

2015 Q2

Roadshow Presentation

Table of content

Q2'15 confirming solid financial & operational trends	3	Consumer segment results	18
Key Group achievements Q2'15	4	Enterprise segment results	27
Group underlying revenue	5	Technology & wholesale	35
Core revenue	6	Staff & Support	36
Mobile service revenue	7	BICS	37
Convergence progress	9	Additional information	38
Group underlying direct margin	10	Fit for Growth strategy	39
Underlying cost evolution	11	Pricing	43
Group underlying EBITDA	12	Packs	43
Net income	13	Mobile	44
Capex	14	Fixed	48
FCF	15	Regulation	53
Financial Position	16	Network & Spectrum	55
Guidance	17	Shareholder remuneration & structure	58
		FTE – divestures & natural attrition reducing headcount	59

Solid financial and operational trend confirmed in Q2'15

2015 FY guidance revised upwards

Continued revenue growth: Q2'15 Group underlying revenue + 1.5% YoY to € 1,505 m

Underlying Core revenue +2.4% to € 1,094 m, on higher Fixed and Mobile revenues
BICS revenue -0.8% YoY, vs. high comparable base

Higher Direct margin: + 2.9% to € 915m for Q2'15

Core business and BICS contributing equally to the year-on-year improvement.

EBITDA showing sequential growth , Q2'15 Group underlying EBITDA +4.3% to € 450m

This results from continued EBITDA growth from Proximus' Core Business (+1.6%), and another strong quarter for BICS (+34.9%).

Q2'15 Capex of € 272m, including € 75m for spectrum renewal.

Includes accelerated Mobile investments, expanding the outdoor 4G coverage to 96.5%, the continued roll-out of the vectoring technology and higher investments in network and IT simplification.

Total FCF of € 215m by end June 2015

Continued investments to enhance customer experience leading to **good net customer growth for the two main brands Proximus and Scarlet**. Scarlet's Trio offer saw some further benefit from successfully attracting remaining Snow customers.

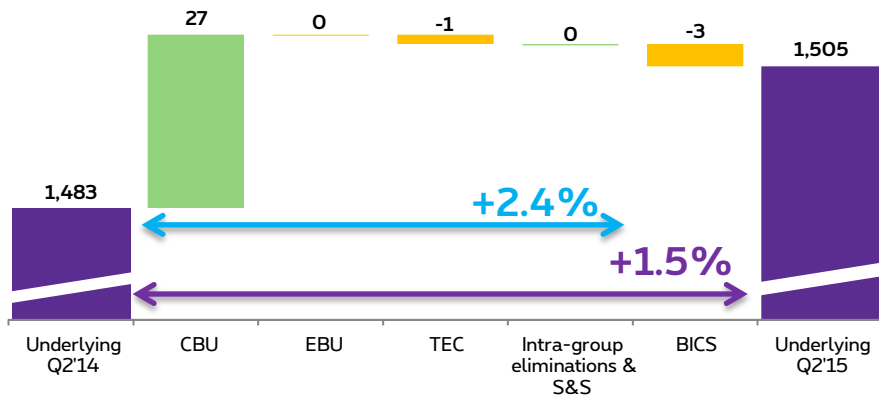
- + 35,000 TV subscriptions
- + 25,000 Fixed Internet lines
- + 61,000 Mobile Postpaid cards
- - 42,000 Mobile Prepaid cards, incl. discontinuation Mobisud
- + 14,000 3 & 4-Play Households/Small offices, i.e. 42% of total base
- 54.7% Convergent households/small offices, +3 p.p. vs previous year

Key Group Achievements

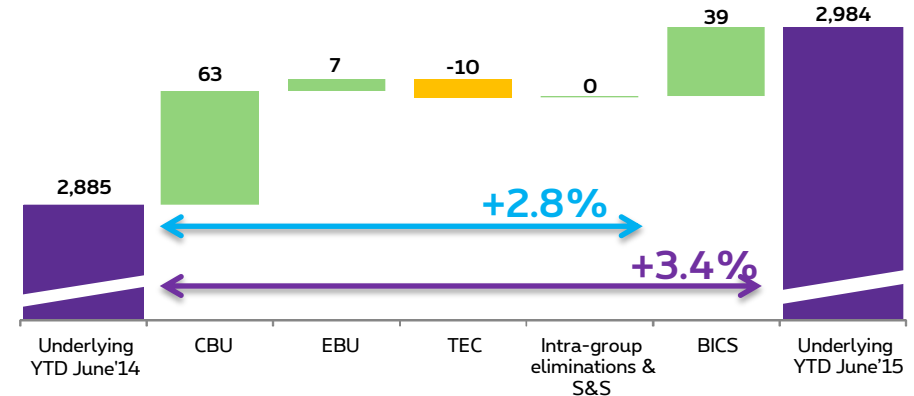
Q2 2015

Continued solid underlying revenue growth

Q2
2015
(in m€)



YTD Jun
2015
(in m€)



Q2'15 Core revenue up 2.4%

Consumer : + 3.9% YoY

- Rising revenue from Fixed, Mobile & subsidiaries
- Positive Mobile service revenue
- Firm 3- and 4-Play revenue growth driven by larger base and higher ARPH

Enterprise : stable YoY

- Mobile and Road User Charging setup fees offsetting the decline in Fixed Voice and ICT
- Positive Mobile service revenue supported by a larger customer base and higher data usage

TEC: -2.4% YoY

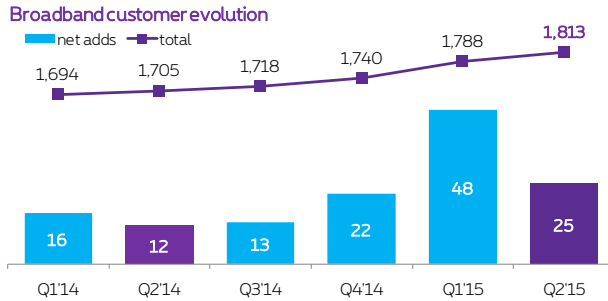
- Lower volume from traditional Wholesale business (broadband lines, leased lines and traffic volumes).

BICS : slight decrease of -0.8% YoY

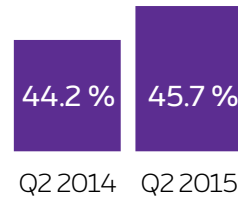
- Ongoing growth in Data revenue and continued positive impact on revenue from the stronger USD, more than offset by lower Voice revenue.
- High comparable base Q2 2014

Q2'15 Core revenue performance driven by sustained rise in Fixed customer base...

Fixed Internet

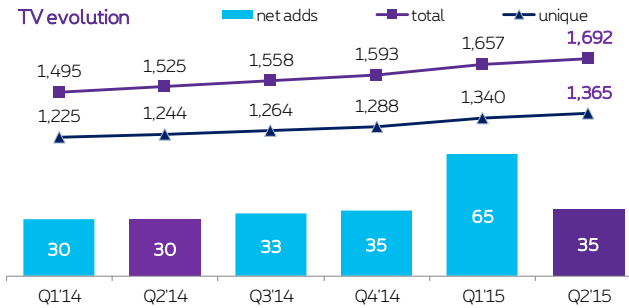


Market share

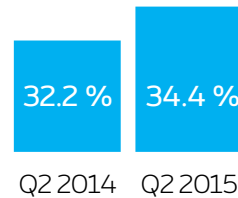


- YoY growth of +108,000 Fixed Internet customers; i.e. +6.3%

TV

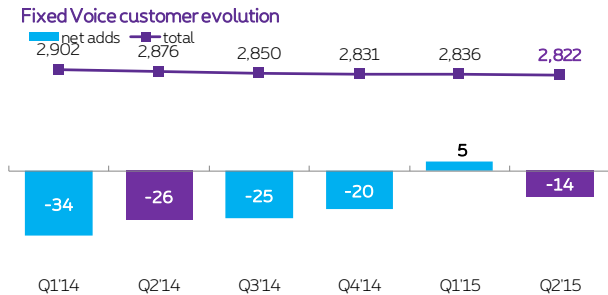


Market share



- YoY growth of +167,000 TV customers; i.e. +11%

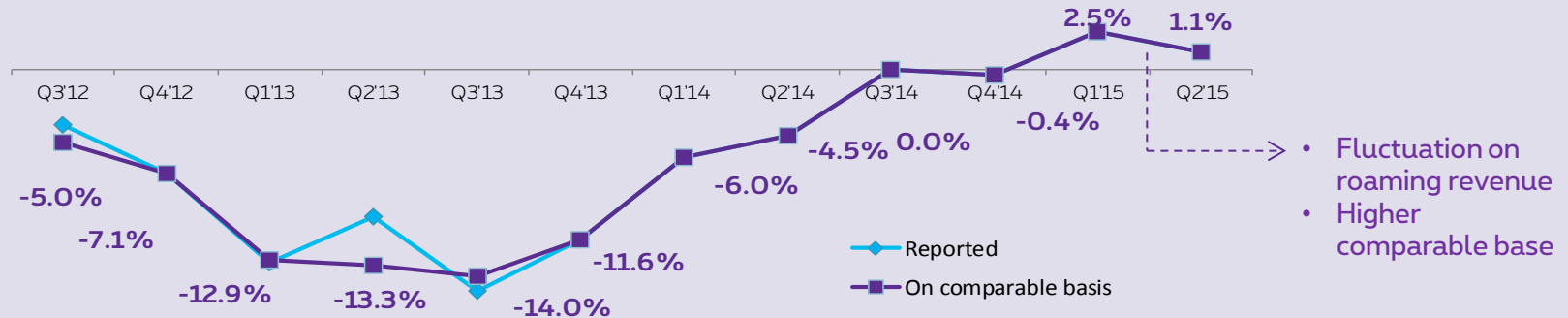
Fixed Voice



- YoY erosion of -54,000 Fixed Voice lines; i.e. -1.9%

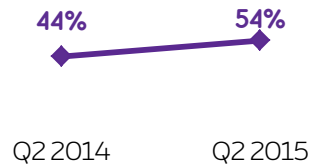
- Proximus Group showing continued good net customer growth for its 2 main brands Proximus and Scarlet
- Proximus brand benefitting from enhancing customer experience and 3-4 Play focus
- Scarlet attracted successfully 22,000 former Snow customers on its TRIO offer in H1'15

... and Mobile services revenue remaining positive.

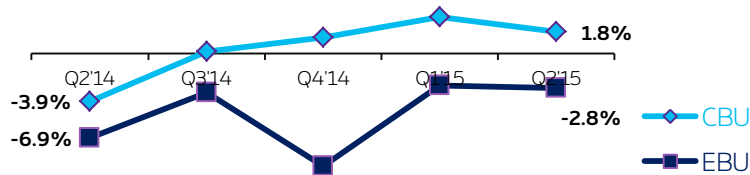


- Growing postpaid mobile customer base and market share (see next slide)

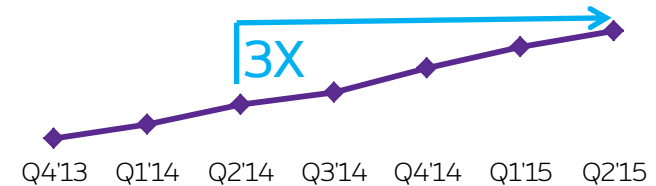
- Proximus Smartphone penetration: +10pp YoY



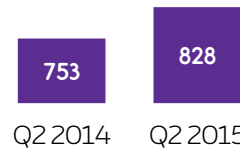
- Blended ARPU trend for CBU remains positive, stable decline for EBU



- Growing number of 4G users



- Increased YoY data usage per user/month
4 G users:



- Increased YoY Total data usage in Terabytes

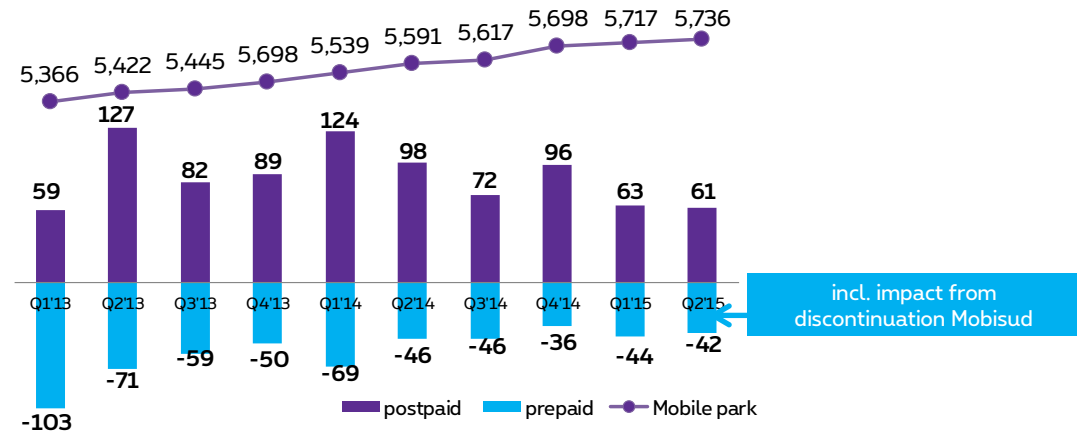


4G Users 3.1X more data vs 3G users

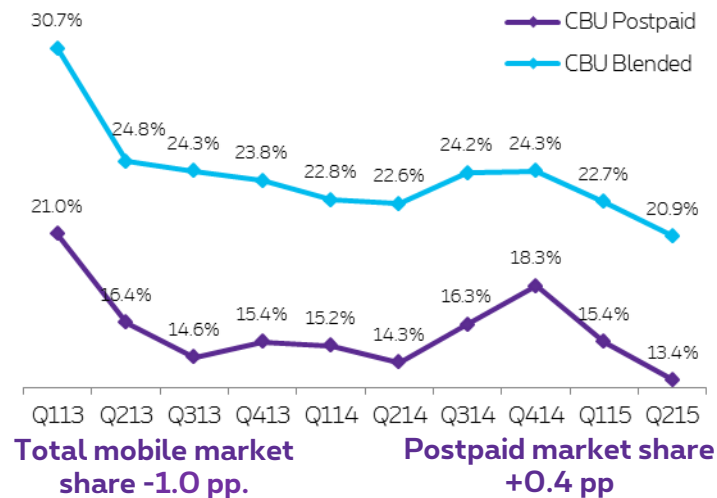
Mobile revenue supported by Mobile customer gain and controlled churn levels

- **Growing Group mobile customer base and improving mix:**

- +144,000 Mobile cards YoY; +2.6%
- Customer mix improving to 74% Postpaid vs. 71% for Q2'14

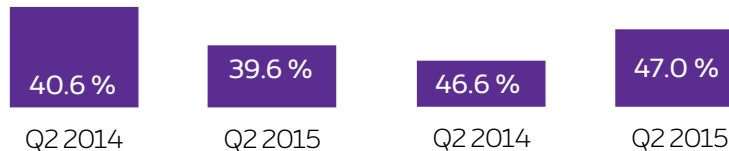


- **Mobile churn well under control**



- **Total market share**

Postpaid increase offset by lower Prepaid



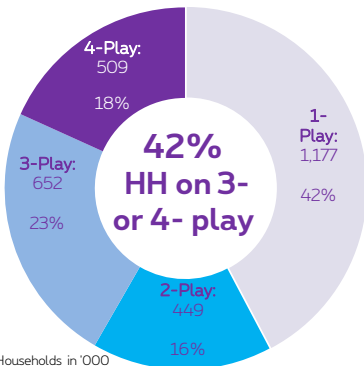
Benefitting from good progress on convergence strategy



- 42 % of the Households/Small offices are 3-or 4-play, and count for 62% of total HH/SO revenue
- Continued improvement of mix following growth for 3-Play and 4-Play
- Revenue from X-play HH/SO +2.9% YoY; 4-Play revenue +13.7%
- ARPH up by 4.9% YoY to EUR 65.1, 4-Play ARPH at € 116

CBU Households per x-play Q2'15:

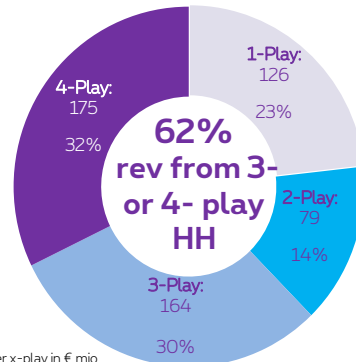
Total of 2,786,000 Households (*)



Number of Households in '000
(*) includes Small Offices

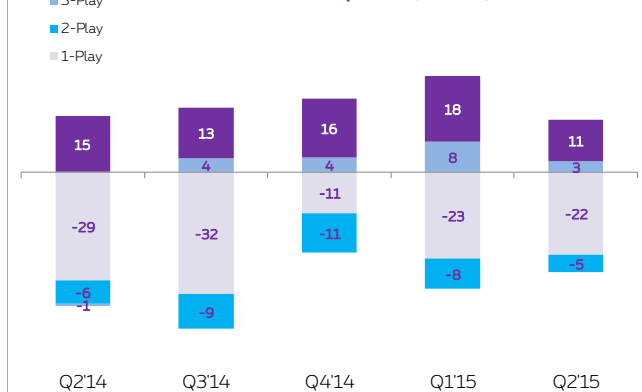
CBU Revenues per x-play Q2'15:

