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Fit for Growth strategy resulting in growth for our Domestic operations, in spite of higher regulatory and competitive headwinds.

Domestic Revenue (M€)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>4,379</td>
<td>+0.7%</td>
</tr>
<tr>
<td>2016</td>
<td>4,410</td>
<td>+1.1%</td>
</tr>
<tr>
<td>2017</td>
<td>4,458</td>
<td></td>
</tr>
</tbody>
</table>

Domestic Revenue Variation (2017 vs 2016, M€)

- ICT: 34
- Mobile Terminals: 31
- TV: 26
- Fixed Data / Internet: 17
- Mobile Postpaid: 16
- Wholesale services: 13
- Advanced business services: 10
- Mobile Prepaid: -38
- Fixed Voice: -40
We grew our Internet and TV customer base, and increased our market shares.

- Upgraded Fixed Network
- Customers on latest technology
- Scarlet thriving in low-cost market
Rich content offer, bringing customers the content they want
We managed the value creation on Mobile postpaid, with service revenue up 1.3%, in spite of RLAH.

**Postpaid Revenue (M€)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1,155</td>
</tr>
<tr>
<td>2016</td>
<td>1,179</td>
</tr>
<tr>
<td>2017</td>
<td>1,195</td>
</tr>
</tbody>
</table>

**National Mobile Data usage (average/user/month)**

- **Blended**
  - 2015: 1.4 GB, +47% YoY
  - 2016: 1.6 GB, +34% YoY

**Smartphone Penetration**

- +6 pp YoY

**Managing Postpaid Churn in competitive, ‘no-contract’ market.**

- **Consumer**
  - YE 2015: 3,548, 43.6%
  - YE 2016: 3,736, 43.6%
  - YE 2017: 3,882, 42.7%

- **Enterprise**
  - YE 2015: 14.5%
  - YE 2016: 15.2%
  - YE 2017: 15.6%

**Managing Postpaid Churn**

- 2015: 14.5%
- 2016: 15.2%
- 2017: 15.6%

- 2015: 10.1%
- 2016: 10.0%
- 2017: 10.2%
RLAH accelerated the increase in Data roaming traffic

1. Roaming Data users in ‘000
   - Q4'15: x1.0
   - Q1'16: x1.4
   - Q2'16: x1.4
   - Q3'16: x1.4
   - Q4'16: x1.8
   - Q1'17: x1.8
   - Q2'17: x2.5
   - Q3'17: x2.5
   - Q4'17: x2.5

2. Data per roamer (MB/month)
   - Q4'15: x1.0
   - Q1'16: x1.0
   - Q2'16: x1.0
   - Q3'16: x1.5
   - Q4'16: x1.6
   - Q1'17: x2.5
   - Q2'17: x2.5
   - Q3'17: x2.5
   - Q4'17: x2.5

(Roaming out, both EU + non-EU)
Successful dual brand strategy and convergent offers in the Consumer segment

Strong uptake of all-in offers, increasing 4-Play HH/SO

Tuttimus/Bizz All-in subscribers in ‘000

Scarlet successful in price sensitive market

Scarlet BB share in the consumer market

Solid increase in number of HH/SO taking 4 Plays

<table>
<thead>
<tr>
<th></th>
<th>1P</th>
<th>2P</th>
<th>3P</th>
<th>4P</th>
<th>YE 2016</th>
<th>YE 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1P</td>
<td>1,150</td>
<td>437</td>
<td>760</td>
<td>605</td>
<td>2,952</td>
<td>2,937</td>
</tr>
<tr>
<td>2P</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3P</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>4P</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

+13%

Average revenue per Household

<table>
<thead>
<tr>
<th></th>
<th>4-PLAY</th>
<th>3-PLAY</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>YE 2016</td>
<td>€114.7</td>
<td>€79.1</td>
<td>€65.8</td>
</tr>
<tr>
<td>YE 2017</td>
<td>€115.9</td>
<td>€76.8</td>
<td>€67.5</td>
</tr>
</tbody>
</table>

+2.5%
We keep a solid position in the Enterprise market with growing importance of ICT, convergence and innovation.

Leveraging TELCO connectivity expertise with targeted ICT integration.

Sustained growth in the enterprise revenue with a shift in product mix.

<table>
<thead>
<tr>
<th>Year</th>
<th>ICT*</th>
<th>Telco</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>34%</td>
<td>66%</td>
</tr>
<tr>
<td>2016</td>
<td>36%</td>
<td>64%</td>
</tr>
<tr>
<td>2017</td>
<td>38%</td>
<td>62%</td>
</tr>
</tbody>
</table>

ICT and Advanced Business Services (BeMobile, Big data)
Enterprise benefitting from Proximus’ investments in the growth areas of the future
Enterprise segment maintaining a strong position in Mobile...

- High-quality mobile network
- Provide best E2E experience
- Managed mobile services
- Simplified offers
- Developing mobile application integration competences

<table>
<thead>
<tr>
<th>Year</th>
<th>Mobile voice cards</th>
<th>M2M</th>
<th># Users of Mobile data</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>894</td>
<td>566</td>
<td>2015</td>
</tr>
<tr>
<td>2016</td>
<td>939 +5.0%</td>
<td>1,169 +106.5%</td>
<td>2016</td>
</tr>
<tr>
<td>2017</td>
<td>988 +5.2%</td>
<td>1,209 +3.5%</td>
<td>2017</td>
</tr>
</tbody>
</table>
...while containing the erosion of legacy services by bringing our customers to future proof technologies

**Fixed Voice lines (’000)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>660</td>
<td>-6.1%</td>
</tr>
<tr>
<td>2016</td>
<td>620</td>
<td>-6.5%</td>
</tr>
<tr>
<td>2017</td>
<td>580</td>
<td></td>
</tr>
</tbody>
</table>

**Revenue share of out-phased Fixed data solutions**

<table>
<thead>
<tr>
<th>Year</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>20%</td>
</tr>
<tr>
<td>2016</td>
<td>16%</td>
</tr>
<tr>
<td>2017</td>
<td>13%</td>
</tr>
</tbody>
</table>

- Dynamically guide customers in their Voice & UC journey
- Convergent voice solutions
- Migrate customers to future proof Fix data solutions: VDSL and FIBER
- Improve customer experience
- Achieve network simplification
Underlying Domestic EBITDA up by 2.0%

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic EBITDA (M€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1,573</td>
</tr>
<tr>
<td>2016</td>
<td>1,647</td>
</tr>
<tr>
<td>2017</td>
<td>1,680</td>
</tr>
</tbody>
</table>

Net Roaming DM refers to loss in RO DM, partly offset by increase in RI DM – total for Proximus and Tango.

