PRESS RELEASE

Full Year 2019 Results

Delivering on our FY outlook and off to a good start to realize our three-year strategic plan, targeting an Operating Free Cash Flow CAGR[(a)] between 6.5-8.0% over 2018-2021.

Adjusted EBITDA back to growth in 2020 against broadly stable revenue on a rebased basis. Expecting robust Adjusted Free Cash Flow between €415.0-435.0 million in 2020.

Delivering on our shareholder remuneration timeline: (i) a gross final dividend of €143.2 million (€1.30 per share) and (ii) a €55.0 million share buy-back program in 2020.

The enclosed information constitutes regulated information as defined in the Royal Decree of 14 November 2007 regarding the duties of issuers of financial instruments which have been admitted for trading on a regulated market. Inside information.

Brussels, February 12, 2020 – Telenet Group Holding NV ("Telenet" or the "Company") (Euronext Brussels: TNET) announces its unaudited consolidated results under International Financial Reporting Standards as adopted by the European Union ("EU IFRS") for the year ended December 31, 2019.

HIGHLIGHTS

- Continued strong FMC growth to 547,400 customers at the end of Q4 2019, up 37% yoy, reaching around 26% of total customer relationships. On the fixed side, we noted an improved net subscriber trend for all products relative to Q3, driven by our revamped product portfolio and attractive end-of-year promotions.
- Another strong quarter in terms of net mobile postpaid subscriber growth in Q4 (+39,000), primarily driven by continued FMC growth.
- A higher share of multiple-play and higher-tier broadband customers and the benefit of certain price adjustments drove a healthy 3% yoy growth in the fixed ARPU per customer relationship to €57.7 in 2019.
- FY 2019 revenue of €2,583.9 million, up 2% yoy and reflecting the inorganic impact from both the Nextel and the De Vijver Media acquisitions. On a rebased[(1)] basis, our top line contracted by just over 1% (1.2%), significantly better compared to our previously tightened top line guidance of around -2%. The better-than-anticipated revenue performance was mainly related to higher handset sales during Q4 2019 and higher production revenues at De Vijver Media. Q4 2019 revenue of €673.3 million, +5% yoy on a reported basis and nearly stable versus last year (-0.7%).
- Net profit of €234.6 million for FY 2019 (Q4 2019: €91.7 million), being a 6% decrease yoy driven by higher net finance expenses in the period, offsetting a robust 15% yoy increase in our operating profit.
- Adjusted EBITDA of €1,375.4 million for FY 2019, +4% yoy on a reported basis, including the Nextel and De Vijver Media acquisition impacts and the application of IFRS 16 as of January 1, 2019. On a rebased basis, our Adjusted EBITDA for FY 2019 contracted by nearly 2% yoy (-1.7%). Our rebased Adjusted EBITDA margin remained broadly stable in 2019 versus 2018 at 53.2%, driven by continued tight cost control and our ability to achieve operating leverage across the business. Q4 2019 Adjusted EBITDA of €350.9 million, up 6% yoy a reported basis and -4% yoy on a rebased basis driven by (i) the loss of the MEDIALAAN MVNO contract, (ii) higher sales and marketing expenses and (iii) a tougher comparison base relative to a strong Q4 last year.
- Accrued capital expenditures[(3)] of €586.9 million for FY 2019, including the recognition of the UK Premier League broadcasting rights for the upcoming three seasons, a 15% decrease versus the prior year. Excluding this impact, our accrued capital expenditures represented 21% of revenue in the period.
- Lower accrued capital expenditures and solid Adjusted EBITDA growth drove a robust 23% increase in Operating Free Cash Flow[(4)] to €821.3 million for FY 2019, up 18% on a rebased basis and excluding the impact of IFRS 16.
- Net cash from operating activities, net cash used in investing activities and net cash used in financing activities of €1,092.5 million, €432.0 million and €647.3 million, respectively, for FY 2019. Adjusted Free Cash Flow[(5)] of €391.0 million for FY 2019 (Q4 2019: €120.9 million), -7% compared to last year. Our 2019 Adjusted Free Cash Flow included a €94.2 million lower contribution from our vendor financing program. Excluding this impact, our underlying Adjusted Free Cash Flow was up 19% year-on-year.
- Confident to deliver on our three-year strategic plan, targeting rebased Adjusted EBITDA and Operating Free Cash Flow growth of around 1% and around 2% for 2020, respectively, against broadly stable revenue. Robust Adjusted Free Cash Flow targeted for 2020 between €415.0-435.0 million, underpinned by an attractive shareholder remuneration profile as announced separately this morning.

(a) A reconciliation of our Operating Free Cash Flow CAGR for 2018-2021 to a EU IFRS measure is not provided as not all elements of the reconciliation are projected as part of our forecasting process, as certain items may vary significantly from one period to another.

For the year ended December 31,	2019	2018 - restated	Change %
FINANCIAL HIGHLIGHTS (€ in millions, except per share amounts)			
Revenue	2,583.9	2,533.8	2 %
Operating profit	685.5	597.6	15 %
Net profit	234.6	250.8	(6)%
Net profit margin	9.1 %	9.9 %	
Basic earnings per share	2.13	2.21	(4)%
Diluted earnings per share	2.13	2.21	(4)%
Adjusted EBITDA [(2)]	1,375.4	1,322.4	4 %
Adjusted EBITDA margin %	53.2 %	52.2 %	
Accrued capital expenditures (excluding the recognition of football broadcasting rights and mobile spectrum licenses) [(3)]	554.1	654.2	(15)%
Accrued capital expenditures as % of revenue (excluding the recognition of football broadcasting rights and mobile spectrum licenses)	21.4 %	25.8 %	
Operating Free Cash Flow [(4)]	821.3	668.2	23 %
Net cash from operating activities	1,092.5	1,075.6	2 %
Net cash used in investing activities	(432.0)	(466.4)	(7)%
Net cash used in financing activities	(647.3)	(560.1)	16 %
Adjusted Free Cash Flow [(5)]	391.0	421.9	(7)%
OPERATIONAL HIGHLIGHTS (Total Services)			
Video	1,866,600	1,939,900	(4)%
Basic video [(6)]	164,700	201,200	(18)%
Enhanced video [(7)]	1,701,900	1,738,700	(2)%
Broadband internet [(8)]	1,664,400	1,657,800	— %
Fixed-line telephony [(9)]	1,212,500	1,256,100	(3)%
Mobile telephony [(10)]	2,808,400	2,683,900	5 %
Postpaid	2,363,800	2,194,500	8 %
Prepaid	444,600	489,400	(9)%
Triple-play customers	1,110,300	1,145,800	(3)%
Services per customer relationship [(11)]	2.29	2.29	— %
ARPU per customer relationship (€ / month) [(11) (12)]	57.7	55.9	3 %

Purchase price allocation for the Nextel acquisition: Our December 31, 2018 statement of financial position has been restated, reflecting the retrospective impact of the purchase price allocation ("PPA") for the Nextel acquisition, which was not yet available at year-end 2018. We refer to Section 2 *Financial Highlights* for more information.

Commenting on the results, **John Porter, Telenet's Chief Executive Officer**, stated:

"I'm very pleased that we ticked the boxes once again on all our full year 2019 guidance metrics. We achieved our full year 2019 guidance thanks to a solid set of operational KPIs, which underpin the great start to our 2019-2021 strategic growth plan. Through our successful end-of-year promotions and revamped product portfolio, the net additions trend for all of our products improved relative to preceding quarters. We added another 39,200 net new fixed-mobile converged ("FMC") subscribers in the fourth quarter of 2019, bringing the total FMC customer base to 547,400, up 37% yoy. As such, the penetration of FMC subscribers relative to the total number of customer relationships represented approximately 26% at the Q4 2019 quarter-end as compared to approximately 19% a year ago. On the broadband side, we recorded a net increase of 5,200 RGUs in the quarter, which represented our best quarterly performance since Q1 2017. And in the video area, we also saw an improved trend driven by the awareness campaign around "Signal Switch", which triggered the migration of analog TV subscribers towards a digital offer.

In terms of value, we succeeded in increasing the fixed ARPU per customer relationship in 2019 by 3% yoy to nearly €58. The biggest driver is our "WIGO" product suite, which we expanded in June 2019, driving a better tier mix. Our mobile attach rate increased 7 percentage points yoy to 59% in 3P as more and more customers opt for bundled offers. This also explains our continued growth in mobile postpaid, adding 39,000 subscribers in the fourth quarter. In the B2B segment, we further signed multiple new large accounts and I am also particularly pleased with the solid uptake of the brand new "KLIK" FMC offer (formerly called "WIGO Business"), driving growth in the small business segment.

By launching 1 gigabit speeds on our HFC network back in September 2019, we reconfirmed our leadership in infrastructure. Fixed traffic more than tripled amongst our Gigabit subscribers, underpinning the need for speed. We distributed over 544,000 WiFi boosters at the end of Q4 2019, an increase of 9% qoq and a strong driver of customer satisfaction and our net promotor score. The BIPT drive tests performed in September-October 2019 demonstrate that we are also leading on the mobile side, with the highest up- and download speeds.

Combining the best FMC products with the most inspiring entertainment experience has always been at the core of our strategy including VOD "Play" and "Play More" premium entertainment packages with the latest popular series. Our fully owned commercial broadcasting channels, managed via SBS Belgium, can look back on a good year and set a new historical record: "VIER", "VIJF" and "ZES" closed 2019 with a nearly 21% market share within the commercial target group of 18-54 year olds.

Looking forward on the big themes for 2020, we will focus on further driving FMC and improving our product tier mix, leveraging on leadership in fixed and mobile connectivity, continue innovating our product suite and focus on B2B and new business initiatives to further accelerate growth. With that, I'm confident that we will deliver on both our full year 2020 objectives, as outlined below, as well as our three-year strategic plan."

Commenting on the results, **Erik Van den Enden, Telenet's Chief Financial Officer**, stated:

"Telenet can look back at a successful year, during which we laid the foundations for healthy future profitable growth, reshaped our product portfolio, delivered on all of our financial targets and our shareholder remuneration timeline as presented during the December 2018 Capital Markets Day.

For the full year, we achieved revenue of nearly €2.6 billion, up 2% yoy and mainly impacted by the inorganic effects of both the Nextel and the De Vijver Media acquisitions as detailed in our revenue section. On a rebased basis, our top line declined modestly by just over 1% (-1.2%) in 2019, which was significantly better compared to our previously upgraded top line guidance of around -2%. The better-than-anticipated revenue performance was mainly related to higher handset sales during Q4 2019 and higher production revenues at De Vijver Media. We also succeeded in maintaining our cable subscription revenue broadly stable for the full year of 2019 despite certain competitive and regulatory headwinds. On the negative side, our rebased revenue was impacted by the loss of the MEDIALAAN MVNO contract, lower interconnect revenue and lower mobile telephony revenue. Excluding the loss of the aforementioned MVNO contract, our rebased revenue would have been broadly stable year-on-year for 2019.

On a reported basis, our Adjusted EBITDA in 2019 increased 4% yoy to almost €1.4 billion, including the Nextel and De Vijver Media acquisition impacts and the application of the new IFRS 16 lease accounting standard as of January 1, 2019. The latter had a favorable impact of nearly €42 million on our Adjusted EBITDA in 2019. On a rebased basis, excluding the aforementioned inorganic effects and the impact of IFRS 16, our Adjusted EBITDA contracted by almost 2% (-1.7%) compared to last year, reflecting the loss of the MEDIALAAN MVNO contract and certain regulatory headwinds. As expected, the decline in our rebased Adjusted EBITDA was more outspoken in Q4 (-4% yoy) on the back of (i) the loss of the MEDIALAAN MVNO contract, (ii) higher sales and marketing expenses and (iii) a tougher comparison base relative to a strong Q4 last year.

We succeeded in substantially reducing our investment intensity as compared to last year. Our accrued capital expenditures reached €587 million in 2019 and reflected the recognition of the UK Premier League broadcasting rights, which we successfully renewed for another three seasons in the first quarter. Excluding this impact and excluding the recognition of the 2G mobile spectrum license extension in Q3 2018, our accrued capital expenditures decreased 15% yoy, equivalent to around 21% of revenue in the period. The substantial decline in our accrued capital expenditures (excluding the recognition of the above-mentioned football broadcasting rights and mobile spectrum license) drove a 23% yoy increase in our Operating Free Cash Flow to €821 million. On a rebased basis and excluding the IFRS 16 impact, we achieved an 18% increase in our Operating Free Cash Flow, which was at the upper end of our outlook.

