

Press release

Paris, May 22, 2025, 8:00 a.m.

Growth and profitability: the iliad Group pursues its robust trajectory in Q1 2025

 Financial release

Against a backdrop of increasingly mature and competitive markets, the iliad Group maintains its growth leadership and accelerates its cash generation. During the quarter, services revenues increased by 6%, operating free cash flow¹ rose by 9%, and equity free cash flow² quadrupled to €216 million without including the proceeds from the sale of OpCore. We continued to reinforce our financial structure in Q1 2025, reducing our leverage ratio to 2.5x at end-March and extending the average maturity of our debt. On the strength of these results, the Group is standing by its target of generating €2.0 billion in OFCF in full-year 2025.

The iliad Group, Europe's fifth-largest telecoms operator³, recorded a total of **263,000 net adds** in Q1 2025, mainly in Italy. In light of the low-volume markets, we are prioritizing **balanced growth, evenly weighted between value and volume**.

With revenues up **4.3%**, or **5.7%** excluding revenues from devices⁴, the iliad Group was once again **the growth leader** among Europe's top telcos⁵ for the quarter. In **France**, despite a very high basis of comparison with Q1 2024 (which saw **10.0%** growth), revenues rose by **3.3%**⁶ (**3.7%** excluding revenues from devices), driven by the convergent subscriber base and B2B activities⁷, and the Group was the country's **growth leader** during the period. Excluding revenues from devices, **Poland** posted a **9.0%** revenue rise, led by 5.6% like-for-like growth and a favorable currency effect. In **Italy**, revenues advanced 9.4% year on year, and the Group was once again the country's **growth leader** despite extremely fierce competition.

In **France**, in a highly competitive market, **Free is keeping to its strategy** of combining quality of service, generous offers and a commitment on prices⁸. A net 8,000 new subscribers joined Free in Q1 (5,000 Mobile and 3,000 Fixed-line), with 48,000 on 4G/5G plans and 114,000 signing up for Fiber. In

¹ OFCF: EBITDAaL less capex (excluding payments for frequencies).

² Excluding net cash flows related to repayments of borrowings and proceeds from new borrowings.

³ By number of subscribers.

⁴ 3.7% and 5.3% respectively based on a constant scope of consolidation and exchange rates.

⁵ Organic growth in Services revenues - among Europe's Top 15 telcos.

⁶ Adjusted for the deconsolidation of OpCore (2.9% reported growth).

⁷ Free Pro, Scaleway, ITrust, Stancer.

⁸ Free has pledged to keep the prices of its two mobile plans at €2 and €19.99 until 2027.

the annual customer satisfaction survey carried out by the French telecoms regulator, Arcep, published in the first quarter of 2025¹, Free **topped the ranking for overall satisfaction for Mobile and Fixed services**. It also came joint first for subscriber satisfaction with its Mobile and Fixed support service, and stood out as the operator with the least number of problems reported by its subscribers. At Free Pro, one of the key highlights of the quarter was the launch in January of the **new Freebox Pro**, which combines ultra-connectivity, data protection, cybersecurity and environmental responsibility².

In **Poland**, Play continued to apply its **“more for more” strategy** in the Mobile segment, with a **9% increase** in revenues billed to subscribers (in local currency) in Q1 2025, and 17,000 net new subscribers on plans (with a 14,000 unit decrease in the prepaid subscriber base). In a highly promotional market, Play nevertheless notched up **3,000 net adds** for Broadband and Ultra-Fast Broadband plans (with a decrease of 6,000 units overall in the Fixed segment due to losses on IPlay Telephony/TV subscribers).

In **Italy**, Iliad Italia maintained its position as the **net adds leader in the Mobile market** for the 28th consecutive quarter, with 218,000 net new Mobile subscribers – a performance achieved despite competitors' aggressive sales tactics specifically targeting the company. Iliad Italia was also the country's **net adds leader³ for Broadband and Ultra-Fast Broadband** during the period, signing up 40,000 new Fiber subscribers.

