Orange

H1 13 results

Stéphane Richard - Chairman & CEO
Gervais Pellissier - Deputy CEO & CFO

H1-2013 results – July 25th, 2013
This presentation contains forward-looking statements. Although we believe these forward-looking statements are based on reasonable assumptions, they are subject to numerous risks and uncertainties, including matters not yet known to us or not currently considered material by us and there can be no guarantee that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among others: our ability to withstand intense competition within our sector and to adapt to the ongoing transformation of the telecommunications industry, in particular in France with the arrival on the market of a fourth mobile operator; fluctuations in general economic activity levels and in the level of activity in each of the markets in which we operate; the political situation in the countries where we invest; the emergence of new powerful players, such as content and service suppliers or search engines; our ability to obtain a return on our investments in the networks; fiscal and regulatory constraints and changes; conditions for accessing the capital markets, in particular risks related to financial market liquidity; exchange rate or interest rates fluctuations; asset impairments; and results of current litigation. More detailed information on the potential risks that could affect our financial results can be found in the Registration Document filed with the French Autorité des Marchés Financiers (AMF) on March 27, 2013 and in the annual report on Form 20-F filed with the U.S. Securities and Exchange Commission on April 12, 2013. Except to the extent required by law (in particular pursuant to sections 223-1 et seq. of the General Regulations of the AMF), Orange does not undertake any obligation to update forward-looking statements.
results overview and business update

Stéphane Richard
Chairman & CEO
commercial achievements and proven cost efficiency

Spain & RoW growing, France & Poland under control, Belgium & Enterprise under focus

- Q2 Group revenues -4.8%* yoy, -2.5%* yoy ex reg
- growth in Spain (+4.6%* ex reg) and RoW (+1.9%* ex reg) with a rebound in emerging markets (+4.7%* ex reg)
- mobile ARPU evolution under control in France with expected full year 12% decrease
- Orange Poland results better than initially expected despite mobile repricing further spreading in customer base
- Enterprise still penalised by macro economy while mobile-only Mobistar suffers in a market moving towards convergence

commercial achievements...

- +170k Q2 mobile contract net adds excl. M2M in France (best quarter since Q2 2011)
- broadband conquest share in France at 20% after 16% in Q1
- best ever BB net adds in Spain mainly driven by convergence
- highest level of mobile contract net adds in Poland for 2 years
- 7.4m Orange Money customers, +30% since end of 2012

... along with further positive results of our efficiency plan

- total Opex down €441m** in H1: confirmation of >€600m cost decrease for 2013
  - o/w €441m in France, including €127m of indirect costs
- labor costs and other indirect costs decrease
  - in France, optimization in customer management (-15% calls yoy, -9% reiteration rate yoy)

H1 restated EBITDA margin at 31.1% with margin erosion limited to -1.0pt vs. -1.6pt H2 12
57% of at least €7bn OpCF target achieved

H1-2013 results – July 25th, 2013

*cb ; **€422m excl. gain on disposals of assets
### marketing initiatives reinforced in Q2

<table>
<thead>
<tr>
<th>Running marketing initiatives...</th>
<th>Producing results in Q2</th>
<th>New marketing initiatives...</th>
<th>Supporting new perspectives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>France</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sosh &amp; Open</td>
<td>1.4m Sosh customers (+276k)</td>
<td></td>
<td>&gt;150k customers end of year</td>
</tr>
<tr>
<td>Livebox Play</td>
<td>3.8m Open customers (+81% yoy)</td>
<td>500k LiveBox Play activated</td>
<td>24h Service &gt;1m active users</td>
</tr>
<tr>
<td>4G launch</td>
<td>250k active 4G customers with +10% ARPU</td>
<td>4G launch in July</td>
<td>Joyn: ~1m users end of 2013</td>
</tr>
<tr>
<td><strong>Spain</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convergent offers</td>
<td>2/3 of fixed BB gross adds since launch with Canguro offers (223k)</td>
<td>4G launch in July</td>
<td>~500k customers one year after launch</td>
</tr>
<tr>
<td>Amena &amp; Simyo</td>
<td>100k amena &amp; 411k simyo customers</td>
<td>new TV service in Q4</td>
<td>&gt;100k customers one year after launch</td>
</tr>
<tr>
<td><strong>Poland</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convergence offers</td>
<td>125k Open customers</td>
<td>Orange Open</td>
<td>50% of contract customers by end 2015</td>
</tr>
<tr>
<td>Launch of Nju mobile</td>
<td>80k Nju customers</td>
<td>Orange FunSpots implementation</td>
<td>900k eligible customers end of 2013</td>
</tr>
<tr>
<td><strong>Europe</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Animals offers</td>
<td>launched in 8 EU countries out of 9 with 11m customers</td>
<td>Go Europe in all European countries</td>
<td>&gt; 1m roaming passes sold in 2013 with x2 roaming data traffic yoy</td>
</tr>
<tr>
<td>4G offers</td>
<td>launched in 4 countries</td>
<td>Orange TV launched in Romania</td>
<td>300k customers end of 2015</td>
</tr>
<tr>
<td><strong>AMEA</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Orange Money</td>
<td>159m€ monthly transactions</td>
<td>2 new 3G countries (up to 15)</td>
<td>12m active mobile data customers end of 2013 (+85% yoy)</td>
</tr>
</tbody>
</table>

H1-2013 results – July 25th, 2013
delivering on cost efficiency
accelerating Opex reduction with indirect costs decrease

yoy change in Group Opex base, in €m

indirect costs

H1 12
+74

H2 12
-166

H1 13
-110*
-312
-422

* excluding gain on asset disposals
sustained investments, preserving our network edge

