

Orange financial results

#FY_2020



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Disclaimer

This presentation contains forward-looking statements about Orange's financial situation, results of operations and strategy. 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. In particular, the Covid-19 outbreak may exacerbate the risks that the Group could face. More detailed information on the potential risks that could affect our financial results is included in the Universal Registration Document filed on 20 April 2020 with the French Financial Markets Authority (AMF) and in the annual report (Form 20-F) filed on 21 April 2020 with the U.S. Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made. Other than as required by law, Orange does not undertake any obligation to update them in light of new information or future developments.

Section One

FY 2020 highlights



Key messages



Excellent commercial performance overall with FTTH net adds record



Resilient revenues in the context of Covid supported by outstanding MEA and solid France

B2B

Solid Recovery on IT&IS in Q4 thanks to Cloud and Cyberdefense
European leader in cybersecurity with 11% revenue growth in Q4



Key milestones in infrastructure achieved with recent signing of **Orange concessions** transaction and creation of **European Towerco** well on track



All elements of guidance achieved including turnaround of 2020 Organic Cash Flow at 2.5bn€ (vs. > 2.3bn€ guidance) reinforcing our strong balance sheet

2020 key achievements

Engage 2025



FTTH

 **47.2m**

connectable homes

9.3m cust. **+24%**
yoy

+1.8m customers yoy,
accelerating in Q4

 **5G**

Successful launch in
5 European countries

Strong appetite for
5G smartphones

France



Record FTTH
net adds in Q4 +388k



Best mobile network
10th year in a row



1 NPS

Enterprise

IT&IS growth at
+2.3% yoy FY
back to solid trend in Q4 at
+5.6% despite the crisis

#1 in Cloud in Europe for
Hosted Private Cloud*

Europe



New organization for
“Back to growth” plan



Best quarterly FTTH
net adds in Poland



Acquisition of Telekom
Romania ongoing

MEA



1.96 bn€ in
EBITDAaL FY20
+10% growth in 1y

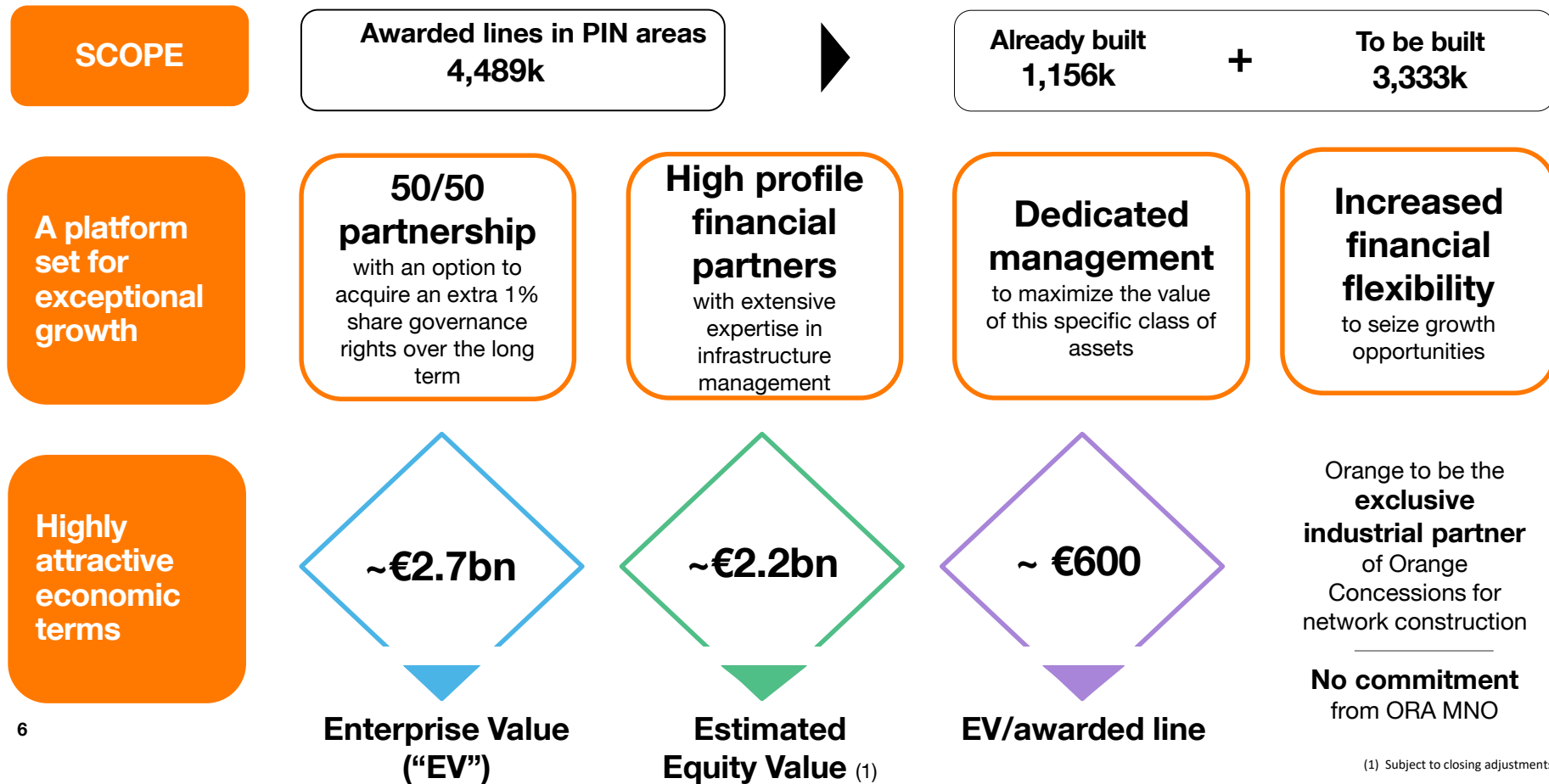


1st time crossing
€500m revenues



>350k OB clients
in Africa in 5 mo.

Orange Concessions: the leading fiber platform in French rural areas



FY 2020 financial achievements

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

All Group level mentions include both telecom and banking activities. Conversely, all mentions excluding Orange bank are explicitly called "Telecom"

*subject to shareholders' approval; ex-date June 15th, record date June 16th, payment date June 17th 2021 for the €0.30 2020 balance plus additional €0.20 linked to tax refund allocation

FY 20

Revenue

€42.3bn

+0.3% yoy in FY20

EBITDAaL

€12.7bn

-1.0% yoy in FY20

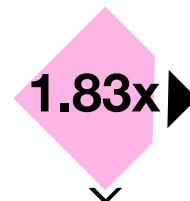
eCapex

€7.1bn

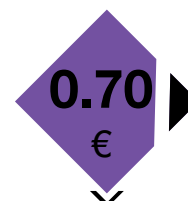
-1.7% yoy in FY20



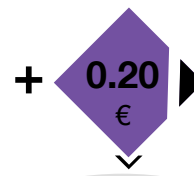
Organic CF
(telecom)



Net debt /
EBITDAaL
(telecom)



Dividend
2020*



additional
0.2€ linked to
tax refund
allocation

Towards a more sustainable, inclusive & responsible 2025



Digital inclusion

develop connectivity and inclusive services

Ambitions

VHBB addressable homes (in millions)  **69m / 2023**

Orange Digital Center  **32 / 2025**

Environment

reduce our CO₂ eq. emissions and implement circular economy to achieve Net Zero Carbon by 2040

CO₂ emissions reduction vs 2015 (%)  **-30% / 2025**

Collected mobile (% in Europe)  **30% / 2025**

Diversity

align gender representation in management with employee representation

Women in management network (%)  **35% / 2025**

Crisis solidarity actions, notably

- Immediate payment for suppliers
- Significant budget increases for Orange Foundation
- Solidarity retail offers for both BtC and SMEs

