

DIGI COMMUNICATIONS N.V.

(“the Company” or “DIGI”)



**Investor presentation
for the period ended
March 31, 2018**

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Group overview

'Mil €	 Romania	 Hungary	 Spain & Other ⁴	Total ³
	3 months ended March 31, 2018	3 months ended March 31, 2018	3 months ended March 31, 2018	
Revenues ²	€164.0 m	€37.3 m	€32.7 m	€232.8 m
EBITDA	€64.2 m	€7.9 m	€5.3 m	€77.5 m
Adj EBITDA margin ¹	39.2%	21.2%	16.3%	33.3%

Service offering / RGUs March 31, 2018A ('000s)

				Total
CATV	3,075	505	-	3,580
Fixed internet and data	2,328	476	-	2,804
Mobile telecommunication services	3,373	11	1,195	4,579
Fixed-line telephony	1,239	387	-	1,626
DTH	577	288	-	865
Total RGUs	10,592	1,667	1,195	13,454

Source: Company data

¹ Adj EBITDA margin defined as Adj EBITDA / Revenues;

² Revenues per country include intersegment revenues in total amount of EUR 1.2 million;

³ Total Group revenues excluding intersegment revenues;

⁴ In this Report, unless otherwise stated, as part of our "Other" segment we only present the results of our Italian operations, for revenue, and the results of our Italian operations and expenses of the Company, for operating expenses.

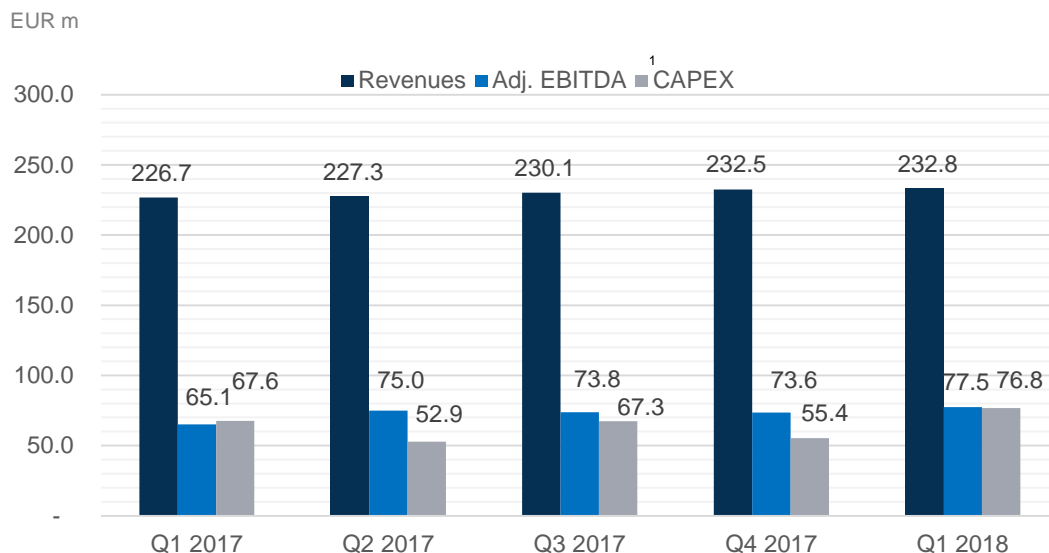
Recent developments

Business

- On 21 July 2017, DIGI Távközlési és Szolgáltató Kft. (“Digi HU”) our subsidiary in Hungary, acting as purchaser, has signed a share-purchase agreement with Ilford Holding Kft. and Invitel Technocom Távközlési Kft., acting as sellers for the acquisition of shares representing in total 99.998395% of the share capital and voting rights of Invitel Távközlési Zrt. In May 2018 the Regulatory Authority from Hungary approved, with certain conditions, the proposed transaction. The transaction is expected to be closed during Q2 2018.
- The stock option plan from 14 May 2017, applicable to the executive Board members of the Company, vested on 15 May 2018.
On 2 May 2018, the General Shareholder’s Meeting has approved the grant of stock options for class B shares applicable to the executive and non-executive Board members in 2018.
- Starting from May 2018 the National Authority for Management and Regulation in Communications from Romania (“ANCOM”) has reduced the mobile interconnection rate from 0.96 Eurocents/minute to 0.84 Eurocents/minute.

Financial highlights

Results from continuing operations



Source: Company data

¹ EBITDA is calculated by adding back to consolidated operating profit/(loss) the charges for depreciation, amortization and impairment of assets. Adjusted EBITDA is defined as EBITDA adjusted for the effect of extraordinary or one-off/non-recurring items. In addition, we adjust EBITDA for mark to market results (unrealized) from fair value assessment of energy trading contracts.

