



Investor presentation
for the three months ended June 30, 2015

Cable Communications Systems (CCS)

Parent Company of
RCS & RDS

September 10, 2015

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Group overview



Romania



Hungary



Others

Total

	3 months ended June 30, 2015	6 months ended June 30, 2015	3 months ended June 30, 2015	6 months ended June 30, 2015	3 months ended June 30, 2015	6 months ended June 30, 2015	3 months ended June 30, 2015	6 months ended June 30, 2015
Revenues ²	€134 m	€260 m	€31 m	€62 m	€21 m	€42 m	€185 m	€363 m
EBITDA	€43 m	€84 m	€13 m	€25 m	€3 m	€5 m	€58 m	€114 m
EBITDA margin ¹	32%	32%	40%	40%	13%	12%	31%	31%
Service offering / market position / RGUs June 30, 2015A ('000s)								
CATV	#1 / 2,659		#3 / 420		-			3,079
Fixed internet and data	#1 / 1,898		#3 / 361		-			2,259
Fixed-line telephony	#2 / 1,443		#4 / 312		-			1,755
Mobile telephony	#4 / 1,583		- / -		561			2,144
Mobile internet and data	- / 1,483		- / 18		229			1,730
DTH	#2 / 690		#1 / 331		-			1,021
Total RGUs	9,756		1,442		790			11,988

Source: Company data

¹ EBITDA margin defined as EBITDA / Revenues;

² Revenues include eliminations of intersegment revenues and does not include the gain from sale of subsidiaries



Recent Developments - Business

- On April 21, 2015 we completed the sale of our subsidiary in the Czech Republic. At closing we received €25.4 million and we expect to incur net transaction related costs of €1.4 million before the end of 2016.
- On May 22, 2015 we refinanced our 2013 Senior Facilities Agreement through a new club bank facility (the 2015 Senior Facilities Agreement). Total amount drawn under the 2015 Senior Facilities Agreement was RON 1,034 million (the equivalent in RON of €235 million at the exchange rate of 4.4 RON/EUR). The interest rate for the term loan facility (RON 994.2 million) is 5.75% fixed and for the revolver credit facility (RON 39.2 million) is floating ROBOR + 2.5%.
- On May 29, 2015 we completed the acquisition of three radio stations in Romania.
- At the end of July 2015 we signed a contract with 2K Telecom to purchase 30 Mhz in the 2600 Mhz bandwidth. The license will allow us to develop a 4G mobile telephony network in Romania and we plan to launch this service by the end of the year.
- In the second quarter of 2015 we acquired the exclusive rights for the Seria A and Ligue 1 competitions for Romania and Hungary territories for three seasons starting with the 2015/2016 season. In July we acquired the football rights for the Romanian territory for the Spanish La Liga competition for three seasons starting with the 2015/2016 season.



