

Q1

H1

Q3

FY

2016

Orange financial results

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25 October 2016



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Section one

Q3 2016 highlights

Improving Revenue and Restated EBITDA growth in Q3

Revenue

€ 10.3 bn

Q3'16 yoy	9m'16 yoy
+0.8%	+0.5%
+€82m	+€143m

Restated EBITDA*

€ 3.6 bn

Q3'16 yoy	9m'16 yoy
+1.6%	+0.2%
+€58m	+€19m

Capex

€ 1.6 bn

Q3'16 yoy	9m'16 yoy
+0.5%	+5.3%
+€7m	+€237m

yoy : comparison with the same period of the previous year, on a comparable basis unless otherwise specified

* see slide 23 for EBITDA restatements.



Convergence as the cornerstone of our commercial performance

Convergent customer base

9.8m

+11%
yoy

yoy penetration growth ▶

+3pts

+2pts

+10pts

Total BB base ▶

11.1m

% of convergent customers ▶

51%

3.9m

83%

2.0m

41%

France

Spain

Poland

4G

customer base in Europe

25.5m

x1.7
yoy

4G base & yoy growth ▶

+56%

+62%

x2.4

x2.5

+66%

10.3m

7.2m

3.8m

1.9m

1.3m

France

Spain

Poland

Romania

Belgium

FTTH customer base

2.9m

x1.9
yoy

FTTH base & yoy growth ▶

+58%

x2.5

+86%

1.3m

1.4m

0.2m

France

Spain

Rest of World



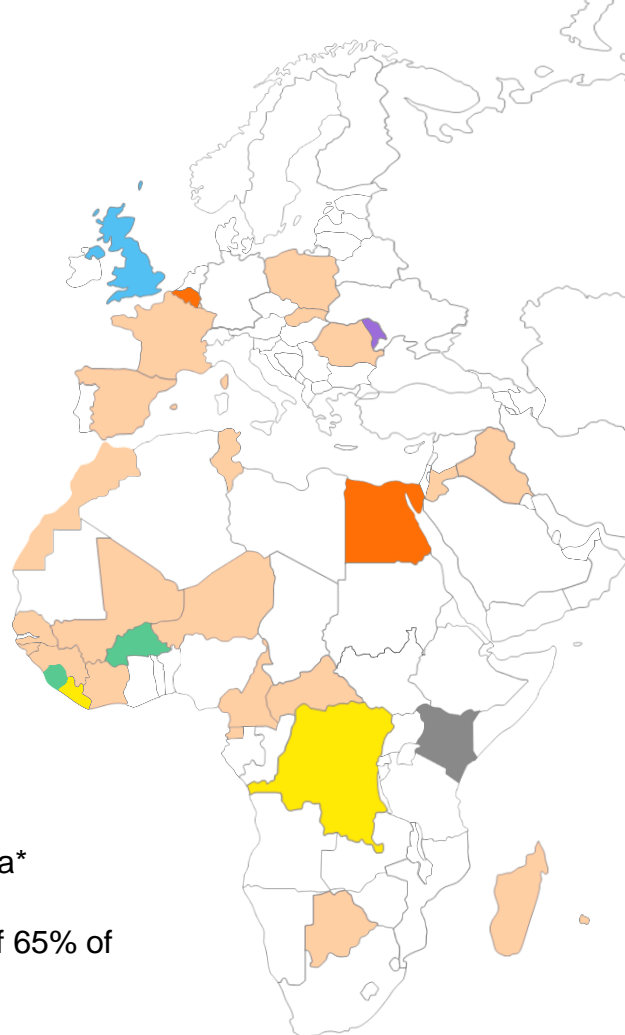
Orange portfolio

In H1 2016

- Rebranding in Belgium and in Egypt
- Closing of EE disposal
- Closing of Telkom Kenya disposal

In Q3 2016

- Accounting integration of Tigo in DRC and Cellcom Liberia
- Closing of Airtel's subsidiaries acquisition in Burkina Faso and Sierra Leone
- Closing of Sun Communications in Moldova*
- Closing of the acquisition of 65% of Groupama Banque*



