TP Group
2Q and 1H 2011 results

Warsaw
July 27th, 2011




forward looking statement

This presentation contains 'forward-looking statements' including, but not limited to, statements regarding anticipated future events and financial performance with respect to our operations. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like 'believe', 'expect', 'anticipate', 'estimated', 'project', 'plan', 'pro forma', and 'intend' or future or conditional verbs such as 'will', 'would', or 'may‘. Factors that could cause actual results to differ materially from expected results include, but are not limited to, those set forth in our Registration Statement, as filed with the Polish securities and exchange commission, the competitive environment in which we operate, changes in general economic conditions and changes in the Polish, American and/or global financial and/or capital markets. Forward-looking statements represent management’s views as of the date they are made, and we assume no obligation to update any forward-looking statements for actual events occurring after that date. You are cautioned not to place undue reliance on our forward-looking statements.

table of contents

1

2Q 2011 highlights

Maciej Witucki

president of the board and CEO

steady performance keeps TP Group on a turnaround path

pillars of action plan

re-focus on core business

re-engage with markets

re-balance operating model

- regulatory update; limited voice MTR cut for 2011 and 2012
- steady commercial progress; 1H mobile adds exceeding 200k & broadband rebound confirmed with ~50k adds year-on-year
- new tools to revamp Broadband: 40Mb/s and 80Mb/s speeds and TVN pay-TV packages launched
- positive strategic developments; network sharing signed with PTC (~PLN 1bn NFCF benefit till 2015) and Emitel disposal is finalised
- strong financials; 2Q EBITDA margin* at 37.3%, +0.4p.p. year-on-year, 1H net income at PLN 1.2bn and strong net free cash flows
- TP to appeal of EC fine and appealed against a low USO refund

full-year 2011 outlook and guidance confirmed

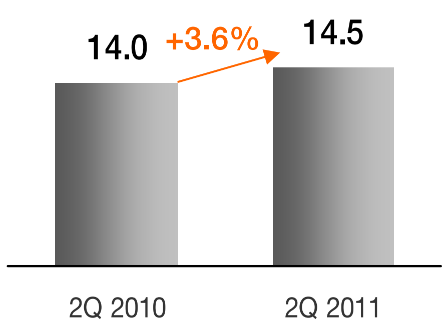
the Management Board of TPSA will propose to allocate about half of the proceeds from disposal of TP Emitel to share buy back, amounting to PLN 800mn

*adjusted for gain on disposal of Emitel and increase in provision for European Commission fine, amounting to +PLN 1.2 bn and -PLN 0.46 bn respectively

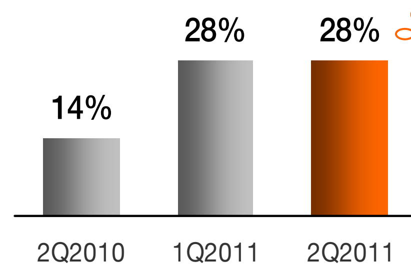
progress continued in our main lines of business

mobile

growing customer base (mn)



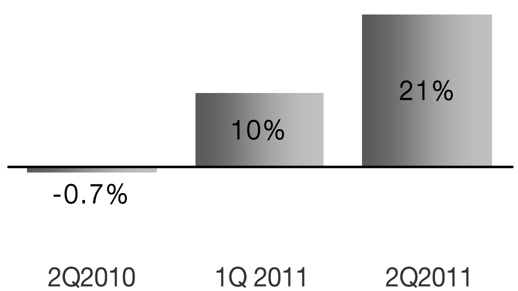
rising share of smartphones in post-paid sales*



