

**PRESS RELEASE**

Bucharest, November 14, 2018

**Positive financial results for Digi Communications N.V. Group after the first three quarters of the year**

- ***EUR 752 million consolidated group revenue (for the first 9 months of 2018), an increase of 9.9% over the same period of 2017***
- ***EUR 270 million consolidated group income in the third quarter (+ 17.3% in the third quarter 2018 as compared to the third quarter 2017)***
- ***14.7 million Revenue Generating Units (RGUs), all services (+ 12% on September, 30, 2018 as compared to 30 septembrie 2017)***
- ***~EUR 237 million adjusted EBITDA (cumulated for the first nine months of 2018), raising 10.6% over the same period of 2017***
- ***EUR 81.7 million adjusted EBITDA for the third quarter of 2018 (+ 10.7% in the third quarter 2018 as compared to the third quarter 2017)***
- ***Main growth vectors in Romania: cable TV services (+ 8.7%) and fixed Internet services (+ 0.5%)***
- ***Digi Spain: constant increase of the number of subscribers (+ 49% RGU on September 30, 2018 versus September 30, 2017)***

Digi Communications NV Group published on Wednesday, November 14<sup>th</sup>, its financial results for the third half of 2018, announcing an increase of 17.3% in revenues over the same period of 2017, from EUR 230 million to EUR 270 million. Adjusted EBITDA was approximately EUR 81.7 million, including the consolidated results of Invitel, increasing 10.7% over the same period in 2017 (EUR 73.8 million on 30 September 2017).

For the nine-month period ending September 30, 2018, revenue growth was 9.9% over the same period last year, from EUR 684 million to EUR 752 million. Adjusted EBITDA amounted to approximately EUR 237 million, including the consolidated results of Invitel, up 10.6% over the same period in 2017 (EUR 214 million as at 30 September 2017).

Romania remains the main market of the group, generating 65% of its revenues, followed by Hungary (20%), Spain (12%) and Italy (2%). On its four markets, the company records an increase of RGU of 1.6 million, including the revenue generating units of Invitel, raising to 14.7 million RGUs from 13.1 million RGUs in the third quarter of 2017.

Also, the group displayed evolving indicators for the main growth-generating services - cable television services (+ 13%, from 3.5 million RGUs, group level to 3.9 million RGUs), as well as fixed internet (+ 19%, from 2.7 million RGUs to 3.2 million RGUs). On 30 September 2018, Digi Communications N.V. recorded a total of 4.8 million RGUs pay-TV subscribers compared to 4.4 million RGUs on 30 September 2017.

## Evolution by market

In **Romania**, the group reported increases in the fixed-line cable and internet service market, with a growth of 8.7% on cable TV services subscriptions (3.2 million RGUs on September 30, 2018 compared to 3 million RGUs, on September, 30 2017) and 10.5% for fixed Internet service subscriptions (2.5 million RGUs on September 30, 2018 compared to 2.2 million RGUs for the same period of the previous year). As for mobile phone services, Digi is the leader of portability reaching about 31% of the total portability market, representing almost 185,000 numbers ported to the Digi Mobil network in the first nine months of the year.

In **Hungary**, the revenues of the Digi Hungary (including Invitel)\* increased to €54.6 million, and Digi strengthened its leading position on the pay-tv market. On the fixed Internet segment, Digi is the second operator (with a market share of over 25%), while on the fixed telephony segment has a market share of about 23%. The solid positions held on this market are the prerequisites for the launch of mobile telephony services.

**Spain and Italy** recorded a significant 46% increase in subscriber numbers, from 971,000 RGUs on September, 30 2017 to 1.4 million RGUs on September 30, 2018. Digi Spain is the leader of the MVNO market (virtual mobile phone operator) and is the fifth mobile operator on this market, with a growing presence through its 3,000 points of sale. In the first three quarters of the year, approximately 142,000 mobile numbers were ported to the Digi Spain network. The last month of the third quarter also marked the launch of fixed services on the Spanish market. On the two mature European markets, Digi Communications addresses both the Romanian diaspora and local clients.

*"We managed to reach €237 million EBITDA at Group level, up 10.6% from the first nine months of the previous year, with €81.7 million in the third quarter of this year. By keeping a steady and high investment rate, we achieved a free-cash-flow (FCF) \*\* of about €35 million, cumulated at 9 months.*

*The rising revenues in all markets are supported by the evolution of the total RGUs by 12.2% and we are approaching the 15 million revenue generating units milestone.*

*The development of the electronic communications infrastructure is important for the evolution of society as a whole and, following this objective, we will continue to invest in the fiber optic network both in Romania and Hungary, where we reach a total of more than 7 million homes passed," said Sergej Bulgac, CEO of Digi Communications Group.*

## About the Digi Communications Group

*Digi Communications NV is the parent company of the electronic communications operator, RCS & RDS, the leader of the internet market, pay-tv and converging services in Romania, with operations in Hungary, Spain and Italy. Established in nearly 25 years ago, the company had as of December 31, 2017, assets worth over EUR 1.342 billion \*\*\*, holding almost entirely the most modern (state of the art) and extensive optical fiber network in the region.*

*Digi brings to market the most affordable electronic communications services, both in fixed and mobile communications. Over time, this competitive advantage has become a benefit for millions of customers, who have thus gained faster and less expensive access to top-quality services.*

*In Romania, the Group Digi is currently the largest private employer in the local business environment, with about 13.000 employees (15.000 in all markets where it operates), and it contributes annually to the state budget, social security and health, on its main market, more than €120 million.*

*The cross-media content of Digi group includes TV stations Digi 24, DigiSport 1, 2, 3, 4, Film Now Digi (pay-TV), Digi World, Digi Animal World, Digi Life, UTV, Music Channel and Hit Music Channel, radio stations Digi FM, ProFM, Dance FM, Chill FM and online communication platforms combined under DigiOnline.*

More information, [click here](#).

*\*Including Invitel investment, a Hungarian company, where the Group owns the majority shareholds since May 30, 2018.*

*\*\* The FCF is considered to be adjusted EBITDA excluding CAPEX payments.*

*\*\*\* Figures extracted from the consolidated financial statements of Digi Communications NV Group in accordance with IFRS*