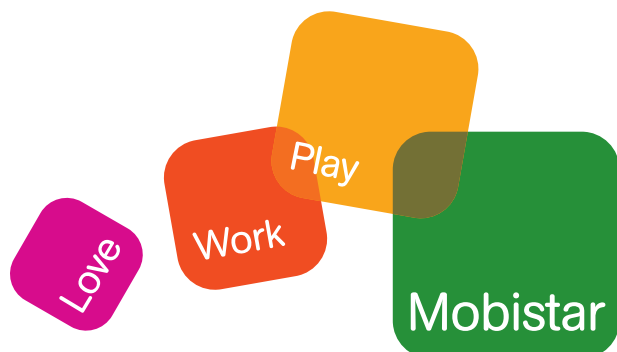


**Full year  
results 2008  
Mobistar**





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## Press release

Embargo until Thursday 5 February 2009 at 7 a.m.  
Regulated information

### Mobistar outperforms guidance Consolidated turnover up by 1.5 % and the customer base continues to grow

**Brussels, 5 February 2009 - Mobistar announced its results for the 2008 financial year today. The results of the operator exceeded its forecasts in terms of turnover, EBITDA telephony margin and net profit per share. The company's solid financial situation is due to a consistent implementation of its strategy and excellent cost control.**

#### Key facts:

- The total customer base of the Mobistar group grew by 7.1 % or 253,872 customers.
- The consolidated turnover of Mobistar rose by 1.5 % over one year and performed thus better than the initial forecast.
- The good sales results on mobile phones as well as the increase in the voice and data traffic of postpaid customers contributed to the commercial success of the operator.
- The EBITDA margin from service revenues reached 41 % and thus exceeded the business targets.
- The net profit per share<sup>(1)</sup> rose by 1.9 % in 2008 and surpasses herewith also the initial forecast.
- In 2008, Mobistar invested 159.9 million euro, or more than the initially planned 10 % of the service revenues.
- The Mobistar Board of Directors will propose the distribution of an ordinary dividend of 2.9 euro per share and an extraordinary dividend of 1.65 euro per share. The distribution of the dividends will have to be approved by the General Assembly on 6 May 2009.

#### I. Consolidated figures for the Mobistar group

Mobistar group's consolidated key figures	2008	2007 <sup>(2)</sup>	Variation
Total active customers <sup>(3)</sup> (mobile telephony)			
for Mobistar, VOXmobile and MVNO	3 818 291	3 564 419	+7.1%
Consolidated turnover (million €)	1 532.7	1 509.6	+1.5%
Total service revenues (million €)	1 443.7	1 445.3	-0.1%
EBITDA <sup>(4)</sup> (million €)	591.6	592.2	-0.1%
Consolidated net profit (million €)	280.1	289.9	-3.4%
Net profit per ordinary share <sup>(1)</sup> (€)	4.67	4.58	+1.9%
Net investment (million €)	159.9	146.8	+8.9%

(1) Net profit per share calculated on the basis of the number of outstanding shares as of 31/12/08

(2) Historical data

(3) Machine-to-machine and the MVNO (Mobile Virtual Network Operator) cards are not included in the number of active customers

(4) Earnings Before Interest, Taxation, Depreciation and Amortisation

## Results

In a competitive market with continuing pressure from regulation combined with an unfavourable financial and economic climate, the results of the Mobistar group were better than forecasted.

At the end of December 2008 the Mobistar group recorded 3,818,291 active customers compared to 3,564,419 active customers at the end of the 2007 financial year, or 7.1 % more customers over one year.

The Mobistar group closed its 2008 financial year with a consolidated turnover of 1,532.7 million euro, an increase of 1.5 % compared to the 1,509.6 million euro figure of one year earlier. The turnover increase is primarily due to good sales results on mobile telephones, with the iPhone3G proving to be a major success, as well as to an increase in the voice and data traffic of postpaid customers.

At the end of 2008 the consolidated EBITDA of Mobistar amounted to 591.6 million euro, compared to 592.2 million euro on 31 December 2007, or a slight decrease of 0.1%. Mobistar was able to maintain its profitability thanks to an increase in turnover and continuous cost control. The EBITDA margin of the service revenues at the end of the 2008 financial year remained stable compared to one year earlier and scored 41%, better than the forecast figure of 40%.

On 31 December 2008 Mobistar realised a consolidated net profit of 280.1 million euro, a decrease of 3.4 % compared to the 289.9 million euro figure at the end of December 2007. The decrease was mainly caused by increased interest costs as a result of balance sheet structure optimization and the increase in the depreciations costs. On the other hand, the net profit per share<sup>(1)</sup> rose by 1.9 %, from 4.58 euro per share at the end of 2007 to 4.67 euro at the end of December 2008, as a result of the cancelation of purchased shares. Thus, the net result per share also surpasses the initial forecast of -2 to -4%.

## Investments

Due to the increasing demand for mobile data, Mobistar invested more in the quality of the coverage on the 3G/HSDPA network. In 2008 Mobistar invested 159.9 million euro, or more than 10 % of the service revenues, higher than initially forecasted. Two-thirds of the investments were used to perform the network roll-out in a cost-efficient way. Thanks to the successful implementation of the network outsourcing project in 2007, savings of 35 % were achieved on this network roll-out in 2008. The investment went above all to deep indoor coverage for 3G/HSDPA in the most important big cities of Belgium. The outdoor 3G/HSDPA network coverage reached 80 % at the end of 2008.