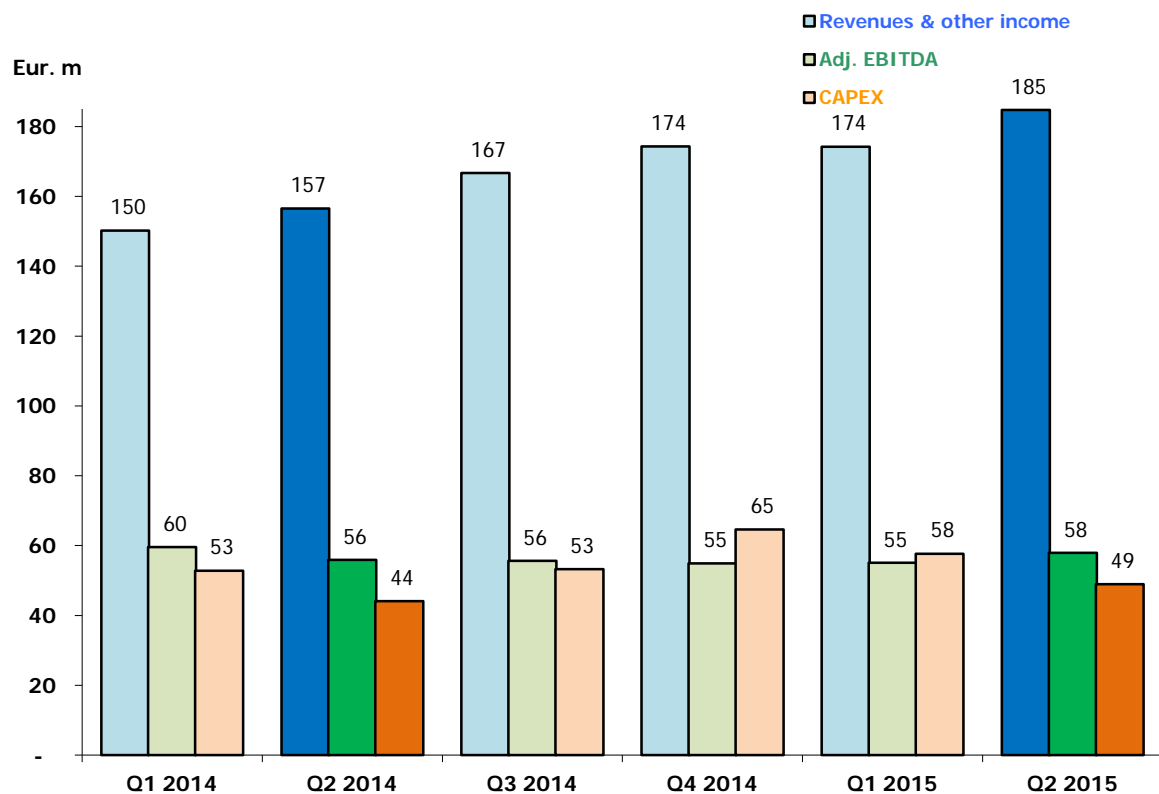
Recent Developments – Legislation

- Several changes to the Romanian tax legislation were enacted by the Romanian Parliament in July and in September and are to enter into force starting January 2016. Some of the changes are:
 - VAT progressively decreases from 24% to 20% starting January 2016 and to 19% starting January 2017
 - Dividend tax decrease from 16% to 5% starting January 2017
 - The tax on special constructions (including networks) will be discontinued starting with January 2017.



Financial highlights

Results from continuing operations*



- Revenues increased Q2 2015 compared with Q2 2014 mainly in Romania and Spain.
- Revenues in Romania increased by EUR 20.9 million mainly as a result of:
 - increase in mobile telephony RGUs, ARPU and related sales of equipment
 - Increase in our cable Tv and fixed internet RGUs
 - Sales of energy
- Revenues in Spain increased by EUR 5.3 million mainly as a result of increase in RGUs
- EBITDA margin decreased in Q2 2015 compared with Q2 2014 primarily due to increase in our mobile telephony business which comes with a lower margin and increase in certain expenses in Romania
- EBITDA value was higher in Q2 2015 compared with Q2 2014 (EUR 58 million compared with EUR 56 million) mainly as a result of increase in EBITDA in Spain and Hungary
- CAPEX was higher in Q2 2015 compared with Q2 2014 (EUR 49 million compared with EUR 44 million) due to higher payments for intangible assets (Romanian Football League)

Source: Company data

* Czech Republic data was taken out from each period



Highlights Romania – Revenue and Adj EBITDA

Results of Operations¹

Results of Operations	For the three months ended June 30,			For the six months ended June 30,		
	2014	2015	% change	2014	2015	% change
	(euro in millions)			(euro in millions)		
Revenues	112.8	133.6	18.4%	221.4	259.8	17.3%
Adjusted EBITDA	44.3	42.8	-3.4%	92.0	84.3	-8.4%
Margin %	39.3%	32.0%		41.6%	32.4%	
Revenues ⁽¹⁾ in constant currency	112.8	134.0	18.8%	221.4	259.1	17.0%

Revenue growth of 18.4% in Q2 2015 (18.8% in constant currency terms) was driven by growth in our mobile telephony business (including the related equipment sales), increase in our cable Tv and fixed internet RGUs and increase in other revenues such as energy sales.

