



H1 2021 estimated results

JULY 30, 2021



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NICOLAS JAEGER

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NICOLAS JAEGER

DEPUTY CEO - FINANCE

H1 2021 estimated results

Thomas Reynaud,
iliad Group CEO

iliad
GROUP



Highlights

Execution of our strategic plan

FRANCE

INVESTING IN PRESENT & FUTURE GROWTH

- Rebound of the growth in Services revenue: **+5.0%** in Q2 driven by both Fixed Broadband and Mobile
- Solid sales performance for our core products: **47k** BB net adds, **97k** 4G/5G net adds
- Higher capex, reflecting accelerated 5G investment phase. Free Mobile has the largest 5G network in France by number of sites

ITALY

EBITDAAL BREAKEVEN REACHED

- Solid sales momentum in a very difficult environment (reduced market churn with lockdowns, very intense competition)
- Major milestone reached: **Italy achieved EBITDAaL breakeven in H1**
- More than half of data traffic is now onnet

POLAND

A SUCCESSFUL INTEGRATION

- Topline rebound and improved commercial momentum with an effective more for more marketing campaign
- Double-digit organic⁽¹⁾ EBITDAaL growth driven by operating leverage and cost synergies
- Continued demand for Home products with a clear opportunity for Play brand to grow
- Strategic partnership with Cellnex finalized

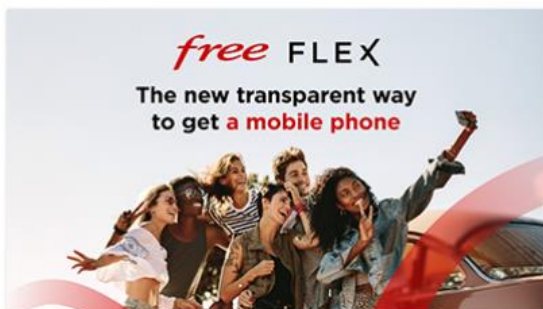
GROUP

CASH FLOW GENERATION MIX IS IMPROVING

- H1 results demonstrating the value creation of our M&A strategy
- Our long-term approach enables strategic agility and commercial differentiation
- Group OCF up by **€331m** with Italy contributing **€112m** to the YoY improvement

France

A dynamic pipeline of growth initiatives



A DISRUPTIVE OFFER

WITH FREE FLEX, SUBSCRIBERS CAN NOW SPREAD THE PRICE OF A PHONE AT NO EXTRA COST, VIA LEASING WITH A PURCHASE OPTION.



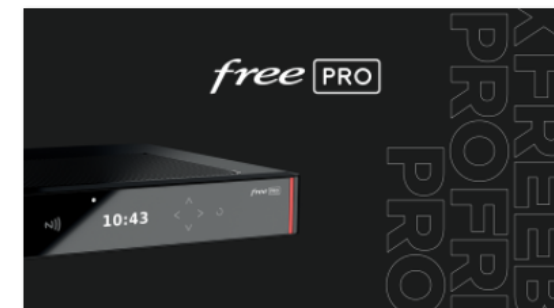
TV CONTENT NOW AVAILABLE ON MOBILES AND IPAD WITH THE OQEE BY FREE APP



NEW FREEBOX POP AND FREEBOX DELTA SUBSCRIBERS CAN NOW SELECT APPLE TV 4K AS AN OPTION WITH THEIR FREEBOX PACKAGE



€2/month
for 48 months*



THE FREEBOX PRO

ULTRA-PERFORMING
ULTRA-PROFESSIONAL

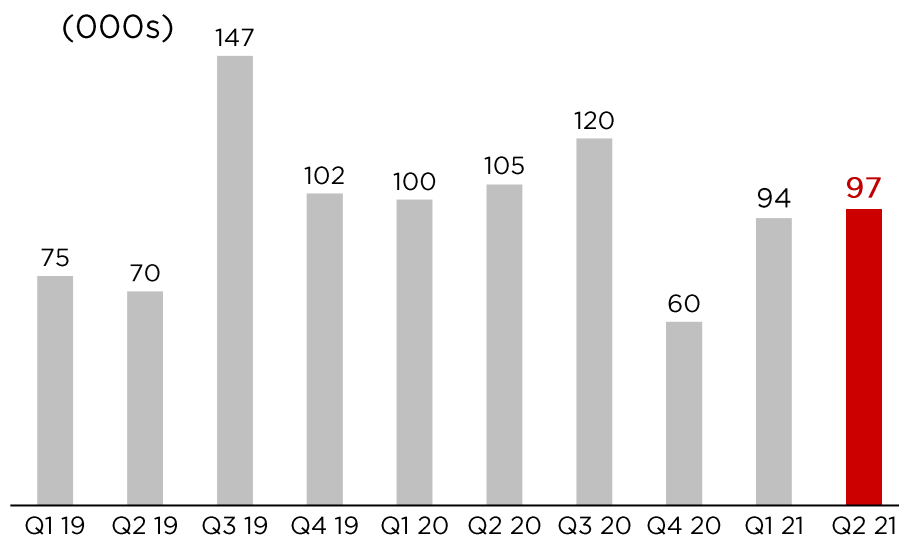
A FREEBOX SPECIALLY
CREATED FOR BUSINESS
ENVIRONMENTS



France

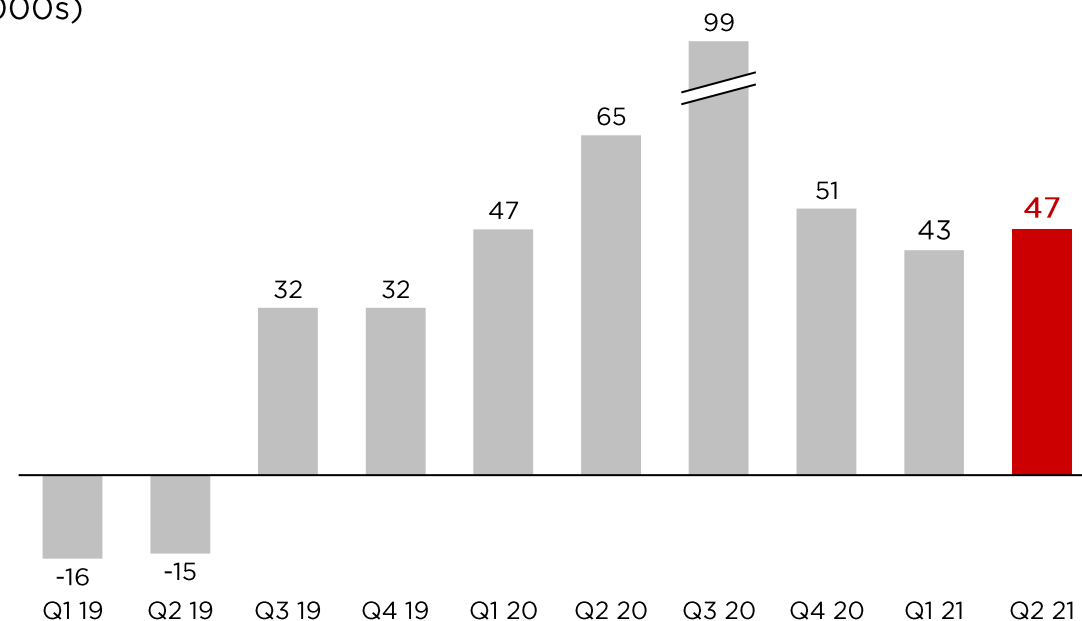
Solid sales performance for 4G/5G and broadband

4G/5G MOBILE NET ADDS



BROADBAND NET ADDS

(000s)



- ROBUST PERFORMANCE FOR 4G/5G DESPITE NUMEROUS PROMOTIONS LAUNCHED BY COMPETITORS
- GOOD MOMENTUM MAINTAINED FOR FIXED BROADBAND THANKS TO NEW FREEBOX & FTTH

