

# **Extraordinary General Shareholders' Meeting**

**Brussels, 4 January 2010**

belgacom

**Simultaneous translation**

**English : channel 3**

belgacom



**Please switch off  
your mobile**

belgacom

## Voting procedure



belgacom


## Inserting your voting card

- Make sure the barcode is at the top of the voting card and facing you.



belgacom

## Inserting your voting card

- Insert the voting card up to the red line.
- This symbol  will appear when the card is inserted correctly.



## Voting

- You can vote when the handset displays the 3 voting options.



## Voting

- To cast your vote, press the appropriate button on the handset.
- For example, to vote **FOR** press button **1** on the handset.





## Voting

- If you wish to change your vote during the voting time simply press your new choice.



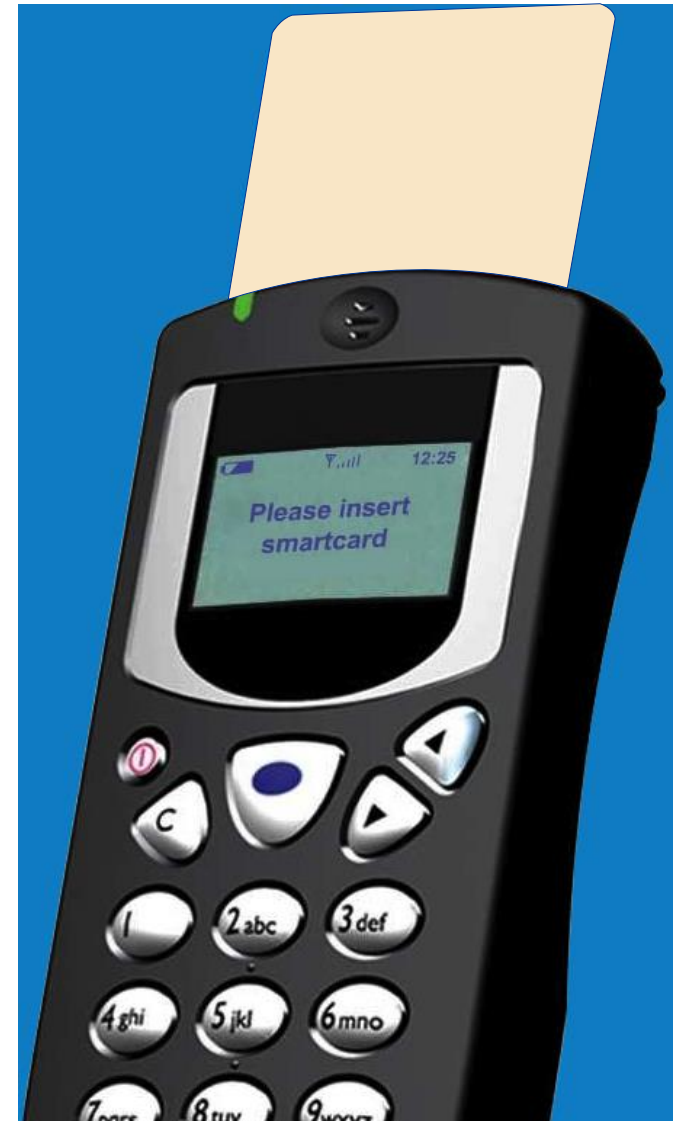
## Voting

- If your voting card is not inserted correctly during the vote, a warning will be displayed.



## After the Meeting

- Please return your handset and voting card at the end of the meeting.