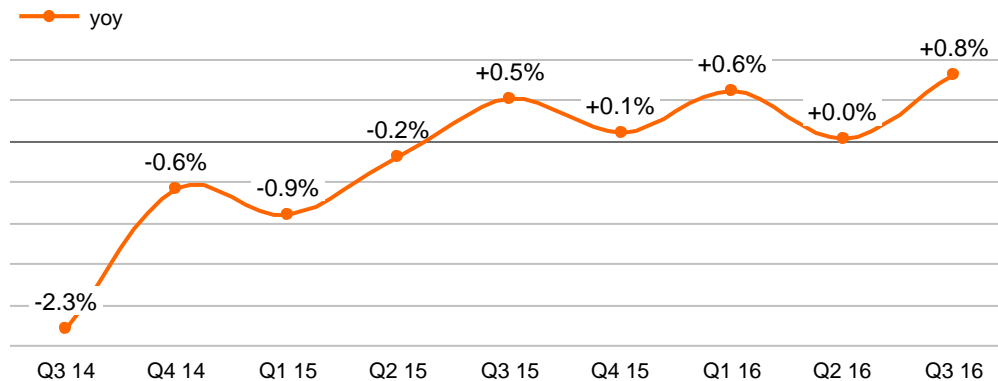
* in October 2016

Q3 2016 results, 25th October 2016

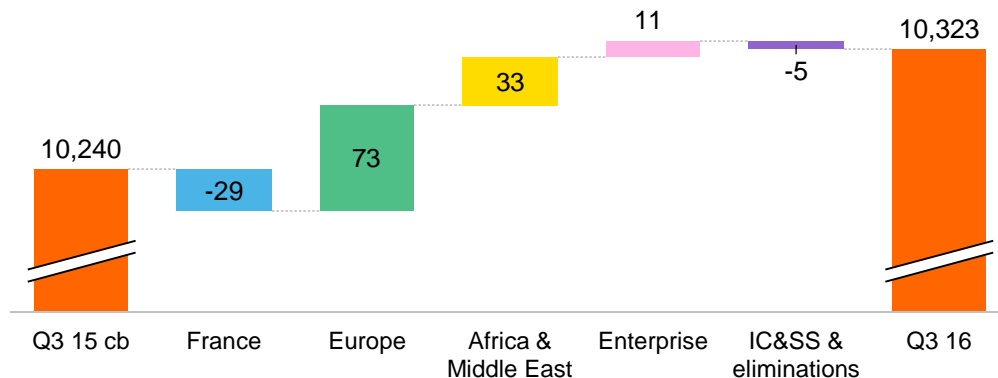


Revenue increase driven by better trend in France and international growth

Group revenue growth



Revenue evolution (in €m)



Q3 2016 revenue

€10.3bn

Q3 2016

+0.8%

+€82m

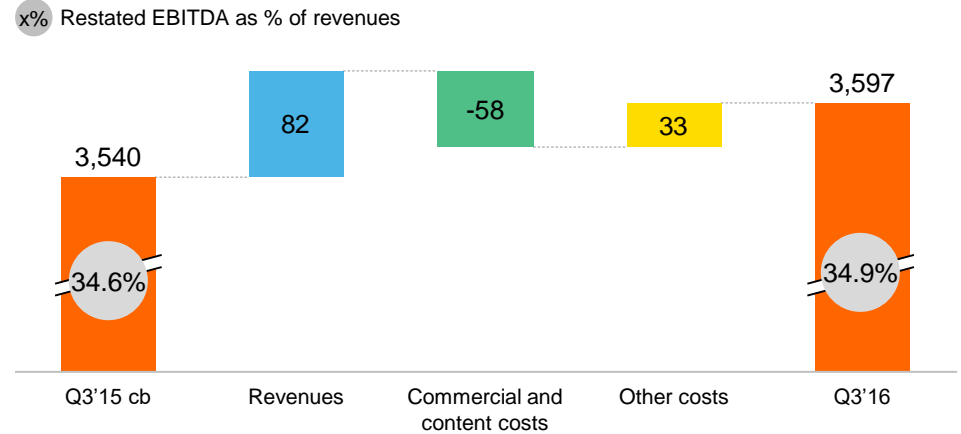
9m 2016

+0.5%

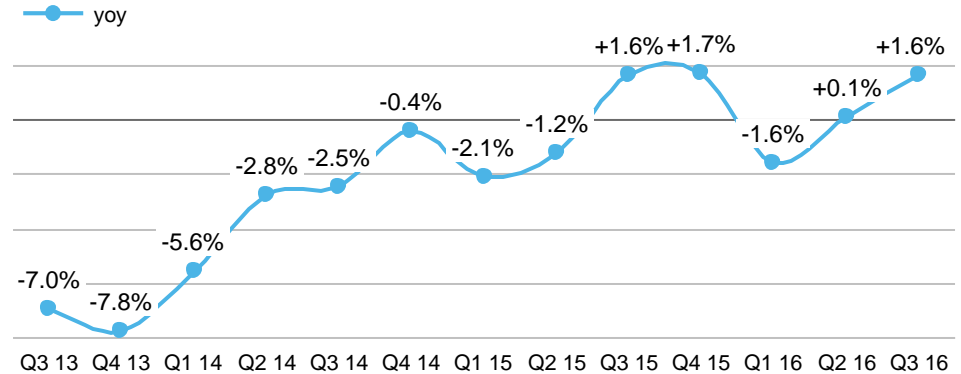
+€143m

Growth in restated Ebitda and margin driven by revenues and cost control

Restated EBITDA evolution (in €m)



