

DIGI COMMUNICATIONS N.V.

(“the Company” or “DIGI”)



**Investor presentation
for the period ended
June 30, 2017**

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Group overview

'Mil €	 Romania		 Hungary		 Spain & Other ³		Total	
	3 months ended June 30, 2017	6 months ended June 30, 2017	3 months ended June 30, 2017	6 months ended June 30, 2017	3 months ended June 30, 2017	6 months ended June 30, 2017	3 months ended June 30, 2017	6 months ended June 30, 2017
Revenues ²	€164.3 m	€329.7 m	€37.3 m	€74.8 m	€26.1 m	€51.4 m	€227.3 m	€454.0 m
EBITDA	€58.7 m	€107.3 m	€10.8 m	€22.2 m	€5.5 m	€10.6 m	€75.0 m	€140.1 m
Adj EBITDA margin¹	35.7%	32.5%	28.9%	29.7%	21.0%	20.6%	33.0%	30.9%

Service offering / RGUs June 30, 2017A ('000s)

CATV	2,924	485	3,409	
Fixed internet and data	2,180	447	2,627	
Mobile telecommunication services	3,381	13	881	4,275
Fixed-line telephony	1,301	366	1,667	
DTH	618	306	924	
Total RGUs	10,404	1,617	881	12,902

Source: Company data

¹ Adj EBITDA margin defined as Adj EBITDA / Revenues;

² Revenues include intersegment revenues

³ 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 certain minor expenses of the Company, for operating expenses.

Recent developments 1/2

Business

- On 21 July 2017, Our Hungarian subsidiary, DIGI Távközlési és Szolgáltató Kft. (“Digi HU”), acting as purchaser, has signed a share-purchase agreement (“SPA”) with Ilford Holding Kft. and Invitel Technocom Távközlési Kft., acting as sellers (the Sellers are controlled by China Central and Eastern Europe Investment Co-operation Fund SCS SICAV-SIF, which is managed by Luxembourg Investment Solutions S.A.) for the acquisition of shares representing in total 99.998395% of the share capital and voting rights of Invitel Távközlési Zrt. (the “Target”).

Below are presented several KPIs for the Target:

KPIs' Target

Revenues	<i>as at 31/12/2016</i>	85 mil EUR
EBITDA	<i>as at 31/12/2016</i>	23.2 mil EUR
RGUs	<i>as at 31/05/2017</i>	691,664 RGU

Pursuant to the SPA, the total consideration to be paid by Digi HU to the Sellers for the acquisition of shares in the Target is EUR 140 million, this amount being subject to further price adjustments, as customary for transactions of this size in the telecommunications industry.

The completion of the Proposed Transaction is currently contemplated by March 2018.

Recent developments 2/2

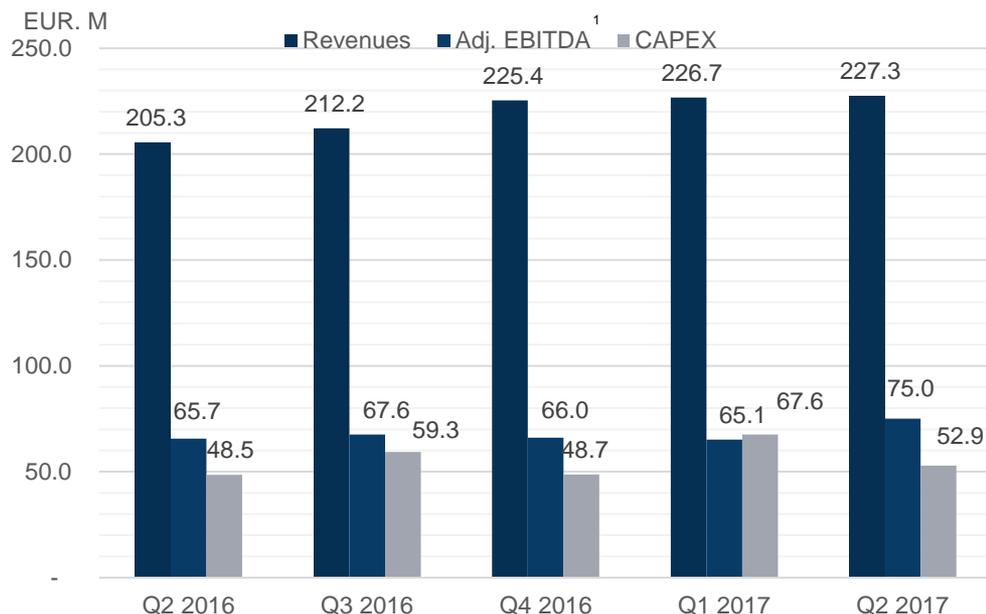
Business (continued)

