

40				1	EUR	
NAT.	Date of the deposition	No. 0202.239.951	pp.	E.	D.	C 1

**ANNUAL ACCOUNTS AND OTHER DOCUMENTS TO BE DEPOSITED  
IN ACCORDANCE WITH THE COMPANIES CODE**

**IDENTIFICATION**

NAME: **PROXIMUS**

Legal form: **S.A. de droit public**

Address: **Boulevard du Roi Albert II-Koning Albert II laan**

Nr.: 27

Postal Code: **1030**

City: **Brussel 3**

Country: **Belgium**

Register of Legal Persons (RLP) - Office of the commercial court at: **Brussel, Dutch-speaking**

Internet address : <sup>1</sup>

Company number: **0202.239.951**

DATE **03/05/2016** of the deposition of the partnership deed OR of the most recent document mentioning the date of publication of the partnership deed and the act changing the articles of association.

ANNUAL ACCOUNTS **IN EURO** <sup>2</sup>

ANNUAL ACCOUNTS approved by by the General Meeting of **18/04/2018**  
 concerning the financial year covering the period from **01/01/2017** till **31/12/2017**  
 Previous period from **01/01/2016** till **31/12/2016**

The amounts of the previous financial year are / ~~are not~~ <sup>3</sup> identical to those which have been previously published.

Total number of pages deposited: **64**  
 of service: 6.1, 6.2.1, 6.2.2, 6.2.5, 6.3.5, 6.5.2, 9

Number of the pages of the standard form not deposited for not being

Signature  
 (name and position)  
**LEROY Dominique**  
 Chief Executive Officer

Signature  
 (name and position)  
**DE CLERCK Stefaan**  
 Chairman

<sup>1</sup> Optional statement.

<sup>2</sup> If necessary, adjust the unit and currency in which the amounts are expressed

<sup>3</sup> Delete where appropriate.

## LIST OF DIRECTORS, MANAGERS AND AUDITORS

LEROY Dominique, Chief Executive Officer  
Avenue du Putdael 6, 1150 Brussels, BELGIUM

DE CLERCK Stefaan, Chairman of the Board of Directors  
Damkaai 7, 8500 Kortrijk, BELGIUM

DE GUCHT Karel, President of the Institute of European Studies and Director  
Hoogstraat 9, 9290 Berlare, BELGIUM  
Director

DUREZ Martine, Director of Companies  
Avenue de Saint-Pierre 34, 7000 Mons, BELGIUM  
Director

LEVAUX Laurent, Director of Companies  
Avenue du Maréchal 23, 1180 Uccle, BELGIUM  
Director

SANTENS Isabelle, Director of Companies  
Wannegem-Ledestraat 36, 9772 Kruishoutem, BELGIUM  
Director

VAN de PERRE Paul, CEO Five Financial Solutions  
Leliestraat 80, 1702 Dilbeek, BELGIUM  
Director

## Representatives of shareholders other than the Belgian State:

DEMUELENAERE Pierre, Director of Companies  
Rue des Couteliers 24, 1490 Court Saint-Etienne, BELGIUM  
Director

DEMUYNCK Guido J.M., Director of Companies  
Wagnerlaan 11, 1217 CP Hilversum, THE NETHERLANDS  
Director

DE PRYCKER Martin, Managing Partner Qbic Fund  
De Cauwerstraat 41, 9100 Sint-Niklaas, BELGIUM  
Director

TOURAIN Agnès, Chef d'entreprise  
5 Rue de Budé, 75004 Paris, FRANCE  
Director

VANDENBORRE Catherine, Chief Financial Officer Elia  
Clos du Champ de Bourgeois 11, 1330 Rixensart, BELGIUM  
Director

RANDERY Tanuja, Operating Executive Apax Partners LLP  
19A Lexham Mews, W8 6JW London, UNITED KINGDOM  
Director

VAN DEN HOVE Luc, President & CEO imec  
Jachthuislaan 29, 3210 Lubbeek, BELGIUM  
Director

## LIST OF DIRECTORS, MANAGERS AND AUDITORS (continuation of the previous page)

## DELOITTE, Réviseurs d'entreprises S.C. s.f.d. S.C.R.L

Gateway Building, Luchthaven Nationaal 1 J, 1930 Zaventem, BELGIUM

Chairman of the Board of Auditors

Company number: BE 0429.053.863

Number of membership with the Institute of Auditors: B00025

Represented by Michel Denayer

Gateway Building, Luchthaven Nationaal 1 J, 1930 Zaventem, BELGIUM

Auditor

Number of membership with the Institute of Auditors: A01346

## DEBUCQUOY Jan, Councillor Auditor's Office

Oude Sint-Gommarrusstraat 27, 2800 Mechelen, BELGIUM

Auditor

## RION Pierre, Councillor Auditor's Office

Rue Nestor Bouillon 40A, 5377 Sinsin, BELGIUM

Auditor

## CDP Petit &amp; Co S.P.R.L

Rue de l'Hospice Communal 6, 1170 Watermaal-Bosvoorde, BELGIUM

Auditor

Company number: BE 0670.625.336

Number of membership with the Institute of Auditors: B00938

Represented by Damien Petit

Avenue Princesse Paola 6, 1410 Waterloo, BELGIUM

Auditor

Number of membership with the Institute of Auditors: A01500

**DECLARATION ABOUT SUPPLEMENTARY AUDITING OR ADJUSTMENT MISSION**

The managing board declares that the assignment neither regarding auditing nor adjusting has been given to a person who was not authorised by law pursuant to art. 34 and 37 of the Law of 22nd April 1999 concerning the auditing and tax professions.

Have the annual accounts been audited or adjusted by an external accountant or auditor who is not an statutory auditor ? ~~Yes~~ / No

If YES, mention here after: name, first names, profession, residence-address of each external accountant or auditor, the number of membership with the professional Institute ad hoc and the nature of this engagement:

- A. Bookkeeping of the undertaking \*\*,
- B. Preparing the annual accounts \*\*,
- C. Auditing the annual accounts and/or
- D. Adjusting the annual accounts.

If the assignment mentioned either under A or B is performed by authorised accountants or authorised accountants-tax consultants, information will be given on: name, first names, profession and residence-address of each authorised accountant or accountant-tax consultant, his number of membership with the Professional Institute of Accountants and Tax consultants and the nature of this engagement.

Name, first name, profession, residence-address	Number of membership	Nature of the engagement (A, B, C and/or D)

\* Delete where appropriate.

\*\* Optional disclosure.

## ANNUAL ACCOUNTS

## BALANCE SHEET AFTER APPROPRIATION

	Notes	Codes	Period	Previous period
<b>ASSETS</b>				
<b>FORMATION EXPENSES</b> .....	6.1	20		
<b>FIXED ASSETS</b> .....		21/28	<u>14.960.454.967</u>	<u>15.175.689.632</u>
<b>Intangible fixed assets</b> .....	6.2	21	3.064.536.967	3.358.199.295
<b>Tangible fixed assets</b> .....	6.3	22/27	2.685.903.696	2.612.974.410
Land and buildings .....		22	125.838.210	135.703.147
Plant, machinery and equipment .....		23	2.513.510.363	2.425.899.985
Furniture and vehicles .....		24	18.926.917	22.533.073
Leasing and other rights .....		25	188.767	
Other tangible fixed assets .....		26	27.439.439	28.838.205
Tangible assets under construction and advance payments made .....		27		
<b>Financial fixed assets</b> .....	6.4 / 6.5.1	28	9.210.014.304	9.204.515.927
Affiliated enterprises .....	6.15	280/1	9.202.328.402	9.196.311.774
Participating interests .....		280	9.202.328.402	9.196.311.774
Amounts receivable .....		281		
Other enterprises linked by participating interests .....	6.15	282/3	5.043.928	5.912.943
Participating interests .....		282	3.661.010	5.912.943
Amounts receivable .....		283	1.382.918	
Other financial assets .....		284/8	2.641.974	2.291.210
Shares .....		284	322.500	172.500
Amounts receivable and cash guarantees .....		285/8	2.319.474	2.118.710

	Notes	Codes	Period	Previous period
<b>CURRENT ASSETS</b> .....		29/58	<u>1.467.114.178</u>	<u>1.314.692.499</u>
<b>Amounts receivable after more than one year</b> .....		29	144.015.468	15.468
Trade debtors .....		290		
Other amounts receivable .....		291	144.015.468	15.468
<b>Stocks and contracts in progress</b> .....		3	111.495.061	117.945.667
Stocks .....		30/36	95.587.148	98.015.089
Raw materials and consumables .....		30/31	29.343.401	33.272.330
Work in progress .....		32		
Finished goods .....		33		
Goods purchased for resale .....		34	66.243.747	64.742.759
Immovable property intended for sale .....		35		
Advance payments .....		36		
Contracts in progress .....		37	15.907.913	19.930.578
<b>Amounts receivable within one year</b> .....		40/41	656.612.303	633.624.811
Trade debtors .....		40	574.407.246	581.353.061
Other amounts receivable .....		41	82.205.057	52.271.750
<b>Current investments</b> .....	6.5.1 / 6.6	50/53	461.997.831	477.603.781
Own shares .....		50	420.347.469	419.563.012
Other investments and deposits .....		51/53	41.650.362	58.040.769
<b>Cash at bank and in hand</b> .....		54/58	38.605.134	29.826.354
<b>Deferred charges and accrued income</b> .....	6.6	490/1	54.388.381	55.676.418
<b>TOTAL ASSETS</b> .....		20/58	16.427.569.145	16.490.382.131

	Notes	Codes	Period	Previous period
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b> .....		10/15	<u>1.866.284.512</u>	<u>2.043.044.026</u>
<b>Capital</b> .....	6.7.1	10	1.000.000.000	1.000.000.000
Issued capital .....		100	1.000.000.000	1.000.000.000
Uncalled capital <sup>4</sup> .....		101		
<b>Share premium account</b> .....		11		
<b>Revaluation surpluses</b> .....		12		
<b>Reserves</b> .....		13	736.054.274	738.539.069
Legal reserve .....		130	100.000.000	100.000.000
Reserves not available .....		131	435.002.353	436.592.751
In respect of own shares held .....		1310	420.347.469	419.563.012
Others .....		1311	14.654.884	17.029.739
Untaxed reserves .....		132	9.800.093	9.866.033
Available reserves .....		133	191.251.828	192.080.285
<b>Accumulated profits (losses)</b> .....(+)/(-)		14	130.230.238	304.501.233
<b>Investment grants</b> .....		15		3.724
<b>Advance to associates on the sharing out of the assets</b> <sup>5</sup> .....		19		
<b>PROVISIONS AND DEFERRED TAXES</b> .....		16	<u>708.508.725</u>	<u>752.877.359</u>
<b>Provisions for liabilities and charges</b> .....		160/5	706.659.700	750.160.193
Pensions and similar obligations .....		160		
Taxation .....		161		
Major repairs and maintenance .....		162		
Environmental liabilities .....		163	2.617.137	2.617.138
Other risks and costs .....	6.8	164/5	704.042.563	747.543.055
<b>Deferred taxes</b> .....		168	1.849.025	2.717.166

<sup>4</sup> Amount to be deducted from the issued capital.

<sup>5</sup> Amount to be deducted from the other components of equity.

