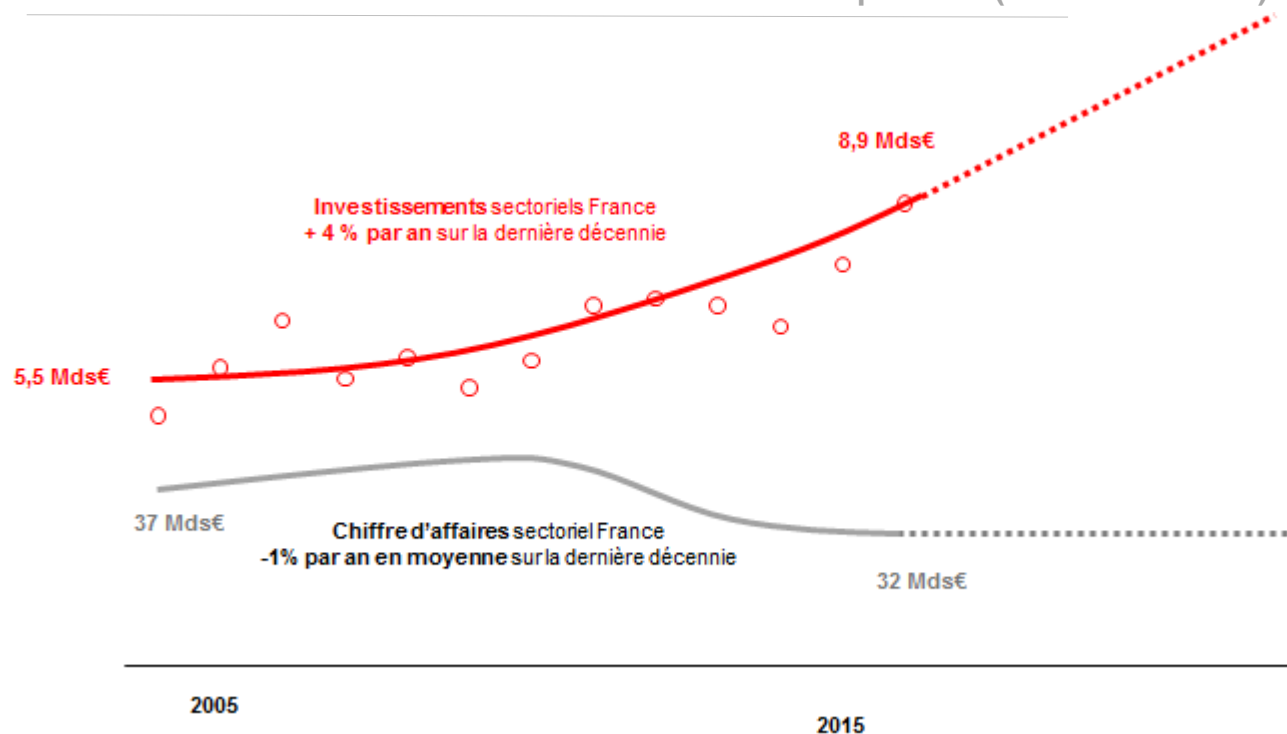


BEREC stakeholders forum

October 2017

Investment is at its highest level in France, despite stagnation of revenues

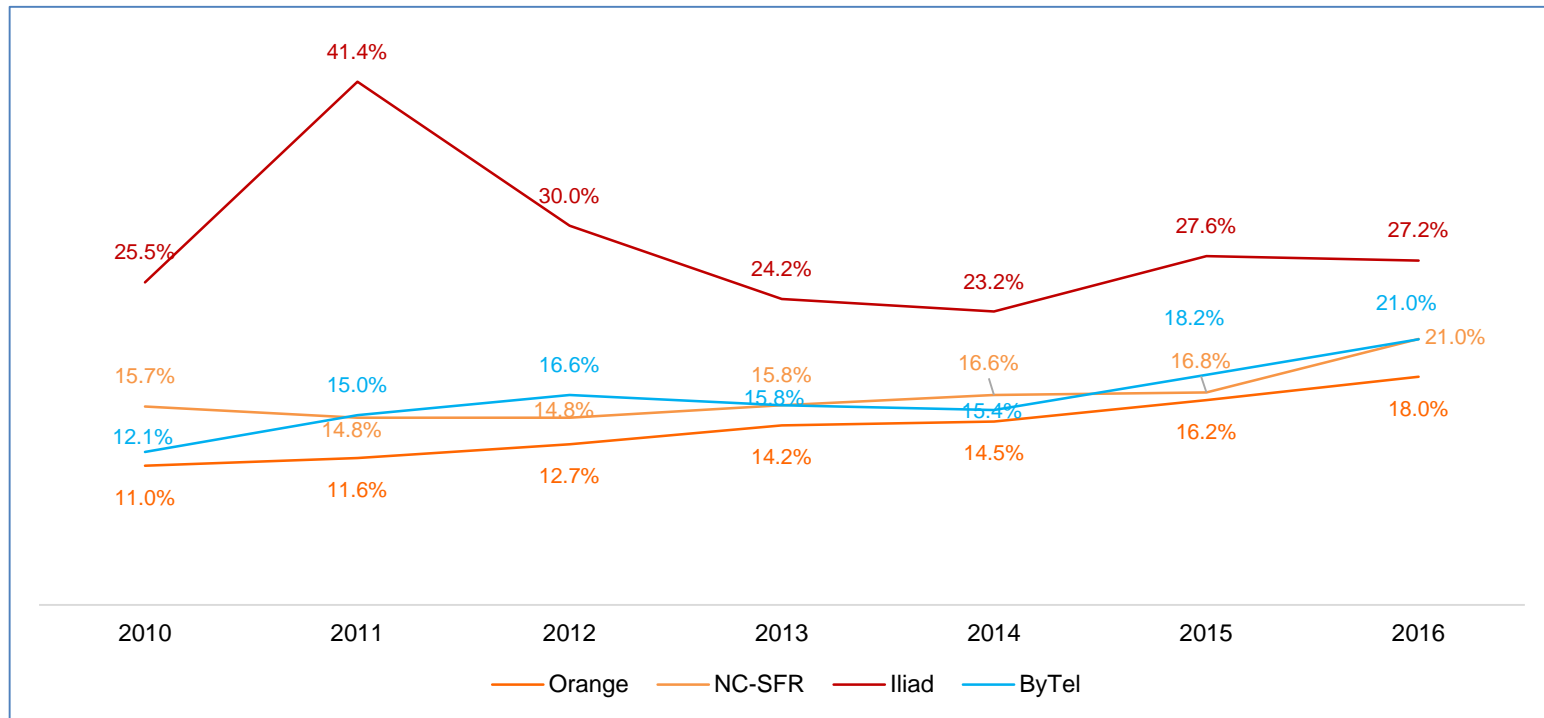
Evolution of the investments and revenues of french operators (fixed and mobile)