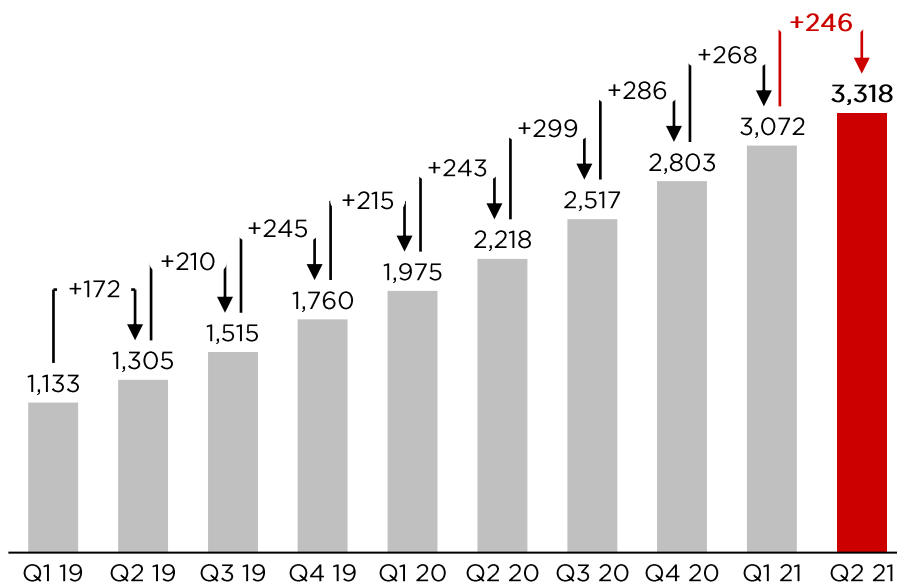


France

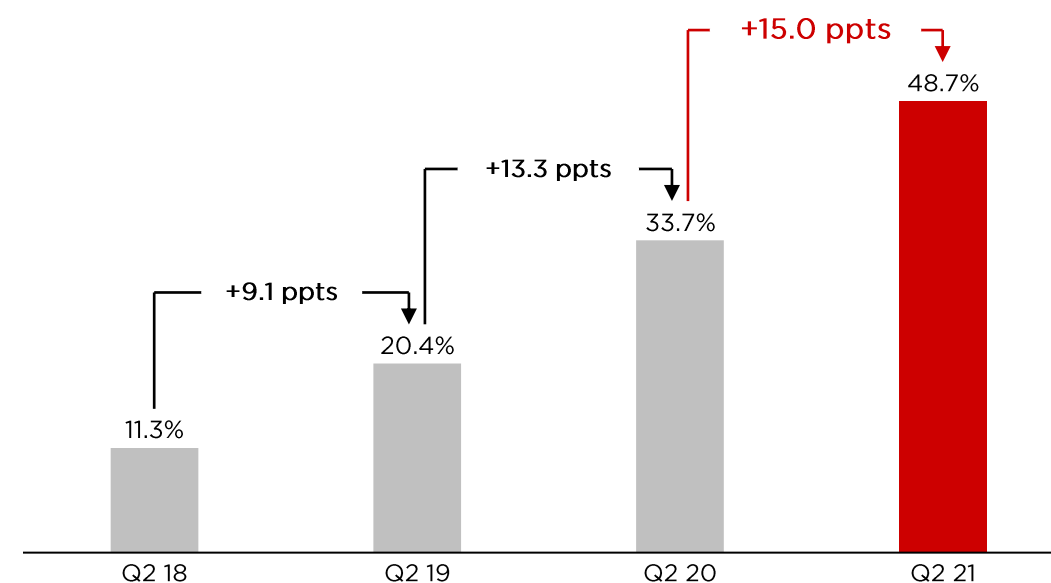
Sustained momentum for Fiber, with the take-up adoption nearing the 50% mark

FTTH SUBSCRIBER BASE

(000s)



FTTH TAKE-UP RATE



- LOWER NET ADDS LOGICAL AS TAKE-UP RATE REACHES NEARLY HALF OF OUR BROADBAND BASE

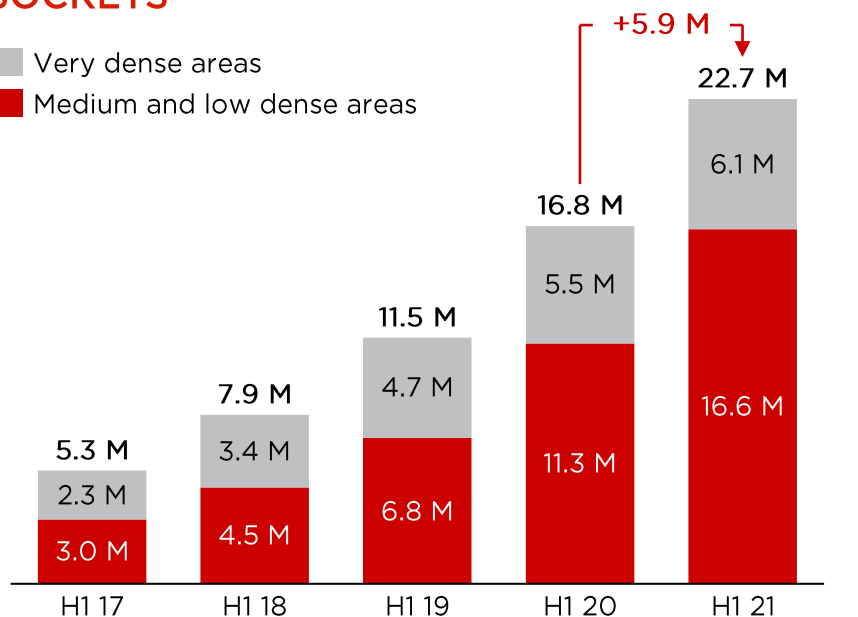


France

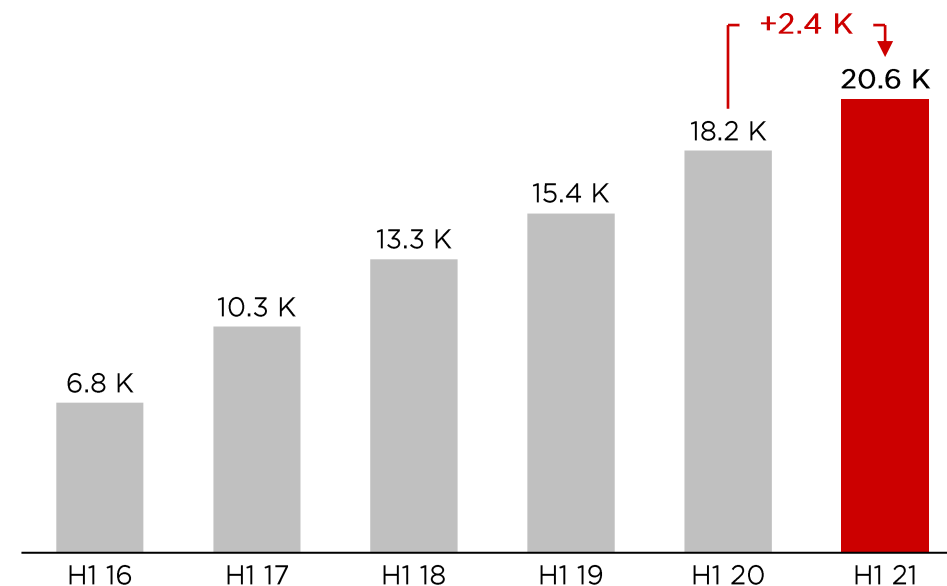
Investing in differentiated growth for the future

CONNECTIBLE FIBER SOCKETS

■ Very dense areas
■ Medium and low dense areas



ACTIVE MOBILE SITES⁽¹⁾



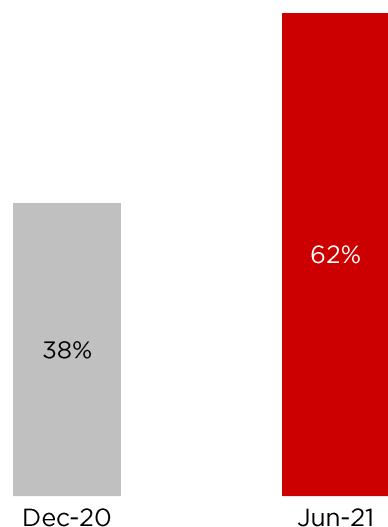
- FIBER FOOTPRINT UP BY c.6M IN 12 MONTHS, VALIDATING OUR 2022 TARGET OF REACHING 30M FIBER SOCKETS
- MOBILE NETWORK ROLLOUT CONTINUING AT HIGH INTENSITY, RAPIDLY CLOSING THE GAP WITH OUR COMPETITORS



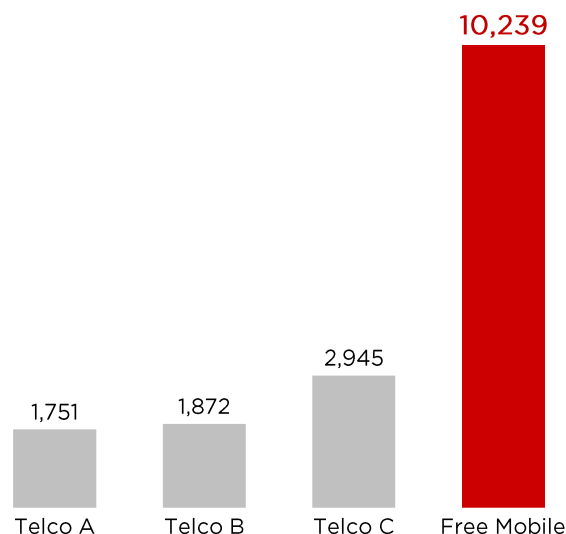
France

5G to support future growth in B2C and B2B

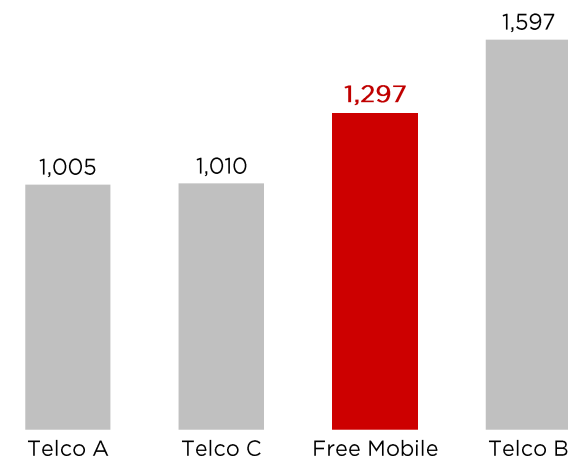
5G POPULATION COVERAGE



ACTIVE 5G MOBILE SITES¹ (all frequencies, end-June 2021)



ACTIVE 5G MOBILE SITES¹ (3.5 GHz, end-June 2021)



- INVESTMENT PUSH FOR OUR 5G NETWORK TO INCREASE COVERAGE, CAPACITY AND SPEEDS – FREE HAS THE LARGEST 5G NETWORK IN FRANCE²