4G on the European footprint
meeting customers requirements for speed

• nearly 60% pop coverage
• ~10% ARPU uplift for existing customers migrating to 4G
  • >1m customers at year-end
• 106 cities covered (2nd best: 12 cities)*
• 886 4G active sites (2nd best: 295 sites)**
• 150 Mb/s theoretical speed (2nd best: 115 Mb/s)*
  • ~1m customers at year-end

launched on July 8 in 6 main cities

• 15 cities covered by 2013 (24% coverage)
• 785 4G active sites at launch (#1 roll-out)
• ~500k customers in July 2014

~€80m invested for 4G deployment in H1 (+€70m yoy)***

leadership in fibre
focus on fixed network differentiation

acceleration of fibre roll-out
• 2.1m home connectable (x1.6 YoY)
real appetite and well-oriented momentum
• #1 market share in fibre with 239k customers (x2 YoY)
• fibre net adds boost our total broadband net adds
• ~50% share of conquests in Q2 despite aggressive offers from competition

Orange perceived as the best operator for fibre

launch of fibre roll-out
• 40k households already connectable in Madrid
• roll-out with VOD with an objective of 800k households in Q1 2014
• agreement with incumbent for vertical sharing complemented by regulator decision on pricing

FTTH trial
• launch with 12.5k connectable households end 2013

~€150m invested for fibre roll-out in H1 (+€40m yoy)

*source: operators data ; **source : ANFR *** excl. UK
main operational ambitions for 2013

**Group**
- Stabilisation of indirect costs over the year
  - Decrease in H1
- Mobile data revenues growth >+10%
  - +22% in H1

**France**
- Net decrease of indirect costs
  - Down €127m in H1
- >35% mobile market share at YE
  - 36.2% end of June
- X2 FTTH customers at YE
  - X2 YoY end of June
- 50% of BB gross adds with Livebox Play
  - 40%** share in gross adds since launch
- 30% 4G coverage by end of 2013
  - On track

**Europe**
- Convergent offers in 7 out of 9 countries
  - 6 countries end of June
- At least 6 mutualisation programmes launched across all countries
- NPS* increase in all countries

**Africa & Middle East**
- 8m Orange Money customers
  - 7.4m end of June
- Churn rate down 20%
- 12m active mobile data handsets, up 70%

**Enterprise**
- Cloud revenue growth >30% yoy
- Emerging countries double-digit growth
  - +9% in H1
- Maintain/improve customer satisfaction index

*Net Promoter Score ; **offers allowing to benefit from Livebox Play device & related advantages
2013 guidance confirmed

- 2013 OpCF guidance: confirmation of at least €7bn
- strong balance sheet: net debt / EBITDA around 2.2x in 2013 and down towards 2x by end 2014, excluding tax case
- sustainable dividend policy: €0.30 interim dividend for 2013 to be paid on December 11th, at least €0.80 dividend for 2013*
- selective portfolio review: continuous focus on existing footprint, including potential disposals, while strictly respecting leverage ratio guidance

* subject to the Annual General Meeting of Shareholders approval
ex div date: December 6, 2013, record date: December 10, 2013, payment date: December 11, 2013
financial and business review

Gervais Pellissier
Deputy CEO & CFO

H1-2013 results – July 25th, 2013
## Key Financials

<table>
<thead>
<tr>
<th></th>
<th>H1 12 cb</th>
<th>H1 13 actual</th>
<th>var. comp basis</th>
<th>key points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>21,570</td>
<td>20,603</td>
<td>-4.5%</td>
<td>-€511m regulation impact (-2.2% excl. reg)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q2: -4.8% yoy vs -4.1% in Q1</td>
</tr>
<tr>
<td><strong>Restated EBITDA</strong></td>
<td>6,943</td>
<td>6,417</td>
<td>-7.6%</td>
<td>-€190m regulation impact</td>
</tr>
<tr>
<td>in % of rev.</td>
<td>32.2%</td>
<td>31.1%</td>
<td>-1.0pt</td>
<td>Q2: 31.9% (-1.3pt yoy vs. -0.8pt in Q1)</td>
</tr>
<tr>
<td><strong>CAPEX</strong></td>
<td>2,433</td>
<td>2,455</td>
<td>+0.9%</td>
<td>FTTH &amp; LTE in France &gt; €200m;</td>
</tr>
<tr>
<td>in % of rev.</td>
<td>11.3%</td>
<td>11.9%</td>
<td>+0.6pt</td>
<td>Q2: 12.6% (+0.2pt yoy vs. +1.1pt in Q1)</td>
</tr>
<tr>
<td><strong>Operating Cash Flow</strong></td>
<td>4,510</td>
<td>3,962</td>
<td>-12.2%</td>
<td>consistent with FY guidance</td>
</tr>
<tr>
<td>(Restated EBITDA* – CAPEX)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td>31,171</td>
<td>29,610</td>
<td></td>
<td>2.37x including tax litigation (see slides 16-17)</td>
</tr>
<tr>
<td>(Net debt / EBITDA)</td>
<td>2.11x</td>
<td>2.21x</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*see slide 33 for EBITDA restatements
Group revenues growth in Spain and rebound in emerging markets, mobile repricing in France & Poland, difficult Enterprise market

- **YoY revenue growth, Group**
  - Spain: Q1 12: -1.8%, Q2 12: -2.1%, Q3 12: -3.5%, Q4 12: -3.2%, Q1 13: -4.1%, Q2 13: -2.5%
  - Poland: Q1 12: -9.9%
  - Rest of Europe: Q1 12: -5.4%

- **YoY revenue growth, France**
  - Q1 12: -4.5%
  - Q2 12: -5.4%
  - Q3 12: -2.1%
  - Q4 12: -1.8%
  - Q1 13: -0.1%
  - Q2 13: +2.5%

