

PLAY Full Year 2014 results

Press release

February 24, 2015

“PLAY had a very successful year commercially and financially. With 12.3 million subscribers we have achieved 21.3% market share, delivered 4G LTE to 73% of Polish population and exceeded 1 million active LTE users in 2014. On the financial side, we have increased the revenue by 18% to PLN 4,392 million and Adjusted EBITDA by 52% to PLN 1,072 million.”

Jørgen Bang-Jensen, the CEO of PLAY

Full Year 2014 Highlights:

- **Usage revenue in 2014 amounted to PLN 3,524m, increasing by 21% year over year**
- **Adjusted EBITDA in 2014 amounted to PLN 1,072m, up by 52% year over year, all while adding 1.04 million contract subscribers**
- **Total customer base reached 12.3 million (+14% year on year), while share of contract subscribers increased to 47.3%, up from 44.4% in 2013;**
- **Play achieved 21.3% market share (an increase by 2.4 p.p y-o-y)**
- **4G LTE population coverage reached 73% due to continued fast 4G LTE network roll-out**
- **Refinancing of the company in the bond markets at very good terms**

In 2014 PLAY continued subscriber base growth accompanied by ARPU growth led to further revenue and EBITDA expansion. Usage revenue in 2014 amounted to PLN 3,524 million, representing an increase by 21% year over year. The share of contract subscribers in total subscriber base further increased to 47.3% in 2014, compared to 44.4% in 2013. This was achieved due to very strong development of contract subscriber base, with contract subscribers accounting for 67% of overall subscriber base growth in 2014.

PLAY’s subscriber base grew to 12.3 million in 2014 representing an estimated 21.3% of all reported mobile subscribers in Poland, an increase by 2.4 p.p. from 18.9% in 2013. PLAY continued to acquire

the highest share of customers porting their numbers under Mobile Number Portability, registering approximately 51% share in 2014.

Adjusted EBITDA in 2014 amounted to PLN 1,072 million, an increase by 52% year over year, all while adding 1.04 million new contract subscribers in 2014. Contract subscriber base growth in 2014 was stronger than in 2013, when we added 0.89 million contract subscribers.

Results of PLAY for Q4 and Full Year 2014

		Q4 2013		Q4 2014	Change q-o-q	Q3 2014		Q4 2014	Change q-o-q	FY 2013		FY 2014	Change y-o-y
Operating revenue		979	1,206	23%	1,146	1,206	5%	3,720	4,392	18%			
Service revenue	<i>PLN in millions</i>	910	1,130	24%	1,089	1,130	4%	3,458	4,161	20%			
Usage revenue		782	944	21%	927	944	2%	2,918	3,524	21%			
Adjusted EBITDA		211	289	37%	275	289	5%	707	1,072	52%			
%Margin	<i>%</i>	21.5%	23.9%		24.0%	23.9%		19.0%	24.4%				
Total Subscribers	<i>Thousands subscribers</i>	10,733	12,287	14%	11,790	12,287	4%	10,733	12,287	14%			
Contract Subscribers		4,770	5,810	22%	5,457	5,810	6%	4,770	5,810	22%			
% share of contract subscribers	<i>%</i>	44.4%	47.3%		46.3%	47.3%		44.4%	47.3%				

About Play

P4 Sp. z o.o., trading as Play, is a consumer-focused mobile network operator in Poland with over 12 million subscribers as of December 31, 2014. Play provides mobile voice, messaging and data offerings and services to consumers and businesses (in particular to small office/home office subscribers and small/medium enterprises) on a contract and prepaid basis under our umbrella brand "PLAY". Play provides these services, available to 99% of the population, via an extensive, modern and cost-efficient 2G/3G/4G LTE telecommunications network complemented by long-term national roaming/network sharing agreements with the other three major Polish mobile network operators.

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This press release contains forward-looking statements. You should not place undue reliance on such statements because they are subject to numerous risks and uncertainties relating to Play Holdings 2 S.à r.l.'s and its subsidiaries (together the "Company") operations and business environment, all of which are difficult to predict and many are beyond the Company's control. Forward-looking statements include information concerning the Company's possible or assumed future results of operations, including descriptions of its business strategy. These statements often include words such as "may," "might," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "seek," "believe," "estimate," "predict," "potential," "continue," "contemplate," "possible" or similar expressions. The forward-looking statements contained in this press release are based on our current expectations and estimates of future events and trends, which affect or may affect our businesses and operations. You should understand that these statements are not guarantees of performance or results. They involve known and unknown risks, uncertainties and assumptions. Although the Company believes that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect its actual financial results or results of operations and could cause actual results to differ materially from those in these forward-looking statements.