

2015 Q3

Results Presentation

Table of contents

Q3'15 Solid financial and operational trend confirmed	3	Consumer segment results	19
Key Group achievements Q3'15	4	Enterprise segment results	29
Group underlying revenue per segment	5	Technology & wholesale	38
Group underlying revenue per product group	6	Staff & Support	39
Core revenue	7	BICS	40
Mobile service revenue	8	Additional Information	42
Convergence strategy progress	10	Fit-for-Growth strategy	43
Group underlying direct margin	11	Pricing	45
Underlying cost evolution	12	Ranking in Netflix ISP speed index	52
Group underlying EBITDA	13	Regulation	53
Net income	14	Spectrum: ownership & usage	55
Capex	15	Shareholder structure & remuneration	56
FCF	16	Divestures and natural attrition reducing headcount	57
Financial Position	17		
Guidance	18		

Q3'15 Highlights

Solid financial and operational trend confirmed, EBITDA guidance revised to “4% to 5% growth”

Group Revenue*
+2.5% YoY
to
€1.509m

Underlying Core revenue +2.4% to €1.088m, on solid revenue from Fixed and Mobile services, in part offset by lower revenue from low-margin Mobile terminals in the third quarter

Third quarter Group revenue was also supported by a 2.5% revenue growth from BICS.

Group EBITDA*
+3.3%
to
€447m

Growth mainly from a better performance of Proximus' Core business, ending the third quarter with EUR 406 million EBITDA, up 3.1% from the comparable period of 2014 and sequentially improving from the prior quarters.

BICS too posted a growing EBITDA for the third quarter 2015, up by 5.7% from the comparable period of 2014.

Capex
€200m

Total Capex YTD'15 of €698m. Proximus invested a.o. in the expansion of its 4G coverage. The Fixed network was further upgraded, bringing dedicated speeds of at least 70 Mbps to more than one on four of Proximus' installed internet base, with an increasing part receiving 100 Mbps.

Q3 FCF
€306m

Total FCF of € 522m by end September 2015.

Quarterly NET ADDS

+ 23.000
TV subscriptions
+ 15.000
Fixed Internet Lines
+ 41.000
Mobile Postpaid cards excl. M2M & Internet Everywhere cards
- 36.000
Mobile Prepaid cards
-22.000
Fixed Voice lines
+ 10.000
3 & 4-Play Households/ Small offices, i.e. 42% of total base
55.3%
Convergent households/small offices, +2.8 p.p. YoY

For mobile best quarter so far in 2015

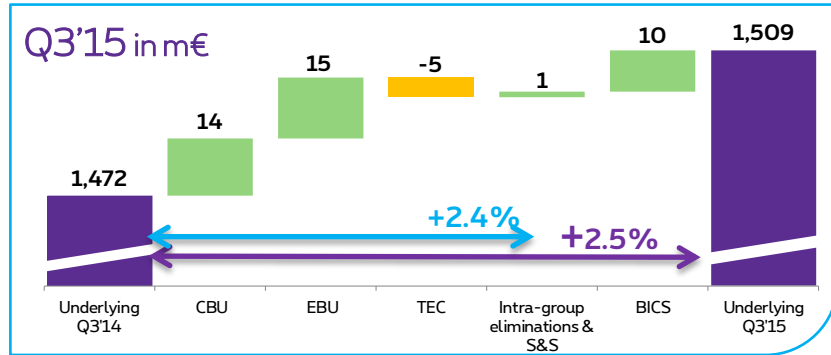
*On underlying basis, i.e. excluding incidentals

Key Group Achievements

Q3 2015

Group underlying revenue per segment

Solid revenue growth from Core and BICS



Q3'15 Core revenue up +2.4%



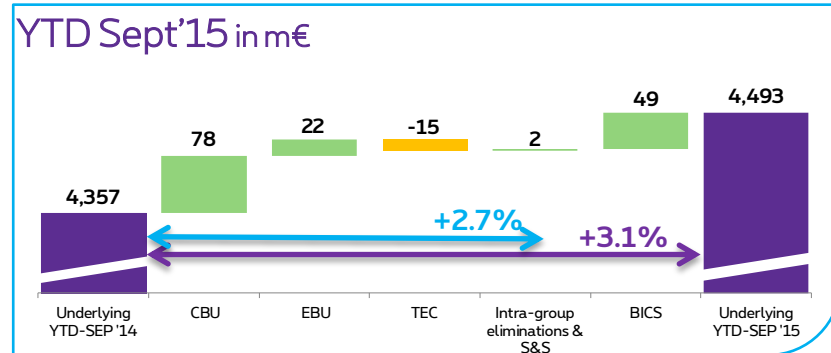
Consumer: + 2.0% YoY

- Rising revenue from Fixed, & Mobile Services
- Mobile service revenue, +2.7% YoY
- In part offset by lower revenue from Mobile terminals
- Firm 3- and 4-Play revenue growth driven by larger base and higher ARPH



Enterprise: +4.8% YoY

- Firm increase in ICT revenue, driven by ICT products
- Strong Mobile service revenue (+6.7%) supported by a larger customer base and higher data usage



TEC: -8.2% YoY



- Lower volume from traditional Wholesale business
- Impact from outphased Snow customers

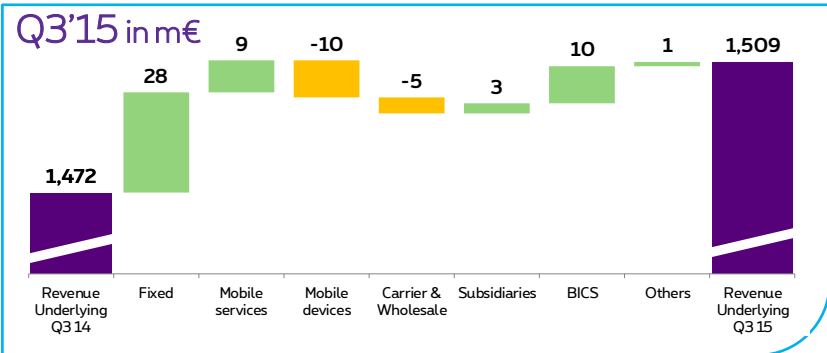


bics: Q3'15 revenue up 2.5% YoY

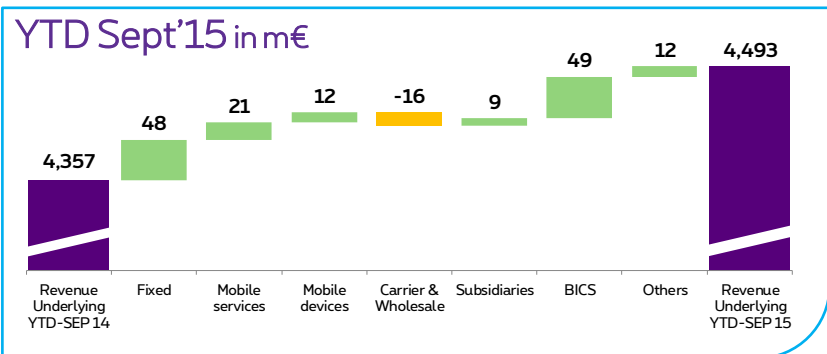
- Continued solid growth in Non Voice revenue, up 14.2% YoY.
- Revenue from Voice remained stable to last year, including a positive USD impact which covered for the revenue loss following lower Voice volumes

Group underlying revenue evolution per product group

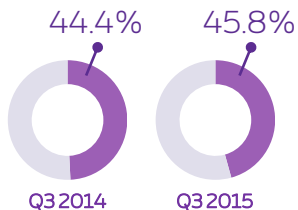
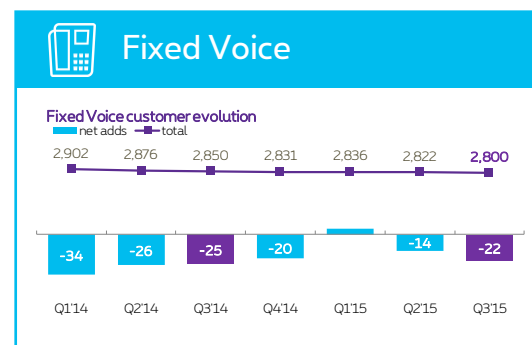
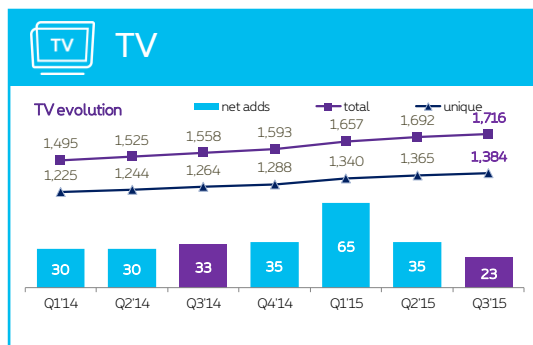
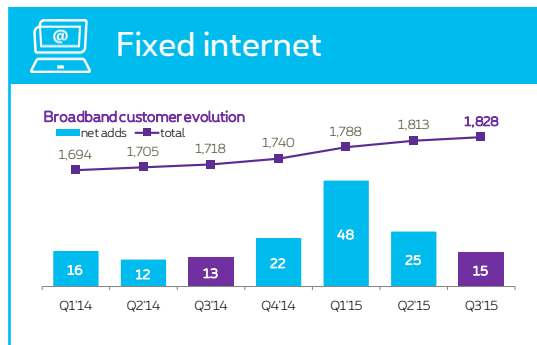
Both Fixed and Mobile services, and BICS contributing well to the Group revenue



- Solid revenue growth from Fixed (Internet, TV and ICT).
- Mobile services progressed year-on-year by 2.7%.
- Partially offset by lower revenues from low margin Mobile terminals in Q3'15.
- BICS revenue driven by solid growth in non-Voice revenue.

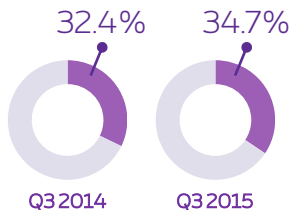


Q3'15 Core revenue performance driven by sustained rise in Fixed Internet and TV customer base...



YoY growth of **+110.000**
Fixed Internet customers;
i.e. **+6.4%**

Market share

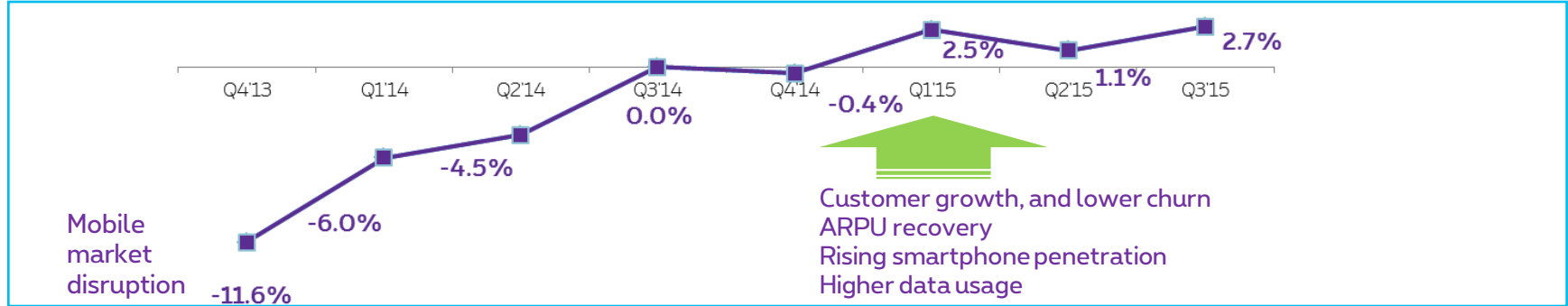


YoY growth of **+158.000**
TV customers;
i.e. **+10.1%**

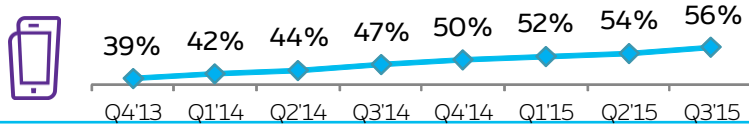
Market share

YoY erosion of **-51.000**
Fixed Voice lines; i.e. **-1.8%**

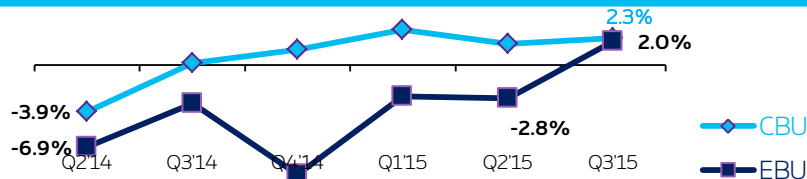
... and growing revenue from Mobile services



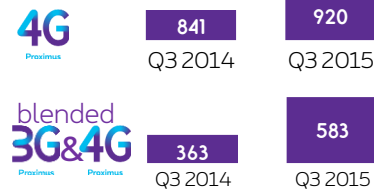
Proximus Smartphone penetration: +9 pp YoY



Q3 Mobile ARPU for CBU and EBU growing YoY

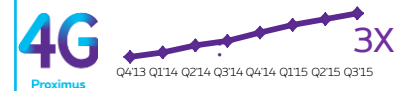


Data usage per user/month

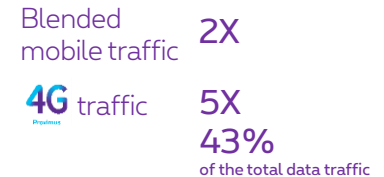


4G Proximus Users
3.4X more data vs 3G users

Growing number of 4G users YoY

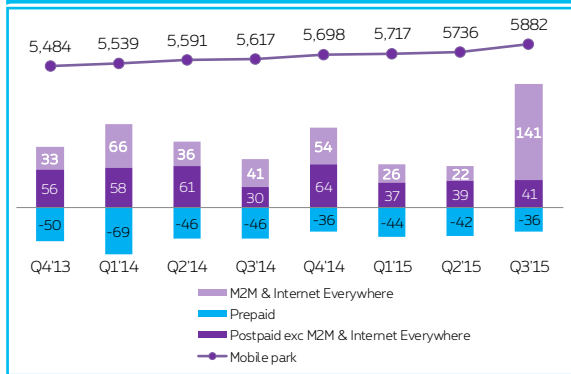


Solid increase in total data usage YoY



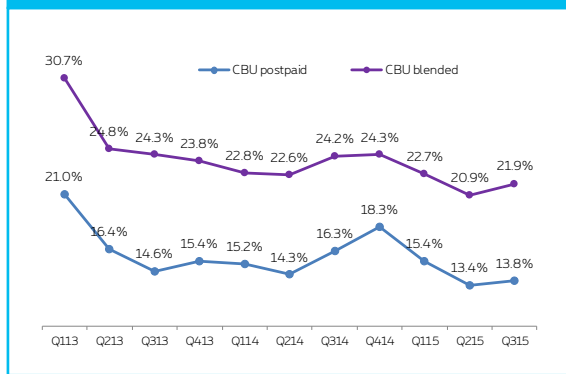
Mobile service revenue supported by Mobile customer gain and controlled churn levels

Growing Group mobile customer base



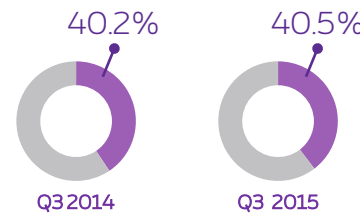
- +265,000 Mobile cards YoY; +4.7% , incl. 141,000 M2M and Internet Everywhere cards
- Customer mix improving to 74% Postpaid vs. 72% for Q3'14

Mobile churn well under control

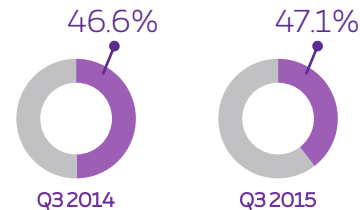


Positive evolution for Mobile Market Shares

Total mobile market share +0.3 pp.



