

Company Number: 03014367

ORANGE HOME UK LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2010

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ANNUAL REPORT FOR THE YEAR ENDED
31 DECEMBER 2010

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ORANGE HOME UK LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of Orange Home UK Limited ("the company") for the year ended 31 December 2010

Principal activities, review of the business and future developments

The principal activities of the company during the first half of the year were the provision of broadband, narrowband and voice access products. The company was also the provider of the popular portals orange.co.uk and Orange World which it sold to a subsidiary of France Telecom S.A. on 1 April 2010 for £1. On 19 March 2010 Wanadoo Limited sold the company to Orange Personal Communications Services Limited for £1. On 1 July 2010 the trade of the company was hived up to its ultimate parent Everything Everywhere Limited. The directors expect that the company will remain dormant for the foreseeable future.

The company's financial and other performance indicators during the year were as follows:

	2010 £'000	2009 £'000	Change %
Turnover	92,994	203,043	(54)%
Operating loss	(99,510)	(77,085)	29%
Loss after tax	(48,880)	(54,273)	(10)%
Shareholders' funds	-	50,215	(100)%
Current assets as % current liabilities	nil%	170%	(100)%

Turnover declined to £93m due to the transfer of trade and assets to Everything Everywhere on 1 July 2010. Underlying revenues declined due to a decline in the broadband and dial up customer base. The increase in operating losses compared to 2009 reflects a one-off restructuring charge relating to a network closure.

Prior to the hive up of the trade the company's strategy was to stem the decline in its customer base whilst continuing to reduce operating losses.

During the period to 30 June 2010 Orange Personal Communications Services Limited provided business support and finance functions for the company (note 3).

Going concern review

After making enquiries, the directors have a reasonable expectation that as the company will not trade in the foreseeable future, and it has no liabilities, it will not require any further resources to continue in existence. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Principal risks and uncertainties

During the period to 30 June 2010 the company had a comprehensive risk management process in place, which was designed to identify, manage and mitigate business risk. Regular reporting of these risks and the monitoring of actions and controls were conducted by the Board. The key risks associated with the company's activities ceased to be applicable following the transfer of the trade.

External

The Orange Home business was directly impacted by the external environment and in particular the regulatory environment and competitive marketplace that the company operated in.

ORANGE HOME UK LIMITED

DIRECTORS' REPORT (continued)

Level of competitive activity

The broadband market in the UK is highly competitive. Competitive pressures on the company increased as existing operators and other service providers sought to strengthen their market position. Close monitoring of customer trends and competitor activity enabled the company to respond by developing innovative customer propositions and retention campaigns.

Regulatory factors

The company's operations were subject to stringent regulatory requirements. The company monitored regulatory developments and maintained a strong compliance regime. Regular reviews and audits were carried out to ensure compliance.

Results for the year, dividends and transfer to reserves

The loss for year ended 31 December 2010 was £48,880,000 (2009 loss £54,273,000) and has been transferred to reserves. Detailed results for the year are shown in the profit and loss account on page 7.

No dividends were paid during the year under review (2009 £nil). The directors do not recommend the payment of a final dividend for the year under review (2009 £nil).

Directors

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

	<i>Appointed</i>	<i>Resigned</i>
Orange Limited		1 April 2010
James Blendis	28 May 2010	
Colin Caldwell	5 October 2010	
Alexander Lunshof	1 April 2010	1 July 2010
Gavin Moore	5 October 2010	
Gavin Moore (alternate director)		1 July 2010
Michael Newnham		1 July 2010

There are no directors' interests requiring disclosure under the Companies Act 2006.

Research and development

There were no research and development activities undertaken by the company during the year (2009 £nil).

Political and charitable contributions

The company has not made any political or charitable donations during the year (2009 £nil).

ORANGE HOME UK LIMITED

DIRECTORS' REPORT (continued)

Creditor payment policy

During the period to 30 June 2010 all invoices were processed and paid by Orange Personal Communications Services Limited on behalf of the company. The company did not have its own purchase ledger.

