Orange Polska

1Q'15 results

28 April 2015

orange™

Forward looking statement

This presentation contains 'forward-looking statements' including, but not limited to, statements regarding anticipated future events and financial performance with respect to our operations. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like 'believe', 'expect', 'anticipate', 'estimated', 'project', 'plan', 'pro forma', and 'intend' or future or conditional verbs such as 'will', 'would', or 'may'. Factors that could cause actual results to differ materially from expected results include, but are not limited to, those set forth in our Registration Statement, as filed with the Polish securities and exchange commission, the competitive environment in which we operate, changes in general economic conditions and changes in the Polish, American and/or global financial and/or capital markets. Forward-looking statements represent management's views as of the date they are made, and we assume no obligation to update any forward-looking statements for actual events occurring after that date. You are cautioned not to place undue reliance on our forward-looking statements.

notice on pro forma comparison

All comparisons up to EBITDA unless otherwise stated are presented on the pro forma basis as presented in appendix (slide #24)

Contents

1Q'15 highlights

Bruno Duthoit
Chief executive officer

Mariusz Gaca
Deputy chief executive officer

solid 1Q financial results

1Q2015 financial results

PLN 2.93bn group revenue, -1.7% yoy*	PLN 960m restated EBITDA*, +1.4% yoy	32.8% rest. EBITDA* margin, +1.0 pp yoy
PLN 321m capex -14% yoy	PLN 152m organic cash flow -3% yoy (guidance confirmed)	PLN 69m savings +17% yoy

* restated as presented in appendix (slide #24)

commercial performance reflects challenging market environment

1Q2015 commercial performance

+5%	yoy mobile post-paid customer base, +48k net adds in 1Q
+30%	yoy mobile broadband customers, +77k net adds in 1Q
900k	LTE users, +287k net adds in 1Q
+120%	yoy VHBB clients, +33k net adds in 1Q (ADSL base under pressure, with 57k net losses in 1Q)
+68%	yoy Open customers (convergence), +52k net adds in 1Q
+7%	yoy TV base, +8k net adds in 1Q
90k	Orange Finanse customers, +54k in 1Q

further progress in connectivity

1Q2015 operational development

72% 4G coverage, +11 pp qoq

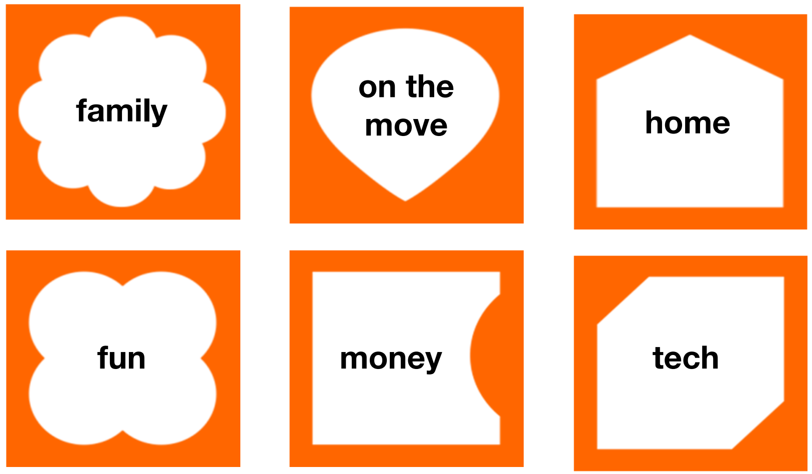
53% smartphone penetration in post-paid voice (vs 44% in 1Q'14)

106k home passed in fibre technology, +28k in 1Q

-7% yoy headcount (-1.3k FTEs)

Orange is changing - a new customer approach in everything we do

- a new customer approach to support our ambitions
  - listen and respond to what is essential for customers
    - new forms of communication, changes to customer services and sales channels



