# FY2017 results


28 February 2018

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# FY17 key highlights

**We have become the leading convergent operator in the North of Spain, growing revenue during FY17 by +8.6% and adj. EBITDA by +9.4% with Telecable consolidating since August 2017**

| | |
|---|---|
| **Top line performance** | **Residential revenue** grew **+11.6%** in FY17 (+0.4% on a pro forma basis)<br>**Churn** rate reached 17.4% in the year<br>**ARPU** reached **a record high of €60.7 (+2.2% yoy)**<br>**Business segment** grew **+2.4%** in FY17 (-5.1% on a pro forma basis) |
| **Efficient cost management** | **EBITDA margin** grew in FY17 **+35bps up to 49.3%** (48.2% on a pro forma basis)<br>**Synergies** delivery **on track** according to timetable |
| **Cash flow generation** | **Business as usual capex** in FY17 **< 17% in line with guidance**<br>**Expansion capex** initiated in 4Q17. **Expansion on track** to fulfill 2018 targets.<br>**Annual operating cash flow** in FY17 **of 31.8% of revenue** (30.6% on a proforma basis)<br>**Leverage ratio** stood at **4.5x**[1] |
| **Shareholder remuneration** | **Total dividend payment in FY18** against 2017 results **of €0.278 per share (100% pay-out ratio)** |

Note:
1. Post fully deployed synergies

# Consolidated statutory financial results (key profit & loss items)

## Profit & loss items[1]

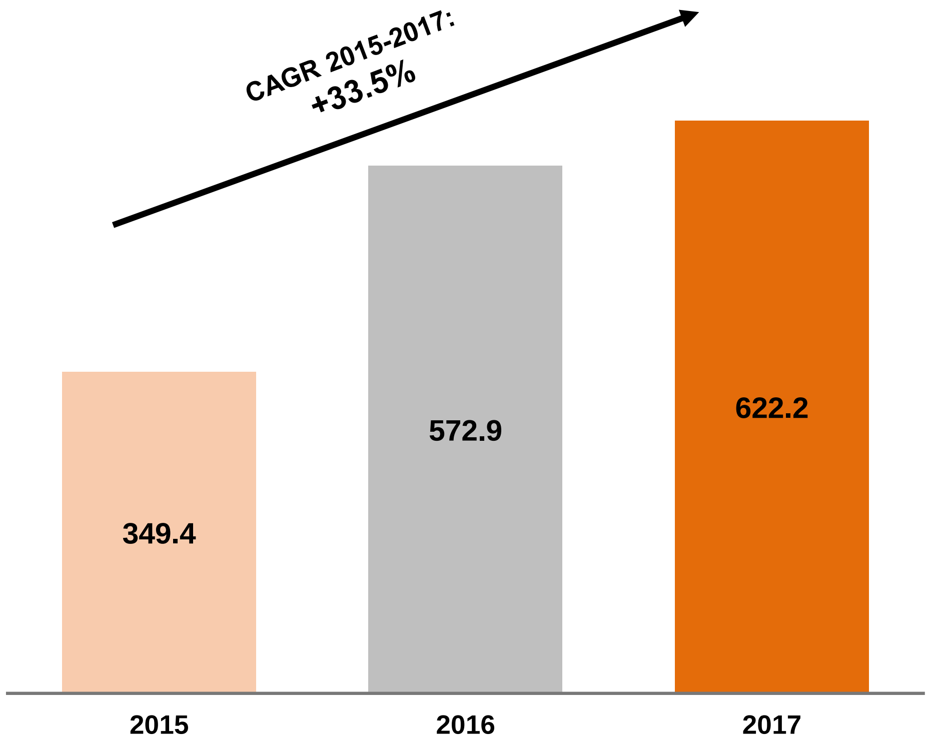
| | 4Q17 | 4Q17 vs. 4Q16<br>*% change* | FY 2017 | 2017 vs. 2016<br>*% change* |
|---|---|---|---|---|
| **Revenue (€m)** | **178.2** | ***+25.1%*** | **622.2** | ***+8.6%*** |
| **Adj. EBITDA (€m)**<br>*Margin (%)* | **87.6**<br>*49.2%* | ***+23.3%*** | **306.9**<br>*49.3%* | ***+9.4%***<br>*+ 35 bps* |
| **Adj. OpCF (€m)**<br>*As % of revenue* | **49.2**<br>*27.6%* | ***+15.5%*** | **198.1**<br>*31.8%* | ***+7.3%*** |
| **EBIT (€m)** | **38.9** | ***+21.7%*** | **135.5** | ***+4.2%*** |
| **Net income[2] (€m)**<br>*Margin (%)* | **16.7**<br>*9.4%* | ***-3.0%*** | **49.6**<br>*8.0%* | ***-20.2%*** |

**Notes:**

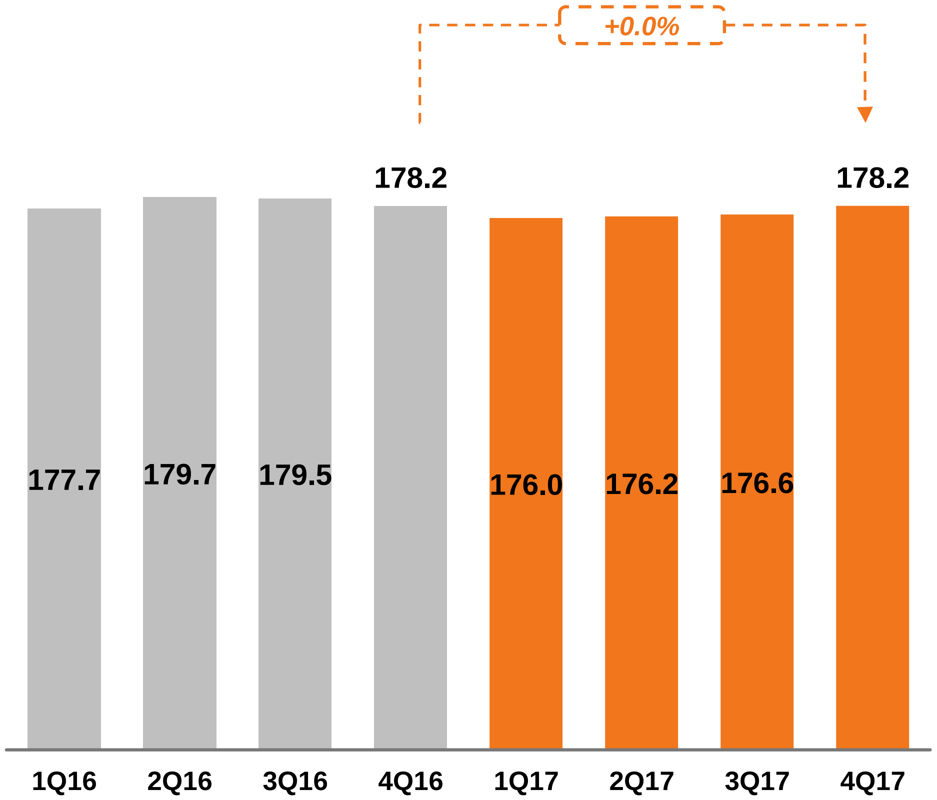
1. On July 26th, 2017, Euskaltel acquired 100% of the shares in Parselaya, S.L.U., holding company of Telecable de Asturias, S.A.U. As a result of this business combination, a new accounting group including both companies was created. FY2017 accounts include Telecable data from 01-August-2017 to 31-December-2017
2. Net income adjusted in 2017 for the impact of Purchase Price Allocation from the acquired assets, non-recurrent expenses from M&A activity and non-recurrent integration costs.

# Top line performance

**Revenue evolution 2015-2017 (€m)** *(statutory data)*




**Revenue pro forma by quarter (€m)**

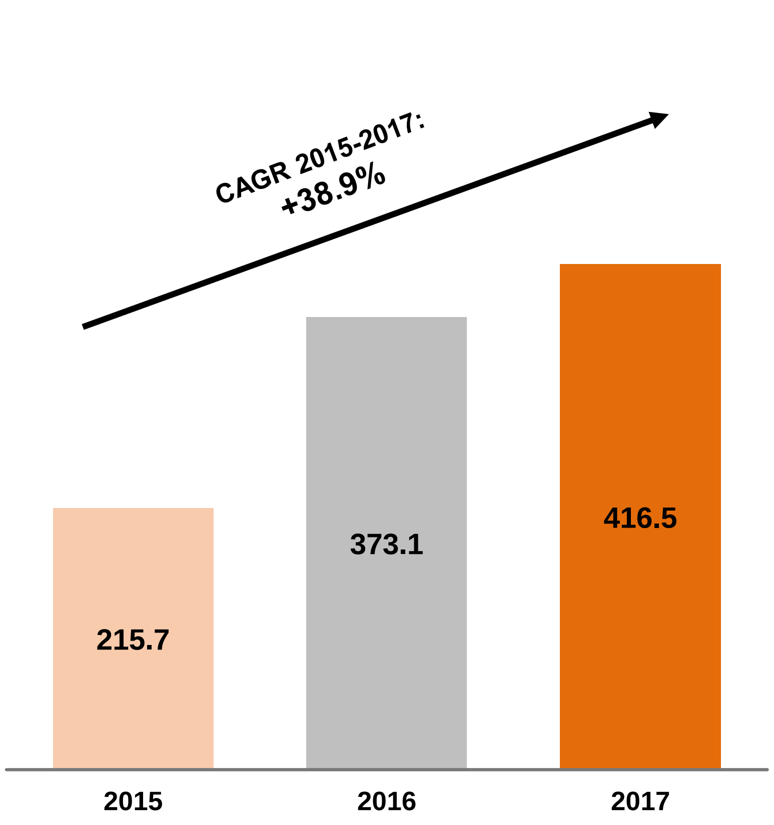



- **Since 2015**, after becoming the leading convergent operator in the North of Spain, we have registered a **CAGR of +33.5% in revenues**