- **YoY revenue growth, Spain**
  - Q1 12: -7.5%
  - Q2 12: -4.8%
  - Q3 12: +2.5%
  - Q4 12: +4.4%
  - Q1 13: -1.1%
  - Q2 13: +4.4%

- **YoY revenue growth, Emerging markets**
  - Q1 12: -1.8%
  - Q2 12: -4.1%
  - Q3 12: -3.2%
  - Q4 12: -4.8%
  - Q1 13: -1.1%
  - Q2 13: -4.5%

- **YoY revenue growth, Enterprise**
  - Q1 12: -1.1%
  - Q2 12: -3.5%
  - Q3 12: -1.8%
  - Q4 12: -3.2%
  - Q1 13: -0.1%
  - Q2 13: +4.4%
H1 2013 Group EBITDA
reduction of direct and indirect costs mitigating pressure on revenues

change in EBITDA*
in €m

-1.0pt

32.2%
6,943
-967
+243
+116
+34
+48
31.1%
6,417

-€724m o/w -€190m regulatory effects

- regulatory pressure still weighing on profitability
- ~46% of revenues erosion compensated by cost reduction
- direct costs down (-6% yoy)
  - commercial costs down €26m while handset sales up €50m
- reduction of indirect costs (-€129m)
  - effective control over labour costs
  - savings in IT&N, property, G&A & other costs

H1 12 cb
revenues
interco costs
commercial & content costs **
labour opex**
IT&N, property, G&A & other**
H1 13

* see slide 33 for EBITDA restatements
** see slide 33 for remarks on restated Ebitda
first decrease of labour opex
favourable volume effect

H1 Group labour opex down -0.7%

-0.7%

volume down: decrease in average FTEs* by 1.6%:
- in France, net decrease of c. -1,800 average FTEs* yoy (-1.8%)

moderate wage increase
- 2.6% average salary increase in France
- 3.9% average salary increase outside of France

€153m labour costs avoided in H1 thanks to Senior Part Time plans (vs. €79m last year)

* Full Time Equivalents ; **o/w profit sharing
CAPEX
sustained investments to consolidate our network leadership

<table>
<thead>
<tr>
<th></th>
<th>in €m</th>
<th>actual</th>
<th>CAPEX to sales</th>
<th>Δ vs 1H 12cb</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group CAPEX</td>
<td>2,455</td>
<td>11.9%</td>
<td>+0.6pt</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>1,277</td>
<td>12.7%</td>
<td>+1.2pt</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>237</td>
<td>11.7%</td>
<td>+1.2pt</td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>204</td>
<td>13.0%</td>
<td>+0.6pt</td>
<td></td>
</tr>
<tr>
<td>RoW</td>
<td>398</td>
<td>10.3%</td>
<td>-1.7pt</td>
<td></td>
</tr>
<tr>
<td>Enterprise</td>
<td>149</td>
<td>4.5%</td>
<td>-0.4pt</td>
<td></td>
</tr>
<tr>
<td>ICSS</td>
<td>189</td>
<td>22.7%</td>
<td>+6.6pts</td>
<td></td>
</tr>
</tbody>
</table>

55% of Group Capex allocated to networks

<table>
<thead>
<tr>
<th>Category</th>
<th>1H 12cb</th>
<th>1H 13</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>network</td>
<td>1,323</td>
<td>1,350</td>
<td></td>
</tr>
<tr>
<td>IT</td>
<td>520</td>
<td>498</td>
<td></td>
</tr>
<tr>
<td>CPE's</td>
<td>210</td>
<td>237</td>
<td></td>
</tr>
<tr>
<td>service platform</td>
<td>233</td>
<td>187</td>
<td></td>
</tr>
<tr>
<td>shop real estate &amp; other</td>
<td>146</td>
<td>183</td>
<td></td>
</tr>
</tbody>
</table>

H1-2013 results – July 25th, 2013
tax audit relating to financial year 2005

**prior to 2005**
- Important losses in 2000-2002 leading to provision for impairment of shares of Cogecom, a company holding about sixty subsidiaries and equity interests for its parent company France Télécom SA
  - Losses were treated as non-tax deductible items in the accounts of France Télécom SA

**2005**
- Management decision to simplify the organization: merger of Cogecom holding company into France Télécom SA, leading to the reversal of the provision for impairment of shares of Cogecom
  - To avoid double taxation, reversal not accounted back into the tax earnings of the Group
  - By prudence, the associated €3.0bn deferred tax asset not fully recognized until the tax audit (2010)

**2010**
- Tax audit: recognition of Deferred Tax Assets and a tax liability
  - Deduction of the reversal of the provision on the Cogecom shares disputed by the tax administration
  - Taxes claimed for €1.7bn and recorded as tax liability together with €0.2bn of interest for late payment
  - Finalisation of the recognition of the €3.0bn differed tax asset offsetting the tax claim

**2011**
- Proceedings initiated by France Telecom

**2013**
- Rejection of the Group’s motion for judicial review in legal proceeding by the Montreuil Administrative Court
  - Payment of €1.952bn at the end of July (and payment of approx. €190m for late interest in September).
  - No impact on our result: payment of the tax liability booked in 2010 and interests accrued
- Appeal against this decision will be lodged to the Administrative Appeal Court of Versailles
consequence of the decision on the Group financial equilibrium

- net benefit of nearly €0.9bn after taking late interests into account
- no corporate tax paid in 2009 and 2010 and paid only partially in 2011

- tax liability booked in 2010 and interests accrued

- high level of liquidity maintained by the Group to face such risks

- objective to return to a net debt / Ebitda ratio target of close to 2x at the end of 2014, excluding exceptional items
### net income

