LES ACTES DE L'ARCEP

RÉPUBLIQUE FRANÇAISE

03 April 2014

# Observatory of the Electronic communications market in France
# Observatory of Investment and employment

## 4rd quarter 2013 – final results

ARCEP Autorité de régulation des communications électroniques et des postes
www.arcep.fr

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# Contents

# 1 Observatory of investment

| **Investments** *millions of euros* | **2011*** | **2012*** | **2012**** |
|---|---|---|---|
| **Total of investments** | **8 190** | **10 034** | **7 200** |
| of witch excluding mobile licences investments | **7 176** | **7 317** | **7 200** |

** Definitive annual publication*

*** First provisional estimations - rounded figures*

# 2 Observatory of employment

# 3 The electronic market

## 3.1 The end customer market

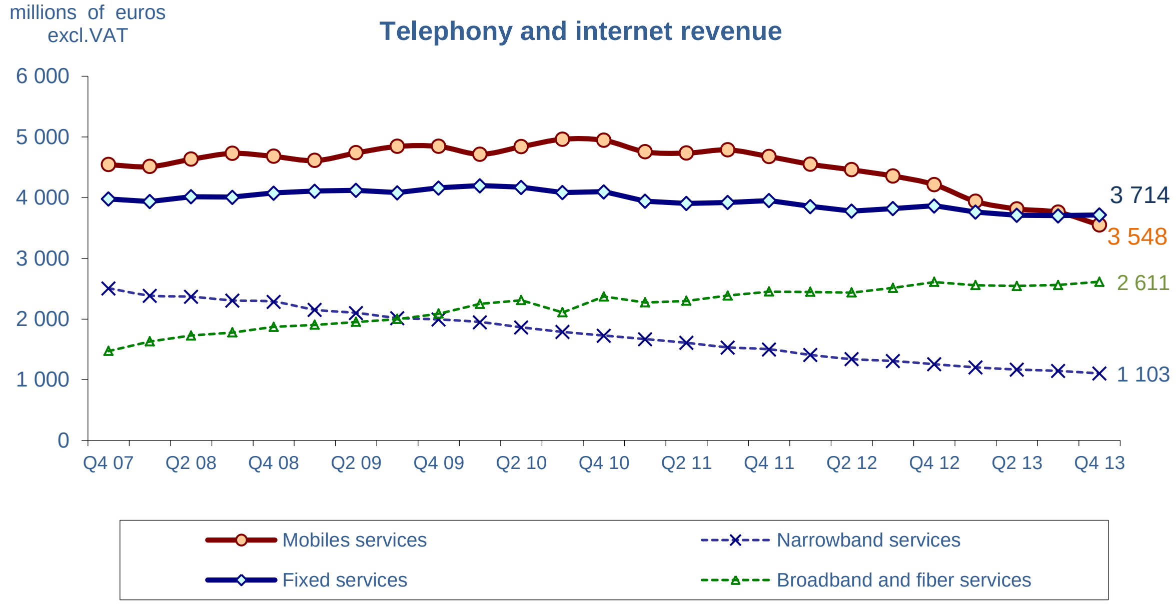
| **Revenue (millions of euros)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Fixed services | **3 865** | **3 763** | ***3 711*** | ***3 703*** | **3 714** | -3,9% |
| Mobile telephony | **4 213** | **3 937** | ***3 814*** | ***3 756*** | **3 548** | -15,8% |
| **All telephony and Internet** | **8 079** | **7 699** | ***7 525*** | ***7 460*** | **7 263** | **-10,1%** |
| Advanced services and directory services | **528** | **517** | **497** | **503** | **527** | -0,3% |
| Capacity services | ***903*** | ***902*** | ***750*** | ***737*** | **734** | n.s |
| **Electronic communications services** | ***9 510*** | ***9 118*** | ***8 772*** | ***8 700*** | **8 523** | **n.s** |
| Others revenues | **925** | ***680*** | **666** | **649** | **916** | -0,9% |
| **Entire marLet** | ***10 435*** | ***9 798*** | ***9 438*** | ***9 349*** | **9 439** | **n.s** |

*adjusted figures are in italics*

Fixed telephony covers revenues from access fees and subscriptions, from calls from fixed lines including Internet connection calls, public telephones and cards, internet subscriptions (narrow-band and broadband).

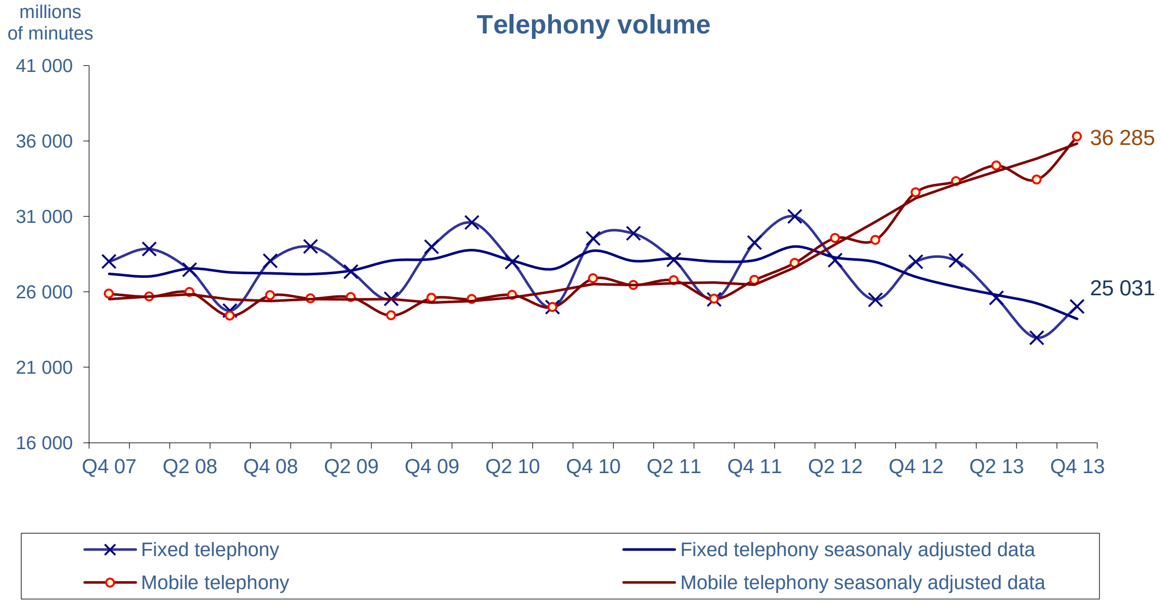
Mobile telephony includes data transport on mobile netw orLs (SMS, MMS, mobile internet).

Other revenues does not really fall under the telecommunications services marLet. Since registered operators contribute little to this marLet, this indicator gives only a partial idea of total figures. This item covers revenues from terminals and equipment, from hosting and call centre management, and from directories and advertising.



| **Volumes of voice (millions of minutes)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Fixed telephony | 27 996 | *28 069* | *25 599* | 22 958 | 25 031 | -10,6% |
| Mobile telephony | *32 591* | *33 325* | *34 373* | 33 434 | 36 285 | 11,3% |
| ***Total voice services*** | ***60 587*** | ***61 394*** | ***59 972*** | **56 392** | **61 316** | **1,2%** |

*adjusted figures are in italics*

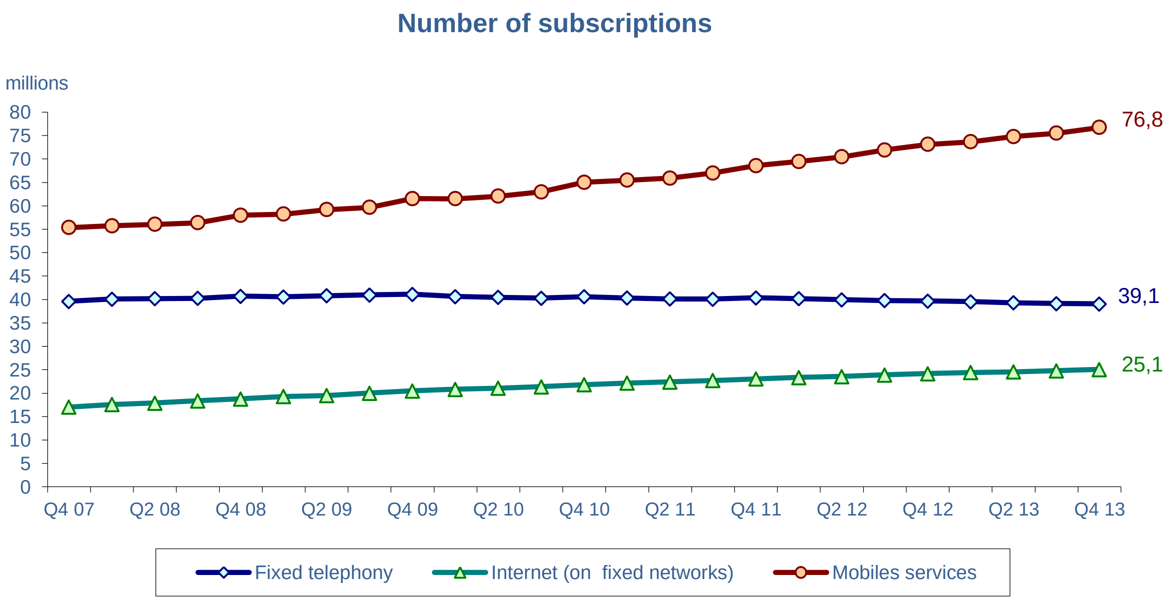



| **Volumes of data (millions of minutes)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of SMS sent (millions of units) | 49 036 | 49 432 | 47 946 | 44 799 | 50 936 | 3,9% |
| Volume of mobile data (teraoctets) | 28 469 | 32 177 | 35 123 | 40 290 | 47 548 | 67,0% |

| **Number of subscriptions (millions of units)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of subscription to telephone service | 39,674 | *39,561* | *39,315* | *39,129* | 39,082 | -1,5% |
| Internet subscriptions | 24,200 | *24,438* | *24,571* | *24,812* | 25,075 | 3,6% |
| Number of mobile customers | 73,135 | *73,679* | *74,781* | *75,508* | 76,751 | 4,9% |

*adjusted figures are in italics*

*Note: the number of subscriptions to a fixed telephony service (PSTN and voice over broadband) was reviewed upward from publication Q3 2013 due to a better accounting of the number of subscriptions on the business market. This change does not affect the annual change in percentage.*


Number of subscriptions
millions
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0
76,8
39,1
25,1
Q4 07
Q2 08
Q4 08
Q2 09
Q4 09
Q2 10
Q4 10
Q2 11
Q4 11
Q2 12
Q4 12
Q2 13
Q4 13
Fixed telephony
Internet (on fixed networks)
Mobiles services

## 3.2 The intermediate market (interconnection and wholesale market)

### 3.2.1 The market as a whole

| **Interconnection services (millions of euros)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Fixed operators | 1 207 | 1 190 | 1 154 | 1 174 | 1 193 | n.s** |
| *of which telephony services ** | 608 | 582 | 533 | 550 | 550 | n.s** |
| *of which broadband services* | 600 | 608 | 622 | 624 | 643 | 7,2% |
| Mobile operators | 676 | 619 | 634 | 640 | 638 | -5,7% |
| *of which SMS termination* | 354 | 358 | 353 | 348 | 362 | 2,2% |
| **Revenue** | **1 883** | **1 809** | **1 788** | **1 815** | **1 831** | **n.s**** |

** including narrowband internet interconnection services (< 1 million € per quarter)*

| **Interconnection services (millions of minutes)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Fixed operators | 34 305 | 32 707 | 27 637 | 26 032 | 27 444 | n.s** |
| Internet (dial-up) | 122 | 122 | 121 | 107 | 107 | -12,8% |
| Mobile operators | 20 197 | 20 997 | 21 724 | 21 115 | 22 162 | 9,7% |
| **Volume** | **54 624** | **53 827** | **49 482** | **47 255** | **49 713** | **n.s**** |
| **Incoming SMS** | **30 095** | **31 215** | **30 706** | **29 472** | **31 813** | **5,7%** |

*Notes:*

*- Interconnection covers all the services provided by one carrier to another under the terms of an interconnection agreement. In cases of mergers or takeovers, some of the revenue streams between the telcos disappear, which might account for decreases in revenue from one quarter to the next.*

*- Interconnection income and traffic volumes are not calculated on the basis of the same criteria, making a comparison between the two indicators unsuitable for estimating average prices (interconnection income includes fixed income such as charges for connection links and intercarrier services).*

*- Note that the interconnection figures shown above might be counted twice, particularly in the case of fixed operators.*

*- From January 1st 2013, the price for call termination on fixed networks is set to 0.08c€/minute against 0.15c€/min since July 1st 2012 (decision 2011-0926) and 3.0 c€/min since October 1st 2011.*

*- Broadband wholesale services include income from unbundling and bitstream or bitstream equivalent services. The decision 2012-0007 (January 17 2012), about the rates of wholesale offerings regulated for the year 2012, amended in particular, the tariff of the unbundling which moved to €8.80 against €9.00.*

