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Speakers:

Dominique Leroy – CEO

Sandrine Dufour – CFO

Bart van den Meersche – Chief Enterprise segment

Daniel Kurgan – CEO BICS

Nancy Goossens – Director Investor Relations

Operator: Ladies and gentlemen, good afternoon and welcome to today's Proximus 2017 Q2 Results Conference Call. For your information, this conference is being recorded. At this time, I would like to turn the call over to Nancy Goossens, Director Investor Relations. Please go ahead.

Nancy Goossens: Thank you. So, yes, good afternoon, ladies and gentlemen, and thank you all for calling in. I take it that everybody has well received our second quarter results release and the presentation so, as per usual, we will not run you through all the details, as we trust you have seen the published numbers by now. So, that leaves for me just to quickly introduce to you the people around the table here. So, we have Dominique Leroy, the CEO; Sandrine Dufour, CFO; we have Bart Van Den Meersche, the Chief of the Enterprise segment; Geert Standaert, the CTO; Daniel Kurgan, CEO of BICS; and Dirk Lybaert, our Chief Corporate Affairs Officer. They will all be very happy to take your questions in a moment, but before getting to that, just the introduction of the CEO, Dominique.

Dominique Leroy: Yes, good afternoon, everyone, and welcome to our conference call. I will just quickly run you through the main takeaways from our release this morning. I mean, first of all, I think we can all be proud of our ability to continue to grow the Proximus customer base, and this in spite of a more competitive Belgian market. Specifically, the Proximus All-in offers continue to prove successful with now 255,000 customers having subscribed to either Tuttimus or Bizz All-In. We closed also a very good quarter, in particular for mobile postpaid, growing in total with 60,000 cards in the second quarter.

Alongside the commercial success of the Proximus brand, we also gained good traction on our Scarlet brand. Scarlet increasingly proved its solid competitive position in the low end of the market, and successfully acquired customers that are more price sensitive. Our reported net customer growth was also supported by improved churn levels for fixed and mobile; something we can be proud of, as it proves that the many initiatives we have taken to enhance customer experience have indeed turned Proximus into a more robust company.

Also, our enterprise segment firmly grew its mobile customer base and, although we faced fierce competition in the enterprise market, we sustained our overall solid position. The second quarter revenue showed, however, some impact from the volatility in ICT product deals, which came on top of the ongoing decline in legacy voice services.

While our domestic direct module is facing some pressure due to a changing product mix and due to roaming regulation, we nevertheless achieved 1.1% growth in our domestic EBITDA. This is thanks to lower domestic costs, decreasing by 3.6% in the second quarter as part of our ongoing company-wide cost reduction plan. The domestic EBITDA achievements were partly offset by BICS, bringing the total group EBITDA growth to 0.4% for the second quarter. With these second quarter results, we remain broadly in line with our expectations, and hence, we reiterated our full-year guidance, meaning a slight growth in Group EBITDA and a nearly stable domestic revenue. With the fibre rollout now well started, we expect our fibre investments to go up over the second half of this year and, hence, we also reiterate our CAPEX outlook for 2017 of around €1 billion.

Going forward, we will maintain a focus on improving customer experience. In this view, we have strengthened our entertainment offer with the renewal of the Jupiler Pro League football rights, and we have added Netflix as a TV option in Tuttimus. Also, next week we will launch our More4More data offers, both for mobile-only and Convergence bundles. With these competitive offers, our mobile customers will be able to enjoy more mobile data, both in Belgium and abroad.

As a final point, as you know, the consultation on the BIPT's market analysis has now started, and currently proposes to deepen the cable regulation and extend it to fibre networks. Several modalities, however, still need to be defined. Over the coming months, we will continue to strongly advocate for a non-regulated, open and future-proof fibre network, based on flexible bit-stream access. We will enable a competitive gigabit market in Belgium. We want to guarantee fibre access to Belgium households in the quickest and most cost-effective way, taking into account the specific Belgian context. We are also

open, as already said, to co-investments in fibre infrastructure, but these need to be under conditions that are acceptable, both from a technical and financial point of view.

With this, I have covered my introduction, but I am sure you will probably have more questions, so let's turn to these now.