Consolidated EBITDAaL rose **6.0%⁴** to **€931 million** in Q1 2025, and EBITDAaL margin widened by 60 basis points to 36.7%. This EBITDAaL growth was achieved despite the sharp rise in the IFRS tax in France (€41 million increase, representing 1.7 EBITDAaL margin points), and was attributable to the operating leverage generated by revenue growth, combined with ongoing strict cost discipline. Profit for the period surged from €93 million year on year to **€522 million**, reflecting the capital gain realized on the sale of 50% of OpCore at the end of March.

Consolidated capex (excluding payments for frequencies) edged up 2.5% to **€428 million** in Q1 2025. On a last-twelve-month basis, the Group's capex was **20% of consolidated revenues**, mainly focused on providing 4G/5G coverage in its three geographies and driving the growth of its B2B activities. In Poland, Play was awarded two 2x10 MHz blocks of spectrum in the 700 MHz⁵ frequency band at the end of March 2025, which will enable it to accelerate its investments in 5G and offer higher speeds and enhanced services nationwide.

The Group's **operating free cash flow** rose by 9.3% in Q1 2025 to **€503 million**. The improvement in our business model, combined with the completion of the sale of 50% of OpCore, enabled us to **reinforce our financial structure**, reducing our leverage ratio to **2.5x at end-March 2025** from 2.7x at end-2024. At March 31, 2025, the Group had a **high level of liquidity**, with €1.7 billion in cash and cash equivalents and €2.8 billion in undrawn credit facilities. Early May, the Group also proactively managed its debt maturities, extending the maturity on PLN 8 billion of its syndicated loans in Poland by four years, from 2026 to 2030. This stronger financial position has paid off, with Moody's upgrading its outlook for the Group from Stable to Positive at the end of April.

In an unsettled geopolitical context, which further emphasizes the importance of **digital sovereignty** and generates exponential demand for **critical infrastructure**, OpCore has a clear ambition to become

¹ “[Observatoire](#)” customer satisfaction survey published by Arcep on April 3, 2025 (in French only). See also Free's [press release](#).

² See the [press pack](#) for the new Freebox Pro.

³ Out of Italy's top four telcos – internal estimates.

⁴ 5.1% based on a constant scope of consolidation and exchange rates.

⁵ The cost of these new frequencies amounts to PLN 726 million, with PLN 300 million already paid in Q1 2025 and the remaining payment due at the end of Q2 2025.

an **independent European leader in hyperscale data centers**. Backed by a strategic partnership between the Iliad Group and InfraVia, OpCore is aiming to deploy one of the largest capacities in Europe, with a focus on innovation, sustainability and supporting the development of European artificial intelligence. This positioning will help strengthen Europe's digital resilience, while responding to the strategic challenges of security and competitiveness.

In late April 2025, the Iliad Group published its Universal Registration Document for 2024, which for the first time includes a **section dedicated to sustainability disclosures** in line with the EU's **Corporate Sustainability Reporting Directive (CSRD)**. In addition, last week the Group announced that it has signed **four new low-carbon Power Purchase Agreements (PPAs)** in its three geographies, bringing to eight the total number of PPAs it has contracted since its Climate Plan was published in 2021.

Commenting on these results, Thomas Reynaud, Chief Executive Officer of the Iliad Group, said:

"Against a highly competitive operating backdrop in all of our markets – and particularly in Italy – our strategy is making all the difference. The relevance of our offerings, the quality of our services and our rigorous strategy execution enabled us to maintain in the first quarter our growth leadership among Europe's top telcos. This momentum, combined with strict cost discipline, has reinforced our financial position and given us the means to pursue our investments, particularly in infrastructure dedicated to artificial intelligence via OpCore and Scaleway."