## II. Mobistar S.A. (activities in Belgium)

Key figures Mobistar S.A.	2008	2007	Variation
Total active customers <sup>(5)</sup> of Mobistar S.A. (mobile telephony)	3 393 450	3 283 754	+3.3%
Number of MVNO customers	345 154	206 105	+67.5%
Total number of active customers Mobistar S.A. + MVNO	3 738 604	3 489 859	+7.1%
ARPU <sup>(6)</sup> (euro/month/active customer)	32.47	34.51	-5.9%
Total turnover (million €)	1 497.2	1 491.7	+0.4%
Total service revenues (million €)	1 411.7	1 431.0	-1.3%

(5) The machine-to-machine and the MVNO cards are not included in the number of active customers.

(6) Average Revenue Per User - (moving average of the 12 preceding months), without MVNO's.

The market for mobile telecommunications, with an estimated SIM penetration of at least 105%, is coming under increasing pressure due to constant regulation and increasing competition. This had an impact on the revenues of the operator in 2008 as well. Despite the difficult market situation, Mobistar could nevertheless present excellent results for the 2008 financial year. Thanks to the new 'mobility-experience positioning', mostly new subscribers were attracted, and the use of mobile data was promoted.

### **The customer base: increasing number of subscribers**

At the end of the 2008 financial year Mobistar S.A. had 3,393,450 active customers for mobile telephony, an increase of 109,696 customers compared to the 3,283,754 active customers one year earlier. Mainly postpaid customers opted for Mobistar, so the share of subscribers in the customer base rose to 57 % at the end of 2008, compared to 54 % at the end of 2007.

The segmented approach via MVNOs was also successful in 2008. The number of MVNO customers increased by 67.5 %, from 206,105 active customers at the end of December 2007 to 345,154 active customers at the end of the 2008 financial year.

In the residential market, the 'fix-to-mobile substitution' strategy continues to deliver good results. At the end of 2008 Mobistar S.A. had 124,582 AtHome customers, an increase of 85 % compared to 31 December 2007. The convergence strategy in the professional market appeals to more and more companies because of the savings on their telecommunication costs by combining fixed and mobile telephony. The number of mobile cards for the One Office Voice Pack formula increased by more than 300 %, from 45,297 cards at the end of December 2007 to 143,748 cards at the end of 2008.

By launching innovative products such as the iPhone3G and Internet Everywhere, mobile internet became very successful and mobile data usage is increasing. From the end of December 2007 to the end of December 2008, the share of mobile data in the service revenues rose by more than 3 percentage points, from 18 % to 21.8 % over one year. The number of mobile internet customers (Internet Everywhere and Business Everywhere) grew by a factor of 16, from 2,894 at the end of 2007 to 46,827 customers at the end of 2008. The average data usage of the IEW and the iPhone3G customers demonstrates strong growth compared to the current Orange World customers.

### **Evolution of the average revenue per user (ARPU)**

The growing importance of mobile data in the turnover has meant that the reduction in the ARPU slowed compared to 2006/2007 (-11%). In 2007/2008 the pressure on prices and the lowering of the MTR (Mobile Termination Rates) of May and July 2008 caused a decrease in the ARPU of 5.9 % over one year, from 34.51 euro per month per active customer at the end of December 2007 to 32.47 euro at the close of the 2008 financial year.

### **Turnover**

On 31 December 2008 the total turnover of Mobistar S.A. reached 1,497.2 million euro, a slight increase of 0.4 % compared to the 1,491.7 million euro figure at the end of the 2007 financial year. On the other hand, service revenues fell by 1.3 %, from 1,431.0 million euro at the end of December 2007 to 1,411.7 million euro one year later. The lower service revenues is attributed to the continuous pressure on prices and mobile termination rates and the lowering of roaming rates for both voice and data.

The negative impact of the MTR (reduction in May and July 2008) on service revenues in 2008 amounted to 38 million euro. The negative impact of lowering the roaming rates in September 2007 and August 2008 on voice traffic amounted to 53 million euro.

### III. VOXmobile (activities in Luxembourg)

Key figures VOXmobile	2008	2007 Comparable basis	Variation
Total active customers (mobile telephony)	79 687	74 560	+6.9%
ARPU <sup>®</sup> (euro/month/active customer)	32.28	32.34	-0.2%
Total turnover (million €)	39.6	35.6	+11.2%
Total service revenues (million €)	33.3	30.3	+9.9%

At the end of the 2008 financial year, the Luxembourg-based subsidiary VOXmobile had 79,687 active customers for mobile telephony, an increase of 6.9 % compared to the 74,560 active customers one year earlier.

The total turnover of the Luxembourg operator, whose figures have been consolidated since 2 July 2007, amounted to 39.6 million euro at the end of the 2008 financial year, an increase of 11.2 % compared to the same period one year earlier on a comparable basis.

In 2008 the ARPU of the Luxembourg customers remained equal to that of 2007. The average monthly revenues per customer amounted to 32.28 euro in 2008 versus 32.34 euro in 2007.

The Mobistar Board of Directors decided on 12 November 2008 to purchase the remaining 10 % of the shares of the Luxembourg operator VOXmobile. Mobistar paid 6,675,000 euro in order to become the 100 % owner of its Luxembourg-based subsidiary, and to fully benefit from the synergies between the two companies.

### IV. Trends for 2009

Mobistar is convinced that the 'mobility approach' can offer a full-fledged alternative to the residential telecom market. Mobistar will pursue its strategy in 2009, in order to offer services adapted to the new customers needs, while securing cash flow generation and preservation of its competitive position. Growth potential exists with respect to both voice traffic and mobile data services.

