

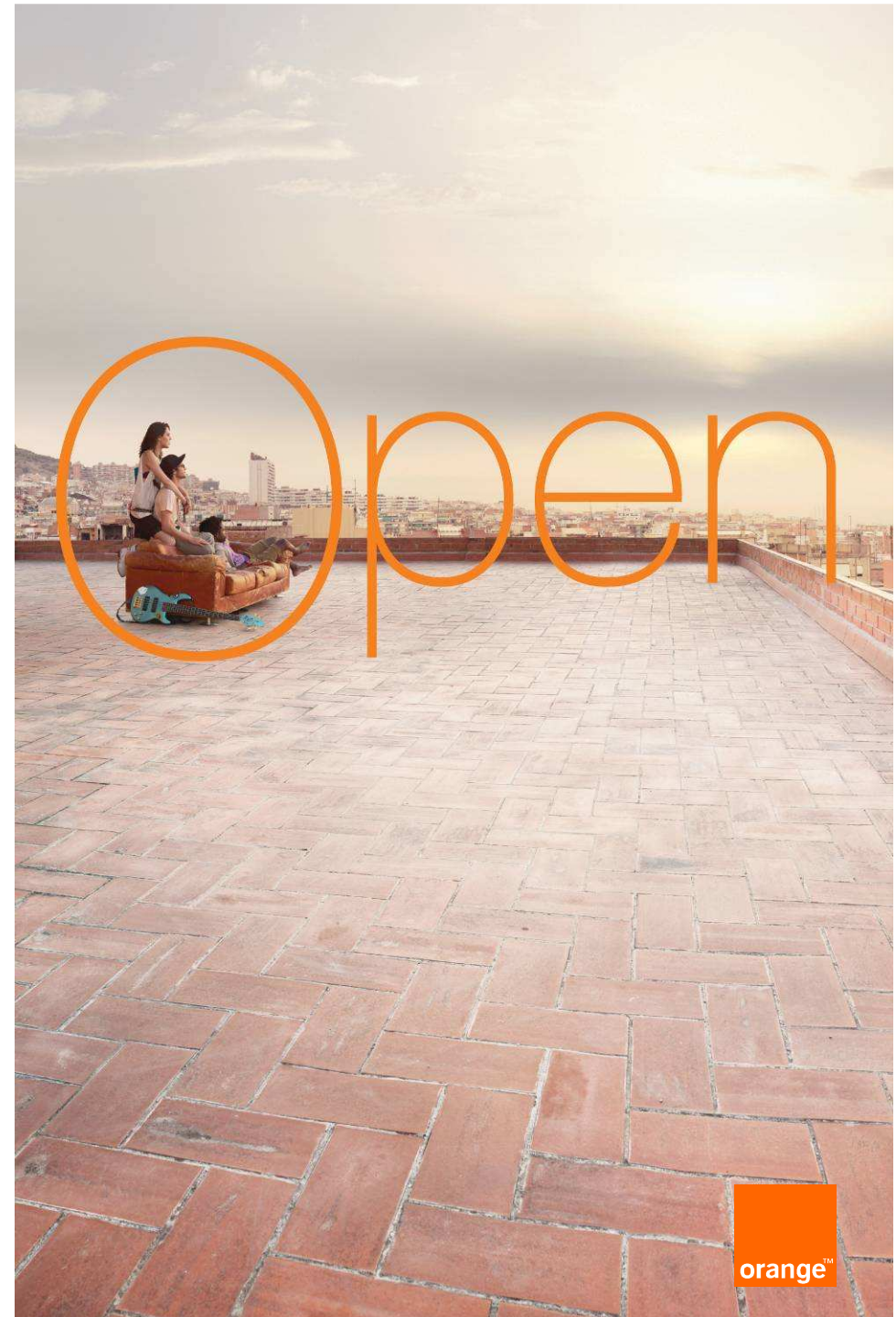
France Telecom

3Q10 results

Gervais Pellissier
Deputy CEO & CFO

Delphine Ernotte
Executive VP, Deputy Head of Orange
France

October 28th, 2010



cautionary statement

this presentation contains forward-looking statements about France Telecom's business, in particular for 2010 and 2011. Although France Telecom believes these statements are based on reasonable assumptions, these forward-looking statements 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 materially from the results anticipated in the forward-looking statements include, among others, overall trends in the economy in general and in France Telecom's markets, the effectiveness of the "Conquests 2015" Action Plan and other strategic, operating and financial initiatives, France Telecom's ability to adapt to the ongoing transformation of the telecommunications industry, regulatory developments and constraints, as well as the outcome of legal proceedings and the risks and uncertainties related to international operations and exchange rate fluctuations.

more detailed information on the potential risks that could affect France Telecom's financial results can be found in the Registration Document filed with the French Autorité des Marchés Financiers and in the Form 20-F filed with the U.S. Securities and Exchange Commission. Except to the extent required by law, in particular sections 223-1 et seq. of the General regulation of the Autorité des Marchés Financiers, France Telecom does not undertake any obligation to update forward-looking statements.

agenda

1. 3Q10 highlights

2. business review

- France
- Spain, Poland and ROW
- Enterprise

3. outlook and conclusion

1. 3Q10 highlights

Gervais Pellissier
Deputy CEO & CFO

sound 3Q10 results & successful commercial momentum in France on both fixed and mobile

- **solid commercial performance** throughout the Group with customer base up by 5.1%
- **successful momentum in France**: broadband net adds at **32.8%*** and stable market share on mobile
- underlying **improvement** on revenue with a 3Q growth of +1.1% excluding regulation thanks to our value strategy and mobile data take-off
- 9 month **margin erosion limited** at -0.8pt while building on the Group's strengthened commercial positioning in 3Q
- **increased CAPEX** level in 3Q10, FY guidance confirmed at around 12% of revenues