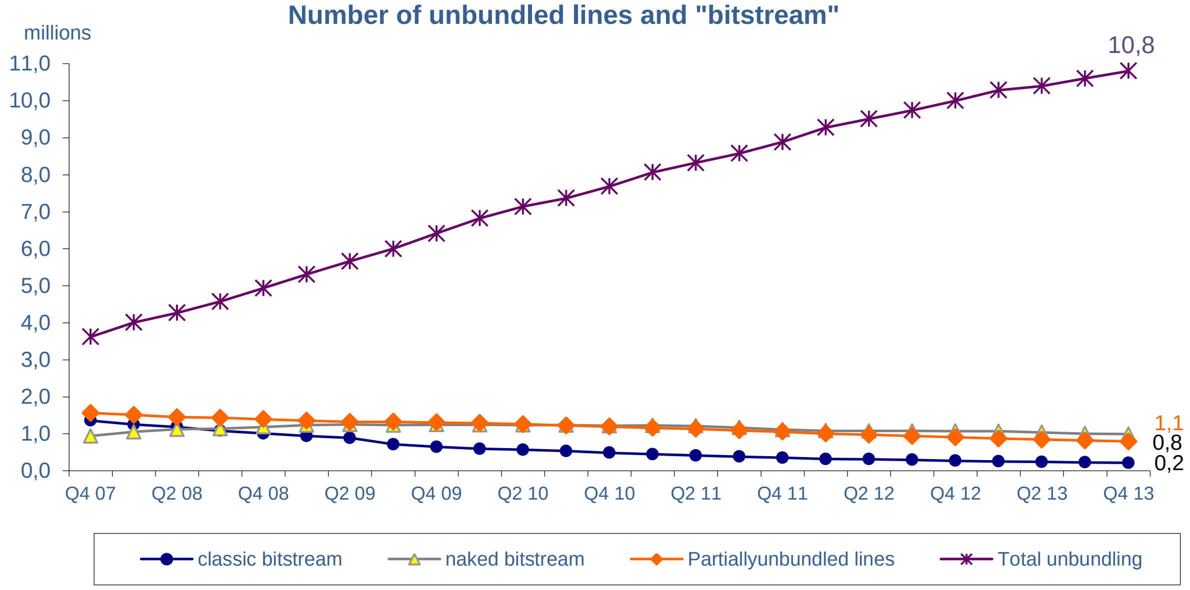
*- Mobile operators' interconnection services include income earned on call and SMS termination and on roaming in. The revenue issued from services of collection for the MVNO / full MVNO or national roaming operators, representing EUR 531 million for the whole of the year 2011, are not included.*

*- From January 1st 2013, the price for call termination on mobile networks is set to 0,8c€/minute for Bouygues Telecom, Orange France and SFR against 1.0€/minute between July 1st 2012 to 30$^{th}$ December 2012 and 1.5€/minute between January1st 2012 to June 30$^{th}$ 2012. The maximum price of the voice call termination on mobile networks is set, from 1$^{st}$ July 2013, at 0.8c€/min for Free mobile (network operator) and the full MVNO against 1.1c€ between1$^{st}$ January 2013 to 30$^{th}$ June 2013 and 1.6c€ since 1$^{st}$ July 2012.*

*- The price of call termination for SMS is €1.0c for all operators since January 1$^{st}$ 2013.*
*History of rates is available on the site: http://www.arcep.fr/index.php?id=8080.*

*- The merger of France Telecom and Orange France removes financial flows and volumes between these two entities. Previously, the two companies were selling wholesale for interconnection of access and termination benefits.*

| **Unbundling (millions of units)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Partially unbundled lines | 0,906 | 0,871 | 0,844 | 0,820 | 0,793 | -12,5% |
| Fully unbundled lines | 10,004 | 10,287 | 10,399 | 10,603 | 10,808 | 8,0% |
| **Number of unbundled lines** | **10,910** | **11,157** | **11,244** | **11,423** | **11,601** | **6,3%** |




| "Bitstream" lines (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| "naked bistream" | 1,076 | 1,069 | 1,041 | 1,006 | 0,993 | -7,7% |
| "classic bitstream" | 0,271 | 0,255 | 0,242 | 0,226 | 0,214 | -21,0% |
| **Number of "bitstream" lines** | **1,347** | **1,324** | **1,283** | **1,232** | **1,207** | **-10,4%** |

*Note : Bitstream is a wholesale solution marketed by the incumbent carrier that allows alternative operators to provide broadband access services to their customers who are located in areas where unbundling is not available, by connecting to one of the incumbent carrier's regional or national connection points*.

### *3.2.2 Incoming international interconnection*

*Note: This segment is a sub-set of the total market (cf.1.2.1).*

| Revenue of incoming international interconnection services (millions of euros) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Fixed operators | 40 | 42 | 35 | 43 | 39 | -3,4% |
| Mobile operators | 10 | 8 | 8 | 10 | 10 | -0,3% |
| **Revenue** | **50** | **50** | **43** | **53** | **49** | **-2,7%** |

| Volume of incoming international interconnection services (millions of minutes) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Fixed operators | 2 140 | 2 231 | 2 216 | 2 410 | 2 353 | 9,9% |
| Mobile operators | 810 | 813 | 893 | 965 | 922 | 13,8% |
| **Volume** | **2 950** | **3 044** | **3 109** | **3 375** | **3 275** | **11,0%** |

### *3.2.3 Mobile operators roaming-in revenue*

| Roaming in | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Revenue (millions of euros) | 86 | 72 | 79 | 99 | 72 | -16,2% |
| Volume (millions of minutes) | 439 | 445 | 533 | 707 | 464 | 5,7% |
| Volume of SMS (millions) | 178 | 199 | 223 | 344 | 173 | -2,5% |
| Volume of data (teraoctets) | 97 | 110 | 160 | 312 | 183 | 87,6% |

*Note: This segment is a sub-set of the total market (cf.1.2.1).*

*- -Roaming-in refers to French mobile operators' handling of the incoming and outgoing calls made in France by customers of a foreign mobile operator. The revenue corresponds to the remuneration between the two operators. The relationship between call revenue/volume does not correspond to any set price, nor to any price that is billed to customers.*
*- Mobile operators have been subject to a ceiling on international roaming tariffs inside the EU since June 2007. This European regulation also includes a multi-annual plan for a steady decrease in this maximum price. As a result, on 1st July 2013, these Euro tariffs went from 0.29€ excl. VAT to 0.24€ excl. VAT for calls made from abroad, and from 0.09€ excl. VAT to 0.07€ excl. VAT for calls received when abroad. SMS tariff on the retail market has been reduced from 0.09€ to 0.08 € excl.VAT per message. The tariff for mobile internet has been reduced from 70c€ to 45c€ per mega octets.*
*-. On the wholesale market the tariffs have been set since 1st July 2013 to 2cts€ per message for SMS and to 10c€ per minute for voice calls (against 3cts€ per message for SMS and to 14cts€ per minute for voice calls for the period from 1rst July 2012 to 30 June 2013). The tariff is set to 15cts€ per Mo for mobile internet for the period between 1st July 2013 to 1st July 2014 ('against 25 cts€ for the period from 1rst July 2012 to 30 June 2013).*
*More information at http://www.arcep.fr/index.php?id=8710.*

# 4 Fixed networks services

## 4.1 The fixed networks as a whole

### 4.1.1 Revenue and fixed telephony traffic

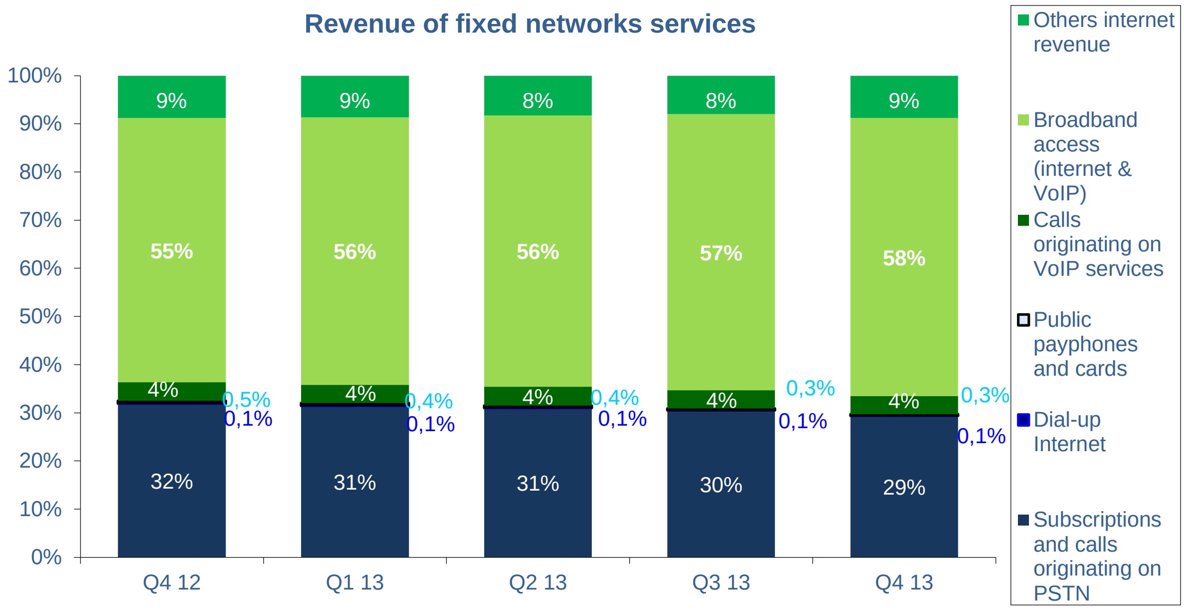
| **Revenue of fixed networks services (millions of euros)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| **Narrowband Revenue** | **1 256** | **1 204** | **1 169** | **1 145** | **1 103** | **-12,1%** |
| Subscriptions and calls originating on PSTN/ISDN | 1 233 | 1 183 | 1 151 | 1 129 | 1 091 | -11,5% |
| Dial-up Internet | 4 | 4 | 4 | 3 | 3 | -28,8% |
| Public payphones and cards | 18 | 17 | 14 | 12 | 10 | -48,0% |
| **Broadband Revenue** | **2 610** | ***2 558*** | ***2 543*** | ***2 559*** | **2 611** | **0,0%** |
| Broadband Internet and VoIP subscriptions | 2 119 | *2 089* | *2 092* | *2 123* | 2 144 | 1,2% |
| Calls originating on VoIP services | 150 | 143 | 145 | 139 | 140 | -7,1% |
| Other Internet revenue | 340 | 326 | 305 | 297 | 327 | -3,9% |
| **Revenue of fixed lines services** | **3 865** | ***3 762*** | ***3 711*** | ***3 703*** | **3 714** | **-3,9%** |

*adjusted figures are in italics*

*The fixed services segment is composed of fixed telephony services (over the PSTN or VoBB from a fixed terminal, calls originating on public payphones, prepaid cards or calling credits) and Internet access (dial-up, broadband and ultra-fast broadband).*
*When they are included in an Internet access flat rate, access to a VoIP services and IP calls are not factored into the revenue directly attributable to fixed telephony, but rather included in the "broadband Internet access revenue" indicator.*
*"Other services" refers to related income earned by ISPs on services such as hosting and online advertising revenue. From now on, this line also includes revenue connected to a broadband internet access and billed by operators (subscriptions to à TV service, video and music downloading…).*

| **Volumes (millions of minutes)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Calls originating on PSTN/ISDN | 7 824 | 7 923 | 7 141 | 6 530 | 6 927 | -11,5% |
| Public payphones and cards | 142 | 143 | 97 | 58 | 50 | -64,9% |
| Calls originating on VoIP services | 20 030 | *19 995* | *18 361* | *16 370* | 18 054 | -9,9% |
| **Volumes from fixed telephony** | **27 996** | ***28 061*** | ***25 599*** | ***22 958*** | **25 031** | **-10,6%** |

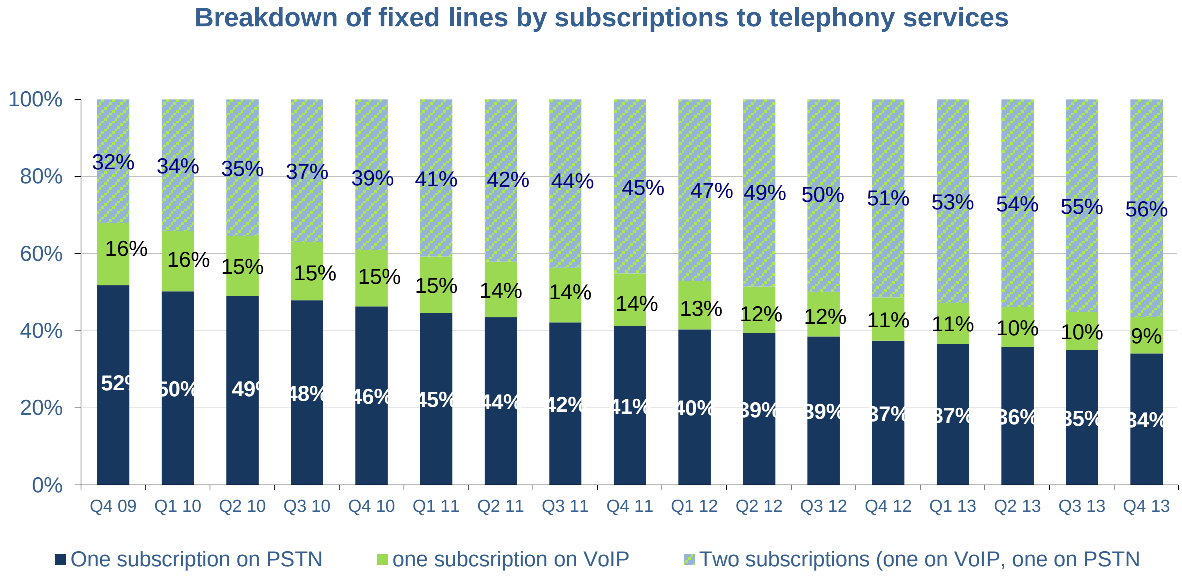
*adjusted figures are in italics*




## *4.1.2 Number of fixed lines*

| **Number of fixed lines (millions of units)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of fixed lines | 35,674 | 35,768 | 35,625 | 35,645 | 35,710 | 0,1% |

