

Belgacom NV van publiek
recht / SA de droit public

**Report of the joint auditors
for the year ended
31 December 2010**

The original text of this report is in Dutch / French

Belgacom NV van publiek recht / SA de droit public

Report of the joint auditors for the year ended 31 December 2010 to the shareholders' meeting

To the shareholders

As required by law and the company's articles of association, and more specifically with articles 143 and 144 of the Companies Code, applicable to Belgacom NV van publiek recht / SA de droit public under article 37 of the law of 21 March 1991 reforming certain economic public corporations, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the financial statements together with the required additional comments and information.

Unqualified audit opinion on the financial statements

We have audited the financial statements of Belgacom NV van publiek recht / SA de droit public for the year ended 31 December 2010, prepared in accordance with the accounting principles applicable in Belgium, which show total assets of 16.298.318 (000) EUR, and a profit for the year of 323.759 (000)EUR.

The board of directors of the company is responsible for the preparation and fair presentation of the financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these financial statements based on their audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Réviseurs d'Entreprises/ Instituut van de Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



In making those risk assessments, we have considered internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. We have assessed the basis of the accounting policies used, the reasonableness of significant accounting estimates made by the company and the presentation of the financial statements, taken as a whole. Finally, the board of directors and responsible officers of the company have replied to all our requests for explanations and information. We believe that the audit evidence that we have obtained, provides a reasonable basis for their opinion.

In our opinion, the financial statements as of 31 December 2010 give a true and fair view of the company's assets, liabilities, financial position and the results in accordance with the accounting principles applicable in Belgium.

Additional comments and information

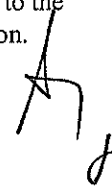
The preparation and the assessment of the information that should be included in the directors' report and the company's compliance with the requirements of the Companies Code and its articles of association are the responsibility of the board of directors.

Our responsibility is to include in our report the following additional comments and information, which do not change the scope of our audit opinion on the financial statements.

- The directors' report includes the information required by law and is in agreement with the financial statements. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the company, or on the status, future evolution, or significant influence of certain factors on its future development. We can, nevertheless, confirm that the information given is not in obvious contradiction with any information obtained in the context of our appointment.
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- In accordance with article 523 of the Companies Code, we are required to report on the following operations which have taken place since 31 December 2009:

During the meeting of the board of directors of 25 February 2010, the board of directors has decided upon the short and long term incentives of the President & CEO. In its directors' report, the board of directors has, in accordance with the requirements of article 523 of the Companies Code, reported on this transaction that triggered a conflict of interest for the President & CEO, in his capacity as director of the company. We refer to the attached directors' report, including annex 5, for the respective extract from the minutes of the board of directors. In respect of the offering to the President & CEO under the short term incentives, the board of directors estimates the financial consequences for the company at 735.636 EUR for the past year. In respect of the offering to the President & CEO under the long term incentives, the board of directors estimates the financial consequences for the company at 465.003 EUR for the past year.

- No transactions have been undertaken or decisions taken in violation of the company's articles of association or the Companies Code such as we would be obliged to report to you. The appropriation of the results proposed to the general meeting is in accordance with the requirements of the law and the company's articles of association.



- During the period, the company paid an interim dividend on which the statutory auditors, member of the joint auditors, have issued the report attached to the present report, as required by law.

Brussels, 25 February 2011

The joint auditors



DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Geert Verstraeten



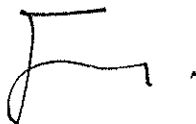
Luc CALLAERT BV o.v.v.e. EBVBA / SC s.f.d. SPRLU
Represented by Luc Callaert

The Belgian Court of Audit

Represented by

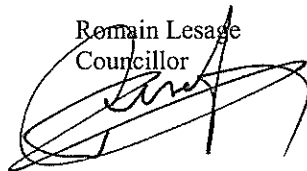
Pierre Rion

Councillor



Romain Lesage

Councillor



Belgacom NV van publiek
recht /SA de droit public

**Auditors' report on the statement of
assets and liabilities as of 30 September 2010
with respect to the proposed distribution
of an interim dividend**

Free Translation

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1. Introduction

In accordance with article 45 of the company's bylaws, the board of directors proposes to distribute an interim dividend out of the profit of the year.

