Telenet – Q4 2014 Results

Investor & Analyst Presentation

Feb 12, 2015

Safe harbor disclaimer

Safe Harbor Statement under the 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, dividend policy and future growth prospects, 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, pending debt exchange transactions, our ability to make value-accretive investments, and our ability to sustain or increase shareholder distributions in future periods. We assume no obligation to update these forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.

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

Definitions

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

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.

Free Cash Flow is defined as net cash provided by the operating activities of Telenet's continuing operations less (i) purchases of property and equipment and purchases of intangibles of its continuing operations, (ii) principal payments on vendor financing obligations, (iii) principal payments on capital leases (exclusive of network-related leases that were assumed in acquisitions), and (iv) principal payments on post acquisition additions to network leases, each as reported in the Company's consolidated statement of cash flows. 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.

Customer relationships are equal to the sum of analog and digital basic cable TV subscribers on the Combined Network, including the network covered by the long-term lease with the pure intermunicipalities.

Average monthly revenue (**ARPU**) per revenue generating unit (RGU) and **ARPU per customer relationship** are calculated as follows: average total monthly recurring revenue (including revenue earned from carriage fees and set-top box rentals and excluding interconnection revenue, installation fees, mobile telephony revenue and set-top box sales) for the indicated period, divided by the average of the opening and closing RGU base or customer relationships, as applicable, for the period.

Net leverage ratio is calculated as per the 2010 Amended Senior Credit Facility definition, using net total debt, excluding (a) subordinated shareholder loans, (b) capitalized elements of indebtedness under the Clientele and Annuity Fees, (c) any finance leases entered into on or prior to August 1, 2007, and (d) any indebtedness incurred under the network lease entered into with the pure intermunicipalities up to a maximum aggregate amount of EUR 195 million, divided by last two quarters' annualized EBITDA.

Important reporting changes

Reclassification of certain device-related payments: As of the fourth quarter of 2014, we changed the classification of certain device-related payments from purchases of property and equipment in the investing section of our consolidated cash flow statement to working capital changes and other non-cash items in the operating section of our consolidated cash flow statement. We have applied this classification retroactively to January 1, 2014. Accordingly, €40.8 million of device-related payments during the first nine months of 2014 were reclassified to working capital changes and other non-cash items in the operating section of our consolidated cash flow statement. The reclassification of these cash flows did not impact our net results or our Free Cash Flow, and did not have a meaningful impact on our cash flows as of and for the year ended December 31, 2013.

€ million	Q1'14 Reported	Adj	Q1'14 Represented	Q2'14 Reported	Adj	Q2'14 Represented	Q3'14 Reported	Adj	Q3'14 Represented	Q4'14 Reported	H1'14 Reported	Adj	H1'14 Represented	9M'14 Reported	Adj	9M'14 Represented	FY'14 Reported
Cash flows from operating activities																	
Profit (loss) for the period	38.8	-	38.8	10.0	-	10.0	22.6	-	22.6	37.9	48.8	-	48.8	71.4	-	71.4	109.3
Depreciation, amortization and impairment	88.5	-	88.5	87.5	-	87.5	87.9	-	87.9	93.5	176.0	-	176.0	263.9	-	263.9	357.4
Working capital changes and other non cash items	(20.0)	(18.4)	(38.4)	26.7	(8.3)	18.4	10.2	(14.1)	(3.9)	(46.2)	6.7	(26.7)	(20.0)	16.9	(40.8)	(23.9)	(70.1)
Income tax expense (benefit)	19.8	-	19.8	25.1	-	25.1	42.0	-	42.0	(7.0)	44.9	-	44.9	86.9	-	86.9	79.9
Net interest expense and foreign exchange loss	66.0	-	66.0	65.4	-	65.4	63.0	-	63.0	62.4	131.4	-	131.4	194.4	-	194.4	256.8
Net loss (gain) on derivative financial instruments	23.1	-	23.1	22.0	-	22.0	9.0	-	9.0	13.3	45.1	-	45.1	54.1	-	54.1	67.4
Loss (gain) on extinguishment of debt	-	-	-	7.3	-	7.3	-	-	0.0	0.1	7.3	-	7.3	7.3	-	7.3	7.4
Cash interest expenses and cash derivatives	(65.3)	-	(65.3)	(50.9)	-	(50.9)	(69.5)	-	(69.5)	(50.8)	(116.2)	-	(116.2)	(185.7)	-	(185.7)	(236.5)
Net cash from operating activities	**150.9**	**(18.4)**	**132.5**	**193.1**	**(8.3)**	**184.8**	**165.2**	**(14.1)**	**151.1**	**103.2**	**344.0**	**(26.7)**	**317.3**	**509.2**	**(40.8)**	**468.4**	**571.6**
Cash flows from investing activities																	
Purchases of property and equipment	(83.5)	18.4	(65.1)	(52.2)	8.3	(43.9)	(64.9)	14.1	(50.8)	(51.1)	(135.7)	26.7	(109.0)	(200.6)	40.8	(159.8)	(210.9)
Purchases of intangibles, net of proceeds from sale of other intangibles	(36.9)	-	(36.9)	(14.1)	-	(14.1)	(37.8)	-	(37.8)	(22.1)	(51.0)	-	(51.0)	(88.8)	-	(88.8)	(110.9)
Investments in equity accounted investees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of property and equipment	1.1	-	1.1	1.4	-	1.4	-	-	0.0	0.7	2.5	-	2.5	2.5	-	2.5	3.2
Purchase of broadcasting rights for resale purposes	(5.5)	-	(5.5)	(1.6)	-	(1.6)	(1.7)	-	(1.7)	(2.5)	(7.1)	-	(7.1)	(8.8)	-	(8.8)	(11.3)
Proceeds from the sale of broadcasting rights for resale purposes	5.5	-	5.5	1.6	-	1.6	1.7	-	1.7	2.5	7.1	-	7.1	8.8	-	8.8	11.3
Net cash used in investing activities	**(119.3)**	**18.4**	**(100.9)**	**(64.9)**	**8.3**	**(56.6)**	**(102.7)**	**14.1**	**(88.6)**	**(72.5)**	**(184.2)**	**26.7**	**(157.5)**	**(286.9)**	**40.8**	**(246.1)**	**(318.6)**

Executive Summary

John Porter, Chief Executive Officer

What did 2014 bring for our customers?

Continued focus on providing an amazing customer experience over our leading HFC network

Simple

Transparent

Customer is King

Future proof

1

Mobile – Launch of King Supersize and 4G

Delivering great speeds through simple, transparent and competitive offers, including attractive subsidized rate plans

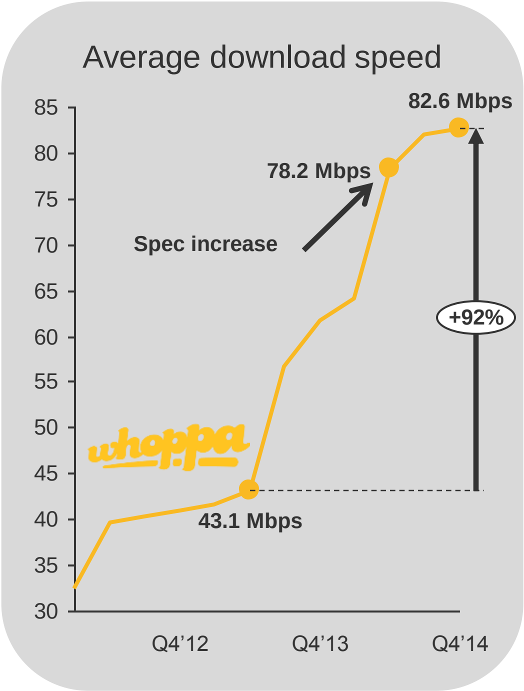
Mobile – Telenet first in rolling out EAP in Belgium

2

Single authentication ensures automatic and seamless WiFi access across the entire Telenet footprint, leading to lower cellular data usage

