

DIGI



Core markets & operations





Attractive Romanian Telecoms market growth

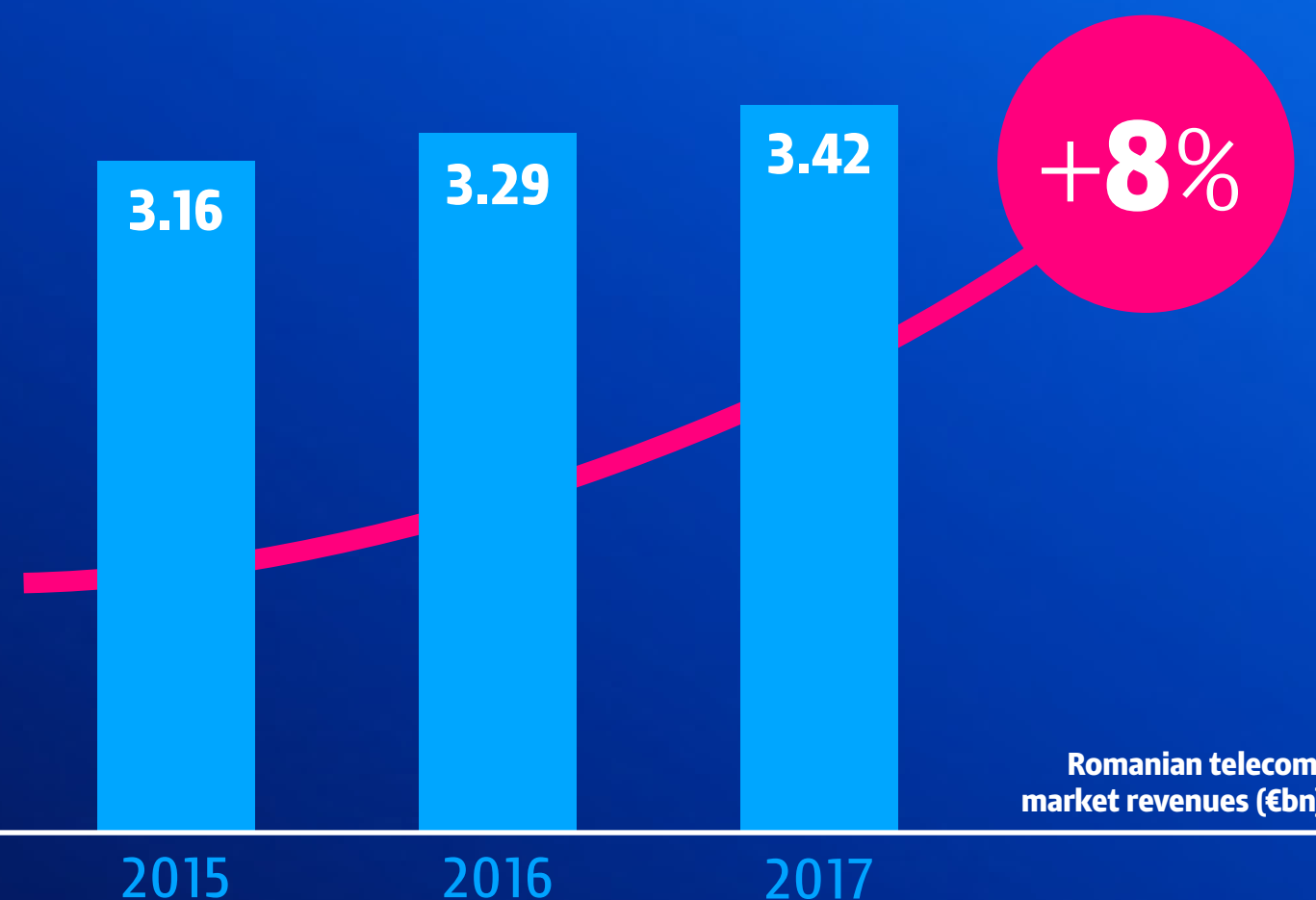
Growing market

Favorable macro-environment

Increased customer purchasing power and discretionary spending

One of the most advanced nationwide fiber infrastructure in Europe facilitating strong data consumption at affordable rates

Attractive market with structural growth



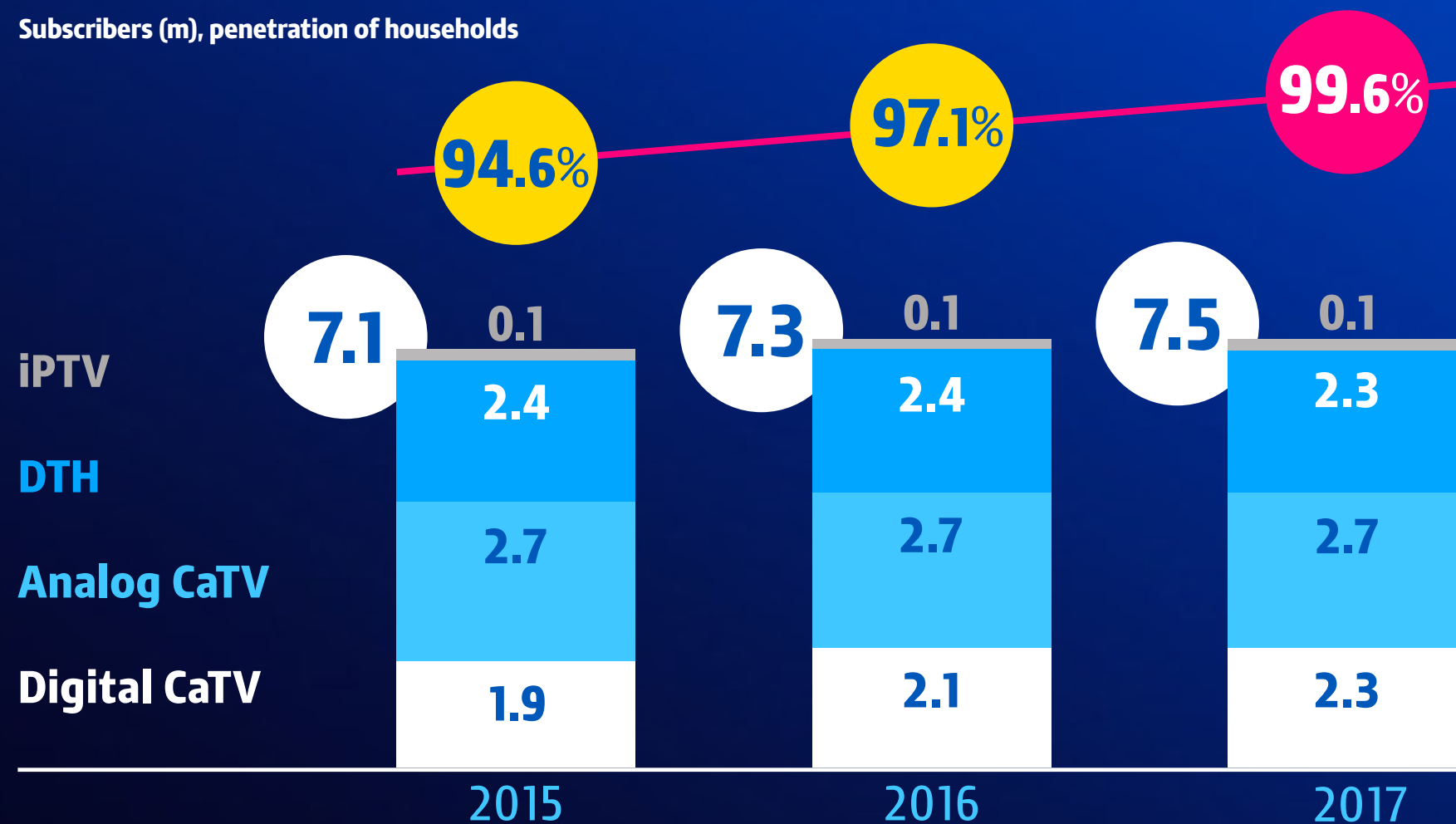
1. Converted at constant currency 2015 average RON:EUR FX rate of 4.445; 2016 average RON:EUR FX rate of 4.4908; 2017 average RON:EUR FX rate of 4.5681. Sources: ANCOM