In accordance with article 618 of the Company Code we have performed a limited review of the attached interim statement of assets and liabilities for the period of 1 January 2010 till 30 September 2010, which shows a balance sheet total of 17.790.825 (000) EUR.

This attached interim statement of assets and liabilities has been established under the responsibility of the board of directors in order to allow the directors to verify whether the available profit of the period, determined in accordance with the below mentioned article 618, is sufficient in order to distribute an interim dividend of 162 million EUR.

The wording (translated from Dutch) of article 618 reads as follows:

"The articles of association empower the board of directors to distribute an interim dividend on the results of the financial year.

The distribution can only relate to the profit of the current financial year, and, in such case, decreased by losses carried forward or increased by profit carried forward excluding the reserves set aside based upon a legal or statutory requirement. In addition, the distribution can only be realized after the board of directors has verified that the profit, determined in accordance with the second paragraph, is adequate in order to distribute an interim dividend on the basis of the statement of assets and liabilities, which is reviewed by the statutory auditor.

The verification report of the statutory auditor is attached to his annual opinion.

The board of directors' decision to distribute an interim dividend should be taken no later than 2 months subsequent to the date on which the statement of assets and liabilities has been drafted.

The distribution can be decided upon as early as 6 months after the closing of the previous financial year and following the approval of the financial statements of that financial year.

Subsequent to a first interim dividend distribution, a new distribution can be decided upon as early as 3 months after the first interim dividend was decided upon.

If the interim dividends exceed the amount of the year-end annual dividend, which is decided upon by the General Assembly, the surplus is considered as an advance on the subsequent dividend."

2. Limited review procedures

Our review was performed in accordance with the recommendations of the Belgian Institute of Chartered Auditors relating to limited review procedures. A limited review of a statement of assets and liabilities mainly comprises of an analytical review of the financial data and a discussion of this information with management. The scope of this limited review is not as extensive as a full review performed in accordance with generally accepted accounting standards. Therefore we cannot express an opinion on the attached statement.

We also ascertained that, based on the company's by-laws, the board of directors has the required legal power to distribute an interim dividend.

3. Comments on the statement of assets and liabilities

The interim statement of assets and liabilities as of 30 September 2010 has been established under the responsibility of the board of directors in accordance with the accounting law and regulations and the company's valuation rules and is derived from the company's accounting records. The valuation rules are consistent with those used in the previous accounting year.

The establishment of a statement of assets and liabilities for purposes of issuing an interim dividend does not require the inclusion of disclosures. Nevertheless, we would like to refer to the disclosures with respect to important claims and legal proceedings as included in the annual accounts of Belgacom Mobile NV as per 31 December 2009 and more specifically to the discussion of the alleged abuse of dominance on the Belgian mobile market. Following the merger by absorption of Belgacom Mobile NV by Belgacom NV on 4 January 2010, the board of directors of Belgacom NV has to assess this situation in the context of the intended distribution of an interim dividend. For the purpose of the distribution of an interim dividend, the attached interim statement of assets and liabilities is reliable to the extent that the assessment previously made by the board of directors with respect to the risks resulting from the claims and legal proceedings remains unchanged. The management has confirmed to us that, with the exception of what is mentioned below under 4, there are at present no new elements that would change the above mentioned risk assessment.

4. Important post balance sheet date events

As of the date of this report and on the basis of our discussions with the company's management, there have been no important post balance sheet events since 30 September 2010, date of the attached interim statement of assets and liabilities, that would have a material impact, except for the calendar decided by the Commercial Court of Brussels in connection with the legal proceedings regarding the by BASE and Mobisar claimed damages in respect of the alleged abuse of dominance on the Belgian mobile market by Belgacom Mobile NV. The calendar prescribes the timing for submission of an updated preliminary report of the experts assigned by the Court, followed by the further exchange of comments by the parties to the proceedings and the final report by the Court's experts.

5. Limitations on the profit appropriation

In accordance with article 616 of the Company Code, an amount of at least one twentieth of the net profit is to be annually withheld for the creation of a legal reserve. The obligation to withhold ends when the reserve fund has reached one tenth of its nominal capital.