	Notes	Codes	Period	Previous period
<b>AMOUNTS PAYABLE</b> .....		17/49	<u>13.852.775.908</u>	<u>13.694.460.746</u>
<b>Amounts payable after more than one year</b> .....	6.9	17	11.585.935.374	9.612.158.086
Financial debts .....		170/4	11.450.703.061	9.454.519.462
Subordinated loans .....		170		
Unsubordinated debentures .....		171	1.854.796.147	1.758.612.547
Leasing and other similar obligations .....		172		
Credit institutions .....		173	9.595.906.914	7.695.906.915
Other loans .....		174		
Trade debts .....		175	128.910.097	141.774.624
Suppliers .....		1750	128.910.097	141.774.624
Bills of exchange payable .....		1751		
Advances received on contracts in progress .....		176		
Other amounts payable .....		178/9	6.322.216	15.864.000
<b>Amounts payable within one year</b> .....	6.9	42/48	2.083.647.406	3.936.116.692
Current portion of amounts payable after more than one year falling due within one year .....		42	512.936.640	281.606.369
Financial debts .....		43	191.929.251	2.339.100.032
Credit institutions .....		430/8	191.929.251	2.339.100.032
Other loans .....		439		
Trade debts .....		44	715.381.375	687.653.780
Suppliers .....		440/4	715.381.375	687.653.780
Bills of exchange payable .....		441		
Advances received on contracts in progress .....		46	5.034.212	7.200.382
Taxes, remuneration and social security .....	6.9	45	274.996.453	244.947.607
Taxes .....		450/3	102.384.417	80.575.540
Remuneration and social security .....		454/9	172.612.036	164.372.067
Other amounts payable .....		47/48	383.369.475	375.608.522
<b>Accrued charges and deferred income</b> .....	6.9	492/3	183.193.128	146.185.968
<b>TOTAL LIABILITIES</b> .....		10/49	16.427.569.145	16.490.382.131



## INCOME STATEMENT

	Notes	Codes	Period	Previous period
<b>Operating income and charges</b> .....		70/76A	4.489.018.514	4.492.046.987
Turnover .....	6.10	70	4.058.643.958	4.034.986.251
Increase (decrease) in stocks of finished goods, work and contracts in progress .....		71	-4.022.665	2.933.783
Own construction capitalised .....		72	370.975.666	388.216.801
Other operating income .....	6.10	74	55.751.334	55.731.297
Non-recurring operating income .....	6.12	76A	7.670.221	10.178.855
<b>Operating charges</b> .....		60/66A	4.067.759.028	4.286.061.960
Raw materials, consumables .....		60	588.903.628	589.773.050
Purchases .....		600/8	582.610.616	604.899.798
Decrease (increase) in stocks .....		609	6.293.012	-15.126.748
Services and other goods .....		61	1.378.696.443	1.378.722.612
Remuneration, social security costs and pensions ..	6.10	62	917.311.706	926.892.372
Depreciation of and amounts written off formation expenses, intangible and tangible fixed assets .....		630	1.142.548.615	1.083.363.217
Increase, Decrease in amounts written off stocks contracts in progress and trade debtors: Appropriations (write-backs) .....		631/4	-10.970.887	-2.113.589
Provisions for risks and charges - Appropriations (uses and write-backs) .....	6.10	635/8	-12.997.988	-11.553.284
Other operating charges .....	6.10	640/8	49.160.631	30.784.598
Operation charges carried to assets as restructuring costs .....		649		
Non-recurring operating charges .....	6.12	66A	15.106.880	290.192.984
<b>Operating profit (loss)</b> .....		9901	421.259.486	205.985.027

	Notes	Codes	Period	Previous period
<b>Financial income</b> .....		75/76B	284.775.837	658.984.576
Recurring financial income .....		75	280.745.181	655.903.050
Income from financial fixed assets .....		750	267.912.225	645.715.352
Income from current assets .....		751	2.299.020	867.610
Other financial income .....	6.11	752/9	10.533.936	9.320.088
Non-recurring financial income .....	6.12	76B	4.030.656	3.081.526
<b>Financial charges</b> .....	6.11	65/66B	231.531.675	360.654.121
Recurring financial charges .....		65	224.609.693	360.654.121
Debt charges .....		650	212.358.272	342.130.432
Amounts written down on current assets except stocks, contracts in progress and trade debtors .....		651	-513.819	8.066.495
Other financial charges .....		652/9	12.765.240	10.457.194
Non recurring financial charges .....	6.12	66B	6.921.982	
<b>Profit (loss) for the period before taxes</b> .....		9903	474.503.648	504.315.482
<b>Transfer from postponed taxes</b> .....		780	319.650	319.650
<b>Transfer to postponed taxes</b> .....		680		
<b>Income taxes</b> .....	6.13	67/77	140.671.409	25.984.480
Income taxes .....		670/3	172.326.045	31.223.872
Adjustment of income taxes and write-back of tax provisions .....		77	31.654.636	5.239.392
<b>Profit (loss) for the period</b> .....		9904	334.151.889	478.650.652
<b>Transfer from untaxed reserves</b> .....		789	617.049	617.049
<b>Transfer to untaxed reserves</b> .....		689	2.618	2.618
<b>Profit (loss) for the period available for appropriation</b> .....		9905	334.766.320	479.265.083

**APPROPRIATION ACCOUNT**

	Codes	Period	Previous period
<b>Profit (loss) to be appropriated</b> .....(+)/(-)	9906	639.267.553	815.372.246
Gain (loss) to be appropriated .....(+)/(-)	(9905)	334.766.320	479.265.083
Profit (loss) to be carried forward .....(+)/(-)	14P	304.501.233	336.107.163
<b>Transfers from capital and reserves</b> .....	791/2	3.708.700	1.993.908
from capital and share premium account .....	791		
from reserves .....	792	3.708.700	1.993.908
<b>Transfers to capital and reserves</b> .....	691/2	1.289.844	1.764.277
to capital and share premium account .....	691		
to the legal reserve .....	6920		
to other reserves .....	6921	1.289.844	1.764.277
<b>Profit (loss) to be carried forward</b> .....(+)/(-)	(14)	130.230.238	304.501.233
<b>Owner's contribution in respect of losses</b>	794		
<b>Profit to be distributed</b> .....	694/7	511.456.171	511.100.644
Dividends .....	694	487.730.988	485.884.870
Director's or managers' entitlements .....	695		
Workers .....	696	23.725.183	25.215.774
Other beneficiaries .....	697		

	Codes	Period	Previous period
<b>CONCESSIONS, PATENTS, LICENCES, KNOWHOW, BRANDS AND SIMILAR RIGHTS</b>			
<b>Acquisition value at the end of the period</b> .....	8052P	xxxxxxxxxxxxxxx	2.742.779.147
<b>Movements during the period</b>			
Acquisitions, including produced fixed assets .....	8022	315.658.970	
Sales and disposals .....	8032	95.478.783	
Transfers from one heading to another .....(+)/(-)	8042	-481.391	
<b>Acquisition value at the end of the period</b> .....	8052	2.962.477.943	
<b>Depreciation and amounts written down at the end of the period</b> .....	8122P	xxxxxxxxxxxxxxx	1.997.375.336
<b>Movements during the period</b>			
Recorded .....	8072	283.931.951	
Written back .....	8082		
Acquisitions from third parties .....	8092		
Cancelled owing to sales and disposals .....	8102	95.595.804	
Transfers from one heading to another .....(+)/(-)	8112	-80.643	
<b>Depreciation and amounts written down at the end of the period</b> .....	8122	2.185.630.840	
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	211	<u>776.847.103</u>	

	Codes	Period	Previous period
<b>GOODWILL</b>			
<b>Acquisition value at the end of the period</b> .....	8053P	xxxxxxxxxxxxxxxx	5.003.792.121
<b>Movements during the period</b>			
Acquisitions, including produced fixed assets .....	8023		
Sales and disposals .....	8033		
Transfers from one heading to another .....(+)/(-)	8043		
<b>Acquisition value at the end of the period</b> .....	8053	5.003.792.121	
<b>Depreciation and amounts written down at the end of the period</b> .....	8123P	xxxxxxxxxxxxxxxx	2.390.996.637
<b>Movements during the period</b>			
Recorded .....	8073	325.105.620	
Written back .....	8083		
Acquisitions from third parties .....	8093		
Cancelled owing to sales and disposals .....	8103		
Transfers from one heading to another .....(+)/(-)	8113		
<b>Depreciation and amounts written down at the end of the period</b> .....	8123	2.716.102.257	
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	212	<u>2.287.689.864</u>	

**STATEMENT OF TANGIBLE FIXED ASSETS**

	Codes	Period	Previous period
<b>LAND AND BUILDINGS</b>			
<b>Acquisition value at the end of the period</b> .....	8191P	xxxxxxxxxxxxxxxx	369.536.044
<b>Movements during the period</b>			
Acquisitions, including produced fixed assets .....	8161	839.084	
Sales and disposals .....	8171	235.515	
Transfers from one heading to another .....(+)/(-)	8181		
<b>Acquisition value at the end of the period</b> .....	8191	370.139.613	
<b>Revaluation surpluses at the end of the period</b> .....	8251P	xxxxxxxxxxxxxxxx	
<b>Movements during the period</b>			
Recorded .....	8211		
Acquisitions from third parties .....	8221		
Cancelled .....	8231		
Transfers from one heading to another .....(+)/(-)	8241		
<b>Revaluation surpluses at the end of the period</b> .....	8251		
<b>Depreciation and amounts written down at the end of the period</b> .....	8321P	xxxxxxxxxxxxxxxx	233.832.897
<b>Movements during the period</b>			
Recorded .....	8271	10.702.906	
Written back .....	8281		
Acquisitions from third parties .....	8291		
Cancelled owing to sales and disposals .....	8301	234.400	
Transfers from one heading to another .....(+)/(-)	8311		
<b>Depreciation and amounts written down at the end of the period</b> .....	8321	244.301.403	
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	(22)	<u>125.838.210</u>	

	Codes	Period	Previous period
<b>PLANT, MACHINERY AND EQUIPMENT</b>			
<b>Acquisition value at the end of the period</b> .....	8192P	xxxxxxxxxxxxxx	11.013.116.799
<b>Movements during the period</b>			
Acquisitions, including produced fixed assets .....	8162	590.679.477	
Sales and disposals .....	8172	1.236.831.330	
Transfers from one heading to another .....(+)/(-)	8182	492.272	
<b>Acquisition value at the end of the period</b> .....	8192	10.367.457.218	
<b>Revaluation surpluses at the end of the period</b> .....	8252P	xxxxxxxxxxxxxx	
<b>Movements during the period</b>			
Recorded .....	8212		
Acquisitions from third parties .....	8222		
Cancelled .....	8232		
Transfers from one heading to another .....(+)/(-)	8242		
<b>Revaluation surpluses at the end of the period</b> .....	8252		
<b>Depreciation and amounts written down at the end of the period</b>	8322P	xxxxxxxxxxxxxx	8.587.216.814
<b>Movements during the period</b>			
Recorded .....	8272	503.419.401	
Written back .....	8282		
Acquisitions from third parties .....	8292		
Cancelled owing to sales and disposals .....	8302	1.236.769.782	
Transfers from one heading to another .....(+)/(-)	8312	80.422	
<b>Depreciation and amounts written down at the end of the period</b> .....	8322	7.853.946.855	
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	(23)	<u>2.513.510.363</u>	

	Codes	Period	Previous period
<b>FURNITURE AND VEHICLES</b>			
<b>Acquisition value at the end of the period</b> .....	8193P	xxxxxxxxxxxxxxx	107.777.391
<b>Movements during the period</b>			
Acquisitions, including produced fixed assets .....	8163	6.050.862	
Sales and disposals .....	8173	14.455.523	
Transfers from one heading to another .....(+)/(-)	8183		
<b>Acquisition value at the end of the period</b> .....	8193	99.372.730	
<b>Revaluation surpluses at the end of the period</b> .....	8253P	xxxxxxxxxxxxxxx	
<b>Movements during the period</b>			
Recorded .....	8213		
Acquisitions from third parties .....	8223		
Cancelled .....	8233		
Transfers from one heading to another .....(+)/(-)	8243		
<b>Revaluation surpluses at the end of the period</b> .....	8253		
<b>Depreciation and amounts written down at the end of the period</b> .....	8323P	xxxxxxxxxxxxxxx	85.244.317
<b>Movements during the period</b>			
Recorded .....	8273	7.223.482	
Written back .....	8283		
Acquisitions from third parties .....	8293		
Cancelled owing to sales and disposals .....	8303	12.021.986	
Transfers from one heading to another .....(+)/(-)	8313		
<b>Depreciation and amounts written down at the end of the period</b> .....	8323	80.445.813	
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	(24)	<u>18.926.917</u>	