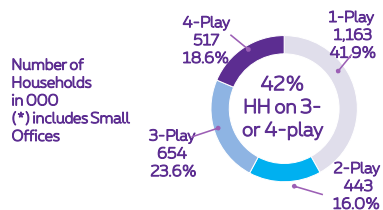
Postpaid market share +0.5 pp.



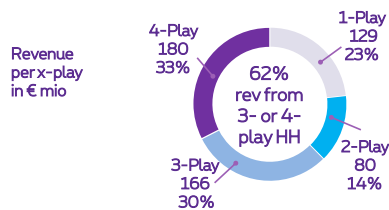
Good progress on convergence strategy

- 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 +3.4% YoY; 4-Play revenue +12.5%
- ARPH up by 4.9% YoY to EUR 66.6, 4-Play ARPH at € 117.2

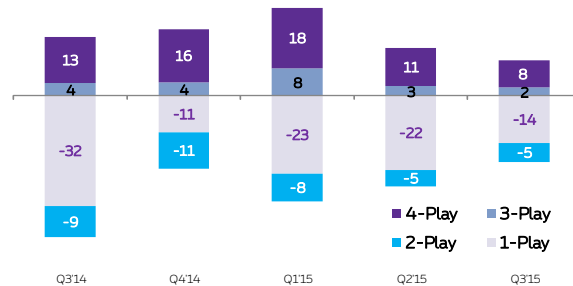
CBU Households per x-play Q3'15
Total of 2,777,000 Households (*)



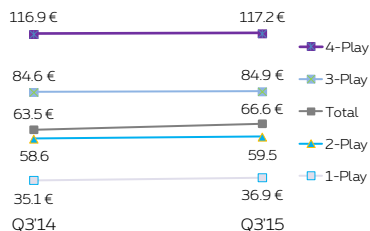
CBU Revenues per x-play Q3'15:
Total x-play Revenues of € 555m



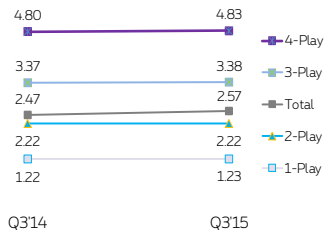
Households/Small Offices per x-play net adds of the quarter (in '000)



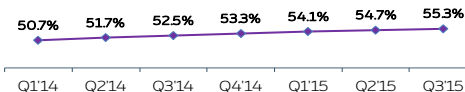
Growing Average Revenue per HH for all plays



Higher number of Average Revenue Generating Units per HH



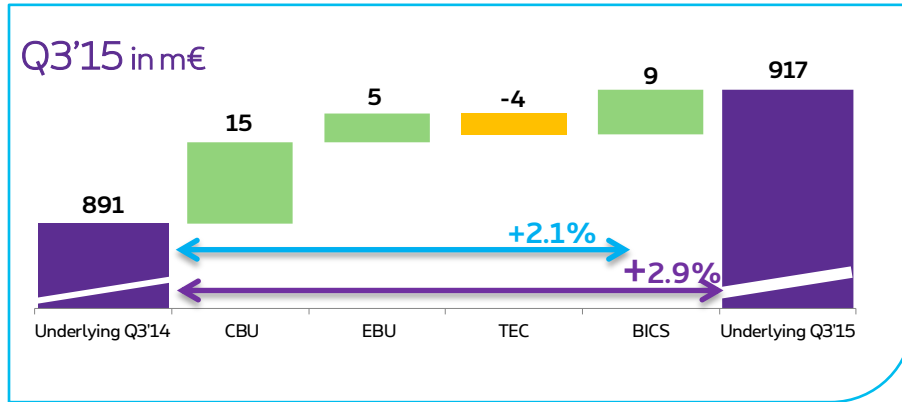
55.3% of convergent Households/Small Offices



Annualized churn rate (HH)

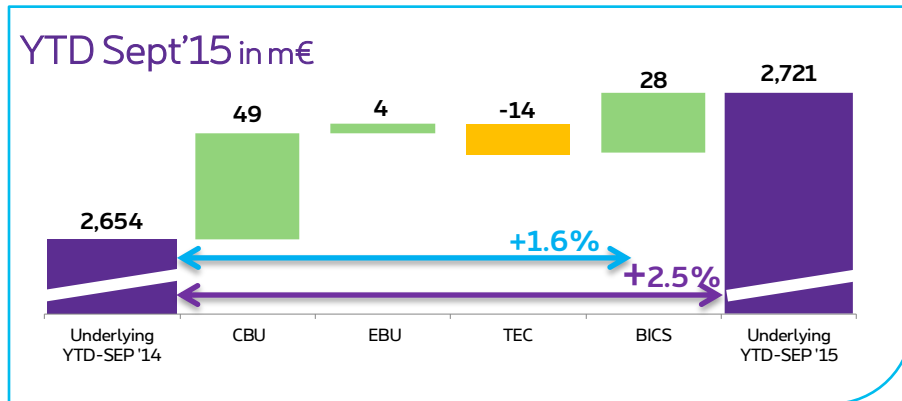
# Plays	Q3 15	# Plays	Q3 15
1-Play	19.0%	3-Play	10.1%
2-Play	11.8%	4-Play	3.1%

Group underlying Direct Margin for Q3'15, +2.9 YoY



Direct Margin increase from both **Core** business and **BICS**.

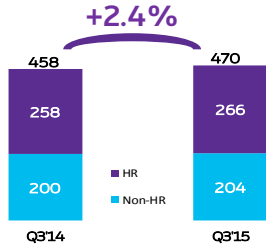
- Higher Core Direct Margin Fixed and Mobile services. Margin variance improved for a third consecutive quarter this year, with the third quarter Direct Margin up 2.1%.
- BICS again posted a strong increase in Direct Margin, + 13.3% YOY continuing to benefit from favorable but volatile market conditions for Voice and positive currency and volume effect for Mobile data.



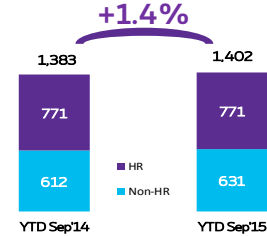
Q3 Underlying expenses higher YoY

HR-related provisions update & timing impact Pylon Tax provision

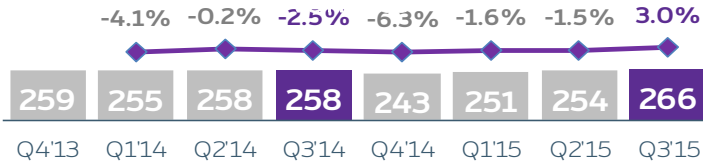
Q3'15
in m€



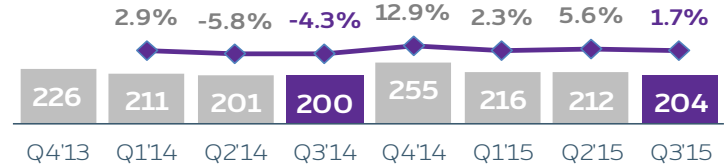
YTD Sept'15
in m€



Group underlying HR costs (EUR mio) & YoY



Group underlying non-HR (EUR mio) & YoY



Underlying HR expenses 3% higher

- Natural attrition of -277 FTE
- Benefit of reduced headcount YOY more than offset by HR-related provisions in Q3'15.
- These provisions excluded, the trend would have been similar to the first half of 2015.

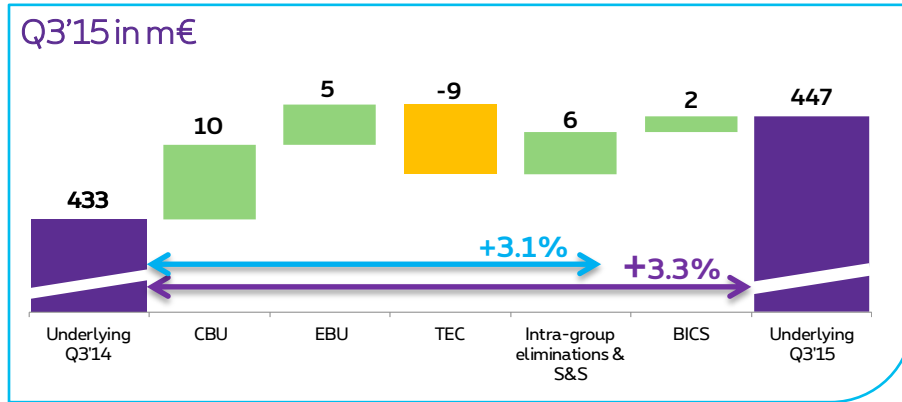
YTD September '15 HR-expenses -0.1% YoY to € 771m

Q3 Group underlying non-HR expenses +1.7% from a low comparable base

- Timing impact from Pylon tax, spread in 2015 vs for 2014 booked in Q4
- In part offset by a net decline in other expenses benefitting from cost efficiency initiatives.

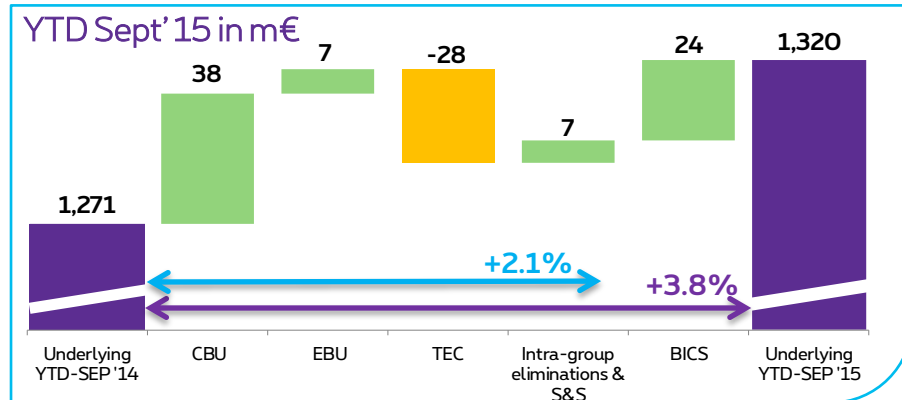
YTD September '15 non-HR expenses totaled € 631 million, or 3.2% YoY.

Group underlying EBITDA Q3'15, +3.3 YoY



Q3'15 underlying Group EBITDA totaled €447m, a €14m or 3.3% improvement YoY.

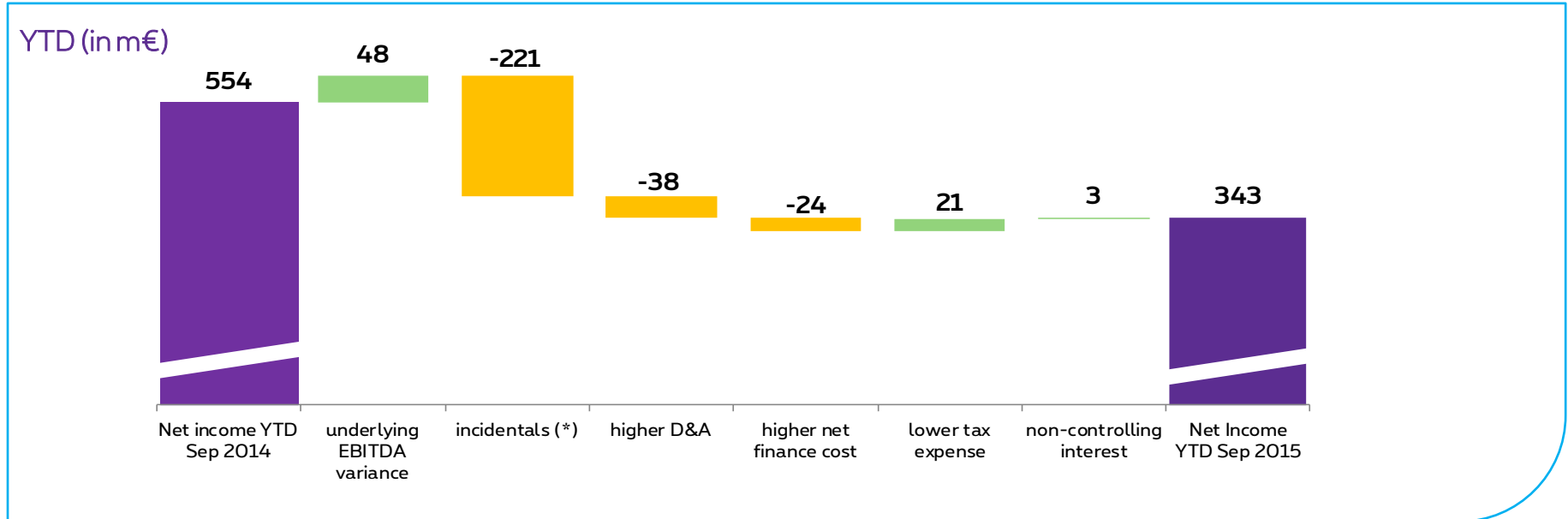
- Proximus' Core business, up 3.1% YOY and sequentially improving from the prior two quarters. Higher Direct Margin posted in the Consumer and Business segment, partly offset by higher expenses (HR and non-HR costs), including an unfavorable timing impact from the provisioned Walloon Region Pylon tax.



- BICS too posted a growing EBITDA , +5.7% YOY

Net income (Group share)

YTD September '15 Net income (Group share) totaled € 343m. The decrease versus the same period of 2014 is for a large part explained by recorded incidentals in 2014 and 2015*, higher depreciation and amortization due to higher asset base and higher finance cost following a partial bond buyback. This was partially offset by the increase in underlying EBITDA.



* Positive incidentals for an amount of € 127m in 2014 and negative incidentals for € 94m in 2015 (including the costs linked to the litigation settlement agreement between Proximus, BASE company and Mobistar.)

Continuously investing in excelling customer experience

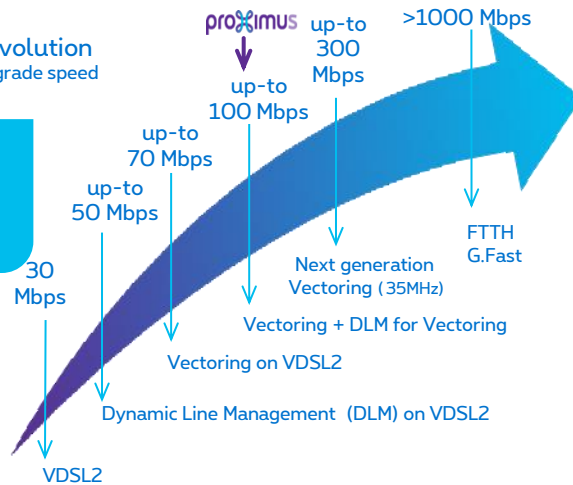
Capex in €m



A fixed network fit for the right customer purpose

Technology evolution
dedicated video grade speed

proximus
Av. VDSL
speed@
49Mbps

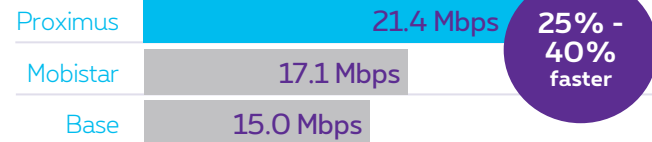


- 38% of VDSL2 network covered with Vectoring.
- 1/4th of the Proximus 1.8 million installed Internet base at speeds of at least 70 Mbps, with an increasing part receiving 100 Mbps.