Total x-play Revenues of € 544

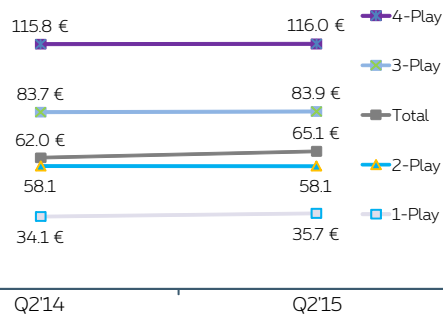


Revenues per x-play in € mio

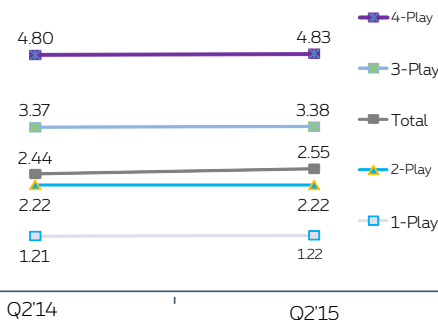
Households/Small Offices per x-play net adds of the quarter (in '000)



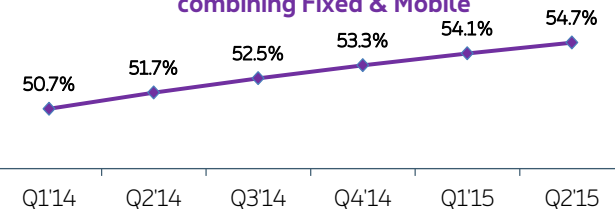
Average Revenue per x-play (ARPH) in €



Average Revenue Generating Unit per x-play



54.7% of Households/Small Offices combining Fixed & Mobile



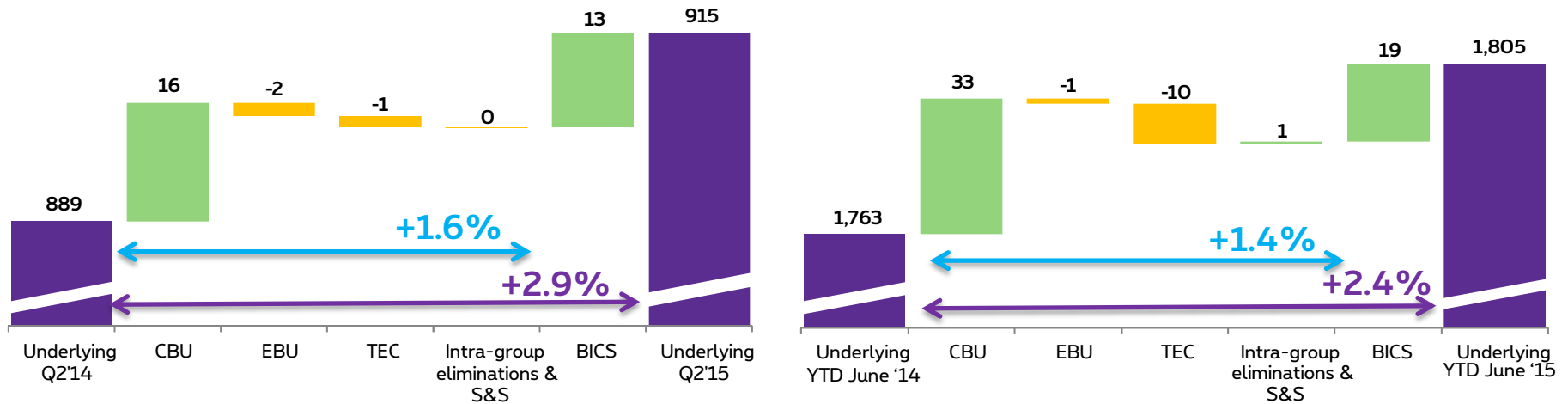
Annualized churn rate (HH)

# Plays	Q2'15	# Plays	Q2'15
1-Play	18.2%	3-Play	8.7%
2-Play	10.3%	4-Play	2.9%

Group underlying Direct Margin for Q2 '15 +2.9% YoY

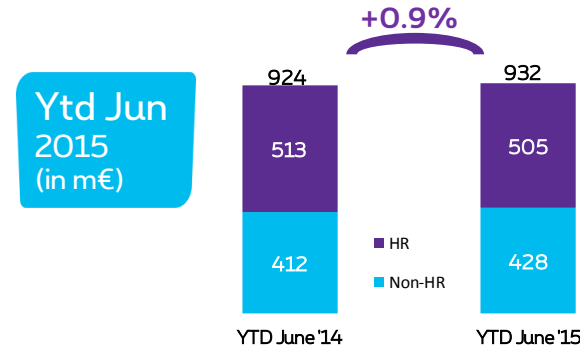
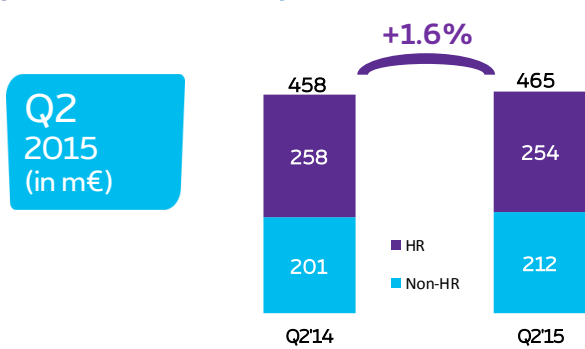
Q2
2015
(in m€)

YTD Jun
2015
(in m€)

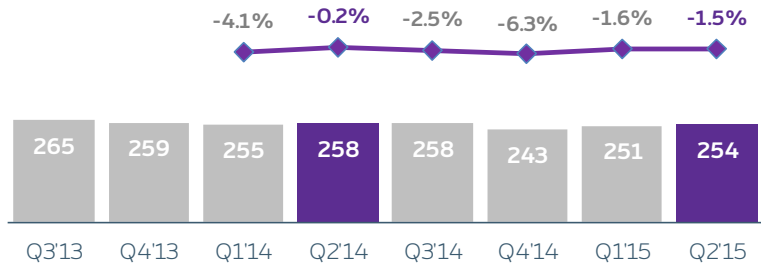


- Direct Margin increase from both the Core business as from BICS.
- Core Direct margin + 1.6% YoY: higher Core revenue driven by Fixed and Mobile services, and by Tango.
- BICS posted a record Direct margin: + 20.6% YoY, benefitting from positive volatility in Voice trading business and the ongoing Mobile data growth, including a favorable USD impact.

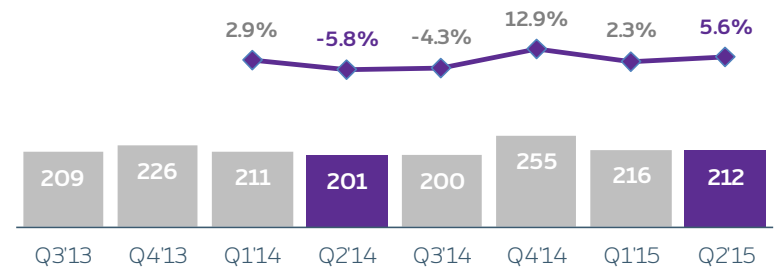
Underlying expenses higher YoY, including timing impact Pylon Tax provision



Group underlying HR costs (EUR mio) & YoY variance



Group underlying non-HR (EUR mio) & YoY variance



Underlying HR expenses 1.5% lower on natural attrition

Q2'15 showing similar decrease as Q1. Includes the positive impact from a lower headcount base:

- natural attrition of -318 FTEs YoY
- Proximus Group headcount decreased to 13,983 FTEs by end-June 2015

Ytd June '15 HR-expenses -1.6% to € 505m

Q2 Group underlying non-HR expenses +5.6%

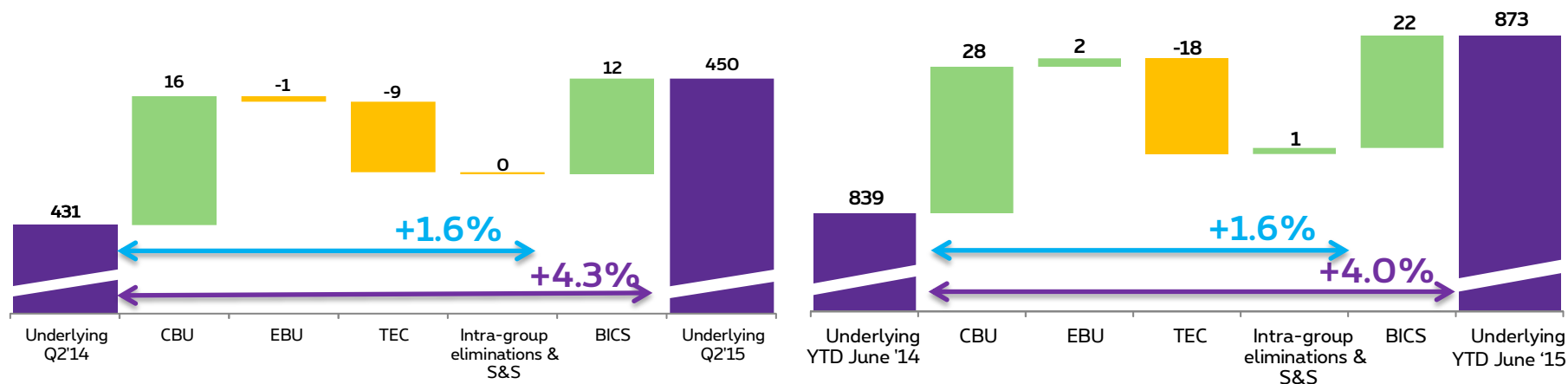
- timing impact from provisioned Walloon Region Pylon tax, booked in its entirety in Q4'14, whereas spread over the year in 2015.
- Furthermore renting costs are temporary higher due to the sale and lease back of some buildings sold within the network simplification program.

Ytd June 2015 non-HR expenses totaled € 428 million, or 3.9% YoY.

Q2 Group underlying EBITDA + 4.3% YoY

Q2
2015
(in m€)

YTD Jun
2015
(in m€)

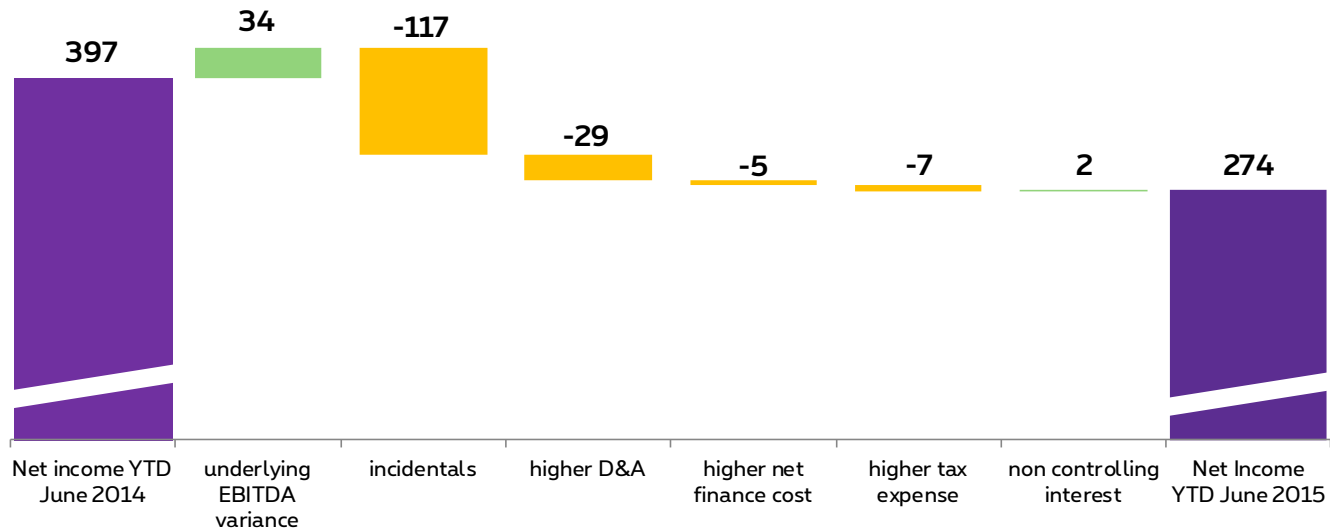


Q2 '15 underlying Group EBITDA totaled € 450m, a € 19m or 4.3% improvement YoY

- higher Direct Margin posted in the Consumer segment, and BICS
- partly offset by the Group's expenses (HR and non-HR costs) which were up by 1.6%, including an unfavorable timing impact from the provisioned Walloon Region Pylon tax.

YTD Net income (Group share)

YTD Jun
2015
(in m€)

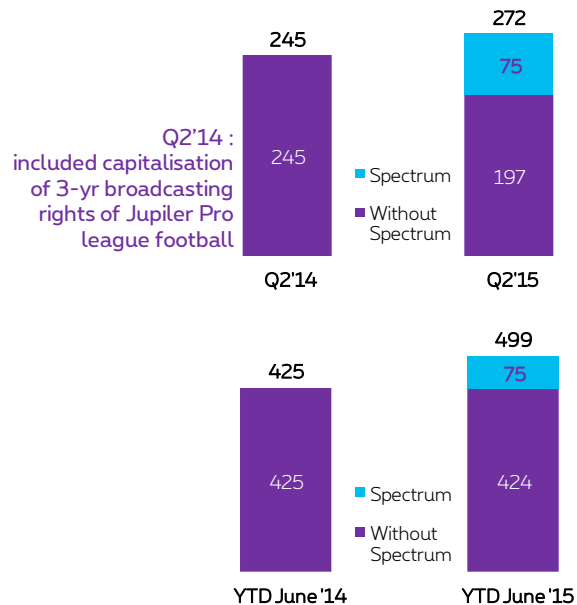


Ytd June '15 Net income (Group share) totaled € 274m. The decrease versus the same period of 2014 was for a large part due to the positive impact of incidentals on the 2014 net income, including the sale of subsidiaries and buildings.

Investing in excelling customer experience

€ 272m Capex in Q2'15, Ytd 2015 at €499m.

- Renewal of the 900Mhz/1800Mhz spectrum (€ 75m)
- Best in class mobile customer experience, progressing on 4G coverage and quality
- Improve Fixed experience, rolling out Vectoring technology
- Network Simplification program and more efficient IT-systems



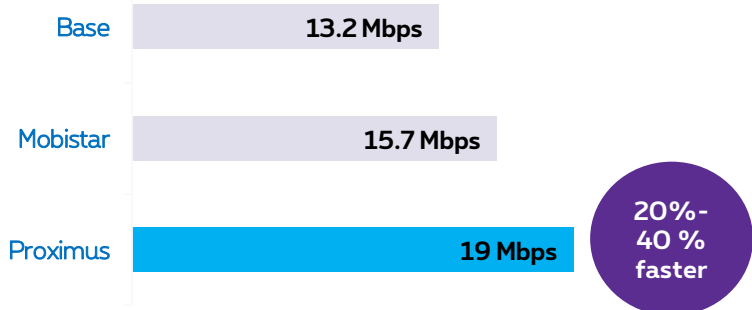
4G-network

- 96.5% outdoor population coverage
- 81.6% indoor coverage
- average download speed of 19 Mbps on a 4G capable device (20% to 40% faster than competitor networks)

Fixed network

- More than 1/3rd of our VDSL2 network is now covered with Vectoring.
- The number of customers having access to internet download speeds of 70 Mbps grew to more than 435,000 or 45,000 more than last quarter

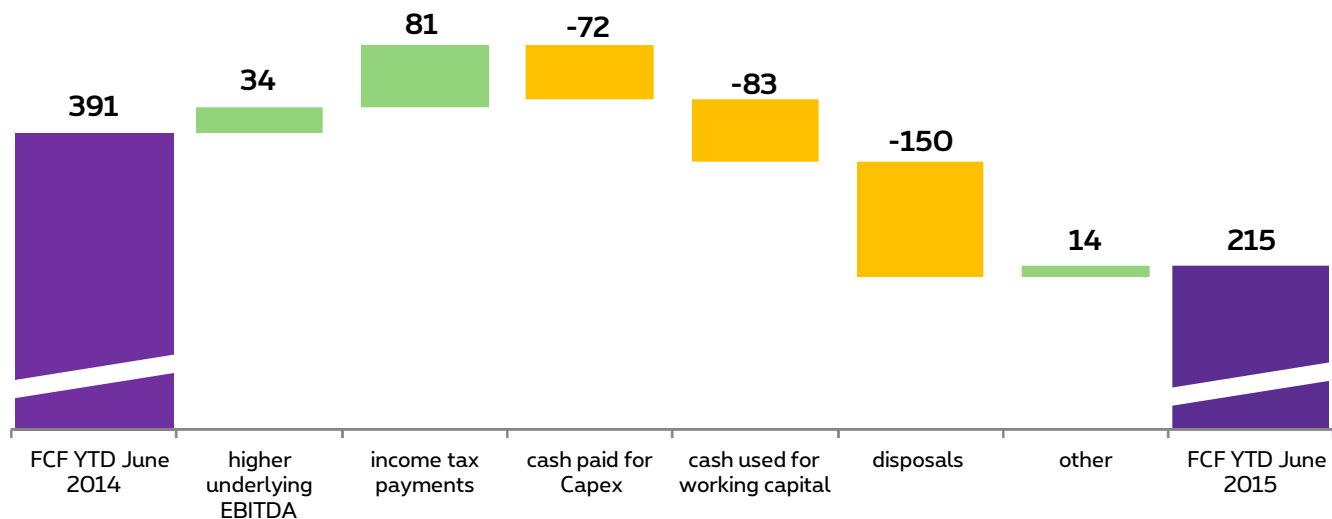
Average download speed on 4G capable device (*)



