



# Proximus Group

Results presentation  
Q2 2018

September 2018

- All financials in the presentation are provided under IAS 18
- 2018 figures under IFRS 15 are available as from Q1 2018 in the published quarterly reports and excel factbook
- The provided 2018 guidance is under the IAS 18 standard
- Exception has been made for the household reporting (X-Play) within the Consumer segment. The financials, and derived ARPH, are provided under IFRS 15, with a 2017 pro-forma comparison.

## New:

- The application of GDPR has led to a limited impact on the reported household data for the Consumer segment.
- GDPR resulted in some information no longer being available to define the composition of households
- To ease comparison, the data of the 5 prior quarters has been adjusted accordingly, assuming a stable impact of GDPR over this period

As a result :

- Total HH/SO serviced by Proximus increased (increase in 1-Play mobile and a limited reduction of 4-Play households)
- Derived KPI's such as ARPH and RGU have been restated as well, with ARPH and RGU being slightly lower.

# Key achievements Q2

Solid EBITDA growth and increasing customer base in highly competitive market

+45,000

Mobile postpaid  
cards

+35,000

Tuttimus & Bizz  
all-in

€ 66.2  
ARPH  
+0.8% YoY

+0.8% YoY  
Domestic  
revenue

+6.2% YoY

ICT revenue  
growth

+5.5% YoY

Domestic  
EBITDA



DM + 18.5% YoY  
EBITDA + 12.7% YoY

€ 159<sub>m</sub>

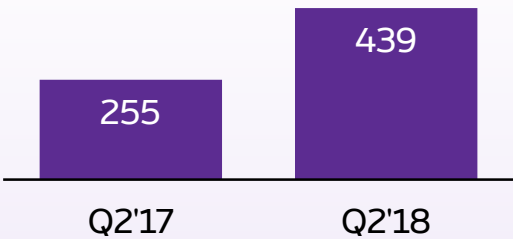
FCF YTD'18  
(€180m excl. acquisitions)

# Supporting upselling strategy

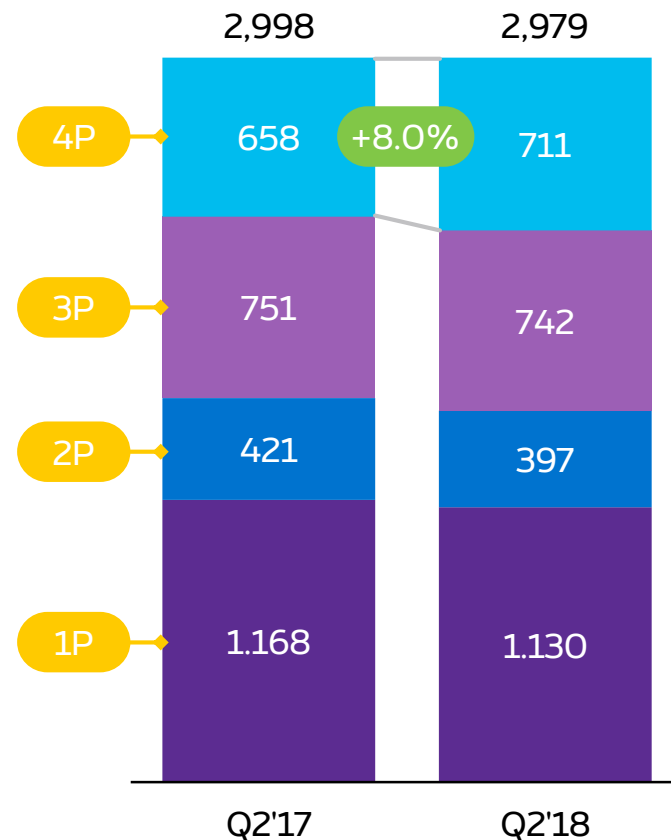
Average revenue per household increasing, in spite of regulatory and competitive headwinds.

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

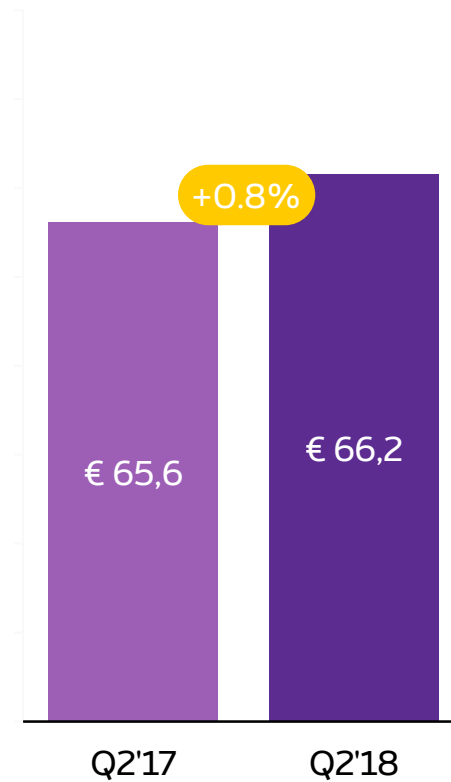
Tuttimus/Bizz All-in subscribers in '000



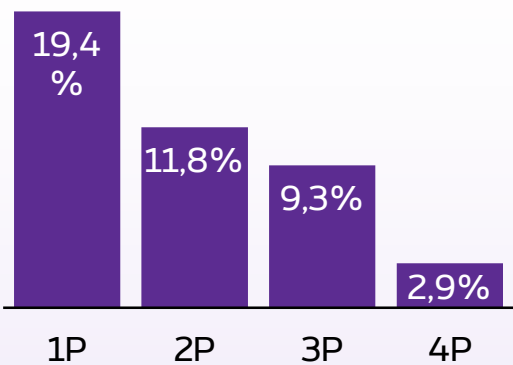
Solid increase in number of HH/SO taking 4 Plays (in 000's)



Average revenue per Household (incl. small offices)



More Plays results in lower full-churn levels



**+52K**  
4-Play  
Households  
YoY

**2.73**  
RGU's  
per HH  
+2.1% YoY

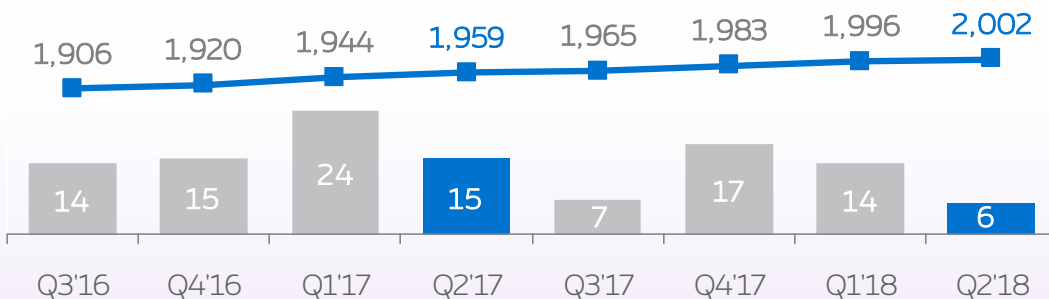
# Growing Internet/TV customer base

Adding customers in competitive market, supported by dual brand strategy

## Broadband

in '000

net adds Park

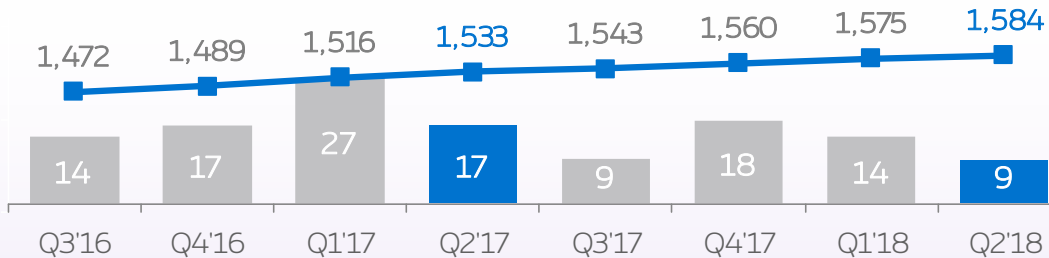


**+44K**  
lines YoY  
**+2.2%**

## TV

in '000

net adds Park

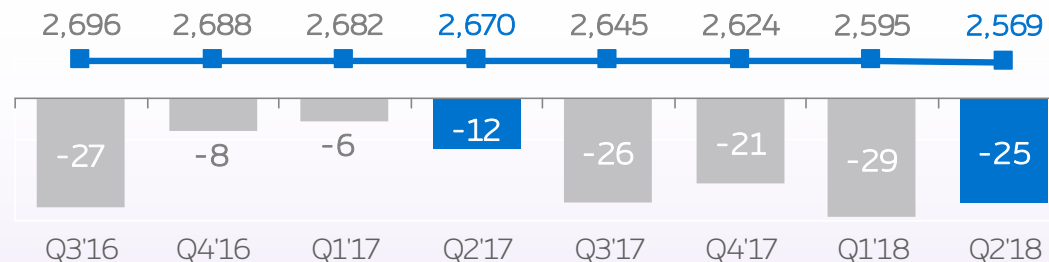


**+51K**  
customers YoY  
**+3.3%**

## Fixed Voice

in '000

net adds Park



**-101K**  
lines YoY  
**-3.8%**

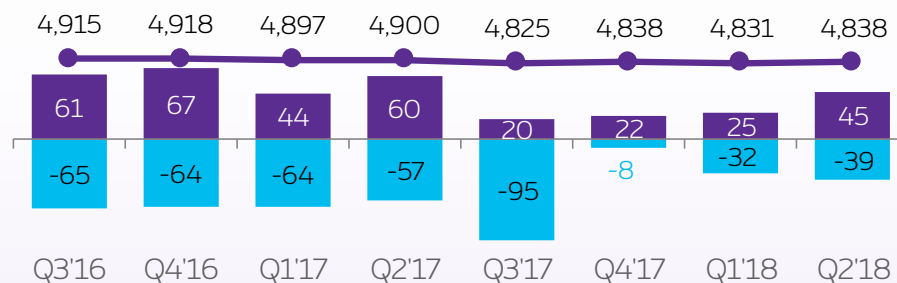
# Mobile postpaid customer gain

+45,000 Postpaid cards in highly competitive mobile market, supported by World Cup campaign

## Mobile Cards

Park (K) (excl. M2M)

- Prepaid Net Adds
- Postpaid Net Adds
- Mobile park excl. M2M



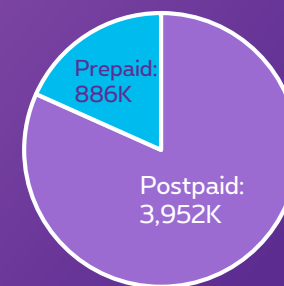
**Postpaid**  
**+112K** YoY

i.e. **+2.9%**

**Prepaid**  
**-174K** YoY

i.e. **-16.4%**

# Mobile cards:  
4,838K end-June'18



Smartphone penetration

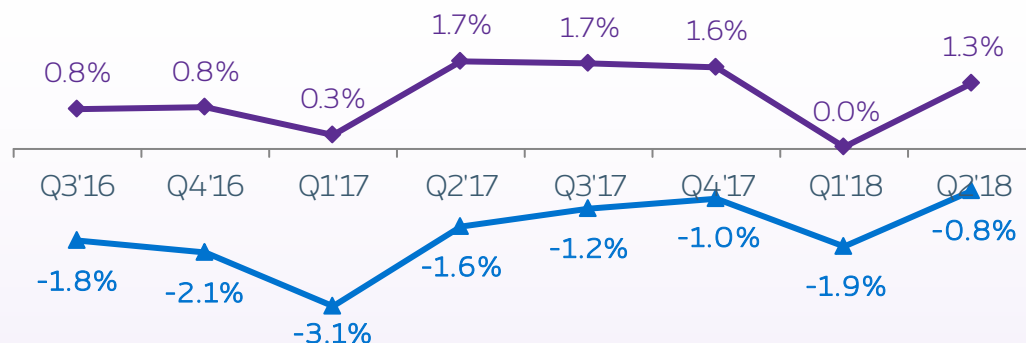
**75%**

+5.2pp YoY



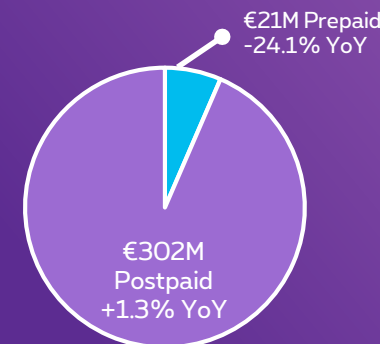
## Mobile service revenue

- Group Postpaid
- Group Blended



+ YoY Postpaid customer growth  
- RLAH impact

Mobile service revenue:  
€ 323M in Q2'18



National Mobile Data usage  
(average /user/month)

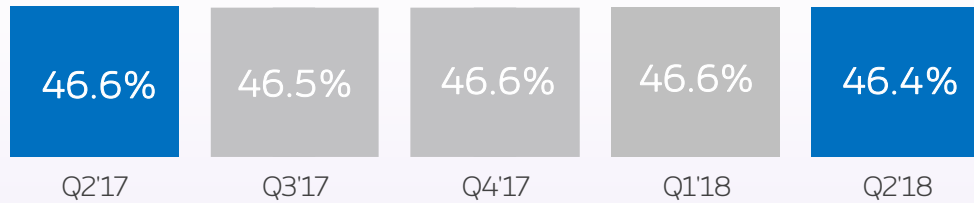
**1.9GB**

+58% YoY

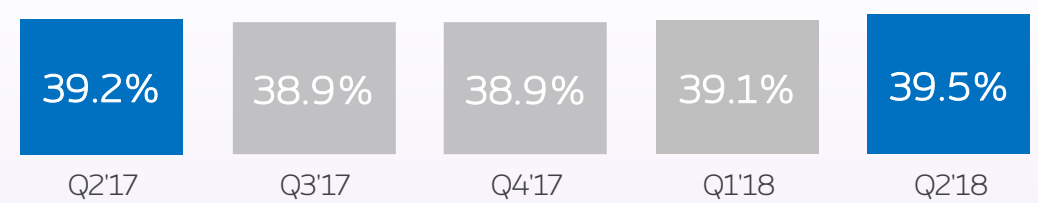
# Maintaining solid market position

Market shares for Data, TV and Mobile (Proximus + Scarlet)

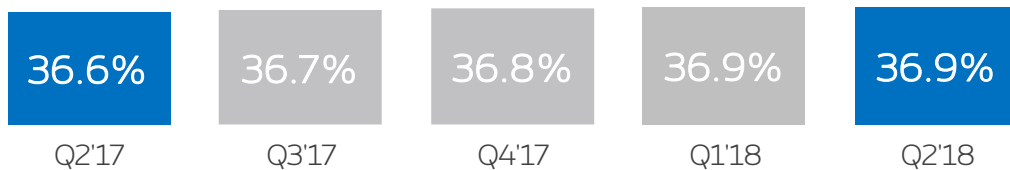
## Internet



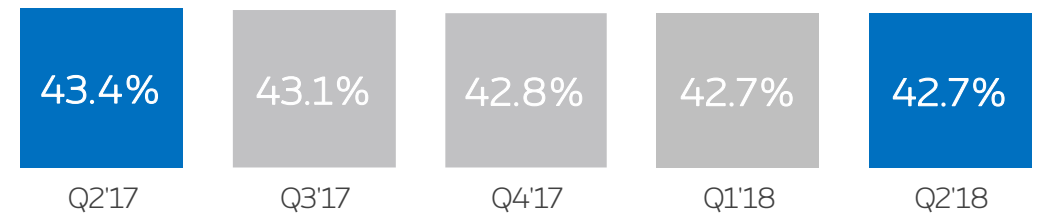
## Mobile Total



## TV



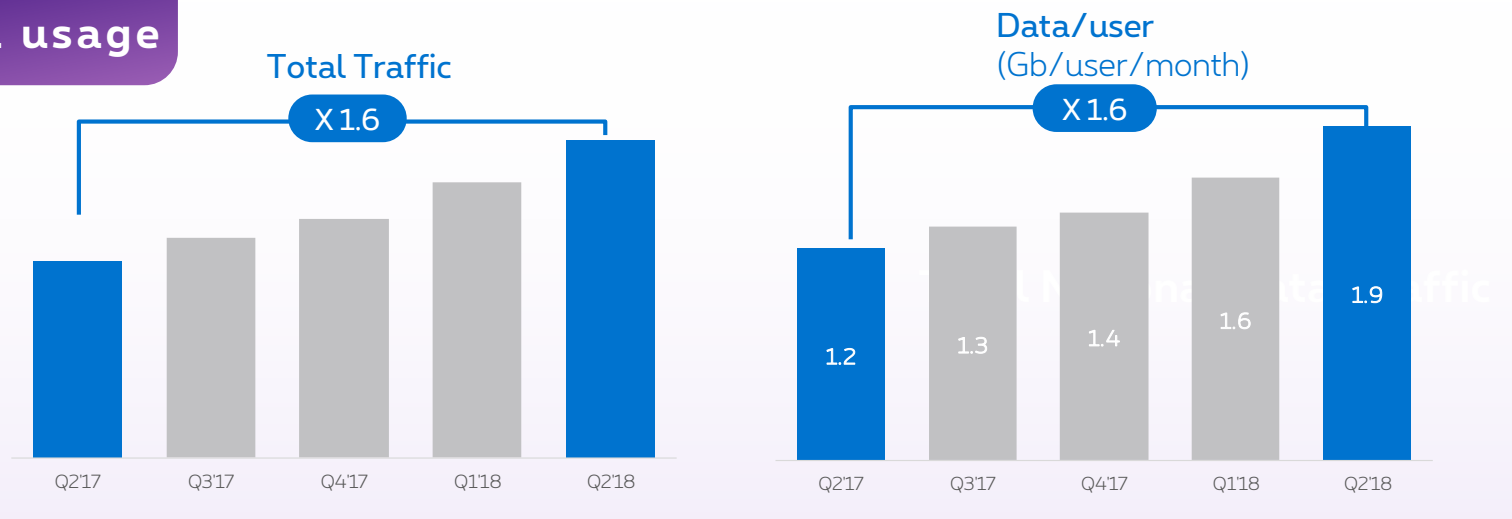
## Mobile Postpaid



# Mobile Data traffic

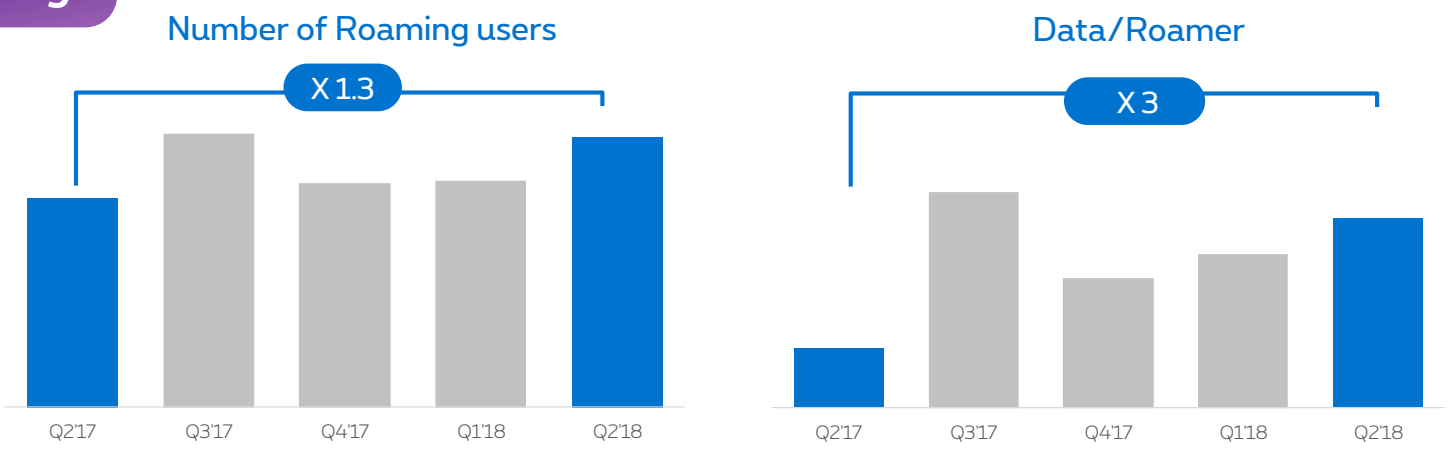
Steep increase of usage for National Data and roaming

