

Proximus Group

Results Q2 2020

proximus

Key achievements in an eventful first-half of the year



Constructive social climate

Executed our social plan with successful voluntary departure and re-established dialogue with social partners



Hands on Covid crisis management

Agile and reactive crisis management to ensure safety of employees and customers, ensure network reliability and strong cost management



Launch #inspire2022

Launched a new ambitious strategy with first concrete realisations across 4 pillars

Solid commercial momentum in Q2 2020, in spite of partial lock-down

Fixed

Outpacing Covid-related installation delays



+ **19,000**



+ **11,000**



scarlet

Mobile Postpaid

Supported by offer revamp



+ **45,000**

postpaid

+ **12,000**

Convergent customer net adds
driven by Minimus & Epic Combo

Minimus **epic** **combo**



+ **175,000**

M2M

> 2 million SIMs

Covid-19 margin impact mitigated by lower costs and managing investments.

€ **1,037**M

Underlying
Domestic revenue
-4.3% YoY

€ **804**M

Underlying
Domestic direct margin
-4.6% YoY

€ **442**M

Underlying
Domestic EBITDA
-1.0% YoY Q2

€ **418**M

Group CAPEX
(excl. spectrum)
YTD Q2

-48M YoY YTD

+ **3.1**%

Consumer
Convergent Customer
revenue

Strong cost control

-8.8%

Domestic Expenses
YoY Q2

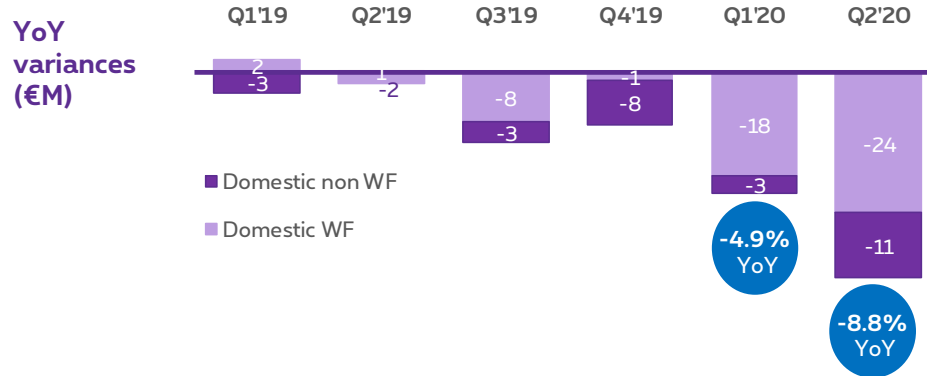
€ **477**M

Underlying
Group EBITDA
-1.5% YoY Q2

€ **523**M

Underlying
Group EBITDA –
Capex excl. Spectrum
YTD Q2

Strong Q2 2020 domestic cost control results in -8.8% decrease in underlying expenses.



H1 Domestic expenses
 -6.8% or € -55M YoY

- 50% structural cost benefits, incl. decrease in headcount, and accelerated digitization
- Non recurring elements of about 20M (Covid-19 & one-off)
- Timing related savings, to be spent in H2

- 9.3%
 Indirect Domestic Opex Q2 YoY

Covid-19 margin impact in H1 mitigated by lower costs and managing investments.

Direct Margin € -34M

- Steep contraction in roaming traffic (roaming out, visitor roaming & instant roaming)
- Free usage given to customers, reducing out of bundle revenues
- Limited ICT impact

Opex € -14M (temporary)

- Economic unemployment
- Commercial savings

Capex (temporary)

- Delays in roadworks, customer connections and equipment, backbone migration, etc.



EBITDA
€ -20M

EBITDA - CAPEX
Positive in H1

Confident to meet the high-end of FY2020 outlook of €780-800M underlying Group EBITDA minus CAPEX

Guidance metrics	Actuals FY 2019	Guidance FY 2020	Actuals YTD 2020
EBITDA - CAPEX	€ 844M	€780-800M	€ 523M
Group underlying EBITDA	€ 1,870M	/	€ 941M
CAPEX <small>(excl. spectrum & football rights)</small>	€ 1,027M	/	€ 418M



FY Group EBITDA
Covid-19 impact
estimated at about
€ -60M

€ 1.2

Proximus reiterates its intention to return over the result of 2020, 2021 and 2022 an annual gross dividend of EUR 1.2 per share, to be considered as a floor.

Executing upon our #Inspire2022 strategy with some transformational steps around value propositions, partnerships and building gigabit networks

1



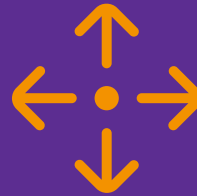
Build the **gigabit network** for Belgium

2



Operate like a **“digital native”** company

3



Grow profitably through **partners & ecosystems**

4



Embedding **sustainability** and **digital inclusion**

1 July 2020 we launched Flex, a new range of packs, customized to the needs of each family member



At home experience

- Unlmted internet with optimized wifi
- Family life app

TV & entertainment experience


- A unique TV experience with Pickx on all your screens
- My e-Press

Mobile experience

- Worry-free surfing for everyone
- A second, third... mobile subscription as from 9€




Grow ARPC



Grow multi-mobile



Drive convergence



Grow NPS

Belfius – Proximus

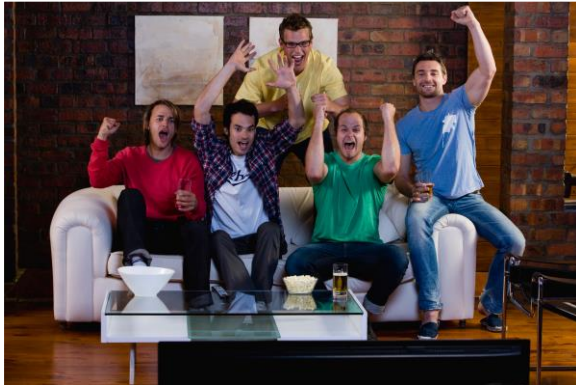
Unique strategic partnership



- Bring **innovative digital solutions** to customers
- **100% asset light**, no material set-up costs
- Benefits in **reducing churn**
- Increasing interactions with customers (**4000 extra sales agents**)
- Access to **valuable banking data** in a GDPR compliant way

Launch banking
services in 2021

Proximus and Eleven Sports sign 5 years deal on Belgian football



With Pickx, we want to bring the most relevant content to our customers in a simple and attractive way

Launched the next level Pickx experience



Capitalizing on momentum to accelerate digital penetration

Strong digital sales penetration...



21%
in Q2'20



And innovative sales models

Onze commerciële medewerkers zijn nu ook bereikbaar via videochat



Digitization of interactions



Mobile Network Sharing JV MWingz operational since 1 April.

Vendor selection process progressing well.

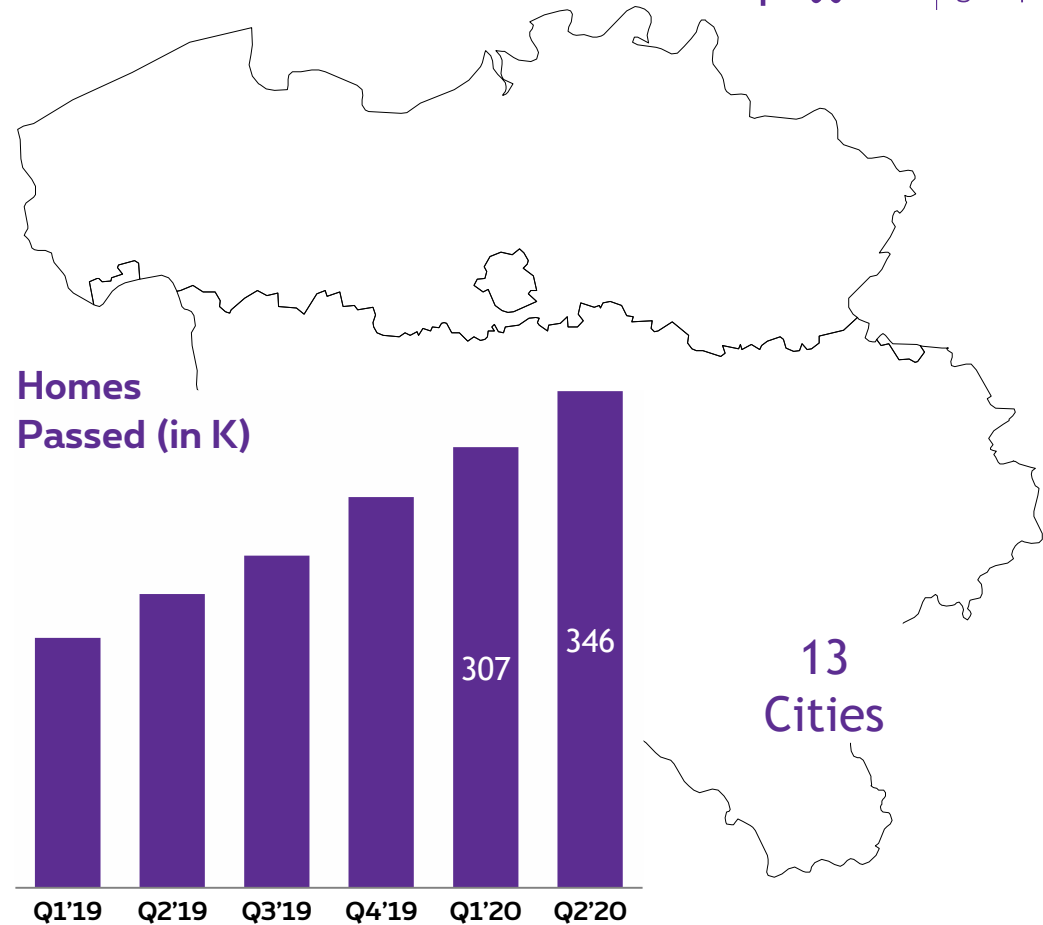


- Vendor selections for both RAN and Proximus Core are progressing well
- Taking into account all EU and governmental requirements in our selection process



No additional cost
expected versus
our announced
6-year capex
plan

Despite Covid-19 restrictions,
Proximus continues
to rapidly deploy
fiber across Belgium



Building long-lasting, valuable assets



Faster

- Accelerating Belgium-wide fiber rollout
- Increasing rollout capacity by attracting two industrial partners



Broader

- Increasing retail competitiveness
- Attractive Fiber ARPU in larger footprint
- Generating new wholesale revenues
- Broader and faster copper outphasing



Lower cost

- Leveraging know how and best practices of fiber deployment
- Positive spill over to make own rollout even more efficient

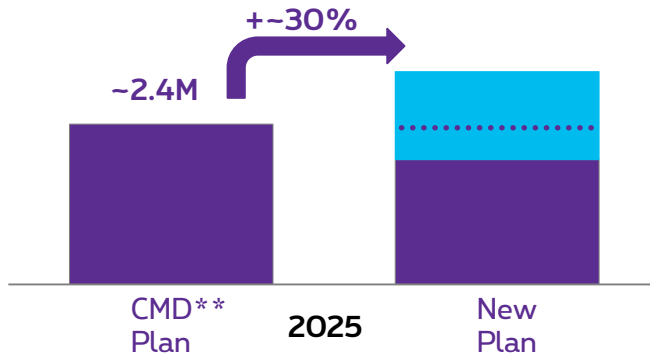
Building strong valuable assets



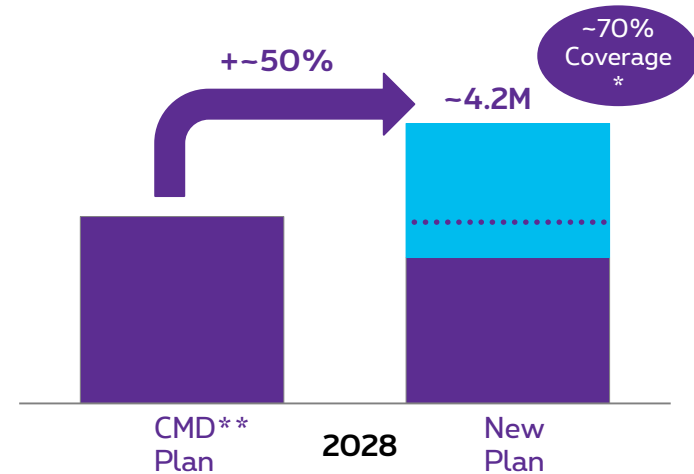
FCF accretive

Partnerships to increase 2025 fiber ambition by ~30% and to reach ~4.2M homes and business locations by 2028

Fiber deployment, M homes & businesses passed



In the new plan, the Joint Ventures will extend and speed up the fiber footprint in Belgium

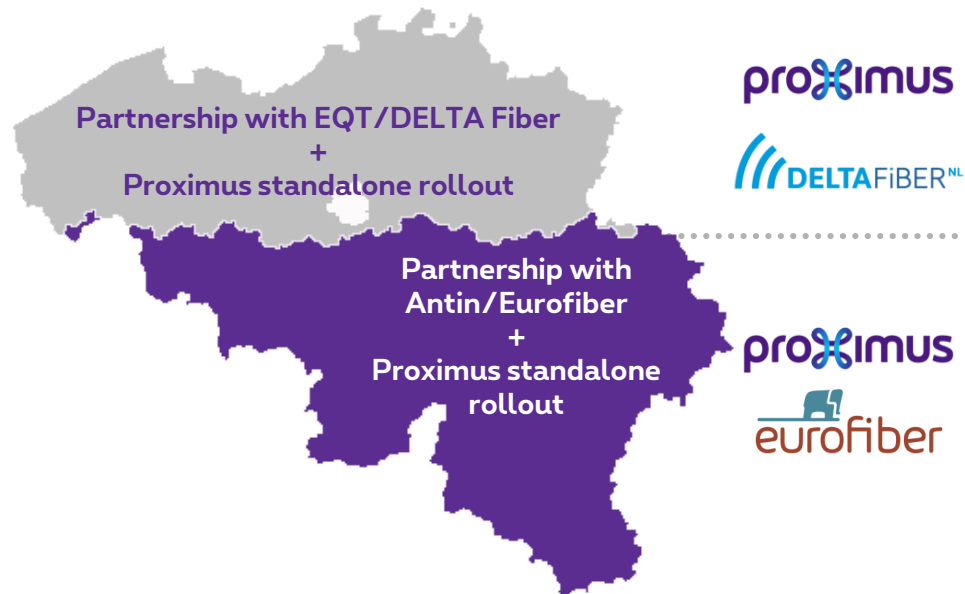


In the new plan, the majority of extra footprint will be performed in co-invested Joint Ventures

* Assuming 6M Homes and business locations in 2028

** Proximus Capital Markets Day, March 31, 2020

Joint fiber deployment in Flanders & Wallonia incremental and complementary to our own rollout



Exclusive negotiations with partners with **deep fiber rollout experience** in other markets

- With DELTA Fiber in the North
- With Eurofiber in the South

DELTA Fiber and Eurofiber are controlled by EQT and Antin respectively, **2 of the largest infrastructure investors in Fiber** across Europe

