Orange financial results

#Q1_2021

April, 22nd 2021

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Deputy CEO, Finance, Performance and Development
Disclaimer

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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&IS 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
  - > 130m mobile customers
  - FBB base +38%, yoy

*Anytime + SOHO/SMEs Insurance customers
Q1 21 financial achievements

**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

**eCapex**

€1.8 bn  
+12.4% yoy in Q1

Increase in line with FY 21 guidance

**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”
Section Two

Business review
### Q1 2021 France

**Strong performance on convergence & fiber**

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

*B2C only

- **Solid retail services trend**
  - +0.1% yoy
  - Retail revenues excl. digital content offers (DCO)
  - +1.9% yoy
  - Retail revenues excl. PSTN & DCO

12m BB customers

4.9m FTTH customers

51% FTTH adds* are new customers

19.7m Mobile contract customers

239 Municipalities with 5G coverage **

### Key Metrics

<table>
<thead>
<tr>
<th></th>
<th>Q1 20</th>
<th>Q2 20</th>
<th>Q3 20</th>
<th>Q4 20</th>
<th>Q1 21</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTTH net adds in '000</td>
<td>+192</td>
<td>+238</td>
<td>+360</td>
<td>+388</td>
<td>+385</td>
</tr>
<tr>
<td>ADSL and others BB net adds in '000</td>
<td>-155</td>
<td>-177</td>
<td>-265</td>
<td>-283</td>
<td>-291</td>
</tr>
<tr>
<td>Mobile contract net adds excl M2M in '000</td>
<td>+37</td>
<td>+61</td>
<td>+95</td>
<td>+105</td>
<td>+94</td>
</tr>
</tbody>
</table>

**Quarterly churn rate**

- 11.7%
- Mobile contract

### Convergence

54% BB B2C cust. on Open convergent offers

+0.2€ Convergent ARPO growth excl. DCO

68.9€ 68.8€ +0.2€

*gross adds + migration

** >80% of population outdoor coverage

FTTH net adds in '000

ADS L and others BB net adds in '000

Mobile contract net adds excl M2M in '000

Quarterly churn rate
Q1 2021 Europe
Solid commercial performance. Other European Countries growing +2.2% yoy

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

* B2C only

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

- Net Adds
- % convergence in base

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

- FTTH
- Others (xDSL, Cable, Fixed LTE)
- % convergence in base
Q1 2021 Spain
Positive net adds for the 3rd quarter in a row, despite fierce competition

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

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

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

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

Q1 20  Q1 21

FTTH: 80% 84%
ADSL: 4,016 4,033

* excl. M2M
Q1 2021 Africa & Middle East
Strong performance confirmed

>130m mobile customers

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

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

>40% of 52m Orange Money customers are active *
(active customers in millions, yoy growth in %)

Revenues

<table>
<thead>
<tr>
<th>in €m</th>
<th>Q1 21</th>
<th>Q1 20 cb</th>
<th>yoy cb</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total MEA</td>
<td>1,488</td>
<td>1,389</td>
<td>+7.1%</td>
</tr>
<tr>
<td>Retail services</td>
<td>1,301</td>
<td>1,185</td>
<td>+9.8%</td>
</tr>
<tr>
<td>Mobile only services</td>
<td>1,137</td>
<td>1,047</td>
<td>+8.5%</td>
</tr>
<tr>
<td>Fixed only services</td>
<td>160</td>
<td>131</td>
<td>+21.8%</td>
</tr>
<tr>
<td>IT &amp; integration services</td>
<td>4</td>
<td>6</td>
<td>-31.2%</td>
</tr>
<tr>
<td>Wholesale</td>
<td>153</td>
<td>173</td>
<td>-11.3%</td>
</tr>
<tr>
<td>Equipment sales</td>
<td>24</td>
<td>21</td>
<td>+15.4%</td>
</tr>
<tr>
<td>Other revenues</td>
<td>9</td>
<td>10</td>
<td>-6.1%</td>
</tr>
</tbody>
</table>