## National data usage



Total National Traffic  
**x1.6 YoY**

## Roaming data usage

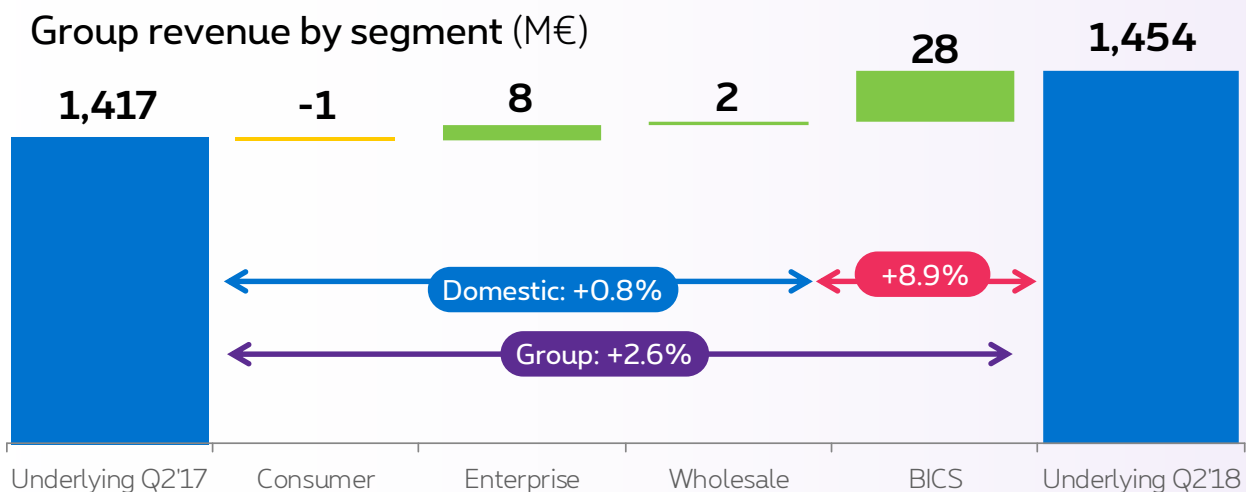


Total Roaming Traffic  
**x 4 YoY**

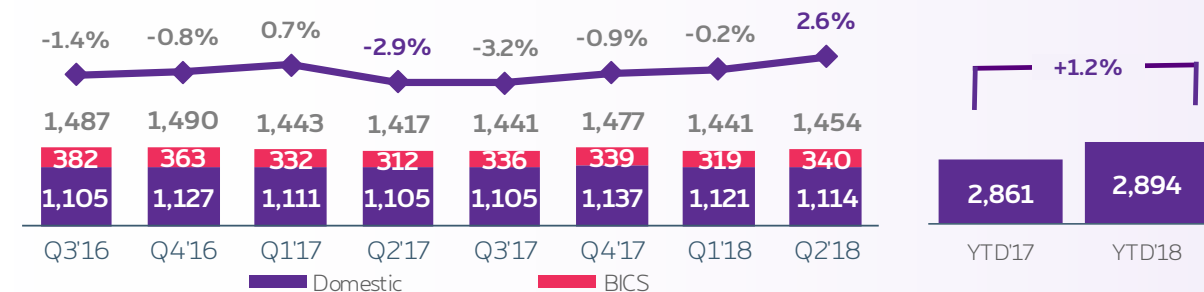


# Group Revenue +2.6%

Higher Q2 revenue for both Domestic operations and BICS



Group revenue by quarter (M€ & YoY %)



## Domestic: +0.8% YoY to € 1,114m

### Consumer: -0.2% YoY

- + Value accretive customer mix, 4P customers growing
- + Revenue growth for TV, Internet, and Mobile Postpaid
- Fixed Voice revenue erosion
- Loss in Mobile Prepaid revenue

### Enterprise: +2.4% YoY

- + Growth in ICT, Advanced Business Services
- + Mobile Services
- + Mobile devices sales
- Erosion legacy Fixed Voice and Data

### Wholesale: +4.0% YoY

- + Higher visitor roaming traffic
- Decline in traditional wholesale products



## Q2'18 revenue: +8.9% YoY

- + Boosting A2P\* volumes, leading to non-Voice revenue growth, accelerated by TeleSign
- Voice traffic breaking declining trend of 5 last quarters. Voice revenue -0.5% YOY on stable destination mix, in spite of a continued slight negative USD currency effect.

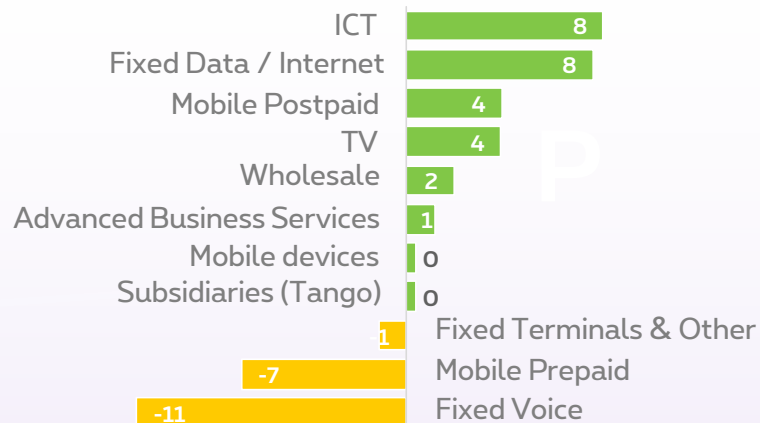
\* Application to Person

# Domestic revenue by product

Customer growth driving Internet, TV and Postpaid revenue.  
Solid ICT growth.

## Q2

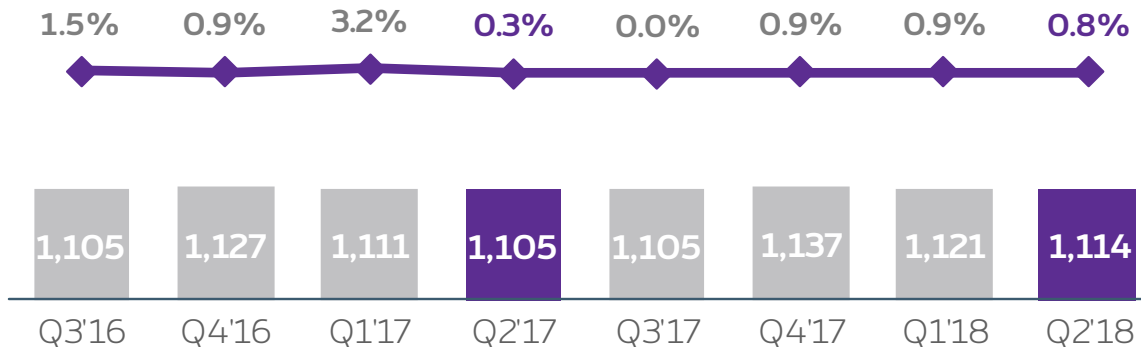
Domestic Revenue Variation  
(Q2'18 vs Q2'17, M€)



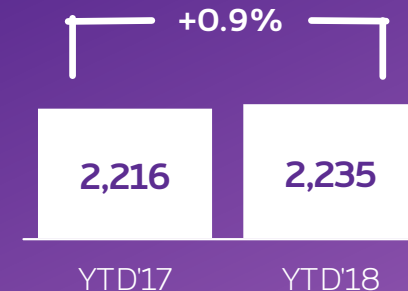
- Higher Fixed Data and TV revenue, compensating for the steadily erosion in Fixed Voice.
- Mobile Postpaid revenue up +1.3%
  - + enlarging customer base
  - “Roam-like-at-Home” price pressure.
- Solid 6.2% revenue growth for ICT

## Q's

(M€)



## YTD

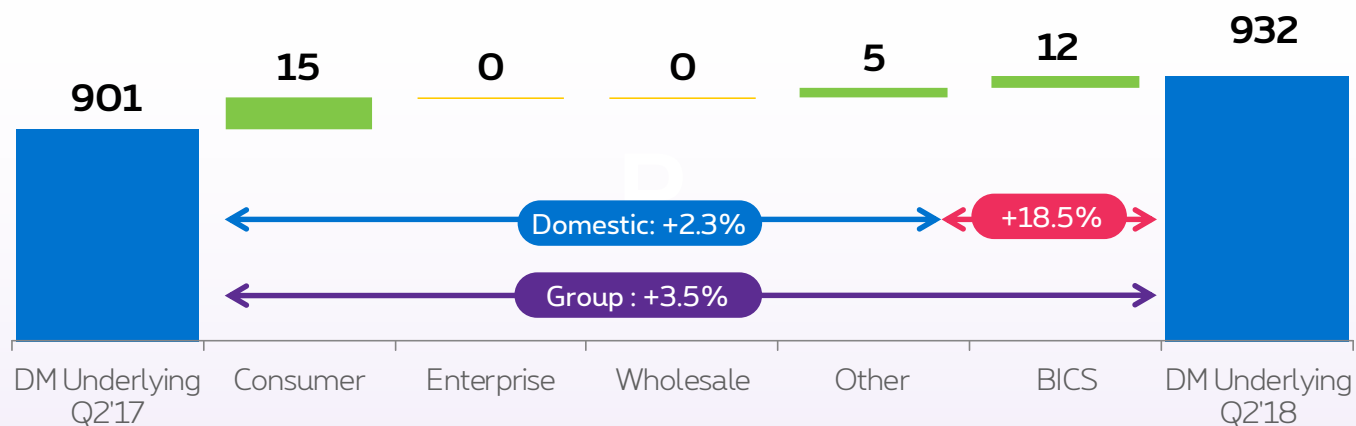


# Group direct margin +3.5%

Both Domestic and BICS posting direct margin growth for Q2

## Q2

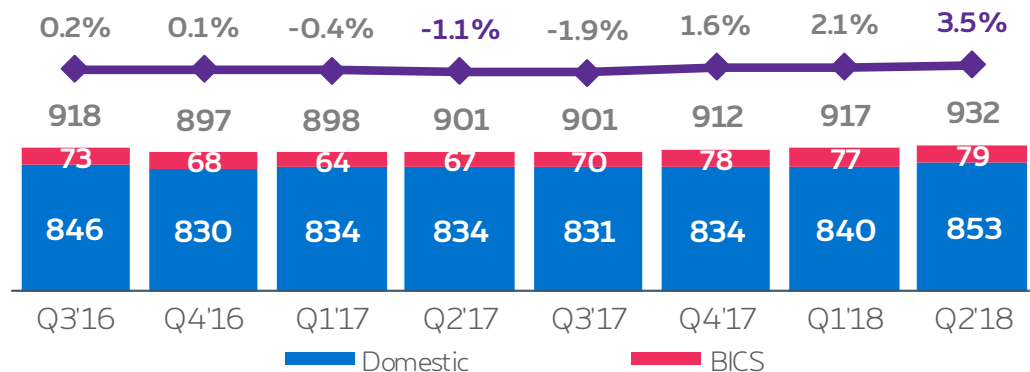
(M€)



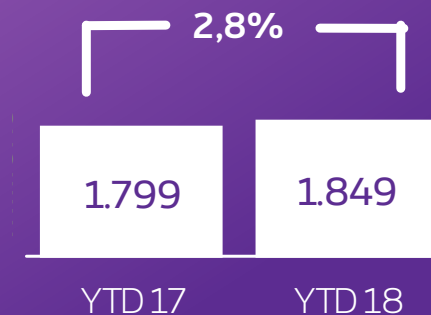
- Domestic direct margin growth driven by Consumer segment, posting a 2.7% direct margin growth.
- BICS direct margin up 18.5% including TeleSign contribution
  - + Boosting A2P volumes
  - + Direct cost synergies

## Q's

(M€)



YTD'18 direct margin up 2.8% in spite of € -26 m roaming regulation impact

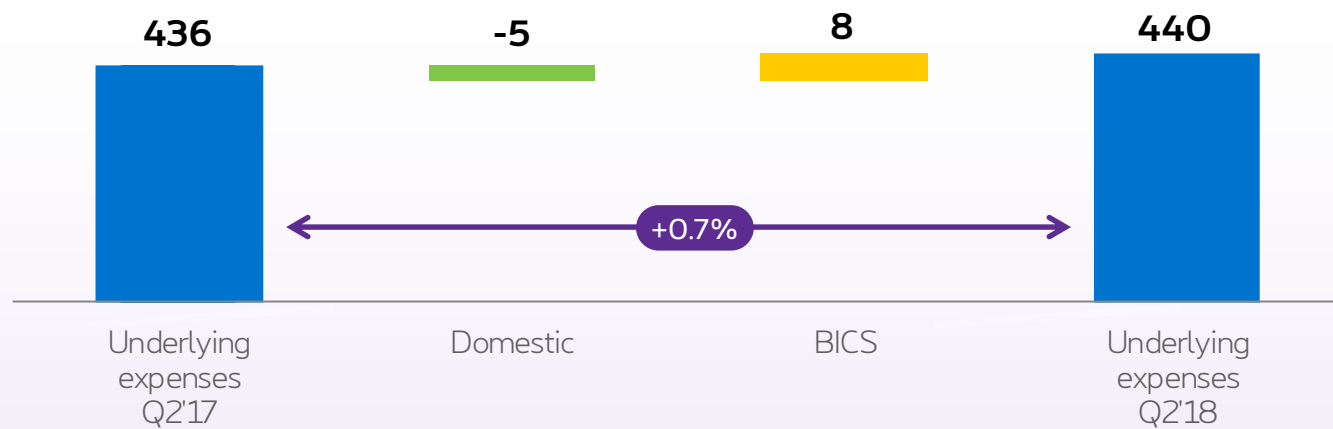


# Group expenses

Q2 increase mainly attributable to BICS' acquisition of TeleSign.  
Domestic underlying expenses -1.2% YoY.

## Q2

(M€)

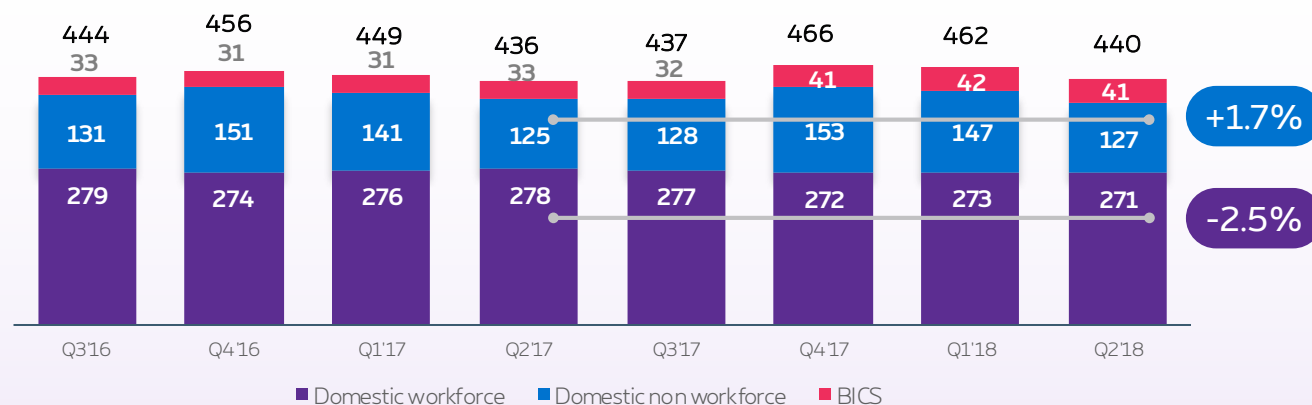


## Q2'18 operating expenses +0.7% YoY

- Domestic expenses -1.2% YoY or € -5m.
  - incl. higher expenses fueling ICT growth
  - acquired ICT subsidiaries + 99 FTE's
- BICS expenses €+ 8m YoY, mainly reflecting the acquisition of TeleSign (consolidated since November 2017).