Our Adjusted Free Cash Flow reached €391 million in 2019, including a robust €121 million in the fourth quarter. Hence, we delivered on our full year outlook of €380.0 up to €400.0 million. Relative to 2018, our Adjusted Free Cash Flow for FY 2019 reflected a €94.2 million lower contribution from our vendor financing program. Excluding this impact, our underlying Adjusted Free Cash Flow was actually up 19% year-on-year driven by solid growth in our net operating cash flow, including a positive working capital trend in Q4.

In December 2018 during the Capital Markets Day we presented our strategic plan for the next three years up to 2021. As we managed to deliver on all our financial objectives in 2019, we are off to a solid start to deliver sustainable profitable growth over the 2018-2021 period. As a reminder, we target an Operating Free Cash Flow CAGR of 6.5 to 8.0% over the 2018-2021 period (excluding the recognition of football broadcasting rights and mobile spectrum licenses and excluding the impact of IFRS 16, applicable as of January 1, 2019). For 2020, we expect an improved run rate in both our rebased revenue and Adjusted EBITDA performance despite certain regulatory impacts and the continued impact from the loss of the MEDIALAAN MVNO contract still in Q1 2020. For the full year, we expect broadly stable revenue and Adjusted EBITDA growth of around 1% on a rebased basis. As we substantially reduced our capital intensity in 2019 versus 2018, our Operating Free Cash Flow growth will be lower in 2020 versus last year, targeting around 2% growth on a rebased basis. Through (i) higher Operating Free Cash Flow, (ii) lower cash taxes and (iii) lower cash interest expenses, we expect a firm uptake in our Adjusted Free Cash Flow from €391 million in 2019 to between €415-435 million for 2020.

We reached a net total leverage ratio of 4.0x at the end of December 2019, representing the mid-point of our targeted net total leverage framework. As stated during the December 2018 Capital Markets Day, we intend to stay around the mid-point in absence of any material acquisitions and/or significant changes in our business or regulatory environment. As part of our capital allocation framework, we aim to distribute between 50% and 70% of the prior year Adjusted Free Cash Flow to shareholders through intermediate and final dividends. Within the boundaries of the aforementioned net total leverage framework and in absence of any of the above factors, the remaining part of our Adjusted Free Cash Flow may be considered for incremental share buy-backs, extraordinary dividends, deleveraging, accretive acquisitions or a combination thereof. In light of the intermediate dividend paid in December 2019 and the robust Adjusted Free Cash Flow generated in 2019, the board of directors will propose a gross final dividend of €143.2 million (€1.30 gross per share) to its shareholders at the April 29, 2020 Annual General Shareholders' Meeting. If and when approved, the final dividend will be paid in early May 2020. The final dividend per share will be determined at the end of March based on the number of dividend-entitled shares then outstanding. As an add-on to the total dividend paid over FY 2019, the board of directors has also authorized a new share buy-back program of up to 1.1 million shares for a maximum amount of €55 million, effective as of end-February 2020. With that, we continue to deliver against our anticipated shareholder remuneration timeline, combining attractive shareholder pay-outs with robust underlying Adjusted Free Cash Flow."

1 Operational highlights

IMPORTANT REPORTING CHANGES:

Representation of mobile postpaid telephony subscribers: We have represented the March 31, 2018, June 30, 2018, September 30, 2018 and December 31, 2018 mobile postpaid subscriber base following the removal of inactive "pay as you go subscribers". These subscribers do not pay a monthly subscription fee and are only being billed on their effective usage. As a result of the inactive status of certain SIM cards, we reduced both our mobile postpaid subscriber base and total mobile subscribers by 49,400, 58,800, 52,700 and 47,100, respectively for the periods mentioned above. This adjustment did not impact our mobile telephony revenue during Q4 2019.

1.1 Multiple-play

OVERVIEW & MULTIPLE-PLAY

At December 31, 2019, we served 2,072,100 unique customer relationships, which represented approximately 61% of the 3,385,200 homes passed by our leading hybrid fiber coaxial ("HFC") network across our Flemish and Brussels footprint. Our cable network consists of a dense fiber backbone with local loop connections constructed of coaxial cable with spectrum used up to 1.2GHz, powered by the EuroDocsis 3.0 and 3.1 technology with data downstream speeds of up to 1 Gbps across the entire footprint. At December 31, 2019, we provided 4,743,500 fixed services ("RGUs") consisting of 1,866,600 video, 1,664,400 broadband internet and 1,212,500 fixed-line telephony subscriptions. In addition, approximately 91% of our video subscribers had upgraded to our higher ARPU enhanced video platform at December 31, 2019. Enhanced video subscribers enjoy an enriched TV experience with unrestricted access to a wider range of digital, HD and pay television sports, series and movies channels, a vast library of domestic and international video-on-demand ("VOD") content and our over-the-top ("OTT") platform "Yelo Play". At December 31, 2019, we also served 2,808,400 mobile subscribers, of which approximately 84% are subscribed to any of our attractive mobile or fixed mobile converged ("FMC") rate plans. We reached a bundling rate of 2.29 fixed RGUs per unique customer relationship at the end of Q4 2019, which was stable compared to the prior year period. Approximately 31% of our cable customers subscribed to a quadruple-play bundle at December 31, 2019 (excluding mobile subscriptions under the BASE brand), a solid increase of 4 percentage points compared to the same period of last year, indicating continued uptake of our fixed-mobile convergence strategy.

Our end-of-year promotional campaigns, combining our FMC flagship "WIGO" bundles with a choice of three hardware devices, proved very successful. Net subscriber growth for our FMC bundles remained robust in Q4 2019, attracting 39,200 net subscribers in the quarter. This was broadly unchanged versus Q3 2019, which represented our best quarterly performance since Q3 2017. At December 31, 2019, our FMC customer base, which includes both our "WIGO" and "YUGO" customers, reached a total of 547,400 FMC customers, which was up 37% year-on-year. As such, the penetration of FMC subscribers relative to the total number of customer relationships represented approximately 26% at the Q4 2019 quarter-end as compared to approximately 19% a year ago.

ARPU PER CUSTOMER RELATIONSHIP

The ARPU per customer relationship, which excludes our mobile telephony revenue and certain other types of revenue, is one of our core operating statistics as we seek to obtain a larger share of our customers' telecommunication and entertainment spending. For the the year ended December 31, 2019, we achieved an ARPU per customer relationship of €57.7, representing a solid 3% increase relative to the prior year. In Q4 2019, the ARPU per customer relationship yielded €58.4 and was up 2% compared to Q4 2018. Growth in the ARPU per customer relationship in both periods was underpinned by (i) a higher proportion of multiple-play subscribers in our overall customer mix, (ii) a larger share of higher-tier broadband subscribers in our mix and (iii) the benefit from certain price adjustments, which was partly offset by a higher proportion of bundle discounts (including fixed-term promotions) and lower out-of-bundle usage-related revenue.

1.2 Broadband internet

At December 31, 2019, we served 1,664,400 broadband internet subscribers, representing a net increase of 5,200 RGUs from September 30, 2019. This represented our best quarterly performance since Q1 2017 and was mainly related to (i) higher FMC sales resulting from the successful end-of-year promotions, (ii) our improved broadband standalone line-up with upgraded specs across all broadband tiers and (iii) lower churn on the back of the fading impact of the August price adjustment. Annualized churn reached 9.8% in Q4 2019 and was 430 basis points lower versus the 14.1% in Q4 2018, which was impacted by the SFR Belux customer migration during that period.

As we continue to focus on maximizing the in-home connectivity customer experience, we distributed over 544,000 WiFi boosters at the end of Q4 2019, an increase of 9% compared to the preceding quarter and a strong driver of customer satisfaction and our net promotor score ("NPS"). Five years after the start of our fixed network upgrade program "De Grote Netwerf", we have now begun to commercialize data download speeds of 1 gigabit per second throughout our entire footprint in Flanders and Brussels, reconfirming our status of fastest ISP in the market. In Q3 2019, we also increased the speeds of all existing Internet offers with 50% up to 150% for over 1.2 million customers and launched a brand new "GIGA Speedboost" option, which enables the top speed of 1 gigabit per second for an additional €15 per month.

1.3 Fixed-line telephony

At December 31, 2019, we served 1,212,500 fixed-line telephony subscribers, representing a 3% decrease compared to the same period of last year, reflecting an overall declining market trend. Relative to September 30, 2019, our fixed-line telephony subscriber base contracted by 8,700 net RGUs, marking an improvement versus the net organic loss of 13,600 in Q3. Similar to broadband internet, annualized churn for our fixed-line telephony service improved significantly compared to the same period of last year with 590 basis points to 10.7% in Q4 2019.

1.4 Mobile telephony

Our mobile telephony subscriber base, which excludes subscribers under our commercial wholesale partnerships and our SME customers, totaled 2,808,400 SIMs at the end of Q4 2019, including 2,363,800 postpaid subscribers. The remaining 444,600 mobile subscribers are prepaid subscribers under the BASE brand. Net postpaid subscriber growth remained solid in the quarter relative to preceding quarters with 39,000 SIMs added in Q4 2019, mainly driven by the accelerated growth of our FMC subscriber base and attractive fixed term promotions.

1.5 Video

TOTAL VIDEO

At December 31, 2019, our total basic and enhanced video customer base reached 1,866,600. On a sequential basis, we lost 15,100 net video subscribers during Q4 2019, which marked an improved trend versus the prior quarter which was particularly impacted by the improved trend in our enhanced video subscribers. The net 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 video service or having moved out of our service footprint.

Early October 2019, we launched our "Signal Switch" campaign in order to prepare for the switch-off of both the analog radio and video signals between 2020 and 2021. This will free up capacity on the network for the ever-increasing digital traffic. The analog video switch-off will start in the autumn of 2020 and will be phased until the end of 2021, whereas the analog radio signal will be phased out as of February 2020.

ENHANCED VIDEO

At December 31, 2019, 1,701,900 of our video customers had upgraded to our higher ARPU enhanced video services, so they can enjoy a much richer TV experience, including free and unrestricted access to our “Yelo Play” app, through which they can enjoy a unique content experience on multiple connected devices in the home and out-of-home. This includes our latest digital TV platform, including our next-generation cloud-based set-top box with voice recognition capabilities, which we launched at the end of April 2019. In Q4 2019, our enhanced video subscriber base modestly contracted by 3,400 net RGUs, which represented a substantial improvement compared to the preceding quarter when we lost 13,200 net RGUs and represented our best quarterly achievement since Q2 2018. The improved trend in the quarter was driven by (i) accelerated FMC sales as mentioned earlier and (ii) the awareness campaign around "Signal Switch", which triggered the migration of analog TV subscribers towards a a digital offer.

Our subscription VOD packages "Play" and "Play More" reached 431,300 customers in Q4 2019, representing an increase of 14,600 subscriptions versus September 30, 2019. We also provide the broadest sports offering within our footprint through "Play Sports", which combines domestic and foreign football, including the UK Premier League amongst others, with other major sport events including golf, ATP tennis, Formula One racing, volleyball, basketball and hockey. At the end of Q4 2019, we served 238,700 "Play Sports" customers, up 3% compared to December 31, 2018.

2 Financial highlights

IMPORTANT REPORTING CHANGES:

Adoption of IFRS 16 Leases: As of January 1, 2019, the Company has adopted IFRS 16 Leases as mentioned in its 2018 Annual Report (see Section 5.2.20 - *Forthcoming requirements*). In applying IFRS 16, the Company has recognized new assets and liabilities for leases previously classified as operating leases, being operating leases of (i) site rentals, (ii) real estate, (iii) cars and (iv) dark fiber. IFRS 16 also changed the nature of expenses related to those leases because the Company recognizes a depreciation charge for right-of-use assets and interest expense on lease liabilities. Previously, the Company recognized operating lease expense on a straight-line basis over the term of the lease, and recognized assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognized. In addition, the Company no longer recognizes provisions for operating leases that are assessed to be onerous. Instead, the Company includes the payments due under such leases in the lease liability and records an impairment of the corresponding right-of-use asset. The application of IFRS 16 had a €41.7 million favorable impact on the Company's Adjusted EBITDA for the year ended December 31, 2019 (Q4 2019: €10.9 million) and when applied as of January 1, 2018, the application of IFRS 16 would have boosted the Company's Adjusted EBITDA over the full year 2018 by €42.3 million.

