



Paris July 16, 2004

## Significant Extension of Iliad's Fiber Optic Network

*Over 600 France Télécom Local Exchanges Connected by May 2005  
Most IRU Contracts Term Extended to December 2030*

Iliad Group has entered into a number of agreements allowing the Group to :

- Improve its network footprint by reaching hundreds of additional FT local exchanges. This will allow more subscribers to enjoy the Freebox® services via unbundled local loop connections
- Benefit from an option to move the termination date of every IRU contract signed with Neuf Telecom (formerly LDCOM) to December 31, 2030

The total investment (including fiber, equipment and extension option) related to these agreements will amount to € 60 million over the 2004 and 2005 period.

The Group has secured access to 602 FT local exchanges, of which 540 will be directly connected to the Group's fiber optic network and the remaining 62 through FT leased lines. Based on June 30 numbers, this extension program will allow about 75% of Free's broadband subscribers to be connected via unbundled local loop by June 2005.

The fiber optic network extension was secured either through agreements with other operators (e.g. Neuf Telecom, Completel, Electricité de Strasbourg, TDF, highway operators, Vialis, Est Videocommunications...) or by contracts with local authorities (e.g. Garonne Network, Réseau Pégase Montpellier, Municipalité de Reims, Agglomération de Grand Nancy, Réseau Lumière de Besançon, Irisé, CA2M de Metz, e-tera, Municipalité de Rennes, Municipalité de Saint Etienne...). Free has also selectively engaged in civil engineering projects.

As of today, the Group's projected network length will be 12,000 km vs. 7,135 km on December 31, 2003. The Group intends to pursue its fiber optic network footprint expansion.

*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 560 people. Iliad is listed on Euronext Paris under the ticker ILD.*

Exchange : [Euronext Paris](#)

Market place : [1er Marché](#)

Ticker : [ILD](#)

ISIN Code : [FR0004035913](#)

FTSE Ranking: [974 Internet](#)

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