significant acceleration in 3Q commercial dynamic

203.4 million customers
145 m personal customers
59 m home customers

5.1%
of customer base growth yoy

33.5 million
mobile 3G customers

13.3 million
home broadband customers

+4.8 million
3Q10 mobile net additions

some achievements
in 3Q10 vs 2Q10



Egypt:
28.4m mobile
customers, **+2,3m**



Moldavia:
+9.7% revenue
increase to **€43m**



France: broadband
net adds **x2** to **32.8%**

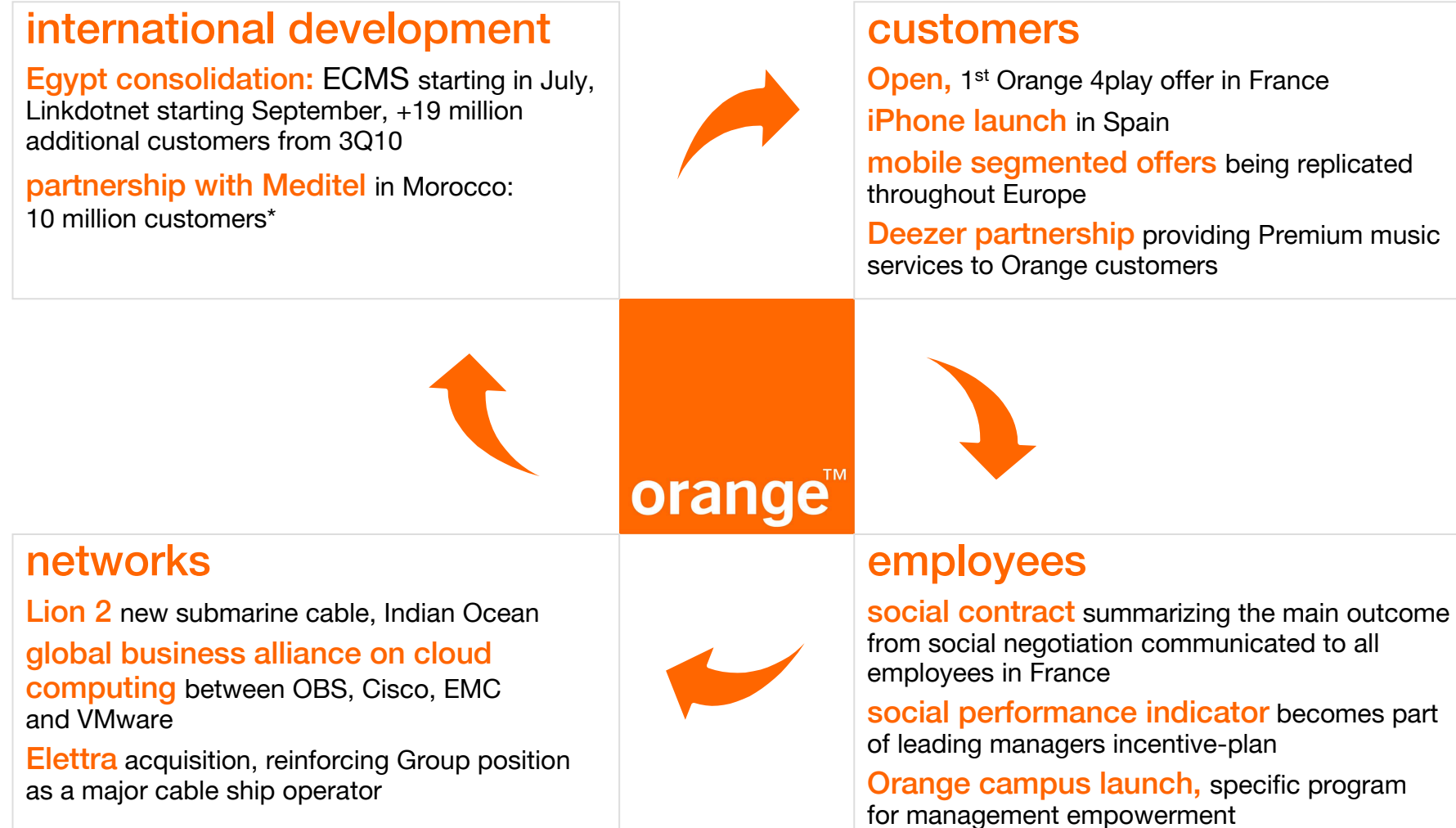


Spain:
+4.5% 3G
customers to **6m**



Ivory Coast:
+18.6% mobile
customers to **5m**

ongoing implementation of conquests 2015



key financial achievements

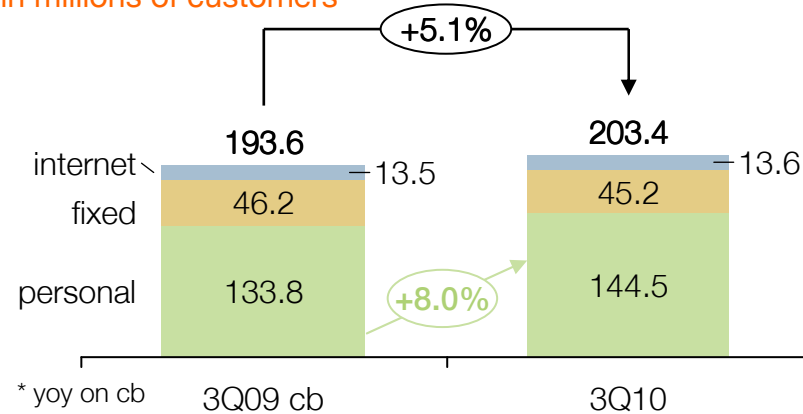
positive YTD underlying revenue growth and margin erosion contained

in €m	9m09 CB	9m10 actual	var. comp basis	key points
revenue	34,344	33,772	-1.7%	<ul style="list-style-type: none"> +0.4% excluding regulatory impact, better than expected trend trends strongly improving in France, Spain and Enterprise
EBITDA restated*	12,529	12,042	-3.9%	<ul style="list-style-type: none"> in line with FY Group trends sustained commercial activity in 3Q
in % of rev	36.5%	35.7%	-0.8pt	
CAPEX	3,437	3,374	-1.8%	<ul style="list-style-type: none"> in line with FY guidance “around 12% of revenue” catch up expected in 4Q
in % of rev	10.0%	10.0%	-0.0pt	
EBITDA restated* – CAPEX	9,092	8,668	-4.7%	<ul style="list-style-type: none"> in line with Group FY OCF guidance

Group's customer base up by +5.1% to more than 200 million

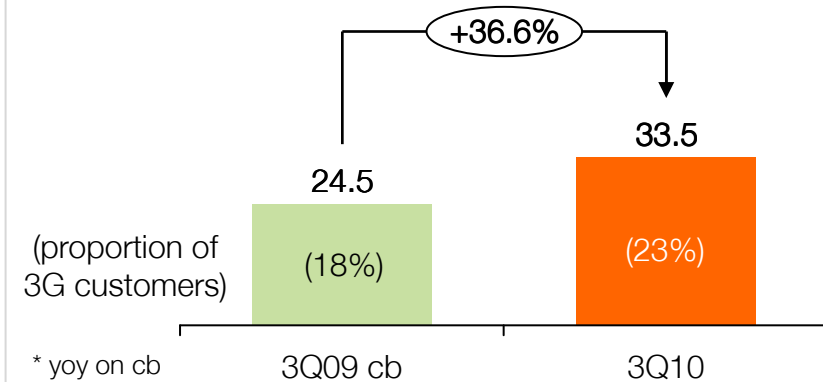
Group customer base +5.1%*

in millions of customers



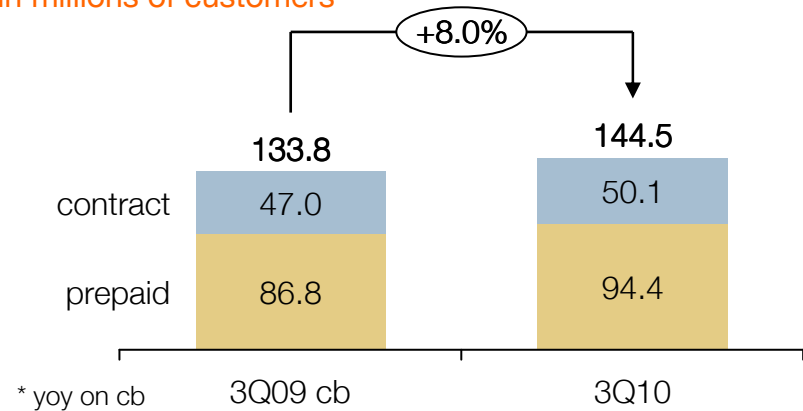
3G customer base +36.6%*

in millions of customers



personal growth driven by both value & volume

in millions of customers

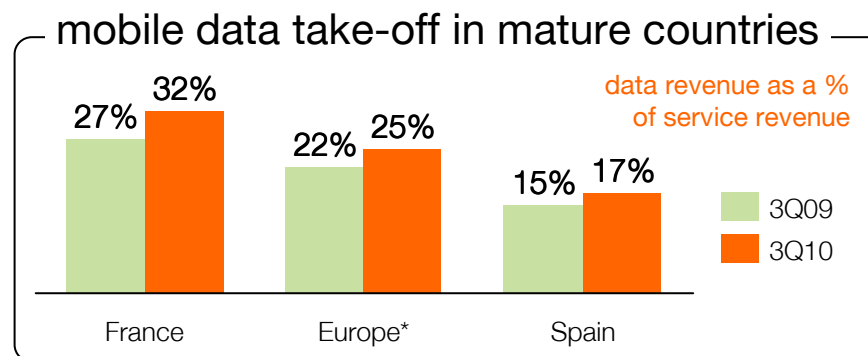
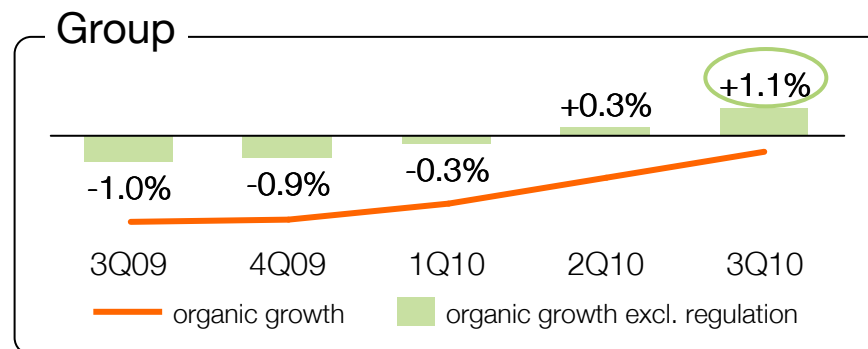