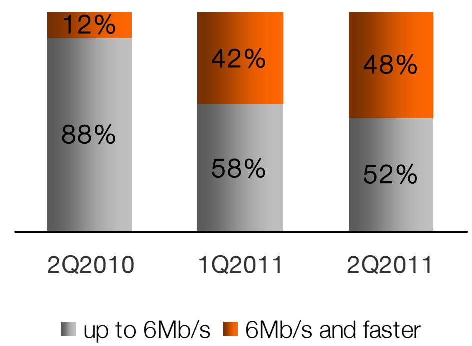
post-paid data ARPU +29% y-o-y

broadband

growing market share in net additions **



rising neostrada sales >6Mb/s



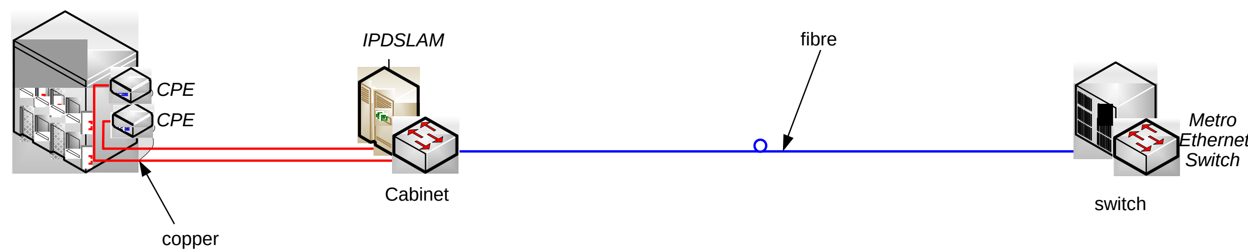
*total smartphones in acquisition and retention in the period

** including Orange based on BSA and CDMA, volume market share (source: company estimates)

broadband strengthened by high speeds and liaison with TVN

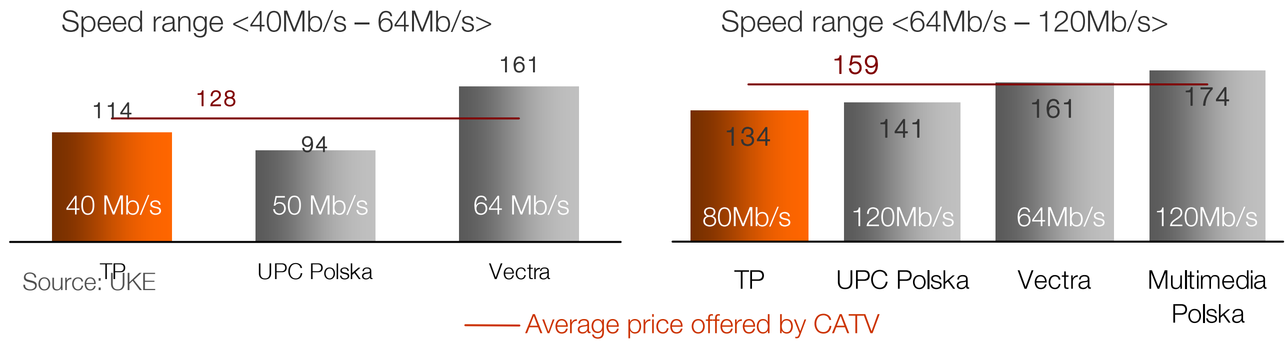
40Mb/s and 80Mb/s broadband speeds launched

VDSL (FTTC) technology



40Mb/s and 80Mb/s options priced competitively

monthly ARPU comparison (PLN)



new options complemented with TVN-based pay-TV

- rich ‘n’ TV offer available for TP customers
- 1 dedicated ‘n’ offer, available only in TV+BB bundle (inc 7HD channels)