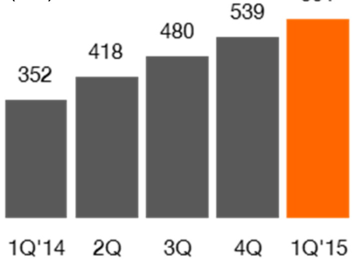
simple and convenient solutions for the mass market

launched in April 2015

new approach to convergence

- customer segmentation based on household and family perspective
- simple communication – easy to remember names of packages
- secured internet priced in (CyberShield)
- Orange Open discounts for incremental services

Orange Open customers
(in k)

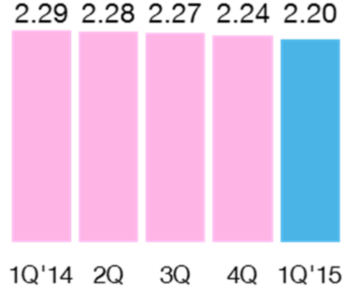


unlimited LTE to defend fixed broadband market share

speed in LTE after data consumed	up to 10Mb/s	unlimited
3G/4G data allowance	30 GB	50 GB
router	included	included
monthly fee VAT incl.	PLN 49.90 (for the first six months thereafter PLN 59.90)	PLN 69.90
for existing clients VAT incl.	**PLN 39.90** (for the first six months thereafter PLN 49.90)	**PLN 59.90**

- aimed at customers with limited wireline access
- to retain CDMA customers
- attractive data allowance, enough for average home usage

fixed broadband customers
(in m)



four simple tariff plans for SME and SOHO customers

launched in April 2015

- simple and clear tariff plans created based on feedback from customers
- good value for money for 'supersize' option
- data allowance in each plan
- attractive roaming allowance
- benefits for long term customers

Orange Biz Podstawowy

- 250 minutes on and off network
- 300 MB Internet LTE in a smartphone

PLN 29.99 + VAT

SIM only PLN 19.99 + VAT

Orange Biz Krajowy

- unlimited voice and SMS
- 500 MB Internet LTE in a smartphone

PLN 49.99 + VAT

SIM only PLN 34.99 + VAT

Orange Biz Europejski

- unlimited voice and SMS
- 4 GB Internet LTE
- 750 minutes for EU roaming
- 300 MB internet in EU

PLN 69.99 + VAT

SIM only PLN 49.99 + VAT

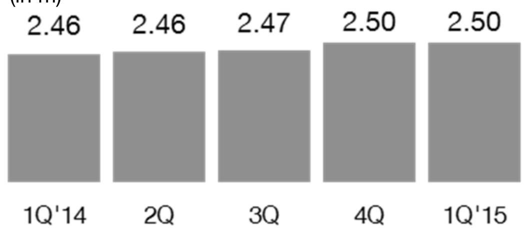
Orange Biz VIP

- unlimited voice and SMS
- unlimited incoming calls in EU
- 1000 minutes EU outgoing calls
- 5 GB Internet LTE in a smartphone
- 1 GB internet in EU

PLN 129.99 + VAT

mobile business customers

(in m)



