#Q1_2015

Orange financial results

Ramon Fernandez
Deputy CEO, Chief Financial and Strategy Officer

28th April 2015
This presentation contains forward-looking statements about Orange. Although we believe these 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 assurance that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could cause actual results to differ from the results anticipated in the forward-looking statements include, among others: the success of Orange’s strategy, particularly with respect to customer relations when facing competition with OTT players, Orange’s ability to withstand intense competition in mature markets and business activities, its ability to capture growth opportunities in emerging markets and the risks specific to those markets, the poor economic conditions prevailing in particular in France and in Europe and in certain other markets in which Orange operates, the effectiveness of Orange’s action plans for human resources, and the success of Orange’s other strategic, operational and financial initiatives, risks related to information and communications technology systems resulting in particular from cyber-attacks, technical failures of or damage caused to networks, loss or theft of data and fraud, health concerns surrounding telecommunications equipment and devices, fiscal and regulatory constraints and changes, and the results of litigation regarding regulations, competition and other matters, the success of Orange’s French and international investments, joint ventures and strategic partnerships in situations in which it may not have control of the enterprise, and in countries presenting additional risk, Orange’s credit ratings, its ability to access capital markets and the state of capital markets in general, exchange rate or interest rate fluctuations, and changes in assumptions underlying the carrying amount value of certain assets and resulting in their impairment. More detailed information on the potential risks that could affect our financial results will be found in the Registration Document filed with the French Autorité des Marchés Financiers (AMF) on April 7, 2015 and in the annual report on Form 20-F filed with the U.S. Securities and Exchange Commission on April 14, 2015. Forward-looking statements speak only as of the date they are made. Other than as required by law (in particular pursuant to sections 223-1 and seq. of the General Regulations of the AMF), Orange does not undertake any obligation to update them in light of new information or future developments.
Q1 2015 highlights
Q1 2015 achievements

revenue
€9.7bn
-0.9% yoy
-0.3% ex reg yoy

Capex
€1.2bn
12.3% of revenues

mobile net adds
+2.9m
qoq
of which +0.7m contract

EBITDA*
€2.9bn
-1.9% yoy
30.1% of revenues

yoY : comparison with the same period of the previous year, on a comparable basis
qoq : comparison with the previous quarter, on a comparable basis

* in this presentation, EBITDA stands for restated EBITDA unless otherwise specified, see slide 25 for EBITDA restatements
Sustained commercial performance across the Group

**4G customers in millions**

- **France**: 4.5m (+0.8m in Q1 15)
- **Spain**: 2.9m (+0.6m in Q1 15)
- **Poland**: 0.9m (+0.3m in Q1 15)
- **Belgium**: 0.6m (+0.1m in Q1 15)
- **Romania**: 0.5m (+0.1m in Q1 15)
- **Slovakia**: 0.3m (+0.1m in Q1 15)

**FTTH customers in thousand**

- **France**: 638k (+75k in Q1 15)
- **Spain**: 113k (x2 in Q1 15)

**Africa & Middle East**

- **101m mobile customers**
- **13.3m Orange Money customers**

**Enterprise**

- **Cloud services**: +26% Q1 15 yoy revenue growth
- **Security services**: +30% Q1 15 yoy revenue growth

Q1 2015 results, 28th April 2015
Confirmed improved revenue trend in Europe & sustained growth in Africa and the Middle-East

Q1’15 revenue
€9.7bn

Q1 2015 vs Q1 2014
-0.9% yoy cb
-3.8% yoy cb
-0.3% ex. reg.

by activity
€4.2bn mobile services
-3.2%
€1.4bn fixed BB
-3.0%
€1.8bn fixed legacy & other fixed
-2.0%
€2.0bn enterprise & others
-1.8%

by segment
IC&SS €462m
Enterprise €1,546m
Africa & Middle-East €1,124m
Other European countries €396m
Bel+Lux €302m
Poland €699m
Spain €928m
France €4,722m

France revenue
-3.9%
Q1 2015

Q1 2015 results, 28th April 2015
EBITDA decrease halved in absolute value with maintained efforts on cost savings

**Q1’15 EBITDA**

€2.9bn
30.1% of rev.

