TELENET – Q3 2017 RESULTS

INVESTOR & ANALYST CALL

26 October 2017

SAFE HARBOR DISCLAIMER

Private Securities Litigation Reform Act of 1995

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

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

EXECUTIVE SUMMARY

KEY HIGHLIGHTS

Q3 2017

Strategic Highlights

- **Mobile network upgrade and customer onboarding ahead of plan**
  - Modernization of our mobile network well underway with around 72% of our 2,800 macro sites upgraded and 129 new sites deployed at September 30, 2017
  - Accelerated onboarding of our Full MVNO customers with around 54% on the Telenet network at the end of September 2017
  - Targeting full completion by the end of Q1 2018 versus end-2018 initially
- **Significant product improvements increasing value for money**
  - Improved "WIGO" quad-play packages, including higher mobile data allowances that can be shared amongst family members
  - Revamped BASE tariff plans, tailored to customers' needs
- **Putting innovation at the core through the Telenet innovation center**
  - Innovation hub opened in Brussels with focus on 5G and Internet of Things deployments
  - International hub for all of the Liberty Global countries in Europe

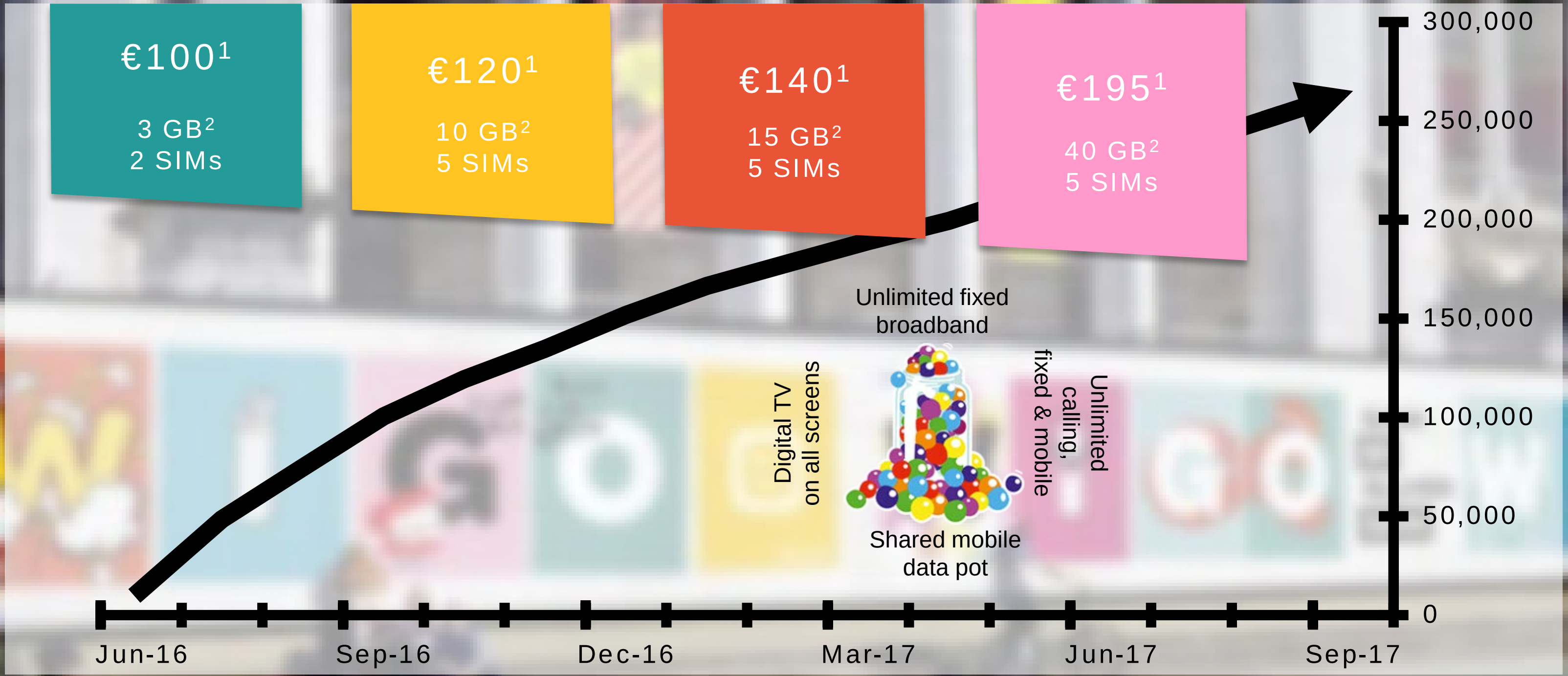
Operational & Financial Highlights

- **Accelerated momentum for our "WIGO" quad-play offers**
  - Reaching 265,100 subscribers at the end of September 2017, resulting in a robust net inflow of 40,700 subscribers in Q3 2017
  - Around 12% of our customer base is on "WIGO" now with around 25% overall quad-play penetration amongst our customer base
- **Robust net mobile postpaid subscriber growth**
  - 40,200 net postpaid additions in Q3 2017 driven by "WIGO"
  - Stabilizing performance in prepaid post the June 2017 mandatory prepaid registration
- **Broadly stable qoq net subscriber trend for our advanced fixed services[1] in Q3 2017 despite a continued intensely competitive environment and a tough promotional quarter**
- **On track to deliver on our FY 2017 outlook and medium-term outlook over the 2015-2018 period post SFR BeLux integration**
  - Rebased[2] revenue and Adjusted EBITDA growth of 1% and 5%, respectively, in 9M 2017 to €1,884.3 million and €911.2 million
  - Robust Adjusted Free Cash Flow of €345.4 million in 9M 2017
  - Board of directors will reassess the Company's balance sheet structure in February next year

1. Advanced fixed services include enhanced video, broadband internet and fixed-line telephony
2. On a rebased basis – please see Definitions for additional information

RENEWED “WIGO”

