

Orange financial results

#Q1_2021



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Disclaimer

This presentation contains forward-looking statements about Orange's financial situation, results of operations and strategy. Although we believe these statements are based on reasonable assumptions, they are subject to numerous risks and uncertainties, including matters not yet known to us or not currently considered material by us, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved. More detailed information on the potential risks that could affect our financial results is included in the Universal Registration Document filed on 17 March 2021 with the French Financial Markets Authority (AMF) and in the annual report (Form 20-F) filed on 18 March 2021 with the U.S. Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made. Other than as required by law, Orange does not undertake any obligation to update them in light of new information or future developments.

Section One

Q1 2021 highlights



Q1 21 key achievements

FTTH

 **49.3m**

connectable homes

5G



Strong appetite for 5G smartphones

Infra



Creation of Totem on track



Signing of Orange Concessions, partnership with CDC, CNP & EDF Invest



Signing of FiberCo partnership with APG

France



Highest broadband quarter in Q1 since 2016 with +94K net adds



Mobile Financial Services

Growing customer base,
Europe: 1.2m B2C & 0.3m B2B*
Africa : 0.5m

Europe

Other European countries revenue growth at



+2.2% yoy in Q1



Fiber ARPU is driving growth



Commercial turnaround ongoing, despite fierce competition

Enterprise

IT&S revenues growth at



+6.4% yoy in Q1

Driven by Cloud (+5%), Cyberdefense (+16%) & Digital & Data (+11%)

MEA



+7.1 % Highest Q1 in past 10 years



Base

> **130m** mobile customers

FBB base

1.8m fixed BB clients
+38%, yoy

Q1 21 financial achievements

yoy : comparison with the same period of the previous year, on a comparable basis unless otherwise specified
All Group level mentions include both telecom and banking activities. Conversely, all mentions excluding Mobile Financial Services are explicitly called "Telecom"

Revenue

€ **10.3** bn

+0.5% yoy in Q1



Back to growth despite unfavourable comparable basis due to the crisis

EBITDAaL

€ **2.6** bn

-0.3% yoy in Q1



Stabilisation



Roaming impact: -42m€ yoy

eCapex

€ **1.8** bn

+12.4% yoy in Q1



Increase in line with FY 21 guidance

Section Two

Business review

Q1 2021 France

Strong performance on convergence & fiber

in €m	Q1 21	Q1 20 cb	yoy cb
Revenues	4,404	4,415	-0.2%
Retail services	2,688	2,692	-0.2%
Convergent services*	1,154	1,137	+1.5%
Mobile only services	559	563	-0.7%
Fixed only services	975	993	-1.8%
Fixed only broadband	703	678	+3.6%
Fixed only narrowband	272	315	-13.5%
Wholesale	1,286	1,319	-2.5%
Equipment sales	269	252	+6.6%
Other revenues	162	151	+6.9%