1H cost base 4.2% down, savings program delivers PLN 105mn

classical savings

e.g. office space optimisation

process simplification

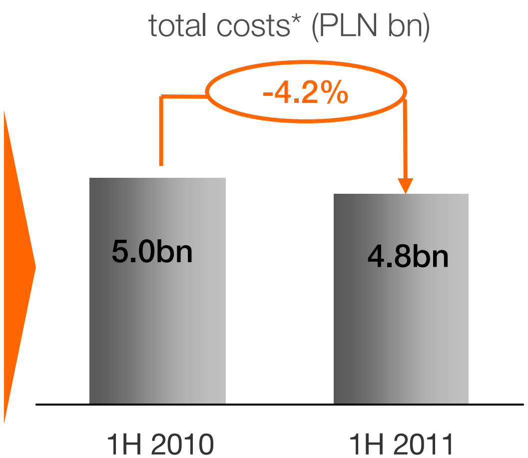
e.g. e-invoice

consolidation

e.g. customer care integration

strategic cooperation

e.g. co-operation with TVN



lower property maintenance costs
cleaning, security, repairs rate reduction

33,000 m² less offfice space
in 2H 2011

1.6mn e-invoices per month
up from 0.6mn last year

sale of obsolete cabling
1,146 tons of copper/other sold in 1H

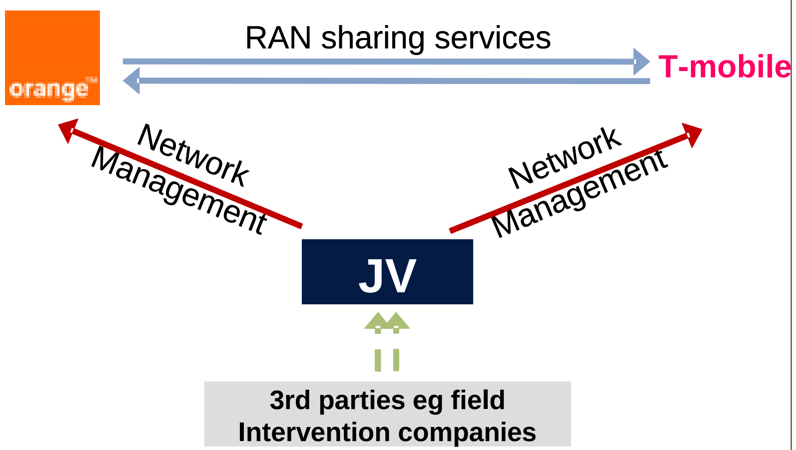
TP-TVN agreement
to deliver 1st savings in 2H

network sharing signed
full savings run-rate of PLN ~0.2bn p.a.

* cost base up to EBITDA adjusted for gain on disposal of Emitel and provision for fine imposed by European Commission, amounting to +PLN 1.2 bn and -PLN 0.46 bn, respectively,

network sharing – simple idea, big benefits

how does it work - general co-operation model



who does what – division of responsibilities

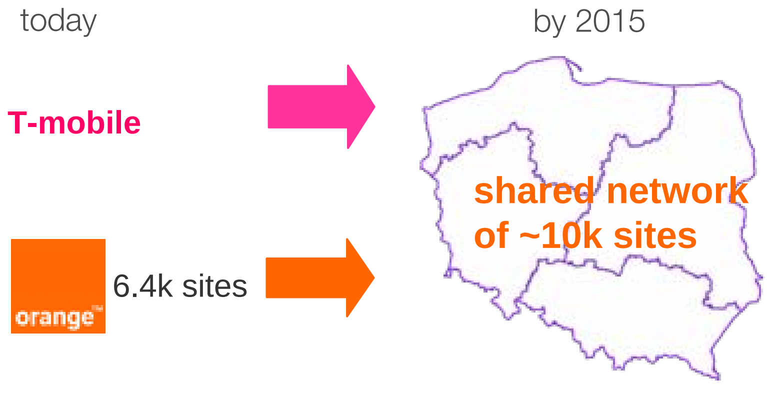
process	orange / T-mobile	joint-venture company
asset ownership	✓	
network strategy	✓	
network planning		✓
network deployment		✓
maintenance		✓
contract negotiations		✓

insight

- RAN sharing agreement and a 50/50 JV to plan, deploy & manage PTK/PTC networks
- target is a 10,000 site co-used network (~5,000 sites each), that will:
  - grow the overall capacity and coverage
  - allow TP to switch-off ~1,4k sites
- joint planning & deployment to save capex, also in case of potential technology shift
- optimised spectrum; co-use of frequencies

network sharing benefits free cash flow by PLN 1bn till 2015

targeted network situation by 2015

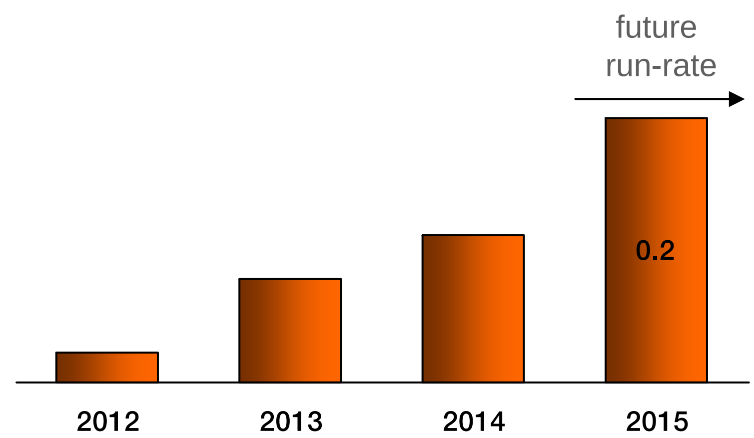


insight

- network sharing to be gradually rolled-out until 2014/15
- project will benefit net free cash flow by a total of ca. PLN1bn within 5 years
- cost savings reaching ca. PLN 0.2bn yearly run-rate beyond 2015

