

Condensed interim consolidated Financial Statements for the first half 2023

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Significant events for the first half 2023

Takeover of VOO in Belgium

Following the approval of the European Commission, Orange Belgium has finalized on June 2nd, 2023 the acquisition of 75% of the capital minus one share of VOO for 1,369 million euros from Nethys.

The Group has granted Nethys a commitment to purchase its residual stake, exercisable for three years.



Note 3.2

Completion of the strategic review of Orange Bank

On June 28, 2023, the Orange group has announced to enter into exclusive negotiations with BNP Paribas to define a referral partnership for the Orange Bank customer portfolio in France, and to develop financing solutions for mobile devices.

These negotiations are part of Orange's wider intention to progressively withdraw Orange Bank from the retail banking market in France and Spain by the end of 2025.



Note 3.2

French pension reform

In France, the pension reform enacted on April 14, 2023 led to the recognition of an additional provision of 257 million euros in respect of the French part-time for seniors plans (*Temps Partiel Senior (TPS)*). The impact of the reform on post-employment benefits and other long-term benefits (excluding *TPS plans*) are not material at June 30, 2023.



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The accompanying notes are an integral part of the consolidated financial statements.

Consolidated income statement

(in millions of euros, except for per share data)	Note	June 30, 2023	June 30, 2022
Revenue	1.1	21,545	21,297
External purchases	5.1	(9,347)	(9,050)
Other operating income		376	366
Other operating expenses	5.2	(150)	(231)
Labor expenses	6	(4,624)	(4,329)
Operating taxes and levies		(1,223)	(1,235)
Gains (losses) on disposal of fixed assets, investments and activities	3.1	50	36
Restructuring costs	5.3	(35)	(47)
Depreciation and amortization of fixed assets		(3,604)	(3,585)
Depreciation and amortization of financed assets		(59)	(47)
Depreciation and amortization of right-of-use assets		(745)	(762)
Reclassification of translation adjustment from liquidated entities		-	3
Impairment of goodwill	7	-	-
Impairment of fixed assets		(4)	(2)
Impairment of right-of-use assets		(28)	5
Share of profits (losses) of associates and joint ventures	8	(8)	1
Operating income		2,142	2,420
Cost of gross financial debt excluding financed assets		(528)	(297)
Interests on debts related to financed assets		(6)	(1)
Gains (losses) on assets contributing to net financial debt		130	(9)
Foreign exchange gain (loss)		(32)	(40)
Interests on lease liabilities		(116)	(61)
Other net financial expenses		(40)	36
Finance costs, net	10.2	(592)	(373)
Income taxes	9	(461)	(580)
Consolidated net income		1,088	1,467
Net income attributable to owners of the parent company		877	1,218
Non-controlling interests		211	249
Earnings per share (in euros) attributable to parent company			
Net income			
- basic		0.30	0.42
- diluted		0.30	0.42

Consolidated statement of comprehensive income

(in millions of euros)	Note	June 30, 2023	June 30, 2022
Consolidated net income		1,088	1,467
Remeasurements of the net defined benefit liability		(13)	170
Assets at fair value		(0)	(33)
Income tax relating to items that will not be reclassified		3	(44)
Share of other comprehensive income in associates and joint ventures that will not be reclassified		1	-
Items that will not be reclassified to profit or loss (a)		(9)	93
Assets at fair value		3	1
Cash flow hedges	10.2	(277)	438
Translation adjustment gains and losses	13.5	(65)	(37)
Income tax relating to items that are or may be reclassified		69	(107)
Share of other comprehensive income in associates and joint ventures that are or may be reclassified		(9)	39
Items that are or may be reclassified subsequently to profit or loss (b)		(278)	333
Other consolidated comprehensive income (a) + (b)		(288)	426
Consolidated comprehensive income		801	1,893
Comprehensive income attributable to the owners of the parent company		579	1,591
Comprehensive income attributable to non-controlling interests		222	302

Consolidated statement of financial position

(in millions of euros)	Note	June 30, 2023	December 31, 2022
Assets			
Goodwill	3.2	23,963	23,113
Other intangible assets		15,108	14,946
Property, plant and equipment		32,527	31,640
Right-of-use assets		8,149	7,936
Interests in associates and joint ventures	8	1,501	1,486
Non-current financial assets related to Mobile Financial Services activities	12.1	539	656
Non-current financial assets	10.1	1,002	977
Non-current derivatives assets	10.1	1,155	1,458
Other non-current assets		183	216
Deferred tax assets		509	421
Total non-current assets		84,636	82,847
Inventories		1,090	1,048
Trade receivables	4	6,184	6,305
Other customer contract assets		1,634	1,570
Current financial assets related to Mobile Financial Services activities	12.1	3,262	2,742
Current financial assets	10.1	3,342	4,541
Current derivatives assets	10.1	113	112
Other current assets		2,174	2,217
Operating taxes and levies receivables		1,226	1,265
Current taxes assets		220	149
Prepaid expenses		1,097	851
Cash and cash equivalents	10.1	6,022	6,004
Total current assets		26,364	26,803
Total assets		111,000	109,650

(in millions of euros)	Note	June 30, 2023	December 31, 2022
Equity and liabilities			
Share capital	13.1	10,640	10,640
Share premiums and statutory reserve		16,859	16,859
Subordinated notes	13.4	5,148	4,950
Retained earnings		(1,261)	(666)
Equity attributable to the owners of the parent company		31,386	31,784
Non-controlling interests	13.6	3,019	3,172
Total equity	13	34,406	34,956
Non-current financial liabilities	10.1	31,786	31,930
Non-current derivatives liabilities	10.1	341	397
Non-current lease liabilities		7,097	6,901
Non-current fixed assets payables		1,575	1,480
Non-current financial liabilities related to Mobile Financial Services activities	12.1	69	82
Non-current employee benefits		2,600	2,567
Non-current dismantling provisions		713	670
Non-current restructuring provisions		53	43
Other non-current liabilities		281	276
Deferred tax liabilities		1,157	1,124
Total non-current liabilities		45,671	45,471
Current financial liabilities	10.1	5,651	4,702
Current derivatives liabilities	10.1	51	51
Current lease liabilities		1,503	1,509
Current fixed assets payables		2,707	3,101
Trade payables		7,341	7,067
Customer contract liabilities		2,683	2,579
Current financial liabilities related to Mobile Financial Services activities	12.1	3,447	3,034
Current employee benefits		2,416	2,418
Current dismantling provisions		16	26
Current restructuring provisions		87	119
Other current liabilities		2,629	2,526
Operating taxes and levies payables		1,852	1,405
Current taxes payables		379	538
Deferred income		162	149
Total current liabilities		30,924	29,223
Total equity and liabilities		111,000	109,650

Consolidated statements of changes in shareholders' equity

(in millions of euros)	Note	Attributable to owners of the parent company							Attributable to non-controlling interests			Total equity
		Number of issued shares	Share capital	Share premiums and statutory reserve	Subordinated notes	Reserves	Other comprehensive income	Total	Reserves	Other comprehensive income	Total	
Balance as of December 31, 2021		2,660,056,599	10,640	16,859	5,497	(399)	(257)	32,341	2,825	195	3,020	35,361
Consolidated comprehensive income		-	-	-	-	1,218	373	1,591	249	54	302	1,893
Share-based compensation		-	-	-	-	5	-	5	1	-	1	6
Purchase of treasury shares		-	-	-	-	0	-	0	-	-	-	0
Dividends		-	-	-	-	(1,063)	-	(1,063)	(277)	-	(277)	(1,340)
Subordinated notes remuneration		-	-	-	-	(121)	-	(121)	-	-	-	(121)
Changes in ownership interests with no gain/loss of control		-	-	-	-	(2)	-	(2)	3	-	3	1
Changes in ownership interests with gain/loss of control		-	-	-	-	(0)	-	(0)	(1)	-	(1)	(1)
Other movements		-	-	-	-	3	-	3	5	-	5	8
Balance as of June 30, 2022		2,660,056,599	10,640	16,859	5,497	(358)	116	32,753	2,805	249	3,054	35,807
Consolidated comprehensive income		-	-	-	-	928	(469)	459	222	(38)	184	643
Share-based compensation		-	-	-	-	6	-	6	2	-	2	8
Purchase of treasury shares		-	-	-	-	(7)	-	(7)	-	-	-	(7)
Dividends		-	-	-	-	(798)	-	(798)	(51)	-	(51)	(849)
Issues and purchases of subordinated notes		-	-	-	(547)	51	-	(496)	-	-	-	(496)
Subordinated notes remuneration		-	-	-	-	(94)	-	(94)	-	-	-	(94)
Changes in ownership interests with no gain/loss of control		-	-	-	-	(8)	-	(8)	(3)	-	(3)	(11)
Changes in ownership interests with gain/loss of control		-	-	-	-	-	-	-	1	-	1	1
Other movements		-	-	-	-	(32)	-	(32)	(16)	-	(16)	(48)
Balance as of December 31, 2022		2,660,056,599	10,640	16,859	4,950	(313)	(353)	31,784	2,960	211	3,172	34,956
Consolidated comprehensive income		-	-	-	-	877	(299)	579	211	11	222	801
Share-based compensation		-	-	-	-	5	-	5	1	-	1	6
Purchase of treasury shares	13.2	-	-	-	-	2	-	2	-	-	-	2
Dividends	13.3	-	-	-	-	(1,064)	-	(1,064)	(374)	-	(374)	(1,438)
Issues and purchases of subordinated notes	13.4	-	-	-	198	(22)	-	177	-	-	-	177
Subordinated notes remuneration	13.4	-	-	-	-	(100)	-	(100)	-	-	-	(100)
Changes in ownership interests with no gain/loss of control		-	-	-	-	(6)	-	(6)	(2)	-	(2)	(7)
Changes in ownership interests with gain/loss of control ⁽¹⁾	3.2	-	-	-	-	-	-	-	0	-	0	0
Other movements		-	-	-	-	11	-	11	(0)	-	(0)	11
Balance as of June 30, 2023		2,660,056,599	10,640	16,859	5,148	(610)	(652)	31,386	2,797	222	3,019	34,406

(1) Included the fair value of the minority shareholders' equity of VOO at the acquisition date for 279 million euros, offset by the effect of the recognition of the financial liability related to the put option granted to Nethys by Orange.

Analysis of changes in shareholders' equity related to components of the other comprehensive income

(in millions of euros)	Attributable to owners of the parent company							Attributable to non-controlling interests							Total other comprehensive income
	Assets at fair value	Hedging instruments	Translation adjustment	Actuarial gains and losses	Deferred tax	Other comprehensive income of associates and joint ventures	Total	Assets at fair value	Hedging instruments	Translation adjustment	Actuarial gains and losses	Deferred tax	Other comprehensive income of associates and joint ventures	Total	
Balance as of December 31, 2021	78	220	(96)	(516)	97	(39)	(257)	(3)	(3)	212	(11)	1	-	195	(62)
Variation	(32)	406	(56)	171	(145)	28	373	(0)	32	20	(2)	(6)	10	54	426
Balance as of June 30, 2022	46	626	(152)	(344)	(48)	(11)	116	(3)	29	232	(13)	(5)	10	249	365
Variation	(79)	(139)	(303)	7	32	14	(470)	(1)	(3)	(33)	(1)	1	(2)	(38)	(507)
Balance as of December 31, 2022	(33)	487	(455)	(337)	(16)	3	(353)	(4)	25	198	(14)	(4)	9	211	(142)
Variation ⁽¹⁾	3	(260)	(94)	(11)	68	(4)	(299)	1	(17)	30	(2)	3	(4)	11	(288)
Balance as of June 30, 2023	(30)	226	(550)	(348)	52	(1)	(652)	(3)	9	228	(16)	(0)	5	222	(430)

(1) At June 30, 2023, the variation of (288) million euros in other comprehensive income includes changes in cash flow hedging in pound sterling for (159) million euros and in US dollars for (88) million euros of Orange SA