Purchase price allocation for the Nextel acquisition: Our December 31, 2018 statement of financial position has been restated, reflecting the retrospective impact of the purchase price allocation (“PPA”) for the Nextel acquisition, which was not yet available at year-end 2018. The fair value adjustment on the intangible assets (€25.7 million) mainly related to the acquired customer relationships (€16.5 million), trade names (€6.8 million) and technology (€2.4 million). The assessment of the sale-and-lease back and renting model resulted in the derecognition of deferred revenue (€2.7 million) and property and equipment (€7.1 million) which were replaced by a lease receivable (€8.9 million). Together with the deferred tax impact of the above mentioned adjustments (€7.8 million), goodwill was reduced by €22.3 million. The recognition of the fair value of the intangible assets and the adjustment to the sale-and-lease back and accounting policy alignment of Nextel resulted in additional amortization expense (€2.1 million), a decrease in depreciation expense (€1.8 million), a reduction of the revenues (€1.0 million) and an increase of the cost of goods sold (€0.7 million) recognized for the period between the acquisition date (May 31, 2018) and December 31, 2018, for which the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2018 was restated.

2.1 Revenue

For the year ended December 31, 2019, we generated revenue of €2,583.9 million, which was up 2% versus €2,533.8 million in the prior year. Our FY 2019 revenue included a full year contribution from the local ICT integrator Nextel, which we acquired on May 31, 2018, as opposed to a seven-month contribution in 2018, contributing an incremental €50.1 million to our revenue in FY 2019. In addition, our FY 2019 revenue also included a seven-month contribution from the local media company De Vijver Media NV, of which we acquired the remaining 50% stake on June 3, 2019 and which has been fully consolidated as of then, contributing €71.4 million to our revenue in FY 2019. Excluding the aforementioned inorganic effects, our rebased FY 2019 revenue declined modestly by just over 1% (1.2%), which was significantly better compared to our previously upgraded top line guidance of around -2%. The better-than-anticipated revenue performance was mainly related to higher handset sales during Q4 2019 and higher production revenues at De Vijver Media. We also succeeded in maintaining our cable subscription revenue broadly stable for the full year of 2019 despite certain competitive and regulatory headwinds. Our rebased revenue for FY 2019 was adversely impacted by (i) lower other revenue, reflecting the loss of the MEDIALAAN MVNO contract, which has started to adversely impact our wholesale revenue since early April, (ii) lower Interconnect revenue due to lower fixed termination rates and declining SMS volumes and (iii) lower mobile telephony revenue, reflecting lower usage-related revenue amidst the continued success of our flat-fee "WIGO" quad-play bundles and improved mobile line-up, including higher mobile data allowances. Excluding the loss of the aforementioned MVNO contract, our rebased revenue would have been broadly stable year-on-year for 2019.

In Q4 2019, we generated revenue of €673.3 million, representing a 5% increase versus €642.1 million in the prior year period, which did not yet include the quarterly contribution from our recently acquired De Vijver Media business. Excluding this non-organic impact, our Q4 2019 rebased revenue was broadly stable compared to last year (-0.7%), driven by the same factors as mentioned above. Relative to Q3 2019, the trend in our rebased revenue substantially improved in the quarter driven by (i) higher handset sales thanks to the success of our end-of-year promotions, (ii) higher programming revenue at De Vijver Media.

VIDEO

Our video revenue represents the monthly fee paid by our video subscribers for the channels they receive in the basic tier and the revenue generated by our enhanced video subscribers which primarily includes (i) recurring set-top box rental fees, (ii) fees for supplemental premium content offerings, including our subscription VOD packages “Play”, “Play More” and “Play Sports” and (iii) transactional and broadcasting-on-demand services. For the year ended December 31, 2019, our video revenue amounted to €574.4 million (Q4 2019: €143.6 million), representing a 1% decline compared to last year, both on a reported and rebased basis. The anticipated decline in our video revenue was mainly driven by the continued gradual decline in our total video subscriber base, which was only partially offset by the benefit from our rate adjustments and a higher share of premium entertainment customers.

BROADBAND INTERNET

The revenue generated by our residential and small business broadband internet RGUs totaled €651.7 million for FY 2019 (Q4 2019: €164.9 million), representing a nearly 4% increase compared to last year, both on a reported and rebased basis. This was driven by (i) continued traction for our "WIGO" propositions, leading to a larger share of high-tier broadband internet subscribers in our mix, (ii) a continued robust performance in the small business segment, including the success of the new "KLIK" offer (formerly called "WIGO Business") launched in September 2019 and (iii) the favorable impact from the aforementioned price adjustments. Following the recent revamp of our broadband standalone portfolio, a lower revenue share from our fixed and FMC bundles will be allocated to broadband internet revenue as of January 1, 2020. This will adversely impact our broadband internet revenue, fully offset by a higher allocation to our video, fixed-line telephony and mobile telephony revenue. The aforementioned change will also impact the ARPU per customer relationship as discussed above, yet will not impact our underlying revenue profile.

FIXED-LINE TELEPHONY

Our fixed-line telephony revenue includes recurring subscription-based revenue from our fixed-line telephony subscribers and variable usage-related revenue, but excludes the interconnection revenue generated by these customers which is reported under other revenue. For the year ended December 31, 2019, our fixed-line telephony revenue decreased 6% on both a reported and rebased basis to €219.0 million (Q4 2019: €54.5 million) compared to €232.9 million for the prior year. The favorable impact from the aforementioned price adjustments was more than offset by (i) a continued gradual decline in our residential fixed-line telephony RGU base amidst a challenging market backdrop and an overall declining market trend and (ii) lower usage-related revenue due to a continued shift to unlimited calling.

MOBILE TELEPHONY

Our mobile telephony revenue represents the subscription-based revenue generated by our direct mobile telephony subscribers and out-of-bundle revenue, but excludes (i) the interconnection revenue generated by these customers, (ii) the revenue earned from handset sales and (iii) revenue recognized under our "Choose Your Device" programs which are all recorded in other revenue. For the year ended December 31, 2019, we generated mobile telephony revenue of €444.7 million (Q4 2019: €112.3 million), representing a more than 3% year-on-year decrease on both a reported and rebased basis. Continued solid net postpaid subscriber growth was more than offset by (i) lower out-of-bundle revenue generated by our mobile subscribers in excess of their monthly bundle on the back of our improved "WIGO" quad-play bundles and the shift to unlimited standalone mobile offers on both Telenet and BASE brands, (ii) higher bundle-related discounts following the success of our quad-play "WIGO" propositions and (iii) a continued decline in the number of prepaid subscribers.

BUSINESS SERVICES
The revenue reported under business services relates to (i) the revenue generated on non-coax products, including fiber and leased DSL lines, (ii) mobile telephony revenue generated by our SME customers, (iii) our carrier business and (iv) value-added services such as network hosting and managed data security. Our business services revenue also includes the revenue generated by the local ICT integrator Nextel, which we acquired on May 31, 2018. Revenue generated by our business customers on all coax-related products, such as our flagship "KLIK" bundle (formerly called "WIGO Business"), is allocated to our cable subscription revenue lines and is not captured within Telenet Business, our business services division.

Telenet Business generated revenue of €205.8 million for the year ended December 31, 2019 (Q4 2019: €53.2 million), up 7% on a reported basis as compared to the prior year and mainly impacted by the aforementioned contribution from Nextel since the May 31, 2018 acquisition date. On a rebased basis, our FY 2019 B2B revenue showed a 2% decline compared to last year. The decline was mainly caused by (i) a lower contribution from our security and ICT integrator businesses and (ii) lower out-of-bundle revenue generated by our SME mobile subscribers.

OTHER
Other revenue primarily includes (i) interconnection revenue from both our fixed-line and mobile telephony customers, (ii) wholesale revenue generated through both our commercial and regulated wholesale businesses, (iii) mobile handset sales, including the revenue earned under our "Choose Your Device" programs, (iv) the contribution from De Vijver Media NV, which we fully consolidated as of June 3, 2019, (v) product activation and installation fees and (vi) set-top box sales revenue. Our other revenue reached €488.3 million for the year ended December 31, 2019 (Q4 2019: €144.8 million), an 11% year-on-year increase on a reported basis as lower interconnection revenue and lower wholesale revenue following the loss of the MEDIALAAN MVNO contract were more than offset by the seven-month revenue contribution from De Vijver Media and higher revenue related to handset sales. On a rebased basis, our other revenue declined just over 2% year-on-year, reflecting lower wholesale revenue following the loss of the MEDIALAAN MVNO contract and lower interconnection revenue following a regulatory decrease of fixed termination rates, partially offset by higher revenue from handset sales compared to last year and a higher revenue contribution from De Vijver Media.

2.2 Expenses

For the year ended December 31, 2019, we incurred total expenses of €1,898.4 million, representing a decrease of 2% compared to the prior year. Total expenses for FY 2019 reflected the aforementioned inorganic impact from both the Nextel and De Vijver Media acquisitions, whereas total expenses in 2018 included a €36.8 million impairment loss on our Luxembourg cable operations. Total expenses represented approximately 73% of revenue for the year ended December 31, 2019 (FY 2018: approximately 76%). Cost of services provided as a percentage of revenue represented approximately 52% for the year ended December 31, 2019 (FY 2018: approximately 55%), while selling, general and administrative expenses represented approximately 21% of our total revenue for the year ended December 31, 2019 (FY 2018: approximately 21%).

Our operating expenses, which include our (i) network operating expenses, (ii) direct costs, (iii) staff-related expenses, (iv) sales and marketing expenses, (v) outsourced labor and professional services and (vi) other indirect expenses, remained broadly stable on a reported basis for the year ended December 31, 2019 including the aforementioned inorganic acquisition impacts and the application of IFRS 16. On a rebased basis, when adjusting our prior year expenses for the inorganic acquisition impacts and IFRS 16, our operating expenses for the year ended December 31, 2019 decreased by almost 1% compared to the prior year. This was predominantly driven by (i) a 13% decrease of indirect costs and (ii) a more than 4% reduction in our staff-related expenses, which reflected the transfer of our network field services to Unit-T as of Q3 2018, partly offset by (i) higher network operating expenses, (ii) higher costs related to outsourced labor and professional services, (iii) a 1% increase in our direct costs mainly due to higher programming costs at De Vijver Media and higher costs related to handset purchases and (iv) higher sales and marketing expenses related to high promotional activity during Q4 2019.

In Q4 2019, our total expenses decreased 4% year-on-year to €501.0 million on a reported basis. Our total expenses in the quarter reflected the inorganic acquisition impact of De Vijver Media, whereas total expenses in the prior year quarter reflected the aforementioned impairment charge. Our operating expenses increased 4% in Q4 2019 on a reported basis, mainly reflecting the same drivers as mentioned above. In Q4 2019, operating expenses increased 3% year-on-year on a rebased basis, mainly because of higher programming costs at De Vijver Media and higher costs related to handset purchases, only partially offset by lower indirect and staff-related expenses.

NETWORK OPERATING EXPENSES

Our network operating expenses reached €196.9 million for the year ended December 31, 2019 (Q4 2019: €48.1 million) compared to €192.0 million for FY 2018, on a reported basis. On a rebased basis, our network operating expenses increased 3% year-on-year. In Q3 last year, we completed the transfer of our network field services to Unit-T, in which we have taken a 30% shareholding. Through this joint venture, we will be able to share in the benefits of the growing market of field services in areas such as new digital technologies and the Internet-of-Things ("IoT"). This transaction resulted in higher network operating expenses and higher costs related to outsourced labor and professional fees, while at the same time favorably impacting our staff-related expenses as our field engineers and their related costs have been transferred to Unit-T.

DIRECT COSTS (PROGRAMMING AND COPYRIGHTS, INTERCONNECT AND OTHER)

Our direct costs include all of our direct expenses such as (i) costs related to interconnection, including our MVNO-related costs, (ii) programming and copyrights and (iii) handset sales and subsidies. For the year ended December 31, 2019, our direct costs were €525.4 million (Q4 2019: €143.7 million), up 4% compared to the prior year on a reported basis. On a rebased basis, our direct costs showed a modest 1% year-on-year increase following higher programming costs at De Vijver Media and higher costs related to handset purchases, almost fully offset by lower interconnect expenses and copyright costs. The same factors drove a 12% rebased increase in our direct costs in Q4 2019 versus the same period of last year.

