



Financial release



FINANCIAL REPORT FIRST HALF 2023

MANAGEMENT REPORT

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CONSOLIDATED FINANCIAL STATEMENTS AND NOTES



MANAGEMENT REPORT

ANALYSIS OF THE GROUP'S BUSINESS AND RESULTS

KEY CONSOLIDATED FINANCIAL DATA

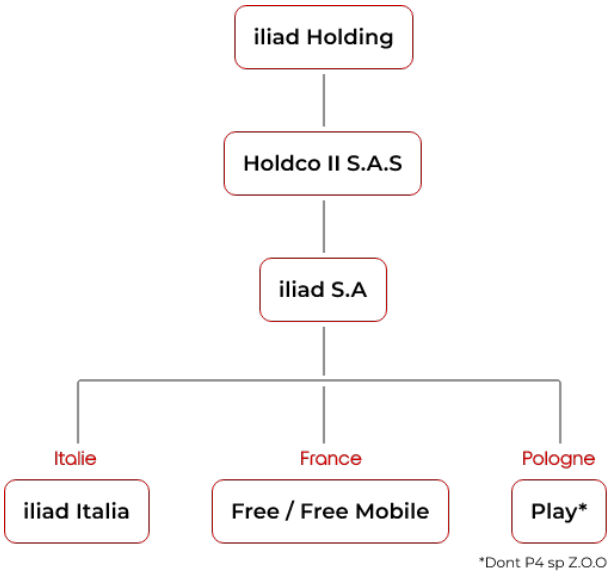
<i>In € millions</i>	H1 2023	H1 2022
INCOME STATEMENT		
Total revenues	4,442	4,024
<i>EBITDAaL</i>	1,641	1,576
Profit from ordinary activities	612	658
Profit for the period	189	575
BALANCE SHEET		
	June 30, 2023	Dec. 31, 2022
Non-current assets	22,417	21,100
Current assets	4,352	3,234
<i>Of which cash and cash equivalents</i>	987	530
Assets held for sale	21	1,470
Total assets	26,790	25,804
Total equity	2,351	2,178
Non-current liabilities	18,302	18,681
Current liabilities	6,136	4,925
Liabilities held for sale	0	19
Total equity and liabilities	26,790	25,804
Net debt¹	14,066	14,685
CASH FLOWS		
	H1 2023	H1 2022
Cash flows from operations	1,932	1,764
Right-of-use assets and interest expense on lease liabilities - IFRS 16 impact	(479)	(441)
Capital expenditure excluding payments for frequencies - Group	(1,040)	(1,020)
Payments for frequencies - Group	(46)	(39)
Income tax paid	(111)	(403)
Net interest paid	(364)	(248)
Other (including impact of changes in scope of consolidation)	762	(219)
Net change in cash and cash equivalents - Group (excluding change in net debt and dividends)	792	(731)
Dividends paid to owners of the Company	(34)	(19)

¹ Short- and long-term financial liabilities less cash and cash equivalents

1 OVERVIEW

iliad Holding, which is wholly owned and controlled by Xavier Niel, indirectly controls iliad through HoldCo II. It acts as a management holding company for iliad and its subsidiaries (together, the "iliad Group"), which operate under the Free brand in France, the iliad brand in Italy and the Play brand in Poland, playing a major role in defining the overall business strategy for the Group and its strategic pathways.

Structure of the iliad Holding Group



The iliad Group (the "Group") is one of Europe's leading electronic communications players, with 47.0 million subscribers, €8.8 billion in revenues over the last twelve months and over 16,700 employees.

The following key performance indicator is used in this management report:

EBITDAaL: Profit from ordinary activities before depreciation, amortization and impairment of property, plant and equipment and intangible assets, and the impact of share-based payment expense.

See the H1 2023 management report issued by the iliad Group for more information on the Group's performance in each of its host countries (notably revenues, business indicators, EBITDAaL, profit from ordinary activities and capex).

2 KEY FIGURES FOR THE FIRST HALF OF 2023

The key figures for the first half of 2023 are as follows:

<i>In € millions</i>	H1 2023	H1 2022	% change
Consolidated revenues	4,443	4,024	+10.4%
France	2,918	2,710	+7.7%
Italy	496	442	+12.2%
Poland	1,036	879	+17.9%
<i>Intra-group sales</i>	(7)	(6)	+15.4%
Consolidated EBITDAaL	1,641	1,576	+4.1%
France	1,109	1,089	+1.8%
Italy	117	87	+34.5%
Poland	415	399	+3.9%
Consolidated capex¹	1,040	1,020	+1.9%
France	785	716	+9.7%
Italy	122	198	-38.3%
Poland	133	107	+24.5%
Operating free cash flow (<i>EBITDAaL less capex</i>)	601	249	+141.2%
France	324	162	+100.2%
Italy	(5)	(54)	-91.4%
Poland	282	142	+99.2%
	June 30, 2023	Dec. 31, 2022	Variation
Net adjusted financial debt ²	13,959	14,563	(604)
LTM ³ EBITDAaL	3,365	3,343	22
Leverage ratio (LTM EBITDAaL)	4.1x	4.4x	-0.3x

EUR/PLN exchange rate: 4.62441 for H1 2023 and 4.6354 for H1 2022

(1) Excluding payments for frequencies

(2) Net adjusted financial debt as per the presentation in iliad Holding OM

(3) LTM: Last Twelve Months

3 COMPARISON OF RESULTS FOR H1 2023 AND H1 2022

<i>In € millions</i>	H1 2023	H1 2022	% change
Revenues	4,442	4,024	+10.4%
Purchases used in production	(1,241)	(1,203)	+3.2%
Payroll costs	(301)	(265)	+13.3%
External charges	(778)	(587)	+32.7%
Taxes other than on income	(127)	(114)	+11.3%
Additions to provisions	(43)	(42)	+4.5%
Other income and expenses from operations, net	118	156	-24.5%
Depreciation of right-of-use assets	(428)	(393)	+9.0%
EBITDAaL	1,641	1,576	+4.1%
<i>EBITDAaL margin</i>	<i>36.9%</i>	<i>39.2%</i>	<i>-230 bps</i>
Share-based payment expense	(21)	(6)	NM
Depreciation, amortization and impairment of non-current assets	(1,008)	(912)	+10.5%
Profit from ordinary activities	612	658	-7.0%
Other operating income and expense, net	63	303	-79.0%
Operating profit	676	961	-29.7%
Finance costs, net	(369)	(239)	+54.1%
Other financial income and expense, net	(116)	(103)	+12.9%
Interest expense on lease liabilities	58	15	NM
Corporate income tax	(94)	(108)	-13.2%
Share of profit of equity-accounted investees	35	50	-30.7%
PROFIT FOR THE PERIOD	189	575	-67.2%

(a) Analysis of results – Group

(i) Revenues

Consolidated revenues advanced 10.4% year-on-year in the first half of 2023 (7.6% on a pro forma like-for-like basis²) driven by revenue increases in all three of our geographies (12.2% in Italy, 7.7% in France and 5.6% in Poland on a pro forma like-for-like basis).

(ii) Payroll costs

Payroll costs rose 13.3% (or €35 million) with Poland contributing more than 40% of the increase due to the consolidation from Q1 2022 of UPC Polska and the impact of local inflation on salary increases.

(iii) External charges

External charges rose by 32.7% year-on-year to €778 million. The increase in this item was mainly attributable to higher energy costs which nearly doubled in France and Poland year-on-year and rose by around 25% in Italy (commodity price inflation combined with higher volume of active equipments in our fixed and mobile networks) and higher maintenance costs in our three geographies as we expand our networks.

(iv) Taxes other than on income

Taxes other than on income totaled €127 million, up 11.3% year-on-year, as a result of the larger number of mobile sites in France leading to a double digit increase in IFER tax payments.

(v) Additions to provisions

Additions to provisions for bad debts, impairment of inventories and contingencies amounted to €43 million in H1 2023, up €2 million year-on-year.