<table>
<thead>
<tr>
<th></th>
<th>Q1 2015</th>
<th>Q1 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in €m)</td>
<td>-1.9% yoy cb</td>
<td>-3.8% yoy cb</td>
</tr>
<tr>
<td></td>
<td>-€55m yoy cb</td>
<td>-€120m yoy cb</td>
</tr>
</tbody>
</table>

**EBITDA evolution**

<table>
<thead>
<tr>
<th></th>
<th>Q1’14 cb</th>
<th>revenues</th>
<th>direct costs</th>
<th>indirect costs</th>
<th>Q1’15</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in €m)</td>
<td>2,971</td>
<td>-90</td>
<td>-37</td>
<td>+71</td>
<td>2,916</td>
</tr>
</tbody>
</table>

**Group average FTE**

* Full Time Equivalent

** comparable basis: -6.6% historical basis, mainly due to Kenya and the Dominican Republic

<table>
<thead>
<tr>
<th></th>
<th>Q1’14</th>
<th>Q1’15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>88.9k</td>
<td>55.9k</td>
</tr>
<tr>
<td></td>
<td>-4.2%</td>
<td>-4.0%</td>
</tr>
</tbody>
</table>

**Focus on indirect cost savings**

- Sustained efforts on indirect cost savings excl. AME
- Increase in AME to support growth

**Q1 2015 EBITDA**

€2.9bn
30.1% of rev.

**Relevant Changes**

- Q1 2015 results, 28th April 2015
Increased CAPEX on FTTH to support future growth

Q1’15 CAPEX
€1.2bn
12.3% of rev.

Q1 2015
+3.0% yoy cb

Q1 2014
+1.6% yoy cb

FTTH homes connectable
- France 3.9m
- Spain 0.9m
- Poland 0.1m

4G coverage in % of pop.
- France 76%
- Spain 73%
- Poland 72%
- Belgium 92%
- Romania 65%

Q1 2015 results, 28th April 2015
business review
Q1 2015 France financials
Better revenue trend with fixed and mobile ARPU decrease slowing down

better mobile revenues trend confirmed in Q4
- customer base mix continued to improve supported by 4G/4G+ network coverage
- improved customer loyalty with the lowest contract churn rate since 2010 (14.2%)
- European roaming tariffs cut negatively impacted revenues and EBITDA
- mobile equipment revenues growth

fixed services benefiting from VHBB dynamism
- growing BB customer base (+2.8% yoy) supported by FTTH (+75% yoy)
- convergent offers success continued, negatively impacting BB ARPU (-1.4% yoy)
- wholesale increase due to volume effect of unbundled lines and fiber growth
- -1.3m PSTN lines lost (-12.5% yoy) vs. 1.5m in 1Q14 yoy

Quarterly revenues evolution (% yoy)
- Q4 13: -7.0%
- Q1 14: -4.2%
- Q2 14: -3.1%
- Q3 14: -1.8%
- Q4 14: -1.8%
- Q1 15: -5.0%

Broadband ARPU evolution (annual rolling, % yoy)
- Q1 14: -2.5%
- Q2 14: -2.1%
- Q3 14: -2.0%
- Q4 14: -1.4%
- Q1 15: -1.4%

Mobile ARPU evolution (annual rolling, % yoy)
- Q1 14: -10.4%
- Q2 14: -9.2%
- Q3 14: -8.9%
- Q4 14: -7.2%
- Q1 15: -6.4%

Divided by 2 in Q1’15
Mobile services revenues decrease divided by 2 in Q1’15
(-€94m vs. -€209m in Q1’14)

