

BOUYGUES TELECOM

2 OCTOBER 2024



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A fast changing market

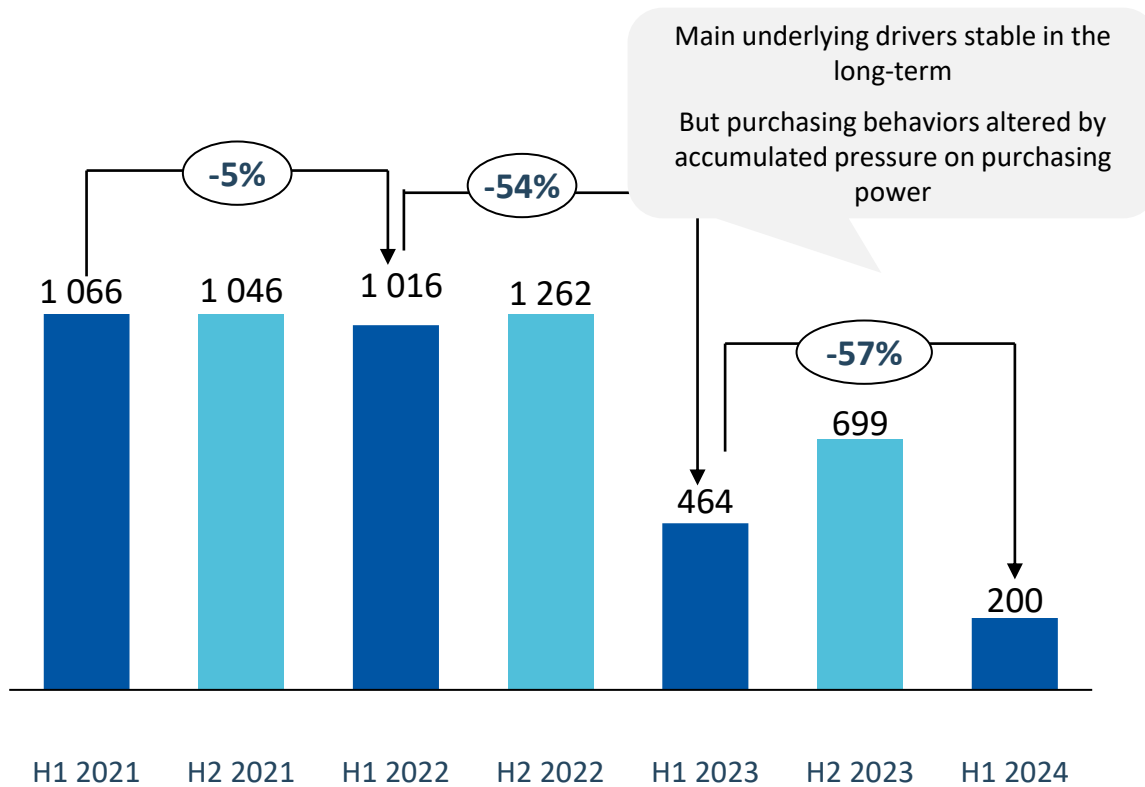
Mobile B2C market: outlook is deteriorating



Mobile B2C: growth slowdown and price pressure in 2024 on the entry level

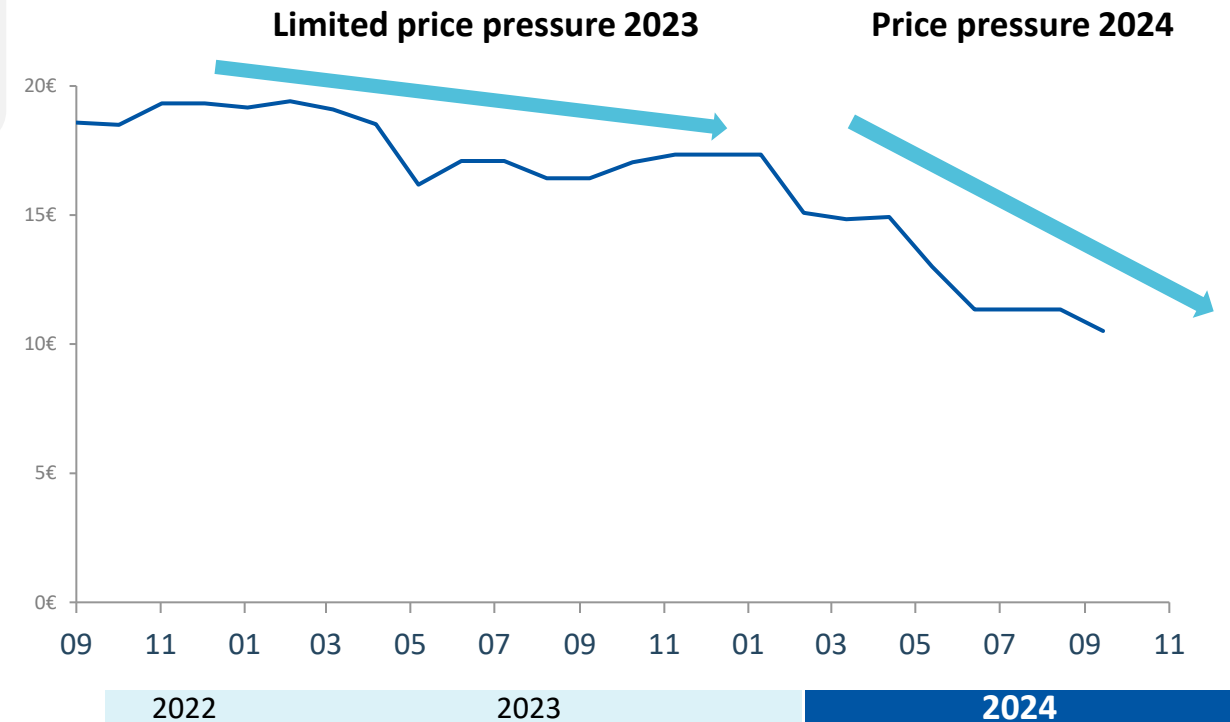
Volume: Mobile postpaid net adds slowdown