Section Two

Financial results overview

Revenue slightly up in FY 2020

FY 2020
revenue*

€42.3bn

Q4 2020

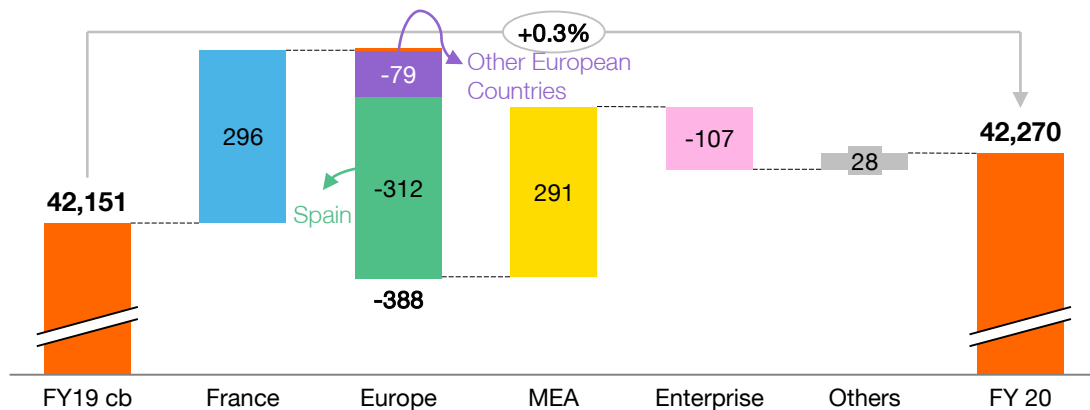
FY 2020

yoy
-0.2%
-€27m

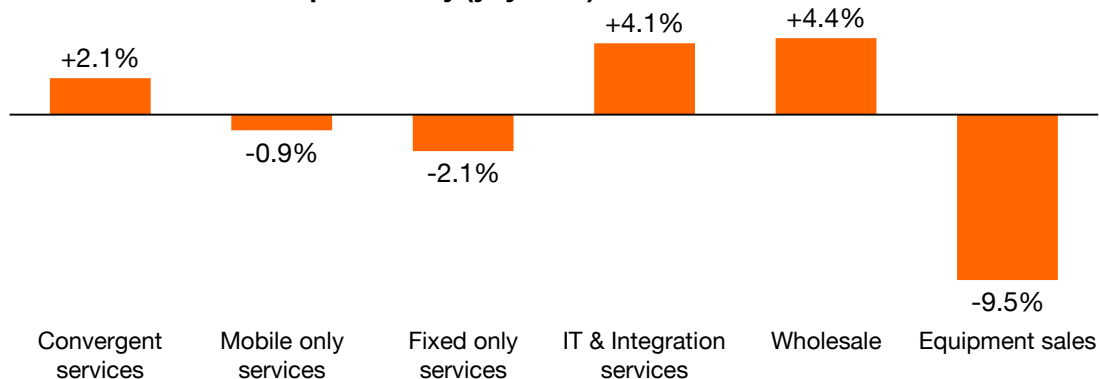
yoy
+0.3%
+€119m

* Orange Bank Net Banking Income is not included in Group revenues but in "Other operating income", that is below the revenue line and feeds directly into consolidated EBITDAaL.

FY20 revenue growth contribution per segment (yoy in €m)



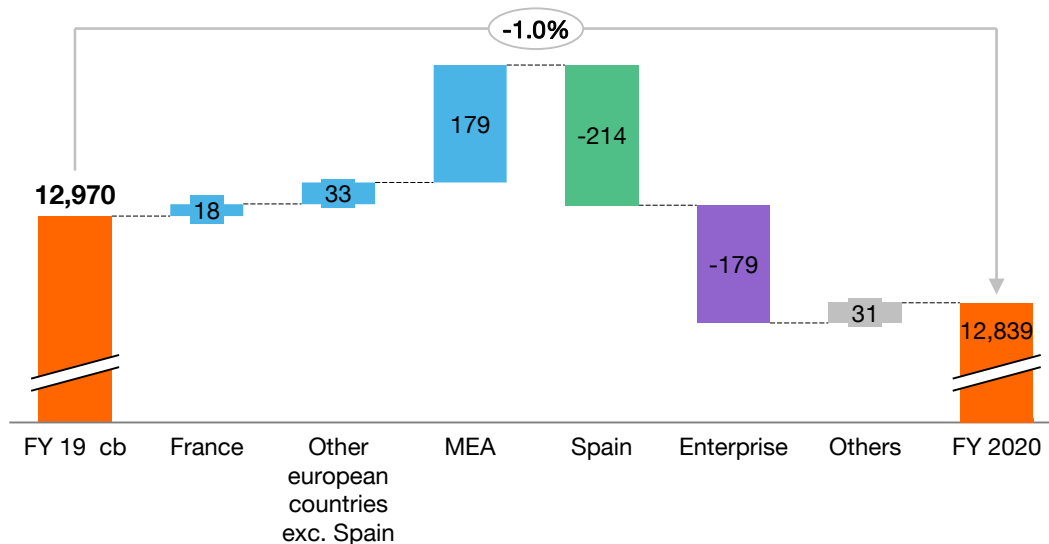
FY20 revenue evolution per activity (yoy in %)



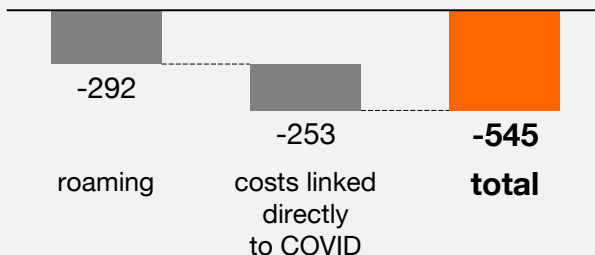
EBITDAaL down in crisis context

Growth in MEA, resilience in France and Europe mitigating deterioration in Spain & Enterprise

FY 20 EBITDAaL Telecom growth per segment (yoy in €m)



Negative FY 20 EBITDAaL impact related to crisis (€m)



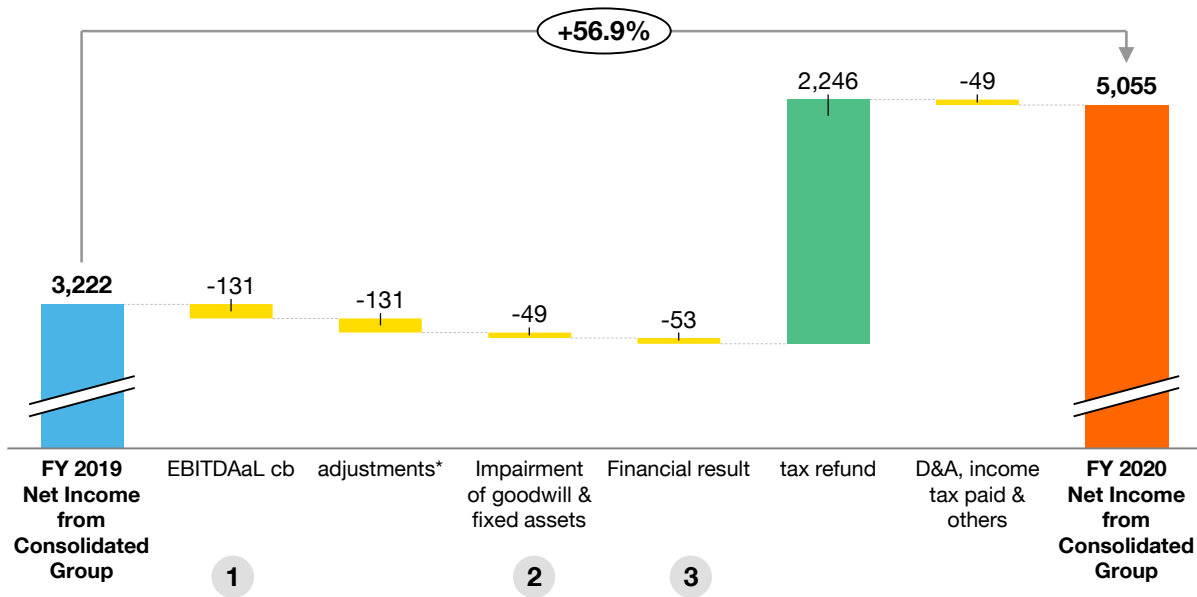
	Q4 2020	FY 2020
FY 2020 EBITDAaL (Telecom)	yoy -1.8% -€60m	yoy -1.0% -€131m
€12.8bn	As % of rev. 29.7% -0.5pt yoy	As % of rev. 30.4% -0.4pt yoy

Net income up +56.9%

FY 2020
Net income

€5.1bn

yoy
+56.9%
+€1.8bn

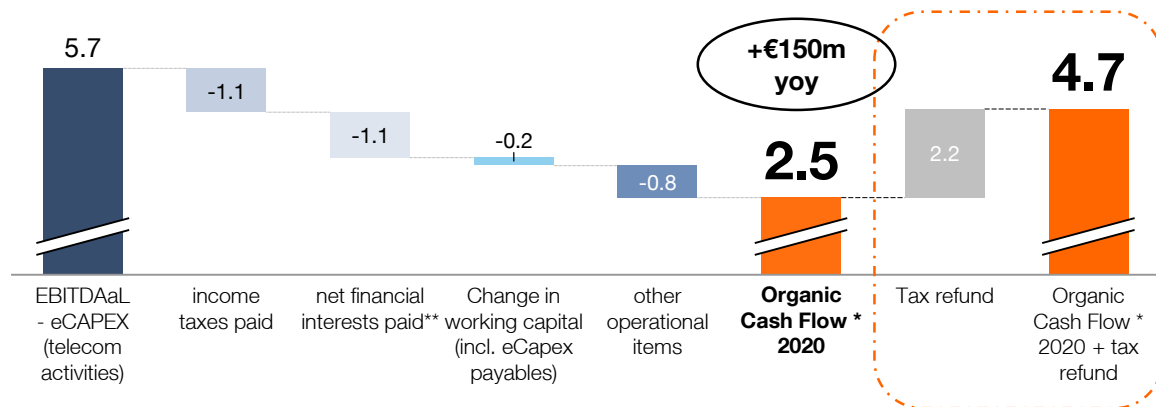


* See details on slide 43

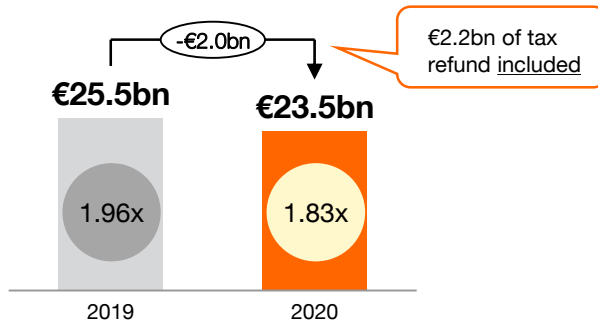
Organic Cash Flow* turnaround

+ 150m€ yoy

Organic Cash Flow (telecom activities) in 2020 growing at €2.5bn and at €4.7bn adding tax refund
(in €bn)