Consolidated statement of cash flows

(in millions of euros)	Note	June 30, 2023	June 30, 2022
Operating activities			
Consolidated net income		1,088	1,467
Non-monetary items and reclassified items for presentation		6,517	6,215
Operating taxes and levies		1,223	1,235
Gains (losses) on disposal of fixed assets, investments and activities	3.1	(50)	(36)
Other gains and losses		(22)	(13)
Depreciation and amortization of fixed assets		3,604	3,585
Depreciation and amortization of financed assets		59	47
Depreciation and amortization of right-of-use assets		745	762
Changes in provisions		(151)	(335)
Reclassification of cumulative translation adjustment from liquidated entities		-	(3)
Impairment of fixed assets		4	2
Impairment of right-of-use assets		28	(5)
Share of profits (losses) of associates and joint ventures		8	(1)
Operational net foreign exchange and derivatives		8	17
Finance costs, net		592	373
Income taxes	9	461	580
Share-based compensation		6	6
Changes in working capital and operating banking activities ⁽¹⁾		140	(5)
Decrease (increase) in inventories, gross		(14)	(40)
Decrease (increase) in trade receivables, gross		220	99
Increase (decrease) in trade payables		126	90
Changes in other customer contract assets and liabilities		33	75
Changes in other assets and liabilities ⁽²⁾		(225)	(229)
Other net cash out		(2,010)	(2,040)
Operating taxes and levies paid		(804)	(958)
Dividends received		1	2
Interest paid and interest rates effects on derivatives, net ⁽³⁾		(561)	(504)
Income taxes paid		(647)	(581)
Net cash provided by operating activities (a)		5,736	5,636
Investing activities			
Purchases and sales of property, plant and equipment and intangible assets ⁽⁴⁾		(3,809)	(3,892)
Purchases of property, plant and equipment and intangible assets ⁽⁵⁾		(3,690)	(3,781)
Increase (decrease) in fixed assets payables		(285)	(237)
Sales of property, plant and equipment and intangible assets		166	126
Cash paid for investment securities, net of cash acquired		(1,350)	(12)
Takeover of VOO in Belgium	3.2	(1,349)	-
Other		(0)	(12)
Investments in associates and joint ventures		(25)	(8)
Purchases of investment securities measured at fair value		(40)	(17)
Proceeds from sales of investment securities, net of cash transferred		29	0
Other proceeds from sales of investment securities at fair value		3	2
Decrease (increase) in securities and other financial assets		1,215	(593)
Investments at fair value, excluding cash equivalents		1,205	(694)
Other		10	101
Net cash used in investing activities (b)		(3,978)	(4,519)

(in millions of euros)	Note	June 30, 2023	June 30, 2022
Financing activities			
Medium and long-term debt issuances	10.4	836	985
Medium and long-term debt redemptions and repayments ⁽⁶⁾	10.4	(834)	(331)
Repayments of lease liabilities		(789)	(737)
Increase (decrease) of bank overdrafts and short-term borrowings		498	(884)
Decrease (increase) of cash collateral deposits		(260)	899
Exchange rates effects on derivatives, net		(14)	(103)
Subordinated notes issuances (purchases) and other related fees	13.4	177	-
Coupon on subordinated notes	13.4	(102)	(121)
Proceeds (purchases) treasury shares		2	20
Capital increase (decrease) - non-controlling interests		2	0
Changes in ownership interests with no gain / loss of control		(10)	1
Dividends paid to owners of the parent company	13.3	(1,064)	(1,063)
Dividends paid to non-controlling interests	13.6	(222)	(177)
Net cash used in financing activities (c)		(1,779)	(1,510)
Cash change in cash and cash equivalents (a) + (b) + (c)		(22)	(394)
Net change in cash and cash equivalents			
Cash and cash equivalents in the opening balance		6,004	8,621
Cash change in cash and cash equivalents		(22)	(394)
Non-cash change in cash and cash equivalents		40	32
o/w effect of exchange rates changes and other non-monetary effects		40	32
Cash and cash equivalents in the closing balance		6,022	8,259

(1) Operating banking activities mainly include transactions with customers and credit institutions. They are presented in changes in other assets and liabilities.

(2) Excluding operating tax receivables and payables.

(3) Including interests paid on lease liabilities in the amount of (113) million euros at June 30, 2023 and (60) million euros at June 30, 2022.

(4) Including telecommunication licenses paid for (202) million euros at June 30, 2023 and (302) million euros at June 30, 2022.

(5) Investments in financed assets amounting to 145 million euros at June 30, 2023 and 69 million euros at June 30, 2022 have no effect on the statement of cash flows at the time of acquisition.

(6) Including payments related to liabilities on financed assets for (56) million euros at June 30, 2023 and (44) million euros at June 30, 2022.

Note 1 Segment information

1.1 Segment revenue

(in millions of euros)	France	Europe			Total
		Spain	Other European countries ⁽¹⁾	Eliminations Europe	
June 30, 2023					
Revenue	8,691	2,321	3,230	(5)	5,546
Convergence services	2,493	946	520	-	1,466
Mobile-only services	1,182	389	1,060	-	1,449
Fixed-only services	1,865 ⁽⁵⁾	231	384	-	614
IT & integration services	-	23	238	-	262
Wholesale	2,257	384	434	(5)	814
Equipment sales	584	347	475	-	822
Other revenue	310	1	119	-	120
<i>External</i>	<i>8,332</i>	<i>2,299</i>	<i>3,183</i>	<i>-</i>	<i>5,482</i>
<i>Inter-operating segments</i>	<i>359</i>	<i>22</i>	<i>47</i>	<i>(5)</i>	<i>64</i>
June 30, 2022					
Revenue	8,827	2,265	3,065	(5)	5,325
Convergence services	2,406	931	469	-	1,400
Mobile-only services	1,154	399	1,015	-	1,414
Fixed-only services	1,907 ⁽⁵⁾	217	397	-	614
IT & integration services	-	18	196	-	214
Wholesale	2,455	406	476	(5)	877
Equipment sales	552	293	426	-	719
Other revenue	353	0	87	-	87
<i>External</i>	<i>8,485</i>	<i>2,240</i>	<i>3,015</i>	<i>-</i>	<i>5,255</i>
<i>Inter-operating segments</i>	<i>342</i>	<i>25</i>	<i>51</i>	<i>(5)</i>	<i>70</i>

(1) Including the contribution of VOO from June 2, 2023. The contribution of VOO to Group revenue amounts to 38 million euros at June 30, 2023.

(2) Including, at the end of June 2023, revenue of 2,546 million euros in France, 9 million euros in Spain, 861 million euros in other European countries and 528 million euros in other countries.

Including, at the end of June 2022, revenue of 2,552 million euros in France, 8 million euros in Spain, 838 million euros in other European countries and 491 million euros in other countries.

(3) Including, at the end of June 2023, revenue of 239 million euros in France and 104 million euros in Spain.

Including, at the end of June 2022, revenue of 224 million euros in France and 105 million euros in Spain.

(4) Including revenue of 674 million euros at the end of June 2023 and 690 million euros at the end of June 2022 in France.

(5) Including, at the end of June 2023, fixed only broadband revenue of 1,496 million euros and fixed only narrowband revenue of 369 million euros.

Including, at the end of June 2022, fixed only broadband revenue of 1,473 million euros and fixed only narrowband revenue of 434 million euros.

(6) Including, at the end of June 2023, revenue of 1,177 million euros from data services and revenue of 464 million euros from voice services.

Including, at the end of June 2022, revenue of 1,224 million euros from data services and revenue of 514 million euros from voice services.

Africa & Middle-East	Enterprise ⁽²⁾	Totem ⁽³⁾	International Carriers & Shared Services ⁽⁴⁾	Eliminations telecom activities	Total telecom activities	Mobile Financial Services	Eliminations telecom activities / mobile financial services	Orange consolidated financial statements
3,472	3,944	342	763	(1,210)	21,549	-	(4)	21,545
-	-	-	-	-	3,958	-	-	3,958
2,652	348	-	-	(19)	5,611	-	(0)	5,611
411	1,641 ⁽⁶⁾	-	-	(64)	4,467	-	(0)	4,467
21	1,794	-	-	(89)	1,987	-	(3)	1,985
324	20	342	516	(885)	3,389	-	-	3,389
43	140	-	-	(4)	1,586	-	(0)	1,586
21	-	-	247	(148)	550	-	(1)	549
3,386	3,767	64	514	-	21,545	-	-	21,545
86	177	278	249	(1,210)	4	-	(4)	-
3,381	3,888	328	772	(1,220)	21,301	-	(4)	21,297
-	-	-	-	-	3,806	-	-	3,806
2,578	325	-	-	(18)	5,454	-	(0)	5,454
384	1,738 ⁽⁶⁾	-	-	(75)	4,568	-	(1)	4,567
21	1,663	-	-	(96)	1,802	-	(2)	1,799
324	20	328	539	(904)	3,638	-	-	3,638
55	141	-	-	(3)	1,465	-	(0)	1,465
18	-	-	234	(124)	568	-	(1)	567
3,298	3,692	56	511	-	21,297	-	-	21,297
83	196	272	261	(1,220)	4	-	(4)	-

1.2 Segment revenue to consolidated net income at June 30, 2023

(in millions of euros)	France	Europe			Total	Africa & Middle-East
		Spain	Other European countries ⁽¹⁾	Eliminations Europe		
Revenue	8,691	2,321	3,230	(5)	5,546	3,472
External purchases	(3,572)	(1,414)	(1,880)	5	(3,290)	(1,352)
Other operating income	594	46	142	(2)	187	23
Other operating expenses	(260)	(74)	(72)	2	(145)	(117)
Labor expenses	(1,711)	(135)	(392)	-	(528)	(296)
Operating taxes and levies	(662)	(64)	(56)	-	(120)	(348)
Gains (losses) on disposal of fixed assets, investments and activities	-	-	-	-	-	-
Restructuring costs	-	-	-	-	-	-
Depreciation and amortization of financed assets	(59)	-	-	-	-	-
Depreciation and amortization of right-of-use assets	(126)	(82)	(101)	-	(184)	(94)
Impairment of right-of-use assets	-	-	-	-	-	-
Interests on debts related to financed assets ⁽³⁾	(6)	-	-	-	-	-
Interests on lease liabilities ⁽³⁾	(29)	(15)	(22)	-	(37)	(28)
EBITDAaL	2,859	582	848	-	1,430	1,260
Significant litigations	95	-	-	-	-	(38)
Specific labour expenses	(188)	-	-	-	-	-
Fixed assets, investments and businesses portfolio review	0	-	25	-	25	3
Restructuring programs costs	(2)	0	(10)	-	(10)	(2)
Acquisition and integration costs	-	(3)	(23)	-	(26)	-
Depreciation and amortization of fixed assets	(1,602)	(513)	(565)	-	(1,078)	(516)
Reclassification of translation adjustment from liquidated entities	-	-	-	-	-	-
Impairment of goodwill	-	-	-	-	-	-
Impairment of fixed assets	(0)	-	(3)	-	(3)	(2)
Share of profits (losses) of associates and joint ventures	(12)	-	(4)	-	(4)	9
<i>Elimination of interests on debts related to financed assets⁽³⁾</i>	<i>6</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Elimination of interests on lease liabilities⁽³⁾</i>	<i>29</i>	<i>15</i>	<i>22</i>	<i>-</i>	<i>37</i>	<i>28</i>
Operating Income	1,186	81	290	-	371	742
Cost of gross financial debt except financed assets						
Interests on debts related to financed assets ⁽³⁾						
Gains (losses) on assets contributing to net financial debt						
Foreign exchange gain (loss)						
Interests on lease liabilities ⁽³⁾						
Other net financial expenses						
Finance costs, net						
Income Tax						
Consolidated net income						

(1) Including the contribution of VOO from June 2, 2023.

(2) Mobile Financial Services' net banking income is recognized in other operating income and amounts to 75 million euros at the end of June 2023. The cost of risk is included in other operating expenses and amounts to (32) million euros at the end of June 2023.

(3) Presentation adjustments allow the reallocation of the lines of specific items identified in the segment information to the operating revenue and expense lines presented in the consolidated income statement. Interests on debts related to financed assets and interests on lease liabilities are included in segment EBITDAaL. They are excluded from segment operating income and included in net finance costs presented in the consolidated income statement.

Enterprise	Totem	International Carriers & Shared Services	Elimination telecom activities	Total telecom activities	Mobile Financial Services ⁽²⁾	Eliminations telecom activities / mobile financial services	Total	Presentation adjustments ⁽³⁾	Orange consolidated financial statements
3,944	342	763	(1,210)	21,549	-	(4)	21,545	-	21,545
(2,173)	(59)	(999)	2,171	(9,274)	(62)	5	(9,331)	(16)	(9,347)
98	0	1,027	(1,629)	300	77	(2)	376	-	376
(297)	(0)	(7)	668	(158)	(35)	1	(191)	41	(150)
(1,135)	(8)	(640)	-	(4,318)	(41)	-	(4,359)	(265)	(4,624)
(40)	(3)	(47)	-	(1,220)	(1)	-	(1,221)	(2)	(1,223)
-	-	-	-	-	-	-	-	50	50
-	-	-	-	-	-	-	-	(35)	(35)
-	-	-	-	(59)	-	-	(59)	-	(59)
(83)	(83)	(171)	-	(740)	(2)	-	(742)	(3)	(745)
-	-	0	-	0	-	-	0	(28)	(28)
-	-	-	-	(6)	-	-	(6)	6	n/a
(5)	(5)	(12)	-	(116)	(0)	-	(116)	116	n/a
311	183	(86)	-	5,957	(62)	-	5,895	(137)	n/a
-	-	-	-	57	-	-	57	(57)	n/a
(29)	(0)	(48)	-	(265)	(0)	-	(265)	265	n/a
12	-	8	-	50	-	-	50	(50)	n/a
(4)	-	(52)	-	(70)	-	-	(70)	70	n/a
(0)	(0)	(4)	-	(31)	-	-	(31)	31	n/a
(176)	(61)	(160)	-	(3,593)	(11)	-	(3,604)	-	(3,604)
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	1	-	(4)	-	-	(4)	-	(4)
0	-	(1)	-	(8)	-	-	(8)	-	(8)
-	-	-	-	6	-	-	6	(6)	n/a
5	5	12	-	116	0	-	116	(116)	n/a
118	127	(329)	-	2,215	(73)	-	2,142	-	2,142
									(528)
									(6)
									130
									(32)
									(116)
									(40)
									(592)
									(461)
									1,088

