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. 24/2017 on issuers of financial instruments and market operations and to the Romanian Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations, and the relevant provisions of the Bucharest Stock Exchange Code

Report date:	27 January 2020
Name of the issuing entity:	**DIGI COMMUNICATIONS N.V.** (the "**Company**")
Statutory seat:	Amsterdam, The Netherlands
Visiting address:	Bucharest, 75 Dr. N. Staicovici, Forum 2000 Building, Phase I, 4th floor, 5th District, Romania
Phone/Fax number:	+4031.400.65.05/ +4031.400.65.06
Registration number with The 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:	€6,810,042.52
Number of shares in issue:	100,000,000 (out of which (i) 64,556,028 class A shares with a nominal value of ten eurocents (€0.10) each and (ii) 35,443,972 class B shares, with a nominal value of one eurocent (€0.01) each)
Number of listed shares:	35,443,972 class B shares
Regulated market on which the issued securities are traded:	Bucharest Stock Exchange, Main Segment, Category Int'l (Shares)

Important events to be reported:

The Company hereby reports the following events: (i) launch of an offering by RCS & RDS S.A., the Romanian subsidiary of the Company ("RCS&RDS"), of senior secured notes (the "Offering"); (ii) issuance of a notice of conditional full redemption (the "Redemption Notice") of all outstanding €550.0 million 5.0% senior secured notes due 2023 issued by the Company (the "2023 Notes") and (iii) restatement by the Company of its unaudited interim condensed

consolidated financial statements for the nine-month period ended 30 September 2019 (the "Restatement").

(A) The Offering

The Company would like to inform the market and its investors that RCS&RDS has launched today an offering of up to €800.0 million in aggregate principal amount of its senior secured notes due 2025 and 2028 (collectively, the "**Notes**"). The Notes will be offered in denominations of €100,000. The Notes will be guaranteed (each, a "**Guarantee**") on a senior secured basis by the Company, DIGI Távközlési és Szolgáltató Korlátolt Felelősségű Társaság ("**DIGI Hungary**"), Invitel Távközlési Zrt ("**Invitel**") and Digi Spain Telecom, S.L.U. ("**DIGI Spain**") (collectively, the "**Guarantors**"). The obligations of RCS&RDS and of the Guarantors under the Notes and the Guarantees will be secured by first-ranking (and, in the Netherlands, both first-ranking and second-ranking) security interests over (i) subject to certain exclusions, all present and future movable assets of RCS&RDS, including bank accounts, trade receivables, intragroup receivables, insurance receivables, inventories, movable tangible property (including installation, networks, machinery, equipment, vehicles, furniture, and other similar assets), intellectual property rights, insurance and proceeds related to any of the foregoing; (ii) all shares of DIGI Hungary and DIGI Spain held by RCS&RDS; (iii) certain assets of the Company, including all shares it holds in RCS&RDS and certain bank accounts; and (iv) all shares held by RCS&RDS in DIGI Hungary in Invitel (collectively, the "**Collateral**"). The Collateral is, and the Guarantees will be, subject to limitations under the laws of the relevant jurisdictions and will be released in certain circumstances. The Collateral currently secures the 2023 Notes and certain other external financings of the Company and its consolidated subsidiaries (the "**Group**"). The Notes and the indentures governing such Notes will be governed by New York law (save for dispute resolution provisions in the indentures providing for an option to arbitrate under LCIA Rules, which will be governed by English law). The holders of the Notes will have the benefit of an existing English law governed intercreditor agreement. The Offering was approved by an extraordinary general meeting of shareholders of RCS&RDS on 22 January 2020. RCS&RDS has made an application for the Notes to be admitted to the official list of the Irish Stock Exchange plc (trading as Euronext Dublin) and trading on its regulated market, which is a regulated market for the purposes of European Union Directive 2014/65/EU.

Citigroup Global Markets Europe AG will act as the Global Coordinator and Joint Physical Bookrunner in relation to the Offering. ING Bank N.V., London Branch and UniCredit Bank AG will act as Joint Physical Bookrunners in relation to the Offering.

The gross proceeds of the Offering will be used (such use, together with the Offering, the "**Refinancing**") (a) to redeem the entire aggregate principal amount of €550.0 million 2023 Notes outstanding and pay €22.3 million of redemption premium and accrued, but unpaid, interest to holders thereof; (b) to prepay or repay the aggregate principal amount of approximately €88.9 million equivalent (calculated at the NBR's RON/€ exchange rate as at 23 January 2020) outstanding under the Group's senior facilities agreement dated 7 October 2016 (as amended on 16 October 2017 and 5 June 2019), between, among others, RCS&RDS, as borrower, and BRD-Groupe Société Générale S.A., Citibank, N.A., London Branch, ING Bank N.V. and UniCredit Bank S.A., as lead arrangers; (c) to prepay the entire aggregate principal amount of approximately €73.4 million equivalent (at the NBR's RON/€, or the CBH's HUF/€, exchange rate, as applicable, as at 23 January 2020) outstanding under the Group's senior facilities agreement dated 1 February 2018 (as amended on 9 March 2018), between RCS&RDS and DIGI Hungary, as borrowers, the Company, as guarantor, Citibank N.A., London Branch and ING Bank N.V., as mandated lead arrangers, ING Bank N.V., as facility agent, and several other financial institutions, as lenders; (d) to pay costs, expenses and fees (including the fees of the Global Coordinator and Joint Physical Bookrunner and Joint Physical Bookrunners, legal and accounting fees and other transaction costs) in connection with the Refinancing; and (e) for general corporate purposes (which may include acquisitions).

