



3Q08 Belgium Mobile Forecast



ARPU levels to decline following cuts to
termination rates imposed by Belgian regulators

FreeSight #17.2008

September 2008



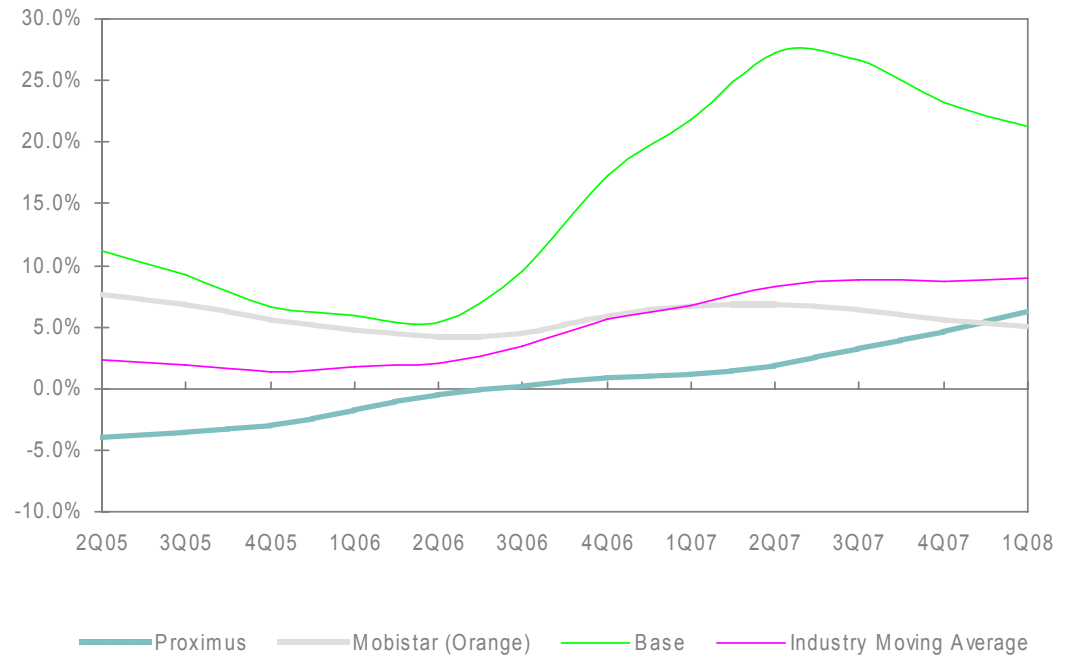
Subscriber growth increasing

+9% moving average subscriber growth in Belgium from 1Q.2007 to 1Q.2008

SUBSCRIBER GROWTH RATES IN BELGIUM INCREASING

- Operator-wide subscriber growth (YoY) increasing after a small decline from 2Q.2007 to 4Q.2007.
 - Industry wide average (YoY) of 9.6% in 1Q.2008, up from 8.2% in 4Q.2007.
- Base still the leader in subscriber growth in Belgium with a 19.5% rate from 1Q.2007 to 1Q.2008.
- Proximus and Mobistar continue to move in opposite directions.
 - Proximus had a subscriber growth rate (YoY) of 8.4% in 1Q.2008 compared to Mobistar's 4.6%.

