

# **VIVACOM**

**Certain historical consolidated financial  
information and operating data**

**March 2015**

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## Income statement

| (BGN in millions)                     | For the three months ended |                |                |                | For the three months ended |                |                |                | For the three months ended |        |        |        | Year To Date   |                |                |
|---------------------------------------|----------------------------|----------------|----------------|----------------|----------------------------|----------------|----------------|----------------|----------------------------|--------|--------|--------|----------------|----------------|----------------|
|                                       | Mar-13                     | Jun-13         | Sep-13         | Dec-13         | Mar-14                     | Jun-14         | Sep-14         | Dec-14         | Mar-15                     | Jun-15 | Sep-15 | Dec-15 | 2013           | 2014           | 2015           |
| <b>Revenues</b>                       | <b>195.4</b>               | <b>203.6</b>   | <b>206.7</b>   | <b>206.2</b>   | <b>194.4</b>               | <b>198.3</b>   | <b>208.0</b>   | <b>205.3</b>   | <b>201.3</b>               | -      | -      | -      | <b>811.9</b>   | <b>805.9</b>   | <b>201.3</b>   |
| <b>Fixed</b>                          | <b>102.5</b>               | <b>100.2</b>   | <b>98.3</b>    | <b>95.1</b>    | <b>92.5</b>                | <b>92.5</b>    | <b>89.3</b>    | <b>87.5</b>    | <b>87.8</b>                | -      | -      | -      | <b>396.0</b>   | <b>361.9</b>   | <b>87.8</b>    |
| Fixed-voice                           | 61.5                       | 58.8           | 55.8           | 53.9           | 50.8                       | 48.8           | 46.2           | 44.6           | 42.8                       |        |        |        | 230.0          | 190.3          | 42.8           |
| Fixed-data                            | 26.1                       | 26.0           | 25.1           | 23.9           | 24.0                       | 23.9           | 23.8           | 23.8           | 23.9                       |        |        |        | 101.1          | 95.5           | 23.9           |
| Fixed pay-TV                          | 6.7                        | 7.4            | 7.7            | 8.6            | 9.2                        | 9.7            | 10.3           | 11.3           | 12.0                       |        |        |        | 30.5           | 40.4           | 12.0           |
| Fixed, other                          | 8.1                        | 7.9            | 9.7            | 8.7            | 8.6                        | 10.1           | 9.0            | 7.9            | 9.1                        |        |        |        | 34.4           | 35.7           | 9.1            |
| <b>Mobile</b>                         | <b>92.9</b>                | <b>103.5</b>   | <b>108.4</b>   | <b>111.2</b>   | <b>101.8</b>               | <b>105.8</b>   | <b>118.7</b>   | <b>117.7</b>   | <b>113.5</b>               | -      | -      | -      | <b>415.9</b>   | <b>444.0</b>   | <b>113.5</b>   |
| Mobile service                        | 78.6                       | 84.4           | 85.3           | 85.7           | 83.9                       | 89.9           | 94.2           | 94.9           | 95.5                       | -      | -      | -      | 334.0          | 362.9          | 95.5           |
| Pre-paid                              | 5.2                        | 5.8            | 6.7            | 5.5            | 4.8                        | 5.4            | 6.7            | 5.3            | 4.7                        |        |        |        | 23.1           | 22.1           | 4.7            |
| Post-paid                             | 73.4                       | 78.7           | 78.6           | 80.2           | 79.1                       | 84.5           | 87.5           | 89.6           | 90.8                       |        |        |        | 310.9          | 340.8          | 90.8           |
| Mobile, other                         | 14.3                       | 19.0           | 23.1           | 25.4           | 17.9                       | 15.9           | 24.5           | 22.8           | 18.0                       |        |        |        | 81.9           | 81.1           | 18.0           |
| <b>Operating Expenses</b>             | <b>(117.8)</b>             | <b>(122.8)</b> | <b>(127.9)</b> | <b>(109.4)</b> | <b>(110.3)</b>             | <b>(113.0)</b> | <b>(143.9)</b> | <b>(128.8)</b> | <b>(121.0)</b>             | -      | -      | -      | <b>(477.9)</b> | <b>(496.0)</b> | <b>(121.0)</b> |
| Interconnect expense                  | (16.1)                     | (17.1)         | (11.3)         | (11.0)         | (9.1)                      | (9.9)          | (10.1)         | (10.0)         | (10.3)                     |        |        |        | (55.4)         | (39.0)         | (10.3)         |
| Other operating expenses              | (56.9)                     | (56.3)         | (63.7)         | (35.0)         | (44.5)                     | (46.1)         | (68.6)         | (46.3)         | (44.6)                     |        |        |        | (212.0)        | (205.5)        | (44.6)         |
| Materials and consumables             | (27.6)                     | (32.3)         | (35.5)         | (41.5)         | (30.3)                     | (29.6)         | (39.3)         | (41.7)         | (36.0)                     |        |        |        | (136.9)        | (140.9)        | (36.0)         |
