2015 Q2
Roadshow Presentation
# Table of content

<table>
<thead>
<tr>
<th>Q2’15 confirming solid financial &amp; operational trends</th>
<th>Consumer segment results</th>
<th>3</th>
<th>18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Group achievements Q2’15</td>
<td>Enterprise segment results</td>
<td>4</td>
<td>27</td>
</tr>
<tr>
<td>Group underlying revenue</td>
<td>Technology &amp; wholesale</td>
<td>5</td>
<td>35</td>
</tr>
<tr>
<td>Core revenue</td>
<td>Staff &amp; Support</td>
<td>6</td>
<td>36</td>
</tr>
<tr>
<td>Mobile service revenue</td>
<td>BICS</td>
<td>7</td>
<td>37</td>
</tr>
<tr>
<td>Convergence progress</td>
<td>Additional information</td>
<td>9</td>
<td>38</td>
</tr>
<tr>
<td>Group underlying direct margin</td>
<td>Fit for Growth strategy</td>
<td>10</td>
<td>39</td>
</tr>
<tr>
<td>Underlying cost evolution</td>
<td>Pricing</td>
<td>11</td>
<td>43</td>
</tr>
<tr>
<td>Group underlying EBITDA</td>
<td>Packs</td>
<td>12</td>
<td>43</td>
</tr>
<tr>
<td>Net income</td>
<td>Mobile</td>
<td>13</td>
<td>44</td>
</tr>
<tr>
<td>Capex</td>
<td>Fixed</td>
<td>14</td>
<td>48</td>
</tr>
<tr>
<td>FCF</td>
<td>Regulation</td>
<td>15</td>
<td>53</td>
</tr>
<tr>
<td>Financial Position</td>
<td>Network &amp; Spectrum</td>
<td>16</td>
<td>55</td>
</tr>
<tr>
<td>Guidance</td>
<td>Shareholder remuneration &amp; structure</td>
<td>17</td>
<td>58</td>
</tr>
<tr>
<td></td>
<td>FTE – divestures &amp; natural attrition reducing headcount</td>
<td>59</td>
<td></td>
</tr>
</tbody>
</table>
Solid financial and operational trend confirmed in Q2’15 2015 FY guidance revised upwards

Continued revenue growth: Q2’15 Group underlying revenue + 1.5% YoY to € 1,505 m
Underlying Core revenue +2.4% to € 1,094 m, on higher Fixed and Mobile revenues
BICS revenue -0.8% YoY, vs. high comparable base

Higher Direct margin: + 2.9% to € 915m for Q2’15
Core business and BICS contributing equally to the year-on-year improvement.

EBITDA showing sequential growth, Q2’15 Group underlying EBITDA +4.3% to € 450m
This results from continued EBITDA growth from Proximus’ Core Business (+1.6%), and another strong quarter for BICS (+34.9%).

Q2’15 Capex of € 272m, including € 75m for spectrum renewal.
Includes accelerated Mobile investments, expanding the outdoor 4G coverage to 96.5%, the continued roll-out of the vectoring technology and higher investments in network and IT simplification.

Total FCF of € 215m by end June 2015

- + 35,000 TV subscriptions
- + 25,000 Fixed Internet lines
- + 61,000 Mobile Postpaid cards
- - 42,000 Mobile Prepaid cards, incl. discontinuation Mobisud
- + 14,000 3 & 4-Play Households/Small offices, i.e. 42% of total base
- 54.7% Convergent households/small offices, +3 p.p. vs previous year

Continued investments to enhance customer experience leading to good net customer growth for the two main brands Proximus and Scarlet. Scarlet’s Trio offer saw some further benefit from successfully attracting remaining Snow customers.
Key Group
Achievements

Q2 2015
Continued solid underlying revenue growth

**Q2 2015 (in m€)**

<table>
<thead>
<tr>
<th>Q2 2015</th>
<th>CBU</th>
<th>EBU</th>
<th>TEC</th>
<th>Intra-group eliminations &amp; S&amp;S</th>
<th>BICS</th>
<th>Underlying YTD June'15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying Q2'14</td>
<td>1,483</td>
<td>27</td>
<td>0</td>
<td>-1</td>
<td>0</td>
<td>1,505</td>
</tr>
<tr>
<td>YTD June'14</td>
<td>2,885</td>
<td>63</td>
<td>7</td>
<td>-10</td>
<td>0</td>
<td>2,984</td>
</tr>
</tbody>
</table>

**Q2'15 Core revenue up 2.4%**

**Consumer : + 3.9% YoY**
- Rising revenue from Fixed, Mobile & subsidiaries
- Positive Mobile service revenue
- Firm 3- and 4-Play revenue growth driven by larger base and higher ARPH

**Enterprise : stable YoY**
- Mobile and Road User Charging setup fees offsetting the decline in Fixed Voice and ICT
- Positive Mobile service revenue supported by a larger customer base and higher data usage

**TEC: -2.4% YoY**
- Lower volume from traditional Wholesale business (broadband lines, leased lines and traffic volumes).

**BICS : slight decrease of -0.8% YoY**
- Ongoing growth in Data revenue and continued positive impact on revenue from the stronger USD, more than offset by lower Voice revenue.
- High comparable base Q2 2014
Q2’15 Core revenue performance driven by sustained rise in Fixed customer base...

- **Fixed Internet**
  - YoY growth of +108,000 Fixed Internet customers; i.e. +6.3%
  - Proximus Group showing continued good net customer growth for its 2 main brands Proximus and Scarlet
  - Proximus brand benefiting from enhancing customer experience and 3-4 Play focus

- **Fixed Voice**
  - YoY erosion of -54,000 Fixed Voice lines; i.e. -1.9%
  - Scarlet attracted successfully 22,000 former Snow customers on its TRIO offer in H1’15

- **TV**
  - YoY growth of +167,000 TV customers; i.e. +11%
  - Scarlet attracted successfully 22,000 former Snow customers on its TRIO offer in H1’15
... and Mobile services revenue remaining positive.

• Growing postpaid mobile customer base and market share (see next slide)

• Proximus Smartphone penetration: +10pp YoY

44% 54%
Q2 2014 Q2 2015

• Blended ARPU trend for CBU remains positive, stable decline for EBU

• Growing number of 4G users

3X
Q4'13 Q1'14 Q2'14 Q3'14 Q4'14 Q1'15 Q2'15

• Increased YoY data usage per user/month
  4G users:

753 828
Q2 2014 Q2 2015

3X

• Increased YoY Total data usage in Terabytes

6X

3G & 4G users (blended):

317 514
Q2 2014 Q2 2015

2X

• Fluctuation on roaming revenue
• Higher comparable base

Users 3.1X more data vs 3G users

Blended Mobile traffic
Mobile revenue supported by Mobile customer gain and controlled churn levels

- Growing Group mobile customer base and improving mix:
  - +144,000 Mobile cards YoY; +2.6%
  - Customer mix improving to 74% Postpaid vs. 71% for Q2’14