Operator: Ladies and gentlemen, we will now begin our question and answer session. If you wish to ask a question, please press 01 on your telephone keypad and you will enter the queue. After you're announced, please ask your question. If your question has been answered, you can remove yourself from the queue by dialling 02. Once again, please press the code 01 on your telephone keypad.

The first question is from Daniel Morris of Barclays. Please go ahead.

Daniel Morris: Yes, good afternoon and thank you for taking the questions. I've got two, please. The first is directly following up on the comments you've just made around the telecom regulation and the fibre investment plans. You mentioned that you're specifically looking for the right technical and financial conditions to do co-financing. And I just wondered, have you looked at the French model which is, essentially, a kind of small margin on the build and a shared cost programme? Would that be a kind of acceptable solution in your view, or are you looking for more in terms of the financials? So, any clarity that you could provide on that.

The second question I just have is on Roam-Like-At-Home. We've obviously had a little bit of time for that to start impacting, I guess, in the last few weeks. Can you just update us on the kind of elasticity benefits you're seeing versus the headline reductions you've already guided us to? Thank you very much.

Dominique Leroy: Yes, on the co-investment side, what I think is important to highlight is that we are open to co-investment, which is also different than pure co-financing. One of the elements where you see in France is that some operators are doing some parts of the cities, and others other parts of the city, and then they make an agreement between themselves for open bitstream access. This is potentially something we could consider, but therefore, you need someone that is ready to invest in fibre next to us in Belgium, which today is not the case.

On the Roam-Like-At-Home, I think it's difficult to say because it's very recent figures already, because it only went into the market from 15th June. What we definitely see is that the consumers are using way more their phone abroad, and we see some increase on our residential part for mobile data, which can go up to 400–500%. It's less the case on the enterprise business, where people have always used more their roaming abroad. But we also see elasticity on the roaming-in, knowing that, of course, in the holiday period we will probably have a higher elasticity in roaming-out, where Belgians take their holidays abroad, and probably less elasticity in roaming-in as Belgium is not so much a holiday destination, but way more a destination where people come for work during other months of the year. So, a bit early to give more elements than those for the time being.

Operator: Thank you. The next is from Vikram Karnany of UBS. Please go ahead.

Vikram Karnany: Yeah, thank you. A first question in terms of the higher income tax, legal prepayments that you highlight that is impacting your cash flow: is it more of a phasing issue, or is it an incremental burden on your free cash flow? And if you could quantify what that additional burden would be in terms of this payment out.

And secondly, when I look at the fixed line overall, in terms of enterprise side, your voice revenues have come under pressure, and you highlight that it's ongoing rationalisation that you're doing. Again, is it more of a phasing issue or is it more structural that we should we expect ARPU pressure, and revenues therefore coming under because of what you're seeing as rationalisation?

Sandrine Dufour: Okay, so on your question regarding the higher cash income tax prepayment. So, since this year there is a new framework whereby we have to pay 59% of all our tax due for the year by 15th April, while last year it was only 9%, so that is a change. So, is it just timing, or does it have an impact? For the full year, it's something that we had fully anticipated. So, it certainly has a timing impact as you compare our first half free cash flow compared to last year. Now, bear in mind that our level of cash taxes paid in 2016 were quite low, and that was to do, as well, to the fact that the taxable base was lower in 2016, and compared to this year we have less notional interest deduction, there are less other deductibles. So, we had anticipated that our cash taxes would increase in 2017 in our full-year forecast of free cash flow, and we still have in mind that we are able to cover our dividend with our free cash flow, despite the fact that our CAPEX are growing.

Bart Van Den Meersche: And as far as the fixed voice erosion at enterprise: yes, it is structural in the sense that we have seen this all the past quarters. It's linked to rationalisation of lines, it's linked to a move to voice over IP, and it's linked also to some competitive pressure. But if you see, it's fairly stable quarter-over-quarter. The only thing that is different in this quarter is that in this quarter now, we have less equivalent business days, because the full Easter holidays were in the second quarter FULLY in April, and so that plays in the usage of fixed voice for enterprise.

