TELENET – H1 2017 RESULTS

INVESTOR & ANALYST CALL

2 August 2017

SAFE HARBOR DISCLAIMER

Private Securities Litigation Reform Act of 1995

Various statements contained in this document constitute “forward-looking statements” as that term is defined under the U.S. Private Securities Litigation Reform Act of 1995. Words like “believe,” “anticipate,” “should,” “intend,” “plan,” “will,” “expects,” “estimates,” “projects,” “positioned,” “strategy,” and similar expressions identify these forward-looking statements related to our financial and operational outlook; future growth prospects;, strategies; product, network and technology launches and expansion and the anticipated impact of the acquisitions of BASE Company NV, Coditel Brabant SPRL and Coditel S.à r.l. on our combined operations and financial performance, which involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted whether expressed or implied, by these forward-looking statements. These factors include: potential adverse developments with respect to our liquidity or results of operations; potential adverse competitive, economic or regulatory developments; our significant debt payments and other contractual commitments; our ability to fund and execute our business plan; our ability to generate cash sufficient to service our debt; interest rate and currency exchange rate fluctuations; the impact of new business opportunities requiring significant up-front investments; our ability to attract and retain customers and increase our overall market penetration; our ability to compete against other communications and content distribution businesses; our ability to maintain contracts that are critical to our operations; our ability to respond adequately to technological developments; our ability to develop and maintain back-up for our critical systems; our ability to continue to design networks, install facilities, obtain and maintain any required governmental licenses or approvals and finance construction and development, in a timely manner at reasonable costs and on satisfactory terms and conditions; our ability to have an impact upon, or to respond effectively to, new or modified laws or regulations; our ability to make value-accretive investments; and our ability to sustain or increase shareholder distributions in future periods. We assume no obligation to update these forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.

Adjusted EBITDA and Adjusted Free Cash Flow are non-GAAP measures as contemplated by the U.S. Securities and Exchange Commission’s Regulation G. For related definitions and reconciliations, see the Investor Relations section of the Liberty Global plc website (http://www.libertyglobal.com). Liberty Global plc is our controlling shareholder.

EXECUTIVE SUMMARY

KEY HIGHLIGHTS

H1 2017

Strategic Highlights

- **Mobile network upgrade and customer migration on track**
  - €250 million upgrade plan, substantially completed by mid-2018
  - Just over half of all macro sites upgraded per Q2 2017 with ongoing customer migrations to our own network in parallel to the start of the onboarding of the Lycamobile Full MVNO wholesale customers which was completed end-July 2017
- **Significant product improvements increasing value for money**
  - Introduction of new “WIGO” line-up with bigger data bundles
  - Improved “King” and “Kong” mobile line-up and attractive double data offers for both new and existing BASE mobile customers
  - Enhanced “Basic Internet” with faster down- and upload speeds
- **Enriching our premium entertainment offers**
  - Renewed the Jupiler Pro League broadcasting rights until the 2019-2020 season, including exclusive OTT rights
  - Launch of “Game of Thrones” and “Twin Peaks” on “Play More”
- **Formal closure of the acquisition of SFR BeLux**
  - Extension of our Brussels cable footprint and gaining access to parts of the Walloon and the Luxembourg areas

Operational & Financial Highlights

- **Solid traction for our “WIGO” quad-play offers**
  - Reaching 224,400 subscribers at the end of June 2017, resulting in a net inflow of 35,800 subscribers in Q2 2017
- **Robust net mobile postpaid subscriber growth, partially offset by one-time impact from prepaid registration**
  - 60,200 organic net postpaid additions in Q2 2017 driven by “WIGO” and accelerated momentum at BASE given double data offers
  - Successful registration of around 92% of active prepaid subscribers, leading to one-time deactivation of 53,300 non-registered SIMs
- **Net subscriber growth in cable reflected the tough competitive environment with Q2 being seasonally a weaker sales quarter**
- **On track to deliver on our FY 2017 outlook and medium-term outlook over the 2015-2018 period post SFR BeLux integration**
  - Stable rebased[1] revenue and 5% rebased[1] Adjusted EBITDA growth achieved in H1 2017 to €1,238.3 million and €592.4 million
  - Robust Adjusted Free Cash Flow of €137.1 million in H1 2017
  - Board of directors has decided to extend the Share Repurchase Program 2017 to December 31, 2017, fully commited to repurchase up to 1.1 million of shares outstanding

1. On a rebased basis – please see Definitions for additional information

“WIGO” FURTHER BOOSTS QUAD-PLAY PENETRATION AND MOBILE GROWTH

Boosts quad-play penetration and mobile growth

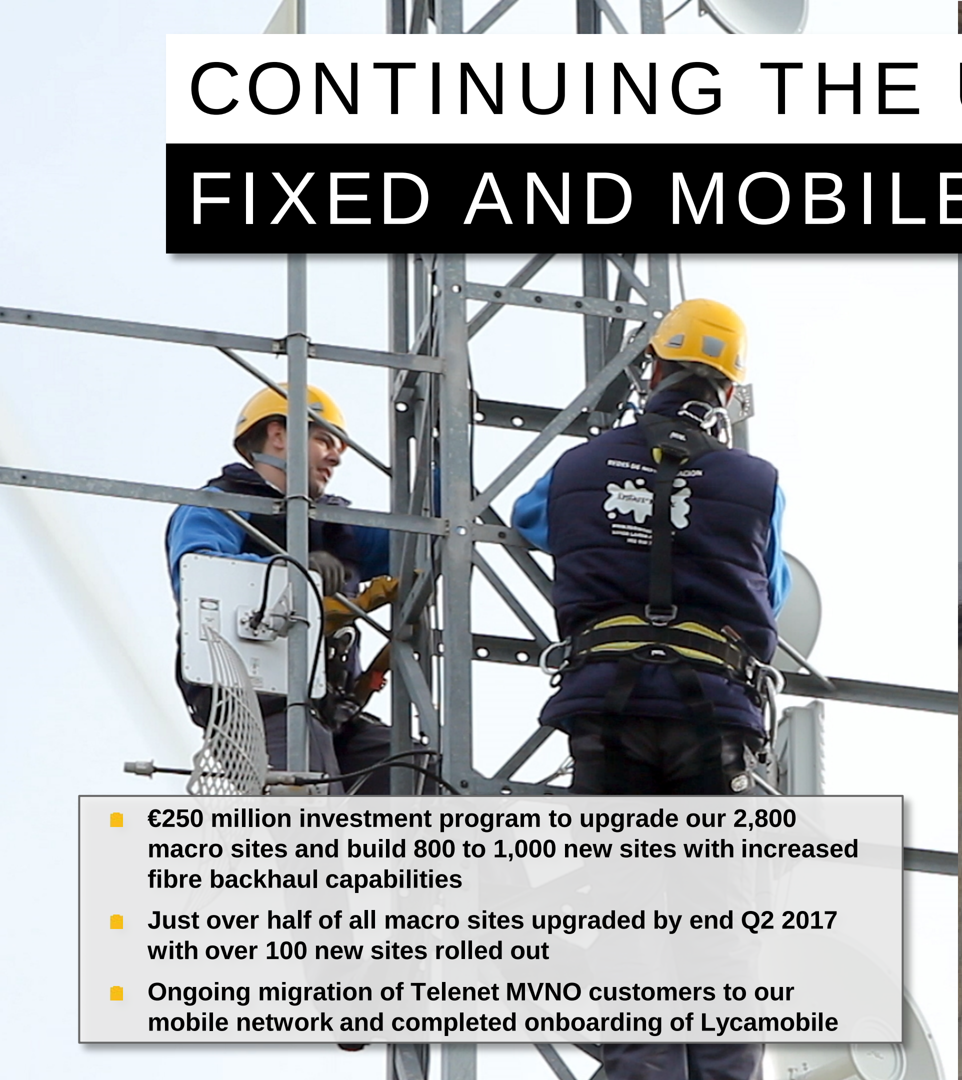
- **Continued traction for our innovative all-in-one converged “WIGO” bundles despite intense competition and Q2 generally being a seasonally weaker sales quarter**
- **224,400 “WIGO” subscribers at June 30, 2017, equivalent to a net inflow of 35,800 subscribers in Q2 2017**
- **Further increasing quad-play penetration to ~24% of cable customers[1] and boosting net mobile postpaid subscriber growth**