- Mobile churn well under control

- Total market share

Postpaid increase offset by lower Prepaid

<table>
<thead>
<tr>
<th></th>
<th>Q2 2014</th>
<th>Q2 2015</th>
<th>Q2 2014</th>
<th>Q2 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Postpaid</td>
<td>40.6%</td>
<td>46.6%</td>
<td>46.6%</td>
<td>47.0%</td>
</tr>
<tr>
<td>Prepaid</td>
<td>39.6%</td>
<td>39.6%</td>
<td>39.6%</td>
<td>39.6%</td>
</tr>
<tr>
<td>Mobile park</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

incl. impact from discontinuation Mobisud
Benefitting from good progress on convergence strategy

- 42% of the Households/Small offices are 3-or 4-play, and count for 62% of total HH/SO revenue
- Continued improvement of mix following growth for 3-Play and 4-Play
- Revenue from X-play HH/SO +2.9% YoY; 4-Play revenue +13.7%
- ARPH up by 4.9% YoY to EUR 65.1, 4-Play ARPH at € 116
• Direct Margin increase from both the Core business as from BICS.
• Core Direct margin + 1.6% YoY: higher Core revenue driven by Fixed and Mobile services, and by Tango.
• BICS posted a record Direct margin: + 20.6% YoY, benefitting from positive volatility in Voice trading business and the ongoing Mobile data growth, including a favorable USD impact.
Underlying expenses higher YoY, including timing impact Pylon Tax provision

**Group underlying HR costs (EUR mio) & YoY variance**
-4.1% -0.2% -2.5% -6.3% -1.6% -1.5%

**Group underlying non-HR (EUR mio) & YoY variance**
2.9% -5.8% -4.3% 12.9% 2.3% 5.6%

**Underlying HR expenses 1.5% lower on natural attrition**
Q2'15 showing similar decrease as Q1.
Includes the positive impact from a lower headcount base:
- natural attrition of -318 FTEs YoY
- Proximus Group headcount decreased to 13,983 FTEs by end-June 2015

**Q2 Group underlying non-HR expenses +5.6%**
- timing impact from provisioned Walloon Region Pylon tax, booked in its entirety in Q4'14, whereas spread over the year in 2015.
- Furthermore renting costs are temporary higher due to the sale and lease back of some buildings sold within the network simplification program.

**Ytd June 2015 Non-HR expenses totaled € 428 million, or 3.9% YoY.**

Ytd June '15 HR-expenses -1.6% to € 505m
Q2 ‘15 underlying Group EBITDA totaled € 450m, a € 19m or 4.3% improvement YoY

• higher Direct Margin posted in the Consumer segment, and BICS

• partly offset by the Group’s expenses (HR and non-HR costs) which were up by 1.6%, including an unfavorable timing impact from the provisioned Walloon Region Pylon tax.
Ytd June '15 Net income (Group share) totaled € 274m. The decrease versus the same period of 2014 was for a large part due to the positive impact of incidentals on the 2014 net income, including the sale of subsidiaries and buildings.
Investing in excelling customer experience

€ 272m Capex in Q2’15, Ytd 2015 at €499m.

- Renewal of the 900Mhz/1800Mhz spectrum (€ 75m)
- Best in class mobile customer experience, progressing on 4G coverage and quality
- Improve Fixed experience, rolling out Vectoring technology
- Network Simplification program and more efficient IT-systems

4G-network

- 96.5% outdoor population coverage
- 81.6% indoor coverage
- average download speed of 19 Mbps on a 4G capable device (20% to 40% faster than competitor networks)

<table>
<thead>
<tr>
<th></th>
<th>Base</th>
<th>13.2 Mbps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobistar</td>
<td>15.7 Mbps</td>
<td></td>
</tr>
<tr>
<td>Proximus</td>
<td>19 Mbps</td>
<td></td>
</tr>
</tbody>
</table>

Fixed network

- More than 1/3rd of our VDSL2 network is now covered with Vectoring.
- The number of customers having access to internet download speeds of 70 Mbps grew to more than 435,000 or 45,000 more than last quarter

Average download speed on 4G capable device (*)

Q2’14: included capitalisation of 3-yr broadcasting rights of Jupiler Pro league football

(*) Coverage and speed as measured by independent agency CommSquare through national drive tests in Q2’15.
Speed measurements are done with devices in free mode, meaning the device itself picks the available network technology (2G, 3G, 4G)
The positive impact from the higher underlying EBITDA and lower income tax payments (partly timing) were more than offset by less cash received from the sale of consolidated companies and buildings, higher cash paid for Capex and higher working capital needs.
We keep a sound financial position

- June ‘15 net financial debt at € 1,931m, €131m higher versus end 2014
- The outstanding long term financial gross debt amounted to € 2,461m
- Credit ratings: Standard & Poor’s A; Moody’s A - both stable outlook

Debt maturing

- June ‘15 net financial debt at € 1,931m, €131m higher versus end 2014
- The outstanding long term financial gross debt amounted to € 2,461m
- Credit ratings: Standard & Poor’s A; Moody’s A - both stable outlook

Debt maturing

- June ‘15 net financial debt at € 1,931m, €131m higher versus end 2014
- The outstanding long term financial gross debt amounted to € 2,461m
- Credit ratings: Standard & Poor’s A; Moody’s A - both stable outlook

Debt maturing

- June ‘15 net financial debt at € 1,931m, €131m higher versus end 2014
- The outstanding long term financial gross debt amounted to € 2,461m
- Credit ratings: Standard & Poor’s A; Moody’s A - both stable outlook

Debt maturing
FY 2015 Outlook revised upwards; company running ahead on its 2016 growth objective

- solid achievements of Q1’15 confirmed in Q2’15, H1’15 results better than expected.
- good progress made on the company’s ‘Fit-for-Growth’ strategy, some of the initiatives already translated in improved underlying trends

Proximus’ management revises its full-year 2015 guidance upwards and believes to end the year 2015 with an underlying Core revenue growth of around 2% and a Group underlying EBITDA growing by 3% to 5% compared to 2014.

<table>
<thead>
<tr>
<th>Guidance metrics</th>
<th>FY 2014</th>
<th>Outlook 2015 27 Feb ’15</th>
<th>Revised Outlook 2015 31 July ’15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core underlying revenue</td>
<td>4,287 million</td>
<td>Stable to slightly positive</td>
<td>Around 2% growth</td>
</tr>
<tr>
<td>BICS underlying revenue</td>
<td>1,577 million</td>
<td>Stable</td>
<td>Slightly positive</td>
</tr>
<tr>
<td>Group underlying EBITDA</td>
<td>1,653 million</td>
<td>Stable to slightly positive</td>
<td>3% - 5% growth</td>
</tr>
<tr>
<td>Capex (excl. spectrum license)</td>
<td>978 million*</td>
<td>About 900 million</td>
<td>About 900 million</td>
</tr>
</tbody>
</table>

* Including the capitalized three-year broadcasting rights of the Belgian Jupiler Pro league football acquired in June 2014.

The Board of Directors also confirmed their intention to return a stable total gross dividend of EUR 1.50 per share over the result of 2015 and 2016.
Consumer results

Q2 2015
CBU’s underlying* revenue growth leading to solid increase in Direct margin

Q2’15 underlying revenue + 3.9% YoY on good revenue progress from Fixed and Mobile

- Revenue from Fixed products improved to a +4.1% YoY, driven by both Proximus and Scarlet.
- Total Mobile revenue +2.5%, incl. 0.9% growth from Mobile services. Mobile devices +14% YoY

YTD June underlying CBU revenue totaled €1,437m, +4.6% YoY

Q2’15 underlying CoS + 6.8% YoY

- CoS fluctuations for great part driven by level of Mobile device sales.