1.3 Segment revenue to consolidated net income at June 30, 2022

(in millions of euros)	France	Europe			Total	Africa & Middle-East
		Spain	Other European countries	Eliminations Europe		
Revenue	8,827	2,265	3,065	(5)	5,325	3,381
External purchases	(3,537)	(1,407)	(1,762)	5	(3,164)	(1,335)
Other operating income	618	47	141	(0)	188	21
Other operating expenses	(250)	(77)	(106)	0	(183)	(113)
Labor expenses	(1,775)	(128)	(369)	-	(497)	(290)
Operating taxes and levies	(664)	(82)	(59)	-	(141)	(324)
Gains (losses) on disposal of fixed assets, investments and activities	-	-	-	-	-	-
Restructuring costs	-	-	-	-	-	-
Depreciation and amortization of financed assets	(47)	-	-	-	-	-
Depreciation and amortization of right-of-use assets	(130)	(86)	(101)	-	(187)	(95)
Impairment of right-of-use assets	-	-	-	-	-	-
Interests on debts related to financed assets ⁽²⁾	(1)	-	-	-	-	-
Interests on lease liabilities ⁽²⁾	(5)	(8)	(10)	-	(18)	(31)
EBITDAaL	3,035	524	799	-	1,323	1,214
Significant litigations	0	-	-	-	-	-
Specific labour expenses	(39)	-	-	-	-	-
Fixed assets, investments and businesses portfolio review	(0)	-	20	-	20	2
Restructuring programs costs	(13)	(8)	(3)	-	(11)	(4)
Acquisition and integration costs	-	-	(13)	-	(13)	-
Depreciation and amortization of fixed assets	(1,551)	(543)	(533)	-	(1,076)	(509)
Reclassification of translation adjustment from liquidated entities	-	-	-	-	-	-
Impairment of goodwill	-	-	-	-	-	-
Impairment of fixed assets	0	-	(0)	-	(0)	(2)
Share of profits (losses) of associates and joint ventures	(3)	-	(1)	-	(1)	7
<i>Elimination of interests on debts related to financed assets⁽²⁾</i>	<i>1</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Elimination of interests on lease liabilities⁽²⁾</i>	<i>5</i>	<i>8</i>	<i>10</i>	<i>-</i>	<i>18</i>	<i>31</i>
Operating Income	1,436	(19)	278	-	260	739
Cost of gross financial debt except financed assets						
Interests on debts related to financed assets ⁽²⁾						
Gains (losses) on assets contributing to net financial debt						
Foreign exchange gain (loss)						
Interests on lease liabilities ⁽²⁾						
Other net financial expenses						
Finance costs, net						
Income taxes						
Consolidated net income						

(1) Mobile Financial Services' net banking income is recognized in other operating income and amounts to 56 million euros at the end of June 2022. The cost of risk is included in other operating expenses and amounts to (22) million euros at the end of June 2022.

(2) Presentation adjustments allow the reallocation of the lines of specific items identified in the segment information to the operating revenue and expense lines presented in the consolidated income statement. Interests on debts related to financed assets and interests on lease liabilities are included in segment EBITDAaL. They are excluded from segment operating income and included in net finance costs presented in the consolidated income statement.

Enterprise	Totem	International Carriers & Shared Services	Elimination telecom activities	Total telecom activities	Mobile Financial Services ⁽¹⁾	Eliminations telecom activities / mobile financial services	Total	Presentation adjustments ⁽²⁾	Orange consolidated financial statements
3,888	328	772	(1,220)	21,301	-	(4)	21,297	-	21,297
(2,041)	(59)	(1,019)	2,172	(8,984)	(64)	9	(9,039)	(11)	(9,050)
90	-	1,020	(1,629)	309	65	(8)	366	0	366
(337)	(0)	(5)	677	(211)	(14)	4	(222)	(9)	(231)
(1,109)	(6)	(644)	-	(4,321)	(40)	-	(4,361)	33	(4,329)
(48)	(4)	(53)	-	(1,234)	(1)	-	(1,235)	0	(1,235)
-	-	-	-	-	-	-	-	36	36
-	-	-	-	-	-	-	-	(47)	(47)
-	-	-	-	(47)	-	-	(47)	-	(47)
(75)	(78)	(195)	-	(761)	(2)	-	(762)	-	(762)
(1)	-	-	-	(1)	-	-	(1)	6	5
-	-	-	-	(1)	-	-	(1)	1	n/a
(2)	(2)	(3)	-	(61)	(0)	-	(61)	61	n/a
364	180	(128)	-	5,989	(56)	-	5,934	70	n/a
-	-	(2)	-	(2)	-	-	(2)	2	n/a
(4)	-	79	-	36	(0)	-	35	(35)	n/a
3	-	12	-	36	-	-	36	(36)	n/a
(11)	-	(2)	-	(41)	-	-	(41)	41	n/a
(0)	(0)	(7)	-	(21)	(1)	-	(21)	21	n/a
(205)	(61)	(161)	-	(3,563)	(23)	-	(3,585)	-	(3,585)
3	-	-	-	3	-	-	3	-	3
-	-	-	-	-	-	-	-	-	-
0	(0)	(0)	-	(2)	-	-	(2)	-	(2)
0	-	(2)	-	1	-	-	1	-	1
-	-	-	-	1	-	-	1	(1)	n/a
2	2	3	-	61	0	-	61	(61)	n/a
152	120	(207)	-	2,499	(80)	-	2,420	-	2,420
									(297)
									(1)
									(9)
									(40)
									(61)
									36
									(373)
									(580)
									1,467

1.4 Segment investments

(in millions of euros)	France	Europe			Total
		Spain	Other European countries ⁽¹⁾	Eliminations Europe	
June 30, 2023					
eCapex	1,429	347	407	-	754
Elimination of proceeds from sales of property, plant and equipment and intangible assets	78	-	46	-	46
Telecommunications licenses	0	31	313	-	344
Financed assets	145	-	-	-	-
Total investments ⁽⁴⁾	1,652	378	766	-	1,143
June 30, 2022					
eCapex	1,673	465	369	-	835
Elimination of proceeds from sales of property, plant and equipment and intangible assets	59	-	36	-	36
Telecommunications licenses	8	6	27	-	33
Financed assets	69	-	-	-	-
Total investments ⁽⁵⁾	1,809	472	432	-	904

(1) Including the contribution of VOO from June 2, 2023.

(2) Including investments in intangible assets and property, plant and equipment in France for 106 million euros at the end of June 2023 and 100 million euros at the end of June 2022.

(3) Including investments in intangible assets and property, plant and equipment in France for 106 million euros at the end of June 2023 and 110 million euros at the end of June 2022.

(4) Including 1,163 million euros for other intangible assets and 2,671 million euros for tangible assets.

(5) Including 991 million euros for other intangible assets and 2,858 million euros for tangible assets.

Africa & Middle East	Enterprise ⁽²⁾	Totem	International Carriers & Shared Services ⁽³⁾	Eliminations telecom activities and unallocated items	Total telecom activities	Mobile Financial Services	Eliminations telecom activities/ mobile financial services	Orange consolidated financial statements
648	140	65	97	-	3,133	20	-	3,154
4	14	-	11	-	153	-	-	153
38	-	-	-	-	383	-	-	383
-	-	-	-	-	145	-	-	145
690	155	65	108	-	3,814	20	-	3,834
609	144	44	94	-	3,399	14	-	3,413
3	8	-	19	-	124	-	-	124
203	-	-	-	-	244	-	-	244
-	-	-	-	-	69	-	-	69
815	151	44	113	-	3,836	14	-	3,850

1.5 Segment assets

(in millions of euros)	France	Europe			
		Spain	Other European countries ⁽¹⁾	Eliminations Europe	Total
June 30, 2023					
Goodwill	13,176	2,734	2,746	-	5,480
Other intangible assets	4,227	1,938	2,725	-	4,663
Property, plant and equipment	16,923	3,561	5,191	-	8,752
Right-of-use assets	2,152	1,165	1,035	-	2,200
Interests in associates and joint ventures	1,060	-	340	-	340
Non-current assets included in the calculation of net financial debt	-	-	-	-	-
Other	8	13	29	-	42
Total non-current assets	37,546	9,411	12,066	-	21,477
Inventories	402	73	253	-	325
Trade receivables	1,831	588	1,298	(0)	1,886
Other customer contract assets	343	188	429	-	617
Prepaid expenses	75	396	92	-	489
Current assets included in the calculation of net financial debt	-	-	-	-	-
Other	854	52	177	-	229
Total current assets	3,507	1,297	2,249	(0)	3,547
Total assets	41,053	10,708	14,316	(0)	25,024
December 31, 2022					
Goodwill	13,176	2,734	1,852	-	4,586
Other intangible assets	4,331	1,994	2,287	-	4,280
Property, plant and equipment	16,906	3,640	4,239	-	7,879
Right-of-use assets	1,946	1,035	1,023	-	2,058
Interests in associates and joint ventures	1,070	-	313	-	313
Non-current assets included in the calculation of net financial debt	-	-	-	-	-
Other	9	12	43	-	55
Total non-current assets	37,438	9,415	9,755	-	19,171
Inventories	429	73	187	-	260
Trade receivables	2,055	601	1,176	(1)	1,776
Other customer contract assets	371	174	425	-	600
Prepaid expenses	41	373	61	-	434
Current assets included in the calculation of net financial debt	-	-	-	-	-
Other	789	77	215	-	292
Total current assets	3,685	1,298	2,064	(1)	3,361
Total assets	41,123	10,714	11,819	(1)	22,532

(1) Including the contribution of VOO from June 2, 2023.

(2) Including 1,318 million euros of current assets related to isolation of electronic money at the end of June 2023 and 1,242 million euros in 2022.

(3) Including intangible and tangible assets for 532 million euros in France at the end of June 2023 and 526 million euros in 2022.

(4) Including intangible and tangible assets for 757 million euros in France at the end of June 2023 and 748 million euros in 2022.

Africa & Middle East	Enterprise	Totem	International Carriers & Shared Services	Eliminations telecom activities and unallocated items	Total telecom activities	Mobile Financial Services	Eliminations telecom activities / mobile financial services	Orange consolidated financial statements
1,411	2,255	1,624	18	-	23,963	-	-	23,963
1,820	581 ⁽³⁾	7 ⁽⁴⁾	3,746 ⁽⁵⁾	-	15,044	64	-	15,108
4,392	395 ⁽³⁾	946 ⁽⁴⁾	1,109 ⁽⁵⁾	-	32,517	9	-	32,527
767	420	675	1,913	-	8,128	22	-	8,149
87	3	-	11	(0)	1,501	-	-	1,501
-	-	-	-	1,087	1,087	-	-	1,087
28	36	4	20	1,535	1,674	654 ⁽⁶⁾	(27)	2,300
8,505	3,690	3,257	6,818	2,623	83,915	749	(27)	84,636
155	117	-	90	-	1,090	0	-	1,090
1,036	1,323	238	1,175	(1,320)	6,170	55	(41)	6,184
10	664	-	-	-	1,634	-	-	1,634
294	105	22	116	(33)	1,069	29	(0)	1,097
-	-	-	-	9,299	9,299	-	-	9,299
1,851 ⁽²⁾	256	13	580	(128)	3,657	3,434 ⁽⁷⁾	(31)	7,060
3,347	2,465	273	1,963	7,818	22,919	3,518	(73)	26,364
11,852	6,155	3,530	8,780	10,441	106,834	4,267	(100)	111,000
1,420	2,289	1,624	18	-	23,113	-	-	23,113
1,956	577 ⁽³⁾	6 ⁽⁴⁾	3,741 ⁽⁵⁾	-	14,892	54	-	14,946
4,315	417 ⁽³⁾	943 ⁽⁴⁾	1,169 ⁽⁵⁾	-	31,630	10	-	31,640
819	438	649	2,002	-	7,912	23	-	7,936
89	3	-	12	(0)	1,486	-	-	1,486
-	-	-	-	1,390	1,390	-	-	1,390
27	36	4	21	1,430	1,583	781 ⁽⁶⁾	(27)	2,337
8,626	3,761	3,226	6,964	2,820	82,005	869	(27)	82,847
127	91	-	141	-	1,048	0	-	1,048
954	1,339	272	1,042	(1,200)	6,237	130	(62)	6,305
11	588	-	-	-	1,570	-	-	1,570
178	125	19	61	(28)	830	22	(0)	851
-	-	-	-	10,451	10,451	-	-	10,451
1,720 ⁽²⁾	278	13	424	150	3,666	2,931 ⁽⁷⁾	(18)	6,579
2,991	2,421	304	1,668	9,373	23,801	3,083	(81)	26,803
11,616	6,182	3,530	8,631	12,192	105,807	3,951	(108)	109,650

(5) Including intangible and tangible assets for 1,692 million euros in France at the end of June 2023 and 1,746 million euros in 2022. Intangible assets also include the Orange brand for 3,133 million euros.