(vi) Other income and expenses from operations, net

This item represented net income of €118 million in H1 2023, down €38 million year-on-year. The decrease mainly reflects the lower recognition of gains generated from the sale of sites in connection with build-to-suit programs in our three geographies.

(vii) Depreciation of right-of-use assets

Depreciation of right-of-use assets totaled €428 million in H1 2023, a 9.0% year-on-year increase. This item results from the Group's application since January 1, 2019 of IFRS 16, Leases and part of the increase reflects the migration from the unbundling / copper business model to FTTH and the related MSA with IFT (that Iliad S.A. owns at 49%).

(viii) Profit for the period

Profit for the period declined by 67.2% to €189 million. The main drivers of the decline in the first half of 2023 were i) the recognition in Q1 2022 of a non-recurring gain of €330 million on the sale of the Group's remaining 30% interest in On Tower France to Cellnex, ii) the €130million increase in net finance costs due mainly to the impact of the acquisition of UPC Polska in Poland and refinancing operations carried out during the year.

² With UPC Polska, Redge, Sferanet and Syrion consolidated, and based on constant exchange rates.

3.1 Consolidated cash flows and capital expenditure

<i>In € millions</i>	H1 2023	H1 2022	% change
Consolidated cash flows from operations	1,932	1,764	9.6%
Right-of-use assets and interest expense on lease liabilities - IFRS 16 impact	(479)	(441)	8.6%
Change in working capital requirement	147	(124)	NM
Operating free cash flow after IFRS 16	1,600	1,199	33.5%
Consolidated capital expenditure¹	(1,040)	(1,020)	1.9%
Capital expenditure - France ¹	(785)	(716)	9.7%
Capital expenditure - Italy ¹	(122)	(198)	-38.3%
Capital expenditure - Poland ¹	(133)	(107)	24.5%
Income tax paid	(111)	(403)	-72.6%
Net interest paid	(364)	(248)	46.5%
Other (including impact of changes in scope of consolidation)	762	(219)	NM
Consolidated free cash flow (excluding payments for frequencies, financing activities and dividends)	848	(692)	NM
Payments for frequencies - Group	(46)	(39)	17.9%
Payments for frequencies - France	(8)	0	-
Payments for frequencies - Italy	(38)	(39)	-1.5%
Payments for frequencies - Poland	0	0	-
Consolidated free cash flow (excluding financing activities and dividends)	802	(731)	NM
Dividends paid to owners of the Company	(34)	(19)	76.2%

(1) Excluding payments for frequencies.

Analysis of consolidated free cash flow

The year-on-year change in consolidated free cash flow mainly reflects the following:

- €1.93 billion in consolidated cash flows from operations, up 9.6% year-on-year, before €479 million (up 8.6% year-on-year) in lease payments and interest expense on lease liabilities recognized due to the application of IFRS 16. The Cash flow from operations increased broadly in line with the rise in EBITDAaL;
- €147 million in working capital inflow including €310 million of damages paid by Bouygues Telecom to Iliad relative to a dispute concerning mobile phone and smartphone bundle offers (so-called subsidized offers) - for more information, please refer to Note 2 of the consolidated accounts ;
- consolidated capital expenditure increased by 1.9% in the first half of 2023 to €1.04 billion, driven by France as it invests to rebuild Freebox inventories to cover the strong demand for the Fiber offers and by Poland as we expand our 5G coverage and support the upgrades of UPC customers' equipments;

- €111 million in income tax paid, down 72.6% year-on-year essentially due to the tax on the gain on sale on the disposal of 70% of OTP paid in H1 2022 and to some phasing effect from the fiscal integration regime implemented within the Group.
- A €116 million increase in net interest paid reflecting the impact of the acquisition of UPC Polska in Poland and the refinancing operations carried out during the year;
- Other: €762 million in other cash flows, essentially due to the completion of the transactions in Poland (i) with Infravia resulting in the sale of 50% of PŚO (Poland's biggest open access broadband network) for an amount of PLN 1.8 billion (ii) with Cellnex resulting in the sale of the remaining 30% of OTP for an amount of PLN 2.3 billion, and partially offset by the first payment (out of four annual payments) relative to the creation of Zefiro Net srl, a 50/50 joint venture between Iliad and WindTre, which jointly manages the respective mobile networks in less densely populated areas in Italy.

3.2 Debt of the Iliad Holding Group

Iliad Holding is not exposed to any significant liquidity risk in view of the Iliad Group's profitability and debt maturity, as well as its access to various sources of financing and its leverage level.

At June 30, 2023, Iliad Holding had gross debt of €15,053 million and net debt of €14,066 million (excluding IFRS 16 lease liabilities), with adjusted net debt³ of €13,959 million. At the same date, it had sufficient liquidity to finance its operations, with €987 million in consolidated cash and cash equivalents and €3.8 billion in undrawn credit facilities⁴. We or an affiliate may from time to time seek to acquire, retire or repurchase an interest in our outstanding debt for cash and/or in exchange for other securities or other consideration, in each case through open market purchases, privately negotiated transactions or otherwise.

The Group is pursuing its strategy of investing in major industrial projects that will generate substantial future cash flows, while maintaining its solid financial structure and significant access to financing. At June 30, 2023, Iliad Holding's leverage ratio was at 4.1x EBITDAaL, 0.3x lower than at December 31, 2022.

Gross debt at June 30, 2023 primarily comprised the borrowings described on the following page.

³ Adjusted net debt corresponds to the sum of principal outstanding debt less cash and cash equivalents.

⁴ Includes (i) syndicated revolving credit facilities held by Iliad Holding (undrawn portion), Iliad and Play, (ii) the undrawn available amount under the initial €2 billion mid-term facility set up in July 2022, and (iii) the €300 million bilateral loan set up in December 2022 with the EIB, none of which had been used at June 30, 2023.

Summary of iliad Holding's borrowings due beyond one year at June 30, 2023 (final maturities)

<i>In € millions</i>	Amount available	2023	2024	2025	2026 and beyond	Type of repayment/redemption
MAIN BORROWINGS - ILIAD HOLDING						
<u>Bank borrowings</u>						
€300m revolving credit facility (SS RCF) - 2021	300	-	-	-	300	At maturity
<u>Bond debt</u>						
€1,100m bond issue - 2021 @ 5.125%	-	-	-	-	1,100	At maturity
€750m bond issue - 2021 @ 5.625%	-	-	-	-	750	At maturity
\$1,200m bond issue - 2021 @ 6.500%*	-	-	-	-	1,038	At maturity
\$900m bond issue - 2021 @ 7.000%*	-	-	-	-	779	At maturity
MAIN BORROWINGS - ILIAD						
<u>Bank borrowings</u>						
€200m EIB loan - 2016	-	-	-	-	160	In installments
€300m EIB loan - 2018	-	-	-	-	300	In installments
€300m EIB loan - 2020	-	-	-	-	300	At maturity
€300m EIB loan - 2022	300	-	-	-	300	At maturity
€90m KFW loan - 2017	-	-	-	-	54	In installments
€150m KFW loan - 2019	-	-	-	-	113	In installments
€2,000m syndicated revolving credit facility - 2022	2,000	-	-	-	2,000	At maturity
€900m syndicated term loan - 2020	-	-	157	743	-	At maturity
€2,000m mid-term facility - 2022	750	-	750	-	-	At maturity
€1,000m syndicated term loan - 2022	-	-	-	-	1,000	At maturity
<u>Bond debt</u>						
€650m bond issue - 2017@ 1.500%	-	-	650	-	-	At maturity
€650m bond issue - 2018 @ 1.875%	-	-	-	650	-	At maturity
€650m bond issue - 2020 @ 2.375%	-	-	-	-	650	At maturity
€600m bond issue - 2021 @ 0.750%	-	-	600	-	-	At maturity
€700m bond issue - 2021 @ 1.875%	-	-	-	-	700	At maturity
€750m bond issue - 2022 @ 5.375%	-	-	-	-	750	At maturity
€500m bond issue - 2023 @ 5.625%	-	-	-	-	500	At maturity
<u>Schuldschein notes</u>						
€500m Schuldschein issue - 2019	-	-	-	-	81	At maturity
€500m Schuldschein issue - 2021	-	-	-	185	315	At maturity
€112m Schuldschein issue - 2022	-	-	-	-	112	At maturity
MAIN BORROWINGS - PLAY**						
<u>Bank borrowings</u>						
PLN 3,500m term loan - 2021	-	-	-	-	789	At maturity
PLN 2,000m revolving credit facility - 2021	451	-	451	-	-	At maturity
PLN 500m BGK bilateral loan - 2021	15	16	16	16	49	In installments
PLN 464m ECA bilateral loan - 2021	-	24	24	24	24	In installments
PLN 5,500m acquisition loan - 2021	-	-	-	-	924	At maturity
PLN 470m EIB bilateral loan - 2022	53	-	-	11	42	In installments
<u>Bond debt</u>						
PLN 750m bond issue - 2019 @ Wib + 1.75%	-	-	-	-	169	At maturity
PLN 500m bond issue - 2020 @ Wib + 1.85%	-	-	-	-	113	At maturity