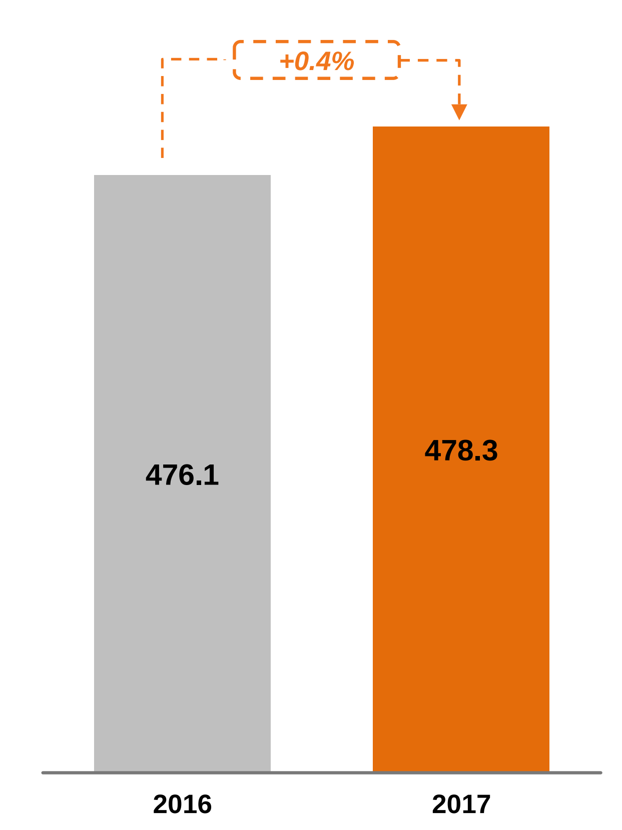
- **FY17 pro forma revenues** reached **€707.0m**, -1.1% yoy
- **4Q17** was the **best performer in the year,** thanks to the boost of **B2B** segment

# Residential growth driven by ARPU growth

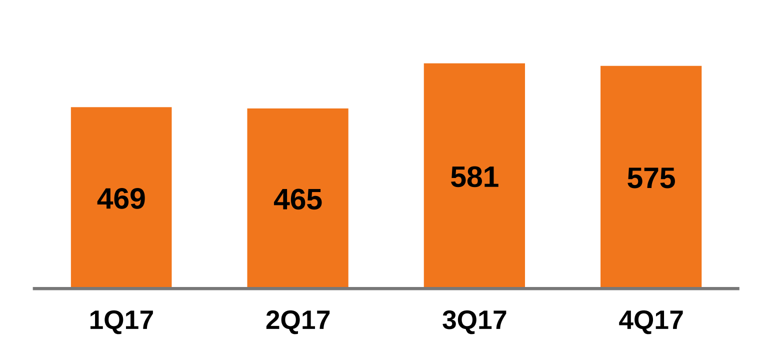
**Residential revenue 2015-2017 (€m)** (*statutory data*)



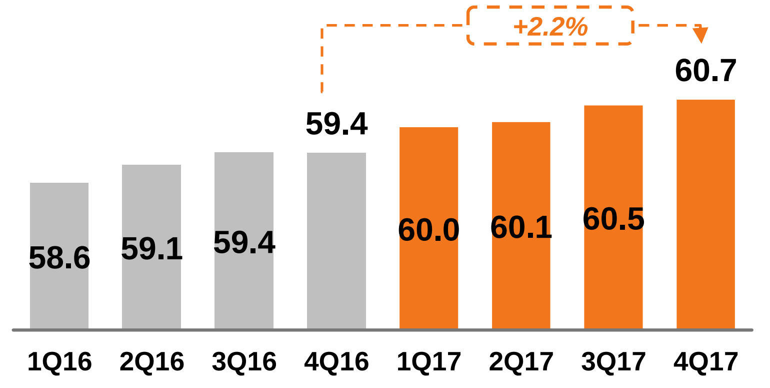

**Residential pro forma revenue (€m)**




**Fixed residential subscribers evolution ('000)**



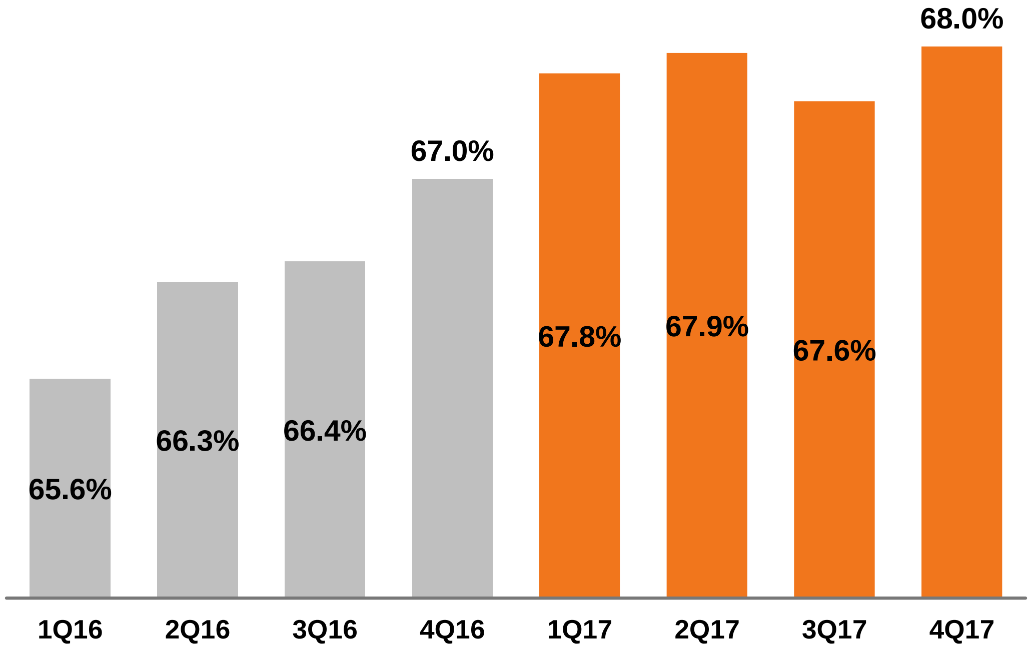

**Residential ARPU (€/month)** (*pro forma data*)



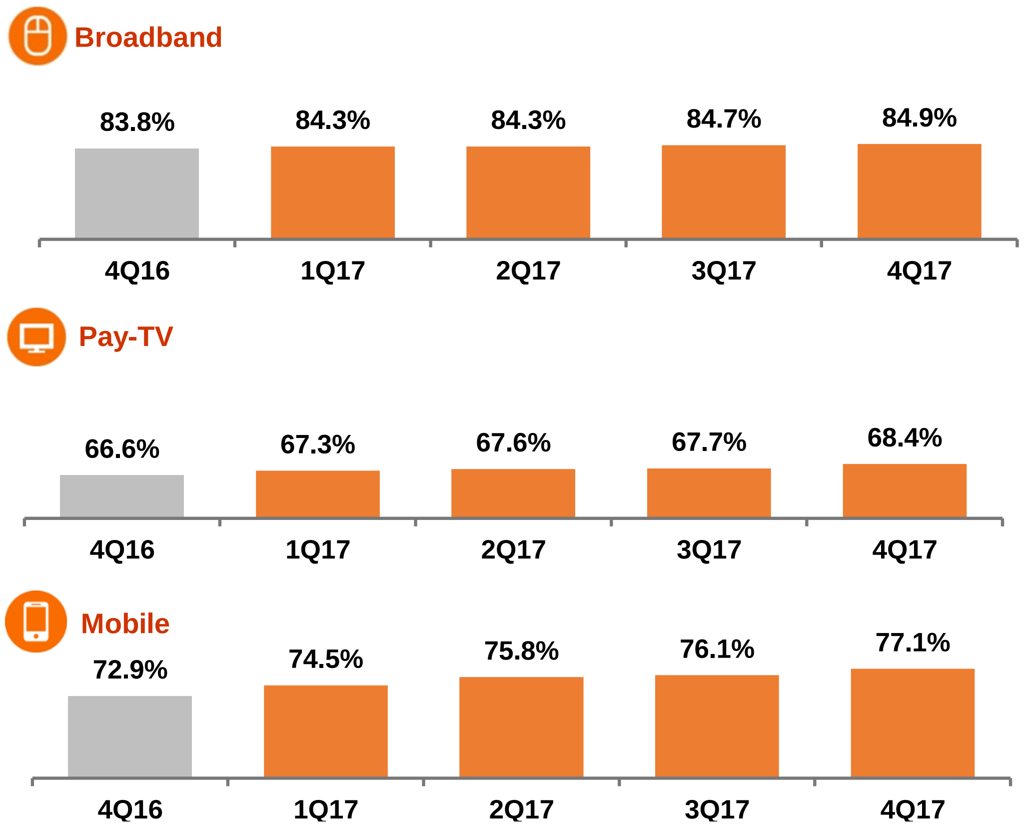

- **Since 2015 residential revenues** have registered a **CAGR of +38.9%**
- **FY17 pro forma residential revenues grew to €478.3m,** +0.4% yoy
- **ARPU grew in FY17 by +2.2% yoy,** amid successful product upselling with further potential thanks to Telecable acquisition
- Basque Country reached **positive net adds for the first time in years**

# Bundling and upselling driving ARPU growth

**Increased 3P/4P penetration (as % of total subscribers)**




**Product penetration (as % of total fixed subscribers)**

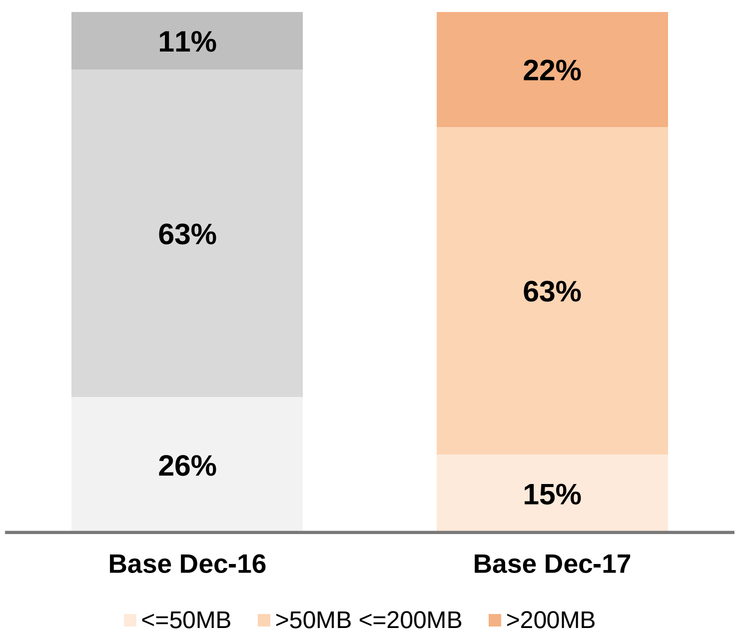



- **Our 3P/4P penetration** remains in **sector high levels,** showing our **high valuable customer base**
- **Product penetration improving** progressively while showing still **potential in pay TV and mobile penetration**