Broadband – Broadening the speed gap

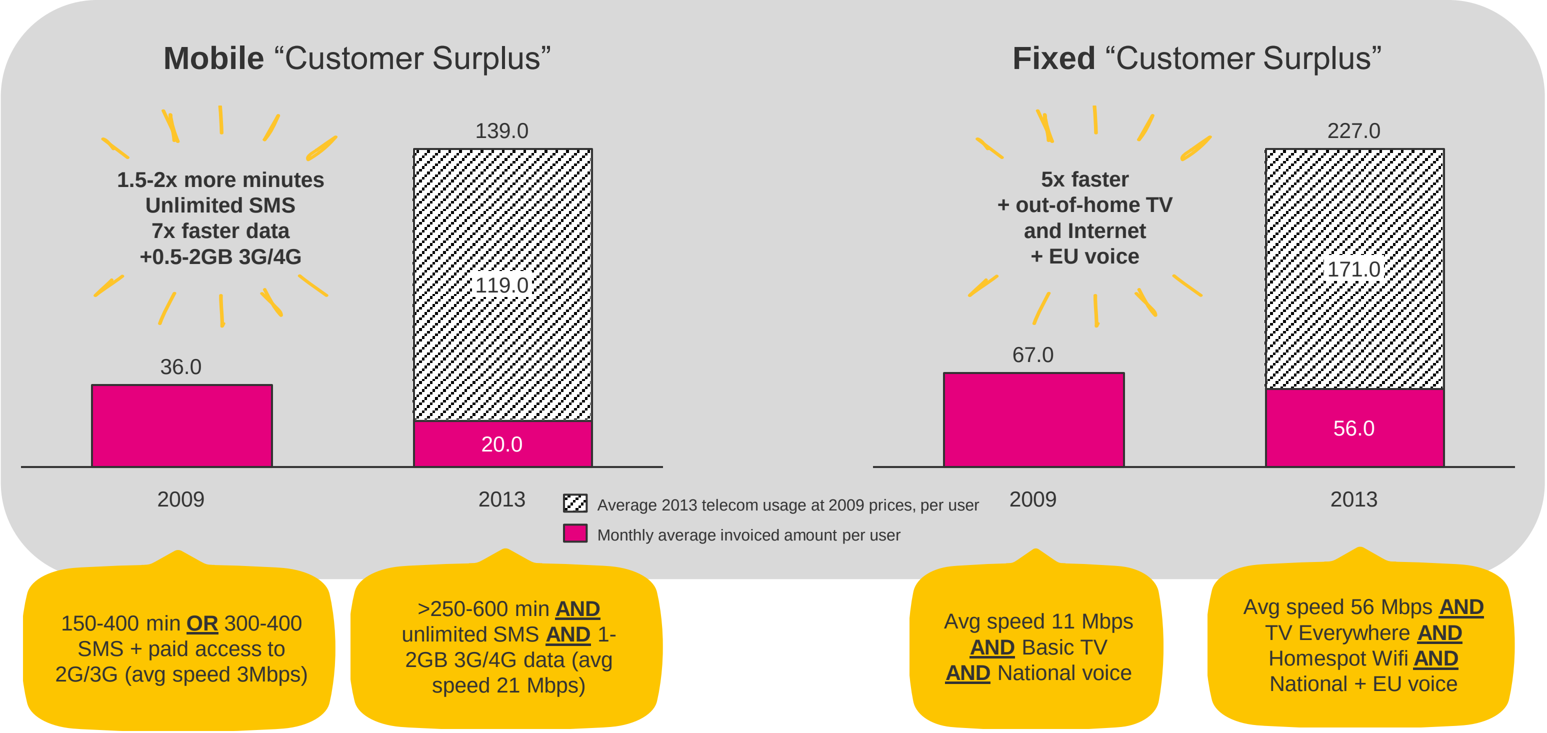
Average download speed per broadband internet customer reached around 83 Mbps at year-end 2014 and there is more to come…



Broadband – Customer surplus on the rise

4

Belgian fixed and mobile operators provided a substantially better offering that generated 4 to 7x more value for money in 2013 compared to 2009



Source: Arthur D. Little study on the Belgian Telecom Sector, commissioned by Base Company, Mobistar, Proximus, Telenet and VOO

Network – Boosting the digital aorta in Flanders

€500 million network investment program to increase the available bandwidth capacity from 600 MHz currently to 1 GHz, enabling speeds of minimum 1 Gbps

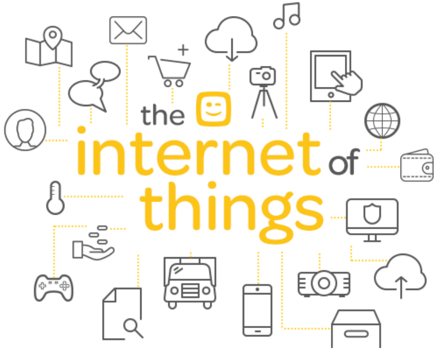
150,000 amplifiers

1.8 millions taps & splitters

6,200 nodes

48 head-ends

1.8 million NIUs



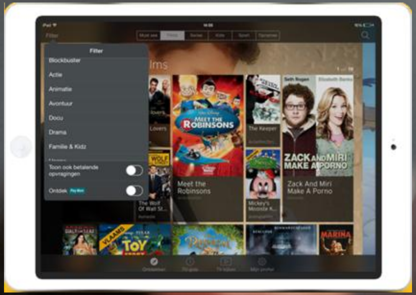
6 Television – Renewed Jupiler Pro League rights

Belgian competition live on Sporting Telenet through the 2016-2017 season

7

Television – Revamp of our Yelo TV platform

Introducing smart search functionality, swipe TV and a recommendation engine in a new and improved user interface



8 Television – Play & Play More

First and only Belgian operator to bundle local content, exclusive movies and series and TV functionalities, such as 7-day catch-up TV in one product

9

We care – Further investment in customer care

Telenet Support expands the app ecosystem for our residential customers, while our B2B customers get dedicated and personalized assistance

10

We care – Introducing “Yellow House”

We are proactively contacting our customers for a free check-up of their current in-home installation

- We want to make sure they **get the most out of our products** and are ready for the future
    - Examples include hardware upgrades, optimizing in-home WiFi connectivity, installation and explanation of apps
- We have already **invited 60,000 customers**…
- … of which we **already visited 10,000**;
- Recruiting 50 extra technicians;
- As of mid 2015, we are aiming for a run-rate of 500 check-ups / day.

How did we evolve as a Company in 2014?

Laying the foundations for healthy, profitable growth for all our stakeholders in 2015 and beyond

1

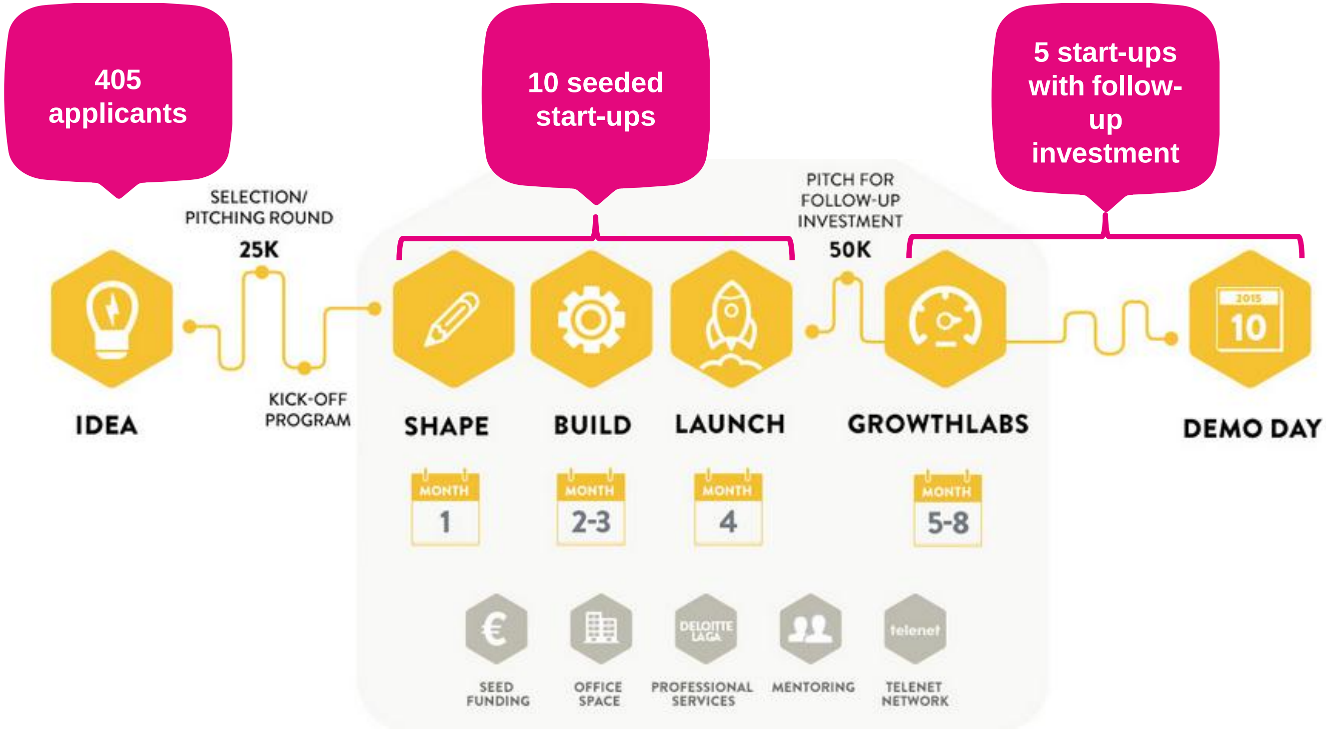
De Vijver Media

Supply oxygen to the Flemish audio-visual landscape to counterbalance foreign players who are increasing in strength

- In 2012, Telenet launched **STAP**, investing €30.0 million in local series and films over 4 years
- In June 2014, Telenet announced its intention to take a 50% stake in **De Vijver Media** for a total consideration of €58.0 million, which consists of:
  - **SBS Belgium:** commercial FTA broadcaster
  - **Woestijnvis:** content production house
- **Strategic rationale:**
  1. Ensuring continued diverse Flemish media landscape
  2. Securing even better access to local content
  3. Exploring new future revenue models
- **Pending EC competition authorities approval, expected in Q1 2015**