*B2C only

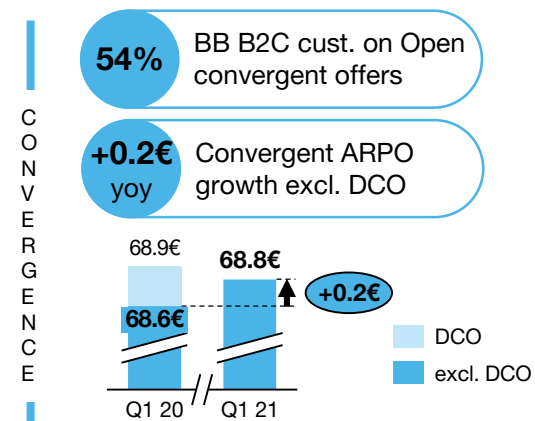
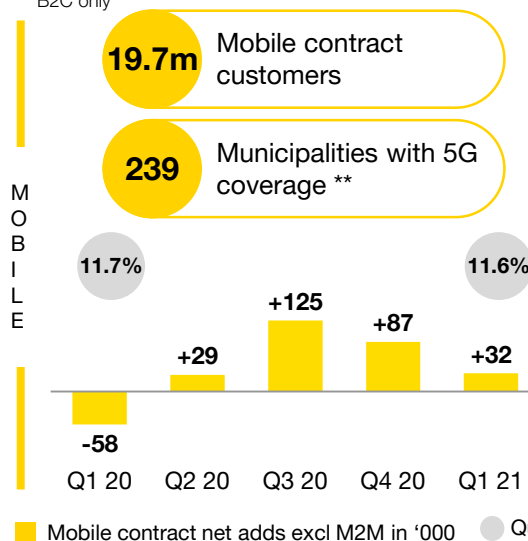
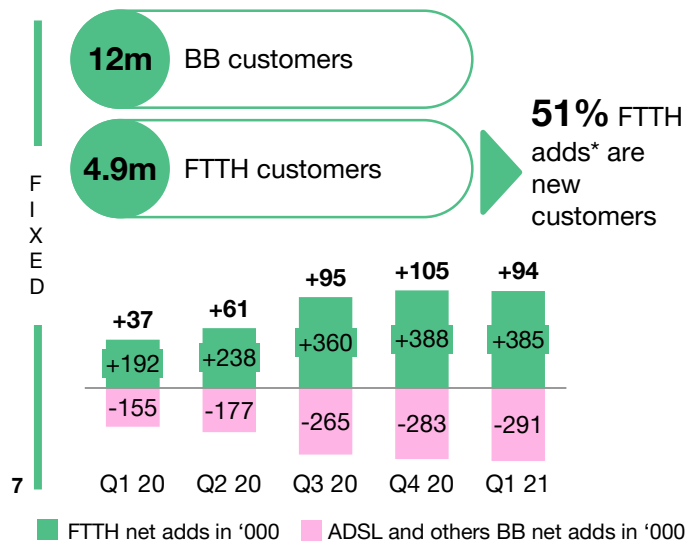
Solid retail services trend

▶ **+0.1% yoy**

Retail revenues excl. digital content offers (DCO)

▶ **+1.9% yoy**

Retail revenues excl. PSTN & DCO



*gross adds + migration

** >80% of population outdoor coverage

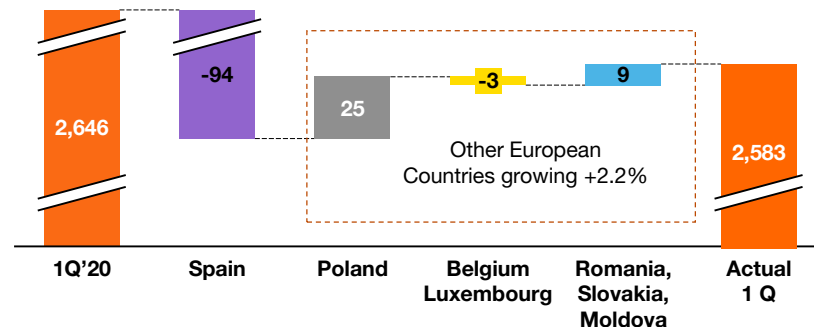
Q1 2021 Europe

Solid commercial performance. Other European Countries growing +2.2% yoy

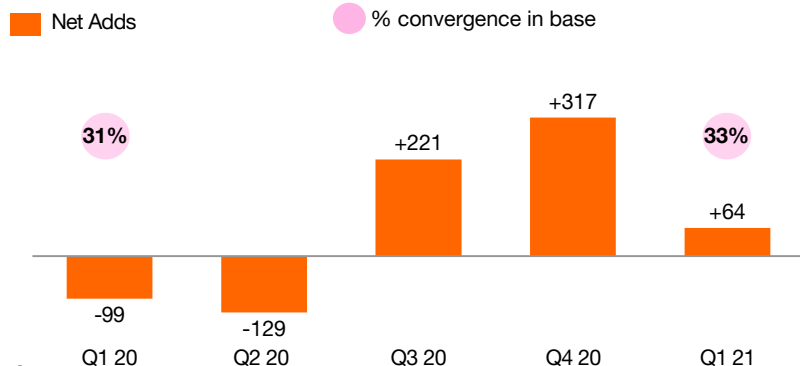
in €m	Q1 21	Q1 20 cb	yoy cb
Revenues	2,583	2,646	-2.4%
Retail services	1,727	1,808	-4.5%
Convergent services*	666	690	-3.6%
Mobile only services	719	772	-6.9%
Fixed only services	265	274	-3.3%
IT & integration services	77	71	+7.7%
Wholesale	454	471	-3.7%
Equipment sales	368	323	+14.2%
Other revenues	34	44	-22.9%