Best true mobile customer experience as top priority

Average download speed on 4G capable device (*)



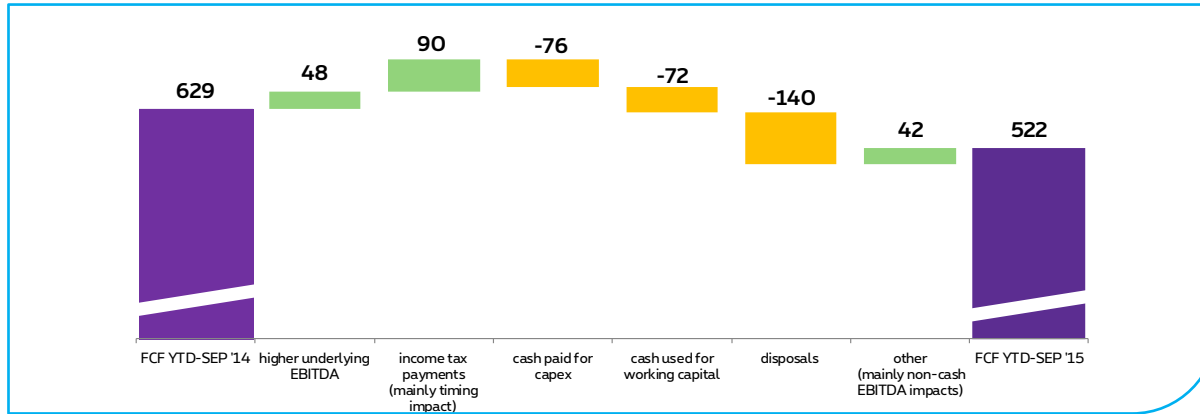
- 97.8% 4G outdoor population coverage
- 87.2% 4G indoor coverage
- Average download speed of 21.4 Mbps on a 4G capable device (25% to 43% faster than competitor networks)
- 1st operator in Belgium starting roll-out 4G+, speeds of up to 225Mbps

(*) Coverage and speed as measured by independent agency CommSquare through national drive tests in Q3'15.. Speed measurements are done with devices in free mode, meaning the device itself picks the available network technology (2G, 3G, 4G)

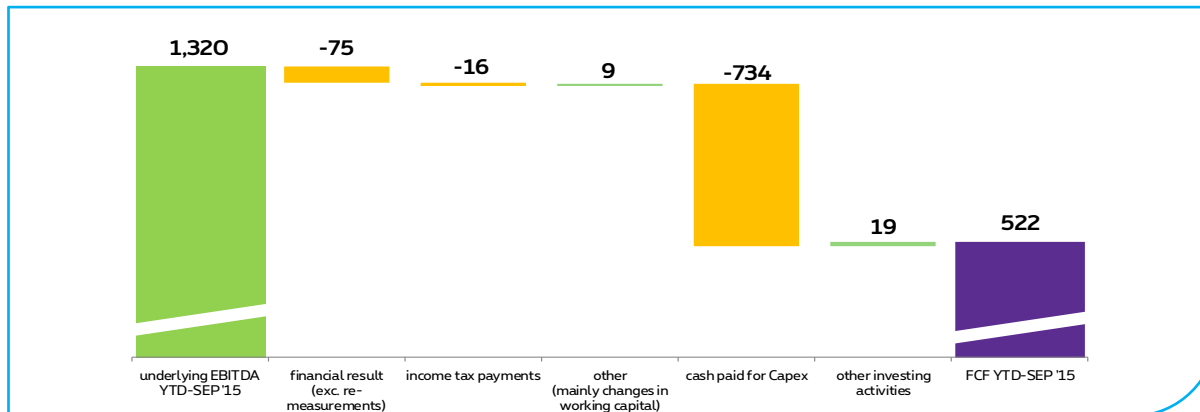
Towards seamless connectivity everywhere

- >1.3 million Wi-Fi hotspots in Belgium
- Hotspot traffic increased > 80% vs last year
- >17.7 million Wi-Fi hotspots abroad
- Nationwide EAP SIM since Nov14

YTD September 2015 FCF of € 522m



From EBITDA to FCF

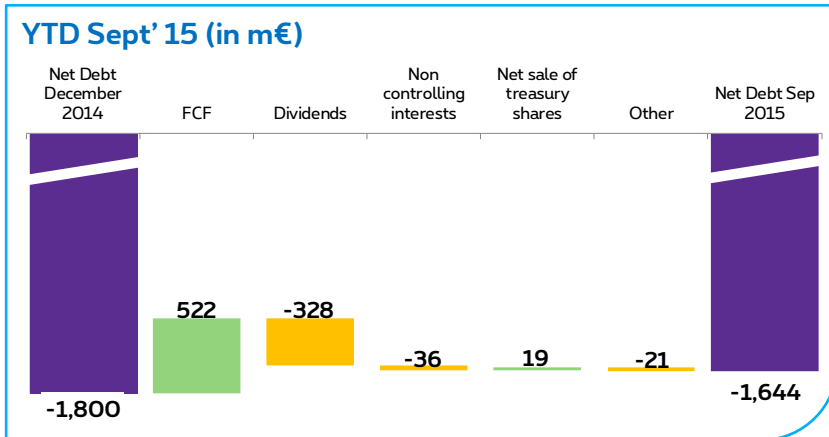


The Year-on-Year positive impact from the higher underlying EBITDA and lower income tax payments (mainly a timing impact) were more than offset by less cash received from the sale of consolidated companies and buildings, higher cash paid for Capex and higher working capital needs.

We keep a sound financial position

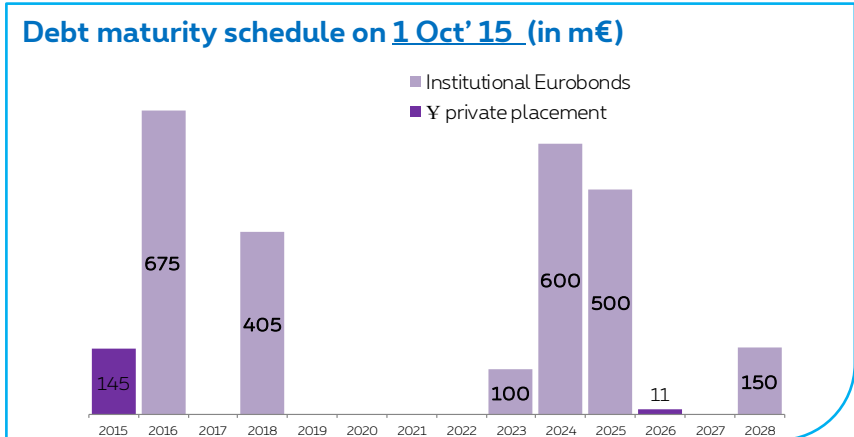
30 September 2015

- Net financial debt at € 1,644m, €156m lower versus end 2014
- Credit ratings: Standard & Poor's A; Moody's A1 - both stable outlook.



1 October 2015

- Proximus successfully issued € 500 m Senior Unsecured Notes due October 2025. The spread of this transaction was set at 97 basis points over the 10-year mid-swap rate, corresponding to a coupon of 1.875% annually. On 1 October 2015 the bond was listed on Euronext Brussels.
- Proximus also repurchased 29% of its €950 m bond (4.375%) due in November 2016 and 19% of its € 500 m bond (3.875%) due in February 2018. The cash settlement took place on 1 October 2015.



FY 2015 Outlook positively adjusted to EBITDA growth of 4% to 5%

Through the good progress on its 'Fit-for-Growth' strategy, the company closed another quarter with solid financial results. Taking into account the achievements so far, and its best estimate for the remainder of the year, Proximus' management expects the underlying Group EBITDA to grow by 4% to 5%.

Guidance metrics	FY 2014	Outlook 2015 (31 July 2015)	Revised Outlook 2015 (30 October 2015)
Core underlying revenue	4,287 million	Around 2% growth	Around 2% growth
BICS underlying revenue	1,577 million	Slightly positive	Slightly positive
Group underlying EBITDA	1,653 million	3% - 5% growth	4% - 5% growth
Capex (excl. spectrum license)	978 million*	About 900 million	About 900 million

Proximus Board of Directors approved to return to the shareholders a total gross interim dividend of EUR 0.50 per share:

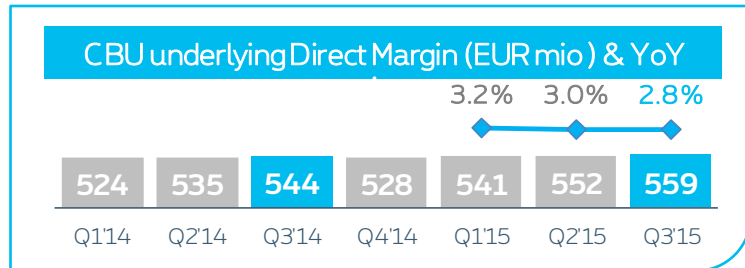
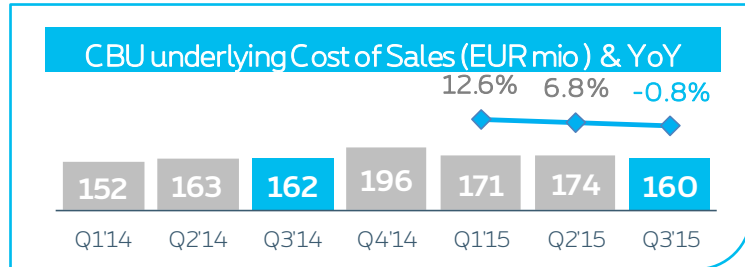
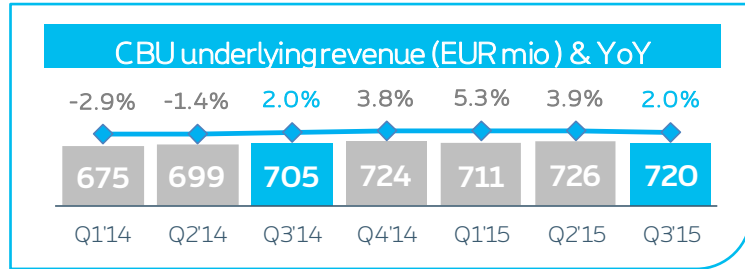
- Ex-coupon date: 9 December 2015
- Record date: 10 December 2015
- Payment date: 11 December 2015

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

Q3 2015

CBU's underlying * revenue growth leading to higher Direct margin



Good revenue progress from Fixed and Mobile service revenue

- Improved revenue trend from Fixed services, +5.3% YoY
- Mobile Service revenue up 1.4%
- Strong support from multi-play Packs
- Revenue Tango (Luxembourg subsidiary) up 9.9%
- Q3'15 revenue from Mobile devices limited due to lower volumes (-25%).

YTD Sept'15 underlying CBU revenue of € 2,157m, +3.7% YoY

Lower underlying CoS, -0.8% YoY

- CoS fluctuations for great part driven by level of Mobile device sales, which were limited in Q3'15.

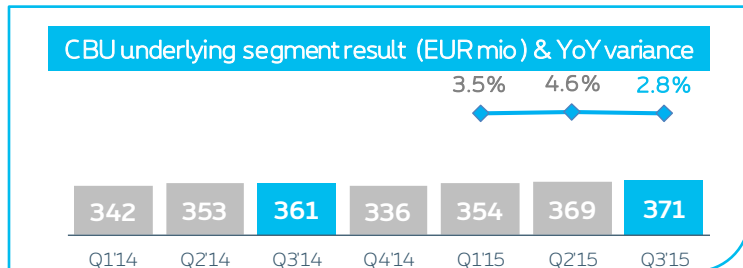
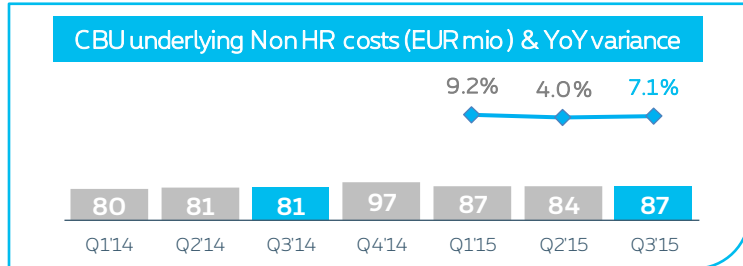
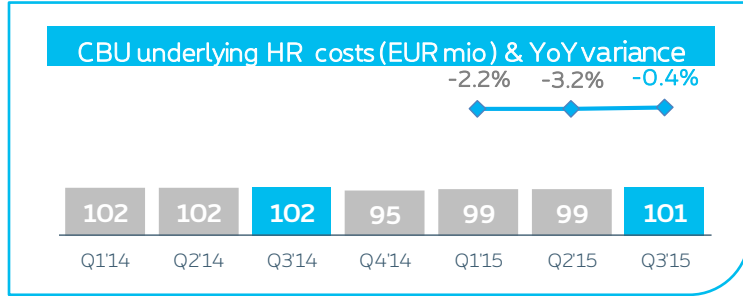
Q3'15 underlying Direct Margin : + 2.8% YoY

- Solid underlying revenue growth resulted in a continued positive Direct Margin compared with last year.
- Q3'15 underlying Direct Margin was 78% of revenue, a 1 p.p. increase YoY.

YTD Sept'15 underlying segment direct margin totaled € 1,652m, +3.0% YoY

* Adjusted for incidentals

CBU's Q3'15 segment result +2.8% YoY, in spite of HR and Non-HR provisions



Fairly stable Q3'15 underlying HR Costs

- Benefit from a lower personnel base following natural attrition limited by the upward revision of HR-related provisions.

YTD Sept'15, HR expenses of € 299m, -1.9% YoY

Q3'15 underlying Non HR Costs : +7.1% YoY to € 87m

- Increase largely due to negative impact from a litigation provision
- Expenses were slightly up following volume driven costs.