(*) Coverage and speed as measured by independent agency CommSquare through national drive tests in Q2'15. Speed measurements are done with devices in free mode, meaning the device itself picks the available network technology (2G, 3G, 4G)

Ytd June 2015 FCF of € 215m

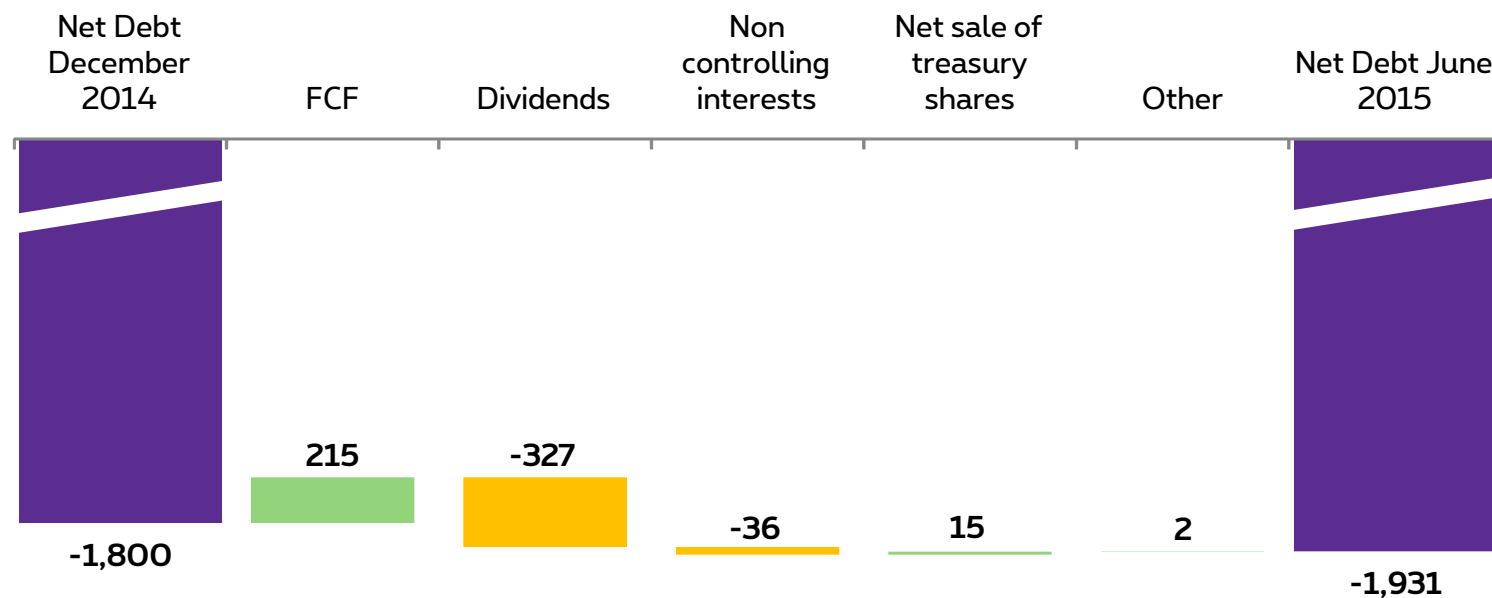
Ytd'15
(in million €)



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

We keep a sound financial position

- June '15 net financial debt at € 1,931m, €131m higher versus end 2014
- The outstanding long term financial gross debt amounted to € 2,461m
- Credit ratings: Standard & Poor's A; Moody's A - both stable outlook



Debt maturing



FY 2015 Outlook revised upwards; company running ahead on its 2016 growth objective

- solid achievements of Q1'15 confirmed in Q2'15, H1'15 results better than expected.
- good progress made on the company's 'Fit-for-Growth' strategy, some of the initiatives already translated in improved underlying trends

Proximus' management revises its full-year 2015 guidance upwards and believes to end the year 2015 with an underlying Core revenue growth of around 2% and a Group underlying EBITDA growing by 3% to 5% compared to 2014.

Guidance metrics	FY 2014	Outlook 2015 27 Feb '15	Revised Outlook 2015 31 July '15
Core underlying revenue	4,287 million	Stable to slightly positive	Around 2% growth
BICS underlying revenue	1,577 million	Stable	Slightly positive
Group underlying EBITDA	1,653 million	Stable to slightly positive	3% - 5% growth
Capex (excl. spectrum license)	978 million*	About 900 million	About 900 million

* Including the capitalized three-year broadcasting rights of the Belgian Jupiler Pro league football acquired in June 2014.

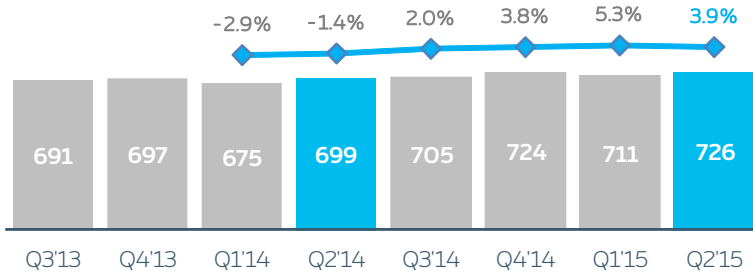
The Board of Directors also confirmed their intention to return a stable total gross dividend of EUR 1.50 per share over the result of 2015 and 2016.

Consumer results

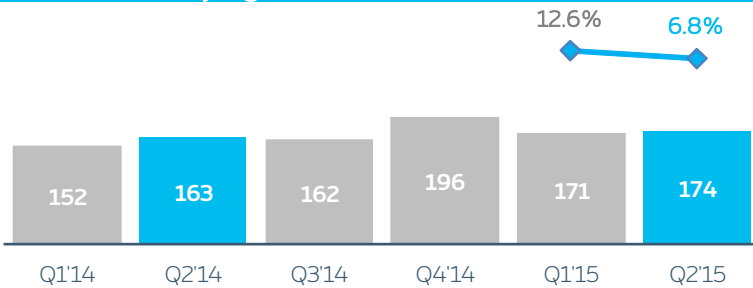
Q2 2015

CBU's underlying* revenue growth leading to solid increase in Direct margin

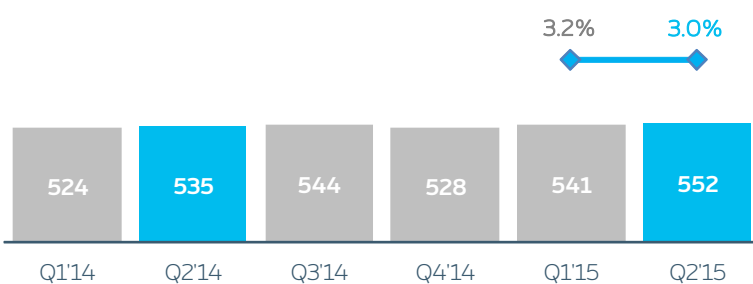
CBU underlying revenue (EUR mio) & YoY variance



CBU underlying Cost of Sales (EUR mio) & YoY



CBU underlying Direct Margin (EUR mio) & YoY



Q2'15 underlying revenue + 3.9% YoY on good revenue progress from Fixed and Mobile

- Revenue from Fixed products improved to a +4.1% YoY, driven by both Proximus and Scarlet.
- Total Mobile revenue +2.5%, incl. 0.9% growth from Mobile services. Mobile devices +14% YoY

YTD June underlying CBU revenue totaled € 1,437m, +4.6% YoY

Q2'15 underlying CoS + 6.8% YoY

- CoS fluctuations for great part driven by level of Mobile device sales.

Q2'15 underlying Direct Margin : + 3% YoY

- solid underlying revenue growth resulted in a continued positive Direct Margin compared with last year

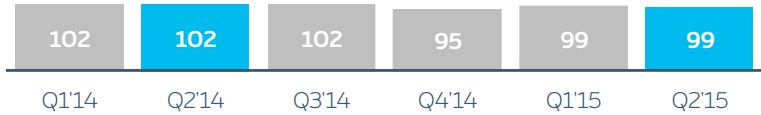
YTD June underlying segment direct margin totaled € 1,093m, +3.1% YoY

* Adjusted for incidentals

CBU's underlying segment result further improving

CBU underlying HR costs (EUR mio) & YoY

-2.2% -3.2%



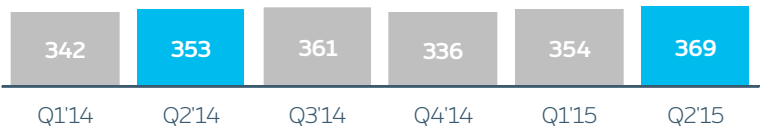
CBU underlying Non HR costs (EUR mio) & YoY

9.2% 4.0%



CBU underlying segment result (EUR mio) & YoY

3.5% 4.6%



Q2'15 underlying HR Costs : -3.2% YoY on lower personnel base

- Mainly result of lower personnel base following natural attrition

Ytd June '15, HR expenses of € 198m, -2.7% YoY

Q2'15 underlying Non HR Costs : +4% YoY to € 84m

- targeted marketing campaigns
- volume related costs
- resources needed for acceleration of e-transformation program

Ytd June '15, non-HR expenses totaled € 172m, up 6.6%.

Q2'15 underlying segment result: +4.6% YoY,

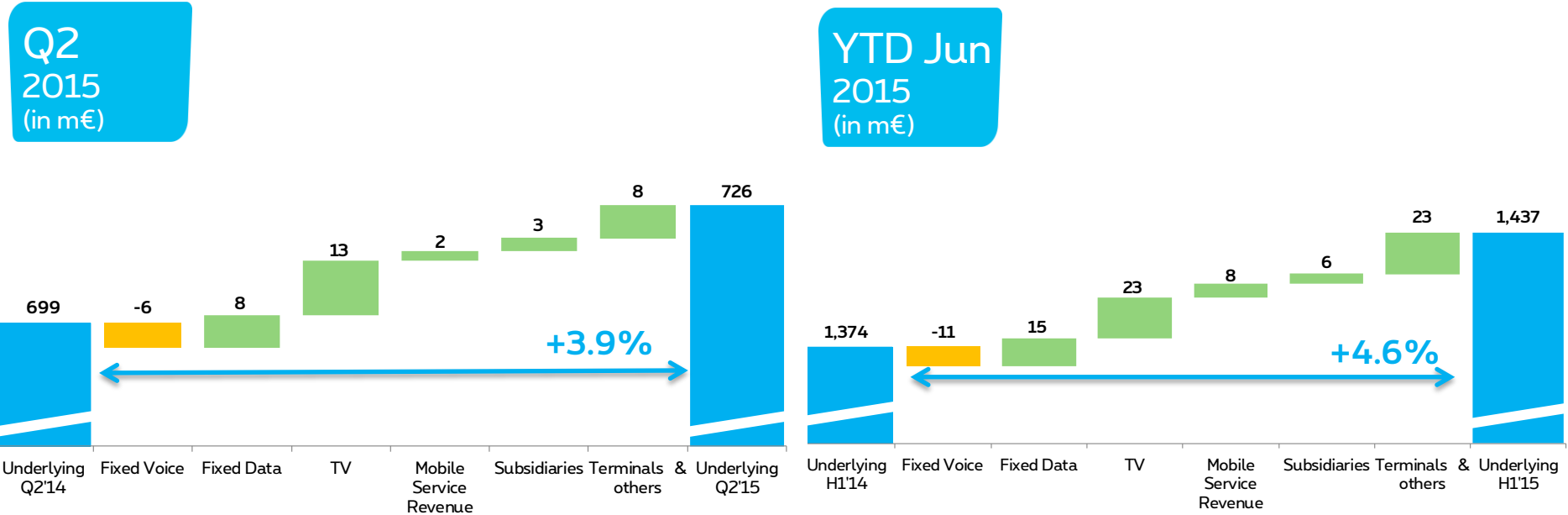
- Sequential improvement from the prior quarter
- including € -5m (-1.5%) regulatory impact
- Segment contribution 50.8%, +0.3p.p. YoY

Ytd June '15, CBU's segment result was € 723m, +4.1% YoY.

CBU's underlying* revenue variance per product group

Note

In line with Proximus' strategy, most products are sold through multi-play Packs. Therefore, the revenue and ARPU of standalone products as described hereafter, are largely the result of the allocation of revenue and discounts to the respective products included in the Packs, as required by IFRS rules.



CBU's solid revenue growth resulted from a good performance from both fixed and mobile, as well as from Proximus' Luxembourg subsidiary Tango.

Setting aside the more promotion-driven revenue from mobile terminals, CBU's revenue growth remained fairly stable over the first two quarters of 2015.

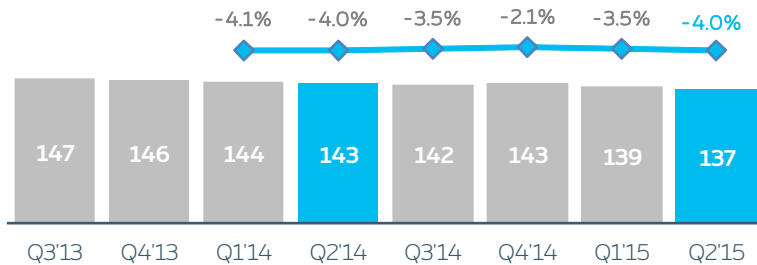
* Adjusted for incidentals, i.e. impact from divested companies. Total Q2 2015 CBU reported revenue of € 726m was 3.5% up versus € 701 m reported revenue of Q2 2014.

Consumer – Fixed voice

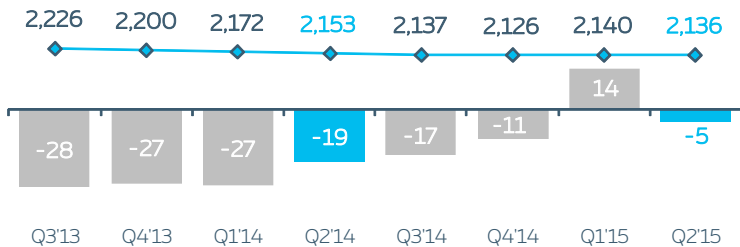


Proximus line erosion limited and Scarlet gaining more former Snow customers

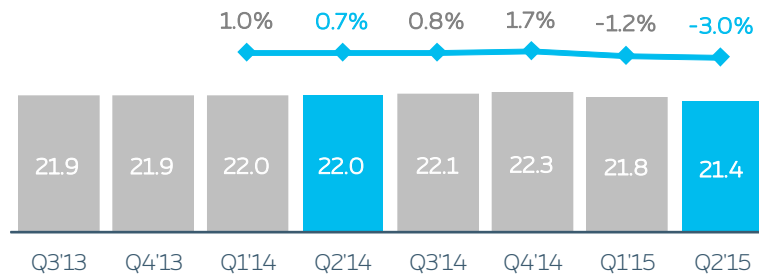
Fixed voice revenue (EUR mio) & YoY variance



Voice line loss/gain & EOP (000)



Fixed voice ARPU (EUR) & YoY variance



Q2'15 revenue from Fixed voice totaled € 137m, - 4% YoY

- YoY line erosion by -18,000 or -0.8%
- Increasing number of customers with multi-play Pack, with discount lowering the ARPU

Q2'15 Fixed line -5,000 lines; total of 2,136,000 lines

- Scarlet attracting additional 6,000 former Snow customers to its Trio offer
- Proximus brand benefitting from Sales focus on Fixed voice in multi-play Pack

Q2'15 ARPU down - 3% YoY to €21.4

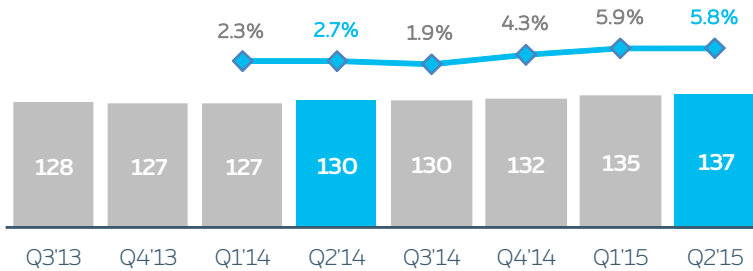
- Increasing number of Voice customers in multi-play Pack at more favorable pricing

Consumer – Fixed Internet



Fixed internet revenue up 5.8%; Proximus and Scarlet adding +25,000 customers

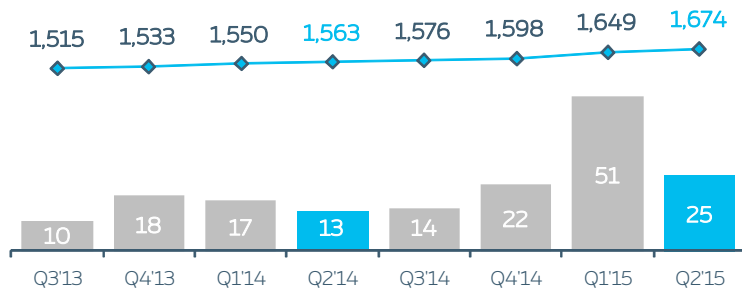
Fixed data revenue (EUR mio) & YoY variance