Fixed BB revenues
+1.1% yoy (+€11m)
Fixed wholesale revenues
+5.1% yoy (+€48m)
Q1 2015 France mobile KPIs
Strong mobile contract momentum with improving loyalty

91% of customers repriced on post April 2013 tariff plan
61% of consumer voice contract are on premium* offers
42% of consumer voice contract are on Open offers
39% of consumer voice contract are on SIM-only offers

19.4% 19.0% 18.5% 17.6% 16.3% 15.5% 15.2% 14.8% 14.2%

contract net adds excl. M2M (in '000s)
contract churn rate

1Q13 2Q13 3Q13 4Q13 1Q14 2Q14 3Q14 4Q14 1Q15

+166 +298 +240 +85 +59 +219 +256 +164

4G customers in millions
0.1 0.3 1.0 1.4 2.0 2.7 3.7 4.5
Q213 Q313 Q413 Q114 Q214 Q314 Q414 Q115

7,262 customers
75.5% coverage in % of pop.
17 towns covered with 4G+

* Origami & Open
Q1 2015 France fixed KPIs
FTTH accelerating BB customer base growth

FTTH net adds (in '000s)  ADSL* net adds (in '000s)  BB conquest share

15.5% 27.5% 27.1% 21.9% 10.8% 19.5% 33.1% 31.0% ~25%**

10.421m +2.8% yoy
broadband customers

FTTH ▶638k customers +74.8% yoy

47% of BB customers have a 4P offer +7 pts yoy

37% of BB customers are on premium*** offers +7 pts yoy

3.932m +1.2m yoy
FTTH homes connectable

49% of FTTH net adds are new customers

1Q13  2Q13  3Q13  4Q13  1Q14  2Q14  3Q14  4Q14  1Q15
+41  +41  +71  +62  +31  +35  +85  +95  +67

+30  +33  +34  +45  +47  +50  +65  +82  +75

+11  +8  +36  +17  +15  +20  +13  -8

* and others (satellite...)  ** Orange estimates  *** Play and Jet

Q1 2015 results, 28th April 2015
Q1 2015 Europe

Revenues

<table>
<thead>
<tr>
<th></th>
<th>Q1 14</th>
<th>Q1 15</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>in €m</td>
<td>cb</td>
<td>actual</td>
<td>yoy cb</td>
</tr>
<tr>
<td>revenues</td>
<td>2,408</td>
<td>2,324</td>
<td>-3.5%</td>
</tr>
<tr>
<td>excl. regulation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>mobile services</td>
<td>1,575</td>
<td>1,471</td>
<td>-6.6%</td>
</tr>
<tr>
<td>mobile equipment</td>
<td>192</td>
<td>219</td>
<td>+13.8%</td>
</tr>
<tr>
<td>fixed services</td>
<td>611</td>
<td>593</td>
<td>-2.9%</td>
</tr>
<tr>
<td>other revenues</td>
<td>30</td>
<td>40</td>
<td>+34.0%</td>
</tr>
</tbody>
</table>

Q1 2015 revenues

€2.3bn
24.0% of Group revenues

Mobile services revenues (yoy growth)

<table>
<thead>
<tr>
<th></th>
<th>Q1'14</th>
<th>Q2'14</th>
<th>Q3'14</th>
<th>Q4'14</th>
<th>Q1'15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-9.4%</td>
<td>-12.4%</td>
<td>-6.0%</td>
<td>-6.6%</td>
<td></td>
</tr>
</tbody>
</table>

Postpaid net adds in Q1

- +169k in Spain
- +48k in Poland

TV customer base

190k subscribers in Romania
+21% qoq
Q1 2015 Spain
Convergence and 4G driving positive commercial performance

- customer base continues to grow driven by positive commercial momentum
  - contract customer base growth (+5.8% YoY) with 2.9 million 4G customers
  - double-digit FBB customer base growth (+13.4%) in Q1 pushed by convergent tariffs and FTTH
  - mobile ARPU trend improving along last 4 quarters
  - fixed revenues keep growing thanks to fixed broadband growth (+9.4% YoY)

