

Paris, July 31, 2014

## Iliad confirms its interest in T-Mobile US

Following press speculation, Iliad confirms its interest in T-Mobile US.

The US mobile market is large and attractive. T-Mobile US has successfully established a disruptive position, which in many ways, is similar to the one Iliad has built in France.

Iliad has submitted to the Board of Directors of T-Mobile US an indicative offer for T-Mobile US. The offer has the full support of Mr Xavier Niel (founder and majority shareholder of Iliad) and was unanimously approved by Iliad's Board of Directors. The offer is subject to certain conditions, including notably due diligence on T-Mobile US.

Iliad has offered \$15 billion in cash for 56.6% of T-Mobile US, at \$33.0 per share. Iliad values the remaining 43.4% of T-Mobile US at \$40.5 per share on the basis of \$10 billion of synergies to the benefit of the T-Mobile US shareholders. This leads to an overall value of \$36.2 per share, a premium of 42% over T-Mobile US's unaffected share price of \$25.4<sup>1</sup>.

The cash portion would be financed via a combination of debt and equity. Iliad has the support of leading international banks for the acquisition debt. The equity portion would be approximately €2 billion, and Mr Xavier Niel would participate in the capital increase.

In contemplating a possible transaction with T-Mobile US, Iliad will ensure strict financial discipline and value creation for all Iliad shareholders.

This transaction should not raise any antitrust issue in light of the competition rules given that Iliad is not present in the United States.

There can be no certainty that the Iliad offer will be accepted by the Board of Directors of T-Mobile US and that it results in a transaction.

A further announcement will be made, if appropriate, in due course.

For further information, please contact:  
Press Relations: [presse@iliad.fr](mailto:presse@iliad.fr)  
Tel: + 33 1 73 50 20 00

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<sup>1</sup> Closing share price of T-Mobile US on 12 December 2013 prior to market rumors regarding a potential combination between Sprint and T-Mobile US

## About Iliad

*Iliad is the parent company of Free, the inventor of the Freebox, the first multiservice box on ADSL. Free is behind numerous innovations in the broadband access segment (VoIP, IPTV, flat-rate calling plans to multiple destinations, etc.). Free provides straightforward and innovative offerings at the best prices. At the end of 2010, Free introduced the Freebox Revolution, the 6th generation of Freebox units that notably includes an NAS and a Blu-Ray™ drive. Free was the first operator to include calls from landlines to mobile phones in its offerings and also calls to French overseas departments (DOM). Since January 2012, Free has brought mobile phone usage within everyone's reach with straightforward, no-commitment offerings at very attractive prices. Free has over 5.7 million broadband subscribers and over 8.6 million mobile subscribers as at March 31, 2014.*

Exchange: **Euronext Paris**

Market place: **Eurolist A of Euronext Paris (SRD)**

Ticker symbol: **ILD**

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FTSE classification: **974 Internet**

Member of **Euro Stoxx, SBF 120, CAC Next 20, CAC Mid 100**