Net debt*** (telecom activities)



○ Net Debt / EBITDAaL Telecom

Liquidity position (telecom activities)

€17.2 bn
o/w €11.1bn in cash

*Organic cash flow from telecoms activities corresponds to net cash provided by operating activities, minus (i) repayments of lease liabilities and on debts related to financed assets, and (ii) purchases and sales of property, plant and equipment and intangible assets, net of change in fixed assets payables, (iii) excluding telecommunication licenses paid and significant litigations paid (and received).

**Excluding 0.1 billion euros in interest disbursed on lease liabilities and on debts related to financed assets

***see details on slide 44

Section Three

Business review

Q4 2020 France: financial performance

Resilience of core retail services compensates structural decline of narrowband

in €m	Q4 20	yoy cb	FY 20	yoy cb
Revenues	4,744	+0.2%	18,461	+1.6%
Retail services	2,696	-1.3%	10,764	-0.4%
Convergent services*	1,155	+0.5%	4,559	+3.1%
Mobile only services	558	-1.2%	2,245	-2.4%
Fixed only services	983	-3.3%	3,959	-3.1%
Fixed only broadband	696	+1.2%	2,748	+1.8%
Fixed only narrowband	287	-12.8%	1,212	-12.6%
Wholesale	1,452	+1.9%	5,866	+6.7%
Equipment sales	427	-2.6%	1,187	-12.2%
Other revenues	169	+21.0%	644	+27.3%
EBITDAaL			7,163	+0.2%
EBITDAaL margin			38.8%	-0.5pt
eCAPEX			3,748	-7.5%
eCAPEX/revenues			20.3%	-2.0pt

*B2C only

+0.6% yoy
Q4 Retail excl. digital content offers (DCO)

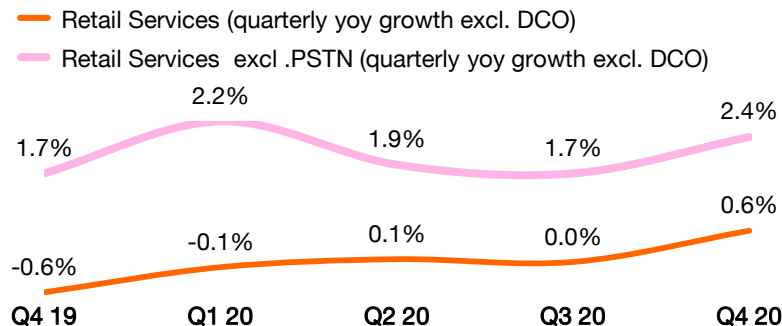
+0.1% yoy
FY Retail excl. digital content offers (DCO)

+3.3% yoy
Q4 Convergent services excl. DCO

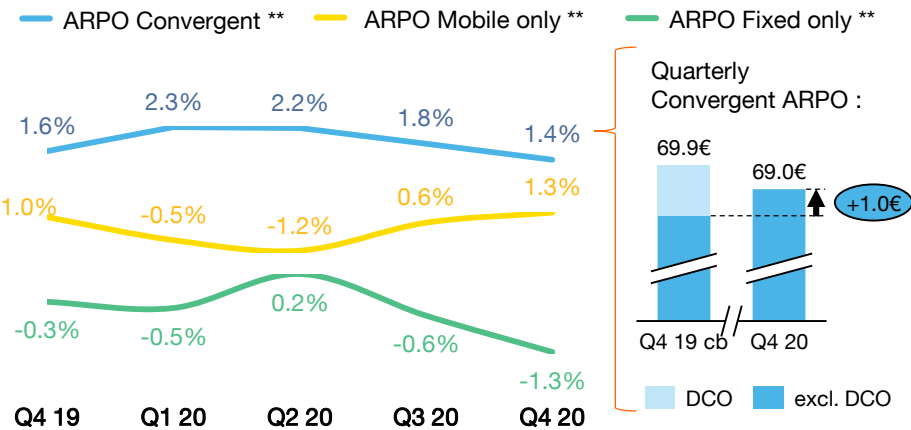
+4.0% yoy
FY Convergent services excl. DCO

+1.1% yoy FY20 EBITDAaL excl. DCO

Solid retail services trend



Convergent & mobile ARPO growth despite roaming drop



Q4 2020 France: commercial performance

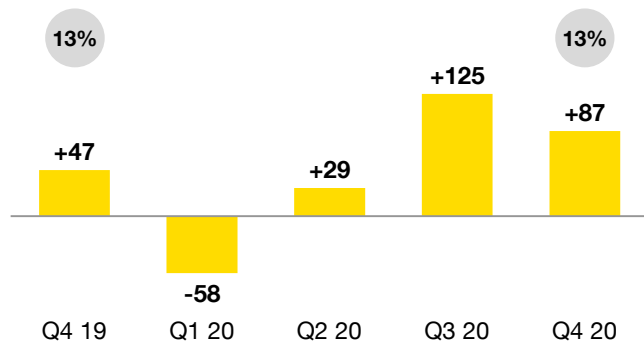
Strengthening leadership



Mobile contract net adds (in '000s) and churn rate

net adds excl M2M

quarterly churn rate in %



#1 mobile network
for the 10th consecutive year (ARCEP)

4G 99% of 4G population coverage

87% of B2C voice contract customers have a 4G plan (+3pts yoy)

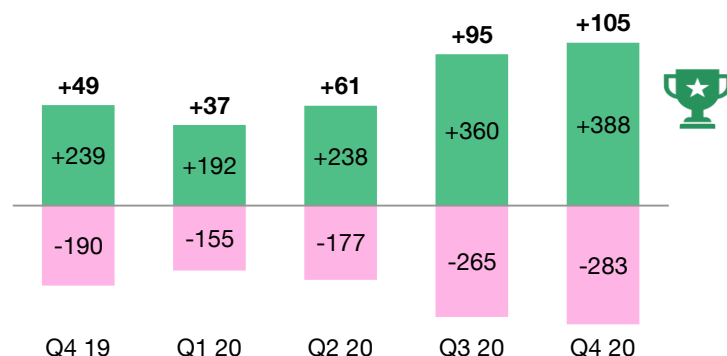
+1.0% Number of mobile lines per convergent offer (Q4 yoy growth)



Fixed BB net adds (in '000s)

FTTH

ADSL and others



New FTTH net adds record in Q4 reaching 4.5m FTTH customers (+35.3 %yoy)



22.9m of FTTH connectable homes (+40.6% yoy)



52% of FTTH adds* are new customers



+1.0pt Growth of B2C broadband convergent customer premium** mix, yoy

54%

of broadband B2C Customers are on Open **convergent** offers



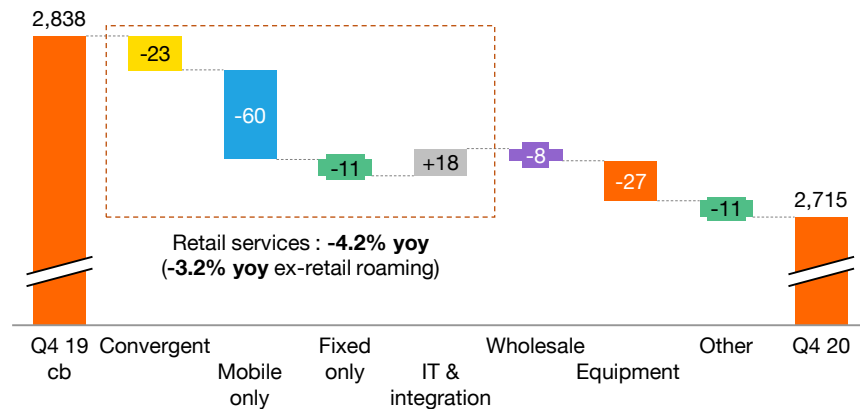
Q4 2020 Europe

Strong commercial trends despite Covid-19

in €m	Q4 20	yoy cb	FY 20	yoy cb
Revenues	2,715	-4.3%	10,580	-3.5%
Retail services	1,781	-4.2%	7,147	-3.0%
Convergent services*	667	-3.4%	2,717	+0.5%
Mobile only services	747	-7.4%	3,038	-7.5%
Fixed only services	267	-4.1%	1,083	-4.1%
IT & integration services	101	+21.3%	310	+22.7%
Wholesale	492	-1.6%	1,924	-0.9%
Equipment sales	409	-6.2%	1,375	-7.6%
Other revenues	33	-24.6%	134	-21.5%
EBITDAaL			2,932	-5.8%
EBITDAaL margin			27.7%	-0.7pt
eCAPEX			1,847	+10.7%
eCAPEX/revenues			17.5%	2.2pt

