

PLAY Q1 2016 results

Press release

May 24, 2016

Play reports in Q1 2016 further expansion of revenues and EBITDA.

Q1 2016 Highlights:

- **Total customer base reached 14.42m (+13.7% y-o-y), while share of contract subscribers increased to 50.9%, from 48.3% as of end of Q1 2015**
- **Total operating revenue amounted to PLN 1,441m, increasing by 17.4% y-o-y**
- **Usage revenue amounted to PLN 1,059m, increasing by 10.4% y-o-y**
- **Adjusted EBITDA amounted to PLN 437m, up by 35.2% versus three-month period ended March 2015**
- **Subscriber net additions for the last twelve months amounted to 1,735k which is comparable versus last twelve months ended March 2015**
- **Further roll-out of 4G LTE network increased coverage of 4G LTE service to 81.5% of population as of March 31, 2016. Initiated roll-out of 4G LTE ULTRA network provided coverage of the service to 40.8% of population**
- **PLAY reached 25.5% market share (an increase by 3.6 pp y-o-y).**

In Q1 2016, PLAY continued building up its subscriber base and further expand revenue and EBITDA versus comparable period in 2015. The share of contract subscribers in total subscriber base increased to 50.9% in Q1 2016, compared to 48.3% in Q1 2015.

Adjusted EBITDA growth in Q1 2016 resulted from continued contract subscribers acquisition, with net contract subscriber base growth by 1,209k in last twelve months period ended March 31, 2016.

"The first quarter of 2016 was a continuation of good performance of PLAY on both commercial and financial areas. We have reached 14.42 million of subscribers which allowed us to strengthen the second player position in Polish telecommunication sector with market share of 25.5% of mobile subscribers. Our recorded revenue for Q1 2016 amounted to PLN 1,441m which is 17.4% higher comparing to Q1 2015. The very healthy growth is confirmed by our adjusted EBITDA margin increase to 30.4% (growth by 4.0pp versus Q1 2015).

We continue our efforts to meet customers' expectations and provide best quality service. Our two new initiatives: the Fair Play program and 4G LTE Ultra, both launched in Q1, are the best examples of our strong customer orientation. "

Jørgen Bang-Jensen, the CEO of PLAY

Results of PLAY for Q1 2016 and twelve months ended March 31, 2016:

for a period:	Unit	Q1 2015	Q1 2016	Change YoY	LTM Q1'15	LTM Q1'16	Change YoY
Operating revenue		1,228	1,441	17%	4,634	5,576	20%
Service revenue	PLN in millions	1,156	1,308	13%	4,379	5,133	17%
Usage revenue		959	1,059	10%	3,682	4,202	14%
Adjusted EBITDA		323	437	35%	1,157	1,658	43%
% Margin	%	26.3%	30.4%		25.0%	29.7%	
as at:							
Total Subscribers	Thousands subscribers	12,685	14,420	14%	12,685	14,420	14%
Contract Subscribers		6,132	7,341	20%	6,132	7,341	20%
% share of contract subscribers	%	48.3%	50.9%		48.3%	50.9%	

About Play:

P4 Sp. z o. o., trading as Play, is a consumer-focused mobile network operator in Poland with over 14.42m subscribers as of March 31, 2016. 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.

Cautionary Statement:

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.