Current Report 18/2023
Orange Polska S.A., Warsaw, Poland
25 July, 2023

Pursuant to Article 17(1) of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, the Management Board of Orange Polska S.A. hereby provides selected financial and operating data related to the activities of the Orange Polska Capital Group ("the Group", "Orange Polska") for 2Q and 1H 2023.

Disclosures on performance measures have been presented in the Note 2 to Condensed IFRS Interim Consolidated Financial Statements of the Orange Polska Group for the 6 months ended 30 June 2023 (available at https://www.orange-ir.pl/results-center/).

Orange Polska reports strong financial results in 2Q 2023 and upgrades its full-year guidance

key figures (PLN million)	2Q 2023	2Q 2022	Change	1H 2023	1H 2022	Change
revenue	3,224	3,055	+5.5%	6,363	5,986	+6.3%
EBITDAaL	823	798	+3.1%	1,585	1,520	+4.3%
EBITDAaL margin	25.5%	26.1%	-0.6p.p.	24.9%	25.4%	-0.5p.p.
operating income	343	337	+1.8%	735	581	+26.5%
net income	239	243	-1.6%	509	368	+38.3%
eCapex	313	328	-4.6%	538	573	-6.1%
organic cash flow	543	417	+30.2%	424	648	-34.6%

KPI ('000)	2Q 2023	2Q 2022	Change
convergent customers (B2C)	**1,653**	**1,578**	**+4.8%**
mobile accesses (SIM cards)	**17,449**	**17,829**	**-2.1%**
post-paid	12,759	12,238	+4.3%
pre-paid	4,690	5,591	-16.1%
fixed broadband accesses (retail)	**2,810**	**2,786**	**+0.9%**
o/w fibre	1,257	1,065	+18.0%
fixed voice lines (retail)	**2,506**	**2,633**	**-4.8%**

2Q 2023 Highlights:

- **EBITDAaL (EBITDA after Leases) up 3.1% year-on-year:**
  - Strong core business revenue performance translating into 6% yoy growth of the direct margin which more than offsets the inflationary pressures that affect indirect costs

- **Revenues up 5.5% year-on-year with strong performance in all key lines:**
  - **+5%** yoy **core telecom services** (convergence, mobile-only and broadband-only) driven by simultaneous growth of customer base and ARPO
  - **+28%** yoy growth of **IT/IS**, supported by eHealth public projects
  - +**15%** yoy **equipment** sales due to customer demand for higher value handsets
  - **+14%** yoy **wholesale** excl. legacy due to continued high demand for our infrastructure

- **Commercial performance reflects focus on value; ARPO growth accelerated across the board:**
  - **+5%** yoy growth of **B2C convergent customers**, +14k net adds in 2Q
    - **Convergent ARPO +4.3%** yoy (vs +2.4% yoy in 1Q) driven by fibre and value strategy
  - **+18%** yoy growth of **fibre retail customers**, +39k net adds in 2Q
    - **7.5 million households connectable** with fibre (245k added in 2Q)
  - **+2%** yoy growth of post-paid mobile handset customers, +57k net adds in 2Q
    - **Mobile-only handset ARPO +3.5%** yoy (vs. +3.2% yoy in 1Q) driven by value strategy

- **1H net income at PLN 509 million, +38% yoy,** driven by rising EBITDAaL, gain on sale of assets and less finance costs
- **1H eCapex (economic capex) at PLN 538 million, -6% yoy,** reflecting higher mobile capex and very high proceeds from asset disposals (optimisation of our real estate portfolio)
- **1H Organic Cash Flow at PLN 424 million, -35% yoy** impacted by timing of capex payments with 2Q boosted by reduction of working capital requirement
- **Full-year guidance upgraded**: Taking into account strong 1H results driven by excellent core business performance **we increase our full-year guidance for revenues** to low-to-mid single digit growth (from low single digit growth previously) **and for EBITDAaL** to low single digit growth (from flat/low single digit growth previously). eCapex guidance is unchanged.

Commenting on 2Q 2023 performance, Julien Ducarroz, Chief Executive Officer, said:

"I am proud of the performance Orange Polska achieved during my tenure. We have successfully implemented .Grow strategy that is proving resilient for many external headwinds. This is mainly because we have strong core business and capabilities to adapt to rapidly changing environment. I am particularly pleased that we were in a position to return to sustainable dividend payments. I am leaving this company in a good shape and I am confident in the ability of my successor Liudmila Climoc to take it from strength to strength.