H1 2021 – H1 2024, in thousands net adds^a



Value: Price pressure on B2C Mobile entry plans

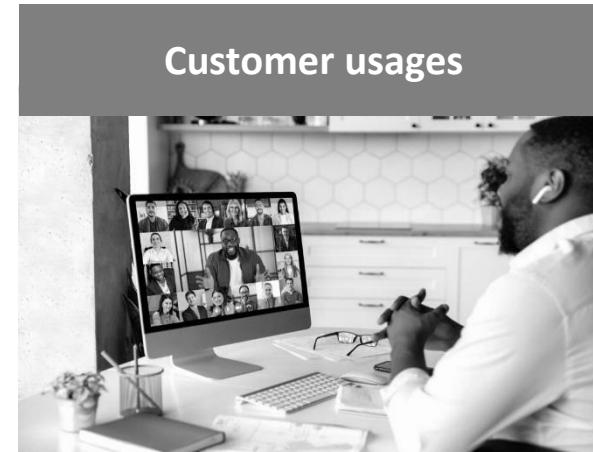
Average price for a new Mobile subscription (residential) >10Go^b



(a) ARCEP figures for France

(b) 24-month average monthly price of Orange, Sosh, SFR, Red, Bouygues Telecom and Free, ARIASE

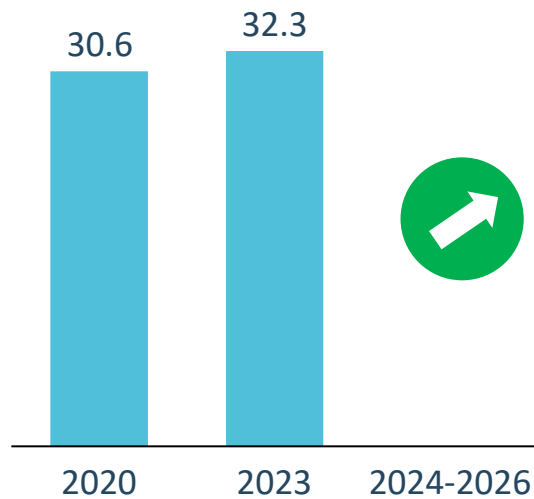
Fixed broadband B2C market: good outlook confirmed