EBITDA has decreased mainly as a result of increase in telephony interconnection charges associated with our new mobile offerings, increase in programming expenses, increase in salaries and increase in sales of handsets and other equipment

Constant currency figures use Q2 2014 average exchange rate of 4.43 RON/EUR (vs. 4.44 RON/EUR for Q2 2015)

Constant currency figures use S1 2014 average exchange rate of 4.46 RON/EUR (vs. 4.45 RON/EUR for S1 2015)

Notes:

¹ Figures include Intersegment revenues



Highlights Romania - KPIs

Subscribers

Subscribers (Thousand RGUs)	RGUs Period Ended June 30,		Net Additions	
	2014	2015	Last 12 months	Last 3 months
Cable TV	2,535	2,659	124	26
Fixed internet and data	1,753	1,898	145	30
Fixed-line telephony	1,499	1,443	(56)	(12)
Mobile telephony	1,087	1,583	496	98
Mobile internet and data	852	1,483	631	121
DTH	765	690	(75)	(3)

Thousand RGU's

ARPU (EUR) - residential clients

	For the three months ended June 30,		
	2014	2015	% change
Cable TV	5.13	5.22	1.8%
Fixed internet and data	5.26	5.16	-1.9%
Fixed-line telephony	1.37	1.28	-6.6%
Mobile telephony	1.36	2.96	117.6%
Mobile internet and data	1.63	1.20	-26.4%
DTH	4.74	4.83	1.9%

- Steady growth in Cable TV and Internet subscribers and low variations in ARPUs
- Increase in mobile telephony RGUs and ARPU as a result of sale of our new postpaid mobile packages with higher subscription fees.
- Growth in Mobile and internet data RGUs due to sale of mobile telephony subscriptions with mobile data included
- Decrease in Fixed-line telephony ARPU as a result of decrease in traffic volumes



Highlights Hungary – Revenue and EBITDA

Results of Operations

Results of Operations	For the three months ended June 30, 2014			% change	For the six months ended June 30, 2014		
	2014	2015	(euro in millions)		2014	2015	(euro in millions)
Revenues	30.2	31.4	4.0%	59.5	62.4	4.9%	
EBITDA	11.7	12.6	7.7%	23.2	24.8	6.9%	
Margin %	38.7%	40.1%		39.0%	39.7%		
Revenues in Constant Currency	30.2	31.4	4.0%	59.5	62.5	5.0%	

- Increase in revenue and improved EBITDA in Q2 2015 driven by Triple Play Bundles.

Constant currency figures use 305.92 HUF/EUR for Q2 2014 (vs. 306.03 HUF/EUR in Q2 2015) and 306.97 HUF/EUR for S1 2014 (vs. 307.50 HUF/EUR in S1 2015)



Highlights Hungary - KPIs

Subscribers

Subscribers (Thousand RGUs)	RGUs Period Ended		Net Additions	
	June 30,		Last 12 months	Last 3 months
	2014	2015		
Cable TV	402	420	18	4
Fixed internet and data	333	361	28	6
Fixed-line telephony	292	312	20	5
Mobile internet and data	20	18	(2)	-
DTH	341	331	(10)	5

Thousand RGU's

- Steady growth Triple Play subscribers and increase in the penetration of Internet and Fixed Telephony subscribers

- Decrease in Fixed-line telephony ARPU due to lower usage

ARPU (EUR)

	For the three months ended June 30,		% Change
	2014	2015	
	Cable TV	7.17	
Fixed internet and data	7.61	7.77	2.1%
Fixed-line telephony	2.41	1.76	-27.0%
Mobile internet and data	6.60	6.72	1.8%
DTH	7.70	7.79	1.2%



Highlights Other Territories

	For the three months ended June 30,			For the six months ended June 30,		
	2014	2015	% change	2014	2015	% change
	(euro in millions)			(euro in millions)		
Revenues						
Spain ¹	12.9	18.5	43.4%	25.3	34.6	36.8%
Italy	1.1	1.9	72.7%	2.4	3.6	50.0%
Czech Republic ²	3.5	0.7	-80.0%	7.2	3.8	-47.2%
	17.5	21.1		34.9	42.0	
EBITDA¹						
Continuous Operations	0.0	2.5	N.M.	0.3	3.8	N.M.
Discontinued Operations ²	1.2	0.2	N.M.	2.5	1.2	N.M.
	1.2	2.7		2.8	5.0	