In 2009 Mobistar expects a new MTR proposal from the BIPT and is taking this into consideration for future perspectives. The European Parliament also voted a further decrease of the roaming rates. As of July 2009, an SMS is allowed to cost 11 cents, without VAT, and voice traffic 43 cents per minute, without VAT.

The expected negative impact of MTR and roaming regulations for 2009 on the turnover amounts to approximately 60 million euro.

The year 2009 will be characterised by increasing regulatory pressure, sharpened competition and an unfavourable financial and economic climate. Our hypothesis are based on the latest Belgian economic growth forecasts but could be adapted if the economic situation would get worse. Mobistar expects in this context to reach an equal level of turnover as in 2008 and to generate a telephone EBITDA margin close to 40 %. The investment level is expected to be in a range between 11 and 12 % of the service revenues. This increase is the result of the decision to invest in our own transmission network, as well as in the regrouping of the business activities into one new ecologically sound building with a view to future savings on operating costs. The net result is expected to be in a range between 240 and 260 million euro.

The potential impacts of other regulatory evolutions such as the extension of the 2G licence and the new 3V/m ordinance for the Bruxelles-Capitale Region, are not taken into account in the guidance.

## **V. Compensation for the shareholders**

The Mobistar Board of Directors confirms that the financial situation of the company will allow it to realize the investments within the current strategy and to pay out a dividend to the shareholders for a total amount of 273 million euro, containing every year an even more attractive ordinary dividend. The Board of Directors will propose the distribution of an ordinary dividend of 2.9 euro per share in May 2009 and an extraordinary dividend of 1.65 euro per share in August 2009 and will submit it for approval to the General Meeting of Shareholders on 6 May 2009.



Mobistar (EURONEXT BRUSSELS: MOBB) is one of the main actors in the world of telecommunications in Belgium and Luxembourg, active in mobile telephony, fixed telephony, ADSL and on other markets with a strong growth potential. The company develops innovative products and services for the residential and the business market. Mobistar is listed on the Brussels Stock Exchange and is part of the France Télécom group.

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# Management report for the fourth quarter 2008

## 1. Highlights of the fourth quarter 2008

### Mobility-experience strategy

On the residential market, Mobistar continued its 'mobility experience' strategy with sales campaigns launched during the fourth quarter. Mobistar was the first mobile operator in Belgium to sell mini-PCs at very affordable prices, and also the first to lower the threshold for Internet access with a mobile solution.

During the fourth quarter, the residential sector is typically characterised by an increasing activity. Sales of mobile phones during the fourth quarter of 2008 were negatively affected by the unfavourable financial and economic climate, but were entirely compensated for by the good results in sales of smartphones and mini-PCs.

On the professional market, sales of convergent products such as 'One Office Voice Pack' and 'One Office Full Pack' continue to rise. These global solutions combine fixed and mobile telephony, and possibly the Internet, which allows customers to make considerable savings on their overall telecommunications bill.

### Evolution of the customer base

At the end of the 2008 financial year, Mobistar S.A. had 3,393,450 active customers for mobile telephony, an increase of 109,696 customers compared to the 3,283,754 active customers one year earlier. New customers are mainly subscribers, whose share in the customer base rose to 57 % at the end of 2008, compared to 54 % at the end of 2007.

The segmented approach via MVNOs was also successful in 2008. The number of MVNO customers increased by 67.5 %, from 206,105 active customers at the end of December 2007 to 345,154 active customers at the end of the 2008 financial year.

In the residential market, the 'fix-to-mobile substitution' strategy continues to deliver good results. At the end of 2008, Mobistar S.A. had 124,582 AtHome customers, an increase of 85 % compared to 31 December 2007. The convergence strategy in the professional market appeals to more and more companies because of the savings on their telecommunication costs by combining fixed and mobile telephony. The number of mobile cards for the One Office Voice Pack formula increased by more than 300 %, from 45,297 cards at the end of December 2007 to 143,748 cards at the end of 2008.

By launching innovative products such as the iPhone3G and Internet Everywhere, mobile Internet became very successful and mobile data usage is increasing. From the end of December 2007 to the end of December 2008, the share of mobile data in the service revenue rose by more than 3 percentage points, from 18 % to 21.8 % over one year. The number of mobile Internet customers (Internet Everywhere and Business Everywhere) grew by a factor of 16, from 2,894 customers at the end of 2007 to 46,827 customers at the end of 2008. The average data usage of the Internet Everywhere and the iPhone3G customers demonstrates strong growth compared to the current Orange World customers.

### Evolution of the monthly average revenue per user (ARPU)

The growing importance of mobile data in the turnover has meant that the reduction in the ARPU slowed compared to 2006/2007 (-11 %). In 2007/2008 the pressure on prices and the lowering of the MTR (Mobile Termination Rates) of May and July 2008 caused a decrease in the ARPU of 5.9 % over one year, from 34.51 euro per month per active customer at the end of December 2007 to 32.47 euro at the close of the 2008 financial year.

## VOXmobile

At the end of the 2008 financial year, the Luxembourg-based subsidiary VOXmobile had 79,687 active customers for mobile telephony, an increase of 6.9 % compared to the 74,560 active customers one year earlier.

The total turnover of the Luxembourg operator, whose figures have been consolidated since 2 July 2007, amounted to 39.6 million euro at the end of the 2008 financial year, an increase of 11.2 % compared to the same period one year earlier on a comparable basis.

In 2008, the ARPU of the Luxembourg customers remained equal to that of 2007. The monthly average revenue per customer amounted to 32.28 euro in 2008 versus 32.34 euro in 2007.

