

# Bringing simplicity & peace of mind



## **Committed to offering unlimited opportunities on an unstoppable network**

In 2018, Orange Belgium moved forward boldly, solidifying its challenger position and achieving a number of firsts on the Belgian market. Johan Deschuyffeleer, Chairman of the Board of Directors, and Michaël Trabbia, CEO of Orange Belgium, review the successes of the past year and look forward to the future.

Johan Deschuyffeleer



Michaël Trabbia

## From a strategic point of view, did Orange Belgium achieve its goals for 2018?

**Johan Deschuyffeleer:** As a bold challenger with an ambitious plan, I'm happy and proud that we achieved what we set out to do for the year.

We are successful in what we do because our company has a very strong customer-focus and all of our stakeholders support our position. Above all, we bring to the market the services the customer is looking for. The growth of our market share demonstrates that our customers really appreciate what we're doing. I therefore believe that our vision of the customer as our key stakeholder is paying off.

**Michaël Trabbia:** We first focus on customers' expectations for simple and worry-free offers. We also take into account how their usage is evolving – how customers watch content, for example. We want to provide easy-to-use, affordable voice and data solutions and make unrestricted usage part of their everyday life.

We're definitely starting to shape the market in Belgium with our unlimited offers. And we have watched with interest our competitors going more or less in the same direction we initiated.

I am proud to say that we've grown our convergent customer base to challenge the incumbent players in unrivalled ways. This confirms that our decision to become a convergent player was the right one and that we're executing it the right way.

## What made Orange Belgium stand out in 2018?

**M.T.:** 2018 was definitely a bold year for Orange Belgium. Starting with the launch of the first fully unlimited mobile and convergent offers in Belgium. We listened to our customers' unmet needs. They want to use their connectivity simply and with peace of mind – that's exactly the solution we provided.

**M.T.:** "Our aim is to break telco conventions. We don't want our customers to limit their usages because of unfair pricing."

In June, we extended this philosophy with our Koala subscription, giving our customers unlimited voice calls with a sizeable amount of data. As a result, we recorded outstanding commercial success, especially in the second half of the year.

Our customers are clearly reaping the benefits: average data consumption has increased by 79% in only one year!

We have also continuously improved our convergent offer Love. In 2017, we demonstrated our ability to become the first real challenger in the market. In 2018, we strengthened that position with even more new customers and we continued to expand our convergent offer with new features. We introduced new TV channels for both French-speaking and Dutch-speaking customers; and we launched our mobile TV application, allowing our customers to watch TV on their smartphone or tablet wherever they are, in Belgium and in Europe. Combined with our unlimited data offer, this is a truly powerful – worry-free – service.

Our teams did a fantastic job to get there and I want to warmly thank them for their commitment and dedication to our customers.

## With a 4G coverage rate of nearly 100% of the Belgian population, is Orange Belgium still investing in connectivity today?

**M.T.:** Of course. Our 4G network is regularly recognized for its top performance. And for the first time, Orange was the most used mobile network in Belgium during the New Year celebration.

On top of this, we have further improved our customers' relation to connectivity by providing what really matters to them. Our customers want to use their connectivity at home, where it is most relevant for them. We have therefore decided to guarantee indoor connectivity for all our customers. Where needed, we provide them with a dedicated solution.

For example, we were the first operator in Belgium to launch two new technologies: Voice-over-WiFi and Voice-over-4G/LTE. Customers can call deep indoors using their Wifi network and, when they go out, seamlessly switch to our 4G network without any interruption. Customers who call on our 4G network can also continue to surf at the same time. And for our customers whose devices are not compatible, we provide them free of charge with a Femtocell connected to any broadband access. With these new solutions, we offer our customers a 100% solution for their indoor connectivity.

**M.T.:** "Because customers are increasingly watching content online, our unlimited broadband offer will meet another unmet need in Belgium."

## What is the ambition on the business market?

**M.T.:** We have strong ambitions for the B2B market for 2019 and beyond. We'll continue to reinforce our distribution network. We'll further align our B2B claim with our B2C claim, as it's important to have consistency between the two markets. We'll also offer key services beyond connectivity – in particular, new services concerning cyber-security.

IoT is a very important focus for us: we were the first to launch a full IoT network in Belgium covering 100% of the Belgian population on top of our 4G network. Moving forward, we will be able to manage all the data from connected objects, and we'll extend our ecosystem of partners to provide special solutions for the most relevant use cases.

