

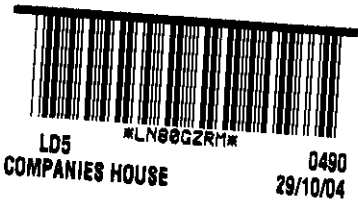
Company Number: 3856936

ORANGE INTERNATIONAL LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED

31 DECEMBER 2003



ORANGE INTERNATIONAL LIMITED

ANNUAL REPORT FOR THE YEAR ENDED
31 DECEMBER 2003

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ORANGE INTERNATIONAL LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2003.

Principal activities, business review and future developments

The principal activity of the Company is to act as a holding company for its subsidiary undertaking.

In March 2003, the Company's intermediate parent company, Orange S.A., began a group reorganisation project involving changes to its operating and corporate structure. The corporate restructuring is being effected by bringing the Orange S.A. group's international operations outside France and the UK under a single management organisation and by grouping those Rest of the World entities under a UK holding company, Orange Global Limited, a wholly owned subsidiary of Orange S.A..

Therefore, on 11 March 2003 ownership of Orange Holdings Limited, the Company's immediate parent company, was transferred from Orange plc to Orangedot Limited. Furthermore, on 17 March 2003 ownership of Orange Holdings Limited was transferred from Orangedot Limited to Orange Global Limited.

Results for the year

The profit for the year was £45,612,000 (2002: £70,000 loss).

Detailed results for the year are shown in the profit and loss account on page 4.

Dividends and transfer to reserves

No dividends were paid during the year (2002: £nil). The directors do not recommend the payment of a final dividend (2002: £nil).

The profit for the year of £45,612,000 (2002: £70,000 loss) has been transferred to reserves.

Directors

The directors who held office during the year, and up to the date of signature, are given below :

	<i>date appointed</i>	<i>date resigned</i>
T W Cohen		17 February 2003
M F Latimer		17 February 2003
P McAllister		17 February 2003
Orange plc	17 February 2003	

No personal director had any interest in the share capital of the Company or any Orange Global Ltd group companies.

Research and Development

There were no research and development activities undertaken by the Company during the year.

ORANGE INTERNATIONAL LIMITED

DIRECTORS' REPORT (continued)

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

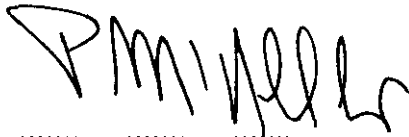
The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2003 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Following the resignation of PricewaterhouseCoopers LLP as auditors on 6 August 2003, the directors have appointed its successor Ernst & Young LLP. Ernst & Young LLP have indicated their willingness to continue in office.

By order of the board



.....
Philippe McAllister
On behalf of Orange plc, Director

Date: 26.10.04

Registered Office:
St. James Court
Great Park Road
Almondsbury Park
Bradley Stoke
Bristol BS32 4QJ

Independent Auditors' Report

To the members of Orange International Limited

We have audited the company's financial statements for the year ended 31 December 2003, which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 14. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2003, and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Registered Auditor
1 More London Place
London, SE1 2AF



26 October 2004

ORANGE INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	<u>2003</u>	<u>2002</u>
		<u>£'000</u>	<u>£'000</u>
Administrative Expenses		-	(70)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		-	(70)
Tax on profit / (loss) on ordinary activities	5	<u>45,612</u>	-
PROFIT / (LOSS) FOR THE YEAR	10	<u>45,612</u>	<u>(70)</u>

All activities relate to continuing operations.

The Company has no recognised gains or losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

ORANGE INTERNATIONAL LIMITED

BALANCE SHEET AT 31 DECEMBER 2003

	<u>Notes</u>	<u>2003</u> £'000	<u>2002</u> £'000
FIXED ASSETS			
Investments	6	-	-
CURRENT ASSETS			
Debtors: Amounts falling due after one year	7	254,353	254,353
CREDITORS: Amounts falling due within one year	8	<u>(4,653)</u>	<u>(50,265)</u>
NET CURRENT ASSETS		<u>249,700</u>	<u>204,088</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		249,700	204,088
NET ASSETS		<u>249,700</u>	<u>204,088</u>
CAPITAL AND RESERVES			
Called up share capital	9	914,020	914,020
Profit and loss account	10	<u>(664,320)</u>	<u>(709,932)</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS	11	<u>249,700</u>	<u>204,088</u>

The financial statements on pages 4 to 9 were approved by the board of directors on 26 October 2004 and are signed on its behalf by:



.....
Neal Milsom
on behalf of Orange plc, Director

ORANGE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1. Accounting policies

(a) Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

In accordance with Financial Reporting Standard 18: "Accounting Policies", the directors have reviewed the accounting policies set out below and are of the opinion that they are appropriate for the purpose of giving a true and fair view of the results of the Company for the year ended 31 December 2003.

(b) Consolidation

The Company is exempt from preparing Group Financial statements under Section 228 of the Companies Act 1985 as it is a wholly owned subsidiary undertaking. Accordingly, these financial statements present information about the Company and not its Group.

(c) Foreign currencies

Transactions in foreign currencies are recorded at the exchange rates ruling on the dates of those transactions, adjusted for the effects of any hedging arrangements. Foreign currency monetary assets and liabilities are translated into sterling at year-end rates.

(d) Deferred taxation

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding commitment to sell the asset, or on the unremitted earnings of subsidiaries, associates and joint ventures where there is no binding agreement to distribute these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

(e) Investments

Investments, held as fixed assets, comprise equity shareholdings and are stated at cost less provision for any permanent diminution in value. Income is recognised upon receipt of dividends when receivable.