On 12 November 2008, the Mobistar Board of Directors decided to purchase the remaining 10 % of shares in Luxembourg operator VOXmobile. Mobistar paid 6,675,000 euros to become the sole owner of its Luxembourg subsidiary VOXmobile. In May 2007, Mobistar purchased 90 % of the shares in VOXmobile and a call option on the remaining 10 % expiring in May 2010. In consultation with the minority VOXmobile shareholders, it was decided to exercise the option earlier than planned in order to accelerate the full integration of the company and maximise the synergies between the two operators with regard to resources and expertise. This will allow VOXmobile to better arm itself against the increasing competition on the Luxembourg market.

## Network development

By the end of December 2008, 3G/HSDPA coverage reached 80 % of the population. Mobistar is the only operator able to offer its customers high mobile transmission rates thanks to the complementary nature of its EDGE network and its 3G network, covering 99 % of the population.

The Mobistar network had 4,446 sites at the end of December 2008, 588 of which were shared. This corresponds to a total of 13,338 cells.

## 2. Comments on the financial situation

The consolidation scope did not change during the fourth quarter of 2008. It encompasses Mobistar S.A., the Luxembourg company VOXmobile S.A. and 50 % of the temporary joint venture 'Irisnet'.

Mobistar group's consolidated key figures	2008	2007 <sup>(1)</sup>	Variation
Total active customers <sup>(2)</sup> (mobile telephony)			
for Mobistar S.A., VOXmobile S.A. and MVNO	3 818 291	3 564 419	+7,1%
Consolidated turnover (million €)	1 532.7	1 509.6	+1,5%
Total service revenues (million €)	1 443.7	1 445.3	-0,1%
EBITDA <sup>(3)</sup> (million €)	591.6	592.2	-0,1%
Consolidated net profit (million €)	280.1	289.9	-3,4%
Net profit per ordinary share <sup>(4)</sup> (€)	4.67	4.58	+1,9%
Net investment (million €)	159.9	146.8	+8,9%

(1) Historical data.

(2) The Machine-to-machine and the MVNO (Mobile Virtual Network Operator) cards are not included in the number of active customers.

(3) Earnings Before Interest, Taxation, Depreciation and Amortisation.

(4) Net profit per share calculated on the basis of the number of outstanding shares on 31/12.

The fourth quarter of 2008 was closed with a consolidated turnover of 1,532.7 million euro for the Mobistar group, an increase by 1.5 % compared to 1,509.6 million euro a year earlier.

Mobistar has managed to maintain a total costs level identical to that of 2007, with the exception of costs relating to mobile phones and the depreciation charges. The rise in mobile phone purchasing costs is in line with the rise in turnover. The increase in depreciation charges is explained by the fact that VOXmobile's activity is consolidated over 12 months in 2008, and over only 6 months in 2007. As a result, operating costs have risen by 3.3 % in 2008 to reach 1,148.3 million euro.

The consolidated EBITDA has decreased slightly, from 592.2 million euro in 2007 to 591.6 million euro over the financial year 2008. The company has managed to maintain its profitability, despite the costs of launching convergent products in the business sector, which had, particularly in the short term, a negative effect on profitability. The fourth quarter closed with an EBITDA margin of 39.4 % of service revenue; the EBITDA margin for the financial year 2008 consequently rises to 41.0 % of service revenue. The net profit per ordinary share (based on the outstanding shares at the end of the year) reached 4.67 euro at the end of December 2008, compared to 4.58 euro per share a year earlier, or an increase by 1.9 %.

The consolidated balance sheet has risen, from 1,181.3 million euro on 31st December 2007 to 1,200.3 million euro on 31st December 2008.

- The non-current assets have fallen in comparison to the end of 2007 to reach 898.0 million euro. This fall is due to disinvestments in some assets equivalent to 32 million euro and the depreciation charges over the financial year. It was partially offset by the 159.9 million euro invested mainly in the network and IT systems.
- The current assets, by contrast, have risen, mainly due to a rise in trade payables.
- The fall in own capital, from 768.0 million euro at the end of 2007 to 452.5 million euro at the end of 2008 is the result of a dividend payment of 2.80 euro per share in May 2008, of a reduction in capital of 4 euros per share in August 2008 and of a share buy-back for a total of 175 million euro. The fall in equity was partially offset by a net profit of 280.1 million euro for the financial year.
- Remuneration to shareholders in 2008 gave rise to an optimisation of the balance sheet structure, with a rise in both non-current and current debts. The net debt of the company on 31st December 2008 rose to 311.8 million euro.

### Financial instruments, financial risks management objectives and policy

No change has occurred in comparison with the information contained in the 2007 annual report (p.14).

### Disputes

The disputes related information listed in the annual report 2007, the intermediary report related to the results of the first semester 2008 and the quarterly report related to the results of the third quarter 2008 have been modified as follows:

**Masts** : The total receivable amount of taxes charged, plus default interest calculated at the legal rate, amounts to 28.1 million euro and is subject to a bad debt provision for the whole amount, of which 3.7 million euro correspond to that financial year.

**Universal service** : Mobistar is involved, together with other alternative operators, in a number of legal actions regarding the planned financial compensation system in relation to the provision of social tariffs, targeting more precisely the Royal decree which establishes the terms and conditions of the compensation system and the law of April 2007 modifying the principles of financial compensation planned for the supply of social tariffs. The operators are contesting the non-conformity of the system with the provisions of Community law, for which reason they also lodged a complaint with the European Commission, which announced in January 2008 that it was to start an infringement procedure against the Belgian State before the European Court of Justice. Equally, in the annulment proceedings against the law of April 2007 pending before the Constitutional Court, the Court decided in September 2008 to submit a request for a preliminary ruling to the European Court of Justices in relation to the conformity of the Belgian compensation system with the provisions of Community law.

