

2016 Q1

Results Presentation

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Q1'16 Highlights

EBITDA growth sustained in Q1'16, supported by direct margin and cost efficiencies

Group Revenue*
€1,433m
-3.1% YoY

Underlying Domestic revenue -0.3% to €1,077m.

- Higher revenue from Fixed and Mobile Services.
- Lower sales of low-margin mobile devices.

BICS revenue -10.9% .

Group EBITDA*
€418m
+2.5% YoY

Domestic EBITDA, +3.8% YoY

- Higher Domestic direct margin.
- Lower expenses.

BICS EBITDA -10.0% YoY

Capex
€237m

Total capex Q1'16 of €237m

Improving customer experience through network investments.

Q1 FCF
€133m

Q1'16 FCF impacted by:

- Lower cash needs for working capital.
- Higher underlying EBITDA.
- Lower cash paid for capex.

Q1'16 Commercial drivers

Good acquisition in a more competitive market

+ 35,000
TV subscriptions

+ 23,000
Fixed Internet Lines

+ 17,000
Mobile Postpaid cards excl. M2M & Internet Everywhere cards

- 45,000
Mobile Prepaid cards

-30,000
Fixed Voice lines

+ 21,000
3 & 4-Play Households/ Small offices, i.e. 45% of total base

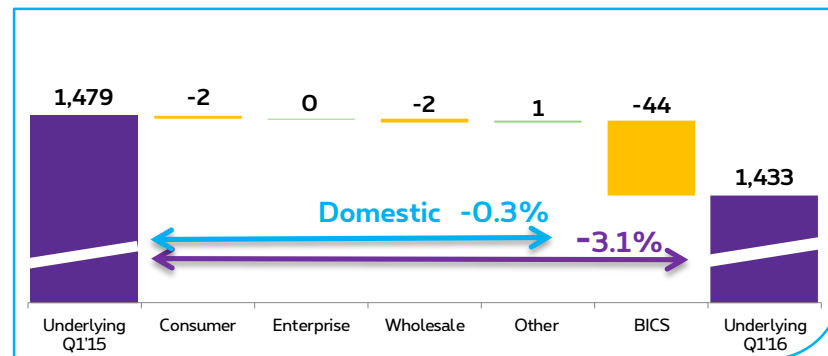
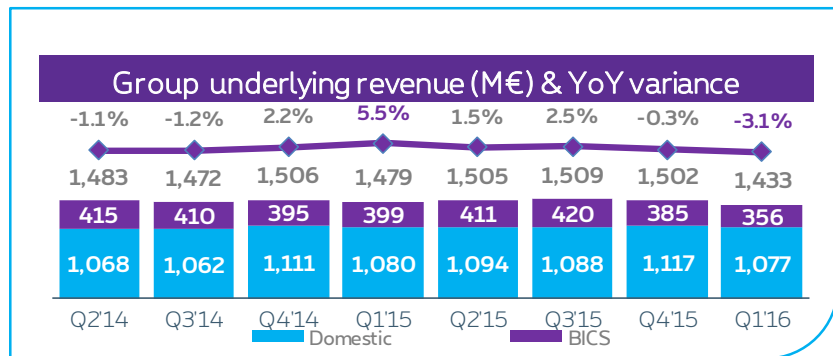
*On underlying basis, i.e. excluding incidentals

Key Group Achievements

Q1 2016

Group underlying revenue by segment

Domestic revenue nearly stable YoY, Fixed and Mobile growth mitigated by lower mobile devices
BICS revenue decreased YoY on less voice traffic



Q1'16 Domestic revenue nearly stable to prior year (-0.3%)



Consumer: -0.3 %YoY

- Nearly stable revenue in spite of lower devices sales (low-margin) and Mobile prepaid decline.
- Fixed revenue +3.9%.
- Mobile service revenue: +0.7% YoY; Postpaid +4.9%.



Enterprise: +0.1% YoY

- Stable revenue YOY.
- Mobile services (+5%); ICT (+1.1%) and Fixed Data revenue growth offset Fixed voice revenue erosion and lower devices sales.



Wholesale: -4.9% YoY

- Lower volume from traditional wholesale business.
- Improving decline compared to the previous quarters with impact from outphased SNOW customers fading.

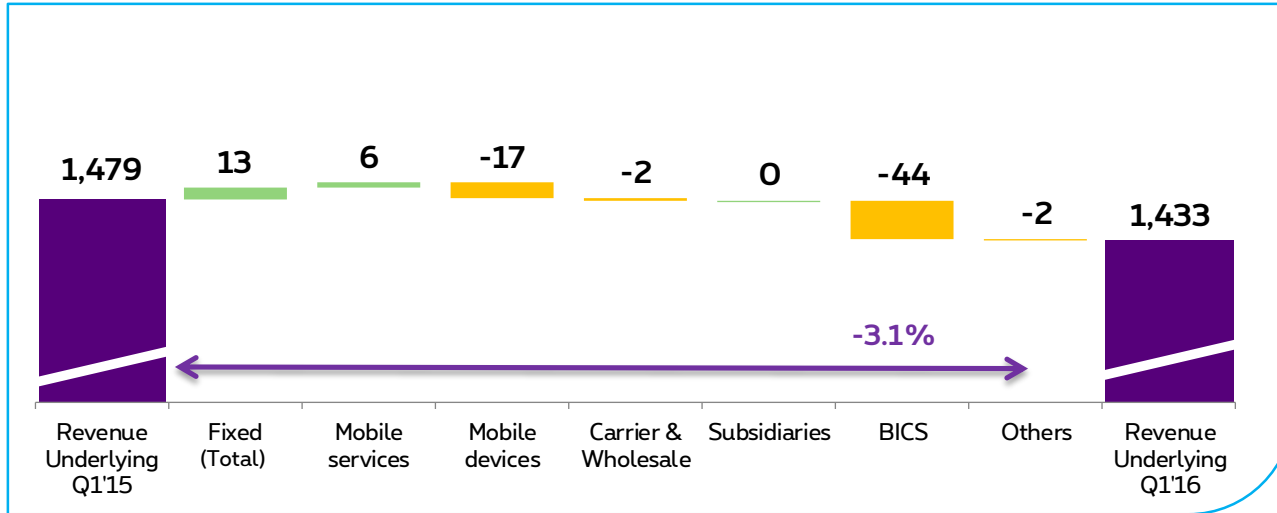


Q1'16 revenue -10.9% YoY

- Volatility of Voice business.
- Continuously growing revenue from non-Voice, up 8.1% on Mobile data increase.

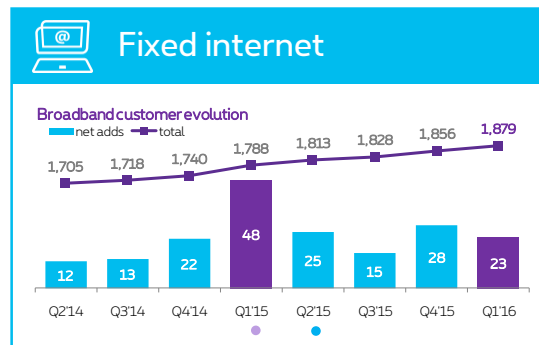
Group underlying revenue evolution per product group

Good revenue growth of Fixed Internet, TV and Mobile services

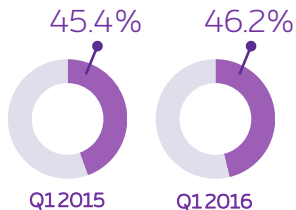


- Solid revenue growth from Fixed Internet, TV & Mobile services offsetting lower sales of low-margin Mobile devices.
- BICS revenue -10.9% YoY driven by the volatility of the voice business partly compensated by non-Voice revenue growth, up 8.1% YoY.

Fixed Internet and TV Market Shares further improved in Q1'16

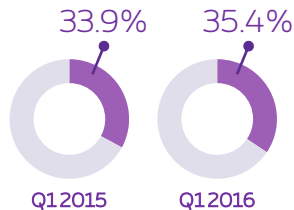
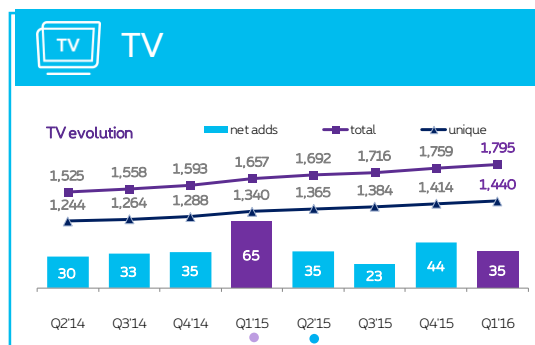


- Including migration of 16 K former SNOW customers
- Including migration of 6 K former SNOW customers migration



Market share

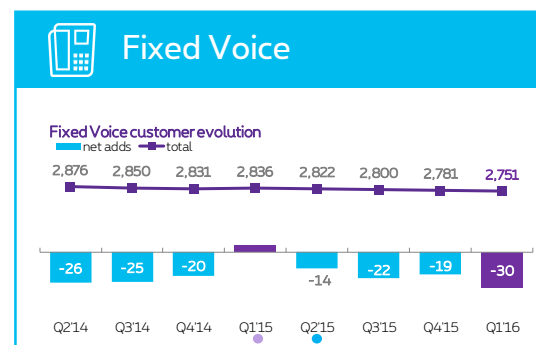
YoY growth of
+91,000
Fixed Internet
customers;
i.e. **+5.1%**



Market share

YoY growth of
+137,000
TV customers*;
i.e. **+8.3%**

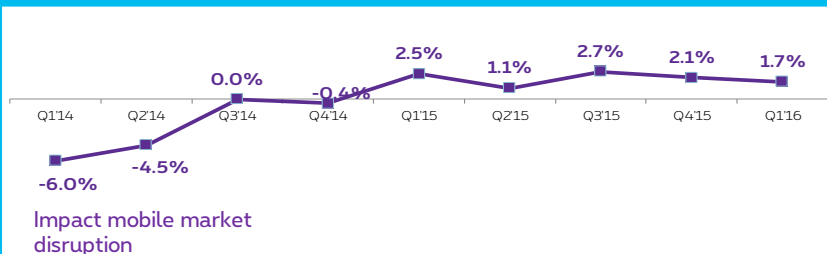
(*) total
subscriptions, incl.
multi-settop boxes



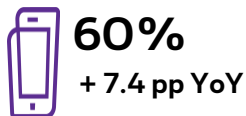
YoY erosion of **-85,000**
Fixed Voice lines; i.e. **-3.0%**

Group Mobile services revenue +1.7% YoY

Mobile services revenue : +1.7pp YoY



Smartphone penetration

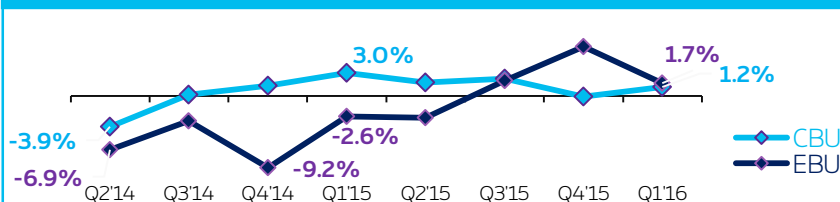


Average 4G usage > 1GB/m

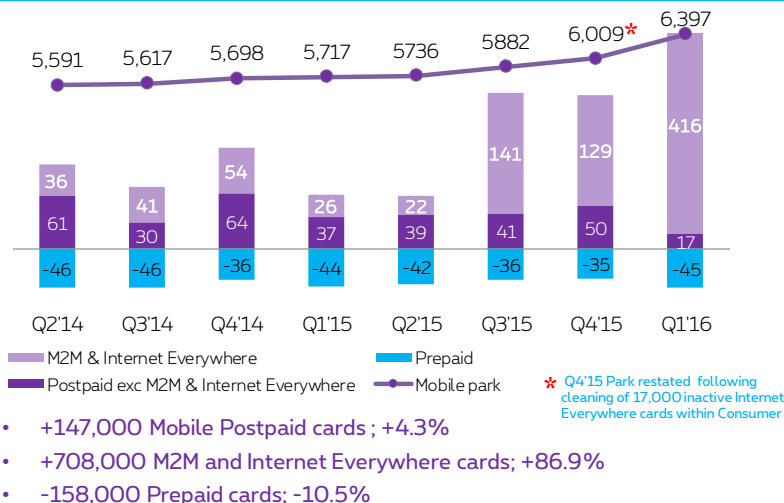
	Q1'15	Q1'16
4G	822	1,025
blended 3G 4G	477	731

4G users **3.7X** more data vs 3G users

Q1 blended Mobile ARPU growing YoY for Consumer & Enterprise

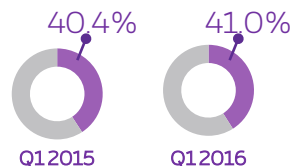


Growing base mobile cards

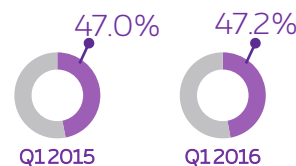


Positive evolution for Mobile Market Share

Total mobile MS +0.6 pp. YoY



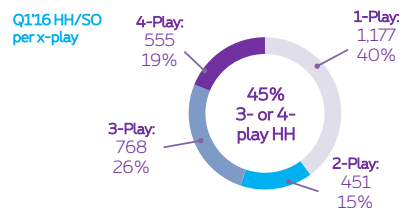
Postpaid MS +0.2 pp. YoY



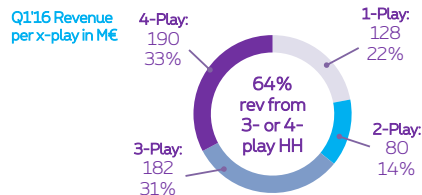
Good progress on convergence strategy in Q1'16

- **45 %** of the Households/Small offices are **3-or 4-play**, and count for 64% of total HH/SO revenue
- Continued **improvement** of mix following growth for **3-Play and 4-Play**
- Revenue from X-play HH/SO +4.4% YoY; 4-Play revenue +10.1%
- ARPH up by 3.2% YoY to EUR 65.5, 4-Play ARPH at € 114.9

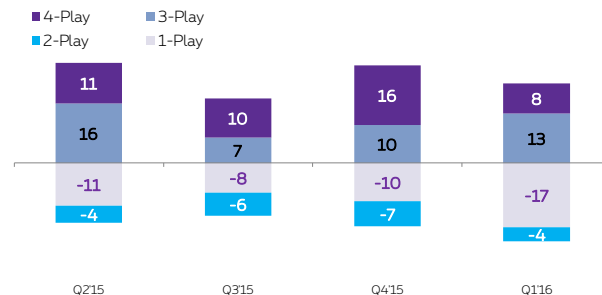
CBU Households per x-play Q1'16 Total of 2,951,000 Households