- **Spain:**
 - Steady growth in RGUs
 - We have negotiated the extension of our MVNO agreement with Telefonica until the end of 2017 (originally expiring at the end of 2015)
- **Czech Republic** was disposed of in April 2015

Subscribers (Thousand RGUs)	RGUs Period Ended June 30,		Net Additions	
	2014	2015	Last 12 months	Last 3 months
Spain - Mobile telephony	364	487	123	36
Spain - Mobile internet and data	154	224	70	21
Italy	59	79	20	7
Czech Republic ²	145	0	(145)	(131)

Thousand RGU's

Notes: ¹ Figures includes Intersegment operations; ² Czech Republic was disposed of in April 2015

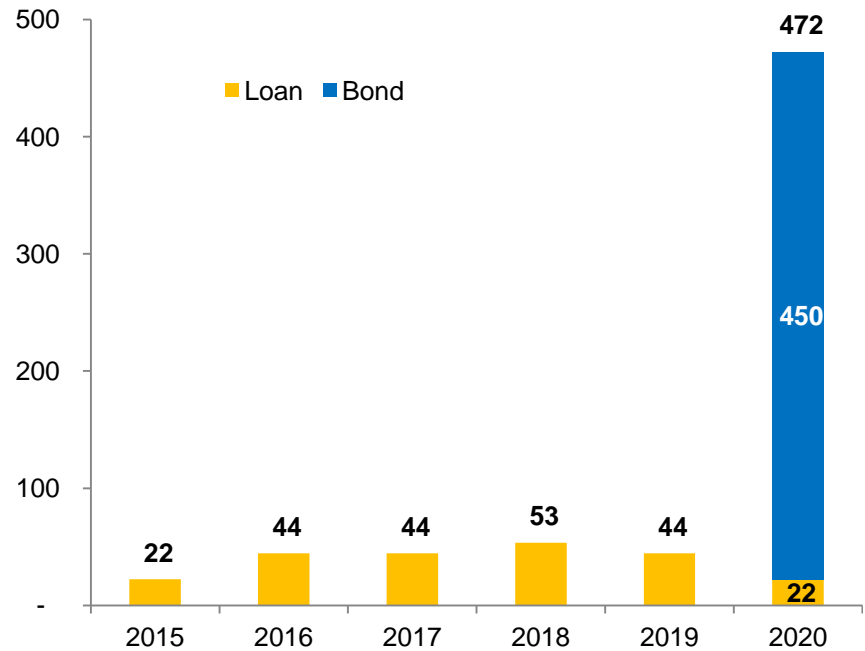


Group Financial Profile

Financial liabilities as of June 30, 2015

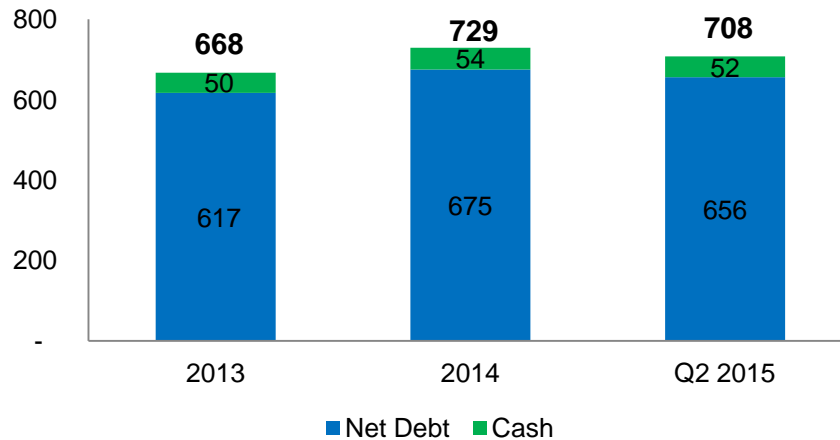
Facility	Amount (EUR millions)
Senior Secured Notes (Bond)	450.0
Term loan (5y)	231.1
Financial leases	6.9
Other short term debt	4.8
Hedging obligations	2.8
Total debt	695.6
Cash	52.0
Total net debt	643.6

