



# disclaimer

This presentation contains forward-looking statements about Orange. 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. Important factors that could cause actual results to differ from the results anticipated in the forward-looking statements include, among others: consolidation of the telecom and audiovisual sector in France, Orange's ability to withstand intense competition in the telecommunications industry and to adapt to the ongoing transformation of the telecommunications industry, in particular to technological changes and new customer expectations, the poor economic conditions prevailing in particular in France and in Europe and in certain other markets in which Orange operates, Orange's ability to capture growth opportunities in new markets and the risks specific to those markets, Orange's ability to maintain a direct link with its customers in the face of new powerful players, such as content and service suppliers or search engines, the effectiveness of Orange's action plans for human resources and IT, network development, customer satisfaction and international expansion, as well as the success of other strategic, operational and financial initiatives, as embodied in its Conquest 2015 initiative, risks related to information and communications technology systems generally, fiscal and regulatory constraints and changes, and the results of litigation regarding regulations, competition and other matters, the success of Orange's French and international investments, joint ventures and strategic partnerships in situations in which it may or may not have control of the enterprise, and in countries presenting additional risk, Orange's credit ratings, and its ability to access capital markets and the state of capital markets in general, exchange rate or interest rate fluctuations, asset impairments. More detailed information on the potential risks that could affect our financial results will be found in the Registration Document filed with the French Autorité des Marchés Financiers (AMF) on April 29, 2014 and in the annual report on Form 20-F to be filed with the U.S. Securities and Exchange Commission on April 30, 2014. Forward-looking statements speak only as of the date they are made. Other than as required by law (in particular pursuant to sections 223-1 and seq. of the General Regulations of the AMF), Orange does not undertake any obligation to update them in light of new information or future developments.

1

## Q3 2014 highlights

# Q3 2014

revenue  
€9.8bn

-2.3% Q3 yoy  
-3.2% 9m yoy

EBITDA restated\*  
€3.2bn

-2.3% Q3 yoy  
-3.1% 9m yoy

CAPEX  
€1.3bn

+2.4% Q3 yoy  
+2.9% 9m yoy

€333m  
indirect opex  
savings ytd

33.1%  
stable Q3 yoy  
EBITDA margin

ongoing strong  
commercial  
performance

yoy : comparison with the same period of the previous year)







qoq : comparison with the previous quarter

\* see slide 24 for EBITDA restatements

# sustained commercial performance across the Group





## 4G coverage

in % of pop.







	France	71%
	UK	>75%
	Spain	66%
	Poland	59%
	Belgium	81%
	Romania	48%

## customers

in millions

	2.7m	+0.7m in Q3 14
	5.6m	+1.4m in Q3 14
	1.8m	+0.4m in Q3 14
	0.3m	

## FTTH homes connectable

	France	3.3m		481k	+65k in Q3 14
	Spain	0.8m		26k	x2 in Q3 14
	Slovakia	0.3m		61k	

## customers

in thousand



## Africa & Middle East

94.3m mobile customers

12m Orange Money customers

+2.5m  
in Q3 14

+1.2m  
in Q3 14

43%

convergent BB base in France

77%

convergent BB base in Spain

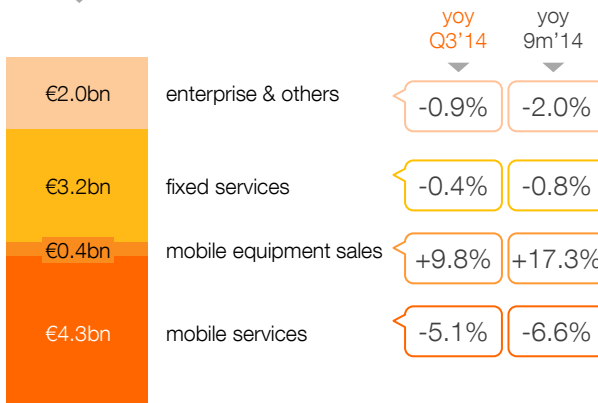
81%

SIMO as % of B2C mobile base in Spain

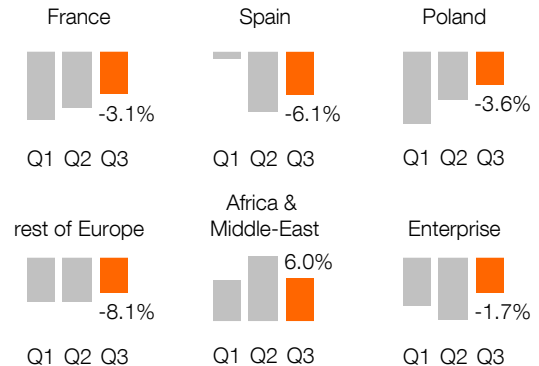
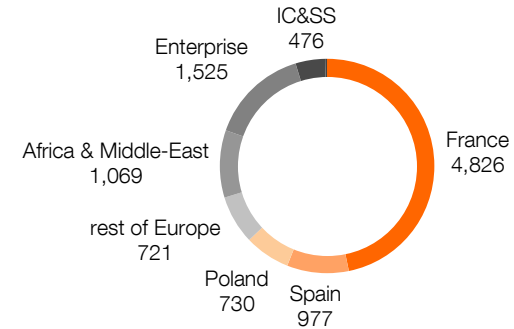
# better revenue trend in Europe & strong growth in Africa and the Middle-East