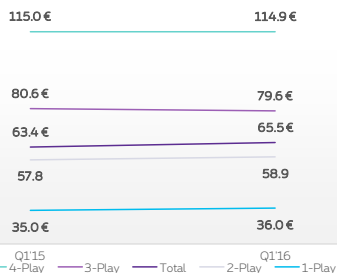
CBU Revenues per x-play Q1'16: Total x-play Revenues of € 580m



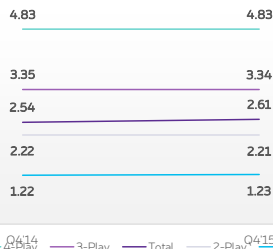
Households/Small Offices per x-play net adds of the quarter (in '000)



+3.2% Average Revenue per HH to 65.5€



Higher number of Average Revenue Generating Units per HH



HH/SO combining Fixed and Mobile

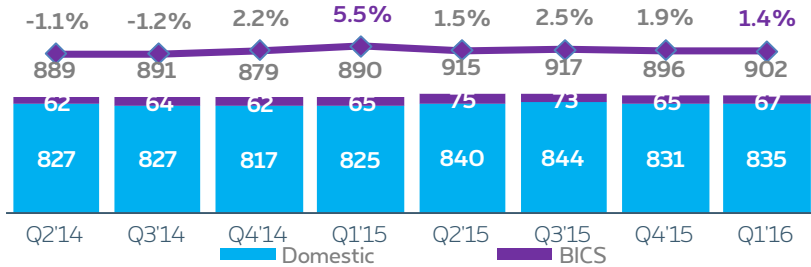
53% end Q1'16, + 1.5 pp YoY

Annualized full churn rate (HH)

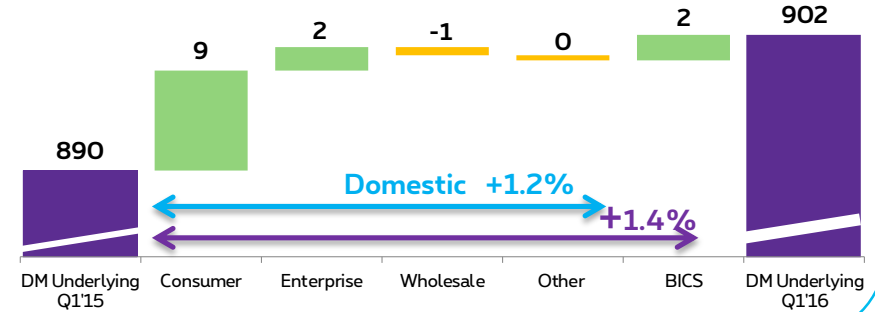
# Plays	Q116	# Plays	Q116
4-Play	2.8%	3-Play	10.4%
2-Play	12.1%	1-Play	20.8%

Direct margin growth trend continued for Domestic and BICS

By quarter:



By segment:



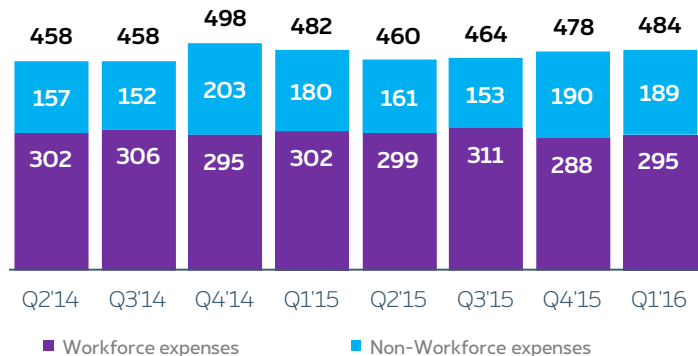
1.4% Group direct margin increase

- Domestic direct margin was up by 1.2%, driven by Consumer and Enterprise. Domestic direct margin as percent of revenue was 77.5%, i.e. up by 1.1 pp from the prior year.
- In spite of a lower first quarter revenue, BICS posted a 3.5% increase in direct margin. BICS' direct margin as percent of revenue increased by 2.6 p.p. to 18.8%.

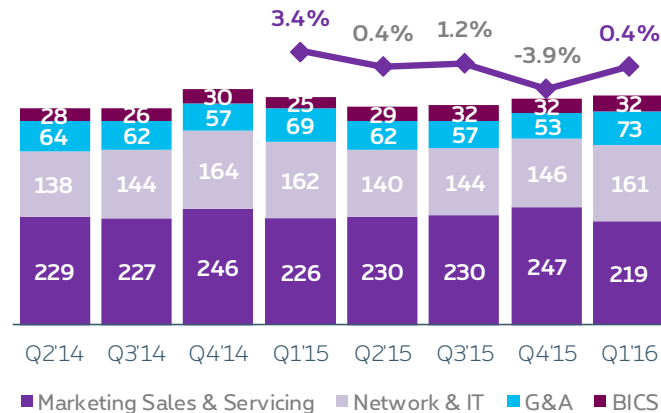
Underlying Domestic expenses -0.9% YoY, BICS expenses up

* For subsidiaries Workforce expenses include internal HR expenses only.

Group underlying expenses (€M) & YoY variance



Group underlying Opex by nature (€M) & YoY



Domestic Operating Expenses reduced by 0.9%.

Mainly driven by efficiency gains following the deflation of 'bad' volumes in call centers, and increased productivity.

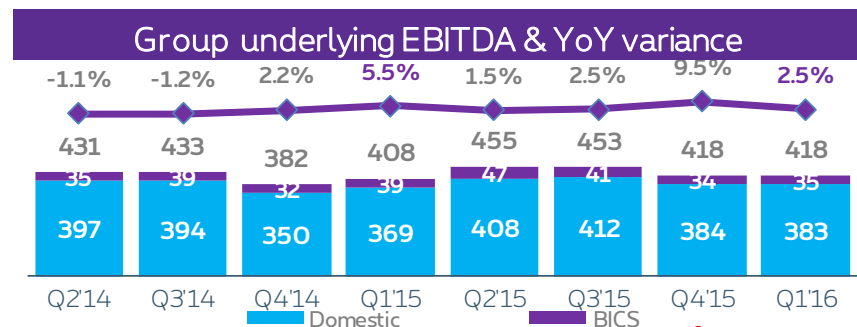
Operating costs of BICS up YoY

Including higher staffing needs for geographical expansion and to develop growth domains.

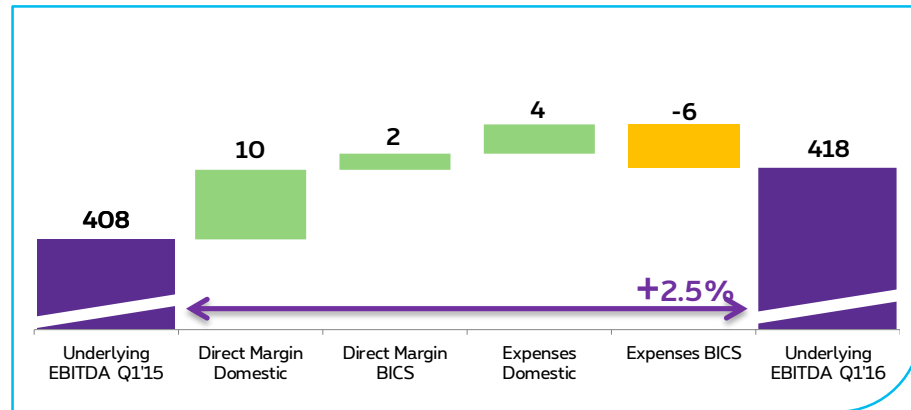
Proximus Group Operating expenses slightly up by 0.4% from the prior year

Including a negative year-on-year foreign currency impact.

Good underlying Group EBITDA Q1'16, +2.5 % YoY, driven by a 3.8% growth in Domestic EBITDA.



• YoY variance positively impacted by Regional Pylon Tax provision in Q4'14



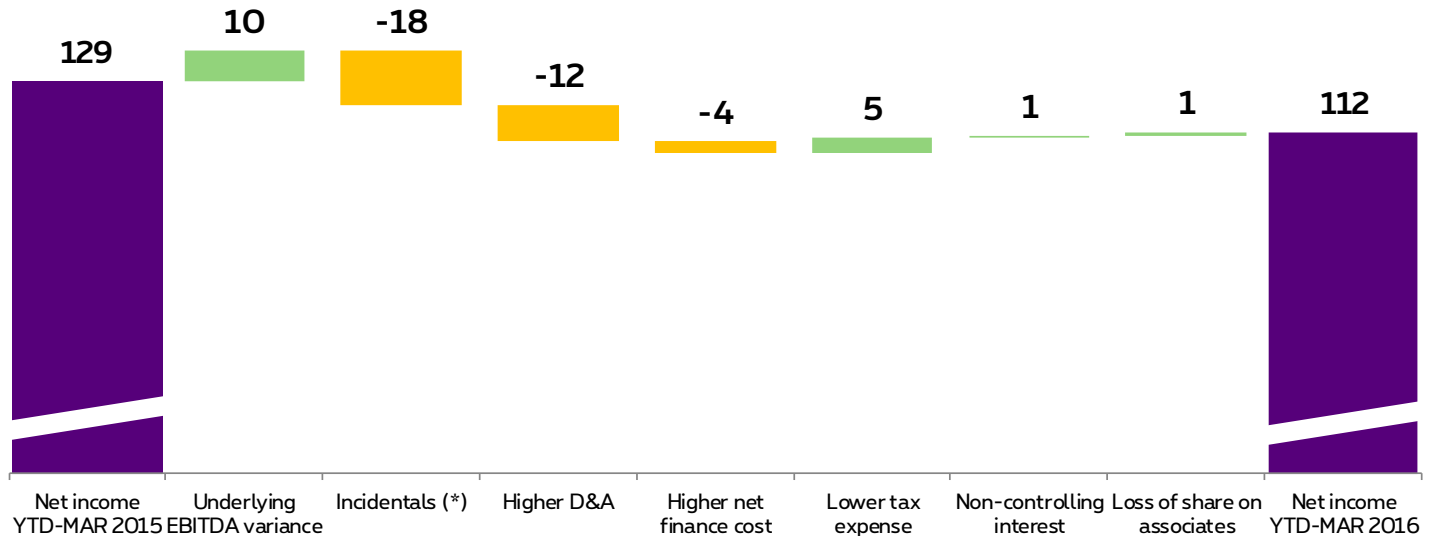
Q1'16 underlying Group EBITDA totaled €418m

- YoY EBITDA growth fully driven by Domestic, up 3.8% YoY to € 383m, driven by a higher direct margin and lower expenses.
- BICS' segment result was down by 10% to € 35m due to higher workforce expenses to support new growth initiatives and geographies.
- Variance also impacted by foreign currency impact that lowered Q1'15 expenses.

Net income (Group share)

YTD March'16 net income (Group share) totaled € 112m. The decrease versus the same period of 2015 is for a large part explained by incidentals* and higher depreciation and amortization due to higher asset base. This was partially offset by positive Underlying EBITDA variance and lower tax expenses.

YTD March (in M€)

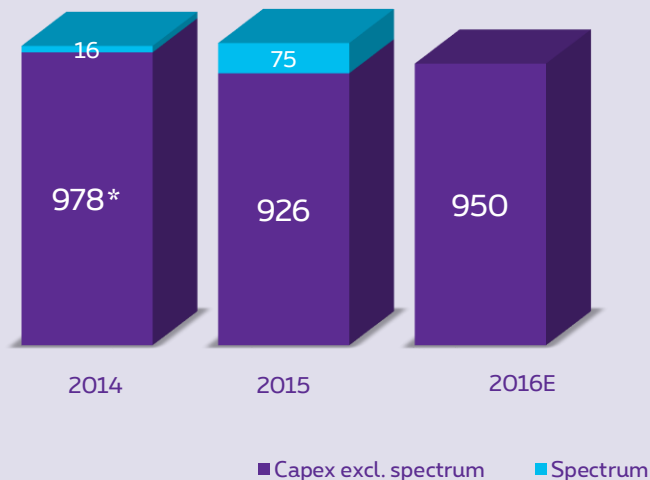


* Negative incidentals for an amount of € 17m in 2015 and positive incidental for € 1m in 2016.

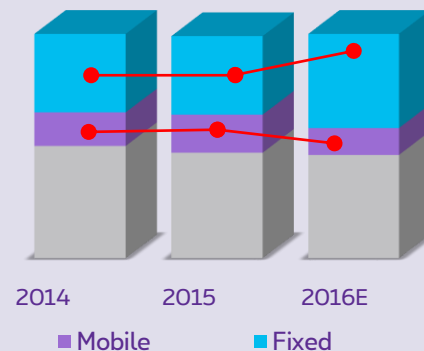
Continuously investing in excelling customer experience

- Capex Q1'16 : € 237m, +€ 10m YoY
- Investing in capacity and speed, both in Fixed and Mobile
- Enriching content
- Rebalancing Capex portfolio
- Special focus on Fiber-to-the-Enterprise in 2016

(M€)



Rebalancing
Capex to Fixed
investments



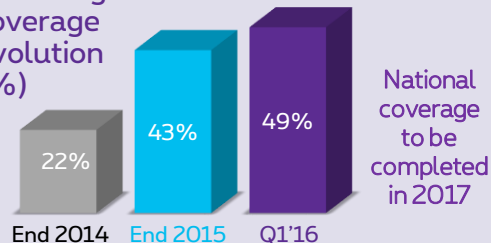
*Incl. Jupiler League soccer broadcasting rights

Network & IT- FIXED Residential

The right digital experience for our customers

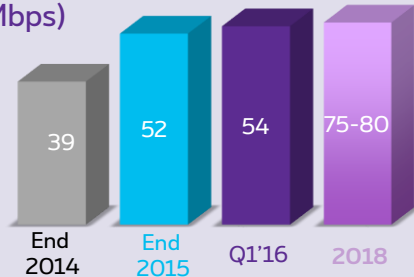
Successful Vectoring roll-out

Vectoring national coverage evolution (%)



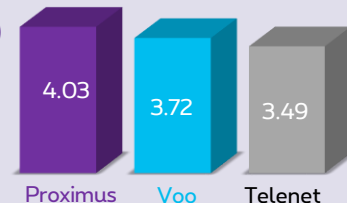
Strong average speed evolution

Average VDSL speed (Mbps)

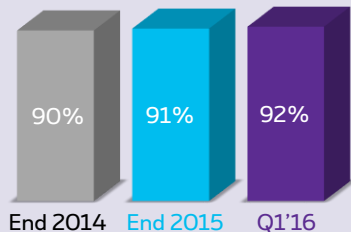


High quality of streaming

Netflix speed index in April (Mbps)



Strong FttC coverage



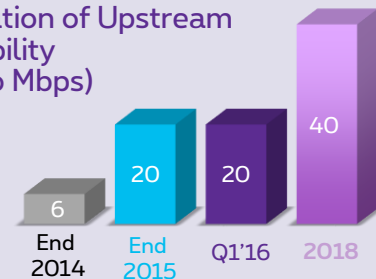
100 Mbps for

>1/3 of population

60% of population

Boost the Cloud experience

Evolution of Upstream capability (up to Mbps)