2 Telenet Idealabs

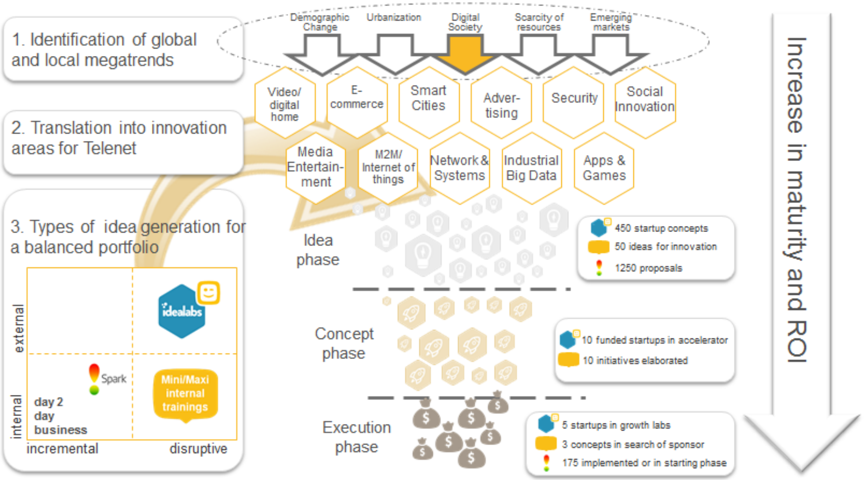
Accelerator program of 4-8 months that boosts TMT ideas through seed-funding, mentoring, a creative workspace, professional services and the Telenet network



3 Dow Jones Sustainability Index

Global Industry Group Leader for the third time in a row

- In September 2014, the **Dow Jones Sustainability Index** announced that Telenet received 86 points out of 100 within the Media Industry Sector;
- RobecoSAM awarded Telenet a top **Gold Class rating in “The Sustainability Yearbook 2015”**. Telenet was the only company in the global media industry sector to receive this honor;
- Telenet joined forces with start-up accelerator **Idealabs to support TMT ventures**;
- **Organizing for sustainable innovation** through Spark & Telenet Idealabs.



ROBECOSAM

We are Sustainability Investing.

4

FY 2014 outlook achieved across the board

	As presented on February 13, 2014	As revised on July 31, 2014	FY 2014 reported
Revenue growth	**6 – 7%**	**4 – 5%**	**4.0%**
Adjusted EBITDA growth	**5 – 6%**	**5 – 6%**	**6.8%**
Accrued capital expenditures (as % of revenue)(1)	**20 – 21%**	**20 – 21%**	**21.0%**
Free Cash Flow	**€230 – €240 million**	**€230 – €240 million**	**€235.3 million**

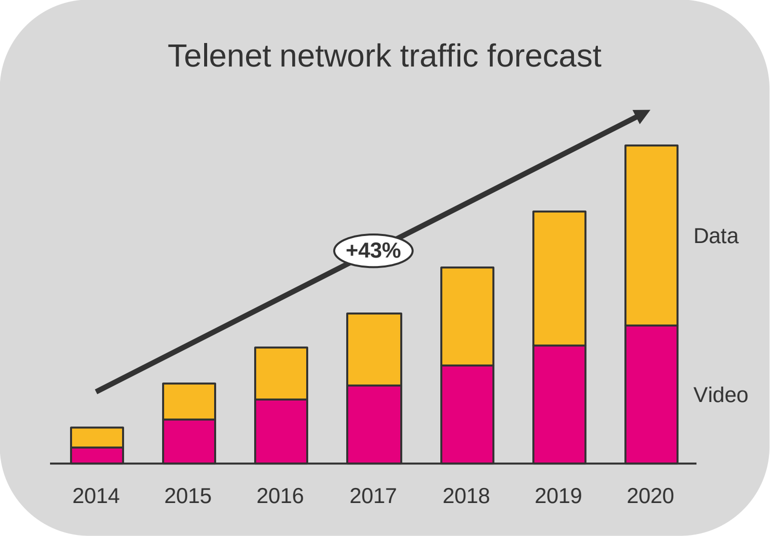
(1) Excluding the impact from the extension of the Belgian football broadcasting rights.

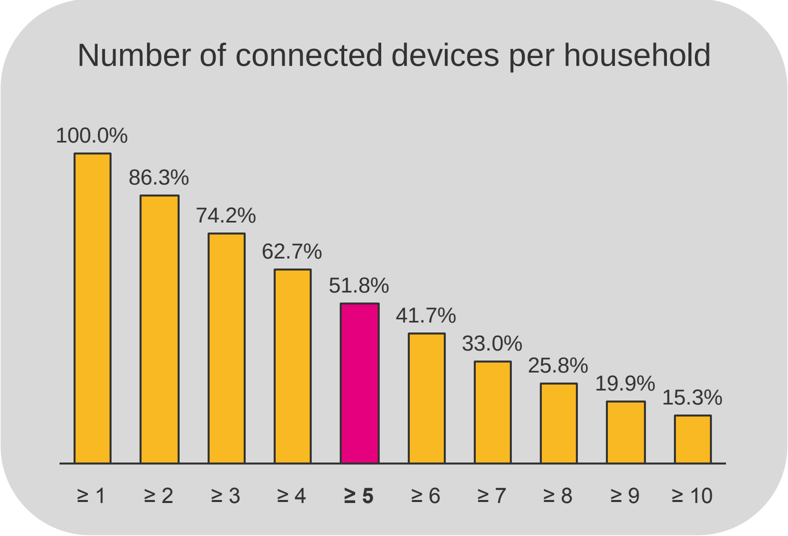
Technology Highlights

Micha Berger, Chief Technology Officer

Fixed network traffic evolution

Telenet network traffic forecast to grow at 43% CAGR over next 6 years, in part driven by increased number of connected devices per household

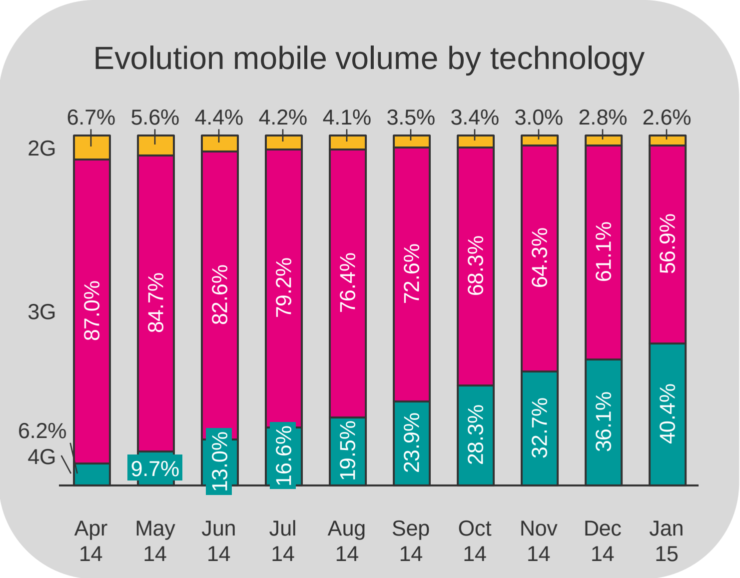


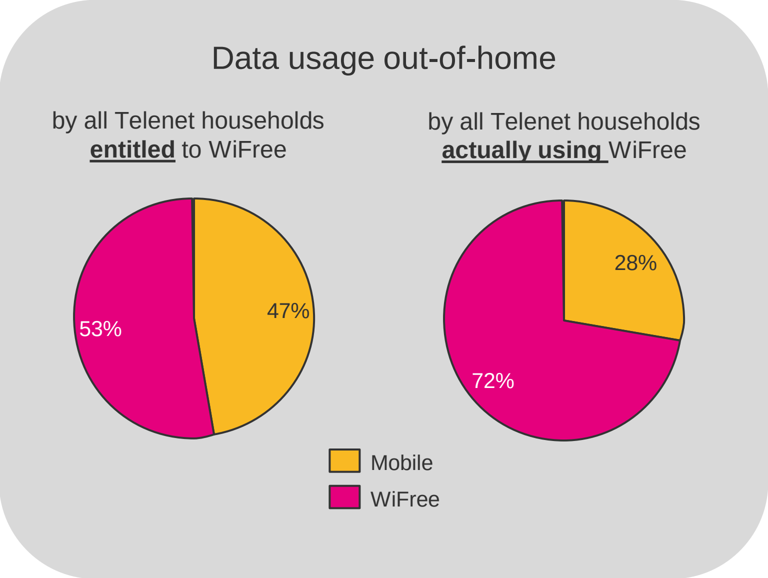


- **Traffic** on the Telenet network **will increase at a CAGR of 43% during the coming years;**
- **Approximately 52% of the households has five or more connected devices**, with over 15% of customers having more than ten connected devices.

Mobile network traffic evolution

Mobile network traffic grows and increases with adoption of 4G services
WiFi off-loading will be crucial to ensure the customer experience





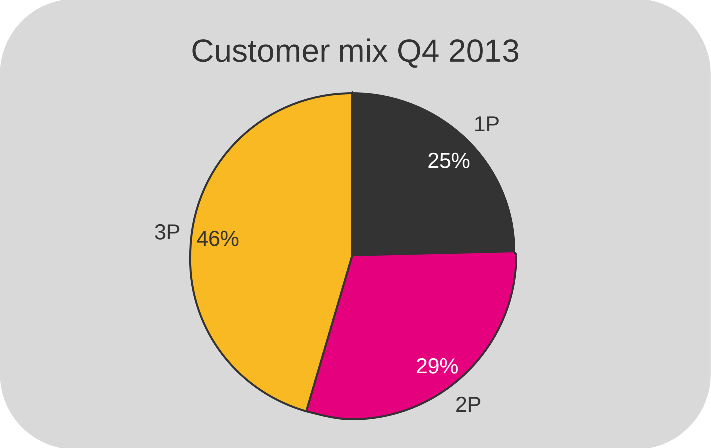
- Overall, **approximately 40% of our total mobile data traffic is already being sent over 4G**;
- **Nearly 53% of all traffic generated by WiFree entitled households is offloaded.** However, households actually using WiFree offload even more, demonstrating the potential of being able to offer WiFi and cellular access in parallel.