Revenues in €m:
- Q1 14: 977
- Q1 15: 928
- change yoy: -5.0%
  - Excl. regulation: -3.8%
- Mobile services: 630 (569) -9.6%
- Mobile equipment: 125 (127) +2.0%
- Fixed services: 220 (230) +4.6%
- Other revenues: 2 (1) n.s

4G customers in millions:
- Q413: 0.5
- Q114: 1.0
- Q214: 1.3
- Q314: 1.8
- Q414: 2.3
- Q115: 2.9

Broadband customers:
- Q413: 73%
- Q114: 73%
- Q214: 73%
- Q314: 73%
- Q414: 73%
- Q115: 73%

FTTH customers:
- Q1: 113k
- yoy: +30 pts

- 92% of mobile B2C contract customers on SIMO
- 80% of fixed broadband customers on convergent offers

Q1 2015 results, 28th April 2015
Q1 2015 Poland
Sequentially improving revenue trends in both mobile and fixed

<table>
<thead>
<tr>
<th></th>
<th>Q1 14 in €m</th>
<th>Q1 15 in €m</th>
<th>change yoy in %</th>
<th>mobile services revenues improving sequentially at -4.9% in Q1 15 after -5.3% in Q4 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>revenues</td>
<td>711 cb</td>
<td>699</td>
<td>-1.7%</td>
<td>- prepaid ARPU up +1.7%</td>
</tr>
<tr>
<td>excl. regulation</td>
<td></td>
<td></td>
<td></td>
<td>- postpaid base up +5%</td>
</tr>
<tr>
<td>mobile services</td>
<td>343</td>
<td>326</td>
<td>-1.1%</td>
<td>- continuous growth in VHBB base, with main effort on migration from ADSL</td>
</tr>
<tr>
<td>mobile equipment</td>
<td>10</td>
<td>33</td>
<td>+218.6%</td>
<td>- continued effectiveness of convergence strategy, with +52k Q1 15 net adds in Open</td>
</tr>
<tr>
<td>fixed services</td>
<td>339</td>
<td>312</td>
<td>-8.1%</td>
<td>customers, resulting in 27% penetration in xDSL base</td>
</tr>
<tr>
<td>other revenues</td>
<td>19</td>
<td>28</td>
<td>+52.2%</td>
<td>- +0.5% upturn in broadband ARPU reflecting better customer mix</td>
</tr>
</tbody>
</table>

**fixed revenues improving sequentially at -8.1% in Q1 15 after -10.0% Q4 14**
- continuous growth in VHBB base, with main effort on migration from ADSL
- continued effectiveness of convergence strategy, with +52k Q1 15 net adds in Open customers, resulting in 27% penetration in xDSL base
- +0.5% upturn in broadband ARPU reflecting better customer mix

**convergence: continuous momentum in open customers**
in ‘000s and in % of BB base

<table>
<thead>
<tr>
<th>Q1 14</th>
<th>Q2 14</th>
<th>Q3 14</th>
<th>Q4 14</th>
<th>Q1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>352</td>
<td>418</td>
<td>480</td>
<td>539</td>
<td>591</td>
</tr>
<tr>
<td>15%</td>
<td>18%</td>
<td>21%</td>
<td>24%</td>
<td>27%</td>
</tr>
</tbody>
</table>

**fixed: steady growth in VHBB customers**
in ‘000s and in % of xDSL base

<table>
<thead>
<tr>
<th>Q1 14</th>
<th>Q2 14</th>
<th>Q3 14</th>
<th>Q4 14</th>
<th>Q1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>94</td>
<td>116</td>
<td>140</td>
<td>174</td>
<td>207</td>
</tr>
<tr>
<td>4%</td>
<td>5%</td>
<td>7%</td>
<td>8%</td>
<td>10%</td>
</tr>
</tbody>
</table>