Network & IT – Mobile

Proximus bringing best overall mobile experience

Coverage as key driver for experience

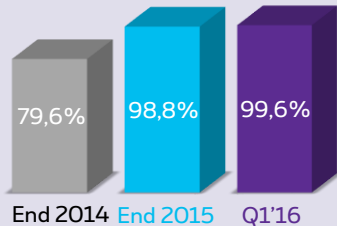
- Ubiquitous 4G outdoor coverage and rapidly increasing 4G indoor coverage
- Mobile Coverage Extender for solving suboptimal local indoor coverage

Voice & Data Experience

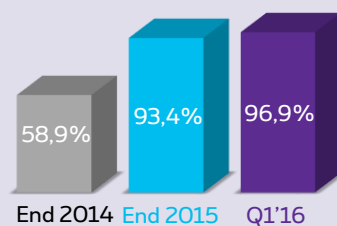
- Best voice experience with dropped calls below 0.5%
- Best data experience with fastest 4G down- and upload speeds and 4G+ in largest Belgian cities

4G+
33%
population
coverage

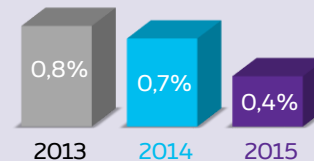
4G outdoor coverage¹



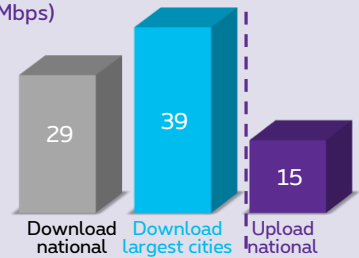
4G indoor coverage¹



3G Voice dropped call evolution¹ (% dropped calls)



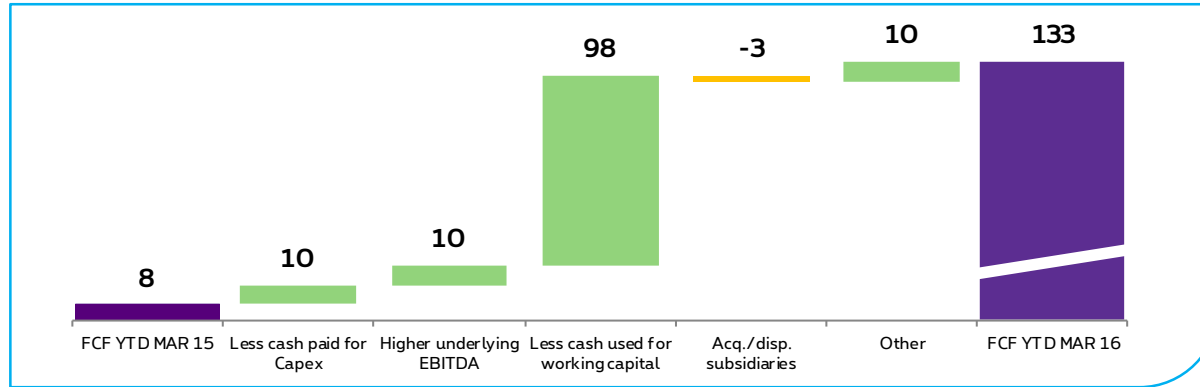
Average speed 4G(+) device¹ (Mbps)



¹ Result based on Q1 2016 national drive test conducted by independent agency CommSquare

Strong first quarter FCF of € 133M

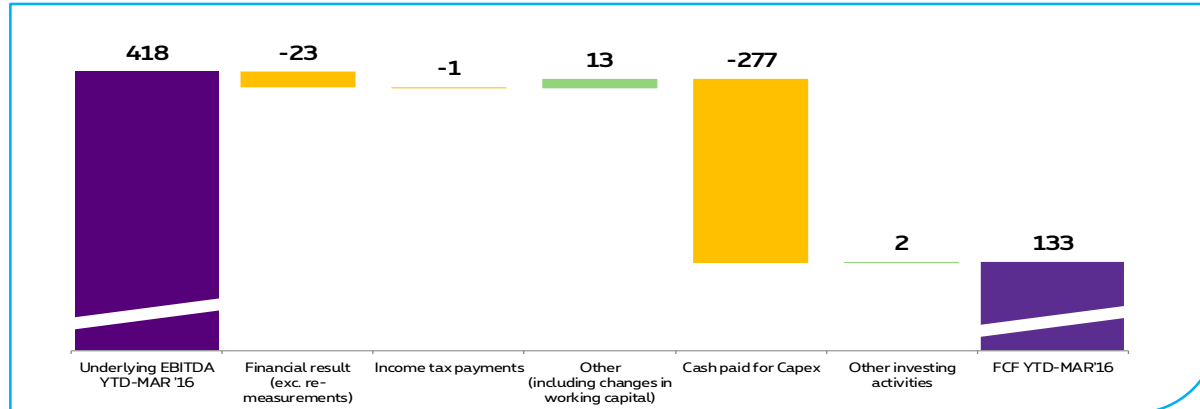
YoY FCF (in M€)



Transversal cash management initiative launched mid-2015 contributed to a strong **Q1'16 Free Cash Flow of € 133m:**

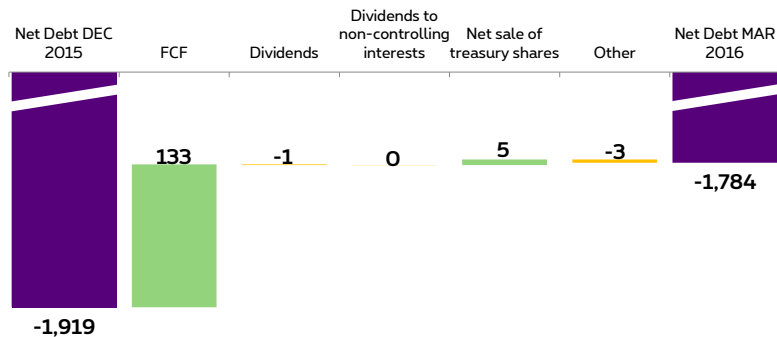
- Lower cash needs for working capital.
- Higher underlying EBITDA.
- Lower cash paid for capex.

From EBITDA to FCF (in M€)



We keep a sound financial position

MAR-16 in M€



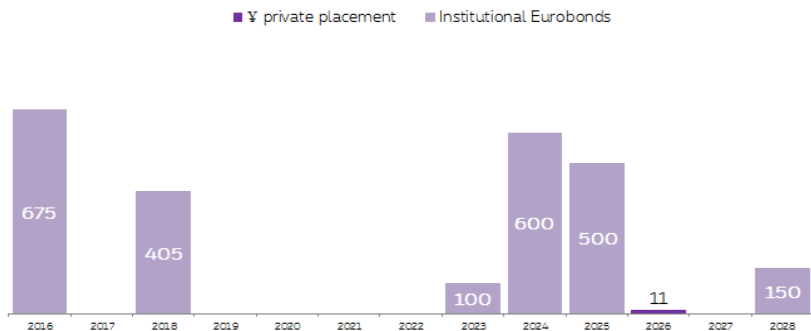
Net debt/EBITDA ratio @ 1

- Net financial debt at € 1,784M
- Credit ratings: Standard & Poor's A, Moody's A1, both stable outlook.

Average debt duration 5.5 years

€ 638m Cash Available

DEBT MATURITY SCHEDULE in M€



FY 2016 outlook

2016 Outlook	Q1'16 Actuals	Outlook 2016
<u>Domestic</u> * underlying <u>revenue</u>	-0.3%	Slight growth
<u>Group</u> underlying <u>EBITDA</u>	+2.5%	Slight growth
Capex (excl. Spectrum)	€237m	Around €950m

We confirm our expectation to end 2016 with slightly growing Domestic* underlying revenue and a slightly growing Group EBITDA, despite BICS's high comparable basis for BICS.

We expect the capex level to be around €950m, this includes investments in the Fixed network, with special focus on Fiber to the Business.

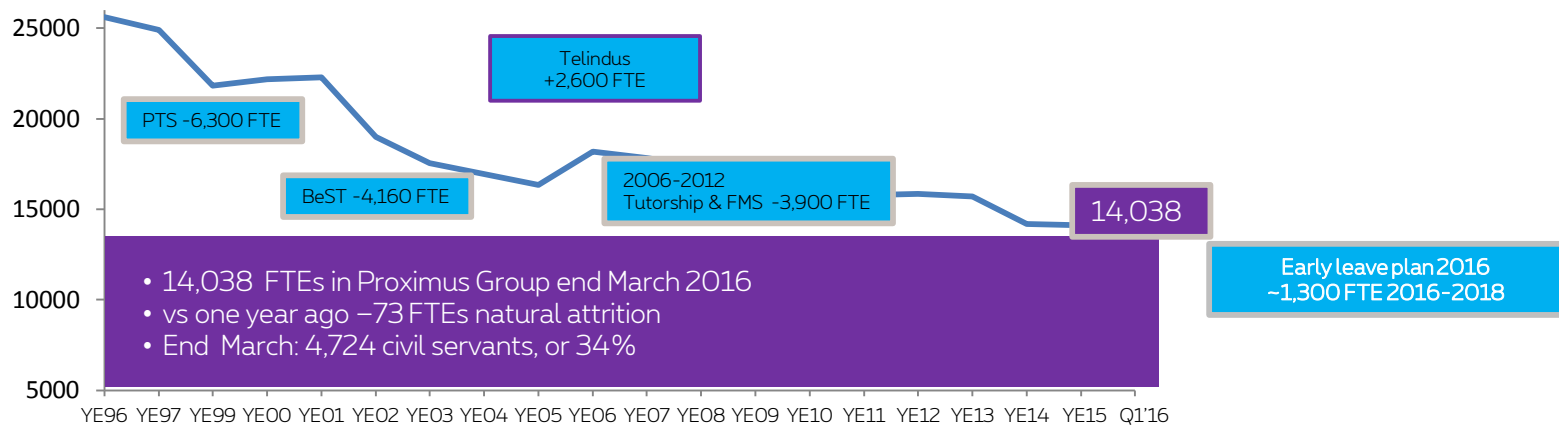
We expect to return over 2016 a total gross dividend per share of €1.50, in line with our previously announced 3-year commitment.

* Group excluding BICS

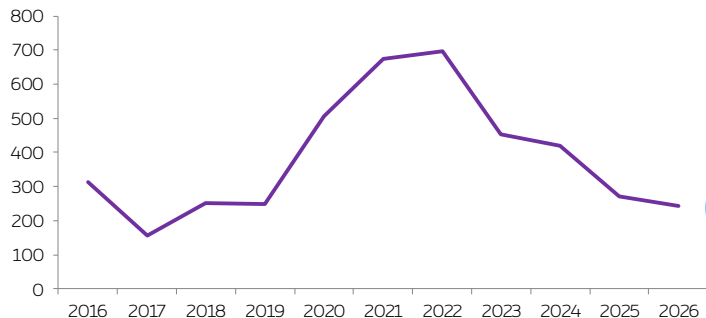
Proximus continues its efforts to reduce costs, with the execution of the early leave plan prior to retirement

- Become a more competitive, efficient and agile company
- Plan will run over several years, with 1,300 people that might leave the company over the next three years.
- Allows employees from the age of 60 to stay at home voluntarily until their earliest pension date, and reduces their working time to 80% during the last 2 years of their active career.
- Concerned employees will receive a replacement income, entirely funded by Proximus, including full social contributions. A small group of employees aged over 58 who currently do not have a function at Proximus are also eligible to join the voluntary leave plan, they will also be offered the opportunity to take up a new career opportunity in public administrations.
- Accounting: impacts of the voluntary early leave plan **will be accounted for in Q2 '16 for employees that stop working immediately. For the other employees opting for the plan, the cost will be spread over their respective activity period.** All voluntary leave plan related costs will be accounted for as **non-recurring expenses**. The one-off balance sheet impacts of the collective agreement will also be accounted for through non-recurring expenses in the second quarter 2016.

Headcount evolution



Proximus SA normal pension curve (FTE's) excl. impact from the 2016 early leave plan

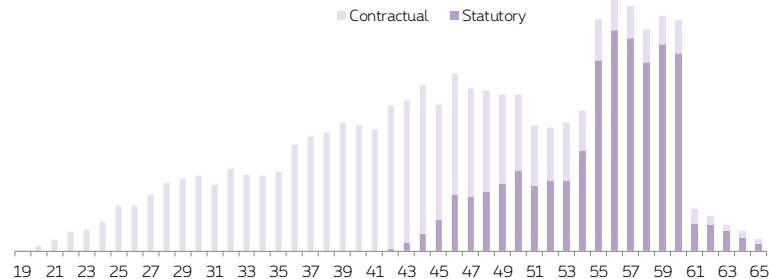


46^{Yr}

average age

- contractual 41 Yr
- statutory 54 Yr

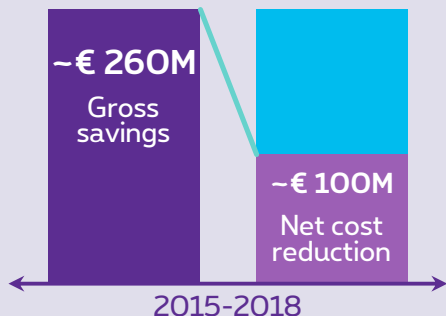
Proximus SA age pyramid



Significant costs savings to be realised over the next years

Ambition to realize ~260M gross savings by 2018

Company-wide detailed cost programs to accelerate OPEX savings



Initiatives for Gross Opex savings



Agile organization

- Optimize Sales channels
- Reduce support functions
- Structurally reduce contractors



Productivity & Efficiency

- Productivity gains
- Network simplification
- ICT industrialization
- Process optimization & automation



Volume deflation

- Improve customer experience to reduce bad volumes



Digitalization

- E-billing
- E-ordering
- E-servicing

Supported by early leave plan

Partly offset by...

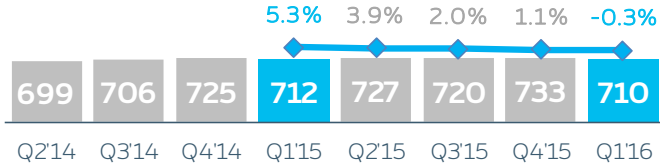
- Increasing customer installed base
- Capacity driven maintenance costs
- Opex linked to mobile spectrum licenses
- New taxes on e.g. electricity, real-estate
- New skills needed for innovative solutions
- Automatic wage indexations (3 expected to occur) & higher pension cost

Consumer results

Q1 2016

Value-driven customer growth leading to 1.7% direct margin increase

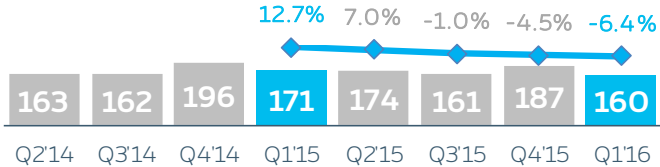
Consumer underlying revenue (M€) & YoY



Q1'16 Consumer revenue -0.3% YoY

- Revenue from Fixed +3.9%.
- Mobile Services + 0.7%, Postpaid +4.9%.
- Decline in low margin mobile device sales.