| Staff costs                           | (17.2)                     | (17.2)         | (17.3)         | (22.0)         | (26.4)                     | (27.4)         | (26.0)         | (30.8)         | (30.1)                     |        |        |        | (73.6)         | (110.6)        | (30.1)         |
| Depreciation and amortization         | (62.9)                     | (65.1)         | (65.4)         | (65.6)         | (63.7)                     | (64.1)         | (63.8)         | (64.2)         | (57.9)                     |        |        |        | (259.0)        | (255.8)        | (57.9)         |
| Finance expenses, net                 | (11.8)                     | (11.5)         | (11.3)         | (12.0)         | (12.7)                     | (10.2)         | (7.3)          | (4.5)          | (11.0)                     |        |        |        | (46.6)         | (34.7)         | (11.0)         |
| Other Gains and Loses, net            | 1.4                        | 0.0            | 1.2            | 2.1            | 1.3                        | 1.3            | 3.0            | 4.0            | 3.9                        |        |        |        | 4.7            | 9.6            | 3.9            |
| <b>Profit before tax</b>              | <b>4.2</b>                 | <b>4.2</b>     | <b>3.3</b>     | <b>21.3</b>    | <b>9.0</b>                 | <b>12.2</b>    | <b>(4.0)</b>   | <b>11.8</b>    | <b>15.2</b>                | -      | -      | -      | <b>33.1</b>    | <b>29.1</b>    | <b>15.2</b>    |
| Income tax expense                    | (0.5)                      | (0.7)          | (0.4)          | (2.3)          | (1.1)                      | (1.1)          | 0.9            | (1.5)          | (1.6)                      |        |        |        | (3.9)          | (2.7)          | (1.6)          |
| <b>Profit for the period</b>          | <b>3.8</b>                 | <b>3.6</b>     | <b>2.9</b>     | <b>19.0</b>    | <b>8.0</b>                 | <b>11.1</b>    | <b>(3.1)</b>   | <b>10.3</b>    | <b>13.6</b>                | -      | -      | -      | <b>29.2</b>    | <b>26.3</b>    | <b>13.6</b>    |
| <b>Adjustments for:</b>               |                            |                |                |                |                            |                |                |                |                            |        |        |        |                |                |                |
| Income tax expense                    | 0.5                        | 0.7            | 0.4            | 2.3            | 1.1                        | 1.1            | (0.9)          | 1.5            | 1.6                        | -      | -      | -      | 3.9            | 2.7            | 1.6            |
| Finance expenses, net                 | 11.8                       | 11.5           | 11.3           | 12.0           | 12.7                       | 10.2           | 7.3            | 4.5            | 11.0                       | -      | -      | -      | 46.6           | 34.7           | 11.0           |
| Depreciation and amortization         | 62.9                       | 65.1           | 65.4           | 65.6           | 63.7                       | 64.1           | 63.8           | 64.2           | 57.9                       | -      | -      | -      | 259.0          | 255.8          | 57.9           |
| <b>EBITDA</b>                         | <b>79.0</b>                | <b>80.8</b>    | <b>80.0</b>    | <b>98.8</b>    | <b>85.4</b>                | <b>86.6</b>    | <b>67.1</b>    | <b>80.5</b>    | <b>84.1</b>                | -      | -      | -      | <b>338.7</b>   | <b>319.6</b>   | <b>84.1</b>    |
| Other gains, net                      | (1.4)                      | (0.0)          | (1.2)          | (2.1)          | (1.3)                      | (1.3)          | (3.0)          | (4.0)          | (3.9)                      | -      | -      | -      | (4.7)          | (9.6)          | (3.9)          |
| <b>Adjustments to operating expen</b> | <b>1.9</b>                 | <b>0.9</b>     | <b>10.4</b>    | <b>(22.8)</b>  | <b>1.7</b>                 | <b>2.6</b>     | <b>26.2</b>    | <b>(5.5)</b>   | <b>2.8</b>                 | -      | -      | -      | <b>(9.5)</b>   | <b>25.0</b>    | <b>2.8</b>     |
| Asset impairment and write off        | 1.2                        | 0.9            | 1.6            | (25.7)         | 0.6                        | 1.0            | 25.7           | (7.9)          | 1.3                        |        |        |        | (22.0)         | 19.5           | 1.3            |
| Provisions and penalties              | 0.3                        | (0.1)          | 7.4            | 0.8            | 0.5                        | 1.0            | 0.1            | 0.7            | (0.1)                      |        |        |        | 8.4            | 2.4            | (0.1)          |
| Other exceptional items               | 0.5                        | 0.2            | 1.4            | 2.0            | 0.5                        | 0.6            | 0.3            | 1.7            | 1.6                        |        |        |        | 4.2            | 3.1            | 1.6            |
| <b>Adjusted EBITDA</b>                | <b>79.5</b>                | <b>81.7</b>    | <b>89.2</b>    | <b>74.0</b>    | <b>85.7</b>                | <b>87.8</b>    | <b>90.3</b>    | <b>71.0</b>    | <b>83.1</b>                | -      | -      | -      | <b>324.5</b>   | <b>334.9</b>   | <b>83.1</b>    |

