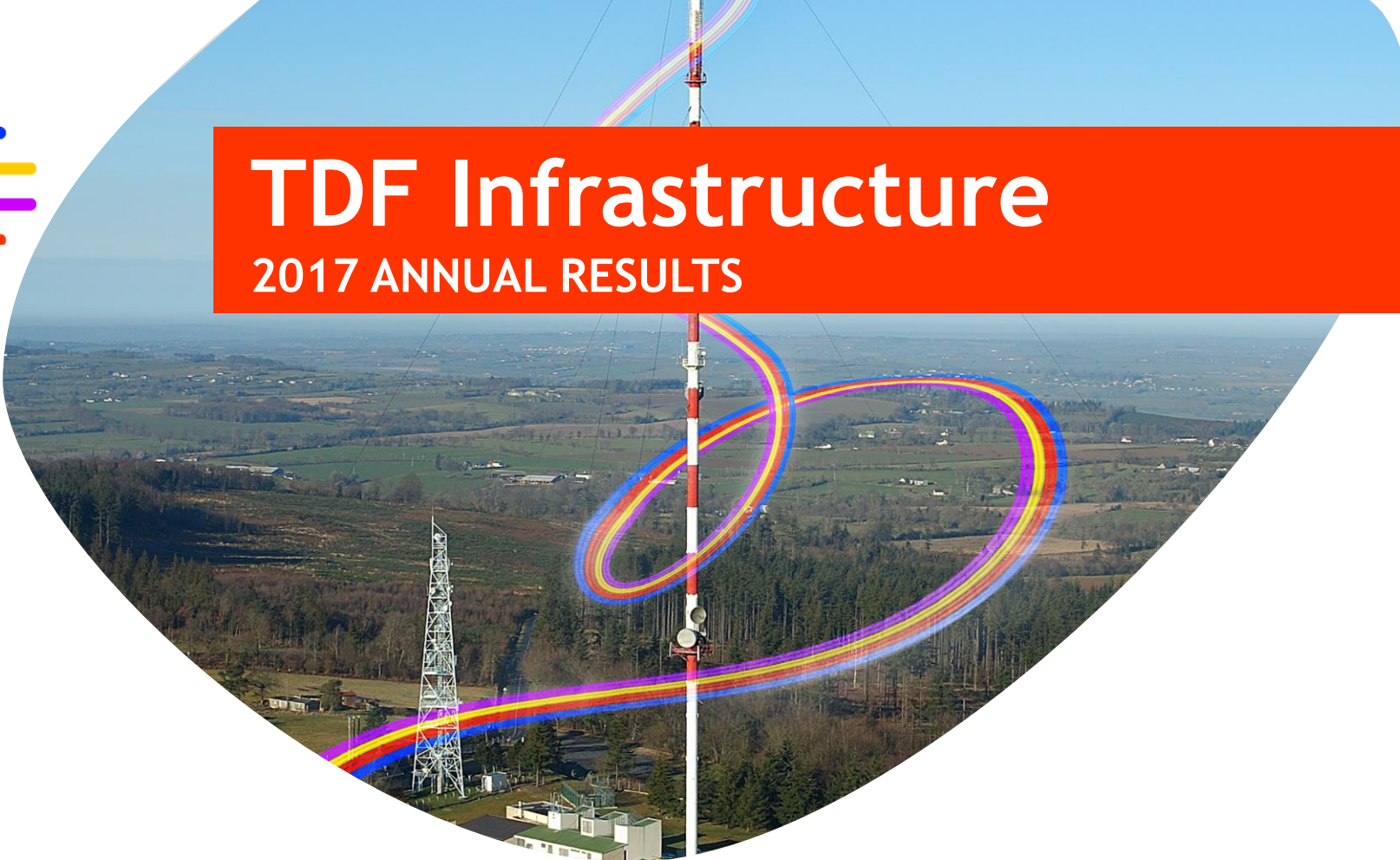




TDF Infrastructure

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1. 2017 Highlights
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2017 Highlights

TDF back to growth

Telecom: continued very strong growth

- + **8.7% organic revenue growth** and + **15.2% growth of site hosting PoPs**, very strong business momentum: SFR/Bouygues Telecom RAN sharing impact offset by Free, IoT, transport corridors coverage, 4G roll-out, densification, rooftops demand
- Promising Gares & Connexions deal with SNCF signed in 2017 giving exclusivity to cover **circa 3000 railway stations in France**

Broadcast: stabilized DTT & radio platform

- **2nd digital dividend fully digested** (YoY decrease related to the full year effect of the two muxes switched off in April 2016)
- Successful integration of Itas achieved

FTTH: successful development and establishment/consolidation of the activity

- **4 tenders won** (720k plugs to roll-out over 10 years): Val d'Oise, Yvelines, Val de Loire (all in 2017) and Maine et Loire (in 2018)

Strong commercial activity: revenue backlog reaches 2.7 bn€ (+3%), 4 years of revenues

























Overall 2017 financials in line with expectations:

- Revenue increase despite full-year effect of 2nd digital dividend confirming **the return to growth (+ 0.4% of revenues)**
- EBITDA margin **is steady at 52.4%**
- Substantial level of investments **to support the business** (contract-driven capex): 27% of revenues excl. FTTH, 32% as a whole

Robust capital structure : strong credit metrics, strong liquidity and conservative financial policy



Key Activities' Snapshot as at December 2017

	Telecom infrastructure	Broadcast infrastructure	Fiber infrastructure
	Towerco	DTT / Radio / Media Services	PIN, Private investments
Business	Site hosting of telecom equipment for MNOs	Distribution/transmission of broadcast signals Operation and maintenance of broadcast networks Turnkey integrated video solutions	Build & operation of local fiber networks
Infrastructure assets	5,547 sites	2,243 DTT sites, 1,380 radio sites	4 networks awarded
Key customers	     	            	    
Contract length	Very long-term	Long-term	Very long-term
Sector position	N°1 independent in France	N°1 in France in broadcast, leading position in media services	Local leader in each territory
December 17 revenues	€319m	€338m	€0m
Price regulation	No	Yes on DTT access No on broadcast transmission and media services	Yes



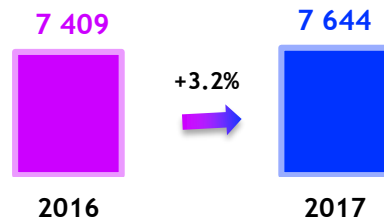
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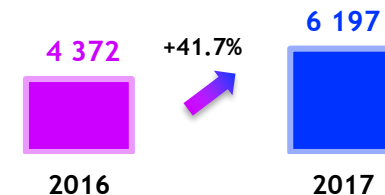
Telecom: growth of the sites portfolio in France

Tower sites



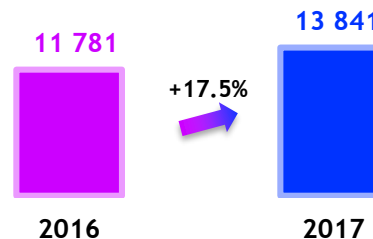
- + 109 new towers built for MNOs
- + 54 new towers for MNOs (work in progress)
- + 166 land reserves for towers to build
- - 94 inactive towers dismantled

Rooftops sites



- Many commercialization agreements signed in 2017: OPH Meuse (+247), OPH 66 (+268), OPH Aude (+138), Semader (+122),...
- The agreement signed in August 2017 with SNCF Gares & Connexions is on top of this portfolio growth: +3 000 marketable sites to be added from 2018

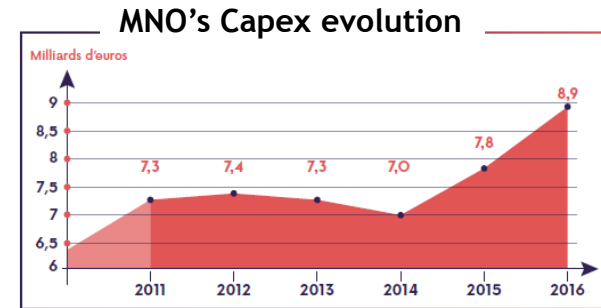
Total sites



Telecom: tower market still very dynamic with strong fundamentals

Clear determinants for long-term and sustained growth in telecom site hosting...

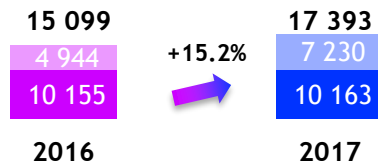
- Strong investment cycle for MNOs, with capex to sales at ca 20% on average in 2017
- Strong Free roll-out (coverage obligation + termination of roaming with Orange)
- Networks improvement through densification/upgrading drives growth in dense areas
- Strict coverage obligations (from ARCEP + Government) support demand in transport corridors & low density areas (to be enhanced by recent MNOs-ARCEP deal announced in January 2018)
- Confirmation of IoT demand for new PoPs



... that translates into strong operational performance for TDF

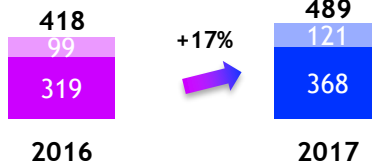
- Build-to-suit and rooftops offers which match MNOs demand
- Increased PoPs portfolio despite SFR/Bouygues Telecom RAN-sharing
- Promising stock of orders for 2018