Q2’15 underlying Direct Margin : + 3% YoY

- solid underlying revenue growth resulted in a continued positive Direct Margin compared with last year

YTD June underlying segment direct margin totaled €1,093m, +3.1% YoY

* Adjusted for incidentals
CBU’s underlying segment result further improving

Q2’15 underlying HR Costs: -3.2% YoY on lower personnel base
- Mainly result of lower personnel base following natural attrition
- Ytd June ‘15, HR expenses of €198m, -2.7% YoY

Q2’15 underlying Non HR Costs: +4% YoY to €84m
- Targeted marketing campaigns
- Volume related costs
- Resources needed for acceleration of e-transformation program
- Ytd June ‘15, non-HR expenses totaled €172m, up 6.6%.

Q2’15 underlying segment result: +4.6% YoY,
- Sequential improvement from the prior quarter
- Including €-5m (-1.5%) regulatory impact
- Segment contribution 50.8%, +0.3p.p. YoY

Ytd June ‘15, CBU’s segment result was €723m, +4.1% YoY.
CBU’s underlying* revenue variance per product group

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

CBU’s solid revenue growth resulted from a good performance from both fixed and mobile, as well as from Proximus’ Luxembourg subsidiary Tango.

Setting aside the more promotion-driven revenue from mobile terminals, CBU’s revenue growth remained fairly stable over the first two quarters of 2015.

*Adjusted for incidentals, i.e. impact from divested companies. Total Q2 2015 CBU reported revenue of €726m was 3.5% up versus €701m reported revenue of Q2 2014.
Consumer – Fixed voice

Proximus line erosion limited and Scarlet gaining more former Snow customers

Q2’15 revenue from Fixed voice totaled €137m, -4% YoY

• YoY line erosion by -18,000 or -0.8%
• Increasing number of customers with multi-play Pack, with discount lowering the ARPU

Q2’15 Fixed line -5,000 lines; total of 2,136,000 lines

• Scarlet attracting additional 6,000 former Snow customers to its Trio offer
• Proximus brand benefitting from Sales focus on Fixed voice in multi-play Pack

Q2’15 ARPU down -3% YoY to €21.4

• Increasing number of Voice customers in multi-play Pack at more favorable pricing
Consumer – Fixed Internet
Fixed internet revenue up 5.8%; Proximus and Scarlet adding +25,000 customers

Q2’15 Fixed data revenue of €137 m, +5.8% YoY
- Driven by the growing customer base, up by 111,000 or +7.1% in one year

Q2’15 Fixed Internet customer base grew with +25,000 Proximus and Scarlet customers
- Scarlet brand attracted 6,000 former Snow customers to its Trio offer
- Proximus brand maintaining good growth

Q2’15 ARPU of €27.5 – 0.8% YoY; fairly stable compared to Q1
- Migration of Internet customers to multi-play Packs, at favorable pricing
Proximus and Scarlet brand growing TV base by 35,000 in the quarter

Q2’15 revenue from TV totaled € 82m, +18.1% 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 167,000 or 11%

+35,000 TV subscriptions in Q2’15, including +10,000 multiple set-top-boxes

- Total of 1,692,000 TV subscriptions,
- 1,365,000 single customers, +121,000 YoY or +9.7%
- 327,000 multi-settop boxes
- Q2 ’15 Scarlet Trio offer growth was strong, attracting an additional 6,000 former Snow customers

Q2’15 TV ARPU up 7.6% YoY to € 20.2

- Revenue from TV options such as for Football
- Product ARPU results from allocation of Pack revenue (Proximus TV not sold in standalone)
**Consumer – Mobile service**

Higher YoY revenue on growing Postpaid base and ARPU trend

---

**Mobile service revenue (EUR mio) & YoY variance**

- Q2’15 revenue from Mobile services +0.9% YoY
  - Solid growth in Postpaid base: +192,000 or +7.2%
  - Blended mobile ARPU up YoY by 1.8%

**Growing Mobile base, in spite of many promotions on the market from all mobile players**

- Proximus’ Postpaid churn level remained low at 13.4%
- Q2 Postpaid customer base +38,000 cards, or +26,000 when excluding the Internet-Everywhere data cards.
- Q2 Mobile Prepaid -40,000 cards, incl. -13,000 due to discontinuation of Mobisud

**Blended Mobile ARPU up 1.8% YoY to € 22.7**

- Better customer tiering, driven by high-end Joint-Offers, and increased smartphone penetration
- Q2’15 Postpaid ARPU of €29.6 +1.5% YoY
- Q2’15 Prepaid ARPU of €11.2 or -11.31%, though slightly higher than the first quarter (€10.7).

**CBU’s Average Monthly data consumption per user**

- **Overall average** usage (3G & 4G devices) of **511Mb/month**, +65% YoY
- Average usage for **4G-devices** of **851Mb**, +8% YoY
- 4G devices have >3 times more data consumption than non 4G
Double digit revenue growth on growing customer base and higher ARPU

Tango Q2’15 revenue of €31m, +11% YoY

- Revenue increase resulting from growing customer base for Mobile postpaid as well as for triple-play and quad-play.

Continued Mobile customer growth

- Mobile customer base end June ’15 of 287,000, a 1.4% increase vs. June ’14.

- In the second quarter Tango added net 1,000 mobile customers with Mobile postpaid growth of 3,000 cards partially offset by 2,000 less prepaid cards.
Enterprise results
Q2 2015
EBU’s underlying revenue stable, Direct margin slightly down on product mix

**Q2’15 underlying revenue stable YoY**
- Mobile and Road User charging setup fees offset decline in Fixed voice and ICT
- Estimated € -8m (-2.4%) regulatory impact

**YTD June underlying segment revenue totaled € 656m, +1.0% YoY**

**Q2’15 underlying COS +2.1% YoY**
- Unfavorable YoY ICT product/services mix

**Q2’15 Direct Margin : -0.8% YoY**
- Lower Fixed Voice revenue
- Unfavorable product mix in ICT

**YTD June underlying segment direct margin totaled € 472m, -0.3% YoY**
Underlying HR Costs fairly stable
-1.1% YoY to €68m, on lower personnel base

Ytd June ‘15 HR expenses -0.8% lower versus the previous year.

Q2’15 underlying Non HR Costs
-1.7% YoY to €22m, including efficiency gains
Ytd June ‘15 non-HR expenses were 4.1% down.

Q2’15 underlying segment result of €146m, -0.5% YoY
Lower direct margin partially offset by less costs on both HR and non-HR expenses
44.7% contribution margin

YTD June ’15 underlying segment result totaled €294m, +0.6% YoY
In Q2’15 the higher revenue from Mobile Services and setup fees for Road User Charging (reported in ‘Other’) offset the lower revenue from Fixed Voice and ICT. The slow-down versus the favorable revenue variance of Q1’15 was mainly driven by lower revenue from Mobile devices and by lower YoY revenue from ICT on a tougher comparable base.