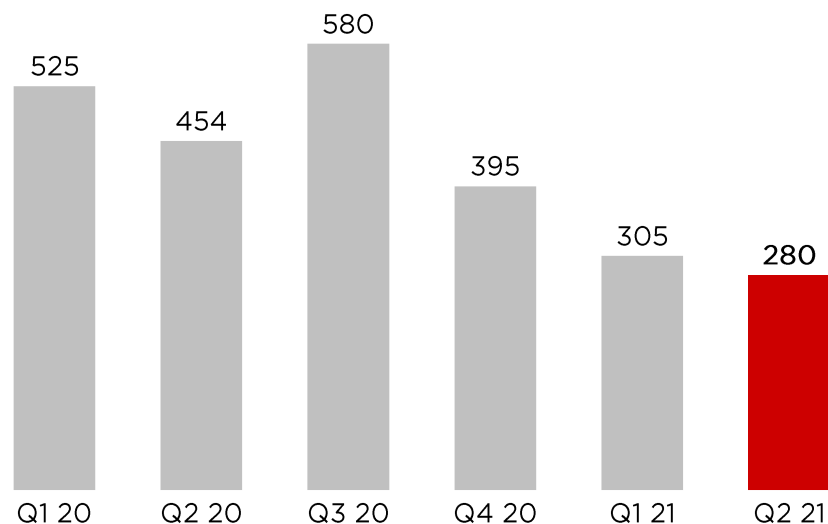
Italy



Satisfactory sales performance in an ultra-competitive market

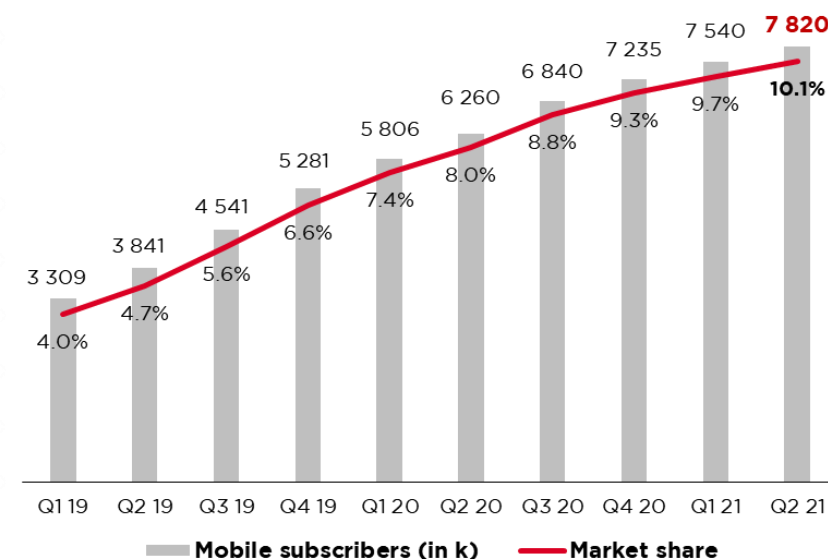
MOBILE NET ADDS

(000s)



MOBILE SUBSCRIBER BASE⁽¹⁾

(000s)



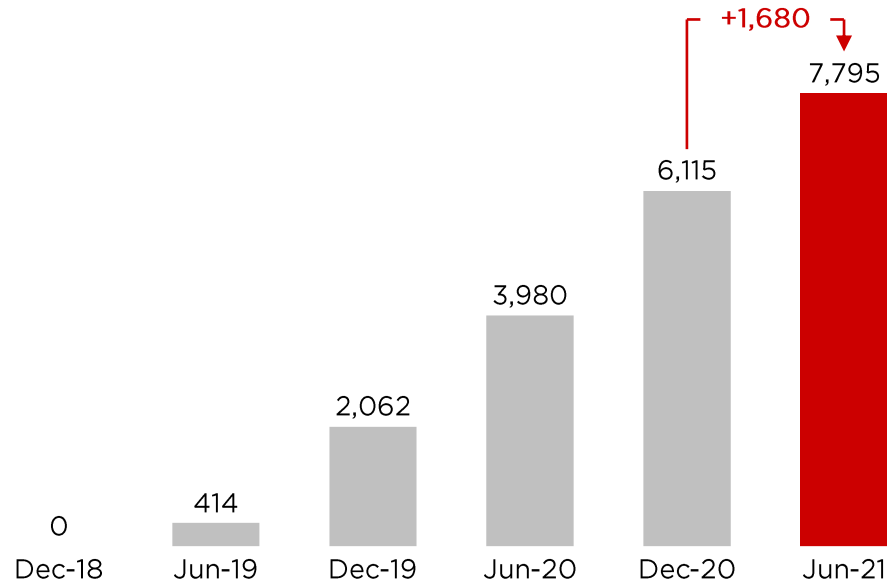
- LONGER THAN EXPECTED LOCKDOWN MEASURES AND MORE INTENSE COMPETITION WEIGHED ON OUR SALES MOMENTUM
- DESPITE THIS TOUGH ENVIRONMENT, ILIAD ITALIA PASSED AN IMPORTANT MILESTONE BY REACHING 10%+ MARKET SHARE IN JUST 3 YEARS



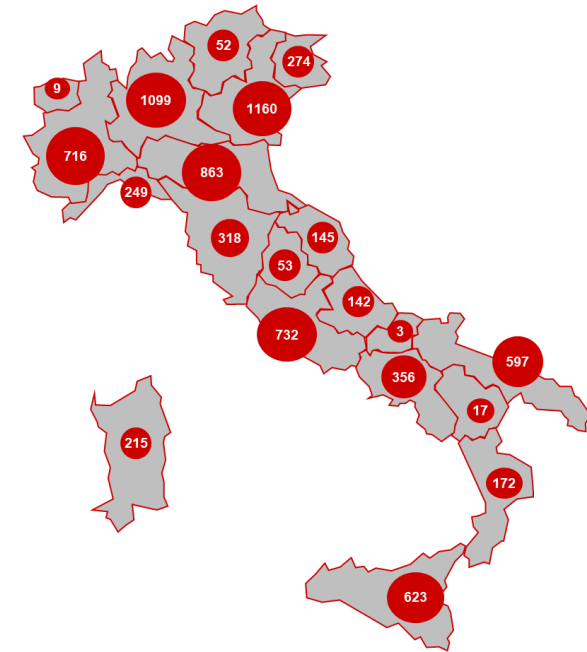
Italy

Our own network now covers more than half of our data traffic

ACTIVE MOBILE SITES



MAP OF OUR ACTIVE SITES



- MOBILE NETWORK ROLLOUT WELL ON TRACK TO ACHIEVE OUR FY 2021 TARGET OF AROUND 8,500 ACTIVE SITES

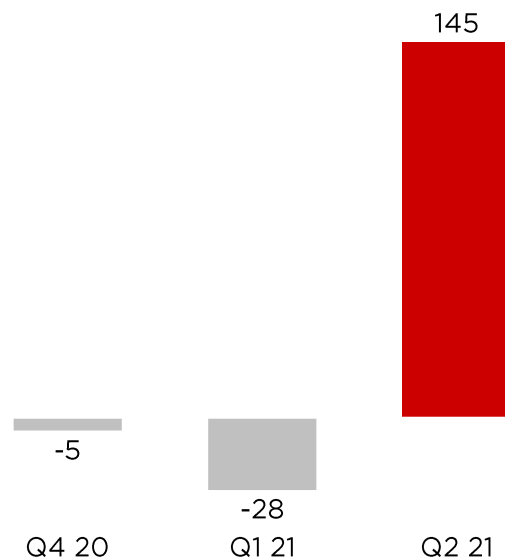


Poland

Mobile subscriber base back to growth

MOBILE NET ADDS

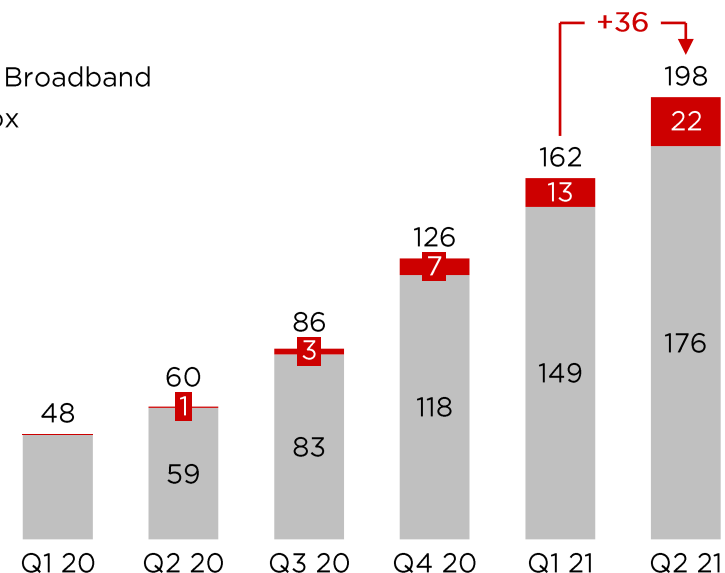
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HOME SUBSCRIBER BASE

(000s)