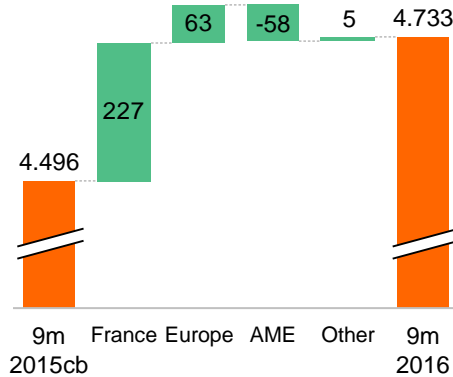
Restated Ebitda growth



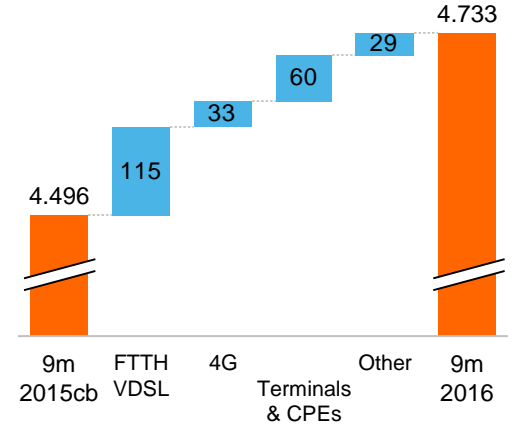
	Q3 2016	9m 2016
Q3 2016 Restated EBITDA	+1.6%	+0.2%
	+€58m	+€19m
€3.6bn		
34.9% of rev.		

Our investment efforts allow us to offer the best connectivity to our customers

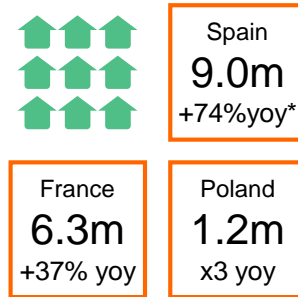
CAPEX acceleration in France



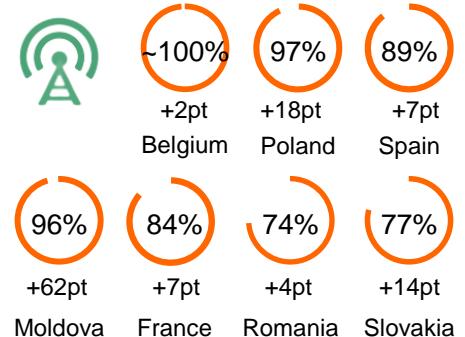
Focus on VHBB



FTTH connectable homes



% pop. covered by 4G (yoy change)



* cb, including Jazztel

9m 2016 CAPEX
€4.7bn
 15.6% of rev.

9m 2016
 +5.3%
 +€237m

Section two

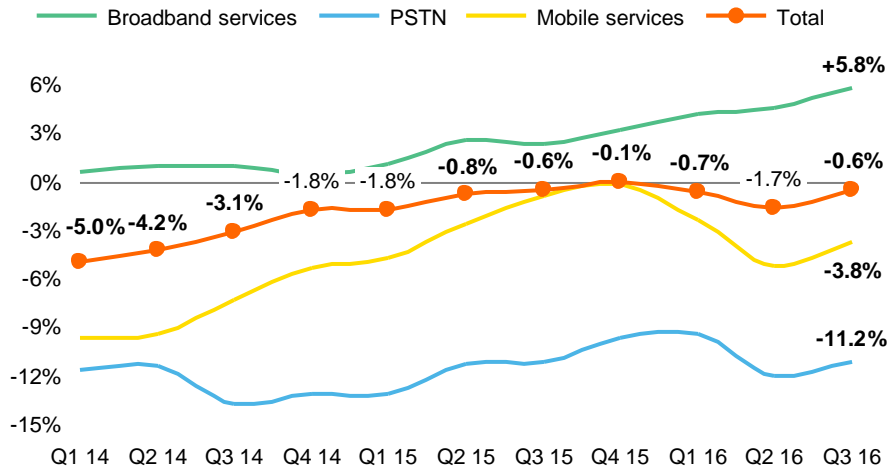
Business review

Q3 2016 France

Broadband solid performance almost offsetting mobile revenue decrease

in €m	Q3 16	yoy cb	9m 16	yoy cb
Revenues	4,768	-0.6%	14,144	-1.0%
mobile services	1,834	-3.8%	5,424	-3.8%
mobile equipment	194	+11.4%	520	+6.9%
fixed services	2,590	+0.7%	7,773	+0.5%
other revenues	150	+3.6%	427	-0.6%

