



TELENET CAPITAL MARKETS DAY

London, December 5th, 2018



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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, Coditel S.à r.l. and Nextel 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.



HERE FROM **TELENET** TODAY



Bert De Graeve

Chairman of the Board of Directors



John Porter

Chief Executive Officer



Micha Berger

Chief Technology Officer



Martine Tempels

SVP Telenet Business



Jeroen Bronselaer

SVP Residential Marketing



Sam Lloyd

Chief Information Officer



Benedikte Paulissen

Chief Customer Officer



Erik Van den Enden

Chief Financial Officer



Dieter Nieuwdorp

*SVP Strategy & Corporate
Development*



Ann Caluwaerts

Chief Corporate Affairs



1

POISED TO WIN IN THE BELGIAN MARKET

John Porter, Chief Executive Officer



WE HAVE DELIVERED
ON OUR AMBITIOUS 15-18 PLAN



WE HAVE DELIVERED ON OUR AMBITIOUS 15-18 PLAN

Our 15-18 ambition

Fully on track

- 1** Unlock the potential in business solutions
 - ✓ Market share +2pp
 - ✓ ARPU +20%
- 2** Lead in connected entertainment
 - ✓ 42% 4P penetration
 - ✓ 50% mobile attach rate
 - ✓ 30% entertainment attach rate
- 3** Build a leading integrated network
 - ✓ 1GBps ready fixed network
 - ✓ Top 4G mobile network
- 4** Control our own destiny nationwide
 - ✓ Delivering on planned synergies
 - ✓ Expanded footprint in Brussels
 - ✓ Nationwide mobile network
- 5** Secure profitable growth
 - ✓ On track for Adj. EBITDA CAGR 6-7%



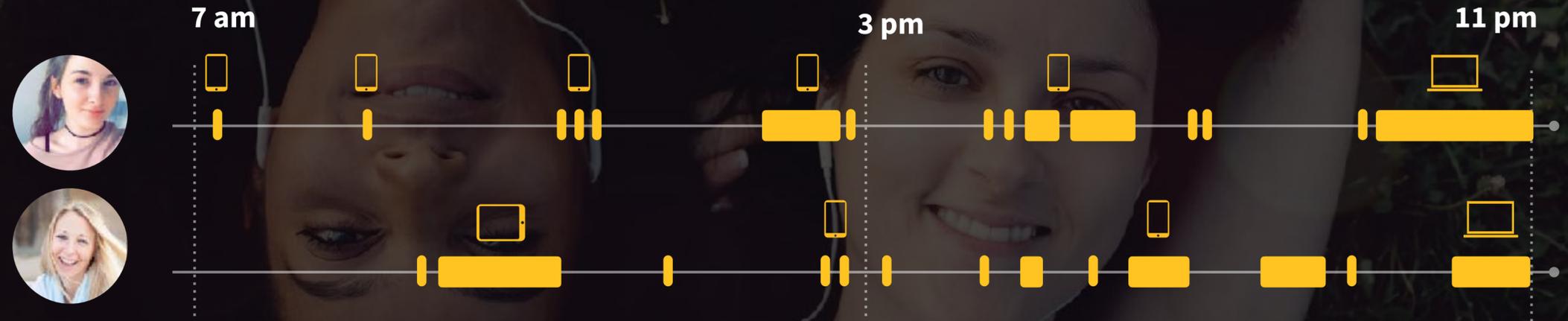
**THE PACE OF CHANGE
IS ACCELERATING**





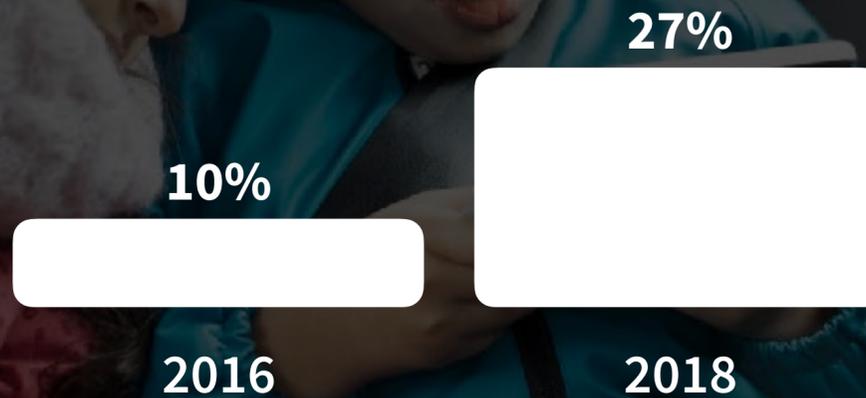
THE PACE OF CHANGE IS ACCELERATING

Changing Consumer Habits¹



Increasing device penetration²

10+ devices per HH



+50%

Mobile³
data traffic CAGR

+40%

Fixed³
data traffic CAGR

- Cloud PBX & voice integration
- Security & digital presence

¹ Source: Internal customer research

² Source: Internal data, Telenet internet customer base

³ Source: Telenet network traffic volume



AT THE END OF A REGULATORY CYCLE

Cable regulation

- Cable cost model being prepared by the regulator
- Timing not before mid-2019

¹ Source: BIPT

² Source: Internal Market Analysis

Roam like Home, Fixed- Mobile termination

We weathered €70 million of regulatory headwinds

4th entrant

- 20% POP coverage obligation before national roaming¹
- Very strict radiation norms
- Building permits take 400-700 days
- Pylon taxes
- Mobile prices already down 30-50% since 2012
- Converged market: >50% of consumers in bundle²



OUR PURPOSE

**Staying one step ahead
in the digital world.
Connecting people and
creating experiences.
For a better quality of
life.**





WE DO BUSINESS IN A SUSTAINABLE WAY

¹ Source: DJSI survey 2018

² Source: Employee wellbeing survey 2018



Dow Jones
Sustainability
Indexes

Responsible Business Practices



Digital Society



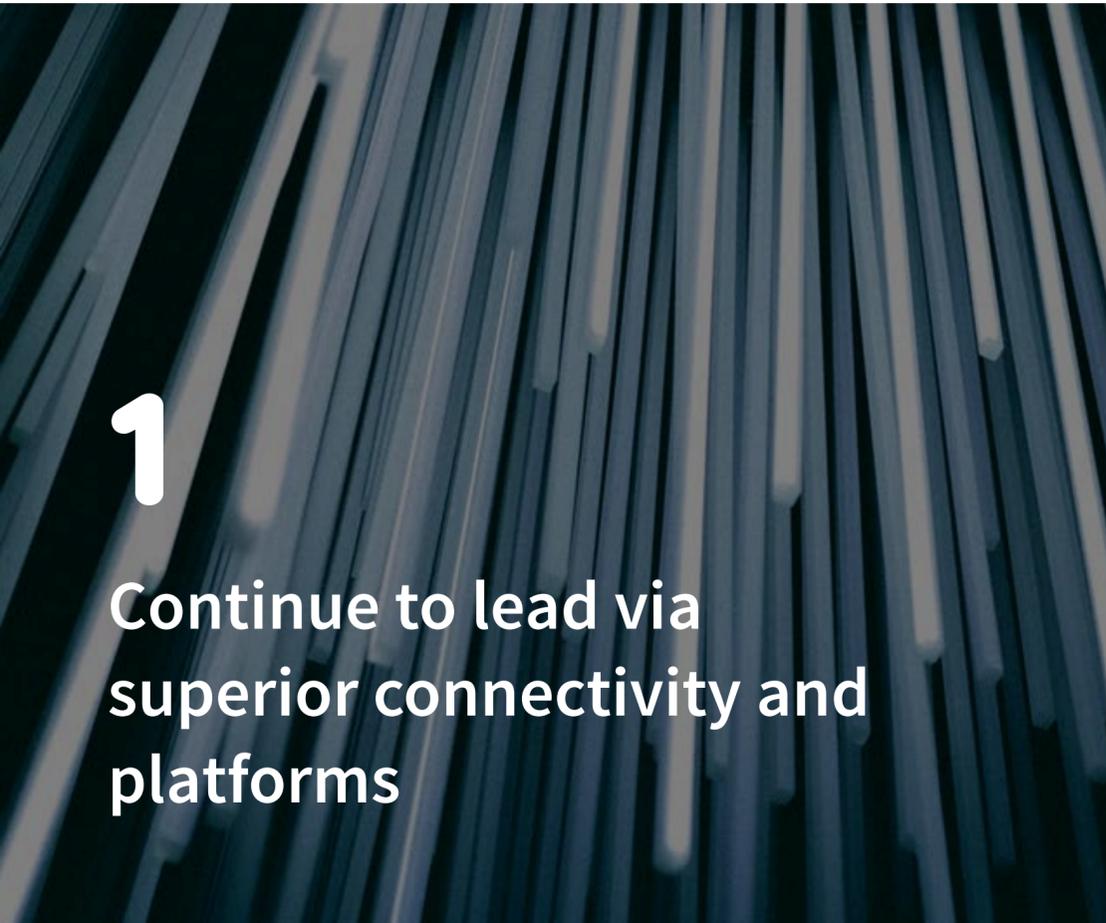
Great Working Place



Amazing Customer Experience



THE CORNERSTONES OF OUR STRATEGY



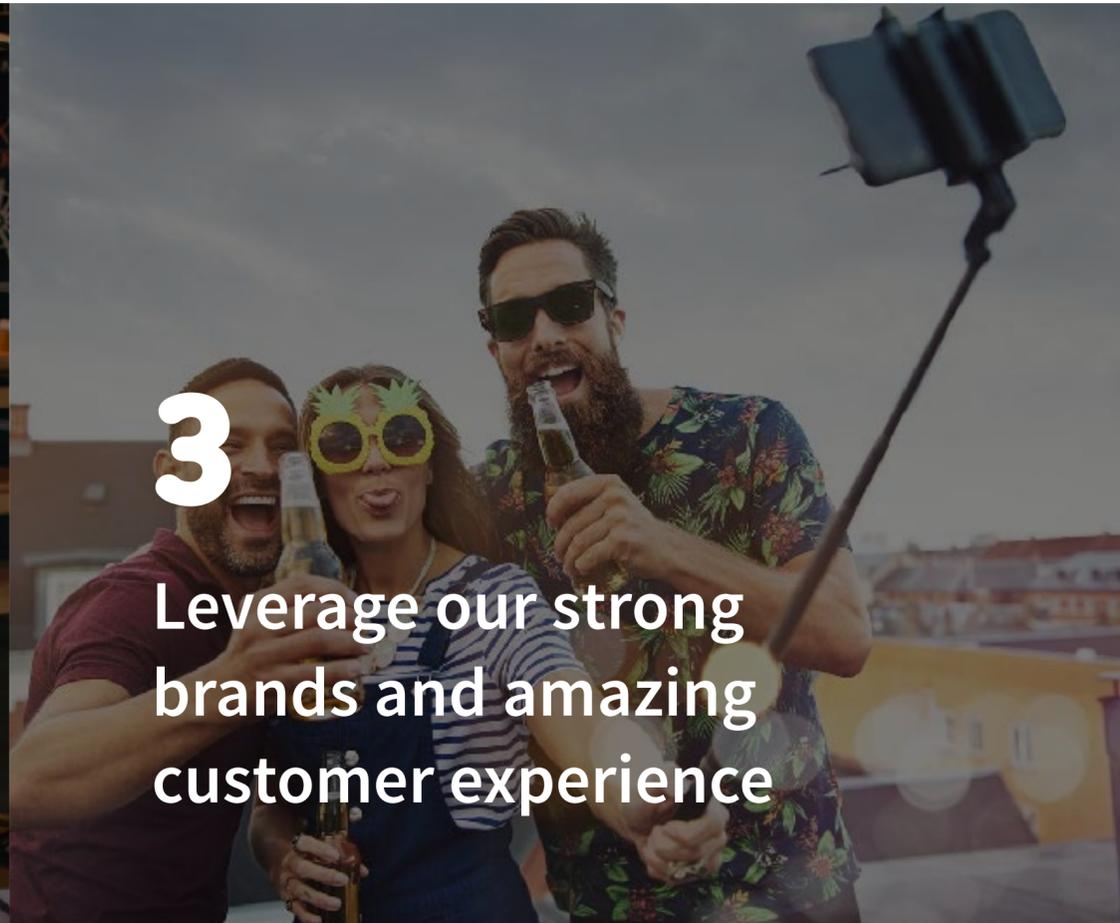
1

Continue to lead via superior connectivity and platforms



2

Accelerate growth in the business segment



3

Leverage our strong brands and amazing customer experience



4

Transform to digital first, underpinned by simplification



CONTINUE TO LEAD VIA SUPERIOR CONNECTIVITY AND PLATFORMS

“Completing an investment cycle and surfing the next technology wave”

- Continue to invest at lower capex (20%) while fixed and mobile data traffic are growing
- Ready to provide Gigabit speeds
- Top mobile network in Belgium
- Leverage one converged network
- Use Big Data and AI for more efficient network operations
- Focus on continuous innovation with partners and developers



ACCELERATE GROWTH IN THE BUSINESS SEGMENT

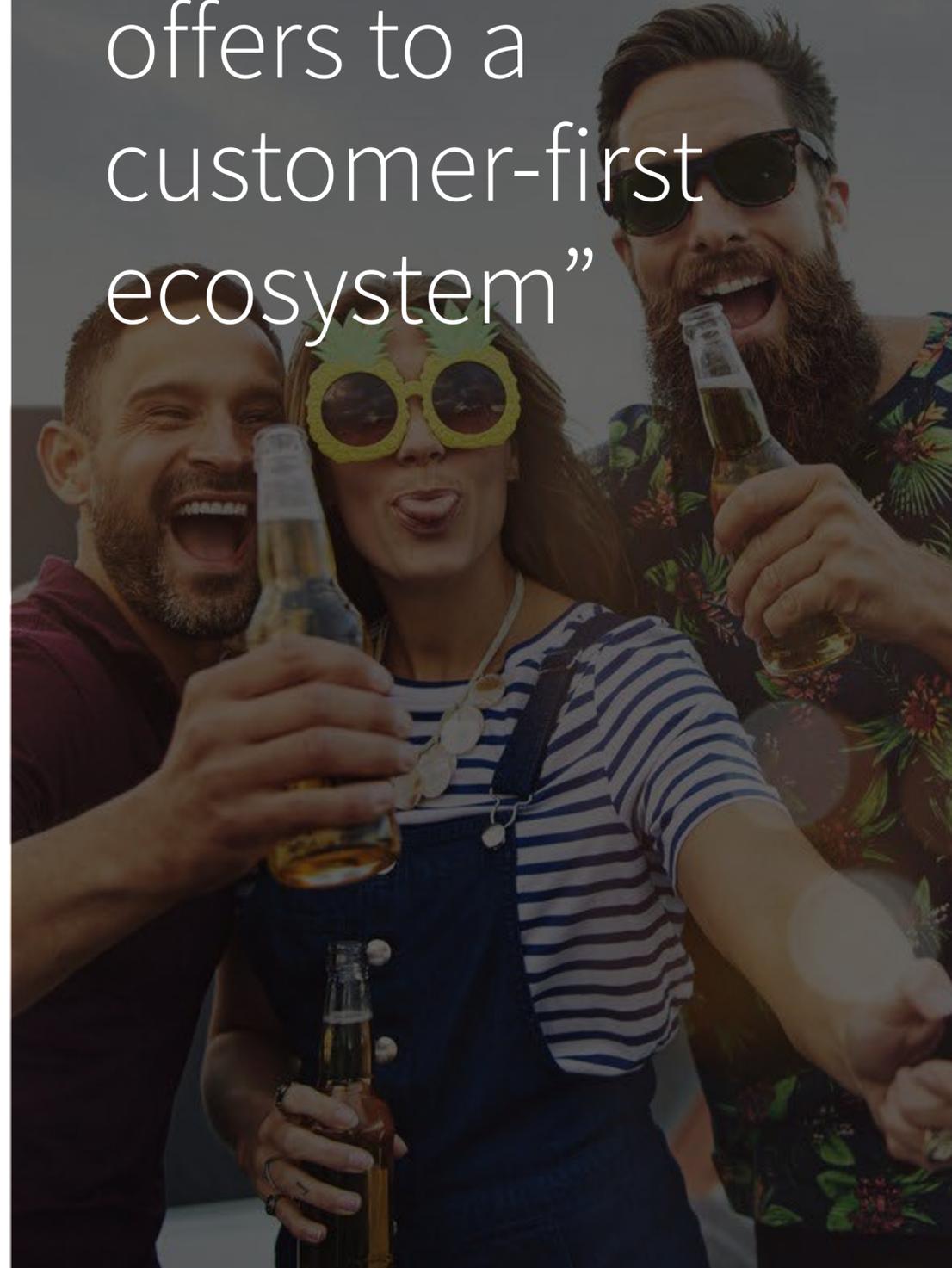
“Boosting core connectivity via selective expansion to IT”

- Further increasing market share in SOHO and unlocking potential in SME/LE
- Boosting additional growth in Brussels
- Expanding to adjacent IT value added services
- Differentiating in the digital world as a caring one-stop-shop



LEVERAGE OUR STRONG BRANDS AND AMAZING CUSTOMER EXPERIENCE

"From converged offers to a customer-first ecosystem"



- Grow value through convergence
- Differentiate by continuous innovation
- Maximise reach brought by Brussels and Base
- Continue to invest in (local) content, platform and entertainment engagement
- Leveraging data and digital to create highly personalized touchpoints and customer experience



TRANSITION TO DIGITAL FIRST, UNDERPINNED BY SIMPLIFICATION

“Improving customer experience by radically transforming our way of working and lower cost base”

- Radical simplification of our IT
- Simplification of our processes
- Simplifying our operating model and how we work together
- Translating to significant cost savings
- Enabling us to create step change in how we manage our customers



2

**CONTINUE TO LEAD VIA SUPERIOR NETWORK
AND PLATFORMS, SUPPORTING FUTURE
PRODUCTS AND SERVICES**

Micha Berger, Chief Technology Officer



CONTINUE TO LEAD WITH OUR FIXED NETWORK THANKS TO FOOTPRINT-WIDE INVESTMENTS

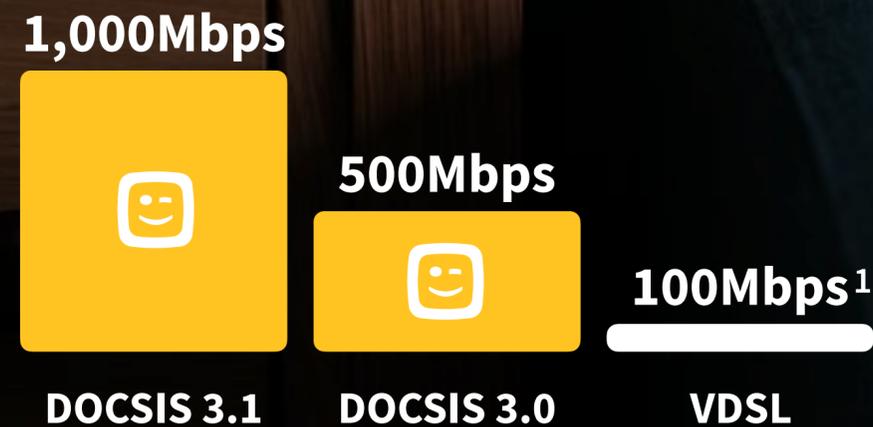
WE'RE THE FASTEST NETWORK

95% footprint completed

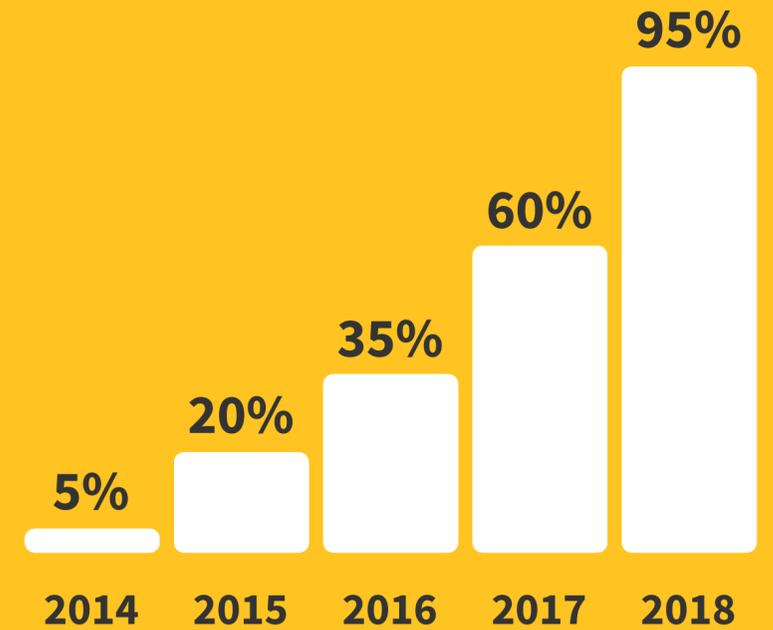
150K Amplifiers 1.8M Taps & splitters

500 Mbps commercially offered

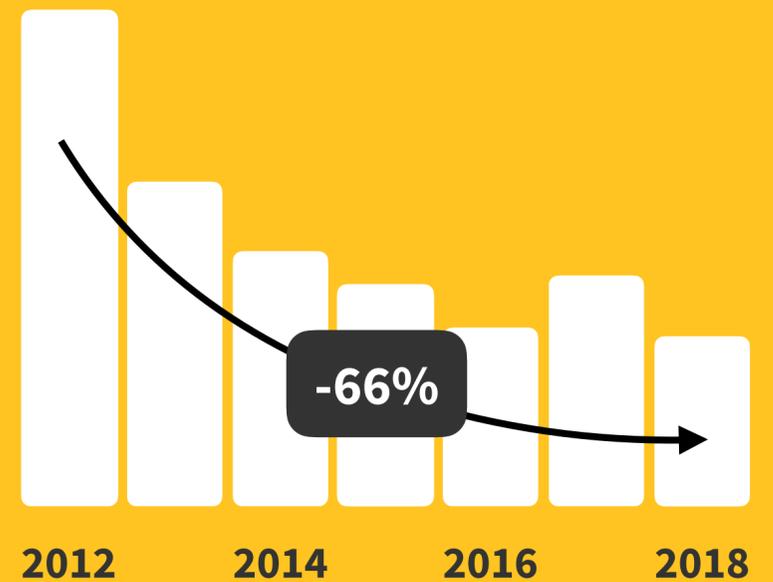
1 Gbps ready 6500 Nodes



¹ Source: Proximus.be



Network conversion 1Ghz



Critical fixed network outage trend (YTD)



LEVERAGE OUR CONNECTIVITY EXPERTISE IN BRUSSELS

Upgrading head-ends



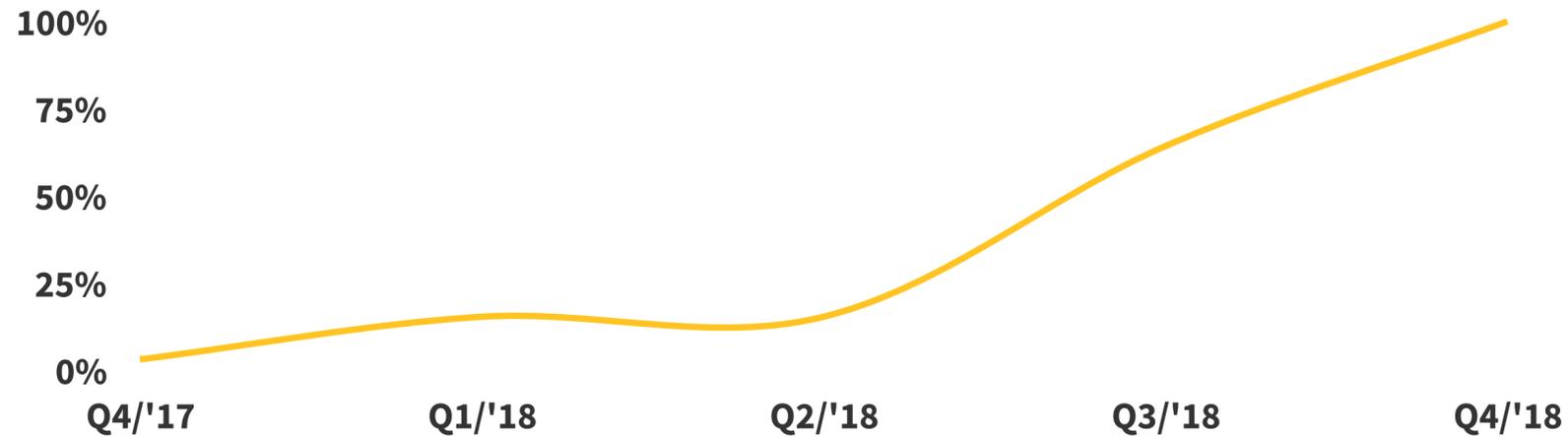
Boosting network QoS to Telenet levels in 13 months



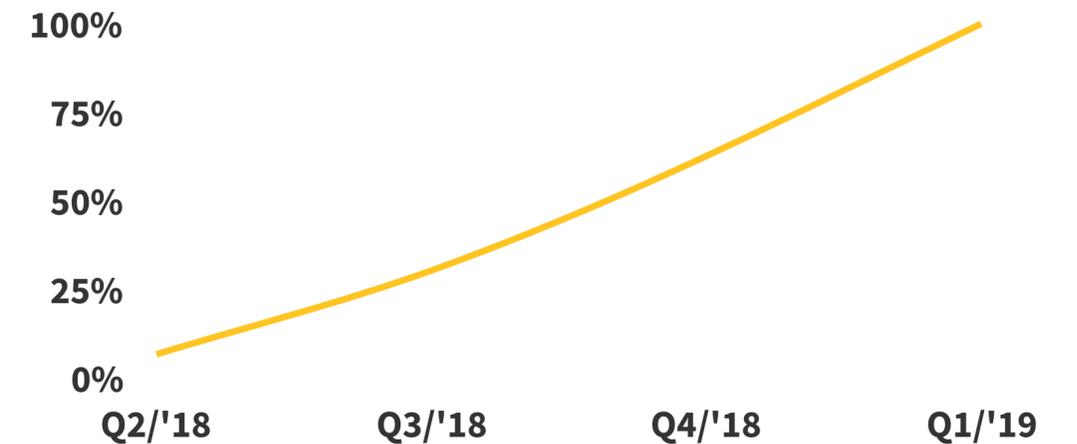
Offering now the Brussel's customers high quality Telenet products

- Higher speeds
- Reliability
- In-home connectivity
- Superior entertainment

NODES MIGRATED



CUSTOMER MIGRATION

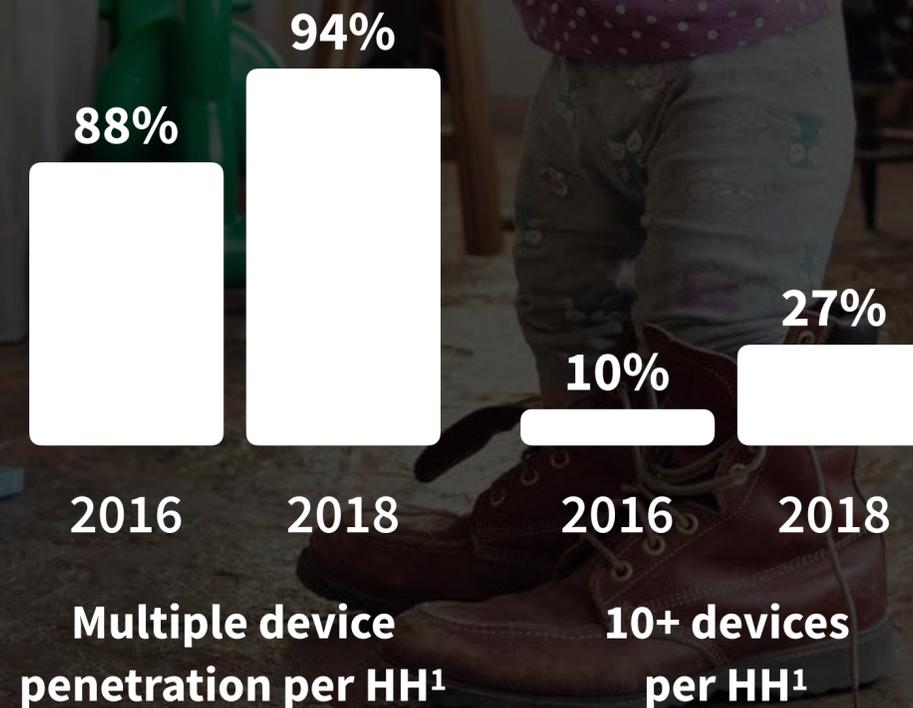




BOOSTING CUSTOMER EXPERIENCE BY LEADING INDOOR CONNECTIVITY

Indoor is key

- In today's world consumers consider WiFi for majority in-home use cases
- Need for higher indoor speeds
- Increasing device penetration per household



Significant rollout of plug & play solutions

- ✓ 570k Powerlines rolled-out
- ✓ 198k WiFi Access points rolled-out
- ✓ Femto solutions and deep indoor mobile solutions

