

2016 Q4

Results Presentation

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Q4'16 Group Highlights

Solid 5.5% progress in Underlying Group EBITDA , driven by a 5.3% Domestic EBITDA growth

Group Revenue*
€1,490m
-0.8% YoY

Domestic revenue
+0.9% to €1,127m.

- + Continued sound revenue growth for Fixed Data, TV, ICT and device sales.
- + Postpaid revenue stable in spite of Roaming.
- Prepaid decline

BICS revenue -5.6%.

- Volatility of Voice business market, less favorable destination mix.

Group EBITDA*
€441m
+5.5% YoY

Domestic EBITDA of €405m, +5.3% YoY

- Lower expenses (-4.9%).
- Fairly stable Domestic direct margin.

BICS EBITDA +8.0% YoY

- Higher margin (+3.9%)
- Lower expenses (-0.5%)

Capex
€314m

Total capex FY'16 of €949m

Improved customer experience by enhancing both Mobile and Fixed networks as well as renewing and simplifying IT systems.

YTD FCF
€559m

+23% YoY on like-for-like basis

- Higher underlying EBITDA.
- Less cash paid for Capex.
- In part offset by increase in inventory (normalizing from a low 2015).

Commercial drivers

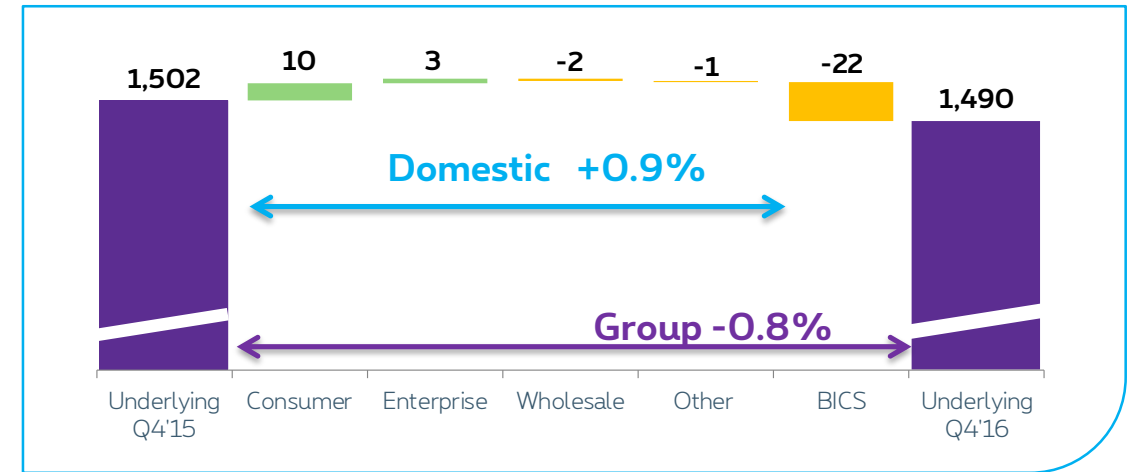
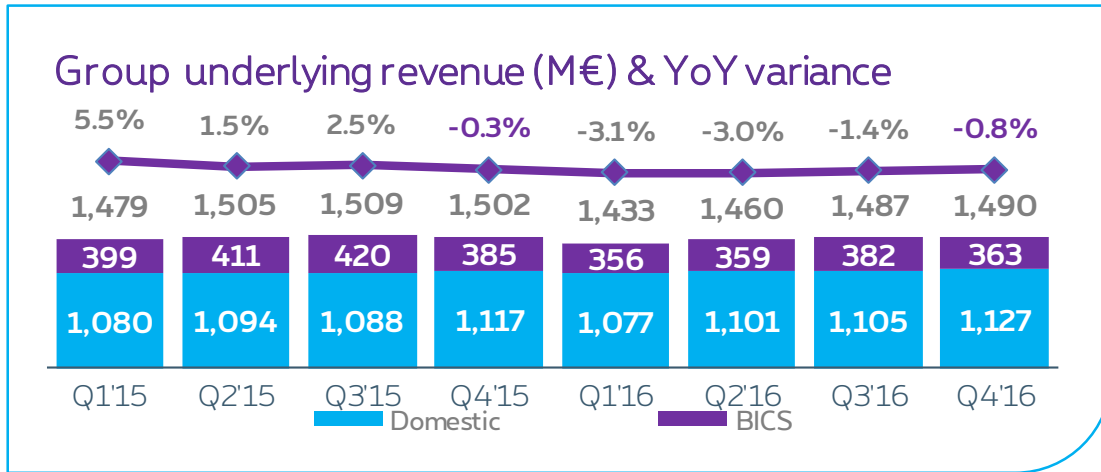
Continued growth of customer base, in a more competitive market

- + 17,000 TV Households (unique customers)
- + 15,000 Fixed Internet Lines
- + 45,000 Mobile Postpaid cards excl. M2M & Internet Everywhere cards
- 45,000 Mobile Prepaid cards
- 8,000 Fixed Voice lines
- + 17,000 3 & 4-Play Households/ Small offices, i.e. over 46% of total base

*On underlying basis, i.e. excluding incidentals

Q4 Group underlying revenue

Domestic underlying revenue up by 0.9%, BICS revenue decreased YoY



Q4'16 Domestic revenue +0.9%



Consumer: +1.3% YoY

- + Accelerated growth in 4-Play HH/SO base with Tuttimus.
- + Growth in Fixed data & TV revenue.
- + Higher Mobile device sales.
- Pressure from roaming regulation on mobile services revenue. Growth of Postpaid offset by Prepaid decline.



Enterprise: +0.8% YoY

- + Growing revenue from ICT and Be-Mobile NV.
- Erosion of legacy Fixed Voice.
- Pressure on mobile services revenue from roaming regulation.



Wholesale: -3.3% YoY

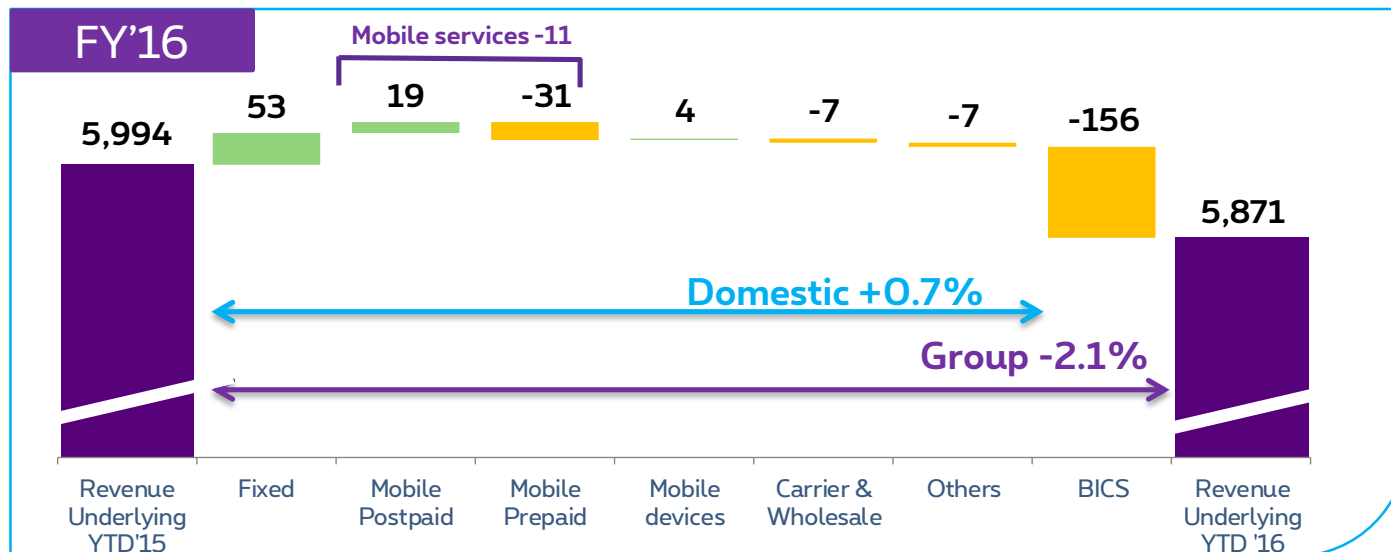
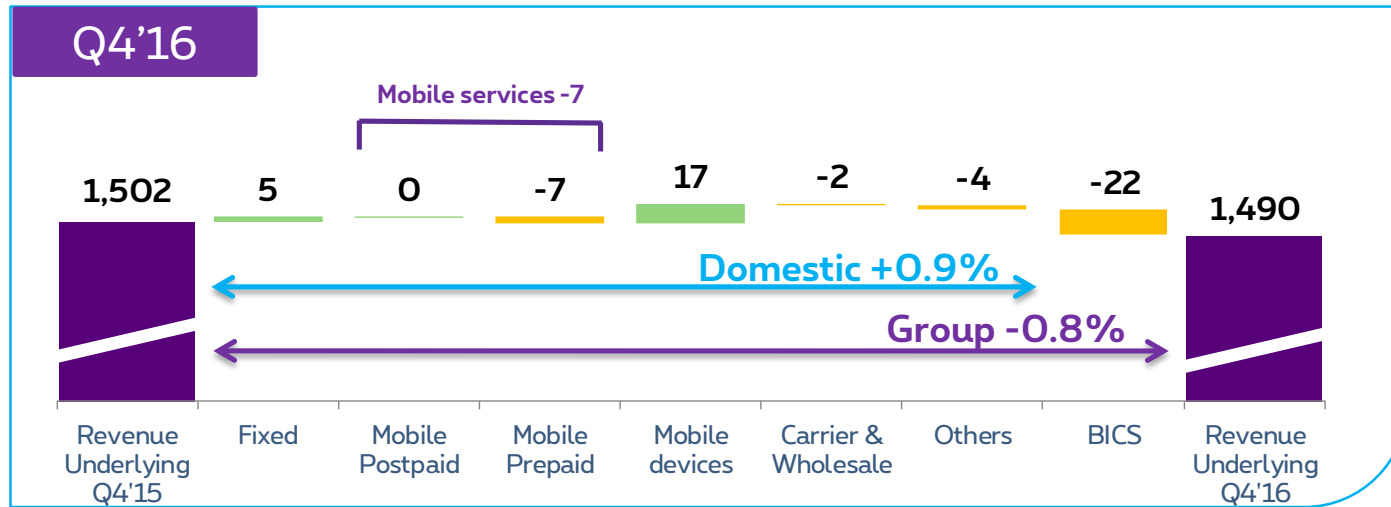
- + Increase in roaming-in revenue.
- Regulated decrease in Fixed Termination Rates.



Q4'16 revenue -5.6% YoY

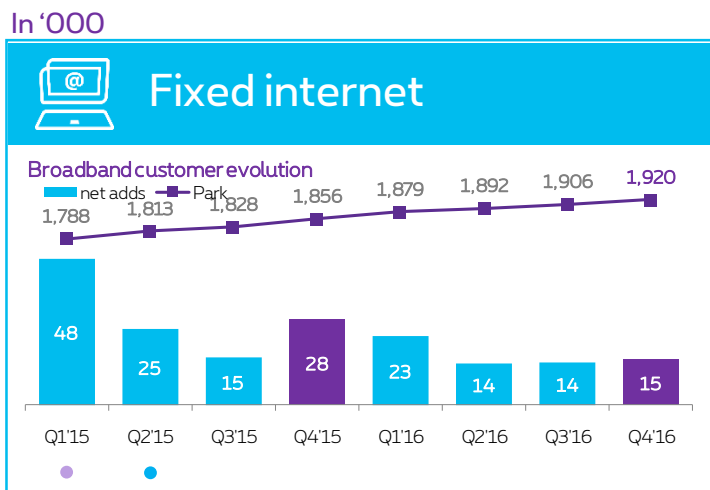
- Revenue decline driven by continued high volatility in the voice business, with a less favorable destination mix.
- Solid growth in non-voice revenue driven by higher messaging volumes.

Q4 & FY Group underlying revenue evolution per product group (in M€)



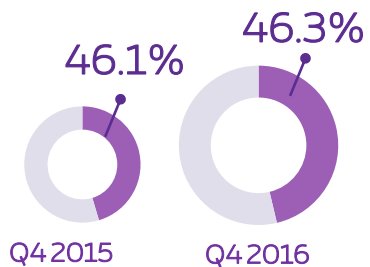
- Continued sound revenue growth for Fixed Data, TV and ICT.
- Mobile services revenue impacted by roaming regulation and unfavorable travel destination mix.
- Higher Mobile devices sales at lower margin.
- Lower BICS revenue due to volatility in the voice business coupled with unfavorable voice destination mix. Non-voice revenue continued to grow.

Good customer growth and improved market position for Fixed Internet and TV, in spite of intense competitive environment

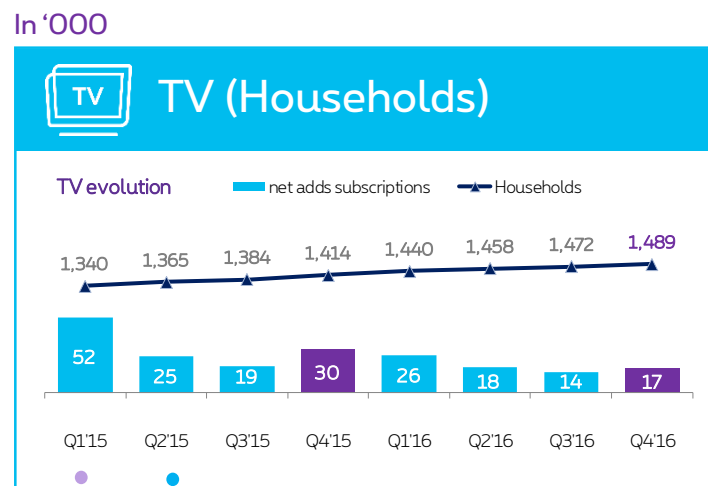


- Including migration of 16 K former SNOW customers
- Including migration of 6 K former SNOW customers

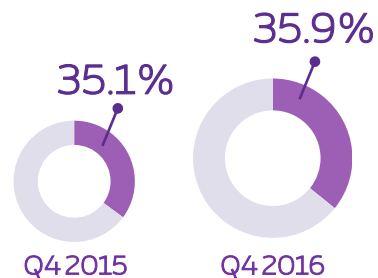
Market share: +0.3pp YoY



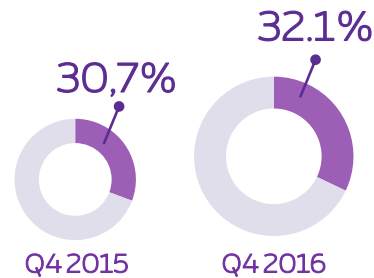
YoY growth of **+64,000** Fixed Internet customers; i.e. **+3.5%**



Digital TV Market share: +0.8pp YoY

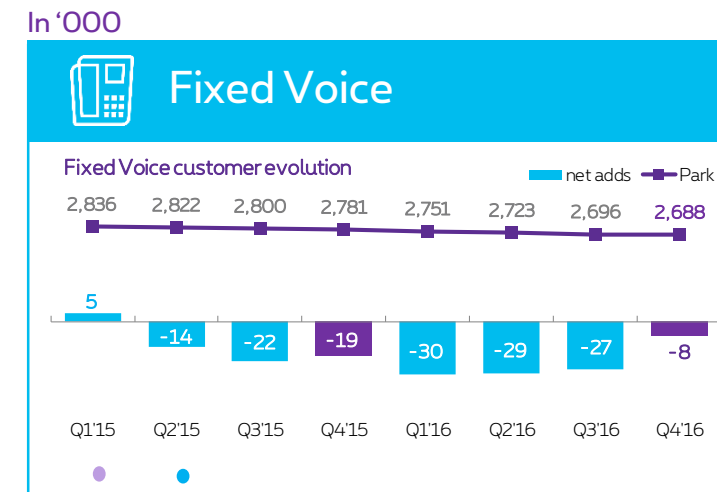


Total TV Market share: +1.4pp YoY



YoY growth of **+75,000** TV customers*; i.e. **+5.3%**

(* unique subscriptions excluding multi-settop boxes)

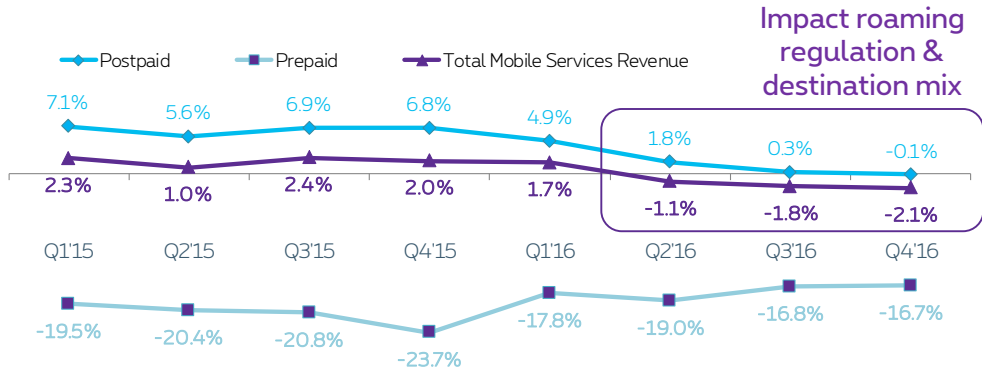


Q4 supported by launch of new 3- & 4-Play portfolio

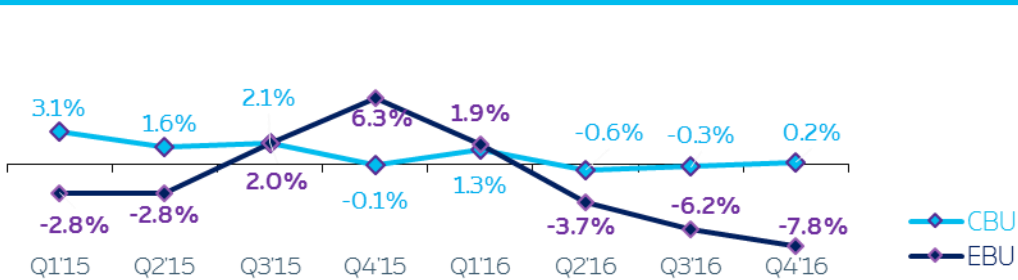
YoY erosion of **-93,000** Fixed Voice lines; i.e. **-3.3%**

Roaming regulation impacting Mobile services revenue growth

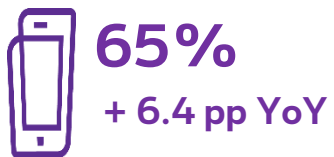
Q4 Mobile services revenue : -2.1% YoY. Decline in revenue from Prepaid while Postpaid revenue remained fairly stable.



Q4 blended Mobile ARPU reflecting pressure on roaming



Smartphone penetration



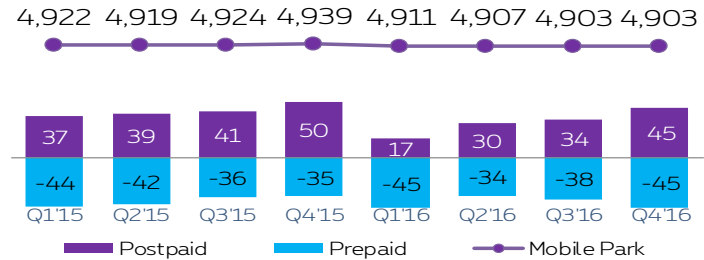
Average 4G usage ~ 1.2GB/m

	Q4'15	Q4'16
4G Premium	927	1,191
blended 3G Premium 4G Premium	630	952

4G users ~ 5X more data vs 3G users

Strong Q4 for Mobile postpaid

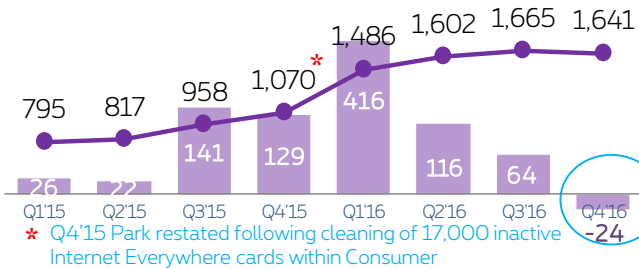
Mobile (excluding M2M and Internet Everywhere cards -in 000's)



YoY:

- +126,000 Mobile Postpaid cards ; +3.6%.
- 163,000 Prepaid cards; -11.7%.

M2M and Internet Everywhere cards (in 000's)



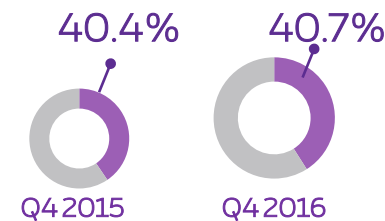
YoY:

- +571,000 M2M & Internet Everywhere cards.
- driven by Road User Charging project.

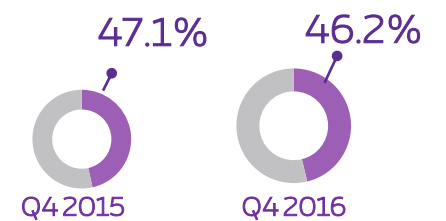
Due to uptake of new portfolio, removing the need for free Internet Everywhere data cards

Firm Mobile Market position

Total mobile* MS +0.3pp. YoY



Postpaid* MS -0.9pp. YoY

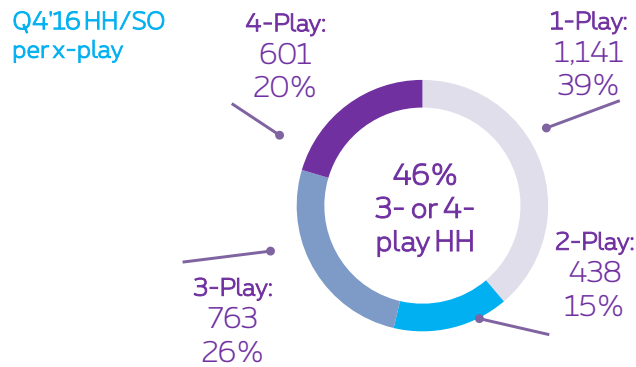


* excl. M2M. Market share impacted by a lower number of free Internet Everywhere cards

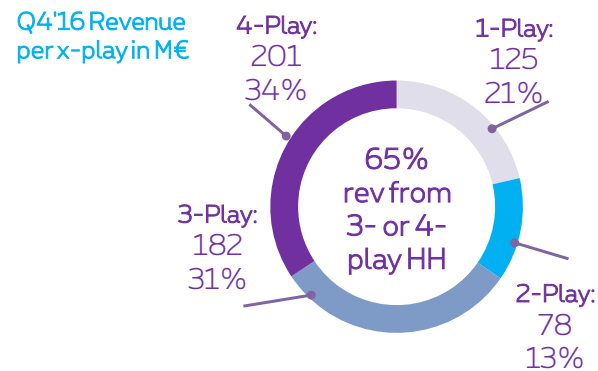
Strong uptake of new product portfolio boosting 4-Play in Q4

- Accelerated growth in 4-Play HH/SO base following the launch of Tuttimus increased value and loyalty of the customer base.
- Over 46 % of the Households/Small offices are 3-or 4-play, and count for 65% of total HH/SO revenue.
- Revenue from X-play HH/SO +1.8% YoY; 4-Play revenue +8.1%.
- ARPH up by 1.8% YoY to EUR 66.2, 4-Play ARPH at € 115.1.