Key operating performance indicators¹ at March 31, 2025

France (figures in thousands unless otherwise stated)	Q1 2025	Q4 2024	QoQ change
Number of mobile subscribers	15,523	15,518	+5
<i>Of which on the 4G/5G Free Mobile plan (incl. overseas France)</i>	<i>11,863</i>	<i>11,815</i>	<i>+48</i>
<i>% of the Mobile subscriber base on the 4G/5G Free Mobile plan</i>	<i>76.4%</i>	<i>76.1%</i>	<i>+0.3 pts</i>
<i>Of which on the voice-based plan</i>	<i>3,660</i>	<i>3,703</i>	<i>-43</i>
Number of Broadband and Ultra-Fast Broadband subscribers	7,572	7,569	+3
<i>- Of which Fiber</i>	<i>6,299</i>	<i>6,185</i>	<i>+114</i>
Fiber take-up rate	83.2%	81.7%	+1.5 pts
Number of connectible Fiber sockets (in millions)	38.8m	38.3m	+0.5m
Total number of subscribers – France	23,095	23,087	+8
	Q1 2025	Q1 2024	YoY change
Broadband and Ultra-Fast Broadband ARPU (in €)	36.9	36.3	+1.6%
Mobile ARPU billed to subscribers (in €)	12.0	12.2	-1.4%

Italy (figures in thousands)	Q1 2025	Q4 2024	QoQ change
Number of Mobile subscribers	11,854	11,636	+218
Number of Fiber subscribers	389	349	+40
Total number of subscribers – Italy	12,243	11,985	+258

Poland (figures in thousands unless otherwise stated)	Q1 2025	Q4 2024	QoQ change
Number of active Mobile subscribers	13,334	13,331	+3
<i>- Of which on plans</i>	<i>9,668</i>	<i>9,651</i>	<i>+17</i>
<i>- Of which prepaid</i>	<i>3,666</i>	<i>3,680</i>	<i>-14</i>
Number of Fixed-line subscribers	2,111	2,117	-6
Total number of subscribers – Poland	15,445	15,448	-3
	Q1 2025	Q1 2024	YoY change
Mobile ARPU billed to subscribers (in PLN)	32.7	30.4	+7.4%

GROUP (figures in thousands)	Q1 2025	Q4 2024	QoQ change
Number of Mobile subscribers	40,711	40,485	+226
Number of Fixed-line subscribers	10,072	10,035	+37
TOTAL NUMBER OF SUBSCRIBERS	50,783	50,520	+263

¹ See glossary for definitions.

First-quarter 2025 revenues

The table below shows the breakdown of consolidated revenues by category for the first quarters of 2025 and 2024.

<i>In € millions</i>	Q1 2025	Q1 2024	% change
Consolidated revenues	2,535	2,431	+4.3%
Consolidated services revenues ¹	2,341	2,214	+5.7%
Consolidated revenues from devices	192	217	-10.4%
Revenues - France	1,634	1,586	+3.0%
- Services ¹	1,546	1,487	+4.0%
- Devices	87	99	-12.0%
Revenues - Italy	298	272	+9.4%
- Services	295	270	+9.4%
- Devices	2	2	+9.2%
Revenues - Poland²	607	577	+5.3%
- Services	505	461	+9.0%
- Devices	105	116	-9.3%

¹ Net of intra-group/inter-segment sales.

² EUR/PLN exchange rate: 4.20148 for Q1 2025 and 4.33334 for Q1 2024.

Key financial performance indicators in first-quarter 2025

<i>In € millions</i>	Q1 2025	Q1 2024	% change
Consolidated revenues	2,535	2,431	+4.3%
France	1,634	1,586	+3.0%
Italy	298	272	+9.4%
Poland	607	577	+5.3%
<i>Intra-group sales</i>	(4)	(4)	+2.9%
Consolidated EBITDAaL	931	878	+6.0%
France	578	573	+0.9%
Italy	89	71	+24.4%
Poland	264	233	+13.1%
Consolidated capex¹	428	418	+2.5%
France	306	278	+10.0%
Italy	66	80	-17.3%
Poland	56	60	-6.3%
OFCF	503	460	+9.3%
France	272	295	-7.8%
Italy	23	(8)	NM
Poland	207	173	+19.8%
Profit for the period	522	93	NM
	March 31, 2025	Dec. 31, 2024	
Net debt ²	9,703	10,300	
EBITDAaL	3,903	3,850	
Leverage ratio	2.5x	2.7x	

¹ Excluding payments for frequencies

² Net debt comprises short- and long-term financial liabilities, including derivative assets and liabilities, less cash and cash equivalents.

