



Orange Romania advances its convergence ambitions as it completes its acquisition of a 54% controlling stake in fixed operator Telekom Romania Communications

Orange announces today that it has completed its acquisition of a controlling stake in the fixed operator, Telekom Romania Communications (TKR). The closing of this deal will give Orange Romania a 54% controlling stake in one of Romania's leading fixed telecom operators, with the remaining 46% stake retained by the Romanian State. Orange has obtained approval from the relevant authorities to enable it to complete the transaction for an enterprise value as previously [stated](#) of 497 million euros, based on 100% of TKR and its convergent customer base. This corresponds to an equity consideration of €296m*.

This successful transaction will now herald the acceleration of Orange's strategy to be the preferred convergent services provider in Romania, with a firm commitment from Orange to pursue its investments in the Romanian telecommunications sector. Thanks to this acquisition, Orange, as the number one mobile operator in Romania and now with the combined strength of TKR's fixed network, will create a fully fixed and mobile convergent operator across Consumer, Business and ICT** markets.

TKR is Romania's second largest player in fixed telecoms with revenues of €633m reported in 2020. Through its owned network infrastructure, TKR provides fixed voice, broadband and pay-tv services to around five million customers and its approximately 90,000 km fibre network connects almost three million households. It also provides convergent services to close to 916,000 fixed-mobile convergent subscribers, as at 30 June 2021 through an MVNO contract with Telekom Romania Mobile. These customers will be migrated to Orange Romania's network in due course shortly, following the completion of the transaction.

Both companies will continue to operate as two separate legal entities. Liudmila Climoc will continue her responsibilities as CEO of Orange Romania. Today, the TKR Board of Directors has appointed Mr. Andrei Popovici, as CEO of TKR.

Mari-Noëlle Jégo-Laveissière, Deputy CEO, in charge of Orange in Europe, commented: "Today is a landmark day for Orange as this acquisition will propel Orange Romania forward in its convergence ambitions. Convergence is the key to our growth across Europe, and Romania is a key part of the Group's European success story."

Liudmila Climoc, CEO, Orange Romania, commented: "We are part of a defining moment not only for Orange, but for the entire telecoms market in Romania. I am very proud that Orange Romania and TKR teams have reached this point. We now move forward together, as a joint force and with a common goal – to be the first choice for convergent services in Romania. Together, we will build for our customers a complete offer with extended fixed coverage, mobile services from Orange, including expanding 5G coverage, more varied TV content and ICT solutions that support the digital transformation of businesses and public administrations."

** This corresponds to a purchase price of €268m, on a debt-free, cash-free basis*

*** ICT– Information Technology and Communications*

About Orange

Orange is one of the world's leading telecommunications carriers with a turnover of €42.3 billion in 2020 and 139,000 employees as at June 30, 2021, of whom 80,000 are in France. The Group had a total customer base of 263 million customers as of June 30, 2021, including 218 million mobile customers and 22 million fixed broadband customers. The Group is present in 26 countries. Orange is also a leading provider of global IT and telecommunication services to multinational companies, under the brand Orange Business Services. In December 2019, the Group presented its new "Engage 2025" strategic plan, which, guided by social and environmental accountability, aims to reinvent its operator model. While accelerating in growth areas and placing data and AI at the heart of its innovation model, the Group will be an attractive and responsible employer, adapted to emerging professions.

Orange is listed on Euronext Paris (symbol ORA) and on the New York Stock Exchange (symbol ORAN).

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