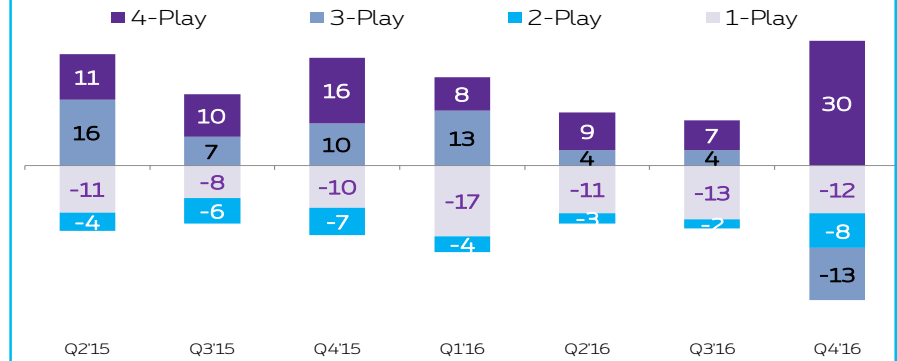
20% of 2,943,000 Households take all 4 Plays (in '000)



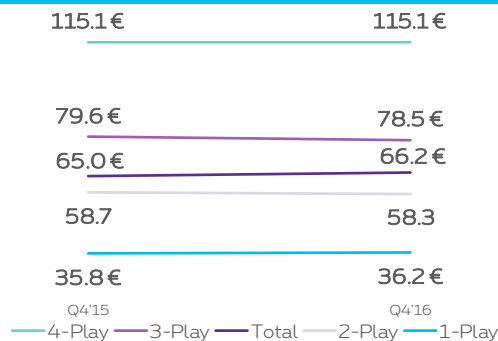
34% of € 585M Consumer x-play revenue comes from 4-Play



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



+1.8% YoY ARPH to 66.2€



124,000 subscriptions to our new Tuttimus/Bizz all-in (first 3 months*)



HH/SO combining Fixed and Mobile

54.5%
end Q4'16, + 1.4 pp YoY

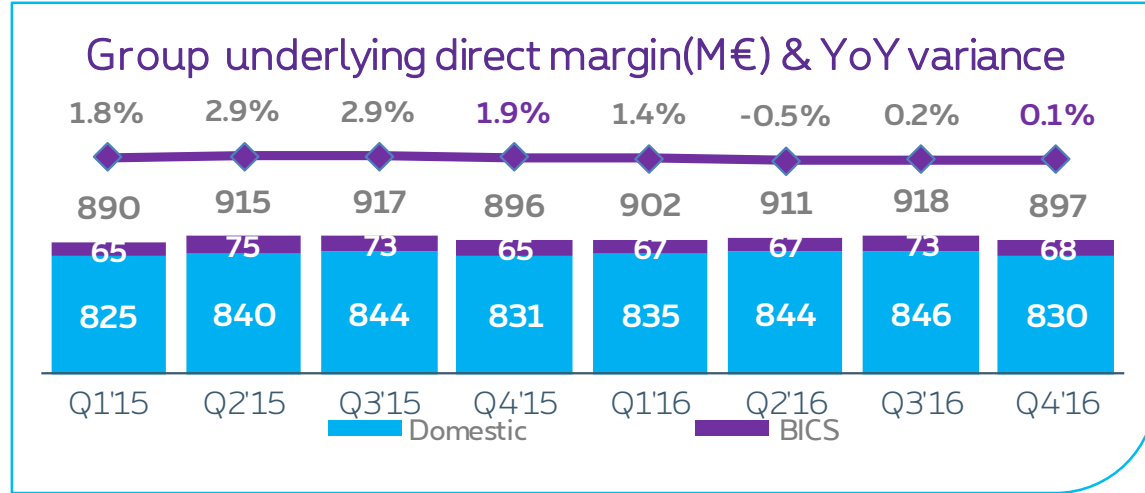
Average RGU per HH/SO

2.65
+ 2.3% YoY

Q4 Annualized full churn rate (HH)

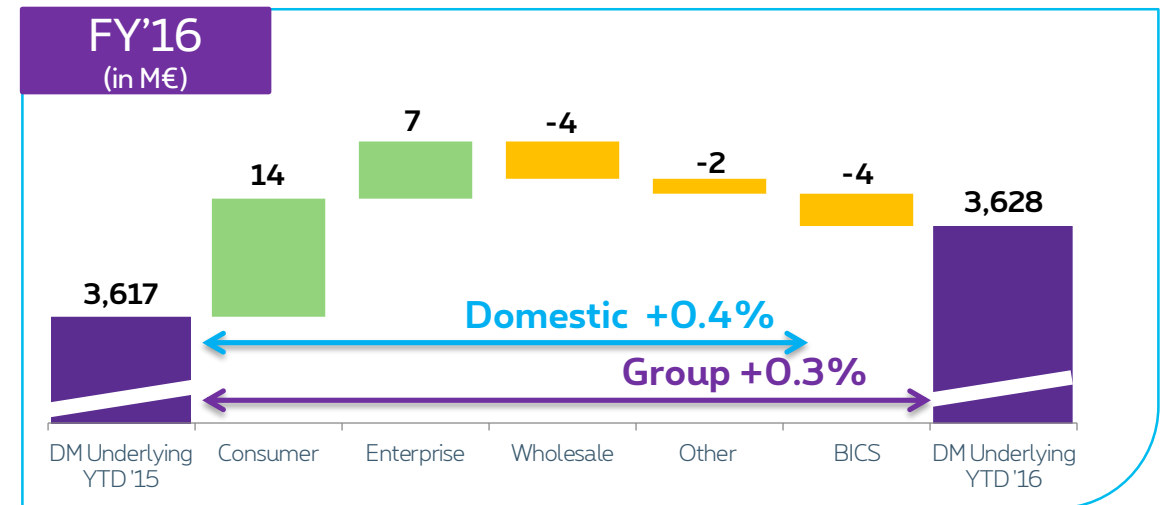
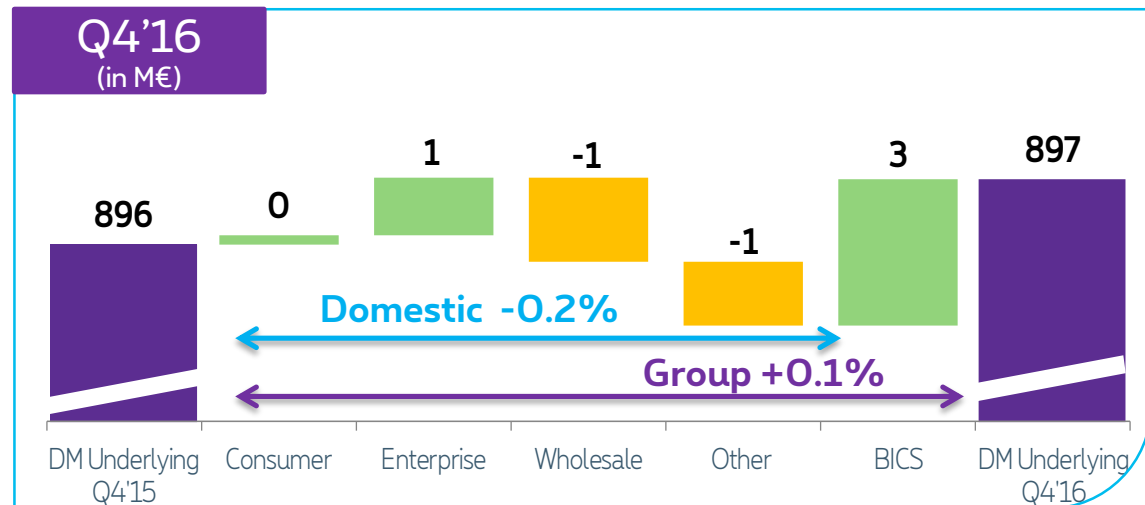
1-Play	22.0%	3-Play	10.2%
2-Play	11.6%	4-Play	2.8%

Q4 Group Direct margin +0.1%. Domestic fairly stable YoY.

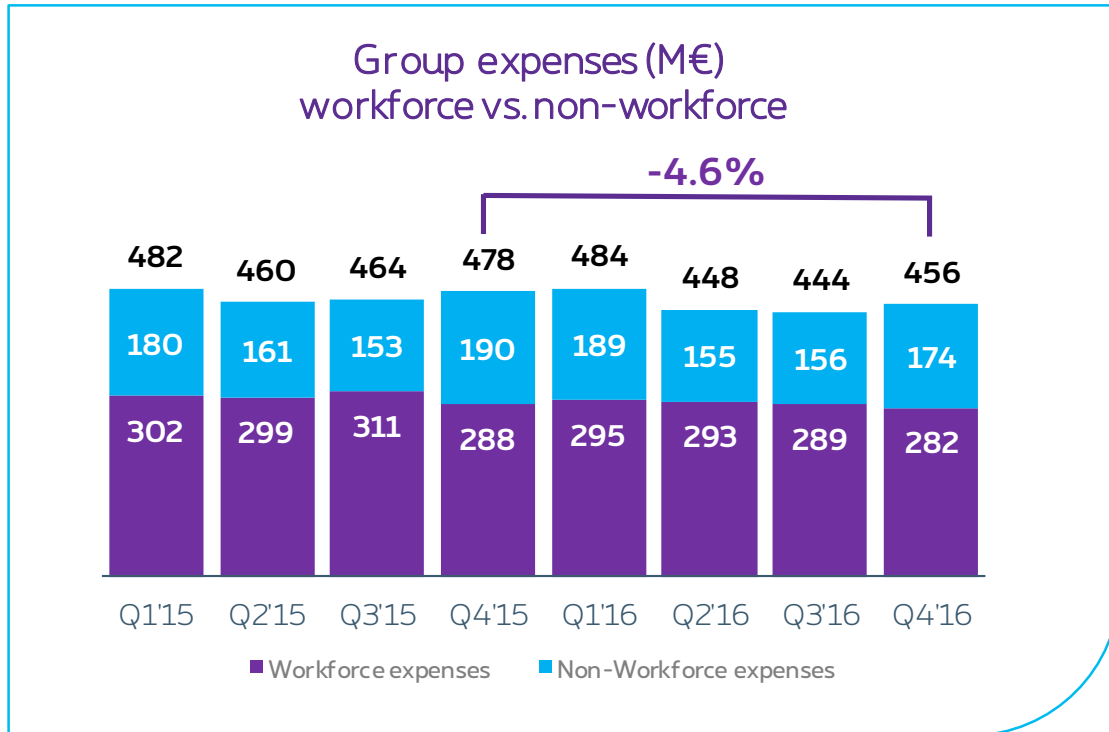


Q4'16 Group direct margin +0.1% YoY

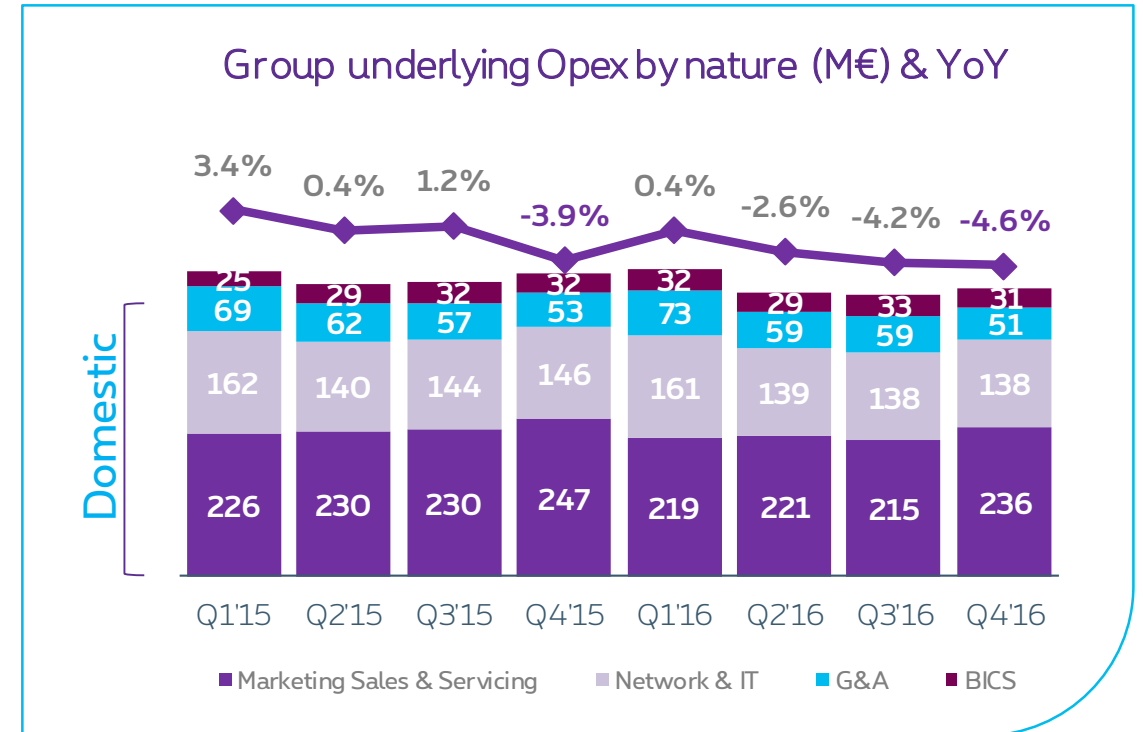
- Domestic direct margin fairly flat.
- Domestic direct margin as % of revenue at 73.6%.
- BICS posted a solid 3.9% increase in direct margin.
- Including estimated negative Roaming-out impact.



Q4 Group underlying expenses reduced by 4.6%, resulting from a 4.9% decrease in Domestic expenses



- **Q4 operating expenses down 4.6% YoY, including benefit from company-wide cost reduction programs**
 - 2.0% decrease in workforce expenses
 - 8.5% decrease in non-workforce expenses.

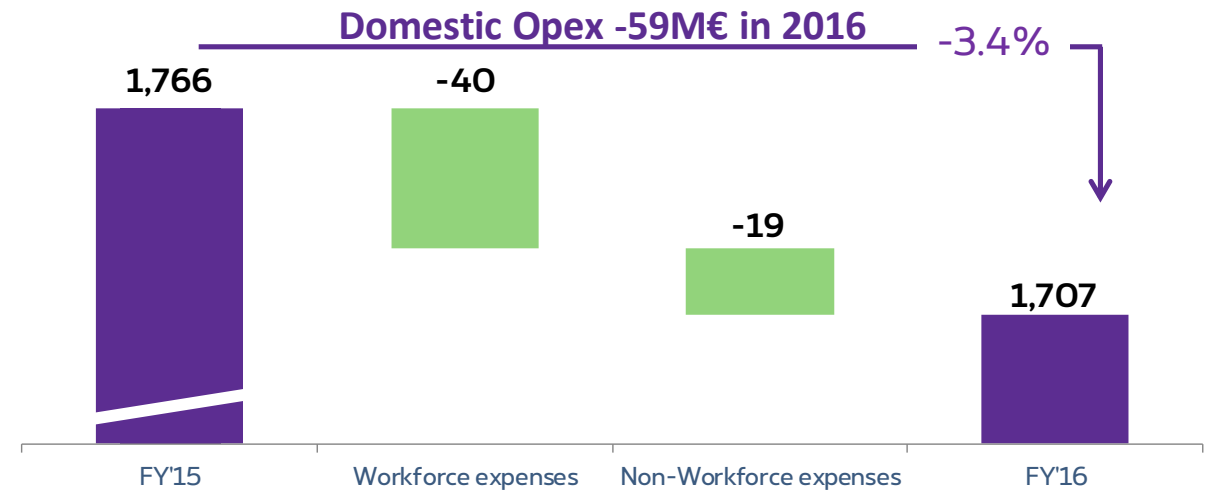


- Domestic expenses reduced by 4.9% YoY, reflecting the initiatives launched to structurally reduce Proximus' expenses.
- Fairly stable operating costs of BICS (-0.5%).

Well on track to deliver ambition to realize €150m net cost reduction over 2015-2019

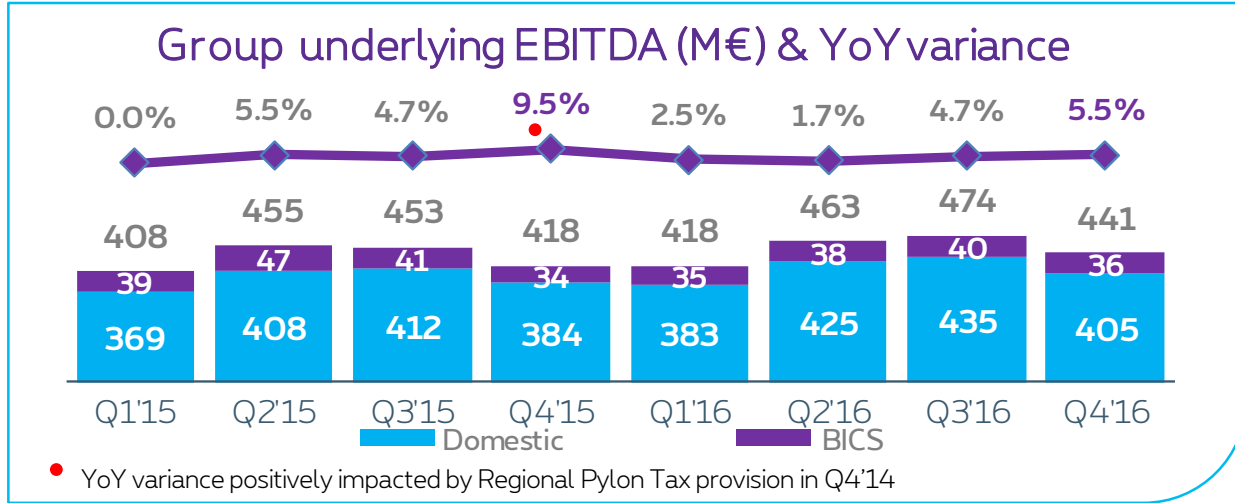
Contributors to structural Domestic cost reductions reflected in the downward trend on both workforce and non-workforce opex:

- Sales channel optimisation
 - ✓ Integration of Wireless Technology (The Phone House)
- Simplification
 - ✓ Outphasing of Switches: power & maintenance cost reduction
 - ✓ Outphasing of IT applications: less maintenance cost and lower workforce demand
 - ✓ Simplified product portfolio
- Increased efficiency & productivity
 - ✓ Volume deflation in Call Centers due to quality improvement and digitisation
 - ✓ Less field interventions thanks to process engineering
 - ✓ Productivity increase in the field domains and in back-office
 - ✓ Improved efficiency of the overall organisation (consultancy, outsourcing, ...)



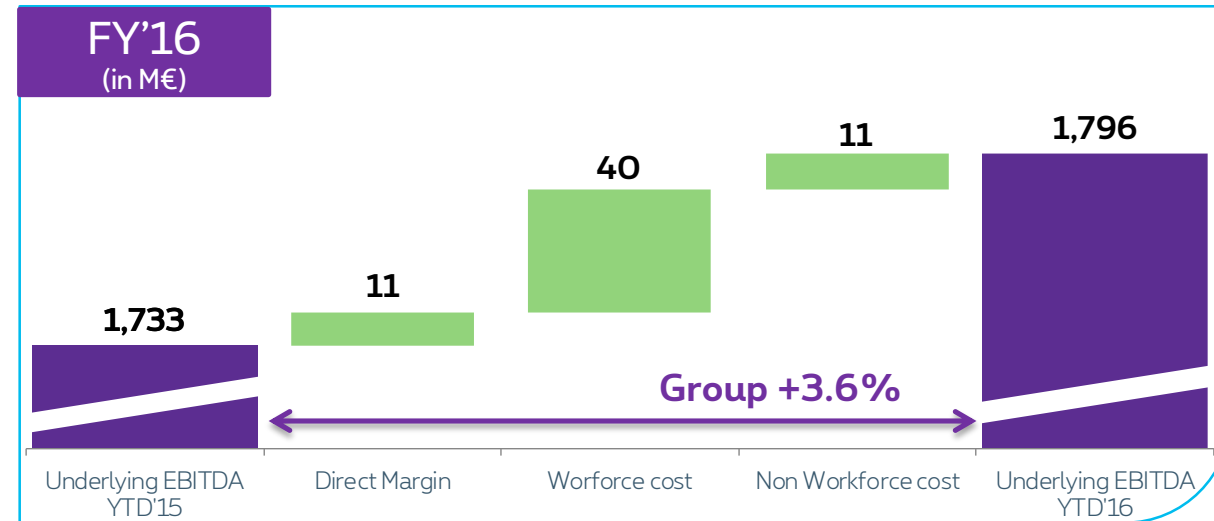
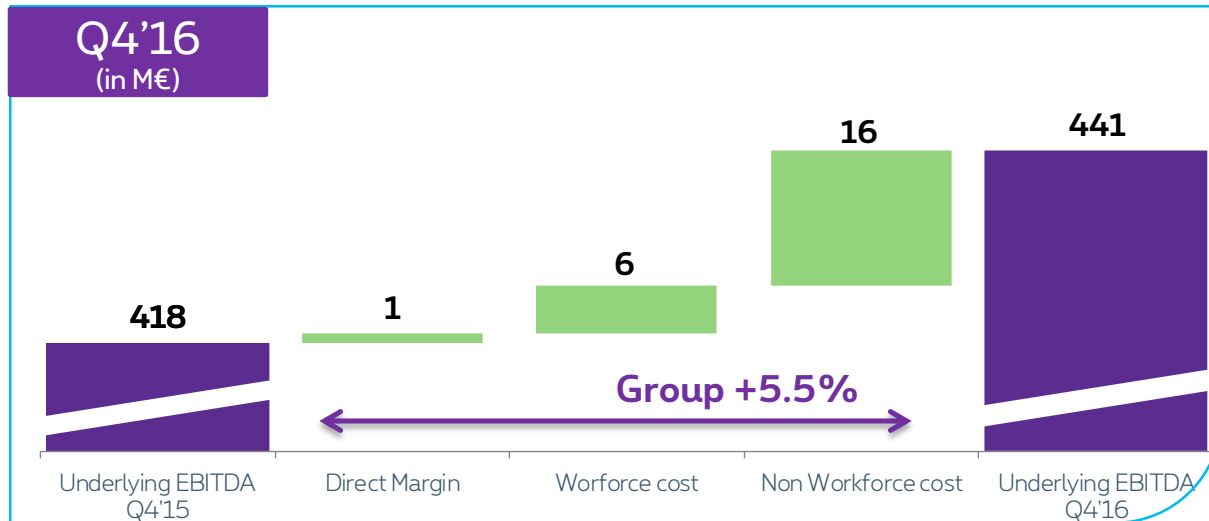
Cost savings supported by the voluntary early leave plan prior to retirement.

