

Paris, 26 May 2011

Success of Iliad's €500 million inaugural bond issue

Iliad announces the success of its €500 million inaugural bond issue.

The bonds bear a coupon of 4.875% and will be redeemed at par at maturity on June 1st, 2016.

With this inaugural bond issue, Iliad benefits from favourable market conditions to diversify its sources of funding and extend the maturity of its debt.

The success of this transaction, largely oversubscribed with demand of €1.5 billion, demonstrates investors' confidence in Iliad's business model and financial structure.

Crédit Agricole CIB, HSBC, Natixis and Société Générale CIB acted as Joint-Bookrunners of this bond issue. BNPP, Santander and WestLB were co-lead.

The Iliad Group is a major player in the French telecommunications and Internet access market via Free and Alice (4,661,000 broadband subscribers as of 31 March 2011), Onetel and Iliad Telecom (fixed telephony providers), as well as Free Mobile. The Iliad Group is listed on Euronext Paris under the ticker ILD.

Exchange: *Euronext Paris*

Marketplace: *Eurolist A of Euronext Paris (SRD)*

Ticker: *ILD*

ISIN code: *FR0004035913*

FTSE ranking: *974 Internet*

Member of: *Euro Stoxx, SBF 120, Next 150, CAC Mid 100*

Contact: *presse@iliad.fr*