Proximus continues, alongside partnerships, to rollout and **wholly own the vast majority of the Fiber footprint** as announced at the CMD

Proximus **deploys an active layer** across full combined footprint

Jointly building a **passive open and non discriminatory** fiber network for Belgium

~70-80% of ownership over the full fiber footprint with Proximus in the long term

We build long term asset value with neutral impact on 2021-2025 FCF

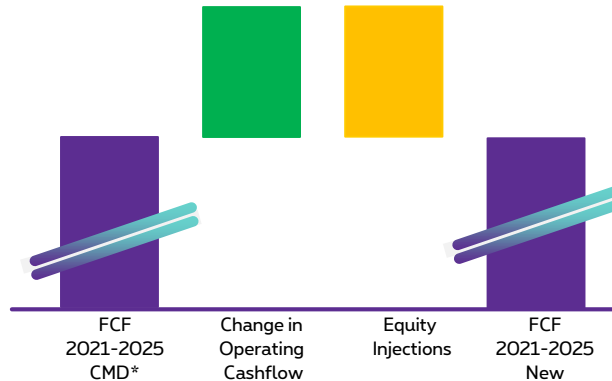
Neutral impact on cashflow over 2021-2025

Operating cashflow (+)

- + Reduction of rollout Capex
- + More revenues and more investment into additional activations of larger footprint
- Increase in OPEX for line rental to JV

Equity injections (-)

- Equity injections into JV to fund JV deployments



Creating long term asset value for Proximus



Increased footprint with higher ARPUs and market share



New revenue sources



Accelerated copper outphasing

Q&A

pro χ imus

Results Q2 2020 in detail

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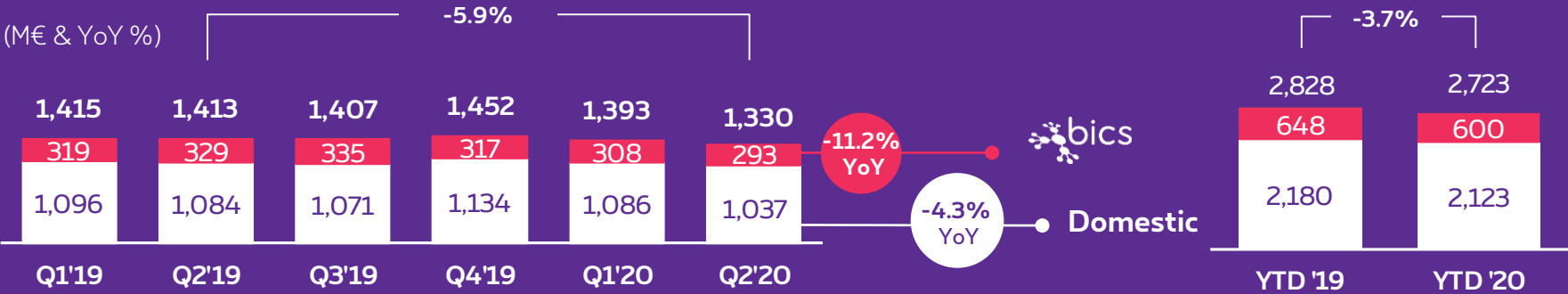
Notes

- All figures included in this presentation are on 'Underlying' basis, allowing for a meaningful YOY comparison.
- Figures are rounded. Variances are calculated from the source data before rounding, implying that some variances may not add up.

Underlying Group Revenue

QoQ trend change largely driven by Covid-19-related impacts, normal business trend rather stable to Q1

- Steep decrease in the overall Roaming revenue following the travel restrictions
- Proactive commercial gestures for customers in times of confinement.
- Less customer reminder and reconnections fees.
- Accelerated decrease in inbound revenue (Group margin neutral)

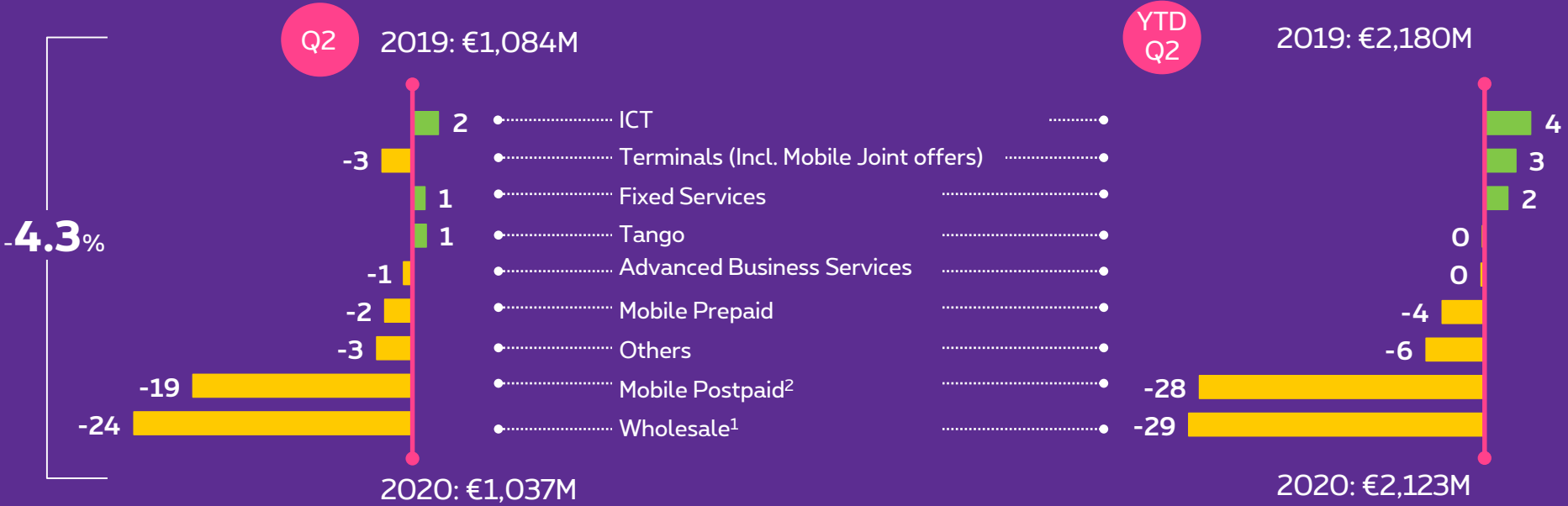


Domestic Q2 revenue

- Consumer: -1.7% YoY
- Enterprise: -4.5% YoY
- Wholesale: -24.9% YoY

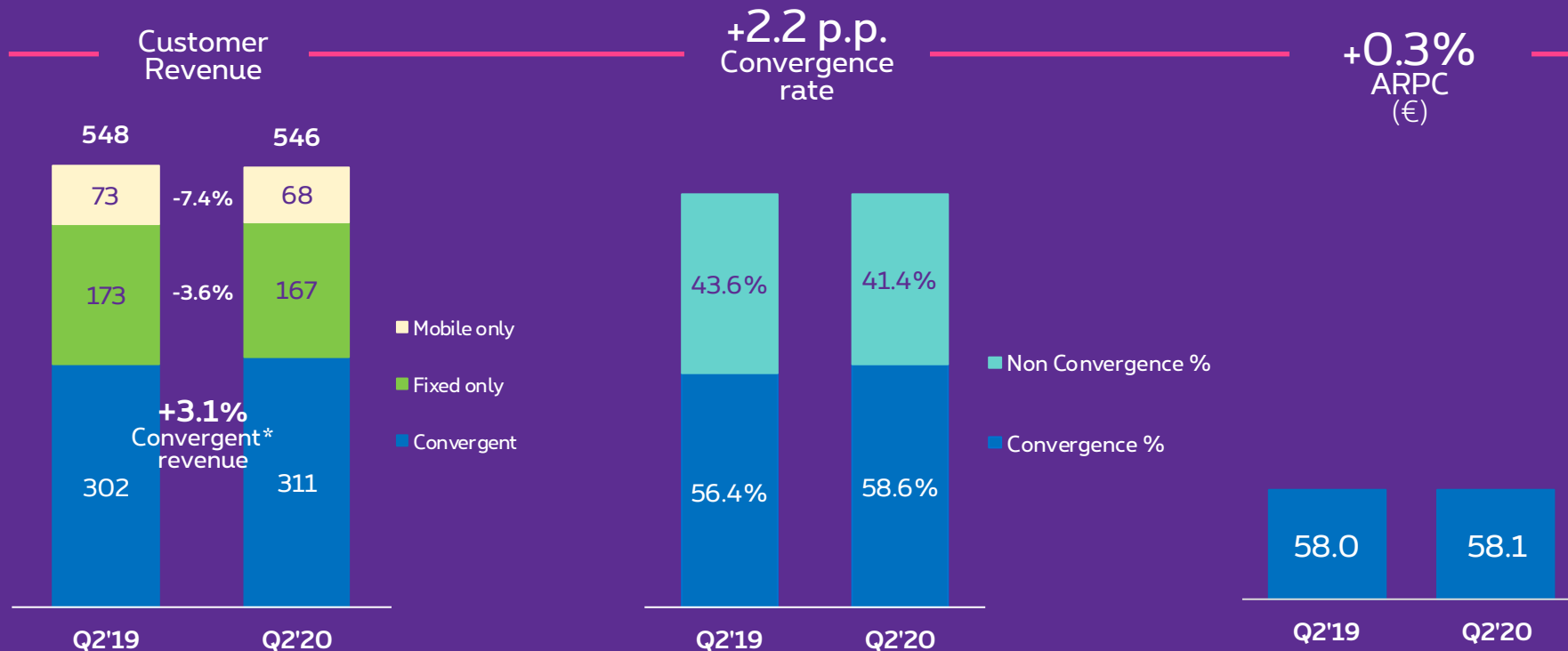
Underlying Domestic revenue by product nature

YoY evolution



1. Incl. mobile inbound revenues (reporting change as of Q1 2020)
 2. Incl. international calling/SMS impact (€-2M in Q2 & € -7M YTD Q2)

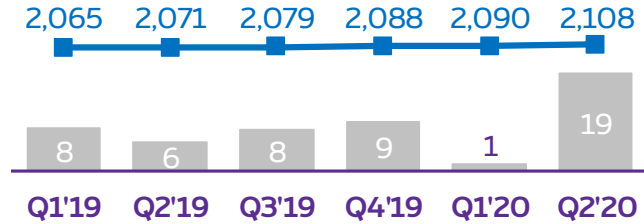
Consumer Telecom business holds up well through progressing convergence rate



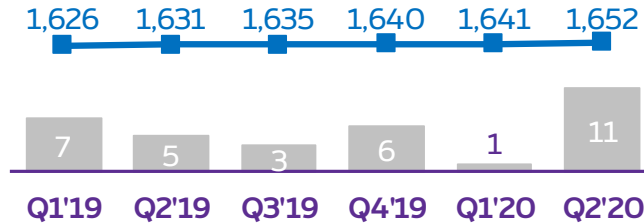
*Convergent stands for Customers subscribing to both Fixed and Mobile services.

Fixed Services

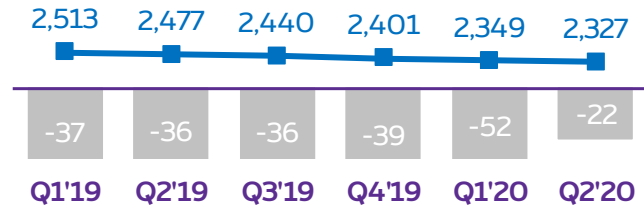
TV and Internet backlog resolved, supported by exceptionally low churn levels



Lines
+37K
YoY
+1.8%

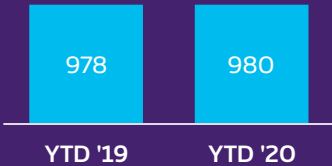


Lines
+21K
YoY
+1.3%



Lines
-149K
YoY
-6.0%

YTD Q2
Fixed Services Revenue (M€)
+0.2% YoY

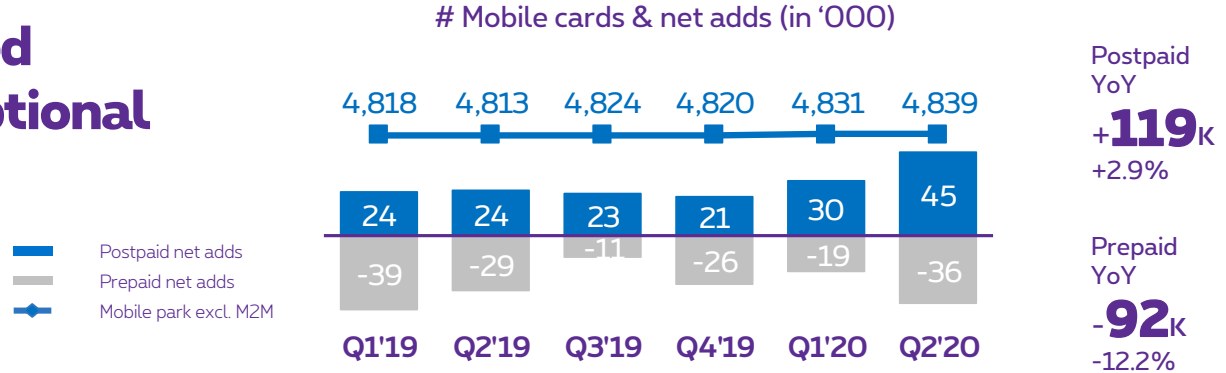


My e-Press



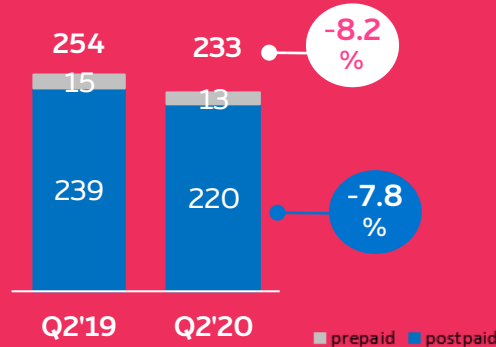
— Net adds — Park

Solid Postpaid customer growth in Q2 2020, supported by revamped mobile offer and exceptional low churn.

