



FRANCE TELECOM
EUR 30,000,000,000
Euro Medium Term Note Programme

On 19 December 2002 France Telecom, a French *société anonyme* (the **Issuer**), entered into a EUR 30,000,000,000 Euro Medium Term Note Programme (the **Programme**) and issued an offering circular on that date describing the Programme. This Base Prospectus supersedes all previous offering circulars prepared in connection with the Programme. Any Notes (as defined below) issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions described herein. This does not affect any Notes already in issue.

Under the Programme, the Issuer may from time to time issue notes in bearer form (the **Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as such dealers are indicated below). The minimum denomination of each Note will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed EUR 30,000,000,000 (or its equivalent in other currencies calculated as described herein). A description of the restrictions applicable at the date of this Base Prospectus relating to the maturity of certain Notes is set out under "Summary of the Programme".

Application has been made to the *Autorité des marchés financiers* (the **AMF**) for approval of this document as a base prospectus, in its capacity as competent authority pursuant to Article 212-2 of its *Règlement général* which implements the Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (as amended by Directive 2010/73/EU, the **Prospectus Directive**). Application may be made to Euronext Paris for Notes issued under the Programme for a period of 12 months from the date of this Base Prospectus to be listed and admitted to trading on the regulated market of Euronext Paris (a regulated market for the purposes of the Markets in Financial Instruments Directive (**Directive 2004/39/EC**)).

The aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under "Terms and Conditions of the Notes") of Notes will be set out in a final terms document (the **Final Terms**) which, with respect to Notes to be listed and admitted to trading on Euronext Paris, will be filed with the AMF.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or market(s) as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event (in the case of Notes intended to be admitted to trading on Euronext Paris) a supplement to this Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

France Telecom is currently rated (i) for its long-term debt, BBB+ by Standard & Poor's Ratings Services, A3 by Moody's Investors Services and BBB+ by Fitch Ratings; and (ii) for its short-term debt, A2 by Standard & Poor's Ratings Services, P2 by Moody's Investors Services and F2 by Fitch Ratings (together, the **Rating Agencies**). Each of the Rating Agencies is established in the European Union and registered under Regulation (EU) No. 1060/2009 on credit rating agencies as amended by Regulation (EU) No. 513/2011 (the **CRA Regulation**) and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu/page/List-registered-and-certified-CRAs). Notes issued under the Programme may be rated or unrated. The rating of the Notes (if any) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms. Credit ratings are subject to revision, suspension or withdrawal at any time by the relevant rating organisation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency without notice. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the Securities Act) and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. Persons (see "Subscription and Sale" below).

Copies of this Base Prospectus and of any documents incorporated by reference therein may be obtained from the registered office of the Issuer. This Base Prospectus (together with any Supplement to the Base Prospectus), the 2011 Share Registration Document and the 2012 Share Registration Document will be published on the websites of the Issuer (www.orange.com) and of the AMF (www.amf-france.org) and the documents incorporated by reference in this Base Prospectus will be published on the website www.info-financiere.fr.



In accordance with articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and with the General Regulation (*Règlement général*) of the *Autorité des marchés financiers* (AMF), in particular articles 212-31 to 212-33, the AMF has granted to this Base Prospectus its visa n°13-276 on 12 June 2013. This document may be used for the purposes of a financial transaction only if it is supplemented by final terms. It was prepared by the Issuer and its signatories assume responsibility for it. In accordance with article L.621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination by the AMF of "whether the document is complete and understandable, and whether the information it contains is consistent". It does not imply that the AMF has verified the accounting and financial data set out herein. This visa has been granted subject to the publication of final terms in accordance with article 212-32 of the AMF's General Regulations, setting out the terms and conditions of the securities to be issued.

Arrangers

BNP PARIBAS

BofA Merrill Lynch

Dealers

Barclays

J.P. Morgan

BNP PARIBAS

Merrill Lynch International

Citigroup

Morgan Stanley

Deutsche Bank

Nomura

Goldman Sachs International

Société Générale Corporate and Investment Banking

HSBC

The Royal Bank of Scotland

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*" below and the supplements to this Base Prospectus). This Base Prospectus shall be read and construed on the basis that such documents are incorporated in and form part of this Base Prospectus.

This Base Prospectus (together with all documents which are incorporated herein by reference and the supplements to this Base Prospectus from time to time) constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive as amended by Directive 2010/73/EU (the 2010 PD Amending Directive). References hereinafter to the "Prospectus Directive" shall be to the Prospectus Directive as amended by the 2010 PD Amending Directive.

This Base Prospectus does not constitute a "prospectus" for the purposes of the Prospectus Directive in respect of any Notes (i) involving an offer to the public outside the EEA (if so specified in the applicable Final Terms) or of a type listed in Article 3.2 of the Prospectus Directive and (ii) which are not admitted to trading on a regulated market under Article 3.3 of the Prospectus Directive (any such Notes, Exempt Notes).

The Issuer (the **Responsible Person**) accepts responsibility for the information contained or incorporated by reference in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme and declares that, having taken all reasonable care to ensure that such is the case, the information contained or incorporated by reference in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Offering Circular in connection with an offer of Notes are the persons named in the applicable Final Terms as the relevant Dealer or the Managers and the persons named in or identifiable following the applicable Final Terms as the Financial Intermediaries, as the case may be.

Any person (an **Investor**) intending to acquire or acquiring any securities from any person (an **Offeror**) should be aware that, in the context of an offer to the public as defined in the Prospectus Directive, the Issuer may be responsible to the Investor for the Base Prospectus only if the Issuer is acting in association with that Offeror to make the offer to the Investor. Each Investor should therefore verify with the Offeror whether or not the Offeror is acting in association with the Issuer. If the Offeror is not acting in association with the Issuer, the Investor should check with the Offeror whether anyone is responsible for the Base Prospectus for the purposes of Article 6 of the Prospectus Directive as implemented by the national legislation of each EEA Member State in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on the Base Prospectus and/or who is responsible for its contents it should take legal advice.

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES FROM AN OFFEROR WILL DO SO, AND OFFERS AND SALES OF THE NOTES TO AN INVESTOR BY AN OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH INVESTORS (OTHER THAN THE DEALERS) IN CONNECTION WITH THE OFFER OR SALE OF THE NOTES AND, ACCORDINGLY, THIS OFFERING CIRCULAR AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. THE ISSUER HAS NO RESPONSIBILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

Copies of Final Terms will be available free of charge from the head office of the Issuer and the specified office of each of the Paying Agents (as defined below), in each case at the address given at the end of this Base Prospectus. Final Terms relating to Notes to be admitted to trading on Euronext Paris will also be available on the website of the AMF (www.amf-france.org).

The Arrangers and Dealers have not independently verified the information contained or incorporated by reference herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arrangers or the Dealers as to the accuracy or completeness of the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme or the Notes or their distribution. No Arranger or Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or any Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or constituting an invitation or offer by the Issuer or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes constitutes an offer by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained or incorporated by reference herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or the solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers which is intended to permit a public offering of any Notes outside France or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom and France) and Japan (see "*Subscription and Sale*" below).

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the EEA which has implemented the Prospectus Directive (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by final terms in relation to the offer of those Notes may only do so in circumstances in which (i) no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

All references in this document to (i) **USD** and **U.S. dollars** refer to the currency of the United States of America; (ii) **Japanese Yen** and **Yen** refer to the currency of Japan; (iii) **£** and **Sterling** refer to the currency of the United Kingdom, (iv) **€**, **euros** and **EUR** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended (the **Treaty**); (v) **Renminbi** and **RMB** mean Renminbi Yuan and are to the lawful currency of the People's Republic of China, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan (**PRC**); and (vi) **Hong Kong dollars** and **HK\$** refer to the currency of the Hong Kong Special Administrative Region.

FORWARD-LOOKING STATEMENTS

Some sections of this Base Prospectus, in particular, "Information about the Issuer", and of the documents incorporated by reference, contain forward-looking statements. The Issuer may also make forward-looking statements in their audited annual financial statements, in their interim financial statements, in their offering circulars, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Issuer's beliefs and expectations, are forward looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made, and the Issuer undertakes no obligation to update publicly any of them in light of new information or future events.

IMPORTANT INFORMATION RELATING TO PUBLIC OFFERS OF NOTES WHERE THERE IS NO EXEMPTION FROM THE OBLIGATION UNDER THE PROSPECTUS DIRECTIVE TO PUBLISH A PROSPECTUS

Restrictions on Public offers of Notes in Relevant Member States

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a **Public Offer**. This Base Prospectus has been prepared on a basis that permits Public Offers of Notes. However, any person making or intending to make a Public Offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) may only do so if this Base Prospectus has been approved by the competent authority in that Relevant Member State (or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State) and published in accordance with the Prospectus Directive, provided that the Issuer has consented to the use of this Base Prospectus in connection with such offer as provided under "*Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)*" and the terms of that consent are complied with by the person (the **Offeror**) making the Public Offer of such Notes.

Save as provided above, neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any Public Offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)

Any person (an **Investor**) intending to acquire or acquiring any Notes from any Offeror other than the Issuer or a relevant Dealer should be aware that, in the context of a Public Offer of such Notes, the Issuer will be responsible to the Investor for this Base Prospectus under Article 6 of the Prospectus Directive only if the Issuer has consented to the use of this Base Prospectus by that Offeror to make the Public Offer to the Investor. None of the Issuer or any Dealer makes any representation as to the compliance by that Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Public Offer and none of the Issuer or any Dealer has any responsibility or liability for the actions of that Offeror. **Save as provided below, neither the Issuer nor any Dealer has authorised the making of any Public Offer by any Offeror or consented to the use of this Base Prospectus by any other person in connection with any Public Offer of Notes. Any Public Offer made without the consent of the Issuer is unauthorised and neither the Issuer nor any Dealer accepts any responsibility or liability for the actions of the persons making any such unauthorised offer.** If the Issuer has not consented to the use of this Base Prospectus by an Offeror, the Investor should check with the Offeror whether anyone is responsible for this Base Prospectus for the purposes of Article 6 of the Prospectus Directive in the context of the Public Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

In connection with each Tranche of Notes, and provided that the applicable Final Terms specifies an Offer Period, the Issuer consents to the use of this Base Prospectus in connection with a Public Offer of such Notes subject to the following conditions:

- (i) the consent is only valid during the Offer Period so specified;
- (ii) the only Offerors authorised to use this Base Prospectus to make the Public Offer of the relevant Tranche of Notes are the relevant Dealer and either:
 - (a) (i) if the applicable Final Terms names financial intermediaries authorised to offer the Notes, the financial intermediaries so named or (ii) if the Issuer appoints additional financial intermediaries after the date of the applicable Final Terms and publishes details of them on its website, each financial intermediary whose details are so published; or
 - (b) in any other case, any financial intermediary which is authorised to make such offers under Directive 2004/39/EC (the Markets in Financial Instruments Directive) and which has been duly appointed directly or indirectly by the issuer to make such offers, provided that such financial intermediary states on its website that it has been duly appointed as a financial intermediary to offer the relevant Tranche of Notes during the Offer Period and that it is relying on this Base Prospectus to do so;
- (iii) the consent only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Notes in each Relevant Member State specified in the applicable Final Terms; and
- (iv) the consent is subject to any other conditions set out in Part B of the applicable Final Terms.

The consent referred to above relates to Offer Periods occurring within 12 months from the date of this Base Prospectus. The Issuer accepts responsibility, in the jurisdictions to which the consent to use the Base Prospectus extends, for the content of this Base Prospectus in relation to any Investor who acquires any Notes in a Public Offer made by any person to whom consent has been given to use this Base Prospectus in that connection in accordance with the preceding paragraph, provided that such Public Offer has been made in accordance with all the Conditions attached to that consent.

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A PUBLIC OFFER FROM AN OFFEROR OTHER THAN THE ISSUER WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NONE OF THE ISSUER OR ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

TABLE OF CONTENTS

PART ONE	8
1. GENERAL DESCRIPTION OF THE PROGRAMME	8
2. SUMMARY OF THE PROGRAMME	8
3. REGULATORY FRAMEWORK	43
4. DOCUMENTS INCORPORATED BY REFERENCE	43
5. SUPPLEMENTS	46
6. FORM OF THE NOTES	46
7. APPLICABLE FINAL TERMS (NOTES WITH A DENOMINATION OF LESS THAN €100,000) ...	49
8. APPLICABLE FINAL TERMS ((NOTES WITH A DENOMINATION EQUAL TO OR OF MORE THAN €100,000)	63
9. TERMS AND CONDITIONS OF THE NOTES	74
10. USE OF PROCEEDS	106
11. SUBSCRIPTION AND SALE	106
12. TAXATION	109
13. GENERAL INFORMATION	114
PART TWO	116
1. PERSON RESPONSIBLE	116
2. STATUTORY AUDITORS	116
3. SELECTED FINANCIAL INFORMATION	116
4. RISK FACTORS	116
5. INFORMATION ABOUT THE ISSUER	123
6. BUSINESS OVERVIEW	123
7. ORGANISATIONAL STRUCTURE	123
8. TREND INFORMATION	123
9. PROFIT FORECASTS OR ESTIMATES	123
10. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES	123
11. BOARD PRACTICES	124
12. MAJOR SHAREHOLDERS	124
13. FINANCIAL INFORMATION CONCERNING THE ISSUER’S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	124
14. ADDITIONAL INFORMATION	125
15. MATERIAL CONTRACTS	125
16. THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST	125
17. DOCUMENTS ON DISPLAY	125

PART ONE

1. GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. A summary of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the Issuer and the relevant purchaser of the Notes prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as specified by the applicable Final Terms.

2. SUMMARY OF THE PROGRAMME

RÉSUMÉ EN FRANÇAIS (FRENCH LANGUAGE SUMMARY)

Avertissement au lecteur :

Le résumé qui suit est conforme aux exigences de la directive 2003/71/CE du Parlement Européen et du Conseil en date du 4 novembre 2003 telle que modifiée par la Directive 2010/73/UE du Parlement Européen et du Conseil en date du 24 novembre 2010 (la "**Directive Prospectus**") et du Règlement No. 809/2004 de la Commission mettant en œuvre la Directive Prospectus tel que modifié (le "**Règlement DP**"), y compris les exigences de contenu spécifiées en Annexe XXII au Règlement DP. Ces exigences s'appliquent aux Titres ayant une valeur nominale de moins de 100 000 € (ou sa contre-valeur dans toute autre devise), et le résumé ci-après s'adresse aux investisseurs potentiels dans ces Titres.

Les résumés doivent contenir des informations désignées sous le terme "**Éléments**" requis par l'Annexe XXII du Règlement Délégué (UE) n°486/2012. Ces Éléments figurent dans des sections numérotées A – E (A.1 – E.7). Ce résumé contient tous les Éléments devant être inclus dans un résumé pour ce type de valeurs mobilières et d'émetteur. L'inclusion de certains Éléments n'étant pas exigée, la séquence de numérotation des Éléments peut être discontinuée. Par ailleurs, quand bien même un Éléments pourrait devoir être inséré dans le résumé en raison du type de valeurs mobilières et de l'émetteur, il est possible qu'aucune information pertinente ne puisse être donnée à propos de cet Éléments. Dans ce cas, une brève description de l'Éléments concerné est incluse dans le résumé avec la mention "sans objet".

Section A - Introduction et avertissements

A.1	Avertissement général relatif au résumé	<p>Le présent Résumé ci-dessous doit être lu comme une introduction au présent Prospectus de Base, et est fourni afin d'aider les investisseurs lorsqu'ils envisagent d'investir dans les titres émis dans le cadre du Programme, mais ne saurait remplacer le Prospectus de Base. Toute décision d'investir dans les titres émis dans le cadre du Programme doit être fondée sur un examen exhaustif du Prospectus de Base y compris les documents qui y sont incorporés par référence et tout supplément au Prospectus de Base qui pourrait être publié à l'avenir. A la suite de la transposition de la Directive Prospectus (Directive 2003/71/CE, telle que modifiée par la Directive 2010/73/UE) dans chaque Etat Membre de l'Espace Economique Européen, aucune action en responsabilité civile ne pourra être recherchée auprès des Personnes Responsables (telle qu'indiquée dans la section "Person Responsable" du présent Prospectus de Base) dans l'un quelconque de ces Etats membres sur la seule base de ce résumé, y compris sa traduction, sauf si son contenu est trompeur, inexact ou contradictoire par rapport aux informations contenues dans les autres parties du présent Prospectus de Base ou s'il ne fournit pas, lu en combinaison avec les autres parties du présent Prospectus de Base, les informations essentielles permettant d'aider les investisseurs envisageant d'investir dans les titres. Lorsqu'une action concernant l'information contenue dans le présent Prospectus de Base est intentée devant un tribunal d'un Etat Membre de l'Espace Economique Européen, le plaignant peut, selon la législation nationale de l'Etat Membre concerné, avoir à supporter les frais de traduction du présent Prospectus de Base avant le début de toute procédure judiciaire.</p> <p>Les termes et expressions définis aux paragraphes "Forme des Titres" (<i>Form of Notes</i>) et "Modalités des Titres" (<i>Terms and Conditions of the</i></p>
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		Notes) ci-après ont la même signification dans le présent Résumé.
A.2	Information relative au consentement donné par l'Emetteur pour l'utilisation du Prospectus de Base	<p>[Sans objet - L'Emetteur n'a pas consenti à l'utilisation du Prospectus de Base par toute autre personne pour la revente ou le placement des Titres] OU [L'Emetteur consent à l'utilisation de ce Prospectus de Base dans la cadre de la revente ou le placement de Titres dans le cas où un prospectus doit être publié au titre de la Directive Prospectus (une Offre au Public) sous réserve des conditions suivantes :</p> <p>(i) le consentement n'est valable que pour une durée de <i>[insérer la période d'offre de l'émission]</i> (la Période d'Offre) ;</p> <p>(ii) les seules personnes autorisées à utiliser le Prospectus de Base afin de réaliser une Offre au Public (les Offrants) sont <i>[[insérer les offrants de l'offre]</i> et, si l'Emetteur désigne d'autres intermédiaires financiers après la date des Conditions Définitives concernées et publie les coordonnées de ces intermédiaires sur son site Internet, chaque intermédiaire financier dont les coordonnées sont publiées de la sorte] / [tout intermédiaire financier qui reconnaît sur son site Internet qu'il a été dûment désigné par un Offrant afin d'offrir les Titres pendant la Période d'Offre et déclare qu'il se fonde sur le Prospectus de Base pour ce faire, pour autant qu'un tel intermédiaire financier ait bien été désigné]] ;</p> <p>(iii) le consentement n'est donné que pour l'utilisation de ce Prospectus de Base pour réaliser des Offres au Public en <i>[insérer chaque Etat Membre Concerné dans lequel la Tranche de Titres applicable peut être offerte]</i> ; et</p> <p>(iv) le consentement est donné sous réserve des conditions supplémentaires suivantes : <i>[préciser toute autre condition applicable à l'Offre au Public de la Tranche concernée]</i>.</p> <p>[Tout Offrant à qui l'alinéa (ii) au-dessus s'applique, qui remplit toutes les autres conditions listées ci-dessus et qui souhaiterait utiliser le Prospectus de Base dans le cadre d'une Offre au Public doit, au moment pertinent, publier sur son site Internet le fait qu'il se fonde sur le Prospectus de Base pour cette Offre au Public avec le consentement de l'Emetteur.][Supprimer sauf si la deuxième option du (ii) ci-dessus est sélectionnée]</p> <p>[Le consentement visé ci-dessus est valable pour une période de <i>[préciser la période d'offre de l'émission]</i> à compter de la date du Prospectus de Base.]</p> <p>UN INVESTISSEUR QUI ACQUIERT OU SOUHAITE ACQUERIR DES TITRES DANS UNE OFFRE AU PUBLIC D'UN OFFRANT AUTRE QUE L'EMETTEUR LE FERA, ET LES OFFRES ET CESSIONS DE TELS TITRES A UN INVESTISSEUR PAR UN TEL OFFRANT SERONT EFFECTUEES DANS LE RESPECT DES MODALITES ET AUTRES ACCORDS CONCLUS ENTRE CET OFFRANT ET L'INVESTISSEUR, NOTAMMENT S'AGISSANT DU PRIX, DES ACCORDS D'ALLOCATION ET DE REGLEMENT. L'EMETTEUR NE SERA PAS PARTIE A DE TELS ACCORDS AVEC LES INVESTISSEURS DANS LE CONTEXTE DE L'OFFRE AU PUBLIC OU LA CESSION DES TITRES CONCERNEES, ET EN CONSEQUENCE, LE PROSPECTUS DE BASE ET TOUTES CONDITIONS DEFINITIVES NE CONTIENDRONT PAS CES INFORMATIONS. L'INVESTISSEUR DEVRA S'ADRESSER A L'OFFRANT AU MOMENT D'UNE TELLE OFFRE AFIN D'OBTENIR CES INFORMATIONS, ET L'OFFRANT SERA RESPONSABLE DE CES INFORMATIONS. NI L'EMETTEUR, NI AUCUN DES AGENTS PLACEURS NE SAURAIT ETRE TENU</p>

		RESPONSABLE AU TITRE DE CES INFORMATIONS.]
Section B – Emetteur		
B.1	La raison sociale et le nom commercial de l'Emetteur	France Telecom (Orange à partir du 1 ^{er} juillet 2013) ("l'Émetteur"). A compter du 1 ^{er} juillet 2013, la dénomination sociale de France Télécom devient Orange conformément à la décision de l'Assemblée Générale des actionnaires du 28 mai 2013. France Télécom a publié le 28 mai 2013, à l'issue de l'Assemblée Générale, un communiqué de presse informant de ce changement de nom.
B.2	Le siège social et la forme juridique de l'Emetteur, la législation qui régit l'activité et le pays d'origine de l'Emetteur	Société anonyme de droit français. Le siège social de l'Émetteur est situé 78, rue Olivier de Serres, Paris (15 ^e arrondissement), France. France Telecom S.A. est régie par la législation française sur les sociétés anonymes sous réserve des lois spécifiques qui lui sont applicables, notamment la loi n° 90-568 du 2 juillet 1990 relative à l'organisation des services publics de la poste et à France Telecom, telle que modifiée. Les activités de la Société sont soumises notamment aux directives de l'Union Européenne et au Code français des postes et des communications électroniques.
B.4b	Description de toutes les tendances connues touchant l'Emetteur ainsi que les industries de son secteur	[Dans la continuité de 2012, France Telecom-Orange sera confronté en 2013 à un environnement difficile : <ul style="list-style-type: none"> • le Groupe continuera de subir une pression importante sur les prix dans ses activités mobiles en France, compte tenu d'une forte intensité concurrentielle ; • parallèlement, le poids des décisions réglementaires restera à un niveau identique à celui de 2012 au niveau du Groupe, avec de nouvelles baisses de prix importantes des terminaisons d'appel en Pologne, en Espagne et dans d'autres pays européens ; • les perspectives macro-économiques, notamment en Europe, resteront marquées par une croissance très faible. <p>Dans ce contexte peu favorable, le Groupe maintiendra en 2013 des niveaux d'investissements élevés dans ses réseaux pour assurer la transition technologique vers le très haut débit.</p> <p>Néanmoins, fort des atouts clés que constituent sa solide base de clients, sa position de n°1 ou de n°2 dans la plupart de ses zones géographiques, la qualité de son réseau et son leadership dans l'innovation, le Groupe confirme pour 2013 son objectif d'indicateur «EBITDA retraité – CAPEX» supérieur à 7 milliards d'euros. Des ambitions opérationnelles viennent soutenir cet objectif, avec les actions prioritaires suivantes :</p> <ul style="list-style-type: none"> • accélérer la transformation de la structure de coûts du Groupe, avec une baisse de la base de coûts en 2013 ; générer une croissance des revenus des services de données mobiles d'au moins 10 % sur l'ensemble du Groupe ; • en France : s'agissant de la téléphonie mobile, stabiliser la part de marché à un niveau supérieur à 35 % et réaliser la couverture de 30 % de la population en 4G fin 2013. S'agissant de la téléphonie fixe, réaliser 50 % des ventes d'accès haut débit avec la Livebox Play et multiplier par 2 le nombre de clients en fibre optique ; • en Europe : commercialiser les offres convergentes dans 7 pays ; lancer au moins 6 programmes de mutualisation de réseaux mobiles sur l'ensemble de la zone ; améliorer le taux de recommandations positives dans tous les pays ; • en Afrique et au Moyen-Orient ; atteindre à la fin de l'année, 8 millions de clients pour Orange Money et 12 millions de terminaux connectables aux services de données mobiles (soit une progression de 70 % sur un an) ; réduire de 20 % le taux de résiliation de la

		<p>téléphonie mobile ;</p> <ul style="list-style-type: none"> • entreprises : générer une croissance de 30 % du chiffre d'affaires relatif au cloud computing sur l'année et réaliser une croissance à deux chiffres du chiffre d'affaires Entreprises dans les pays émergents ; améliorer le taux de fidélisation des clients dans toutes les régions. <p>S'agissant de la politique financière du Groupe :</p> <ul style="list-style-type: none"> • objectif de retour à la fin de l'année 2014 à un ratio retraité d'endettement financier net rapporté à l'EBITDA proche de 2 pour préserver la solidité financière du Groupe et sa capacité d'investissement ; • dans ce cadre, le Groupe poursuivra une politique d'acquisition sélective, en se concentrant sur d'éventuelles opérations de consolidation sur les marchés sur lesquels il opère ; • versement d'un dividende minimum de 0,80 euro par action au titre de l'exercice 2013. Un acompte sur le dividende 2013 de 0,30 euro par action sera payé en numéraire en décembre 2013 ; • le Groupe confirme le versement du solde du dividende au titre de l'exercice 2012, soit 0,20 euro par action, qui sera payé en numéraire le 11 juin 2013. <p>Par nature, l'atteinte de ces objectifs est soumise à de nombreux risques et incertitudes susceptibles d'entraîner des différences entre les objectifs énoncés et les réalisations effectives. Les risques les plus importants sont exposés à la section D – Risques, ci-après.]</p>
B.5	Description du Groupe de l'Emetteur et de la position de l'Emetteur au sein du Groupe	<p>France Telecom est la société mère du groupe France Telecom-Orange (le Groupe), l'un des principaux opérateurs de télécommunications dans le monde, avec un chiffre d'affaires de 43,5 milliards d'euros en 2012 et 170 000 salariés au 31 mars 2013, dont 104 000 en France. Présent dans 32 pays, le Groupe servait près de 230 millions de clients au 31 mars 2013, dont 172 millions de clients du mobile et 15 millions de clients ADSL et fibre dans le monde. Orange est l'un des principaux opérateurs européens du mobile et de l'accès internet ADSL et l'un des leaders mondiaux des services de télécommunications aux entreprises multinationales, sous la marque Orange Business Services.</p> <p>France Telecom est cotée sur NYSE Euronext Paris (compartiment A) et sur le New York Stock Exchange.</p>
B.9	Prévisions ou estimations du bénéfice	Sans objet. Aucune prévision ou estimation de bénéfices n'a été faite dans ce Prospectus de Base.
B.10	Réserves contenues dans le rapport des Commissaires aux comptes	Sans objet