- On 8 August 2017, the Company's Senior Secured Notes due 2023 aggregate principal amount of EUR 350,000,000 5.0% (the "Notes"), issued on 26 October 2016, were admitted to trading on the Main Securities Market of the Irish Stock Exchange.

In connection with this listing, DIGI Távközlési és Szolgáltató Korlátolt Felelősségű Társaság (the Hungarian subsidiary of RCS & RDS S.A., the Company's subsidiary) acceded as an additional guarantor under to the Indenture and the Intercreditor Agreement dated 26 October 2016 relating to the Notes, as well as under the Senior Facility Agreement dated 7 October 2016.

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 increased mainly as a result of:
 - Increase in mobile telephony RGUs, ARPU.
 - Increase in our cable Tv and fixed internet RGUs.
- **Revenues** in Hungary & Spain and Other increased mainly as a result of increase in RGUs and increase in CATV/DTH ARPU in Hungary
- **Adj EBITDA¹** value was higher in Q2 2017 compared to Q2 2016, as a result of increase in Adj EBITDA in Romania and Spain.
- **Adj EBITDA** margin increased in Q2 2017 compared to Q2 2016 mainly due to the catch up of the mobile business in Romania and the efficiency of scale from Spain, as well as the decrease of the impact coming from the energy business.
- **CAPEX** for Q2 2017 was EUR 52.9 million, higher than in Q2 2016 (EUR 48.5 million) mainly due to the investments made in mobile business in Romania and Hungary.

Highlights Romania (1/2)

Revenue and Adj EBITDA

Results of Operations¹

'Mil €	3 months ended			6 months ended		
	June 30,	2017	% change	June 30,	2017	% change
Revenues	149.0	164.3	10.3%	294.0	329.7	12.1%
Adjusted EBITDA	49.6	58.7	18.3%	98.0	107.3	9.5%
Margin %	33.3%	35.7%		33.3%	32.5%	

Key considerations

- Revenue growth of 10.3% in Q2 2017 was driven by growth in our mobile telephony business, increase in our cable TV and fixed internet RGUs.
- Adj EBITDA value increased with 18.3% in Q2 2017 as a result of mainly the mobile business catch-up and the low impact on EBITDA of the energy business incurred in the reported period.

¹ Figures include Intersegment revenues

Highlights Romania (2/2)

Subscribers

Thousand RGUs	RGUs Period Ended June 30,		Net Additions	
	2016	2017	Last 12 months	Last 3 months
	Cable TV	2,782	2,924	142
Fixed internet and data	2,039	2,180	141	31
Mobile telecommunications services	2,950	3,381	431	76
Fixed-line telephony	1,379	1,301	(78)	(16)
DTH	657	618	(39)	(8)
Total	9,807	10,404	597	114

Key considerations

- Steady growth in Cable TV and Internet subscribers
- High increase in mobile telephony RGUs and ARPUs as a result of our attractive offers, as well as change in subscription packages' mix and traffic increase

ARPU (EUR) - residential clients

ARPU (EUR)	For the period ended June 30,		% change
	2016	2017	
Cable TV	5.3	5.2	-1.9%
Fixed internet and data	5.0	5.0	0.0%
Mobile telecommunications services ¹	3.2	4.0	25.0%
Fixed-line telephony	1.3	1.3	0.0%
DTH	4.9	4.9	0.0%

Highlights Hungary (1/2)

