

PLAY COMMUNICATIONS S.A.*

(“Play” or the “Company”)

Results for the third quarter and nine months ended 30 September 2018

Play strengthens position as Poland’s #1 mobile operator

- **#1 market position strengthened through successful launch of new offers focused on Family SIM bundling, Home Internet and the sale of mobile devices**
- **Active contract subscriber base up by 0.5m YoY with continued low, stable churn**
- **Continued strong FCFE generation, up by +5.4% YoY despite ambitious nationwide network rollout**
- **Sustained growth in net profit to PLN 190m, up by 1.5% YoY and 121.9% YoY on a nine-month basis**
- **The Company remains confident in the profitability and cash flow generation outlook for the full year**

Play (WSE: PLY), the leading Polish mobile network operator, today announces its results for the third quarter and nine months ended 30 September 2018. The results show a further three months of strong customer growth, helping Play to successfully extend its #1 market position whilst also increasing cash generation and net profitability.

Jean Marc Harion, CEO, commented:

“We have placed significant focus this year on driving growth in the most valuable parts of our customer base, and the third quarter results presented today show us making real returns from these efforts. We understand Polish consumers; we understand their needs and their demands; and we have continued to earn their loyalty this quarter to remain Poland’s #1 mobile operator. We are working hard to maintain this momentum, pushing ahead with our new SIM-bundling offer ‘Generations’, as well as revamping our internet propositions supported by our ever-expanding own network.”

“Play is a forward-looking company: a challenger brand in a unique leadership position. I promised when I delivered my first results presentation in Q2 to share with our investors a plan for our next phase of leadership, therefore tomorrow I will present how we plan to leverage our commercial excellence, digital capabilities and lean modern network to drive further sustainable EBITDA growth through a mobile-centric convergence strategy.”

Q3 Operational Highlights:

- **Further strengthened Play’s position as Poland’s #1 mobile operator**
 - 15.0m reported customers (+0.9% YoY) and 12.7m active customers (+3.0% YoY)
- **Continued to drive customer value and retention through attractive, targeted propositions**
 - Contract customer share increased to 65% (+3.2pp YoY) whilst contract churn remained low and stable at 0.8%
 - Blended ARPU increased to PLN 32.4 (+0.4% YoY)
 - Successfully launched new offers for contract segment: Family SIM bundle ‘Generations’ and New Play Internet and a ‘best price guarantee’ offer launched for selected handsets without subscription
- **Fast-paced network roll-out programme continued on track**
 - Targeting ~7,000 sites by the end of 2018, with 6,440 sites now ready: 364 sites added in Q3 (+140% YoY)
 - Well on track to reach strategic target of ~9,000 sites by year-end 2020

Q3 Financial Highlights:

- Service revenue reached PLN 1,289m (+2.5% YoY) while sales of goods declined to PLN 418m (-9.7% YoY) due to the lower share of mobile phone contracts within overall subscription sales
- Adjusted EBITDA amounted to PLN 555m (-1.7% YoY) as expected and compounded by lower sales of goods combined with the ongoing impact of transition costs (national roaming, network development related costs and new offer launch expenses)
- Net profit increased to PLN 190m (+1.5% YoY) while increased free cash flow to equity (post lease payments) (FCFE¹) of PLN 181m (+5.4% YoY) reflecting continued robust management of contract assets
- Cash capex amounted to PLN 202m driven by continued expansion of Play's network

Holger Püchert, CFO, commented:

"We delivered a solid set of financial results this quarter, continuing our momentum and tracking toward our full year guidance update given in August. Not only is our Net Profit up 122% year-on-year on a nine-month basis, there is also clear evidence that some of the headwinds from the temporary transition costs that we discussed at H1 are abating in the third quarter. Our strong free cash flow to equity generation proves the strength of our underlying model and gives us the means to push ahead with the network roll out plans that will help drive our next phase of growth."

2018 guidance status:

	9M 2018 Execution	FY 2018 Guidance	Status
Revenue growth	2.1% growth, driven by service revenue	2-3% growth, driven by service revenue	Confirmed ~2% YoY, driven by service revenue
Adjusted EBITDA	PLN 1.6bn 74-77% of FY guidance range	PLN 2.1-2.2bn	Confirmed
Cash capex	PLN 510m 64% of FY guidance limit	Up to PLN 800m	Confirmed
FCFE	PLN 603m 75-80% of FY guidance range	PLN 750-800m	Confirmed
Distribution to Shareholders	40-50% of FCFE		Confirmed

Q3 progress report

In the third quarter of 2018 Play successfully defended and extended its #1 position in the Polish mobile market. The successful launch of three compelling new offers helped deliver a 3.0% rise in active customers (+369K YoY) and 0.9% rise in reported customers (+134K YoY). The quality and loyalty of Play's customer base also continued to increase during the period. Long-term contract churn remained stable and at sector leading levels at 0.8%, on both a YoY and sequential basis, whilst blended ARPU continued to grow to PLN 32.4. Contract customer share increased to 65% (+3.2pp YoY).