Net income impacted primarily by EBITDA decline

<table>
<thead>
<tr>
<th></th>
<th>1H 12 historical</th>
<th>1H13 actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>in €m</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA reported</td>
<td>6,820</td>
<td>6,417</td>
</tr>
<tr>
<td>depreciation &amp; amortization</td>
<td>-3,114</td>
<td>-2,962</td>
</tr>
<tr>
<td>impairment of goodwill &amp; assets</td>
<td>-161</td>
<td>-388</td>
</tr>
<tr>
<td>share of profit (losses) of associates</td>
<td>-57</td>
<td>-74</td>
</tr>
<tr>
<td><strong>operating income</strong></td>
<td>3,488</td>
<td>2,993</td>
</tr>
<tr>
<td>financial result</td>
<td>-697</td>
<td>-669</td>
</tr>
<tr>
<td>tax</td>
<td>-882</td>
<td>-915</td>
</tr>
<tr>
<td><strong>net income</strong></td>
<td>1,909</td>
<td>1,209</td>
</tr>
<tr>
<td>minority interests</td>
<td>171</td>
<td>141</td>
</tr>
<tr>
<td><strong>net income Group share</strong></td>
<td>1,738</td>
<td>1,068</td>
</tr>
</tbody>
</table>

1. termination of customer base amortisation in Spain
2. impairment of goodwill in Belgium for €385m
3. negative year on year impact following the gain on revaluation of the fair value of the commitment to purchase Mobinil’s minorities in H1 12
4. improvement of financial result excl. this effect
5. change in law in France regarding the deductibility of financial interest and new 3% tax on dividend
net debt down almost €1bn in H1 13 excl. tax litigation

-935m€ (-3%)

net debt/ Ebitda* 2.17x

mainly Romania €164m

payments of handset and equipment suppliers bought in H2 previous year

includes non monetary effect on net debt, mainly decrease of accrued interests

29,610

net debt/ Ebitda* 2.21x

2.37x, incl. tax litigation

2013 Opening net debt in m€

EBITDA - Capex

spectrum & licence

net interests paid

income tax paid

change in WCR

other operational items

dividends to ORA shareholders

minorities shareholders remuneration

purchase of own shares

acquisitions & disposal

other financial items

net debt as end of June 2013

-3,962

+369

+1,117

+231

+210

+883

+526

+262

-66

+42

-547

mainly Romania €164m

*calculated by dividing (A) net financial debt, including 50% of the net financial debt of the EE JV in the U.K., by (B) restated EBITDA including 50% of EBITDA of EE JV.

H1-2013 results – July 25th, 2013
**debt**

High liquidity combined with a smooth repayment profile

- High liquidity position of €12.4bn as of June 30, 2013 including €5.9bn in cash
- No significant redemptions for 2013
- Best-in-class average maturity of 9.0 years
- Selective opportunistic issues to optimize maturity and cost of debt (e.g. record-low 1.875% coupon for a 6.5 year maturity in April 2013)
- Given strong liquidity position, tax litigation will be funded from cash resources

### Bonds*/Bank Loans/Leases Repayments end of H1 2013

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>&gt;2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds</td>
<td>1.0</td>
<td>3.9</td>
<td>2.6</td>
<td>2.4</td>
<td>2.6</td>
<td>17.5</td>
</tr>
<tr>
<td>Loans</td>
<td>0.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>18.2</td>
</tr>
</tbody>
</table>

*Excluding TDIRA; **Source Bloomberg

### Debt Structure

- Moody's / S&P / Fitch rating: A3 neg / BBB+ stab / BBB+ stab
- % of net debt with fixed rate: 104%
- % of bond debt in €* (*after derivatives): 88%
- % of gross debt in bonds: 86%

**Average weighted cost of debt in bonds**

- End of H1 2013: 4.93%
- End of H1 2012: 5.29%

### Average Maturity * and Net Debt Evolution

- **H1-2013 results – July 25th, 2013**
H1 2013 France financials
EBITDA margin stabilized with demonstrated cost base reduction

**H1 2013 revenues (-4.0% excl. regulatory impacts)**

<table>
<thead>
<tr>
<th>in €m</th>
<th>2Q13</th>
<th>var in cb</th>
<th>H1 13</th>
<th>var in cb</th>
</tr>
</thead>
<tbody>
<tr>
<td>revenues</td>
<td>5,015</td>
<td>-7.5%</td>
<td>10,084</td>
<td>-6.8%</td>
</tr>
<tr>
<td>mobile services</td>
<td>2,132</td>
<td>-11.5%</td>
<td>4,289</td>
<td>-9.8%</td>
</tr>
<tr>
<td>mobile equipment</td>
<td>112</td>
<td>-10.1%</td>
<td>231</td>
<td>-6.8%</td>
</tr>
<tr>
<td>fixed services</td>
<td>2,645</td>
<td>-3.9%</td>
<td>5,307</td>
<td>-4.1%</td>
</tr>
<tr>
<td>other revenues</td>
<td>126</td>
<td>-8.3%</td>
<td>257</td>
<td>-10.0%</td>
</tr>
<tr>
<td>restated EBITDA*</td>
<td>3,662</td>
<td>-7.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>restated EBITDA margin</td>
<td>36.3%</td>
<td>-0.3pt</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **ARPU** at -12.1% yoy (-6.6% ex reg)
- fixed services revenues trend improvement (-3.2% ex reg vs. -3.6% ex reg in H2 12)
- stabilized EBITDA margin at -0.3pt yoy
  - direct costs decrease driven by market mix adaptation and value centric customer retention policy
  - indirect costs reduction driven by improvement of both customer and intervention processes