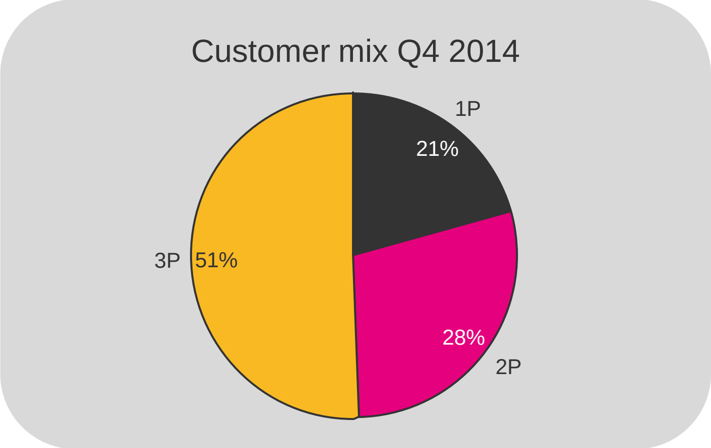
Operational Highlights

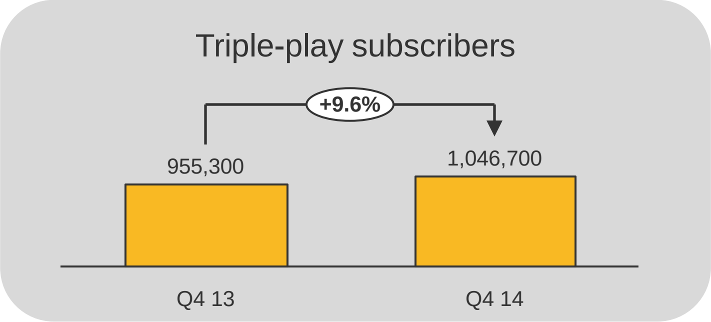
Rob Goyens, VP Strategic Planning, Treasury and Investor Relations

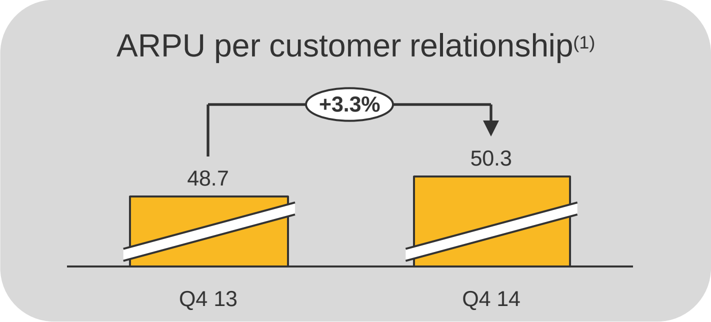
Multiple-play penetration

Triple-play subscribers up 10% Q4 2014, representing around 51% of our customer base now





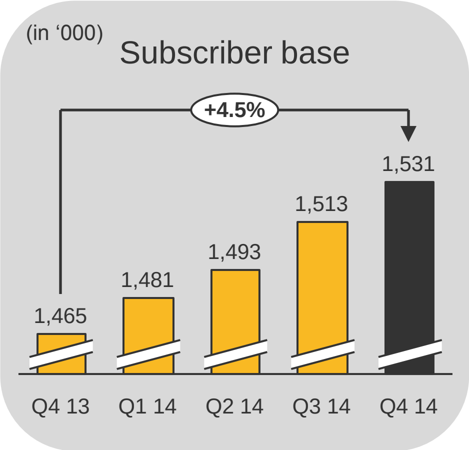


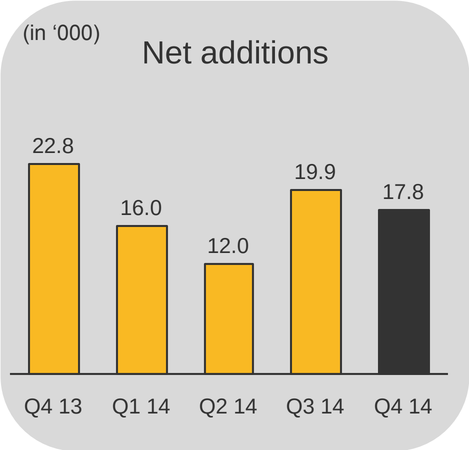


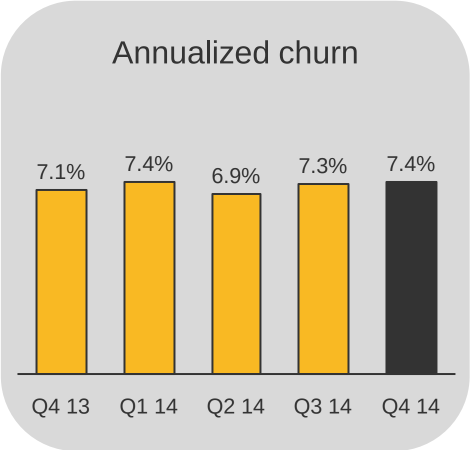
(1) Excludes mobile telephony

Broadband internet

More than 1.5 million broadband internet RGUs at Q4 2014 quarter-end



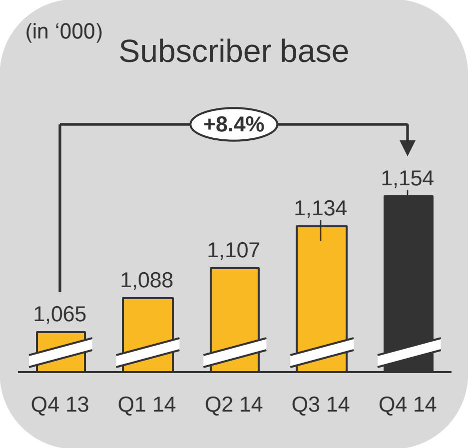


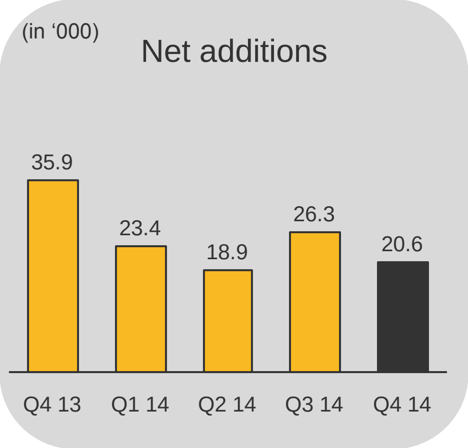


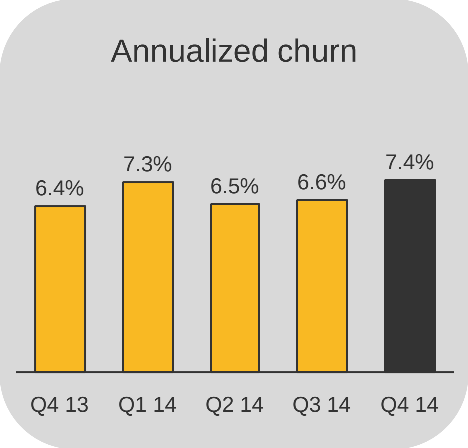
- **17,800 net broadband internet subscriber additions in Q4 2014**, reflecting the intensely competitive market environment;
- We reached **1,530,600 broadband internet subscribers** at December 31, 2014, +4% yoy, resulting in 52.5% penetration of homes passed by our leading HFC network;
- **Annualized churn of 7.4% in Q4 2014** up 30 bps yoy and up 10 bps sequentially;
- **Enhanced customer experience** through recent “Whoppa” speed boost, extensive WiFi coverage, and the recent **launch of EAP**.

Fixed telephony

Simplified bundles, free off-peak calling and “Triiing” continue to drive RGU growth



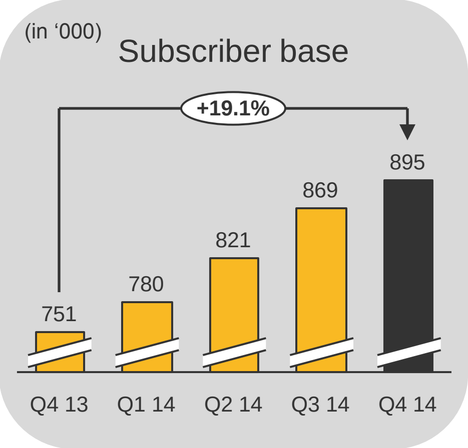


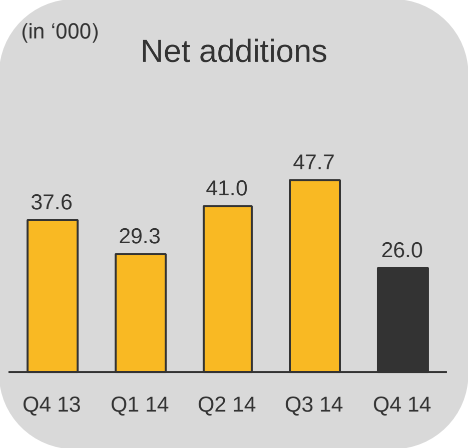


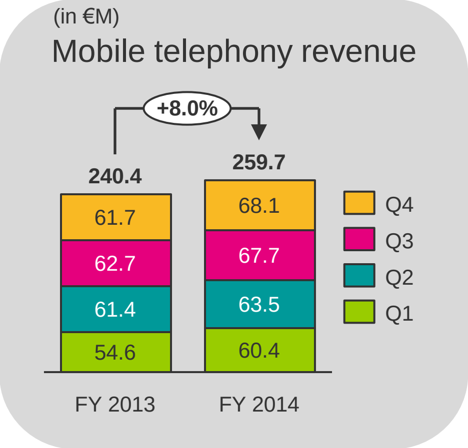
- **20,600 net fixed telephony subscriber additions** in Q4 2014, exceeding net broadband subscriber additions, demonstrating positive triple-play conversion;
- **1,154,200 fixed telephony subscribers** at the end of Q4 2014, up 8% yoy, equivalent to 39.6% penetration of homes passed by our network;
- **Annualized churn of 7.4% in Q4 2014**, up 100 bps yoy and up 80 bps sequentially;
- Our innovative VoIP app “**Triiing**” adds value to our fixed telephony proposition and had **approximately 288,200 registered devices** at December 31, 2014.