*Note: the number of subscriptions to a fixed telephony service (PSTN and voice over broadband) was reviewed upward, from the Q3 2013 publication, due to a better accounting of the number of subscriptions on the business market. This change does not affect the annual change in percentage.*




## *4.1.3 Portability (fixed numbers)*

| **Portability** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of fixed numbers ported during the quarter | 0,686 | *0,660* | *0,575* | *0,638* | 0,726 | 5,9% |

*adjusted figures are in italics*

## 4.2 Narrowband services

### *4.2.1 Fixed telephony*

a) Subscriptions on the PSTN

**Narrow band services**

| **Number of subscriptions to telephone service** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Subscription on narrow band access | 17,366 | 16,902 | 16,464 | 15,994 | 15,566 | -10,4% |
| Access resales | 1,787 | 1,855 | 1,594 | 1,595 | 1,617 | n.s. |

*Notes :*
*- the number of subscriptions to a fixed telephony service (PSTN and voice over broadband) was reviewed upward from Q3 2013 publication due to a better accounting of the number of subscriptions on the business market. This change does not affect the annual change in percentage.*
*- the number of access resales (VGAST offer) is impacted from June 2013 by the merger between France Telecom and Orange France. In addition, the level of subscriptions sold by alternative operators has been re-evaluated upward from the Q3 2013 publication (approximately 250,000 per quarter compared with earlier publications).*

| **Carrier selection** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Call by call selection | 0,108 | 0,104 | 0,090 | 0,079 | 0,080 | -25,9% |
| Pre-selection | 1,403 | 1,380 | 1,343 | 1,203 | 1,193 | -14,9% |
| **Number of indirect connections** | **1,511** | **1,483** | **1,433** | **1,282** | **1,273** | **-15,7%** |

*Note :*
*- the call-by-call selection base includes only active subscriptions; the pre-selection base includes only subscriptions that are in service, minus cancellations. The call-by-call and pre-selection customer bases do not include wholesale line rental (VGAST) subscriptions.*

b) Access revenue, calling revenue and traffic on the PSTN

| **Access revenue** (millions of euros) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Access fees, subscriptions and additional services | 846 | 819 | 811 | 813 | 782 | -7,6% |

*Note: in addition to income earned from providing access to a telephone service, access revenue includes income from IP telephony subscriptions and from additional services (caller ID, etc...).*

| **Revenue of calls originating on PSTN/ISDN** (millions of euros) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| National calls | 226 | 215 | 201 | 188 | 185 | -18,0% |
| International calls | 35 | 33 | 31 | 31 | 27 | -23,6% |
| Calls to mobiles | 126 | 117 | 107 | 97 | 97 | -23,0% |
| **All calls originating on PSTN/ISDN** | **387** | **365** | **340** | **316** | **309** | **-20,1%** |

| **Volumes of calls originating on PSTN/ISDN** (millions of minutes) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| National calls | 6 212 | 6 319 | 5 609 | 5 081 | 5 429 | -12,6% |
| International calls | 328 | 333 | 308 | 306 | 287 | -12,5% |
| Calls to mobiles | 1 283 | 1 268 | 1 224 | 1 143 | 1 211 | -5,7% |
| **All calls originating on PSTN/ISDN** | **7 824** | **7 920** | **7 141** | **6 530** | **6 927** | **-11,5%** |

### *4.2.2 Public payphones and calling cards*

| **Public telephony** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of public payphones at end of quarter (units) | 116 626 | 112 658 | 107 521 | 101 790 | 94 455 | -19,0% |
| Revenue (millions of euros) | 5 | 4 | 4 | 4 | 3 | -39,5% |
| Volumes (millions of minutes) | 15 | 12 | 12 | 12 | 9 | -40,7% |

| **Charge and prepaid cards** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Revenue (millions of euros) | 13 | 12 | 10 | 8 | 6 | **-51,3%** |
| Volume (millions of minutes) | 127 | 131 | 85 | 46 | 41 | **-67,7%** |

### *4.2.3 Dial-up internet*

| **Internet Dial-up** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Revenue (millions of euros) | 4 | 4 | 4 | 3 | 3 | -28,8% |
| Subscriptions (millions of units) | 0,225 | 0,202 | 0,186 | 0,165 | 0,155 | -31,2% |
| Volumes of dial-up Internet (millions of minutes) | 226 | 197 | 177 | 149 | 136 | -39,9% |

## 4.3 Broadband services

### *4.3.1 Broadband and ultra-fast broadband*

| **Internet subscriptions** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Broadband | 22,369 | *22,534* | *22,623* | *22,798* | 22,872 | 2,2% |
| of wich xDSL | 21,981 | *22,153* | *22,252* | *22,404* | 22,461 | 2,2% |
| of wich other broadband access | 0,389 | 0,381 | 0,370 | 0,395 | 0,411 | 5,8% |
| Ultra-fast broadband | 1,606 | 1,702 | 1,763 | 1,849 | 2,049 | 27,6% |
| of which FTTLA with a flow rate between 30 Mbit/s & 100 Mbit/s (*) | 0,670 | 0,668 | 0,658 | 0,656 | 0,741 | 10,5% |
| of which FTTLA with a flow rate superior to 100 Mbit/s | 0,621 | 0,668 | 0,692 | 0,726 | 0,764 | 23,0% |
| of wich fiber with coaxial cable termination (FTTLA) | 0,314 | 0,366 | 0,413 | 0,467 | 0,543 | 73,0% |
| **Internet subscriptions** | **23,975** | ***24,236*** | ***24,386*** | ***24,647*** | **24,921** | **3,9%** |

*adjusted figures are in italics*

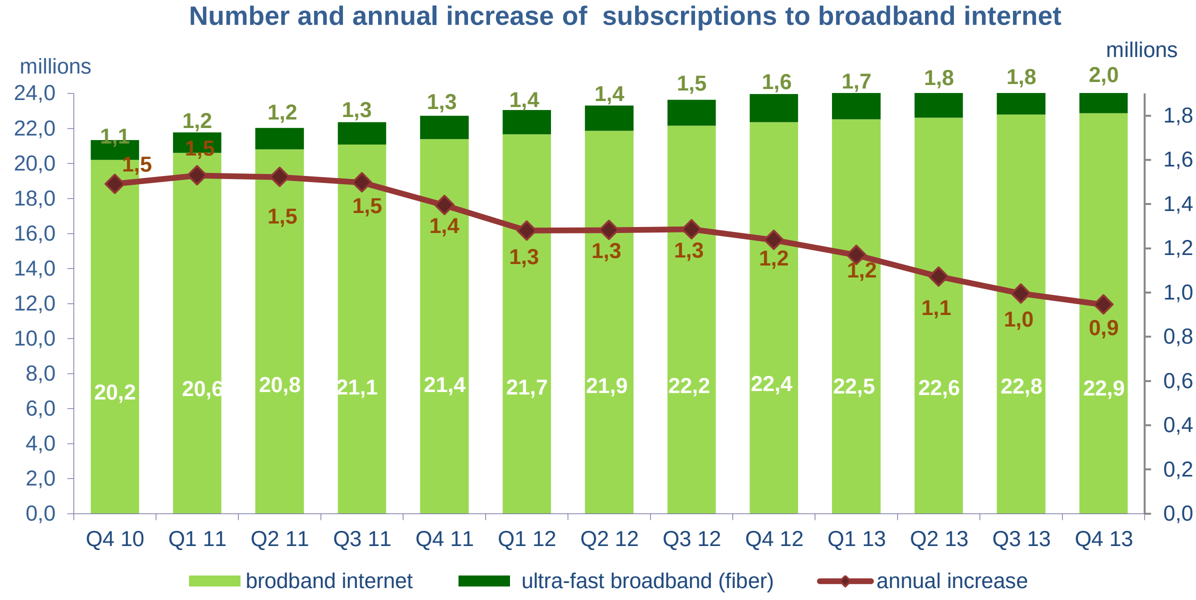
*(*) including VDSL2 subscriptions with a flow rate >=30 Mbits/s*

*Note:*

*- In order to comply with the thresholds set down by the European Commission in the framework of its agenda for Europe for 2020, ARCEP have modified since the end of 2012 the definition of ultra broadband. Now, are counted as very high-speed subscriptions access to the internet with a flow-rate equal or greater to 30 Mbit/s. Other subscriptions with a flow rate equal or greater than to 100 Mbit/s is also published. These categories include subscriptions on fiber to the home networks (FttH), on "hybrid fiber coaxial cable" networks (HFC), on optical fiber with coaxial cable termination networks (FttLA). Only the category "other subscriptions broadband" is impacted. The total number of the broadband and ultra broadband subscribers is not changed;*

*- There can be a delay between the delivery of an offer in the wholesale market (LLU or bitstream) and its inclusion in retail market figures. Data comparisons for these different markets may reflect this delay.*

| **Overseas subscriptions to internet** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Broadband and fiber | 0,503 | 0,513 | 0,518 | 0,526 | 0,532 | 5,7% |




### *4.3.2 Fixed telephony on broadband*

a) Subscriptions

| **Number of subscriptions to IP telephone service** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Subscription on broadband access (IP DSL,cable) | 22,309 | *22,659* | *22,855* | *23,134* | 23,516 | 5,4% |
| DSL lines without narrowband access | 16,725 | 17,178 | 17,388 | 17,811 | 18,186 | 8,7% |

*adjusted figures are in italics*

Notes:

*-Subscription to an IP telephony service over xDSL lines without a PSTN subscription: telephone subscription on lines whose low frequencies are not used to support a voice service (neither by the incumbent carrier or alternative operators). Such is the case with voice over broadband services enabled by full unbundling and naked ADSL offers.*

*- the number of subscriptions to a fixed telephony service on the PSTN was reviewed upward due to a better accounting of the number of subscriptions on the business market. This change does not affect the annual change in percentage.*

**Details on the indicators for IP telephony services**

*Regarding the terminology used:*

IP telephony service indicators in this publication cover voice over broadband regardless of medium (chiefly DSL IP, but also cable IP) and voice over Internet for operators that have declared their activity to ARCEP.

ARCEP defines “voice over broadband” as fixed telephony service using Voice over IP technology on an Internet access network at speeds in excess of 128 kbps where quality is controlled by the operator providing the service. It defines “voice over Internet” as voice communications using the public Internet network where service quality is not controlled by the operator providing the service.

The outgoing Voice over IP calls counted by the Observatory correspond to access services. The indicators do not refer to IP traffic that traverses the IP backbone only. Moreover, the Observatory does not survey operators which have not declared their activity and which support PC-to-PC voice over Internet. These operators are outside the scope of the survey.