The policy of Orange Personal Communications Services Limited in respect of the payment of its trade creditors is to reflect local practice in the United Kingdom. Standard payment terms are 60 days but may be varied by negotiation with individual suppliers.

For all trade creditors, the policy is to

- agree the terms of payment at the start of business with that supplier,
- ensure that suppliers are aware of the terms of payment,
- pay in accordance with its contractual and other legal obligations whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

The company had trade creditors at 31 December 2010 of £nil (31 December 2009 £nil).

Events after the balance sheet date

On 23 March 2011 the Chancellor of the Exchequer announced further reductions in the corporation tax rate to 23%. On the basis that there is no deferred taxation balance in the 31 December 2010 balance sheet, the company considers that the cumulative rate reductions to 23% will have no impact on deferred taxation in its reported figures.

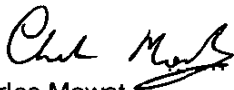
Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Re-appointment of auditor

The auditor, Ernst & Young LLP, has indicated its willingness to continue in office.

By order of the board



Charles Mowat
Company Secretary

Date 22/9/11

St James Court
Great Park Road
Almondsbury Park
Bradley Stoke
Bristol
BS32 4QJ

ORANGE HOME UK LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

ORANGE HOME UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORANGE HOME UK LIMITED

We have audited the financial statements of Orange Home UK Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

ORANGE HOME UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORANGE HOME UK LIMITED (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Ernst & Young LLP

Naresh Alimchandani (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

26 September 2011

ORANGE HOME UK LIMITED

PROFIT AND LOSS ACCOUNT - 03014367 **FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	<u>2010</u> £000	<u>2009</u> £000
TURNOVER	2	92,994	203,043
Cost of sales		<u>(1,179)</u>	<u>(2,342)</u>
GROSS PROFIT		91,815	200,701
Distribution expenses		-	-
Administration expenses		(221)	3,340
Restructuring expenses		(59,470)	-
Management recharge	3	<u>(131,634)</u>	<u>(281,126)</u>
OPERATING LOSS	3	(99,510)	(77,085)
Profit from sale of assets		44,554	-
Interest receivable and similar charges	4	<u>126</u>	<u>656</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(54,830)	(76,429)
Tax on loss on ordinary activities	6	<u>5,950</u>	<u>22,156</u>
LOSS FOR THE FINANCIAL YEAR	11	<u>(48,880)</u>	<u>(54,273)</u>

All activities relate to discontinued operations

There are no recognised gains or losses for the current and previous financial periods other than the loss stated in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses has been presented.

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

ORANGE HOME UK LIMITED

BALANCE SHEET - 03014367 AS AT 31 DECEMBER 2010

	Notes	2010 £000	2009 £000
FIXED ASSETS			
Investments	7	-	-
		-	-
CURRENT ASSETS			
Debtors	8	-	120,622
Cash at bank and in hand		-	871
		-	121,493
CREDITORS Amounts falling due within one year	9	-	(71,278)
NET CURRENT ASSETS		-	50,215
NET ASSETS		-	50,215
CAPITAL AND RESERVES			
Called up share capital	10	301,352	301,352
Share premium account	11	158,632	158,632
Equity settled stock option plan liability	15	-	1,335
Profit and loss Account	11	(459,984)	(411,104)
TOTAL EQUITY SHAREHOLDERS FUNDS	12	-	50,215

The financial statements on pages 7 to 15 were approved by the board of directors on 22 September 2011 and are signed on its behalf by


Gavin Moore
Director

Date 22/9/11

ORANGE HOME UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2010**

1 ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

The principal accounting policies have been applied consistently throughout the period under review and preceding period.

1.1 Basis of Preparation

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

In accordance with Financial Reporting Standard 18 ('FRS') "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 2010.

