

Orange Emerging Markets sustain Group growth

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cautionary statement

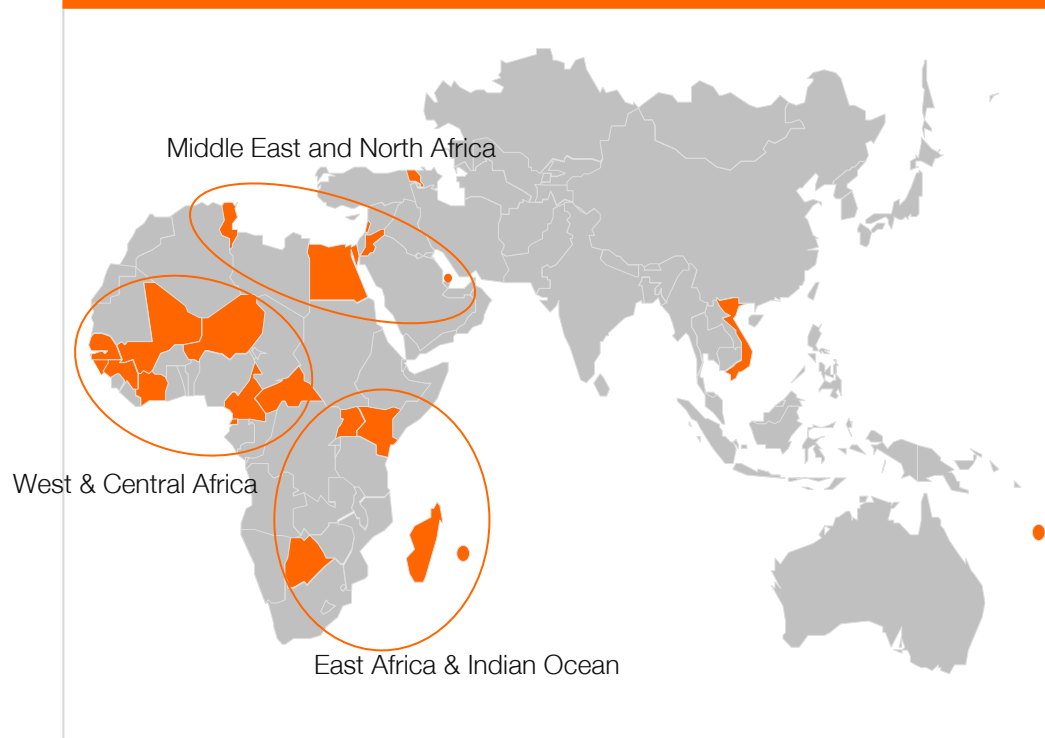
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key messages

- 1 Orange in Africa & Middle East:
a huge potential for profitable growth
- 2 Orange sustainable operating model
in Africa & Middle East
- 3 2010-2015:
become n°1 or 2 everywhere !

1 | Orange footprint in emerging markets : strong & profitable growth

large presence in Africa & Middle East (19 operations)



