



press release
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Orange acquires a 34% minority interest in Skyrock's web operations

- Orange has acquired a 34.15% minority interest in Cascadia, the company newly formed to hold Skyrock's web operations, for 14 million euros
- The acquisition will strengthen Orange's position in the 12-24 age group, where Skyrock.com is the leading blog platform in France in terms of pages viewed (nearly one billion per month)

Orange has acquired a 34.15% interest in Cascadia for 14 million euros. This newly-formed company combines the web and mobile operations of Skyrock, France's leading radio station in the 12-24 age group. Cascadia's leading asset is the Skyrock.com blog platform.

Skyrock's web operations are concentrated in the Skyrock.com blog platform, the leading platform in France in terms of pages viewed (nearly one billion per month) and the third in terms of unique visitors (8.57 million unique visitors in September 2011¹). With more than 33 million active blogs, the platform has an audience share of 83% in the 12-24 age group. Skyrock is a pioneer in new digital communication services: starting out with blogs and instant messaging, and more recently a participatory questions and answers service (kwest), the group is now exploring future geo-localized and group messaging services for mobile users.

This acquisition is a new milestone in Orange's digital strategy, which aims to provide continual improvement of the customer experience on its networks through the wealth and quality of its services for interacting, exploring and sharing.

For Skyrock, this is a tremendous opportunity to develop its services in new digital territories. Backed by a leading player in the mobile and Internet markets of Europe and Africa, the association with Orange opens up new prospects for growth across all connected screens (mobiles, tablets and TV), and in particular in community-based services.

In the footsteps of Deezer and Dailymotion, Skyrock.com will enrich the editorial knowhow, community-based content, monetization capacity and technologies for sharing within the digital ecosystem of Orange and the Group's partner companies.

Several commercial agreements were signed in parallel to leverage these synergies:

- distribution agreement with Dailymotion to support the promotion of the Skyrock.com site on Dailymotion and the mutual visibility of each on both sites;
- service agreement with Orange (and its service suites) giving it access to the design and development expertise of the Skyrock.com teams; and
- advertising agreement with Deezer and Orange Liveradio allowing the advertising department of Skyrock to market certain audio inventories.

As Elie Girard, Executive Vice President in charge of Group Strategy and Development, said: "This acquisition is another illustration of the role Orange intends to play on the web. Following the acquisition of stakes in Deezer and Dailymotion, Orange is strengthening its positions in content aggregation. This enables us to be even more receptive to our customers and particularly the 12-24 age group. In addition, we will benefit from the web expertise of the Skyrock teams in developing supplementary services to be integrated into the Orange sites."

(1) Source: ComScore



About 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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