(6) Including 644 million euros of non-current financial assets related to Mobile Financial Services at the end of June 2023 and 772 million euros in 2022 (see Note 12.1).

(7) Including 3,271 million euros of current financial assets related to Mobile Financial Services at the end of June 2023 (of which 569 million euros related to trade receivables sold by Orange Spain) and including 2,747 million euros of current financial assets related to Mobile Financial Services in 2022 (of which 519 million euros related to trade receivables sold by Orange Spain) (see Note 12.1).

1.6 Segment liabilities

(in millions of euros)	France	Europe			
		Spain	Other European countries ⁽¹⁾	Eliminations Europe	Total
June 30, 2023					
Equity	-	-	-	-	-
Non-current lease liabilities	1,932	1,072	869	-	1,941
Non-current fixed assets payables	466	405	484	-	889
Non-current employee benefits	1,492	3	59	-	62
Non-current liabilities included in the calculation of net financial debt	-	-	-	-	-
Other	346	13	269	-	282
Total non-current liabilities	4,236	1,493	1,681	-	3,174
Current lease liabilities	237	194	206	-	399
Current fixed assets payables	1,192	398	329	-	727
Trade payables	2,934	870	1,136	(0)	2,006
Customer contracts liabilities	843	225	554	-	779
Current employee benefits	1,197	45	144	-	189
Deferred income	-	83	21	-	104
Current liabilities included in the calculation of net financial debt	-	-	-	-	-
Other	1,047	138	622	-	760
Total current liabilities	7,450	1,952	3,012	(0)	4,964
Total equity and liabilities	11,686	3,445	4,692	(0)	8,137
December 31, 2022					
Equity	-	-	-	-	-
Non-current lease liabilities	1,740	961	870	-	1,831
Non-current fixed assets payables	468	429	396	-	825
Non-current employee benefits	1,522	5	18	-	23
Non-current liabilities included in the calculation of net financial debt	-	-	-	-	-
Other	347	13	247	-	259
Total non-current liabilities	4,076	1,408	1,531	-	2,939
Current lease liabilities	214	178	194	-	373
Current fixed assets payables	1,383	451	460	-	911
Trade payables	2,924	868	971	(1)	1,839
Customer contracts liabilities	830	228	513	-	740
Current employee benefits	1,243	56	125	-	181
Deferred income	-	67	20	-	86
Current liabilities included in the calculation of net financial debt	-	-	-	-	-
Other	763	143	269	-	412
Total current liabilities	7,357	1,992	2,552	(1)	4,542
Total equity and liabilities	11,433	3,399	4,083	(1)	7,481

(1) Including the contribution of VOO from June 2, 2023.

(2) Including 1,318 million euros of current financial liabilities related to the isolation of electronic money at the end of June 2023 and 1,242 million euros in 2022.

Africa & Middle-East	Enterprise	Totem	International Carriers & Shared Services	Eliminations telecom activities and unallocated items	Total telecom activities	Mobile Financial Services	Eliminations telecom activities / mobile financial services	Orange consolidated financial statements
-	-	-	-	35,111	35,111	(705)	-	34,406
678	309	494	1,722	-	7,076	21	-	7,097
220	-	-	-	-	1,575	-	-	1,575
92	237	2	703	(0)	2,588	12	-	2,600
-	-	-	-	32,091	32,091	-	-	32,091
102	26	121	48	1,265	2,191	144 ⁽³⁾	(27)	2,308
1,092	572	617	2,474	33,357	45,522	177	(27)	45,671
170	129	143	420	-	1,498	4	-	1,503
627	55	12	87	(0)	2,701	6	-	2,707
1,508	903	284	1,009	(1,320)	7,325	58	(41)	7,341
92	837	9	157	(33)	2,683	-	(0)	2,683
111	472	5	424	-	2,398	17	-	2,416
36	9	-	9	(0)	158	4	(0)	162
-	-	-	-	5,711	5,711	-	(9)	5,702
2,241 ⁽²⁾	306	32	578	(1,236)	3,727	4,705 ⁽⁴⁾	(22)	8,410
4,785	2,711	485	2,684	3,122	26,202	4,795	(73)	30,924
5,877	3,284	1,102	5,158	71,590	106,834	4,267	(100)	111,000
-	-	-	-	35,589	35,589	(633)	-	34,956
691	320	476	1,820	-	6,879	23	-	6,901
188	-	-	-	-	1,480	-	-	1,480
89	242	2	682	0	2,560	7	-	2,567
-	-	-	-	32,265	32,265	-	-	32,265
96	16	115	43	1,235	2,112	172 ⁽³⁾	(27)	2,257
1,064	579	593	2,545	33,500	45,296	202	(27)	45,471
209	134	142	433	-	1,504	4	-	1,509
589	68	9	134	(0)	3,094	6	-	3,101
1,307	909	256	942	(1,200)	6,976	153	(62)	7,067
93	750	9	184	(27)	2,580	-	(0)	2,579
88	455	6	421	-	2,394	24	-	2,418
40	8	-	10	(0)	145	5	(0)	149
-	-	-	-	4,759	4,759	-	(6)	4,753
2,031 ⁽²⁾	311	11	572	(630)	3,470	4,190 ⁽⁴⁾	(12)	7,647
4,358	2,636	432	2,696	2,901	24,922	4,382	(81)	29,223
5,422	3,215	1,026	5,240	71,989	105,807	3,951	(108)	109,650

(3) Including 131 million euros of non-current financial liabilities related to Mobile Financial Services activities at the end of June 2023 and 171 million euros in 2022 (see Note 12.1).

(4) Including 3,447 million euros of current financial liabilities related to Mobile Financial Services activities at the end of June 2023 and 3,034 million euros in 2022 (see Note 12.1).

1.7 Simplified statement of cash flows on telecommunication and mobile financial services activities

(in millions of euros)	June 30, 2023			
	Telecom activities	Mobile Financial Services	Eliminations telecom activities / mobile financial services	Orange consolidated financial statement
Operating activities				
Consolidated net income	1,161	(73)	0	1,088
Non-monetary items and reclassified items for presentation	6,486	30	0	6,517
Changes in working capital and operating banking activities	252	(112)	0	140
Decrease (increase) in inventories, gross	(14)	0	-	(14)
Decrease (increase) in trade receivables, gross	166	75	(21)	220
Increase (decrease) in trade payables	203	(98)	21	126
Changes in other customer contract assets and liabilities	33	-	0	33
Changes in other assets and liabilities	(136)	(89)	-	(225)
Other net cash out	(2,015)	6	(0)	(2,010)
Operating taxes and levies paid	(807)	3	-	(804)
Dividends received	1	-	-	1
Interest paid and interest rates effects on derivatives, net	(563) ⁽¹⁾	2	(0)	(561)
Income taxes paid	(647)	0	-	(647)
Net cash provided by operating activities (a)	5,885 ⁽²⁾	(149)	-	5,736
Investing activities				
Purchases (sales) of property, plant and equipment and intangible assets ⁽³⁾	(3,789)	(20)	-	(3,809)
Purchases of property, plant and equipment and intangible assets ⁽⁴⁾	(3,669)	(20)	-	(3,690)
Increase (decrease) in fixed assets payables	(285)	0	-	(285)
Sales of property, plant and equipment and intangible assets	166	-	-	166
Cash paid for investment securities, net of cash acquired	(1,350)	-	-	(1,350)
Investments in associates and joint ventures	(25)	-	-	(25)
Purchases of investment securities measured at fair value	(40)	-	-	(40)
Sales of investment securities, net of cash transferred	29	-	-	29
Sales of investment securities at fair value	3	-	-	3
Decrease (increase) in securities and other financial assets	1,122	90	3	1,215
Net cash used in investing activities (b)	(4,050)	69	3	(3,978)
Financing activities				
<i>Cash flows from financing activities</i>				
Medium and long-term debt issuances	836	-	-	836
Medium and long-term debt redemptions and repayments ⁽⁵⁾	(834)	-	-	(834)
Increase (decrease) of bank overdrafts and short-term borrowings	537	(36)	(3)	498
Decrease (increase) of cash collateral deposits	(252)	(8)	-	(260)
Exchange rates effects on derivatives, net	(14)	-	-	(14)
<i>Other cash flows</i>				
Lease liabilities repayments	(787)	(2)	-	(789)
Subordinated notes issuances (purchases) and other related fees	177	-	-	177
Coupon on subordinated notes	(102)	-	-	(102)
Sales (purchases) of treasury shares	2	-	-	2
Changes in ownership interests owners of the parent company	0	-	-	0
Capital increase (decrease) - non-controlling interests	2	-	-	2
Capital increase (decrease) - Telecom activities / Mobile Financial Services ⁽⁶⁾	(100)	100	-	-
Changes in ownership interests with no gain / loss of control	(10)	-	-	(10)
Dividends paid to owners of the parent company	(1,064)	-	-	(1,064)
Dividends paid to non-controlling interests	(222)	-	-	(222)
Net cash used in financing activities (c)	(1,830)	54	(3)	(1,779)

(in millions of euros)	June 30, 2023			
	Telecom activities	Mobile Financial Services	Eliminations telecom activities / mobile financial services	Orange consoli- dated financial statement
Net change in cash and cash equivalents				
Cash and cash equivalents in the opening balance	5,846	158	-	6,004
Cash change in cash and cash equivalents (a) + (b) + (c)	4	(26)	-	(22)
Non-cash change in cash and cash equivalents	40	-	-	40
o/w effect of exchange rates changes and other non-monetary effects	40	-	-	40
Cash and cash equivalents in the closing balance	5,890	133	-	6,022

(in millions of euros)

June 30, 2022

	Telecom activities	Mobile Financial Services	Eliminations telecom activities / mobile financial services	Orange consoli- dated financial statement
Operating activities				
Consolidated net income	1,546	(80)	(0)	1,467
Non-monetary items and reclassified items for presentation	6,249	(35)	0	6,215
Changes in working capital and operating banking activities	37	(42)	1	(6)
Decrease (increase) in inventories, gross	(41)	0	-	(40)
Decrease (increase) in trade receivables, gross	98	4	(3)	99
Increase (decrease) in trade payables	50	37	3	90
Changes in other customer contract assets and liabilities	75	-	1	75
Changes in other assets and liabilities	(146)	(83)	-	(229)
Other net cash out	(2,044)	4	(0)	(2,040)
Operating taxes and levies paid	(962)	4	-	(958)
Dividends received	2	-	-	2
Interest paid and interest rates effects on derivatives, net	(504) ⁽¹⁾	0	(0)	(504)
Income taxes paid	(580)	(1)	-	(581)
Net cash provided by operating activities (a)	5,789 ⁽²⁾	(153)	-	5,636
Investing activities				
Purchases (sales) of property, plant and equipment and intangible assets ⁽³⁾	(3,880)	(11)	-	(3,892)
Purchases of property, plant and equipment and intangible assets ⁽⁴⁾	(3,767)	(14)	-	(3,781)
Increase (decrease) in fixed assets payables	(239)	3	-	(237)
Sales of property, plant and equipment and intangible assets	126	-	-	126
Cash paid for investment securities, net of cash acquired	(12)	-	-	(12)
Investments in associates and joint ventures	(8)	-	-	(8)
Purchases of investment securities measured at fair value	(17)	-	-	(17)
Sales of investment securities, net of cash transferred	0	-	-	0
Sales of investment securities at fair value	2	-	-	2
Decrease (increase) in securities and other financial assets	(707)	114	(0)	(593)
Net cash used in investing activities (b)	(4,622)	103	(0)	(4,519)
Financing activities				
<i>Cash flows from financing activities</i>				
Medium and long-term debt issuances	985	0	(0)	985
Medium and long-term debt redemptions and repayments ⁽⁵⁾	(331)	-	-	(331)
Increase (decrease) of bank overdrafts and short-term borrowings	(892)	8	0	(884)
Decrease (increase) of cash collateral deposits	922	(23)	-	899
Exchange rates effects on derivatives, net	(103)	-	-	(103)
<i>Other cash flows</i>				
Lease liabilities repayments	(734)	(2)	-	(737)
Subordinated notes issuances (purchases) and other related fees	-	-	-	-
Coupon on subordinated notes	(121)	-	-	(121)
Sales (purchases) of treasury shares	20	-	-	20
Capital increase (decrease) - non-controlling interests	0	0	-	0
Capital increase (decrease) - Telecom activities / Mobile Financial Services	(23)	23	-	-
Changes in ownership interests with no gain / loss of control	1	-	-	1
Dividends paid to owners of the parent company	(1,063)	-	-	(1,063)
Dividends paid to non-controlling interests	(177)	-	-	(177)
Net cash used in financing activities (c)	(1,517)	6	0	(1,510)

(in millions of euros)	June 30, 2022			
	Telecom activities	Mobile Financial Services	Eliminations telecom activities / mobile financial services	Orange consolidated financial statement
Net change in cash and cash equivalents				
Cash and cash equivalents in the opening balance	8,188	433	-	8,621
Cash change in cash and cash equivalents (a) + (b) + (c)	(349)	(45)	-	(394)
Non-cash change in cash and cash equivalents	32	-	-	32
o/w effect of exchange rates changes and other non-monetary effects	32	-	-	32
Cash and cash equivalents in the closing balance	7,871	388	-	8,259

(1) Including (112) million euros at June 30, 2023 and (60) million euros at June 30, 2022 of interests paid on lease liabilities.