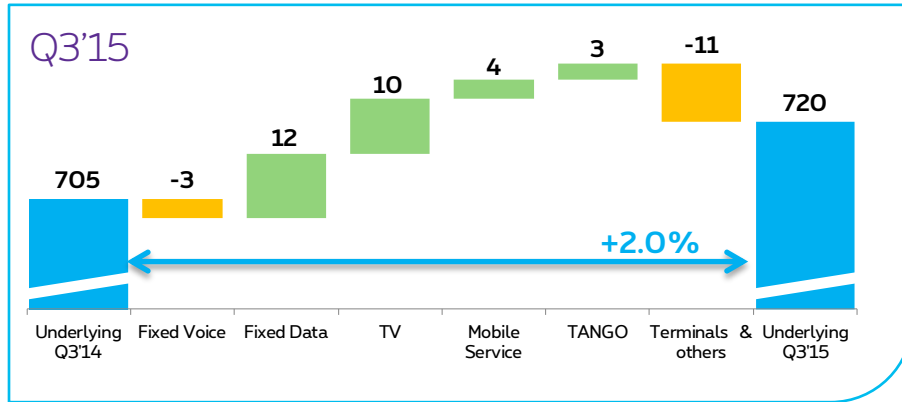
YTD Sept'15, non-HR expenses totaled € 258m, up 6.7%.

Q3'15 underlying segment result: +2.8% YoY, from a higher comparable base

- Segment contribution 51.6%, +0.4p.p. YoY

YTD Sept'15, CBU's segment result was € 1,094m, +3.6% YoY.

CBU's underlying* revenue variance per product group

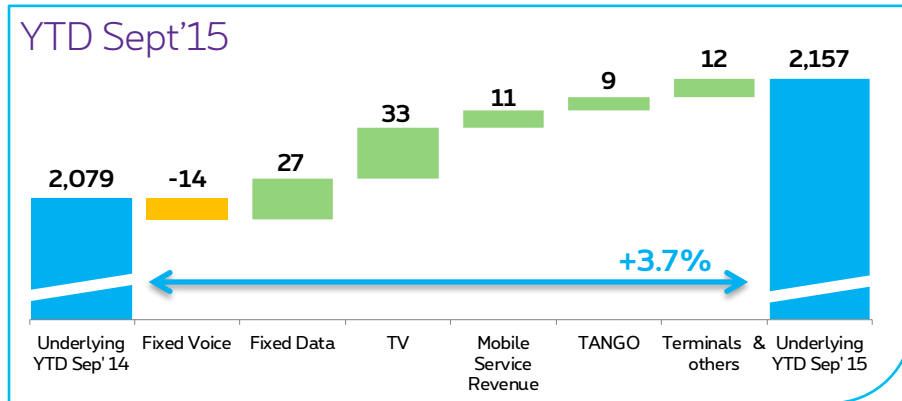


CBU's revenue growth resulted from **sequentially improving revenue increase from Fixed services**, up by 5.3% from the previous year.

The solid revenue **increase in Internet and TV revenue** more than offset the continued though contained Fixed Voice erosion.

CBU's revenue from **Mobile devices** was **limited** in the third quarter 2015, due to **lower volumes**

Tango, Proximus' Luxembourg subsidiary also showed a **solid revenue growth**, increasing by nearly 10% compared to the previous year.



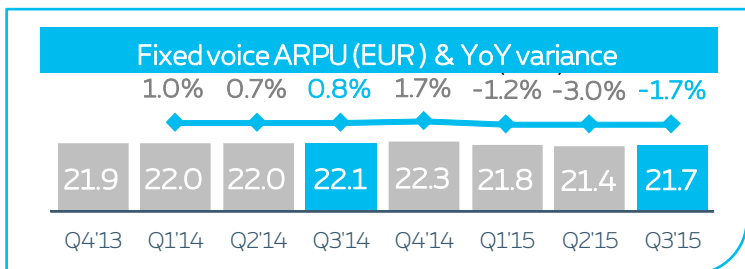
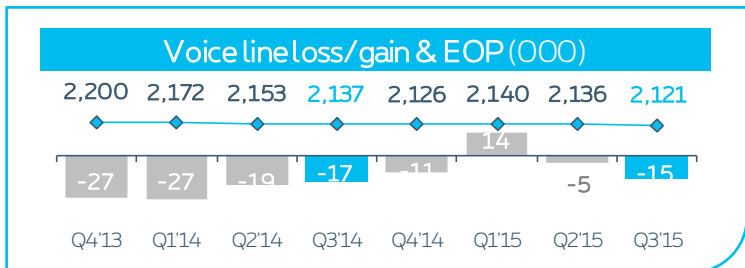
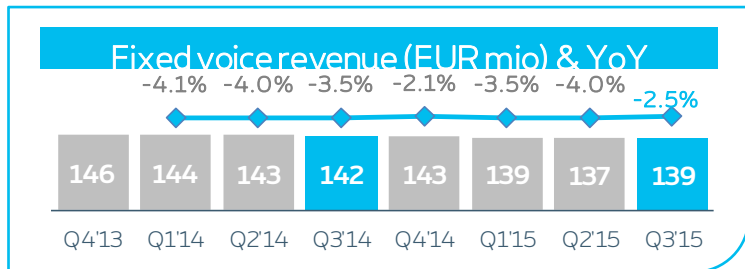
Note

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.

* Adjusted for incidentals, i.e. impact from divested companies. Total YTD 2015 CBU reported revenue of € 2,157 m was 3.4% up versus € 2,086m reported revenue of Q3'14.

Consumer – Fixed voice

Contained line erosion, YoY revenue decline limited in Q3'15



Q3'15 revenue from Fixed voice totaled € 139m, - 2.5% YoY

- Fixed line base 15,000 lower YoY or -0.7%
- Increasing number of customers with multi-play Pack, with discount lowering the ARPU.

Q3'15 Fixed line -15,000 lines; total of 2,121,000 lines

- Fixed line erosion in Q3'15 of -15,000 vs -17,000 for Q3'14
- Contrary H1'15, no more migrations of former Snow customers to the Scarlet Trio offer.

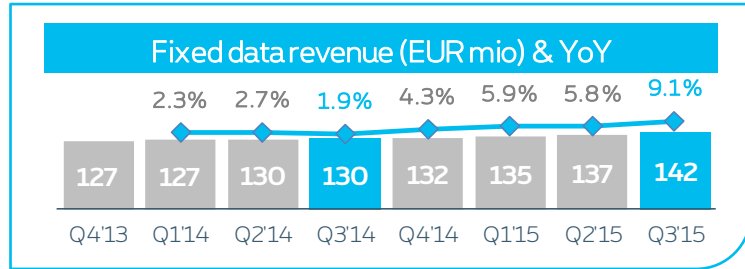
Q3'15 ARPU down -1.7% YoY to € 21.7

- Increasing number of voice customers in multi-play Pack at more favorable pricing
- ARPU includes the 1 July 2015 price adjustments.

Consumer – Fixed Internet

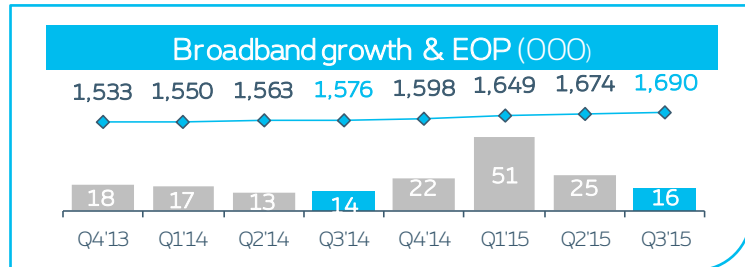


Fixed Internet revenue growth improving to +9.1%



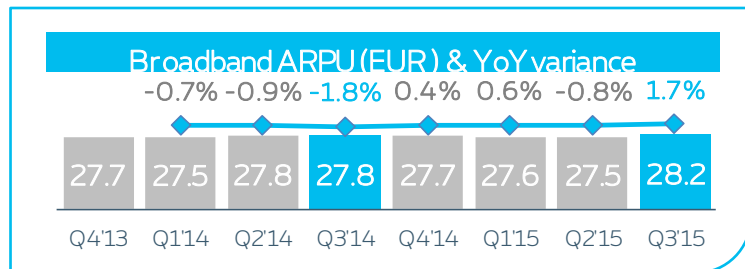
Sequentially improving revenue growth, up 9,1% for Q3'15

- Driven by the growing customer base, up by 114,000 or +7.2% in one year
- ARPU up by 1.7%.



Q3'15 Fixed Internet customer base grew with +16,000 Proximus and Scarlet customers

- Proximus & Scarlet brands maintaining good growth
- With the potential of attracting former Snow customers fully used in H1'15, Q3 reverting back to normal levels.



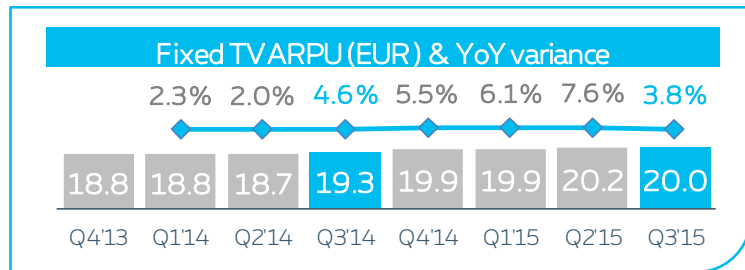
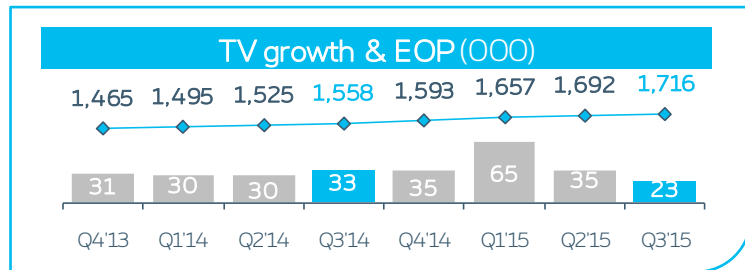
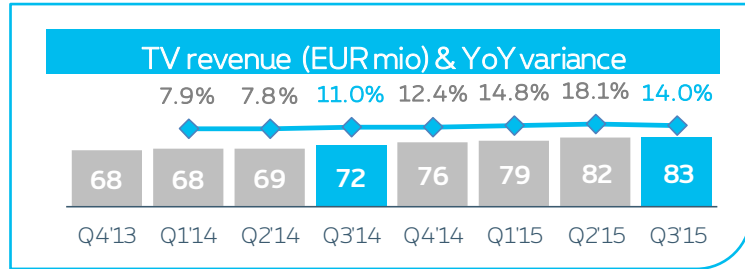
Q3'15 ARPU of €28.2 +1.7% YoY; increasing compared to H1

- 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 23,000 in the quarter



Q3'15 revenue from TV totaled € 83m, +14.0% 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 158,000 or 10.1%

+23,000 TV subscriptions in Q3'15

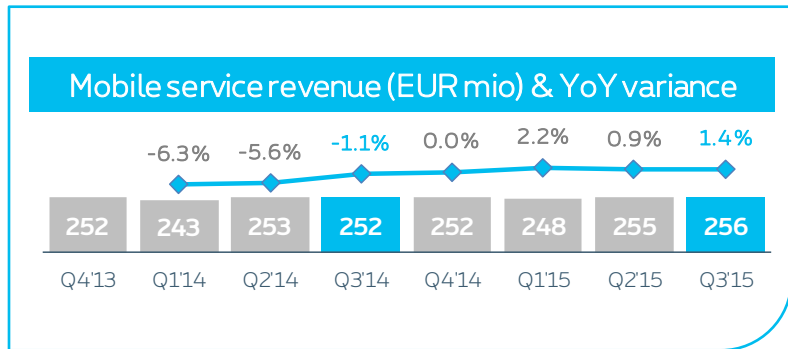
- End Sept'15 total of 1,716,000 TV subscriptions
 - 1,384,000 single customers, +120,000 YoY or +9.5%
 - 332,000 multi-settop boxes
- Q3'15 Net Adds
 - 19,000 single TV customers, in line with Q3'14, which benefitted from the newly acquired Belgian football rights.
 - 4,000 multi-settop boxes. This includes the impact of accelerated cleaning.

Q3'15 TV ARPU up 3.8% YoY to € 20.0

- Increased uptake of TV options (Football,...), slightly offset by the TV Replay option which is offered for free in Packs as of July 2015
- Product ARPU results from allocation of Pack revenue (Proximus TV not sold in standalone)

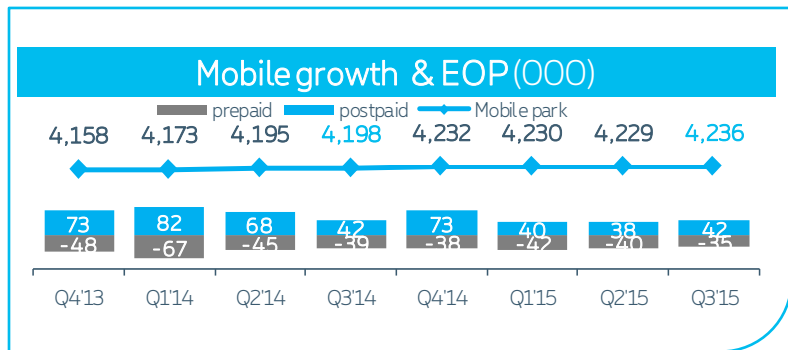
Consumer – Mobile part 1

Higher YoY revenue on growing Postpaid base and higher ARPU



Q3'15 revenue from Mobile services +1.4% YoY

- Solid growth in YoY Postpaid base : + 193,000 or +7.1%
- Blended mobile ARPU up YoY by 2.2%.

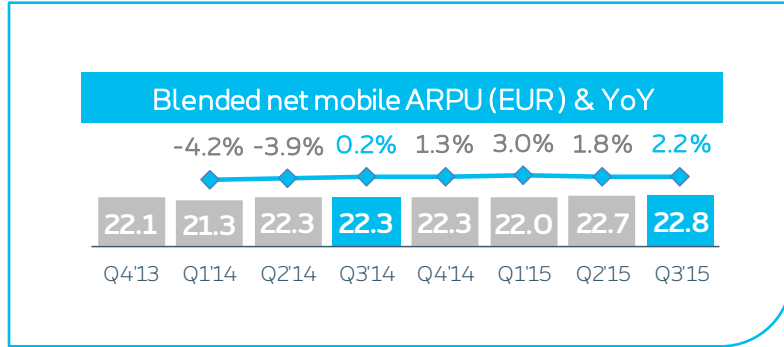


Growing Mobile base

- Proximus' Postpaid churn level remained low at 13.8%
- Q3'15 Postpaid customer base +42,000 cards, or +34,000 when excluding the Internet-Everywhere data cards.
- Q3'15 Mobile Prepaid -35,000 cards.

