



LSE – Current Report (6/2015)
Orange Polska S.A., Warsaw, Poland
February 12, 2015

Pursuant to art. 56, clause 1, item 1 of the Law of July 29, 2005 on public offering and the conditions for introducing financial instruments to the organised trading system and on public companies (Journal of Laws of 2005, No. 184, item 1539 with amendments), the Management Board of Orange Polska S.A. hereby provides selected financial and operating data related to the activities of Orange Polska Capital Group (“Group”, “Orange Polska”) for 4Q and 2014.

Orange Polska delivers full-year 2014 Organic Cash Flow guidance¹
and announces significant investments in fibre access network in 2015

2014 highlights:

- **revenue decline limited to 2.5%² year-on-year excluding regulatory impact³**
 - **pre-regulatory 2014 mobile revenues +1.4% year-on-year driven by customer base increase, growing usage and higher sales of equipment**
- **good commercial trends continued:**
 - **Orange Open customer base +253k to 539k using over 2.2 million services**
 - **total mobile customer base +2.0% year-on-year**
 - **6.3% growth in postpaid services (+458k)**
 - **31% growth in mobile broadband services (+356k)**
 - **number of LTE users exceeds 600k, ~2x quarter-on-quarter**
 - **very high speed fixed broadband customer base up 150% year-on-year (+96k)**
 - **slower fixed voice customer base erosion: -229k in 2014 vs -346k in 2013**
- **restated² EBITDA margin at 32.1%, up by 0.5 pp vs 2013, thanks to PLN 307m cost savings and lower commercial costs**
- **2014 Organic Cash Flow at PLN 1,149m, FY guidance¹ achieved**
- **significant investments in fibre access network envisaged for 2015: up to 650k households connectable and up to PLN 450m capex**
- **Management guides for Organic Cash Flow¹ around PLN 900m in 2015**
- **Management will propose a dividend of PLN 0.50 per share to be paid in 2015 (subject to approval by the Annual General Meeting of Shareholders)**

key figures (PLN million) IFRS	4Q 2014	4Q 2013	change	FY 2014	FY 2013	change
Group revenue ²	3,087	3,112	-0.8%	12,212	12,786	-4.5%
excl. regulatory impact ³			-0.1%			-2.5%
restated EBITDA ²	861	851	+1.2%	3,921	4,046	-3.1%
restated EBITDA ² (as % of revenue)	27.9%	27.3%	+0.6pp	32.1%	31.6%	+0.5pp
net income	30	-102	na	535	294	+82.0%
organic cash flow ¹	298	272	+9.6%	1,149	1,105	+4.0%

¹ ex. one-offs: renewal of existing spectrum, acquisition of new spectrum, potential payment of the EC fine, and other claims and litigations

² please refer to restatement table on p. 4

³ impact of regulation of rates (such as Mobile Termination Rate, Fixed Termination Rate, Fixed-to-Mobile rate, customer and visitor roaming rates, Bitstream Access rates); calculation based on traffic in previous year and variation between rates before and after regulated changes

commenting on 2014 performance, Bruno Duthoit, Chief Executive Officer, said:

“We are satisfied with the commercial, operational and financial results we achieved in 2014. In particular, we are happy with the proven success of Orange mobile offers achieved in a very challenging market. We significantly improved our mobile number portability statistics, increased the number of our post-paid customers by more than 6% while the take-up of dedicated mobile broadband services keeps on increasing every quarter. Fixed broadband remains an area of concern which we are determined to address in 2015. The newly launched Orange Finanse, started to deliver encouraging results and we are confident that it will positively contribute to our future performance. Operational progress in 2014 was marked by the completion of the modernisation of our 3G network and by the substantial growth in 4G coverage which already serves close to 20% of our data traffic. We are pleased that the long awaited LTE spectrum auction has finally started. We look forward to a smooth and balanced process.

As we flagged a quarter ago, fixed broadband market deregulation is bringing us new opportunities. In 2015, we are going to invest up to PLN 450m into fibre access network to cover up to 650k households with internet speed of above 100 Mb/s. In parallel, customer satisfaction will remain for us a top priority. We will continue to build value through convergence and are planning to further grow LTE coverage. Simultaneously, we intend to make further progress towards a leaner and more flexible business model that will allow us to maintain satisfactory profitability levels”.