Fixed Broadband B2C market: strong trends in volume and value

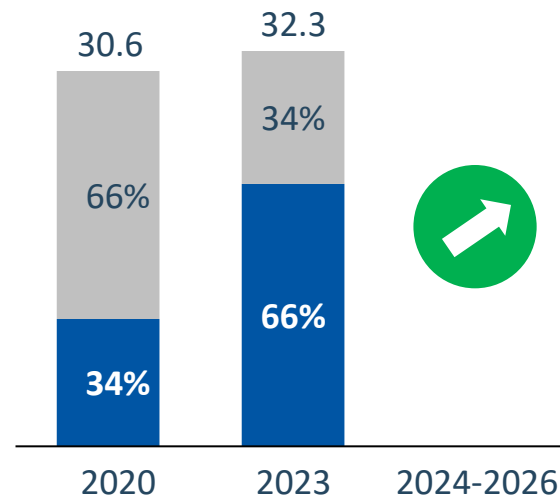
Growth on Fixed market

2020-2023, in million customers



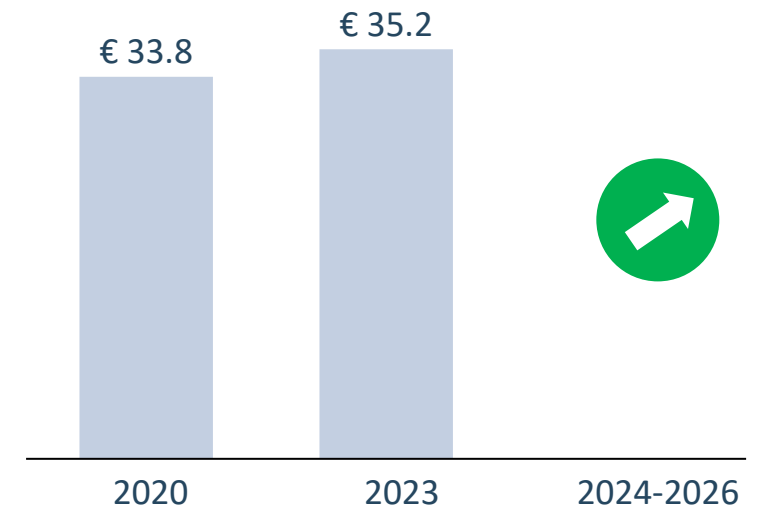
FTTH Penetration

2020-2023, in million customers



Fixed B2C ABPU evolution

In € / subscriber / month



Fixed Market

FttH Other

Market

**Bouygues Telecom is ready to face
the new market context**

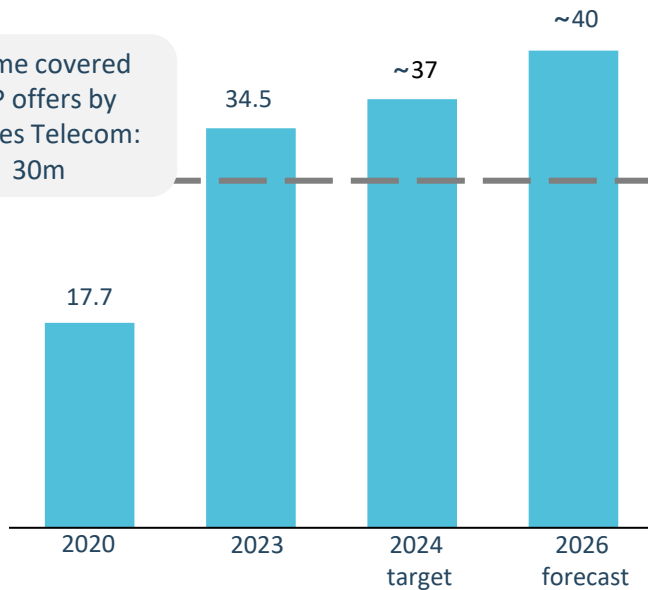
Bouygues Telecom benefits from **solid tailwinds in Fixed B2C** and a **high-quality Mobile network**

1	FTTH footprint	90% French pop coverage Around 37m households will be connected end-2024
2	Broadband products quality	#1 operator on WiFi (nPerf) #1 operator on Fixed broadband (nPerf)
3	Unique brands & channels portfolio	Bouygues Telecom, B.IG, B&YOU, NRJ Mobile, Auchan télécom, ... Bouygues Telecom shops, Darty, Crédit Mutuel-CIC agencies, ...
4	Mobile network	#2 Mobile operator for ten years in a row according to ARCEP survey More than 28k sites end-2024

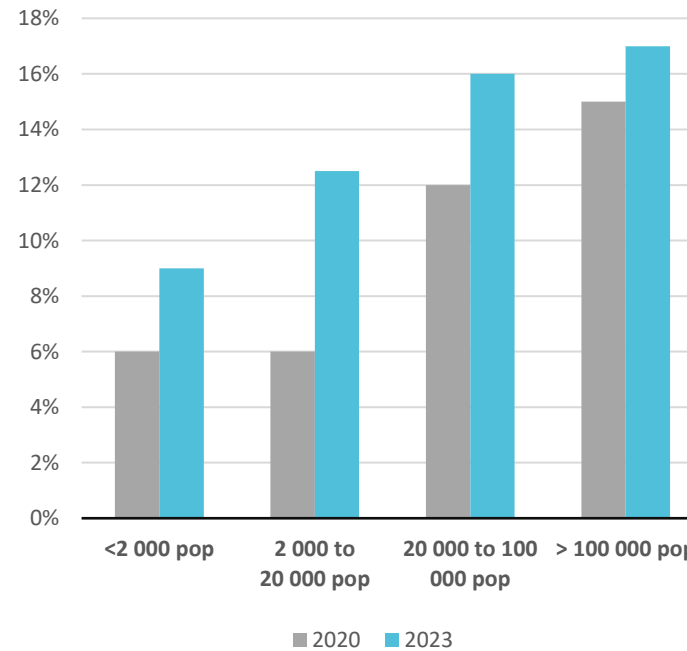
Bouygues Telecom Fiber footprint: higher than DSL, leading to increasing market share in rural areas, and development of B2B in the Fixed

FTTH Homes covered Bouygues Telecom
(in million)

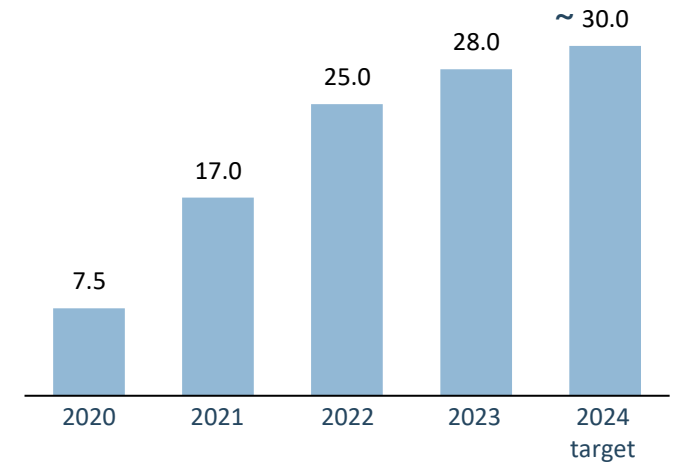
DSL home covered with 3P offers by Bouygues Telecom: 30m



Bouygues Telecom Fixed market share by area



FTTO Homes covered Bouygues Telecom
(in million)



Box's quality: Innovative devices to ramp-up growth in the Fixed segment

- **No. 1 on the Fixed broadband^a, all technologies and all criteria combined, for 2 consecutive times**
- **No. 1 operator on Wifi^b for the 5th consecutive time**
 - **High quality for an excellent customer experience:** faster, seamless and better coverage
 - Latest generation solutions that are more environmentally friendly



