TELENET – Q1 2017 RESULTS

INVESTOR & ANALYST CALL

27 April 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 acquisition of BASE Company NV 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

WIGO FURTHER BOOSTS QUAD-PLAY PENETRATION AND MOBILE GROWTH

- Continued traction for our innovative all-in-one converged “WIGO” bundles
- 188,600 “WIGO” subscribers at the end of March 2017
  - net inflow of 37,100 “WIGO” subscribers in Q1 2017
  - quad-play penetration rate of around 24% of our cable customers[1], compared to around 21% in Q1 last year
- Further boosting net mobile postpaid subscriber growth

1 Excluding BASE’s mobile subscribers

THE DIGITAL ACCELERATION
TO SUPPORT THE DIGITAL ECOSYSTEM

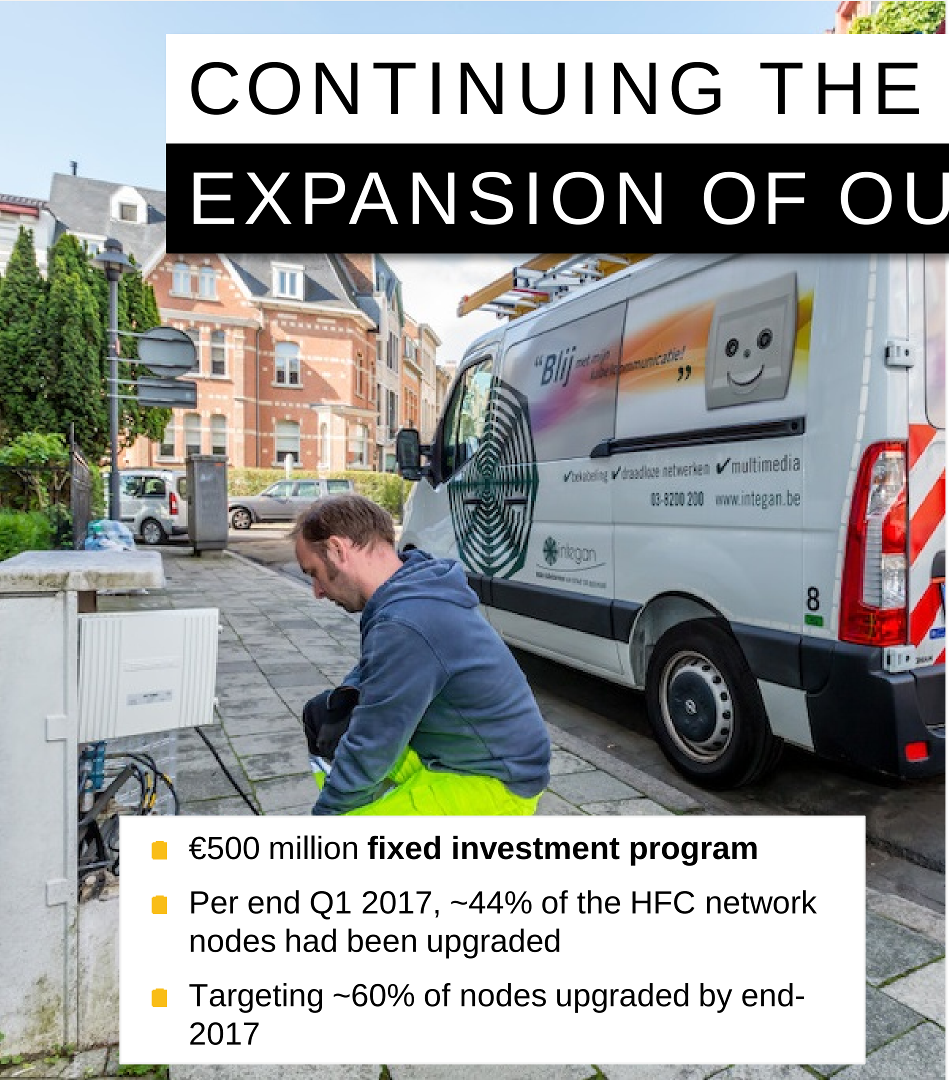
Helping smaller and mid-sized companies with their digital strategy

12 independent experts - 9 topics

1,000 one-to-one visits

A lot of traction amongst customers & increased customer satisfaction after visit

CONTINUING THE UPGRADE AND EXPANSION OF OUR NETWORKS



- €500 million **fixed investment program**
- Per end Q1 2017, ~44% of the HFC network nodes had been upgraded
- Targeting ~60% of nodes upgraded by end-2017

- €250 million **mobile investment program**
- Around 25% of sites upgraded by end Q1 2017 with 100 new sites rolled out
- Just over 135,000 MVNO customers migrated to our own acquired network

SUPER FAST AND SEAMLESS INTERNET WITH FLOW

TARGETED INVESTMENTS IN AMAZING CONTENT

- Launch of new exclusive Flemish series Gent West and CrimiClowns on Play and Play More,
- Added new content, such as ATP World Tour tennis on Play Sports and Viceland in the basic digital offering
- Announced new co-production investments: ‘Black-out’, ‘Gina & Chantal’ and ‘Callboys II’