Telecom PoPs on Towers



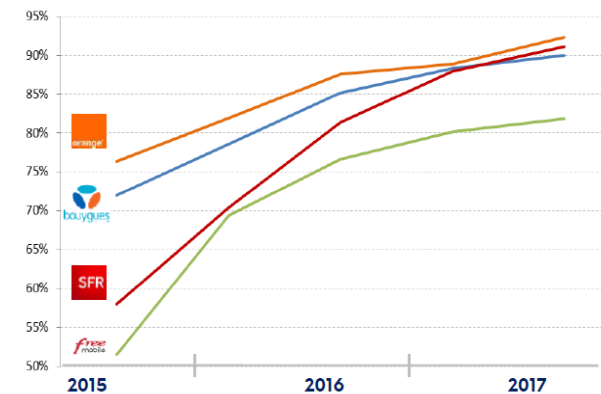
■ MNOs ■ IoT & Public Security

Telecom PoPs on Rooftops



■ MNOs ■ IoT & Public Security

4G pop. coverage evolution



source: Arcep Dec 2017

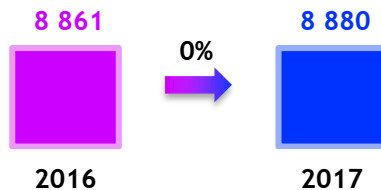


Broadcast: a stable market, with a clear horizon

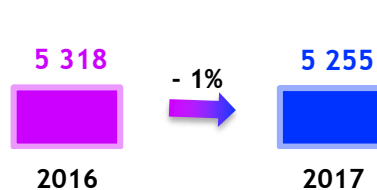
A stable 2-player market:

- Towercast (NRJ Group) the single competitor on the DTT and radio markets
- DTT: TDF's market share in 2017 is 77% for transmission (broadcasting of Muxes), 91% for access (hosting on TDF / Itas sites). Limited DTT tenders from 2017 (until 2020/2021)
- Radio: TDF's market share in 2017 is 83% for public radios and 43% for commercial radios

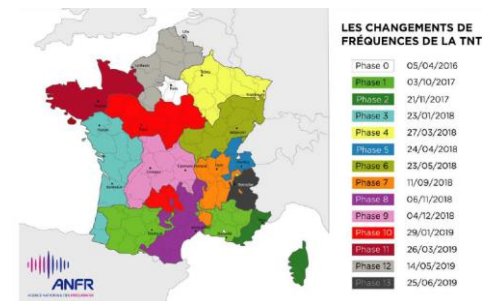
DTT Broadcasting PoS



FM Broadcasting PoS



700 MHz band release plan



source: CSA - Feb 2018 (see Appendix)

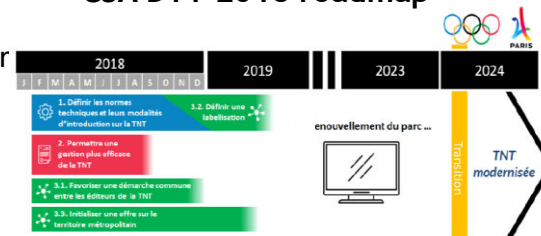
Ongoing implementation of the 2nd Digital Dividend in France:

- Since Ile-de-France area in 2016 (2 DTT Muxes stopped), the 700MHz band is being released for mobile networks in others territories until June 2019 (with more than 3,400 DTT frequencies to be reshuffled), according to CSA schedule
- No more negative revenue impact of the 2nd Digital Dividend from 2017 onwards

CSA released in Feb.2018 its roadmap for the “Future of the DTT platform”:

- Confirmation of DTT spectrum secured until 2030
- Time-stretched transition to a modernized DTT platform by Q1 2024 before Paris Olympic Games. All specificities of this new DTT to be defined by the end of 2018, leaving several years between the launch of new TV sets on the market and the planned migration in 2024

CSA DTT 2018 roadmap



source: CSA - Feb 2018 (see Appendix)



FTTH : successful launch of a new activity

TDF won 3 tenders in 2017, 1 early 2018

- End of 2016, TDF credibility and positioning in FTTH immediately recognized by local authorities as demonstrated by its first-try win in the Val d'Oise department (ca. 84,000 plugs to be built, operated and commercialized) of a call for tenders
- TDF has been awarded 4 tenders since 2017: Yvelines in June 2017, Val de Loire (i.e Indre-et-Loire & Loir-et-Cher) in November 2017 and Maine-et-Loire in early 2018
- In the “département”-wide PIN market, TDF obtained in one year a ca. 9% market share against Orange, Altitude, Axione, SFR and Covage

Area	Legal form	Duration	Launch	Plugs* (#)	Capex** (€m)	Subsidies (€m)	Roll out period
Val d'Oise	Concession	25 years	February 2017	84 000	90	15	3 years
Yvelines	Private investment	infinite	October 2017	110 000	120	0	4 years
Val de Loire	Concession	25 years	January 2018	306 000	510	50	5 years
Maine et Loire	Concession	25 years	February 2018	220 000	320	35	5 years
Total				720 000	1 040	100	

* initial figures based on existing homes when bid process was launched, ** over 25 years

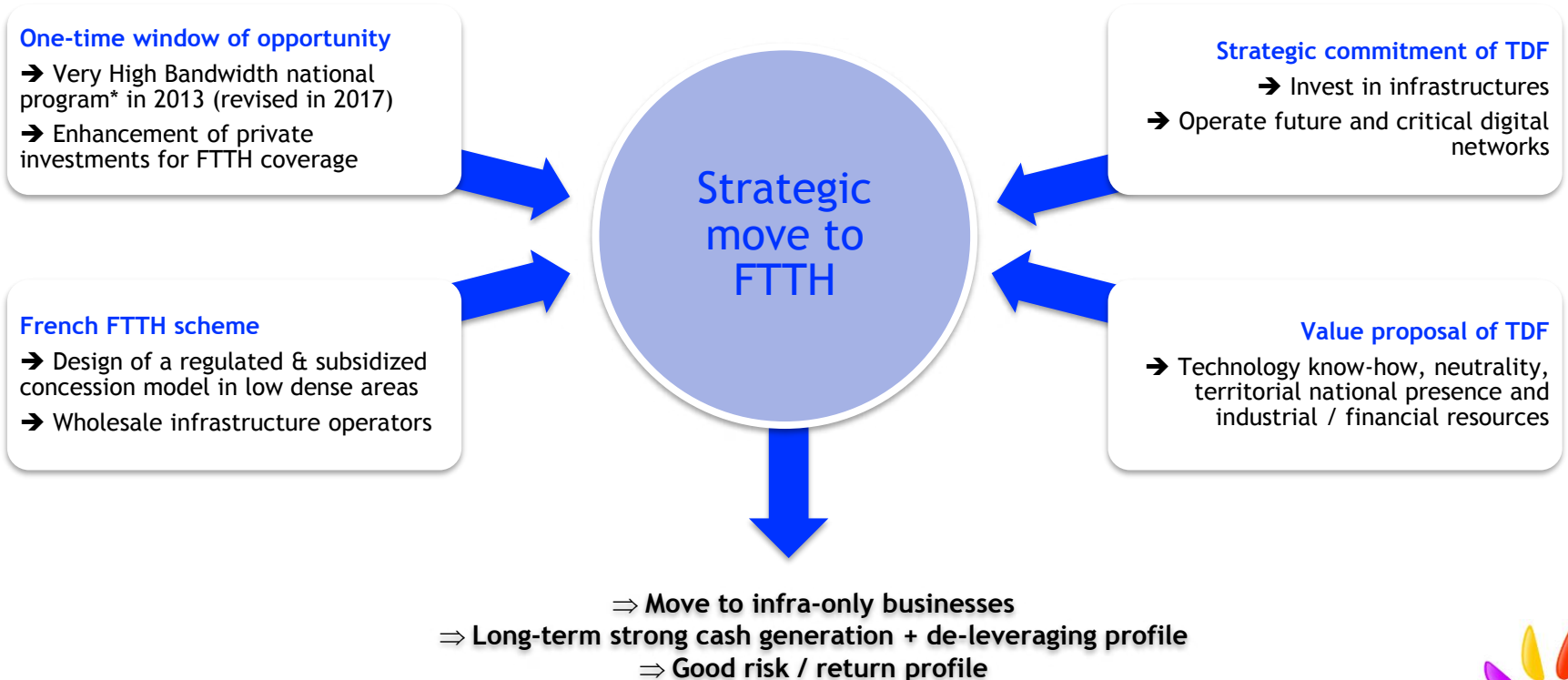
- TDF signed a frame agreement with Bouygues Telecom in October 2017, which guarantees the presence of a 1st rank commercial operator on each TDF FTTH network
- Caisse des Dépôts et Consignations entered Val d'Oise Fibre SPV (30% minority stake) in February 2018, this public major financial player supports TDF's action in FTTH



French FTTH: rationale and benefits for TDF

2017, a pivotal year for TDF with fiber:

- ⇒ Creation of a dedicated business unit
- ⇒ 4 territories awarded to roll-out



French FTTH: focus business model

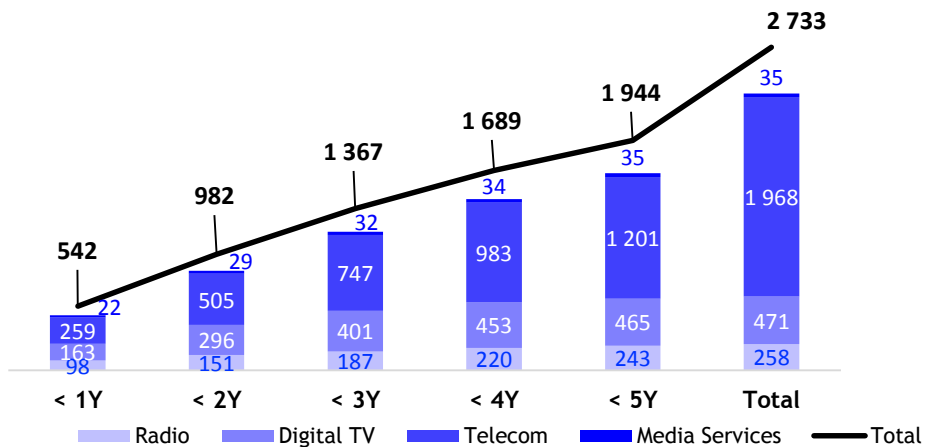
Economic criteria	Applicability to TDF FTTH projects	Key supporting features
Infrastructure ownership	Yes	⇒ Build, own, operate & transfer after 25 years for 610k plugs (3 PIN) ⇒ Build, own & operate (no transfer) for 110k plugs (Yvelines)
Regulation	Yes	⇒ Regulated business with wholesale tariffs and technical specifications controlled by ARCEP
Competition	Low	⇒ Quasi (de facto) local monopolies in low density areas + high barriers to entry (subsidies)
Technology risk	Low	⇒ No obsolescence risk and no theoretical bandwidth limitation of FTTH passive networks ⇒ Complementarity with mobile networks (radio frequencies to saturate with mobile usages)
Client profile	High	⇒ Blue chip customers, with ca. 90% of revenue from the 4 main ISP/MNOs in France (all TDF telecom site hosting clients) - mostly wholesale (not enterprise) clients
Contract duration	Very long	⇒ Ca. 50% of revenue to be contracted over 20 years (IRU)
Customer churn	Low	⇒ Wholesale business, indifferent to end users churn from A to B (both customers of the fiber infrastructure)
Capital intensity	High	⇒ Substantial capex of which 25-30% variable, net of subsidies
Payback	Progressive & secured	⇒ From 8 to 12 years depending on project but <<< concession duration ⇒ Low volatility (contract driven revenues, supply of a critical infrastructure/service) and high proportion of upfront revenues (IRU)
Profitability	Strong	⇒ High EBITDA margin and strong cash generation during operating phase
Synergies	Yes	⇒ Cross-sell + insourcing opportunities in backbone, connected towers and future needs (small cells, ...) ⇒ Leveraging of our existing Network Operations Center in Romainville