Q4'16 Group EBITDA, +5.5 % YoY, Solid growth of 5.3% in Domestic and 8.0% in BICS EBITDA



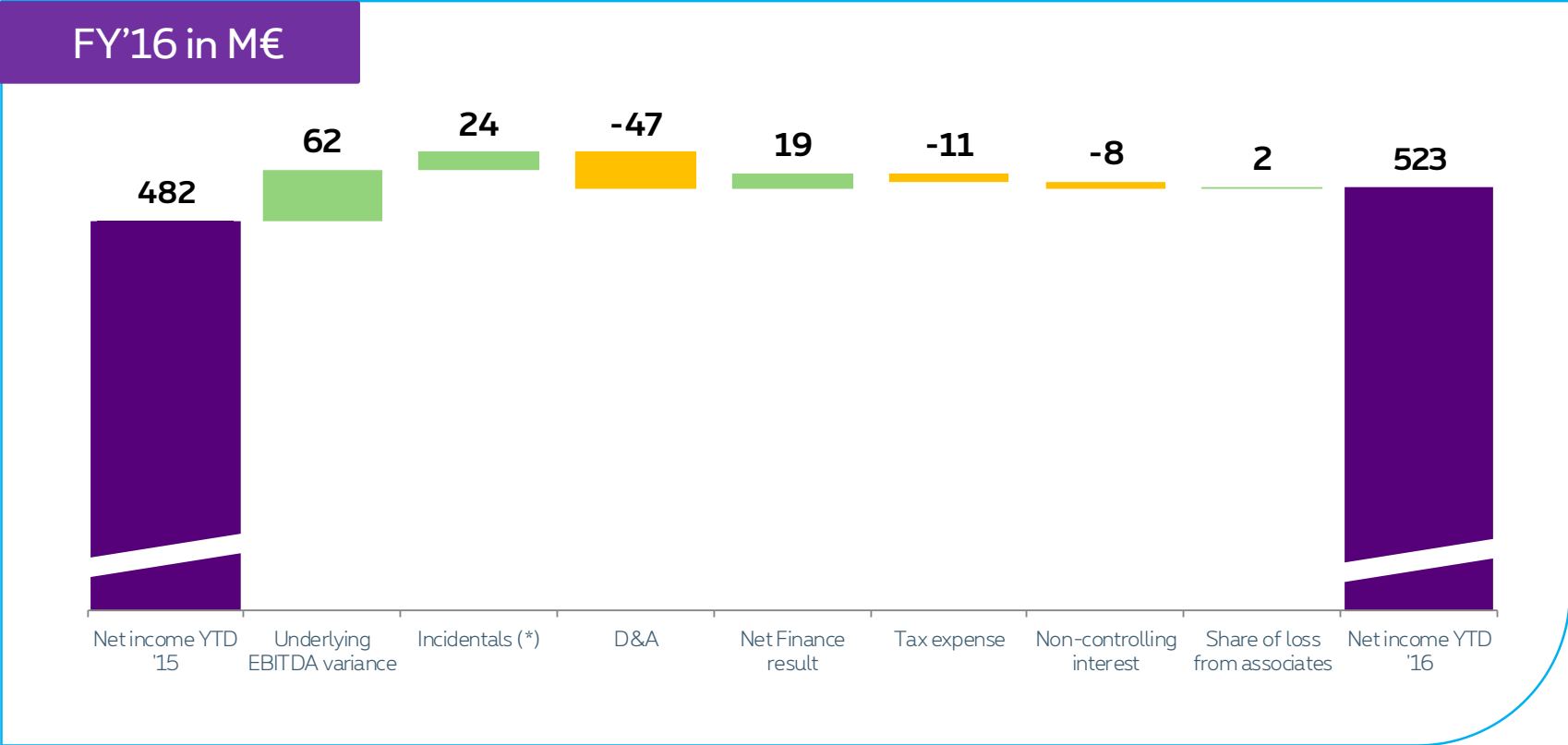
Q4'16 underlying **Group EBITDA** totaled € 441m, up by 5.5% YoY

- Mainly driven by **Domestic**, up 5.3% YoY to € 405m, resulting from lower expenses.
- In contrast to prior quarters, **BICS' segment result** was up by 8%, to € 36m on higher direct margin and easing comparable base .



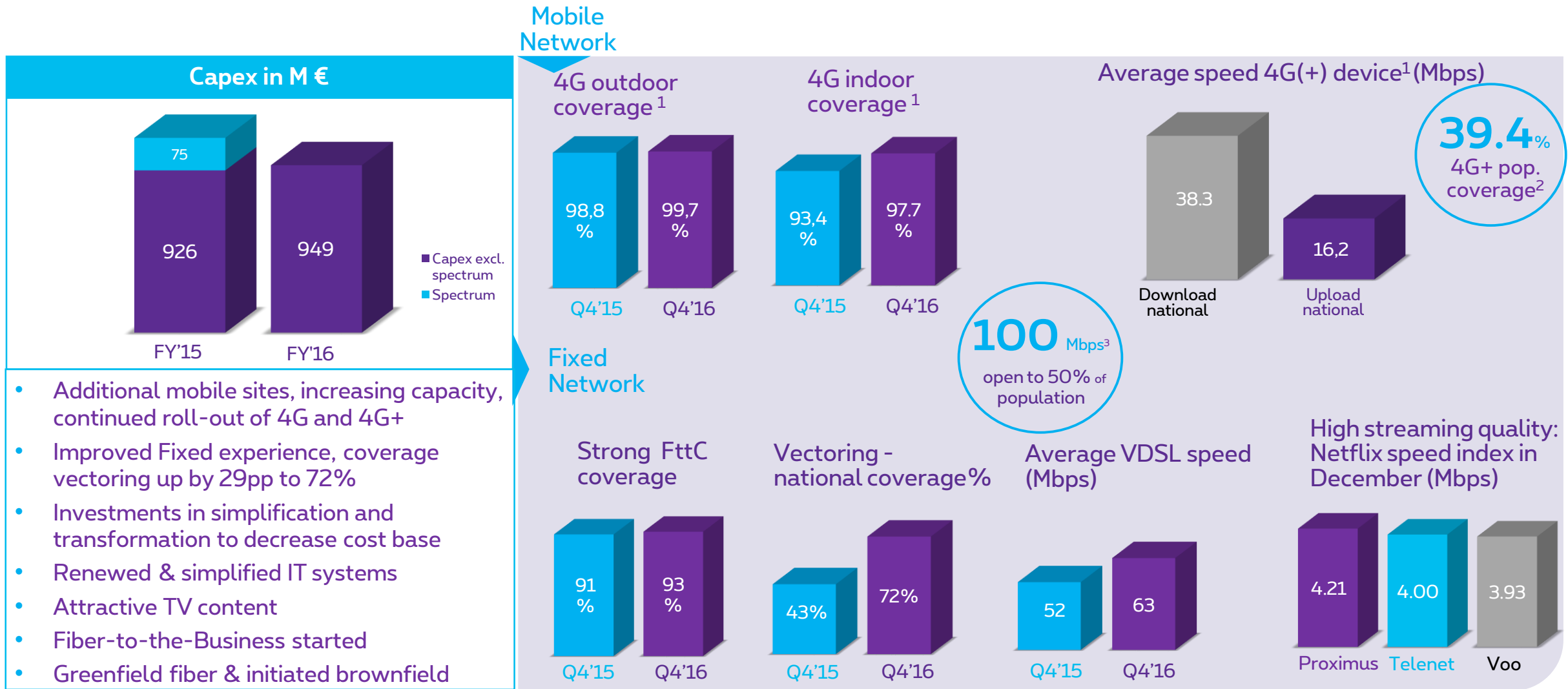
Net income (Group share)

- Q4'16 net income (Group share) of €125m.
- FY'16 net income of €523m: +€ 41m or 8.5% explained by higher Group EBITDA and lower finance costs, partly offset by higher depreciation and amortization and tax expenses.



* Negative incidentals for an amount of € 87m in 2015 and € 63m in 2016.

Continuously investing in overall customer experience



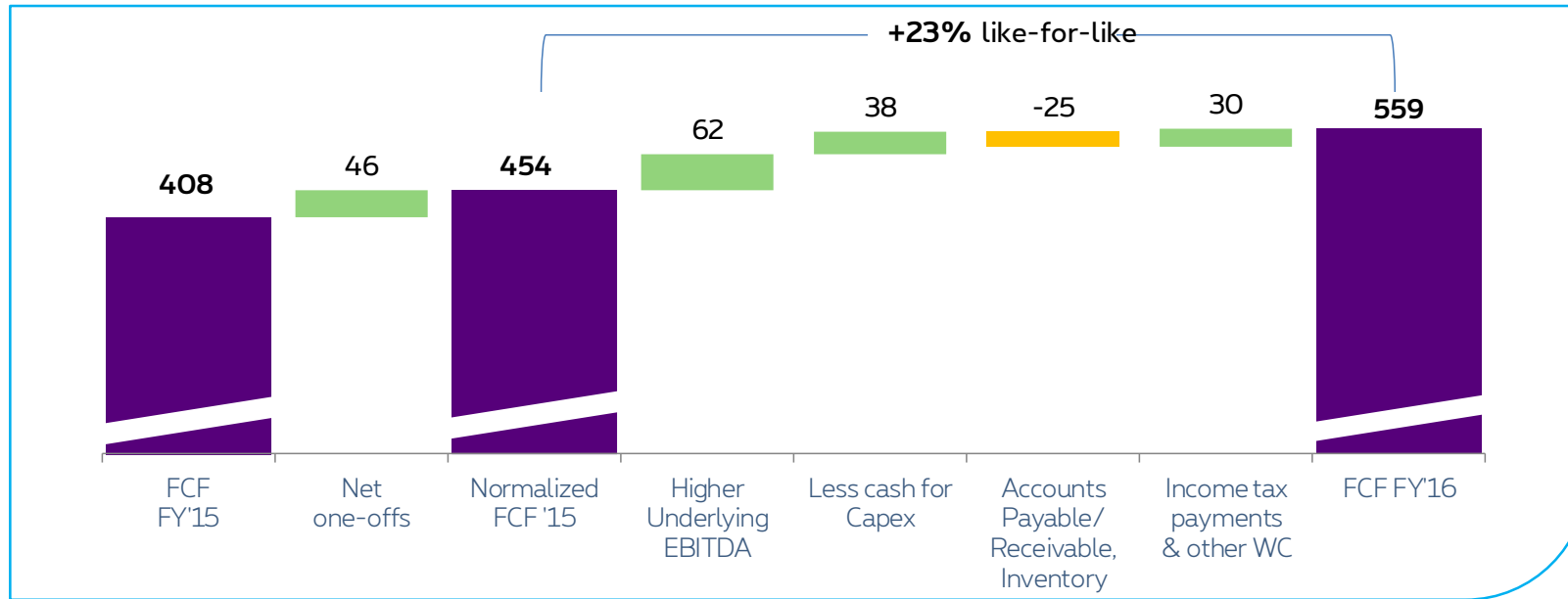
1 Result based on Q4 2016 national drive test conducted by independent agency CommSquare

2 Refers to population coverage where customers can actually enjoy the full benefit from carrier aggregation, i.e. where the customer has both LTE800 and LTE1800.

3 Customers can consult their individual speed on www.proximus.be/internetspeed

Strong 2016 FCF of € 559M

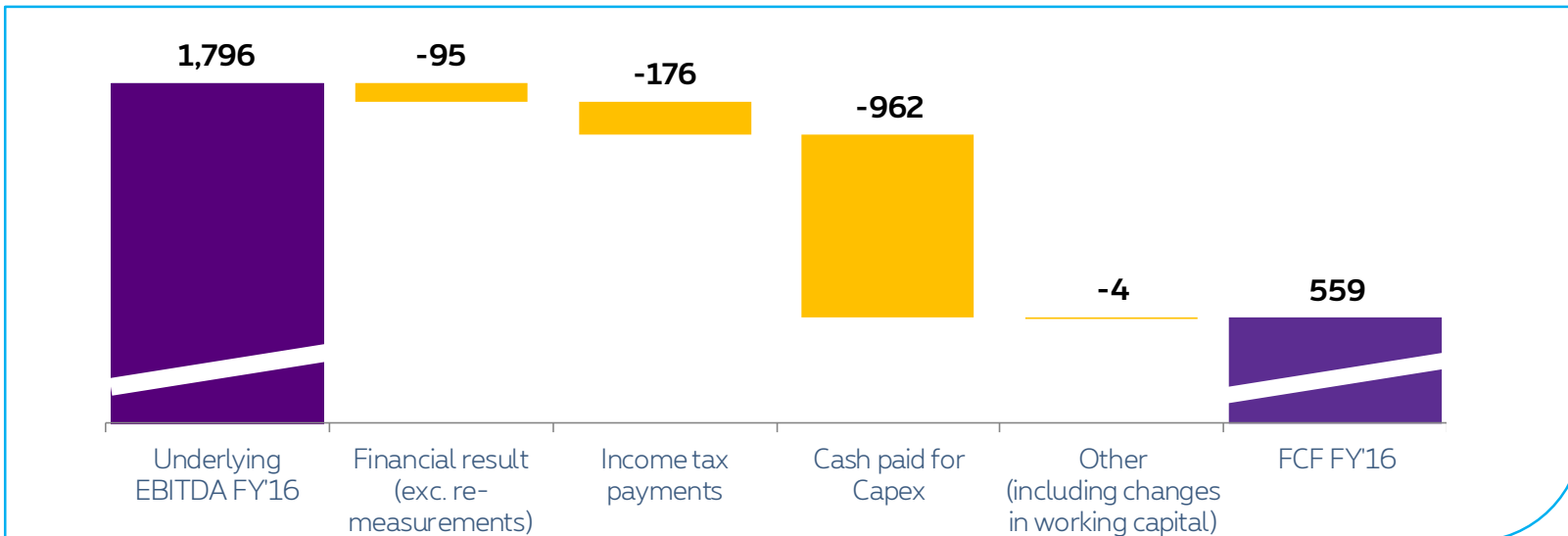
YoY FCF (in M€)



Transversal cash management initiative launched mid-2015 contributed to a strong YTD '16 Free Cash Flow of € 559m.

The 2016 FCF was up by EUR 151 million from 2015, which included the impact of major one-off cash items.

From EBITDA to FCF (in M€)



23% increase on like-for-like basis driven by the growth in underlying EBITDA, less cash needed for Capex and active working capital management. Inventories, however, increased year-on-year, with its level normalizing from a low 2015.

A stronger cash flow generation management engine

Transversal Cash Management initiative

- Launched mid- 2015
- Focus on all actionable working capital operating decisions
- Optimize a long-term sustainable level of FCF

As from 2016, Operating FCF, including Working Capital, was part of management's short-term incentive.



Proximus Domestic

Accounts Receivables

- Improved management of billing cycles
- Better collection process

DSO: -6%
Average 2016 vs 2015

Inventory

- Improved stock management with close follow-up of product life cycle
- Inventory compares to exceptionally low level of end-2015

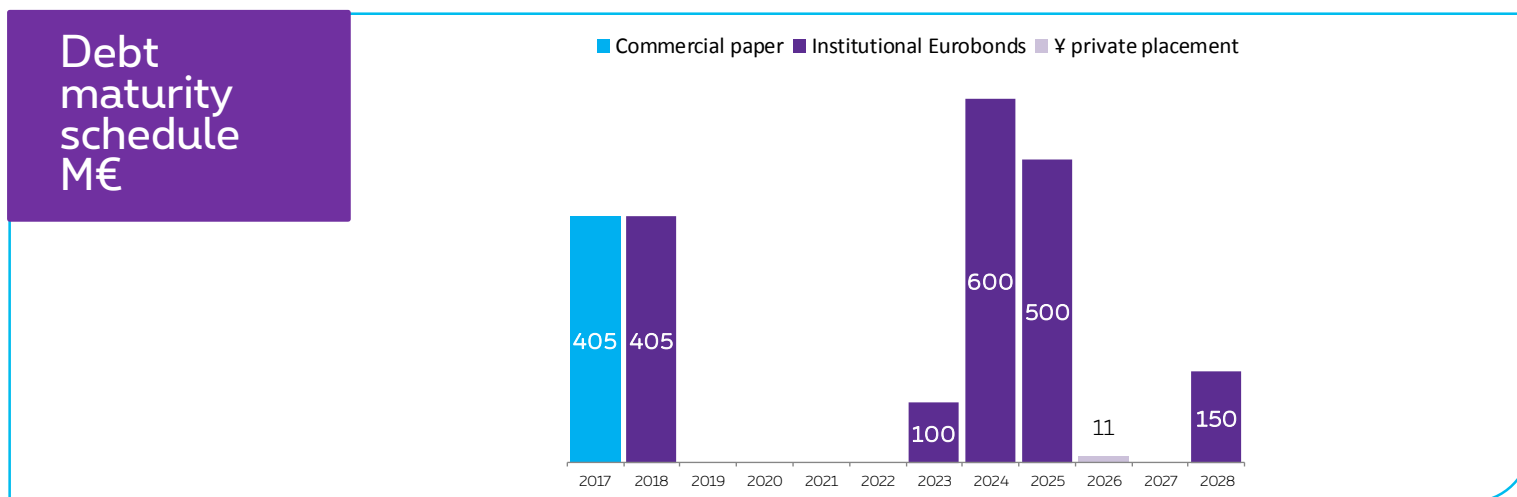
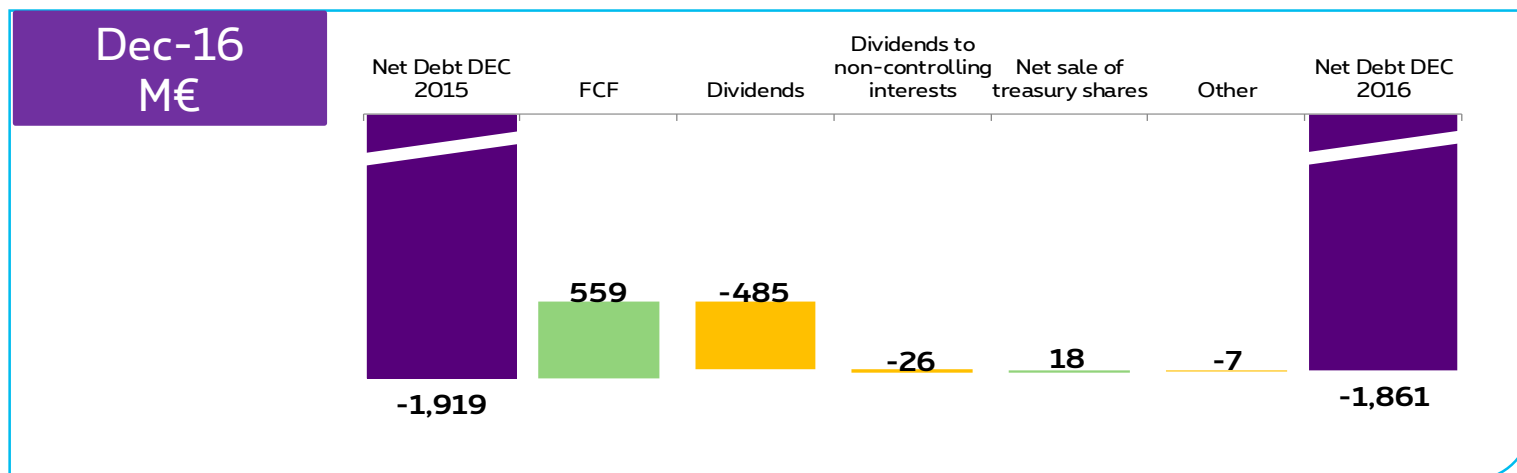
DIO: +2%
Average 2016 vs 2015

Accounts Payable

- Reviewed supplier payment terms, leading to significant contribution to FCF over the past 2 years supported by Supply Chain Finance Program (reversed factoring)

DPO: +19%
Average 2016 vs 2015

We keep a sound financial position



Net debt/EBITDA ratio @ ~ 1

- Net financial debt at € 1,861m.
- Credit ratings: Standard & Poor's A, Moody's A1, both stable outlook.


Average debt duration 5.5 years

€ 314m Investments, Cash and cash equivalents

- Two bonds matured in 2016 for a total of € 675m,
- refinanced with combination of cash and short term debt, generating a net cash outflow of EUR 270 million in Q4'16.
- Net debt decreased to EUR 1,861 million at the end of 2016.

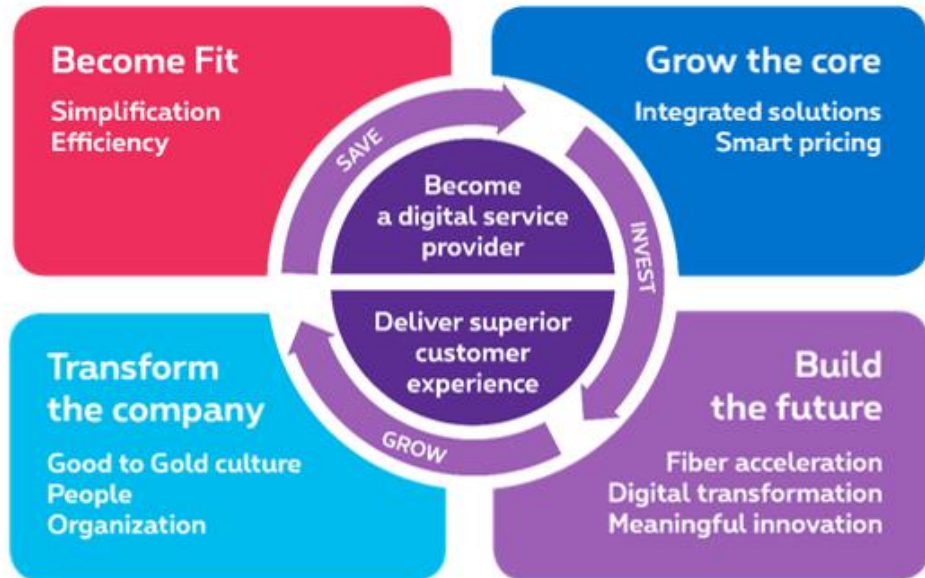
FY 2016 Performance versus outlook

Growth ambition achieved for the second year in a row

Guidance metrics	FY2015 Actuals	FY2016 Actuals	Revised outlook Oct. 2016	2016 Achievement 
<u>Domestic</u> underlying revenue	€ 4,379m	€4,410m	Slight growth	0.7%
<u>Group</u> underlying EBITDA	€ 1,733m	€1,796m	3% to 4% growth	3.6%
Capex (excl. Spectrum)	€926m	€949m	Around €950m	€949m

Accelerating our Fit for Growth strategy

We connect everyone and everything
so people **live better** and **work smarter**



After a successful execution of its 3-year 'Fit for Growth' strategy launched in 2014, Proximus will further build on its achievements.