Cable is the leading technology in pay-TV

Strong subscriber growth

Subscribers (m), penetration of households



iPTV in infancy
Limited threat to DIGI

DTH still popular since being established in 2004, the main alternative to cable TV, especially in rural areas

Stable analog cable base

Growing digital cable segment

DTH packages

Basic analog packages

Digital tariffs, add on packs, VOD, OTT

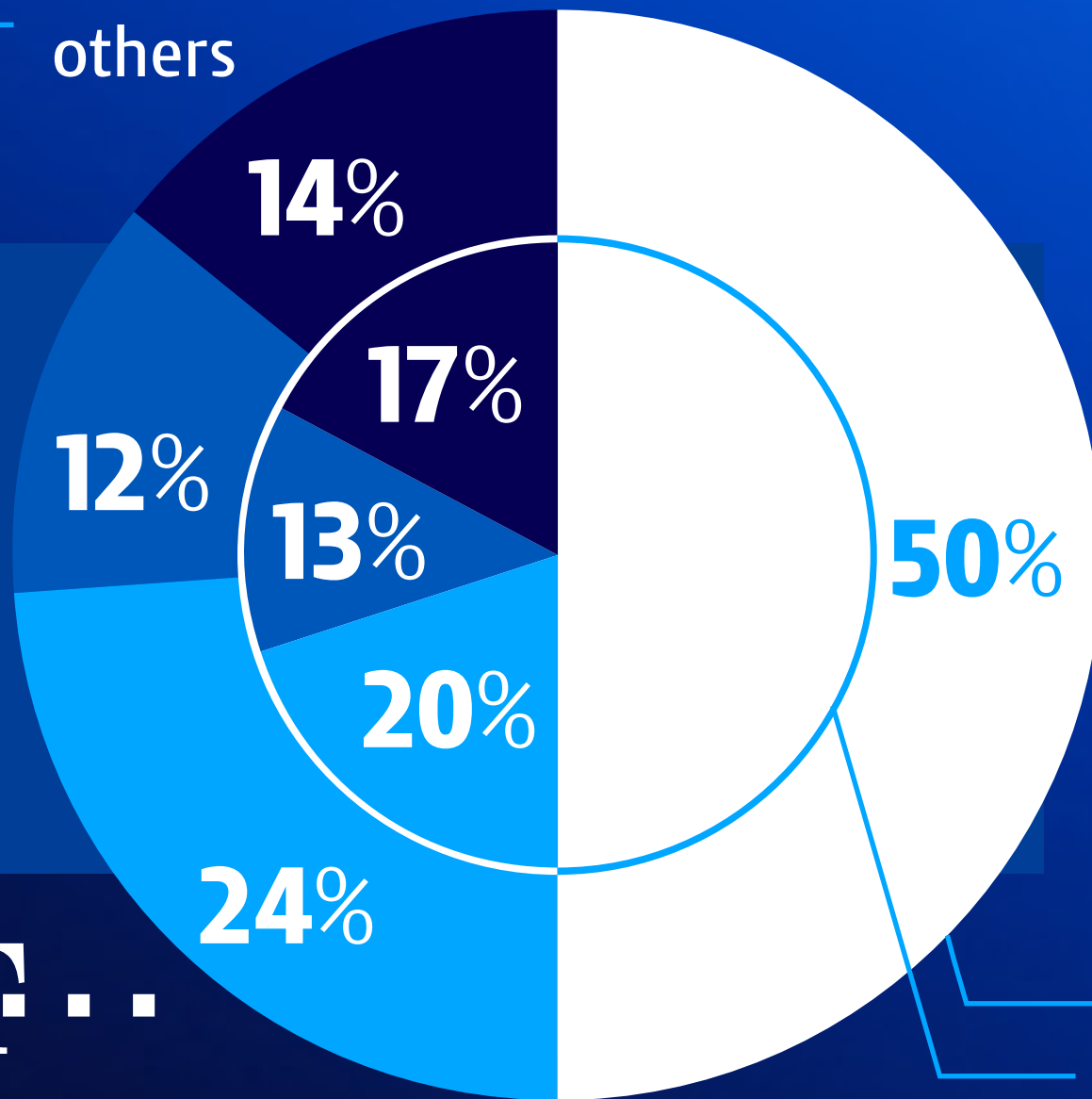


DIGI is no 1 player on pay-TV market

DIGI well positioned

 Internet

 Pay-TV¹



DIGI

INTERNET

TV

Note: Market shares are based on company and peers reported subscriber numbers as of Q2 2018 and H2 2017 regulator data for market size (fixed). 1. Market shares include all Pay-TV technologies (including but not limited to Cable TV and DTH);