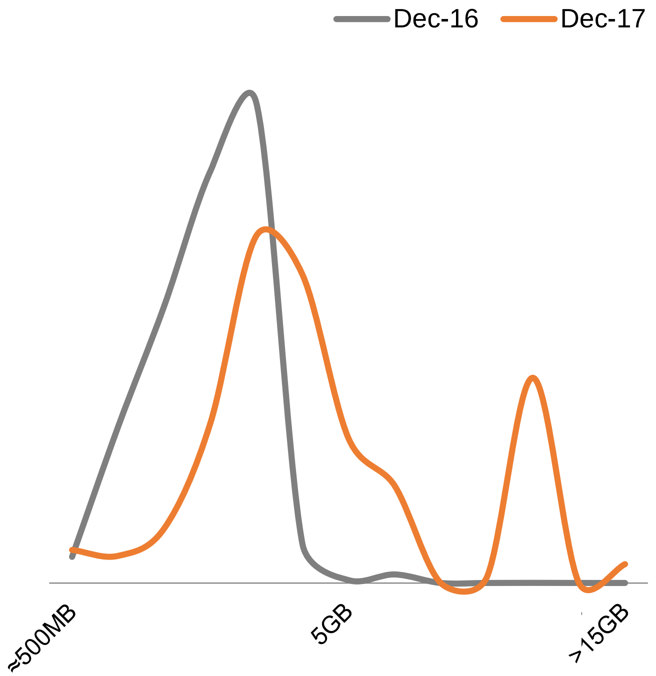
**Note:**
Data pro forma to include Telecable

# ‘More for more’ strategy providing significant additional value to customers

## Broadband customer base by speed (%)




## Mobile customer base by GB (%)




## TV strategy

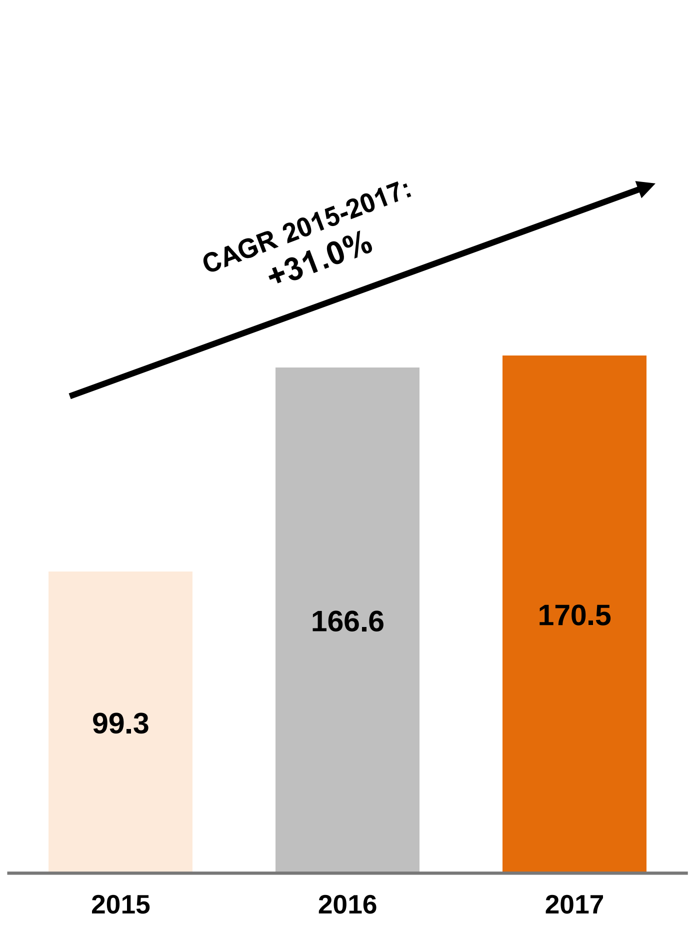
DECO4K

- 4K device: prepared to evolve along with any enhancement on TV broadcast quality
- All customers can access new advanced features to enjoy an enhanced experience
- Based on Android TV: easier and cheaper development needed for customization. Access to a wide range of third party applications and games
- Easy integration with other content providers like Netflix, allowing Euskaltel to reinforce it service with the best contents
- Improved churn on customers using advanced features of new Deco 4K

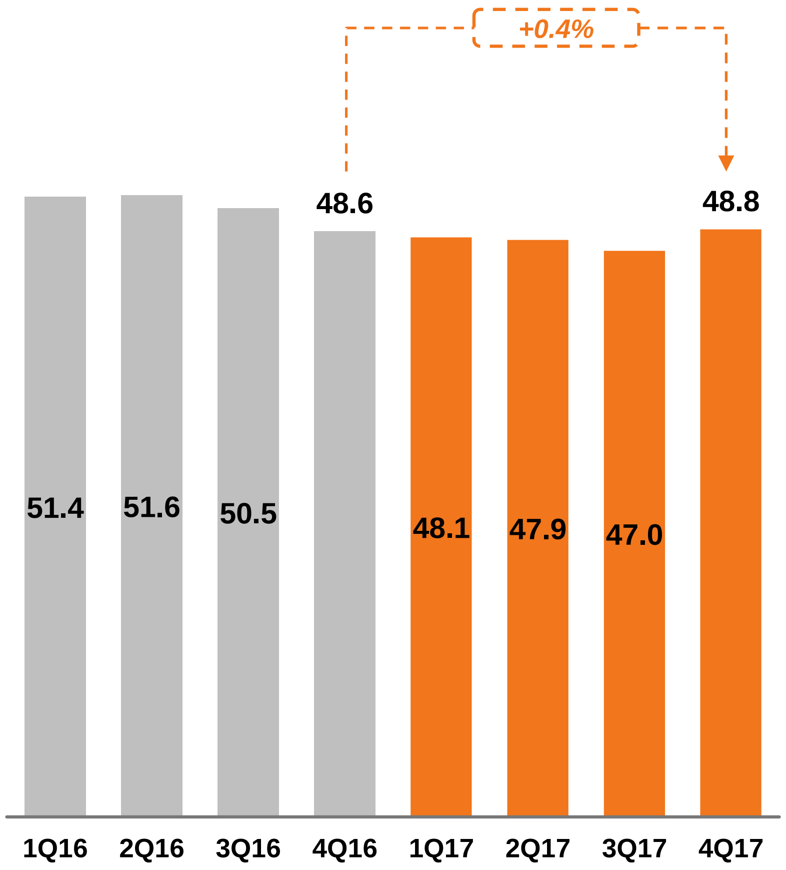
- Euskaltel offers a competitive product portfolio, progressively improved in order to **enhance customer satisfaction** and to support **pricing power**
- **DOCSIS 3.1** deployment allows offering **higher speeds to our customers**
- **Pay TV** strategy (4K set-top-box, Netflix agreement, …) helps building **customer loyalty** and **reducing dependency on exclusive contents**

# Business revenue benefitting from the announced strategy

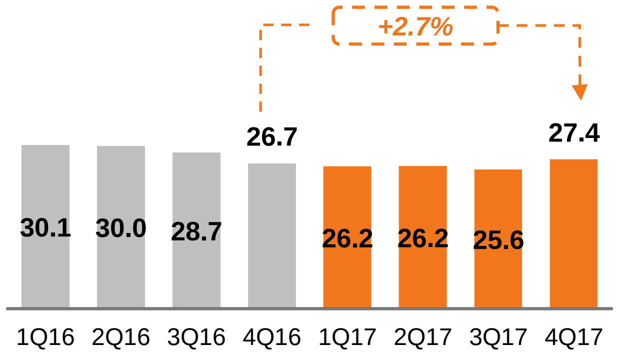
Business revenue 2015-2017 (€m) (*statutory data*)



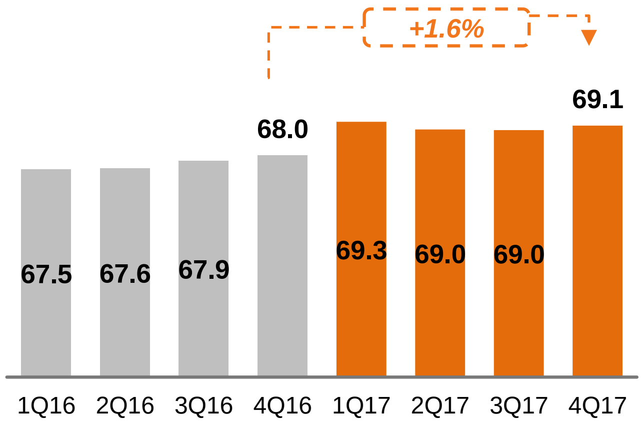

Business pro forma revenue (€m)




SME and Large Accounts pro forma revenue (€m)