## Balance sheet

| (BGN in millions)                            | As at the month ended |                |                |                | As at the month ended |                |                |                | As at the month ended |        |        |        |
|--|-----------------------|----------------|----------------|----------------|-----------------------|----------------|----------------|----------------|-----------------------|--------|--------|--------|
|  | Mar-13                | Jun-13         | Sep-13         | Dec-13         | Mar-14                | Jun-14         | Sep-14         | Dec-14         | Mar-15                | Jun-15 | Sep-15 | Dec-15 |
| Cash and Cash Equivalents                    | 105.3                 | 109.7          | 133.7          | 87.3           | 117.9                 | 41.1           | 42.8           | 60.1           | 60.2                  |        |        |        |
| Trade receivables                            | 68.7                  | 71.6           | 71.0           | 72.8           | 75.6                  | 223.4          | 101.3          | 150.0          | 114.8                 |        |        |        |
| Current income tax receivables               | 0.4                   | 0.4            |                |                | -                     | -              | -              | 0.1            | 0.1                   |        |        |        |
| Inventories                                  | 28.4                  | 39.5           | 41.3           | 37.3           | 41.8                  | 44.4           | 35.2           | 34.7           | 32.5                  |        |        |        |
| Investments                                  | 0.1                   | 0.1            |                | 0.1            | 0.8                   | 0.0            | 9.2            | 0.3            | 1.7                   |        |        |        |
| Other current assets                         | 14.7                  | 20.5           | 15.5           | 11.1           | 20.9                  | 16.9           | 13.2           | 9.5            | 21.8                  |        |        |        |
| Assets classified as held for sale           | 2.1                   | 1.8            | 1.8            | 1.5            | 1.5                   | 1.5            | 1.5            | 1.9            | 0.4                   |        |        |        |
| <b>Total current assets</b>                  | <b>219.8</b>          | <b>243.6</b>   | <b>263.4</b>   | <b>210.2</b>   | <b>258.5</b>          | <b>327.3</b>   | <b>203.1</b>   | <b>256.4</b>   | <b>231.5</b>          | -      | -      | -      |
| Goodwill                                     | 2.0                   | 2.0            | 2.0            | 2.0            | 2.0                   | 2.0            | 2.0            | 2.0            | 2.0                   |        |        |        |
| Property, Plant and Equipment                | 866.6                 | 847.9          | 830.3          | 853.4          | 826.9                 | 802.1          | 785.8          | 812.3          | 787.7                 |        |        |        |
| Intangible Assets                            | 274.5                 | 261.9          | 246.8          | 252.2          | 240.5                 | 227.3          | 215.5          | 215.4          | 203.0                 |        |        |        |
| Investments                                  | 0.3                   | 7.5            | 8.0            | 45.0           | 45.7                  | 6.2            | 19.1           | 0.4            | 0.4                   |        |        |        |
| Trade receivables - non-current              | 5.4                   | 6.8            | 8.3            | 10.1           | 11.0                  | 11.1           | 104.0          | 84.4           | 125.4                 |        |        |        |
| Other non-current assets                     | 1.4                   | 1.4            | 1.4            | 1.6            | 1.7                   | 1.7            | 1.8            | 2.0            | 2.3                   |        |        |        |
| Deferred tax assets                          | 0.0                   | 0.0            | 0.0            | 0.0            | 0.0                   | 0.0            | 0.1            | 0.0            | 0.0                   |        |        |        |
| <b>Total non-current assets, net</b>         | <b>1 150.3</b>        | <b>1 127.5</b> | <b>1 096.8</b> | <b>1 164.4</b> | <b>1 127.7</b>        | <b>1 050.5</b> | <b>1 128.1</b> | <b>1 116.5</b> | <b>1 120.9</b>        | -      | -      | -      |
| <b>TOTAL ASSETS</b>                          | <b>1 370.1</b>        | <b>1 371.2</b> | <b>1 360.2</b> | <b>1 374.5</b> | <b>1 386.2</b>        | <b>1 377.8</b> | <b>1 331.2</b> | <b>1 373.0</b> | <b>1 352.4</b>        | -      | -      | -      |