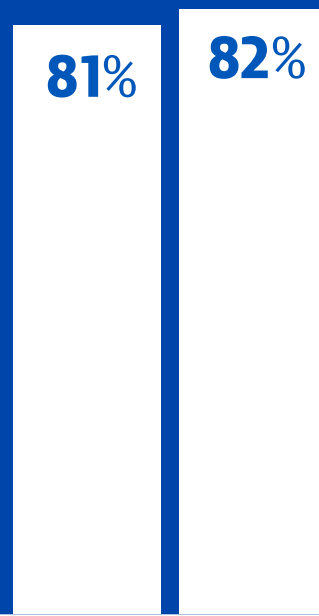
Key themes in TV

Very high linear viewing & technology disparity

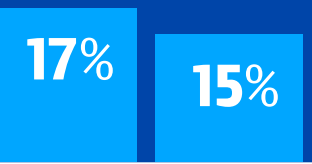
Cable dominates in urban areas; DTH in rural

Market share split by technology

Urban



Main FTTB/H network in urban areas. Cable winning significant share.



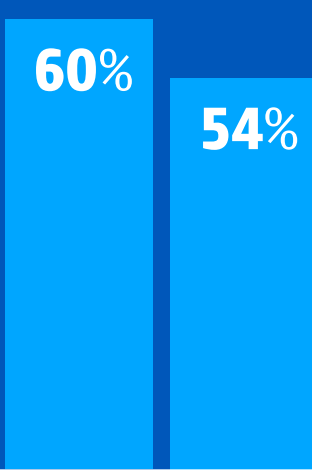
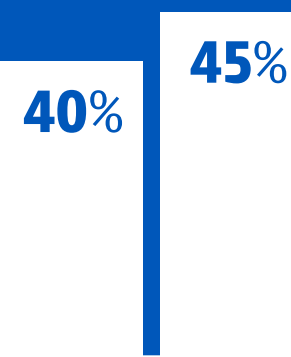
2015 2017 2015 2017 2015 2017

Rural



DTH provides coverage outside FTTB/H footprint.

Meaningful increase in Cable in rural area as a result of roll-out investments & technology.