In accordance with article 617 of the Company Code, no distribution may occur if, as a result of that distribution, the net assets would fall below the paid-in capital, or when this is higher, of the called-upon capital, increased by the reserves, which according to the legal and statutory requirements cannot be distributed. The net assets concern the total amount of assets, as shown in the balance sheet, less provisions and debts. In the event of a distribution of dividends, the shareholders' equity may not include the amount of unamortized formation expenses, and, subject to motivation in exceptional instances, the amount of unamortized research and development costs.

In accordance with article 618, the distribution of an interim dividend can be made on the profit of the current year and the profit carried forward, excluding the reserves set aside based upon a legal or statutory requirement.

Article 43 of the bylaws of Belgacom NV requires that 5 percent of the annual profit before tax needs to be distributed towards the personnel of the company. This happens via the profit appropriation in the annual accounts. The attached interim statement of assets and liabilities per 30 September 2010 does not contain this appropriation.

In case new elements in connection with the claims and legal proceedings would arise prior to the general assembly that will approve the annual accounts as per 31 December 2010, which would give rise to a possible negative assessment that could be made in a reasonable and reliable manner, the distribution of the result could be influenced or potentially affected accordingly.

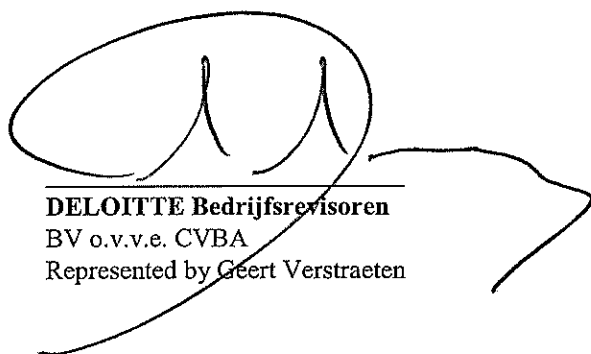
6. Conclusion

After consideration of what is mentioned above, our review did not reveal any facts or circumstances which would lead to important modifications to the statement of assets and liabilities for the period from 1 January 2010 till 30 September 2010.


The profit of the current period, as mentioned in the statement as per 30 September 2010, excluding the reserves based upon legal or statutory requirements, exceeds the amount of the proposed interim dividend. In case new elements in connection with the claims and legal proceedings would arise prior to the general assembly that will approve the annual accounts as per 31 December 2010, which would give rise to a possible negative assessment that could be made in a reasonable and reliable manner, the distribution of the result could be influenced or potentially affected accordingly.

The present report is solely intended for the use of the board of directors and the company's shareholders within the framework of the planned distribution of an interim dividend as set out above and can therefore not be used for any other purpose. In accordance with article 618, it should be annexed to the statutory report on the financial statements for the year ended 31 December 2010.

Brussels, 19 October 2010



DELOITTE Bedrijfsrevisoren
BV o.v.v.e. CVBA
Represented by Geert Verstraeten



Luc CALLAERT BV o.v.v.e. EBVBA
Represented by Luc Callaert

Attachment: Statement of Assets and Liabilities per 30 September 2010

Belgacom Board
October 21, 2010

Statement of assets and liabilities
as per September 30, 2010 of
Belgacom S.A. under public Law
(in EUR)