insight

- increasing coverage of the Orange brand with:
 - 63% of Group customers now Orange-branded, still leaving significant further growth potential
- Smartphones now representing close to 50% of mobile devices sold in 3Q in mature markets
- value strategy driving growth in contract customer base in mature markets
- emerging markets driving customer base volume growth

top line increase fuelled by personal and mobile data usage

in €m	actual	% yoy cb	% yoy cb excl.reg
		9m10	
Group revenue	33,772	-1.7%	+0.4%
France	17,431	-1.6%	+0.6%
Spain	2,858	-1.8%	+2.7%
Poland	2,936	-6.4%	-3.3%
ROW	5,954	+1.8%	+3.4%
Africa & Middle-East	2,209	+5.5%	+6.3%
European countries	3,327	-1.1%	+1.1%
other	427	+4.9%	+5.3%
Enterprise	5,356	-5.2%	-5.2%

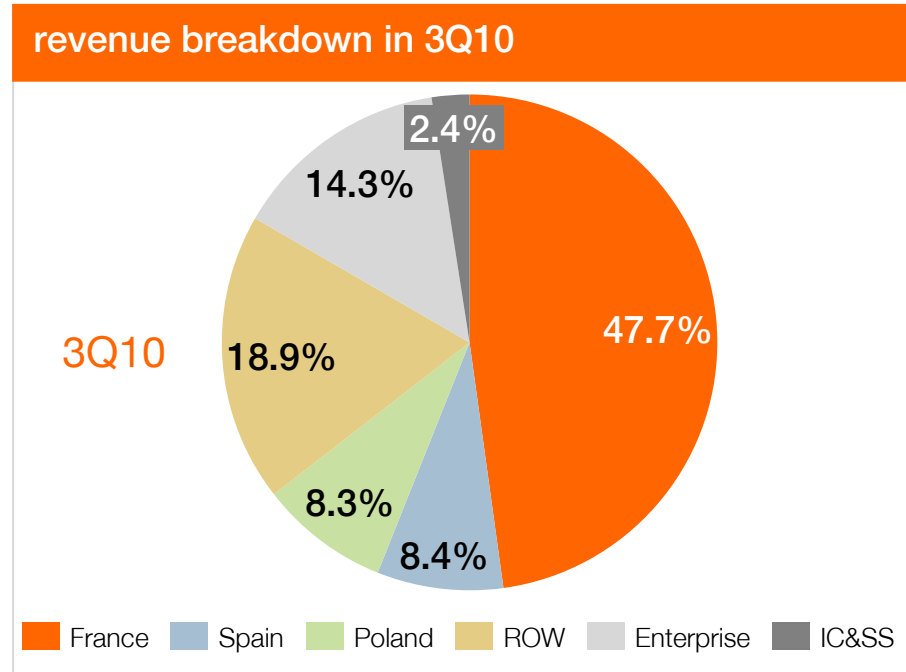


insight

- organic growth excluding regulation strongly positive in 3Q at +1.1%. Regulation impact decreasing at -€198m in 3Q (-€507m in 1H)
- data take-off in all our mature countries: reaching more than 30% of service revenue in France, Belgium and 28.5% in Switzerland
- growth driven by personal services with a strong performance in 3Q in all major geographies
- enterprise yoy cb revenue trend improved in 3Q at -3.7% vs -4.9% in 2Q and -7% in 1Q

3Q10 positive revenue excluding regulation

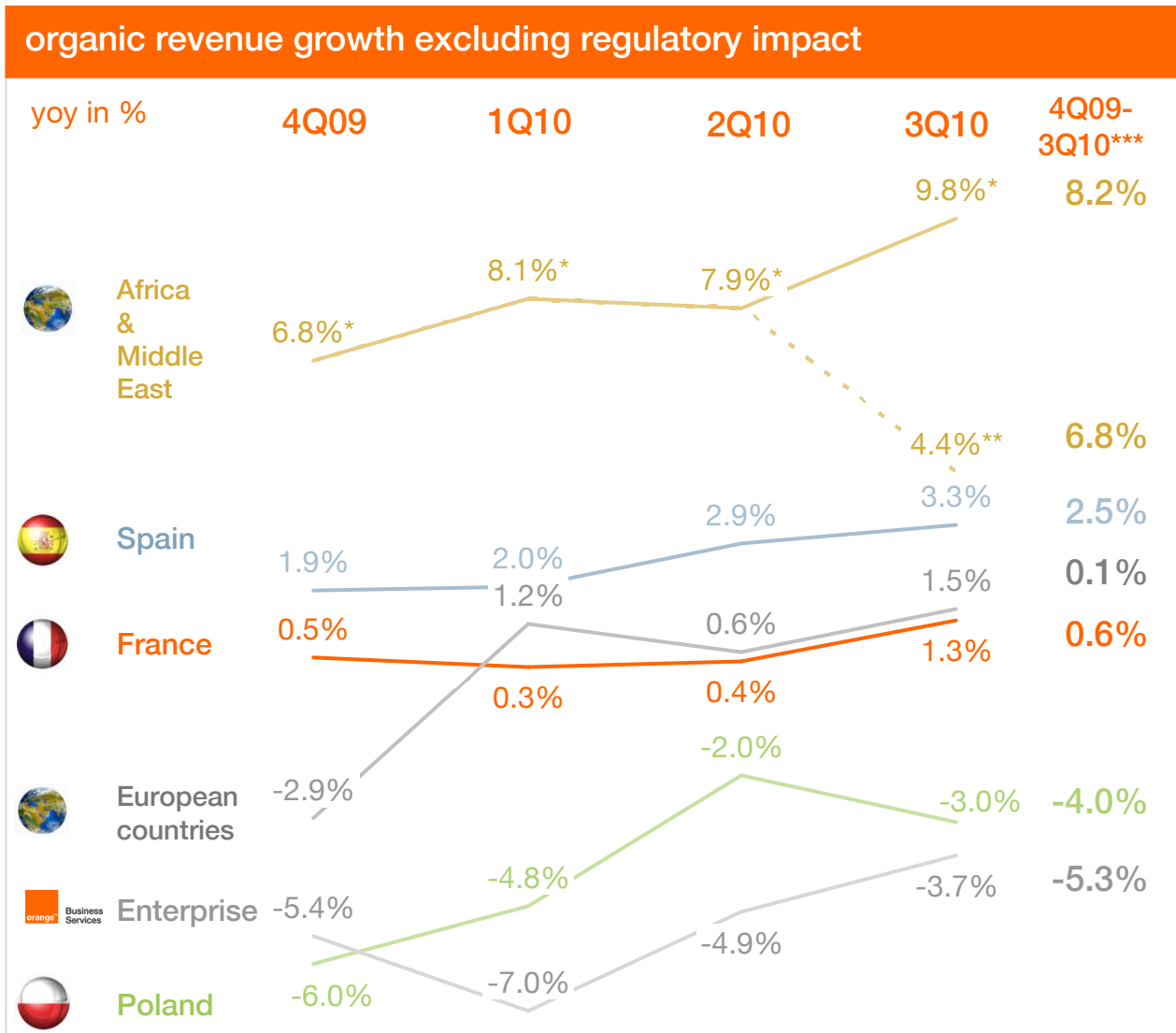
in €m	3Q10		
	actual	% yoy cb	% yoy cb excl.reg
Group revenue	11,628	-0.6%	+1.1%
France	5,841	-0.7%	+1.3%
personal	2,738	+2.1%	+6.6%
home	3,351	-3.4%	-2.7%
eliminations	(248)		
Spain	991	-0.8%	+3.3%
personal	825	-1.0%	+3.9%
home	166	+0.4%	+0.4%
Poland	972	-4.0%	-3.0%
personal	485	+1.7%	+2.2%
home	553	-7.6%	-6.4%
eliminations	(65)		
ROW	2,291	+1.7%	+3.1%
Enterprise	1,781	-3.7%	-3.7%
I. Carrier & S. Services	419	+6.6%	
eliminations	(667)		



insight

- dynamic overall performance on mobile and better trend in home Spain & Poland
- personal performance driven by non-voice ARPU & equipment sales in France
- Spain home performance mainly linked to a €1 increase of broadband ARPU