...with Intelligent flow

- ✓ Airtime fairness
- ✓ Smart Bandsteering
- ✓ Dual band 2.4/5GHz

¹ Source: Internal company data



FROM #3 TO LEADING MOBILE NETWORK PROVIDER IN BELGIUM

Mobile network turnaround

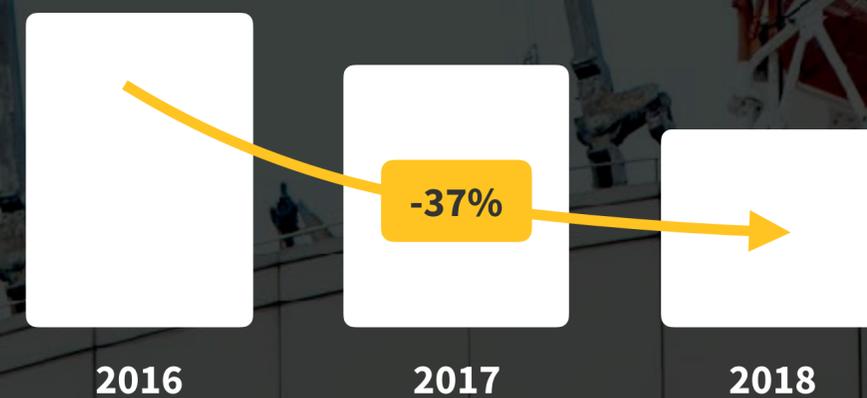
- ✓ All sites upgraded
- ✓ Full UniRAN solution exploiting our spectrum capacity
- ✓ New mobile sites closing the coverage gaps



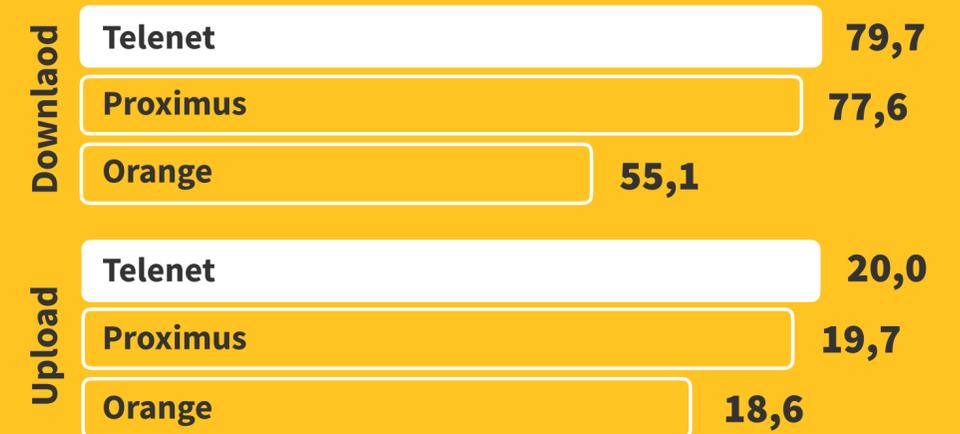
Seamless migration

- ✓ Full customer migration to own network
- ✓ Deep data analytics based on usage and mobility analysis
- ✓ Minimal customer impact of migration

Critical mobile network outage trend (YTD)



Top speed¹



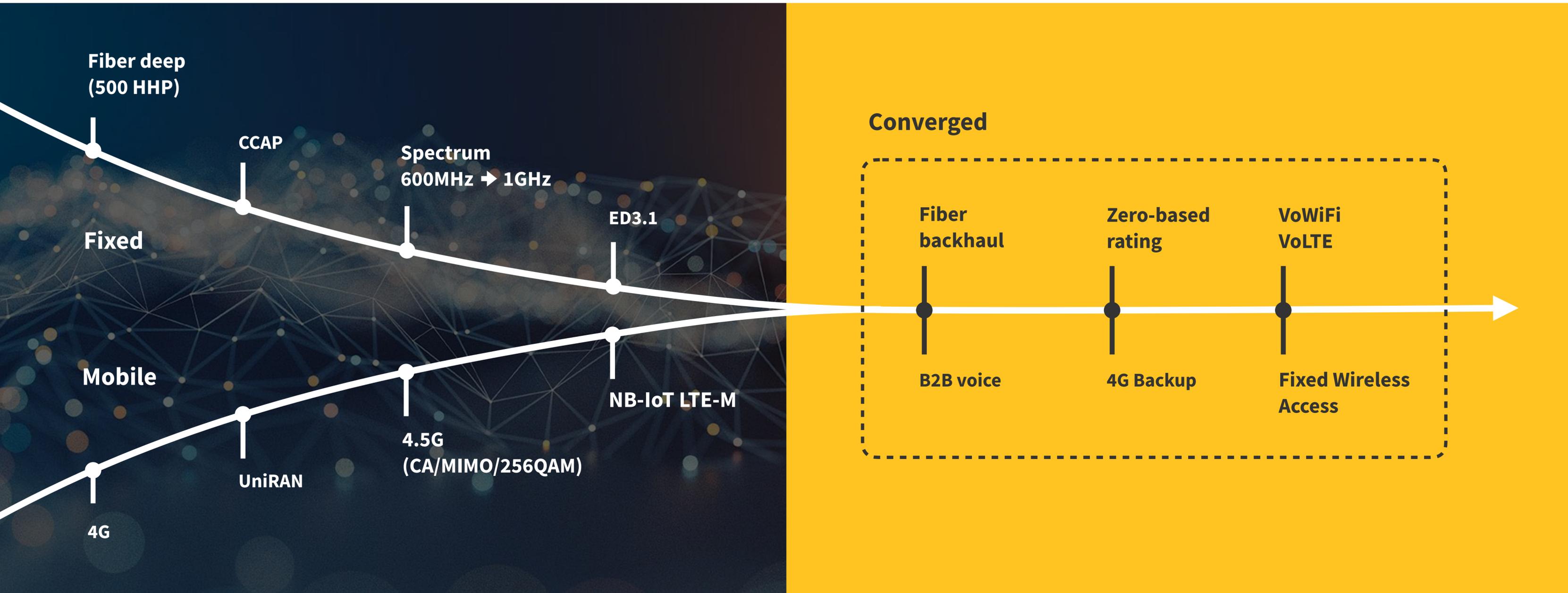
Voice uninterrupted call rate¹



¹ Source: Commsquare Benchmark August 2018, Performance as experienced by 4G users in light indoor conditions.



FIXED AND MOBILE NETWORKS ARE CONVERGING TO ONE NETWORK ALLOWING LAUNCH OF NEW SERVICES

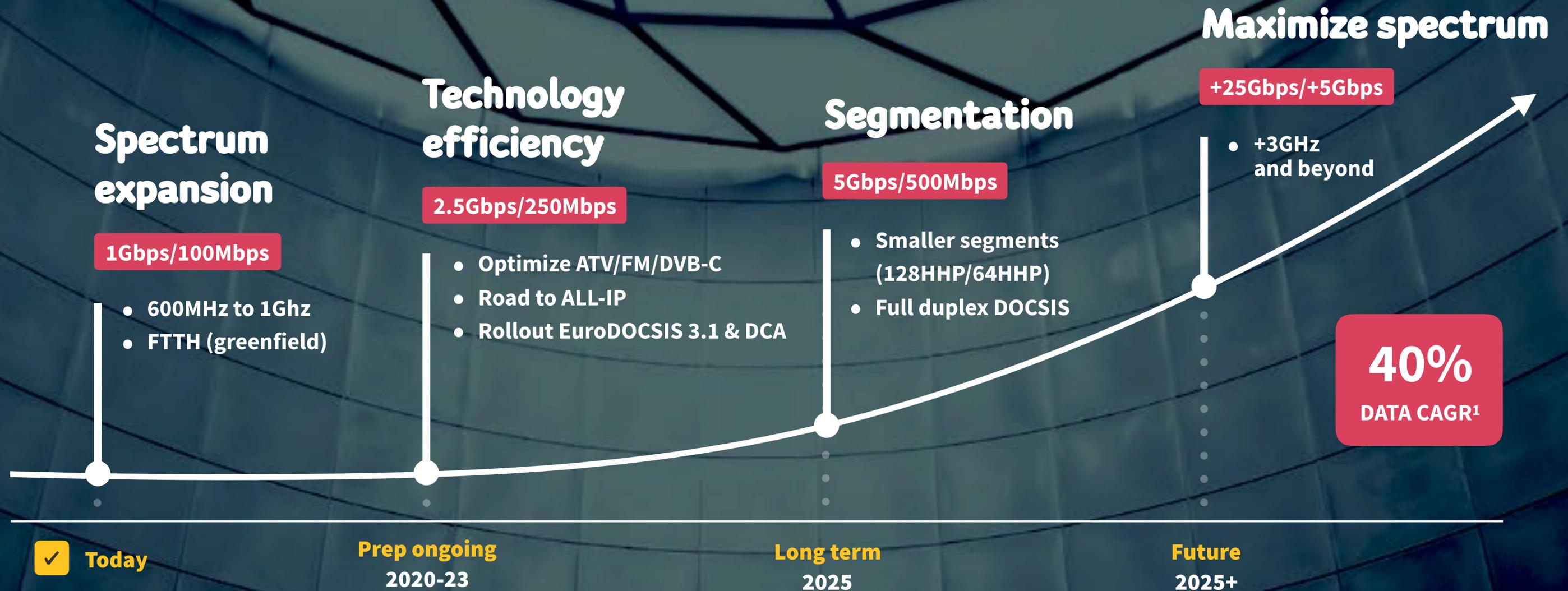




**WE HAVE THE LEADING NETWORK IN BELGIUM,
WE ARE BEST PLACED FOR THE FUTURE**



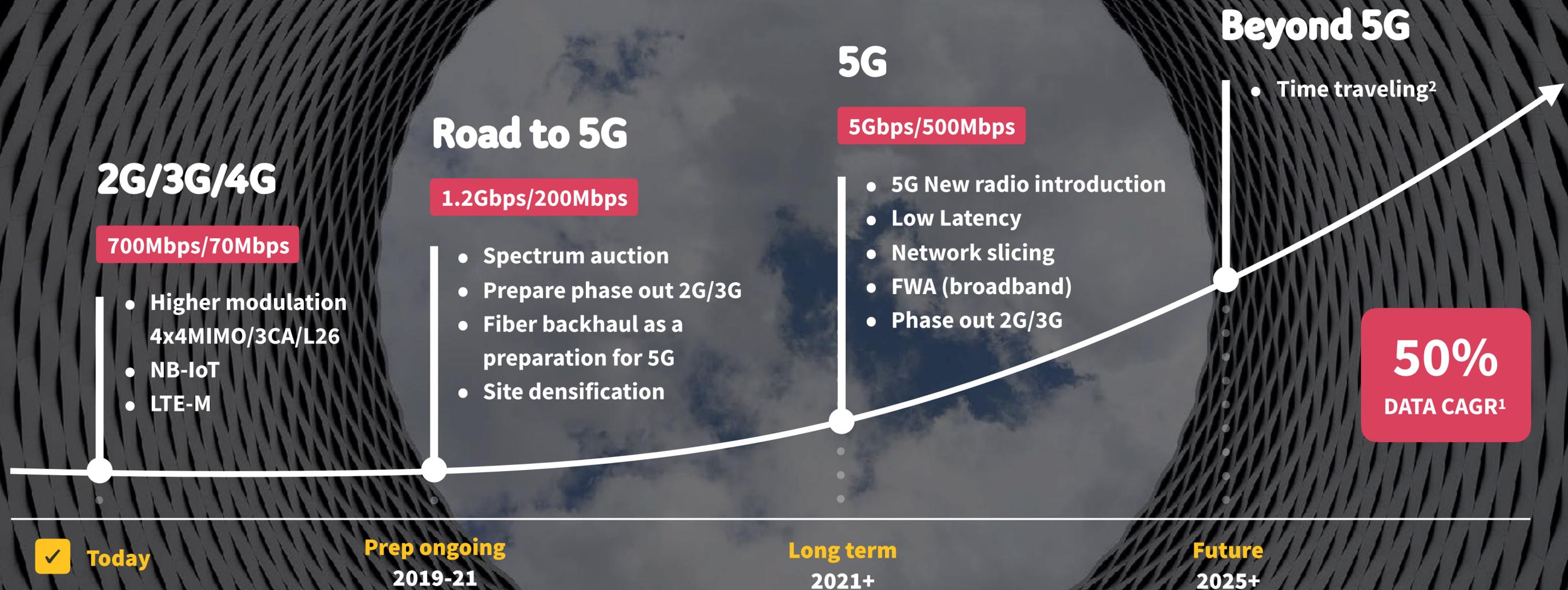
HFC IS FUTURE-PROOF AND MOST COST EFFECTIVE



¹ Source: Internal company data



RECENT UPGRADES POSITION US WELL ON THE ROAD TO 5G



¹ Source: Internal company data ² Joke



THE SPECTRUM AUCTION OF 2019 WILL ACCOMMODATE ALL OUR MOBILE NETWORK AMBITIONS

The renewal of our current spectrum (2x50MHz) will cost **€129m¹ on unique fees and €156m over the next 20 years on usage fees**

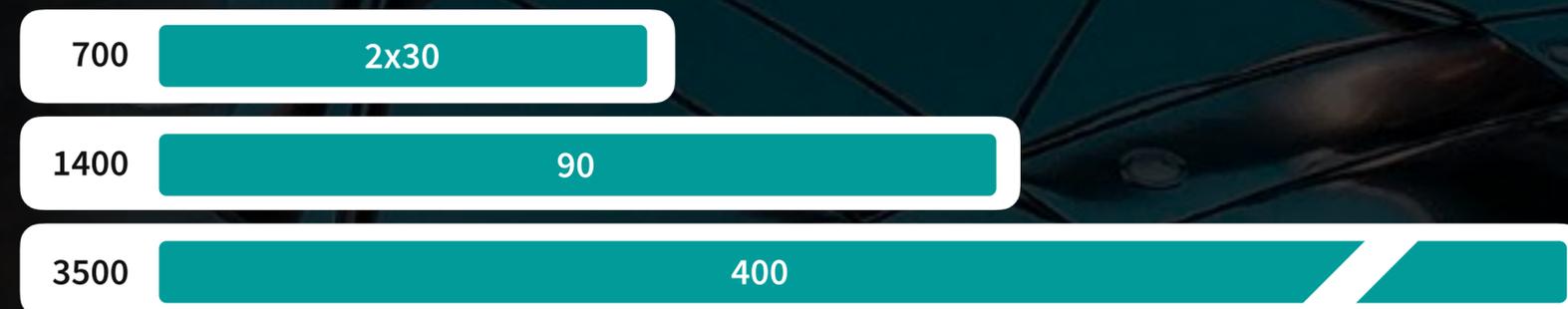


Current spectrum (596MHz)

Expiry dates



New auctioned spectrum (580MHz)



¹ €129m is at reserve price

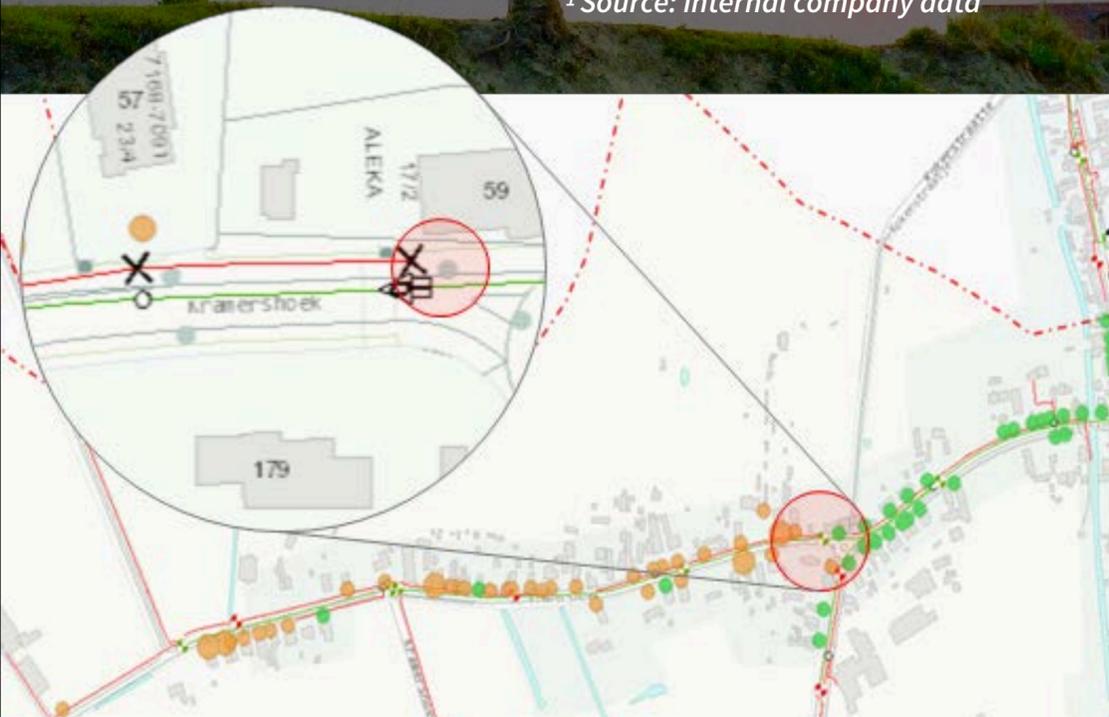


THE OPERATIONAL NETWORK COST WILL REMAIN STABLE DESPITE GROWTH IN FIXED AND MOBILE DATA

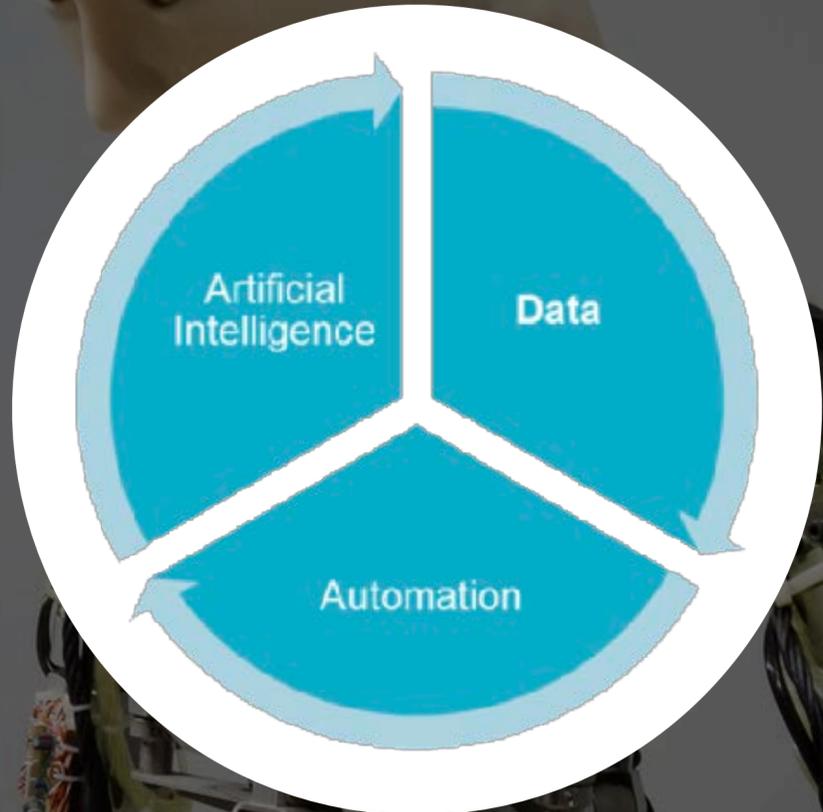
+40%
CAGR FIXED DATA¹

+50%
CAGR MOBILE DATA¹

¹ Source: internal company data



Digitization technology enablers
Data, AI & automation key in digitization



- Optimizing data center and network power consumption
- Test automation
- Network event correlation

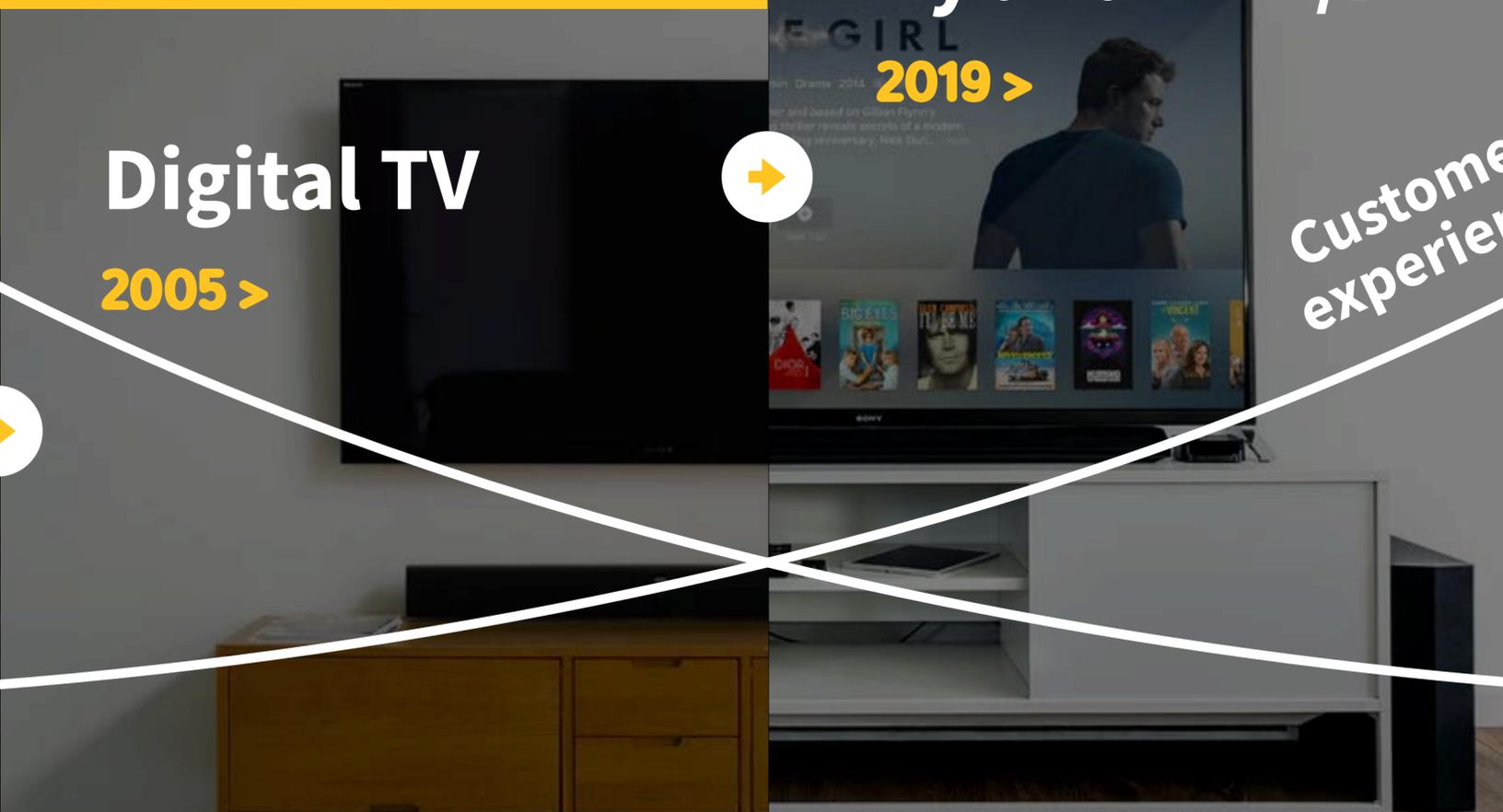
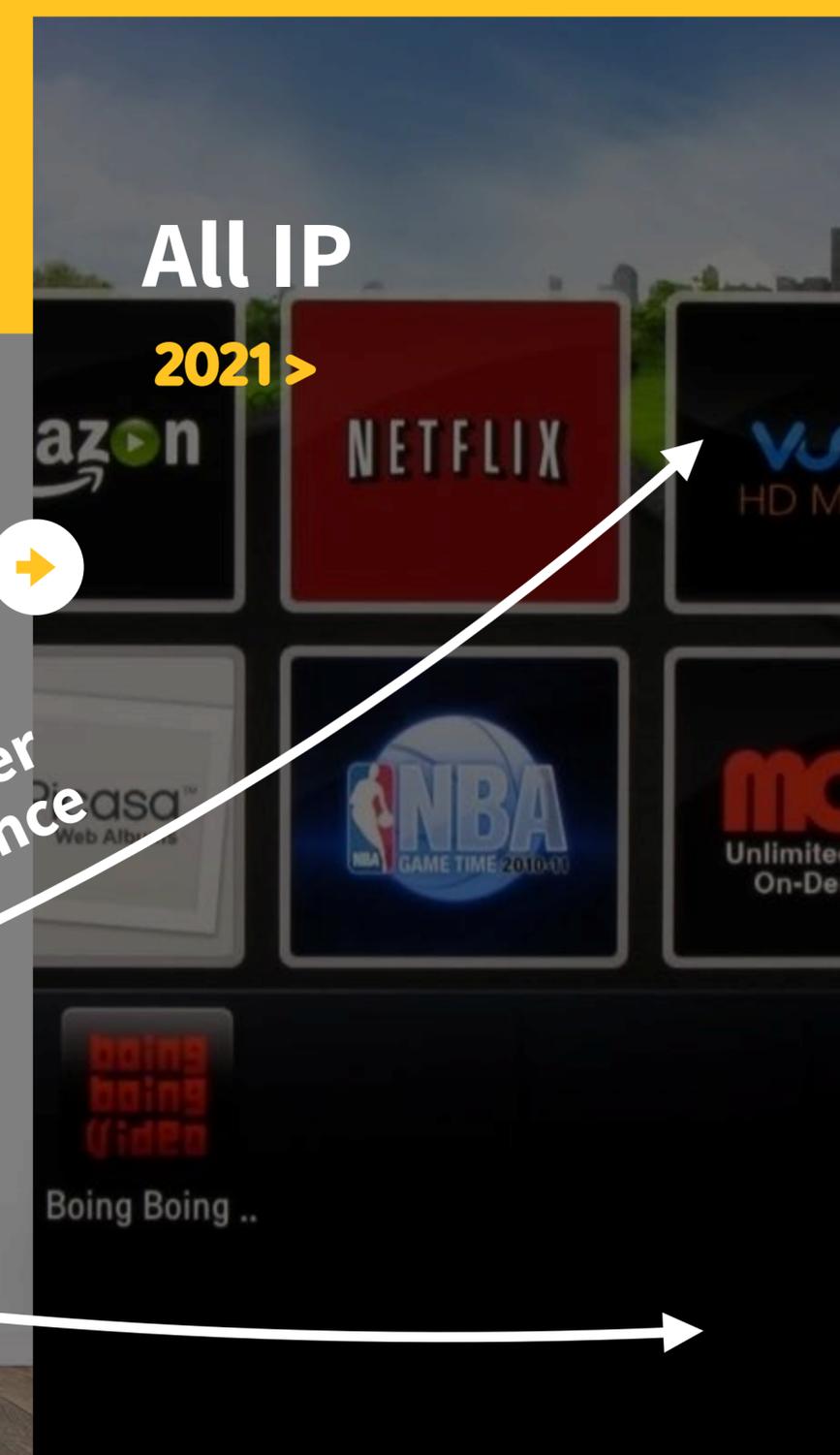
- New ways of working



Significant YoY cash savings on Telenet TCO



THE BEST ENTERTAINMENT PLATFORM TO CATER FOR SUPERIOR PRODUCT AND CUSTOMER EXPERIENCE







SDN/NFV WILL BE A KEY ENABLER FOR PRODUCT DEVELOPMENTS



Applications
Connectivity services and IT platforms



Abstractions
Make the network programmable

SDN & NFV
Add flexibility, automation and new capabilities

Physical network
On fixed and mobile

Today already enabler for B2B products



Business WiFi



Business security



OUR INNOVATION CENTER FOSTERS OPEN INNOVATION AND IS A TEST LAB FOR NEW TECHNOLOGIES



**In The Pocket
Partnership
Augmented Reality PoC**

Step 3: User testing



**ZTE Partnership
on (pre-) 5G**



**Partnerships with
universities and
research institutions
(IMEC)
Mobility of The Future**



CONTINUE TO LEAD VIA SUPERIOR CONNECTIVITY AND PLATFORMS

“Complete an investment cycle and surfing the next technology wave”

- Continue to invest at lower capex (20%) while fixed and mobile data traffic are growing
- Ready to provide Gigabit speeds
- Top mobile network in Belgium
- Leverage one converged network
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- Focus on continuous innovation with partners and developers