AT THE FOREFRONT OF INNOVATION

Kickstart

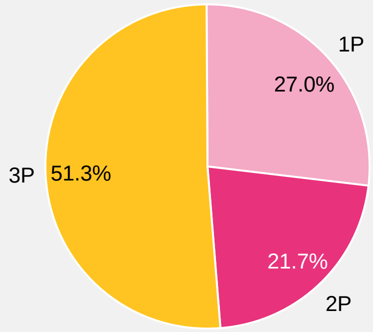
- **Telenet Kickstart** boosts the Belgian start-up community through structural partnerships with leading incubators and accelerators, for which we recently teamed up with **Start it @kbc**
- In March, Telenet Kickstart participated in the new €12.5m **imec.istart** investment fund, fostering digital innovation and entrepreneurship in Flanders
- Telenet Kickstart also supported **BeCode**, a Brussels-based youth empowerment initiative aiming to cultivate coding/developer skills of young underprivileged people

OPERATIONAL HIGHLIGHTS

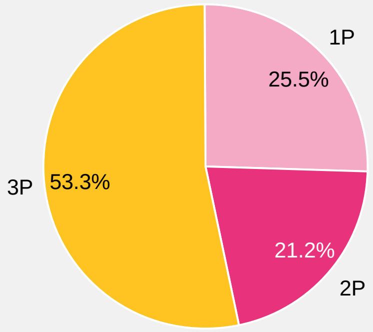
FIXED[1] MULTIPLE-PLAY PENETRATION

TRIPLE-PLAY SUBSCRIBERS[1] UP 3% IN Q1 2017

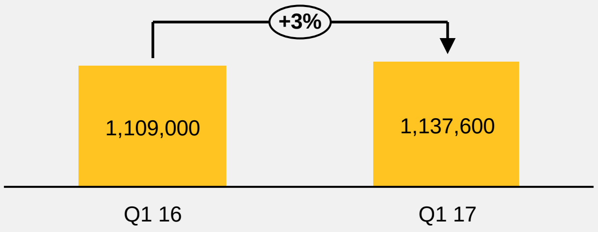
Customer mix[1] (March 31, 2016)



Customer mix[1] (March 31, 2017)

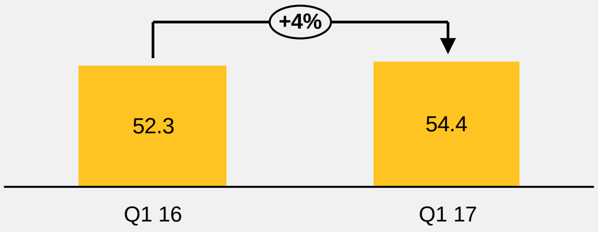


Triple-play subscribers[1]



ARPU per customer relationship[1]

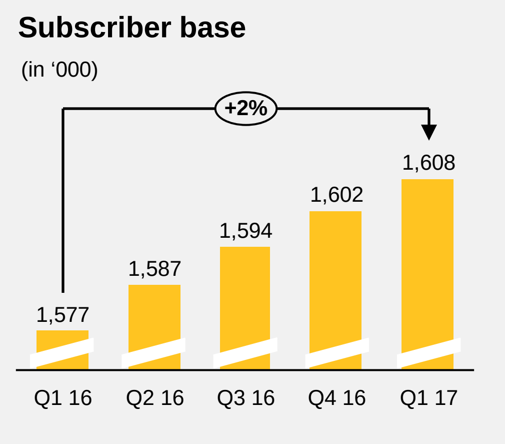
(in €)

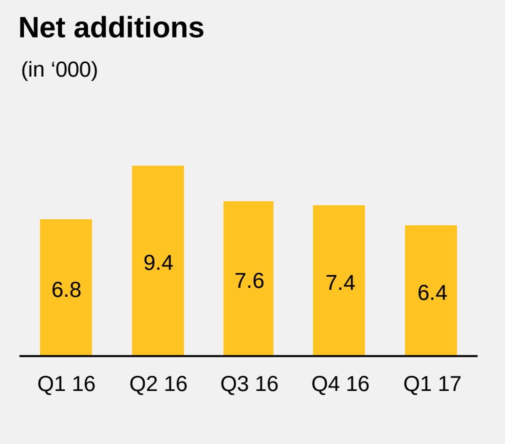


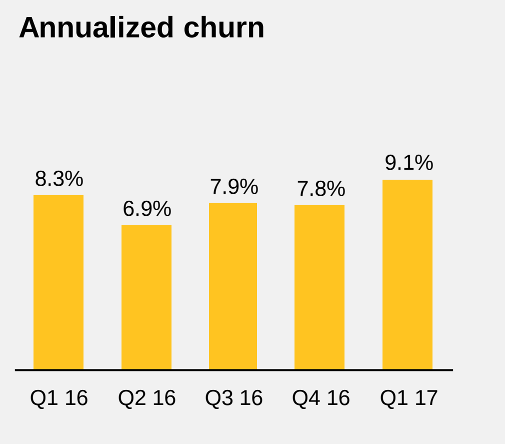
1. Excluding mobile telephony and entertainment services

BROADBAND INTERNET

BROADLY STABLE NET SUBSCRIBER GROWTH VS Q1 LAST YEAR







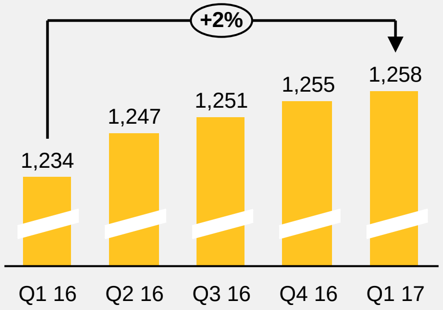
- **6,400 net broadband internet subscriber additions** in Q1 2017 (Q1 2016: 6,800)
- Net subscriber growth was predominantly driven by **a strong performance in the business segment** thanks to continued traction for our "FLUO" and "WIGO" bundled offers
- **1,608,100 broadband internet subscribers** at March 31, 2017, +2% yoy, resulting in a 53.7% penetration of homes passed by our leading HFC network
- **Annualized churn of 9.1%** in Q1 2017, reflecting an intense competitive environment and the adverse impact of certain rate adjustments