STAFF-RELATED EXPENSES

Staff-related expenses for the year ended December 31, 2019 were €261.1 million (Q4 2019: €69.6 million), which represented an increase of 3% compared to the prior year on a reported basis as a result of the aforementioned inorganic impacts and the unfavorable cost impact of the wage indexation since January 2019. On a rebased basis, staff-related expenses for the year ended December 31, 2019 decreased more than 4% relative to last year and reflected the impact of the aforementioned Unit-T transaction and a lower headcount as compared to last year.

SALES AND MARKETING EXPENSES

Our sales and marketing expenses for the year ended December 31, 2019 totaled €96.8 million (Q4 2019: €31.9 million), representing an increase of 7% on a reported basis as compared to the prior year. On a rebased basis, our sales and marketing expenses increased nearly 3% over the same period, mainly because of higher promotional activity and the launch of new products.

OUTSOURCED LABOR AND PROFESSIONAL SERVICES

Costs related to outsourced labor and professional services were €38.2 million for the year ended December 31, 2019 (Q4 2019: €10.5 million), representing a 19% increase year-on-year on a reported basis and reflected the aforementioned transfer of our network field services to Unit-T. On a rebased basis, costs related to outsourced labor and professional services increased an equivalent 18% compared to the prior year.

OTHER INDIRECT EXPENSES

Other indirect expenses reached €90.1 million for the year ended December 31, 2019 (Q4 2019: €18.6 million), representing a robust 35% decrease compared to the prior year, which is mainly attributable to the aforementioned application of IFRS 16. On a rebased basis, other indirect expenses decreased 13% year-on-year, reflecting our continued focus on operating leverage and tight cost control.

DEPRECIATION, AMORTIZATION AND RESTRUCTURING, INCL. IMPAIRMENT OF LONG-LIVED ASSETS AND LOSS (GAIN) ON DISPOSAL OF SUBSIDIARIES

Depreciation and amortization, including impairment of long-lived assets, loss (gain) on disposal of subsidiaries and restructuring charges, reached €676.2 million for the year ended December 31, 2019 compared to €706.1 million for the prior year and which included the aforementioned impairment charge. Relative to the prior year, despite the impact of the application of IFRS 16, we incurred lower depreciation and amortization expenses as the vast majority of our both our fixed and mobile infrastructure improvement programs has now been completed.

2.3 Net result

FINANCE INCOME AND EXPENSES

For the year ended December 31, 2019, net finance expense totaled €332.2 million compared to €263.3 million in the prior year. Finance income for the year ended December 31, 2019 decreased to €24.7 million as compared to €112.2 million last year, primarily due to a lower non-cash gain on our derivatives. Finance expenses for the year ended December 31, 2019 decreased 5% to €356.9 million compared to €375.5 million last year. This decrease was mainly due to a €71.8 million lower non-cash foreign exchange loss on our USD-denominated debt as compared to 2018, partly offset by a €24.9 million higher loss on extinguishment of debt following certain refinancing transactions. Excluding these impacts, our net finance expense was up year-on-year following a higher debt balance in connection with the October 2018 extraordinary dividend payment.

In Q4 2019, we incurred €37.2 million of net finance expenses, representing a 37% year-on-year decrease, broadly reflecting the same drivers as mentioned above.

INCOME TAXES

We recorded income tax expense of €117.9 million in FY 2019 (Q4 2019: €44.1 million) compared to €118.1 million last year.

NET PROFIT

We realized a net profit of €234.6 million in FY 2019 compared to a net profit of €250.8 million in the prior year. The 6% decrease in our net profit was primarily driven by higher net finance expenses in the period, offsetting a robust 15% year-on-year increase in our operating profit. Our net profit in 2018 also included a €22.7 million favorable impact from the reversal of an impairment in an equity accounted investee and a €10.5 million gain on the disposal of assets to a joint venture. Excluding both these impacts, our underlying net profit would have been up year-on-year. For the year ended December 31, 2019, we achieved a net profit margin of 9.1% compared to a net profit margin of 9.9% last year.

In Q4 2019, we earned a net profit of €91.7 million, representing a 103% increase year-on-year because of higher operating profit and lower net finance expenses. Our net profit margin in Q4 2019 was 13.6% compared to a net profit margin of 7.0% in Q4 last year.

2.4 Adjusted EBITDA

For the year ended December 31, 2019, we realized Adjusted EBITDA of €1,375.4 million, up 4% compared to the prior year when we achieved Adjusted EBITDA of €1,322.4 million. Our FY 2019 Adjusted EBITDA reflected the application of IFRS 16 as of January 2019, favorably impacting our Adjusted EBITDA in the period by €41.7 million versus last year. In addition, our Adjusted EBITDA in FY 2019 reflected the aforementioned inorganic impact of both the Nextel and De Vijver Media acquisitions with the latter contributing €22.8 million to our Adjusted EBITDA in FY 2019. Our Adjusted EBITDA margin reached 53.2% for FY 2019 compared to 52.2% for FY 2018 on a reported basis.

On a rebased basis, our Adjusted EBITDA for FY 2019 declined almost 2% (-1.7%) compared to last year, reflecting the loss of the MEDIALAAN MVNO contract and certain regulatory headwinds. On a rebased basis, we succeeded in keeping our Adjusted EBITDA margin broadly stable in FY 2019, driven by continued tight cost control and our ability to achieve operating leverage across the business.

In Q4 2019, we delivered Adjusted EBITDA of €350.9 million, up 6% compared to the prior year period when we produced Adjusted EBITDA of €332.5 million on a reported basis. Our Q4 2019 Adjusted EBITDA reflected the aforementioned application of IFRS 16 as of January 2019 and the aforementioned acquisition of De Vijver Media, adding €10.9 million and €14.5 million respectively to our Q4 2019 Adjusted EBITDA. Our Adjusted EBITDA margin represented 52.1% in Q4 2019 as compared to 51.8% in Q4 last year on a reported basis. On a rebased basis, our Adjusted EBITDA contracted by almost 4% in Q4 2019 as compared to the same period of last year. This anticipated contraction was due to (i) the loss of the MEDIALAAN MVNO contract, (ii) higher sales and marketing expenses and (iii) a tougher comparison base relative to a strong Q4 last year.

Exhibit 1: Reconciliation between total profit for the period and Adjusted EBITDA (unaudited)

(€ in millions)	For the three months ended December 31,			For the year ended December 31,		
	2019	**2018 - restated**	**Change %**	**2019**	**2018 - restated**	**Change %**
Profit for the period	**91.7**	**45.2**	**103 %**	**234.6**	**250.8**	**(6)%**
Income tax expense	44.1	42.9	3 %	117.9	118.1	— %
Share of the result of equity accounted investees	(0.7)	(2.5)	(72)%	0.9	(1.4)	(164)%
Reversal of impairment of investments in equity accounted investees	—	(22.7)	(100)%	—	(22.7)	(100)%
Loss (gain) on disposal of assets to joint venture	—	0.3	(100)%	(0.1)	(10.5)	(99)%
Net finance expense	37.2	58.7	(37)%	332.2	263.3	26 %
Depreciation, amortization, impairment and loss (gain) on disposal of subsidiaries	176.8	197.5	(10)%	675.5	694.5	(3)%
EBITDA	**349.1**	**319.4**	**9 %**	**1,361.0**	**1,292.1**	**5%**
Share based compensation	2.2	10.4	(79)%	13.0	17.5	(26)%
Operating charges related to acquisitions or divestitures	0.2	0.6	(67)%	0.7	4.4	(84)%
Restructuring charges	(0.6)	5.3	N.M.	0.7	11.6	(94)%
Post measurement period adjustments related to business acquisitions	—	(3.2)	(100)%	—	(3.2)	(100)%
Adjusted EBITDA	**350.9**	**332.5**	**6%**	**1,375.4**	**1,322.4**	**4%**
Adjusted EBITDA margin	52.1 %	51.8 %		53.2 %	52.2 %	
Net profit margin	13.6 %	7.0 %		9.1 %	9.9 %	

N.M. - Not Meaningful

2.5 Capital expenditures

Accrued capital expenditures for the year ended December 31, 2019 reached €586.9 million, representing a 15% decrease versus the prior year and equivalent to approximately 23% of revenue. Our accrued capital expenditures in 2019 included the recognition of the UK Premier League broadcasting rights for a period of three seasons. Under EU IFRS, these football broadcasting rights have been capitalized as an intangible asset and will be amortized as the seasons progress. Our accrued capital expenditures in 2018 reflected the extension of the 2G mobile spectrum license until March 2021, which will be paid in annual installments until maturity. Excluding the recognition of the mobile spectrum license and the football rights in both periods, our accrued capital expenditures represented approximately 21% of revenue in 2019 as compared to approximately 26% in 2018. We succeeded in significantly reducing our capital intensity from previous years as the modernization of both our fixed and mobile infrastructures has now been substantially completed.

Capital expenditures related to customer premises equipment, which includes our spending on set-top boxes, modems and WiFi powerlines, amongst others, represented €95.7 million in 2019 (Q4 2019: €20.6 million). The 9% decrease compared to the prior year was mainly driven by seasonally higher spending in the latter part of 2018, which more than offset the impact of our successful in-home connectivity campaigns and the launch of our next-gen set-top box. For FY 2019, capital expenditures related to customer premises

equipment represented approximately 17% of our total accrued capital expenditures (excluding the recognition of the football broadcasting rights).

Accrued capital expenditures for network growth and upgrades amounted to €109.1 million in 2019 (Q4 2019: €30.3 million), marking a 50% decrease compared to the prior year and predominantly reflected the substantial completion of both our fixed and mobile network infrastructure improvement programs. For the year ended December 31, 2019, network-related capital expenditures represented approximately 20% of total accrued capital expenditures (excluding the recognition of the football broadcasting rights).

Capital expenditures for products and services, which reflects our investments in product development and the upgrade of our IT platforms and systems, amongst others, totaled €112.3 million in 2019 (Q4 2019: €30.2 million). This represents a 6% year-on-year decrease, reflecting the progress made on our IT upgrade program. Capital expenditures for products and services represented approximately 20% of total accrued capital expenditures (excluding the recognition of the football broadcasting rights) for the year ended December 31, 2019.

The remainder of our accrued capital expenditures included (i) refurbishments and replacements of network equipment, (ii) sports and programming acquisition costs, including certain content acquired by De Vijver Media, (iii) certain recurring investments in our IT platform and systems and (iv) lease additions under IFRS 16. These reached €269.8 million for the year ended December 31, 2019 (Q4 2019: €77.6 million), including the aforementioned recognition of the UK Premier League broadcasting rights and the inorganic impact from De Vijver Media acquisition.

The above implies that approximately 57% of our accrued capital expenditures (excluding the recognition of the football broadcasting rights) in 2019 were scalable and subscriber growth related. We will continue to closely monitor our capital expenditures in order to make sure that they drive incremental returns.

Our accrued capital expenditures were €158.7 million in Q4 2019, representing a 22% decrease compared the prior year period, which reflected the acquisition of the cable network in the Brussels commune Etterbeek as well as continued spending on the upgrade of our HFC network towards a Gigabit network. On a relative basis, our accrued capital expenditures reached approximately 24% of revenue in Q4 2019 versus approximately 32% in Q4 last year.