Maturity profile Term Loan & Notes as of June 30, 2015 (EUR millions)



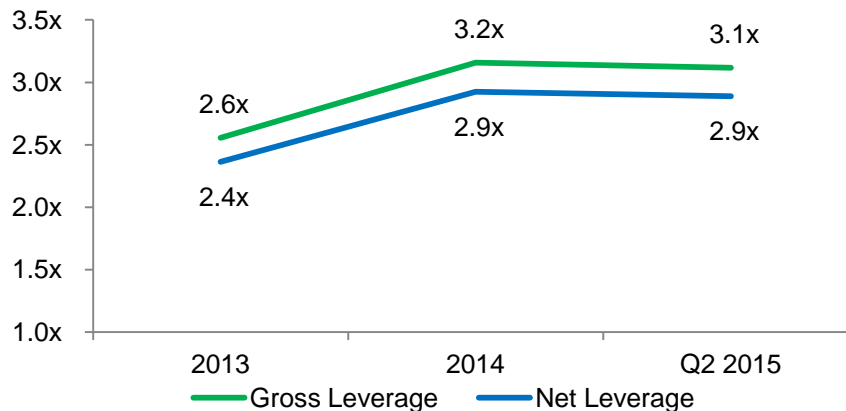
Group Financial Profile (continued)

Gross / Net Debt (EUR millions)



- Total net debt as of June 30, 2015 is EUR656 million
- Net Leverage is 2.9x and Gross Leverage is 3.1x.

Leverage



Notes:

* The Net Leverage and Gross Leverage are computed using Adjusted EBITDA as presented in the Annual and Quarterly Consolidated Financial Statements of CCS for 2014 and 2015



Financial Calendar

- You can find us on:

- Web: investors.rcs-rds.ro

- Email: investor.relations@rcs-rds.ro

- Agenda

	Report	Call
Q3 2015 Results	4-Dec-15	Thursday 10-Dec-15
FY 2015 Results	15-Apr-16	Thursday 21-Apr-16
Q1 2016 Results	3-Jun-16	Thursday 9-Jun-16
Q2 2016 Results	2-Sep-16	Thursday 8-Sep-16