	Codes	Period	Previous period
<b>LEASING AND SIMILAR RIGHTS</b>			
<b>Acquisition value at the end of the period</b> .....	8194P	xxxxxxxxxxxxxxxx	
<b>Movements during the period</b>			
Acquisitions, including produced fixed assets .....	8164	260.000	
Sales and disposals .....	8174		
Transfers from one heading to another .....	8184		
<b>Acquisition value at the end of the period</b> .....	8194	260.000	
<b>Revaluation surpluses at the end of the period</b> .....	8254P	xxxxxxxxxxxxxxxx	
<b>Movements during the period</b>			
Recorded .....	8214		
Acquisitions from third parties .....	8224		
Cancelled .....	8234		
Transfers from one heading to another .....	8244		
<b>Revaluation surpluses at the end of the period</b> .....	8254		
<b>Depreciation and amounts written down at the end of the period</b> .....	8324P	xxxxxxxxxxxxxxxx	
<b>Movements during the period</b>			
Recorded .....	8274	71.233	
Written back .....	8284		
Acquisitions from third parties .....	8294		
Cancelled owing to sales and disposals .....	8304		
Transfers from one heading to another .....	8314		
<b>Depreciation and amounts written down at the end of the period</b> .....	8324	71.233	
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	(25)	<u>188.767</u>	
<b>WHEREOF</b>			
Land and buildings .....	250		
Plant, machinery and equipment .....	251		
Furniture and vehicles .....	252	188.767	

	Codes	Period	Previous period
<b>OTHER TANGIBLE FIXED ASSETS</b>			
<b>Acquisition value at the end of the period</b> .....	8195P	xxxxxxxxxxxxxxx	247.632.236
<b>Movements during the period</b>			
Acquisitions, including produced fixed assets .....	8165	10.772.517	
Sales and disposals .....	8175	8.316.055	
Transfers from one heading to another .....(+)/(-)	8185	-10.880	
<b>Acquisition value at the end of the period</b> .....	8195	250.077.818	
<b>Revaluation surpluses at the end of the period</b> .....	8255P	xxxxxxxxxxxxxxx	
<b>Movements during the period</b>			
Recorded .....	8215		
Acquisitions from third parties .....	8225		
Cancelled .....	8235		
Transfers from one heading to another .....(+)/(-)	8245		
<b>Revaluation surpluses at the end of the period</b> .....	8255		
<b>Depreciation and amounts written down at the end of the period</b>	8325P	xxxxxxxxxxxxxxx	218.794.031
<b>Movements during the period</b>			
Recorded .....	8275	12.094.023	
Written back .....	8285		
Acquisitions from third parties .....	8295		
Cancelled owing to sales and disposals .....	8305	8.249.896	
Transfers from one heading to another .....(+)/(-)	8315	221	
<b>Depreciation and amounts written down at the end of the period</b> .....	8325	222.638.379	
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	(26)	<u>27.439.439</u>	

**STATEMENT OF FINANCIAL FIXED ASSETS**

	Codes	Period	Previous period
<b>AFFILIATED ENTERPRISES - PARTICIPATING INTERESTS AND SHARES</b>			
Acquisition value at the end of the period .....	8391P	xxxxxxxxxxxxxx	9.280.811.446
<b>Movements during the period</b>			
Acquisitions, including produced fixed assets .....	8361	6.019.968	
Sales and disposals .....	8371	1.003.340	
Transfers from one heading to another .....(+)/(-)	8381		
Acquisition value at the end of the period .....	8391	9.285.828.074	
Revaluation surpluses at the end of the period .....	8451P	xxxxxxxxxxxxxx	
<b>Movements during the period</b>			
Recorded .....	8411		
Acquisitions from third parties .....	8421		
Cancelled .....	8431		
Transfers from one heading to another .....(+)/(-)	8441		
Revaluation surpluses at the end of the period .....	8451		
Amounts written down at the end of the period .....	8521P	xxxxxxxxxxxxxx	84.039.520
<b>Movements during the period</b>			
Recorded .....	8471		
Written back .....	8481	1.000.000	
Acquisitions from third parties .....	8491		
Cancelled owing to sales and disposals .....	8501		
Transfers from one heading to another .....(+)/(-)	8511		
Amounts written down at the end of the period .....	8521	83.039.520	
Uncalled amounts at the end of the period .....	8551P	xxxxxxxxxxxxxx	460.152
Movements during the period .....(+)/(-)	8541		
Uncalled amounts at the end of the period .....	8551	460.152	
<b>NET BOOK VALUE AT THE END OF THE PERIOD .....</b>	<b>(280)</b>	<b>9.202.328.402</b>	
<b>AFFILIATED ENTERPRISES - AMOUNTS RECEIVABLE</b>			
NET BOOK VALUE AT THE END OF THE PERIOD .....	281P	xxxxxxxxxxxxxx	
<b>Movements during the period</b>			
Additions .....	8581		
Repayments .....	8591		
Amounts written down .....	8601		
Amounts written back .....	8611	1.700.000	
Exchange differences .....(+)/(-)	8621		
Other .....(+)/(-)	8631	-1.700.000	
<b>NET BOOK VALUE AT THE END OF THE PERIOD .....</b>	<b>(281)</b>		
<b>ACCUMULATED AMOUNTS WRITTEN OFF ON AMOUNTS RECEIVABLE AT THE END OF THE PERIOD .....</b>	<b>8651</b>		

	Codes	Period	Vorig boekjaar
<b>ENTERPRISES LINKED BY A PARTICIPATING INTEREST - PARTICIPATING INTERESTS AND SHARES</b>			
Acquisition value at the end of the period .....	8392P	xxxxxxxxxxxxxxxx	13.216.249
<b>Movements during the period</b>			
Acquisitions, including produced fixed assets .....	8362	1.250.040	
Sales and disposals .....	8372		
Transfers from one heading to another .....(+)/(-)	8382		
Acquisition value at the end of the period .....	8392	14.466.289	
Revaluation surpluses at the end of the period .....	8452P	xxxxxxxxxxxxxxxx	
<b>Movements during the period</b>			
Recorded .....	8412		
Acquisitions from third parties .....	8422		
Cancelled .....	8432		
Transfers from one heading to another .....(+)/(-)	8442		
Revaluation surpluses at the end of the period .....	8452		
Amounts written down at the end of the period .....	8522P	xxxxxxxxxxxxxxxx	7.303.306
<b>Movements during the period</b>			
Recorded .....	8472	3.501.973	
Written back .....	8482		
Acquisitions from third parties .....	8492		
Cancelled owing to sales and disposals .....	8502		
Transfers from one heading to another .....(+)/(-)	8512		
Amounts written down at the end of the period .....	8522	10.805.279	
Uncalled amounts at the end of the period .....	8552P	xxxxxxxxxxxxxxxx	
Movements during the period .....(+)/(-)	8542		
Uncalled amounts at the end of the period .....	8552		
<b>NET BOOK VALUE AT THE END OF THE PERIOD .....</b>	<b>(282)</b>	<b>3.661.010</b>	
<b>ENTERPRISES LINKED BY A PARTICIPATING INTEREST - AMOUNTS RECEIVABLE</b>			
<b>NET BOOK VALUE AT THE END OF THE PERIOD .....</b>	<b>283P</b>	<b>xxxxxxxxxxxxxxxx</b>	
<b>Movements during the period</b>			
Additions .....	8582	2.217.918	
Repayments .....	8592	835.000	
Amounts written down .....	8602		
Amounts written back .....	8612		
Exchange differences .....(+)/(-)	8622		
Other .....(+)/(-)	8632		
<b>NET BOOK VALUE AT THE END OF THE PERIOD .....</b>	<b>(283)</b>	<b>1.382.918</b>	
<b>ACCUMULATED AMOUNTS WRITTEN OFF ON AMOUNTS RECEIVABLE AT THE END OF THE PERIOD .....</b>	<b>8652</b>		



## INFORMATION RELATING TO THE SHARE IN THE CAPITAL

### SHARE IN THE CAPITAL AND OTHER RIGHTS IN OTHER COMPANIES

List of both enterprises in which the enterprise holds a participating interest (recorded in the headings 280 and 282 of assets) and other enterprises in which the enterprise holds rights (recorded in the headings 284 and 51/53 of assets) in the amount of at least 10% of the capital issued.

NAME, full address of the REGISTERED OFFICE and for the enterprise governed by Belgian law, the COMPANY NUMBER	Shares held by			Information from the most recent period for which annual accounts are available				
	Nature	directly		subsidiaries	Primary financial statement	Monetary unit	Capital and reserves	Net result
		Number	%				%	(+) of (-) (in units)
<b>Connectimmo S.A.</b> Boulevard du Roi Albert II 27 1030 Brussel 3 Belgium 0477.931.965		4.865.300	100,00	0,00	31/12/2016	EUR	761.950.651	23.970.429
<b>Proximus Opal S.A.</b> Boulevard du Roi Albert II 27 1030 Brussel 3 Belgium 0861.585.672		619	100,00	0,00	31/12/2016	EUR	58.020	-3.846
<b>Tango S.A.</b> Rue de Luxembourg 177 8077 Bertrange Luxembourg		84.809.204	100,00	0,00	31/12/2016	EUR	8.871.236.000	814.801.000
<b>Belgacom International Carrier Services S.A.</b> Rue J. Lebeau 4 1000 Brussel 1 Belgium 0866.977.981		548.640	57,60	0,00	31/12/2016	EUR	137.601.042	74.398.051
<b>Proximus SpearIT S.A.</b> Boulevard du Roi Albert II 27 1030 Schaarbeek Belgium 0826.942.915		4.339	100,00	0,00	31/12/2016	EUR	1.980.725	-44.636
<b>Telindus S.A.</b> Route d'Arlon 81-83 8009 Strassen Luxembourg		200.000	100,00	0,00	31/12/2016	EUR	19.791.531	4.510.841
<b>Telindus-Isit B.V.</b> Krommewetering 7 3543 AP Utrecht Netherlands		42.677	100,00	0,00	30/06/2015	EUR	-3.562.000	-2.876.000
<b>Awingu N.V.</b> Ottergemsesteenweg Zuid 808 , box 44 9000 Gent Belgium 0832.859.222		2.512.018	24,66	0,00	31/12/2016	EUR	1.104.853	-2.276.639
<b>Belgian Mobile ID S.A.</b> Place Sainte Gudule 5 1000 Brussel 1 Belgium 0541.659.084		33.664	18,70	0,00	31/12/2016	EUR	5.795.043	-3.483.537

## INFORMATION RELATING TO THE SHARE IN THE CAPITAL

## SHARE IN THE CAPITAL AND OTHER RIGHTS IN OTHER COMPANIES

NAME, full address of the REGISTERED OFFICE and for the enterprise governed by Belgian law, the COMPANY NUMBER	Shares held by			Information from the most recent period for which annual accounts are available				
	Nature	directly		subsidiaries	Primary financial statement	Monetary unit	Capital and reserves	Net result
		Number	%				%	(+) of (-) (in units)
<b>Proximus ICT-Expert Community C.V.B.A.</b> Ferdinand Allenstraat 38 3290 Diest Belgium 0841.396.905		1	0,68	81,50	31/12/2016	EUR	140.539	10.730
<b>Skynet Imotion Activities S.A.</b> Rue Carli 2 1140 Brussel 14 Belgium 0875.092.626		19.999	100,00	0,00	31/12/2016	EUR	43.328.595	3.053.583
<b>Scarlet Belgium S.A.</b> Rue Carli 2 1140 Brussel 14 Belgium 0447.976.484		850.342	100,00	0,00	31/12/2016	EUR	4.962.470	451.240
<b>Synductis C.V.B.A.</b> Brusselsesteenweg 199 9090 Melle Belgium 0502.445.845		310	16,67	0,00	31/12/2016	EUR	19.400	0
<b>Experience@work C.V.B.A.</b> Minderbroedergang 12 2800 Mechelen Belgium 0627.819.632		33	33,00	0,00	31/12/2016	EUR	121.763	-98.947
<b>Tessares S.A.</b> Rue Louis de Geer 6 1348 Louvain-la-Neuve Belgium 0600.810.278		43.200	23,18	0,00	31/12/2016	EUR	2.683.834	-585.352
<b>BE-Mobile NV</b> Kardinaal Mercierlaan 1 , box A 9090 Melle Belgium 0881.959.533		191.789	61,02	0,00	31/12/2016	EUR	28.372.370	955.256
<b>Davinsi Labs NV</b> De Keyserlei 58-60 2018 Antwerpen 1 Belgium 0550.853.793		1.854	100,00	0,00	31/12/2016	EUR	682.792	564.145
<b>Co.Station Belgium NV</b> Sinter-Goedeleevoorplein 5 1000 Brussel 1 Belgium 0599.786.434		4.000	20,00	0,00	31/12/2016	EUR	365.791	-7.963





**OTHER INVESTMENTS AND DEPOSIT, DEFFERED CHARGES AND ACCRUED INCOME (ASSETS)**

**INVESTMENTS: OTHER INVESTMENTS AND DEPOSITS**

**Shares and current investments other than fixed income investments ..**  
 Shares - Book value increased with the uncalled amount .....  
 Shares - Uncalled amount .....  
 Precious metals and works of art .....