## Test question

- Justine Henin will win the Australian Open 2010

1. FOR
2. AGAINST
3. ABSTAIN

**Theo Dilissen**

**Chairman of the Board**

belgacom

**Saskia Mermans**

**Vice-President Group Legal**

belgacom

**Theo Dilissen**

**Chairman of the Board**

belgacom

**Didier Bellens**

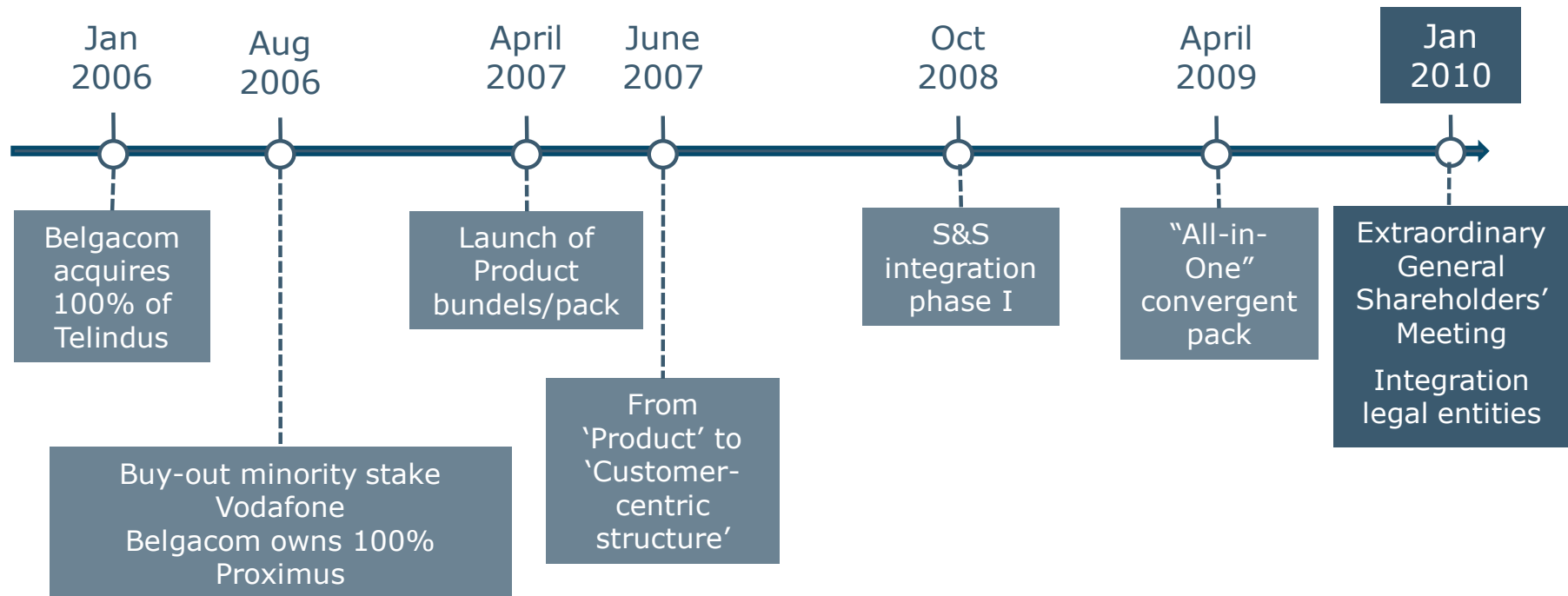
**President & CEO**

belgacom



# Convergence, a confirmed strategy

- **Belgacom started its convergence strategy years ago, striving for a gradual but decisive implementation towards one integrated company.**



# Convergence, driven by changing customer needs

- **Belgacom Customer needs are changing. Customers are looking for:**
  - **More freedom**
  - **More simplicity**
  - **More value for their money**
- **Boundaries between Fixed and Mobile technologies are fading.**
- **Belgacom very well positioned to act on these evolutions through “Convergence”.**

# Convergence supported by a nationwide, high quality mobile and fixed network

## Fixed Network

Coverage (% of population – Q3 2009) :

- ADSL : 99.85 % - world record
- Belgacom TV : 87 %

Broadway :