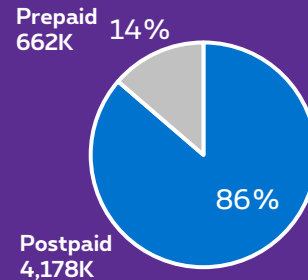


Mobile services revenue

- + Growing base
- Roaming (Covid-19)
- Pricing pressure at Enterprise
- Out-of-bundle (mobile revamp & easing measures)
- International sms/calling regulation
- Accounting allocations

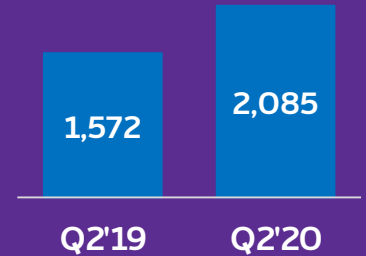


> 4.8M Mobile cards



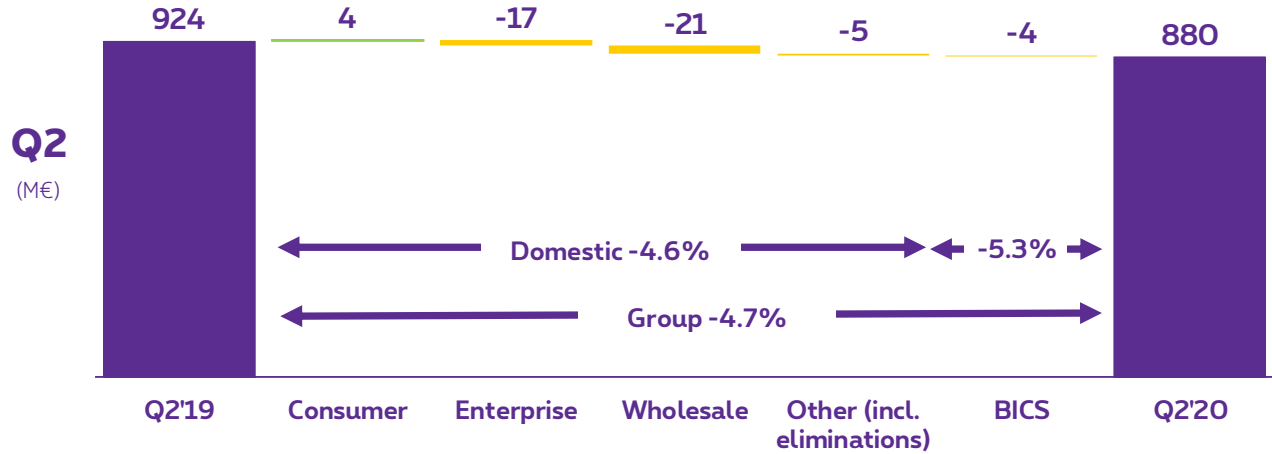
>2M M2M

('000 sim cards, Group)



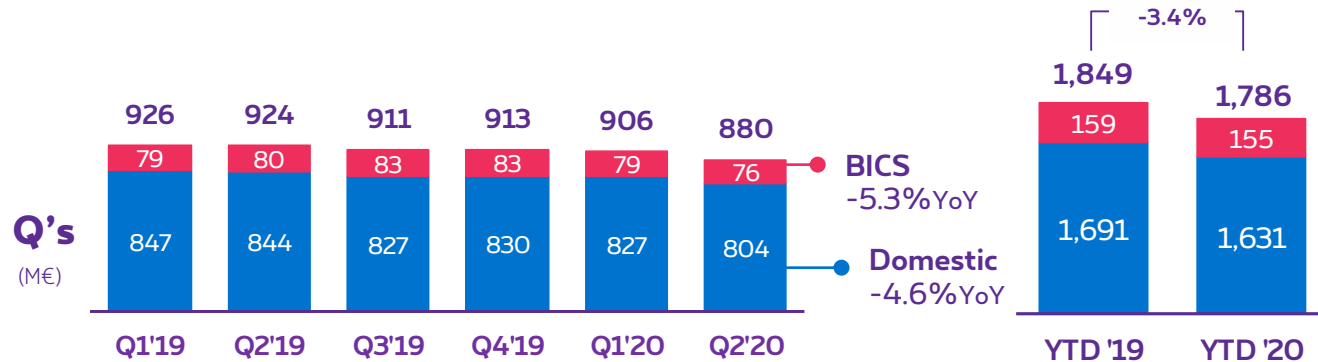
Underlying Domestic direct margin.

Covid-19 headwinds for an estimated amount of €-23M especially visible in wholesale (lower wholesale roaming traffic and in particular a drop in SMS interconnect, group neutral).

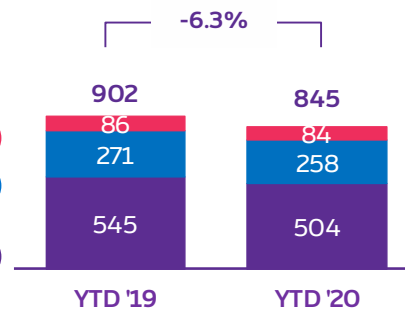
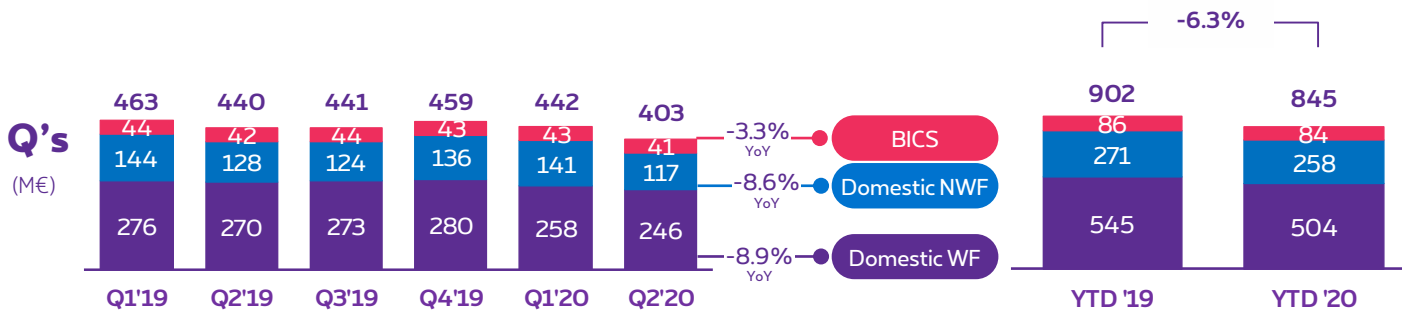
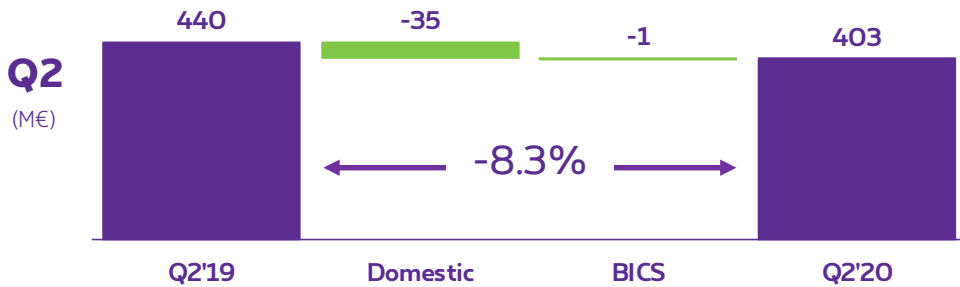


Underlying BICS direct margin.

Covid-19 impact over € -5M on top of the progressive insourcing by MTN, only partially offset by strong performance in Telesign.



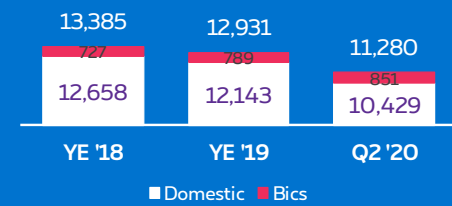
Strong decline in underlying operating expenses, mainly driven by lower headcount, efficiencies in commercial spending and one-off



-8.8% YoY
Domestic expenses.

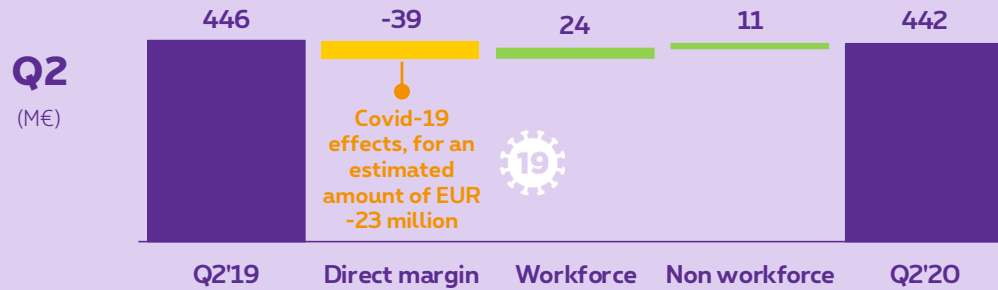
-7.4% YoY YTD Q2
Indirect expenses

-1,779 Q2 YoY
Domestic FTEs (ELP/FFP*)



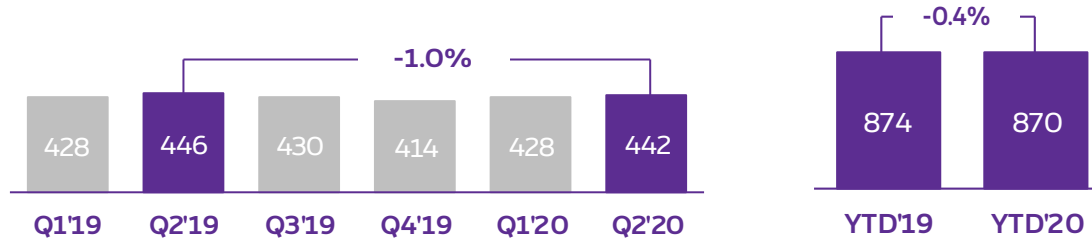
* Early Leave Plan/Fit for Purpose plan

Q2 Underlying Domestic EBITDA -1.0%



-1.0% YoY
Underlying Domestic EBITDA

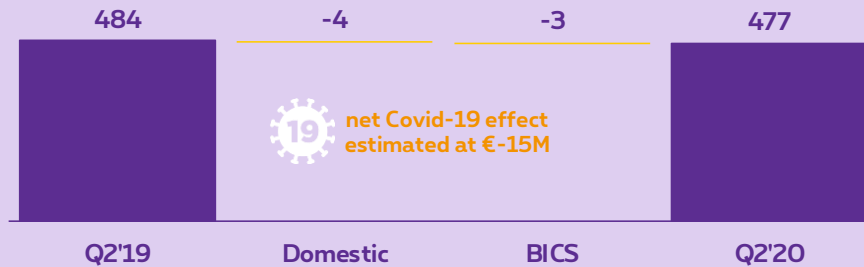
Q's
(M€)



42.6%
Underlying Domestic EBITDA margin in Q2 2020
+1.4 p.p. YoY

Q2 Underlying Group EBITDA -1.5%

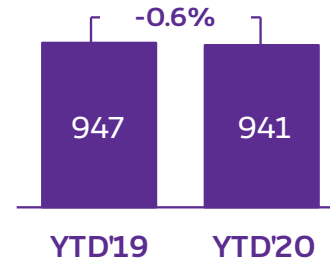
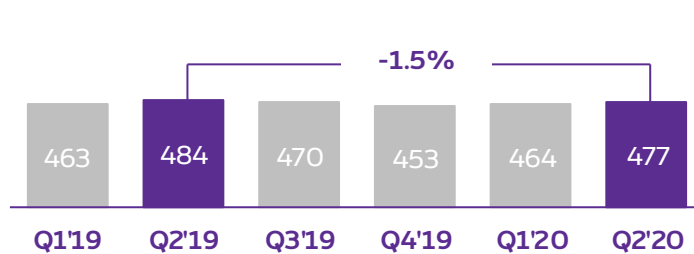
Q2
(M€)



-1.0% YoY
Underlying **Domestic** EBITDA

-7.4% YoY
Underlying **BICS** EBITDA

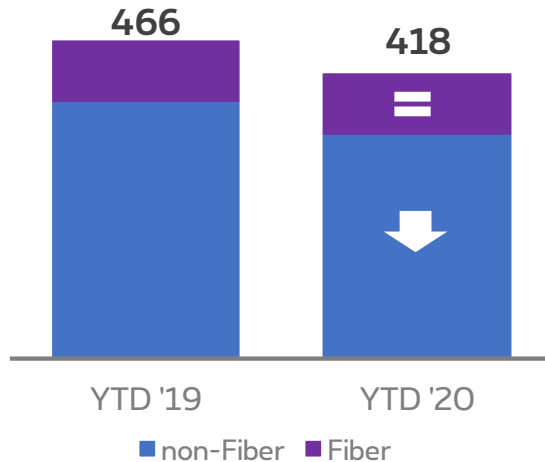
Q's
(M€)



35.9%
Underlying
GROUP EBITDA
margin in Q2
2020
+1.6 p.p. YoY

Lower capex, while safeguarding strategic investments in Fiber, 5G and IT transformation

Capex (€M)
Excl. spectrum



Fiber Capex stable YoY:

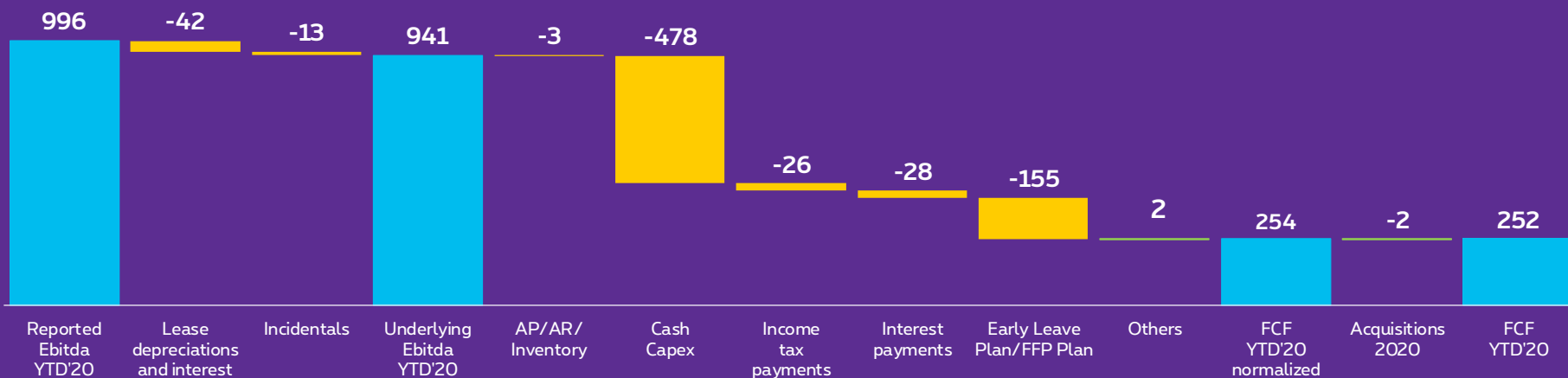
Corona restrictions caused limited, temporary deployment delay.