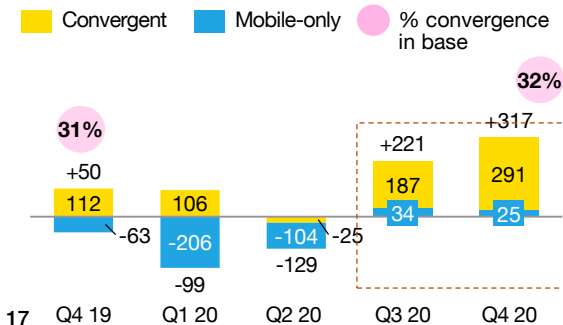
*B2C only

Revenue evolution (in €m)



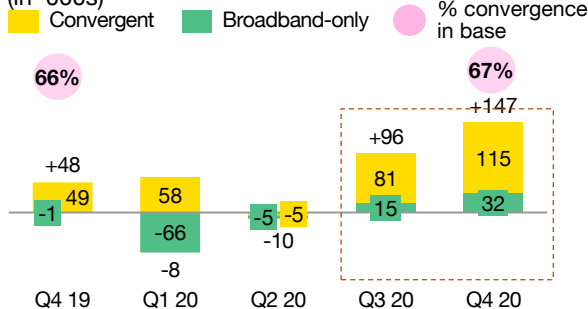
Europe, mobile contract net adds

ex-M2M (in '000s)

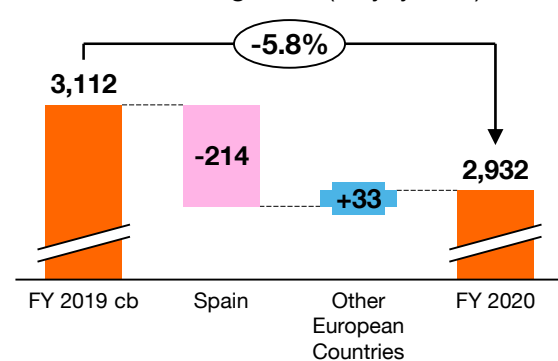


Europe, Fixed Broadband net adds

(in '000s)



FY EBITDAaL growth (cb yoy in %)



Q4 2020 Spain

Confirmation of commercial turnaround, first step to improve EBITDAaL trend, our priority

in €m	Q4 20	yoy cb	FY 20	yoy cb
Revenues	1,211	-8.8%	4,951	-5.9%
Retail services	837	-10.8%	3,476	-7.6%
Convergent services*	477	-9.2%	1,984	-5.1%
Mobile only services	242	-14.7%	1,012	-12.9%
Fixed only services	115	-8.9%	471	-5.9%
Wholesale	236	-2.1%	916	+1.7%
Equipment sales	139	-7.2%	547	-9.2%
Other revenues	0	+79.3%	12	+0.0%
EBITDAaL			1,433	-13.0%
EBITDAaL margin			28.9%	-2.3pt
eCAPEX			969	+19.3%
eCAPEX/revenues			19.6%	4.1pt

*B2C only

85% Convergence as % of broadband B2C customer base **+2pt yoy**

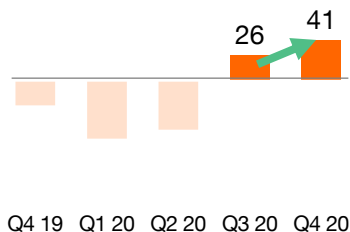
83% Fiber penetration in BB customer base **+4pt yoy**

67% 4G penetration in mobile customer base **-1pt yoy**

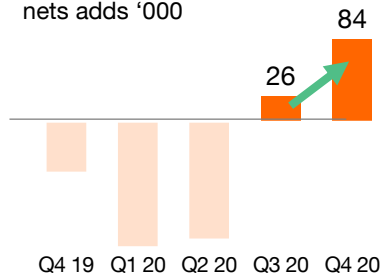
18% TV penetration in BB customer base **+0pt yoy**

Acceleration of commercial momentum

FBB nets adds '000



Mobile contract excl. M2M nets adds '000



Main action plans to improve EBITDAaL trend

- Consolidate commercial performance
- Accelerate B2B activity
- Focus on customer experience
- Simplification
- Strengthen customer relationship digitisation
- Further costs optimization

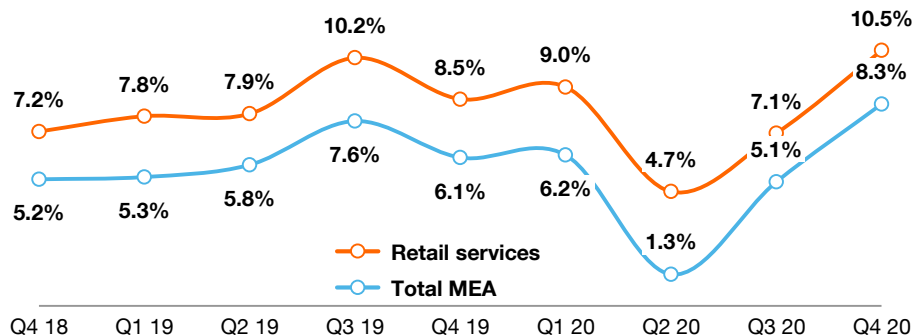
Q4 2020 Africa & Middle East


Outstanding performance

in €m	Q4 20	yoy cb	FY 20	yoy cb
Revenues	1,515	+8.3%	5,834	+5.2%
Retail services	1,301	+10.5%	5,007	+7.8%
Mobile only services	1,140	+8.5%	4,420	+6.7%
Fixed only services	152	+23.7%	562	+15.5%
IT & integration services	9	+123.0%	25	+75.4%
Wholesale	177	-1.5%	695	-9.0%
Equipment sales	27	-3.8%	89	-6.8%
Other revenues	10	-29.4%	43	+6.0%
EBITDAaL			1,964	+10.0%
EBITDAaL margin			33.7%	+1.5pt
eCAPEX			1,036	+6.0%
eCAPEX/revenues			17.8%	0.1pt

> 80% of revenue comes from sustainably resilient retail services

Revenue cb yoy growth in %



 **33.0 m** **+39% yoy**
4G customers

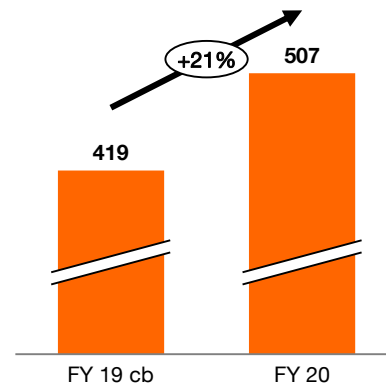
+23% Data revenue growth Q4 20

 **1.7m** **+39% yoy**
FBB customers

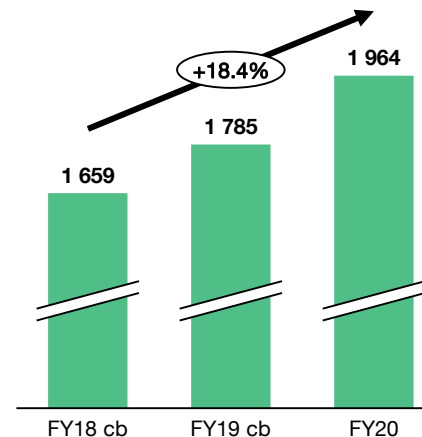
+36% FBB revenue growth Q4 20

Orange Money

€507m FY 20 revenues, with
21.9m active customers* (+20% yoy)
(revenues in million EUR,
yoy growth in %)



EBITDAaL increase by +18%
since 2018



Q4 2020 Enterprise

Strong recovery in IT&IS revenues thanks to Cloud and Cybersecurity

in €m	Q4 20	yoy cb	FY 20	yoy cb
Revenues	2,050	-1.2%	7,807	-1.4%
Fixed only services	942	-5.2%	3,851	-2.5%
Voice	302	-6.0%	1,237	-3.8%
Data	639	-4.8%	2,614	-1.9%
IT & integration services	877	+5.6%	3,086	+2.3%
Mobile*	231	-7.9%	870	-8.3%
EBITDAaL			1,023	-14.9%
EBITDAaL margin			13.1%	-2.1pt
eCAPEX			339	-16.0%
eCAPEX/revenues			4.3%	-0.8pt

*Mobile = Mobile Only Services + Equipment Sales

IT&IS share in total revenues: 39.5%

(vs. 37.2%* in FY19 – historical data)