*Converted at the EUR/USD cross-currency swap rate of 1.156, set up by iliad Holding on October 13, 2021.

**Converted at the EUR/PLN spot rate at June 30, 2023: 4.4388

1) MAIN MOVEMENTS IN BORROWINGS - ILIAD HOLDING

Bank borrowings:

- €300 million Senior Secured Revolving Credit Facility set up in July 2021

On June 15, 2023, Iliad Holding fully repaid any outstanding amount under the Senior Secured Revolving Credit Facility (SSRCF), resulting in a fully available facility of €300 million as of June 30, 2023.

2) MAIN MOVEMENTS IN BORROWINGS - ILIAD

(a) Borrowings due within one year

- €1.4 billion NEU CP program

On June 6, 2023, the Group renewed its €1.4 billion short-term NEU CP program. €400 million of this program had been used at June 30, 2023.

- €550 million trade receivables securitization program

€539 million of this program had been used at June 30, 2023.

(b) Borrowings due beyond one year

Bank borrowings:

- €2 billion mid-term facility set up in July 2022

On February 20, 2023, following the €500 million bond issue on February 8, 2023 (see "Bonds and private placements" below), Iliad repaid in full the amounts drawn down under this facility amounting to €200 million.

Bond issues and private placements

- €500 million worth of bonds issued in February 2023

On February 8, 2023, Iliad successfully placed a €500 million bond issue, paying interest at 5.625% per year. The bonds will be redeemed at face value at maturity on February 15, 2030.

3) MAIN MOVEMENTS IN BORROWINGS - PLAY

Bank borrowings

- A PLN 500 million bilateral loan set up in October 2021

On March 31, 2023, Play drew down approximately PLN 60 million under its bilateral loan (the "BGK Financing") set up in October 2021 with Bank Gospodarstwa Krajowego SA ("BGK Bank"). The amount drawn down has a fixed interest rate of 1.93% and is repayable in installments, by way of successive quarterly payments of equal amounts with a final maturity date of September 20, 2028.

On May 31, 2023, Play drew down another PLN 85 million under this facility, with a total of circa PLN 431 million being outstanding as at June 30, 2023.

- A PLN 5.5 billion syndicated acquisition loan set up in December 2021

On May 22, 2023, Play proceeded to an early partial prepayment under this facility for an amount of PLN 1.4 billion.

At June 30, 2023, the total outstanding amount under this facility was PLN 4.1 billion.

3.3 Events after the reporting date

Amendment and Extension on Iliad's mid-term facility and RCF

On July 20, 2023, Iliad SA amended and extended its mid-term facility, resulting in a commitment reduction from €750 million to €650 million and a maturity extended from January 1, 2024 to January 21, 2025 along with more favorable financial terms throughout the duration of this facility.

On July 27, 2023, Iliad SA exercised its first extension option on its €2 billion RCF, thus extending its original maturity by one year to July 2028.

3.4 Glossary

Alternative operator: An operator that entered the market subsequent to the incumbent State operator losing its monopoly.

Broadband and Ultra-Fast Broadband ARPU (Average Revenue Per Broadband and Ultra-Fast Broadband User): Includes revenues from the flat-rate package and value-added services but excludes one-time revenues (e.g., fees for switching from one offer to another or cancellation fees), divided by the total number of Broadband and Ultra-Fast Broadband subscribers billed for the last month of the quarter.

Broadband and Ultra-Fast Broadband subscribers: Subscribers who have signed up for the Group's xDSL, Cable or Fiber offerings.

Connectible Fiber socket: A socket for which the link between the shared access point and the optical splitter has been put in place by the building operator, which the Group can access in accordance with its co-financing commitments, and for which the connection to the Group's network has been completed or is in progress.

EBITDAaL: Profit from ordinary activities before depreciation, amortization and impairment of property, plant and equipment and intangible assets, and the impact of share-based payment.

FCF: Free Cash Flow.

Fiber: Data delivery technology that directly connects subscribers to an optical node (ON).

Fiber take-up rate: Represents the number of Fiber subscribers as a percentage of the total number of Broadband and Ultra-Fast Broadband subscribers.

Leverage ratio: Represents the ratio between net debt (short- and long-term financial liabilities less cash and cash equivalents) and EBITDAaL.

LTM: Last twelve months.

M2M: Machine to machine communications.

Mobile ARPU billed to subscribers: Includes revenues billed to subscribers divided by the total number of Mobile subscribers during the period.

Net adds: Represents the difference between the total number of subscribers at the end of two different periods.

Net debt: Difference between short- and long-term financial liabilities, and available cash and cash equivalents as presented in the balance sheet.

Number of Broadband and Ultra-Fast Broadband subscribers – France: Represents, at the end of a given period, the total number of subscribers, identified by their telephone lines, who have subscribed to a Free Broadband or Ultra-Fast Broadband offering, excluding those recorded as having requested the termination of their subscription.

Number of Fiber subscribers – Italy: Represents, at the end of a given period, the total number of subscribers, identified by their telephone lines, who have subscribed to an Iliad Italia Fiber offering, excluding those recorded as having requested the termination of their subscription.

Number of Home subscribers – Poland: Represents, at the end of a given period, the number of subscribers who have subscribed to a TV Box plan or a fixed Broadband or Ultra-Fast Broadband plan, excluding those recorded as having requested the termination of their subscription.

Number of mobile subscribers – France: Represents, at the end of a given period, the total number of subscribers, identified by their telephone lines, who have subscribed to a Free mobile offering, excluding those recorded as having requested the termination of their subscription.

Number of mobile subscribers – Italy: Represents, at the end of a given period, the total number of subscribers, identified by their telephone lines, who have subscribed to an Iliad Italia mobile offering and who have issued or received at least one communication during the preceding three months.

Number of mobile subscribers – Poland: Represents, at the end of a given period, the total number of subscribers, identified by their telephone lines, who have subscribed to a Play mobile offering (excluding M2M and free SIM cards) and who have issued or received at least one communication (voice or data) during the preceding 30 days.

OFCE: Operating free cash flow (EBITDAaL less capex).

Revenues billed to subscribers: Revenues generated from services billed directly to subscribers (services included in subscribers' mobile plans, as well as additional services).

Services revenues: Revenues excluding sales of devices.

Total number of subscribers – Poland: Represents, at the end of a given period, the number of active mobile subscribers in Poland and the number of Home subscribers in Poland.