**Fixed income securities .....**  
 Fixed income securities issued by credit institutions .....

**Fixed term accounts with credit institutions .....**  
 With residual term or notice of withdrawal  
 up to one month .....  
 between one month and one year .....  
 over one year .....

**Other investments not mentioned above .....**

Codes	Period	Previous period
51		
8681		
8682		
8683		
52		
8684		
53	41.650.362	58.040.769
8686	41.565.343	57.606.257
8687		
8688	85.019	434.512
8689		

**DEFFERED CHARGES AND ACCRUED INCOME**

Allocation of heading 490/1 of assets if the amount is significant.

Deferred Costs - services and other goods  
 Deferred financial cost  
 Accrued Income  
 Deferred cost of sales

Period
26.467.944
3.508.788
1.285.735
23.125.914

**STATEMENT OF CAPITAL AND SHAREHOLDING STRUCTURE**

**STATEMENT OF CAPITAL**

**Social capital**

Issued capital at the end of the period .....  
 Issued capital at the end of the period .....

Codes	Period	Previous period
100P	XXXXXXXXXXXXXX	1.000.000.000
(100)	1.000.000.000	

Changes during the period

Structure of the capital  
 Different categories of shares

Bearer shares w/o specification of nominal value  
 Registered shares  
 Registered shares .....  
 Shares dematerialized .....

Codes	Amounts	Number of shares
	421.092.789	142.339.947
	578.907.211	195.685.188
8702	XXXXXXXXXXXXXX	195.685.188
8703	XXXXXXXXXXXXXX	142.339.947

**Capital not paid**

Uncalled capital .....  
 Capital called, but not paid .....  
 Shareholders having yet to pay up in full

Codes	Uncalled capital	Capital called, but not paid
(101)		XXXXXXXXXXXXXX
8712	XXXXXXXXXXXXXX	

**OWN SHARES**

Held by the company itself  
 Amount of capital held .....  
 Number of shares held .....  
 Held by the subsidiaries  
 Amount of capital held .....  
 Number of shares held .....

**Commitments to issue shares**

Owing to the exercise of conversion rights  
 Amount of outstanding convertible loans .....  
 Amount of capital to be subscribed .....  
 Corresponding maximum number of shares to be issued .....  
 Owing to the exercise of subscription rights  
 Number of outstanding subscription rights .....  
 Amount of capital to be subscribed .....  
 Corresponding maximum number of shares to be issued .....

**Authorized capital, not issued** .....

Codes	Period
8721	45.517.757
8722	15.386.146
8731	
8732	
8740	
8741	
8742	
8745	
8746	
8747	
8751	200.000.000

**Shared issued, not representing capital**

Distribution

Number of shares held .....

8761

Number of voting rights attached thereto .....

8762

Allocation by shareholder

Number of shares held by the company itself .....

8771

Number of shares held by its subsidiaries .....

8781

Codes	Period
8761	
8762	
8771	
8781	

**STRUCTURE OF SHAREHOLDINGS OF THE ENTERPRISE AT YEAR-END CLOSING DATE**

as shown by the notifications received by the company in accordance with the Companies Code, Article 631 §2, final paragraph, and Article 632 §2, final paragraph; the act of 2 May 2007 on the disclosure of major holdings, Article 14, paragraph four; and the Royal Decree of 21 August 2008 comprising further rules on certain multilateral trading facilities, Article 5.

NAME of the person who own the corporate rights of the company, indicating the ADDRESS (of the registered office, if it is a legal entity) and the BUSINESS NUMBER, if it is a business incorporated under Belgian law.	Corporate rights held			
	Nature	Number of voting rights		%
		Attached to shares	Not associated with shares	
<b>Belgische Staat FOD/SPF Etat belge Mobilité en Vervoer/ M</b> Aarlenstraat 10 1040 Brussel 4 Belgium	Registered	180.887.569	0	53,51
<b>Proximus NV/SA van publiek recht/ de droit public</b> Koning Albert-II laan 27 1030 Brussel 3 Belgium 0202.239.951	Registered	14.700.000	0	4,35
<b>Proximus NV/SA van publiek recht/ de droit public</b> Koning Albert-II laan 27 1030 Brussel 3 Belgium 0202.239.951	Dematerialized	686.146	0	0,20
<b>BlackRock Inc.</b> East 52nd Street 55 NY 1005 New York United States of America	Dematerialized	11.608.127	0	3,43

**Additional information**

The Company may acquire its own shares and transfer the shares thus acquired in accordance with the provisions of the Belgian Companies Code.

The Board of Directors is by article 13 of the bylaws empowered to acquire, within the legal limits, the maximum number of own shares permitted by law. The price paid for these shares must not be more than 5% above the highest closing price in the 30-day trading period preceding the transaction, and no more than 10% below the lowest closing price in that same 30-day trading period. This mandate is granted for a period of five years as of 20 April 2016.

**PROVISIONS FOR OTHER LIABILITIES AND CHARGES**

**ANALYSIS OF THE HEADING 164/5 OF LIABILITIES IF THE AMOUNT IS SIGNIFICANT**

	Period
Social benefits for personnel and retirees	395.813.533
Made available plan	25.205.325
Early Leave Plan and Collective Agreement	222.614.486
Pending litigations	20.381.426
Annuity due to work accidents	31.613.723
Other	8.414.069

**STATEMENT OF AMOUNTS PAYABLE, ACCRUED CHARGES AND DEFERRED INCOME**
**BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM**
**Current portion of amounts payable after more than one year falling due within one year**

	Codes	Period
Financial debts .....	8801	404.761.985
Subordinated loans .....	8811	
Unsubordinated debentures .....	8821	404.761.985
Leasing and other similar obligations .....	8831	
Credit institutions .....	8841	
Other loans .....	8851	
Trade debts .....	8861	96.870.655
Suppliers .....	8871	96.870.655
Bills of exchange payable .....	8881	
Advance payments received on contracts in progress .....	8891	
Other amounts payable .....	8901	11.304.000
<b>Total amounts payable after more than one year, not more than one year .....</b>	<b>(42)</b>	<b>512.936.640</b>

**Amounts payable after more than one year, between one and five years**

Financial debts .....	8802	6.299.772.141
Subordinated loans .....	8812	
Unsubordinated debentures .....	8822	599.772.141
Leasing and other similar obligations .....	8832	
Credit institutions .....	8842	5.700.000.000
Other loans .....	8852	
Trade debts .....	8862	69.436.124
Suppliers .....	8872	69.436.124
Bills of exchange payable .....	8882	
Advance payments received on contracts in progress .....	8892	
Other amounts payable .....	8902	6.322.216
<b>Total amounts payable after more than one year, between one and five years .....</b>	<b>8912</b>	<b>6.375.530.481</b>

**Amounts payable after more than one year, over five years**

Financial debts .....	8803	5.150.930.920
Subordinated loans .....	8813	
Unsubordinated debentures .....	8823	1.255.024.006
Leasing and other similar obligations .....	8833	
Credit institutions .....	8843	3.895.906.914
Other loans .....	8853	
Trade debts .....	8863	59.473.973
Suppliers .....	8873	59.473.973
Bills of exchange payable .....	8883	
Advance payments received on contracts in progress .....	8893	
Other amounts payable .....	8903	
<b>Total amounts payable after more than one year, over five years .....</b>	<b>8913</b>	<b>5.210.404.893</b>

**AMOUNTS PAYABLE GUARANTEED** (headings 17 and 42/48 of liabilities)

**Amounts payable guaranteed by Belgian public authorities**

	Codes	Period
Financial debts .....	8921	
Subordinated loans .....	8931	
Unsubordinated debentures .....	8941	
Leasing and other similar obligations .....	8951	
Credit institutions .....	8961	
Other loans .....	8971	
Trade debts .....	8981	
Suppliers .....	8991	
Bills of exchange payable .....	9001	
Advance payments received on contracts in progress .....	9011	
Remuneration and social security .....	9021	
Other amounts payable .....	9051	
<b>Total amounts payable guaranteed by Belgian public authorities .....</b>	<b>9061</b>	

**Amounts payable guaranteed by real guarantees given or irrevocably promised by the enterprise on its own assets**

Financial debts .....	8922	
Subordinated loans .....	8932	
Unsubordinated debentures .....	8942	
Leasing and other similar obligations .....	8952	
Credit institutions .....	8962	
Other loans .....	8972	
Trade debts .....	8982	
Suppliers .....	8992	
Bills of exchange payable .....	9002	
Advance payments received on contracts in progress .....	9012	
Taxes, remuneration and social security .....	9022	
Taxes .....	9032	
Remuneration and social security .....	9042	
Other amounts payable .....	9052	
<b>Total amounts payable guaranteed by real guarantees given or irrevocably promised by the enterprise on its own assets .....</b>	<b>9062</b>	

**AMOUNTS PAYABLE FOR TAXES, REMUNERATION AND SOCIAL SECURITY**

**Taxes** (headings 450/3 and 178/9 of the liabilities)

	Codes	Period
Expired taxes payable .....	9072	
Non expired taxes payable .....	9073	37.806.745
Estimated taxes payable .....	450	64.577.673
<b>Remuneration and social security</b> (headings 454/9 and 178/9 of the liabilities)		
Amount due to the National Office of Social Security .....	9076	
Other amounts payable relating to remuneration and social security .....	9077	172.612.036



**ACCRUED CHARGES AND DEFERRED INCOME**

**Allocation of heading 492/3 of liabilities if the amount is significant**

Not yet expired interests on loans

Billed turnover for subsequent periods

Options to issue

Period
107.393.488
75.714.608
85.033

**OPERATING RESULTS****OPERATING INCOME****Net turnover**

Broken down by categories of activity

Fixed products

2.430.621.334

2.450.245.475

Mobile products

1.621.347.116

1.582.195.239

Convergent

4.117.886

911.968

Proximus Succursale Luxembourg SA

2.557.622

1.633.570

Allocation into geographical markets

**Other operating income**

Operating subsidies and compensatory amounts received from public authorities .....

740

197.250

**OPERATING COSTS****Employees for whom the company has submitted a DIMONA declaration or are recorded in the general personnel register**

Total number at the closing date .....

9086

12.782

13.461

Average number of employees calculated in full-time equivalents .....

9087

12.218,0

12.760,5

Number of actual worked hours .....

9088

17.866.154

18.772.986

**Personnel costs**

Remuneration and direct social benefits .....

620

670.279.795

684.240.474

Employers' social security contributions .....

621

161.944.431

165.690.535

Employers' premiums for extra statutory insurances .....

622

46.128.482

44.364.281

Other personnel costs .....

623

38.958.998

32.494.652

Old-age and widows' pensions .....