Financial Review

2014 revenue decline limited to 2.5% yoy (excluding regulations); 4Q revenues almost flat

Consolidated revenues totalled PLN 12,212 million in 2014, down by 4.5% or PLN 574 million versus 2013. A substantial part of this decline (PLN 255m) can be attributed to regulatory decisions, MTR cuts (impact on H1) and EU roaming rates cuts. Excluding this regulatory impact, the top-line decline was limited to PLN 319 million or 2.5% year-on-year, compared to PLN 525 million (3.7%) a year ago. The drop was only due to lower fixed services revenues. Both mobile and other revenue categories were up in 2014. Mobile was supported by handset sales on instalments (which boosted equipment revenues), and by the growth of the customer base, both of which offset pricing pressures.

In 4Q14 alone, revenues (excluding regulations) were almost flat year-on-year, which was the best performance of all quarters of 2014. This was a consequence of good results in mobile (PLN 41 million increase in pre-regulatory revenues) and significant growth in ICT sales boosting the other revenues category.

The number of our convergent customers increased by almost 90% in 2014 to 539,000 reaching close to 25% of all retail fixed broadband services. Total number of services used by Orange Open customers exceeded 2.2 million, which implies an average of more than four services per customer. Our convergent solution contributes to customer loyalty by significantly reducing churn versus single offers.

In 2014 the number of mobile services at Orange Polska increased by more than 300,000 a 2% growth over the prior year. While the number of pre-paid services decreased, net additions in post-paid went up by 458,000, much above the previous year. It was driven by the market appeal of Orange’s mobile offers (evidenced by improved mobile portability statistics), migration from pre-paid as a result of much higher affordability of post-paid and of the growing popularity of mobile broadband. The total number of mobile broadband customers went up by 31% in 2014, versus 18% in the previous year. This was a consequence of the rapidly increasing number of mobile data devices and vast improvement in our network, both 3G and 4G.

Retail ARPU declined by around 9% last year as a result of persisting pricing pressures (mainly on business market), higher popularity of SIM-only offers (voice and data) and the dilution effect following the introduction of instalment sales.

The fixed line key performance indicators (KPIs) continued to benefit from product bundling and convergence. The evolution of fixed voice customers improved, with the net loss of lines at 229,000 versus 346,000 in 2013. Our TV customer base increased by 41,000 in 2014 delivering growth of close to 6% year-on-year. Despite drop in total fixed broadband customer base we saw a big demand for high speed internet: the number of our VDSL technology customers grew 150% in 2014 reaching 8% of all xDSL customers.

KPI ('000)	4Q 2014	4Q 2013	change
Orange Open customers	539	286	+88.5%
3P customers (BB, TV and VoIP)	423	351	+20.5%
number of mobile customers	15,629	15,325	+2.0%
post-paid	7,679	7,221	+6.3%
pre-paid	7,950	8,104	-1.9%
fixed voice lines (retail)	4,512	4,741	-4.8%
fixed broadband accesses (retail)	2,241	2,301	-2.6%
mobile broadband accesses	1,521	1,165	+30.6%
number of TV customers	748	707	+5.8%

2014 restated⁴ EBITDA margin up 0.5pp to 32.1%

Restated EBITDA⁴ for 2014 amounted to PLN 3,921 million and stood at 32.1% of revenues. In comparison with 2013 EBITDA decreased by PLN 125 million, however the margin improved by 0.5 pp. The pre-regulatory decline resulted mainly from lower revenues (an impact of PLN 319 million) and from higher interconnect costs (PLN 171 million). The latter is related to the growth in traffic as a consequence of the higher popularity of mobile tariff plans with unlimited options and higher number of customers. These negatives were partially compensated by a PLN 138 million decrease in direct commercial costs (a consequence of effective investments in customer acquisition and retention) and by the ongoing cost optimisation program which delivered PLN 307 million of sustainable savings (compared to PLN 223 million in 2013).

In 4Q alone, restated EBITDA came in at PLN 861 million and was up PLN 10 million over 4Q 2013. It was supported by cost savings, lower direct commercial costs and gain on sale of assets. On the other hand, it was influenced by higher costs of ICT activities and higher interconnect costs.