FIXED-LINE TELEPHONY

SUBSCRIBER GROWTH IMPACTED BY CHURN AND COMPETITION

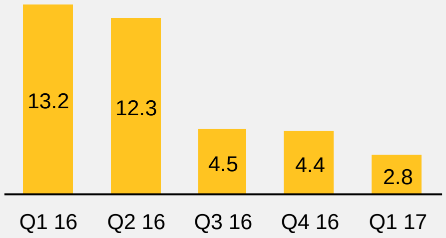
Subscriber base

(in ‘000)

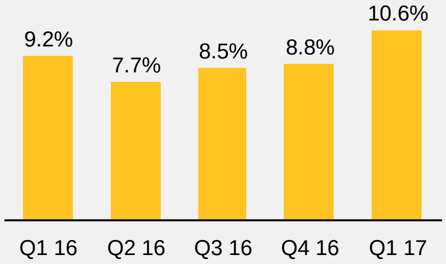


Net additions

(in ‘000)



Annualized churn



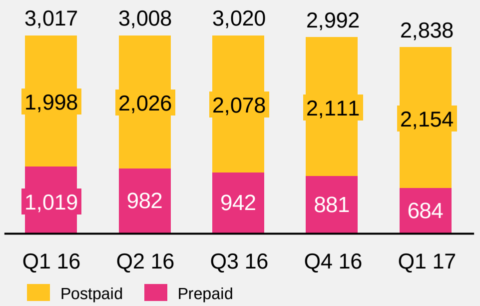
- **2,800 net fixed-line telephony subscriber additions** in Q1 2017 (Q1 2016: 13,200)
- **Continued slowdown in net fixed-line telephony subscriber growth** since H2 last year, mainly impacted by higher churn through increased deactivations and an overall declining market trend
- **1,258,200 fixed-line telephony subscribers** at March 31, 2017, up 2% yoy, equivalent to a 42.0% penetration of homes passed by our network
- **Annualized churn of 10.6% in Q1 2017**, reflecting the intensely competitive market and an overall declining market trend

MOBILE TELEPHONY

CONTINUED SOLID NET POSTPAID SUBSCRIBER ADDITIONS

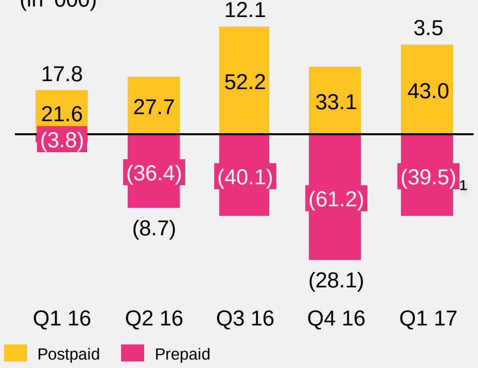
Subscriber base

(in ‘000)



Net additions

(in ‘000)



- Our external subscriber count reflected the **sale of our direct subsidiary Ortel Mobile** to Lycamobile as per March 1, 2017, resulting in **a non-organic reduction of 157,900 prepaid subscribers** during Q1 2017
- **Robust growth of 43,000 net postpaid subscribers in Q1 2017** thanks to continued uptake of our "WIGO" offers as well as attractive promotional offers at BASE
- Our **prepaid business** continued to be impacted by **structural declines,** reinforced by the **mandatory registration of prepaid cards** in Belgium by early June 2017
- Excluding subscribers attributed to Ortel Mobile, **our total active SIM base ncreased by 3,500 during Q1 2017**

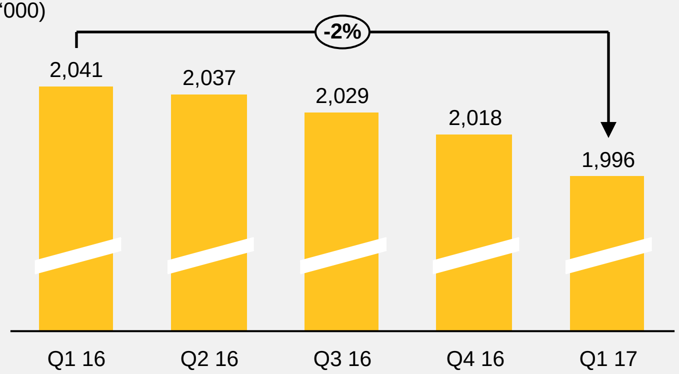
1 Excluding the non-organic reduction of 157,900 prepaid subscribers during Q1 2017 related to the sale of Ortel Mobile