Revenue and Adj EBITDA

Results of Operations

'Mil €	3 months ended			6 months ended		
	June 30, 2016	June 30, 2017	% change	June 30, 2016	June 30, 2017	% change
Revenues	33.3	37.3	12.0%	66.2	74.8	13.0%
Adjusted EBITDA	13.3	10.8	-18.8%	26.6	22.2	-16.5%
Margin %	40.1%	28.9%		40.2%	29.7%	

Key considerations

- Increase in revenue in Q2 2017 driven by increase in ARPUs for cable TV and DTH and increase in RGUs (mainly increase in fixed internet and data RGUs, cable TV RGUs).
- Decrease in Adj EBITDA and Adj EBITDA margin is mainly due to variances in programming expenses, increase in expenses related to mobile network development and increase in salaries expenses.

Highlights Hungary (2/2)

Subscribers

Thousand RGUs	RGUs Period Ended June 30,		Net Additions	
	2016	2017	Last 12 months	Last 3 months
	Cable TV	460	485	25
Fixed internet and data	407	447	40	8
Mobile telecommunications services ¹	15	13	(2)	-
Fixed-line telephony	340	366	26	5
DTH	322	306	(16)	3
Total	1,544	1,617	73	21

Key considerations

- Increase in Cable TV, Internet and Fixed Telephony subscribers

ARPU (EUR) - residential clients

ARPU (EUR)	For the period ended June 30,		% change
	2016	2017	
Cable TV	7.2	8.1	12.5%
Fixed internet and data	7.7	7.6	-1.3%
Mobile telecommunications services ¹	6.8	7.1	4.4%
Fixed-line telephony	1.6	1.5	-6.3%
DTH	8.0	9.2	15.0%

- Increase in Cable TV and DTH TV ARPU as a result of increase in packages prices from Q4 2016
- Decrease in Fixed-line telephony ARPU due to lower traffic and in Fixed internet and data as a result of decrease in packages prices from Q1 2017

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 €	3 months ended		% change	6 months ended		% change
	June 30, 2016	June 30, 2017		June 30, 2016	June 30, 2017	
Revenues						
Spain ¹	21.8	21.3	-2.3%	42.3	43.0	1.7%
Other	2.3	4.8	108.7%	4.4	8.5	93.2%
	24.1	26.1	8.3%	46.7	51.4	10.1%
Adj EBITDA	2.7	5.5	103.7%	5.1	10.6	107.8%

Subscribers & ARPU

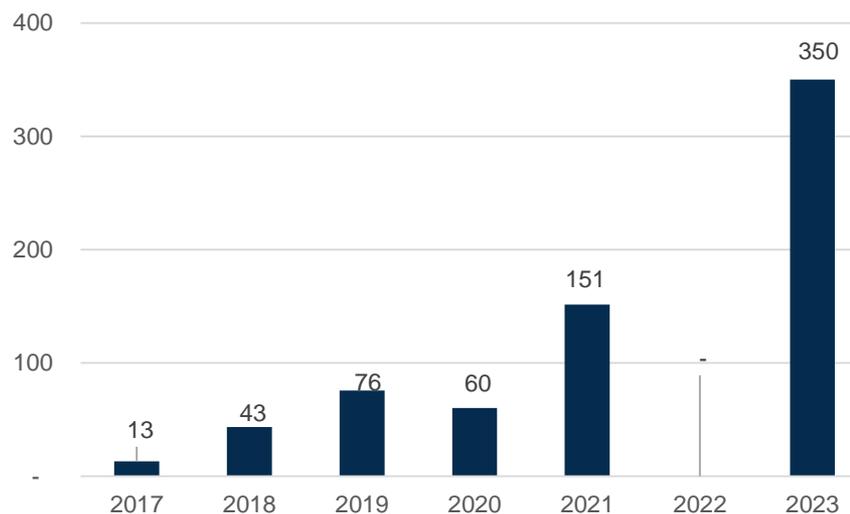
Thousand RGUs	RGUs Period Ended		Net Additions	
	June 30,		Last 12 months	Last 3 months
	2016	2017		
Spain	601	742	141	107
Italy	67	139	72	(8)
Total	668	881	213	99

Group Financial Profile (1/2)

