



Paris March 15, 2005

2004 Pre Tax Earnings at € 60.7 million, up 79.5% 2004 EBITDA at € 108.7 million, up 102.6%

For the fourth year in a row, Iliad demonstrated its ability to deliver strong profitable growth. The Group increased consolidated revenues by 67.7%, EBITDA by 102.6% and net income by 20.5%.

Iliad is the only alternative fixed telecommunications operator in Europe to post a positive after-tax net income. The Board of Directors will propose an 11.5 cents dividend per share at the upcoming Shareholders Meeting.

On all financial metrics, Iliad exceeded the objectives set after its IPO. Consolidated income statement is presented below.

(in € '000)	Dec. 31, 2004	Dec. 31, 2003	% Change
Revenues	491,446	293,051	67.7
EBITDA	108,672	53,643	102.6
Depreciation and amortization	55,582	18,676	197.6
EBIT	53,090	34,967	51.8
Financial results	2,735	(940)	NS
Exceptional Items	5,168	116	NS
Amortization of goodwill	254	313	(18.8)
Pre tax earnings	60,739	33,830	79.5
Corporate income tax	19,907	(45)	NS
Net Income	40,832	33,875	20.5

Internet Sector Highlights

In addition to posting significant revenue growth (up 81%), Internet sector EBITDA grew from 29.2 million euros to 82.5 million euros. The EBITDA margin increased significantly from 16.0% to 24.9%. The Group pursued its unbundling strategy and reached a 53.2% unbundling ratio as of December 31, 2004.

Telephony Sector Highlights

Telephony sector revenues grew 58% as the number of subscribers at OneTel increased pursuant to additional marketing expenses. However, management's commitment of matching 2003 EBITDA level was met, and even exceeded, with a 2004 EBITDA of 23.8 million euros, up 32.1% year on year.

Balance Sheet

As of December 31, 2004, Iliad had a debt free balance sheet.

Outlook

Entering into the third critical year of the ADSL marketshare "grab" in France, Iliad believes that its position as the leading alternative operator remains unchallenged :



- Free counts more than twice as many ADSL subscribers as its closest competitor;
- The Freebox is still the only fully integrated triple-play platform;
- Free is the only French ISP to have successfully transitioned to ADSL2+ technology and to offer ADSL2+ nationally.

Iliad reiterates its goal to remain the leading alternative ADSL operator in France, to solidify its 17 to 20% market share in the residential ADSL market by 2007 and to pursue its profitable growth strategy.

Iliad is a leading player in the French telecommunications and Internet access industry via its subsidiaries Free (the second largest ISP and a licensed network operator), One.Tel & Iliad TELECOM (fixed telephony providers) and Kertel (the leading alternative prepaid cards provider). Founded in 1991, the Group employs over 770 people. Iliad is listed on Euronext Paris under the ticker ILLD.

Exchange : **Euronext Paris**

Market place : **1er Marché (SRD)**

Ticker : **ILLD**

ISIN Code : **FR0004035913**

FTSE Ranking: **974 Internet**

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