VIDEO

HIGHER NET ORGANIC LOSS RATE IMPACTED BY COMPETITION

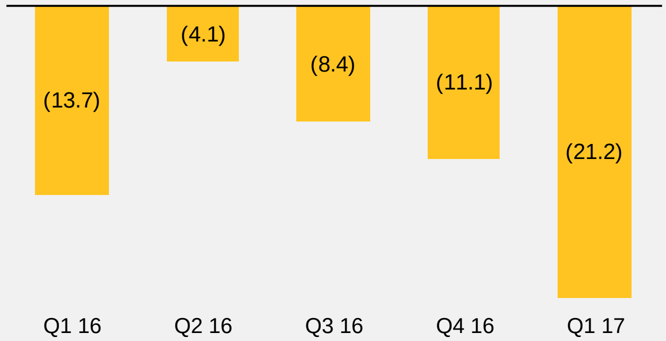
Subscriber base

(in ‘000)



Net losses

(in ‘000)



- **1,996,300 video subscribers** at March 31, 2017, representing approximately 67% of the homes passed by our network
- **Net organic video loss[1] in Q1 2017 increased to 21,200**, impacted by the increased competitive environment, including the effects from regulated cable wholesale, and the adverse impact of certain rate adjustments

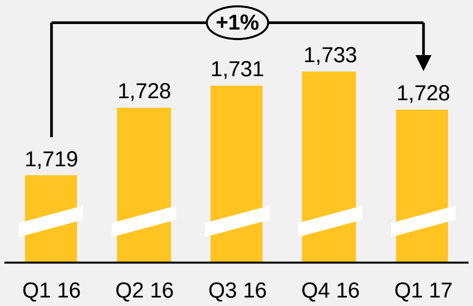
[1] Organic loss excludes migrations to our enhanced video service and represents customers churning to competitors’ platforms, such as other digital television, OTT and satellite providers, or customers terminating their television service or having moved out of our service footprint

ENHANCED VIDEO

~87% OF VIDEO CUSTOMERS HAVE UPGRADED TO ENHANCED VIDEO

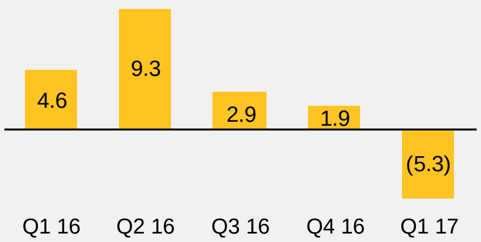
Subscriber base

(in '000)

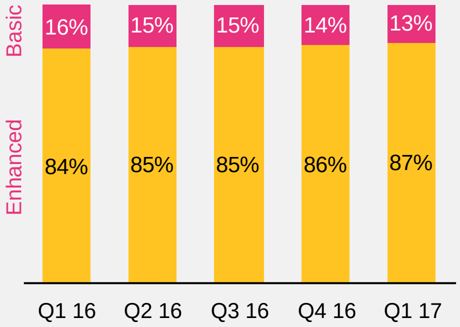


Net additions

(in '000)



Digitalization rate



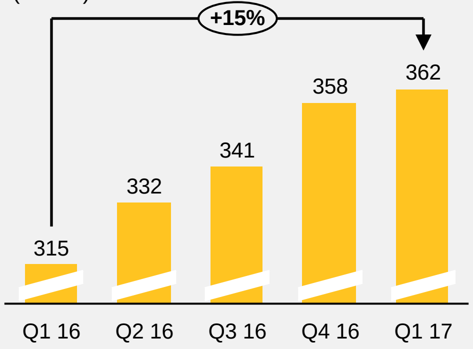
- **5,300 net decrease of enhanced video subscribers** in Q1 2017 as a result of the intensely competitive environment and the adverse impact of certain rate adjustments as of mid-February 2017
- **1,727,600 enhanced video subscribers** at March 31, 2017, representing around 87% of our total video subscriber base
- **Active user base of "Yelo Play", our OTT platform, reached approximately 26%** of our enhanced video subscriber base at March 31, 2017

PREMIUM ENTERTAINMENT

CONTINUED TRACTION IN SUBSCRIPTION VOD OFFERS

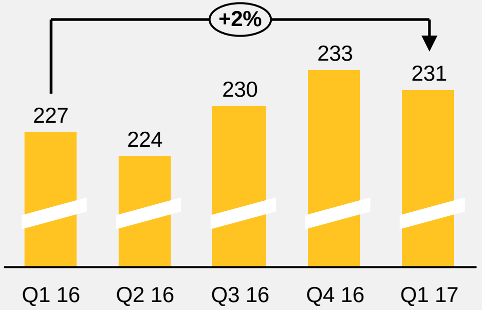
“Play” & “Play More” subs

(in ‘000)



“Play Sports” subs

(in ‘000)



