

6.1 Share capital

6.1.1 Amount and history of the share capital

At December 31, 2015, the share capital of Orange SA was 10,595,541,532 euros. It was divided into 2,648,885,383 fully-paid

shares with a nominal value of four euros each. The amount of the share capital has remained unchanged over the last three fiscal years.

6.1.2 Shares giving access to the capital

On March 3, 2003, under the terms of the 2002 agreement ending the partnership with MobilCom to develop the mobile business in Germany, Orange issued 430,705 perpetual bonds redeemable for shares (*TDIRA*), with a nominal value of 14,100 euros for an overall amount of 6,073 million euros, reserved for members of the banking syndicate and for equipment suppliers of MobilCom. See Note 10.3 *TDIRA* to the consolidated financial statements.

Potential issue of new shares

The table below shows the number of new shares which would be issued if all securities giving access to capital, outstanding as at December 31, 2015, were converted or redeemed in shares and all stock options existing on the same date were exercised, as well as the number of shares that would make up the Company's capital following the issue of these shares.

	Corresponding shares	% of the capital (on a fully diluted basis)
Perpetual bonds redeemable for shares ⁽¹⁾	52,079,350	1.92
Stock options ⁽²⁾	8,383,170	0.31
Sub-total	60,462,520	2.23
Capital at December 31, 2015	2,648,885,383	97.77
Total	2,709,347,903	100.00

(1) See Note 10.3 to the consolidated financial statements (Section 4.1).

(2) See Section 5.3.1 and Note 5.3 to the consolidated financial statements.

Note 13.3 *Earnings per share* to the consolidated financial statements (Section 4.1) presents the weighted average number of shares outstanding and diluted, calculated in accordance with IAS 33 *Earnings per share*.

6.1.3 Authorized capital increases

The Orange SA Shareholders' Meeting of May 27, 2015 authorized the Board of Directors, for a period of 26 months, to increase the Orange SA capital, including in the event of a public exchange offer, by issuing shares or other securities, for a maximum total nominal amount of 2.5 billion euros with preferential subscription rights for shareholders and a priority time period that may be granted to shareholders.

The Shareholders' Meeting also delegated authority to the Board of Directors to perform capital increases reserved for the participants of the Orange group's savings plan.

Currently valid delegations granted to the Board of Directors by the Shareholders' Meeting in terms of capital increases and the use made of these delegations are mentioned in Section 6.4 of this document.

6.1.4 Treasury shares – Share buyback program

The Shareholders' Meeting of May 27, 2015 renewed the share buyback program for 18 months with a limit of 10% of the share capital outstanding at the time of the Meeting. The Board Meeting held on March 23, 2016 decided to submit to the Shareholders' Meeting of June 7, 2016 the renewal of this authorization under the same conditions, except for the maximum buyback price which would change from 22 euros to 24 euros.

A description of the program for 2016 appears in the Report of the Board of Directors on the tenth resolution submitted to the Shareholders' Meeting of June 7, 2016 (see Section 6.4 *Report of the Board of Directors on the resolutions*).

Moreover, the share liquidity contract entered into by Orange with an investment services provider on May 9, 2007, remained in force in 2015. The initial resources allocated to the liquidity account amounted to 100 million euros. At December 31, 2015 this totaled 113.5 million euros and 800,000 Orange shares (as of the execution date).

Summary of purchases and sales of treasury shares during the 2015 fiscal year⁽¹⁾

Objective of the purchases	Number of shares held at 12/31/2014	Number of shares purchased	Gross weighted average price (in euros)	Number of shares sold	Gross weighted average price (in euros)	Number of shares held at 12/31/2015	% capital
Shares allocated to staff	41,017	0	0	13,354 ⁽²⁾	0	27,663	0.0003%
Liquidity contract	0	56,551,960	14.96	56,551,960	14.99	0	-
Total	41,017	56,551,960		56,565,314		27,663	0.0003%

(1) This table does not include the transactions carried out on December 31, 2015 whose settlement occurred on January 6, 2016 (net purchase of 800,000 shares).

(2) Grants of free shares in accordance with Article L. 225-197-3 of the French Commercial Code to the heirs and assignees of beneficiaries of the 2011 free share award plan who died before the end of the plan's vesting period (July 26, 2015).