## by activity

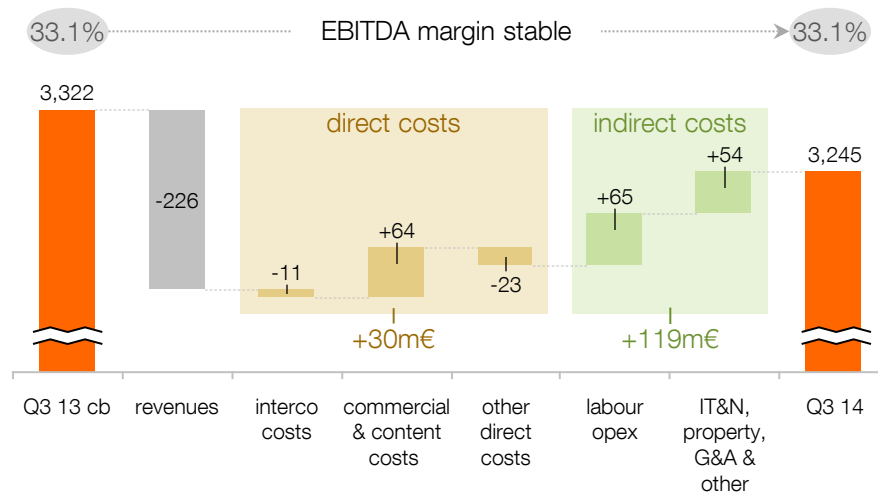
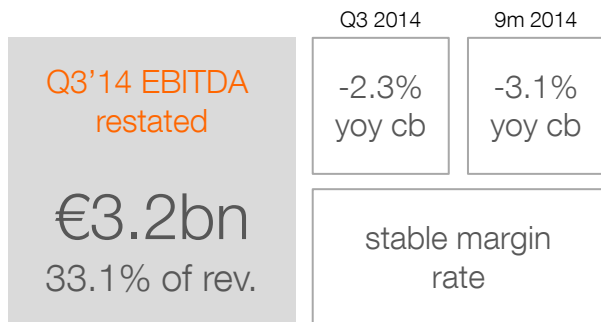


## by segment (in €m, yoy growth in %)

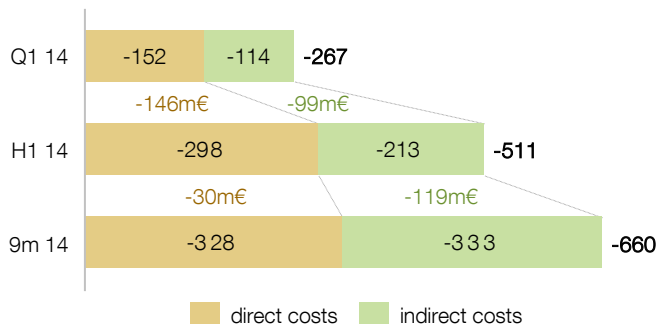


# better revenue trend and costs saving supporting EBITDA margin stabilization

EBITDA restated\* down -€77m vs. -€252m in Q3 2013



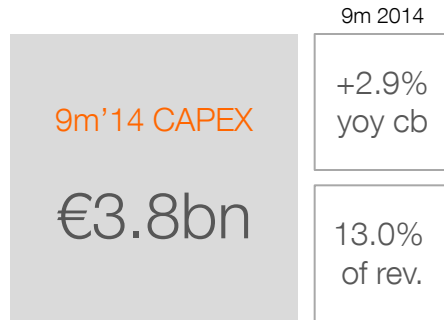
indirect Opex guidance achieved  
cumulated savings in €m (yoy in cb)



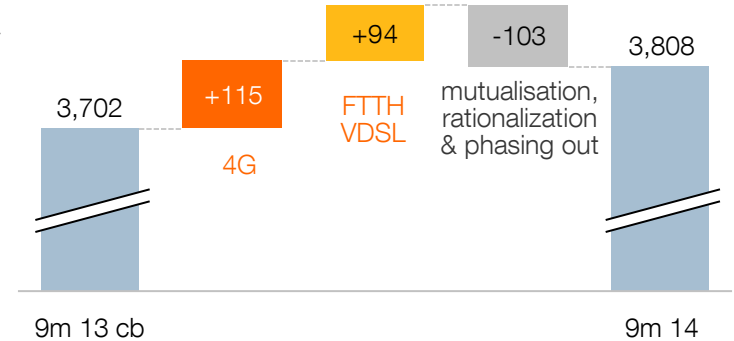
average quarterly FTE (Full Time Equivalent) down -3.7% yoy