Vikram Karnany: That's helpful. Can I just follow up in terms of the tax, a separate topic: what is then your effective tax rate in 2017? And yesterday, there was this announcement in terms of potential for the corporate taxes going down: what are your early thoughts on this particular topic if the government goes ahead? What would you plan to do? Would it be more phasing the flexibility to accelerate your fibre rollout plan?

Sandrine Dufour: Well, the first elements we know on the measures on the corporate tax reform are obviously good news for companies which are paying most of their taxes in Belgium, like Proximus. So, before any decision, you know that our ETR for the year was trending closer to 30%, and that's, as I said just before, because of a lower benefit of some deductions; precisely, the notional interest tax deduction is yielding less than in the past, because interest rates are very low.

Now, what has been announced is that if this is passed, the corporate tax rate, nominal corporate tax rates will decrease from 33.99% to first set in 2018 around 29.5%, and potentially further down to 25% by 2020. Of course, there are a series of compensating measures that will be taken as well to finance this decrease of corporate tax rate. Our first and preliminary assumptions and analysis of the impact that these measures could have on our ETR is that we would expect to have an ETR in the range of 27.5–28% as of 2018, which is certainly a decrease compared to the higher corporate tax rate that we were having. It may have an impact as well as of 2017 because of the deferred tax rate, but we're still calculating that. I think it's highly premature to say that it has any impact on our operating plan, in terms of deciding to accelerate investment or the like. Actually, to be fair with you, it's not something we've been focusing on since yesterday.

The other element I'd like to mention is that there's an additional aspect which is linked to cash prepayment. I've just explained what's going on in 2017 with the higher prepayment, up to 59%. What's in the text currently that this prepayment could go up to 70% as of 2018, which means that from a cash point of view, in 2018 we may have a slightly negative impact. But all in all, ETR longer term, that's certainly a good trend.

Vikram Karnany: That's helpful, thank you.

Operator: The next question is from Ruben Devos of KBC Securities.

Ruben Devos: Yes, good afternoon. Two questions, please. The first one on Scarlet, so the press release indicated Scarlet is appealing to customers in the low-cost market, a message we've seen in Q1 as well. It all starts to appear in your Triple-Play ARPU, as current customers increase in the mix. So, I was wondering whether you could give any qualitative comments on whether Scarlet sees most

net adds coming from the existing subscriber base of Proximus or from your competitors, whether it has been more successful in the south, in the north, whether you've seen more of a general appetite in the fixed market towards low-priced bundles? So, any comments on this would be helpful.

And the second question: you've added 44,000 postpaid subscribers in residential which is, again, a rather solid performance. So, could you give an indication where the majority of the net add intake can be explained due to the efforts you've done around prepaid registration and thus acceleration of the migration towards postpaid, or is it rather the impact of Tuttimus and the conversion discounts which prove to have a strong cross-selling incentive, let's say, to mobile? Thank you.

Dominique Leroy: Concerning Scarlet, it's true that Scarlet is working well and that, of course, when you sell a Triple-Play on Scarlet at €39 versus a Triple-Play on Proximus at around €65, you have long term a small effect on the ARPU. What is important to say is that we don't see more transfer from Proximus to Scarlet. I think that is relatively low and has always been low and, to be honest, it's also part of our strategy to try to target very different customer profiles with Scarlet than Proximus. So, we don't see transfer or major degradation of customers going from Proximus to Scarlet. What you see today is with all the new players on the market, we see more customers sensitive to price, and so more success for the no-frills, low-price brands, and Scarlet is very well positioned to participate in that growing customer segment. And I think today we are quite satisfied to have this two-brand strategy where one, you can attract the same price-sensitive customers, and with the other one, you are able to provide a full-service, full-content, full-premium offer on the Proximus.

Concerning your second question on the postpaid, it shows that we have very good figures on postpaid. It's 44,000 on CBU, but also 16,000 on EBU. I think you see mainly a postpaid increase coming from our Convergent offer, where we see good traction on the Tuttimus Bizz All-in and that's, of course, including postpaid. We have also a product within postpaid that is today a bit complementary product to the previous prepaid, it's called FullControl. So, it's a full postpaid offer, but where you cap your prices and so, in that sense, it helps people to control their costs, and so it has the advantages of the postpaid's prices but also the prepaid capping in terms of subscriptions. So, that's certainly also one element which is helping the drive of postpaid within CBU. And then you have the normal Mobilus and Scarlet increase in postpays.

