

Paris, April 7, 2009

Mobinil (Egypt): France Telecom regrets the Egyptian market authority's decision to reject the voluntarily proposed public takeover bid on ECMS

France Telecom confirms that it has filed a proposal with the Egyptian Capital Market Authority (CMA) with a view to voluntarily offering ECMS' minority shareholders a public takeover bid based on a price at the high range of market standards: 33.1% premium on the closing price on April 5, 2009 and 54.2% on the average price for the last six months.

France Telecom regrets for the ECMS' shareholders that the CMA has rejected this proposal, which had been put together following contacts with the authority over the last few weeks.

Under the current circumstances, France Telecom considers that it is not bound, either from a legal standpoint or in view of market practices, to launch a mandatory public offer, especially at a price that would be more or less the same as the price defined in the arbitration award on the Mobinil holding company. France Telecom underlines the fact that this award, which is not a market decision, was taken by the Arbitration Court following the successive initiatives made by Orascom Telecom.

France Telecom also notes that the initiative to break off talks on the restructuring of the partnership within the Mobinil holding structure was taken unilaterally by Orascom Telecom on Sunday, April 5, triggering the execution of the arbitration award handed down in favor of France Telecom.

It is important to remember that in 2007, Orascom Telecom initiated a disagreement with France Telecom with a view to triggering the bidding procedure provided for in the shareholders' agreement and allowing, *in fine*, the partner with the best bid to buy out the holding company shares held by the other partner. Further to this procedure, Orascom Telecom decided to not raise its bid and referred the matter to the Arbitration Court. The arbitrators have just rejected all of its claims and handed down an award requiring it to sell off its shares in the Mobinil holding company to France Telecom.

This award should be implemented during the next few days or weeks, once Orascom Telecom has obtained from its creditors the release of the pledges on its shares in the Mobinil holding company and clarified with them the modalities of application of the amount set out in the arbitration award.



About France Telecom

France Telecom, one of the world's leading telecommunications operators, had consolidated sales of 53.5 billion euros in 2008 and a customer base of more than 182 million customers in 30 countries. Orange, the Group's single brand for Internet, television and mobile services in the majority of countries where the company operates, now covers 123 million customers. At the end of 2008, the Group had 122 million mobile customers worldwide and 13 million broadband Internet (ADSL) customers in Europe. Orange is the number three mobile operator and the number one provider of broadband Internet services in Europe and, under the brand Orange Business Services, is one of the world leaders in providing telecommunication services to multinational companies.

The Group's strategy, which is characterized by a strong focus on innovation, convergence and effective cost management, aims to establish Orange as an integrated operator and benchmark for new telecommunications services in Europe. Today the Group remains focused on its core activities as a network operator, while working to develop its position in new growth activities. To meet customer expectations, the Group strives to provide products and services that are simple and user-friendly, while maintaining a sustainable and responsible business model that can be adapted to the requirements of a fast-paced and changing eco-system.

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

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