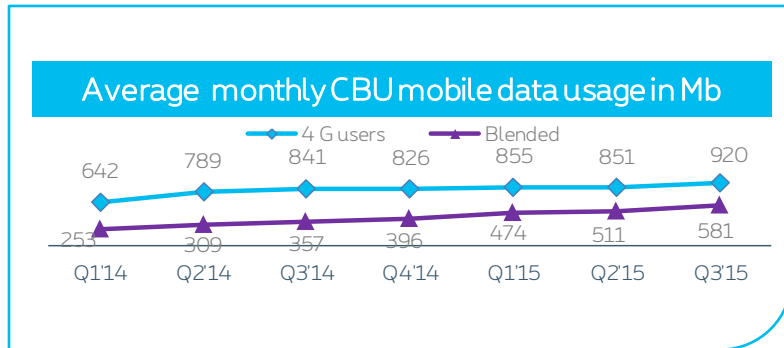
Consumer – Mobile part 2

Higher YoY ARPU & Average Mobile data usage



Blended Mobile ARPU up 2.2% YoY to € 22.8

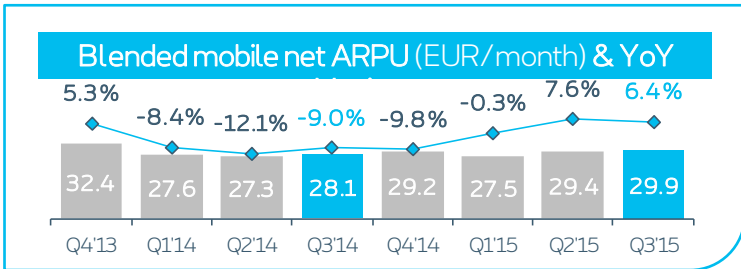
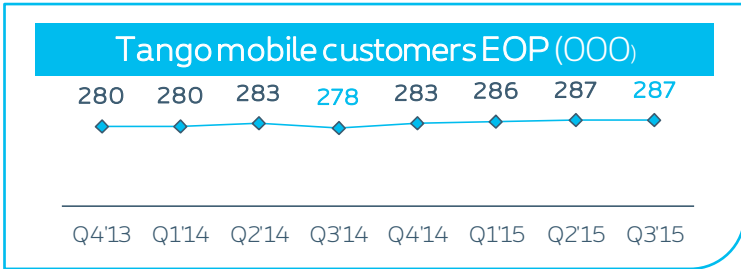
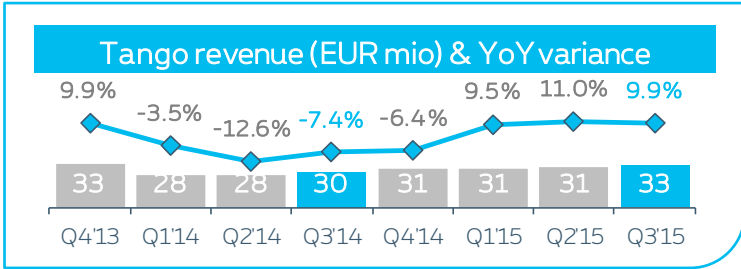
- Better customer tiering, driven by high-end Joint-Offers, and increased smartphone penetration
- Q3'15 Postpaid ARPU of €30.0 +1.5% YoY
- Q3'15 Prepaid ARPU of € 10.4 or -11.5% YoY.



CBU's Average Monthly data consumption per user :

- **Overall average** usage (3G & 4G devices) of **581Mb/month**, +63% YoY
- Average usage for **4G-devices** of **920Mb**, +13% YoY
- 4G devices >3.4 times more data consumption than non 4G.

Double digit revenue growth continued on higher YoY customer base and ARPU



Tango Q3'15 revenue of € 33m, +9.9% YoY

- Revenue increase resulting from an improved Mobile customer mix with more Mobile postpaid customers, and more triple-play and quad-play customers.

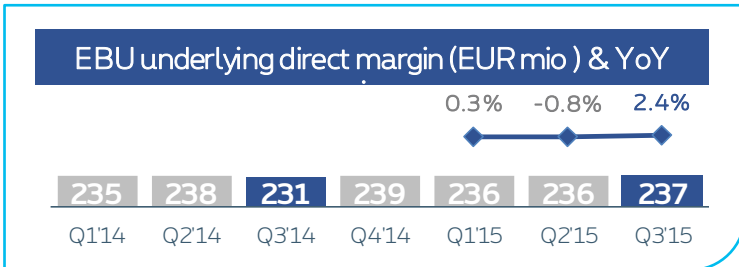
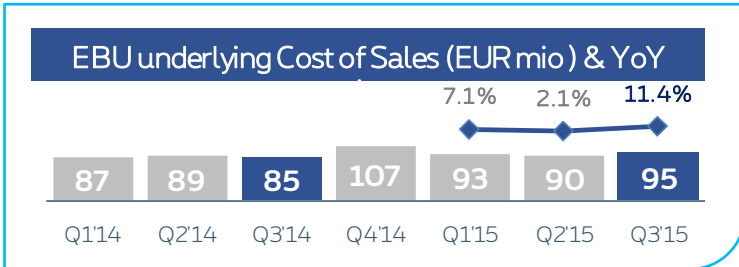
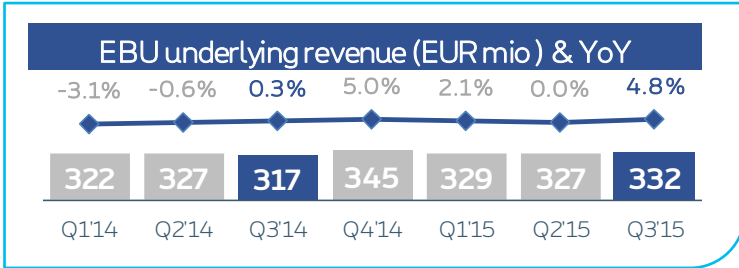
Mix Mobile customer base improving

- Mobile customer base end Sept'15 of 287,000, a 3.2% increase vs. Sept'14
- In Q3'15 Tango had a Mobile postpaid growth of 2,000 cards, offset by 2,000 less prepaid cards.
- Tango sees its mobile customer mix improving to 73% Postpaid (+2.8 pp YoY).

Enterprise results

Q3 2015

EBU Direct Margin up by 2.4% on solid revenue from Mobile Services



Q3'15 underlying revenue increasing 4.8% YoY

- Fixed up by 3.8% and Mobile services by 6.7% versus one year ago.
- ICT revenue +9.1% YoY on low-margin product revenue.

YTD Sept'15 underlying revenue totaled € 987m, +2.3% YoY

Q3'15 underlying COS +11.4% YoY

- Increase YoY mainly due to higher ICT product sales at low margin.

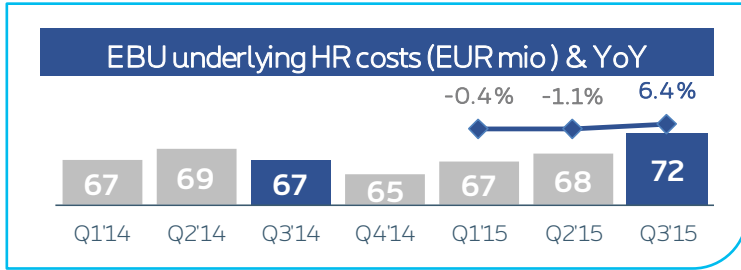
YTD Sept'15 CoS totaled € 278m, +6.8% YoY

Q3'15 Direct Margin : +2.4% YoY

- Improvement mainly attributable to the higher revenue from Mobile services.

YTD Sept'15 underlying direct margin totaled € 709m, +0.6% YoY

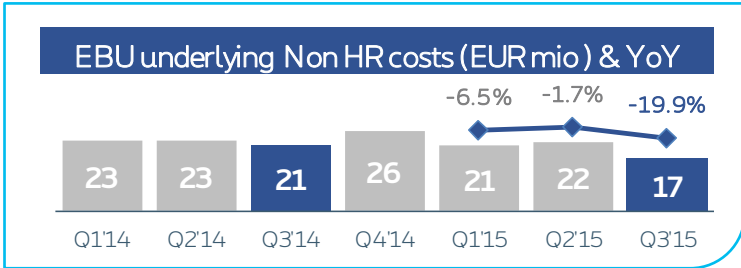
EBU Q3'15 Segment result of € 148m, +3.8% YoY



Underlying HR Costs up 6.4% YoY

- Q3 increase mainly resulted from HR-related provision updates and, to a lesser extent, to some additional international ICT headcount.

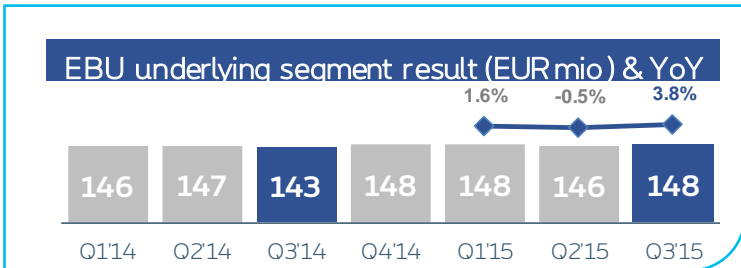
YTD Sept'15 HR expenses +1.6% YoY



Q3'15 underlying Non-HR Costs

- Efficiency gains and an important positive bad debt variance leading to lower non-HR expenses in Q3.

YTD Sept '15 non-HR expenses improved by 9.2%

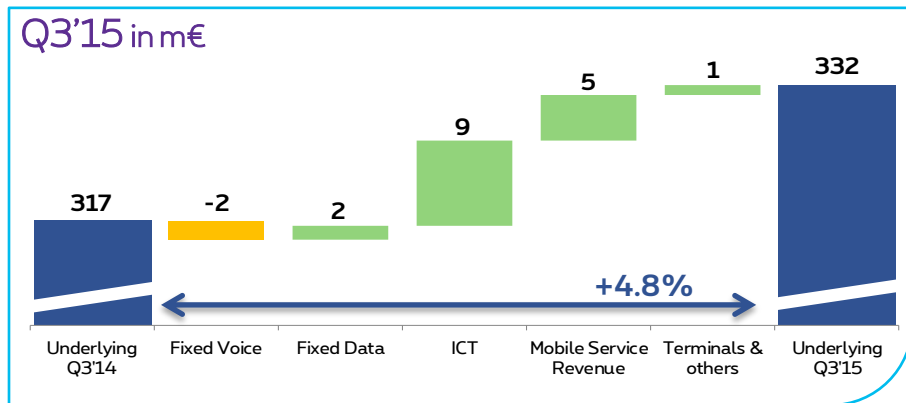


Q3'15 underlying segment result of € 148m, +3.8% YoY

- Solid Q3 increase mainly resulted from higher Direct Margin, mainly driven by Mobile services
- Underlying contribution margin was 44.7%.

YTD Sept'15 underlying segment result totaled € 442m, +1.6% YoY

EBU's underlying* revenue variance per product group



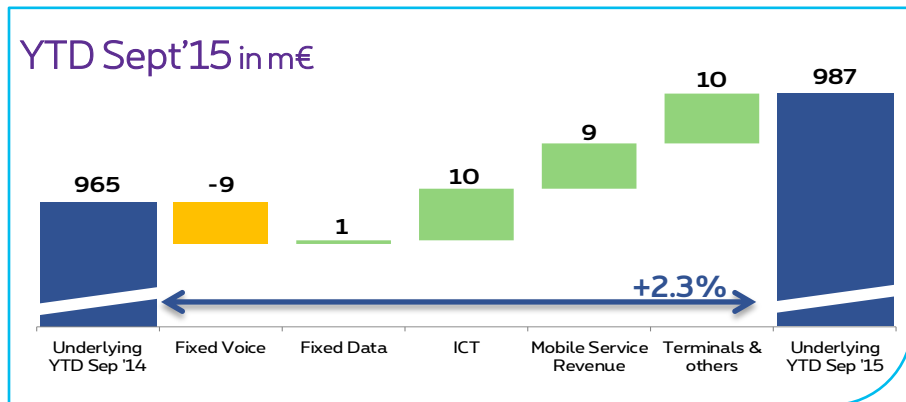
In Q3'15 both **Fixed** and **Mobile** contributed well to the **higher topline**.

Firm increase in ICT revenue, up by 9.1% from the prior year, mainly coming from low-margin product revenue.

Improvement from Fixed data nearly **covered** for the **loss in Fixed Voice**.

Solid Mobile Services revenue, up 6.7% YoY

- Larger customer base,
- Higher revenue from national data usage and roaming,
- No longer impacted by the EU Roaming regulation.

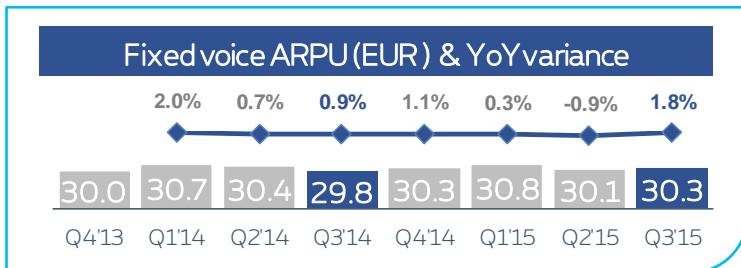
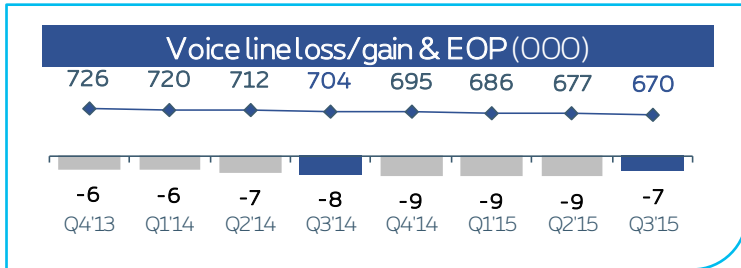
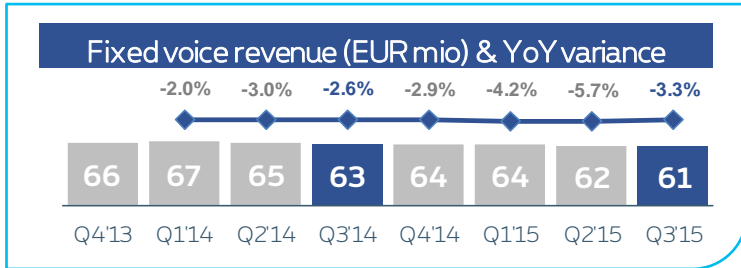


* Adjusted for incidentals, i.e. impact from divested companies. Total Q3 2015 EBU reported revenue of € 332 million was 0.5 % up versus € 330 million reported revenue of Q3 2014.

Enterprise– Fixed voice



Fixed Voice revenue decline on stable erosion of Fixed Voice customer base



Q3'15 revenue from Fixed voice totaled € 61m, - 3.3% YoY

- Continued Fixed Voice line erosion triggered by companies rationalizing on Fixed line connections and the move to VoIP.

YTD Sept '15 Fixed voice revenue totaled € 187m, -4.4% YoY

Stable quarterly line erosion

- Q3 Fixed Line erosion remained limited, loss of 7,000 lines.
- Total Fixed Voice Line customer base of 670,000 by end Sept'15, i.e. a YoY decline of 34,000 or -4.8%.

Q3'15 ARPU up 1.8% YoY to €30.3

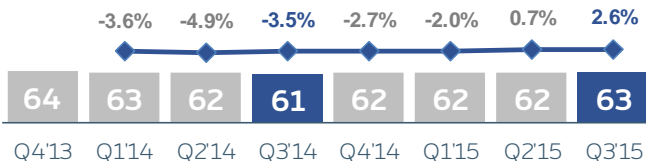
- ARPU benefitting from price changes since 1 July 2015.

Enterprise – Fixed Data

Q3 revenue up 2.6% YoY, driven by continued growth from data connectivity services



Fixed data revenue (EUR mio) & YoY variance

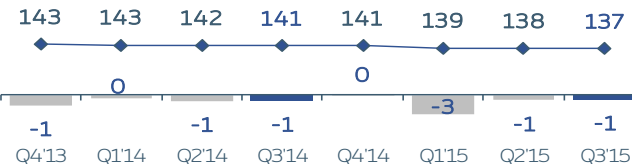


Q3'15 Fixed data revenue of € 63m, +2.6 % YoY

- Favorable revenue trend from Data Connectivity services following roll-out of large customer projects on the Proximus Explore platform.
- Q3'15 Fixed Internet remained fairly stable YoY.