Over the next three years we are strengthening our ambition and aim at **accelerating our transformation** towards a digital service provider, delivering superior customer experience.

We will **make our organization fitter**, focusing on efficiency and simplification efforts to further structurally reduce our costs and hence finance our ambitious investment program.

We will **grow our core business** offering convergent solutions and a large variety of entertainment to our customers.

We will **build the future** by bringing fiber to our customers, using the digital platforms and applications for better service and developing meaningful innovations such as Smart Mobility, Smart Retail, IoT, Security, in partnership with start-ups.

FY 2017 outlook

Guidance metrics	Actuals 2016	Outlook 2017
<u>Domestic</u> underlying revenue	€4,410m	Nearly stable
<u>Group</u> underlying EBITDA	€1,796m	Slight growth
Capex (excl. Spectrum)	€949m	Around €1Bn

In line with the announced three-year commitment on 16 December 2016, Proximus expects to return over 2017-2019 a stable gross dividend per share of €1.50.

In 2017, Proximus will execute its renewed 'Fit for Growth' strategy, aiming at delivering sustainable growth. Proximus will continue to grow a valuable and loyal customer base, and further deliver upon its cost reduction plan.

Regulatory measures however, and especially Roam-like-at-Home, are expected to mitigate Proximus' financial growth in 2017: €81 million on revenue and €69 million on EBITDA.

Although facing a greater negative regulatory impact, and highly competitive market, Proximus expects its Domestic revenue for 2017 to remain nearly stable to the prior year. The Proximus Group EBITDA is expected to slightly grow compared to 2016, supported by its cost reduction plan.

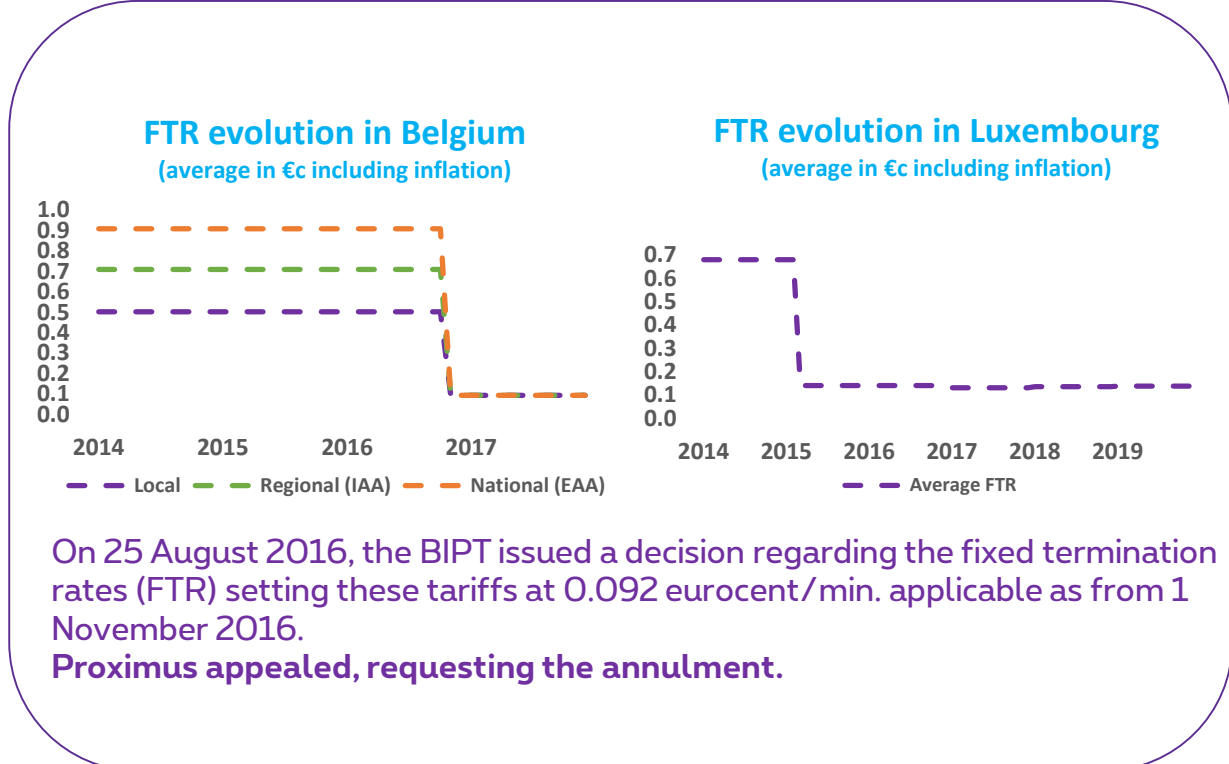
Proximus' Group capex for the year 2017 is expected to be around €1 billion, in line with Proximus' 'Fiber for Belgium' announcement on 16 December 2016.

Regulation

Overview of regulation impact YoY in €M on Proximus financials

(EUR million)	Q4'16 Actuals		FY'16 Actuals		FY'17 Estimate	
	Roaming -out	FTR	Roaming -out	FTR	Roaming -out	FTR
REVENUE	-11	-4	-36	-4	-61	-20
National	-9	-4	-29	-4	-50	-20
Tango	-2		-7		-11	
EBITDA	-11	-2	-36	-2	-61	-8
National	-9	-2	-29	-2	-50	-8
Tango	-2		-7		-11	

Roaming impact is defined as: Volumes of year-1 multiplied by the year-on-year price decrease as set by the regulator.



- Transitory period towards **Roam-like-at Home** - From 30 April '16 - 14 June '17: surcharge up to the current regulated wholesale rates.
- **As from 15 June 2017**, 'Roam-Like-At-Home' will be implemented in the EU zone with the obligation to charge retail roaming within the EU at domestic retail price for consumption within the Fair Use Policy. The Commission adopted the Fair Use Policy on 15 December 2016.

Retail price caps (excl VAT)

(€)	2014	30/04/2016	15/06/2017	2018	2019	2020	2021	2022
Voice call out/min	0.19	H+0.05	H	H	H	H	H	H
SMS	0.06	H+0.02	H	H	H	H	H	H
Data/ GB	200	H+50	H	H	H	H	H	H

H = Home price

- On 31 January 2017, a compromise was reached on regulated roaming wholesale prices. The Commission is tasked to review these rates every two years with its first report due at the end of 2019.

Wholesale price caps (excl VAT)

(€)	2014	30/04/2016	15/06/2017	2018	2019	2020	2021	2022
Voice call/min	0.05	0.05	0.032	0.032	0.032	0.032	0.032	0.032
SMS	0.02	0.02	0.01	0.01	0.01	0.01*	0.01*	0.01*
Data/ GB	50*	50*	7.7	6	4.5	3.5**	3**	2.5**

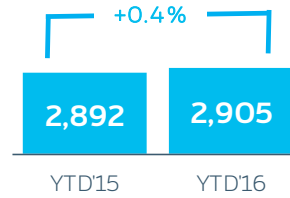
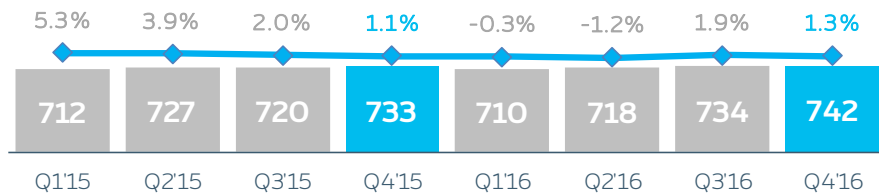
* Note - Commercial Wholesale price already significantly below the regulated Wholesale cap.
 ** 2020 tariffs and beyond subject to Commission review.

Consumer results

Q4 2016

Q4'16 Consumer revenue up 0.4%, Direct Margin stable

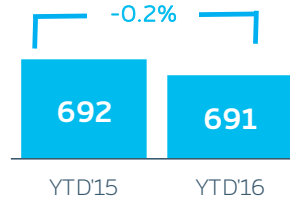
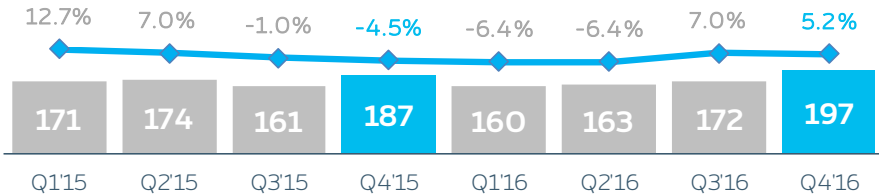
Consumer underlying revenue (M€) & YoY



Q4'16 Consumer revenue +1.3% YoY

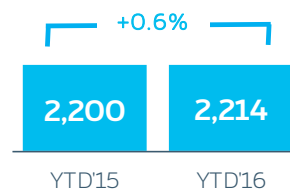
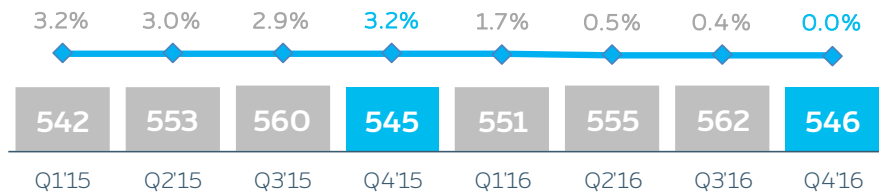
- Continued Fixed revenue growth:
 - Fixed Internet +4.9%
 - TV-revenue + 11.2%
- Higher revenue from mobile device sales
- Partly offset by Fixed Voice revenue erosion and impact of roaming regulation on mobile services revenue.

Consumer underlying COGS (M€) & YoY



Q4'16 CoS, +5.2% YoY due to mobile device sales.

Consumer underlying DM (M€) & YoY



Q4'16 underlying direct margin flat YoY

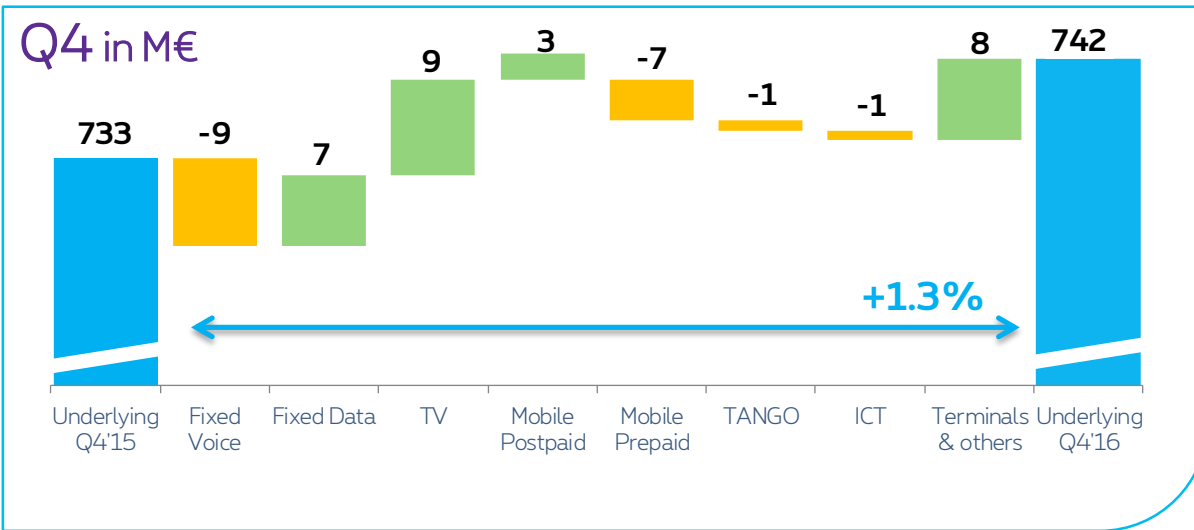
- Stable direct margin, including impact of higher device sales.
- Continued positive direct margin for fixed services.

Product view

Note

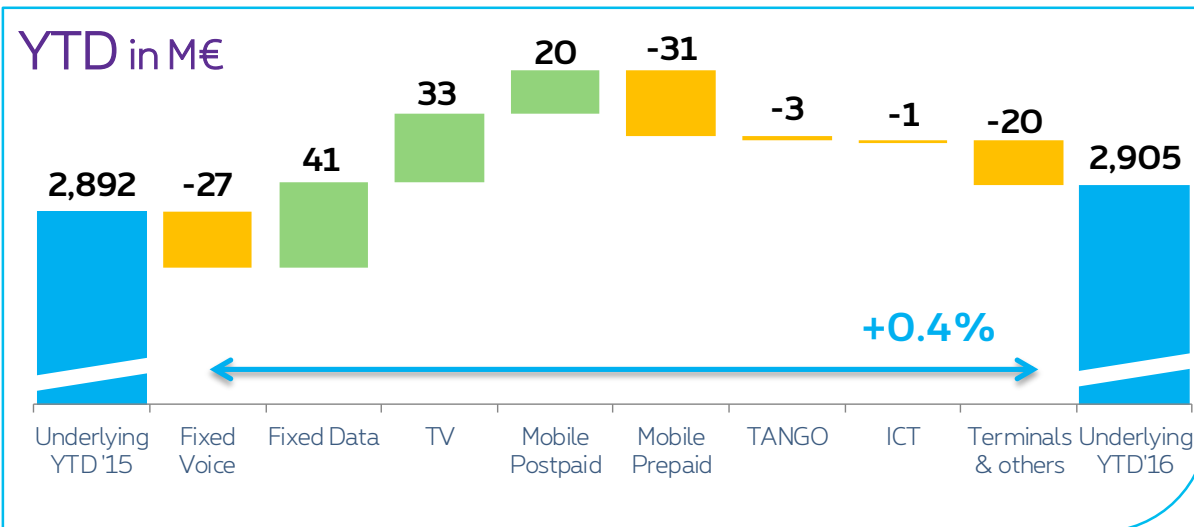
In line with Proximus' strategy, most products are sold through multi-play bundles. Therefore, the revenue and ARPU of standalone products are largely the result of the allocation of revenue and discounts to the respective products included in the Packs, as required by IFRS rules.

Consumer's revenue variance by product group



Q4'16 +1.3% YoY revenue increase

- Revenue growth for Fixed Data and TV partially offset by Fixed Voice erosion .
- Mobile services revenue : growth Postpaid more than offset by lower Prepaid.
- Revenue of terminals up driven by increased level of mobile devices sold to indirect channels and by year-end campaign



FY'16 +0.4% YoY revenue increase

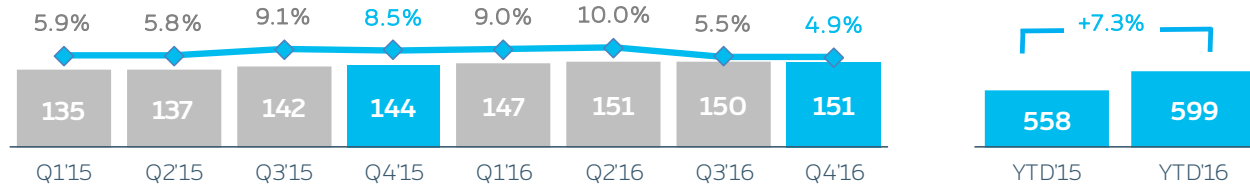
- Revenue growth for Fixed Data ,TV and Mobile Postpaid for large part offset by lower revenue of Fixed Voice and Mobile Prepaid.

Consumer – Fixed Internet



Growing internet customer base and ARPU leading to +4.9% revenue increase in Q4

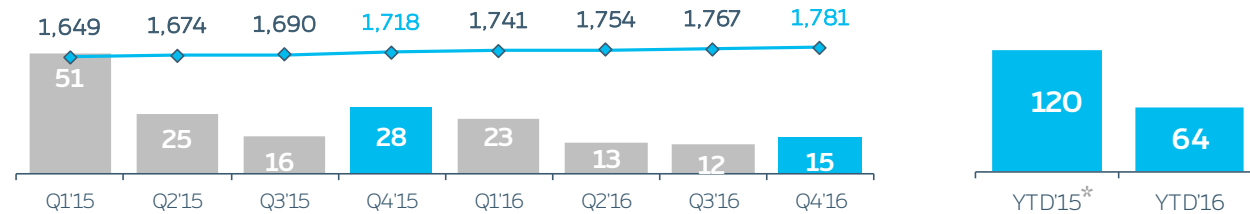
Fixed data revenue (M€) & YoY



4.9% Fixed Data revenue increase in Q4'16

- Growing customer base of 64,000 or 3.7% in 1 year.
- Q4'16 ARPU up by 0.8% YoY.

Broadband growth & EOP (000)

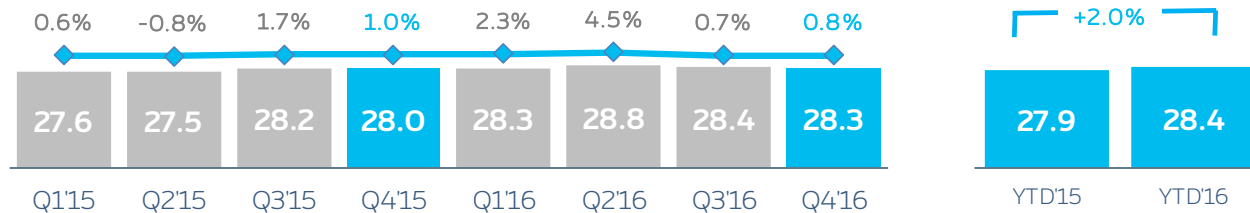


Q4'16 Fixed Internet customer base grew to 1,781,000

- +15,000 Internet lines added in Q4'16 in spite of competitive setting.

* H1 2015 included the positive impact from 22,000 migrated Snow customers.

Broadband ARPU (€) & YoY variance



Q4'16 ARPU of €28.3 +0.8% YoY

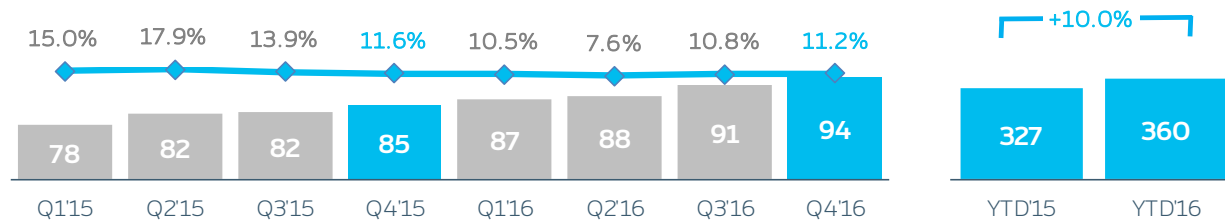
- January 2016 price adjustments.
- IFRS allocation of Pack revenue to products.

Consumer - TV



+17,000 TV households in Q4, revenue up 11.2% from previous year

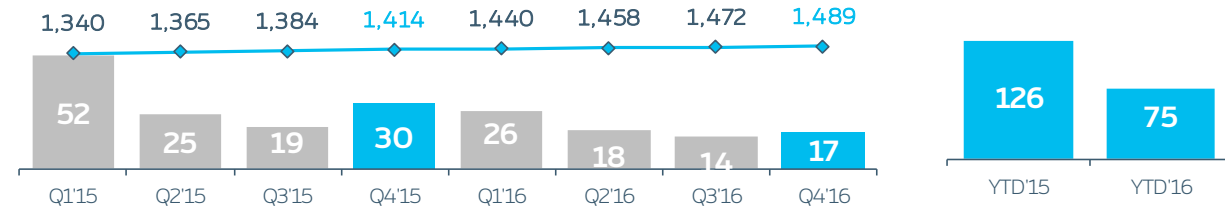
TV revenue (M€) & YoY variance



Q4'16 revenue from TV totaled € 94m, +11.2% YoY

- Continued subscriber growth, with both the Proximus and Scarlet brand increasing their customer base.
- Over 12 months, the total TV households base grew by 75,000.

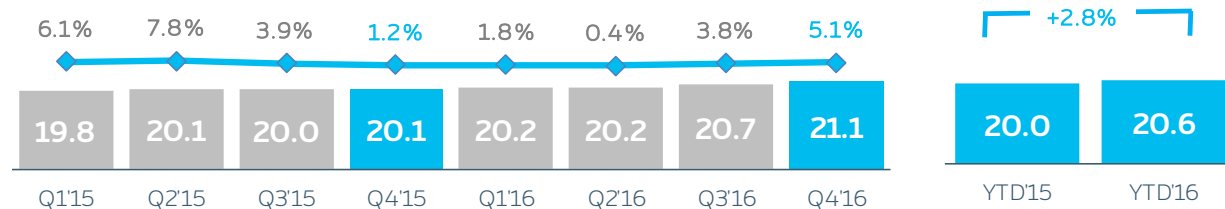
Unique TV - customers (000)



+17,000 TV households in Q4'16

- End Q4'16 total of 1,489,000 unique TV households.
- End Q4'16 total of 359,000 multi-settop boxes.
- Cleaning of multi-settopboxes led to decrease by 2,000 in Q4.