Mobile telephony

Competitive intensity up in Q4 with increased use of handset subsidies in Belgian mobile market



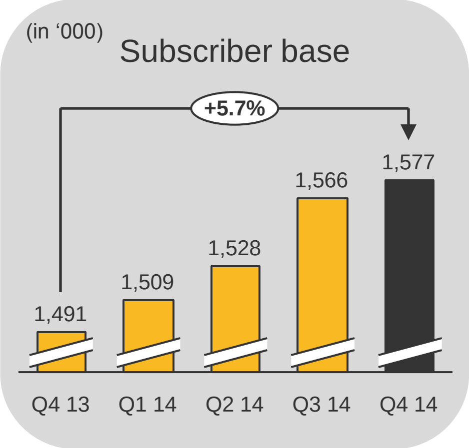


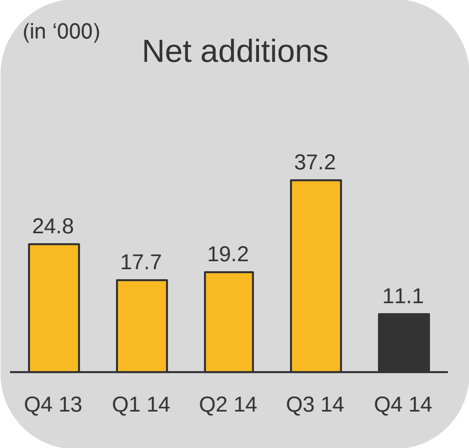


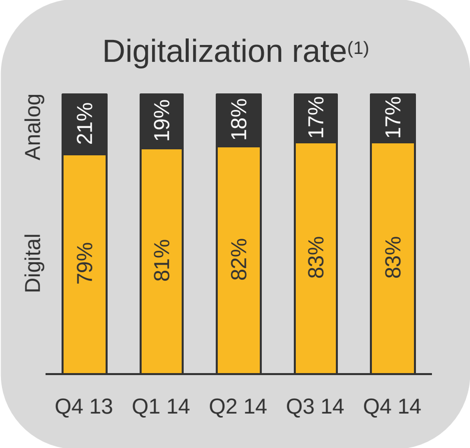
- **26,000 net mobile postpaid subscribers** achieved in Q4 2014, reflecting a tougher competitive market characterized by aggressive handset subsidies and temporary price discounts offered by our direct competitors;
- **894,500 mobile postpaid** subscribers at December 31, 2014 (+19% yoy), representing around 20% of our cable customer base;
- **Residential mobile telephony revenue reached €259.7 million in FY 2014** (including €81.3 million of interconnection revenue), up 8% yoy, driven by continued growth in the number of postpaid subscribers, partially offset by a decrease in our mobile ARPU due to lower usage.

Digital TV

Slower net new subscriber growth in Q4 2014 post phasing-out of SD TV platform in Q3 2014





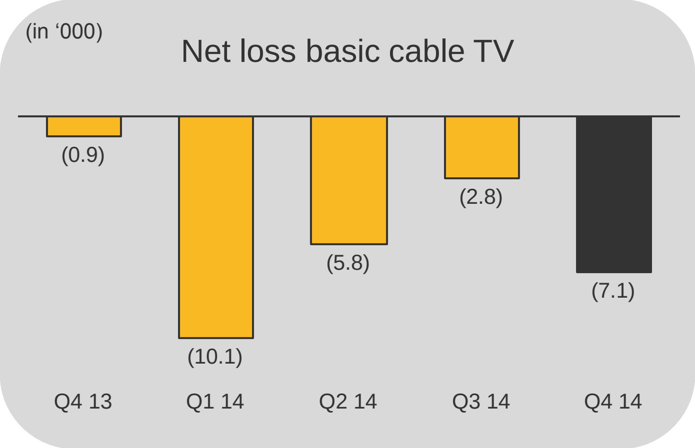


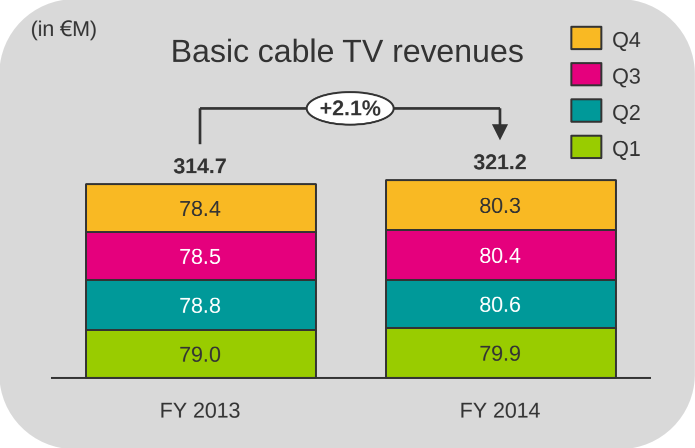
- **11,100 net digital TV subscribers added in Q4 2014**, which is a slowdown in net digital TV subscriber additions after the strong uptake in Q3 following the phasing-out of our SD video platform;
- **Reaching 1,576,600 digital TV subscribers** at December 31, 2014, up 6% yoy;
- Continued traction for **revamped SVOD packages “Play” and “Play More” with 150,680 subscribers** at December 31, 2014, up 18% sequentially;
- Active user base of our renewed **“Yelo TV” platform** was up 4% sequentially and reached **approximately 26% of our digital cable TV subscriber base** at December 31, 2014.

(1) Includes basic digital cable TV subscribers

Basic cable TV

Sequential deterioration but is in line with average churn during first three quarters of 2014

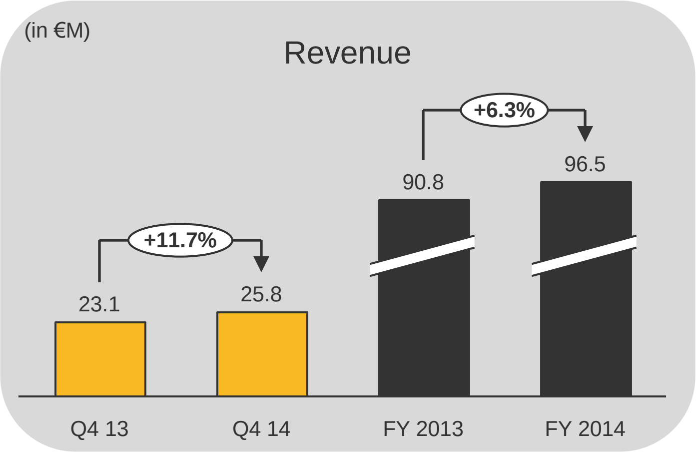


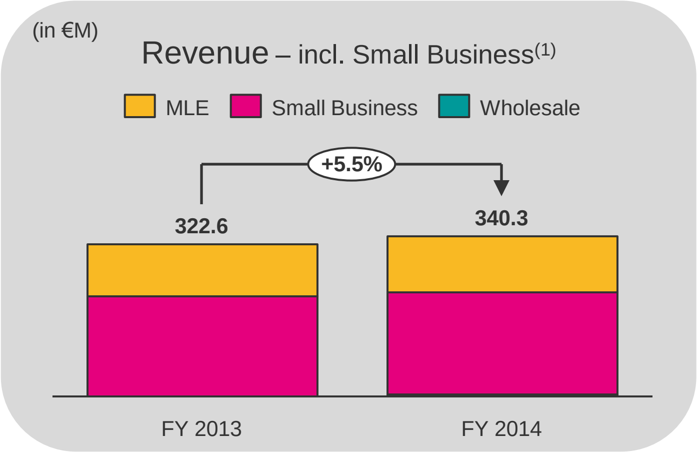


- **2,066,700 basic cable TV subscribers** at December 31, 2014, representing approximately 71% of the homes passed by our network;
- **In Q4 2014**, we experienced a **net loss rate of 7,100 basic cable TV subscribers**, which was mildly up compared to the first three quarters of 2014 and reflected the availability of other digital and OTT platforms in our market.