Bbox Wifi 6E
The best Wifi



Bbox Wifi 6
The first French internet box to be eco-designed and certified Green Product Mark^c



Box 5G
*Non-fiber clients
95% recycled plastic*



Box Pro Tout-en-Un
For SMEs and microbusinesses

(a) Overall performance of the Fixed Internet, Nperf barometer H1 and FY 2023

(b) Overall performance of the Internet via Wifi, Nperf barometers of 2021, 2022, 2023

(c) By TUV Rheinland

Bouygues Telecom leverages its brands & channels portfolio to excel at addressing market segments

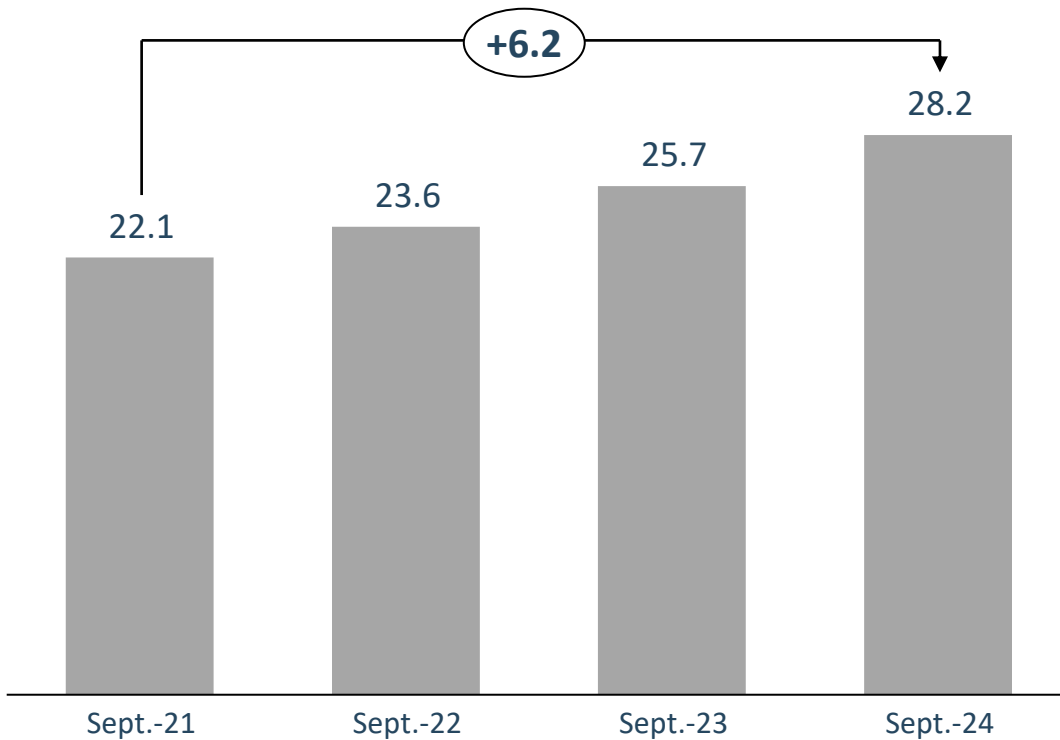


Leverage a unique asset on the market

- ✓ Capacity to address unique customer needs
- ✓ Adaptability to have a nimble pricing strategy vs. competition
- ✓ Ability to innovate through non-core brands portfolio

Mobile network: an increasing number of active Mobile sites offering great footprint on the territory

Bouygues Telecom active sites
09/2021 – 09/2024, in thousands 4G sites



- Bouygues Telecom’s **excellent scores** in ARCEP surveys

- **#2 on average in France for 10 years in a row**
- **#1 in Dense Areas^a** in Mobile internet



- Bouygues Telecom’s **excellent scores** in nPerf surveys

- **Best Mobile internet connection^b all technologies combined**
- **#1 in France^b in latency, YouTube video streaming, upstream debits and internet browsing**

(a) Joint First in Arcep survey 2023: Bouygues Telecom is 1st or 2nd place in dense areas on the 32 measured indicators on Mobile Internet
Joint First in Arcep survey 2022 in voice and text in Dense Area

(b) nPerf survey H1 2024: Bouygues Telecom #1 in latency and YouTube video streaming, joint first on upstream debits and Internet browsing

Adapting the 2024-2026 trajectory to evolving market conditions

Marketing strategy: time to pivot

What we have done for the last 3 years

- Increase ABPU thanks to a more for more pricing approach
- Develop our FTTH network and raise our Fixed products and services to the highest standard
- Maintain our Mobile network at a high level of quality

What is new on the market

- Mobile growth slowdown
- Stronger competitive intensity on Mobile entry offers
- Customers' increasing sensitivity to repricing campaigns
- Broadband becoming more and more important in customers' life