**No tacit renewal of 2G license** : On 25 November 2008, the BIPT and the Minister of Enterprise and Simplification adopted each a decision stating that Mobistar's 2G license ending on 27 November 2010 would not be tacitly renewed. A similar decision was issued vis-à-vis Proximus and Base. Both decisions state equally that after November 2010, Mobistar is to receive, against payment, a new 2G license until July 2013, through a Royal decree still to be adopted.

At the end of December 2008, Mobistar appealed against the decision of the BIPT before the Brussels Court of Appeal and against the decision of the Minister before the Council of State, asking both the suspension and the annulment of the decisions. Proximus and Base have equally appealed against the decisions respectively affecting them.

**Emissions/health** : Together with Base and Proximus, Mobistar introduced a request for annulment before the Constitutional Court against a Brussels ordinance of March 2007 setting stricter emission standards than the federal standard contained in a Royal Decree of 2005. The mobile operators argued, among other things, that the Brussels ordinance was made in ignorance of the competence of the federal authorities in the area of public health. By judgment of 15 January 2009, the Constitutional Court rejects the claim of the mobile operators in its entirety.

### 3. Trends

Mobistar is convinced that the 'mobility approach' can offer a full-fledged alternative to the residential telecom market. Mobistar will continue to pursue its strategy in 2009, in order to offer services adapted to the new customers needs, while securing cash flow generation and preservation of its competitive position. Growth potential exists with respect to both voice traffic and mobile data services.

In 2009, Mobistar expects a new MTR proposal from the BIPT and is taking this into consideration for future perspectives. The European Parliament also voted a further decrease of the roaming rates; as from July 2009, an SMS is allowed to cost 11 cents, without VAT, and voice traffic 43 cents per minute, without VAT. The expected negative impact of MTR and roaming regulations on the 2009 turnover amounts to approximately 60 million euro.

The year 2009 will be characterised by increasing regulatory pressure, sharpened competition and an unfavourable financial and economic climate. Our hypotheses are based on the latest Belgian economic growth forecasts, but could be adapted if the economic situation would get worse. In this context, Mobistar expects to reach an equal level of turnover as in 2008 and to generate a telephone EBITDA margin close to 40 %. The investment level is expected to be in a range between 11 and 12 % of the service revenues. This increase is the result of the decision to invest in our own transmission network, as well as in the regrouping of the business activities into one new ecologically sound building with a view to future savings on operating costs. The net result is expected to be in a range between 240 and 260 million euro.

The potential impacts of other regulatory evolutions such as the extension of the 2G license and the new 3V/m ordinance for the Bruxelles-Capitale Region, are not taken into account in the guidance

## Declaration by the persons responsible

We, the undersigned, Benoit Scheen, CEO, and Werner De Laet, CFO, declare that to our knowledge:

a) the financial statements drawn up in accordance with the prevailing accounting standards, give a faithful image of the assets, financial situation and results of the issuer and the companies included within its consolidation;

b) the management report contains an accurate overview of the business activities evolution, the results and the financial situation of the issuer and the companies included within its consolidation, and a description of the main risks and uncertainties they are confronted to.



Benoit Scheen  
CEO



Werner De Laet  
CFO

## **Report of the statutory auditor to the shareholders of Mobistar S.A. on the review of the condensed consolidated financial statements for the year ended 31 December 2008**

The statutory auditor has confirmed that the audit procedures on the consolidated financial statements have been completed substantially and that no significant corrections have been identified that should have been adjusted in the financial information included in the press release.

Brussels, February 3, 2009

Ernst & Young Reviseurs d'Entreprises SCC  
Statutory auditor  
represented by Herman Van den Abeele, Partner



## Condensed financial statements in accordance with IFRS

### Consolidated income statement (Mio €)

	<b>Mobistar Group</b>		
	31.12.2008	31.12.2007	Variation (%)
<b>Revenue</b>			
Service revenue	1 443.7	1 445.3	-0.1%
Handsets sales	89.0	64.3	38.4%
<b>Total turnover</b>	<b>1 532.7</b>	<b>1 509.6</b>	<b>1.5%</b>
Other operating revenue	34.1	30.3	12.5%
<b>Total revenue</b>	<b>1 566.8</b>	<b>1 539.9</b>	<b>1.7%</b>
<b>Operating expenses</b>			
Interconnection costs	-328.7	-325.0	1.1%
Costs of equipment and goods sold	-219.2	-172.9	26.8%
Services and other goods	-278.9	-299.8	-7.0%
Employee benefits expenses	-132.2	-135.7	-2.6%
Depreciation, amortisation and impairment	-173.1	-164.3	5.4%
Other operating charges	-16.2	-14.3	13.3%
<b>Total operating expenses</b>	<b>-1 148.3</b>	<b>-1 112.0</b>	<b>3.3%</b>
Result of operating activities before depreciation and amortisation (EBITDA)	591.6	592.2	-0.1%
EBITDA margin in % of service revenue	41.0%	41.0%	
Result of operating activities (EBIT)	418.5	427.9	-2.2%
Finance income	1.9	3.2	-40.6%
Finance costs	-7.4	-3.3	124.2%
<b>Result of operating activities after net finance costs</b>	<b>413.0</b>	<b>427.8</b>	<b>-3.5%</b>
Tax expense	-132.9	-137.9	-3.6%
<b>Net profit of the period (*)</b>	<b>280.1</b>	<b>289.9</b>	<b>-3.4%</b>
<b>Profit attributable to equity holders of the parent</b>	<b>280.1</b>	<b>289.9</b>	<b>-3.4%</b>
Basic earnings per share (in €)	4.54	4.58	-0.9%
Weighted average number of ordinary shares	61 754 776	63 290 941	
Diluted earnings per share (in €)	4.54	4.58	-0.9%
Diluted weighted average number of ordinary shares	61 754 776	63 290 941	

(\*) Since there are no discontinued operations, the profit of the period corresponds to the result of continued operations.