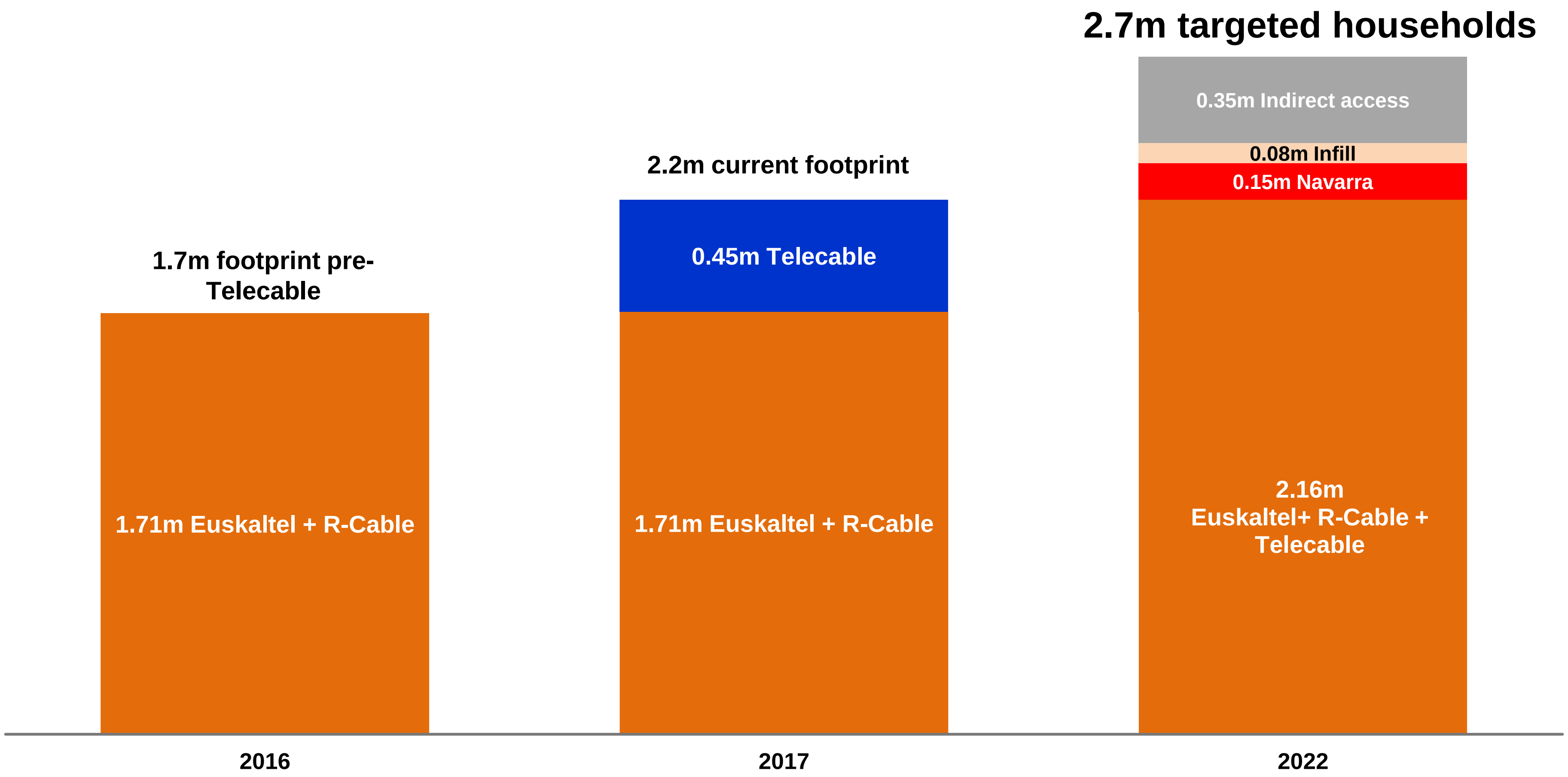



SOHO ARPU (€/month) (*pro forma data*)



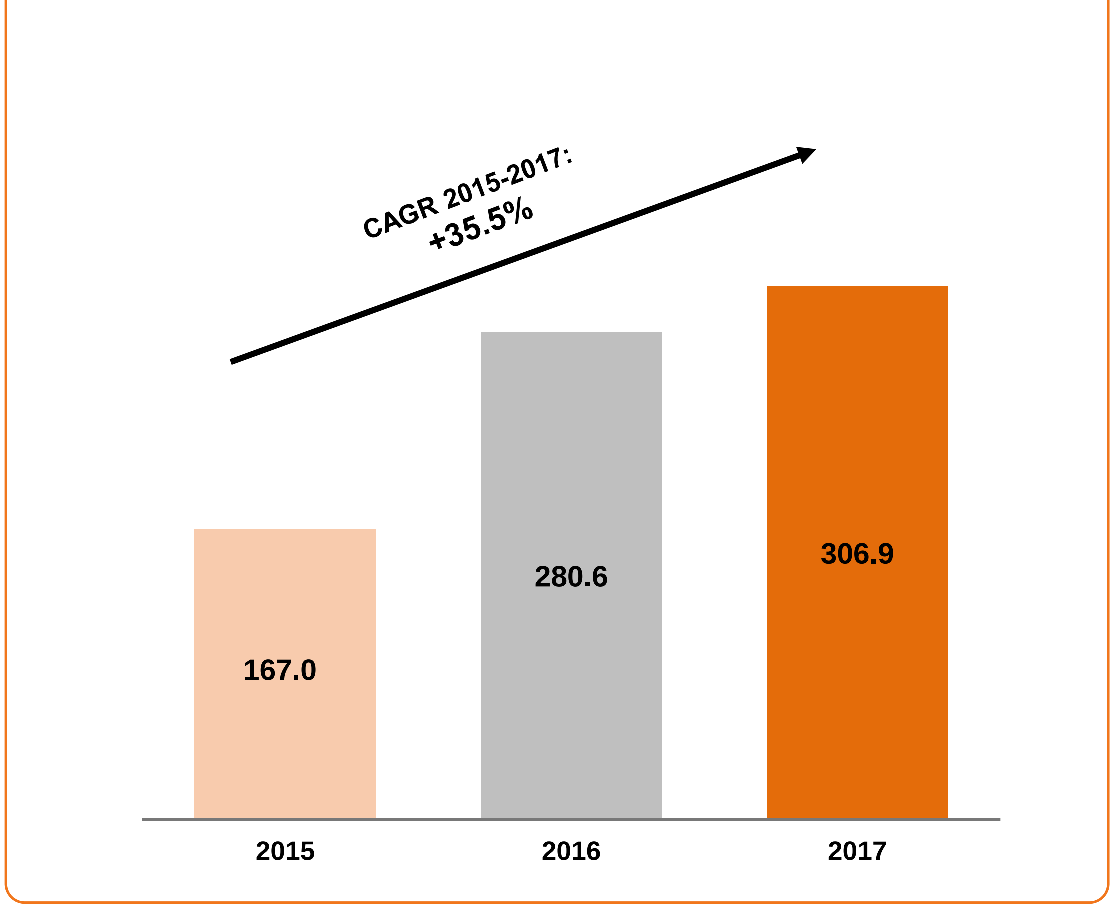

- **Business segment revenue grew in 4Q17** for the first time in years, showing the **positive evolution already announced**
- **SOHO** shows the same trend as residential: **ARPU grew +1.6%** during 2017 and we remained at sector high levels of 3P/4P penetration

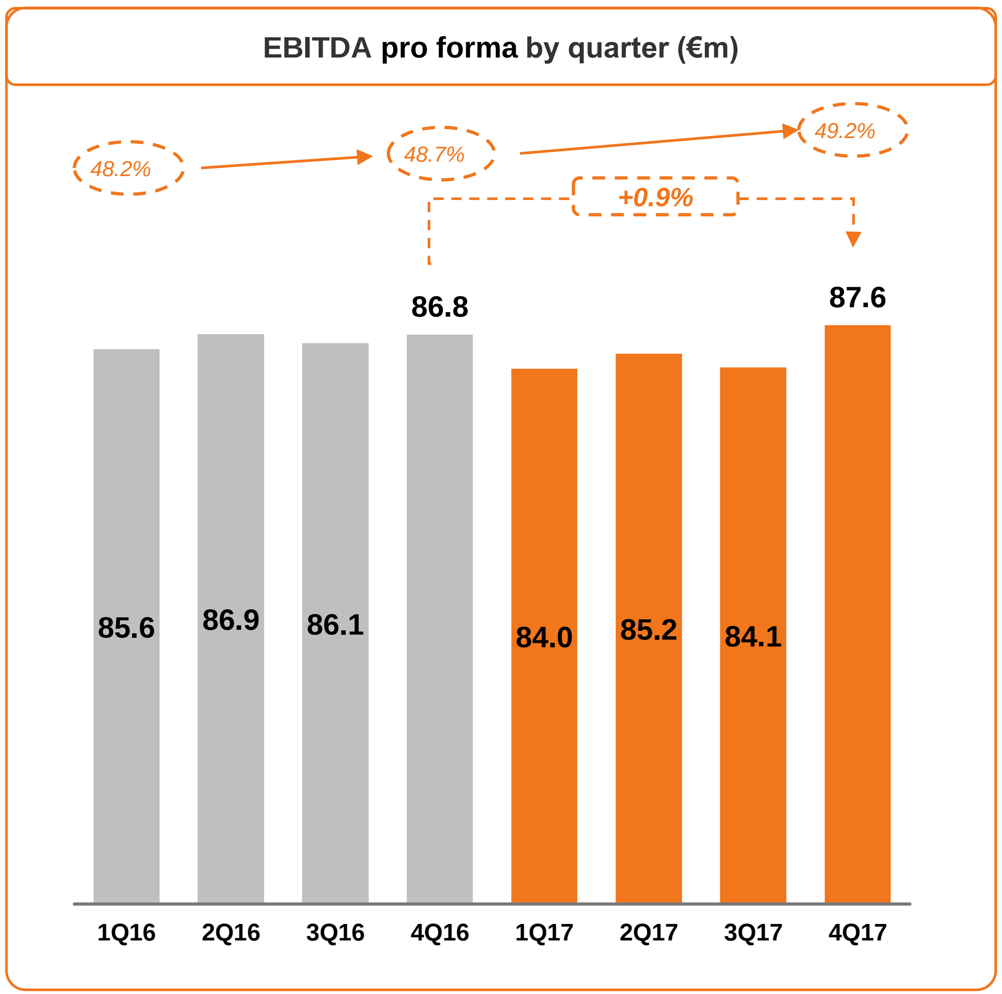
# Euskaltel aims to reach 2.7 million households by 2022




- The plan of the group is to **increase target households** by more than 25% by 2022
- During **2017** we have continued our **infill network** deployment
- The expansion plan implies reaching **neighbouring territories** (500k households) and **new areas** within **current footprint** (80k households)