| Dividends Payable                            | 0.0                   | 0.0            | 0.0            | 0.0            | 0.0                   | 0.0            | 0.0            | 0.0            | 0.0                   |        |        |        |
| Trade payables                               | 83.1                  | 78.1           | 68.4           | 92.7           | 74.2                  | 61.2           | 69.5           | 121.2          | 73.8                  |        |        |        |
| Other payables                               | 28.7                  | 24.7           | 26.3           | 25.5           | 34.6                  | 42.4           | 33.5           | 31.5           | 39.0                  |        |        |        |
| Deferred income/revenue                      | 18.4                  | 18.6           | 19.3           | 18.9           | 19.1                  | 19.6           | 20.1           | 20.3           | 20.6                  |        |        |        |
| Current income tax liabilities               | 0.4                   | 0.5            | 1.3            | 0.0            | 2.0                   | 2.9            | 4.5            | 0.0            | 2.6                   |        |        |        |
| Provisions for other liabilities and charges | 7.0                   | 5.6            | 7.0            | 10.2           | 8.8                   | 7.2            | 5.8            | 5.5            | 4.6                   |        |        |        |
| Borrowings                                   | 42.5                  | 53.9           | 44.0           | 11.0           | 23.5                  | 11.8           | 24.9           | 12.5           | 25.3                  |        |        |        |
| <b>Total current liabilities</b>             | <b>180.0</b>          | <b>181.5</b>   | <b>166.2</b>   | <b>158.3</b>   | <b>162.2</b>          | <b>145.2</b>   | <b>158.3</b>   | <b>191.1</b>   | <b>165.8</b>          | -      | -      | -      |
| Borrowings                                   | 849.7                 | 838.2          | 839.7          | 841.6          | 841.6                 | 841.6          | 792.7          | 792.5          | 782.7                 |        |        |        |
| Deferred Tax Liability, Net                  | 17.5                  | 17.8           | 17.3           | 18.7           | 17.8                  | 17.9           | 15.4           | 15.1           | 14.3                  |        |        |        |
| Retirement benefit obligations               | 1.0                   | 1.0            | 1.0            | 2.0            | 2.0                   | 2.1            | 2.1            | 3.1            | 3.2                   |        |        |        |
| Provisions for other liabilities and charges | 8.8                   | 9.0            | 9.1            | 8.7            | 8.8                   | 8.9            | 9.1            | 8.7            | 8.8                   |        |        |        |
| Trade payables                               | 4.4                   | 4.3            | 4.2            | 4.1            | 4.0                   | 3.9            | 3.8            | 3.7            | 3.7                   |        |        |        |
| Deferred income/revenue                      | 1.2                   | 1.2            | 1.2            | 1.4            | 1.4                   | 1.3            | 1.3            | 1.3            | 1.5                   |        |        |        |
| <b>Total non-current liabilities</b>         | <b>882.7</b>          | <b>871.6</b>   | <b>872.6</b>   | <b>876.4</b>   | <b>875.5</b>          | <b>875.7</b>   | <b>824.5</b>   | <b>824.4</b>   | <b>814.2</b>          | -      | -      | -      |
| Share Capital                                | 288.8                 | 288.8          | 288.8          | 288.8          | 288.8                 | 288.8          | 288.8          | 288.8          | 288.8                 |        |        |        |
| Reserves                                     | 37.4                  | 44.4           | 44.7           | 44.3           | 45.0                  | 42.4           | 37.0           | 36.2           | 37.0                  |        |        |        |
| Retained earnings/(Accumulated loss)         | (18.8)                | (15.1)         | (12.1)         | 6.8            | 14.7                  | 25.8           | 22.8           | 32.5           | 46.6                  |        |        |        |
| <b>Total equity</b>                          | <b>307.4</b>          | <b>318.1</b>   | <b>321.4</b>   | <b>339.8</b>   | <b>348.5</b>          | <b>357.0</b>   | <b>348.5</b>   | <b>357.5</b>   | <b>372.4</b>          | -      | -      | -      |
| <b>TOTAL LIABILITIES AND EQUITY</b>          | <b>1 370.1</b>        | <b>1 371.2</b> | <b>1 360.2</b> | <b>1 374.5</b> | <b>1 386.2</b>        | <b>1 377.8</b> | <b>1 331.2</b> | <b>1 373.0</b> | <b>1 352.4</b>        | -      | -      | -      |