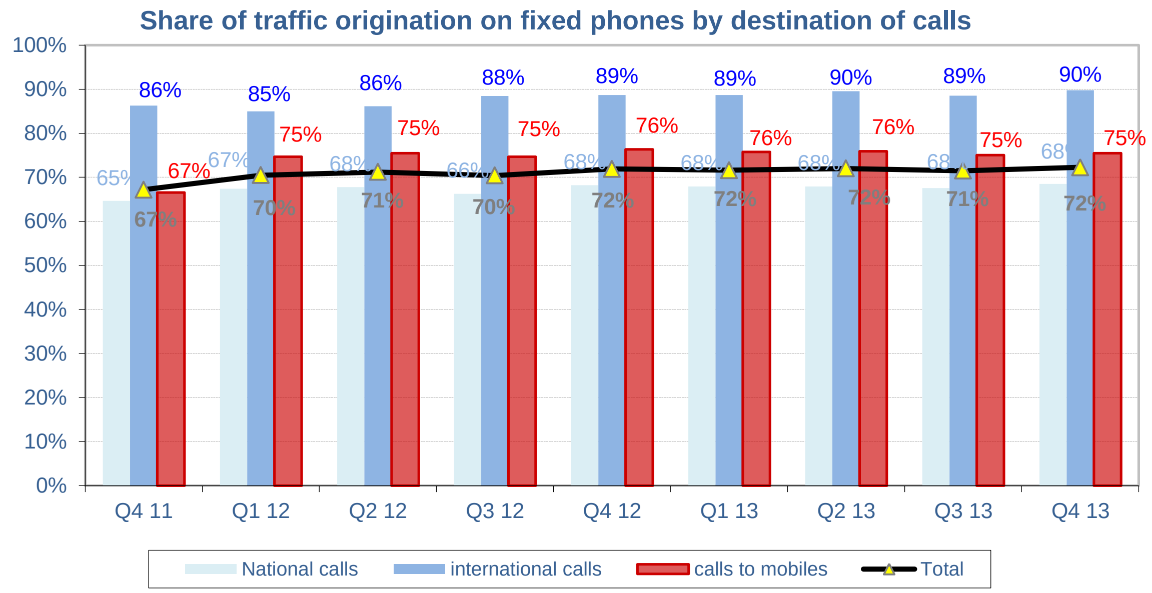
*Revenue taken into consideration*

The Observatory distinguishes calls originating with IP telephony services from other voice calls. However, while VoIP calling volume includes all traffic observed in the end market, revenue includes only billed VoIP traffic (for example, over and above a service bundle flat rate).

b) Calls over broadband

| **Volumes (IP trafic)** (millions of minutes) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| National calls | 13 323 | *13 416* | *11 878* | *10 573* | 11 805 | -11,4% |
| International calls | 2 565 | *2 612* | *2 632* | *2 366* | 2 524 | -1,6% |
| Calls to mobiles | 4 142 | *3 967* | *3 851* | *3 431* | 3 725 | -10,1% |
| **All IP calls** | **20 030** | ***19 995*** | ***18 361*** | ***16 370*** | **18 054** | **-9,9%** |

*adjusted figures are in italics*

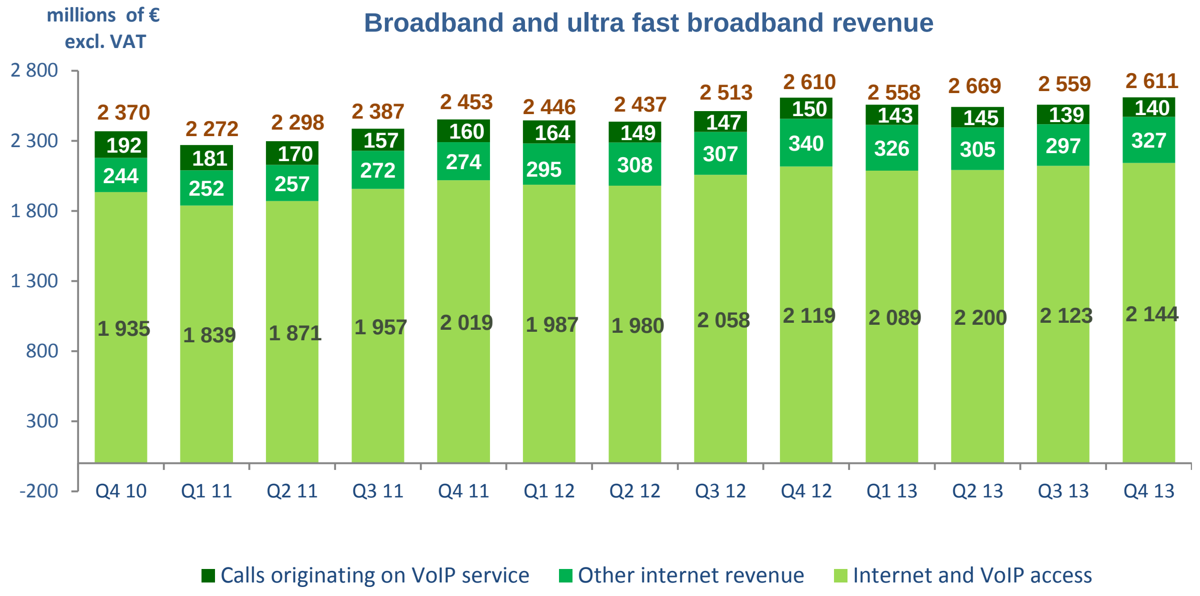



### *4.3.3 Broadband and ultra-fast broadband revenue*

| **Total Internet broadband revenue** (millions of euros) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Internet access and VoIP subscriptions | 2 119 | *2 089* | *2 092* | *2 123* | 2 144 | 1,2% |
| Calls originating on VoIP services | 150 | 143 | 145 | 139 | 140 | -7,1% |
| Other internet revenue | 340 | 326 | 305 | 297 | 327 | -3,9% |
| **Total Internet revenue** | **2 610** | ***2 558*** | ***2 543*** | ***2 559*** | **2 611** | **0,0%** |

*adjusted figures are in italics*

*Note: "Other services" refers to related income earned by ISPs on services such as hosting and online advertising revenue. From now on, this line also include revenues connected to a broadband internet access and billed by operators (subscriptions to à TV service, video and music downloading…). Revenue generated by terminal sales and rental is included under "fixed operator and ISP terminal sales and rental".*

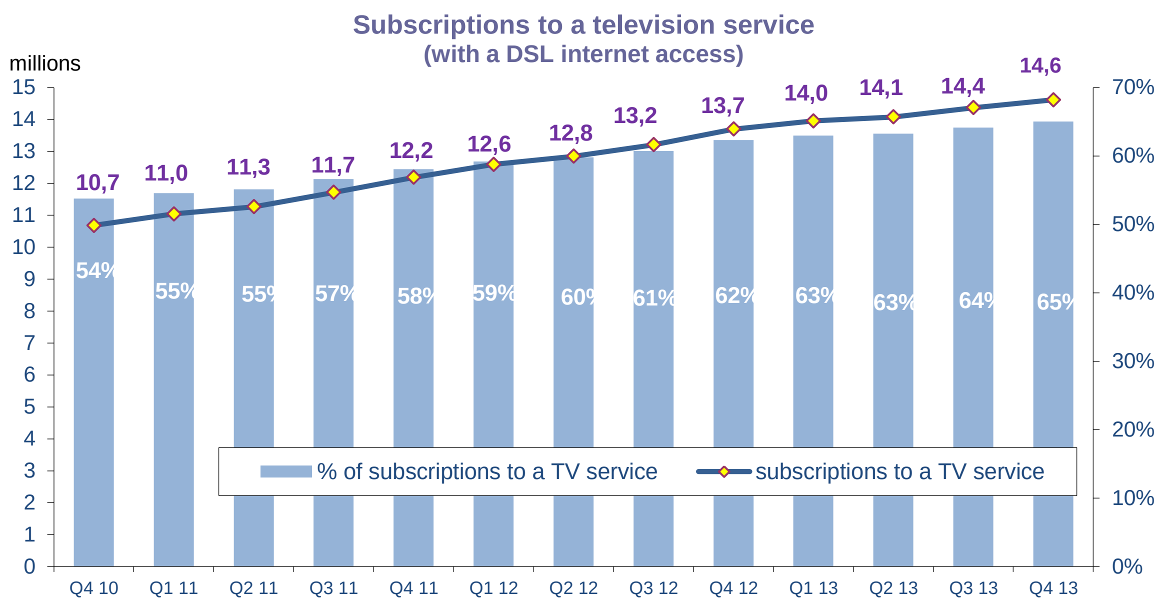



### 4.3.4 *Internet and TV over ADSL*

| **TV Subscriptions on DSL** (millions) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Subscriptions to Internet on DSL | 13,702 | 13,956 | 14,081 | 14,373 | 14,615 | 6,7% |
| Subscriptions to television services on DSL | 21,981 | *22,153* | *22,252* | *22,404* | 22,461 | 2,2% |
| % of subscriptions to television services | 62,3% | 63,0% | 63,3% | 64,2% | 65,1% | |

*adjusted figures are in italics*

*Note: This indicator covers subscriptions that include TV over xDSL services that customers have the technical capacity to activate ("eligible" subscriptions) irrespective of the number of accessible channels or the tariff. Taken into account are those subscriptions that were subscribed to separately or as part of a bundled offer that includes access to one or several other services aside from TV (Internet, telephony).*



## 4.4 Access, subscriptions and calls on fixed lines

### *4.4.1 Number of subscriptions to a telephone service*

| **Number of subscriptions to telephone service** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Subscription on narrow band access | 17,366 | 16,902 | 16,464 | 15,994 | 15,566 | -10,4% |
| Subscription on broadband access (IP DSL,cable) | 22,309 | *22,659* | *22,855* | *23,134* | 23,516 | 5,4% |
| **Number of subscriptions to telephone service** | **39,674** | ***39,561*** | ***39,319*** | ***39,129*** | **39,082** | **-1,5%** |

*adjusted figures are in italics*

*Note: the number of subscriptions to a fixed telephony service (PSTN and voice over broadband) was reviewed upward from Q3 2013 publication due to a better accounting of the number of subscriptions on the business market. This change does not affect the annual change in percentage.*

### *4.4.2 Calls from fixed lines (excluding public payphones and cards)*

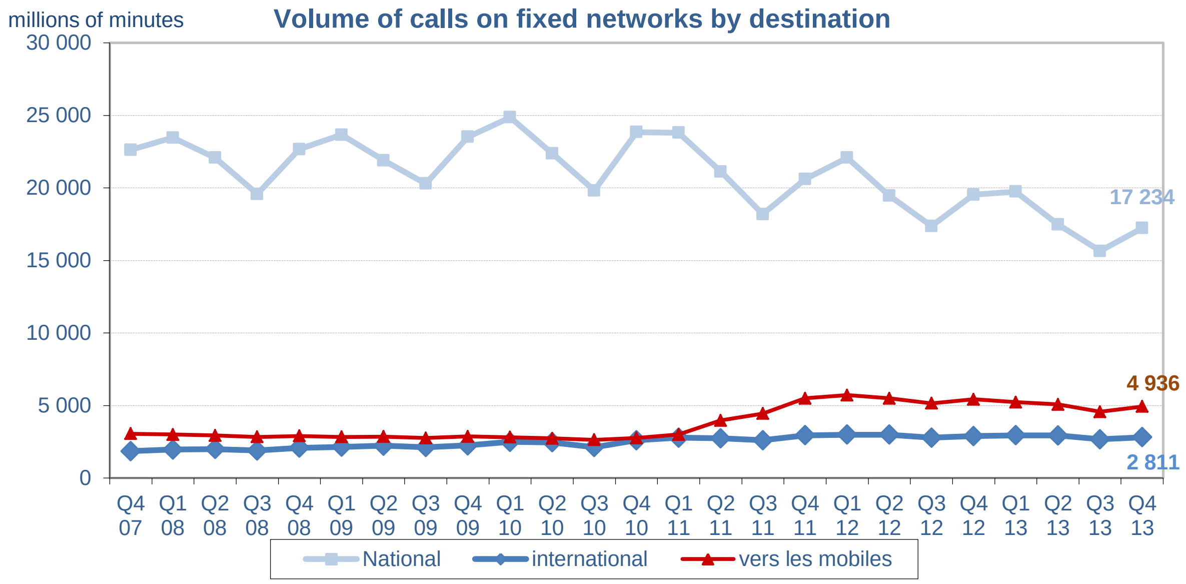
| **Revenue** (millions of euros) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| National calls | 245 | 239 | 215 | 198 | 197 | -19,4% |
| International calls | 96 | 89 | 90 | 89 | 80 | -16,3% |
| Calls to mobiles | 197 | 181 | 180 | 168 | 171 | -13,0% |
| **All calls from fixed lines** | **538** | **509** | **486** | **455** | **449** | **-16,5%** |
| *Of which calls originating on PSTN/ISDN* | 387 | 365 | 340 | 316 | 309 | -20,1% |
| *Of which calls originating on VoIP services* | 150 | 143 | 145 | 139 | 140 | -7,1% |

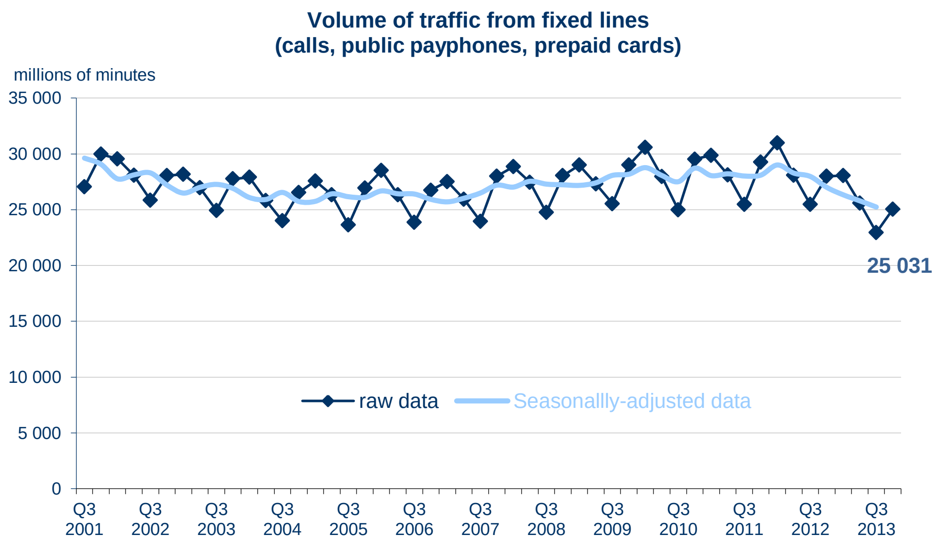
*Note: revenue generated by calls originating on an IP connection includes only the amounts that operators might bill for IP calls, over and above bundled service flat rates. This figure does therefore not include the price of the bundled subscription, or access to the voice over broadband service.*

| **Volumes** (millions of minutes) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| National calls | 19 535 | *19 745* | *17 487* | *15 655* | 17 234 | -11,8% |
| International calls | 2 893 | *2 945* | *2 940* | *2 672* | 2 811 | -2,8% |
| Calls to mobiles | 5 426 | *5 236* | *5 075* | *4 574* | 4 936 | -9,0% |
| **All calls from fixed lines** | **27 854** | ***27 926*** | ***25 502*** | ***22 900*** | **24 981** | **-10,3%** |
| *Of which calls originating on PSTN/ISDN* | 7 824 | 7 923 | 7 141 | 6 530 | 6 927 | -11,5% |
| *Of which calls originating on VoIP services* | 20 030 | *19 995* | *18 361* | *16 370* | 18 054 | -9,9% |