Cybersecurity



+9% yoy**

A European leader with **€768m** revenues FY20

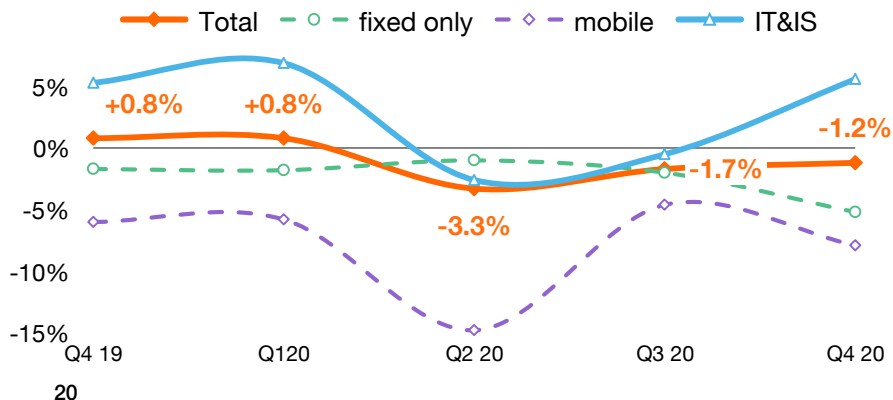
Cloud



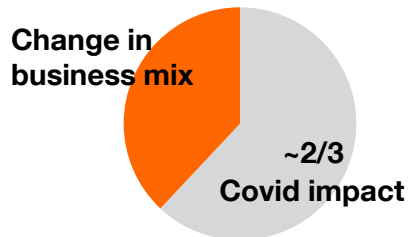
+6% yoy**

**FY20 revenue growth

Revenue evolution



FY 20 EBITDAaL evolution



Increasing NPS



23

+5 vs
2H19

Large
Accounts
France

50

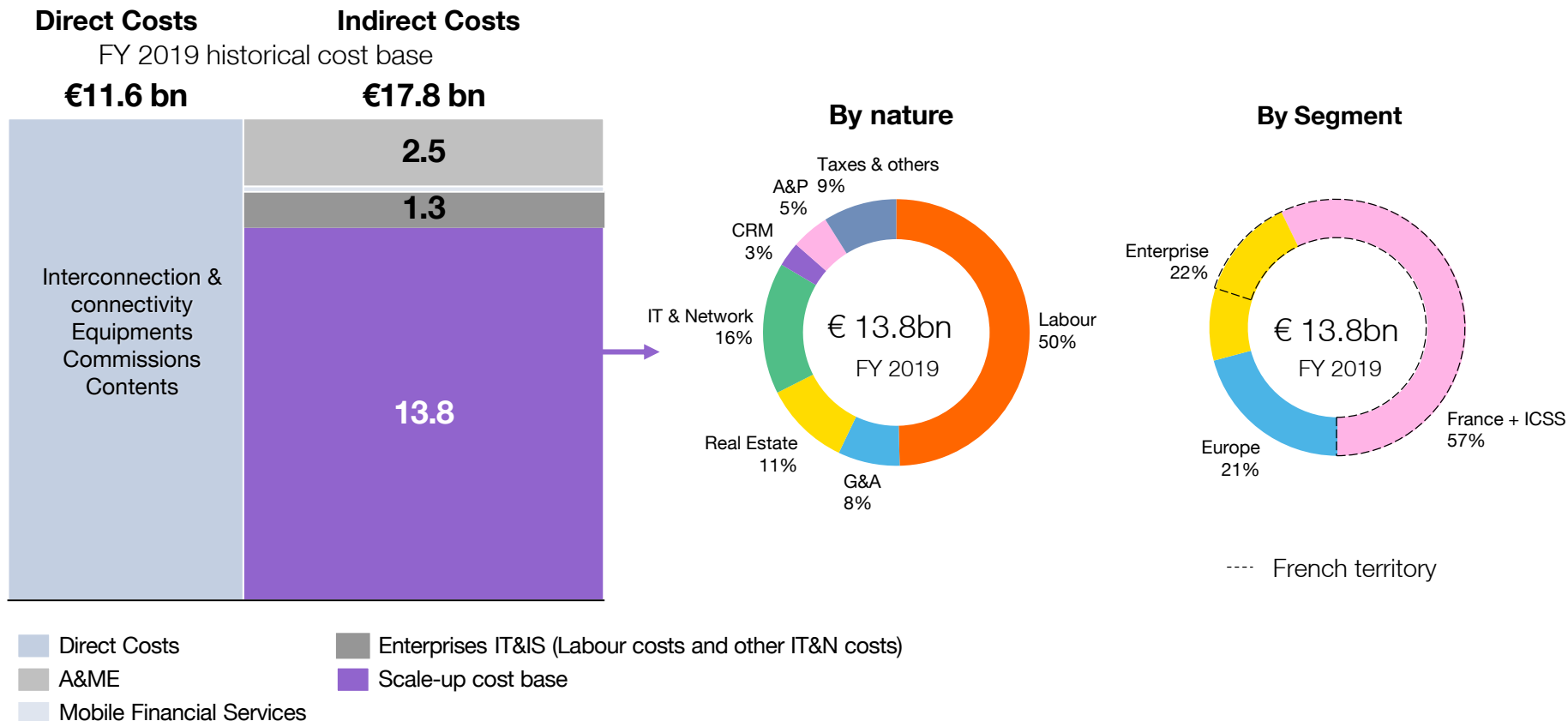
+8 vs
2H19

International
Business

Section Four

Scale Up, the €1bn net cost savings program by 2023

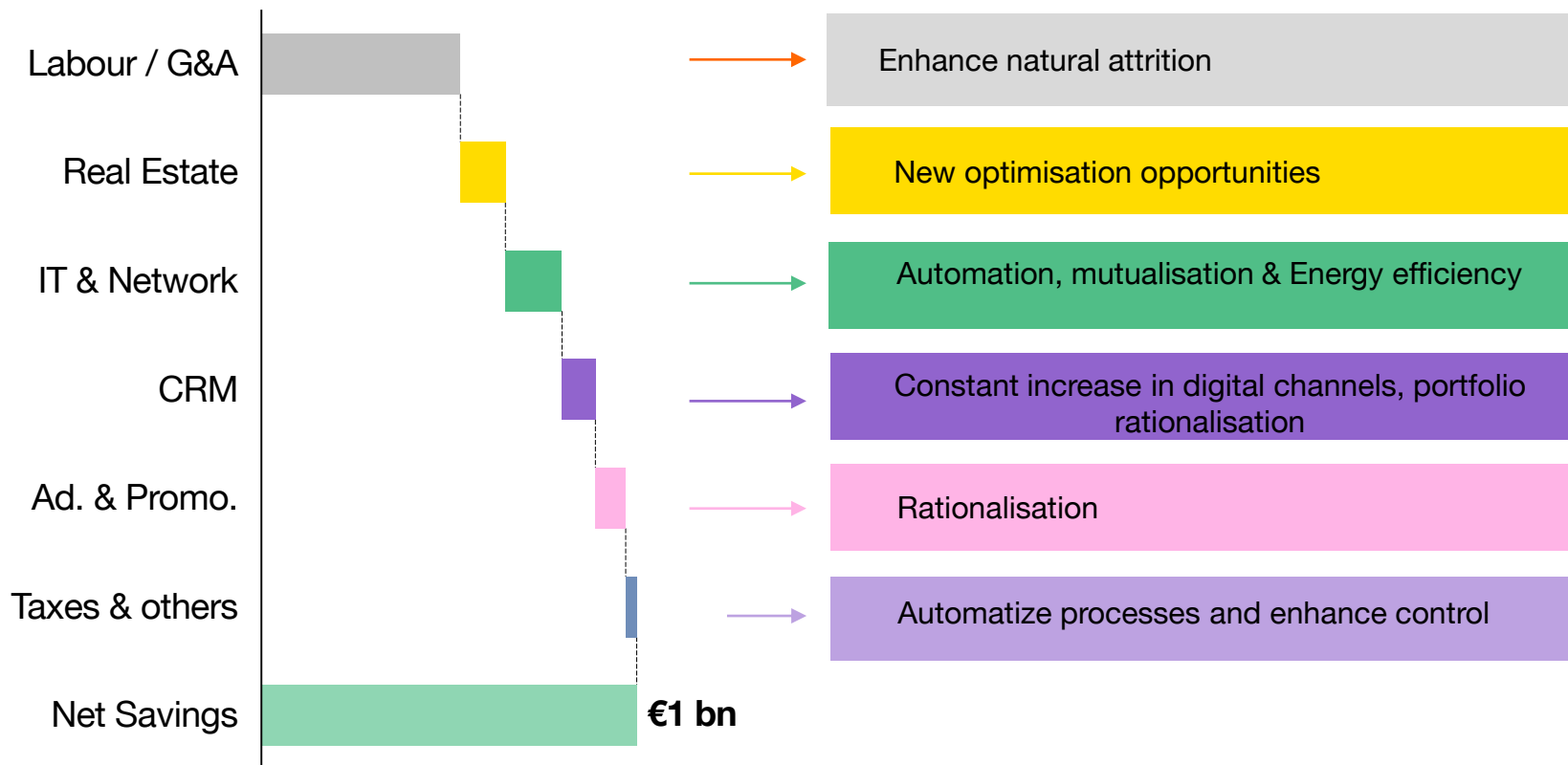
Scale Up program, €1bn net savings out of €13.8bn indirect costs