BOOSTS QUAD-PLAY PENETRATION AND MOBILE GROWTH



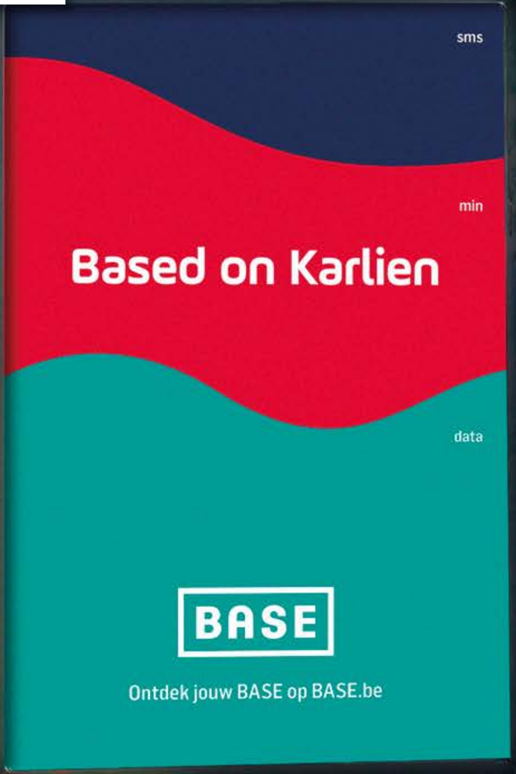
1. Prices per month, including 21% VAT
2. Shared mobile data allowance

REVAMPED BASE TARIFFS

TAILORED TO CUSTOMERS' NEEDS

Introducing "Based on you"

1. **Flexible** to either use data, SMS or voice dependent on the appetite of customer
2. **Carry over** of unused volume to next month
3. **Simple and transparent** (out-of-bundle rate = in-bundle rate)



RAN[1] UPGRADE WELL UNDERWAY

ALLOWING FOR ACCELERATED ONBOARDING TO OUR OWN NETWORK

Site deployment (Q3 2017)

72%
UPGRADED SITES

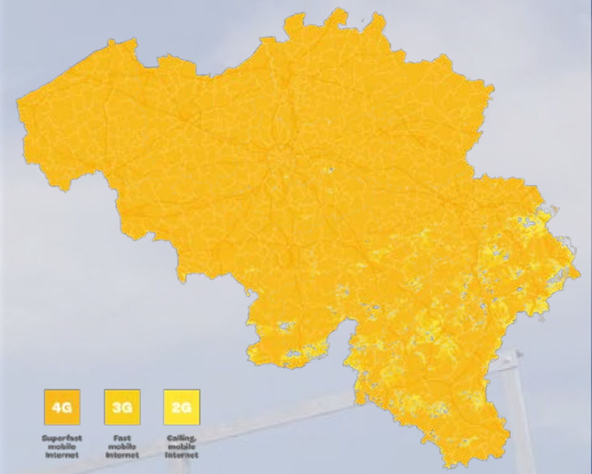
129
NEW SITES deployed

Full MVNO customers onboarded

54%
Q3 2017

100%
TARGETED BY END Q1 2018
(vs end-2018 initially)

Mobile network



RESULTING IN A €29.2 MILLION NON-CASH RESTRUCTURING CHARGE IN Q3 2017

1. Radio Access Network

GROTE NETWERF

CONTINUOUS IMPROVEMENT OF OUR FIXED INFRASTRUCTURE

€500 million investment program, moving to a Gigabit network and allowing data download speeds of at least 1 Gbps

Targeting ~65% of nodes upgraded by year-end 2017

PUTTING INNOVATION AT THE CORE

THROUGH THE TELENET INNOVATION CENTER

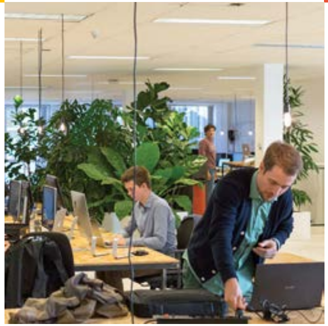
Innovation Center

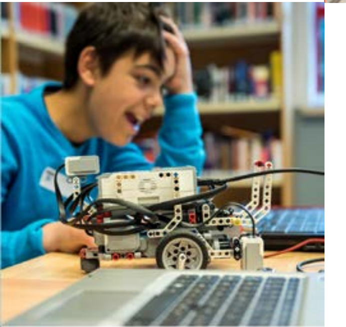
Innovation Center

CSR EFFORTS REWARDED

LEADING POSITION IN EUROPEAN AND GLOBAL INDICES CONFIRMED

Dow Jones Sustainability Indexes



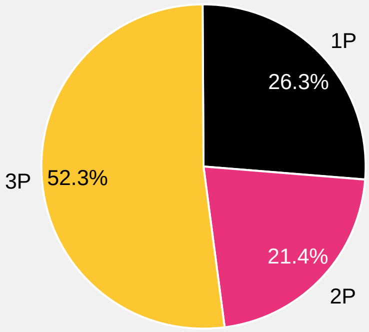


OPERATIONAL HIGHLIGHTS

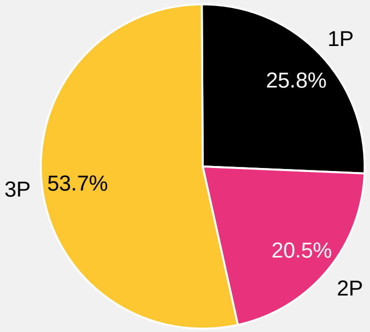
FIXED[1] MULTIPLE-PLAY PENETRATION

ARPU PER CUSTOMER RELATIONSHIP UP 4% FOR 9M 2017

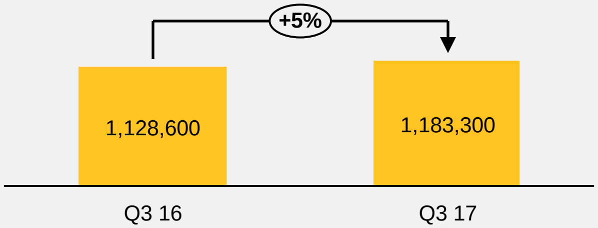
Customer mix[1] (September 30, 2016)



Customer mix[1,2] (September 30, 2017)