So, various factors, but indeed very satisfying results. And perhaps a last element I could add is that we have also changed a bit the way we do subsidised offers, with a new type of subsidisation which is independent from the subscription. And that's also getting good traction from the customer, as it gives the customer more freedom to choose the phone they like and the subscription they like, without any effect on the tiering for the time being.

Ruben Devos: Okay, thank you.

Operator: The next question is Emmanuel Carlier of ING. Please go ahead.

Emmanuel Carlier: Yes, hi, three questions. First of all, do you see that churn is picking up after the Easy Switch?

Secondly, when do you expect new cable wholesale rates to get implemented, and what is the kind of tariff that you would see as fair?

And then the third question is on Voo. So, we have extended cable regulation, we have a new government in the Wallonia; do you believe that the combination of these two elements could maybe result in a quicker sell of Voo? Thank you.

Dominique Leroy: So, concerning the churn: I mean, I said it in my introduction that the churn has decreased in Q2. Of course, that's without Easy Switch, but I think we are quite happy that a lot of efforts that we have undertaken to try to improve customer experience, improve the quality of our line,

of the vectoring, and of the set-top box and things like that, is currently really peaking into a reduced churn. Easy Switch, it's still early days. We don't see major impacts today of Easy Switch, so I cannot really give you any indication on that. So far, no real impact. The only thing which is annoying is that today on the SFR side, they are not compliant with the Easy Switch regulation, and that's a difficult discussion we sometimes have with the customer, where if someone comes from SFR they expect us to do the whole procedures, but we can't and we have to send them back to SFR and, by the way, now Telenet. So, that's the only annoying operational element you'll see on the Easy Switch.

Concerning cable regulation: to be honest, it's a bit difficult for us to give a lot of comment there. I think what you can read in the market analysis is that, indeed, the regulator wants to go further in access regulation for cable at what they call a 'reasonable price' which is, indeed, going away from the retail minus, but is not fully a cost plus. Where that will end, to be honest it's difficult for us to tell because it depends very much on which type of model they will use. In terms of timing, that's probably easier to say. I mean, the current consultation phase it's going on till 15th September. After that, the BIPT will have to integrate some of the comments of the various players. We expect them to finalise that by the end of the year, then it needs to go to Europe, where Europe will have to look at the market analysis and will probably take at least three months, if they accept it in the first wave, but could take longer if they challenge the methodology of the BIPT and there perhaps between [inaudible].

I can say that we are very surprised by the way the BIPT is defining the market. As you probably have read, they defined the cable market as being one market, and the copper and fibre market being another market, which is a rather strange way of defining markets. We have seen in many other countries, like in Spain, like in Portugal, like we also have indication in the Netherlands, that now regulators are looking at broadband markets as one market with different technology. In Belgium, to our knowledge, it's the only market where the distinction is made between a copper/fibre market and a cable market. So, of course, easy to say that everyone has a significant market position when you tailor the market description to what helps you to regulate. So, this will certainly be one element that we, at least, will put forward to BIPT, but I guess also Europe will put forward, as today in Europe you see more and more the Commission trying to favour deregulation and more investments, and I think the market analysis that is today on the table is not so much going into that direction.

Concerning Voo, your last question: it's also very difficult to say, because the new government has just been announced. I think the major shareholder today in Voo is the province of Liège and the city of Liège and, to my knowledge, there is no change in the people that are running those two main shareholders. So, I think so far, I have not heard of any changes and any new movements in shareholding of Voo but, to be honest, we will certainly have more information on that in the months to come when the new Walloon government will have settled.

Emmanuel Carlier: Thanks a lot.

Operator: The next question is from Ulrich Rathe of Jefferies. Please go ahead.