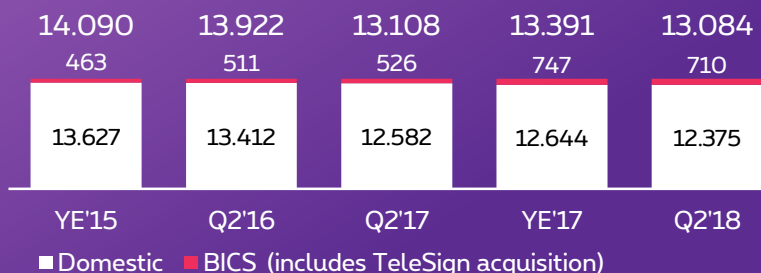
## Q's

(M€)



## FTE's

Domestic workforce expenses benefitting from lower headcount



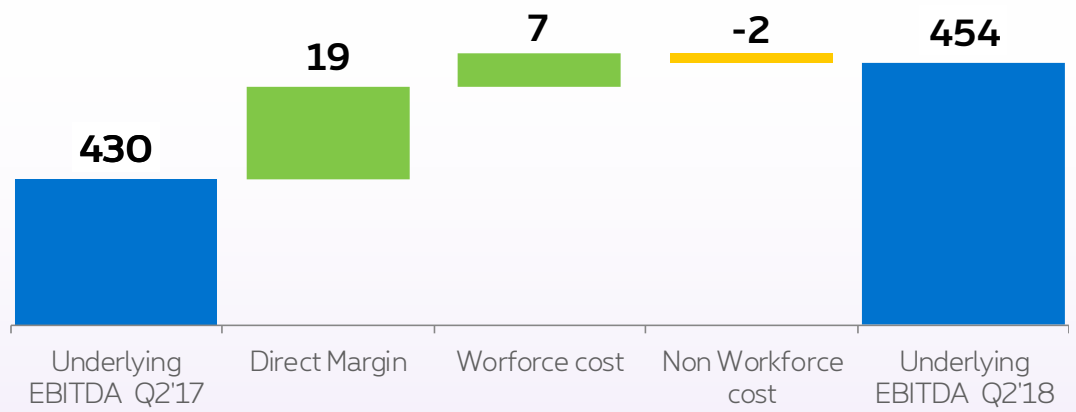
■ Domestic ■ BICS (includes TeleSign acquisition)

# Domestic EBITDA

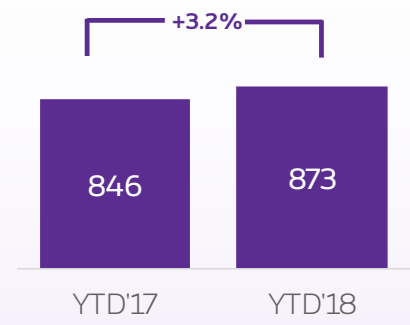
+5.5% YoY for Q2 driven by higher direct margin and lower expenses

## Q2

(M€)

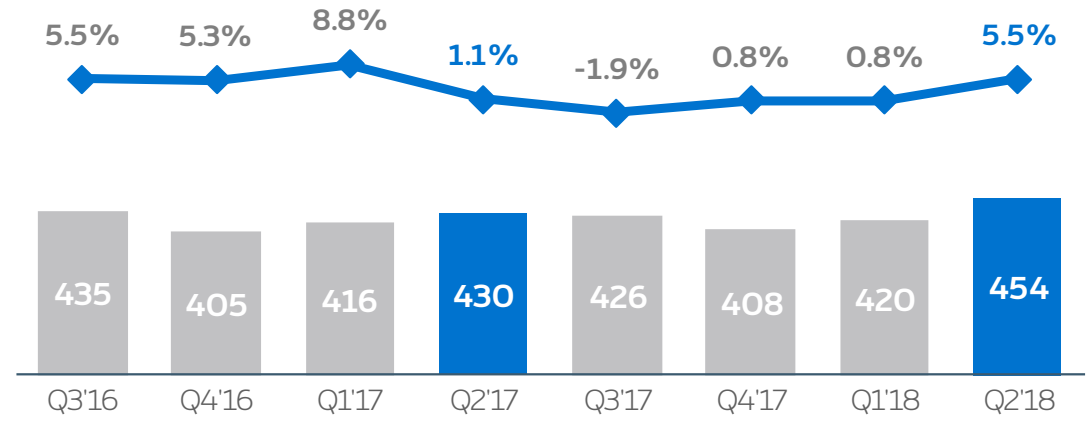


## YTD



## Q's

(M€)

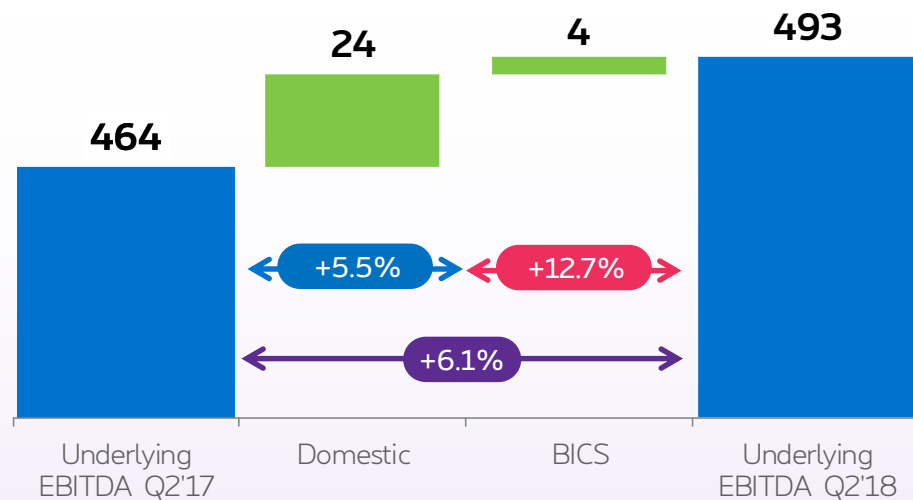


# Group EBITDA

+6.1% YoY , with both Domestic operations and BICS showing good YoY progress

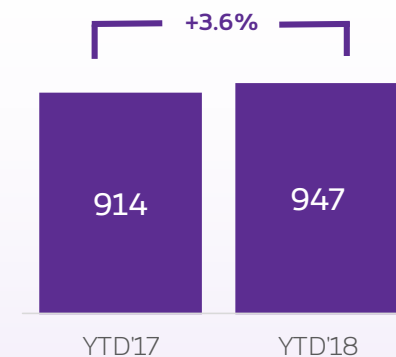
## Q2

(M€)



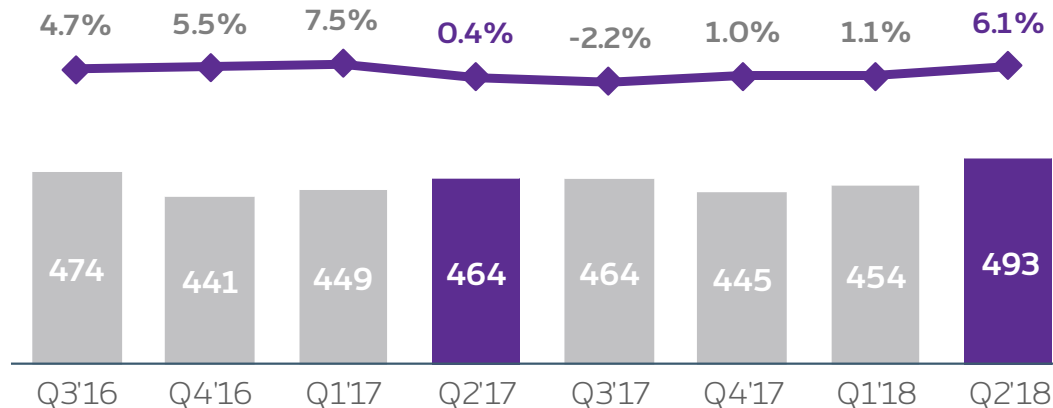
## YTD

(M€)



## Q's

(M€)

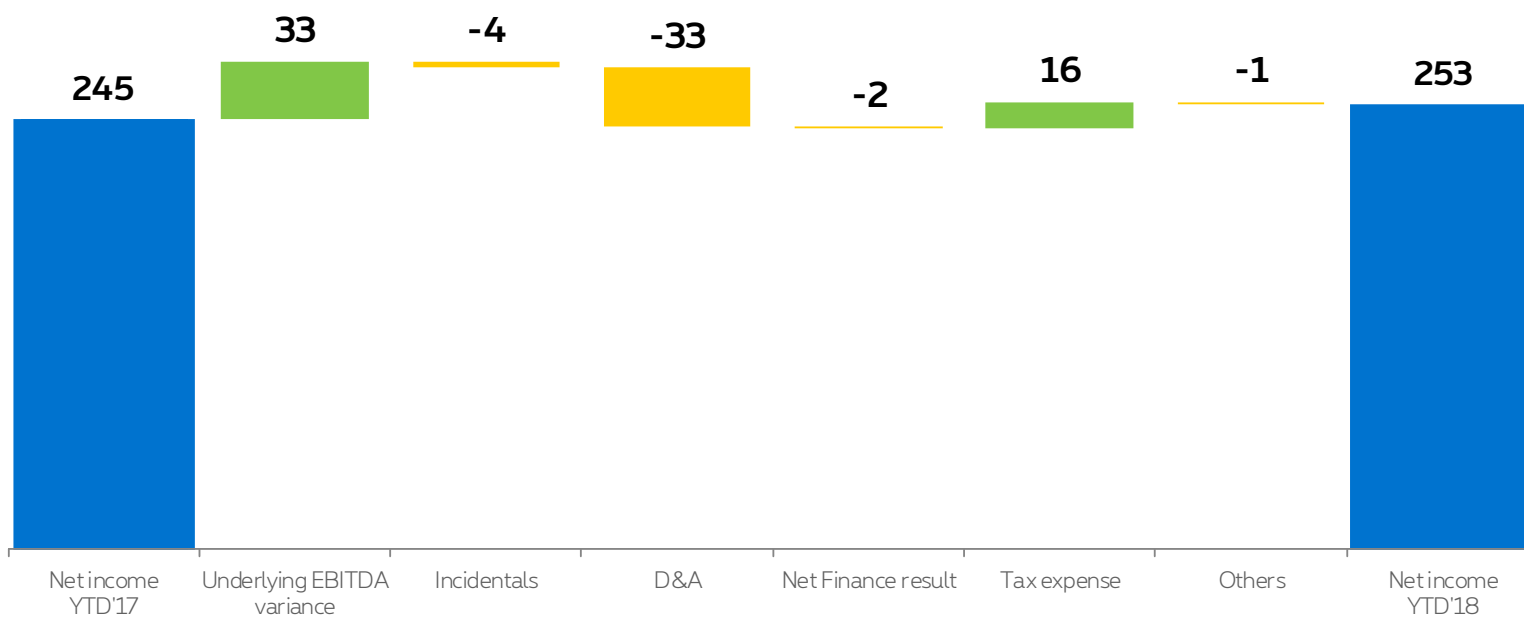


# Net income (Group share)

€ 129m Net Income in Q2 leading to a total of € 253m for H1'18

YTD

(M€)



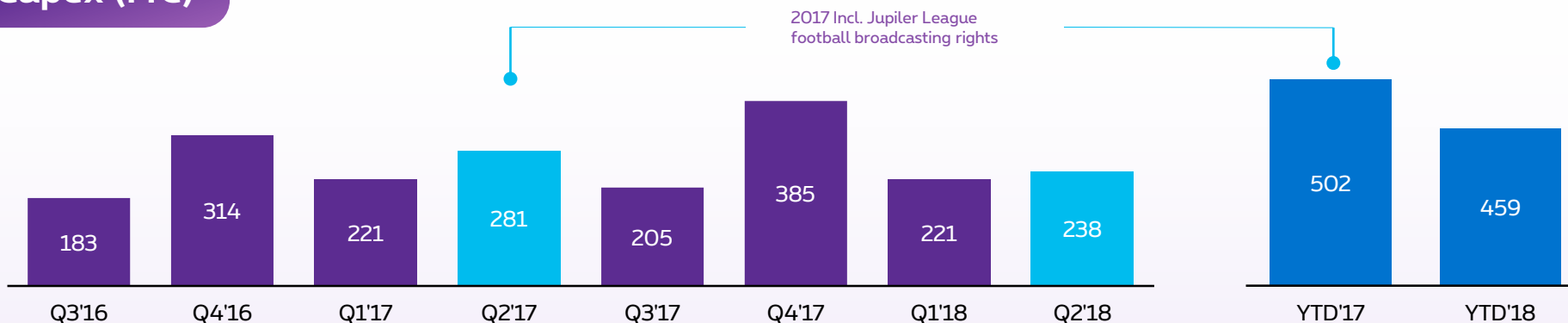
H1'18 Net Income € +8m YoY

- + Higher EBITDA
- + ETR 26.7% vs 30.5% in H1'17
- Increasing asset base driving higher D&A

# € 459M capex over H1'18

Continued investments to improve the overall customer experience

## Capex (M€)



On track for FY2018 estimate of around € 1bn

## Some examples:

### High-quality Mobile network

#### 4G pop coverage

outdoor 99.8%  
indoor 98.8%

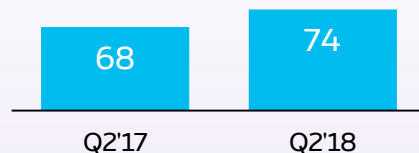
+ Mobile sites to support traffic increase

+ 4.5G deployment

### Copper upgrade

#### 94% FttC, 87% vectoring

>50% 100 Mbps  
Av. VDSL speed - Mbps  
Proximus customers



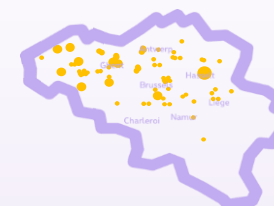
### Attractive content

Jupiler Pro League  
UEFA Champions League  
Studio 100  
Be TV partnership  
Proximus TV app



### Fiber build

FttH & FttB



### IT

#### Renewed and simplified IT systems

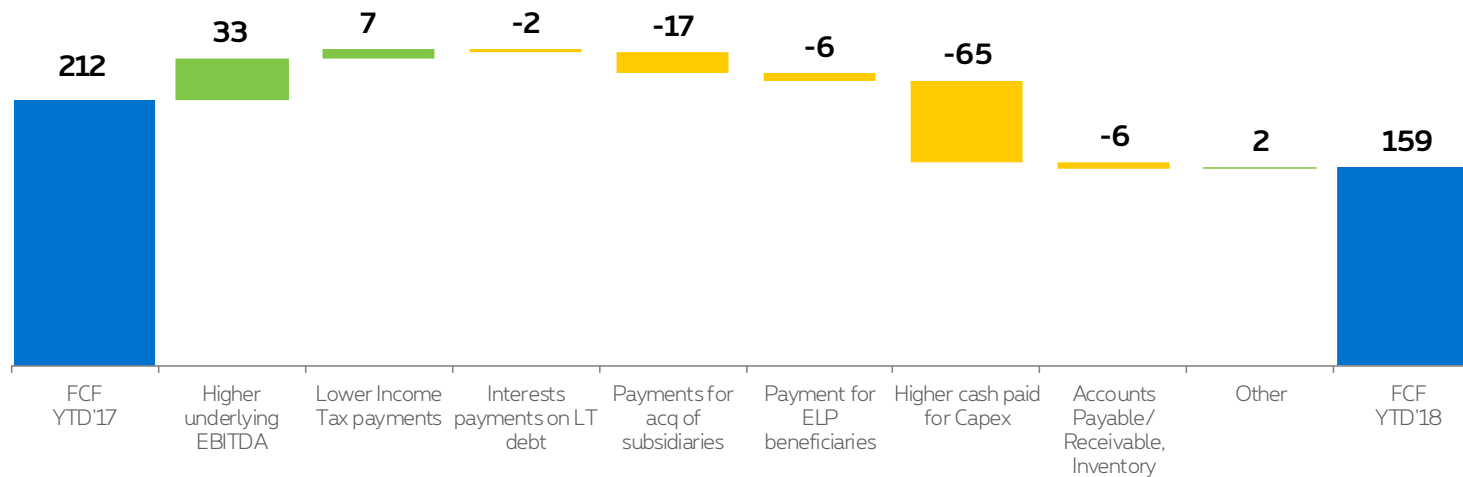
a.o. new Mass Market IT chain encompassing sales to ordering to billing



# FCF

€159M for H1'18, or € 180M excl. acquired ICT subsidiaries

YTD  
(M€)

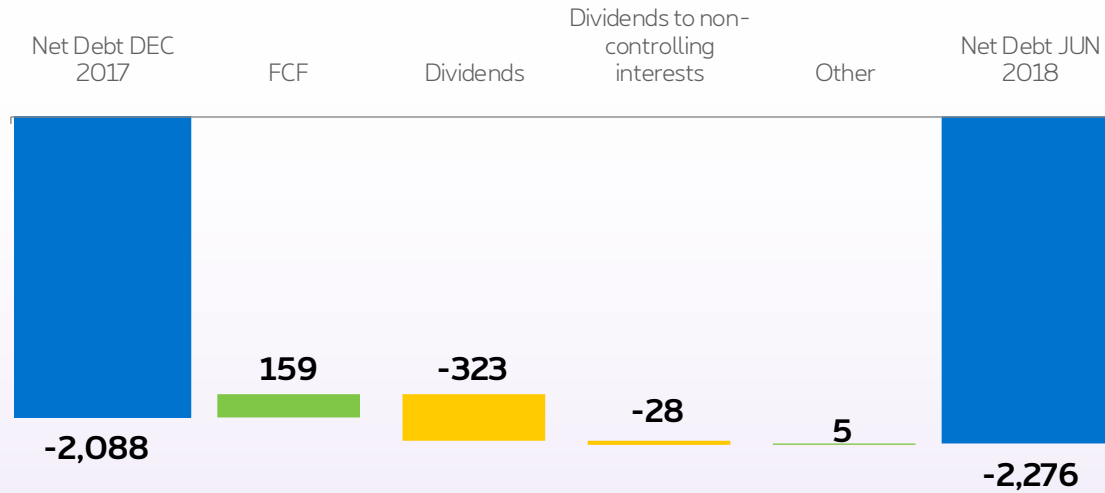


- H1'18 FCF of € 159 m , or € 180 m excl. cash-out for acquired ICT subsidiaries
- Remaining FCF YoY decrease mainly driven by higher cash paid for Capex (including remaining carry-over effect from 2017)
- Partially offset by a growth in underlying EBITDA and lower Income Tax payments.