3

ACCELERATING GROWTH VIA CARING ONE-STOP-SHOP

Martine Tempels, SVP Telenet business



**FIXED AND
MOBILE BUSINESS
MARKET €2.3BN
OF WHICH 80%
SPENT BY SOHO
AND SME**

€2.3Bn¹

LE
SME
SOHO

¹Source: BIPT



**FIXED AND
MOBILE BUSINESS
MARKET €2.3BN
OF WHICH 80%
SPENT BY SOHO
AND SME**

**LE
SME:
SOHO**

Fixed
€1.4Bn¹ Mobile
€0.9Bn¹

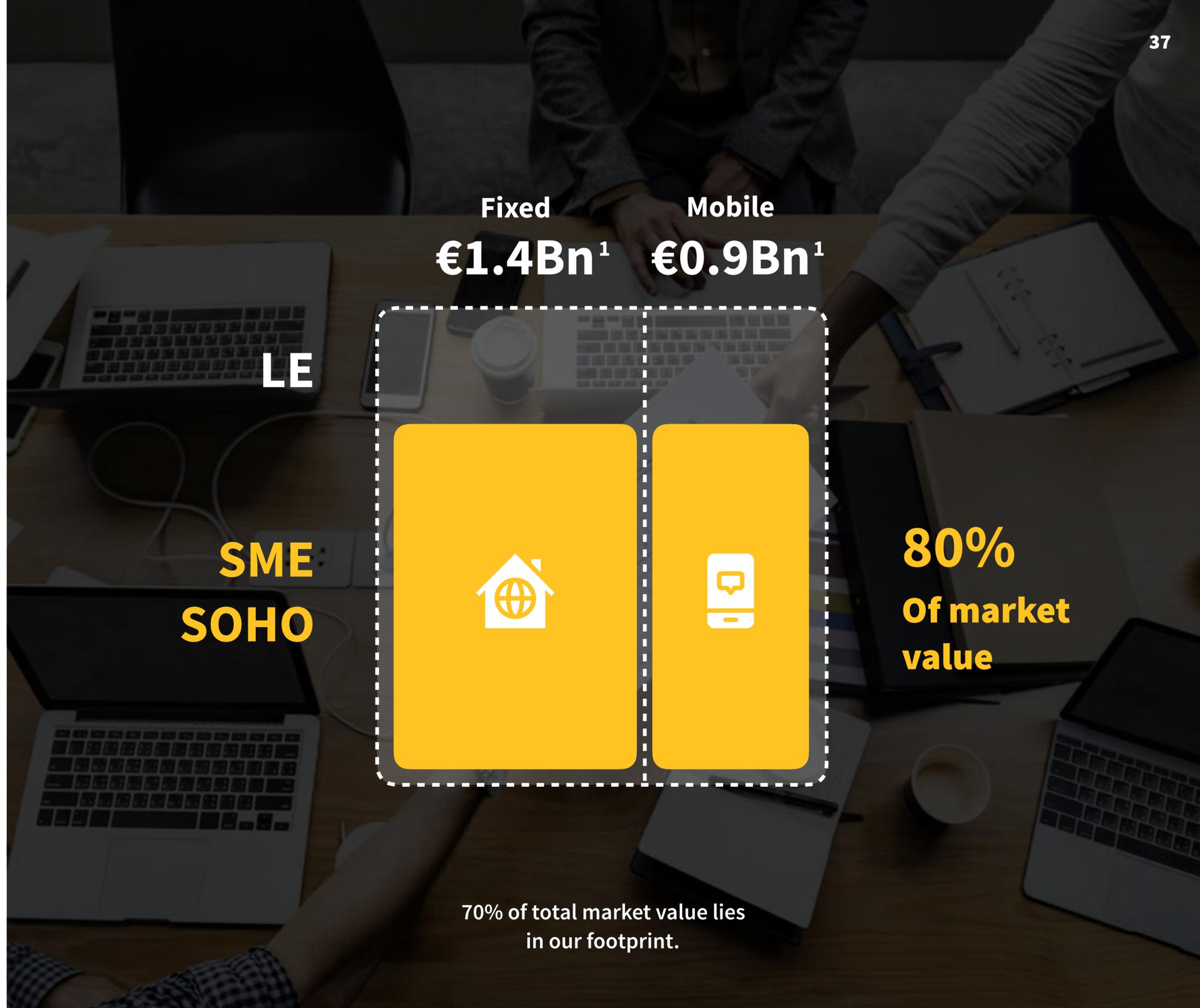


¹Source: BIPT



FIXED AND MOBILE BUSINESS MARKET €2.3BN OF WHICH 80% SPENT BY SOHO AND SME

¹Source: BIPT



Fixed
€1.4Bn¹ Mobile
€0.9Bn¹

LE

SME:
SOHO



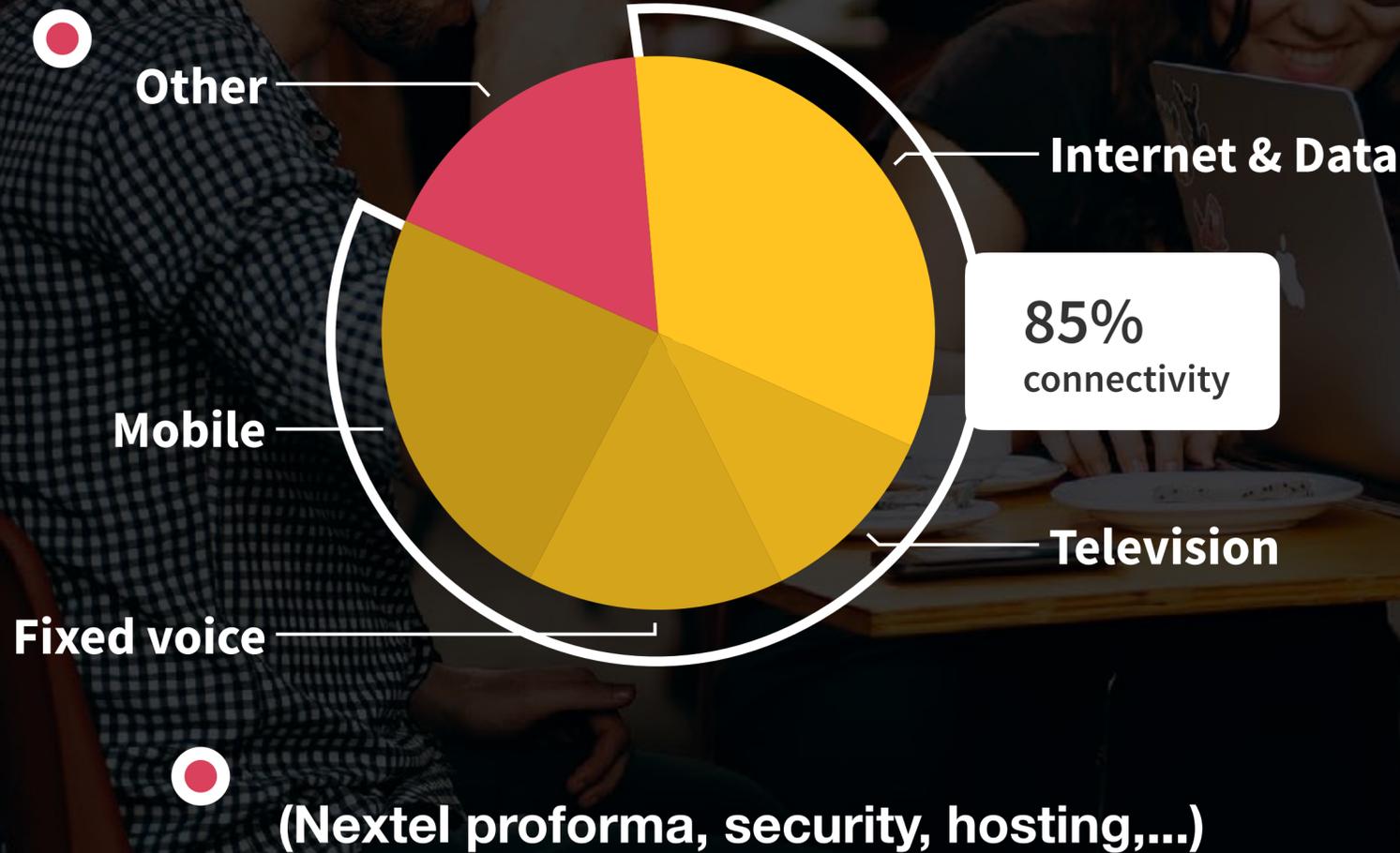
80%
Of market
value

70% of total market value lies
in our footprint.



IN THIS MARKET, TELENET IS A **SOLID SERVICE PROVIDER** WITH 22% MARKET SHARE

Telenet business revenues 2017

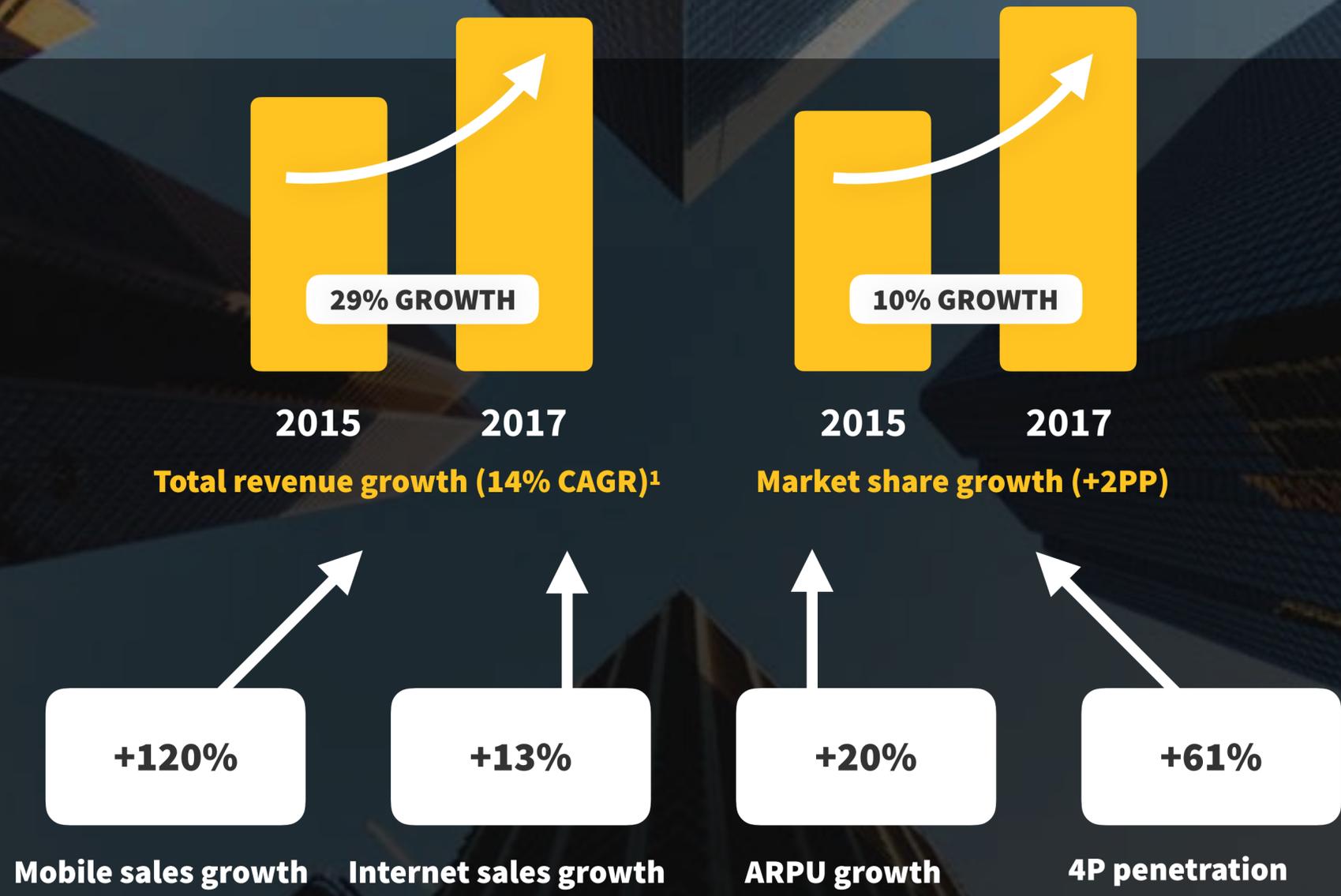


Healthy product mix

- ✓ End-to-end service offering
- ✓ Broad connectivity portfolio of internet data, TV, fixed voice and mobile
- ✓ Value-added services such as security, hosting
- ✓ Almost no legacy (wholesale voice ISDN)
- ✓ Strong history of innovative products and services



LOOKING BACK TO 2015-17, WE **SIGNIFICANTLY BOOSTED OUR GROWTH** IN THE BUSINESS MARKET



¹ Source: Including shift from residential to business, based on product holding



DOUBLED ADDRESSABLE MARKET IN BRUSSELS

>100K

Addressable SOHO and SME businesses

- Telenet ●
- SFR ●
- VOO ○





GOING FORWARD

We will boost connectivity core via selective expansion into IT



WE ACT ON OUR CUSTOMERS' NEEDS FOR SIMPLICITY AND END-2-END SOLUTIONS

CUSTOMERS WANT..

72%¹

Single provider

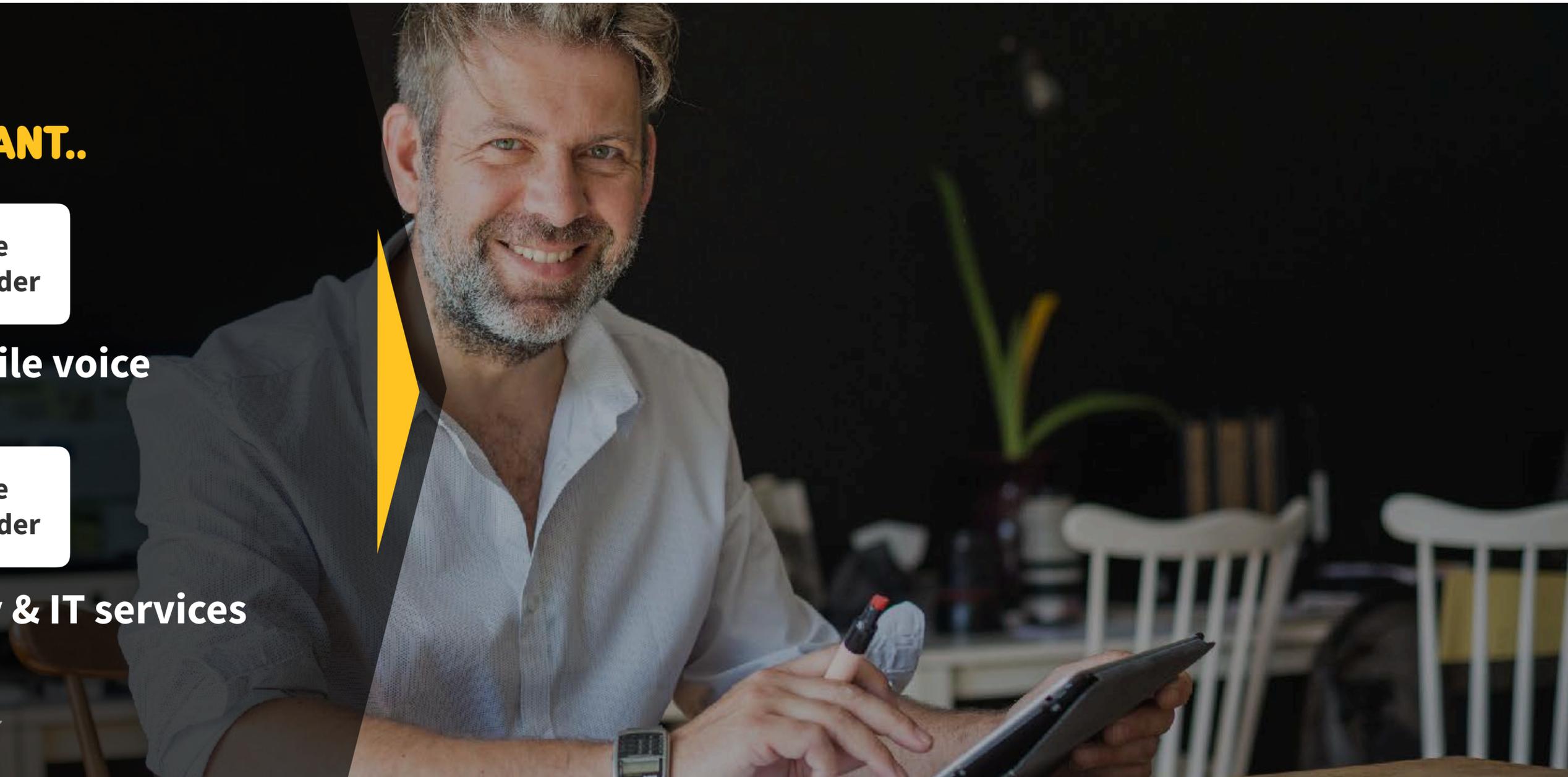
For **Fixed & mobile voice**

63%¹

Single provider

For **Connectivity & IT services**

¹ Source: % of B2B respondents in Beltug study in 2017





WE ACT ON OUR CUSTOMERS' NEEDS FOR SIMPLICITY AND END-2-END SOLUTIONS

CUSTOMERS WANT..

72%¹

Single provider

For **Fixed & mobile voice**

63%¹

Single provider

For **Connectivity & IT services**

OUR PROMISE

We help turn the Belgian business customers' digital challenges into opportunities by making digital **unconventionally simple and frictionless**.

OUR UNIQUE OFFER

We are a **caring one-stop shop** for businesses- large, medium and small- that offers connectivity and IT solutions.

¹ Source: % of B2B respondents in Beltug study in 2017



UNLOCKING VALUE AND GROWTH IN BOTH CONNECTIVITY AND IT MARKET



€2.3Bn

**BUSINESS
CONNECTIVITY
MARKET**

Market size

Market CAGR

-1%

Share of SOHO

50%

Typical OCF margin (%)

40 - 60%

Typical OFCF margin (%)

30 - 40%



UNLOCKING VALUE AND GROWTH IN BOTH CONNECTIVITY AND IT MARKET


€2.3Bn
BUSINESS
CONNECTIVITY
MARKET


€13.3Bn
BUSINESS IT
MARKET

Market CAGR	-1%	+4%
Share of SOHO	50%	14%
Typical OCF margin (%)	40 - 60%	10 - 20%
Typical OFCF margin (%)	30 - 40%	5 - 10%

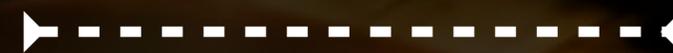
Source: Management estimates



UNLOCKING VALUE AND GROWTH IN BOTH CONNECTIVITY AND IT MARKET

Market size

 
€2.3Bn
BUSINESS
CONNECTIVITY
MARKET



Addressable market for us



AS THE IT MARKET COVERS A WIDE RANGE OF DOMAINS, WE PRIORITIZE THE BEST OPPORTUNITIES

Cloud PBX & voice integration

Size
0.2Bn

Growth
~2%

Source: Management estimates

Security and digital presence

Size
1Bn

Growth
~7%

SDN/NFV enabled service

Size
0.2Bn

Growth
~3%

Internet of Things

Size
0.5Bn

Growth
~34%

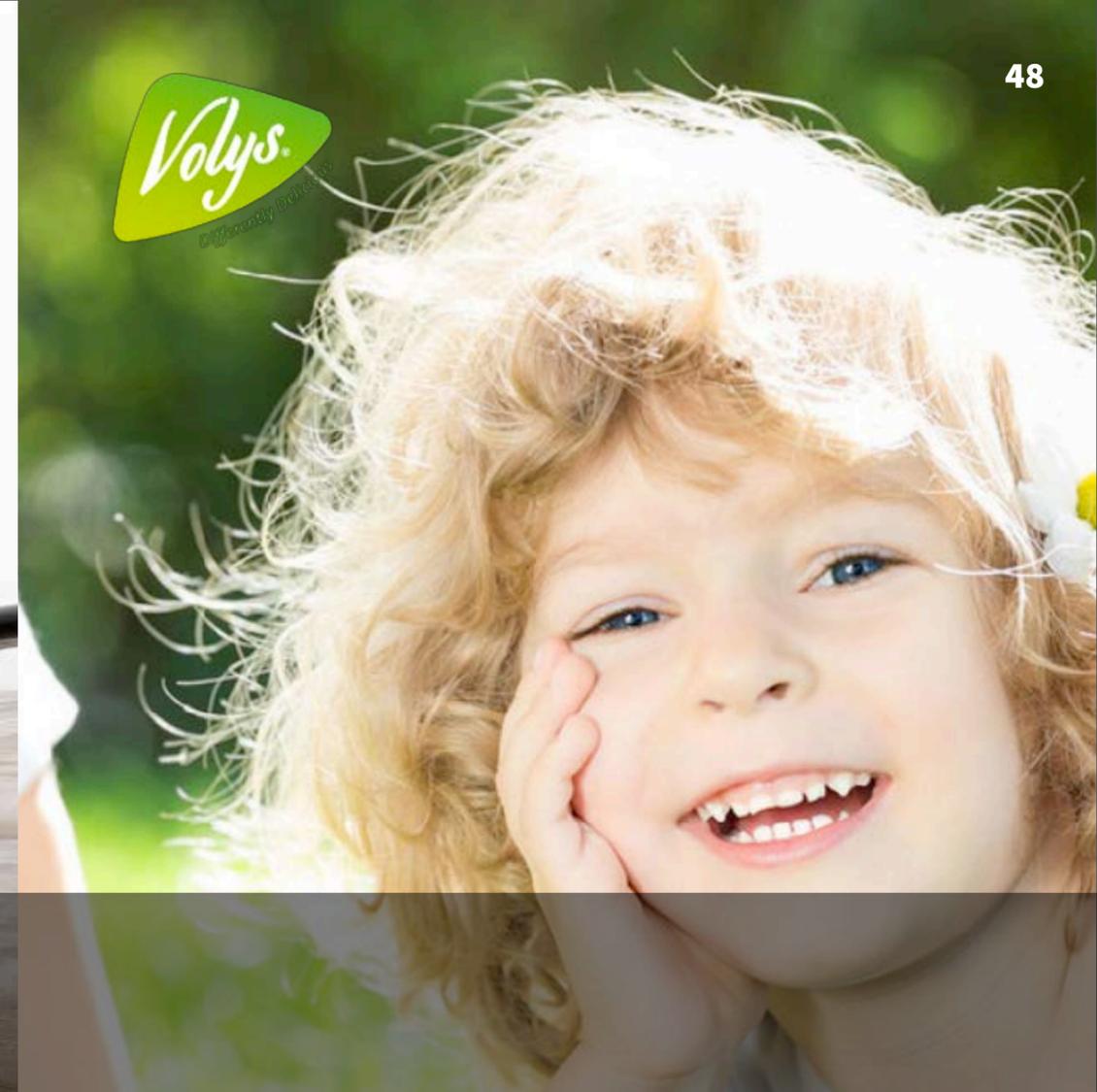


ACTIVELY TAKING FIRST STEPS VIA STRATEGIC PARTNERSHIPS

BRUSSELS
SOUTH
CHARLEROI
AIRPORT S.A.



Brussel South Charleroi Airport & Volys
Smart Campus



Yonex
Smart Building



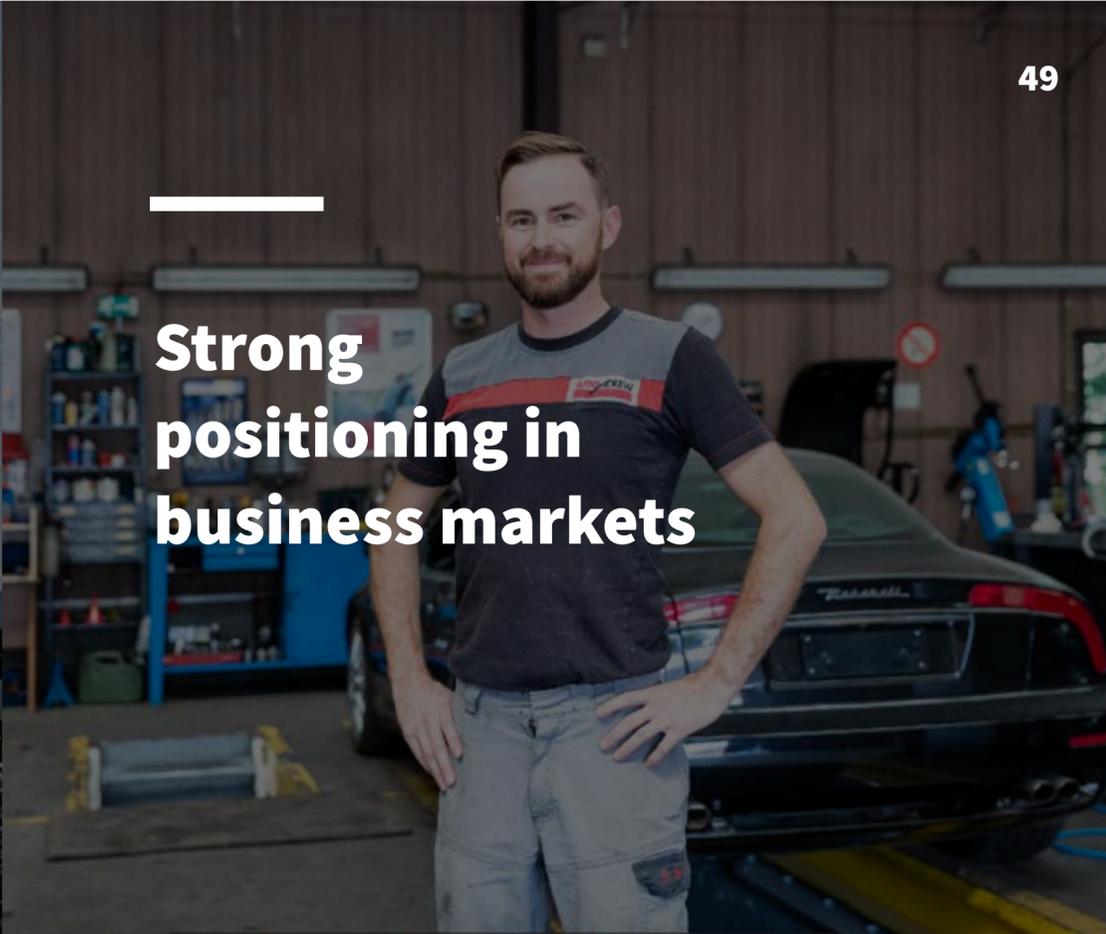
**WE HAVE THE
TOOLSET TO
ENTER THESE
DOMAINS
SUCCESSFULLY**



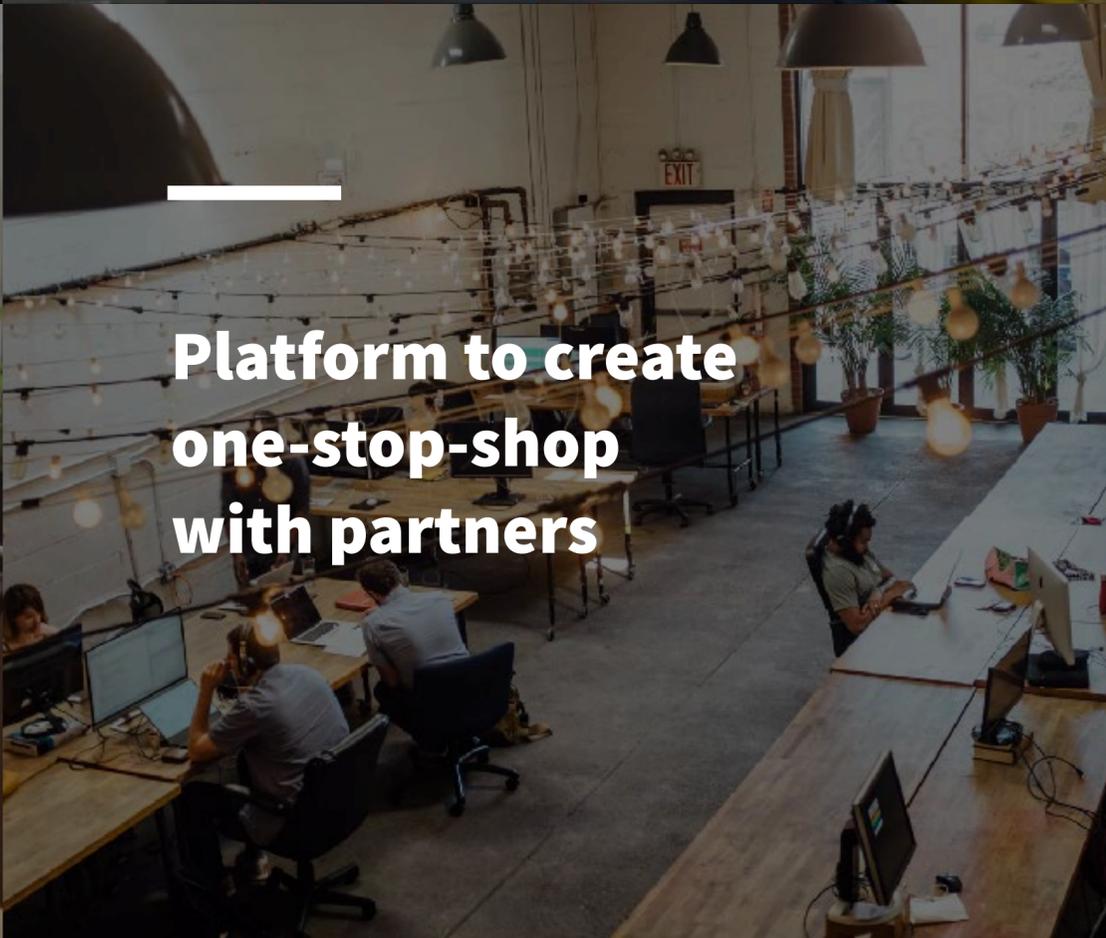
**New capabilities via
top performing IT
player**



**Omnichannel
sales & service
approach**



**Strong
positioning in
business markets**



**Platform to create
one-stop-shop
with partners**



ACCELERATE GROWTH IN THE BUSINESS SEGMENT

“Boosting core connectivity via selective expansion to IT”

- Further increasing market share in SOHO and unlocking potential in SME/LE
- Boosting additional growth in Brussels
- Expanding to adjacent IT value added services
- Differentiating in the digital world as a caring one-stop-shop



4

LEVERAGING OUR STRONG BRANDS AND **AMAZING CUSTOMER EXPERIENCE**

Jeroen Bronselaer, SVP Residential Marketing



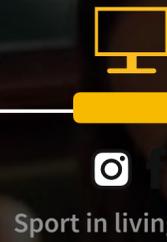
**FROM CONVERGED OFFERS
TO A CUSTOMER-FIRST ECO SYSTEM**



AS THE LIVES OF OUR CUSTOMERS BECOME MORE FLUID ...