What we want to do

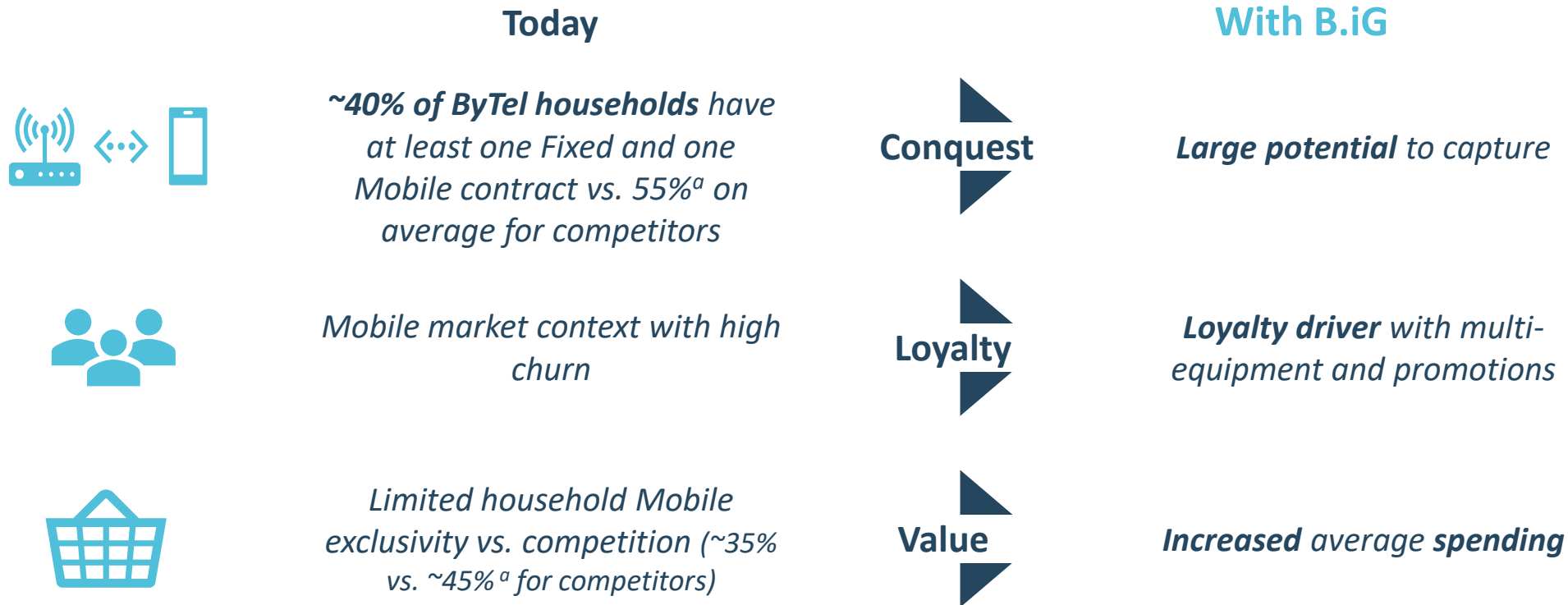
- Leverage on our broadband assets (network and products)
- Increase customers' satisfaction and decrease churn
- Aggregate households with our offers

BiG

Launch on the 7th October 2024

B.iG: a step for a new Fixed-lead value creation

A strategic pivot towards households





B.iG is a step in the **new marketing strategy** for Bouygues Telecom

(a) Source: internal estimations

B.iG: attractive for multi-line converged homes



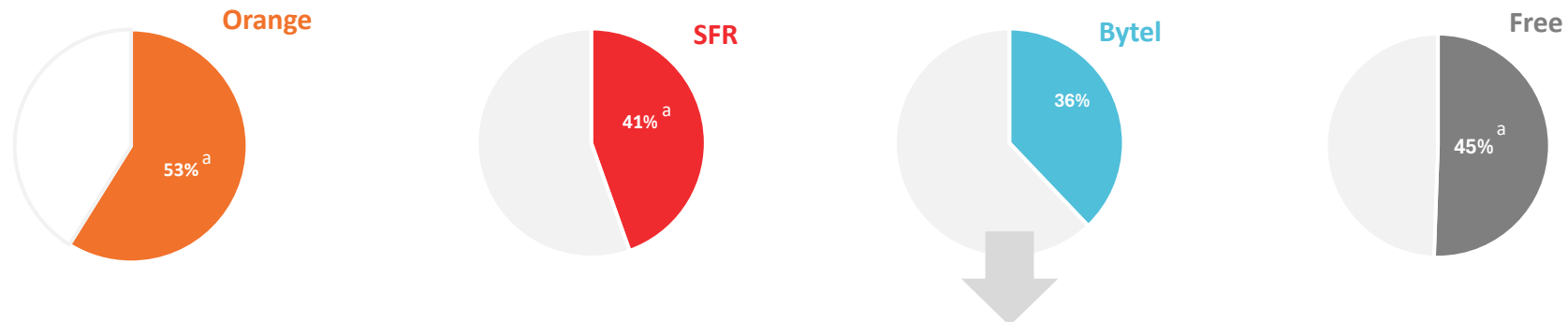
FIXED	MOBILE
<p>A box price that does not change after the first year</p>	<p>Progressive and applicable <u>discounts</u> on <u>all</u> the lines included in the pack</p>
 <p>-€7/month</p>	 <p>-€5/month -€8/month per line -€10/month per line</p>
<p>For a Must / Ultym FTTH acquisition (+ smart TV and Gaming)</p>	<ul style="list-style-type: none">• For a Mobile acquisition 20GB and +• Discounts apply to subscribed lines and lines already held (Mobile plan 20GB and +)

- First "proof" of the new brand positioning to create a **breakthrough in the market**
- The tool of our **new household strategy** that will be embodied across all channels

B.i.G: an opportunity for Bouygues Telecom to catch up with household exclusivity



Operator-exclusive households



- Bytel Fixed households: 3.2 million Mobile lines with another operator
- Bytel Mobile households: 4 million boxes with another operator

(a) Source: internal estimations

B.iG: three pillars



B.iG
savings

Benefit from **low and decreasing prices** on your packages + a Bbox at a price that lasts!