**fixed: upturn in broadband ARPU**
in €/month and in % yoy evolution

<table>
<thead>
<tr>
<th>Q1 14</th>
<th>Q2 14</th>
<th>Q3 14</th>
<th>Q4 14</th>
<th>Q1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.5</td>
<td>14.5</td>
<td>14.5</td>
<td>14.3</td>
<td>14.5</td>
</tr>
<tr>
<td>1.3%</td>
<td>0.5%</td>
<td>-0.2%</td>
<td>-0.8%</td>
<td>0.5%</td>
</tr>
</tbody>
</table>
Revenue trend improving again for the 5th quarter in a row

- trend in consolidated revenues ex-reg. improving at -2.7% vs. -9.2% last quarter
- mobile services ex-reg. slightly positive at +0.5% in 1Q15 vs. +0.7% last quarter
  - Belgium postpaid ARPU up +4.0% vs. +1.9% in 4Q14
- progress on strategy to create levers for future growth
  - Belgium’s leader in 4G coverage with 92% outdoor and 72% indoor
  - Mobistar’s 4G postpaid base up +19%, reaching 1 out of 4 postpaid subs

<table>
<thead>
<tr>
<th>in €m</th>
<th>Q1 14 cb</th>
<th>Q1 15 actual</th>
<th>change yoy cb</th>
</tr>
</thead>
<tbody>
<tr>
<td>revenues</td>
<td>317</td>
<td>302</td>
<td>-4.6%</td>
</tr>
<tr>
<td>excl. regulation</td>
<td></td>
<td></td>
<td>-2.7%</td>
</tr>
<tr>
<td>mobile services</td>
<td>252</td>
<td>247</td>
<td>-1.9%</td>
</tr>
<tr>
<td>mobile equipment</td>
<td>38</td>
<td>32</td>
<td>-15.5%</td>
</tr>
<tr>
<td>fixed services</td>
<td>25</td>
<td>21</td>
<td>-15.7%</td>
</tr>
<tr>
<td>other revenues</td>
<td>2</td>
<td>2</td>
<td>n.s</td>
</tr>
</tbody>
</table>

- mobile: stabilization in postpaid net-adds (ex. M2M) in 000s
- mobile: improvement in Belgium quarterly postpaid ARPU in % yoy evolution
- mobile: rapid growth in active 4G base in 000s and in % of total subs
Q1 2015 Other European countries

Positive revenues growth ex-reg in Romania, Slovakia and Moldova

- improving ex-reg. revenue growth performance
  - +6.4% in Romania (56% of sub-segment), vs. +4.5% last quarter
  - +0.3% in Slovakia (35% of sub-segment), vs. +1.6% last quarter
  - +11.6% in Moldova (8% of sub-segment), vs. +8.4% last quarter

- trend in mobile services revenues sequentially improving for the 3rd quarter in a row

- churn improving in 3 out of 4 countries

<table>
<thead>
<tr>
<th>in €m</th>
<th>Q1 14 cb</th>
<th>Q1 15 actual</th>
<th>change yoy cb</th>
</tr>
</thead>
<tbody>
<tr>
<td>revenues</td>
<td>405</td>
<td>396</td>
<td>-2.2%</td>
</tr>
<tr>
<td>excl. regulation</td>
<td></td>
<td></td>
<td>+4.5%</td>
</tr>
<tr>
<td>mobile services</td>
<td>351</td>
<td>330</td>
<td>-6.0%</td>
</tr>
<tr>
<td>mobile equipment</td>
<td>19</td>
<td>26</td>
<td>+40.2%</td>
</tr>
<tr>
<td>fixed services</td>
<td>27</td>
<td>30</td>
<td>+12.0%</td>
</tr>
<tr>
<td>other revenues</td>
<td>8</td>
<td>9</td>
<td>n.s</td>
</tr>
</tbody>
</table>

improving trend in mobile services revenues
YoY change (%)