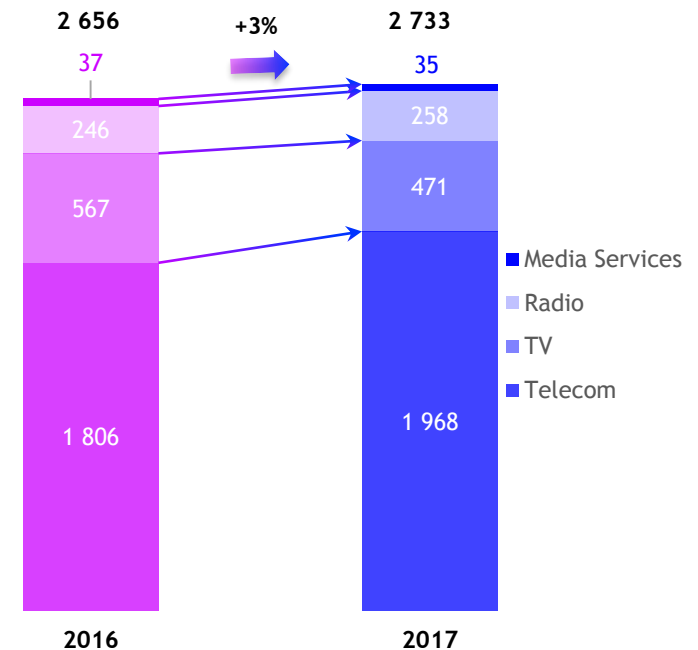
Increased and record backlog

Backlog representing 4.0 years of revenues

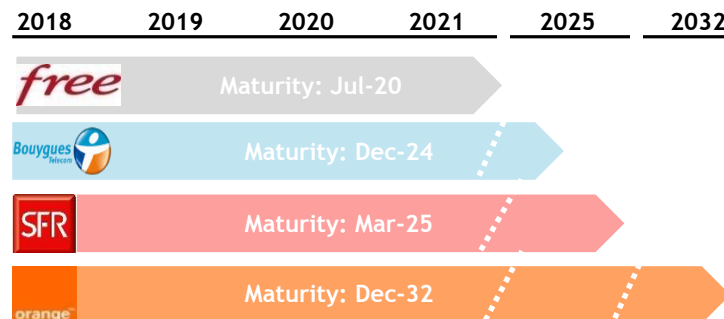
Backlog breakdown over time as at 31 Dec 2017 (€m)



Backlog evolution (€m)



Long-term contracts with top quality MNOs



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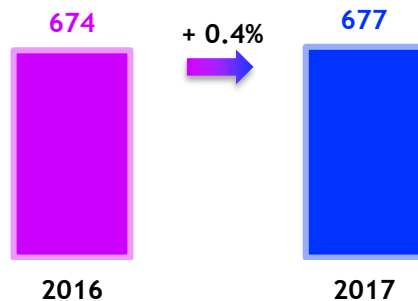
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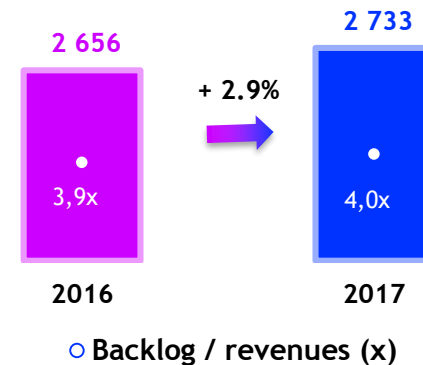
Key 2017 Financials

Improved EBITDA and boosted Capex

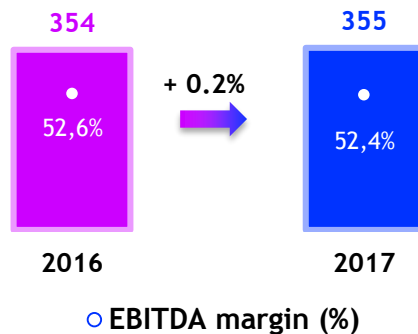
Revenues (€m)



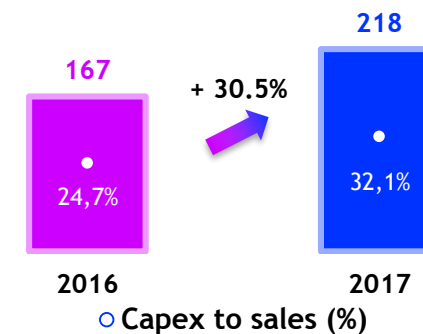
Revenue Backlog (€m)



Adjusted EBITDA (€m)



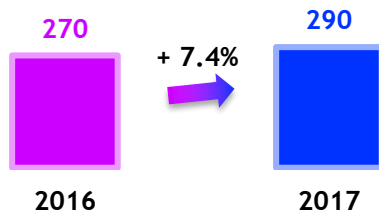
Capex (€m)



Key 2017 Financials

Improved revenues driven by telecom site hosting

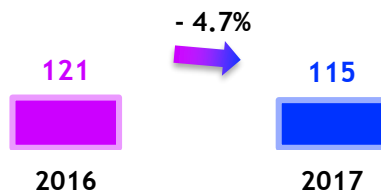
Telecom site hosting (€m)



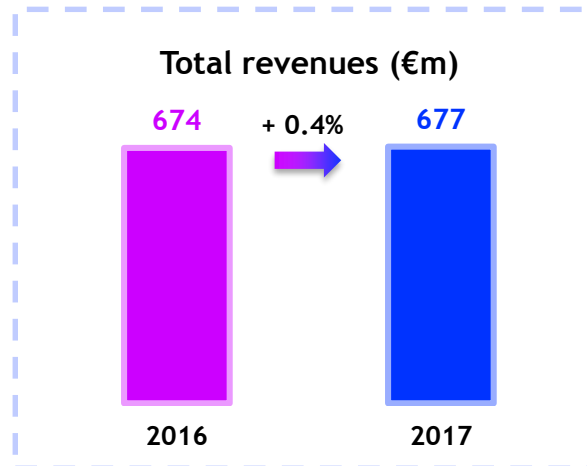
DTT (€m)



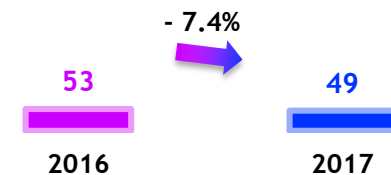
Radio (€m)



Total revenues (€m)



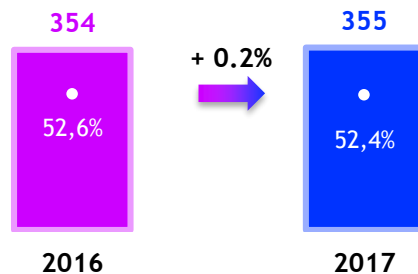
Media Services (€m)



Key 2017 Financials

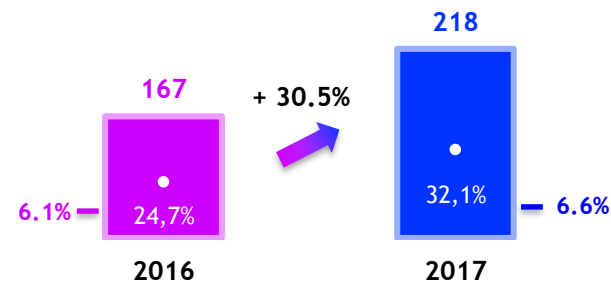
Strong cash generation supporting telecom and FTTH capex (1/2)

Adjusted EBITDA (€m)



○ EBITDA margin (%)

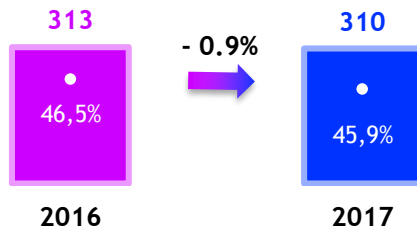
Capex (€m)



○ Capex / Sales (%)

— Maintenance capex to sales (%)

Adjusted EBITDA - Maintenance Capex (€m)



○ (Adjusted EBITDA - Maintenance Capex) to Sales (%)

Stabilized EBITDA at circa 52.4% of revenues thanks to:

- Close monitoring of costs
- Includes €7.3m profit on real estate disposal
- DD2 indemnity

... and despite FTTH development costs (€7m, mostly one-off)

Jump in capex by 30.5% (to 32% of revenues) supporting :

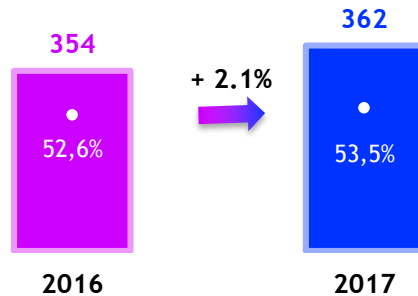
- Commercial activity (backlog increase)
- Growing asset base
- FTTH investments to roll-out the networks awarded from 2017
- Capex 100% self-funded through excess cashflow