*adjusted figures are in italics*

*Note: Although the volume of VoIP calls refers to all end-market traffic, the revenue covers only invoiced VoIP traffic (e.g. over and above bundled service flat rates).*




*- The volume of traffic originating on a fixed line includes calls from fixed telephones, public payphones and prepaid phone cards.*

# 5 Services on mobiles networks

## 5.1 Subscriptions

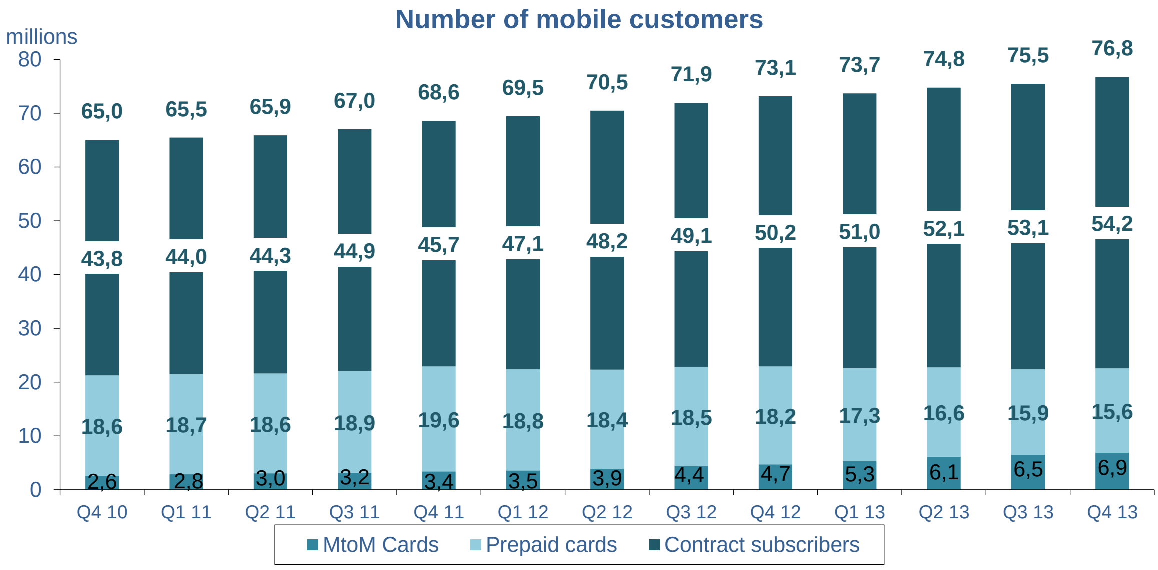
### *5.1.1 Subscriptions to mobiles mobiles*

| **Number of mobile customers** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Contract subscribers | 50,211 | 51,044 | 52,051 | 53,117 | 54,228 | 8,0% |
| *of which with blocked account* | 8,786 | 8,049 | 7,507 | 6,983 | 6,744 | -23,2% |
| *MtoM SIM cards* | 4,679 | 5,316 | 6,091 | 6,493 | 6,890 | 47,3% |
| Prepaid cards | 18,244 | 17,319 | 16,639 | 15,898 | 15,633 | -14,3% |
| *of which active prepaid cards ** | 15,473 | 14,525 | *13,801* | *13,056* | 12,737 | -17,7% |
| **Mobile Telephonie** | **73,135** | **73,679** | **74,781** | **75,508** | **76,751** | **4,9%** |

*adjusted figures are in italics*

*A prepaid card is considered active if the customer has made or received at least one call during the past three months. Only telephone calls are considered, w hether free or payable. SMS are not included in the calculation.

*ARCEP also publishes a geographic segmentation of these subscriptions and a breakdown by type of customer in its advanced mobile market observatory (Mobile Indicator Monitor). [http://www.arcep.fr/index.php?id=35].*




## *5.1.2 Multimedias services*

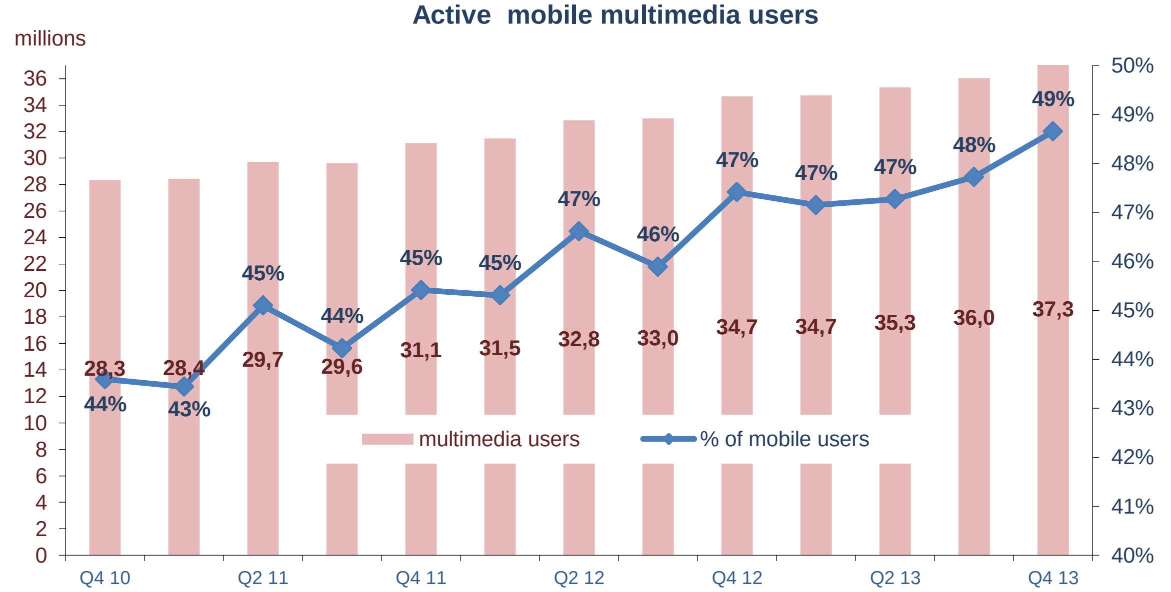
| **Active multimédia/3G users, internet SIM cards** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Active multimedia subscribers | 34,677 | 34,739 | 35,349 | 36,034 | 37,343 | 7,7% |
| Active 3G users | 32,802 | *33,432* | *34,368* | *35,243* | 36,548 | 11,4% |

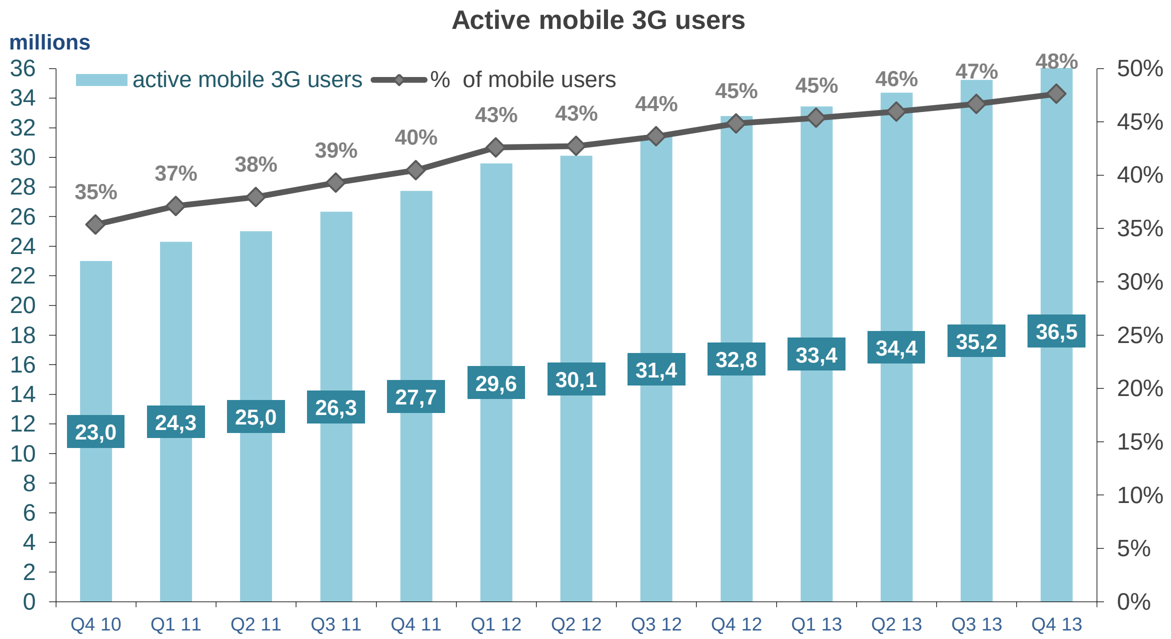
*adjusted figures are in italics*

*Notes :*

*The active multimedia subscriber base is defined as the group of prepaid and post-paid customers who used a WAP, i-mode, MMS or email multimedia service at least once during the previous month (text messages excluded from calculations), and regardless of the supporting access technology (CSD, GPRS, UMTS...). Scope: Metropolitan France and the overseas "départements".*

*- The active 3G base is defined as the number of customers who have accessed a mobile service (voice, videophony, mobile TV, data transfer, etc.) that uses 3G radio access technology, sometime in the past three months (either transmission or reception).*




| **Active multimédia/3G users, internet SIM cards** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of exclusive Internet SIM cards | 3,428 | *3,470* | *3,582* | 3,675 | 3,645 | 6,3% |
| of which exclusive Internet prepaid cards | 0,654 | 0,653 | 0,671 | 0,706 | 0,699 | 6,8% |

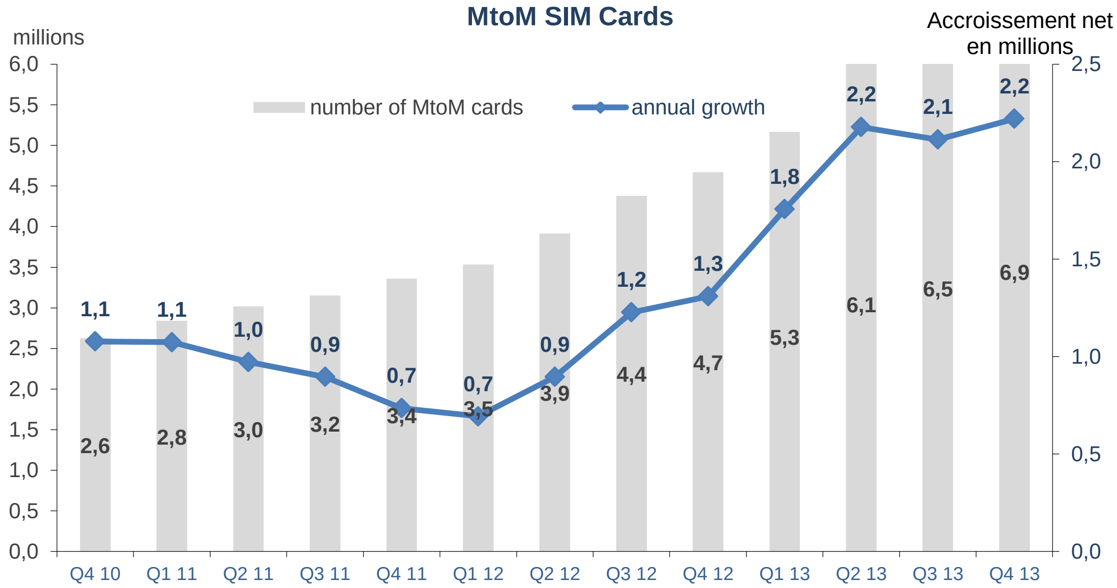
*adjusted figures are in italics*

*- The number of exclusive Internet SIM cards is defined as the number of SIM cards sold by mobile operators (in the form of subscriptions, flat rates or prepaid cards), to be used solely for accessing the Internet (PCMCIA cards, 3G/3G+ USB keys). These cards cannot be used to make voice calls*

| **MtoM Sim cards** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of Sim cards used for MtoM communications | 4,679 | 5,316 | 6,091 | 6,493 | 6,890 | 47,3% |

*adjusted figures are in italics*

*- The number of SIM cards used for MtoM communications is defined as the number of SIM cards employed solely for remote machine-to-machine communications for uses other than person-to-person messaging or accessing the Internet.*