Business services

Revenue up 6% yoy to €96.5 million for FY 2014, with 12% yoy revenue growth in Q4 2014





- **FY 2014 revenue of €96.5 million, up 6% yoy**, as lower revenue from leased data lines and hosting services was more than offset by higher revenue from wholesale and backhauling services for mobile, managed security services and fixed voice;
- **In Q4 2014 alone, our business services revenue reached €25.8 million, up 12% yoy**, driven by higher fixed voice, wholesale and backhauling services for mobile and security-related revenue, partly offset by lower revenue from leased data lines and hosting services.

(1) The revenue generated by our small business subscribers over coax products is reported under our residential revenue and is not reflected in our externally reported business services revenue

Business services

Recent initiatives underpinning Telenet for Business' growth trajectory

1 Mobile Employee Plan

- **Easy**: offer employees mobile telephony;
- **Transparent**: set the budget, employees get to choose tariff plan and possibly a handset;
- **Flexible**: out-of-bundle charged to employee.

2 Introducing the "Nexus Project"

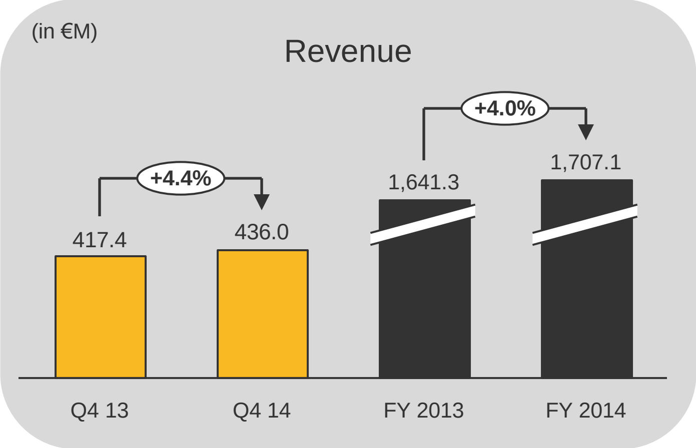
- Nexus stands for "Network Expansions Underpinning our Strategy" and is a **footprint expansion** in existing and new business parks;
- Already connected **24 greenfield business parks** in 2014.

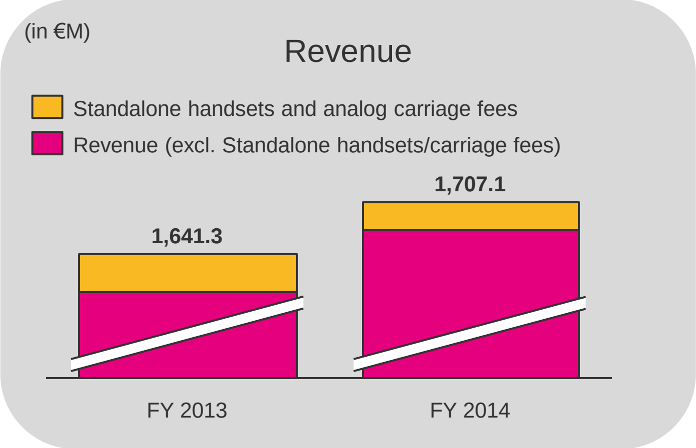
Financial Highlights & FY 2015 Outlook

Birgit Conix, Chief Financial Officer

Revenue up 4% yoy to €1,707.1 million

Impacted by substantially lower revenue from low-margin standalone handset sales and analog carriage fees

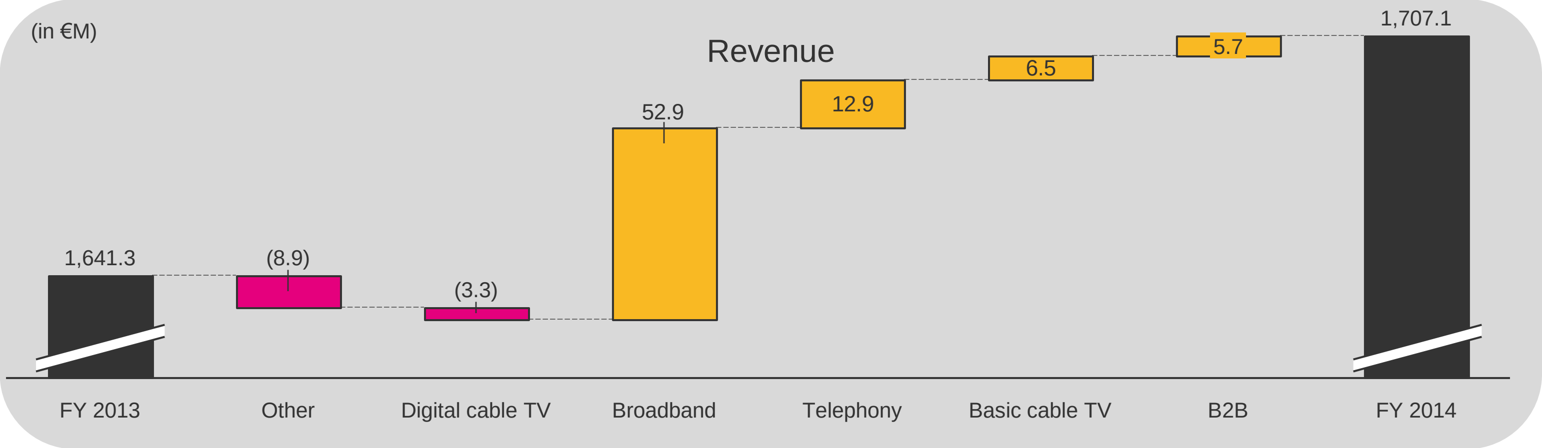




- **Revenue of €1,707.1 million in 2014, up 4% yoy**, impacted by (i) €8.7 million lower revenue from the sale of standalone handsets on which we generally earn a small margin; (ii) €5.7 million lower analog carriage fees, and (iii) lower usage-related revenue;
- **Excluding revenue from standalone handset sales and analog carriage fees**, our revenue growth rate would have been higher;
- **Q4 2014 revenue of €436.0 million, up 4% yoy**. Relative to a strong Q3, our top line growth rate slightly contracted as a result of relatively lower net subscriber additions and as Q3 2014 was impacted by higher revenue from set-top box sales following the phasing out of our SD video platform.

Revenue up 4% yoy to €1,707.1 million

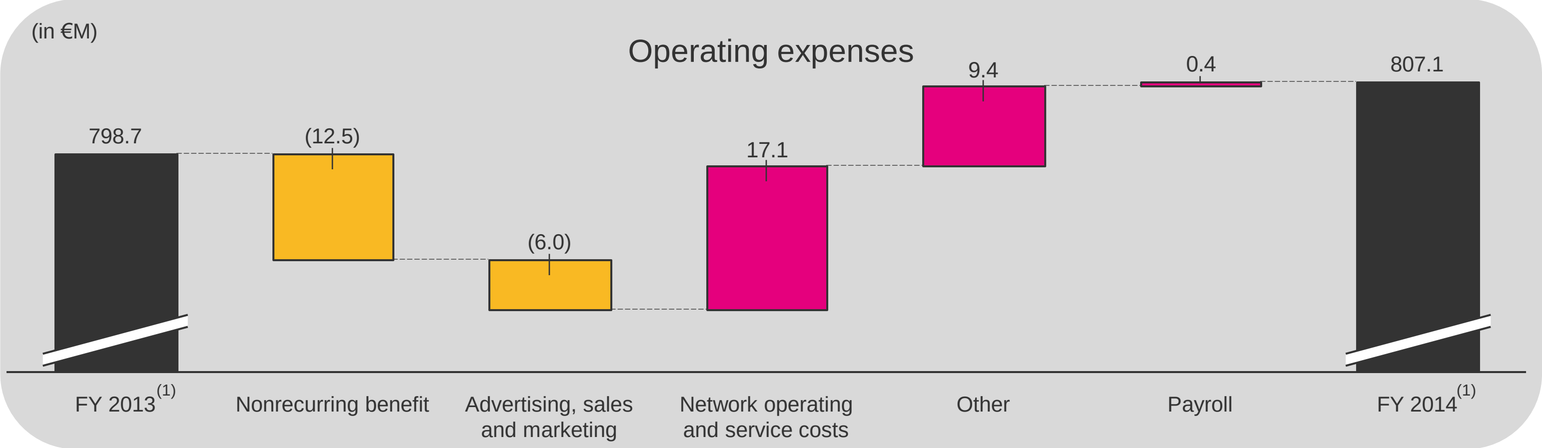
Impacted by substantially lower revenue from low-margin standalone handset sales and analog carriage fees



- Revenue growth in 2014 was driven by (i) **solid triple-play growth**, up 10% compared to Q4 2013, (ii) the benefit of **selective price increases** on certain fixed services since February 2014, (iii) an 8% higher contribution from our **mobile** business and, (iv) a 6% revenue increase in our **B2B** business;
- **Higher basic cable TV revenue** reflected higher copyright fees, but also resulted into higher copyright expenses, while **lower premium cable TV revenue** reflected a higher proportion of bundle discounts, lower transactional VOD revenue and lowered SVOD pricing as of December 2014;
- **15% decrease in Distributors/Other revenue** reflected substantially lower revenue from the sale of standalone handsets and lower analog carriage fees.