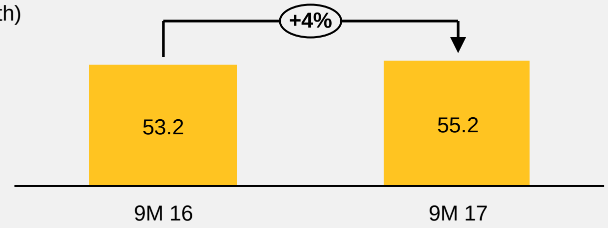


Triple-play subscribers[1,2]



ARPU per customer relationship

(in €/month)



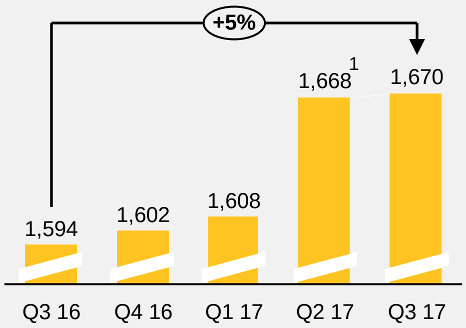
1. Excluding mobile telephony and entertainment services
2. Including SFR BeLux subscribers

BROADBAND INTERNET

MODESTLY IMPROVED NET SUBSCRIBER TREND IN Q3 2017

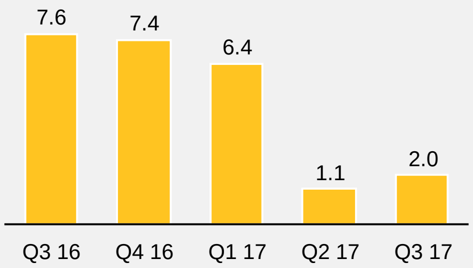
Subscriber base

(in ‘000)

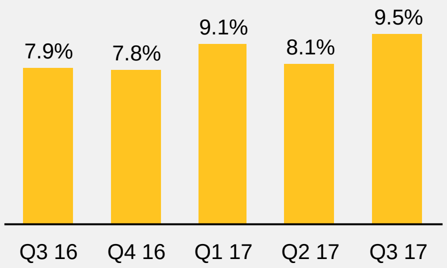


Net additions

(in ‘000)



Annualized churn



- **1,670,400 broadband internet subscribers at September 30, 2017, +5% yoy**, including 60,100 inorganic subscribers added through the June 2017 SFR BeLux acquisition
- **2,000 net broadband internet subscriber additions in Q3 2017,** modestly improved run-rate qoq, yet still impacted by the intensely competitive environment
- Slowdown in net residential subscriber growth was partially offset by a strong performance in the business segment thanks to continued traction for our "FLUO" and "WIGO Business" bundled offers
- Higher annualized churn relative to last year at 9.5% in Q3 2017, reflecting the intensely competitive environment

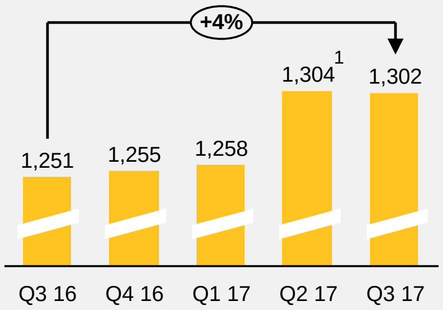
1. Including 60,100 inorganic subscribers added through the June 2017 SFR BeLux acquisition

FIXED-LINE TELEPHONY

IMPACTED BY COMPETITION AND DECLINING MARKET TREND

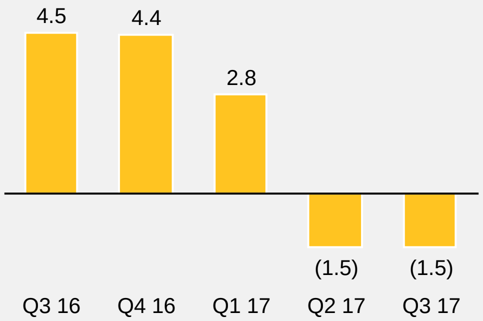
Subscriber base

(in ‘000)

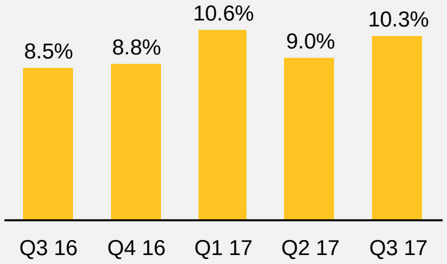


Net additions (losses)

(in ‘000)



Annualized churn



- **1,302,500 fixed-line telephony subscribers at September 30, 2017, up 4% yoy**, including 48,100 inorganic additions from the SFR BeLux acquisition in Q2 2017
- **Net loss of 1,500 fixed-line telephony subscribers in Q3 2017** amidst tough competitive environment and an overall declining market trend, consistent with our Q2 2017 performance
- Annualized churn of 10.3% in Q3 2017 remained above last year’s level and reflected the factors mentioned above

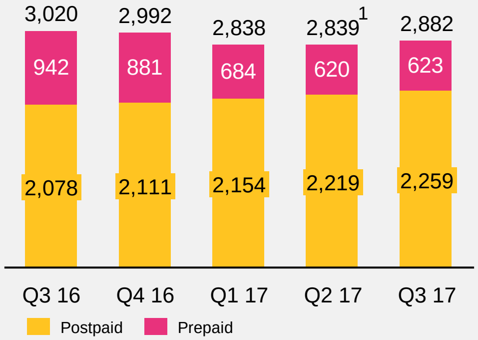
1. Including 48,100 inorganic subscribers added through the June 2017 SFR BeLux acquisition

MOBILE TELEPHONY

SOLID NET POSTPAID SUBSCRIBER ADDITIONS

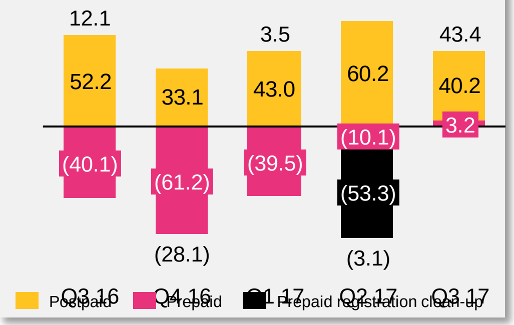
Subscriber base

(in ‘000)