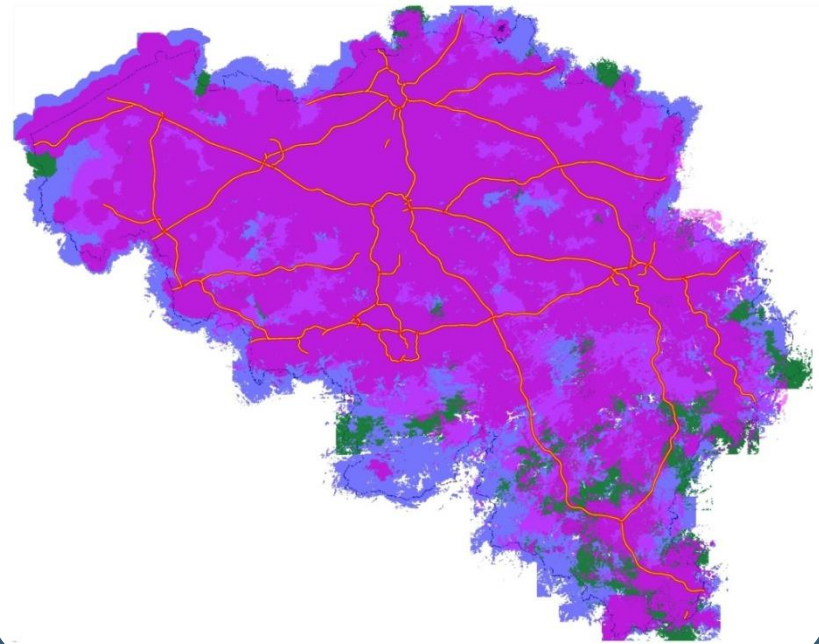
- VDSL equipment
- Fiber (FTTC)
- VDSL : >71 %
- Among top 5 world-wide
- € 500 Mio invested YTD



## Mobile Network

Coverage (% of population – Q3 2009) :

- 2G Outdoor : 99.98%
- 3G Outdoor : >91%
- € 475 Mio invested



# Convergence in Products & Services



- **Convergence for households**

- **'Packs': Bundling of fixed and/or mobile products**
- **Belgacom has a relationship with  $\frac{3}{4}$  Belgian households**
- **>40% of residential customers have 2 products or more**
- **Up-selling and cross-selling opportunities in order to increase stickiness**
- **End September 454k Packs sold**

- **Convergence for professional customers**

- **Provide full end-to-end fixed, mobile & IT solutions**
- **Attractive offers for professional customers e.g. flat rate in-company calling for fixed & mobile**

# The need to take convergence one step further, creating more flexibility

- **SUCCESSFULLY PROGRESSION** at the level of customer experience, organizational development and operational synergies.
- **However, MANY ORGANIZATIONAL CONSTRAINTS REMAIN.**  
E.g :
  - Complex matrix organization, limits operational synergies
  - Different legal framework constraint to align HR-policies
  - Limited flexibility to upgrade skill-set along with introduction of new technologies
  - Difficult resource capacity allocation across legal entities
- **EXTERNAL FACTORS REQUIRE MORE ORGANIZATIONAL FLEXIBILITY:**
  - Increased competition on converged offers
  - Slowing market growth in traditional line of business
  - Extended shopping hours

# Integration is the path forward

- **To exploit the full benefits of convergence, we need to gain flexibility by removing current organization constraints by evolving towards a fully integrated company**
- **Therefore, we propose to integrate the subsidiaries that support our convergent strategy into Belgacom SA : Belgacom Mobile, Telindus Group (only the national activities), Telindus, Telindus Sourcing and Belgacom Skynet**

**Theo Dilissen**

**Chairman of the Board**

belgacom

# Agenda

belgacom



**A. Partial demerger of Telindus Group NV through acquisition by Belgacom SA under public law**

**A.1. Proposal, reports and preliminary declarations**

**A.1.1. Acknowledgment and discussion of the following documents:**

- the proposal for a partial demerger by acquisition approved in accordance with Article 677 in conjunction with Article 728 of the Belgian Companies Code, by the Boards of Directors of Belgacom SA under public law (hereafter "Belgacom SA") and Telindus Group NV, with its registered office at 3001 Heverlee, Geldenaaksebaan, 335 and with company number 0422.674.035 on 22 and 26 October 2009, and filed with the Clerk of the Commercial Courts of Brussels and Leuven on 19 November 2009;
- the report of the Board of Directors of 30 November 2009 in accordance with (i) Article 677 in conjunction with Article 730 and (ii) Article 602 of the Belgian Companies Code;
- the auditor's report of 30 November 2009 on the partial demerger in accordance with Article 602, paragraph 3 in conjunction with Article 731 of the Belgian Companies Code.