After making enquiries, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

1.2 Revenue recognition

Turnover comprises revenue from internet service provider (ISP) subscriptions, connectivity, online advertising and e-commerce, stated net of sales tax and agency commissions.

ISP subscription revenues are recognised rateably over the period to which the revenue relates. Discounts given to customers during a contract period with the company are spread evenly over the duration of the contract.

Advertising revenues are recognised rateably over the period in which the advertisement is displayed provided that no significant obligations remain at the end of the period and collection of the resulting debtor is probable. The company occasionally takes part in barter advertising deals whereby partners' banner advertisements are shown in unsold space on the company's sites, in exchange for Orange Home banners appearing in unsold space on their sites. Both the revenue and cost elements of these transactions are deemed to be £Nil.

Sponsorship revenue is recognised rateably over the contract period or the period to which the payment relates. All other e-commerce revenue is recognised as earned.

1.3 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or receive more, tax, with the exception of deferred tax assets, which are only recognised to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.4 Operating leases

Rentals payable under property leases are charged to the profit and loss account in equal instalments up to each market rent review date, throughout the lease term. Lease incentives are recognised over the full length of the lease term.

ORANGE HOME UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2010**

1 ACCOUNTING POLICIES (continued)

1.5 Foreign exchange

Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange at each balance sheet date at the month-end exchange rate and the resulting transaction differences are taken to profit and loss account.

1.6 Cash flow statement and related party transactions

The company has taken advantage of the exemption in FRS 1. A cash flow statement has not been prepared as

- (i) until 31 March 2010 the company was a wholly owned subsidiary of France Telecom S A, registered in France, which prepares a group cash flow statement, and,
- (ii) from 1 April 2010 the company was a wholly owned subsidiary of Everything Everywhere Limited, registered in England, which prepares a group cash flow statement.

The company is exempt under the terms of FRS 8 from disclosing related party transactions in the period to 31 March 2010 with entities that are part of the France Telecom S A group, the ultimate parent company, or investees of the France Telecom S A group.

The company is also exempt under the terms of FRS 8 from disclosing related party transactions in the period from 1 April 2010 with entities that are part of the Everything Everywhere group, or investees of the Everything Everywhere group.

1.7 Provision for liabilities

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

1.8 Consolidated accounts

Consolidated financial statements have not been prepared as the company is a wholly owned subsidiary of a company registered in England and Wales. Accordingly the company's financial statements present information about it as an individual undertaking and not as a group.

2. SEGMENTAL INFORMATION

Turnover represents amounts derived from the provision of services which fall within the company's ordinary activities after deduction of sales taxes, agency commission and partner revenue share. The company is engaged in one line of business as an internet service provider. All turnover is derived from activities in the UK.

ORANGE HOME UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

3. OPERATING LOSS

	2010 £000	2009 £000
Operating loss is stated after charging		
Rentals paid under operating leases		
- Office rental	-	516
Auditor's remuneration – audit fees	-	65
Unrealised exchange loss / (gain)	36	(5,228)

The profit and loss account includes unrealised exchange losses of £36,000 (2009 gains £5,228,000) arising from unsettled short-term monetary items. The directors consider this disclosure necessary in order for the financial statements to give a true and fair view.

In 2010 management recharges of £131,634,000 (2009 £281,126,000) relate to charges from Orange Personal Communications Services Limited for providing business services to the company.

The auditor's remuneration for audit services of £65,000 in 2010 has been borne and paid for by Everything Everywhere Limited, a fellow group company.

4. INTEREST RECEIVABLE AND SIMILAR CHARGES

	2010 £000	2009 £000
Group loan interest receivable	126	656
	126	656

5. EMPLOYEE COSTS AND DIRECTORS' REMUNERATION

(a) Employee costs

The company had no employees in 2010 (2009 nil) and as a result no employee related costs have been incurred (2009 £nil).