BALANCE SHEET

	Notes	Codes		
ASSETS				
FIXED ASSETS		20/28	<u>14.890.280.489,30</u>	
Formation expenses	5.1	20		
Intangible fixed assets	5.2	21	5.030.184.971,04	
Tangible fixed assets	5.3	22/27	1.878.103.124,95	
Land and buildings		22	226.720.707,53	
Plant, machinery and equipment		23	1.556.347.569,78	
Furniture and vehicles		24	34.809.310,40	
Leasing and other similar rights		25		
Other tangible fixed assets		26	60.225.537,24	
Assets under construction and advance payments		27		
	5.4/			
Financial fixed assets	5.5.1	28	7.981.992.393,31	
Affiliated enterprises	5.14	280/1	7.954.547.209,72	
Participating interests		280	7.954.547.209,72	
Amounts receivable		281		
Other enterprises linked by participating interests	5.14	282/3	2.000.000,00	
Participating interests		282	2.000.000,00	
Amounts receivable		283		
Other financial assets		284/8	25.445.183,59	
Shares		284	23.646.826,64	
Amounts receivable and cash guarantees		285/8	1.798.356,95	
CURRENT ASSETS		29/58	<u>2.900.544.646,79</u>	
Amounts receivable after more than one year		29	1.208.194,65	
Trade debtors		290		
Other amounts receivable		291	1.208.194,65	
Stocks and contracts in progress		3	98.349.184,57	
Stocks		30/36	76.274.578,95	
Raw materials and consumables		30/31	29.572.648,01	
Work in progress		32	62.766,55	
Finished goods		33		
Goods purchased for resale		34	46.639.164,39	
Immovable property intended for sale		35		
Advance payments		36		
Contracts in progress		37	22.074.605,62	
	5.5.1/			
Amounts receivable within one year	5.6	40/41	899.450.550,51	
Trade debtors		40	860.680.084,36	
Other amounts receivable		41	38.770.466,15	
Current investments		50/53	1.827.894.488,32	
Own shares		50	416.114.117,97	
Other investments and deposits		51/53	1.411.780.370,35	
Cash at bank and in hand		54/58	9.825.672,82	
Deferred charges and accrued income	5.6	490/1	63.816.555,92	
TOTAL ASSETS		20/58	<u>17.790.825.136,09</u>	

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EQUITY AND LIABILITIES		Notes	Codes	Previous period
EQUITY			10/15	2.668.811.675,68
Capital	5.7	10	1.000.000.000,00	
Issued capital		100	1.000.000.000,00	
Uncalled capital		101		
Share premium account		11		
Revaluation surpluses		12		
Reserves		13	1.401.240.463,21	
Legal reserve		130	100.000.000,00	
Reserves not available		131	449.660.771,15	
In respect of own shares held		1310	449.660.771,15	
Other		1311		
Untaxed reserves		132	14.205.605,71	
Available reserves		133	837.374.086,35	
Accumulated profits (losses)(+)/(-)		14	267.230.950,18	
Investment grants		15	340.262,29	
Advance to associates on the sharing out of the assets		19		
PROVISIONS AND DEFERRED TAXES		16	752.540.488,80	
Provisions for liabilities and charges		160/5	747.664.206,58	
Pensions and similar obligations		160	201.823,63	
Taxation		161		
Major repairs and maintenance		162		
Other liabilities and charges	5.8	163/5	747.462.382,95	
Deferred taxes		168	4.876.282,22	
AMOUNTS PAYABLE		17/49	14.369.472.971,61	
Amounts payable after more than one year	5.9	17	10.457.270.116,47	
Financial debts		170/4	10.402.249.249,67	
Subordinated loans		170		
Unsubordinated debentures		171	2.037.594.447,56	
Leasing and other similar obligations		172		
Credit institutions		173	7.906.154.802,11	
Other loans		174	458.500.000,00	
Trade debts		175	55.020.866,80	
Suppliers		1750	55.020.866,80	
Bills of exchange payable		1751		
Advances received on contracts in progress		176		
Other amounts payable		178/9		
Amounts payable within one year		42/48	3.475.757.913,54	
Current portion of amounts payable after more than one year falling due within one year	5.9	42	4.000.000,00	
Financial debts		43	2.429.926.552,76	
Credit institutions		430/8	2.427.469.052,76	
Other loans		439	2.457.500,00	
Trade debts		44	661.995.970,40	
Suppliers		440/4	661.995.970,40	
Bills of exchange payable		441		
Advances received on contracts in progress		46	18.522.706,53	
Taxes, remuneration and social security	5.9	45	352.483.457,25	
Taxes		450/3	168.512.941,89	
Remuneration and social security		454/9	183.970.515,36	
Other amounts payable		47/48	8.829.226,60	
Accrued charges and deferred income	5.9	492/3	436.444.941,60	
TOTAL LIABILITIES		10/49	17.790.825.136,09	