# increased CAPEX on 4G and FTTH to support future growth



evolution by  
domain  
in €m



France

- #1 in 4G coverage with 6,638 active sites covering 71% of population, up 21pp from 50% end of 2013.
- 4G+ (LTE advanced) launched in July in Toulouse and Strasbourg, and in October in Paris
- 3.3m FTTH homes connectable (+684k over 9m14, or +27%)

Spain

- 66% of population covered by 4G, up from 30% end of 2013
- 0.8m FTTH households passed, together with Vodafone

Poland

RAN co-use program with T-Mobile completed, with >10k active sites; 99% population covered in 3G and 59% in 4G

Europe

strong acceleration in 4G coverage, especially in Belgium with 81% of population (+15pts vs. end of Q2 14), and also Romania (48%) and Slovakia (25%); 31% coverage in Moldova

Africa & Middle East

sharp increase (+19%) driven by higher mobile network deployment; 4G trialed in 4 new countries



2

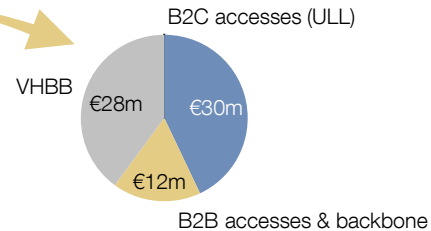
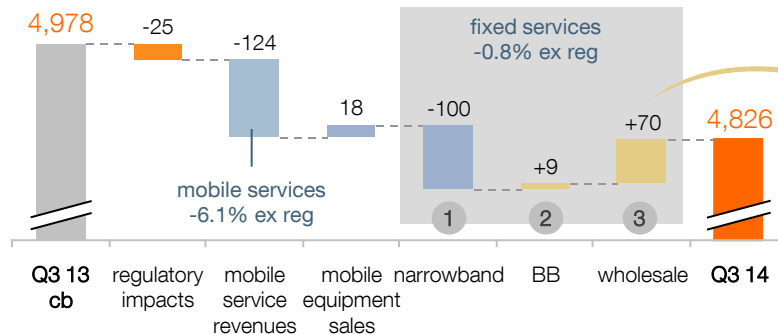
business review

# Q3 2014 France financials

## improved revenue trend for all activities

in €m	Q3 14	change yoy cb	9m 14	change yoy cb
revenues	4,826	-3.1%	14,439	-4.1%
excl. regulation		-2.6%		-3.8%
mobile services	1,924	-7.4%	5,802	-8.9%
mobile equipment	141	+14.6%	371	+4.7%
fixed services	2,638	-0.6%	7,904	-0.7%
other revenues	123	-0.3%	363	-3.3%

### Q3 revenues evolution breakdown (in €m)



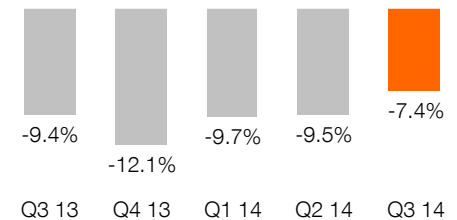
### better mobile services revenues trend at -7.4% vs -9.4% in Q3 13

- mobile customer mix improving:
  - 60% of consumer voice contract base on premium offers (Origami & Open) vs. 55% end of Q3 13
  - 4G customer base at 2.7m, expected >3m end of 2014
- ARPU\* decrease slowing down at -8.9% after -10.4% in Q1 and -9.2% in Q2
- contract churn rate\* decreasing at 15.2% (-2.8 pts YoY)

### fixed services benefiting from VHBB dynamism

- less than 300k PSTN lines lost vs. 370k in Q3 13
- growing customer base +2.1% BB and +76% VHBB yoy (+65k FTTH in Q3)
  - 43% of BB customers were convergent end of Q3 14 vs. 33% Q3 13
- wholesale increase due to volume effect of unbundled lines and fiber growth

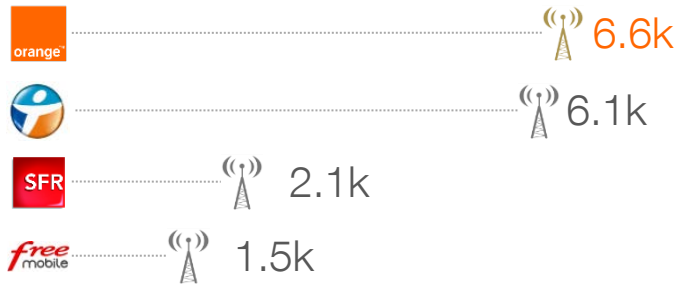
### improving mobile service revenues trend



