

# Orange Polska

## Changes in reporting to be introduced from 1Q2017

22 March 2017



# Reclassification of LTE for fixed from Mobile to Fixed Broadband

- LTE for fixed offer with home routers and very high data packages constitute substitution for fixed broadband and are offered by all mobile operators in Poland including OPL
- As LTE for fixed we qualify two offers (Home Internet and Home & Away) for B2C market that give 150GB data packages in the home zone and 60-80GB packages out of home
- Home zone (Office Zones for B2B customers) has cell lock functionality – service available only within the range of a predefined base stations which cover the area where home/office is located
- >90% of customers with Home Zone tariff planes use internet mainly at home
- Sale of LTE for fixed is focused on the zones where xDSL connectivity does not exist or is very slow
- **It reflects commercial approach as set by the launch of Orange Love convergent offer**

## Reclassification of LTE for fixed impact on past periods revenues

OLD	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16
Mobile retail services	1,155	1,151	1,153	1,108	1,090	1,080	1,085	1,041
Mobile equipment	138	149	171	185	192	272	258	366
Fixed broadband	410	404	396	391	381	375	369	365
Other revenues	118	195	153	150	85	106	101	163
<b>Reclass effect</b>								
Mobile retail services	0	0	-3	-6	-8	-11	-16	-23
Mobile equipment	0	0	-3	-1	-1	-7	-13	-18
Fixed broadband	0	0	3	6	8	11	16	23
Other revenues	0	0	3	1	1	7	13	18
<b>NEW</b>								
Mobile retail services	1,155	1,151	1,150	1,102	1,082	1,069	1,069	1,018
Mobile equipment	138	149	168	184	191	265	245	348
Fixed broadband	410	404	399	397	389	386	385	388
Other revenues	118	195	156	151	86	113	114	181

## Reclassification of LTE for fixed impact on past periods customer base

in '000

OLD	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16
FBB customer base	2,198	2,159	2,131	2,105	2,079	2,057	2,025	2,015
Post-paid mobile customer base	7,727	7,897	8,087	8,361	8,576	8,798	9,085	9,453
<b>Reclass effect</b>								
FBB customer base	0	11	24	39	51	82	128	191
Post-paid mobile customer base	0	-11	-24	-39	-51	-82	-128	-191
<b>NEW</b>								
FBB customer base	2,198	2,170	2,155	2,144	2,130	2,139	2,153	2,206
Post-paid obile customer base	7,727	7,886	8,063	8,322	8,525	8,716	8,957	9,262

## Reclassification of LTE for fixed impact on past periods ARPU

quarterly ARPU in PLN per month

OLD	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16
Fixed broadband ARPU	60.8	61.4	61.2	61.2	60.3	60.2	60.3	59.9
Mobile post-paid ARPU	50.5	50.0	49.1	47.1	45.3	44.3	43.7	41.9
<b>Reclass effect</b>								
Fixed broadband ARPU	0.0	-0.1	0.0	0.0	0.0	-0.1	-0.4	-0.7
Mobile post-paid ARPU	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1
<b>NEW</b>								
Fixed broadband ARPU	60.8	61.3	61.2	61.2	60.3	60.1	59.9	59.2
Mobile post-paid ARPU	50.5	50.0	49.1	47.0	45.2	44.2	43.6	41.8