Ulrich Rathe: Thank you. I have a follow-up on that tax comment you made. It's very helpful to get a sort of initial guesstimate for the ETR in 2018. I have a question, though: what would it have been under the current rule? And the reason I'm asking is, my understanding is that the reform also removes the notional interest deduction; could you confirm that's correct? I understand the notional interest deduction is declining, but it's to the benefit. So, I was just wondering how would 2018 look if everything stayed the way it is at the moment?

The second question I have is just regarding the FTE reduction. That incrementally came down a bit less in the second quarter than the first quarter: could you comment on the phasing in the second half of this year for any further headcount reductions that you may be planning? Thank you.

Sandrine Dufour: So, on your first question: the ETR 2017, as I said, without an impact of the reform would be close to 30%, and our forecast for the next year is that the benefit of deductions – and the first

one being notional interest deduction – is decreasing because of very low interest rates. So, providing the interest rates are staying low, we were expecting in 2018 to have an ETR which would have been north of 30%. And it's true that in the current reform what's expected is that there are changes in the deduction, including a revision of notional interest deduction. So, right now, that's our understanding, and that's our current analysis. So, as we get to 27.5%-plus, 27.5–28%, certainly a benefit compared to our expectation if there are no reforms.

On your second question: so, the full first half of this year, we benefited from two waves of departure of the early leave plan, which has helped decrease the FTE by 832 FTEs for Q2, and it was roughly the same for Q1 because we had the benefit of the departure of the first wave which was in July 2016, and the second wave in January 2017. So, as of Q3, we'll have in volumes, just year-over-year, one wave, which is roughly half in terms of numbers, but we will also have in our wage cost the indexation that starts in July 2017. So, when you will be comparing seasonality for the balance of the year, there will be a lower volume impact, but there will also be a wage increase, which will then diminish the impact of our workforce cost reduction for Q3, Q4.

Ulrich Rathe: Thank you. Just to follow up: do you have plans that you can talk about already to reduce the headcount further in the second half of this year? Thank you.

Sandrine Dufour: Well, the key drivers are, beyond the early leave plan, natural attrition and pension. So, beyond that, that's how we operate.

Ulrich Rathe: Thank you very much.

Operator: The next question is from Paul Sidney of Credit Suisse. Your line is now open.

Paul Sidney: Good afternoon, thank you very much for taking my questions. Just three quick questions please. On the new More4More offers which will apply from 1st August, presumably your existing customers have all been notified by now of the changes; I just wondered, have you seen any pickup in churn over the course of the last few weeks? I mean, we're obviously seeing price increases on fixed and mobile landing less well, not just in Belgium but across Europe.

And then the second question. You mentioned fierce competition in enterprise; I was just wondering which of your competitors are being the most aggressive in that segment, and are Proximus losing share in the enterprise segment, as a result?

And just lastly, if the BIPT market analysis goes towards regulating your fibre network and a co-investment model, which you don't think is acceptable, could that actually lead to you scaling back your fibre plans that were announced in December last year? Thank you.

Dominique Leroy: So, perhaps on your first question, do we see some churn after our More4More announcement? I think in the first two weeks, yes, which is a normal pattern. When you announce a price increase, you have some customers that are a bit more price sensitive, they tend to leave. So, we see a bit more port-out in the first week, but that has already normalised today. So, I think it's a normal pattern from a price increase, and I think it's important longer-run that we find a way to monetise the investment that we do. We have done quite a lot of investments to support the data usage, we want to offer our customers the possibility to use more data in Belgium and abroad, and I think a lot of customers are really appreciating that.

But we also need to be realistic, and to drive some price compensation for that, and that's what we have done, and we will see how the market will react. But I think today this is still the way we try to manage the business: by improving our network, improving our services and trying to monetise that in the best way. And mainly, we do More4More strategy towards our customers, and we also then, of course, have the alternative of Scarlet for the people that are not willing to go to the premium brand.

And I think that model and that equilibrium so far has worked quite well for Proximus, and I don't see why today it would fundamentally change the paradigm.

Bart Van Den Meersche: As far as your second question, so it's true that we're seeing increasing competition in the enterprise market. It's not a secret that our competitors are targeting the enterprise markets, because we are pretty strong in that area. Who are the competitors? Well, it depends on – I mean, if you talk telco, then you have traditional ones which are cable, being Telenet and Voo; and in mobile you have, of course, also Orange. Next to that, you have, of course, over-the-top players that start to impact also the enterprise market.