Our performance in the first half of the year is a good demonstration of our strong fundamentals. We are able to grow and meet - or even exceed - our objectives despite a difficult macro environment and intensive competition. We manage to mitigate cost inflation impact with our value strategy and internal transformation. I am happy that we are in a position to upgrade our full-year guidance on revenues and EBITDAaL.

Our commercial results were solid in 2Q reflecting market conditions and our focus on value. I am especially satisfied that ARPO growth in all key areas has accelerated. Our results on the business market were supported by ICT projects related to the digitisation of the health institutions in the public sector. This underscores our wide competences and a diversified revenue structure.

We are pleased that long-awaited 5G auction has finally started. We hope for an efficient and transparent process. Obtaining a licence will be a big milestone for our business this will strengthen our assets and enable faster growth in mobile.

Our environmental agenda progresses as planned. We have cut our CO2 emissions in scopes 1 and 2 by 65% in 1H thanks to a share of more than 70% renewable energy in our mix. This is a consequence of power purchase agreements signed last year. We are on track to reach our 2025 strategic goal. While we are looking for new opportunities to contract renewable energy our increased focus is now on scope 3 emissions, which include entire value chain of suppliers and customers."

Financial Review

2Q revenue +5.5% yoy driven by robust growth of IT/IS and consistent performance of core telecom services

Revenues totalled PLN 3,224 million in 2Q 2023 and were up 5.5% year-on-year or PLN 169 million. There were four main factors influencing this revenue trend. Firstly, core telecom services (combined revenues of convergence, mobile-only and broadband-only) advanced by 5% due to further simultaneous expansion of the customer bases and ARPO. Secondly, IT/IS revenues increased by a robust 28% year-on-year growth as we benefitted from eHealth public projects and continued demand for digitisation. Thirdly, revenues from equipment grew by 15% year-on-year as a result of strong customer interest in higher value handsets. Finally, wholesale revenues (excluding legacy areas) increased 14% year-on-year, as we continue to capitalise on demand for our infrastructure.

Solid commercial performance: ARPO growth accelerated across the board coupled with customer base expansion

Our commercial activity is mainly focused on delivering a package of mobile and fixed services, which we define as convergence. It is our major competitive edge, it increases customer loyalty and allows us to upsell more services, winning a higher share of household media and telecom budgets.

In 2Q 2023 our **B2C convergent customer** base increased by 14 thousand or 5% year-on-year. At the end of June, 70% of our B2C broadband customers were convergent. ARPO from convergent customers stood at PLN 118.6 and was up 4.3% year-on-year (vs. +2.4% yoy in 1Q'23), owing to our value strategy and increasing share of fibre.

Total **fixed broadband customer** base increased in 2Q 2023 by 4 thousand or 1% year-on-year. **Fibre customers** base expanded by 39 thousand or 18% as a result of increasing penetration of fibre services on our past investments, expansion of the fibre footprint and migration from copper. Fibre already reached 45% of our total broadband customer base. ARPO from broadband-only services grew 4.4% year-on-year to PLN 64.0 (vs. +3.3% yoy in 1Q'23). The key contributors of this growth were our value strategy and a growing share of fibre customers. Fibre customers generate the highest ARPO which is mainly fuelled by high share of TV services, growing popularity of higher fibre speeds additionally paid and increasing share of customers in single family houses (who pay higher price to cover higher network rollout cost).

Mobile post-paid handset customer base increased 57 thousand in 2Q 2023 or 2% year-on-year. Net additions improved versus 1Q (when they were at 40 thousand) but were much lower than in 2Q 2022 when they benefitted from particularly high demand from war refugees from Ukraine The handset ARPO from mobile-only services grew by 3.5% year-on-year in 2Q 2023 (vs. +3.2% yoy in 1Q'23) to PLN 29.3 as a result of our value pricing strategy.

Pre-paid customer base decreased by 109 thousand in 2Q 2023 to 4.7 million. Our customer base evolution continued to reflect particularly high pre-paid cards activations a year ago driven by war refugees from Ukraine and changes in our commercial offer (shortened validity account period for one-time users and extended for regular customers). ARPO from pre-paid offers stood at PLN 13.9 and was 11.2% higher year-on-year as a result of different structure of new pre-paid cards activations (in 2Q 2022 ARPO was diluted by free starters offers for Ukrainian customers) and value strategy.