## Cash flow

|   | For the three months ended |               |               |               | For the three months ended |               |               |               | For the three months ended |          |          |          | Year To Date   |                |               |
|---|----------------------------|---------------|---------------|---------------|----------------------------|---------------|---------------|---------------|----------------------------|----------|----------|----------|----------------|----------------|---------------|
|   | Mar-13                     | Jun-13        | Sep-13        | Dec-13        | Mar-14                     | Jun-14        | Sep-14        | Dec-14        | Mar-15                     | Jun-15   | Sep-15   | Dec-15   | 2013           | 2014           | 2015          |
| <b>(BGN in millions)</b>  |                            |               |               |               |                            |               |               |               |                            |          |          |          |                |                |               |
| <b>Operating Activities:</b>                                    |                            |               |               |               |                            |               |               |               |                            |          |          |          |                |                |               |
| <b>Profit before tax from continuing activities</b>             | <b>4.2</b>                 | <b>4.2</b>    | <b>3.3</b>    | <b>21.3</b>   | <b>9.0</b>                 | <b>12.2</b>   | <b>(4.0)</b>  | <b>11.8</b>   | <b>15.2</b>                |          |          |          | <b>33.1</b>    | <b>29.1</b>    | <b>15.2</b>   |
| <b>Adjustments for:</b>   |                            |               |               |               |                            |               |               |               |                            |          |          |          |                |                |               |
| Depreciation and amortization                                   | 62.9                       | 65.1          | 65.4          | 65.6          | 63.7                       | 64.1          | 63.8          | 64.2          | 57.9                       |          |          |          | 259.0          | 255.8          | 57.9          |
| Gain on sale of non-current assets                              | (1.4)                      | (0.0)         | (1.1)         | (2.1)         | (1.3)                      | (1.3)         | (3.0)         | (4.0)         | (3.9)                      |          |          |          | (4.7)          | (9.6)          | (3.9)         |
| Impairment loss and write off of non-current asset              | 1.0                        | 0.7           | 1.5           | (26.5)        | 0.5                        | 0.9           | 0.9           | (8.3)         | 1.1                        |          |          |          | (23.3)         | (6.0)          | 1.1           |
| Interest expense, net   | 11.7                       | 11.5          | 11.3          | 12.1          | 12.6                       | 12.6          | 13.1          | 11.3          | 10.8                       |          |          |          | 46.6           | 49.7           | 10.8          |
| Impairment loss on trade receivables                            | 3.3                        | 2.5           | 2.1           | 0.6           | 2.2                        | 2.1           | 24.1          | 2.7           | 2.1                        |          |          |          | 8.6            | 31.0           | 2.1           |
| Impairment loss and write off of current asset                  | 0.2                        | 0.2           | 0.1           | 1.5           | 0.4                        | 0.1           | 0.2           | 1.2           | 0.1                        |          |          |          | 2.0            | 1.9            | 0.1           |
| Income from investment operations                               | -                          | (0.0)         | -             | (0.3)         | -                          | (2.6)         | (6.0)         | (7.2)         | -                          |          |          |          | (0.3)          | (15.7)         | -             |
| Loss/(gain) from operations with cash flow hedges               | 0.0                        | 0.0           | (0.0)         | (0.0)         | (0.0)                      | 0.0           | 0.0           | 0.0           | (0.0)                      |          |          |          | 0.0            | 0.0            | (0.0)         |
| Loss/(gain) from provisions                                     | 0.7                        | (0.2)         | 1.1           | 5.0           | 1.3                        | 1.7           | (1.4)         | 1.4           | 2.2                        |          |          |          | 6.7            | 3.1            | 2.2           |
| <b>Changes in:</b>  |                            |               |               |               |                            |               |               |               |                            |          |          |          |                |                |               |
| - inventories   | 3.6                        | (11.3)        | (1.8)         | 2.5           | (4.9)                      | (2.6)         | 9.1           | (0.7)         | 2.2                        |          |          |          | (7.0)          | 0.9            | 2.2           |
| - trade and other receivables                                   | (2.4)                      | (9.3)         | (3.9)         | (5.2)         | (7.1)                      | (151.1)       | 5.3           | 4.4           | (6.8)                      |          |          |          | (20.8)         | (148.4)        | (6.8)         |
| - other current and non-current assets                          | (0.5)                      | (5.8)         | 4.9           | 4.3           | (10.0)                     | 4.0           | 3.7           | 3.3           | (12.3)                     |          |          |          | 2.8            | 1.1            | (12.3)        |
| - trade and other payables                                      | 6.8                        | (5.7)         | (6.7)         | 5.7           | 5.2                        | (4.7)         | (3.3)         | 15.3          | (2.9)                      |          |          |          | 0.0            | 12.5           | (2.9)         |
| - provisions and employee benefits                              | (0.8)                      | (0.9)         | (0.7)         | 0.1           | (1.7)                      | (3.2)         | (1.1)         | (1.3)         | (2.5)                      |          |          |          | (2.2)          | (7.3)          | (2.5)         |
| - deferred income/revenue                                       | 0.3                        | 0.3           | 0.6           | (0.2)         | 0.2                        | 0.5           | 0.4           | 0.2           | 0.5                        |          |          |          | 1.0            | 1.3            | 0.5           |