6.2 Major shareholders

6.2.1 Distribution of capital and voting rights

Holder	December 31, 2015			December 31, 2014			December 31, 2013		
	Number of shares	% of the capital	% of voting rights	Number of shares	% of the capital	% of voting rights	Number of shares	% of the capital	% of voting rights
Bpifrance Participations ⁽¹⁾	254,219,602	9.60%	9.60%	307,197,309	11.60%	11.60%	357,526,131	13.50%	13.62%
French State	356,194,433	13.45%	13.45%	356,194,433	13.45%	13.45%	356,194,433	13.45%	13.57%
Total Public Sector	610,414,035	23.04%	23.04%	663,391,742	25.04%	25.04%	713,720,564	26.94%	27.18%
Group Employees ⁽²⁾	132,266,948	4.99%	4.99%	134,509,713	5.08%	5.08%	122,606,645	4.63%	4.67%
Treasury shares	27,663	0.00%	0.00%	41,017	0.00%	0.00%	23,367,136	0.88%	-
Float	1,906,176,737	71.96%	71.96%	1,850,942,911	69.88%	69.88%	1,789,191,038	67.55%	68.15%
Total	2,648,885,383	100%	100%	2,648,885,383	100%	100%	2,648,885,383	100%	100%

(1) Public financing and investment group for companies, resulting from the merger of OSEO, CDC Entreprises, FSI and FSI Régions.

(2) Includes shares held as part of the Group's savings plan or in registered form; does not include bearer shares.

To Orange's knowledge, no shareholder other than the French State and Bpifrance Participations held, directly or indirectly, more than 5% of the capital or voting rights on the date of this document.

From April 3, 2016 onward, the French State and Bpifrance Participations have double voting rights for their shares held in registered form following the entry into force of the Florange law on March 29, 2014 (see Section 7.3.6 *Rights, preferences and restrictions attached to shares*).

6.2.1.1 Changes in the distribution of capital over the last three fiscal years

In October 2014, Bpifrance Participations disposed of approximately 50 million shares representing 1.9% of capital in a private placement to institutional investors.

On July 29, 2015, Bpifrance Participations disposed of approximately 53 million shares representing 2% of capital also in a private placement to institutional investors.

In the last three years, the Company bought and sold treasury shares, including the disposal of 16 million shares to employees in July 2014 under the *Cap'Orange* offer (see note 5.3 *Share-based payment* of the Consolidated Financial Statements).

To Orange's knowledge, there has been no major change in the distribution of the capital and voting rights since December 31, 2015.

6.2.1.2 Information on shareholders' agreements

On February 23, 2016, the AMF was notified of the execution, on February 18, 2016, of a new shareholders' agreement between the French Republic and Bpifrance Participations. This agreement replaces the previous shareholders' agreement signed between the same parties on December 24, 2012, formalizing the existing joint action between them with respect to their shareholding in Orange.

Sixth resolution

(Renewal of the term of office of Mr. Charles-Henri Filippi)

The shareholders at the Shareholders' Meeting, acting under the conditions of *quorum* and majority required for Ordinary Shareholders' Meetings, note that the term of office of Mr. Charles-Henri Filippi will expire at the end of the present meeting and decide, upon proposal of the Board of Directors and in accordance with the terms provided for in Article 13 of the Bylaws, to renew his term of office for a period of four years expiring at the close of the Shareholders' Meeting approving the financial statements for the fiscal year ended on December 31, 2019.

Seventh resolution

(Appointment of a new Director)

The shareholders at the Shareholders' Meeting, acting under the conditions of *quorum* and majority required for Ordinary Shareholders' Meetings, note that the term of office of Mrs. Claudie Haigneré, will expire at the end of the present meeting and decide, upon proposal of the Board of Directors and in accordance with the terms provided for in Article 13 of the Bylaws, to appoint as new Director Mr Bernard Ramanantsoa for a period of four years expiring at the close of the Shareholders' Meeting approving the financial statements for the fiscal year ended on December 31, 2019.