Several levers identified with dedicated task force

Savings ambitions by nature* (€1 bn) by 2023

Levers



Focus on selected major initiatives, 2023 savings targets vs. 2019

~€500m

net savings vs. 2019



People Transformation

Starting negotiations with employee representatives to accelerate natural departure, reinforcing balance between corporate & local functions and tasks

Discipline on salary policy

~€100m

net savings vs. 2019



Real Estate

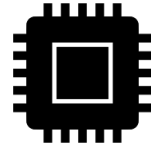
New behaviours reinforced by sanitary crisis & CSR policy

Improving space management, leveraging post-COVID new ways of working

- Lease renegotiations
- More frugality on each real estate project
- Optimisation of shops location and space
- Acceleration in disposal of sub-optimised space/buildings

~€60-80m

net savings vs. 2019



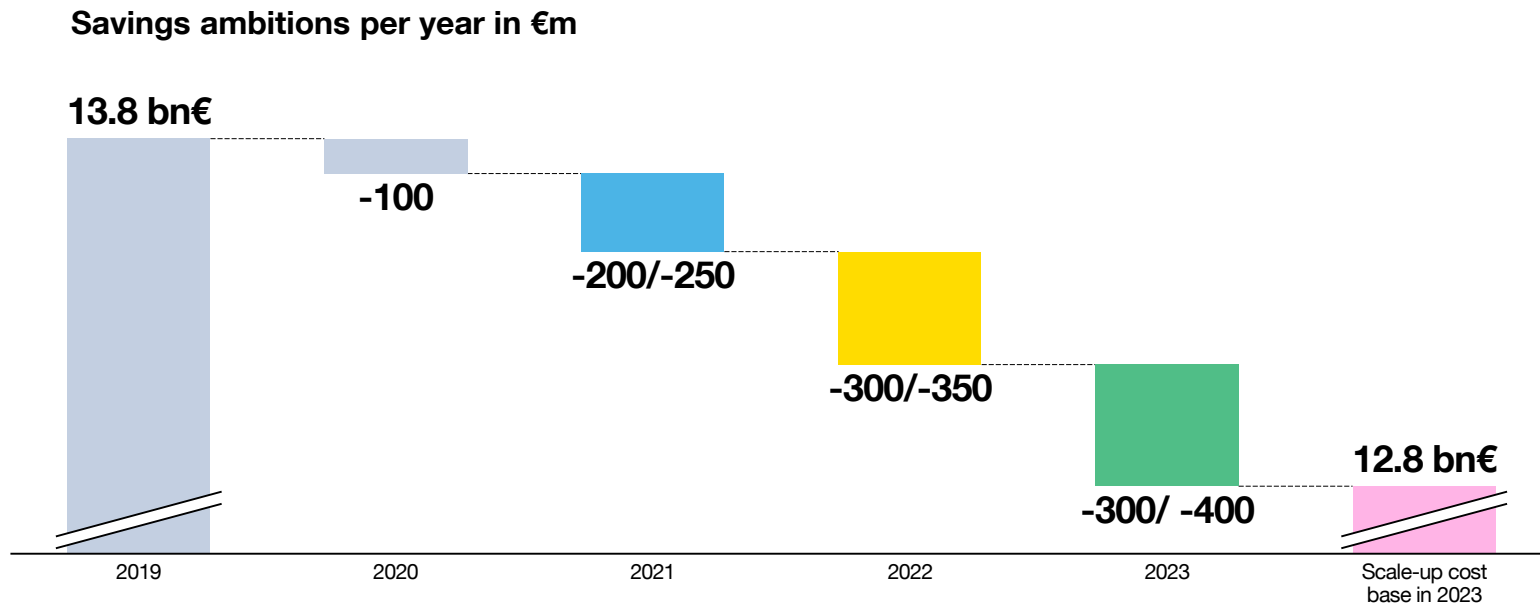
Automation (RPA, data, IA)

2000+ robotised processes o/w 700 new in 2020

12 countries already in action

5 International skill centers (training, delivery, infrastructure) to support entities

Cost decrease acceleration to reach 1bn€ net reduction target by 2023

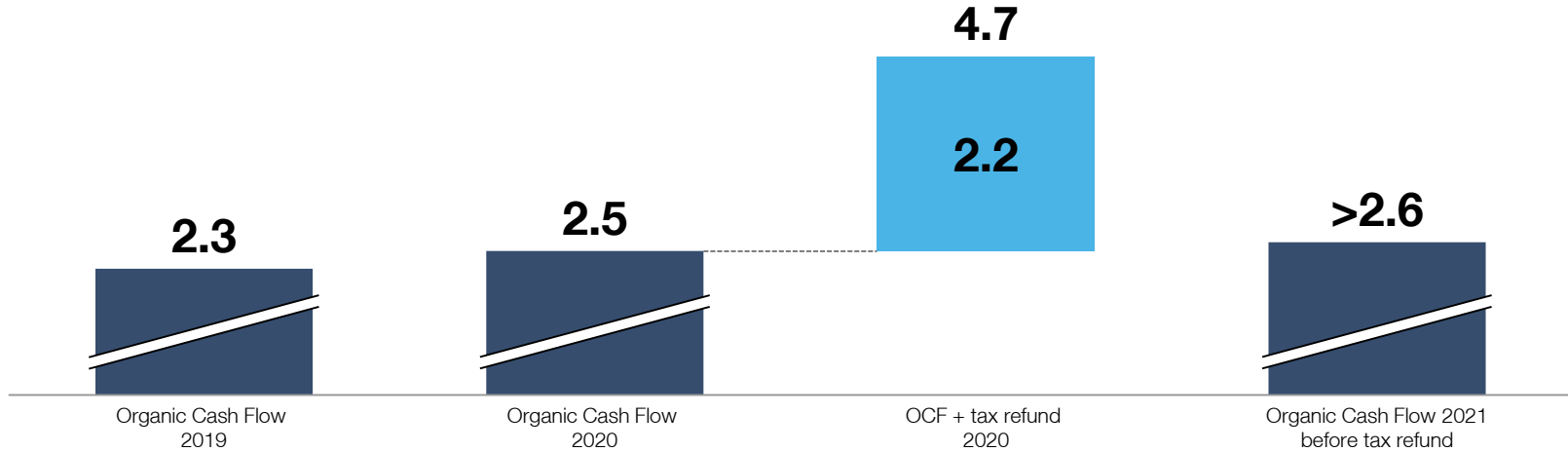


Section Five

Guidance

Organic Cash Flow & tax refund inflow

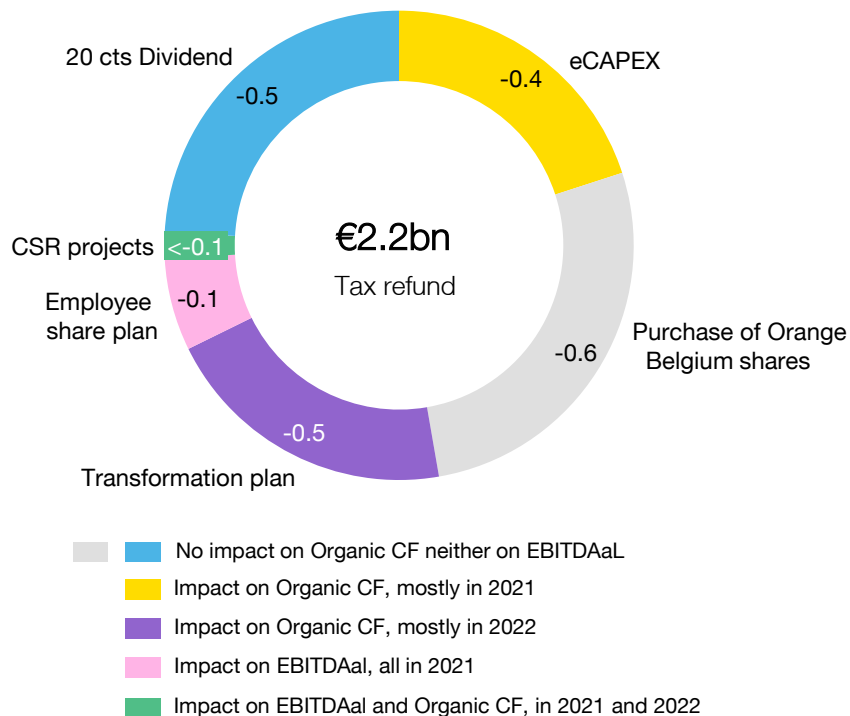
In €bn



Balanced tax allocation to create value mid-long term

Benefits/Value Creation

2021 & 2022 allocation of the tax refund cash



Highly accretive value investments with IRR between **15% and 20%**:

- 3rd party co-financing in France
- Investments in network in MEA

Reduce dividend leakage

Accelerate transformation

Increase employee participation on shareholding

Towards a more sustainable, inclusive, responsible and value accretive business

Guidance 2021

	2020 Achieved	2021e before tax refund allocation	Tax refund allocation impact in 2021	2021e	
EBITDAaL, yoy	-1%	Around +1%	Decrease between €0.1bn and €0.2bn, subject to employee share plan take-up and CSR	Flat -	
eCAPEX yoy	1 ~ 7.1 bn€	2 ~ €7.3 bn	3 ~ €0.3bn	€ 7.6 -7.7bn	
Organic Cash Flow (telecom)*	€2.5bn vs. >€2.3bn	+ €2.2bn*	> €2.6bn	~ - €0.4bn	> €2.2bn
Net debt / EBITDAaL (telecom)	1.83x	o/w 0.17x decrease*	Around 2x in the medium term	No impact on guidance	Around 2x in the medium term
Dividend**	€0.70	+ Additional €0.2**	€0.70	Additional €0.2**	€0.70

• Linked to the tax refund.