And more to come on the back of larger data pots

- **Increased mobile data allowance at unchanged price points, providing more value for money**
  - WIGO 100: From 2 GB to 3 GB
  - WIGO 120: From 5 GB to 10 GB
  - WIGO 140: From 10 GB to 15 GB
- **Shared data bundle for all members of the same household or firm including unlimited texting and calling**

1 Excluding BASE mobile subscribers

CONTINUING THE UPGRADE OF OUR FIXED AND MOBILE INFRASTRUCTURE



- €250 million investment program to upgrade our 2,800 macro sites and build 800 to 1,000 new sites with increased fibre backhaul capabilities
- Just over half of all macro sites upgraded by end Q2 2017 with over 100 new sites rolled out
- Ongoing migration of Telenet MVNO customers to our mobile network and completed onboarding of Lycamobile

- €500 million fixed investment program, moving to a Gigabit network and allowing data download speeds of at least 1 Gbps
- “De Grote Netwerf” kicked off in Brussels recently
- As per end June 2017, just over half of the HFC network nodes had been upgraded
- Targeting ~65% of nodes upgraded by year-end 2017

ENRICHING OUR PREMIUM ENTERTAINMENT OFFERINGS

- Continued targeted investments in local content, enriching the local media ecosystem and allowing us to structurally offer more Flemish content
- Renewed the Jupiler Pro League broadcasting rights until the 2019-2020 season on a non-exclusive basis with unique OTT rights and match summaries through 50% shareholding in De Vijver Media
- Unparalleled international content line-up for "Play More" customers through the start of the 7th season of "Game of Thrones" and the return of the iconic "Twin Peaks" series

EXTENDING OUR FOOTPRINT THROUGH THE CLOSED SFR BELUX ACQUISITION

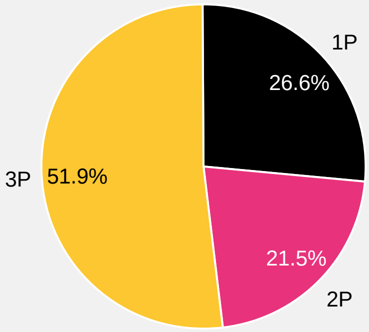
- **Extending our footprint in Brussels and to parts of Wallonia and Luxembourg**
- **Adding 319,100 homes passed, 90,800 unique customer relationships and 190,400 fixed RGUs (82,200 video, 60,100 broadband internet and 48,100 fixed-line telephony RGUs) and 4,300 mobile subscribers**
- **Financed through €210.0 million draw-down under our revolving credit facilities and available cash and cash equivalents**
- **Projected annual run-rate synergies of €16.0 million by 2021**
- **Modernization of the acquired cable network by investing €12.0 million over 2017-2018**

OPERATIONAL HIGHLIGHTS

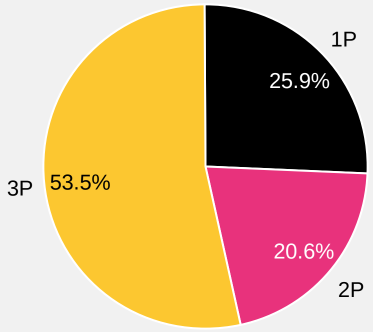
FIXED[1] MULTIPLE-PLAY PENETRATION

ARPU PER CUSTOMER RELATIONSHIP[1] UP 3% IN Q2 2017

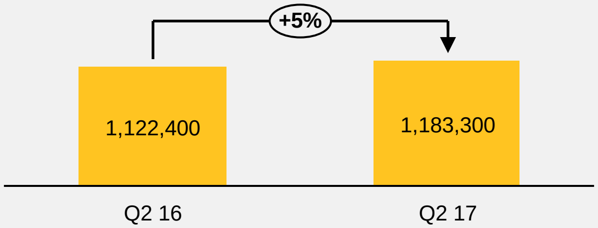
Customer mix[1] (June 30, 2016)



Customer mix[1] (June 30, 2017)

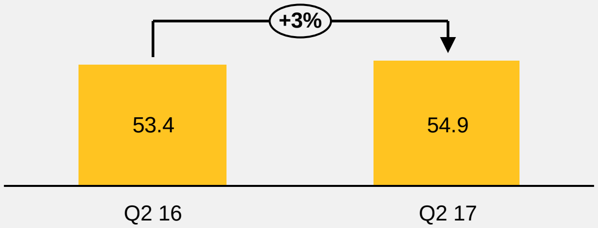


Triple-play subscribers[1]



ARPU per customer relationship[1]

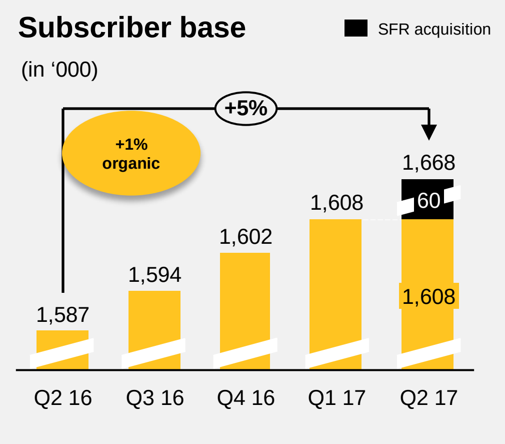
(in €)

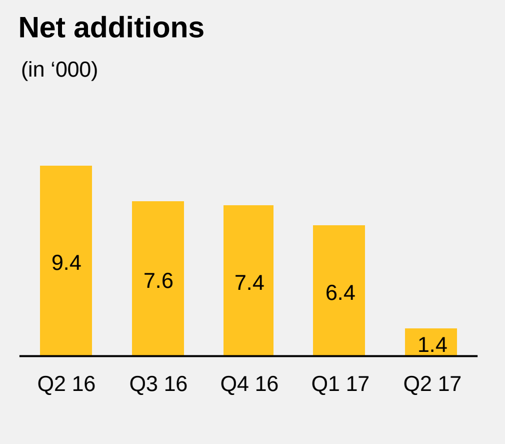


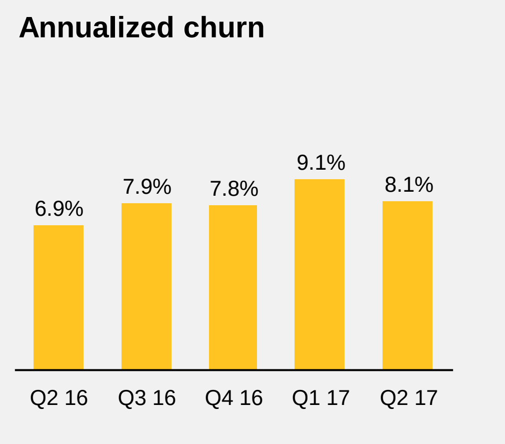
1. Excluding mobile telephony and entertainment services