DM pressure more than offset by solid reduction in cost base.

€ -41M net Roaming DM loss driven by RLAH regulation

Domestic EBITDA excl. net roaming loss

+4.5%
Our ongoing company transformation keeps us well on track to meet our cost ambition of € -150M net by 2019*

Domestic expenses decreased by € 114M vs end-2015

1,766

~ 215M
Gross savings

~ 100M
Opex investments

1,652

Including the benefit from a lower Domestic headcount

* Compared to 2015
Part of the cost reduction is reinvested in the company

Supporting growing volumes
- Capacity driven maintenance costs
- Spectrum licenses
- ICT workforce supporting growth

Improving Customer experience
- Migrations to latest technology
- Happy House visits

Driving innovation
- Fiber roll-out
- Hiring of new skills

Inflation-based cost increases
- Salary indexation
- Electricity prices
Proximus’ cost base benefits from the simplification of its Network

1st wave nearly completed, with all switches powered down end ’17

2nd wave starting in 2018, long-term project transforming the network

- outphasing legacy products
- consolidate > 400 local networks enabling the sale of > 300 smaller technical buildings

End ’13 End ’14 End ’15 End ’16 End ’17

1,116 957 574 364 done

n° of switches


Cost saving: € ~30m

24 buildings sold

>300 LEX

End ’13 End ’14 End ’15 End ’16 End ’17

957 574 364 done

buildings sold

Repair Power & Airco Maintenance Other
And from the simplification of its distribution channel,

More efficient physical distribution network.

-35 shops

Decreasing number of physical stores, while enhancing digital channels.

-22% shop rental cost

2017 vs 2015.
We increase e-interactions with customers

**MyProximus active users**
- +15%
- +30%

**Chatbot Titus**
First results after recent launch
- 20% of page visitors interact with Titus
- 30% of conversations with Titus lead to Pack Composer page (e-shop)

**Av. monthly traffic on commercial website**
- +27%

**e-share of Sales**
- 18% in 2016, 21% in 2017
- +3pp

**Av. monthly sales chats**
- x3.8 in 2016, x19 in 2017
We grew our customer base at lower cost through a more efficient use of marketing & advertising means

- One brand for Fixed & Mobile: Proximus
- Less & more focussed campaigns
- Better use of our marketing channels

- Digitisation of
  - advertising
  - shop magazines
  - hardware guides

Marketing/Advertising cost 12% below 2015
After 2 years of important savings, we see continued gross cost savings through our company-wide transformation.
Transforming the company to further improve our customer experience while bringing some cost opportunities
Digital customer tools and new IT systems will support call deflation and productivity in contact centers

Decrease call center volumes

-15%

2017  2018  2019  2020

Strong increase for digital Proximus Forum

Jan'16     Dec'17

- Improve customer satisfaction
- Reduce churn
- Lower costs

Reduce ‘waste’ volumes in contact centers
- 1st time right
- More digital customer interactions
- Finish IT transformation

Increase productivity
- Applications with 360° view on customers
- Synergies between call centers
Creating future value through more advanced analytics

Data management

GDPR as a constraint but also as opportunity to invest in data management and ease data discovery

Richer data models for optimized return on network investments and return on marketing and sales spending

Machine Learning

Predictive and prescriptive analytics for churn prevention, personalized cross and upsell offers, customer experience improvements, fraud prevention, predictive maintenance, etc.

Deep Learning

Starting to use Artificial Neural Networks techniques for operational efficiency and CRM use cases
Network transformation to further enhance customer experience and cope with steep traffic growth

1. FttH and FttB in the access network
   - Bringing fiber to Belgian cities and communes!

2. Further upgrading the mobile network
   - Invest in sites and spectrum to support steep growth in mobile data usage
   - Roll-out 4.5G on thousands of sites in coming years, bringing even faster and better mobile.
   - Getting ready for 5G

3. Scalable & robust transport network
   - Upgrading interfaces from 10 to 100 Gbps to cope with steep traffic growth
   - Expected peak traffic growth on core network
   - Nodes to be upgraded: 800
   - While leading to a more efficient cost base: -40% OPEX

Estimated 2022 vs. 2017
IT transformation

1. New, fully convergent IT foundation enabling consistent customer experience across channels
   - From separate selling, ordering and billing systems for fix and mobile, to convergent IT system
   - New greenfield IT system for enterprise customers
     Enabling end-to-end orchestration from sales to delivery
   - Process automation and machine learning to improve customer experience

2. 80% of Proximus services platforms virtualized by 2023
   - Starting in 2018:
     - Mobile data core (vEPC)
     - Convergent Voice core (vIMS)
     - Content Delivery Network (vCDN)
   - Upon renewal and capacity upgrades
     - 14% OPEX
       Est. 2022 vs. 2017

3. Flexible & automated datacenter operations by 2020
   - Starting in 2018 with gradual migration to Software-Defined Networks.
     - 36% OPEX
       Est. 2022 vs. 2017
Future value from automation & cognitive technologies

**Robotic Process Automation**

- Scaling up after successful pilots

**Natural-language processing**

- Scaling up chatbots. Exploring voice-based IVRs, virtual assistants

**Drones**

- Application of drones in different domains under analysis

**Augmented Reality**

- Testing for support for field technicians
BICS, a strong player in the ICS market
Direct margin of BICS mainly driven by growing contribution of non-Voice DM

- **BICS Direct Margin Evolution (M€)**
  - 2011: 53%
  - 2017: 44%

- **Total DM**
  - High Growth
  - High Synergies potential

- **Non-Voice**
  - High Cash-flow generation
  - Inflection point, non-voice outweighing legacy voice

- **Voice**
  - Eroding but ...
BICS benefiting from the boosting mobile data volumes...