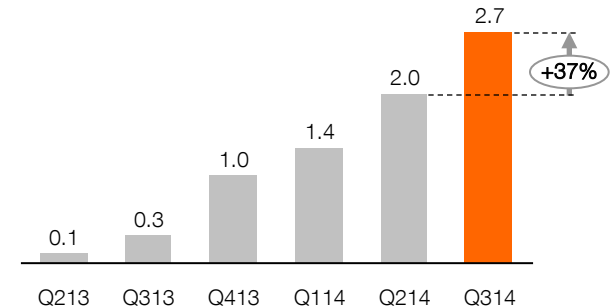
# Q3 2014 France mobile KPIs

4G leadership supporting contract customer growth and mix improvement

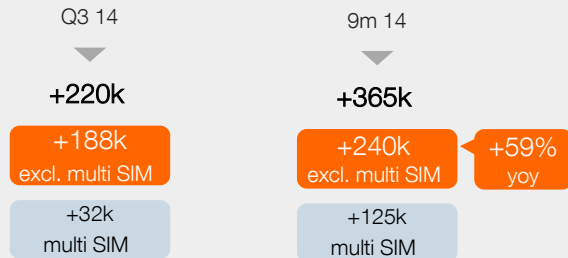
4G sites activated  
(source ANFR)



steady 4G customer base growth  
(in million)



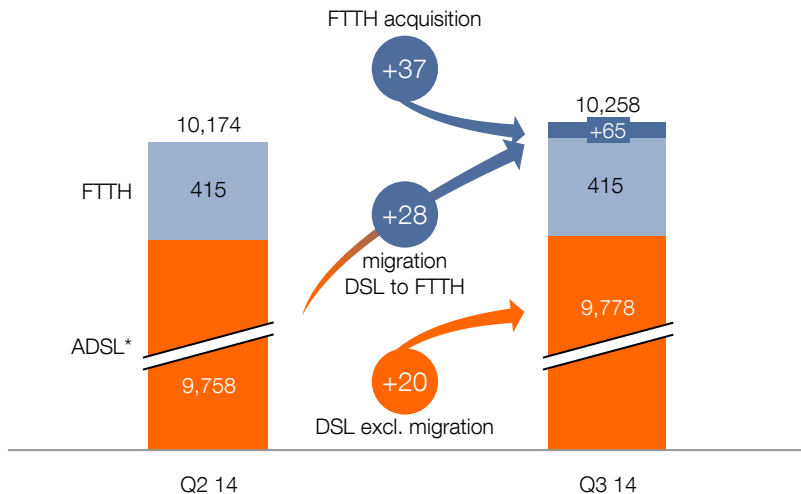
strong growth in postpaid customer base\*  
(in '000s)



# Q3 2014 France fixed KPIs

## convergence and FTTH driving broadband value

FTTH fuelling BB customer base growth  
(in '000s)



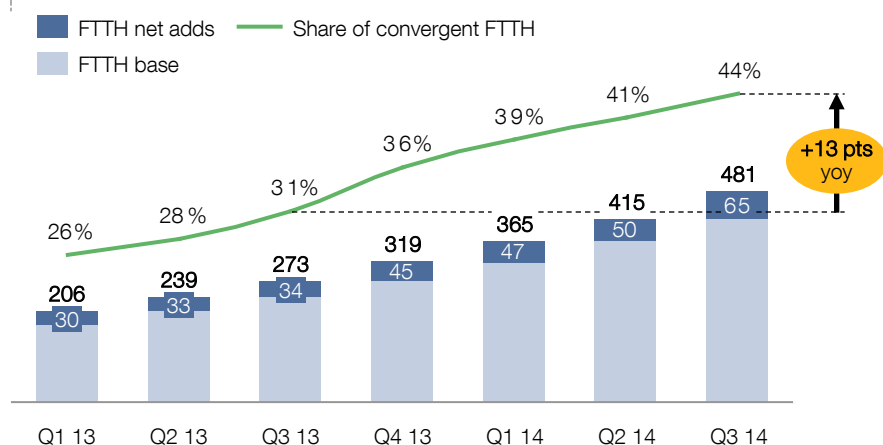
share of Premium\*\* on total BB mass market sales

49% +18 pts yoy

31%\*\*\* BB conquest share in Q3 14 after 20% in Q2 and 11% in Q1

\* and others (satellite...)  
 \*\* Play and Jet  
 \*\*\* Orange estimate

increased share of convergence driven by growing FTTH  
(in '000s)



- 43% of BB base is convergent (+10 pts yoy)
- 44% of FTTH base is convergent (+13 pts yoy)
- 69% of Open new customers generate a new fixed and/or mobile subscription (+3 pts yoy)

# Q3 2014 Spain

improving revenue trend driven by solid growth in customer base

in €m	Q3 14	change yoy cb	9m 14	change yoy cb
revenues	977	-6.1%	2,896	-5.4%
excl. regulation		-5.0%		-2.3%
mobile services	623	-11.8%	1,850	-15.6%
mobile equipment	118	-2.8%	352	+52.3%
fixed services	235	+12.5%	689	+10%
other revenues	1	ns	5	ns

improving revenue trend at -6.1% in Q3, after -8.6% in Q2

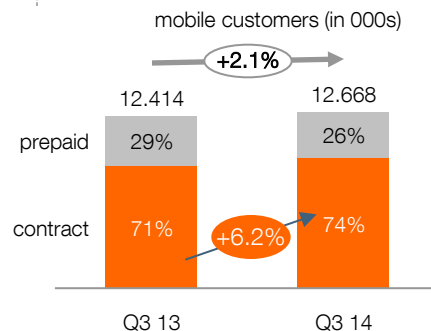
- mobile services down -11.8% in Q3, after -18.6% in Q2
- fixed services up +12.5% in Q3, after +7.7% in Q2

solid commercial momentum continues in Q3

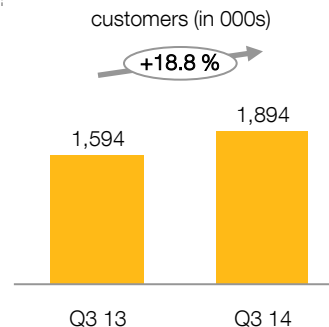
- mobile contract: 192k net adds, base up 6.2% yoy
- fixed broadband: 64k net adds, base up 18.8% yoy

migration of fixed broadband customer base to convergence and mobile repricing well advanced