BROADBAND INTERNET

REDUCED NET SUBSCRIBER GROWTH ACROSS RESIDENTIAL SEGMENT







- **1,668,400 broadband internet subscribers at June 30, 2017, +5% yoy**, including 60,100 inorganic subscribers added through the SFR BeLux acquisition
- **1,400 net organic broadband internet subscriber additions in Q2 2017** impacted by the intensely competitive environment and seasonal patterns in our business
- Slowdown in net residential subscriber growth was partially offset by a **strong performance in the business segment** thanks to continued traction for our "FLUO" and "WIGO Business" bundled offers
- **Higher year-on-year annualized churn** of 8.1% in Q2 2017, reflecting an intense competitive environment

IMPROVING "BASIC INTERNET"

FOR SUPERFAST CONNECTIVITY

Upgrade of our entry-level internet offer…

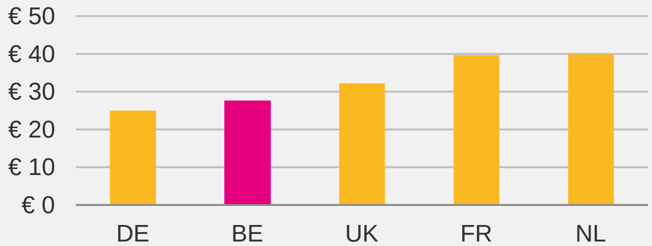
- Download speed: From 30 Mbps to 50 Mbps
- Upload speed: From 3 Mbps to 5 Mbps
- Volume included: 150 GB
- 10 Mailboxes: 5 GB space each
- 50 MB free web space
- Wi-Free included

€27.80
per month
(unchanged)

- Seamless access to both fixed and mobile networks through 1.4 million WiFi homespots and nearly 2,000 WiFi hotspots in public areas
- **"Basic Internet" offer remains one of the most attractive entry packages** both from a Belgian and a wider European perspective

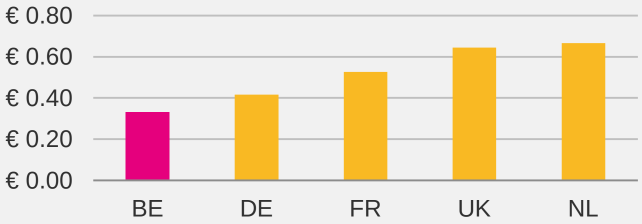
…setting a clear benchmark

Monthly nominal cost[1]



1. Source: BIPT, Comparative analysis of telecom pricing (August 2016)

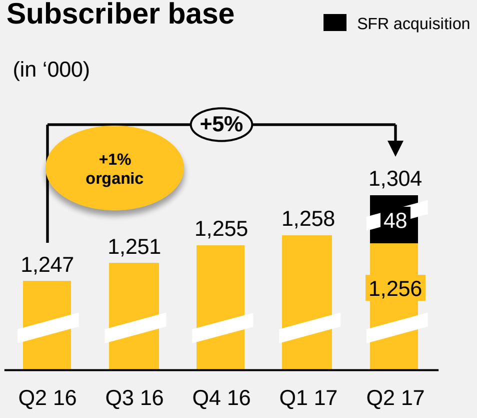
Price/Mbps cost



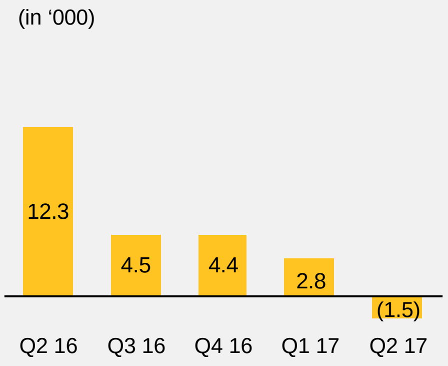
FIXED-LINE TELEPHONY

IMPACTED BY COMPETITION AND DECLINING MARKET TREND

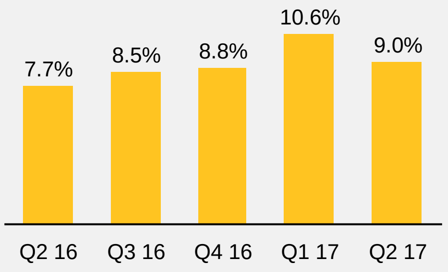
Subscriber base



Net additions (losses)



Annualized churn



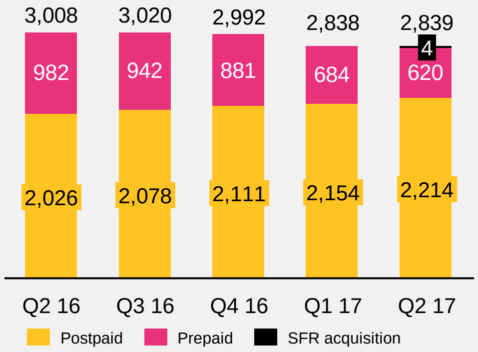
- **1,304,000 fixed-line telephony subscribers at June 30, 2017, up 5% yoy**, including 48,100 inorganic additions from the SFR BeLux acquisition
- **Net organic loss of 1,500 fixed-line telephony subscribers in Q2 2017** amidst tough competitive environment and an overall declining market trend
- **Annualized churn of 9.0% in Q2 2017** remained above last year's level, yet showing an encouraging improvement on a sequential basis with a 160 basis points improvement

MOBILE TELEPHONY

ACCELERATED POSTPAID SUBSCRIBER ADDITIONS

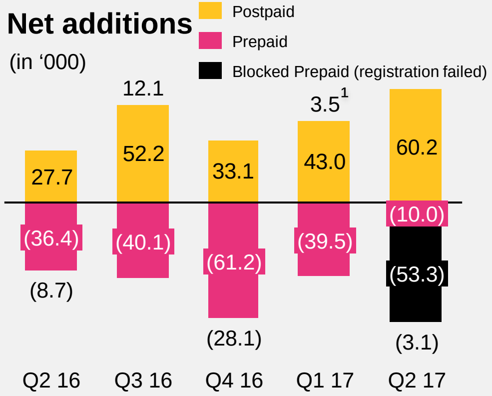
Subscriber base

(in '000)



Net additions

(in '000)

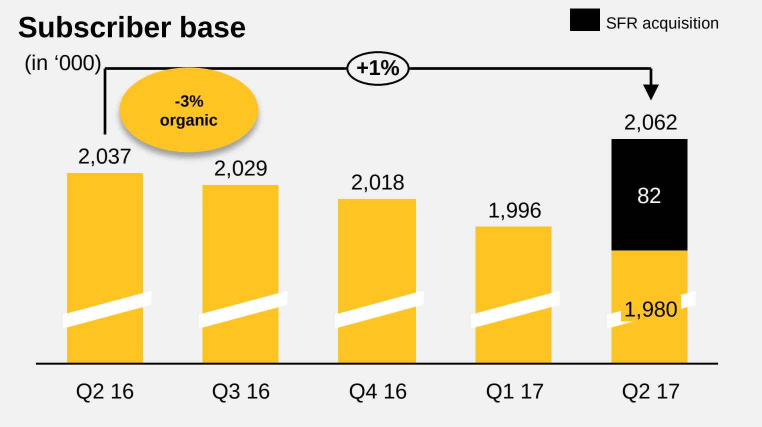


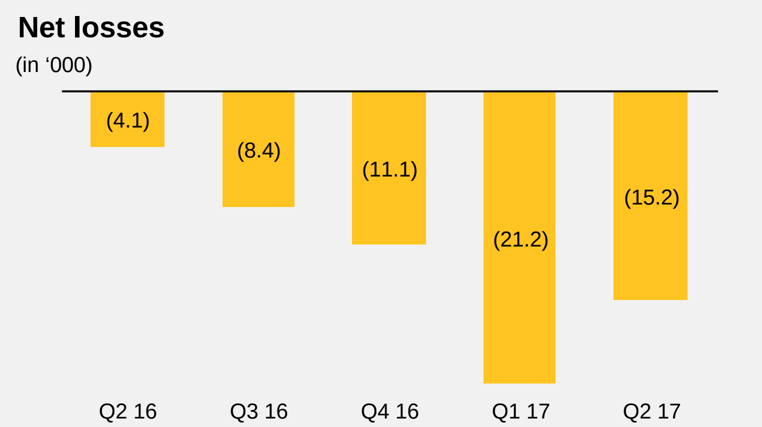
- **2,838,700 active mobile subscribers at June 30, 2017** of which just over 2.2 million postpaid subscribers and which included 4,300 inorganic subscribers added through the SFR BeLux acquisition
- **Accelerated organic net postpaid subscriber growth of 60,200 in Q2 2017** thanks to the continued strong uptake of our "WIGO" offers as well as attractive promotional offers at BASE
- In prepaid, we **managed to register around 92% of our active prepaid customer base** across all of our channels, resulting in **a one-time deactivation of 53,300 non-registered SIMs**
- **Improved mobile line-up as of end June 2017** with increased data specs for "King" and lowered headline prices for our "Kong" offers