Key considerations

- **Revenues** in Romania variation- mainly as a result of:
 - Increase in mobile telephony ARPU.
 - Increase in our cable Tv and fixed internet RGUs.
 - Decrease in Other revenues
- **Revenues** in Hungary variation-mainly as a result of:
 - Increase in our cable Tv and fixed internet RGUs.
 - Decrease in Other revenues
- **Revenues** in Spain and Other increased mainly as a result of increase in RGUs.
- **Adj EBITDA**¹ value was higher in Q1 2018 compared to Q1 2017, mainly as a result of increase in Adj EBITDA in Romania.
- **Adj EBITDA** margin increased in Q1 2018 compared to Q1 2017 mainly due to the mobile business profitability catch up and the almost neutral impact of the energy activity in the current period in Romania
- **CAPEX** for Q1 2018 was EUR 76.8 million, higher than in Q1 2017 (EUR 67.6 million) mainly due to development of mobile network in Romania and Hungary.

Highlights Romania (1/2)

Revenue and Adj EBITDA

Results of Operations¹

'Mil €	Three months ended		% change
	March 31,		
	2017	2018	
Revenues	165.3	164.0	-0.8%
Adjusted EBITDA	48.5	64.2	32.4%
Margin %	29.4%	39.2%	

Key considerations

- Revenue growth from the mobile telecommunication services, cable TV and fixed internet and data business lines was offset by the decrease in fixed-line telephony and DTH revenues. Other revenues decreased with 42% in Q1 2018, mainly as a result of to the changes in handset offerings, which occurred at the end of Q1 2017.
- Adj EBITDA value and margin increased in Q1 2018, mainly as a result of the mobile business profitability catch-up, and the almost neutral impact of the energy activity incurred in the reported period.

¹ Figures include Intersegment revenues

Highlights Romania (2/2)

Subscribers

Thousand RGUs	RGUs Period Ended March 31,		Net Additions	
	2017	2018	Last 12 months	Last 3 months
	Cable TV	2,893	3,075	182
Fixed internet and data	2,149	2,328	179	44
Mobile telecommunications services ¹	3,305	3,373	68	(18)
Fixed-line telephony	1,317	1,239	(78)	(21)
DTH	626	577	(49)	(16)
Total	10,290	10,592	302	34

Key considerations

- Steady growth in Cable TV and Internet subscribers
- High increase in mobile telephony ARPUs primarily as a result of a more favourable mobile termination ratio and certain changes in the mix of subscription packages

ARPU (EUR) - residential clients

ARPU (EUR)	For the period ended March 31,		% change
	2017	2018	
Cable TV	5.2	5.1	-1.9%
Fixed internet and data	5.0	4.9	-2.2%
Mobile telecommunications services ¹	3.8	4.3	13.5%
Fixed-line telephony	1.3	1.3	1.6%
DTH	4.9	4.8	-2.2%

¹ Includes mobile telephony and mobile data RGUs

Highlights Hungary (1/2)

Revenue and Adj EBITDA

Results of Operations

'Mil €	Three months ended		% change
	March 31,		
	2017	2018	
Revenues	37.5	37.3	-0.5%
Adjusted EBITDA	11.5	7.9	-31.3%
Margin %	30.6%	21.2%	

Key considerations

- Revenue growth from the cable TV and fixed internet and data business lines was offset by the decrease in DTH revenues. Other revenues decreased with 13.8%.
- Decrease in Adj EBITDA and Adj EBITDA margin is mainly due to increase in salaries expenses and rent expenses for the mobile network

Highlights Hungary (2/2)

Subscribers

Thousand RGUs	RGUs Period Ended		Net Additions	
	March 31,		Last 12 months	Last 3 months
	2017	2018		
Cable TV	480	505	25	5
Fixed internet and data	439	476	37	9
Mobile telecommunications services ¹	13	11	(2)	(1)
Fixed-line telephony	361	387	26	8
DTH	303	288	(15)	(3)
Total	1,596	1,667	71	18

Key considerations

- Increase in Cable TV, Internet and Fixed Telephony subscribers
- Decrease in Fixed-line telephony ARPU due to lower traffic and in Fixed internet and data as a result of decrease in packages prices

ARPU (EUR) - residential clients

ARPU (EUR)	For the period ended		% change
	March 31,		
	2017	2018	
Cable TV	8.0	8.1	1.0%
Fixed internet and data	7.6	7.1	-6.2%
Mobile telecommunications services ¹	7.0	6.8	-3.0%
Fixed-line telephony	1.6	1.5	-8.0%
DTH	9.1	9.4	3.0%

¹ Includes mobile internet and data services offered as a reseller through the Telenor network under our "Digi" brand

Highlights Other Territories

Revenue and Adj EBITDA

'Mil €	Three months ended March 31,		% change
	2017	2018	
Revenues¹			
Spain	21.7	27.1	24.9%
Other	3.6	5.6	55.6%
	25.3	32.7	29.2%
Adj EBITDA	5.1	5.3	3.9%