624

102.430

	Codes	Period	Previous period
<b>OPERATING INCOME</b>			
<b>Net turnover</b>			
Broken down by categories of activity			
Fixed products		2.430.621.334	2.450.245.475
Mobile products		1.621.347.116	1.582.195.239
Convergent		4.117.886	911.968
Proximus Succursale Luxembourg SA		2.557.622	1.633.570
Allocation into geographical markets			
<b>Other operating income</b>			
Operating subsidies and compensatory amounts received from public authorities .....	740	197.250	
<b>OPERATING COSTS</b>			
<b>Employees for whom the company has submitted a DIMONA declaration or are recorded in the general personnel register</b>			
Total number at the closing date .....	9086	12.782	13.461
Average number of employees calculated in full-time equivalents .....	9087	12.218,0	12.760,5
Number of actual worked hours .....	9088	17.866.154	18.772.986
<b>Personnel costs</b>			
Remuneration and direct social benefits .....	620	670.279.795	684.240.474
Employers' social security contributions .....	621	161.944.431	165.690.535
Employers' premiums for extra statutory insurances .....	622	46.128.482	44.364.281
Other personnel costs .....	623	38.958.998	32.494.652
Old-age and widows' pensions .....	624		102.430

	Codes	Period	Previous period
<b>Provisions for pensions</b>			
Additions (uses and write-back) ..... (+)/(-)	635		
<b>Amounts written off</b>			
Stocks and contracts in progress			
Recorded .....	9110	6.569.228	6.948.755
Written back .....	9111	10.445.941	7.764.685
Trade debtors			
Recorded .....	9112	30.241.179	102.277.795
Written back .....	9113	37.335.353	103.575.454
<b>Provisions for risks and charges</b>			
Additions .....	9115	8.102.423	10.496.869
Uses and write-back .....	9116	21.100.411	22.050.153
<b>Other operating charges</b>			
Taxes related to operation .....	640	15.942.242	
Other charges .....	641/8	33.218.389	30.784.598
<b>Hired temporary staff and persons placed at the enterprise's disposal</b>			
Total number at the closing date .....	9096	10	11
Average number calculated as full-time equivalents .....	9097	13,0	9,0
Number of actual worked hours .....	9098	18.844	13.099
Charges to the enterprise .....	617	581.547	483.584

**FINANCIAL RESULTS**

	Codes	Period	Previous period
<b>RECURRING FINANCIAL INCOME</b>			
<b>Other financial income</b>			
Subsidies granted by public authorities and recorded as income for the period			
Capital subsidies .....	9125	3.724	3.724
Interest subsidies .....	9126		
Allocation of other financial income			
Exchange gains incl. Report/Deport		5.807.281	7.854.587
Realized capital gains on shares		569.400	1.331.373
Other		203.531	130.404
Interests on IRS		3.950.000	
<b>RECURRING FINANCIAL CHARGES</b>			
Depreciation of loan issue expenses .....	6501		
Capitalized Interests .....	6503		
<b>Amounts written off current assets</b>			
Recorded .....	6510	9.443.091	19.931.127
Written back .....	6511	9.956.910	11.864.633
<b>Other financial charges</b>			
Amount of the discount borne by the enterprise, as a result of negotiating amounts receivable .....	653		
<b>Provisions of a financial nature</b>			
Appropriations .....	6560		
Uses and write-backs .....	6561		
<b>Allocation of other financial charges</b>			
Exchange losses Incl. Report/Deport		8.536.941	5.927.869
Less value on realisation of own shares		1.326.564	1.737.813
Miscellaneous bankcosts		1.150.019	1.263.247
Other		1.025.156	1.158.245
Commissions-use of payment means		726.560	370.020

## INCOME AND CHARGE OF EXCEPTIONAL SIZE OR INCIDENCE

	Codes	Period	Previous period
<b>NON-RECURRING INCOME</b> .....	76	11.700.877	13.260.381
<b>Non-recurring operating income</b> .....	(76A)	7.670.221	10.178.855
Write-back of depreciation and of amounts written off intangible and tangible fixed assets .....	760		
Write-back of provisions for extraordinary operating liabilities and charges .....	7620		
Capital gains on disposal of intangible and tangible fixed asset .....	7630	66.724	
Other non-recurring operating income .....	764/8	7.603.497	10.178.855
<b>Non-recurring financial income</b> .....	(76B)	4.030.656	3.081.526
Write-back of amounts written down financial fixed assets .....	761	2.700.000	1.600.480
Write-back of provisions for extraordinary financial liabilities and charges .....	7621		
Capital gains on disposal of financial fixed assets .....	7631	1.330.656	1.481.046
Other non-recurring financial income .....	769		
<b>NON-RECURRING EXPENSES</b> .....	66	22.028.862	290.192.984
<b>Non-recurring operating charges</b> .....	(66A)	15.106.880	290.192.984
Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets .....	660		
Provisions for extraordinary operating liabilities and charges: Appropriations (uses) .....	6620	-30.596.036	244.123.625
Capital losses on disposal of intangible and tangible fixed assets .....	6630		
Other non-recurring operating charges .....	664/7	45.702.916	46.069.359
Non-recurring operating charges carried to assets as restructuring costs .....	6690		
<b>Non-recurring financial charges</b> .....	(66B)	6.921.982	
Amounts written off financial fixed assets .....	661	3.501.973	
Provisions for extraordinary financial liabilities and charges - Appropriations (uses) .....	6621		
Capital losses on disposal of financial fixed assets .....	6631	3.420.009	
Other non-recurring financial charges .....	668		
Non-recurring financial charges carried to assets as restructuring costs .....	6691		



**INCOME TAXES AND OTHER TAXES**

	Codes	Period	Previous period
<b>VALUE ADDED TAXES AND OTHER TAXES BORNE BY THIRD PARTIES</b>			
<b>Value added taxes charged</b>			
To the enterprise (deductible) .....	9145	326.755.870	304.239.840
By the enterprise .....	9146	800.578.773	812.955.174
<b>Amounts withheld on behalf of third party</b>			
For payroll withholding taxes .....	9147	193.444.356	196.371.672
For withholding taxes on investment income .....	9148	44.360.870	38.491.722

**RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET**

	Codes	Period
<b>PERSONAL GUARANTEES PROVIDED OR IRREVOCABLY PROMISED BY THE ENTERPRISE AS SECURITY FOR DEBTS AND COMMITMENTS OF THIRD PARTIES</b> .....	9149	<u>60.029.276</u>
<b>Of which</b>		
Bills of exchange in circulation endorsed by the enterprise .....	9150	
Bills of exchange in circulation drawn or guaranteed by the enterprise .....	9151	
Maximum amount for which other debts or commitments of third parties are guaranteed by the enterprise .....	9153	60.029.276
 <b>REAL GUARANTEES</b>		
<b>Real guarantees provided or irrevocably promised by the enterprise on its own assets as security of debts and commitments of the enterprise</b>		
Mortgages		
Book value of the immovable properties mortgaged .....	9161	
Amount of registration .....	9171	
Pledging of goodwill - Amount of the registration .....	9181	
Pledging of other assets - Book value of other assets pledged .....	9191	
Guarantees provided on future assets - Amount of assets involved .....	9201	
 <b>Real guarantees provided or irrevocably promised by the enterprise on its own assets as security of debts and commitments of third parties</b>		
Mortgages		
Book value of the immovable properties mortgaged .....	9162	
Amount of registration .....	9172	
Pledging of goodwill - Amount of the registration .....	9182	
Pledging of other assets - Book value of other assets pledged .....	9192	
Guarantees provided on future assets - Amount of assets involved .....	9202	

	Codes	Period
<b>GOODS AND VALUES, NOT DISCLOSED IN THE BALANCE SHEET, HELD BY THIRD PARTIES IN THEIR OWN NAME BUT AT RISK TO AND FOR THE BENEFIT OF THE ENTERPRISE</b>		
 <b>SUBSTANTIAL COMMITMENTS TO ACQUIRE FIXED ASSETS</b>		
Intangible assets		14.339.586
Tangible assets		211.992.387
 <b>SUBSTANTIAL COMMITMENTS TO DISPOSE OF FIXED ASSETS</b>		
 <b>FORWARD TRANSACTIONS</b>		
Goods purchased (to be received) .....	9213	
Goods sold (to be delivered) .....	9214	
Currencies purchased (to be received) .....	9215	54.367.562
Currencies sold (to be delivered) .....	9216	54.367.562



**RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET**

**COMMITMENTS RELATING TO TECHNICAL GUARANTEES IN RESPECT OF SALES OR SERVICES**

Period

**AMOUNT, NATURE AND FORM CONCERNING LITIGATION AND OTHER IMPORTANT COMMITMENTS**

Period

**SUPPLEMENT RETIREMENTS OR SURVIVORS PENSION PLANS IN FAVOUR OF THE PERSONNEL OR THE EXECUTIVES OF THE ENTERPRISE**

**Brief description**

Within the scope of the policy for the management of the staff members, Proximus has provided a plan under the form of a "defined benefit plan" for complementary pensions applicable to Proximus PLC under Belgian Public Law and some subsidiaries. The employees of Proximus PLC under Belgian Public Law are part of this complementary pension plan.

The rights of the participants of this plan are recognised as from January 1st, 1997 at the earliest. For the execution of these commitments and for the management of the assets that are gathered for this, a Pension Fund has been founded and recognised by R.D. of December 8th, 1998. In 2015 it took the name "Proximus Pensioenfonds O.F.P."/ "Fonds de Pension Proximus O.F.P" via the amendment of its articles of incorporation published in the annexes to the Belgian Official Gazette on 09/06/2015.

In 2006 the plan was amended with effect on January 1st, 2005, in 2013 with effect on 01.04.2013 and in 2016 with effect on 01.09.2016. On the basis of an actuarial calculation according to the PUC- method (Project Unit Credit), based on a nominal discount rate of 1,80 % and the expected evolution of the salaries, the total amount of DBO (Defined Benefit Obligation) obligations to the staff members of Proximus PLC under Belgian Public Law amounts to 576.791.000 EUR on December 31st, 2017.

The amount of obligations of this fund (Proximus S.A. de droit public/N.V. van publiek recht including some subsidiaries) amounts to 614.408 KEUR on December 31st, 2017 (the obligation contains the taxes on the amount of the possible underfunding). The fund is funded on the basis of the annual periodic cost, also calculated according to the PUC-method. On December 31st, 2017 the total investments portfolio of this fund amounts to 585.085 KEUR.

In addition to the defined benefit plan described here above, Proximus SA operates some defined benefit plans and defined contribution plan (with guaranteed return) with a limited amplitude for Proximus.

**Measures taken by the enterprise to cover the resulting charges**

**PENSIONS FUNDED BY THE ENTERPRISE**

Estimated amount of the commitments resulting from past services .....

Methods of estimation

Code	Period
9220	

**NATURE AND FINANCIAL IMPACT OF SIGNIFICANT EVENTS AFTER THE CLOSING DATE NOT INCLUDED IN THE BALANCE SHEET OR THE INCOME STATEMENT**

Period

**RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET**

**COMMITMENTS TO PURCHASE OR SALE AVAILABLE TO THE COMPANY AS ISSUER OF OPTIONS FOR SALE OR PURCHASE**

Period
36.600.000

**NATURE AND COMMERCIAL OBJECTIVE OF TRANSACTIONS NOT REFLECTED IN THE BALANCE SHEET**

Provided that the risks or advantages coming from these transactions are significant and if the disclosure of the risks or advantages is necessary to appreciate the financial situation of the company

Period
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**OTHER RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET (including those which can not be quantified)**

Period
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**OTHER RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET:**Commitments:

Currency and Interest rate swaps (swap of fixed into variable rate)	10,882,069
Rent commitments	
buildings	188,515,910
sites	64,592,094
technical or network equipment	15,800,839
vehicles	42,061,576
Delivery of shares due to granted share options	4,816,183
Distribution of dividends due to granted share options	2,784,534

Received guarantees:

to cover Proximus PLC under Belgian Public Law from banks (bank guarantees)	32,806,199
to cover commitments from third parties towards Proximus PLC under Belgian Public Law from banks (bank guarantees)	13,210,646
guarantees by third parties	5,000,000
as deposit at the "Caisse des Dépôts et Consignation"	111,348

Rights:

Credit line long term	650,000,000
Credit line short term	75,000,000
Credit line at Proximus Group Services SA	2,500,000,000
Right of emission of commercial papers	1,000,000,000
of which emitted	163,500,000
Right of emission of Euro Medium Term Notes	3,500,000,000
of which emitted	2,254,800,000
Interest rate swaps (swap of variable into fixed rate)	1,971,475
Currency and Interest rate swaps (swap of fixed into variable rate)	10,882,069

Some credit facilities are conditional to the respecting of certain debt ratios at group level.

Proximus gives support letters to some of its affiliates. These letters provide assurance that the affiliates will be able to fulfil their financial obligations.

Proximus often has, for the rented spaces where she installs network antennas, the obligation to hand over these spaces in their original state at the end of the rent agreement.