1 Excluding the non-organic reduction of 157,900 prepaid subscribers during Q1 2017 related to the sale of Ortel Mobile

VIDEO

NET ORGANIC LOSS REFLECTED TOUGH COMPETITIVE ENVIRONMENT



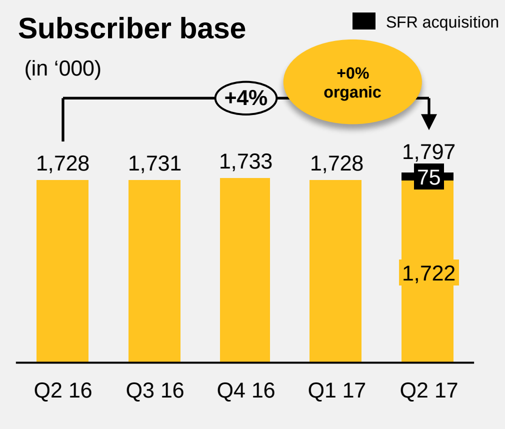


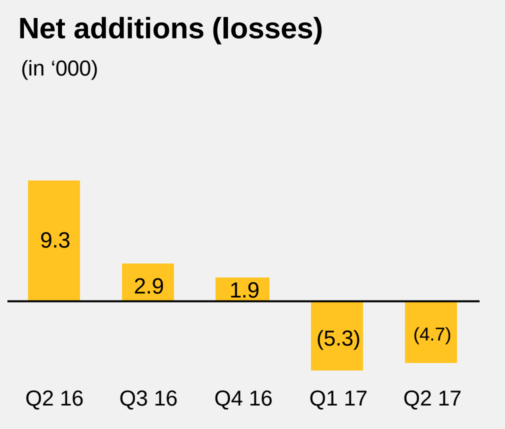
- **2,062,000 video subscribers at June 30, 2017**, including 82,200 inorganic subscriber additions through the SFR BeLux acquisition
- **Net organic video subscriber loss[1] of 15,200 in Q2 2017** continued to be higher compared to last year as as result of the increased competitive environment, including the effects from regulated cable wholesale
- Relative to Q1 2017, our **video net loss trend showed an encouraging improvement in Q2 2017**

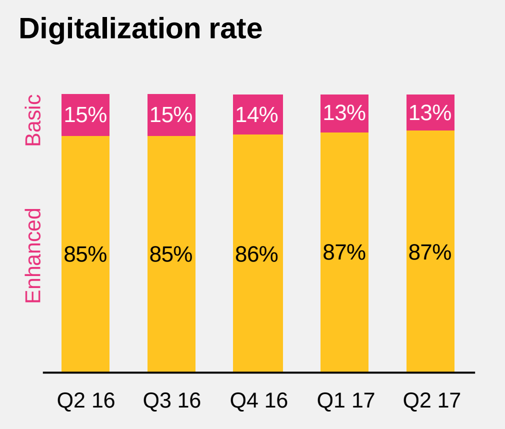
[1] Organic loss excludes migrations to our enhanced video service and represents customers churning to competitors' platforms, such as other digital television, OTT and satellite providers, or customers terminating their television service or having moved out of our service footprint

ENHANCED VIDEO

NET ORGANIC LOSS IMPACTED BY TOUGH COMPETITION







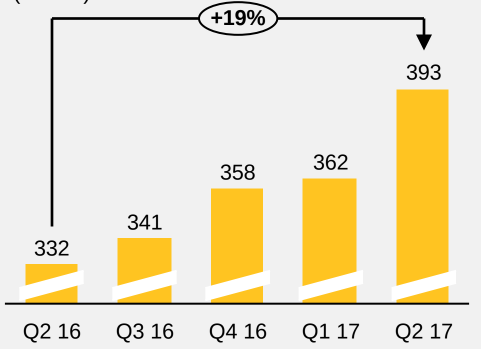
- **1,796,500 enhanced video subscribers at June 30, 2017**, including 74,700 inorganic additions from the SFR BeLux acquisition
- **Net decrease of 4,700 organic enhanced video subscribers in Q2 2017** as a result of the intensely competitive environment
- **Around 87% of our total video subscriber base had upgraded to our interactive digital TV platform** at June 30, 2017 including access to our OTT app "Yelo Play" providing a real multiscreen experience

PREMIUM ENTERTAINMENT

CONTINUED TRACTION IN SUBSCRIPTION VOD OFFERS

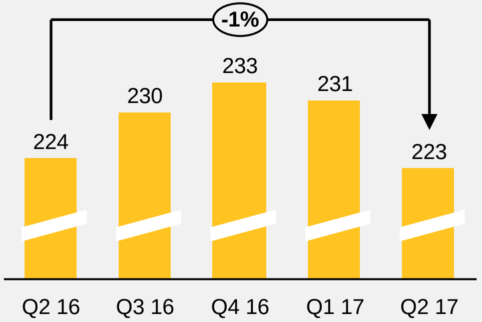
“Play” & “Play More” subscribers

(in ‘000)



“Play Sports” subscribers

(in ‘000)