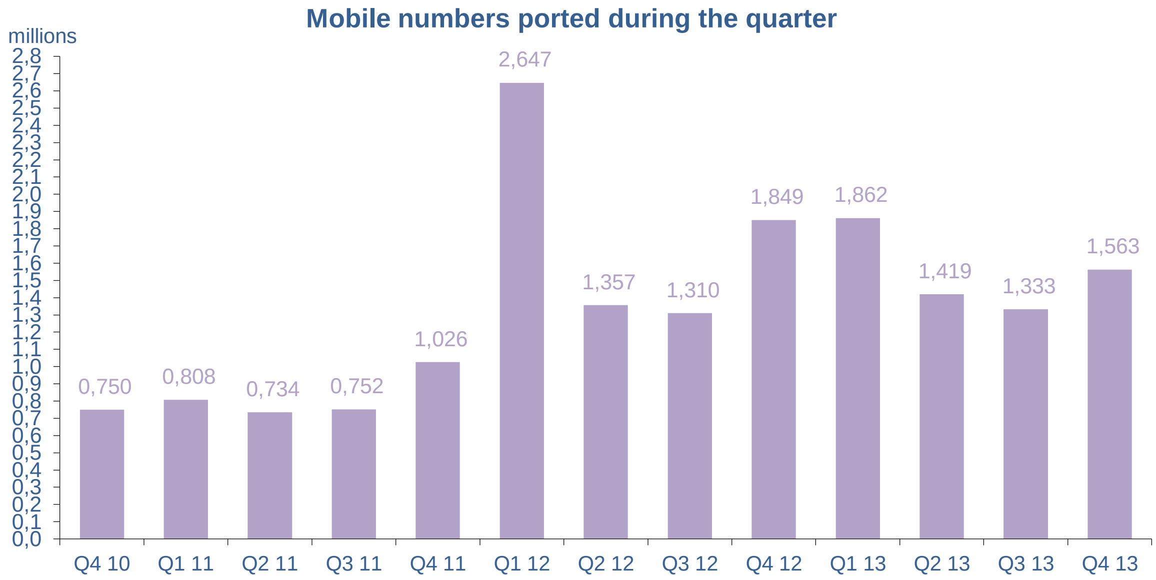

| **Data SIM cards** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of exclusive internet Sim cards & MtoM Sim cards | 8,107 | *8,786* | *9,673* | 10,168 | 10,535 | 29,9% |
| % of data SIM cards among SIM cards | 11,1% | 11,9% | 12,9% | 13,5% | 13,7% | +2,6 points |

*adjusted figures are in italics*

### *5.1.3 Portability (mobile number)*

| **Portability** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of mobile numbers ported during the quarter | 1,849 | 1,862 | 1,419 | 1,333 | 1,563 | -15,5% |

*Note: figures for ported numbers refer to the number of at the finalised porting procedures (ported numbers activated by the recipient operator) during the year in question. Scope: Metropolitan France and the overseas “départements”.*

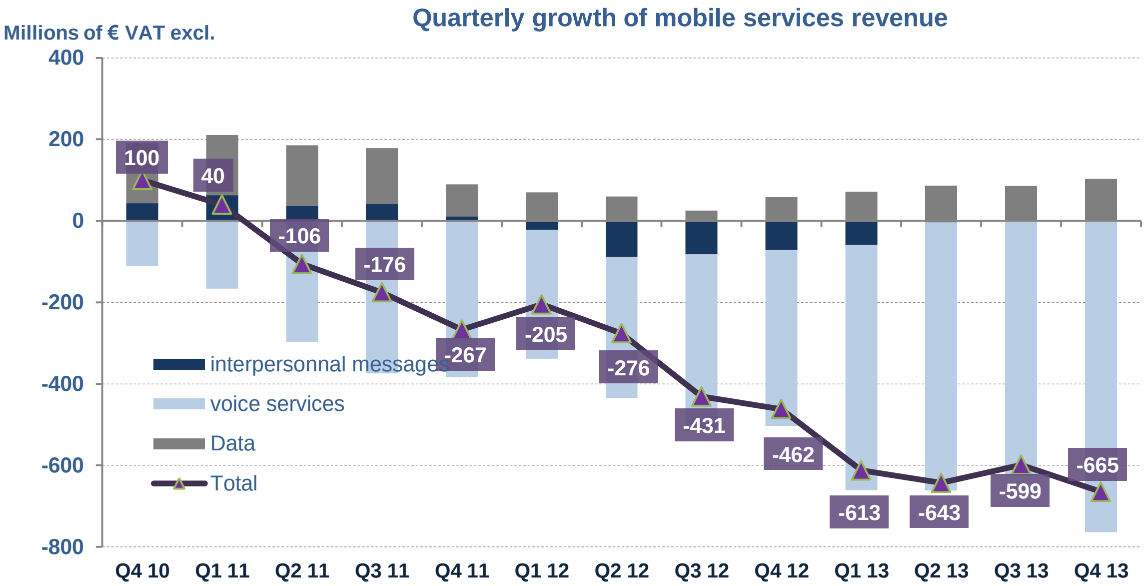



## 5.2 Retail market income and volume indicators (excluding VAS)

| **Revenue** (millions of euros) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| **Mobile telephony** | 2 914 | 2 564 | 2 464 | 2 373 | 2 150 | -26,2% |
| of which outgoing internationals calls | 258 | 241 | 245 | 257 | 249 | -3,8% |
| **Data transport on mobile networks** | 1 299 | 1 372 | 1 350 | 1 383 | 1 398 | 7,6% |
| of which interpersonal messaging (SMS, MMS) | 583 | 609 | 571 | 581 | 579 | -0,7% |
| of which access to mobile Internet & to multimedia services | 716 | 763 | 779 | 802 | 819 | 14,4% |
| **Total mobile telephony and data transport** | **4 213** | **3 937** | **3 814** | **3 756** | **3 548** | **-15,8%** |

*adjusted figures are in italics*

*Notes : this is about retail market revenue. Revenue from the market between operators (interconnection, wholesale) are not included. Also excluded is revenue from value-added retail services.*



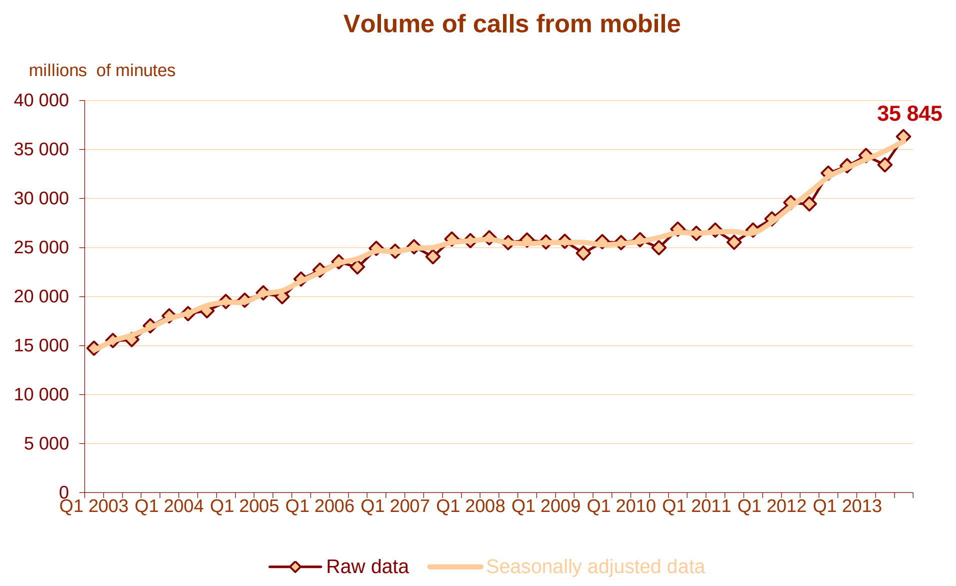
| **Volumes** (millions of minutes) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Calls to national fixed lines | 5 572 | 5 826 | 5 820 | 5 791 | 6 254 | 12,2% |
| Calls to mobiles on the same network (1) | 12 454 | *12 105* | *12 266* | *11 297* | 12 819 | 2,9% |
| Calls to other networks | *13 094* | *13 810* | *14 512* | *14 356* | 15 345 | 17,2% |
| Outgoing internationals calls | 1 171 | 1 298 | 1 441 | 1 493 | 1 549 | 32,3% |
| Roaming out (2) | 301 | 286 | 334 | 498 | 318 | 6,0% |
| **Total mobile telephony** | **32 591** | **33 325** | **34 373** | ***33 434*** | **36 285** | **11,3%** |

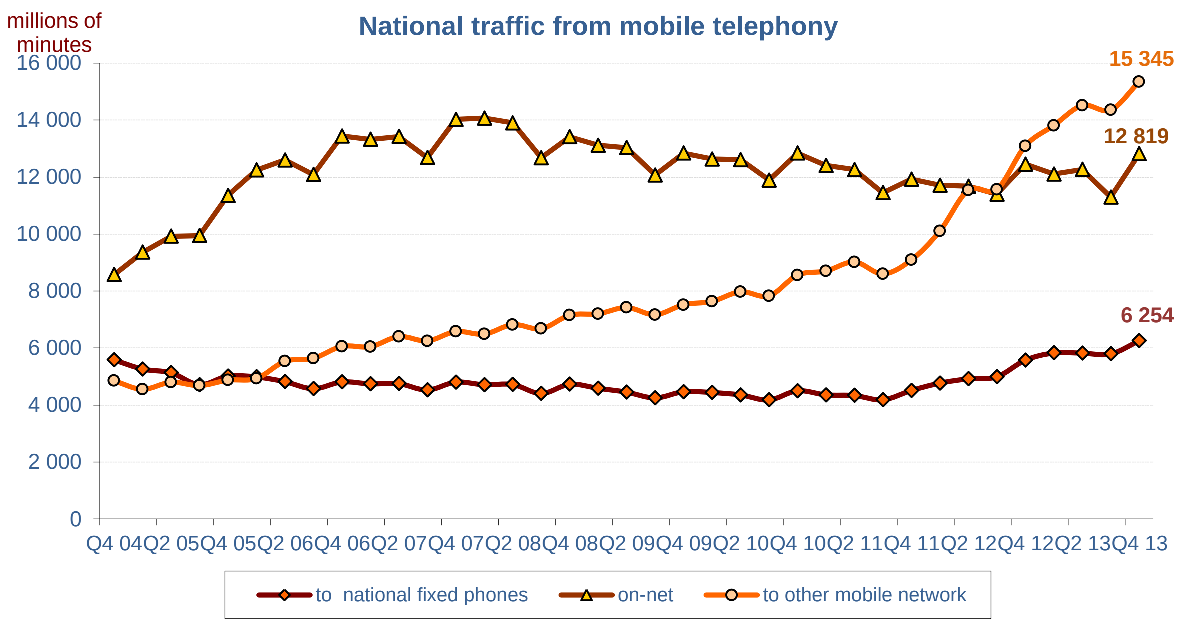
*adjusted figures are in italics*

(1) onnet calls on the same network (MNO or MVNO)

(*) Le trafic "on-net" inclut le volume de communications vers tous les mobiles du même

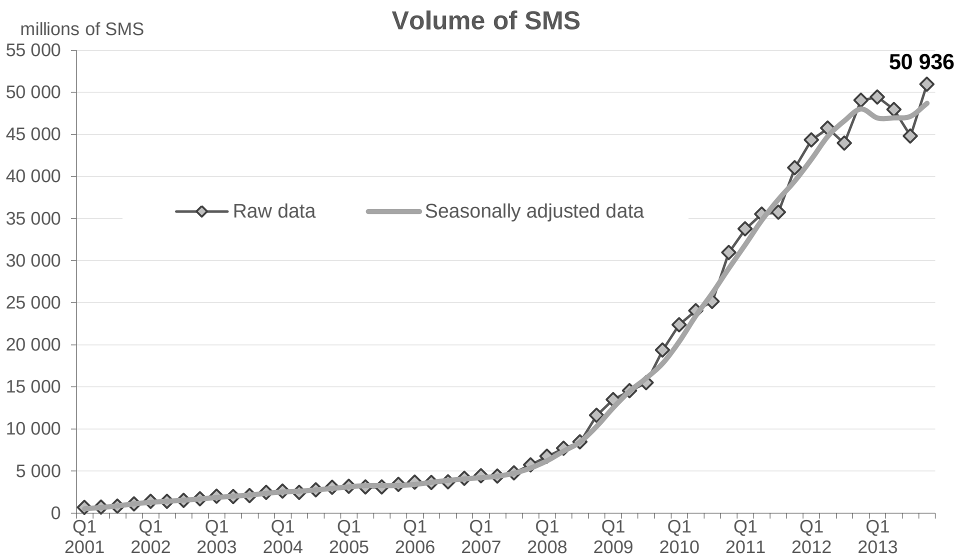
(2) Roaming out corresponds to calls made in other countries by customers of French mobile operators



