

**Press release**

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**Orange Luxembourg increases its profitability to accelerate its investments in Luxembourg**

**Orange Luxembourg consolidates customer base and development in Luxembourg while providing good roaming deals to its customers.**

The market for mobile telephony in Luxembourg was subject to strong competition. Orange Communications Luxembourg occupies the third place in terms of mobile market share.

The total turnover amounted to 75.6 million euro at the end of 2013, an increase of 0.1 % compared to the 75.5 million euro of 2012. Excluding the 0.75 million euro roaming regulator impact, the total revenues would amount to 76.4 million euro, an increase of 1.1 %.

The EBITDA of Orange Communications Luxembourg S.A. grew by 15.1 % compared to 2012. This positive result was realized despite the introduction of roaming in the tariff plans and the start-up costs linked to the launch of its new converged offering following the deal it has signed with the cable company Eltrona Telecom

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| **Key financial figures of Orange Communications Luxembourg S.A.** | **Full Year 2013** | **Full Year 2012** | **Variation** |
| Total turnover (million €) | 75.6 | 75.5 | +0.1 % |

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| **Key operating figures of Orange Communications Luxembourg S.A.** | **Full Year 2013** | **Full Year 2012** | **Variation** |
| Total number of active customers (mobile telephony) ([[1]](#footnote-1)) | 102,179 | 105,805 | -3.4 % |
| ARPU([[2]](#footnote-2)) (€/month/active customer) | 50.15 | 51.88 | -3.3 % |

At the end of December 2013, Orange Communications Luxembourg S.A. had a total of 102,179 active mobile telephony customers, a decline of 3.4 % compared to the 105,805 active customers recorded a year earlier. However, compared to the weaker third quarter, the subscriber base rebounded slightly in the fourth quarter. Particularly the postpaid residential customer base performed solid towards the end of the year, driven by the commercial success of the enhanced tariff plans, all now including international calls, roaming and even 4G for the higher-end. The ARPU amounted to 50.15 euro per month per active customer at the end of 2013, compared to 51.88 euro during the same period a year earlier. The ARPU decline is largely explained by lower roaming revenues following the launch of Hello Europe (allowing roaming calls and SMS, within the subscriptions) and the introduction of SIM-only offers on the Luxembourg market. The business segment, which suffered from high churn during the first six months of 2013, was able to show a stabilization in the second half of the year, thanks to the renewal of some big corporate contracts and the launch of a “smartpro” offer in the 17 Orange shops.

Since October 2013, Orange Communications Luxembourg offers 4G to its customers within a set of tariff plans. 4G is included in Hello Europe Flat Surf and Hello Europe All Inclusive packages. Customers can also activate 4G with other packages. 4G is also available with “Internet Everywhere” packages which allow customers to use the Orange 4G network on their laptops or tablets. The company accelerated its 4G deployment plan, aiming a 90 % population coverage by beginning 2015.

In November 2013, Orange Communications Luxembourg started to commercially leverage the deal it has signed with the cable company Eltrona Telecom, to offer its customers convergent services combining mobile and fixed telephony, broadband Internet access via mobile and cable and a completely new television offer. The preliminary results are very encouraging as almost 30 % of the customers opting for this quad-play offering are new customers without prior mobile subscriptions with Orange Communications Luxembourg.

In terms of networks, 18 new sites with not less than 46 antennas have been deployed in the country in 2013, aiming to increase the coverage of the network to provide the connectivity everywhere with the latest technologies, less energy consumption and ready to accept the drastic increase of data traffic in the country. This program will be continued in 2014.

*“Offering to the clients, according to their needs, the latest innovations, in terms of networks, services and tariffs especially in roaming is part of our consolidation work to ensure our growth in Luxembourg. In a saturated market, it is essential to provide the latest services and technologies to the customers expecting value for money and a high level of service. Our brand ambition is to be the European operator, with strong roots in Luxembourg. This explains why we always consider partnership with Luxembourgish companies when relevant”* said Werner De Laet, CEO of Orange Luxembourg.

About Orange in Luxembourg

Orange Communications Luxembourg s.a. is a fully converged telecom operator offering for both, the B2B and B2C market, fixed, mobile and ADSL services in Luxembourg. The company is a 100% subsidiary of Mobistar s.a. and has been operating on the Luxembourgish telecom market since May 2004.

Contact: thierry.iafrate@orangeluxembourg.lu

1. The number of active customers no longer includes the ´machine-to-machine´ cards. [↑](#footnote-ref-1)
2. Average Revenue Per User (smoothed average of the previous 12 months), excluding MVNOs and M2M cards. [↑](#footnote-ref-2)