**France revenues, in €m**

10,822<br>
10,084<br>

**France restated EBITDA, in €m**

3,960<br>
3,662<br>

*see slide 33 for Ebitda restatements*
Q2 2013 France KPIs
better commercial momentum in mobile contract and fixed broadband

**mobile retail market share**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 12</th>
<th>Q2 12</th>
<th>Q3 12</th>
<th>Q4 12</th>
<th>Q1 13</th>
<th>Q2 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>45.8%</td>
<td>46.3%</td>
<td>46.3%</td>
<td>46.0%</td>
<td>46.2%</td>
<td>46.2%</td>
</tr>
<tr>
<td>Retail</td>
<td>37.6%</td>
<td>37.2%</td>
<td>37.3%</td>
<td>36.5%</td>
<td>36.2%</td>
<td></td>
</tr>
</tbody>
</table>

**best contract net adds excl M2M since 4th player launch**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 12</th>
<th>Q2 12</th>
<th>Q3 12</th>
<th>Q4 12</th>
<th>Q1 13</th>
<th>Q2 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract</td>
<td>-433</td>
<td>-33</td>
<td>+320</td>
<td>+232</td>
<td>+85</td>
<td>+244</td>
</tr>
<tr>
<td>M2M</td>
<td>-387</td>
<td>+193</td>
<td>+167</td>
<td>+133</td>
<td>+171</td>
<td>+170</td>
</tr>
</tbody>
</table>

**improving broadband conquest share**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 12</th>
<th>Q2 12</th>
<th>Q3 12</th>
<th>Q4 12</th>
<th>Q1 13</th>
<th>Q2 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>41.6%</td>
<td>41.3%</td>
<td>41.0%</td>
<td></td>
<td></td>
<td>40.8%</td>
</tr>
<tr>
<td>Active</td>
<td>24.5%</td>
<td>20.3%</td>
<td>15.7%</td>
<td></td>
<td></td>
<td>~20%</td>
</tr>
</tbody>
</table>

**accelerating FTTH net adds, PSTN line losses slowing down**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2Q 12</th>
<th>2Q 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTTH</td>
<td>189</td>
<td>33</td>
</tr>
<tr>
<td>PSTN only</td>
<td>-317</td>
<td>-126</td>
</tr>
<tr>
<td>PSTN&amp;ADSL</td>
<td>-248</td>
<td>-124</td>
</tr>
<tr>
<td>Naked DSL &amp; other</td>
<td>-206</td>
<td>-133</td>
</tr>
</tbody>
</table>

*company estimates (1) network market share, incl. national roamers (2) source : ARCEP
H1 2013 Spain
success of convergence: top line and profitability growing

H1 2013 revenues (+3.9% excl. regulatory impacts)

<table>
<thead>
<tr>
<th>in €m</th>
<th>2Q13</th>
<th>var in cb</th>
<th>H1 13</th>
<th>var in cb</th>
</tr>
</thead>
<tbody>
<tr>
<td>revenues</td>
<td>1,032</td>
<td>+2.5%</td>
<td>2,021</td>
<td>+1.8%</td>
</tr>
<tr>
<td>mobile services</td>
<td>744</td>
<td>-3.6%</td>
<td>1,485</td>
<td>-3.0%</td>
</tr>
<tr>
<td>mobile equipment</td>
<td>75</td>
<td>+51.6%</td>
<td>110</td>
<td>+26.5%</td>
</tr>
<tr>
<td>fixed services</td>
<td>209</td>
<td>+14.8%</td>
<td>418</td>
<td>+15.4%</td>
</tr>
<tr>
<td>other revenues</td>
<td>4</td>
<td>-1.0%</td>
<td>8</td>
<td>-11.3%</td>
</tr>
<tr>
<td>restated EBITDA*</td>
<td>469</td>
<td>+3.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>restated EBITDA margin</td>
<td>23.2%</td>
<td>+0.3pt</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- mobile service revenues stable excl. reg.,
  - contract customer base growth (+9.8% yoy) driven by convergence and Amena / Simyo success
- fixed services up +15.4%
  - record growth of ADSL customers driven by convergence
  - convergent base up to 56% of FBB base (+32pp YoY)
- EBITDA margin improving up to 23.2% thanks to commercial costs optimization and increasing efficiency

strong contract base growth driven by new portfolio of offers

mobile customers in 000s

internet users in 000s

fixed broadband: record customer base growth driven by convergence

customers in 000s

net adds in 000s

*see slide 33 for Ebitda restatements
H1 2013 Poland
strong commercial momentum in Q2 following new offers

H1 2013 revenues (-4.5% excl. regulatory impacts)

<table>
<thead>
<tr>
<th>in €m</th>
<th>2Q13</th>
<th>var in cb</th>
<th>H1 13</th>
<th>var in cb</th>
</tr>
</thead>
<tbody>
<tr>
<td>revenues</td>
<td>786</td>
<td>-9.9%</td>
<td>1,572</td>
<td>-8.8%</td>
</tr>
<tr>
<td>mobile services</td>
<td>378</td>
<td>-10.9%</td>
<td>747</td>
<td>-10.3%</td>
</tr>
<tr>
<td>mobile equipment</td>
<td>10</td>
<td>+15.8%</td>
<td>18</td>
<td>+5.3%</td>
</tr>
<tr>
<td>fixed services</td>
<td>361</td>
<td>-11.5%</td>
<td>734</td>
<td>-9.4%</td>
</tr>
<tr>
<td>other revenues</td>
<td>38</td>
<td>+14.8%</td>
<td>73</td>
<td>+22.5%</td>
</tr>
<tr>
<td>restated EBITDA*</td>
<td>487</td>
<td>-19.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>restated EBITDA margin</td>
<td>31.0%</td>
<td>-4.0pts</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- highest level of mobile contract net adds over 2 years in Q2 driven by Open & NJU
- fixed services revenues
  - trend in Q2 2013 impacted by a high Q2 2012 driven by UEFA
  - BB growth (+6.8%) is underpinned by ARPU (+7.5% yoy)
- other revenues
  - growth in ICT equipment sales
- first results of the medium-term action plan above initial expectations
  - better cash management with PLN 399m of organic cash flow in H1