strong & profitable growth

end of year 2009

customers	50 M
revenues	€3.4bn
revenues growth	5.2 %
EBITDA margin	> 39 %

Bahrain
Botswana
Cameroon

Central African Rep
Egypt
Equatorial Guinea

Guinea Conakry
Guinea Bissau
Ivory Coast

Jordan
Kenya
Lebanon

Madagascar
Mali
Mauritius

Niger
Senegal
Tunisia

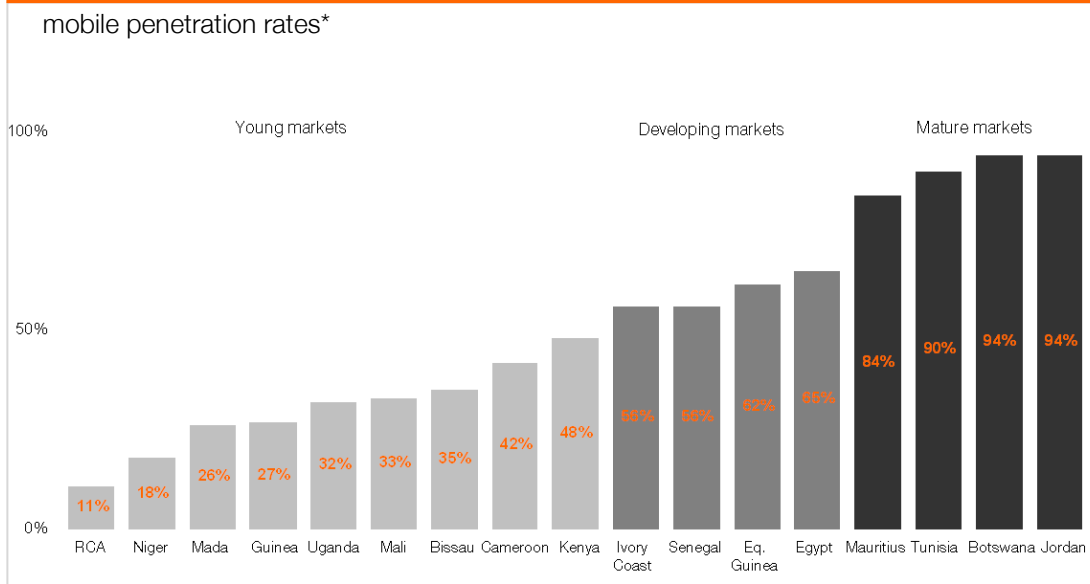
Uganda
Vanuatu
Vietnam

incumbents

1 | a balanced portfolio of assets : sustainable growth



low penetrated market fuels tomorrow's growth



strong market positions foster profitability

mobile market position	nb of operations	% of cust. base
#1	8	85%
#2	6	13%
#3 or 4	3	2%

Internet services in all operations, 6 incumbents

MEA telecom services market revenues **

	% revenues eoy 2009	↗ revenues 08-09'
Fixed	18.5 %	0.4 %
Mobile	75.4 %	10.5 %
Internet	6.1 %	10.4 %

insight

- strong market positions on historic operations foster strong profitability
- new operations & operations in low penetrated market are fueling our growth
- internet is fast growing and helps keeping fixed value

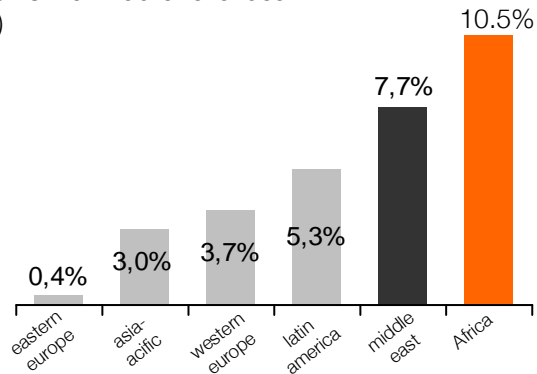
* Source : Pyramid Research, except for Niger, Guinea, CAR, Botswana (FT data)
 5 ** Source : IDATE, in "World Telecom Service Market", 2010 Edition - January 2010

1 | a huge potential still to be captured in Africa & Middle East



better than the average world growth

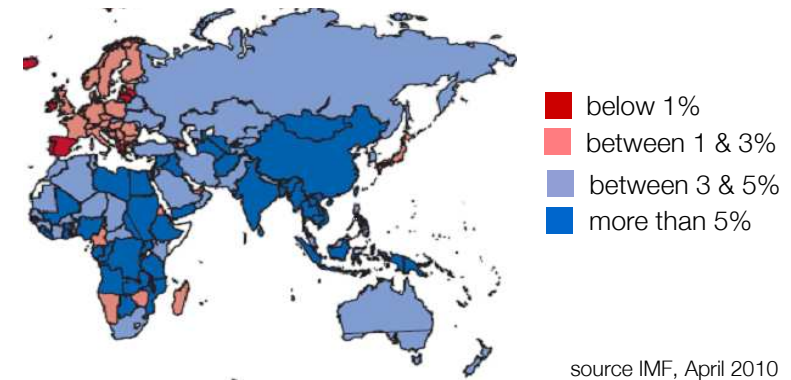
regional CAGR of mobile revenues (2007-14)