Play

Play More

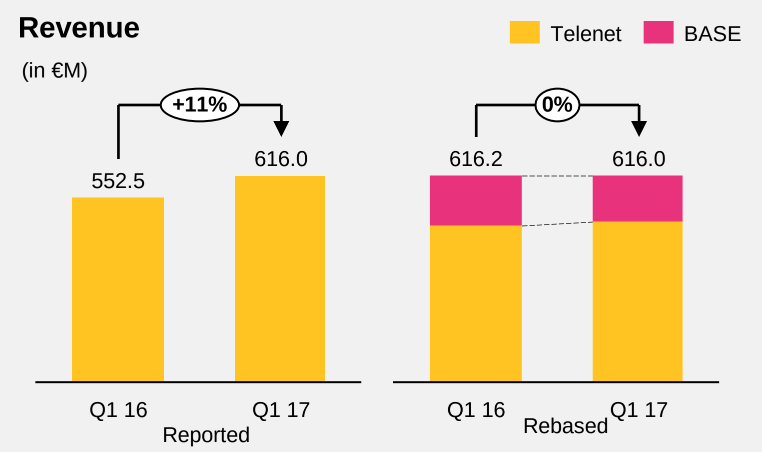
Play Sports

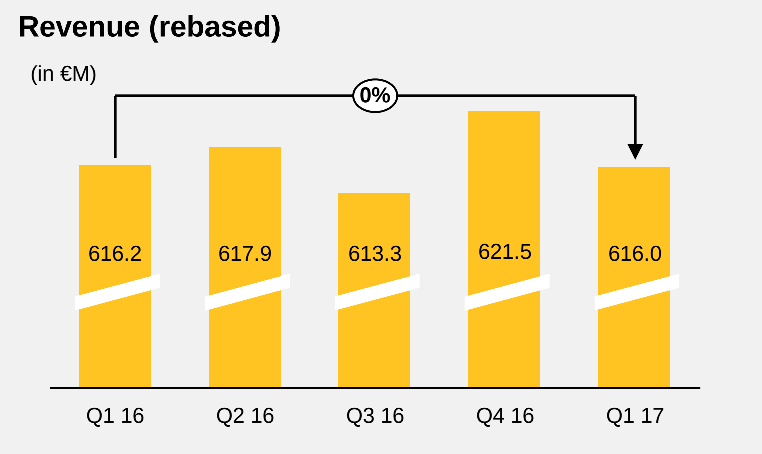
- **Our premium entertainment offers “Play” and “Play More” reached 361,600 customers** at March 31, 2017, up 15% compared to Q1 2016 with solid growth on a sequential basis
- Net subscriber growth was driven in large part by **the revamp of our premium entertainment platform "Play More"** as we enriched the linear viewing experience while introducing a new user interface with improved search and recommend features
- At March 31, 2017, **231,100 customers subscribed to “Play Sports”**, up 2% yoy

FINANCIAL HIGHLIGHTS

REVENUE OF €616.0 MILLION

FLAT YOY ON A REBASED[1] BASIS





- **Revenue of €616.0 million in Q1 2017,** +11% yoy on a reported basis
- **Reported revenue increase was driven by inorganic movements** such as (i) a full quarter consolidation of BASE versus a six-week consolidation in Q1 2016, (ii) the sale of Ortel Mobile to Lycamobile as per March 1, 2017, and (iii) the discontinuation of certain fixed legacy products at BASE
- **On a rebased basis, our revenue remained broadly flat** as mid-single-digit growth in our cable subscription revenue was offset by a 4% decrease in mobile telephony revenue and 6% lower other revenue

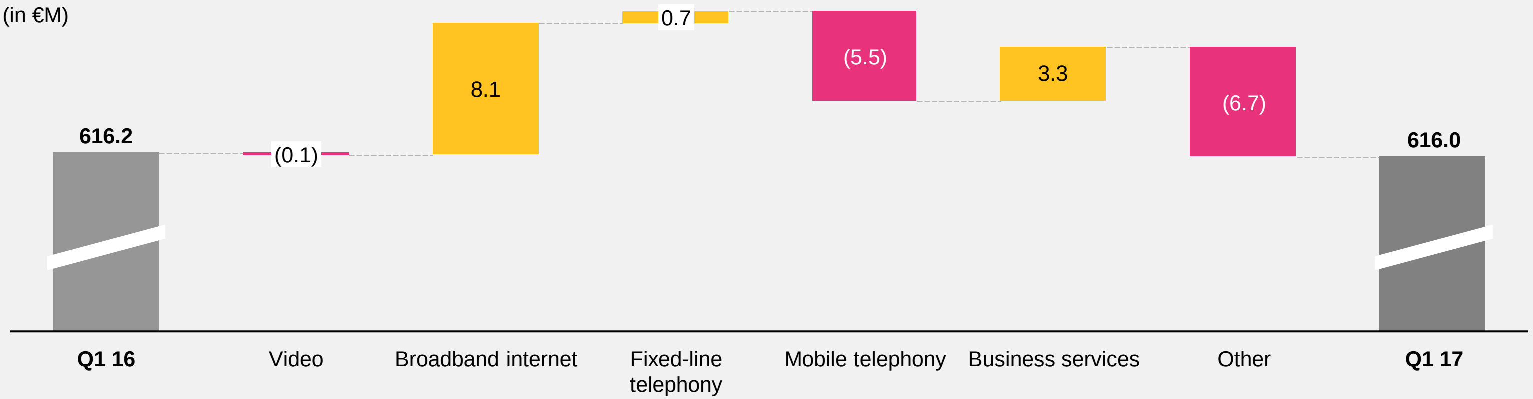
[1] On a rebased basis – please see Definitions for additional information

SOLID CABLE SUBSCRIPTION GROWTH

OFFSET BY LOWER MOBILE TELEPHONY AND OTHER REVENUE

Revenue (rebased)[1]

(in €M)