UNAUDITED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE SIX-MONTH PERIOD
ENDED JUNE 30, 2023

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CONSOLIDATED INCOME STATEMENT

<i>In € millions</i>	Note	Six months to Jun. 30, 2023	Six months to Jun. 30, 2022
REVENUES		4,443	4,024
Purchases used in production		(1,241)	(1,203)
Payroll costs		(301)	(265)
External charges		(778)	(587)
Taxes other than on income		(127)	(114)
Additions to provisions		(43)	(42)
Other income and expenses from operations, net	4	118	156
Depreciation of right-of-use assets		(428)	(393)
EBITDAaL		1,641	1,576
Share-based payment expense		(21)	(6)
Depreciation, amortization and impairment of non-current assets		(1,008)	(912)
Profit from ordinary activities		612	658
Other operating income and expense, net	5	63	303
Operating profit		676	961
Income from cash and cash equivalents		8	(0)
Finance costs, gross	6	(377)	(239)
Finance costs, net		(369)	(239)
Interest expense on lease liabilities	6	(116)	(103)
Other financial income and expense, net	6	58	15
Corporate income tax	7	(94)	(108)
Share of profit of equity-accounted investees	11	35	50
Profit for the period		189	575
Profit for the period attributable to:			
• Owners of the company		181	557
• Minority interests		8	18
• Basic earnings per share		0.05	0.16
• Diluted earnings per share		0.05	0.16

<i>In € millions</i>	Note	Q2 2023	Q2 2022
REVENUES		2,256	2,090
Purchases used in production		(629)	(614)
Payroll costs		(147)	(130)
External charges		(396)	(308)
Taxes other than on income		(28)	(26)
Additions to provisions		(16)	(17)
Other income and expenses from operations, net		51	68
Depreciation of right-of-use assets		(231)	(200)
EBITDAaL		859	862
Share-based payment expense		(12)	10
Depreciation, amortization and impairment of non-current assets		(513)	(469)
Profit from ordinary activities		334	403
Other operating income and expense, net		74	(23)
Operating profit		408	379
Income from cash and cash equivalents		8	0
Finance costs, gross		(196)	(122)
Finance costs, net		(188)	(122)
Interest expense on lease liabilities		(60)	(52)
Other financial income and expense, net		18	6
Corporate income tax		(71)	(73)
Share of profit of equity-accounted investees		22	14
Profit for the period		130	153
Profit for the period attributable to:			
• Owners of the company		123	150
• Minority interests		7	3

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>In € millions</i>	Six months to Jun. 30, 2023	Six months to Jun. 30, 2022
PROFIT FOR THE PERIOD	189	575
• Items that may be subsequently reclassified to profit:		
Fair value remeasurement of interest rate and currency hedging instruments	(77)	7
Tax effect	23	(2)
Change in translation adjustments	93	(7)
Total	39	(2)
• Items that will not be reclassified to profit:		
Post-employment benefit obligations (IAS 19 revised): impact of changes in actuarial assumptions	(5)	91
Tax effect	1	(11)
Share of OCI of equity-accounted investments that will not be reclassified to profit	0	0
Tax effect	0	0
Total	-4	79
Other comprehensive income/(expense) for the period, net of tax	35	78
Total comprehensive income for the period	223	652
Total comprehensive income for the period attributable to:		
• Owners of the Company	209	645
• Minority interests	15	8

<i>In € millions</i>	Q2 2023	Q2 2022
PROFIT FOR THE PERIOD	130	153
• Items that may be subsequently reclassified to profit:		
Fair value remeasurement of interest rate and currency hedging instruments	(65)	13
Tax effect	20	(3)
Change in translation adjustments	88	8
Total	42	18
• Items that will not be reclassified to profit:		
Post-employment benefit obligations (IAS 19 revised): impact of changes in actuarial assumptions	2	91
Tax effect	(0)	(11)
Share of OCI of equity-accounted investments that will not be reclassified to profit	0	0
Tax effect	0	0
Total	2	79
Other comprehensive income/(expense) for the period, net of tax	44	97
Total comprehensive income for the period	174	250
Total comprehensive income for the period attributable to:		
• Owners of the Company	159	256
• Minority interests	15	(6)

CONSOLIDATED BALANCE SHEET

ASSETS (in € millions)	Note	Jun. 30, 2023	Dec. 31, 2022
Goodwill		810	717
Intangible assets		5,413	5,551
Right-of-use assets	9	4,476	4,367
Property, plant and equipment	10	8,861	8,132
Investments in equity-accounted investees	11	1,107	749
Other non-current financial assets	12	1,113	990
Deferred income tax assets		591	542
Other non-current assets		45	52
TOTAL NON-CURRENT ASSETS		22,417	21,100
Inventories		361	324
Current income tax assets		66	40
Trade and other receivables		1,261	1,161
Other current assets		1,660	1,151
Other financial assets	12	17	27
Assets held for sale	13	21	1,470
Cash and cash equivalents		987	530
TOTAL CURRENT ASSETS		4,373	4,704
TOTAL ASSETS		26,790	25,804

LIABILITIES (in € millions)	Note	Jun. 30, 2023	Dec. 31, 2022
Share capital		3,390	3,390
Additional paid-in capital		1,716	1,716
Retained earnings and other reserves		(2,754)	(2,928)
TOTAL EQUITY		2,351	2,178
Attributable to:			
• Owners of the company		2,309	2,134
• Minority interests		43	44
Long-term provisions		137	108
Long-term financial liabilities	15	13,322	13,783
Non-current lease liabilities		4,052	3,951
Deferred income tax liabilities		310	309
Other non-current liabilities		481	529
TOTAL NON-CURRENT LIABILITIES		18,302	18,681
Short-term provisions		83	78
Taxes payable		47	23
Trade and other payables		3,552	2,758
Short-term financial liabilities	15	1,731	1,431
Current lease liabilities		722	634
Liabilities held for sale	13	0	19
TOTAL CURRENT LIABILITIES		6,136	4,945
TOTAL EQUITY AND LIABILITIES		26,790	25,804

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In € millions	Share capital	Additional paid-in capital	Own shares held	Reserves	Retained earnings	Equity attributable to owners of the Company	Minority interests	Total equity
BALANCE AT JANUARY 1, 2022	3,390	1,716	(71)	(5,143)	1,650	1,542	31	1,573
Movements in 2022								
Profit for the period					586	586	22	608
Impact of interest rate and currency hedges				16		16	(1)	15
Impact of interest rate and currency hedges				(13)		(13)	0	(13)
Impact of post-employment benefit obligations				111		111	3	114
Impact of changes in translation adjustments				(10)		(10)	(13)	(23)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD				104	586	690	11	701
Change in share capital of iliad						0	0	0
Dividends paid by iliad					(34)	(34)	0	(34)
Dividends paid by subsidiaries						0	(15)	(15)
Purchases/sales of own shares				24		24	1	24
Impact of stock options				(24)		(24)	(1)	(24)
Impact of changes in minority interests in subsidiaries				(18)		(18)	18	0
Other				(46)		(46)	(1)	(47)
BALANCE AT DECEMBER 31, 2022	3,390	1,716	(71)	(5,103)	2,203	2,134	44	2,178

In € millions	Share capital	Additional paid-in capital	Own shares held	Reserves	Retained earnings	Equity attributable to owners of the Company	Minority interests	Total equity
BALANCE AT JANUARY 1, 2023	3,390	1,716	(71)	(5,103)	2,203	2,134	44	2,178
Movements in 2023								
Profit for the period					181	181	8	189
Impact of interest rate and currency hedges				(51)		(51)	(4)	(54)
Impact of post-employment benefit obligations				(4)		(4)	0	(4)
Impact of changes in translation adjustments				83		83	11	93
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD				28	181	209	15	223
Change in share capital of iliad						0		0
Dividends paid by iliad					(34)	(34)		(34)
Dividends paid by subsidiaries						0	(16)	(16)
Purchases/sales of own shares						0		0
Impact of stock options				2		2	0	2
Impact of changes in minority interests in subsidiaries				(4)		(4)	4	0
Other				2		2	(3)	(1)
BALANCE AT JUNE 30, 2023	3,390	1,716	(71)	(5,076)	2,350	2,309	43	2,352