Key 2017 Financials

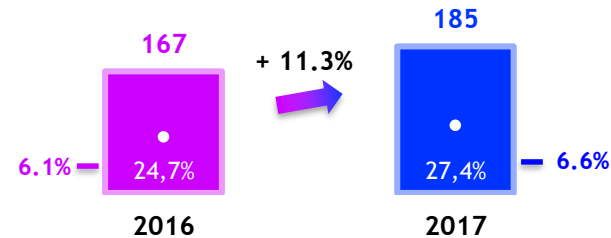
Strong cash generation supporting telecom and FTTH capex (2/2)

Adjusted EBITDA w/o FTTH (€m)



○ EBITDA margin (%)

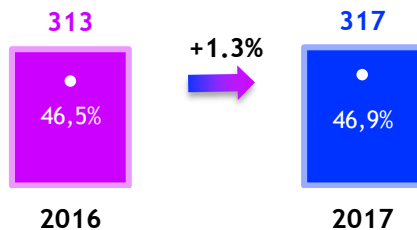
Capex w/o FTTH (€m)



○ Capex / Sales (%)

— Maintenance capex to sales (%)

Adjusted EBITDA - Maintenance
Capex w/o FTTH (€m)

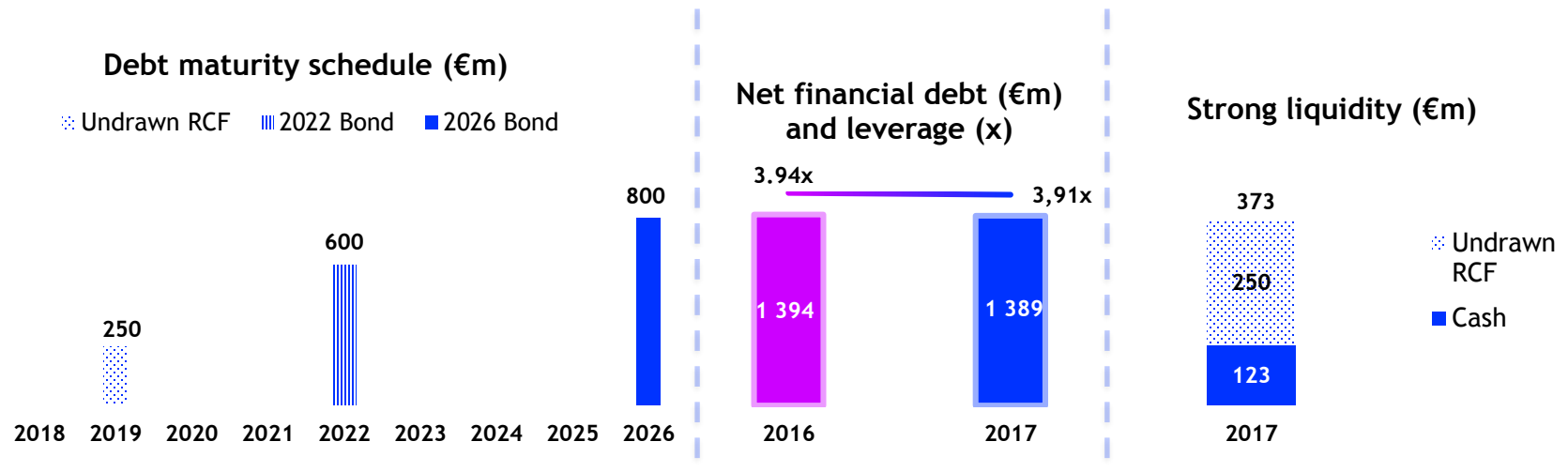


○ (Adjusted EBITDA - Maintenance
Capex) to Sales (%)



Key 2017 Financials

Sound debt structure and excellent liquidity



- Comfortable debt maturity profile: average maturity is 6.8 years
- Excellent maturity match between assets & liabilities, no significant debt maturity before 2022
- €250m RCF fully available to support any liquidity requirements
- No covenants, no securities, no interest rate risk
- Stable debt/capital structure as organic growth is fully financed by internally generated cashflow
- Shareholders and management committed to investment grade financial policy



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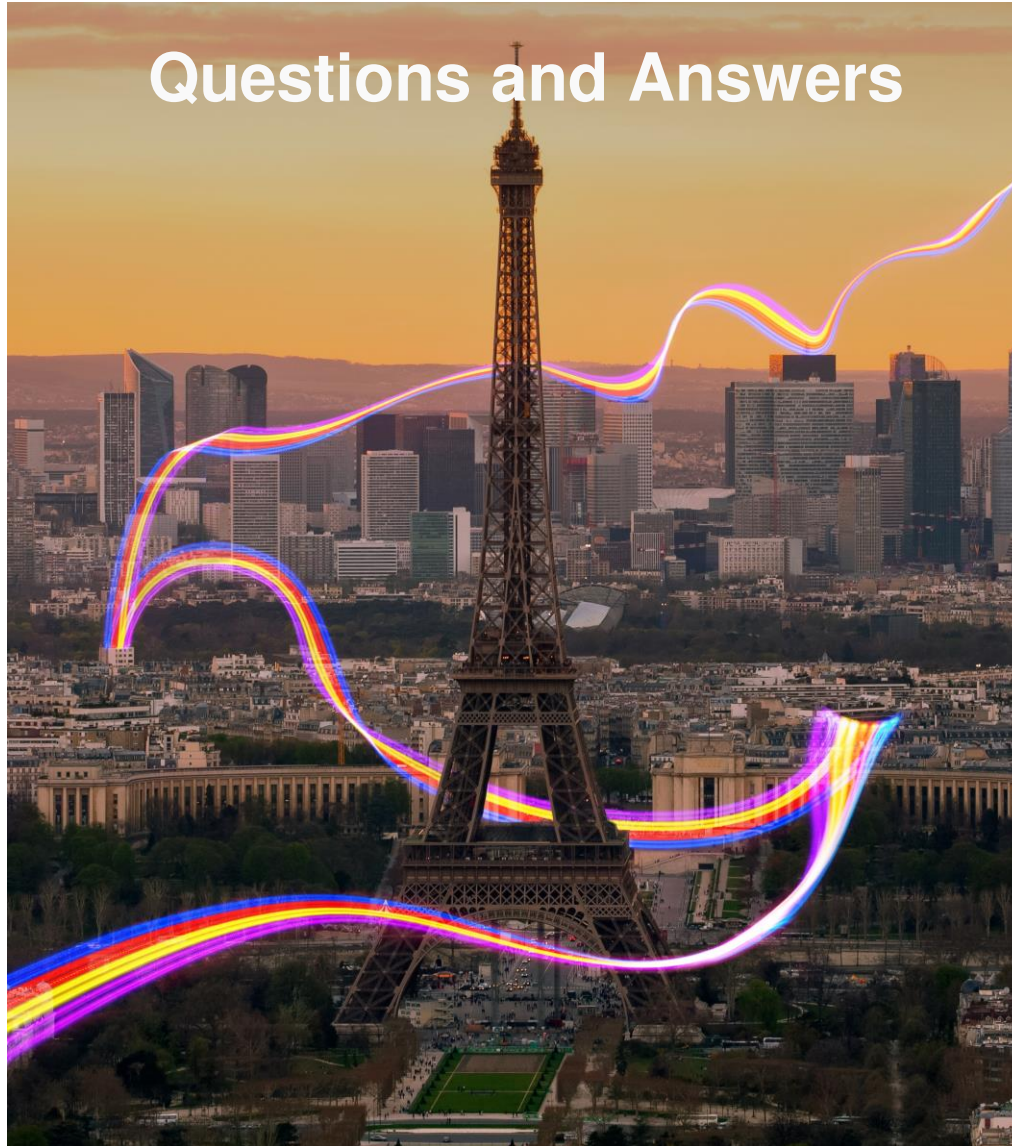


Conclusion

- TDF enjoys an excellent business profile, further strengthened by a new fiber infrastructure activity
- Growing asset base in terms of PoPs, portfolio of sites / towers and new fiber networks to be rolled-out
- DTT platform secured and de-risked for many years, telecoms to drive immediate growth with steady demand and supportive regulatory / market conditions
- Increased backlog at 2.7 bn € reflecting good commercial performance and long-term visibility
- Revenue growth fueled by consistent demand and EBITDA stabilization achieved despite one-off FTTH development costs
- Shareholders strong support demonstrated by a track-record of conservative financial and distribution policy
- Credit metrics above benchmark and strong liquidity, despite increased investments in the infrastructure
- TDF is committed to maintaining its Investment Grade business and rating