Q1 14 Q2 14 Q3 14 Q4 14 Q1 15
2.0 0.1 1.9 3.7 4.5

improving trend in mobile services revenues
YoY change (%)

Q1 14 Q2 14 Q3 14 Q4 14 Q1 15
-8.3 -7.1 -6.5 -6.0

mobile: improving churn in 3 countries out of 4
YoY change (pts)

-2.9pts in Slovakia
-2.1pts in Moldova
-4.9pts in Armenia

Q1 2015 results, 28th April 2015
# Q1 2015 Africa & Middle East

**Solid revenue growth driven by mobile customer base and data usage**

<table>
<thead>
<tr>
<th></th>
<th>Q1 14 cb</th>
<th>Q1 15 actual</th>
<th>change yoy cb</th>
</tr>
</thead>
<tbody>
<tr>
<td>revenues</td>
<td>1,053</td>
<td>1,124</td>
<td>+6.8%</td>
</tr>
<tr>
<td>excl. regulation</td>
<td></td>
<td></td>
<td>+6.9%</td>
</tr>
<tr>
<td>mobile services</td>
<td>824</td>
<td>899</td>
<td>+9.2%</td>
</tr>
<tr>
<td>mobile equipment</td>
<td>17</td>
<td>17</td>
<td>0.0%</td>
</tr>
<tr>
<td>fixed services</td>
<td>189</td>
<td>185</td>
<td>-2.1%</td>
</tr>
<tr>
<td>other revenues</td>
<td>24</td>
<td>24</td>
<td>n.s</td>
</tr>
</tbody>
</table>

## Sustained revenues growth
- 6 out of 13 countries with double digit growth
- driven by Ivory Coast, Egypt, Mali, Congo and Guinea
- half of the mobile services yoy growth is coming from data

## Commercial
- Thanks to +3.1m mobile customers in Q1’15, >10% yoy mobile customer base at 100.6m with significant growth in Mali, Congo, Ivory Coast, Guinea and Cameroon
- 4G launched in Botswana in February; 2 countries with 4G end of Q1
- 13.3m Orange Money customers (+48% yoy) generating +84% revenues yoy

## Key contributors to revenue growth

Q1 yoy revenue growth in % and €m

<table>
<thead>
<tr>
<th></th>
<th>€1.1bn revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>Others</td>
</tr>
<tr>
<td>Guinea</td>
<td>Others</td>
</tr>
<tr>
<td>Jordan</td>
<td>Others</td>
</tr>
<tr>
<td>Others</td>
<td>Others</td>
</tr>
</tbody>
</table>

**Africa & Middle East +6.8%**

### Others
- Guinea
- Cameroon
- Jordan
- Ivory Coast
- Senegal

**101m mobile customers**

- Egypt
- Senegal
- Mali
- Ivory Coast
- Guinea
Q1 2015 Enterprise
Legacy activities in line with overall 2014 trends

- **voice** revenues were in line with overall 2014 trend as migrations towards VoIP solutions maintained pressure on the topline
- **data services** revenues were also in line with overall 2014 trends, with price pressure on IPVPN partially compensated by slightly higher volumes
- Growth in **IT & Integration services** slowed down due to deliverables phasing. Security and Cloud services continued to perform well

<table>
<thead>
<tr>
<th>in €m</th>
<th>Q1 14 cb</th>
<th>Q1 15 actual</th>
<th>change yoy cb</th>
</tr>
</thead>
<tbody>
<tr>
<td>revenues</td>
<td>1,600</td>
<td>1,546</td>
<td>-3.4%</td>
</tr>
<tr>
<td>voice</td>
<td>415</td>
<td>386</td>
<td>-7.0%</td>
</tr>
<tr>
<td>data</td>
<td>750</td>
<td>724</td>
<td>-3.5%</td>
</tr>
<tr>
<td>IT &amp; Integration services</td>
<td>435</td>
<td>436</td>
<td>+0.3%</td>
</tr>
</tbody>
</table>