Financial liabilities as of June 30, 2017¹

	Amount
Facility	(Mil €)
2016 Senior Secured Notes	350.0
2016 Senior Facility	338.7
Financial leases	4.9
Other long term debt ²	48.1
Other short term debt ³	19.9
Hedging obligations	17.2
Total gross debt	778.9
Cash on BS	15.9
Total net debt	763.0

Maturity profile Long term loans & Notes (Mil €)

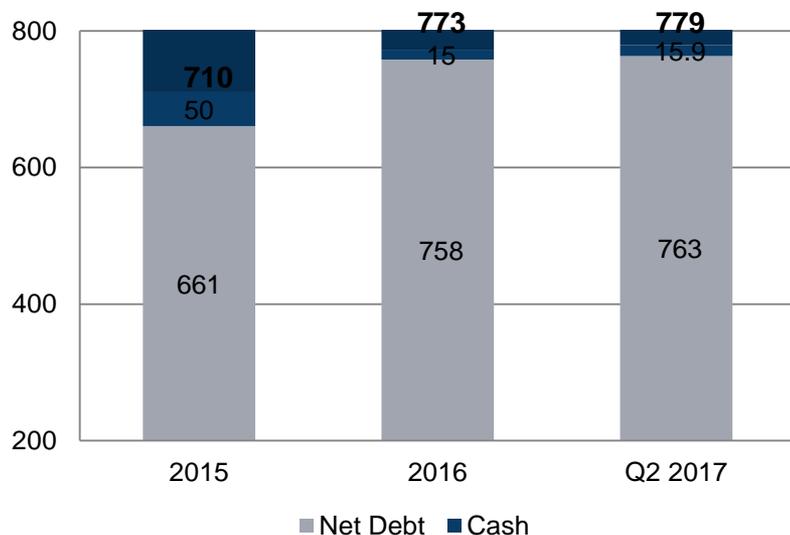


¹ Indebtedness as per Notes requirements

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

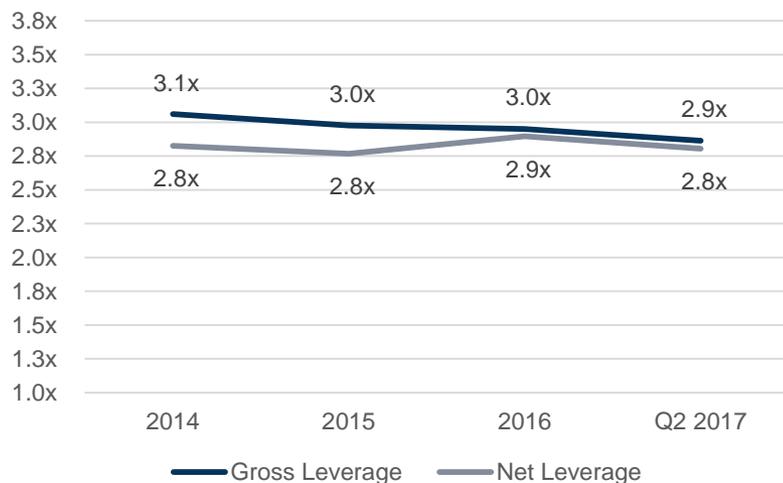
³ Other short term debt include overdrafts and other short term debt

Group Financial Profile (2/2)



Key considerations

- Total net debt¹ as of June 30, 2017 is €763.8 million
- Net Leverage² is 2.8x and Gross Leverage is 2.9x.



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.