The current cycle is characterized by a significant « CAPEX race » for the rapid rollout of NGA networks: FTTH but also 4G and very soon 5G.

Alnets are playing a significant role in the CAPEX race (1/2)

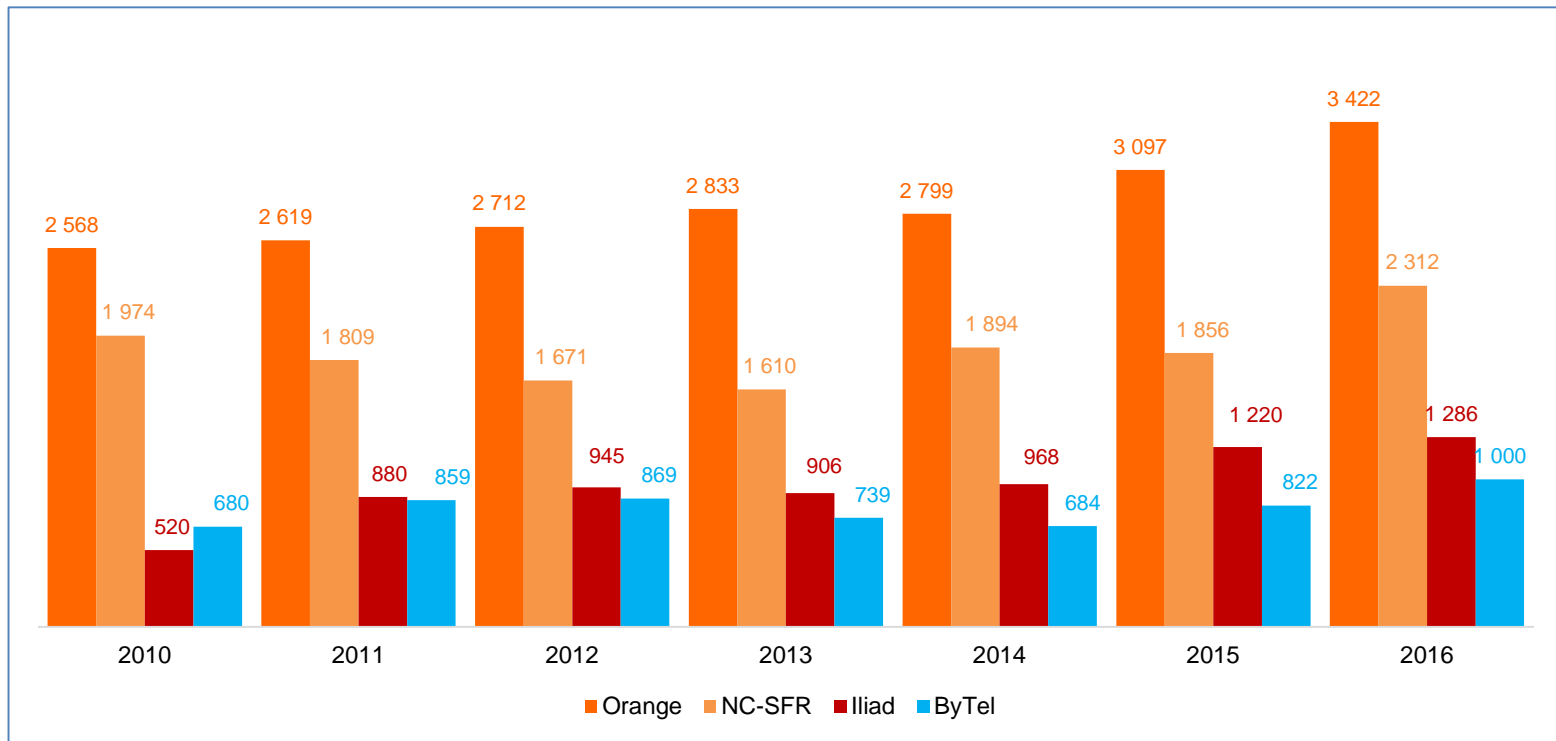
Capex-to-sale per operators (€m), sources operators