B.12	Informations financières sélectionnées	<p>Les tableaux ci-dessous présentent les chiffres clés concernant le compte de résultat et l'état de la situation financière de l'Emetteur, en termes consolidés, au 31 décembre 2012 et au 31 décembre 2011.</p> <p>Exercices clos le 31 décembre <i>(en millions, sauf les données par action)</i></p> <table border="0"> <thead> <tr> <th></th> <th style="text-align: right;">2012</th> <th style="text-align: right;">2011</th> </tr> <tr> <th></th> <th style="text-align: right;">(Euro)</th> <th style="text-align: right;">(Euro)</th> </tr> </thead> <tbody> <tr> <td>Chiffre d'affaires</td> <td style="text-align: right;">43.515</td> <td style="text-align: right;">45.277</td> </tr> <tr> <td>Résultat d'exploitation</td> <td style="text-align: right;">4.063</td> <td style="text-align: right;">7.948</td> </tr> <tr> <td>Résultat financier</td> <td style="text-align: right;">(1.728)</td> <td style="text-align: right;">(2.033)</td> </tr> <tr> <td>Résultat net</td> <td style="text-align: right;">1.104</td> <td style="text-align: right;">3.828</td> </tr> <tr> <td>dont attribuable aux actionnaires de la société mère</td> <td style="text-align: right;">820</td> <td style="text-align: right;">3.895</td> </tr> <tr> <td>Résultat net par action – de base</td> <td style="text-align: right;">0,31</td> <td style="text-align: right;">1,47</td> </tr> <tr> <td>Résultat net par action – dilué</td> <td style="text-align: right;">0,31</td> <td style="text-align: right;">1,46</td> </tr> </tbody> </table> <p>Exercices clos le 31 décembre <i>(en millions)</i></p> <table border="0"> <thead> <tr> <th></th> <th style="text-align: right;">2012</th> <th style="text-align: right;">2011</th> </tr> <tr> <th></th> <th style="text-align: right;">(Euro)</th> <th style="text-align: right;">(Euro)</th> </tr> </thead> <tbody> <tr> <td>Total de l'actif</td> <td style="text-align: right;">89.980</td> <td style="text-align: right;">96.083</td> </tr> <tr> <td>Endettement financier net</td> <td style="text-align: right;">30.545</td> <td style="text-align: right;">30.890</td> </tr> <tr> <td>Capitaux propres attribuables aux actionnaires</td> <td style="text-align: right;">24.306</td> <td style="text-align: right;">27.573</td> </tr> </tbody> </table> <p>Exercices clos le 31 décembre <i>(en millions)</i></p> <table border="0"> <thead> <tr> <th></th> <th style="text-align: right;">2012</th> <th style="text-align: right;">2011</th> </tr> <tr> <th></th> <th style="text-align: right;">(Euro)</th> <th style="text-align: right;">(Euro)</th> </tr> </thead> <tbody> <tr> <td>Flux net de trésorerie généré par l'activité</td> <td style="text-align: right;">10.016</td> <td style="text-align: right;">12.879</td> </tr> <tr> <td>Flux net de trésorerie affecté aux opérations d'investissement</td> <td style="text-align: right;">(4.710)</td> <td style="text-align: right;">(6.308)</td> </tr> <tr> <td>Flux net de trésorerie lié aux opérations de financement</td> <td style="text-align: right;">(5.072)</td> <td style="text-align: right;">(2.860)</td> </tr> <tr> <td>Disponibilités et quasi-disponibilités à la clôture</td> <td style="text-align: right;">8.321</td> <td style="text-align: right;">8.061</td> </tr> </tbody> </table> <p>Chiffres clés du 1^{er} trimestre 2013 <i>(en millions)</i></p> <table border="0"> <thead> <tr> <th></th> <th style="text-align: right;">T1</th> <th style="text-align: right;">T1</th> </tr> <tr> <th></th> <th style="text-align: right;">2013</th> <th style="text-align: right;">2012</th> </tr> <tr> <th></th> <th style="text-align: right;">(Euro)</th> <th style="text-align: right;">(Euro)</th> </tr> </thead> <tbody> <tr> <td>Chiffre d'affaires</td> <td style="text-align: right;">10.280</td> <td style="text-align: right;">10.922</td> </tr> <tr> <td>EBITDA retraité</td> <td style="text-align: right;">3.124</td> <td style="text-align: right;">3.432</td> </tr> <tr> <td>CAPEX</td> <td style="text-align: right;">1.150</td> <td style="text-align: right;">1.097</td> </tr> <tr> <td>EBITDA retraité – CAPEX</td> <td style="text-align: right;">1.975</td> <td style="text-align: right;">2.335</td> </tr> </tbody> </table> <p>France Telecom a publié le 24 avril 2013 un communiqué de presse contenant des informations financières non auditées pour le 1^{er} trimestre 2013. Ce communiqué est incorporé par référence dans ce Prospectus de Base.</p> <p>Sous réserve de ce qui est communiqué dans ce Prospectus, il ne s'est produit aucun changement significatif concernant la situation commerciale ou financière de l'Emetteur ou du Groupe depuis la publication du Document de Référence 2012 de France Telecom.</p>		2012	2011		(Euro)	(Euro)	Chiffre d'affaires	43.515	45.277	Résultat d'exploitation	4.063	7.948	Résultat financier	(1.728)	(2.033)	Résultat net	1.104	3.828	dont attribuable aux actionnaires de la société mère	820	3.895	Résultat net par action – de base	0,31	1,47	Résultat net par action – dilué	0,31	1,46		2012	2011		(Euro)	(Euro)	Total de l'actif	89.980	96.083	Endettement financier net	30.545	30.890	Capitaux propres attribuables aux actionnaires	24.306	27.573		2012	2011		(Euro)	(Euro)	Flux net de trésorerie généré par l'activité	10.016	12.879	Flux net de trésorerie affecté aux opérations d'investissement	(4.710)	(6.308)	Flux net de trésorerie lié aux opérations de financement	(5.072)	(2.860)	Disponibilités et quasi-disponibilités à la clôture	8.321	8.061		T1	T1		2013	2012		(Euro)	(Euro)	Chiffre d'affaires	10.280	10.922	EBITDA retraité	3.124	3.432	CAPEX	1.150	1.097	EBITDA retraité – CAPEX	1.975	2.335
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B.13	Evènement récent présentant un intérêt significatif pour l'évaluation de la solvabilité de	<p>Le 22 avril 2013, Standard & Poor's a revu à la baisse la notation de la dette long terme de France Telecom de A- à BBB+.</p> <p>France Telecom a publié le 24 avril 2013 un communiqué de presse contenant des informations financières non auditées pour le 1^{er} trimestre</p>																																																																																	

	l'Emetteur	2013. Ce communiqué est incorporé par référence dans ce Prospectus de Base.
B.14	Degré de dépendance de l'Emetteur à l'égard d'autres entités du Groupe	Sans objet. L'Emetteur n'est dépendant d'aucune autre société du Groupe.
B.15	Principales activités de l'Emetteur	La société propose à ses clients particuliers et entreprises et aux autres opérateurs de télécommunications, une gamme étendue de services couvrant la téléphonie fixe et mobile, la transmission de données, l'Internet et le multimédia, ainsi que d'autres services à valeur ajoutée. La société a réalisé en 2012 un chiffre d'affaires non consolidé de 20,9 milliards d'euros.
B.16	Entité(s) ou personne(s) détenant ou contrôlant directement ou indirectement l'Emetteur	République française : 13,45% du capital social. Fonds stratégique d'investissement (FSI) (détenu par la République française) : 13,50% du capital social. Le FSI et la République française ont conclu le 24 décembre 2012 un pacte d'actionnaires constitutif d'une action de concert. Compte tenu du faible taux de participation aux assemblées générales d'actionnaires et de l'absence d'autres blocs d'actionnaires significatifs, le FSI et la République française pourraient de concert déterminer l'issue du vote des actionnaires sur les questions requérant une majorité simple.
B.17	Notation assignée à l'Emetteur ou à ses titres d'emprunt	A la date du Prospectus de Base, la notation de la dette à long terme de l'Emetteur est BBB+ par Standard & Poor's Ratings Services ("S&P"), A3 par Moody's Investors Services ("Moody's") et BBB+ par Fitch Ratings ("Fitch"). La notation de la dette à court terme de l'Emetteur est A2 par S&P, P2 par Moody's et F2 par Fitch. A la date du présent Prospectus de Base, S&P, Moody's et Fitch sont établis dans l'Union Européenne et enregistrés conformément au Règlement (UE) N°1060/2009 tel que modifié par le Règlement (UE) N° 513/2011 (le "Règlement CRA") et inclus dans la liste des agences de notation enregistrées publiée sur le site Internet de l' <i>European Securities and Markets Authority</i> (www.esma.europa.eu). [Les Titres émis ont été notés : [S&P : [•]] [Moody's : [•]] [Fitch : [•]]
Section C – Valeurs mobilières		
C.1	Nature et catégorie des Titres	Chaque Tranche de Titres sera au porteur et sera initialement émise sous forme de certificat global temporaire (un Certificat Global Temporaire), ou, si précisé dans les Conditions Définitives concernées, sous forme de certificat global permanent (un Certificat Global Permanent) qui, dans chaque cas : - Si les Titres Globaux sont destinés à être émis en nouvelle forme de note globale (NFNG), tel que précisé dans les Conditions Définitives, seront livrés au plus tard à la date d'origine de l'émission (la Date d'Emission) de chaque Tranche à un conservateur commun (le Conservateur Commun) pour Euroclear Bank SA/NV (Euroclear) et Clearstream Banking, société anonyme (Clearstream, Luxembourg) ; et - Si les Titres Globaux ne sont pas destinés à être émis en NFNG, ils seront, (a) dans le cas d'une Tranche destinée à être

		<p>compensée par Euroclear et Clearstream, Luxembourg, déposés à la Date d'Emission auprès d'un dépositaire commun (le Dépositaire Commun) pour le compte d'Euroclear et Clearstream, Luxembourg, (b) dans le cas d'une Tranche destinée à être compensée par Euroclear France (et éligibles auprès d'Euroclear et de Clearstream, Luxembourg), déposés à la Date d'Emission auprès d'Euroclear France en tant que dépositaire central et (c) dans le cas d'une Tranche destinée à être livrée par un système de livraison autre que, ou en plus d'Euroclear, Clearstream, Luxembourg ou Euroclear France ou délivrée en dehors d'un système de livraison, déposés d'une façon convenue entre l'Emetteur et l'Agent Placeur concerné.</p> <p>Aussi longtemps qu'un Titre est représenté par un Certificat Global Temporaire, les paiements du principal et des intérêts (le cas échéant) et de tout autre montant payable à l'égard des Titres et du avant la Date d'Echange (telle que définie ci-dessous) sera fait (contre présentation du Certificat Global Temporaire si le Certificat Global Temporaire est censé être émis en forme NFNG) seulement dans la mesure ou la certification (dans la forme annexée au Certificat Global Temporaire) que les ayants droit véritables d'un tel Titre ne sont pas des personnes américaines ou des personnes ayant acheté les Titres dans le but de les revendre à une personne américaine, tel que requis par le règlement du Trésor Américain, a été reçue par Euroclear et/ou Clearstream, Luxembourg et/ou Euroclear France, le cas échéant, a donné une certification équivalente (basée sur le certificat reçu) à l'Agent (tel que défini ci-dessous) .</p> <p>A compter de 40 jours après la date à laquelle le Certificat Global Temporaire est émis (la Date d'Echange), les droits liés à ce Certificat Global Temporaire seront échangeables (sans frais) sur demande tel que décrit ici pour (a) les droits liés à un Certificat Global Permanent sans coupons ou talons, ou (b) pour des Titres Définitifs de la même Série avec, le cas échéant, les coupons et talons d'intérêts attachés (tel qu'indiqué dans les Conditions Définitives concernées et sous réserve, dans le cas des Titres Définitifs, de la période de notice prévue dans les Conditions Définitives concernées) dans chaque cas contre preuve de détention de propriété véritable tel que décrit au-dessus, sauf dans le cas où une telle preuve aurait déjà été fournie. Le détenteur d'un Certificat Global Temporaire n'aura pas le droit de recouvrer un quelconque paiement d'intérêts ou de principal payable à la Date d'Echange ou après cette date sauf s'il peut fournir la preuve que le Certificat Global Temporaire est retenu ou indûment refusé.</p> <p>Souche N° : [•]</p> <p>Tranche N° : [•]</p> <p>Montant nominal total : [•]</p> <p>Code ISIN : [•]</p> <p>Code Commun : [•]</p> <p>Dépositaire central : [•]</p> <p>[Dépositaire Commun : [•]]</p> <p>[Tout système de compensation autre qu'Euroclear Bank S.A./N.V. et Clearstream Banking, société anonyme et les numéros d'identification</p>
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		applicables : [Sans objet]/[donner le(s) nom(s) et le(s) numéro(s) [et le(s) adresse(s)]]
C.2	Devise	<p>Sous réserve du respect de toutes lois, réglementations et directives applicables, les Titres peuvent être émis en euro, sterling, dollar américain, yen japonais, franc suisse, renminbi et en toute autre devise qui pourrait être convenue entre l'Emetteur et l'(es) Agent(s) Placeur(s).</p> <p>La devise des Titres est : [•]</p>
C.5	Description de toute restriction imposée à la libre négociabilité des Titres	Sans objet. - Il n'y a aucune restriction imposée à la libre négociabilité des Titres.
C.8	Description des droits attachés aux Titres	<p>Les Titres seront émis dans le cadre du Programme conformément aux principales modalités suivantes :</p> <p>Rang des Titres</p> <p>Les Titres constitueront des engagements directs, inconditionnels, non subordonnés et, (sous réserve du maintien de l'emprunt à son rang) non assortis de sûretés de l'Emetteur, et viendront au même rang (<i>pari passu</i>) entre eux et sous réserve des dispositions légales impératives au même rang que tous les autres engagements non assortis de sûretés et non subordonnés de l'Emetteur, en circulation à tout moment.</p> <p>Fiscalité</p> <p>Tous les paiements au titre des Titres seront effectués sans aucune retenue à la source ou prélèvement au titre de tout impôt ou taxe de toute nature imposés par la loi française. Si la législation française venait à soumettre les paiements relatifs à des Titres à une retenue à la source ou un prélèvement, l'Emetteur sera tenu, sauf dans certains cas limités, de majorer ses paiements afin que les porteurs de ces Titres reçoivent le montant qu'ils auraient reçu en l'absence de cette retenue à la source ou de ce prélèvement.</p> <p>Maintien de l'Emprunt à son Rang</p> <p>Les modalités des Titres contiennent une disposition relative au maintien de l'emprunt à son rang telle que prévue à la Modalité 3 (Maintien de l'Emprunt à son Rang) ("<i>Negative Pledge</i>").</p> <p>Cas de défaut</p> <p>Les modalités des Titres contiennent, entre autres, les cas de défaut suivants :</p> <p>(a) défaut de paiement de la part de l'Emetteur du principal ou des intérêts dus au titre des Titres et, concernant tout intérêts dus, si le défaut se poursuit pour une durée déterminée ; ou</p> <p>(b) l'Emetteur ne parvient pas à exécuter ou à respecter l'une quelconque de ses autres obligations en vertu de ces modalités des Titres, si le défaut se poursuit pour une durée déterminée ; ou</p> <p>(c) tout événement d'insolvabilité ou de liquidation de l'Emetteur ou de certaines de ses filiales ; ou</p> <p>(d) l'Emetteur ou l'une de ses Filiales Principales ("<i>Principal Subsidiary</i>") (cesse la totalité ses activités de télécommunications et cela a pour conséquence la diminution de la valeur des actifs de l'Emetteur ; ou</p>

		<p>(e) il est ou il devient illégal pour l'Emetteur d'exécuter une ou plusieurs de ses obligations aux termes des Titres.</p> <p>Assemblées des Porteurs de Titres</p> <p>Les modalités des Titres contiennent des dispositions afin de réunir des assemblées de Porteurs de ces Titres afin de statuer sur les questions affectant, de manière générale, leurs intérêts. Ces dispositions permettent à des majorités définies de lier tous les Porteurs, y compris les Porteurs qui n'ont pas participé et voté à l'assemblée concernée et les porteurs qui ont voté d'une manière contraire à la majorité.</p> <p>Droit applicable</p> <p>Les Titres et toute obligation non contractuelle relative aux Titres seront régis par le droit anglais.</p> <p>Restrictions de vente</p> <p>Il existe des restrictions relatives à la vente et à l'offre des Titres et la distribution de documents d'offre dans diverses juridictions, notamment en France, aux Etats-Unis, au Royaume-Uni, au Japon, à Hong Kong, en République Populaire de Chine et à Singapour.</p>
C.9	<p>Intérêts, échéance et modalités de remboursement, rendement et représentation des Porteurs des Titres</p>	<p>[Titres à Taux Fixe</p> <p>Les coupons fixes de [●] seront payables à terme échu le [[●]/[●]] de chaque année.]</p> <p>Titres à Taux Variable</p> <p>Les Titres à Taux Variable porteront intérêt déterminé de façon différente pour chaque Série, comme suit:</p> <p>(i) sur la même base que le taux variable applicable à une opération d'échange de taux d'intérêt notionnel dans la devise prévue concernée, conformément à un contrat incluant les Définitions ISDA 2006 telles que publiées par la International Swaps and Derivatives Association, Inc., ou</p> <p>(ii) par référence au LIBOR ou EURIBOR, tels qu'ajustés des marges applicables,</p> <p>dans chaque cas, tel qu'ajusté à la hausse ou à la baisse en fonction des marges éventuellement applicables, et sous réserve de tout Taux d'Intérêt Minimum et/ou Taux d'Intérêt Maximum, conformément aux Conditions Définitives concernées.</p> <p>Les périodes d'intérêts seront précisées dans les Conditions Définitives concernées.</p> <p>[Titres à Coupon Zéro</p> <p>Les Titres à Coupon Zéro sont émis [au pair/préciser si inférieur à leur valeur nominale] et ne porteront pas intérêt.]</p> <p>[Titres Indexés</p> <p>[Indexés sur l'Inflation</p> <p>Les Titres sont des Titres Indexés sur l'Inflation dont l'intérêt et/ou le principal sera calculé à partir de :</p> <p>[l'indice des prix à la consommation (hors tabac) des ménages en France métropolitaine calculé et publié mensuellement par l'Institut National de la Statistique et des Etudes Economiques (l'"INSEE")(le "CPI")(les "Titres Indexés sur le CPI") / [de l'indice des prix à la consommation harmonisé hors tabac, ou l'indice applicable lui succédant, mesurant le taux de l'inflation dans l'Union Monétaire Européenne hors tabac</p>

		<p>calculé et publié mensuellement par Eurostat (le "HICP")(les "Titres Indexés sur le HICP") / [de l'indice des prix à la consommation des Etats-Unis indiqué mensuellement par le Bureau des Statistiques du Travail rattaché au Département de Travail des Etats-Unis (Bureau of Labor Statistics of the U.S. Labor Department) et publié sur la page Bloomberg "CPURNSA" ou autre source successeur (le "US CPI")(les "Titres Indexés sur le US CPI").]]</p> <p>[Indexés sur le TEC 10</p> <p>Les Titres sont des Titres Indexés sur le TEC 10 dont l'intérêt sera calculé par référence au taux de référence (exprimé en pourcentage sous forme d'un taux annuel) de EUR-TEC10-CNO calculé par le Comité de Normalisation Obligatoire de la Banque de France, tel que publié sur la Page Ecran Reuters BDFCNOTEC.]</p> <p>Echéance</p> <p>Sous réserve du respect de toutes les lois, réglementations et directives applicables, toute échéance d'un mois minimum à compter de la date d'émission initiale.</p> <p>La Date d'Echéance est [●].</p> <p>Remboursement</p> <p>A moins qu'il n'ait été préalablement remboursé par anticipation, racheté et annulé, chaque Titre pourra être remboursé à la Date d'Echéance spécifiée dans les Conditions Définitives concernées à un montant de [[●] par Titre de [●] Valeur Nominale] / [préciser les modalités applicables à ce remboursement]</p> <p>[Remboursement en plusieurs versements</p> <p>Les Titres sont remboursables en [●] versements de [●] [le/les] [●], [●], [●].]</p> <p>[Remboursement anticipé au gré de l'Émetteur : <i>Make-Whole</i></p> <p>Les Titres pourront, pour chaque émission, faire l'objet d'un remboursement au gré de l'Émetteur, en partie ou intégralement, à tout moment, avant leur Date d'Echéance, à leur Montant de Remboursement <i>Make-Whole</i>.]</p> <p>[Option de Remboursement</p> <p>Les Titres peuvent être remboursés avant la date d'échéance prévue au gré de l'Émetteur (en totalité ou en partie) [[et/ou] des porteurs de Titres] [préciser les modalités applicables à ce remboursement.]]</p> <p>Remboursement anticipé</p> <p>[Sous réserve de ce qui est prévu dans les paragraphes "Remboursement anticipé au gré de l'Émetteur : <i>Make-Whole</i>" [et] ["Option de Remboursement"] ci-dessus], les Titres seront remboursables au gré de l'Émetteur avant la date d'échéance prévue pour raisons fiscales uniquement.]</p> <p>[Rendement</p> <p>Le rendement des Titres est [●].]</p> <p>Représentation des Porteurs de Titres</p> <p>Sans objet. Aucun représentant des Porteurs de Titres n'a été nommé par l'Émetteur. Voir C.8, "Assemblées des Porteurs de Titres".</p>
C.10	Paiement des intérêts liés à un (des) instrument(s)	<p>Les Titres sont des Titres Indexés qui sont Indexés sur l'Inflation. Le montant des intérêts et/ou le principal des Titres sont liés à la variation :</p> <p>[l'indice des prix à la consommation (hors tabac) des ménages en France métropolitaine calculé et publié mensuellement par l'Institut National de</p>

	dérivé(s)	la Statistique et des Etudes Economiques (l'"INSEE")(le "CPI")(les "Titres Indexés sur le CPI") / [de l'indice des prix à la consommation harmonisé hors tabac, ou l'indice applicable lui succédant, mesurant le taux de l'inflation dans l'Union Monétaire Européenne hors tabac calculé et publié mensuellement par Eurostat (le "HICP")(les "Titres Indexés sur le HICP") / [de l'indice des prix à la consommation des Etats-Unis indiqué mensuellement par le Bureau des Statistiques du Travail rattaché au Département de Travail des Etats-Unis (Bureau of Labor Statistics of the U.S. Labor Department) et publié sur la page Bloomberg "CPURNSA" ou autre source successeur (le "US CPI")(les "Titres Indexés sur le US CPI").]] [Sans objet.]
C.11	Cotation et admission à la négociation	[[Une demande a été faite]/[Une demande doit être faite] par l'Emetteur (ou au nom et pour le compte de l'Emetteur) en vue de l'admission des Titres aux négociations sur Euronext Paris/[•] a compter de [•]/[Sans objet]
C.15	Description de l'impact de la valeur sous-jacent sur la valeur de l'investissement	<p>[Les Titres Indexés qui sont Indexés sur l'Inflation sont des titres de créance dont le montant de l'intérêt n'est pas prédéterminé et/ou dont le montant de remboursement n'est pas prédéterminé. Les montants dus au titre de l'intérêt et/ou du principal seront dépendants de la performance de :</p> <p>[l'indice des prix à la consommation (hors tabac) des ménages en France métropolitaine calculé et publié mensuellement par l'Institut National de la Statistique et des Etudes Economiques (l'"INSEE")(le "CPI")(les "Titres Indexés sur le CPI") / [de l'indice des prix à la consommation harmonisé hors tabac, ou l'indice applicable lui succédant, mesurant le taux de l'inflation dans l'Union Monétaire Européenne hors tabac calculé et publié mensuellement par Eurostat (le "HICP")(les "Titres Indexés sur le HICP") / [de l'indice des prix à la consommation des Etats-Unis indiqué mensuellement par le Bureau des Statistiques du Travail rattaché au Département de Travail des Etats-Unis (Bureau of Labor Statistics of the U.S. Labor Department) et publié sur la page Bloomberg "CPURNSA" ou autre source successeur (le "US CPI")(les "Titres Indexés sur le US CPI").]]</p> <p>[Si la valeur de l'indice applicable décline au cours de la période de détermination, de sorte que le rapport entre le niveau de l'indice d'inflation à des dates de détermination au début et à la fin d'une telle période de détermination est inférieure à 1,00, dans le cas où l'intérêt est calculé par référence à un indice d'inflation, aucun intérêt ne sera versé pour ladite période.]</p> <p>[Le paiement du principal des Titres est indexé sur la variation de l'inflation entre la valeur du [CPI] [HICP] [US CPI] à la date d'émission et la valeur du [CPI] [HICP] [US CPI] à la date de remboursement]</p> <p>[Les Titres sont des Titres Indexés sur le TEC 10. Les intérêts de ces Titres seront calculés par référence au taux de référence (exprimé en pourcentage sous forme d'un taux annuel) de EUR-TEC10-CNO calculé par le Comité de Normalisation Obligatoire de la Banque de France, tel que publié sur la Page Ecran Reuters BDFFCNOTEC. EUR-TEC10-CNO, établi en 1996, est le taux de rendement (arrondi à la deuxième décimale la plus proche, 0,005% étant arrondi à la hausse) d'une Obligation Assimilable du Trésor ("OAT") à 10 ans, correspondant à l'interpolation linéaire entre le rendement à maturité de deux OAT (les "OAT de Référence") dont les périodes de maturité sont les plus proches dans leur durée d'une OAT à 10 ans, la durée de l'une des OAT de Référence étant inférieure à 10 ans et de l'autre OAT de Référence étant supérieure à 10 ans.]</p> <p>[Sans objet.]</p>
C.16	Titres Dérivés - Echéance	<p>[Les titres sont des Titres Indexés qui sont Indexés sur l'Inflation. Le montant de remboursement final des Titres sera calculé sur la base du rapport entre l'indice à la Date d'Echéance et la Référence de Base, ou selon le cas, le Taux d'Inflation de l'Indice à la Date de Remboursement telle que déterminée dans les Conditions Définitives.]</p> <p>[Sans objet.]</p>

C.17	Titres Dérivés - Règlement - livraison	<p>[Les titres sont des Titres Indexés qui sont Indexés sur l’Inflation. Les Titres sont émis au porteur et seront initialement émis sous la forme de Certificats Globaux Temporaires ou, si spécifié dans les Conditions Définitives concernées, de certificats globaux permanents (un Certificat Global Permanent), qui seront, dans chaque cas :</p> <p>(i) si les Titres Globaux sont destinés à être émis en nouvelle forme de note globale (NFNG), tel que spécifié dans les Conditions Définitives, seront livrés au plus tard à la date d’origine de l’émission (la Date d’Emission) de chaque Tranche à un conservateur commun (le Conservateur Commun) pour Euroclear Bank BA/NV (Euroclear) et Clearstream Banking, société anonyme (Clearstream, Luxembourg) ; et</p> <p>(ii) si les Titres Globaux ne sont pas destinés à être émis en NFNG, ils seront, (a) dans le cas d’une Tranche destinée à être compensée par Euroclear et Clearstream, Luxembourg, déposés à la Date d’Emission auprès d’un dépositaire commun (le Dépositaire Commun) pour le compte d’Euroclear et Clearstream, Luxembourg, (b) dans le cas d’une Tranche destinée à être compensée par Euroclear France (et éligibles auprès d’Euroclear et de Clearstream, Luxembourg), ils seront déposés à la Date d’Emission auprès d’Euroclear France en tant que dépositaire central et (c) dans le cas d’une Tranche destinée à être livrée par un système de livraison autre que, ou en plus d’Euroclear, Clearstream, Luxembourg ou Euroclear France ou délivrée en dehors d’un système de livraison, seront déposés d’une façon convenue entre l’Emetteur et l’Agent Placeur concerné.]</p> <p>[Sans objet.]</p>
C.18	Produit des Titres Dérivés	<p>[Les Titres sont des Titres Indexés qui sont Indexés sur l’Inflation. Les paiements d’intérêts relatifs aux Titres seront déterminés en multipliant le montant nominal en circulation de ces Titres par le produit du taux annuel indiqué dans les Conditions Définitives et du Coefficient de l’Indice d’Inflation applicable.]</p> <p>[Les paiements du principal des Titres sont indexés sur la variation de l’inflation entre la valeur du [CPI] [HICP] [US CPI] à la date d’émission et la valeur du [CPI] [HICP] [US CPI] à la date de remboursement]</p> <p>[Sans objet]</p>
C.19	Titres Dérivés - Prix d’exercice / Prix de référence final	<p>[Les Titres sont des Titres Indexés qui sont Indexés sur l’Inflation. Le montant de remboursement final des Titres sera calculé sur la base du rapport entre l’indice à la Date d’Echéance et la Référence de Base spécifiée dans les Conditions Définitives concernées.]</p>
C.20	Titres Dérivés - Description du sous-jacent	<p>[Les Titres Indexés qui sont Indexés sur l’Inflation sont des Titres dont le montant d’intérêt [et le principal] est indexé.</p> <p>[Dans le cas de Titres Indexés qui sont Indexés sur l’Inflation dont l’intérêt est indexé, l’intérêt est déterminé en appliquant la variation annuelle, exprimé en pourcentage, au montant nominal des Titres Indexés qui sont Indexés sur l’Inflation.]</p> <p>[Dans le cas de Titres Indexés qui sont Indexés sur l’Inflation, le principal est indexé sur la variation de l’inflation entre la valeur du [CPI] [HICP] [US CPI] à la date d’émission et la valeur du [CPI] [HICP] [US CPI] à la date de remboursement.]</p> <p>[Les Titres Indexés sur le CPI sont liés à la performance de l’indice des prix à la consommation (hors tabac) des ménages en France métropolitaine calculé et publié mensuellement par l’INSEE : le CPI. Le CPI est l’instrument officiel pour mesurer l’inflation. Il permet de disposer d’une estimation entre deux périodes déterminées des</p>

		<p>moyennes de fluctuations des prix des biens et des services consommées par les ménages sur le territoire français. C'est un indicateur de mouvements des prix de produits sur une base de qualité constante.</p> <p>Des informations sur le CPI figurent sur la page Agence Française du Trésor de Reuters, page OATINFLATION01 ou sur la page TRESOR<GO> de Bloomberg et sur le site Internet www.aft.gouv.fr.]</p> <p>[Les Titres Indexés sur le HICP sont indexés sur l'indice des prix à la consommation harmonisé, hors tabac, de la zone euro calculé et publié mensuellement par Eurostat et les instituts nationaux de la statistique conformément aux méthodes statistiques harmonisées : le HICP. Le HICP est un indicateur économique destiné à mesurer les changements dans le temps des prix des biens à la consommation et des services acquis par les ménages dans la zone euro.</p> <p>Des informations sur le HICP figurent sur la page Reuters OATI01 ou sur la page TRES3 de Bloomberg.]</p> <p>[Les Titres Indexés sur le US CPI sont indexés sur l'indice des prix à la consommation des Etats-Unis publié mensuellement par le Bureau des Statistiques du Travail rattaché au Département de Travail des Etats-Unis (Bureau of Labor Statistics of the U.S. Labor Department) et publié sur la page Bloomberg "CPURNSA" ou une autre source lui succédant. Le US CPI est un indicateur de moyennes de fluctuation des prix d'achat au cours d'une période donnée pour un panier déterminé de biens et services.</p> <p>Des informations sur le US CPI figurent sur la page Bloomberg CPURNSA.]</p> <p>[Les Titres qui sont indexés sur le TEC 10 ont des intérêts qui seront calculés par référence au taux de référence (exprimé en pourcentage sous forme d'un taux annuel) de EUR-TEC10-CNO calculé par le Comité de Normalisation Obligataire de la Banque de France, tel que publié sur la Page Ecran Reuters BDFFCNOTEC. EUR-TEC10-CNO, établi en 1996, est le taux de rendement (arrondi à la deuxième décimale la plus proche, 0,005% étant arrondi à la hausse) d'une Obligation Assimilable du Trésor ("OAT") à 10 ans, correspondant à l'interpolation linéaire entre le rendement à maturité de deux OAT (les "OAT de Référence") dont les périodes de maturité sont les plus proches dans leur durée d'une OAT à 10 ans, la durée de l'une des OAT de Référence étant inférieure à 10 ans et de l'autre OAT de Référence étant supérieure à 10 ans.]</p> <p>[Sans objet.]</p>
C.21	Indication du marché sur lequel les valeurs seront négociées et à destination duquel le Prospectus de Base est publié	[Les Titres seront admis aux négociations sur Euronext Paris.]
Section D – Facteurs de Risque		
D.2	Informations clés sur les principaux risques propres à l'Emetteur ou à son exploitation et	<p><i>1 Risques opérationnels</i></p> <p><i>Risques liés au secteur, à l'environnement économique et à la stratégie</i></p> <p>Une grande partie du chiffre d'affaires de France Telecom-Orange est réalisée dans des pays et des activités matures où la vive concurrence qui règne dans le secteur des télécommunications pourrait entraîner une</p>