2014 net income at PLN 535 million, including gain on sale of Wirtualna Polska

Orange Polska's net income for 2014 came in at PLN 535 million versus PLN 294 million in 2013. This substantial year-on-year increase was predominantly driven by higher reported EBITDA which included PLN 191 million gain on sale of Wirtualna Polska. Growth was also helped by slightly lower depreciation charges (down by PLN 34 million year-on-year) and lower net financial costs (PLN 73 million below last year) as a consequence of debt refinancing completed in May 2014. Income tax was up PLN 30 million compared to 2013 when the effective tax rate benefited from higher technology tax relief and lower non tax deductible expenses.

⁴ please refer to restatement table on p. 4

2014 cash objective achieved, with Organic Cash Flow⁵ at PLN 1,149 million

Organic cash flow⁵ amounted to PLN 1,149 million in 2014, up PLN 44 million versus 2013, and was in line with the Group's full year guidance⁵. There were two negative factors affecting cash generation in 2014. Firstly net cash from operating activities before income tax paid, change in working capital and also excluding the settlement with Netia was PLN 125 million lower mainly as a result of contraction in restated EBITDA. Secondly, working capital requirement was higher by more than PLN 300 million as a consequence of much higher balance of receivables due to the introduction of instalment sales. However, these two negatives were fully offset by much lower capital expenditure cash outflows as well as by lower income tax paid and by asset disposals.

commenting on 2014 results, Maciej Nowohoński, Chief Financial Officer said:

"We managed to grow organic cash generation slightly in 2014 despite the ongoing pressure on our revenues. Thanks to our persistent focus on financial discipline, we generated significant cost savings and spent much lower cash on capital expenditure with significant network quality improvement. We expect 2015 to be another challenging year with repricing in the B2B segment putting pressure on our revenues and EBITDA. New cost initiatives and further reduced capital expenditure (excluding fibre access network project) should help mitigate this adverse trend. We are encouraged by strong market demand for fast internet, more favourable regulatory environment and the promising results of our FTTH pilot. As a consequence, we plan to make significant investment in fibre access network. We anticipate 2015 organic cash flow⁵ to be around PLN 900 million including the new investment project. The recently launched LTE auction calls for caution regarding our future cash outflow. We remain, however, committed to offer an appropriate remuneration to our shareholders and we will propose to pay a dividend of PLN 0.50 per share in 2015."

Restatements to financial data

<i>in PLN millions</i>	4Q2013	4Q2014	2013	2014
revenue	3,157	3,087	12,923	12,212
-revenue of Wirtualna Polska and ORE	-45	-	-137	-
restated revenue	3,112	3,087	12,786	12,212
EBITDA	702	898	3,904	4,076
-EBITDA of Wirtualna Polska and ORE	-13	-	-38	-
-employment termination expenses	127	-8	145	-8
-gain on disposal of Wirtualna Polska	-	-	-	-191
-impact of certain claims and litigation	-	-29	-	44
-write-off of certain assets following the merger ⁶ and other restatements	35	-	35	-
restated EBITDA	851	861	4,046	3,921
capital expenditures	636	622	2,180	2,153
-acquisition of telecommunications licences	-10	-1	-264	-378
capital expenditures (outlook definition)	626	621	1,916	1,775

⁵ ex. one-offs: renewal of existing spectrum, acquisition of new spectrum, potential payment of the EC fine, and other claims and litigations

⁶ merger of Telekomunikacja Polska (currently Orange Polska S.A.) and its fully owned subsidiaries: PTK Centertel Sp. z o.o. and Orange Polska Sp. z o.o.

Forward-looking statement

This press release contains forward-looking statements, including, but not limited to, statements regarding anticipated future events and financial performance with respect to our operations. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like 'believe', 'expect', 'anticipate', 'estimated', 'project', 'plan', 'pro forma' and 'intend' or future or conditional verbs such as 'will,' 'would,' or 'may.' Factors that could cause actual results to differ materially from expected results include, but are not limited to, those set forth in our Registration Statement, as filed with the Polish securities and exchange commission, the competitive environment in which we operate, changes in general economic conditions and changes in the Polish and/or global financial and/or capital markets. Forward-looking statements represent management's views as of the date they are made, and we assume no obligation to update any forward-looking statements for actual events occurring after that date. You are cautioned not to place undue reliance on our forward-looking statements.