* Adjusted for incidentals, i.e. impact from divested companies. Total Q2 2015 EBU reported revenue of €327 million was 10.3% down versus €407 million reported revenue of Q2 2014.
Enterprise—Fixed Voice

Continued Fixed Voice revenue decline on stable erosion of Fixed Voice customer base and lower traffic

Q2’15 revenue from Fixed voice totaled €62m, -5.7% YoY
- Key driver is companies rationalisation on Fixed line connections and move to VOIP

YTD June underlying Fixed voice revenue totaled €125m, -4.9% YoY

Stable quarterly line erosion
- Q2’15 Fixed line -9,000 lines

End Q2’15, EBU Fixed Voice Line customer base of 677,000 lines, -4.9% line loss YoY

Q2’15 ARPU down -0.9% YoY to €30.1 on lower traffic
Fairly stable Fixed Data revenue

Q2’15 Fixed data revenue of €62m, +0.7% YoY
- Data Connectivity revenue increased YoY driven by roll-out of a number of large customer projects on the Proximus Explore platform.
- Fixed Internet revenue remained fairly stable

YTD June underlying Fixed Data revenue totaled €124m, -0.7% YoY

Q2’15 Fixed Internet -1,000 lines; 138,000 Fixed internet customers end Q2’15

Q2’15 ARPU of €43.8, +1.6% YoY
(Includes the mathematical positive impact on ARPU from the cleaning of the Internet base in Q1 2015, which reduced the BB base by 3,000)
EBU generated in Q2’15 €107m revenue from ICT, 1.2% below the same period of ‘14, though a stable amount versus Q1 2015.

- Q2’15 shows an impact from the termination of some ICT contracts earlier this year, which reduced the recurring ICT revenue. This was partly compensated for by higher revenue from ICT products.

Ytd June ‘15, EBU’s ICT revenue totaled €215m, i.e. slightly above the comparable period of 2014.

* Excluding impact from divestures: Telindus France in May 2014 and Telindus UK in December 2014
EBU’s Mobile service
YoY growth on larger customer base and higher data usage

Q2’15 revenue from Mobile services totaled € 80m, +1.8% YoY
- Solid continued growth in Postpaid base: 105,000 or 9.6% more mobile cards YoY
- Blended mobile ARPU trend up YoY

YTD June underlying Mobile service revenue totaled € 159m, +2.6% YoY

Q2’15 Mobile base end June: 1,200,000 cards
- 10,000 Mobile Voice and paying data cards, i.e. better than previous 2 Q’s (Q1’15’+6,000; Q4’14 +9,000)
- M2M park growth of 10,000 in Q2’15
- Mobile churn limited in Q2’15 to 10%

Blended Mobile ARPU down -2.8 YoY however increasing from the previous quarters to € 29.7
- EBU segment still impacted by some YoY repricing effects
- Trend improved since Q1’15 on improved tiering and data consumption

EBU’s Average Monthly data consumption per user of data:
- Overall average usage (3G and 4G devices) of 529Mb/month, +52% YoY
- Average usage for 4G-devices of 752 Mb/month, up 17% YoY
- 4G devices have 2.6 times more data consumption than non 4G
Q2’15 revenue totaled €58m, -2.4% YoY
- Lower volumes from traditional wholesale business
- Snow outphasing largely compensated through Scarlet retail offer

YTD June revenue totaled €114m, -8.3% YoY

Q2’15 direct margin €50m, -2.8% YoY

Q2’15 HR expenses of €41m, -2% YoY

Non-HR expenses increased to €53m.
- This includes a timing impact of the Pylon tax provision.
- This compares to a Q2’14 which benefitted from a favorable one off provision reversal.
Staff & Support P&L

**S&S underlying revenue (EUR mio) & YoY variance**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q3'13</th>
<th>Q4'13</th>
<th>Q1'14</th>
<th>Q2'14</th>
<th>Q3'14</th>
<th>Q4'14</th>
<th>Q1'15</th>
<th>Q2'15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change</td>
<td>7</td>
<td>5</td>
<td>7</td>
<td>8</td>
<td>7</td>
<td>8</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>YoY</td>
<td>-6.3%</td>
<td>9.8%</td>
<td>-4.5%</td>
<td>67.7%</td>
<td>12.4%</td>
<td>-30.3%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Q2’15 revenue totaled € 5m,

**S&S underlying HR costs (EUR mio) & YoY variance**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1'14</th>
<th>Q2'14</th>
<th>Q3'14</th>
<th>Q4'14</th>
<th>Q1'15</th>
<th>Q2'15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change</td>
<td>34</td>
<td>34</td>
<td>34</td>
<td>31</td>
<td>33</td>
<td>32</td>
</tr>
<tr>
<td>YoY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.2%</td>
<td>-0.9%</td>
</tr>
</tbody>
</table>

Q2’15 HR expenses € 32m, -4.4% YoY as a result of a lower personnel base

**S&S underlying Non HR costs (EUR mio) & YoY variance**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1'14</th>
<th>Q2'14</th>
<th>Q3'14</th>
<th>Q4'14</th>
<th>Q1'15</th>
<th>Q2'15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change</td>
<td>49</td>
<td>41</td>
<td>44</td>
<td>53</td>
<td>50</td>
<td>41</td>
</tr>
<tr>
<td>YoY</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>2.2%</td>
<td>-0.9%</td>
</tr>
</tbody>
</table>

Q2’15 Non-HR expenses € 41m, -0.9% YoY
Q2’15 revenue totaled €411m, -0.8% YoY from a high comparable base
- solid ongoing growth in non-Voice revenue
- continued positive impact on revenue from the stronger USD, was more than offset by lower Voice revenue.

Q2’15 record Gross margin €75m, +20.6% YoY
- favorable variance for both Voice and Mobile data.
- Mobile Data Direct Margin remained positively impacted by stronger USD as well as by improved volumes
- Voice unit margin again high, benefiting from favorable - but volatile - market conditions.

Q2’15 segment result of €47m, EBITDA margin rose to all-time high 11.3%
- steep increase in Direct margin
- Operating Expenses remained well under control

In Q2’15 BICS handled
- 6,859m minutes, -5.5% YoY
- Non-Voice volumes, +21.9% YoY
Additional information

- Fit for Growth strategy
- Pricing
  - Packs
  - Mobile
  - Fixed
- Regulation
- Network & Spectrum
- Shareholder remuneration & structure
- Headcount
Fit for Growth Strategy

Generate Revenue & EBITDA Growth by 2016

Offer best-in-class customer experience & simplify to structurally reduce costs

Invest in networks and IT systems, building the foundation of our next wave of growth

Customer centric leaner organisation strengthened by new brand

Cloud, TV Replay, Netflix, Eleven Sports Network, IoT, Big data, ...

