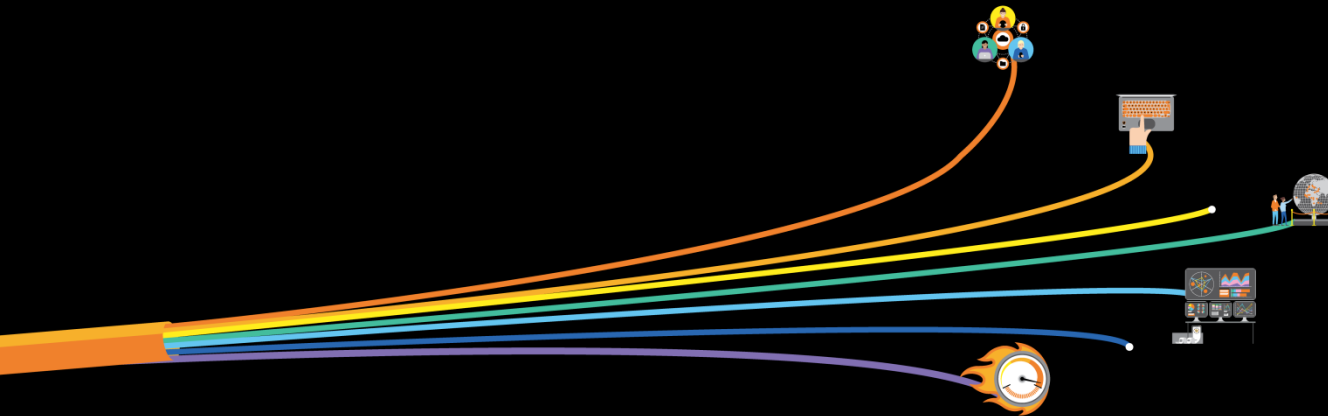


Orange Concessions

A milestone in Orange infrastructure strategy



22 January 2021



Orange Concessions

1

The leading fiber platform in rural France with **4.5m awarded FTTH lines spread across 23 Public Initiative Networks**

2

A platform set for exceptional growth, set-up for a long-term partnership through the sale of a 50% co-controlling stake to a consortium of **high profile financial partners** with an extensive track record in infrastructure management

3

Orange to remain the exclusive industrial partner of Orange Concessions under arm's length terms

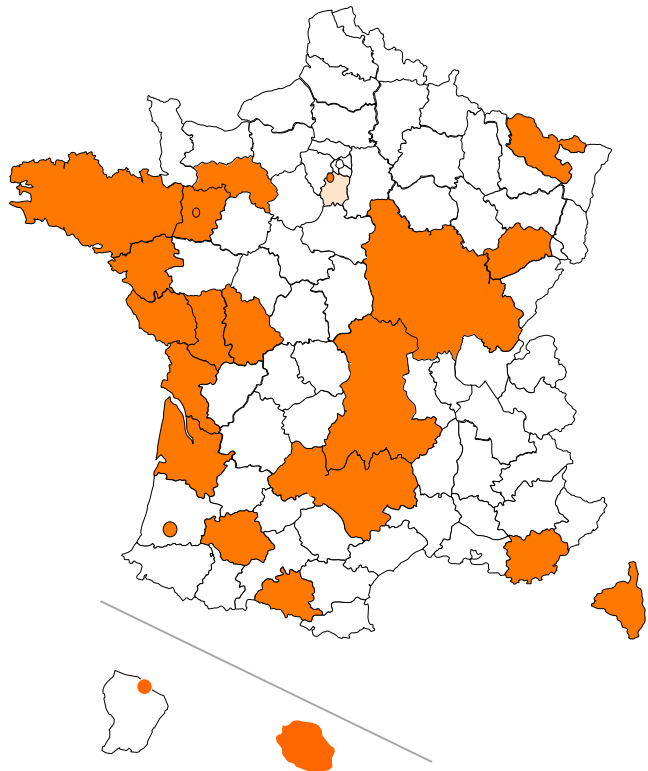
4

Highly attractive economic terms fully revealing the underlying value of Orange assets

1

The leading fiber platform in rural France

4.5m awarded FTTH lines spread across 23 Public Initiative Networks



Market share in PIN networks **c.30%**

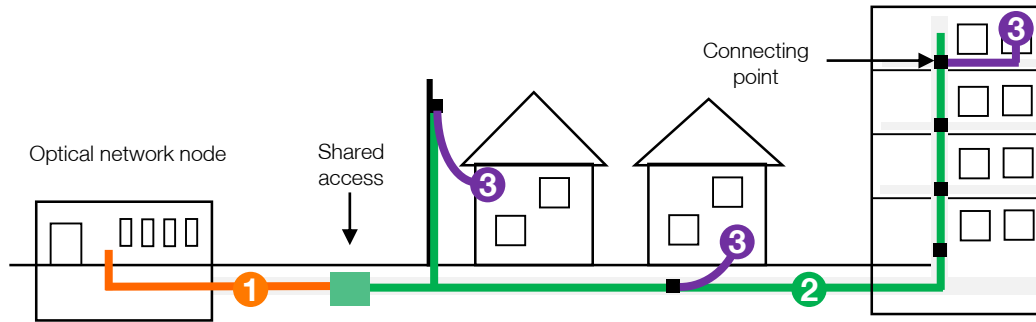
Awarded lines **4,489k**

Built
1,156k

To be built
3,333k

Description of rollout in PIN area

Orange Concessions offers in PIN areas : from optical node to connecting point



Optical Node => Shared access

- Each operator rolls out its own network till the optical node
- When the Optical node serves less than 1k homes, there are wholesale offers with regulated prices
- In other cases, commercial agreements can be made, with no regulated requirement

