

**PLAY Q2 2014 results**

*Press release*

*August 21, 2014*

**PLAY continues revenue and EBITDA expansion and remains the fastest growing mobile operator in Poland**

**Q2 2014 Highlights:**

- Usage revenue for the twelve months ended Q2 2014 amounted to PLN 3,197m, increasing by 20% year over year
- Q2 2014 usage revenues amounted to PLN 852m, an increase by 20% over Q2 2013, outpacing subscriber base growth
- Adj. EBITDA for the twelve months ended Q2 2014 amounted to PLN 922m, up by 48% over Q2 2013
- Q2 2014 Adj. EBITDA amounted to PLN 269m, up by 13% over Q1 2014, and marked further EBITDA % margin growth to 25.5% in Q2 2014 from 24.2% in Q1 2014
- Total customer base achieved 11.275 million (+14.8% year on year), while share of contract subscribers increased to 45.6%, up from 44.4% in Q2 2013;
- New network sharing / national roaming deal was signed with T-Mobile, allowing to secure flat network sharing costs in the long term and enabling quality improvements for Play subscribers
- Continued fast roll-out of 4G LTE network, which reaches 45% of population as of June 30, 2014 and 54% as of July 31, 2014

In Q2 2014 PLAY continued revenue and EBITDA expansion, driven both by subscriber base growth and ARPU growth, achieved on a stable cost base. Usage revenue for the twelve months ended June 30, 2014 amounted to PLN 3,197 million, representing an increase of 20% over twelve months to June 30, 2013. The share of contract subscribers in total subscriber base further increased to 45.6% in Q2 2014, compared to 44.4% in Q2 2013 and 45.0% in Q1 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 Q2 2014.

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PLAY's subscriber base grew to 11.275 million customers as of June 30, representing an estimated 19.8% of all reported mobile subscribers in Poland. PLAY continued to acquire the highest share of customers porting their numbers under Mobile Number Portability, registering above 50% share for 21 quarters in a row.

Adjusted EBITDA for twelve months ended June 2014 amounted to PLN 922 million, an increase by 48% compared to twelve months ended June 2013. For Q2 2014 standalone the Adjusted EBITDA was PLN 269 million representing 13% growth over Q1 2014. PLAY continues to improve Adjusted EBITDA % margin, which for Q2 2014 equaled 25.5%, compared to 24.2% in Q1 2014.

*"In the second quarter we have completed a smooth transition to T-Mobile as primary National Roaming provider. We have also seen growing success of our Formuła Rodzina offer, Poland's first comprehensive mobile offer for families. Finally, we continue strong financial performance, with Adjusted EBITDA growing by 13% quarter on quarter."*

Jørgen Bang-Jensen, the CEO of PLAY

Results of PLAY for Q2 2014 and twelve months ended June 2014:

		Q2 2013	Q2 2014	Change q-o-q	Q1 2014	Q2 2014	Change q-o-q	Twelve months to June 30,		Change y-o-y
								2013	2014	
<b>Operating revenue</b>		929	1,055	13.5%	986	1,055	7.0%	3,719	3,957	6.4%
<b>Service revenue</b>	<i>PLN in millions</i>	873	1,004	15.0%	938	1,004	7.0%	3,412	3,725	9.2%
<b>Usage revenue</b>		711	852	19.8%	801	852	6.3%	2,654	3,197	20.5%
<b>Adjusted EBITDA</b>		193	269	39.7%	238	269	13.0%	622	922	48.2%
<b>% Margin</b>	%	20.8%	25.5%		24.1%	25.5%		16.7%	23.3%	
<b>Total Subscribers</b>	<i>Thousands subscribers</i>	9,825	11,275	14.8%	10,943	11,275	3.0%			
<b>Contract Subscribers</b>		4,360	5,147	18.1%	4,924	5,147	4.5%			
<b>% share of contract subscribers</b>	%	44.4%	45.6%		45.0%	45.6%				

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### **About Play**

***P4 Sp. z o.o., trading as Play, is a consumer-focused mobile network operator in Poland with over 11 million subscribers as of June 30, 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.***

### **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.***