Fixed Broadband
TV Box



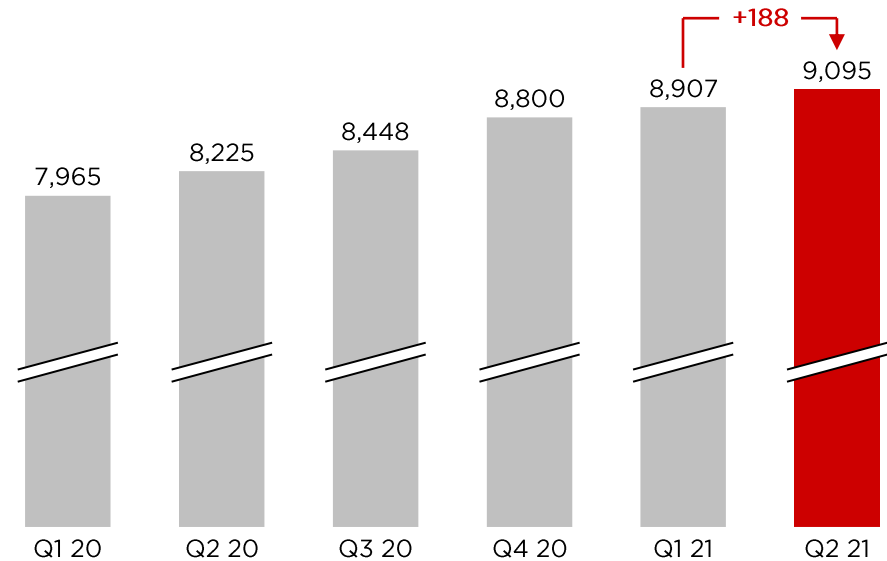
- REVAMP OF OUR MOBILE OFFERS AND REOPENING OF THE ECONOMY HAS IMPROVED SALES MOMENTUM
- DEMAND FOR OUR HOME PRODUCTS REMAINS STRONG



Poland

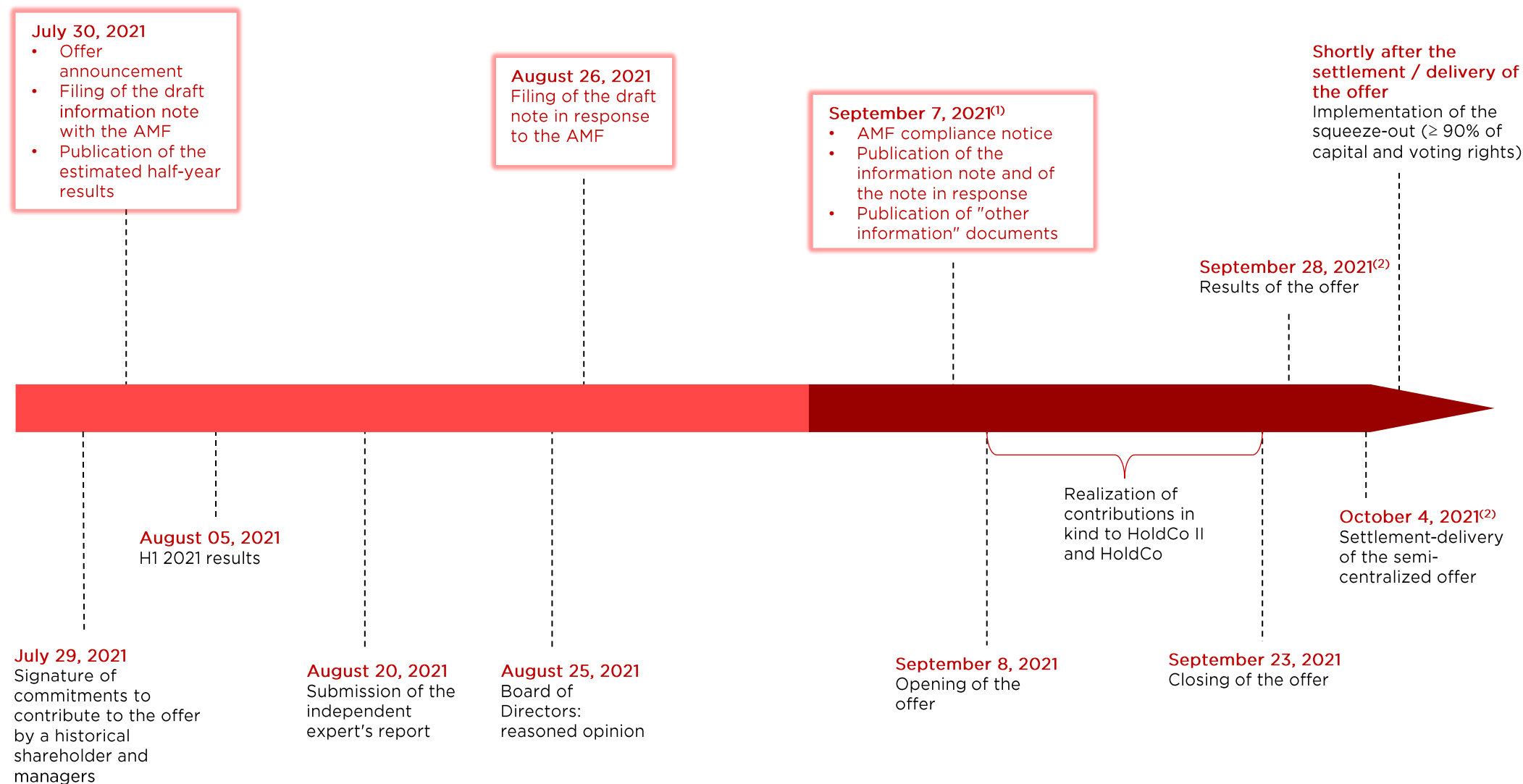
Network rollout set to accelerate

ACTIVE MOBILE SITES



- STRATEGIC PARTNERSHIP WITH CELLNEX IMPLEMENTED SINCE APRIL 1ST
 - PLAY'S COVERAGE WILL ACCELERATE IN THE COMING YEARS

INDICATE TIMELINE



H1 2021 estimates results

Nicolas Jaeger,
iliad Group Deputy CEO - Finance

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Group revenues

Improved momentum in Q2

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Q2 services
revenues¹ **up**
6.3% pro forma
(+4.8% in Q1)

FRANCE

Q2 services
revenues¹ **up**
5.0% (+2.6% in
Q1)

POLAND

Q2 services
revenues **up**
4.6% (+3.6% in
Q1)

ITALY

Q2 services
revenues **up**
24.8% (+25.2% in
Q1)

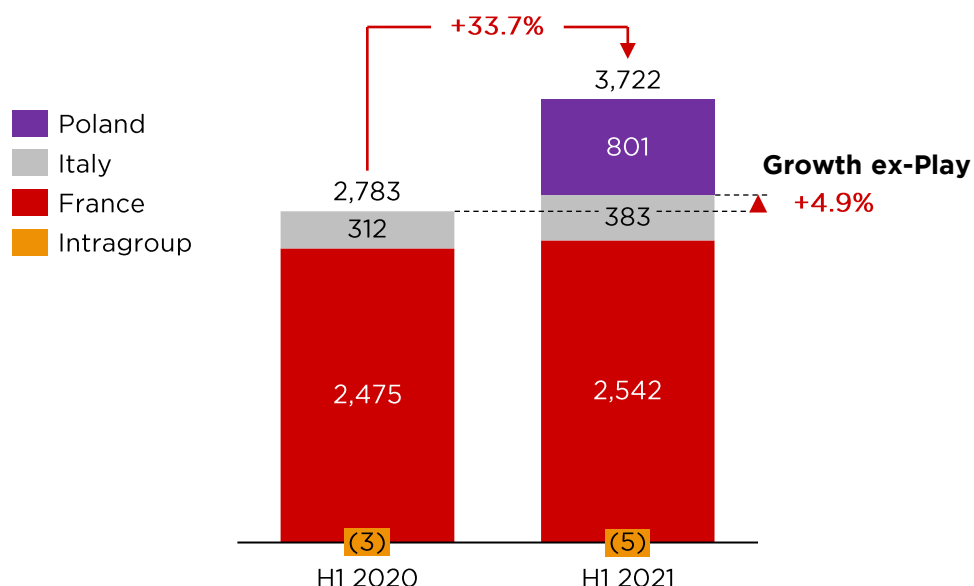


Group revenues

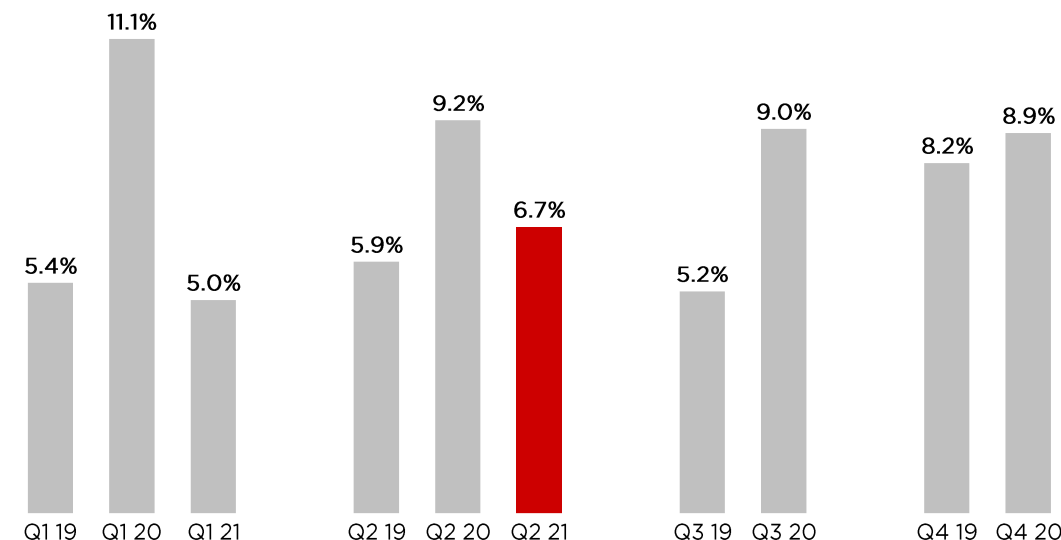
Q2: organic growth of 4.9% overall and 6.7% for services revenues

H1 2021 REVENUES

(€m)