# Sound financial position

April dividend payment temporarily increasing net debt

## Net Debt (YTD, M€)



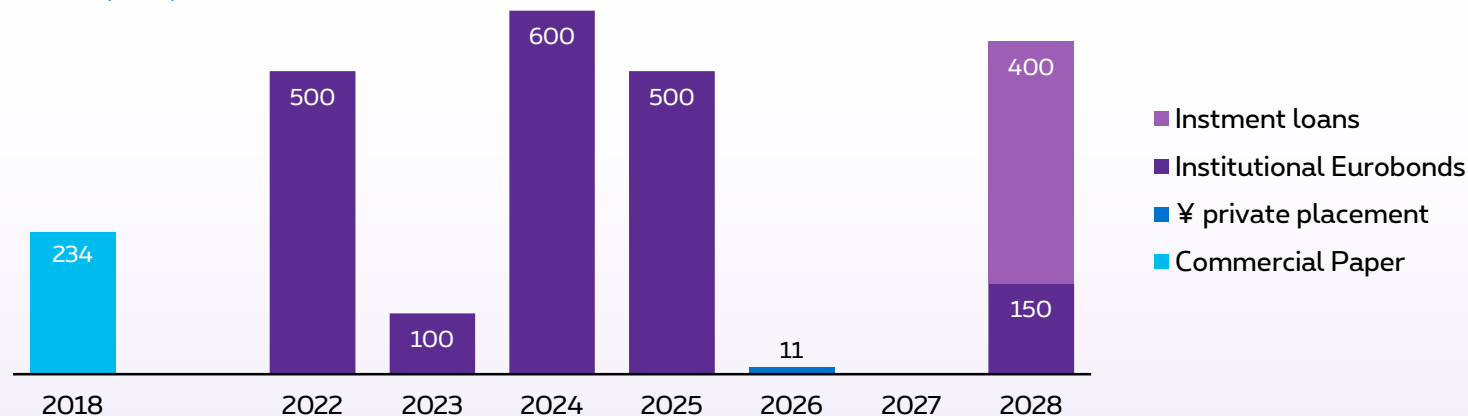
# 6.1 Yrs

Average debt duration

# 1.78%

Weighted average coupon

## Debt maturity schedule (M€)



Proximus optimized its long term debt

- Credit ratings: Standard & Poor's A, Moody's A1, both stable outlook
- Proximus signed a €400m 10y EIB loan in March 2018

## Full-year 2018 outlook reiterated

Guidance metrics	FY2017 Actuals	FY2018 Outlook	2018 YTD achievement
<u>Domestic</u> underlying <u>revenue</u>	€4,458m	Nearly stable	+0.9%
<u>Group</u> underlying <u>EBITDA</u>	€1,823m	Slight growth	+3.6%
<u>Capex</u>	1,092m*	Around €1Bn	459m

\* Incl. renewal of 3-year football broadcasting licenses (Jupiler League, UEFA Champions League)

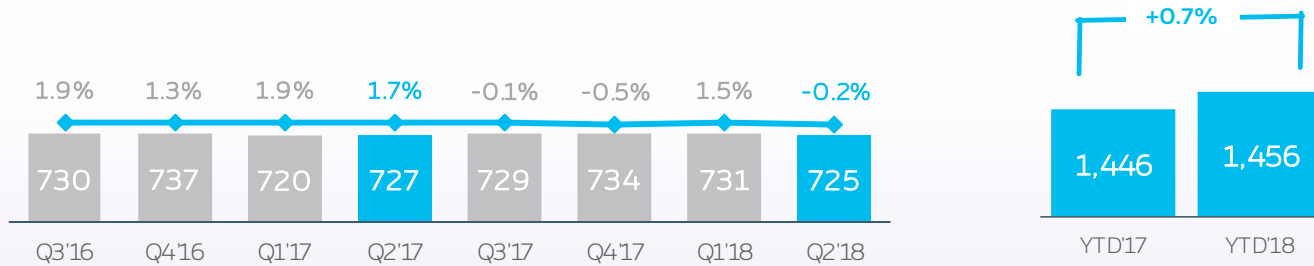
- H1'18 EBITDA slightly ahead of company expectations, including some one-off tailwinds benefitting the Consumer direct margin.
- For H2'18, Proximus expects to benefit from the annualizing RLAH price regulations, though will face an inflation-based salary indexation and will no longer benefit from the mid-2017 price adjustments.
- Overall, Proximus estimates to end the year 2018 in line with its provided full-year guidance.
- Intention to return a €1.50 gross dividend per share for 2018 reconfirmed.



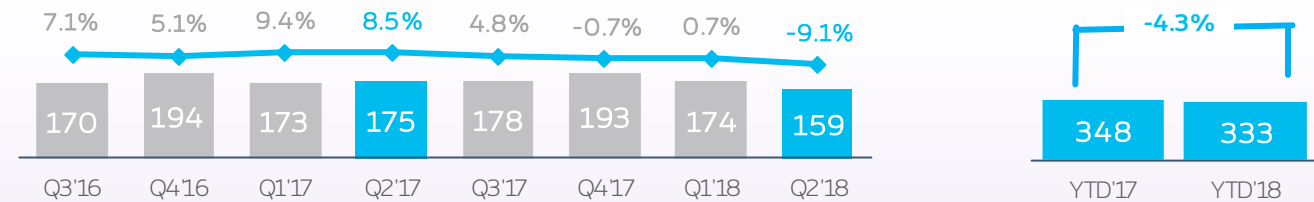
# Consumer results

Value accretive customer mix, nearly stable revenue in spite of RLAH impact, direct margin up 2.7%

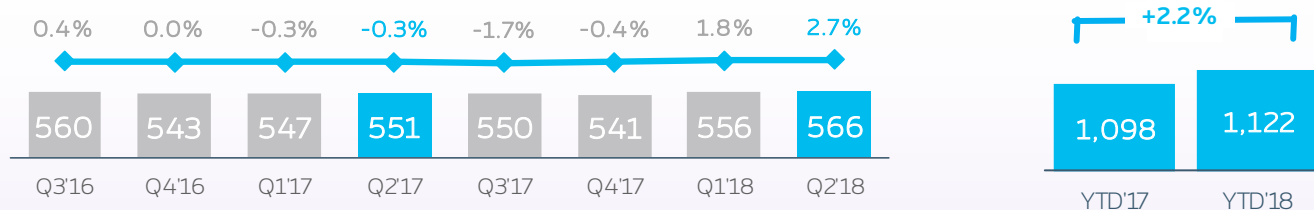
Revenue (M€) & YoY



Cost of Sales (M€) & YoY



DM (M€) & YoY



Fairly stable revenue

- Fixed services up 1.3%
- Mobile postpaid up +1.4%

offset by less revenue from Mobile prepaid and mobile devices sales

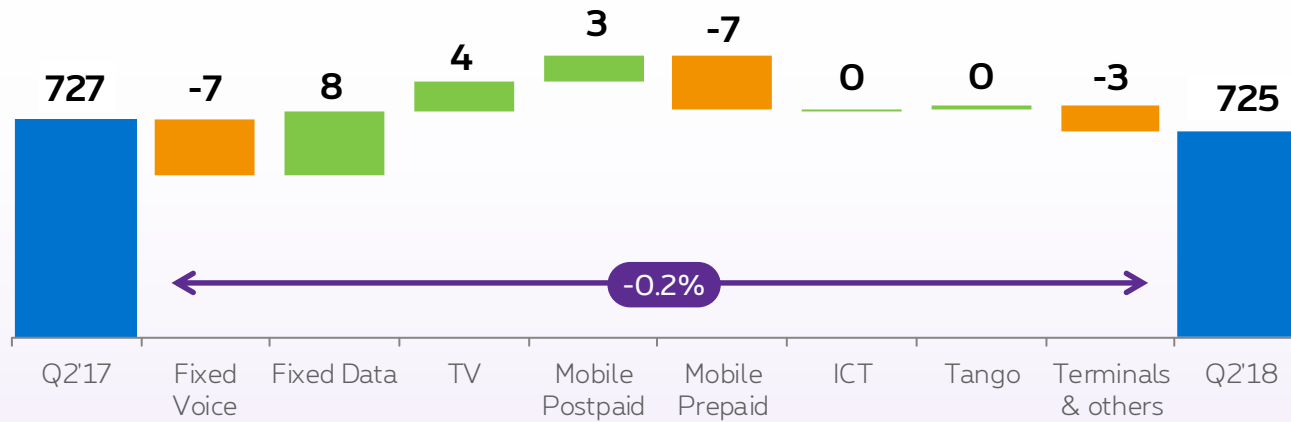
Direct margin € +15m YoY

- enlarging customer base for Fixed and Mobile postpaid
- Price changes (Jul'17, M4M mobile Aug'17, Jan'18)
- About half from one-off tailwinds (incl. renegotiation of several supplier contracts)

# Consumer revenue

## Q2

(M€)



+ YoY growing Internet, TV and Mobile Postpaid customer base

+ Upselling

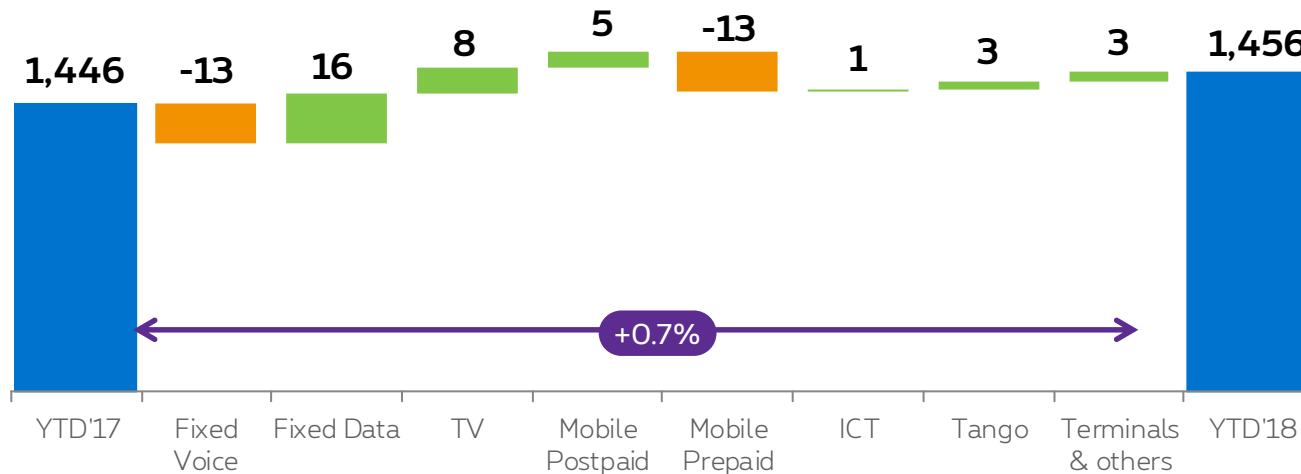
+ Price changes Mid'17 & Jan'18

- RLAH

- Lower Prepaid base

## YTD

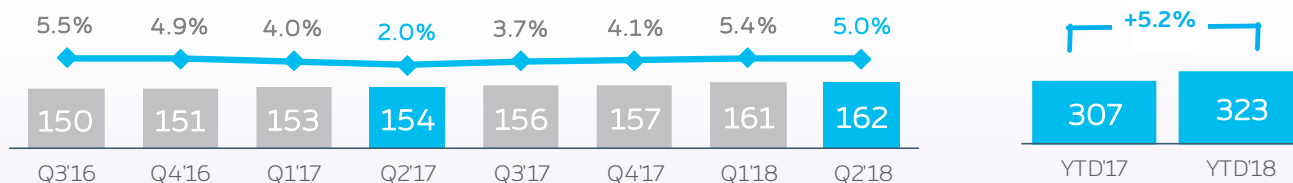
(M€)



# Fixed data revenue +5.0%

Customer base up +7,000 in Q2'18; +47,000 YoY – ARPU up 2.2%

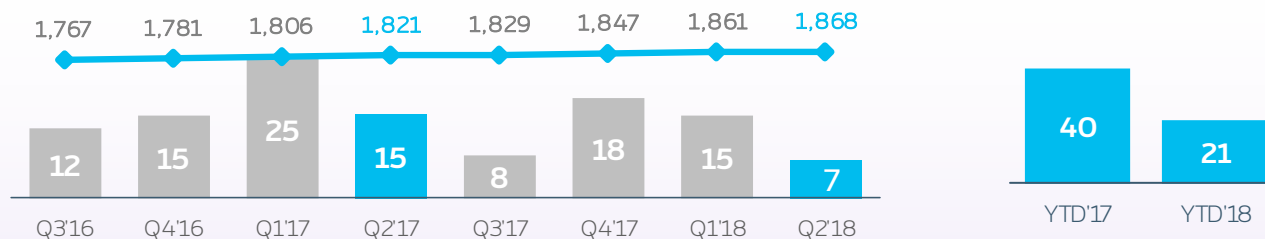
Fixed data revenue (M€) & YoY



+5.0% revenue from Internet subscriptions YoY, driven by

- higher base
- higher ARPU

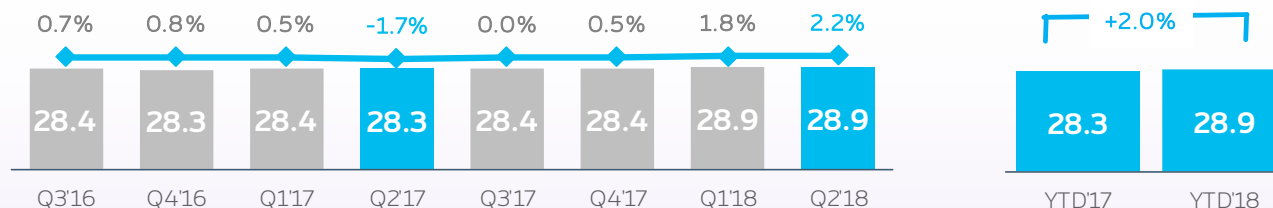
Broadband growth & EOP (000)



• +7,000 Internet lines in Q2'18, in a seasonally low quarter and highly competitive market

• Customer base +2.6% YoY

Broadband ARPU (€) & YoY variance

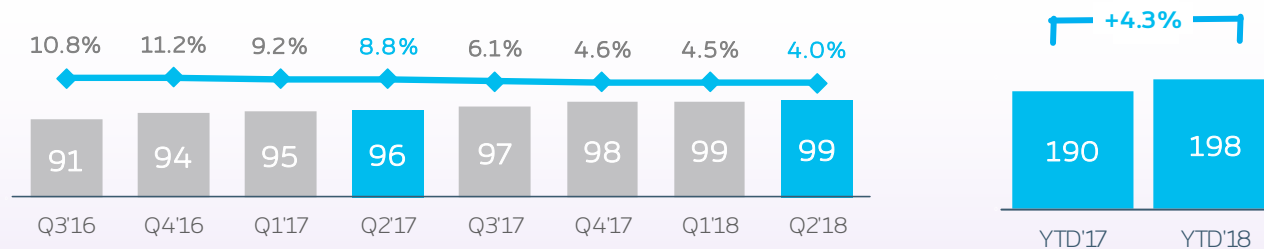


• ARPU up 2.2% YoY reflecting the price changes since the start of 2018

# TV revenue + 4.0%

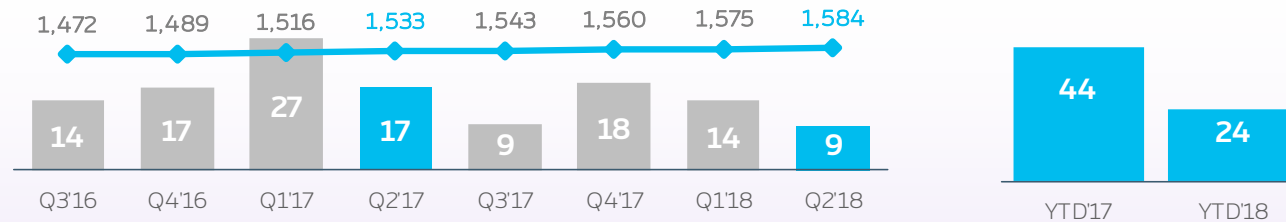
TV customer base grew by 9,000 households in Q2'18; +51,000 YoY

TV revenue (M€) & YoY variance



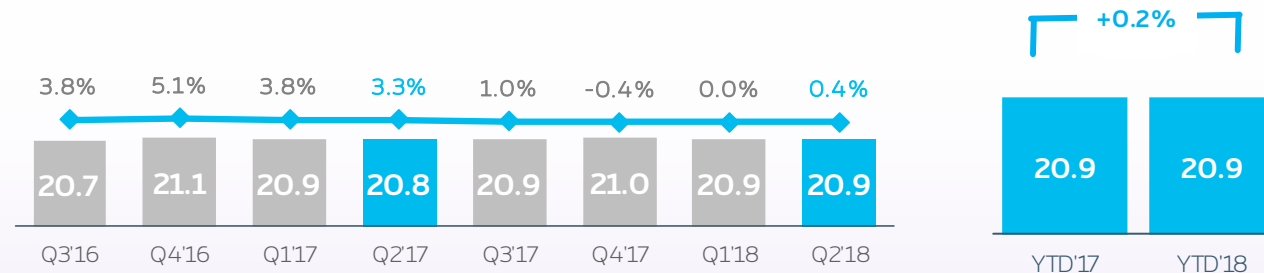
- TV revenues up by 4.0% YoY to a total of €99m in Q2'18

Unique TV - customers (000)



- +51,000 TV households YoY, or +3.3%, including +9,000 TV households in Q2'18

Fixed TV ARPU (€) & YoY variance



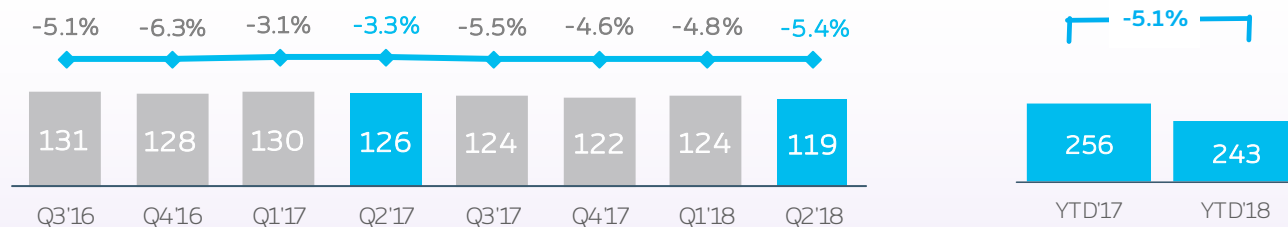
- TV ARPU sequentially stable and slightly up from previous year (+0.4%)



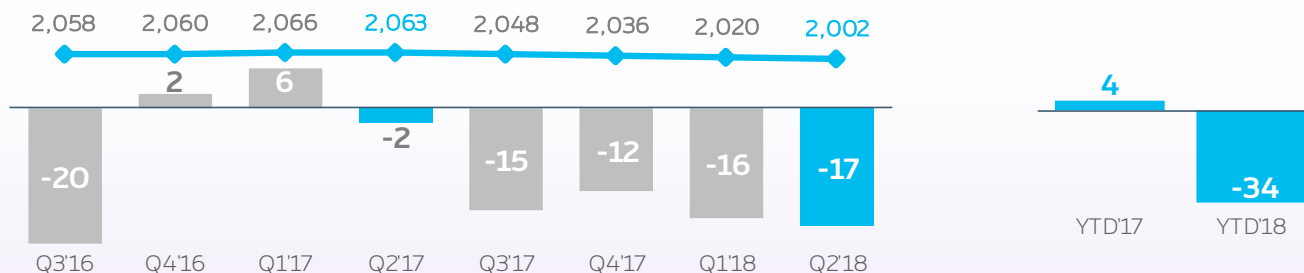
# Fixed voice

Revenue decline YoY driven by line erosion and lower traffic

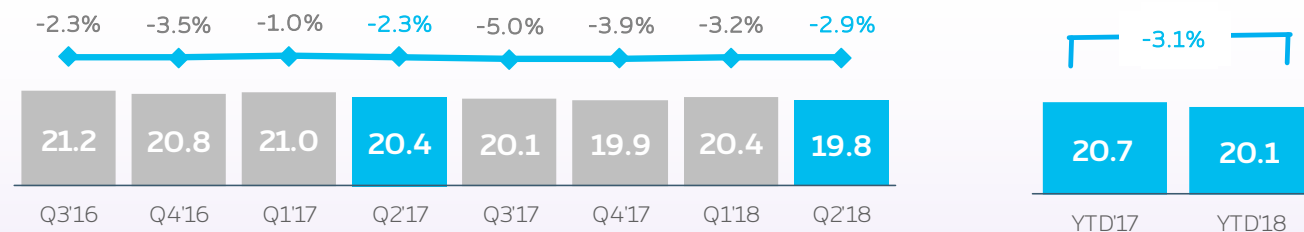
Fixed voice revenue (M€) & YoY variance



Voice line loss/gain & EOP (000)