(b) Directors' remuneration

	2010 £000	2009 £000
The emoluments of the directors were as follows		
Aggregate emoluments (including benefits)	292	-
Compensation for loss of office	459	-
Contributions to defined contribution pension schemes	41	-
	792	-

	£000	£000
The emoluments of the highest paid director were as follows		
Aggregate emoluments (including benefits)	292	-
Compensation for loss of office	459	-
Contributions to defined contribution pension schemes	41	-
	792	-

The corporate director did not receive any remuneration (2009 £nil).

ORANGE HOME UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

6. CORPORATION TAX

(a) Tax on loss on ordinary activities

	2010	2009
	£000	£000
Current tax		
UK corporation tax on loss for the year	(5,977)	(21,469)
Adjustment in respect of prior periods	-	(755)
Total current tax credit (note 6 (b))	<u>(5,977)</u>	<u>(22,224)</u>
Deferred tax		
Origination and reversal of timing differences	27	68
Total deferred tax charge (note 6 (d))	<u>27</u>	<u>68</u>
Tax credit on loss on ordinary activities	<u>(5,950)</u>	<u>(22,156)</u>

(b) Factors affecting the current tax credit

The current tax assessed for the year is different from the UK standard rate of corporation tax of 28% (2009 28%) The differences are as follows

	2010	2009
	£000	£000
Loss on ordinary activities before taxation	<u>(54,830)</u>	<u>(76,429)</u>
Profit on ordinary activities multiplied by the UK standard rate of corporation tax of 28% (2009 28%)	(15,352)	(21,400)
Factors affecting the credit		
Non-taxable expenses	1,811	(1)
Accelerated capital allowances	(27)	(68)
Non-taxable sale of assets	(12,475)	-
Group relief for nil payment	20,066	-
Adjustments in respect of prior periods	-	(755)
Corporation tax credit for the year (note 6 (a))	<u>(5,977)</u>	<u>(22,224)</u>

(c) Factors that may affect future tax charges

Announcements were made during and after the year by the Chancellor of the Exchequer of proposed changes to corporation tax rates that will have an effect on future tax charges of the company. The change in the corporation tax rate from 28% to 27% was substantively enacted on 20 July 2010, whereas further reductions to 23% have been announced but were not substantively enacted at the balance sheet date.

On the basis that there is no deferred taxation balance in the 31 December 2010 balance sheet, the company considers that the cumulative rate reductions to 23% will have no impact on deferred taxation in its reported figures.

ORANGE HOME UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

6. CORPORATION TAX (continued)

(d) Deferred taxation

The deferred tax asset recognised in the accounts is as follows

	2010 £000	2009 £000
Decelerated capital allowances	-	274
Total recognised deferred tax asset (note 8)	-	274

The movements in deferred tax during the year were as follows

	2010 £000
Deferred tax asset recognised at 1 January 2010	274
Amount transferred to Everything Everywhere Limited	(247)
Amount charged to the profit and loss account	(27)
Deferred tax asset recognised at 31 December 2010	-

As a result of the company's trade having been transferred to Everything Everywhere Limited on 1 July 2010, there is no unrecognised deferred tax asset at 31 December 2010 (2009 £5,618,000 consisting of £4,971,000 trading losses and £647,000 capital losses). The losses were not recognised at 31 December 2009 as the recognition criteria set out in FRS 19 had not been met.

7. INVESTMENTS

On 15 January 2010 the company sold its investment in Freeserve Investments Limited to Orange Limited, a sister company, for the book value of £2.