| <b>Cash generated from operations</b>                           | <b>89.7</b>                | <b>51.3</b>   | <b>76.1</b>   | <b>84.4</b>   | <b>70.1</b>                | <b>(67.3)</b> | <b>101.9</b>  | <b>94.4</b>   | <b>63.8</b>                | <b>-</b> | <b>-</b> | <b>-</b> | <b>301.5</b>   | <b>199.2</b>   | <b>63.8</b>   |
| Interest received   | 0.1                        | 1.2           | 1.3           | 1.4           | 1.0                        | 1.3           | 1.2           | 0.2           | 0.0                        |          |          |          | 4.0            | 3.8            | 0.0           |
| Interest paid   | (12.8)                     | (12.2)        | (11.9)        | (33.5)        | (1.0)                      | (25.6)        | (0.6)         | (26.3)        | (0.3)                      |          |          |          | (70.4)         | (53.5)         | (0.3)         |
| Income tax paid   | -                          | (0.2)         | 0.4           | (2.2)         | (0.0)                      | (0.1)         | (0.0)         | (6.2)         | (0.0)                      |          |          |          | (2.1)          | (6.3)          | (0.0)         |
| <b>Net cash from operating activities</b>                       | <b>77.0</b>                | <b>40.2</b>   | <b>65.8</b>   | <b>50.1</b>   | <b>70.1</b>                | <b>(91.6)</b> | <b>102.5</b>  | <b>62.1</b>   | <b>63.5</b>                | <b>-</b> | <b>-</b> | <b>-</b> | <b>233.1</b>   | <b>143.1</b>   | <b>63.5</b>   |
| <b>Cash flows from investing activities:</b>                    |                            |               |               |               |                            |               |               |               |                            |          |          |          |                |                |               |
| Proceeds from sales of property, plant and equipment            | 9.5                        | 1.2           | 0.4           | 1.6           | 1.8                        | 1.7           | 2.5           | 4.2           | 5.1                        |          |          |          | 12.6           | 10.1           | 5.1           |
| Acquisition of property, plant, equipment and intangible assets | (43.9)                     | (36.5)        | (33.3)        | (36.9)        | (40.0)                     | (26.9)        | (31.1)        | (46.8)        | (57.7)                     |          |          |          | (150.6)        | (144.8)        | (57.7)        |
| Acquisition of investments                                      | -                          | 0.0           | -             | (37.2)        | 0.0                        | 0.0           | (28.1)        | (0.2)         | -                          |          |          |          | (37.2)         | (28.3)         | -             |
| Cash deposits with maturity greater than three months           | 0.0                        | (0.0)         | (0.1)         | -             | (0.1)                      | (0.0)         | (0.3)         | 0.0           | (0.2)                      |          |          |          | (0.1)          | (0.4)          | (0.2)         |
| Dividends received  | -                          | 0.1           | -             | 0.3           | -                          | 0.1           | -             | 0.2           | -                          |          |          |          | 0.4            | 0.3            | -             |
| Sale of investments   | -                          | 0.0           | -             | -             | -                          | 40.5          | 6.0           | -             | -                          |          |          |          | 0.0            | 46.4           | -             |
| <b>Net cash (used in) investing activities</b>                  | <b>(34.4)</b>              | <b>(35.3)</b> | <b>(33.0)</b> | <b>(72.1)</b> | <b>(38.3)</b>              | <b>15.4</b>   | <b>(51.1)</b> | <b>(42.6)</b> | <b>(52.8)</b>              | <b>-</b> | <b>-</b> | <b>-</b> | <b>(174.9)</b> | <b>(116.7)</b> | <b>(52.8)</b> |
| <b>Cash flows from financing activities:</b>                    |                            |               |               |               |                            |               |               |               |                            |          |          |          |                |                |               |
| Proceeds from new borrowings                                    | -                          | -             | -             | 850.8         | -                          | 78.2          | 9.8           | 9.8           | 9.8                        |          |          |          | 850.8          | 97.8           | 9.8           |
| Repayment of borrowings   | -                          | (0.3)         | (8.8)         | (875.0)       | -                          | (78.2)        | (58.7)        | (9.8)         | (19.6)                     |          |          |          | (884.2)        | (146.7)        | (19.6)        |
| Dividends paid  | -                          | (0.0)         | -             | -             | -                          | -             | -             | -             | -                          |          |          |          | (0.0)          | -              | -             |
| Payment of finance lease liabilities                            | (1.2)                      | (0.0)         | (0.0)         | (0.0)         | (1.2)                      | (0.6)         | (0.8)         | (2.3)         | (0.9)                      |          |          |          | (1.3)          | (4.9)          | (0.9)         |
| <b>Net cash used in financing activities</b>                    | <b>(1.2)</b>               | <b>(0.4)</b>  | <b>(8.8)</b>  | <b>(24.3)</b> | <b>(1.2)</b>               | <b>(0.6)</b>  | <b>(49.7)</b> | <b>(2.3)</b>  | <b>(10.7)</b>              | <b>-</b> | <b>-</b> | <b>-</b> | <b>(34.7)</b>  | <b>(53.8)</b>  | <b>(10.7)</b> |
| <b>Net increase/(decrease) in cash</b>                          | <b>41.4</b>                | <b>4.5</b>    | <b>24.0</b>   | <b>(46.3)</b> | <b>31</b>                  | <b>(77)</b>   | <b>2</b>      | <b>17</b>     | <b>(0)</b>                 | <b>-</b> | <b>-</b> | <b>-</b> | <b>23.5</b>    | <b>(27.4)</b>  | <b>(0.0)</b>  |
| Effect of exchange rate fluctuations on cash held               | 0.0                        | (0.0)         | (0.1)         | (0.0)         | (0.0)                      | 0.0           | 0.1           | 0.0           | 0.1                        |          |          |          | (0.1)          | 0.1            | 0.1           |
| Cash and cash equivalents at beginning of period                | 63.9                       | 105.3         | 109.7         | 133.7         | 87.3                       | 117.9         | 41.1          | 42.8          | 60.1                       |          |          |          | 63.9           | 87.3           | 60.1          |
| <b>Cash and cash equivalents at end of period</b>               | <b>105.3</b>               | <b>109.7</b>  | <b>133.7</b>  | <b>87.3</b>   | <b>117.9</b>               | <b>41.1</b>   | <b>42.8</b>   | <b>60.1</b>   | <b>60.2</b>                | <b>-</b> | <b>-</b> | <b>-</b> | <b>87.3</b>    | <b>60.1</b>    | <b>60</b>     |