Non-Voice revenue growing & Direct margin (in M€)

- 2015: 269 (145 M€, 8.4%), 8.6%
- 2016: 292 (154 M€, 6.3%), 1.3%
- 2017: 317 (156 M€, 8.6%), 8.6%

Solid increase in non-Voice volumes (in M messages)

- 2015: 3,002
- 2016: 3,558
- 2017: 4,828

...while managing the decline in legacy Voice

Declining voice volumes

(in M€)

Volume decline, destination mix and MTR downwards trend negatively impact revenue, though limited on DM

High cash generator thanks to scale & operating leverage

BICS maintaining its top-5 world position in a Voice market showing structural decline
Product mix puts pressure on EBITDA, but margins have improved, and cash conversion remains high.

BICS segment result and margin:

- 2015: 160
  - Margin: 9.9%
- 2016: 149
  - Margin: 10.2%
- 2017: 143
  - Margin: 10.8%

EBITDA-Capex Evolution (M€):

- 2015: 126
- 2016: 113
- 2017: 109
TeleSign contributing to all 3 growth dimensions for BICS

1. **Customers**
   - Address new customer segments (MVNO, Internet companies, Enterprises)
   - TeleSign complementary customer base of >500 digital companies (mainly B2C), including 20 of the top 25 Internet brands

2. **Solutions**
   - Extend portfolio with new generation services
   - TeleSign expertise in authentication/security and in APIs

3. **Geographies**
   - Increase market shares in Asia and Americas
   - TeleSign strong presence in North America
The first end-to-end CPaaS provider

TeleSign has the customers and the platforms

Platforms & Expertise

Using BICS
Worldwide network...

to reach directly >700 mobile operators worldwide and improve sourcing of:

- Direct SMS and Voice Terminations
- Mobile End-User Data
- Voice APIs (e.g. Anonymous calling)
We delivered our guidance 2017

<table>
<thead>
<tr>
<th>Guidance metrics</th>
<th>Actuals 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic underlying revenue</td>
<td>+1.1%</td>
</tr>
<tr>
<td>Group underlying EBITDA</td>
<td>+1.5%</td>
</tr>
<tr>
<td>CAPEX</td>
<td>€1,092m*</td>
</tr>
</tbody>
</table>

*Football broadcasting rights included.
Outlook for 2018

<table>
<thead>
<tr>
<th>Guidance metrics</th>
<th>Actuals 2017</th>
<th>Outlook 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic underlying revenue</td>
<td>4,458m</td>
<td>Nearly stable</td>
</tr>
<tr>
<td>Group underlying EBITDA</td>
<td>1,823m</td>
<td>Slight growth</td>
</tr>
<tr>
<td>CAPEX</td>
<td>€1,092m*</td>
<td>Around €1Bn**</td>
</tr>
</tbody>
</table>

Stable gross dividend per share 2017-2019

Proximus expects to return €1.50

*Football broadcasting rights included.  
**Excl. potential capex for Spectrum.
Regulatory measures on EU Roaming and Fixed Termination rates are impacting Proximus’ revenue and direct margin

<table>
<thead>
<tr>
<th>(EUR million)</th>
<th>2017</th>
<th>2018 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulation impact on YoY variance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regulated price impact on Roaming-Out</td>
<td>-61</td>
<td>-61</td>
</tr>
<tr>
<td>Overall net impact on Roaming (price and volume impact of roaming-out &amp; roaming-in)</td>
<td>-22</td>
<td>-41</td>
</tr>
<tr>
<td>Fixed Termination Rates</td>
<td>8</td>
<td>3</td>
</tr>
</tbody>
</table>

Roam-like-at-Home pricing impact annualizing mid-June, explaining the lower price impact for 2018 vs 2017. However, the overall net Direct margin loss for Roaming could be fairly similar as for 2017, depending on volume related costs, visitor roaming volume elasticity and ongoing erosion of the paying Roaming Options.

The new, lower Fixed Termination Rates are expected to be introduced around mid-2018 and will lower revenue and direct margin, whereas the 2017 variance was positively impacted following a court ruling.
Proximus Group

Q4 2017 results
Q4’17 Group Highlights - Domestic revenue up 0.9% in spite of roaming pressure and increased competitive intensity. Group EBITDA up 1%

**Group Revenue**
€1,477M  
-0.9% YoY

- Sustained Fixed Internet and TV revenue
- ICT revenue growth
- Postpaid services growth
  - Fixed Voice erosion
  - Mobile Prepaid revenue loss

**BICS revenue of EUR 339M, -6.6% YoY**
- Increase non-Voice revenue on A2P volumes
- TeleSign contribution
- Voice erosion

**Domestic EBITDA**
€445M  
+1.0% YoY

- Direct margin up 0.5% YoY
- Maintaining stable expenses (+0.2%) after strong reduction YTD Sept.

**Capex**
€385M

Capex FY’17 of €1,092M
- Jupiter League and UEFA Champions League soccer broadcasting rights for 3 seasons
- Simplification and transformation
- Enhancing Mobile and Fixed networks
- Fiber roll-out
- Improved TV content

**FCF**
€32M  
or €-187M when incl. TeleSign

YTD FCF of €292M, or €511M when excluding TeleSign acquisition (€219M)
- Higher underlying EBITDA
- Lower interest payment on LT debt
- Higher income tax prepayments
- More cash for Capex
- Higher cash for Early leave plan ahead of retirement

**Commercial drivers**

+ 18,000
  TV Households (unique customers)
+ 17,000
  Fixed Internet Lines
+ 22,000
  Mobile Postpaid cards
- 8,000
  Mobile Prepaid cards
- 21,000
  Fixed Voice lines
+ 13,000
  3 & 4-Play, i.e. 48.7% of total base

56.8% Convergent Fixed/Mobile; +1.9p.p.