Fixed voice ARPU (€) & YoY variance



Total Fixed voice customer base down 3.0% YoY

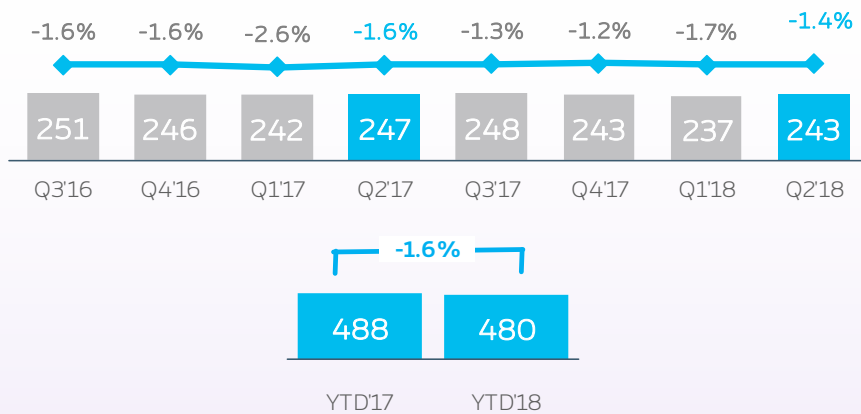
ARPU -2.9% YoY, reflecting

- ongoing voice traffic decline
- partially offset by Jan'18 price changes for 1-P Fixed Voice

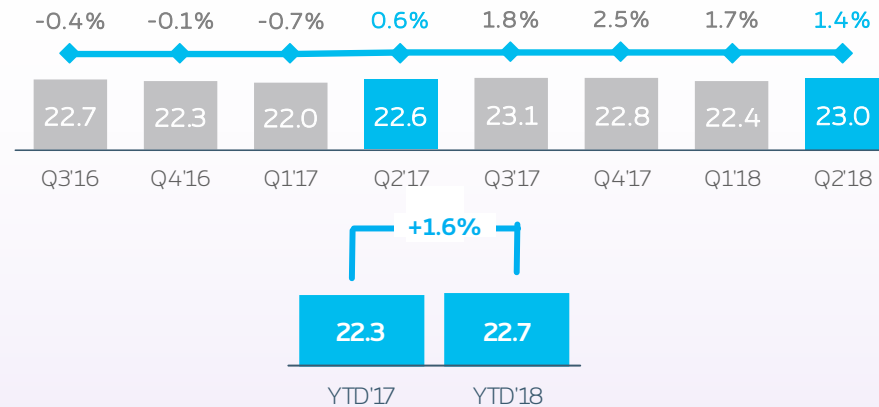
# Mobile service revenue

Mobile Postpaid revenue up +1.4% YoY. Continued Prepaid erosion.

Mobile service revenue (M€) & YoY variance



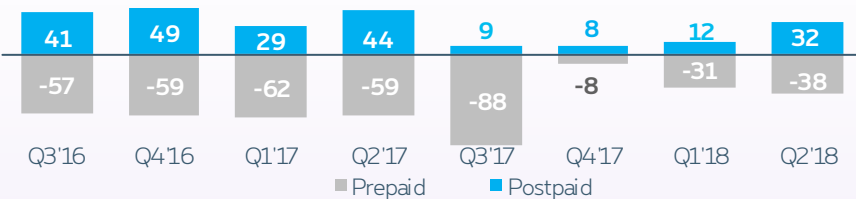
Blended net mobile ARPU (€) & YoY variance



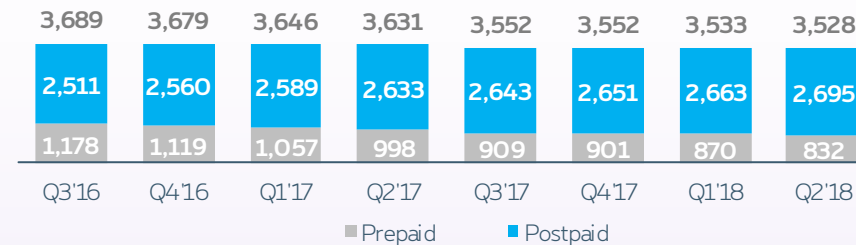
Blended ARPU up on better customer mix



Mobile Net Adds (000's)



Mobile Park (000's)

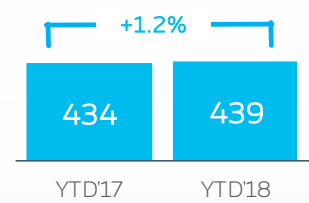
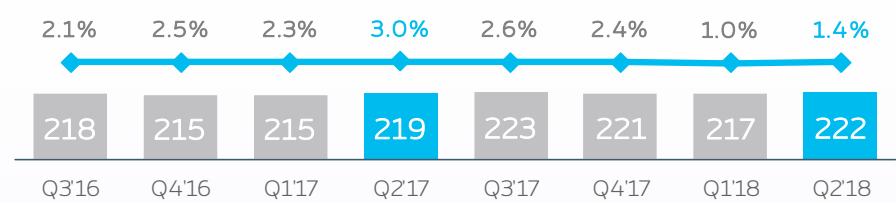


- +32,000 Mobile Postpaid cards in Q2'18 on the Proximus and Scarlet brands
- Improved churn rates over the past quarters
- Red Devils World Cup campaign
- Growth in Postpaid revenue in spite of RLAH headwinds (annualizing 12 June)

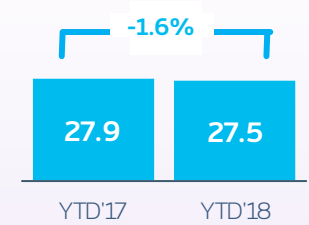
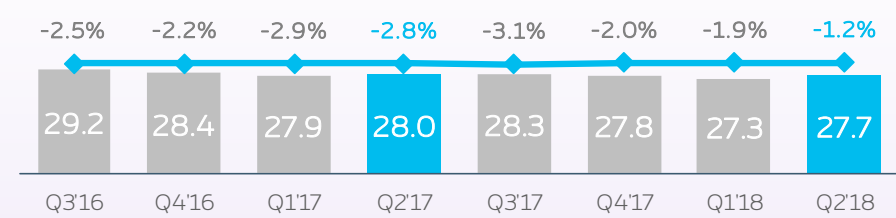
# Postpaid and prepaid

## Postpaid

Revenue (M€) & YoY



ARPU (€) & YoY variance



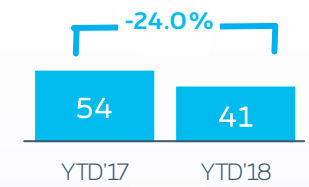
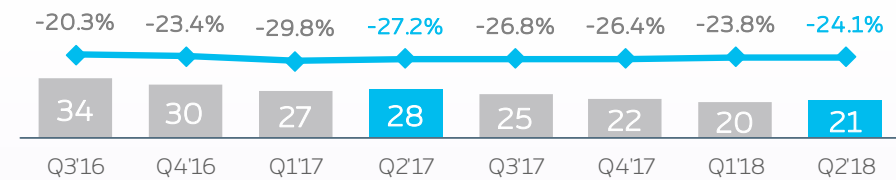
Fading RLAH YoY impact

+2.4% YoY customer growth

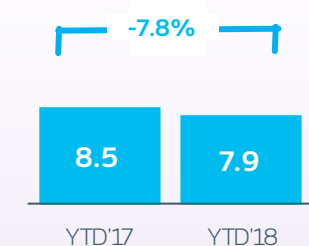
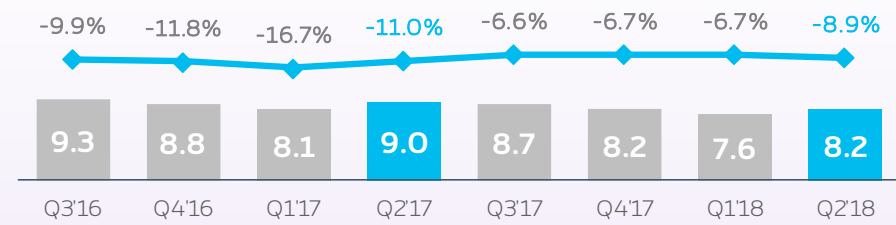
Postpaid ARPU sequentially improving

## Prepaid

Revenue (M€) & YoY



ARPU & YoY variance

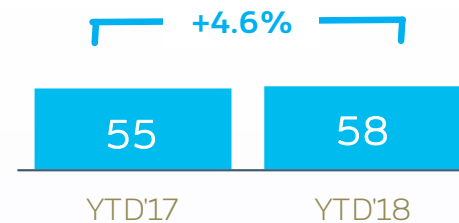
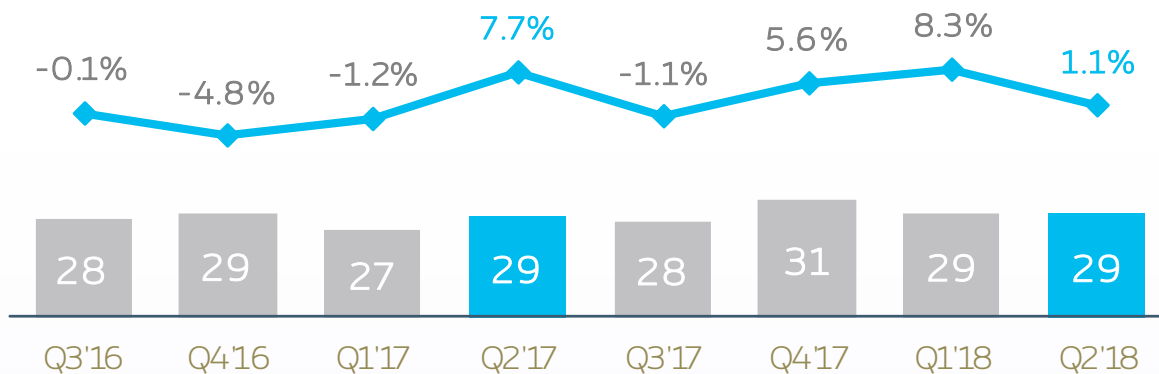


YoY reduction of the Prepaid customer base triggered by the legal identification process

# Tango Luxembourg

Consumer revenue +1.1% YoY

Tango revenue (M€) & YoY variance



Improved consumer revenue driven by :

- Steady growth in mobile base
- Successful convergence strategy execution, with FttH driving increase in broadband revenue

Annualizing M-4-M price increase since April '18

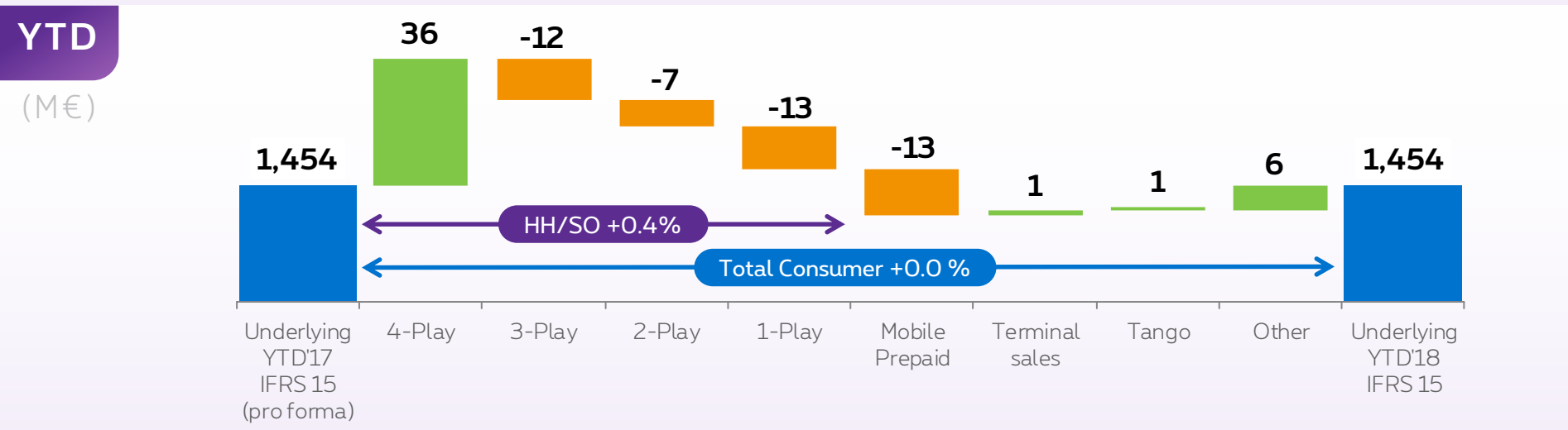
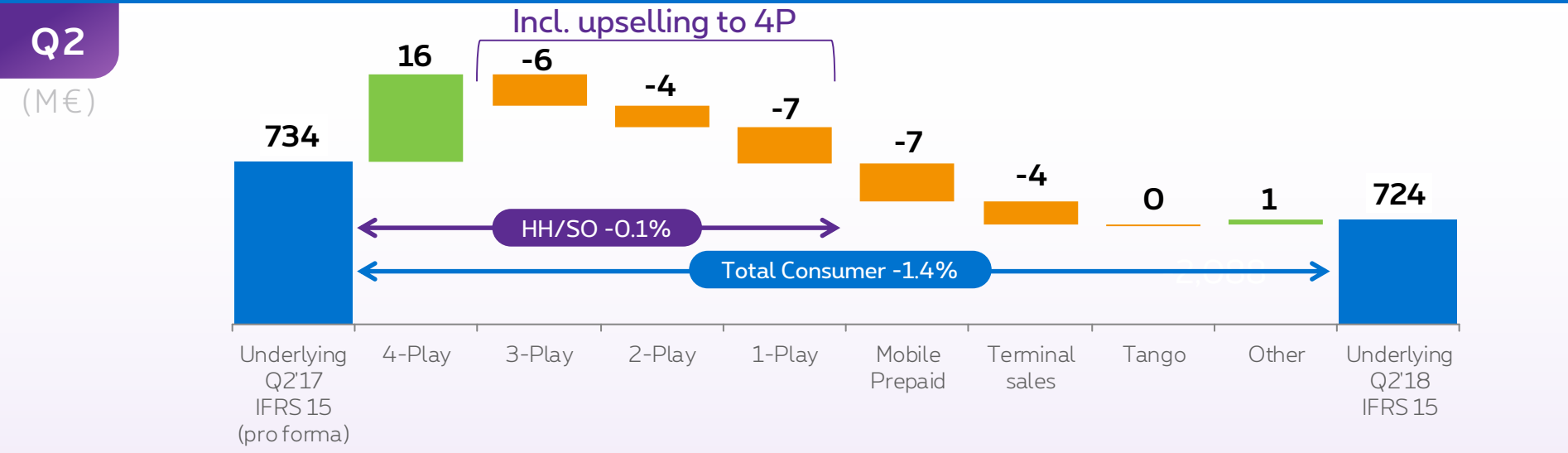


# X-Play view

(under IFRS 15)

# 4-Play revenue up 7.2%

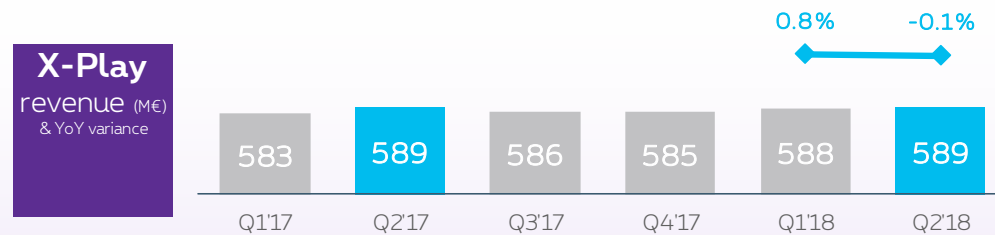
Revenue from HH/SO stable YoY (under IFRS 15), declining Mobile Prepaid and less Terminal sales in Q2'18



- Under IFRS15, € 724 m, -1.4% YoY
- Stable X-Play revenue
  - Q2'17 included a higher Mobile joint offers impact with positive effect on Terminal Sales
- Lower Prepaid
- Proximus' strategy to focus on multi-play offers resulting in continued uptiering to 4-Play, up 7.2% YoY in Q2'18.

