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**As of the 1<sup>st</sup> half 2007, Free will market a very high speed optical fibre service for €29.99/month**

***Up to €1bn earmarked for fibre-to-the-home (FTTH) roll-out through to 2012***

As of the first half 2007, the group plans to offer its Parisian subscriber base access to its optical fibre network before progressively rolling the service out to certain towns in the suburbs and selected neighbourhoods in provincial cities.

This deployment will require an investment of €1 billion through to 2012. Project Funding will be covered by the group's cash position and free cash flows generated by existing business.

Over 10 million French customers, representing more than 4 million connection points, will be eligible by 2012.

Free plans to target those areas where the density of Freebox users is the highest: over 15% penetration on the fixed line market in these areas (and not on the broadband market).

Free will automatically migrate Freebox subscribers to its Freebox Optical offering as a priority and at no extra cost. Freebox HD's ADSL 2+ terminal will be replaced by a Freebox Optical box. The Freebox HD TV terminal will remain compatible with this offering.

For €29.99/month, subscribers will have access to optical fibre links via a fixed subscription including:

- 50 Mbit/s speed,
- unlimited phone calls to fixed lines in France and to some international destinations,
- an HD TV offering,
- provision of the Freebox Optical terminal.

An extensive range of options will supplement the offering.

This offering will enable Free to place fibre-to-the-home (FTTH) technology within the reach of all consumers.

*Non-contractual document. Commercial details communicated at launch of the service.*

*Free is a subsidiary of Iliad.*

*The Iliad Group is a major player in the Internet and telecommunications markets in France through its subsidiaries Free (the leading alternative broadband operator with 1,905,000 broadband subscribers as at 30/06/2006), OneTel and Iliad Telecom (fixed telephony operators) and Kertel (prepaid phone cards), as well as IFW (WiMax). The Iliad Group was established in 1991 and currently has more than 1,300 employees. The Iliad Group is listed on the Euronext Paris Eurolist under the mnemonic code ILD.*