---

1 Underlying basis  
2 Application to Person messages
Q4’17 Domestic revenue grew by 0.9% YoY. Enterprise and Wholesale posted higher revenue, while revenue decline of BICS was mitigated by TeleSign.

**Domestic**

**Consumer: -0.5% YoY**
- Continued growth for TV, Internet, and Mobile Postpaid
  - Less Mobile devices sales (at low margin)
  - Fixed Voice revenue erosion
  - Loss in Mobile Prepaid revenue prompted by the identification legislation.

**Enterprise: +3.5% YoY**
- Growth in ICT and Advanced Business Services
  - Mobile devices sales
  - Lower Mobile services revenue, though further stabilized
  - Erosion legacy Fixed Voice and Data

**Wholesale: +10.3% YoY**
- Increase in roaming-in revenue
- Q4’16 included €-4m FTR impact
- Decline in traditional wholesale products

Q4’17 revenue -6.6% YoY
- Strong increase in A2P* volumes, leading to non-Voice revenue growth, accelerated by TeleSign
- Further erosion in Voice traffic, combined with a less favorable destination mix, and negative USD currency effect

* Application to Person
Q4 & FY Group underlying revenue evolution per product group

(in M€)

*Advanced Business Services groups new solutions offered aside from traditional Telecom and ICT, such as smart mobility solutions (BeMobile), Road User Charging, Converging Solutions, Big data.
Growing customer base for Mobile postpaid, BB and TV

Mobile Postpaid customer base up 3.9% YoY, driving stable growth in Mobile services, incl. significant RLAH impact

- **YoY:**
  - +145,000 Postpaid; +3.9%
  - -225,000 Prepaid; -19.1%

Stabilizing after the decrease resulting from Prepaid authentication legislation

Mobile cards (ex-M2M in 000's)

`| Q1'16 | Q1'17 | Q2'17 | Q3'17 | Q4'17 |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Postpaid</td>
<td>4,924</td>
<td>4,919</td>
<td>4,915</td>
<td>4,918</td>
</tr>
<tr>
<td>Prepaid</td>
<td>4,897</td>
<td>4,825</td>
<td>4,838</td>
<td></td>
</tr>
</tbody>
</table>

Mobile service revenue

- **YoY:**
  - 4.9%
  - 1.8%
  - 0.8%
  - 0.8%
  - 0.3%
  - 1.7%
  - 1.7%
  - 1.6%

Accelerated decline fueled by Prepaid identification legislation

TV customer base grew by 4.8% YoY and Internet base by 3.2% in spite of increased competition

TV customers

`| Q1'16 | Q2'16 | Q3'16 | Q4'16 | Q1'17 | Q2'17 | Q3'17 | Q4'17 |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Postpaid</td>
<td>1,440</td>
<td>1,458</td>
<td>1,472</td>
<td>1,489</td>
<td>1,516</td>
<td>1,533</td>
<td>1,543</td>
</tr>
<tr>
<td>Prepaid</td>
<td>26</td>
<td>18</td>
<td>14</td>
<td>17</td>
<td>27</td>
<td>17</td>
<td>9</td>
</tr>
<tr>
<td>Blended</td>
<td>1,560</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Fixed Internet

`| Q1'16 | Q2'16 | Q3'16 | Q4'16 | Q1'17 | Q2'17 | Q3'17 | Q4'17 |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Postpaid</td>
<td>4.9%</td>
<td>1.8%</td>
<td>0.8%</td>
<td>0.8%</td>
<td>0.3%</td>
<td>1.7%</td>
<td>1.7%</td>
</tr>
<tr>
<td>Prepaid</td>
<td>-17.8%</td>
<td>-19.1%</td>
<td>-20.3%</td>
<td>-23.4%</td>
<td>-29.8%</td>
<td>-27.2%</td>
<td>-26.8%</td>
</tr>
<tr>
<td>Blended</td>
<td>1.7%</td>
<td>-1.1%</td>
<td>-1.8%</td>
<td>-2.1%</td>
<td>-3.1%</td>
<td>-1.6%</td>
<td>-1.2%</td>
</tr>
</tbody>
</table>

Accelerated decline fueled by Prepaid identification legislation
Q4 Group direct margin up by 1.6% YoY, with both Domestic and BICS direct margin up YoY

Domestic Q4 direct margin +0.5% to € 834m:
- Stronger ICT margin for the Enterprise segment
- Wholesale Direct Margin up on low comparable base and benefitting from higher Visitor roaming
- Mobile services margin pressured following the EU roaming regulation, triggering an increase in roaming wholesale costs
- Unfavorable revenue mix effect, with Fixed Voice decreasing
- Domestic direct margin as % of revenue at 73.3%

BICS Q4 direct margin of € 78m, +5.1% on organic basis. Including TeleSign, direct margin up 15.5% YoY
Q4’17 operating expenses up 2.2% YoY

- Domestic expenses +0.2% YoY or € +1m.
- BICS expenses up €9 YoY, of which two-thirds reflecting the acquisition of TeleSign.
- Unfavorable currency impact.

*TeleSign is consolidated since November 2017.
Q4’17 Group EBITDA, +1.0% YoY. Domestic EBITDA +0.8% YoY

Domestic Q4 EBITDA up 0.8% to €408m on higher direct margin, in spite of €8m net loss in Roaming DM

BICS Q4 EBITDA +3.0% YoY to €37m, including small TeleSign contribution. Organic EBITDA fairly stable YoY.

*Total direct margin from roaming-out and roaming-in (visitor roaming) from Proximus and Tango, covering price and volume impacts
CAPEX reflects our continued investment in the future value of the company.