Revenue evolution (yoy in %)



Convergent customers

customer base in million and as % of BB base



5.6m



Q3 14



Q3 15



Q3 16



79%

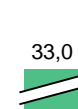
of convergent gross adds are new fixed and/or mobile customers

Broadband ARPU

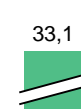
12 months rolling ARPU, €/month



33.2€



Q1 16



Q2 16



Q3 16

Mobile ARPU

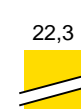
12 months rolling ARPU, €/month



22.2€



Q1 16



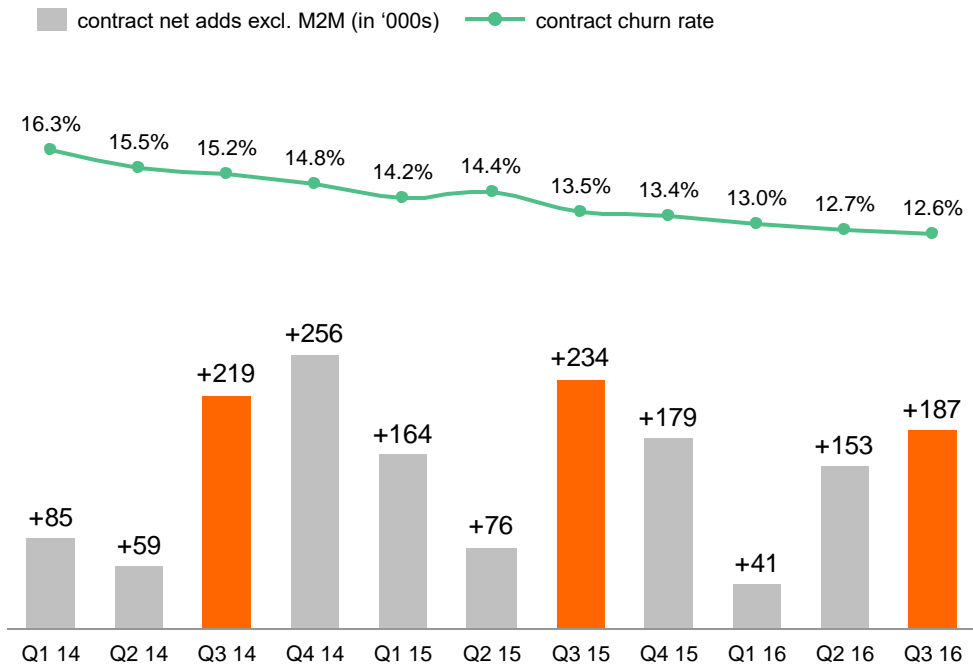
Q2 16



Q3 16

Q3 2016 France mobile KPIs

Strong growth in mobile contract base (excl. M2M) despite competitive environment



20.6m

↑ +2.8% yoy

contract base (excl. M2M)