8. DEBTORS

	2010 £000	2009 £000
Due within one year		
Trade debtors	-	7,987
Corporation tax	-	14,681
Deferred tax (note 6 (d))	-	274
Amounts owed by group undertakings	-	97,680
	-	120,622

9. CREDITORS – amounts falling due within one year

	2010 £000	2009 £000
Bank overdraft	-	1,066
Other creditors	-	4,533
Accruals and deferred income	-	11,418
Amounts owed to group undertakings	-	54,261
	-	71,278

ORANGE HOME UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

10. SHARE CAPITAL

	2010 £000	2009 £000
Authorised:		
400,000,000 Ordinary shares of £1 00 each	400,000	400,000
	<u>400,000</u>	<u>400,000</u>
Called up, allotted and fully paid:		
301,351,620 Ordinary shares of £1 00 each	301,352	301,352
	<u>301,352</u>	<u>301,352</u>

11. MOVEMENT IN RESERVES

	Equity settled stock option plan liability £000	Share premium account £000	Profit and loss account £000
At 1 January 2010	1,335	158,632	(411,104)
Movement in the year	(1,335)	-	(48,880)
At 31 December 2010	<u>-</u>	<u>158,632</u>	<u>(459,984)</u>

12 RECONCILIATION OF SHAREHOLDERS' FUNDS

	2010 £000	2009 £000
Shareholders' funds at 1 January 2010	50,215	59,388
Loss for the financial year	(48,880)	(54,273)
Transfer of Equity settled stock option liability	(1,335)	-
Increase in share capital	-	45,100
Shareholders' funds at 31 December 2010	<u>-</u>	<u>50,215</u>

13. CONTINGENT LIABILITIES / ASSETS

The company had £nil (2009 £106,750) of e-commerce contracts and £nil (2009 £580,270) of advertising deals commitments which were not provided at the year end

The company had no contingent liabilities at 31 December 2010 (2009 £nil)

14. OPERATING LEASE COMMITMENTS

At 31 December 2010 the company was committed to the following annual payments in respect of operating leases

	31 December 2010 £000	31 December 2009 £000
Leases which expire		
Within one year	-	14,516
Within two to five years	-	28,649
Over five years	-	-
	<u>-</u>	<u>43,165</u>

- None of the above relate to land and buildings

ORANGE HOME UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

15. SHARE-BASED PAYMENTS

	2010 £000	2009 £000		
	Expense for the year	Liability recognised	Expense for the year	Liability recognised
Former Wanadoo stock option plans	-	-	-	1,335

16. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking at 31 December 2009 was Wanadoo Limited, a company incorporated in the United Kingdom. On 19 March 2010, Wanadoo Limited sold the company to Orange Personal Communications Services Limited.

The immediate parent undertaking at 31 December 2010 was Orange Personal Communications Services Limited, a company incorporated in the United Kingdom.

At 31 December 2010, the ultimate parent undertaking was Everything Everywhere Limited, a company incorporated in the United Kingdom. Copies of Everything Everywhere Limited's consolidated financial statements can be obtained from The Company Secretary, Hatfield Business Park, Hatfield, Hertfordshire, AL10 9BW.

At 31 December 2010 the immediate shareholders of Everything Everywhere Limited, each with a 50% shareholding, were

T-Mobile Holdings Limited ("TMH") The registered office for TMH is Hatfield Business Park, Hatfield, Hertfordshire AL10 9BW, and its ultimate shareholder is Deutsche Telekom AG, a company incorporated in Germany. Copies of Deutsche Telekom AG's published consolidated financial statements can be obtained from The Press and Corporate Communication Department, Postfach 20 00, D 53 105 Bonn, Germany.

Orange Telecommunications Group Limited ("OTGL") The registered office for OTGL is St James Court, Great Park Road, Almondsbury Park, Bradley Stoke, Bristol BS32 4QJ, and its ultimate shareholder is France Telecom SA, a company incorporated in France. Copies of France Telecom SA's published consolidated financial statements can be obtained from the General Counsel at 6 Place d'Alleray, 75505, Paris, Cedex 15, France.

17. EVENTS AFTER THE BALANCE SHEET DATE

On 23 March 2011 the Chancellor of the Exchequer announced further reductions in the corporation tax rate to 23%. On the basis that there is no deferred taxation balance in the 31 December 2010 balance sheet, the company considers that the cumulative rate reductions to 23% will have no impact on deferred taxation in its reported figures.