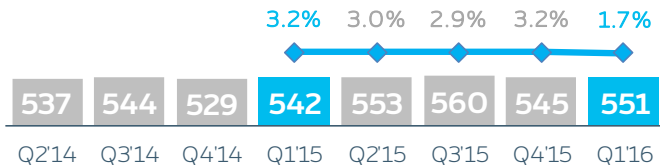
Consumer underlying COGS (M€) & YoY



Q1'16- Lower underlying CoS, -6.4% YoY

- Lower volume of mobile devices sold, and as result lower commission costs.
- Lower Interconnection cost (due to lower SMS traffic) .

Consumer underlying DM (M€) & YoY

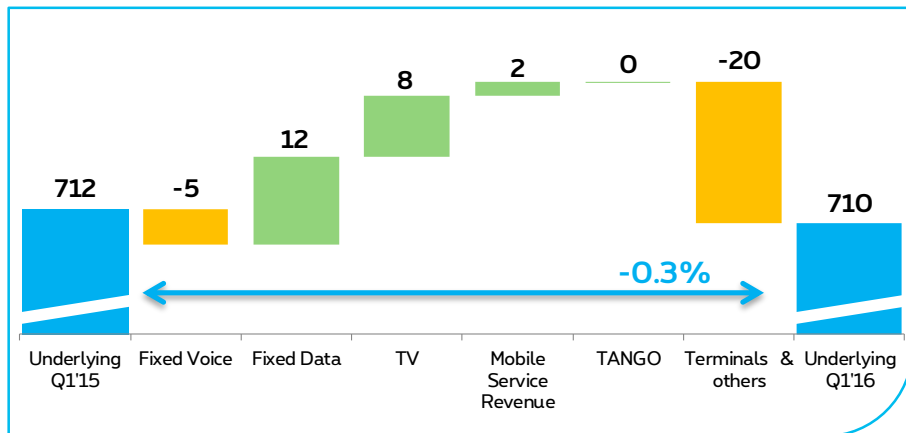


Q1'16 underlying direct margin + 1.7% YoY

- Revenue growth for Fixed and Mobile services, resulted in a continued positive direct margin evolution .
- Underlying direct margin was 77.5% of revenue, a 1.5 p.p. increase year-on-year due to an overall better product mix.

Product view

Consumer's revenue variance by product group



Q1'16 -0.3% YoY revenue increase

- Revenue growth for Fixed Data , TV and Mobile services nearly offset the lower revenue from Terminals and the Fixed voice erosion

Note

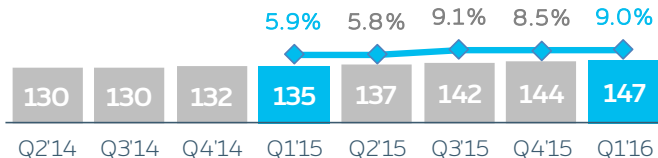
In line with Proximus' strategy, most products are sold through multi-play Packs. Therefore, the revenue and ARPU of standalone products are largely the result of the allocation of revenue and discounts to the respective products included in the Packs, as required by IFRS rules.

Consumer – Fixed Internet



Continued solid revenue growth for Fixed Internet, +9.0%YoY

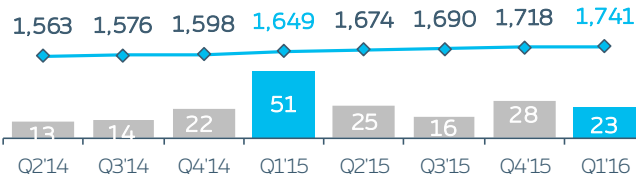
Fixed data revenue (M€) & YoY



Solid revenue growth, up 9.0% for Q1'16

- Driven by the growing customer base, up by 92,000 or +5.6% in one year
- Q1'16 ARPU up by 2.3% YoY

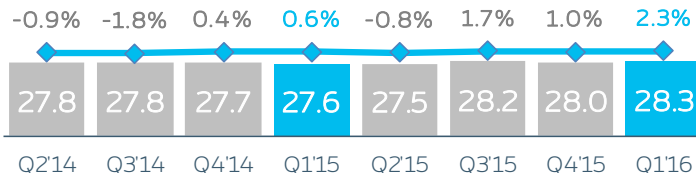
Broadband growth & EOP (000)



Q1'16 Fixed Internet customer base grew to 1,741,000

- Proximus & Scarlet brands maintaining good growth, up +92,000 over the last year.
- +23,000 Internet lines added in Q1'16.

Broadband ARPU (EUR) & YoY variance



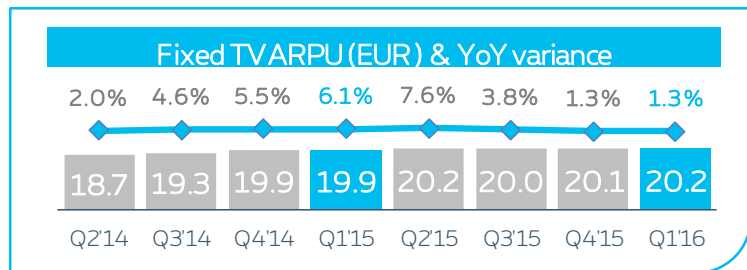
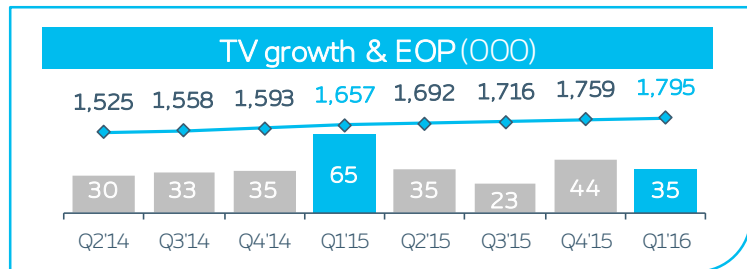
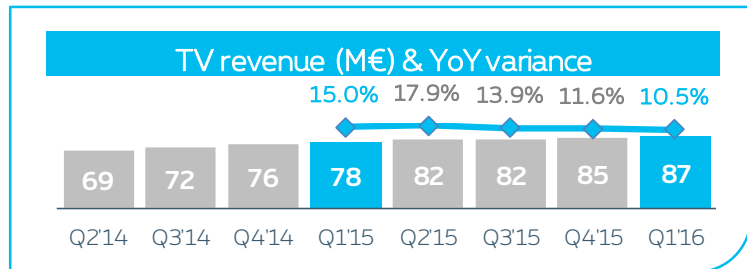
Q1'16 ARPU of €28.3 +2.3% YoY

- Migration of Internet customers to multi-play Packs, at favorable pricing was more than offset by higher prices for standalone Internet and “old “ Packs.

Consumer - TV



Proximus and Scarlet brand growing TV base by 35,000 in the quarter



Q1'16 revenue from TV totaled € 87m, +10.5% YoY

- Continued subscriber growth, with both the Proximus and Scarlet brand increasing their customer base
- Over 12 months, the total TV customer base grew by 137,000 or 8.3%

+35,000 TV subscriptions in Q1'16

- End Q1'16 total of 1,795,000 TV subscriptions
 - 1,440,000 single customers, +100,000 YoY or +7.5%
 - 355,000 multi-settop boxes
- Q1'16
 - +26,000 single TV customers
 - +9,000 multi-settop boxes.

Q1'16 TV ARPU up 1.3% YoY to € 20.2

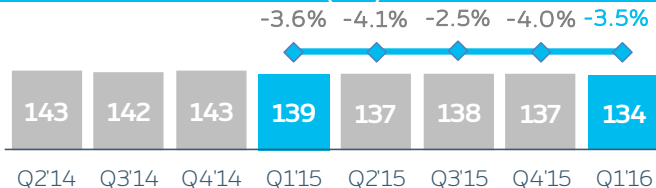
- Increased uptake of TV options (Football,...)
- Product ARPU results from allocation of Pack revenue (Proximus TV not sold in standalone)

Consumer – Fixed voice

Pack migration contains line erosion, though lowers ARPU



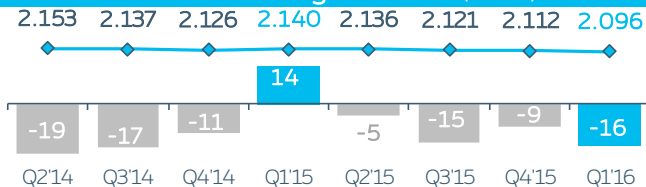
Fixed voice revenue (M€) & YoY variance



Q1'16 revenue from Fixed voice totaled € 134m, - 3.5% YoY

- Eroding Fixed Voice customer base
- Lower ARPU including Packs discount

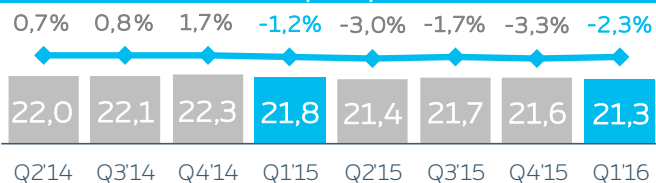
Voice line loss/gain & EOP (000)



Q1'16 Fixed line -16,000 lines; total of 2,096,000 lines

- Q1'15, included migrations of former Snow customers to the Scarlet Trio offer.

Fixed voice ARPU (EUR) & YoY variance



Q1'16 ARPU-2.3% YoY to € 21.3

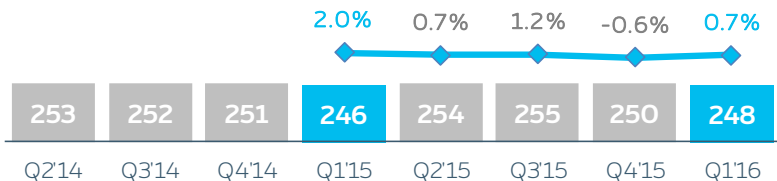
- Increasing number of voice customers in multi-play Pack with customers benefitting from a discount.

Consumer – Mobile part 1



First quarter Service revenue up 0.7%, Postpaid service revenue up 4.9%

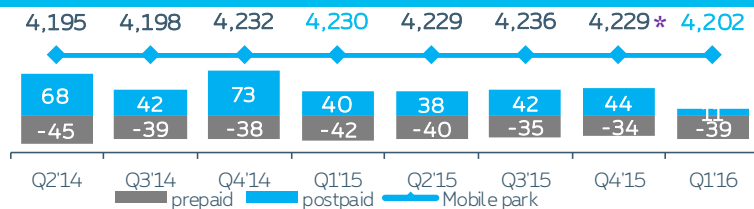
Mobile service revenue (M€) & YoY variance



Q1'16 revenue from Mobile services up 0.7% YoY, including +4.9% Postpaid service revenue

- Solid growth in Postpaid revenue following greater customer base.
- Lower Prepaid revenue, due to a YoY decrease in SMS usage and lower customer base.
- Postpaid/Prepaid mix at 70/30%; +0.7pp YoY

Mobilegrowth & EOP (000)



Q1'16 net loss of 27,000 mobile cards due to Prepaid

- Proximus' Postpaid Q1'16 churn level at 15.2%; -0.2pp YoY
- Q1'16 Postpaid customer base +11,000 cards, or +7,000 when excluding the Internet-Everywhere data cards
- Q1'16 Mobile Prepaid -39,000 cards

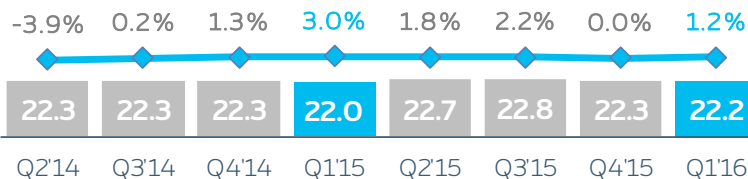
* Q4'15 Park restated following cleaning of 17,000 inactive Internet Everywhere cards

Consumer – Mobile part 2

Blended ARPU increasing YoY. Average Mobile data usage up by 53% YoY to 725Mb.



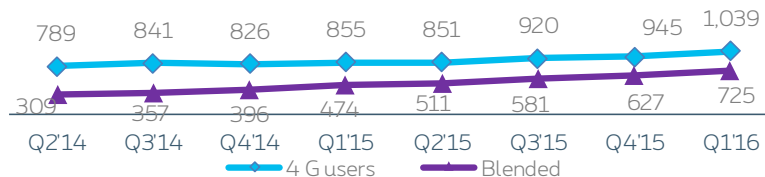
Blended net mobile ARPU (EUR) & YoY



Blended Mobile ARPU increasing +1.2% YoY at € 22.2

- Revamped mobile pricing mid-August '15 supports customer growth, but slightly lowered the Postpaid ARPU, down YoY by 0.4% to € 28.8.
- Prepaid ARPU -8.6% YoY to € 9.8, mainly resulting from lower year-on-year SMS usage.

Average monthly Consumer mobile data usage in Mb



Consumer's Average Monthly data consumption per user :

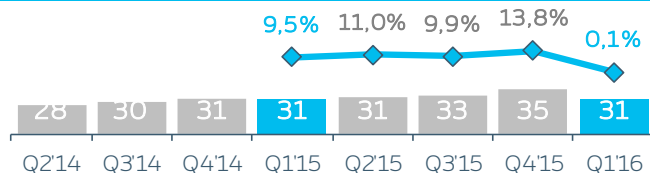
- **Overall average** usage (3G & 4G devices) of **725Mb/month**, +53% YoY
- Average usage for **4G-devices** of **> 1Gb**, + 22% YoY
- 4G devices >3.9 times more data consumption than non 4G.