+4 pts

51% of retail voice contract are on convergent offers

+13 pts

61% of retail voice contract are on SIM-only offers

10.3m

4G customers



50% of contract customer base excl. M2M

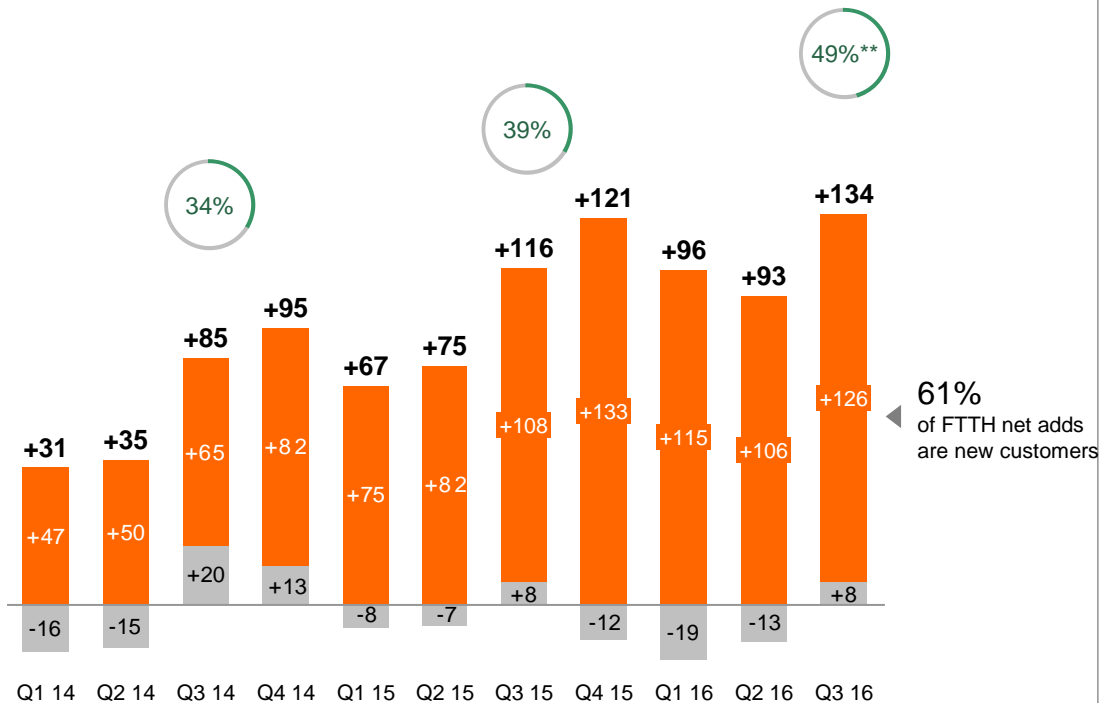


#1 in mobile network quality*

Q3 2016 France fixed KPIs

Strong BB customer base growth and conquest share

■ FTTH net adds (in '000s)
 ■ ADSL* net adds (in '000s)
 ○ BB conquest share



11.1m

↑ +4.2% yoy

broadband customers

▬ +3 pts yoy

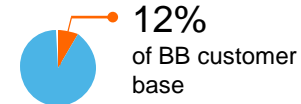
51% of BB customers have a **convergent** offer

▬ +2pts yoy

40% of retail BB customers are on **high-end***** offers

1.3m FTTH

customers



▬ **6.3m** FTTH

connectable homes

▬ **21%**

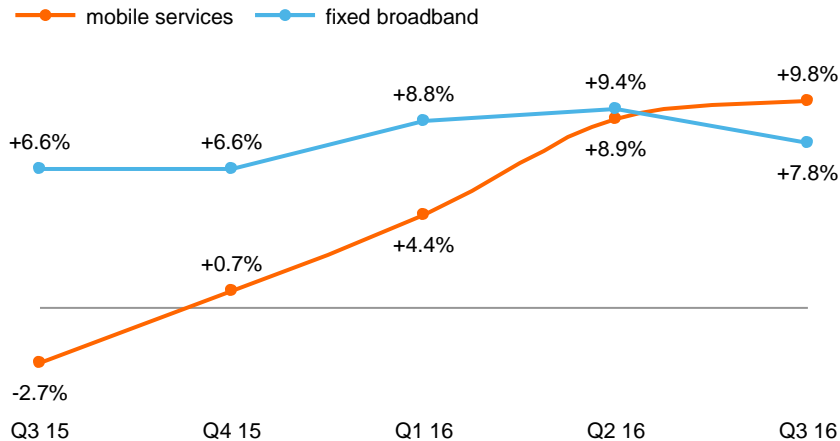
FTTH adoption rate

Q3 2016 Spain

Improving revenue growth driven by commercial momentum in mobile and fixed broadband

in €m	Q3 16	yoy cb	9m 16	yoy cb
Revenues	1,288	+7.8%	3,706	+5.3%
mobile services	696	+9.8%	1,959	+7.8%
mobile equipment	127	+9.5%	366	-2.2%
fixed services	465	+4.6%	1,380	+4.9%
other revenues	1	+36.2%	1	-88.7%

Quarterly revenue evolution (% yoy)



15.8m Mobile customers



89% 4G coverage of pop.

46% of mobile customers are 4G customers +16 pts yoy

3.9m FBB customers



9.0m FTTH connectable homes

1.4m FTTH customers



x2.5 yoy

458k TV customers



x2.1 yoy

36% of fixed customers are FTTH customers +21 pts yoy

83% of fixed BB customers on convergent offers +2.4 pts yoy

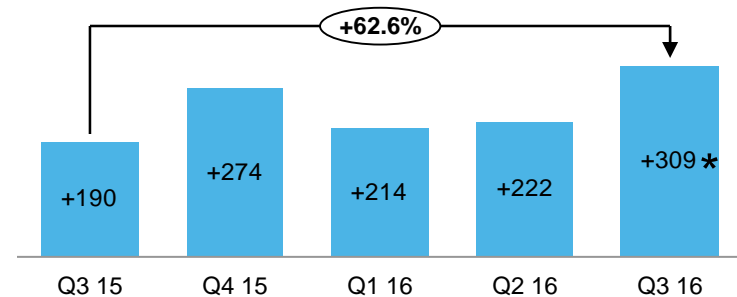
72% of B2C mobile customers on convergent offers +6.3 pts yoy