(2) Including significant litigations (paid) and received for (22) million euros at June 30, 2023 and (13) million euros at June 30, 2022.

(3) Including telecommunication licenses paid for (202) million euros at June 30, 2023 and (302) million euros at June 30, 2022.

(4) Investments in financed assets amounting to 145 million euros at June 30, 2023 and 69 million euros at June 30, 2022 have no effect on the statement of cash flows at the time of acquisition.

(5) Including repayments of debts relating to financed assets for (56) million euros at June 30, 2023 and (44) million euros at June 30, 2022.

(6) Corresponds to the 100 million euros capital increase of Orange Bank subscribed by Orange at June 30, 2023.

The table below shows the reconciliation between net cash provided by operating activities (telecom activities), as shown in the simplified statement of cash flows, and organic cash flow from telecom activities.

(in millions of euros)	June 30, 2023	June 30, 2022
Net cash provided by operating activities (telecom activities)	5,885	5,789
Purchases (sales) of property, plant and equipment and intangible assets	(3,789)	(3,880)
Repayments of lease liabilities	(787)	(734)
Repayments of debts relating to financed assets	(56)	(44)
Elimination of telecommunication licenses paid	202	302
Elimination of significant litigation paid / (received)	22	13
Organic cash flow from telecom activities	1,477	1,445

Note 2 Basis of preparation of the consolidated financial statements

This note describes the changes in accounting policies since the publication of the 2022 consolidated financial statements and applied by Orange ("the Group") in the preparation of its interim financial statements for the half-year ended June 30, 2023.

2.1 Basis of preparation of the financial statements

The condensed consolidated financial statements and notes for the first half of 2023 were prepared under the responsibility of the Board of Directors on July 25, 2023.

In accordance with European Regulation no. 1606/2002 dated July 19, 2002, the interim financial statements were prepared in accordance with IAS 34 "Interim Financial Reporting", as endorsed by the European Union (EU) and published by the IASB (International Accounting Standards Board).

The interim financial statements were prepared using the same accounting policies as the financial statements for the year ended December 31, 2022, apart from the specific requirements of IAS 34 and effects of new standards as described in Note 2.4.

The Group's consolidated financial statements are presented in millions of euros, rounded to the nearest million. This may in certain circumstances lead to non-significant discrepancies in the totals and subtotals shown in the tables.

For the reported periods, the accounting standards and interpretations endorsed by the EU are similar to the compulsory standards and interpretations published by the IASB, with the exception of standards and interpretations currently being endorsed, that have no effect on the Group's accounts. Consequently, the Group financial statements are prepared in accordance with IFRS standards and interpretations, as published by the IASB.

In the absence of any accounting standard or interpretation, applicable to a specific transaction or event, the Group's management uses its judgment to define and apply an accounting policy that will result in relevant and reliable information, such that the financial statements:

- fairly present the Group's financial position, financial performance and cash flows;
- reflect the economic substance of transactions;
- are neutral;

- are prepared on a prudent basis; and
- are complete in all material respects.

2.2 Use of estimates and judgement

Orange's management uses its judgment to define the appropriate accounting treatment of certain transactions and makes estimates insofar as many items included in the financial statements cannot be measured with precision or current accounting standards and interpretations do not specifically deal with the related accounting issues. Management revises these estimates if the underlying circumstances evolve or if there is new information or additional experience.

2.3 Changes in the macroeconomic environment

The judgment and estimates made by the Group also take into account the volatility of certain data linked to the complexity of the current macroeconomic context, and the Group has paid particular attention to:

- any impacts on impairment tests, whether on changes in market data (discount rate, changes in inflation) or on flows used;
- consequences of changes in market data on the valuation of certain Group assets and liabilities;
- price volatility or the risk of supply difficulties, particularly of electricity, in certain countries.

2.4 New standards and interpretations applied from January 1, 2023

New standards and amendments to standards whose effective date is January 1, 2023 are described below.

2.4.1 Amendment to IAS 1: Disclosure of accounting policies

The amendment to the standard indicates that an entity must now disclose its material accounting policies rather than its significant accounting policies. This amendment should only marginally change the information provided by the Group in its notes to the consolidated financial statements.

2.4.2 Amendment to IAS 8: Definition of accounting estimates

The amendment to the standard revised the definition of accounting estimates without changing the concept. The implementation of this amendment has no impact on the Group's consolidated financial statements and could only marginally change the information provided by the Group in its notes to the annual consolidated financial statements.

2.4.3 Amendment to IAS 12: Taxes – Deferred tax related to assets and liabilities acquired through a single transaction

The amendment introduces a new exception to the exemption from the initial recognition of deferred taxes. As a result of this amendment, an entity does not apply the initial recognition exemption for transactions that give rise to deductible temporary differences.

Under applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and a liability in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit. For example, this may occur when the lease liability and the corresponding right-of-use asset are recognized under IFRS 16 at the inception of a lease. The Group's accounting policies were already aligned with the proposals of the amendment.

2.4.4 IFRS 17 and amendments to IFRS 9: Insurance Contracts

The Group is not subject to the provisions of the new IFRS 17 standard on the recognition and measurement of insurance contracts. The amendments to IFRS 9 propose provisions enabling the disclosure of comparative information to companies adopting IFRS 17 for the first time.

Note 3 Gains and losses on disposal and main changes in scope of consolidation

3.1 Gains (losses) on disposal of fixed assets, investments and activities

(in millions of euros)	June 30, 2023	June 30, 2022
Gains (losses) on disposal of fixed assets	50	41
<i>o/w proceeds from disposal of fixed assets⁽¹⁾</i>	153	124
<i>o/w net book value of fixed assets sold</i>	(103)	(83)
Gains (losses) on disposal of investments and activities	(0)	(5)
Gain (losses) on disposal of fixed assets, investments and activities	50	36

(1) The proceeds from disposal of fixed assets is used to calculate eCAPEX. This operating performance indicator relates to acquisition of property, plant and equipment and intangible assets excluding telecommunication licenses and financed assets, net of the price of disposal of fixed assets.

3.2 Main changes in scope of consolidation and ongoing transactions

Main changes in the scope of consolidation

Takeover of VOO in Belgium

On June 2nd, 2023, Orange Belgium finalized the acquisition from Nethys of 75% of the capital minus one share of VOO for 1,369 million euros. VOO's contribution is consolidated in the Group's financial statements from this date.

This transaction is intended to support Orange Belgium's national convergent strategy and is expected to generate significant synergies, mainly related to the transfer of VOO's MVNO business to the Orange Belgium network.

At the end of the transaction, Nethys will retain a minority interest in VOO and governance rights to ensure the completion of the industrial and social project.

A put option granted by Orange to Nethys on its stake in VOO, exercisable until June 2026, led to the recognition of a current financial liability of 279 million euros at the acquisition date, corresponding to the fair value of equity attributable to minority interests.

The transaction also gives Nethys the option of converting its stake in VOO into Orange Belgium's shares until June 2025. If necessary, Nethys has a put option granted by Orange on these shares, exercisable until June 2026.

(in millions of euros)	At acquisition date
Acquisition cost	1,369
Cash acquired	(19)
Cash paid for investment securities, net of cash acquired	1,349

In accordance with IFRS 3 - Business Combinations, the Group has one year from the acquisition date to assess the fair value of acquired identifiable assets and assumed liabilities. This work is currently being finalized at June 30, 2023.

The amounts given below are therefore provisional and will be reviewed during the second half of 2023.

(in millions of euros)	At acquisition date
Purchase price related to the acquisition of the 75% share	1,369
Fair value of the non-controlling interests	279
Acquisition cost (a)	1,648
Net book value acquired before purchase price allocation (b)	763
Preliminary goodwill (a)-(b)	885

Liability guarantees, which are customary in this type of transaction, were also granted to Orange.

Ongoing transactions at June 30, 2023

Sigining of an agreement between Orange and MásMóvil to combine their activities in Spain

On July 23, 2022, Orange and MásMóvil have signed a binding agreement relating to the combination of their activities in Spain (excluding Totem Spain and MásMóvil Portugal). This business combination will take the form of a 50-50 joint venture, co-controlled by Orange and the shareholder of MásMóvil. The Orange group would then lose exclusive control over its activities in Spain, and the joint venture would be consolidated using the equity method in the Orange group's financial statements.

Completion of the transaction remains subject to the approval of the European Commission and other competent administrative, regulatory and antitrust authorities and to the relevant and/or contractual conditions precedent.

European Commission has carried out a preliminary investigation (phase I) and has decided to open an in-depth investigation (phase II) to assess the creation of a joint venture project by Orange and MásMóvil in terms of the European Union Merger Regulation.

In view of the progress of the transaction and the need to obtain the green light from the relevant antitrust and administrative authorities, the Group considers that IFRS 5 criteria relating to measurement and presentation of operations held for sale are not met at June 30, 2023.

This transaction could be completed in the second half of 2023.

Agreement signed for the sale of Orange's OCS and Orange Studio shares to the Canal+ Group

On January 9, 2023, Orange and the Canal+ Group announced the signature of a memorandum of understanding anticipating the sale to the Canal+ Group of all capital held by Orange in the OCS pay TV package and in Orange Studio, the film and series co-production subsidiary. The Canal+ Group will become the sole shareholder of the two companies following this transaction.

Completion of the transaction remains subject to the approval of the European Commission and other competent administrative, regulatory and antitrust authorities and to the relevant and/or contractual conditions precedent.

The Group considers that the IFRS 5 criteria relating to measurement and presentation of operations held for sale are not met at June 30, 2023.

Other projects

Completion of the strategic review of Orange Bank and opening of exclusive negotiations with BNP Paribas

On June 28, 2023, the Orange group has announced entering into exclusive negotiations with BNP Paribas to define a referral partnership for the Orange Bank customer portfolio in France, and to develop financing solutions for mobile devices. The two groups will also discuss the terms of a takeover of Orange Bank's business in Spain.

This partnership with BNP Paribas, which will provide a continuity solution for Orange Bank customers, is part of Orange's wider intention to progressively withdraw Orange Bank from the retail banking market in France and Spain by the end of 2025.

This is only a statement of intent, and any binding decisions or actions on the project will only be taken once the consultation period with employee representative bodies has ended and any recommendations from the "Autorité de Contrôle Prudentiel et de Résolution" (ACPR) have been taken into account. Consequently, the Group considers that the IFRS 5 criteria "Non-current assets held for sale and discontinued operations" are not met at June 30, 2023.

Note 4 Trade receivables

(in millions of euros)	June 30, 2023	December 31, 2022
Net book value of trade receivables - in the opening balance	6,305	6,029
Business related variations	(202)	299
Changes in the scope of consolidation ⁽¹⁾	90	(3)
Translation adjustment	(10)	(76)
Reclassifications and other items	0	56
Net book value of trade receivables - in the closing balance	6,184	6,305

(1) In 2023, the change in scope of consolidation is mainly related to the integration of VOO (see Note 3.2).

(in millions of euros)	June 30, 2023	December 31, 2022
Net trade receivables, depreciated according to their age	1,332	1,191
Net trade receivables, depreciated according to other criteria	453	324
Net trade receivables past due	1,785	1,515
Net trade receivables not past due ⁽¹⁾	4,399	4,790
Net trade receivables	6,184	6,305
o/w short-term trade receivables	5,883	6,022
o/w long-term trade receivables ⁽²⁾	301	283

(1) Not past due receivables are presented net of the balance of expected losses on trade receivables.

(2) Includes receivables from sales of handsets with payment on installments that are payable in more than 12 months and receivables from equipment financial lease offers for business.

The Group assessed the risk of non-recovery of trade receivables at June 30, 2023 and recognized impairment and losses on trade receivables in the income statement for an amount of (102) million euros over the period in the income statement ((74) million euros at June 30, 2022).

For Mobile Financial Services, the assessment of bank credit risk is described in Note 12.2.

Unchanged from December 31, 2022, Orange still considers that the concentration of counterparty risk related to customer accounts is limited due to the large number of customers, their diversity (residential, professional and large companies), their belonging to various sectors of the economy and their geographical dispersion in France and abroad.

The table below provides an analysis of the change in impairment of telecom activities trade receivables in the statement of financial position:

(in millions of euros)	June 30, 2023	December 31, 2022
Allowances on trade receivables - in the opening balance	(996)	(1,012)
Net addition with impact on income statement	(102)	(208)
Losses on trade receivables	121	218
Changes in the scope of consolidation ⁽¹⁾	(117)	(6)
Translation adjustment	2	16
Reclassifications and other items	(1)	(4)
Allowances on trade receivables - in the closing balance	(1,093)	(996)

(1) In 2023, the change in scope of consolidation is mainly related to the integration of VOO (see Note 3.2).