>80% of revenue comes from sustainably resilient retail services
Revenue cb yoy growth in %

FY 18  Q1 19  Q2 19  Q3 19  Q4 19  Q1 20  Q2 20  Q3 20  Q4 20  Q1 21
7.5%  7.8%  7.9%  10.2%  8.5%  9.0%  7.1%  10.5%  9.8%
5.1%  5.3%  5.8%  6.1%  6.2%  4.7%  5.1%  8.3%  7.1%

Retail services
Total MEA

* At least one transaction per month
Q1 2021 Enterprise
Ongoing recovery in IT&IS revenues brings back top-line growth

<table>
<thead>
<tr>
<th></th>
<th>Q1 21</th>
<th>Q1 20 cb</th>
<th>yoy cb</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>1,907</td>
<td>1,900</td>
<td>+0.4%</td>
</tr>
<tr>
<td>Fixed only services</td>
<td>918</td>
<td>953</td>
<td>-3.7%</td>
</tr>
<tr>
<td>Voice</td>
<td>288</td>
<td>303</td>
<td>-4.9%</td>
</tr>
<tr>
<td>Data</td>
<td>630</td>
<td>650</td>
<td>-3.2%</td>
</tr>
<tr>
<td>IT &amp; integration services</td>
<td>769</td>
<td>723</td>
<td>+6.4%</td>
</tr>
<tr>
<td>Mobile*</td>
<td>220</td>
<td>223</td>
<td>-1.3%</td>
</tr>
</tbody>
</table>

*Mobile = Mobile Only Services + Equipment Sales

IT&IS share in total revenues: 40.3%
(vs. 38.1% in Q1 20)

Evolution of IT&IS in total revenues mix

<table>
<thead>
<tr>
<th></th>
<th>FY 19</th>
<th>FY 20</th>
<th>Q1 21</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT&amp;IS</td>
<td>37.2%</td>
<td>39.5%</td>
<td>40.3%</td>
</tr>
</tbody>
</table>

Revenue evolution

Evolution of IT&IS in total revenues mix

Cybersecurity +16% yoy
Cloud +5% yoy
Section Three
Guidance
## Guidance 2021 confirmed

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

<table>
<thead>
<tr>
<th></th>
<th>France*</th>
<th>Spain</th>
<th>Poland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 20</td>
<td>5.80</td>
<td>2.99</td>
<td>1.39</td>
</tr>
<tr>
<td>Q2 20</td>
<td>5.80</td>
<td>2.95</td>
<td>1.41</td>
</tr>
<tr>
<td>Q3 20</td>
<td>5.82</td>
<td>2.96</td>
<td>1.44</td>
</tr>
<tr>
<td>Q4 20</td>
<td>5.84</td>
<td>3.00</td>
<td>1.48</td>
</tr>
<tr>
<td>Q1 21</td>
<td>5.85</td>
<td>3.01</td>
<td>1.50</td>
</tr>
</tbody>
</table>

% of broadband B2C customer base

- France*: 55%
- Spain: 85%
- Poland: 66%

Churn improvement with convergence in Q1**

-4pts

Quarterly convergent ARPO, in €/month in Q1

- France*: €68.8 -0.1% yoy, cb
- Spain: €53.3 -8.4% yoy
- Poland: €24.1 +4.6% yoy***

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

- France*: 1.68 +0% yoy
- Spain: 2.02 +2.9% yoy
- Poland: 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

49.3m FTTH connectable lines

FTTH connectable lines in France

FTTH connectable lines in Spain

FTTH connectable lines in Poland

17.8m Q1 20
24.4m Q1 21
+37%

14.5m Q1 20
15.0m Q1 21
+4%

4.4m Q1 20
5.2m Q1 21
+18%

-Q1 21
Q1 20

*VHBB > 100 Mbps