Financial review

Maciej Nowohoński
Chief financial officer

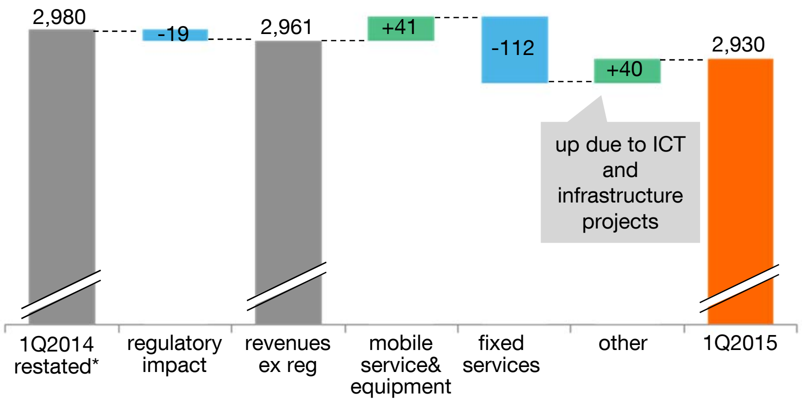
satisfactory 1Q revenue performance

Group revenue evolution

yoy change

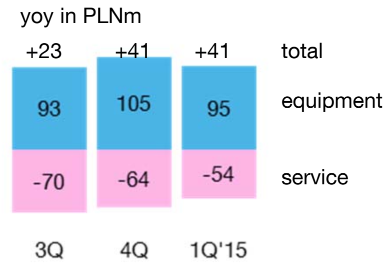
Group revenue evolution breakdown

in PLNm



mobile revenue, ex reg

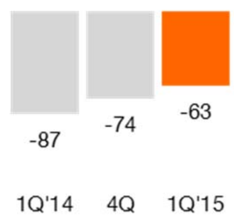
- improving service revenue trend
- equipment boosted by instalment sales (1Q'15 is the last quarter with strong yoy impact)



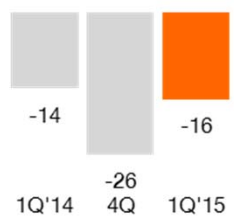
fixed revenue, ex reg

(yoy in PLNm)

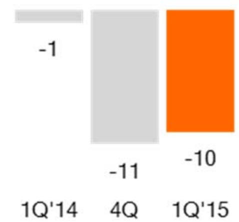
small improvement in narrowband trend



lower drop in enterprise solutions



broadband under pressure



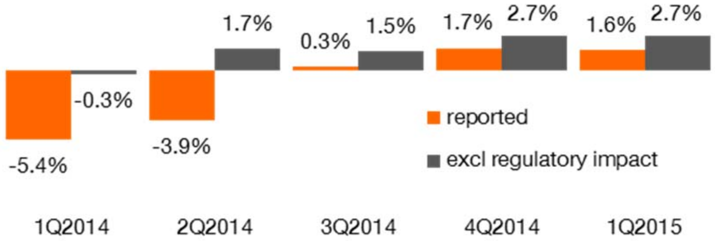
* restated as presented in appendix (slide #24)

mobile revenues mostly supported by better ARPU trend

1Q mobile revenue
PLN 1,505m

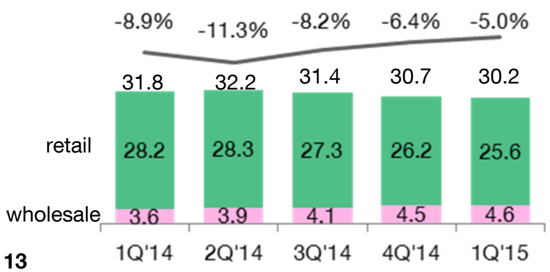
service	equipment
PLN 1,367m	PLN 138m

improving mobile revenue trend
services and equipment in % yoy

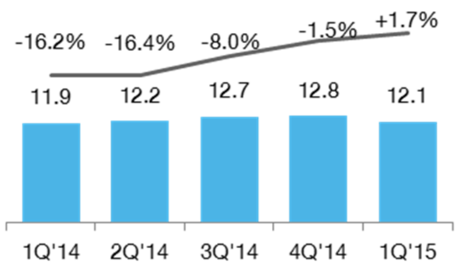


- B2C ARPU benefits from higher usage and lower pricing pressure
- B2B further affected by strong price competition
- net additions under pressure