Non-Fiber Capex:

- Covid-19 impact (e.g. delays in roadwork, customer connections and equipment, backbone migration...)
- Managing down copper & other less strategic investments
- Completed projects (e.g. Fiber to the business in large industrial zonings)

From EBITDA to FCF

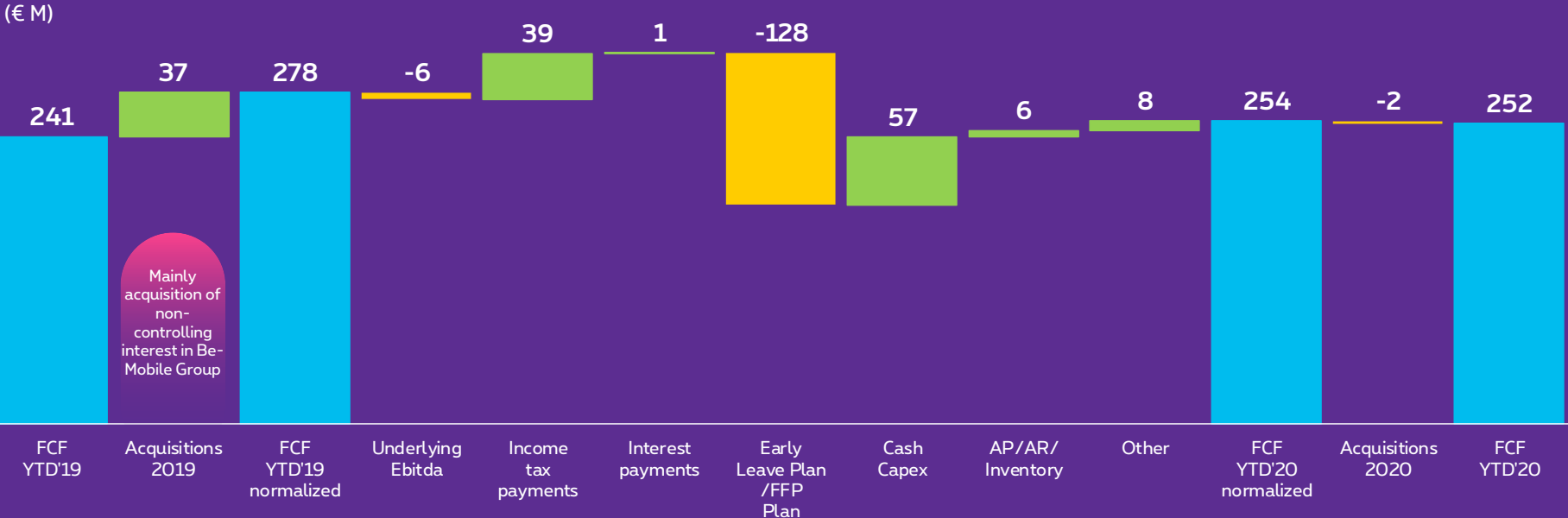
(€ M)



• Early leave plan refers to voluntary early leave before retirement and FFP plan to the Fit for Purpose transformation plan

YTD 2020 FCF of € 252 M

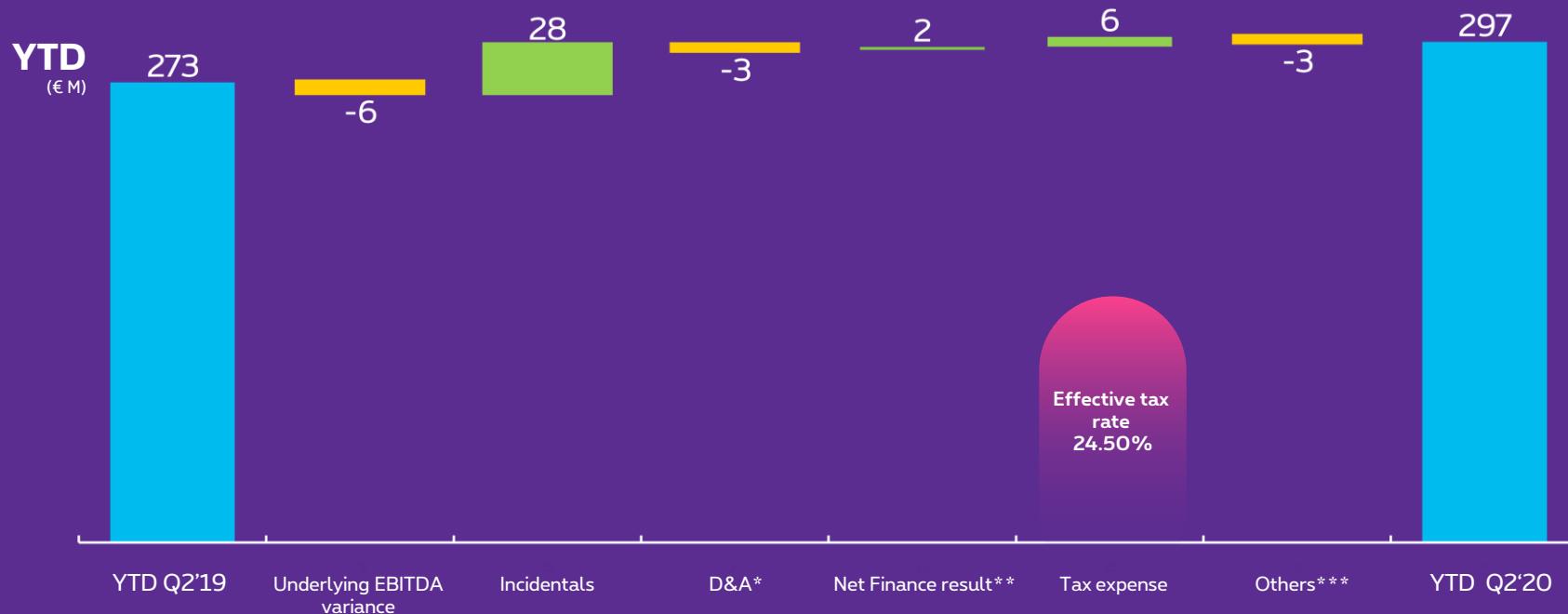
YTD'20 included about € 128M of the cash-out related to the transformation plans, partially offset by less cash needed for Capex and a favorable YoY evolution in Income Tax payments.



Mainly acquisition of non-controlling interest in Be-Mobile Group

- Early leave plan refers to voluntary early leave before retirement and FFP plan to the Fit for Purpose transformation plan
- FCF includes the lease payments

Net income evolution



* Excluding Lease depreciations

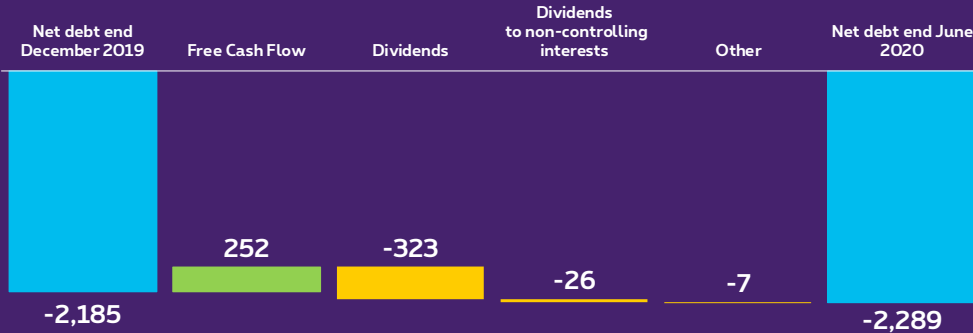
** Excluding Lease interests

*** Includes Non-controlling interests and Share of loss from associates

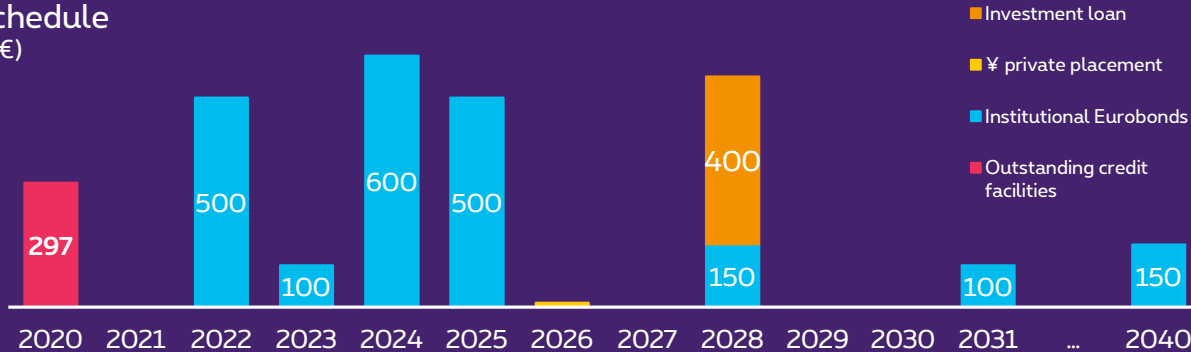
Keeping a sound financial position, with no short-term dependency on debt capital market

Adjusted Net Debt* (YTD, M€)

* Excluding Lease liabilities



Debt Maturity Schedule (M€)



5.2 Yr

Average debt duration

1.7 %

Weighted average coupon

Credit ratings:

Standard & Poor's A (negative outlook)

Moody's A1 (stable outlook)

Liquidity end Q2'20:

- €519M investments, cash & cash equivalents (incl. derivatives)
- EMTN Program €3,500m (€2,100m outstanding).
- 150M€ bond issued on 14/5/2020 for 20 Yr @ 1.5%
- CP Program €1,000m (€0M outstanding)
- Committed credit facilities: €700M (€297M outstanding until 1/7/2020)

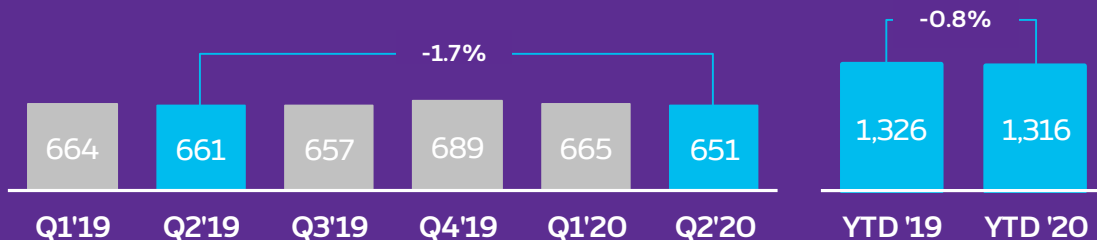
Q2 Consumer highlights

- Solid net adds in second quarter: Mobile postpaid + 32,000, Internet +18,000 and TV +11,000
- Covid-19 impacting revenue trend, especially for Mobile Services and Other revenue
- Covid impacts aside, steady regular business, supported by growing customer base
- Convergent revenue up by 3.1%, driven by the uptake of Minimus & Epic Combo; convergence rate progressing to 58.6% and ARPC +0.3% in spite of lower roaming revenue
- +2.3% revenue from Fixed Services, supported by a growing Internet and TV customer base, the benefit from e-Press and the 1 January 2020 price indexation.
- Direct margin of EUR 514 million, +0.7% YoY.

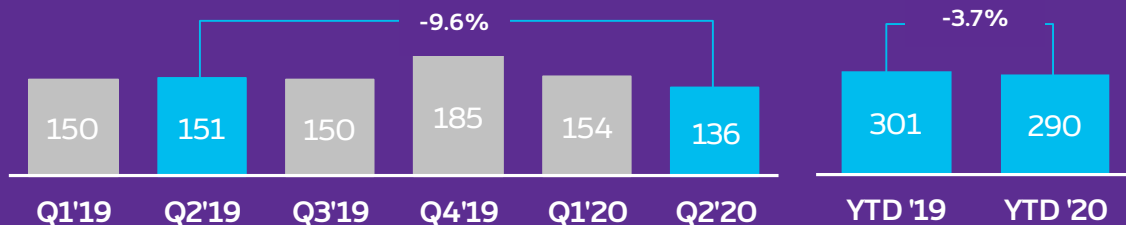


Consumer financials

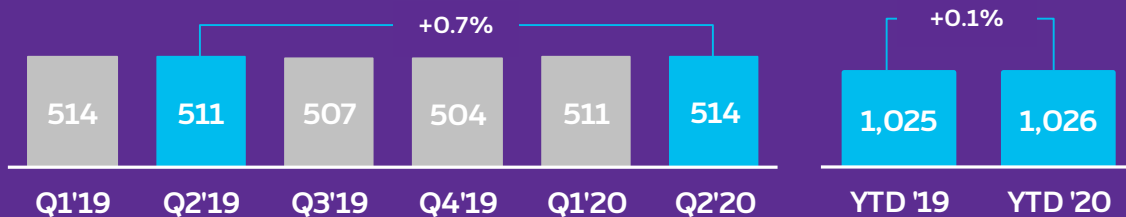
Revenue (M€, YoY)



Cost of Sales (M€, YoY)



Direct Margin (M€, YoY)

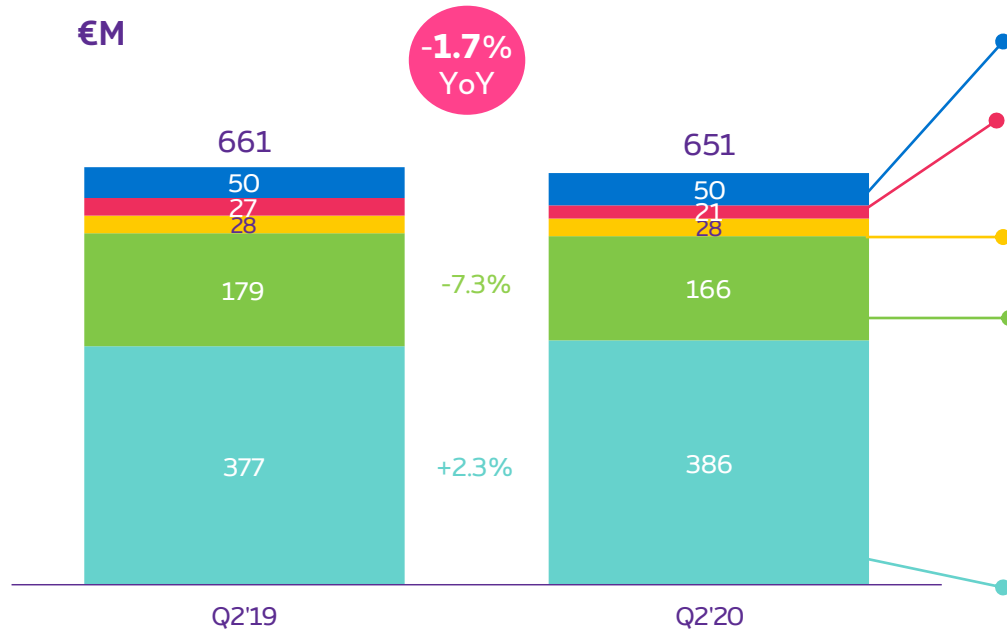


Second quarter revenue impacted by Covid-19, steady normal business trend.

79.1%
Direct margin/revenue

Q2 revenue by product nature

€M



Highlights

Terminals: decline non-strategic re-selling of mobile terminals off-set by growing revenue from Mobile Joint offers

Other revenue: reminder & reconnection revenue (Covid-19, collection process on hold)

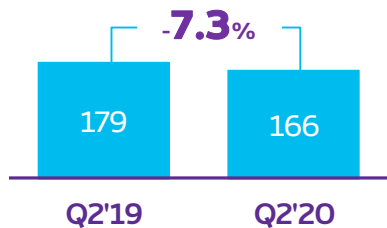
Tango: stable despite reduced international traveling

Mobile services: Postpaid impacted by lower roaming (travel bans); lower out of bundle (enlarged data bundles and Covid-19 customer gestures) and accounting allocation (mobile joint offers/discounts for Mobile in pack & e-Press) & international calling/sms EU regulation. Ongoing Prepaid cards & usage erosion.