## Universal Services

In accordance with the law of 13 June 2005 on electronic communication, Proximus is entitled to claim compensation for the social tariffs that it has offered since 1 July 2005 as part of its universal service provision. For every operator offering social tariffs, the BIPT is required to assess whether or not there is a net cost and an unreasonable burden. In May 2014, the BIPT, together with an external consultant, started to analyze the net costs Proximus bore in providing the social discounts, which were offered over the period 2005-2012, the aim being to assess the possibility of there being an unreasonable burden on Proximus, and hence the possibility of a contribution being due by the operators liable to pay a contribution. On 1 April 2015, however, Proximus withdrew its request for compensation, referring to the legal opinion of 29 January 2015 of the Advocate General of the European Court of Justice, following the prejudicial question that the Belgian Constitutional Court submitted regarding the law of 10 June 2012 (case C-1/14), more precisely regarding the possibility of classifying mobile social tariffs as an element of the universal service. Proximus reserved its right to introduce a new request for compensation once the implications of the Court's decision would be clear. In a judgment of 11 July 2015, the European Court of Justice stated that mobile social tariffs cannot be financed by means of a compensation mechanism to which specific undertakings have to contribute.

In its judgment of 3 February 2016 (no. 15/2016), the Constitutional Court, taking into account the Judgment of the Court of Justice, indicated that since the Member States are free to consider mobile communication services (voice and internet) as additional mandatory services, the Legislator could impose the obligation on mobile operators to provide mobile tariff reductions to social subscribers. However, it specified that a financing mechanism for such services involving specific undertakings cannot be imposed. It is up to the Legislator to decide whether, for the provision of such services, compensation should be calculated by means of another mechanism which does not involve specific undertakings.

In its communication of 27 December 2017 regarding the monitoring van the universal service, the BIPT states the following : '(PXS translation)'Following this, the Constitutional Court has decided on 3 february 2016 that Belgium cannot oblige the telecomoperators to grant social tariffs for mobile telephony and mobile internet. However, the government could decide to make the services accessibles to the public as 'additional obligatory services', however without a possibility to have a financing from the sectorial compensation fund.' Given this reading of the BIPT, it has been decided not to grant any longer social tariffs on standalone mobile internet formulas. Social reductions on bundles for mobile internet are being maintained.

In 2015, the Minister competent for electronic communications announced a reform of the legal system of social tariffs, prioritizing a simplification of the current system as well as an evolution towards a system based on voluntary engagement. Proximus has focused its attention mainly on the proposal of suggestions for reform of the social tariffs. These should be incorporated in a 'miscellaneous provisions' law, but so far the Minister has not yet transformed his intention into a concrete draft law. The claim for compensation for the social tariffs has not been renewed.

## Tax on pylons

The European Court of Justice confirmed in two Proximus cases of December 2015 that a tax on pylons is not, per se, in contradiction with European law.

Proximus continues to file tax complaints and to launch legal proceedings with respect to tax on pylons tax bills received from municipalities and provinces in the three regions based on other arguments. The position as recognised in the Financial Statements reflects the management's best estimate of the probable final outcome.

## Compensation mechanism statutory retirees

On 31 December 2003, Proximus transferred to the Belgian State its legal pension obligation for its statutory employees and their survivors, in exchange of a payment of EUR 5 Billion to the Belgian State. The transfer of the statutory pension liability to the Belgian State in 2003 was coupled with an increased employer social security contribution for civil servants as from 2004 and included an annual compensation mechanism to off-set certain future increases or decreases in the Belgian State's obligations as a result of actions taken by Proximus. Following a change in law (Program Law of 25 December 2017), as from 2018, this compensation mechanism stops the foreseen payments towards Proximus.

## V.A.T. unit

The company is member of a VAT group, called 'Proximus VAT Group', established on October 1, 2010 under the VAT number BE0829.001.392. All members of the VAT group are jointly liable towards the State for all VAT debts, interest, penalties and costs which are due under the acts of the VAT group members. In 2017, the members of Proximus VAT Group were Proximus S.A. under public law, Proximus Group Services S.A., Proximus SpearIT S.A., ConnectImmo S.A., Be-Mobile S.A. (previously called 'Mobile-For S.A. '), Proximus ICT Expert Community B.V.B.A., ClearMedia S.A., Flow S.A., B-Mobile Tech S.A. and since 01/02/2017 Scarlet Belgium.

## Claims and legal proceedings

Our policies and procedures are designed to comply with all applicable laws, accounting and reporting requirements, regulations and tax requirements, including those imposed by foreign countries, the EU, as well as applicable labour laws.

The complexity of the legal and regulatory environment in which we operate and the related cost of compliance are both increasing due to additional requirements. Furthermore, foreign and supranational laws occasionally conflict with domestic laws. Failure to comply with the various laws and regulations as well as changes in laws and regulations or the manner in which they are interpreted or applied, may result in damage to our reputation, liability, fines and penalties, increased tax burden or cost of regulatory compliance and impacts of our financial statements.

Proximus is currently involved in various judicial and regulatory proceedings, including those for which a provision has been made and those described below for which no or limited provisions have been accrued, in the jurisdictions in which it operates concerning matters arising in connection with the conduct of its business. These include also proceedings before the Belgian Institute for Postal services and Telecommunications ("BIPT"), appeals against decisions taken by the BIPT, and proceedings with the tax administrations.

### 1. Broadband/Broadcast Access Related Cases

Between 12 and 14 October 2010, the Belgian Directorate General of Competition started a dawn raid in Proximus's offices in Brussels. This investigation concerns allegations by Mobistar and KPN regarding the wholesale DSL services of which Proximus would have engaged in obstruction practices. This measure is without prejudice to the final outcome of the full investigation. Following the inspection, the Directorate General of Competition is to examine all the relevant elements of the case. Eventually the College of Competition Prosecutors may propose a decision to be adopted by the Competition Council. During this procedure, Proximus will be in a position to make its views heard. (This procedure may last several years.)

During the investigation of October 2010, a large numbers of documents were seized (electronic data such as a full copy of mail boxes and archives and other files). Proximus and the prosecutor of the Competition authority exchanged extensive views on the way to handle the seized data. Proximus wanted to be sure that the lawyers "legal privilege" (LPP) and the confidentiality of in house counsel advices are guaranteed. Moreover, Proximus sought to prevent the Competition authority from having access to (sensitive) data that were out of scope. Not being able to convince the prosecutor of its position, Proximus started two proceedings, one before the Brussels Court of Appeal and one before the President of the Competition Council, in order to have the communication to the investigation teams of LPP data and data out of scope suspended. On 5 March 2013, the Court of Appeal issued a positive judgment in this appeal procedure by which it ruled that investigators had no authority to seize documents containing advices of company lawyers and documents that are out of scope and that these documents should be removed/destroyed. To be noted that this is a decision on the procedure in itself and not on the merit of the case.



On 14 October 2013, the Competition authority launched a request for cassation against this decision. Proximus has joined this cassation procedure. Eventually, on 22 January 2015, the Supreme Court decided to confirm the Judgment of 5 March 2013, except for a restriction with regard to older documents, which was annulled. It is up to the Court of Appeal now to take a new decision on this restriction. In March 2014, KPN has withdrawn its complaint; Mobistar remaining the sole complainant.

## 2. Mobile On-net cases related

In the proceedings following a complaint by KPN Group Belgium in 2005 with the Belgian Competition Authority the latter confirmed on 26 May 2009 one of the five charges of abuse of dominant position put forward by the Prosecutor on 22 April 2008, i.e. engaging in 2004-2005 in a "price-squeeze" on the professional market. The Belgian Competition Authority considered that the rates for calls between Proximus customers ("on-net rates") were lower than the rates it charged competitors for routing a call from their own networks to that of Proximus (=termination rates), increased with a number of other costs deemed relevant. All other charges of the Prosecutor were rejected. The Competition Authority also imposed a fine of EUR 66.3 million on Proximus (former Belgacom Mobile) for abuse of a dominant position during the years 2004 and 2005. Proximus was obliged to pay the fine prior to 30 June 2009 and recognized this charge (net of existing provisions) as a non-recurring expense in the income statement of the second quarter 2009.

Proximus filed an appeal against the ruling of the Competition Authority with the Court of Appeal of Brussels, contesting a large number of elements of the ruling: amongst other the fact that the market impact was not examined. Also KPN Group Belgium and Mobistar filed an appeal against said ruling.

Following the settlement agreement dated 21 October 2015, the appeals of Base and Mobistar against the decision of the Belgian Competition Authority are withdrawn. Proximus will continue its appeal procedure against this decision.

In October 2009, seven parties (Telenet, KPN Group Belgium (former Base), KPN Belgium Business (Tele 2 Belgium), KPN BV (Sympac), BT, Verizon, Colt Telecom) filed an action against Belgacom mobile (currently Proximus and hereinafter indicated as Proximus) before the Commercial Court of Brussels formulating allegations that are similar to those in the case mentioned above (including Proximus-to-Proximus tariffs constitute an abuse of Proximus's alleged dominant position in the Belgian market), but for different periods depending on the claimant, in particular, in the 1999 up to now timeframe (claim for EUR 1 provisional and request for appointment of an expert to compute the precise damage). In November 2009 Mobistar filed another similar claim for the period 2004 and beyond. These cases have been postponed for an undefined period.

Following the settlements with Telenet, KPN, BASE Company and Orange, the only remaining claimants are BT, Verizon and Colt Telecom.

**RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES AND OTHERS  
ENTERPRISES LINKED BY PARTICIPATING INTERESTS**

	Codes	Period	Previous period
<b>AFFILIATED ENTERPRISES</b>			
<b>Financial fixed assets</b> .....	(280/1)	9.202.328.402	9.196.311.774
Participating interests .....	(280)	9.202.328.402	9.196.311.774
Subordinated amounts receivable .....	9271		
Other amounts receivable .....	9281		
<b>Amounts receivable</b> .....	9291	169.928.655	31.211.144
Over one year .....	9301	144.000.000	
Within one year .....	9311	25.928.655	31.211.144
<b>Current investments</b> .....	9321	41.565.343	57.606.257
Shares .....	9331		
Amounts receivable .....	9341	41.565.343	57.606.257
<b>Amounts payable</b> .....	9351	9.674.054.094	9.874.133.186
Over one year .....	9361	9.595.906.914	7.695.906.914
Within one year .....	9371	78.147.180	2.178.226.272
<b>Personal and real guarantees</b>			
Provided or irrevocably promised by the enterprise as security for debts or commitments of affiliated enterprises .....	9381		
Provided or irrevocably promised by affiliated enterprises as security for debts or commitments of the enterprise .....	9391		
<b>Other significant financial commitments</b> .....	9401		
<b>Financial results</b>			
Income from financial fixed assets .....	9421	267.912.225	645.715.352
Income from current assets .....	9431	501.617	67.074
Other financial income .....	9441	1.622.336	4.001.643
Debt charges .....	9461	157.646.211	258.703.442
Other financial charges .....	9471	6.875.862	3.734.132
<b>Disposal of fixed assets</b>			
Capital gains obtained .....	9481		
Capital losses suffered .....	9491		

**RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES AND OTHERS  
ENTERPRISES LINKED BY PARTICIPATING INTERESTS**

	Codes	Period	Previous period
<b>ASSOCIATED ENTERPRISES</b>			
<b>Financial fixed assets</b> .....	9253	5.043.928	5.912.943
Participating interests .....	9263	3.661.010	5.912.943
Subordinated amounts receivable .....	9273		
Other amounts receivable .....	9283	1.382.918	
<b>Amounts receivable</b> .....	9293		73.548
Over one year .....	9303		
Within one year .....	9313		73.548
<b>Amounts payable</b> .....	9353		
Over one year .....	9363		
Within one year .....	9373		
<b>Personal and real guarantees</b>			
Provided or irrevocably promised by the enterprise as security for debts or commitments of associated enterprises .....	9383		
Provided or irrevocably promised by associated enterprises as security for debts or commitments of the enterprise .....	9393		
<b>Other significant financial commitments</b> .....	9403		
<b>OTHER ENTERPRISES LINKED BY PARTICIPATING INTERESTS</b>			
<b>Financial fixed assets</b> .....	9252		
Participating interests .....	9262		
Subordinated amounts receivable .....	9272		
Other amounts receivable .....	9282		
<b>Amounts receivable</b> .....	9292		
Over one year .....	9302		
Within one year .....	9312		
<b>Amounts payable</b> .....	9352		
Over one year .....	9362		
Within one year .....	9372		

**TRANSACTIONS WITH ENTERPRISES LINKED BY PARTICIPATING INTERESTS OUT OF MARKET  
CONDITIONS**

Mention of these transactions if they are significant, including the amount of the transactions, the nature of the link, and all information about the transactions which should be necessary to get a better understanding of the situation of the company

Null

Period



**Additional information**

Proximus PLC under Belgian public law supplies telecommunication services to the Belgian State, to various administrations of the Belgian State and to various State-controlled enterprises. All such transactions are made within normal customer/supplier relationships on terms and conditions that are not more favourable than those available to other customers and suppliers. The services provided to those administrations and those various State-controlled enterprises do not represent a significant component of the net income of Proximus PLC under Belgian public law.