Quarterly (M€)

<table>
<thead>
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<th>Period</th>
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<tr>
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FY (M€)

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</table>

Capex 2017 increase YoY
- Renewal of 3-year contracts for football broadcasting rights
- The start of Proximus’ Fiber for Belgium project

2018 & 2019 around € 1bn
Spectrum capex excluded

Mobile
- 4G pop coverage
  - Outdoor 99.8%
  - Indoor 98.1%
- Av speed 4G(+) Mbps
  - 32 in 2015
  - 38 in 2016
  - 45 in 2017
- + Mobile sites to support traffic increase

Copper upgrade
- 94% FttC
- 83% vectoring
- >50% 100Mbps
- Av. VDSL speed - Mbps
  - Proximus customers
    - 52 in 2015
    - 63 in 2016
    - 72 in 2017

Attractive content
- Jupiter Pro League
- UEFA Champions League
- Studio 100

Fiber build
- Roll-out launched
  - FttH 7 cities
  - FttB in 72 industrial zonings

IT
- Renewed and simplified IT systems
  - a.o. new Mass Market IT chain encompassing sales to ordering to billing
FY’17 net income (Group share) of €522m, fairly stable compared to 2016. Higher underlying Group EBITDA and lower finance costs, partly offset by higher depreciation and amortization and an increase in tax expenses.

* Incidentals for an amount of €63m in 2016. Incidentals 2017 of €51m, mainly related to the voluntary early leave plan prior to retirement, and partially offset by a capital gain on building sales.

** Includes Non-Controlling interests and Share of loss from associates
Lower normalized Free Cash Flow YoY mainly driven by:

- Higher prepayments of corporate income taxes (increased legal prepayment percentage to 59%)
- Higher Cash paid for Capex
- Higher Cash paid for the ongoing Early Leave Plan (ELP) ahead of retirement
- Slightly higher working capital needs
- Partially offset by the higher underlying Ebitda and lower interest payments on LT debt

Acquisition of TeleSign was completed in November 2017.
We keep a sound financial position

Credit ratings: Standard & Poor’s A, Moody’s A1, both stable outlook
Proximus issued a €500m 5y Eurobond at 0.5% in March 2017
Liquidity at end-December 2017
- €342m Investments, Cash and cash equivalents
- EMTN Programme: 3.500m (2,255m outstanding)
- Committed credit line (bilaterals/club/syndicate): €700m
- CP Programme: €1,000m (164m outstanding)
Consumer Results
Underlying revenue slightly down, including lower mobile devices revenue for Q4. Direct margin impacted by cost increase linked to higher roaming volumes

- Trend prior quarters confirmed in Q4’17 for main product lines
- Q4’17 Mobile devices revenue (at low margin) lower YoY, on a high 2016 comparable base
- Mobile Postpaid revenue positive trend continued, in spite of substantial roaming regulation headwinds,
- Direct margin further impacted by EU RLAH regulation, with increasing wholesale costs
- Stable underlying direct margin at 73.6% of revenue
Consumer revenue by product group

**Note**
In line with Proximus’ strategy, most products are sold through multi-play bundles. Therefore, the revenue and ARPU of standalone products are largely the result of the allocation of revenue and discounts to the respective products included in the Packs, as required by IFRS rules.
Consumer revenue 0.5% lower, impacted by lower mobile device revenue and roaming regulation

Q4

- Enlarging customer base with continued revenue growth in Q4'17 for TV (+4.6%) and Internet (+4.1%), partly offset by lower Fixed Voice revenue (-4.6%)
- Q4'17 Mobile devices revenue (at low margin) lower YoY, on a high comparable base
- Continued positive trend for Mobile Postpaid up by 2.4%, despite regulation headwinds
- Prepaid revenue repeated steep loss, impacted by the significant YoY reduction the customer base triggered by the legal identification process, with a limited Q4’17 loss of -8,000
- In a highly commercial and competitive quarter, Proximus attracted a solid number of customers, closing 2017 with 360,000 all-in Tuttimus and Bizz All-In subscribers
- Scarlet confirmed its solid position in the low-end of the market, achieving once more a solid growth in its no-frills offers TRIO and Poco/Loco
In a highly competitive quarter, Proximus achieved higher net adds in comparison to the Q3’17 and to the same period in 2016, supported by the year-end campaign, and the success of Scarlet.

- +18,000 Internet lines in Q4’17
- +65,000 or +3.7% YoY to total 1,847,000
- Annualized Internet customer churn improved from somewhat higher Q3’17, 1pp lower YoY.
- Stable Q4’17 ARPU of EUR 28.4, up 0.5% YoY.
Proximus continues to attract customers on its TV platform, a good improvement from the prior quarter and somewhat higher compared to the year before.

Increasing customer base, an important revenue driver, strengthened by successful year-end campaign for the Proximus brand, solid customer growth for Scarlet.

- +71,000 TV households YoY, or +4.8%, including +18,000 TV households in Q4'17
- 1,560,000 unique TV households end-'17
- Q4'17 TV ARPU fairly stable at € 21

…and more extensive TV content.

- Renewed Belgian professional football broadcasting rights on a non-exclusive basis
- Exclusive coverage of the UEFA Champions League extended to the next three seasons
- As of 1 January 2018, strategic partnership with Studio 100, a very well-known Flemish kids content producer
Contained Fixed Voice line erosion and lower traffic driving continued revenue decline

Total Fixed Voice customer base at 2,036,000. Proximus’ and Scarlet’s multi-play offers continue to support the Fixed Voice line.

- FY 2017 line loss significantly improved vs. FY2016: -24,000 YoY, incl. -12,000 in Q4’17
- Fixed Voice customer base of 2,036,000, or -1.1% YoY
- ARPU Q4’17 EUR 19.9, reflecting the ongoing decline in the use of Voice traffic
In spite of substantial roaming regulation headwinds, Mobile Postpaid revenue up by 2.4% in Q4’17, driven by expanding Postpaid customer base, improved customer tiering and reviewed mobile offers since mid-August. Revenue from Prepaid repeated a steep loss, resulting from significant YoY reduction in the Prepaid customer base triggered by the legal identification process. The last quarter of 2017 showed a radical change, with the decline limited to -8,000.
Q4 Postpaid revenue increased by 2.4%, in spite of the Roam-Like-At-Home (RLAH) headwinds, driven by:

- Expanding Postpaid customer base
- Improved price tiering
- Reviewed mobile offers since mid-August

Revenue from Prepaid repeated a steep loss.

