, by e-mail, SMS text message and printed documents as well as information about regional meetings where direct discussion forum can take

place. This service is completed by a consultative shareholders' circle, who meet and discuss on a blog.

The France Telecom Club offers exclusive benefits to shareholders who join it: sports and cultural events and special offers on the Group's products and services...

employees benefit from the Group's successes

In 2007, the Group continued its policy of encouraging employee shareholding. France Telecom's Board of Directors set up a stock option scheme to award free shares to staff. In December, a share issue reserved for employees, called Orange Success, was offered in 14 countries following the French State's sell-off of 5% of France Telecom's capital in June 2007.

ongoing communications with investors

Dialogue, transparency and accessibility form the basis for the relationships that the Group maintains with the financial community.

themed presentations as well as quarterly results

In addition to the publication of results four times a year, the Group organises an annual “investors” day to set out its strategy in a particular area. For example, in 2007, France Telecom presented a detailed review of its main activities and the trends for the coming years. Apart from these regular meetings, themed presentations are organised on specific days or at telecom conferences organised by the banks, covering subjects such as content, innovation strategy, fibre optic technology.

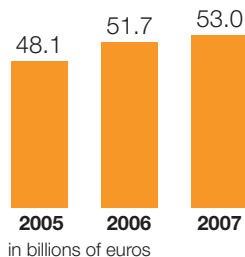
Since mid-2006, the Group has also been engaged in presenting its innovations at “collections” three times a year, where it unveils the star products of tomorrow.

more meetings and roadshows with investors

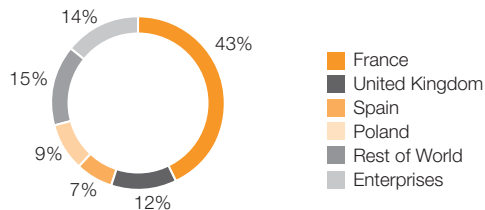
In 2007, the Group met over 1,200 investors and organised over 400 meetings at roadshows, a third more than in the previous year. The number of meeting days increased accordingly, from 27 in 2006 to 47 in 2007, and a total of 25 cities were visited.

key figures*

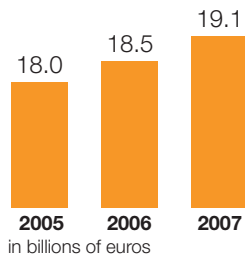
consolidated revenues



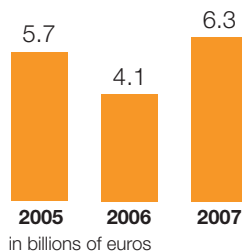
breakdown of revenues in 2007



gross operating margin



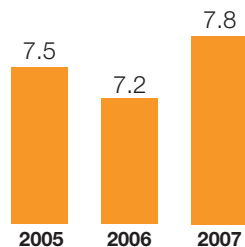
net income attributable to shareholders



* historic data

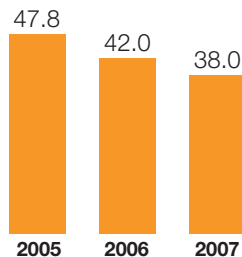
key figures*

organic cash flow



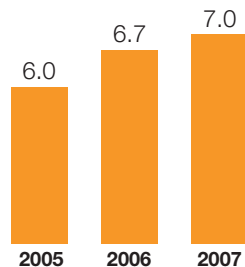
in billions of euros

net financial debt



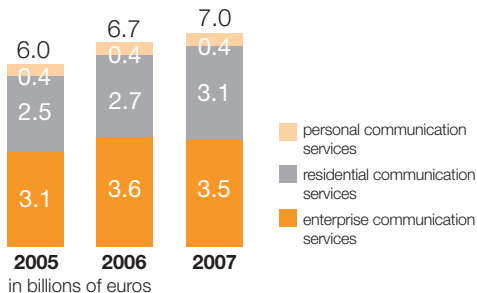
in billions of euros

tangible and intangible investments (excluding licences)



in billions of euros

breakdown of investments by business line



- personal communication services
- residential communication services
- enterprise communication services

* historic data

the Group's customers

mobile

109.7
million

| | 2007 | 2006 | 2005 |
|--------------|----------------|---------------|---------------|
| France | 24,226 | 23,268 | 22,430 |
| Europe* | 59,596 | 57,157 | 51,155 |
| World** | 25,840 | 17,208 | 10,730 |
| Total | 109,662 | 97,633 | 84,316 |

fixed

47.4
million

| | 2007 | 2006 | 2005 |
|--------------|---------------|---------------|---------------|
| France | 34,174 | 33,873 | 33,327 |
| Europe* | 11,998 | 13,504 | 14,567 |
| World** | 1,214 | 1,304 | 906 |
| Total | 47,386 | 48,681 | 49,200 |

Internet

13,1
million

| | 2007 | 2006 | 2005 |
|--------------|---------------|---------------|---------------|
| France | 7,917 | 6,884 | 5,914 |
| Europe* | 5,033 | 5,298 | 5,694 |
| World** | 152 | 100 | 63 |
| Total | 13,102 | 12,282 | 11,671 |

total

170,1
million

| | 2007 | 2006 | 2005 |
|--------------|----------------|----------------|----------------|
| France | 66,318 | 64,025 | 62,071 |
| Europe* | 76,625 | 75,959 | 71,416 |
| World** | 25,606 | 18,612 | 11,699 |
| Total | 170,149 | 158,596 | 145,187 |

(at 31 December, for companies controlled, in thousands, on a 2006/2007 comparable basis)

* excluding France

** excluding Europe

getting information

- **shareholders' webzine**

News, interviews and videos, your questions answered... key information about the Group in a simple, clear and interactive multimedia magazine (only available in French).

- **idClub, e-mail or SMS text message alert**

Important events for you and the France Telecom Group (results, AGM, etc.) and, for members of the France Telecom Club, invitations to sports and cultural events taking place in their region (only available in French).

- **shareholders' letter**

As well as the annual and half-year results, find out more about the international Group, its successes, outlook, etc. – available in English on the web site
www.orange.com/finance/keepinformed

- **France Telecom Club**

The France Telecom Club offers exclusive benefits to individual shareholders:

- invitations to participate in sports and cultural events partnered by the Group on special terms;
- exclusive offers on a selection of Group and partner products and services, accessible online, in Orange Store in France and in the Club Boutique catalogue.

To find out more, go to www.orange.com/finance/keepinformed

contacts



Key information on your mobile: orange.mobi

This is a flash code.

By scanning this 2D barcode with your mobile phone camera, you can get access to information or multimedia content in a flash! (function available with Orange on some mobile terminals in France).

Find out more at www.orange.com/flashcode

contact us

- Phone 1010 or 0 800 05 1010 from France or +33 1 60 95 87 24 from outside France.
Monday to Friday, 9am to 7pm.
- E-mail conseiller.actionnaire@orange-ftgroup.com
- Visit www.orange.com/finance, individual shareholders section.
- Write to the Shareholder Relations Department, BP 1010, 75721 Paris Cedex 15, France.