Tango Luxembourg

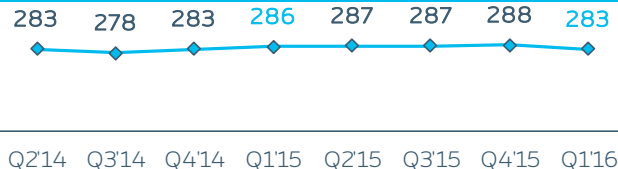
Fairly stable revenue YoY



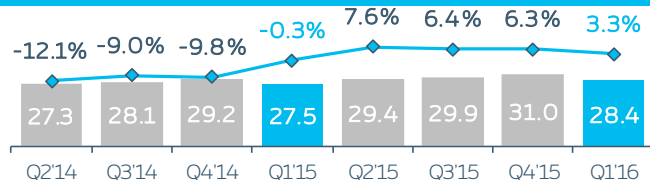
Tango revenue (EUR mio) & YoY variance



Tango mobile customers EOP (000)



Blended mobile net ARPU (EUR/month) & YoY



Tango Q1'16 revenue of € 31m, +0.1% YoY

- Revenue flat YoY
- Change in growth trend of prior quarters due to a decrease in Prepaid and less devices sales

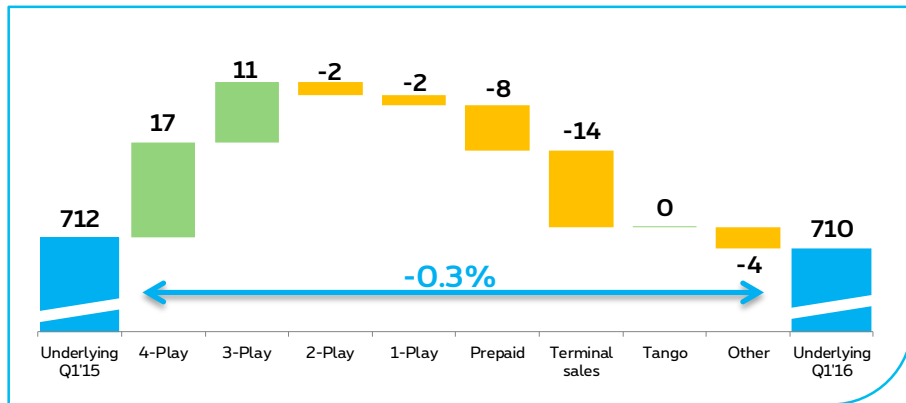
Mix Mobile customer base improving

- Mobile customer base end March'16 of 283,000, a 1.2% decrease YoY.
- In Q1'16 Tango had a Mobile Postpaid growth of 2,000 cards, offset by 7,000 less prepaid cards linked to the end of anonymity on Prepaid.
- Tango sees its mobile customer mix improving to 76% Postpaid (+4.4 pp YoY).

X-Play view

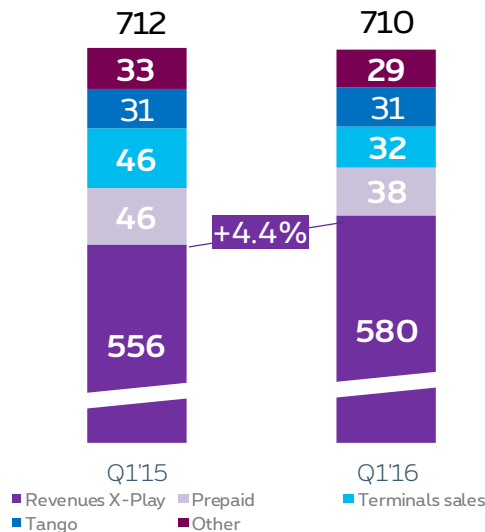
Consumer revenue variance per X-play

Solid growth 3 & 4-Play revenue nearly covers Prepaid decline and lower device sales



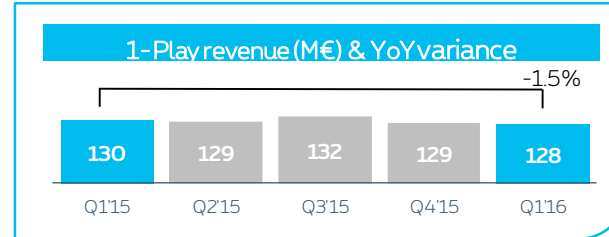
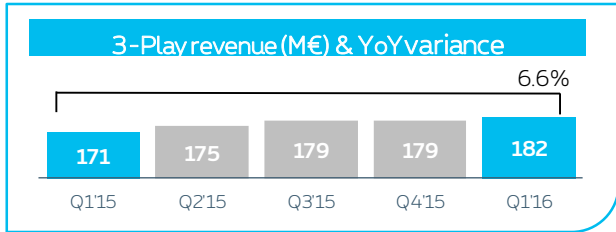
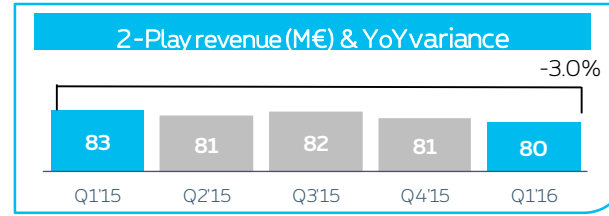
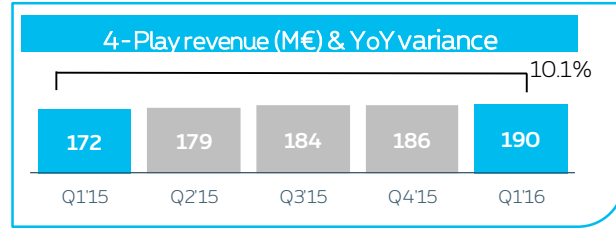
Q1'16 -0.3% YoY revenue decrease

€ 580m revenue from HH/SO, + 4.4% or € 24 m YoY



- End Q1'16, **Consumer** serviced 2,951,000 HH/SO. +23,000 YoY, incl. +91,000 3- and 4 Play HH/SO .
- Uptiering improved the overall customer mix to a more valuable and loyal base.
- Higher revenue from 3- and 4-Play Households/Small Offices, nearly fully offset the decline in 1- and 2-Play, eroding revenue from Prepaid and lower Terminals sales revenue in the first quarter.
- End Q1'16, the number of 3- or 4 Plays HH/SO increased to 45% of the total, +2.7pp YoY

Consumer generated € 580m from HH/SO



4-Play and 3-Play main revenue growth drivers for Consumer

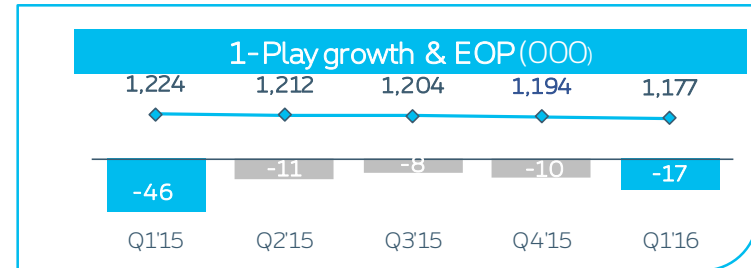
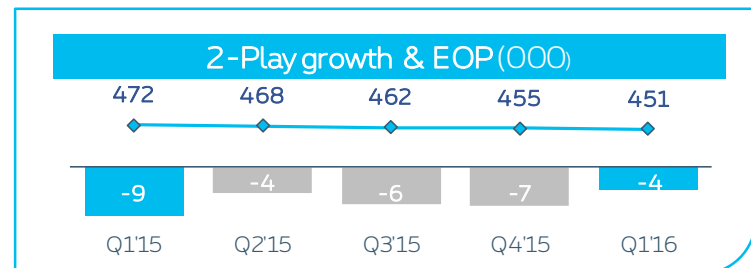
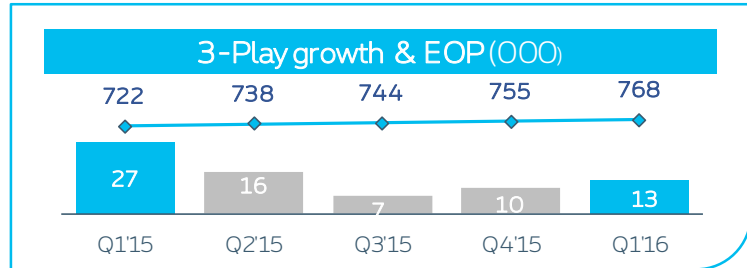
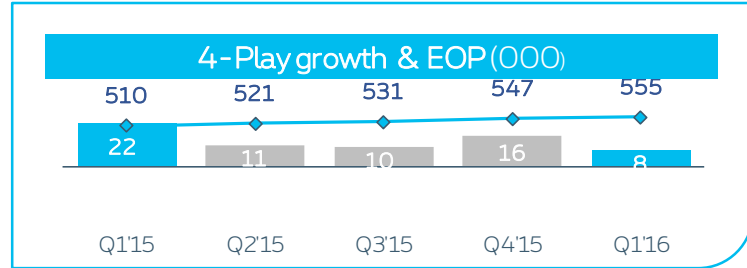
- Revenue from 3+4 Play counting for 52% of total Consumer revenue
- Ongoing expansion of the 4-Play and 3-Play HH/SO base
- Progress for both the Proximus and Scarlet brand
- Benefit of customer uptiering more than offsetting impact of Pack discounts.
- Contribution of higher Fixed and Mobile services and price increases

2-Play + 1-Play revenue -2% YoY

- Growing revenue from 3- and 4-Play partly offset by lower revenue generated by the 1- and 2 Play HH/SO
- Lower revenue largely driven by a decrease standalone Fixed Voice revenue
- Part of the erosion results from Proximus' strategy to actively migrate customers towards multi-play offers.

Consumer – Growth and Park per Play

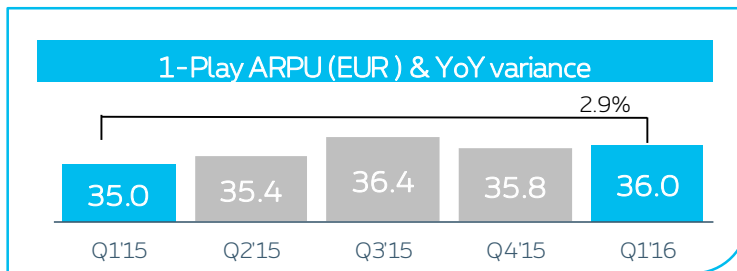
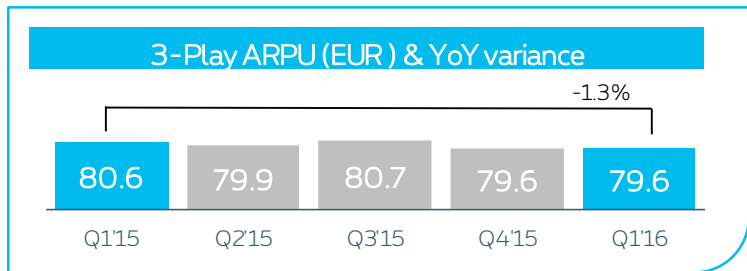
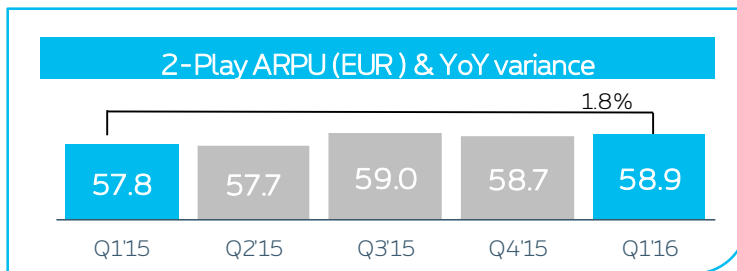
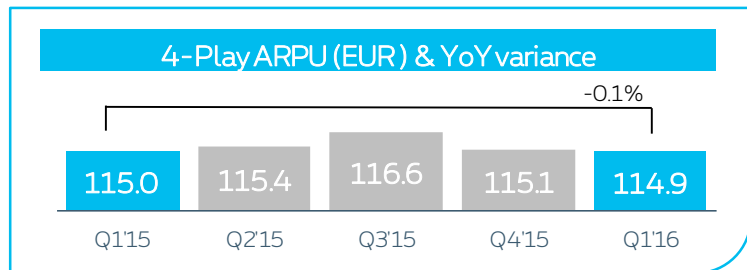
End-Q1'16, Proximus serviced 2,951,000 HH/SO in total, with improving customer mix



Q1'16 X-Play Households/Small offices totaled 2,951,000, up YoY by 0.8% or +23,000

- 3 and 4 Play HH/SO increased by 91,000 YoY ; now 45% of total base
- Uptiering of customer base to 3 & 4 Play benefits the average value and loyalty
- Number of multiplay HH/SO combining Fixed with Mobile services increased to 53.2%

Consumer – Average X-Play ARPU increase by +3.2% to € 65.5



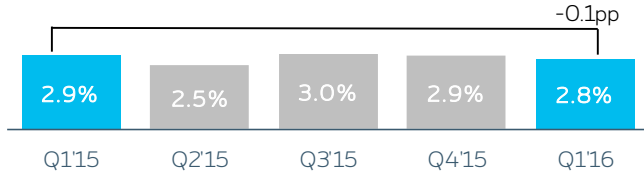
Average x-Play ARPH increased by 3.2% YoY to €65.5, uptiering of customers more than offset the Pack discount.

- 4-Play ARPH remaining fairly stable at € 114.9
- 3-Play ARPH at € 79.6, stable QoQ, but -1.3% YoY due to higher proportion of Scarlet TRIO customers since migration of former SNOW customers
- ARPH of 1 PLAY up YoY resulting from price increase July 2015

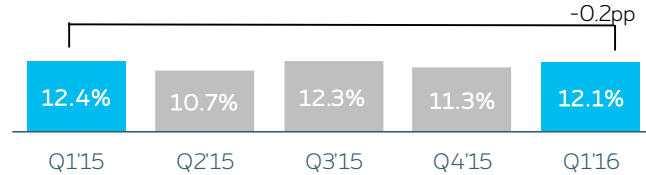
Consumer – Annualized full churn rate per Play

Improvement for all X-Plays. Average churn X-Play at 13.4%, 1pp lower YoY

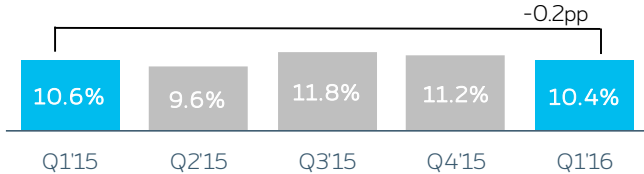
4-Play Annualized full churn rate



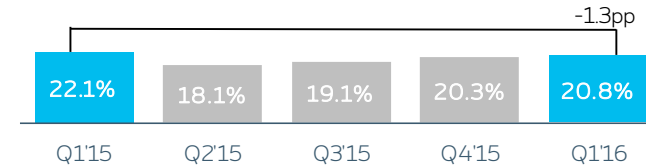
2-Play Annualized full churn rate



3-Play Annualized full churn rate



1-Play Annualized full churn rate

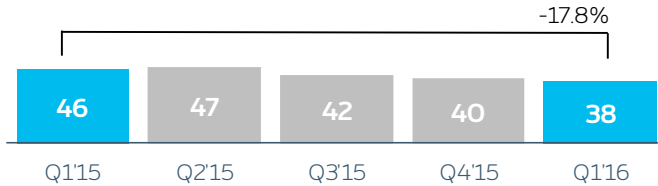


Q1'16 X-Play Annualized full churn rates improved for all X-Plays, with average down -1.pp to 13.4%