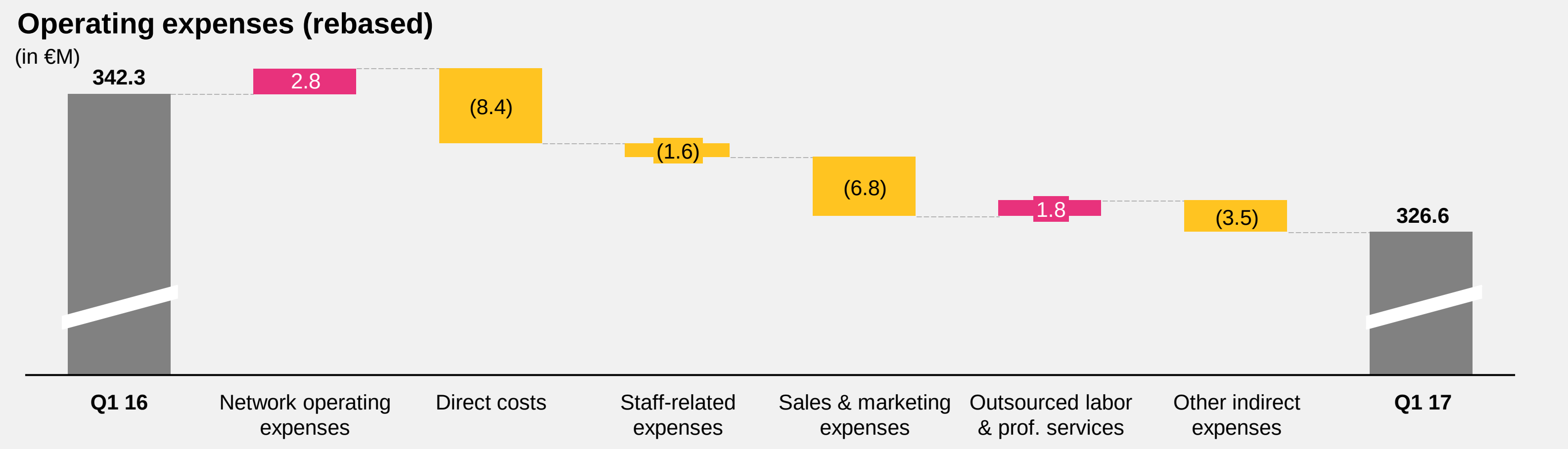


- **Solid mid-single-digit top line growth for our cable business** was driven by 3% higher cable subscription revenue and higher B2B revenue
- These revenue drivers were partially offset **by a 4% decrease in our mobile telephony revenue** on a rebased basis as a result of (i) structural challenges in the prepaid segment, (ii) lower out-of-bundle usage revenue, and (iii) a higher proportion of "WIGO"-related discounts allocated to our mobile telephony revenue
- We generated 6% lower other revenue compared to last year on a rebased basis due to **lower handset sales**

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

OPERATING EXPENSES

DOWN 5% YOY ON A REBASED[1] BASIS

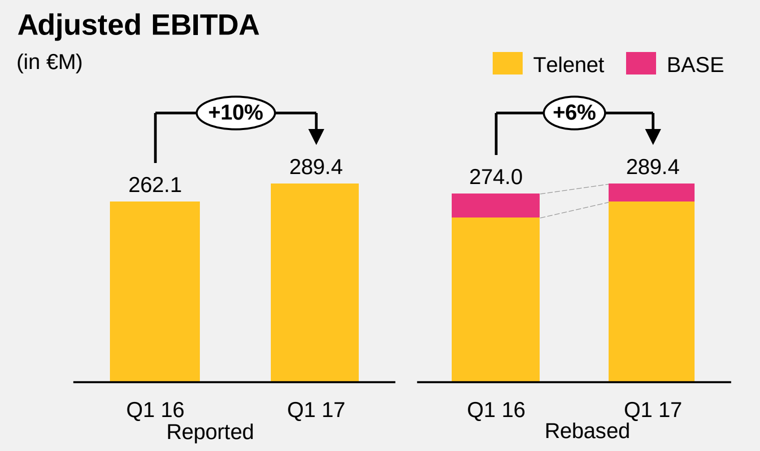


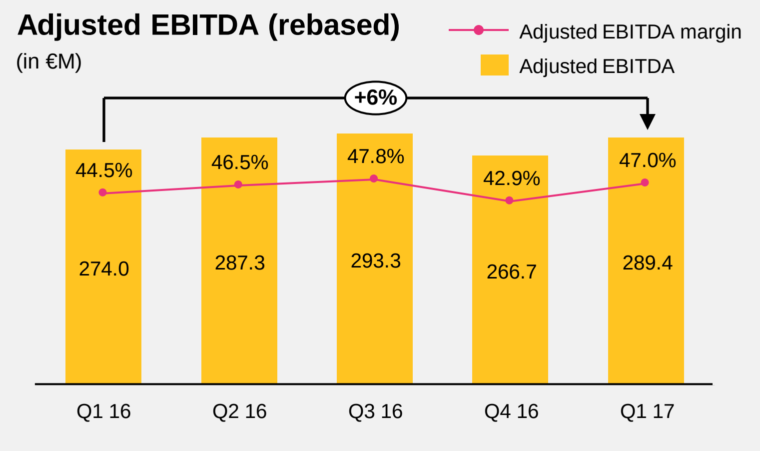
- **6% higher network operating expenses** due to higher license and maintenance fees and higher electricity costs
- **Direct costs -5% yoy** as higher content-related expenses were more than offset by substantially lower costs related to handset sales and subsidies and lower interconnection expenses, including our MVNO-related costs
- **Lower staff-related expenses** as higher salary related expenses were more than offset by an increase in capitalized labor driven by the modernization of our fixed and mobile infrastructures
- **€6.8 million lower sales and marketing expenses** as the prior year quarter was characterized by certain major marketing campaigns, including handset promotions

