

Paris, 26 August 2008

**Iliad has completed the acquisition of Alice France from Telecom Italia**

Iliad has completed the acquisition of 100% of Liberty Surf Group SAS from Telecom Italia. The price paid of € 775 million is derived from an enterprise value of € 800 million.

Liberty Surf Group SAS primarily operates internet service provider activities in France, marketed under the Alice brand.

The price paid for this acquisition is € 775 million and may still be subject to limited downward adjustments. This price reflects:

- The value of the business, which boasts a portfolio of about 850,000 active subscribers;
- The value of loss carry-forwards, generating tax savings for Iliad, an early estimate of which was put at € 350 million;
- Cash and cash equivalents in Liberty Surf Group SAS' balance sheet estimated at € 15 million.

With this transaction, Iliad confirms its position as the leading alternative operator in the French ADSL market, with around 4 million subscribers and a market share estimated at 25.5%.

*The Iliad Group is a major player in the French Internet access and telecommunications market via its subsidiaries Free (3,134,000 ADSL subscribers as of 30 June 2008), Onetel and Iliad Télécom (fixed telephony providers) and IFW (Wimax). The Iliad Group is listed on Euronext Paris under the ticker ILD.*

Exchange: [Euronext Paris](#)

Marketplace: [Euronext Paris Eurolist A \(SRD\)](#)

Ticker: [ILD](#)

ISIN code: [FR0004035913](#)

FTSE ranking: [974 Internet](#)

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