B.iG
solutions

Stay in control whenever you want by activating a “start & stop” feature on your plans and take advantage of the **Giga Boost** for all the little unforeseen events!



B.iG
tranquility

Take advantage of the **Bouygues Telecom application** where everything is centralized: all the lines of the family, your options and the different bank details in case of multi-payers!

Bouygues Telecom confirms delivering sustainable FCF

Due to pressure on Mobile and despite breakthroughs in Fixed & B2B, 2026 services revenue should be slightly below target



(a) Before WCR

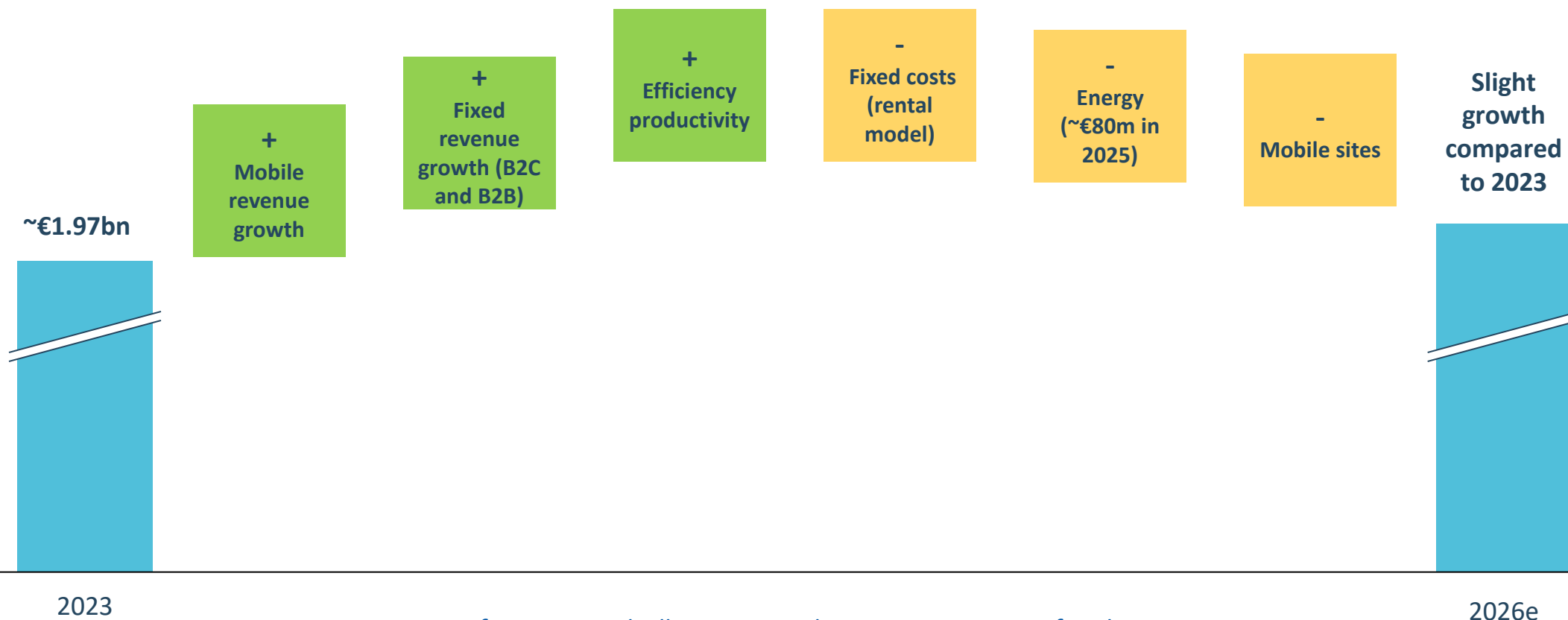
Continuing work to improve efficiency

Cost items	Drivers	2023-26	2026 vs CMD
Fixed rental	# Fixed Clients growth		=
Mobile & Fixed sites rental and tax	# Mobile sites / technology		=
Energy	# Mobile sites - energy price		
Commercial, customer care	# Customers' growth but: gain on subsidy - IA usage for customer care - process simplification - offshorization (Porto)		
Other technical costs	Fixed costs: offshoring (Rabat) - data mining and IA - end of some technologies (2G, DSL)		
General & Administration	Fixed costs: process simplification, lean organization		