*B2C only

Revenue evolution (in €m)

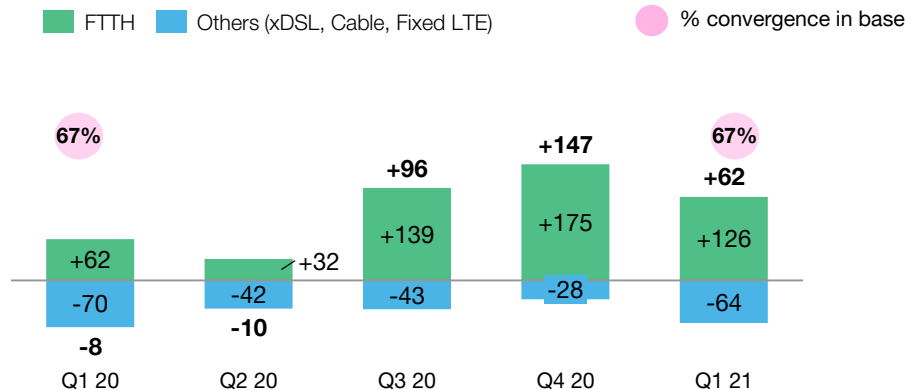


Europe, mobile contract net adds ex-M2M (in '000s)



8

Europe, Fixed Broadband net adds (in '000s)



Q1 2021 Spain

Positive net adds for the 3rd quarter in a row, despite fierce competition

<i>in €m</i>	Q1 21	Q1 20 cb	yoy cb
Revenues	1,188	1,282	-7.4%
Retail services	818	910	-10.2%
Convergent services*	469	517	-9.4%
Mobile only services	231	267	-13.6%
Fixed only services	116	124	-6.7%
Wholesale	215	220	-2.3%
Equipment sales	155	141	+10.0%
Other revenues	1	11	-95.4%

*B2C only

85% Convergence as % of broadband B2C customer base



84% Fiber penetration in BB customer base



66% 4G penetration in mobile customer base



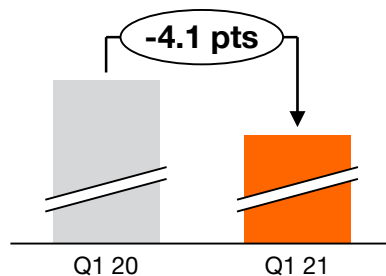
17% TV penetration in BB customer base



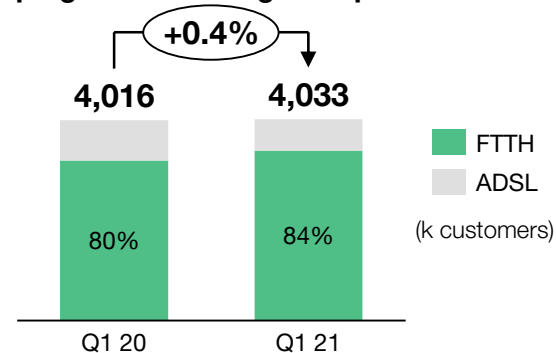
Positive net adds ...

Convergence net adds	↑	+10k
FBB net adds	↑	+1k
FTTH net adds	↑	+49k
Mobile contract net adds*	↑	+24k

... with 4.1 points improvement in convergent churn...



... stabilizing FBB customer base while keeping on increasing fiber penetration



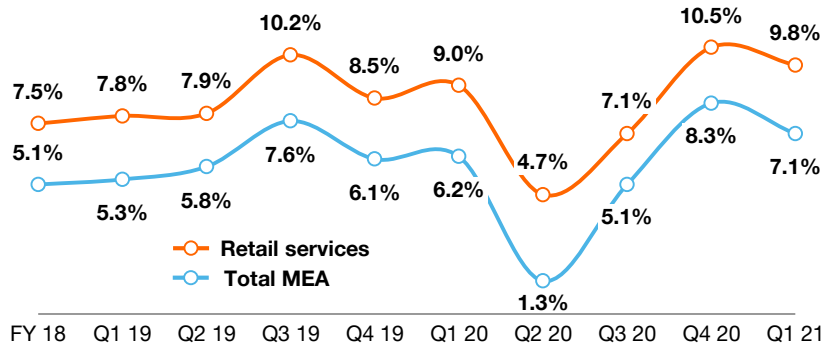
Q1 2021 Africa & Middle East

Strong performance confirmed

in €m	Q1 21	Q1 20 cb	yoy cb
Revenues	1,488	1,389	+7.1%
Retail services	1,301	1,185	+9.8%
Mobile only services	1,137	1,047	+8.5%
Fixed only services	160	131	+21.8%
IT & integration services	4	6	-31.2%
Wholesale	153	173	-11.3%
Equipment sales	24	21	+15.4%
Other revenues	9	10	-6.1%