Subscribers & ARPU

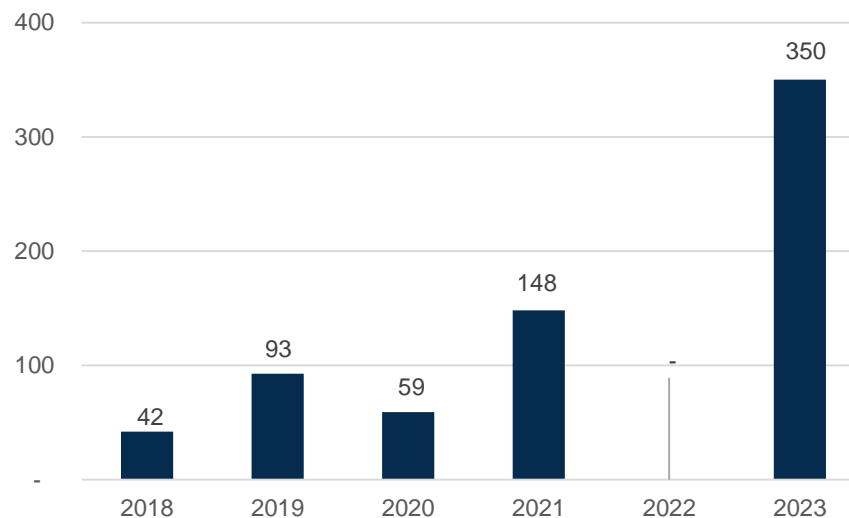
Thousand RGUs	RGUs Period Ended March 31,		<i>Net Additions</i>	
	2017 ²	2018 ²	<i>Last 12 months</i>	<i>Last 3 months</i>
Spain	635	1,000	365	104
Italy	147	195	48	25
Total	782	1,195	413	129

Group Financial Profile (1/2)

Financial liabilities as of March 31, 2018¹

	Amount
Facility	(Mil €)
2016 Senior Secured Notes	350.0
2016 Senior Facility	337.6
Financial leases	5.3
Other long term debt ²	47.7
Other short term debt ³	44.3
Hedging obligations	4.8
Total gross debt	789.7
Cash on BS	14.8
Total net debt	774.9

Maturity profile Long term loans & Notes (Mil €)

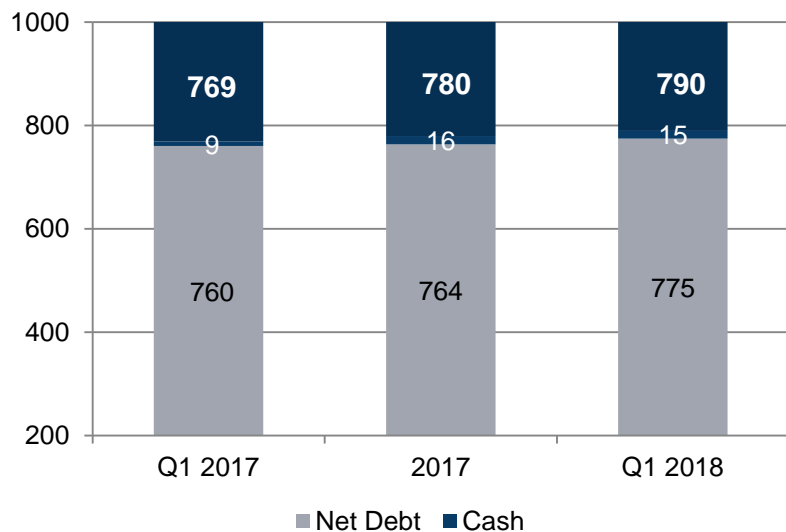


¹ Indebtedness as per Notes requirements

² Other long term debt include long term liabilities and other long term debt

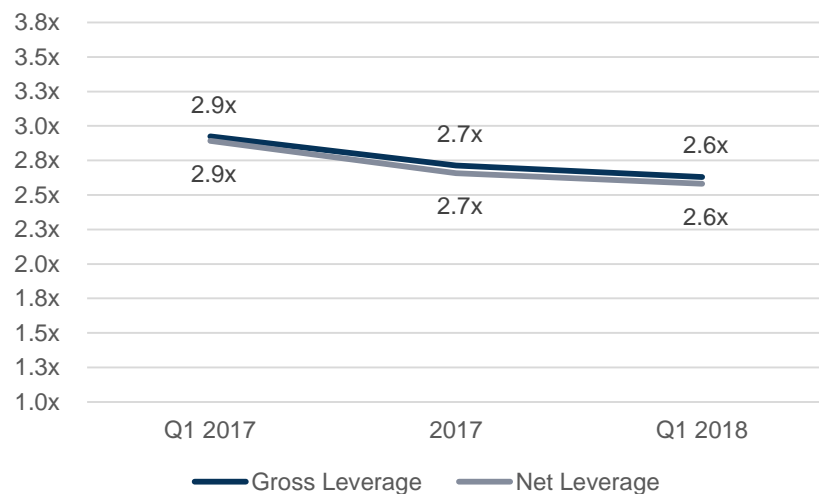
³ Other short term debt include overdrafts and other short term debt

Group Financial Profile (2/2)



Key considerations

- Total net debt¹ as of March 31, 2018 is €774.9 million
- Net Leverage² is 2.6x and Gross Leverage is 2.6x.



¹ Gross debt/ Net debt is presented as per Notes requirements.

² The Net Leverage and Gross Leverage are computed using EBITDA as per the Notes Covenants. Covenant's computation for the Net Leverage from the Senior Facility uses EBITDA and Net debt which may be different from the Adjusted EBITDA and Net debt presented in this presentation.

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Q&A