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## France Telecom confirms its interest in TeliaSonera but states that there are no negotiations at this stage

Taking into consideration the movements in its share price, and the persistent rumours in respect of negotiations to acquire TeliaSonera, the Group wants to clarify that these rumours do not reflect the current status of the situation.

The mergers & acquisition policy, reiterated during the full year results announcement on 6 February is based on following objectives:

- reinforce our footprint on emerging markets
- strengthen as appropriate our activities in Western Europe
- acquire complementary competencies in certain key areas

This policy must be understood in the context of a market that is in constant evolution. The development of new services and new business models is facilitated by reaching a critical size in an eco-system that favours global players. There are still growth opportunities to be captured in emerging and in developed markets for well positioned players.

Beyond synergies derived from in-market consolidation, business combinations can generate industrial and financial synergies through the acquisition of assets (market share, distribution networks) and economies of scale in traditional activities (for example networks, handsets, R&D and innovation), as well as in new services (audience, content, mobile internet).

The announced privatisation of TeliaSonera could present a strategic opportunity. France Telecom and TeliaSonera are in fact two complementary groups with a common strategic vision of the sector, and both have accomplished a significant transformation of their business models. A transaction could only occur with strict respect for France Telecom's commitments regarding its medium-term debt to gross operating margin ratio, and its cash dividend policy.

Exploratory steps have been taken. However, no negotiations have commenced at this stage and therefore no decision in respect of such an opportunity is in the process of being taken.

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### About France Telecom

France Telecom, one of the world's leading telecommunications operators, serves more than 170 million customers in five continents as of December 31, 2007, of which two thirds are Orange customers. The Group had consolidated sales of 52.9 billion euros in 2007. As of December 31, 2007, the Group had 109.6 million mobile customers and 11.6 million broadband internet (ADSL) customers. Launched in June 2005, the NExT program (New Experience in Telecommunications) will enable the Group to pursue its transformation as an integrated operator and make France Telecom the benchmark for new telecommunications services in Europe. In 2006, Orange became the Group's single brand for Internet, television and mobile services in the majority of countries where the company operates, and Orange Business Services the brand name for services offered to businesses.



worldwide. France Telecom is the number three mobile operator and the number one provider of broadband internet services in Europe and one of the world leaders in providing telecommunication services to multinational companies.

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

For more information : [www.orange.com](http://www.orange.com), [www.francetelecom.com](http://www.francetelecom.com), [www.orange-business.com](http://www.orange-business.com)

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