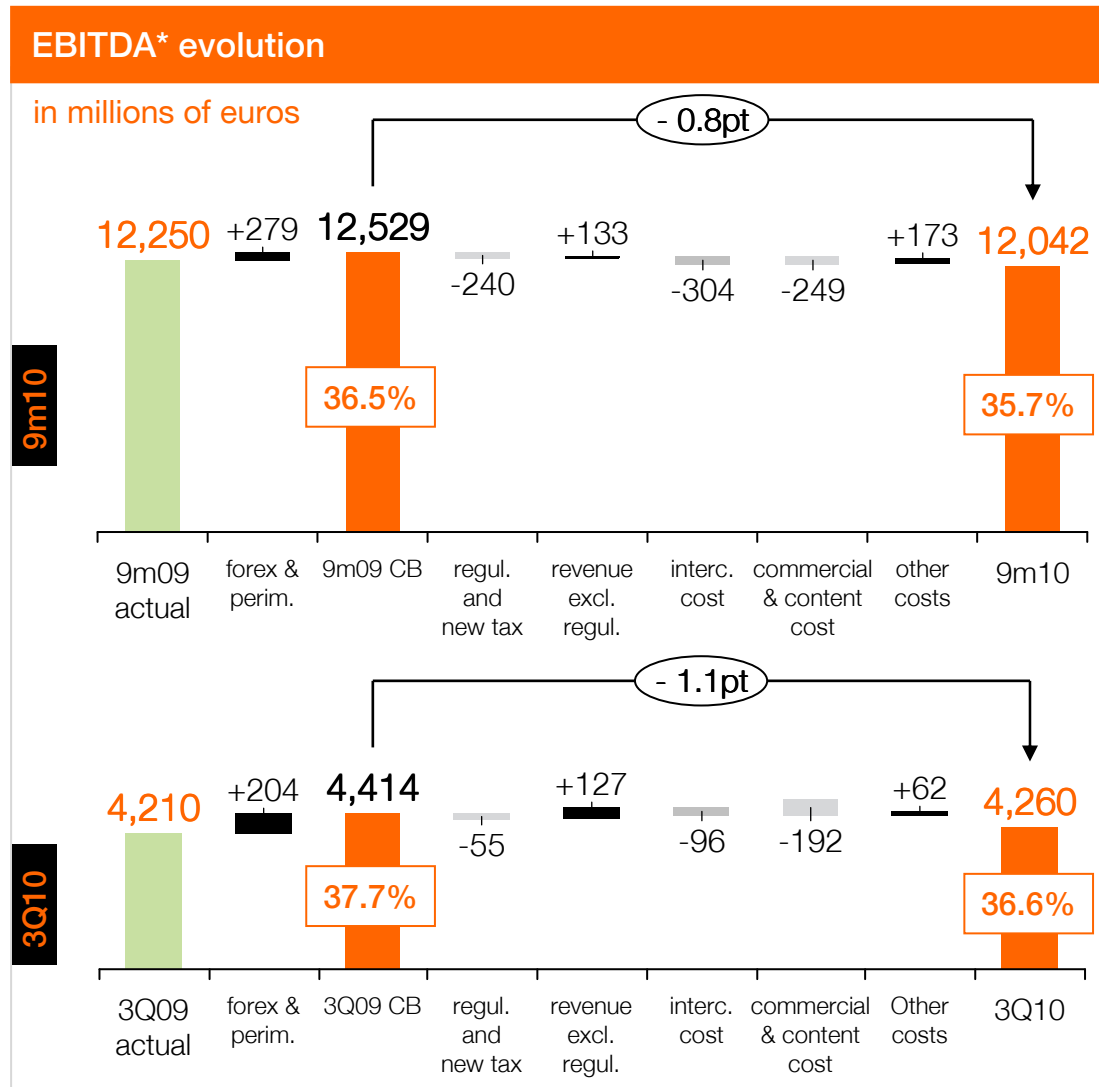
revenue trend progresses in key geographies



key messages

- Africa and Middle East: sustained growth driven by Cameroon and Ivory Coast
- Spain: confirmation of improving operational and financial performance, success of the iPhone, launched end of July
- France: strong mobile growth mainly driven by stable market share and data traffic take-off
- European countries: Belgium and Switzerland dynamic partially off-set by Central Europe
- Poland: mobile revenue increase thanks to customer base growth
- Enterprise: continued improvement in revenue trend

dynamic commercial investments with a contained margin erosion in 3Q10



insight

9m10

- EBITDA negatively impacted by regulation and new taxes
- positive impact of revenue (excl. regulation) mainly due to 3Q
- interconnect costs increase due to the success of bundles and unlimited offers
- ongoing favorable OPEX base evolution thanks to cost management

3Q10

- commercial & content costs increase in 3Q driven by sustained commercial activity
- a margin erosion contained at -1.1pt

9m margin erosion limited at -0.8pt while building on the Group's new commercial positioning in 3Q

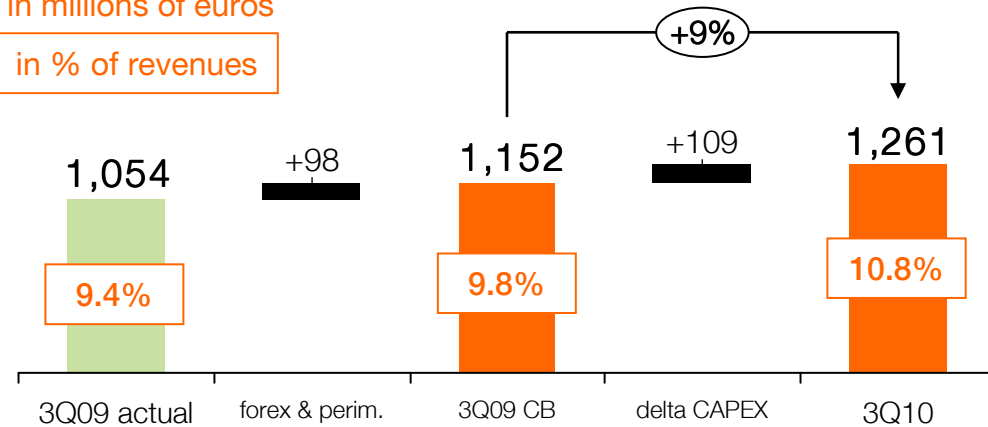
in €m & % of revenues	9m09 cb	9m10	
revenue	34,344	33,772	▶ regulatory impact of -€705m over 9 months and -€198m in 3Q
labour costs	(6,352) 18.5%	(6,423) 19.0%	▶ labour cost up due increase of wages
interconnection	(4,714) 13.7%	(4,520) 13.4%	▶ regulatory price decrease (+€482m) balanced the development of usages
other IT&N	(2,037) 5.9%	(1,987) 5.9%	
general, properties, and others	(3,974) 11.6%	(3,813) 11.3%	▶ contingency plan still efficient
o/w restructuring	(128)	(75)	▶ lower restructuring
o/w disposal of assets	(14)	42	▶ decrease of bad debt
restated EBITDA* pre com. & content	17,267 50.3%	17,029 50.4%	
commercial expenses & content costs	(4,738) 13.8%	(4,987) 14.8%	▶ reallocation of cost efficiency savings towards commercial development
restated EBITDA*	12,529 36.5%	12,042 35.7%	

CAPEX acceleration in Q3 to support customer satisfaction, network capacity and future growth