We constantly keep people in touch with the world so they can live better and work smarter

Customer Experience

Efficient Organisation

Simplification

Brand Differentiation

Good to Gold Culture
Agility | Collaboration | Accountability

Convergent Services

Seamless Network and ICT

Invest & Innovate

Grow

Grow

Back to Sustainable Growth
To build the foundation of our next wave of growth:
• Mobile leadership and further deploy 4G
• Push legacy copper network to max capabilities
• Gradually introduce FttH/FttB

Access

IT & systems

Convergence services

Brand image

In what

Latest achievements

✓ Outdoor coverage 4G of 96.5%, mainly on 1800 Mhz
✓ Avg mobile data speed 20 to 40 % faster vs. competition for 4G device
✓ 3-yr vectoring roll out started and on track, already connected customers get a dedicated speeds of 70 Mbps
✓ 80% of industrial zonings are connected to Fiber
✓ Start deploying new residential zoning projects directly with FttH

✓ Outdoor coverage 4G of 96.5%, mainly on 1800 Mhz
✓ Avg mobile data speed 20 to 40 % faster vs. competition for 4G device
✓ 3-yr vectoring roll out started and on track, already connected customers get a dedicated speeds of 70 Mbps
✓ 80% of industrial zonings are connected to Fiber
✓ Start deploying new residential zoning projects directly with FttH

✓ faster front-end order introductions
✓ more efficient field interventions
✓ better & more automated testing of IT releases with a faster time to market
✓ Cyber security reinforcement plan

✓ Wi-Fi hotspot user experience improved with automatic access provided by the EAP-SIM technology.
✓ TV Everywhere experience with extended features
✓ Swipe box : easy swiping “photos, videos and music to the TV screen via a smartphone or tablet.
✓ Wi-Fi bandwidth increased by making the service quality dynamic on all Proximus Wi-Fi hotspots.
✓ ICT Industrialization

✓ Wi-Fi hotspot user experience improved with automatic access provided by the EAP-SIM technology.
✓ TV Everywhere experience with extended features
✓ Swipe box : easy swiping “photos, videos and music to the TV screen via a smartphone or tablet.
✓ Wi-Fi bandwidth increased by making the service quality dynamic on all Proximus Wi-Fi hotspots.
✓ ICT Industrialization

✓ Agreement with Eleven Sports Network (international football & sports)
✓ Offer customers “best fit installation”
✓ TV Replay free in packs
✓ Bringing Netflix to the settop box
✓ Awarded best e-commerce Website

We estimate our annual investment needs to be around €900m over the coming years to cover network, convergence, new services and content needs
Transform & Develop

Develop superior customer experience
- Product usage experience (TV Everywhere, FON, ...)
- Touch points experience (call centers, technicians, ...)
- End-to-end process (first time right)
- 360° customer communication quality

Simplify to structurally reduce cost
- Products and services portfolio
- Network
- IT and platforms
- E sales and services

Build efficient organization
- Simpler and leaner organization for faster decision
- Reduction of resource costs leveraging pension wall
- Right talent at right place
- Real performance management

Improve brand differentiation
- Address different segments with differentiated offers (Scarlet)
- Push convergence via 3-play, 4-play and ICT services
- Reinforce brand investment

In what

Latest achievements
- Increased customer satisfaction following technical intervention
- New responsive website & MyProximus App
- Improved accessibility of our call centers (extended opening hours)
- Reduction in mediator complaints

- Important portfolio cleaning of legacy products continued 9 out of 10 pack customers on latest offer
- Out phasing of VOIP legacy platform including customer migrations towards one single platform
- >1.4 million PSTN lines moved on new IP platform. and 312 switches ready to be shut down: savings in later stage of process
- 550k customer using My Proximus every month

- New high-performing organization in implementation phase
- 253 employees moved internally
- Internal Cultural Change Program: > 6,000 people trained and cascade ongoing

- Increased awareness of Scarlet brand & successful attraction of former SNOW customers
- Increased cross-selling and number of 3-play and 4-play Households
- Enriched TV offering (TV Replay free in pack), Eleven sports Network, ...
- Netflix decoder exclusivity on Proximus TV decoder
- Positive impact of Proximus rebranding on brand preference

As from 2014, we ambition to keep workforce cost at least flat over the next 5 years, while pursuing additional cost savings building up to another €100m annually by 2018 (HR & non-HR opex)
**In what**

- Best Mobile customer experience across technologies. High LTE coverage, best average speed. Attractive mobile pricing and value creative Joint-Offers
- Improved broadband experience through roll-out Vectoring. Roll-out fiber in industrial zonings.
- Improved web-experience, 70 new shops of the future, …
- All supported by rebranding to “Proximus”

- Exploit upselling potential to quad-play
- Deliver solution-centricity to unlock value in EBU
- Leveraging seamless network integration and convergent applications: 1st to launch EAP-SIM

**Latest achievements**

- Mobile postpaid market share
  - Q2'14: 46.6%
  - Q2'15: 47.0%
  - +0.4 pp.

- Broadband market share
  - Q2'14: 44.2%
  - Q2'15: 45.7%
  - +1.5 pp.

- Digital TV market share
  - Q2'14: 32.2%
  - Q2'15: 34.4%
  - +2.2 pp.

- % of Proximus Households
  - Q2'14: 16%
  - Q2'15: 18%

- Average Revenue per x-play (ARPH) in €
  - 4-Play: Q2'14: 115.8 €, Q2'15: 116.9 €
  - 3-Play: Q2'14: 83.7 €, Q2'15: 83.9 €
  - 2-Play: Q2'14: 34.1 €, Q2'15: 35.7 €
  - 1-Play: Q2'14: 62.0 €, Q2'15: 65.1 €

**Capture new growth potential**

- Pursue data monetization
- Leverage entertainment platform
- Seize the opportunities of cloud, security
- Be selective in development of new innovative services

**Regain Market Shares**

**Leverage convergence value**

The combined effect of our good progress on our Fit for Growth strategy, and some of the initiatives already being translated into improved underlying trends, enables us to run ahead of our 2016 objective of returning to underlying revenue and EBITDA growth.
# Pricing converged Proximus PACKS (some combinations)

<table>
<thead>
<tr>
<th>Pack Comfort</th>
<th>3-Play</th>
<th>Pack Maxi</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Internet Comfort</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internet at home and on the <a href="#">Wi-Fi Hotspots</a>: unlimited³</td>
<td></td>
<td>Internet at home and on the <a href="#">Wi-Fi Hotspots</a>: unlimited³</td>
</tr>
<tr>
<td>Cloud storage volume: 10 GB</td>
<td></td>
<td>Cloud storage volume: 10 GB</td>
</tr>
<tr>
<td><strong>Proximus TV</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than 80 channels</td>
<td></td>
<td>More than 80 channels</td>
</tr>
<tr>
<td>Decoder rental (€8/month)⁷</td>
<td></td>
<td>Decoder rental (€8/month)⁷</td>
</tr>
<tr>
<td>TV Replay</td>
<td></td>
<td>TV Replay</td>
</tr>
<tr>
<td>TV Partout</td>
<td></td>
<td>TV Partout</td>
</tr>
<tr>
<td><strong>Fixed Telephony</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>With a fixed line, the following calls are included in the evening and on weekends:</td>
<td></td>
<td>With a fixed line, the following calls are included in the evening and on weekends:</td>
</tr>
<tr>
<td>Calls to fixed lines and mobile phones in Belgium</td>
<td></td>
<td>Calls to fixed lines and mobile phones in Belgium</td>
</tr>
<tr>
<td>Calls to fixed lines in 35 European countries, Morocco, Turkey, USA and Canada</td>
<td></td>
<td>Calls to fixed lines in 35 European countries, Morocco, Turkey, USA and Canada</td>
</tr>
</tbody>
</table>