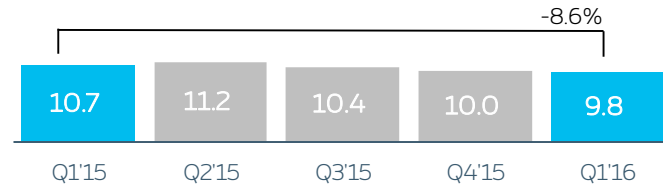
- More and more HH/SO are combining Fixed and Mobile services (convergent HH/SO) with significantly lower churn

Consumer – Prepaid

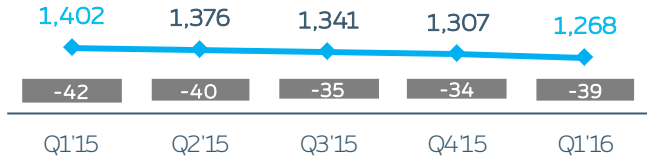
Prepaid revenue (M€) & YoY variance



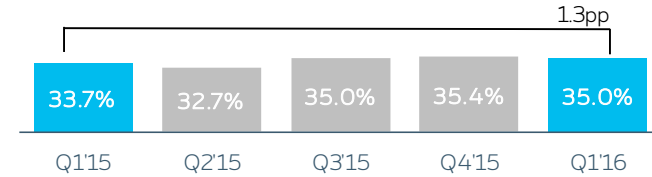
Prepaid ARPU (EUR) & YoY variance



Prepaid loss & EOP (000)



Prepaid churn rate



Q1'16 Prepaid revenue -17.8% YoY

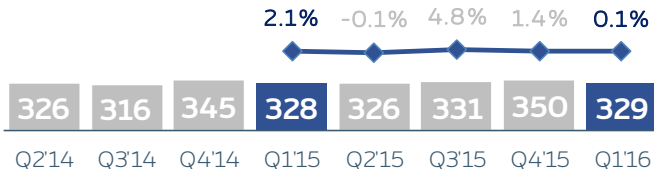
- Ongoing erosion of customer base, in part due to conversion to Postpaid
- ARPU 8.6% lower YoY as result of lower outbound and inbound SMS

Enterprise results

Q1 2016

Enterprise direct margin up by 0.9% on higher revenue from Mobile Services and better ICT revenue mix

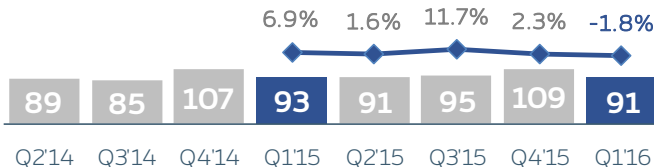
Enterprise underlying revenue (M€) & YoY



Q1'16 underlying revenue stable YoY

- Mobile services revenue +5.0%.
- Fixed Data +1.1% YoY.
- ICT revenue +1.1% YoY.
- Partly offset by erosion of Fixed Voice revenue (-4.4%) and lower device sales.

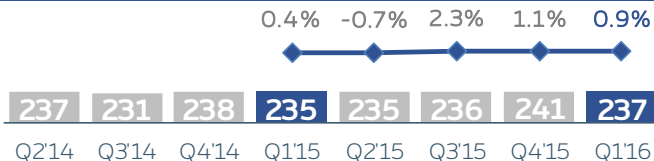
EBU underlying Cost of Sales (M€) & YoY



Q1'16 underlying COS -1.8% YoY

- Better ICT revenue mix, with more revenue from services vs products.

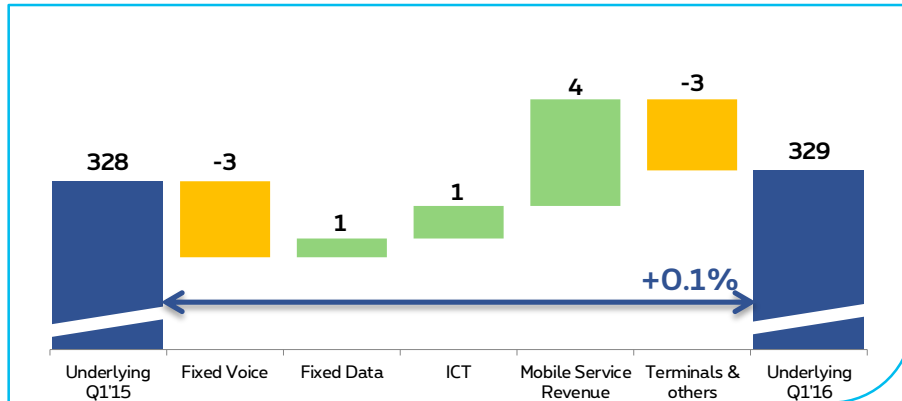
EBU underlying direct margin (M€) & YoY



Q1'16 direct margin : +0.9% YoY

- Improvement mainly attributable to the higher revenue from Mobile Services and better ICT margin.

Enterprise's underlying* revenue variance per product group



Q1'16 revenue of Enterprise flattish with 0.1% YoY to € 329m

- Solid Mobile Service revenue, up 5.0% driven by a growing customer base and ARPU.
- Fixed Data revenue up 1.1% driven by continued growth from data connectivity services.
- ICT revenue 1.1% up from the prior year.
- These favorable variances were in part offset by continued erosion in Fixed Voice revenue, and lower Mobile device sales.

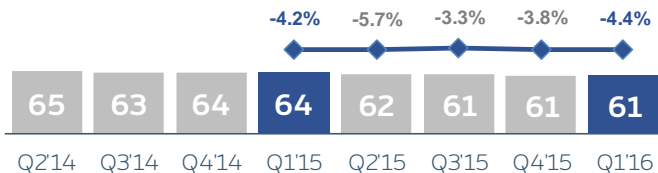
* If applicable, adjusted for incidentals. No incidentals were recorded for Enterprise in Q1'16 or Q1'15.

Enterprise– Fixed voice

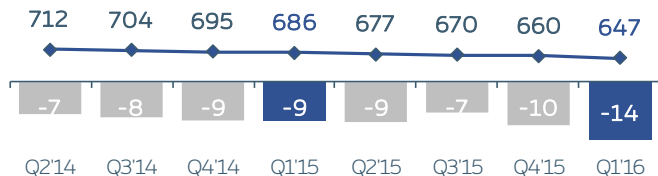
Fixed Voice revenue decline on erosion of Fixed Voice customer base



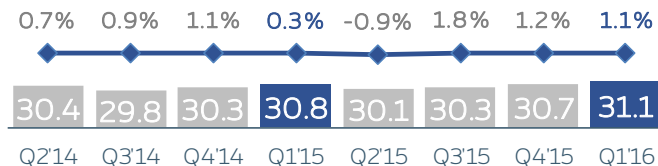
Fixed voice revenue (M€) & YoY variance



Voice line loss/gain & EOP (000)



Fixed voice ARPU (EUR) & YoY variance



Q1'16 revenue from Fixed voice totaled € 61m, - 4.4% YoY

- Continued Fixed Voice line erosion.
- Technology migration to VoIP.
- Competitive pressure.
- Exceptional cancellations.

Continued Fixed line erosion

- Q1'16 Fixed Line erosion of 14,000 lines, resulting from continued rationalization, move to VoIP, competitive pressure and exceptional cancellations.

Total Fixed Voice Line customer base of 647,000 by end Q1'16, i.e. a YoY decline of 5.8 %.

Q1'16 ARPU up 1.1% YoY to €31.1

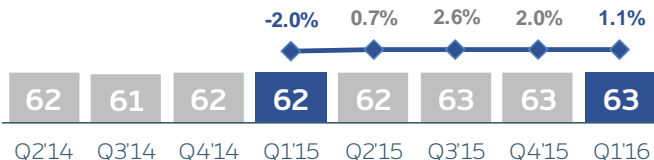
- ARPU benefitting from price changes since 1 July 2015.

Enterprise– Fixed Data

Q1'16 revenue up 1.1% YoY, driven by continued growth from data connectivity services



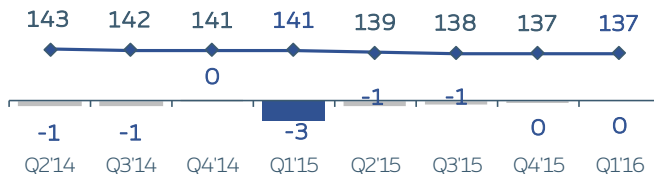
Fixed data revenue (M€) & YoY variance



Q1'16 Fixed data revenue of € 63m, +1.1 % YoY

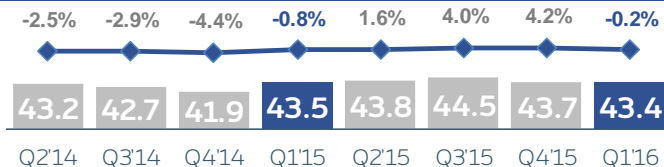
- Favorable revenue trend from Data Connectivity services following roll-out of large customer projects on the Proximus Explore platform.
- Newly acquired large customers for fiber projects in the last quarter of 2015.

Broadband growth & EOP (000)



Q1'16 Fixed Internet base slightly decreasing YoY though remained stable in the quarter at a total of 137,000 internet lines.

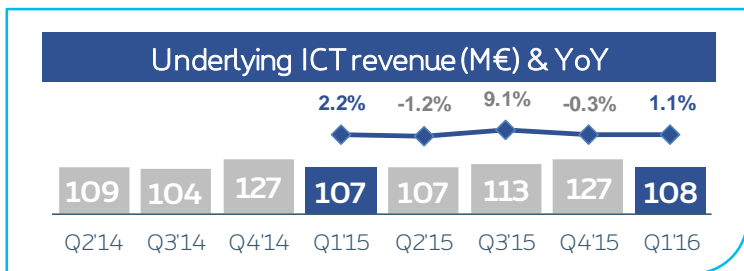
Broadband ARPU (EUR) & YoY variance



Q1'16 ARPU of €43.4, -0.2% YoY

- ARPU decrease linked to the outphasing/migration of legacy products in the context of simplification programs towards new solutions at more favorable pricing for customers.
- Nearly offset by impact from price increases since 1 July 2015.

Enterprise Underlying * ICT revenue



Enterprise generated in Q1'16 € 108m revenue from ICT, up 1.1% YoY

- Revenue mix more favorable as the growth mainly came from ICT services, while less revenue was recorded for ICT products, benefitting the ICT margin.

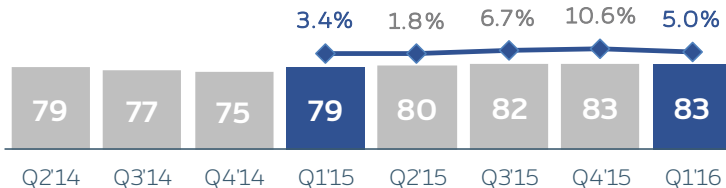
* If applicable, adjusted for incidentals. No incidentals were recorded for Enterprise in Q1'16 or Q1'15.

Enterprise– Mobile part 1



Service revenue growth on larger customer base and ARPU growth ...

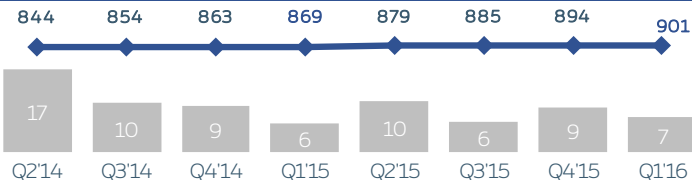
Mobile service revenue (M€) & YoY variance



Q1'16 revenue from Mobile services totaled € 83m, +5.0% YoY

- Growing mobile customer base and ARPU increase.
- Higher national and roaming data usage.

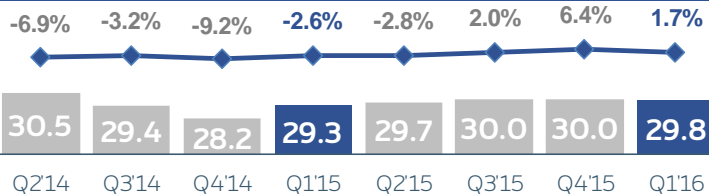
Postpaid exl M2M* growth & EOP (000)



Q1'16 Mobile excluding M2M

- 7,000 Mobile Voice and paying data cards added in Q1'16.
- Postpaid churn remaining well under control at 10.8%.

Blended net mobile ARPU (EUR) & YoY variance



Blended Mobile ARPU up 1.7% YoY

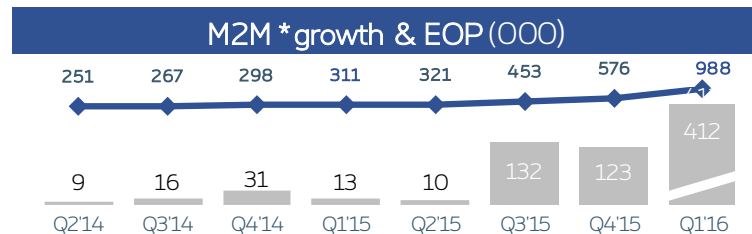
- Improved tiering and data consumption.
- Both national and roaming data volumes improving
- Uptake of Roaming options.
- While no roaming regulation impact in Q1 '16.
- Operating in an environment of growing pressure on prices from competition

* And a limited number of Internet Everywhere data cards

Enterprise– Mobile part 2



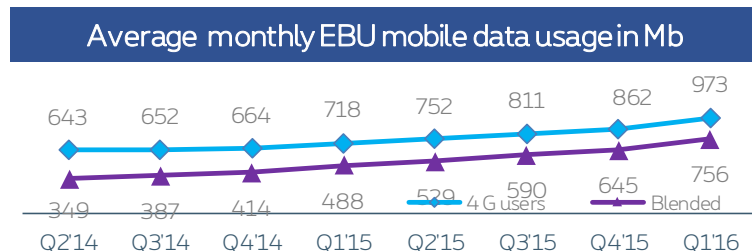
...M2M growth and higher data usage



* Including a very limited number of Internet Everywhere data cards

Q1'16 M2M growth

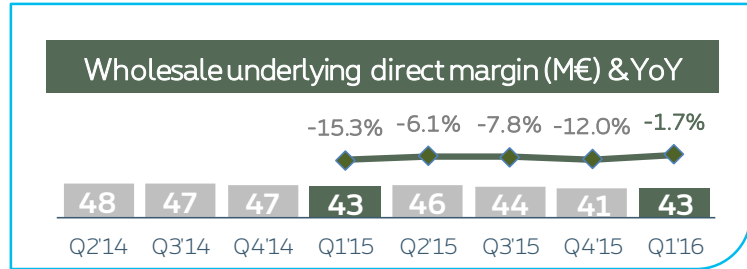
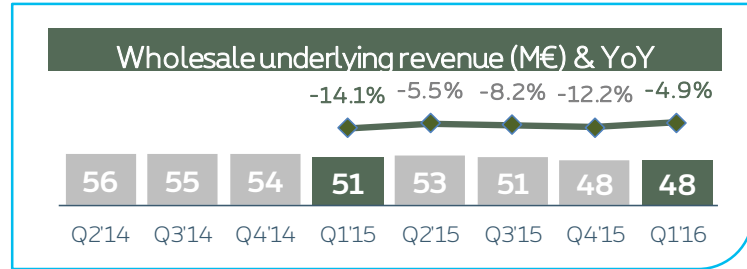
- M2M park growth of 412,000 in Q1'16, driven by the roll out of the Road User charging project.
- Park end 2016: 988,000 cards.