Q2'15 Fixed data revenue of € 137 m, +5.8 % YoY

- Driven by the growing customer base, up by 111,000 or +7.1% in one year

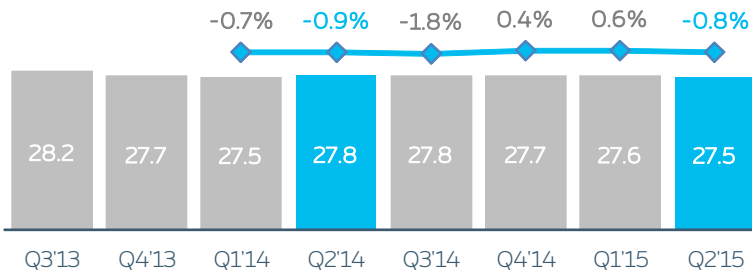
Broadband growth & EOP (000)



Q2'15 Fixed Internet customer base grew with +25,000 Proximus and Scarlet customers

- Scarlet brand attracted 6,000 former Snow customers to its Trio offer
- Proximus brand maintaining good growth

Broadband ARPU (EUR) & YoY variance



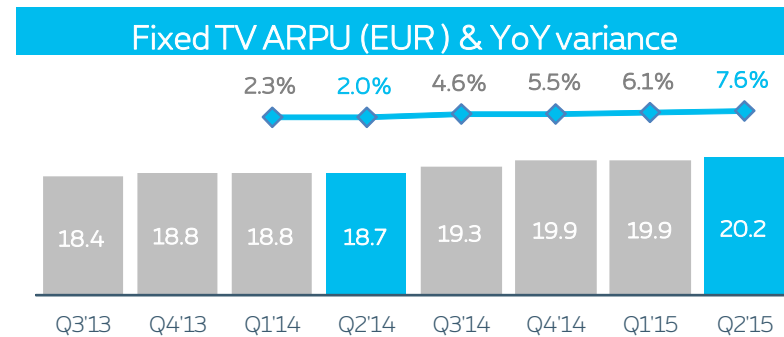
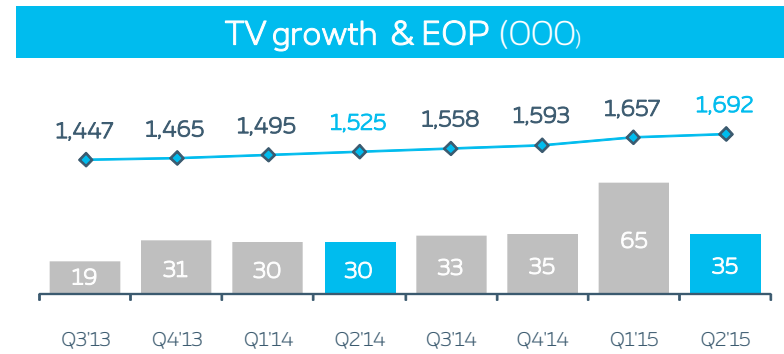
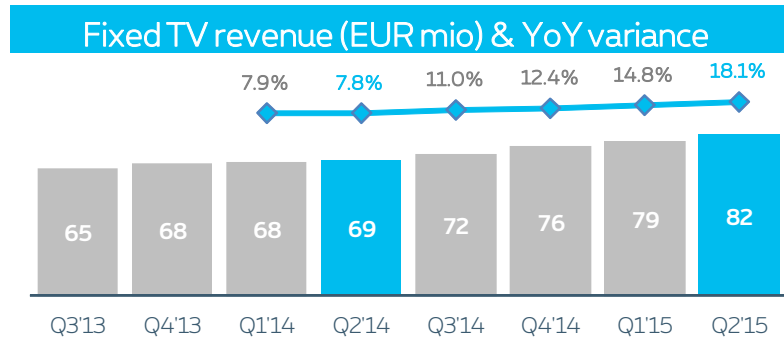
Q2'15 ARPU of €27.5 – 0.8% YoY; fairly stable compared to Q1

- Migration of Internet customers to multi-play Packs, at favorable pricing

Consumer - TV



Proximus and Scarlet brand growing TV base by 35,000 in the quarter



Q2'15 revenue from TV totaled € 82m, +18.1% YoY

- Continued subscriber growth, with both the Proximus and Scarlet brand increasing their customer base
- Over 12 months, the total TV customer base grew by 167,000 or 11%

+35,000 TV subscriptions in Q2'15, including +10,000 multiple set-top-boxes

- Total of 1,692,000 TV subscriptions,
- 1,365,000 single customers, +121,000 YoY or +9.7%
- 327,000 multi-settop boxes
- Q2 '15 Scarlet Trio offer growth was strong, attracting an additional 6,000 former Snow customers

Q2'15 TV ARPU up 7.6% YoY to € 20.2

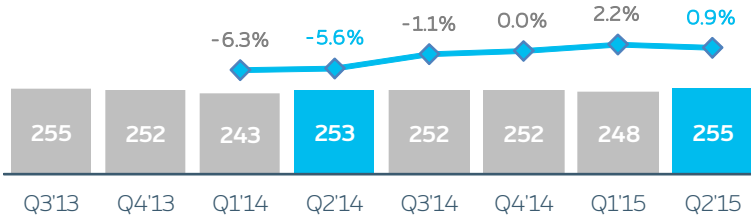
- Revenue from TV options such as for Football
- Product ARPU results from allocation of Pack revenue (Proximus TV not sold in standalone)



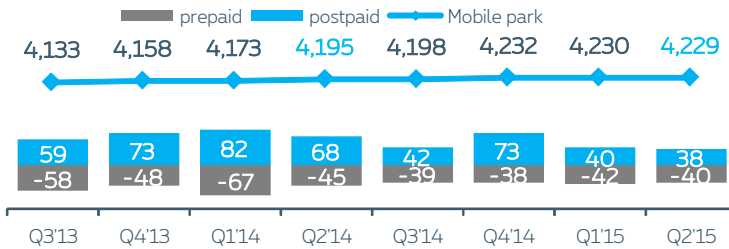
Consumer – Mobile service

Higher YoY revenue on growing Postpaid base and ARPU trend

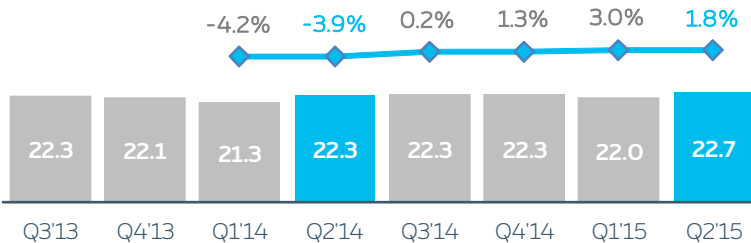
Mobile service revenue (EUR mio) & YoY variance



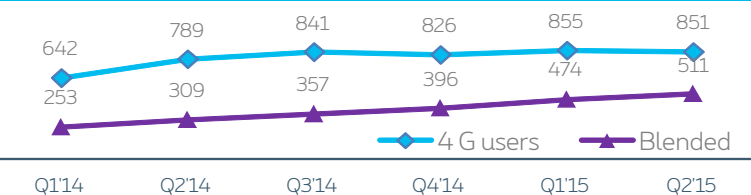
Mobile growth & EOP (000)



Blended net mobile ARPU (EUR) & YoY variance



Average monthly CBU mobile data usage in Mb



Q2'15 revenue from Mobile services +0.9% YoY

- Solid growth in Postpaid base : +192,000 or +7.2%
- Blended mobile ARPU up YoY by 1.8%

Growing Mobile base, in spite of many promotions on the market from all mobile players

- Proximus' Postpaid churn level remained low at 13.4%
- Q2 Postpaid customer base +38,000 cards, or +26,000 when excluding the Internet-Everywhere data cards.
- Q2 Mobile Prepaid -40,000 cards, incl. -13,000 due to discontinuation of Mobisud

Blended Mobile ARPU up 1.8% YoY to € 22.7

- Better customer tiering, driven by high-end Joint-Offers, and increased smartphone penetration
- Q2'15 Postpaid ARPU of €29.6 +1.5% YoY
- Q2'15 Prepaid ARPU of € 11.2 or -11.31%, though slightly higher than the first quarter (€ 10.7).

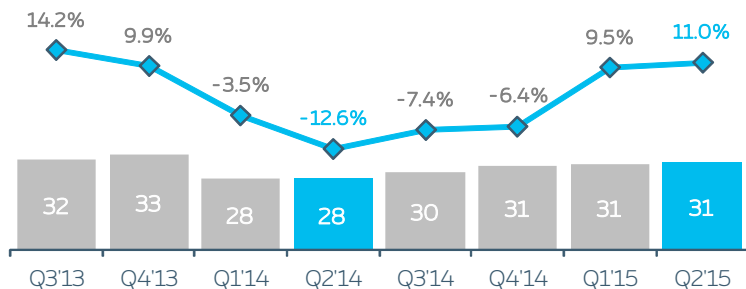
CBU's Average Monthly data consumption per user :

- Overall average usage (3G & 4G devices) of **511Mb/month**, +65% YoY
- Average usage for **4G-devices** of **851 Mb**, + 8% YoY
- 4G devices have >3 times more data consumption than non 4G

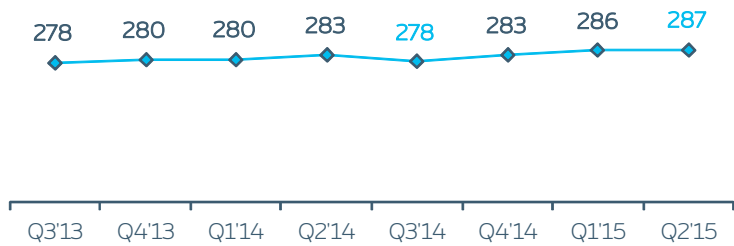
Tango Luxembourg

Double digit revenue growth on growing customer base and higher ARPU

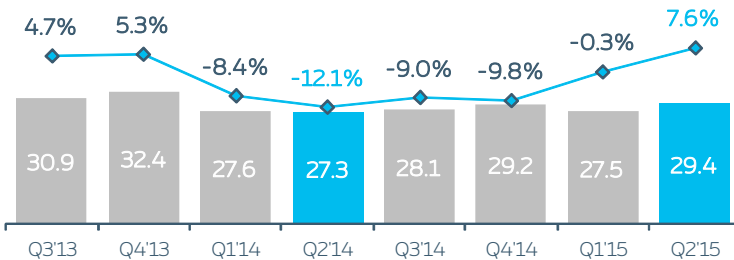
Tango revenue (EUR mio) & YoY variance



Tango mobile customers EOP (000)



Blended mobile net ARPU (EUR/month) & YoY Variance



Tango Q2'15 revenue of € 31m, +11% YoY

- Revenue increase resulting from growing customer base for Mobile postpaid as well as for triple-play and quad-play.

Continued Mobile customer growth

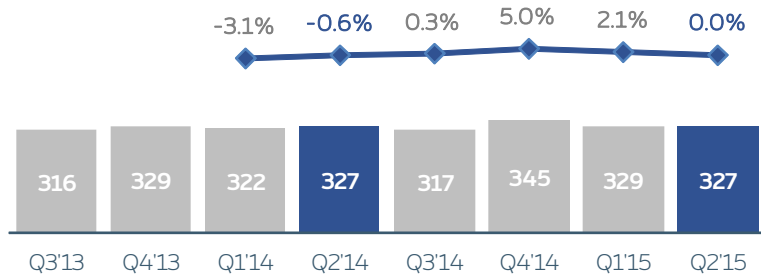
- Mobile customer base end June '15 of 287,000, a 1.4% increase vs. June '14.
- In the second quarter Tango added net 1,000 mobile customers with Mobile postpaid growth of 3,000 cards partially offset by 2,000 less prepaid cards.

Enterprise results

Q2 2015

EBU's underlying revenue stable, Direct margin slightly down on product mix

EBU underlying revenue (EUR mio) & YoY variance

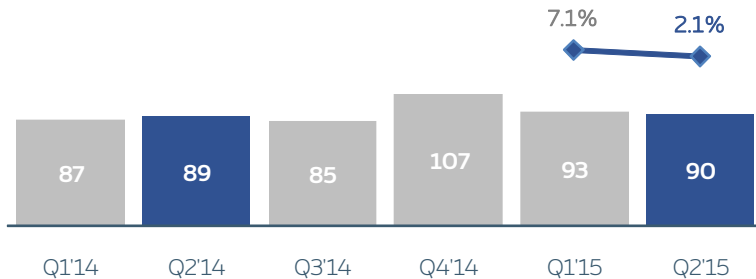


Q2'15 underlying revenue stable YoY

- Mobile and Road User charging setup fees offset decline in Fixed voice and ICT
- Estimated € -8m (-2.4%) regulatory impact

YTD June underlying segment revenue totaled € 656m, +1.0% YoY

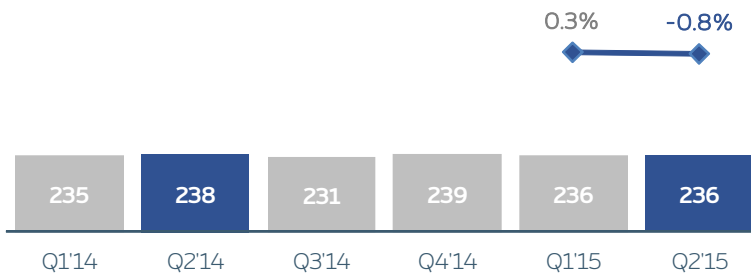
EBU underlying Cost of Sales (EUR mio) & YoY variance



Q2'15 underlying COS +2.1% YoY

- Unfavorable YoY ICT product/services mix

EBU underlying direct margin (EUR mio) & YoY variance



Q2'15 Direct Margin : -0.8% YoY

- Lower Fixed Voice revenue
- Unfavorable product mix in ICT

YTD June underlying segment direct margin totaled € 472m, -0.3% YoY

EBU Q2'15 Segment result of € 146m, -0.5% YoY

EBU underlying HR costs (EUR mio) & YoY variance

-0.4% -1.1%

Underlying HR Costs fairly stable

- 1.1% YoY to € 68m, on lower personnel base

Ytd June '15 HR expenses -0.8% lower versus the previous year.



EBU underlying Non HR costs (EUR mio) & YoY variance

-6.5% -1.7%

Q2'15 underlying Non HR Costs

- 1.7% YoY to € 22m, including efficiency gains

Ytd June '15 non-HR expenses were 4.1% down.



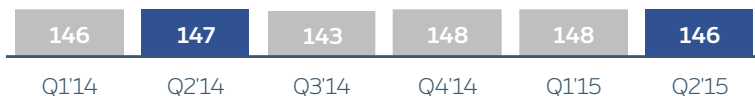
EBU underlying segment result (EUR mio) & YoY

1.6% -0.5%

Q2'15 underlying segment result of € 146m, -0.5% YoY

- Lower direct margin partially offset by less costs on both HR and non-HR expenses
- 44.7% contribution margin

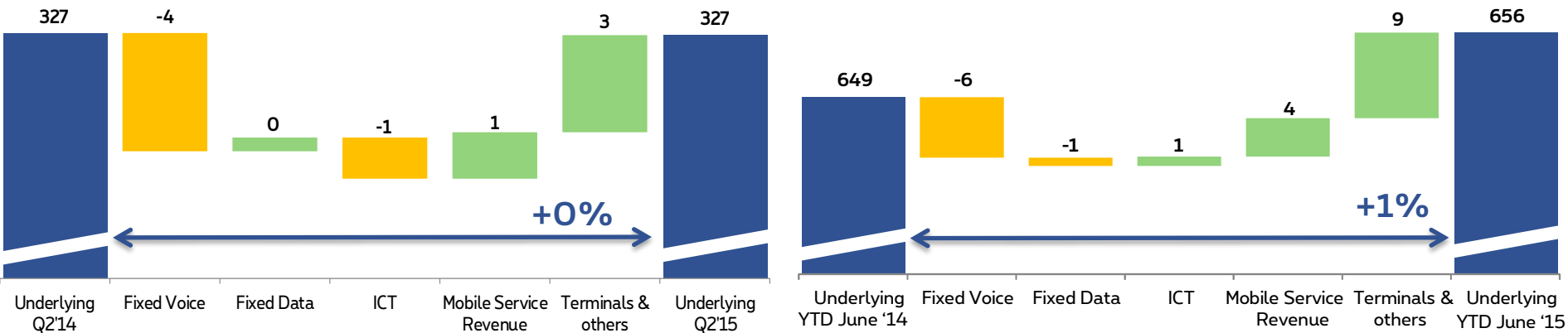
YTD June'15 underlying segment result totaled € 294m, +0.6% YoY



EBU's underlying* revenue variance per product group

Q2
2015
(in m€)

YTD Jun
2015
(in m€)



In Q2'15 the higher revenue from Mobile Services and setup fees for Road User Charging (reported in 'Other') offset the lower revenue from Fixed Voice and ICT.

The slow-down versus the favorable revenue variance of Q1'15 was mainly driven by lower revenue from Mobile devices and by lower YoY revenue from ICT on a tougher comparable base.