## Capex

| <b>(BGN in millions)</b>            | <b>For the three months ended</b> |               |               |               | <b>For the three months ended</b> |               |               |               | <b>For the three months ended</b> |               |               |               | <b>Year To Date</b> |              |             |
|-------------------------------------|-----------------------------------|---------------|---------------|---------------|-----------------------------------|---------------|---------------|---------------|-----------------------------------|---------------|---------------|---------------|---------------------|--------------|-------------|
|                                     | <b>Mar-13</b>                     | <b>Jun-13</b> | <b>Sep-13</b> | <b>Dec-13</b> | <b>Mar-14</b>                     | <b>Jun-14</b> | <b>Sep-14</b> | <b>Dec-14</b> | <b>Mar-15</b>                     | <b>Jun-15</b> | <b>Sep-15</b> | <b>Dec-15</b> | <b>2013</b>         | <b>2014</b>  | <b>2015</b> |
| Network                             | 21.8                              | 23.3          | 20.7          | 47.9          | 13.2                              | 15.3          | 22.5          | 56.2          | 10.8                              |               |               |               | 113.7               | 107.1        | 10.8        |
| IT                                  | 0.7                               | 1.9           | 1.8           | 6.9           | 2.8                               | 2.5           | 2.0           | 5.9           | 2.5                               |               |               |               | 11.4                | 13.3         | 2.5         |
| Commercial and other                | 10.6                              | 7.4           | 9.6           | 11.8          | 8.4                               | 8.6           | 10.4          | 20.6          | 7.7                               |               |               |               | 39.5                | 48.0         | 7.7         |
| <i>incl. CPE</i>                    | 7.1                               | 3.7           | 5.2           | 6.7           | 4.9                               | 4.2           | 5.9           | 6.0           | 3.9                               |               |               |               | 22.7                | 21.0         | 3.9         |
| Licenses                            | -                                 | -             | -             | -             | -                                 | -             | -             | -             | -                                 | -             | -             | -             | -                   | -            | -           |
| <b>Total capital expenditure</b>    | <b>33.2</b>                       | <b>32.7</b>   | <b>32.1</b>   | <b>66.7</b>   | <b>24.4</b>                       | <b>26.3</b>   | <b>34.9</b>   | <b>82.7</b>   | <b>21.0</b>                       | -             | -             | -             | <b>164.6</b>        | <b>168.4</b> | <b>21.0</b> |
| <i>% of Revenue, excl. licenses</i> | 17.0%                             | 16.0%         | 15.5%         | 32.3%         | 12.5%                             | 13.3%         | 16.8%         | 40.3%         | 10.4%                             | -             | -             | -             | 20.3%               | 20.9%        | 10.4%       |

## Net debt

| <b>(BGN in millions)</b>               | <b>As at the month ended</b> |                |                |               | <b>As at the month ended</b> |               |               |               | <b>As at the month ended</b> |               |               |               |
|--|------------------------------|----------------|----------------|---------------|------------------------------|---------------|---------------|---------------|------------------------------|---------------|---------------|---------------|
|  | <b>Mar-13</b>                | <b>Jun-13</b>  | <b>Sep-13</b>  | <b>Dec-13</b> | <b>Mar-14</b>                | <b>Jun-14</b> | <b>Sep-14</b> | <b>Dec-14</b> | <b>Mar-15</b>                | <b>Jun-15</b> | <b>Sep-15</b> | <b>Dec-15</b> |
| Syndicated loan                        | 890.8                        | 890.7          | 882.3          | -             | -                            | -             | -             | -             | -                            |               |               |               |
| Bonds                                  | -                            | -              | -              | 769.0         | 782.8                        | 771.7         | 785.5         | 773.4         | 787.2                        |               |               |               |
| Revolving credit                       | -                            | -              | -              | 68.6          | 68.5                         | 68.5          | 19.6          | 19.6          | 9.8                          |               |               |               |
| Trade credits                          | -                            | -              | -              | 11.8          | 10.8                         | 10.2          | 9.5           | 10.5          | 9.6                          |               |               |               |
| Financial lease                        | 1.4                          | 1.4            | 1.4            | 3.2           | 3.0                          | 3.0           | 3.1           | 1.5           | 1.5                          |               |               |               |
| <b>Total borrowings</b>                | <b>892.2</b>                 | <b>892.1</b>   | <b>883.7</b>   | <b>852.6</b>  | <b>865.0</b>                 | <b>853.4</b>  | <b>817.6</b>  | <b>805.0</b>  | <b>808.0</b>                 | -             | -             | -             |
| <b>Total cash and cash equivalents</b> | <b>(105.3)</b>               | <b>(109.7)</b> | <b>(133.7)</b> | <b>(87.3)</b> | <b>(117.9)</b>               | <b>(41.1)</b> | <b>(42.8)</b> | <b>(60.1)</b> | <b>(60.2)</b>                | -             | -             | -             |
| <b>Net debt</b>                        | <b>786.9</b>                 | <b>782.4</b>   | <b>750.0</b>   | <b>765.2</b>  | <b>747.2</b>                 | <b>812.3</b>  | <b>774.8</b>  | <b>744.9</b>  | <b>747.8</b>                 | -             | -             | -             |