Glossary

Alternative operator: An operator that entered the market subsequent to the incumbent State operator losing its monopoly.

Broadband and Ultra-Fast Broadband ARPU: Includes revenues from the flat-rate package and value-added services, divided by the total number of Broadband and Ultra-Fast Broadband subscribers billed for the last month of the quarter.

Broadband and Ultra-Fast Broadband subscribers: Subscribers who have signed up for the Group's ADSL, VDSL or FTTH offerings.

Connectible Fiber socket: A socket for which the link between the shared access point and the optical splitter has been put in place by the building operator, which the Group can access in accordance with its co-financing commitments, and for which the connection to the Group's network has been completed or is in progress.

EBITDAaL: Profit from ordinary activities before depreciation, amortization and impairment of property, plant and equipment and intangible assets, and the impact of share-based payment expense.

Fiber take-up rate: Represents the number of Fiber subscribers as a percentage of the total number of Broadband and Ultra-Fast Broadband subscribers

FTTH: Fiber To The Home: Data delivery technology that directly connects subscribers' homes to an optical node (ON).

Leverage ratio: Represents the ratio between net debt (short- and long-term financial liabilities less cash and cash equivalents) and EBITDAaL.

Mobile ARPU billed to subscribers: Includes revenues billed to subscribers divided by the total number of Mobile subscribers during the period.

Net adds: Represents the difference between the total number of subscribers at the end of two different periods.

Number of active Mobile subscribers – Poland: Represents, at the end of a given period, the total number of subscribers, identified by their telephone lines, who have subscribed to a Play mobile offering (excluding M2M and free SIM cards) and who have issued or received at

least one communication (voice or data) during the preceding 30 days.

Number of Broadband and Ultra-Fast Broadband subscribers – France: Represents, at the end of a given period, the total number of subscribers, identified by their telephone lines, who have subscribed to a Free or Alice Broadband or Ultra-Fast Broadband offering, excluding those recorded as having requested the termination of their subscription.

Number of Fixed-line subscribers – Poland: Represents, at the end of a given period, the number of subscribers who have signed up to a fixed Telephone plan or a fixed Broadband/Ultra-Fast Broadband plan, excluding those recorded as having requested the termination of their subscription.

Number of Mobile subscribers – France: Represents, at the end of a given period, the total number of subscribers, identified by their telephone lines, who have subscribed to a Free mobile offering, excluding those recorded as having requested the termination of their subscription.

Number of Mobile subscribers – Italy: Represents, at the end of a given period, the total number of subscribers (B2C and B2B) identified by their telephone lines, who have subscribed to an Iliad Italia mobile offering and who have issued or received at least one communication during the preceding three months.

Number of Ultra-Fast Broadband subscribers – Italy: Represents, at the end of a given period, the number of subscribers who have subscribed to an Iliad Italia Ultra-Fast Broadband offering, excluding those recorded as having requested the termination of their subscription.

Revenues billed to subscribers: Revenues generated from services billed directly to subscribers (services included in subscribers' plans, as well as additional services).

Services revenues: Revenues excluding revenues from devices.

Total number of subscribers – Poland: Represents, at the end of a given period, the number of active mobile subscribers in Poland and the number of Fixed-line subscribers in Poland.

About the iliad Group

Created in the early 1990s, the iliad Group is the inventor of the world's first triple-play box and is now a major European telecoms player, standing out for its innovative, straightforward and attractive offerings. The Group is the parent of Free in France, iliad in Italy and Play in Poland, has over 18,000 employees serving 50.8 million subscribers, and generated over €10 billion in revenues in 2024. In France, the Group is an integrated Fixed and Mobile Ultra-Fast Broadband operator and had 23.1 million subscribers at end-March 2025. In Italy, where the Group launched its business in 2018 under the iliad brand, it is the country's fourth-largest Mobile operator and had over 12.2 million subscribers at end-March 2025. In Poland, the Group is an integrated convergent operator, and at end-March 2025 had 15.5 million subscribers. In 2024, the iliad Group became Europe's fifth-largest operator by number of retail Mobile subscribers (excluding M2M) and it remains the fifth-largest Fixed Broadband operator.

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 www.iliad.fr/en

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