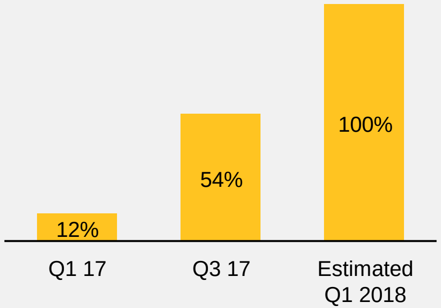


Net additions

(in ‘000)



Full MVNO onboarded customers

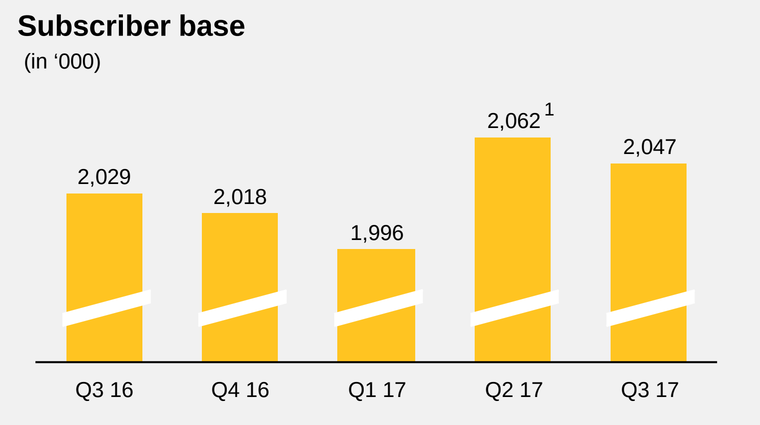


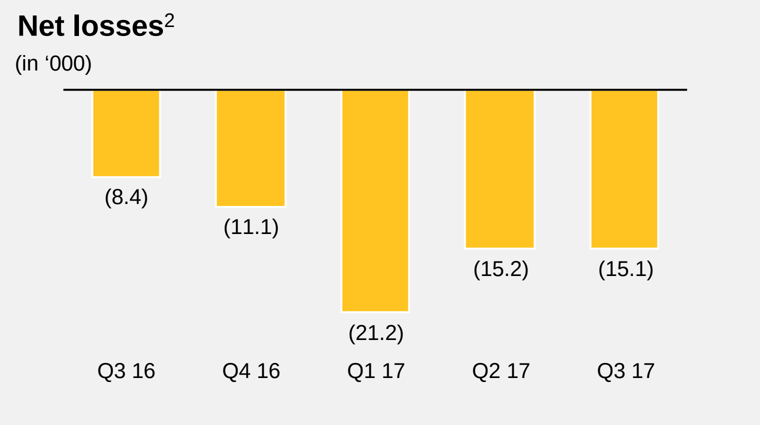
- **2,882,100 active mobile subscribers at September 30, 2017**, of which just over 2.2 million postpaid subscribers
- **Solid net postpaid subscriber growth of 40,200 in Q3 2017** thanks to the continued strong uptake of our "WIGO" and our improved offers
- **Stabilizing performance in prepaid** post the June 2017 mandatory prepaid registration
- **Accelerated onboarding of our Full MVNO customers** to our own network, targeting full completion by end Q1 2018 versus end-2018 initially

1. Including 4,300 inorganic postpaid subscribers added through the June 2017 SFR BeLux acquisition

VIDEO

NET LOSS TREND MIRRORED TOUGH COMPETITIVE ENVIRONMENT





- **2,046,900 video subscribers at September 30, 2017**, including 82,200 inorganic additions through the SFR BeLux acquisition in Q2 2017
- **Net loss of 15,100 video subscribers in Q3 2017**, which was broadly stable versus our Q2 2017 performance
- **Increased churn as compared to last year** reflected the increased competitive environment, including the effects from regulated cable wholesale

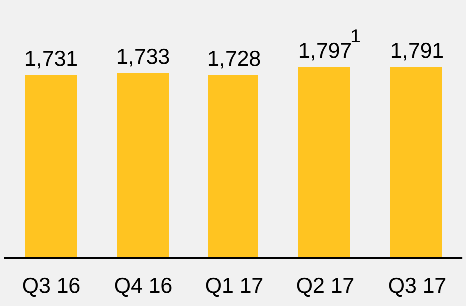
1 Including 82,200 inorganic subscribers added through the June 2017 SFR BeLux acquisition
2 Organic loss excludes migrations to our enhanced video service and represents customers churning to competitors' platforms, such as other digital television, OTT and satellite providers, or customers terminating their television service or having moved out of our service footprint

ENHANCED VIDEO

NET LOSS IMPACTED BY TOUGH COMPETITION

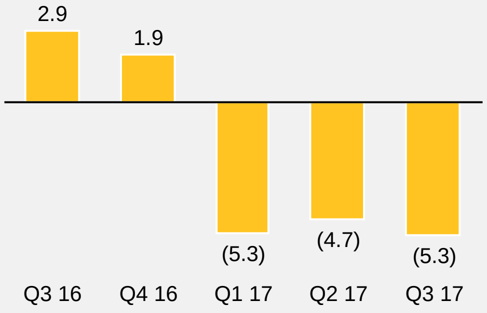
Subscriber base

(in '000)

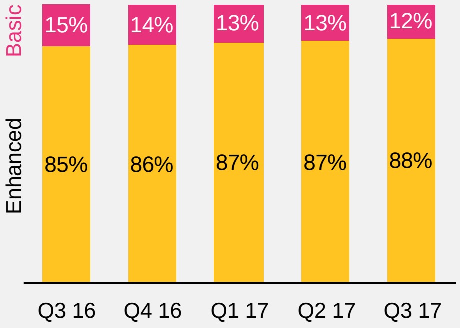


Net additions (losses)

(in '000)



Digitalization rate



- **1,791,200 enhanced video subscribers at September 30, 2017**, including 74,700 from the SFR BeLux acquisition in Q2 2017 and representing **around 88% of our total video subscriber base**
- **Net decrease of 5,300 enhanced video subscribers in Q3 2017** as a result of the intensely competitive environment
- All of our enhanced video subscribers can access our **"Yelo Play" app**, through which they can enjoy a unique content experience on multiple connected devices in the home and out-of-home through our WiFi Homespots and hotspots.