first positive contract net adds excl. M2M for 2 years

<table>
<thead>
<tr>
<th></th>
<th>2Q 13</th>
<th>var</th>
<th>H1 13</th>
<th>var</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 11 contract net adds excl M2M (k)</td>
<td>+6</td>
<td>+4</td>
<td>+10</td>
<td>+17</td>
</tr>
<tr>
<td>Q4 11 M2M net adds (k)</td>
<td>+30</td>
<td>+36</td>
<td></td>
<td>+30</td>
</tr>
<tr>
<td>Q1 12 contract net adds excl M2M (k)</td>
<td>+13</td>
<td>-12</td>
<td>-35</td>
<td>-5</td>
</tr>
<tr>
<td>Q2 12 M2M net adds (k)</td>
<td>+56</td>
<td>+60</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

fixed broadband: 3P penetration driving ARPU growth

<table>
<thead>
<tr>
<th></th>
<th>2Q12</th>
<th>2Q13</th>
</tr>
</thead>
<tbody>
<tr>
<td>3P penetration on the BB base**</td>
<td>6.4%</td>
<td>13.6%</td>
</tr>
<tr>
<td>quarterly BB ARPU (PLN)</td>
<td>56</td>
<td>60</td>
</tr>
</tbody>
</table>

*see slide 33 for Ebitda restatements **end of June
**H1 2013 Rest of the World**
rebond in emerging revenue growth driven by most mature countries

### H1 2013 revenues (+2.4% excl. regulatory impacts)

<table>
<thead>
<tr>
<th></th>
<th>2Q13</th>
<th>var in cb</th>
<th>H1 13</th>
<th>var in cb</th>
</tr>
</thead>
<tbody>
<tr>
<td>total ROW revenue</td>
<td>1,943</td>
<td>-0.1%</td>
<td>3,877</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Africa &amp; Middle East</td>
<td>1,004</td>
<td>+4.4%</td>
<td>1,995</td>
<td>+3.7%</td>
</tr>
<tr>
<td>European countries</td>
<td>803</td>
<td>-5.4%</td>
<td>1,612</td>
<td>-3.7%</td>
</tr>
<tr>
<td>other countries</td>
<td>141</td>
<td>+1.1%</td>
<td>279</td>
<td>+1.6%</td>
</tr>
<tr>
<td>restated EBITDA*</td>
<td></td>
<td></td>
<td>1,240</td>
<td>-9.8%</td>
</tr>
<tr>
<td>restated EBITDA margin</td>
<td></td>
<td></td>
<td>32.0%</td>
<td>-3.6pts</td>
</tr>
</tbody>
</table>

### Africa & Middle-East
rebond in revenue trend at +4.4% in Q2
- growth driven by Ivory Cost (+10.1%), Senegal (+8.6%) and Egypt (+5.2%)

### European countries
-5.4% revenues in Q2 (-1.4% excl. reg.)
- repriced offers spreading into customer base in Belgium (-6.6% excl. reg.)
- sustained growth in Romania (+3.8% excl. reg.) with a strong commercial momentum (+54k contract net adds)

### EBITDA
down €134m with a margin of 32.0%
- 25% of EBITDA decrease coming from regulatory impact

---

**strong Orange Money customer base growth**

<table>
<thead>
<tr>
<th></th>
<th>Q2 13</th>
<th>Q3 12</th>
<th>Q4 12</th>
<th>Q1 13</th>
<th>Q2 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of mobile base</td>
<td>13%</td>
<td>14%</td>
<td>15%</td>
<td>17%</td>
<td>19%</td>
</tr>
<tr>
<td>% of mobile base</td>
<td>4.3</td>
<td>4.8</td>
<td>5.6</td>
<td>6.6</td>
<td>7.4</td>
</tr>
</tbody>
</table>

**strong contribution of more mature countries in emerging area**

**YoY revenue growth**

<table>
<thead>
<tr>
<th></th>
<th>Q3 12</th>
<th>Q4 12</th>
<th>Q1 13</th>
<th>Q2 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emerging markets</td>
<td>+4.3%</td>
<td>+4.0%</td>
<td>+3.0%</td>
<td>+5.2%</td>
</tr>
<tr>
<td>Senegal</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Egypt</td>
<td></td>
<td></td>
<td></td>
<td>+8.6%</td>
</tr>
</tbody>
</table>

---

*see slide 33 for Ebitda restatements
H1 2013 Entreprise

customer base preserved in an adverse macro-economic environment, difficult market on services

- H1 2013 revenues -4.9%

<table>
<thead>
<tr>
<th>in €m</th>
<th>2Q13</th>
<th>var in cb</th>
<th>H1 13</th>
<th>var in cb</th>
</tr>
</thead>
<tbody>
<tr>
<td>revenues</td>
<td>1,662</td>
<td>-4.5%</td>
<td>3,297</td>
<td>-4.9%</td>
</tr>
<tr>
<td>legacy networks</td>
<td>429</td>
<td>-12.6%</td>
<td>871</td>
<td>-13.4%</td>
</tr>
<tr>
<td>mature networks</td>
<td>696</td>
<td>-0.9%</td>
<td>1,377</td>
<td>-0.7%</td>
</tr>
<tr>
<td>growing networks</td>
<td>106</td>
<td>+6.6%</td>
<td>205</td>
<td>+4.6%</td>
</tr>
<tr>
<td>services</td>
<td>432</td>
<td>-3.6%</td>
<td>843</td>
<td>-3.8%</td>
</tr>
<tr>
<td>restated EBITDA*</td>
<td>517</td>
<td>-12.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>restated EBITDA margin</td>
<td>15.7%</td>
<td>-1.4pt</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- revenues
  - legacy networks: continued change in customer mix towards new solutions and price erosion
  - mature networks: IPVPN customer base preserved
  - growing networks: better trend driven by Videoconferencing
  - services: sluggish environment in France and Europe due to macroeconomic pressure