In **fixed voice**, 2Q 2023 net loss of lines stood at 30 thousand, and reflected structural negative market trends.

2Q EBITDAaL +3.1% yoy, fuelled by very strong direct margin expansion

EBITDAaL for 2Q 2023 was PLN 823 million and was up 3.1% year-on-year or PLN 25 million. This healthy performance was generated by 6% year-on-year (PLN 102 million) growth of the direct margin (a difference between revenues and direct costs) resulting from strong improvement in all key business lines including equipment and energy resale business. Indirect costs increased 9% year-on-year (PLN 77 million) mainly due to two factors. Firstly, they were affected by inflation impact on rental contracts and various external services. Secondly, the year-on-year evolution was affected by certain non-recurring developments that decreased the comparable cost base in 2Q 2022.

1H net income +38% yoy driven by strong operating income and lower financial costs

Net income for 1H 2023 was PLN 509 million and was up 38% (PLN 141 million) over 1H 2022. The key driver of this significant improvement was operating income which increased 27% year-on-year (PLN 154 million). It benefitted from growth of EBITDAaL, lower depreciation (-3% year-on-year) and much higher gain on sale of assets. The latter increased PLN 44 million year-on-year as a result of particularly strong period for sales of our properties that we no longer use due to the technology transformation from copper to fibre networks. Bottom line was also supported by PLN 49 million lower year-on-year net finance costs mainly as FX gains and losses (on EURO denominated long-term leasing liabilities) benefitted from strengthening of PLN vs EURO).

Solid 1H Organic Cash Flow supported by growing EBITDAaL and proceeds from sale of assets

Organic cash flow for 1H 2023 was PLN 424 million, a decrease of PLN 224 million (or 35%) versus 1H 2022. The year-on-year decrease almost entirely stemmed from around PLN 340 million higher cash capex expenditures[1] as a result of payments for very high capex incurred at the end of 4Q 2022. Cash generation in 1H benefitted from EBITDAaL growth and PLN 100 million higher year-on-year proceeds from sale of assets[1]. Organic cash flow improved strongly in 2Q (coming at PLN 543 million) mainly as a result of a decrease of working capital requirement related to the sale of handsets on instalments.

Commenting on 2Q 2023 results, Jacek Kunicki, Chief Financial Officer, said:

"I am very satisfied with our financial performance in 2Q. The EBITDAaL increased by more than 3% year-on-year fuelled by a 6% expansion of the direct margin coming from all our core business lines. This coupled with ongoing cost transformation enabled us to offset the inflationary pressures. Our cash generation was strongly enhanced in 2Q thanks mainly to improvement in working capital. As a result our balance sheet structure further strengthened with financial leverage down to 1.1x. Sound balance sheet gives us the necessary flexibility in current turbulent times and the start of the 5G auction brings us closer to removing this uncertainty from our future cash flow projections.

On the back of strong 1H results we are able to upgrade our full-year revenue and EBITDAaL guidance. This underscores our efforts to execute the .Grow strategy despite difficult environment. I am confident that in line with our strategic plan, 2023 will be the third consecutive year of growth."

Full-year revenue and EBITDAaL guidance revised upwards

Based on financial results for the first half of 2023 and the outlook for remainder of the year, the Management Board has increased forecast for full-year revenue and EBITDAaL performance. It now expects EBITDAaL to grow by low single digit versus flat/low single digit growth previously and revenue to grow by low-to-mid single digit versus low single digit growth previously. More favourable EBITDAaL and revenue outlook stems from strong results driven by excellent core business performance in first half of 2023. At the same time, the Management Board has maintained the guidance for economic capital expenditures (range of PLN 1.5-1.7 billion) as published in the current report 5/2023 on 15 February 2023.

Realisation of this guidance will be monitored by the Company on an ongoing basis. Should there occur material deviation from the forecast, the Company will make a revision to the forecast and immediately publish it in the form of a current report.