	<p>son activité</p>	<p>baisse des parts de marché de France Telecom-Orange ou de la rentabilité de ses activités.</p> <p>La situation économique très dégradée en France et en Europe pourrait affecter de manière significative l'activité de France Telecom-Orange, notamment par son impact sur les résultats du Groupe.</p> <p>Dans le cadre de sa stratégie, France Telecom-Orange cherche des relais de croissance dans de nouveaux pays ou de nouvelles activités. Ces recherches pourraient s'avérer difficiles ou infructueuses, ou être coûteuses. De plus, les investissements déjà réalisés pourraient ne pas donner les résultats escomptés, voire s'avérer source d'obligations inattendues, et le Groupe pourrait être confronté à un accroissement du risque pays. Dans tous les cas les résultats du Groupe et ses perspectives pourraient en être affectés.</p> <p>Le développement rapide des usages du haut débit (fixe ou mobile) donne aux fournisseurs de services, de contenus ou de terminaux l'occasion d'établir un lien direct avec les clients des opérateurs de télécommunications, privant ces derniers - dont France Telecom-Orange - d'une partie de leurs revenus et de leurs marges. Si ce phénomène se poursuivait ou s'intensifiait, il affecterait gravement la situation financière et les perspectives des opérateurs.</p> <p><i>Risques concernant les ressources humaines</i></p> <p>France Telecom-Orange a connu en 2009 une crise sociale importante en France. Le Groupe met en œuvre depuis 2010 un programme ambitieux de ressources humaines dans le cadre du projet stratégique du Groupe Conquêtes 2015 visant à répondre à cette crise. Mais le contexte économique tendu pourrait rendre plus difficile la bonne réalisation de ce programme, ce qui pourrait avoir un impact significatif sur l'image, le fonctionnement et les résultats du Groupe.</p> <p><i>Autres risques opérationnels</i></p> <p>Les défaillances ou la saturation des réseaux de télécommunications ou des infrastructures techniques ou du système d'information pourraient réduire le trafic, diminuer le chiffre d'affaires et nuire à la réputation des opérateurs ou du secteur dans son ensemble.</p> <p>Les infrastructures techniques des opérateurs de télécommunications sont vulnérables aux dommages ou aux interruptions provoqués par des catastrophes naturelles, incendies, guerres, actes terroristes, dégradations intentionnelles, actes de malveillance ou autres événements similaires.</p> <p>L'étendue des activités de France Telecom-Orange et l'interconnexion des réseaux exposent en permanence le Groupe au risque d'être victime de nombreuses fraudes, qui pourraient impacter son chiffre d'affaires et sa marge et nuire à son image.</p> <p>L'exposition aux champs électromagnétiques des équipements de télécommunication suscite des préoccupations quant aux éventuels effets nocifs sur la santé. Si la perception de ce risque devait s'aggraver, ou si un effet nocif devait un jour être établi scientifiquement, cela aurait des conséquences négatives significatives sur l'activité et les résultats des opérateurs tels que France Telecom-Orange.</p> <p>2 <i>Risques juridiques</i></p> <p>France Telecom-Orange continue à opérer dans des marchés fortement réglementés où elle bénéficie d'une marge de manœuvre réduite pour gérer ses activités. Les activités et le résultat de France Telecom-Orange pourraient être affectés de manière significative par des changements législatifs, réglementaires ou de politique gouvernementale.</p>
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	<p>France Telecom-Orange est continuellement impliqué dans des procédures judiciaires et des litiges avec des autorités de régulation, des concurrents ou d'autres parties. L'issue de ces procédures est généralement incertaine et pourrait avoir un impact significatif sur ses résultats ou sa situation financière.</p> <p>Comme tous les fournisseurs de services de communications électroniques, France Telecom-Orange est exposé au risque de perte, de divulgation ou de modification inappropriée des données de ses clients. En outre, ses activités de fournisseur d'accès à internet et d'hébergeur sont susceptibles d'engager sa responsabilité.</p> <p>La rentabilité de certains investissements et la stratégie de France Telecom-Orange dans certains pays pourraient être affectées par des désaccords avec ses partenaires dans des sociétés dont elle n'a pas le contrôle.</p> <p>Le Secteur public détient, directement et indirectement, près de 27 % du capital de France Telecom, ce qui pourrait, en pratique, lui permettre de déterminer l'issue du vote des actionnaires aux Assemblées Générales.</p> <p>3 Risques financiers</p> <p><i>Risque de liquidité</i></p> <p>Les résultats et les perspectives de France Telecom-Orange pourraient être affectés si les conditions d'accès aux marchés de capitaux restaient difficiles ou se durcissaient davantage.</p> <p><i>Risque de taux</i></p> <p>Les activités de France Telecom-Orange pourraient être affectées par l'évolution des taux d'intérêt.</p> <p><i>Risque relatif à la notation</i></p> <p>Une revue à la baisse, une mise sous surveillance ou une révision de la perspective de la notation de la dette de France Telecom-Orange par les agences de notation pourrait augmenter le coût de la dette et limiter dans certains cas l'accès de la société au capital dont elle a besoin (et donc avoir un effet défavorable et significatif sur ses résultats et sa situation financière).</p> <p><i>Risque de crédit et/ou de contrepartie sur opérations financières</i></p> <p>L'insolvabilité ou une détérioration de la situation financière d'une banque ou autre institution avec laquelle France Telecom-Orange a conclu un contrat pourrait avoir un effet défavorable significatif sur la société.</p> <p><i>Risque de change</i></p> <p>Les résultats et la trésorerie de France Telecom-Orange sont exposés aux variations des taux de change.</p> <p><i>Risque de dépréciation des actifs</i></p> <p>France Telecom-Orange a enregistré des écarts d'acquisition importants à la suite des acquisitions réalisées depuis 1999. Des dépréciations de ces écarts d'acquisition, susceptibles d'avoir un impact négatif significatif sur le bilan et les résultats de France Telecom-Orange, pourraient ainsi être comptabilisées en application des normes IFRS. Par ailleurs, les résultats de France Telecom-Orange et sa situation financière pourraient être affectés par la baisse des marchés d'actions en cas de cession de filiales.</p> <p><i>Risque sur actions</i></p> <p>Des futures cessions par le Secteur public d'actions France Telecom</p>
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		pourraient affecter le cours de l'action France Telecom.
D.3	Informations clés sur les principaux risques propres aux Titres	<p>Certains facteurs pourraient affecter la capacité de France Telecom à remplir ses obligations vis-à-vis des Porteurs de Titres émis dans le cadre du Programme, notamment:</p> <ul style="list-style-type: none"> • Risques généraux relatifs aux Titres (ex : revue indépendante et conseil, conflits d'intérêt potentiels, légalité de la souscription, fiscalité, risques de liquidité et risques de change) tels que : <ul style="list-style-type: none"> - chaque investisseur potentiel doit déterminer, sur le fondement de son propre examen indépendant et des conseils professionnels qu'il estime appropriés selon les circonstances, si la souscription des Titres est pleinement adaptée à ses besoins financiers, ses objectifs et sa situation, et si cette souscription est un investissement adapté et approprié, notwithstanding les risques clairs et importants inhérents au fait d'investir dans ou de détenir des Titres; - il ne peut y avoir de certitude sur l'existence d'un marché secondaire pour les Titres ou sur la continuité d'un tel marché si celui-ci se développe et il peut ainsi y avoir une absence de liquidité sur ce marché ; - la valeur des Titres sera affectée par la solvabilité de France Telecom, et/ou du Groupe et par un certain nombre de facteurs supplémentaires ; - les acquéreurs et vendeurs potentiels des Titres doivent être informés qu'ils peuvent être amenés à payer des taxes ou d'autres droits de timbre conformément aux lois et pratiques des pays dans lesquels les Titres sont transférés ou dans d'autres pays. • Risques relatifs à la structure d'une émission particulière de Titres: <ul style="list-style-type: none"> - [toute caractéristique de remboursement optionnel en vertu de laquelle l'Émetteur a le droit de rembourser les Titres de façon anticipée pourrait avoir un effet négatif sur la valeur de marché de ces Titres. Pendant la période au cours de laquelle l'Émetteur peut rembourser les Titres, la valeur de marché de ces Titres ne connaît généralement pas de hausse substantielle au-dessus du prix auquel ils peuvent être remboursés. Ce peut être aussi vrai durant toute la période précédant la période de remboursement;] - [lors d'un investissement dans des Titres à taux fixe, il ne peut être exclu que des changements subséquents sur le marché des taux d'intérêts puissent affecter de manière négative la valeur de ces Titres;] - [la rémunération des Titres à taux variable (y compris les Titres Indexés sur le TEC 10) est souvent composée (i) d'un taux de référence (ou, dans le cas des Titres Indexés sur le TEC 10, le TEC 10) (ii) auquel s'ajoute ou est soustrait, selon les cas, une marge. Le taux de référence sera ajusté de manière périodique tel qu'indiqué dans les Conditions Définitives (par exemple tous les trois ou six mois). La valeur de marché des Titres à taux variable peut donc fluctuer si des changements affectant le taux de référence peuvent seulement être reflétés dans le taux de ces Titres à la prochaine période d'ajustement du taux de référence concerné ;] [et] - [les Titres libellés en Renminbi (Titres RMB) ne sont pas librement convertibles; il existe de nombreuses restrictions quant au versement de RMB à l'intérieur et en dehors de la République Populaire de Chine et la liquidité des Titres

		libellés en RMB peut s'en voir affectée. En outre, il peut aussi exister certains risques de taux de change, ou de taux d'intérêts liés au RMB et les Titres RMB ne peuvent être détenus qu'en Euroclear France, Euroclear ou Clearstram Luxembourg.]
D.6	Informations de base sur les facteurs matériels permettant de déterminer les risques associés aux Titres Indexés	<p>[Les Titres sont des Titres Indexés qui sont Indexés sur l'Inflation. Les investisseurs potentiels dans les Titres doivent être conscients que ces Titres sont des titres de créance dont le montant d'intérêt et/ou le principal seront dépendants de la performance [de l'indice des prix à la consommation (hors tabac) des ménages en France métropolitaine calculé et publié mensuellement par l'INSEE] / [de l'indice des prix à la consommation harmonisé hors tabac, ou l'indice applicable lui succédant, mesurant le taux de l'inflation dans l'Union Monétaire Européenne hors tabac calculé et publié mensuellement par Eurostat] / [de l'indice des prix à la consommation des Etats-Unis publié mensuellement par le Bureau des Statistiques du Travail rattaché au Département de Travail des Etats-Unis (<i>Bureau of Labor Statistics of the U.S. Labor Department</i>) et publié sur la page Bloomberg « CPURNSA » ou une autre source lui succédant.]</p> <p>[Si la valeur de l'indice applicable décline au cours de la période de détermination, de sorte que le rapport entre le niveau de l'indice de l'inflation à des dates de détermination au début et à la fin d'une telle période de détermination est inférieure à 1,00, dans le cas où l'intérêt est calculé par référence à un Indice d'Inflation, aucun intérêt ne sera versé pour ladite période, ou, dans le cas où le montant nominal est calculé par référence à un Indice d'Inflation, les Titres seront remboursés au pair.]</p> <p>The nominal amount of Index Linked Notes which are Inflation Linked repaid</p> <p>[La valeur nominale des Titres Indexés qui sont Indexés sur l'Inflation remboursés par anticipation ou à l'échéance est indexée sur la performance du [CPI] [HICP] [US CPI] à la date d'émission et la valeur du [CPI] [HICP] [US CPI] à la date de remboursement, de telle sorte que le Montant de Remboursement Final, ou selon le cas, le Montant de Remboursement Anticipé de chaque Titre peut être calculé par référence à la valeur nominale du Titre multiplié par le coefficient de la valeur de l'indice de référence applicable à la Date d'Echéance et la valeur de l'indice de référence à la date spécifiée dans les Conditions Définitives concernées.]</p> <p>[Les Titres sont des Titres Indexés sur le TEC 10. Les investisseurs potentiels doivent être conscients que ces Titres sont des titres de créances dont le montant d'intérêt sera calculé par référence au taux de référence (exprimé en pourcentage sous forme d'un taux annuel) de EUR-TEC10-CNO calculé par le Comité de Normalisation Obligataire de la Banque de France, tel que publié sur la Page Ecran Reuters BDFFCNOTEC. EUR-TEC10-CNO, établi en 1996, est le taux de rendement (arrondi à la deuxième décimale la plus proche, 0,005% étant arrondi à la hausse) d'une Obligation Assimilable du Trésor ("OAT") à 10 ans, correspondant à l'interpolation linéaire entre le rendement à maturité de deux OAT (les "OAT de Référence") dont les périodes de maturité sont les plus proches dans leur durée d'une OAT à 10 ans, la durée de l'une des OAT de Référence étant inférieure à 10 ans et de l'autre OAT de Référence étant supérieure à 10 ans.]</p> <p>[Sans objet.]</p>

Section E – Offre

E.2b	Raison de l'offre et utilisation du produit de l'offre	Les produits nets de l'émission de chaque Tranche de Titres seront utilisés par l'Émetteur pour ses besoins généraux. Si un besoin particulier est identifié à l'égard d'une émission de Titres particulière, celui-ci sera spécifié dans les Conditions Définitives concernées.
E.3	Modalités de l'offre	<p>Les Conditions Définitives concernées établiront les termes et conditions de l'offre applicable à chaque Tranche de Titres.</p> <p>Sous réserve de la section A.2 au-dessus, ni l'Émetteur ni aucun des Agents Placeurs n'a autorisé une Offre au Public à quelque personne que ce soit, en aucune circonstance et aucune personne n'est autorisée à utiliser le Prospectus dans le cadre d'une telle offre de Titres. Aucune offre de ce type n'est faite au nom de l'Émetteur ou d'un Agent Placeur ou Offrant Autorisé, et ni l'Émetteur, ni les Agents Placeurs ni les Offrants Autorisés ne sauraient être tenus responsables pour les actions d'une personne faisant de telles offres.</p>
E.4	Intérêt des personnes physiques ou morales impliquées dans l'émission	Les intérêts des personnes physiques ou morales pouvant influencer sensiblement sur l'émission/l'offre seront décrits dans les Conditions Définitives concernées.
E.7	Estimation des dépenses mise à la charge de l'investisseur par l'Émetteur ou l'offreur	Les Conditions Définitives concernées préciseront l'estimation des dépenses imputables à l'Investisseur.

SUMMARY OF THE PROGRAMME

Disclaimer:

The summary set out below complies with the requirements of the Prospectus Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003, as amended by Directive 2010/73/EU of the European Parliament and of the Council dated 24 November 2010, (the "**Prospectus Directive**") and Commission Regulation No 809/2004 implementing the Prospectus Directive, as amended (the "**PD Regulation**"), including the contents requirements set out in Annex XXII of the PD Regulation. These contents requirements are applicable to Notes with a denomination of less than € 100,000 (or its equivalent in other currencies), and the summary hereinafter is designed for potential investors in the Notes.

Summaries are made up of disclosure requirements known as 'Elements' required by Annex XXII of the Delegated Regulation (EU) n°486/2012. These Elements are numbered in sections A —E (A.1 —E.7). This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

Section A – Introduction and warnings

A.1	General disclaimer regarding the summary	<p>This summary must be read as an introduction to this Base Prospectus and is provided as an aid to investors when considering whether to invest in the notes to be issued under the Programme, but is not a substitute for the Base Prospectus. Any decision to invest in the notes to be issued under the Programme should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference and any supplements to the Base Prospectus from time to time. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC, as amended by the 2010 PD Amending Directive) in each Member State of the European Economic Area, no civil liability will attach to the Responsible Persons (as specified in the "Responsible Person" section of this Base Prospectus) in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes. Where a claim relating to information contained in this Base Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.</p> <p>Words and expressions defined in the "Form of Notes" and "Terms and Conditions of the Notes" shall have the same meanings in this summary.</p>
A.2	Information regarding consent by the Issuer to the use of the Base Prospectus	<p>[Not Applicable – The Issuer has not consented to the use of the Base Prospectus by any other person to resell or place any Notes.]</p> <p>OR</p> <p>[The Issuer consents to the use of this Base Prospectus in connection with a resale or placement of Notes in circumstances where a prospectus is required to be published under the Prospectus Directive (a Public Offer) subject to the following conditions:</p> <p>(i) the consent is only valid during the [<i>offer period for the issue to be specified here</i>] (the Offer Period);</p> <p>(ii) the only persons authorised to use the Base Prospectus to make the</p>

		<p>Public Offer (Offerors) are [Offerors for the issue to be set out here] and, if the Issuer appoints additional financial intermediaries after the date of the applicable Final Terms and publishes details of them on its website, each financial intermediary whose details are so published] / [any financial intermediary which acknowledges on its website that it has been duly appointed as an Offeror to offer the Notes during the Offer Period and states that it is relying on the Base Prospectus to do so, provided that such financial intermediary has in fact been so appointed];</p> <p>(iii) the consent only extends to the use of this Base Prospectus to make Public Offers of the Notes in [<i>specify each Relevant Member State in which the particular Tranche of Notes can be offered</i>]; and</p> <p>(iv) the consent is subject to the following other conditions [<i>specify any other conditions applicable to the Public Offer of the particular Tranche</i>].</p> <p>[Any Offeror falling within sub-paragraph (ii) above who meets all of the other conditions stated above and wishes to use the Base Prospectus in connection with a Public Offer is required, at the relevant time, to publish on its website that it is relying on the Base Prospectus for such Public Offer with the consent of the Issuer.] [<i>Delete unless the second option in (ii) above is selected</i>]</p> <p>[The consent referred to above is valid for the period of [<i>offer period for the issue to be specified here</i>] from the date of the Base Prospectus.]</p> <p>AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A PUBLIC OFFER FROM AN OFFEROR OTHER THAN THE ISSUER WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NONE OF THE ISSUER OR ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.]</p>
Section B – Issuer		
B.1	Legal and commercial name of the Issuer	<p>France Telecom (Orange from 1 July 2013) (the "Issuer")</p> <p>From 1 July 2013, France Telecom's company name became Orange pursuant to the resolution of the shareholders meeting of 28 May 2013. On 28 May 2013, following the shareholders meeting, France Telecom published a press release informing about this changing of the company name.</p>
B.2	The domicile and legal form of the Issuer, the legislation under which the Issuer	<p>France Telecom is incorporated in France as a <i>société anonyme</i>.</p> <p>The registered office of the Issuer is located 78 rue Olivier de Serres, Paris (15th <i>arrondissement</i>), France.</p>

	<p>operates and its country of incorporation</p>	<p>France Telecom S.A. is governed by French corporate law subject to specific laws governing the Company, notably Act 90-568 of 2 July 1990 on the organization of public postal services and France Telecom, as amended.</p> <p>The activities of the Company are governed primarily by European Union directives and by the French Postal and Electronic Communications Code.</p>
<p>B.4b</p>	<p>A description of any known trends affecting the Issuer and the industries in which it operates</p>	<p>[As in 2012, France Telecom-Orange will be faced with a challenging environment in 2013:</p> <ul style="list-style-type: none"> • the Group will continue to feel significant pressure on prices in its mobile activities in France due to intense competition; • in parallel, the burden of regulatory decisions will be identical to 2012 at Group level, with substantial new reductions in call termination rates in Poland, Spain and other European countries; • the macroeconomic outlook, particularly in Europe, will continue to be characterized by very weak growth. <p>In this unfavorable climate, the Group will maintain high levels of investment in its networks in 2013 to make the technological transition to high capacity broadband.</p> <p>Nevertheless, on the back of key strengths such as its solid customer base, its no. 1 or no. 2 position in the majority of its regions, the quality of its network and its leadership in innovation, the Group confirms its target for the “restated EBITDA – Capex” indicator of more than 7 billion euros for 2013. Operational ambitions support this target, with the following priority actions:</p> <ul style="list-style-type: none"> • accelerate the transformation of the Group’s cost structure in order to reduce the cost base in 2013, and generate revenue growth in mobile data services of at least 10% for the Group; • in France: stabilize market share in the mobile segment at a level above 35% and reaching 4G coverage of 30% of the population by the end of 2013. In the fixed segment, including the Livebox Play with at least 50% of all broadband sales, and doubling the optical fiber customer base; • in Europe: market convergent offers in seven countries; launch at least six mobile network sharing programs across the zone; increase the Net Promoter Score in all countries; • in Africa and the Middle East: achieve eight million customers by the end of the year for Orange Money and 12 million handsets that can be connected to mobile data services (i.e. an increase of 70% over the year); reduce the mobile telephony churn rate by 20%; • Enterprise: generate growth of 30% in revenues from cloud computing over the year and double-digit growth in Enterprise revenues in emerging countries; improve the customer loyalty rate in all regions. <p>With regard to the Group’s financial policy:</p> <ul style="list-style-type: none"> • objective of returning to a restated ratio of net financial debt to EBITDA of close to 2 by the end of 2014, in order to preserve the Group’s financial strength and investment capacity; • in this context, the Group will pursue a policy of selective acquisition, focusing on possible consolidation operations in the

		<p>markets in which it operates;</p> <ul style="list-style-type: none"> • payment of a minimum dividend of 0.80 euros per share with respect to fiscal year 2013. An interim dividend in respect of 2013 of 0.30 euros per share will be paid in cash in December 2013; • the Group confirms the payment of the balance of the dividend for 2012, i.e. 0.20 euros per share, which will be paid in cash on June 11, 2013. <p>These forward-looking statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from the results anticipated in the forward-looking statements. The most significant risks are detailed in section D – Risks hereafter.]</p>																																										
B.5	Description of the Issuer's Group and the Issuer's position within the Group	<p>France Telecom is the parent company of the France Telecom-Orange Group (the Group), and is one of the world's leading telecommunications operators with sales of 43.5 billion euros in 2012 and 170,000 employees worldwide at 31 March 2013, including 104 000 employees in France. Present in 32 countries, the Group has a total customer base close to 230 million customers at 31 March 2013, including 172 million mobile customers and 15 million broadband internet (ADSL, fibre) customers worldwide. Orange is one of the main European operators for mobile and broadband internet services and, under the brand Orange Business Services, is one of the world leaders in providing telecommunication services to multinational companies.</p> <p>France Telecom is listed on NYSE Euronext Paris (compartment A) and on the New York Stock Exchange.</p>																																										
B.9	Profit forecast or estimate	Not applicable. No profit forecasts or estimates have been made in this Base Prospectus.																																										
B.10	Audit report observations	Not applicable.																																										
B.12	Selected historical key financial information	<p>The tables below present key figures of the consolidated income statement and statement of financial position of the Issuer relating to the years ending 31 December 2012 and 2011.</p> <p>Year ended 31 December <i>(in millions, except for per share data)</i></p> <table> <thead> <tr> <th></th> <th style="text-align: right;">2012</th> <th style="text-align: right;">2011</th> </tr> <tr> <th></th> <th style="text-align: right;">(Euro)</th> <th style="text-align: right;">(Euro)</th> </tr> </thead> <tbody> <tr> <td>Revenues</td> <td style="text-align: right;">43,515</td> <td style="text-align: right;">45,277</td> </tr> <tr> <td>Operating income</td> <td style="text-align: right;">4,063</td> <td style="text-align: right;">7,948</td> </tr> <tr> <td>Finance costs, net</td> <td style="text-align: right;">(1,728)</td> <td style="text-align: right;">(2,033)</td> </tr> <tr> <td>Net income after tax</td> <td style="text-align: right;">1,104</td> <td style="text-align: right;">3,828</td> </tr> <tr> <td>Net income attributable to owners of the parent company</td> <td style="text-align: right;">820</td> <td style="text-align: right;">3,895</td> </tr> <tr> <td>earning per share – basic</td> <td style="text-align: right;">0.31</td> <td style="text-align: right;">1.47</td> </tr> <tr> <td>earning per share – diluted</td> <td style="text-align: right;">0.31</td> <td style="text-align: right;">1.46</td> </tr> </tbody> </table> <p>Year ended 31 December <i>(in millions)</i></p> <table> <thead> <tr> <th></th> <th style="text-align: right;">2012</th> <th style="text-align: right;">2011</th> </tr> <tr> <th></th> <th style="text-align: right;">(Euro)</th> <th style="text-align: right;">(Euro)</th> </tr> </thead> <tbody> <tr> <td>Total assets</td> <td style="text-align: right;">89,980</td> <td style="text-align: right;">96,083</td> </tr> <tr> <td>Net financial debt</td> <td style="text-align: right;">30,545</td> <td style="text-align: right;">30,890</td> </tr> <tr> <td>Equity attributable to the owners of the parent company</td> <td style="text-align: right;">24,306</td> <td style="text-align: right;">27,573</td> </tr> </tbody> </table> <p>Year ended 31 December</p>		2012	2011		(Euro)	(Euro)	Revenues	43,515	45,277	Operating income	4,063	7,948	Finance costs, net	(1,728)	(2,033)	Net income after tax	1,104	3,828	Net income attributable to owners of the parent company	820	3,895	earning per share – basic	0.31	1.47	earning per share – diluted	0.31	1.46		2012	2011		(Euro)	(Euro)	Total assets	89,980	96,083	Net financial debt	30,545	30,890	Equity attributable to the owners of the parent company	24,306	27,573
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B.13	Events impacting the Issuer's solvency	<p>[On 22 April 2013, Standard & Poor's downgraded France Telecom's long term debt rating from A- to BBB+.</p> <p>On 24 April 2013, France Telecom published a press release containing unaudited financial information for the first quarter of 2013, which is incorporated herein.]</p>																																				
B.14	Dependence upon other Group entities	Not applicable. The Issuer is not dependent on any other company of the Group.																																				
B.15	Principal activities	<p>The company provides consumers, businesses and other telecommunications operators with a wide range of services including fixed telephony and mobile telecommunications, data transmission, Internet and multimedia, and other value-added services.</p> <p>In 2012, the non-consolidated company's revenues amounted to 20.9 billion euros.</p>																																				
B.16	Major shareholders	<p>French Republic: 13.45% of the share capital.</p> <p>Fonds stratégique d'investissement (FSI) (held by the French Republic): 13.50% of the share capital.</p> <p>On 24 December 2012, FSI and the French Republic signed a shareholders' agreement constituting joint action. Given the low rate of participation in shareholders' meetings and the absence of other significant shareholder blocks, FSI and the French Republic could jointly determine the outcome of the shareholder vote on matters requiring a simple majority.</p>																																				
B.17	Solicited credit ratings	At the date of the Base Prospectus, the long-term debt ratings of the Issuer assigned by Standard & Poor's Ratings Services ("S&P"), Moody's Investors Services ("Moody's") and Fitch Ratings ("Fitch"), are BBB+, A3 and BBB+, respectively. The short-term debt ratings of the Issuer assigned by S&P, Moody's and Fitch are A2, P2 and F2, respectively.																																				

		<p>S&P, Moody's and Fitch is established in the European Union and registered under Regulation (EU) No. 1060/2009 on credit rating agencies as amended by Regulation (EU) No. 513/2011 (the "CRA Regulation") and are included in the list of credit rating agencies registered in accordance with the CRA Regulation published on the website of the European Securities and Markets Authority (www.esma.europa.eu) as of the date of this Base Prospectus.</p> <p>[The Notes to be issued have been rated:</p> <p>[S&P: [●]]</p> <p>[Moody's: [●]]</p> <p>[Fitch: [●]]]</p>
Section C – Securities		
C.1	Type and Class of the Notes	<p>Each Tranche of Notes will be in bearer form and will be initially issued in the form of a temporary global note (a Temporary Global Note) or, if so specified in the applicable Final Terms, a permanent global note (a Permanent Global Note) which, in either case:</p> <ul style="list-style-type: none"> - if the Global Notes are intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, will be delivered on or prior to the original issue date (the Issue Date) of the Tranche to a common safekeeper (the Common Safekeeper) for Euroclear Bank SA/NV (Euroclear) and Clearstream Banking, <i>soci�ete anonyme</i> (Clearstream, Luxembourg); and - if the Global Notes are not intended to be issued in NGN form, may (a) in the case of a Tranche intended to be cleared through Euroclear and Clearstream, Luxembourg be deposited on the issue date with a common depositary (the Common Depositary) on behalf of Euroclear and Clearstream, Luxembourg, (b) in the case of a Tranche intended to be cleared through Euroclear France (and eligible with Euroclear and Clearstream, Luxembourg), be deposited on the issue date with Euroclear France acting as central depositary and (c) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear, Clearstream, Luxembourg or Euroclear France or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer. <p>Whilst any Note is represented by a Temporary Global Note, payments of principal and interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form appended to the Temporary Global Note) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and/or Euroclear France as applicable, has given a like certification (based on the certifications it has received) to the Agent (as defined below).</p> <p>On and after the date (the Exchange Date) which is 40 days after the date on which a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a Permanent Global Note without interest coupons or talons or (b) for Definitive Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject,</p>

		<p>in the case of Definitive Notes, to such notice period as is specified in the applicable Final Terms) in each case against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note is improperly withheld or refused.</p> <p>Series Number: <input type="checkbox"/></p> <p>Tranche Number: <input type="checkbox"/></p> <p>Aggregate Nominal Amount: <input type="checkbox"/></p> <p>Series: <input type="checkbox"/></p> <p>ISIN Code: <input type="checkbox"/></p> <p>Common Code: <input type="checkbox"/></p> <p>[Central depository: <input type="checkbox"/></p> <p>[Common Depository: <input type="checkbox"/></p> <p>[Any clearing system(s) [Not Applicable]/give names(s) and other than Euroclear Bank number(s) [and address(es)]] S.A. / and Clearstream Banking, société anonyme or, as the case may be, Euroclear France and the relevant identification numbers:</p>
C.2	Currency	<p>Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, Sterling, U.S. dollars, Japanese Yen, Swiss francs, Renminbi or any other currency agreed between the Issuer and the relevant dealer(s).</p> <p>The currency of the Notes is: <input type="checkbox"/></p>
C.5	A description of any restrictions on the free transferability of the Notes	Not applicable. There is no restriction of the free transferability of the Notes.
C.8	Description of rights attached to the Notes	<p>Notes issued under the Programme will have terms and conditions relating to, among other matters:</p> <p>Status of the Notes</p> <p>The Notes constitute direct, unconditional, unsubordinated and (subject to the provisions of the negative pledge below) unsecured obligations of the Issuer and rank <i>pari passu</i> among themselves and, save for the statutorily preferred exceptions, equally with all other unsecured obligations which are unsecured and unsubordinated of the Issuer, from time to time outstanding.</p> <p>Taxation</p> <p>All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by France. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.</p>

		<p>Negative pledge</p> <p>The terms of the Notes contain a negative pledge provision as set out in Condition 3 (<i>Negative Pledge</i>).</p> <p>Events of Default</p> <p>The terms of the Notes contain, amongst others, the following events of default:</p> <ul style="list-style-type: none"> (a) default in the payment of any principal or interest due in respect of the Notes or any of them and, with respect to any interest due, continuing for a specified amount of time; or (b) non- performance or non-observance by the Issuer of any of its other obligations under the terms and conditions of the Notes, continuing for a specified amount of time; or (c) events relating to the insolvency or winding up of the Issuer or certain other subsidiaries of the Issuer; or (d) the Issuer or any Principal Subsidiary ceases to carry on its telecommunications business carried on by it prior to such cessation, the result of which reduces the value of the assets of the Issuer; or (e) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes. <p>Meetings</p> <p>The terms of the Notes contain provisions for calling meetings of holders of such Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p> <p>Governing law</p> <p>The Notes and all non-contractual obligations arising out of or in connection with them, are governed by English law.</p> <p>Selling Restrictions</p> <p>There are restrictions on the offer and sale of Notes and the distribution of offering material in various jurisdictions, including with respect to France, the United States, the United Kingdom, Japan, Hong Kong, The Peoples’ Republic of China and Singapore.</p>
C.9	<p>Interest, maturity and redemption provisions, yield and representation of the Noteholders</p>	<p>[Fixed Rate Notes]</p> <p>Fixed interest of [●] will be payable in arrear on [[●]/[●]] in each year.]</p> <p>[Floating Rate Notes]</p> <p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant specified currency governed by an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc.; or

(ii) by reference to LIBOR or EURIBOR, in each case as adjusted for any applicable margin.

In each case plus or minus any applicable margin, if any, and subject to any Minimum Rate of Interest and/or Maximum Rate of Interest, as all indicated in the applicable Final Terms.

Interest periods will be specified in the relevant Final Terms.]

[Zero Coupon Notes

Zero Coupon Notes are issued [at par / at [*specify if below par*]] and will not bear interest.]

[Index Linked Notes

[Inflation Linked

The Notes are Index Linked Notes which are Inflation Linked. Interest and/or principal in respect of the Notes will be calculated by reference to:

[the consumer price index (excluding tobacco) for all households in metropolitan France, as calculated and published monthly by the *Institut National de la Statistique et des Etudes Economiques* ("INSEE") (the "CPI") (the "CPI Linked Notes")] / [the harmonised index of consumer prices excluding tobacco, or the relevant successor index, measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published monthly by Eurostat (the "HICP") (the "HICP Linked Notes")] / [the United States non-seasonally adjusted consumer price index for all urban consumers as reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor and published by Bloomberg page "CPURNSA" or any successor source (the "US CPI") (the "US CPI Linked Notes")].

[Linked to TEC 10

The Notes are Index Linked Notes and are linked to TEC 10. Interest on the Notes will be calculated by reference to the offered quotation (expressed as a percentage rate per annum) for the EUR-TEC10-CNO calculated by the *Comité de Normalisation Obligatoire* of the *Banque de France*, which appears on the Relevant Screen Page, being Reuters Screen BDFCNOTE Page.]]

Maturity

Subject to compliance with all relevant laws, regulations and directives, any maturity from one month from the date of original issue.

The maturity date of the Notes is [●].

Redemption

Subject to any purchase and cancellation of the Notes or their early redemption, the Notes will be redeemed on the above mentioned maturity date at [[●] per Note of [●] Specified Denomination]/[*please specify the terms applicable to such redemption*].

[Redemption by instalments

The Notes are redeemable in [●] instalments of [●] on [●], [●], [●].]