source Ovum, 11/2009

stronger growth than Europe in 2010 & 2011

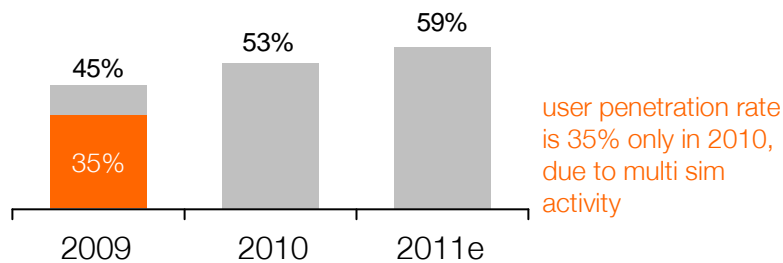
2009 GDP growth vs 2003-08 average growth



source IMF, April 2010

Africa's penetration rate leaves plenty of room for growth

mobile sim penetration rate in Africa,



source Informa 04/2010

insight

- higher forecasted growth for telco market in Africa and Middle-East than in other emerging markets
- ½ African population will remain unconnected in 2014
- internet may give a significant upside in the coming years

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2 | a sustainable operating model in Africa & Middle East > historical know how

governance know how, solid execution

- presence in the region for more than 16 years
 - partnering with governments and local partners
- proven ability to manage economic and political crisis
 - solid processes implemented for business continuity

strong leadership, talent management

- “talent sharing” programmes
 - more than 200 talent sharing missions since 2007...
- new generation of African Orange Managers

solid execution

- homogeneous EBITDA % across all affiliates (new operations excepted)
- Strong sourcing and F&RA policies
- New affiliates launches with Sofrecom support

regional synergies

- roaming alliances : Orange Zone, “Pays sans frontieres”
- international capacity : Uganda 3G success won’t be possible without Orange presence in Kenya, that has access to TEAMS
- strong West African cluster

2 | leveraging the Orange brand the power of the brand... « together we can do more »



- all new operations launched under Orange brand
 - 2009: Uganda & Armenia
 - 2010: Tunisia
- 11 brandings or rebrandings in 2 years

5 may 2010 : hundreds of people queuing for Orange in Tunisia



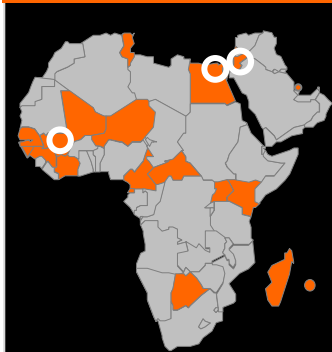
insight

- the Group has become a major operator, particularly in Africa
- optimisation of communication costs for greater visibility and a stronger impact
- Orange brand is differentiating and very positively recognized.
- in Uganda, three months after launch, Orange scored 86% in spontaneous awareness, with 76% considering to buy Orange

2 | innovation that fits customer segments

developing strong Group synergies

design specific innovation for emerging markets



Pay for Me
because it is them,
I cover the cost of the call



pay for the calls of your loved ones
dial #200# and create your list



- Group focus on Emerging Markets with Orange Labs in Cairo and Amman
- Group synergies through common set of services and platform mutualization
- Specific services tailored for bottom of the Pyramid users :
 - E-Recharge, Pay for Me
 - Voice Flash, Bonus Zone
 - USSD portal
 - ultra low cost handsets
- Focus on Orange Money, launched in already 4 countries with support of Bamako skill center

best of breed innovation for Africa & Middle East elites



- iPhone in all countries



- BlackBerry with prepaid & postpaid tariffs plans



- Internet Everywhere with 3G+ access



- More than 100k LiveBox, either with WiMax or DSL access, with triple play offers in 3 countries