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>En millions d'Euros</i>	<i>No tes</i>	Six months to Jun. 30, 2023	Six months to Jun. 30, 2022
Profit for the period (including minority interests)		189	575
+ / - Depreciation, amortization and provisions, net (excluding for current assets)		1,416	1,289
-/+ Unrealized gains and losses on changes in fair value		(47)	(7)
+/- Non-cash expenses and income related to stock options and other share-based payments		18	3
-/+ Other non-cash income and expenses, net		75	96
-/+ Gains and losses on disposals of assets	4/ 5	(146)	(486)
-/+ Dilution gains and losses		0	0
+/- Share of profit of equity-accounted investees	11	(35)	(50)
- Dividends (investments in non-consolidated undertakings)		0	(3)
Cash flows from operations after finance costs, net, and income tax		1,469	1,416
+ Finance costs, net	5	369	239
+/- Income tax expense (including deferred taxes)		94	108
Cash flows from operations before finance costs, net, and income tax (A)		1,932	1,764
- Income tax paid (B)		(111)	(403)
+/- Change in operating working capital requirement (incl. employee benefit obligations) (C)		147	(124)
= Net cash generated from operating activities (E) = (A) + (B) + (C)		1,968	1,237
- Acquisitions of property, plant and equipment and intangible assets (capex)		(1,092)	(1,082)
+ Disposals of property, plant and equipment and intangible assets (capex)		7	24
- Acquisitions of investments in non-consolidated undertakings		0	(78)
+ Disposals of investments in non-consolidated undertakings		378	0
+/- Effect of changes in scope of consolidation - acquisitions		(115)	(1,547)
+/- Effect of changes in scope of consolidation - disposals		0	0
+ Dividends received (from equity-accounted investees and non-consolidated undertakings)		38	101
+/- Change in outstanding loans and advances		(136)	(31)
- Cash outflows for leasehold rights		0	0
+ Cash inflows related to assets held for sale		615	1,500
- Cash outflows related to assets held for sale		(2)	(168)
= Net cash used in investing activities (F)		(307)	(1,280)
+ Amounts received from shareholders on capital increases		0	0
- Amounts paid to shareholders on capital reductions		0	0
+ Proceeds received on exercise of stock options		0	0
-/+ Own-share transactions		0	0
- Dividends paid during the period:		0	0
. Dividends paid to owners of the Company		(34)	(24)
. Dividends paid to minority shareholders of consolidated companies		(16)	(19)
+ Proceeds from new borrowings (excluding finance leases)		2,003	2,342
- Repayments of borrowings		(2,339)	(1,879)
- Repayments of lease liabilities		(424)	(402)
- Net interest paid		(364)	(248)
- Interest paid on lease liabilities		(62)	(52)
= Net cash generated from/(used in) financing activities (G)		(1,236)	(282)
+/- Effect of exchange-rate movements on cash and cash equivalents (H)		(1)	2
= Net change in cash and cash equivalents (E + F + G + H)		425	(323)
+ / - Impact of foreign exchange conversion of cash and cash equivalents (opening & closing rates)		2	(3)
Cash and cash equivalents at beginning of year		527	781
Cash and cash equivalents at year-end		954	455

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Accounting principles and policies

“iliad Holding” or the “Company” refers to iliad Holding S.A.S, a *société par actions simplifiée* (simplified joint stock company) registered in France, which indirectly holds the shares of iliad SA.

“iliad” refers to iliad SA, a *société anonyme* (joint stock company) registered in France.

The “iliad Group” or “the Group” refers to iliad and its consolidated subsidiaries.

iliad Group is one of Europe’s leading electronic communications players, with 47.0 million active subscribers, €8.8 billion in revenues over the last twelve months and over 16,700 employees.

These unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS34, Interim Financial Reporting.

The interim consolidated financial information has been prepared in accordance with the same accounting policies as those applied to prepare the annual financial statements for the year ended December 31, 2022, except for the following policies which are specific to interim financial statements:

- Corporate income tax for the period has been calculated by applying the estimated average effective tax rate for the six-month period ended June 30, 2023 profit before tax.
- Post-employment benefit obligations for the period have been estimated based on the actuarial calculations performed for full-year 2022.

The new IFRS standards and interpretations required as of 1 January 2023 are the following ones:

- **Amendment to IAS 1 – Disclosure of Accounting Policies:** this amendment requires entities to disclose their material accounting policy information rather than significant accounting policies. The impact on the information presented in the notes to the Group’s consolidated financial statements is not significant.
- **Amendment to IAS 8 – Accounting policies and accounting estimates:** this amendment sets out to clarify the definitions of “accounting policies” and “accounting estimates”. The impact on iliad Group is immaterial.
- **Amendment to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction:** Under this amendment, entities are required to recognize deferred tax on the initial recognition of certain transactions where they give rise to equal amounts of deferred tax assets and liabilities. The amendment applies to transactions for which the entity recognizes both an asset and a liability, such as leases or decommissioning obligations. The impact on iliad Group is immaterial.

Sales and EBITDAaL are not subject to strong seasonal fluctuations, excluding IFRIC 21 impact in Q1 figures. IFRIC 21 clarifies when an entity recognizes a liability for levies imposed by a government other than specified levies such as income taxes.

Note 2 Significant events and scope of consolidation

Completion of the RAN sharing Agreement with W3

On January 3, 2023, iliad Italia acquired 50% of shares in the joint venture that owns the network and operates the RAN sharing services on behalf of iliad and W3 (Zefiro). The Group considers this agreement as a joint operation according to IFRS 11. This joint operation is accounted in the financial statements since January 3rd, 2023.

Agreement to sale 50% of Polish Fixed access network to Infravia

On June 19, 2022, the Group signed an agreement with Infravia V Invest S.A.R.L (an InfraVia Capital Partner Group company) to sell a 50% stake in Polski Światłowód Otwarty sp. z o.o. (“PŚO”, formerly FiberForce sp.

z o.o), an Iliad Group dedicated entity. The sale was subject to the approval of the relevant authorities.

On March 1, 2023, through the spin-off of UPC Polska sp z.o.o. (“UPC”) activities, Play transferred part of UPC’s operations to a dedicated entity, including network infrastructure representing 3.7 million HFC and FTTH connections. Polski Światłowód Otwarty sp. z o.o will make its network available to other operators (including Play and UPC) based on the wholesale price model.

The transaction has been completed on March 31, 2023 after the removal of the conditions specified in the agreement. The amount collected related to this transaction during the period is representing PLN 1,765 million (€363 million).

The dedicated entity is jointly controlled by Infravia and Play and is accounted within “Investments in equity-accounted investees”. The assets of UCP Polska to be transferred to this entity were therefore considered as held for sale at December 31, 2022.

Dispute with Bouygues Telecom

On February 23, 2023 the Commercial Court of Paris rendered a judgment in the case opposing Free and Bouygues Telecom concerning mobile phone and smartphone bundle offers (so-called subsidized offers). By this decision, Bouygues Telecom was ordered to pay €308 million in damages to Free. Bouygues Telecom appealed this decision before the Paris Appeal Court.

On April 5, 2023, by order of the Chief Judge of the Paris Appeal Court, Bouygues Telecom’s request to suspend the provisional enforcement ordered by the Paris Commercial Court on February 9, 2023 was dismissed.

On May 16, 2023, Bouygues Telecom paid the amount of €308 million corresponding to the damages ordered by the Commercial Court of Paris. Under current accounting rules, income resulting from a favorable ruling in a dispute can only be recognized when the case is closed. Accordingly, no income was recorded in this respect in the Group’s financial statements as of June 30, 2023. In the cash-flow statement this amount is accounted in the line ‘Change in operating working capital requirement’.

Completion of the sale of the 30% stake in On Tower Poland

On June 30th, 2023 Iliad completed the sale of its residual 30% stake in On Tower Poland (“OTP”), the company that manages the Group’s passive mobile telecommunication infrastructure in Poland, to the Cellnex Group for PLN 2.3 billion (€512 million) before tax which generated a profit of €99 million.

The sale follows the completion of the transaction consisting in the sale of 60% of OTP to the Cellnex Group on April 1, 2021, and a further sale (of 10% of OTP) on February 28, 2022. The 30% residual stake sold by the Group on June 30, 2023 was recorded in the balance sheet within “Assets held for sale” as of December 31, 2022.