Operating expenses(1) slightly up compared to 2013

Excluding a €12.5 million nonrecurring benefit, our operating expenses increased 3% year-on-year

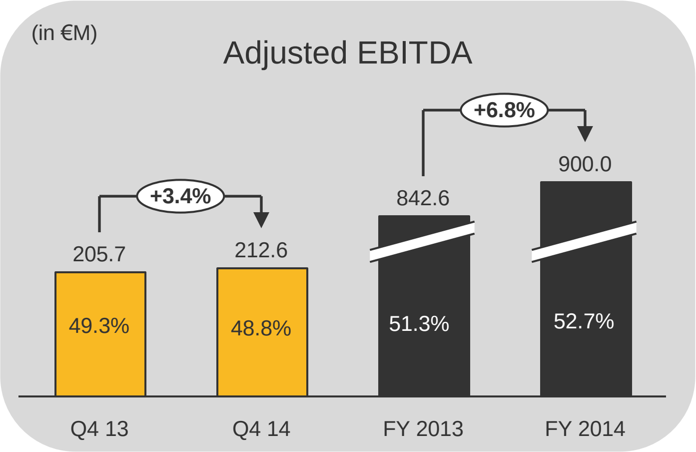


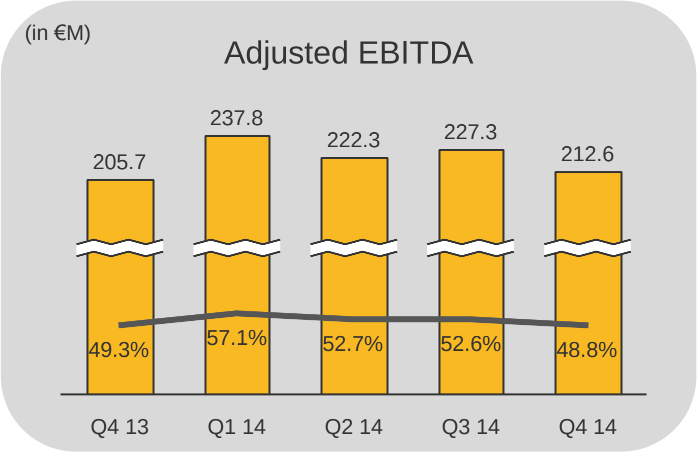
- **8% decrease in advertising, sales and marketing expenses** as broadly stable advertising and marketing costs were more than offset by lower expenses related to outbound direct sales;
- **Network operating and service costs up 3% yoy**, reflecting higher costs related to handset subsidies, relatively higher interconnection expenses, higher copyright and content costs;
- **Increase in other costs** linked to relatively higher corporate advisory, consultancy and legal fees;
- **Slightly higher payroll-related expenses** as growth in our employee base and modest inflation-led wage increases were offset by release of bonus accruals and lower temporary staffing costs.

(1) Excluding depreciation and amortization charges, share based compensation and restructuring charges.

Adjusted EBITDA of €900.0 million, up 7% yoy

Driven by triple-play efficiences, overall control of our overhead expenses and including a €12.5 million nonrecurring benefit

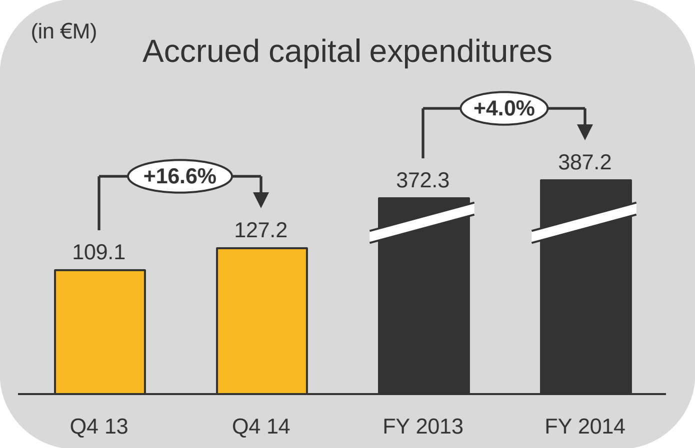


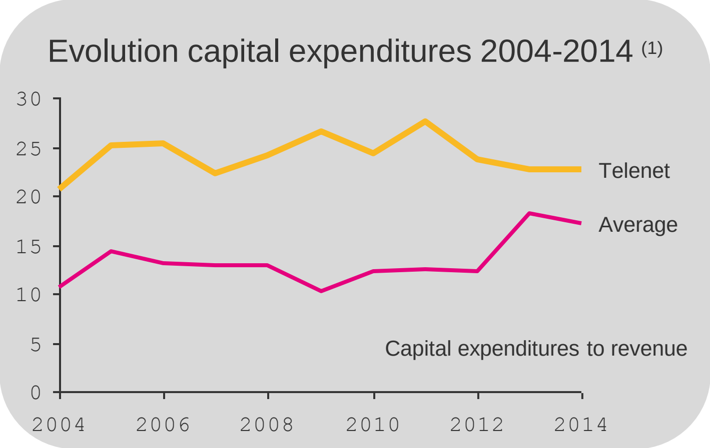


- **Adjusted EBITDA increased 7% yoy to €900.0 million** as a result of multiple-play efficiences, overall control of our overhead expenses and including a nonrecurring €12.5 million benefit;
- Despite a relatively bigger weight of lower-margin mobile and premium content revenue in our overall revenue mix and excluding the aforementioned benefit, **our underlying margin grew by 70 basis points**;
- **Anticipated seasonal margin contraction in Q4** driven by higher commercial expenses, including relatively higher handset subsidies, and the revamp of our premium content products. **Q4 2014 Adjusted EBITDA achieved of €212.6 million, up 3% yoy**.

Accrued capital expenditures of €387.2 million

Representing around 21% of revenue excluding the renewal of the Belgian football broadcasting rights



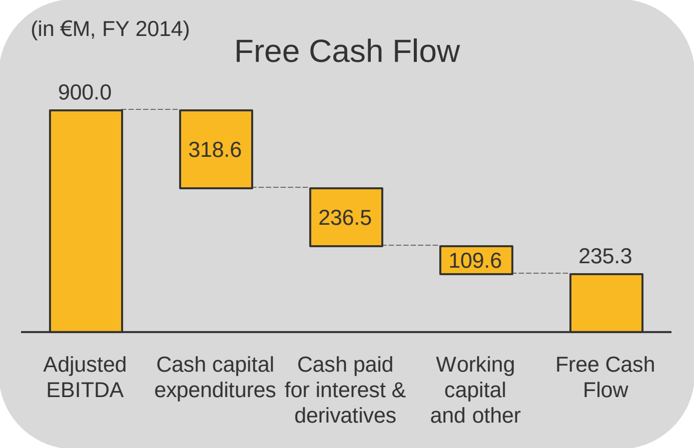


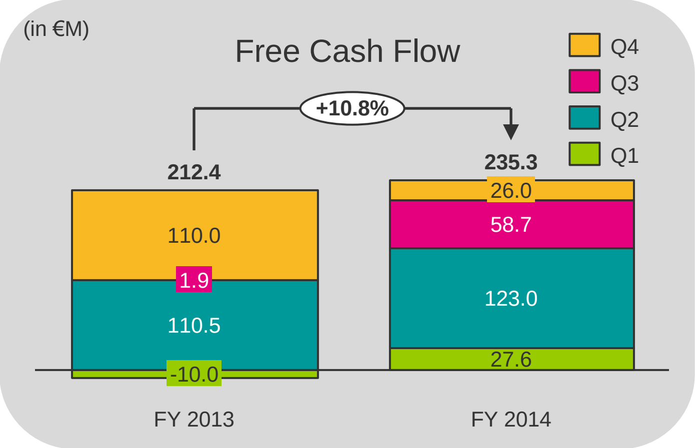
- **Accrued capital expenditures of €387.2 million** in 2014, up 4% yoy, **representing approximately 23% of revenue** (21% excl. the extension of the Belgian football broadcasting rights);
- Accrued capital expenditures in 2014 reflected the **extension of Belgian football broadcasting rights for €28.0 million**, while 2013 reflected the extension of UK Premier League and reversal of set-top box related import duties;
- Compared to our direct Belgian competitors in both fixed and mobile, **we consistently invested more in our network, customers and service offerings**. Hence, we believe to be ideally positioned for the future.

(1) Based on either published company financials or Q4 2014 consensus. Capital expenditures to revenue of Belgian operators excluding Telenet weighted by capital expenditures.