Contact

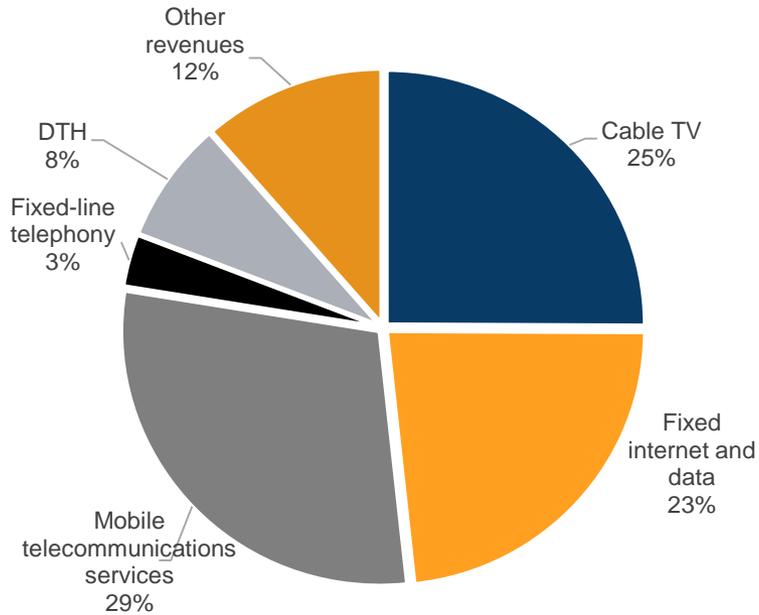
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Q&A

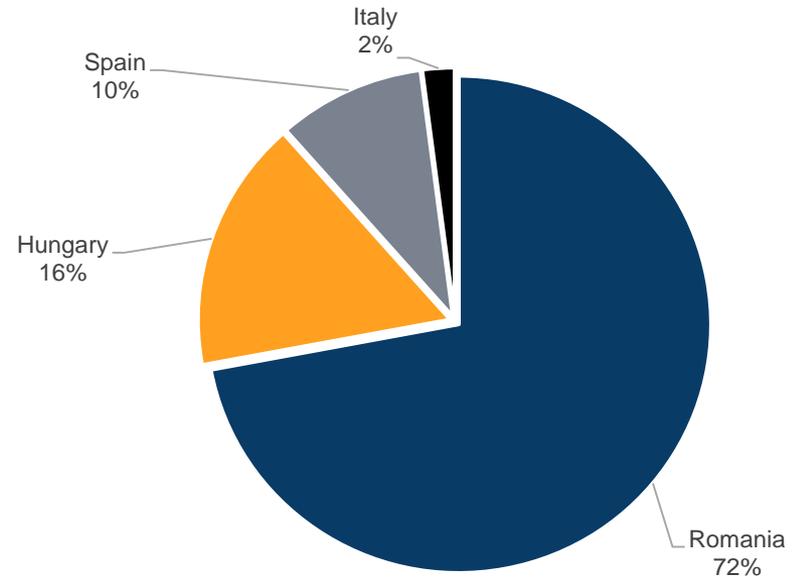
Appendices

Revenue streams

Q2 2017 revenue split by product



Q2 2017 revenue split by country



Group Results (P&L)

'Mil €	3 months ended			6 months ended		
	June 30, 2016	June 30, 2017	% change	June 30, 2016	June 30, 2017	% change
Revenues¹						
Romania	148.5	163.8	10.3%	293.1	328.7	12.1%
Hungary	33.3	37.3	12.0%	66.2	74.8	13.0%
Spain	21.3	21.5	0.9%	41.5	42.3	1.9%
Italy	2.3	4.7	104.3%	4.4	8.2	86.4%
Total Revenues	205.3	227.3	10.7%	405.2	454.0	12.0%
Adjusted EBITDA	65.7	75.0	14.3%	129.7	140.1	8.1%
<i>% margin²</i>	<i>32.0%</i>	<i>33.0%</i>		<i>32.0%</i>	<i>30.9%</i>	
Result from services						
Revenues from services	192.1	218.7	13.8%	378.9	427.7	12.9%
Adjusted EBITDA from services	65.0	74.2	14.1%	128.1	137.7	7.4%
<i>% margin²</i>	<i>33.8%</i>	<i>33.9%</i>		<i>33.8%</i>	<i>32.2%</i>	

Source: Company data;