- Significant year-on-year reduction in the Prepaid customer base triggered by the legal identification process
- Q4'17 showed however a radical change in the Prepaid customer dynamics, with the decline limited to -8,000
Tango Luxembourg—Consumer segment

Tango Q4'17 Consumer revenue up by 2.8% YoY, in spite of aggressive competitive market conditions, the Prepaid card identification legislation and the application of the RLAH legislation from 15 June 2017

- Commercial success of the revamped Smart portfolio
- Success in executing a convergence strategy on Fixed services (Voice, Internet and TV)
X-Play view
Consumer increasingly generates revenue from the households it services, +2.2% for Q4, driven by uptake of 4-Play offers

Revenue in M€

Q4

- HH/SO +2.2%
- Total Consumer -0.5%

FY

- HH/SO +2.3%
- Total Consumer +0.7%

- Proximus’ strategy to focus on attractive multi-play offers, supported by Tuttimus and Bizz All-in, resulted in continued uptiering to 4-Play, leading to 17.1% 4-Play revenue increase in Q4’17 and a more valuable and loyal customer base
Proximus all-in offers accelerate revenue increase for 4-Play to €236m, making up 32.1 % of total Consumer revenue

Increasing 4-Play base is main revenue growth driver for Consumer

- Tuttmus/Bizz All-in driving uptiering to 4-Play
- Ongoing expansion of 4-Play base, +82,000 YoY incl. +14,000 HH/SO in Q4’17
- Growing revenue from 4-Play partly offset by lower revenue generated by the 1 - 2- and 3-Play HH/SO (incl. uptiering)

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<tr>
<th>Quarter</th>
<th>X-Play Revenue (M€) &amp; YoY Variance</th>
<th>4-Play Revenue (M€) &amp; YoY Variance</th>
<th>3-Play Revenue (M€) &amp; YoY Variance</th>
<th>2-Play Revenue (M€) &amp; YoY Variance</th>
<th>1-Play Revenue (M€) &amp; YoY Variance</th>
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Q1’16 Q2’16 Q3’16 Q4’16 Q1’17 Q2’17 Q3’17 Q4’17 | X-Play | 4-Play | 3-Play | 2-Play | 1-Play |
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<td>+1.7%</td>
<td>+2.1%</td>
<td>+3.3%</td>
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</table>
Consumer HH/SO base at 2,937,000
56.8% of multiplay HH/SO combine Fixed with Mobile, +1.9pp YoY

- X-Play Households/Small offices totaled 2,937,000 end Q4’17; ie. down YoY by -0.5% or -15,000.
- Customer mix improving with ongoing expansion of 4-Play base, +82,000 YoY, up by 13.5%, incl. +14,000 HH/SO in Q4’17, driven by the Tuttimus and Bizz All-in portfolio.
The overall ARPH continues to grow on improved customer mix with 4-Play ARPH up 1.0% YoY to €115.7, driven by higher RGU’s.

3-Play ARPH down 3.0%, with Scarlet TRIO customers increasing in the mix, at lower pricing.

Overall ARPH +2.6% YoY to €67.7, in spite of roaming regulation impact on Mobile.
The annualized full-churn rate on average for all Plays was 13.3%, down 0.3pp from the previous year and quarter.

- 4-Play churn remaining low at 3.0%
- 3 & 2-Play churn lower compared to the previous year and quarter

### Annualized full churn rates

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<thead>
<tr>
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<th>Q1'16</th>
<th>Q2'16</th>
<th>Q3'16</th>
<th>Q4'16</th>
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### Consumer

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<td>13.5%</td>
<td>13.3%</td>
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</table>
Q4’17 Enterprise revenue up by 3.5%, pressure on legacy Telecom services more than compensated for by growth in ICT and Advanced Business services

- Q4’17 revenue supported by 9.5% growth in ICT revenues, and by the continued progress in Advanced Business Services

- Q4’17 underlying direct margin of €245m, +0.5% YoY: growth from ICT and Advanced business services more than offset the pressure on traditional telco services. Mobile services margin further stabilized

- The direct margin as a percentage of revenue decreased to 66.4% due to less favorable product mix
Q4’17 revenue up by 3.5%, supported by ICT and Advanced Business Services

• Operating in a competitive environment, Proximus’ Enterprise segment achieved a 3.5% growth in Q4’17 revenue

• Enterprise segment benefitted from a 9.5% growth in ICT revenues, and from the continued progress in Advanced Business Services

• Q4 Mobile services revenue stable YoY
Lower Fixed Voice revenue on steady Fixed Voice customer base erosion and lower usage

- The Enterprise segment continues to face ongoing customers rationalization of their Fixed line connections, lower usage, technology migrations to VoIP and competitive pressure. However, the net Fixed line erosion remained fairly stable with -9,000 lines in Q4’17.

- Fixed Voice ARPU eroded to €29.8, -3.2% YoY on less traffic per line and a lower average traffic price due to a rising penetration of unlimited call options.
Ongoing migration of legacy Data products to new solutions at more attractive pricing

- Q4’17 revenue from Fixed Data, consisting of Fixed Internet and, for a greater part, Data Connectivity, totaled €62m, -1.0% YoY

- National Data connectivity revenue grew in Q4 on growing Explore park, benefitting from the further roll-out of P2P fiber. Legacy products are outphased and migrated in the context of simplification programs, offering customers new solutions at more attractive pricing

- In a competitive and highly penetrated Internet market, Proximus’ Enterprise segment reported a net line loss of 3,000 in 2017, bringing its total Internet base to 135,000 by end-December 2017, i.e. -2.4%
Solid fourth quarter for ICT, with record high revenue, up YOY by 9.5%

- Benefitting from the company’s strategic focus on ICT, EBU posted solid revenue growth for Security, Unified Communication and Outsourcing services, was supported by higher one-time revenue and a small revenue contribution from Davinsi Labs and Unbrace*

- € 9m revenue from Advanced Business Services in Q4’17, mainly driven by BeMobile, occupying a unique market position in the field of Smart Mobility. Further supported by growth for Proximus’ convergent business solutions

Advanced Business Services groups new solutions offered aside from traditional Telecom and ICT, such as smart mobility solutions (BeMobile), Road User Charging, Converging Solutions, Big data.