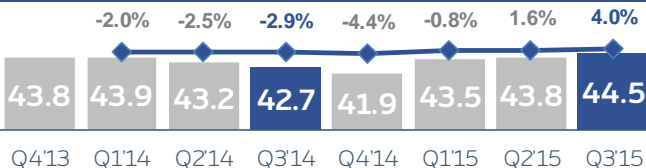
YTD Sept'15 Fixed Data revenue of € 187m, +0.4% YoY

Broadband growth & EOP (000)



Q3'15 Fixed Internet -1,000 lines; 137,000 Fixed internet customers end Q3'15

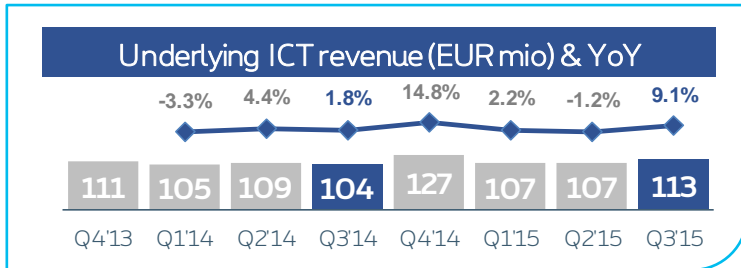
Broadband ARPU (EUR) & YoY variance



Q3'15 ARPU of €44.5, +4% YoY

- ARPU increase reflecting the 1 July 2015 price adjustments.

Enterprise Underlying* ICT revenue



EBU generated in Q3'15 € 113 m revenue from ICT, 9.1% above the same period of 2014

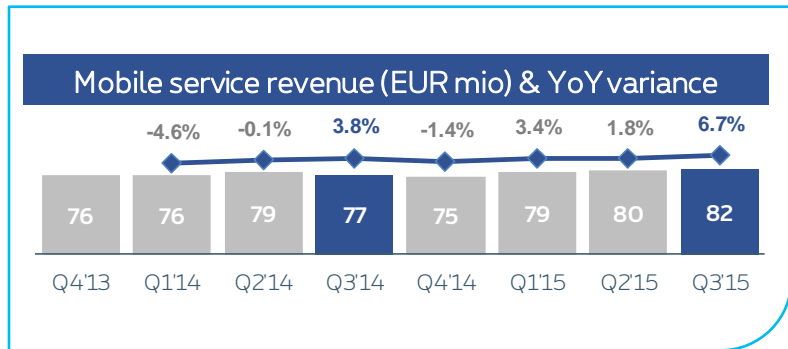
- Mainly driven by a large one-off product contract which in the third quarter more than offset the impact from the terminated ICT contracts earlier this year.

YTD Sept '15, EBU's ICT revenue totaled € 328m, +3.3% above the comparable period of 2014.

* Excluding impact from divestitures : Telindus France in May 2014 and Telindus UK in December 2014

Enterprise– Mobile part 1

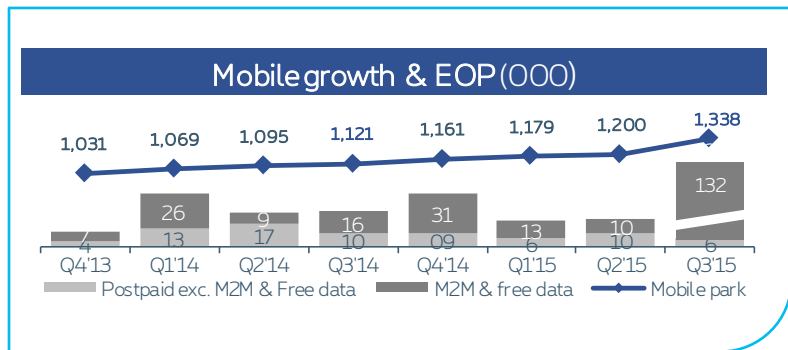
YoY growth on larger customer base and higher data usage



Q3'15 revenue from Mobile services totaled € 82m, +6.7% YoY

- Growing mobile customer base, improved ARPU
- Regulated roaming rate cuts annualized on 1 July 2015

YTD Sept '15 underlying Mobile service revenue totaled € 241m, +4% YoY



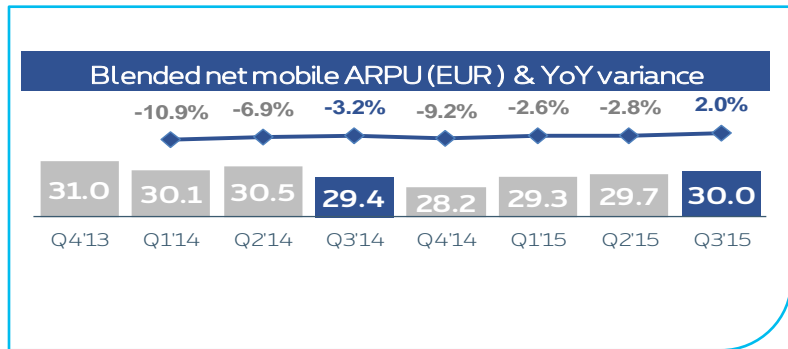
Q3'15 Mobile base boosted by M2M

- 6,000 Mobile Voice and paying data cards added in Q3'15
- M2M park growth of 132,000 in Q3'15 (Road Usage charging)
- Park at 1,338,000 cards
 - Up 3.7% M2M and Free data cards excluded
 - Up 19.4% in total
- Mobile churn decreased in Q3'15 to 8.9% (Q1'15: 11.3%, Q2'15: 10%).

Enterprise– Mobile part 2

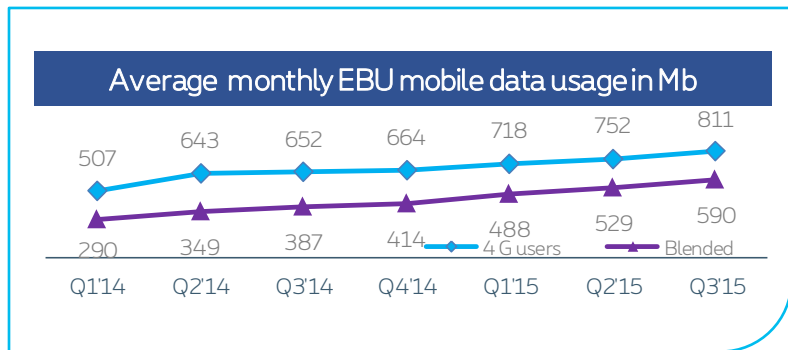


For 1st time in a long while the ARPU showed YoY growth on improved tiering and higher data usage



Blended Mobile ARPU up 2% YoY

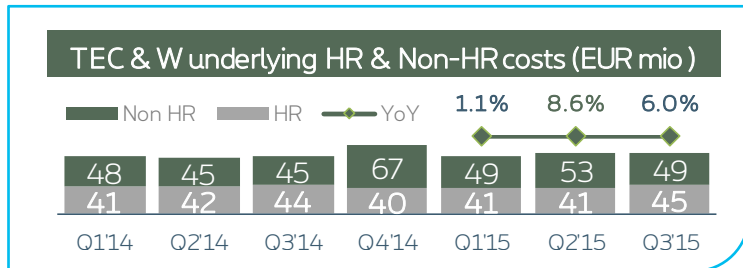
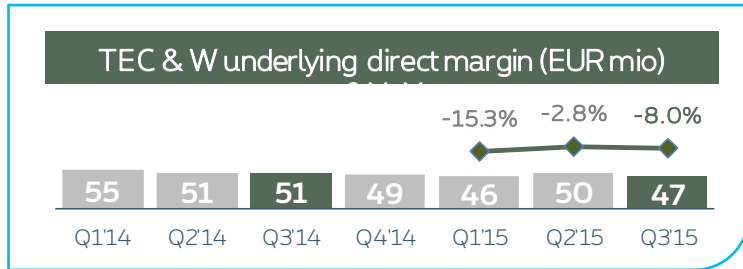
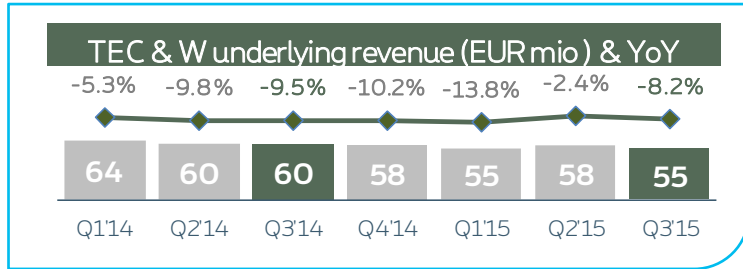
- Improved tiering and data consumption
- No additional roaming regulation impact.



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

- Overall average usage (3G and 4G devices) 590Mb/month, +52% YoY
- Average usage for 4G-devices of 811Mb/month, up 24% YoY
- 4G devices have 2.6 times more data consumption than non 4G.

Technology & Wholesale



Q3'15 revenue totaled € 55m, -8.2% YoY

- Lower volumes from traditional wholesale business
- Snow outphasing largely compensated through Scarlet retail offer

YTD June revenue totaled € 168m, -8.2% YoY

Q3'15 direct margin €47m, -8.0% YoY

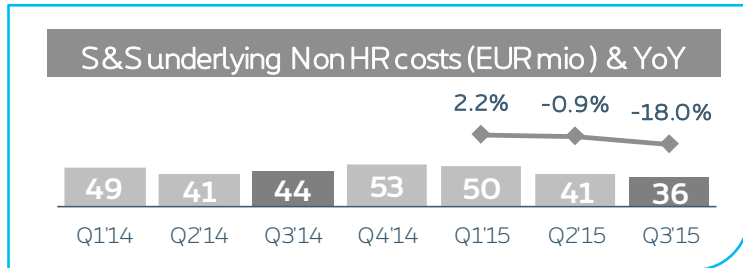
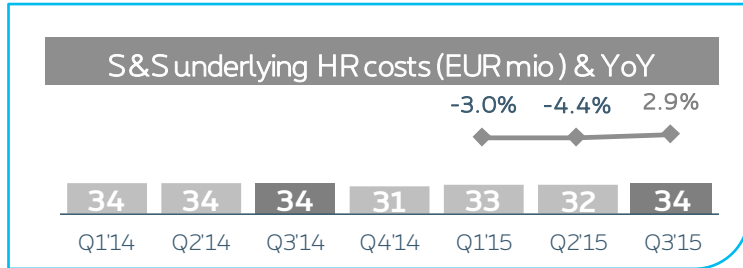
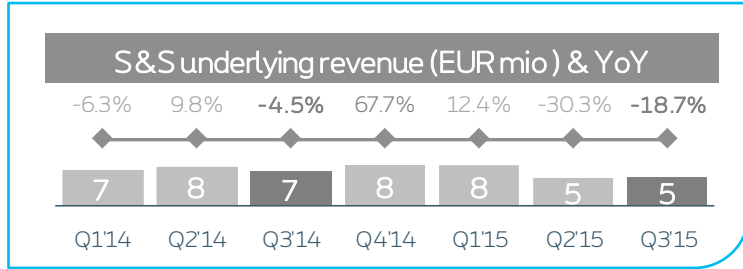
- In line with the revenue evolution the direct margin decreased YoY by € 4m or -8.0%.

Q3'15 HR expenses of €45m, +2.4% YoY driven by updated HR-provision.

Non-HR expenses of €49m, +9.6% YoY

- This includes a timing impact of the Pylon tax provision
- Partly offset by benefit from the ongoing cost optimization projects.

Staff & Support P&L



Q3'15 revenue totaled € 5m, in line with the prior quarter.

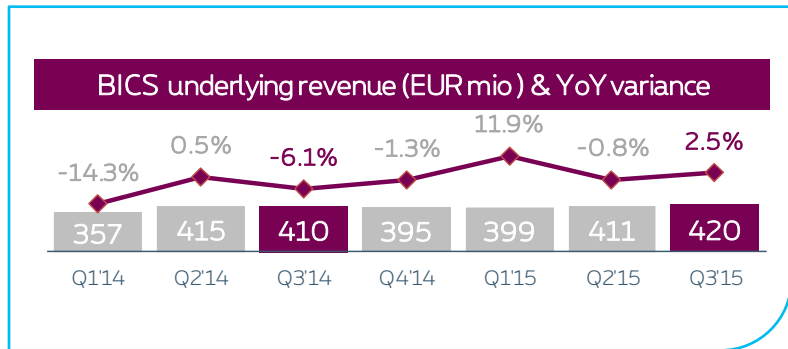
Q3'15 HR expenses € 34m, +2.9% YoY as a result of updated HR-related provisions

Q3'15 Non-HR expenses € 36m, -18.0% YoY as a result of positive year-on-year variance on non-HR related provisions.

BICS – Underlying quarterly P&L – Part 1

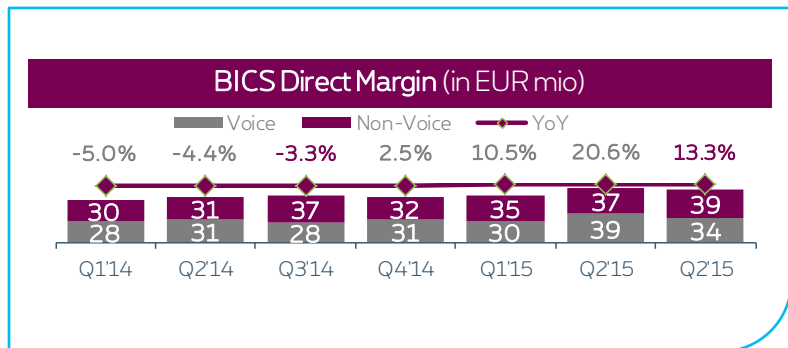


Firm Direct Margin of € 73m +13.3% YoY on favorable Voice market conditions & positive currency and volume effect for Mobile data



Q3'15 revenue totaled € 420m, +2.5% YoY

- Increase driven by continued solid growth in non-Voice revenue, up 14.2% YoY.
- Revenue from Voice remained stable to last year, including a positive currency impact which covered for the revenue loss following lower Voice volumes.



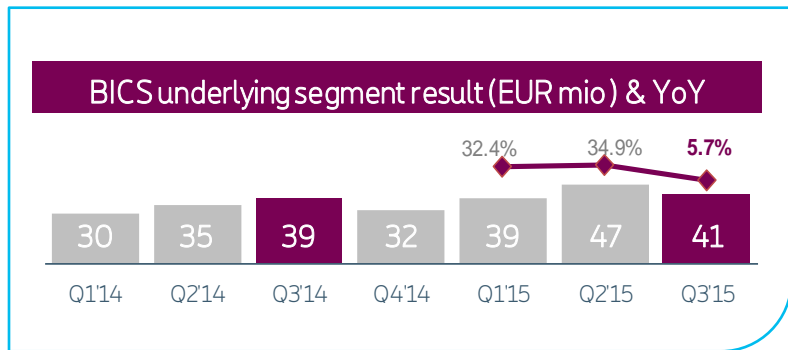
Q3'15 Direct margin € 73m, +13.3% YoY

- Direct margin continued to benefit from favorable but volatile market conditions for Voice and positive currency and volume effect for Mobile data, and from a one-off sale in capacity.