Regarding the question on are we losing share: for the time being, I can say we are not losing share; on the contrary, like in mobile, we're still gaining market share, and for the rest, we're sustaining as much as possible.

Dominique Leroy: Then on your last point concerning the BIPT: to be clear, today on the potential fibre regulation, the modalities are not yet defined. So, the BIPT has put forward four potential modalities, of which one is completely in line with the current deployment model of Proximus, three are slightly different. So, what we have said is that, indeed, if we would be imposed a completely new topology for the development of fibre, that would increase the cost of deployment substantially. That would also delay the deployment, but first of all we would try to fight that because our objective is to offer Belgian customers a strong alternative with the gigabit network as fast as possible and for as low cost as possible, in both cost to build and cost to run, so that's really our objective.

If we would end up in the model – but to be honest, I would not understand very much why that would be the case, because I think there, the BIPT and ourselves, we have the same objective: it's to offer in Belgium an alternative to a gigabit network, as fast as possible and at the lowest cost as possible, and we really think that our topology is the one to deliver that. If in the unlikely event it would not be that, and we would have to invest substantially more and delay investment, that would indeed force us to look back at our plans and potentially scale back our fibre-to-the-home investment plan. But today, we are not saying that that's the case; today we are still investing, and we hope that we will be heard for the model we have put forward which we really think is the best development model for Belgium, the most efficient and the fastest to get a second gigabit network available for the Belgian customer.

Paul Sidney: That's really helpful. Thank you very much.

Bart Van Den Meersche: Referring to your second question, I realised I forgot to answer the ICT part. So, I gave you the competition for the telco part. In ICT, of course, the competition is much more scattered depending on the activity, meaning if you talk security, competition is different than if you talk cloud or if you talk UC. So there, we have a much more scattered landscape.

Paul Sidney: Appreciate it. Thank you.

Operator: The next question is from Stéphane Beyazian of Raymond James. Please go ahead.

Stéphane Beyazian: Yes, thank you. Two questions if I may. The first one is I can see that you appointed a chief for the consumer market from Canal+, so should we read anything there? Is there any change in your ambitions in terms of a reasonable approach to content?

And my second question is regarding TeleSign: is there anything more that you can tell us there, perhaps in terms of synergies? And just a very naive question there: why actually is TeleSign going to be included within BICS? I can understand the network answer, but wouldn't that make sense actually to integrate TeleSign with the business teams of Proximus? Thank you.

Dominique Leroy: So, on your first question, Guillaume Boutin will indeed join the company by the end of August to take care of the consumer business. Guillaume has a lot of experience in telco

because he has been working quite a long time at SFR, he's recently at Canal+. So, for us I think it's a very strong addition to our executive committee with someone that has broad experience both in the telecom and the content.

Would that change our approach to content? To be honest, so far, not. But Guillaume is not yet there, so I mean he first needs to come and to see. But so far on content, we really try to remain what we call an aggregator of content, offering our customer as much choice as possible, so very important local content, but also more international content, sport content, kids' content at the lowest price, and I think today that remains our main objective; building, of course, next to that, also a more personalised and targeted content which is something that we are still developing and where, indeed, it could be that Guillaume can really help us going faster there.

Daniel Kurgan: Hi, good afternoon, this is Daniel. On TeleSign: first, we are days or a few weeks away from closing. We have not closed the transaction yet. So, ready to activate soon, hopefully, to give you more colour next quarter.

Now, why does it make sense to be part of BICS? Well, TeleSign generates billions of messages to users across the world, and by integrating TeleSign we have explaining we are creating what we call the world's first end-to-end communication platform as a service. So, from the digital customers of TeleSign using APIs and authentication services, to all the mobile networks that will reach directly with the BICS network, so it's a very complementary segment to our other business segments being – I mean, the traditional wholesale segment, and that's why it's part of – BICS is part of a transformation addressing the communication needs from the digital market.