Sales of non-recourse operating receivables programs

Orange has set up non-recourse programs to sell its receivables due in installments in several countries. These are no longer recorded on the balance sheet. The receivables sold mainly concern Spain (of which a part has been sold to Orange Bank – see Note 12.1), Romania, Poland and France and amounted to approximately 385 million euros during the first semester 2023 and approximately 640 million euros at December 31, 2022.

Note 5 Purchases and other expenses

5.1 External purchases

(in millions of euros)	June 30, 2023	June 30, 2022
Commercial, equipment expenses and content rights	(3,838)	(3,681)
<i>o/w costs of terminals and other equipment sold</i>	<i>(2,205)</i>	<i>(2,039)</i>
<i>o/w advertising, promotional, sponsoring and rebranding costs</i>	<i>(386)</i>	<i>(398)</i>
Service fees and inter-operator costs	(1,949)	(2,104)
<i>o/w interconnexion costs</i>	<i>(1,138)</i>	<i>(1,346)</i>
Other network expenses, IT expenses	(1,944)	(1,784)
Other external purchases	(1,616)	(1,481)
<i>o/w building cost for resale</i>	<i>(559)</i>	<i>(572)</i>
<i>o/w overhead</i>	<i>(631)</i>	<i>(566)</i>
Total external purchases	(9,347)	(9,050)

5.2 Other operating expenses

(in millions of euros)	June 30, 2023	June 30, 2022
Allowances and losses on trade receivables - telecom activities	(102)	(74)
Litigation	71 ⁽¹⁾	(41)
Cost of bank credit risk	(33)	(23)
Operating foreign exchange gains (losses)	(19)	(12)
Acquisition and integration costs	(16)	(7)
Expenses from universal service	(14)	(14)
Other expenses	(37)	(60)
Total other operating expenses	(150)	(231)

(1) Corresponds mainly to the reversal of provision for 97 million euros related to the ongoing proceeding with Digicel following the French Supreme Court's decision in March 2023 (see Note 14.1).

Impairment and losses on trade receivables from telecom activities are detailed in Note 4.

The cost of credit risk applies only to Mobile Financial Services and includes impairment charges and reversals on fixed-income securities, loans and receivables to customers as well as impairment charges and reversals relating to guarantee commitments given, losses on receivables and recovery of amortized debts (see Note 12.2).

Certain expenses related to litigation are directly recorded in other operating expenses. The Group's significant litigations are described in Note 14.1.

5.3 Restructuring costs

(in millions of euros)	June 30, 2023	June 30, 2022
Departure plans	(11)	(11)
Lease property restructuring	(8)	0
Distribution channels	(1)	(11)
Other	(14)	(25)
Total restructuring costs	(35)	(47)

Orange Business presented the operational implementation of its strategic priorities within the framework of the strategic plan *Lead the future*. This plan carries a strong ambition to transform and simplify Orange Business, whose market is undergoing profound changes, and could lead to the loss of approximately 650 positions in France which includes the main historical activities of Orange Business, on a voluntary basis. Consultation with employee representative bodies has begun, and should be completed in the second half of 2023. As a result, no provision for restructuring has been booked for the first half of 2023.

5.4 Working capital management – payables

Extension of supplier payment deadlines

Supplier payment terms are mutually agreed between the suppliers and Orange in accordance with the regulations in force. Certain key suppliers and Orange have agreed to a flexible payment schedule which, for certain invoices, can be extended up to six months.

Trade payables for goods and services and fixed assets payables that were subject to a payment extension, and which had an impact on the change in working capital requirement at the end of the period, amounted to approximately 416 million euros at June 30, 2023.

Note 6 Labor expenses

(in millions of euros)	June 30, 2023	June 30, 2022
Wages and employee benefit expenses	(4,548)	(4,241)
<i>o/w French part-time for seniors plans</i> ⁽¹⁾	(225)	62
Others	(75)	(87)
Total labor expenses	(4,624)	(4,329)

(1) At June 30, 2023 costs relating to the French part-time for seniors plans (*Temps Partiel Senior (TPS)*) mainly include the effect of the pension reform in France for (257) million euros.
At June 30, 2022 *TPS* plans included an actuarial gain of 84 million euros arising from the increase of the discount rates' curve in the macroeconomic context.

In France, the pension reform law, gradually raising the legal retirement age to 64, was enacted on April 14, 2023. The French part-time for seniors plans (*Temps Partiel Senior (TPS)*) signed in 2018 and 2021 provided in this case for the extension of these plans for the employees concerned. Accordingly, an additional provision of 257 million euros has been recognized, and the discounted cost of the benefits amounts to 1,782 million euros at June 30, 2023 (1,753 million euros at December 31, 2022). This additional provision is partially offset by the reversal of the provision for benefits paid during the period.

The effects of the reform on post-employment benefits and other long-term benefits (excluding *TPS* plans) are not material at June 30, 2023.

Note 7 Impairment losses

Impairment tests are carried out annually and when there is an indication that assets may be impaired.

Changes in the economic and financial climate, appreciation of the telecommunications operators' resilience to deteriorating local economic conditions, change in the market capitalization of telecommunications companies and changes in business performance serve as indicators of potential impairment.

The elements taken into account by the Group at June 30, 2023 remain unchanged from those described at December 31, 2022.

As the preparation of multi-year plans will be performed during the second half of 2023, the half-year reassessments resulting from the identification of impairment indicators are based on a preliminary review of projected cash flows and changes in financial parameters used at the end of the previous year.

At June 30, 2023

At June 30, 2023, the review of impairment indicators has not led the Group to recognize any impairment loss.

At June 30, 2022

At June 30, 2022, the review of impairment indicators has not led the Group to recognize any impairment loss.

Note 8 Interests in associates and joint ventures

8.1 Change in associates and joint ventures

The table below shows the value of the main interests in associates and joint ventures:

Company (in millions of euros)	Main activity	Main co-shareholder	% interest	June 30, 2023	December 31, 2022
Entities jointly controlled					
Orange Concessions and its subsidiaries	Operation / maintenance related to Public Initiative Networks	Consortium HIN (50%)	50%	1,047	1,057
Światłowod Inwestycje Sp. z o.o. (FiberCo in Poland)	Construction / operation in Poland	APG Group (50%)	50% ⁽¹⁾	334	306
Mauritius Telecom	Telecommunications operator in Mauritius	Mauritius government (34%)	40%	74	72
Other				17	17
Entities under significant influence					
Orange Tunisie	Telecommunications operator in Tunisia	Investec (51%)	49%	13	17
Savoie connectée	Fiber infrastructure operator	Covage (70%)	30%	7	7
IRISnet	Telecommunications operator in Belgium	Ministry of the Brussels-Capital Region (MBCR) (53%)	22%	6	6
Other				3	3
Total associates and joint ventures				1,501	1,486

(1) Corresponds to Orange Polska's percentage interest in Światłowod Inwestycje Sp. z o.o. (FiberCo in Poland).

The change in interests in associates and joint ventures is as follows:

(in millions of euros)	June 30, 2023	December 31, 2022
Interests in associates and joint ventures - in the opening balance	1,486	1,440
Dividends	(9)	(5)
Share of profits (losses)	(8)	(2)
Change in components of other comprehensive income ⁽¹⁾	(8)	51
Changes in the scope of consolidation	-	(3)
Change in capital	22	11
Translation adjustment	14	(2)
Reclassifications and other items	4	(3)
Interests in associates and joint ventures - in the closing balance	1,501	1,486

(1) In 2022, included the effect of the change in fair value of cash flow hedge derivatives, net of tax, recognized in other comprehensive income for 33 million euros of Orange Concessions, and 18 million euros of the FiberCo in Poland.

8.2 Main figures of associates and joint ventures

The key figures relating to Orange Concessions and Światłowod Inwestycje Sp. z o.o. (FiberCo in Poland) are as follows (figures from financial statements of entities taken as a whole):

(in millions of euros)	June 30, 2023		December 31, 2022	
	Orange Concessions	Światłowód Inwestycje Sp. z o.o.	Orange Concessions	Światłowód Inwestycje Sp. z o.o.
Assets				
Non-current assets	3,660	465	3,699	372
Current assets	395	199	417	197
Total assets	4,055	664	4,115	569
Liabilities				
Shareholder's equity	2,097	317	2,117	281
Non-current liabilities	1,492	272	1,494	198
Current liabilities	466	75	505	90
Total equity and liabilities	4,055	664	4,115	569
Income statement				
Revenue	285	20	768	29
Operating income	(20)	(4)	(7)	(4)
Finance costs, net	(5)	(6)	(35)	(5)
Income tax	0	2	8	1
Net income	(25)	(8)	(35)	(8)

8.3 Related party transactions

The main transactions between the Group and related parties essentially consist of transactions with consolidated companies using the equity method, of which Orange Concessions and Światłowód Inwestycje Sp. z o.o., (FiberCo in Poland). In addition, the amounts of the transactions with related parties have not changed significantly since December 31, 2022.

Note 9 Income taxes

(in millions of euros)	June 30, 2023	June 30, 2022
Total Income tax	(461)	(580)
Current tax	(436)	(555)
Deferred tax	(25)	(25)

The decrease of the tax expense at June 30, 2023 is notably explained by the evolution of the accounting results of entities in the French tax group.

Deferred tax assets recoverability

At each period end, the Group reviews the recoverable amount of the deferred tax assets. The recoverability of the deferred tax assets is assessed in the light of the latest business plans used for impairment testing that may be restated to take into account specific tax issues.

Over the presented periods, the analysis conducted on the basis of the business plans did not lead to the recognition of any material effect in the accounts.

Developments in tax disputes and audits

Tax disputes and audits within the Group have not been subject to any significant developments over the period.

International tax reform

The Group is closely monitoring developments related to the implementation of the international tax reform introducing an additional worldwide minimum tax and is continuing its work on estimating this additional tax.

Note 10 Financial assets, liabilities and financial results (telecom activities)

10.1 Financial assets and liabilities of telecom activities

In order to improve the readability of financial statements and distinguish the performance of telecom activities from the performance of Mobile Financial Services, the notes related to financial assets and liabilities and results are split to reflect these two business scopes.

Note 10 presents the financial assets, liabilities and related gains and losses specific to telecom activities and Note 12 focuses on the financial assets and liabilities of Mobile Financial Services as its financial results were not material.

The following table reconciles the contributive balances of assets and liabilities for each of these two scopes (intra-group transactions between telecom activities and Mobile Financial Services activities are not eliminated) with the consolidated statement of financial position at June 30, 2023.

(in millions of euros)	Orange consolidated financial statements	o/w telecom activities	Note	o/w Mobile Financial Services	Note	o/w eliminations telecom activities / mobile financial services
Non-current financial assets related to Mobile Financial Services activities	539	-		539	12.1.1	-
Non-current financial assets	1,002	1,030	10.5	-		(27) ⁽¹⁾
Non-current derivatives assets	1,155	1,050	10.3	105		-
Current financial assets related to Mobile Financial Services activities	3,262	-		3,271	12.1.1	(9)
Current financial assets	3,342	3,343	10.5	-		(1)
Current derivatives assets	113	113	10.3	-		-
Cash and cash equivalents	6,022	5,890	10.3	133		-
Non-current financial liabilities related to Mobile Financial Services activities	69	-		96	12.1.2	(27) ⁽¹⁾
Non-current financial liabilities	31,786	31,786	10.3	-		-
Non-current derivatives liabilities	341	305	10.3	35		-
Current financial liabilities related to Mobile Financial Services activities	3,447	-		3,447	12.1.2	(1)
Current financial liabilities	5,651	5,660	10.3	-		(9)
Current derivatives liabilities	51	51	10.3	-		-

(1) Loan granted by Orange SA to Orange Bank.

Orange SA granted a current account advance to Orange Bank in June 2023, for an amount of 150 million euros, maturing in December 31, 2023, with an option to increase to 400 million euros at a later date. At June 30, 2023, this current account advance has not been drawn down by Orange Bank.

10.2 Income and expenses related to financial assets and liabilities

The cost of net financial debt consists of income and expenses related to the components of net financial debt for the period.

Foreign exchange gains & losses mainly includes the revaluation in euros of bonds and bank loans denominated in foreign currencies as well as the symmetrical revaluation of the associated hedges as defined by IFRS 9.

Finance costs, net							Other comprehensive income
(in millions of euros)	Cost of gross financial debt ⁽¹⁾	Gains (losses) on assets contributing to net financial debt	Cost of net financial debt	Foreign exchange gains (losses)	Other net financial expenses	Finance costs, net	Reserves
June 30, 2023							
Financial assets	-	130	130	21	21		3
Financial liabilities	(563)	-	(563)	(17)	(0)		-
Lease liabilities	-	-	-	-	(116)		-
Derivatives	29	-	29	(37)	0		(286)
Discounting expense	-	-	-	-	(60)		-
Total	(534)	130	(404)	(32)	(156)	(592)	(283)
June 30, 2022							
Financial assets	-	(9)	(9)	17	59		(32)
Financial liabilities	(497)	-	(497)	(378)	(0)		-
Lease liabilities	-	-	-	-	(61)		-
Derivatives	199	-	199	321	0		488
Discounting expense	-	-	-	-	(24)		-
Total	(298)	(9)	(307)	(40)	(26)	(373)	456

(1) Includes interest on debts related to financed assets of (6) million euros at June 30, 2023 and (1) million euros at June 30, 2022.

