



Paris, December 26, 2005

New Stock Option Plan Voted by Board of Directors

On December 20, 2005, Iliad's board of directors voted to implement a new stock option plan. The board of directors voted to issue 541,515 subscription options to 84 employees and managers of the Group, each option entitling the holder to subscribe to one new share at € 48.44 per share (the exercise price). The exercise price corresponds to the average closing price of the 20 trading days preceding the board of directors' vote, without discount. Xavier Niel is not included in this new stock option plan.

As a reminder, the special meeting of the Company's shareholders held on December 12, 2003 had authorised the board of directors to grant employees and managers of the Company or affiliated companies, on one or more occasions, options to subscribe or purchase the Company's shares. The total number of shares subject to the options granted under this authorisation may not exceed 3% of the Company's share capital at the date the options are granted. This authorisation was granted until February 11, 2007.

As of today, the table below summarises all the options granted :

	Date Granted	Exercise Price	First Exercise Date	Number of Potential Shares to be issued
Stock Options	Jan. 20, 2004	€ 16.30	Jan. 20, 2008	444,132
Stock Options	Dec. 20, 2005	€ 48.44	Dec. 20, 2009	270,758
Stock Options	Dec. 20, 2005	€ 48.44	Dec. 20, 2010	270,757

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 (a fixed telephony provider) and Kertel (the leading alternative prepaid cards provider). Founded in 1991, the Group employs over 1,000 people. Iliad is listed on Euronext Paris under the ticker ILLD.

Exchange : [Euronext Paris](#)

Market place : [Eurolist A \(SRD\)](#)

Ticker : [ILD](#)

ISIN Code : [FR0004035913](#)

FTSE Ranking: [974 Internet](#)

Member of SBF 120 Index and Next 150

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