**Consolidated income statement (Mio €)**  
**Segment Reporting**

	Mobistar Group 31.12.2008			Mobistar Group 31.12.2007		
	Mobile	Fix	Total Consolidated	Mobile	Fix	Total Consolidated
<b>Revenue</b>						
Service revenue	1 358.1	85.6	1 443.7	1 358.4	86.9	1 445.3
Handsets sales	88.7	0.3	89.0	64.0	0.3	64.3
<b>Total turnover</b>	<b>1 446.8</b>	<b>85.9</b>	<b>1 532.7</b>	<b>1 422.4</b>	<b>87.2</b>	<b>1 509.6</b>
Other operating revenue	31.4	2.7	34.1	28.5	1.8	30.3
<b>Total revenue</b>	<b>1 478.2</b>	<b>88.6</b>	<b>1 566.8</b>	<b>1 450.9</b>	<b>89.0</b>	<b>1 539.9</b>
<b>Operating expenses</b>						
Interconnection costs	-289.0	-39.7	-328.7	-284.6	-40.4	-325.0
Costs of equipment and goods sold	-197.8	-21.4	-219.2	-150.5	-22.4	-172.9
Services and other goods	-254.1	-24.8	-278.9	-283.8	-16.0	-299.8
Employee benefits expenses	-116.4	-15.8	-132.2	-127.0	-8.7	-135.7
Depreciation, amortisation and impairment	-170.3	-2.8	-173.1	-162.3	-2.0	-164.3
Other operating charges	-15.4	-0.8	-16.2	-14.3	0.0	-14.3
<b>Total operating expenses</b>	<b>-1 043.0</b>	<b>-105.3</b>	<b>-1 148.3</b>	<b>-1 022.5</b>	<b>-89.5</b>	<b>-1 112.0</b>
Result of operating activities before depreciation and amortisation (EBITDA)	605.5	-13.9	591.6	590.7	1.5	592.2
EBITDA margin in % of service revenue	44.6%	-16.2%	41.0%	43.5%	1.7%	41.0%
Result of operating activities (EBIT)	435.2	-16.7	418.5	428.4	-0.5	427.9
Finance income			1.9			3.2
Finance costs			-7.4			-3.3
<b>Result of operating activities after net finance costs</b>			<b>413.0</b>			<b>427.8</b>
Tax expense			-132.9			-137.9
<b>Net profit of the period (*)</b>			<b>280.1</b>			<b>289.9</b>
<b>Profit attributable to equity holders of the parent</b>			<b>280.1</b>			<b>289.9</b>

(\*) Since there are no discontinued operations, the profit of the period corresponds to the result of continued operations.

## Consolidated balance sheet (Mio €)

	31.12.2008	31.12.2007
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	79.3	81.5
Intangible assets	273.1	306.4
Tangible assets	529.5	524.0
Other non-current assets	11.2	6.4
Deferred taxes	4.9	5.9
<b>Total non-current assets</b>	<b>898.0</b>	<b>924.2</b>
<b>Current assets</b>		
Inventories	12.3	14.0
Trade receivables	217.2	183.5
Other current assets	66.0	52.4
Cash and cash equivalents	6.8	7.2
<b>Total current assets</b>	<b>302.3</b>	<b>257.1</b>
<b>Total assets</b>	<b>1 200.3</b>	<b>1 181.3</b>
<b>EQUITY and LIABILITIES</b>		
<b>Equity</b>		
Share capital	109.2	357.1
Share premium	0.0	0.1
Legal reserve	35.7	35.7
Retained earnings	307.6	375.1
<b>Total equity</b>	<b>452.5</b>	<b>768.0</b>
<b>Non-current liabilities</b>		
Long-term borrowings	75.0	0.0
Long-term trade payables	0.0	0.9
Long-term provisions	15.1	13.7
Deferred taxes	1.7	0.0
<b>Total non-current liabilities</b>	<b>91.8</b>	<b>14.6</b>
<b>Current liabilities</b>		
Short-term borrowings	243.3	6.1
Trade payables	284.4	268.8
Employee benefits related liabilities	28.6	30.4
Current taxes payable	29.5	34.4
Deferred income	66.3	47.8
Other payables	3.9	11.2
<b>Total current liabilities</b>	<b>656.0</b>	<b>398.7</b>
<b>Total liabilities</b>	<b>747.8</b>	<b>413.3</b>
<b>Total equity and liabilities</b>	<b>1 200.3</b>	<b>1 181.3</b>