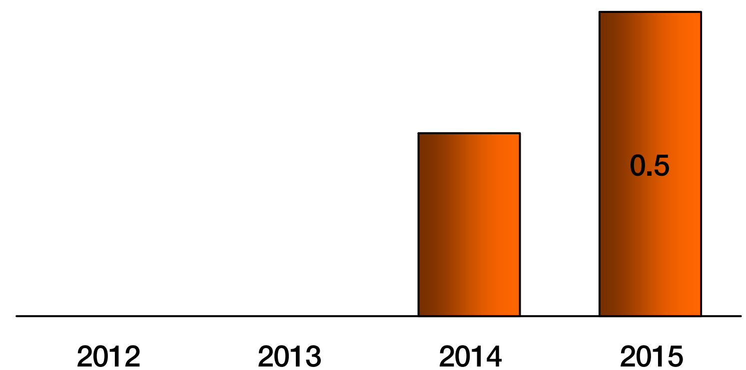
full cost savings run rate of PLN 0.2bn p.a.

[cost savings p.a. in PLN billion]



capex savings mostly after 2014,

[capex savings in PLN billion]



strong 2Q profitability, revenue consistent with full-year outlook

in PLN mn	1H2010	**1H2011**	2Q2010	**2Q2011**
revenue	7,860	**7,519**	3,987	**3,790**
year-on-year	-7.5%	-4.3%	-4.7%	-4.9%
restated EBITDA*	2,892	**2,759**	1,472	**1,414**
as % of revenues	36.8%	**36.7%**	36.9%	**37.3%**
capex	719	**925**	518	**573**
as % of revenues	9.1%	**12.3%**	13.0%	**15.1%**
Net Free Cash Flow	1,175	**905**	711	**507**

key points

- **1H evolution in line with outlook** and much better than last year
- 2Q comparison impacted by *force majeure* events of last year
- **PLN 46mn savings drive 2Q EBITDA margin up 0.4p.p.**
- 1H EBITDA margin stable vs. 2010, on track for FY outlook
- **more even capex phasing** than last year:
  - benefits investment realisation
  - smaller burden on 2012 NFCF
- **1H NFCF down only PLN 270mn** despite PLN 0.6 bn more payments for prior year capex
- **In line with FY guidance**

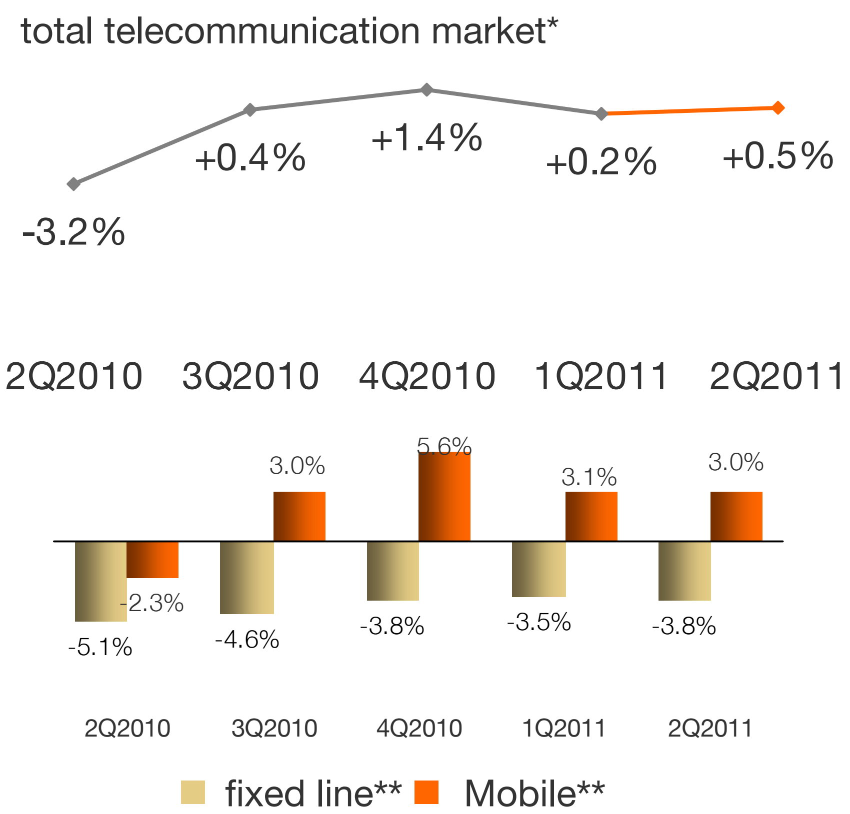
* adjusted for gain on disposal of Emitel and increase in provision for European Commission fine imposed, amounting to +PLN 1.2 bn and -PLN 0.46 bn respectively,