Jack, 48y.



Sport in living room



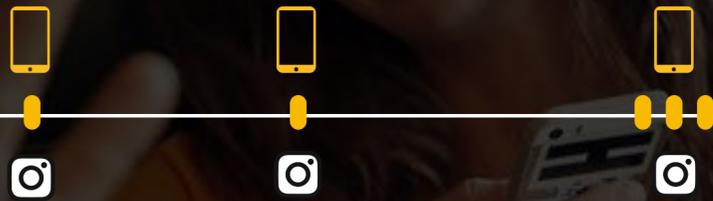
Downloaded movies on the plane



Series before bed



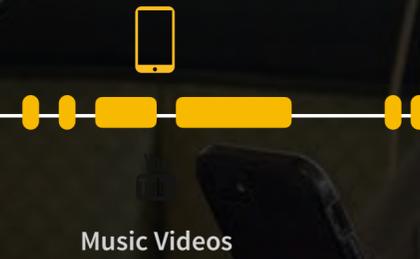
Nicole, 25y.



Sport in living room



Vloggers



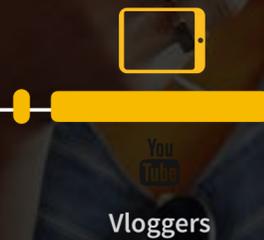
Music Videos



Reality before in bed



Jessica, 22y.



Vloggers



Downloaded movies on the plane



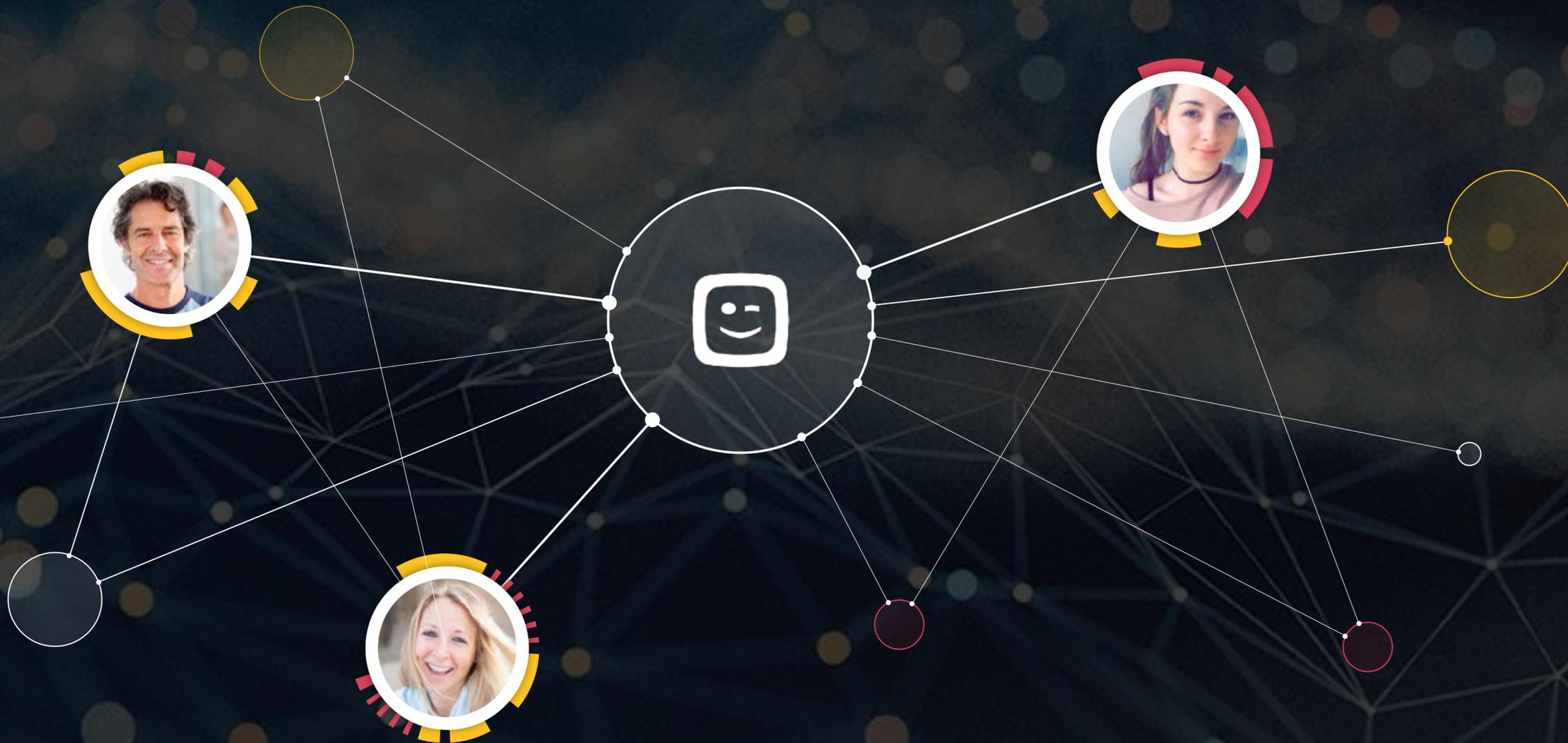
Series in bed



... TAILORED TO THEIR INDIVIDUAL NEEDS AT EVERY LEVEL

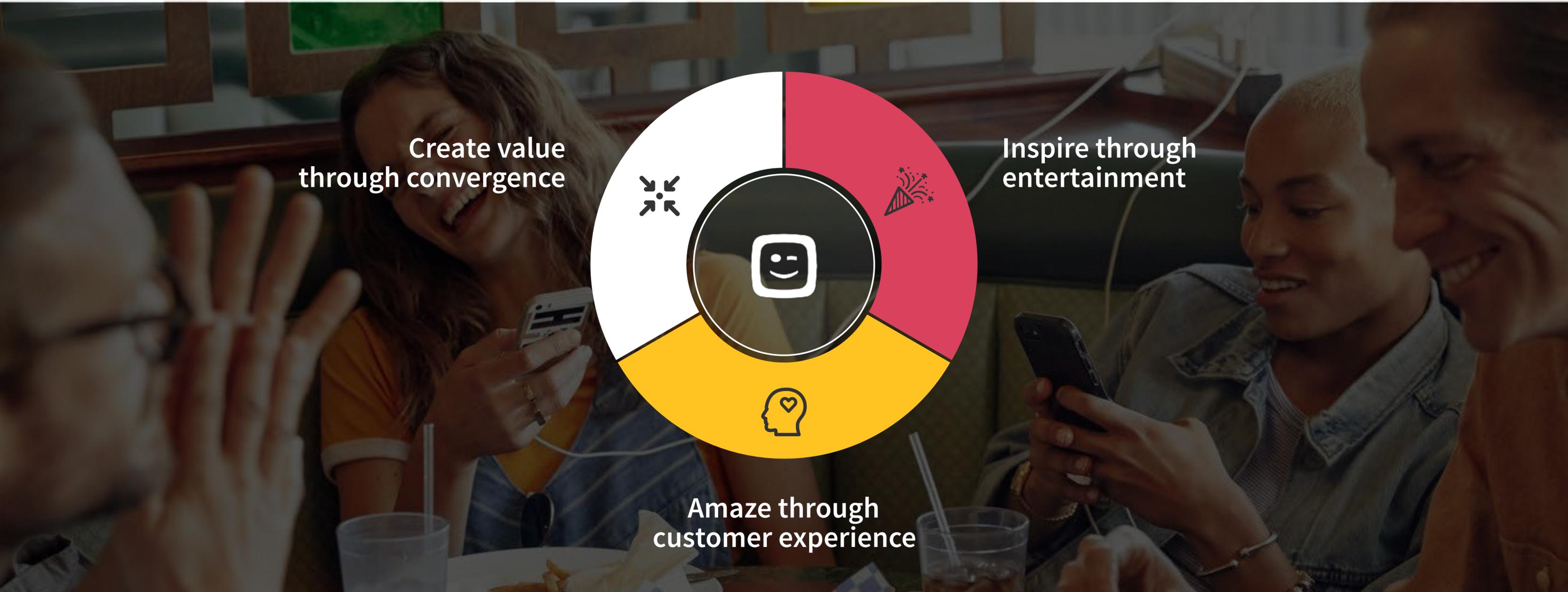
 Mobile

 Home

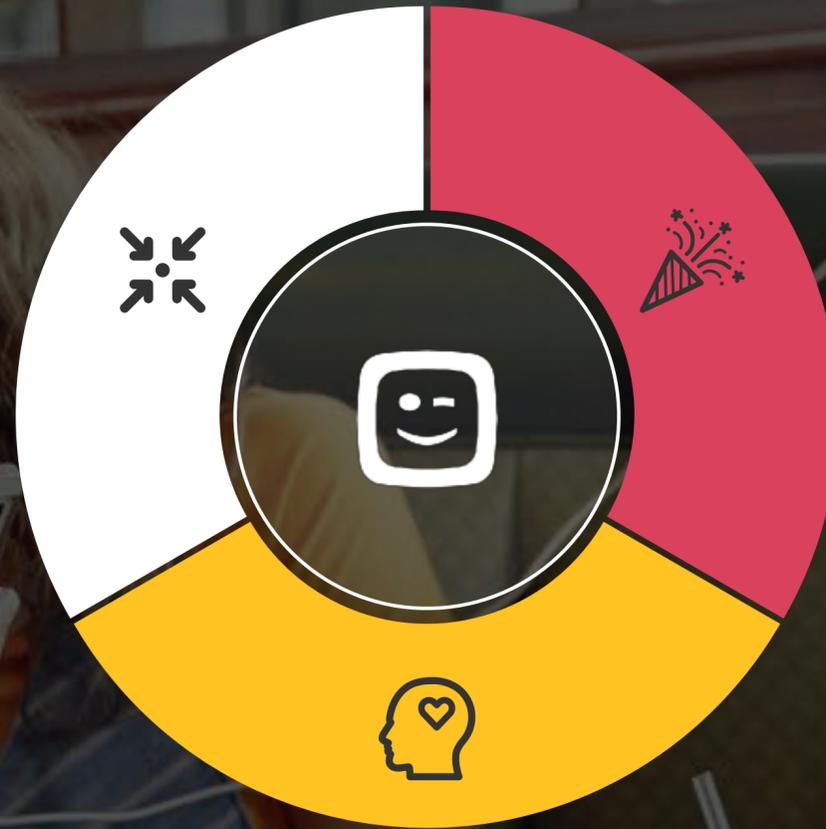




... WE COMBINE CONNECTIVITY, ENTERTAINMENT AND CUSTOMER EXPERIENCE MORE FLUIDLY THAN EVER...



Create value through convergence

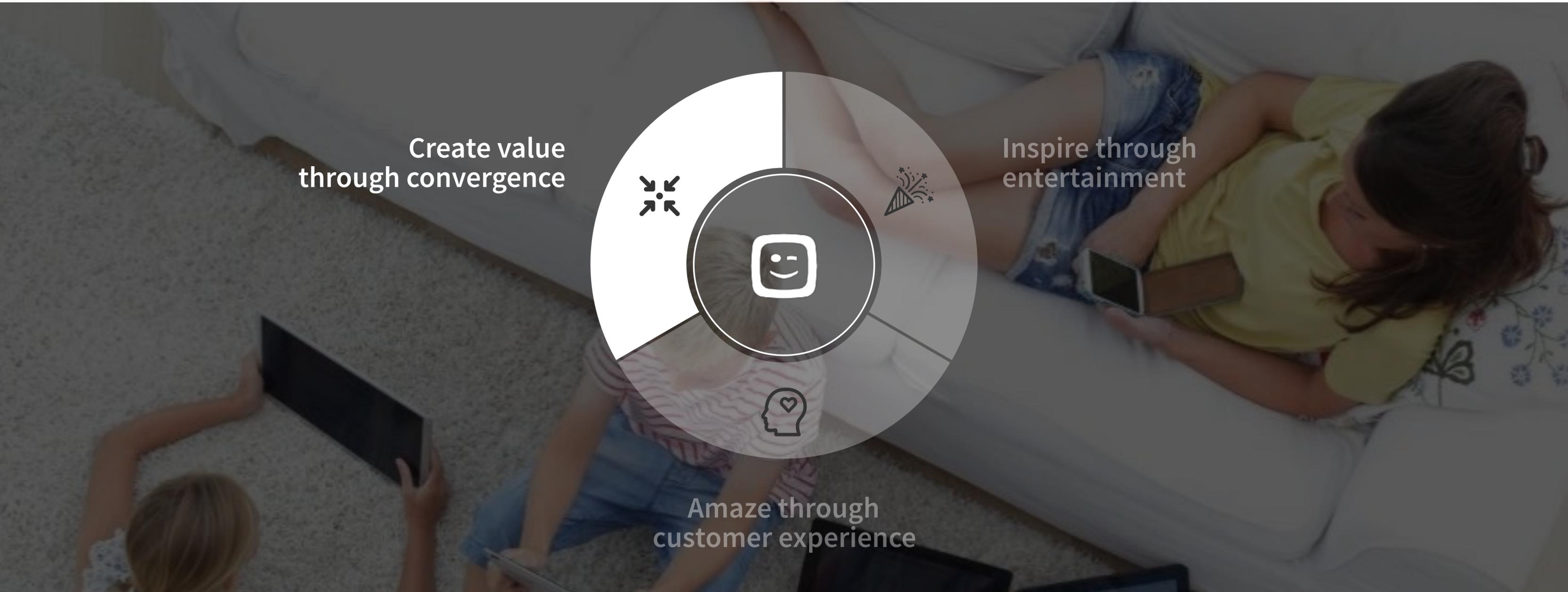


Inspire through entertainment

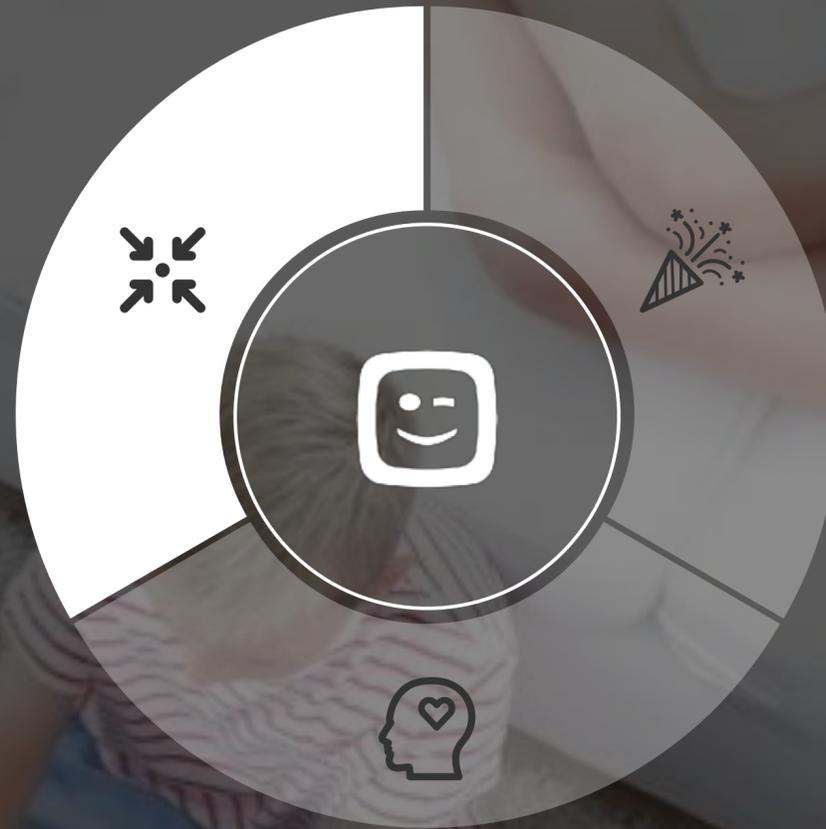
Amaze through customer experience



... WE COMBINE CONNECTIVITY, ENTERTAINMENT AND CUSTOMER EXPERIENCE MORE FLUIDLY THAN EVER...



Create value through convergence



Inspire through entertainment

Amaze through customer experience

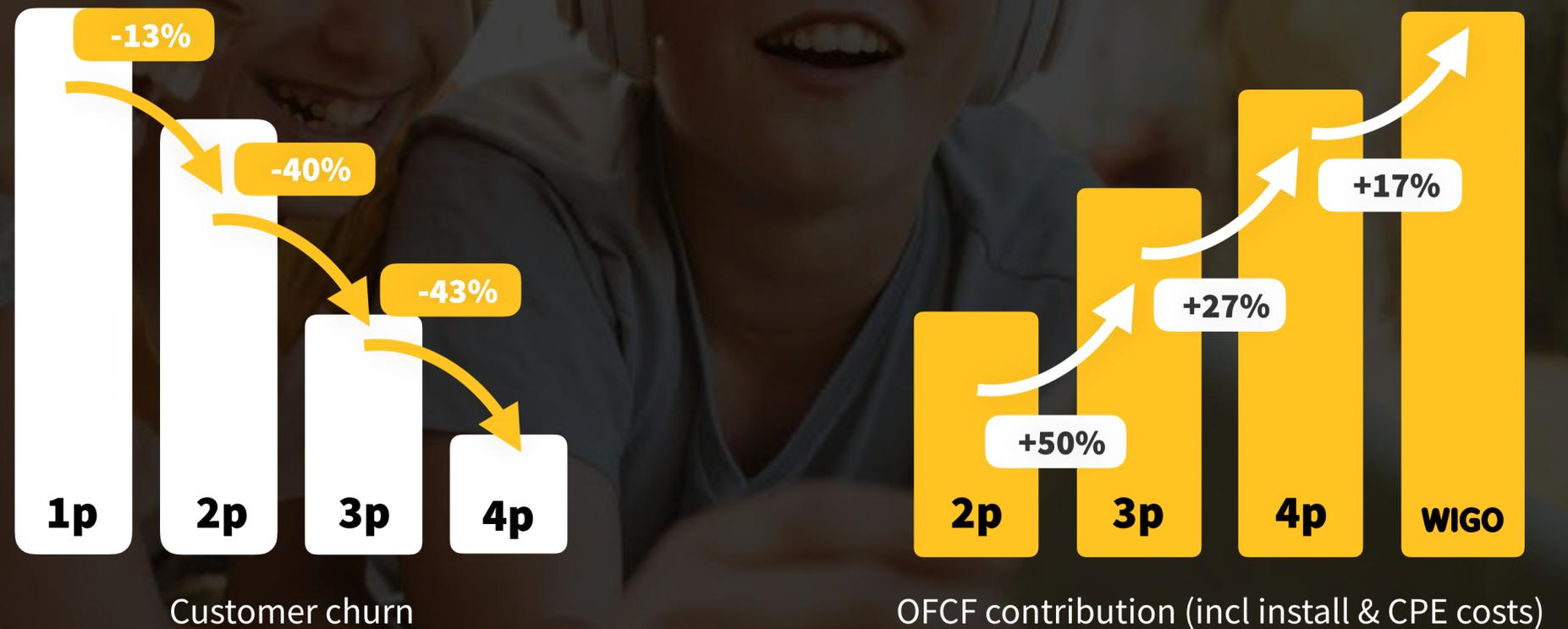


CONVERGED OFFERS BUILD VALUE FOR THE CUSTOMER AND OUR COMPANY

one-stop-shop for all entertainment and connectivity needs...

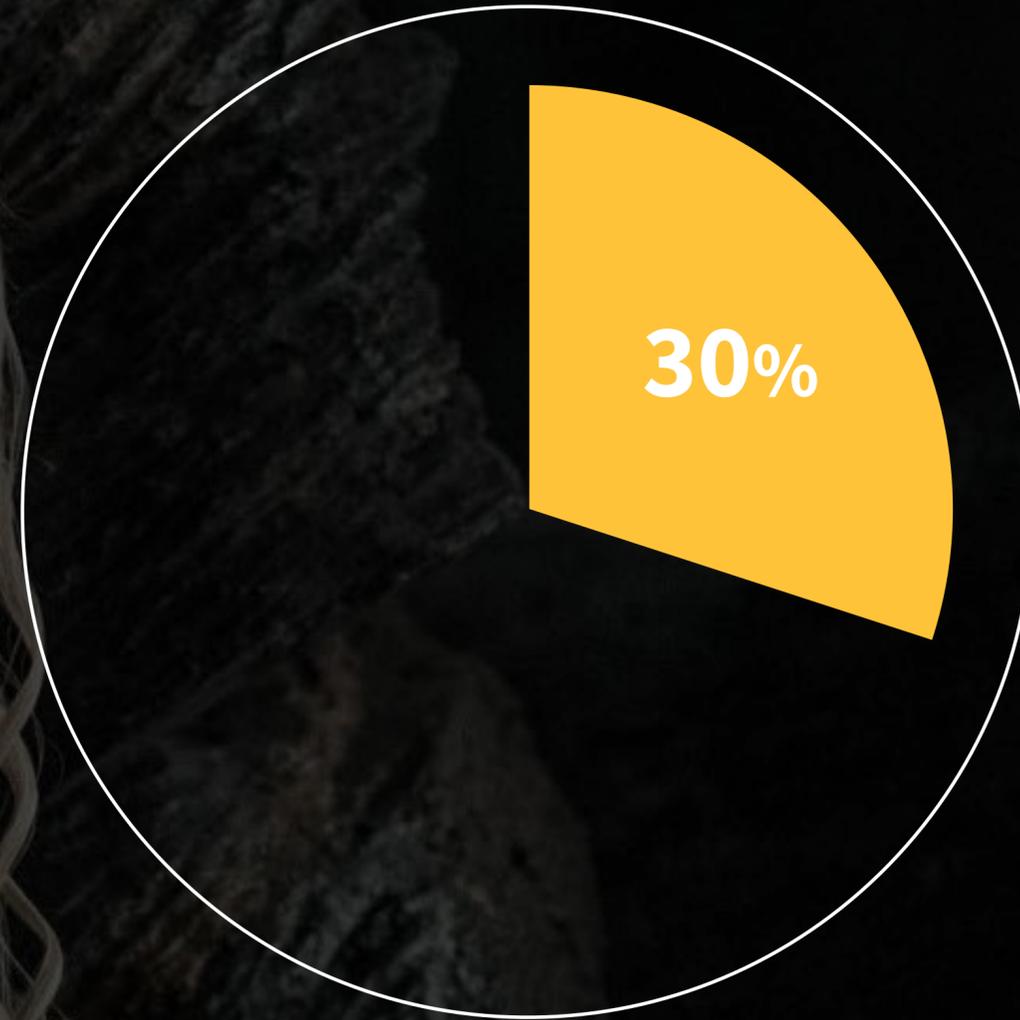
- ✓ **+20%** Residential WIGOs
- ✓ **+50%** Mobile attach rate 3P
- ✓ **+80%** Customers with DTV
- ✓ **+30%** Customers take premium entertainment
- ✓ **+40%** 4P customers take premium entertainment

...resulting in loyal and engaged customer base





AND THERE IS STILL ROOM LEFT TO GROW

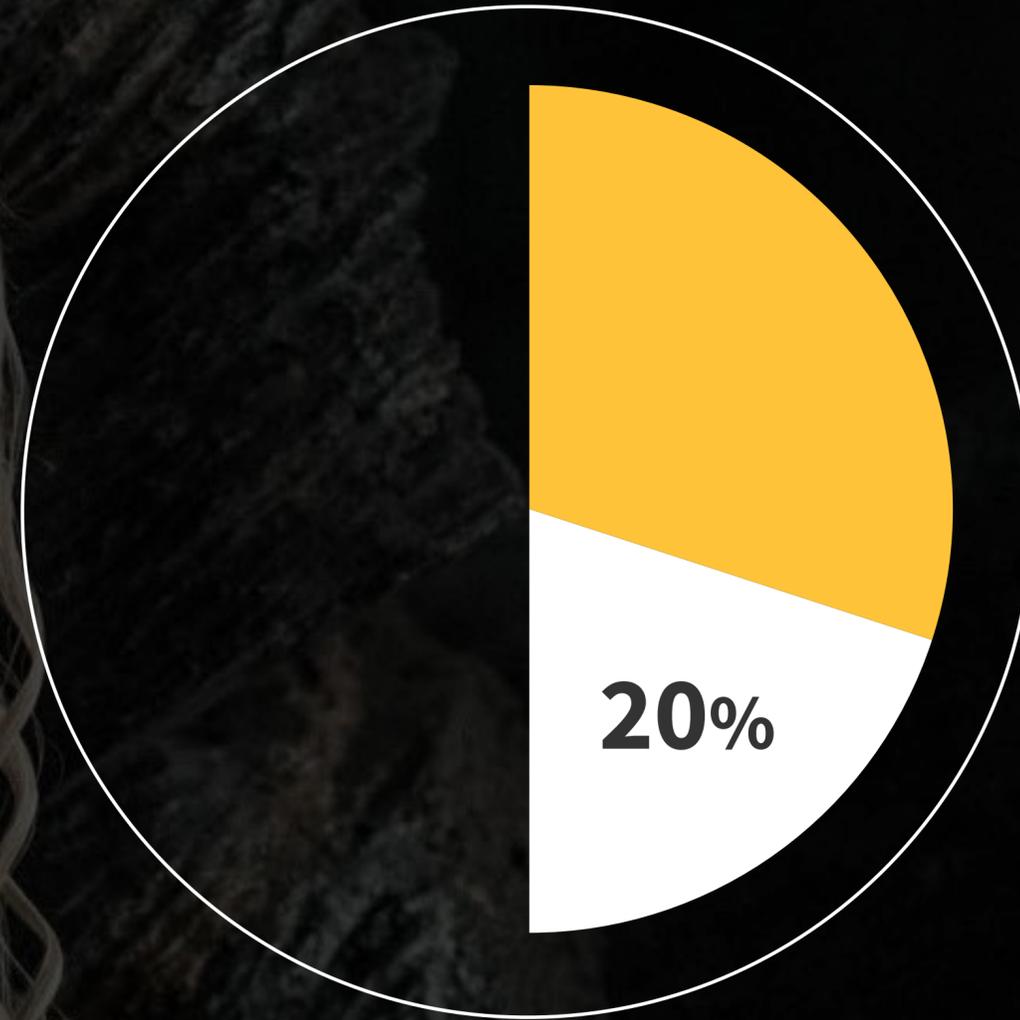


About **30% of customers on the Telenet footprint** take all their connectivity services from Telenet¹

(1) Source: Internal company research



AND THERE IS STILL ROOM LEFT TO GROW

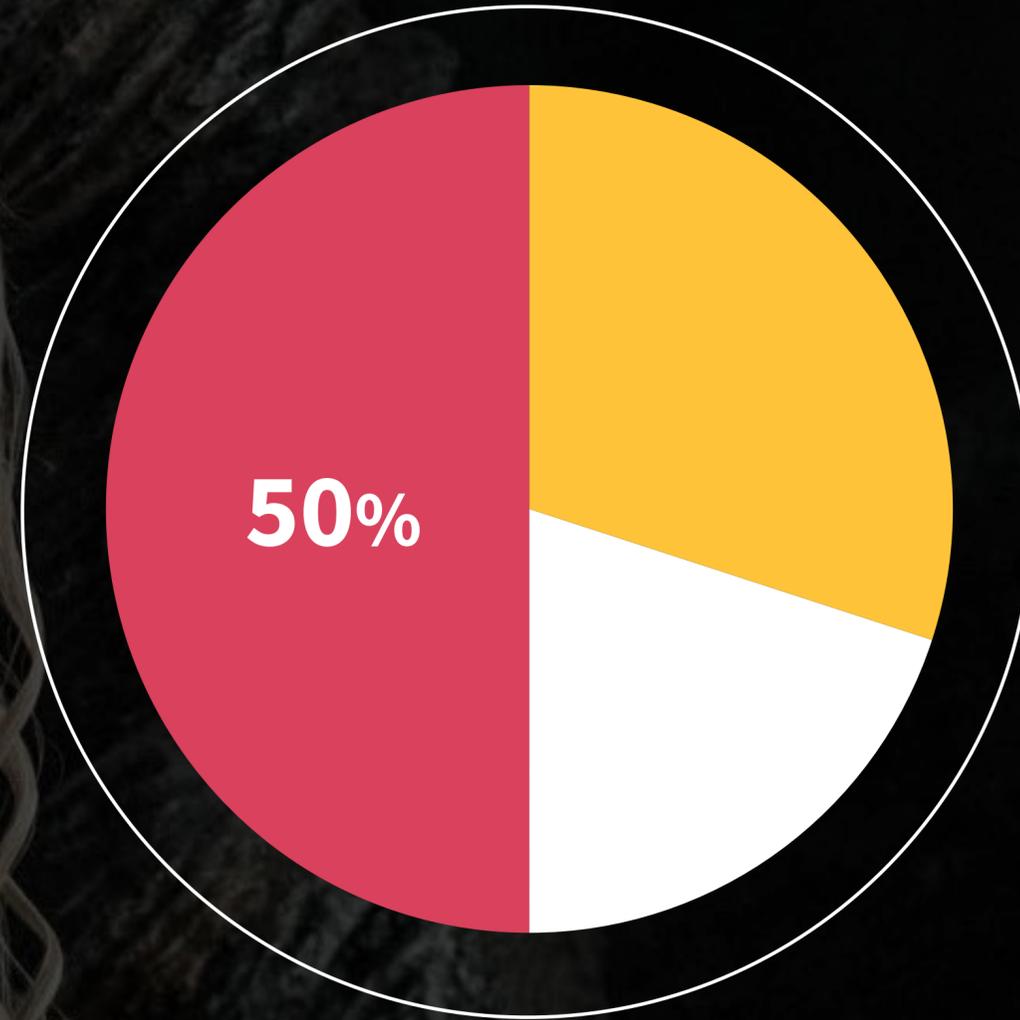


About **20%** of customers on the Telenet footprint take all their connectivity services from some other operator¹