Q3 2016 Poland

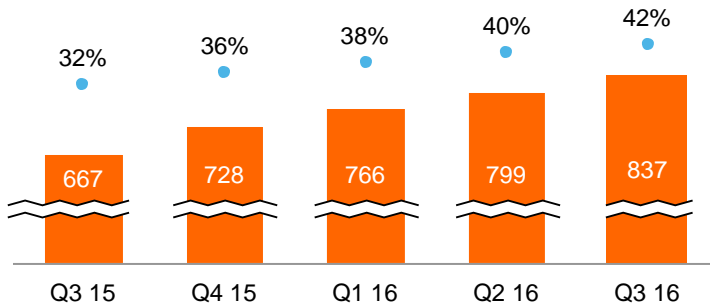
Solid commercial momentum in mobile and VHBB

in €m	Q3 16	yoy cb	9m 16	yoy cb
Revenues	657	-3.9%	1,963	-3.9%
mobile services	308	-3.1%	922	-2.3%
mobile equipment	59	+51.2%	166	+57.7%
fixed services	266	-8.6%	808	-8.8%
other revenues	23	-34.0%	67	-37.4%

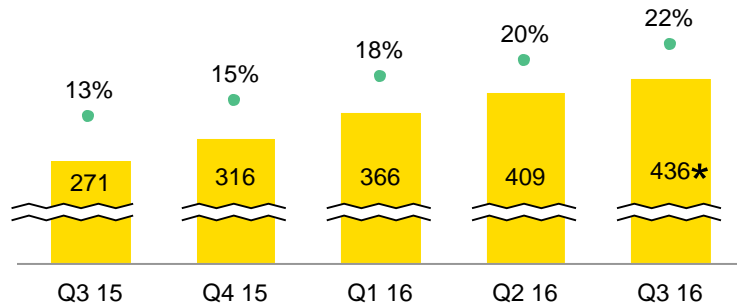
Solid commercial momentum in post-paid
in '000s



Continuous momentum in convergent customers
in '000s and in % of BB base, excl. CDMA



Steady growth in fixed VHBB customers
in '000s and in % of ADSL + VHBB base

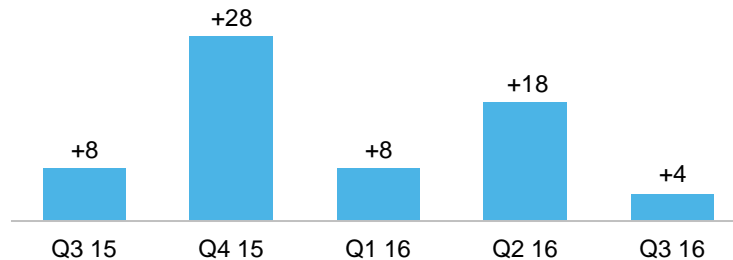


Q3 2016 Belgium & Luxembourg

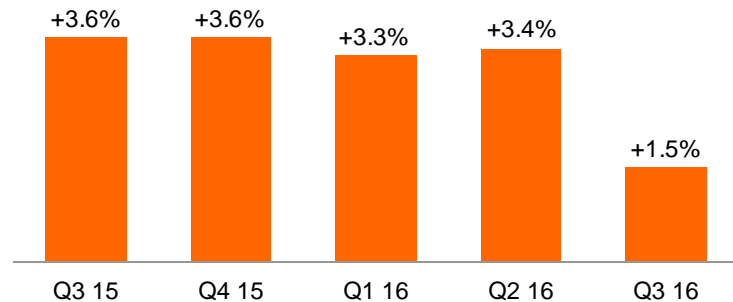
Resilient MSR despite EU roaming impact

in €m	Q3 16	yoy cb	9m 16	yoy cb
Revenues	311	+1.7%	920	+0.8%
mobile services	258	-0.1%	762	+1.2%
mobile equipment	28	+9.0%	84	-5.3%
fixed services	18	-7.2%	54	-12.2%
other revenues	8	+124.0%	21	+95.2%