Fixed services: Contribution from growing Internet & TV park, e-Press and price increase, offset by eroding Fixed Voice.

Mobile services

Mobile service revenue (M€) & YoY variance



Mobile park

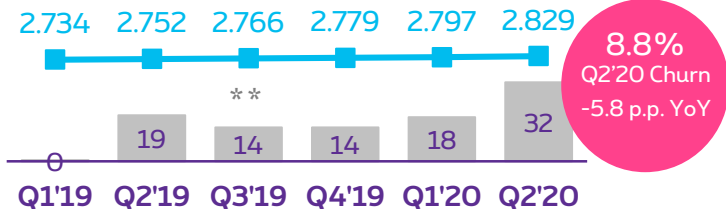


+32,000

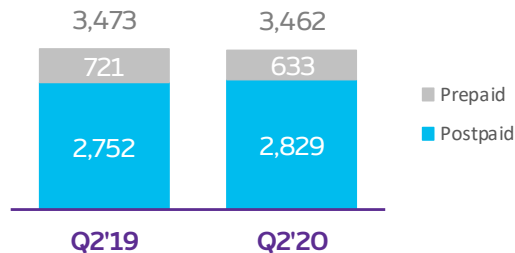
Postpaid cards in Q2

- At least 2/3rd result from a strong commercial dynamic (mobile offer revamp & continued uptake of Mobile Joint Offers)
- The remaining 1/3rd related to a market-wide regulated temporary halt to customer contract cessations.

Mobile postpaid park* & net adds ('000)



Total Mobile park* ('000)



8.8%

Q2'20 postpaid churn

(-5.8 p.p. YoY), with Covid-19 muting customer rotation

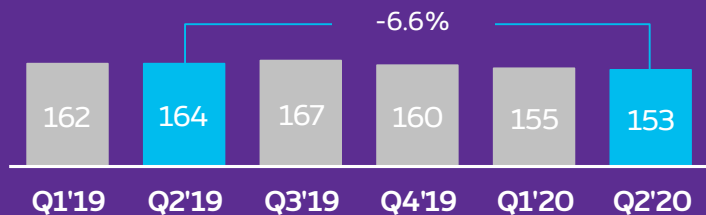
*excluding Consumer M2M

** 16K underlying net adds, i.e. excl. impact customer re-segmentation

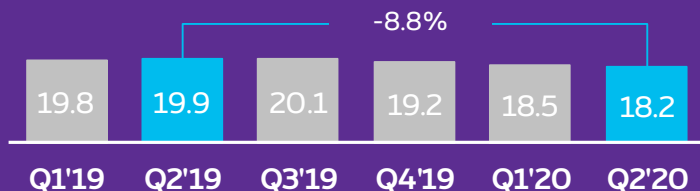
Postpaid

Customer growth offset by ARPU pressure

Revenue (M€ & YoY)



ARPU (€ & YoY variance)



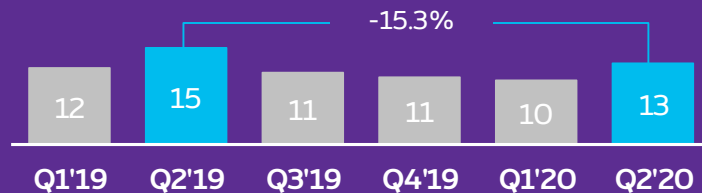
Postpaid ARPU pressure
(-8.8% YoY)

- Lower Roaming (virus related travel bans)
- Lower out of bundle (revamped offer + Covid-19 customer gestures)
- Accounting allocation
- International calling/sms (EU regulation)

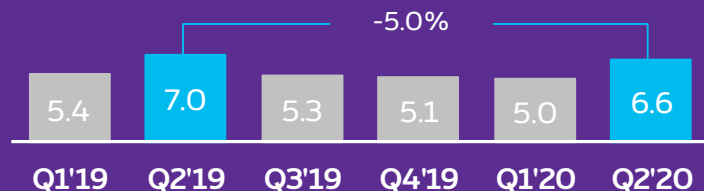
Prepaid

Revenue erosion due to lower park & lower usage

Revenue (M€ & YoY)



ARPU (€ & YoY variance)



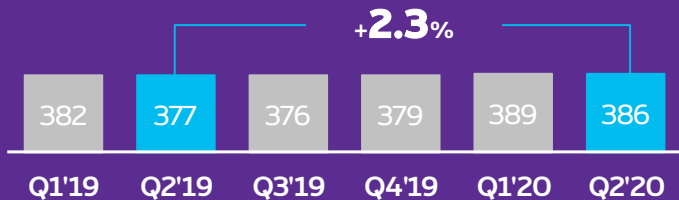
Fixed Services

Higher YoY Fixed services revenue, supported by growing Internet & TV customer base, e-Press and 1 Jan'20 price increase, partially off-set by eroding Fixed Voice revenue

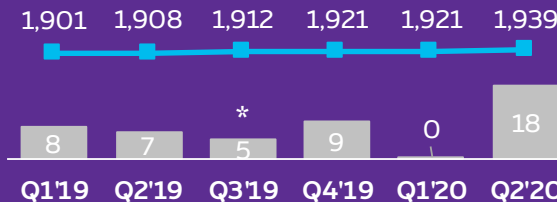
Solid growth in Internet & TV customer base:

- low customer rotation, and low churn (Covid-19**)
- catch up on 7,000 delayed installations of Q1 2020

Revenue (M€) & YoY

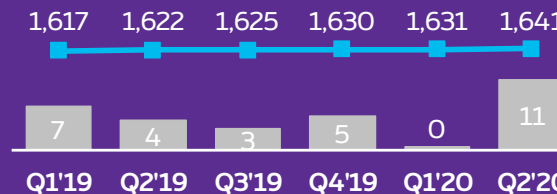


Internet customers ('000)



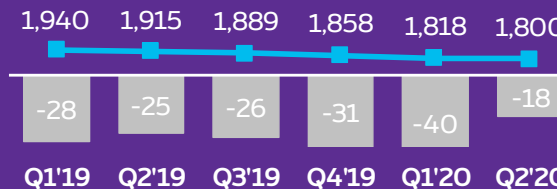
Broadband +31,000 YoY +1.6%

TV customers ('000)



+20,000 YoY TV households +1.2%

Fixed voice customers ('000)

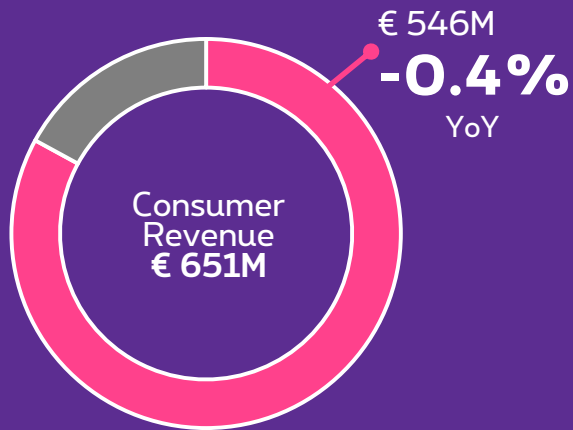


-6.0% YoY Fixed Voice lines

* 9K underlying net adds, i.e. excl. impact customer re-segmentation
 ** customers' reduced appetite to change, and a temporary halt on customer disconnections.

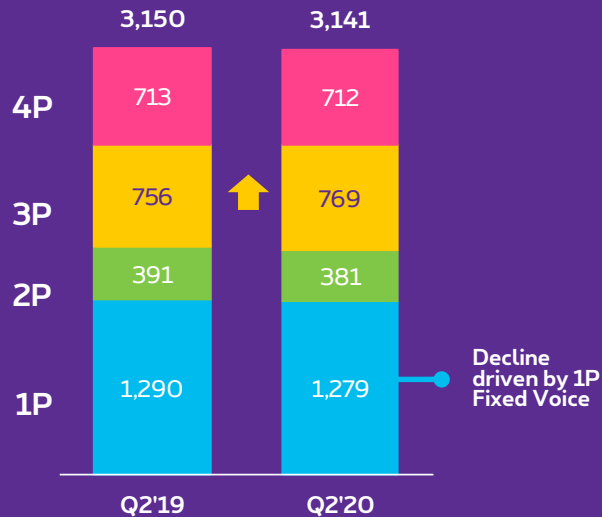
Convergent revenues up by 3.1%, in spite of the Covid-19 impact on roaming revenue.

84%
Consumer revenue generated by X-Play Customers*



Customers (in '000)

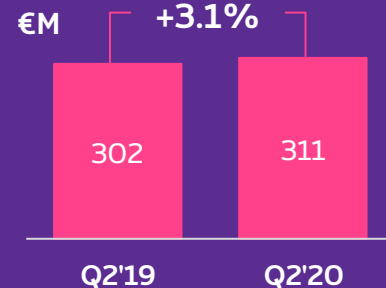
47% of Customers is 3P/4P



Convergent Revenue up

Driven by Minimus & Epic Combo

Minimus epic **combo**

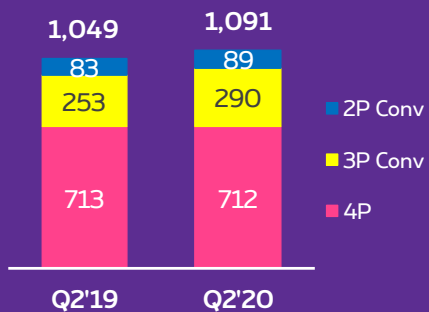


* Remaining 16% consists of revenue from Terminals, Prepaid, Tango and Other

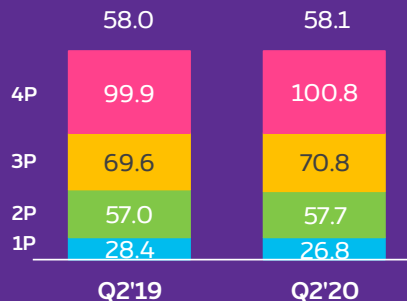
Convergent rate progressing to 58.6%

<p>58.6% convergence rate</p> <p>YoY +42,000 convergent customers</p> <p>QoQ +12,000 convergent customers driven by Minimus & Epic Combo</p>	<p>100.8€ 4P ARPC</p> <p>92.7€ 3P Convergent ARPC</p>	<p>2.62 RGU on average +0.6% YoY</p>	<p>2.3% 4P full churn -1.8 p.p. YoY</p>
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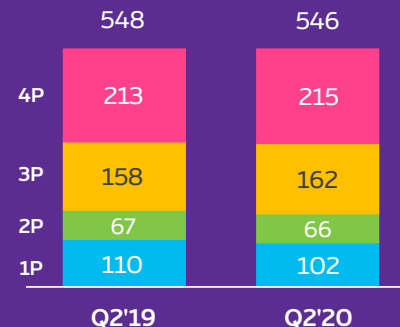
Growing convergent Park ('000)



ARPC x-play (€) up by 0.3%



Stable revenues x-play (M€)



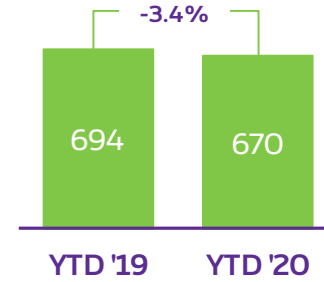
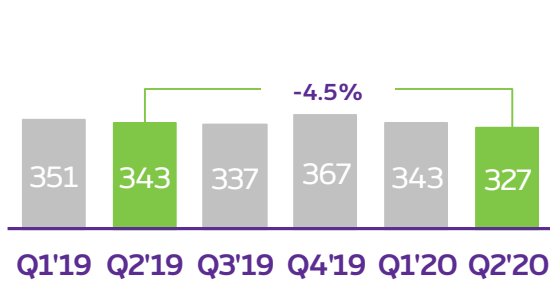
Q2 Enterprise highlights

- Leading the Belgian M2M market, passing the 2 million mark, +33% SIM YoY.
- Mobile Postpaid base +9,000 cards.
- Mobile ARPU down on continued competitive price pressure and Covid-19 travel bans decreasing roaming revenue.
- Ongoing migration from legacy Telecom services to new solutions.
- ICT revenue +2.2% YoY, mainly on product deals, with some Covid-19 impact on services.
- Covid-19 impact accelerates the direct margin decline to -7.0% YoY, following the loss of high-margin revenue.

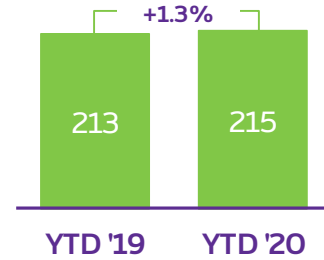
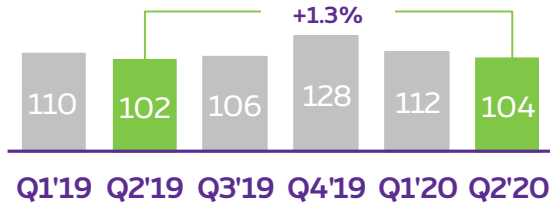


Enterprise

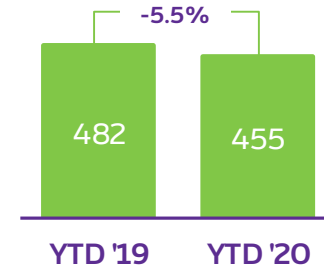
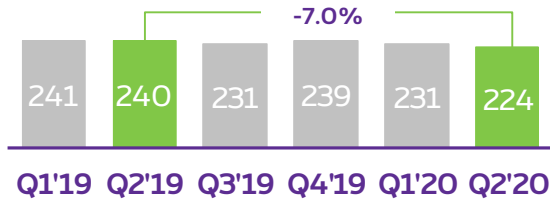
Revenue
(M€, YoY)



Cost of Sales
(M€, YoY)



Direct Margin
(M€, YoY)



Revenue -4.5% YoY,
High roaming exposure led to additional revenue pressure.

Direct Margin -7.0%,
following the loss of high-margin revenue with aside Covid-19, trend fairly stable compared to Q1

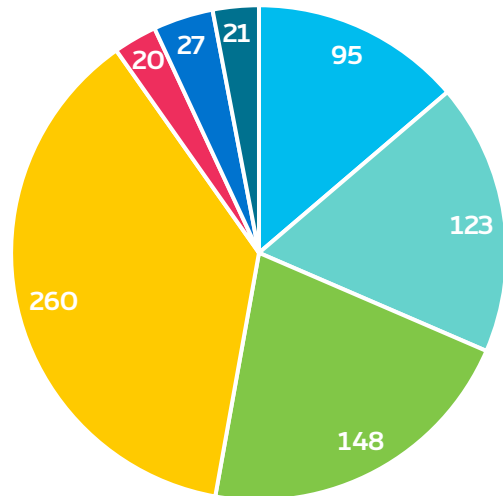
68.3%

Q2 Direct margin/revenue
-1.8 p.p.