(a) Before WCR

EBITDAaL^b growth: slight growth between 2023 and 2026

■ Incremental EBITDAAL



Note: surface are purely illustrative and not representative of real proportions

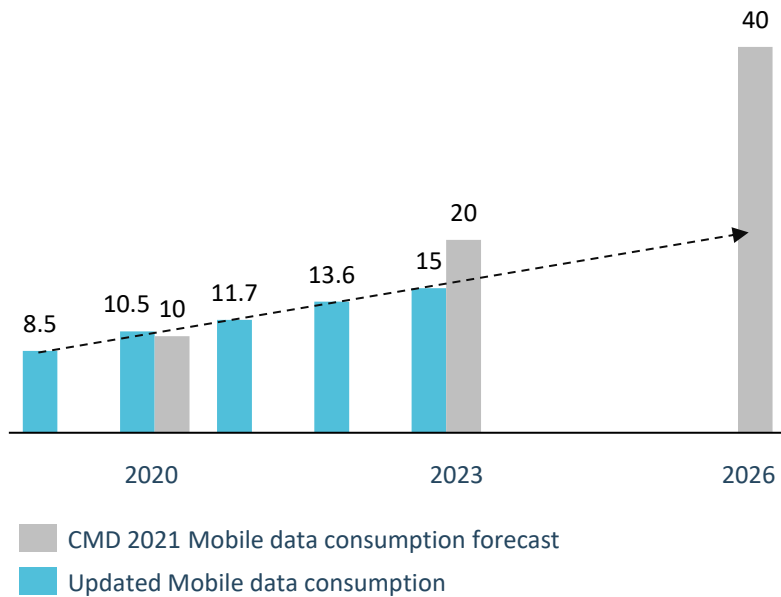
(a) Before WCR
(b) Like-for-like

Capex peak is behind in Mobile and Fixed

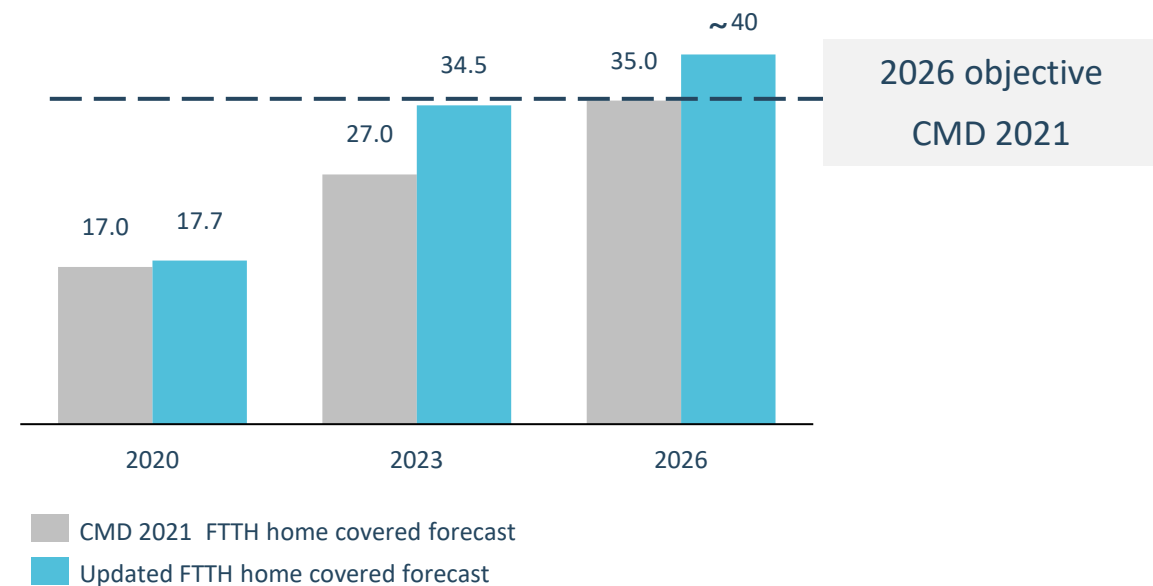
FTTH coverage: target achieved **3 years in advance**

Mobile network: already **well sized** to support growth in usage, **less important than expected**

Mobile data consumption (market - 4G and 5G)
ARCEP & internal market forecasts



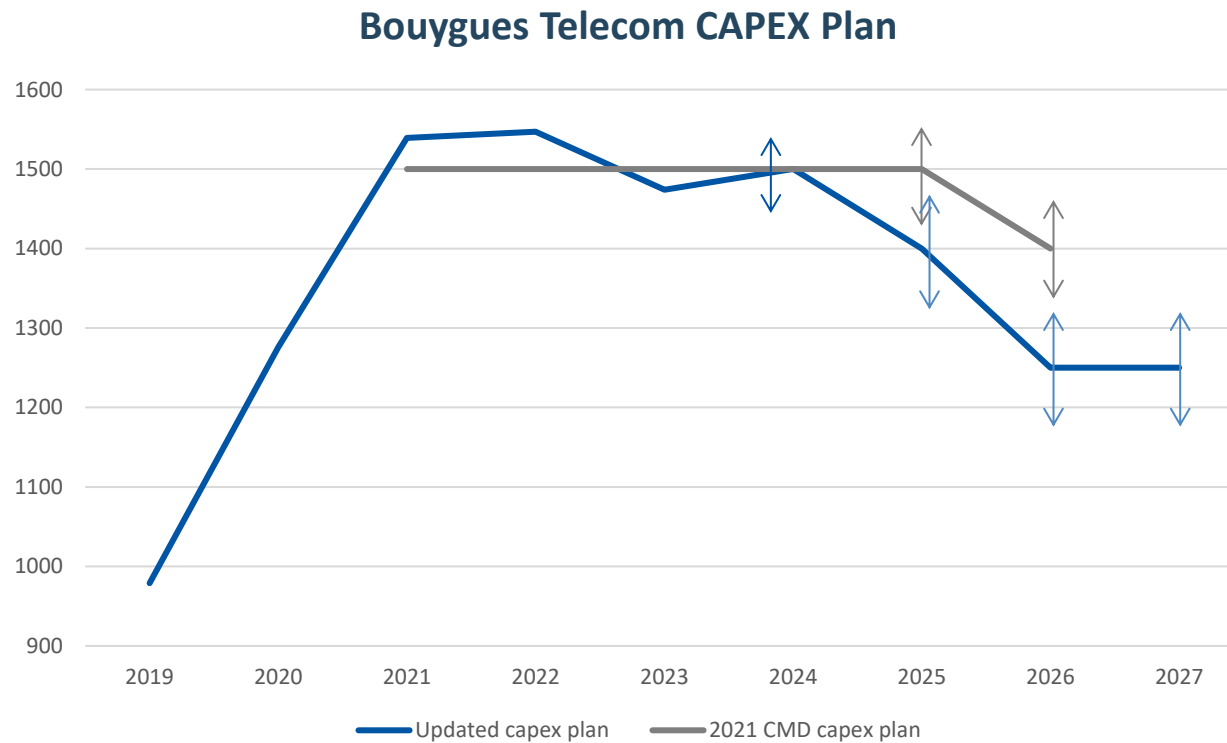
FTTH Home covered by Bouygues Telecom
(in million)