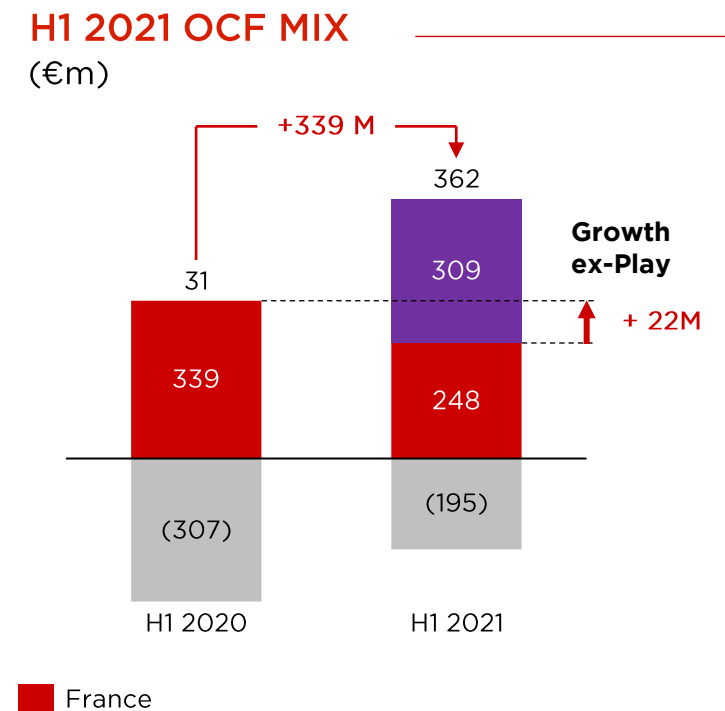
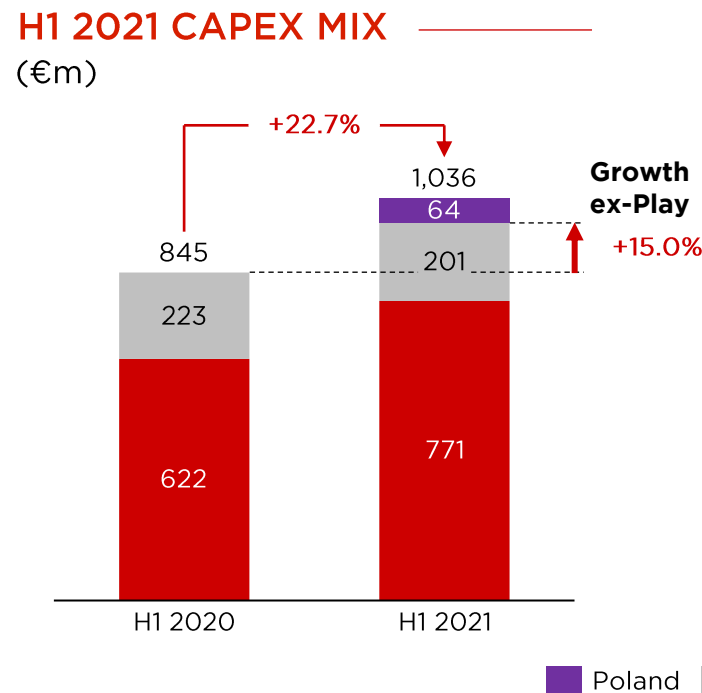
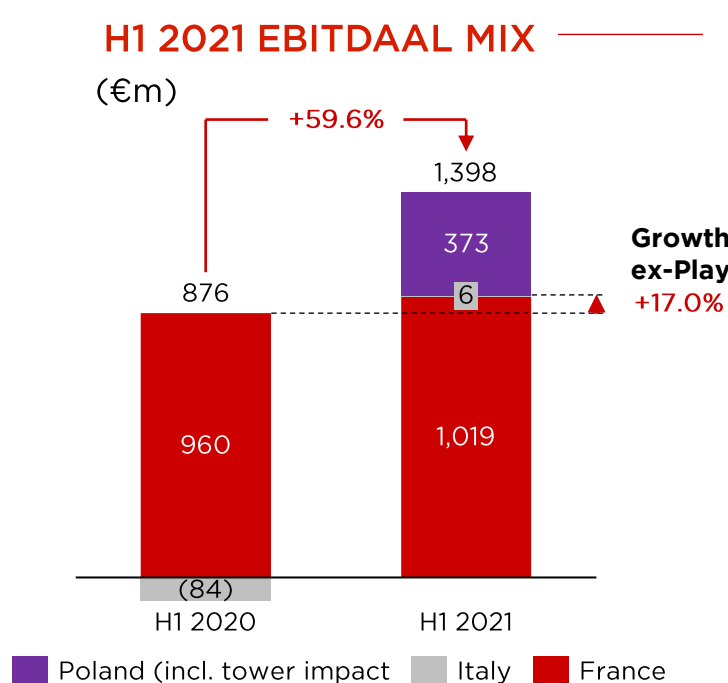
SERVICES REVENUE ORGANIC GROWTH ⁽¹⁾



- STRONG REPORTED REVENUE GROWTH WITH THE ADDITION OF PLAY
- EXCLUDING PLAY, GROUP REVENUES ROSE BY **5%** WITH FRANCE RECOVERING FROM Q2 2020 HEADWINDS

Group profitability & capex

Double-digit growth for EBITDAaL & OpFCF



- EXCLUDING PLAY, GROUP EBITDAAL UP **17%**, DRIVEN BY ITALY REACHING BREAKEVEN AND CONTINUED MARGIN IMPROVEMENT FOR FRANCE
- CAPEX UP **15%** EXCLUDING PLAY, FRANCE REINVESTING CASH GENERATION INTO MEDIUM-TERM GROWTH INITIATIVES
- GROUP OCF UP **€22M**, WITH REDUCTION IN ITALIAN LOSSES OFFSETTING THE EFFECT OF THE 5G PUSH IN FRANCE

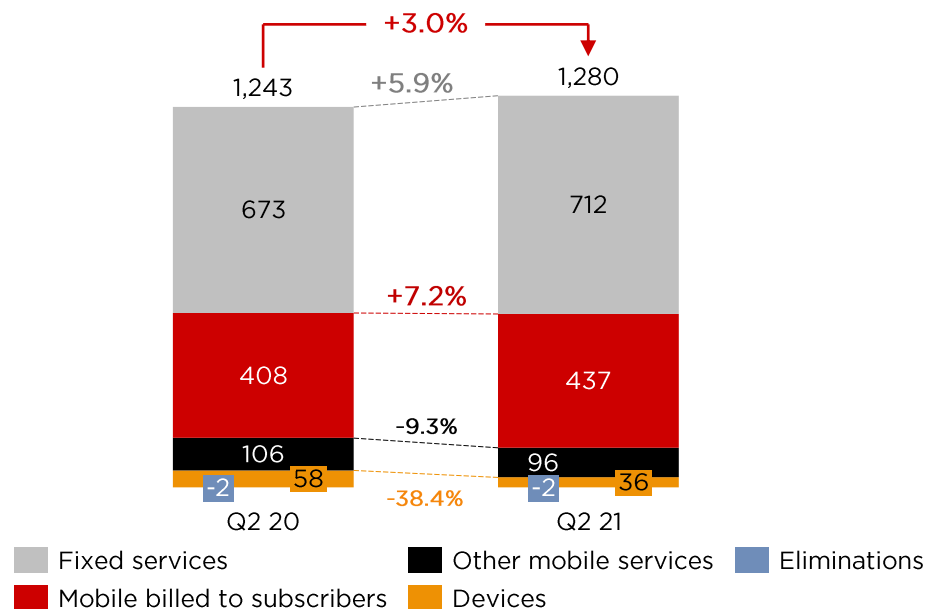


France

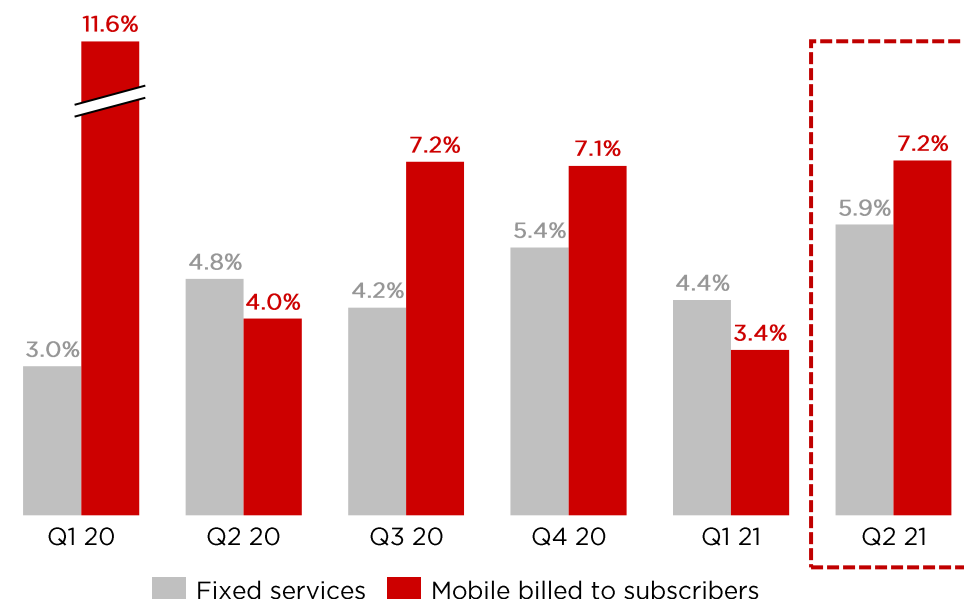
Higher growth for Fixed and Mobile billed to subscribers