		<p>[Make-whole Redemption at the option of the Issuer]</p> <p>The Issuer may redeem, in whole or in part, the Notes then outstanding, at any time prior to the Maturity Date, at their relevant Make-Whole Redemption Amount.]</p> <p>[Optional Redemption]</p> <p>The Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) [[and/or] the holders of the Notes] [<i>please specify the terms applicable to such redemption</i>]]</p> <p>Early redemption</p> <p>[Except as provided in ["Make-whole Redemption at the option of the Issuer"] [and] ["Optional Redemption"] above,] Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons.</p> <p>[Yield]</p> <p>The yield of the Notes is [●].]</p> <p>Representation of the Noteholders</p> <p>Not applicable. No representative of the Noteholders has been appointed by the Issuer. Please refer to Element C.8, "Meetings".</p>
C.10	Derivative component in the interest payment of the Notes	<p>[The Notes are Index Linked Notes which are Inflation Linked. Principal and/or the interest amount in respect of the Notes is linked to:</p> <p>[the consumer price index (excluding tobacco) for all households in metropolitan France, as calculated and published monthly by the <i>Institut National de la Statistique et des Etudes Economiques</i> ("INSEE") (the "CPI") (the "CPI Linked Notes"))] / [the harmonised index of consumer prices excluding tobacco, or the relevant successor index, measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published monthly by Eurostat (the "HICP") (the "HICP Linked Notes")] / [the United States non-seasonally adjusted consumer price index for all urban consumers as reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor and published by Bloomberg page "CPURNSA" or any successor source (the "US CPI") (the "US CPI Linked Notes")]].</p> <p>[Not Applicable.]</p>
C.11	Listing	<p>[[Application has been made]/[Application is expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Paris / [●] with effect from [●]]</p> <p>[Not Applicable.]</p>
C.15	Any underlying which may affect the value of the Notes	<p>[The Notes are Index Linked Notes which are Inflation Linked. The Notes are debt securities which do not provide for predetermined interest payments and/or redemption amount. Interest amounts and/or principal will be dependent upon the performance of:</p> <p>[the consumer price index (excluding tobacco) for all households in metropolitan France, as calculated and published monthly by the <i>Institut National de la Statistique et des Etudes Economiques</i> ("INSEE") (the "CPI") (the "CPI Linked Notes"))] / [the harmonised index of consumer prices excluding tobacco, or the relevant successor index, measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published monthly by Eurostat (the</p>

		<p>"HICP") (the "HICP Linked Notes") / [the United States non-seasonally adjusted consumer price index for all urban consumers as reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor and published by Bloomberg page "CPURNSA" or any successor source (the "US CPI") (the "US CPI Linked Notes").]</p> <p>[If the level of the relevant Inflation Index declines over a determination period such that the ratio of the levels of the Inflation Index on the determination dates at the beginning and end of such determination period is less than 1.00, where interest is calculated by reference to an Inflation Index, no interest will be payable for that period.]</p> <p>[Payments of principal on the Notes is indexed to the variation of inflation between the value of the [CPI] [HICP] [US CPI] on the issue date and the value of the [CPI] [HICP] [US CPI] on the redemption date.]]</p> <p>[The Notes are Index Linked Notes which are linked to TEC 10. The interest in respect of such Notes will be calculated by reference to the offered quotation (expressed as a percentage rate per annum) for the EUR-TEC10-CNO calculated by the <i>Comité de Normalisation Obligataire</i> of the <i>Banque de France</i>, which appears on the Relevant Screen Page, being Reuters Screen BDFCNOTEC Page. EUR-TEC10-CNO, established in April 1996, is the percentage yield (rounded to the nearest second decimal point, 0.005 per cent. being rounded upwards) of a notional 10 year French Treasury Bond (<i>Obligation Assimilable du Trésor</i>, "OAT") corresponding to the linear interpolation between the yield to maturity of the two actual OATs (the "Reference OATs") whose periods to maturity are closest in duration to the notional 10 year OAT, one Reference OAT's duration being of less than 10 years and the other Reference OAT's duration being greater than 10 years.]</p> <p>[Not Applicable.]</p>
C.16	Exercise date/final reference date	<p>[The Notes are Index Linked Notes and are Inflation Linked. The final redemption amount in respect of the Notes will be calculated on the basis of the ratio between the index on the Maturity Date and the Base Reference or, as applicable, the Redemption Date Inflation Index Ratio specified in the relevant Final Terms.]</p> <p>[Not Applicable.]</p>

C.17	Settlement procedure of derivative securities	<p>[The Notes are Index Linked Notes and are Inflation Linked. The Notes will be in bearer form and will be initially issued in the form of a temporary global note or, if so specified in the applicable Final Terms, a permanent global note (a Permanent Global Note) which, in either case, will:</p> <ul style="list-style-type: none"> (i) if the Global Notes are intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, will be delivered on or prior to the original issue date (the Issue Date) of the Tranche to a common safekeeper (the Common Safekeeper) for Euroclear Bank SA/NV (Euroclear) and Clearstream Banking, <i>société anonyme</i> (Clearstream, Luxembourg); and (ii) if the Global Notes are not intended to be issued in NGN form, may (a) in the case of a Tranche intended to be cleared through Euroclear and Clearstream, Luxembourg be deposited on the issue date with a common depository (the Common Depository) on behalf of Euroclear and Clearstream, Luxembourg, (b) in the case of a Tranche intended to be cleared through Euroclear France (and eligible with Euroclear and Clearstream, Luxembourg), be deposited on the issue date with Euroclear France acting as central depository and (c) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear, Clearstream, Luxembourg or Euroclear France or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer.] <p>[Not Applicable.]</p>
C.18	Return on derivative securities	<p>[The Notes are Index Linked Notes and are Inflation Linked. Payments of interest in respect of the Notes shall be determined by multiplying the outstanding nominal amount of such Notes by the product of the rate <i>per annum</i> specified in the Final Terms and the relevant Inflation Index Ratio.]</p> <p>[Payments of principal on the Notes is indexed to the variation of inflation between the value of the [CPI] [HICP] [US CPI] on the issue date and the value of the [CPI] [HICP] [US CPI] on the redemption date.]</p> <p>[Not Applicable.]</p>
C.19	Exercise price/final reference price of the underlying	<p>[The Notes are Index Linked Notes and are Inflation Linked. The final redemption amount in respect of the Notes will be calculated on the basis of the ratio between the index on the Maturity Date and the Base Reference specified in the relevant Final Terms.]</p>
C.20	Underlying	<p>[Index Linked Notes which are Inflation Linked are Notes where the coupons [and the principal] are indexed.</p> <p>[In the case of Index Linked Notes which are Inflation Linked in respect of which interest is indexed, the coupon pays the annual charge in inflation, applied in percentage of the issue's nominal amount.]</p> <p>[In the case of Index Linked Notes which are Inflation Linked where the principal is indexed, the principal is indexed to the variation of inflation between the value of the [CPI] [HICP] [US CPI] on the issue date and the value of the [CPI] [HICP] [US CPI] on the redemption date.]</p>

		<p>[CPI Linked Notes are linked to the consumer price index (excluding tobacco) for all households in metropolitan France, as calculated and published monthly by the INSEE: the CPI. The CPI is the official instrument for measuring inflation. It allows estimation between two given periods of the average change in prices of goods and services consumed by households on French territory. It is a summary gauge of movements in prices of products on a constant-quality basis.</p> <p>Information on the CPI may be found on Agence Française du Trésor Reuters page OATINFLATION01 or on Bloomberg TRESOR <GO> pages and on the website www.aft.gouv.fr.]</p> <p>[HICP Linked Notes are linked to the Eurozone harmonised index of consumer prices (excluding tobacco), as calculated monthly by Eurostat and the national statistics institutes in accordance with harmonised statistical methods: the HICP. The HICP is an economic indicator constructed to measure the changes over time in the prices of consumer goods and services required by households in Europe.</p> <p>Information on the HICP may be found on Reuters page OATEI01 or on Bloomberg page TRES3.]</p> <p>[US CPI Linked Notes are linked to the United States consumer price index as reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor and published on Bloomberg page "CPURNSA" or any successor source. The US CPI is a measure of the average change in consumer prices over time for a fixed market basket of goods and services.</p> <p>Information on the US CPI may be found on Bloomberg page CPURNSA.]]</p> <p>[The Notes are Index Linked Notes and are linked to TEC 10. The interest in respect of the Notes will be calculated by reference to the offered quotation (expressed as a percentage rate per annum) for the EUR-TEC10-CNO calculated by the <i>Comité de Normalisation Obligatoire</i> of the <i>Banque de France</i>, which appears on the Relevant Screen Page, being Reuters Screen BDFCNOTE Page. EUR-TEC10-CNO, established in April 1996, is the percentage yield (rounded to the nearest second decimal point, 0.005 per cent. being rounded upwards) of a notional 10 year French Treasury Bond (<i>Obligation Assimilable du Trésor</i>, "OAT") corresponding to the linear interpolation between the yield to maturity of the two actual OATs (the "Reference OATs") whose periods to maturity are closest in duration to the notional 10 year OAT, one Reference OAT's duration being of less than 10 years and the other Reference OAT's duration being greater than 10 years.]</p> <p>[Not Applicable.]</p>
C.21	<p>Indication of the market where the securities will be traded and for which the prospectus has been published</p>	<p>[The Notes will be listed and admitted to trading on Euronext Paris]</p> <p>[Not Applicable.]</p>

Section D – Risks

<p>D.2</p>	<p>Key risks regarding the Issuer or its undertaking and its activities</p>	<p><i>1 Operational risks</i></p> <p><i>Risks related to the sector, the economic environment and strategy</i></p> <p>France Telecom-Orange generates much of its revenues from mature countries and business activities where intense competition in the telecommunications sector could erode its market share or profitability.</p> <p>The deteriorating economic situation in France and Europe could have a significant impact on France Telecom-Orange’s business, particularly on the Group’s results.</p> <p>As part of its strategy, France Telecom-Orange is exploring sources of growth in new countries and businesses. This may prove to be difficult or fruitless, and may be costly. In addition, investments already made may fail to bring the expected returns, and may even generate unexpected commitments and the Group could be faced with increased country risk. In all cases, the Group’s results and outlook could be impaired.</p> <p>The rapid growth in broadband use (fixed or mobile) allows service or content providers or terminal suppliers the opportunity to establish a direct link with telecommunications operators’ customers, thus depriving the latter, including France Telecom-Orange, of a share of their revenues and margins. If this phenomenon continues or intensifies, it could seriously impair the financial position and outlook of the operators.</p> <p><i>Risks relating to human resources</i></p> <p>In 2009, France Telecom-Orange was faced with a major social crisis in France. Since 2010, the group has implemented an ambitious human resources program as part of its conquests 2015 strategic plan to respond to this crisis. However, the economic context could hinder the implementation of this program and thus have a material impact on the Group’s image, operations, and results.</p> <p><i>Other operational risks</i></p> <p>Technical failures or the saturation of the telecommunications networks or the technical infrastructures or its system could reduce traffic, erode revenues and damage the reputation of the operators or the sector as a whole.</p> <p>The technical infrastructure belonging to telecommunications operators are vulnerable to damage or interruptions caused by natural disasters, fires, wars, acts of terrorism, intentional damage, malicious acts, or other similar events.</p> <p>The scope of France Telecom-Orange activities and the interconnection of the networks mean that the Group is permanently exposed to the risk of fraud, which could reduce revenues and margins and damage its image.</p> <p>Exposure to electromagnetic fields from telecommunications equipment raises concerns for possible health risks. If the perception of this risk were to deteriorate or if a health risk was scientifically proven, this could have a material impact on the activity and results of operators such as France Telecom-Orange.</p>
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		<p>2 <i>Legal risks</i></p> <p>France Telecom-Orange continues to operate in highly regulated markets, where its flexibility to manage its business is limited. France Telecom-Orange's business activities and results could be materially affected by legislative, regulatory or government policy changes.</p> <p>France Telecom-Orange is continually involved in legal proceedings and disputes with regulatory authorities, competitors, or other parties. The outcome of such proceedings is generally uncertain and could have a material impact on its results or financial position.</p> <p>Like all electronic communications service providers, France Telecom-Orange may be held liable for the loss, release or inappropriate modification of customer data. Its liability may also be triggered by its internet access and hosting services.</p> <p>The profitability of certain investments and France Telecom-Orange's strategy in certain countries could be affected by disagreements with its partners in companies that it does not control.</p> <p>The French public sector, directly or indirectly, owns nearly 27% of France Telecom's share capital, which could, in practice, allow it to determine the outcome of votes at annual shareholders' meetings.</p> <p>3 <i>Financial risks</i></p> <p><i>Liquidity risk</i></p> <p>France Telecom-Orange's results and outlook may be adversely affected if access to capital markets remains difficult or worsens.</p> <p><i>Interest rate risk</i></p> <p>France Telecom-Orange's business activities could be adversely affected by interest rate fluctuations.</p> <p><i>Credit-rating risks</i></p> <p>If France Telecom-Orange's debt rating is downgraded, placed under surveillance or revised by rating agencies, its borrowing costs could increase and in certain circumstances the company's access to the capital it needs could be limited (and thus have a material adverse effect on its results and financial position).</p> <p><i>Credit risk and/or counterparty risk on financial transactions</i></p> <p>The insolvency or deterioration in the financial position of a bank or other institution with which France Telecom-Orange has contractual relations may have a material adverse effect on the company.</p> <p><i>Foreign exchange risk</i></p> <p>France Telecom-Orange's results and cash position are exposed to exchange rate fluctuations.</p> <p><i>Risk of asset impairment</i></p> <p>France Telecom-Orange has recognized substantial amounts of goodwill as a result of acquisitions made since 1999. Impairment losses on this goodwill, likely to have a material adverse effect on France Telecom-Orange's balance sheet and results, could thus be recognized in accordance with IFRS. France Telecom-Orange's results and financial position could also be affected by the downturn in equity</p>
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		<p>markets in relation to disposal of its subsidiaries.</p> <p><i>Equity risk</i></p> <p>Future sales by the public sector of shares in France Telecom may negatively impact France Telecom's share price.</p>
D.3	Key risks regarding the Notes	<p>There are certain factors that may affect France Telecom's ability to fulfil its obligations under Notes issued under the Programme, including:</p> <p>General risks relating to the Notes (<i>e.g.</i> independent review and advice, potential conflicts of interest, legality of purchase, taxation, liquidity risks, exchange rate risks) such as:</p> <ul style="list-style-type: none"> - each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes; - there can be no assurance of a secondary market for the Notes or the continuity of such market if one develops and there can thus be a lack of liquidity on such market; - the market value of the Notes will be affected by the creditworthiness of the Issuer, and/or that of the Group and a number of additional factors; - potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. <p>Risks relating to the structure of a particular issue of Notes:</p> <ul style="list-style-type: none"> - [any optional redemption feature where the Issuer is given the right to redeem the Notes early might negatively affect the market value of such Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period;] - [investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes;] - [investment in Notes which bear interest at a floating rate [(including Index Linked Notes which are linked to TEC 10)] comprise (i) a reference rate [(or, in the case of Index Linked Notes which are linked to TEC 10, the TEC 10)] and (ii) a margin to be added or subtracted, as the case may be, from such base rate. There will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (<i>e.g.</i>, every three months or six months). Accordingly, the market value of floating rate Notes may be volatile if changes to the reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate;] [and] - [Notes denominated in Renminbi (RMB notes) are not

		<p>freely convertible; there are significant restrictions on remittance of RMB into and out of the People's Republic of China and the liquidity of the Notes denominated in RMB may be adversely affected. There may also be some exchange rate and interest rate risks related to RMB and RMB Notes may only be held in Euroclear France, Euroclear and Clearstream Luxembourg.]</p>
D.6.	<p>Key information on factors which are material for the purpose of assessing the risks associated with Index Linked Notes</p>	<p>[The Notes are Index Linked Notes which are Inflation Linked. Potential investors in the Notes should be aware that such Notes are debt securities where interest amounts and/or principal will be dependent upon the performance of [the consumer price index (excluding tobacco) for all households in metropolitan France, as calculated and published monthly by the INSEE] / [the harmonised index of consumer prices excluding tobacco, or the relevant successor index, measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published monthly by Eurostat] / [the non-seasonally adjusted United States consumer price index for all urban consumers as reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor and published by Bloomberg page "CPURNSA" or any successor source.]</p> <p>[If the level of the relevant Inflation Index declines over a determination period such that the ratio of the levels of the Inflation Index on the determination dates at the beginning and end of such determination period is less than 1.00, where interest is calculated by reference to an Inflation index, no interest will be payable for that period [or where principal is calculated by reference to an Inflation Index, the Notes will be redeemed at par.]</p> <p>[The nominal amount of Index Linked Notes which are Inflation Linked repaid early or at maturity is indexed to the performance of the [CPI] [HICP] [US CPI] on the issue date and the value of the [CPI] [HICP] [US CPI] on the redemption date, such that the Final Redemption Amount or, as applicable, the Early Redemption Amount in respect of any Note may be referenced to the nominal value of such Note multiplied by the ratio of the value of the relevant reference index as of the Maturity Date and the value of the relevant reference index on such date as shall be specified in the relevant Final Terms.]</p> <p>[The Notes are Index Linked Notes and are linked to TEC 10. Potential investors should be aware that such Notes are debt securities where interest amounts will be calculated by reference to the offered quotation (expressed as a percentage rate per annum) for the EUR-TEC10-CNO calculated by the <i>Comité de Normalisation Obligatoire</i> of the <i>Banque de France</i>, which is the percentage yield (rounded to the nearest second decimal point, 0.005 per cent. being rounded upwards) of a notional 10 year French Treasury Bond (Obligation Assimilable du Trésor, "OAT") corresponding to the linear interpolation between the yield to maturity of the two actual OATs (the "Reference OATs") whose periods to maturity are closest in duration to the notional 10 year OAT, one Reference OAT's duration being of less than 10 years and the other Reference OAT's duration being greater than 10 years.]</p> <p>[Not Applicable.]</p>

<i>Section E – Offer</i>		
E.2b	Use of proceeds	The net proceeds of the issue of each Tranche of Notes will be used by the Issuer for its general corporate purposes. If in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.
E.3	Terms and conditions of the offer	<p>The relevant Final Terms will specify the terms and conditions of the offer applicable to each Tranche of Notes.</p> <p>Other than as set out in section A.2 above, neither the Issuer nor any of the Dealers has authorised the making of any Public Offer by any person in any circumstances and such person is not permitted to use the Prospectus in connection with its offer of any Notes. Any such offers are not made on behalf of the Issuer or by any of the Dealers or Authorised Offerors and none of the Issuer or any of the Dealers or Authorised Offerors has any responsibility or liability for the actions of any person making such offers.</p>
E.4	Interest of natural and legal persons involved in the issue/offer	The relevant Final Terms will specify any interests of natural and legal persons involved in the issue of the Notes.
E.7	Expenses charged to the investor by the Issuer or an offeror	The relevant Final Terms will specify the estimated expenses applicable to Tranche of Notes.

3. REGULATORY FRAMEWORK

The Issuer is subject to the informational requirements of the United States Securities Exchange Act of 1934, as amended (the **Exchange Act**) and, in accordance therewith, is required to file annual reports and other information with the United States Securities and Exchange Commission (the **SEC**). Such filings and other information can be inspected and copied at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, DC 20549, and at its regional offices located at Suite 1400, Citicorp Center, 500 West Madison Street, Chicago, Illinois 60661 and The Woolworth Building, 233 Broadway, New York, New York 10279 at prescribed rates. Copies of such materials can also be obtained from the Public Reference Section of the SEC at its principal office in Washington, DC at prescribed rates and from the specified office of the Paying Agent for the time being in France free of charge. The SEC also maintains a website (<http://www.sec.gov>) from which certain filings and other information concerning the Issuer may be obtained. American Depositary Receipts representing American Depositary Shares representing the Issuer's ordinary shares are listed on the New York Stock Exchange. Reports and other information concerning securities of the Issuer can also be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York.

4. DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been filed with the AMF shall be incorporated in, and form part of, this Base Prospectus:

- the pages of the *Document de référence* for the financial year 2012 filed with the AMF on March 27, 2013 under N° D. 13-0227 (the "**2012 Share Registration Document**") which are referred to herein;
- the pages of the *Document de référence* for the financial year 2011 filed with the AMF on 29 March 2012 under N° D. 12-0238 (the "**2011 Share Registration Document**") which are referred to herein; and
- the press release dated April 24, 2013 containing unaudited financial information for the first quarter of 2013 (the "**First Quarter 2013 Financial Information**");
- the terms and conditions of the notes contained in the base prospectus of the Issuer dated 7 June 2010 (the "**2010 EMTN Conditions**"), the terms and conditions of the notes contained in the base prospectus of the Issuer dated 7 June 2011 (the "**2011 EMTN Conditions**"), the terms and conditions of the notes contained in the base prospectus of the Issuer dated 7 June 2012 (the "**2012 EMTN Conditions**") together with the 2010 EMTN Conditions, the 2011 EMTN Conditions and the 2012 EMTN Conditions, the "**EMTN Previous Conditions**")

for the purpose only of further issue of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued under the relevant EMTN Previous Conditions.

The 2011 and 2012 Share Registration Documents were filed with the AMF in both English and French. The only binding versions are the French language versions.

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross-reference list below. The information incorporated by reference that is not included in the cross-reference list is considered as additional information and is not required by the relevant schedules of the Commission Regulation EC/809/2004 as amended.

Cross-reference list

Information incorporated by reference	Page number	
	2011 Registration Document	2012 Registration Document
<i>(Annexes IV and IX of the European Regulation 809/2004/EC of 29 April 2004)</i>		
2. Statutory Auditors		
2.1 Names and Addresses	11	9
2.2 Change of situation of the Auditors	11	9
3. Selected financial information		
3.1 Historical information	13-14	11-12
3.2 Intermediate information	n/a	n/a
4. Risk factors	15-25	13-22
5. Information about the Issuer		
5.1 History and development of the Issuer	27	23
5.1.1 Legal and commercial name	27	23
5.1.2 Place of registration and registration number	27	23
5.1.3 Date of incorporation and length of life	27	23
5.1.4 Domicile, legal form, legislation, country of incorporation, address and telephone number	27	23
5.1.5 Recent events	27-28	23-24
5.2 Investments		
5.2.1 Description of principal investments during the fiscal year ended	218-220	185-187
5.2.2 Description of pending investments	220-221	187-188
5.2.3 Anticipated sources of funds needed to fulfil commitments referred to in 5.2.2.	253-262	218-226
6. Business overview	29-167	25-133
6.1 Principal activities	36-158	32-115
6.1.1 Description of the Issuer's principal activities	36-158	32-115
6.1.2 New products or new developments	36-158	32-115
6.2 Principal markets	36-158	32-115
6.3 Competitive position	40-41, 61, 78-79, 90, 97, 103, 108, 113, 117-118, 120, 124 and 132-133	36-37, 47-48, 57-58, 68, 72-73, 75-76, 78, 82, 84-85, 86-87, 89 and 96-97
7. Organisational structure		
7.1 Brief description of the Group	169	135
7.2 Dependence upon other entities within the Group	n/a	n/a
8. Trend information	291	255

8.1 Statement of no material adverse change on the Issuer's prospects	n/a	n/a
8.2 Events reasonably likely to have a material effect on the Issuer's prospects	291	255
9. Profit forecasts or estimates	n/a	n/a
9.1 Principal assumptions	n/a	n/a
9.2 Statement by independent accountants or auditors	n/a	n/a
9.3 Comparable with historical financial information	n/a	n/a
10. Administrative, management and supervisory bodies	295-310	259-272
10.1 Information concerning the administrative, management and supervisory bodies	296-310	260-272
10.2 Conflicts of interests	307	269
11. Board Practices	319-333	279-294
11.1 Information about the audit committee	321-323	281-283
11.2 Statement as to whether or not the issuer complies with its country's of incorporation corporate governance regime	320	280
12. Major shareholders	365-368	325-328
12.1 Ownership and control	366-368	326-328
12.2 Description of arrangements which may result in a change of control	n/a	n/a
13. Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses	371-554	331-490
13.1 Historical financial information		
Audited consolidated accounts	374-503	332-447
- Balance sheet	374-375	334-335
- Income statement	372-373	332
- Accounting policies and explanatory notes	392-499	352-443
- Auditors' report	500	444
Non-consolidated accounts	504-553	448—489
- Balance sheet	505	449
- Income statement	504	448
- Accounting policies and explanatory notes	507-551	451-487
- Auditors' report	552-553	488-489
13.2 Financial statements	374-503	332-447
13.3 Auditing of historical annual financial information		
13.3.1 Statement of audit of the historical annual financial information	9	9
13.3.2 Other audited information	n/a	n/a
13.3.3 Unaudited data	n/a	n/a
13.4 Age of last financial information	refer to 13.1, above	refer to 13.1, above
13.5 Interim and other financial information		
13.5.1 Audited quarterly or half-yearly information	n/a	n/a
13.5.2 Unaudited quarterly or half-yearly information	n/a	n/a
13.6 Legal and arbitration proceedings	554	490
13.7 Significant change in the Issuer's financial or trading position	554	490
14. Additional information	555-561	491-498
14.1. Share capital	556-557	492-493
14.1.1. Subscribed share capital	556	492

14.2 Memorandum and articles of association	558-560	493-496
14.2.1. Corporate purpose	558	493-494
15. Material contracts	563	499
16. Third party information and statement by experts and declarations of any interest	565	501
16.1 Statement by experts	565	501
16.2 Statements by third parties	565	501
17. Documents on display	567	503
<i>(Annexes V and XIII of the European Regulation 809/2004/EC of 29 April 2004)</i>		
7.5 Credit rating assigned to the Issuer	262	225-226

The EMTN Previous Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued under the relevant EMTN Previous Conditions.

Information incorporated by reference	Reference (page number)
<i>EMTN Previous Conditions</i>	
2010 Previous Conditions	51 to 74
2011 Previous Conditions	51 to 73
2012 Previous Conditions	48 to 69

Non-incorporated parts of the base prospectuses of the Issuer dated 7 June 2010, 7 June 2011 and 7 June 2012 are not relevant for investors.

Copies of documents incorporated by reference in this Base Prospectus can be obtained from the registered office of the Issuer. Those documents are also available on the websites of the Issuer (www.orange.com) and www.info-financiere.fr. This Base Prospectus, the 2011 Share Registration Document and the 2012 Share Registration Document will also be published on the websites of the Issuer (www.orange.com) and of the AMF (www.amf-france.org). Any Final Terms relating to Notes admitted to trading on Euronext Paris will be published on the website of the AMF (www.amf-france.org).

5. SUPPLEMENTS

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the AMF in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

The Issuer will, in the event of the emergence of any significant new factor, material mistake, omission or inaccuracy relating to the information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of the Notes.

6. FORM OF THE NOTES

Each Tranche of Notes will be in bearer form and will be initially issued in the form of a temporary global note (a **Temporary Global Note**) or, if so specified in the applicable Final Terms, a permanent global note (a **Permanent Global Note**) which, in either case:

- if the Global Notes are intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, will be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**); and

- if the Global Notes are not intended to be issued in NGN form, may (a) in the case of a Tranche intended to be cleared through Euroclear and Clearstream, Luxembourg be deposited on the issue date with a common depository (the **Common Depository**) on behalf of Euroclear and Clearstream, Luxembourg, (b) in the case of a Tranche intended to be cleared through Euroclear France (and eligible with Euroclear and Clearstream, Luxembourg), be deposited on the issue date with Euroclear France acting as central depository and (c) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear, Clearstream, Luxembourg or Euroclear France or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer.

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg, as indicated in the applicable Final Terms.

Upon the initial deposit of a Global Note with the Common Depository or Common Safekeeper, as the case may be, the Common Depository or the Common Safekeeper will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Upon the initial deposit of a Global Note with Euroclear France (where Euroclear France is acting as central depository), the *intermédiaires financiers habilités* (French banks or brokers authorised to maintain securities accounts on behalf of their clients (each an "**Approved Intermediary**")) who are entitled to such Notes according to the records of Euroclear France will credit each subscriber with a principal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depository (or Common Safekeeper, as the case may be) may also be credited to the accounts of subscribers with Approved Intermediaries or (if indicated in the applicable Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by Euroclear France or other clearing systems.

Whilst any Note is represented by a Temporary Global Note, payments of principal and interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg as applicable, has given a like certification (based on the certifications it has received) to the Agent (as defined below).

On and after the date (the **Exchange Date**) which is 40 days after the date on which a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a Permanent Global Note without receipts, interest coupons or talons or (b) for Definitive Notes of the same Series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of Definitive Notes, to such notice period as is specified in the applicable Final Terms) in each case against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note is improperly withheld or refused.

Payments of principal and interest (if any) on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification. The applicable Final Terms shall specify that either (i) a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for Definitive Notes with, where applicable, receipts, interest coupons and talons attached upon not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Agent as described therein or (ii) a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for Definitive Notes with, where applicable, receipts, interest coupons and talons attached only upon the occurrence of an Exchange Event as described therein. **Exchange Event** means (i) an Event of Default (as defined in Condition 10 (*Events of Default*)) has occurred and is continuing; (ii) the Issuer has been notified that either Euroclear or Clearstream, Luxembourg has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system is available; or (iii) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 7 (*Taxation*) which would not be required were the Notes represented by the Permanent Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of any Exchange Event, Euroclear and/or

Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) may give notice to the Agent requesting exchange and in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur not later than 60 days after the date of receipt of the first relevant notice by the Agent.

The following legend will appear on all Global Notes and Definitive Notes, which have an original maturity of more than 365 days and on all receipts, interest coupons and talons relating to such Notes:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States Noteholders, with certain exceptions, will not be entitled to deduct any loss on Notes or receipts, interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Notes receipts, or interest coupons.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*"), the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

A Note may be accelerated automatically by the holder thereof in certain circumstances described in Condition 10 (*Events of Default*). In such circumstances, where any Note is still represented by a Global Note and a holder of such Note so represented and credited to his securities account with Euroclear or Clearstream, Luxembourg gives notice that it wishes to accelerate such Note, unless within a period of seven days from the giving of such notice payment has been made in full of the amount due in accordance with the terms of such Global Note, such Global Note will become void. At the same time, holders of interests in such Global Note credited to their accounts with Euroclear or Clearstream, Luxembourg will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and Clearstream, Luxembourg, on and subject to the terms of a deed of covenant (the **Deed of Covenant**) dated 12 June 2013 executed by the Issuer.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to Euroclear France (save that, for the avoidance of doubt, Euroclear France shall not be appointed as Common Depositary or Common Safekeeper in respect of any Notes hereunder) and/or any additional or alternative clearing system to the extent specified in the applicable Final Terms or as may otherwise be approved by the Issuer and the Agent.

7. APPLICABLE FINAL TERMS (NOTES WITH A DENOMINATION OF LESS THAN €100,000)

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of less than EUR 100,000 (or its equivalent in another currency).

[Date]

FRANCE TELECOM

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the EUR 30,000,000,000

Euro Medium Term Note Programme

[The Base Prospectus referred to below [and any supplement thereto] (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (Directive 2003/71/EC, as amended, including by Directive 2010/73/EU) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- in those Public Offer Jurisdictions mentioned in Paragraph 36 of Part A below, provided such person is one of the persons mentioned in Paragraph 36 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].¹

[The Base Prospectus referred to below [and any supplement thereto] (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (Directive 2003/71/EC, as amended, including by Directive 2010/73/EU) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].²

¹ Consider including this legend where a non-exempt offer of Notes is anticipated.

² Consider including this legend where only an exempt offer of Notes is anticipated.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 12 June 2013 which received visa No. 13-276 from the *Autorité des marchés financiers* (the **AMF**) on 12 June 2013 [and the supplement(s) to the Base Prospectus dated [●] which received visa No. [●] from the AMF on [●]], [which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC, as amended, including by Directive 2010/73/EU) (the **Prospectus Directive**)]³. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive] and must be read in conjunction with the Base Prospectus[, as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. Copies of the Base Prospectus [and the supplements to such Base Prospectus] are available for viewing on the websites of the Issuer (www.orange.com) and of the AMF (www.amf-france.org) and from the head office of the Issuer and the specified offices of the Paying Agents. Copies of these Final Terms are available for viewing on the website of the AMF (www.amf-france.org).