# EBITDA performance



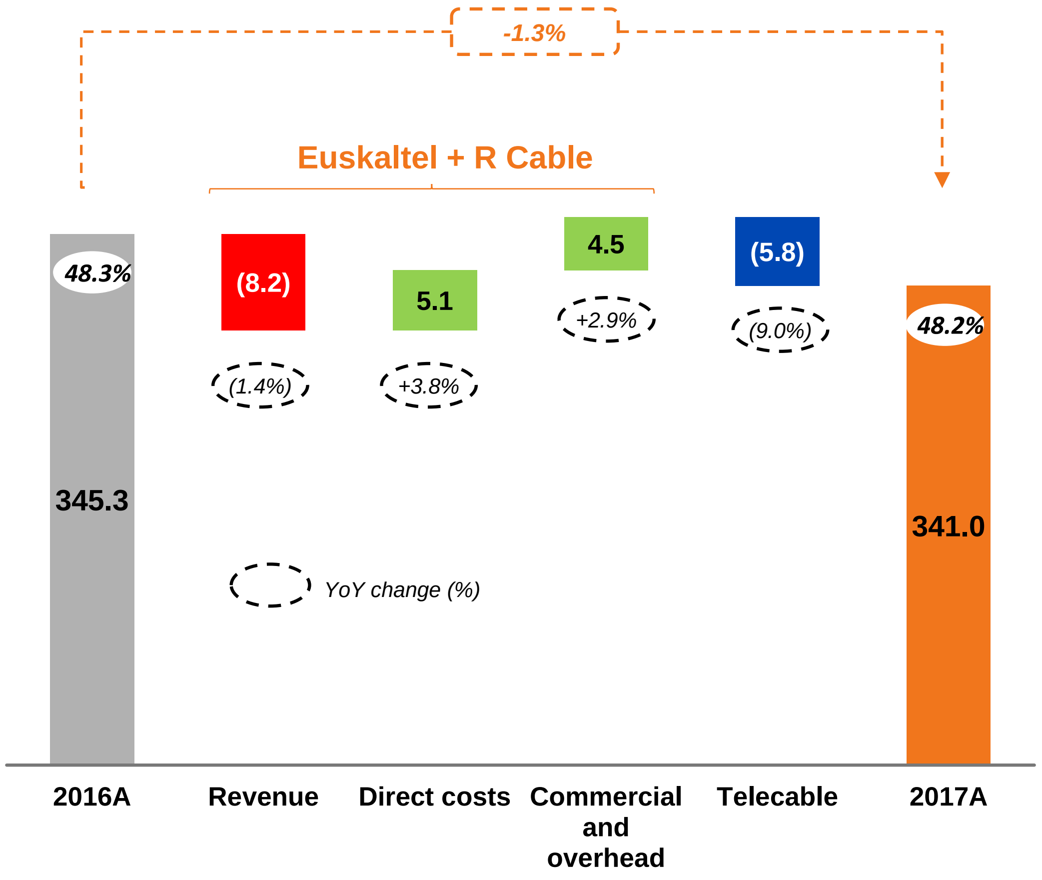




- **Since 2015**, after becoming the leading convergent operator in the North of Spain, we have registered a **CAGR of +35.5% in EBITDA**

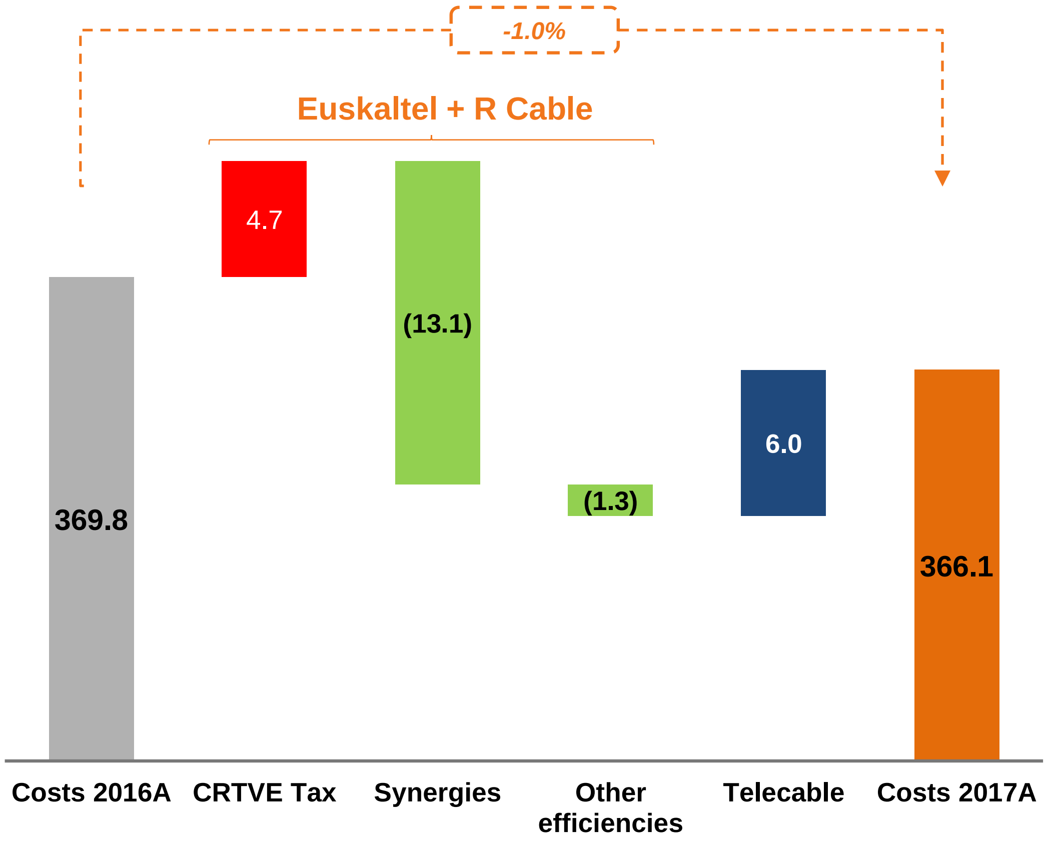
- **FY17 pro forma EBITDA reached €341.0m**, -1.3% yoy
- **4Q17** was the **best performer in the year,** growing **+4.1% vs 3Q17** and +**0.9% vs 4Q16**

# Cost management and synergies achievement

EBITDA evolution FY17 vs FY16 (€m)




Cost structure evolution FY17 vs FY16 (€m)



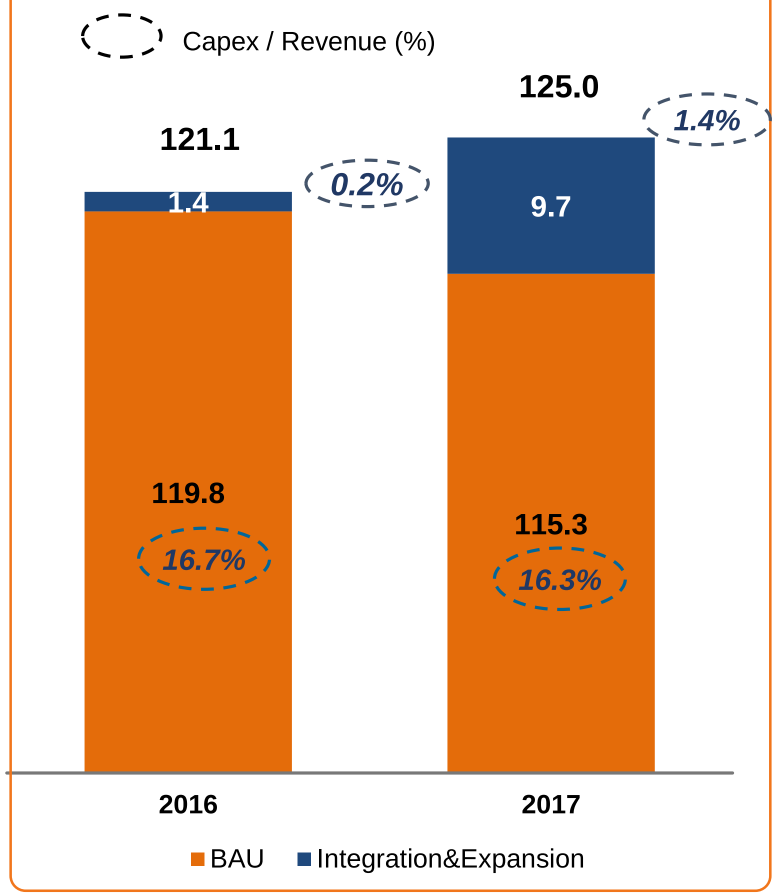

- **Cost efficiencies** achieved during FY17 offset by the impact in revenues of Basque Government contract and Telecable cost inflation

- **Proforma costs decreased in FY17 by -1.0% vs FY16** despite the impact of CRTVE fee and the inflation seen in Telecable costs from TV content (football) and host mobile expenses
- **R Cable synergies conveyed to the market fully achieved** (€21.3m in EBITDA and €3.5 in capex, **totalling €24.7m**)

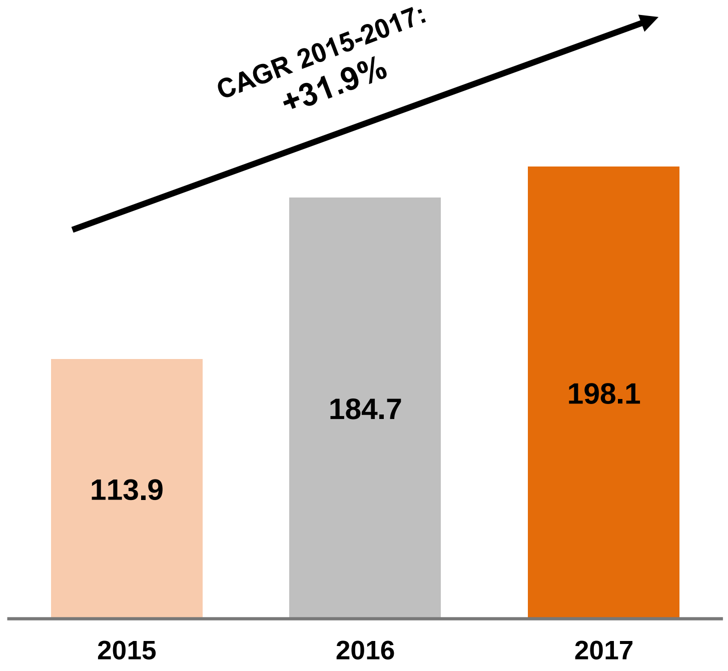
**Note:**
Data pro forma to include Telecable