(1) Source: Internal company research



AND THERE IS STILL ROOM LEFT TO GROW

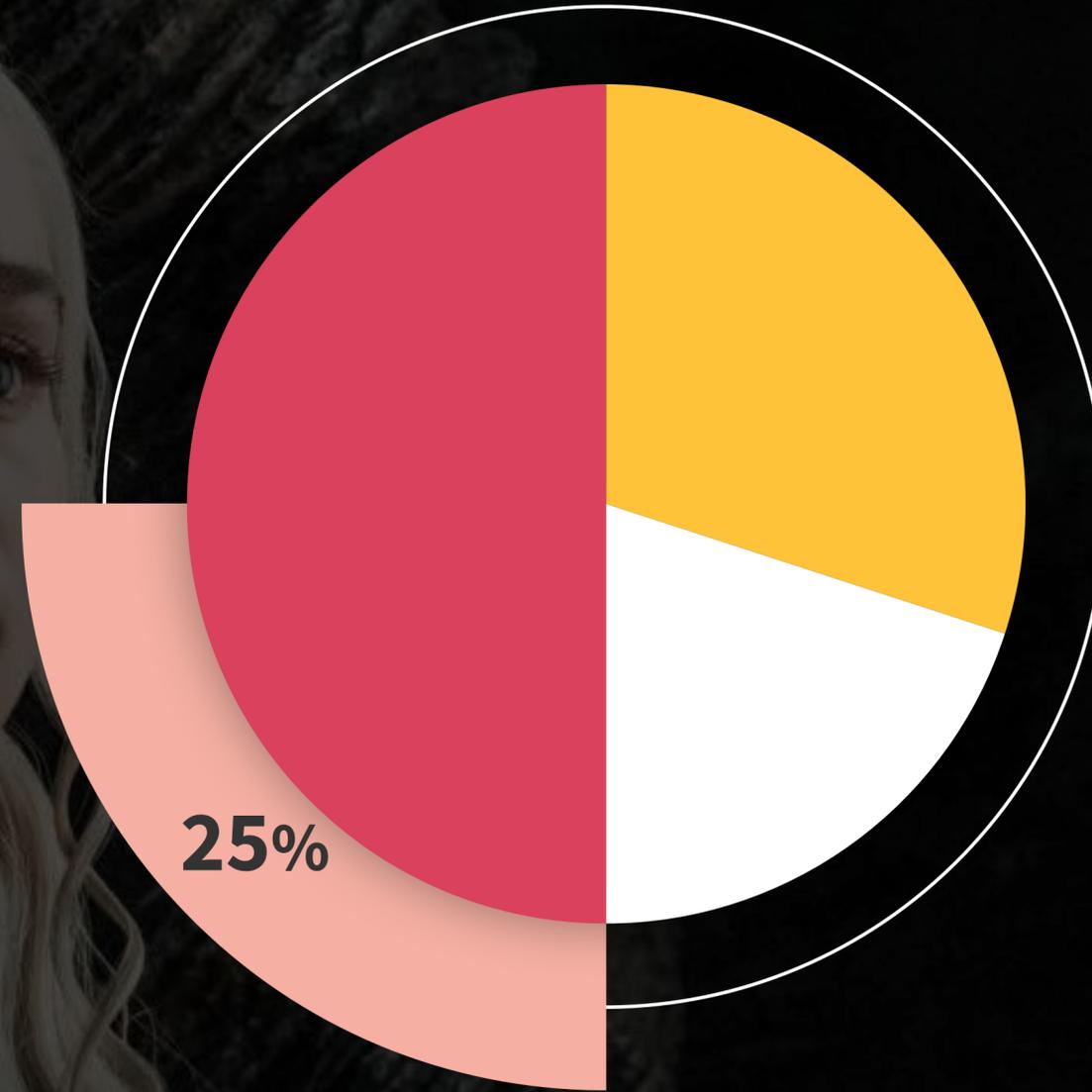


Meaning that around **50% of customers** have not yet fully converged their fixed and mobile offers¹

(1) Source: Internal company research



AND THERE IS STILL ROOM LEFT TO GROW



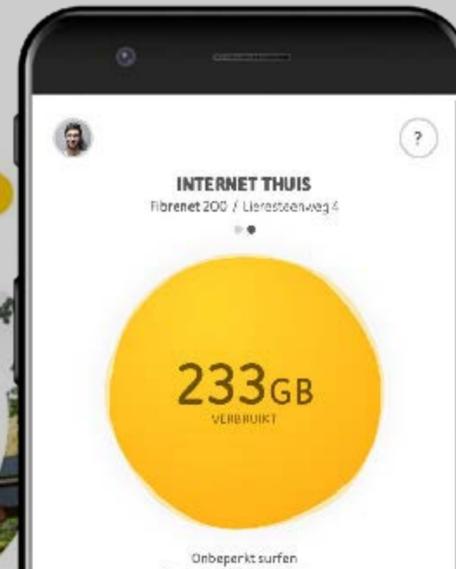
With **half of these**, Telenet has
already a customer **relationship in
place¹**

(1) Source: Internal company research



IT'S THE CUSTOMER WHO TELLS US WHERE WE CAN MAKE THE DIFFERENCE

1/3 of customers indicated their WiFi quality was insufficient



Massive customer uptake and satisfaction followed

So we improved our WiFi solution

in April '18

- ✓ **+100K** distributed
- ✓ **+34 NPS** uplift
- ✓ **85%** 3P/4P customers



IT'S THE CUSTOMER WHO TELLS US WHERE WE CAN MAKE THE DIFFERENCE

Entertainment viewing is number 1 source of data traffic

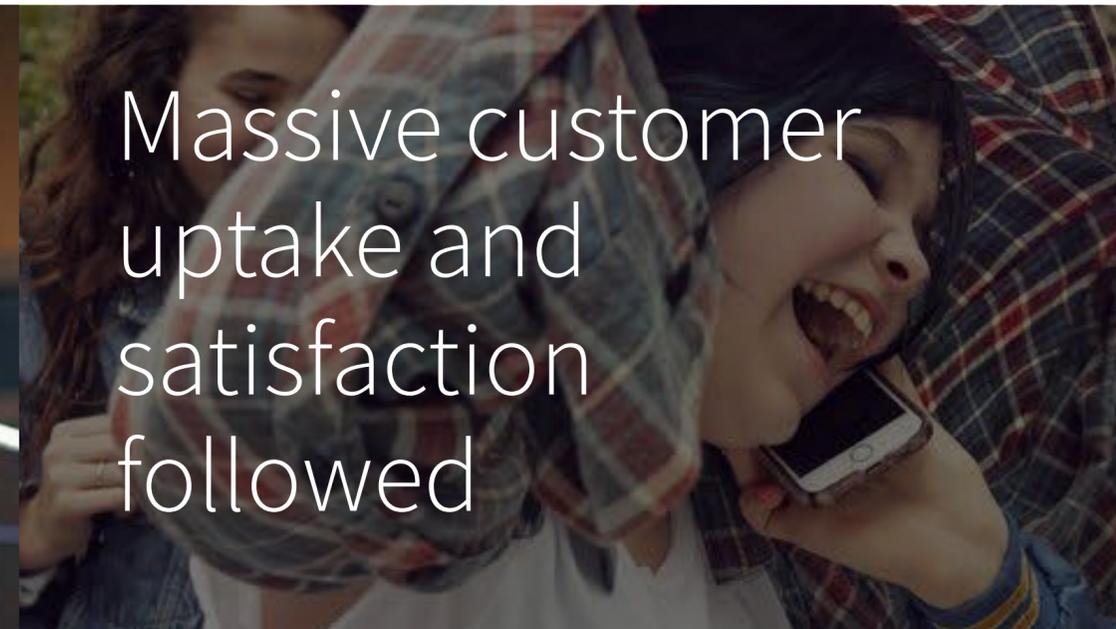


Share of video streaming in downstream
broadband volume (2010 - 2018)



So we made unlimited entertainment on the go possible

in September '18



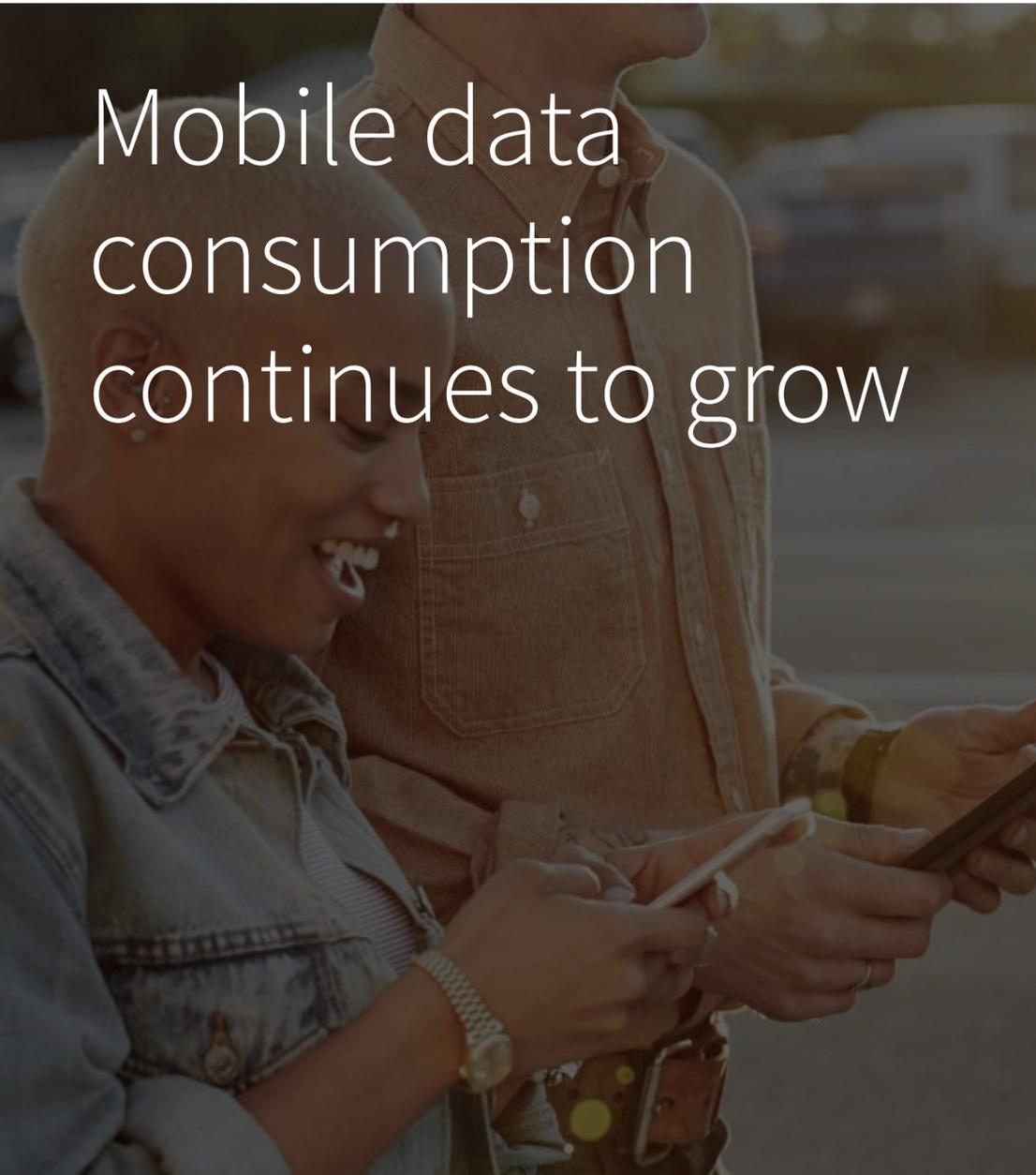
Massive customer uptake and satisfaction followed

After 5 weeks ...

- ✓ **30% activation rate**
- ✓ **+300k SIMS**



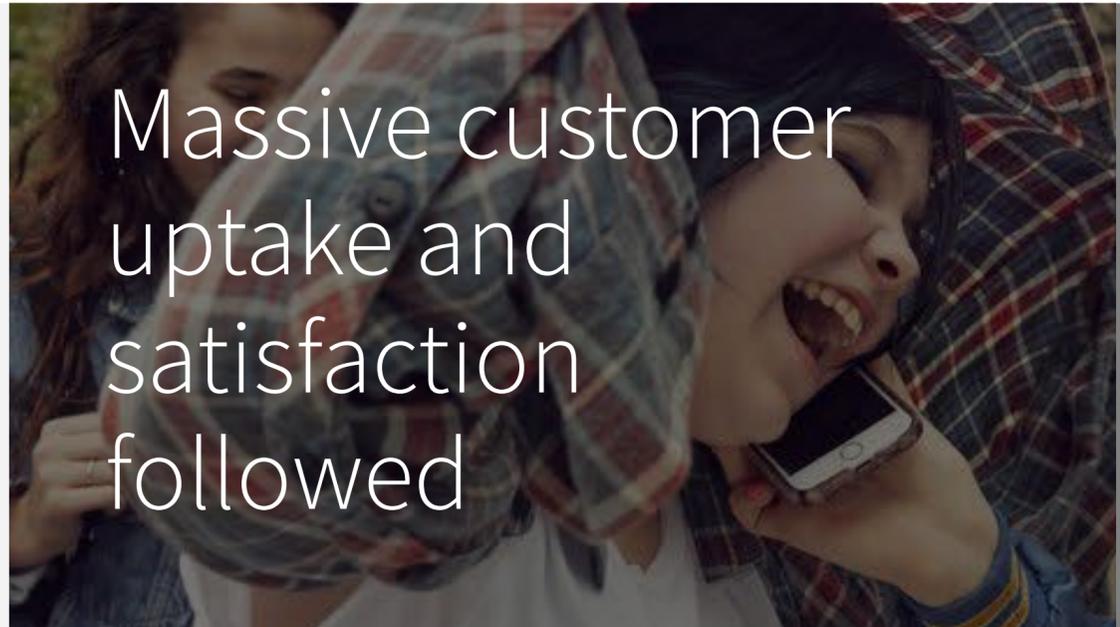
IT'S THE CUSTOMER WHO TELLS US WHERE WE CAN MAKE THE DIFFERENCE



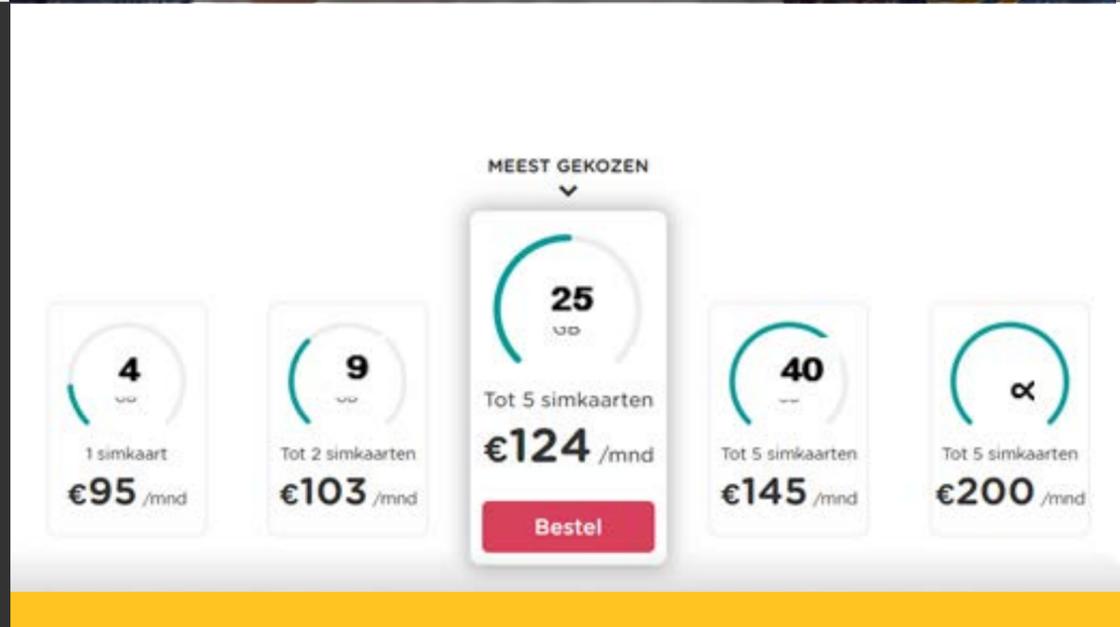
Mobile data consumption continues to grow



So we offer ample data to all our WIGO customers
Launch December '18



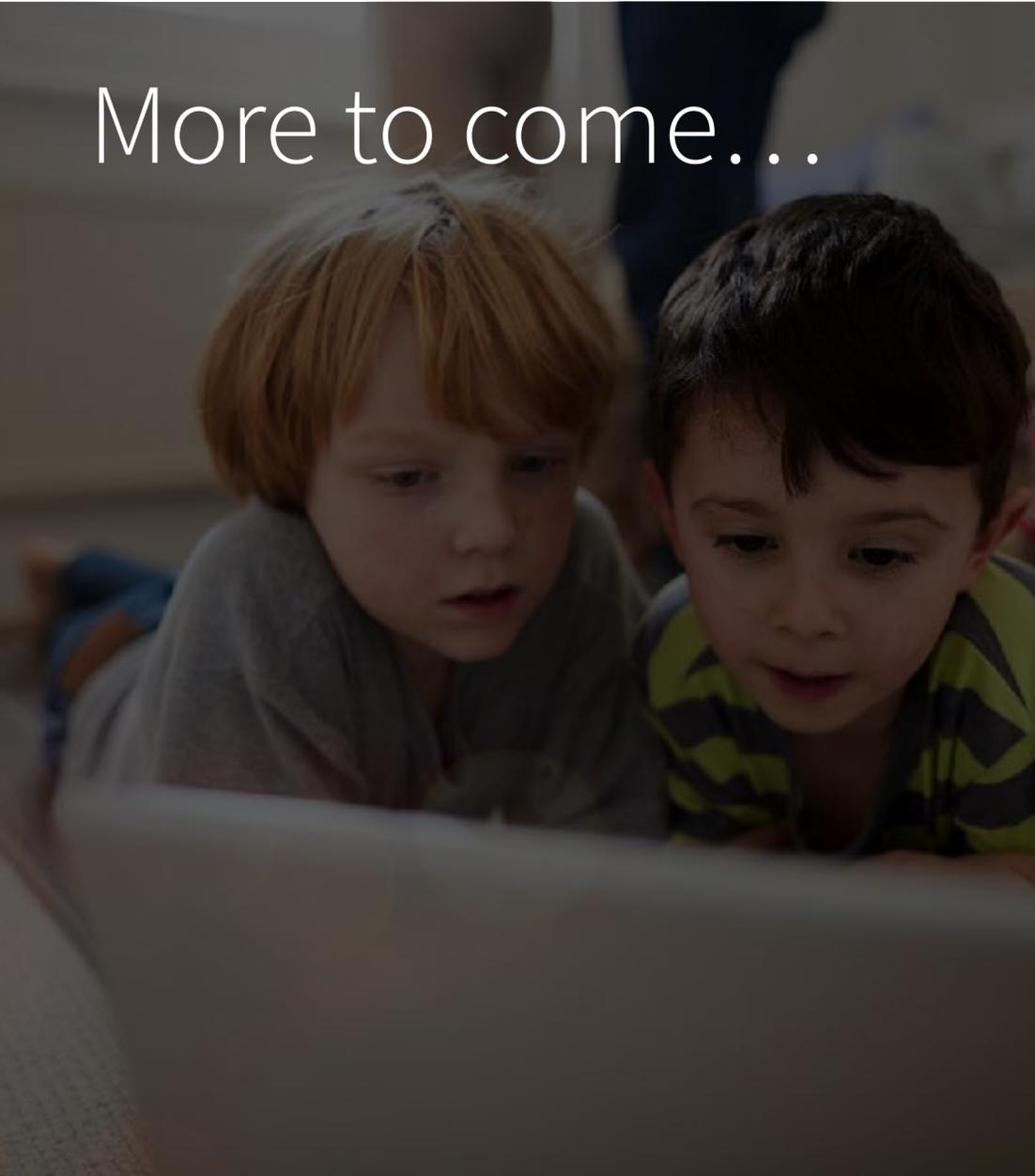
Massive customer uptake and satisfaction followed





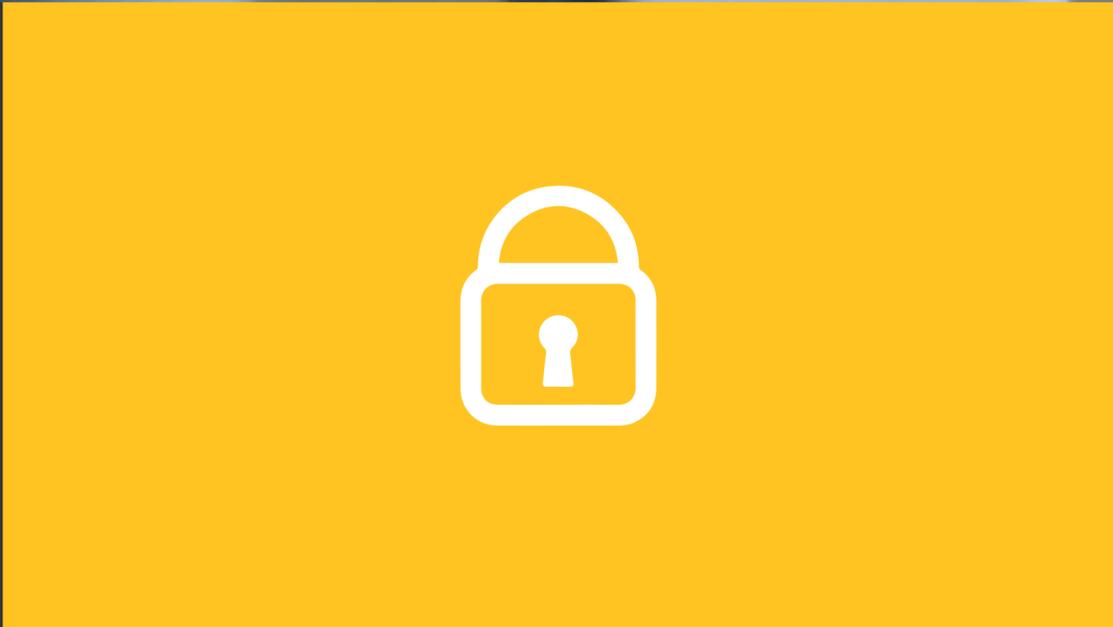
IT'S THE CUSTOMER WHO TELLS US WHERE WE CAN MAKE THE DIFFERENCE

More to come...



Including digital home services

2019 and later





BRUSSELS PRESENTS A CLEAR OPPORTUNITY FOR FURTHER GROWTH

A REGION
WHERE WE HAVE
AMPLE ROOM TO
GROW...

380k

Total HouseHolds in
Telenet BXL footprint

Market Share

- Telenet (29%)
- SFR (15%)
- VOO



(1) Source: Internal management estimate



BRUSSELS PRESENTS A CLEAR OPPORTUNITY FOR FURTHER GROWTH

**... ALTHOUGH FIRST
MIGRATION WAVES
HAVE PROVEN
CHALLENGING...**

- ✓ Data quality issues
- ✓ Fragmented roll-out
- ✓ Different customer profiles





BRUSSELS PRESENTS A CLEAR OPPORTUNITY FOR FURTHER GROWTH

... NEW DEDICATED &
SEGMENTED MARKETING
APPROACH SHOWS
PROMISING RESULTS

+40%

uplift in daily
migrations

+50%

uplift in daily sales





BASE INCREASES OUR REACH IN THE MARKET

BENEFIT OF OWNING OUR OWN MOBILE NETWORK...

- **MVNO to MNO synergies**
- **Full control of network quality and customer XP**
- **National footprint**

BASE





BASE INCREASES OUR REACH IN THE MARKET



**... THOUGH STANDALONE
MOBILE UNDERPERFORMS
VERSUS CONVERGED OFFERS**



- Telenet
- BASE

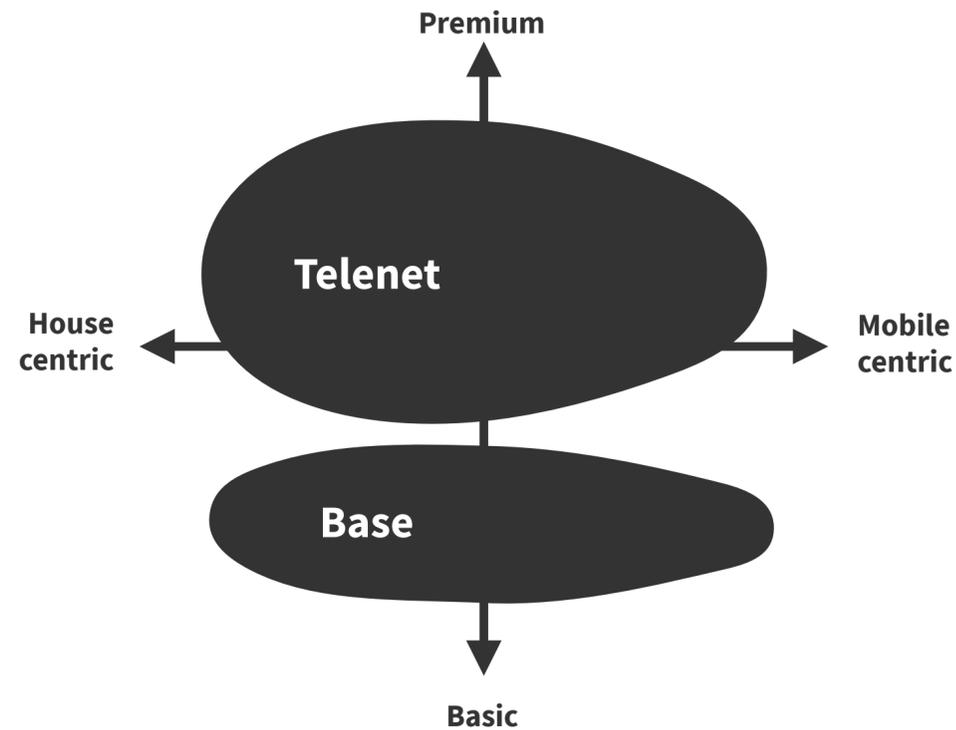
Q1 2017 Q2 2017 Q3 2017 Q4 2017 Q1 2018 Q2 2018 Q3 2018 Q4 2018



BASE INCREASES OUR REACH IN THE MARKET



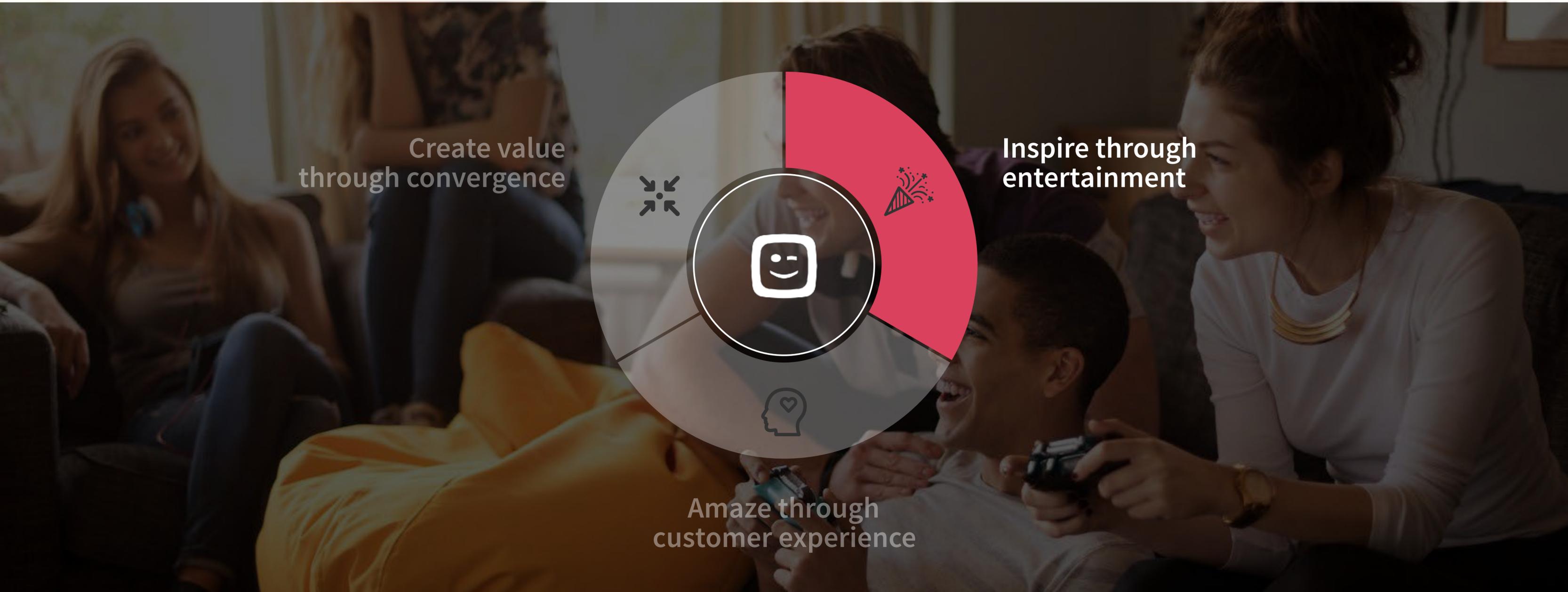
complementarity
in brand



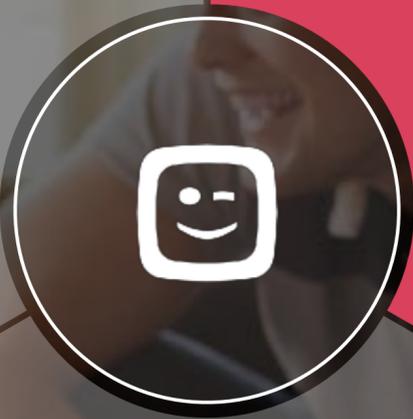
complementarity
in footprint



... WE COMBINE CONNECTIVITY, ENTERTAINMENT AND CUSTOMER EXPERIENCE MORE FLUIDLY THAN EVER...