Source: ARCEP figures, Internal data

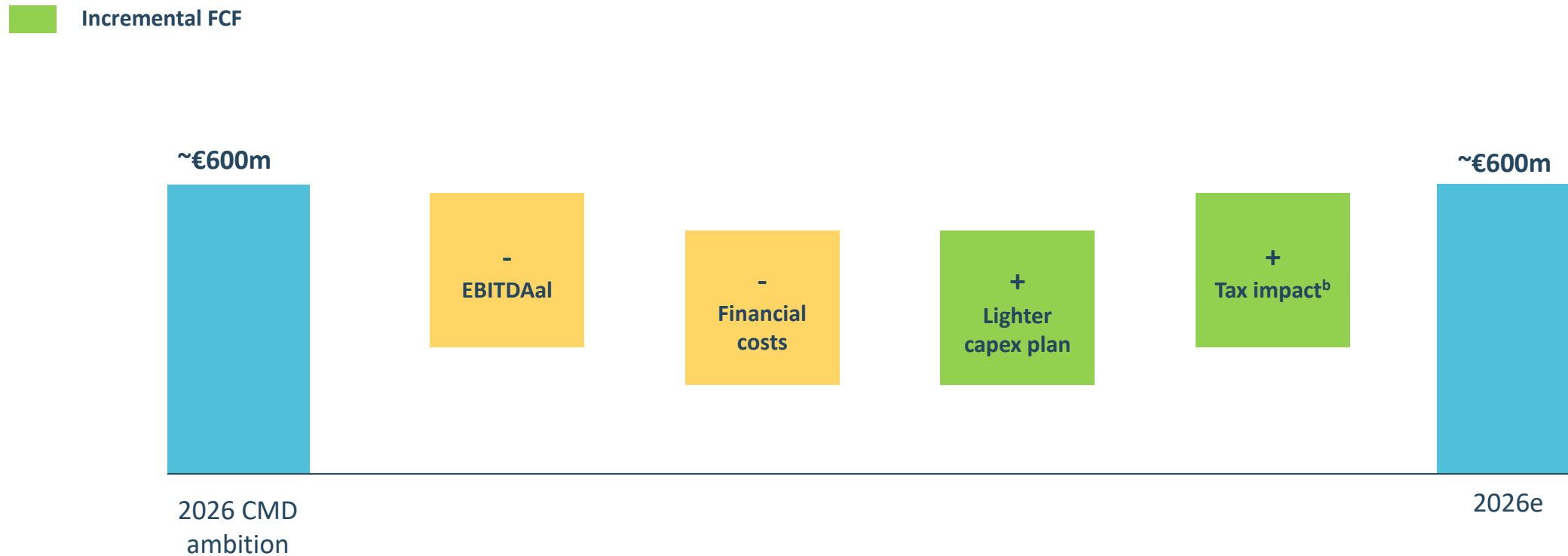
Bouygues Telecom lighter CAPEX plan

Bouygues Telecom can now leverage and capitalize on its strong past investments in the network **while maintaining its high-quality ambitions**, leading to a decrease of around 10% in capex



➔ **2026 gross capex: ~€1.25bn vs ~€1.4bn**

2026 FCF^a ambition is confirmed



Note: surface are purely illustrative and not representative of real proportions

(a) Before WCR. Excluding the impact of changes in taxation

(b) Effect of lower net income before tax, leading to a lower tax income level

Conclusion

In a context of changing market conditions:

- inflation and evolving customer behaviors
- slower growth in the Mobile market and increased competitive intensity

Bouygues Telecom is implementing a new marketing strategy, that will enable it to **achieve a high level of customer satisfaction and generate long-term growth**

Bouygues Telecom is confident in its ability to generate significant cash flow on a sustainable basis and confirms its guidance for FY 2024^b and its target of FCF before WC of around €600m in 2026

(a) Before WCR

(b) An increase in sales billed to customers vs 2023, EBITDAal of above €2bn, gross capex at around €1.5bn (excl frequencies)

Thank you

**on est fait pour
être ensemble**