Acquisition of ITrust

On April 4, 2023, the Iliad Group announced that the acquisition of a majority stake in ITrust, one of France’s leading cybersecurity specialists.

Note 3 Segment information

The Group has 3 operating segments which are:

- France
- Italy
- Poland

- SIX-MONTH TO JUNE 30, 2023 REVENUES

<i>In € millions</i>	France	Italy	Poland	Eliminations between activities	Total
Revenues					
Fixed	1,623	12	238	(5)	1,868
Mobile	1,298	484	798	(2)	2,577
Intra-group sales	(3)	0	0	0	(3)
Total	2,918	496	1,036	(7)	4,443

- SIX-MONTH TO JUNE 30, 2022 REVENUES

<i>In € millions</i>	France	Italy	Poland	Eliminations between activities	Total
Revenues					
Fixed	1,503	4	117	(6)	1,618
Mobile	1,210	438	762	(0)	2,409
Intra-group sales	(3)	0	0	0	(3)
Total	2,710	442	879	(6)	4,024

- SIX-MONTH TO JUNE 30, 2023 EARNINGS

<i>In € millions</i>	France	Italy	Poland	Total
Earnings				
EBITDAaL	1,109	117	415	1,641
Share-based payment expense	(18)	(0)	(2)	(21)
Depreciation, amortization and provisions for impairment	(614)	(218)	(176)	(1,008)
Profit/(loss) from ordinary activities	476	(101)	236	612
Corporate income tax	(93)	55	(56)	(94)
Profit/(loss) for the period	237	(174)	125	189

- SIX-MONTH TO JUNE 30, 2022 EARNINGS

<i>In € millions</i>	France	Italy	Poland	Total
Earnings				
EBITDAaL	1,090	87	399	1,576
Share-based payment expense	(5)	(0)	(1)	(6)
Depreciation, amortization and provisions for impairment	(603)	(174)	(135)	(912)
Profit/(loss) from ordinary activities	482	(87)	263	659
Corporate income tax	(118)	32	(22)	(108)
Profit/(loss) for the period	548	(102)	129	575

- ASSETS AT JUNE 30, 2023

<i>In € millions</i>	France	Italy	Poland	Total
Non-current assets				
Goodwill	306	0	504	810
Intangible assets (carrying amount)	1,584	1,975	1,853	5,413
Right-of-use assets (carrying amount)	2,777	723	976	4,476
Property, plant and equipment (carrying amount)	7,100	1,061	700	8,861
Investments in equity-accounted investees	707	0	400	1,107

Current assets (excluding cash and cash equivalents, financial assets and tax assets)	1,661	463	1,178	3,302
Cash and cash equivalents	406	11	570	987

- ASSETS AT DECEMBER 31, 2022

<i>In € millions</i>	France	Italy	Poland	Total
Non-current assets				
Goodwill	304	0	412	717
Intangible assets (carrying amount)	1,669	2,075	1,807	5,551
Right-of-use assets (carrying amount)	2,811	675	880	4,367
Property, plant and equipment (carrying amount)	6,704	779	649	8,132
Investments in equity-accounted investees	749	0	0	749
Current assets (excluding cash and cash equivalents, financial assets and tax assets)	1,541	379	2,187	4,107
Cash and cash equivalents	394	0	135	529

- LIABILITIES AT JUNE 30, 2023, EXCLUDING FINANCIAL LIABILITIES AND TAXES PAYABLE

<i>In € millions</i>	France	Italy	Poland	Total
Non-current liabilities				
Other non-current liabilities	340	140	2	482
Current liabilities				
Trade and other payables	2,255	720	577	3,552

- LIABILITIES AT DECEMBER 31, 2022, EXCLUDING FINANCIAL LIABILITIES AND TAXES PAYABLE

<i>In € millions</i>	France	Italy	Poland	Total
Non-current liabilities				
Other non-current liabilities	352	175	2	529
Current liabilities				
Trade and other payables	1,780	465	514	2,759

Note 4 Other income and expenses from operations, net

Other income and expenses from operations can be analyzed as follows:

<i>In € millions</i>	Six months to Jun. 30, 2023	Six months to Jun. 30, 2022
Net Income from partnerships*	122	161
Customer contract termination fees	10	9
Royalties and similar fees	(27)	(30)
Other	13	15
Other income and expenses from operations, net	118	156

*Corresponds mainly to net profit (excluding tax effect) related to the partnerships with Cellnex concerning the sale of mobile passive infrastructure sites ('BTS').

Note 5 Other operating income and expense, net

Other operating income and expenses can be analyzed as follows:

<i>In € millions</i>	Six months to Jun. 30, 2023	Six months to Jun. 30, 2022
Gain on assets disposal	93	325
Other operating expenses	(29)	(22)
TOTAL	63	303

Gain on assets disposal includes, for six-month ended June 30, 2022, €330 million corresponding to the profit recognized on the sale of 30% of On Tower France.

This item includes, for the six-month ended June 30, 2023, €99 million corresponding to the profit recognized on the sale of the residual 30% shares in On Tower Poland (see Note 2).

Other operating expenses include a €19 million expense related to hedging cost on electricity in Italy. Considering that this hedging has been set-up in Q3 2022, in a very highly speculative environment, the related costs have been considered as non-recurring costs and therefore have been accounted as “other operating income and expense, net”.

Note 6 Financial income and expenses

Financial income and expenses can be analyzed as follows:

<i>In € millions</i>	Six months to Jun. 30, 2023	Six months to Jun. 30, 2022
Income from cash and cash equivalents	8	(0)
Finance costs, gross:		
Interest on borrowings	(377)	(239)
Finance costs, net	(369)	(239)
Other financial income	45	20
Sub-total - Other financial income	45	20
Other financial expenses		
Translation adjustments/Hedging expense	34	18
Discounting expense	(12)	(21)
Other	(9)	(2)
Sub-total - Other financial expenses	13	(5)
Other financial expense, net	58	15
Interest on lease liabilities	(116)	(103)
Net financial expense	(428)	(327)

Finance costs increased from €239 million during the first 6 months of 2022 to €369 million during the first 6 months of 2023 as a result of (i) the increase of our average amount of debt by 9% over that period due to the full impact of the acquisition of UPC closed on the April 1, 2022, and debt raised to finance the 5G spectrum payment in Italy in September 2022, and (ii) impact of the strong increase of both EURIBOR and WIBOR since June 2022 on our average cost of debt.

Net financial expense primarily concerns the costs of the Group's various sources of financing (see Note 15) as well as discounting expense.

Note 7 Corporate income tax

Analysis of the corporate income tax charge

The Group's corporate income tax charge breaks down as follows:

<i>In € millions</i>	Six months to Jun. 30, 2023	Six months to Jun. 30, 2022
Tax charge		
on income	(87)	(96)
on value added (CVAE)	(7)	(13)
Total tax charge	(94)	(108)

Note 8 Changes in scope of consolidation

'Effect of changes in scope of consolidation - acquisitions' line in the cash-flow statement equal to €115 million for the six-month period ended June 30, 2023 mainly include the acquisition of 50% of Zefiro shares for €60 million (see Note 2).