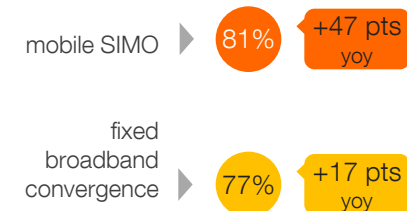
mobile contract customer evolution



fixed broadband customer base evolution



% of customer base migrated (end of Q3 2014)



# Q3 2014 Poland

sequentially better revenue trend driven by solid commercial activity

in €m	Q3 14	change yoy cb	9m 14	change yoy cb
revenues	730	-3.6%	2,185	-5.7%
excl. regulation		-2.8%		-3.3%
mobile services	341	-6.0%	1,034	-6.9%
mobile equipment	31	+267.8%	67	+159.8%
fixed services	329	-8.4%	1,001	-8.5%
other revenues	29	+7.0%	83	-3.7%

## sequentially improving proforma revenue trend

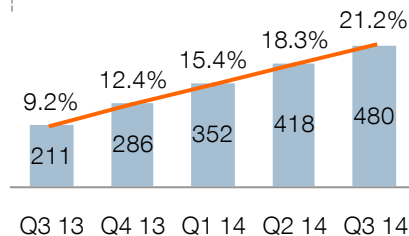
- 3.6% in Q3 14 vs. -5.4% in Q2 14, with instalment model introduced in April

## solid commercial activity

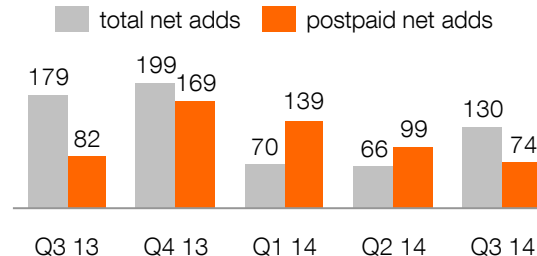
- effective convergence offers, with +62k Open net adds in Q3 14, for a total of 480k Open customers
- continuing momentum in entry level SIMO offer, with +43k nju.mobile customers net adds in Q3 14, for a total of 603k customers
- fixed broadband customers almost stable vs. Q2 14, at 2,269k
- fixed voice line losses : -31% vs. Q3 13 performance and stable vs. Q2 14

fixed broadband deregulated October 7<sup>th</sup>, 2014 in areas covering 29% of population (urban areas)

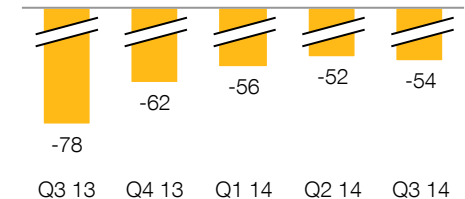
convergence: continuous momentum in open customers in '000s and in % of fixed broadband base



mobile: solid customer net additions in '000s



fixed lines: stable fixed voice line losses in '000s



# Q3 2014 Rest of the World

ongoing strong growth in Africa & Middle-East and better revenue trend in Europe

in €m	Q3 14	change yoy cb	9m 14	change yoy cb
revenues	1,808	-0.4%	5,469	-0.5%
excl. regulation		+2.2%		+1.4%
Africa & Middle East	1,069	+6.0%	3,142	+6.9%
European countries	721	-8.1%	2,160	-9.5%
other countries	22	-11.0%	181	+0.1%