2015 2017 2015 2017 2015 2017



Internet: structural growth and DSL replacement upside

Upside vs. other countries

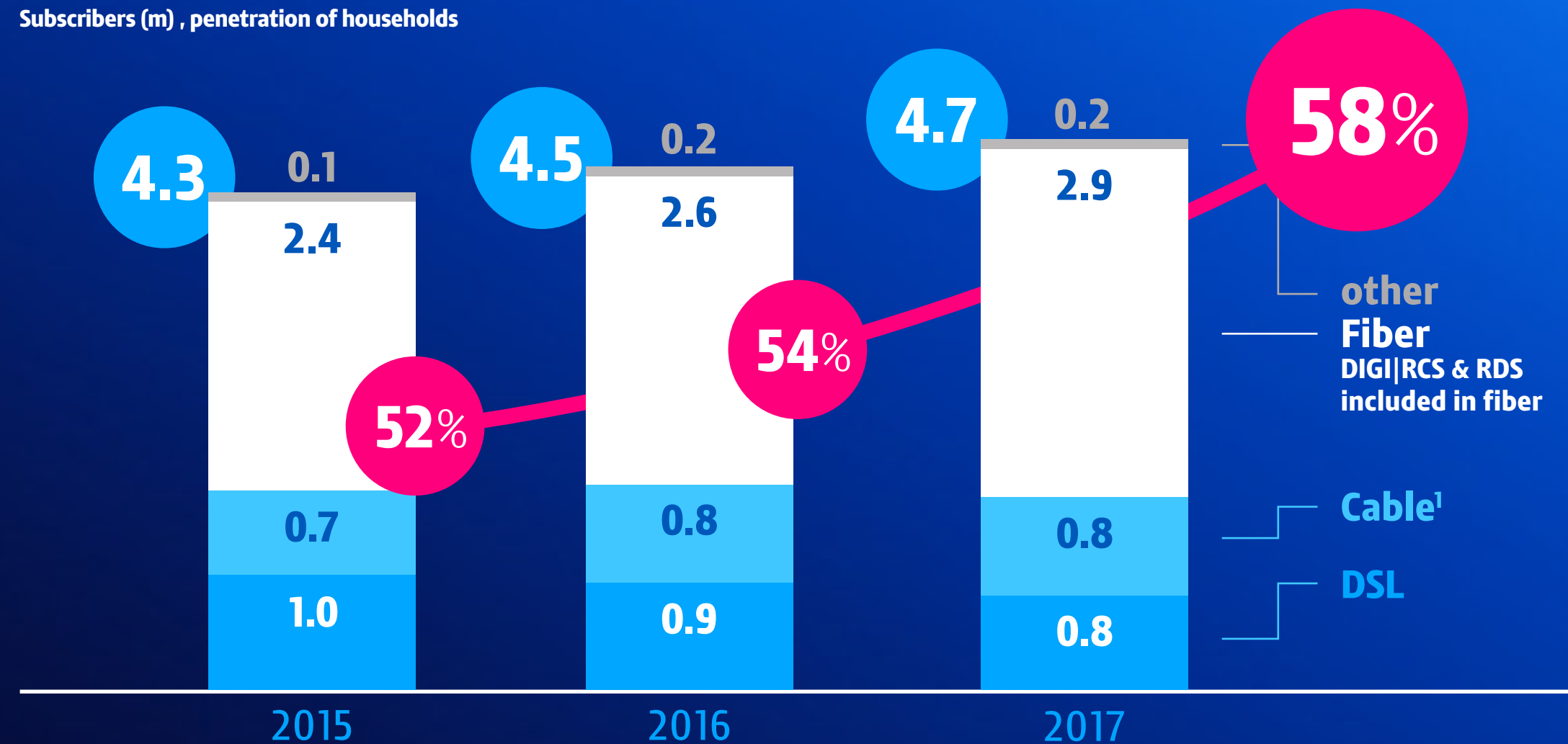
Not a DSL market

Clear penetration upside

Fiber driving growth

Strong subscriber growth

Subscribers (m) , penetration of households



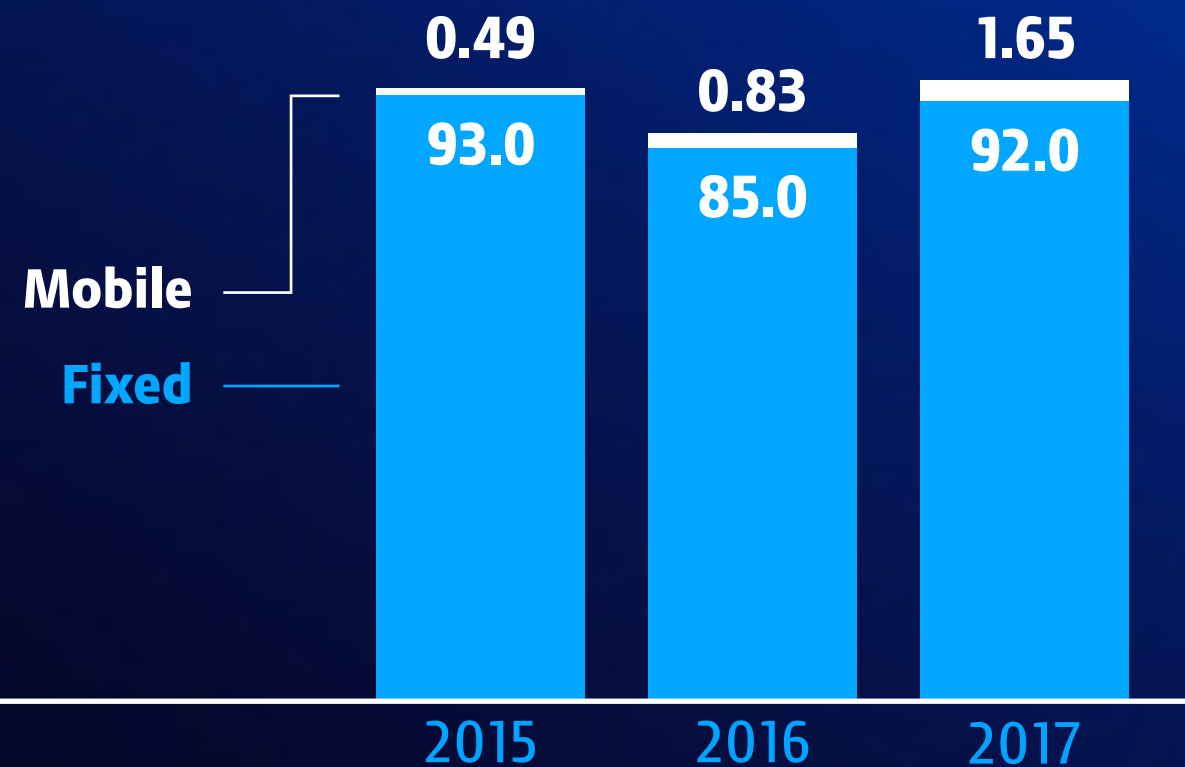
¹ Coax from fiber node to household
Source: ANCOM



Key themes in Internet: usage & speed

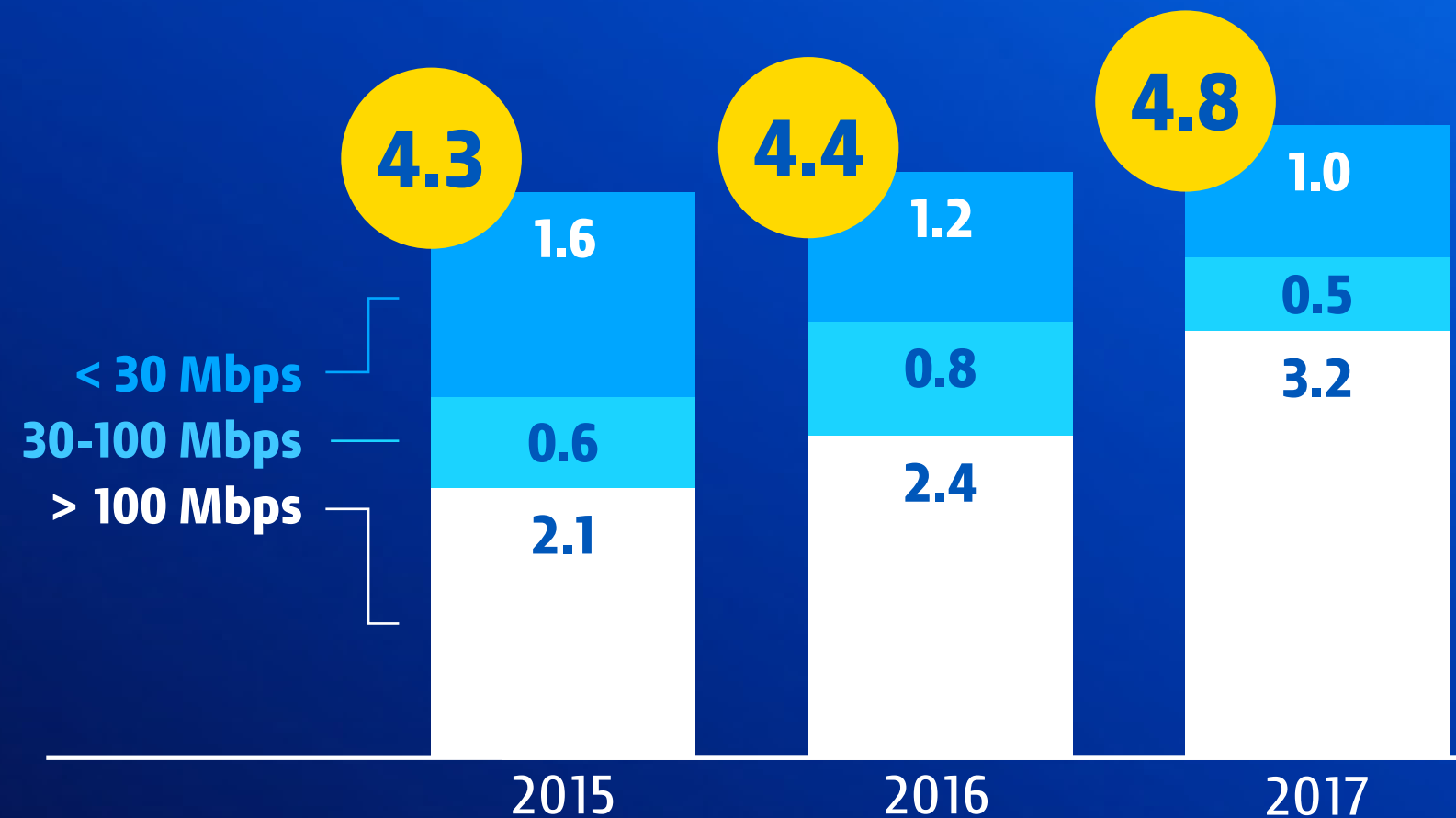
High fixed internet traffic;
low mobile substitution risk