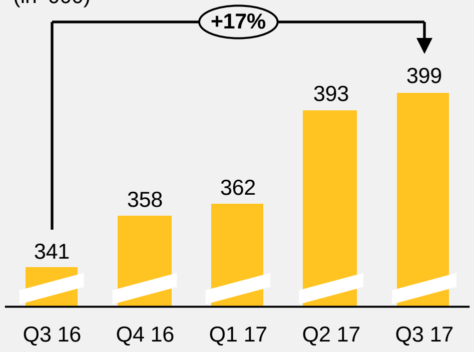
1. Including 74,700 inorganic subscribers added through the June 2017 SFR BeLux acquisition

PREMIUM ENTERTAINMENT

CONTINUED TRACTION IN SUBSCRIPTION VOD OFFERS

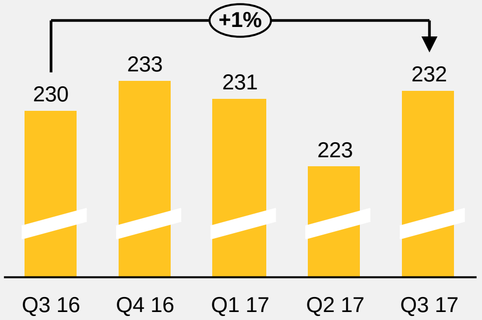
"Play" & "Play More" subscribers

(in '000)



"Play Sports" subscribers

(in '000)

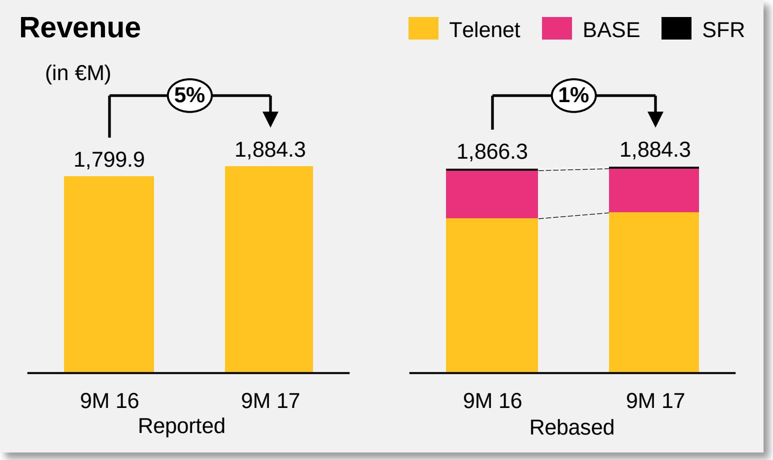


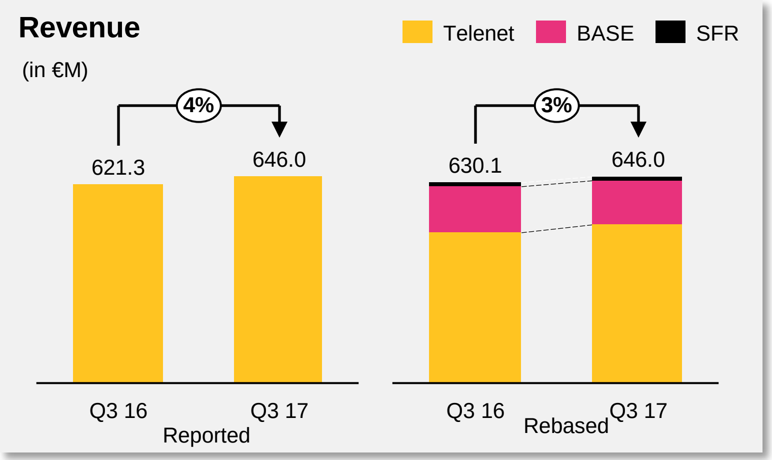
- Our premium entertainment offers **"Play" and "Play More" reached 399,100 customers at September 30, 2017, up 17%** compared to Q3 2016 with solid growth on a sequential basis
- Net subscriber growth was driven in large part by revamp of our premium entertainment platform "Play More" as we enriched the linear viewing experience while introducing a new user interface and the continued investments in promising local content
- At September 30, 2017, **232,000 customers subscribed to "Play Sports",** representing a 4% increase compared to Q2 2017 in line with general seasonality due to the start of all major football championships in Europe