Play

Play More

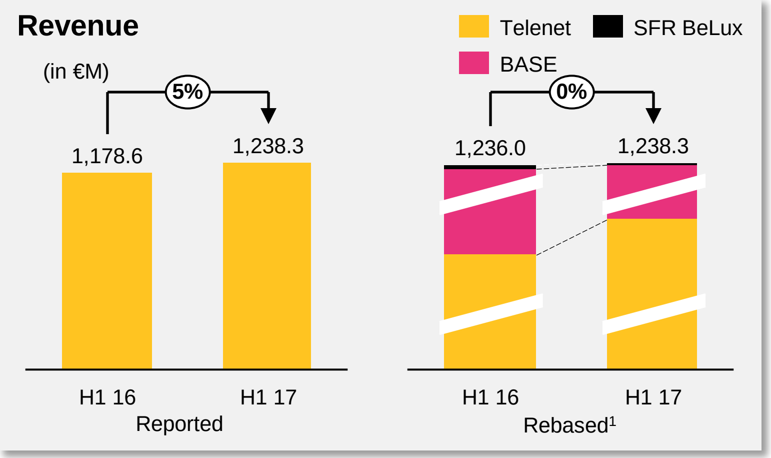
Play Sports

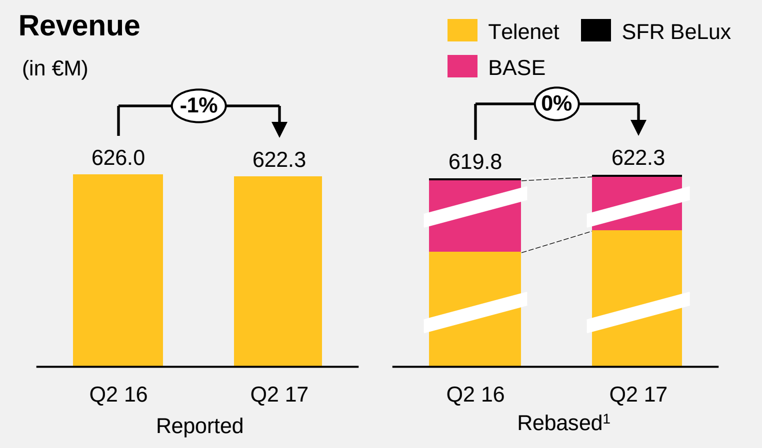
- Our premium entertainment offers **“Play” and “Play More” reached 393,100 customers at June 30, 2017, up 19%** compared to Q1 2016
- Net subscriber growth was driven in large part by temporary promotions and the revamp of our premium entertainment platform "Play More" as we enriched the linear viewing experience while introducing a new user interface
- At June 30, 2017, **223,100 customers subscribed to “Play Sports”,** representing a 3% decrease compared to Q1 2017 in line with general seasonality due to the end of all major football championships in Europe
- Strong line-up for our premium entertainment platform through the launch of “Twin Peaks” and “Games of Trones”, while the Belgian football 2017-2018 championship kicked of at the end of July

FINANCIAL HIGHLIGHTS

REVENUE OF €1,238.3 MILLION

FLAT YOY ON A REBASED[1] BASIS





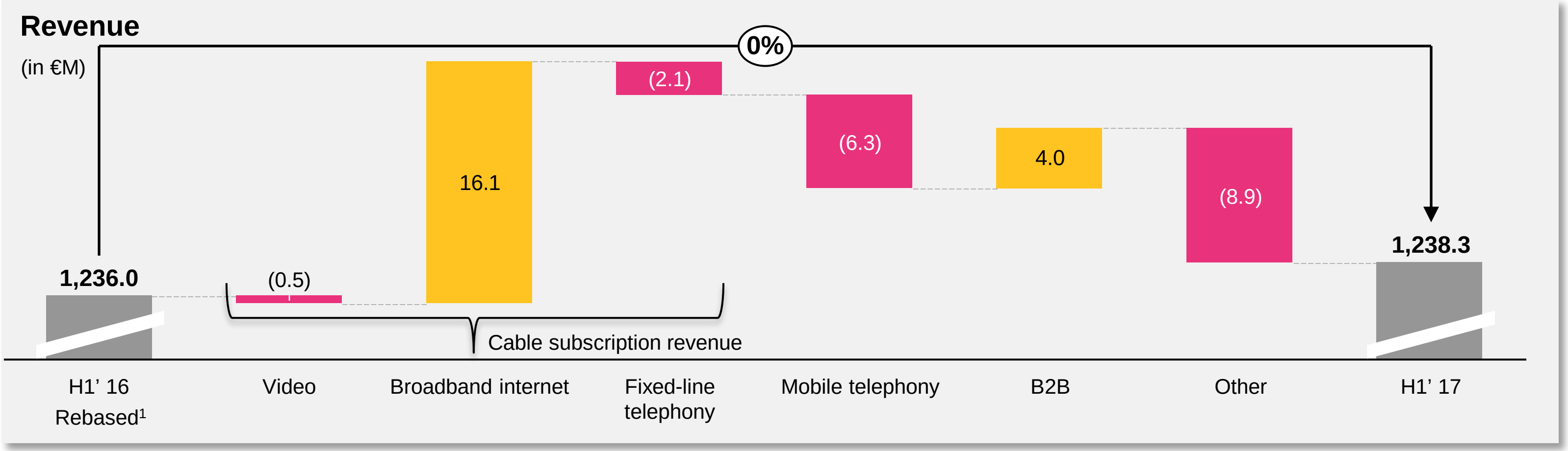
- **Revenue of €1,238.3 million in H1 2017, +5% yoy**, primarily driven by inorganic movements such as a full six-month contribution from BASE, and the acquisition of SFR BeLux on June 19, 2017 contributing €1.9 million to our revenue in the period. These inorganic movements were partially offset by the sale of Ortel to Lycamobile as per March 1, 2017 and the discontinuation of certain fixed legacy products at BASE
- **On a rebased[1] basis, we achieved flat revenue growth** in H1 2017 as higher cable subscription and B2B revenue were offset by a lower contribution from our mobile business, including lower interconnection and handset-related revenue
- **In Q2 2017, we recorded revenue of €622.3 million**, a decline of 1% compared to Q2 2016 on a reported basis as the Ortel sale and BASE legacy discontinuations more than offset the acquisition impact of SFR BeLux. On a rebased[1] basis, our revenue growth was stable in Q2 2017

[1] On a rebased basis – please see Definitions for additional information

REVENUE OF €1,238.3 MILLION

IMPACTED BY EXPECTED REGULATORY HEADWINDS

Out for PressCo

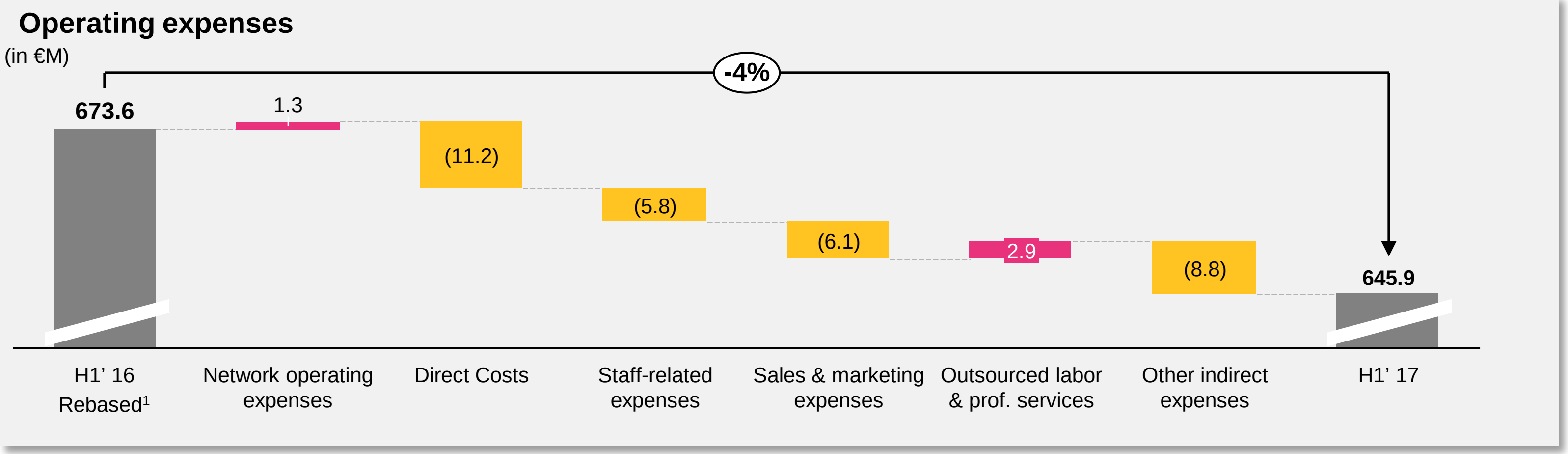


- **Our cable business delivered solid mid-single-digit revenue growth** in H1 2017 driven by a 2% increase in our cable subscription revenue and higher business services revenue
- Our **mobile telephony revenue fell 2%** on a rebased[1] basis due to (i) lower out-of-bundle revenue generated by our mobile subscribers, (ii) a higher proportion of "WIGO"-related discounts allocated to our mobile telephony revenue and (iii) structural challenges in the prepaid segment as illustrated by the continued lower number of active subscribers
- **4% yoy decline in other revenue** on a rebased[1] basis as a result of significantly lower **handset sales and lower interconnection revenue**, which was only partially offset by higher revenue from our commercial and regulated wholesale partners