Questions and Answers



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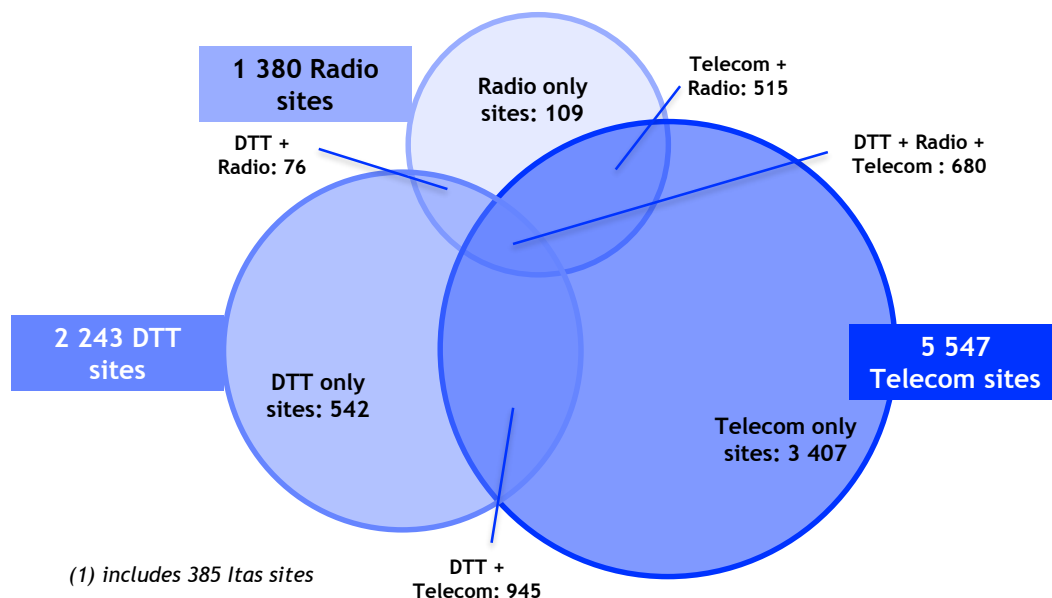
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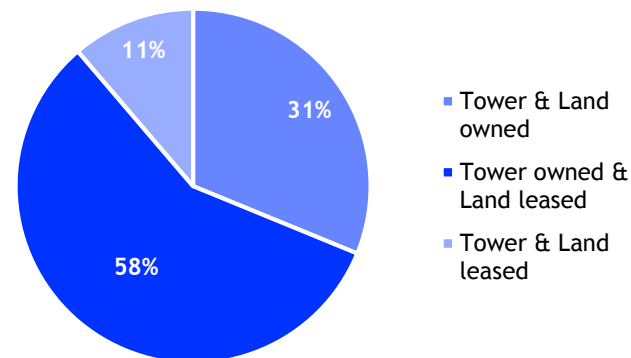
Unique portfolio of assets for media & telecoms

Breakdown of sites by activity as of Dec. 2017

TDF total: 6 274 active sites in France¹



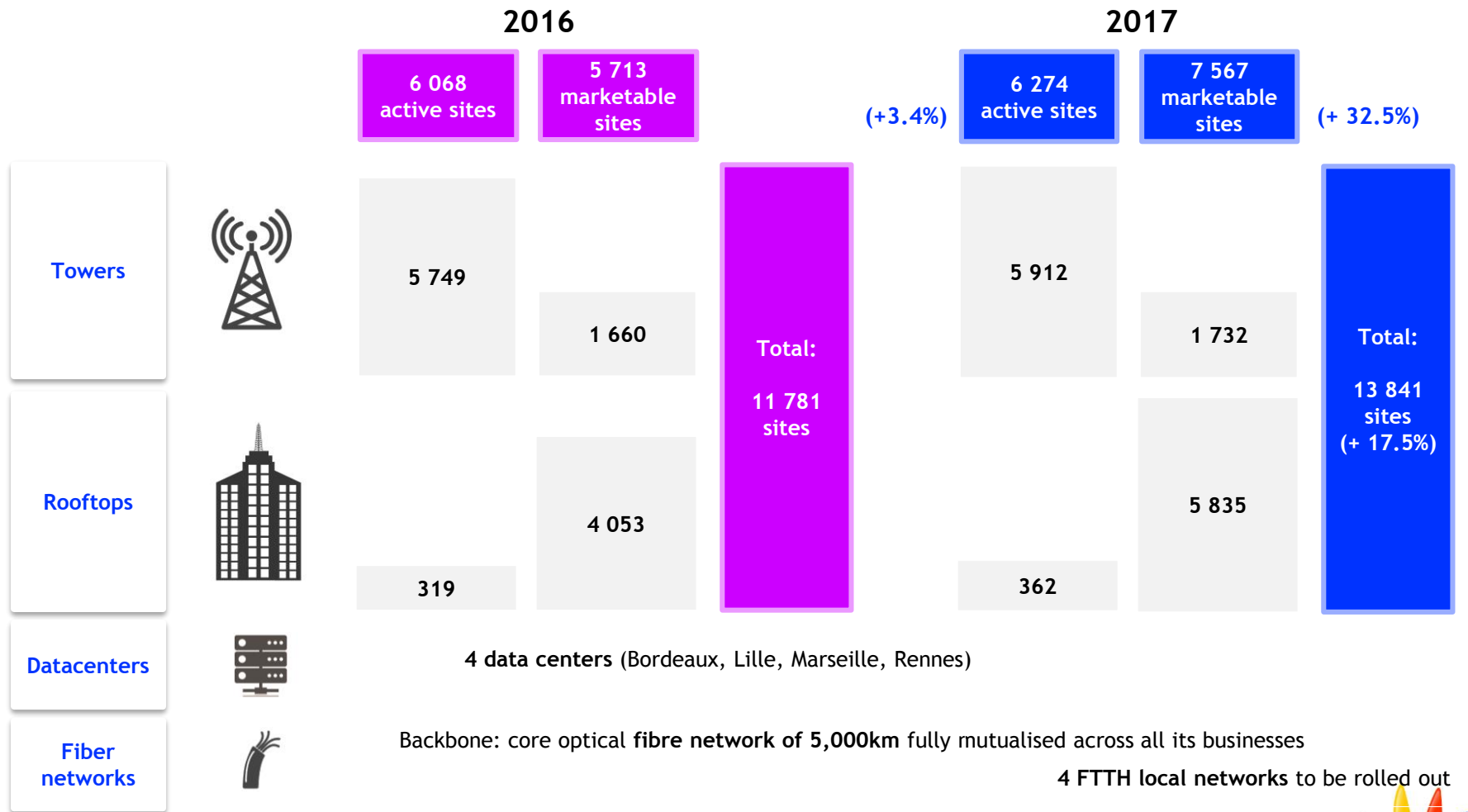
Ownership of sites as of Dec. 2017



- As of December 2017, TDF operates the largest independent network of connected towers in France
- Telecom infrastructure services complementary to broadcasting activity ensuring optimisation of tower utilisation rate and cost synergies
 - Overall colocation rate on TDF SAS sites in 2017 : 4.99x
 - DTT colocation rate : 3.44x, Radio colocation rate : 3.93x
 - Telecom colocation rate (including IoT) : 3.25x, o/w MNO colocation rate : 2.17x
- Secured asset base: 90% of towers owned by TDF, 31% of them built on TDF's own land, typical leases range from 5 to 99 years



TDF infrastructure breakdown in France - 2017 vs 2016



Sources: TDF

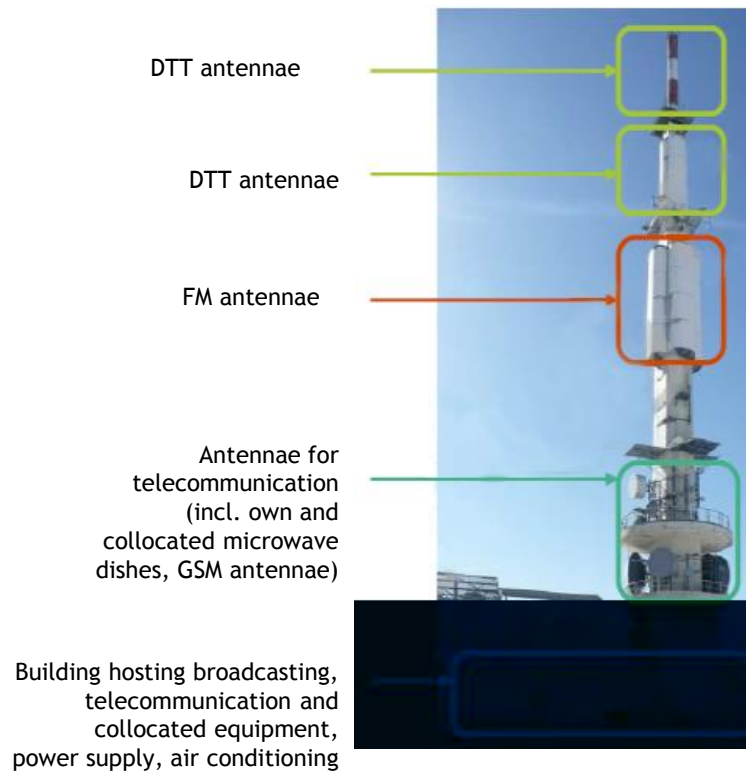
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TDF Infrastructure 2017 Annual Results

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Overview of tower site configuration



FTTH network

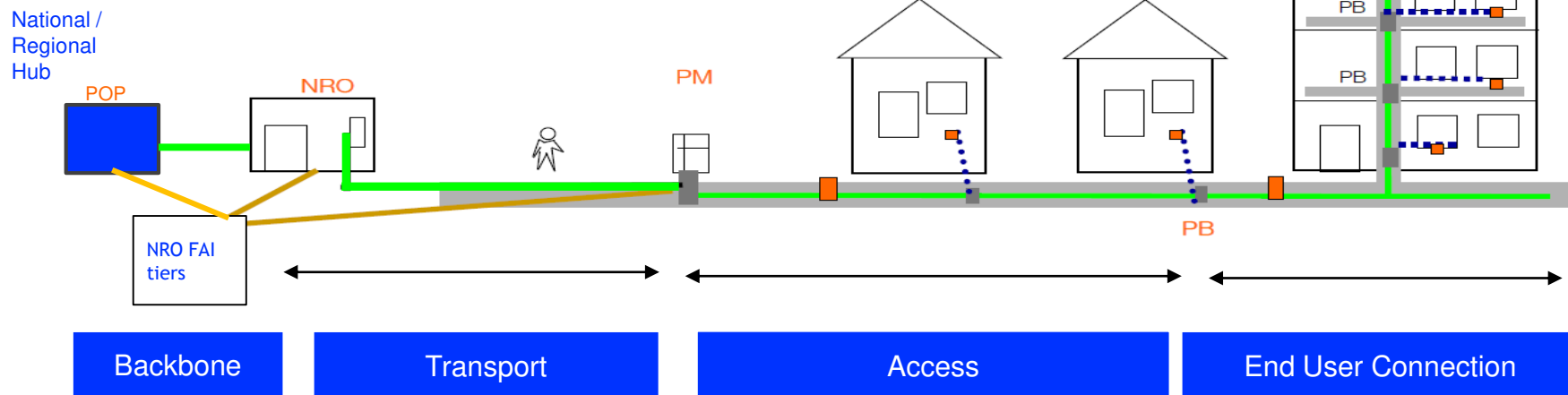
POP : Point Of Presence

NRO : Nœud de Raccordement Optique (Optical Node)