**A.1.2. Pursuant to Article 677 in conjunction with Article 732 of the Belgian Companies Code, notification by the Board of Directors of any important change in the assets or liabilities of the companies involved that has occurred since the date of the proposal for a partial demerger.**

## **B. Partial demerger of Belgacom Skynet SA through acquisition by Belgacom SA under public law**

### **B.1. Proposal, reports and preliminary declarations**

#### **B.1.1. Acknowledgment and discussion of the following documents:**

- the proposal for a partial demerger by acquisition approved, in accordance with Article 677 in conjunction with Article 728 of the Belgian Companies Code, by the Boards of Directors of Belgacom SA and of Belgacom Skynet SA, with its registered office at 1030 Brussels, Boulevard du Roi Albert II, 27, and with company number 0460.102.672 on 22 and 23 October 2009 and filed with the Clerk of the Brussels Commercial Court on 19 November 2009;**
- the report of the Board of Directors of 30 November 2009 in accordance with (i) Article 677 in conjunction with Article 730 and (ii) Article 602 of the Belgian Companies Code;**
- the auditor's report of 30 November 2009 on the partial demerger in accordance with Article 602, paragraph 3 in conjunction with Article 731 of the Belgian Companies Code.**

**B.1.2. Pursuant to Article 677 in conjunction with Article 732 of the Belgian Companies Code, notification by the Board of Directors of any important change in the assets or liabilities of the companies involved that has occurred since the date of the proposal for a partial demerger.**

**C. Transaction equivalent to a merger by acquisition between Belgacom SA on the one hand and Belgacom Mobile SA, Telindus NV and Telindus Sourcing SA on the other.**

**C.1. Proposal, reports and preliminary declarations**

**Acknowledgment, discussion and approval of the joint merger proposal equivalent to a merger by acquisition, by the Board of Directors of Belgacom SA on the one hand and by the Boards of Directors of the following companies on the other hand, drawn up in accordance with Article 719 of the Belgian Companies Code (the "Merger proposal"):**

**Belgacom Mobile SA, with its registered office at 1030 Brussels, Boulevard du Roi Albert II, 27, and with company number 0453.918.428**

**Telindus NV, with its registered office at 3001 Heverlee, Geldenaaksebaan, 335, and company number 0442.257.642**

**Telindus Sourcing SA, with its registered office at 7000 Mons, Avenue Thomas Edison, 1, and company number 0457.839.802.**

**This merger proposal was drawn up on 22, 23 and 28 October 2009 and was filed on behalf of Belgacom SA and Belgacom Mobile SA with the Clerk of the Brussels Commercial Court on 19 November 2009. It was filed on behalf of Telindus SA with the Clerk of the Leuven Commercial Court on 19 November 2009, and filed on behalf of Telindus Sourcing SA with the Clerk of the Mons Commercial Court on 20 November 2009.**

# Questions & Answers

belgacom

**Vote on  
the proposed resolutions**

belgacom

# Proposed resolution (1)

## A.2. Resolution for a partial demerger

### A.2.1. Partial demerger of Telindus Group through acquisition by Belgacom SA.

#### Motion for a resolution:

The meeting decides to approve the partial demerger of Telindus Group, with the transfer of part of its corporate assets to Belgacom SA, without dissolution and without ceasing to exist.

The transfer of the demerged corporate assets will take place in accordance with Article 740, § 2 of the Belgian Companies Code, i.e., without the issue of shares by Belgacom SA and without the exchange of Belgacom SA shares for shares of the Telindus Group NV.

## **Proposed resolution (2)**

**As from 1 January 2010, from the point of view of direct taxes and accounting, all operations made by the Telindus Group relating to the demerged corporate assets will be carried out for the account of Belgacom SA.**

**As detailed in the proposal for a partial demerger, as a consequence of the proposed partial demerger, Telindus Group NV shall transfer to Belgacom the Belgian participations of Telindus Group as well as any supporting activities that are exclusively or mainly at the service of these Belgian companies. The international participations and the activities specifically aimed at supporting these international companies shall remain with Telindus Group NV.**

- 1. FOR**
- 2. AGAINST**
- 3. ABSTAIN**



# Proposed resolution

## A.2.2. Adoption of the partial demerger – impact.

### Motion for a resolution:

The meeting decides, in application of Article 740, § 2 of the Belgian Companies Code, that Belgacom SA shall not issue any new shares and/or acquire its own shares in exchange for the shares which it holds in Telindus Group NV. At the level of Belgacom SA, the book value of the participation in the Telindus Group NV (which is part of the financial fixed assets) as a result of this partial demerger will be partially replaced by (i) the property components transferred by Telindus Group and (ii) goodwill.