Fixed TVARPU(€) & YoY variance



Q4'16 TV ARPU was up +5.1% YoY at € 21.1

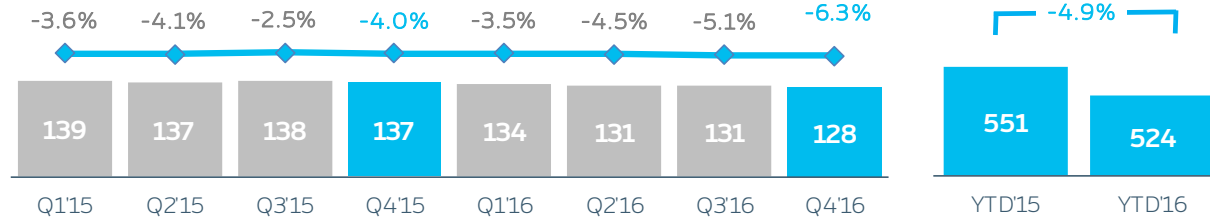
- IFRS allocation of Pack revenue to products.

Consumer – Fixed Voice



Launch of Tuttimus increasing Fixed Voice Park in Q4

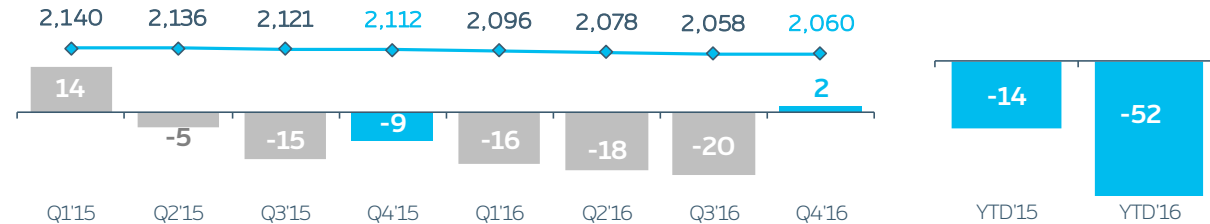
Fixed voice revenue (M€) & YoY variance



Q4'16 revenue from Fixed Voice totaled € 128m, -6.3% YoY

- Lower YoY Fixed Voice customer base.
- Lower ARPU, including Pack discount.

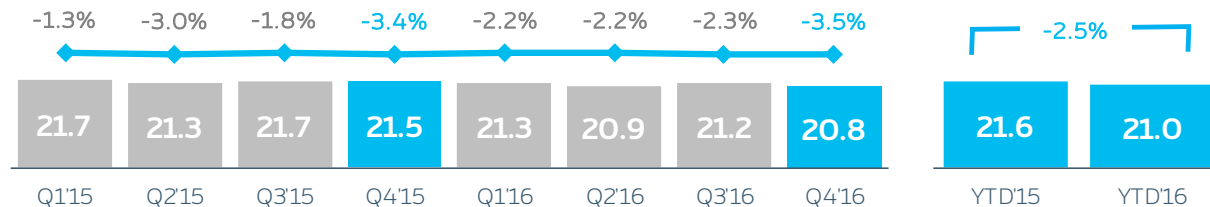
Voice line loss/gain & EOP (000)



Q4'16 Fixed line +2,000 lines; total of 2,060,000 lines

- Launch of new 4-play offer Tuttimus and Familus mid-October.

Fixed voice ARPU (€) & YoY variance



Q4'16 ARPU -3.5% YoY to € 20.8

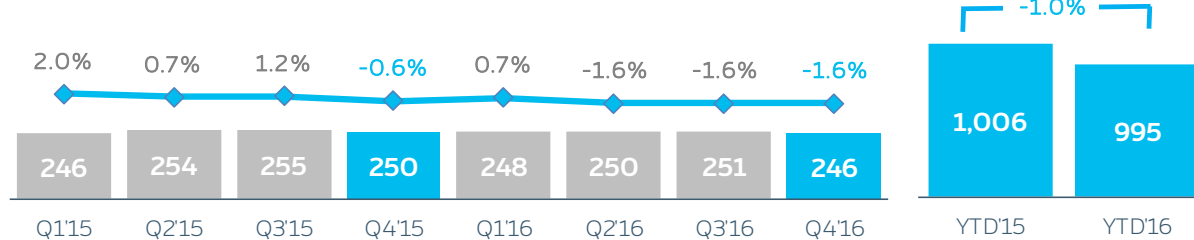
- Higher multi-play penetration, with customers benefitting from a discount.
- Partially offset by price adjustments in January 2016 and July 2016.
- IFRS allocation of Pack revenue to products.

Consumer – Mobile



Q4'16 Mobile service revenue decline stable at -1.6%. Postpaid service revenue +1.2%.

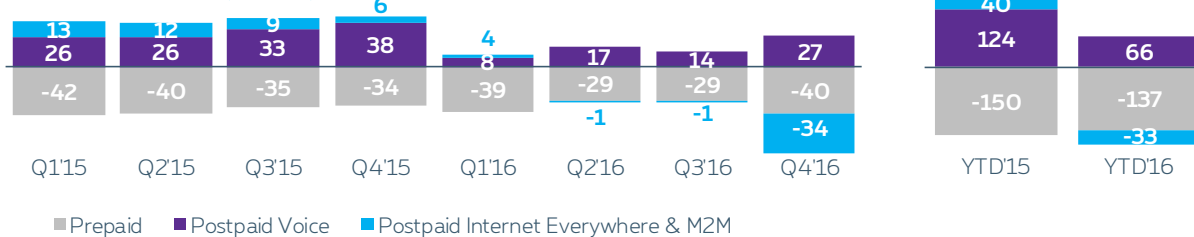
Mobile service revenue (M€) & YoY variance



Q4'16 revenue from Mobile services down 1.6% YoY,

- Postpaid revenue +1.2% following greater customer base, more than offsetting roaming regulation impact.
- Fairly stable decrease of prepaid revenue (-16.7%).
- Postpaid/Prepaid mix at 72%/28%.

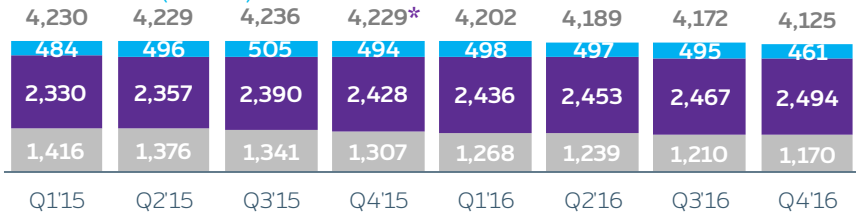
Mobile Net Adds (000's)



Q4'16 mobile cards

- Q4'16 Postpaid voice customer base +27,000 cards.
- -7,000 when including Internet Everywhere data cards and M2M.
- Mobile Prepaid loss of -40,000 cards.

Mobile Park (000's)



*Q4'15 Park restated following cleaning of 17,000 inactive Internet Everywhere cards

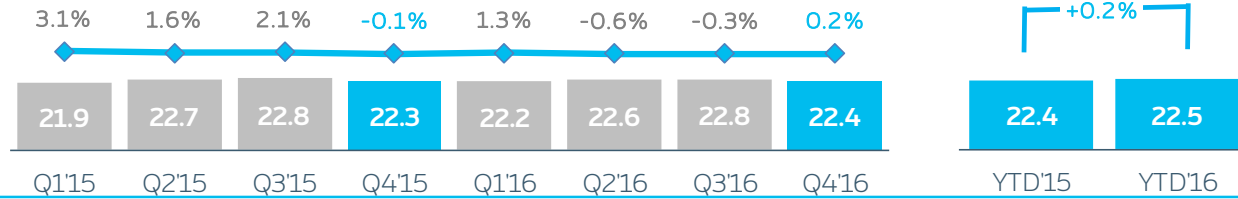
Mobile card park

- Postpaid* customer base of 2,494,000 ;+ 66,000 or +2.7% YoY
- Prepaid customer base of 1,170,000;; -10.5% YoY
- Internet Everywhere & M2M customer base of 461,000; -6.6% YoY
 - 34,000 decline in Q4'16 linked to new product portfolio no longer including free Internet Everywhere cards, however with no impact on value or ARPU.
 - Park of free Internet Everywhere expected to reduce gradually over next quarters.

* Excluding Internet Everywhere and a limited number of M2M cards

Consumer – Blended mobile

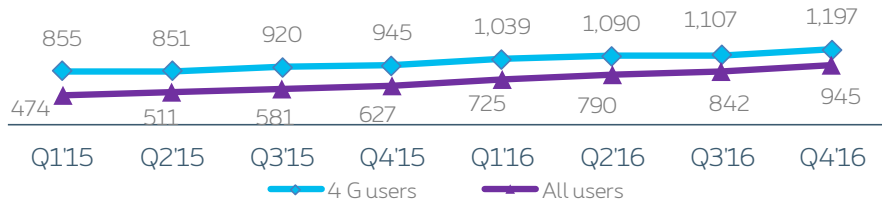
Blended net mobile ARPU (€) & YoY



Increasing blended Mobile ARPU at € 22.4 up 0.2% YoY

- Blended ARPU for Postpaid/Prepaid up on a higher portion of Postpaid in the total.

Average monthly Consumer mobile data usage in Mb

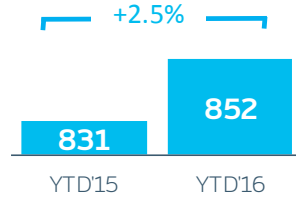
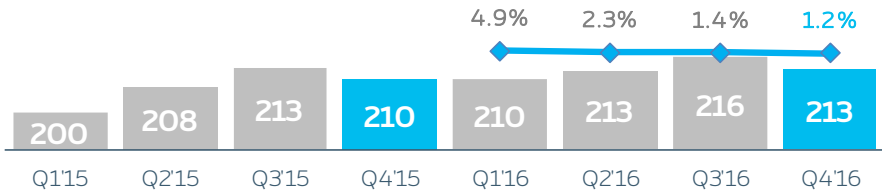


Consumer's Average Monthly data consumption per user :

- Overall average usage (3G & 4G devices) of **945 Mb/month**, +51% YoY.
- Average usage for **4G-devices** of **1,197 Mb/month**, + 27% YoY.
- 4G devices ~ 5 times more data consumption than non 4G.

Consumer – Postpaid and Prepaid

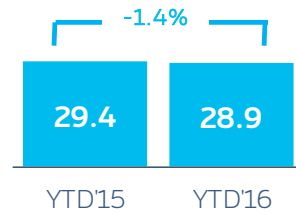
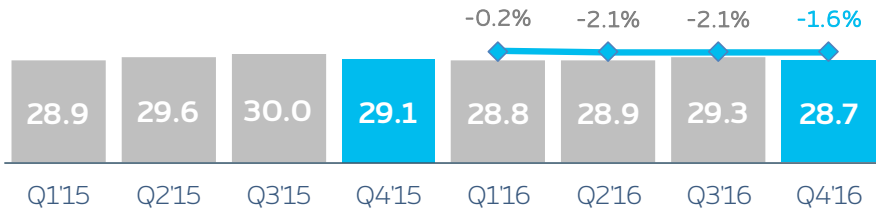
Postpaid revenue (M€) & YoY variance



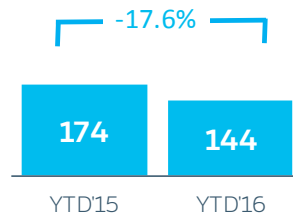
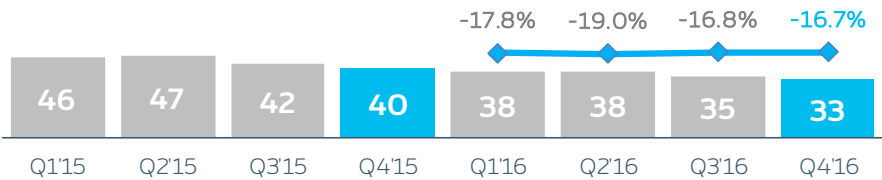
Postpaid ARPU at €28.7

- Postpaid ARPU at € 28.7, showing stable 1.6% decline YoY, due to reduced roaming pricing.

Postpaid ARPU (€) & YoY variance



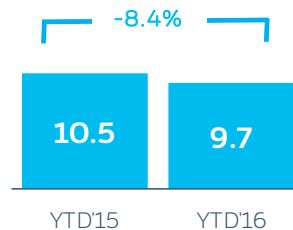
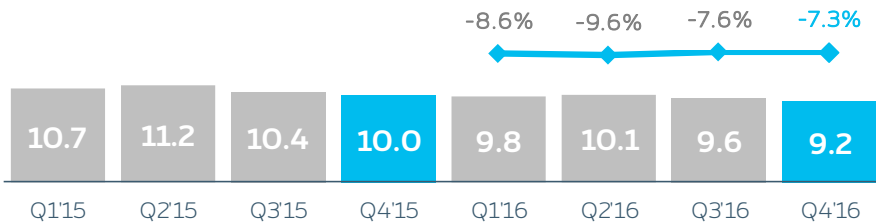
Prepaid revenue (M€) & YoY variance

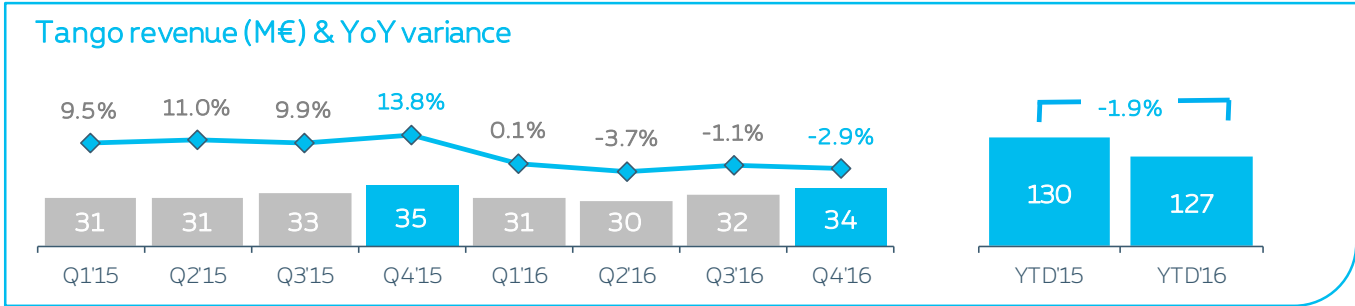


Q4'16 Prepaid revenue -16.7% YoY

- Prepaid is facing higher erosion following the Royal Decree making prepaid card identification compulsory.
- A part of the former Prepaid customers swapped to Proximus' "FullControl" offer, launched mid-June 2016, or migrated to Postpaid.

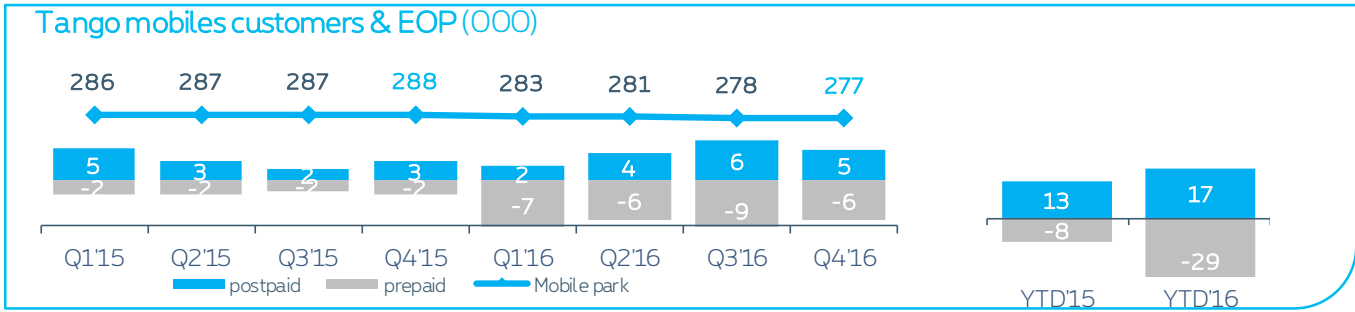
Prepaid ARPU (€) & YoY variance





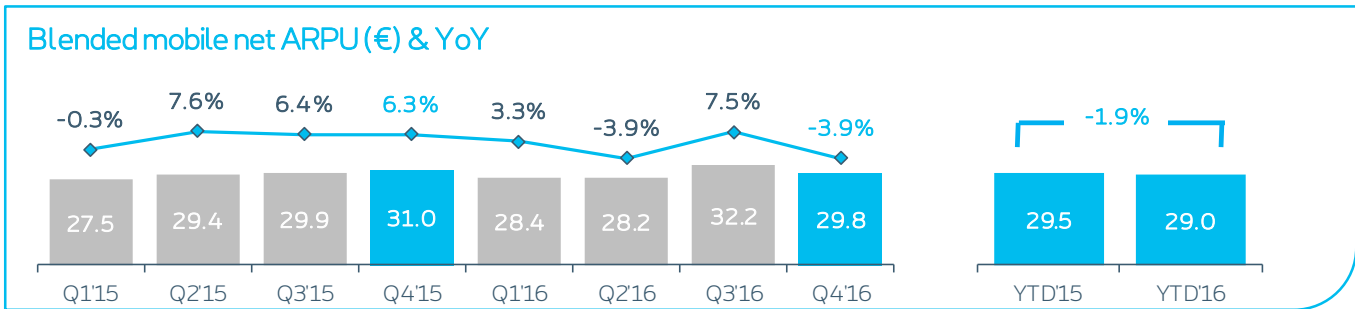
Tango Q4'16 revenue of € 34m, -2.9% YoY

- End of anonymity on prepaid.
- Lowered EU roaming pricing following the EU regulation.



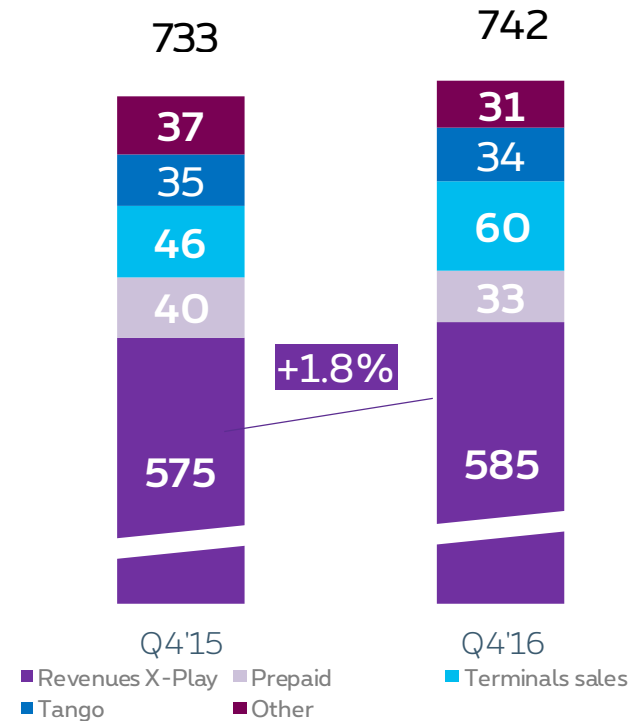
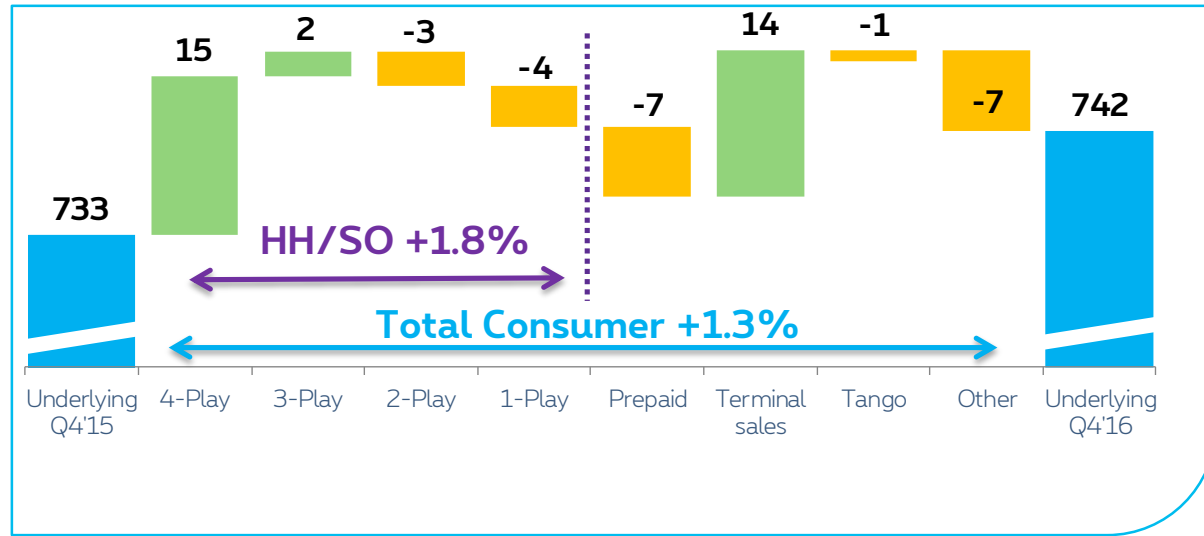
Postpaid growth offset by decline in prepaid

- In Q4'16 Tango had a Mobile Postpaid growth of 5,000 cards, offset by 6,000 less prepaid cards linked to the end of anonymity on Prepaid.
- With the effects of the Roaming regulation, the fourth quarter blended mobile net ARPU decreased by 3.9% to EUR 29.8



X-Play view

Consumer revenue variance per X-play (M€)

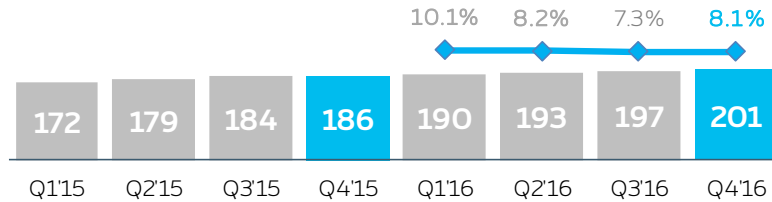


Total Consumer revenue Q4'16 +1.3% YoY increase
€ 585m revenue from HH/SO, + 1.8% or € 10 m YoY

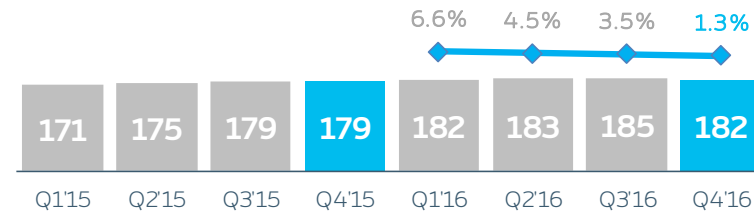
- Proximus' strategy to focus on attractive multi-play offers resulted in a more valuable and loyal customer base.
- End Q4'16, Consumer serviced 2,943,000 HH/SO; +62,000 3- and 4 Play HH/SO YoY .
- The number of 3- or 4 Plays HH/SO increased to 46.3% of the total by end Q4'16 , +2.2pp YoY.