Orange Polska Q4 2014 Results Presentation Friday 13 February 2015

Venue address:

Orange Polska
Aleje Jerozolimskie 160,
02-326 Warsaw,
Poland

Start: 11.00 CET

The presentation will also be available via [a live webcast](#) on our website and via a live conference call:

Time:

11:00 (Warsaw)
10:00 (London)
05:00 (New York)

Conference title:

Orange Polska Q4 2014 Results

Conference code:

7696020

Dial in numbers:

UK/Europe: +44-20-3427-1916
US: +1-646-254-3360

Toll free numbers:

UK: 0800-279-4992
US: +1-877-280-1254

Orange Polska Group Consolidated

	2013				2014				2013		2014					
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY	FY	FY	FY				
amounts in PLN millions																
profit & loss statement																
revenues	as reported				pro forma*				as reported				pro forma*			
Mobile services	1,533	1,533	1,590	1,514	1,514	1,514	1,514	1,473	1,473	1,438	1,456	1,425	1,394	6,110	6,110	5,713
voice traffic revenue	887	887	917	906	906	835	835	835	835	804	799	752	709	3,545	3,545	3,064
data, messaging, content and M2M	433	433	443	443	448	448	470	470	470	461	475	484	483	1,794	1,794	1,903
wholesale	213	213	230	160	160	168	168	168	168	173	182	189	202	771	771	746
Mobile equipment sales	33	33	40	35	35	41	41	41	41	43	110	128	146	149	149	427
Fixed services	1,554	1,554	1,515	1,500	1,500	1,488	1,488	1,488	1,488	1,420	1,386	1,373	1,341	6,057	6,057	5,520
fixed narrowband	614	614	582	582	559	542	542	542	542	521	506	491	465	2,297	2,297	1,963
fixed broadband, TV and VoIP	421	421	421	421	422	423	423	423	423	416	416	415	412	1,687	1,687	1,663
enterprise solutions & networks	251	251	250	258	258	261	261	261	261	237	231	230	235	1,020	1,020	933
wholesale	268	268	262	261	261	262	262	262	262	242	233	237	229	1,053	1,053	941
Other revenue	147	132	158	116	147	112	155	110	110	94	132	120	206	607	470	552
Total revenues	3,267	3,252	3,303	3,261	3,196	3,161	3,157	3,112	3,112	2,995	3,084	3,046	3,087	12,923	12,786	12,212
year-on-year**	-7.2%	n/a	-9.9%	n/a	-7.9%	n/a	-9.3%	n/a	n/a	-7.9%	-5.4%	-3.6%	-0.8%	-8.6%	n/a	-4.5%
labour expenses	(545)	(538)	(516)	(502)	(453)	(442)	(432)	(420)	(420)	(522)	(453)	(446)	(453)	(1,946)	(1,902)	(1,874)
external purchases	(1,596)	(1,593)	(1,649)	(1,635)	(1,501)	(1,484)	(1,694)	(1,674)	(1,674)	(1,452)	(1,495)	(1,441)	(1,725)	(6,440)	(6,386)	(6,113)
- interconnection costs	(314)	(314)	(358)	(357)	(284)	(284)	(295)	(295)	(295)	(280)	(297)	(322)	(332)	(1,251)	(1,250)	(1,231)
- network and IT	(188)	(187)	(209)	(208)	(208)	(208)	(241)	(231)	(231)	(192)	(207)	(186)	(203)	(846)	(834)	(788)
- commercial expenses	(642)	(696)	(620)	(659)	(562)	(603)	(35)	(34)	(34)	(605)	(610)	(561)	(769)	(2,576)	(2,726)	(2,545)
- content costs	(37)	(36)	(43)	(42)	(34)	(33)	(35)	(34)	(34)	(35)	(31)	(23)	(20)	(149)	(145)	(109)
- other external purchases	(415)	(360)	(419)	(369)	(413)	(356)	(371)	(346)	(346)	(340)	(350)	(349)	(401)	(1,618)	(1,431)	(1,440)
other operating incomes & expenses	(85)	(85)	(144)	(144)	(92)	(91)	(166)	(166)	(166)	(79)	(148)	(125)	(53)	(487)	(486)	(405)
employment termination expenses	(18)	(18)	(1)	(1)	0	0	(167)	(167)	(167)	0	0	0	8	(186)	(186)	8
gain/loss on disposal of assets	10	10	11	11	15	15	4	4	4	9	8	6	34	40	40	57
gain on disposal of Wirtuolina Polska										191						191
reported EBITDA	1,033	1,028	1,004	990	1,165	1,159	702	689	689	1,142	996	1,040	898	3,904	3,866	4,076
% of revenues	31.6%	31.6%	30.4%	30.4%	36.5%	36.7%	22.2%	22.1%	22.1%	38.1%	32.3%	34.1%	29.1%	30.2%	30.2%	33.4%
- employment termination expenses	18	18					127	127	127	(191)	44	29	(29)	145	145	(8)
- gain on disposal of Wirtuolina Polska																(8)
- impact of certain claims and litigation																44
- the write-off of certain assets following the merger and other restatements																
restated EBITDA	1,051	1,046	1,004	990	1,165	1,159	864	851	851	951	1,040	1,069	861	4,084	4,046	3,921
% of revenues	32.2%	32.2%	30.4%	30.4%	36.5%	36.7%	27.4%	27.3%	27.3%	31.8%	33.7%	35.1%	27.9%	31.6%	31.6%	32.1%
depreciation & amortisation	(791)	(789)	(783)	(778)	(775)	(770)	(758)	(756)	(756)	(750)	(794)	(759)	(770)	(3,107)	(3,093)	(3,073)
impairment of fixed assets	(1)	(1)	(3)	(3)	0	0	(5)	(5)	(5)	(1)	(2)	(4)	(10)	(9)	(9)	(17)
EBIT	241	238	218	209	390	389	(61)	(72)	(72)	391	200	277	118	788	764	966
% of revenues	7.4%	7.3%	6.6%	6.4%	12.2%	12.3%	-1.9%	-2.3%	-2.3%	13.1%	6.5%	9.1%	3.8%	6.1%	6.0%	8.1%
financial result	(134)	(134)	(108)	(108)	(118)	(118)	(118)	(118)	(118)	(119)	(118)	(85)	(83)	(478)	(478)	(405)
income tax	(26)	(25)	(34)	(32)	(33)	(33)	77	79	79	(1)	12	(52)	(52)	(16)	(16)	(11)
Consolidated net income after tax	81	79	76	69	239	238	(102)	(111)	(111)	271	94	140	30	294	275	555