- innovation costs and partnerships shared within a larger footprint

2 | strong focus on Internet growth capitalizing on proven successes

overcome hurdles to Internet development		push on 3G offers
lack of connectivity	<ul style="list-style-type: none"> ▪ Significant submarine & terrestrial cables projects (LION, LION 2, ACE, ...) ▪ Broadband arrived for the first time in Madagascar thanks to LION 	<ul style="list-style-type: none"> ▪ beyond new revenues, a strong lever to attract/keep high value customers & rejuvenate fixed offers ▪ strong Group know how (3G launched x years ago in Mauritius + Europe) is differentiating ▪ 3G+ roll out in 6 countries with one year exclusivity in Jordan & Tunisia. ▪ 10k Internet Everywhere customers in 5 months in Orange Uganda ▪ 3G prepaid offers and bundles with fixed offers for incumbents
limited fixed access networks	<ul style="list-style-type: none"> ▪ every “pure mobile affiliate” provides Internet access thanks to 3G, WiMAX and/or CDMA 	
retail offers not adapted	<ul style="list-style-type: none"> ▪ launch of prepaid offers 	
lack of local content	<ul style="list-style-type: none"> ▪ launch of StarAfrica, a Panafrican web Portal ▪ Partnerships policy (Facebook...) 	

2

a commitment to sustainable development responsible growth

Orange Foundation

- the Orange Foundation is working at grassroots level throughout the area on the topics of health, education and culture.
 - For instance, Orange Mali deliver a simple prevention and early care system to help prevent, detect and treat Children diseases in time

rural development

- Solar-powered stations are installed to extend mobile coverage in rural areas lacking electricity
- Orange has launched community phones and low cost rural access solutions in several countries in order to address

country development

- Telecom services play an undeniable role in social development, and the investments made to ensure Internet access and m payment services take over will increase the positive impacts for the population of the countries we are operating in.

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3 | our ambition : double revenues in Africa & Middle East in 5 years



7bn€ revenues through three levers

Organic
growth

new
operations

new
licenses

3 | double revenues in Africa & Middle East in 5 years

zoom on organic growth : four strategic directions

fuel growth in core mobile business (voice & SMS)

- **coverage** extend mobile coverage thanks to innovative low cost solutions
- **segmented offers** use of common segmentation to design offers, prepaid lifecycle monitoring
- **new operations** become n°1 or 2 everywhere
- **basic innovation** develop call completion (voice mail, notification of reachability)

differentiate through QoS

- **quality of service** a real differentiating factor, key in a multi sim environment
- **distribution** better train the distribution network with franchisee
- **efficiency** sourcing standardization, low cost solutions

pursue new growth options

- **internet access** be the champion in broadband access
- **m-payment** beyond domestic money transfer, develop international transfer and other financial services

develop low cost solutions

- **site sharing** we develop site sharing, especially in our new operations
- **platform mutualisation** we are accelerating VAS platforms mutualisation (Orange Money, mobile TV, mail, voip...)
- **distribution** better monitor the indirect distribution network, e.g. with E-Recharge

appendix

4 success stories

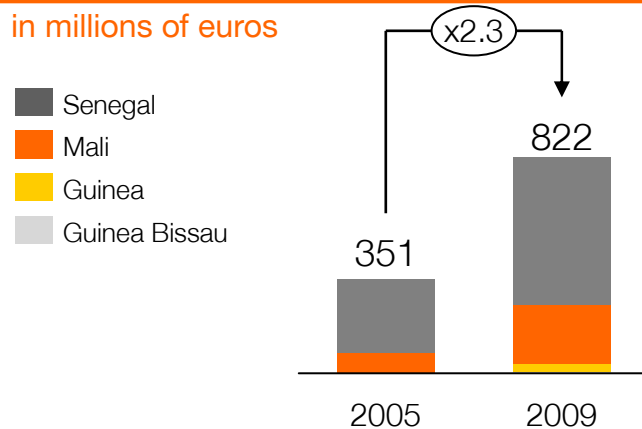
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Orange Sonatel