[The following alternative language applies if the first tranche of an issue which is being increased was issued under a [Base Prospectus/Offering Circular] with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the [Base Prospectus/Offering Circular] dated [original date] [which received visa No. [●] from the *Autorité des marchés financiers* (the **AMF**) on [●] [and the supplement(s) thereto] which are incorporated by reference in this Base Prospectus (as defined below). This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC, as amended, including by Directive 2010/73/EU) (the **Prospectus Directive**)]³ and must be read in conjunction with the Base Prospectus dated 12 June 2013 which received visa No. 13-276 from the AMF on 12 June 2013 [and the supplement(s) to the Base Prospectus dated [●] which received visa No. [●] from the AMF on [●]] [which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive]³ (the "**Base Prospectus**"), including the Conditions which are incorporated by reference in this Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplement(s) to the Base Prospectus dated [●]] [is][are] available for viewing on the website of the AMF (www.amf-france.org) and from the head office of the Issuer and the specified offices of the Paying Agents. Copies of these Final Terms are available for viewing on the website of the AMF (www.amf-france.org).

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

³ Delete in the case of any issue of Exempt Notes or any Notes to be issued pursuant to a unitary prospectus.

1. Issuer: France Telecom, Orange as of 1 July 2013
2. (a) Series Number: []
- (b) Tranche Number: []
- (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)*
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount:
- (a) Tranche: []
- (b) Series: []
5. Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date]] (if applicable).
6. (a) Specified Denominations: []
- (b) Calculation Amount: []
- (If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7. (a) Issue Date: []
- (b) Interest Commencement Date: [specify/Issue Date/Not Applicable]
8. Maturity Date: [Fixed rate — specify date/
- Floating rate — Interest Payment Date falling in or nearest to [specify month]]*
9. Interest Basis: [[] per cent. Fixed Rate]
- [[LIBOR/EURIBOR] +/- [] per cent. Floating Rate]
- [Fixed to Floating Rate]
- [Zero Coupon]
- [CPI Linked Interest]
- [HICP Linked Interest]
- [US CPI Linked Interest]
- [TEC 10 Linked Interest]
- (further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
- [Instalment]
- [Index Linked]

(further particulars specified below)

11. Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]
12. Put/Call Options: [Investor Put]
[Issuer Call]
[Make-whole Redemption by the Issuer]
[Not Applicable]
13. (a) Status of the Notes: [Senior]
[(b) Date of corporate decision to issue the Notes: []]
(N.B. only relevant when the Notes constitute "obligations" under French law)
14. Method of distribution: [Syndicated/Non-syndicated]

Provisions Relating to Interest (if any) Payable

15. Fixed Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Rate(s) of Interest: [] per cent. [per annum/other period] [payable [annually/semi-annually/quarterly] in arrear].
- (b) Interest Payment Date(s): [[] in each year up to and including the Maturity Date]
(NB: This will need to be amended in the case of long or short coupons)
- (c) Fixed Coupon Amount [(s)]⁴: [] per Calculation Amount
- (d) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [] *(Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount)*
- (e) Day Count Fraction: [30/360 or Actual/Actual (ICMA)]
(Day count fraction should be Actual-Actual (ICMA) for all fixed rate issues other than those denominated in U.S. Dollars or RMB, unless agreed otherwise)
- (f) Determination Date(s): [] in each year
(N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA) or for RMB Notes. In such case, regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)
- (g) [Business Day Convention:⁵ Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] / [Not Applicable]
- (h) [Party responsible for calculating Interest Amounts (if not the Calculation []/[Not Applicable]

⁴ Not applicable for RMB Notes

⁵ RMB Notes only

Agent):]⁶

16. Floating Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Specified Period(s)/Specified Interest Payment Dates: []
- (b) First Interest Payment Date: []
- (c) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (d) Additional Business Centre(s): []
- (e) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (f) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [Not applicable/give details]
- (g) Screen Rate Determination:
- (i) Reference Rate: [] *(Either LIBOR or EURIBOR) (additional information if necessary.)*
- (ii) Interest Determination Date(s): [] *(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR.)*
- (iii) Relevant Screen Page: [[] *(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions accordingly.)*]
- (h) ISDA Determination:
- (i) Floating Rate Option: []
- (ii) Designated Maturity: []
- (iii) Reset Date: []
- (i) Margin(s): [+/-] [] per cent. per annum
- (j) Minimum Rate of Interest: [] per cent. per annum
- (k) Maximum Rate of Interest: [] per cent. per annum
- (l) Day Count Fraction: [Actual/Actual (ISDA)
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360]

⁶ RMB Notes only

30E/360
30E/360 (ISDA)

17. Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Accrual Yield: [] per cent. per annum
- (b) Reference Price: []
- (c) Day Count Fraction in relation to Early Redemption Amounts and late payments: [Conditions 6(g)(iii) and (k) apply]
18. Index Linked Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Index: [TEC 10/CPI/HICP - OPTION 1/HICP - OPTION 2/US CPI]
- (ii) Calculation Agent: [Give name (and if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, address)]
- (iii) Party responsible for calculating the redemption amount and/or interest due (if not the Calculation Agent): [Give name (and if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, address)]
- (iv) Interest Period(s): [•]
- (v) Provisions for determining Coupon and/or redemption amount where calculation by reference to Index and/or Formula is impossible or impracticable: [Condition 4(b)(iii)(1)/4(b)(iii)(2)/4(b)(iii)(3)(I)/4(b)(iii)(3)(II)/4(b)(iii)(4) applies]
- (vi) Specified Period(s)/Specified Interest Payment Dates: []
- (vii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (viii) Additional Business Centre(s): []
- (ix) Rate of Interest: []% per annum multiplied by the Inflation Index Ratio/TEC 10
- (x) Day Count Fraction: []

Provisions Relating to Redemption

19. Make-whole Redemption by the Issuer: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Quotation Agent []
- (b) Discounting basis for purposes of calculating sum of the present values of the remaining scheduled payments of [Annual/Semi-Annual]

principal and interest on Redeemed Notes in the determination of the Make-whole Redemption Amount:

- (c) Benchmark Security/Securities: [Specify details of bench mark security/securities, with appropriate securities identification number]
- (d) Make-whole Margin: [] per cent. per annum
- (e) Timing for calculation of Benchmark Security Rate: [a.m.][p.m.] on []
- (f) Person(s) to be notified by Issuer of Make-whole Redemption Date and Make-whole Redemption Amount, in accordance with Condition 6(d): [Give name(s) and address(es)]
20. Issuer Call: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount: [] per Calculation Amount
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: []
- (ii) Maximum Redemption Amount: []
21. Investor Put: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount: [[] per Calculation Amount]
22. Final Redemption Amount: [[] per Specified Denomination]
- Index Linked Notes – provisions relating to the Final Redemption Amount⁷: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Index: [CPI/HICP - OPTION 1/HICP - OPTION 2/US CPI/TEC 10]
- (ii) Final Redemption Amount in respect of Index Linked Notes: [Condition 6(a)/Condition 6(f)(i)/Condition 6(f)(ii) applies]
- (iii) Base Reference⁸ /Redemption Date Inflation Index Ratio⁹: [[CPI/HICP - OPTION 1/US CPI] Daily Inflation Reference Index applicable on [specify date] (amounting to: [●])] ¹⁰ [Inflation Index Ratio per Condition

⁷ Include this section where Index Linked Notes are Inflation Linked

⁸ Include reference for issue of Index Linked Notes in respect of which Condition 5(f)(i) will apply.

⁹ Include reference for issue of Index Linked Notes in respect of which Condition 5(f)(ii) will apply.

4(b)(iii)(3)(II)]¹¹

- (iv) Party responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the Calculation Agent): [•]

23. Early Redemption Amount of each Note payable on redemption for taxation reasons (Condition 6(b)) or on an event of default (Condition 10) or other early redemption: [Condition 6(g)(iv)/Condition 6(g)(v) applies]
[[] per Calculation Amount]

General Provisions Applicable to the Notes

24. Form of Notes:

- (a) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]
[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]
[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]

- (b) New Global Note: [Yes][No]

25. Additional Business Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/give details]
(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 16(d) and 18(f) relate)

26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]

27. Details Relating to Instalment Notes: [Not Applicable/give details]

- (a) Instalment Amount(s): []
(b) Instalment Date(s): []
(c) Minimum Instalment Amount: []
(d) Maximum Instalment Amount: []

28. Redenomination provisions: [Not Applicable/The provisions in Condition 17 apply]

29. Consolidation provisions: [Not Applicable/The provisions [in Condition 16]apply]

Distribution

30. (a) If syndicated, names and addresses and underwriting commitments of Managers: [Not Applicable/give names, addresses and underwriting commitments of Managers]

(Include names and addressees of entities agreeing to

¹⁰ Include for issue of Index Linked Notes in respect of which Condition 5(f)(i) will apply.

¹¹ Include for issue of Index Linked Notes in respect of which Condition 5(f)(ii) will apply.

underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)

- (b) Stabilising Manager(s) (if any): [Not Applicable/give name]
31. If non-syndicated, name and address of relevant Dealer: [Not Applicable/Name and address]
32. Total commission and concession: [] per cent. of the Aggregate Nominal Amount
33. U.S. Selling Restrictions: Regulation S Category 2 [TEFRA C/TEFRA D/TEFRA not applicable]
34. Non-exempt Offer: [Not Applicable] [An offer of the Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdictions where the Prospectus and any supplements have been passported] ("**Public Offer Jurisdictions**") during the period from [specify date] until [specify date] ("**Offer Period**"). See further paragraph 8 of Part B below.

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdiction] [admission to trading on the regulated market of Euronext Paris/other (*specify*)] of the Notes described herein pursuant to the EUR 30,000,000,000 Euro Medium Term Note Programme of France Telecom.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of France Telecom:

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

[Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris] / (*specify relevant regulated market*) with effect from [the Issue Date/ *other*].] [Not Applicable].

(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading)

2. RATINGS

[The Notes to be issued have not been rated]/[The Notes to be issued have been rated:

[S&P: []]
[Moody's: []]
[Fitch: []]
[Other]: []]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

[The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.]

[Insert one (or more) of the following options, as applicable:

*[[Insert credit rating agency/ies] [is/are] established in the European Union and registered under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No 513/2011 (the "**CRA Regulation**"). As such [•] [is/are] included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]*

*[[Insert credit rating agency/ies] [is/are] established in the European Union and [has/have each] applied for registration under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No 513/2011 (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]*

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the Dealer(s), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.] (*Amend as appropriate if there are other interests*)

(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.)

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) [Reasons for the offer: []]

[(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from general corporate purposes and/or refinancing of current indebtedness will need to include those reasons here.)]

(ii) [Estimated net proceeds: []]

[If the proceeds are intended for more than one purpose, those purposes should be disclosed in order of priority. If the proceeds will be insufficient to fund all disclosed purposes, state the amount and sources of other funding.]

(iii) [Estimated total expenses: [] [*Include breakdown of expenses*]]

5. YIELD (Fixed Rate Notes Only)

Indication of yield: [Not Applicable/Applicable] [*give details*]

[Calculated as [*include details of method of calculation in summary form*] on the Issue Date.]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. HISTORIC INTEREST RATES

(*Floating Rate Notes Only*)

[Not Applicable/Applicable]

Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters].

7. [*Index Linked Notes only*] – PERFORMANCE OF INDEX AND OTHER INFORMATION CONCERNING THE UNDERLYING

(i) Name of underlying index: [Consumer Price Index excluding tobacco for all households in metropolitan France ("**CPI**") as calculated and published monthly by the *Institut National de la Statistique et des Etudes Economiques*. / Harmonised Index of Consumer Prices excluding tobacco measuring the rate of inflation in the European Monetary Union excluding tobacco ("**HICP**") as calculated and published by Eurostat / United States consumer price index as reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor and published on Bloomberg page "CPURNSA" ("**US CPI**").]

[EUR-TEC10-CNO ("**TEC 10**"), established in April 1996, being the percentage yield (rounded to the nearest second decimal point, 0.005 per cent. being rounded upwards) of a notional 10 year French Treasury Bond (*Obligation Assimilable du Trésor*; "**OAT**") corresponding to the linear interpolation between the yield to maturity of the two actual OATs (the "**Reference OATs**") whose periods to maturity are closest in duration to the notional 10 year OAT, one Reference OAT's duration being of less than 10 years and the other Reference OAT's duration being greater than 10 years.]

(ii) Information about the Index: [Agence Française du Trésor Reuters page OATINFLATION01 or on Bloomberg TRESOR <GO> pages and on the website www.aft.gouv.fr.]

[Reuters page OATEI01 or on Bloomberg page TRES3]

[Bloomberg page CPURNSA]

[Reuters Screen BDFCNOTE Page]

The Issuer [*intends to provide post-issuance information [specify what information will be reported and where it can be obtained]*] [*does not intend to provide post-issuance information*]

8. OPERATIONAL INFORMATION

(i) ISIN Code: []

- (ii) Common Code: []
- (iii) Common Depository for Euroclear and Clearstream, Luxembourg: []
- (iv) Central Depository: [Not Applicable/Euroclear France]
- (v) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- (vi) Delivery: Delivery [against/free of] payment
- (vii) Names and addresses of Additional Paying Agent(s) (if any): []
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]
 [Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] [include this text if "yes" selected in which case the Notes must be issued in NGN form]
- (ix) Names and addresses of additional Paying Agent(s): []
- (x) Address and contact details of France Telecom for all administrative communications relating to the Notes: Telephone: []
 Telex: []
 Facsimile: []
 Attention: []

9. TERMS AND CONDITIONS OF THE OFFER

- (i) [Offer Period:] [] to []
(this period should be from the date of publication of the Final Terms in the relevant jurisdiction to a specified date (or a formulation such as "the Issue Date" or "the date which falls [●] Business Days thereafter"))
- (ii) [Offer Price:] [Issue Price][specify]
- (iii) [Jurisdictions:] []
- (iv) [Total amount of the issue/offer:] [] *(if the amount is not fixed, insert a description of the arrangements and time for announcing to the public the definitive amount of the offer)*
- (v) [Conditions to which the offer is subject:] [Not applicable/give details]
- (vi) [Description of the application process:] [Not applicable/give details]
- (vii) [Details of the minimum and/or maximum amount of application:] [Not applicable/give details]
- (viii) [Description of possibility to reduce subscriptions and manner for

refunding excess amount paid by applicants:]

- (ix) [Details of the method and time limits for paying up and delivering the Notes:] [Not applicable/*give details*]
- (x) [Manner in and date on which results of the offer are to be made public:] [Not applicable/*give details*]
- (xi) [Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:] [Not applicable/*give details*]
- (xii) [If the offer is being made simultaneously in the markets of two or more countries and whether tranche(s) have been reserved for certain of these, indicate any such tranche:] [Not applicable/*give details*]
- (xiii) [Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:] [Not applicable/*give details*]
- (xiv) [Amount of any expenses and taxes specifically charged to the subscriber or purchaser:] [Not applicable/*give details*]
- (xv) [Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:] [None/*give details*]

[Summary to be appended to Final Terms]

8. APPLICABLE FINAL TERMS ((NOTES WITH A DENOMINATION EQUAL TO OR OF MORE THAN €100,000))

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of at least EUR 100,000 (or its equivalent in another currency).

[Date]

FRANCE TELECOM

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the EUR 30,000,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 12 June 2013 which received visa No. 13-276 from the *Autorité des marchés financiers* (the **AMF**) on 12 June 2013 [and the supplement(s) to the Base Prospectus dated [●] which received visa No. [●] from the AMF on [●]], [which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC, as amended, including by Directive 2010/73/EU) (the **Prospectus Directive**)]¹². This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive] and must be read in conjunction with the Base Prospectus[, as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. Copies of the Base Prospectus [and the supplements to such Base Prospectus] are available for viewing on the websites of the Issuer (www.orange.com) and of the AMF (www.amf-france.org) and from the head office of the Issuer and the specified offices of the Paying Agents. Copies of these Final Terms are available for viewing on the website of the AMF (www.amf-france.org).

[The following alternative language applies if the first tranche of an issue which is being increased was issued under a [Base Prospectus/Offering Circular] with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the [Base Prospectus/Offering Circular] dated [original date] [which received visa No. [●] from the *Autorité des marchés financiers* (the **AMF**) on [●] [and the supplement(s) thereto] which are incorporated by reference in this Base Prospectus (as defined below). This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC, as amended, including by Directive 2010/73/EU) (the **Prospectus Directive**)]³ and must be read in conjunction with the Base Prospectus dated 12 June 2013 which received visa No. 13-276 from the AMF on 12 June 2013 [and the supplement(s) to the Base Prospectus dated [●] which received visa No. [●] from the AMF on [●]] [which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive]³ (the "**Base Prospectus**"), including the Conditions which are incorporated by reference in this Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [and the supplement(s) to the Base Prospectus dated [●]] [is][are] available for viewing on the website of the AMF (www.amf-france.org) and from the head office of the Issuer and the specified offices of the Paying Agents. Copies of these Final Terms are available for viewing on the website of the AMF (www.amf-france.org).

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be €100,000 or its equivalent in any other currency.]

1. Issuer: France Telecom, Orange as of 1 July 2013

¹² Delete in the case of any issue of Exempt Notes or any Notes to be issued pursuant to a unitary prospectus.

2. (a) Series Number: []
- (b) Tranche Number: []
- (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)*
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount: []
- (a) Tranche: []
- (b) Series: []
5. Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date]] (if applicable).
6. (a) Specified Denominations: []
- (Note – where multiple denominations above €100,000 or equivalent are being used the following sample wording should be used:*
- €100,000 and integral multiples of [€1,000] in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000.)
- (b) Calculation Amount: []
- (If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7. (a) Issue Date: []
- (b) Interest Commencement Date: [specify/Issue Date/Not Applicable]
8. Maturity Date: [Fixed rate — specify date/
- Floating rate — Interest Payment Date falling in or nearest to [specify month]]*
9. Interest Basis: [[] per cent. Fixed Rate]
- [LIBOR/EURIBOR] +/- [] per cent. Floating Rate]
- [Fixed to Floating Rate]
- [Zero Coupon]
- [CPI Linked Interest]
- [HICP Linked Interest]
- [US CPI Linked Interest]
- [TEC 10 Linked Interest]
- (further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]

- [Instalment]
- [Index Linked]
- (further particulars specified below)
11. Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]
12. Put/Call Options: [Investor Put]
- [Issuer Call]
[Make-whole Redemption by the Issuer]
[Not Applicable]
13. (a) Status of the Notes: [Senior]
- [(b) Date of corporate decision to issue the Notes: []]
- (N.B. only relevant when the Notes constitute "obligations" under French law)
14. Method of distribution: [Syndicated/Non-syndicated]
- Provisions Relating to Interest (if any) Payable**
15. Fixed Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Rate(s) of Interest: [] per cent. [per annum/other period] [payable [annually/semi-annually/quarterly] in arrear]
- (b) Interest Payment Date(s): [[] in each year up to and including the Maturity Date]
- (NB: This will need to be amended in the case of long or short coupons)
- (c) Fixed Coupon Amount[(s)]¹³: [] per Calculation Amount
- (d) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [] (Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount)]
- (e) Day Count Fraction: [30/360 or Actual/Actual (ICMA)]
- (Day count fraction should be Actual-Actual (ICMA) for all fixed rate issues other than those denominated in U.S. Dollars or RMB, unless agreed otherwise)
- (f) Determination Date(s): [] in each year
- (N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA) or for RMB Notes). In such each case, regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon).
- (g) [Business Day Convention:¹⁴ Floating Rate Convention/Following Business Day

¹³ Not applicable for RMB Notes

¹⁴ RMB Notes only

		Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
(h)	[Party responsible for calculating Interest Amounts (if not the Calculation Agent):] ¹⁵	[]/[Not Applicable]
16.	Floating Rate Note Provisions:	[Applicable/Not Applicable]
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
(a)	Specified Period(s)/Specified Interest Payment Dates:	[]
(b)	First Interest Payment Date:	[]
(c)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
(d)	Additional Business Centre(s):	[]
(e)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination]
(f)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	[Not applicable/give details]
(g)	Screen Rate Determination:	
	(i) Reference Rate:	[] <i>(Either LIBOR or EURIBOR) (additional information if necessary.)</i>
	(ii) Interest Determination Date(s):	[] <i>(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR.)</i>
	(iii) Relevant Screen Page:	[] <i>(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions accordingly.)</i>
(h)	ISDA Determination:	
	(i) Floating Rate Option:	[]
	(ii) Designated Maturity:	[]
	(iii) Reset Date:	[]
(i)	Margin(s):	[+/-] [] per cent. per annum
(j)	Minimum Rate of Interest:	[] per cent. per annum
(k)	Maximum Rate of Interest:	[] per cent. per annum
(l)	Day Count Fraction:	[Actual/Actual (ISDA) Actual/365 (Fixed)]

¹⁵ RMB Notes only

Actual/365 (Sterling)
Actual/360
30/360
30E/360
30E/360 (ISDA)]

17. Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Accrual Yield: [] per cent. per annum
- (b) Reference Price: []
- (c) Day Count Fraction in relation to Early Redemption Amounts and late payments: [Conditions 6(g)(iii) and (k) apply]
18. Index Linked Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Index: [TEC 10/CPI/HICP - OPTION 1/HICP - OPTION 2/US CPI]
- (ii) Calculation Agent: [Give name (and if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, address)]
- (iii) Party responsible for calculating the redemption amount and/or interest due (if not the Calculation Agent): [Give name (and if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, address)]
- (iv) Interest Period(s): []
- (v) Provisions for determining Coupon and/or redemption amount where calculation by reference to Index and/or Formula is impossible or impracticable: [Condition 4(b)(iii)(1)/4(b)(iii)(2)/4(b)(iii)(3)(I)/4(b)(iii)(3)(II)/4(b)(iii)(4) applies]
- (vi) Specified Period(s)/Specified Interest Payment Dates: []
- (vii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (viii) Additional Business Centre(s): []
- (ix) Rate of Interest: []% per annum multiplied by the Inflation Index Ratio/TEC 10

Provisions Relating to Redemption

19. Make-whole Redemption by the Issuer: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Quotation Agent: []
- (b) Discounting basis for purposes of calculating sum of the present values of [Annual/Semi-Annual]

the remaining scheduled payments of principal and interest on Redeemed Notes in the determination of the Make-whole Redemption Amount:

- (c) Benchmark Security/Securities: *[Specify details of benchmark security/securities, with appropriate securities identification number]*
- (d) Make-whole Margin: [] per cent. per annum
- (e) Timing for calculation of Benchmark Security Price: [a.m.][p.m.] on [●]
- (f) Person(s) to be notified by Issuer of Make-whole Redemption Date and Make-whole Redemption Amount, in accordance with Condition 6(d): *[Give name(s) and address(es)]*
20. Issuer Call: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount: [] per Calculation Amount
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: []
- (ii) Maximum Redemption Amount: []
21. Investor Put: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[] per Calculation Amount]
22. Final Redemption Amount: [[] per Specified Denomination]
- Index Linked Notes –provisions relating to the Final Redemption Amount¹⁶: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Index: [CPI/HICP - OPTION 1/HICP - OPTION 2/US CPI/TEC 10]
- (ii) Final Redemption Amount in respect of Index Linked Notes: [Condition 6(a)/Condition 6(f)(i)/Condition 6(f)(ii) applies]
- (iii) Base Reference ¹⁷ /Redemption Date Inflation Index Ratio¹⁸: [[CPI/HICP - OPTION 1/US CPI] Daily Inflation Reference Index applicable on *[specify date]* (amounting to:

¹⁶ Include this section where Index Linked Notes are Inflation Linked.

¹⁷ Include reference for issue of Index Linked Notes in respect of which Condition 5(f)(i) will apply.

¹⁸ Include reference for issue of Index Linked Notes in respect of which Condition 5(f)(ii) will apply.

[•)]¹⁹[Inflation Index Ratio per Condition 4(b)(iii)(3)(II)]²⁰

- (iv) Party responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the Calculation Agent): [•]

23. Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default: [Condition 6(g)(iv)/Condition 6(g)(v) applies]
[[] per Calculation Amount]

General Provisions Applicable to the Notes

24. Form of Notes:

- (a) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]

[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]

[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]

NB. If the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "€100,000 and integral multiples of [€1,000] in excess thereof up to and including €199,000", Global Notes should only be exchangeable for Definitive Notes upon an Exchange Event, not in any other case.

Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.

- (b) New Global Note: [Yes][No]

25. Additional Business Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/give details]

(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 16(d) and 18(f) relate)

26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]

27. Details relating to Instalment Notes: [Not Applicable/give details]

- (a) Instalment Amount(s): []
(b) Instalment Date(s): []
(c) Minimum Instalment Amount: []
(d) Maximum Instalment Amount: []

¹⁹ Include for issue of Index Linked Notes in respect of which Condition 5(f)(i) will apply.

²⁰ Include for issue of Index Linked Notes in respect of which Condition 5(f)(ii) will apply.

28. Redenomination provisions: [Not Applicable/The provisions in Condition 17 apply]
29. Consolidation provisions: [Not Applicable/The provisions [in Condition 16] apply]

Distribution

30. (a) If syndicated, names of Managers: [Not Applicable/*give names of Managers*]
- (b) Stabilising Manager(s) (if any): [Not Applicable/*give name*]
31. If non-syndicated, name of relevant Dealer: [Not Applicable/*Name and address*]
32. U.S. Selling Restrictions: Regulation S Category 2 [TEFRA D/TEFRA C/TEFRA not applicable]
33. Additional selling restrictions: [Not Applicable/*give details*]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and admission to trading on the regulated market of Euronext Paris/other (*specify*)] of the Notes described herein pursuant to the EUR 30,000,000,000 Euro Medium Term Note Programme of France Telecom.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of France Telecom:

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing and Admission to trading: [Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris] / (specify relevant regulated market), with effect from [the Issue Date/other].] [Not Applicable].

Estimate of total expenses relating to admission to trading: []

2. RATINGS

[The Notes to be issued have not been rated]/[The Notes to be issued have been rated:

[S&P: []]
[Moody's: []]
[Fitch: []]
[Other]: []

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

[The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.]]

[Insert one (or more) of the following options, as applicable:

[[Insert credit rating agency/ies] [is/are] established in the European Union and registered under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No 513/2011 (the "**CRA Regulation**"). As such [•] [is/are] included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

[[Insert credit rating agency/ies] [is/are] established in the European Union and [has/have each] applied for registration under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No 513/2011 (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the Dealer(s), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.] (Amend as appropriate if there are other interests)

(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.)

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) [Reasons for the offer: []

[(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from general corporate purposes and/or refinancing of current indebtedness will need to include those reasons here.)]]

(ii) [Estimated net proceeds: []

[If the proceeds are intended for more than one purpose, those purposes should be disclosed in order of priority. If the proceeds will be insufficient to fund all disclosed

purposes, state the amount and sources of other funding.]]

(iii) [Estimated total expenses: []

5. YIELD (Fixed Rate Notes Only)

Indication of yield: [Not Applicable/Applicable] *[give details]*

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. [Index Linked Notes *only* – PERFORMANCE OF INDEX AND OTHER INFORMATION CONCERNING THE UNDERLYING

(i) Name of underlying index: [Consumer Price Index excluding tobacco for all households in metropolitan France ("**CPI**") as calculated and published monthly by the *Institut National de la Statistique et des Etudes Economiques*. / Harmonised Index of Consumer Prices excluding tobacco measuring the rate of inflation in the European Monetary Union excluding tobacco ("**HICP**") as calculated and published by Eurostat / United States consumer price index as reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor and published on Bloomberg page "CPURNSA" ("**US CPI**").]

[EUR-TEC10-CNO ("**TEC 10**"), established in April 1996, being the percentage yield (rounded to the nearest second decimal point, 0.005 per cent. being rounded upwards) of a notional 10 year French Treasury Bond (*Obligation Assimilable du Trésor*, "**OAT**") corresponding to the linear interpolation between the yield to maturity of the two actual OATs (the "**Reference OATs**") whose periods to maturity are closest in duration to the notional 10 year OAT, one Reference OAT's duration being of less than 10 years and the other Reference OAT's duration being greater than 10 years.]

(ii) Information about the Index: [Agence Française du Trésor Reuters page OATINFLATION01 or on Bloomberg TRESOR <GO> pages and on the website www.aft.gouv.fr.]

[Reuters page OATEI01 or on Bloomberg page TRES3]

[Bloomberg page CPURNSA]

[Reuters Screen BDFCNOTEC Page]

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information]

7. OPERATIONAL INFORMATION

(i) ISIN Code: []

(ii) Common Code: []

(iii) Common Depository for Euroclear and Clearstream, Luxembourg: []

(iv) Central Depository: [Not Applicable/Euroclear France]

(v) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* [Not Applicable/*give name(s) and number(s)*]

and the relevant identification number(s):

(vi) Delivery: Delivery [against/free of] payment

(vii) Names and addresses of Additional Paying Agent(s) (if any): []

(viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]

[Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]
[include this text if "yes" selected in which case the Notes must be issued in NGN form]

(ix) Names and addresses of additional Paying Agent(s): []

(x) Address and contact details of France Telecom for all administrative communications relating to the Notes: Telephone: []
Telex: []
Facsimile: []
Attention: []

9. TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note and each Definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any), and agreed by the Issuer and the relevant Dealer(s) at the time of issue but, if not so permitted and agreed, such Definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Temporary Global Note, Permanent Global Note and Definitive Note. Reference should be made to "Form of the Notes", for a description of the content of the Final Terms which will include the definitions of certain terms used in the following Terms and Conditions or specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by France Telecom (the **Issuer**) pursuant to the Agency Agreement (as defined below).

References herein to the "**Notes**" shall be references to the Notes of this Series and shall mean:

- (i) in relation to any Notes represented by a Global Note, units of each Specified Denomination in the Specified Currency;
- (ii) Definitive Notes issued in exchange for a Global Note; and
- (iii) any Global Note.

The Notes, the Receipts and the Coupons (as defined below) have the benefit of an amended and restated agency agreement (the **Agency Agreement**) dated 12 June 2013 and made between the Issuer, Citibank, N.A. as issuing and principal paying agent and agent bank (the **Agent**, which expression shall include any successor agent specified in the applicable Final Terms) and the other paying agents named therein (together with the Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents).

Interest bearing Definitive Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons (**Coupons**) and, if indicated in the applicable Final Terms, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Notes repayable in instalments have receipts (**Receipts**) for the payment of the instalments of principal (other than the final instalment) attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions (the **Terms and Conditions**) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References to the "applicable Final Terms" are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

Any reference to **Noteholders** or **holders** in relation to any Notes shall mean the holders of the Notes, and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to **Receiptholders** shall mean the holders of the Receipts and any reference herein to **Couponholders** shall mean the holders of any Coupons, and shall, unless the context otherwise requires, include any holders of the Talons.