Consumer generated € 585m from HH/SO in Q4'16, 51.5% of consumer revenue from 3- and 4-Play

4-Play revenue (M€) & YoY variance



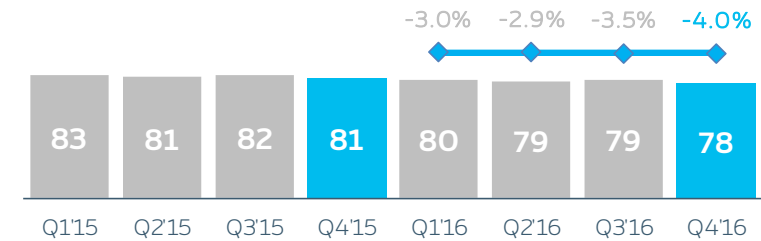
3-Play revenue (M€) & YoY variance



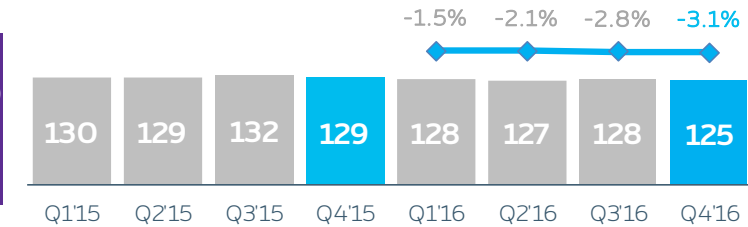
4-Play and 3-Play main revenue growth drivers for Consumer

- Revenue from 3- and 4-Play counting for 51.5% of total Consumer revenue.
- Ongoing expansion of 4-Play, adding 30,000 HH/SO in Q4'16.
- Tuttimus driving uptiering to 4-Play.

2-Play revenue (M€) & YoY variance



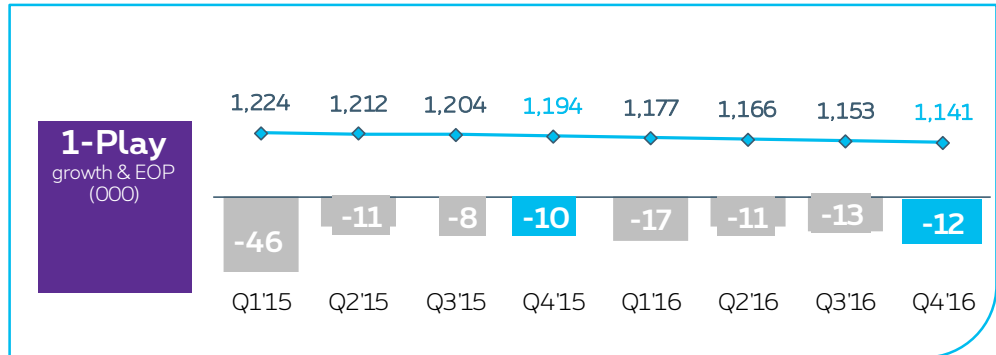
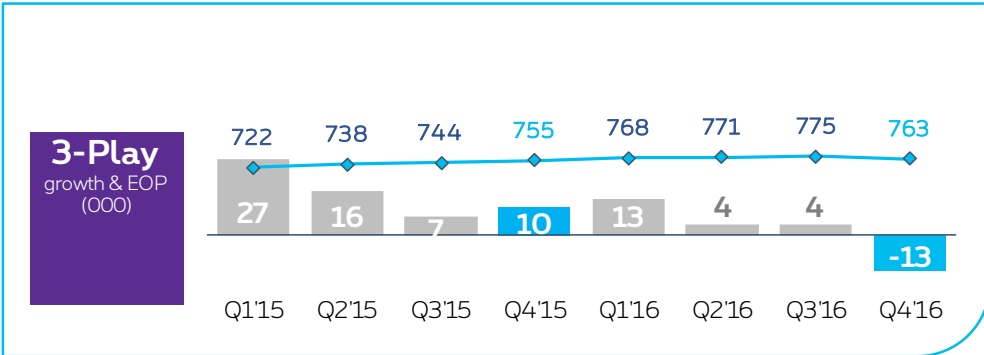
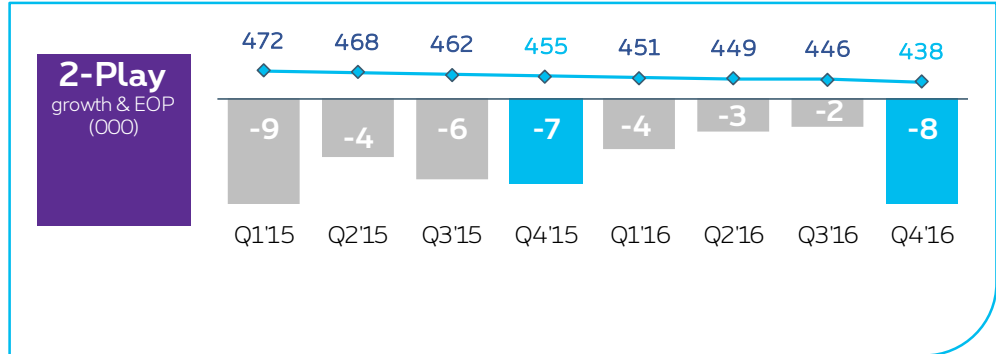
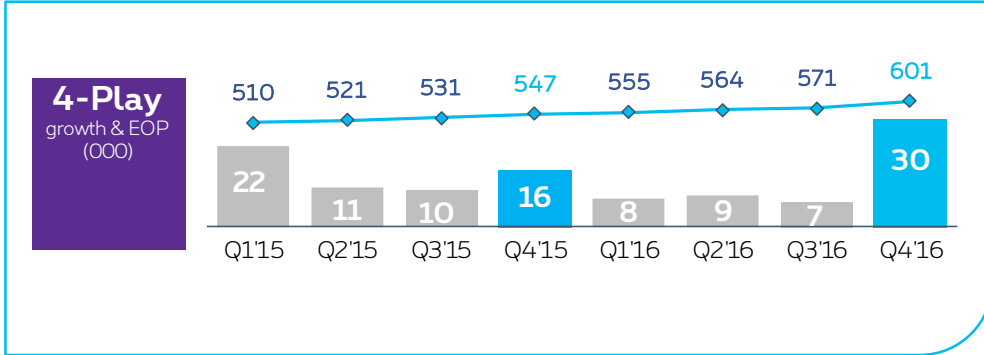
1-Play revenue (M€) & YoY variance



2-Play + 1-Play revenue -3.4% YoY

- Growing revenue from 3- and 4-Play partly offset by lower revenue generated by the 1 and 2-Play HH/SO.
- Part of the erosion results from Proximus' strategy to actively migrate customers towards multi-play offers.

Consumer – Growth and Park per Play

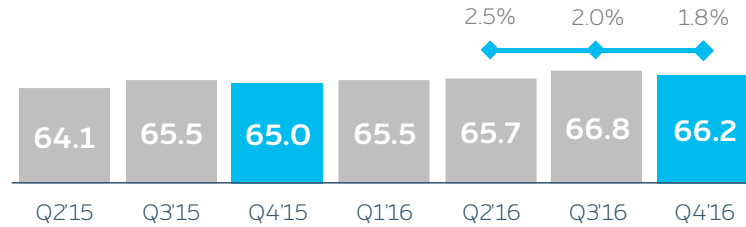


Q4'16 X-Play Households/Small offices totaled 2,943,000, down YoY by 0.3% or -8,000 YoY.

- 3 and 4-Play HH/SO increased by 62,000 YoY ; now over 46% of total base.
- In Q4 2016, 30,000 4-Play HH/SO were added, driven by the launch of Tuttimus.
- Upsell to 4-Play explaining the net 3-Play decrease by 13,000 in Q4'16.
- Number of multiplay HH/SO combining Fixed with Mobile services increased to 54.5%, +1.4pp YoY.

Consumer – Average X-Play ARPH +1.8% YoY to € 66.2

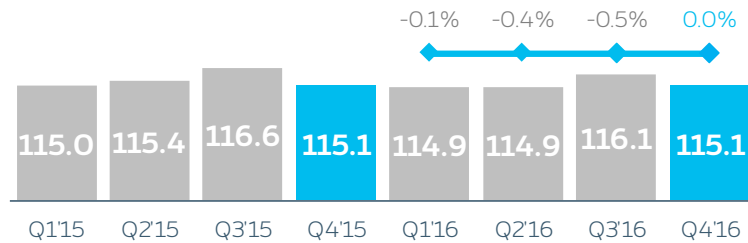
X-Play ARPH (€) & YoY Variance



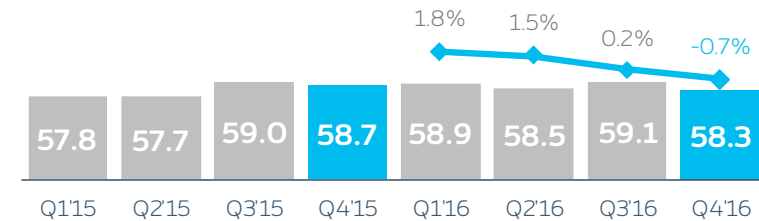
The average ARPH increased year-on-year by 1.8% to EUR 66.2, including a favorable impact from the January 2016 price increases, and uptiering of customers

- 4-Play ARPH remaining fairly stable YoY, at € 115.1.
- 3-Play ARPH at € 78.5.
- ARPH of 1 Play up YoY to €36.2.

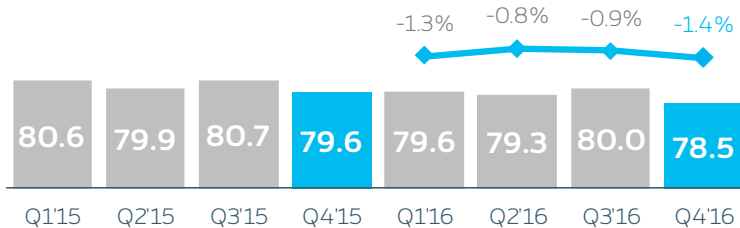
4-Play ARPH (€) & YoY Variance



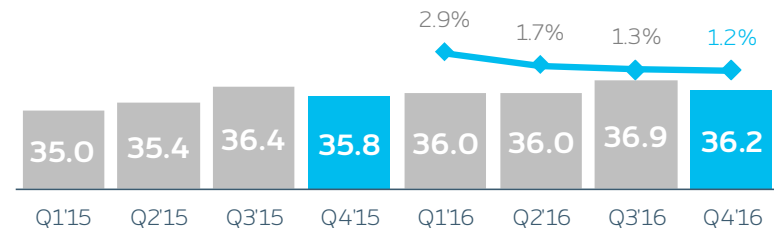
2-Play ARPH (€) & YoY Variance



3-Play ARPH (€) & YoY Variance



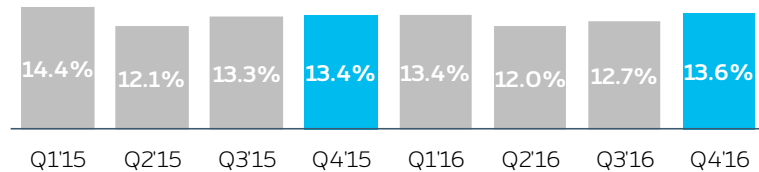
1-Play ARPH (€) & YoY Variance



Consumer – Annualized full churn rate per Play

Average churn 3 & 4 Play lower YoY

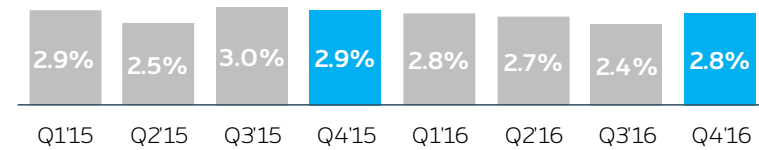
X-Play Annualized full churn rate



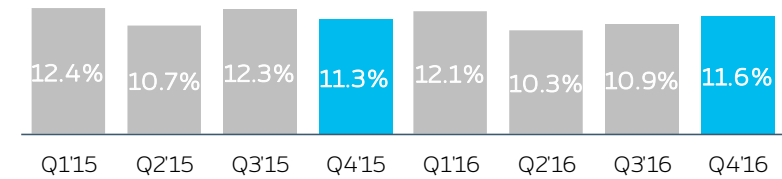
The average annualized full-churn rate of 3 & 4 Play improved from one year ago , with average of all Plays at 13.6%

- More HH/SO chose to combine Fixed and Mobile services thanks to the 'Tuttimus' offer .

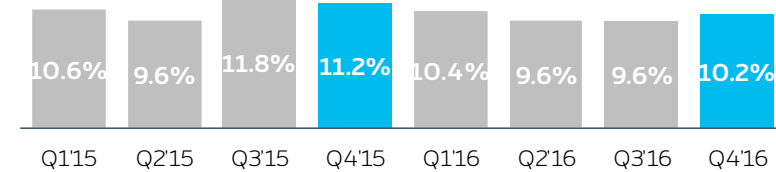
4-Play Annualized full churn rate



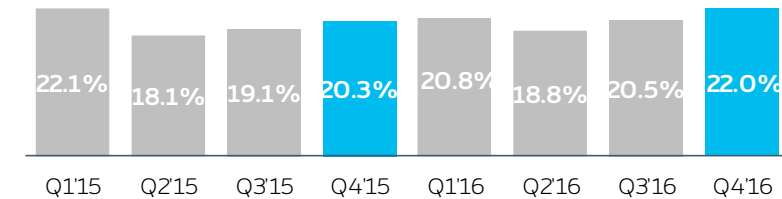
2-Play Annualized full churn rate



3-Play Annualized full churn rate



1-Play Annualized full churn rate

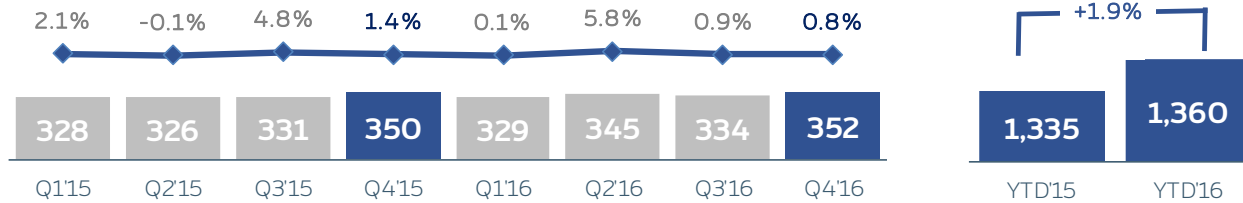


Enterprise results

Q4 2016

Growing revenue & Direct margin in spite of regulatory and competitive headwinds

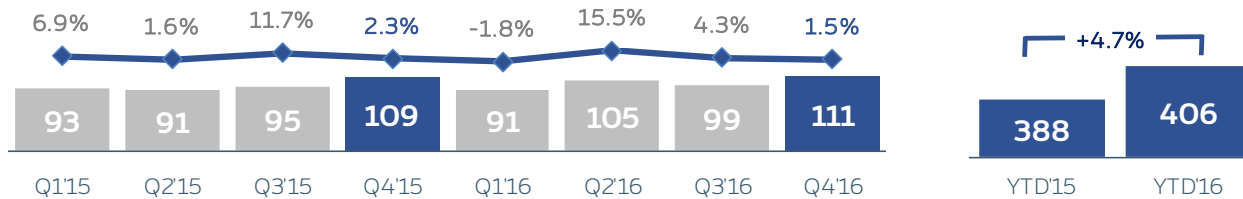
Enterprise underlying revenue (M€) & YoY



Q4'16 underlying revenue +0.8% YoY

- Be-Mobile NV, a Smart Mobility Company created mid-March'16 contributed to the growth.
- ICT grew by 2.1%.
- Roaming regulation, change in travel behavior and competitive pressure led to a 3.5% YoY decline in mobile service revenue.

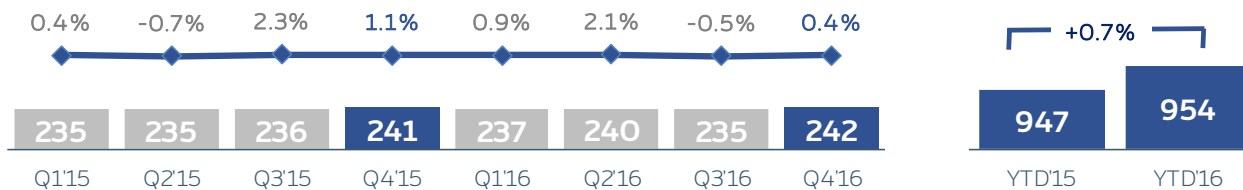
Enterprise underlying Cost of Sales (M€) & YoY



Q4'16 underlying COS +1.5% YoY

- COS related to increase of Be-Mobile revenue and mobile devices.

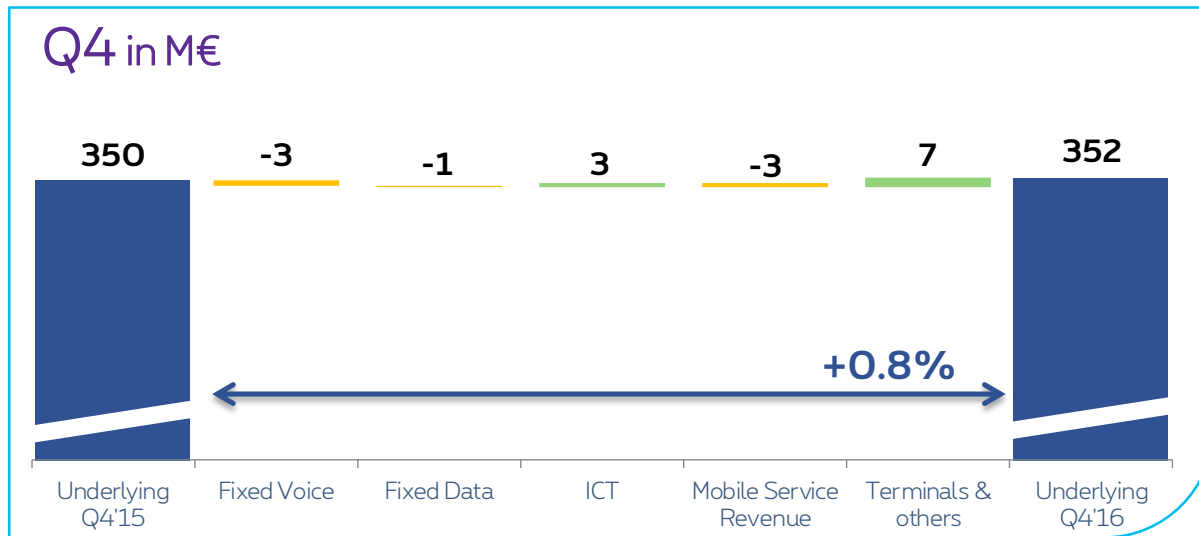
Enterprise underlying direct margin (M€) & YoY



Q4'16 Direct Margin : +0.4% YoY

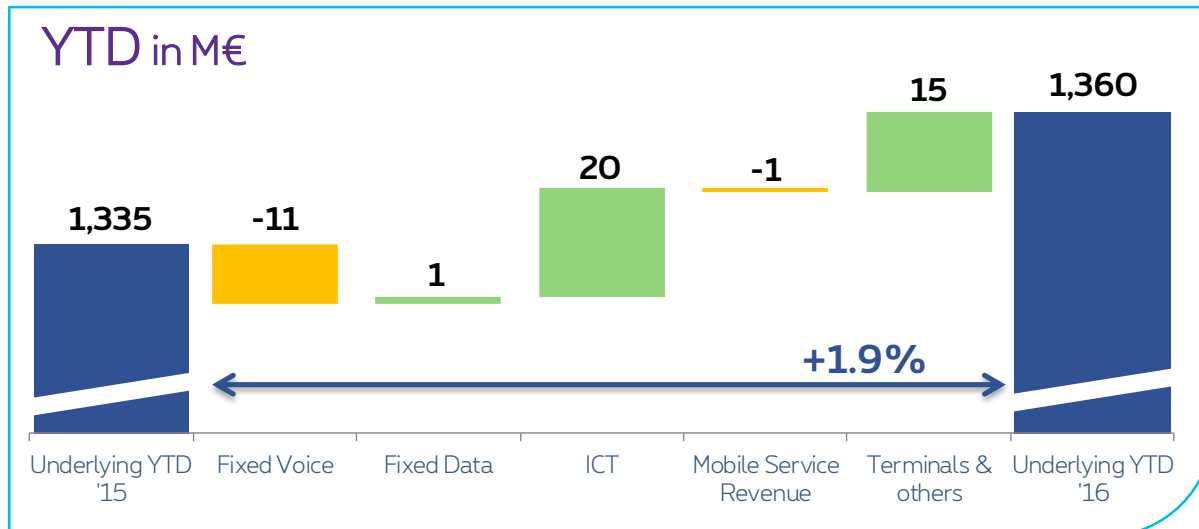
- Favorable margin evolution Be-Mobile NV and ICT offset by the pressure on Mobile Services and Fixed Voice.
- Direct margin as percentage of revenue remained fairly stable YoY at 68.5%, including a changing revenue mix, with ICT taking an increasing share in the total Enterprise revenue .

Enterprise's underlying revenue variance per product group



Q4'16 revenue of Enterprise up 0.8% YoY

- Fixed voice revenue down by 5.5%.
- Fixed data revenue down by 1.0% on one-offs.
- ICT revenue up by 2.1%.
- Mobile services revenue down by 3.5%.



FY 2016 revenue of Enterprise +1.9% YoY

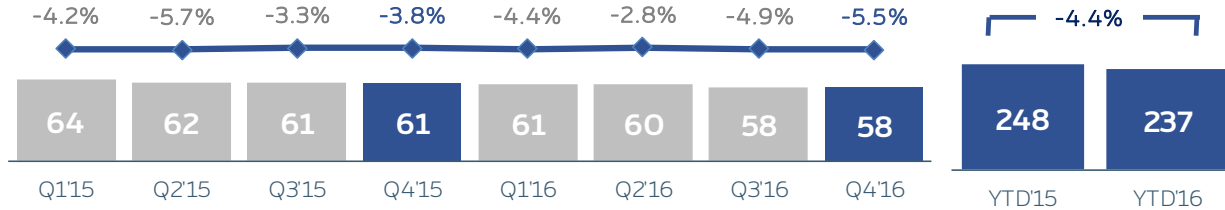
- Strong ICT revenue, up by 4.5%.
- Strong revenue contribution from Be-Mobile (incl. in 'others').
- Mobile services revenue down by 0.3%.
- Fixed data revenue up by 0.5%.
- The favorable variances partially offset by continued erosion of Fixed Voice revenue.