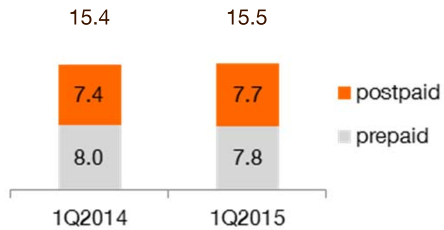
improving blended ARPU trend
(PLN/month) and yoy % change



inflection in pre-paid ARPU
(PLN/month) and yoy % change

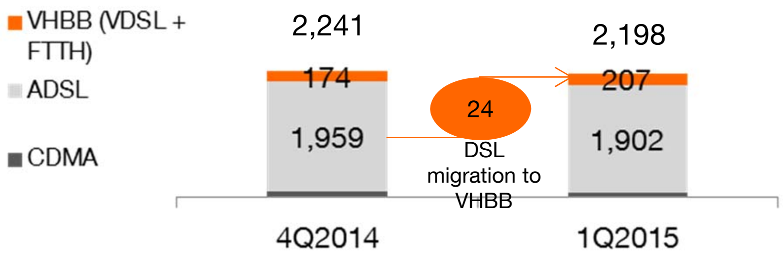


mobile customers
in millions

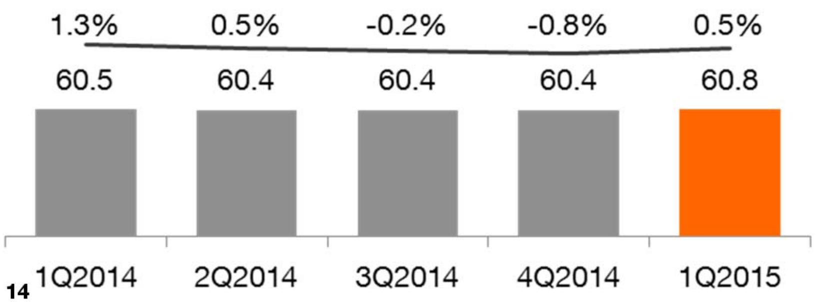


demand for speed supports growth in VHBB customer base

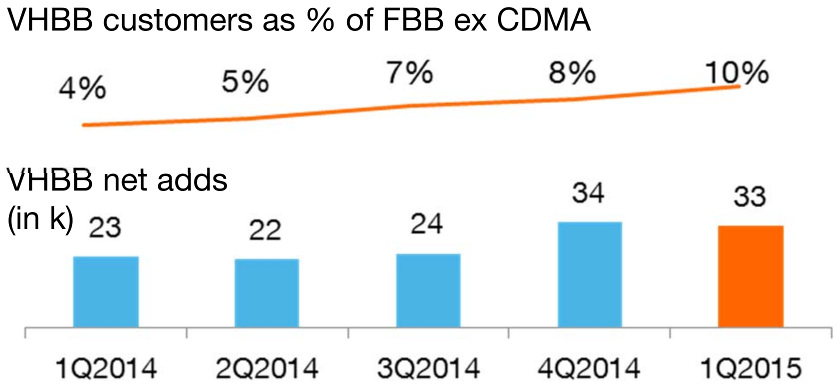
retail broadband accesses
(in k)