Create value through convergence



Inspire through entertainment



Amaze through customer experience



WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content

PLAY

NEW

- ✓ Home of HBO
- ✓ Premium SVOD Series offer

PLAY MORE

- ✓ All of Play
- ✓ Deals with all Major Movie Studios
- ✓ 5 Premium Channels

Play Sports

- ✓ Most extensive sports package
- ✓ Jupiler Pro League, Premier League, Eleven sports deals renewed
- ✓ State of the art studio, talent, production techniques



WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content





WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content



- second commercial broadcaster
- +20% viewing share (18-54y)



- largest standalone production house
- large number of iconic TV shows



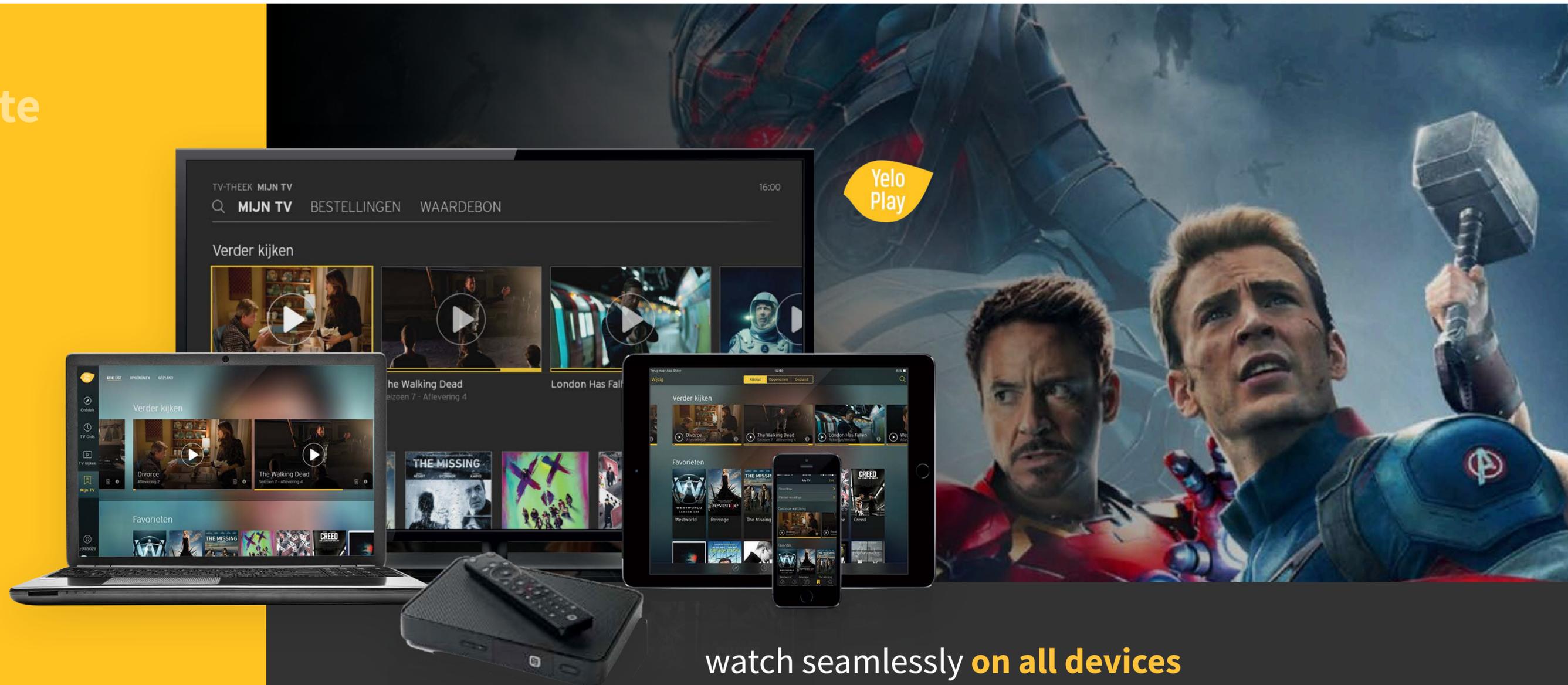
investment in free-to-air



WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content

Integrated Platform



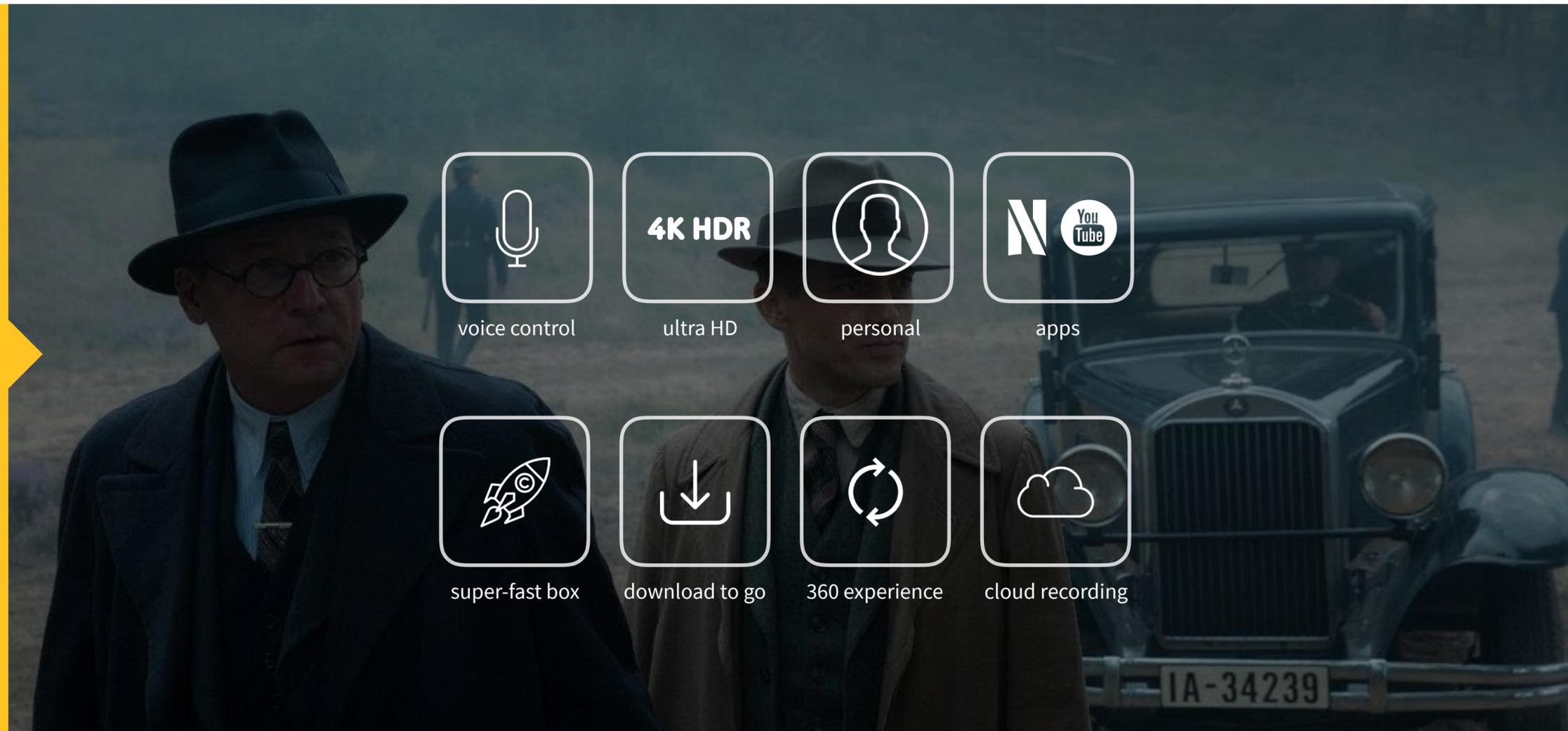
watch seamlessly **on all devices**



WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content

Integrated Platform



voice control



ultra HD



personal



apps



super-fast box



download to go



360 experience



cloud recording

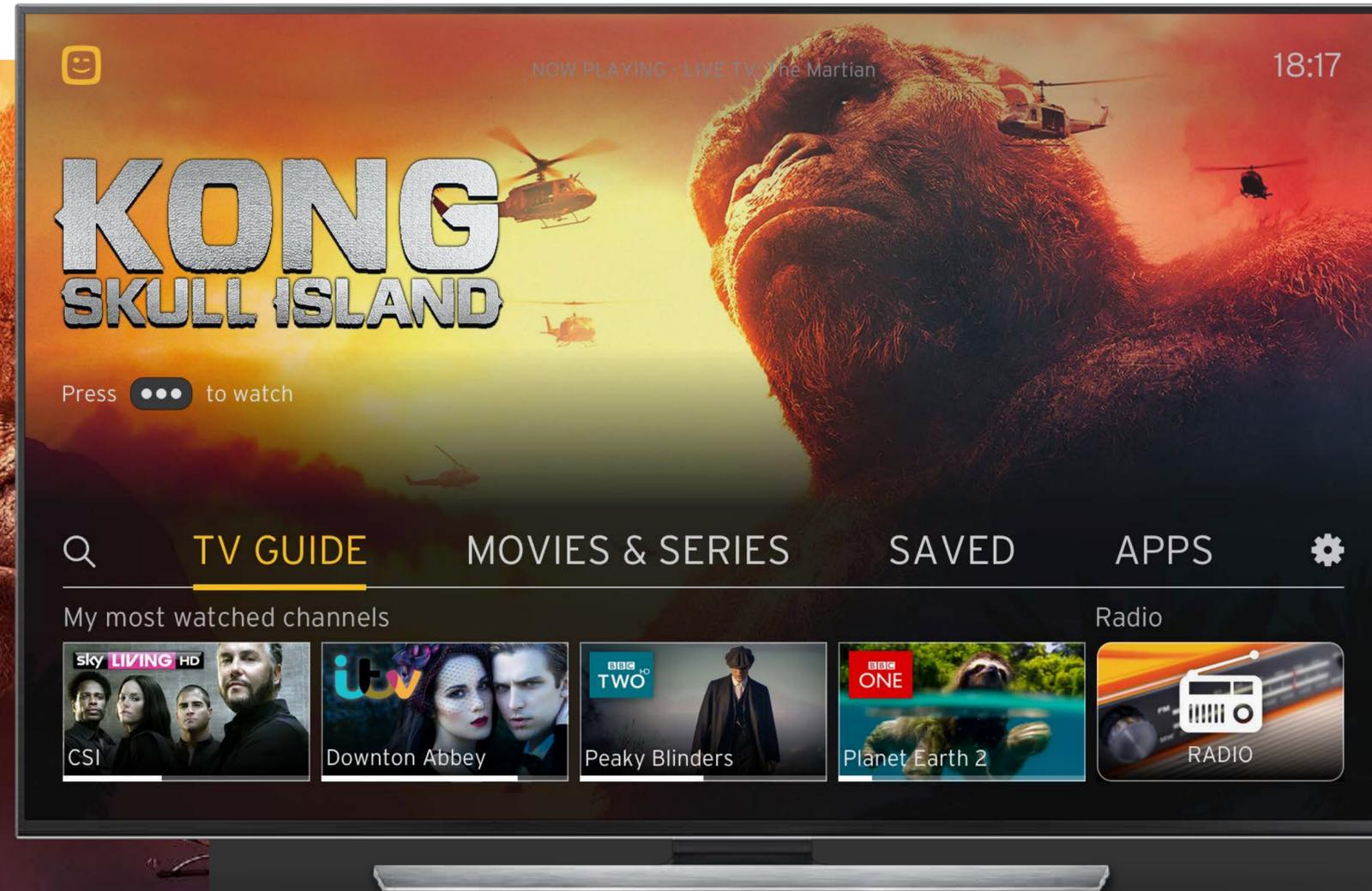
increased **viewing comfort**



WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content

Integrated Platform



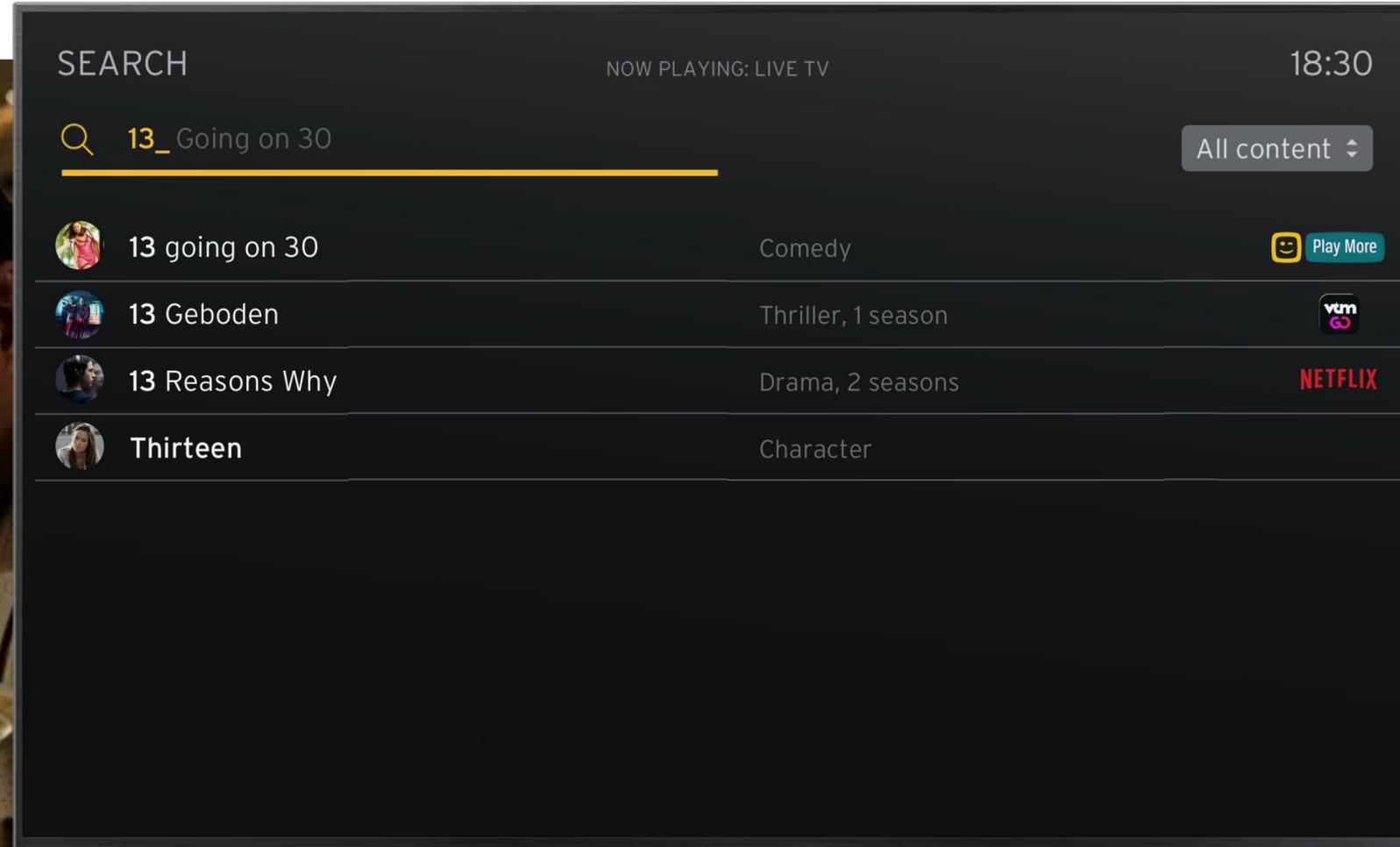
Intuitive UI to **guide customers**



WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content

Integrated Platform



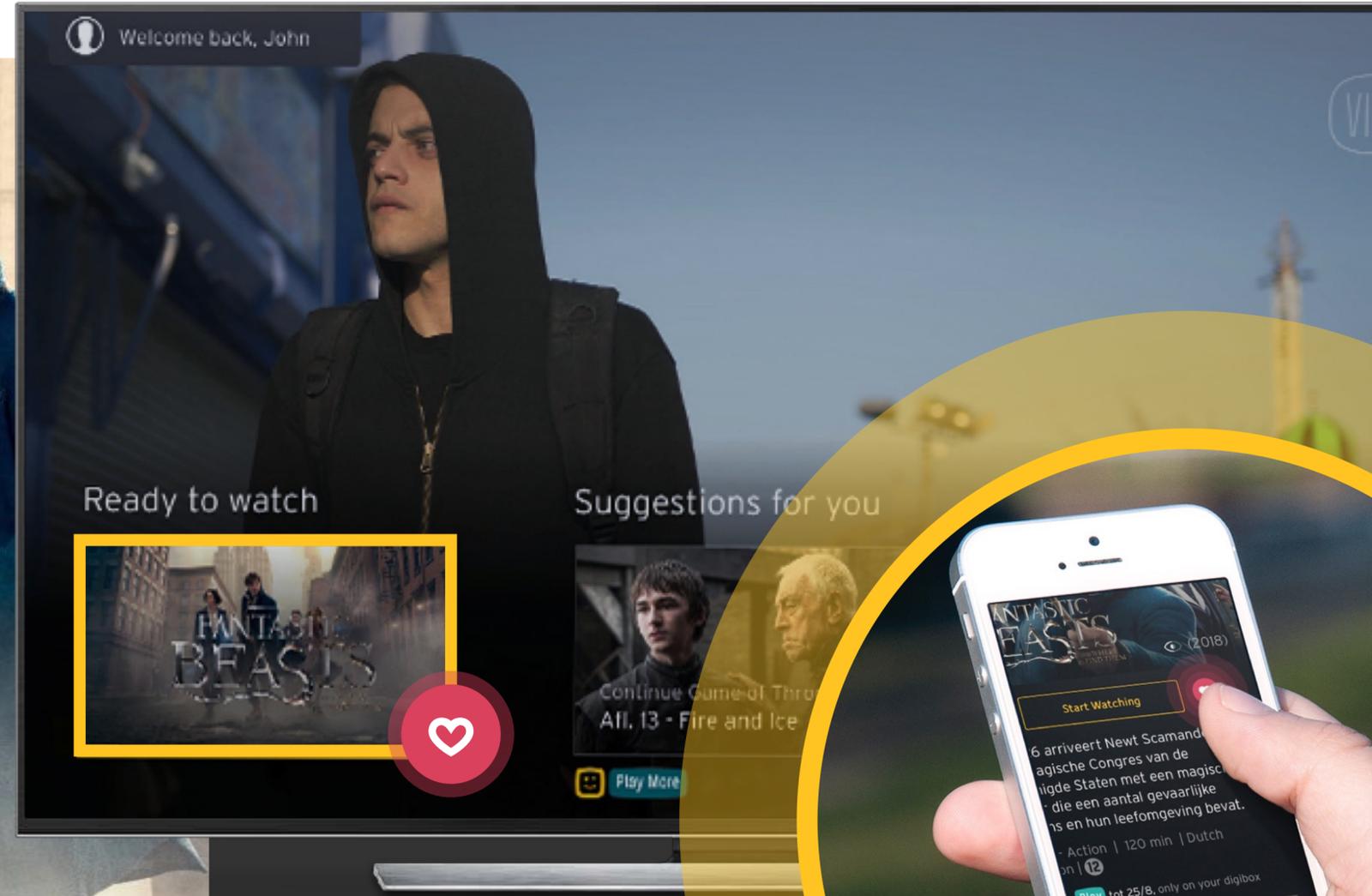
Intuitive UI to **guide customers**



WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content

Integrated Platform



Intuitive UI to guide



WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content

Integrated Platform

360° Experiences



1	Wout VAN AERT	12:57	11	Eli ISERBY
2	Quinten HERMANS	+03	12	Diether SW
3	Mathieu VAN DER POEL	+05	13	Kevin PAU
4	Laurens SWEECK	+06	14	David VAN
5	Toon AERTS	+16	15	Gianni VEI
6	Jens ADAMS	+19	16	Michael BO
7	Michael VANTHOURENHOUT	+20	17	Dieter VAN
8	Lars VAN DER HAAR	+21	18	Rob PEET
9	Vincent BAESTAENS	+22	19	Nicolas CL
10	Tom MEEUSEN	+30	20	Daan HOE

enriched production value



WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content

Integrated Platform

360° Experiences



activation marketing



WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content

Integrated Platform

360° Experiences



activation marketing



WE OFFER THE MOST COMPLETE AND ENGAGING ENTERTAINMENT EXPERIENCE IN THE MARKET

All your favourite content

Integrated Platform

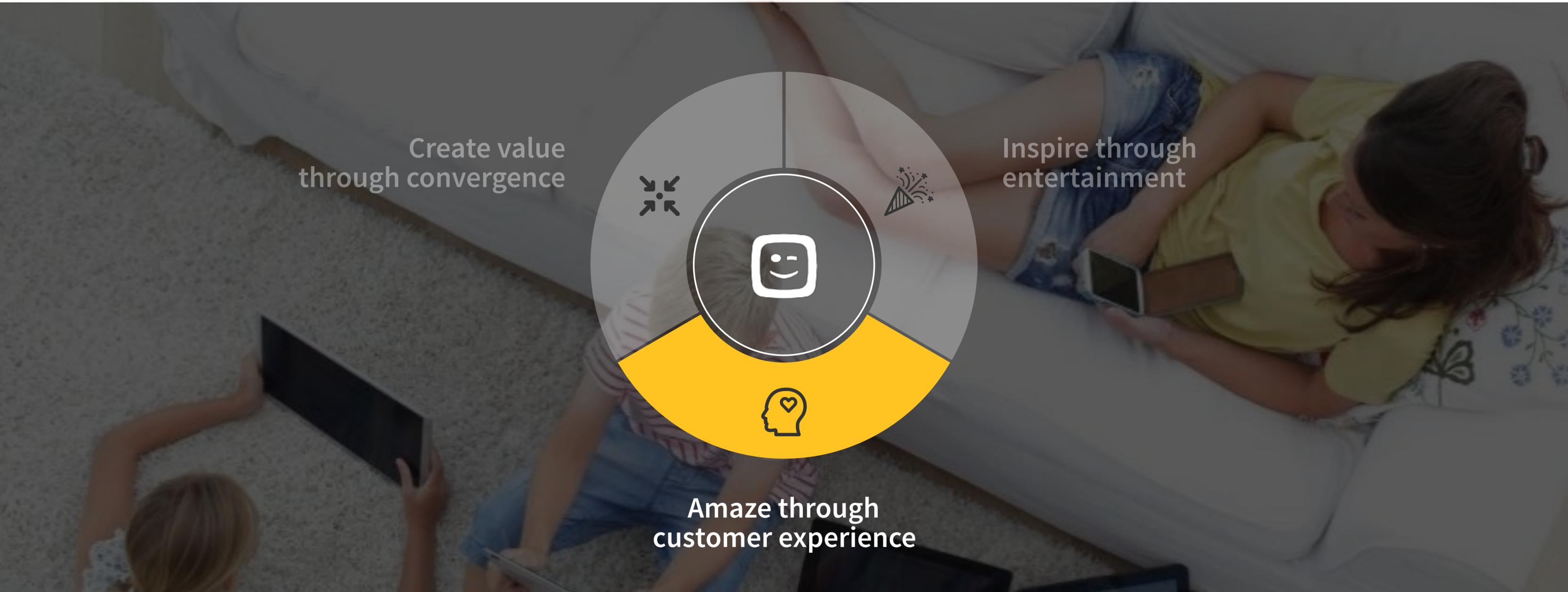
360° Experiences



Virtual Reality **theme park**



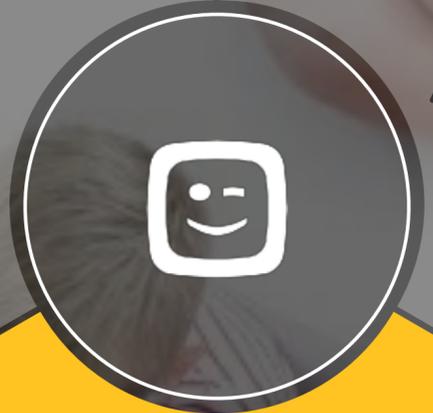
... WE COMBINE CONNECTIVITY, ENTERTAINMENT AND CUSTOMER EXPERIENCE MORE FLUIDLY THAN EVER...



Create value through convergence



Inspire through entertainment



Amaze through customer experience



WE ARE BUILDING A REVOLUTIONARY ARCHITECTURE, WITH THE CUSTOMER AT THE HEART..



Introduce new ways of interacting with our customers to service them in the best possible way



Design digital customer experience as a key differentiator in our customer value propositions



Smart use of digital, data & targeting
to navigate customers to their best fit



WE ARE BUILDING A REVOLUTIONARY ARCHITECTURE, WITH THE CUSTOMER AT THE HEART..



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DIGITAL CUSTOMER EXPERIENCE AS A KEY DIFFERENTIATOR

- Personalisation
- Ease of use
- Integration of partner services

- ↗ Leads
- ↗ Uptake
- ↗ Usage
- ↗ NPS





WE ARE BUILDING A REVOLUTIONARY ARCHITECTURE, WITH THE CUSTOMER AT THE HEART..