### Statement of changes in equity (Mio €)

	Share Capital	Share Premium	Legal Reserve	Retained Earnings	Total Equity
<b>Balance as at 1 January 2008</b>	<b>357.1</b>	<b>0.1</b>	<b>35.7</b>	<b>375.1</b>	<b>768.0</b>
Cash Incentive Plan				1.3	1.3
<b>Net income recognised directly in equity</b>				<b>1.3</b>	<b>1.3</b>
Profit for the period				280.1	280.1
<b>Total recognised income and expense for the period</b>				<b>281.4</b>	<b>281.4</b>
Dividends				-173.6	-173.6
Incorporation share premium in share capital	0.1	-0.1			0.0
Purchase of treasury shares				-175.0	-175.0
Impact first time application of IFRIC 13 - Loyalty Programs				0.5	0.5
Equity transactions costs				-0.8	-0.8
Capital reimbursement	-248.0				-248.0
<b>Balance as at 31 December 2008</b>	<b>109.2</b>	<b>0.0</b>	<b>35.7</b>	<b>307.6</b>	<b>452.5</b>

	Share Capital	Share Premium	Legal Reserve	Retained Earnings	Total Equity
<b>Balance as at 1 January 2007</b>	<b>356.7</b>	<b>0.5</b>	<b>35.0</b>	<b>371.6</b>	<b>763.8</b>
Profit for the period			0.7	289.2	289.9
<b>Total recognised income and expense for the period</b>			<b>0.7</b>	<b>289.2</b>	<b>289.9</b>
Dividends				-284.9	-284.9
Incorporation share premium in share capital	0.4	-0.4			0.0
Equity transactions costs				-0.8	-0.8
<b>Balance as at 31 December 2007</b>	<b>357.1</b>	<b>0.1</b>	<b>35.7</b>	<b>375.1</b>	<b>768.0</b>

**Consolidated cash flow statement (Mio €)**

	31.12.2008	31.12.2007
<b>Cash flows from operating activities</b>		
<b>Result of operating activities after net finance costs</b>	<b>413.0</b>	<b>427.8</b>
Adjustments for:		
Depreciation, amortisation and impairment	173.1	164.3
Other not withdrawn expenses	1.3	
<b>Adjusted result of operating activities after net finance costs</b>	<b>587.4</b>	<b>592.1</b>
Inventories (increase -, decrease +)	1.6	-5.6
Trade receivables (increase -, decrease +)	-33.7	-11.8
Deferred tax assets (increase -, decrease +)	1.0	-0.7
Accrued revenue (increase -, decrease +)	-15.9	0.0
Other current assets (increase -, decrease +)	2.3	-3.0
Other non current assets (increase -, decrease +)	-4.8	-5.7
Trade payables (increase +, decrease -)	15.6	14.6
Employee benefits related liabilities (increase +, decrease -)	-1.8	-2.4
Current taxes payable (increase +, decrease -)	-4.9	14.7
Deferred tax liabilities (increase +, decrease -)	1.7	0.0
Deferred income (increase +, decrease -)	19.0	3.0
Dividends (increase +, decrease -)	1.0	0.0
Other payables (increase +, decrease -)	0.6	10.2
Long-term provisions and trade payables (increase +, decrease -)	0.5	-1.3
<b>Net change in working capital</b>	<b>-17.8</b>	<b>12.1</b>
<b>Tax expense</b>	<b>-130.4</b>	<b>-138.9</b>
<b>Deferred taxes</b>	<b>-2.5</b>	<b>1.0</b>
<b>Net cash from operating activities (*)</b>	<b>436.7</b>	<b>466.3</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible and tangible assets	-159.9	-146.8
Acquisition of subsidiary	-6.7	-80.4
Proceeds from sale of equipment	14.7	0.0
<b>Net cash used in investing activities</b>	<b>-151.9</b>	<b>-227.2</b>
<b>Cash flows from financing activities</b>		
Repayment long-term interest-bearing loans and borrowings	0.0	-19.0
Proceeds from new long-term interest-bearing loans and borrowings	0.0	3.8
Proceeds from new short-term borrowings	237.2	0.0
Proceeds from new long-term borrowings	75.0	0.0
Share capital and share premium - Capital decrease (GM May 7, 2008)	-248.0	0.0
Net purchase of treasury shares	-175.0	0.0
Equity transactions costs	-0.8	-0.8
Dividends paid	-173.6	-284.9
<b>Net cash used in financing activities</b>	<b>-285.2</b>	<b>-300.9</b>
<b>Net increase (+), decrease (-) in cash and cash equivalents</b>	<b>-0.4</b>	<b>-61.8</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>7.2</b>	<b>68.0</b>
<b>Cash received from Business Combinations</b>		<b>1.0</b>
<b>Cash and cash equivalents at end of period</b>	<b>6.8</b>	<b>7.2</b>
(*) Net cash from operating activities includes:		
- Interests paid	5.9	1.4
- Interests received	1.6	2.9
- Income taxes paid	137.7	124.1