ARPU (broadband, TV, VoIP) evolution
in PLN/month and yoy % change



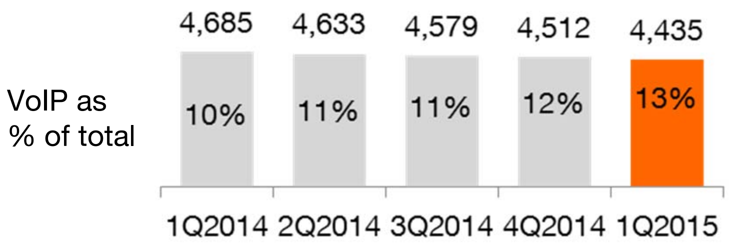
VHBB customers



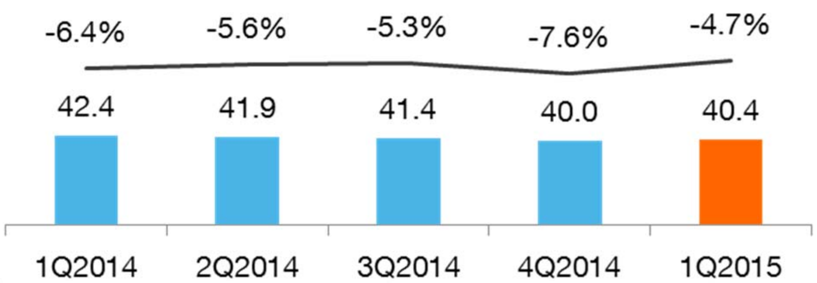
- ADSL base under pressure from LTE competition (mainly regulated zones)
- +14% yoy growth in gross adds in deregulated areas
- focus on migration of ADSL customers to VHBB
- new offers launched in Q2

fixed voice trends unchanged

retail fixed voice lines evolution
in k

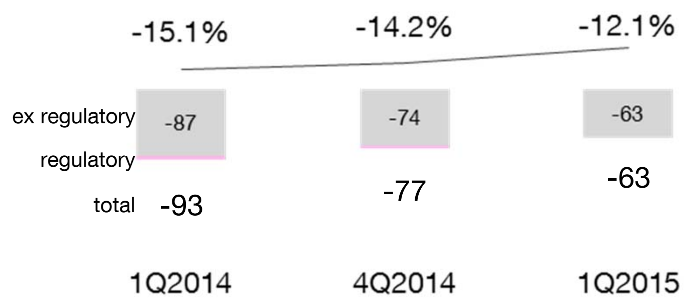


retail fixed voice ARPU* evolution
in PLN/month and yoy % change



* excluding VoIP revenues which are included in broadband revenues

sequential improvement in revenue trend
yoy change in PLNm and %

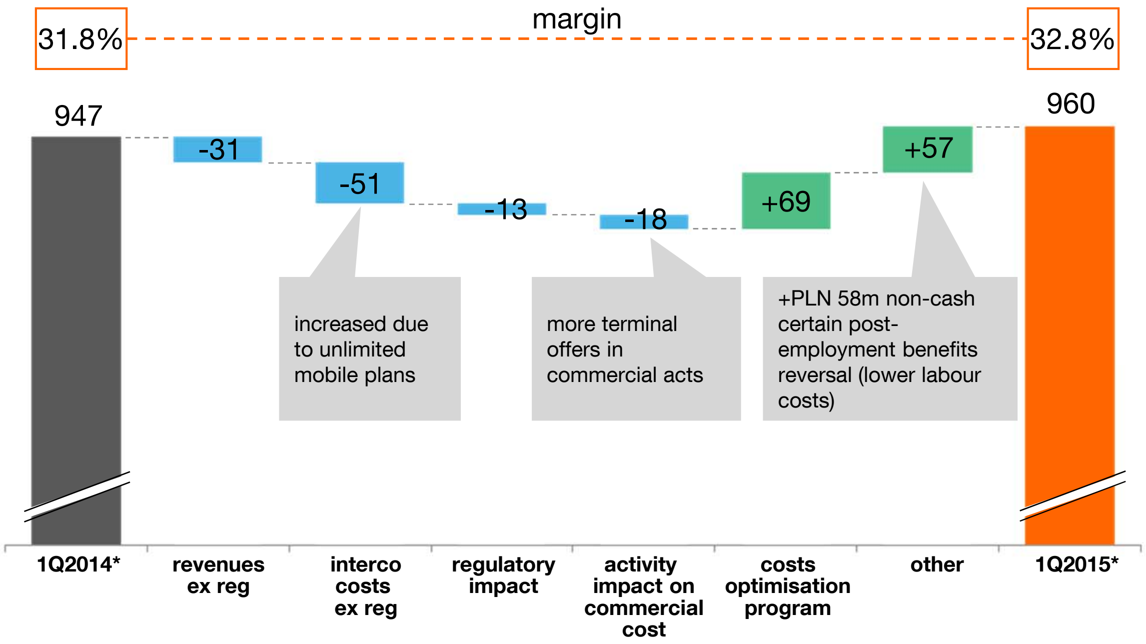


- customer churn in B2C affected by higher competition and churn in ADSL base
- stable churn in B2B