(f) Impairment

If a significant indicator of a possible impairment is noted, the need for any fixed asset impairment provision is assessed by comparison of the carrying value of the asset against the higher of net realisable value and value in use. The value in use is determined from estimated discounted future cash flows. Discount rates are based on the circumstances applicable in each case.

(g) Pension and other post retirement obligations

Orange in the United Kingdom operates two defined contribution schemes for its eligible employees and directors. The Company's contributions to the pension scheme are charged to the profit and loss account in the year to which they relate.

2. Cash flow statement and related party disclosures

The Company is a wholly owned subsidiary of Orange S.A. and is included in the consolidated financial statements of Orange S.A., which are publicly available. Consequently the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996).

The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Orange S.A. group, an intermediate parent company, or investees of the Orange S.A. group.

ORANGE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

3. Employees

The Company had no employees in 2003, and therefore no employee costs have been incurred (2002: £nil)

4. Directors' emoluments

Orange in the United Kingdom is managed on a unified basis. Orange Personal Communications Services Limited hosts the employment contracts and operates the payroll on behalf of the Company and other holding companies in the UK. The emoluments of Mr. McAllister are not disclosed here as it is not practical to split his remuneration between the services provided to the Company and other UK companies. His remuneration is fully disclosed in the financial statements of Orange plc. The emoluments of Messrs Latimer and Cohen are not disclosed here as their emoluments are fully disclosed in Orange Holdings Limited, the immediate parent company.

During the year three directors (2002: five) participated in the two group defined contribution pension schemes.

5. Tax on profit / (loss) on ordinary activities

	<u>2003</u> £'000	<u>2002</u> £'000
Current tax		
UK corporation tax on profit / (loss) of the year	-	-
Adjustment in respect of previous years	(45,612)	-
	<u>(45,612)</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	-	-
	<u>(45,612)</u>	<u>-</u>
Tax on profit / (loss) on ordinary activities	<u>(45,612)</u>	<u>-</u>

The tax assessed for the period is lower than (2002: higher than) the UK standard rate of corporation tax (30%). The differences are explained as follows :

	<u>2003</u> £'000	<u>2002</u> £'000
Profit / (Loss) on ordinary activities before taxation	<u>-</u>	<u>(70)</u>
Profit / (Loss) on ordinary activities multiplied by UK standard rate of corporation tax (30%) (2002: 30%)	-	(21)
Factors affecting the charge / (credit) :		
Adjustment in respect of previous years	(45,612)	-
Disallowable expenses	-	21
Corporation tax charge / (credit) for the year	<u>(45,612)</u>	<u>-</u>

There is no unprovided deferred taxation.

ORANGE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

6. Investments

	Shares in Subsidiary Undertakings £'000
Cost:	
1 January 2003	70
Movements in the year	-
31 December 2003	<u>70</u>
Amounts provided:	
1 January 2003	(70)
Impairment loss in the year	-
31 December 2003	<u>(70)</u>
Carrying value at 31 December 2003	<u>-</u>
Carrying value at 31 December 2002	<u>-</u>

Details of the subsidiary undertaking in which the company holds 20% or more of the nominal value of the ordinary issued share capital is as follows:

Name of company	Country of incorporation and operation	Principal activity	Percentage shareholding
Orange International B.V.	Netherlands	Non-trading	100%

7. Debtors

	2003 £'000	2002 £'000
Amounts due from subsidiary undertakings	56	42
Amounts due from parent undertaking	-	254,311
Amounts due from associate undertaking	<u>254,297</u>	<u>-</u>
	<u>254,353</u>	<u>254,353</u>

8. Creditors: amounts falling due within one year

	2003 £'000	2002 £'000
Corporation Tax	4,653	50,264
Other Creditors	-	1
	<u>4,653</u>	<u>50,265</u>

9. Share capital

	2003		2002	
	Number	£'000	Number	£'000
Authorised ordinary shares of £1	<u>1,000,000,000</u>	<u>1,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid ordinary shares of £1	<u>914,020,000</u>	<u>914,020</u>	<u>914,020,000</u>	<u>914,020</u>

ORANGE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

10. Reserves

	Profit and Loss Account £'000
1 January 2003	(709,932)
Profit for the year	45,612
31 December 2003	<u>(664,320)</u>

The auditors' remuneration was borne by Orange Global Limited, an intermediate parent.

11. Reconciliation of movements in shareholders' funds

	2003 £'000	2002 £'000
Profit / (Loss) for the year	45,612	(70)
Shareholders' funds as at 1 January	<u>204,088</u>	<u>204,158</u>
Shareholders' funds as at 31 December	<u>249,700</u>	<u>204,088</u>

12. Financial support

It is the intention of the shareholders of Orange S.A., a group company, to make available sufficient funds to allow the Company to meet its obligations as they fall due for a period of at least one year from the date of these financial statements.

13. Contingent liabilities

After reviewing available information relating to contingent liabilities and consulting with the Company's legal counsel, management considers that there are no matters likely to have a material effect on the Company's financial condition, results of operations or liquidity.

14. Ultimate parent undertaking

The immediate parent undertaking is Orange Holdings Limited, a company incorporated in the United Kingdom. The parent undertaking of the smallest group to consolidate these financial statements is Orange S.A., a company incorporated in France.

The ultimate parent undertaking and controlling party at 31 December 2003 is France Telecom S.A., which is the parent undertaking of the largest group to consolidate these financial statements. France Telecom S.A. is a company incorporated in France. Copies of France Telecom S.A. consolidated financial statements can be obtained from the General Counsel at 6 place d'Alleray, 75505 Paris Cedex 15, France.