Alnets invest more than the incumbent compared to their revenues

Alnets are playing a significant role in the CAPEX race (2/2)

Capex per operators (€m), sources operators

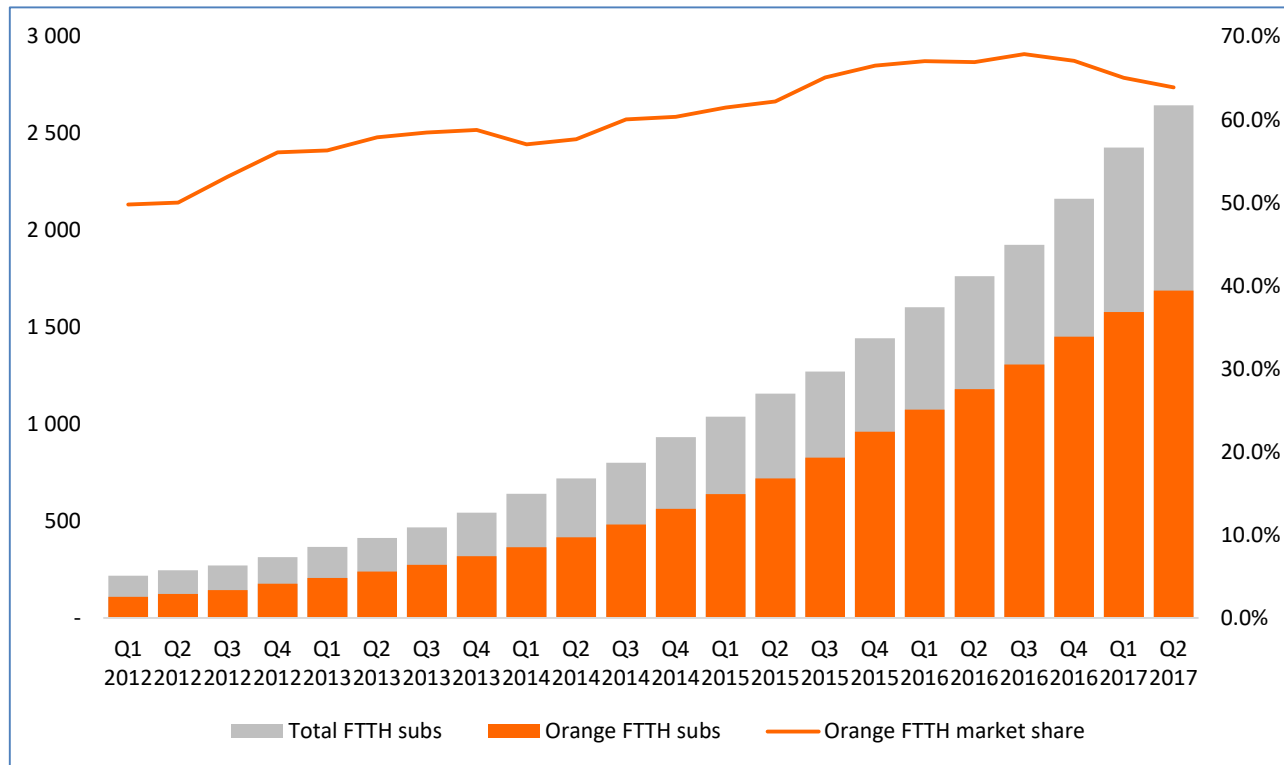


In 2016, alnets have invested €1Bn more than the incumbent

Orange is regaining market shares, thanks to FTTH



FTTH subs and Orange's market shares in FTTH, sources operators and ARCEP



Orange has close to 70% market shares in the FTTH segment

Avoid **deregulations that are not justified** by the competitive situation of the market: complete ex ante deregulation in case of coinvestment offer or lifting of price control obligations.

⇒ Regulatory holydays only lead to investment holydays

Confirm the **symetric regulation** as implemented in France to ensure that all the FTTH networks to be rolled out are indeed open for competition (location and size of the concentration points).

Keep the preference for **passive products** which allow competitor to differentiate.

Give NRAs the power to impose **mobile sharing** where justified.

Ensure pro-competitive conditions **in the allocation and renewal of** spectrum rights of use.