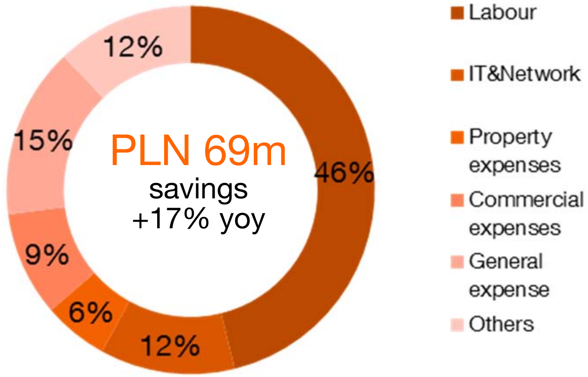
1Q restated EBITDA* supported by cost savings and lower labour costs

Group restated EBITDA* evolution

yoy change in PLNm

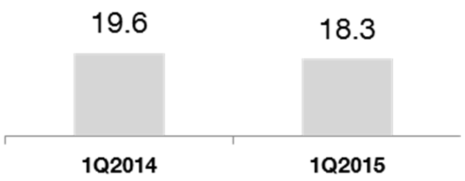


split of cost savings



employment down 7% yoy

(in kFTE end of period)



* restated as presented in appendix (slide #24)

net income benefited from lower financial costs and depreciation

in PLNm	1Q2014	1Q2015	change
reported EBITDA	1,142	959	-183
depreciation and amortization	-750	-710	+40
impairment of non-current assets	-1	-3	-2
reported operating income	391	246	-145
net financial costs	-119	-58	+61
income tax	-1	-17	-16
reported net income	271	171	-100

in 1Q'14 net profit boosted by PLN 191m gain on sale of Wirtualna Polska

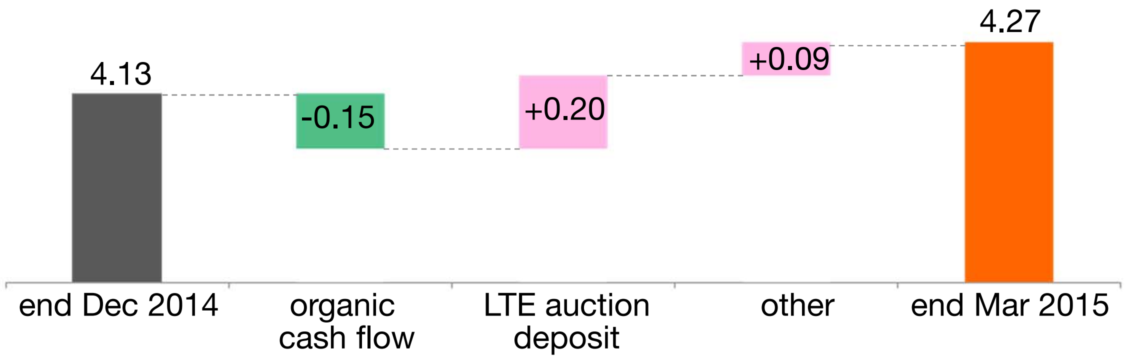
full-year cash flow guidance of around PLN 0.9bn** confirmed

in PLNm	1Q2014	1Q2015	change
net cash flow from operating activities before income tax paid and change in working capital	831	839	+8
change in working capital	-57	-121	-64
CAPEX*	-371	-314	+57
change in CAPEX payables	-194	-416	-222
o/w LTE auction deposit		*-200*	*-200*
income tax paid	-66	-51	+15
sales of assets	14	15	+1
reported organic cash flow	157	-48	-205
LTE auction deposit		200	+200
organic cash flow (guidance definition)	157	152	-5

