



Bouygues Telecom has signed an exclusivity agreement with La Poste group for the acquisition of the virtual operator La Poste Telecom and a distribution partnership

Paris, 22 February 2024 – 18H30 – Bouygues Telecom has signed an exclusivity agreement with La Poste group, with the aim of :

- acquiring 100% of the capital of its subsidiary La Poste Telecom, the leading virtual operator in the French market (currently 51%-owned by La Poste group and 49%-owned by SFR); and
- concluding an exclusive distribution partnership involving La Poste group, La Banque Postale and La Poste Telecom.

This transaction is fully in line with Bouygues Telecom's growth strategy. It would allow Bouygues Telecom to strengthen its mobile customer base of around 2.3 million individuals with a high level of customer satisfaction. It would also allow Bouygues Telecom to draw on La Poste's distribution network and benefit from a brand that is strong and recognised for its values of trust and proximity. In 2023, La Poste Telecom is expected to generate approximately €300 million in sales and to have 400 employees.

This strategic partnership would allow La Poste Telecom to continue developing its mobile business and build a new fixed offering for its customers, based on the common values of the two partners: quality of service, customer proximity, and respect for employees.

The acquisition price for the shares is €950 million, which will be adjusted based on the timing of the transaction. It corresponds to an enterprise value of €963,4 million.

When the exclusivity period of SFR's wholesale contract ends at the end of 2026, La Poste Mobile's mobile customers will be migrated to Bouygues Telecom's radio network.

Given Bouygues Telecom's radio network capacity, no additional investment would be necessary for the network part. However, Bouygues Telecom plans integration costs (opex/capex) in 2025 and 2026 to prepare for the customer migration in the best possible conditions. Following the migration of customers in 2027, the contribution of the La Poste Telecom acquisition is expected to be approximately €140 million in EBITDAa¹ per year starting in 2028.

¹ EBITDAaL = EBITDA after Leases = Current operating profit after lease (current operating profit after taking account of the interest expense on lease obligations) before net charges for depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets, before net charges to provisions and other impairment losses and before effects of losses of control.

The transaction, to be submitted for consultation with employee representative bodies, is expected to be completed by the end of 2024, subject to:

- obtaining the necessary administrative authorisations, including from the Antitrust Authorities;
- SFR not exercising its pre-emption right.

If this significant transaction closes, Bouygues Telecom will communicate, within the months following its completion at the latest, a new guidance which will replace the Ambition 2026 guidance announced during the Capital Markets Day on 15 January 2021. In 2024, Bouygues Telecom confirms its strategy and remains fully focused on growing its customer base, and improving its results and cash flow generation.

Edward Bouygues, Chairman of Bouygues Telecom, said: "*Bouygues Telecom is pleased with this strong strategic partnership project with La Poste group. This long-term agreement, favourable to both parties, is based on a shared vision and values between our groups which are founded on proximity, trust and respect.*"

Benoît Torloting, CEO of Bouygues Telecom, said: "*Bouygues Telecom is delighted with this transaction and the partnership project with La Poste. Thanks to this agreement, Bouygues Telecom will be able to increase its customer base and strengthen its position in both mobile and fixed services drawing on La Poste's distribution network throughout the country. Bouygues Telecom will bring its expertise and the quality of its fixed and mobile infrastructures to La Poste Mobile, on which La Poste Mobile will be able to draw to continue its development.*"

Disclaimer:

This information was considered by Bouygues SA, before its disclosure, as non-public information within the meaning of the applicable regulations (Article 7.1 of EU Regulation 596/2014, 16 April 2014). Responsible for notification: Didier Casas, General Counsel.

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About Bouygues Telecom

Bouygues Telecom is 90.5%-owned by the Bouygues group. As a full-service electronic communications operator, Bouygues Telecom stands out by providing its 28 million customers access to the best technology has to offer on a daily basis. The very high quality of its 5G and 4G network, which currently covers 99% of the French population, combined with its fixed and Cloud services, provide its customers with simple solutions, enabling them to fully enjoy their digital lives, both in the home and at work, regardless of their location. Bouygues Telecom's 5G network now covers nearly 15,000 municipalities and over 3 out of 4 people in France. Since 2000, Bouygues Telecom has pursued an environmental policy that aims to reconcile improved access to quality digital services for all with a reduction in its environmental impact. In October 2022, the Science Based Targets initiative (SBTi) endorsed Bouygues Telecom's short-term greenhouse gas reduction targets for the period 2021-2027. #OnEstFaitPourEtreEnsemble www.corporate.bouyguetelecom.fr