- **voice** services yoy access growth in France
  - XoIP
    - +7.3% Q1 14
    - +18.2% Q1 15
  - PSTN
    - -7.7% Q1 14
    - -6.6% Q1 15

- **data services**
  - IPVPN accesses in France in thousands
  - +0.9% Q1 15 compared to Q1 14

- **IT services (cloud and security)**
  - Q1 2015 yoy revenue growth
  - +26% Cloud
  - +30% Security

*+18.2% growth mainly due to a contract extension signed in Q4
2015 guidance
2015 Restated EBITDA €11.9bn - €12.1bn

2015 dividend €0.60**
interim payment €0.20 in December 2015

net debt / EBITDA* around 2x in the medium term

selective M&A policy, focus on existing footprint

2014 dividend balance of €0.40

* 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 the EBITDA of EE JV

** subject to shareholders’ approval

subject to the Annual General Meeting of Shareholders approval ex-date June 8th, record date June 9th, payment date June 10th
appendices
EE: improving underlying operating revenue and continued strong customer retention

**Q1 operating revenue +0.3% ex. regulation, £m**

<table>
<thead>
<tr>
<th></th>
<th>Q1/14</th>
<th>regulation</th>
<th>Q1/14</th>
<th>postpaid</th>
<th>prepaid</th>
<th>fixed &amp; w’sale</th>
<th>Q1/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1,486</td>
<td>-21</td>
<td>1,465</td>
<td>+12</td>
<td>-18</td>
<td>+0.3%</td>
<td>1,469</td>
</tr>
</tbody>
</table>

**Sustained low postpaid churn**

<table>
<thead>
<tr>
<th></th>
<th>Q1/13</th>
<th>Q2/13</th>
<th>Q3/13</th>
<th>Q4/13</th>
<th>Q1/14</th>
<th>Q2/14</th>
<th>Q3/14</th>
<th>Q4/14</th>
<th>Q1/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1,486</td>
<td>1,465</td>
<td>1,465</td>
<td>1,486</td>
<td>1,465</td>
<td>1,465</td>
<td>1,465</td>
<td>1,465</td>
<td>1,469</td>
</tr>
</tbody>
</table>

**Insights**

- Q1 underlying operating revenue +0.3% yoy, with postpaid and fixed growth offsetting prepaid decline
- 4G base of 9.3m; addition of 1.7m 4G customers in Q1
- Strong customer retention; churn 1.2%, 16th quarter at 1.2% or below
- Q1 fixed-line 50k net adds, best ever since formation of EE

**Initiatives**

- Announced 3 year £1.5bn investment programme to further improve coverage
- 4G pop. coverage 87%, double-speed 4G of 67%
- Launched WiFi calling to improve in-building coverage

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* monthly average (3 month rolling)
# EBITDA restatements

Q1 2015 results, 28th April 2015

<table>
<thead>
<tr>
<th>in €m</th>
<th>Q1'14 cb</th>
<th>Q1'15 actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA restated</td>
<td>2,971</td>
<td>2,916</td>
</tr>
<tr>
<td>restructuring</td>
<td>-14</td>
<td>-</td>
</tr>
<tr>
<td>litigations</td>
<td>-300</td>
<td>-23</td>
</tr>
<tr>
<td>labour related</td>
<td>-36</td>
<td>-71</td>
</tr>
<tr>
<td>o\w Senior Part Time</td>
<td>-36</td>
<td>-38</td>
</tr>
<tr>
<td>o\w Holiday pay</td>
<td>-34</td>
<td>-</td>
</tr>
<tr>
<td>EBITDA reported</td>
<td>2,635</td>
<td>2,808</td>
</tr>
</tbody>
</table>

1. **mainly related to distribution network restructuring and to departure plans**
2. **related to new calculation methods on Holiday pay**