BICS – Underlying quarterly P&L - Part 2

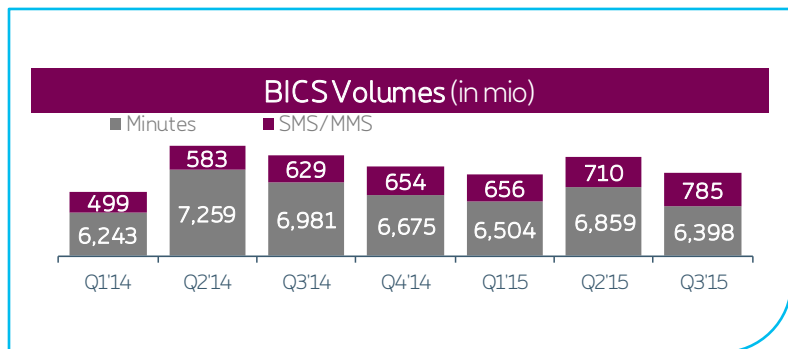


Segment result up 5.7%



Q3'15 segment result of € 41m, up 5.7%

- Q3'15 expenses up mainly on unfavorable YoY bad debt impact and currency effects
- EBITDA margin of 9.7%



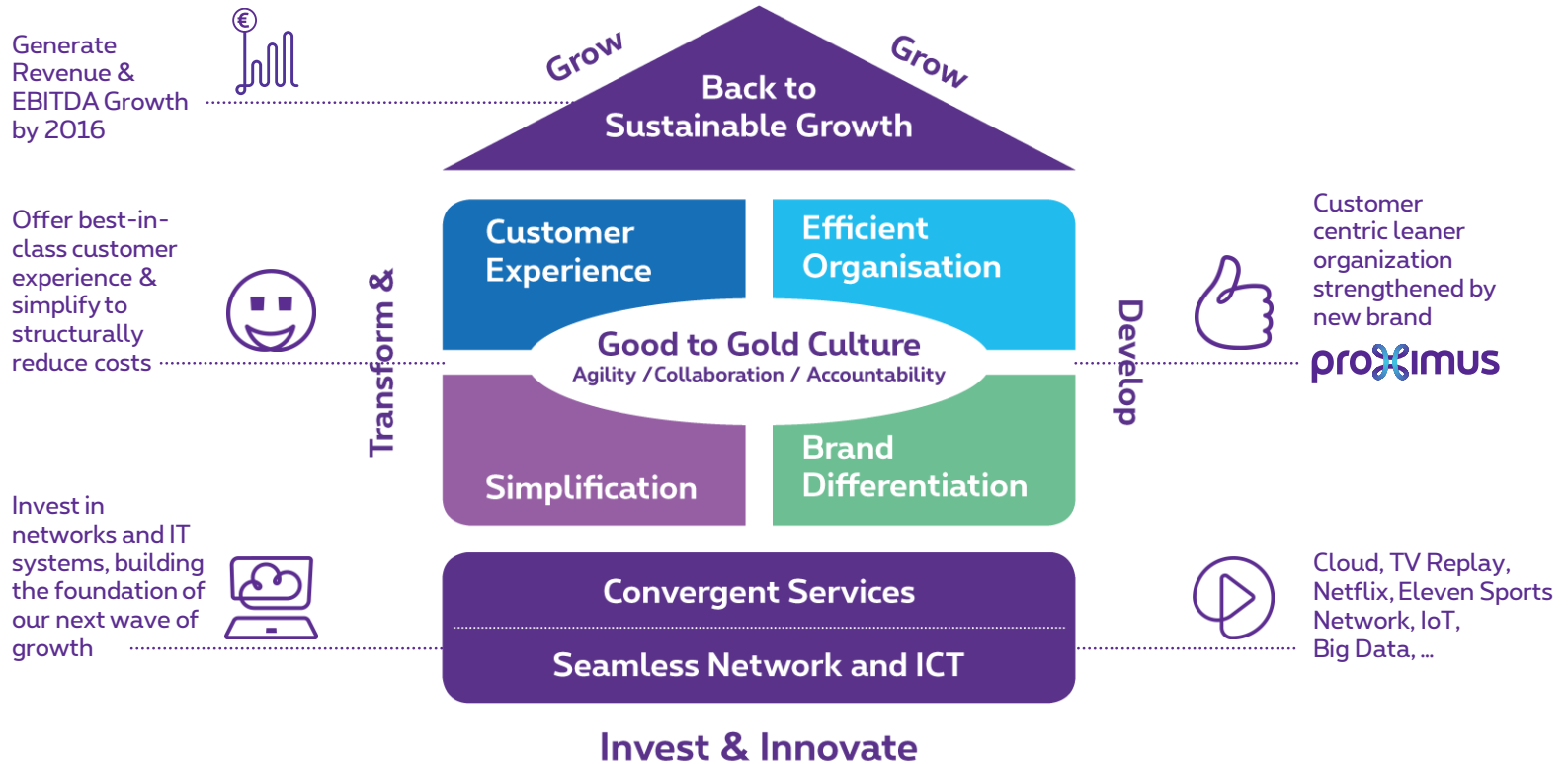
In Q3'15 BICS handled

- **6,398m** minutes, **-8.4%** YoY
- Non-Voice volumes, **+ 24.8%** YoY

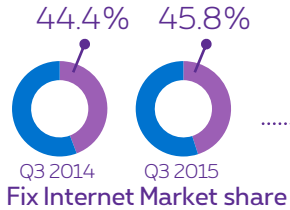
Additional information

- Fit-for-Growth strategy
- Pricing
 - Packs
 - Mobile
 - Fixed
- Ranking in Netflix ISP speed index
- Regulation
- Spectrum: ownership & usage
- Shareholder structure & remuneration
- Divestures and natural attrition reducing headcount

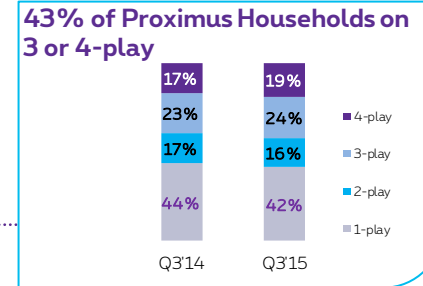
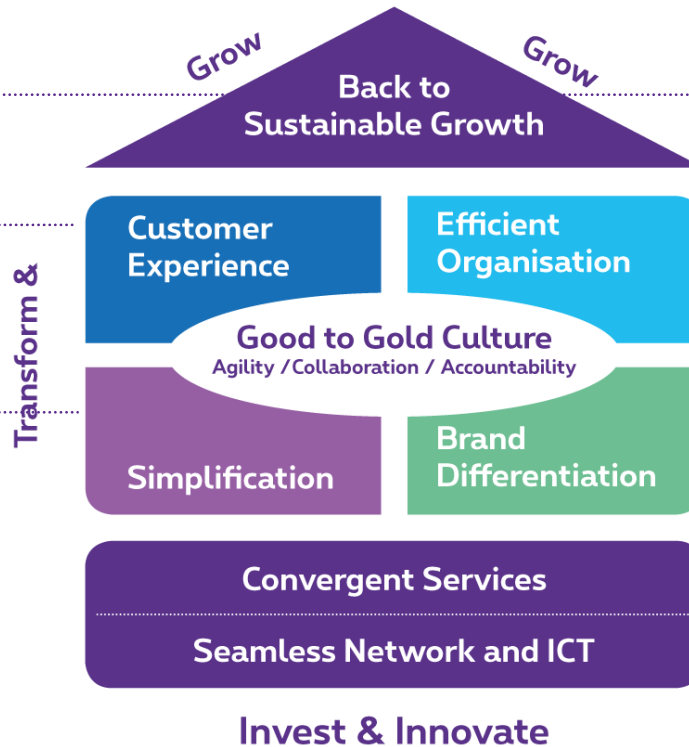
Proximus “Fit-for-growth” strategy (as announced end-Feb’14)



Some achievements



- More installations by technician, increasing first time right
- Proactive technology migrations
- Smart Wi-Fi = automatic switching between mobile Internet and Wi-Fi on the go
- 57% of fix and convergent product references suppressed from systems
- 900k mobile subscriptions migrated this year to newer offers
- >1.6 million PSTN lines moved on new IP platform and 450 switches ready to be shut down: savings in later stage of process
- 570k customers using My Proximus every month
- 44% of residential customers on e-billing



- New high-performing organization in implementation phase
- 446 employees moved internally
- Workforce cost/revenue \downarrow 0.9pp
- Increased cross-selling and number of 3-Play and 4-Play Households
- Enriched TV offering (TV Replay free in pack), Eleven sports Network, ...
- **NETFLIX** exclusivity on Proximus TV decoder
- Positive impact of **proximus** rebranding on brand preference
- Commercial offer for "Internet of Things" via new LoRa™ network



Pricing converged Proximus PACKS (some combinations)

Pack Comfort	3-Play	Pack Maxi
<p>Internet Comfort</p> <ul style="list-style-type: none">• Internet at home and on the Wi-Fi Hotspots : unlimited³• Mobile internet volume (3G/4G) : <u>500 MB/month</u>²• Cloud storage volume : 10 GB		<p>Internet Maxi</p> <ul style="list-style-type: none">• Internet at home and on the Wi-Fi Hotspots : unlimited³• Mobile internet volume (3G/4G) : <u>2 GB/month</u>²• Cloud storage volume : 10 GB
<p>Proximus TV</p> <ul style="list-style-type: none">• More than 80 channels• Decoder rental (€8/month)⁷• TV Replay• TV Partout		<p>Proximus TV</p> <ul style="list-style-type: none">• More than 80 channels• Decoder rental (€8/month)⁷• TV Replay• TV Partout• Multi package
<p>Fixed Telephony</p> <p>With a fixed line, the following calls are included in the evening and on weekends :</p> <ul style="list-style-type: none">• Calls to fixed lines and mobile phones in Belgium• Calls to fixed lines in 35 European countries, Morocco, Turkey, USA and Canada		<p>Fixed Telephony</p> <p>With a fixed line, the following calls are included in the evening and on weekends :</p> <ul style="list-style-type: none">• Calls to fixed lines and mobile phones in Belgium• Calls to fixed lines in 35 European countries, Morocco, Turkey, USA and Canada
Monthly price : €62.95/month		Monthly price : €74.95/month

+
Mobile subscription @
discount

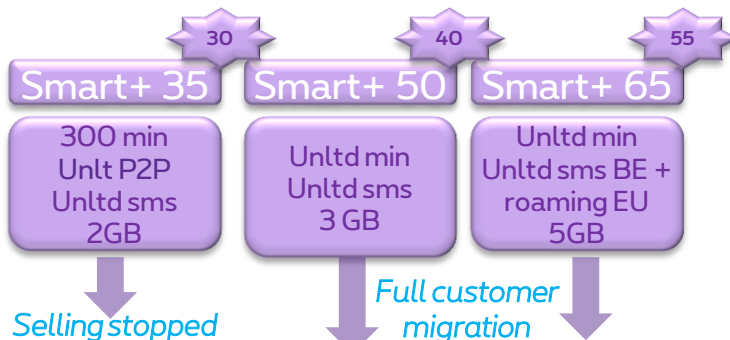
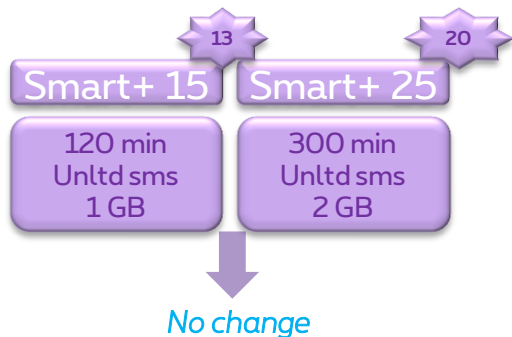


4-Play Comfort Pack + Smart 15
at €75.95/month

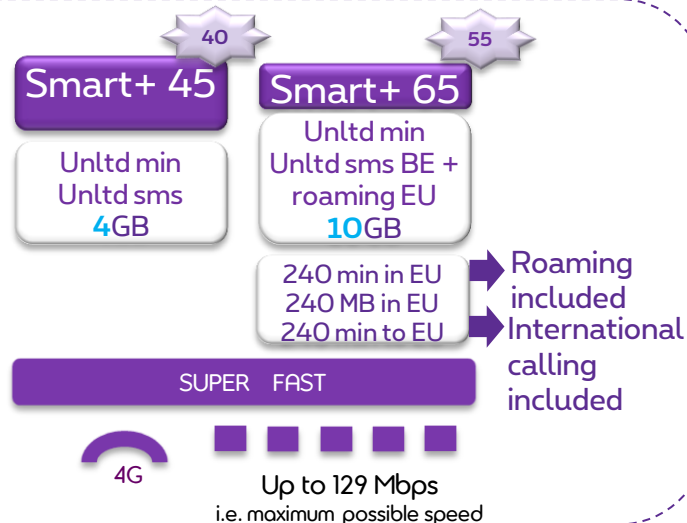
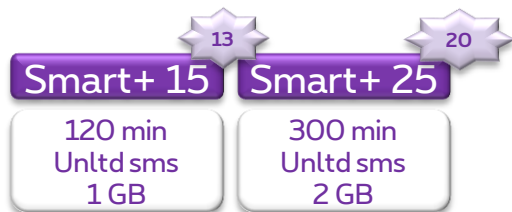
POSTPAID portfolio - RESIDENTIAL

Prices are incl. VAT

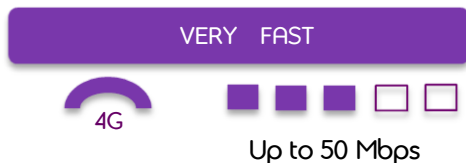
OLD



NEW



Speed Tiering



xx

= reduced price in Pack

POSTPAID portfolio - SE

Prices are excl. VAT

OLD

Bizz Smart XL

€20 ¹⁵	€30 ²⁵	€55 Intense ⁴⁵	€80 Europe ⁷⁰
Unlt min 2 Fix		Unlt min 2 Fix	
250 Unl sms 2GB	400 Unl sms 2GB	Unl min Unl sms 5GB	Unl min Unl sms 5GB
QoS + Conf call + PCAC			
unl sms EU 700min + MB + unlt sms EU 1000 intr'n'l fix			

Team

€20	€30
Unlt min 2 Fix+CUG	
230 Unl sms 2GB	350 Unl sms 2GB

Bizz Mobile XL

€10 ⁸	€20 ¹⁵	€10 ⁸	€20 ¹⁵
Unlt min 2 Fix		Unlt min 2 Fix+CUG	
100 Min/sms 10MB	300 Min/sms 10MB	80 Min/sms 10MB	250Min / sms 10MB