Proximus has transactions with Belgacom International Carrier Services S.A. for inbound and outbound telecom services. The underlying contracts are approved by management taking into account the current market references.

As far as transactions with members of leading supervising or governing bodies concerns, we refer to the section "corporate governance statement" of the annual report and the remuneration report in which the remuneration of the members of the Board of Directors and the members of the Executive Committee are detailed.

**FINANCIAL RELATIONSHIPS WITH**

**DIRECTORS, MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE ENTERPRISE WITHOUT BEING ASSOCIATED THEREWITH OR OTHER ENTERPRISES CONTROLLED BY THESE PERSONS**

**Amounts receivable from these persons** .....

Conditions on amounts receivable, rate, duration, possibly reimbursed amounts, canceled amounts or renounced amounts

**Guarantees provided in their favour** .....

**Other significant commitments undertaken in their favour** .....

**Amount of direct and indirect remunerations and pensions, included in the income statement, as long as this disclosure does not concern exclusively or mainly, the situation of a single identifiable person**

To directors and managers .....

To former directors and former managers .....

Codes	Period
9500	
9501	
9502	
9503	2.017.147
9504	

**AUDITORS OR PEOPLE THEY ARE LINKED TO**

**Auditor's fees** .....

**Fees for exceptional services or special missions executed in the company by the auditor**

Other attestation missions .....

Tax consultancy .....

Other missions external to the audit .....

**Fees for exceptional services or special missions executed in the company by people they are linked to**

Other attestation missions .....

Tax consultancy .....

Other missions external to the audit .....

Codes	Period
9505	337.313
95061	31.620
95062	
95063	199.158
95081	9.000
95082	
95083	15.674

**Mentions related to article 133, paragraph 6 from the Companies Code**

**DERIVATIVES NOT MEASURED AT FAIR VALUE**

**FOR EACH CATEGORY OF FINANCIAL DERIVATIVES NOT MEASURED AT FAIR VALUE**

Category of financial derivatives	Hedge risk	Speculation/hedging	Volume	Period		Previous period	
				Book value	Fair value	Book Value	Fair value
1 IRCS	Foreign currency and interests	Hedging	10.882.069	0	4.522.470	0	734.686
Forward contracts in foreign currencies	Foreign currency	Hedging	42.346.074	0	-531.252	0	1.301.832
IRS	Foreign Interests	Hedging	400.000.000	0	1.971.475	0	0

**FINANCIAL FIXED ASSETS CARRIED AT AN AMOUNT IN EXCESS OF FAIR VALUE**

**Amount of individual assets or appropriate groupings of those assets**

**Reasons for not reducing the book value**

**Informations that suggest than the book value will be recovered**

Book value	Fair value

## INFORMATION RELATING TO CONSOLIDATED ACCOUNTS

### INFORMATION TO DISCLOSE BY EACH ENTERPRISE THAT IS SUBJECT TO COMPANY LAW ON THE CONSOLIDATED ACCOUNTS OF ENTERPRISES

The enterprise has drawn up published a consolidated annual statement of accounts and a management report\*

~~The enterprise has not published a consolidated annual statement of accounts and a management report, since it is exempt for this obligation for the following reason\*~~

~~The enterprise and its subsidiaries on consolidated basis exceed not more than one of limits mentioned in art. 16 of Company Law\*~~

~~The enterprise only has subsidiaries which, considering the assessment of the consolidated assets, consolidated financial position or consolidated results, individual or together, are of a negligible size\* (Art. 110 of Company Law)~~

~~The enterprise itself is a subsidiary of an enterprise which does prepare and publish consolidated accounts in which annual accounts of the enterprise are included\*~~

Name, full address of the registered office and, for an enterprise governed by Belgian Law, the company number of the parent company(ies) and the specification whether the parent company(ies) prepare(s) and publish(es) consolidated annual accounts in which the annual accounts of the enterprise are included\*\*

If the parent company(ies) is (are) (an) enterprise(s) governed by foreign law disclose where the consolidated accounts can be obtained\*\*

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\* Delete where no appropriate.

\*\* Where the accounts of the enterprise are consolidated at different levels, the information should be given for the consolidated aggregate at the highest level on the one hand and the lowest level on the other hand of which the enterprise is a subsidiary and for which consolidated accounts are prepared and published.

**FINANCIAL RELATIONSHIPS OF THE GROUP LED BY THE ENTERPRISE IN BELGIUM WITH AUDITORS OR WITH PEOPLE THEY ARE LINKED TO**

**Mentions related to article 134, paragraphs 4 and 5 from the Companies Code**

**Auditor's fees according to a mandate at the group level led by the company publishing the information** .....

**Fees for exceptional services or special missions executed in these group by the auditor**

Other attestation missions .....

Tax consultancy .....

Other missions external to the audit .....

**Fees to people auditors are linked to according to the mandate at the group level led by the company publishing the information** .....

**Fees for exceptional services or special missions executed in the group by people they are linked to**

Other attestation missions .....

Tax consultancy .....

Other missions external to the audit .....

Codes	Period
9507	893.914
95071	57.374
95072	
95073	199.158
9509	364.540
95091	29.067
95092	5.200
95093	62.674

**Mentions related to article 133, paragraph 6 from the Companies Code**

## VALUATION RULES

The valuation rules comply with the terms of Chapter II of the R.D. of Jan 30, 2001 modified by R.D. Dec 18, 2015.

These rules were approved and modified by the Board of Directors on May 27, 1993, Dec 4, 1997, Oct 22, 1998, Oct 28, 1999, Oct 26, 2000, April 25, 2002, Oct 23, 2003, Dec 13, 2004, Dec 18, 2008, Feb 24, 2011, March 1, 2012 and February 27, 2014.

## BALANCE SHEET

### FORMATION EXPENSES

The debt issuance costs are charged to income statement in the year in which they are incurred. Material formation expenses are capitalised and depreciated over a 5 year period. The acquisitions of the year are depreciated pro rata temporis. Restructuring costs are expensed as incurred.

### INTANGIBLE ASSETS

The intangible assets are measured at cost; this is the purchase price, production cost or the contribution value. General expenses are not incorporated.

For amortization the straight line method is used. The acquisitions of the year are amortized pro rata temporis.

Intangible assets with an indefinite useful life are not amortized. An impairment loss on these assets is recorded in case of a permanent loss or durable decrease of value.

Intangible assets with a finite useful life are amortized on a straight line basis at a fixed rate using the following plan, established on the basis of economic criteria:

- Goodwill: over the estimated useful life, if the useful life cannot be estimated reliably: 5 to 10 years
- Software: 5 years or the license period in case the latter one is shorter than 5 year
- Network licenses: over the license period
- Rights to use, football and broadcasting rights: over the contract period
- Customer bases and trademarks: 3 to 10 years

The goodwill resulting from the merger of early 2010 is depreciated over 15 years. This depreciation period is justified by the long life character of the expected profitability of all the merged companies.

The goodwill resulting from the merger of Wireless Technology in 2016 is depreciated over 10 years. This depreciation period reflects the useful life over which the economic benefits from the assets in the business combination are expected to be consumed by Proximus.

### TANGIBLE ASSETS

Tangible assets are valued at cost; this is the purchase price, production cost or the contribution value. General expenses are not included.

Tangible assets with an indefinite useful life are not depreciated. An impairment loss on these assets is recorded in case of a permanent loss or durable decrease of value.

Tangible assets with a finite useful life are depreciated using the straight line method. The determination of the depreciable amount takes into account a residual value if this can be determined accurately, is material and its realization is sufficiently certain.

They are depreciated at a fixed rate using the following plan, established on the basis of economic criteria:

	Useful life (years)
Land and buildings	
- Land	indefinite
- Buildings and building equipment	22 - 33
- Facilities in buildings	3 - 10
- Leasehold improvements	3 - 10
Technical and network equipment	
- Cables and ducts	15 - 20
- Switches	8 - 10
- Transmission equipment	6 - 8
- Radio Access Network	6 - 7
- Mobile sites and site facility equipment	5 - 10
- Equipment installed at client premises	2 - 8
- Data and other network equipment	2 - 15
Furniture and vehicles	
- Furniture and office equipment	3 - 10
- Vehicles	3 - 10

Fixed assets held under leasing or other similar rights are depreciated based on the useful life of the fixed asset as defined in the contract.

Assets under construction and advance payments are depreciated over the life term of the assets to which they relate.

Fixed assets that are put out of order are valued at net book value or at their expected realisation value if lower. They are no longer depreciated.

The acquisitions of the year are depreciated pro rata temporis.

## FINANCIAL ASSETS

Participating interests and shares are valued at their acquisition cost, which is the purchase price or the contribution value. Only the material ancillary costs are capitalised.

A write down is recorded if a durable permanent impairment or decrease in value of these assets is observed, based on the financial situation, the profitability or the perspectives of the company in which the participating interests or shares are held, taking into account the CBN/CNC advice n° 126-8.

Receivables are recognized at their nominal value. An allowance is recorded when, at the due date, the payment is partially or entirely uncertain.

## AMOUNTS RECEIVABLE AFTER MORE THAN ONE YEAR

Amounts receivables are booked at nominal value. Amounts receivable expressed in foreign currencies are converted to EUR at the rate in force at the date of delivery and are translated at the year-end rate.

A bad debt allowance is recorded on the nominal value when at the due date, the payment is partially or entirely uncertain.

### STOCKS AND CONTRACTS IN PROGRESS

Inventories of consumables and goods for resale are booked at their cost.

At the time of the annual inventory, the Weighted Average Price method is used to assess the various subdivisions in this caption.

A write down is applied when the realisable value or market value is lower than the acquisition cost or to take into consideration the risks inherent to the nature of the products.

Contracts in progress and work in process are valued at production cost or at market price (if this is lower than the production cost).

The projects of the ICT activity (contracts in progress) are taken into result based on stage of completion.

### AMOUNTS RECEIVABLE WITHIN ONE YEAR

These amounts appear on the balance sheet at nominal value.

A bad debt allowance is recorded on the nominal value when at the due date, the payment is partially or entirely uncertain.

Amounts receivable expressed in foreign currencies are converted into EUR at the rate in force on the date of delivery. At balance date they are translated at closing rate.

### CURRENT INVESTMENTS

Current investments are valued at nominal value when they concern funds held in financial institutions and at acquisition cost, acquisition price without ancillary costs, in the other case.

A write-down is recorded on the nominal value or on the acquisition cost when the sales value on the closing date of the balance sheet is less than the previously booked value.

For the determination of the realisable value of own shares the market value is taken into account on the one hand and the strike price of granted share options for which these shares are held on the other hand.

Current investments in foreign currencies are translated into EUR at the rate in force on the closing date of the balance sheet.

### CASH AT BANK AND IN HAND

Cash at bank and in hand is valued at nominal value. A write-down is recorded on the nominal value when the realisation value on the closing date of the balance sheet is less than the previously booked value. Cash at bank and in hand in foreign currencies is translated into EUR at the rate in force on the closing date of the balance sheet.

### PROVISIONS AND DEFERRED TAXES

On the closing date of the balance sheet, an inventory is made of all foreseeable liabilities and contingent losses arising during the current year or during prior years. Provisions are established based on a reliable estimate of the risk on the moment of the establishment of the annual accounts. Provisions reflect the best estimate of probable costs or, when it relates to an obligation, the best estimate of the amount necessary to settle this at year-end closing.