Reconciliation of operating performance measure to financial statements

Disclosures on performance measures have been presented in the Note 2 to Condensed IFRS Interim Consolidated Financial Statements of the Orange Polska Group for the 6 months ended 30 June 2023 (available at https://www.orange-ir.pl/results-center/).

in PLNm	2Q 2023	1H 2023	2Q 2022	1H 2022
Operating income	**343**	**735**	**337**	**581**
Less gains on disposal of fixed assets	-28	-114	-49	-70
Add-back of depreciation, amortisation and impairment of property, plant and equipment and intangible assets*	502	989	506	1,010
Add share of loss of joint venture adjusted for elimination of margin earned on asset related transactions with joint venture	16	29	26	34
Interest expense on lease liabilities	-35	-66	-21	-38
Adjustment for the impact of employment termination programs and reorganisation costs	25	12	-6	-6
Adjustment for the costs related to acquisition, disposal and integration of subsidiaries	-	-	5	9
EBITDAaL (EBITDA after Leases)	**823**	**1,585**	**798**	**1,520**

*Includes impairment of rights of perpetual usufruct of land historically recognised as property, plant and equipment, subsequently reclassified to right-of-use assets (PLN 4 million in 1Q 2023 and PLN 3 million in 2Q 2023).

[1] Cash capex calculation reduced by cash proceeds from sale of fibre network assets to FiberCo JV (excluded from cash proceeds from sale of assets)

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', 'adjusted' 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.

Invitation to Orange Polska's 2Q 2023 results presentation

Orange Polska's Management Board are pleased to invite you to the Company's 2Q 2023 results presentation

26th July 2023

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

The presentation will take place on-line. It will be available via a live conference call.

To attend the conference please dial:

Dial in numbers:

Conference Code: 411064
Poland: 0048 22 124 49 59
Canada: 001 587 855 1318
Germany: 0049 30 25 555 323
France: 0033 1758 50 878
United Kingdom: 0044 203 984 9844
United States: 001 718 866 4614

or click on the link for web dial in:

https://mm.closir.com/slides?id=411064

Orange Polska Group Consolidated Results

amounts in PLN millions	2022 proforma					2023	
	1Q	2Q	3Q	4Q	FY	1Q	2Q
Income statement	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
Revenues							
Mobile services only	**671**	**699**	**710**	**717**	**2,797**	**710**	**723**
Fixed services only	**477**	**475**	**475**	**471**	**1,898**	**464**	**471**
Narrowband	153	147	143	138	581	132	128
Broadband	219	223	224	224	890	222	224
B2B Network Solutions	105	105	108	109	427	110	119
Convergent services B2C	**526**	**530**	**544**	**554**	**2,154**	**564**	**578**
Equipment sales	**331**	**363**	**400**	**488**	**1,582**	**463**	**417**
IT and integration services	**312**	**357**	**323**	**500**	**1,492**	**348**	**458**
Wholesale	**456**	**467**	**493**	**474**	**1,890**	**427**	**448**
Mobile wholesale	286	295	295	285	1,161	233	246
Fixed wholesale	73	72	85	79	309	75	78
Other	97	100	113	110	420	119	124
Other revenues	**158**	**164**	**178**	**175**	**675**	**163**	**129**
Total revenues	**2,931**	**3,055**	**3,123**	**3,379**	**12,488**	**3,139**	**3,224**
Labour expenses*	(368)	(344)	(322)	(365)	(1,399)	(372)	(347)
External purchases*	**(1,688)**	**(1,780)**	**(1,826)**	**(2,129)**	**(7,423)**	**(1,867)**	**(1,881)**
- Interconnect expenses	(369)	(385)	(395)	(389)	(1,538)	(337)	(356)
- Network and IT expenses	(207)	(205)	(230)	(241)	(883)	(228)	(235)
- Commercial expenses	(602)	(688)	(665)	(898)	(2,853)	(762)	(771)
- Other external purchases*	(510)	(502)	(536)	(601)	(2,149)	(540)	(519)
Other operating incomes & expenses*	5	34	16	21	76	46	19
Impairment of receivables and contract assets	(18)	(23)	(19)	(14)	(74)	(22)	(24)
Amortization and impairment of right-of-use assets	(123)	(123)	(123)	(126)	(495)	(131)	(133)
Interest expense on lease liabilities	(17)	(21)	(27)	(30)	(95)	(31)	(35)
EBITDAaL (EBITDA after Leases)	**722**	**798**	**822**	**736**	**3,078**	**762**	**823**
% of revenues	*24.6%*	*26.1%*	*26.3%*	*21.8%*	*24.6%*	*24.3%*	*25.5%*
Gains on disposal of fixed assets	21	49	15	22	107	86	28
Depreciation, amortisation and impairment of property, plant and equipment and intangibles assets**	(504)	(506)	(516)	(520)	(2,046)	(487)	(502)
Add-back of interest expense on lease liabilities	17	21	27	30	95	31	35
Adjustment for the impact of employment termination programs and reorganization costs*	0	6	(6)	1	1	13	(25)
Adjustment for the costs related to acquisition,disposal and integration of subsidiaries*	(4)	(5)	(4)	(4)	(17)	0	0
Share of profit/ (loss) of joint venture adjusted for elimination of margin earned on asset related transactions with joint venture*	(8)	(26)	(14)	(9)	(57)	(13)	(16)
Operting income	**244**	**337**	**324**	**256**	**1,161**	**392**	**343**
% of revenues	*8.3%*	*11.0%*	*10.4%*	*7.6%*	*9.3%*	*12.5%*	*10.6%*
Finance costs, net	(88)	(68)	(86)	(52)	(294)	(62)	(45)
- Interest income	13	23	31	27	94	26	19
- Interest expense on lease liabilities	(17)	(21)	(27)	(30)	(95)	(31)	(35)
- Other interest expense and financial charges	(47)	(50)	(43)	(51)	(191)	(42)	(38)
- Discounting expense	(19)	(21)	(20)	(20)	(80)	(13)	(16)
- Foreign exchange gains/ (losses)	(18)	1	(27)	22	(22)	(2)	25
Income tax	(31)	(26)	(45)	(41)	(143)	(60)	(59)
Consolidated net income / (loss)	**125**	**243**	**193**	**163**	**724**	**270**	**239**