FINANCIAL HIGHLIGHTS

REVENUE OF €1,884.3 MILLION

UP 1% YOY ON A REBASED[1] BASIS FOR 9M 2017



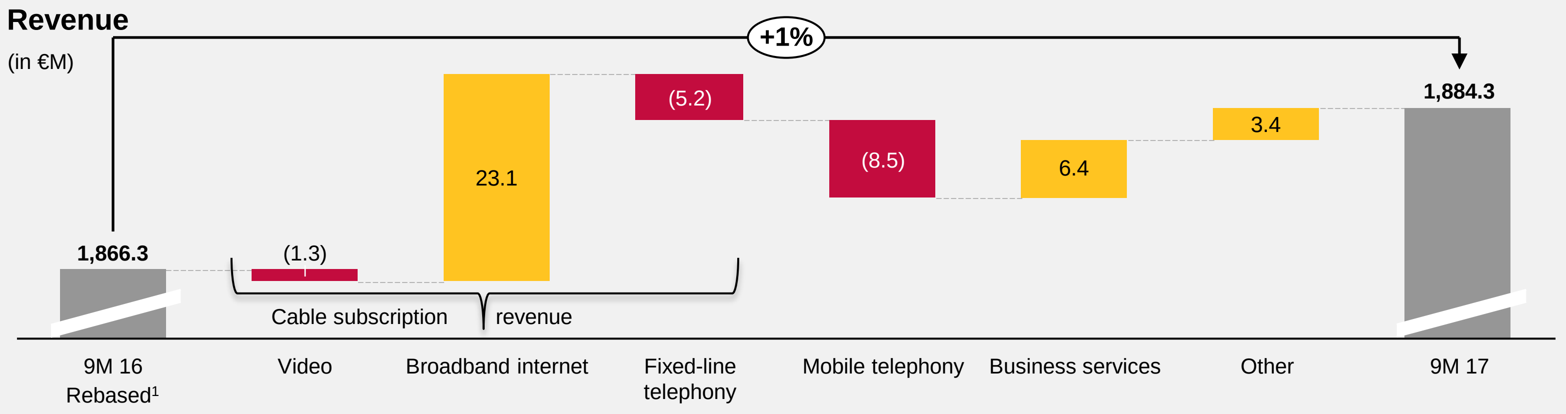


- **Revenue of €1,884.3 million in 9M 2017, +5% yoy**, primarily driven by inorganic movements such as a full nine-month contribution from BASE, and the acquisition of SFR BeLux on June 19, 2017 contributing €17.1 million to our revenue in the period. These inorganic movements were partially offset by the sale of Ortel to Lycamobile as per March 1, 2017 and the discontinuation of certain fixed legacy products at BASE
- **On a rebased basis, we achieved 1% revenue growth** in 9M 2017 as significantly higher wholesale revenue and higher cable subscription and B2B revenue were offset by a lower contribution from our mobile business, including lower interconnection and handset-related revenue
- **In Q3 2017, we recorded revenue of €646.0 million**, +3% yoy on a rebased basis reflecting the full onboarding of the Lycamobile Full MVNO customers and higher B2B revenue, partially offset by lower mobile revenue

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

REVENUE OF €1,884.3 MILLION

IMPACTED BY ANTICIPATED REGULATORY HEADWINDS



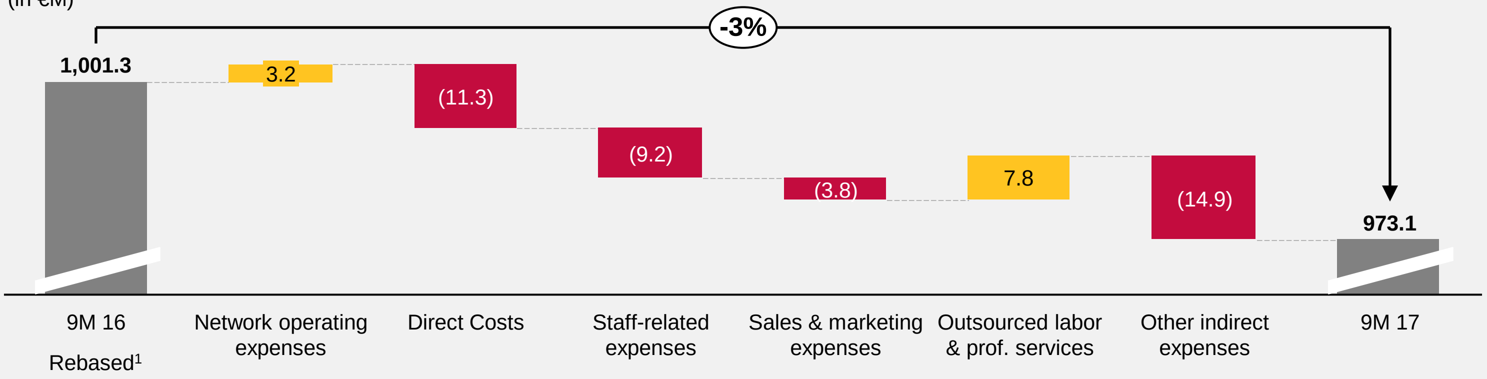
- **Cable subscription revenue up 2% yoy on a rebased basis**, driven by "WIGO" and the benefit from the February 2017 rate adjustment, partially offset by higher bundle discounts
- **B2B revenue up €6.4 million, or 7% yoy, on a rebased basis** driven by higher security-related revenue and higher revenue from our connectivity solutions in the SME segment
- **Other revenue up €3.4 million on a rebased basis** as lower revenue from handset sales and interconnection was more than offset set by higher revenue from our commercial and regulated wholesale partners, including Lycamobile
- **Mobile telephony revenue fell 2% on a rebased basis** due to lower out-of-bundle usage generated by our mobile subscribers and a higher proportion of "WIGO"-related discounts allocated to our mobile telephony revenue

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

OPERATING EXPENSES

-3% YOY ON A REBASED BASIS[1] THROUGH CONTINUED COST CONTROL

Operating expenses
(in €M)