CAPEX evolution in 3Q

in millions of euros

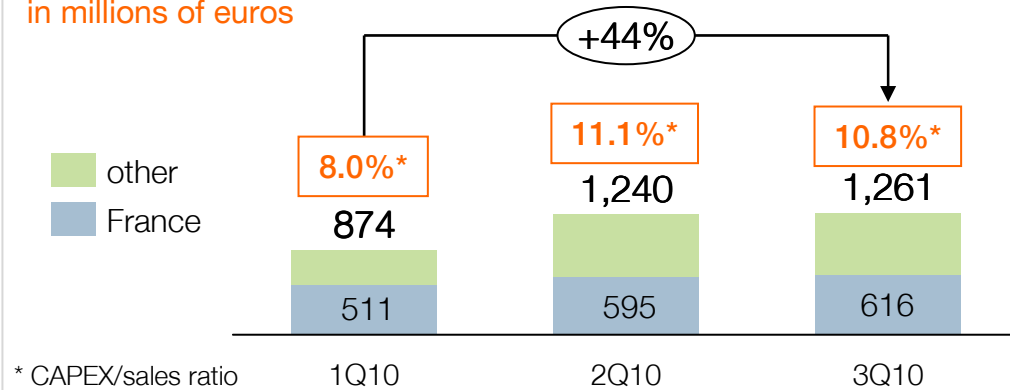
in % of revenues



Group CAPEX ramp-up over 2010

in millions of euros

other
France



* CAPEX/sales ratio

insight

- increased CAPEX/sales ratio by 1.0pt in 3Q10 at 10.8% vs 3Q09, around 12% FY guidance confirmed
- France:
 - ramp-up of FTTH investments
 - increase of investments mainly driven by CPEs with the success of Open
- Poland:
 - speed up in Poland of the DSL coverage program related to UKE arrangement
 - ramp-up of mobile investments in Poland and first investments related to HSPA+
- increase of Group IT investments and launch of multiplay offer in Belgium
- acceleration of mobile network investments in Switzerland

2. business review

- France

Delphine Ernotte

Executive VP, Deputy Head of Orange
France

3Q10 France

target of 30% ADSL net adds during 2H already reached, mobile market share stable

3Q10 revenue* (3Q revenue +1.3% excl. regulatory impacts)

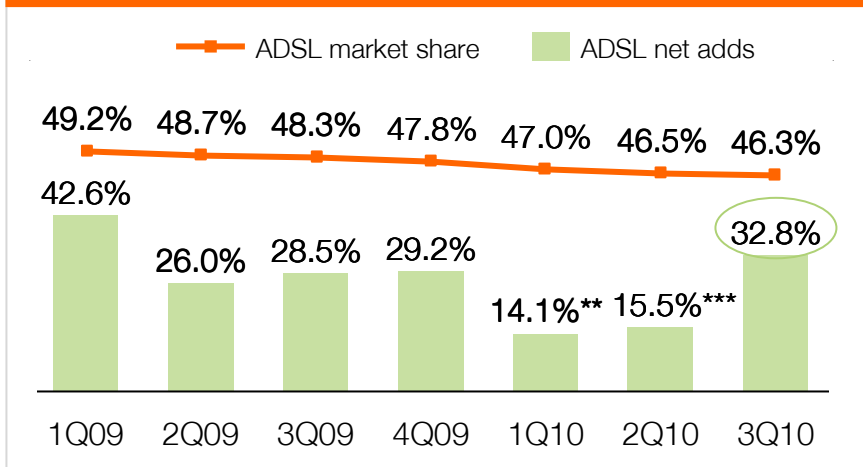
in €m	3Q10	var	9m10	var
revenue	5,841	-0.7%	17,431	-1.6%
personal	2,738	+2.1%	8,053	-0.1%
home	3,351	-3.4%	10,160	-3.0%

* yoy on cb

insight

- 3Q10 organic revenue growth higher than in 1Q and 2Q thanks to mobile
- broadband market share increased at 32.8%, best level since 1Q09: enriched triple play offer, Open 4P successfully launched
- mobile revenue growth driven by mobile data revenue, MVNO and equipment sales

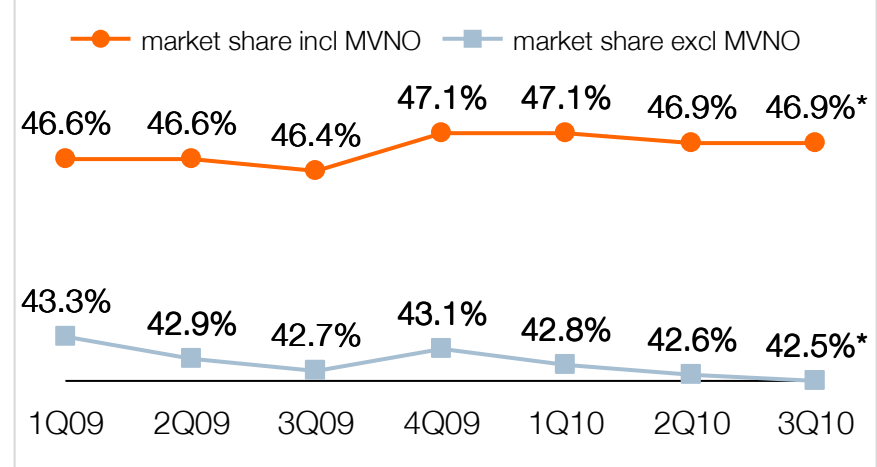
ADSL market share & conquest share*



* company estimates ** 0% after customer base cleaning (ARCEP)

*** ARCEP figures 19%

Orange mobile market share evolution



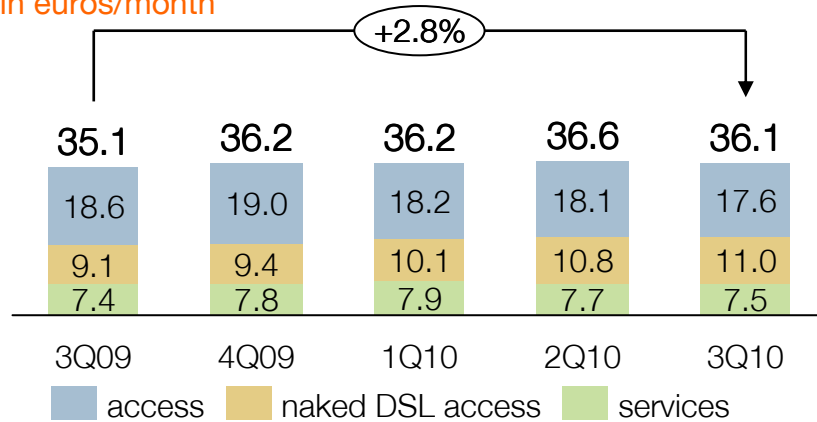
* company estimates

3Q10 France

successful commercial momentum with encouraging potential in mobile and broadband