## KPIs

|  | For the three months ended |        |        |        | For the three months ended |        |        |        | For the three months ended |        |        |        | For the year ended |       |       |
|--|----------------------------|--------|--------|--------|----------------------------|--------|--------|--------|----------------------------|--------|--------|--------|--------------------|-------|-------|
|  | Mar-13                     | Jun-13 | Sep-13 | Dec-13 | Mar-14                     | Jun-14 | Sep-14 | Dec-14 | Mar-15                     | Jun-15 | Sep-15 | Dec-15 | 2013               | 2014  | 2015  |
| <b>Fixed voice</b>                       |                            |        |        |        |                            |        |        |        |                            |        |        |        |                    |       |       |
| Subscribers at period end (in thousands) | 1 423                      | 1 392  | 1 358  | 1 325  | 1 290                      | 1 256  | 1 227  | 1 195  | 1 162                      |        |        |        | 1 325              | 1 195 | 1 162 |
| ARPU (BGN)                               | 12.6                       | 12.4   | 12.0   | 12.4   | 12.3                       | 12.1   | 11.9   | 11.8   | 11.6                       |        |        |        | 12.4               | 12.0  | 11.6  |
| AMOU (minutes)                           | 118                        | 108    | 102    | 112    | 113                        | 106    | 99     | 109    | 112                        |        |        |        | 110                | 107   | 112   |
| <b>Fixed broadband</b>                   |                            |        |        |        |                            |        |        |        |                            |        |        |        |                    |       |       |
| Subscribers at period end (in thousands) | 323                        | 321    | 323    | 327    | 329                        | 335    | 346    | 356    | 362                        |        |        |        | 327                | 356   | 362   |
| % FTTx at period end                     | 13                         | 15     | 18     | 22     | 25                         | 28     | 32     | 35     | 38                         |        |        |        | 22                 | 35    | 38    |
| ARPU (BGN)                               | 12.3                       | 12.0   | 11.8   | 11.7   | 11.5                       | 11.3   | 11.0   | 10.9   | 10.8                       |        |        |        | 11.9               | 11.2  | 10.8  |
| FTTx homes passed (in thousands)         | 455                        | 512    | 570    | 680    | 737                        | 780    | 831    | 883    | 902                        |        |        |        | 680                | 883   | 902   |
| <b>Fixed pay-TV</b>                      |                            |        |        |        |                            |        |        |        |                            |        |        |        |                    |       |       |
| Subscribers at period end (in thousands) | 173                        | 182    | 211    | 255    | 268                        | 277    | 298    | 322    | 333                        |        |        |        | 255                | 322   | 333   |
| % IPTV at period end                     | 16                         | 20     | 24     | 24     | 27                         | 28     | 30     | 32     | 34                         |        |        |        | 24                 | 32    | 34    |
| ARPU (BGN)                               | 13.7                       | 14.0   | 13.3   | 12.2   | 11.7                       | 11.9   | 12.0   | 12.1   | 12.2                       |        |        |        | 13.2               | 11.9  | 12.2  |
| <b>Mobile</b>                            |                            |        |        |        |                            |        |        |        |                            |        |        |        |                    |       |       |
| Subscribers at period end (in thousands) | 2 355                      | 2 429  | 2 524  | 2 556  | 2 594                      | 2 677  | 2 809  | 2 853  | 2 896                      |        |        |        | 2 556              | 2 853 | 2 896 |
| % post paid at period end                | 83                         | 82     | 82     | 84     | 85                         | 85     | 84     | 85     | 85                         |        |        |        | 84                 | 85    | 85    |
| Blended ARPU (BGN)                       | 11.2                       | 11.8   | 11.5   | 11.2   | 10.9                       | 11.4   | 11.4   | 11.2   | 11.1                       |        |        |        | 11.4               | 11.2  | 11    |
| Post-paid ARPU (BGN)                     | 12.6                       | 13.3   | 12.9   | 12.8   | 12.1                       | 12.6   | 12.7   | 12.5   | 12.4                       |        |        |        | 12.9               | 12.5  | 12    |
| Pre-paid ARPU (BGN)                      | 4.3                        | 4.7    | 5.1    | 4.0    | 3.9                        | 4.5    | 5.1    | 4.0    | 3.7                        |        |        |        | 4.5                | 4.4   | 4     |
| % Mobile data revenue*                   | 17                         | 17     | 18     | 19     | 21                         | 21     | 23     | 23     | 26                         |        |        |        | 19                 | 22    | 26    |
| AMOU (minutes)                           | 133                        | 138    | 139    | 137    | 136                        | 143    | 143    | 143    | 146                        |        |        |        | 137                | 141   | 146   |

\* % Mobile data revenue represents revenue from messaging and data vs. mobile service revenue