* including exchange rate effect on derivatives economically hedging capital expenditures, net
** including cash capex for fibre access network project and excluding one-offs: acquisition of any new spectrum, potential payment of the EC fine and certain other claims and litigations

financial leverage at stable low level

net debt evolution
change in PLN bn



1.1x	net debt to restated EBITDA*	1.1x
25%	net gearing ratio	25%
5.0%	effective interest rate on debt	4.0%

available liquidity end Mar 2015:

- PLN 0.2bn cash
- PLN 0.9bn unused credit lines
- PLN 1.8bn back-up lines

* restated as presented in appendix (slide #24)

Conclusions

Bruno Duthoit
Chief executive officer

conclusions

- our 1Q performance was marked by solid financial results, while commercial activity in some areas was below our ambitions

- to leverage on new customer approach we will adopt a very proactive marketing approach in 2Q, including:
  - introduction of new tariffs in mass and business market
  - repackaging of convergent offer
  - defence of our ADSL customer base through introduction of unlimited LTE
  - continued focus on fast fixed broadband

- further cost savings are a must, in order to defend profitability
- we will continue fibre access network rollout

Q&A

appendix

restatements to financial data

in PLNm	1Q2014	1Q2015
revenue	2,995	2,930
-revenue of Wirtualna Polska	-15	-
restated revenue	2,980	2,930
EBITDA	1,142	959
-gain on disposal of Wirtualna Polska	-191	0
-EBITDA of Wirtualna Polska	-4	0
-employment termination expenses	0	1
restated EBITDA	947	960
capital expenditures	374	321
-acquisition of telecommunications licences	-1	0
capital expenditures (outlook definition)	373	321

glossary (1/4)

4G	fourth generation of mobile technology, sometimes called LTE (Long Term Evolution)
ARPU	Average Revenue per User
AUPU	Average Usage per User
BSA	Bit Stream Access
CATV	Cable Television
CDMA	Code Division Multiple Access, second generation wireless mobile network used also as a wireless local loop for locations where cable access is not economically justified
data user	a customer who used mobile data transmission in a given month
EBITDA	Operating income + depreciation and amortization + impairment of goodwill + impairment of non-current assets
F2M	Fixed to Mobile Calls
FBB	Fixed Broadband

glossary (2/4)

Fibre access network project	rollout of fixed broadband access network based on fibre technology which provides the end user with speed of above 100Mbps
FTE	Full time equivalent
FTTH	Fibre To The Home
ICT	Information and Communication Technologies
IP TV	TV over Internet Protocol
Liquidity Ratio	Cash and unused credit lines divided by debt to be repaid in the next 18 months
LLU	Local Loop Unbundling
LTE	Long Term Evolution, standard of data transmission on mobile networks *(4G)*
LTE user	a customer who used LTE service at least once in a given month
M2M	Machine to Machine, telemetry
MTR	Mobile Termination Rates

glossary (3/4)

MVNO	Mobile Virtual Network Operator
Net Gearing	net gearing after hedging ratio = net debt after hedging / (net debt after hedging + shareholders' equity)
Organic Cash Flow	Organic Cash Flow = Net cash provided by Operating Activities – (CAPEX + CAPEX payables) + proceeds from sale of assets
POS	Point-Of-Sale
POTS	Plain Old Telephone Service
RAN agreement	agreement on reciprocal use of radio access networks
RGU	Revenue Generating Unit
SAC	Subscriber Acquisition Costs
SIMO	mobile SIM only offers without devices
SRC	Subscription Retention Costs
UKE	Office of Electronic Communications - Regulator

glossary (4/4)

UOKiK	Office for Competition and Consumer Protection
VDSL	Very-high-bit-rate Digital Subscriber Line
VHBB	Very high speed broadband above 30Mbps
VoIP	Voice over Internet Protocol
WLL	Wireless Local Loop - a term for the use of a wireless communications, the "first mile"
WLR	Wholesale Line Rental