As used herein, **Tranche** means Notes which are identical in all respects and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Noteholders, the Receiptholders and the Couponholders are entitled to the benefit of the Deed of Covenant (the **Deed of Covenant**) dated 12 June 2013 and made by the Issuer. The original of the Deed of Covenant is held by Euroclear France on behalf of Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Copies of the Agency Agreement and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Agent and the other Paying Agents. Copies of the applicable Final Terms may be obtained from the head office of the Issuer and the specified offices of the Paying Agents save that, if this Note is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms will only be available by a Noteholder holding one or more Notes of that Series and such Noteholder must produce evidence satisfactory to the relevant Paying Agent as to its holding of Notes and as to identity. In the case of Notes to be admitted to trading on Euronext Paris, the applicable Final Terms will be published on the website of the AMF (www.amf-france.org). The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all

the provisions of the Agency Agreement, the Deed of Covenant and the applicable Final Terms which are applicable to them.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

1. Form, Denomination and Title

The Notes are in bearer form and, in the case of Definitive Notes, serially numbered, in the currency (the "**Specified Currency**") and the denominations (the "**Specified Denomination(s)**"). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

The minimum denomination of each Note will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

This Note may be a Fixed Rate Note, an Instalment Note, an Index Linked Note or a Floating Rate Note or a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis and the Redemption/Payment Basis method specified in the relevant Final Terms.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Notes, Receipts and Coupons will pass by delivery. The Issuer, the Replacement Agent (as defined in the Agency Agreement) and any Paying Agent may deem and treat the bearer of any Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank S.A./N.V. and/or Euroclear France (together, **Euroclear**) and/or Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**) or any other clearing system that may be agreed upon between the Issuer, the Principal Paying Agent and the relevant Dealers, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest or proven error) shall be treated by the Issuer, the Agent and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, the Agent and any other Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be.

2. Status of the Notes

The Notes and the related Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3 (*Negative Pledge*)) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

3. Negative Pledge

The Issuer undertakes that so long as any of the Notes remains outstanding it will not, and shall ensure that none of its Principal Subsidiaries will, create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (each a **Security Interest**) upon the whole or any part of its/their respective assets or revenues of whatever nature present or future, to secure any Relevant Debt, or any guarantee or indemnity in respect of any Relevant Debt, unless at the same time or prior thereto the Issuer's obligations under the Notes and Coupons are secured equally and rateably therewith or benefit from a Security Interest or guarantee or indemnity in substantially identical terms thereto to the extent permitted by French or other applicable law or regulation.

For the purposes of this Condition:

Principal Subsidiary means any Subsidiary at any relevant time of the Issuer:

- (i) (a) whose total assets or operating income (or, where the Subsidiary in question prepares consolidated accounts, whose total consolidated assets or consolidated operating income, as the case may be) attributable to the Issuer represent not less than 15 per cent. of the total consolidated assets or consolidated operating income of the Issuer, all as calculated by reference to the then latest audited accounts (or consolidated accounts, as the case may be) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated subsidiaries, and
- (b) whose management and control is exercised by the Issuer; or
- (ii) to which are transferred all or substantially all the assets and undertakings of a Subsidiary which immediately prior to such a transfer is a Principal Subsidiary.

Relevant Debt means (i) any Notes issued under the Euro Medium Term Note Programme of the Issuer described herein or (ii) any present or future indebtedness for borrowed money in the form of, or represented by, bonds (*obligations*), notes or other securities (including *titres de créances négociables*) which are, for the time being, or are capable of being, quoted, listed or ordinarily traded on any stock exchange, over-the-counter market or other securities market (but excluding present or future indebtedness for borrowed money in the form of such other securities issued by the Issuer or Principal Subsidiary in private placements that the Issuer or such Principal Subsidiary has required in writing not to be so quoted, listed or ordinarily traded).

Subsidiary means in relation to a company (the **Parent Company**) at any time, any other company in which the Parent Company holds more than 50 per cent. of the share capital (as provided in article L.233-1 of the *Code de Commerce* (French Commercial Code)) or any other company which is controlled directly or indirectly by the Parent Company within the meaning of article L.233-3 of the *Code de Commerce*.

(For information purposes only, article L.233-3 of the *Code de Commerce* provides that a company (the **Controlling Co**) is considered to control another company (the **Controlled Co**) when it (i) holds directly or indirectly a portion of the share capital which entitles it to the majority of the voting rights in general meetings of shareholders of the Controlled Co; (ii) holds alone the majority of such voting rights by virtue of an agreement entered into with the other shareholders of the Controlled Co, provided such agreement is not contrary to the corporate interests of such Controlled Co; (iii) de facto, by virtue of the voting rights it holds, makes decisions at general meetings of shareholders; or (iv) has the power to appoint or dismiss the majority of the members of the board of directors or of the supervisory board. A company is deemed to exercise control if it holds, directly or indirectly, more than 40 per cent. of the voting rights of the Controlled Co and no other shareholder holds a larger percentage of the voting rights.)

4. Interest

(a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Fixed Rate(s) of Interest payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in these Terms and Conditions "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form, where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation amount is multiplied to reach the Specified Denomination without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

- (i) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:
 - (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if "30/360" is specified in the applicable Final Terms, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Terms and Conditions:

Determination Period means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on, the first Determination Date falling after, such date); and

sub-unit means with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) *Interest on Floating Rate Notes and Index Linked Notes*

(i) Interest Payment Dates

Each Floating Rate Note and Index Linked Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (B) if no express Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Terms and Conditions, **Interest Period** shall mean the period from (and including) the immediately preceding Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls into the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition 4, **Business Day** means a day which is:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and
- (B) in relation to any sum payable in Renminbi, a day on which commercial banks and foreign exchange markets settle payments in Renminbi in Hong Kong and in the relevant Business Centre(s) (if any); and
- (C) either (1) in relation to sums payable in a Specified Currency other than euro and Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland respectively); or (2) in relation to sums payable in euro, a day on which the Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET2) System (the **TARGET2 System**) is open.

(ii) Rate of Interest for Floating Rate Notes

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in (i) the relevant Final Terms, and (ii) the provisions below relating to either ISDA Determination or Screen Rate Determination, as specified in the relevant Final Terms.

(A) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **ISDA Definitions**) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is if the applicable Floating Rate Option is based on the London inter-bank offered rate (**LIBOR**) or on the Euro-zone inter-bank offered rate (**EURIBOR**) for a currency, the first day of that Interest Period.

In these Terms and Conditions, **Euro-zone** means the region comprised of member states of the European Union that accept the Single Currency in accordance with the Treaty.

For the purposes of this sub-paragraph (A), **Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If 5 or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations. If the Relevant Screen Page is not available or if in the case of subsection (1) above, no such offered quotation appears or, in the case of subsection (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph the Agent shall request the principal London office of each of the Reference Banks to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11.00 a.m. (London time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately 11.00 a.m. (London time) on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Agent it is quoting to leading banks in the London inter-bank market (if the reference rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest

shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

For the purposes of this sub-paragraph (B):

"Reference Banks" means, in the case of in the case of subsection (1) above, those banks whose offered rates were used to determine such quotation when such quotation last appeared on the Relevant Screen Page and, in the case of in the case of subsection (2) above, those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

(iii) Rate of Interest for Index Linked Notes:

1. TEC 10

Where TEC 10 is specified as the Index in the Final Terms, this Condition 4(b)(iii)(1) shall apply. In such case, the Rate of Interest for each Interest Period will, subject as provided below, be the offered quotation (expressed as a percentage rate per annum) for the EUR-TEC10-CNO calculated by the *Comité de Normalisation Obligataire* of the *Banque de France*, which appears on the Relevant Screen Page, being Reuters Screen BDFCNOTEC Page, as at 10.00 a.m. Paris time on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent.

For information purposes only, the EUR-TEC10-CNO, established in April 1996, is the percentage yield (rounded to the nearest second decimal point, 0.005 per cent. being rounded upwards) of a notional 10 year French Treasury Bond (*Obligation Assimilable du Trésor*; "OAT") corresponding to the linear interpolation between the yield to maturity of the two actual OATs (the **"Reference OATs"**) whose periods to maturity are closest in duration to the notional 10 year OAT, one Reference OAT's duration being of less than 10 years and the other Reference OAT's duration being greater than 10 years.

If, on any Interest Determination Date, such rate does not appear on Reuters Screen CNOTEC10 Page, EUR-TEC 10-CNO shall be determined by the Calculation Agent on the basis of the mid-Market prices for each of the two reference OAT, which would have been used by the *Comité de Normalisation Obligataire* for the calculation of EUR-TEC10-CNO, quoted by five *Spécialistes en Valeurs du Trésor* excluding Deutsche Bank at approximately 10:00 a.m. Paris time on the Interest Determination Date in question.

The Calculation Agent will request each *Spécialistes en Valeurs du Trésor* to provide a quotation of its price.

EUR-TEC10-CNO will be the redemption yield of the arithmetic mean of such quotations as determined by the Principal Paying Agent after discarding the highest and lowest such quotations. The above mentioned redemption yield shall be determined by the Calculation Agent in accordance with the formula that would have been used by the *Comité de Normalisation Obligataire* for the determination of EUR-TEC10-CNO.

2. Consumer Price Index (CPI)

Where the consumer price index excluding tobacco for all households in metropolitan France, as calculated and published by the *Institut National de la Statistique et des Etudes Economiques* (the **"INSEE"**) (**"CPI"**) is specified as the Index in the relevant Final Terms, this Condition 4(b)(iii)(2) shall apply. Terms defined herein shall have the meanings set out below only when this Condition 4(b)(iii)(2) shall apply.

The Rate of Interest in respect of Index Linked Notes indexed to the CPI (the **"CPI Linked Interest"**) will be determined by the Calculation Agent on the following basis:

(A) On the fifth Business Day before each Interest Payment Date (an **"Interest Determination Date"**) the Calculation Agent will calculate the Inflation Index Ratio.

For the purpose of this Condition 4(b)(iii)(2), the **"Inflation Index Ratio"** or **"IIR"** is the ratio between (i) the CPI Daily Inflation Reference Index (as defined below) applicable upon any Interest Payment Date or the redemption date, as the case may be and (ii) the base reference defined as the CPI Daily Inflation Reference Index (as defined below) applicable on the date specified in the applicable Final Terms (the **"Base Reference"**). The IIR will be rounded if necessary to five significant figures (with halves being rounded up).

"CPI Daily Inflation Reference Index" means (A) in relation to the first day of any given month, the CPI Monthly Reference Index of the third month preceding such month, and (B) in

relation to a day (D) (other than the first day) in any given month (M), the linear interpolation of the CPI Monthly Reference Index pertaining respectively to the third month preceding such month (M - 3) and the second month preceding such month (M - 2) calculated in accordance with the following formula:

CPI Daily Inflation Reference Index =

$$\text{CPI Monthly Reference Index}_{M-3} + \frac{D-1}{ND_M} \times (\text{CPI Monthly Reference Index}_{M-2} - \text{CPI Monthly Reference Index}_{M-3})$$

With:

"**ND_M**": number of days in the relevant month M and, in the case of payment of principal and interest, shall be equal to 31;

"**D**": actual day of payment in the relevant month M and, in the case of payment of principal and interest, shall be equal to 25;

"**CPI Monthly Reference Index_{M-2}**": price index of month M - 2;

"**CPI Monthly Reference Index_{M-3}**": price index of month M - 3.

The CPI Daily Inflation Reference Index will be rounded if necessary to five significant figures (with halves being rounded up).

For information purposes, such CPI Daily Inflation Reference Index appears on the *Agence Française du Trésor* Reuters page OATINFLATION01 or on Bloomberg TRESOR <GO> pages and on the website www.aft.gouv.fr. In the case of uncertainty as to in the interpretation of the methods used to calculate the Inflation Index Ratio, such methods shall be interpreted by reference to the procedures selected by the French Treasury (*Trésor*) for its *obligations assimilables du Trésor indexées sur l'inflation*.

"**CPI Monthly Reference Index**" refers to the definitive consumer price index excluding tobacco for all households in metropolitan France, as calculated and published monthly by the INSEE as such index may be adjusted or replaced from time to time as provided herein.

- (B) The calculation method described below is based on the recommendation issued by the French Bond Association (*Comité de Normalisation Obligataire* – www.cnofrance.org) in its December 2010 Paper entitled "Inflation Indexed Notes" (*Obligations et autres instruments de taux d'intérêt en euro, Normes et usages des marchés de capitaux – Chapitre II: Les obligations indexées sur l'inflation*). In the case of any conflict between the calculation method provided below and the calculation method provided by the Bond Association (*Comité de Normalisation Obligataire*), the calculation method provided by the Bond Association (*Comité de Normalisation Obligataire*) shall prevail.

The CPI Linked Interest applicable from time to time for each Interest Period (as specified in the relevant Final Terms) will be equal to the rate per annum specified in the relevant Final Terms multiplied by the Inflation Index Ratio (as defined above).

- (C)
- (1) If the CPI Monthly Reference Index is not published in a timely manner, a substitute CPI Monthly Reference Index (the "**Substitute CPI Monthly Reference Index**") shall be determined by the Calculation Agent in accordance with the following provisions:
- (x) If a provisional CPI Monthly Reference Index (*indice provisoire*) has already been published, such index shall automatically be used as the Substitute CPI Monthly Reference Index. Such provisional CPI Monthly Reference Index would be published under the heading "*indice de substitution*". Once the definitive CPI Monthly Reference Index is released, it would automatically apply from the day following its release to all calculations taking place from this date.

- (y) If no provisional CPI Monthly Reference Index is available, a substitute index shall be calculated on the basis of the most recently published figure adjusted as set out in the following formula:

Substitute CPI Monthly Reference Index_M=

$$\text{CPI Monthly Reference Index}_{M-1} \times \left[\frac{\text{CPI Monthly Reference Index}_{M-1}}{\text{CPI Monthly Reference Index}_{M-13}} \right]^{\frac{1}{12}}$$

- (2) In the event INSEE decides to proceed with one or more base changes for the purpose of calculating the CPI Monthly Reference Index, the two CPI Monthly Reference Indexes which have been calculated on a different basis will be chained on the basis of the December CPI Monthly Reference Index of the last year of joint publications, which corresponds to the CPI Daily Inflation Reference Index for 1st March of the following year. Such chaining will be carried out in accordance with the following equation:

$$\text{Key} = \frac{\text{CPI Monthly Reference Index}_{\text{pertaining to December calculated on the new basis}}}{\text{CPI Monthly Reference Index}_{\text{pertaining to December calculated on the previous basis}}}$$

Such that:

$$\text{CPI Monthly Reference Index}_{\text{Date D New Basis}} = \text{CPI Monthly Reference Index}_{\text{Date D Previous Basis}} \times \text{Key}$$

3. Harmonised Index of Consumer Prices (HICP)

(I) OPTION 1

Where the harmonised index of consumer prices excluding tobacco measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published monthly by Eurostat (the "**HICP - OPTION 1**") is specified as the Index in the relevant Final Terms, this Condition 4(b)(iii)(3)(I) shall apply. Terms defined herein shall have the meanings set out below only when this Condition 4(b)(iii)(3)(I) shall apply.

The Rate of Interest in respect of Index Linked Notes indexed to the HICP (the "**HICP Linked Interest**") will be determined by the Calculation Agent on the following basis:

- (A) On the fifth Business Day before each Interest Payment Date (an "**Interest Determination Date**") the Calculation Agent will calculate the Inflation Index Ratio.

For the purpose of this Condition 4(b)(iii)(3)(I), the "**Inflation Index Ratio**" or "**IIR**" is the ratio between (i) the HICP Daily Inflation Reference Index (as defined below) applicable upon any Interest Payment Date or the redemption date, as the case may be and (ii) the base reference defined as the HICP Daily Inflation Reference Index (as defined below) applicable on the date specified in the applicable Final Terms (the "**Base Reference**"). The IIR will be rounded if necessary to five significant figures (with halves being rounded up).

"**HICP Daily Inflation Reference Index**" means (A) in relation to the first day of any given month, the HICP Monthly Reference Index of the third month preceding such month, and (B) in relation to a day (D) (other than the first day) in any given month (M), the linear interpolation of the HICP Monthly Reference Index pertaining respectively to the third month preceding such month (M - 3) and the second month preceding such month (M - 2) calculated in accordance with the following formula:

HICP Daily Inflation Reference Index =

$$\text{HICP Monthly Reference Index}_{M-3} + \frac{D-1}{ND_M} \times (\text{HICP Monthly Reference Index}_{M-2} - \text{HICP Monthly Reference Index}_{M-3})$$

With:

"**ND_M**:" number of days in the relevant month M and, in the case of payment of principal and interest, shall be equal to 31;

"D": actual day of payment in the relevant month M and, in the case of payment of principal and interest, shall be equal to 25;

"HICP Monthly Reference Index_{M-2}": price index of month M - 2;

"HICP Monthly Reference Index_{M-3}": price index of month M - 3.

The, the HICP Daily Inflation Reference Index will be rounded if necessary to five significant figures (with halves being rounded up).

For information purposes, such HICP Daily Inflation Reference Index appears on the *Agence Française du Trésor* Reuters page OATEI01, on the website www.aft.gouv.fr and on Bloomberg page TRESOR.

"HICP Monthly Reference Index" refers to the harmonised index of consumer prices excluding tobacco measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published by Eurostat as such index may be adjusted or replaced from time to time as provided herein.

(B) The HICP Linked Interest applicable from time to time for each Interest Period (as specified in the relevant Final Terms) will be equal to the rate per annum specified in the relevant Final Terms multiplied by the Inflation Index Ratio (as defined above).

(C)

(1) If the HICP Monthly Reference Index is not published in a timely manner, a substitute HICP Monthly Reference Index (the "**Substitute HICP Monthly Reference Index**") shall be determined by the Calculation Agent in accordance with the following provisions:

(x) If a provisional HICP Monthly Reference Index has already been published by Eurostat, such index shall automatically be used as the Substitute HICP Monthly Reference Index. Once the definitive HICP Monthly Reference Index is released, it would automatically apply from the day following its release to all calculations taking place from this date.

(y) If no provisional HICP Monthly Reference Index is available, a substitute index shall be calculated on the basis of the most recently published figure adjusted as set out in the following formula:

Substitute HICP Monthly Reference Index_M =

$$\text{HICP Monthly Reference Index}_{M-1} \times \left[\frac{\text{HICP Monthly Reference Index}_{M-1}}{\text{HICP Monthly Reference Index}_{M-13}} \right]^{\frac{1}{12}}$$

(2) In the event Eurostat decides to proceed with one or more base changes for the purpose of calculating the HICP Monthly Reference Index, the two HICP Monthly Reference Indexes which have been calculated on a different basis will be chained on the basis of the December HICP Monthly Reference Index of the last year of joint publications, which corresponds to the HICP Daily Inflation Reference Index for 1st March of the following year. Such chaining will be carried out in accordance with the following equation:

$$\text{Key} = \frac{\text{HICP Monthly Reference Index}_{\text{pertaining to December calculated on the new basis}}}{\text{HICP Monthly Reference Index}_{\text{pertaining to December calculated on the previous basis}}}$$

Such that:

$$\text{HICP Monthly Reference Index}_{\text{Date D New Basis}} = \text{HICP Monthly Reference Index}_{\text{Date D Previous Basis}} \times \text{Key}$$

(II) OPTION 2

Where the harmonised index of consumer prices excluding tobacco measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published monthly by Eurostat (the "HICP - OPTION 2") is specified as the Index in the relevant Final Terms, this Condition 4(b)(iii)(3)(II) shall apply. Terms defined herein shall have the meanings set out below only when this Condition 4(b)(iii)(3)(II) shall apply.

(A) Calculation of Rate of Interest

The Rate of Interest applicable in respect of each Interest Period will be a rate, expressed as a percentage (rounded, if applicable, to the nearest fifth decimal place, 0.000005 being rounded upwards) determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula:

$$3.00\% \times \text{Inflation Index Ratio}$$

where,

"**Base Daily Inflation Reference**" means the Daily Inflation Reference as determined by the Calculation Agent in respect of 04 June 2008 (being 108.524);

"**Business Day**" means a day on which the TARGET System is operating;

"**Daily Inflation Reference**" means, in respect of any date, the value of the Index for such date as determined by the Calculation Agent on the relevant Index Determination Date in accordance with the provisions for the calculation of the Daily Inflation Reference as set out in paragraph 3 below and appearing on Reuters page "OATEI01" or on Bloomberg page "TRES3" or such replacement page as selected by the Calculation Agent;

"**Eurostat**" means the statistical office of the European Communities in Luxembourg;

"**Index**" means, subject to the provisions of paragraph 4 below, the Harmonised Index of Consumer Prices (HICP) excluding tobacco, for the Euro zone as calculated by Eurostat;

"**Index Determination Date**" means, in respect of any date for which the Daily Inflation Reference is required to be determined, the fifth Business Day prior to such date;

"**Inflation Index Ratio**" means the ratio between (i) the Daily Inflation Reference in respect of the relevant Interest Payment Date, Maturity Date or Early Redemption Date, as the case may be, and (ii) the Base Daily Inflation Reference. The Inflation Index Ratio will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards;

"**Interest Determination Date**" means the fifth Business Day prior to the relevant Interest Payment Date.

For the avoidance of doubt, interest on overdue amounts in respect of the Notes (after the Maturity Date or, as the case may be, the relevant Early Redemption Date) shall accrue at a rate per annum equal to a rate per annum calculated by the Calculation Agent on the basis, *mutatis mutandis*, of the provisions of this paragraph 2 and Condition 4(e) except that, for such purposes, the relevant Interest Determination Date shall be deemed to be the fifth Business Day prior to the Relevant Date.

(B) Calculation of Daily Inflation Reference

The Daily Inflation Reference ("**Id**") for day d of month m is the linear interpolation of the Index in respect of months m-3 and m-2, expressed relatively to the same basis of 100 (or such other revised basis as may be adopted from time to time by Eurostat).

Hence:

$$I_d = HICP_{m-3} \frac{nb d}{q_m} + x (HICP_{m-2} - HICP_{m-3})$$

where:

HICP_{m-2}: Consumer Price Index for month m-2

HICP_{m-3}: Consumer Price Index for month m-3

nbd: Actual number of days between date d (included) and the first day of month m (excluded);
and

q_m: Actual number of days in month m.

(C) Fall-back provisions

Change in the Sponsor of the Index

If the Index is not calculated and/or disseminated by Eurostat, but is calculated and/or disseminated by another relevant authority approved by the European Union (the "**New Sponsor**"), then the Index as so calculated and/or disseminated by the New Sponsor shall be used for the purpose of calculating (i) the relevant Rate of Interest and/or (ii) the Final Redemption Amount or, as the case may be, the Early Redemption Amount, in respect of the Notes.

Successor Index

If the Index is replaced by a successor index using the same or a substantially similar formula and method of calculation as used in the calculation of the Index and such successor index is reasonably acceptable to the Calculation Agent, the relevant Index for the purpose of calculating (i) the applicable Rate of Interest and/or (ii) the Final Redemption Amount or, as the case may be, the Early Redemption Amount, in respect of the Notes, shall be the successor index (the "**Successor Index**").

Substitute Index

If the Index is not published for a given month, for any reason, or ceases to be published, for any reason, the Calculation Agent shall, for any month where the Index is not published, either find a Successor Index or determine, in consultation with the Issuer, a substitute index (the "**Substitute Index**"), such substitute index comprising as far as practicable the same components as the Index, which shall be adopted for the Notes.

Changes in calculation method or basis of the Index

In the event that Eurostat or, as the case may be, any New Sponsor changes the base of the Index at any time while any of the Notes are still outstanding, then for the purpose of calculating (i) the relevant Rate of Interest and/or (ii) the Final Redemption Amount, or, as the case may be, the Early Redemption Amount, in respect of the Notes, the value of the Index following such change in base shall be determined in accordance with the methodology published by Eurostat or, as the case may be, the relevant New Sponsor following such change. In the event that no such methodology is published, then the Calculation Agent shall make such calculation as it, in its reasonable discretion, deems appropriate to determine the relevant Index.

4. The United States Consumer Price Index (US CPI)

Where the United States Consumer Price Index ("**US CPI**") is specified as the Index in the relevant Final Terms, this Condition 4(b)(iii)(4) shall apply. Terms defined herein shall have the meanings set out below only when this Condition 4(b)(iii)(4) shall apply.

The US CPI is the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers, reported monthly by the Bureau of Labor Statistics of the U.S. Labor Department (the "**BLS**") and published on Bloomberg page "CPURNSA" or any successor source. The US CPI for a particular month is published during the following month.

The US CPI is a measure of the average change in consumer prices over time for a fixed market basket of goods and services, including food, clothing, shelter, fuels, transportation, charges for doctors' and dentists' services and drugs. In calculating the index, price changes for the various items are averaged together with weights that represent their importance in the spending of urban households in the United States. The contents of the market basket of goods and services and the weights assigned to the various items are updated periodically by the BLS to take into account changes in consumer expenditure patterns. The US CPI is expressed in relative terms in relation to a time base reference period for which the level is set at 100.0. The base reference period for Notes paying interest based on the US CPI is the 1982-1984 average.

The Rate of Interest in respect of Index Linked Notes indexed to the US CPI (the "US CPI Linked Interest") will be determined by the Calculation Agent on the following basis.

The relevant Notes will pay a rate per annum linked to the Change in the US CPI plus, if applicable, an additional amount of interest (referred to as the "**spread**") or multiplied by a number (referred to as the "**multiplier**"), as either may be specified in the relevant Final Terms; provided that, unless otherwise specified in the relevant Final Terms, the applicable Rate of Interest for Notes paying interest based on the US CPI will also be subject to a Minimum Rate of Interest equal to 0.00% *per annum*.

Unless otherwise specified in the relevant Final Terms, the "**Change in the US CPI**" for a particular interval will be calculated as follows:

$$\frac{\text{CPI}(t) - \text{CPI}(t-x)}{\text{CPI}(t-x)}$$

where:

"CPI(t)" for any Determination Date is the level of the US CPI for a calendar month (the "**reference month**" which shall be specified in the relevant Final Terms) prior to the calendar month in which the applicable Determination Date falls; and

"CPI(t-x)" for any Determination Date is the level of the US CPI for a calendar month prior to the applicable reference month, as specified in the relevant Final Terms.

If by 3:00 p.m. New York City time on any Determination Date the US CPI is not published on Bloomberg "CPURNSA" for any relevant month, but has otherwise been reported by the BLS, then the Calculation Agent will determine the US CPI as reported by the BLS for such month using such other source as, on its face, after consultation with the Issuer, appears to accurately set forth the US CPI as reported by the BLS.

In calculating CPI(t) and CPI(t-x), the Calculation Agent will use the most recently available value of the US CPI determined as described above on the applicable Determination Date, even if such value has been adjusted from a previously reported value for the relevant month. However, if a value of CPI(t) or CPI(t-x) used by the Calculation Agent on any Determination Date to determine the interest rate on a Series of Notes is subsequently revised by the BLS, the interest rate for such Series of Notes determined on such Determination Date will not be revised.

If the US CPI is rebased to a different year or period and the 1982-1984 US CPI is no longer used, the base reference period for Notes paying interest based on the US CPI will continue to be the 1982-1984 reference period as long as the 1982-1984 US CPI continues to be published by the BLS.

If, while any Series of Notes paying interest based on the US CPI is outstanding, the US CPI is discontinued or is substantially altered, as determined in the sole discretion of the Calculation Agent, acting in good faith and in a commercially reasonable manner, the successor index for such Series of Notes will be that index chosen by the Secretary of the Treasury to replace the US CPI for the purpose of calculating payments on the Department of the Treasury's Inflation-Linked Treasuries as described at 62 Federal Register 846-874 (6 January 1997) or, if no such securities are outstanding, the successor index will be determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

In addition, for the purposes of Notes paying interest based on the US CPI, unless otherwise specified in the relevant Final Terms:

"**Determination Date**" shall mean two business days in New York immediately prior to the beginning of the applicable Interest Period, or as specified in the relevant Final Terms (but not more than 28 calendar days prior to the beginning of the applicable Interest Period).

"**Interest Period**" shall mean, in respect of any Series of Notes paying interest based on the US CPI, the period beginning on and including the Issue Date of such Series of Notes and ending on but excluding the first Interest Payment Date, and each successive period beginning on and including a Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date, or such other period as specified in the relevant Final Terms.

"**Interest Payment Date**" shall be the Interest Payment Date specified in the relevant Final Terms.

(iv) Minimum and/or Maximum Rate of Interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(v) Determination of Rate of Interest and Calculation of Interest Amounts

The Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Notes, will at, or as soon as practicable after, each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Notes, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as possible after calculating the same.

The Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes or Index Linked Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes or Index Linked Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes or Index Linked Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note or Index Linked Notes in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding. **Day Count Fraction** means, in respect of the calculation of an amount of interest in respect of this Condition 4(b):

- (A) if "Actual/Actual(ISDA)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (B) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (C) if "Actual/365 (Sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365, or, in the case of an Interest Payment Date falling in a leap year, 366;
- (D) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (E) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number is 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (F) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number is 31, in which case D₂ will be 30; and

- (G) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number is 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number is 31, in which case D₂ will be 30.

(vi) Notification of Rate of Interest and Interest Amounts

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 (*Notices*) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the Issuer and to each stock exchange on which the relevant Floating Rate Notes or Index Linked Notes are for the time being listed and to the Noteholders in accordance with Condition 14 (*Notices*). For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(vii) Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b), whether by the Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest or proven error) be binding on the Issuer, the Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, Receiptholders or the Couponholders shall attach to the Agent or (if applicable) the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Zero Coupon Notes*

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note, as described in Condition 6(f)(iii).

(d) *Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (1) the date on which all amounts due in respect of such Note have been paid; and
- (2) 5 days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14 (*Notices*).

(e) *RMB Notes*

Notwithstanding the foregoing, each RMB Note which is a Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate per annum equal to the Rate of Interest. For the purposes of calculating the amount of interest, if any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month in which case it shall be brought forward to the immediately preceding Business Day. Interest will be payable in arrear on each Interest Payment Date.

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Hong Kong time) on each Interest Determination Date, calculate the amount of interest payable per Specified Denomination for the relevant Interest Period. The determination of the amount of interest payable per Specified Denomination by the Calculation Agent shall (in the absence of manifest error and after confirmation by the Issuer) be final and binding upon all parties.

The Calculation Agent will cause the amount of interest payable per Specified Denomination for each Interest Period and the relevant Interest Payment Date to be notified to each of the Paying Agents and to be notified to Noteholders as soon as possible after their determination but in no event later than the fourth (4th) Business Day thereafter. The amount of interest payable per Specified Denomination and Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable

under Condition 10 (*Events of Default*), the accrued interest per Specified Denomination shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this provision but no publication of the amount of interest payable per Specified Denomination so calculated need be made.

Interest shall be calculated in respect of any period by applying the Rate of Interest to the Specified Denomination, multiplying such product by the actual number of days in the relevant Interest Period or, as applicable, other period concerned and dividing it by 365, and rounding the resultant figure to the nearest Renminbi sub-unit, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

In these Conditions:

RMB Note means a Note denominated in Renminbi.

5. Payments

(a) Method of Payment

Subject as provided below:

- (i) payments in a Specified Currency other than euros or U.S. dollars will be made by transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or at the option of the payee by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland respectively);
- (ii) payments in euros will be made by credit or transfer to a euro account (or any other account to which euros may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and
- (iii) payments in U.S. dollars will be made by transfer to a U.S. dollar account maintained by the payee with a bank outside the United States (which expression, as used in this Condition 5, means the United States of America, including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction), or by cheque drawn on a United States bank.

In no event will payment be made by a cheque mailed to an address in the United States or by transfer to an account maintained by the payee with a bank located in the United States.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*). References to "**Specified Currency**" will include any successor currency under applicable law.