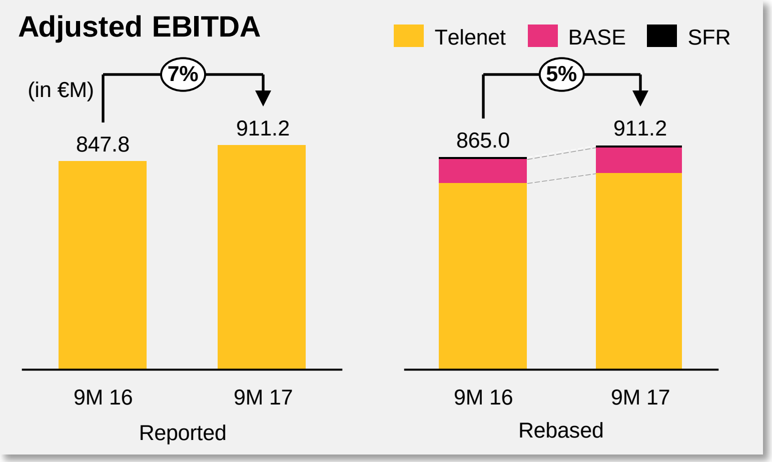


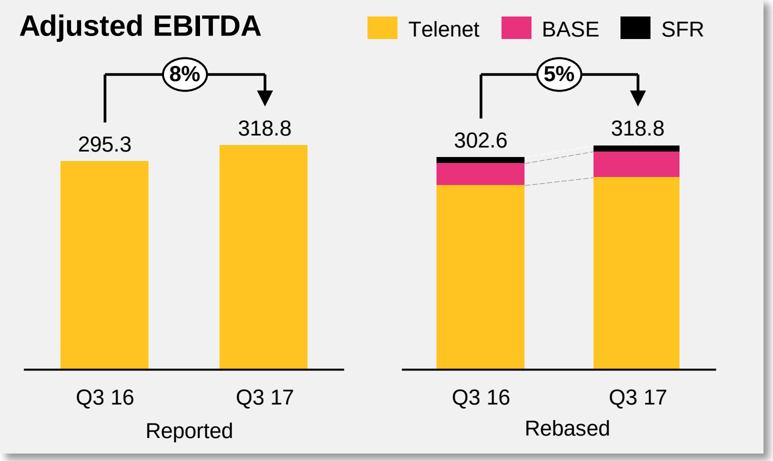
- **Direct costs were €447.2 million in 9M 2017**, down 2% yoy on a rebased basis driven by substantially lower costs related to handset sales and subsidies and lower MVNO-related costs linked to the accelerated customer onboarding
- **Other indirect expenses showed a 12% yoy decrease on a rebased basis**, driven by our continued focus on managing our overhead expenses
- **Staff-related expenses decreased €9.2 million yoy on a rebased basis** driven by lower staffing levels and an increase in capitalized labor driven by the modernization of our fixed and mobile infrastructures
- **Sales and marketing expenses decreased by 5% on a rebased basis** as the prior year period was characterized by various major marketing campaigns, including handset promotions, and timing variances in some of our campaigns

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

ADJUSTED EBITDA OF €911.2 MILLION

+5% YOY REBASED[1] FOR 9M 2017





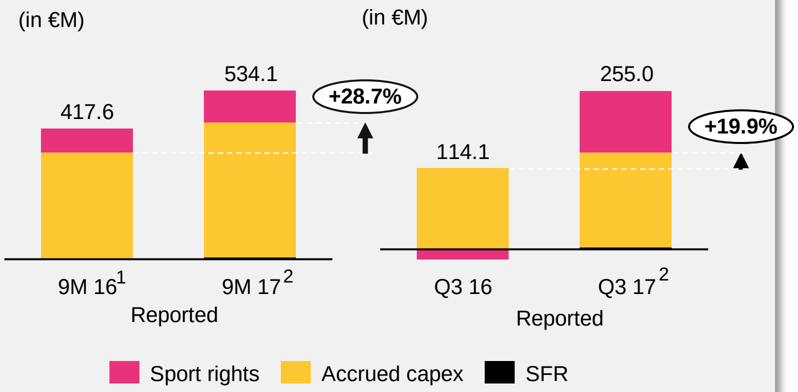
- **Adjusted EBITDA of €911.2 million in 9M 2017, up 7% yoy**. Our 9M 2016 Adjusted EBITDA included a €6.0 million nonrecurring favorable impact, without which the Adjusted EBITDA growth would have been stronger
- **5% rebased Adjusted EBITDA growth achieved in 9M 2017**, supported by (i) lower costs associated with handset sales and subsidies, (ii) lower MVNO-related costs driven by the accelerated onboarding of our Full MVNO customers, (iii) lower integration and transformation costs versus the prior year period and (iv) control of our overhead expenses
- **Q3 2017 Adjusted EBITDA of €318.8 million, +5% yoy on a rebased basis**. Further margin improvement both on a sequential and yoy basis driven by cost synergies and a tight management of our overhead expenses

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

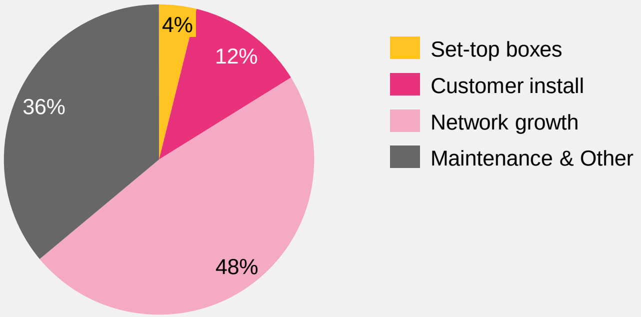
ACCRUED CAPITAL EXPENDITURES

REACHING €534.1 MILLION IN 9M 2017, ~28% OF REVENUE

Accrued capital expenditures



Accrued capital expenditures[3]

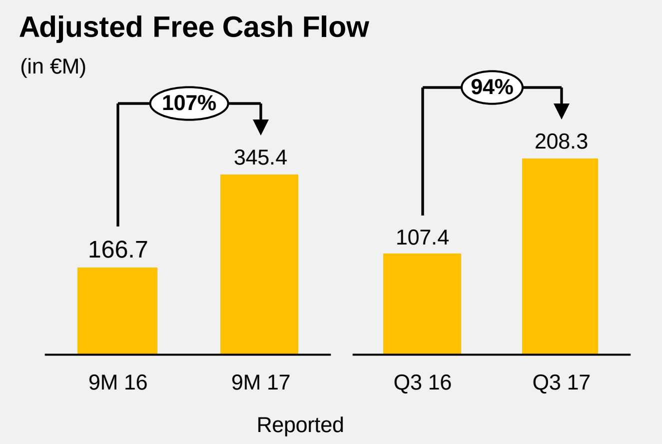


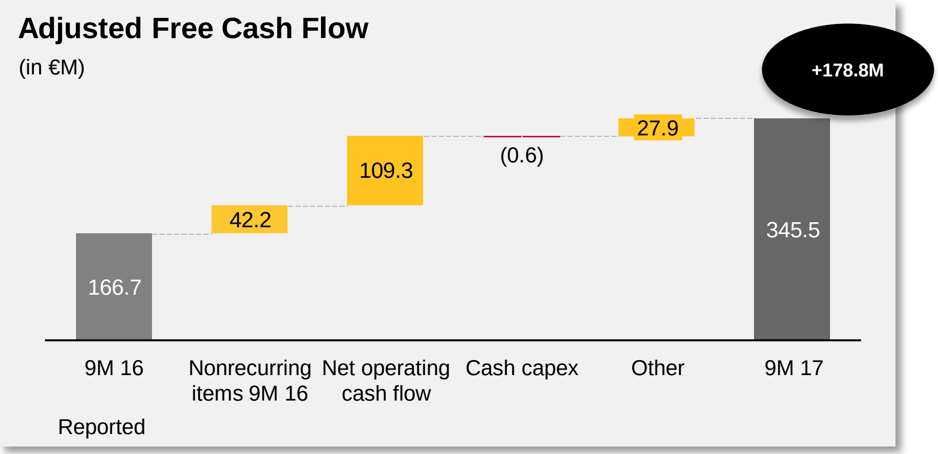
- **Accrued capital expenditures reached €534.1 million for 9M 2017,** representing approximately 28% of our revenue
- Accrued capital expenditures for 9M 2017 reflected the recognition of the Belgian football broadcasting rights for three seasons as of the 2017-2018 season. Excluding this impact, they represented approximately **23% of our revenue**
- Compared to last year, our **accrued capital expenditures reflected higher network investments** as part of our 1 GHz HFC upgrade project and the start of our mobile network upgrade program