Enterprise's Average Monthly data consumption per user of data:

- Overall average usage (3G and 4G devices) 756Mb/month, +55% YoY.
- Average usage for 4G-devices of 973Mb/month, up 35% YoY
- Customers with 4G devices have 3 times higher data consumption than non 4G.

Wholesale



Q1'16 revenue totaled € 48m, -4.9% YoY. Direct margin €43m, -1.7% YoY

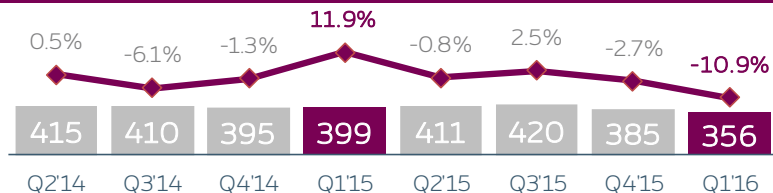
- Lower volumes from traditional wholesale business.
- Improvement from the decline seen in the prior quarters resulting from the fading impact of the outphased Snow customers during the first half of 2015 (which were largely compensated for through Scarlet).

BICS –quarterly P&L – Part 1



Q1'16 direct margin of € 67m, +3.5% YoY on volume effect for Mobile data

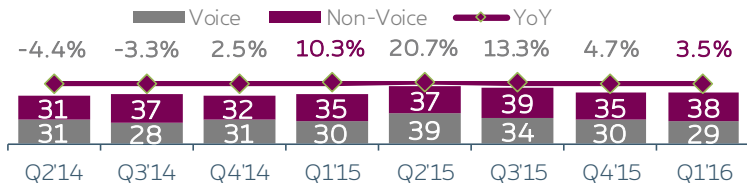
BICS underlying revenue (M€) & YoY variance



Q1'16 revenue totaled € 356m, -10.9% YoY

- The voice business showed high volatility, with, in Q1'16 less Voice traffic to African regions. Voice revenue -14.6% YoY.
- This was partly offset by growth in non-Voice revenue, up +8.1% YoY, strengthened by the increase in Mobile data volumes (+26.9%).

BICS Direct Margin (M€)



Q1'16 direct margin € 67m, +3.5% YoY

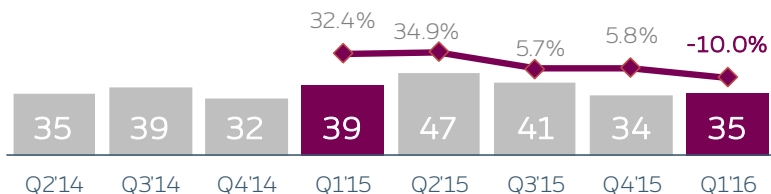
- Direct margin from Non-Voice +8.5% YoY
- Voice direct margin -2.3% YoY
- Direct margin as percent of revenue at 18.8%; +2.6pp YoY

BICS – Underlying quarterly P&L – Part 2



Underlying segment result -10.0% YoY; margin rising to 9.9%

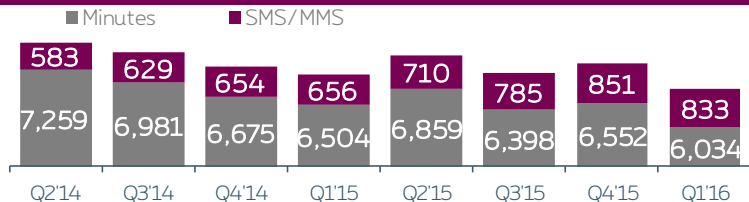
BICS underlying segment result (M€) & YoY variance



Q1'16 segment result of €35m, down 10.0%

- Increase in direct margin offset by higher expenses.
- Q1'16 expenses up, mainly on
 - Higher headcount to support new growth initiatives and geographies.
 - Favorable foreign currency impact in Q1'15.
- Segment margin rose slightly to 9.9%, + 0.1 p.p. YoY.

BICS Volumes (in mio)



In Q1'16 BICS handled

- **6,034m** minutes, -7.2% YoY.
- Non-Voice volumes, **+26.9** YoY.

Additional information

- Pricing
 - Packs
 - Mobile
 - Fixed
- Spectrum: ownership & usage
- Regulation
- Shareholder structure & remuneration

PACK Internet +TV + Mobile (@ €15 and €45 price point)



Monthly fee
Activation
Installation



Scarlet	Proximus	Proximus	Proximus
Trio	Pack Start	Pack Comfort	Pack Maxi
Internet 30 Mbps/4 Mbps unlimited volume - -	Internet Start 60 Mbps/4 Mbps 150 GB 10 GB PXS Cloud 100 MB MI	Internet Comfort 100 Mbps/6 Mbps unlimited volume 10 GB PXS Cloud 500 MB MI	Internet Maxi 100 Mbps/8 Mbps unlimited volume 10 GB PXS Cloud 2 GB MI
decoder no cable fee VoD - - -	decoder no cable fee VoD TV Replay - -	decoder no cable fee VoD TV Replay On all your screens -	decoder no cable fee VoD TV Replay On all your screens Bouquet Multi
Red + MI boost 150 min 1.000 sms 1,05 GB - -	Smart+ 15 120 min unlimited sms 1 GB - -	Smart+ 15 120 min unlimited sms 1 GB - -	Smart+ 15 120 min unlimited sms 1 GB - -
52.00 EUR	61.95 EUR	67.95 EUR	78.95 EUR
50.00 EUR 99.00 EUR	59.00 EUR	59.00 EUR	59.00 EUR
free calls FtF off-peak			









Monthly fee
Activation
Installation



Scarlet	Proximus	Proximus	Proximus
Trio	Pack Start	Pack Comfort	Pack Maxi
Internet 30 Mbps/4 Mbps unlimited volume - -	Internet Start 60 Mbps/4 Mbps 150 GB 10 GB PXS Cloud 100 MB MI	Internet Comfort 100 Mbps/6 Mbps unlimited volume 10 GB PXS Cloud 500 MB MI	Internet Maxi 100 Mbps/8 Mbps unlimited volume 10 GB PXS Cloud 2 GB MI
decoder no cable fee VoD - - -	decoder no cable fee VoD TV Replay - -	decoder no cable fee VoD TV Replay On all your screens -	decoder no cable fee VoD TV Replay On all your screens Bouquet Multi
Chili + MI boost 1.000 min 5.000 sms 2 GB - - -	Smart+ 45 unlimited min unlimited sms 4 GB - - -	Smart+ 45 unlimited min unlimited sms 4 GB - - -	Smart+ 45 unlimited min unlimited sms 4 GB - - -
72.00 EUR	86.95 EUR	94.95 EUR	105.95 EUR
50.00 EUR 99.00 EUR	59.00 EUR	59.00 EUR	59.00 EUR
free calls FtF off-peak			

PACK Internet +TV + Fixed Voice + Mobile

3-Play

Pack Comfort	Pack Maxi
 Internet Comfort <ul style="list-style-type: none">• Internet indoors and on the Wi-Fi Hotspots⁴: unlimited¹• Download speed: 100 Mbps³• Upload speed: 6 Mbps³ <p>» Check the Internet surfing speed at your home</p> <ul style="list-style-type: none">• 500 MB² mobile internet on your tablet via 3G/4G• Cloud storage volume : 10 GB  Proximus TV ⁵ <ul style="list-style-type: none">• Watch TV whenever you want thanks to TV Replay• On all your screens  Fixed Telephony <p>Free calls⁶ on evenings and weekends from your fixed line to :</p> <ul style="list-style-type: none">• Fixed and mobile numbers in Belgium• Fixed lines in 39 countries <p>€63.95 /month (incl. VAT)</p>	 Internet Maxi <ul style="list-style-type: none">• Internet indoors and on the Wi-Fi Hotspots⁴: unlimited¹• Download speed: 100 Mbps³• Upload speed: 8 Mbps³ <p>» Check the Internet surfing speed at your home</p> <ul style="list-style-type: none">• 2 GB² mobile internet on your tablet via 3G/4G• Cloud storage volume : 10 GB  Proximus TV ⁵ <ul style="list-style-type: none">• Watch TV whenever you want thanks to TV Replay• On all your screens• Multi package: more than 40 extra channels for the whole family  Fixed Telephony <p>Free calls⁶ on evenings and weekends from your fixed line to :</p> <ul style="list-style-type: none">• Fixed and mobile numbers in Belgium• Fixed lines in 39 countries <p>€74.95 /month (incl. VAT)</p>



Mobile subscription @ discount

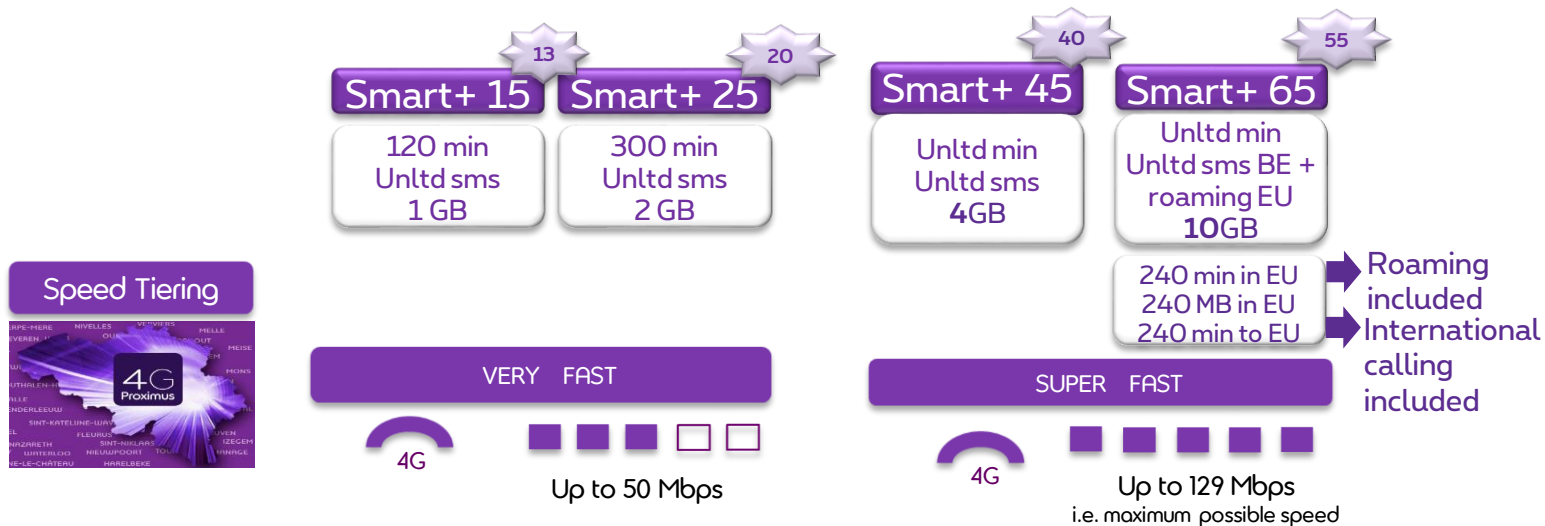


4-Play

Comfort Pack + Smart 15
at **€ 76.95/** month

POSTPAID portfolio - RESIDENTIAL

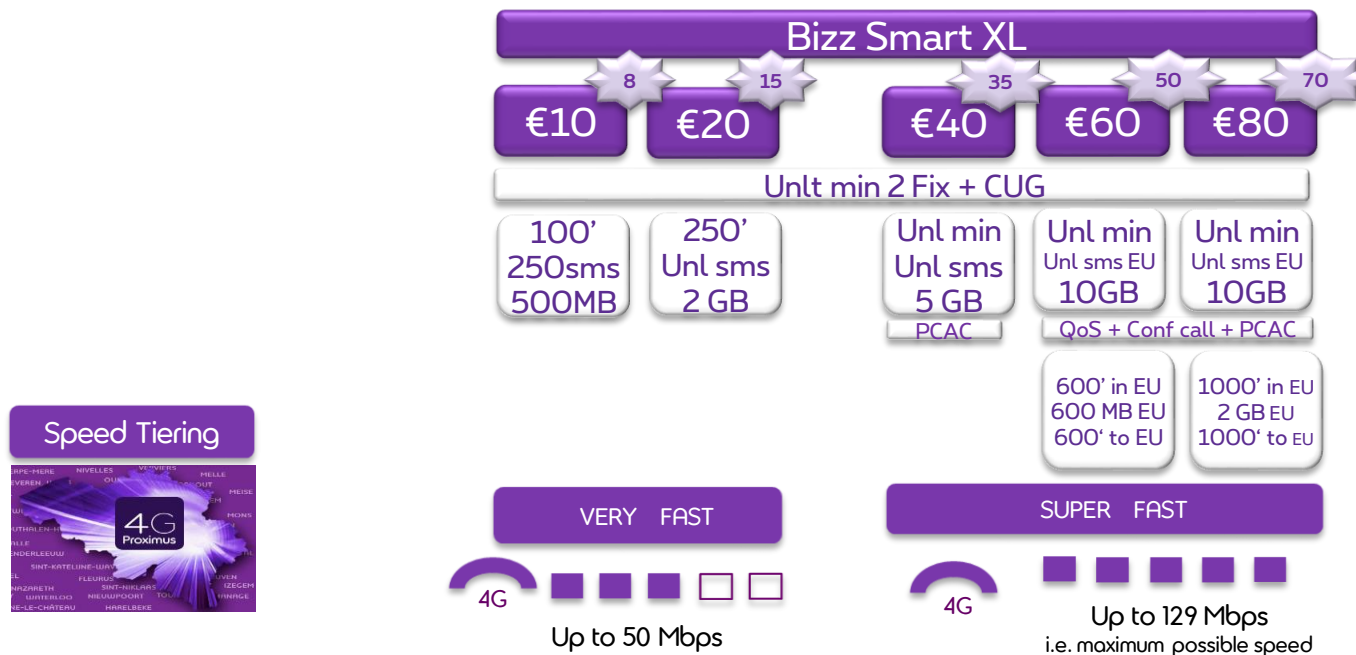
Prices are incl. VAT



 = reduced price in Pack

POSTPAID portfolio - SE

Prices are excl. VAT



= reduced price in Pack

PCAC = Proximus Calls to all countries = advantageous rates for international calling
CUG = Closed User Group

New PREPAID offer as from 01/06/16

Smart Full Control

15

120 min
Unltd sms
1 GB

25

300 min
Unltd sms
2 GB

45

Unltd min
Unltd sms
4 GB

- ✓ Automatic reload each month
- ✓ bundle of minutes/SMS/data
- ✓ Credit reload needed for OOB

