

Low-cost Free stirs up French mobile market

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A mobile phone connected to French telecoms operator and Internet service provider Free Mobile on July 20, 2013 in Rennes

Low-cost telecom company Free stirred up France's mobile phone market on Tuesday by announcing an offer that includes 4G data services without additional cost to the customer.

The company—which burst into existence by pushing down prices for home telephone, television and Internet service—did the same for mobile phones when it became France's fourth operator in 2012.

Forced into a [price war](#), France's main operators—Orange, SFR and Bouygues—saw earnings slump, but were hoping to recover by charging a premium for the new generation service.

Free also said it would provide even more data as part of its standard 20 euro (\$27) per month package.

The announcement hit the share price of its competitors. Shares in Orange dropped 3.0 percent 9.25 euros. Bouygues fell 3.1 percent to 26.86 euros. SFR-owner Vivendi slid 2.3 percent to 18.19 euros.

Shares in Free parent company Iliad, owned by tycoon Xavier Niel, climbed 0.66 percent to 174.40 euros.

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