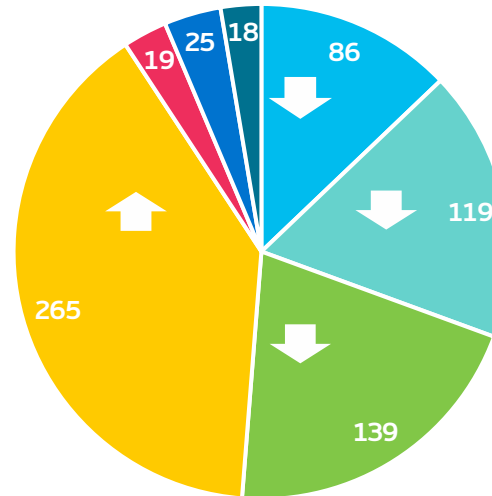
H1 revenue by product nature

Ongoing move from Telecom to ICT services

H1 2019: €694M



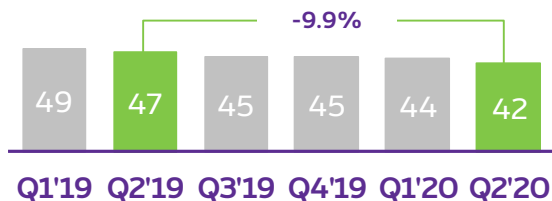
H1 2020: €670M



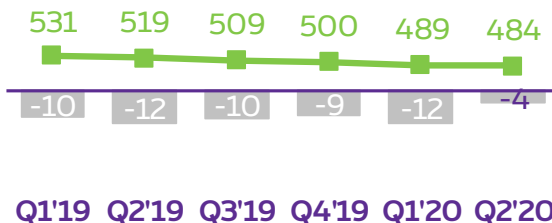
42%
 ICT/ABS
 in total
 Enterprise revenue
+2 p.p. YoY

Fixed Voice

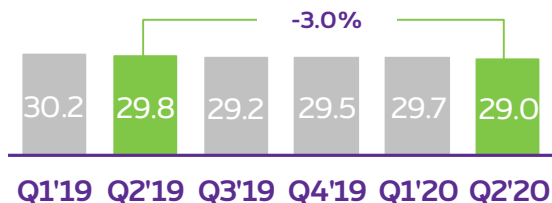
Fixed voice revenue (M€) & YoY variance



Voice line loss/gain & EOP ('000)



Fixed voice ARPU (€) & YoY variance



Ongoing erosion in Fixed Voice revenue

- + (Limited) price indexation on 1 January 2020
- + Increase in Fixed to Mobile traffic
- Erosion in Fixed Voice park
- Minor revenue loss following Proximus' covid-19 commercial gesture (free national traffic)

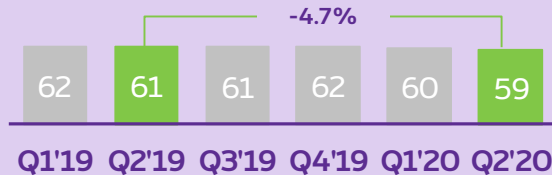
484k Fixed voice park, gradually declining, -6.8% YoY.

Limited Q2 decline, with Covid-19 reducing the churn levels.

Fixed Data

Revenue growth Fiber-based Data Connectivity, Covid-19 impact and eroding legacy services.

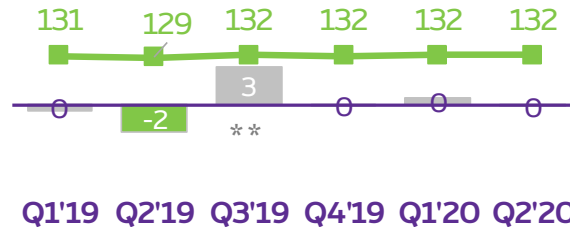
Fixed data* revenue (M€) & YoY variance



- + Growing Fiber park
 - Covid-19 impact on installation activity and commercial customer gestures
 - Ongoing legacy Data outphasing
 - Attractive customer pricing in competitive market
- Proximus continued on signing the first waves of SD-WAN deals

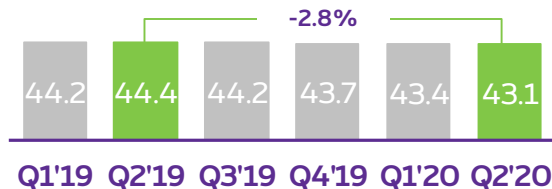
Internet revenue drivers

Broadband growth & EOP ('000)



Slightly increasing Broadband park in competitive setting , **+2.4% YoY**

Broadband ARPU (€) & YoY variance

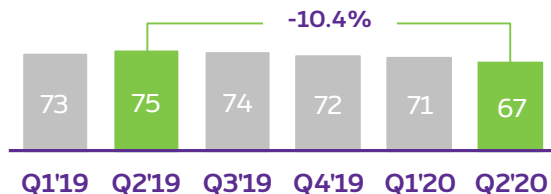


*Consists of data connectivity services and internet

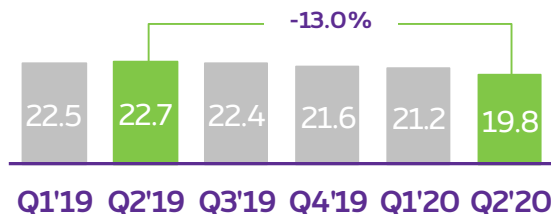
** -1K underlying net adds, i.e. excl. impact customer re-segmentation

Roaming traffic decrease in Q2 largely explains the revenue trend change vs Q1 (-2.5%).

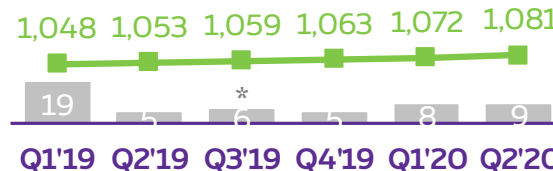
Mobile Services revenue (M€) & YoY variance



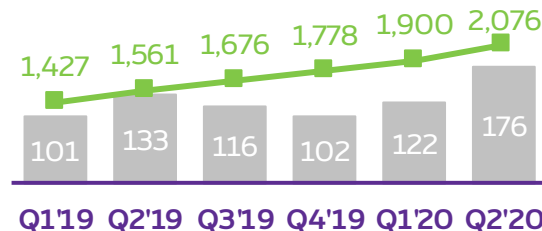
Mobile postpaid ARPU (€) & YoY variance



Mobile postpaid growth & EOP ('000)



M2M growth & EOP ('000)



+2.7% YoY
Postpaid cards

+9,000
Mobile postpaid net adds in Q2'20 (low churn level of 8.2%, including a positive Covid-19 effect on customer stickiness)

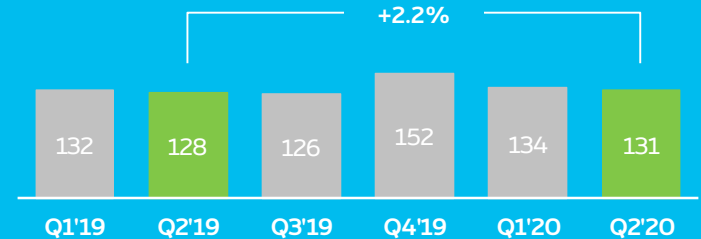
€19.8 Mobile postpaid ARPU, -13.0% YoY
Mobile pricing pressure, and Covid-related roaming loss causing accelerated decline QoQ

* +4K underlying net adds, i.e. excl. impact customer re-segmentation

2.2% increase in ICT revenue, in spite of Covid-19 impacts.

- Higher revenue mainly on product deals with some Covid-19 impact on services.
- Specialized ICT companies continued to provide support by bringing digital transformation solutions for professional customers and as such help to secure core connectivity services.

ICT revenue (M€) & YoY



BEMOBILE

ClearMedia

codit

djst Davinsi Labs

proximus enterprise

proximus spearit

telindus

NBRACE

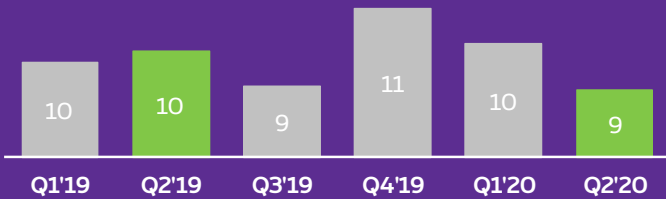
UMBRIO

Advanced Business Services

ABS includes revenue from Proximus' convergent solutions, and Smart mobility revenue from Be-Mobile, with Covid-19 impacting significantly its automotive and parking revenues.



€M

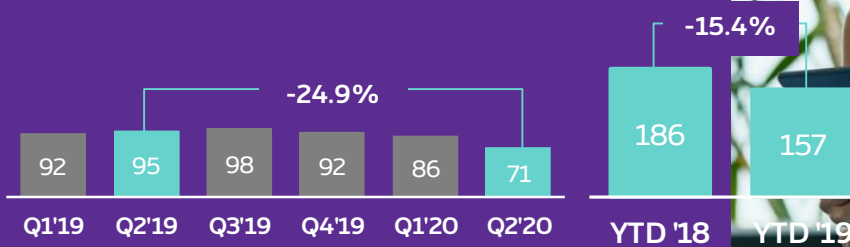


Wholesale

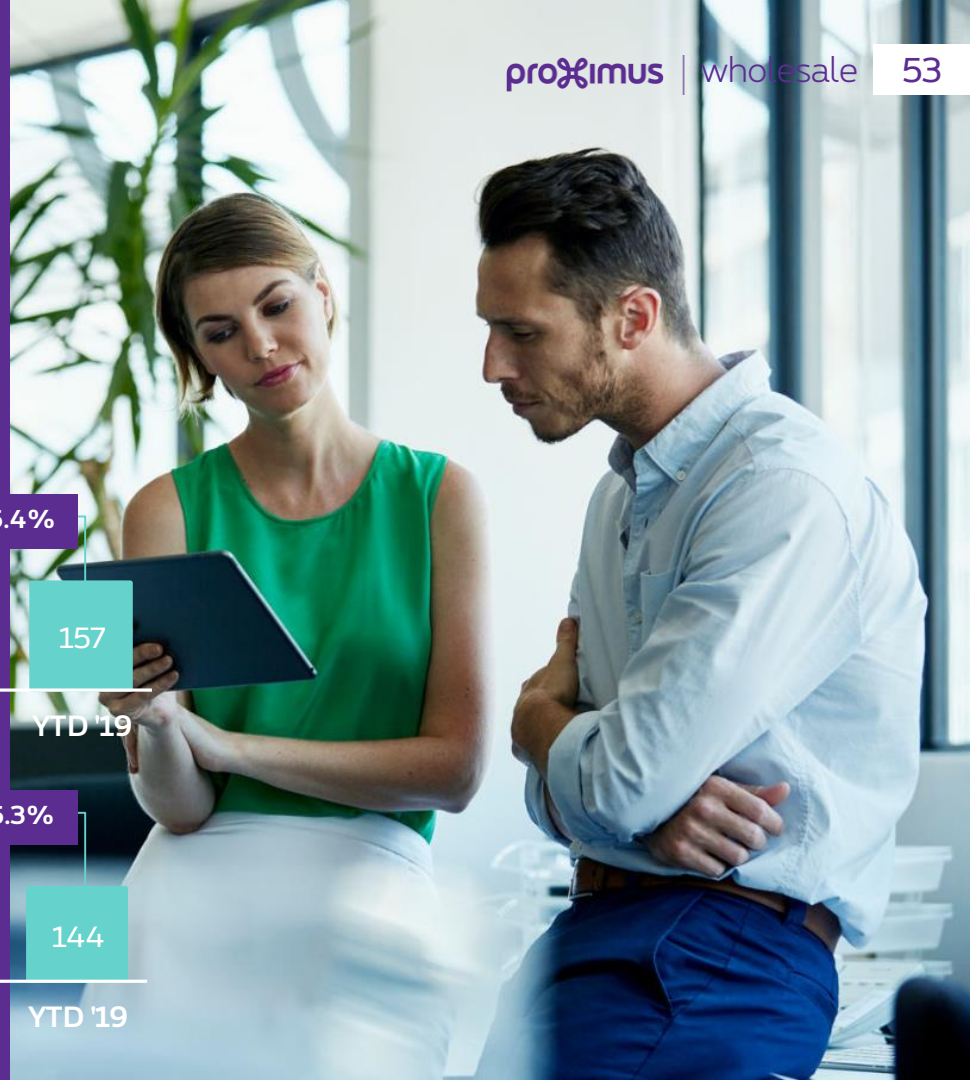
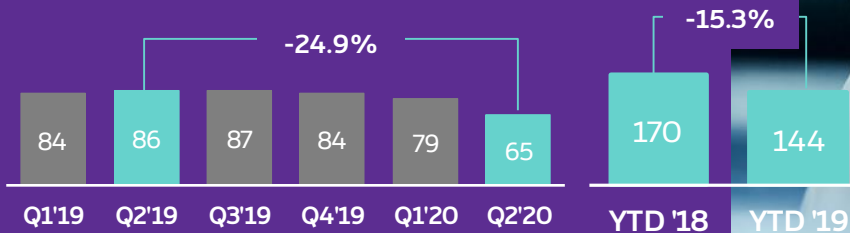
Revenues & Direct margin declining YoY, resulting from:

- **lower mobile inbound** reinforced by Covid-19 with a temporary accelerated shift from SMS to OTT alternatives and
- **lower wholesale roaming** revenues following travel bans.

Revenue
(M€, YoY)



Direct Margin
(M€, YoY)



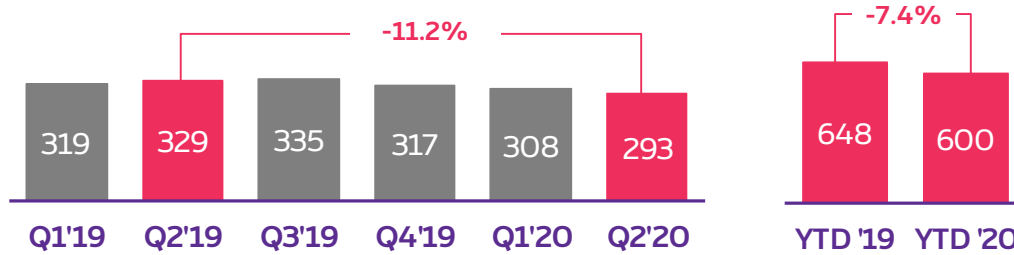
Q2 BICS results

- Continued volume increase in SMS A2P in Q2 and growing Mobile Identity and Numbering Business.
- Direct margin -5.3%, impacted by world-wide Covid-19 travel bans and continued MTN insourcing.
- Cost reduction by -3.3%, resulting from strong decrease in non-workforce expenses (-13.3 %)
- Ebitda of EUR 35 million, down by 7.4% YoY.
- Ebitda margin progressed to a solid 12.1%.