Robust Free Cash Flow of €235.3 million, up 11% yoy

Driven by improved operational performance compared to 2013 and slightly lower cash interest expenses

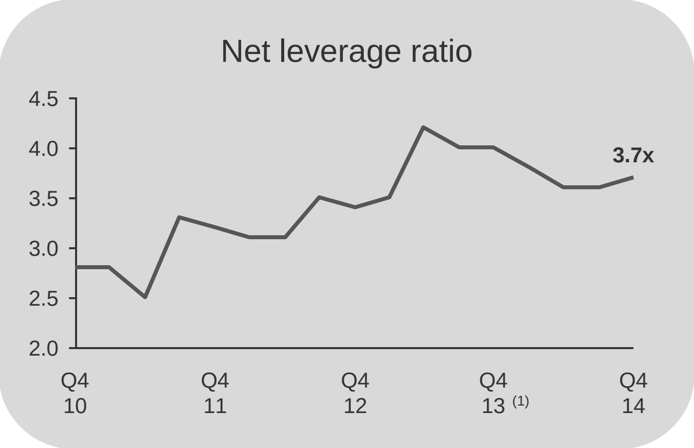


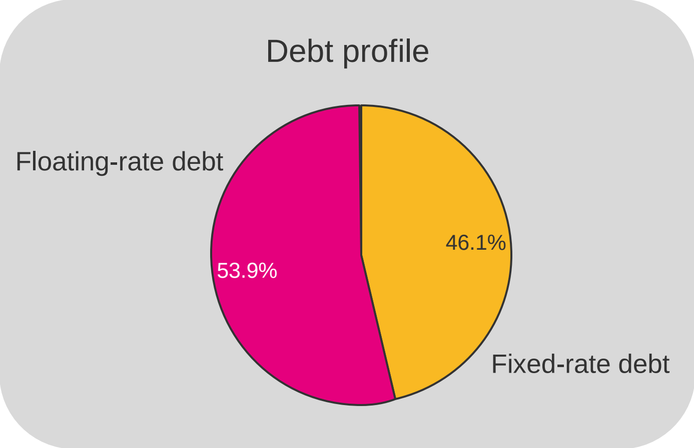


- In 2014, **we generated €235.3 million of Free Cash Flow**, up 11% compared to the full year 2013 when we achieved Free Cash Flow of €212.4 million;
- The robust growth in our Free Cash Flow was directly driven by an **improved operational performance** and **slightly lower cash interest expenses** despite higher cash tax expenses and cash payments related to the settlement of certain operational contingencies;
- **Free Cash Flow of €26.0 million** in Q4 2014 impacted by a temporary negative trend in our working capital trend, which we anticipate to reverse in Q1 2015, and higher cash tax expenses.

Net leverage ratio of 3.7x at December 31, 2014

Compared to 4.0x at December 31, 2013 due to the absence of major shareholder disbursements, demonstrating our de-leveraging capacity





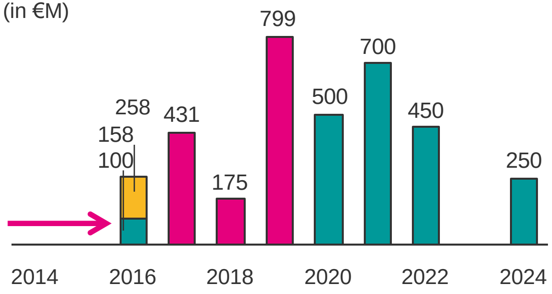
- At December 31, 2014, our **net leverage ratio reached 3.7x**. This was slightly higher compared to the Q3 2014 quarter-end as a result of sequentially lower Adjusted EBITDA, yet comfortably below our covenant at 6.0x and availability test at 5.0x;
- Through **successful refinancing in April 2014,** we extended our average tenor to 7.5 years at attractive market conditions;
- In April 2014, we also **extended our Revolving Credit Facility** from €158.0 million to €322.9 million, which together with the available cash balance of €189.1 million at year-end, provides for ample short-term financial flexibility.

Debt Refinancing

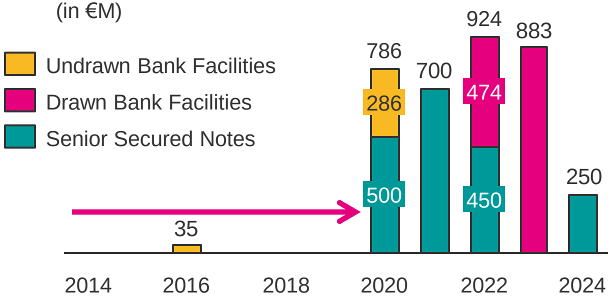
Successful refinancing of Terms Loans Q, R, T and Senior Secured Notes due 2016 at attractive market conditions – extension of Revolving Facility

- **Debt issuance in April 2014** for an aggregate principal amount of €1,357.0 million;
  - **8-year Term Loan W of €474.1 million**, carrying a margin of 3.25% over Euribor;
  - **9-year Term Loan Y of €882.9 million**, carrying a margin of 3.50% over Euribor;
- Net proceeds, together with available cash and cash equivalents, were used to **fully redeem** the outstanding amounts under the **Term Loans Q, R and T** and the **€100.0 million Senior Secured Notes due 2016**;
- **New Revolving Facility X of €286.0 million due September 30, 2020**, resulting in total undrawn commitments of €322.9 million.

Debt maturity profile – pre refinancing
(in €M)



Debt maturity profile – post refinancing
(in €M)



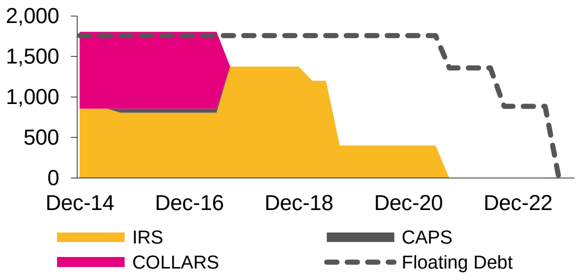
Optimized interest rate derivatives portfolio

Fully hedged until the end of our floating-rate maturity in June 2023 at attractive market rates and lowering cash interest expenses from 2015 and beyond

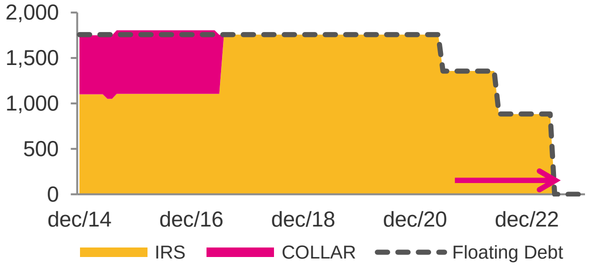
- **Unwinding of hedges** related to €400.0 million Senior Secured Notes due 2021
  - Resulted in one-off cash outflow of €75.6 million in Q4 2014, reflected in our net financing cash flow;
  - Will generate approximately €12.0 million lower cash interest expenses a of 2015 up to 2020, hence boosting our Free Cash Flow.

- **Optimized derivatives portfolio**
  - Following the April 2014 refinancing, we were no longer fully hedged until the end of our floating-rate maturity;
  - Post restructuring, we are fully hedged at attractive market conditions, again resulting into lower cash interest expenses going forward.

Derivatives portfolio – pre restructuring
(in €M)



Derivatives portfolio – post restructuring
(in €M)



Full Year 2015 Outlook

Solid mid single-digit revenue and Adjusted EBITDA growth expected

	As presented on February 12, 2015	
Revenue growth	**4 – 5%**	Driven by a higher contribution from our premium content and mobile businesses, continued growth for our B2B activities and a generally higher contribution from our fixed connectivity business.
Adjusted EBITDA growth	**Around 4%**(1)	Increased investments to boost our premium content platform and higher spending on in-home connectivity, offset by continued focus on overhead expenses. 2014 Adjusted EBITDA included a nonrecurring €12.5 million benefit. Excluding this benefit, the underlying growth rate would be higher.
Accrued capital expenditures (as % of revenue)	**Around 21%**(1)	Broadly stable capex/sales ratio compared to 2014, excluding the renewal of the Belgian football broadcasting rights. Reflects increased investments in our HCF network as part of our “Grote Netwerf” €500.0 million network ugrade program.
Free Cash Flow	**€240.0 – 250.0 million**(2)	Driven by growth in our Adjusted EBITDA, a targeted improvement in our working capital and lower cash interest expenses as a result of our optimized derivatives portfolio, partly offset by substantially higher cash tax expenses in 2015.

(1) Excluding the impact from the extension of the Belgian football broadcasting rights.
(2) Assuming the tax payment on our 2014 tax return will not occur until early 2016.

Share Repurchase Program 2015

€50.0 million share buy-back program authorized, effective today

Committed to deliver **attractive and sustainable shareholder value** in line with our Net Total Debt to Consolidated Annualized EBITDA ratio

Optimal balance between **growth and shareholder returns** and **attractive access to capital markets**

€50.0 million Share Repurchase Program 2015

- Effective as of today for a maximum period of 6 months
- Intend to repurchase a maximum of 1.1 million shares with a maximum consideration of €50.0 million
- Repurchased shares will be used to cover the Company's obligations under existing stock option plans

Concluding Remarks

John Porter, Chief Executive Officer

Concluding remarks

Further investments in our products, customers and network have strengthened our competitive positioning and left us well positioned for healthy growth in 2015

1 Entertainment

Aggregating the best local and international content

- Revamped Yelo TV platform to cater new trends in TV (e.g. swipe TV, catch-up TV, smart search, recommendations)
- Home of HBO and access to local programming: offer the broadest and most exclusive film and TV series

2 Mobile

WiFi offloading as money-saver for customers

- Offer best value for money through a simple portfolio with King, King Supersize and Kong
- Seamless handover between 4G cellular and WiFi via EAP SIM
- Continue expansion of our WiFree homespots

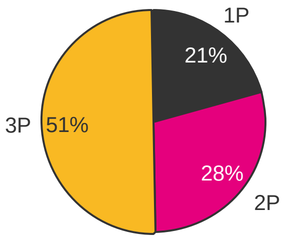
3 Telenet for Business

B2B solutions on the Telenet Business Highway

- Mobile Employee Plan
- Telenet network expansion program in greenfield and existing business parks
- Examples of MLE wins include voice at all Flemish universities and security at "De Persgroep"

4 Triple-play penetration

Fastest and most valuable triple play experience



5 Benefiting from operating leverage: increased focus on cost efficiences

Thank you!

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