** 20 cts dividend paid in 2021, fiscal year 2020

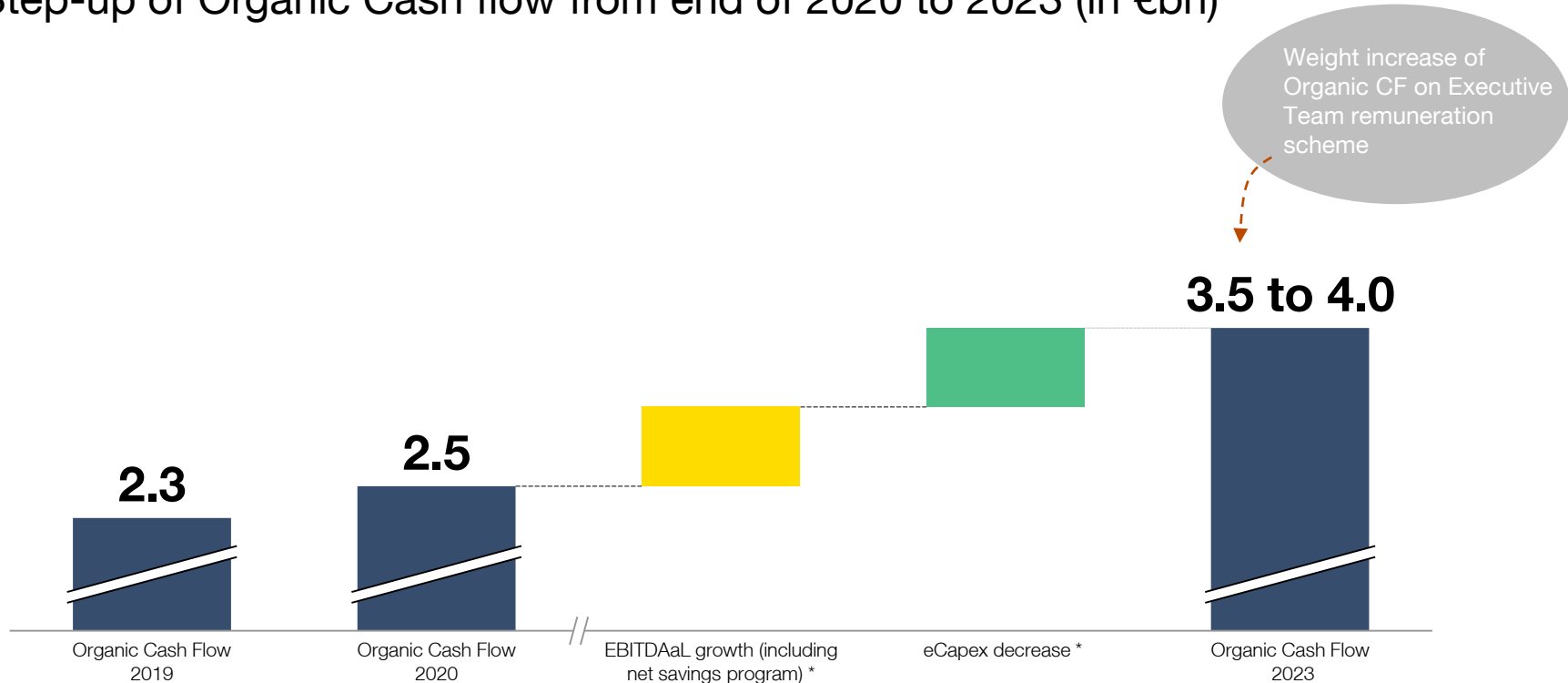


1 + 2 + 3

~14.7- 14.8 €bn including tax refund associated investments

Reiterated 2023 Organic Cash Flow guidance

Step-up of Organic Cash flow from end of 2020 to 2023 (in €bn)



* Bars size is not to scale
Non-exhaustive list of cash items

Section Six

FY20 Q&A

Section Seven

European Towerco

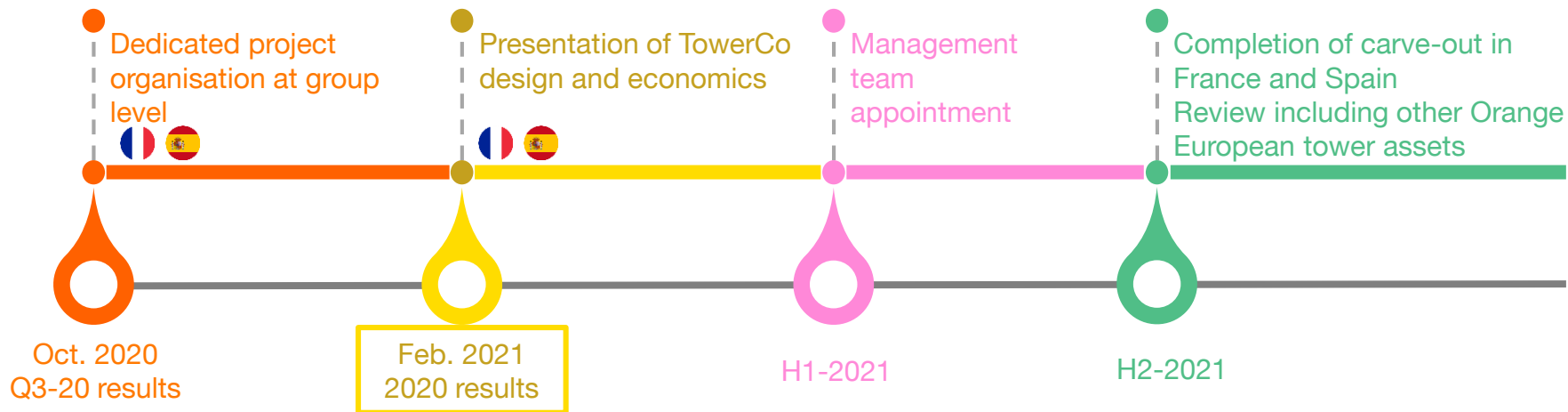
Creating a leading European mobile passive infrastructure platform

Key objectives

Run Orange's first class mobile passive infrastructure as an industrial growth engine



Get ready to take part in the European tower market consolidation

Timeline



TowerCo key metrics

2020 metrics

	 France	 Spain	Total
# of macro sites ('000s)	17.6	7.9	25.5
Tenancy ratio ⁽¹⁾	1.18x	1.59x	1.31x
Ground-based towers / rooftops (%)	~55% / 45%	~52% / 48%	
Land owned			2 000 +

Forward metrics

Tenancy ratio ⁽¹⁾	From 1.3x in 2020 to 1.5x by 2026
New sites	Up to 3 000 new macro sites to be built over the next 8 years
Escalation	Inflation-linked No cap, 0% floor

(1) Tenancy ratio defined as total number of active tenants divided by total number of sites.
Ran sharing accounts for multiple tenants.

(2) Relates to hosting revenue excluding works & studies.

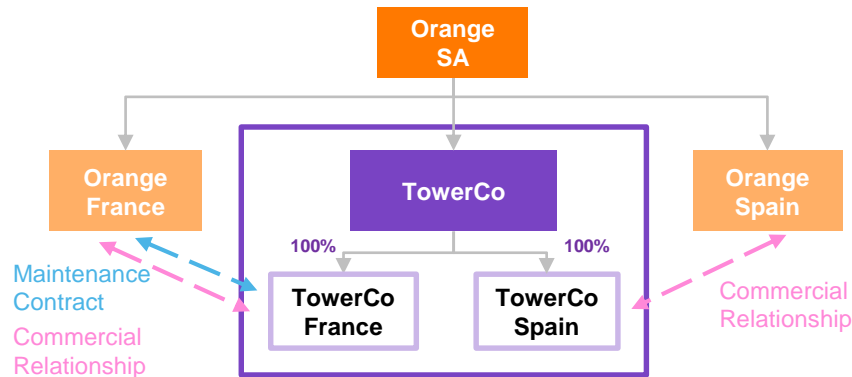
(3) EBITDA after adjustments, amortization of right of use, interests on debts related to financed assets and on lease liabilities.