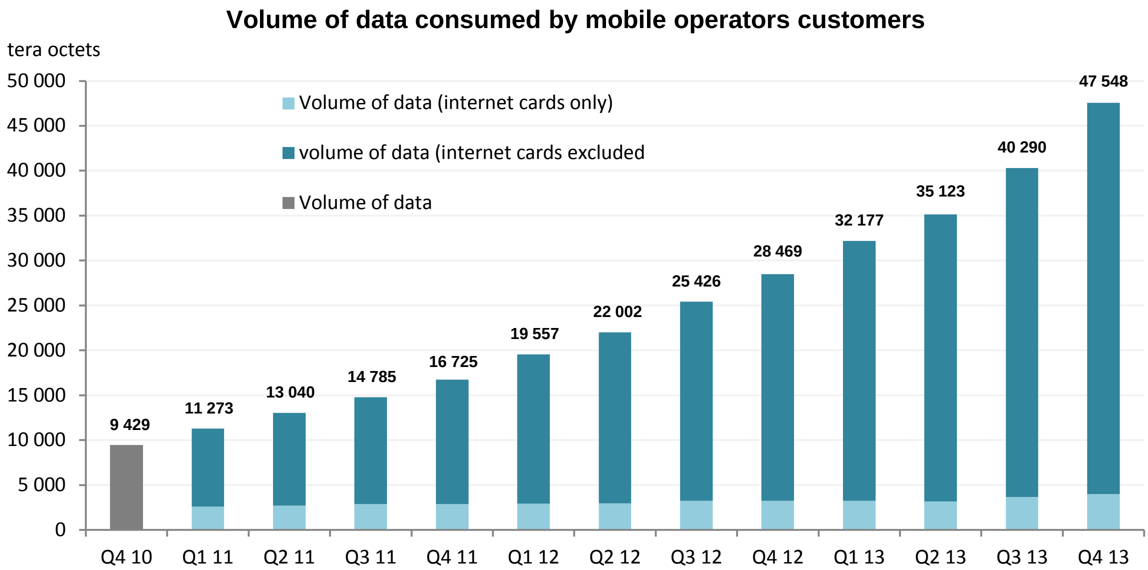
| **Volumes of interpersonal messages** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of interpersonal SMS | 49 036 | *49 432* | 47 946 | 44 799 | 50 936 | 3,9% |
| of witch from contract subscribers | 45 310 | *46 254* | 45 173 | 42 303 | 48 267 | 6,5% |
| of witch from prepaid cards | 3 726 | *3 178* | *2 773* | 2 496 | 2 669 | -28,4% |
| Number of interpersonal MMS | 471 | 549 | 582 | *638* | 656 | 39,3% |
| **Number of messages sent** | **49 507** | ***49 981*** | ***48 528*** | ***45 437*** | **51 593** | **4,2%** |

*adjusted figures are in italics*




| **Volumes of data consumed by the customers** (in Teraoctets) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| **Volumes of data** | **28 469** | ***32 177*** | **35 123** | **40 290** | **47 548** | **67,0%** |
| of witch from internet exclusive SIM cards | *3 313* | *3 337* | *3 241* | *3 685* | 3 974 | 20,0% |

*adjusted figures are in italics*




## 5.3 Voice traffic of metropolitan mobile operators (including VAS)

| **Total revenue of the residential retail marLet (in millions of euros)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| **Voice and data revenue (including value added services)** | **3 494** | **3 326** | ***3 217*** | ***3 191*** | **2 999** | **-14,2%** |
| o/w per post-paid customer | 3 117 | 2 992 | 2 835 | 2 866 | 2 703 | -13,3% |

*adjusted figures are in italics*

*Notes: for the residential market only, this indicator includes:*
*- Mobile telephony services traffic. This is the "residential" part of the retail market revenue appearing in item 3.2.*
*- Value-added services traffic (including directory services). This is the "residential" part of the retail market revenue appearing in items 4.1 and 4.2.*

# 6 Other market components

## 6.1 Value-added services (excluding directory services)

| **Value-added services revenue*** (millions of euros) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Value-added "voice" services | 303 | 290 | 266 | 256 | 270 | -11,0% |
| From fixed telephony network | 185 | 172 | 154 | 141 | 147 | -20,5% |
| From mobile telephony network | 118 | 119 | 112 | 115 | 123 | 3,7% |
| Value-added "data" services | 196 | 195 | 199 | 215 | 226 | 15,4% |
| **Value-added services** | **499** | **486** | **465** | **470** | **496** | **-0,6%** |

**This corresponds to all amounts billed to customers by operators, including out payments from operators to service providers. "Data" value-added services include premium-rate services such as those on the Orange "Gallery" portal, push services, chat rooms, weather forecasts, TV game shows, horoscopes, ringtone downloads, etc.…*

| **Value-added "voice" services volumes** (millions of minutes) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| From fixed telephony network | 1 710 | 1 679 | 1 533 | 1 492 | 1 599 | -6,5% |
| From mobile telephony network | 353 | 360 | 370 | 395 | 408 | 15,6% |
| **Number of calls** | **2 063** | **2 040** | **1 904** | **1 887** | **2 007** | **-2,7%** |

| **Number of calls to value-added "voice services** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| From fixed telephony network | 805 | 778 | 745 | 784 | 736 | -8,6% |
| From mobile telephony network | 133 | 140 | 137 | 130 | 145 | 9,2% |
| **Volumes** | **938** | **919** | **882** | **914** | **881** | **-6,0%** |

| **Value-added "data" service volumes** (millions of units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of messages (SMS+, MMS+) | 209 | 194 | 193 | 178 | 183 | -12,6% |

## 6.2 Directory services

| **Revenue from directory services** (millions of euros) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Directory services operators | 29 | 32 | 32 | 33 | 30 | 6,0% |
| Number of calls (millions of units) | 12 | 11 | 11 | 10 | 9 | -26,1% |
| Volume of calls (millions of minutes) | 30 | 28 | 27 | 26 | 24 | -18,3% |

*Note: Included in directory assistance services are 118xyz format numbers, in service since November 2005, and short numbers that provide access to services such as reverse directories (3288, 3217, and 3200) and international directories (3212).*

### 6.3 Leased lines and data transport (fixed operators)

*Note: revenue from leased lines may be accounted for twice since the figures include operator-to-operator sales.*

| **Revenue** (millions of euros) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Leased lines | *375* | *379* | *226* | *228* | 221 | n.s |
| Data transport | 529 | 523 | *524* | *509* | 513 | -2,9% |
| **Total** | ***903*** | ***902*** | ***750*** | ***737*** | **734** | **n.s** |
| of witch on business marLet | *631* | *645* | *647* | *626* | 621 | -1,5% |

*adjusted figures are in italics*

### 6.4 Hosting and call centre management services

| **Revenue** (millions of euros) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Hosting and call centre management | 66 | *65* | *67* | *71* | 77 | 16,1% |

*adjusted figures are in italics*

### 6.5 Terminals and equipments

| **Revenue from terminals and equipment** (millions of euros) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| linked to fixed téléphony & Internet services | 168 | 164 | 150 | 132 | 136 | -19,1% |
| linked to mobile services | 587 | 381 | 339 | 355 | 618 | 5,4% |
| **Terminals and equipment** | **755** | **545** | **490** | **487** | **754** | **-0,1%** |

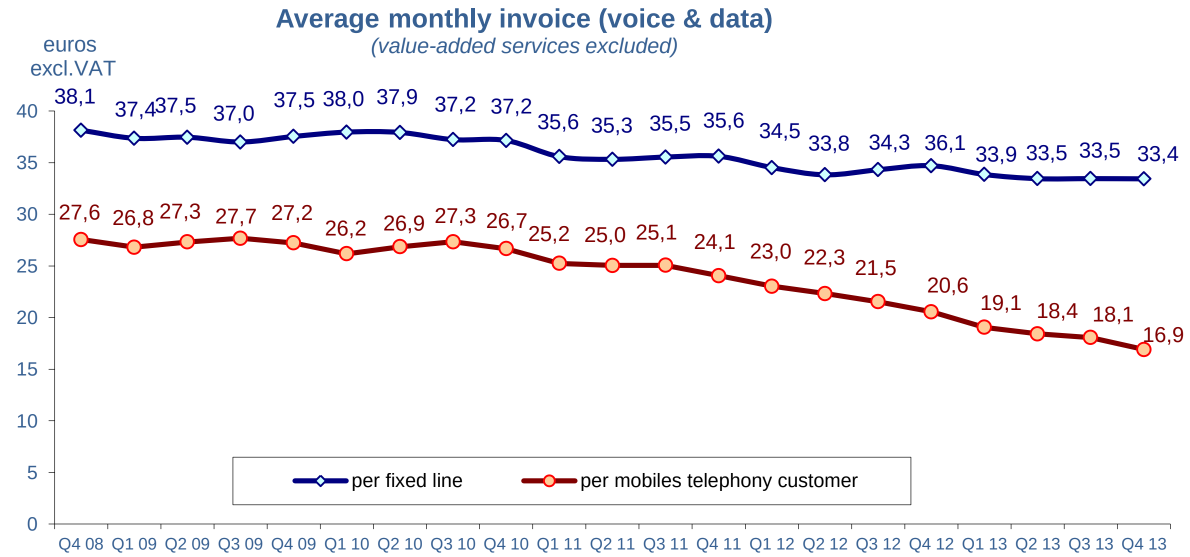
*adjusted figures are in italics*

*Note : the revenue excludes commissions paid to distributors.*

## 7 Per customers indicators

| **Average monthly revenue (value added services exclude)** (in euros -VAT excluded) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Per fixed line : access, communications and Internet | 34,7 | 33,9 | 33,5 | 33,5 | 33,4 | -3,7% |
| Mobile telephony user | 20,6 | 19,1 | 18,4 | 18,1 | 16,9 | -17,8% |

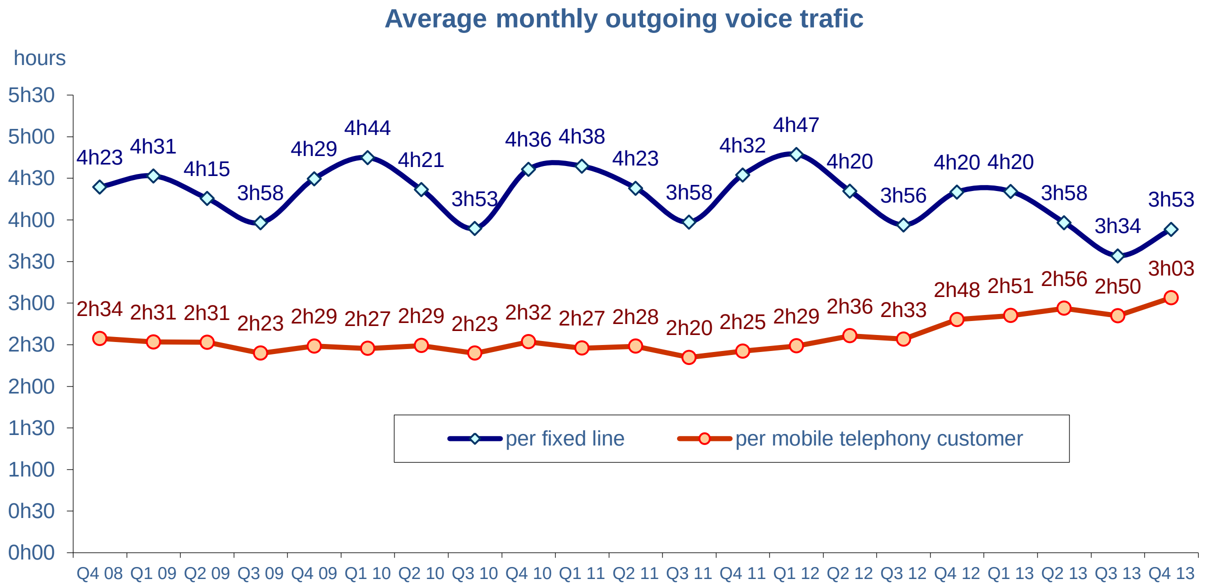
*Note :*
*The average invoice per fixed line now refers to what customers pay each month for their telephony and Internet services. The revenue included is therefore:*
*- revenue generated by access to subscriptions and additional services;*
*- revenue from calls originating on fixed lines, including IP traffic revenue billed over and above the bundled service flat rate;*
*- narrowband and broadband Internet access revenue.*
*Excluded are:*
*- public payphone and prepaid card revenue;*
*- revenue generated by other services tied to Internet access, e.g. ISPs' online ad revenue and commissions earned on e-commerce sales;*
*- VAS and directory assistance services revenue*
*- The average monthly invoice per mobile customer is calculated by dividing the income from mobile telephony (voice and data revenue, including roaming-out, excluding revenue from incoming calls and MtoM SIM cards) for quarter N by the estimated average number of mobile customers for quarter N, and then by the number of months. This indicator, which does not include interconnection revenue, or those from value-added services, is not the same as the traditional Average Revenue Per User (ARPU) indicator.*




*Note : The average monthly invoice per mobile telephony customer exclude MtoM cards (in revenue and in number of cards).*