Dominique Leroy: And perhaps just to add to that, I think it's very important that it's integrated in BICS, but it does not prevent us to try to find synergies and potentialities to develop the technology of TeleSign within the Proximus environment. There are already some contacts with our affiliate in Luxembourg which is quite strong in fintech[?]. So, I think the integration will be in BICS because it's quite obvious, it's an international play, but of course we will also try to leverage the knowledge and the technology and competence of TeleSign for all Proximus and all the business.

Stéphane Beyazian: All right, thank you.

Operator: The next question is from Marc Hesselink of ABN AMRO.

Marc Hesselink: Yes, thank you. My first question is on the direct margin; you also already mentioned this mix and the roaming impact, but could you talk a bit more about it? Because I think that the mix and roaming has always been the case, and it's quite a sudden step down that you see in that direct margin.

And the second question is on the cost cutting. It seems that you're already running well ahead in the first half of the year, also last year was pretty well ahead. What is the idea, the €150 million of cost cutting? Was it more front-end loaded, or are you simply running ahead and there might be opportunity to do a bit more? Thank you.

Dominique Leroy: So, concerning the direct margin, I think roaming has some impact on direct margin. I think we will see probably even more impact next quarter because the impact of the new Roam-Like-At-Home in Q3 will be more than what we have in Q1, Q2. But indeed, the direct margin lowering is a combination of mix, it's less fixed voice. I think that's the main impact on our direct margin. A bit less of ICT product this quarter, and also a wholesale which is also an impact on the direct margin. So, I don't think we can relate direct margin directly to roaming; I think it's a combination of various elements which are typical to telcos today, which is a transformation of historically a lot of fixed voice to more data, to more TV, to more ICT, and that, of course, has an impact on the margin. And that's why, of course, as your second point, the cost cutting is very important because we need to find ways to run

our business with less OPEX. But I think there, I will let Sandrine give you a bit more indication on that one.

Sandrine Dufour: So, it's true, we're tracking well on our cost decrease ambition. We are even a bit more front loaded, as you said. Now, we've not revised our ambition for the years of decreasing our total OPEX by a net €150 million. We still are working on all various initiatives in the full and whole dimensions of the company, and we will see when we revise our next three-year plan. But so far, as you know, this €150 million is the result of a strong cost decrease, by €400 million of cost initiatives. At the same time, we also have some increase which are either indexations, either volume or either driven as well by new activity, and one of them being the fibre rollout which also comes with not just CAPEX, but also OPEX. So, I think it's important to have in mind this balance between the effort we're doing on the gross net saving and the activity of the company which is still growing fast in some element on the volume point of view and some indexation.

Marc Hesselink: That's clear. And maybe as a follow-up, to translate that into the outlook for the full year 2017; you're guiding for the nearly stable domestic revenues and Group underlying slightly growth, you're running well ahead on that. And if I think then the cost savings will even be – yeah, there will be additional cost savings in the second half of the year, and roaming will have some impact, but not that much extra versus the first of the year, if you're looking on your slide, on slide 18. What are your thoughts about that? Is there something that's going to be a more difficult comparable base for the second half of the year?

Sandrine Dufour: So, for the second part of the year, as I said, on the OPEX side, we will not get the benefit of what we had for the first half. With two waves of ELP we'll have the wage indexation, but as well roaming in Q3, we expect it to have a bigger impact. That's what we've observed on the first half of the year on our direct margin. And I think you should look at the sequence of our quarters in 2016: we had an excellent Q3 EBITDA in 2016, so that will be a tough comparison, just in terms of expectations for the balance of the year; Q3, Q4, we really had a very high Q3 2016 where we massively decreased our costs. So, in terms of expectation for the next quarters, that's something that you have to take in mind, and so that's why we reconfirmed our guidance for the full year.

Marc Hesselink: Okay, thank you.

Operator: Thank you. We currently have no further questions in the queue.

Nancy Goossens: Okay. Since there are no further questions, I think we can close the call now, so thank you very much for calling in. Should there be any follow-up questions, you can contact the Investor Relations team. Thank you.

Operator: Ladies and gentlemen, thank you for your attendance. This call's been concluded, you may now disconnect.