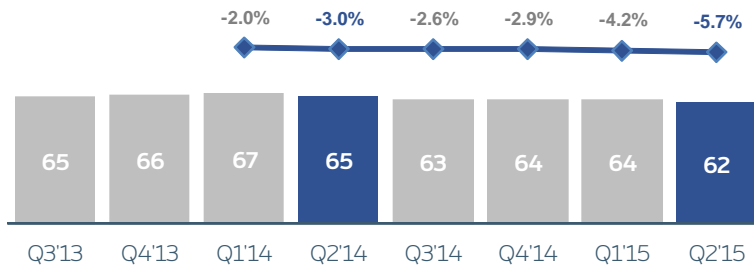
* Adjusted for incidentals, i.e. impact from divested companies. Total Q2 2015 EBU reported revenue of € 327 million was 10.3% down versus € 407 million reported revenue of Q2 2014.

Enterprise– Fixed voice

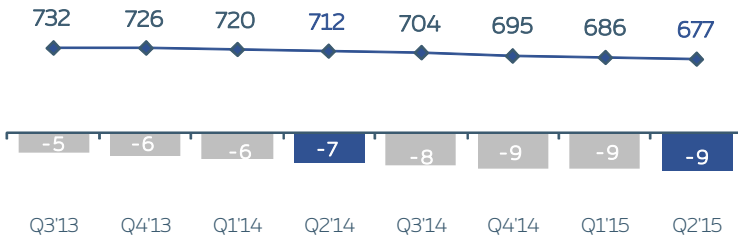


Continued Fixed Voice revenue decline on stable erosion of Fixed Voice customer base and lower traffic

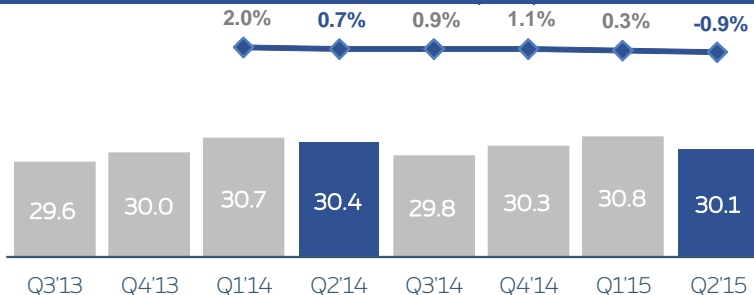
Fixed voice revenue (EUR mio) & YoY variance



Voice line loss/gain & EOP (000)



Fixed voice ARPU (EUR) & YoY variance



Q2'15 revenue from Fixed voice totaled € 62m, - 5.7% YoY

- Key driver is companies rationalisation on Fixed line connections and move to VOIP

YTD June underlying Fixed voice revenue totaled € 125m, -4.9% YoY

Stable quarterly line erosion

- Q2'15 Fixed line -9,000 lines

End Q2'15, EBU Fixed Voice Line customer base of 677,000 lines, -4.9% line loss YoY

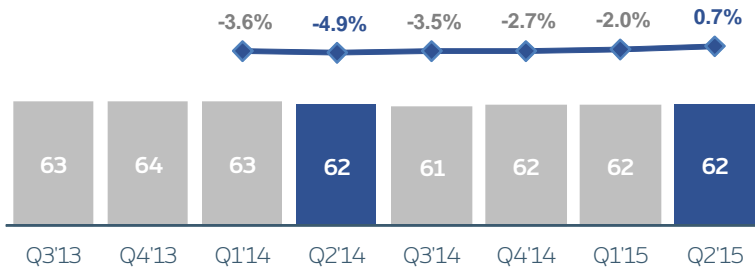
Q2'15 ARPU down -0.9% YoY to €30.1 on lower traffic

Enterprise – Fixed Data

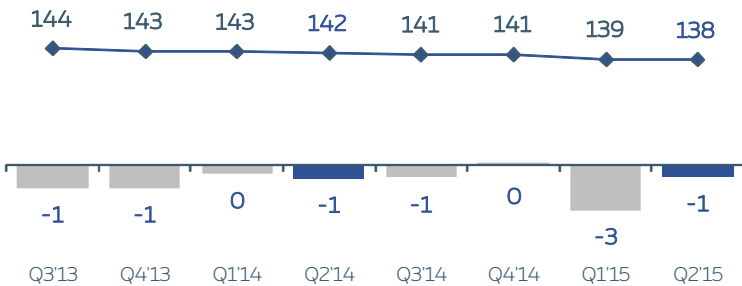
Fairly stable Fixed Data revenue



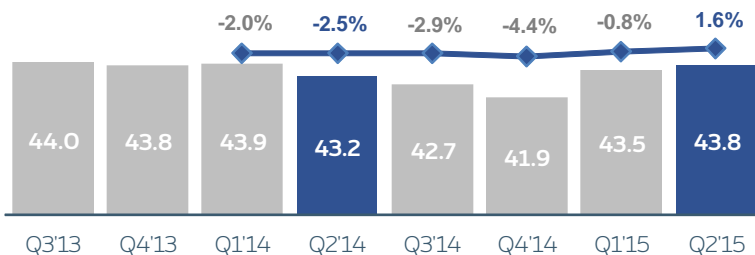
Fixed data revenue (EUR mio) & YoY variance



Broadband growth & EOP (000)



Broadband ARPU (EUR) & YoY variance



Q2'15 Fixed data revenue of € 62m, +0.7 % YoY

- Data Connectivity revenue increased YoY driven by roll-out of a number of large customer projects on the Proximus Explore platform.
- Fixed Internet revenue remained fairly stable

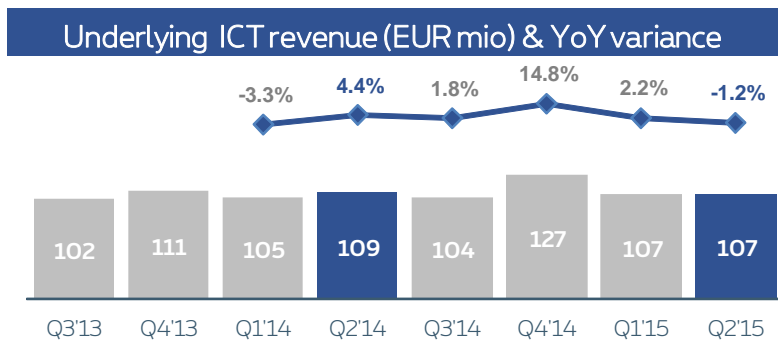
YTD June underlying Fixed Data revenue totaled € 124m, -0.7% YoY

Q2'15 Fixed Internet -1,000 lines; 138,000 Fixed internet customers end Q2'15

Q2'15 ARPU of €43.8, +1.6% YoY

(Includes the mathematical positive impact on ARPU from the cleaning of the Internet base in Q1 2015, which reduced the BB base by 3,000)

Underlying ICT* revenue showing impact from some terminated ICT contracts



EBU generated in Q2'15 € 107 m revenue from ICT, 1.2% below the same period of '14, though a stable amount versus Q1 2015.

- Q2'15 shows an impact from the termination of some ICT contracts earlier this year, which reduced the recurring ICT revenue. This was partly compensated for by higher revenue from ICT products.

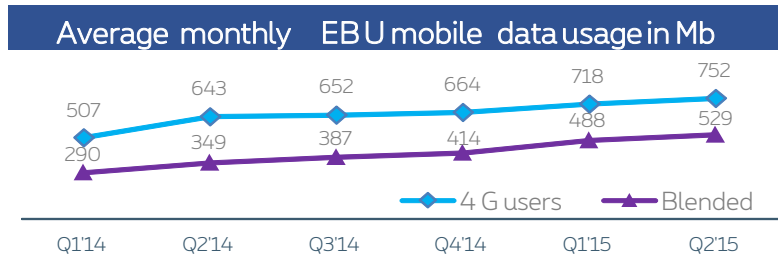
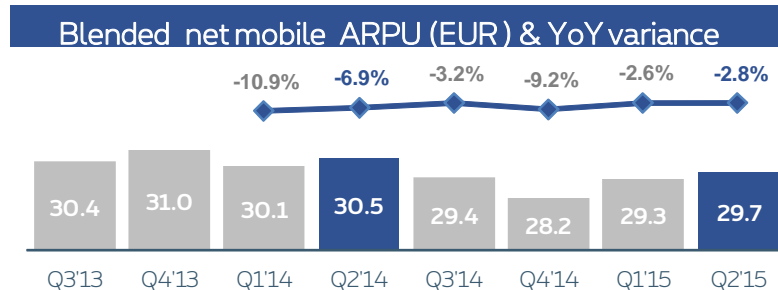
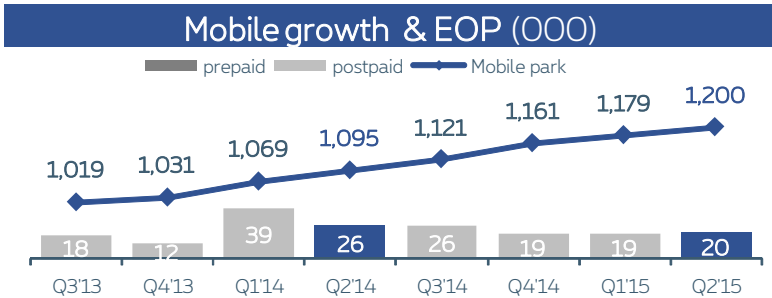
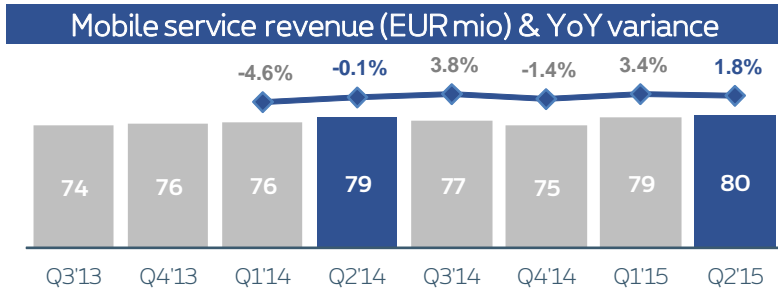
Ytd June '15, EBU's ICT revenue totaled € 215m, i.e. slightly above the comparable period of 2014.

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

EBU's Mobile service



YoY growth on larger customer base and higher data usage



Q2'15 revenue from Mobile services totaled € 80m, +1.8% YoY

- Solid continued growth in Postpaid base : 105,000 or 9.6% more mobile cards YoY
- Blended mobile ARPU trend up YoY

YTD June underlying Mobile service revenue totaled € 159m, +2.6% YoY

Q2'15 Mobile base end June : 1,200,000 cards

- 10,000 Mobile Voice and paying data cards, i.e. better than previous 2 Q's (Q1'15 '+6,000; Q4'14 '+9,000)
- M2M park growth of 10,000 in Q2'15
- Mobile churn limited in Q2'15 to 10%

Blended Mobile ARPU down -2.8 YoY however increasing from the previous quarters to € 29.7

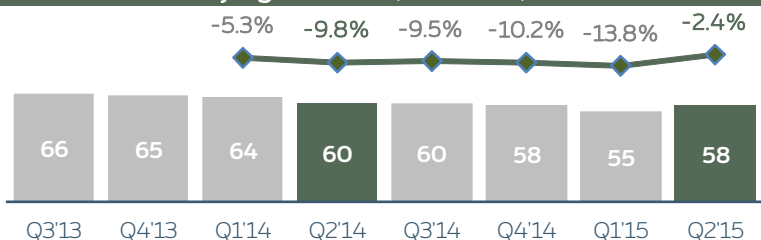
- EBU segment still impacted by some YoY repricing effects
- Trend improved since Q1'15 on improved tiering and data consumption

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

- **Overall average usage (3G and 4G devices) of 529Mb/month, +52% YoY**
- Average usage for **4G-devices of 752 Mb/month, up 17% YoY**
- 4G devices have 2.6 times more data consumption than non 4G

Technology & Wholesale

TEC & W underlying revenue (EUR mio) & YoY variance

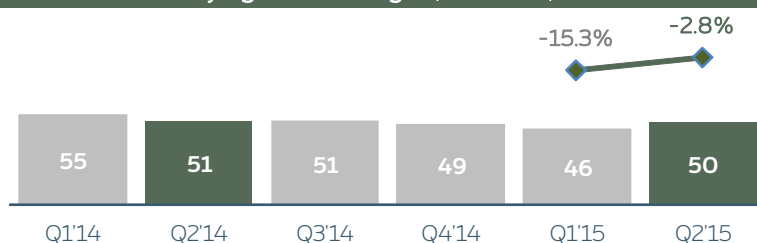


Q2'15 revenue totaled € 58m, -2.4% YoY

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

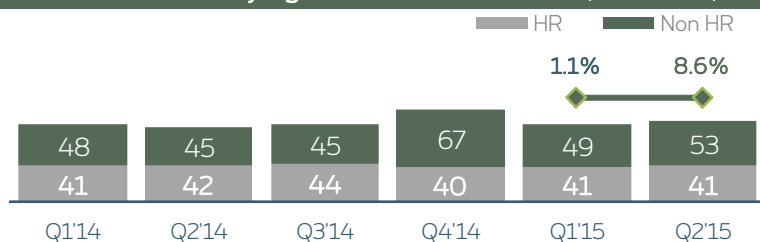
YTD June revenue totaled € 114m, -8.3% YoY

TEC & W underlying direct margin (EUR mio) & YoY variance



Q2'15 direct margin €50m, -2.8% YoY

TEC & W underlying HR & Non-HR costs (EUR mio)



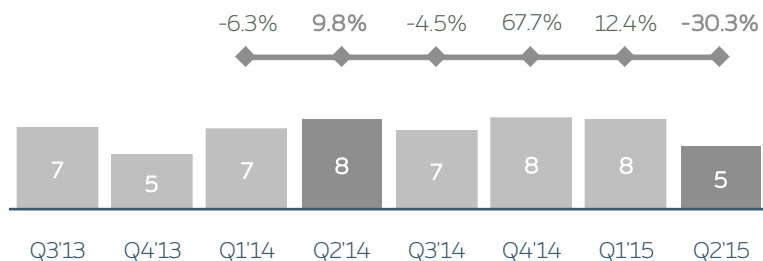
Q2'15 HR expenses of €41m, -2% YoY

Non-HR expenses increased to €53 m.

- This includes a timing impact of the Pylon tax provision.
- This compares to a Q2'14 which benefitted from a favorable one off provision reversal.

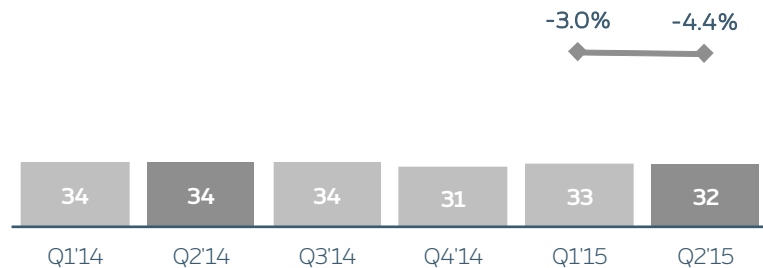
Staff & Support P&L

S&S underlying revenue (EUR mio) & YoY variance



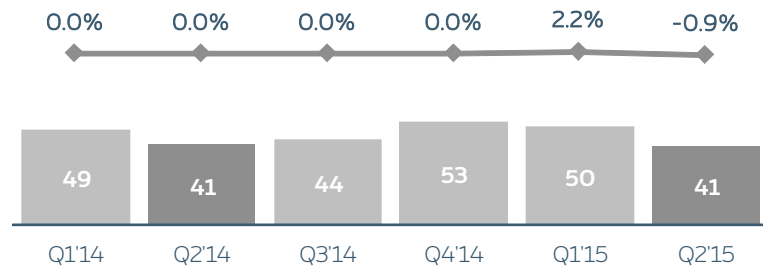
Q2'15 revenue totaled € 5m,

S&S underlying HR costs (EUR mio) & YoY variance



Q2'15 HR expenses € 32m, -4.4% YoY as a result of a lower personnel base

S&S underlying Non HR costs (EUR mio) & YoY variance

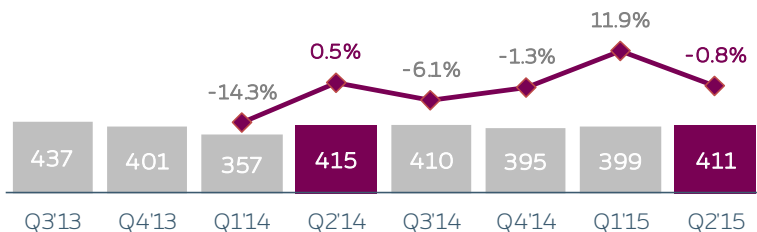


Q2'15 Non-HR expenses € 41m, -0.9% YoY

BICS – Underlying quarterly P&L

Record Direct Margin: Mobile data growth, positive volatility in Voice trading and USD effect

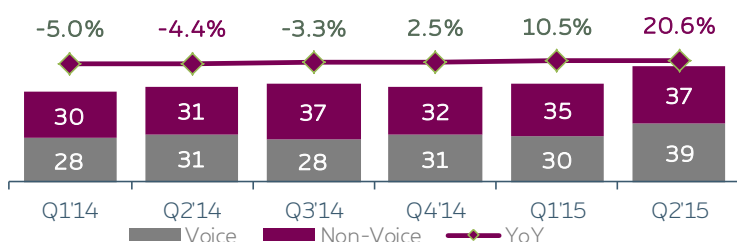
BICS underlying revenue (EUR mio) & YoY variance



Q2'15 revenue totaled € 411m, -0.8% YoY from a high comparable base

- solid ongoing growth in non-Voice revenue
- continued positive impact on revenue from the stronger USD, was more than offset by lower Voice revenue.