## Africa and Middle-East

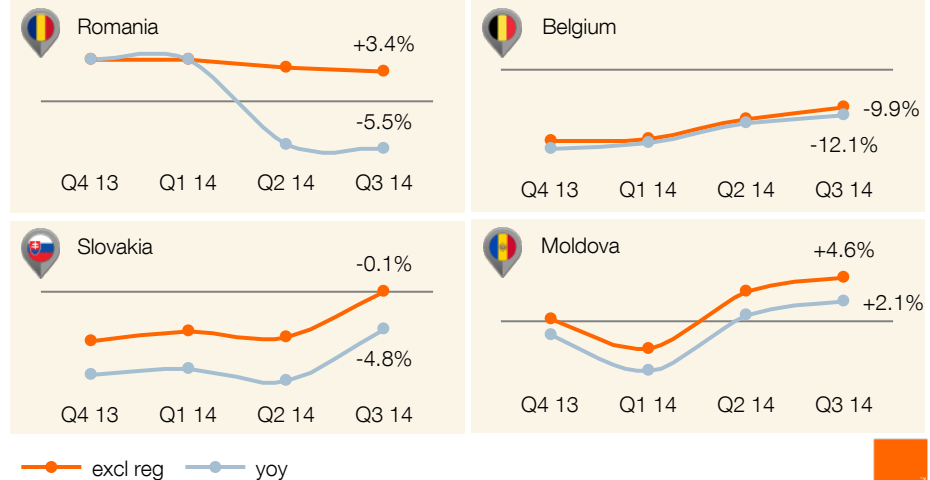
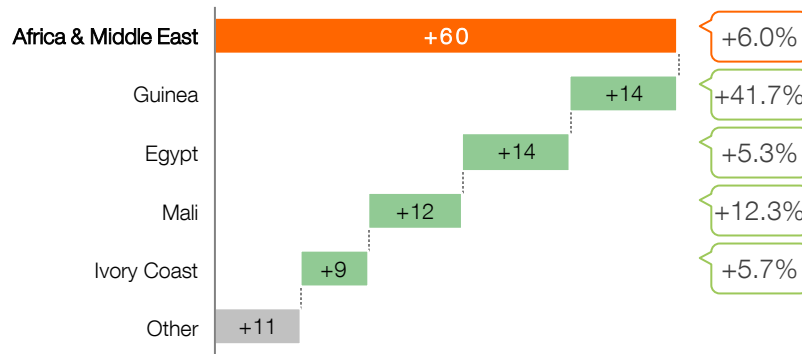
- strong growth in Q3 driven by Egypt, Guinea, Mali and Ivory Coast
- 12m Orange Money customers (+53% yoy)
- +11% yoy mobile customer base

## European countries

- better commercial performance driven by B2C in Belgium and Slovakia
- improved trend in Belgium with the success of subsidy offers
- Slovakia: yoy revenues stabilized excl.reg for the first time since June 2013
- 4G acceleration in Romania with 48% population coverage

## key contributors to revenue growth

Q3 yoy revenue growth in €m and %



# Q3 2014 Enterprise

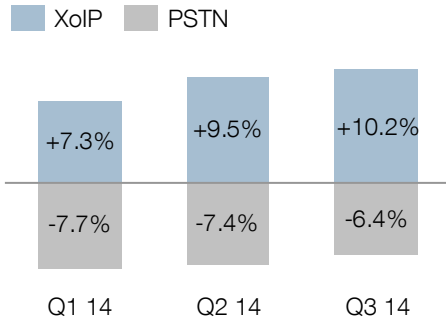
revenue trend improved, helped by a weak Q3'13 and supported by IT & Integration services

in €m	Q3 14	change yoy cb	9m 14	change yoy cb
revenues	1,525	-1.7%	4,664	-2.3%
voice	391	-7.6%	1,215	-7.4%
data	716	-3.1%	2,165	-3.8%
IT & integration services	417	+7.5%	1,284	+5.8%

- **voice** revenue decrease slow down in the first three quarters of 2014 vs 2013 while migrations towards VoIP solutions continue to put pressure on top line
- **data** services slightly increase in volume with less price pressure intensity than last year on IPVPN
- **IT & integration services** grow further after a low Q3 13 (-9%), supported by Security, Cloud and Image products, and further boosted by acquisitions

