

12M 2015 Financial Results

Mar 31, 2016

Highlights

- Total revenues stood at €352.0m and the adjusted EBITDA at €50.5m
- Total subscriptions stood at 1.14m
- 3Play/bundled subscribers at 346k
- Broadband subscribers at 641k
- Pay TV subscribers at 495k

	12M 2015	12M 2014	Δ
Total Subscriptions	1,135,332	1,178,427	-3.7%
Unique Households	789,010	814,878	-3.2%
Households with 3play/Bundled Services	346,322	363,549	-4.7%
Broadband subscribers	640,689	671,166	-4.5%
Pay TV Customers in Greece	494,643	507,261	-2.5%

(€ '000)	12M 2015	12M 2014	Δ
Revenue (including other income)	352,049	378,414	-7.0%
Reported EBITDA	48,225	59,355	-18.8%
Adjusted EBITDA	50,475	59,974	-15.8%

According to **CEO, Mr. Panos Papadopoulos:**

"In 2015, the circumstances in Greek economy led to a further decline in purchasing power, affecting negatively the retail sector. In such an economic environment, we maintained a conservative commercial approach that is reflected in the financial results of the company. For the current year, we will emphasize even more on improving customers experience, through innovative on demand services in pay TV, fully utilizing our new generation decoders".

Operating Performance

Bundling/3Play

At the end of 2015, Forthnet served more than 346.3k households with Nova 3play/bundled services. The share of Nova 3Play subscriptions in Forthnet's customer base is over 43.9%.

	12M 2015	12M 2014	Δ
Households with 3play/Bundled Services	346,322	363,549	-4.7%
Households with 3play/Bundled Services as % of Total	43.89%	44.61%	-0.72pp

Telco

During 12M 2015 Forthnet remained the leading Greek unbundler with 620.5K active LLU customers.

	12M 2015	12M 2014	Δ
Broadband subscribers ¹	640,689	671,166	-4.5%
Active LLU customers	620,494	643,414	-3.6%
Unbundling Ratio	96.8%	95.9%	0.90pp
LLU market share	30.2%	31.9%	-1.70pp

Pay TV

The subscriber base reached 494.6 households. The rollout of 3play services is expected to be the main growth driver for the Pay TV market.

	12M 2015	12M 2014	Δ
Pay TV customers in Greece	494,643	507,261	-2.5%

¹Active and pending activation customers

Financial Highlights

Consolidated Revenue for 2015 reached €352m, a decrease versus 2014, due to a decline in Fixed Termination Rates (FTR), conservative consumer spending and capital controls impact. The FTR decrease affected revenues by €3.1m in 2015.

Revenue Analysis (€ '000)	12M 2015	12M 2014²	Δ
Total Retail	277,151	299,549	-7.5%
Telco Retail	142,673	158,987	-10.3%
Pay TV Retail	134,478	140,562	-4.3%
Total Business	54,698	53,165	2.9%
Telco Business	35,647	35,058	1.7%
Pay TV Business	19,051	18,107	5.2%
Advertising	6,442	10,084	-36.1%
Other	13,758	15,616	-11.9%
Total Revenue	352,049	378,414	-7.0%

Adjusted EBITDA of 2015 reached €50.48m versus €59.97m in 2014, mainly as a result of pricing pressure and increased bad debt due to the unfavorable macroeconomic environment. Bad debt provisions for 2015 reached €11.3m, an increase of €3.9m compared to 2014.

EBITDA Analysis (€ '000)	12M 2015	12M 2014²	Δ
Revenue (including other income)	352,049	378,414	-7.0%
Reported EBITDA	48,225	59,355	-18.8%
Adjusted EBITDA ³	50,475	59,974	-15.8%
Adjusted EBITDA margin	14,3%	15,8%	-1.50pp

Total bank debt in Dec 2015 stood at €325m.

²Certain line items of the previous period were reclassified in order to conform to the current period's presentation

³In 12M 2015 there was a provision of 2.25M for a legal case

Recent Business Developments

- The company, already in advanced discussions with its lending Banks, received indicative, non-binding, summary refinancing terms, subject to the approval of the competent bodies of the Banks. The company has in principle accepted the above proposal.
- The Novasports channels further strengthened their sports content, securing the TV rights of the FA Cup «The Emirates Cup», the Finals of English Super Cup «The Community Shield», the Italian Cup «Coppa Italia» and the Italian Super Cup, the finals of the Spanish Cup «Copa del Rey» and the Spanish Super Cup, all of which will be enjoyed live and exclusively until 2018.
- PAE Panathinaikos also extended its agreement with the Super League Collective TV rights for the period 2017-2019.
- Forthnet improved the customer experience of Nova subscribers by upgrading Novabox decoders, offering new capabilities across its subscriber base, as rec, pause, play and rewind.
- Nova GO service was upgraded and is now offering new features and more content. The new user interface makes browsing on the menu easier, while the content was enriched with more live channels, offers on-demand hundreds of titles, including movies, series, documentaries, kids, sports and entertainment shows.

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