a continuous success of the biggest listed company in Western Africa

Sonatel group revenues

in millions of euros



9.2M customers in fixed, mobile & broadband

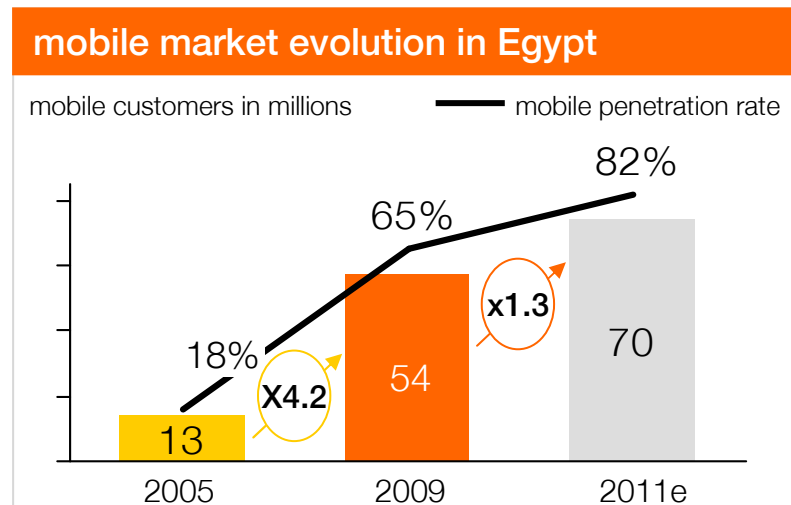
- **Orange Senegal:** fixed, mobile & broadband – 4.9M customers
- **Orange Mali:** mobile – 3.5M customers
- **Orange Guinea:** mobile – 0.7M customers
- **Orange Bissau:** mobile – 0.1M customers

2010-2011 ambition

- sharing infrastructure thanks to Group support: platforms, submarine cables access, etc...
- specific regional offers: one-network roaming, hub capacity bandwidth
- innovation: promotion of new technologies in the regional cluster as IPTV, 3G...
- some additional areas of improvement:
 - hubbing: become the first player for carrier to carrier business in west africa
 - strengthen synergies: VAS platform mutualisation and regional brand platform

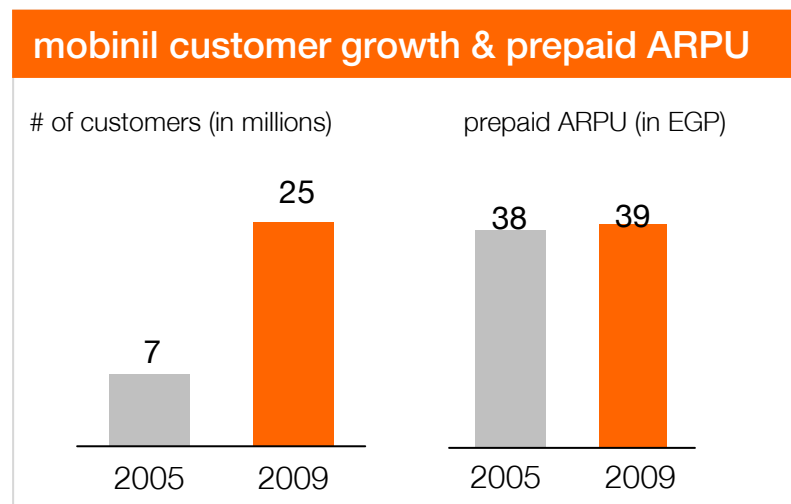
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Mobinil in Egypt, high potential for subscriber growth one of the biggest listed companies in Egypt



2010-2011 ambition

- maintain market share leadership
- exploit potential of customer base growth while improving profitability
- increase value market share by developing mobile multimedia usage
- optimize prepaid-based business model for profitable growth
- despite steady growth in customer base, prepaid ARPU should continue to remain relatively stable



thank you