Eighth resolution

(Advisory opinion on the compensation items due or allocated for the fiscal year ended December 31, 2015 to Mr. Stéphane Richard, Chairman and Chief Executive Officer)

The shareholders at the Shareholders' Meeting, acting under the conditions of *quorum* and majority required for Ordinary Shareholders' Meetings, issue a favorable opinion on the compensation items due or allocated to Stéphane Richard for the fiscal year ended December 31, 2015, as presented in the shareholders' documentation and the Company's Registration Document.

Ninth resolution

(Advisory opinion on the compensation items due or allocated for the fiscal year ended December 31, 2015 to Mr. Gervais Pellissier, Chief Executive Officer Delegate)

The shareholders at the Shareholders' Meeting, acting under the conditions of *quorum* and majority required for Ordinary Shareholders' Meetings, issue a favorable opinion on the compensation items due or allocated to Gervais Pellissier for the fiscal year ended December 31, 2015, as presented in the shareholders' documentation and the Company's Registration Document.

Tenth resolution

(Authorization to be granted to the Board of Directors to purchase or transfer shares in the Company)

The shareholders at the Shareholders' Meeting, acting under the conditions of *quorum* and majority required for Ordinary Shareholders' Meetings, having reviewed the Report of the Board of Directors, authorize the Board of Directors pursuant to Articles L. 225-209 *et seq.* of the French Commercial Code, to purchase shares in the Company, up to a limit of 10% of the share capital outstanding on the day of this meeting in the following conditions:

- the maximum purchase price shall not exceed 24 euros per share, it being specified that in the event of transactions affecting the share capital, in particular by capitalization of reserves followed by the issuance and free allocation of shares, and/or through a stock split or reverse stock split, this price will be adjusted accordingly;
- the maximum amount of funds allocated to the share *Buyback* program is 6,357,324,919.20 euros;

- acquisitions carried out by the Company pursuant to this authorization may in no event cause it to hold, directly or indirectly, at any time, more than 10% of the shares comprising the share capital;
- acquisitions or transfers of shares may be carried out at any time, in compliance with applicable legal and regulatory provisions. However, the Board of Directors may not, unless prior authorization is obtained from the Shareholders' Meeting, make use of this delegation of authority from the filing of a public offer by a third party applying to the Company's securities, and until the end of the period of acceptance of the offer;
- acquisitions or transfers of shares may be carried out by any means, in particular on the regulated markets, multilateral trading systems or over-the-counter, including through block sales or purchases or by use of derivative securities traded on the regulated markets, multilateral trading system or over-the-counter;
- the present authorization is valid for a period of 18 months.

These share acquisitions may be carried out for any purpose permitted by law, the objectives of this share *Buyback* program being:

- (i) to comply with obligations related to:
 - a. stock option plans and other allocations of shares to the employees of the Company or affiliates and notably to allocate shares to employees of the Company and its Group entities as part of (i) the Company's profit sharing scheme, (ii) any stock purchase or stock option plan or program, including any free share awards, for the benefit of the employees and Corporate Officers or some of them, or (iii) any Orange group employee shareholding plan, including any transfer of shares provided for in Article L. 3332-24 of the French Labor Code, and to carry out any hedging transactions related to these plans or programs,
 - b. securities giving access to shares in the Company (including to carry out any hedging transactions as a result of the obligations of the Company relating to these securities), including to the securities subscribed for by employees or former employees of the Company and entities of its Group;
- (ii) to ensure the liquidity of the share of the Company by a financial services provider (*prestataire de services d'investissement*) pursuant to a liquidity contract compliant with the Code of Ethics approved by the French stock market authority (AMF);
- (iii) to keep shares for subsequent exchange or for payment as part of potential external growth transactions;
- (iv) to reduce the capital of the Company in accordance with the twelfth resolution of this Shareholders' Meeting, subject to its adoption.

The shareholders at the Shareholders' Meeting grant full authority to the Board of Directors, with the right to delegate in accordance with the conditions provided for by the law, to decide and implement the present authorization, to clarify its terms and to decide details, to place all market orders, enter into all agreements, draw up all documents, in particular those providing information, carry out all formalities, including to allocate or reallocate the shares acquired for the different objectives sought, and make all declarations to all organizations and, generally, do whatever is necessary.

The delegation granted by the shareholders at the Combined Ordinary and Extraordinary Shareholders' Meeting held on May 27, 2015 in its seventeenth resolution is terminated, with immediate effect, in respect of the unused portion.