# Capex and Operating Cash Flow (OpCF)[1]

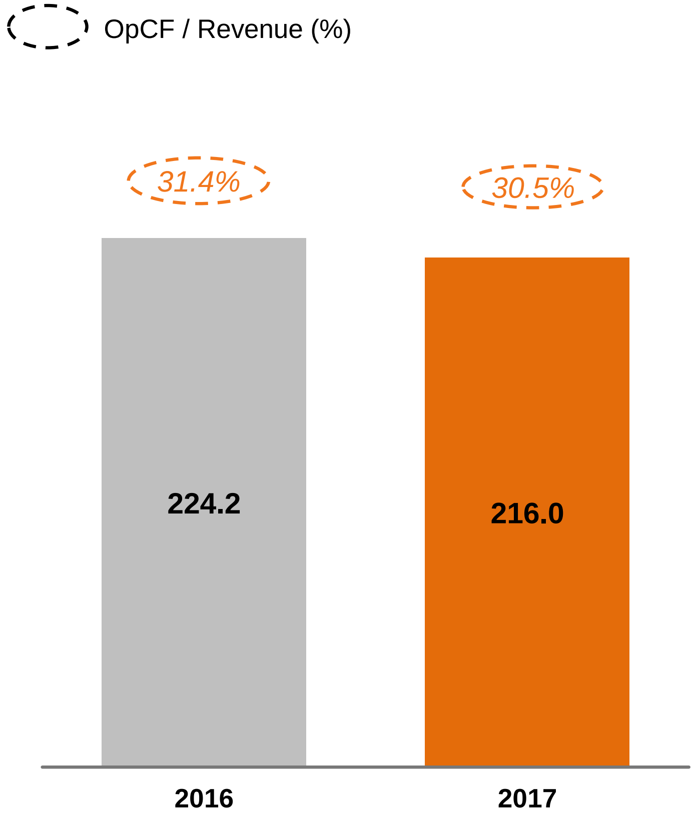
**Pro forma capex (€m)**




**OpCF evolution 2015-2017 (€m)** *(statutory data)*




**Pro forma OpCF (€m) and OpCF margin (%)**



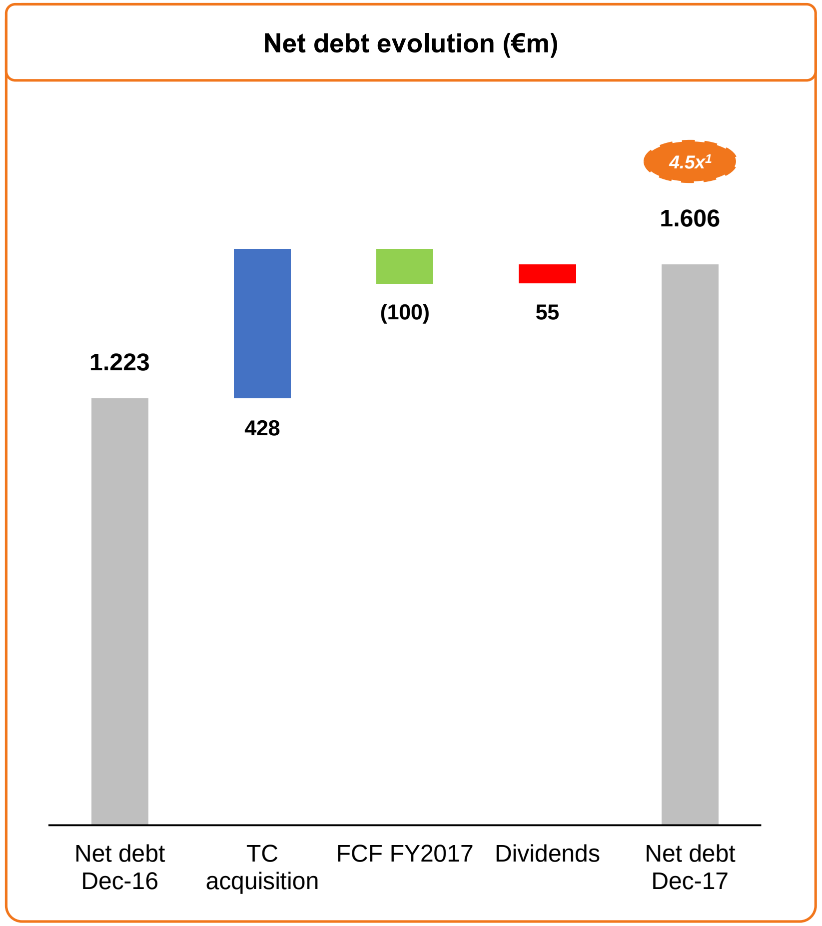

- **BAU capex** in line with guidance **<17% of revenues**

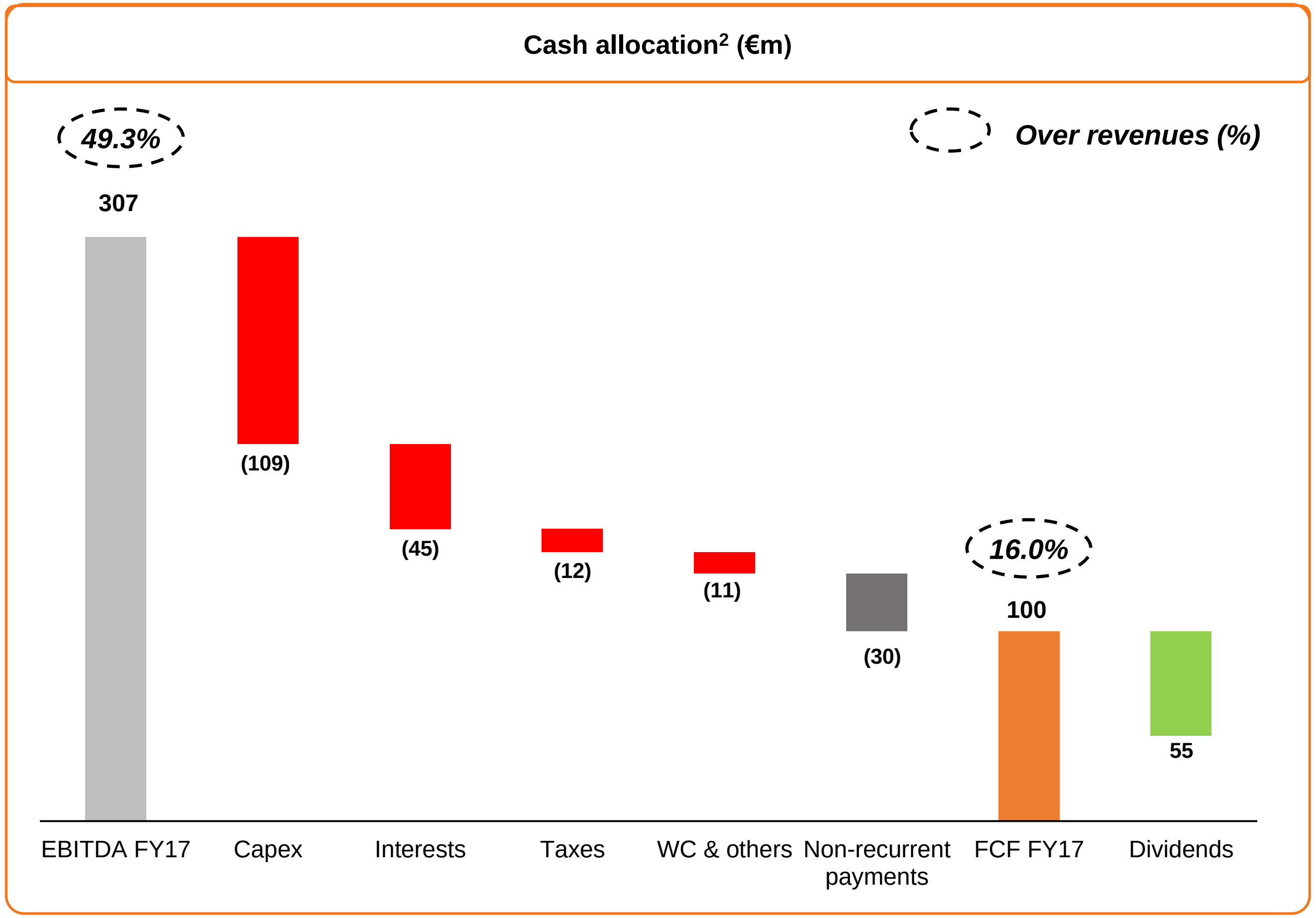
- **Since 2015**, after becoming the leading convergent operator in the North of Spain, we have registered a **CAGR of +31.9% in OpCF**

- **OpCF** in line with guidance **> 30% of revenues**
- **4Q17 OpCF** impacted by **expansion&integration**

Note:
1. Operating Cash Flow calculated as EBITDA-capex

# Net debt evolution




- **Free cash flow** generated during the period amounted to €100m allowing for **dividend distribution**
- **Cost of debt** as of December 2017: **2.75%**
- **Total dividend** paid during 2017 against 2016 results of **€0.36 per share** (€54.6m)

Note:
1. Post fully deployed synergies
2. Figures as per consolidated statutory financial results

# 2018 outlook

**REVENUES**

- B2C business stabilized in our three main regions (Euskadi, Galicia and Asturias)
- B2B revenues back to growth
- Expansion plan executed as announced

**EBITDA**

- Increased EBITDA margin in traditional operations
- 50% of Telecable synergies (c. €8m) to be achieved

**CAPEX**

- Recurrent capex <17% of revenues
- Additional expansion and integration capex to be incurred in 2018