FRANCE Q2 REVENUES

(€m)



ROBUST PERFORMANCE FOR FIXED AND MOBILE IN Q2¹



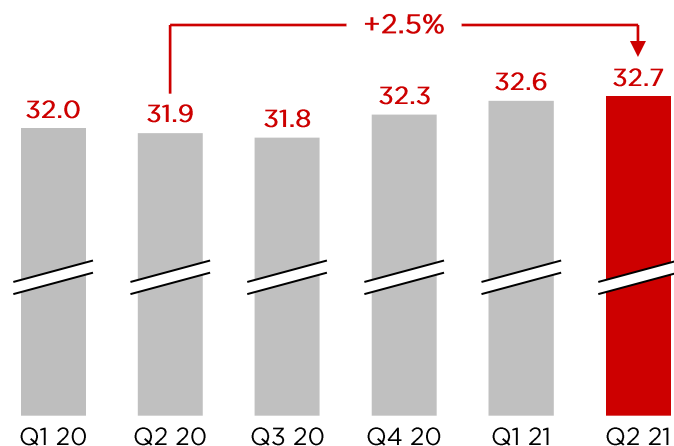
- TOTAL REVENUES IN FRANCE UP **3.0%** IN Q2, WITH DEVICES SALES DOWN **9.3%**
- MAIN DRIVERS OF SERVICES REVENUES IMPROVING, WITH A STRONG **5.9%** RISE IN FIXED SERVICES REVENUES, FUELED BY VOLUME & VALUE GROWTH
- REBOUND FOR MOBILE BILLED TO SUBSCRIBERS AFTER THE COVID-19 IMPACT IN Q2 2020



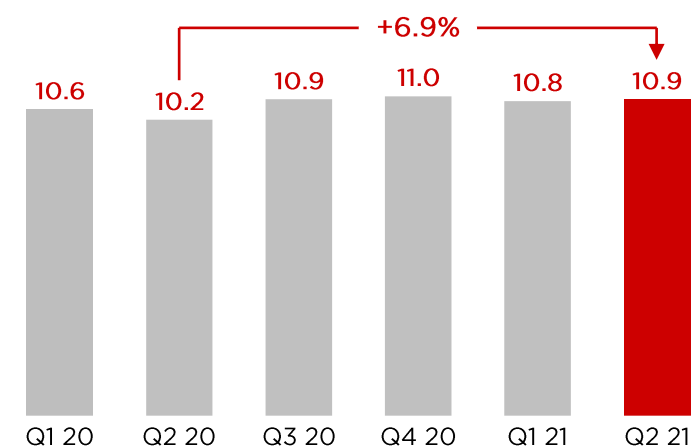
France

Good trends for ARPU

FIXED ARPU (€)



MOBILE ARPU (BILLED TO SUBSCRIBERS, €)

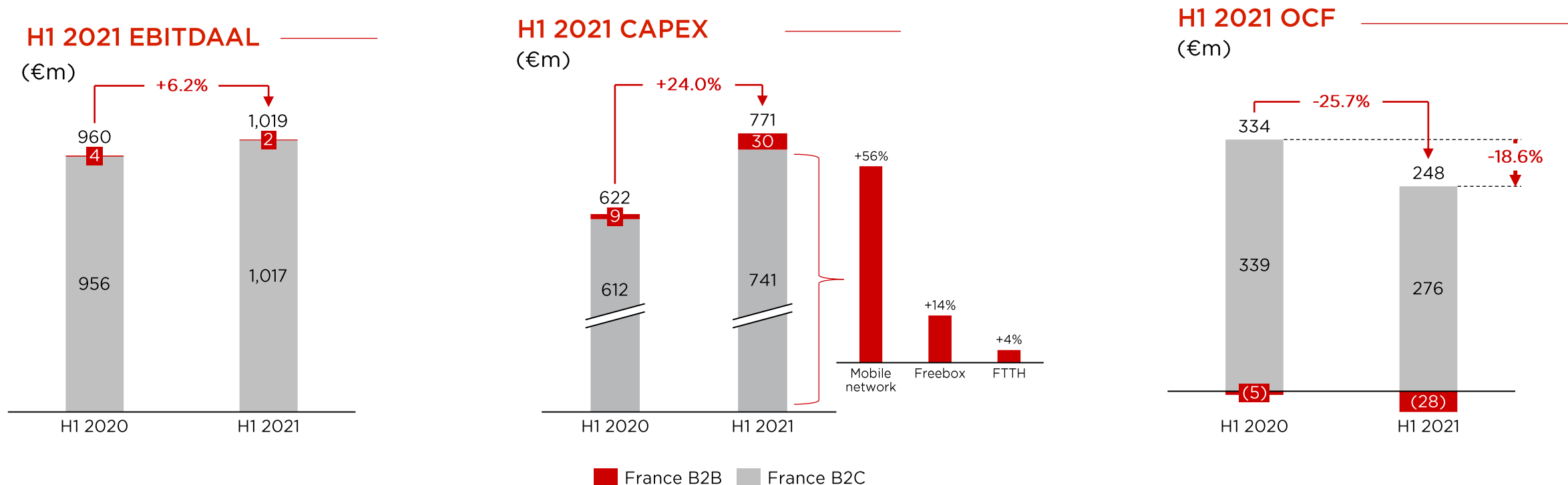


- PRICE REPOSITIONING INITIATED LAST YEAR IN THE FIXED BUSINESS WITH THE FREEBOX POP IS PAYING OFF
- MOBILE ARPU (BILLED TO SUBS) UP **6.9%** IN Q2 WITH AN EASIER BASIS OF COMPARISON THAN IN Q1. TOUGHER COMPETITIVE LANDSCAPE IN Q2



France cash flow profile

OCF decline already reflecting strong 5G push in H1



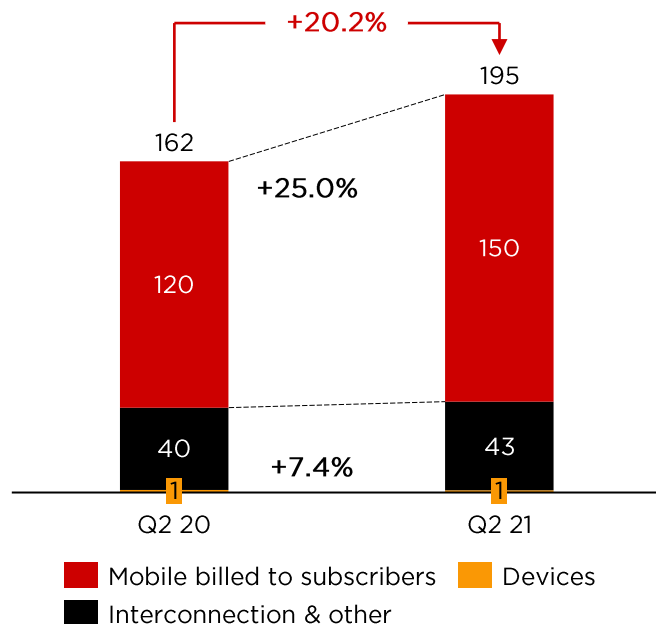
- **6%** EBITDAAL GROWTH DERIVING FROM OPERATING LEVERAGE, LOWER ROAMING COSTS AND GAINS ON BTS MARGIN
- CAPEX UP **24%** REFLECTING THE ACCELERATION OF OUR 5G ROLLOUT PLAN
- OCF DOWN **25%** WITH HIGH LOSSES FROM B2B AS WE RAMP UP OUR ACTIVITY



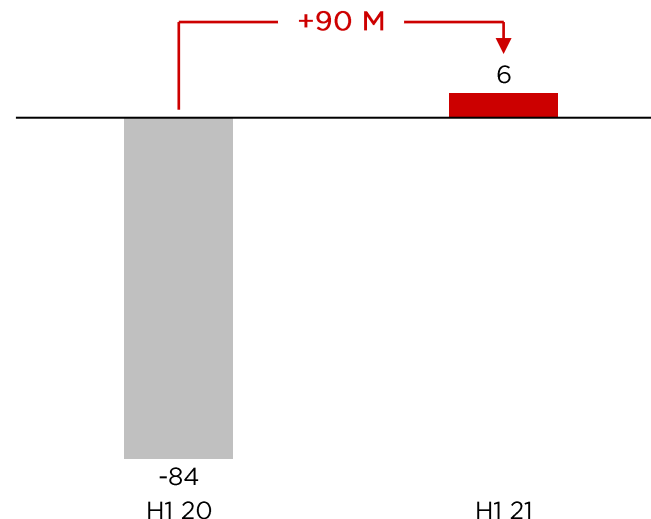
Italy

SOLID REVENUES DESPITE TOUGH OPERATING ENVIRONMENT, AND EBITDAAL BREAK-EVEN JUST 3 YEARS AFTER LAUNCH

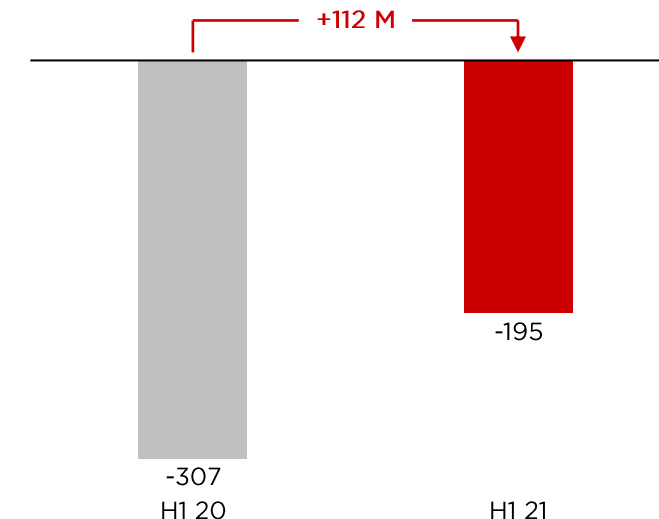
ITALY Q2 21 REVENUES (€M)