Chart 1: Subscriber Growth (2Q05 – 1Q08), %



* Data shows 4-quarter Moving Averages

Source: IEMR



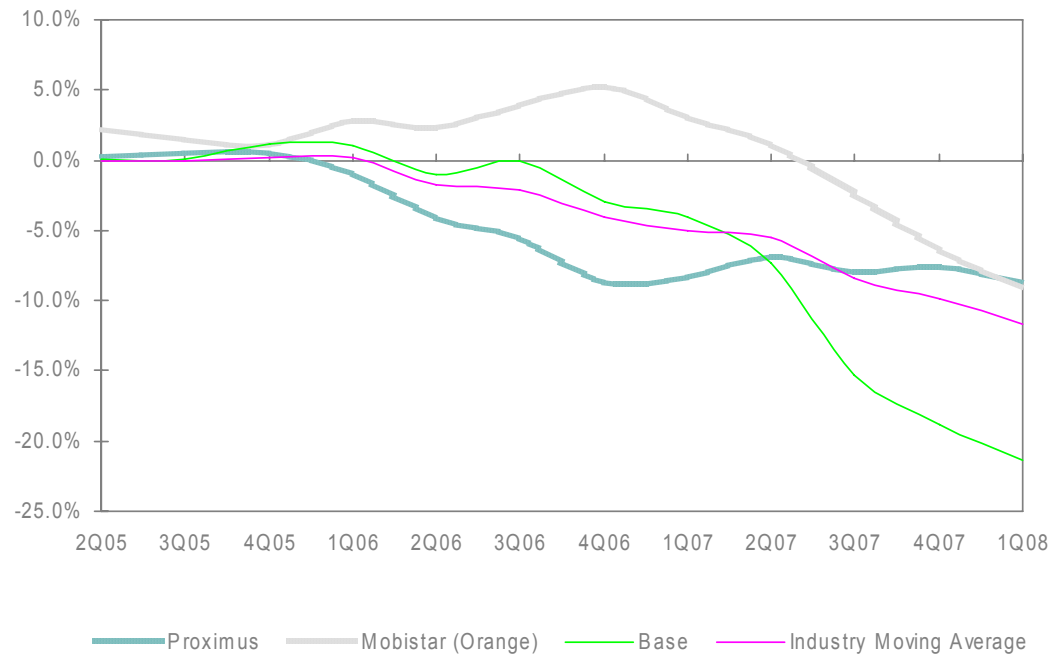
ARPU levels are decreasing

-11.7% operator-wide moving average from 1Q.2007 to 1Q.2008

ARPUs ARE DECREASING OVERALL

- Decreasing trend in ARPU growth rates continues over the last four quarters.
 - The industry moving average fell to -11.7% over the last four quarters.
- Mobistar's ARPU growth (YoY) continues to decrease, falling to -11.8% in 1Q.2008.
- Proximus and Base have seen their ARPU growth (YoY) improve, -9% and -19% respectively, in 1Q.2008.
 - Base still has the lowest ARPU growth among Belgium's mobile operators.

Chart 2: ARPU Growth (2Q05 – 1Q08), %



* Data shows 4-quarter Moving Averages



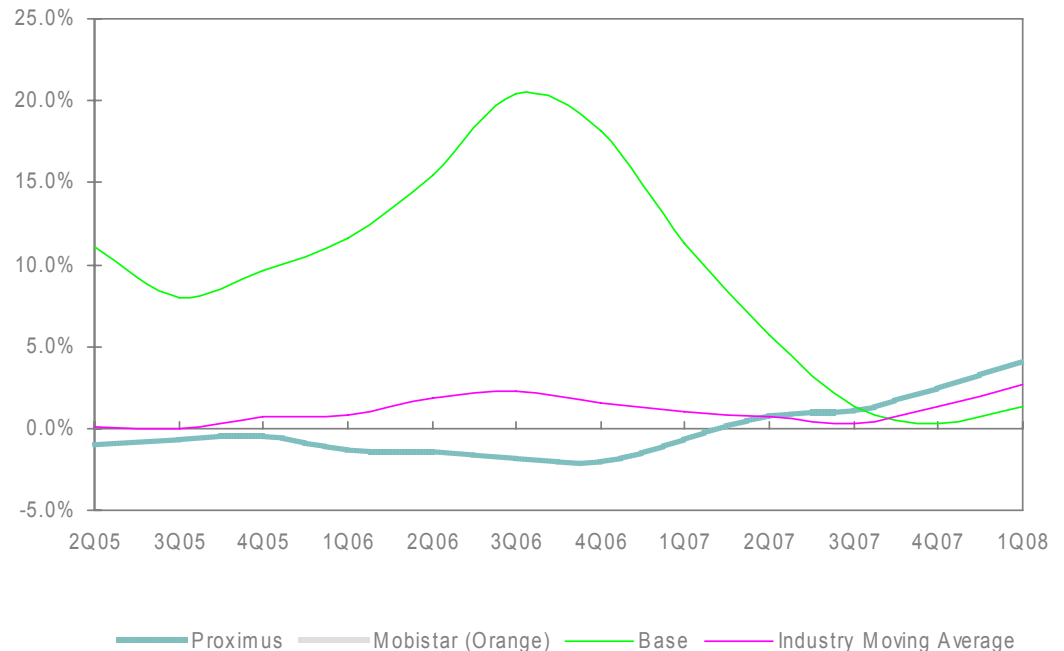
Minutes of Use per Subscriber increasing