Introduce new ways of interacting with our customers to service them in the best possible way



Design digital customer experience as a key differentiator in our customer value propositions



Smart use of digital, data & targeting
to navigate customers to their best fit



SMART USE OF DIGITAL, DATA & TARGETING



- Household data
- Mass Marketing approach
- Pre-defined Next Best Action/Offer
- Omnichannel consistency
- Personal ID & Customer DNA
- Dynamic and contextual CRM
- Real-time and data driven decisioning
- Fully integrated omnichannel

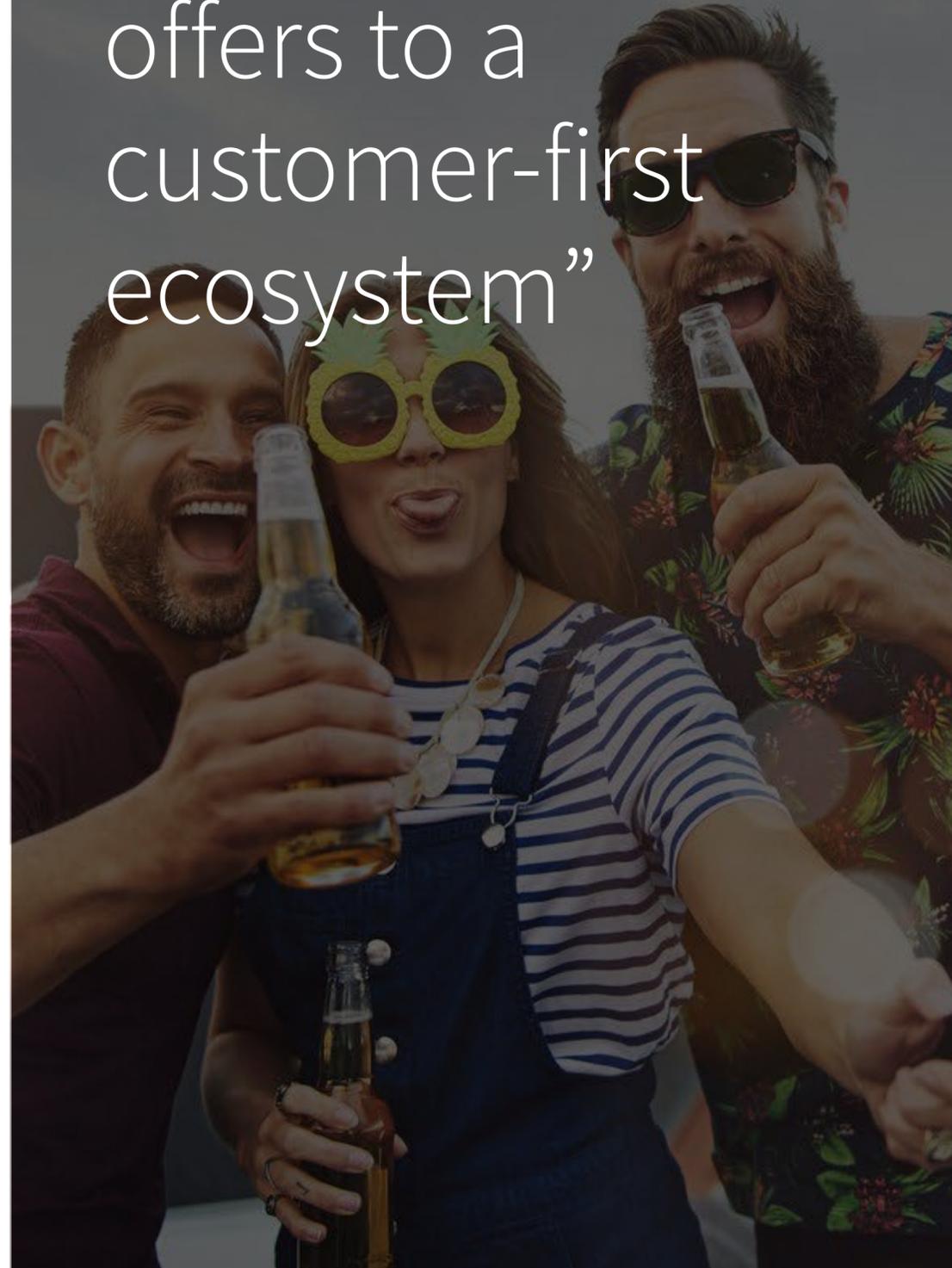


- ✓ Success rates of first personalised NBA/NBO up 50%
- ✓ 10-15% run rate marketing savings
- ✓ E-sales share for younger segments doubled to +20% by targeted digital campaigning



LEVERAGE OUR STRONG BRANDS AND AMAZING CUSTOMER EXPERIENCE

"From converged offers to a customer-first ecosystem"



- Grow value through convergence
- Differentiate by continuous innovation
- Maximise reach brought by Brussels and Base
- Continue to invest in (local) content, platform and entertainment engagement
- Leveraging data and digital to create highly personalized touchpoints and customer experience



5

TRANSITION TO DIGITAL FIRST, UNDERPINNED BY SIMPLIFICATION

Benedikte Paulissen, Chief Customer Officer
Sam Lloyd, Chief Information Officer



**HAPPIER
CUSTOMERS AND A
BETTER
EXPERIENCE AT
RADICALLY LOWER
COST**

1

**Simplify
how
customers
interact with
Telenet**

2

**Simplify
our IT
systems**

3

**Simplify
our
operating
model and
how we work**

**...leading to 15% OPEX savings by 2021
in IT and residential customer operations**



HAPPIER CUSTOMERS AND A BETTER EXPERIENCE AT RADICALLY LOWER COST

1

Simplify
how
customers
interact with
Telenet

2

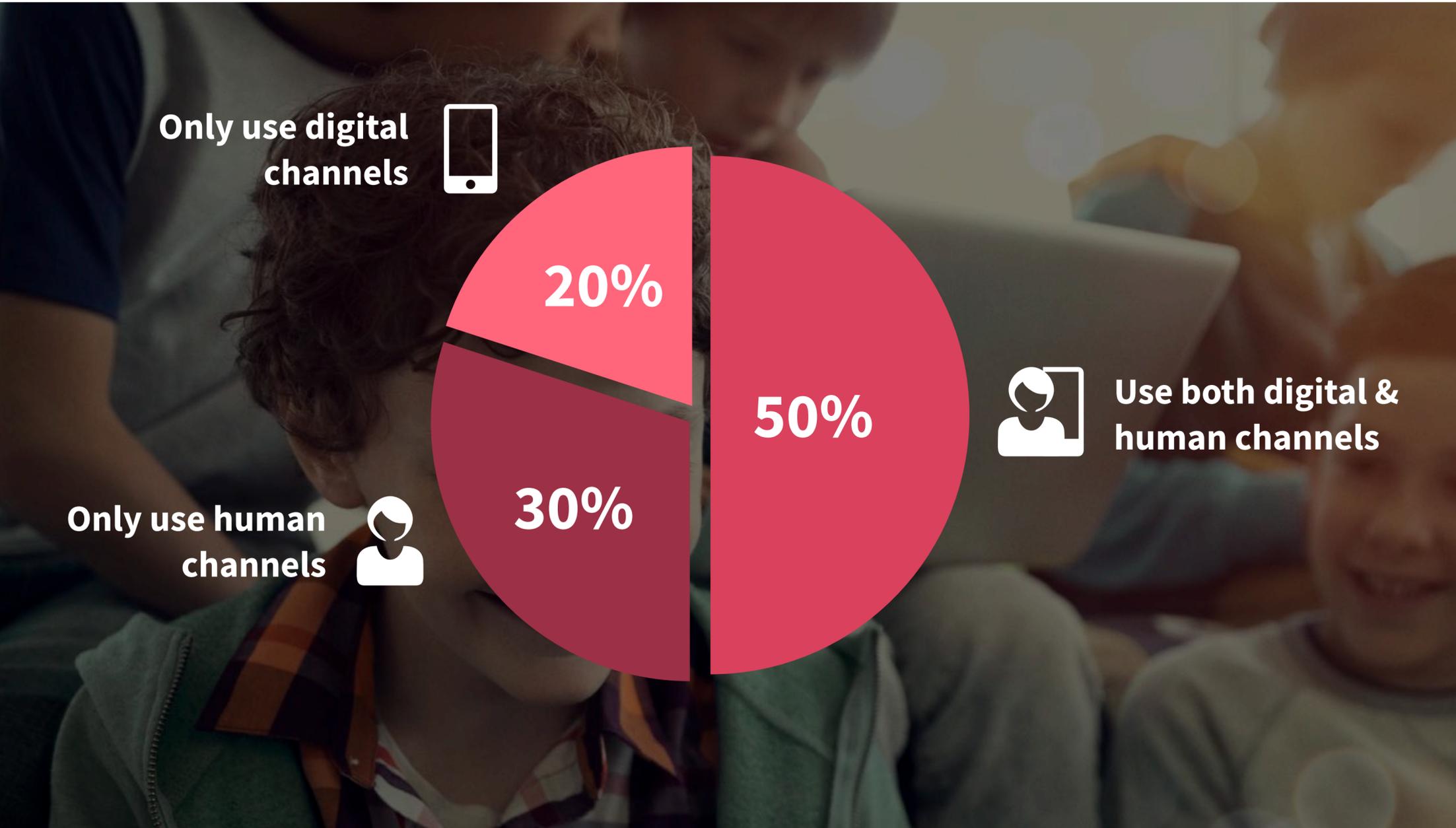
Simplify
our IT
systems

3

Simplify
our
operating
model and
how we work



OUR CUSTOMERS EMBRACE DIGITAL...

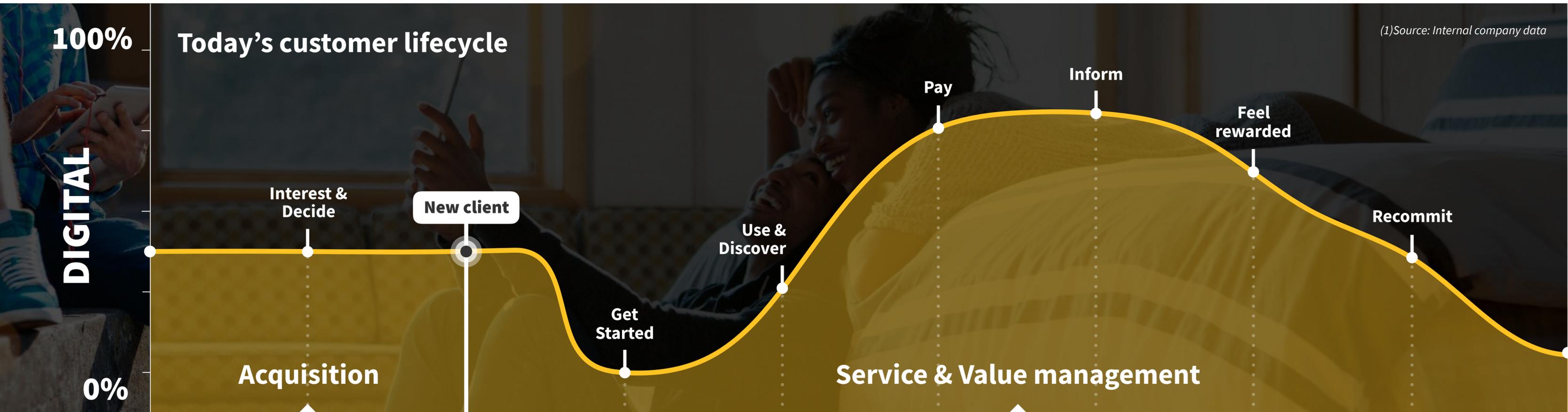


Customers using digital do score these interactions much higher compared to other channels

- **Digital channel + 50 NPS**
- **Contactcenter + 20 NPS**

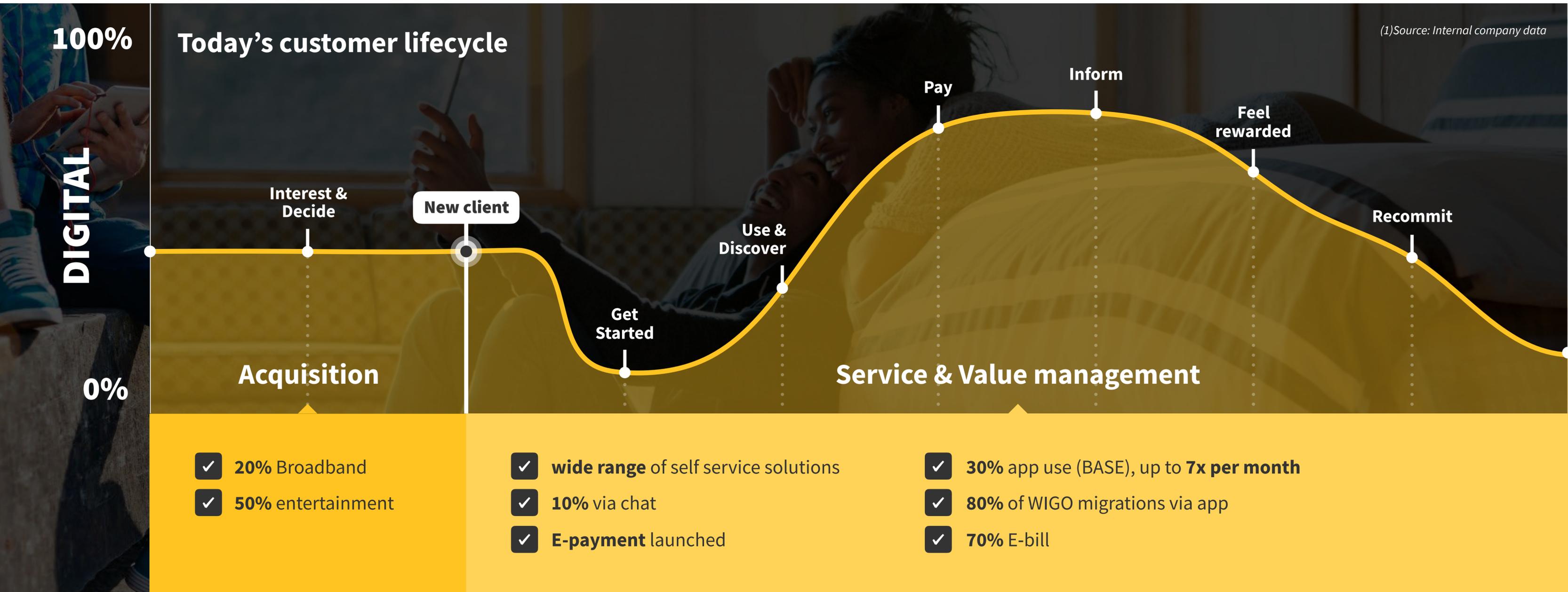


... DIGITAL INTERACTIONS ARE ALREADY EMBEDDED IN TODAY'S CUSTOMER JOURNEY



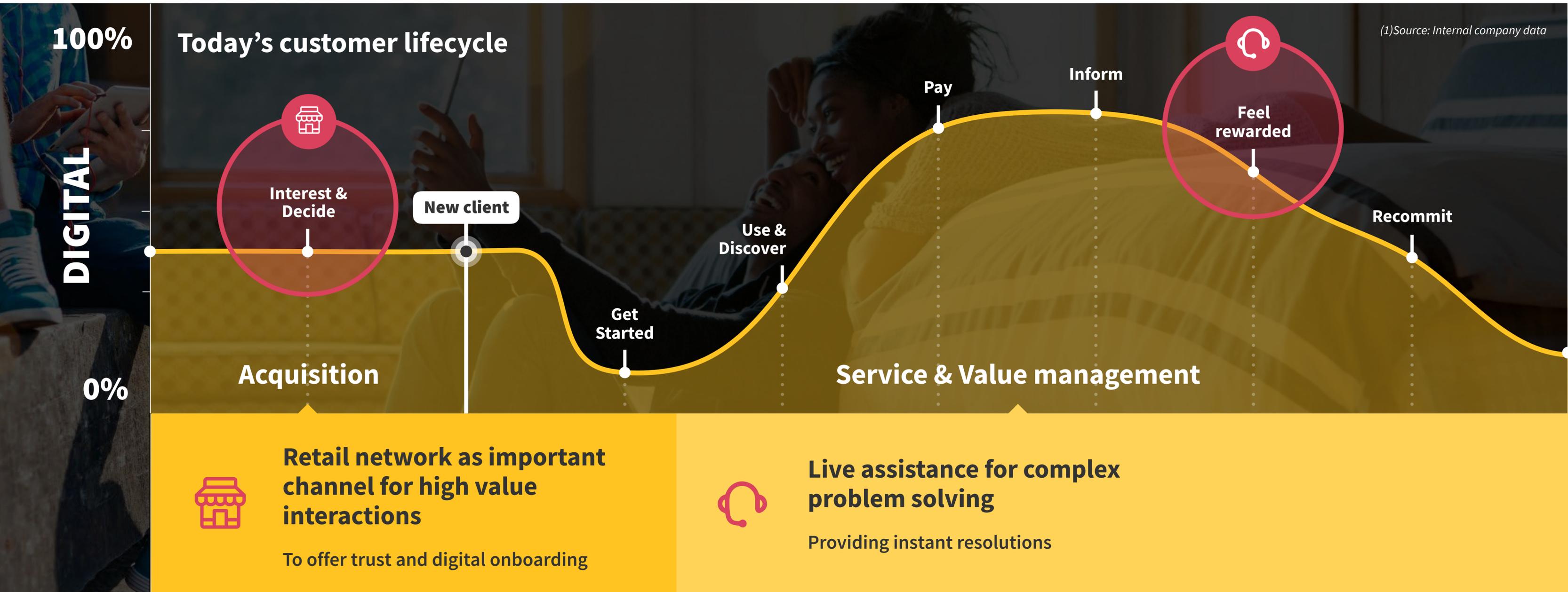


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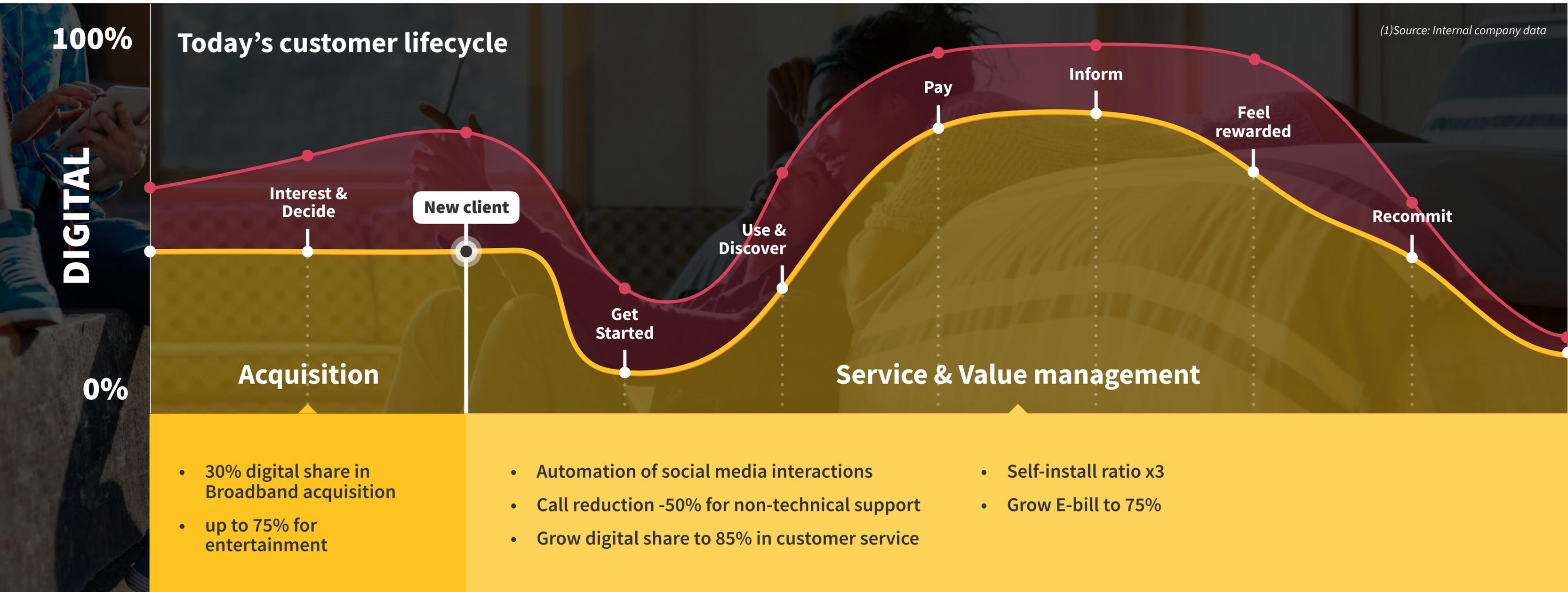


... DIGITAL INTERACTIONS ARE ALREADY EMBEDDED IN TODAY'S CUSTOMER JOURNEY





... DIGITAL INTERACTIONS ARE ALREADY EMBEDDED IN TODAY'S CUSTOMER JOURNEY





HAPPIER CUSTOMERS AND A BETTER EXPERIENCE AT RADICALLY LOWER COST

1

Simplify
how
customers
interact with
Telenet

2

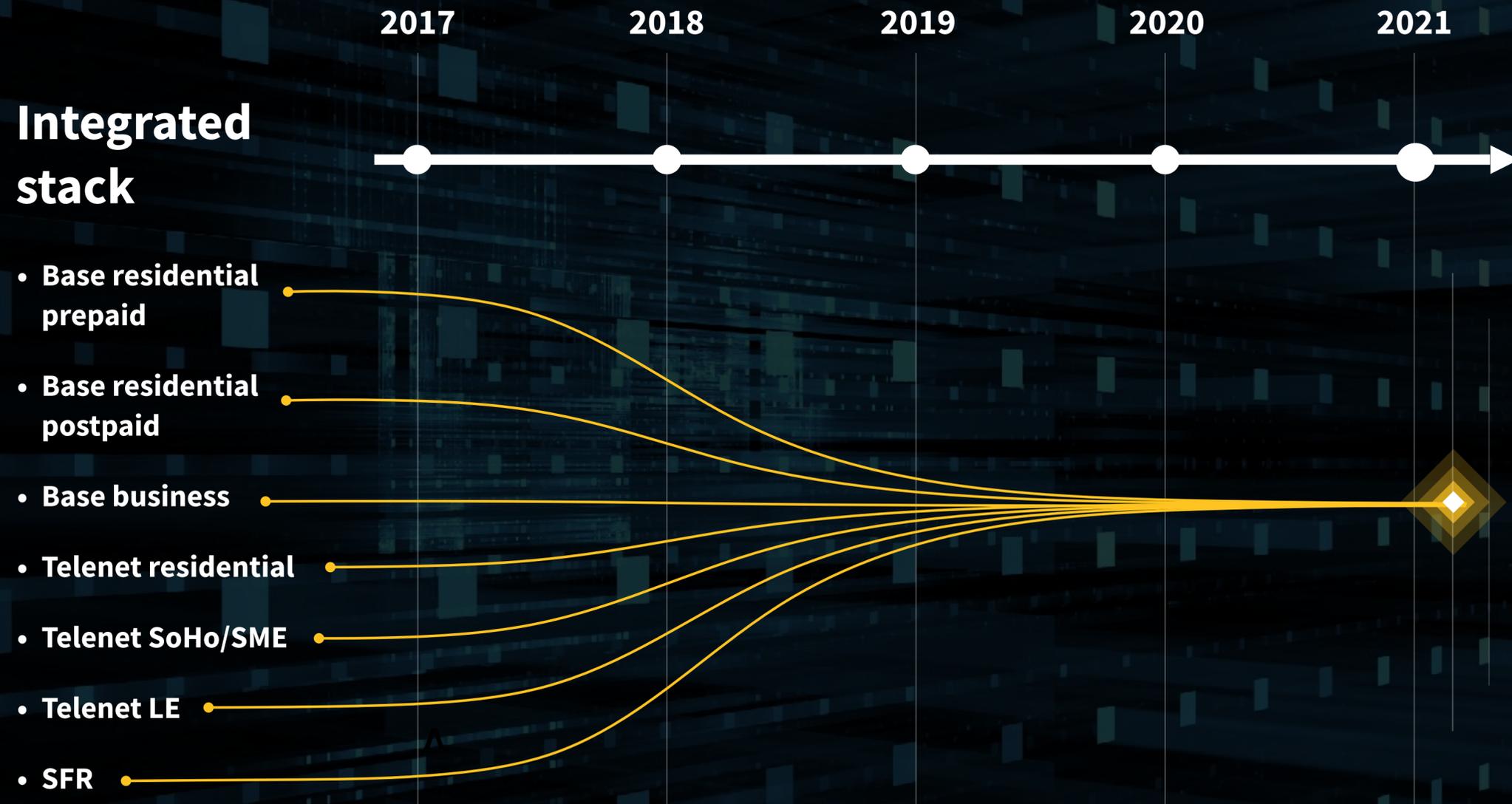
Simplify
our IT
systems

3

Simplify
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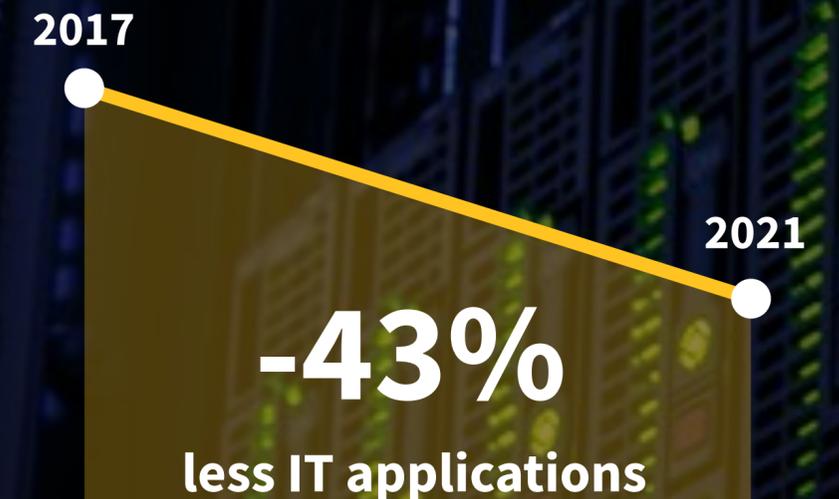


TRANSFORM CUSTOMER EXPERIENCE AND ENABLE INTERNAL SIMPLIFICATION THROUGH RADICAL SYSTEM TRANSFORMATION



Investing to make things simpler

>20% IT OPEX reduction





WE ARE BUILDING A REVOLUTIONARY ARCHITECTURE, WITH THE CUSTOMER AT THE HEART..

Customer **centric**



Customer
Journey
Management



Decisioning



Customer
DNA

Product **centric**



Product
Factory



Billing &
Rating

Network **centric**



Service
Network
Management



3rd Party
Service
Management



TAILORING NEW TECHNOLOGIES TO QUICKLY SCALE AUTOMATION



We believe in **automation**



We **tested** internally



We got **good results**



3000 questions answered on application launch

104



Solutions ready to **launch** in **4-8 weeks**



NPS +85

- 1 Self Service**
- 2 Automate actions**
- 3 Automate conversations**



Ambition

50%
reduction in IT service desk calls

50%
of the chats automated

2/3
of IT requests will be automated



HAPPIER CUSTOMERS AND A BETTER EXPERIENCE AT RADICALLY LOWER COST

1

Simplify
how
customers
interact with
Telenet

2

Simplify
our IT
systems

3

Simplify
our
operating
model and
how we work



SIMPLIFY OUR OPERATING MODEL AND HOW WE WORK



Simpler

Systems rationalisation/
consolidation

Simplified architecture

IT automation and efficiency

Simplified processes
to the business



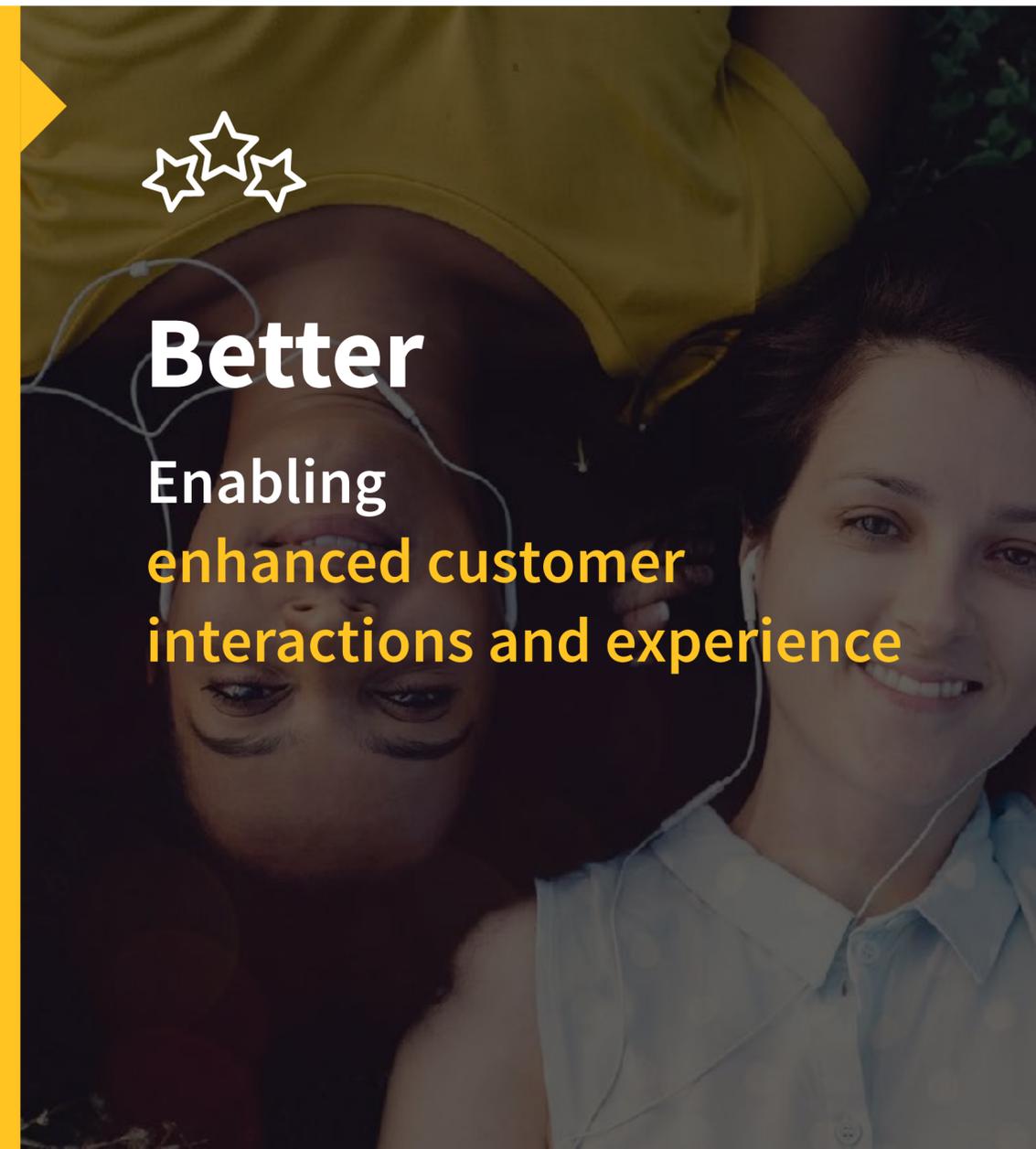
Faster

Enabling
organisation acceleration



Better

Enabling
**enhanced customer
interactions and experience**





HAPPIER CUSTOMERS AND A BETTER EXPERIENCE AT RADICALLY LOWER COST

1

Simplify
how
customers
interact with
Telenet

2

Simplify
our IT
systems

3

Simplify
our
operating
model and
how we work

...leading to **15% OPEX savings by 2021**
in IT and residential customer operations



TRANSITION TO DIGITAL FIRST, UNDERPINNED BY SIMPLIFICATION

“Improving customer experience by radically transforming our way of working and lower cost base”

- Radical simplification of our IT
- Simplification of our processes
- Simplifying our operating model and how we work together
- Translating to significant cost savings
- Enabling us to create step change in how we manage our customers



6

COMMITTED TO DRIVE SUSTAINABLE PROFITABLE GROWTH

Erik Van den Enden, Chief Financial Officer



**COMMITTED TO
DRIVE
SUSTAINABLE
PROFITABLE
GROWTH**

1

We achieved
our 2015-2018 financial ambitions

2

We have built
a solid financial profile

3

Compelling journey ahead, resulting in
sustainable profitable growth

4

Our plan is underpinned by
an attractive shareholder remuneration policy



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WE ACHIEVED OUR 2015-2018 FINANCIAL AMBITIONS