Average monthly traffic / connection (GB)



Significant growth in high-speed internet

Split of internet connection by speed (m)



Romania mobile market history

**Competitive changes
in the Romanian mobile market...**

... have benefited DIGI



**Structural shift to
post-paid and high
data volumes**

**Decreasing
interconnection rates**



**Unique opportunity for DIGI
given convergence proposition
and ability to offer high data
packages (supported by high
fiber density) at affordable prices**

**Have already made significant
impact 12% market share
vs 6% in 2013**

**Originally a pre-paid
focused market**

**Led by Orange
and Vodafone**

Market duo-play

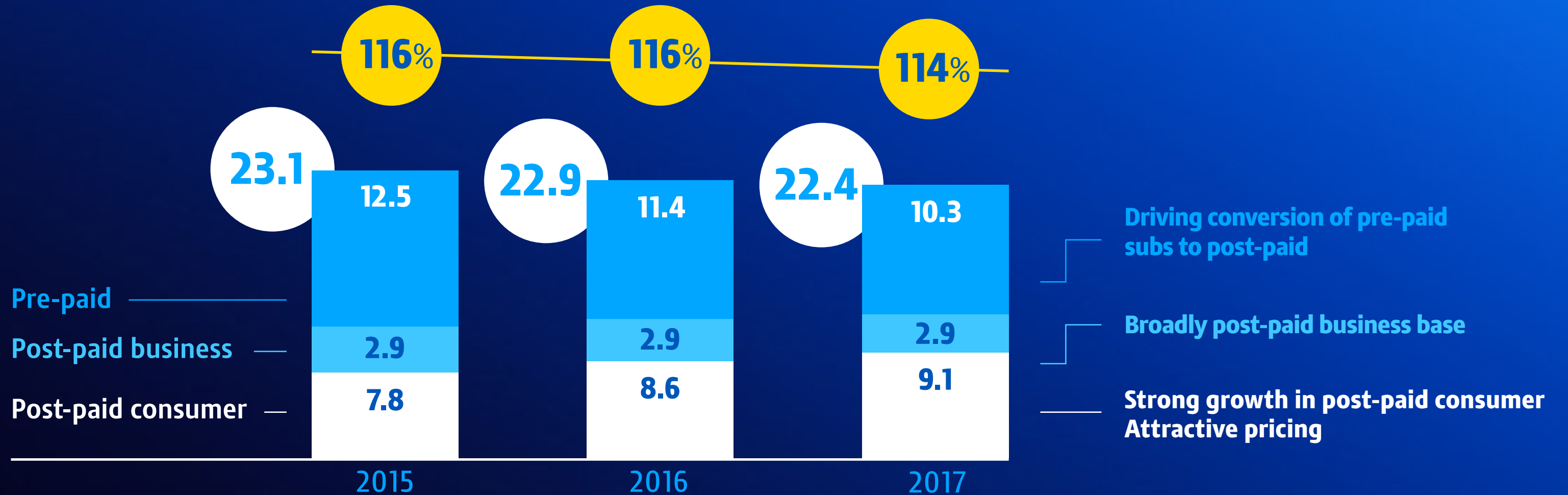




Mobile: Ongoing pre-paid to post-paid conversion

Strong subscriber growth

Subscribers (m) , penetration of population

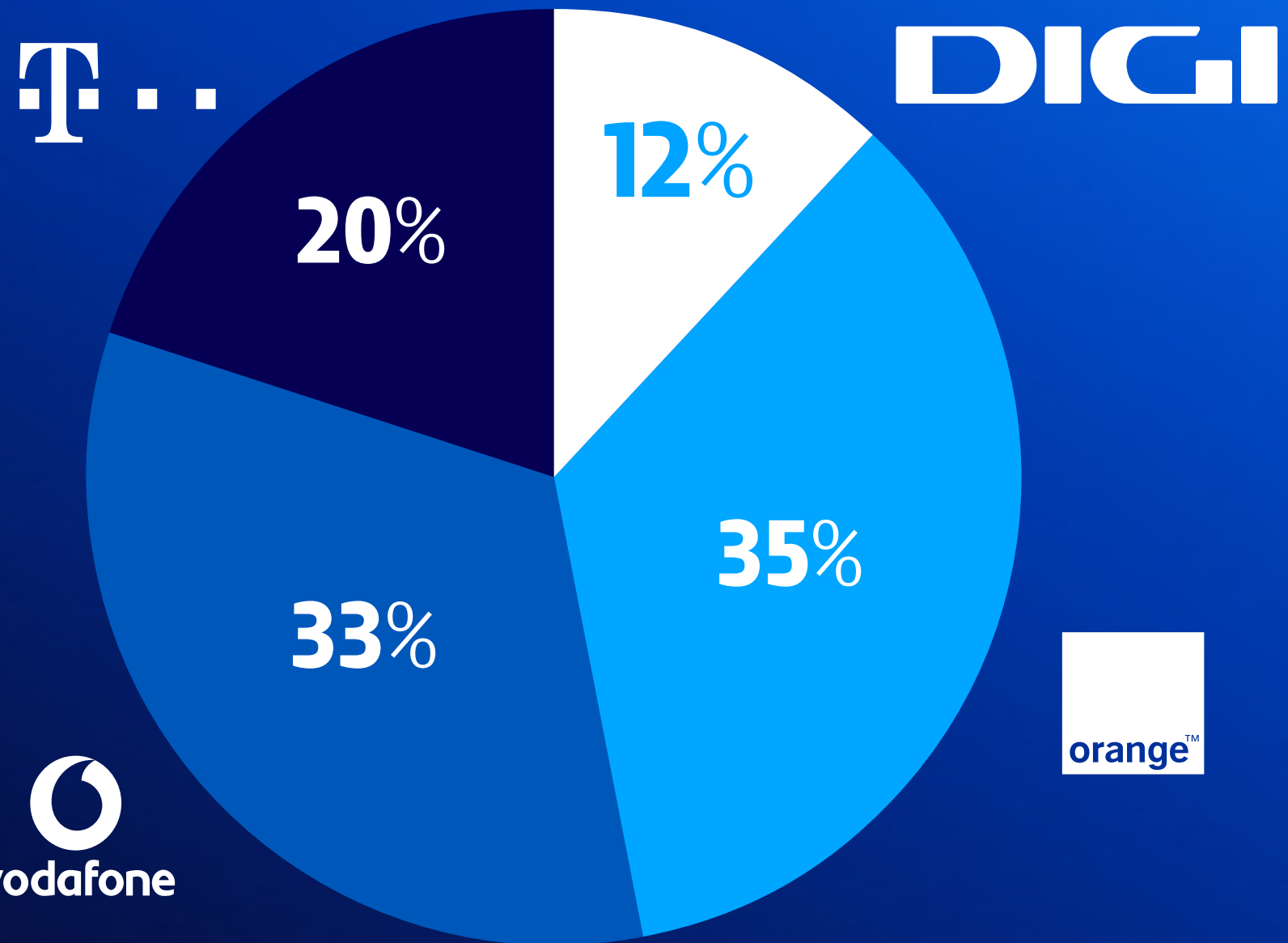


Source: ANCOM, Report H2 2017



Mobile market share

DIGI well positioned



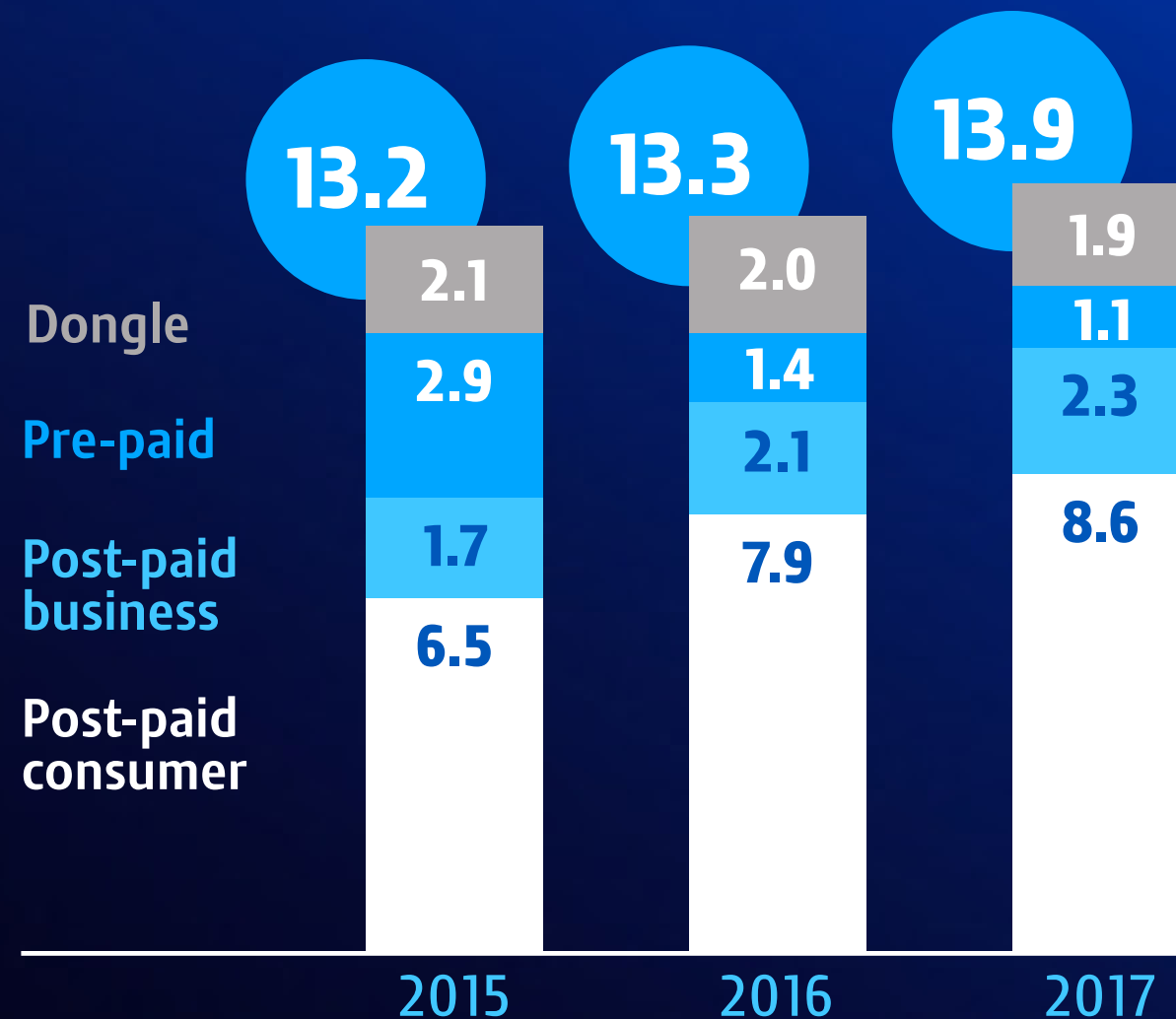
Note: Market shares are based on company and peers reported subscriber numbers as of Q2 2018 (mobile).
Source: ANCOM, Report H2 2017.