At June 30, 2023, the consolidated statement of comprehensive income includes a loss in cash flow hedges amounting to (286) million euros (of which (277) million euros related to fully consolidated entities), against a gain of 488 million euros (of which 438 million euros related to fully consolidated entities) in the first semester of 2022. These effects mainly reflect the hedges, via cross currency swaps, of future coupons on Group debts denominated in foreign currencies:

- The loss for the first half of 2023 is mainly due to the depreciation of the US dollar against the euro and by the increase of the long-term interest rate spread.
- The gain for the first half of 2022 was mainly due to the appreciation of the US dollar against the euro and by the reduction of the long-term interest rate spread.

10.3 Net financial debt

Net financial debt as defined and used by Orange does not includes Mobile Financial Services activities for which this concept is not relevant and is described in the following table:

(in millions of euros)	June 30, 2023	December 31, 2022
<i>TDIRA</i> ⁽¹⁾	641	638
Bonds	29,388	29,943
Bank loans and from development organizations and multilateral lending institutions	3,963	3,309
Debt relating to financed assets	390	316
Cash collateral received	811	1,072
NEU Commercial Paper ⁽²⁾	1,615	1,004
Bank overdrafts	255	250
Other financial liabilities ⁽³⁾	383	105
Current and non-current financial liabilities (excluding derivatives) included in the calculation of net financial debt	37,446	36,638
Current and non-current derivatives (liabilities) ⁽⁴⁾	357	386
Current and non-current derivatives (assets) ⁽⁴⁾	(1,163)	(1,455)
Other comprehensive income components related to unmatured hedging instruments	(142)	114
Gross financial debt after derivatives (a)	36,498	35,684
Cash collateral paid ⁽⁵⁾	(28)	(38)
Investments at fair value ⁽⁶⁾	(3,306)	(4,500)
Cash equivalents	(3,430)	(3,178)
Cash	(2,460)	(2,668)
Other financial assets	(0)	(2)
Assets included in the calculation of net financial debt (b)	(9,224)	(10,386)
Net financial debt (a) + (b)	27,274	25,298

(1) Perpetual securities redeemable in shares.

(2) Negotiable European Commercial Papers (formerly called "commercial papers").

(3) Includes the financial liability of 279 million euros relating to the purchase option granted by Orange to Nethys (see Note 3.2.).

(4) At June 30, 2023, the foreign exchange effect of the cross currency swaps hedging foreign exchange risk on gross debt notional is an unrealized gain of 742 million euros.

(5) Only cash collateral paid, included in non-current financial assets of the consolidated statement of financial position, are deducted from gross financial debt.

(6) Only investments at fair value, included in current financial assets of the consolidated statement of financial position, are deducted from gross financial debt.

10.4 Main bonds and bank loans repayments and issuances

During the first semester of 2023, Orange SA redeemed a bond at maturity, on March 1, 2023 for 500 million euros with a coupon of 2.5%.

On March 1, 2023, Orange SA issued a bank loan from the European Investment Bank (EIB) for 500 million euros, maturing on March 1, 2030, with 6-month euribor variable rate + 39 bps.

10.5 Financial assets

The financial assets break down as follows:

(in millions of euros)	June 30, 2023			December 31, 2022
	Non-current	Current	Total	Total
Financial assets at fair value through other comprehensive income that will not be reclassified to profit or loss	448	-	448	419
Investments securities	448	-	448	419
Financial assets at fair value through profit or loss	221	3,306	3,528	4,745
Investments at fair value ⁽¹⁾	-	3,306	3,306	4,500
Investments securities	193	-	193	206
Cash collateral paid	28	0	28	38
Other	0	-	0	2
Financial assets at amortized cost	360	37	397	381
Receivables related to investments ⁽²⁾	80	26	106	106
Other	280	11	291	275
Total financial assets	1,030	3,343	4,372	5,545

(1) NEU Commercial papers and bond securities only.

(2) Including loan granted by Orange SA to Orange Bank for 27 million euros.

Note 11 Information on market risk and fair value of financial assets and liabilities (telecom activities)

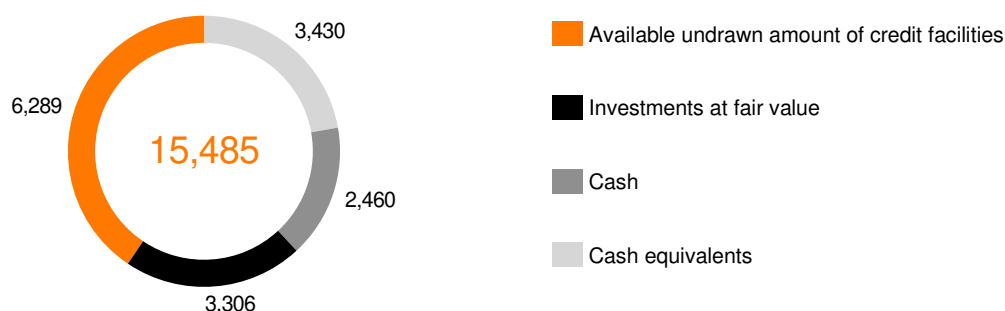
11.1 Risk management policy

During the first semester of 2023, the macroeconomic context is marked by the raise of interest rates by central banks to limit inflationary pressures. These evolutions on financial market also did not challenge the risk management Group policy related to the financial instruments.

Thus, the Group has continued its hedging policy to minimize its exposure to interest rate and operating and financial foreign exchange risks. Furthermore, Orange has continued to diversify its sources of funding that allow the Group to present the following liquidity position at June 30, 2023:

Liquidity position

(in millions of euros)



For specific management of counterparty risk related to customer accounts, see Note 4.

11.2 Orange's credit ratings

Orange's credit ratings have changed since December 31, 2022, Moody's Investors Service (Moody's) has changed the outlook from stable to positive.

At June 30, 2023, Orange's debt ratings are set forth below:

	Standard & Poor's	Moody's	Fitch Ratings
Long-term debt	BBB+	Baa1	BBB+
Outlook	Stable	Positive	Stable
Short-term debt	A2	P2	F2

11.3 Financial ratios

The financial ratios described at December 31, 2022 remain respected at June 30, 2023.

11.4 Fair value levels of financial assets and liabilities

No event with a significant impact on the determination of the fair value of financial assets and liabilities has occurred during the first half of 2023.

Note 12 Mobile Financial Services activities

12.1 Financial assets and liabilities of Mobile Financial Services

The financial statements of Mobile Financial Services activities were put into the format of Orange group's consolidated financial statements and therefore differ from a presentation that complies with the banking format.

In order to improve the readability of financial statements and distinguish the performance of telecom activities from the performance of Mobile Financial Services, the notes related to financial assets and liabilities are split to reflect these two business scopes.

Note 10 presents the financial assets, liabilities and related gains and losses specific to telecom activities and Note 12 focuses on the financial assets and liabilities of Mobile Financial Services, as its financial results were not material.

The following table reconciles the balances of assets and liabilities for each of these two scopes (intra-group transactions between telecom activities and Mobile Financial Services activities are not eliminated) with the consolidated statement of financial position at June 30, 2023.

(in millions of euros)	Orange consolidated financial statements	o/w telecom activities	Note	o/w Mobile Financial Services	Note	o/w eliminations telecom activities / mobile financial services
Non-current financial assets related to Mobile Financial Services activities	539	-		539	12.1.1	-
Non-current financial assets	1,002	1,030	10.5	-		(27) ⁽¹⁾
Non-current derivatives assets	1,155	1,050	10.3	105		-
Current financial assets related to Mobile Financial Services activities	3,262	-		3,271	12.1.1	(9)
Current financial assets	3,342	3,343	10.5	-		(1)
Current derivatives assets	113	113	10.3	-		-
Cash and cash equivalents	6,022	5,890	10.3	133		-
Non-current financial liabilities related to Mobile Financial Services activities	69	-		96	12.1.2	(27) ⁽¹⁾
Non-current financial liabilities	31,786	31,786	10.3	-		-
Non-current derivatives liabilities	341	305	10.3	35		-
Current financial liabilities related to Mobile Financial Services activities	3,447	-		3,447	12.1.2	(1)
Current financial liabilities	5,651	5,660	10.3	-		(9)
Current derivatives liabilities	51	51	10.3	-		-

(1) Loan granted by Orange SA to Orange Bank.

The Mobile Financial Services segment includes Orange Bank and other entities. As the contribution of other entities to the statement of financial position of the Mobile Financial Services segment and therefore of the Group is not material, only Orange Bank data is presented in detail below.

12.1.1 Financial assets related to Orange Bank transactions (excluding derivatives)

The financial assets related to Orange Bank transactions break down as follows:

(in millions of euros)	June 30, 2023			December 31, 2022
	Non-current	Current	Total	Total
Financial assets at fair value through other comprehensive income that will not be reclassified to profit or loss	3	-	3	3
Investments securities	3	-	3	3
Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss	266	5	271	296
Debt securities	266	5	271	296
Financial assets at fair value through profit or loss	45	-	45	50
Investments at fair value	-	-	-	-
Cash collateral paid	37	-	37	42
Other	8	-	8	8
Financial assets at amortized cost	225	3,248	3,474	3,021
Fixed-income securities	225	1	226	310
Loans and receivables to customers	-	2,486	2,486	2,517
Loans and receivables to credit institutions	-	762	762	191
Other	-	-	-	2
Total financial assets related to Orange Bank activities	539	3,254	3,793	3,370

Loans and receivables of Orange Bank.

Loans and receivables of Orange Bank are composed of loans and receivables to customers and credit institutions.

In the context of adapting Orange Bank's accounts into the Group's financial statements, the following have been considered as loans and advances to customers: clearing accounts and other amounts due, as well as amounts related to securities transactions on behalf of customers.

At June 30, 2023, loans and receivables of Orange Bank to customers are mainly composed of overdrafts (872 million euros), housing loans (932 million euros) and the purchase of receivables between Orange Bank Spain and Orange Spain (569 million euros).

Loans and receivables of Orange Bank from credit institutions are mainly composed of current assets corresponding to overnight deposits and loans.

12.1.2 Financial liabilities related to Orange Bank transactions (excluding derivatives)

Debts related to Orange Bank operations are composed of payables to customers for 2,188 million euros, with credit institutions for 891 million euros as well as by certificates of deposits for 283 million euros.

At June 30, 2023, debts related to Orange Bank operations with customers are mainly composed of special savings accounts for 890 million euros and current accounts for 1,297 million euros.

Debts related to Orange Bank operations with financial institutions are mainly composed of term borrowings and advances.

Targeted Longer-Term Refinancing Operations (TLTRO) bonds are repaid in accordance with the ECB's timetable: 481 million euros on June 28, 2023 and 60 million euros in December 2023.

12.2 Information on credit risk management related to Orange Bank activities

Against an inflationary environment, Orange Bank is maintaining its cautious provisioning policy in the face of economic uncertainties, notably through forward-looking provisions. At June 30, 2023, these provisions have been revised to include the new OECD Gross Domestic Product (GDP) projections for 2023 and 2024, as well as the inflationary context and unemployment rate in France and Spain. Given the improvement in GDP forecasts, partially included in the scenarios used by the bank, the provisions calculated for the forward-looking effect have been reduced from 7 million euros at December 31, 2022 to 6 million euros at June 30, 2023.

At June 30, 2023, the cost of risk of Orange Bank is 31 million euros (2.3% of average outstanding), including 13 million euros in France (1.3% of average outstanding) and 18 million euros in Spain (5.6% of average outstanding).

Since the end of 2022, Orange Bank has noted an increase in the cost of credit risk in France and Spain, due on the one hand to the increase in consumer credit production since the second half of 2022, and on the other hand to a deterioration in portfolio quality, as a direct consequence of the effects of inflation on the most vulnerable consumers.

In this context, Orange Bank has decided to tighten its conditions for granting consumer loans and overdraft facilities in France, reduce its marketing investment in prospective customers and raise the interest rates. Finally, the bank has taken steps to reduce the stock of non-performing exposures (NPE), in order to maintain its non-performing loan (NPL) ratio at around 5% and keep its cost of risk under control.

12.3 Information on interest rate and liquidity risk management related to Orange Bank activities

Interest-rate risk management is based on 2 indicators:

- The interest-rate gap, which corresponds to the difference between customer loans and deposits. This indicator determines the Bank's interest-rate risk (upward or downward). Since 2022, the bank has been exposed to rising interest rates;
- The sensitivity of the Economic Value of Equity (EVE), which, in accordance with regulatory methodology, allows to calculate the Bank's sensitivity to an interest-rate impact. This indicator is managed within the limits of the Bank's risk appetite;

The Bank manages this interest-rate risk through the use of swap hedges. Items are hedged on a macro basis for loan portfolios and on a micro basis for issues and securities held.

Liquidity risk is actively managed.