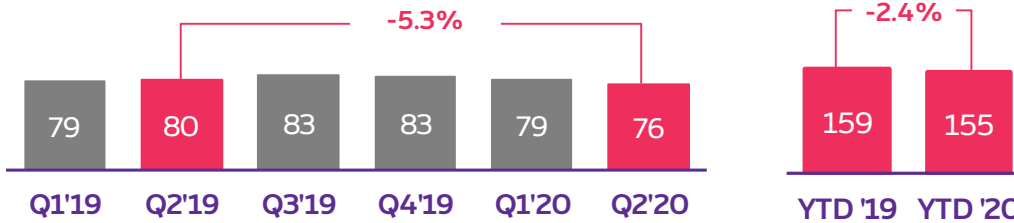
BICS P&L

Revenue (M€) & YoY variance



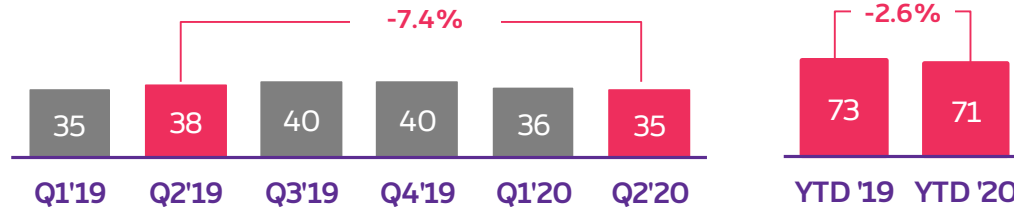
Revenue mix moving further from Voice to Data.

Direct Margin (M€)



Direct Margin impact down of which over € -5M Covid-19 impact

Ebitda (M€) & YoY variance



25.9% DM/rev
+1.6 p.p. YoY

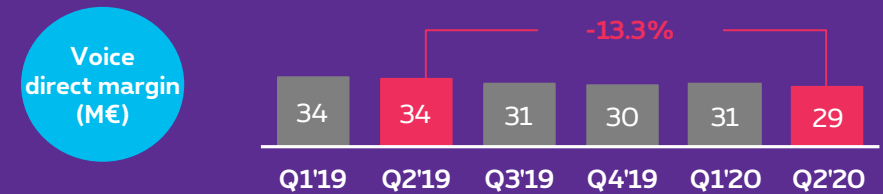
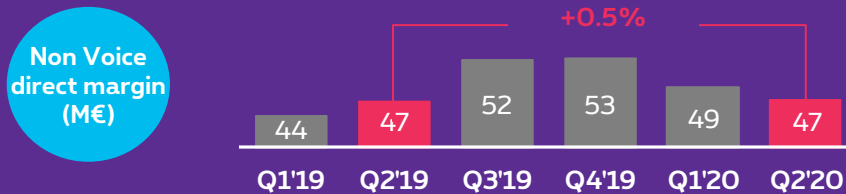
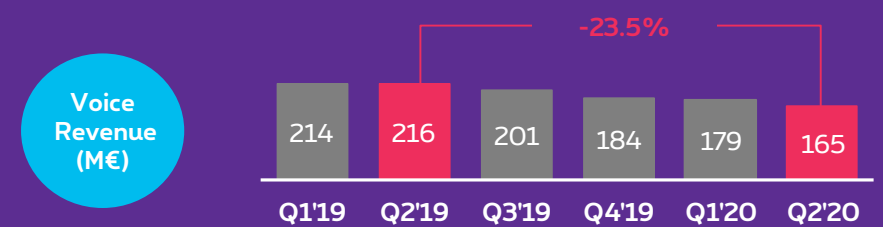
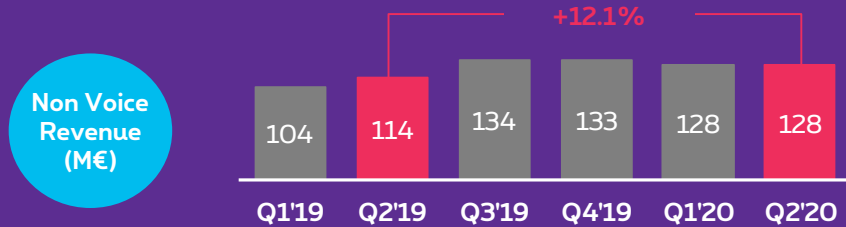
12.1% Ebitda/revenue
+0.5 p.p. YoY

Non-Voice

As a result of the travel bans, less DM generated from signaling and mobile data roaming, only partly compensated for by a strong performance in the authentication business (A2P) and mobile identity services at Telesign

Voice

Continued Voice decline, somewhat reinforced by a combined effect of progressive insourcing by MTN and Covid-19 impacts



*Application to Person

Our societal impact @ Proximus



As a telecom operator
we play a **vital, pivotal role**
in society



Networks of the future
5G & Fiber



Keeping **people** and
companies connected



Digital access for all
& **digital education**



Local, human & secure
economic models



Partnering with
public authorities



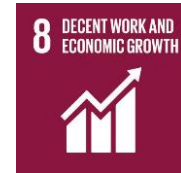
We do business with sustainability at the heart of all we do

Our ambition:

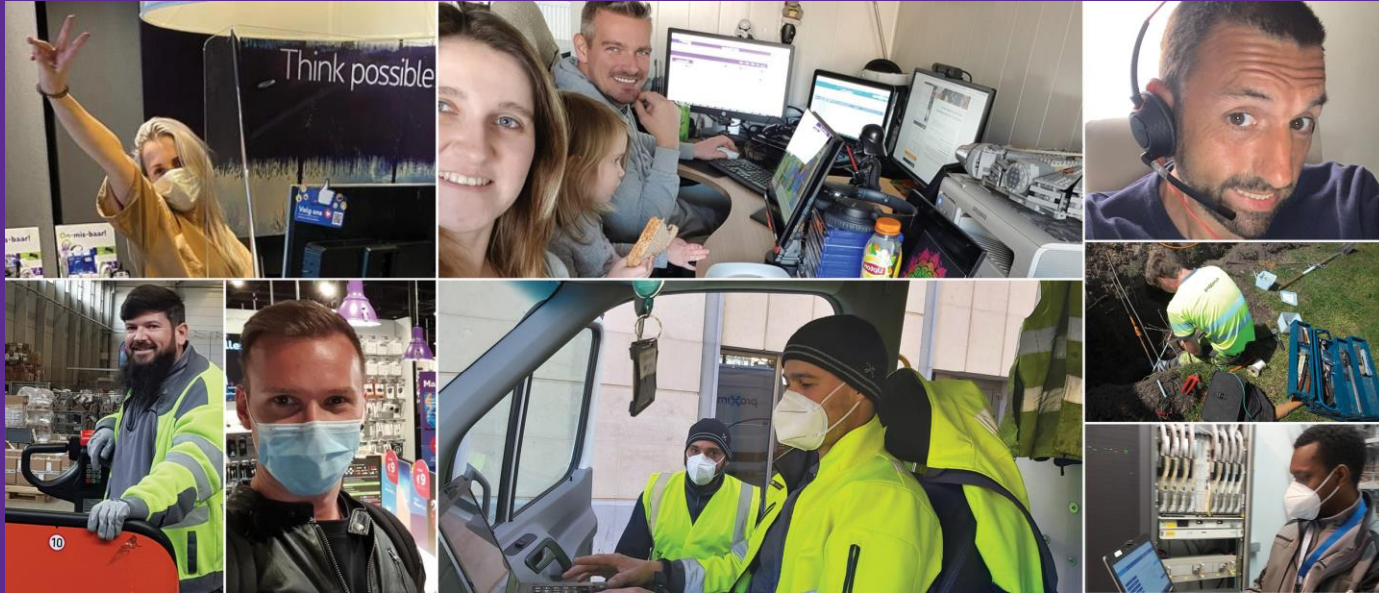


Contributing to create an
inclusive, safe, sustainable
and prosperous digital
Belgium

Contributing to the UN
Sustainable Development Goals:



COVID-19 crisis: helping people to stay connected



The COVID-19 pandemic has been a defining moment for the Telecom sector, underlining our societal responsibility and reinforcing our belief in Proximus' sense of purpose to open up a world of digital opportunities so people live better and work smarter.

COVID-19 crisis: demonstrating our solidarity in 4 domains



Safeguarding
the **health**
& **safety**
of our employees



Keeping people
& businesses
connected



Supporting the
healthcare
sector & acting for
digital
inclusion



Providing support to
public
authorities

A sustainability strategy built on 4 strategic areas

An ambition...

Creating an inclusive, safe, sustainable and prosperous digital Belgium

... inspired by our sense of purpose

We open up a world of digital opportunities so people live better and work smarter



Enabling a better digital life

- Digital infrastructure
- Digital trust
- Digital innovation



Caring for our stakeholders

- Customers first
- Caring for our employees
- Ethical business conduct



Contributing to society

- Digital inclusion
- Social engagement
- Fans of Belgian culture



Respecting our planet

- CO₂ neutral
- Circular economy
- Sustainable supply chain

We are committed to making a societal impact



- Improving fixed and mobile connectivity in **white zones**
- Supporting local innovation **ecosystems**
- Building trust in digital as founding partner of the **Cybersecurity Coalition**
- Easy to find and understand **privacy settings** on App, TV and websites



- **Parental control** on TV and smartphones
- **1.6 Mio active users** on MyProximus end 2019
- **4.7 training days**/employee on average in 2019
- **100% CSR** clause in all contracts



- **18,000 internet access codes** and **700 computers** donated to disadvantaged children during COVID-19 crisis
- Partnerships with coding schools **MolenGeek** and **19**
- **10,300 kids** trained on safer internet use in 2019



- CO₂ neutral for **own activities**
- CO₂ reduction:
 - 79% vs 2007
 - 27% vs 2015
- **Gold Medal** from EcoVadis for the 4th time in a row
- **Don't Miss the Call** campaign with Umicore: **45,000** phones collected

Appendix

- Fiber Partnerships P 65
- Tango Luxembourg P 66
- Spectrum P 67
- From reported to underlying P 69
- Pricing information P 70
- Shareholder structure P 78
- Contact information P 80

Both Delta Fiber and Eurofiber are controlled by financial partners with extensive FTTH Experience across Europe



- Leading independent FTTH platform in the Netherlands with a focus on rural areas
- Its network covers more than 600,000 homes and businesses, with an ambition to grow this to 1 MM by 2023
- Backed by telecoms infra investor EQT Infrastructure, which has significant experience in FTTH roll out across Europe



- Leading independent B2B fiber operator the Benelux
- Established business in the Benelux with an optic network that stretches over 31,000km connecting more than 12,000 locations
- Backed by telecoms infra investor Antin, one of the early investors in European fibre and currently rolling out FTTH in the UK and Spain



Leading independent FTTH platform in Germany, targeting 6 MM homes by 2030



Leading independent FTTH platform in Sweden, Norway and Denmark; FTTH rollout in Sweden and Norway <insert target>



Melita is the first operator in Europe to offer 1 Gbps broadband speeds countrywide



INFRASTRUCTURE PARTNERS



Leading UK alternative provider of wholesale full-fibre network infrastructure; begun a roll-out of FTTH in a strategic partnership with Vodafone, targeting 5 MM homes and businesses by 2025

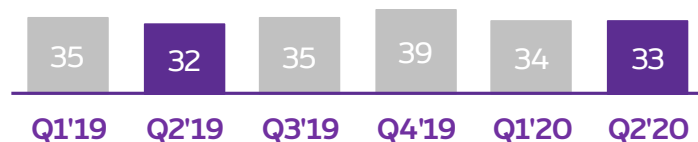


Leading independent wholesale fibre platform in Spain, providing dark fibre, lit fibre and FTTH services to telecommunications operators

Tango Luxembourg

Telecom brand of Proximus Luxembourg SA

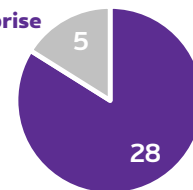
Tango
Revenue
(M€)



Q2

2020: €33M

Enterprise



Consumer

Stable YoY, despite sanitary crisis. Revenue performance secured through business resilience & Tango's digital strategy



Postpaid
(excl. M2M)

Prepaid



Q2'20
Park

262K
lines YoY
+5.7%

22K lines
YoY
-13.6%

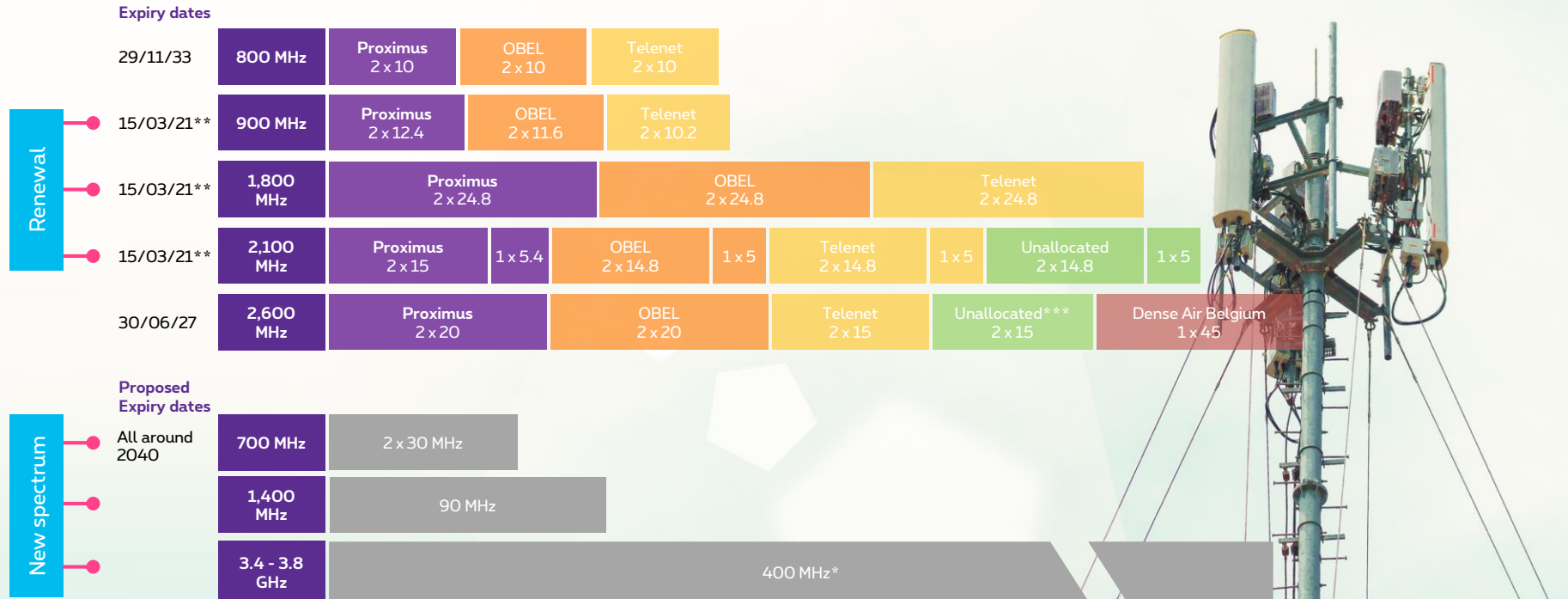
36K lines
YoY
+9.0%

11K lines
YoY
+15.9%

37K lines
YoY
+7.9%

Spectrum

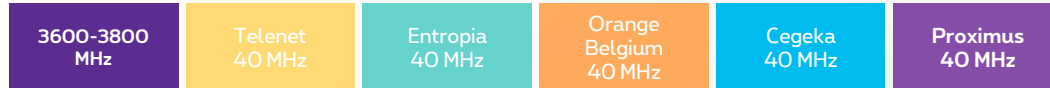
Current ownership and new spectrum



* 40MHz locally occupied by Citymesh and Gridmax until 2025 (regional licenses)
 ** the possibility to extend these existing licenses by terms of 6 months is currently investigated
 *** the unallocated spectrum in the 2,6GHz band should be granted soon to Citymesh (no final decision yet taken by the BIPT)

Temporary 5G Spectrum

Awaiting the auction, temporary spectrum has been allocated in the 3600-3800MHz



- Valid until an auction is organized and no longer than 6 May 2025
- No coverage obligations
- Has to be put in service by 1 March 2021 at the latest



From reported to underlying figures

(EUR million)	GROUP Revenue		GROUP EBITDA		GROUP Revenue		GROUP EBITDA	
	Q2 '19	Q2 '20	Q2 '19	Q2 '20	YTD '19	YTD '20	YTD '19	YTD '20
Reported	1,415	1,330	498	501	2,832	2,723	975	996
Lease Depreciations	0	0	-22	-21	0	0	-43	-41
Lease Interest	0	0	-1	-1	0	0	-1	-1
Incidentals	-2	0	8	-2	-4	0	15	-13
Underlying	1,413	1,330	484	477	2,828	2,723	947	941
Incidentals	-2	0	8	-2	-4	0	15	-13
Capital gains on building sales								
Early Leave Plan and Collective Agreement			6				12	1
Fit For Purpose Transformation Plan				-9			2	-7
Shift to Digital plan								
M&A-related transaction costs			3	2			5	4
Change in M&A contingent consideration	-2		-2		-4		-4	
Pylon Tax provision update (re. past years)			1	5			1	-11
Others								

*The incidental costs related to the Shift to Digital plan represent mainly exceptional costs linked to the optimization of Proximus' sales channel footprint following its increased focus on e-Sales.