Exhibit 2: Reconciliation between accrued capital expenditures and cash capital expenditures (unaudited)

(€ in millions)	For the three months ended December 31,			For the year ended December 31,		
	2019	2018	Change %	2019	2018	Change %
Accrued capital expenditures	**158.7**	**203.0**	**(22)%**	**586.9**	**687.7**	**(15)%**
Assets acquired under capital-related vendor financing arrangements	(23.3)	(57.0)	(59)%	(210.6)	(293.5)	(28)%
Assets acquired under leases	(11.2)	(7.4)	51 %	(64.1)	(28.1)	128 %
Changes in current liabilities related to capital expenditures	(0.5)	(49.3)	(99)%	99.7	37.6	165 %
Cash capital expenditures, net	**123.7**	**89.3**	**39 %**	**411.9**	**403.7**	**2 %**

2.6 Operating Free Cash Flow

For the year ended December 31, 2019, the sum of our Adjusted EBITDA and accrued capital expenditures, excluding the recognition of football broadcasting rights, yielded an Operating Free Cash Flow of €821.3 million. Compared to 2018, our Operating Free Cash Flow improved 23% and was mainly driven by a 15% reduction in our accrued capital expenditures (excluding the recognition of the 2G mobile spectrum license and the football broadcasting rights) and the aforementioned increase in our Adjusted EBITDA. Excluding the impact of the adoption of IFRS 16 on our accrued capital expenditures, our Operating Free Cash Flow for FY

2019 would have been up 18% versus last year on a rebased basis and hence at the upper end of our 16-18% outlook for 2019.

Our Operating Free Cash Flow in Q4 2019 reached €194.0 million, representing a 50% increase compared to the prior year period.

Exhibit 3: Reconciliation to Operating Free Cash Flow (unaudited)

(€ in millions)	For the three months ended December 31,			For the year ended December 31,		
	2019	2018 - restated	Change %	2019	2018 - restated	Change %
Adjusted EBITDA	**350.9**	**332.5**	**6 %**	**1,375.4**	**1,322.4**	**4 %**
Accrued capital expenditures	(158.7)	(203.0)	(22)%	(586.9)	(687.7)	(15)%
Recognition of football broadcasting rights	1.8	—	100%	32.8	—	100 %
Recognition of mobile spectrum licenses	—	—	—%	—	33.5	(100)%
Accrued capital expenditures excluding recognition of football broadcasting rights and mobile spectrum licenses	**(156.9)**	**(203.0)**	**(23)%**	**(554.1)**	**(654.2)**	**(15)%**
Operating Free Cash Flow	**194.0**	**129.5**	**50 %**	**821.3**	**668.2**	**23%**

2.7 Cash flow and liquidity

NET CASH FROM OPERATING ACTIVITIES

For the year ended December 31, 2019, our operations yielded €1,092.5 million of net cash compared to the €1,075.6 million we generated during the prior year. The net cash from our operating activities for FY 2019 included the inorganic impact from the Nextel and De Vijver Media acquisitions and the application of IFRS 16, which is offset through the net cash used in financing activities. Our net operating cash flow was up 2% year-on-year, driven by a positive one-off €69.9 million trend in our working capital following the alignment of certain customer billing cycles and a 4% increase in our Adjusted EBITDA. These tailwinds were almost fully offset by €56.0 million higher cash interest expenses from our increased debt balance and timing variances in our cash interest payments following certain refinancing transactions and €55.9 million higher cash taxes paid relative to last year.

In Q4 2019, we generated €338.5 million of net cash from operating activities, which was up 34% year-on-year and reflected an improved trend in our working capital relative to Q4 last year.

NET CASH USED IN INVESTING ACTIVITIES

We used €432.0 million of net cash in investing activities for the year ended December 31, 2019 compared to €466.4 million for FY 2018. The net cash used in investing activities in FY 2019 reflected the acquisition of the remaining 50% stake in the local media company De Vijver Media in June 2019, whereas the net cash used in investing activities in 2018 reflected the full acquisition of the local ICT integrator Nextel in May 2018. We utilize a vendor financing program through which we are able to extend our payment terms for certain suppliers to 360 days at an attractive all-in cost. During FY 2019, we acquired €210.6 million of assets through capital-related vendor financing arrangements (Q4 2019: €23.3 million), favorably impacting our net cash used in investing activities for the equivalent amount. This represented a 28% and 59% year-on-year decline for FY and Q4 2019, respectively. Please refer to Section 2.5 - *Capital expenditures* for a reconciliation between accrued capital expenditures and cash capital expenditures.

In Q4 2019, we used €127.5 million of net cash in investing activities, representing a 42% increase year-on-year and mainly reflecting a lower level of vendor financing compared to the same period of last year.

NET CASH USED IN FINANCING ACTIVITIES

For the year ended December 31, 2019, the net cash used in financing activities was €647.3 million compared to €560.1 million of net cash used in financing activities in 2018. The net cash used in financing activities for FY 2019 reflected a net cash outflow of €412.7 million related to our loan repayments as a result

of (i) the October 2019 early redemption of our 4.875% Senior Secured Fixed Rate Notes for an aggregate amount of €413.3 million (including a €42.3 million make-whole premium), (ii) the July 2019 partial redemption of our 4.875% Senior Secured Fixed Rate Notes for an aggregate amount of €109.2 million (including a €3.2 million make-whole premium), (iii) the voluntary redemption of De Vijver Media's external debt and (iv) scheduled repayments of our short-term vendor financing commitments. We spent €101.0 million on share repurchases in the first half of 2019 as part of our €300.0 million Share Repurchase Program 2018bis, which has been fully completed at the end of June 2019. Under this program, we repurchased approximately 6.8 million own shares, of which approximately 3.1 million have been canceled throughout 2019. In December 2019, we paid a first intermediate dividend of €62.8 million (€0.57 gross per share) as part of our shareholder remuneration framework as highlighted during the December 2018 Capital Markets Day. The remainder of the net cash used in financing activities primarily consisted of finance lease repayments and other financial payments.

In Q4 2019, we used €192.0 million of net cash in financing activities, which included the aforementioned intermediate dividend payment, as compared to €158.6 million of net cash used in Q4 2018.

ADJUSTED FREE CASH FLOW

For the year ended December 31, 2019, we generated Adjusted Free Cash Flow of €391.0 million compared to €421.9 million last year. Hence, we delivered on our full year outlook of €380.0 up to €400.0 million. Relative to 2018, our Adjusted Free Cash Flow for FY 2019 reflected a €94.2 million lower contribution from our vendor financing program. Excluding this impact, our underlying Adjusted Free Cash Flow was up 19% year-on-year driven by solid growth in our net operating cash flow as mentioned earlier.

In Q4 2019, our Adjusted Free Cash Flow was €120.9 million, which was up 38% year-on-year despite a €53.6 million lower contribution from our vendor financing program in the quarter as compared to the same period of last year. The robust Adjusted Free Cash Flow performance in the quarter was partly driven by a favorable trend in our working capital, which we partly expect to reverse in the first quarter of 2020.

2.8 Debt profile, cash balance and net leverage ratio

DEBT PROFILE

At December 31, 2019, we carried a total debt balance (including accrued interest) of €5,733.0 million, of which €1,490.6 million principal amount is related to the Senior Secured Fixed Rate Notes due March 2028 and €3,153.8 million principal amount is owed under our 2018 Amended Senior Credit Facility with maturities ranging from August 2026 through December 2027. Our total debt balance at December 31, 2019 also included a principal amount of €354.9 million related to our vendor financing program, all of which is maturing within less than twelve months, and €4.0 million for the outstanding portion of the 2G and 3G mobile spectrum licenses. The remainder primarily represents lease obligations associated with the Interkabel Acquisition and lease liabilities following the adoption of IFRS 16.

Throughout 2019, we have executed several (re)financing transactions with a view to both improve our overall funding cost and extend our debt maturity profile. In May 2019, we issued a new short-dated revolving credit facility ("RCF AP") for an aggregate amount of €60.0 million. This facility matures on December 31, 2021, carries a margin of 2.25% over EURIBOR (floored at 0%) and can be used for general corporate purposes of the group. At December 31, 2019, this facility was fully undrawn.

On June 3, 2019, we acquired the remaining 50% stake in the local media company De Vijver Media NV. Immediately after the closing of this transaction, we repaid De Vijver Media's €62.0 million third-party debt and terminated the existing interest rate swaps on its floating-rate debt, resulting in a cash payment of €1.1 million. All transactions were settled through available cash on our balance sheet.

In July 2019, we redeemed 20% of our €530.0 million 4.875% Senior Secured Fixed Rate Notes due July 2027 for an aggregate amount of €109.2 million, which included a €3.2 million make-whole premium. This repayment followed a first voluntary redemption of 10% in March 2018 and was partially financed through available cash on the balance sheet and a temporary draw-down on our revolving credit facilities.

In October 2019, we successfully issued a USD 220.0 million Term Loan and a €175.0 million Term Loan as an add-on to our existing term loan facilities. The net proceeds of these issuances were used to redeem in full the outstanding amount of €371.0 million under the aforementioned July 2027 Notes post the partial July 2019 redemption, including the payment of a €42.3 million make-whole premium.

In January 2020, we issued a new 8.25-year USD 2,295 million Term Loan and a new 9.25-year €1,110 million Term Loan in order to redeem the equivalent amounts under the aforementioned term loan facilities. Through this accretive leverage-neutral transaction, we succeeded in locking in attractive long-term interest rates while extending our tenor. See 3.2 *Subsequent events* for more information.

Excluding short-term liabilities related to our vendor financing program, we face no debt maturities prior to August 2026 with a weighted average maturity of 7.4 years at December 31, 2019. In addition, we also had full access to €505.0 million of undrawn commitments under our revolving credit facilities at December 31, 2019 with certain availabilities up to June 2023.

DEBT OVERVIEW AND PAYMENT SCHEDULES

The table below provides an overview of our debt instruments and payment schedule at December 31, 2019.

Exhibit 4: Debt maturity table as of December 31, 2019

	Total Facility as per	Drawn amount	Undrawn amount	Maturity Date	Interest rate	Interest payments due
	December 31, 2019					
	(€ in millions)					
2018 Amended Senior Credit Facility						
Term Loan AN	2,043.8	2,043.8	—	August 15, 2026	Floating | 6-month LIBOR (0% floor) + 2.25%	Semi-annual (Jan. and July)
Term Loan AO	1,110.0	1,110.0	—	December 15, 2027	Floating | 6-month EURIBOR (0% floor) + 2.50%	Semi-annual (Jan. and July)
Revolving Credit Facility (Facility AG)	400.0	—	400.0	June 30, 2023	Floating | 1-month EURIBOR (0% floor) + 2.75%	Monthly
Revolving Credit Facility (Facility AP)	60.0	—	60.0	December 31, 2021	Floating | 1-month EURIBOR (0% floor) + 2.25%	Monthly
Senior Secured Fixed Rate Notes						
€600 million Senior Secured Notes due 2028 (Facility AK)	600.0	600.0	—	March 1, 2028	Fixed | 3.50%	Semi-annual (Jan. and July)
USD 1.0 billion Senior Secured Notes due 2028 (Facility AJ)	890.6	890.6	—	March 1, 2028	Fixed | 5.50%	Semi-annual (Jan. and July)
Other						
Revolving Credit Facility	20.0	—	20.0	September 30, 2021	Floating | 1-month EURIBOR (0% floor) + 2.00%	Monthly
Overdraft Facility	25.0	—	25.0	December 31, 2020	Floating | 1-month EURIBOR (0% floor) + 1.60%	Not applicable
Total notional amount	**5,149.4**	**4,644.4**	**505.0**			

Note: In the table above, Telenet's USD-denominated debt has been converted into € using the December 31, 2019 EUR/USD exchange rate. As Telenet has entered into several derivative transactions to hedge both the underlying floating interest rate and exchange risks, the €-equivalent hedged amounts were €2,041.5 million (USD 2.3 billion Term Loan AN) and €882.8 million (USD 1.0 billion Senior Secured Notes due 2028), respectively. For the calculation of its net leverage ratio, Telenet uses the €-equivalent hedged amounts given the underlying economic risk exposure.

CASH BALANCE AND AVAILABILITY OF FUNDS

At December 31, 2019, we held €101.4 million of cash and cash equivalents compared to €88.2 million at December 31, 2018 and €82.4 million at September 30, 2019. To minimize the concentration of counterparty risk, our cash equivalents and AAA-rated money market funds are placed with highly rated European and US financial institutions. Relative to September 30, 2019, our cash balance increased on the back of a robust Adjusted Free Cash Flow performance in the year-end quarter, partially offset by the December 2019 €62.8 million gross intermediate dividend payment and a €42.3 million payment related to aforementioned early redemption of our 4.875% Senior Secured Fixed Rate Notes. In addition to our available cash balance, we also had access to €505.0 million of available commitments under our 2018 Amended Senior Credit Facility and our other revolving credit facilities at December 31, 2019, subject to compliance with the covenants mentioned below.