*pro forma adjusted for deconsolidation of Wirtuolina Polska and ORE and reclassifications of costs related to ICT (mainly equipment) from 'other external purchases' to 'commercial expenses' and costs related to infrastructure projects for the Polish regions from 'network and IT' to 'other external purchases'

**change is calculated based on pro forma figures

Orange Polska Group key performance indicators

customer base (in thousands)	2013				2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Orange Open¹	72	125	211	286	352	418	480	539
Fixed telephony accesses								
POTS, ISDN & WLL	4,586	4,458	4,358	4,275	4,203	4,133	4,061	3,974
VoIP first line	390	423	445	466	482	500	518	538
Total retail main lines	4,976	4,881	4,803	4,741	4,685	4,633	4,579	4,512
Fixed broadband access								
ADSL	2,130	2,112	2,096	2,083	2,059	2,042	2,019	1,973
VHBB (VDSL+FTTH)	28	36	49	64	86	105	127	160
CDMA	175	169	160	154	140	134	123	108
retail broadband - total	2,333	2,317	2,305	2,301	2,285	2,281	2,269	2,241
TV client base								
IPTV	117	117	119	121	123	129	135	143
DTH (TV over Satellite)	582	582	583	586	585	591	600	605
TV client base - total	699	699	702	707	708	720	735	748
-o/w 'n' packages	98	101	115	123	133	144	155	166
3P services (TV+BB+VoIP)	286	314	333	351	364	383	402	423
Mobile accesses								
Post-paid	6,906	6,970	7,052	7,221	7,360	7,459	7,533	7,679
-o/w B2B	2,407	2,399	2,402	2,420	2,456	2,464	2,468	2,498
Pre-paid	7,980	7,977	8,074	8,104	8,035	8,002	8,058	7,950
Total²	14,886	14,947	15,126	15,325	15,395	15,461	15,591	15,629
- of which dedicated mobile broadband client base	1,043	1,079	1,120	1,165	1,233	1,319	1,413	1,521
Wholesale customers								
WLR	1,443	1,397	1,356	1,301	1,237	1,176	1,111	1,046
Bitstream access	342	343	340	330	322	311	295	280
LLU	181	178	175	172	169	165	159	152
¹ Orange Open is included in fixed telephony, broadband and mobile								
² all SIM cards, including voice, M2M, data								
quarterly ARPU in PLN per month	2013				2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Orange Polska retail fixed voice ARPU	45.3	44.4	43.7	43.3	42.4	41.9	41.4	40.0
Orange Polska broadband ARPU (Broadband, TV & VoIP)	59.7	60.1	60.5	60.9	60.5	60.4	60.4	60.4
Mobile ARPU								
post-paid	60.4	62.7	59.2	57.2	55.6	55.6	53.3	51.4
-o/w B2B	75.6	77.5	72.2	69.7	68.0	65.7	61.2	57.2
pre-paid	14.2	14.6	13.8	13.0	11.9	12.2	12.7	12.8
Blended	34.9	36.2	34.2	32.8	31.8	32.1	31.4	30.7
retail ARPU (PLN)	30.2	31.1	30.8	29.2	28.2	28.3	27.3	26.2
wholesale ARPU (PLN)	4.7	5.1	3.4	3.6	3.6	3.9	4.1	4.5
voice ARPU (PLN)								
post-paid	41.9	43.4	39.5	36.4	35.3	35.0	32.7	30.7
pre-paid	9.6	10.2	9.6	8.7	8.0	8.0	8.1	8.0
blended	24.0	25.1	23.0	21.1	20.4	20.4	19.5	18.5
data ARPU (PLN)								
post-paid	7.8	8.4	9.1	9.3	9.9	9.9	10.4	10.4
pre-paid	0.6	0.5	0.6	0.7	0.7	0.9	1.6	1.5
blended	3.8	4.1	4.4	4.5	4.8	5.0	5.6	5.6
SMS&MMS and other ARPU (PLN)								
post-paid	10.7	10.9	10.6	11.5	10.5	10.8	10.2	10.3
pre-paid	3.9	3.8	3.7	3.6	3.3	3.3	3.1	3.4
blended	7.0	7.0	6.8	7.1	6.5	6.8	6.4	6.6