Shared access => Connecting point

- One network builder, n co-financing operators by tranches of 5%
- Project cost includes remuneration paid to the builder for execution risks
- Recurrent cost : c.5€/cust./month
- Alternatives to co-financing: line rental (around 13€ /cust./month)

Connecting point => end point

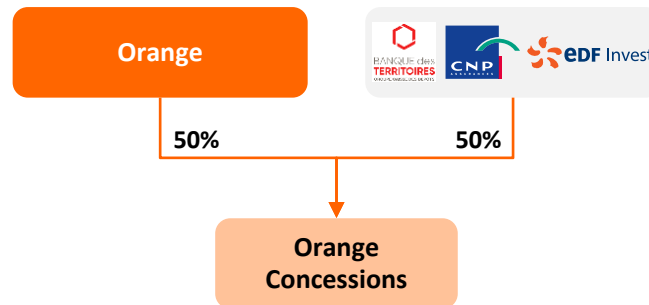
- Built by the commercial operator or outsourced to the network builder

2 A platform set for exceptional growth and for long term partnership

Sale of a 50% co-controlling stake to a consortium of high profile financial partners with an extensive track-record in infrastructure management

Orange to join forces with a consortium of high profile partners

- Extensive expertise in the management of infrastructure
- Highly involved in local development in France and highly regarded by local authorities
- A true 50/50 partnership with an option of 1% share and governance rights to control and reconsolidate over the long term



Part of Groupe Caisse des Dépôts
Founded in 1816
€459bn overall balance sheet



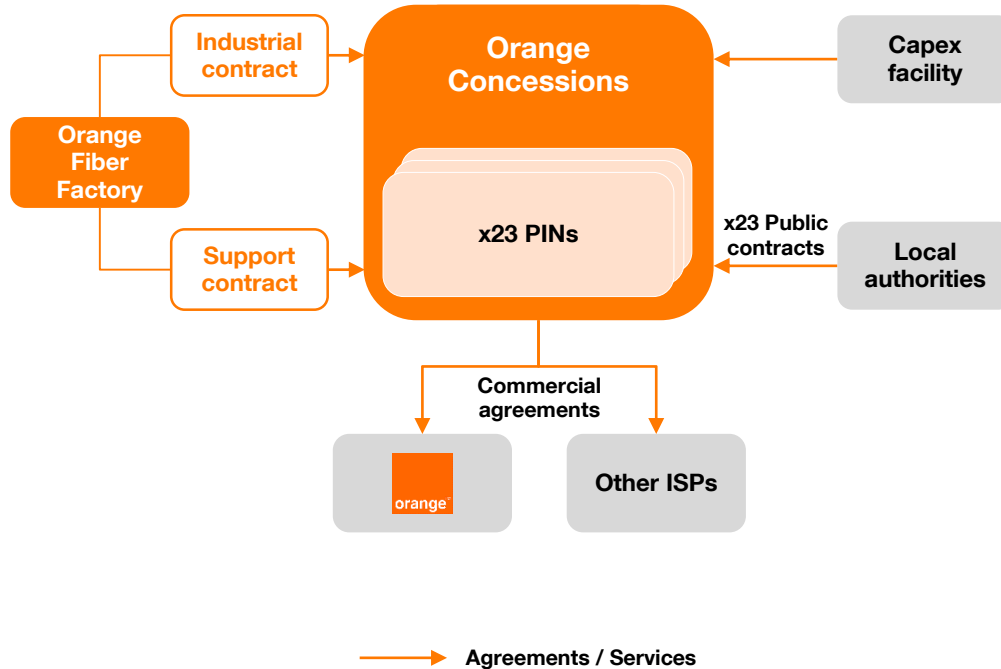
€390bn total AuM
o/w €3.5bn in infrastructure
€9bn market cap



€7bn AuM

3

Orange to remain the exclusive industrial partner of Orange Concessions under arm's length terms



- Orange to be the exclusive industrial partner of Orange Concessions for network construction, monitoring and maintenance with associated revenue streams
 - Sourcing of high-quality fiber, network roll-out, maintenance and operations are contractually secured with Orange
- Orange to be a customer of Orange Concessions, at the same terms and conditions as every other retail operator, with no minimum volume commitment

4

Highly attractive economic terms thanks to the underlying value of Orange assets and a very competitive M&A process ...

~€ 2.7bn

Enterprise
Value (“EV”)

~€ 2.2bn

Estimated
Equity
Value⁽¹⁾

EV at the top of market benchmarks for similar PIN transactions

- c.€600 EV/awarded line

Orange’s IRR on only 50% disposal of **c.40%** over 10 years

The transaction leads to **decrease exposure and risks** associated with the activity in a building phase

The transaction frees up significant capital resources

- Cash proceeds from sale
Totalling **c.€1.5bn** split into:
c.€1.1bn from the sale of 50% stake; and
c.€0.4bn from shareholder loan reimbursement
- Secured future funding
1,250m non-recourse debt financing secured at Orange Concessions level to finance the roll out, fully covering the company cash requirements

(1) Subject to closing adjustments.
(2) Estimates.

... also emphasising potential value of Orange's total infrastructure, including the full ownership in private areas

Highly attractive multiples of Orange Concessions reveal the higher potential value in medium dense private areas

Number of FTTH lines connectable by Orange in 2023^e (in millions)

