

Paris, October 10, 2007

Iliad in Favor of a 4th Mobile Operator

Iliad has been informed of ARCEP's anticipated decision to not qualify its bid for the 4th mobile licence based on the financial conditions defined by the French law. Iliad was the only applicant.

Following this decision, Iliad calls on the Public Authorities to create the conditions necessary to the establishment of a 4th mobile operator in France.

Iliad reaffirms its interest for the 4th mobile licence, within this new framework. The French market continues to be characterized by its lack of competition, one the lowest penetration rate in Europe and tariffs amongst the least attractive for mobile users.

The Group has been at the forefront of innovation and price reductions on the French fixed telecommunications market (most attractive offer in the OECD¹). Iliad believes its know-how in innovation and attractive pricing could be applied to mobile telephony.

The Iliad Group is a major player in the Internet and telecommunications markets in France through its subsidiaries Free (2,626,000 ADSL subscribers as of June 30, 2007), Onetel and Iliad Telecom (fixed telephony operators) as well as IFW (Wimax). The Iliad Group is listed on the Euronext Paris Eurolist under the mnemonic code ILD.

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

¹ OECD Report, April 25, 2006.