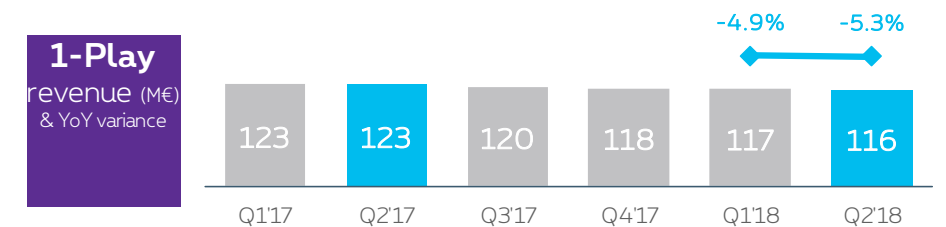
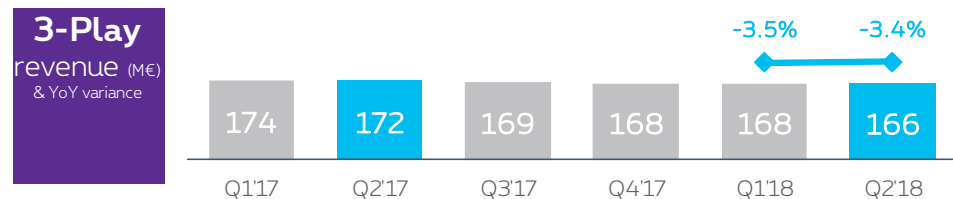
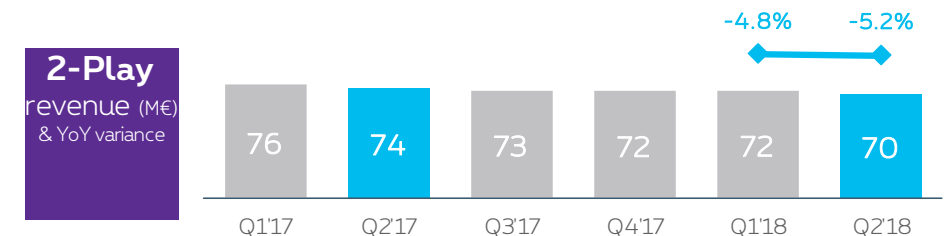
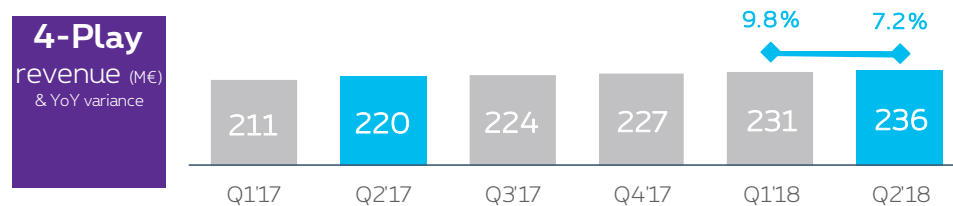
# Stable X-play revenue

4-Play revenue up 7.2%, representing 33% of Total Consumer revenue



Ongoing expansion of 4-Play base, up 52,000 YoY, including 13,000 in Q2'18

Growing 4-Play revenue, offset by lower 1- 2- and 3-Play HH/SO revenue, including roaming regulation impact and fixed voice traffic erosion

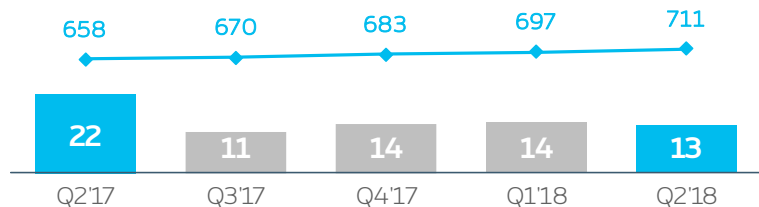


# HH/SO base up 2 K to 2,979 K

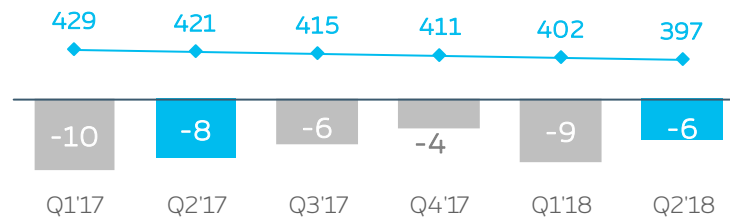
Improving Customer Mix, continued 4-Play growth

4.85  
RGU

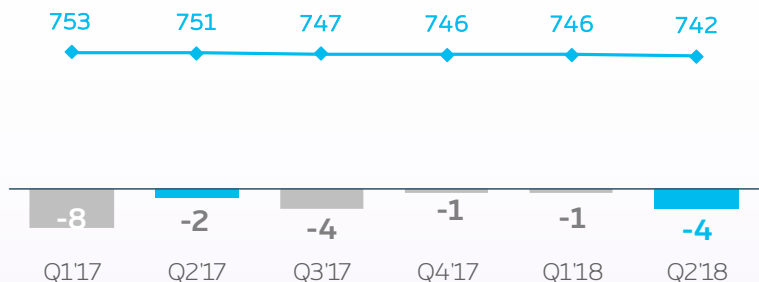
**4-Play**  
growth & EOP  
(000)



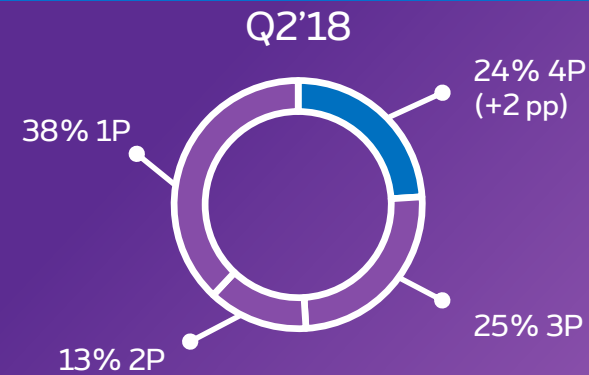
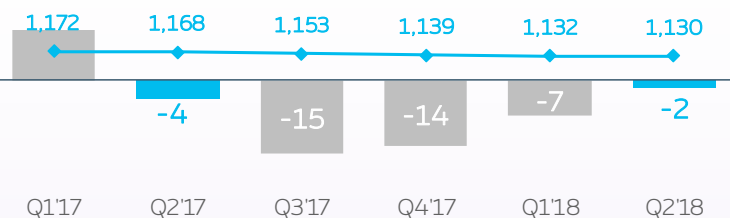
**2-Play**  
growth & EOP  
(000)



**3-Play**  
growth & EOP  
(000)



**1-Play**  
growth & EOP  
(000)

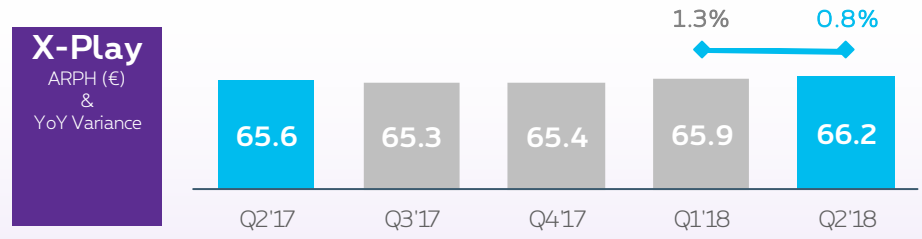


- Increasing number of customers on 4-Play + 52,000 YoY, +8.0%
- Total HH/SO +2,000 in Q2, -19,000 YoY, driven by Fixed Voice
- Average RGU's up by 2.1% YoY to 2.73

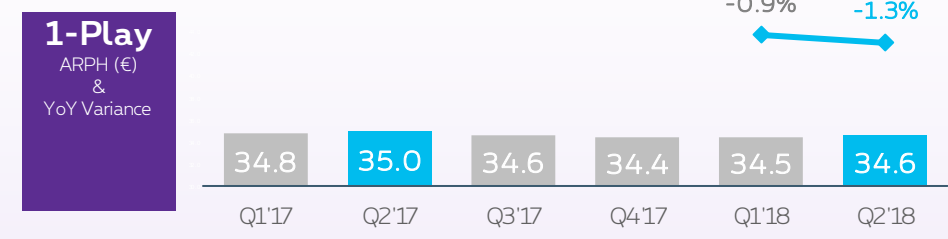
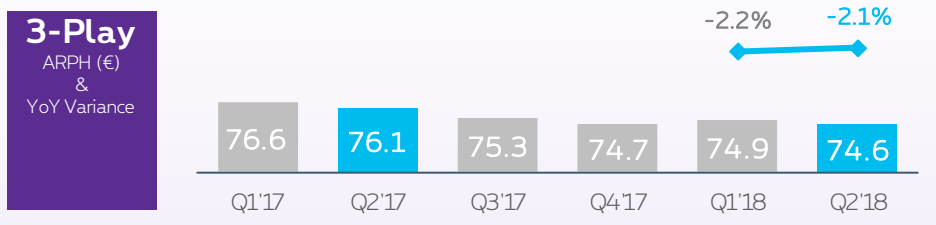
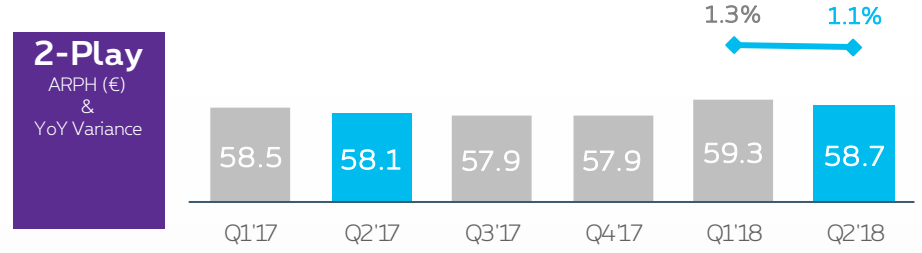
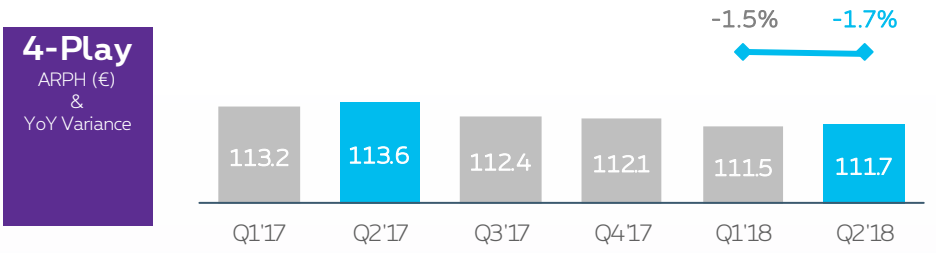


# Overall ARPH up 0.8% YoY

Progress to € 66.2, in spite of RLAH impact on Mobile and Fixed Voice traffic erosion



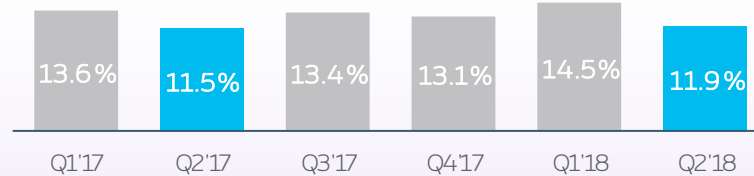
- Overall ARPH continued to grow, on an improved customer mix
- More and more 4-Play HH/SO with an ARPH of € 111.7



# Annualized full churn rates

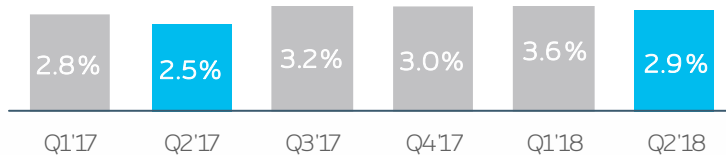
Sequential improvement for Q2 vs prior quarters

**X-Play**  
Annualized full churn rate

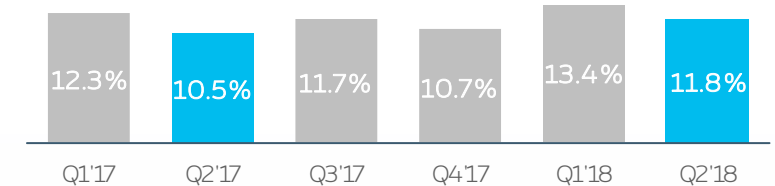


- The overall annualized full churn rate up 0.4% YoY to 11.9%.
- Mainly driven by single-play Mobile and Fixed Voice, and by Fixed-only 2-Play HH/SO.
- Convergent HH/SO maintained very low churn rates, with limited impact from the higher competitive intensity.

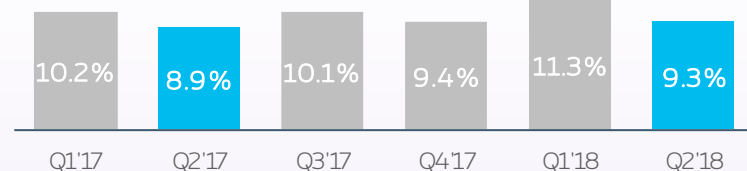
**4-Play**  
Annualized full churn rate



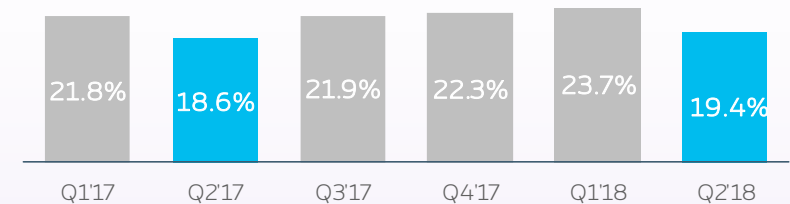
**2-Play**  
Annualized full churn rate



**3-Play**  
Annualized full churn rate



**1-Play**  
Annualized full churn rate

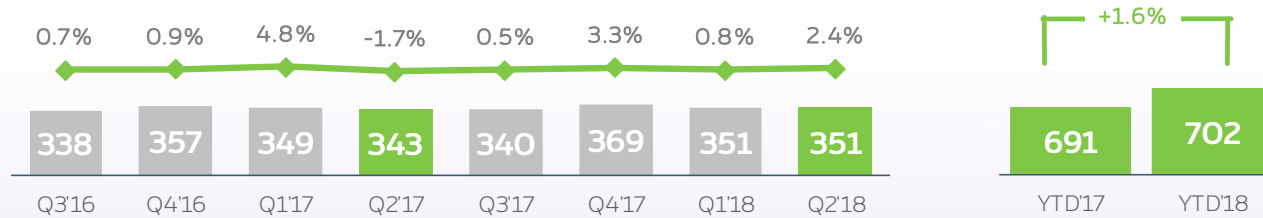




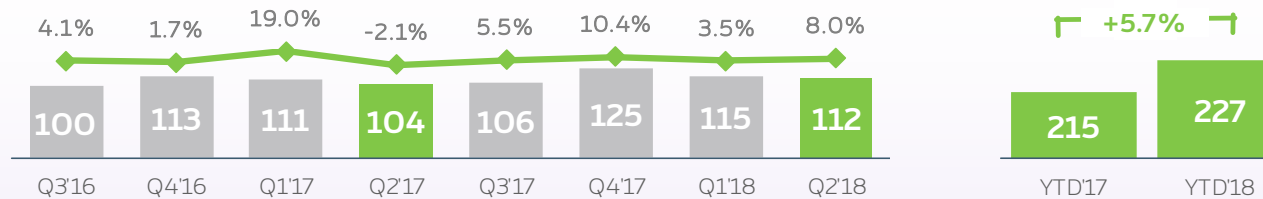
# Enterprise results

Growth in ICT, Mobile Services & Advanced Business Services offsetting pressure on legacy Telco services. Stable direct margin.

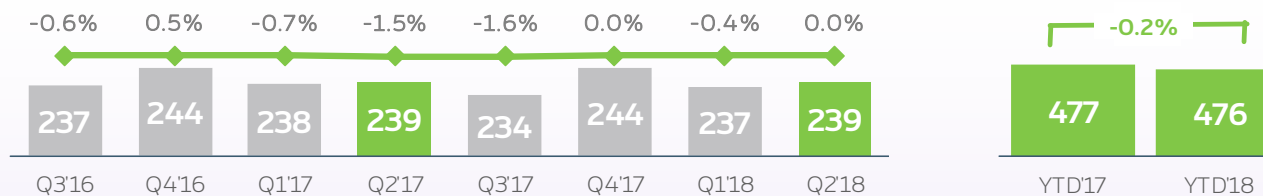
Revenue (M€) & YoY



Cost of Sales (M€) & YoY



Direct margin (M€) & YoY



- ICT +6.5%, benefitting from a strengthened ICT portfolio and higher product sales
- Mobile services revenue +0.9%
- Advanced Business Services: +18.6%
- Legacy voice revenue down by -7.3%

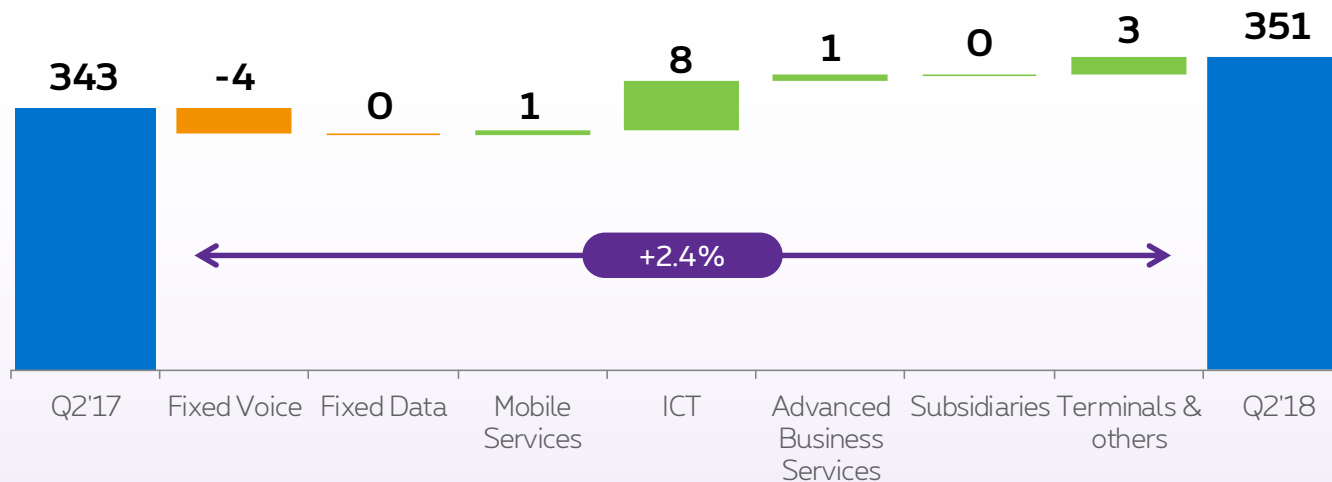
- Stable direct margin supported by ICT, Mobile Services and Advanced Business Services
- Direct margin at €239m, i.e. 68% of revenue, -1.7pp following the revenue mix

# Q2'18 revenue up by 2.4%

Supported by ICT, Mobile devices, Mobile services and Advanced Business Services

**Q2**

M€



Operating in a competitive environment, Proximus' Enterprise segment achieved a 2.4% YoY revenue growth

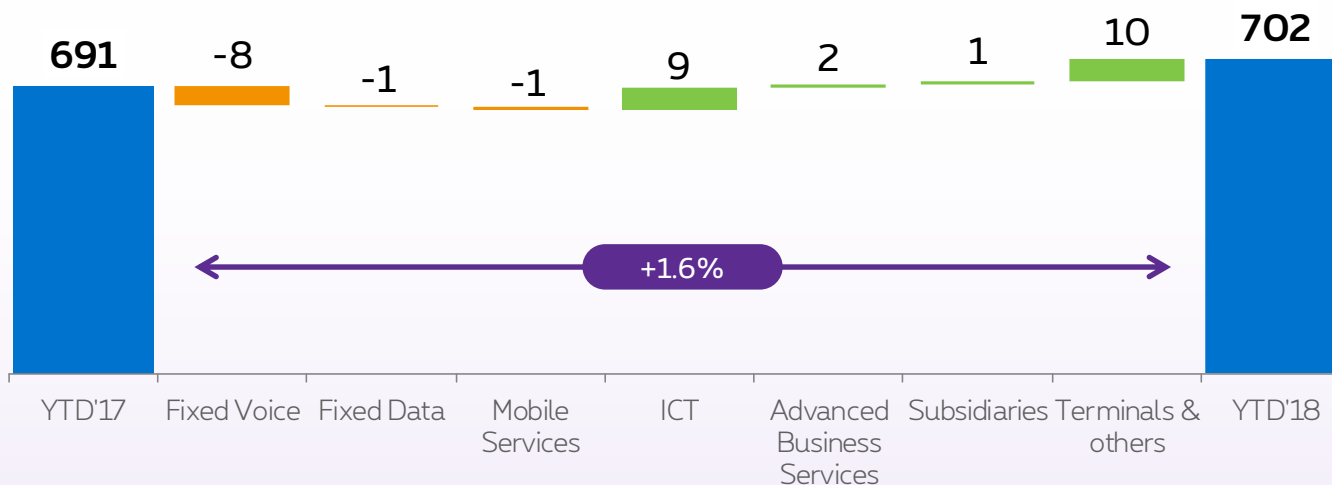
+ Continued strong mobile customer growth in competitive market. Mobile Service revenue up 0.9%.