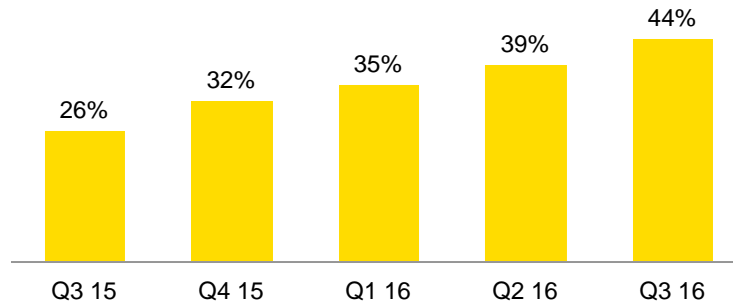
Positive contract net-adds in Belgium (excl. M2M)
in 000s



Belgium contract ARPU still growing despite competition
in % yoy



Rapid growth in Belgium 4G user base
4G users as a % of total base (excl. M2M)



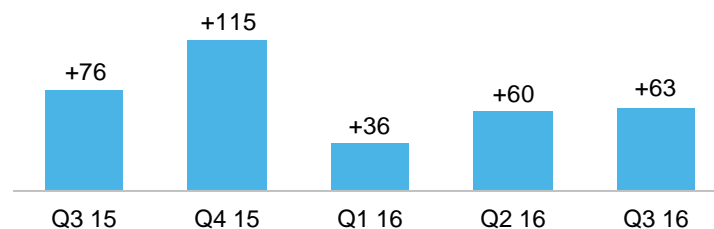
Q3 2016 Central European countries

Solid commercial performance on mobile post-paid

in €m	Q3 16	yoy cb	9m 16	yoy cb
Revenues	417	+0.8%	1,215	+1.7%
o/w mobile services	343	+0.3%	1,002	+1.1%
o/w mobile equipment	28	+4.6%	80	+4.6%
o/w fixed services	33	-2.8%	100	+3.2%
other revenues	13	+19.4%	34	+9.8%

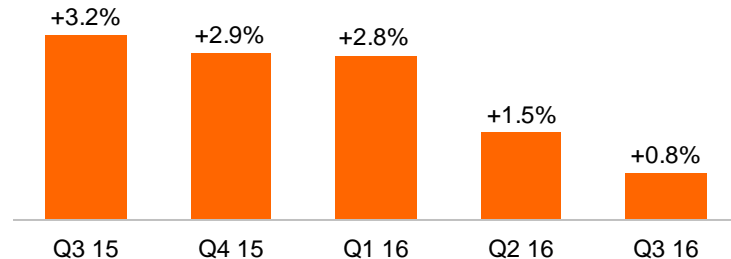
Mobile contract net-adds in line with last year performance (excl. M2M)

in 000s



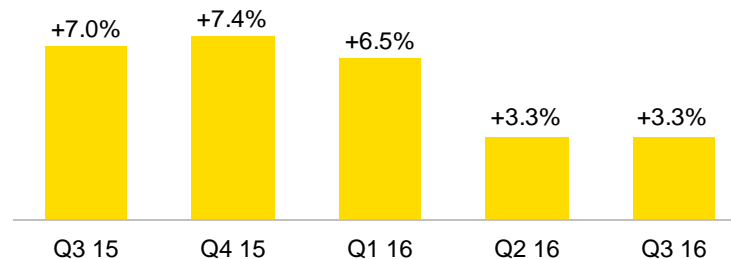
Revenue growth impacted by Slovakia and Moldova...