The Notes will be offered solely to (1) "qualified institutional buyers" within the meaning of Rule 144A under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or (2) non-U.S. persons purchasing the Notes outside the United States in reliance on Regulation S under the U.S. Securities Act. The Notes will not be offered to any person or in any jurisdiction if this would be unlawful or would require any approval.

In connection with the Offering, Citigroup Global Markets Europe AG or one or more of its affiliates or persons acting on its behalf (as the "**Stabilizing Manager**") may overallot the Notes or effect transactions with a view to supporting the market price of the Notes at the level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the Offering of the Notes is made and, if begun, may be ended at any time, but it must end no later than the 30 days after the Notes issue date, or no later than 60 days after the date of the allotment of the Notes, whichever is earlier.

(B) The Redemption Notice

In connection with the Offering, the Company has issued today the Redemption Notice to holders of the 2023 Notes. In accordance with the terms of the Redemption Notice, such redemption is conditional upon the completion of one or more financing transactions by the Group for the purpose of redeeming the 2023 Notes that are satisfactory to the Company in its sole and absolute discretion and result in aggregate net proceeds to the Group in a sufficient quantity to pay the redemption price for the 2023 Notes in full and pay all related expenses on or prior to the redemption date (which, subject to the possibility of postponement as set out in such Redemption Notice, is presently expected to be 6 February 2020).

(C) The Restatement

The Company hereby announces that it is making the following principal restatements to the unaudited interim condensed consolidated financial statements of the Group for the nine-month period ended 30 September 2019, originally reported on 14 November 2019:

As at 30 September 2019	*(all in Euro thousand)*		
Statement of Financial Position	Previously reported	Adjustments	Adjusted
Interest-bearing loans and borrowings, including bonds	818,883	3,062[1]	821,945
Deferred tax liabilities	71,589	(3,991)[2]	67,598
Reserves	(20,683)	(13)[3]	(20,696)
Retained earnings	183,120	943[4]	184,062

1 The €200.0 million 2023 Notes issued by the Company on 12 February 2019 (the "**Additional 2023 Notes**") were issued with a premium of €3,500. This premium was initially recorded as finance income but should have been included in the carrying amount of the liability and amortized over the term of the relevant 2023 Notes. The amortization until 30 September 2019 amounted to €438.

2 Correction of Deferred tax liability related to an error in the calculation of this balance.

3 Effect of exchange rate fluctuations of the abovementioned adjustments.

4 Impact on Equity of the abovementioned adjustments.

As at 30 September 2019	*(all in Euro thousand)*		
Statement of comprehensive income	Previously reported	Adjustments	Adjusted
Other financial revenues	11,682	(3,500)[1]	8,182
Interest expense and amortization of borrowing cost	(41,926)	438[2]	(41,488)
Income tax	(18,995)	4,005[3]	(14,990)
Net profit for the period	23,976	943[4]	24,919

1 The Additional 2023 Notes were issued with a premium of €3,500. This premium was initially recorded as finance income but should have been included in the carrying amount of the liability and amortized over the term of the

relevant 2023 Notes.

2 The amortization until 30 September 2019 of the premium of the Additional 2023 Notes, in the amount of €438.

3 Correction of Deferred tax liability related to an error in the calculation of this balance.

4 Impact on Net Profit of the abovementioned adjustments.

The Group's consolidated cash flow statements and the statements of changes in equity have also been restated accordingly.

In addition to the restatements presented above, the Company has also made the following amendments to its unaudited interim condensed consolidated financial statements of the Group for the nine-month period ended 30 September 2019, due to identification of immaterial errors that were identified and also as a result of additional disclosure requirements:

i. IFRS 16:

- Transition disclosures presented in Note 2, section 2.3.
- Lease liabilities, previously presented as Non-current liabilities in the Interim Condensed Consolidated Statement of Financial Position, were split between current liabilities and non-current liabilities
- Additions to rights of use asset disclosure in Note 5 (disclosures previously included in Note 4)
- Cash-flow statement presentation of Payment of principal portion of lease liabilities under Cash flows used in/from financing activities (previously presented as "IFRS 16 rent expenses" under cash flows from operating activities)

ii. Note 7: Additional disclosures regarding (a) the Additional 2023 Notes and (b) the approximately €150.0 million equivalent (at the NBR's RON/€, or the CBH's HUF/€, exchange rate, as applicable, as at 23 January 2020) syndicated multicurrency facilities agreement dated 31 July 2019, between RCS&RDS, as borrower and original guarantor, DIGI Hungary, as borrower and original guarantor, the Company, as borrower, original guarantor and parent, Invitel, as original guarantor, Citibank, N.A., London Branch, ING Bank N.V. and UniCredit Bank S.A., as mandated lead arrangers, UniCredit Bank S.A., as original issuing bank, and ING Bank N.V., as agent of other finance parties and several other financial institutions as original lenders.

iii. Note 17: Subsequent events.

The full text of the restated unaudited interim condensed consolidated financial statements of the Group for the nine-month period ended 30 September 2019, together with the notes thereto (in English only) is available on the Company's website at www.digi-communications.ro/en/investor-relations/shares/financial-results-presentations/financial-results/quarterly-reportshttp://www.digi-communications.ro/en/investor-relations/shares/financial-results-presentations/financial-results/quarterly-reports. A Romanian translation thereof will be published on the Company's website as soon as possible.

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This announcement is not an offer of securities for sale in the United States. The Notes may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act. Any securities mentioned herein have not been and will not be registered under the U.S. Securities Act, and no public offering will be made in the United States.

Serghei Bulgac

Chief Executive Officer