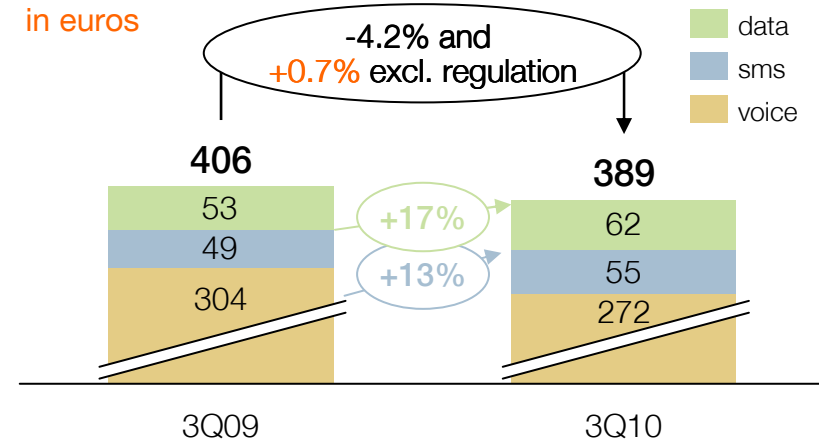
quarterly broadband ARPU

in euros/month



annual rolling mobile ARPU* evolution

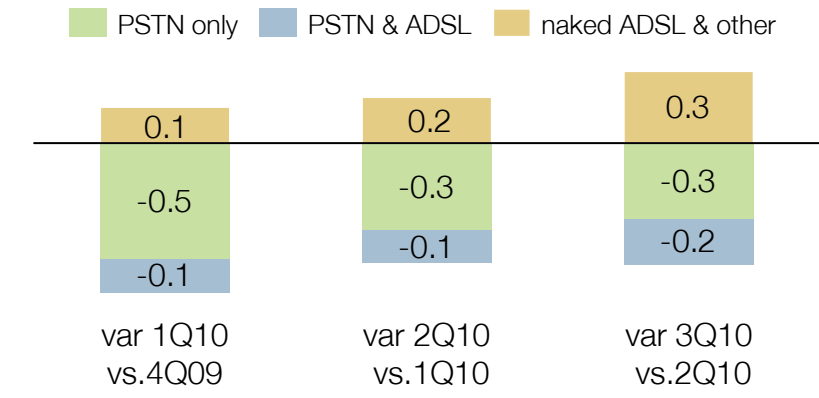
in euros



insight

- broadband ARPU growing by 2.8% at €36.1
 - positive naked DSL customer base penetration
 - enriched Net+ customer base reprice effect
- annual rolling mobile ARPU increase excluding regulation +0.7% (+1.7% 3Q10 vs 3Q09)
- increasing number of naked ADSL lines due to high level of migration of customers to Net+ offer
- 3.2m IPTV customers out of which 736k for Orange Sport & OCS

variance of Orange retail fixed line (quarter on quarter variance in million of lines)



a strong marketing mix in order to benefit from the Christmas period

	broadband	mobile	convergent
offers	<p>best enriched adsl offer (priced at €34.9 since mid-June) in the market (incl. 1h call to mobiles in the Net and Formule plus offer)</p>	<p>complete renewal of Origami contract portfolio Origami Style targeting digitals and unlimited calls to preferred numbers for all offers</p>	<p>strong momentum on “Open”, due to simplicity and price attractiveness</p>
CPEs	<p>generalisation of livebox 2 and HD set-top box</p>	<p>smartphones and tablets for everyone at market price Windows 7 handsets, renewed Android handsets, Blackberry torch, iPhone 4, dedicated offers for Samsung galaxy and other tabs</p>	
marketing mix	<p>fostering of our services approach to build up differentiation</p> <ul style="list-style-type: none"> ▪ cross-selling campaigns ▪ quality of services (external notation improving from 7.3 to 7.7 since the beginning of the year; study done on 500 ADSL customers) ▪ opening of service oriented flagship city center stores in medium sized cities 		

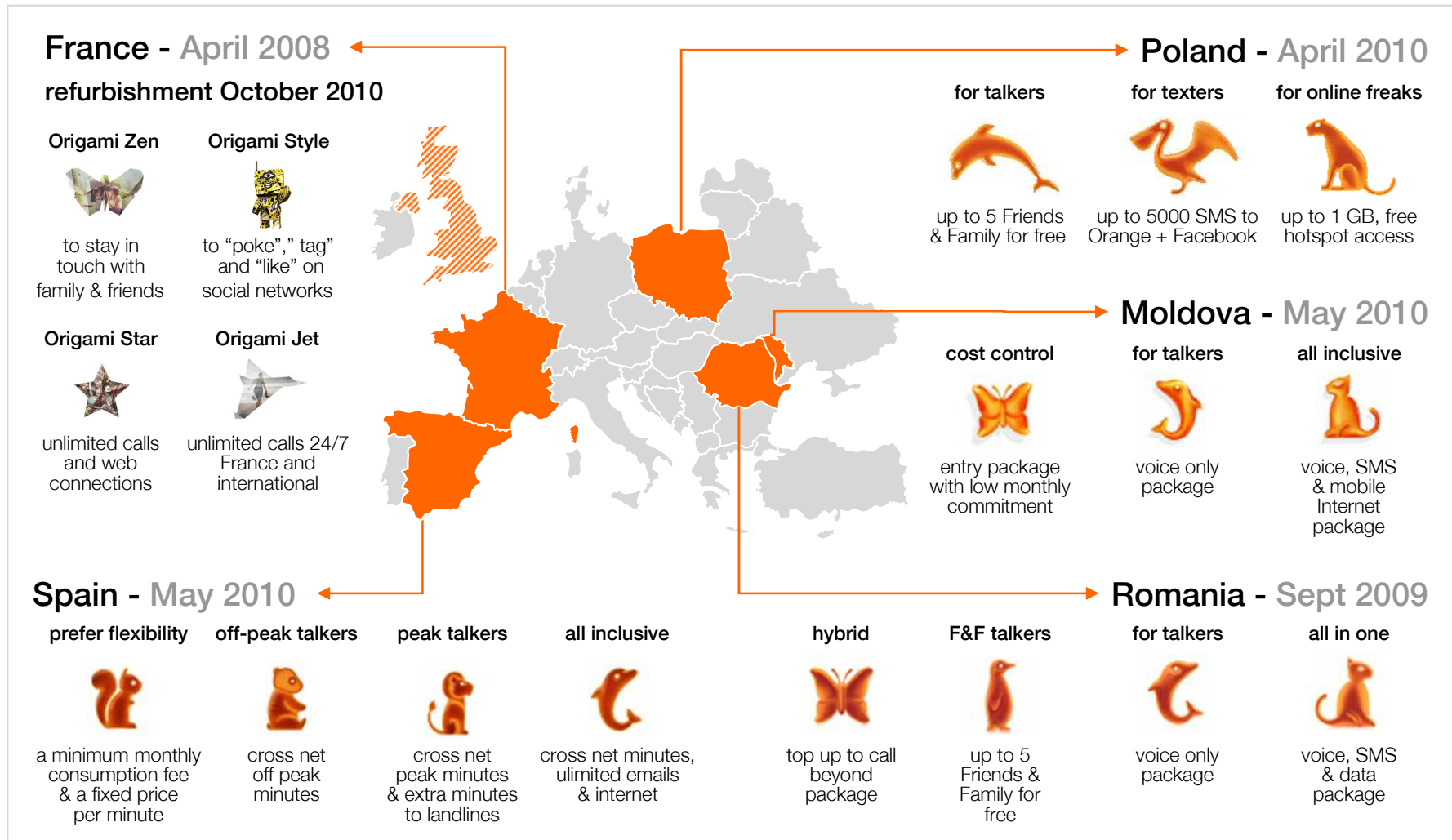


2. business review

- Spain
- Poland
- ROW
- Enterprise

Gervais Pellissier
Deputy CEO & CFO

ongoing successful roll-out of 'animals' mobile postpaid tariffs segmentation



Spain

5th quarter of sequential improvement in revenues

3Q10 revenue* (3Q revenue +3.3% excl. regulatory impacts)

in €m	3Q10	var	9m10	var
revenue	991	-0.8%	2,858	-1.8%
personal	825	-1.0%	2,361	-1.8%
home	166	+0.4%	497	-1.8%

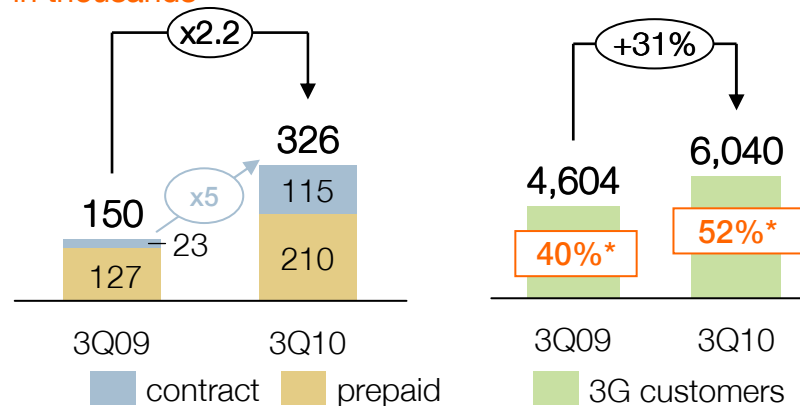
* yoy on cb

insight

- 9m revenue increase excluding regulatory at 2.7% driven by personal growth at 3.7%
- mobile:** 326k new mobile customers in 3Q and improving customer contract mix by 3.6pt yoy at almost 60% thanks the success of Animals offers, to the launch of the iPhone 4 and to the development of data services
- home:** return to positive revenue growth in Q3 with positive ADSL net adds (+7k) thanks to improved sales performance and to churn reduction
- home positive EBITDA expected for FY