Enterprise – Fixed Voice



Lower Fixed Voice revenue due to Fixed Voice customer base erosion, ARPU slightly up

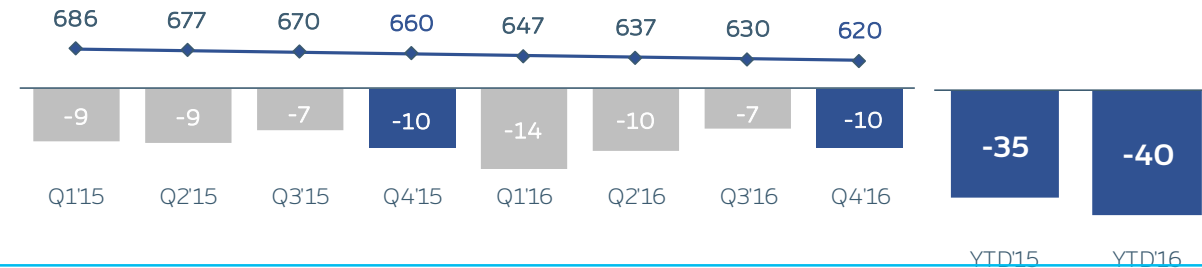
Fixed voice revenue (M€) & YoY variance



Q4'16 revenue from Fixed Voice totaled € 58m, - 5.5% YoY

- Continued Fixed Voice line erosion.
- Technology migration to IP-based voice solutions.
- ARPU up 0.6% YoY, benefitting from a limited 1 July 2016 price change.

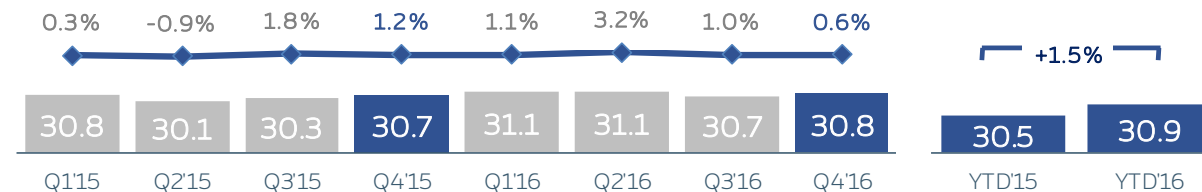
Voice line loss/gain & EOP (000)



Q4'16 Fixed line erosion of 10,000 lines

- Fixed Line erosion resulting from continued rationalization, move to IP-based voice solutions and competitive pressure.
- Total Fixed Voice Line customer base of 620,000 by end Q4'16, i.e. a YoY decline of 6.1 %.

Fixed voice ARPU (EUR) & YoY variance



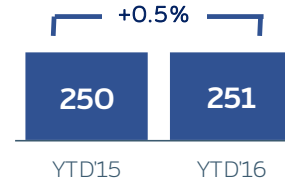
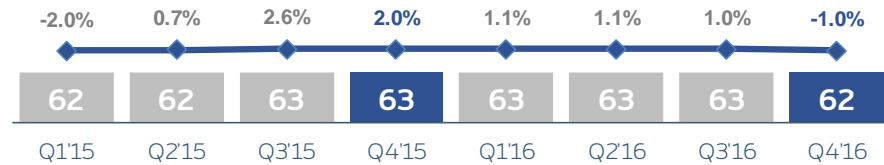
Q4'16 ARPU up 0.6% YoY to €30.8

Enterprise – Fixed Data

Q4'16 revenue slightly down YoY on one-offs



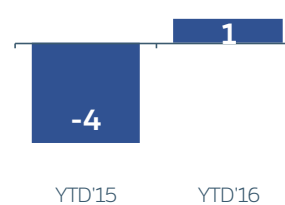
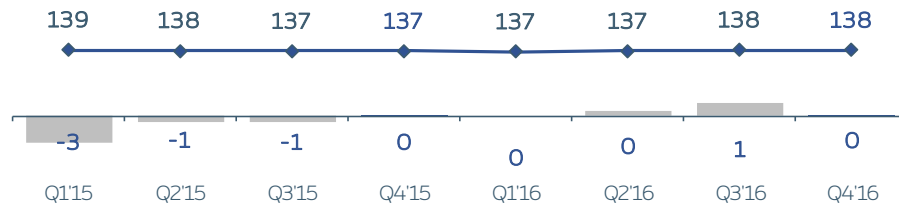
Fixed data revenue (M€) & YoY variance



Q4'16 Fixed data revenue of € 62m, -1.0% YoY

- Benefit from a growing data connectivity customer base, better product mix and roll-out of P2P fiber offset by a one-off credit notes.
- Flat revenue from Fixed Internet.

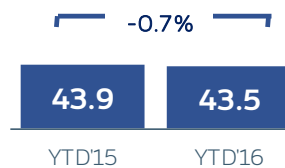
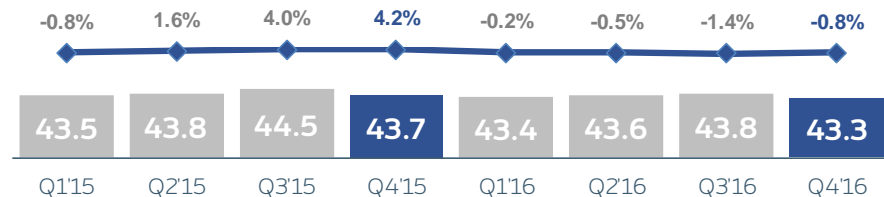
Broadband growth & EOP (000)



Q4'16 Fixed Internet base stable in a competitive environment, reaching 138,000 internet lines

- YoY up by 0.7%

Broadband ARPU (EUR) & YoY variance

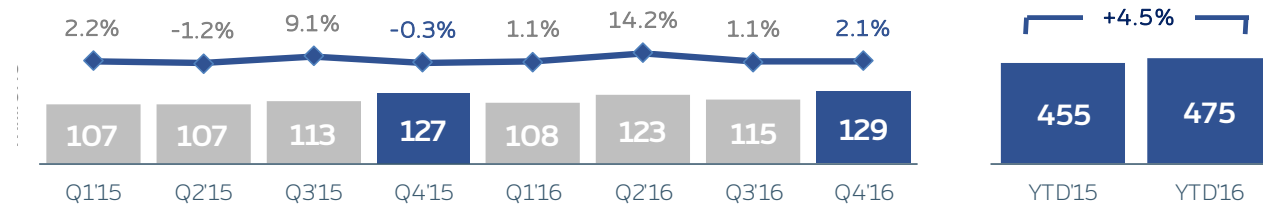


Q4'16 ARPU of €43.3, -0.8% YoY

- ARPU decrease linked to the outphasing/migration of legacy products towards solutions at more attractive pricing for customers, in the context of simplification programs.

ICT revenue up by 2.1% in Q4

Underlying ICT revenue (M€) & YoY



Enterprise generated in Q4'16 € 129m revenue from ICT, up 2.1% YoY

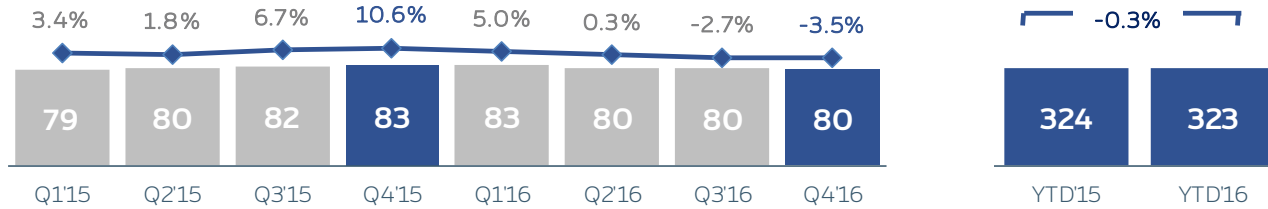
- Higher revenue resulting from onsite infrastructure revenue, growing revenue in cloud and storage services, as well as higher recurring revenue from Security services.
- Full-year ICT revenue up by 4.5% from 2015.

Enterprise– Mobile part 1



Revenue from strong customer growth in competitive setting offset by roaming regulation and travel destination mix

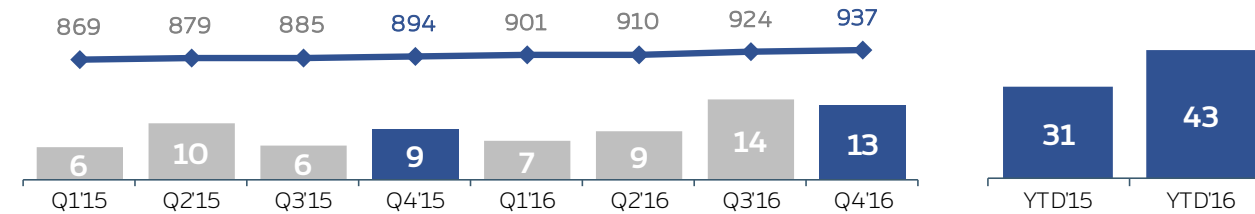
Mobile service revenue (M€) & YoY variance



Q4'16 revenue from Mobile services totaled € 80m, -3.5% YoY

- Lowered EU roaming rates.
- Less travelers and changing travel behavior unfavorably impacting destination mix.
- Growing mobile customer base, up 4.9%, M2M excluded.

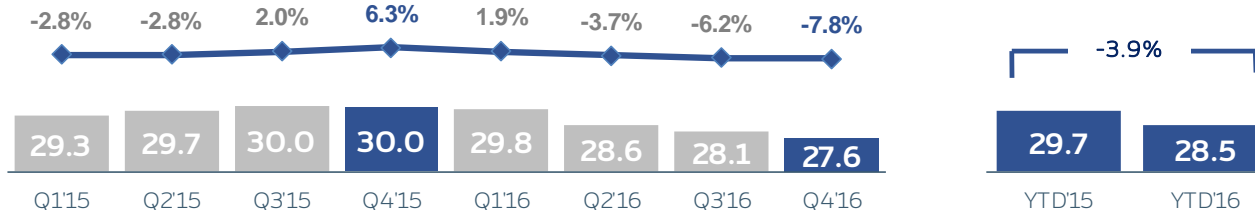
Postpaid exl. M2M* growth & EOP (000)



Q4'16 showing strong growth in Mobile customer base

- 13,000 Mobile Voice cards added in Q4'16.
- Low Postpaid churn at 9.8%.
- Total Mobile base of 937,000, +4.9% YoY.

Blended net mobile ARPU (EUR) & YoY variance



Blended Mobile ARPU down by 7.8% YoY

- Lowered EU roaming rates.
- Changing travel behavior more in favor of European destinations.
- Operating in an environment of growing pressure on prices from competition.

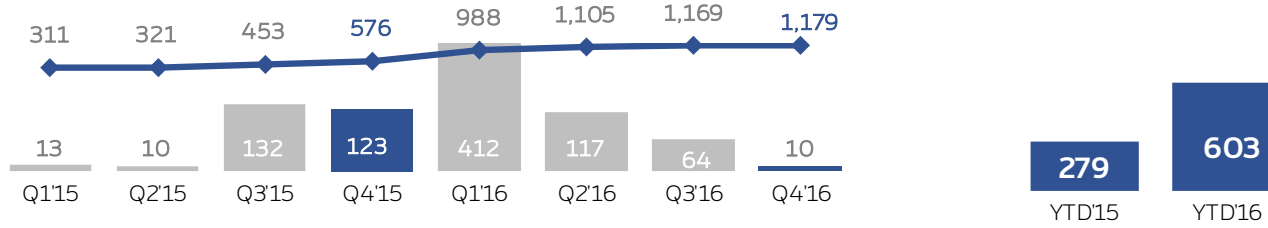
* And a limited number of Internet Everywhere data cards

Enterprise– Mobile part 2

Average monthly data usage of 4G-users reaching 1,170 Mb



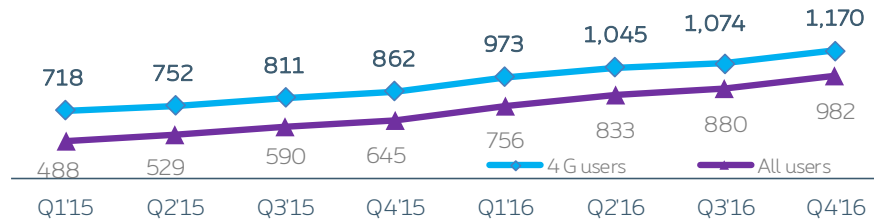
M2M *growth & EOP (000)



M2M growth returning to normal run-rates

- M2M park growth of 10,000 in Q4'16 with road-user charging project fully operational.
- Park end 2016: 1,179,000 cards.

Average monthly EBU mobile data usage in Mb



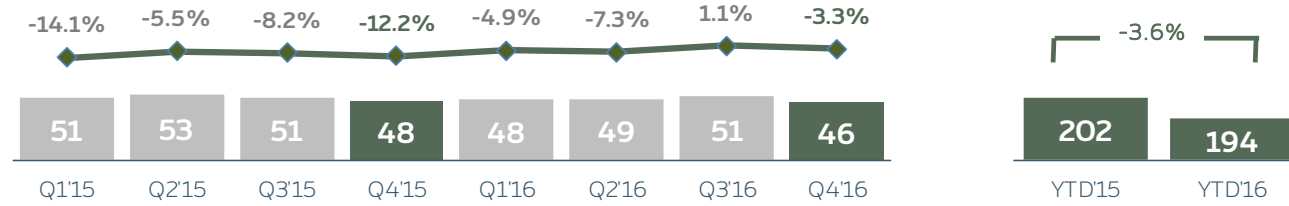
Enterprise's Average Monthly data consumption per user of data

- Overall average usage (3G and 4G devices) 982Mb/month, +52% YoY.
- Average usage for 4G-devices of 1,170Mb/month, up 36% YoY.
- Customers with 4G devices have ~4 times higher data consumption than non 4G.

* Including a very limited number of Internet Everywhere data cards

Wholesale

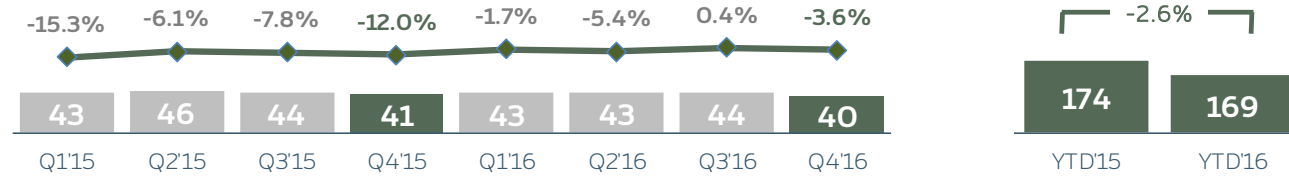
Wholesale underlying revenue (M€) & YoY



Q4'16 revenue totaled € 46m, -3.3 % YoY. Direct margin € 40m, -3.6 % YoY

- Impact in the fourth quarter from the regulated decrease in Fixed Termination Rates as from 1 November 2016, in part compensated for by Roaming-in for which revenue is up on higher data volumes.

Wholesale underlying direct margin (M€) & YoY

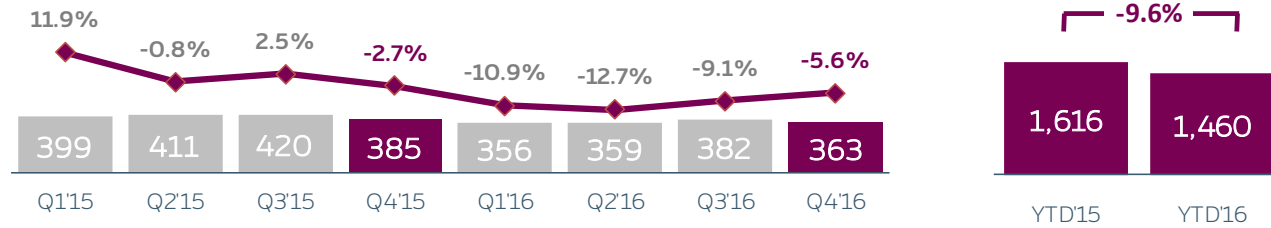


BICS – quarterly P&L – Part 1



Comparable base easing. BICS Q4'16 Direct margin +3.9%YoY

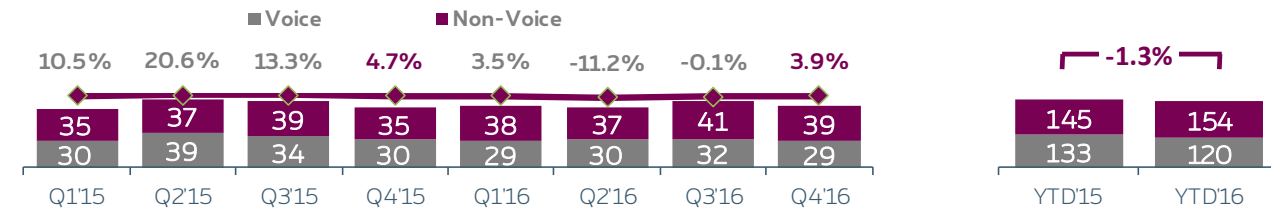
BICS underlying revenue (M€) & YoY variance



Q4'16 revenue totaled € 363m, -5.6% YoY

- Continued volatile Voice business and less favorable destination mix leading to -8.4% Voice revenue, better than prior quarters.
- Solid 7.6% increase in non-voice revenue, driven by a 7.3% continued growth in Messaging volumes.

BICS Direct Margin (M€)



Q4'16 Direct margin of € 68m, up 3.9% vs Q4'15

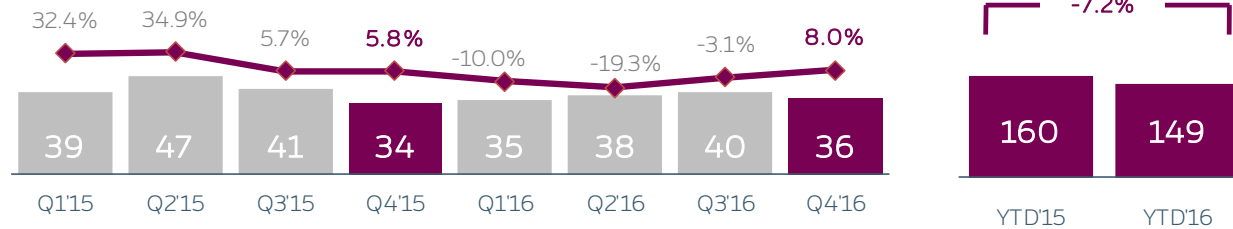
- Non-Voice direct margin +11.4%YoY at € 39m.
- This was partly offset by Voice direct margin, -4.6% YoY to €29m , under competitive pressure.
- This includes higher level of settlements YoY.

BICS – quarterly P&L - Part 2



Q4 underlying segment result +8.0% YoY, a significant improvement from prior 3 quarters

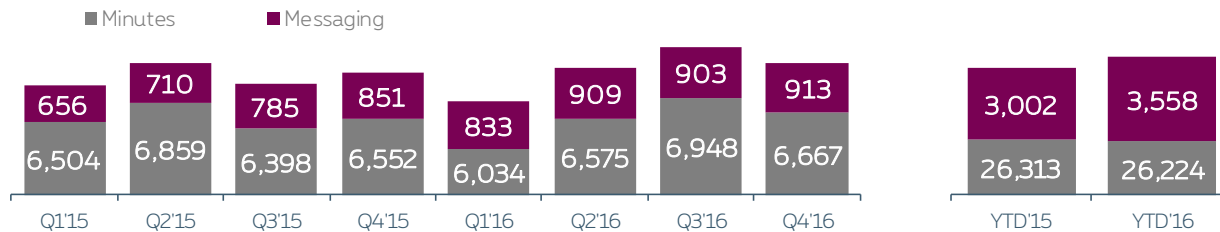
BICS underlying segment result (M€) & YoY variance



Q4'16 segment result of €36m, up 8% YoY

- Higher direct margin +3.9% YoY.
- Expenses down 0.5% YoY, on performance-based provisions and investments in new geographies & growth initiatives annualizing .
- Significant improvement from prior quarters, on higher settlements and easing comparable base .

BICS Volumes (in mio)



In Q4'16 BICS handled

- **6,667m** minutes, **+1.8%** YoY.
- Non-Voice volumes, **+7.3%** YoY.

Additional info

- Headcount evolution
- Pricing new portfolio
- Fiber investment
- Spectrum
- Shareholder structure & remuneration

Lower headcount with the execution of the voluntary early leave plan prior to retirement

What:

- Employees as from 60 years can stop their active career, first wave on 1 July 2016
- Last 2 years of active career, the work time is reduced to 80%
- Replacement income paid by Proximus until earliest retirement date

Outcome :

- 1.855 FTEs subscribed to the plan, leaving in 2016-2020.
- In addition, a significant number of employees will retire in the period 2016-2020

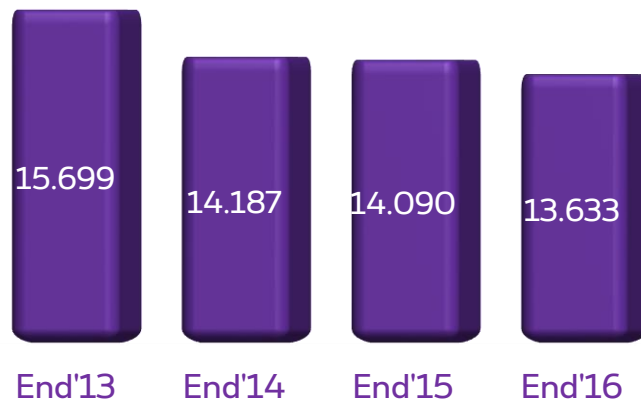
➔ **Combined, the outflow is estimated to be about 2,750 FTEs by 2020**

- This will be offset by limited external hiring for some specific domains and skills.

Financial implications:

- Cumulated over the period 2016-2019, Proximus will report € 239M in non-recurring expense covering all costs related to the early leave plan.
- In Q4'16 a non-recurring expense was recorded for € 18m.
- The benefit as of H2'16 of the lower headcount going forward has been reflected in underlying EBITDA,
- Net Cash Flow impact slightly positive as of 2016 and will build up over the years.

