



press release
Paris, 3 February 2012

France Telecom-Orange announces an agreement for the sale of its 35% stake in Orange Austria

France Telecom-Orange has entered into a binding agreement with its partner Mid Europa Partners ("MEP") for the sale of their combined 100% stake of Orange Austria to Hutchison 3G Austria ("Hutchison"), a subsidiary of Hutchison Whampoa Limited. France Telecom-Orange currently holds a 35% stake in Orange Austria and MEP a 65% stake. As part of the overall transaction, Hutchison will sell frequencies, base station sites, the mobile phone operator Yesss! Telekommunikation GmbH ("Yesss!") as well as certain intellectual property rights to Telekom Austria Group, immediately after the acquisition of Orange Austria,.

The agreement implies an enterprise value of approximately €1.3 billion for Orange Austria and is expected to provide France Telecom-Orange with cash proceeds of around €70 million for its equity stake.

The completion of these transactions remains subject to the approval by the relevant regulatory and anti-trust authorities. Completion is expected to take place in mid 2012.

After the recent announcement concerning the sale of Orange Switzerland, this agreement represents another milestone in the optimization of France Telecom's assets portfolio announced in May 2011.

Orange Austria is a mobile operator in Austria with estimated 2011 revenues of approximately €500 million and a total customer base of 2.3 million at the end of 2011. The company employs almost 800 people.

About France Telecom-Orange

France Telecom-Orange is one of the world's leading telecommunications operators with 170,000 employees worldwide, including 102,000 employees in France, and sales of 33.8 billion euros in the first nine months of 2011. Present in 35 countries, the Group had a customer base of 221 million customers at 30 September 2011, including 145 million customers under the Orange brand, the Group's single brand for internet, television and mobile services in the majority of countries where the company operates. At 30 September 2011, the Group had 162 million mobile customers and 14 million broadband internet (ADSL, fibre) customers worldwide. Orange is one of the main European operators for mobile and broadband internet services and, under the brand Orange Business Services, is one of the world leaders in providing telecommunication services to multinational companies.

With its industrial project, "conquests 2015", Orange is simultaneously addressing its employees, customers and shareholders, as well as the society in which the company operates, through a concrete set of action plans. These commitments are expressed through a new vision of human resources for employees; through the deployment of a network infrastructure upon which the Group will build its future growth; through the Group's ambition to offer a superior customer experience thanks in particular to improved quality of service; and through the acceleration of international development

France Telecom (NYSE:FTE) is listed on Euronext Paris (compartment A) and on the New York Stock Exchange.

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Press Contacts : +33 1 44 44 93 93

Sébastien Audra, sebastien.audra@orange.com

Olivier Emberger, olivier.emberger@orange.com