+ Growth in ICT and Advanced Business Services

- Pressure on legacy Telecom services

**YTD**

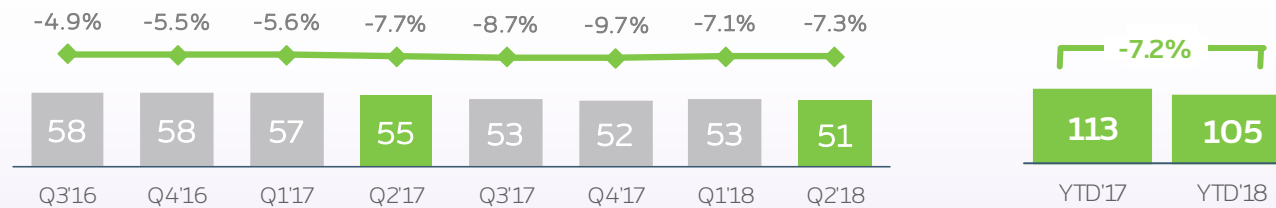
M€



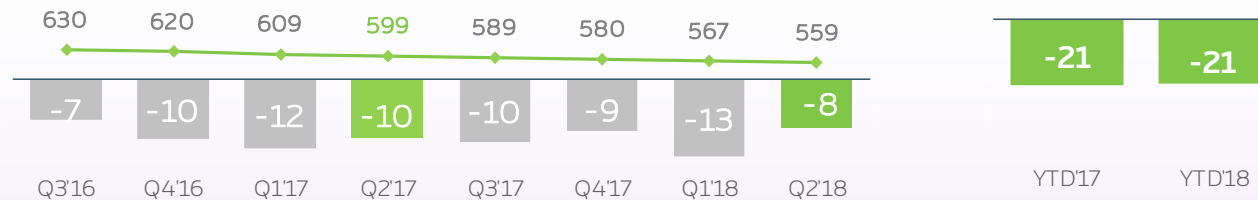
# Fixed Voice

## Lower revenue on line erosion and lower usage

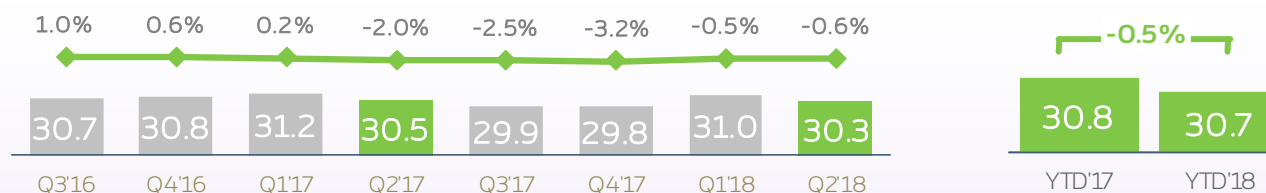
Fixed voice revenue (M€) & YoY variance



Voice line loss/gain & EOP (000)



Fixed voice ARPU (EUR) & YoY variance



- Ongoing rationalization by customers on Fixed line connections, lower usage, technology migrations to VoIP and competitive pressure

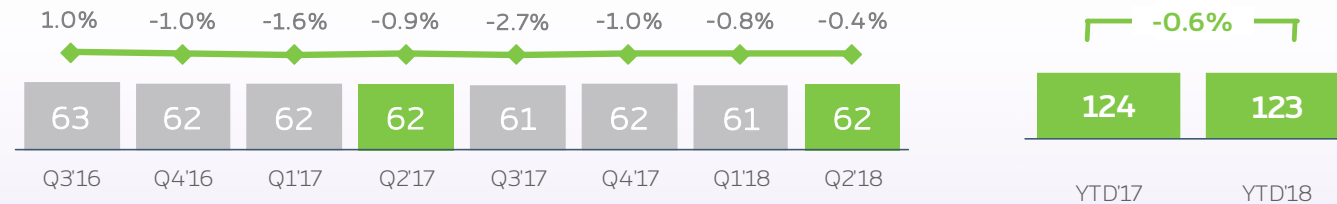
- YoY Fixed line base -6.6%.
- Net Fixed line erosion limited to -8,000 lines in Q2'18

- Fixed Voice ARPU of €30.3 -0.6% YoY
  - decreased traffic per line & higher penetration of unlimited call options
  - for a large part compensated by Jan'18 price indexations

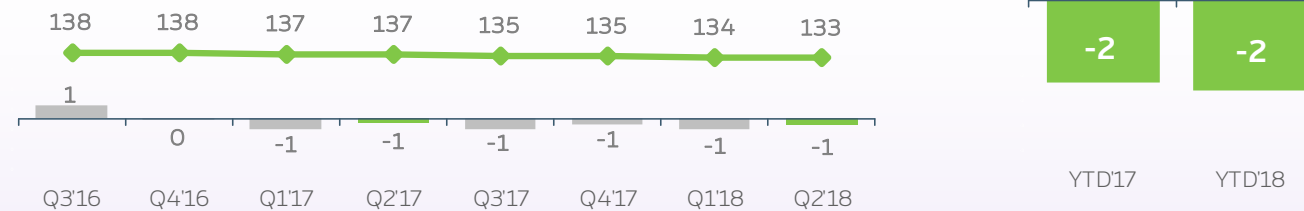
# Fixed Data

Ongoing migration of legacy data products to new solutions at more attractive pricing.  
Fairly stable Internet customer base of 133,000 lines.

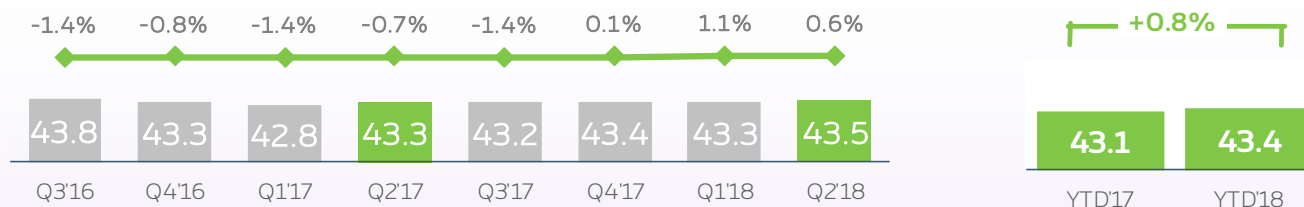
Fixed data revenue (M€)  
& YoY variance



Broadband growth & EOP  
(000)



Broadband ARPU (EUR)  
& YoY variance



- Nearly stable revenue for Fixed Data
- Continued migration of customers to Proximus' VPN flagship 'Explore'
  - Benefitting from the further roll-out of P2P fiber
  - Legacy products outphased and migrated in the context of simplification programs, (new solutions at more attractive pricing)
- Q2 net Internet line loss mitigated to -1,000 despite fierce competition
- Broadband ARPU increases YoY including price indexation effects

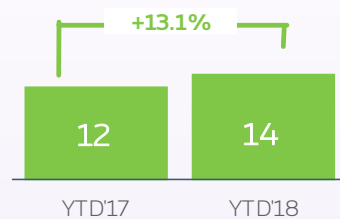
# Advanced Business Services

Solid revenue from Smart Mobility and convergent business solutions

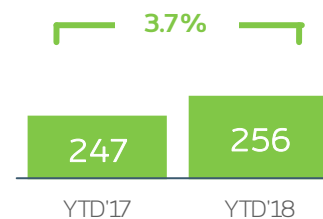
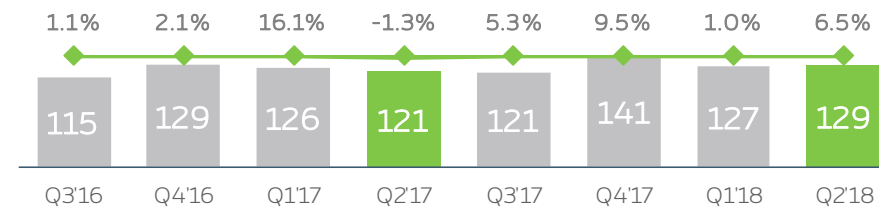
# ICT

Successful strategy of expanding portfolio well beyond pure connectivity services

Advanced Business Services (M€)



ICT revenue (M€) & YoY



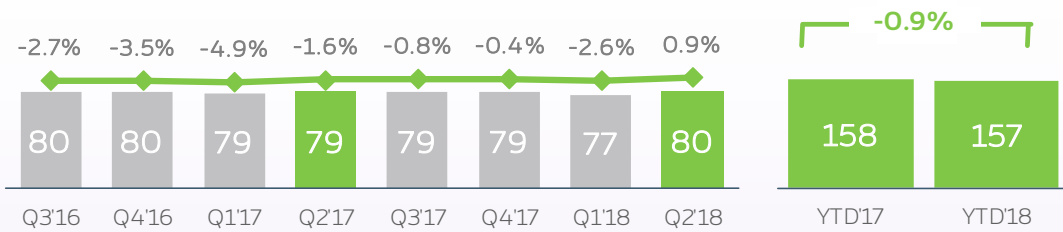
- Progress in Security, Advanced Workplace and Outsourcing services, including growing recurring services
- Higher product sales
- Strengthened ICT portfolio, including acquisition of small-sized, highly specialized companies\*

\*Umbrio, Dutch IT & network operations company acquired by Proximus on 31 May 2018; ION-IP, a Dutch company specialized in Managed Security services, acquired on 27 March 2018; Unbrace, an application development company on 1 October 2017; and Davinsi Labs, a cybersecurity company acquired 4 May 2017.

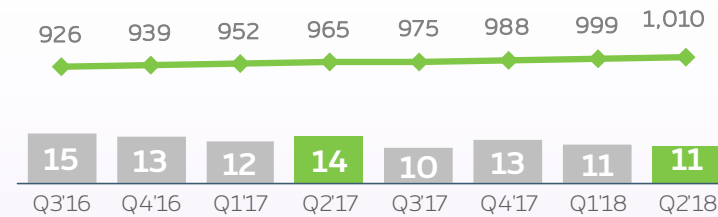


## Continued solid customer growth drives +0.9% in Mobiles Service revenue

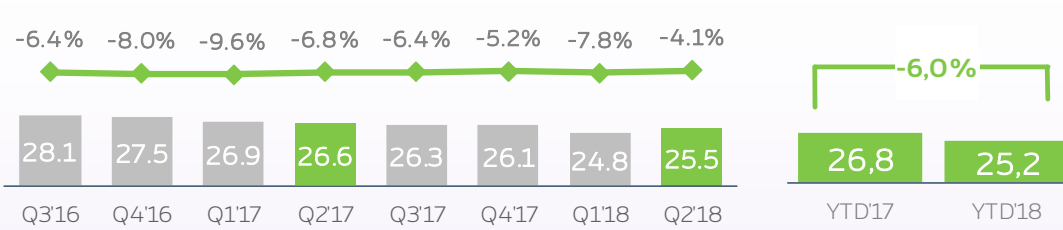
Mobile service revenue (M€) & YoY variance



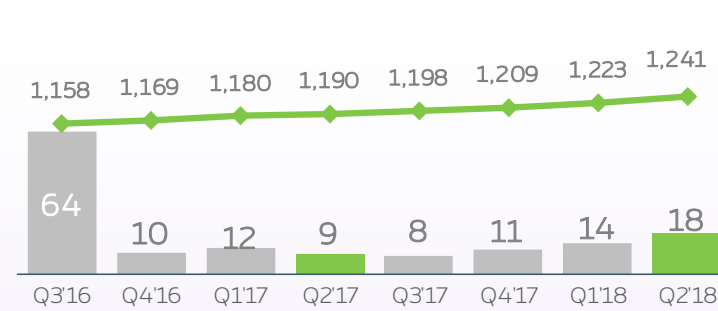
Postpaid excl. M2M growth & EOP (000)



Postpaid ARPU (EUR) & YoY variance



M2M growth & EOP (000)



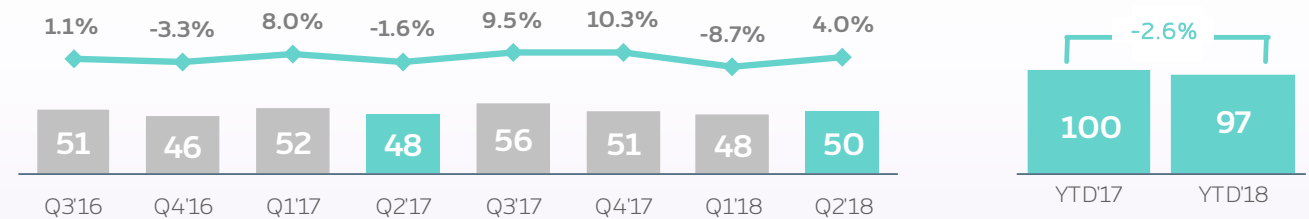
- Mobile Voice park of 1,010,000 cards, +4.7% YoY
- Mobile churn improving to 8.9% for Q2
- Benefit from customer growth partially offset by lower Postpaid ARPU
- ARPU decrease improved to -4.1%, after exceptionally low Q1
- Average national data usage +48% YoY to 1.7GB/user
- Leadership position on M2M market maintained; +18,000 cards in Q1; park +4.3% YoY

# Wholesale

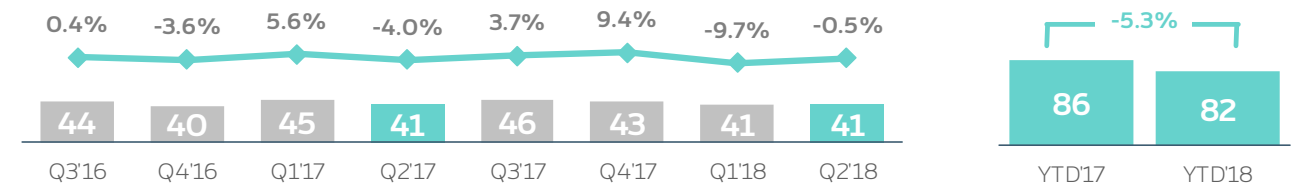
4% revenue increase related to higher visitor roaming traffic slightly offset by decline in traditional Wholesale services. Stable direct margin.



Revenue (M€) & YoY



Direct margin (M€) & YoY



**BICS results**

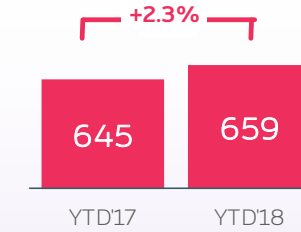
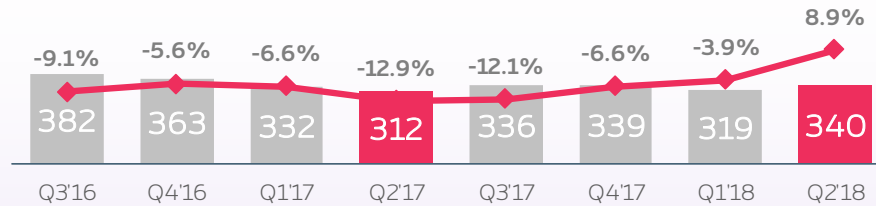


# BICS segment result up by 12.7%

Solid Direct Margin uplift.

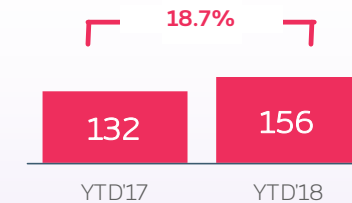
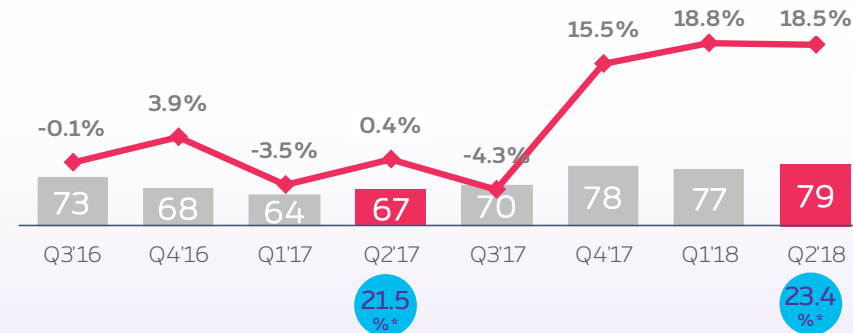
TeleSign accelerating BICS' A2P growth strategy and realized cost synergies.

Revenue (M€) & YoY variance



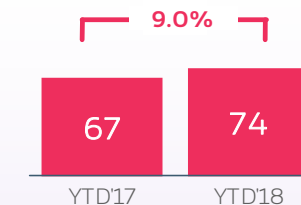
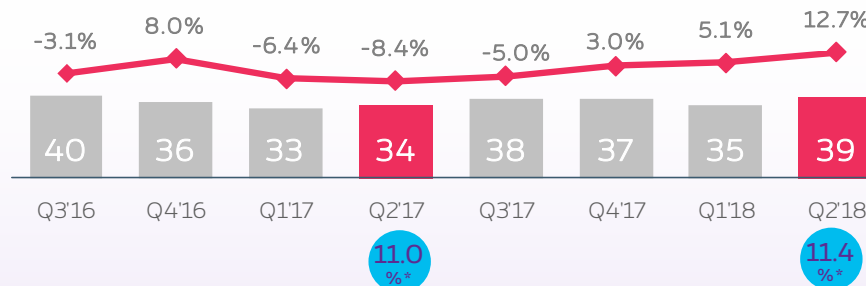
YoY uplift mainly driven by the additional business from TeleSign, consolidated since 1 November 2017.

Direct Margin (M€)



BICS' direct margin benefitted from the BICS-TeleSign combination, with strong growth in SMS A2P volumes and realizing direct cost synergies.

