

INVESTOR RELATIONS RELEASE

Q3 / 9M 2017 Results

Tele Columbus continues to grow all relevant metrics in Q3 2017

- **Revenues grow by 4.3% yoy to EUR 123.3 million in Q3**
- **Q3 Normalised EBITDA up by 7.2% yoy to EUR 68.3 million**
- **15k Internet and 17k Telephony RGUs in Q3**
- **Blended ARPU up by 5.5% yoy to EUR 17.2pm in Q3**
- **1.65x RGUs/subscriber, up 0.7ppt yoy in Q3**
- **Management specifies FY 2017 guidance**

Berlin, 22/11/2017. Tele Columbus AG (“Tele Columbus”, “Company” or “the Group”), Germany’s third largest cable operator, published its financials for the third quarter of fiscal year 2017. The Group again reported growth amongst its Internet RGUs which increased by 15k quarter on quarter to a total of 564k per 30 September 2017. At the same time, the Company’s Total blended ARPU grew by 5.5% year on year to EUR 17.2pm. This development, in addition to revenues deriving from infrastructure projects, resulted in the Group’s revenues increasing to EUR 123.3 million which equals growth of 4.3% year on year. Normalised EBITDA for the third quarter amounted to EUR 68.3 million, equalling in an increase of 7.2% year on year (Q3 FY2016: EUR 63.7 million). This led to a Normalised EBITDA margin of 55.4%, up 1.5ppt from the third quarter of fiscal year 2016. In the reported period, Tele Columbus spent EUR 22.2 million on capital expenditures which represents 18.0% of revenues.

Tele Columbus has made good progress on its ambitious plan for 2017. The integration of primacom, pepcom and Tele Columbus, the effects of the migration of customers onto a singular IT architecture, the launch of the new brand PÿUR and the preparation of the new product portfolio all fall into the first nine months of 2017. The company is benefiting from the integration-related synergies, and is working diligently on customer facing processes to ensure customers can enjoy the new products and services.

Management Board
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Frank Posnanski
Timm Degenhardt

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Ronny Verhelst, outgoing CEO, comments on the period: “We have had an ambitious plan for 2017, and the company is responding well to the challenge. Clearly, projects remain to be finished but we are making very good progress.” Timm Degenhardt, incoming CEO, states: “The Company is preparing the platform for sustained organic growth; all important elements are there, or are being prepared, and I look forward to bringing it all together with the team”.

Despite the slight delay to the commercial launch of PÿUR, Tele Columbus achieved revenue growth of 4.3% year on year and Normalised EBITDA growth of 7.2% year on year during the third quarter 2017. Against this backdrop, management today specifies its full year 2017 guidance:

Metric	FY 2016	Specified Guidance 2017	Medium term outlook
KPIs			
Homes connected (YE)	3.608m	Stable vs. YE2016	stable vs. YE2016
Upgrade status (YE)	63%	–	71%
RGUs/sub (YE)	1.61x	–	1.8x
ARPU(€/sub/m)	16.4	–	18
Financials (€ m)			
Revenues	477	Mid single digit % growth YoY	Mid to high single digit % growth
Normalised EBITDA	249	High single digit % growth YoY	High single digit % growth
Capex	156 (33% of revenues)	Around 30% of revenues	Peak (ie capex/sales) in FY2017- thereafter capex/revenues trending towards peers

As of 30 September 2017, the Group reported approximately 3.6 million homes connected in-line with management’s FY2017 and mid-term outlook. The number of homes connected and upgraded for two-way communication on own network increased by 3.2% year on year to 2.315 million which represents a ratio of 64.5%. Moreover, the Company served 2.380 million subscribers which translates into 2.380 million Cable TV RGUs (Revenue Generating Units), 432k Premium TV RGUs, 564k Internet RGUs and 545k Telephony RGUs. This represents an increase of 15k Internet and 17k Telephony RGUs versus the end of the previous quarter. Therefore, the number of RGUs per subscriber again increased successfully to 1.65x, up from 1.63x at the end of the second quarter while the total blended average revenues per user (ARPU) increased by 5.5% from EUR 16.3 per month in the third quarter 2016 to EUR 17.2 as of 30 September 2017.

