

To: The Romanian Financial Supervisory Authority

**Financial Instruments and Investments Sector** 

The Bucharest Stock Exchange

Regulated Spot Market, Category Int'l (Shares)

From DIGI COMMUNICATIONS N.V.

## **CURRENT REPORT**

pursuant to Law no. 24/2007 on issuers of financial instruments and market operations and to the Romanian National Securities Commission Regulation no. 1/2006 on issuers and operations with securities, as subsequently amended and supplemented and the provisions of Article 99 of the Bucharest Stock Exchange Code, Title II, Issuers and Financial Instruments

Report date: 28 June 2017

Name of the issuing entity: **DIGI COMMUNICATIONS N.V.** (the "Company")

**Statutory seat:** Amsterdam, The Netherlands

Bucharest, 75 Dr. N. Staicovici, Forum 2000 Building, **Visiting address:** 

Phase I, 4th floor, 5th District, Romania

Phone/Fax number: +4031.400.65.05/ +4031.400.65.06

Registration number The with **Netherlands Chamber of Commerce** Business Register and Dutch Legal **Entities** and

**Partnerships** 

**Identification Number (RSIN):** 

Registration number with The Netherlands Chamber of Commerce Business Register: 34132532/29.03.2000

RSIN: 808800322

**Romanian Tax Registration Code:** RO 37449310

**Share Capital:** EUR 6,918,042.52

Number of shares in issue: 100,000,000 (out of which (i) 65,756,028 class A shares

> with a nominal value of ten eurocents (€0.10) each and (ii) 34,243,972 class B shares, with a nominal value of one

eurocent (€0.01) each)

Number of listed shares: 34,243,972 class B shares

Regulated market on which the issued Bucharest Stock Exchange, Main Segment, Category Int'1

securities are traded: (Shares)

The expected launch of new mobile communications **Important events to be reported:** services and the recent and expected developments of Digi Mobil mobile network in Romania

As we have already informed in detail the market and the investors in the initial public offering prospectus from 26 April 2017, the Digi Mobil network held by RCS & RDS S.A., the Company's subsidiary in Romania, is built and operates based on the 3G and 4G technologies, on the 900 Mhz bandwidth (3G), on the 2100 Mhz bandwidth (3G and 4G LTE FDD in bandwidth 1), on the 2600 Mhz bandwidth (LTE TDD in the bandwidth 38 and in the 3700 LTE TDD in bandwidth 43).

Digi Mobil is growing its coverage and improving the quality of its mobile services through the continuous upgrade of the 4G network and preparations for the 5G technology. At 27 June 2017, Digi Mobil operated 853 sites in the 4G technology in the 2600 Mhz bandwidth and 1870 sites in the 4G technology in the 2100 Mhz bandwidth (with the 4G technology enjoying a coverage of 50% of the population in Romania). At the same date, Digi Mobil has 3836 sites operating in the 3G technology, resulting in a coverage of 99% of the population of Romania.

In parallel with the growth in coverage, there was also a significant growth in traffic. In comparison to March 2016, when the total mobile data consumption at the level of Digi Mobil network was of 2.8 million Gbytes (1.1 Gbytes / SIM) and the traffic generated in the 4G technology representing 2% of the total mobile data traffic, in May 2017, the total mobile data consumption at the level of Digi Mobil network was of 5.45 million Gbytes (1.65 Gbytes / SIM) and the traffic generated in the 4G technology representing approximately 50% of the total mobile data traffic at the level of Digi Mobil network.

At 27 June 2017, the Digi Mobil network enjoys following features: the 3G technology in the 900 Mhz bandwidth (rural & deep indoor) – 5+5 Mhz / bandwidth, downlink speed of up to 21 Mbps; the 4G technology in the 2100 Mhz FDD bandwidth (urban & capacity): 5+5 or 10+10 Mhz / bandwidth, downlink speed of up to 36 or to 75 Mbps; the 3G technology in the 2010 Mhz bandwidth (urban & capacity): +5 or 10+10 Mhz / bandwidth, downlink speed of up to 21 Mbps; the 4G technology in the 2600 Mhz TDD bandwidth (urban & capacity): 20 Mhz / bandwidth and downlink speed of up to 100 Mbps.

In parallel, the Digi Mobil service has continued to register growing results. During January – May 2017, there has been a 22% growth of ported numbers by reference to the similar period of last year, bringing the total number of ported mobile numbers into Digi Mobil network amounted to a total of 1.2 million since launch of the service.

In addition, Digi Mobil has after successfully finalized the network testing on the first compatible handsets and is currently preparing to launch the services Voce 4G (VoLTE) and Voce Wi-Fi (VoWiFi) starting August – September 2017.

The Voice over LTE technology (VoLTE) allows making telephony calls through the 4G network without the need for the automatic switch of the handset from the 4G mobile data network to the 3G voice classical network. Through the Voce 4G, the Digi Mobil users will enjoy the almost automatic connection of the call, the waiting time from the initiation of the call until the actual connection of the called party shortening to below two seconds. Also, conversations in the 4G network will enjoy a better quality and clarity of sound. Moreover, simultaneous voice and download and streaming sessions will be possible at 4G speed.

Through the Voce Wi-Fi service based on the Voice over Wi-Fi technology (VoWiFi), the Digi Mobil users will enjoy a better coverage indoors, in spaces with poor signal or in in spaces with no signal. The call will be performed through the own wireless network of the operator subject to the user having subscribed to the Digi Net Fiberlink great speed fixed internet service, or through the Digi Wi-Fi national hot-spot network.

The Voce 4G and Voce Wi-Fi services, as well as their activation will not raise additional costs for Digi Mobil subscribers, the conditions from above being applicable.

The Company will continue to develop Digi Mobil. Development plans for the year 2017 include: the coverage of the 4G technology network in the subway tubes in Bucharest (estimated deadline – September 2017), with all subway stations only being already covered today with 4G technology; the growth in the percentage of sites connected to the fibre optic backbone, that today reaches approximately 60%; the growth in the speed of mobile internet through the densification and in the implementation of several mechanism for the a more efficient exploitation of the spectrum; the improvement of the coverage for areas situated across national and county roads through the building of new sites, as well as the improvement of the quality of mobile data services.

Serghei Bulgac

**Chief Executive Officer**