**LEVERAGE**

- Leverage ratio to approach 4x EBITDA and reach <4x by end 2019

**SHAREHOLDER REMUNERATION**

- Maximize net income pay out

# Q&A

# Appendix I – Euskaltel Group FY 2017 consolidated statutory results and KPIs

**Note: FY2017 accounts include Telecable data from 01-August-2017 to 31-December-2017**

# Euskaltel Group consolidated - KPIs (i/iii)

| Residential | | Annual | | Quarterly | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| KPIs | Unit | 2015 | 2016 | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | 4Q17 |
| Homes passed | # | 1,699,073 | 1,707,558 | 1,700,847 | 1,703,361 | 1,703,941 | 1,707,558 | 1,708,468 | 1,709,771 | 2,163,919 | 2,166,001 |
| *Household coverage* | % | 65% | 65% | 65% | 65% | 65% | 65% | 65% | 65% | 82% | 82% |
| Residential subs | # | 545,502 | 546,040 | 547,009 | 548,069 | 548,945 | 546,040 | 544,351 | 540,510 | 669,591 | 660,946 |
| *o/w fixed services* | # | 471,664 | 469,662 | 471,837 | 470,895 | 471,463 | 469,662 | 468,944 | 465,477 | 581,412 | 575,354 |
| *as % of homes passed* | % | 27.8% | 27.5% | 27.7% | 27.6% | 27.7% | 27.5% | 27.4% | 27.2% | 26.9% | 26.6% |
| *o/w mobile only subs* | # | 73,838 | 76,378 | 75,172 | 77,174 | 77,482 | 76,378 | 75,407 | 75,033 | 88,179 | 85,592 |
| o/w 1P (%) | % | 21.9% | 21.7% | 21.7% | 21.6% | 21.9% | 21.7% | 21.2% | 20.9% | 19.8% | 19.5% |
| o/w 2P (%) | % | 14.8% | 12.5% | 14.0% | 13.3% | 12.9% | 12.5% | 12.3% | 12.4% | 12.6% | 12.5% |
| o/w 3P (%) | % | 29.6% | 26.4% | 29.0% | 27.8% | 27.0% | 26.4% | 26.0% | 25.9% | 26.8% | 26.3% |
| o/w 4P (%) | % | 33.7% | 39.4% | 35.3% | 37.3% | 38.2% | 39.4% | 40.6% | 40.8% | 40.8% | 41.7% |
| Total RGUs | # | 1,809,720 | 1,891,653 | 1,836,291 | 1,868,347 | 1,881,701 | 1,891,653 | 1,904,783 | 1,899,532 | 2,338,345 | 2,324,640 |
| RGUs / sub | # | 3.3 | 3.5 | 3.4 | 3.4 | 3.4 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 |
| Residential churn fixed customers | % | 14.8% | 15.1% | 13.5% | 14.1% | 14.9% | 15.1% | 16.1% | 15.3% | 16.9% | 17.4% |
| Global ARPU fixed customers | €/month | 55.97 | 58.44 | 57.59 | 58.10 | 58.52 | 58.44 | 58.57 | 58.68 | 59.55 | 59.99 |
| Fixed Voice RGU's | # | 467,181 | 462,827 | 467,280 | 467,292 | 465,362 | 462,827 | 459,968 | 453,821 | 537,982 | 527,908 |
| *as% fixed customers* | % | 99.0% | 98.5% | 99.0% | 99.2% | 98.7% | 98.5% | 98.1% | 97.5% | 92.5% | 91.8% |
| BB RGU's | # | 389,456 | 394,810 | 391,733 | 392,722 | 394,738 | 394,810 | 396,310 | 392,646 | 492,257 | 488,708 |
| *as% fixed customers* | % | 82.6% | 84.1% | 83.0% | 83.4% | 83.7% | 84.1% | 84.5% | 84.4% | 84.7% | 84.9% |
| TV RGU's | # | 250,191 | 270,333 | 256,783 | 264,899 | 267,325 | 270,333 | 274,408 | 274,139 | 393,606 | 393,356 |
| *as% fixed customers* | % | 53.0% | 57.6% | 54.4% | 56.3% | 56.7% | 57.6% | 58.5% | 58.9% | 67.7% | 68.4% |
| Postpaid lines | # | 702,892 | 763,683 | 720,495 | 743,434 | 754,276 | 763,683 | 774,097 | 778,926 | 914,500 | 914,668 |
| Postpaid customers | # | 412,247 | 438,953 | 422,737 | 433,513 | 436,737 | 438,953 | 443,892 | 445,746 | 530,783 | 529,459 |
| *as% fixed customers (only mobile excluded)* | % | 71.7% | 77.2% | 73.7% | 75.7% | 76.2% | 77.2% | 78.6% | 79.6% | 76.1% | 77.1% |
| *Mobile lines / customer* | # | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 |

| SOHO | | Annual | | Quarterly | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| KPIs | Unit | 2015 | 2016 | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | 4Q17 |
| Subs | # | 88,163 | 89,322 | 88,301 | 89,014 | 89,076 | 89,322 | 88,945 | 88,676 | 103,279 | 101,378 |
| o/w 1P (%) | % | 28.5% | 29.7% | 31.7% | 30.8% | 30.4% | 29.7% | 28.7% | 28.0% | 26.9% | 26.7% |
| o/w 2P (%) | % | 27.0% | 16.4% | 18.4% | 17.5% | 16.9% | 16.4% | 15.9% | 15.5% | 14.9% | 14.7% |
| o/w 3P (%) | % | 33.9% | 39.7% | 38.1% | 38.9% | 39.3% | 39.7% | 40.1% | 40.5% | 39.7% | 39.3% |
| o/w 4P (%) | % | 10.6% | 14.2% | 11.8% | 12.8% | 13.3% | 14.2% | 15.2% | 15.9% | 18.5% | 19.4% |
| Total RGUs | # | 278,314 | 300,713 | 285,111 | 292,888 | 296,335 | 300,713 | 303,168 | 303,886 | 358,274 | 353,641 |
| RGUs / sub | # | 3.2 | 3.4 | 3.2 | 3.3 | 3.3 | 3.4 | 3.4 | 3.4 | 3.5 | 3.5 |
| Soho churn fixed customers | % | 21.3% | 20.3% | 22.3% | 21.5% | 20.5% | 20.3% | 24.1% | 22.4% | 21.9% | 22.2% |
| Global ARPU Fixed customers | €/month | 65.3 | 65.2 | 64.9 | 65.0 | 65.3 | 65.2 | 65.1 | 64.9 | 66.1 | 67.0 |

| SMEs and Large Accounts | | Annual | | Quarterly | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| KPIs | Unit | 2015 | 2016 | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | 4Q17 |
| Customers | # | 11,518 | 11,193 | 11,315 | 11,262 | 11,224 | 11,193 | 11,084 | 11,042 | 14,688 | 14,670 |

# Euskaltel Group consolidated – Consolidated statutory financials (ii/iii)

| Selected financial information | Unit | Annual | | Quarterly | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Unit | 2015 | 2016 | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | 4Q17 |
| **Total revenue** | €m | **349.4** | **572.9** | **141.8** | **144.2** | **144.4** | **142.5** | **139.5** | **139.8** | **164.7** | **178.2** |
| *Y-o-y change* | % | 8.8% | 164.0% | 78.2% | 75.7% | 74.6% | 35.7% | -1.6% | -3.0% | 14.0% | 25.1% |
| o/w residential | €m | 215.7 | 373.1 | 91.3 | 93.7 | 95.0 | 93.1 | 92.5 | 93.2 | 111.7 | 119.1 |
| *Y-o-y change* | % | 10.2% | 173.0% | 86.3% | 84.5% | 83.7% | 45.1% | 1.2% | -0.5% | 17.5% | 27.9% |
| o/w Business | €m | 99.3 | 166.6 | 42.4 | 42.8 | 41.7 | 39.7 | 39.0 | 38.6 | 44.1 | 48.8 |
| *Y-o-y change* | % | 6.3% | 167.7% | 86.3% | 82.5% | 83.1% | 30.8% | -8.1% | -9.7% | 5.9% | 23.0% |
| o/w Wholesale and Other | €m | 25.4 | 33.2 | 8.0 | 7.8 | 7.7 | 9.7 | 8.1 | 8.0 | 8.9 | 10.3 |
| *Y-o-y change* | % | 0.8% | 130.6% | 44.3% | 39.1% | 24.8% | 19.6% | 0.1% | 2.5% | 15.2% | 6.4% |
| o/w Other Profit Neutral Revenues | €m | 8.9 | - | - | - | - | - | - | - | - | - |
| *Y-o-y change* | % | 29.5% | | | | | | | | | |
| **Adjusted EBITDA** | €m | **167.0** | **280.6** | **69.1** | **70.2** | **70.2** | **71.0** | **68.0** | **69.9** | **81.4** | **87.6** |
| *Y-o-y change* | % | 7.1% | 168.0% | 83.2% | 83.4% | 72.7% | 41.0% | -1.5% | -0.6% | 16.0% | 23.3% |
| *Margin* | % | 47.8% | 49.0% | 48.7% | 48.7% | 48.6% | 49.8% | 48.8% | 50.0% | 49.4% | 49.2% |
| **Capital expenditures** | €m | **(53.1)** | **(95.9)** | **(21.7)** | **(24.0)** | **(21.8)** | **(28.4)** | **(23.3)** | **(22.9)** | **(24.1)** | **(38.4)** |
| *Y-o-y change* | % | 25.9% | 180.5% | 137.8% | 161.2% | 111.8% | 15.8% | 7.3% | -4.4% | 10.9% | 35.0% |
| *% total revenues* | % | -15.2% | -16.7% | -15.3% | -16.6% | -15.1% | -20.0% | -16.7% | -16.4% | -14.7% | -21.5% |
| **Operating Free Cash Flow** | €m | **113.9** | **184.7** | **47.4** | **46.3** | **48.4** | **42.6** | **44.8** | **46.9** | **57.3** | **49.2** |
| *Y-o-y change* | % | 0.2% | 162.1% | 65.9% | 58.7% | 59.5% | 65.0% | -5.6% | 1.4% | 18.3% | 15.5% |
| *% EBITDA* | % | 68.2% | 65.8% | 68.7% | 65.7% | 69.0% | 60.0% | 65.8% | 67.2% | 70.4% | 56.2% |
| **Net Income** | €m | **7.237** | **62.1** | **14.6** | **15.6** | **14.7** | **17.2** | **13.2** | **7.9** | **11.8** | **16.7** |