**Monthly price:**

<table>
<thead>
<tr>
<th>Pack Comfort</th>
<th>3-Play</th>
<th>Pack Maxi</th>
</tr>
</thead>
<tbody>
<tr>
<td>€62.95/month</td>
<td></td>
<td>€74.95/month</td>
</tr>
</tbody>
</table>

+ **Mobile subscription @ discount**

| Smart+ 15 | 20 |  |  |  |
| Smart+ 45 | 40 |  |  |  |
| Smart+ 65 | 55 |  |  |  |

→ **Comfort Pack + Smart 15 at € 75.95/month**
**Increase competitiveness through improved Mobile portfolio**
(as of 17 August 2015)

<table>
<thead>
<tr>
<th>KEY CHANGES FOR POSTPAID</th>
<th>Residential</th>
<th>Prices VAT incl.</th>
<th>Small Enterprises (SE)</th>
<th>Prices VAT excl.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Price decrease of Smart 50 to 45€ for standalone offers</td>
<td></td>
<td></td>
<td>• Launch of unlimited plan at 40€</td>
<td></td>
</tr>
<tr>
<td>• Smart 65: More data + roaming &amp; international calls now included</td>
<td></td>
<td></td>
<td>• Simplifying from 3 commercial ranges to 1 (Free calls between colleagues included in Bizz Smart XL and stop selling Bizz mobile range)</td>
<td></td>
</tr>
<tr>
<td>• Existing Smart+ 50 &amp; 65 -&gt; Full customer migration onto new plans (45/65)</td>
<td></td>
<td></td>
<td>• Reinforcement of High end range (60-80€) with more data, roaming &amp; international calls</td>
<td></td>
</tr>
<tr>
<td>• Stop selling of Smart 35</td>
<td></td>
<td></td>
<td>• New entry plan at 10€</td>
<td></td>
</tr>
<tr>
<td>• No change on Smart 15 &amp; 25</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>KEY CHANGES FOR PREPAID</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• More data</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Stimulate reloads via Web and My Proximus app by giving double data</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Improved POSTPAID portfolio - RESIDENTIAL

OLD

Smart+ 15
120 min
Unltd sms
1 GB

Smart+ 25
300 min
Unltd sms
2 GB

No change

Smart+ 35
300 min
Unltd P2P
Unltd sms
2GB

Smart+ 50
Unltd min
Unltd sms
3 GB

Selling stopped

Smart+ 65
Unltd min
Unltd sms BE + roaming EU
5 GB

Full customer migration

NEW

Smart+ 15
120 min
Unltd sms
1 GB

Smart+ 25
300 min
Unltd sms
2 GB

Smart+ 45
Unltd min
Unltd sms
4 GB

Smart+ 65
Unltd min
Unltd sms BE
10 GB

Roaming included
International calling included

Speed Tiering

4G

VERY FAST

Up to 50 Mbps

4G

SUPER FAST

Up to 129 Mbps
i.e. maximum possible speed

x

= reduced price in Pack

Prices are incl. VAT
**Improved POSTPAID portfolio - SE**

**OLD**

<table>
<thead>
<tr>
<th>Plan</th>
<th>Unl min 2 Fix</th>
<th>Unl min 2 Fix + CUG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bizz Smart XL</strong></td>
<td>€20</td>
<td>€30</td>
</tr>
<tr>
<td>250 Unl sms 2GB</td>
<td>15</td>
<td>25</td>
</tr>
<tr>
<td>250 Unl sms 5GB</td>
<td>€55 Intense</td>
<td>€80 Europe</td>
</tr>
<tr>
<td><strong>Team</strong></td>
<td>€20</td>
<td>€30</td>
</tr>
<tr>
<td>230 Unl sms 2GB</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>350 Unl sms 2GB</td>
<td>10</td>
<td>15</td>
</tr>
</tbody>
</table>

**Bizz Mobile XL**

<table>
<thead>
<tr>
<th>Plan</th>
<th>Unl min 2 Fix</th>
<th>Unl min 2 Fix + CUG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Single Card</strong></td>
<td>€10</td>
<td>€20</td>
</tr>
<tr>
<td>100 Min/ sms 10MB</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>300 Min/ sms 10MB</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td><strong>Team</strong></td>
<td>€10</td>
<td>€20</td>
</tr>
<tr>
<td>80 Min/ sms 10MB</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>250Min / sms 10MB</td>
<td>15</td>
<td>25</td>
</tr>
</tbody>
</table>

**NEW**

<table>
<thead>
<tr>
<th>Plan</th>
<th>Unl min 2 Fix + CUG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bizz Smart XL</strong></td>
<td>€10</td>
</tr>
<tr>
<td>250 Unl sms 2GB</td>
<td>€80</td>
</tr>
<tr>
<td>1000’ in EU</td>
<td>1000’ to EU</td>
</tr>
<tr>
<td>1000’ in EU</td>
<td>1000’ to EU</td>
</tr>
<tr>
<td>240’ in EU</td>
<td>240’ to EU</td>
</tr>
<tr>
<td><strong>Team</strong></td>
<td>€20</td>
</tr>
<tr>
<td>250’ Unl sms 2 GB</td>
<td>€40</td>
</tr>
<tr>
<td>1GB EU</td>
<td>€60</td>
</tr>
<tr>
<td>1GB EU</td>
<td>€80</td>
</tr>
</tbody>
</table>

**PCAC** = Proximus Calls to all countries = advantageous rates for international calling

**CUG** = Closed User Group

Prices are excl. VAT
Improved PREPAID offer

**Pay & Go Max**
- €0.30 / min
- €0.12 / SMS
- €0.25 / MMS
- €0.5/MB

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

**Pay & Go Smart**
- €0.50 / min Peak
- €0.25 / min OffPeak
- €0.12 / SMS Peak
- €0.08 / SMS OffPeak
- €0.25 / MMS
- €0.5/MB

- For each reload, with Pay&Go Smart you get:

**Data options**
- OLD
  - 4.99
  - 50MB
  - 9.99
  - 500 MB

- NEW
  - Standard reload
    - 4.99
    - 250MB
    - 9.99
    - 1 GB

  - Double data
    - 4.99
    - 250MB
    - 9.99
    - 1 GB
### INTERNET standalone (+2€/month as of 1 July 2015)

<table>
<thead>
<tr>
<th>Plan</th>
<th>Price</th>
<th>Included Internet Details</th>
</tr>
</thead>
</table>
| **Start** | **€27.50 /month** | - 100 GB/month  
- Maximum download speed: 50 Mbps  
- Maximum upload speed: 4 Mbps  
- Know Internet surfing speed at your home. |
| **Comfort** | **€38.95 /month** | - 150 GB/month  
- Maximum download speed: 70 Mbps  
- Maximum upload speed: 5 Mbps  
- Know Internet surfing speed at your home. |
| **Maxi** | **€48.20 /month** | - Unlimited  
- Maximum download speed: 70 Mbps  
- Maximum upload speed: 6 Mbps  
- Know Internet surfing speed at your home. |

### Mobile Internet

- **3G or 4G volume in Belgium**
  - 50 MB/month  
  - € 0.10/extra MB  
  - Download speed: 21 Mbps  
  - Upload speed: 2 Mbps  

**Wi-Fi Hotspots, in partnership with Fon:**
- Deducted from the fixed internet volume  
- More than 1 million hotspots in Belgium  
- 13 million hotspots abroad

### Cloud

- 10 GB storage volume

### E-mail

- 1 mailbox x 5 aliases

- 4 mailboxes x 5 aliases

- 6 mailboxes x 5 aliases

---

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

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.