Note 9 Right-of-use assets and lease liabilities

The carrying amount of right-of-use assets breaks down as follows:

<i>In € millions</i>	Networks	Real estate	Other	TOTAL
Carrying amount at January 1, 2023	4,012	333	22	4,367
Acquisitions (new assets)	470	33	9	513
Disposals	(87)	(0)	(0)	(87)
Reclassification of assets held for sale	0	0	0	0
Impact of changes in scope of consolidation	66	0	0	66
Translation adjustments	45	3	0	48
Other	(0)	0	(0)	(0)
Depreciation	(391)	(29)	(9)	(429)
Carrying amount at June 30, 2023	4,115	339	22	4,477

Lease liabilities break down as follows at June 30, 2023:

<i>In € millions</i>	June 30, 2023				December 31, 2022			
	Networks	Real Estate	Others	Total	Networks	Real Estate	Others	Total
Non-Current	3,847	198	8	4,052	3,749	195	8	3,951
Current	678	35	10	722	593	32	10	634
	4,524	233	18	4,775	4,341	226	18	4,586

Note 10 Property, plant and equipment

Movements in net property, plant and equipment can be analyzed as follows:

<i>In € millions</i>	Jun. 30, 2023	Dec. 31, 2022
Net at January 1	8,132	7,403
Acquisitions	963	2,165
Disposals	(129)	(228)
Reclassification to assets held for sale	(17)	(221)
Reclassification	317	0

Other	(12)	2
Impact of changes in scope of consolidation	258	205
Translation adjustments	37	(7)
Depreciation and impairment	(688)	(1,187)
Net End of Period	8,861	8,132

Property, plant and equipment acquisitions are mainly related to network equipment acquisitions.

Disposals for the year ended December 31, 2022 include notably the disposal of some fiber assets to IFT.

Note 11 Equity-accounted investees

The Iliad Group has three main equity-accounted investees:

- **NJJ Boru** (49% of interest in NJJ Boru SAS that holds 64.5% interest in eir, the Irish operator);
- **Investissement dans la Fibre des Territoires (IFT)**. The Group holds 49% stake in IFT;
- **PŚO**. The Group holds 50% stake in PŚO that owns the former UPC network infrastructure in Poland (see Note 2)

The Group's share of profit of equity-accounted investees can be analyzed as follows:

<i>In € millions</i>	Six months to Jun. 30, 2023	Six months to Jun. 30, 2022
Share of profit/(loss) of equity-accounted investees before tax	41	55
Share of tax of equity-accounted investees	(7)	(5)
Share of profit/(loss) of equity-accounted investees after tax	35	50

Note 12 Other financial assets

Movements in other financial assets can be analyzed as follows:

	Jun. 30, 2023	Dec. 31, 2022
Carrying amount at beginning of period	1,017	753
Acquisitions	91	104
Fair value adjustments	40	174
Redemptions and repayments	(12)	(0)
Impact of changes in scope of consolidation	0	0
Translation adjustments	2	(0)
Disposals	(8)	6
Additions to provisions	0	(19)
Carrying amount at period-end	1,130	1,017

Note 13 Assets and liabilities held for sale

Assets and liabilities held for sale break down as follows:

<i>In € millions</i>	Jun. 30, 2023	Dec. 31, 2022
Assets held for sale	21	1,470
Liabilities held for sale	0	(19)
TOTAL	21	1,451

Assets for sale decrease as of June 30, 2023 (versus December 31, 2022) is mainly related to the sale of the Group's 50% stake in Polski Światłowód Otwarty sp. z o.o. (see Note 2) and to the sale of the Group's 30% residual shares in On Tower Poland (see Note 2).

Cash outflows related to assets held for sale also include cash out related to BTS programs in Poland under the build-to-suit program with Cellnex.

Note 14 Share grant plans

During the six-month period ended June 30, 2023, no major free share allocation plan has been set up. Share grant plans described in the notes to the financial statements for the year ended December 31, 2022 are still valid.

Note 15 Financial liabilities

Financial liabilities can be analyzed as follows:

<i>In € millions</i>	Jun. 30, 2023	Dec. 31, 2022
Bank borrowings	5,380	5,757
Bonds	7,910	8,026
Finance lease liabilities	0	0
Other	32	1
Total long-term financial liabilities	13,322	13,783
Bank borrowings and short-term marketable securities	484	806
Bonds	594	0
Financial liabilities carried at fair value	0	0
Bank overdrafts	4	3
Cash flow hedges	0	0
Other	648	623
Total short-term financial liabilities	1,731	1,431
TOTAL	15,054	15,215

All Group borrowings are denominated in euros and Polish zlotys (PLN).

The table below summarizes movements in financial liabilities during the six-month period ended June 30, 2023:

<i>In € millions</i>	Jun. 30, 2023	Dec. 31, 2022
Borrowings at January 1	15,215	13,635
New borrowings	2,003	5,987
Repayments of borrowings	(2,339)	(4,622)
Change in bank overdrafts	2	(0)
Impact of cash flow hedges	39	8
Impact of changes in scope of consolidation	0	0
Translation adjustments	132	(19)
Other	34	226
Total borrowings	15,054	15,215

Main movements in bonds and private placements during the period

The Iliad Group

On February 8, 2023, Iliad successfully placed a €500 million bond issue with a 7-year maturity. The bonds are redeemable at maturity on February 15, 2030, and pay interest at 5.625% per year.

On May 22, 2023, Iliad repaid the fixed and variable tranches with a 4-year tenor of its €500 million Schuldscheindarlehen (schuldschein) issued in 2019 for a total amount of €419 million in principal.

Main movements in bank borrowings during the period

iliad Holding

On June 15, 2023, iliad Holding fully repaid any outstanding amount under the Senior Secured Revolving Credit Facility (SSRCF), resulting in a fully available facility of €300 million as of June 30, 2022

The iliad Group

Main movements in bank borrowings at iliad level during the period

Following the above-mentioned bond issue, on February 20, 2023 the Group repaid in full the amounts drawn down on its mid-term facility, amounting to €200 million.

Short- and medium-term marketable securities program

On June 6, 2023, the Group renewed its €1.4 billion short-term NEU CP program. At June 30, 2023, €400 million of the program had been used.

€550 million trade receivables securitization program

At June 30, 2023, the utilization of this program was at €539 million.

Main movements in bank borrowings at Play level during the period

On March 31, 2023, Play drew down circa PLN 60 million under its bilateral loan (the “BGK Financing”) set up in October 2021 with Bank Gospodarstwa Krajowego SA (“BGK Bank”). The amount drawn down pays fixed interest at 1.93% and is repayable in installments, by way of successive quarterly payments with a final maturity date of September 20, 2028.

On May 31, 2023, Play drew down another PLN 85 million under this facility, with a total of circa PLN 431 million being outstanding as at June 30, 2023.

On May 22, 2023, Play proceeded to an early partial prepayment under its PLN 5.5 billion syndicated acquisition loan set up in December 2021 for an amount of PLN 1.4 billion, bringing the total outstanding amount under this facility down to a total of PLN 4.1 billion as of June 30, 2023.

Guarantees given

The Group has not given any specific financial guarantees in return for its existing borrowing facilities with banks.

Breakdown of borrowings by type of rate

Borrowings after hedging can be analyzed as follows by type of rate:

<i>In € millions</i>	Jun. 30, 2023	Dec. 31, 2022
Fixed-rate borrowings	10,586	10,500
Variable-rate borrowings	4,469	4,715
Total borrowings at June 30	15,054	15,215

Breakdown of the Group's debt

The Group's bonds and private placements break down as follows:

Contract	Issue date	Maturity	Currency	Nominal rate	June. 30, 2023 Outstanding amount (€m)
iliad - SUN ¹	Oct. 12, 2017	Oct. 14, 2024	EUR	1.500%	650
iliad - SUN	April 25, 2018	April 25, 2025	EUR	1.875%	650
iliad - SUN	June 17, 2020	June 17, 2026	EUR	2.375%	650
iliad - SUN	Feb. 11, 2021	Feb. 12, 2024	EUR	0.750%	600
iliad - SUN	Feb. 11, 2021	Feb. 11, 2028	EUR	1.875%	700
iliad - SUN	Dec. 12, 2022	June 14, 2027	EUR	5.375%	750

iliad - SUN	Feb. 8, 2023	Feb. 15, 2030	EUR	5.625%	500
iliad - SSD ² 2019					
Tranche 3	May 22, 2019	May 22, 2026	EUR	1.845%	40
Tranche 4	May 22, 2019	May 22, 2026	EUR	1.700% + Euribor	25
Tranche 5	May 22, 2019	May 24, 2027	EUR	2.038%	10
Tranche 6	May 22, 2019	May 24, 2027	EUR	1.800% + Euribor	6
iliad - SSD 2021					
Tranche 1	June 30, 2021	June 30, 2025	EUR	1.150%	50
Tranche 2	June 30, 2021	June 30, 2025	EUR	1.150% + Euribor	135
Tranche 3	June 30, 2021	June 30, 2026	EUR	1.400%	51
Tranche 4	June 30, 2021	June 30, 2026	EUR	1.400% + Euribor	212
Tranche 5	June 30, 2021	June 30, 2028	EUR	1.700%	8
Tranche 6	June 30, 2021	June 30, 2028	EUR	1.700% + Euribor	22
Tranche 7	June 30, 2021	June 30, 2027	EUR	1.400%	15
Tranche 8	June 30, 2021	June 30, 2027	EUR	1.400% + Euribor	8
iliad - SSD 2022					
Tranche 1	May 27, 2022	June 30, 2026	EUR	2.732%	27
Tranche 2	May 27, 2022	June 30, 2026	EUR	1.400% + Euribor	45
Tranche 3	May 27, 2022	June 30, 2027	EUR	1.400% + Euribor	40
Total - iliad					5,193
Play - SUN	Dec. 13, 2019	Dec. 11, 2026	PLN	1.750% + Wibor	169
Play - SUN	Dec. 29, 2020	Dec. 29, 2027	PLN	1.850% + Wibor	113
Total - Play					282
iliad Holding - SSN ³	Oct. 27, 2021	Oct. 15, 2026	EUR	5.125%	1,100
iliad Holding - SSN	Oct. 27, 2021	Oct. 15, 2026	USD	6.500%	1,038
iliad Holding - SSN	Oct. 27, 2021	Oct. 15, 2028	EUR	5.625%	750
iliad Holding - SSN	Oct. 27, 2021	Oct. 15, 2028	USD	7.000%	779
Total iliad Holding					3,667
Total					9,142

Notes:

¹SUN : Senior Unsecured Notes

²SSD : Schuldschein (non-guaranteed private placements under German law)

³SSN : Senior Secured Notes. The USD-denominated SSN have been converted at an average EUR/USD rate of 1.156, corresponding to the rate applicable in the Cross-Currency Swap set up on October 13, 2021 by iliad Holding

The Group's bank borrowings break down as follows:

						June. 30, 2023	
Contract	Issue date	Maturity	Type of repayment	Currency	Nominal rate ¹	Outstanding amount (€m)	Amount available (€m)
iliad - EIB Loans							
2016	Dec. 8, 2016	Sept. 19, 2030	Install.	EUR	1.821%	160	-
2018 - T1	Dec. 14, 2018	Feb. 1, 2033	Install.	EUR	2.091%	200	-
2018 - T2	Dec. 14, 2018	April 8, 2033	Install.	EUR	1.772%	100	-
2020 - T1	Nov. 9, 2020	Nov. 23, 2028	At maturity	EUR	0.705%	150	-
2020 - T2	Nov. 9, 2020	March 29, 2029	At maturity	EUR	0.874%	150	-
2022 ²	Dec. 13, 2022	June 13, 2030	At maturity	EUR	Not fixed ³	-	300
iliad - KFW Loans							
2017	Dec. 13, 2018	June 13, 2029	Install.	EUR	1.100% + Euribor	54	-
2019	April 26, 2020	Oct. 9, 2030	Install.	EUR	1.100% + Euribor	113	-
iliad - RCF ²	July 27, 2022	July 27, 2027	At maturity	EUR	1.000% + Euribor	-	2,000
iliad - Term Loan	Dec. 18, 2020	Dec. 18, 2025	At maturity	EUR	1.600% + Euribor	900	-
iliad - Mid-Term ²	July 2, 2022	Jan. 1, 2024	At maturity	EUR	1.700% + Euribor	-	750
iliad - Term Loan	July 27, 2022	July 27, 2027	At maturity	EUR	1.500% + Euribor	1,000	-
Total - iliad						2,827	3,050
Play - Term Loan	March 29, 2021	March 29, 2026	At maturity	PLN	2.0% + Wibor	789	-
Play - RCF	March 29, 2021	March 29, 2024	At maturity	PLN	2.0% + Wibor	-	451
Play - BGK Loan	Oct. 15, 2021	Sept. 20, 2028	Install.	PLN	1.930%	97	15
Play - ECA Loan	Dec. 22, 2021	Dec. 22, 2026	Install.	PLN	0.450% + Wibor	96	-
Play - Term Loan	Dec. 10, 2021	March 26, 2026	At maturity	PLN	2.0% + Wibor	924	-
Play - EIB Loan ³	Jan. 14, 2022	Jan. 13, 2034	Install.	PLN	6.44%	53	53
Total - Play						1,958	519
iliad Hold. - SS RCF	July 28, 2021	Jan. 28, 2028	At maturity	EUR	3.000% + Eur.	-	300
Total - iliad Holding						-	300
Total						4,784	3,869

Notes:

¹ Rates applicable as at June 30, 2023, which can vary depending on the rating of the iliad group and the leverage ratio of the iliad group and Play respectively.

² On July 20, 2023, iliad SA amended and extended its mid-term facility, resulting in a commitment reduction from €750 million to €650 million and a maturity extended from January 1st, 2024 to January 21, 2025, along with more favorable financial terms throughout the duration of this facility.

On July 27, 2023, iliad SA exercised its first extension option on its €2 billion RCF, thus extending its original maturity by one year to July 2028.

³ The maturity date shown is indicative and depends on the drawdown date(s) and the maturity chosen. The final interest rate is set at each drawdown. For Play, the interest rate indicated corresponds to the average rate of the two fixed tranches as well as the interest rate comprising the 2.32% margin plus Wibor at 6.95%, after the interest rate was set for the variable tranche on December 19, 2022.

⁴ SS RCF: Senior Secured Revolving Credit Facility.

Breakdown of outstanding borrowings

Adjusted net debt corresponds to the sum of principal outstanding debt less cash and cash equivalents. It is reconciled with net debt and breaks down as follows:

	At June 30, 2023
<i>In € millions</i>	
Cash and cash equivalents	(987)
Gross debt	15,053
Net debt	14,066
Accrued interest	(107)
Debt issuance costs	73
CCS Mark-to-market Value FX effect	(116)
Other ¹	43
Adjusted net debt	13,959
<i>Breakdown of adjusted net debt</i>	
Cash and cash equivalents	(987)
<i>iliad Holding Senior Secured Notes²</i>	3,667
<i>iliad Holding Senior Secured RCF</i>	-
<i>iliad Senior Unsecured Notes</i>	4,500
<i>iliad RCF</i>	-
<i>iliad Schuldscheins</i>	693
<i>iliad Term Loan - 2022</i>	1,000
<i>iliad Term Loan - 2020</i>	900
<i>iliad Mid-Term facility</i>	-
<i>iliad EIB Loans</i>	760
<i>iliad trade receivables securitization program</i>	538
<i>iliad NEU CP</i>	400
<i>iliad KFW Loans</i>	167
<i>Play Term Loan (UPC acquisition)</i>	924
<i>Play Term Loan</i>	789
<i>Play RCF</i>	-
<i>Play Senior Unsecured Notes</i>	282
<i>Play ECA Loan</i>	96
<i>Play EIB Loan</i>	53
<i>Play BGK Loan</i>	97
<i>Other³</i>	82
Total	13,959

Note 16 Off-balance sheet commitments and contingencies

Under the strategic partnership entered into with InfraVia through IFT (a company specially created for the purpose of the partnership), iliad's cumulated shareholder contribution is equal to €87 million at end-June 2023 (on a total expected up to €230 million in the first five years following the partnership). No additional

shareholder contribution has been made during the six-month period ended June 30, 2023.

There have been no other material changes in Iliad Group off-balance sheet commitments and contingencies liabilities during the six-month period ended June 30, 2023.

Note 17 Events after the reporting date

No significant event has occurred after reporting date.