ITALY H1 21 EBITDAAL (€M)



ITALY H1 21 OCF (€M)



- Q2 REVENUES: GOOD GROWTH FOR MOBILE BILLED TO SUBSCRIBERS DESPITE UPWARD INCREMENTAL PRICING PRESSURE FROM COMPETITION
- POSITIVE EBITDAAL A DIRECT CONSEQUENCE OF OUR AMBITIOUS NETWORK ROLLOUT PLAN

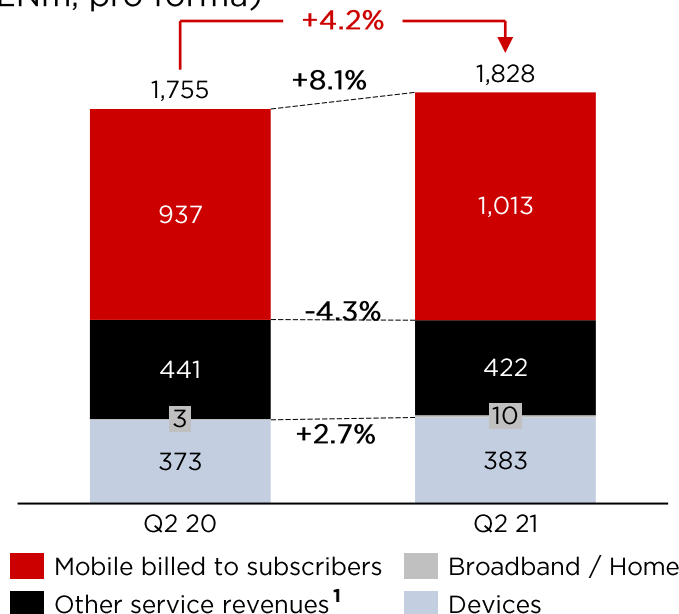


Poland

Initial positive effects of a successful integration

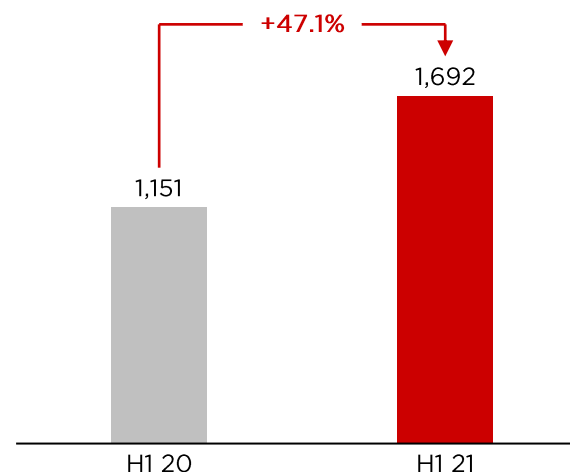
POLAND Q2 21 REVENUES

(PLNm, pro forma)



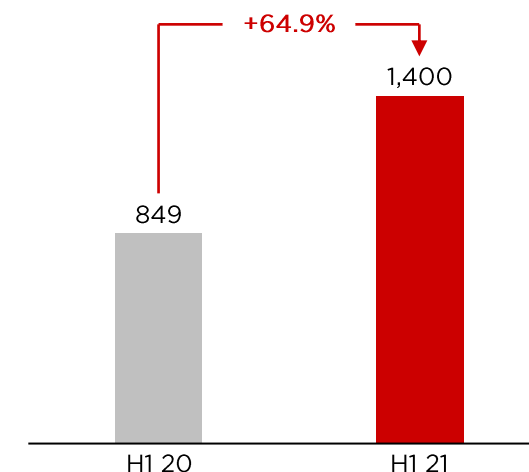
POLAND H1 21 EBITDAAL

(PLNm, pro forma)



POLAND H1 21 OCF

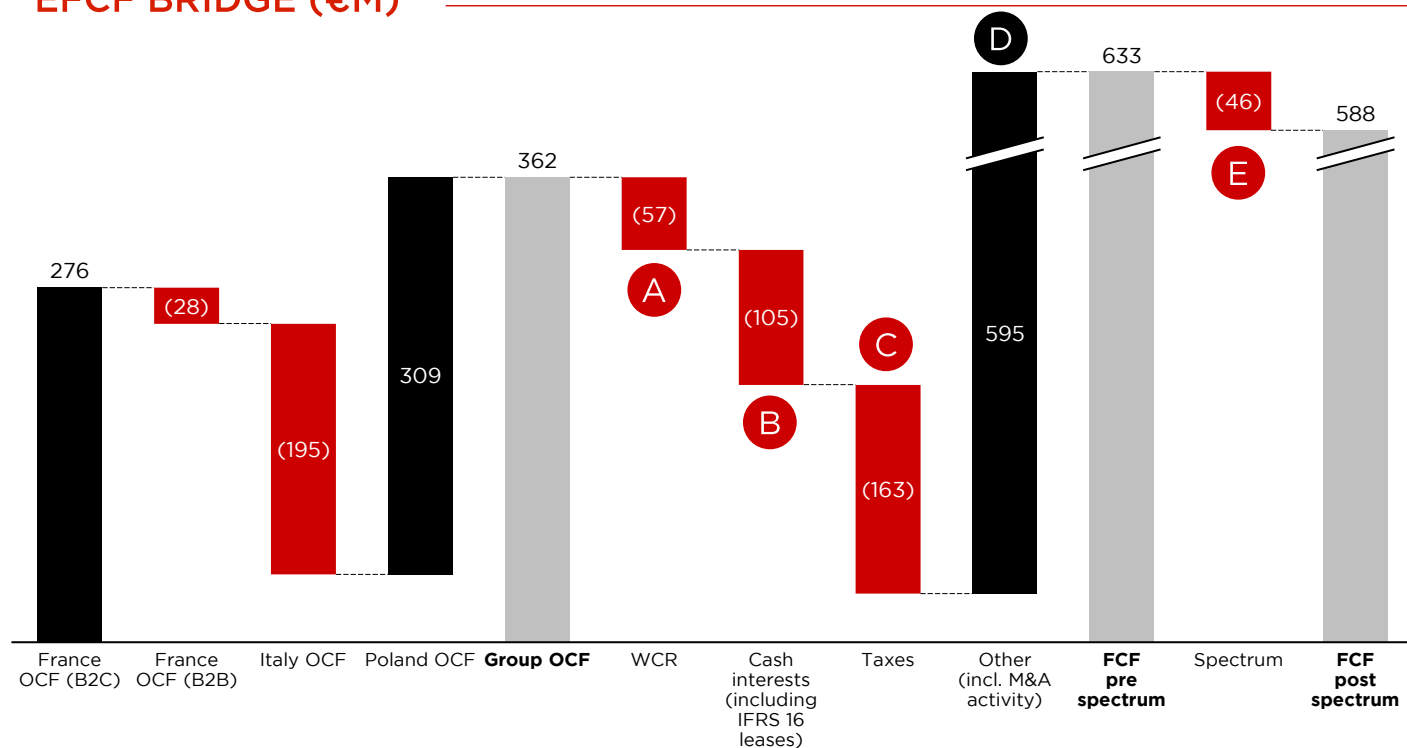
(PLNm, pro forma)



- MOBILE BILLED TO SUBSCRIBERS UP **8%** THANKS TO A SUCCESSFUL VALUE STRATEGY BASED ON MORE FOR MORE
- DOUBLE-DIGIT GROWTH FOR EBITDAAL EXCLUDING GAINS ON SITE DISPOSALS, WITH SYNERGIES AHEAD OF PLAN
- OCF UP **65%** WITH CAPEX DOWN SLIGHTLY (**-3%**)

Group FCF

EFCF BRIDGE (€M)



A IMPACT OF NEW INITIATIVES IN FRANCE (FREE PRO, INVENTORIES FOR FREE FLEX)

B HIGHER INTEREST WITH ACQUISITION OF PLAY AND INTEREST ON LEASES

C CASH TAX STRUCTURALLY HIGHER THAN P&L TAX DUE TO ITALY'S LOSSES

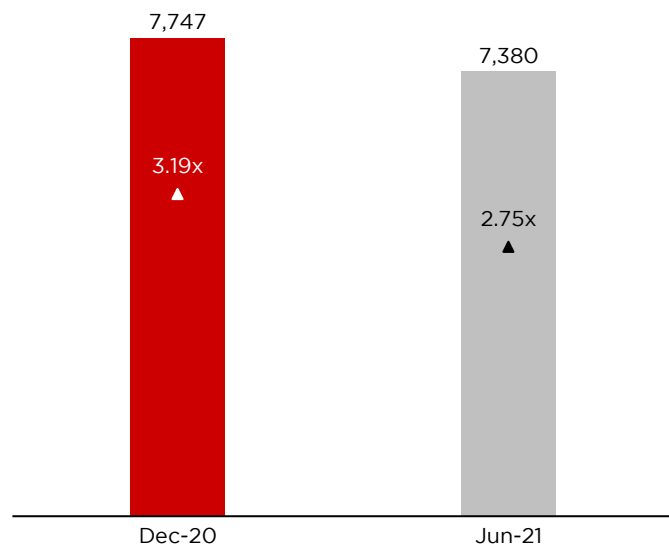
D TOWER DISPOSAL (€0.8BN) OFFSET BY SHARE BUY-BACK, UNIEURO INVESTMENT, INVESTMENTS IN ASSETS HELD FOR SALE, BANK FEES ON FINANCING OPERATIONS