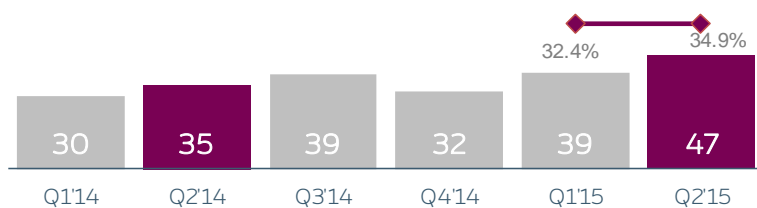
BICS Gross Margin (in EUR mio)



Q2'15 record Gross margin € 75m, +20.6% YoY

- favorable variance for both Voice and Mobile data.
- Mobile Data Direct Margin remained positively impacted by stronger USD as well as by improved volumes
- Voice unit margin again high, benefiting from favorable - but volatile - market conditions.

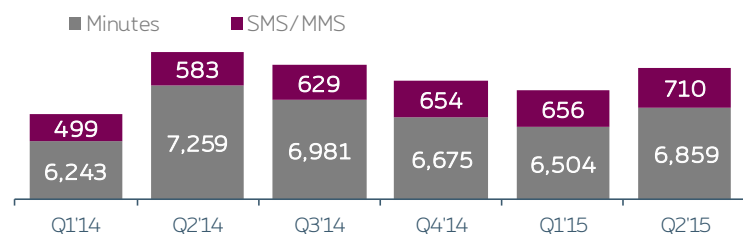
BICS underlying segment result (EUR mio) & YoY



Q2'15 segment result of € 47m, EBITDA margin rose to all-time high 11.3%

- steep increase in Direct margin
- Operating Expenses remained well under control

BICS Volumes (in mio)



In Q2'15 BICS handled

- **6,859m** minutes, -5.5% YoY
- Non-Voice volumes, + **21.9%** YoY

Additional information

- Fit for Growth strategy
- Pricing
 - Packs
 - Mobile
 - Fixed
- Regulation
- Network & Spectrum
- Shareholder remuneration & structure
- Headcount

Fit for Growth Strategy

We constantly keep people in touch with the world so they can live better and work smarter

Generate Revenue & EBITDA Growth by 2016

Grow

Grow

Back to Sustainable Growth

Offer best-in-class customer experience & simplify to structurally reduce costs

Customer Experience

Efficient Organisation

Good to Gold Culture
Agility | Collaboration | Accountability

Customer centric leaner organisation strengthened by new brand **proximus**

Transform &

Develop

Invest in networks and IT systems, building the foundation of our next wave of growth

Simplification

Brand Differentiation

Cloud, TV Replay, Netflix, Eleven Sports Network, IoT, Big data, ...

Convergent Services

Seamless Network and ICT

Invest & Innovate

Invest & Innovate

In what

Latest achievements

Access

To build the foundation of our next wave of growth:

- Mobile leadership and further deploy 4G
- Push legacy copper network to max capabilities
- Gradually introduce FttH/FttB

- ✓ Outdoor **coverage 4G of 96.5%**, mainly on 1800 Mhz
- ✓ Avg mobile data speed 20 to 40 % faster vs. competition for 4G device
- ✓ 3-yr **vectoring roll out started and on track**, already connected customers get a dedicated speeds of 70 Mbps
- ✓ **80% of industrial zonings** are connected to Fiber
- ✓ **Start** deploying new **residential zoning projects directly with FttH**

IT & systems

- Push digital (e-sales, e-services)
- Renew selling and ordering
- Support end-to-end processes
- Improve systems stability and (cyber) security

- ✓ faster front-end **order introductions**
- ✓ more efficient **field interventions**
- ✓ better & more automated testing of IT releases with a **faster time to market**
- ✓ **Cybersecurity** reinforcement plan

Convergence services

- Build seamless fixed-mobile hand-over
- Push TV replay, TV everywhere
- Leverage cloud, unified communication and collaboration
- Develop ICT as a service and security

- ✓ Wi-Fi hotspot user experience improved with automatic access provided by the **EAP-SIM technology**.
- ✓ **TV Everywhere** experience with extended features
- ✓ **Swipe box** : easy swiping "photos, videos and music to the TV screen via a smartphone or tablet.
- ✓ **Wifi bandwidth increased** by making the service quality dynamic on all Proximus Wi-Fi hotspots.
- ✓ ICT Industrialization

Brand image

- Enrich entertainment offer
- Introduce new CPE for better in-house experience

- ✓ Agreement with **Eleven Sports Network** (international football & sports)
- ✓ Offer customers "**best fit installation**"
- ✓ **TV Replay free** in packs
- ✓ Bringing **Netflix to the settop box**
- ✓ **Awarded best e-commerce Website**

We estimate our annual investment needs to be around €900m over the coming years to cover network, convergence, new services and content needs

Transform & Develop

In what

Develop superior customer experience

- Product usage experience (TV Everywhere, FON, ...)
- Touch points experience (call centers, technicians, ...)
- End-to-end process (first time right)
- 360° customer communication quality

Simplify to structurally reduce cost

- Products and services portfolio
- Network
- IT and platforms
- E sales and services

Build efficient organization

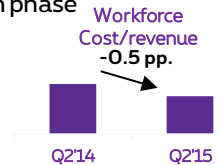
- Simpler and leaner organization for faster decision
- Reduction of resource costs leveraging pension wall
- Right talent at right place
- Real performance management

Improve brand differentiation

- Address different segments with differentiated offers (Scarlet)
- Push convergence via 3-play , 4-play and ICT services
- Reinforce brand investment

Latest achievements

- ✓ Increased customer satisfaction following technical intervention
 - ✓ New responsive website & MyProximus App
 - ✓ Improved accessibility of our call centers (extended opening hours)
 - ✓ Reduction in mediator complaints
-
- ✓ Important portfolio cleaning of legacy products continued 9 out of 10 pack customers on latest offer
 - ✓ Out phasing of VOIP legacy platform including customer migrations towards one single platform
 - ✓ >1.4 million PSTN lines moved on new IP platform. and 312 switches ready to be shut down : savings in later stage of process
 - ✓ 550k customer using My Proximus every month
-
- ✓ New high-performing organization in implementation phase
 - ✓ 253 employees moved internally
 - ✓ Internal Cultural Change Program : > 6,000 people trained and cascade ongoing



- ✓ Increased awareness of Scarlet brand & successful attraction of former SNOW customers
- ✓ Increased cross-selling and number of 3-play and 4-play Households
- ✓ Enriched TV offering (TV Replay free in pack), Eleven sports Network, ...
- ✓ NETFLIX decoder exclusivity on Proximus TV decoder
- ✓ Positive impact of proximus rebranding on brand preference

As from 2014, we ambition to keep workforce cost at least flat over the next 5 years, while pursuing additional cost savings building up to another €100m annually by 2018 (HR & non-HR opex)

In what

Regain Market Shares

- Best Mobile customer experience across technologies. High LTE coverage, best average speed. Attractive mobile pricing and value creative Joint-Offers
- Improved broadband experience through roll-out Vectoring. Roll-out fiber in industrial zonings.
- Improved web-experience, 70 new shops of the future, ...
- All supported by rebranding to “Proximus”

Leverage convergence value

- Exploit upselling potential to quad-play
- Deliver solution-centricity to unlock value in EBU
- Leveraging seamless network integration and convergent applications: 1st to launch EAP-SIM

Capture new growth potential

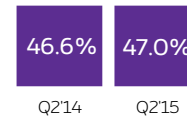
- Pursue data monetization
- Leverage entertainment platform
- Seize the opportunities of cloud, security
- Be selective in development of new innovative services



Latest achievements

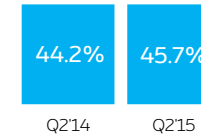
Mobile postpaid market share

+0.4 pp.



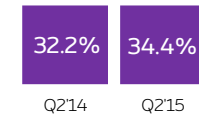
Broadband market share

+1.5 pp.

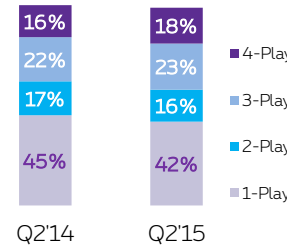


Digital TV market share

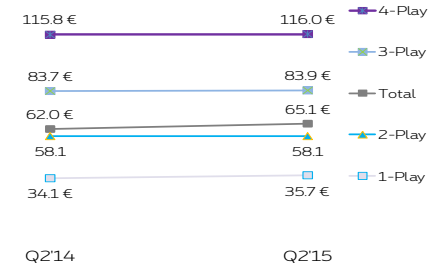
+2.2 pp.



% of Proximus Households



Average Revenue per x-play (ARPH) in €



- ✓ Improved tiering of mobile customer base through Joint offers & increasing data usage
- ✓ IoT (Road User Charging, LoRa™ Alliance)
- ✓ Big Data - several customers (location insights and footfall analysis.)
- ✓ Security platform
- ✓ Workplace as a Service
- ✓ Leverage Netflix on settop box
- ✓ Digital workplace: bundling connectivity, workplace applications & Services







Mobile Park evolution YOY

	CBU	EBU
Low	-0.2 pp.	-0.2 pp.
Medium	-0.7 pp.	-2.1 pp.
High	0.9 pp.	2.2 pp.



The combined effect of our good progress on our Fit for Growth strategy, and some of the initiatives already being translated into improved underlying trends, enables us to run ahead of our 2016 objective of returning to underlying revenue and EBITDA growth.

Pricing converged Proximus PACKS (some combinations)

Pack Comfort	3-Play	Pack Maxi
<p> Internet Comfort</p> <ul style="list-style-type: none"> Internet at home and on the Wi-Fi Hotspots : unlimited³ Mobile internet volume (3G/4G) : <u>500 MB/month²</u> Cloud storage volume : 10 GB 		<p> Internet Maxi</p> <ul style="list-style-type: none"> Internet at home and on the Wi-Fi Hotspots : unlimited³ Mobile internet volume (3G/4G) : <u>2 GB/month²</u> Cloud storage volume : 10 GB
<p> Proximus TV</p> <ul style="list-style-type: none"> More than 80 channels Decoder rental (€8/month)⁷ TV Replay TV Partout 		<p> Proximus TV</p> <ul style="list-style-type: none"> More than 80 channels Decoder rental (€8/month)⁷ TV Replay TV Partout Multi package
<p> Fixed Telephony</p> <p>With a fixed line, the following calls are included in the evening and on weekends :</p> <ul style="list-style-type: none"> Calls to fixed lines and mobile phones in Belgium Calls to fixed lines in 35 European countries, Morocco, Turkey, USA and Canada 		<p> Fixed Telephony</p> <p>With a fixed line, the following calls are included in the evening and on weekends :</p> <ul style="list-style-type: none"> Calls to fixed lines and mobile phones in Belgium Calls to fixed lines in 35 European countries, Morocco, Turkey, USA and Canada
Monthly price : €62.95/month		Monthly price : €74.95/month

+
Mobile subscription
 @ discount

Smart+ 15 
 Smart+ 25 
 Smart+ 45 
 Smart+ 65 



4-Play

Comfort Pack + Smart 15 at **€ 75.95/month**

Increase competitiveness through improved Mobile portfolio

(as of 17 August 2015)

KEY CHANGES FOR POSTPAID

- | | Residential | Prices VAT incl. | Small Enterprises (SE) | Prices VAT excl. |
|--|---|------------------|---|------------------|
| | <ul style="list-style-type: none">• Price decrease of Smart 50 to 45€ for standalone offers• Smart 65: More data + roaming & international calls now included• Existing Smart+ 50 & 65 -> Full customer migration onto new plans (45/65)• Stop selling of Smart 35• No change on Smart 15 & 25 | | <ul style="list-style-type: none">• Launch of unlimited plan at 40€• Simplifying from 3 commercial ranges to 1 (Free calls between colleagues included in Bizz Smart XL and stop selling Bizz mobile range)• Reinforcement of High end range (60-80€) with more data, roaming & international calls• New entry plan at 10€ | |

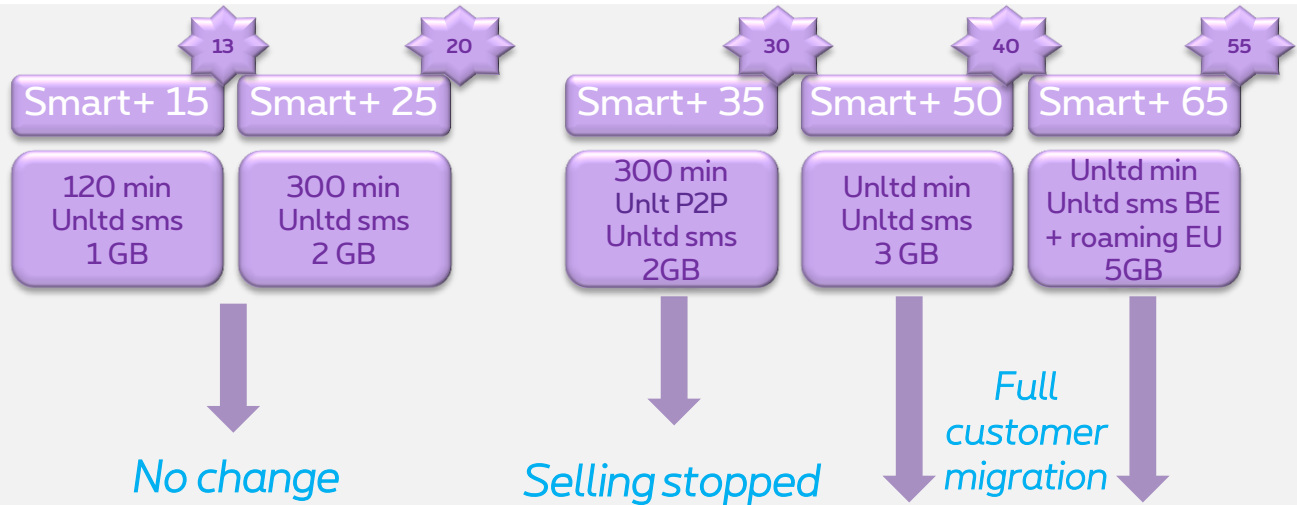
KEY CHANGES FOR PREPAID

- More data
- Stimulate reloads via Web and My Proximus app by giving double data

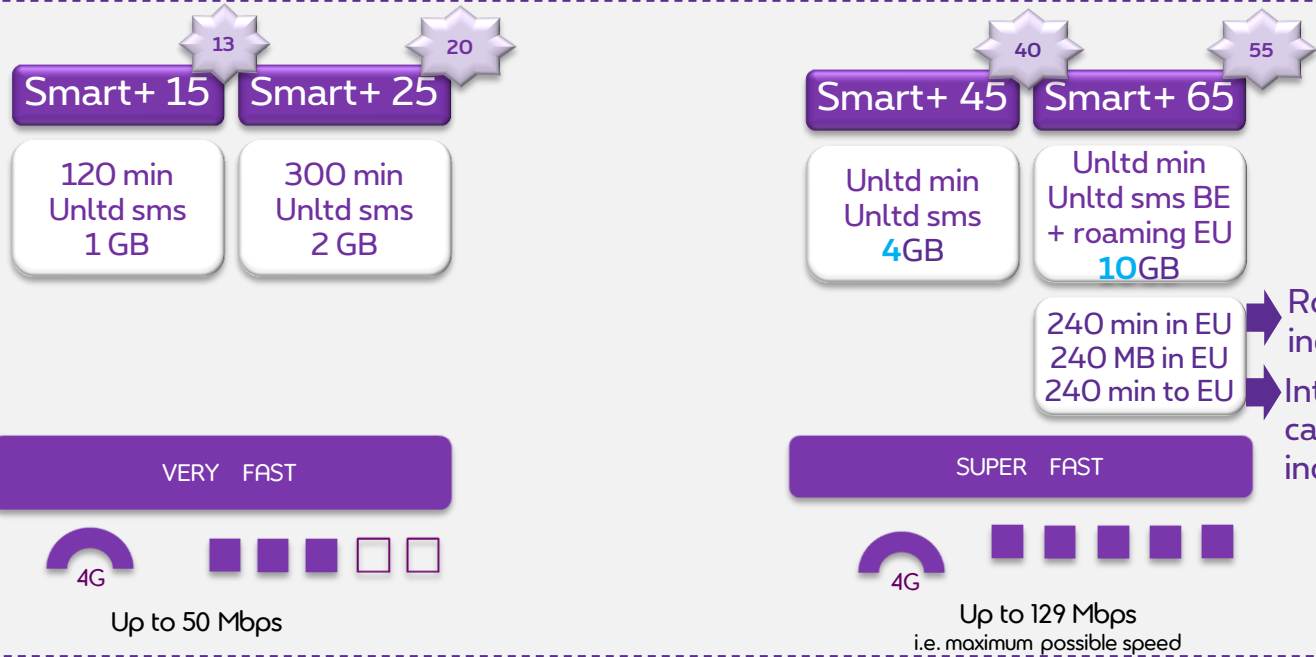
Improved POSTPAID portfolio - RESIDENTIAL