The Play network is at the heart of its leading customer offer, and the network rollout programme continues to gather momentum. 364 sites were added in Q3, bringing the total number of live sites to 6,440 and setting the Company well on track to deliver its target of ~7,000 sites by the end of the year. Developing its own lean and modern infrastructure network is an important element to Play's long-term

¹ The measures presented are not comparable to similarly titled measures used by other companies. Free cash flow to equity (post lease payments) does not reflect all past expenses and cash outflows as well as does not reflect the future cash requirements necessary to pay significant interest expense, income taxes, or the future cash requirements necessary to service interest or principal payments, on our debts. We encourage you to review our financial information in its entirety and not rely on a single financial measure. See in Report "Presentation of Financial Information—Non-IFRS Measures" for an explanation of certain limitations to the use of these measures

* Play Communications S.A. is the holding company for Play Group which operating subsidiary P4 Sp. z o.o. manages the Play brand.

growth ambitions creating a strong platform from which to offer additional, value-added services whilst also gradually reducing the cost impact of national roaming before fully switching it off from 2022.

This third quarter performance marks the latest period in a solid nine months for Play: a period in which the Company has delivered robust top-line growth and improved net profit. Operating revenue in the nine months of 2018 has increased by 2.1%, driven by a 4.3% increase in service revenue fuelled by growth in both usage and interconnection. Over the same nine-month period, net profit is 121.9% YoY higher and FCFE is 64.2% YoY higher, reflecting continued robust management of contract assets.

Financial and operational summary (in PLN million, unless otherwise stated):

	Three months ended September 30		Change	Nine months ended September 30		Change
	2017	2018		2017	2018	
Operating revenue	1 721	1 707	(0.8%)	4 930	5 032	2.1%
Adj. EBITDA	565	555	(1.7%)	1 728	1 624	(6.0%)
Net profit	187	190	1.5%	244	542	121.9%
Cash Capex	(167)	(202)	21.4%	(527)	(510)	(3.2%)
FCFE	171	181	5.4%	367	603	64.2%
Total Reported Customers (in '000)	14 889	15 023	0.9%	14 889	15 023	0.9%
Reported Contract Customers (in '000)	9 203	9 771	6.2%	9 203	9 771	6.2%
Total Active Customers (in '000)	12 355	12 724	3.0%	12 355	12 724	3.0%
Active Contract Customers (in '000)	8 490	8 987	5.8%	8 490	8 987	5.8%
Net Contract Additions (in '000)	261	61	(76.6%)	837	341	(59.3%)
Contract Churn (%)	0.8%	0.8%	-	0.7%	0.8%	0.1pp
Contract ARPU (PLN)	38.6	37.9	(1.9%)	38.4	37.7	(2.0%)
Data Usage per Contract Customer (MB)	5 039	6 312	25.3%	4 734	6 178	30.5%
Network sites build in the period	152	364	139.5%	286	694	142.7%

Conference call

The management team will host an analyst and investor conference call at 09.30am UK time (10.30am CET), on Tuesday 13th November 2018, including a Question and Answer session. Financial results for the three and nine months ended 30 September 2018 will be available on the Play website at:

<https://www.playcommunications.com/events/2018/>

Online registration is required for the conference call at:
<http://emea.directeventreg.com/registration/8985402>

Conference call ID: 8985402

Upon registration you will automatically receive the dial-in details.

PLAY will also present its updated strategy and medium term ambitions at its Capital Markets Day this afternoon starting at 12.30pm CET. The presentation will be streamed live on <http://infostrefa.tv/investorday/en>.

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About Play: Play Communications S.A. is the holding company for Play Group which operating subsidiary P4 Sp. z o.o. manages the Play brand. Play is a consumer-focused mobile network operator in Poland with over 15m subscribers as of September 30, 2018. It provides mobile voice, messaging, data and video services for both consumers and businesses (in particular to SMEs) on a contract and prepaid basis under the umbrella brand PLAY. Its modern and cost-efficient 2G/3G/4G LTE telecommunications network covers 99% of the Polish population complemented by long-term national roaming/network sharing agreements. For more information, visit www.playcommunications.com and www.play.pl

Cautionary Statement:

The figures included in this press release are unaudited.

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 Communications S.A.'s and its subsidiaries (together the "Group") operations and business environment, all of which are difficult to predict and many are beyond the Group's control. Forward-looking statements include information concerning the Group'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 Group 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. For additional information on the factors that could affect the Group's forward-looking statements, see the Group's risk factors, as they may be amended from time to time, set forth in the Prospectus published on www.playcommunications.com. The Group disclaims and does not undertake any obligation to update or revise any forward-looking statement in this press release, except as required by applicable law or regulation.

Financial data included in this press release are presented in zloty rounded to the nearest millions. Therefore, discrepancies in the tables between totals and the sums of the amounts listed may occur due to such rounding.