other mobile operating statistics	2013				2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
MVNOs customers (thousands)	66	67	69	62	59	32	31	22
Number of smartphones (thousands)	3,384	3,526	3,613	3,804	3,920	4,044	4,284	4,581
volumes & churn								
AUPU (in minutes)								
post-paid	253.1	264.6	266.8	273.7	279.7	294.7	299.1	305.6
pre-paid	90.2	94.5	91.3	90.8	90.5	93.5	96.3	97.4
Blended	165.7	173.7	173.2	176.3	180.3	190.1	194.2	198.7
Quarterly mobile customer churn rate (%)								
post-paid	3.7	3.6	3.3	3.4	3.4	3.3	3.4	3.5
pre-paid	15.5	15.1	14.6	14.8	14.9	14.9	16.4	16.8
subsidies								
SAC post-paid (PLN)	556.8	502.3	484.8	521.6	441.4	366.4	340.0	368.0
SRC post-paid (PLN)	446.8	381.9	358.4	420.4	321.8	240.0	247.8	297.3
network coverage								
4G coverage in % of population			3.7%	16.0%	28.7%	51.7%	58.7%	60.9%
3G coverage in % of population	69.9%	73.7%	85.5%	90.2%	90.9%	97.2%	99.2%	99.4%
Employment structure of Group as reported active full time equivalents (end of period)								
	2013				2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	reported	reported	reported	reported				
Orange Polska	21,617	21,024	20,143	19,922	19,224	18,594	18,207	18,047
50% of Networks	395	392	398	397	396	396	395	395
Total	22,012	21,416	20,541	20,319	19,620	18,990	18,602	18,442

Terms used:

Monthly Mobile ARPU - ARPU are calculated by dividing the Group revenues from mobile customers (outgoing and incoming) voice and non voice services, including one-time connection and termination fee, visitors roaming, excluding “machine to machine”, by the average number of customers, excluding “machine to machine”.

Monthly Broadband ARPU - (xDSL, FTTH, TV, and VoIP): ARPU of broadband services are calculated by dividing the monthly revenues from customers’ broadband services by the average number of accesses.

Subscriber Acquisition Cost (SAC) - Customer acquisition costs divided by the number of gross customers added during the respective period. Customer acquisition costs comprise commissions paid to distributors and net subsidies resulting from the sale of the handset.

Subscriber Retention Cost (SRC) - Customer retention costs divided by the number of customers retained during the respective period. Customer retention costs comprise commissions paid to distributors and net subsidies resulting from the sale of the handset.

Churn rate - The number of customers who disconnect from a network in a given period divided by the weighted average number of customers in the same period

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