PM : Point de Mutualisation (Street Cabinets)

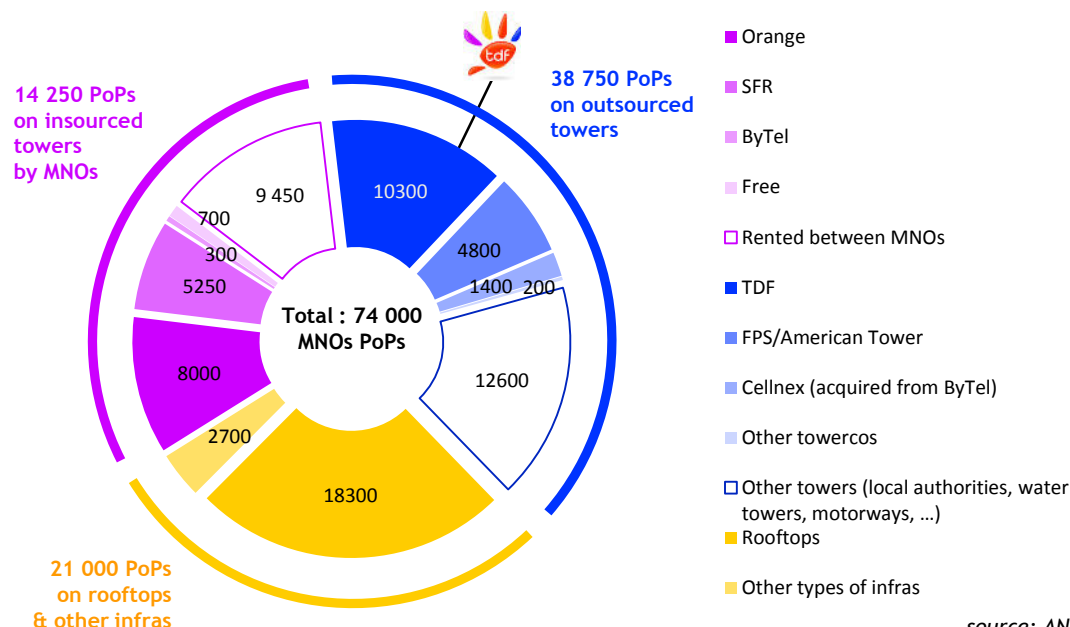
PBO : Point de Branchement Optique (Optical Connection Point)

PTO : Point de Terminaison Optique (Home Optical Connection)



Evolution of the French Telecom site hosting market

MNOs PoPs breakdown in the French market in 2017










source: ANFR database, restated by TDF

- There was 74,000 PoPs in France as of December 2017 (+12% YoY), of which :
 - 53,000 PoPs on towers
 - 21,000 PoPs on rooftops & other infras
- TDF had 10,300 PoPs of the 38,750 PoPs on outsourced towers : 27% volume market share (14% volume market share on all MNOs PoPs)
- FPS/ATC had c. 4,800 PoPs : 12% market share of the outsourced towers.
- Cellnex represented c.1,400 PoPs (estim.), resulting from a recent and progressive deal with from Bouygues Telecom, ie less than 4% market share of the outsourced towers



Mobile networks long-term roll-out secured by Arcep obligations & MNOs commitments

4G coverage obligations for MNOs (2017)

ECHEANCES	January 2017	October 2019	January 2022	October 2023	January 2024	January 2027	December 2030
 Mainland France*		60% (2.6 GHz)		75% (2.6 GHz)	98% (800 MHz)	99.6% (800 MHz) 98% (700 MHz)	99.6% (700MHz)
 Population of each department					90% (800 MHz)	95% (800 MHz) 90% (700 MHz)	95% (700 MHz)
 Population of the low dense area* (18% of pop., 63% of territory)	40% (800 MHz)		90% (800 MHz) 50% (700 MHz)			97.7% (800 MHz)*** 92% (700 MHz)	97.7% (700 MHz)
 Coverage of blackspots** (approximately 4000 municipalities)						100% (700 and 800 MHz)****	
 Priority roads (approx. 50 000km)						100% (700 MHz)	100% (800 MHz)
 Regional railways (coverage at national level)			60% (700 MHz)			80% (700 MHz)	90% (700 MHz)
 Regional railways (coverage at local level)						60% (700 MHz)	80% (700 MHz)

* In percentage of population

** In percentage of municipalities

***Obligation not mentioned in authorizations but derived from the obligation to cover 99.6% of metropolitan France

**** Obligation to comply through mutualization with other owners of 800 MHz / 700 Mhz frequency band

source: ARCEP (Graco 2017 - free translation)

Government / Arcep / MNO mobile coverage “new deal” (Jan 2018)

DESCRIPTION DES ENGAGEMENTS DES OPÉRATEURS SUR LA GÉNÉRALISATION D'UNE COUVERTURE MOBILE DE QUALITÉ POUR L'ENSEMBLE DES FRANÇAIS

Main principles :

- Bring very high speed mobile services to targeted coverage
 - 5 000 new zones per MNO
 - 600 to 800 zones will have to be covered per year
 - RAN sharing in white areas (as of today), passive pooling a minima in grey areas
- Speed up coverage of transport axes
 - Orange, SFR and ByTel have to provide the first level of 4G coverage on priority roads (55 000 km) by the end of 2020
- Generalize of 4G coverage
- Improve quality of service
- Develop fixed 4G offers
- Generalize Indoor coverage



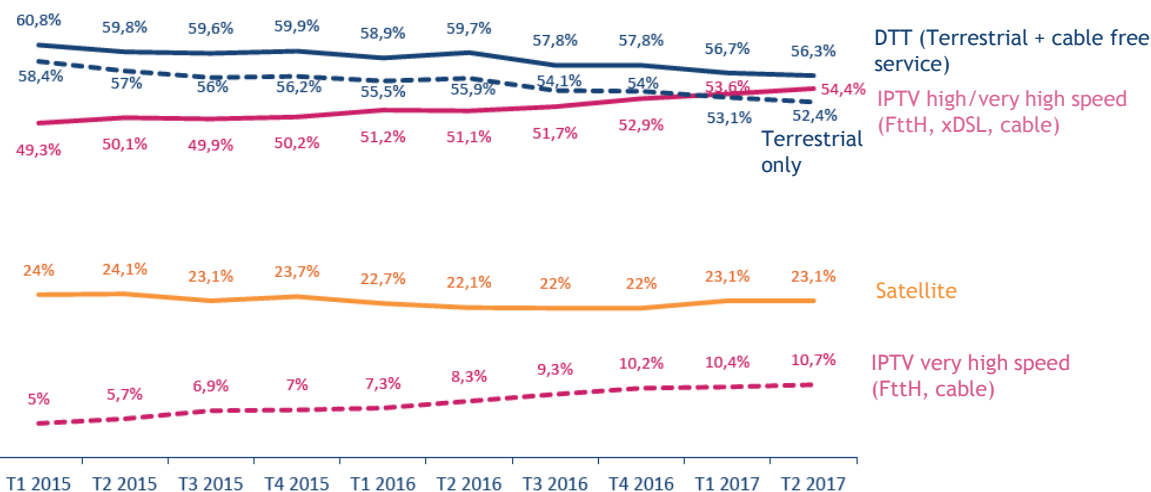
DTT Muxes

R1 : GR1 (FTV lead)	GR1	2	3	3 Régions ou TV locale	4	Ô	franceinfo
R2 : NTN (C+ lead)	NTN	BFM TV NEWS 24/7	C 8	C STAR	gulli	C NEWS	
R3 : CNH (C+ lead)	CNH	CANAL+	+ CINEMA	+ SPORT	LCI	PARIS PREMIERE	PLANETE +
R4 : MULTI 4 (M6 lead)	Multi4	6ter	arte	5	6	W9	
R6 : SMR6 (TF1 lead)	SMR6	LCP PUBLIC SENAT	TFX	RFI	tmc	TFI	
R7 : MHD7 (TF1 lead)	MHD7	Chérie 25	TF1 SERIES FILMS	L'EQUIPE 21	25	RMC DECOUVERTE HD24	



Resilience of the DTT platform

Penetration of TV reception modes in French TV Households



source: CSA Q2 2017 (including multiple access modes and all TV sets)

Despite the 2nd Digital Dividend and regular growth of IPTV (xDSL and FttH), DTT remains the TV reception mode of more than 50% of French TV Households