[1] On a rebased basis – please see Definitions for additional information

OPERATING EXPENSES

DEMONSTRATING CONTINUED COST CONTROL

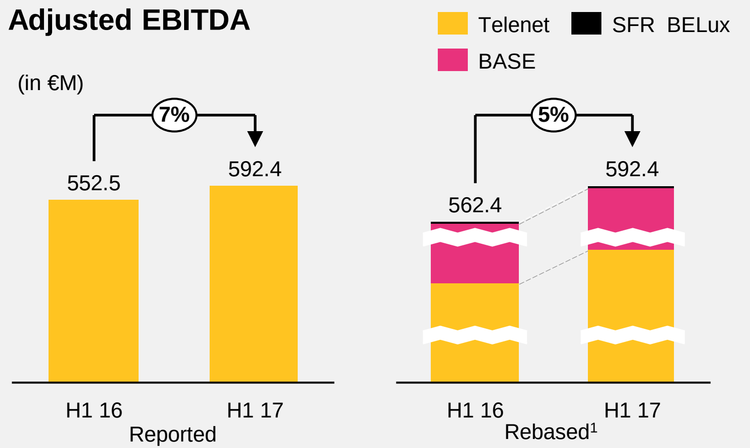


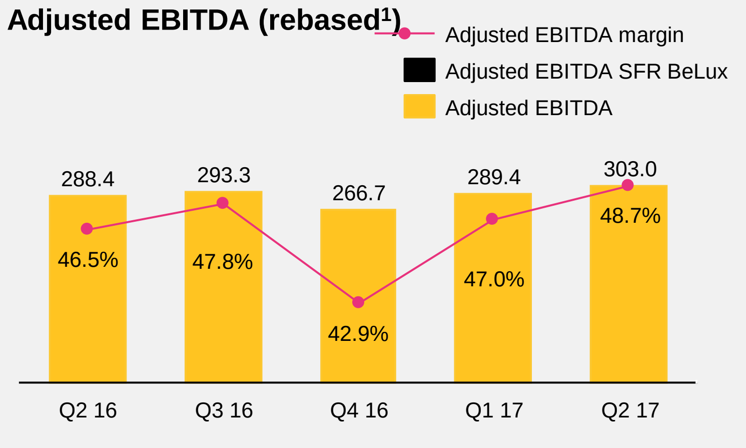
- **Direct costs of €296.9 million in H1 2017**, a decrease of 4% yoy on a rebased[1] basis, despite Q2 2016 reflecting a €6.0 million one-off favorable impact linked to the settlement of our Full-MNVO Agreement with Orange Belgium
- **11% decrease in other indirect expenses in H1 2017** on a rebased[1] basis, driven by lower IT-expenses and our continued focus on tight cost management
- **Sales and marketing expenses decreased by €6.1 million in H1 2017** on a rebased[1] basis as the prior year period was characterized by various major marketing campaigns, including handset promotions
- On a rebased[1] basis, **staff related expenses showed a 4% decrease in H1 2017** as higher salary-related expenses were more than offset by **an increase in capitalized labor** driven by the modernization of our fixed and mobile infrastructures

[1] On a rebased basis – please see Definitions for additional information

ADJUSTED EBITDA OF €592.4 MILLION

+5% YOY REBASED[1] FOR BOTH H1 2017 AND Q2 2017





- **Adjusted EBITDA of €592.4 million in H1 2017, up 7% yoy**. Our H1 2016 Adjusted EBITDA included a €6.0 million nonrecurring favorable impact. Excluding this benefit, our Adjusted EBITDA growth would have been stronger
- **5% rebased[1] Adjusted EBITDA growth in H1 2017**, supported by (i) lower costs related to handset sales and promotional activity in Q1 last year, (ii) lower sales and marketing expenses due to phasing, (iii) lower integration and transformation costs linked to the BASE acquisition as compared to H1 last year and (iv) tight cost control, including an increased focus on overhead expenses
- **Q2 2017 Adjusted EBITDA of €303.0 million, +5% yoy on a rebased[1] basis**. Further margin improvement both on a sequantial and yoy basis driven by cost synergies and a tight management of our overhead expenses

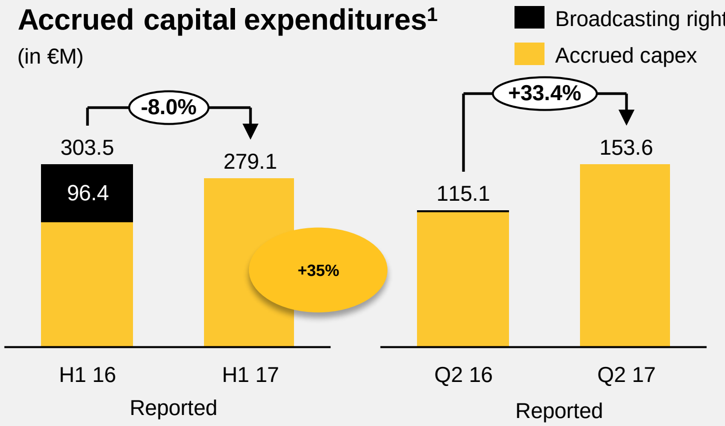
1. On a rebased basis – please see Definitions for additional information

ACCRUED CAPITAL EXPENDITURES

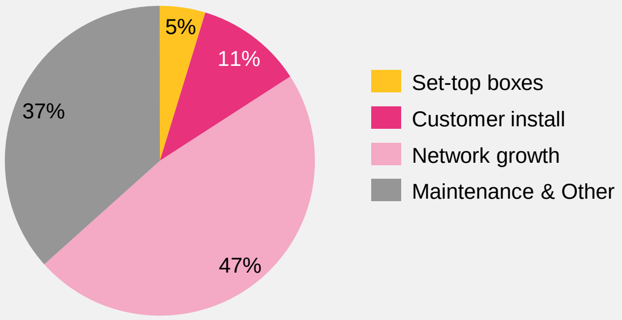
REACHING €279.1 MILLION, ~23% OF REVENUE

Accrued capital expenditures[1]

(in €M)



Accrued capital expenditures



- **Accrued capital expenditures reached €279.1 million for H1 2017,** representing approximately 23% of our revenue
- **Almost 50%** of our accrued capital expenditures for the first six months of 2017 were **geared towards targeted investments in both our fixed and mobile infrastructures**, aimed at boosting the customer experience and allowing us to unlock MVNO-related synergies by moving Telenet MVNO subscribers to our acquired network
- In early May 2017, we **successfully extended the broadcasting rights for the domestic Jupiler Pro League for the next three seasons on a non-exclusive basis.** As the new contract with the Pro League was not yet signed on June 30, 2017, we did not yet recognize any football broadcasting rights in Q2 2017

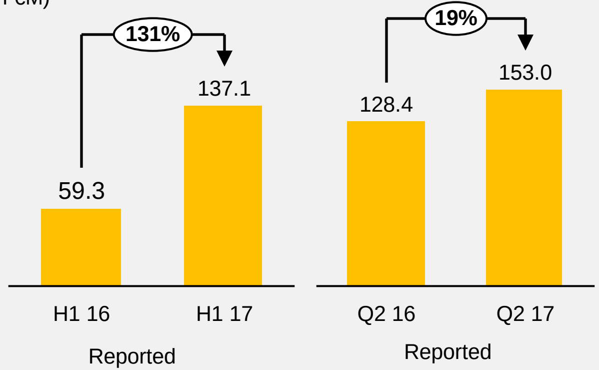
1. Our accrued capital expenditures for H1 2016 reflected the extension of the exclusive UK Premier League broadcasting rights for the next three seasons as of the 2016-2017 season. Under EU IFRS, these broadcasting rights have been capitalized as intangible assets and will be amortized on a pro-rata basis as the season progresses

