

20 December 2011

FRANCE TELECOM

Issue of HKD 340,000,000 2.75% Fixed Rate Note due 22 December 2016

under the EUR 30,000,000,000

Euro Medium Term Note Programme

PART A– CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 7 June 2011 which received visa No. 11-204 from the *Autorité des marchés financiers* (the **AMF**) on 7 June 2011 and the supplement to the Base Prospectus dated 30 August 2011 which received visa No. 11-375 from the AMF on 30 August 2011, which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC, as amended, including by Directive 2010/73/EU) (the **Prospectus Directive**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus, as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. Copies of such Base Prospectus, the supplement to the Base Prospectus and these Final Terms are available for viewing on the websites of the Issuer (www.orange.com) and of the AMF (www.amf-france.org) and from the head office of the Issuer and the specified offices of the Paying Agents.

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| 1. | Issuer: | France Telecom |
| 2. | (a) Series Number: | 125 |
| | (b) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | Hong Kong Dollars (“ HKD ”) |
| 4. | Aggregate Nominal Amount: | |
| | (a) Tranche: | HKD 340,000,000 |
| | (b) Series: | HKD 340,000,000 |
| 5. | Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| 6. | (a) Specified Denominations: | HKD 1,000,000 |
| | (b) Calculation Amount: | HKD 1,000,000 |
| 7. | (a) Issue Date: | 22 December 2011 |
| | (b) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | 22 December 2016 |
| 9. | Interest Basis: | 2.75 per cent. per annum Fixed Rate |
| | | (further particulars specified below) |

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| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest Basis or Redemption/Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | Not Applicable |
| 13. | (a) Status of the Notes: | Senior, Unsecured |
| | [(b) Date of <i>Président's</i> decision to issue the Notes: | 20 December 2011 |
| 14. | Method of distribution: | Non-syndicated |

Provisions Relating to Interest (if any) Payable and to Index Linked Redemption

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| 15. | Fixed Rate Note Provisions: | Applicable |
| | (a) Rate(s) of Interest: | 2.75 per cent. per annum payable quarterly in arrear |
| | (b) Interest Payment Date(s): | 22 March, 22 June, 22 September and 22 December in each year up to and including the Maturity Date. |
| | (c) Fixed Coupon Amount(s): | Not Applicable |
| | (d) Broken Amount(s): | Not Applicable |
| | (e) Day Count Fraction: | Actual / 365 (Fixed) |
| | (f) Determination Date(s): | Not Applicable |
| | (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: | Interest Payment Dates will be subject to adjustment in accordance with the Modified Following Business Day Convention |
| 16. | Floating Rate Note Provisions: | Not Applicable |
| 17. | Zero Coupon Note Provisions: | Not Applicable |
| 18. | Index Linked Note Provisions: | Not Applicable |
| 19. | Dual Currency Note Provisions: | Not Applicable |

Provisions Relating to Redemption

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|-----|--------------------------|--------------------------------------|
| 20. | Make-whole Redemption: | Not Applicable |
| 21. | Issuer Call: | Not Applicable |
| 22. | Investor Put: | Not Applicable |
| 23. | Final Redemption Amount: | HKD 1,000,000 per Calculation Amount |

24. Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(f)): HKD 1,000,000 per Calculation Amount

General Provisions Applicable to the Notes

25. Form of Notes:
- (a) Form: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event
- (b) New Global Note: No
26. Additional Business Centre(s) or other special provisions relating to Payment Dates: New York and Target in addition to Hong Kong and London
27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): Yes – one talon maturing on 22 March 2018
28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable
29. Details relating to Instalment Notes:
- (a) Instalment Amount(s): Not Applicable
- (b) Instalment Date(s): Not Applicable
30. Redenomination applicable: Not applicable
31. Other final terms: For the avoidance of doubt, reference to Condition 8 (*Cross-Default*) in Condition 13 (*Exchange of Talons*) shall instead be read as reference to Condition 9 (*Prescription*).

Distribution

32. (a) If syndicated, names of Managers: Not Applicable
- (b) Stabilising Manager(s) (if any): Not Applicable
33. If non-syndicated, name of relevant Dealer: The Hongkong and Shanghai Banking Corporation Limited

Level 17, HSBC Main Building,

1 Queen's Road Central, Hong Kong

34. U.S. Selling Restrictions:

Regulation S Category 2, TEFRA D

35. Additional selling restrictions:

Hong Kong

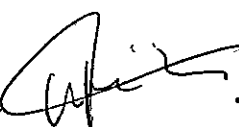
Each Dealer represents and agrees that:

- (a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of Hong Kong) and any rules made under that Ordinance.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of France Telecom:

By:  **Jean-Michel Thibaud**
Group Treasurer

Duly authorised

PART A – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

Listing and Admission to trading: Not Applicable.

1. RATINGS

The Notes to be issued have been rated:

S&P: A-
Moody's: A3

2. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

So far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

3. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: See "*Use of Proceeds*" section of the Base Prospectus
- (ii) Estimated net proceeds: HKD 340,000,000
- (iii) Estimated total expenses: Not Applicable

4. YIELD (Fixed Rate Notes Only)

Indication of yield: 2.75 per cent.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. OPERATIONAL INFORMATION

- (i) ISIN Code: XS0724660476
- (ii) Common Code: 072466047
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s): Not Applicable
- (iv) Delivery: Delivery against payment
- (v) Names and addresses of Additional Not Applicable

Paying Agent(s) (if any):

(vi) Intended to be held in a manner which would allow Eurosystem eligibility: No

(vii) Address and contact details of France Telecom for all administrative communications relating to the Notes: France Telecom
6, place d'Alleray
75505 Paris cedex 15
France

Telephone: (+33) 1 44 44 91 60
Telex: 202520
Facsimile: (+33) 1 40 43 04 52
Attention: Direction du Financement et
de la Trésorerie