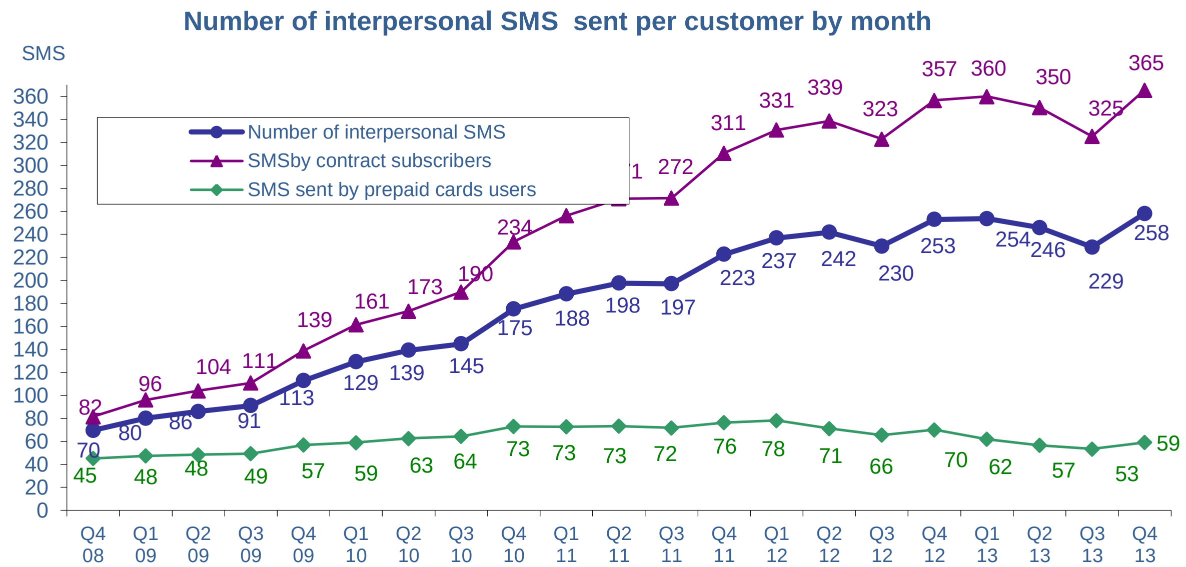
| **Average monthly outgoing traffic** (in hours) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Per fixed lines | 4h20 | 4h20 | 3h58 | 3h34 | 3h53 | -10,3% |
| Mobile telephony user | 2h48 | 2h51 | 2h56 | 2h50 | 3h03 | 9,4% |

*- The average monthly volume of traffic per fixed line is calculated by dividing the volume of traffic (PSTN and IP) for quarter N by the estimated average number of fixed lines in existence for quarter N, and then by the number of months.*
*- The average monthly volume of traffic per mobile operator customer is calculated by dividing the volume of mobile telephony traffic (including roaming-out) for quarter N by the estimated average number of mobile customers for quarter N, and then by the number of months. SIM cards that can be used only for data (MtoM and data only cards) are not included in the calculations.*

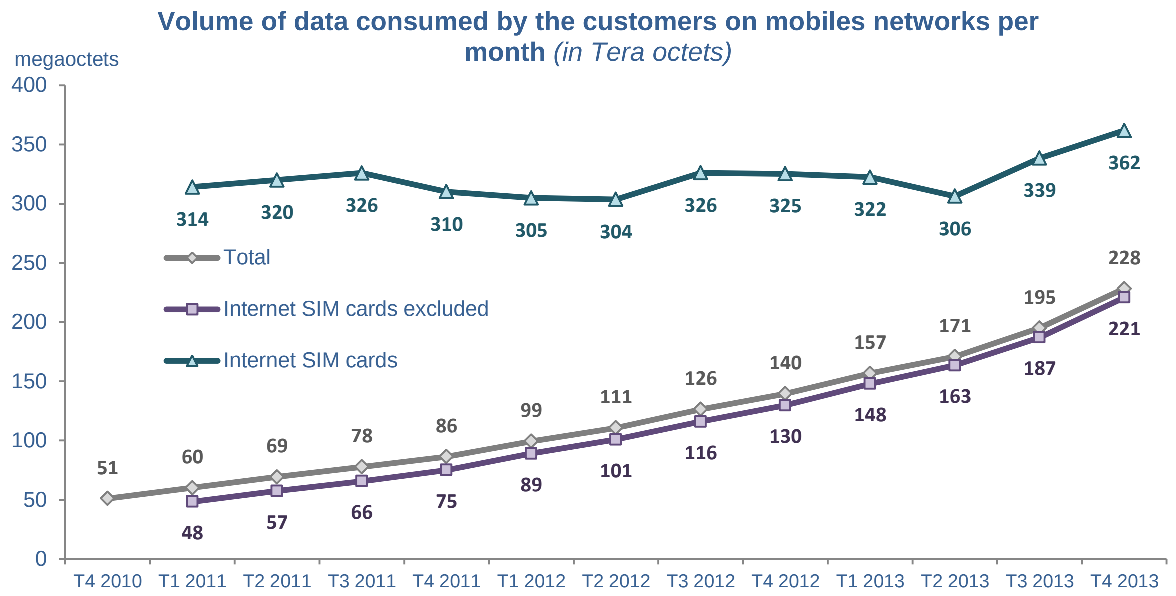


| **Number of interpersonnal SMS sent per user** (units) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Number of SMS sent per user during the quarter | 253 | 254 | 246 | 229 | 258 | 2,0% |
| of witch for contract subscribers | 357 | 360 | 350 | 325 | 365 | 2,5% |
| of witch for prepaid cards | 70 | 62 | 57 | 53 | 59 | -15,7% |

*Note: The average number of SMS messages per customer is calculated by dividing the number of SMS messages for quarter N by the estimated average number of customers for quarter N, and then by the number of months. MtoM and exclusive data SIM cards are not taken into account. The number of messages does not include surcharged mini-messages (e.g. sent during a TV programme), of which customers send an average of one a month.*




| **Average monthly volume of data consumed on mobile networks (en mega octets)** | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| per mobile operator customer | 140 | 157 | 171 | 195 | 228 | 63,6% |
| of witch from internet exclusive SIM cards | 325 | 322 | 306 | *339* | 362 | 11,2% |
| of witch from other SIM cards | 130 | 148 | 163 | 187 | 221 | 70,1% |

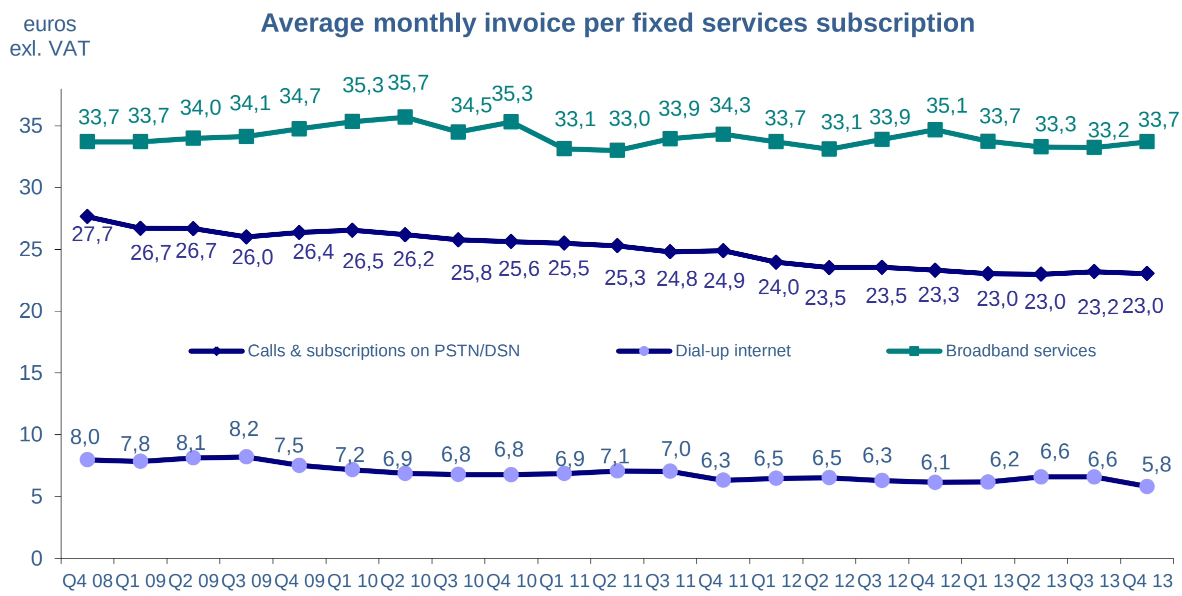


| **Average monthly revenue per customer** (in euros -VAT excluded) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Fixed PSTN/ISDN telephony user | 23,3 | 23,0 | 23,0 | 23,2 | 23,0 | -1,2% |
| Dial-up Internet user | 6,1 | 6,2 | 6,6 | *6,6* | 5,8 | -5,5% |
| Internet & telephony over broadband | 34,7 | 33,7 | 33,3 | 33,2 | 33,7 | -2,8% |

*adjusted figures are in italics*

Note:

- *<u>The average monthly bill for a PSTN line</u> is calculated by dividing the revenue earned on a PSTN based fixed line subscription and calls (i.e. excluding IP CALLS) for Quarter Q by the estimated average customer base for Quarter Q, then dividing the result by three.*
- *<u>The average bill for a narrowband subscription</u> is calculated by dividing the revenue earned on narrowband subscription in year N by the estimated customer base for Quarter Q, then dividing the result by 3.*
- *<u>The average monthly bill for a broadband or ultra-fast broadband access</u> (name Internet and telephony over broadband) is calculated by dividing the revenue earned on calls made over IP on a fixed line (billed over and above a service bundle flat rate) and the revenue earned on broadband subscription for Quarter Q by the estimated average customer base for Quarter Q, then dividing the result by 3.*

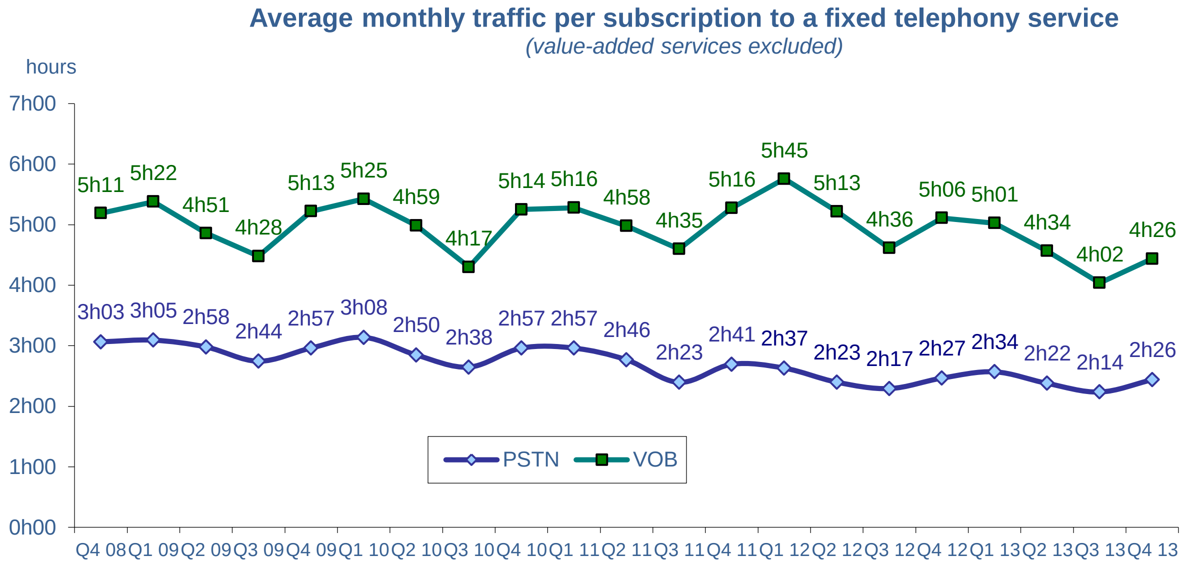



| **Average monthly traffic per customer** (in hours) | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | change 4Q13/4Q12 |
|---|---|---|---|---|---|---|
| Fixed PSTN/ISDN telephony user | 2h27 | 2h34 | 2h22 | 2h14 | 2h26 | -1,1% |
| Fixed IP telephony user | 5h06 | *5h01* | *4h34* | *4h02* | 4h26 | -13,1% |
| From dial-up Internet | 5h18 | 5h07 | 5h04 | 4h43 | 4h26 | -16,3% |

*adjusted figures are in italics*

*- Average monthly volume per fixed line is calculated by dividing the traffic volume (PSTN and IP) for Quarter Q by the estimated average customer base for Quarter Q, then dividing the result by 3.*

*- Average monthly volume per narrowband subscription is calculated by dividing narrowband volume for Quarter Q by the estimated narrowband customer base for Quarter Q, then dividing the result by 3.*


Average monthly traffic per subscription to a fixed telephony service
(value-added services excluded)
hours
7h00
6h00
5h00
4h00
3h00
2h00
1h00
0h00
5h11 5h22 4h51 4h28 5h13 5h25 4h59 4h17 5h14 5h16 4h58 4h35 5h16 5h45 5h13 4h36 5h06 5h01 4h34 4h02 4h26
3h03 3h05 2h58 2h44 2h57 3h08 2h50 2h38 2h57 2h57 2h46 2h23 2h41 2h37 2h23 2h17 2h27 2h34 2h22 2h14 2h26
PSTN
VOB
Q4 08 Q1 09 Q2 09 Q3 09 Q4 09 Q1 10 Q2 10 Q3 10 Q4 10 Q1 11 Q2 11 Q3 11 Q4 11 Q1 12 Q2 12 Q3 12 Q4 12 Q1 13 Q2 13 Q3 13 Q4 13