¹ See Definitions in Appendix for additional disclosure

² CAGR: Compound Annual Growth Rate

Rebased¹ Adjusted EBITDA¹
CAGR² 2015-2018

5-7%

Initial target April
2016 Capital
Markets Day

6-7%

Upgraded
target post FY
2017 results

- ✓ Upgraded ambitions, targeting a 6-7% rebased Adjusted EBITDA CAGR over the 2015-2018 period
- ✓ Clear delivery against ambitious synergy targets, realizing substantially all MVNO-related synergies by the end of 2018
- ✓ Tight cost control and continued focus on operating leverage



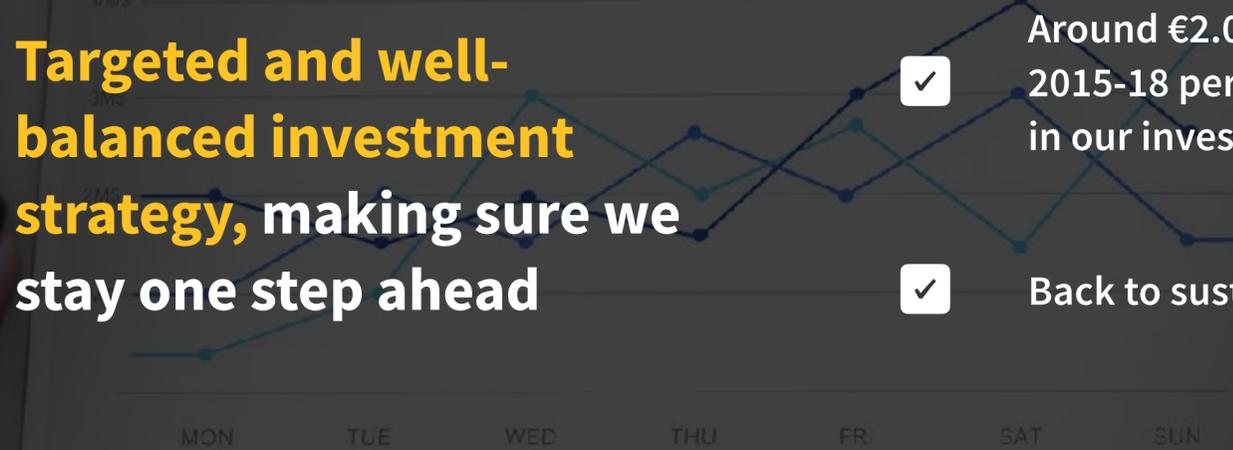
... WHILST OPERATING WITH FINANCIAL DISCIPLINE

¹ Excluding the recognition of football broadcasting rights and mobile spectrum licenses

² See Definitions in Appendix for additional disclosure

³ CAGR: Compound Annual Growth Rate

Targeted and well-balanced investment strategy, making sure we stay one step ahead



✓ Around €2.0bn invested cumulatively over the 2015-18 period¹ with 2018 representing the peak in our investment cycle

✓ Back to sustained lower investment levels as of 2019

Disciplined cost control and continued focus on generating operating leverage

✓ Adjusted EBITDA² margin improvement (51.8% in FY 2015 vs 52.4% in 9M 2018), fully absorbing a higher share of lower margin mobile revenue in our mix

Solid Adjusted Free Cash Flow conversion and well-spread debt maturity profile

✓ Adjusted Free Cash Flow² CAGR³ (2015-18) of 14% and 4% excluding vendor financing



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ROBUST AND WELL-BALANCED REVENUE PROFILE

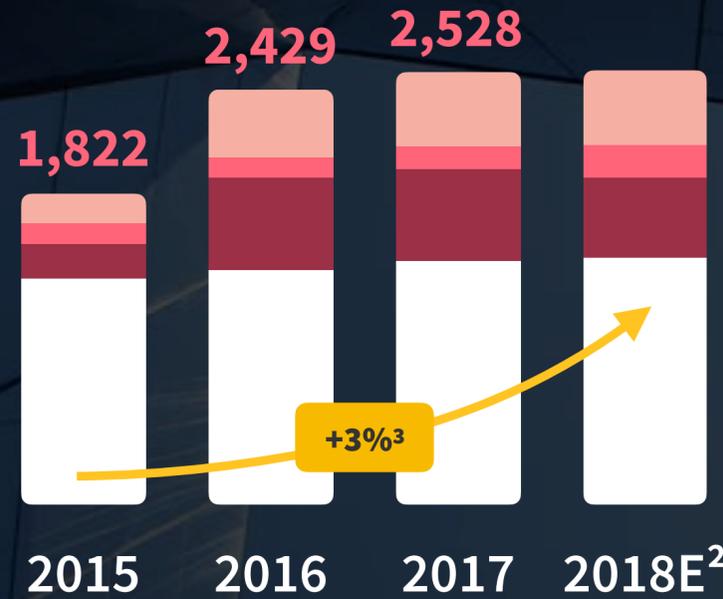
¹ As reported, including the acquisition of BASE Group NV (February 2016), SFR Belux (June 2017) and Nextel (May 2018)

² As per Company FY 2018 guidance as presented on October 31, 2018

³ CAGR: Compound Annual Growth Rate

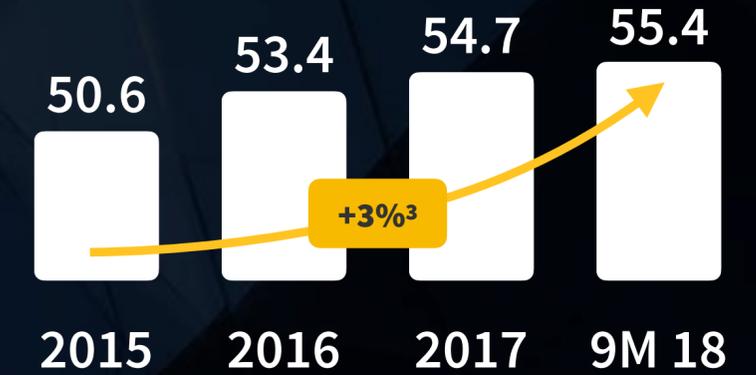
⁴ See Definitions in Appendix for additional disclosure

Revenue¹ (in €m)



■ Cable subscr. Rev ■ Mobile telephony
■ B2B ■ Other

Fixed ARPU per customer relationship⁴ (in €)



~3% growth in cable subscription revenue over the 2015-2018 period^{1,3} with continued growth in the ARPU per customer relationship



PROVEN ABILITY TO DRIVE ADJUSTED EBITDA AND OPERATING FREE CASH FLOW GROWTH

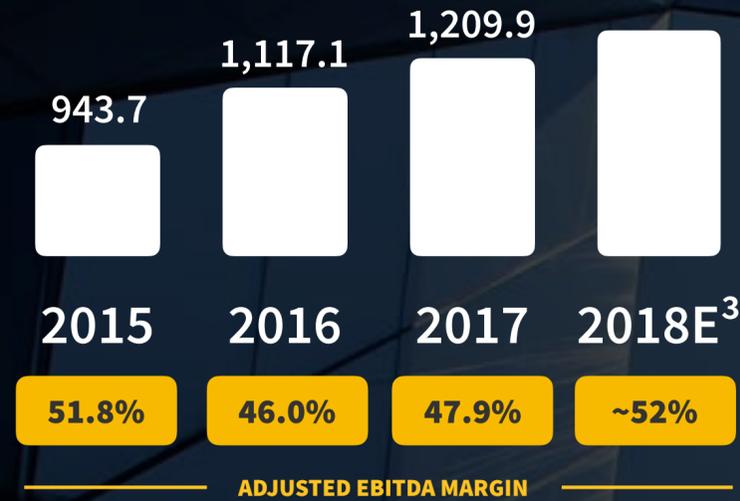
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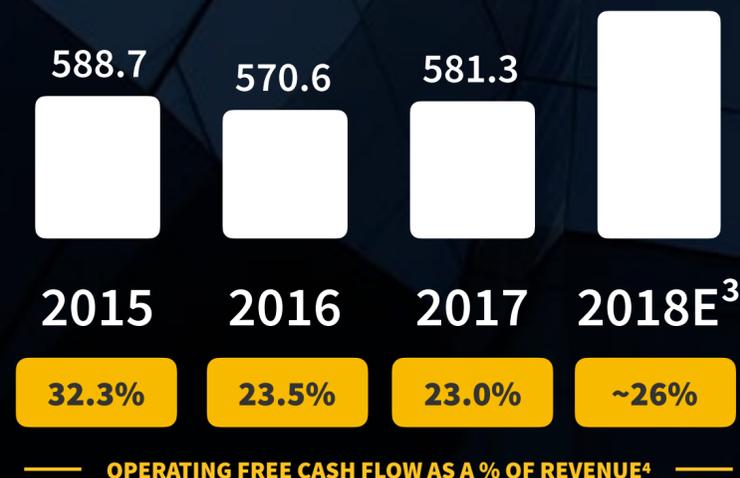
³ As per Company FY 2018 guidance as presented on October 31, 2018

⁴ Excluding the recognition of football broadcasting rights and mobile spectrum licenses

Adjusted EBITDA^{1,2} (in €m)



Operating Free Cash Flow^{1,2} (in €m)

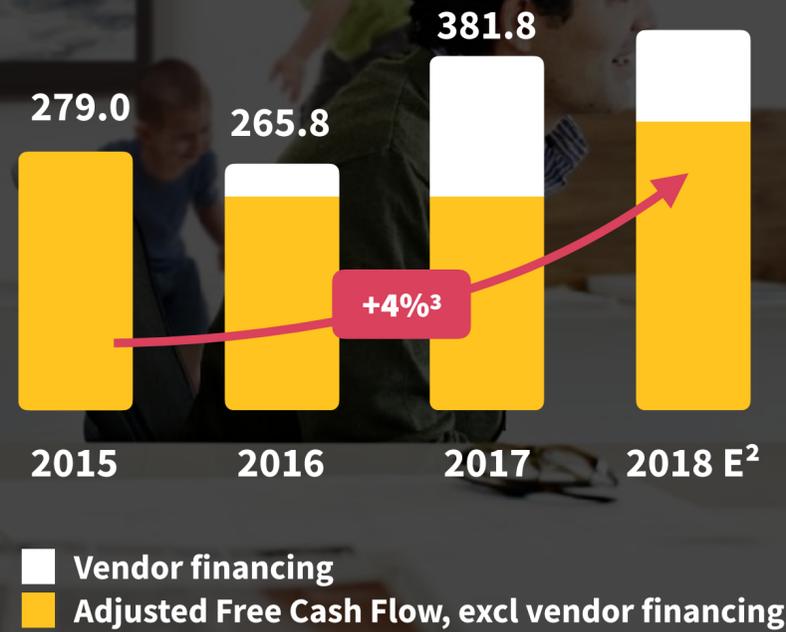


- Adjusted EBITDA² margin improvement, fully absorbing a higher share of lower margin mobile revenue in our mix
- Robust and reliable Operating Free Cash Flow (“OFCF”)² generation over the 2015-2018 period despite heavy M&A-led investment cycle



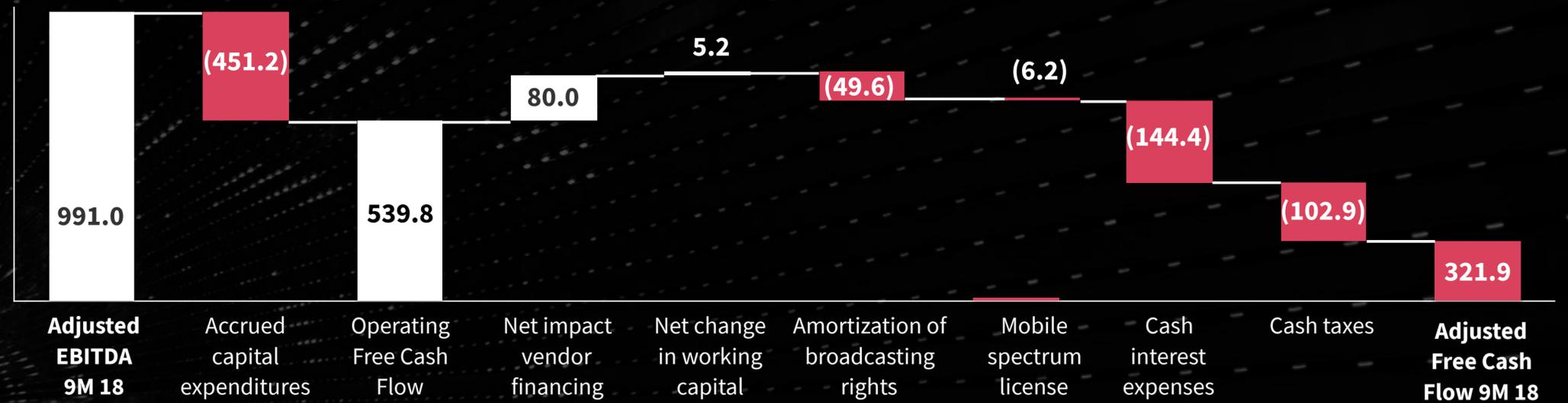
... RESULTING IN ROBUST ADJUSTED FREE CASH FLOW GROWTH

Adjusted Free Cash Flow¹ (in €m)



- Robust Adjusted Free Cash Flow¹ CAGR³ of 14% and 4% excluding vendor financing
- As of 2019, we expect to stabilize our vendor financing program, skewing the underlying YoY growth in our Adjusted Free Cash Flow in 2019

Solid Adjusted Free Cash Flow¹ conversion (in €m)



¹ See Definitions in Appendix for additional disclosure

² As per Company FY 2018 guidance as presented on October 31, 2018

³ CAGR: Compound Annual Growth Rate



STRONG LIQUIDITY AND SOLID DEBT MATURITY PROFILE

Debt maturity profile (in €m)



8.8 Years Weighted average maturity

3.6% Weighted average cost of debt

€445m Untapped liquidity

100% Swapped into fixed rates



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THE CORNERSTONES OF OUR STRATEGY

1

Continue to lead via superior connectivity and platforms

2

Accelerate growth in the business segment

3

Leverage our strong brand and amazing customer experience

4

Transforming to digital first, underpinned by simplification

Committed to drive sustainable profitable growth



WE WILL LAY THE FOUNDATIONS IN 2019 FOR CONTINUED SUSTAINABLE PROFITABLE GROWTH

¹ See Definitions in Appendix for additional disclosure

² Accrued capital expenditures as a % of revenue. Excluding the recognition of football broadcasting rights and mobile spectrum licenses



- FY 2019 top line and Adjusted EBITDA¹ growth will be impacted by loss of MEDIALAAN MVNO contract and continued regulatory headwinds
- Part of the cost synergies from improved processes and digital will be re-invested to accelerate growth in 2020 and 2021
- FY 2019 Operating Free Cash Flow¹ expected to be robust as we return to a sustainable investment level of around 20%² (excl. recognition of football broadcasting rights and mobile spectrum licenses)



WE AIM TO DELIVER SUSTAINABLE PROFITABLE FINANCIAL GROWTH OVER THE 2018-2021 PERIOD

¹ CAGR: Compound Annual Growth Rate

² See Definitions in Appendix for additional disclosure

³ Excluding the impact of IFRS 16, applicable as of January 1, 2019

2018-2021 CAGR¹

Revenue	→ Stable
Adjusted EBITDA ^{2,3}	↗ Grow
Accrued Cap. Expenditures ²	↘ Decrease
Operating Free Cash Flow ²	↗ Grow
Adjusted Free Cash Flow ²	↗ Grow

6.5-8.0%³

2018-2021 CAGR

(Excl. recognition football broadcasting rights and mobile spectrum licenses, Excl. impact IFRS 16)





**COMMITTED TO
DRIVE
SUSTAINABLE
PROFITABLE
GROWTH**

1

We achieved our 2015-2018 financial ambitions

2

We have built a solid financial profile

3

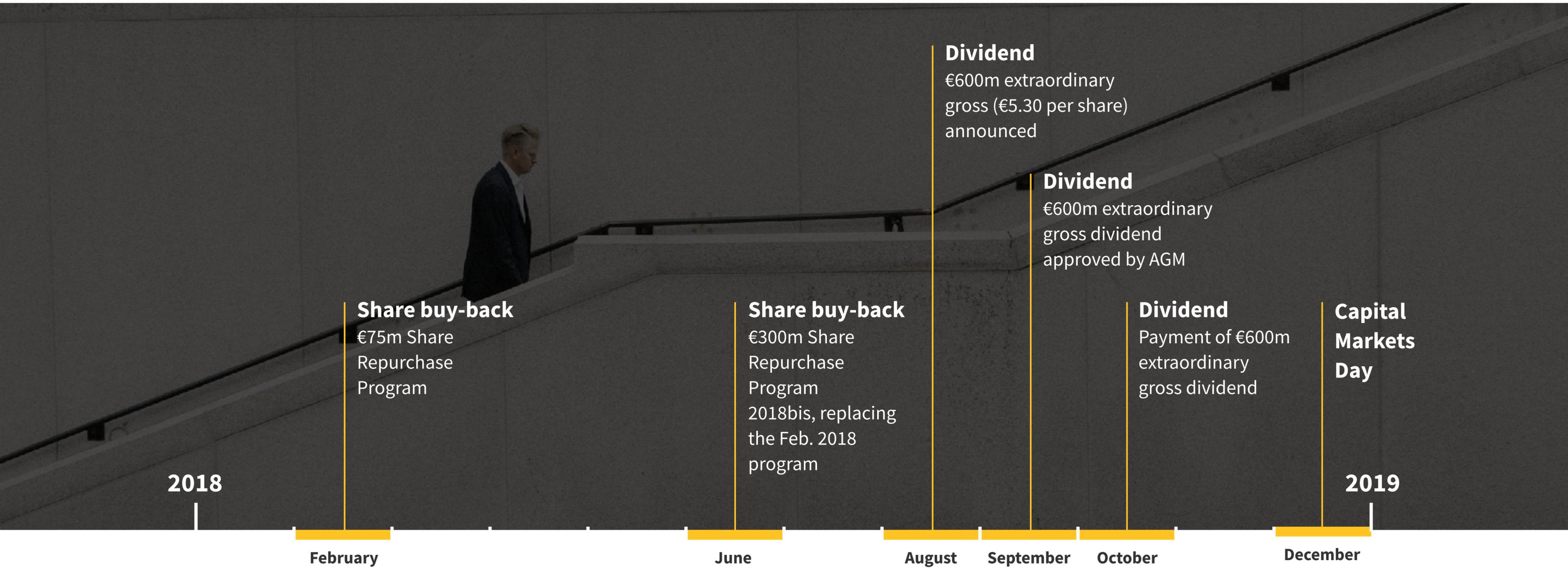
Compelling journey ahead, resulting in sustainable profitable growth

4

Our plan is underpinned by an attractive shareholder remuneration policy



DELIVERING ON OUR ANTICIPATED REMUNERATION TIMELINE WITH **€784 MILLION OF YTD SHAREHOLDER DISBURSEMENTS**



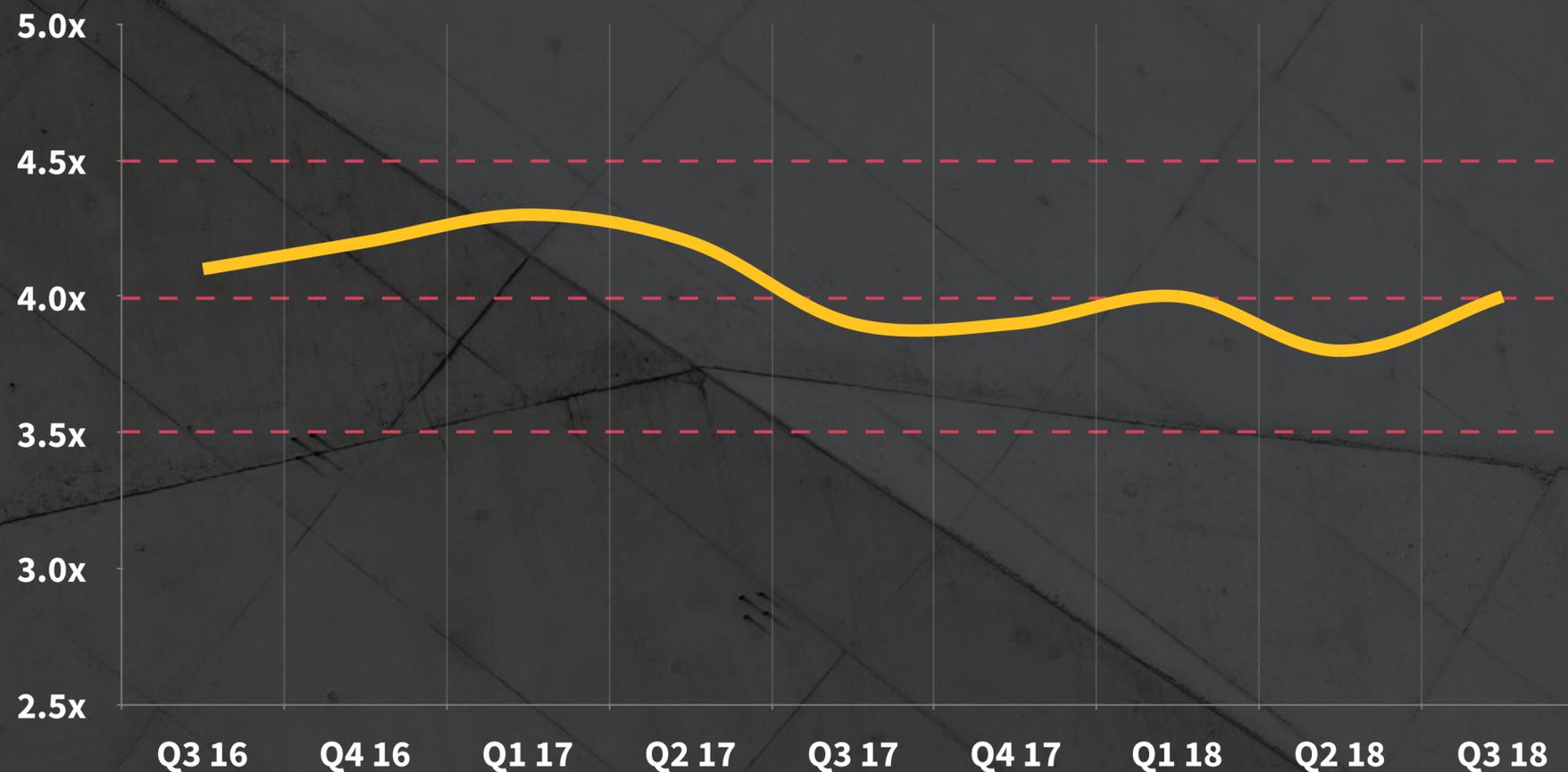


**... WHILE
REMAINING
NEAR THE
MID-POINT OF
OUR NET
TOTAL
LEVERAGE
FRAMEWORK**

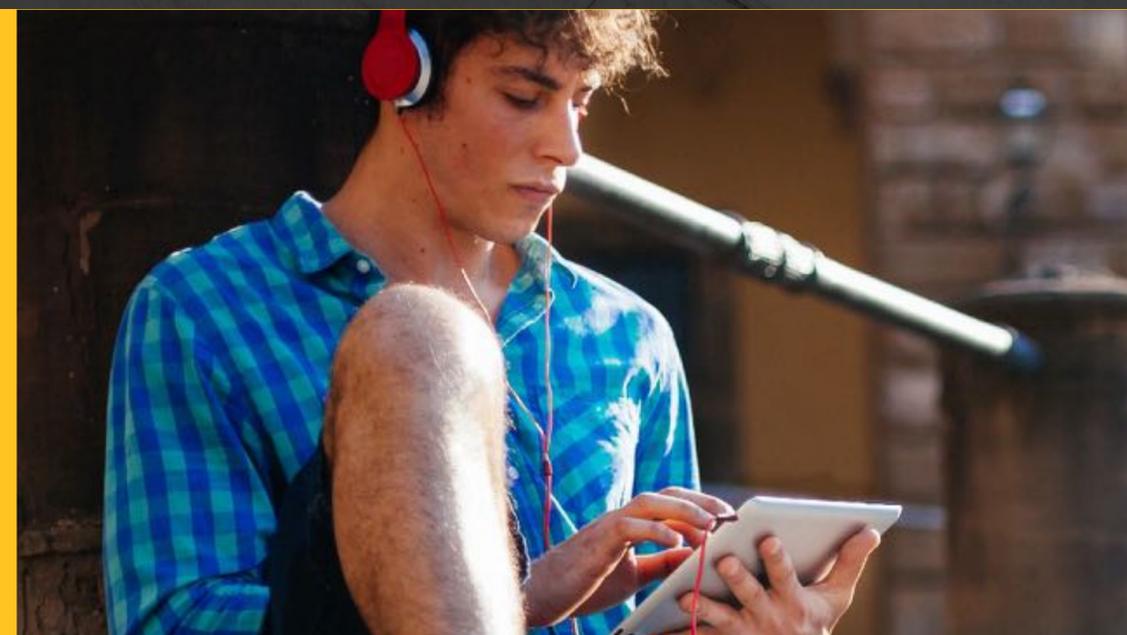
¹ See Definitions in Appendix for additional disclosure

² On a pro forma basis to reflect the impact of the October 2018 extraordinary gross dividend payment

Net total leverage ratio^{1, 2}



On a pro forma basis² our net total leverage ratio would have been 4.0x at the end of Q3 2018





NEW PLAN IS UNDERPINNED BY AN ATTRACTIVE SHAREHOLDER REMUNERATION POLICY

¹ See Definitions in Appendix for additional disclosure

² Subject to shareholder approval from the April 2019
Extraordinary Shareholders' Meeting

Net total leverage¹
framework maintained
at 3.5x to 4.5x

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

Aiming to distribute an
annual ordinary
dividend, equivalent to
50-70% of prior year
Adjusted Free Cash
Flow¹

Remaining part of
Adjusted Free Cash Flow
to be considered for:

- Incremental share buy-backs²
- Extraordinary dividends
- Deleveraging
- Accretive acquisitions
- A combination thereof



COMMITTED TO DRIVE ATTRACTIVE SHAREHOLDER VALUE IN 2019 AND BEYOND

¹ Subject to shareholder approval from the April 2019 Extraordinary Shareholders' Meeting for the period between end of April 2019 and the end of June 2019

² See Definitions in Appendix for additional disclosure

Committed to fully execute the remainder of our €300 million Share Repurchase Program 2018bis¹

Program still caters to €116.0 million of share repurchases by June 30, 2019¹

Extraordinary Shareholders' Meeting: seeking shareholders' consent for a new five-year authorization to repurchase up to 20% of our ordinary outstanding shares

Targeted completion of the €300 million Share Repurchase Program 2018bis with total shareholder disbursements of €900m since June 2018¹

Considering to pay an intermediate dividend, subject to compliance with our objective to remain around the 4.0x mid-point of our net total leverage² framework

Executing against our updated shareholder remuneration policy

January 2019

April 2019

June 2019

Q4 2019

2020 2021



**COMMITTED TO
DRIVE
SUSTAINABLE
PROFITABLE
FINANCIAL
GROWTH**

1

We achieved
our 2015-2018 financial ambitions

2

We have built
a solid financial profile

3

Compelling journey ahead, resulting in
sustainable profitable growth

4

Our plan is underpinned by **an attractive
shareholder remuneration policy**



CONCLUDING REMARKS

John Porter, Chief Executive Officer



POISED TO WIN IN THE BELGIAN MARKET

- 1 Completed an investment cycle and surfing the next technology wave
- 2 Boosting core connectivity via selective expansion to IT
- 3 From converged offers to a customer-first ecosystem
- 4 Improving customer experience by radically transforming our way of working and lower cost base
- 5 Committed to drive attractive shareholder Value in 2019 and beyond



Q&A





DEFINITIONS

- a.** For purposes of calculating **rebased growth** rates on a comparable basis for the three months and nine months ended September 30, 2018, we have adjusted our historical revenue and Adjusted EBITDA to (i) include the pre-acquisition revenue and Adjusted EBITDA of SFR Belux (fully consolidated since June 19, 2017) in our rebased amounts for the three months and nine months ended September 30, 2017 to the same extent that the revenue and Adjusted EBITDA of such entity is included in our results for the three months and nine months ended September 30, 2018, (ii) include the pre-acquisition revenue and Adjusted EBITDA of Nextel (fully consolidated since May 31, 2018) in our rebased amounts for the three months and nine months ended September 30, 2017 to the same extent that the revenue and Adjusted EBITDA of such entity is included in our results for the three months and nine months ended September 30, 2018 and (iii) 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 months and nine months ended September 30, 2018, (iii) exclude the revenue and Adjusted EBITDA of the disposals of JIM Mobile and Mobile Viking 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 months ended March 31, 2018 and (iv) give effect to the new IFRS 15 framework as if it had been implemented on January 1, 2017. We have reflected the revenue and operating profit of both SFR Belux and Nextel in our 2017 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 deem 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.** **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 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 10.
- c.** **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

- d. 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.
- e. 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.
- f. 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.
- g. 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.
- 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.** 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.



DEFINITIONS

- k. 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.
- 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, 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.
- m. 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.
- n. 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.
- 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 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.
- p.** 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.
- q. 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.
- r. Net covenant leverage** is calculated as per the 2017 Amended Senior Credit Facility definition, using Net Total Debt, 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.