- EBITDA: revenue decline partially offset by cost savings: network costs optimization and decrease in other costs

Entrepriese restated EBITDA, in €m

IPVPN accesses in France

2Q11: 272 +1.8%
2Q12: 277 +2.3%
2Q13: 283

*see slide 33 for Ebitda restatements
EE: 2.6pt adj EBITDA margin improvement and strong postpaid adds supported by accelerating 4G adoption

Q2 mobile service revenue 0.0% ex regulation, £m

H1 adj EBITDA margin improved to 22.9%, £’m

Solid postpaid net adds*

Increased postpaid smartphone base
% of postpaid base with smartphones

H1-2013 results – July 25th, 2013
thanks
### Details on Revenues

**2Q13** | **H1 13**
---|---
**Group revenue** | 10,323 | -4.8% | -2.5% | 20,603 | -4.5% | -2.2%  
France | 5,015 | -7.5% | -4.7% | 10,084 | -6.8% | -4.0%  
  mobile services | 2,132 | -10.5% | -7.6% | 4,199 | -9.3% | -6.4%  
  handset sales | 112 | -10.1% | -10.1% | 231 | -6.8% | -6.8%  
  fixed services | 2,645 | -3.9% | -3.1% | 5,307 | -4.1% | -3.2%  
  other | 126 | -8.3% | -8.3% | 257 | -10.0% | -10.0%  
Spain | 1,032 | +2.5% | +4.6% | 2,021 | +1.6% | +3.9%  
  mobile services | 744 | -3.6% | -1.0% | 1,485 | -3.0% | -0.1%  
  handset sales | 75 | +51.6% | +51.6% | 110 | +26.5% | +26.5%  
  fixed services | 209 | +14.8% | +14.8% | 418 | +15.4% | +15.4%  
  other | 4 | -1.0% | -1.0% | 8 | -11.3% | -11.3%  
Poland | 786 | -9.9% | -5.7% | 1,572 | -8.6% | -4.5%  
  mobile services | 378 | -7.0% | -3.4% | 747 | -10.3% | -2.8%  
  handset sales | 10 | +15.8% | +15.8% | 18 | +5.3% | +5.3%  
  fixed services | 361 | -11.5% | -10.1% | 734 | -9.4% | -8.3%  
  other | 38 | +14.8% | +14.8% | 73 | +22.5% | +22.5%  
RoW | 1,943 | -0.1% | +1.9% | 3,877 | +0.3% | +2.4%  
  European countries | 803 | -0.6% | +0.4% | 1,612 | +3.7% | +0.6%  
  Africa & Middle-East | 1,032 | -4.4% | -4.7% | 1,995 | +3.7% | +4.0%  
  other | 141 | +1.1% | +1.5% | 279 | +1.6% | +2.0%  
Enterprise | 1,662 | -4.5% | -4.5% | 3,297 | -4.9% | -4.9%  
  IC&SS | 429 | -4.5% | -4.5% | 830 | +2.0% | +2.0%  
  eliminations | -539 | -1.1% | -1.1% | -1,078 | -2.5% | -2.5% 

*H1-2013 results – July 25th, 2013*
restated EBITDA by geographies

<table>
<thead>
<tr>
<th>in €m</th>
<th>actual</th>
<th>% yoy cb</th>
<th>margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group EBITDA</td>
<td>6,417</td>
<td>-7.6%</td>
<td>31.1%</td>
</tr>
<tr>
<td>France</td>
<td>3,662</td>
<td>-7.5%</td>
<td>36.3%</td>
</tr>
<tr>
<td>Spain</td>
<td>469</td>
<td>+3.1%</td>
<td>23.2%</td>
</tr>
<tr>
<td>Poland</td>
<td>487</td>
<td>-19.0%</td>
<td>31.0%</td>
</tr>
<tr>
<td>RoW</td>
<td>1,240</td>
<td>-9.8%</td>
<td>32.0%</td>
</tr>
<tr>
<td>Enterprise</td>
<td>517</td>
<td>-12.7%</td>
<td>15.7%</td>
</tr>
<tr>
<td>IC&amp;SS</td>
<td>43</td>
<td>nm</td>
<td>nm</td>
</tr>
</tbody>
</table>
## Q2 13 EBITDA restatements

### EBITDA restated

<table>
<thead>
<tr>
<th></th>
<th>Q2 12cb</th>
<th>Q2 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA restated</td>
<td>3,597</td>
<td>3,293</td>
</tr>
<tr>
<td>litigations</td>
<td>+134</td>
<td>+13</td>
</tr>
<tr>
<td>labour related</td>
<td></td>
<td></td>
</tr>
<tr>
<td>free share plan</td>
<td>-180</td>
<td>-39</td>
</tr>
<tr>
<td>senior part time</td>
<td>-167</td>
<td>-39</td>
</tr>
<tr>
<td>other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OTMT indemnity</td>
<td>-116</td>
<td></td>
</tr>
<tr>
<td>EBITDA reported</td>
<td>3,435</td>
<td>3,267</td>
</tr>
</tbody>
</table>