Mobile Internet providing further opportunity

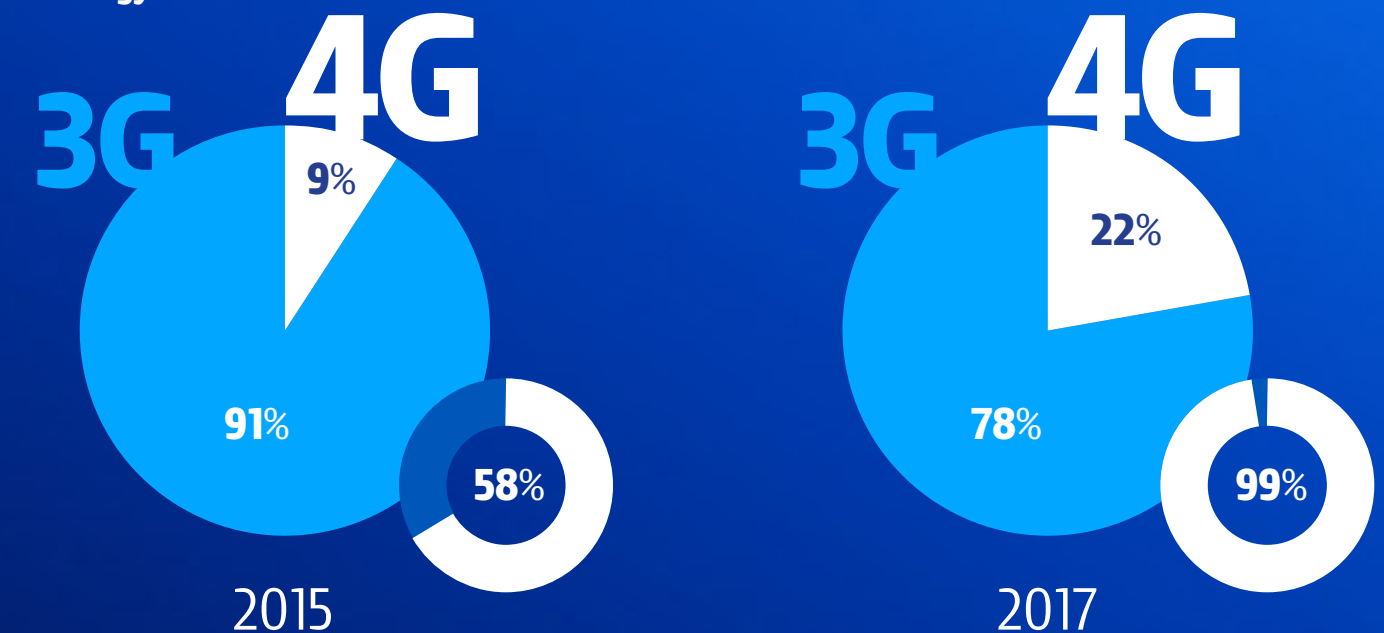
Rapid growth in subscriptions

Active subscribers (m), penetration of population



Rapid transition to higher speed technologies

By technology



RCS has the highest share of fiber connected sites: 70%¹

Significant improvement in coverage

- 3G: 99% of population
- 4G: 58% of population

Source: ANCOM-Report H2 2017
1. As at 31 December 2017



Positive trends: recent MTR declines & focus on Android handsets

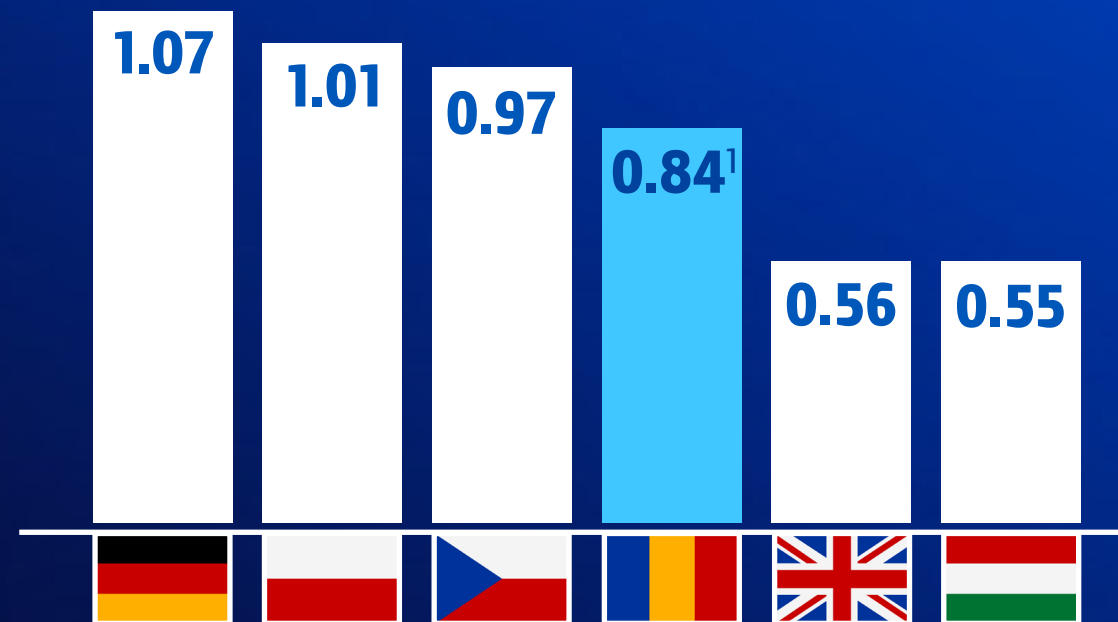
Recent MTR declines

MTRs (€cents / minute)



Rates generally in line with other markets

Mobile termination rates, Jan 2018 (€)



Android focused market due to better affordability



DIGI focused on Android handsets

Strategy focused on post-paid and converget offerings

Unlimited packages with high visibility on total cost

Strong and efficient distribution network:

- 397 stores²
- Direct sales force

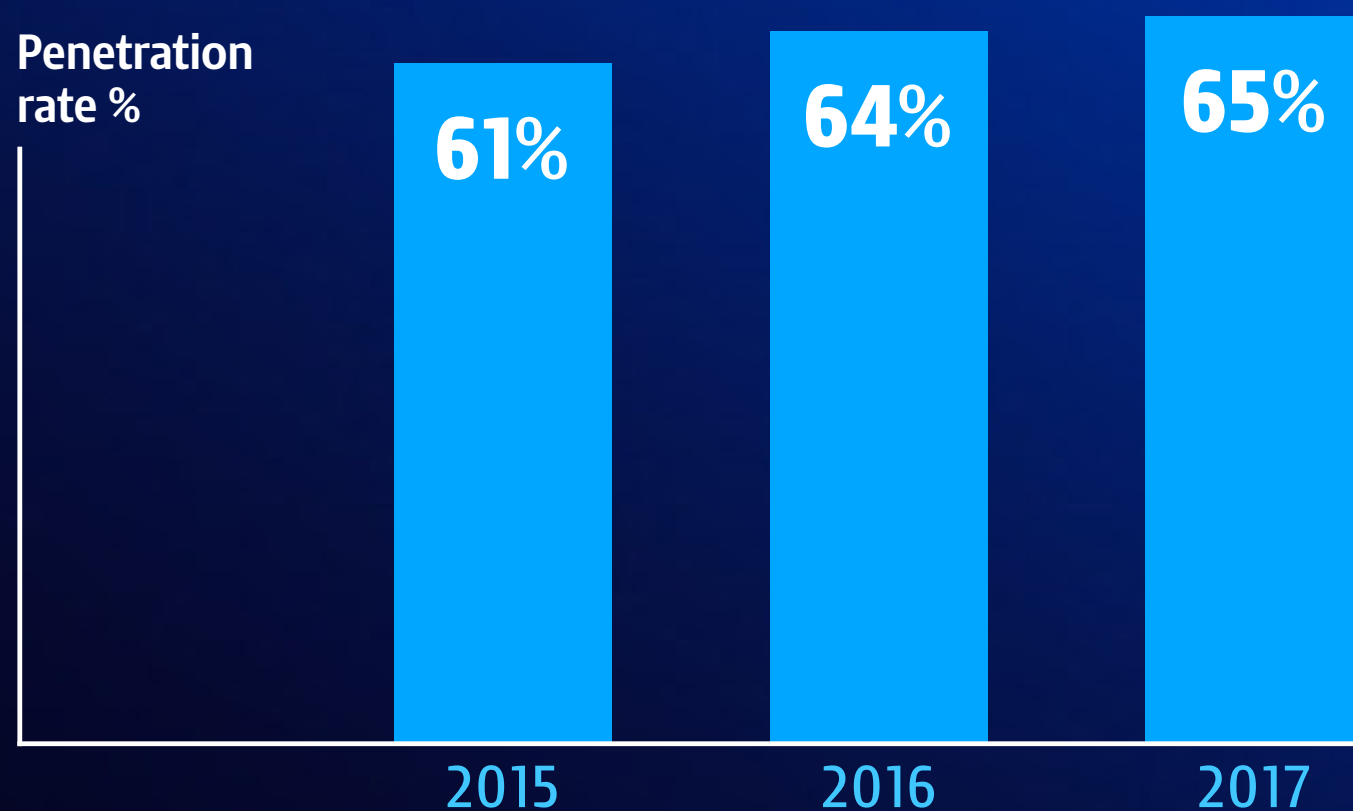
Source: ANCOM, Report H2 2017, BEREC
 1. Beginning with May 2018; 2. As at 31 December 2017

Increase in multi-play offerings

Multi-play subscribers

Active subscribers (m)

Penetration rate %



DIGI, the leader in convergence

Convergence launch

DIGI
RCS & RDS 2007

T .. 2014

orange™ 2016

vodafone¹

upc

Industry leader

Launch of T-Magenta brands post operational merger²

Launching services via wholesale agreement with Telekom Romania

Note: Relates to subscribers who take two or more products from the same provider irrespective of if they are specifically priced as bundle. Can be any combination of fixed telephony, mobile telephony, fixed Internet, mobile Internet or TV.

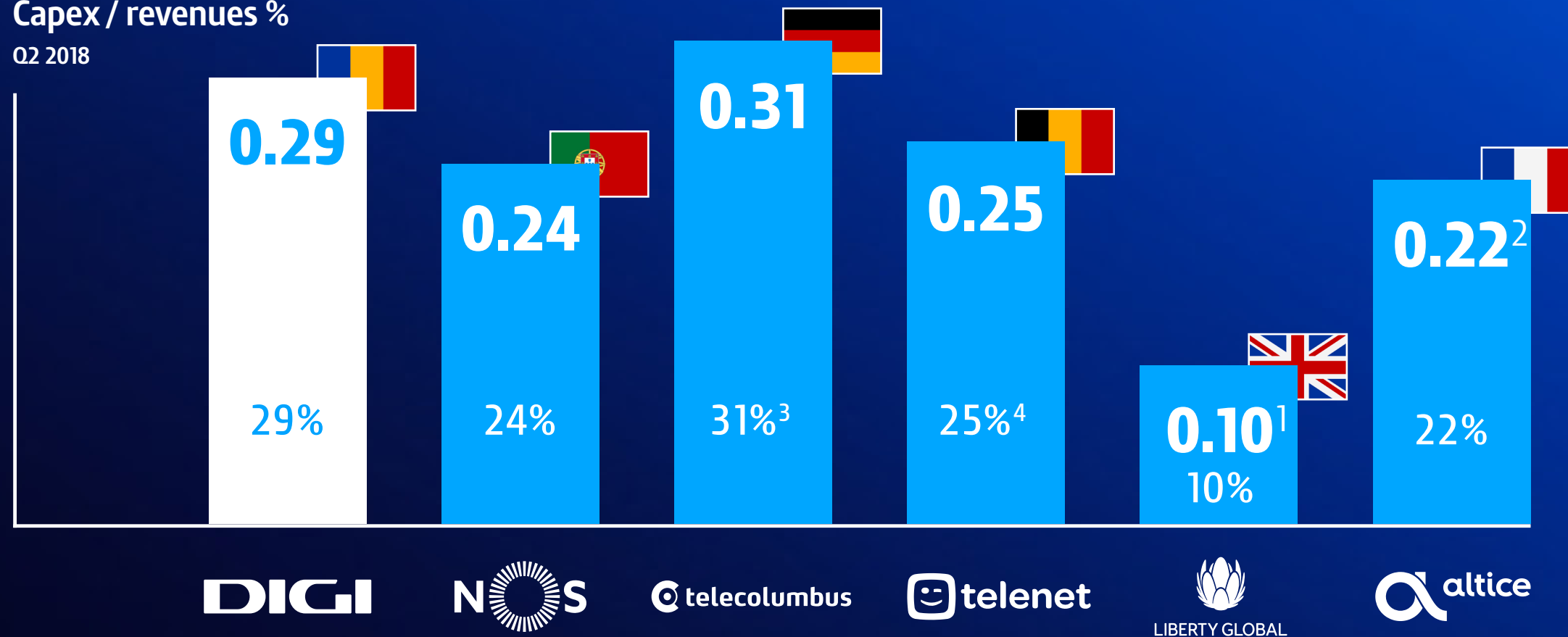
1. Limited convergent packages (focused on business) provided via wholesale agreement with Telekom; 2. Operational merger of the fixed and mobile assets indirectly held by Deutsche Telekom in Romania

Source: ANCOM



Mature CAPEX investment cycle

Capex / revenues %
Q2 2018



Over 2 billion EUR invested in recent years in networks at Group level

~100% ownership of advanced infrastructure with high-quality fiber optic network and mobile network

Solid business model with barriers to entry to competition

1. Continuous operations only; 2. Constant currency amounts; As at 30 June 2018; 3. As at Q4 2017; 4. Estimated as at Q2 2018;