## Quarterly results

		Quarterly figures 2007				FY 2007
		Q1	Q2	Q3	Q4	
<b>Subscriber base evolution</b>						
Mobistar S.A. Mobile customers						
(excl MVNO, MATMA)	in thousand	3 165.1	3 199.7	3 241.6	3 283.8	
of which Postpaid	in thousand	1 656.6	1 709.8	1 740.1	1 775.2	
of which Prepaid	in thousand	1 508.5	1 490.0	1 501.5	1 508.6	
MVNO customers	in thousand	28.2	40.8	93.6	206.1	
VOXmobile customers	in thousand	-	-	76.0	74.6	
<b>Total Mobistar Group</b>	<b>in thousand</b>	<b>3 193.3</b>	<b>3 240.5</b>	<b>3 411.2</b>	<b>3 564.4</b>	
<b>ARPU evolution</b>						
<b>Blended ARPU (rolling average of the preceding 12 months)</b>						
<b>incl. visitor roaming excl IEW)*</b>	<b>in EUR/month</b>	<b>38.12</b>	<b>36.90</b>	<b>35.61</b>	<b>34.51</b>	
Postpaid ARPU						
(excl. visitor roaming and IEW)	in EUR/month	50.17	49.48	48.76	48.01	
Prepaid ARPU						
(excl. visitor roaming and IEW)	in EUR/month	16.35	16.54	16.45	16.36	
<b>P&amp;L</b>						
Service Revenues Mobistar Mobile	in Mio EUR	337.9	340.3	335.7	332.4	1 346.2
Service Revenues Mobistar Fix/Data	in Mio EUR	20.6	22.1	21.4	20.6	84.8
Service Revenues VOXmobile	in Mio EUR	-	-	7.7	8.2	15.9
<b>Total Mobistar consolidated service revenues**</b>	<b>in Mio EUR</b>	<b>358.5</b>	<b>362.4</b>	<b>364.8</b>	<b>359.6</b>	<b>1 445.3</b>
Total Mobistar consolidated handset sales	in Mio EUR	13.5	12.8	13.0	25.0	64.3
Total Mobistar consolidated turnover	in Mio EUR	372.1	375.2	377.8	384.5	1 509.6
<b>Total Mobistar consolidated EBITDA</b>	<b>in Mio EUR</b>	<b>150.7</b>	<b>151.5</b>	<b>148.6</b>	<b>141.5</b>	<b>592.2</b>
as a % of service revenues		42.0%	41.8%	40.7%	39.4%	41.0%
<b>Total Mobistar consolidated net result</b>	<b>in Mio EUR</b>	<b>75.1</b>	<b>75.7</b>	<b>71.4</b>	<b>67.7</b>	<b>289.9</b>
EPS***	in EUR/share	1.19	1.20	1.13	1.07	4.58
Total Mobistar consolidated CAPEX	in Mio EUR	26.1	32.2	25.5	63.0	146.8
as a % of service revenues		7%	9%	7%	18%	10%

\* restated vs previous versions to exclude impact of data only cards

\*\* after elimination of intercompany transactions

\*\*\* calculation based on the outstanding shares at the end of the year (63,291,752 in Q4 2007, 60,014,414 in Q4 2008)

		Quarterly figures 2008				FY 2008
		Q1	Q2	Q3	Q4	
<b>Subscriber base evolution</b>						
Mobistar S.A. Mobile customers						
(excl MVNO, MATMA)	in thousand	3 310.8	3 348.1	3 358.9	3 393.5	
of which Postpaid	in thousand	1 806.6	1 855.2	1 890.7	1 939.6	
of which Prepaid	in thousand	1 504.2	1 492.9	1 468.2	1 453.9	
MVNO customers	in thousand	247.0	297.1	316.1	345.2	
VOXmobile customers	in thousand	74.1	74.8	77.5	79.7	
<b>Total Mobistar Group</b>	<b>in thousand</b>	<b>3 632.0</b>	<b>3 720.0</b>	<b>3 752.5</b>	<b>3 818.3</b>	
<b>ARPU evolution</b>						
<b>Blended ARPU (rolling average of the preceding 12 months)</b>						
<b>incl. visitor roaming excl IEW)*</b>	<b>in EUR/month</b>	<b>33.66</b>	<b>33.11</b>	<b>32.79</b>	<b>32.35</b>	
Postpaid ARPU						
(excl. visitor roaming and IEW)	in EUR/month	43.34	43.84	43.76	42.97	
Prepaid ARPU						
(excl. visitor roaming and IEW)	in EUR/month	15.95	16.31	16.36	16.54	
<b>P&amp;L</b>						
Service Revenues Mobistar Mobile	in Mio EUR	323.0	337.8	338.9	328.9	1 328.6
Service Revenues Mobistar Fix/Data	in Mio EUR	20.2	19.4	22.0	21.6	83.2
Service Revenues VOXmobile	in Mio EUR	7.9	8.7	8.4	8.3	33.3
<b>Total Mobistar consolidated service revenues**</b>	<b>in Mio EUR</b>	<b>350.8</b>	<b>365.7</b>	<b>369.0</b>	<b>358.2</b>	<b>1 443.7</b>
Total Mobistar consolidated handset sales	in Mio EUR	11.6	17.5	24.8	35.1	89.0
Total Mobistar consolidated turnover	in Mio EUR	362.4	383.1	393.8	393.4	1 532.7
<b>Total Mobistar consolidated EBITDA</b>	<b>in Mio EUR</b>	<b>143.4</b>	<b>156.6</b>	<b>150.4</b>	<b>141.2</b>	<b>591.6</b>
as a % of service revenues		40.9%	42.8%	40.8%	39.4%	41.0%
<b>Total Mobistar consolidated net result</b>	<b>in Mio EUR</b>	<b>68.7</b>	<b>76.3</b>	<b>70.5</b>	<b>64.6</b>	<b>280.1</b>
EPS***	in EUR/share	1.14	1.27	1.17	1.08	4.67
Total Mobistar consolidated CAPEX	in Mio EUR	30.1	39.5	39.5	50.8	159.9
as a % of service revenues		9%	11%	11%	14%	11%

\* restated vs previous versions to exclude impact of data only cards

\*\* after elimination of intercompany transactions

\*\*\* calculation based on the outstanding shares at the end of the year (63,291,752 in Q4 2007, 60,014,414 in Q4 2008)