*Labour expenses, other external purchases and other operating incomes & expenses exclude adjustment due to employment termination program and some costs related to acquisition,disposal and integration of subsidiaries, and starting from Q2'22 also for elimination of margin earned on transactions with joint venture.

**In 1Q 2023 D&A includes PLN 4 million and in 2Q 2023 PLN 3 million impairment of rights of perpetual usufruct of land historically recognised as property, plant and equipment, subsequently reclassified to right-of-use assets.

Orange Polska Group key performance indicators

Customer base (in thousands)	2022				2023	
	1Q	2Q	3Q	4Q	1Q	2Q
B2C convergent customers	**1,563**	**1,578**	**1,594**	**1,625**	**1,639**	**1,653**
Fixed broadband access						
Fibre	999	1,065	1,120	1,171	1,218	1,257
ADSL	653	623	591	561	530	504
VDSL	480	470	459	448	435	424
Wireless for fixed	622	627	624	625	623	624
Retail broadband - total	**2,755**	**2,786**	**2,793**	**2,804**	**2,806**	**2,810**
o/w B2C convergent	*1,563*	*1,578*	*1,594*	*1,625*	*1,639*	*1,653*
TV client base						
IPTV	737	768	794	821	839	853
DTH (TV over Satellite)	241	203	169	135	103	84
TV client base - total	**978**	**970**	**963**	**955**	**943**	**937**
o/w B2C convergent	*848*	*843*	*839*	*836*	*827*	*824*
Mobile accesses						
Post-paid						
Mobile Handset	*8,506*	*8,609*	*8,666*	*8,723*	*8,763*	*8,820*
Mobile Broadband	*659*	*646*	*638*	*627*	*621*	*620*
M2M	*2,880*	*2,983*	*3,168*	*3,216*	*3,253*	*3,319*
Total post-paid	**12,046**	**12,238**	**12,472**	**12,566**	**12,636**	**12,759**
o/w B2C convergent	*2,914*	*2,937*	*2,958*	*2,991*	*3,001*	*3,024*
Pre-paid	**5,260**	**5,591**	**5,451**	**5,064**	**4,799**	**4,690**
Total	**17,306**	**17,829**	**17,924**	**17,630**	**17,435**	**17,449**
Fibre households connectable	**6,153**	**6,475**	**6,757**	**7,073**	**7,252**	**7,497**
Wholesale customers						
WLR	*222*	*214*	*206*	*198*	*190*	*184*
Bitstream access	*147*	*151*	*155*	*162*	*167*	*171*
o/w fibre	*59*	*65*	*73*	*83*	*94*	*103*
LLU	*40*	*39*	*37*	*34*	*33*	*31*
Fixed telephony accesses						
PSTN	1,463	1,417	1,375	1,331	1,286	1,248
VoIP	1,199	1,216	1,228	1,241	1,250	1,257
Total retail main lines	**2,662**	**2,633**	**2,603**	**2,572**	**2,536**	**2,506**
o/w B2C convergent	*896*	*911*	*923*	*940*	*947*	*952*
o/w B2C PSTN convergent	*8*	*7*	*7*	*6*	*6*	*5*
o/w B2C VoIP convergent	*888*	*904*	*916*	*934*	*941*	*947*