1. FOR
2. AGAINST
3. ABSTAIN

# Proposed resolution (1)

## B.2. Resolution for a partial demerger

### B.2.1. Partial demerger of Belgacom Skynet SA through acquisition by Belgacom SA.

#### Motion for a resolution:

The meeting decides to approve the partial demerger of Belgacom Skynet SA, which involves the transfer of part of its corporate assets to Belgacom SA, without dissolution and without ceasing to exist.

The transfer of the demerged corporate assets shall take place in accordance with Article 740, § 2 of the Belgian Companies Code, i.e., without the issue of shares by Belgacom SA and without the exchange of Belgacom SA shares for shares of Belgacom Skynet SA.

As from 1 January 2010, from the point of view of direct taxes and accounting, all operations made by Belgacom Skynet SA relating to the demerged corporate assets will be deemed to have been carried out for the account of Belgacom SA.

## **Proposed resolution (2)**

**As detailed in the proposal for a partial demerger, as a result of the partial demerger, Belgacom Skynet SA shall transfer all its operational activities and related assets and liabilities to Belgacom SA with the exception of (i) the financial participation in Skynet iMotion Activities SA, with its registered office at rue Carli 2, 1140 Evere and with company number 0875.092.626 and (ii) the investments placed with Belgacom Group International Services NV, with its registered office at Geldenaaksebaan 335, 3001 Heverlee and with company number 0466.917.220.**

- 1. FOR**
- 2. AGAINST**
- 3. ABSTAIN**

# Proposed resolution

## B.2.2. Adoption of the partial demerger – impact.

### Motion for a resolution:

The meeting decides, in application of Article 740, § 2 of the Belgian Companies Code, that Belgacom SA shall not issue any new shares and/or acquire shares in itself in exchange for the shares which it holds in Belgacom Skynet SA. At the level of Belgacom SA, the book value of the participation in Belgacom Skynet SA (which is part of the financial fixed assets) as a result of this partial demerger will be partially replaced by (i) the property components transferred by Belgacom Skynet SA and (ii) goodwill.

1. FOR
2. AGAINST
3. ABSTAIN

# Proposed resolution

## C.2. Resolution for a merger by takeover

### Motion for a resolution:

The meeting approves the acquisition by the company Belgacom SA of the companies Belgacom Mobile SA, Telindus NV and Telindus Sourcing SA, in the form of a transaction equivalent to a merger in the sense of Article 676, section 1 of the Belgian Companies Code.

As from 1 January 2010, from the point of view of direct taxes and accounting, all the operations performed by each of the three aforementioned companies will be deemed to have been carried out for the account of Belgacom SA.

1. FOR
2. AGAINST
3. ABSTAIN

# Proposed resolution

## D. Miscellaneous

**D.1. Proposal to grant authority for the implementation of the decisions taken.**

### Motion for a resolution:

**The meeting decides to grant authority to the Board of Directors, with power of substitution, for the implementation of the decisions taken.**

- 1. FOR**
- 2. AGAINST**
- 3. ABSTAIN**

# Proposed resolution

**D.2. Proposal to grant special authority for the procedures at the Crossroads Bank for Enterprises and ensure publication in the appendixes of the Belgian Official Gazette and for the VAT authorities.**

**Motion for a resolution:**

**The meeting decides to grant special authority for the procedures at the Crossroads Bank for Enterprises and ensure publication in the appendixes of the Belgian Official Gazette and for the VAT authorities.**

- 1. FOR**
- 2. AGAINST**
- 3. ABSTAIN**

# **Extraordinary General Shareholders' Meeting**

**Brussels, 4 January 2010**

belgacom