In the framework of the departure plans, provisions are made after approval by the Joint Committee. These provisions are determined as the present value of the benefits granted during the period of inactivity, both for current and future beneficiaries.

In the framework of post-employment benefits, a provision is made for the current and future beneficiaries of these benefits. For the current beneficiaries this provision is determined as the present value of the obligation resulting from the granted benefits. For future beneficiaries, this provision is built up gradually based on the number of years of service. As a consequence, at the pension date, the provision corresponds also to the present value of the obligation for the granted benefits.

The provision for damages concerning vehicles is built by the company as "own insurer" and is valued through an individualisation of all damages that occurred before 2014 and for which the costs will reasonably be bared by the company in future years.

Deferred taxes are booked in compliance with article 76 of the R.D. of January 30, 2001.

### AMOUNTS PAYABLE WITHIN ONE YEAR AND AFTER MORE THAN ONE YEAR

Amounts payables are recognized on the balance sheet at nominal value.

Amounts payable in foreign currencies are converted into EUR as follows:

- loans in foreign currencies at the rate in force at the time the loan is concluded;
- trade debts at the exchange rate on the date of entry of the reception of the goods and services.

Trade debts and financial debts, not covered against exchange risks, expressed in foreign currencies are translated at closing rate.

### TRANSLATION DIFFERENCES

Exchange gains and losses resulting from the translation are taken in the income statement.

### INCOME STATEMENT

The items in the income statement are valued at nominal value. Own construction is booked at production cost excluding indirect costs.

### TURNOVER

Revenue is recorded in the period to which they refer, regardless of their payment.

The turnover takes commercial and volume discounts into account.

Specific revenue streams and related recognition criteria are as follows:

- revenue from fixed line, mobile and carrier traffic is recognized on usage.
- revenue from connection fees and installation fees is recognized in income at the time of connection or installation.
- revenue from sales of communication equipment is recognized upon delivery to the third party distributors or upon delivery by the own Proximus shops to the end-customer.
- revenue relating to the monthly rent, the monthly subscription fee and access fees in the framework of fixed and mobile telephony, internet and digital television are recognized in the period in which the services are provided.
- prepaid revenue such as revenue from pre-paid fixed and mobile phone cards is deferred and recognized based on usage of the cards.
- maintenance fees are recognized as revenue over the maintenance period on a pro-rata basis.
- revenue from the ICT activity linked to projects is recognized in the result in function of the realization percentage.

RIGHT AND COMMITMENTS NOT ACCRUED IN THE BALANCE SHEET

The rights and commitments not accrued in the balance sheet are mentioned in the notes, per category, at the nominal value of the commitment in the contract, or failing that, at their estimated value.

## SUPPLEMENTARY INFORMATION

### APPROPRIATION ACCOUNT AND EVOLUTION OF THE RESERVES

In 2017, the profit of the financial year available for appropriation amounts to 334,766,319 EUR.

- 5 % of this net profit is to be appropriated to the legal reserve. Since this obligation expires when the legal reserve reaches 10 % of the Capital, limit that has been reached in the meanwhile, there is no appropriation to the legal reserve.
- The accumulated profit from previous years amounts to 304,501,233 EUR.

The profit to be appropriated then amounts to 639,267,553 EUR.

- 2,418,856 EUR net transfers from the reserves, to be further detailed as follows:
  - 3,708,700 EUR transferred from the reserves mainly in the framework of exercised stock options;
  - 1,289,844 EUR transferred to the reserves unavailable for distribution for own shares.
- 487,730,988 EUR are dividends to be distributed, as decided by the General Assembly. This amount can be further detailed as follows:
  - 161,383,300 EUR has been paid on December 8<sup>th</sup>, 2017 as interim dividend;
  - 3,708,700 EUR have been paid mainly in the framework of stock options exercised in 2017;
  - 322,638,989 EUR shall be distributed in April 2018;
- 23,725,182 EUR to be distributed to the personnel, pursuant to article 43 of the by-laws, representing 5 % of the result before taxes.
- The resulting profit to be carried forward amounts to 130,230,237.95 EUR.

### A SUMMARY of the accounts relative to the PUBLIC SERVICE DUTIES (obligation stipulated by art. 27 of the law of March 21, 1991).

Article 155 of the law of June 13, 2005 with regard to the electronic communication has cancelled the chapter V, that treats the public telecommunication service (being the tasks of public service), of the law of March 21st, 1991 and has been replaced by the provisions of chapter I, that treats the universal service (art. 68 to 104 included) of title IV of the new law. However, article 86ter of the law of March 21st, 1991 has been preserved and taken over as such under chapter II – Supplementary services of title IV of the law of June 13, 2005 (art. 105 to 107 included). The figures below contain the assignment of the public services as defined in the articles of the law and in article 4 in the management contract.

1. Operating income	0.00	EUR
2. Operating charges	161,640.19	EUR
Operating result (loss)	(161,640.19)	EUR

The calculations were made based on a cost model developed by Proximus S.A. de droit public/N.V. van publiek recht for the products that meet the requirements of the management contract and based on business economic criteria taking into account the expected life span of the products.

### INVESTMENT GRANTS

Proximus has not received investment grants from public governments or institutions in 2017.

**SOCIAL BALANCE SHEET**

Number of joint industrial committee:

**STATEMENT OF THE PERSONS EMPLOYED****EMPLOYEES FOR WHOM THE ENTERPRISE SUBMITTED A DIMONA DECLARATION OR WHO ARE RECORDED IN THE GENERAL PERSONNEL REGISTER**

<b>During the current period</b>	<b>Codes</b>	<b>Total</b>	<b>1. Men</b>	<b>2. Women</b>
<b>Average number of employees</b>				
Full-time .....	1001	10.176,5	7.386,4	2.790,1
Part-time .....	1002	2.754,1	1.427,5	1.326,6
Total in full-time equivalents .....	1003	12.218,0	8.476,4	3.741,6
<b>Number of hours actually worked</b>				
Full-time .....	1011	14.987.576	11.179.701	3.807.876
Part-time .....	1012	2.878.578	1.548.225	1.330.353
Total .....	1013	17.866.154	12.727.926	5.138.229
<b>Personnel costs</b>				
Full-time .....	1021	788.556.865	595.075.398	193.481.467
Part-time .....	1022	150.005.629	82.409.233	67.596.397
Total .....	1023	938.562.495	677.484.631	261.077.864
<b>Advantages in addition to wages</b> .....	1033	9.107.719	6.574.245	2.533.474

<b>During the preceding period</b>	<b>Codes</b>	<b>P. Total</b>	<b>1P. Men</b>	<b>2P. Women</b>
Average number of employees in FTE .....	1003	12.760,5	8.921,1	3.839,4
Number of hours actually worked .....	1013	18.772.986	13.464.625	5.308.361
Personnel costs .....	1023	950.829.870	692.511.821	258.318.050
Advantages in addition to wages .....	1033	8.363.264	6.091.162	2.272.102

	Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
<b>At the closing date of the period</b>				
<b>Number of employees</b> .....	105	10.133	2.649	12.120,3
<b>By nature of the employment contract</b>				
Contract for an indefinite period .....	110	9.918	2.640	11.903,5
Contract for a definite period .....	111	180	9	181,8
Contract for the execution of a specifically assigned work .....	112			
Replacement contract .....	113	35		35,0
<b>According to gender and study level</b>				
Men .....	120	7.342	1.367	8.399,1
primary education .....	1200			
secondary education .....	1201	2.724	875	3.396,8
higher non-university education .....	1202	1.518	266	1.725,7
university education .....	1203	3.100	226	3.276,6
Women .....	121	2.791	1.282	3.721,2
primary education .....	1210			
secondary education .....	1211	1.037	850	1.639,0
higher non-university education .....	1212	598	233	775,2
university education .....	1213	1.156	199	1.307,0
<b>By professional category</b>				
Management staff .....	130	161	1	161,5
Employees .....	134	9.032	2.239	10.703,4
Workers .....	132	898	409	1.213,4
Others .....	133	42		42,0

**HIRED TEMPORARY STAFF AND PERSONNEL PLACED AT THE ENTERPRISE'S DISPOSAL**

**During the period**

Average number of persons employed .....  
 Number of hours actually worked .....  
 Costs for the enterprise .....

Codes	1. Hired temporary staff	2. Persons placed at the enterprise's disposal
150	13,0	
151	18.844	
152	581.547	

**LIST OF PERSONNEL MOVEMENTS DURING THE PERIOD**

**ENTRIES**

**Number of employees for whom the enterprise submitted a DIMONA declaration or who have been recorded in the general personnel register during the financial year .....**

**By nature of employment contract**

Contract for an indefinite period .....  
 Contract for a definite period .....  
 Contract for the execution of a specifically assigned work .....  
 Replacement contract .....

Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
205	704	97	724,9
210	254	3	256,1
211	450	94	468,8
212			
213			

**DEPARTURES**

**Number of employees whose contract-termination date has been entered in DIMONA declaration or in the general personnel register during the financial year .....**

**By nature of employment contract**

Contract for an indefinite period .....  
 Contract for a definite period .....  
 Contract for the execution of a specifically assigned work .....  
 Replacement contract .....

**By reason of termination of contract**

Retirement .....  
 Unemployment with extra allowance from enterprise .....  
 Dismissal .....  
 Other reason .....  
 Of which the number of persons who continue to render services to the enterprise at least half-time on a self-employed basis .....

Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
305	777	700	1.212,1
310	382	542	784,9
311	391	158	423,2
312			
313	4		4,0
340	141	92	208,3
341			
342	57	4	59,0
343	579	604	944,8
350			

**INFORMATION ON TRAINING PROVIDED TO EMPLOYEES DURING THE PERIOD**

	Codes	Men	Codes	Women
<b>Total of initiatives of formal professional training at the expense of the employer</b>				
Number of employees involved .....	5801	6.103	5811	3.145
Number of actual training hours .....	5802	149.132	5812	70.633
Net costs for the enterprise .....	5803	14.210.061	5813	6.730.306
of which gross costs directly linked to training .....	58031	13.977.406	58131	6.620.114
of which fees paid and payments to collective funds .....	58032	232.655	58132	110.192
of which grants and other financial advantages received (to deduct)..	58033		58133	
<b>Total of initiatives of less formal or informal professional training at the expense of the employer</b>				
Number of employees involved .....	5821	7.722	5831	3.623
Number of actual training hours .....	5822	25.478	5832	10.851
Net costs for the enterprise .....	5823	2.387.943	5833	1.017.008
<b>Total of initiatives of initial professional training at the expense of the employer</b>				
Number of employees involved .....	5841		5851	
Number of actual training hours .....	5842		5852	
Net costs for the enterprise .....	5843		5853	

**SOCIAL REPORT**

*Note to codes 110, 210 and 310*

These codes can be divided in : a. statutory staff  
b. contractually staff

Code 110 :

	Codes	1.Full-time	2.Part-time	3. Total Full-time equivalents
Statutory staff	code 110	2.816	1.513	3.961,9
Contractually staff	code 110	7.102	1.127	7.941,6

Code 210 :

	Codes	1.Full-time	2.Part-time	3. Total Full-time equivalents
Statutory staff	code 210	0	0	0,0
Contractually staff	code 210	254	3	256,1

Code 310 :

	Codes	1.Full-time	2.Part-time	3. Total Full-time equivalents
Statutory staff	code 310	147	460	489,8
Contractually staff	code 310	235	82	295,1

Numbers of joint industrial committees which are competent for the enterprise :  
Proximus PLC under Belgian Public Law has her own national joint industrial committee.

Code 1023

The code 1023 of the social report contains the personnel charges for the personnel for which the enterprise has filed a DIMO-NA-declaration, more specifically:

- the charges taken in section 62 excluding those attributed to retirees and to the personnel of the Luxembourgian Branch;
- the part of the profit that is legally and statutory allocated to the personnel by the appropriation of the profit.

The split men/women of code 1023 for the year 2017 has, as it was also the case for 2016, mainly been drawn up using the full inventory and split between the men/women of the salary data as derived from the salary calculation of 2017.

*Information with regard to training received by employees during the period*

In 2017, Proximus received subsidies for employees of 356.854,89 EUR in the framework of the training leave concerning 2015-2016.