Single Card **Team**

NEW

Bizz Smart XL

New €10 ⁸	€20 ¹⁵	New €40 ³⁵	€60 ⁵⁰	€80 ⁷⁰
Unlt min 2 Fix + CUG				
100' 250sms 250MB	250' Unl sms 2 GB	Unl min Unl sms 4 GB PCAC	Unl min Unl sms EU 10GB QoS + Conf call + PCAC	Unl min Unl sms EU 10GB
			240' in EU 240 MB EU 240' to EU	1000' in EU 1GB EU 1000' to EU

Fast (up to 50 Mb/s)

Fastest (up to 129 Mb/s)

Improved PREPAID offer

Pay & Go Max

€ 0.30 / min
 € 0.12 / SMS
 € 0.25 / MMS
 € 0.5/MB

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

PG Max -reload

15	25	50
90 min Unltd sms 250MB	150 min Unltd sms 500MB	360 min Unltd sms 2GB

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

Smart -reload

10	15	25-50
Unltd sms (off peak) 10MB	Unltd sms 150MB	Unltd sms 500MB

Data options

4,99	9,99
50MB	500 MB

OLD

NEW

Standard reload

Double data



reload

15	25	50
90 min Unltd sms 500MB	150 min Unltd sms 1,5 GB	360 min Unltd sms 2GB













15	25	50
90 min Unltd sms 1 GB	150 min Unltd sms 3GB	360 min Unltd sms 4GB

10	15	25-50
Unltd sms (off peak) 100MB	Unltd sms 250MB	Unltd sms 500MB

10	15	25-50
Unltd sms (off peak) 200MB	Unltd sms 500MB	Unltd sms 1 GB

4,99	9,99
250MB	1 GB

INTERNET standalone

Start	Comfort	Maxi
<p>€27.50 /month</p> <p> Fixed Internet</p> <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> <p> Mobile Internet</p> <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 <p> Cloud</p> <ul style="list-style-type: none">• 10 GB storage volume <p> eMail</p> <ul style="list-style-type: none">• 1 mailbox x 5 aliases	<p>€38.95 /month</p> <p> Fixed Internet</p> <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> <p> Mobile Internet</p> <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 <p> Cloud</p> <ul style="list-style-type: none">• 10 GB storage volume <p> eMail</p> <ul style="list-style-type: none">• 4 mailboxes x 5 aliases	<p>€48.20 /month</p> <p> Fixed Internet</p> <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> <p> Mobile Internet</p> <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 <p> Cloud</p> <ul style="list-style-type: none">• 10 GB storage volume <p> eMail</p> <ul style="list-style-type: none">• 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



➤ 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

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
€ 0.20 / MMS
€ 0.03 / MB

Hot

€ 18

500 min
2000 SMS
500 MB

€ 0.16 / minute
€ 0.07 / SMS
€ 0.20 / MMS
€ 0.03 / MB

Chili

€ 28

1000 min
5000 SMS
1 GB

€ 0.16 / minute
€ 0.07 / SMS
€ 0.20 / MMS
€ 0.03 / 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

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

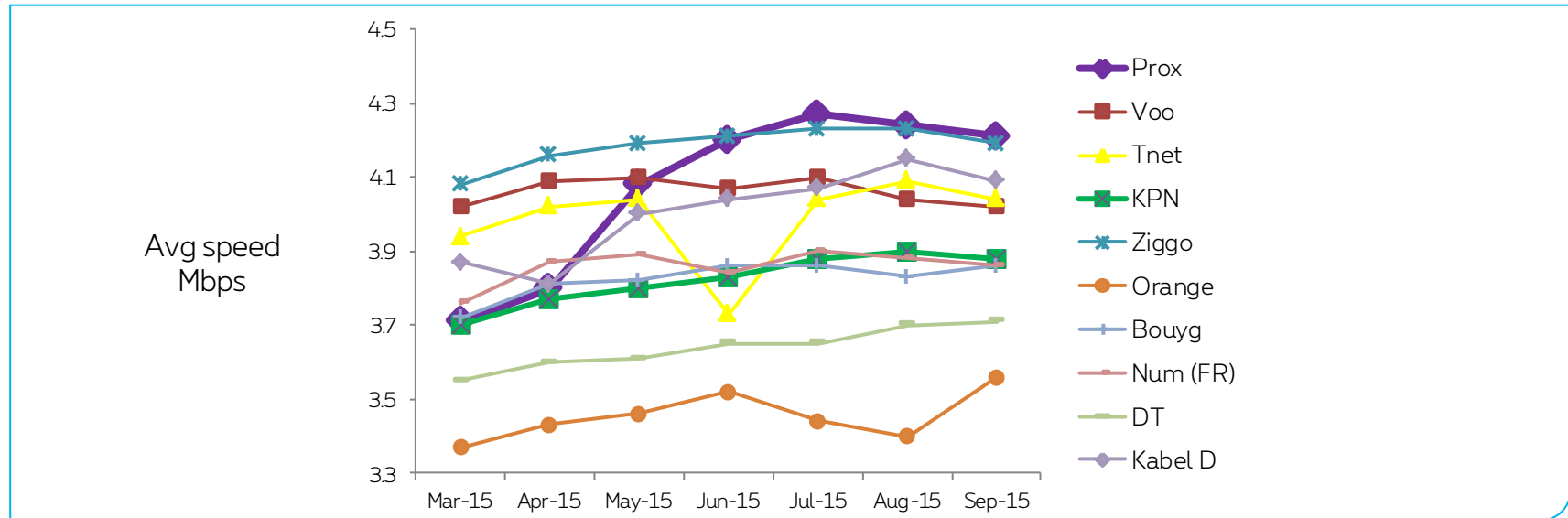
scarlet Trio

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



(source -<http://ispspeedindex.netflix.com>)

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.

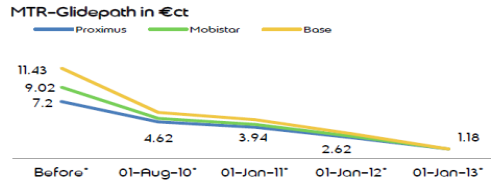
Regulation - 1

As of Q3 2015 year-on-year variance no longer impacted by regulatory price decreases

(Decrease in EUR million)		<i>Estimated impact</i>		
		Q1 2015	Q2 2015	FY 2015
MTR	Revenue	€ 1m		€ 1m
	EBITDA	€ 1m		€ 1m
Roaming	Revenue	€ 9m	€ 13m	€ 22m
	EBITDA	€ 9m	€ 13m	€ 22m
Total	Revenue	€ 10m	€ 13m	€ 23m
	EBITDA	€ 10m	€ 13m	€ 23m

MTR -regulation

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

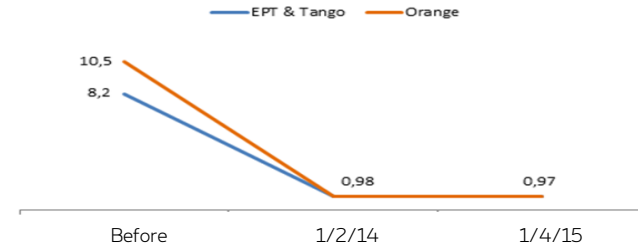


*Including inflation

The BIPT is consulting the market until 14 November 2015 on its draft decision on the 3rd round analysis of the mobile termination market, including the results of the Pure LRIC cost model for the period 2016-2018.

Regulatory measures on Mobile Termination rates and especially Roaming rates negatively impacted Proximus' revenue and EBITDA year-on-year variance in the first-half of 2015. As these measures annualized, there is no additional impact as from July 2015 onwards.

Luxembourg



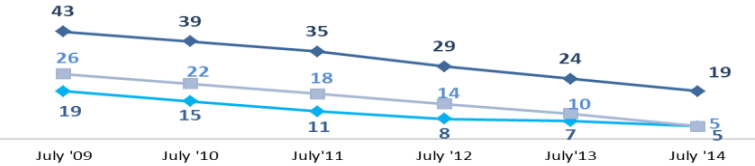
In Luxembourg, final MTR's have been set by the regulator, ILR, at 0.97 eurocent/min as from 1 April 2015. Tango has decided to appeal this decision. The MTR had already been set provisionally at 0.98 eurocent/min by a decision of ILR of 6 January 2014. In the meantime this decision has been annulled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

Regulation - 2

Regulated Roaming price decreases annualised in July 2015

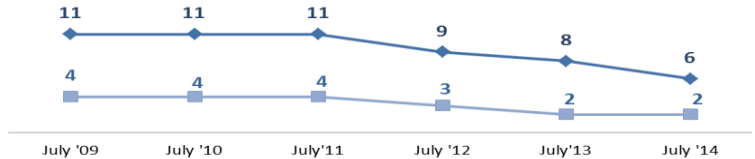
Voice Roaming (€ct per minute)

◆ Retail Outgoing ◆ Retail Incoming ■ Wholesale Outgoing



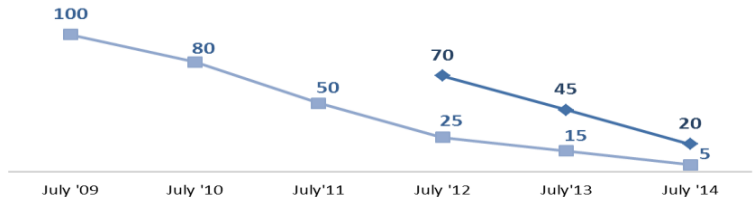
SMS Roaming (€ct per sms)

◆ Retail ■ Wholesale



Data Roaming (€ct per Mb)

◆ Retail ■ Wholesale



- Estimated Impact on H1 2015 financials:

- Revenue: ~ € -22m
- EBITDA: ~ € -22m

- As from 15 June 2017, provided that the legislative act on the wholesale roaming review is applicable on this date, 'Room-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 30 April 2016 until 14 June 2017, operators will be able to apply a surcharge up to the current regulated wholesale rates.

- The Telecom Single Market Regulation has been adopted by the EU Parliament plenary on 27 October 2015. Publication is expected in the coming weeks.

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

900MHz & 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

Base 2 x 10	Proximus 2 x 10	Mobistar 2 x 10
----------------	--------------------	--------------------

900 MHz

Proximus 2 x 12	Mobistar 2 x 12	Base 2 x 10
--------------------	--------------------	----------------

Proximus 2 x 12.4	Mobistar 2 x 11.6	Base 2 x 10.2
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Proximus as largest spectrum holder in the 900 Mhz band, allowing for further increase the Proximus customer experience

1800 MHz

Proximus 2 x 24.8	Mobistar 2 x 24.8	Base 2 x 24.8
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Extension to 2x 24,8 MHz for each of the 3 operators - as of 15/6/2015.

2100 MHz

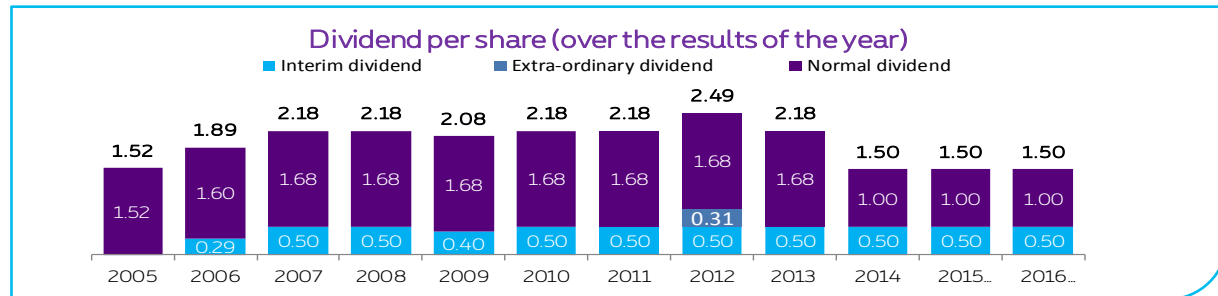
Proximus 2 x 15	1x 5.4	Mobistar 2 x 14.8	1x5	Base 2 x 14.8	1x5	Unallocated 2 x 14.8	1x5
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2600 MHz

Proximus 2 x 20	Mobistar 2 x 20	Base 2 x 15	Unallocated 2 x 15	Datang 1 x 45
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Shareholder structure & remuneration

Proximus intends 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) over the year 2015 and 2016, provided the Group's financial performance is in line with current expectations.



31 October 2015	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	56.18	55.94	180.887.569	180.887.569
own shares	16.025.313	4.74	0.00	0.42	0	1.371.324
Free-float	141.112.253	41,75	43.82	43.64	141.112.253	141.112.253
Total	338.025.135	100	100	100	321.999.822	323.371.146

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.

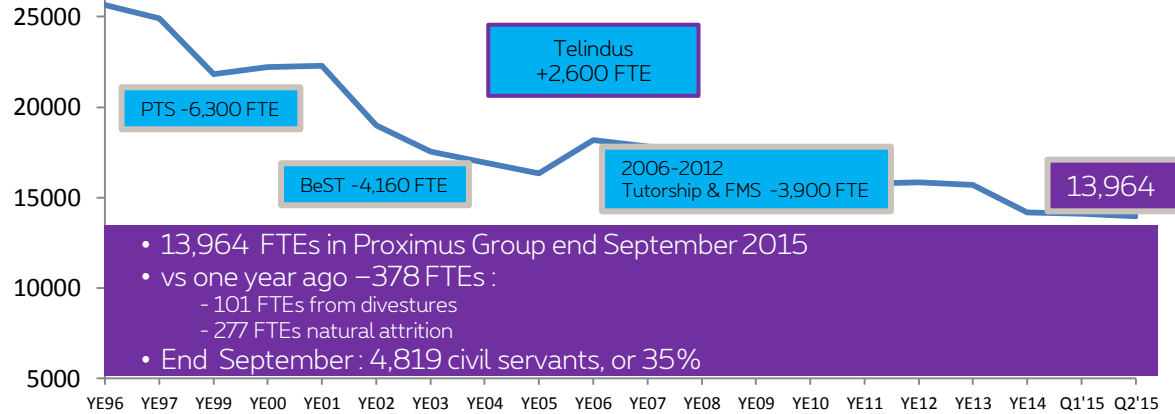
The policy is based on a number of assumptions regarding future business and market evolution, and may be subject to change in the event of unforeseen risks or other factors beyond the company's control.

Divestures and natural attrition reducing headcount

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

	€ million
2015	22
2016	6
2017	5
2018-2035	15*

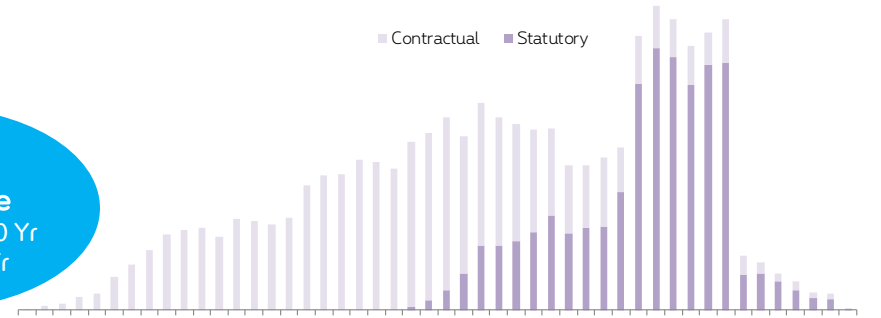
(* Cumulative for full period)



Proximus SA pension curve (FTE's) incl. assumption on latest legislation



Proximus SA age pyramid



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”

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www.proximus.com/en/investors