Segment result (M€) & YoY variance

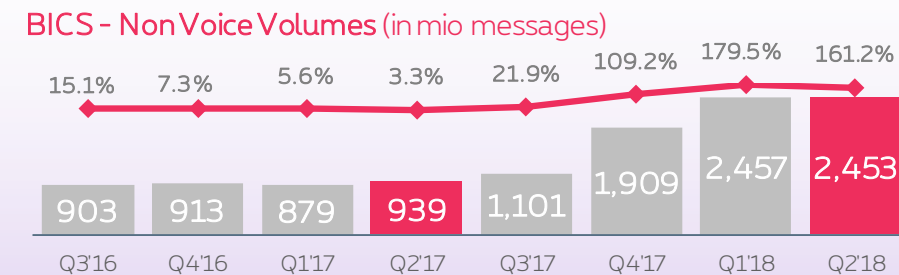
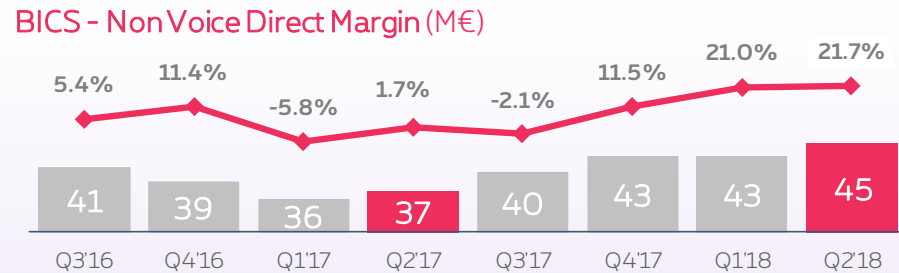
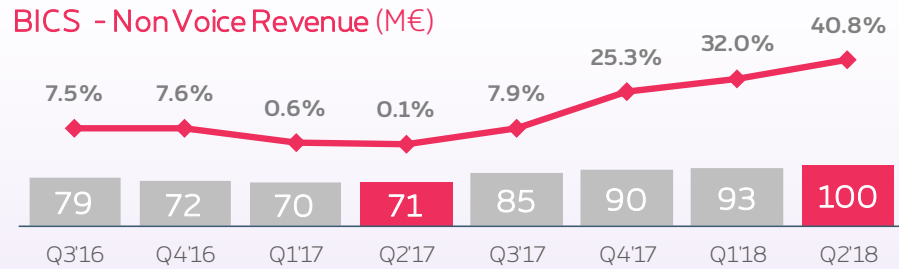


Direct margin increase partly offset by higher expenses (+€ 8M), driven by the consolidation of TeleSign.

\*% of revenue

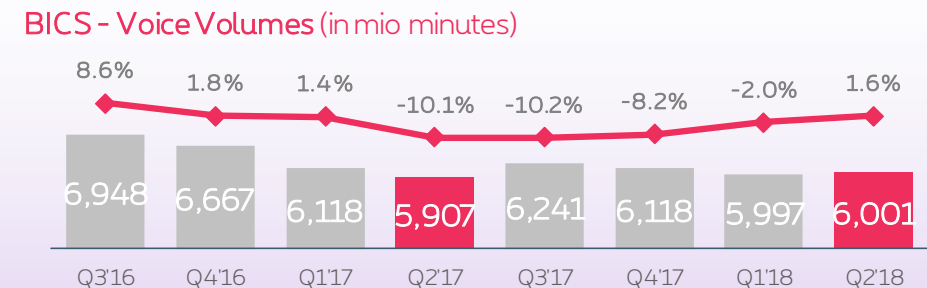
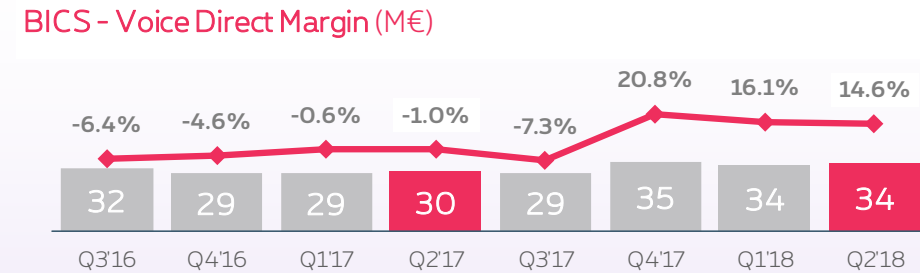
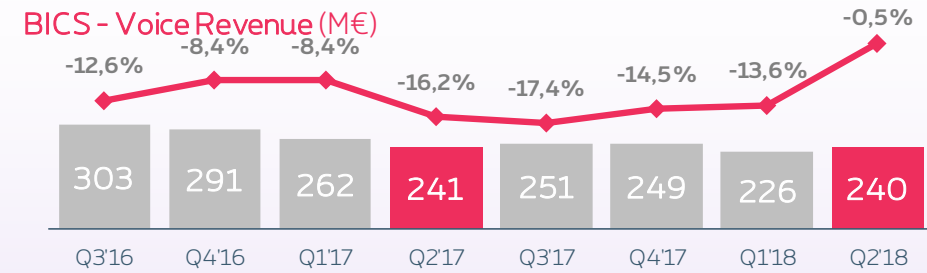
# Non-Voice

Firm growth on SMS A2P volumes, benefitting from BICS –TeleSign combination



# Voice

DM supported by more favorable market conditions on core Voice, and by TeleSign authentication services





<b>Pricing</b>	47
<b>Spectrum</b>	50
<b>Headcount</b>	53
<b>Shareholder structure</b>	54

# Pricing strategy

Increasing value for converged customers.

Move from packs discounts to enhanced product features for convergent packs.

(incl. 04/09/2018 price change)

## Mobile only

# Mobilus

Our mobile offer addresses the steep increase in mobile data consumption.

### Mobilus S



- 120 min.
- Unlt. sms
- 1.5 GB
- Fav. app

€ 15.99



### Mobilus M



- 300 min.
- Unlt. sms
- 5 GB
- Fav. app

€ 26.99



### Mobilus L



- Unlt. min.
- Unlt. sms
- 10 GB
- Fav. app

€ 42.99



## All-in offer

# Tuttimus



- 120 min. + CUG
- Unlt. sms
- 3GB
- Fav. app

€90.94\*

€ 15.99



- 100 Mbps / 15 Mbps
- Unlt. volume



- Decoder
- TV replay



- National & international free calls to Fix & Mob in EV & WE



- Unlt. min.
- Unlt. sms
- 10 GB
- Fav. app

€101.94\*

€ 26.99



- 10 GB cloud
- Modem incl.



- Proximus TV app
- 1 Blockbuster/ month



- Free family calls



- Unlt. min.
- Unlt. sms
- 20GB
- Fav. app

€115.94\*

€ 40.99



- Wi-Fi extender (only for L)



- TV bundle @ choice (eg. Sports, Netflix ...)

\* including favorite TV option. If no Fav. TV option: €82.99 / €93.99/€107.99

# New mobile offer for millennials

Epic: worry-free connection anytime, anywhere

Launched 25 June 2018

## epic stories Endless sharing

Endless mobile data\* for these apps



\*20 GB at maximum speed

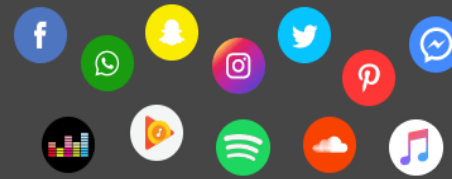


3 GB extra mobile data for all the rest  
Unlimited SMS  
60 call minutes

€19.99 /month

## epic beats Endless listening + sharing

Endless mobile data\* for these apps



\*20 GB at maximum speed



3 GB extra mobile data for all the rest  
Unlimited texts  
60 call minutes

€24.99 **€19.99** /month




PROMO

€5 discount for 6 months, also for existing Proximus customers





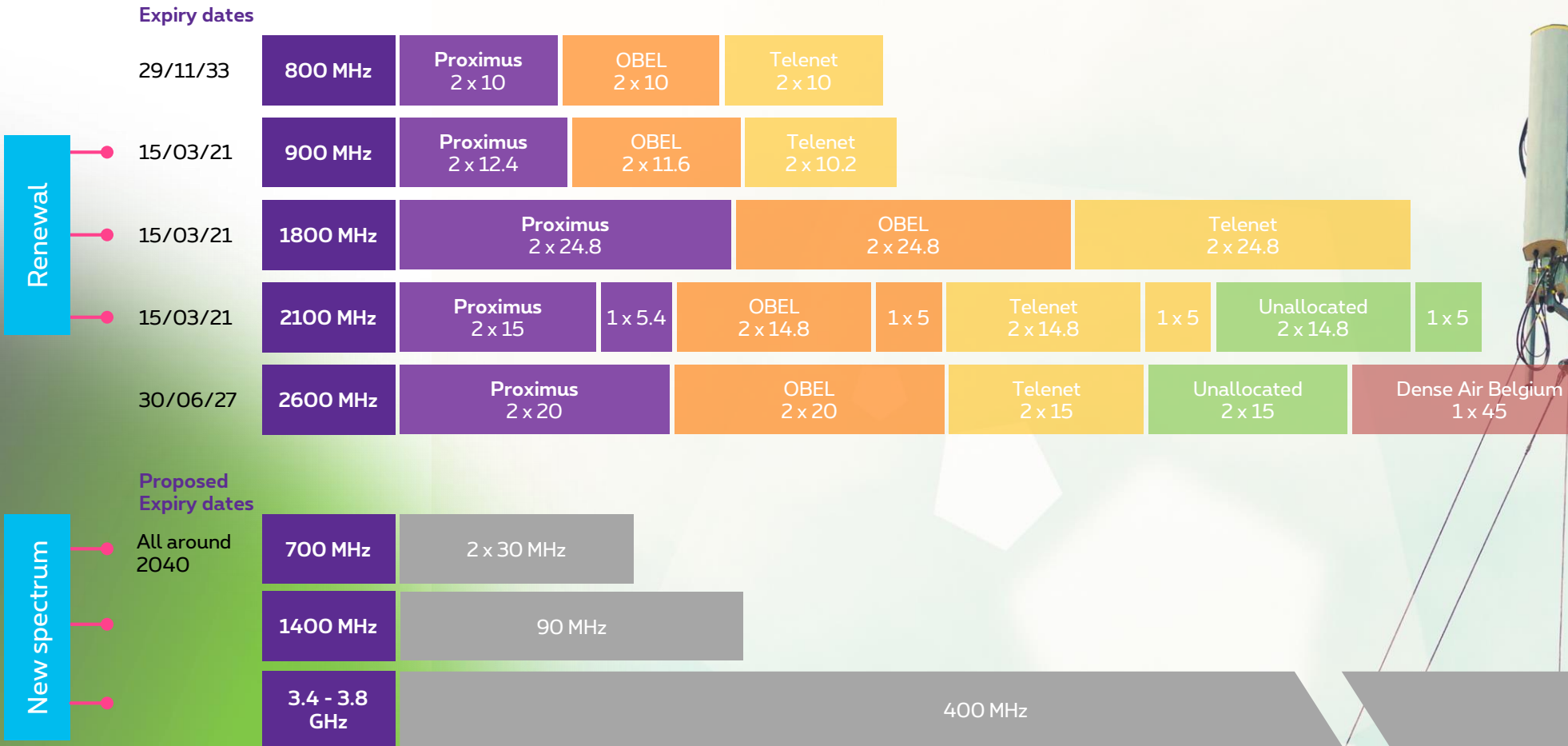
## Positioning Scarlet as no frills brand, with very attractive pricing for 'price seekers'

Postpaid (incl. 04/09 price change)				Fixed	
<b>Red</b> <b>€ 8</b> 150 min <b>Unlt SMS</b> 500 MB € 0.16 / minute € 0.05 / MB	<b>Hot</b> <b>€ 18</b> <b>Unlt min</b> <b>Unlt SMS</b> 2 GB € 0.16 / minute € 0.05 / MB	<b>Chili</b> <b>€ 28</b> Unlt min Unlt SMS 6 GB € 0.16 / minute € 0.05 / MB	<b>HiFive</b> <b>€ 15</b> 0 min Unlt SMS 5 GB € 0.20 / minute € 0.05 / MB <b>+3€</b> <b>90 min</b>	 <b>€ 23 / month</b> Internet: 50 GB Extra € 3 per block of 50 GB Down 30 Mbps Up 2 Mbps	 <b>€ 35 / month</b> Internet: Unlimited volume Down 50 Mbps Up 4 Mbps
				TV + Fix + Internet	
				 <b>€ 39 / month</b> TV: ~30 channels + <b>Fixed Voice line:</b> Free calls to fix Off Peak + <b>Internet:</b> Unlimited volume Down 50 Mbps - Up 4 Mbps	

**Boost internet!**  on 

Ajoutez 1 GB\* pour 5 € par mois

## Current ownership and new spectrum



# Spectrum auction

## Reserved spectrum

Details of reserved spectrum as published by BIPT on 27 July 2018.

Frequency band	Total capacity	Spectrum cap	Spectrum reserved	
			For each existing operator	For a new entrant
700 MHz	30 MHz duplex	10 MHz duplex	-	5 MHz duplex
900 MHz	35 MHz duplex	15 MHz duplex	5 MHz duplex	5 MHz duplex
1400 MHz	90 MHz	35 MHz duplex	-	-
1800 MHz	75 MHz duplex	30 MHz duplex	15 MHz duplex	15 MHz duplex
2100 MHz	60 MHz duplex	25 MHz duplex	10 MHz duplex	10 MHz duplex
3600 MHz	400 MHz	100 MHz	20 MHz TDD (for the existing 3.5GHz operators)	-

In case there would be no new entrant, existing MNO's will have a higher amount of spectrum reserved.

# Spectrum auction

## Coverage obligations

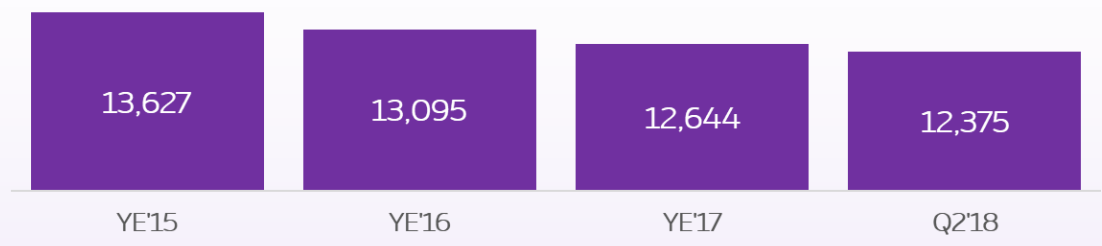
Details of coverage obligations as published by BIPT on 27 July 2018.

Frequency band	Obligations for existing operators	Obligation for new entrant
700 MHz	<ul style="list-style-type: none"><li>- 70% population after 1 year</li><li>- 99.5% population after 2 years</li><li>- 99.8% population after 6 years</li><li>- Speed requirement of 6 Mbps</li></ul>	<ul style="list-style-type: none"><li>- 30% population after 3 years</li><li>- 70% population after 6 years</li><li>- 99.8% population after 8 years</li><li>- Speed requirement of 6 Mbps</li></ul>
900 MHz (Renewal) 1800 MHz (Renewal) 2100 MHz (Renewal)	<ul style="list-style-type: none"><li>- 99.5% of population as from 15 March 2021</li><li>- No speed requirement</li></ul>	<ul style="list-style-type: none"><li>- after 3 years: 30%</li><li>- after 6 years: 70%</li><li>- after 8 years: 99.5%</li><li>- No speed requirement</li></ul>
1400 MHz	No coverage obligation	No coverage obligation
3600 MHz	No coverage obligation	No coverage obligation

# Headcount

Domestic workforce cost benefitting from reduced headcount

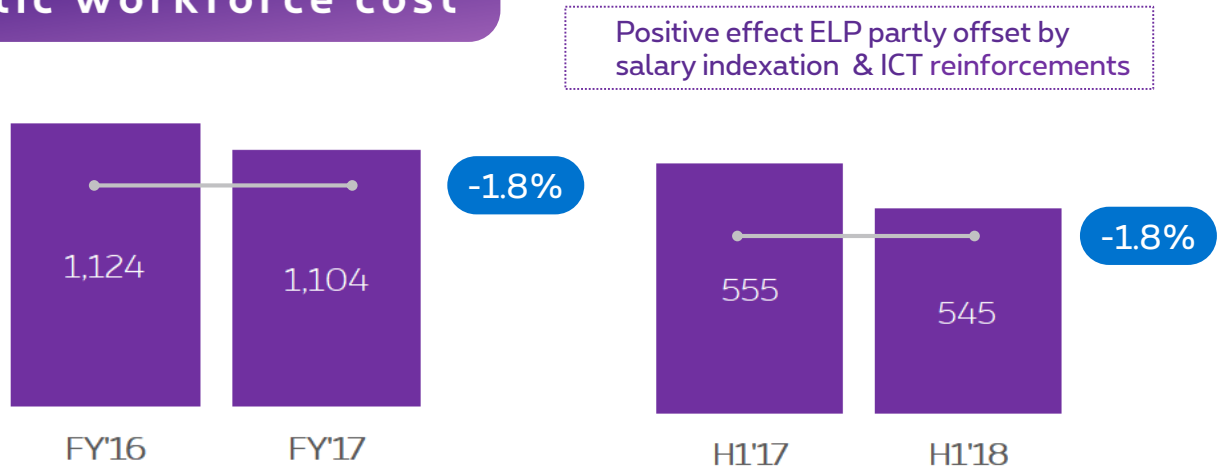
## Domestic FTE's



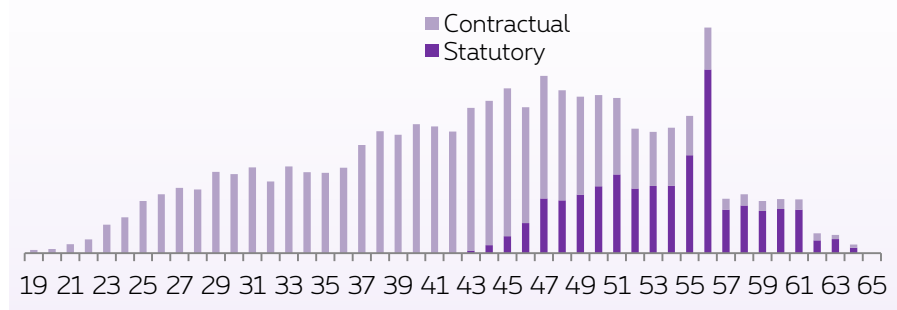
Early Leave Plan & natural retirements leading to ~2,750 FTEs to leave Proximus over 2016-2020  
(gross outflow - not including hiring to cover business needs)

End H1'18, civil servants @ 27% of Domestic headcount

## Domestic workforce cost



Proximus SA age pyramid (excl. employees opting for Early leave plan & subsidiaries)



# Shareholder structure

Total number of shares

338,025,135

Free-float

42%

Belgian government

54%

	Number of shares	% shares	% Voting rights	% Dividend rights	Number of shares with voting rights	Number of shares with dividend rights
<b>Belgian state</b>	180,887,569	53.51%	56.05%	55.90%	180,887,569	180,887,569
<b>Proximus own shares</b>	15,271,318	4.52%	0.00%	0.25%	0	820,036
<b>Free-float</b>	141,866,248	41.97%	43.95%	43.84%	141,866,248	141,866,248
<b>Total</b>	338,025,135	100.00%	100.00%	100.00%	322,753,817	323,573,853

~€ 6.8 Bn  
Market Capitalisation\*

~ 7.2%  
Dividend yield\*

The voting rights of the treasury shares are suspended by law. The dividend rights of the treasury shares acquired in 2004 are also suspended, whereas the dividend rights for shares acquired as from 2005 are cancelled.

\* 31/07/18

## 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%.

# Cautionary Statement

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“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”.