Q&A Session

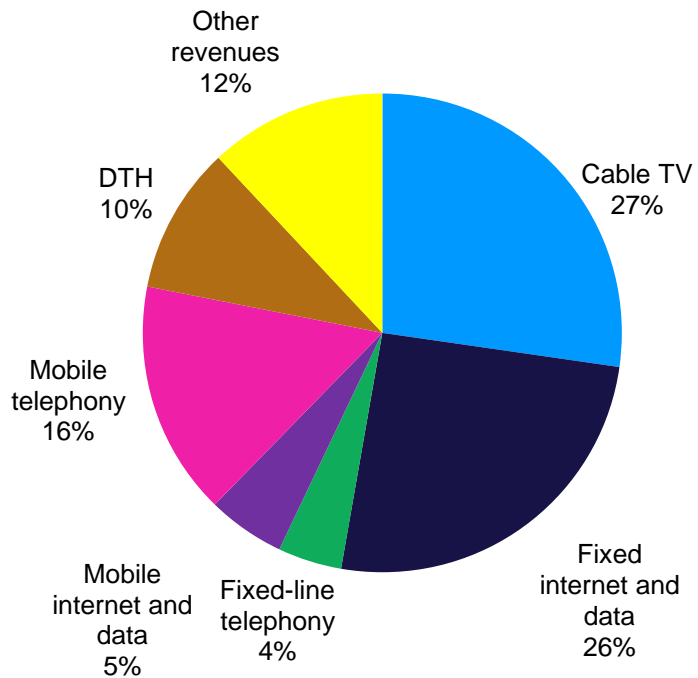


Appendices

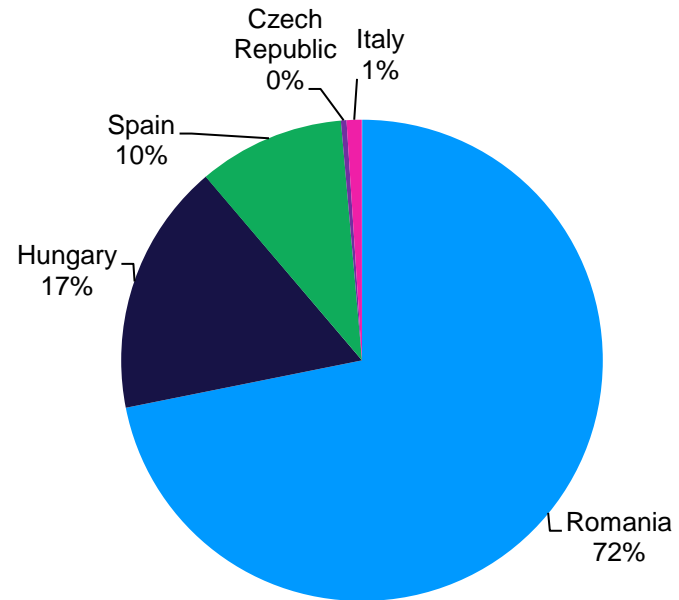


Revenue streams

Q2 2015 revenue split by product



Q2 2015 revenue split by country



Group Results (P&L)

	For the three months ended			For the six months ended		
	June 30,		% change	June 30,		% change
	2014	2015		2014	2015	
	(euro in millions)			(euro in millions)		
Revenues						
Romania	112.3	133.2	18.6%	219.9	259.0	17.8%
Hungary	30.2	31.4	4.0%	59.5	62.4	4.9%
Spain	12.9	18.2	41.1%	25.0	34.0	36.0%
Italy	1.1	1.9	72.7%	2.4	3.6	50.0%
Discontinued Operations ¹	3.5	0.7	N.M	7.2	3.8	N.M
Total Revenues	160.1	185.5	15.9%	313.9	362.8	15.6%
Adjusted EBITDA	57.0	58.1	1.8%	117.9	114.1	-3.2%
<i>% margin²</i>	<i>35.6%</i>	<i>31.3%</i>		<i>37.6%</i>	<i>31.5%</i>	
Results of Operations less Divested Subsidiaries						
Revenues	156.5	184.7	18.0%	306.8	359.0	17.0%
Adjusted EBITDA	55.8	57.9	3.8%	115.4	112.9	-2.2%
<i>% margin²</i>	<i>35.7%</i>	<i>31.3%</i>		<i>37.6%</i>	<i>31.5%</i>	
Result from services						
Revenues from services	151.7	174.6	15.1%	302.1	339.3	12.3%
Adjusted EBITDA from services	57.3	57.5	0.3%	118.1	113.4	-4.0%
<i>% margin²</i>	<i>37.8%</i>	<i>32.9%</i>		<i>39.1%</i>	<i>33.4%</i>	

Source: Company data;

Notes: ¹Czech Republic was sold in April 2015; ²Defined as the ratio of Adjusted EBITDA to Revenues;