Headcount evolution (FTE's)

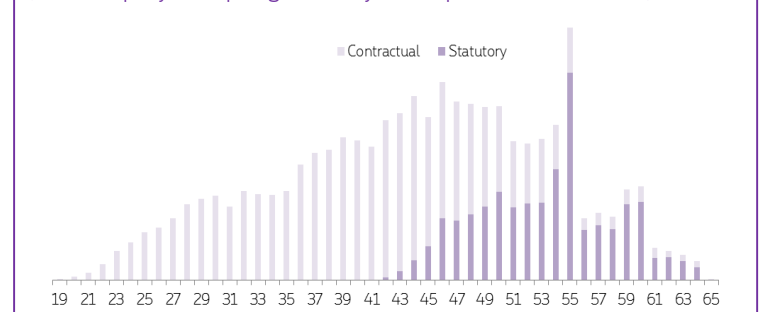


- -309 FTE's left in July 2016 in the context of the Early Leave Plan
- In total: -457 FTE's in 2016
- End -2016: 31% of civil servants

2016-2020
Early leave plan and retirements expected to lead to total outflow of about 2,750 FTEs

AGE pyramid


(excl. employees opting for Early leave plan & subsidiaries)











4-Play for residential customers

Add up to 6 mobile subscriptions



TUTTIMUS +  ...

S	M	L
€ 14	€ 25	€ 36



Tuttimus	Tuttimus	Tuttimus	Tuttimus	Tuttimus	Tuttimus
81,00 €	92,00 €	103,00 €	88,95 €	99,95 €	110,95 €
100 Mbps/15 Mbps unlimited volume 10 GB Cloud modem incl.	100 Mbps/15 Mbps unlimited volume 10 GB Cloud modem incl.	100 Mbps/15 Mbps unlimited volume 10 GB Cloud modem incl. Wi-Fi Extender	100 Mbps/15 Mbps unlimited volume 10 GB Cloud modem incl.	100 Mbps/15 Mbps unlimited volume 10 GB Cloud modem incl.	100 Mbps/15 Mbps unlimited volume 10 GB Cloud modem incl. Wi-Fi Extender
decoder incl TV Replay Proximus TV app 1 VoD/month incl. - 3mths free NETFLIX	decoder incl TV Replay Proximus TV app 1 VoD/month incl. - 3mths free NETFLIX	decoder incl TV Replay Proximus TV app 1 VoD/month incl. - 3mths free NETFLIX	decoder incl TV Replay Proximus TV app 1 VoD/month incl. TV bundle at choice 3mths free NETFLIX	decoder incl TV Replay Proximus TV app 1 VoD/month incl. TV bundle t at choice 3mths free NETFLIX	decoder incl TV Replay Proximus TV app 1 VoD/month incl. TV bundle at choice 3mths free NETFLIX
Free calls national to Fix & Mob - EV & WE Free calls international to Fix & Mob - EV & WE Free Family calls	Free calls national to Fix & Mob - EV & WE Free calls international to Fix & Mob - EV & WE Free Family calls	Free calls national to Fix & Mob - EV & WE Free calls international to Fix & Mob - EV & WE Free Family calls	Free calls national to Fix & Mob - EV & WE Free calls international to Fix & Mob - EV & WE Free Family calls	Free calls national to Fix & Mob - EV & WE Free calls international to Fix & Mob - EV & WE Free Family calls	Free calls national to Fix & Mob - EV & WE Free calls international to Fix & Mob - EV & WE Free Family calls
120 min Free Family calls unlimited sms 2 GB	unlimited min unlimited sms 5 GB	unlimited min unlimited sms 10 GB	120 min Free Family calls unlimited sms 2 GB	unlimited min unlimited sms 5 GB	unlimited min unlimited sms 10 GB
 Smart Wi-Fi & Wi-Fi hotspots	 Smart Wi-Fi & Wi-Fi hotspots	 Smart Wi-Fi & Wi-Fi hotspots	 Smart Wi-Fi & Wi-Fi hotspots	 Smart Wi-Fi & Wi-Fi hotspots	 Smart Wi-Fi & Wi-Fi hotspots
-	-	Mobile Coverage Ext	-	-	Mobile Coverage Ext

Comparing to cable offer, some examples

Tuttimus M	Tuttimus S + 2 nd mobile with Mobilus S
5GB	2GB + 2GB
Superfast unlimited surf	Superfast unlimited surf
Choose your favorite App : 	Choose your favorite App : 
Free national mobile calls. Free nat. and int. calls with fix line, evening and weekend, to fix and mobile numbers. Free calls between all numbers of your Tuttimus, always.	240 min national mobile calls/GSM. Nat. and int. calls with fixed line, evening and weekend, to fix and mobile numbers. Free calls between all numbers of your Tuttimus, always.
1 Blockbuster of your choice/month 3 months Netflix Choose your favorite content	1 Blockbuster of your choice/month 3 months Netflix Choose your favorite content
€99.95/m	€102.95/m

Wigo 100	Wigo 120
2GB to share between 2 cards	5GB to share between 5 cards
Superfast, limited surf (200GB)	Superfast limited surf
/	/
Always free calls to all numbers in Belgium. Mobile and with your fixed device. International calls not included.	Always free calls to all numbers in Belgium. Mobile and with your fixed device. International calls not included.
/	/
Paying options available. (Play 10€, Play More 24,95€, Play Sports 18,40€)	Paying options available. (Play 10€, Play More 24,95€, Play Sports 18,40€)
€100/m	€120/m



4-Play for Business customers



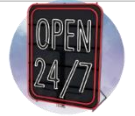
Unlimited fixed and mobile calls

Unlimited calls from mobile or fixed line to all fix & mobiles in Belgium.
Take your fixed line with you on your smartphone thanks to Bizz Office Switch



A maximum of internet, fix and mobile

Unlimited surfing at the office with INTENSE (100/20)
2nd SIM with 3GB for your tablet
Unlimited use of Facebook or another app of your choice



24h/24 assistance for your business

Same day assistance for internet, fixed line or TV + Helpdesk 24/7
Bizz Install : Configuration of your e-mail, OneDrive and Bizz Office Switch



Your business in the cloud

Safe storage in the cloud (1TB) with OneDrive for Business
Professional e-mail address



Digital TV on all your screens (option €10)

Free blockbuster, 3 months of Netflix for free/TV Replay (36 h) & decoder included



Extra mobile subscriptions for employees or family



Flexible & professional call management : Call Connect



Option Bizz Travel XL (for Bizz Mobile XL)

S

M

L

XL

Mobile:
600 min to EU
600 min in EU
Unl SMS in EU
Fix
Unl. In EU

3 GB

8 GB

12 GB
+ 600MB
(EU)

WiFi
Extender or
MCE for
free if
needed

Excl. VAT

€87

€95

€115

€77

€85

€105

€12

€18

€26

€46

€20 for the 2 first licences
+€24 for each additional licence

Excl. VAT

€20

400 min international to EU; 400 min EU roaming; 1,4 GB EU roaming



Familus - Fixed bundle for the whole family



Unlimited fast internet



Pick your favourite TV bundle and/or blockbuster; and 3 months free Netflix









Free calling in the evening and in weekends

Familus M	Familus L
€67	€74,95
max. 100 Mbps download ; <u>15 Mbps</u> upload ; unlimited	
Netflix 3 months for free	
1 <u>blockbuster</u> for free / month	1 blockbuster for free/ month 1 <u>Choose your favorite content:</u> <ul style="list-style-type: none"> • Movie&Series Pass • Entertainment Channels • Belgian foot • International Sport • Wanagogo Pass & Kids Channels
80 channels – TV Replay – Proximus TV app	
Free Evening & Weekends Calls National/International with your Fix Voice line to Fix and Mobile	
Free installation	




MOBILUS – Consumer offer for standalone mobile

Increased value for customers opting for Tuttimus: More data, more voice calling

Mobilus S €15/ month	Mobilus M €25/ month	Mobilus L €40/ month
Pick your favorite app (unlimited data volume)		
     		
1GB 120 min Unlimited sms	3GB 300 min Unlimited sms	8GB Unlimited sms Unlimited calling



Optional on Mobilus L



€20

Data & Travel

- + 5 GB national data
- +240 min in EU
- +240 min to EU
- +Unlm SMS in EU (roaming)
- + 240 MB in EU





Mobile subscriptions for business customers

Excl. VAT

Unlimited calls to fixed lines & colleagues

Unlimited usage of your favorite app

Work efficiently on a performing network

For employees	Budget	Unlimited	Data & Roaming
Bizz Mobile S	Bizz Mobile M	Bizz Mobile L	Bizz Mobile XL
€12	€21	€36	€56
Unlimited calls to fixed lines & colleagues in Belgium			
Fav app  100 min Unlimited SMS 1GB	Fav app  250 min Unlimited SMS 3 GB	Fav app  Unlimited calls Unlimited SMS 8 GB	Fav app  Unlimited calls Unlimited SMS 12 GB <u>Roaming/Interntl</u> 600 min to EU 600 min in EU 600 MB Unl. SMS in EU



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

Postpaid

Red

€ 8

**150 min
1000 SMS
500 MB**

€ 0.16 / minute
€ 0.07 / SMS
€ 0.05 / MB

Hot

€ 18

**500 min
2000 SMS
1 GB**

€ 0.16 / minute
€ 0.07 / SMS
€ 0.05 / MB

Chili

€ 28

**1000 min
5000 SMS
4 GB**

€ 0.16 / minute
€ 0.07 / SMS
€ 0.05 / MB

Prepaid

Reload 8

€ 8

**Bonus :
100 min to
Scarlet mobile
100 SMS**

€ 0.10 / minute
€ 0.04 / SMS
€ 0.10 / MB

Reload 15

€ 15

**Bonus :
Unlimited to Scarlet
Mobile
1000 SMS**

€ 0.10 / minute
€ 0.04 / SMS
€ 0.10 / MB

NEW
Boost internet! on →
Ajoutez 1 GB* pour 5 € par mois

Les abonnements mobiles moins chers

SCARLET SUPPRIME
LES FRAIS DE ROAMING


8€ / mois 18€ / mois 28€ / mois

Ajoutez 1 GB pour 5€ Ajoutez 1 GB pour 5€ Ajoutez 1 GB pour 5€

Fixed


internet Poco 🍷

€ 23 / month
Internet: 50 GB
Extra € 3 per block of 50 GB
Down 30 Mbps
Up 2 Mbps


internet Loco 🍷

€ 35 / month
Internet: Unlimited volume
Down 50 Mbps
Up 4 Mbps

TV + Fix + Internet

€ 39 / month

scarlet Trio 🍷

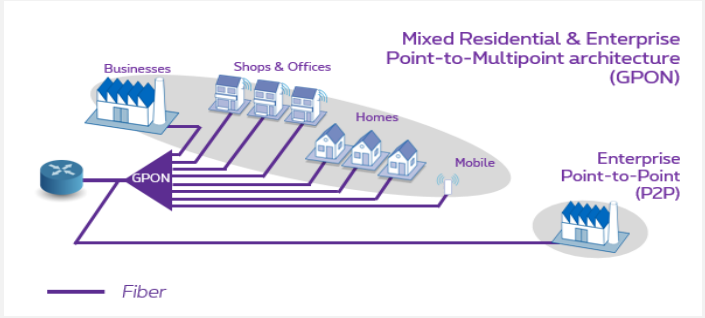
TV: ~30 channels
+
Fixed Voice line: Free calls to fix Off Peak
+
Internet: Unlimited volume
Down 50 Mbps
Up 4 Mbps

Proximus stepping up its network investments. Investing €3Bn in 10 years in fiber, a future-proof next generation network.

	Enterprise	Residential
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In dense city areas

Integrated Fiber-To-The-Home & Business (FTTH&Bus)



- GPON to serve all businesses & living units
- Wall mounting & underground roll-out
- Switch-off existing copper in mid-long term to lower costs

Outside dense city areas

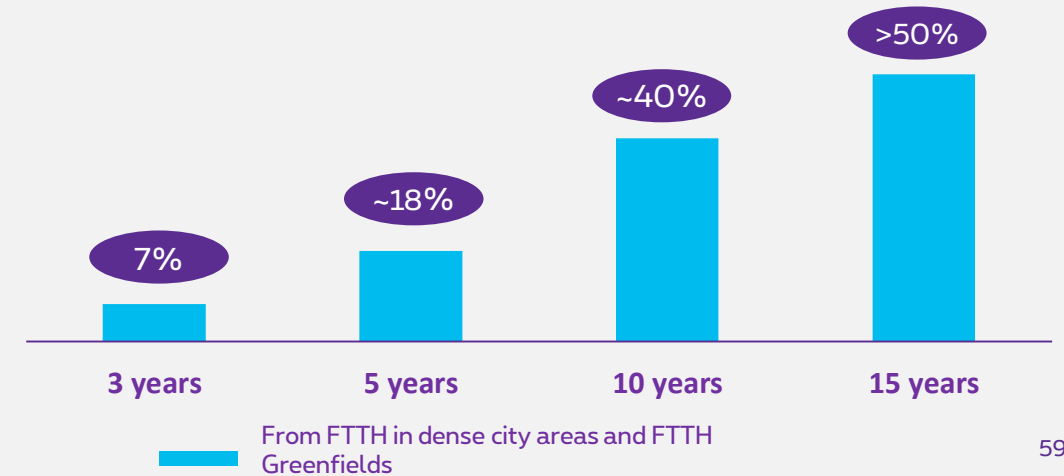
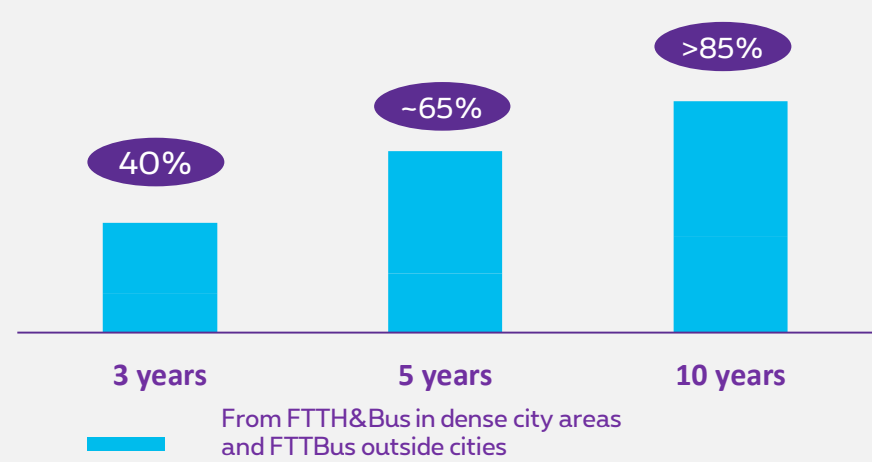
Fiber-To-The-Business (FTTBus)

- GPON to clusters of businesses
- P2P to individual business sites upon request

Fiber-To-The-Curb (FTTC)

- Densify the network to shorten average distance to the optical node (from 530m to <350m)
- Upgrade performance through ultra-vectoring

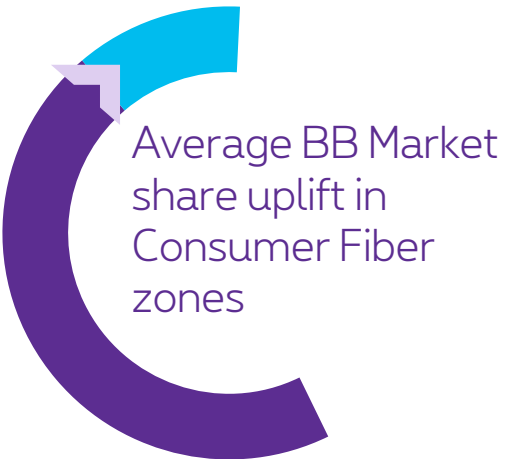
Fiber coverage ambition





Fiber to support sustainable long-term growth and important operational savings, while avoiding copper renewal in the Fiber zones

Support topline

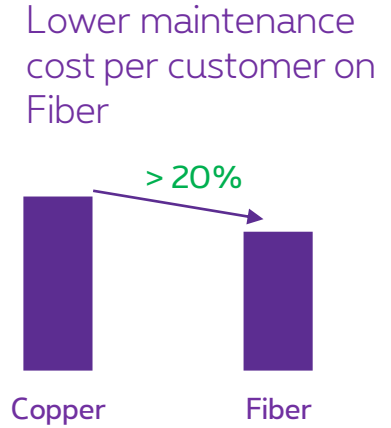
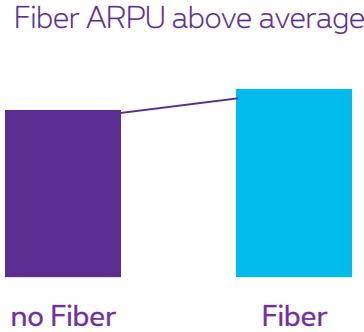
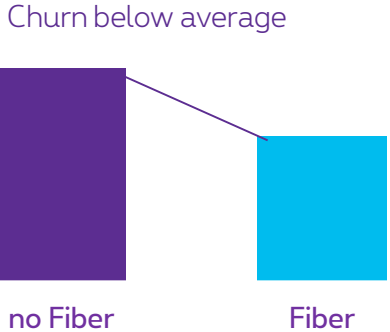


Improve cost structure

Structural and pro-active renewal of the network

Gradual outphasing of copper infrastructure as Fiber is rolled-out

- ✓ Capitalize on roadwork synergies
- ✓ Anticipate copper maintenance and renewal needs
- ✓ Passive network, low maintenance effort
- ✓ Ducts availability
- ✓ Lower power consumption
- ✓ Lower real estate footprint
- ✓ Longer equipment lifecycle





Investing in future growth while preserving sound FCF levels, covering stable dividend pay-out over the next 3 years

Limited incremental annual Capex

- Large part covered by rebalancing of Capex envelope
- Annual Capex estimated to stay around € 1Bn for 2017-2019
- Weight of Fiber in Group Capex will triple by 2019

Underlying EBITDA growth

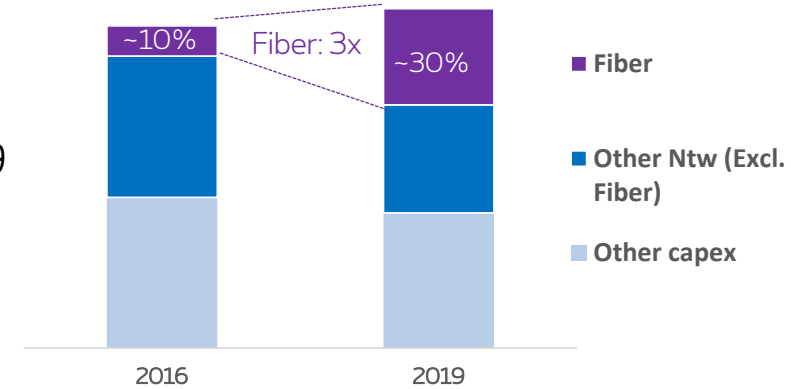
- Sound market position, with room for continued customer growth, upselling and improving market shares
- Lower the cost base through efficiencies

FCF covering dividend

Proximus intends to return a stable dividend of € 1.50/share over the period 2016-2019

Sound financial position

- Net debt/EBITDA ratio expected to remain stable at ~1X





Spectrum: ownership & usage

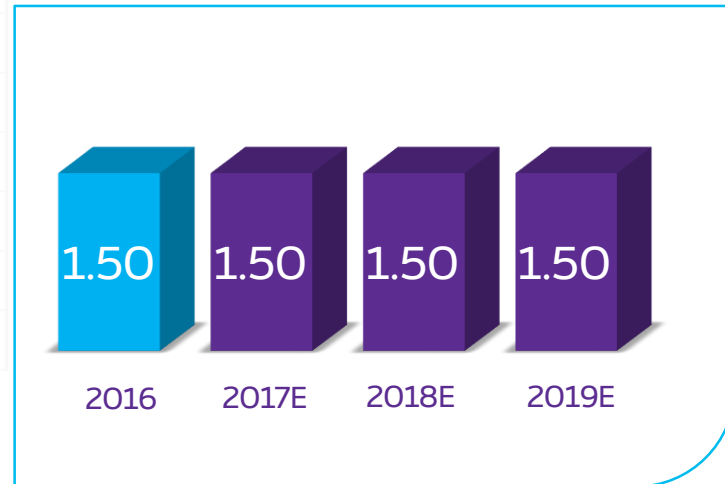
800 MHz	900MHz & 1800 MHz	2100 MHz	2600 MHz
<ul style="list-style-type: none"> Used for 4G Licenses granted in November '13 20 year-license valid until 29/11/2033 Proximus pays € 120 Mio in total (annual instalments) Coverage obligations 	<ul style="list-style-type: none"> Used for 2G, 3G and 4G Licenses 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 initially 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 Proximus paid € 20.22m (one-off payment) No coverage obligations
<ul style="list-style-type: none"> BIPT commissioned a study on renewal of 900 – 1800 & 2100 MHz spectrum and assigning of 700 MHz spectrum 			

800 MHz	Proximus 2 x 10	OBEL 2 x 10	Telenet 2 x 10					
900 MHz	Proximus 2 x 12.4	OBEL 2 x 11.6	Telenet 2 x 10.2					
1800 MHz	Proximus 2 x 24.8		OBEL 2 x 24.8	Telenet 2 x 24.8				
2100 MHz	Proximus 2 x 15	1x 5.4	OBEL 2 x 14.8	1x5	Telenet 2 x 14.8	1x5	Unallocated 2 x 14.8	1x5
2600 MHz	Proximus 2 x 20		OBEL 2 x 20	Telenet 2 x 15	Unallocated 2 x 15	Voyacom 1 x 45		

Proximus largest spectrum holder allowing best in class customer experience

Shareholder structure & remuneration

Dividend of 1.50/share



The Board of Directors approved to propose to the Annual General Shareholder meeting of 19 April 2017 to return over the result of 2016 a gross dividend of EUR 1.50 per share, of which EUR 0.50 per share was paid in December 2016.

- ex-coupon date: 26 April 2017
- record date: 27 April 2017
- payment date: 28 April 2017

In line with the announced three-year commitment on 16 December 2016, Proximus expects to return over 2017-2019 a stable gross dividend per share of €1.50.

31 December 2016	Number of shares	% Shares	% Voting rights	% Dividend rights	Number of shares with voting rights	Number of shares with dividend rights
Belgian state	180,887,569	53.51%	56.07%	55.86%	180,887,569	180,887,569
Own shares	15,388,032	4.55%	0.00%	0.36%	0	1,167,056
Free-float	141,749,534	41.93%	43.93%	43.78%	141,749,534	141,749,534
Total	338,025,135	100.00%	100.00%	100.00%	322,637,103	323,804,159

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 evolution, and may be subject to change in the event of unforeseen risks or other factors beyond the company's control.

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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”