Prices are incl. VAT

OLD



NEW



Speed Tiering



xx = reduced price in Pack

Improved POSTPAID portfolio - SE

Prices are excl. VAT

OLD

Bizz Smart XL

€20 ¹⁵	€30 ²⁵	€55 Intense ⁴⁵	€80 Europe ⁷⁰
Unlt min 2 Fix		Unlt min 2 Fix	
250 Unl sms 2GB	400 Unl sms 2GB	Unl min Unl sms 5GB	Unl min Unl sms 5GB
Team		QoS + Conf call + PCAC	
€20	€30	unl sms EU	700min + MB + unlt sms EU 1000 intrnl fix
Unlt min 2 Fix+CUG			
230 Unl sms 2GB	350 Unl sms 2GB		

Bizz Mobile XL

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

NEW

Bizz Smart XL

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

Fast (up to 50 Mb/s)

Fastest (up to 129 Mb/s)

PCAC = Proximus Calls to all countries = advantageous rates for international calling

CUG = Closed User Group

Improved PREPAID offer

Pay & Go Max

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

Pay & Go Smart

- € 0.50 / min Peak
- € 0.25 / min OffPeak
- € 0.12 / SMS Peak
- € 0.08 / SMS OffPeak
- € 0.25 / MMS
- € 0.5/MB

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

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

OLD

PG Max -reload

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

Smart -reload

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

Data options

4,99	9,99
50MB	500 MB

NEW

Standard reload

PG Max -reload

15	25	50
90 min Unltd sms 500MB	150 min Unltd sms 1.5 GB	360 min Unltd sms 2GB

Smart -reload

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

Data options

4,99	9,99
250MB	1 GB

Double data



PG Max -reload

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

Smart -reload

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

INTERNET standalone (+2€/month as of 1 July 2015)

Start	Comfort	Maxi
€27.50 /month	€38.95 /month	€48.20 /month
Fixed Internet <ul style="list-style-type: none">• 100 GB/month• Maximum download speed²: 50 Mbps³• Maximum upload speed : 4 Mbps <p>» Know Internet surfing speed at your home.</p>	Fixed Internet <ul style="list-style-type: none">• 150 GB/month• Maximum download speed²: 70 Mbps³• Maximum upload speed : 5 Mbps <p>» Know Internet surfing speed at your home.</p>	Fixed Internet <ul style="list-style-type: none">• Unlimited¹• Maximum download speed²: 70 Mbps³• Maximum upload speed : 6 Mbps <p>» Know Internet surfing speed at your home.</p>
Mobile Internet <p>3G or 4G volume in Belgium⁴:</p> <ul style="list-style-type: none">• 50 MB/month• € 0,10/extra MB• Download speed²: 21 Mbps• Upload speed: 2 Mbps <p>Wi-Fi Hotspots, in partnership with Fon:</p> <ul style="list-style-type: none">• Deducted from the fixed Internet volume• More than 1 million hotspots in Belgium• 13 million hotspots abroad	Mobile Internet <p>3G or 4G volume in Belgium⁴:</p> <ul style="list-style-type: none">• 100 MB/month• € 0,10/extra MB• Download speed²: 21 Mbps• Upload speed: 2 Mbps <p>Wi-Fi Hotspots, in partnership with Fon:</p> <ul style="list-style-type: none">• Deducted from the fixed Internet volume• More than 1 million hotspots in Belgium• 13 million hotspots abroad	Mobile Internet <p>3G or 4G volume in Belgium⁴:</p> <ul style="list-style-type: none">• 250 MB/month• € 0,10/extra MB• Download speed²: 21 Mbps• Upload speed: 2 Mbps <p>Wi-Fi Hotspots, in partnership with Fon:</p> <ul style="list-style-type: none">• Deducted from the fixed Internet volume• More than 1 million hotspots in Belgium• 13 million hotspots abroad
Cloud <ul style="list-style-type: none">• 10 GB storage volume	Cloud <ul style="list-style-type: none">• 10 GB storage volume	Cloud <ul style="list-style-type: none">• 10 GB storage volume
E-mail <ul style="list-style-type: none">• 1 mailbox x 5 aliases	E-mail <ul style="list-style-type: none">• 4 mailboxes x 5 aliases	E-mail <ul style="list-style-type: none">• 6 mailboxes x 5 aliases

Value increases when included in Pack

TV – provide customers easy access to a wide range of content

➤ Easy access to **NETFLIX** via the Proximus TV decoder

➤ TV Replay **free** in packs

Personalize your Proximus TV for all family needs

TV Replay +

€5 /month



Thanks to TV Replay, you'll never be too late for your favorite TV program! You can go back up to 36 hours in the program grid, with TV Replay+ you can also fast forward in delayed program viewing.

Movies & Series Pass

€9.95 /month



You are a fan of movies and series? For a fixed amount per month you have anytime access to an extensive range of movies (more than 400 per year) in a specific on-demand catalog and to the "M&S" channel which offers a large variety of programs.

Multi package

€14.95 /month



With the Multi package, you'll make them all happy. A selection of the best of our channel packages for the whole family: children's programs, top movies and TV series, nature documentaries, music and cultural programs, etc.



➤ Attractive sports offering with national and foreign football competitions and international sports.

➤ Agreement with ELEVEN SPORTS NETWORK, adding 2 new sports channels Eleven and Eleven Sports including

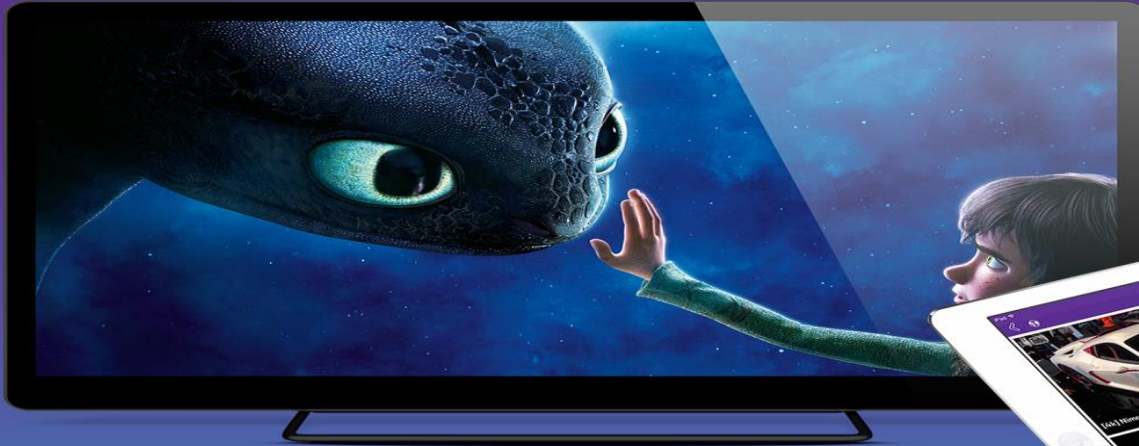


All Foot	Proximus 11	Proximus 11+	Free football
<p>€14,95 /month</p> <p>First month free of charge</p> <hr/> <p>The best of Belgian and International football and International sports:</p> <hr/> <p>Proximus 11 + Proximus 11+</p>	<p>€9,95 /month</p> <hr/> <p>Belgian football:</p> <hr/> <p>All the matches of the Jupiler Pro League</p>	<p>€9,95 /month</p> <hr/> <p>International football :</p> <ul style="list-style-type: none"> • UEFA Champions League • Portuguese Liga • Spanish Liga • Serie A • Ligue 1 • FA Cup & Scottish Premier League • & even more football <p>International sports:</p> <ul style="list-style-type: none"> • Tennis • International volleyball and basketball • Cycling • Formula E 	<p>Free of charge</p> <hr/> <p>The best matches of the Proximus League</p> <hr/> <p>+ Belgian club channels: Anderlecht, Bruges and Charleroi</p>

SwipeBox - Share your personal content on TV

Seamless experience with Proximus TV

€59.95 (incl. VAT)
Launch 31/8/15



Swiping to the TV screen via smartphone or tablet
Any TV brand, any device any Proximus decoder
Much more than pictures and video's
Easy to install & fully integrated



Online videos

Youtube
& Video podcasts



My photos & videos

also Proximus Cloud,
Picasa, Facebook



My music

also Web radios
& podcasts

No frills brand



NEW
Boost internet! on

Ajoutez 1 GB* pour 5 € par mois

New pricing since 21/05/2015

Red	Hot	Chili
€ 8	€ 18	€ 28
150 min 1000 SMS 50 MB	500 min 2000 SMS 500 MB	1000 min 5000 SMS 1 GB
€ 0.16 / minute € 0.07 / SMS € 0.20 / MMS € 0.03 / MB	€ 0.16 / minute € 0.07 / SMS € 0.20 / MMS € 0.03 / MB	€ 0.16 / minute € 0.07 / SMS € 0.20 / MMS € 0.03 / MB

Postpaid

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

3 raisons de choisir **scarlet** pour votre GSM

prix prix prix

Découvrez la nouvelle carte prépayée sur www.scarlet.be

New pricing since 10/8/2015

Ketch	Up
€ 8	€ 15
Bonus : 100 min to Scarlet mobile 100 SMS	Bonus : Unlimited to Scarlet Mobile 1000 SMS
€ 0.10 / minute € 0.04 / SMS € 0.10 / MB	€ 0.10 / minute € 0.04 / SMS € 0.10 / MB

Prepaid

scarlet Trio

TV + Fix + Internet

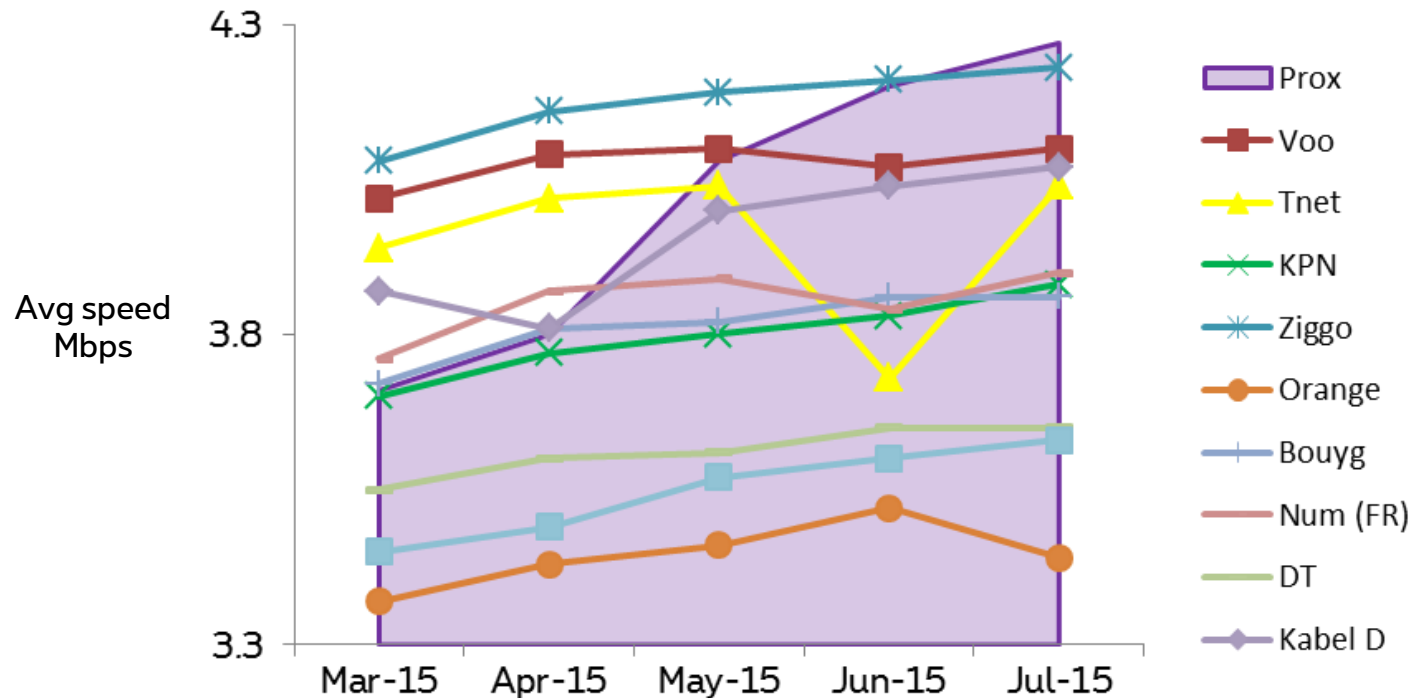
€ 39 / month

TV:
~30 channels
+

Fixed Voice line:
Free calls to fix Off Peak
+

Internet:
Unlimited volume
Down 30 Mbps
Up 4 Mbps

Investments to improve customer experience also confirmed by high ranking in Netflix ISP speed index



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

The Netflix ISP Speed Index lists the average prime time bitrate for Netflix content streamed to Netflix members during a particular month. For 'prime time' we take the peak three hours of Netflix streaming on a daily basis per ISP. For 'speed' we measure, in megabits per second (Mbps), the average bitrate for Netflix content streamed by Netflix members per ISP. The speed shown on the Netflix ISP Speed Index is not a measurement of an ISP's maximum network throughput or capacity. Faster Netflix performance generally means better picture quality, quicker start times and fewer interruptions.

Regulation - 1

Estimated negative financial impact from regulatory price decreases

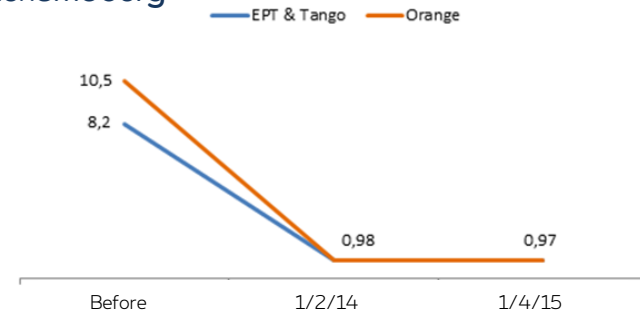
(Decrease in EUR million)		Estimated impact		
		Q1 2015	Q2 2015	FY 2015
MTR	Revenue	€ 1m		€ 1m
	EBITDA	€ 1m		€ 1m
Roaming	Revenue	€ 9m	€ 13m	€ 22m
	EBITDA	€ 9m	€ 13m	€ 22m
Total	Revenue	€ 10m	€ 13m	€ 23m
	EBITDA	€ 10m	€ 13m	€ 23m

MTR -regulation

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

The estimated impact on TANGO (reported in CBU) for H1 2015 is:
€ - 1m revenue, €- 1m EBITDA.

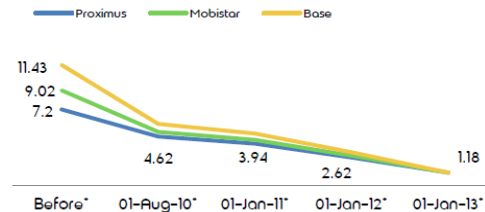
Luxembourg



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

BIPT is developing a new cost model to set future MTR

MTR-Glidepath in €ct



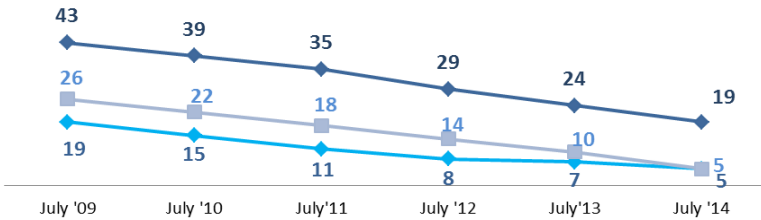
*Including inflation

Regulation - 2

Mobile voice and data-roaming: EU Roaming III Regulation regulation

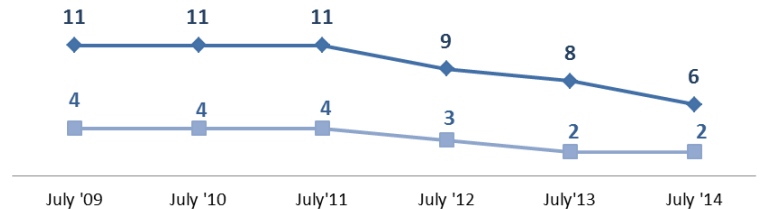
Voice Roaming (€ct per minute)

◆ Retail Outgoing ◆ Retail Incoming ■ Wholesale Outgoing



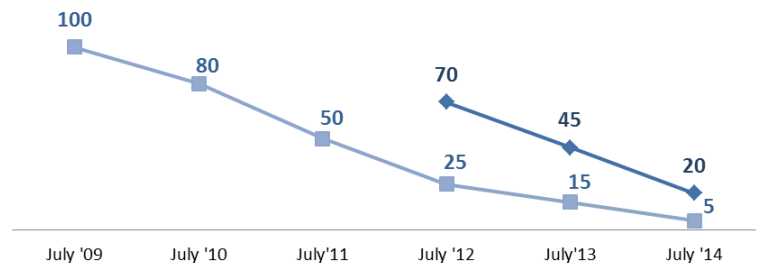
SMS Roaming (€ct per sms)

◆ Retail ■ Wholesale



Data Roaming (€ct per Mb)

◆ Retail ■ Wholesale



Estimated Impact on Q2 2015 financials:

- Revenue: ~ € -13m
- EBITDA: ~ € -13m

- The Roaming III Regulation will expire in principle on 30 June 2022. However, in the meantime, the EU Authorities (Commission, Council and Parliament) have, on 30 June 2015, reached an agreement on the future of the roaming charges.