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

ADJUSTED EBITDA OF €289.4 MILLION

+6% YOY ON A REBASED[1] BASIS





- **Adjusted EBITDA of €289.4 million in Q1 2017**, +10% yoy and **+6% yoy** on a reported and **rebased basis,** respectively, representing an EBITDA margin of 47.0%
- Our Adjusted EBITDA growth in Q1 2017 was **supported by** (i) **lower costs related to handset sales and subsidies** relative to the promotional activity in Q1 last year, (ii) **lower sales and marketing expenses** due to phasing, (iii) **lower integration and transformation costs linked to the BASE acquisition** as compared to Q1 last year and (iv) **tight cost control**, including an increased focus on our overhead expenses

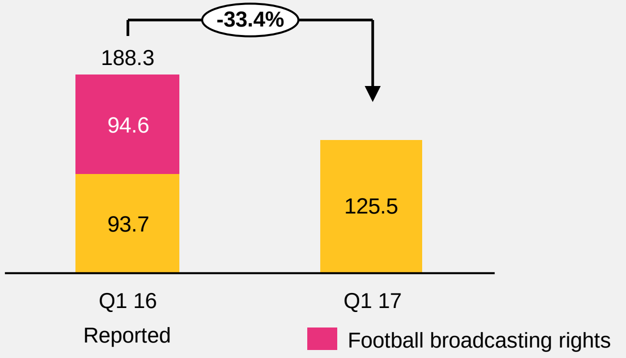
[1] On a rebased basis – please see Definitions for additional information

ACCRUED CAPITAL EXPENDITURES

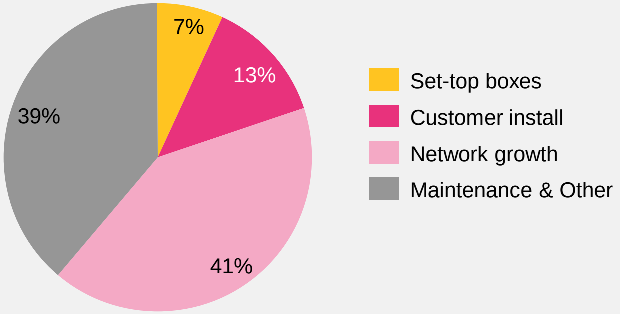
REACHING €125.5 MILLION, OR AROUND 20% OF REVENUE

Accrued capital expenditures[1]

(in €M)



Accrued capital expenditures Q1 2017

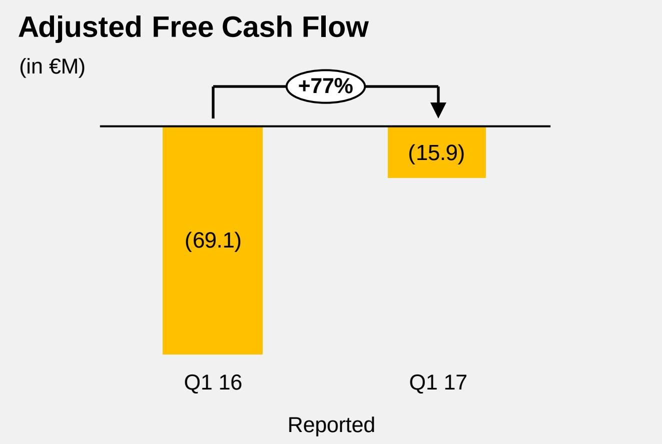


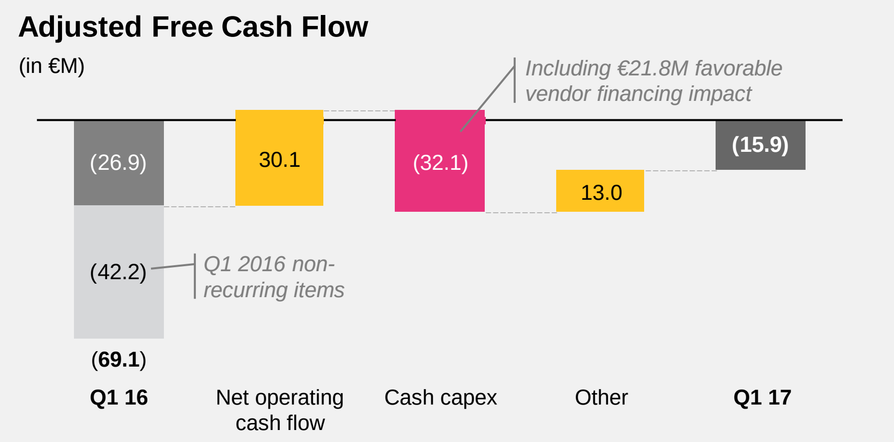
- **Accrued capital expenditures of €125.5 million in Q1 2017**, representing around 20% of revenue
- **Substantial decline yoy on a reported basis** as Q1 2016 was impacted by the recognition of Belgian and UK football broadcasting rights
- Excluding football broadcasting rights, our accrued capital expenditures reflected **increased investments in the upgrade of both our fixed and mobile networks**

[1] Our accrued capital expenditures for 2016 reflected the extension of the exclusive UK Premier League broadcasting rights for the next three seasons as of the 2016-2017 season. Under EU IFRS, these broadcasting rights have been capitalized as intangible assets and will be amortized on a pro-rata basis as the season progresses. progresses. In Q1 2017, we did not recognize any football broadcasting rights as the auction for the Jupiler Pro League is still ongoing.