> 80% of revenue comes from sustainably resilient retail services


Revenue cb yoy growth in %

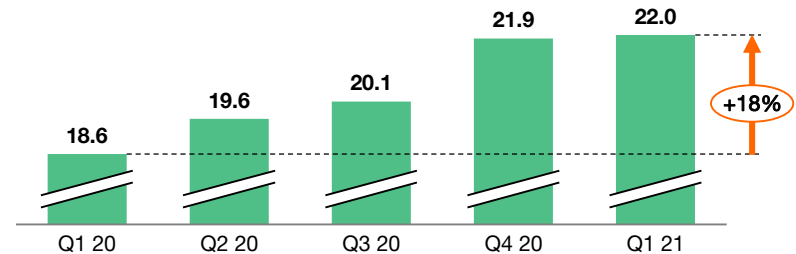


>130m mobile customers

 **36.1m** **+36% yoy** **+22% Data revenue growth Q1 21**
4G customers

 **1.8m** **+38% yoy** **+38% FBB revenue growth Q1 21**
FBB customers

 **+19% Orange Money revenue growth Q1 21**
> 40% of 52m Orange Money customers are active *
(active customers in millions, yoy growth in %)



* At least one transaction per month

Q1 2021 Enterprise

Ongoing recovery in IT&IS revenues brings back top-line growth

in €m	Q1 21	Q1 20 cb	yoy cb
Revenues	1,907	1,900	+0.4%
Fixed only services	918	953	-3.7%
Voice	288	303	-4.9%
Data	630	650	-3.2%
IT & integration services	769	723	+6.4%
Mobile*	220	223	-1.3%

*Mobile = Mobile Only Services + Equipment Sales

IT&IS share in total revenues: 40.3%

(vs. 38.1% in Q1 20)

Cybersecurity



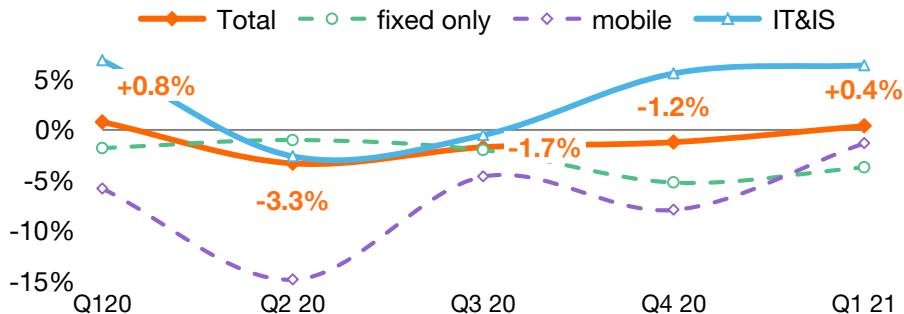
+16% yoy

Cloud

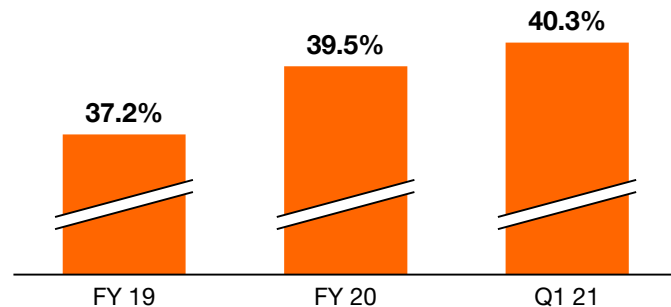


+5% yoy

Revenue evolution



Evolution of IT&IS in total revenues mix



Section Three

Guidance

Guidance 2021 confirmed

	2021e before tax refund allocation	2021e After tax refund allocation
EBITDAaL, yoy	Around +1%	Flat -
eCAPEX yoy	~ €7.3 bn	€ 7.6 -7.7bn
Organic Cash Flow (telecom)*	> €2.6bn	> €2.2bn
Net debt / EBITDAaL (telecom)	Around 2x in the medium term	Around 2x in the medium term
Dividend	€0.70	€0.70