Quarterly ARPO in PLN per month	2022				2023	
	1Q	2Q	3Q	4Q	1Q	2Q
Convergent services B2C	113.7	113.7	115.6	115.9	116.4	118.6
Fixed services only - voice	36.5	36.2	36.2	36.4	36.1	36.1
Fixed services only - broadband	61.0	61.3	62.0	62.5	63.0	64.0
Mobile services only	20.1	20.2	20.1	20.8	21.1	21.9
Post-paid excl M2M	26.4	26.8	27.3	27.3	27.4	27.7
Mobile Handset	*28.0*	28.3	28.9	28.8	28.9	29.3
Mobile Broadband	*12.1*	12.1	12.1	12.1	11.9	11.7
Pre-paid	12.3	12.5	11.8	12.9	13.0	13.9

Other mobile operating statistics	2022				2023	
	1Q	2Q	3Q	4Q	1Q	2Q
DATA AUPU in GB						
post-paid	6.8	7.4	8.0	8.3	8.5	9.2
pre-paid	6.0	6.4	6.7	7.9	8.4	8.9
blended	6.5	7.0	7.5	8.2	8.5	9.1
Quarterly mobile customer churn rate (%)						
post-paid	1.9	1.9	2.3	2.1	2.1	1.8
pre-paid	9.5	7.5	14.6	18.5	16.3	13.2

Employment structure of Group as reported **Active full time equivalents (end of period)**	2022				2023	
	1Q	2Q	3Q	4Q	1Q	2Q
Orange Polska	**10,085**	**9,831**	**9,640**	**9,445**	**9,366**	**9,222**
50% of Networks	338	339	331	319	334	332
Total	10,423	10,170	9,971	9,764	9,700	9,554

Terms used:

ARPO – average revenue per offer

Churn rate – the number of customers who disconnect from a network divided by the weighted average number of customers in a given period.

Convergent services – Revenues from B2C convergent offers (excluding equipment sales). A convergent offer is defined as an offer combining at least a broadband access (xDSL, FTTx, cable or wireless for fixed) and a mobile voice contract (excluding MVNOs) with a financial benefit. Convergent services revenues do not include incoming and visitor roaming revenues.

Convergent services B2C ARPO – The average monthly revenues from convergent services generated by retail customers (B2C) divided by the **average** number of B2C convergent customers in a given period.

Data Average Usage per User (Data AUPU) – The average monthly total usage of gigabytes divided by the average number of mobile SIM cards (ex M2M and mobile broadband) in a given period.

Fixed broadband-only services – Revenues from fixed broadband offers (excluding B2C convergent offers and equipment sales), including TV and VoIP services.

Fixed broadband-only services ARPO – The average monthly revenues from fixed broadband only services divided by the average number of accesses in a given period.

Household connectable with fibre - an apartment in multi-family building or a single family house within the reach of our fibre to the home service that allows to provide service with a speed of at least 300Mb/s

Mobile-only services – Revenues from mobile offers (excluding consumer market convergent offers) and Machine to Machine (M2M) connectivity. Mobile-only services revenues do not include equipment sales and incoming and visitor roaming revenues.

Mobile-only services ARPO – The average monthly retail revenues from mobile only services excluding M2M connectivity, divided by the average number of SIM cards (excluding M2M) in a given period.

Mobile-only broadband ARPO – The average monthly retail revenues from SIM cards dedicated to mobile broadband access (excluding B2C convergent offers and equipment sales) divided by the average number of these SIM cards in a given period.

Mobile-only handset ARPO – The average monthly retail revenues from SIM cards dedicated to mobile handset access (excluding B2C convergent offers and equipment sales) divided by the average number of these SIM cards in a given period.