ADJUSTED FREE CASH FLOW

+131% YOY TO €137.1 MILLION

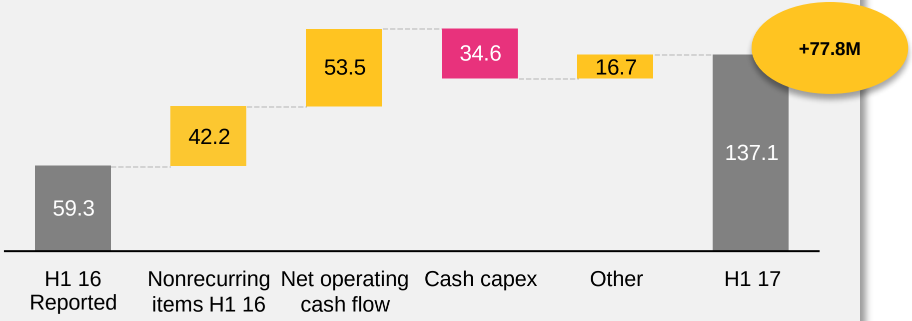
Adjusted Free Cash Flow

(in €M)



Adjusted Free Cash Flow

(in €M)



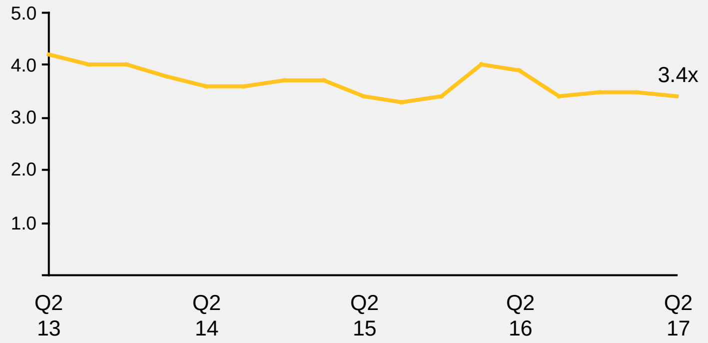
- **Adjusted Free Cash Flow of €137.1 million in H1 2017** compared to Adjusted Free Cash Flow of €59.3 million for the H1 2016 when our Adjusted Free Cash Flow was impacted by a nonrecurring €23.5 million cash outflow following a favorable contract renegotiation and the payment of €18.7 million of ticking fees linked to the BASE acquisition
- Adjusted Free Cash Flow for H1 2017 was impacted by €22.3 million higher cash taxes relative to H1 last year and higher cash capital expenditures as a result of our network modernization programs. Both items were more than offset by (i) robust Adjusted EBITDA growth, (ii) lower cash interest expenses, (iii) the benefit from our vendor financing program and (iv) an improved working capital trend
- **Robust Adjusted Free Cash Flow of €153.0 million in Q2 2017**, up 19% yoy

NET LEVERAGE RATIO[1] OF 3.4X

LOWER END OF OUR TARGETED LEVERAGE RANGE

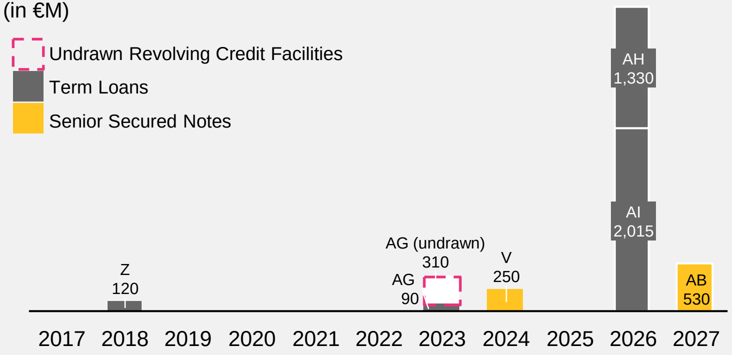
Out for PressCo

Net leverage ratio



Debt profile

(in €M)



- **In April 2017, we successfully syndicated a new €1.33 billion Term Loan facility ("Facility AH") due March 31, 2026 and a new USD 1.8 billion Term Loan facility ("Facility AI") due June 30, 2025.** The net proceeds of these issuances were used to entirely prepay the existing Facility AE and Facility AF Term Loans
- **In May 2017, we successfully issued an additional USD 500.0 million Term Loan ("Facility AI2")**, using the proceeds to redeem the 6.25% €450.0 million Senior Secured Notes which were due August 2022
- **In order to fund the acquisition of SFR Belux, we drew €210.0 million under our revolving credit facilities Z and AG in June 2017**

1. As per our 2015 Amended Senior Credit Facility - please see Definitions for additional information. Includes certain unrealized synergies with regards to the BASE Company NV acquisition (currently being referred to as Telenet Group BVBA) and the SFR BeLux acquisition

FY 2017 OUTLOOK

FY 2017 OUTLOOK CONFIRMED

FY 2017 AND MEDIUM-TERM OUTLOOK CONFIRMED ON A REBASED BASIS POST SFR BELUX INTEGRATION

Revenue growth *(rebased)*	**Stable**
Adjusted EBITDA growth *(rebased)*	**Mid-single-digit**
Accrued capital expenditures *(as % of revenue)*	**Around 24%[1]**
Adjusted Free Cash Flow	**€350M to €375M[2]**

Targeting 5-7% rebased Adjusted EBITDA growth over the 2015-2018 period (‘CAGR’)[3]

1. Excluding the recognition of football broadcasting rights
2. Assuming the tax payment on our 2016 tax return will not occur until early 2018
3. Compound Annual Growth Rate


Q & A

IMPORTANT REPORTING CHANGES

Reclassification of wholesale revenue: As of Q1 2017, we changed the way we present the revenue generated by our fixed and mobile wholesale partners. As of January 1, 2017, this revenue is accounted for under other revenue, whereas prior to that date our mobile wholesale revenue was presented under our mobile telephony revenue. We also applied this change retroactively to the prior year period.

Reclassification of expenses related to truck rolls for customer premises equipment ("CPE"): As of Q1 2017, we changed the way we present the expenses incurred for CPE-related truck rolls. As of January 1, 2017, such expenses are recognized under network operating expenses, whereas before that date they were presented under professional services and outsourced labor. We also applied this change retroactively to the prior year period.

DEFINITIONS

a. For purposes of calculating **rebased growth** rates on a comparable basis for the three and six months ended June 30, 2017, we have adjusted our historical revenue and Adjusted EBITDA to (i) include the pre-acquisition revenue and Adjusted EBITDA of BASE (fully consolidated since February 11, 2016) and SFR BeLux (fully consolidated since June 19, 2017) in our rebased amounts for the three and six months ended June 30, 2016 to the same extent that the revenue and Adjusted EBITDA of such entities are included in our results for the three and six months ended June 30, 2017 and (ii) exclude the revenue and Adjusted EBITDA of the disposals of certain legacy fixed-line products at BASE and Ortel made during Q1 2017 to the same extent that the revenue and Adjusted EBITDA of these disposed business is excluded from our results for the three and six months ended June 30, 2017. We have reflected the revenue and operating profit of BASE and SFR BeLux in our 2016 rebased amounts based on what we believe to be the most reliable information that is currently available (generally pre-acquisition financial statements), as adjusted for the estimated effects of (i) any significant effects of acquisition accounting adjustments, (ii) any significant differences between our accounting policies and those of the acquired entities and (iii) other items we deems appropriate. We do not adjust pre-acquisition periods to eliminate non-recurring items or to give retroactive effect to any changes in estimates that might be implemented during post-acquisition periods. As we did not own or operate the acquired businesses during the pre-acquisition periods, no assurance can be given that we have identified all adjustments necessary to present the revenue and Adjusted EBITDA of these entities on a basis that is comparable to the corresponding post-acquisition amounts that are included in our historical results or that the pre-acquisition financial statements we have relied upon do not contain undetected errors. In addition, the rebased growth percentages are not necessarily indicative of the revenue and Adjusted EBITDA that would have occurred if these transactions had occurred on the dates assumed for purposes of calculating our rebased amounts or the revenue and Adjusted EBITDA that will occur in the future. The rebased growth percentages have been presented as a basis for assessing growth rates on a comparable basis, and are not presented as a measure of our pro forma financial performance.

