

The new France
Telecom launches the
new Orange



May 31th, 2006

The new France Telecom



A close-up photograph of a person's hands holding a glowing, orange, spherical object. The person's face is partially visible in profile, looking down at the object. The background is a soft, out-of-focus blue and white light. The overall mood is one of wonder and discovery.

simplicity

audacity

proximity

confidence



open

Our offers

**A loyalty
Program**

All included

**A single point
of contact**



**Unlimited
content**

**A single
Phone**

High Definition

All Included offers



All included offers in France

Les
Optimales
France
Telecom

PSTN offers

- ➔ From limited to unlimited landline calls
- ➔ Fixed to Mobile calls and SMS
- ➔ Subscription fee included

Les
Optimales
Orange



- A PSTN line + A Broadband access + Digital TV
- ➔ A single contact and a single bill for PSTN & Multimedia
 - ➔ Subscription fee included and services included

ADSL line
included



- A triple-play offer, ADSL line included (“Naked ADSL offer”)
- ➔ Internet + Unlimited VoIP for landline calls + Digital TV

All included offers in the UK

Free Broadband
for Orange Mobile
Customers



Free broadband up to 8Meg for new and existing* Orange customers with an Orange Pay Monthly Plan £30+

- Free Livebox
- Available nationwide

Free Calls to
Orange Mobiles for
Orange Broadband
Customers



Free calls to Orange mobiles for Orange Broadband customers with a Livebox for £6/m

- Unlimited calls to any UK landline
- Unlimited calls to and between Orange Broadband customers

*: for 9 month + with Orange

9

**A loyalty
Program**

All included

**A single point
of contact**



**Unlimited
content**

**A single
Phone**

High Definition

10

Unlimited TV & sport 24/7 at home and on mobiles



Unlimited TV & sport 24/7 at home and on mobiles

Free Digital TV
on ADSL at
home



A new range of ADSL multimedia offer up to 18Meg
→TV included
→VoIP, Security and other options available

Unlimited TV &
Sport on
Mobiles

Option "TV + Surf": 20 channels for 6€ per month
Option "Total TV": 50 channels + Videos for 10€ per month
Option "Sport": unlimited access to sport for 9€ per month

**A loyalty
Program**

All included

**A single point
of contact**



Unlimited content

**A single
Phone**

High Definition

13

High Definition for Voice and Image

High Definition VoIP

High Definition for TV



Orange HD

HD-TV

ADSL access



HD decoder

+

Digital HD Option

+

TPS HD option



HD-Voice

Unlimited VoIP with High Definition standard

Free for all Livebox + VoIP customers

Compatible devices available from 69 €



Thomson V1590



SAGEM D45W

A loyalty Program

All included

A single point of contact



Unlimited content

A single Phone

High Definition

Unlimited mobile at home

Unik



Unik: unlimited mobile at home

Unlimited mobile calls at home thanks to a connection to the **Livebox**



All you need is

A broadband Internet Access with **Livebox**

An **Orange** broadband contract

One out of a **range of mobile device compatible** with the Livebox

Unik: unlimited mobile at home

What is new...

- Unlimited calls towards fixed and Orange mobile phones from home 7 days a week, 24 hours a day
- Unik connects automatically to the Livebox
- The Livebox allows for numerous Unik connections and 3 simultaneous calls + TV and ADSL connections

What is different...

- A single number (GSM/WiFi), the mobile number
- A unique voice mail
- A unique contact book
- A simple mid-range device with no specific application
- Handover for call started at home (the call automatically switches to the Orange mobile network)

19

**A loyalty
Program**

All included

**A single point
of contact**




Unlimited content

**A single
Phone**

High Definition

20



One shop network
One Customer Care
One portal



One Brand: Orange Business Services
One contract
One contact

More simple offers for
Enterprise

A loyalty Program

All included

A single point of contact



Unlimited content

A single Phone

High Definition

23

One loyalty program on Fixed, Mobile and Internet





open

Appendix



More on Rebranding



Framework

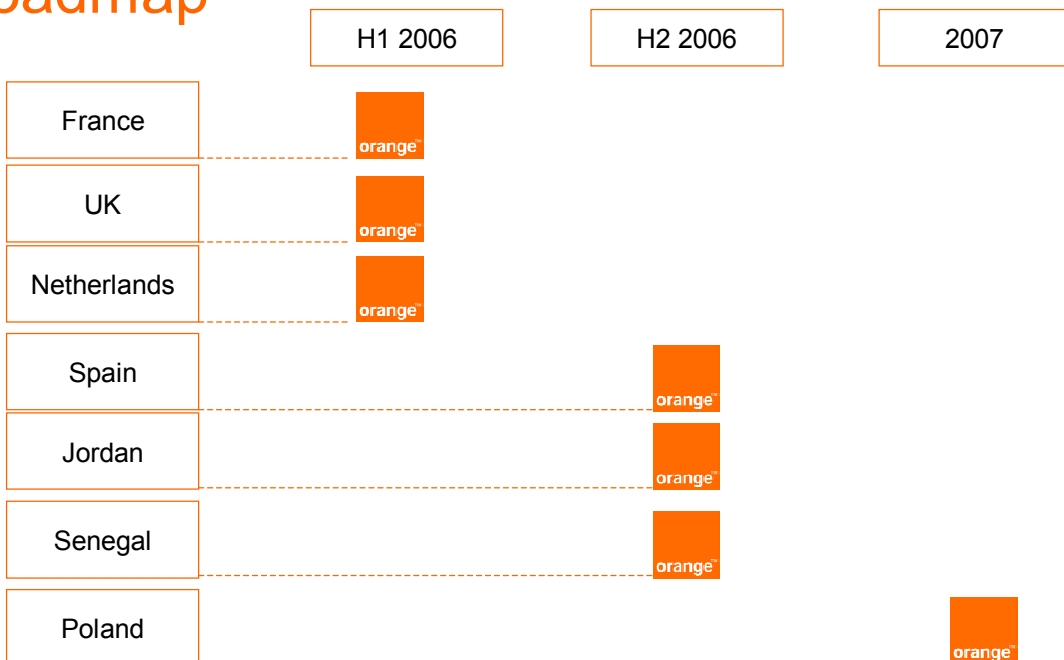
Countries where the group has an incumbent position