NET LEVERAGE RATIO

At the occasion of the December 2018 Capital Markets Day, we reconfirmed our leverage framework, maintained at 3.5x to 4.5x Net Total Debt to Consolidated Annualized EBITDA ("net total leverage"). In absence of any material acquisitions and/or significant changes in our business or regulatory environment, we intend to stay around the 4.0x mid-point through an attractive and sustainable level of shareholder disbursements. At December 31, 2019, our net total leverage reached 4.0x, which was stable versus versus September 30, 2019 and represented a modest decrease versus 4.1x at the end of 2018. The modest year-on-year decrease in our net total leverage was mainly driven by a robust cash flow generation throughout the year and was achieved despite an attractive shareholder remuneration pay-out in 2019, including €101.0 million of share repurchases and a €62.8 million gross intermediate dividend.

Our net covenant leverage, as calculated under the 2018 Amended Senior Credit Facility and which excludes lease-related liabilities and vendor financing-related short-term liabilities, was 3.2x at December 31, 2019. This was stable versus the prior quarter and represented a decrease from 3.4x end-2018. Our current net covenant leverage ratio is significantly below the springing maintenance covenant of 6.0x and the incurrence test of 4.5x net senior leverage.

3 Outlook and other information

3.1 Outlook

In December 2018 during the Capital Markets Day we presented our strategic plan for the next three years up to 2021. As we managed to deliver on all our financial objectives in 2019, we are off to a solid start to deliver sustainable profitable growth over the 2018-2021 period. As a reminder, we are targeting an Operating Free Cash Flow CAGR of 6.5 to 8.0% over the 2018-2021 period (excluding the recognition of football broadcasting rights and mobile spectrum licenses and excluding the impact of IFRS 16, applicable as of January 1, 2019).

Looking ahead into 2020, our financial results will include a twelve-month contribution from the acquisition of the remaining 50% of the local media company De Vijver Media as opposed to a seven-month contribution in 2019. Similar to how we presented our guidance in 2019, we will give our 2020 guidance on a rebased basis as if 100% of De Vijver Media had been included in our results as of January 1, 2019. Our rebased revenue profile for 2020 is expected to improve from the modest 1.2% decline we recorded in 2019. On the one hand, our cable subscription revenue is expected to perform well driven by low single-digit ARPU growth through (i) a growing share of higher tier broadband internet subscribers in our mix, (ii) solid FMC sales and (iii) the benefit from certain rate adjustments. On the other hand, we continue to see healthy growth prospects in the business market, both in the SOHO and SME markets, driven by our improved market positioning following the Nextel acquisition. These opportunities are broadly neutralized by two external pressures impacting our other revenue. Firstly, there is the continued impact from the loss of the MEDIALAAN MVNO, which started to adversely impact our business as of April 2019. As such, our Q1 2020 rebased revenue will still be negatively impacted before the effect lapses a full year as of Q2 2020. Secondly, to the extent that the regulator would decide to adjust the regulated wholesale tariff, our rebased top line would be affected by such adjustment.

Turning to our Adjusted EBITDA, we will maintain our focus on tight cost control and generating operating leverage throughout our operations. The move to an all-scale agile business model and the favorable dynamics from the digital transformation project, as highlighted during the December 2018 Capital Markets Day, underpin this ambition. These impacts will contribute to our Adjusted EBITDA in 2020. On a rebased basis, we therefore expect our Adjusted EBITDA to return to growth in 2020, targeting rebased growth of around 1% for the full year 2020.

One of our core financial metrics is Operating Free Cash Flow, which is the sum of our Adjusted EBITDA and accrued capital expenditures (excluding the recognition of football broadcasting rights and mobile spectrum licenses and excluding the impact from IFRS 16 on our accrued capital expenditures). Having delivered a robust 18% rebased growth in 2019 on the back of a declining capital intensity, we now expect a more moderate performance in 2020. As mentioned earlier, we remain fully committed to our three-year Operating Free Cash Flow CAGR between 6.5% to 8.0%. For 2020, we target rebased Operating Free Cash Flow growth of around 2% versus 2019.

Compared to 2019, our Adjusted Free Cash Flow should benefit in 2020 from (i) the aforementioned growth in Operating Free Cash Flow, (ii) lower cash taxes versus the €159.4 million we paid in 2019 and (iii) lower cash interest expenses following certain refinancing transactions in late 2019 and early this year. Relative to last year, our vendor financing program is expected to remain broadly stable at around €355.0 million of short-term commitments. With that, we target a robust Adjusted Free Cash Flow of between €415.0 million and €435.0 million versus the €391.0 million we delivered in 2019.

Exhibit 5: Outlook FY 2020

Outlook FY 2020	As presented on February 12, 2020
Revenue (rebased)	Broadly stable (FY 2019 rebased: €2,634.4 million)
Adjusted EBITDA growth[a] (rebased)	Around 1% (FY 2019 rebased: €1,397.5 million)
Operating Free Cash Flow growth (rebased)[b, c]	Around 2% (FY 2019 rebased: €839.7 million)
Adjusted Free Cash Flow[d, e]	€415.0 - 435.0 million

(a) A reconciliation of our Adjusted EBITDA guidance for 2020 to a EU IFRS measure is not provided as not all elements of the reconciliation are projected as part of our forecasting process, as certain items may vary significantly from one period to another.

(b) Excluding the recognition of football broadcasting rights and mobile spectrum licenses and excluding the impact from IFRS 16 on our accrued capital expenditures.

(c) A reconciliation of our Operating Free Cash Flow guidance for 2020 to a EU IFRS measure is not provided as not all elements of the reconciliation are projected as part of our forecasting process, as certain items may vary significantly from one period to another.

(d) A reconciliation of our Adjusted Free Cash Flow guidance for 2020 to a EU IFRS measure is not provided as not all elements of the reconciliation are projected as part of our forecasting process, as certain items may vary significantly from one period to another.

(e) Assuming certain payments are made on our current 2G and 3G mobile spectrum licenses in Q4 2020 and the tax payment on our 2019 tax return will not occur until early 2021.

3.2 Subsequent events

Successful issuance and pricing of a new 8.25-year USD 2,295 million Term Loan and a new 9.25-year €1,110 million Term Loan

In January 2020, we successfully issued and priced a new 8.25-year USD 2,295 million Term Loan ("Facility AR") and a new 9.25-year €1,110 million Term Loan ("Facility AQ"). We have used the net proceeds of these issuances to redeem in full the previous Term Loans AN and AO of USD 2,295 million and €1,110 million, respectively. The settlement of the refinancing was done on January 31, 2020.

Through this accretive leverage-neutral transaction, we succeeded in reducing the margin on both loans by 25 basis points, which will further solidify the Company's Free Cash Flow profile after the October 2019 refinancing of the 4.875% Senior Secured Notes due 2027. Concurrently, we have further improved our debt maturity profile from 7.4 years currently to 8.5 years. Excluding the short-term commitments under our vendor financing program, we do not face any debt maturities prior to March 2028.

Telenet Financing USD LLC is the borrowing entity under Facility AR, carrying (i) a margin of 2.0% over LIBOR, (ii) a 0% LIBOR floor and (iii) a maturity of April 30, 2028. Facility AR was successfully issued at 99.75%. Telenet International Finance S.à r.l. is the borrowing entity under Facility AQ, carrying (i) a margin of 2.25% over EURIBOR, (ii) a 0% EURIBOR floor and (iii) a maturity of April 30, 2029. Facility AQ was successfully issued at par.

Telenet's board of directors proposes a gross final dividend of €1.30 per share to the April 2020 General Shareholders' Meeting

Telenet's board of directors will propose a gross final dividend of €143.2 million (€1.30 gross per share) to its shareholders at the April 29, 2020 Annual General Shareholders' Meeting. If and when approved, the final dividend will be paid in early May 2020. The proposed gross final dividend is based on 110,143,643 dividend-entitled shares at the date of this release, excluding 4,513,142 treasury shares which are not dividend-entitled. The gross final dividend per share will be determined at the end of March 2020 in the convening notice to the Annual General Shareholders' Meeting based on the number of dividend-entitled shares then outstanding. Currently, the sum of both the intermediate and final dividend would amount to €1.87 per share (gross), equivalent to €206.0 million in aggregate.

Telenet's board of directors authorizes a Share Repurchase Program 2020 for up to 1.1 million outstanding shares for a maximum amount of €55.0 million
As an add-on to the total dividend paid over FY 2019, the board of directors has also authorized a new share buy-back program of up to €55.0 million (the "Share Repurchase Program 2020"), effective as of end-February 2020. Under this program, Telenet may acquire from time to time its common stock, for a maximum of 1.1 million shares or a maximum consideration of €55.0 million, up to October 31, 2020. The share repurchases will be conducted under the terms and conditions approved by the extraordinary general shareholders' meeting of the Company of April 24, 2019 and will be used to cover future obligations under the Company's share option plans.

DPG Media and Telenet are joining forces for a new video streaming service
DPG Media and Telenet today announce their intention to jointly launch a full-fledged streaming offering with local and international content through a joint venture between the two companies. We aim to maximize our response to changes in viewing behavior and offer a local alternative in the world of streaming services. Telenet and DPG Media expect the new company to be active in the fall of 2020, subject to approval by the relevant competition authorities.

3.3 Shareholder remuneration

In December 2018, we hosted our Capital Market Day during which we outlined our strategic plan for the next three years through 2021 and detailed our capital allocation and shareholder remuneration framework. In absence of any material acquisitions and/or significant changes in our business or regulatory environment, we intend to stay around 4.0x net total leverage, representing the mid-point of the 3.5x to 4.5x range. At December 31, 2019, our net total leverage reached 4.0x despite (i) €101.0 million of share repurchases in the first half of 2019 as part of our €300.0 million Share Repurchase Program 2018bis and (ii) a first intermediate dividend of €62.8 million (€0.57 gross per share) paid in December 2019.

As part of our capital allocation framework, we aim to distribute between 50% and 70% of the prior year Adjusted Free Cash Flow to shareholders through intermediate and final dividends. Within the boundaries of the aforementioned net total leverage framework and in absence of any of the above factors, the remaining part of our Adjusted Free Cash Flow may be considered for incremental share buy-backs, extraordinary dividends, deleveraging, accretive acquisitions or a combination thereof.

In light of the intermediate dividend paid in December 2019 and the robust Adjusted Free Cash Flow generated in 2019, the board of directors will propose a gross final dividend of €143.2 million (€1.30 gross per share) to its shareholders at the April 29, 2020 Annual General Shareholders' Meeting. If and when approved, the final dividend will be paid in early May 2020. The proposed gross final dividend per share is based on 110,143,643 dividend-entitled shares at the date of this release, excluding 4,513,142 treasury shares which are not dividend-entitled. The gross final dividend per share will be determined at the end of March 2020 in the convening notice to the Annual General Shareholders' Meeting based on the number of dividend-entitled shares then outstanding. Currently, the sum of both the intermediate and final dividend would amount to €1.87 per share (gross), equivalent to €206.0 million in aggregate.

As an add-on to the total dividend paid over FY 2019, the board of directors has also authorized a new share buy-back program of up to €55.0 million (the "Share Repurchase Program 2020"), effective as of end-February 2020. Under this program, Telenet may acquire from time to time its common stock, for a maximum of 1.1 million shares or a maximum consideration of €55.0 million, up to October 31, 2020. The share repurchases will be conducted under the terms and conditions approved by the extraordinary general shareholders' meeting of the Company of April 24, 2019. The program will be implemented in accordance with industry best practices and in compliance with the applicable buy-back rules and regulations. To this end, an independent financial intermediary will repurchase shares on the basis of a discretionary mandate. The precise timing of the repurchase of shares pursuant to the program will depend on a variety of factors including market conditions. During the repurchase program, the Company will regularly publish press releases with updates on the progress made (if any), as required by law. This information will also be available on the investor relations pages of our website (investors.telenet.be) under the Shareholders section. The repurchased shares under this program will be used to cover future obligations under the Company's

share option plans or will be cancelled to the extent repurchased shares under this program would exceed such obligations. Telenet will continuously monitor both its current and future obligations under such plans in view of keeping an adequate level of treasury shares with the excess subsequently earmarked for cancellation as in April and December 2019.