b. **Under "Choose Your Device" contractual arrangements**, which include separate contracts for the mobile handset and airtime, we generally recognize the full sales price for the mobile handset upon delivery as a component of other revenue, regardless of whether the sales price is received upfront or in installments. Revenue associated with the airtime services is recognized as mobile subscription revenue over the contractual term of the airtime services contract. Prior to the launch of "Choose Your Device" in July 2015, handsets were generally provided to customers on a subsidized basis. As a result, revenue associated with the handset was only recognized upfront to the extent of cash collected at the time of sale, and the monthly amounts collected for both the handset and airtime were included in mobile subscription revenue over the term of the contract. Handset costs associated with "Choose Your Device" handset revenue are expensed at the point of sale.

c. **EBITDA** is defined as profit before net finance expense, the share of the result of equity accounted investees, the share of the result of equity accounted investees, income taxes, depreciation, amortization and impairment. **Adjusted EBITDA** is defined as EBITDA before stock-based compensation and restructuring charges, and before operating charges or credits related to successful or unsuccessful acquisitions or divestitures. Operating charges or credits related to acquisitions or divestitures include (i) gains and losses on the disposition of long-lived assets and (ii) due diligence, legal, advisory and other third-party costs directly related to the Company's efforts to acquire or divest controlling interests in businesses. Adjusted EBITDA is an additional measure used by management to demonstrate the Company's underlying performance and should not replace the measures in accordance with EU IFRS as an indicator of the Company's performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

d. **Accrued capital expenditures** are defined as additions to property, equipment and intangible assets, including additions from capital leases and other financing arrangements, as reported in the Company's consolidated statement of financial position on an accrued basis.

DEFINITIONS

e. **Adjusted Free Cash Flow** is defined as net cash provided by the Company’s continuing operations, plus (i) cash payments for third-party costs directly associated with successful and unsuccessful acquisitions and divestitures and (ii) expenses financed by an intermediary, less (i) purchases of property and equipment and purchases of intangibles of its continuing operations, (ii) principal payments on capital-related vendor financing obligations, (iii) principal payments on capital leases (exclusive of network-related leases that were assumed in acquisitions), and (iv) principal payments on post acquisition additions to network leases, each as reported in the Company’s consolidated statement of cash flows. Adjusted Free Cash Flow is an additional measure used by management to demonstrate the Company’s ability to service debt and fund new investment opportunities and should not replace the measures in accordance with EU IFRS as an indicator of the Company’s performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

f. **Basic Video Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives our video service over the Combined Network either via an analog video signal or via a digital video signal without subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Encryption-enabling technology includes smart cards, or other integrated or virtual technologies that we use to provide our enhanced service offerings. We count Revenue Generating Unites (“RGUs”) on a unique premises basis. In other words, a subscriber with multiple outlets in one premise is counted as one RGU and a subscriber with two homes and a subscription to our video service at each home is counted as two RGUs.

g. **Enhanced Video Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives our video service over the Combined Network via a digital video signal while subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Enhanced Video Subscribers are counted on a unique premises basis. For example, a subscriber with one or more set-top boxes that receives our video service in one premise is generally counted as just one subscriber. An Enhanced Video Subscriber is not counted as a Basic Video Subscriber. As we migrate customers from basic to enhanced video services, we report a decrease in our Basic Video Subscribers equal to the increase in our Enhanced Video Subscribers.

h. **Internet Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives internet services over the Combined Network.

i. **Fixed-line telephony Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives fixed-line voice services over the Combined Network. Fixed-line telephony Subscribers exclude mobile telephony subscribers.

j. Our **mobile subscriber** count represents the number of active subscriber identification module (“SIM”) cards in service rather than services provided. For example, if a mobile subscriber has both a data and voice plan on a smartphone this would equate to one mobile subscriber. Alternatively, a subscriber who has a voice and data plan for a mobile handset and a data plan for a laptop (via a dongle) would be counted as two mobile subscribers. Customers who do not pay a recurring monthly fee are excluded from our mobile telephony subscriber counts after a 90-day inactivity period.

DEFINITIONS

k. **Customer Relationships** are the number of customers who receive at least one of our video, internet or telephony services that we count as RGUs, without regard to which or to how many services they subscribe. Customer Relationships generally are counted on a unique premises basis. Accordingly, if an individual receives our services in two premises (e.g., a primary home and a vacation home), that individual generally will count as two Customer Relationships. We exclude mobile-only customers from Customer Relationships.

l. **Average Revenue Per Unit ("ARPU")** refers to the average monthly subscription revenue per average customer relationship and is calculated by dividing the average monthly subscription revenue (excluding mobile services, B2B services, interconnect, channel carriage fees, mobile handset sales and installation fees) for the indicated period, by the average of the opening and closing balances for customer relationships for the period.

m. **Homes Passed** are homes, residential multiple dwelling units or commercial units that can be connected to our networks without materially extending the distribution plant. Our Homes Passed counts are based on census data that can change based on either revisions to the data or from new census results.

n. **RGU** is separately a Basic Video Subscriber, Enhanced Video Subscriber, Internet Subscriber or Telephony Subscriber. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer to our enhanced video service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of Basic Video, Enhanced Video, Internet and Fixed-line Telephony Subscribers. RGUs generally are counted on a unique premises basis such that a given premises does not count as more than one RGU for any given service. On the other hand, if an individual receives one of our services in two premises (e.g. a primary home and a vacation home), that individual will count as two RGUs for that service. Each bundled cable, internet or fixed-line telephony service is counted as a separate RGU regardless of the nature of any bundling discount or promotion. Non-paying subscribers are counted as subscribers during their free promotional service period. Some of these subscribers may choose to disconnect after their free service period. Services offered without charge on a long-term basis (e.g., VIP subscribers, free service to employees) generally are not counted as RGUs. We do not include subscriptions to mobile services in our externally reported RGU counts.

o. **Customer Churn** represents the rate at which customers relinquish their subscriptions. The annual rolling average basis is calculated by dividing the number of disconnects during the preceding 12 months by the average number of customer relationships. For the purpose of computing churn, a disconnect is deemed to have occurred if the customer no longer receives any level of service from us and is required to return our equipment. A partial product downgrade, typically used to encourage customers to pay an outstanding bill and avoid complete service disconnection is not considered to be disconnected for purposes of our churn calculations. Customers who move within our cable footprint and upgrades and downgrades between services are also excluded from the disconnect figures used in the churn calculation.

p. **Net leverage ratio** is calculated as per the 2015 Amended Senior Credit Facility definition, using net total debt, excluding (a) subordinated shareholder loans, (b) capitalized elements of indebtedness under the Clientele and Annuity Fees, (c) any finance leases entered into on or prior to August 1, 2007, and (d) any indebtedness incurred under the network lease entered into with the pure intermunicipalities up to a maximum aggregate amount of €195.0 million, divided by last two quarters' Consolidated Annualized EBITDA.

THANK YOU

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