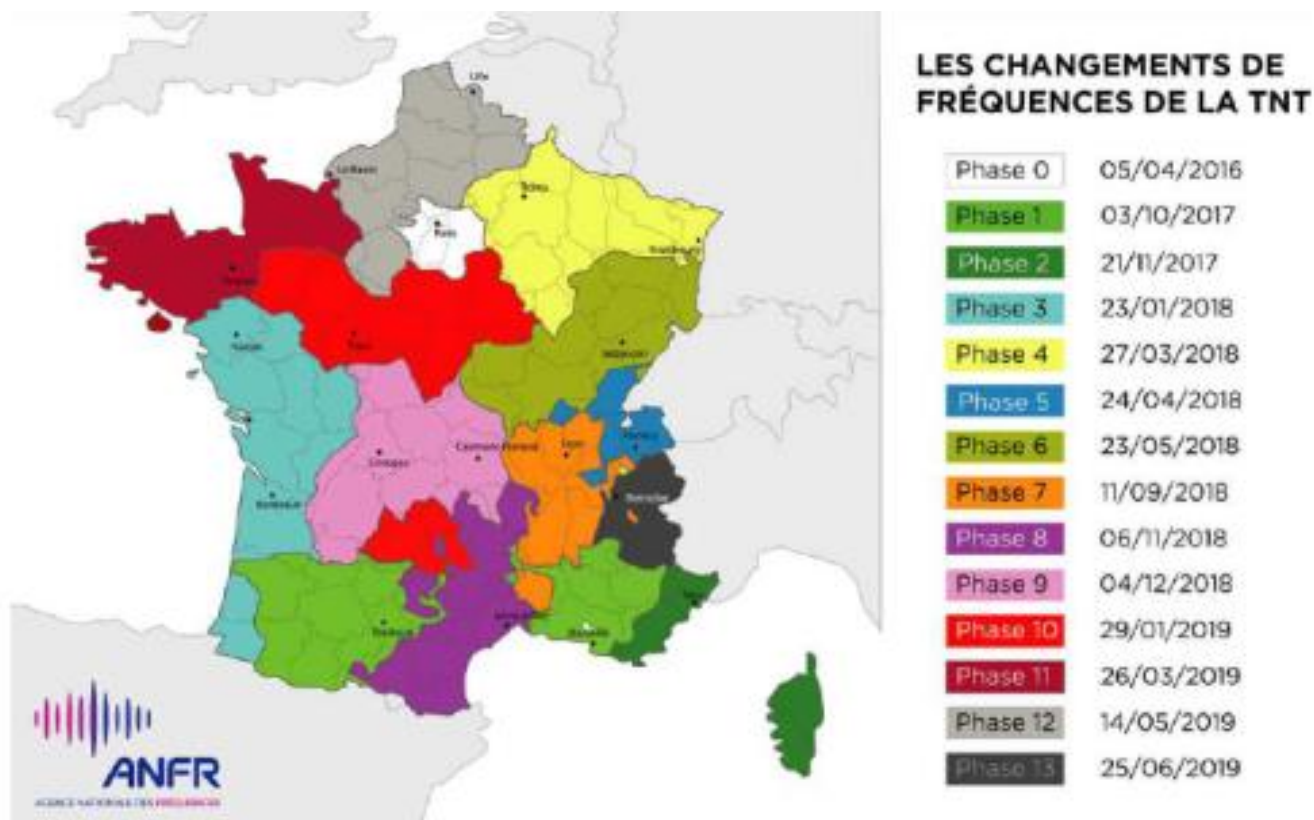


source: Médiamétrie 2017

DTT = 31 national TV channels
o/w 27 HD channels
= 97% pop. coverage
= 90% of TV viewing



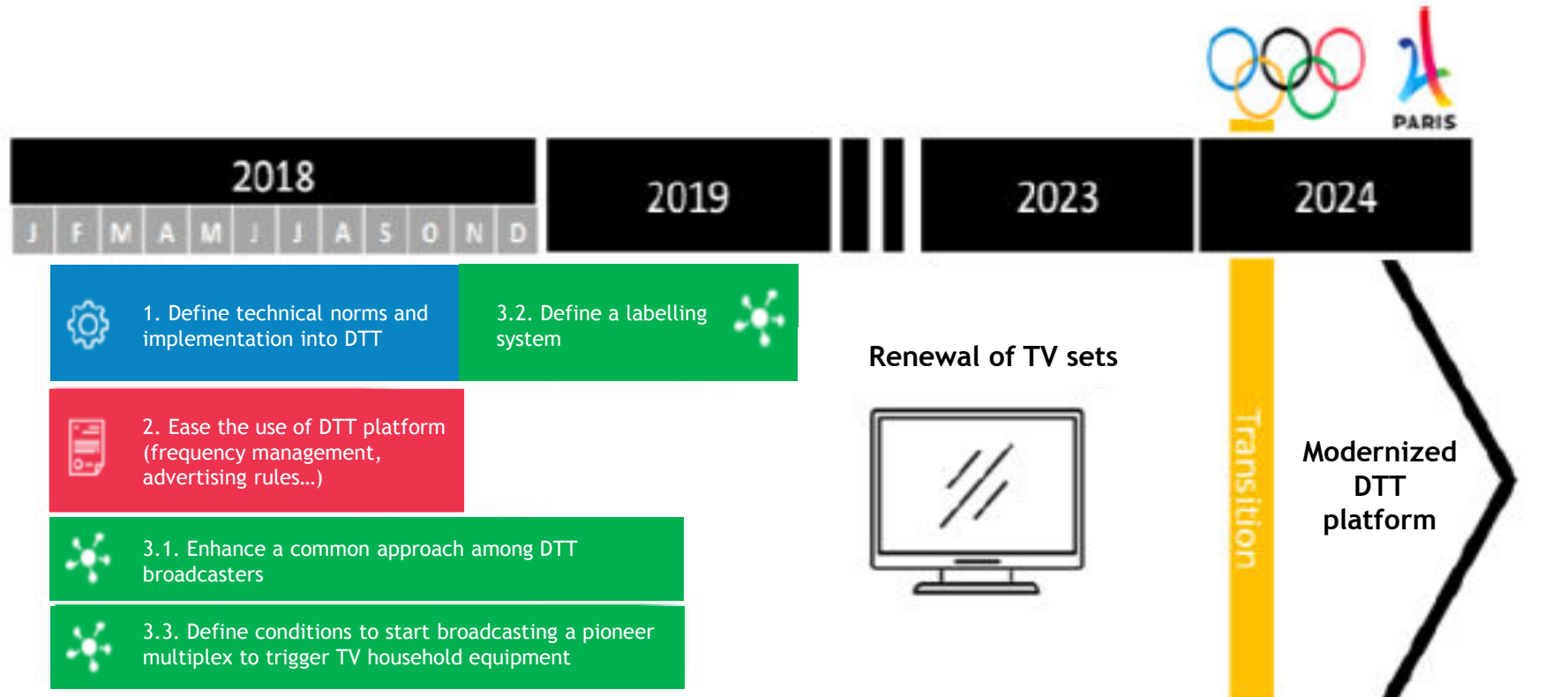
DTT - 2nd Digital Dividend - 700MHz release planning



source: CSA - Feb 2018



DTT: CSA 2018 roadmap

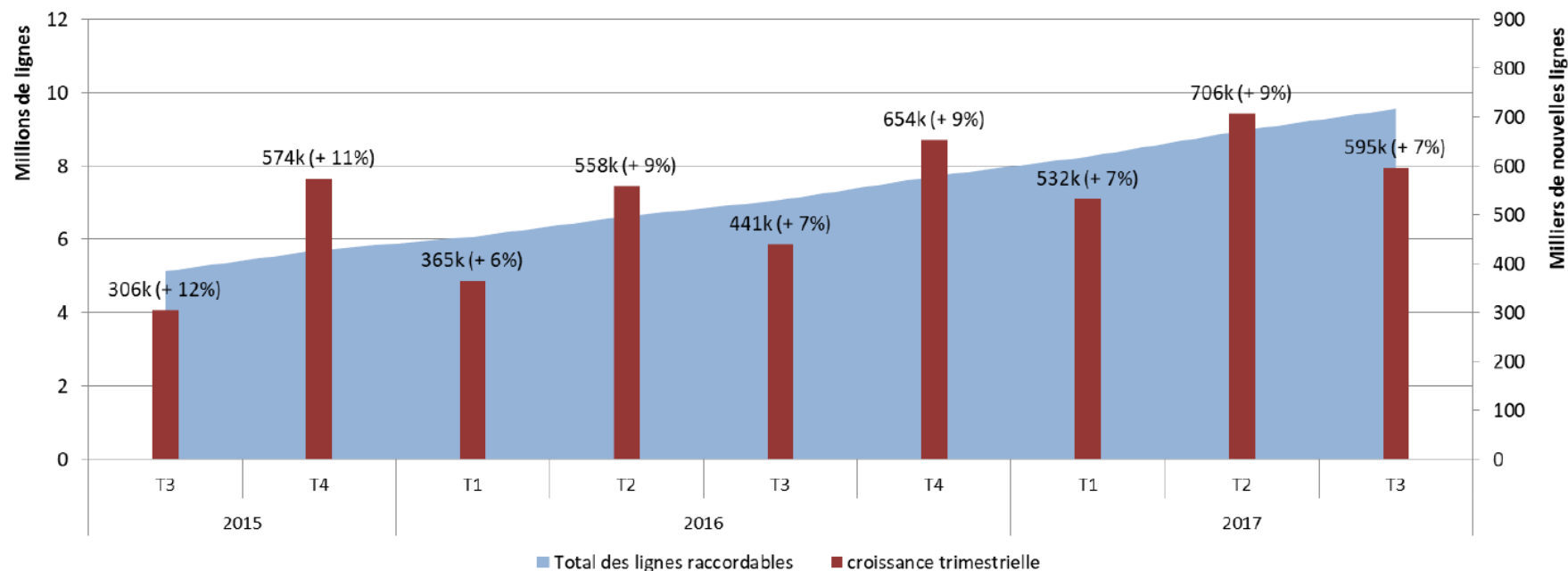


source: CSA - Feb 2018 (free translation)



The promising French FTTH market (1/2)

FTTH roll-out is continuing to grow strong quarter after quarter...



source: ARCEP (Graco 2017)