- 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

<table>
<thead>
<tr>
<th>All foot</th>
<th>Proximus 11</th>
<th>Proximus 11+</th>
<th>Free football</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>€14.95 /month</strong></td>
<td><strong>€9.95 /month</strong></td>
<td><strong>€9.95 /month</strong></td>
<td>Free of charge</td>
</tr>
<tr>
<td>First month free of charge</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

  - The best of Belgian and International football and International sports:
  - Belgian football:
  - Proximus 11 + Proximus 11+
  - All the matches of the Jupiter Pro League
  - 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
  - The best matches of the Proximus League
  - + Belgian club channels: Anderlecht, Bruges and Charleroi

**NBA**
SwipeBox - Share your personal content on TV
Seamless experience with Proximus TV

Swiping to the TV screen via smartphone or tablet
Any TV brand, any device any Proximus decoder
Much more than pictures and video’s
Easy to install & fully integrated

WEB
Online videos
Youtube & Video podcasts

My photos & videos
also Proximus Cloud, Picasa, Facebook

My music
also Web radios & podcasts

Launch 31/8/15
€59.95 (incl. VAT)
Positioning Scarlet as no frills brand, with very attractive pricing for 'price seekers'.

New pricing since 21/05/2015

<table>
<thead>
<tr>
<th>Plan</th>
<th>Postpaid</th>
<th>Prepaid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red</td>
<td>€ 8</td>
<td>€ 28</td>
</tr>
<tr>
<td></td>
<td>150 min</td>
<td>1000 min</td>
</tr>
<tr>
<td></td>
<td>1000 SMS</td>
<td>1000 SMS</td>
</tr>
<tr>
<td></td>
<td>50 MB</td>
<td>50 MB</td>
</tr>
<tr>
<td></td>
<td>€ 0.16 / minute</td>
<td>€ 0.16 / minute</td>
</tr>
<tr>
<td></td>
<td>€ 0.07 / SMS</td>
<td>€ 0.07 / SMS</td>
</tr>
<tr>
<td></td>
<td>€ 0.20 / MMS</td>
<td>€ 0.20 / MMS</td>
</tr>
<tr>
<td></td>
<td>€ 0.03 / MB</td>
<td>€ 0.03 / MB</td>
</tr>
<tr>
<td>Hot</td>
<td>€ 18</td>
<td>€ 8</td>
</tr>
<tr>
<td></td>
<td>500 min</td>
<td>500 min</td>
</tr>
<tr>
<td></td>
<td>2000 SMS</td>
<td>2000 SMS</td>
</tr>
<tr>
<td></td>
<td>500 MB</td>
<td>500 MB</td>
</tr>
<tr>
<td></td>
<td>€ 0.16 / minute</td>
<td>€ 0.16 / minute</td>
</tr>
<tr>
<td></td>
<td>€ 0.07 / SMS</td>
<td>€ 0.07 / SMS</td>
</tr>
<tr>
<td></td>
<td>€ 0.20 / MMS</td>
<td>€ 0.20 / MMS</td>
</tr>
<tr>
<td></td>
<td>€ 0.03 / MB</td>
<td>€ 0.03 / MB</td>
</tr>
<tr>
<td>Chili</td>
<td>€ 28</td>
<td>€ 8</td>
</tr>
<tr>
<td></td>
<td>1000 min</td>
<td>1000 min</td>
</tr>
<tr>
<td></td>
<td>5000 SMS</td>
<td>5000 SMS</td>
</tr>
<tr>
<td></td>
<td>1 GB</td>
<td>1 GB</td>
</tr>
<tr>
<td></td>
<td>€ 0.16 / minute</td>
<td>€ 0.16 / minute</td>
</tr>
<tr>
<td></td>
<td>€ 0.07 / SMS</td>
<td>€ 0.07 / SMS</td>
</tr>
<tr>
<td></td>
<td>€ 0.20 / MMS</td>
<td>€ 0.20 / MMS</td>
</tr>
<tr>
<td></td>
<td>€ 0.03 / MB</td>
<td>€ 0.03 / MB</td>
</tr>
</tbody>
</table>

New pricing since 10/8/2015

<table>
<thead>
<tr>
<th>Plan</th>
<th>Postpaid</th>
<th>Prepaid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ketch</td>
<td>€ 8</td>
<td>€ 15</td>
</tr>
<tr>
<td></td>
<td>Bonus:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>100 min to Scarlet mobile</td>
<td>€ 0.10 / minute</td>
</tr>
<tr>
<td></td>
<td>1000 SMS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>€ 0.04 / SMS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>€ 0.10 / MB</td>
<td></td>
</tr>
<tr>
<td>Up</td>
<td>€ 15</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bonus: Unlimited to Scarlet Mobile</td>
<td>€ 0.10 / minute</td>
</tr>
<tr>
<td></td>
<td>1000 SMS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>€ 0.04 / SMS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>€ 0.10 / MB</td>
<td></td>
</tr>
</tbody>
</table>

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
Investments to improve customer experience also confirmed by high ranking in Netflix ISP speed index

The Netflix ISP Speed Index lists the average prime time bitrate for Netflix content streamed to Netflix members during a particular month. For 'prime time' we take the peak three hours of Netflix streaming on a daily basis per ISP. For 'speed' we measure, in megabits per second (Mbps), the average bitrate for Netflix content streamed by Netflix members per ISP. The speed shown on the Netflix ISP Speed Index is not a measurement of an ISP’s maximum network throughput or capacity. Faster Netflix performance generally means better picture quality, quicker start times and fewer interruptions.

(source -http://ispspeedindex.netflix.com)
Estimated negative financial impact from regulatory price decreases

<table>
<thead>
<tr>
<th>(Decrease in EUR million)</th>
<th>Q1 2015</th>
<th>Q2 2015</th>
<th>FY 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTR Revenue</td>
<td>€ 1m</td>
<td>€ 1m</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>€ 1m</td>
<td>€ 1m</td>
<td></td>
</tr>
<tr>
<td>Roaming Revenue</td>
<td>€ 9m</td>
<td>€ 13m</td>
<td>€ 22m</td>
</tr>
<tr>
<td>EBITDA</td>
<td>€ 9m</td>
<td>€ 13m</td>
<td>€ 22m</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>€ 10m</td>
<td>€ 13m</td>
<td>€ 23m</td>
</tr>
<tr>
<td>EBITDA</td>
<td>€ 10m</td>
<td>€ 13m</td>
<td>€ 23m</td>
</tr>
</tbody>
</table>

**MTR - regulation**

Luxembourg - In Luxembourg, final MTR’s have been set by the regulator, ILR, at 0.97 eurocent/min as from 1 April 2015. Tango has decided to appeal this decision. The MTR had already been set provisionally at 0.98 eurocent/min by a decision of ILR of 6 January 2014. In the meantime this decision has been annulled by the Luxembourg Administrative Court following an appeal launched by Tango. ILR has appealed this ruling on 23 April 2015.