Pro forma financial metrics⁽²⁾

€m	2019	2020
Revenue	493	510
France	349	358
Spain	143	152
EBITDA (IFRS 16)	422	444
% Margin	85.7%	87.0%
EBITDAaL⁽³⁾	276	292
% Margin	56.0%	57.2%

TowerCo's scope, structure and governance underpin its full autonomy and independence

Simplified legal structure



TowerCo Governance

- **Management fully independent** from Orange MNOs
- **No board members from Orange MNOs**
- **2 independent** board members

Fully self-standing entity

- **All core assets and functions transferred**
 - Sites, land, leases and third-party tenancy contracts
 - Full in-house capabilities to run operations for anchor and third-party tenants such as new sites (BTS, turn key) or tenants maintenance
 - Stable organisation with c. 200 FTEs in steady state structure
- **Ability to leverage Orange capabilities under arm's length and non-exclusive terms**
 - Sites commissioning, construction works and maintenance
 - Non-core services
- **Best-in-class MSA providing long-term cash flow visibility for TowerCo to drive value creation**

Best-in-class MSA providing long-term cash flow visibility for TowerCo to drive value creation while preserving Orange's retail leadership

MSA Key Terms

Contract Structure	<ul style="list-style-type: none">➤ MSA type agreement➤ One MSA per country with a common template
Term	<ul style="list-style-type: none">➤ 15-year initial term➤ 2x10-year automatic renewal
Renewal	<ul style="list-style-type: none">➤ All-or-nothing renewal clause
Anchor Fee	<ul style="list-style-type: none">➤ Anchor fees aligned with local market benchmarks
Escalation	<ul style="list-style-type: none">➤ Inflation-linked with no cap and 0% floor
Preferred Supplier	<ul style="list-style-type: none">➤ Right of first offer on all new sites to be built by Orange
Network Sharing	<ul style="list-style-type: none">➤ Protective RAN-sharing provisions
Strategic Sites	<ul style="list-style-type: none">➤ Limited number of strategic sites (< 5% of total scope)

A clear path to long-term value creation

Organic growth potential



➤ Revenue

- Tenancy ratio increase from 1.3x to 1.5x by 2026
- Up to 3 000 new macro sites to be built over the next 8 years
- New digital services to be developed

➤ Costs

- Lease costs renegotiation and optimisation

Inorganic growth potential



- Potential for Orange to contribute additional sites in other European markets
- Disciplined, returns-driven M&A

Capital structure flexibility



- Intention to use full scope of capital structure flexibility to support organic and inorganic growth investments
- Orange to retain control

Section Eight

European Towerco Q&A

Annexes

Convergence, the bedrock of our strategy

€1.8bn

Convergent services
revenues in Q4 2020



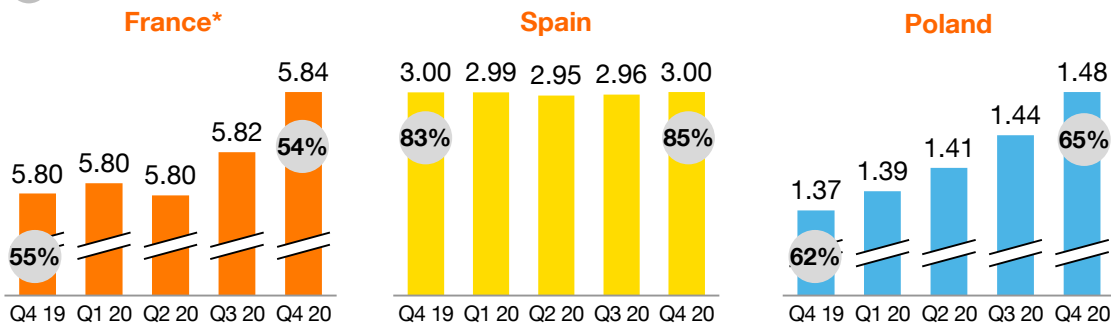
-1.0% yoy



Convergent B2C customer base in million



% of broadband B2C customer base



Churn improvement with convergence in Q4**



-4pt



-4pt



-1pt

Quarterly convergent ARPO, in €/month in Q4



€69.0

-1.2% yoy, cb



€54.6

-7.6% yoy



€23.8

+4.2% yoy***

Number of mobile lines per convergent offer (Q4 yoy growth)



1.68

+0.4% yoy



2.00

+2.4% yoy



1.88

-0.6% yoy

* Open customers only

** Churn differential between convergent B2C customers and total fixed BB B2C customers

*** YoY evolution calculated in local currency

COVID-19 crisis and cofinancing drove lower eCAPEX, despite acceleration in FTTH rollout

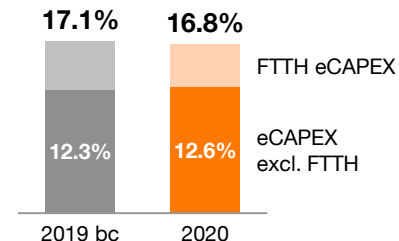
Telecom
FY 2020 eCAPEX

€7.1bn



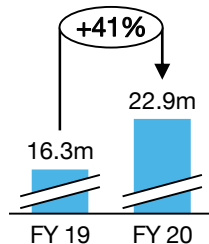
- 1.8% yoy
- €127m yoy

eCapex/CA (telecom, en %)

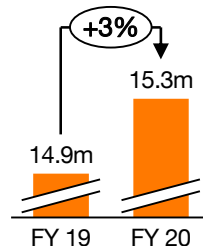


48.3m VHBB** connectable lines

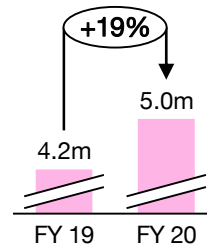
FTTH connectable
lines in France



VHBB connectable
lines in Spain



FTTH connectable
lines in Poland



Change in net income

(in millions of euros)	FY 2019 historical	FY 2019 cb	FY 2020 actual
EBITDAaL	12,856	12,812	12,680
Adjustments*	15	41	(115)
Depreciation & amortization of fixed assets	(7,110)		(7,134)
Impairment of goodwill & fixed assets	19		(30)
Share of profit (losses) of associates and JV	8		(2)
Other income / (charge)	141		122
Operating income	5,930		5,521
Effects resulting from BT stake	(119)		-
Financial result (excluding BT)	(1,142)		(1,314)
Tax	(1,447)		848
Net income from continuing activities	3,222		5,055
Net income from discontinued activities	-		-
Net income from consolidated Group	3,222		5,055
Minority interests	218		233
Net income Group share	3,004		4,822

*See details on slide 43

Adjustments

(in millions of euros)	FY 19 historical	FY 19 cb	FY 20 Actual
Cost of restructuring programs	(165)	(163)	(83)
Cost of acquisitions and integration	(24)	(24)	(37)
Significant litigations	(49)	(49)	(211)
Specific labour expenses	(23)	(23)	(12)
<i>o\w Senior Part Time</i>	(25)	(25)	(13)
Portfolio review and others	277	301	228

Change in net debt

(in millions of euros)	2019 historical	2020 Actual
EBITDAaL - eCAPEX (telecom activities)	5,750*	5,736
Change in working capital requirements	(204)	(500)
Change in eCAPEX payables	45	307
Net interest paid (including dividends received)**	(1,196)	(1,127)
Income taxes paid	(1,079)	(1,085)
Other operational items***	(971)*	(837)
Organic Cash Flow (telecom activities)	2,345	2,494
Main litigations paid/received****	5	2,217
Licences and spectrum paid	(334)	(351)
Dividends paid to owners of parent company	(1,857)	(1,595)
Dividends paid to non-controlling interests	(243)	(225)
Coupons and other fees on subordinated notes	(357)	(292)
Net of acquisitions and disposals	(77)	(89)
Exclusion of IFRS 16 leases from the net financial debt definition	584	-
Other financial items	(91)	(183)
Change in net debt	(25)	1,976
Net financial debt	(25,466)	(23,489)
Ratio of net financial debt / EBITDAaL of telecom activities	1.96x	1.83x

* 2019 data have been restated in compliance with the IFRS IC decision related to the enforceable duration of IFRS 16 lease contracts

**Excluding interest disbursed on lease liabilities and on debts related to financed assets of €(132)m in 2020 and €(104)m in 2019

***Of which (i) disbursements related to “Part- Time for Seniors” plan in France (TPS, procedures in relation to agreements on the employment of seniors in France) and related to restructuring and integration costs, (ii) repayments of lease liabilities and on debts related to financed assets, and (iii) elimination of non-monetary effects included in EBITDAaL

**** Of which tax refund of €2.2bn