* Davinsi Labs is an Antwerp-based cyber security company with a strong position on the Benelux cybersecurity market (FY’16 revenue of €3.4m), and integrated in Proximus since May 2017. Unbrace, consolidated as of October 2017, is a young Belgian application development company, supporting companies in their digital transformation journey.
Firm growth in Mobile park and increased usage nearly offsetting roaming regulation impact

- Q4’17 Mobile service revenue -0.4% YoY, improving sequentially
- Further growth of Mobile customer base, +13,000 Mobile cards in Q4’17, in spite of the competitive setting, bringing the base to 988,000 cards, +5.2% YoY
- Growth in customer base supported by low Mobile churn of 10.4%.

<table>
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<tr>
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<th>Mobile service revenue (M€) &amp; YoY variance</th>
<th>Postpaid exl. M2M growth &amp; EOP (000)</th>
<th>Postpaid ARPU (EUR) &amp; YoY variance</th>
<th>M2M growth &amp; EOP (000)</th>
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</table>

-1.9% 323 317
-7.0% 28.5 26.5
-1.6% 412 116
-3.5% 116 65
-0.4% 10 12
-4.9% 13 14
-0.8% 9 10
-6.4% 8 11
-0.4% 13 13
-9.6% 15 12
-1.7% 9 10
-6.8% 13 13
Wholesale benefiting from higher roaming-in revenue, partially offset by decline in traditional wholesale products

- Q4’17 Financials of Wholesale segment compare to low Q4 2016, with the regulated decrease in Fixed Termination Rates* since November 2016 lowering the Q4’16 revenue and direct margin by respectively €4m and €3m.

- This aside, Wholesale revenues & direct margin remained somewhat above 2016, following higher roaming-in data volumes, partially offset by a decline in traditional wholesale products (fixed/mobile voice, data connectivity and broadband access).

*Was reversed back in Q1 2017 to the former higher FTR rates following the annulment by the Brussels Appeal Court in March 2017 on procedural grounds.
For Q4’17, BICS posted revenue of €339m, incl. 2 months of TeleSign revenue.

- BICS Organic Q4’17 -11.3%, reflecting the ongoing transition within the International Carrier market, with usage moving from Voice to Data

Higher Direct Margin with positive evolution in Voice and non-Voice.

- Q4’17 direct margin of €78m, +15.5% YoY, strengthened by TeleSign. On organic basis, BICS +5.1%

BICS’ underlying segment result Q4’17 €37m, +3.0% YoY

- Higher direct margin partly offset by €9m expenses, of which two-thirds from TeleSign
- Organic Q4 EBITDA fairly stable, i.e. strong sequential improvement
- Q4’17 contained higher settlement agreements, and negative currency impact
- The Q4’17 segment margin as percent of revenue was 11.0%, up 1.0pp YoY

* Consolidated since November 2017
25.3% revenue growth for non-Voice to € 90m for Q4’17 with Messaging volumes +109.2% YOY.

• A strong increase in A2P volumes, including a solid contribution of TeleSign, accelerating BICS’ strategic ambitions in this growing market
• Organic non-Voice revenue up by 5.6%

Q4 Non Voice Direct Margin benefitted from the strong growth in SMS A2P volumes and Mobile data, driven by Roaming and Mobile IP businesses.

• The strategy to grow in the A2P area was accelerated by TeleSign, resulting in an overall non-Voice margin growth by 11.5% compared to the prior year. TeleSign aside, the non-Voice margin was kept fairly stable YoY
BICS Voice direct margin growing in spite of revenue pressure

Ongoing transition within the International Carrier market, with usage moving from Voice to Data.

- Erosion in Voice traffic, with Q4’17 volume -8.2% YoY, combined with a less favorable destination mix, and a negative USD currency effect, led to -14.5% decline in Voice revenue.

- BICS achieved +20.8% growth in Voice Direct margin, resulting from a higher-margin destination mix in BICS’ core business, and the contribution by TeleSign’s authentication services. TeleSign excluded, BICS’ Voice margin was up by 13.2%.
Additional info

- IFRS 15
- Spectrum
- Shareholder structure
- Pricing
- CSR – some realisations
- Contact details
IFRS 15 - new revenue recognition accounting standard

• Under IFRS 15, as of 1 January 2018, revenue arising from customer contracts, is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

1. Revenue from bundles, incl. subsidized devices and services, i.e. mainly related to mobile joint-offers

   Under IFRS 15, the revenue allocation to Service revenue and Device revenue will be based on the relative stand-alone selling price of the device and services.

   • More revenue will be allocated to the device, at the expense of Service revenue
   • Higher upfront revenue related to the device

2. Timing of the recognition of commissions which are incremental costs to acquire customer contracts

   Under IAS 18, the Group expenses these costs immediately while under IFRS 15, these costs are deferred. (3yrs for Consumer, 5yrs Business)

2018 reporting approach

1. Financial review

   Group and Segment variance commentary under IAS 18 for the 4 quarterly reports of 2018

   Exception: Consumer X-Play reporting
   - provided under IFRS 15 as of Q1’18
   - 2017 pro-forma comparison

   As of 2019, the X-Play reporting will fully replace the product view for the Consumer segment

2. Financial statements

   IFRS 15 as from 1 January 2018 with cumulative impact through equity and disclosing 2 sets of financials for 2018 in its Financial Statements: one under IAS 18 and one under IFRS15, without restating 2017 financials

Estimated financial impact

1. 2017 P&L (pro-forma)

   • Device revenue: ~€ +65 m
   • Service revenue: ~€ -45 m
   • Commissions: ~€ -5 m
   • EBITDA: ~€ +15 m

1. Balance sheet at 1/1/2018 (excl. deferred taxes)

   • Equity: € +203m*
     o Commissions: € +120 m
     o Contract asset from bundles: € +83m

* Before deferred tax
Spectrum auctions to come through end 2018 / early 2019
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.