Flex

The pack tailored to each family member

- Pickx & 80 channels
- My e-Press
- TV Replay



- Unlimited internet
- Optimized wifi
- Family life app
- Cloud 10 GB

+€ 11

- + Family life Premium app
- + Unltd calls to Belgium, 24/7
- + WiFi Booster



- Pickx & 80 channels
- My e-Press
- TV Replay

+€ 10

- + TV option
Family or Movies & Series
- Other TV options available at surcharge
(eg Netflix, All Stars & Sports)*



+

Mobile Flex

5 GB
Worry-free data
Unltd calls/SMS
5 GB for Pickx-app

€ 74,99 (*)

+

Mobile Flex +

15 GB
Worry-free data
Unltd calls/SMS
5 GB for Pickx-app

€ 85,99 (*)

+

Unlimited Light

Unltd data
FUP 20 GB
Unltd calls/SMS
5 GB for Pickx-app

€ 92,99 (*)

+

Unlimited

Unltd data
FUP 40 GB
Unltd calls/SMS
5 GB for Pickx-app

€ 98,99 (*)

+

Unlimited Premium

Unltd data
& access 5G
Unltd calls/SMS
5 GB for Pickx-app

€ 109,99 (*)



€ 9

€ 20

€ 27














€ 33

€ 44

(*) Fiber + 5€

Flex

4 hero combinations including mobile

The essentials 3P Mob	All-in 4P	All-in for families 4P	Unlimited mobile surfing 4P
 ★ 5 GB + continue surfing for free	 ★ 5 GB + continue surfing for free	 ★ 5 GB mobile data + continue surfing for free  ★ 5 GB mobile data + continue surfing for free	 ★ 5 GB mobile data + continue surfing for free  ★★ ★ +Unltd mobile surfing
 ★★ 80 channels TV & Pickx My e-Press 1 TV option	 ★★ 80 channels TV & Pickx My e-Press 1 TV option	 ★★ 80 channels TV & Pickx My e-Press 1 TV option	 ★★ 80 channels TV & pickx My e-Press 1 TV option
 ★ Unlimited surfing	 ★★ ★ Unlimited surfing + Wifi booster + Family life Premium + Unlimited calling (BE)	 ★★ Unlimited surfing Wifi booster Family life Premium Unlimited calling (BE)	 ★★ Unlimited surfing Wifi booster Family life Premium Unlimited calling (BE)
€84,99/mois	€95,99/mois	€104,99/mois	€122,99/mois
 ★ Unlimited surfing 350/30 Mbps	 ★★ ★ Unlimited surfing 500/50 Mbps	 ★★ Unlimited surfing 500/50 Mbps	 ★★ ★ Unlimited surfing + 1 Gbps/100 Mbps
€89,99/mois	€100,99/mois	€109,99/mois	€142,99/mois

FIBER

Mobilus – mobile standalone pricing

NEW

Mobilus 5G Unlimited of 1 April 2020







*FUP: BE+EU: 35 GB at full speed, then 512 Kbps

**FUP: EU 50GB at full speed, then 0,0042€/MB

Mobile only:

Mobilus

Standalone price

	S	M	L	XL Unlimited	5G Unlimited	+
						
	2 GB Unlt. sms 120 min	8 GB Unlt. sms Unlt. min	15 GB Unlt. sms Unlt. min	Unlt. data* Unlt. sms Unlt. min	Unlt. data** Unlt. sms Unlt. min	Unlimited Mobile data for your favourite App
	€ 15.99 (incl.VAT)	€ 26.99 (incl.VAT)	€ 36.99 (incl.VAT)	€ 42.99 (incl.VAT)	€ 49.99 (incl.VAT)	

Bizz Mobile portfolio

Including new Bizz Mobile 5G International on 4 May 2020

*FUP: BE+EU: 40 GB at full speed, then 512 Kbps
**FUP: EU: 50GB at full speed, then 0,0035€/MB

Bizz Mobile S

2 GB

100 min +
unlimited to fix
Unlimited SMS

Bizz Mobile M

10 GB

Unlimited min
Unlimited SMS

Bizz Mobile L

20 GB

Unlimited min
Unlimited SMS
+
Bizz International
option included

Bizz Mobile Unlimited

Unlimited data*

Unlimited min
Unlimited SMS
+
Bizz International
option included

Bizz Mobile 5G International

Unlimited data**

Unlimited min
Unlimited SMS
+
1 GB, 600 min
& 600 SMS
in/to USA/CAN/SWI
or to EU
+
Bizz International
option included

+ Unlimited Mobile data for your favourite App



Standalone
Pack / Multiple cards

€ 13
€ 13
(excl.VAT)

€ 23
€ 20
(excl.VAT)

€ 32
€ 29
(excl.VAT)

€ 40
€ 37
(excl.VAT)

€ 55
€ 52
(excl.VAT)

Make

it

epic

epic stories

Endless data* for social apps



3 GB extra mobile data for all the rest
90 call minutes
Unlimited SMS

*25GB at maximum speed in Belgium + EU

epic beats

Endless data* for social + music apps



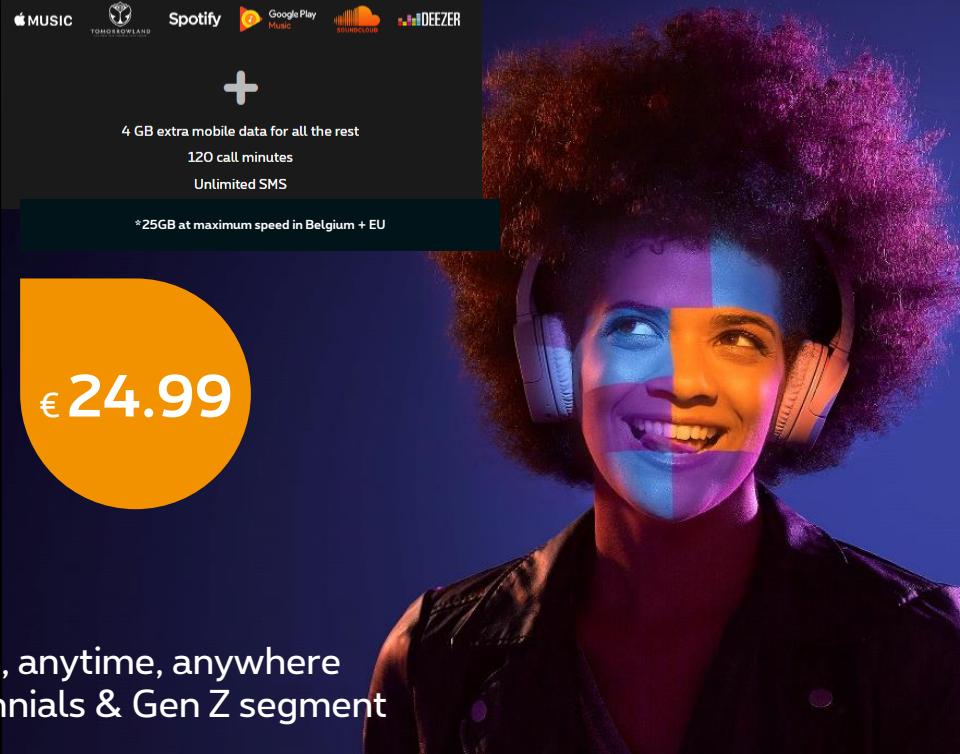
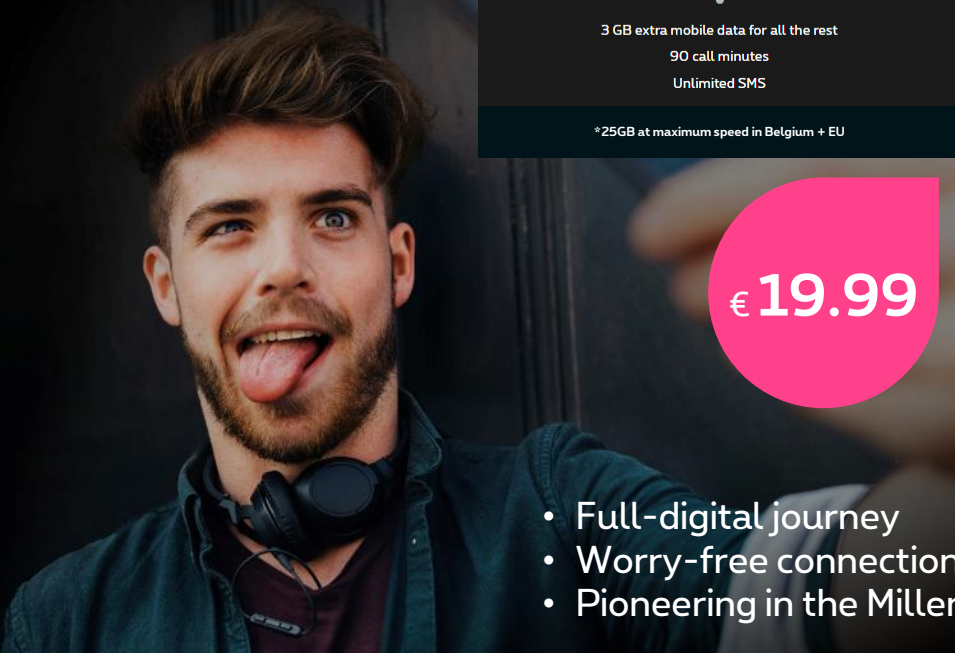
4 GB extra mobile data for all the rest
120 call minutes
Unlimited SMS

*25GB at maximum speed in Belgium + EU

€ 19.99

€ 24.99

- Full-digital journey
- Worry-free connection, anytime, anywhere
- Pioneering in the Millennials & Gen Z segment



Digital native



Mobile subscription with endless data for social + music + video apps



Internet at home



TV everywhere via Pickx app and web

4GB extra mobile data for all the rest
300 call minutes
Unlimited SMS

€ 64.99
/ month

Full experience



Mobile subscription with endless data for social + music + video apps



Internet at home



New: TV on all your screens



New: High performance cloud gaming offered with Epic Combo full TV experience

4GB extra mobile data for all the rest
300 call minutes
Unlimited SMS

€ 79.99
/ month

A pack for the specific needs of millennials





scarlet

fixed portfolio

Poco

23€
/mois

📶 Volume internet de 50 GB

🚫 Vitesse surf de 30 Mbps max.

Loco

32€
/mois

📶 Volume internet illimité¹

🚫 Vitesse surf de 50 Mbps max.



Scarlet internet

Positioning Scarlet as no frills brand, with very attractive pricing for 'price seekers'



Scarlet Trio

€40
/maand



33 populairste zenders

Onbeperkt¹ & snel surfen

Onbeperkt² vast bellen 's avonds en in het WE



scarlet

mobile portfolio

NEW

Since 18th June:

- Hot has 5 GB in bundle (iso 4 GB)

proXimus | appendix 77

Scarlet mobiel

De beste prijs Kwaliteitsnetwerk Geen verbintenis

Red ✓		Hot ✓
300 min.	☎	illimité ¹
0,5 GB	4G	5 GB ^{new}
illimité ¹	sms	illimité ¹
8€ /mois		18€ /mois

Besoin de plus ? Ajoutez des options !

<input type="radio"/> 1,5 GB	5 €	<input type="radio"/> 5 GB	10 €
<input type="radio"/> 10 GB	15 €		

Shareholder structure

Total number of shares

338,025,135

Free-float

42%

Belgian Government

54%

Market Capitalization*

~€ **5.9**Bn

Dividend yield*

~**6.6%**

	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%	56.05%	55.93%	180,887,569	180,887,569
Proximus own shares	15,297,293	4.53%		0.21%		693,702
Free-float	141,840,273	41.96%	43.95%	43.86%	141,840,273	141,840,273
Total	338,025,135	100.00%	100.00%	100.00%	322,767,207	323,421,544

The voting rights of all treasury shares are suspended by law. Proximus has 14,603,591 treasury shares that are not entitled to dividend rights and 693,702 treasury shares that are entitled to dividend rights.

Transparency declarations: According to Proximus' bylaws, the thresholds as from which a shareholding needs to be disclosed have been set at 3% and 7.5%, in addition to the legal thresholds of 5% and each multiple of 5%.

*30/06/2020

Cautionary statement

“This communication may 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. Except as required by applicable law, 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.

This document and the Q&A session may contain summarized, non-audited or non-GAAP financial information. The information contained herein should therefore be considered in conjunction with all the public information regarding the Proximus Group available, including, if any, other documents released by the company that may contain more detailed information. Information related to Alternative Performance Measures (APM) used in this presentation are included in the consolidated management report.”

For further information...

Investor Relations



Nancy Goossens
Investor Relations Director



Eline Bombeek
Investor Relations Manager



Call:

+32 2 202 82 41

+32 2 202 62 17



E-mail:

investor.relations@proximus.com



Proximus Investor Relations website :

www.proximus.com/en/investors