1. Our accrued capital expenditures for 9M 2016 reflected the recognition of the non-exclusive broadcasting rights for the Jupiler Pro League for the 2016-2017 season and the exclusive UK Premier League broadcasting rights for the three seasons starting 2016-2017. Under EU IFRS, these broadcasting rights have been capitalized as intangible assets and will be amortized on a pro-rata basis as the season progresses
2. Our accrued capital expenditures for Q3 2017 and 9M 2017 reflected the recognition of the non-exclusive broadcasting rights for the Jupiler Pro League for the three seasons as of the 2017-2018 season. Under EU IFRS, these broadcasting rights have been capitalized as intangible assets and will be amortized on a pro-rata basis as the season progresses.
3. Excluding football broadcasting rights

ADJUSTED FREE CASH FLOW

+107% YOY TO €345.4 MILLION



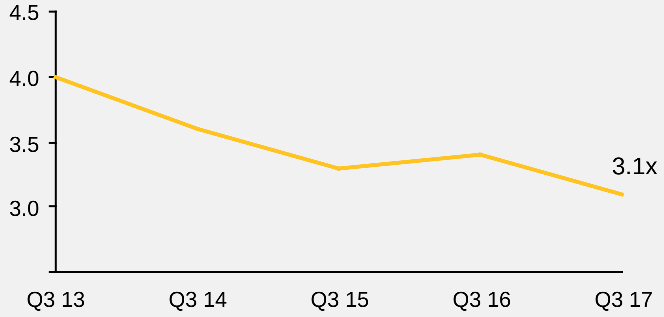


- **Adjusted Free Cash Flow of €345.4 million in 9M 2017** compared to Adjusted Free Cash Flow of €166.7 million for the 9M 2016 when our Adjusted Free Cash Flow was impacted by a nonrecurring €23.5 million cash outflow following a favorable contract renegotiation and the payment of €18.7 million of ticking fees linked to the BASE acquisition
- Adjusted Free Cash Flow for 9M 2017 was impacted by €22.4 million million higher cash taxes relative to the prior year period, which was more than offset by (i) our underlying robust Adjusted EBITDA growth, (ii) the benefit from our vendor financing program, (iii) lower cash interest expenses and (iv) an improved working capital trend
- **Robust Adjusted Free Cash Flow of €208.3 million in Q3 2017**, up 94% yoy

NET LEVERAGE RATIO[1] OF 3.1X

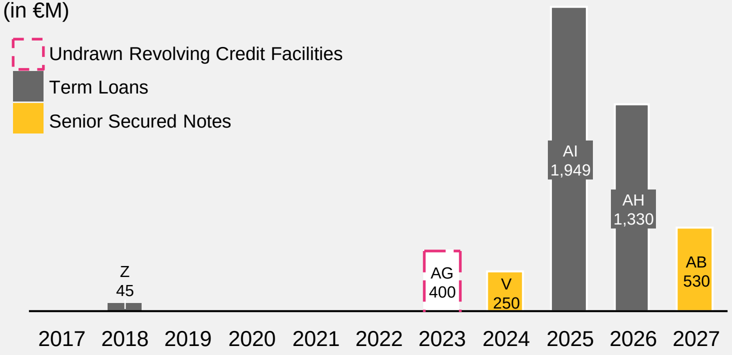
IMPACTED BY OUR 2017 AMENDED SENIOR CREDIT FACILITY

Net leverage ratio



Debt profile

(in €M)



- As of September 30, 2017, the outstanding balance of our consolidated total borrowings and total cash and cash equivalents resulted in a **net leverage ratio of 3.1x**
- **The sequential decrease** was primarily due to our 2017 Amended Senior Credit Facility as any lease-realted liabilities are now excluded from the net leverage ratio (Q2 2017: €165.9 million)
- In order to partially fund the **acquisition of SFR Belux**, we drew €210.0 million under our revolving credit facilities in June 2017, of which we repaid €165.0 million in Q3 2017. The remaining €45.0 million has been repaid and cancelled in early October 2017, hence leaving no debt maturities prior to August 2024.

1 As per our 2017 Amended Senior Credit Facility - please see Definitions for additional information.

FY 2017 OUTLOOK RECONFIRMED

WITH ADJUSTED FREE CASH FLOW EXPECTED TO COME IN TOWARDS THE UPPER END OF OUR OUTLOOK

Revenue growth *(rebased)*	**Stable** (FY 2016: €2,502.6 million)[1]
Adjusted EBITDA growth *(rebased)*	**Mid-single-digit** (FY 2016: €1,138.3 million)[1]
Accrued capital expenditures *(as % of revenue)*	**Around 24%**[2]
Adjusted Free Cash Flow	**€350M to €375 million**[3]

Targeting 5-7% rebased Adjusted EBITDA growth over the 2015-2018 period (‘CAGR’)[4]

1. Including SFR BeLux – Please see Definitions for additional information
2. Excluding the recognition of football broadcasting rights
3. Assuming the tax payment on our 2016 tax return will not occur until early 2018
4. Compound Annual Growth Rate


Q & A

IMPORTANT REPORTING CHANGES

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

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

DEFINITIONS

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

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

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

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

DEFINITIONS

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

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

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

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

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

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

DEFINITIONS

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

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

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

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

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

p. **Net leverage ratio** is calculated as per the 2017 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, divided by last two quarters' Consolidated Annualized EBITDA.

THANK YOU

Rob Goyens
Vice-President Treasury, Investor Relations & Structured Finance
+32 15 333 054
rob.goyens@telenetgroup.be

Dennis Dendas
Investor Relations Analyst
+32 15 332 142
dennis.dendas@telenetgroup.be

Martine Van Dromme
Corporate Access
+32 15 332 159
Martine.van.dromme@telenetgroup.be