¹ Excluding intersegment ; ² Defined as the ratio of Adjusted EBITDA to Revenues

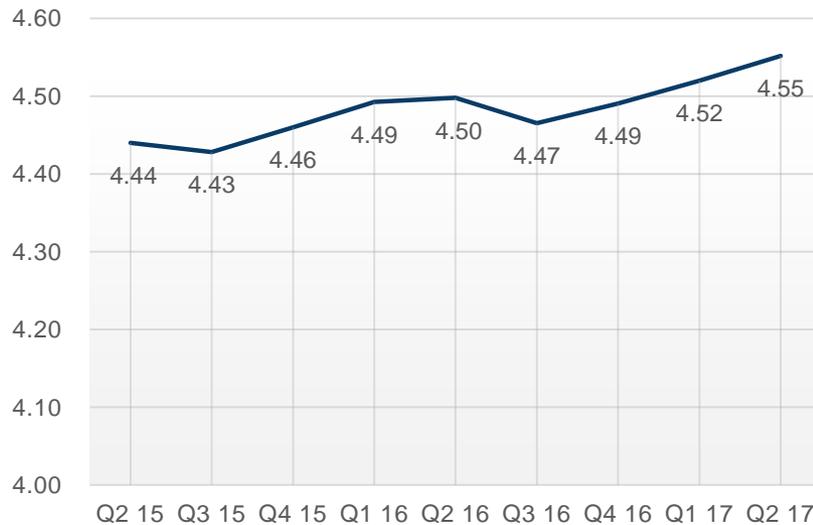
Cash Flow

Summary of Cash flows

'Mil €	Period ended June 30,		Period ended June 30,	
	2016	2017	2016	2017
Cash flows from operations before working capital changes	65.6	69.4	132.4	142.6
Cash flows from changes in working capital	(5.2)	13.4	(11.2)	13.6
Cash flows from operations	60.4	82.9	121.2	156.2
Interest paid	(18.8)	(9.8)	(22.0)	(14.1)
Income tax paid	(1.0)	(1.7)	(1.8)	(2.9)
Cash flow from operating activities	40.5	71.4	97.3	139.2
Cash flow used in investing activities	(48.4)	(52.6)	(108.3)	(120.2)
Cash flows used in financing activities	(24.6)	(12.1)	(22.1)	(17.8)
Net increase/ (decrease) in cash and cash equivalents	(32.6)	6.7	(33.1)	1.2
Cash and cash equivalents at the beginning of the period	48.6	8.9	49.7	14.6
Effect of exchange rate fluctuation on cash and cash equivalent held	(0.0)	0.3	(0.6)	0.0
Cash and cash equivalents at the closing of the period	16.0	15.9	16.0	15.9

Forex development

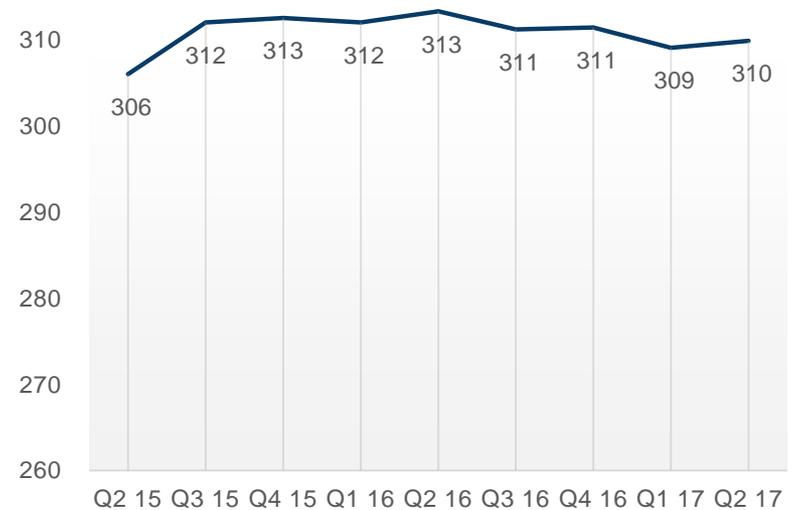
RON/EUR Exchange Rate 2016



Romania

- In Q2 2017 compared with the same period from 2016, the RON depreciated by aprox 1.2% relative to the euro.

HUF/EUR Exchange Rate Q1 2017



Hungary

- In Q2 2017 compared with the same period from 2016, the HUF appreciated by aprox 1.1% relative to the euro.