E FRANCE (€6M) AND ITALY (€40M)

Group financial structure

GROUP NET DEBT AND LEVERAGE

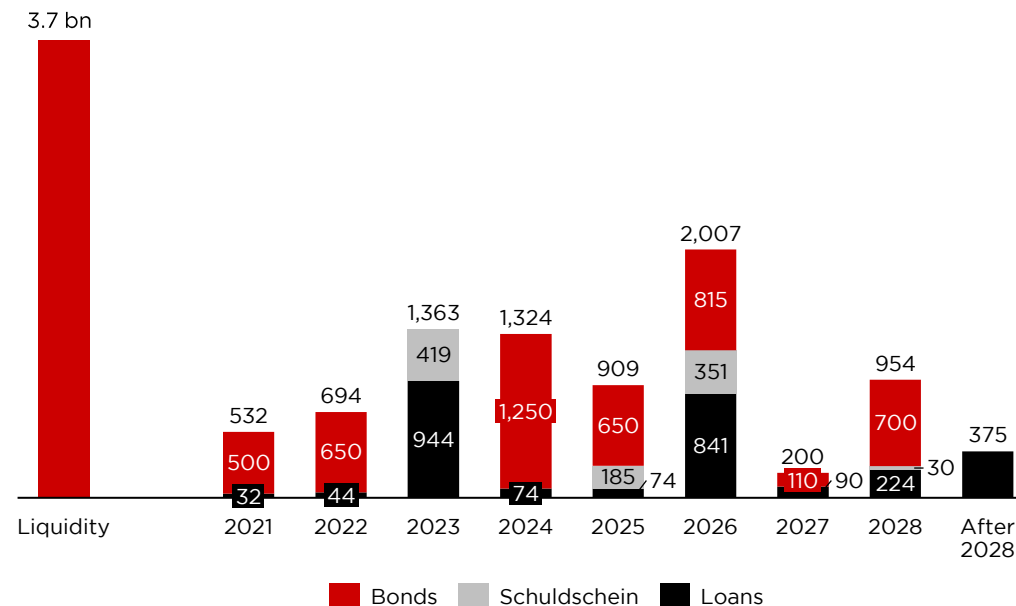
(€m)



▲ Leverage ratio (with LTM for Play) ■ Net debt

GROUP DEBT MATURITY PROFILE AT END-JUNE 2021

(€m)



- GRADUAL DELEVERAGING POST ACQUISITION OF PLAY ACCORDING TO PLAN
- SOLID CREDIT PROFILE WITH HIGH DEMAND FOR EACH DEBT ISSUANCE
- AMPLE LIQUIDITY TO MEET MATURITIES FOR THE NEXT 4 YEARS

Outlook

Nicolas Jaeger,
iliad Group Deputy CEO - Finance

iliad
GROUP



Outlook

FRANCE



LONG-TERM GOAL

Achieve a 25% share of the Mobile, Broadband and Ultra-Fast Broadband markets in the long term

FIXED

- Have more than 5 million Fiber subscribers by end-2023
- Have 30m connectible Fiber sockets by end-2022

MOBILE

- Have more than 80% of the subscriber base signed up to the Free Mobile Unlimited 4G/5G Plan by end-2024
- Have more than 25,000 sites by end-2023

B2B

- Obtain a B2B market share of around 4% to 5% by 2024
- Generate B2B revenues of between €400 million and €500 million by 2024

FINANCIALS

- Achieve an EBITDAaL less capex figure in France (excluding B2B activities) of more than €600 million in 2021 (target revised (i) following the decision to allocate part of the future proceeds from the sale of On Tower France to our 5G capital expenditure program, and (ii) to secure supplies and increase inventories of components for our Freeboxes and other electronic equipment in view of the current market shortages and, to a lesser extent, of fiercer competition on the mobile market in France in second-quarter 2021)

ITALY



MOBILE

- Have around 8,500 active mobile sites at end-2021
- Have rolled out between 10,000 to 12,000 mobile sites by end-2023

FIXED

- Launch after the summer of 2021

FINANCIALS

- Achieve positive EBITDAaL for full-year 2021
- Generate €1.5bn in revenues in Italy in the long term

POLAND



FINANCIALS

- Increase EBITDAaL less capex in 2021

Appendix

Group KPIs

	2019				2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
FRANCE										
Mobile subscribers (000s)	13,391	13,314	13,296	13,313	13,326	13,406	13,476	13,376	13,382	13,346
o.w. 4G/5G plans	7,858	7,928	8,075	8,177	8,278	8,383	8,503	8,563	8,657	8,754
o.w. voice plan	5,533	5,386	5,221	5,136	5,048	5,023	4,973	4,813	4,725	4,592
Broadband subscribers (000s)	6,411	6,396	6,428	6,460	6,507	6,572	6,671	6,721	6,765	6,812
o.w. FTTH	1,133	1,305	1,515	1,760	1,975	2,218	2,517	2,803	3,072	3,318
% FTTH take-up	17.7%	20.4%	23.6%	27.2%	30.4%	33.7%	37.7%	42.0%	45.4%	48.7%
Total subscriber base (000s)	19,802	19,710	19,724	19,773	19,833	19,978	20,147	20,097	20,147	20,154
Broadband & Ultra Fast BB ARPU (€ per month)	32.5	32.5	32.5	32.6	32.0	31.9	31.8	32.3	32.6	32.7
Mobile ARPU billed to subscribers (€ per month)	9.5	10.1	10.6	10.6	10.6	10.2	10.9	11.0	10.8	10.9
Connectible FTTH sockets	10.5m	11.5m	12.0m	13.9m	15.4m	16.8m	18.2m	19.9m	21.1m	22.7m
ITALY										
Mobile subscribers	3,309	3,841	4,541	5,281	5,806	6,260	6,840	7,235	7,540	7,820
POLAND										
Reported mobile subscribers (000s)	15,032	15,006	15,107	15,265	15,197	14,983	15,389	15,402	15,373	15,464
Active mobile subscribers (000s) ex-M2M and technical SIMs	11,748	11,828	11,854	11,897	11,825	11,714	12,198	12,193	12,165	12,310
o.w. postpaid	8,134	8,213	8,238	8,295	8,274	8,263	8,349	8,391	8,392	8,428
o.w. prepaid	3,613	3,615	3,616	3,602	3,551	3,451	3,850	3,802	3,773	3,882
Home subscribers (TV Box + Fixed Broadband) (000s)	7	18	20	32	48	60	86	126	162	198
o.w. TV Box	7	18	20	32	47	59	83	118	149	176
o.w. Fixed Broadband	-	-	-	-	0	1	3	7	13	22
Total active subscriber base (000s)	11,755	11,845	11,874	11,929	11,872	11,774	12,284	12,319	12,327	12,508
Mobile ARPU billed to subscribers (PLN per month)	25.6	26.5	27.0	26.4	26.5	26.5	27.3	27.1	27.1	27.6

Group Revenues

	2019								2020								2021		
	Q1	Q2	H1	Q3	9M	Q4	H2	FY	Q1	Q2	H1	Q3	9M	Q4	FY	Q1	Q2	H1	
Group revenues	1,293	1,314	2,607	1,336	3,943	1,389	2,725	5,332	1,382	1,402	2,784	1,420	4,205	1,666	5,871	1,846	1,875	3,722	
France (€m)	1,213	1,219	2,432	1,229	3,661	1,251	2,485	4,917	1,233	1,242	2,475	1,252	3,728	1,277	5,004	1,263	1,280	2,542	
Fixed services	654	658	1,312	661	1,973	666	1,327	2,640	663	672	1,336	673	2,009	686	2,695	692	712	1,405	
Mobile services	487	510	997	524	1,521	527	1,057	2,054	527	514	1,041	537	1,578	545	2,123	529	533	1,062	
o/w billed to subscribers	384	405	789	423	1,212	425	848	1,636	422	408	830	439	1,270	442	1,711	436	438	874	
Devices	73	53	126	45	171	59	104	229	45	58	103	44	146	48	194	43	36	79	
Intercompany sales – France	(2)	(2)	(3)	(1)	(4)	(1)	(3)	(6)	(1)	(3)	(4)	(1)	(5)	(2)	(7)	(1)	(2)	(3)	
Italy (€m)	81	96	177	109	286	140	250	427	150	162	312	171	483	192	674	188	195	383	
Mobile services	n/d	n/d	n/d	n/d	n/d	n/d	n/d	n/d	149	161	309	170	479	190	670	186	193	380	
Poland (€m)	-	-	-	-	-	-	-	-	-	-	-	-	-	200	200	398	404	801	
Mobile billed to subscribers	-	-	-	-	-	-	-	-	-	-	-	-	-			218	224	442	
Poland (PLN)	-	-	-	-	-	-	-	-	1,745	1,755	3,499	1,802	5,302	1,858	7,160	1,808	1,828	3,636	
Mobile billed to subscribers	-	-	-	-	-	-	-	-	943	937	1,880	977	2,858	993	3,851	991	1,013	2,004	
Other service revenues	-	-	-	-	-	-	-	-	422	441	863	398	1,261	430	1,691	418	422	840	
Devices	-	-	-	-	-	-	-	-	377	373	751	423	1,174	429	1,603	391	383	775	
Home	-	-	-	-	-	-	-	-	2	3	5	4	9	6	14	8	10	18	
Intra-group sales	(1)	(1)	(2)	(2)	(4)	(2)	(4)	(6)	(1)	(2)	(3)	(2)	(5)	(2)	(8)	(3)	(3)	(5)	