- As from June 2017, provided that the legislative act on the wholesale roaming review is applicable on this date, 'Room-Like-At-Home' will be implemented in the EU zone with the obligation to charge retail roaming within the EU at domestic retail price, except for the consumption beyond the Fair Use Policy to be defined by December 2016 by the European Commission.

- During the transitory period from April 2016 until June 2017, operators will be able to apply a surcharge up to the current regulated wholesale rates.

- The text will be finalized in the coming weeks under Luxembourg presidency. Final approval by the EU Parliament plenary and EU Council is expected in September/October 2015.

Fixed Network

Deliver a fixed network fit for the right customer purpose

Vectoring technology on VDSL

Vectoring technology enables up-to-70 Mbps speeds on copper

- 3-year roll-out program on track since start in 2014
- All VDSL street cabinets will be covered

FTTB in Industrial Zonings

Presence of FTTB in industrial zonings

- Available in 80% of the industrial zonings

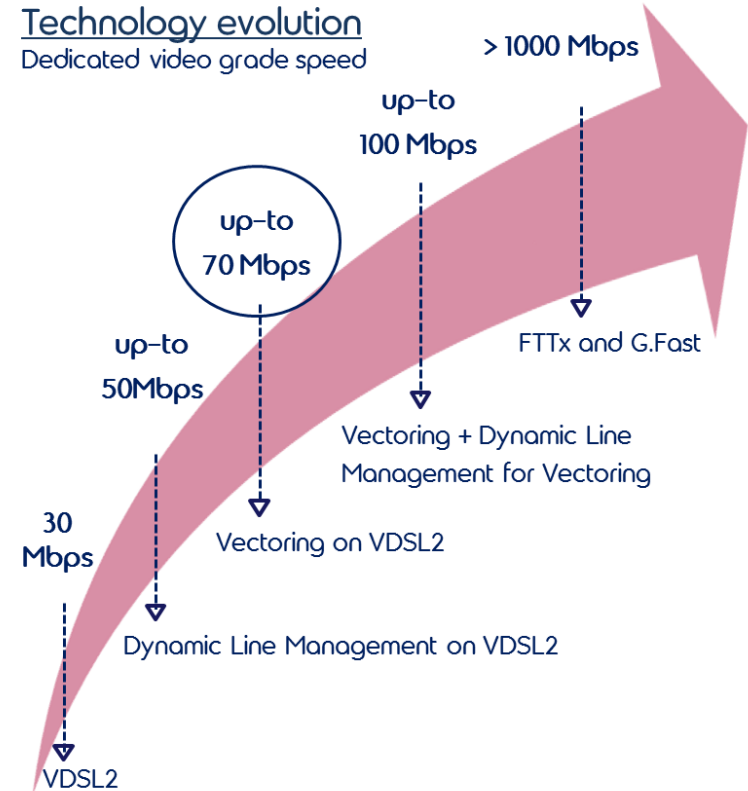
FTTH in Greenfields

Deployment of FTTH in new residential

- In S1'15 the first residential customers have been commercially connected to the FttH network
- All new sufficiently large residential zonings will be equipped with Proximus fibre

Technology evolution

Dedicated video grade speed



90% FttC coverage
Average VDSL2 speed of 43.7 Mbps
More than 436,000 customers now @ 70 Mbps*

* Combination of DLM and Vectored lines

Mobile Network

Best true customer experience as top priority

Best Customer Experience...

Best experience to call, surf & watch videos

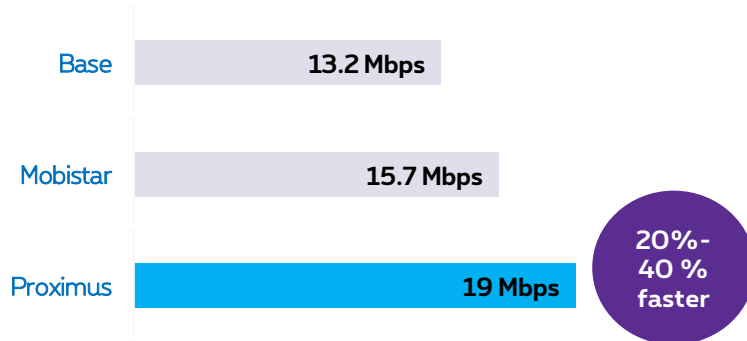
...when & where it matters...

Best experience to live better and work smarter

...across devices & networks

Best experience cross devices via seamless switch mobile & WiFi

Average download speed on 4G capable device (*)



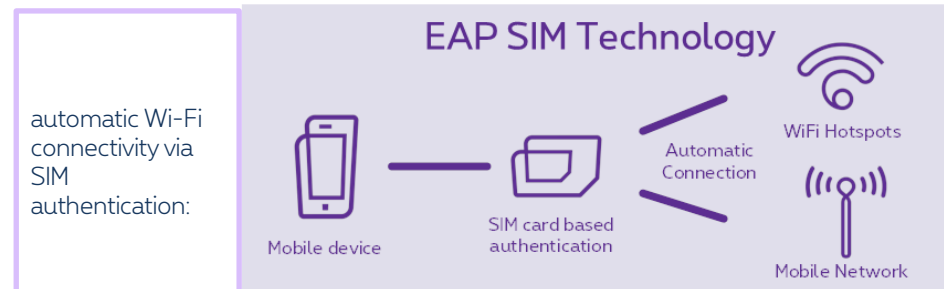
Towards seamless connectivity everywhere

- > **1.1 million WiFi hotspots in Belgium**
- **Hotspot traffic** increased > 50% vs last year
- > **16.8 million WiFi hotspots abroad**
- **Nationwide EAP SIM** since Nov'14:

Mobile Network Outdoor Coverage:

> 99% 3G & 2G coverage
96.5% 4G coverage

2G Proximus **3G** Proximus **4G** Proximus

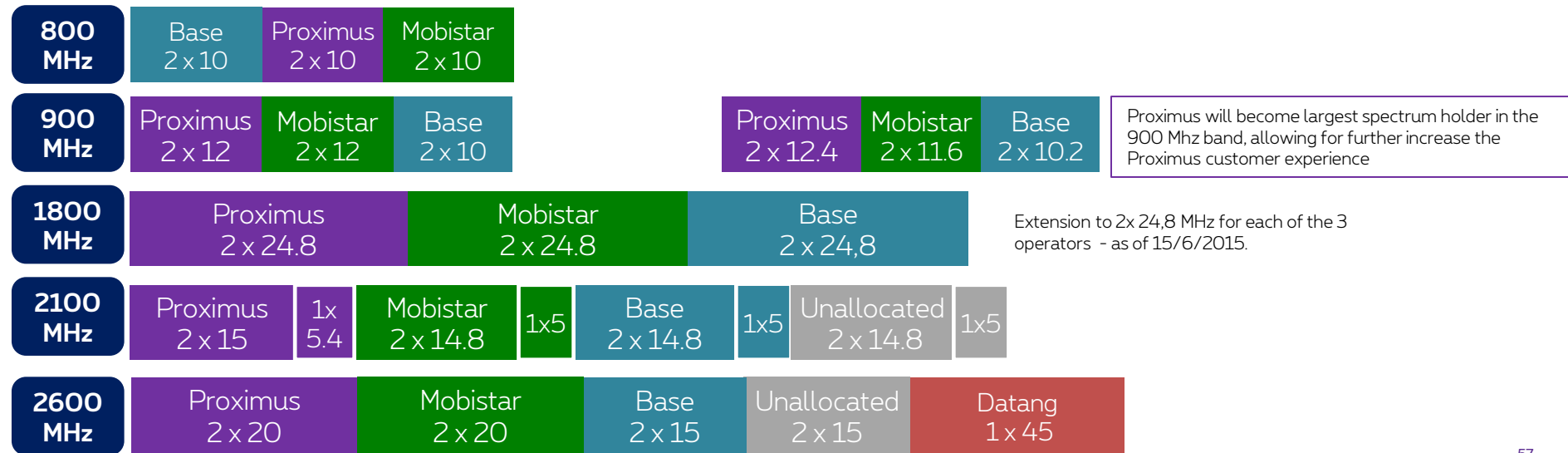


*Source: Speeds are measured by independent agency CommSquare through national drive tests in Q2'15. Measurements are done with devices in free mode, meaning the device picks itself the available network technology (2G, 3G, 4G)

Spectrum: ownership & usage



800 MHz	900 MHz & 1800 MHz	2100 MHz	2600 MHz
<ul style="list-style-type: none"> Used for 4G Licenses granted in November '13 20 year-license valid until 29/11/2033 Proximus pays € 120 Mio in total (annual instalments) Coverage obligations 	<ul style="list-style-type: none"> Used for 2G, 3G and 4G Licenses granted in '95 1st tacit extension ('10-'15): Proximus paid €74m (annual payments). 2nd tacit extension (8/4/2015-15/03/2021) for ~ €75m Regulator re-assigned the spectrum reserved for Telenet/Voo (in 900 MHz applicable as of 27/11/2015) for which Proximus paid €16m Allowed to deploy UMTS in 900 MHz spectrum & 4G in 1800 MHz 	<ul style="list-style-type: none"> Used for 3G UMTS licenses granted in 2001 20 year-licenses valid until 15/3/2021 Proximus paid € 150m (one-off payment) 2 Aug '11, BIPT awarded 4th license to Telenet/Voo for € 71.5m (2X 14.8 MHz) In May '14 Telenet/Voo handed back their license 	<ul style="list-style-type: none"> Will be used for 4G Licenses granted in July '12 15 year-license valid until 30/6/2027 Out of 5 candidates, 4 have obtained spectrum in 2.6 GHz band Proximus paid € 20.22m (one-off payment) No coverage obligations

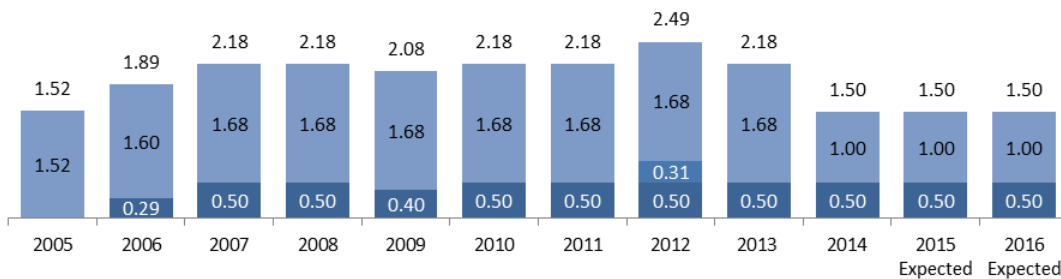


Shareholder remuneration & structure

The Board of Directors has reaffirmed its intention to pay out a stable yearly dividend of EUR 1.50 per share (interim dividend of EUR 0.50 and ordinary dividend of EUR 1.00) for the next 2 years, provided the Group's financial performance is in line with current expectations.

Dividend per share (over the results of the year)

■ Interim dividend ■ Extra-ordinary dividend ■ Normal dividend



General Shareholder return policy:

We offer an attractive shareholder remuneration policy by **returning**, in principle, **most of our annual free cash flow**.

This return of free cash flow is **reviewed** on an **annual basis** in order to keep strategic financial flexibility for future growth.

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

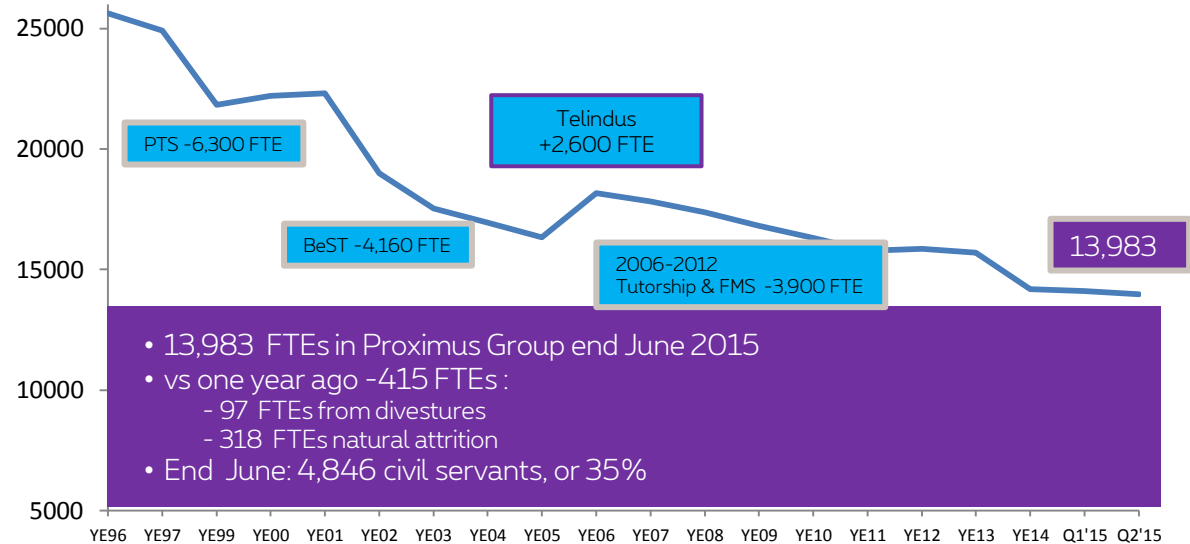
Proximus ownership 31/7/15	Number of shares	% shares	% Voting rights	% Dividend rights
Belgian state	180.887.569	53,51%	56,20%	55,94%
Proximus own shares	16.148.048	4,78%	0,00%	0,46%
Free-float	140.989.518	41,71%	43,80%	43,60%
Total	338.025.135	100%	100%	100%

Divestures and natural attrition reducing headcount

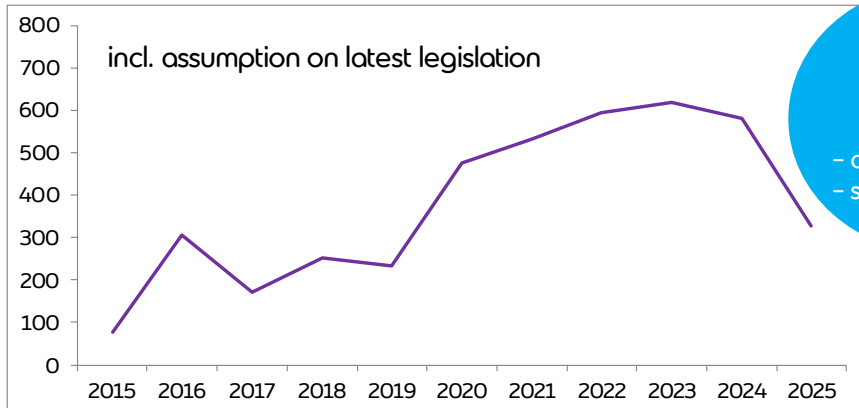
Estimated cash-out for termination benefits related to past headcount reduction programs:

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

(* Cumulative for full period)

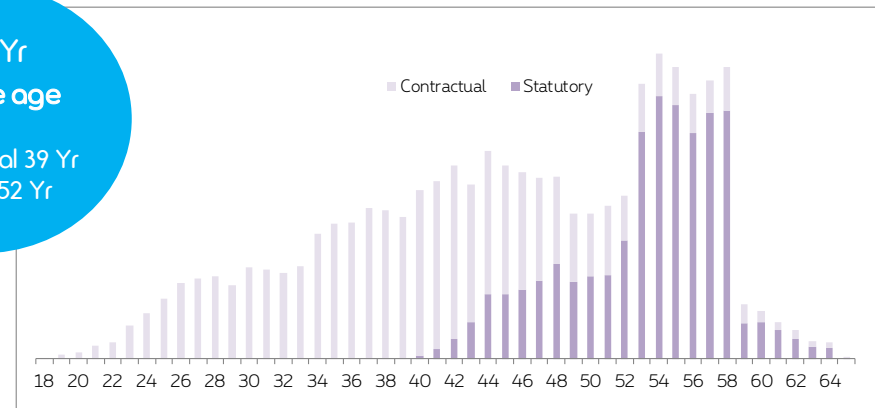


Proximus SA pension curve (FTE's)



44Yr
 average age
 - contractual 39 Yr
 - statutory 52 Yr

Proximus SA age pyramid



Cautionary statement

“This communication might include some forward-looking statements, without limitation, regarding Proximus’ financial or operational results, certain strategic plans or objectives, macro-economic trends, regulation, future market conditions and other risk factors. These forward-looking statements rely on a number of assumptions concerning future events and are subject to uncertainties and other factors, many of which are outside Proximus’ control. Therefore the actual future results may differ materially from those expressed in or implied by the statements.

Readers are cautioned not to put undue reliance on forward-looking statements, which speak only of the date of this communication.

Proximus disclaims any intention or obligation to update and revise any forward-looking statements, whether as a result of new information, future events or otherwise”

For further information

Investor relations

Nancy Goossens: +32 2 202 82 41

Sarah Franklin: +32 2 202 77 11

E-mail: investor.relations@proximus.com

Proximus investor relations website :

www.proximus.com/en/investors