In addition to the regular calculation of regulatory ratios, liquidity is managed on a daily basis on the following two pillars:

- Deposit levels;
- Loan production;

The commercial gap, i.e. the difference between deposits and loans, has sharply and steadily narrowed since the beginning of 2023, thanks in particular to the raising of term accounts with customers on Raisin, the German deposit-taking platform. Customer deposits thus rose by around 400 million euros over the half-year.

This liquidity made it possible to repay the 481 million euros of TLTRO at the end of June.

At June 30, 2023, the liquidity Coverage Ratio (LCR) was maintained at a high level of 745%.

In June 2023, a current account advance agreement has been set up between Orange SA and Orange Bank for an amount of 150 million euros, maturing on December 31, 2023. At June 30, 2023, this current account advance has not been drawn down by Orange Bank.

Note 13 Equity

At June 30, 2023, Orange SA's share capital amounted to 10,640,226,396 euros, divided into 2,660,056,599 ordinary shares with a par value of 4 euros each.

The shares held in registered form for at least two years by the same shareholder are granted with a double voting right. At June 30, 2023, the public sector owns 22.95% of Orange SA's share capital and 29.16% of the voting rights, and the employees of the Group own either within the employee shareholding plan or in registered form 7.99% of Orange SA's share capital and 12.05% of the voting rights.

13.1 Changes in share capital

No new shares were issued during the first half of 2023.

13.2 Treasury shares

As authorized by the Shareholders' Meeting of May 23, 2023, the Board of Directors implemented a new share Buyback Program (the 2023 Buyback Program) and canceled the 2022 Buyback Program, with immediate effect. This authorization is valid for a period of 18 months from the aforementioned Shareholders' Meeting. The 2023 Buyback Program is described in the Orange Universal Registration Document filed with the French Financial Markets Authority (*Autorité des marchés financiers* – AMF) on March 29, 2023.

At June 30, 2023, the Company held 874 145 of its own shares (of which 510,000 shares in connection with the liquidity contract and 364,145 shares in connection with the LTIP free share award plans (Long Term Incentive Plan) 2021-2023 and 2022-2024).

During the first semester 2023, Orange delivered 917,026 treasury shares to the beneficiaries of the LTIP 2020-2022 free share award plans.

At December 31, 2022, the Company held 1,965,171 treasury shares (of which 1,285,171 under the 2020-2022, 2021-2023 and 2022-2024 free share award plans and 680,000 shares in connection with the liquidity contract).

13.3 Dividends

The Shareholders' Meeting held on May 23, 2023 approved the payment of a dividend of 0.70 euro per share in respect of the 2022 fiscal year. Given the payment of the interim dividend of 0.30 euro per share on December 7, 2022 for a total amount of 797 million euros, the balance of the dividend amounting to 0.40 euro per share was paid on June 7, 2023 for an amount of 1,064 million euros.

13.4 Subordinated notes

Nominal value of subordinated notes

On April 5, 2023, Orange has launched a repurchase offer for its 1 billion euros deeply subordinated notes with an initial early redemption date of February 7, 2024. On April 18, 2023, following this offer, the Group was able to repurchase 802 million euros of these subordinated notes. The nominal amount remaining in circulation after this repurchase amount to 198 million euros.

On April 18, 2023, as part of its EMTN (Euro Medium Term Notes) Program, Orange issued 1 billion euros of subordinated notes with a fixed annual coupon of 5.375%. Orange has a call option on this tranche from January 18, 2023 and upon the occurrence of certain contractually defined events. The interest rate is revised from 2030 and step-up clauses provided for a coupon adjustment of 0.25% from 2035 and an additional 0.75% from 2050.

The amount presented in the "subordinated notes" column of the consolidated statements of changes in shareholders' equity of 5,148 million euros corresponds to the nominal amount recorded at historical value (the bonds denominated in pounds sterling have been fully repaid in early 2023).

Subordinated notes remuneration

During the six months ended June 30, 2023, the remuneration of subordinated notes is as follows:

Initial issue date	Initial nominal value (in millions of currency)	Initial nominal value (in millions of euros)	Initial currency	Rate	June 30, 2023		June 30, 2022	
					(in millions of currency)	(in millions of euros)	(in millions of currency)	(in millions of euros)
2/7/2014	1,000	1,000	EUR	5.25 %	(60)	(60)	(53)	(53)
10/1/2014	1,250	1,250	EUR	5.00 %	-	-	-	-
10/1/2014	600	771	GBP	5.75 %	-	-	(24)	(29)
4/15/2019	1,000	1,000	EUR	2.38 %	(24)	(24)	(24)	(24)
9/19/2019	500	500	EUR	1.75 %	(9)	(9)	(9)	(9)
10/15/2020	700	700	EUR	1.75 %	-	-	-	-
5/11/2021	500	500	EUR	1.38 %	(7)	(7)	(7)	(7)
4/18/2023	1,000	1,000	EUR	5.38 %	-	-	-	-
Subordinated notes remuneration classified in equity						(100)		(121)
Coupons on subordinated notes reclassified as short-term borrowings at the end of 2022 and paid in 2023						(2)		-
Subordinated notes remuneration paid						(102)		(121)

The remuneration of holders is recorded in equity five working days before the annual payment date, unless Orange exercises its right to defer the payment.

The tax impact relating to the remuneration of subordinated notes for 31 million euros is recorded in profit or loss in the period.

13.5 Cumulative translation adjustments

(in millions of euros)	June 30, 2023	June 30, 2022
Gain (loss) recognized in other comprehensive income during the period	(65)	(33)
Reclassification to net income for the period	1	(4)
Total translation adjustments	(65)	(37)

The change in translation adjustments recognized in other comprehensive income mainly includes:

- in the first half of 2023, the (65) million euros decrease is due to the depreciation of several currencies, including the Egyptian pound, partially offset by the appreciation of the Polish zloty;
- in the first half of 2022, the (37) million euros decrease is due to the depreciation of several currencies, including the Egyptian pound and the Polish zloty;

13.6 Non-controlling interests

(in millions of euros)	June 30, 2023	June 30, 2022
Dividends paid to non-controlling interests ⁽¹⁾	374	277
o/w Sonatel group	202	185
o/w Orange Côte d'Ivoire group	53	-
o/w Orange Polska group	51	35
o/w Médi Telecom and its subsidiaries	34	33
o/w Jordan Telecom group	25	17

⁽¹⁾ Of which 222 million euros in dividends paid out at June 30, 2023 and 177 million euro at June 30, 2022.

(in millions of euros)	June 30, 2023	December 31, 2022
Credit part of equity attributable to non-controlling interests (a)	3,031	3,183
<i>o/w Orange Polska group</i>	1,269	1,250
<i>o/w Sonatel group</i>	836	907
<i>o/w Orange Côte d'Ivoire group</i>	215	253
<i>o/w Orange Romania and its subsidiaries</i>	192	217
<i>o/w Jordan Telecom group</i>	176	193
<i>o/w Orange Belgium group</i>	154	155
<i>o/w Médi Telecom and its subsidiaries</i>	124	140
Debit part of equity attributable to non-controlling interests (b)	(11)	(11)
Total equity attributable to non-controlling interests (a) + (b)	3,019	3,172

Note 14 Litigation and unrecognized contractual commitments

14.1 Litigation

At June 30, 2023, the provisions for risks recorded by the Group for all disputes in which the Group is involved (with the exception of liabilities relating to disputes between Orange and the tax or social administrations in relation to operational or income taxes or social contributions, which are recognized in the corresponding items of the balance sheet) amounted to 254 million euros compared with 387 million euros at December 31, 2022. Orange believes that any disclosure of the amount of provisions on a case-by-case basis for ongoing disputes could seriously harm the Group's position.

This note describes the new proceedings and developments in existing litigation having occurred since the publication of the consolidated financial statements for the year ended December 31, 2022.

- In the course of the ongoing proceedings in the "Enterprise" market segment, only the proceedings with Adista are still ongoing.
- In the course of ongoing proceeding with Digicel (anti-competitive practices on the mobile and fixed-to-mobile markets in the French Caribbean and in French Guiana), the French Supreme Court in March 2023 has partially reversed the judgment rendered by the Paris Court of Appeal on June 17, 2020 on the specific point of the progressive nature of the base on which interest applies to compensate for the cash flow loss. Orange has filed another appeal to the Court of Appeal in March 2023. The proceedings are ongoing.
- In the course of ongoing proceedings against Bouygues Telecom regarding the quality of services of its wholesale offers, Bouygues Telecom has once again reassessed his damage to 85 million euros. Orange considers this claim to be unfounded.
- On February 24, 2023, Bouygues Telecom and the SDAIF ("*société de développement pour l'accès à l'infrastructure fibre*") brought an action against Orange before the Paris Commercial Court concerning the FTTH socket restitution mechanism, which allows commercial telecom operators who have access to the Orange fiber network to realize themselves the connection of their final customers and to be returned a part of the cost of this connection when the line is taken over by a new commercial operator. Bouygues Telecom and SDAIF argue that the mechanism established by Orange is not compatible with the regulatory framework and claim 125 million euros corresponding in their opinion to the amounts of refunds due for the cancellations of the FTTH lines since the beginning of the contract. Orange considers these claims to be unfounded.
- In the course of the ongoing second proceedings opposing three operators (including Orange Polska and Polkomtel) to the Polish operator P4 for 314 million zlotys (71 million euros), the Court of Appeal decided to take over the proceedings which were initially suspended awaiting decision on the first claim for compensation amounting to 316 million zlotys (71 million euros). The proceedings are ongoing.
- In the dispute between Orange Romania and the Romanian Competition Council, the Supreme Court rejected in June 2023 the appeal of the Romanian Competition Council and upheld the annulment of the decision of the Romanian Competition Council. This dispute is now closed.
- In the dispute between Orange Mali and the Remacotem association on the grounds of unlawful billing of calls diverted to voicemail, the Bamako Court of Appeal rejected in March 2023 the appeal filed by Orange Mali and Malitel against the Bamako Court of Appeal decision rendered on November 3, 2021. The grace period having ended in May 2023, following the decision rendered by the Bamako Supreme Court in March 2023, Orange Mali and the Remacotem association have entered into a settlement agreement that ends this dispute. The Remacotem association withdrew its claim. This dispute is now closed.
- In the dispute between Zain and Jordan Telecommunications Company (Orange Jordan) for failure to open geographical numbers allocated by the Jordanian regulator in application of the interconnexion agreement entered into by Zain and Orange Jordan, pursuant to which Zain considers that it suffered an estimated loss of 250 million Jordanian dinars (323 million euros), the Jordanian Supreme Court confirmed the incompetence of the judiciary jurisdiction and considered that the arbitration clause applied to the lawsuit. This dispute is now closed as Zain has not initiated an arbitration proceedings.
- As part of the proceedings concerning Korek Telecom, on March 20, 2023, an arbitral tribunal set up under the aegis of the International Chamber of Commerce rendered a final award in the dispute between the Kuwaiti logistics group Agility and Orange,

indirectly (through their joint venture), and their former Iraqi co-shareholder in the capital of the Iraqi operator Korek Telecom. The arbitral tribunal awarded 1.7 billion of US dollars in damages to the joint venture and Korek Telecom's former holding company for various breaches of the shareholders' agreement and tortious acts committed by the former Iraqi co-shareholder, including collusion with the Iraqi telecommunications regulator. At this stage of the proceedings, this decision has no impact on the Group's consolidated financial statements. Other proceedings, in particular the ICSID arbitration initiated by Orange against the Iraqi government, are still in progress.

Apart from the proceedings mentioned above, there are no other administrative, legal or arbitration proceedings (whether pending, suspended, or threatened) of which Orange is aware, either new or having evolved since the publication of the consolidated financial statements for the year ended December 31, 2022, which have had over the period, or which may have, a material impact on the Group's financial position or profitability.

14.2 Unrecognized contractual commitments

During the first half of 2023, the Group had not entered into any new commitments that may have a material effect on its current or future financial position compared to those described in the consolidated financial statements at December 31, 2022.

Note 15 Subsequent events

Orange SA: distribution of an interim dividend

As its meeting held on July 25, 2023, the Board of Directors resolved to distribute an interim dividend of 0.30 euro per share in respect of 2023. This interim dividend will be paid in cash on December 6, 2023. The estimated payment amounts to 798 million euros based on the number of ordinary share outstanding at June 30, 2023.

Amendment to current account advance agreement with Orange Bank

Orange SA has amended the current account advance agreement granted to Orange Bank in June 2023, increasing the amount immediately available to 400 million euros, with a maturity extension to December 31, 2025.

Statutory auditors' review report on the half-year financial information

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Orange S.A.

111, quai du Président Roosevelt - 92130 Issy-les-Moulineaux

For the period from January 1, 2023 to June 30, 2023

To the Shareholders,

In compliance with the assignment entrusted to us by your general assembly and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Orange S.A., for the period from January 1 to June 30, 2023,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I- Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II- Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

The statutory auditors,

Paris la Défense, on July 25, 2023

Paris la Défense, on July 25, 2023

Jacques Pierre

Sébastien Haas

Christophe Patrier

Partner

Partner

Partner