<table>
<thead>
<tr>
<th>Date</th>
<th>Number of shares</th>
<th>% Shares</th>
<th>% Voting rights</th>
<th>% Dividend rights</th>
<th>Number of shares with voting rights</th>
<th>Number of shares with dividend rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgian state</td>
<td>180,887,569</td>
<td>53.5%</td>
<td>56.1%</td>
<td>55.9%</td>
<td>180,887,569</td>
<td>180,887,569</td>
</tr>
<tr>
<td>Own shares</td>
<td>15,386,146</td>
<td>4.6%</td>
<td>0.0%</td>
<td>0.3%</td>
<td>0</td>
<td>858,433</td>
</tr>
<tr>
<td>Free-float</td>
<td>141,751,420</td>
<td>41.9%</td>
<td>43.9%</td>
<td>43.8%</td>
<td>141,751,420</td>
<td>141,751,420</td>
</tr>
<tr>
<td>Total</td>
<td>338,025,135</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>322,638,989</td>
<td>323,497,422</td>
</tr>
</tbody>
</table>
M4M pricing strategy increasing value for converged customers with boosting data usage. Move from packs discounts to enhanced product features for convergent packs.

Our mobile offer addresses the steep increase in mobile data consumption

<table>
<thead>
<tr>
<th>Mobile only</th>
<th>Mobilus S</th>
<th>Mobilus M</th>
<th>Mobilus L</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="Mobilus" /></td>
<td><img src="image" alt="Mobilus" /></td>
<td><img src="image" alt="Mobilus" /></td>
<td><img src="image" alt="Mobilus" /></td>
</tr>
<tr>
<td>2x Mobile data</td>
<td>€15.00</td>
<td>€25.00</td>
<td>€40.00</td>
</tr>
<tr>
<td><img src="image" alt="Mobilus" /></td>
<td>€15.99</td>
<td>€26.99</td>
<td>€42.99</td>
</tr>
</tbody>
</table>

**Mobilus S**
- 120 min
- Unit sms
- 1GB
- 1.5 GB
- Fav. app

**Mobilus M**
- 300 min
- Unit sms
- 3GB
- 5 GB
- Fav. app

**Mobilus L**
- Unit min
- Unit sms
- 8GB
- 10 GB
- Fav. app

**Prices as of 1 August’17, including favourite TV option. If no Fav. TV option: €82.99 / €93.99/ €107.99**

- **100Mbps/15Mbps**
- **Unit volume**
- **10 GB cloud**
- **Modem incl.**
- **Wi-Fi extender (only for L)**
- **Decoder**
- **TV replay**
- **Proximus TV app**
- **1 Blockbuster / month**
- **TV bundle @ choice (eg. Sports, Netflix …)**
- **National & International free calls to Fix & Mob in EV & WE**
- **Free family calls**

*Prices as of 1 Aug ’17,* including favourite TV option. If no Fav. TV option: €82.99 / €93.99/ €107.99
Positioning Scarlet as no frills brand, with very attractive pricing for 'price seekers'

### Postpaid

<table>
<thead>
<tr>
<th>Plan</th>
<th>Price</th>
<th>Minutes</th>
<th>SMS</th>
<th>GB</th>
<th>Rate per unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red</td>
<td>€8</td>
<td>150</td>
<td>1000</td>
<td>500</td>
<td>€0.05 / MB</td>
</tr>
<tr>
<td>Hot</td>
<td>€18</td>
<td>500</td>
<td>2000</td>
<td>2</td>
<td>€0.07 / SMS</td>
</tr>
<tr>
<td>Chili</td>
<td>€28</td>
<td></td>
<td></td>
<td></td>
<td>€0.05 / MB</td>
</tr>
<tr>
<td>HiFive</td>
<td>€15</td>
<td>0</td>
<td></td>
<td>5</td>
<td>€0.05 / MB</td>
</tr>
</tbody>
</table>

### Fixed

<table>
<thead>
<tr>
<th>Plan</th>
<th>Price</th>
<th>Internet Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet Poco</td>
<td>€23</td>
<td>50 GB + Extra €3 per block of 50 GB, Down 30 Mbps, Up 2 Mbps</td>
</tr>
<tr>
<td>Internet Loco</td>
<td>€35</td>
<td>Unlimited volume, Down 50 Mbps, Up 4 Mbps</td>
</tr>
<tr>
<td>TV + Fix + Internet</td>
<td>€39</td>
<td>TV: ~30 channels, Fixed Voice line: Free calls to fix Off Peak, Unlimited volume, Down 50 Mbps, Up 4 Mbps</td>
</tr>
</tbody>
</table>

**NEW** Boost internet! [on](#) Ajoutez 1 GB* pour 5 € par mois

*Price subject to change without notice.
Leading in Corporate Social Responsibility
Some of our realizations

Education
• Safe use of internet for children
• Young people teaching the older generation (www.webexperts.be)
• Supporting technology-training for job seekers (www.proximusdigitalent.com)

Environment
• Reduce our CO₂ footprint
  • -30% (2015-2025)
• Climate neutral for our own activities
• Help customers reducing CO₂ footprint
• Collect & recycle for schools and customers
• Green business products

Communities
• School-videoconferencing for long-term ill children (www.bednet.be/www.takeoff-asbl.be)
• Accessible smartphones and tablets for disabled people
• Support local communities (homeless, refugees, disabled people…)

12,000 children educated on a safe use of internet

800 Long-term ill children connected with school in 2017

Read more in the annual CSR report on Proximus.com

* Calculated according to the guidelines of the Greenhouse Gas Protocol
For further information

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