Section Four

Q&A

Annexes

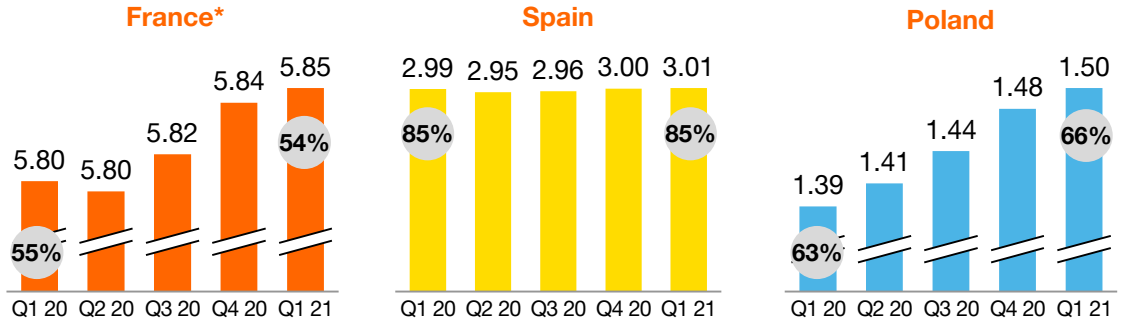
Convergence, the bedrock of our strategy

€ **1.8bn** Convergent services
revenues in Q1 2021
↗ **-0.4% yoy**



Convergent B2C customer base in million

● % of broadband B2C customer base



Churn improvement with convergence in Q1**



-4pts



-4pts



-1pt

Quarterly convergent ARPO, in €/month in Q1



€68.8

-0.1% yoy, cb



€53.3

-8.4% yoy



€24.1

+4.6% yoy***

Number of mobile lines per convergent offer (Q1 yoy growth)



1.68

+0% yoy



2.02

+2.9% yoy



1.88

-0.3% yoy

* Open customers only

** Churn differential between convergent B2C customers and total fixed BB B2C customers

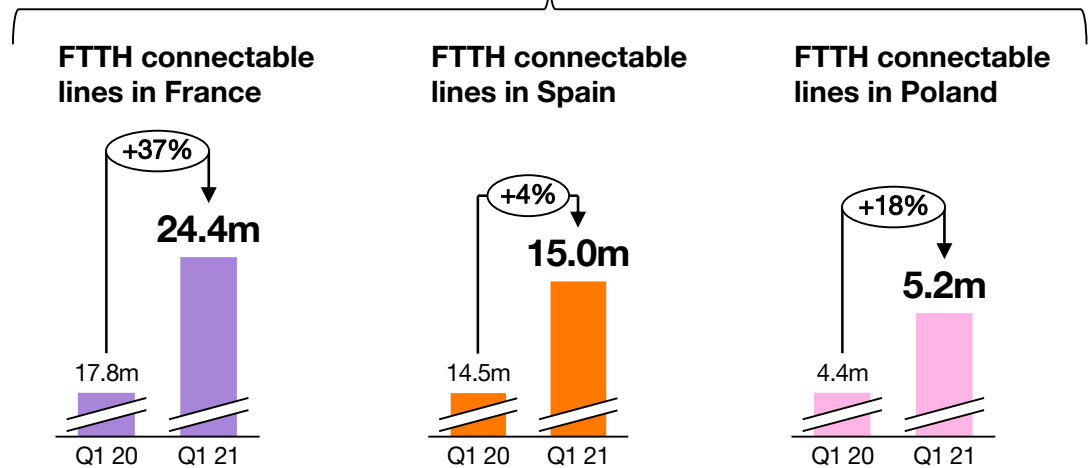
*** YoY evolution calculated in local currency

The Group has kept consolidating its European leadership position in FTTH

 **50.4m** VHBB* connectable lines

o/w

 **49.3m** FTTH connectable lines



*VHBB > 100 Mbps