3.4 Procedures of the independent auditor

The statutory auditor, KPMG Bedrijfsrevisoren - Réviseurs d’Entreprises, represented by Filip De Bock and Götwin Jackers, has confirmed that the audit procedures, which have been substantially completed, have not revealed any material misstatement in the accounting information included in the annual announcement of Telenet Group Holding NV.

4 Telenet Group Holding NV – Consolidated operating statistics

As of and for the three months ended December 31,	2019	2018	Change %
Total Services - Combined Network			
Homes passed [13]	3,385,200	3,350,700	1 %
Video			
Basic video [6]	164,700	201,200	(18)%
Enhanced video [7]	1,701,900	1,738,700	(2)%
Total video	**1,866,600**	**1,939,900**	**(4)%**
Internet			
Residential broadband internet	1,447,100	1,476,200	(2)%
Business broadband internet	217,300	181,600	20 %
Total broadband internet [8]	**1,664,400**	**1,657,800**	**— %**
Fixed-line telephony			
Residential fixed-line telephony	1,077,200	1,141,700	(6)%
Business fixed-line telephony	135,300	114,400	18 %
Total fixed-line telephony [9]	**1,212,500**	**1,256,100**	**(3)%**
Total RGUs [14]	**4,743,500**	**4,853,800**	**(2)%**
Churn [15]			
Video	9.8 %	13.6 %	
Broadband internet	9.8 %	14.1 %	
Fixed-line telephony	10.7 %	16.6 %	
Customer relationship information			
Triple-play customers	1,110,300	1,145,800	(3)%
Total customer relationships [11]	2,072,100	2,115,000	(2)%
Services per customer relationship [11]	2.29	2.29	— %
ARPU per customer relationship (in € / month) [11] [12]	58.4	57.1	2 %

As of and for the three months ended December 31,	2019	2018	Change %
Mobile statistics			
Mobile telephony			
Postpaid subscribers	2,363,800	2,194,500	8 %
Prepaid subscribers	444,600	489,400	(9)%
Total mobile subscribers [10]	**2,808,400**	**2,683,900**	**5 %**

Representation of mobile postpaid telephony subscribers: We have represented the March 31, 2018, June 30, 2018, September 30, 2018 and December 31, 2018 mobile postpaid subscriber base following the removal of inactive "pay as you go subscribers". These subscribers do not pay a monthly subscription fee and are only being billed on their effective usage. As a result of the inactive status of certain SIM cards, we reduced both our mobile postpaid subscriber base and total mobile subscribers by 49,400, 58,800, 52,700 and 47,100 respectively for the periods mentioned above. This adjustment did not impact our mobile telephony revenue.

5 Telenet Group Holding NV – Selected EU IFRS condensed consolidated financial statements

5.1 EU IFRS condensed consolidated statement of profit or loss and other comprehensive income (unaudited)

(€ in millions, except shares and per share amounts)	For the three months ended December 31,			For the year ended December 31,		
	2019	2018 - restated	Change %	2019	2018 - restated	Change %
Profit for the period						
Revenue	**673.3**	**642.1**	**5 %**	**2,583.9**	**2,533.8**	**2 %**
Expenses						
Cost of services provided	(350.6)	(342.9)	2 %	(1,353.3)	(1,401.2)	(3)%
Gross profit	**322.7**	**299.2**	**8 %**	**1,230.6**	**1,132.6**	**9 %**
Selling, general & administrative expenses	(150.4)	(177.3)	(15)%	(545.1)	(535.0)	2 %
Operating profit	**172.3**	**121.9**	**41 %**	**685.5**	**597.6**	**15 %**
Finance income	(16.2)	47.1	N.M.	24.7	112.2	(78)%
Net interest income and foreign exchange gain	0.1	0.1	— %	0.8	0.4	100 %
Net gain on derivative financial instruments	(16.3)	47.0	N.M.	23.9	111.8	(79)%
Finance expenses	(21.0)	(105.8)	(80)%	(356.9)	(375.5)	(5)%
Net interest expense, foreign exchange loss and other finance expenses	25.3	(105.8)	N.M.	(307.4)	(350.9)	(12)%
Net loss on derivative financial instruments	—	—	—%	—	—	—%
Loss on extinguishment of debt	(46.3)	—	—%	(49.5)	(24.6)	101 %
Net finance expense	(37.2)	(58.7)	(37)%	(332.2)	(263.3)	26 %
Share of the result of equity accounted investees	0.7	2.5	(72)%	(0.9)	1.4	(164)%
Reversal of impairment of investments in equity accounted investees	—	22.7	(100)%	—	22.7	(100)%
Gain on disposal of assets related to a joint venture	—	(0.3)	(100)%	0.1	10.5	(99)%
Profit before income tax	**135.8**	**88.1**	**54 %**	**352.5**	**368.9**	**(4)%**
Income tax expense	(44.1)	(42.9)	3 %	(117.9)	(118.1)	— %
Profit for the period	**91.7**	**45.2**	**103 %**	**234.6**	**250.8**	**(6)%**
Other comprehensive income (loss) for the period, net of income tax						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability/(asset)	4.2	—	100%	4.2	(4.9)	(186)%
Deferred tax	(1.2)	(0.1)	N.M.	(1.2)	1.9	(163)%
Other comprehensive income for the period, net of income tax	**3.0**	**(0.1)**	**N.M.**	**3.0**	**(3.0)**	**N.M.**
Total comprehensive income for the period	**94.7**	**45.1**	**110 %**	**237.6**	**247.8**	**(4)%**
Profit attributable to:	**91.7**	**45.2**	**103 %**	**234.6**	**250.8**	**(6)%**
Owners of the Company	91.7	45.4	102 %	234.5	252.0	(7)%
Non-controlling interests	—	(0.2)	(100)%	0.1	(1.2)	N.M.

(€ in millions, except shares and per share amounts)	For the three months ended December 31,			For the year ended December 31,		
	2019	2018 - restated	Change %	2019	2018 - restated	Change %
Total comprehensive income for the period, attributable to:	**94.7**	**45.1**	**110 %**	**237.6**	**247.8**	**(4)%**
Owners of the Company	94.7	45.3	109 %	237.5	249.0	(5)%
Non-controlling interests	—	(0.2)	(100)%	0.1	(1.2)	N.M.
Weighted average shares outstanding	110.1	111.5		110.0	114.0	
Basic earnings per share	0.83	0.41	102 %	2.13	2.21	(4)%
Diluted earnings per share	0.83	0.41	102 %	2.13	2.21	(4)%
Revenue by Nature						
Subscription revenue:						
Video	143.6	146.3	(2)%	574.4	582.4	(1)%
Broadband internet	164.9	160.0	3 %	651.7	628.4	4 %
Fixed-line telephony	54.5	57.2	(5)%	219.0	232.9	(6)%
Cable subscription revenue	**363.0**	**363.5**	**— %**	**1,445.1**	**1,443.7**	**— %**
Mobile telephony	112.3	113.6	(1)%	444.7	459.7	(3)%
Total subscription revenue	**475.3**	**477.1**	**— %**	**1,889.8**	**1,903.4**	**(1)%**
Business services	53.2	52.8	1 %	205.8	192.2	7 %
Other	144.8	112.2	29 %	488.3	438.2	11 %
Total Revenue	**673.3**	**642.1**	**5 %**	**2,583.9**	**2,533.8**	**2 %**
Expenses by Nature						
Network operating expenses	(48.1)	(47.5)	1 %	(196.9)	(192.0)	3 %
Direct costs (programming, copyrights, interconnect and other)	(143.7)	(123.7)	16 %	(525.4)	(506.6)	4 %
Staff-related expenses	(69.6)	(66.2)	5 %	(261.1)	(252.3)	3 %
Sales and marketing expenses	(31.9)	(28.8)	11 %	(96.8)	(90.4)	7 %
Outsourced labor and Professional services	(10.5)	(9.2)	14 %	(38.2)	(32.2)	19 %
Other indirect expenses	(18.6)	(34.2)	(46)%	(90.1)	(137.9)	(35)%
Restructuring charges	0.6	(5.3)	(111)%	(0.7)	(11.6)	(94)%
Post measurement period adjustments related to business acquisitions	—	3.2	(100)%	—	3.2	(100)%
Operating charges related to acquisitions or divestitures	(0.2)	(0.6)	(67)%	(0.7)	(4.4)	(84)%
Share-based payments granted to directors and employees	(2.2)	(10.4)	(79)%	(13.0)	(17.5)	(26)%
Depreciation	(101.4)	(94.8)	7 %	(411.0)	(404.4)	2 %
Amortization	(44.3)	(45.7)	(3)%	(172.0)	(184.0)	(7)%
Amortization of broadcasting rights	(30.3)	(20.3)	49 %	(92.5)	(69.9)	32 %
Impairment of long-lived assets - Intangible assets and goodwill	—	(36.7)	(100)%	—	(36.7)	(100)%
Gain on disposal of subsidiaries	0.3	1.0	(70)%	1.9	3.0	(37)%
Impairment of long-lived assets - Property and equipment	(1.1)	(1.0)	10 %	(1.9)	(2.5)	(24)%
Total Expenses	**(501.0)**	**(520.2)**	**(4)%**	**(1,898.4)**	**(1,936.2)**	**(2)%**

N.M. - Not Meaningful

Purchase price allocation for the Nextel acquisition: Our December 31, 2018 statement of financial position has been restated, reflecting the retrospective impact of the purchase price allocation ("PPA") for the Nextel acquisition, which was not yet available at year-end 2018. We refer to Section 2 *Financial Highlights* for more information.

5.2 EU IFRS condensed consolidated statement of cash flows (unaudited)

(€ in millions)	For the three months ended December 31,			For the year ended December 31,		
	2019	2018 - restated	Change %	2019	2018 - restated	Change %
Cash flows from operating activities						
Profit for the period	91.7	45.2	103 %	234.6	250.8	(6)%
Depreciation, amortization, impairment and restructuring charges	179.4	202.8	(12)%	679.4	706.1	(4)%
Working capital changes and other non cash items	(0.2)	(64.7)	(100)%	97.4	27.5	254 %
Income tax expense	44.1	42.9	3 %	117.9	118.1	— %
Net interest expense, foreign exchange loss and other finance expenses	(26.2)	105.7	N.M.	306.5	350.5	(13)%
Net loss (gain) on derivative financial instruments	16.4	(47.0)	N.M.	(23.8)	(111.8)	(79)%
Loss on extinguishment of debt	46.3	—	—%	49.5	24.6	101 %
Reversal impairment of investments in equity accounted investees	—	(22.7)	(100)%	—	(22.7)	(100)%
Loss (gain) on disposal of assets related to a joint venture	—	0.3	(100)%	(0.1)	(10.5)	(99)%
Cash interest expenses and cash derivatives	(12.1)	(9.1)	33 %	(209.5)	(153.5)	36 %
Income taxes paid	(0.9)	(0.6)	50 %	(159.4)	(103.5)	54 %
Net cash from operating activities	**338.5**	**252.8**	**34 %**	**1,092.5**	**1,075.6**	**2 %**
Cash flows from investing activities						
Purchases of property and equipment	(73.5)	(42.8)	72 %	(261.7)	(245.8)	6 %
Purchases of intangibles	(50.2)	(46.5)	8 %	(150.2)	(157.9)	(5)%
Acquisitions of and loans to equity accounted investees	(0.1)	(2.1)	(95)%	(1.3)	(2.8)	(54)%
Acquisition of subsidiaries, net of cash acquired	(3.6)	(1.0)	260 %	(19.6)	(62.5)	(69)%
Proceeds from sale of property and equipment	(0.1)	0.8	N.M.	0.8	2.6	(69)%
Proceeds from the sale of broadcasting rights for resale purposes	—	1.8	(100)%	—	—	—%
Net cash used in investing activities	**(127.5)**	**(89.8)**	**42 %**	**(432.0)**	**(466.4)**	**(7)%**
Cash flows from financing activities						
Repayments of loans and borrowings	(517.4)	(124.6)	315 %	(1,228.6)	(694.4)	77 %
Proceeds from loans and borrowings	439.8	658.2	(33)%	815.9	1,009.5	(19)%
Repurchase of own shares	0.1	(87.3)	N.M.	(101.0)	(228.5)	(56)%
Sale of own shares	3.1	5.8	(47)%	49.6	18.6	167 %
Payments related to capital reductions and dividends	(62.8)	(598.9)	(90)%	(62.8)	(598.9)	(90)%
Payments for early termination of loans and borrowings	(42.3)	—	100%	(45.5)	—	100%
Payments for debt issuance costs	(1.4)	(2.3)	(39)%	(1.4)	(25.7)	(95)%
Other financing activities (incl. leases)	(11.1)	(9.5)	17 %	(73.5)	(40.7)	81 %
Net cash used in financing activities	**(192.0)**	**(158.6)**	**21 %**	**(647.3)**	**(560.1)**	**16 %**
Net increase (decrease) in cash and cash equivalents						
Cash at beginning of period	82.4	83.8	(2)%	88.2	39.1	126 %
Cash at end of period	101.4	88.2	15 %	101.4	88.2	15 %
Net cash generated (used)	**19.0**	**4.4**	**332 %**	**13.2**	**49.1**	**(73)%**