ADJUSTED FREE CASH FLOW OF (€15.9M)

IMPACTED BY €114.3 MILLION OF CASH TAXES PAID IN Q1 2017



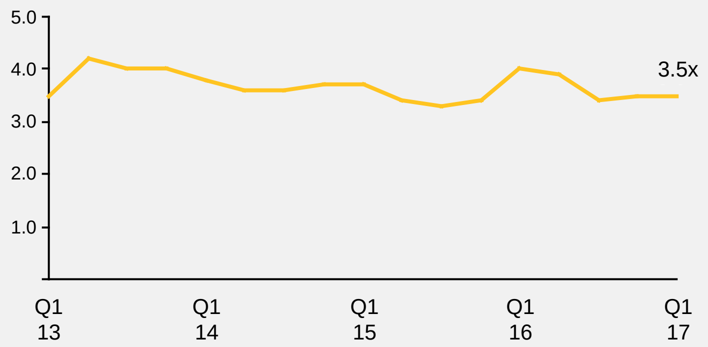


- **Adjusted Free Cash Flow of (€15.9) million for Q1 2017**, yet representing a significant improvement versus Q1 2016 Adjusted Free Cash Flow which was adversely impacted by €42.2 million non-recurring cash outflows
- Negative impacts of the payment of €114.3 million cash taxes and higher cash capital expenditures in Q1 2017 were not entirely compensated by (i) our underlying robust Adjusted EBITDA growth, (ii) lower cash interest expenses, (iii) the benefit from our vendor financing program and (iv) an improved working capital trend
- As we do not anticipate paying additional cash taxes in 2017, **we expect our Adjusted Free Cash Flow to materially improve throughout 2017**

NET LEVERAGE RATIO[1] OF 3.5X

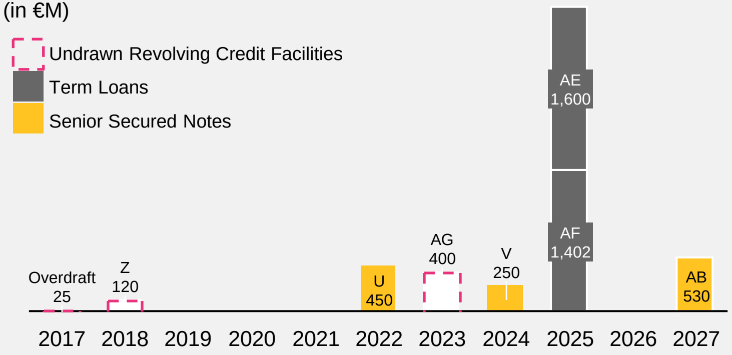
LOWER END OF OUR TARGETED LEVERAGE RANGE

Net leverage ratio



Debt profile

(in €M)



- Net leverage ratio as per March 31, 2017 **did not yet reflect the impact of the proposed acquisition of Altice's operations in Belgium and Luxembourg ("SFR BeLux")** which is pending regulatory approval
- During the three months ended March 31, 2017, no new financings and/or refinancings took place, and as a result, our **debt maturity profile remained broadly unchanged** compared to December 31, 2016 , with no outstanding debt maturities prior to August 2022
- In April 2017, we issued **a new €1.3 billion Term Loan and a USD 1.8 billion Term Loan** - please see slide 28 for additional information

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

FY 2017 OUTLOOK

FY 2017 OUTLOOK RECONFIRMED

CONTINUING OUR GROWTH PATH

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

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

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

SUBSEQUENT EVENT

SUCCESSFUL SYNDICATION OF NEW 9-YEAR €1.33 BILLION AND 8.25-YEAR USD 1.8 BILLION TERM LOAN FACILITIES

- On April 4, 2017, Telenet Group Holding NV announced the **successful syndication of:**
  - New €1.33 billion Term Loan facility (Facility AH) due on March 31, 2026. Facility AH carries a margin of 3.0% over EURIBOR with a 0% floor and was issued at 99.75% of par
  - New USD 1.8 billion Term Loan facility (Facility AI) due on June 30, 2025. Facility AI carries a margin of 2.75% over LIBOR with a 0% floor and was issued at 99.75% of par
- In early May 2017, Telenet intends to **use the net proceeds from these facilities to entirely prepay the following credit facilities** under its 2015 Amended Senior Credit Facility:
  - Facility AE (€1.6 billion due January 2025, EURIBOR +3.25%, 0% floor)
  - Facility AF (USD 1.5 billion due January 2025, LIBOR + 3.00%, 0% floor)
- Through this transaction, the Company has succeeded in **extending the average tenor of its debt maturities** from 8 years at the end of December 2016 to 8.6 years post-refinancing at attractive market conditions, while **ensuring increased covenant flexibility** going forward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Q & A

THANK YOU

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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 months ended March 31, 2017, we have adjusted our historical revenue and Adjusted EBITDA to include the pre-acquisition revenue and Adjusted EBITDA of BASE in our rebased amounts for the three months ended March 31, 2016 to the same extent that the revenue and Adjusted EBITDA are included in our results for the three months ended March 31, 2017 (BASE being fully consolidated since February 11, 2016). We have reflected the revenue and operating profit of BASE 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. Furthermore, our revenue and Adjusted EBITDA for the three months ended March 31, 2017 and the three months ended March 31, 2016 reflects the sale of Ortel to Lycamobile as per March 1, 2017 and the discontinuation of certain legacy fixed-line products at BASE. 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, 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 considerations. 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.

DEFINITIONS

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.

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

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

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

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

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

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

DEFINITIONS

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

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

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

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

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

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