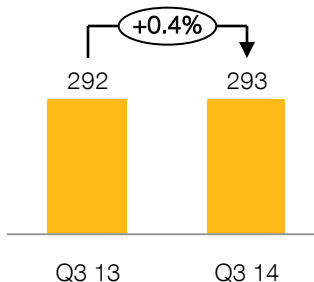
## voice services

yoy access growth in France



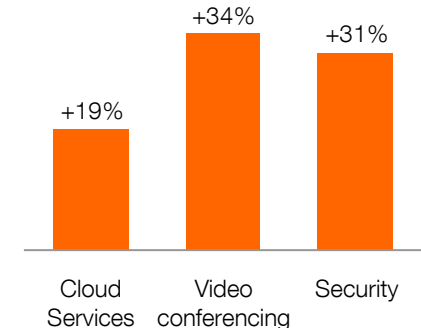
## data services

IPVPN accesses in France in thousand



## IT services

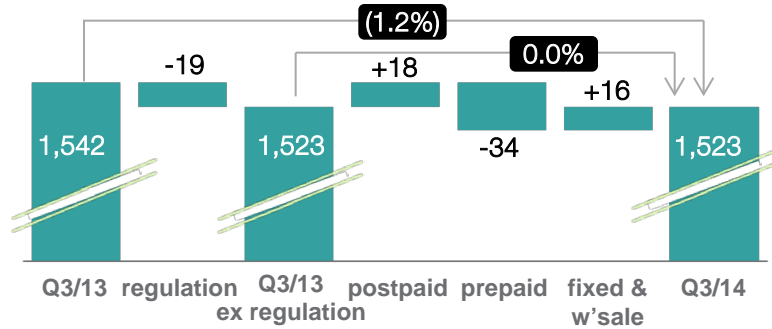
Q3 2014 yoy revenue growth



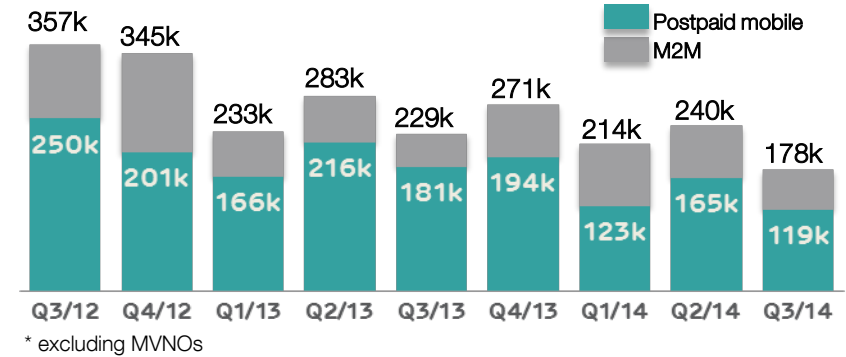


# EE: stable underlying operating revenue, with 4G base up fourfold year-on-year to 5.6m

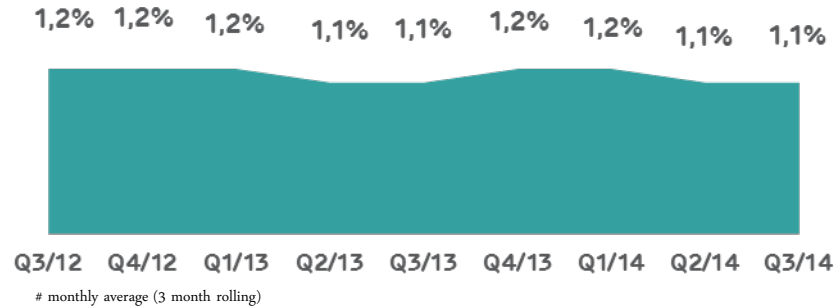
## Q3 operating revenue stable ex. regulation, £m



## Continued postpaid growth\*



## Sustained low postpaid churn#



## Insights

- Independently ranked in latest RootMetrics© study as UK's #1 network for voice, text, data and reliability performance
- 4G base 5.6m; addition of 1.4m 4G customers in Q3
- Strong customer retention with churn at or below 1.2% for 14th quarter in a row supported by network leadership
- Q3 fixed-line growth +20.4% yoy, 18k net adds

## Initiatives

- Retail optimisation advanced; purchased 58 Phones 4u stores
- In October, announced EE TV to further strengthen fixed offering and provide attractive quad-play proposition

3

2014 guidance confirmed

# 2014 guidance unchanged

2014 restated  
EBITDA<sup>1</sup>  
€12.0bn - €12.5bn

stabilised EBITDA<sup>1</sup>  
margin rate

net debt / EBITDA<sup>2</sup>

closer to 2x by year-  
end 2014

around 2x in the  
medium term

2014 dividend  
€0.60<sup>3</sup>

interim payment<sup>4</sup>  
€0.20 in December  
2014

selective M&A  
policy, focus on  
existing footprint

<sup>1</sup> restated EBITDA and after Orange Dominican Republic disposal from Q2 2014

<sup>2</sup> calculated by dividing (A) net financial debt, including 50% of the net financial debt of the EE JV in the U.K., by (B) restated EBITDA including 50% of the EBITDA of EE JV

<sup>3</sup> subject to shareholders' approval

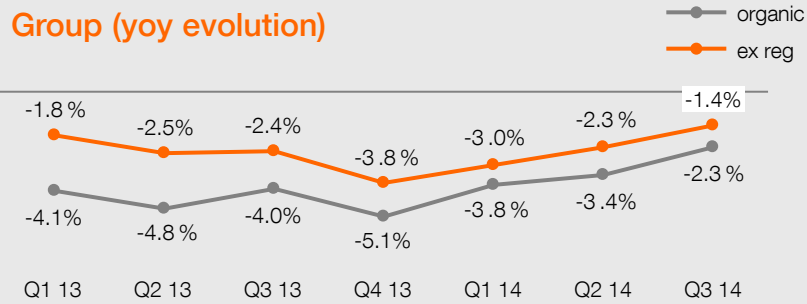
<sup>4</sup> ex-date December 5th, record date December 8th, payment date December 9th

thank you

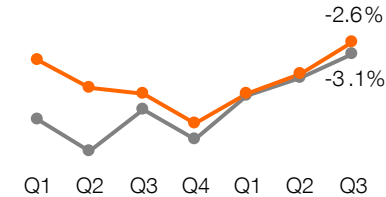
# appendices

# revenues evolution

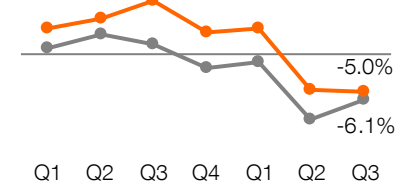
## Group (yoy evolution)