### Remarks on restated Q2 EBITDA

- €10m of content provision used in Q2 13 vs. €39m used in Q2 12 (commercial costs & content item)
- TPS provision of €42m used in Q2 13 vs. €58m used in Q2 12 (labour opex item)
- no content provision used in Q2 13 vs. €7m used in Q1 12 (other costs item)
- capitalization effect on boxes neutralized between “commercial costs” and “other”
# H1 13 EBITDA restatements

<table>
<thead>
<tr>
<th></th>
<th>H1 12cb</th>
<th>H1 13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA restated</strong></td>
<td>6,943</td>
<td>6,417</td>
</tr>
<tr>
<td><strong>litigations</strong></td>
<td>+44</td>
<td>+13</td>
</tr>
<tr>
<td><strong>labour related</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>free share plan</td>
<td>-205</td>
<td>-78</td>
</tr>
<tr>
<td>senior part time</td>
<td>-179</td>
<td>-78</td>
</tr>
<tr>
<td><strong>other</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OTMT indemnity</td>
<td>-116</td>
<td></td>
</tr>
<tr>
<td>Austria disposal</td>
<td></td>
<td>+65</td>
</tr>
<tr>
<td><strong>EBITDA reported</strong></td>
<td>6,666</td>
<td>6,417</td>
</tr>
</tbody>
</table>

- remarks on restated H1 EBITDA
  - €20m of content provision used in H1 13 vs. €98m used in H1 12 (commercial costs & content item)
  - TPS provision of €113m used in H1 13 vs. €79m used in H1 12 (labour opex item)
  - no content provision used in H113 vs. €25m used in H1 12 (other costs item)
  - capitalization effect on boxes neutralized between “commercial costs” and “other”
delivering on cost efficiency
Opex decrease with reduction of indirect costs

yoy change in Group Opex base, in €m

-422m€

14 627
-263
14 186

H1 12cb
H1 13a

-312m€
-110m€

interconnection
direct
commercial &
content costs
labour costs
other indirect
costs
gain/loss on assets disposals

direct costs
indirect costs

direct costs
-312m€
indirect costs
-110m€
Q2 2013 Group EBITDA

reduction of direct and indirect costs mitigating pressure on revenues

change in EBITDA*

in €m

-1.3pt

33.1%

3,597

-526 +104 +44 +48 +26

3,293

Q2 12 cb

Q2 13

-€422m o/w -€102m regulatory effects

- regulatory pressure still weighing on profitability
- ~40% of revenues erosion compensated by cost reduction
- direct costs down (-5% yoy)
  - commercial costs up €8m while handset sales up €25m
- reduction of indirect costs (€92m yoy)
  - effective control over labour costs
  - savings in IT&N, property, G&A & other costs

* see slide 33 for EBITDA restatements
** see slide 33 for remarks on restated Ebitda
### Cash Flow Statement

*in €m*

<table>
<thead>
<tr>
<th></th>
<th>2012 H1a</th>
<th>2012a</th>
<th>2013 H1a</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>revised EBITDA</strong> – CAPEX</td>
<td>4,544</td>
<td>7,967</td>
<td>3,962</td>
</tr>
<tr>
<td>licences &amp; spectrum</td>
<td>-1,111</td>
<td>-1,255</td>
<td>-231</td>
</tr>
<tr>
<td>net interest expense cash out and dividends received</td>
<td>-920</td>
<td>-1,370</td>
<td>-1,117</td>
</tr>
<tr>
<td>income taxes cash out</td>
<td>-748</td>
<td>-1,145</td>
<td>-369</td>
</tr>
<tr>
<td>change in WCR</td>
<td>-618</td>
<td>-56</td>
<td>-883</td>
</tr>
<tr>
<td>other operational items</td>
<td>-745</td>
<td>-969</td>
<td>-210</td>
</tr>
<tr>
<td>dividends paid to owners of parent company</td>
<td>-2,104</td>
<td>-3,632</td>
<td>-526</td>
</tr>
<tr>
<td>dividends paid to non controlling interests</td>
<td>-316</td>
<td>-583</td>
<td>-262</td>
</tr>
<tr>
<td>purchase of own shares</td>
<td>-71</td>
<td>-94</td>
<td>+66</td>
</tr>
<tr>
<td>acquisitions and disposal</td>
<td>1,635</td>
<td>1,518</td>
<td>-42</td>
</tr>
<tr>
<td>other financial items</td>
<td>167</td>
<td>-36</td>
<td>547</td>
</tr>
<tr>
<td><strong>variation in net debt</strong></td>
<td>-287</td>
<td>345</td>
<td>935</td>
</tr>
<tr>
<td><strong>net debt</strong></td>
<td>-31,177</td>
<td>-30,545</td>
<td>-29,610</td>
</tr>
<tr>
<td><strong>adjusted net debt/EBITDA</strong></td>
<td>2.11x</td>
<td>2.17x</td>
<td>2.21x</td>
</tr>
<tr>
<td><strong>adjusted net debt/EBITDA</strong></td>
<td></td>
<td></td>
<td>2.37x</td>
</tr>
<tr>
<td>including tax litigation</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**
1. mainly Romania in 1H 13 (-€164m)
2. less dividend received from EE (exceptional dividend of €155m in 1H12)
3. lower fiscal result used to calculate interim tax payment
4. 1H13 YoY deterioration mainly due to an increase in receivables, following increasing weight of wholesale activities in France
5. 1H12 included -€550m related to DPTG litigation settlement
6. includes non monetary effect on net debt, mainly positive variance of accrual interests and derivatives impacts vs. 2012
7. tax litigation represents a +0.16x increase on the adjusted net debt/EBITDA ratio

**calculated by dividing (A) net financial debt, including 50% of the net financial debt of the EE JV in the U.K., by (B) restated EBITDA including 50% of EBITDA of EE JV.**