The estimated impact on TANGO (reported in CBU) for H1 2015 is:
- € - 1m revenue, € - 1m EBITDA.

Belgium - the last MTR-cut was applied on 1 January 2013

BIPT is developing a new cost model to set future MTR.
Mobile voice and data-roaming: EU Roaming III Regulation regulation

**Estimated Impact on Q2 2015 financials:**
- **Revenue:** ~ € -13m
- **EBITDA:** ~ € -13m

• The Roaming III Regulation will expire in principle on 30 June 2022. However, in the meantime, the EU Authorities (Commission, Council and Parliament) have, on 30 June 2015, reached an agreement on the future of the roaming charges.

• As from June 2017, provided that the legislative act on the wholesale roaming review is applicable on this date, ‘Roam-Like-At-Home’ will be implemented in the EU zone with the 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.

• During the transitory period from April 2016 until June 2017, operators will be able to apply a surcharge up to the current regulated wholesale rates.

• The text will be finalized in the coming weeks under Luxembourg presidency. Final approval by the EU Parliament plenary and EU Council is expected in September/October 2015.
Fixed Network
Deliver a fixed network fit for the right customer purpose

**Vectoring technology on VDSL**
- Vectoring technology enables up-to-70 Mbps speeds on copper
- 3-year roll-out program on track since start in 2014
- All VDSL street cabinets will be covered

**FTTB in Industrial Zonings**
- Presence of FTTB in industrial zonings
- Available in 80% of the industrial zonings

**FTTH in Greenfields**
- Deployment of FTTH in new residential
- In S1’15 the first residential customers have been commercially connected to the FttH network
- All new sufficiently large residential zonings will be equipped with Proximus fibre

---

* Combination of DLM and Vectored lines

---

90% FttC coverage
Average VDSL2 speed of 43.7 Mbps
More than 436,000 customers now @ 70 Mbps*
Mobile Network
Best true customer experience as top priority

Best Customer Experience...
Best experience to call, surf & watch videos

...when & where it matters...
Best experience to live better and work smarter

...across devices & networks
Best experience cross devices via seamless switch mobile & WiFi

Average download speed on 4G capable device (*)

<table>
<thead>
<tr>
<th>Service</th>
<th>Speed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base</td>
<td>13.2 Mbps</td>
</tr>
<tr>
<td>Mobistar</td>
<td>15.7 Mbps</td>
</tr>
<tr>
<td>Proximus</td>
<td>19 Mbps</td>
</tr>
</tbody>
</table>

20%-40% faster

Towards seamless connectivity everywhere

- > 1.1 million WiFi hotspots in Belgium
- Hotspot traffic increased > 50% vs last year
- > 16.8 million WiFi hotspots abroad
- Nationwide EAP SIM since Nov’14:

Mobile Network Outdoor Coverage:
> 99% 3G & 2G coverage
96.5% 4G coverage

*Source: Speeds are measured by independent agency CommSquare through national drive tests in Q2'15. Measurements are done with devices in free mode, meaning the device picks itself the available network technology (2G, 3G, 4G)
**Spectrum: ownership & usage**

### 800 MHz
- **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

### 900 MHz & 1800 MHz
- **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 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

### 2100 MHz
- **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

### 2600 MHz
- Will be used for 4G
- Licenses granted in July ‘12
- 15 year-license **valid until 30/6/2027**
- Out of 5 candidates, 4 have obtained spectrum in 2.6 GHz band
- Proximus paid €20.22m (one-off payment)
- No coverage obligations

---

**800 MHz**

<table>
<thead>
<tr>
<th>Base</th>
<th>Proximus</th>
<th>Mobistar</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 x 10</td>
<td>2 x 10</td>
<td>2 x 10</td>
</tr>
</tbody>
</table>

**900 MHz**

<table>
<thead>
<tr>
<th>Proximus</th>
<th>Mobistar</th>
<th>Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 x 12</td>
<td>2 x 12</td>
<td>2 x 10</td>
</tr>
</tbody>
</table>

**1800 MHz**

<table>
<thead>
<tr>
<th>Proximus</th>
<th>Mobistar</th>
<th>Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 x 24.8</td>
<td>2 x 24.8</td>
<td>2 x 24.8</td>
</tr>
</tbody>
</table>

**2100 MHz**

<table>
<thead>
<tr>
<th>Proximus</th>
<th>Mobistar</th>
<th>Base</th>
<th>Unallocated</th>
<th>Datang</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 x 15</td>
<td>2 x 14.8</td>
<td>2 x 14.8</td>
<td>1 x 14.8</td>
<td>1 x 45</td>
</tr>
</tbody>
</table>

**2600 MHz**

<table>
<thead>
<tr>
<th>Proximus</th>
<th>Mobistar</th>
<th>Base</th>
<th>Unallocated</th>
<th>Datang</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 x 20</td>
<td>2 x 20</td>
<td>2 x 15</td>
<td>2 x 15</td>
<td>1 x 45</td>
</tr>
</tbody>
</table>

Proximus will become largest spectrum holder in the 900 MHz band, allowing for further increase the Proximus customer experience.

Extension to 2x 24.8 MHz for each of the 3 operators - as of 15/6/2015.
The Board of Directors has reaffirmed its intention to pay out a **stable yearly dividend of EUR 1.50 per share** (interim dividend of EUR 0.50 and ordinary dividend of EUR 1.00) **for the next 2 years**, provided the Group’s financial performance is in line with current expectations.

**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 evolvement, and may be subject to change in the event of unforeseen risks or other factors beyond the company’s control.
Divestures and natural attrition reducing headcount

Estimated cash-out for termination benefits related to past headcount reduction programs:

<table>
<thead>
<tr>
<th>Year</th>
<th>€ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>22</td>
</tr>
<tr>
<td>2016</td>
<td>6</td>
</tr>
<tr>
<td>2017</td>
<td>5</td>
</tr>
<tr>
<td>2018–2035</td>
<td>15*</td>
</tr>
</tbody>
</table>

(* Cumulative for full period)

- 13,983 FTEs in Proximus Group end June 2015
- vs one year ago -415 FTEs:
  - 97 FTEs from divestures
  - 318 FTEs natural attrition
- End June: 4,846 civil servants, or 35%

Proximus SA pension curve (FTE's)

Proximus SA age pyramid

incl. assumption on latest legislation

44 Yr average age
- contractual 39 Yr
- statutory 52 Yr
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.

Proximus disclaims any intention or obligation to update and revise any forward-looking statements, whether as a result of new information, future events or otherwise.”
For further information
Investor relations

Nancy Goossens: +32 2 202 82 41
Sarah Franklin: +32 2 202 77 11

E-mail: investor.relations@proximus.com
Proximus investor relations website:
www.proximus.com/en/investors