Cash Flow

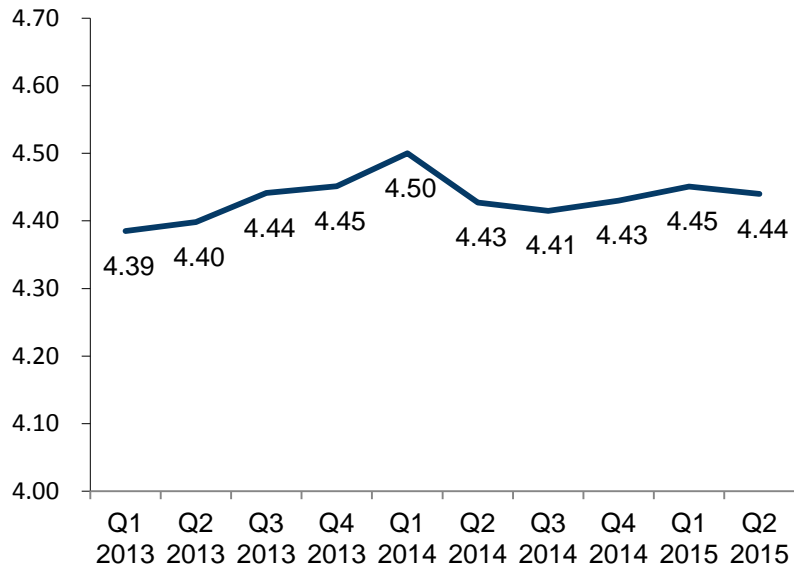
Summary Cash Flow

	Three months ended		Six months ended	
	June 30,		June 30,	
	2014	2015	2014	2015
	(euro in millions)		(euro in millions)	
Cash flows from operations before working capital changes	58.7	57.0	120.6	111.2
Cash flows from changes in working capital	(6.4)	2.9	(18.6)	18.0
Cash flows from operations	52.3	59.9	102.1	129.2
Interest paid	(18.4)	(18.9)	(21.7)	(22.5)
Income tax paid	(1.6)	(0.4)	(2.2)	(1.3)
Cash flow from operating activities	32.2	40.6	78.2	105.4
Cash flow used in investing activities	(45.4)	(24.2)	(88.6)	(81.8)
Cash flows from financing activities	43.1	(22.9)	40.3	(25.8)
Net increase (decrease) in cash and cash equivalents	29.9	(6.4)	29.9	(2.2)
Cash and cash equivalents at the beginning of the period	49.9	57.6	50.2	54.3
Effect of exchange rate fluctuation on cash and cash equivalent held	(0.8)	0.8	(1.1)	(0.1)
Cash and cash equivalents at the closing of the period	79.1	52.0	79.1	52.0



FOREX development

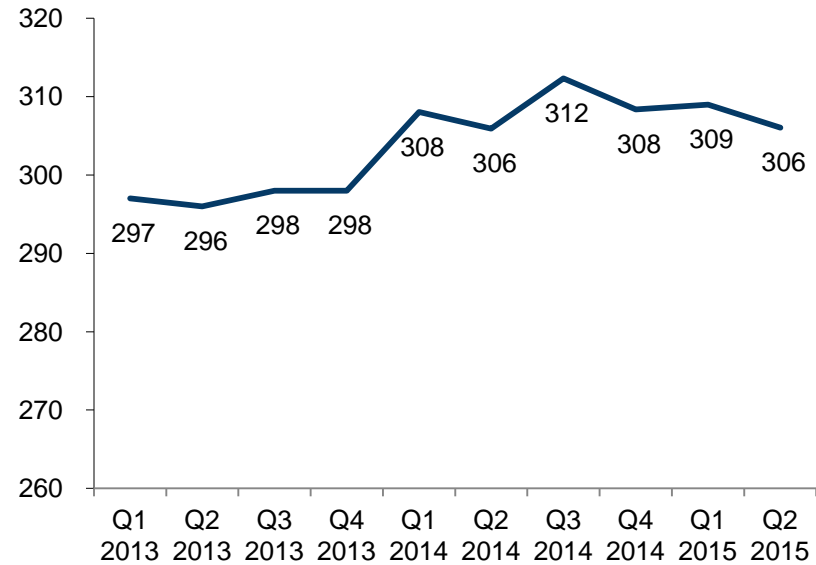
RON/EUR Exchange Rate 2013 – Q2 2015



Romania

- In the three month period ended June 30, 2015, compared with the same period in 2014, the Romanian leu declined by 0.2% relative to the euro.