(€ in millions)	For the three months ended December 31,			For the year ended December 31,		
	2019	2018 - restated	Change %	2019	2018 - restated	Change %
Adjusted Free Cash Flow						
Net cash from operating activities	338.5	252.8	34 %	1,092.5	1,075.6	2 %
Cash payments for direct acquisition and divestiture costs	0.2	0.8	(75)%	1.1	3.9	(72)%
Expenses financed by an intermediary	62.3	53.9	16 %	233.4	158.7	47 %
Purchases of property and equipment	(73.5)	(42.8)	72 %	(261.7)	(245.8)	6 %
Purchases of intangibles	(50.2)	(46.5)	8 %	(150.2)	(157.9)	(5)%
Principal payments for mobile spectrum licenses	(19.8)	(19.8)	—	(19.8)	(19.8)	—
Principal payments on amounts financed by vendors and intermediaries	(125.4)	(103.4)	21 %	(440.2)	(364.7)	21 %
Principal payments on leases (excluding network-related leases assumed in acquisitions)	(11.2)	(1.1)	918 %	(44.7)	(5.7)	684 %
Principal payments on post acquisition additions to network leases	—	(6.3)	(100)%	(19.4)	(22.4)	(13)%
Adjusted Free Cash Flow	**120.9**	**87.6**	**38 %**	**391.0**	**421.9**	**(7)%**

N.M. - Not Meaningful

5.3 EU IFRS condensed consolidated statement of financial position (unaudited)

(€ in millions)	December 31, 2019	December 31, 2018 - restated	Change
ASSETS			
Non-current Assets:			
Property and equipment	2,366.8	2,230.8	136.0
Goodwill	1,874.6	1,807.8	66.8
Other intangible assets	790.3	753.5	36.8
Deferred tax assets	261.4	247.1	14.3
Investments in and loans to equity accounted investees	16.3	67.3	(51.0)
Other investments	6.1	5.0	1.1
Derivative financial instruments	55.3	6.0	49.3
Trade receivables	—	0.9	(0.9)
Other assets	27.9	17.3	10.6
Total non-current assets	**5,398.7**	**5,135.7**	**263.0**
Current Assets:			
Inventories	25.2	28.0	(2.8)
Trade receivables	204.5	201.9	2.6
Other current assets	130.4	142.7	(12.3)
Cash and cash equivalents	101.4	88.2	13.2
Derivative financial instruments	61.7	62.8	(1.1)
Total current assets	**523.2**	**523.6**	**(0.4)**
TOTAL ASSETS	**5,921.9**	**5,659.3**	**262.6**
EQUITY AND LIABILITIES			
Equity:			
Share capital	12.8	12.8	—
Share premium	80.7	80.7	—
Other reserves	695.7	719.2	(23.5)
Retained loss	(2,287.8)	(2,446.0)	158.2
Remeasurements	(13.5)	(16.5)	3.0
Total equity attributable to owners of the Company	**(1,512.1)**	**(1,649.8)**	**137.7**
Non-controlling interests	25.1	22.9	2.2
Total equity	**(1,487.0)**	**(1,626.9)**	**139.9**
Non-current Liabilities:			
Loans and borrowings	5,206.0	5,161.0	45.0
Derivative financial instruments	261.4	211.3	50.1
Deferred revenue	3.8	2.9	0.9
Deferred tax liabilities	172.4	163.4	9.0
Other liabilities	80.7	74.4	6.3
Total non-current liabilities	**5,724.3**	**5,613.0**	**111.3**
Current Liabilities:			
Loans and borrowings	527.0	504.1	22.9
Trade payables	247.7	184.7	63.0
Accrued expenses and other current liabilities	489.3	535.3	(46.0)
Deferred revenue	107.8	101.3	6.5
Derivative financial instruments	69.5	64.3	5.2
Current tax liability	243.3	283.5	(40.2)
Total current liabilities	**1,684.6**	**1,673.2**	**11.4**
Total liabilities	**7,408.9**	**7,286.2**	**122.7**
TOTAL EQUITY AND LIABILITIES	**5,921.9**	**5,659.3**	**262.6**

(1) For purposes of calculating **rebased growth** rates on a comparable basis for the year ended December 31, 2019, we have adjusted our historical revenue and Adjusted EBITDA to include (i) the pre-acquisition revenue and Adjusted EBITDA of Nextel (fully consolidated since May 31, 2018), (ii) the pre-acquisition revenue and Adjusted EBITDA of De Vijver Media (fully consolidated since June 3, 2019) and (iii) the impact of IFRS 16 (applied as of January 1, 2019) in our rebased amounts for the year ended December 31, 2018 to the same extent that the revenue and Adjusted EBITDA of such entity is included in our results for the year ended December 31, 2019. We have reflected the revenue and Adjusted EBITDA of Nextel and De Vijver Media in our 2018 rebased amounts based on what we believe to be the most reliable information that is currently available to us (generally pre-acquisition financial statements), as adjusted for the estimated effects of (a) any significant differences between our accounting policies and those of the acquired entities, (b) any significant effects of acquisition accounting adjustments, and (c) other items we deem appropriate. We do not adjust pre-acquisition periods to eliminate nonrecurring 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.

(2) **EBITDA** is defined as profit before net finance expense, 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, post measurement period adjustments related to business acquisitions 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, (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, and (iii) other acquisition-related items, such as gains and losses on the settlement of contingent consideration. 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. A reconciliation of this measure to the most directly comparable EU IFRS measure is disclosed in Exhibit 1 on page 14.

(3) **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.

(4) **Operating Free Cash Flow** ("OFCF") is defined as Adjusted EBITDA minus accrued capital expenditures as reported in the Company's consolidated financial statements. Accrued capital expenditures exclude the recognition of football broadcasting rights and mobile spectrum licenses.

(5) **Adjusted Free Cash Flow** is defined as net cash provided by the Company's operating activities, 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 as reported in the Company's consolidated statement of cash flows, (ii) principal payments on amounts financed by vendors and intermediaries, (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.

(6) **Basic Video Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives Telenet's 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 Telenet uses to provide its enhanced service offerings. Telenet counts 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 Telenet's video service at each home is counted as two RGUs.

(7) **Enhanced Video Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives Telenet's 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 Telenet's 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 Telenet migrates customers from basic to enhanced video services, Telenet reports a decrease in its Basic Video Subscribers equal to the increase in Telenet's Enhanced Video Subscribers.

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

(9) **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.

(10) **Telenet's 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 Telenet's mobile telephony subscriber counts after a 90-day inactivity period.

(11) **Customer Relationships** are the number of customers who receive at least one of Telenet's video, internet or telephony services that Telenet counts 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 Telenet's services in two premises (e.g. a primary home and a vacation home), that individual generally will count as two Customer Relationships. Telenet excludes mobile-only customers from Customer Relationships.

(12) **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, Business-to-Business ("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.

(13) **Homes Passed** are homes, residential multiple dwelling units or commercial units that can be connected to the Combined Network without materially extending the distribution plant. Telenet's Homes Passed counts are based on census data that can change based on either revisions to the data or from new census results.

(14) **RGU** is separately a Basic Video Subscriber, Enhanced Video Subscriber, Internet Subscriber or Fixed-line Telephony Subscriber. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer subscribed to Telenet's 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 Telenet's 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. Telenet does not include subscriptions to mobile services in its externally reported RGU counts.

(15) **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 Telenet and is required to return Telenet's 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 Telenet's churn calculations. Customers who move within Telenet's cable footprint and upgrades and downgrades between services are also excluded from the disconnect figures used in the churn calculation.

(16) Telenet's **ARPU per mobile subscriber** calculation that excludes interconnect revenue refers to the average monthly mobile subscription revenue per average mobile subscribers in service and is calculated by dividing the average monthly mobile subscription revenue (excluding activation fees, handset sales and late fees) for the indicated period, by the average of the opening and closing balances of mobile subscribers in service for the period. Telenet's ARPU per mobile subscriber calculation that includes interconnect revenue increases the numerator in the above-described calculation by the amount of mobile interconnect revenue during the period.

(17) **Net total leverage** is defined as the sum of all of the Company's short-term and long-term liabilities minus cash and cash equivalents ("Net Total Debt"), as recorded in the Company's statement of financial position, divided by the last two quarters' Consolidated Annualized EBITDA. In its statement of financial position, Telenet's USD-denominated debt has been converted into € using the December 31, 2019 EUR/USD exchange rate. As Telenet has entered into several derivative transactions to hedge both the underlying floating interest rate and exchange risks, the €-equivalent hedged amounts were €2,041.5 million (USD 2.3 Term Loan AN) and €882.8 million (USD 1.0 billion Senior Secured Notes due 2028), respectively. For the calculation of its net leverage ratio, Telenet uses the €-equivalent hedged amounts given the underlying economic risk exposure.

(18) **Net covenant leverage** is calculated as per the 2018 Amended Senior Credit Facility definition, using Net Total Debt (using the €-equivalent hedged amounts for its USD-denominated debt as highlighted above), excluding (i) subordinated shareholder loans, (ii) capitalized elements of indebtedness under the Clientele and Annuity Fees, (iii) any finance leases entered into on or prior to August 1, 2007, (iv) any indebtedness incurred under the network lease entered into with the pure intermunicipalities and (v) any vendor financing-related liabilities, divided by last two quarters' Consolidated Annualized EBITDA including certain unrealized cost synergies related to the BASE and SFR Belux acquisitions.

Investor & Analyst call – Telenet will host a video webcast and conference call for institutional investors and analysts on February 12, 2020 at 3:00pm CET, For details and webcast links, please visit: https://investors.telenet.be.

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About Telenet – As a provider of entertainment and telecommunication services in Belgium, Telenet Group is always looking for the perfect experience in the digital world for its customers. Under the brand name Telenet, the company focuses on offering digital television, high-speed Internet and fixed and mobile telephony services to residential customers in Flanders and Brussels. Under the brand name BASE, it supplies mobile telephony in Belgium. The Telenet Business department serves the business market in Belgium and Luxembourg with connectivity, hosting and security solutions. More than 3,000 employees have one aim in mind: making living and working easier and more pleasant. Telenet Group is part of Telenet Group Holding NV and is quoted on Euronext Brussel under ticker symbol TNET. For more information, visit www.telenet.be. Liberty Global - one of the world's leading converged video, broadband and communications companies, innovating and empowering people in six countries across Europe to make the most of the digital revolution – owns a direct stake of 57.9% in Telenet Group Holding NV (excluding any treasury shares held by the latter from time to time).

Additional Information – Additional information on Telenet and its products can be obtained from the Company's website https://www.telenet.be. Further information regarding the operating and financial data presented herein can be downloaded from the investor relations pages of this website. The Company's Consolidated Annual Report 2018 as well as unaudited condensed consolidated interim financial statements and presentations related to the financial results for the year ended December 31, 2019 have been made available on the investor relations pages of the Company's website (https://investors.telenet.be).

Safe Harbor Statement under the U.S. 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 acquisitions 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.

Financial Information – The consolidated annual financial statements of Telenet Group Holding as of and for the year ended December 31, 2019 have been prepared in accordance with EU IFRS unless otherwise stated and will be made available on the Company's website on March 27, 2020.

Non-GAAP measures –Adjusted EBITDA, Operating Free Cash Flow 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 (https://www.libertyglobal.com). Liberty Global plc is the Company's controlling shareholder.

This document has been released on February 12, 2020 at 7:00am CET