Other countries



Roadmap



Main impacts

- Upfront cost: slightly below EUR200m in 2006 (including CAPEX)
- Cumulated impact: neutral at the end of 2007
- Savings for 2008 and onwards: circa EUR 200m on a full year basis

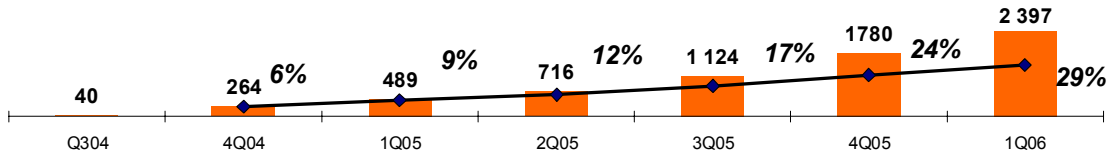
31

More on offers

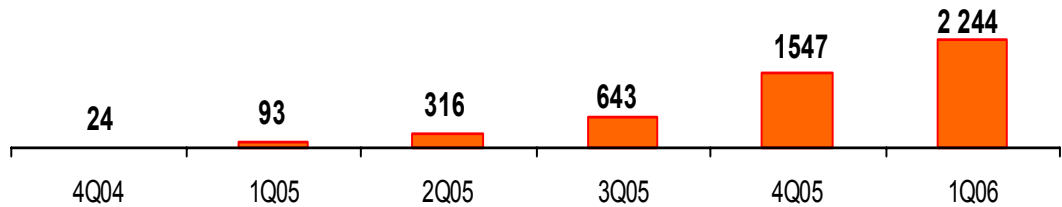


Ready for a new phase

Number of Livebox – Group (000) & % of ADSL customer base



Number of mobile broadband Customers - Group (000)



33

«Les Optimales France Télécom» PSTN offers

France Telecom subscription fee + services (voice mail, detailed bill, ...)

Various options such as caller name presentation

Atout illimité +120

59 €

Soon available

Atout +240

Atout+120

Main objective

Reduce churn

Brand



34

« Les optimales Orange » PSTN, Broadband Internet and TV



Soon available

France Telecom subscription fee + services
(voice mail, detailed bill, ...)

Various options such as caller name
presentation

Atout +240

8 MegaMax Internet broadband

Digital TV with 30 channels' bouquet

Main objective

Reduce churn

Brand



35

New Orange triple-play offers Free digital TV included



ADSL
1M Max

ADSL
8M Max

ADSL
18M Max

TV included

24.9€

29.9€

39.9€

+ VoIP, Video telephony, security, installation, ...

Main objective

Maintain retail ADSL market share

Brand



36

New Orange triple-play offers Internet + TV + Unlimited Telephony (ADSL line included – No subscription fee)



Soon available

ADSL
1 M max

ADSL
8 M max

TV included

Unlimited voice (VoIP)
for landline calls

Main objective

Sustain retail ADSL market share in
dense areas

Brand



37

All included offers in the UK

Try Broadband, with no commitment

try broadband without getting tied into a contract
try out services we love

speeds of up to 1meg for just £14.99

free USB modem

no connection charge

available nationwide

available to all new customers and all existing dial-up customers

38

All included offers in the UK

Free Broadband

free broadband with an Orange Pay Monthly plan - £30+ on Racoon, Canary and Panther on 18 month contract

transparent –no catches

speeds of up to 8meg

free Livebox

free evening and weekend UK landline calls

new and existing customers



39

All included offers in the UK

talk freely when you're part of the Orange family

get broadband customers talking for £6 a month:

Unlimited calls to any UK landline

Unlimited calls between Orange Broadband customers

Unlimited calls to Orange mobile customers



40

Cautionary Statement

This presentation contains forward-looking statements and information on France Telecom's objectives, notably for 2006. Although France Telecom believes that these statements are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties and there is no certainty that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could result in material differences between the objectives presented and the actual achievements include, among other things, changes in the telecom market's regulatory environment, competitive environment and technological trends, the success of the NEXt program and other strategic initiatives (based on the integrated operator model) as well as France Telecom's financial and operating initiatives, and risks and uncertainties attendant upon business activity, exchange rate fluctuations and international operations.

All the financial information in this presentation is based on international financial reporting standards (IFRS) and present additional specific uncertainty factors given the risk of changes in IFRS standards.

More detailed information on the potential risks that could affect France Telecom's financial results can be found in the Document de Référence filed with the Autorité des Marchés Financiers and in the Form 20-F filed with the U.S. Securities and Exchange Commission.



open