# Euskaltel Group consolidated – P&L (iii/iii)

| €m | 2016 | | | | 2017 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | 4Q17 | FY16 | FY17 | Change |
| Residential | 91.3 | 93.7 | 95.0 | 93.1 | 92.5 | 93.2 | 111.7 | 119.1 | 373.1 | 416.5 | *11.6%* |
| Business | 42.4 | 42.8 | 41.7 | 39.7 | 39.0 | 38.6 | 44.1 | 48.8 | 166.6 | 170.5 | *2.4%* |
| Wholesale & other | 8.0 | 7.8 | 7.7 | 9.7 | 8.1 | 8.0 | 8.9 | 10.3 | 33.2 | 35.2 | *6.0%* |
| **Revenues** | **141.8** | **144.2** | **144.4** | **142.5** | **139.5** | **139.8** | **164.7** | **178.2** | **572.9** | **622.2** | |
| COGS | (33.8) | (35.6) | (36.9) | (29.3) | (32.7) | (30.2) | (42.7) | (44.4) | (136.1) | (150.1) | *(10.2%)* |
| **Gross profit** | **108.0** | **108.6** | **107.5** | **113.2** | **106.8** | **109.6** | **122.0** | **133.8** | **436.8** | **472.1** | |
| Commercial and fixed costs | (38.9) | (38.3) | (37.3) | (42.2) | (38.7) | (39.8) | (40.6) | (46.2) | (156.2) | (165.2) | *(5.8%)* |
| **EBITDA** | **69.1** | **70.3** | **70.2** | **71.0** | **68.0** | **69.9** | **81.4** | **87.6** | **280.6** | **306.9** | |
| D&A | (36.6) | (37.3) | (37.6) | (39.1) | (38.0) | (37.8) | (46.8) | (48.7) | (150.6) | (171.4) | *(13.8%)* |
| **EBIT** | **32.4** | **33.0** | **32.6** | **32.0** | **30.0** | **32.0** | **34.6** | **38.9** | **130.0** | **135.5** | |
| Financial expenses | (11.9) | (12.3) | (12.3) | (11.3) | (11.3) | (11.9) | (12.4) | (13.3) | (47.9) | (48.9) | *(2.1%)* |
| Extraordinary items | (0.8) | (1.7) | (1.2) | (1.2) | (0.9) | (9.5) | (6.5) | (3.4) | (4.9) | (20.2) | - |
| **EBT** | **19.7** | **19.0** | **19.0** | **19.4** | **17.8** | **10.6** | **15.7** | **22.2** | **77.2** | **66.3** | *(14.0%)* |
| Income tax | (5.1) | (3.4) | (4.3) | (2.2) | (4.6) | (2.7) | (3.9) | (5.5) | (15.0) | (16.7) | *(11.1%)* |
| **Net income** | **14.6** | **15.6** | **14.7** | **17.2** | **13.2** | **7.9** | **11.8** | **16.7** | **62.1** | **49.6** | |

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Appendix II - Proforma results and KPIs (for full year consolidation of Telecable)

# Proforma (for full year consolidation of Telecable) – KPIs (i/ii)

| Residential | | Quarterly | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| KPIs | Unit | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | 4Q17 |
| Homes passed | # | 2,152,959 | 2,155,613 | 2,156,059 | 2,159,948 | 2,160,946 | 2,162,408 | 2,163,919 | 2,166,001 |
| *Household coverage* | % | - | - | - | - | - | - | - | - |
| Residential subs | # | 686,342 | 685,911 | 686,159 | 682,356 | 679,432 | 675,130 | 669,591 | 660,946 |
| *o/w fixed services* | # | 599,844 | 596,555 | 595,861 | 592,901 | 590,764 | 586,094 | 581,412 | 575,354 |
| *as % of homes passed* | % | 27.9% | 27.7% | 27.6% | 27.4% | 27.3% | 27.1% | 26.9% | 26.6% |
| *o/w mobile only subs* | # | 86,498 | 89,356 | 90,298 | 89,455 | 88,668 | 89,036 | 88,179 | 85,592 |
| o/w 1P (%) | % | 19.9% | 19.9% | 20.2% | 20.0% | 19.7% | 19.5% | 19.8% | 19.5% |
| o/w 2P (%) | % | 14.5% | 13.8% | 13.4% | 12.9% | 12.5% | 12.6% | 12.6% | 12.5% |
| o/w 3P (%) | % | 30.2% | 29.2% | 28.5% | 27.9% | 27.4% | 27.2% | 26.8% | 26.3% |
| o/w 4P (%) | % | 35.4% | 37.1% | 37.9% | 39.1% | 40.4% | 40.8% | 40.8% | 41.7% |
| Total RGUs | # | 2,286,560 | 2,316,204 | 2,328,833 | 2,340,986 | 2,358,696 | 2,356,503 | 2,338,345 | 2,324,640 |
| RGUs / sub | # | 3.3 | 3.4 | 3.4 | 3.4 | 3.5 | 3.5 | 3.5 | 3.5 |
| Residential churn fixed customers | % | 14.0% | 14.6% | 15.2% | 15.3% | 16.6% | 15.9% | 17.0% | 17.5% |
| Global ARPU fixed customers | €/month | 58.63 | 59.08 | 59.39 | 59.37 | 60.01 | 60.14 | 60.55 | 60.69 |
| Fixed Voice RGU's | # | 566,988 | 565,792 | 563,863 | 561,065 | 557,948 | 550,424 | 537,982 | 527,908 |
| *as% fixed customers* | % | | | | | | | | |
| BB RGU's | # | 496,164 | 495,675 | 497,239 | 497,017 | 498,112 | 494,209 | 492,257 | 488,708 |
| *as% fixed customers* | % | | | | | | | | |
| TV RGU's | # | 385,988 | 391,800 | 393,082 | 395,001 | 397,641 | 396,182 | 393,606 | 393,356 |
| *as% fixed customers* | % | | | | | | | | |
| Postpaid lines | # | 837,420 | 862,937 | 874,649 | 887,903 | 904,995 | 915,688 | 914,500 | 914,668 |
| Postpaid customers | # | 502,313 | 514,181 | 517,948 | 521,512 | 529,069 | 533,501 | 530,783 | 529,459 |
| *as% fixed customers (only mobile excluded)* | % | 69.3% | 71.2% | 71.8% | 72.9% | 74.5% | 75.8% | 76.1% | 77.1% |
| *Mobile lines / customer* | # | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 |

| SOHO | | Quarterly | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| KPIs | Unit | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | 4Q17 |
| Subs | # | 104,899 | 105,559 | 105,661 | 105,861 | 105,281 | 104,757 | 103,279 | 101,378 |
| o/w 1P (%) | % | 30.3% | 29.5% | 29.1% | 28.6% | 27.8% | 27.2% | 26.9% | 26.7% |
| o/w 2P (%) | % | 17.5% | 16.6% | 16.1% | 15.7% | 15.3% | 14.9% | 14.9% | 14.7% |
| o/w 3P (%) | % | 38.8% | 39.5% | 39.8% | 40.0% | 40.2% | 40.5% | 39.7% | 39.3% |
| o/w 4P (%) | % | 13.4% | 14.4% | 14.9% | 15.7% | 16.7% | 17.4% | 18.5% | 19.4% |
| Total RGUs | # | 342,220 | 350,311 | 354,093 | 358,624 | 361,257 | 361,797 | 358,274 | 353,641 |
| RGUs / sub | # | 3.3 | 3.3 | 3.4 | 3.4 | 3.4 | 3.5 | 3.5 | 3.5 |
| Soho churn fixed customers | % | 21.9% | 21.3% | 20.5% | 20.4% | 24.2% | 22.7% | 22.1% | 22.3% |
| Global ARPU Fixed customers | €/month | 67.5 | 67.6 | 67.9 | 68.0 | 69.3 | 69.0 | 69.0 | 69.1 |

| SMEs and Large Accounts | | Quarterly | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| KPIs | Unit | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | 4Q17 |
| Customers | # | 15,207 | 15,117 | 15,031 | 14,963 | 14,818 | 14,762 | 14,688 | 14,670 |

# Proforma (for full year consolidation of Telecable) – Financials (ii/ii)

| Selected financial information | Unit | Quarterly | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | 1Q16 | 2Q16 | 3Q16 | 4Q16 | 1Q17 | 2Q17 | 3Q17 | 4Q17 |
| **Total revenue** | **€m** | **177.7** | **179.7** | **179.5** | **178.2** | **176.0** | **176.2** | **176.6** | **178.2** |
| *Y-o-y change* | % | | | | | -1.0% | -1.9% | -1.6% | 0.0% |
| o/w residential | €m | 117.1 | 119.3 | 120.3 | 119.4 | 119.1 | 119.5 | 120.5 | 119.1 |
| *Y-o-y change* | % | | | | | 1.8% | 0.2% | 0.1% | -0.2% |
| o/w Business | €m | 51.4 | 51.6 | 50.5 | 48.6 | 48.1 | 47.9 | 47.0 | 48.8 |
| *Y-o-y change* | % | | | | | -6.5% | -7.1% | -7.0% | 0.4% |
| o/w Wholesale and Other | €m | 9.2 | 8.8 | 8.7 | 10.2 | 8.7 | 8.8 | 9.1 | 10.3 |
| *Y-o-y change* | % | | | | | -5.0% | -0.3% | 5.2% | 1.2% |
| **Adjusted EBITDA** | **€m** | **85.6** | **86.9** | **86.1** | **86.8** | **84.0** | **85.2** | **84.1** | **87.6** |
| *Y-o-y change* | % | | | | | -1.8% | -1.9% | -2.3% | 0.9% |
| *Margin* | % | 48.2% | 48.3% | 48.0% | 48.7% | 47.7% | 48.4% | 47.6% | 49.2% |
| **Capital expenditures** | **€m** | **(29.4)** | **(29.0)** | **(28.4)** | **(34.3)** | **(30.8)** | **(29.0)** | **(26.8)** | **(38.4)** |
| *Y-o-y change* | % | | | | | 4.9% | -0.3% | -5.8% | 12.0% |
| *% total revenues* | % | -16.5% | -16.2% | -15.8% | -19.2% | -17.5% | -16.4% | -15.2% | -21.5% |
| **Operating Free Cash Flow** | **€m** | **56.2** | **57.8** | **57.7** | **52.5** | **53.2** | **56.3** | **57.3** | **49.2** |
| *Y-o-y change* | % | | | | | -5.4% | -2.7% | -0.6% | -6.4% |
| *% EBITDA* | % | 65.7% | 66.6% | 67.0% | 60.5% | 63.3% | 66.0% | 68.2% | 56.2% |