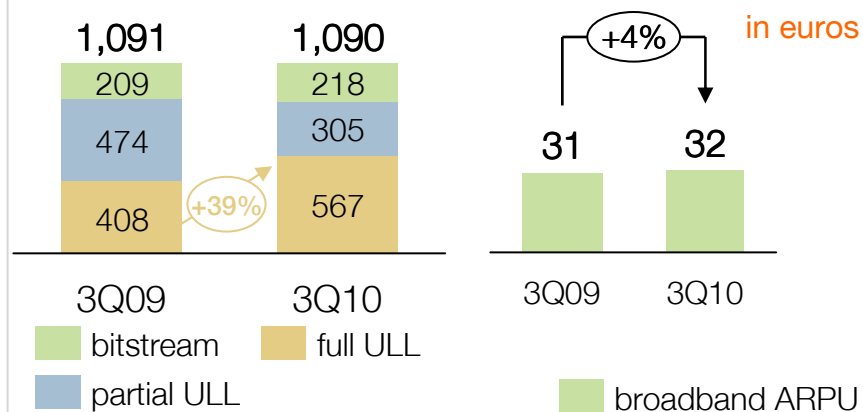
mobile net adds and 3G customers

in thousands



* in % of mobile customers

ADSL mix and broadband ARPU



Poland

confirming improving revenue trend

3Q10 revenue* (3Q revenue -3.0% excl. regulatory impacts)

in €m	3Q10	var	9m10	var
revenue	972	-4.0%	2,936	-6.4%
personal	485	+1.7%	1,426	-2.7%
home	553	-7.6%	1,702	-8.9%

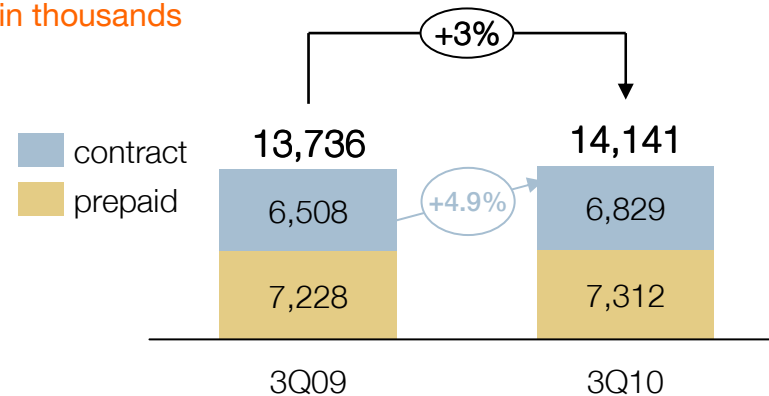
* yoy on cb

insight

- continued improvement of revenue trend for the 3rd quarter, for both personal and home
- mobile:** +1.7% growth in 3Q driven by:
 - a +3% yoy customer base growth, especially on contract (+4.9%)
 - a strong commercial performance (+144k net adds vs 3Q09)
- home:** fixed market improving slightly in 3Q
 - progress supported by broadband
 - fixed line revenues impacted by fixe to mobile price cuts of November 2009
 - sustained expansion of TV offers (+76% yoy)
- TPSA-DPTG dispute:** ongoing legal actions to preserve TPSA and its shareholders rights

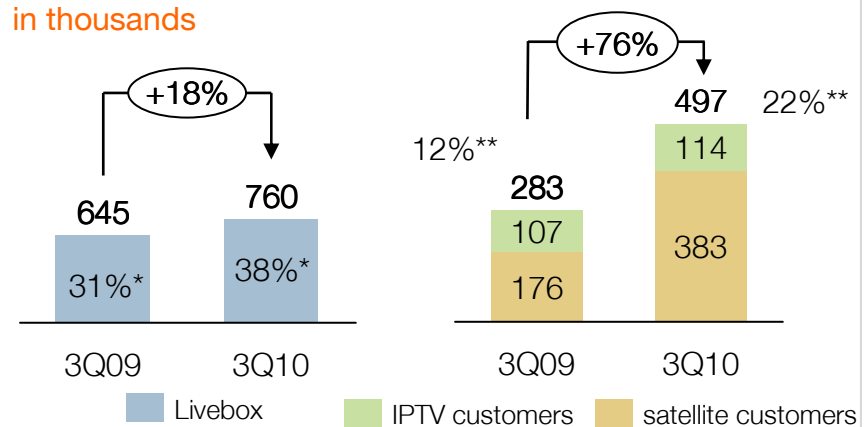
mobile customer base

in thousands



Livebox and TV client base

in thousands



* in % of ADSL retail customers

** % of broadband retail customers

3Q10 ROW financials

sustained revenue & customer growth

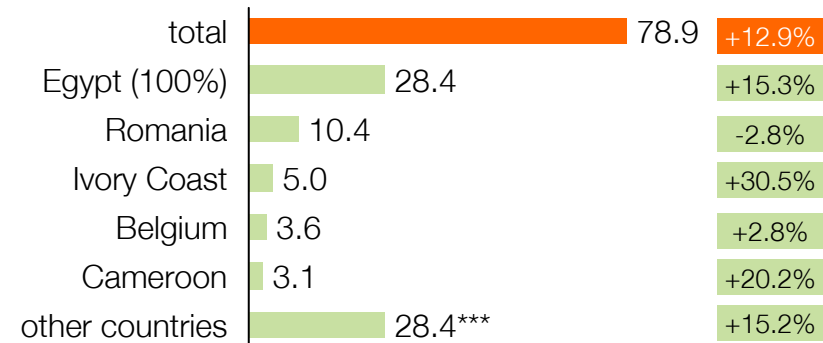
9m10 revenue*: +1.8%
(3Q revenue +3.1% excl. regulatory impacts)

in €m	3Q10	var	9m10	var
total ROW	2,291	+1.7%	5,954	+1.8%
Africa & Middle East	1,008	+4.1%	2,209	+5.5%
European countries	1,143	-1.0%	3,327	-1.1%
other countries	143	+6.2%	427	+4.9%