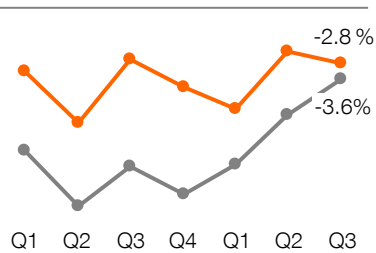
## France



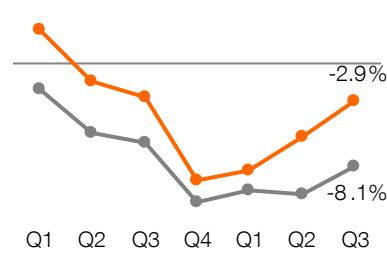
## Spain



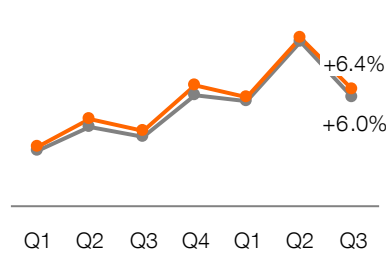
## Poland



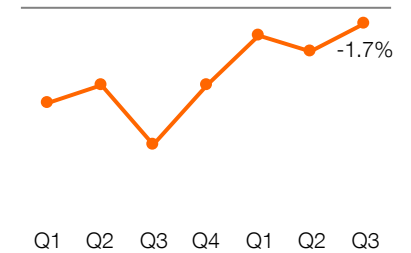
## Rest of Europe



## Africa & the Middle-East



## Enterprise



# details on revenues

in €m	Q3 14			9m 14		
	actual	% yoy cb	% yoy cb excl.reg	actual	% yoy cb	% yoy cb excl.reg
<b>Group revenue</b>	<b>9,805</b>	<b>-2.3%</b>	<b>-1.4%</b>	<b>29,397</b>	<b>-3.2%</b>	<b>-2.2%</b>
<b>France</b>	<b>4,826</b>	<b>-3.1%</b>	<b>-2.6%</b>	<b>14,439</b>	<b>-4.1%</b>	<b>-3.8%</b>
mobile services	1,924	-7.4%		5,802	-8.9%	
handset sales	141	+14.6%		371	+4.7%	
fixed services	2,638	-0.6%		7,904	-0.7%	
other	123	-0.3%		363	-3.3%	
<b>Spain</b>	<b>977</b>	<b>-6.1%</b>	<b>-5.0%</b>	<b>2,896</b>	<b>-5.4%</b>	<b>-2.3%</b>
mobile services	623	-11.8%		1,850	-15.6%	
handset sales	118	-2.8%		352	+52.3%	
fixed services	235	+12.5%		689	+10%	
other	1	-71.6%		5	-52.4%	
<b>Poland</b>	<b>730</b>	<b>-3.6%</b>	<b>-2.8%</b>	<b>2,185</b>	<b>-5.7%</b>	<b>-3.3%</b>
mobile services	341	-6.0%		1,034	-6.9%	
handset sales	31	+267.8%		67	+159.8%	
fixed services	329	-8.4%		1,001	-8.5%	
other	29	+7.0%		83	-3.7%	
<b>RoW</b>	<b>1,808</b>	<b>-0.4%</b>	<b>+2.2%</b>	<b>5,469</b>	<b>-0.5%</b>	<b>+1.4%</b>
European countries	721	-8.1%		2,160	-9.5%	
Africa & Middle-East	1,069	+6.0%		3,142	+6.9%	
other	22	-11.0%		181	+0.1%	
<b>Enterprise</b>	<b>1,525</b>	<b>-1.7%</b>	<b>-1.7%</b>	<b>4,664</b>	<b>-2.3%</b>	<b>-2.3%</b>
<b>IC&amp;SS</b>	<b>476</b>	<b>+3.5%</b>	<b>+3.5%</b>	<b>1,340</b>	<b>+0.9%</b>	<b>+0.9%</b>
eliminations	-536			-1,597		

# Q3 EBITDA restatements

in €m	Q3 13 cb	Q314 actual
EBITDA restated	3,322	3,245
restructuring		-21
litigations	5	
labour related	-38	-38
other		44
o/w disposal of Bull		41
EBITDA reported	3,289	3,230

1. mainly related to labor and distribution in Europe and Enterprise
2. Senior Part Time plan



# 9m EBITDA restatements

in €m	9m 13 cb	9m 14 actual
<b>EBITDA restated</b>	<b>9,683</b>	<b>9,385</b>
restructuring	-4	-76
litigations	18	-333
labour related	-116	-222
o\w Senior Part Time	-116	-150
o\w ESOP Cap Orange		-72
other		393
disposal of Wirtualna Polska		71
disposal of Bull		41
disposal of Orange Dominicana		281
<b>EBITDA reported</b>	<b>9,581</b>	<b>9,147</b>

1. mainly related to voluntary departure plans for Enterprise in US and Europe and distribution streamlining
2. 9m EBITDA impacted by a charge of €333m related to the settlement of litigations both in France and at the Group level
3. cost for employee share plan