HUF/EUR Exchange Rate 2013 – Q2 2015

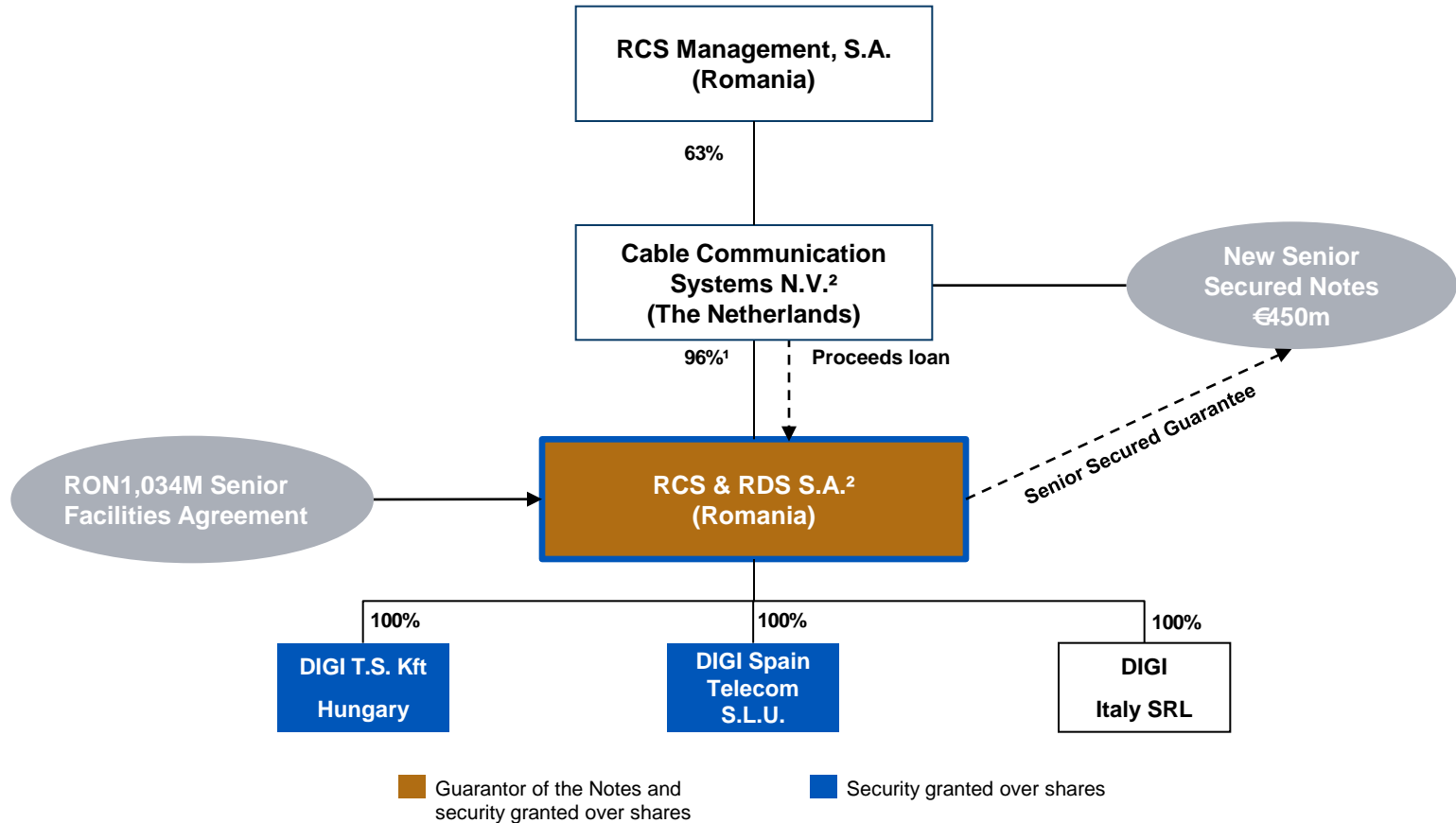


Hungary

- In the three month period ended June, 2015, compared with the same period in 2014, the Hungarian forint remained stable relative to the euro.



Summary corporate and financing structure



Source: Company data

Note: The structure reflects see-through ownerships post adjustments for treasury shares; ¹ RCS & RDS owns 8.97% of its treasury stock; ² Obligations of CCS and RCS & RDS under the Notes, the Guarantee, the 2015' Senior Facilities Agreement, the ING Facilities Agreement and the Citi Facilities Agreement and certain hedging agreements are secured by the Collateral on a pari passu basis.