* yoy on cb

ROW mobile customer base

in millions*



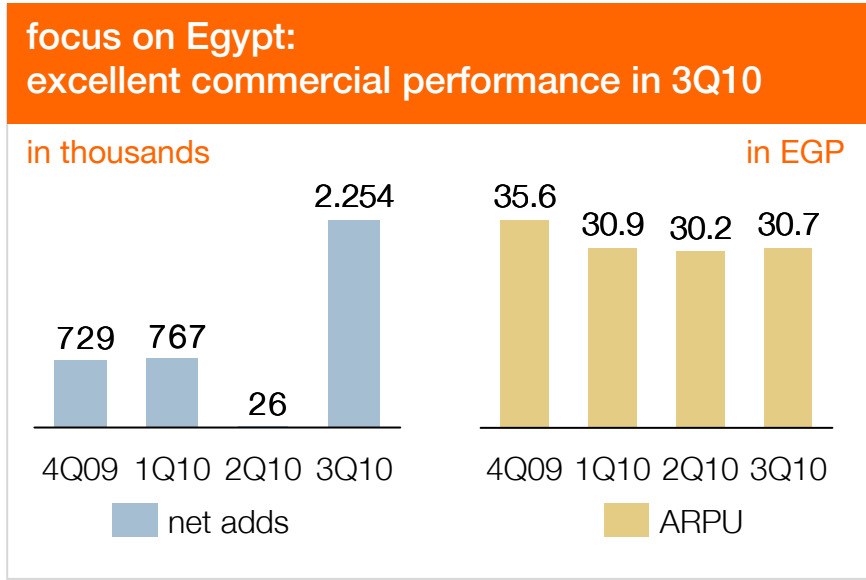
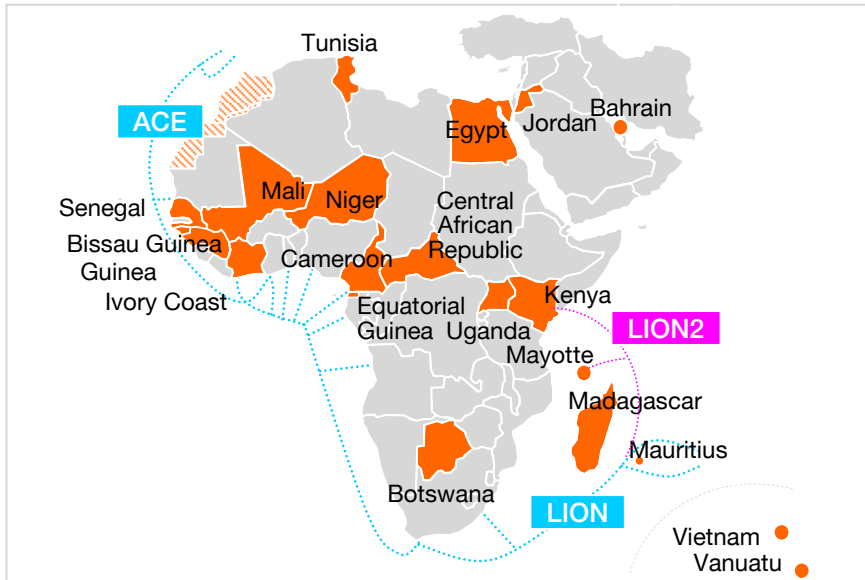
* yoy on cb

insight


- **Africa & Middle East:** strong increase in 3Q10 (+9.8%** excluding Egypt after 7.9%** in 2Q10) driven by the growth of new operations, Cameroon and Ivory Coast. After a Q2 at -7.0% in Egypt, the trend improves with a decrease of -3.7%
- **European countries:** 3Q revenue increase excluding regulatory at +1.5% yoy (vs +0.6% in Q2). Sustained strong performance of Mobistar (+3.6% vs 9m09cb) and Moldova (+11.5% vs 9m09cb) Ongoing improvement in Slovakia (-5.4% in Q3 vs -7.5% in Q2 and -8.5% in Q1) Romania still strongly impacted by the economic downturn (25% cut of salaries in public sector) and tax increase (5% increase of VAT)

3Q10 Africa & Middle-East market operations

an increasing level of international investments in order to develop strong country positions



insight

- bringing high bandwidth to countries through major infrastructure projects (sub-marine cable as a backbone)
-  now offered in Ivory Coast (2008), Mali, Madagascar, Niger (2010) with other countries to follow. Over 700k subscribers

Egypt insight

- strong commercial performance in 3Q despite scarcity of dials
- 1m new dials made available both in June and October
- despite the ongoing pressure on price, ARPU is stabilized for the third quarter in a row

Orange Business Services

gradual improvement in 3Q10 revenue in a challenging environment

3Q10 revenue: -3.7%*

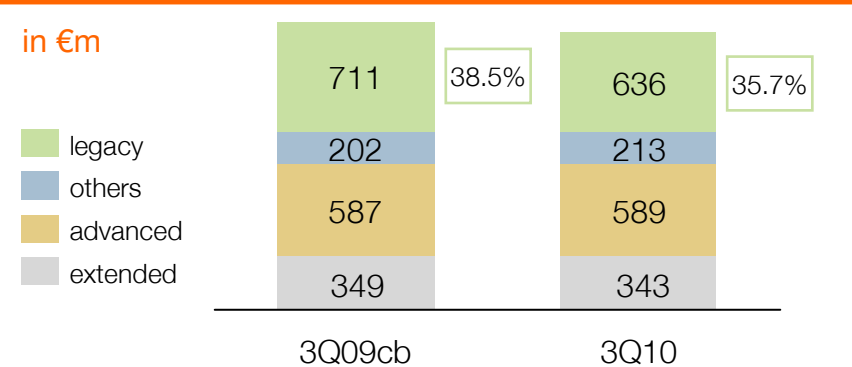
in €m	3Q10	var	9m10	var
total entreprise	1,781	-3.7%	5,356	-5.2%
legacy	636	-10.5%	1,977	-12.0%
others, incl. ERS	213	+5.5%	623	-0.4%
advanced	589	+0.3%	1,738	+0.5%
extended	343	-1.9%	1,018	-3.0%

* yoy on cb

insight

- improvement in revenue trend with 3Q at -3.7% versus 2Q at -4.9% and 1Q at -7.0%
 - legacy:** revenue still impacted by migrations to new technologies, competition and customer rationalization moves, similar to 2Q
 - others:** favorable trend driven by equipment resale at +6.8% and Broadcast services at +3.1%
 - advanced:** 3Q better than 2Q, IPVPN and Nomadism offsetting double-digit growth in VoIP & high-speed solutions
 - extended:** trend in 3Q similar to 2Q (-2.0%) but improving versus 1Q (-5.2%) with recovery essentially in France

ongoing revenue transformation away from legacy services



main events in the quarter

- announcement of OBS's Conquests 2015 strategic drivers, including:
 - generating €500m of revenues from cloud computing
 - selling 10 million M2M SIM cards
 - being in the top-3 worldwide for videoconferencing
 - generating revenues of €1bn in emerging markets
- OBS positioned in the leading "dolphin" quadrant of global data providers by Telemark
- global business alliance on cloud computing between OBS, Cisco, EMC andd VMware

3. outlook and conclusion

confirmed FY business trends & guidance

revenue	<ul style="list-style-type: none">▪ underlying trend will be slightly positive▪ expected regulatory measures will impact revenue by less than €1bn
EBITDA margin	<ul style="list-style-type: none">▪ -1pt max of EBITDA margin erosion while sustaining commercial activity
CAPEX ratio guidance	<ul style="list-style-type: none">▪ around 12% of revenue confirmed▪ higher level of capex in 4Q10 vs. 9m10



organic cash flow guidance	<ul style="list-style-type: none">▪ 2010 €8bn confirmed*▪ 2011 €8bn confirmed* <p>* excluding licenses & spectrum, litigation on “Taxe Professionnelle” for 2010 and other exceptional items</p>
----------------------------	---

commitment on dividend	€1.40 dividend per share for each fiscal year from 2010 to 2012
------------------------	--

appendix

improving revenue trend

in €m	3Q09 A	forex	perimeter	3Q09 CB	3Q10	change 2009/2010*		
						€m	%	% <i>excl. regul</i>
Group revenue	11,158	144	396	11,698	11,628	(71)	-0.6%	+1.1%
France	5,882	-	2	5,885	5,841	(44)	-0.7%	+1.3%
personal	2,683	-	-	2,683	2,738	56	+2.1%	+6.6%
home	3,496	-	(26)	3,470	3,351	(118)	-3.4%	-2.7%
eliminations	(296)	-	28	(267)	(248)	19		
Spain	1,005	-	(7)	999	991	(8)	-0.8%	+3.3%
personal	839	-	(6)	833	825	(9)	-1.0%	+3.9%
home	166	-	(1)	165	166	1	+0.4%	+0.4%
Poland	970	43	-	1,012	972	(40)	-4.0%	-3.0%
personal	456	20	-	477	485	8	+1.7%	+2.2%
home	574	25	-	599	553	(45)	-7.6%	-6.4%
eliminations	(60)	(3)	-	(63)	(65)	(3)		
ROW	1,799	62	391	2,253	2,291	38	+1.7%	+3.1%
Enterprise	1,816	40	(6)	1,849	1,781	(69)	-3.7%	-3.7%
International carrier & SS	351	1	41	393	419	26	+6.6%	+6.6%
eliminations	(666)	(1)	(26)	(693)	(667)	26	-3.8%	-3.8%