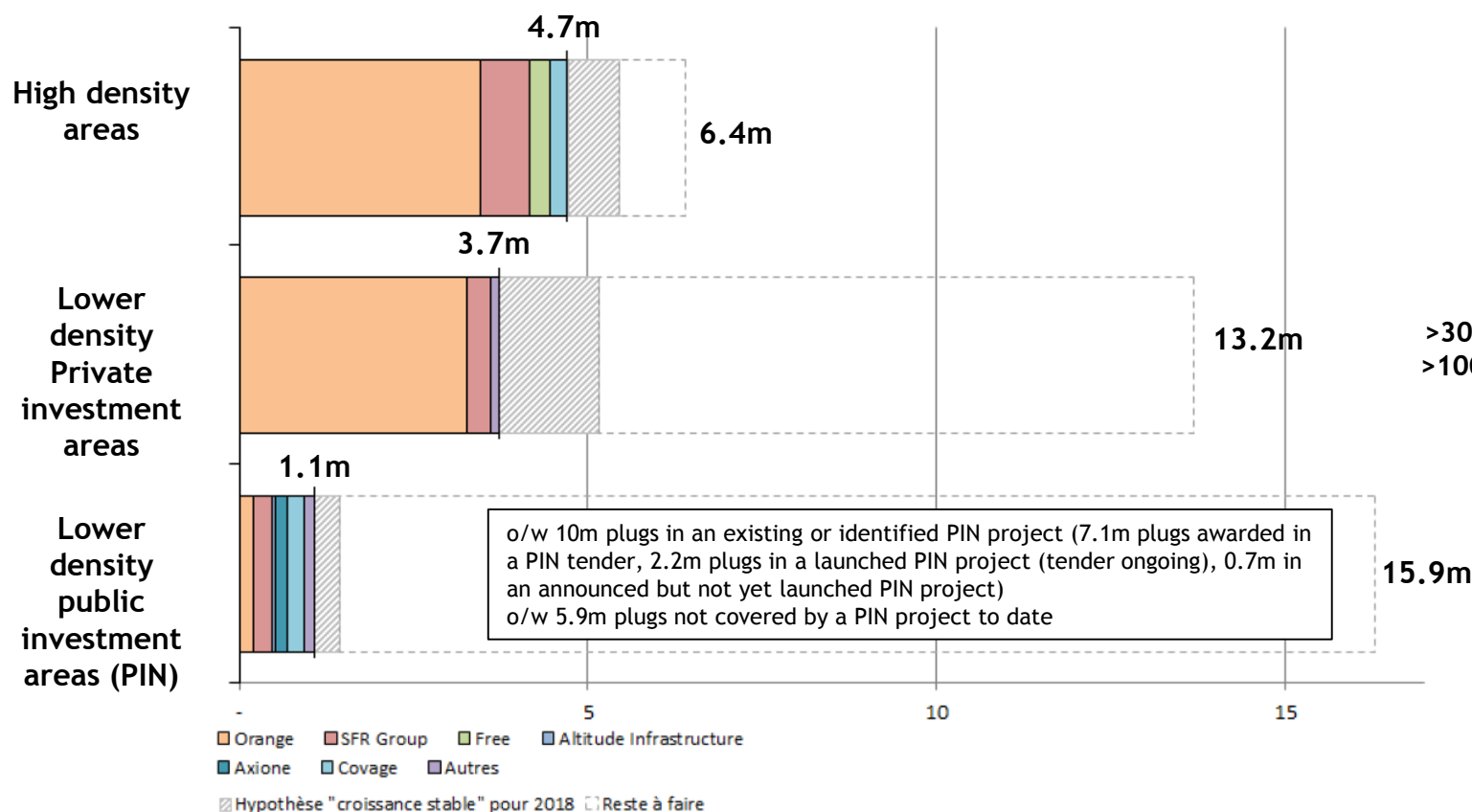
- ➔ 9.5m plugs eligible to FTTH end September 2017 (on all territories)
- ➔ 2.9m FTTH subscribers



The promising French FTTH market (2/2)

... but an acceleration is required to meet the goal of public authorities

→ Status of FTTH roll-out by area - end September 2017 :



source: ARCEP (Graco 2017)



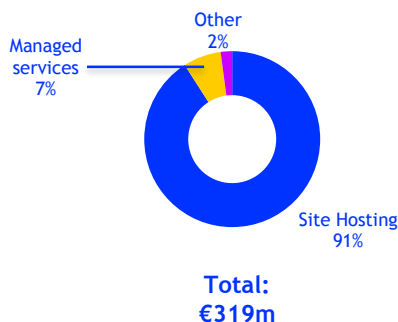
Detail of revenues by activities

Telecom (47%)

Site Hosting: Radio equipment hosting on TDF's sites for all MNOs as well as non MNOs with possible collocation of multiple operators

Managed Services: 3rd party maintenance and engineering of telecom networks

Other Telecom: mainly covers transport for telecom clients and datacenters



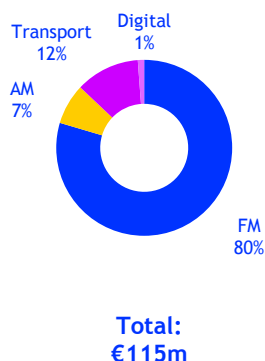
Radio (17%)

FM Radio: Broadcast services for Radio France, the State-owned radio broadcaster and commercial radios

Transport: Distribution of signal

Digital: Digital radio and misc.

AM Radio (SW, MW and LW): TDF customers are progressively exiting

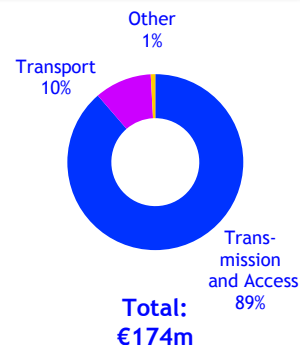


DTT (26%)

Transmission and Access: Provision of transmission services to a diversified base of DTT multiplex operators and selling access to TDF sites

Transport: Distribution of signal

Other DTT: Satellite uplink



Media Services (7%)

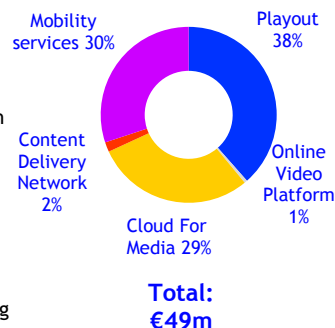
Playout: Transmission of TV channels into broadcast, satellite and telecom networks

Video Platform: OTT solutions and the operation of video distribution through online platforms

Cloud for Media: Storage, transcoding and delivery services

Content Delivery Network: Delivery of video content

Mobility Services: Delivering dynamic navigation and traffic information



Others activities (3%)



Others activities: mainly consists of intellectual property revenue arising from patents gradually entering the public domain and miscellaneous build revenues from Itas Group



Recap on key figures

		Dec 2016	Dec 2017	Variation Dec 17 / Dec 16
Key items of consolidated income statement				
Revenues	€m	673,9	676,8	0,4%
Personnel costs (excluding capitalized internal costs, excluding restructuring)		-168,4	-171,8	2,0%
<i>As a % of revenues</i>	%	-25,0%	-25,4%	-0,4 pt
Other operating expenses (excluding restructuring)		-151,2	-150,1	-0,8%
<i>As a % of revenues</i>	%	-22,4%	-22,2%	+0,3 pt
Adjusted EBITDA	€m	354,3	355,0	0,2%
<i>As a % of revenues</i>	%	52,6%	52,4%	-0,1 pt
EBITDA	€m	352,3	350,2	-0,6%
<i>As a % of revenues</i>	%	52,3%	51,7%	-0,5 pt
* Adjusted EBITDA: EBITDA excluding IFRS 2 charges, severance payments and related fees				
Key items of consolidated cash flow statement				
Cash flows from operating activities excluding CIT	€m	319,5	318,2	-0,4%
<i>As a % of revenues</i>	%	47,4%	47,0%	-0,4 pt
Purchase of operating fixed assets	€m	-145,5	-205,2	+41,1%
Operating free cash flow	€m	98,1	47,6	-51,5%
<i>As a % of revenues</i>	%	14,6%	7,0%	-7,5 pts
Key items of financial structure				
IFRS Net debt excluding Shareholders loan and accrued interests	€m	1394	1389	0%
Leverage	X	3,94	3,91	-2,1 pts
Key performance indicators				
Order backlog	€m	2 656	2 733	2,9%
<i>In year of revenues</i>	X	3,9	4,0	2,4%
Number of Group sites	X	11 856	13 916	17,4%
FTE end of period	X	2 153	2 106	-2%



Recap on change in revenues by business line

	Dec 2016	Dec 2017	Variation Dec 17 / Dec 16
Key items of consolidated income statement			
Digital Television	187,4	174,0	-7,1%
Radio	120,9	115,2	-4,7%
Total Broadcasting Services	308,3	289,2	-6,2%
Telecom: site hosting	269,9	290,0	+7,4%
Telecom: other services	23,4	28,9	+23,6%
Total Telecoms	293,3	318,9	+8,7%
Media Services	52,9	49,0	-7,4%
Others	19,4	19,7	+1,4%
Revenues	673,9	676,8	0,4%

€m



Glossary

- 4G, 5G: mobile phone communication standards
- Active sites: TDF sites hosting at least one active PoS/PoP
- AM: Amplitude Modulation (radio broadcasting technology), including short, medium and long waves (SW, MW, LW)
- Built-to-Suit: Towers that are built on demand to meet the needs of the MNO
- DD2 (or 2nd Digital Dividend): refers to the radio spectrum (700MHz band) release in the switchover process of digital television from Mpeg2 to Mpeg4
- DTT: Digital Terrestrial Television (digital broadcasting technology)
- FM: Frequency Modulation (radio broadcasting technology)
- FTTH: Fiber to the Home (broadband optical fiber network reaching the boundary of the living space, such as a box on the outside wall of a home)
- GSM-R: Global System for Mobile communications - Railways, wireless communications standard for railway communication and applications
- HD: High Definition (video format)
- Hybrid TV: refers to the combination of a broadcast and a broadband access for watching TV content on a connected TV set
- ISP: Internet Service Provider
- IRU: Indefeasible Right of Use
- IoT: Internet of Things
- Marketable sites: sites with no active PoS/PoP, but on which TDF has legal rights (incl. framework agreement for rooftops only)
- MNO: Mobile Network Operator
- Mpeg2, Mpeg4: video encoding technologies
- Mux/Muxes: Multiplex, group of TV channels combined in a unique data stream on the same frequency
- OPH: Offices Publics de l'Habitat
- OTT: Over-The-Top, broadband delivery of video/audio directly on the Internet (no ISP involved in the control and distribution of the content itself)
- PIN: Public Initiative Network (fiber network in low density area, co-funded by local authorities)
- PoP: Point of Presence = 1 Telecom client hosted on 1 site (no matter how much equipment of the client is hosted on this site)
- PoS: Point of Service = 1 DTT Mux hosted on 1 site or 1 FM radio hosted on 1 site
- RAN Sharing: Radio Access Network Sharing (2 MNOs share some parts of their mobile networks to reduce their costs)