YoY in %



...but still supported by Romania solid revenue growth

YoY in %

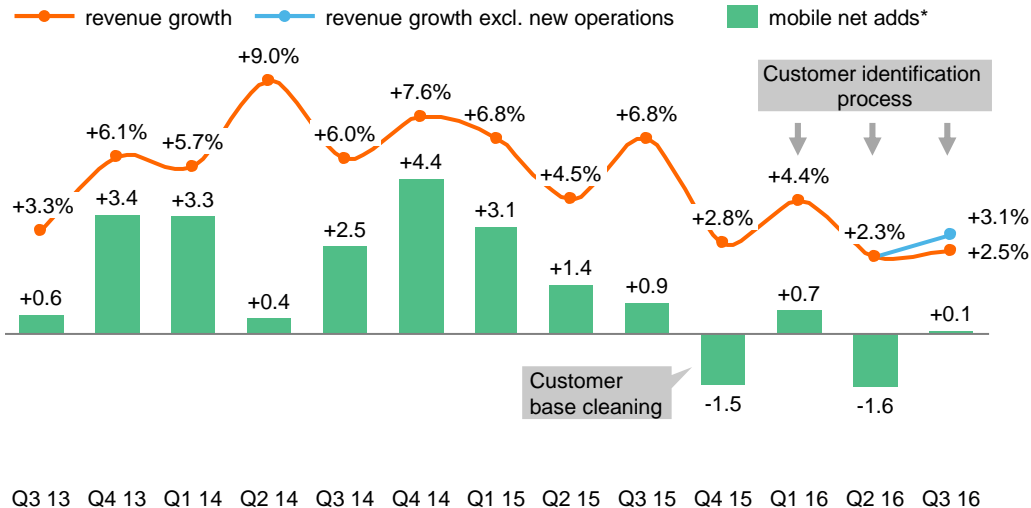


Q3 2016 Africa & Middle East

Customer identification process impact compensated by new revenue streams

in €m	Q3 16	yoy cb	9m 16	yoy cb
Revenues	1,371	+2.5%	3,887	+3.0%
mobile services	1,135	+3.5%	3,190	+4.0%
mobile equipment	17	-17.2%	56	-2.9%
fixed services	192	-3.2%	572	-0.8%
other revenues	26	+19.9%	68	-2.2%

Customer base back to growth



New business drivers continue to sustain growth

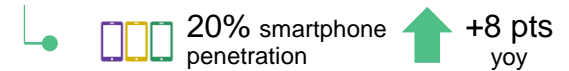
+48%

Orange Money revenue growth yoy



+34%

Data revenue growth yoy



+12%

B2B revenue growth yoy

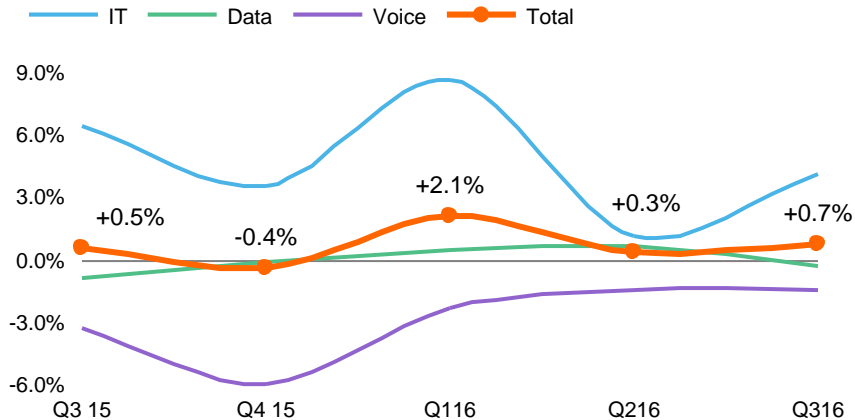
** includes 100% of customers of entities in equity method

Q3 2016 Enterprise

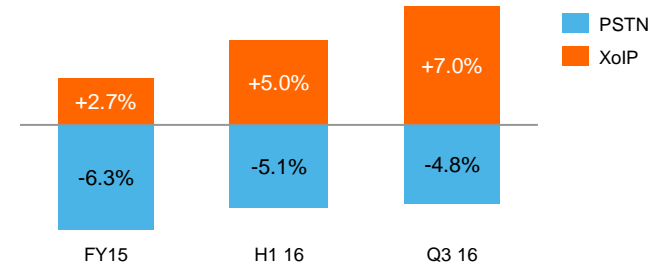
Third quarter of revenue growth driven by IT and integration services

in €m	Q3 16	yoy cb	9m 16	yoy cb
Revenues	1,567	+0.7%	4,756	+1.0%
voice	371	-1.5%	1,128	-1.8%
data	708	-0.3%	2,133	+0.2%
IT & integration services	488	+4.1%	1,495	+4.5%

Revenues per segment yoy in %



Voice accesses in France yoy growth in %



+1.4%

outside France revenue growth
yoy in % excl. equip resale



+8%

Security
revenue yoy growth in %



+16%

Cloud
revenue yoy growth in %

Section three

2016 guidance



2016 guidance confirmed

* subject to shareholders' approval
** ex-date December 5th, record date December 6th, payment date December 7th



Restated EBITDA

Net debt / Restated EBITDA

Dividend

M&A policy

2016 > 2015 comparable basis

Around 2x in the medium term

2016 dividend

€0.60*



December 7th, 2016
2016 interim payment of €0.20 **

Selective with focus on existing footprint

Appendices

EBITDA restatements

in €m	Q3'15 cb	Q3'16 actual	9m'15 cb	9m'16 actual
EBITDA restated	3,540	3,597	9,491	9,510
restructuring	-49	-10	-93	-350
litigations	0	-3	-413	37
labour related	-40	-34	-148	-114
o\w Senior Part Time	-40	-34	-113	-114
portfolio review and others	0	1	0	60
EBITDA reported	3,451	3,551	8,837	9,143

①

mainly restructuring costs in Spain and costs related to the end of the contract with M6 Mobile.

Revenues yoy evolution