One example: CommuniThings – one of the companies in our Orange Fab accelerator – recently launched the first Smart Parking solution, a component of Smart Cities, via the Orange NarrowBand-IoT technology. We are currently rolling out our Smart Parking solutions in 5 cities and we'll continue to launch innovative IoT solutions.

## Orange Belgium will also welcome a new MVNO on its network.

**M.T.:** In 2018, we signed a wholesale 5-year partnership with Medialaan for the 'Unleashed' mobile branch, which provides mobile services to residential customers under the Mobile Vikings and JIM Mobile brands. As from spring 2019, Unleashed will migrate the approximately 365,000 customers of Mobile Vikings and JIM Mobile to surf, call and text via Orange Belgium's leading 4G network.

I am very happy to start this new collaboration with the leading Flemish commercial broadcaster. This full MVNO agreement is more than just a contract – it's the start of a strong long-term partnership based on a shared vision and the complementarity of both companies.

## How is being part of the Orange Group valuable for Orange Belgium?

**J.D.:** In the scattered European telco industry, it's really important to belong to a large and great group. Being part of the Orange Group allows us to tap into its programmes to roll out marketing activities very quickly and easily.

We also benefit from the Group's Research & Development activities, which are among the world's top in ICT. For instance, we can take advantage of the Group's research on new trends like the Internet of Things.

**M.T.:** Moreover, as part of the Group, we benefit from extensive experience and know-how supporting us as we offer additional services to our clients or develop products and services that go beyond connectivity. We benefit from a very strong brand, with an international recognition.



**M.T.:** “2019 will also be an important year to prepare for the arrival of 5G, the new mobile technology that Orange will first launch in Brussels.”

### What are the main challenges and goals for 2019?

**J.D.:** I feel it's my role, and that of the management and board, to have a long-term perspective. How can we continue to be the bold challenger, the market disrupter? How can we surprise the market with new products and services, in both B2B and B2C, in line with what our customers want? We have already proven we can go beyond our goals, given the success of our convergence offer that continues to rise without promotions.

As we work in a high-tech environment in a world that is changing very rapidly, how can we introduce innovations to serve our customers better? I would like Orange Belgium to be a kind of incubator environment, anticipating needs. We will continue to surprise and disrupt the market. As a Bold Challenger, we will continue to be different.

**M.T.:** In 2018, we managed to disrupt and started to shape the telco market in Belgium. In 2019, we will build on that momentum and – in accordance with our ‘unlimited’ vision – continue to offer the customer more services without any price increase.

The regulatory decision in the summer of 2018 also paves the way for new offers in 2019. We will open a new segment in the market with our unlimited broadband-only offer. In contrast to coming to the market with big bundles of services, some of which the customer does not use or want, our approach is to give back the power of choice by letting the customer decide what he or she really wants.

**J.D.:** I would like to add a last word of appreciation towards all the people working at Orange Belgium. We can serve our customers the way we do thanks to the efforts and commitment of all our team members. 2018 was a challenging year. I want to take this opportunity to warmly thank all of our employees for their contribution, motivation, and ongoing engagement – from rolling out the network, to the shops and customer service – they really did a fantastic job!

### Were regulatory decisions favourable to Orange Belgium in 2018?

**M.T.:** Mid-year, we received a very important regulatory decision concerning cable access. It still needs to be further implemented in 2019, in particular with another decision on the cost model and on the final wholesale prices. This decision should enable us to offer a sustainable convergent offer over the long-term.

This regulatory decision is crucial to us because we decided to launch our offer with a pricing strategy that is more in line with the real costs of network access. Unlike our competitors, who increase prices annually, we have a different vision: we strongly oppose price increases, as we believe there is room to use the continual progress in technology to offset the additional costs that arise. So, as we move forward, our position is: the same price ... but with even more services.

The regulatory decision also allows us to improve our service with regard to installation. Today, in many cases, we need two installers: one from the cable company and one from Orange. That's a source of complexity, inefficiency and cost. The new regulation allows our Orange installer to handle everything for the customer.

And we still aim to reach a 10% broadband market share.

#### Michaël Trabbia: What I promise you

- We will not increase the price of our services in 2019
- We will launch an unlimited broadband-only offer to meet the needs of online content watchers
- We will guarantee excellent indoor coverage