Smart Full Control Out Of Bundle (OOB) - rates

€ 0.30 / min
€ 0.12 / sms
€ 0.5/MB

Reload P&G +

10

10 min
500 sms
100MB

15

20 min
Unltd sms
250MB

25

50 min
Unltd sms
500 MB

Double data



reload

Reload P&G +

10

10 min
500 sms
200MB

15

20 min
Unltd sms
500MB

25

50 min
Unltd sms
1 GB

Pay & Go +

€ 0.30 / min
€ 0.12 / sms
€ 0.5/MB

For each reload you get: your
reload amount in credit and a
bonus

PREPAID offer before 01/06/16

Pay & Go Max

€ 0.30 / min
€ 0.12 / SMS
€ 0.5/MB

- ✓ For each reload, you get a bundle
- ✓ The bundle is valid for 31 days

PG Max -reload

15

90 min
Unltd sms
500MB

25

150 min
Unltd sms
1,5 GB

50

360 min
Unltd sms
2GB

Double data

15

90 min
Unltd sms
1 GB

25

150 min
Unltd sms
3GB

50

360 min
Unltd sms
4GB

Pay & Go Smart

€ 0.50 / min Peak
€ 0.25 / min OffPeak
€ 0.12 / SMS Peak
€ 0.08 / SMS Off-peak
€ 0.5/MB

For each reload you get: your
reload amount in credit and a
bonus

PG Smart -reload

10

Unltd sms
(off peak)
100MB

15

Unltd sms
250MB

25-50

Unltd sms
500MB

10

Unltd sms
(off peak)
200MB

15

Unltd sms
500MB

25-50

Unltd sms
1 GB

Pay & Go Easy

€ 0.27 / min
€ 0.12 / SMS
€ 0.5/MB

For each reload you get: your
reload amount in credit and a
bonus

PG Easy -reload

10

30 min ATAN
OR 150 min
P2F

15

60 min ATAN
OR 600 min
P2F













25/50

90/200 Min
ATAN
OR unltd P2F



reload

INTERNET standalone

Start	Comfort	Maxi
€27.50 /month	€38.95 /month	€48.20 /month
 Fixed Internet <ul style="list-style-type: none">• 100GB/month¹ (to be used at home or on the Wi-Fi Hotspots)• Maximum download speed: 50 Mbps²• Maximum upload speed: 4 Mbps <p>» Check your Internet surfing speed at home</p>	 Fixed Internet <ul style="list-style-type: none">• 150GB/month¹ (to be used at home or on the Wi-Fi Hotspots)• Maximum download speed: 70 Mbps²• Maximum upload speed: 5 Mbps <p>» Check your Internet surfing speed at home</p>	 Fixed Internet <ul style="list-style-type: none">• Unlimited volume¹ (to be used at home or on the Wi-Fi Hotspots)• Maximum download speed: 70 Mbps²• Maximum upload speed: 6 Mbps <p>» Check your Internet surfing speed at home</p>
 Mobile Internet <p>3G or 4G volume in Belgium⁴:</p> <ul style="list-style-type: none">• 50 MB/month• €0,10/extra MB• Download speed²: 21 Mbps• Upload speed: 2 Mbps <p>Wi-Fi Hotspots, in partnership with Fon:</p> <ul style="list-style-type: none">• Deducted from the fixed Internet volume• More than 1 million hotspots in Belgium• 17 million hotspots abroad	 Mobile Internet <p>3G or 4G volume in Belgium⁴:</p> <ul style="list-style-type: none">• 100 MB/month³ (3G/4G)• €0,10/extra MB• Download speed²: 21 Mbps• Upload speed: 2 Mbps <p>Wi-Fi Hotspots, in partnership with Fon:</p> <ul style="list-style-type: none">• Deducted from the fixed Internet volume• More than 1 million hotspots in Belgium• 17 million hotspots abroad	 Mobile Internet <p>3G or 4G volume in Belgium⁴:</p> <ul style="list-style-type: none">• 250 MB/month³ (3G/4G)• €0,10/extra MB• Download speed²: 21 Mbps• Upload speed: 2 Mbps <p>Wi-Fi Hotspots, in partnership with Fon:</p> <ul style="list-style-type: none">• Deducted from the fixed Internet volume• More than 1 million hotspots in Belgium• 17 million hotspots abroad
 Cloud <ul style="list-style-type: none">• 10 GB storage volume	 Cloud <ul style="list-style-type: none">• 10 GB storage volume	 Cloud <ul style="list-style-type: none">• 10 GB storage volume
 eMail <ul style="list-style-type: none">• 1 mailbox x 5 aliases	 eMail <ul style="list-style-type: none">• 4 mailboxes x 5 aliases	 eMail <ul style="list-style-type: none">• 6 mailboxes x 5 aliases

Higher speed when included in Pack

Value increases when included in Pack

TV – provide customers easy access to a wide range of content

➤ Easy access to **NETFLIX** via the Proximus TV decoder

➤ TV Replay **free** in packs



➤ Attractive sports offering with national and foreign football competitions and international sports.

➤ Agreement with ELEVEN SPORTS NETWORK, adding 2 new sports channels Eleven and Eleven Sports including



Personalize your Proximus TV for all family needs

TV Replay +

€5 /month



Thanks to TV Replay, you'll never be too late for your favorite TV program! You can go back up to 36 hours in the program grid, with TV Replay+ you can also fast forward in delayed program viewing.

Movies & Series Pass

€9.95 /month



You are a fan of movies and series? For a fixed amount per month you have anytime access to an extensive range of movies (more than 400 per year) in a specific on-demand catalog and to the "M&S" channel which offers a large variety of programs.

Multi package

€14.95 /month



With the Multi package, you'll make them all happy. A selection of the best of our channel packages for the whole family: children's programs, top movies and TV series, nature documentaries, music and cultural programs, etc.

All Foot

€14.95 /month

First month free of charge

The best of Belgian and International football and International sports:

Proximus 11
+
Proximus 11+

Proximus 11

€9.95 /month

Belgian football:

All the matches of the Jupiler Pro League

Proximus 11+

€9.95 /month

International football:

- UEFA Champions League
- Portuguese Liga
- Spanish Liga
- Serie A
- Ligue 1
- FA Cup & Scottish Premier League
- & even more football

International sports:

- Tennis
- International volleyball and basketball
- Cycling
- Formula E

Free football

Free of charge

The best matches of the Proximus League

+ Belgian club channels:
Anderlecht, Bruges and Charleroi

TV – provide customers easy access to a wide range of content

Wanagogo is a [digital platform](#) with all your kids' favorite heroes. They can play with Bumba, Maya l'Abeille, Vic le Viking, Heidi, Fred & Samson, le Lutin Plop, Pat le Pirate, Mega Mindy, and all their friends!

Wanagogo, parents are fans!

- Wanagogo is available on Proximus TV but also on **tablet and smartphone, via the app**
- You've downloaded content? No need for an internet connection to play, read or watch it all.
- Easy access with your MyProximus account. Don't have one yet? [It's so easy!](#)

€5.95 /month

PROMO First month free of charge!

Add to your subscription 



Activate the Wanagogo Pass on your Proximus TV: go to channel 100 and push the red button!



What is the SwipeBox?



Instantly share your favorite content on your TV

Trying to connect 36 cables... you've had enough? With the SwipeBox all this is history.

- With one simple gesture you can send your pictures, videos, music,... content from your smartphone, tablet, PC or Cloud to your TV screen.
- Easy and swift installation between your decoder and your TV set, free download of the SwipeBox app once the installation is done.

No frills brand



Positioning Scarlet as no frills brand, with very attractive pricing for 'price seekers'

Postpaid

Red

€ 8

150 min
1000 SMS
50 MB

€ 0.16 / minute
€ 0.07 / SMS
€ 0.05 / MB

Hot

€ 18

500 min
2000 SMS
1 GB

€ 0.16 / minute
€ 0.07 / SMS
€ 0.05 / MB

Chili

€ 28

1000 min
5000 SMS
2 GB

€ 0.16 / minute
€ 0.07 / SMS
€ 0.05 / MB

Prepaid

Reload8

€ 8

Bonus :
100 min to
Scarlet mobile
100 SMS

€ 0.10 / minute
€ 0.04 / SMS
€ 0.10 / MB

Reload15

€ 15


Bonus :
Unlimited to Scarlet
Mobile
1000 SMS

€ 0.10 / minute
€ 0.04 / SMS
€ 0.10 / MB

TV + Fix + Internet

€ 39 / month

TV: ~30 channels
+
Fixed Voice line: Free calls to fix Off Peak
+
Internet: Unlimited volume
Down 30 Mbps
Up 4 Mbps

NEW
Boost internet! ☐ on 
Ajoutez 1 GB* pour 5 € par mois

Les abonnements mobiles moins chers



Red: 150 min, 1000 SMS, 50 MB, 8€ par mois
Hot: 500 min, 2000 SMS, 1 GB, 18€ par mois
Chili: 1000 min, 5000 SMS, 2 GB, 28€ par mois

Ajoutez 1 GB pour 5 €

scarlet Trio 

Spectrum: ownership & usage



800 MHz	900MHz & 1800 MHz	2100 MHz	2600 MHz
<ul style="list-style-type: none"> Used for 4G Licenses granted in November '13 20 year-license valid until 29/11/2033 Proximus pays € 120 Mio in total (annual instalments) Coverage obligations 	<ul style="list-style-type: none"> Used for 2G, 3G and 4G Licenses granted in '95 1st tacit extension ('10-'15): Proximus paid €74m (annual payments). 2nd tacit extension (8/4/2015-15/03/2021) for ~ €75m Regulator re-assigned the spectrum initially reserved for Telenet/Voo (in 900 MHz - applicable as of 27/11/2015) for which Proximus paid €16m Allowed to deploy UMTS in 900 MHz spectrum & 4G in 1800 MHz BIPT commissioned a study on renewal of 900 – 1800 & 2100 MHz spectrum and assigning of 700 MHz spectrum 	<ul style="list-style-type: none"> Used for 3G UMTS licenses granted in 2001 20 year-licenses valid until 15/3/2021 Proximus paid € 150m (one-off payment) 2 Aug '11, BIPT awarded 4th license to Telenet/Voo for € 71.5m (2X 14.8 MHz) In May '14 Telenet/Voo handed back their license 	<ul style="list-style-type: none"> Will be used for 4G Licenses granted in July '12 15 year-license valid until 30/6/2027 Proximus paid € 20.22m (one-off payment) No coverage obligations

800 MHz	Telenet 2 x 10	Proximus 2 x 10	OBEL 2 x 10					
900 MHz	Proximus 2 x 12.4	OBEL 2 x 11.6	Telenet 2 x 10.2					
1800 MHz	Proximus 2 x 24.8		OBEL 2 x 24.8	Telenet 2 x 24.8				
2100 MHz	Proximus 2 x 15	1x 5.4	OBEL 2 x 14.8	1x5	Telenet 2 x 14.8	1x5	Unallocated 2 x 14.8	1x5
2600 MHz	Proximus 2 x 20		OBEL 2 x 20	Telenet 2 x 15		Unallocated 2 x 15		Voy 1

Proximus
largest
spectrum
holder
allowing
best in class
customer
experience

Regulation

Estimated negative impact on YoY variance

		2015 (First 6 months)	2016 (as of May'16)
Roaming	Revenue	€ -13m	€ -28m
	EBITDA	€ -13m	€ -28m
MTR	Revenue	€ -1m	
	EBITDA	€ -1m	
Total	Revenue	€ -14m	€ -28m
	EBITDA	€ -14m	€ -28m

Definition: Volumes of year-1 multiplied by the price decrease as set by the regulator. 2015 estimated impact re-calculated accordingly.

As for **national regulation**, the draft decisions on FTR and MTR are not yet final. It is however expected that there will be an additional though limited negative impact on Proximus' Margin when the new rates are adopted.

2016

Transitory period towards **Roam-like-at Home** - From 30 April 2016 until 14 June 2017.

- Operators are able to apply a surcharge up to the current regulated wholesale rates.
- As of 30 April 2016, Proximus has lowered its rates in Europe significantly and also made roaming options more interesting for its customers. Scarlet has completely abolished its roaming costs for all EU countries as of 29 April 2016.
- For calls received, the (retail) price was set by the Commission at 1.14 eurocent/min. (calculated based the weighted average of maximum mobile termination rates across the EU).

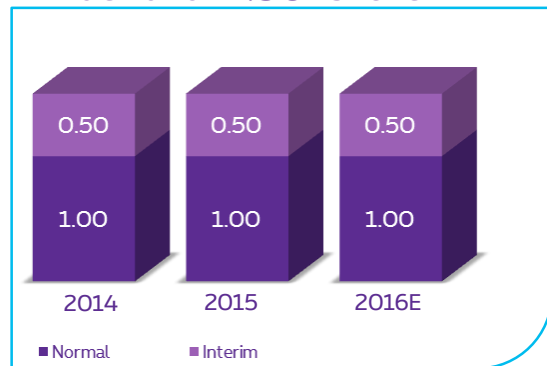
Estimated negative impact on Proximus' Revenue and EBITDA = EUR -28 million, excluding an expected positive elasticity effect on usage.

2017

As from June 2017, 'Roam-Like-At-Home': obligation to charge retail roaming within the EU at domestic retail price, except for the consumption beyond the Fair Use Policy to be defined by December 2016 by the European Commission.

Shareholder structure & remuneration

Dividend of 1.50/share



31 March 2016	Number of shares	% shares	% Voting rights	% Dividend rights	Number of shares with voting rights	Number of shares with dividend rights
Belgian state	180,887,569	53.51%	56.14%	55.92%	180,887,569	180,887,569
own shares	15,822,428	4.68%	0.00%	0.40%	0	1,283,836
Free-float	141,315,138	41.81%	43.86%	43.69%	141,315,138	141,315,138
Total	338,025,135	100%	100%	100%	322,202,707	323,486,543

The voting rights of the treasury shares are suspended by law. The dividend rights of the treasury shares acquired in 2004 are also suspended, whereas the dividend rights for shares acquired as from 2005 are cancelled

General Shareholder return policy:

We offer an attractive shareholder remuneration policy by **returning**, in principle, **most** of our **annual free cash flow**.

This return of free cash flow is **reviewed** on an **annual basis** in order to keep strategic financial flexibility for future growth. The policy is based on a number of assumptions regarding future business and market evolvment, and may be subject to change in the event of unforeseen risks or other factors beyond the company's control.

For further information

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Cautionary statement

“This communication might include some forward-looking statements, without limitation, regarding Proximus’ financial or operational results, certain strategic plans or objectives, macro-economic trends, regulation, future market conditions and other risk factors. These forward-looking statements rely on a number of assumptions concerning future events and are subject to uncertainties and other factors, many of which are outside Proximus’ control. Therefore the actual future results may differ materially from those expressed in or implied by the statements.

Readers are cautioned not to put undue reliance on forward-looking statements, which speak only of the date of this communication.

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