Furthermore, during the first nine months of 2017 Tele Columbus continued to invest heavily into high-speed fibre infrastructure. However, besides its own network, the Company is also increasingly engaged in several third-party projects (eg Lörrach, Plön) all over Germany which are mostly related to the federal government's broadband initiative ("*Breitbandinitiative*") and partially publicly funded.

Recent developments

On 4 October, PÿUR had its commercial launch. Simplicity, performance and fairness are the core brand values of PÿUR, the new brand of Tele Columbus AG. Making products simpler to understand and fairer in terms of conditions is what subscribers have been asking for when it comes to broadband internet, telephony, mobile and TV contracts. And now PÿUR offers exactly that. High performance telecommunication products with simple terms and conditions which are tailored towards the desires of the individual subscriber.

On 27 October, Tele Columbus AG announced that it had agreed with Vodafone Kabel Deutschland GmbH to acquire their stake in Kabelfernsehen München Servicenter GmbH & Co. KG and Kabelfernsehen München ServiCenter Gesellschaft mit beschränkter Haftung – Beteiligungsgesellschaft. Based on this agreement pepcom Süd GmbH, a fully owned subsidiary of Tele Columbus AG, which was already majority shareholder in the two companies, takes over the remaining 30,22 percent in Kabelfernsehen München Servicenter GmbH & Co. KG and 24 percent in Kabelfernsehen München ServiCenter Gesellschaft mit beschränkter Haftung – Beteiligungsgesellschaft. Following this transaction Tele Columbus AG is now the sole owner of these two companies.

Summary table for Q3 FY2016 and Q3 FY2017

€m	Q3 FY2016	Q3 FY2017	yoy %
Revenues	118.2	123.3	4.3
Normalised EBITDA	63.7	68.3	7.2
<i>Norm. EBITDA margin, %</i>	53.9	55.4	1.5ppt
Capex	31.1	22.2	(28.6)
<i>Capex / Revenues, %</i>	26.3	18.0	(8.3ppt)
€ per month			
Total blended ARPU	16.3	17.2	5.5
RGU as per end of period (‘000)			
CATV	2,437	2,380	(2.3)
Internet	500	564	12.8
Telephony	463	545	17.7
Premium TV	422	432	2.4

About us

The SDAX-listed Tele Columbus AG serves 3.6 million homes connected thereby being Germany’s third-largest cable network operator. Its brand PŸUR stands for simplicity, performance and fairness in relation to TV and telecommunication products. Via its state-of-the-art fibre network PŸUR offers high-speed broadband internet including fixed-line telephony as well as more than 250 TV channels on a digital entertainment platform which combines linear TV with streaming services. To its housing association partners PŸUR offers flexible models of cooperation and state-of-the-art services such as telemetric and tenant portals. As a full-service partner for municipalities and regional utilities Tele Columbus Group is actively supporting the fibre-based broadband internet expansion in Germany. For its business customers the Group offers carrier services and corporate solutions via its fibre network. Besides its headquarter in Berlin the Company has locations in Hamburg, Leipzig, Ratingen and Unterföhring/Munich. Since January 2015 Tele Columbus AG is

traded on the regulated market (Prime Standard) of the Frankfurt Stock exchange and since June 2015 listed in the SDAX.

Disclaimer

This release contains forward-looking statements. These statements are based on management's current expectations or beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Although we believe that such forward-looking statements are reasonable, we cannot assure you that any forward-looking statements will prove to be correct. Such forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this Investor Relations release may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements. Accordingly, investors are cautioned not to place undue reliance on the forward-looking statements.

This release contains references to certain Non-GAAP financial measures, such as Normalized EBITDA and Capex, and operating measures, such as RGUs, ARPU, and Unique subscriber calculation. These supplemental financial and operating measures should not be viewed in isolation as alternatives to measures of Tele Columbus' financial condition, results of operations or cash flows as presented in accordance with IFRS in its Consolidated Financial Statements. The Non-GAAP financial and operating measures used by Tele Columbus may differ from, and not be comparable to, similarly titled measures used by other companies. For further information please see in particular the Footnotes in this Investor Relations release and the financial statements.

In addition, this release contains pro-forma financials. Our pro forma financials have been prepared for illustrative purposes only. They are based on the assumption that the primacom and pepcom acquisitions had occurred on 1 January 2015. Because of their nature, our pro forma financials address a hypothetical situation and, therefore, do not represent our actual results of operations. It is not necessarily indicative of the results that should be expected in the future.