(b) Presentation of Definitive Notes, Receipts and Coupons

Payments of principal in respect of Definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Definitive Notes, and payments of interest (if any) in respect of Definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Payments of instalments of principal (if any) in respect of Definitive Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt. Payment of the final instalment will be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Note. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Note to which it appertains. Receipts presented without the Definitive Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof. Fixed Rate Notes in definitive form (other than Index Linked Notes) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured

Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the related missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 7 (*Taxation*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9 (*Prescription*)) or, if later, 5 years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Notwithstanding the provisions of the previous paragraph, if any such Fixed Rate Notes in definitive form should be issued on terms such that, on the presentation for payment of any such Note without any unmatured Coupons attached thereto or surrendered therewith, the amount required by this paragraph to be deducted would be greater than the Early Redemption Amount otherwise due for payment, then, upon the due date for redemption of any such Note, such unmatured Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that, upon application of the provisions of this paragraph in respect of such Coupons as have not so become void, the amount required by this paragraph to be deducted would not be greater than the Early Redemption Amount otherwise due for payment. Where the application of the foregoing sentence requires some but not all of the unmatured Coupons relating to a Note to become void, the relevant Paying Agent shall determine which unmatured Coupons are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

Upon any Fixed Rate Note becoming due and repayable prior to its Maturity Date, all unexchanged or unmatured Talons (if any) appertaining thereto (whether or not attached) will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Index Linked Note in definitive form becomes due and repayable, unmatured Coupons (if any) and unexchanged or unmatured Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any Definitive Note is not a Fixed Interest Date or an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Fixed Interest Date or Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Note.

(c) *Payments in respect of Global Notes*

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Notes and otherwise in the manner specified in the relevant Global Note, where applicable against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note either by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable and such record shall be *prima facie* evidence that the payment in question has been made.

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

(d) *General provisions applicable to payments*

Notwithstanding the foregoing, if any amount of principal and/or interest in respect of this Note is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of this Note will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;

- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(e) *Payment Day*

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place of presentation and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (A) the relevant place of presentation (if presentation is required); and
 - (B) any Additional Business Centre specified in the applicable Final Terms;
- (ii) a Business Day (as defined in Condition 4(b)(i)); and
- (iii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian Dollars or New Zealand dollars shall be Sydney or Auckland respectively); or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(f) *Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7 (*Taxation*);
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(f)); and
- (vii) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts (other than interest) which may be payable with respect to interest under Condition 7 (*Taxation*).

(g) *Payment of US Dollar Equivalent*

Notwithstanding any other provision in these Conditions, if an Inconvertibility, Non-Transferability or Illiquidity occurs and, as such, the Issuer is not able or it would be impracticable for it, after confirmation of such unavailability by a Renminbi Dealer, to satisfy payments of principal or interest (in whole or in part) in respect of RMB Notes, the Issuer on giving not less than five (5) nor more than thirty (30) days irrevocable notice to the Noteholders prior to the due date for payment, may settle any such payment (in whole or in part) in US dollars on the due date at the US Dollar Equivalent of any such Renminbi denominated amount.

In such event, payments of the US Dollar Equivalent of the relevant principal or interest in respect of the Notes shall be made by transfer to the U.S. dollar account of the relevant Account Holders for the benefit of the

Noteholders. For the avoidance of doubt, no such payment of the US Dollar Equivalent shall by itself constitute a default in payment within the meaning of Condition 10 (*Events of Default*).

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5(g) by the RMB Rate Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Agents and all Noteholders.

In these Conditions:

Governmental Authority means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong.

Illiquidity means that the general Renminbi exchange market in Hong Kong becomes illiquid, other than as a result of an event of Inconvertibility or Non-Transferability, as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers.

Inconvertibility means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of RMB Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

Non-Transferability means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

PRC means the People's Republic of China.

Renminbi Dealer means an independent foreign exchange dealer of international reputation active in the Renminbi exchange market in Hong Kong reasonably selected by the Issuer.

RMB Rate Calculation Agent means the agent appointed from time to time by the Issuer for the determination of the RMB Spot Rate and identified as such in the relevant Final Terms.

RMB Rate Calculation Business Day means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and in New York City.

RMB Rate Calculation Date means the day which is two RMB Rate Calculation Business Days before the due date for payment of the relevant Renminbi amount under the Conditions.

RMB Spot Rate for a RMB Rate Calculation Date means the spot CNY/US dollar exchange rate for the purchase of US dollars with CNY in the over-the-counter CNY exchange market in Hong Kong for settlement on the relevant due date for payment, as determined by the RMB Rate Calculation Agent at or around 11 a.m. (Hong Kong time) on such RMB Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADNDF. If such rate is not available, the RMB Rate Calculation Agent will determine the RMB Spot Rate at or around 11 a.m. (Hong Kong time) on the RMB Rate Calculation Date as the most recently available CNY/U.S. dollar official fixing rate for settlement on the relevant due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

US Dollar Equivalent means the relevant Renminbi amount converted into US dollars using the RMB Spot Rate for the relevant RMB Rate Calculation Date, as calculated by the RMB Rate Calculation Agent.

6. Redemption and Purchase

(a) *At Maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

(b) *Redemption for Tax Reasons*

(i) The Notes may be redeemed at the option of the Issuer in whole, but not in part, at a price equal to 100% of the principal amount (together with accrued interest to and including the date fixed for redemption) at any time (if this Note is neither a Floating Rate Note nor an Index Linked Note) or on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Note), on giving not less than 30 nor more than 60 days' notice to the Agent and, in accordance with Condition 14 (*Notices*), the Noteholders (which notice shall be irrevocable), if:

(x) on the occasion of the next payment due under the Notes, the Issuer (i) has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of France or any political subdivision or any authority in, or of, the Republic of France, having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date upon which agreement is reached to issue the first Tranche of the Notes, or (ii) has suffered or will suffer a significant non-deductibility of interest and other revenues because any Noteholder is located or payments are made in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French General Tax Code (*Code général des impôts*); and

(y) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

(ii) The Notes shall be redeemed by the Issuer in whole, but not in part, at a price equal to 100% of the principal amount (together with accrued interest to and including the date fixed for redemption) at any time (if this Note is neither a Floating Rate Note nor an Index Linked Note) or on any Interest Payment Date (if this Note is a Floating Rate Note or an Index Linked Note), on giving not less than 30 nor more than 60 days' notice to the Agent and, in accordance with Condition 14 (*Notices*), the Noteholders (which notice shall be irrevocable), if:

(x) on the occasion of the next payment of interest due under the Notes, the Issuer would be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts as provided or referred to in Condition 7 (*Taxation*); and

(y) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Agent a certificate signed by the Chief Financial Officer of the Issuer stating that the Issuer is entitled or required to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right or obligation of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment (including as a result of any settlement agreement entered into with the applicable fiscal authorities in respect of such conditions) and/or is being prevented from paying such additional amounts, as the case may be.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) *Redemption at the Option of the Issuer (Issuer Call)*

If the Issuer is specified in the applicable Final Terms as having an option to redeem (Issuer Call), the Issuer shall, having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14 (*Notices*); and
- (ii) not less than 15 days before the giving of the notice referred to in (i) above and, notice to the Agent,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will be selected individually by lot, in the case of Redeemed Notes represented by Definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in the nominal amount, at their discretion) in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the **Selection Date**).

In the case of Redeemed Notes represented by Definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 (*Notices*) not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 (*Notices*) at least 5 days prior to the Selection Date.

(d) *Make-whole Redemption by the Issuer*

If Make-whole Redemption is specified in the applicable Final Terms, the Issuer may, having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14 (*Notices*); and
- (ii) not less than 15 days before the giving of the notice referred to in (i) above, notice to the Agent, the Quotation Agent and such other parties as may be specified in the Final Terms,

(which notices shall be irrevocable and shall specify the date fixed for redemption (each such date, a **Make-whole Redemption Date**)) redeem all or some only of the Notes then outstanding at any time prior to their Maturity Date at their relevant Make-whole Redemption Amount, and notified to the Agent, the Quotation Agent and such other parties as may be specified in the Final Terms on the Calculation Date.

In the case of a partial redemption of Notes pursuant to this Condition 6(d), the Redeemed Notes will be selected individually by lot, in the case of Redeemed Notes represented by Definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in the nominal amount, at their discretion) in the case of Redeemed Notes represented by a Global Note, on a Selection Date not more than 30 days prior to the Make-whole Redemption Date.

In the case of Redeemed Notes represented by Definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 (*Notices*) not less than 15 days prior to the Make-whole Redemption Date. No exchange of the relevant Global Note will be permitted during the period from and including the Selection Date to and including the Make-whole Redemption Date and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 (*Notices*) at least 5 days prior to the Selection Date.

Benchmark Rate means the benchmark rate calculated on the Calculation Date and determined by the Quotation Agent based on the rate per annum equal to the annual yield to maturity or interpolated yield to maturity of the Benchmark Security, assuming a price for the Benchmark Security (expressed as a percentage of its nominal amount) equal to the Benchmark Security Price for the relevant Make-whole Redemption Date.

Benchmark Security means the benchmark security/securities specified in the applicable Final Terms.

Benchmark Security Price means the arithmetic average, as determined by the Quotation Agent, of the bid and offered prices for the Benchmark Security (expressed as a percentage of its nominal amount) at such time on the Calculation Date as shall be specified in the Final Terms.

Calculation Date means the third Business Day (as defined in Condition 4(b)(i)) prior to the Make-whole Redemption Date.

Make-whole Margin means the rate per annum (expressed as a percentage) specified in the applicable Final Terms.

Make-whole Redemption Amount means the sum of:

- (i) the greater of (x) the Final Redemption Amount of the Redeemed Notes and (y) the sum of the present values of the remaining scheduled payments of principal and interest on the Redeemed Notes (excluding any interest accruing on the Redeemed Notes to but excluding the Make-whole Redemption Date) discounted to the Make-whole Redemption Date on a semi-annual or annual basis (as specified in the applicable Final Terms) at a rate equal to the Make-whole Redemption Rate; and
- (ii) any interest accrued but not paid on the Redeemed Notes to but excluding the Make-whole Redemption Date,

as determined by the Quotation Agent.

Make-whole Redemption Rate means the sum of the Benchmark Rate and the Make-whole Margin.

Quotation Agent means any Dealer or any other international credit institution or financial services institution appointed by the Issuer for the purpose of determining the Make-whole Redemption Amount, in each case as such Quotation Agent is identified in the applicable Final Terms.

(e) *Redemption at the Option of the Noteholders (Investor Put)*

If Investor Put is specified in the applicable Final Terms upon the holder of any Note giving to the Issuer in accordance with Condition 14 (*Notices*) not less than 30 nor more than 60 days' notice the Issuer will, upon the expiry of such notice, redeem in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a **Put Notice**) and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition 6(e), accompanied by, if this Note is in definitive form, this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note the terms which require presentation for recording changes to its nominal amount, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly.

Any Put Notice given by a holder of any Note pursuant to this paragraph (e) shall be irrevocable except where, prior to the due date of redemption, an Event of Default shall have occurred and be continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph (e) and instead to declare such Note forthwith due and payable pursuant to Condition 10 (*Events of Default*).

(f) *Redemption of Index Linked Notes*

- (i) Inflation Linked Notes (excluding HICP - OPTION 2)

If so specified in the relevant Final Terms, the Final Redemption Amount in respect of Index Linked Notes which are Inflation Linked (but excluding those which are designated "HICP - OPTION 2" in the relevant Final Terms) will be determined by the Calculation Agent on the following basis:

Final Redemption Amount = IIR x nominal amount of the Notes

"IIR" being for the purpose of this Condition 6(f) the ratio determined on the fifth Business Day before the Maturity Date between either (i) if the CPI is specified as the Index applicable in the Final Terms, the CPI Daily Inflation Reference Index on the Maturity Date and the Base Reference on the date specified in the Final Terms, (ii) if the HICP is specified as the Index applicable in the Final Terms, the HICP Daily Inflation Reference Index on the Maturity Date and the Base Reference on the date specified in the Final Terms or (iii) if the US CPI is specified as an Index applicable in the Final Terms, the Change in CPI, but where for these purposes, unless otherwise specified in the relevant Final Terms, the reference to CPI Determination Date in CPI(t) shall be interpreted as the date falling two Business Days prior to the Maturity Date, at the reference to CPI Determination Date in CPI(t-x) shall be interpreted to be the date falling two Business Days prior to the Issue Date.

If the Final Redemption Amount calculated as set out above is below par, the Notes shall be redeemed as par.

(ii) Inflation Linked Notes (HICP - OPTION 2)

If so specified in the relevant Final Terms, the Final Redemption Amount in respect of Index Linked Notes which are Inflation Linked Notes (and which are designated "HICP - OPTION 2" in the relevant Final Terms) will be determined by the Calculation Agent on the following basis.

The Final Redemption Amount payable in respect of each Specified Denomination on the Maturity Date will be an amount equal to the greater of (i) the nominal amount of each Specified Denomination and (ii) an amount in euro (rounded, if applicable, to the nearest fifth decimal place, 0.000005 being rounded upwards) determined by the Calculation Agent in accordance with the following formula:

Specified Denomination x Redemption Date Inflation Index Ratio

where,

"Redemption Date Inflation Index Ratio" means the Inflation Index Ratio (as defined in Condition 4(b)(iii)(3)(II)) as determined in respect of the Maturity Date.

(g) *Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 10 (*Events of Default*), the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (ii) in the case of Notes (other than Zero Coupon Notes, but including Instalment Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the Final Terms, at their nominal amount;
- (iii) in the case of Zero Coupon Notes, at an amount (the Amortised Face Amount) equal to the sum of:
 - (A) the Reference Price specified in the Final Terms; and
 - (B) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each and in the case of an incomplete month the actual number of days elapsed; or

- (iv) in the case of Index Linked Notes which are Inflation Linked (but excluding those which are designated "HICP - OPTION 2" in the relevant Final Terms), if the relevant Final Terms provides that Condition

6(g)(iv) shall apply, the Early Redemption Amount upon redemption of such Notes pursuant to Condition 6(b) or upon it becoming due and payable as provided in Condition 10, the Put Amount, the Optional Redemption Amount in respect of such Notes will be determined by the Calculation Agent on the following basis:

Early Redemption Amount/Put Amount = IIR x nominal amount of the Notes

"IIR" being for the purpose of this Condition 6(g)(iv) the ratio determined on the fifth Business Day before the Maturity Date between either (i) if the CPI is specified as the Index applicable in the Final Terms, the CPI Daily Inflation Reference Index on the Maturity Date and the Base Reference on the date specified in the Final Terms, (ii) if the HICP is specified as the Index applicable in the Final Terms, the HICP Daily Inflation Reference Index on the Maturity Date and the Base Reference on the date specified in the Final Terms or (iii) if the US CPI is specified as an Index applicable in the Final Terms, the Change in CPI, but where for these purposes, unless otherwise specified in the relevant Final Terms, the reference to CPI Determination Date in CPI(t) shall be interpreted as the date falling two Business Days prior to the Maturity Date, at the reference to CPI Determination Date in CPI(t-x) shall be interpreted to be the date falling two Business Days prior to the Issue Date.

If the Early Redemption Amount calculated as set out above is below par, the Notes will be redeemed at par.

If the Notes (whether or not Condition 5(f) applies) fail to be redeemed for whatever reason before the Maturity Date, the Issuer will pay the Early Redemption Amount together with interest accrued to the date set for redemption. Such accrued interest will be calculated by the Calculation Agent in respect of the period from, and including the immediately preceding Interest Payment Date or, as the case may be, the Interest Commencement Date to, but excluding, the date set for redemption of such Notes at a rate per annum on the basis of the provisions of Condition 4(b)(iii)(3)(I) above except that, for such purposes the relevant Interest Determination Date shall be the fifth Business Day prior to the relevant Early Redemption Date; or

- (v) in the case of Index Linked Notes which are Inflation Linked which are designated "HICP - OPTION 2" in the relevant Final Terms, if the relevant Final Terms provides that Condition 6(g)(v) shall apply, the Early Redemption Amount in respect of such Index Linked Notes will be determined by the Calculation Agent on the following basis.

The Early Redemption Amount payable in respect of each Specified Denomination on the Maturity Date will be an amount equal to the greater of (i) the nominal amount of each Specified Denomination and (ii) an amount in euro (rounded, if applicable, to the nearest fifth decimal place, 0.000005 being rounded upwards) determined by the Calculation Agent in accordance with the following formula:

Specified Denomination x Redemption Date Inflation Index Ratio

where,

"Redemption Date Inflation Index Ratio" means the Inflation Index Ratio (as defined in Condition 4(b)(iii)(3)(II)) as determined in respect of the Early Redemption Date.

For the avoidance of doubt, for the purposes of the provisions of Condition 4(b)(i), if the Notes fail to be redeemed for whatever reason before the Maturity Date, accrued interest on the Notes, if any, will be calculated by the Calculation Agent in respect of the period from, and including, the immediately preceding Interest Payment Date or, as the case may be, the Interest Commencement Date to, but excluding, the Early Redemption Date at a rate per annum equal to a rate per annum calculated by the Calculation Agent on the basis, *mutatis mutandis*, of the provisions of Condition 4(b)(iii)(3)(II) except that, for such purposes, the relevant Interest Determination Date shall be the fifth Business Day prior to the relevant Early Redemption Date.

In these Conditions:

"Inflation Linked" means any Index Linked Notes the payment of interest and/or principal in respect of which is calculated by reference to the CPI, the HICP or the US CPI, as applicable.

- (h) *Instalments*

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (g) above.

(i) *Purchases*

The Issuer or any of its subsidiaries may at any time purchase Notes (provided that, in the case of Definitive Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise, in accordance with the applicable regulations of the relevant Stock Exchange.

(j) *Cancellation or holding by the Issuer*

All Notes which are redeemed or purchased by the Issuer may be cancelled or held (together with all unmatured Receipts and Coupons attached thereto or surrendered therewith at the time of redemption) in accordance with applicable laws and regulations. All Notes so cancelled (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

(k) *Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c), (d) or (e) above or upon its becoming due and repayable as provided in Condition 10 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (f)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) 5 days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14 (*Notices*).

7. Taxation

(a) *Tax Exemption*

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

(b) *Additional Amounts*

If French law should require that any payments in respect of the Notes, Receipts or Coupons be subject to deduction or withholding with respect to any present or future taxes, duties, assessments or other governmental charges whatsoever imposed or levied by or on behalf of France or any political subdivision of, or any authority therein or thereof having power to tax, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such deduction or withholding shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (i) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder (including a beneficial owner (ayant droit)) who is liable for such taxes, duties, assessments or other governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with France other than the mere holding of (or beneficial ownership with respect to) such Note, Receipt or Coupon; or
- (ii) presented for payment for, or on behalf of a Noteholder (including a beneficial owner (ayant droit)) that is established or domiciled in a non-cooperative State or territory within the meaning of Article 238-0 A of the French General Tax Code (Code général des impôts) (a "**Non-cooperative State**") or which would have been able to avoid such taxes by receiving payments under such Note in a bank account opened in a financial institution that is not located in any Non-cooperative State; or
- (iii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

- (iv) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder, as the case may be, who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union; or
- (v) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5(e)).

As used herein, the **Relevant Date** in relation to any Note means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14 (*Notices*).

Any reference in these Terms and Conditions to principal or interest or both in respect of the Notes shall be deemed to include (i) a reference to any additional amounts which may be payable under this Condition 7; (ii) in relation to Zero Coupon Notes, the Amortised Face Amount; (iii) in relation to Index Linked Notes, the Interest Amounts, Redemption Amounts or Early Redemption Amounts (iv) in relation to Instalment Notes, the Instalment Amount; and (v) any premium and any other amounts which may be payable in respect of the Notes.

8. Cross-Default

The Issuer hereby covenants and agrees for the benefit of the Noteholders that in the event that it fails to pay when due or, if applicable, at the expiry of any grace period, any monies in excess of EUR 200,000,000 or its equivalent in any other currencies, in respect of any of its indebtedness, other than the Notes, or in the event that any required payment in excess of EUR 200,000,000 or its equivalent in any other currencies in respect of any guarantee it gave in respect of monies borrowed is not honored, all amounts payable with respect to the Notes shall become immediately due and payable at the principal amount, together with interest and additional amounts, if any, accrued to the date of repayment, unless it is contesting in good faith that such debt is due or that such guarantee is callable so long as the dispute is being defended and has not been fully adjudicated or unless such non-payment arose due to a technical failure or administrative error and is remedied within the shorter of the applicable grace period and 8 Business Days following the service by any Noteholder on the Issuer of notice requiring repayment thereof.

For the purposes of this Condition 8, **Business Day** means a day on which commercial banks and foreign exchange markets settle payment in London and Paris.

9. Prescription

The Notes, Receipts and Coupons will become void unless claims in respect of principal and/or interest are made within a period of ten years (in the case of principal) and 5 years (in the case of interest) after the Relevant Date (as defined in Condition 7 (*Taxation*)) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 9 or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

10. Events of Default

If any one or more of the following events (each an **Event of Default**) shall occur, the holder of any Note may give notice to the Issuer that the Note is, and it shall accordingly forthwith become, immediately due and payable at its principal amount, together with interest accrued to the date of repayment, in any of the following events:

- (a) if default is made by the Issuer in the payment of any principal or interest due in respect of the Notes or any of them and, with respect to any interest due, the default continues for a period of 15 days immediately following the service by any Noteholder on the Issuer of notice requiring the same to be remedied; or
- (b) if the Issuer fails to perform or observe any of its other obligations under these Terms and Conditions and (except in any case where the failure is incapable of remedy when no continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by any Noteholder on the Issuer of notice requiring the same to be remedied; or
- (c) prior to redemption in full of the Notes, the Issuer or any Principal Subsidiary is dissolved, wound up or reorganised (either by court order or otherwise) or merges, consolidates, amalgamates with any company

unless the successor corporation assumes all of the Issuer's obligations in respect of the Notes and the creditworthiness of such successor company is not materially weaker than that of the Issuer prior to such merger, consolidation or amalgamation; or

- (d) if the Issuer or any Principal Subsidiary makes any proposal for a general moratorium in relation to its debt or applies for the appointment of a conciliator (conciliateur) or enters into an amicable settlement (réglement amiable) with its creditors or a judgment is issued for the judicial liquidation (liquidation judiciaire) or for a judicial transfer of the whole of its business (cession totale de l'entreprise) of the Issuer or, to the extent permitted by applicable law, if the Issuer makes any conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors; or
- (e) if the Issuer or any Principal Subsidiary ceases to carry on all or substantially all of its telecommunications business (which represents a substantial part of the telecommunications business of the Issuer and its Subsidiaries taken as a whole) carried on by it prior to such cessation, the result of which reduces the value of the assets of the Issuer; or
- (f) the Issuer or any Principal Subsidiary stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due, or is adjudicated or found bankrupt or insolvent; or
- (g) if (A) proceedings are initiated against the Issuer or any Principal Subsidiary under any applicable liquidation, insolvency, composition, reorganisation or any other similar laws, or an application is made for the appointment of an administrative or other receiver, manager, administrator or any other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or a part of the undertakings or assets of the Issuer, or an encumbrancer takes possession of the whole or a part of its undertakings or assets (which are material in the context of the issue of the Notes), or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a part of its undertakings or assets (which are material in the context of the issue of the Notes); and (B) in any case (other than the appointment of an administrator) is not discharged within 28 days, provided that this paragraph (g) shall not apply to any proceedings against the Issuer or a Principal Subsidiary brought by a third party other than an administrative or judicial authority where the Issuer can demonstrate that that any such proceedings are being contested by the Issuer or the Principal Subsidiary in good faith, diligently and by appropriate proceedings in a competent court; or
- (h) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes.

For the purposes of this Condition 10, Principal Subsidiary shall mean any Subsidiary at any relevant time of the Issuer:

- (i) whose total assets or operating income (or, where the Subsidiary in question prepares consolidated accounts, whose total consolidated assets or consolidated operating income, as the case may be) attributable to the Issuer represent not less than 15 per cent. of the total consolidated assets or consolidated operating income of the Issuer, all as calculated by reference to the then latest audited accounts (or consolidated accounts, as the case may be) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated subsidiaries; or
- (ii) to which is transferred all or substantially all the assets and undertakings of a Subsidiary which immediately prior to such a transfer is a Principal Subsidiary;

it being specified that for the purposes of sub-paragraph (c) of this Condition 10, any 50:50 joint venture resulting from the combination of the UK operations of the Deutsche Telekom group and the France Telecom group shall not constitute a Principal Subsidiary.

11. Replacement of Notes, Receipts, Coupons and Talons

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced free of charge at the specified office of the Replacement Agent on such terms as to evidence and indemnity as the Issuer and the Replacement Agent may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued. For the purposes of Paris listed Notes, the Paying Agent in Paris will act as Replacement Agent.

Cancellation of lost, stolen, mutilated, defaced or destroyed Notes, Receipts, Coupons or Talons shall be subject to compliance with such procedures as may be required by any applicable legislation, to any applicable stock exchange requirements and the procedures set out in the Agency Agreement.

12. Agent and Paying Agents

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (i) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent (which may be the Agent) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority);
- (ii) there will at all times be a Paying Agent (which may be the Agent) with a specified office in a city in Europe other than the jurisdiction in which the Issuer is incorporated;
- (iii) there will at all times be a Paying Agent with its specified office in a European Union Member State that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to such Directive; and
- (iv) there will at all times be an Agent.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 5(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14 (*Notices*).

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

The Principal Paying Agent is:

Citibank, N.A.

13th Floor, Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

The Paris Paying Agent is:

BNP Paribas Securities Services

Corporate Trust Services
Les Grands Moulins de Pantin
75450 cedex 09 France

13. Exchange of Talons

On and after the Fixed Interest Date or the Interest Payment Date, as appropriate, on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9 (*Prescription*).

14. Notices

All notices regarding the Notes shall be deemed to be validly given if published (i) in a leading English language daily newspaper of general circulation in London (which is expected to be the *Financial Times*); and (ii) if and for so long as the Notes are admitted to trading on Euronext Paris, and for so long as Euronext Paris rules so require, either a daily newspaper of general circulation in France (which is expected to be *Les Echos*) or on the website of the Issuer (www.orange.com). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where published in more than one newspaper or website, on the date of the first publication in each such newspaper or website.

Except if the Notes are listed and/or admitted to trading on any stock exchange and the rules applicable to such stock exchange require otherwise, until such time as any Definitive Notes are issued, and so long as the Global Note(s) is or are held in its/their entirety on behalf of Euroclear and Clearstream, Luxembourg, such publication in such newspaper(s) may be substituted by the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for communication by them to the Noteholders. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and Clearstream, Luxembourg.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together with the related Note or Notes, with the Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

15. Meetings of Noteholders, Modification and Waiver

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than 5 per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes the Receipts, or Coupons (including (i) modifying the date of maturity of the Notes or any date for payment of interest thereof, (ii) reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes, (iii) varying the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or Maximum Rate of Interest, Instalment or Redemption Amount is applicable, reducing any such Minimum and/or Maximum, (v) varying any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Early Redemption Amount, (vi) altering the currency of payment of the Notes, the Receipts or Coupons, (vii) taking any steps that may only be taken following approval by an Extraordinary Resolution to which special quorum provisions apply or, (viii) modifying the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution) the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

The Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (i) any modification (except as mentioned above) of the Agency Agreement which is not prejudicial to the interests of the Noteholders; or

- (ii) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 (*Notices*) as soon as practicable thereafter.

16. Further Issues and Consolidation

16.1 Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, the Receiptholders or Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes. For the purposes of French law, such further Notes will be assimilated (*assimilables*) to the Notes as regards their financial service provided that the terms of such further Notes provide for such assimilation.

16.2 Consolidation

The Issuer may from time to time on giving at least thirty (30) days' prior notice to the Noteholders in accordance with Condition 14 (*Notices*), without the consent of the Noteholders, Receiptholders or Couponholders, consolidate the Notes of one Series with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in euro, provided such other Notes have been redenominated in euro (if not originally denominated in euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

17. Redenomination

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, on giving prior notice to the Agent, Euroclear and Clearstream, Luxembourg and at least 30 days' prior notice to the Noteholders in accordance with Condition 14 (*Notices*), elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (a) the Notes and the Receipts shall be deemed to be redenominated into euro in the denomination of euro 0.01 with a principal amount for each Note and Receipt equal to the principal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Agent, that the then market practice in respect of the redenomination into euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate principal amount of Notes held (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (c) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Agent may approve) euro 0.01 and such other denominations as the Agent shall determine and notify to the Noteholders;
- (d) if issued prior to the Redenomination Date, all unexpired Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement euro denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued

in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;

- (e) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee;
- (f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on a Fixed Interest Date, it will be calculated:
 - (i) in the case of the Notes represented by a global Note, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes represented by such global Note; and
 - (ii) in the case of Definitive Notes, by applying the Rate of Interest to the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding;

- (g) if the Notes are Floating Rate Notes or Index Linked Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and
- (h) such other changes shall be made to these Conditions as the Issuer may decide, after consultation with the Agent, and as may be specified in the notice, to conform them to conventions then applicable to instruments denominated in euro.

Established Rate means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Union regulations) into euro established by the Council of the European Union pursuant to Article 140 of the Treaty;

Euro or **euro** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

Redenomination Date means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph (a) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union; and

Treaty means the Treaty on the Functioning of the European Union, as amended.

18. **Contract (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

19. **Governing Law and Submission to Jurisdiction**

The Agency Agreement, Deed of Covenant, the Notes, the Receipts, the Coupons and any non-contractual obligations arising out of or in connection with any of the aforementioned agreements, deeds and documents are governed by, and shall be construed in accordance with, English law.

19.1 Submission to jurisdiction

The Issuer irrevocably agrees, for the benefit of the Noteholders, the Receiptholders and the Couponholders, that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes, the Receipts and/or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Notes, the Receipts and/or the Coupons) and accordingly submits to the exclusive jurisdiction of the English courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Noteholders, the Receiptholders and the Couponholders may take any suit, action or proceedings (together referred to as **Proceedings**) arising out of or in connection with the Notes, the Receipts and the Coupons (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Notes, the Receipts and/or the Coupons), against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

19.2 Appointment of Process Agent

The Issuer appoints Orange Telecommunications Group Limited at its registered office at St James Court, Great Park Road, Almondsbury Park, Bristol, BS32 4QJ, England with registered number 07168292 as its agent for service of process, and undertakes that, in the event of Orange Telecommunications Group Limited ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

10. USE OF PROCEEDS

The Issuer intends to use the net proceeds from each issue of Notes for general corporate purposes, including the refinancing of current indebtedness. If, in respect of any particular issue, there is a particular use of proceeds, this will be stated in the applicable Final Terms.

11. SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement (the **Programme Agreement**) dated 12 June 2013, agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*" above. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with any update of the Programme and the issue of Notes under the Programme.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that, except as permitted by the Programme Agreement, it will not offer, sell or deliver Notes (i) as part of their distribution at any time; and (ii) otherwise until 40 days after the completion of the distribution (as determined and certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant lead manager (in the case of a syndicated issue)) of all Notes of the Tranche of which such Notes are a part within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding paragraph and in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the later of the date of the closing of the offering of any Series of Notes and the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each issue of Index Linked Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issue and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms. Each relevant Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will offer, sell or deliver such Notes only in compliance with such additional U.S. selling restrictions.

Public Offer Selling Restrictions under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "Non-exempt Offer"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that (a) the Issuer has given its written consent and (b) any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;
- (b) at any time to any legal entity which is a qualified investor as defined under the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive (as defined below), 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in paragraphs (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and the amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

United Kingdom

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) in relation to any Notes which have a maturity of less than one (1) year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended, the **FIEA**) and each Dealer has agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Law (Law No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

France

Each of the Dealers and the Issuer has represented and agreed that (in relation to Notes admitted to trading on Euronext Paris, in connection with their initial distribution only) it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes, and that such offers, sales and distributions have been and shall only be made in France to (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (ii) qualified investors (*investisseurs qualifiés*) investing for their own account, all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

Hong Kong

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

People's Republic of China

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that neither it nor any of its affiliates has offered or sold or will offer or sell any of the Notes directly or indirectly in the People's Republic of China (excluding Hong Kong, Macau and Taiwan) except as permitted by the securities laws of the People's Republic of China.