+2.7% industry-wide moving average last four quarters

MINUTES OF USE PER SUBSCRIBER ARE INCREASING

- The industry MOU/Sub growth (YoY) continues to increase, 4.5% from 1Q.2007 to 1Q.2008 compared to -1.2% from 1Q.2006 to 1Q.2007.
- Proximus continues to lead Belgium's operators with its MOU/Sub growth (YoY) of 7.8% in 1Q.2008, continuing its increase which started in 4Q.2007.
- Base's MOU/Sub growth (YoY) is decreasing, -1.5% in 1Q.2008, falling in negative territory for the first time since 1Q.2007.

Chart 3: MOU/Sub Growth (2Q05 – 1Q08), %



* Data shows 4-quarter Moving Averages



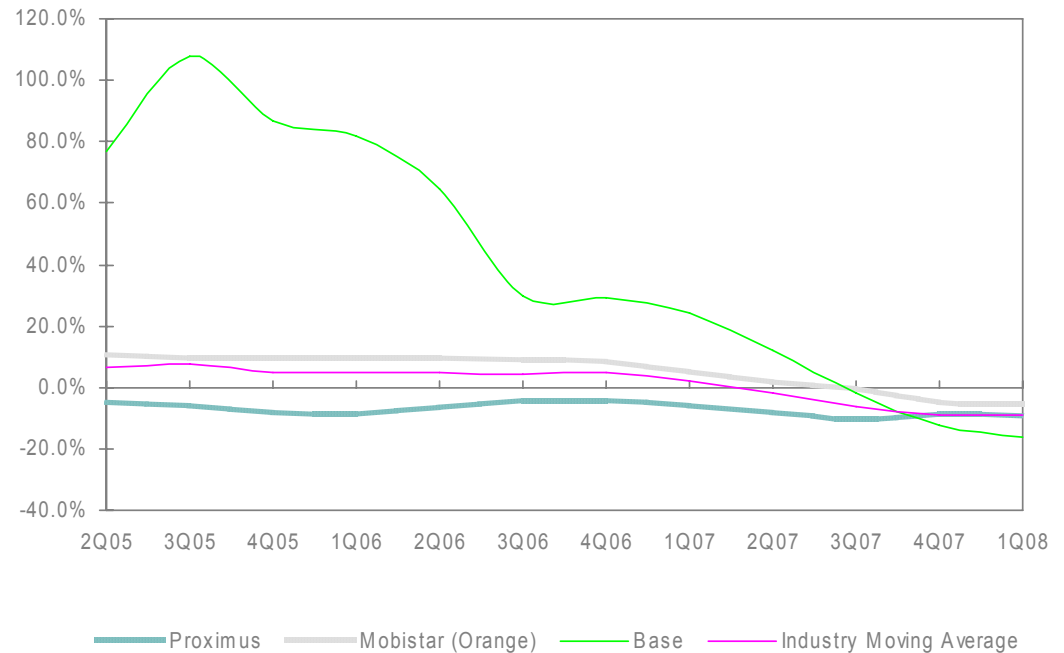
Operators seeing their EBITDA growth decrease

Industry moving average EBITDA growth was -9% over last four quarters

DECREASE OF EBITDA GROWTH IN BELGIUM

- EBITDA growth expected to climb back into positive territory by 2010.
 - Despite being in negative territory, -7% EBITDA growth (YoY) in 1Q.2008, industry average expected to reach 1% in 2010.
- Proximus' EBITDA growth (YoY) remains constant, -8% in 1Q.2008.
- Mobistar and Base's EBITDA growth (YoY) are improving, -2% and -10% respectively in 1Q.2008, up from -12% and -22% respectively in 4Q.2007.

Chart 4: EBITDA Growth (2Q05 – 1Q08), %



* Data shows 4-quarter Moving Averages



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