Singapore

Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law; or
- (d) as specified in Section 276(7) of the SFA.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any other Dealer shall have any responsibility therefor.

Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree.

12. TAXATION

The following is a summary limited to certain tax considerations in France and in Luxembourg relating to the payments made in respect of the Notes that may be issued under the Programme and specifically contains information on taxes on the income from the securities withheld at source. This summary is based on the laws in force in France and in the Grand Duchy of Luxembourg as of the date of this Base Prospectus and as applied by the tax authorities, all of which are subject to changes or to different interpretation. It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. It is included herein solely for information purposes and is not intended to be, nor should it be construed to be, legal or tax advice. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes in light of its particular circumstances.

a) EU Savings Directive

On 3 June 2003, the European Union adopted the Directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the "**Directive**"). The Directive requires Member States as from 1 July 2005 to provide to the tax authorities of other Member States details of payments of interest and other similar income within the meaning of the Directive made by a paying agent within its jurisdiction to (or under circumstances to the benefit of) an individual resident in another Member State, except that Luxembourg and Austria will instead impose a withholding system for a transitional period unless the beneficiary of interest payment elects for the exchange of information. The rate of this withholding tax is currently thirty-five per cent. (35%).

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payment made by a Paying Agent, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

On 13 November 2008 the European Commission published a detailed proposal for amendments to the Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are implemented in relation to the Directive they may amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

b) French Taxation

The descriptions below are intended as a basic summary of certain withholding tax considerations relating to the payments in respect of the Notes made to a Noteholder who (i) is not a French resident for tax purposes, (ii) does not hold the Notes in connection with a permanent establishment or a fixed base in France and (iii) is not otherwise affiliated with the Issuer.

Directive

The Directive has been implemented in French law by Article 242 *ter* of the French General Tax Code (*Code général des impôts*) and Articles 49 I *ter* to 49 I *sexies* of the Schedule III to French *Code général des impôts*. Article 242 *ter* of the French General Tax Code (*Code général des impôts*), imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

Please refer to the section "*EU Savings Directive*" above for more details.

Withholding Tax

- (a) Following the introduction of the French *loi de finances rectificative pour 2009* no. 3 (n° 2009-1674 dated 30 December 2009) (the "**Law**"), payments of interest and other revenues made by the Issuer with respect to Notes (other than Notes (described below) which are assimilated (*assimilables* for the purposes of French law) and form a single series with Notes issued prior to 1 March 2010 having the benefit of Article 131 *quater* of the French General Tax Code (*Code général des impôts*)) will not be subject to the withholding tax set out under Article 125 A III of the French General Tax Code (*Code général des impôts*) unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French General Tax Code (*Code général des impôts*) (a "**Non-Cooperative State**"). If such payments under the Notes are made in a Non-Cooperative State, a 75 % withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French General Tax Code (*Code général des impôts*).
- (b) Furthermore, interest and other revenues on such Notes are not deductible from the Issuer's taxable income, pursuant to Article 238 A of the French General Tax Code (*Code général des impôts*), if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French General Tax Code (*Code général des impôts*), in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* of the French General Tax Code (*Code général des impôts*), at a rate of 30% or 75%.

Notwithstanding the foregoing, the Law provides that neither the 75% withholding taxes nor the non-deductibility will apply in respect of a particular issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the official guidelines issued by the French tax authorities under the references BOI-INT-DG-20-50-20120912, no. 550 and 990, BOI-RPPM-RCM-30-10-20-50-20120912, no. 70, BOI-ANNX-000364-20120912, no. 20 and BOI-ANNX-000366-20120912, no. 90, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes if such Notes are:

- (i) offered by means of a public offer within the meaning of Article L.411-1 of the French Monetary and Financial Code (*Code monétaire et financier*) or pursuant to an equivalent offer in a state other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

- (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
 - (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French Monetary and Financial Code (*Code monétaire et financier*), or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.
- (c) Payments of interest and other revenues with respect to Notes which are assimilated (*assimilables* for the purpose of French law) and form a single series with Notes issued (or deemed issued) outside France as provided under Article 131 quater of the French General Tax Code (*Code général des impôts*), before 1 March 2010, will continue to be exempt from the withholding tax set out under Article 125 A III of the French General Tax Code (*Code général des impôts*).

Notes issued before 1 March 2010, whether denominated in Euro or in any other currency, and constituting *obligations* under French law, or *titres de créances négociables* within the meaning of the official guidelines issued by the French tax authorities under the reference BOI-RPPM-RCM-30-10-30-30-20120912, or other debt securities issued under French or foreign law and considered by the French tax authorities as falling into similar categories, are deemed to be issued outside the Republic of France for the purpose of Article 131 quater of the French General Tax Code (*Code général des impôts*), in accordance the official guidelines issued by the French tax authorities under the reference BOI-RPPM-RCM-30-10-30-30-20120912.

In addition, interest and other revenues paid by the Issuer on Notes which are to be assimilated (*assimilables* for the purposes of French law) and form a single series with Notes issued before 1 March 2010 will not be subject to the non-deductibility set-out under Article 238 A of the French General Tax Code (*Code général des impôts*), or to the withholding tax set out in Article 119 bis of the French General Tax Code (*Code général des impôts*) solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

The tax regime applicable to Notes which do not satisfy the conditions mentioned hereinabove will be set out in the relevant Final Terms.

c) **Luxembourg Taxation**

Withholding Tax

(i) *Non-resident holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 (the "**Laws**") mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Under the Laws implementing the EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the "**Territories**"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which is a resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it is currently levied at a rate of 35 per cent. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 35 per cent.

(ii) *Resident holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 as amended by the law of 17 July 2008 (the "**Law**") mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

Pursuant to the Law, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 10 per cent. tax on interest payments made after 31 December 2007 by paying agents (defined in the same way as in the EU Savings Directive) located in a Member State of the European Union other than Luxembourg, a Member State of the European Economic Area other than a Member State of the European Union or in a State or territory which has concluded an international agreement directly related to the EU Savings Directive.

d) Hong Kong

The following is a summary of certain Hong Kong tax considerations relating to the purchase, ownership and disposition of the Notes by a beneficial owner of the Notes. This summary is based on the tax laws and regulations of Hong Kong as currently in effect and which is subject to change or to different interpretation. This summary is for general information only and does not address all of the Hong Kong tax considerations that may be relevant to specific holders in light of their particular circumstances.

Withholding tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

Profits tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the "**Inland Revenue Ordinance**"), interest on the Notes may be subject to profits tax where such interest has a Hong Kong source and is received by or accrued to:

- (i) a corporation, other than a financial institution (as defined in the Inland Revenue Ordinance), carrying on a trade, profession or business in Hong Kong;
- (ii) a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (iii) a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong, notwithstanding that the moneys in respect of which the interest is received or accrued are made available outside Hong Kong.

Any capital gains arising from the sale, disposal or redemption of the Notes will not be subject to profits tax in Hong Kong unless such sale, disposal or redemption is or forms part of the revenue or profits of such trade, profession or business carried on in Hong Kong.

Sums received by or accrued to a financial institution by way of gain or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of Notes will be subject to Hong Kong profits tax.

Stamp Duty

Stamp duty will not be payable on the issue of the bearer Notes provided either:

- (i) such Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Notes constitute loan capital (as defined in the Stamp Duty Ordinance) (Cap. 117 of the Laws of Hong Kong) ("**Stamp Duty Ordinance**").

If stamp duty is payable, it is payable by the Issuer on the issue of bearer Notes at a rate of 3 per cent. of the market value of the Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of bearer Notes.

No stamp duty is payable on the issue of registered Notes. Stamp duty may be payable on the transfer of registered Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfer of Registered Notes provided that either:

- (i) the registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) the registered Notes constitute loan capital (as defined in the Stamp Duty Ordinance)

If stamp duty is payable in respect of the transfer of registered Notes, it will be payable at the rate of an aggregate of 0.2 per cent. (of which usually 0.1 per cent. is payable by the seller and 0.1 per cent. is payable by the purchaser) normally by reference to the value of the consideration or to the value on the contract notes for such sale (whichever is higher). If, in the case of either the sale or purchase of such registered Notes, stamp duty is not paid, both the seller and the purchaser may be liable jointly and severally to pay any unpaid stamp duty and also any penalties for the late payment. If stamp duty is not paid on or before the due date (two days after the sale or purchase if effected in Hong Kong or 30 days if effected elsewhere) a penalty of up to 10 times the duty payable may be imposed. In addition, stamp duty is payable at the fixed rate of HK\$5 on each instrument of transfer executed in relation to any transfer of the registered Notes if the relevant transfer is required to be registered in Hong Kong.

Estate Duty

No estate duty is payable in respect of the Notes in Hong Kong.

Capital gains tax

There is no capital gains tax in Hong Kong and no capital gains tax is chargeable or payable on the transfer or disposal of the Notes.

e) People's Republic of China

Enterprise Income Tax

Under the PRC Enterprise Income Tax Law which was promulgated by the National People's Congress of the PRC on 16 March 2007 and became effective on 1 January 2008, the Noteholders that are enterprises established in the PRC or in foreign country with a "de facto management body" located with the PRC will be considered "PRC tax resident enterprises" and will normally be subject to the enterprise income tax at the rate of 25% on the profits related to the interests received and the capital gains derived from the transfer of the Notes.

If the Noteholders are not considered to be PRC tax resident enterprises, they will not be subject to enterprise income tax in the PRC in respect of Notes or any repayment of principal and payment of interests made thereon.

Individual Income Tax

Under the PRC Individual Income Tax Law which was promulgated by the National People's Congress of the PRC on 10 September 1980, and the Sixth Amendment to the PRC Individual Income Tax Law promulgated by the National People's Congress on 30 June 2011 and became effective on 1 September 2011, the Noteholders that are PRC resident individuals will normally be subject to the individual income tax at the rate of 20% on the interests received and the capital gains derived from the transfer of the Notes.

If the Noteholders are not PRC resident individuals, they will not be subject to individual income tax in the PRC in respect of Notes or any repayment of principal and payment of interests made thereon.

Business Tax

Under the PRC Business Tax Regulations which were promulgated by the State Council of the PRC on 13 December 1993 and amended by the State Council on 10 November 2008 (the amendment became effective as of 1 January 2009) and the related circulars, interests received by non-individual Noteholders located within the PRC territory and gains derived from transfer of Notes (i.e. the balance of the transfer value and the purchase value) realized by such non-individual Noteholders will be subject to Business Tax at the rate of 5%.

Such non-individual Noteholders will additionally be liable for PRC Surtaxes, (i.e. the City Maintenance & Construction Fee, Educational Surcharge and Local Educational Surcharge), at a rate varying from 6% to 12% (according to their location in the PRC) on the amount of their Business Tax liability.

Non-individual Noteholders located outside the PRC territory are not subject to Business Tax and PRC Surtaxes in respect of Notes or any repayment of principal and payment of interests made thereon.

Individual Noteholders located within the PRC territory are tentatively exempt from Business Tax and PRC Surtaxes in respect of capital gains derived from the transfer of the Notes. Individual Noteholders located within the PRC territory are generally liable for Business Tax and PRC Surtaxes in respect of the interest derived from the Notes but the Business Tax and PRC Surtaxes are not levied currently in practice.

Individual Noteholders located outside the PRC territory are not subject to Business Tax and PRC Surtaxes in respect of Notes or any repayment of principal and payment of interests made thereon.

f) General

Each Issuer assumes responsibility for withholding taxes to the extent set forth in Condition 7 (*Taxation*) of the Conditions.

13. GENERAL INFORMATION

Authorisation

No authorisation procedures are required of France Telecom by French law for the establishment or update of the Programme. However, to the extent that Notes issued under the Programme may constitute *obligations* under French law, the issue of such Notes will be authorised in accordance with French law. A resolution of the *Conseil d'Administration* dated 24 October 2012, authorises the issue of Notes up to a maximum aggregate amount of 7 billion euros.

Admission to trading of Notes on Euronext Paris

Application has been made to the AMF for approval of this document as a base prospectus.

Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available, free of charge, during usual business hours on any weekday (except Saturdays and public holidays) from the registered office of the Issuer and from the specified offices of the Paying Agent in Paris:

- (i) this Base Prospectus;
- (ii) the Agency Agreement, the forms of the Temporary Global Notes, the Permanent Global Notes, the Definitive Notes, the Receipts, the Coupons and the Talons and the Deed of Covenant; and
- (iii) any future offering circulars, prospectuses, information memoranda and supplements including Final Terms (save that a Final Terms relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding and identity) to this Base Prospectus and any other documents incorporated herein or therein by reference.

Also refer to Part Two, section 17 (*Documents on display*) for availability of other documents pertaining to the Issuer.

Clearing Systems

The Notes have been accepted for clearance through Euroclear (including Euroclear France acting as central depository save that, for the avoidance of doubt, Euroclear France shall not be appointed as Common Depository or Common

Safekeeper in respect of any Notes hereunder) and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche allocated by Euroclear or, as applicable, Euroclear France and Clearstream, Luxembourg will be specified in the relevant Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the relevant Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 boulevard des Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 avenue J.F. Kennedy, L-1855 Luxembourg.

The address of Euroclear France is 115, rue Réaumur, 75081 Paris Cedex 02, France.

Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

Regulated Markets

Application may be made to list debt issues under the Programme and admit them to trading on Euronext Paris. Application may also be made to list debt issues under the Programme on the Official List of the Luxembourg Stock Exchange and admit them to trading on the regulated market of the Luxembourg Stock Exchange, notably for the purposes of Condition 16 (*Further Issues and Consolidation*).

PART TWO

1. PERSON RESPONSIBLE

Chief Executive Officer Delegate

Gervais PELLISSIER

Declaration by person responsible for the Base prospectus

After having taken all reasonable measures in this regard, I hereby certify that the information contained in this Base Prospectus is, to the best of my knowledge, in accordance with the facts, with no omissions likely to affect its import.

The historical financial information incorporated by reference in this Base Prospectus has been audited by the statutory auditors of the Issuer, and the relevant two reports are included on page 500 of the France Telecom 2011 Share Registration Document and on page 444 of the France Telecom 2012 Share Registration Document.

Paris, 12 June 2013

France Telecom
78 rue Olivier de Serres
75015 Paris
France
duly represented by Gervais Pellissier
Chief Executive Officer Delegate

2. STATUTORY AUDITORS

Please refer to section 2 of the France Telecom 2012 Share Registration Document, page 9.

3. SELECTED FINANCIAL INFORMATION

Please refer to section 3 of the France Telecom 2012 Share Registration Document, pages 11 and 12.

4. RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. These factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

4.1 Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme

(a) General

Please refer to section 4 of the France Telecom 2012 Share Registration Document, pages 13 to 22.

(b) French insolvency law

Under French insolvency law as amended by ordinance no. 2008-1345 dated 18 December 2008 which came into force on 15 February 2009 and related order no. 2009-160 dated 12 February 2009 and law no. 2010-1249 dated 22 October 2010 which came into force on 1 March 2011 and related order no. 2011-236 dated 3 March 2011, holders of debt securities are automatically grouped into a single assembly of holders (the "**Assembly**") if a safeguard procedure (*procédure de sauvegarde*), accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*) or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme (such as a Euro Medium Term Note programme) and regardless of their governing law.

The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (charges) of holders of debt securities (including the Noteholders) by rescheduling payments which are due and/or partially or totally writing-off debts;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third (2/3) majority (calculated as a proportion of the amount of debt securities held by the holders which have cast a vote at such Assembly). No quorum is required to hold the Assembly.

For the avoidance of doubt, the provisions relating to the representation of the Noteholders described in the Terms and Conditions of the Notes set out in this Base Prospectus will not be applicable with respect to the Assembly to the extent they conflict with compulsory insolvency law provisions that apply in these circumstances.

4.2 Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

(a) The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

(b) Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

(i) Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

(ii) Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

(iii) Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

(iv) Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

(v) Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

(vi) Index Linked Notes which are Inflation Linked

Index Linked Notes which are Inflation Linked are debt securities which do not provide for predetermined interest payments and/or in respect of which the principal is indexed. Interest amounts and/or principal will be dependent upon the performance of either (i) the consumer price index (excluding tobacco) for all households in metropolitan France (the "CPI"), as calculated and published monthly by the *Institut National de la Statistique et des Etudes Economiques* ("INSEE"), (ii) the harmonised index of consumer prices excluding tobacco, or the relevant successor index, measuring the rate of inflation in the European Monetary Union excluding tobacco as calculated and published monthly by Eurostat (the "HICP") or (iii) the United States consumer price index as reported monthly by the Bureau of Labor Statistics of the U.S. Department of Labor and published by Bloomberg page "CPURNSA" or any successor source (the "US CPI") (each an "Inflation Index" and together, the "Inflation Indices"). If the value of the relevant index calculated at anytime prior to the maturity date is lower than the value of the relevant index at the time of the issue of the Notes or at the time of purchase by the Noteholders, then the amount of interest payable by the Issuer and/or the principal of Index Linked Notes which are Inflation Linked may vary. Noteholders may receive no interest. However, if the nominal amount to be repaid at maturity is below par, such Index Linked Notes which are Inflation Linked will be redeemed at par.

Neither the current nor the historical levels of any of the Inflation Indices should be taken as an indication of future performance of such index during the term of any Index Linked Notes which are Inflation Linked.

Index Linked Notes which are Inflation Linked are not in any way sponsored, endorsed, sold or promoted by the INSEE or Eurostat, as the case may be, and the INSEE or Eurostat, makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of any of the Inflation Indices and/or the figure at which such indices stand at any particular time. The Inflation Indices are determined, composed and calculated by the INSEE or Eurostat, as the case may be, without regard to the Issuer or the Notes. The INSEE or Eurostat, as the case may be, is not responsible for or has not participated in the determination of the timing of, prices of, or quantities of the Index Linked Notes which are Inflation Linked to be issued or in the determination or calculation of the interest payable under such Notes.

None of the Issuer, the Dealer(s) or any of their respective affiliates makes any representation as to the Inflation Indices. Any of such persons may have acquired, or during the term of the Notes may acquire, non-public information with respect to the Inflation Indices that is or may be material in the context of Index Linked Notes which are Inflation Linked. The issue of Index Linked Notes which are Inflation Linked will not create any obligation on the part of any such persons to disclose to the Noteholder or any other party such information (whether or not confidential).

(c) Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

(i) Modification, waivers and substitution

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions of the Notes also provide that the Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (a) any modification (except as mentioned above) of the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 (*Notices*) as soon as practicable thereafter.

(ii) EU Savings Directive

On 3 June 2003, the European Union adopted the Directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the "**Directive**"). The Directive requires Member States as from 1 July 2005 to provide to the tax authorities of other Member States details of payments of interest and other similar income within the meaning of the Directive made by a paying agent within its jurisdiction to (or under circumstances to the benefit of) an individual resident in another Member State, except that Luxembourg and Austria will instead impose a withholding system for a transitional period unless the beneficiary of interest payment elects for the exchange of information (see "Taxation").

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payment made by a Paying Agent, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

The European Commission has proposed certain amendments to the Directive which may, if implemented, amend or broaden the scope of the requirements described above.

(iii) Change of law

The conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

(iv) *Notes where denominations involve integral multiples: Definitive Notes*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If Definitive Notes are issued, holders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

(v) *Taxation*

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial notes such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Prospectus and/or in the Final Terms but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus and the additional tax sections, if any, contained in the relevant Final Terms.

(vi) *The proposed financial transactions tax*

The European Commission recently published a proposal for a Directive for a common financial transaction tax (the "FTT") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia. The tax would be applicable from 1 January 2014.

The proposed FTT has very broad, potentially extraterritorial scope. It would apply to financial transactions where at least one party is a financial institution, and (a) one party is established in a participating Member State or (b) the financial instrument which is subject to the transaction is issued in a participating Member State. A financial institution in the meaning of the proposal for a Directive for a FTT encompasses a wide range of entities, including certain credit institutions but also, *inter alia*, certain regulated markets, UCITS, AIF, securitisation vehicles and individuals. A financial institution may be, or be deemed to be, "established" in a Member State in a broad range of circumstances.

The issuer is incorporated in France and therefore financial institutions worldwide would be subject to the FTT when dealing in the Bonds.

In relation to many secondary market transactions in bonds and shares, the FTT would be charged at a minimum rate of 0.1% on each financial institution which is party to the transaction. The issuance and subscription of the Notes should, however, be exempt. There are no broad exemptions for financial intermediaries or market makers. Therefore, the effective cumulative rate applicable to some dealings in bonds or shares (for instance, cleared transactions) could be greatly in excess of 0.1%.

A person transacting with a financial institution which fails to account for FTT would be jointly and severally liable for that tax.

The FTT proposal remains subject to negotiation between the Member States and may therefore be altered. Additional Member States may decide to participate. Prospective holders of the Notes are strongly advised to seek their own professional advice in relation to the FTT.

(vii) *Risks relating to Renminbi-denominated Notes*

Notes denominated in RMB ("**RMB Notes**") may be issued under the Programme. RMB Notes contain particular risks for potential investors, including the following:

- (a) Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC

Renminbi is not freely convertible at the present and despite a movement towards liberalisation of cross-border RMB remittances, notably in the current account activity, there is no assurance that the PRC government will continue so in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC.

Holders of Notes denominated in Renminbi may be required to provide certifications and other information (including Renminbi account information) in order to allow such Holder to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and the Issuer's ability to source Renminbi outside the PRC to service such RMB Notes

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. However, pursuant to arrangements between the PRC Central Government and the Hong Kong government, all corporations are now allowed to open RMB accounts in Hong Kong. There is no longer any limit on the ability of corporations to convert RMB and there is no longer any restriction on the transfer of RMB funds between different accounts in Hong Kong.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange and of requirements by the Hong Kong Monetary Authority (such as maintaining no less than 25 per cent. of Renminbi deposits in cash or in the form of settlement account balance with the RMB Clearing Bank). There is no assurance that a change in PRC regulations will not have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the RMB Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all. If it becomes impossible to convert RMB from/to another freely convertible currency, or transfer RMB between accounts in Hong Kong, or the general RMB exchange market in Hong Kong becomes illiquid, any payment of RMB under the Notes may be delayed or the Issuer may make such payments in another currency selected by the Issuer using an exchange rate determined by the Calculation Agent, or the Issuer may redeem the Notes by making payment in another currency.

RMB Notes issued under the Programme may only be held in Euroclear France, Euroclear and Clearstream, Luxembourg. Noteholders may only hold RMB Notes if they have an account with Euroclear France or maintained with an Account Holder which itself has an account with Euroclear France (which include Euroclear and Clearstream, Luxembourg).

(b) Investment in RMB Notes is subject to exchange rate risks

The value of Renminbi against the Euro, the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. All payments of interest and principal with respect to RMB Notes will be made in Renminbi. As a result, the value of these Renminbi payments in Euro or U.S. dollar terms may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the Euro, the U.S. dollar or other foreign currencies, the value of investment in Euro, U.S. dollar or other applicable foreign currency terms will decline.

(c) Investment in RMB Notes is also subject to interest rate risks

The PRC government has gradually liberalised the regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. Notes denominated in RMB will generally carry a fixed interest rate. Consequently, the trading price of such Notes will vary with fluctuations in Renminbi interest rates. If a Noteholder tries to sell such Notes before their maturity, he may receive an offer that is less than his original investment.

(d) RMB currency risk

Except in limited circumstances, all payments of Renminbi under the RMB Notes will be made solely by transfer to a Renminbi bank account maintained in Hong Kong in accordance with the prevailing rules and regulations for such transfer and in accordance with the terms and conditions of the RMB Notes. The Issuer cannot be required to make payment by any other means (including by transfer to a bank account in the PRC or anywhere else outside Hong Kong). For persons holding RMB Notes through Euroclear France, Euroclear or Clearstream, Luxembourg, payments will also be made subject to the procedures of Euroclear France, Euroclear or Clearstream, Luxembourg, as applicable.

(e) Developments in other markets may adversely affect the market price of any RMB Notes

The market price of RMB Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for RMB denominated securities is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including the PRC. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility. Should similar developments occur in the international financial markets in the future, the market price of RMB Notes could be adversely affected.

(f) The Issuer may make payments of interest and principal in U.S. dollars in certain circumstances

Although the primary obligation of the Issuer is to make all payments of interest and principal with respect to the RMB Notes in Renminbi, in the event access to Renminbi deliverable in Hong Kong becomes restricted by reason of Inconvertibility, Non-transferability or Illiquidity (each as defined the Terms and Conditions of the Notes), the terms of such RMB Notes allow the Issuer to make such payment in U.S. dollars at the prevailing spot rate of exchange, all as provided for in more detail in the Terms and Conditions of the Notes. As a result, the value of such payments in Renminbi may vary with the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against the U.S. dollar the value of a Noteholder's investment in U.S. dollar will decline.

(d) Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

(i) The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

(ii) Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

(iii) Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

(iv) Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

(e) Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

(f) Interests of Dealers

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial

instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

5. INFORMATION ABOUT THE ISSUER

5.1 History and development of the Issuer

Please refer to section 5.1 *History and evolution of the Company* of the France Telecom 2012 Share Registration Document, pages 23 and 24.

From 1 July 2013, France Telecom's company name became Orange pursuant to the resolution of the shareholders meeting of 28 May 2013. On 28 May 2013, following the shareholders meeting, France Telecom published a press release informing about the changing of the company name. The press release is available on the website of the Issuer.

5.2 Investments

Please refer to section 9.1.2.5 *Group capital expenditures* of the France Telecom 2012 Share Registration Document, pages 185 to 189.

6. BUSINESS OVERVIEW

Please refer to sections 6.1 to 6.6 of the France Telecom 2012 Share Registration Document, pages 25 to 131.

7. ORGANISATIONAL STRUCTURE

Please refer to section 7 of the France Telecom 2012 Share Registration Document, page 135.

8. TREND INFORMATION

Please refer to section 12 *Information on trends* of the Share Registration Document 2012 (on page 255). Additionally, note that the Group reported its first quarter 2013 results on 24 April 2013 (see Section 13.4 *Significant change in the Issuer's financial or trading position* of this document).

9. PROFIT FORECASTS OR ESTIMATES

None.

10. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES

Please refer to section 14 of the France Telecom 2012 Share Registration Document, pages 259 to 272.

In addition:

- By order of the Minister of the Economy and Finance and the Minister for Industrial Renewal dated 15 May 2013, Mr Antoine Saintoyant was appointed as a director representing the French government, to replace Mr Olivier Bourges, for a four-year period expiring on 14 May 2017.
- The Annual Shareholders' Meeting of 28 May 2013 appointed the Fonds Stratégique d'Investissement as a new director, for a four-year period expiring at the close of the Annual Shareholders' Meeting approving the financial statements for the fiscal year ended on 31 December 2016. On the same date, Mr Pierre Graff resigned from his position as director.
- On 1 May 2013, the changes described on page 270 of the France Telecom 2012 Share Registration Document were made to the composition of the Executive Committee and its members' responsibilities.

11. BOARD PRACTICES

Please refer to section 16 of the France Telecom 2012 Share Registration Document, pages 279 to 294.

12. MAJOR SHAREHOLDERS

Please refer to section 18 of the France Telecom 2012 Share Registration Document, pages 325 to 328.

Additionally, please find below the distribution of share capital as at 30 April 2013:

	in shares	
PUBLIC SECTOR	713 720 564	26,94%
French State	356 194 433	13,45%
<i>Fonds Stratégique d'Investissement</i>	357 526 131	13,50%
FLOAT	1 799 287 568	67,93%
EMPLOYEES	120 232 721	4,54%
TREASURY SHARES	15 644 530	0,59%
Total	2 648 885 383	100,000%

13. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

13.1 Historical financial information

Please refer to section 20.1 of the France Telecom 2011 Share Registration Document, on pages 372 to 503 and to section 20.1 of the France Telecom 2012 Share Registration Document, on pages 332 to 447.

13.2 Interim financial information

Please refer to the First Quarter 2013 Financial Information.

13.3 Legal and arbitration proceedings

Please refer to:

- Notes 12 and 15 to the 2012 consolidated financial statements included in the France Telecom 2012 Share Registration Document, pages 406 and 420 to 426; and
- Section 20.4 of the France Telecom 2012 Share Registration Document, page 490.

In addition, the following significant development has taken place since 27 March 2013, the date on which the 2012 Share Registration Document was filed: on 21 May 2013, France Telecom and the Société Nationale des Chemins de Fer Français (SNCF) signed an agreement regarding the litigation having opposed them since November 2000 concerning the amount of fees due by France Telecom for its use of SNCF railway infrastructures between 1990 and 1996. The total amount of SNCF's claim was 574 million euros. The agreement provides for the payment to SNCF of a final contractual indemnity.

There has been no other significant development in the Group's legal or arbitration proceedings since the publication of the last France Telecom 2012 Share Registration Document.

13.4 Significant change in the Issuer's financial or trading position

Please refer to:

- Note 16 to the 2012 consolidated financial statements included in the France Telecom 2012 Share Registration Document, on page 426; and
- Section 20.5 of France Telecom 2012 Share Registration Document, on page 490 of the France Telecom 2012 Share Registration Document.

In addition, below is a description of the other significant developments that have taken place since 27 March 2013, the date on which the 2012 Share Registration Document was filed:

- Debt ratings

On 22 April 2013, Standard & Poor's downgraded France Telecom's long term debt rating from A- to BBB+.

- First quarter 2013 results

On 24 April 2013, France Telecom published a press release containing unaudited financial information for the first quarter of 2013, which is incorporated herein.

Except as disclosed above, there has been no significant change in the financial or trading position of the Issuer or the Group since the publication of the France Telecom 2012 Share Registration Document.

13.5 Financial glossary

Please refer to the financial glossary of the France Telecom 2012 Share Registration Document, pages 543 and 544.

14. ADDITIONAL INFORMATION

14.1 Share capital

As of 30 April 2013, the share capital of France Telecom was 10,595,541,532 euros divided into 2,648,885,383 fully paid shares with a par value of 4.00 euros each.

14.2 Memorandum and bylaws

Please refer to section 21.2 of the France Telecom 2012 Share Registration Document, pages 493 to 496.

15. MATERIAL CONTRACTS

Please refer to section 22 of the France Telecom 2012 Share Registration Document, page 499.

16. THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST

None.

17. DOCUMENTS ON DISPLAY

The following documents are already or will, when published, be available for download on the website of the Issuer (www.orange.com). Copies of those documents are, or will, when published, be, available during usual business hours (except on Saturdays, Sundays and public holidays) from the registered office of the Issuer and from the specified offices of the Paying Agents, free of charge:

- (i) the *statuts* ("bylaws", with an English translation thereof) of the Issuer;
- (ii) the Issuer's Registration Documents for the financial years 2011 and 2012, filed with the AMF (they include the audited consolidated financial statements for the years ended 31 December 2011 and 2012);
- (iii) this Base Prospectus;
- (iv) any supplement to this Base Prospectus; and
- (v) any document incorporated by reference in this Base Prospectus.

Documents (iii) to (v), together with any Final Terms relating to the Notes to be admitted to trading on Euronext Paris will be available for download on the AMF's website (www.amf-france.org) at least until the end of a period of 12 months starting on the date of this Base Prospectus.

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