2 financial review

Jacques de Galzain
chief financial officer

slow market recovery, due to MTR cuts

market value year-on-year evolution



*market value is an aggregate of operators' retail and wholesale telecommunication revenue, market data are Company's preliminary estimates

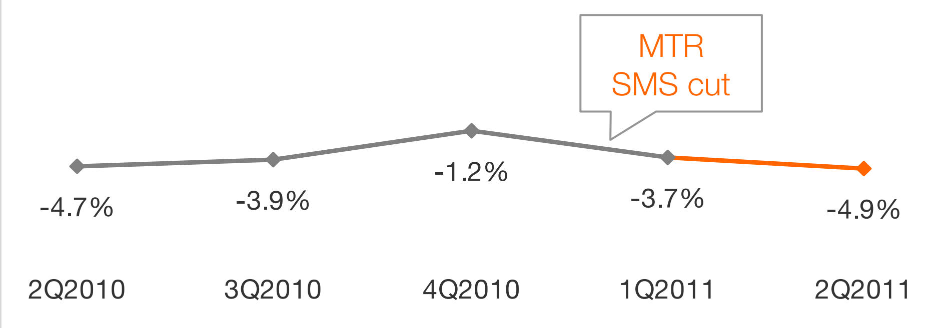
** segment value according to total operators' revenues, 2Q2011 market data are Company's preliminary estimates

insight

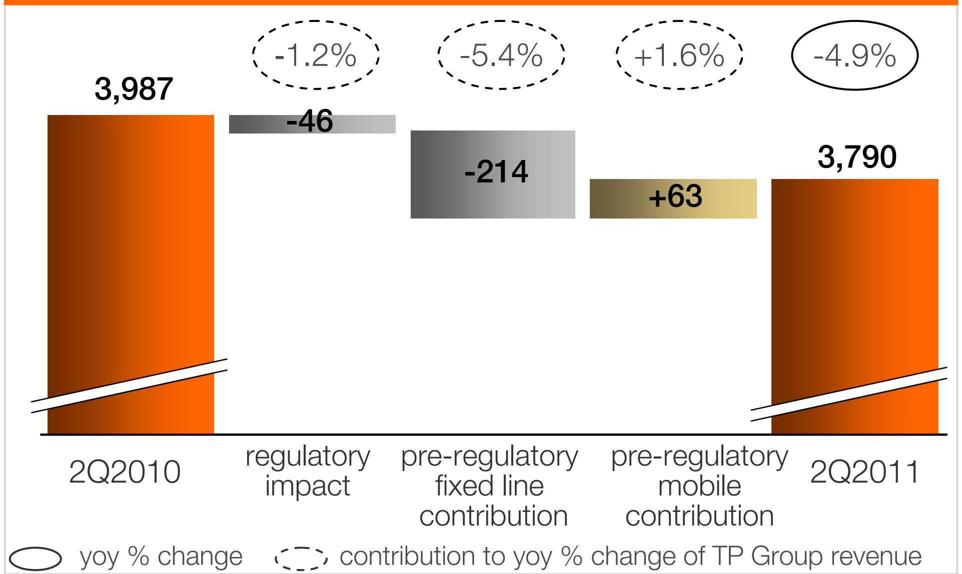
- visible impact of SMS MTR cut on market evolution in 2011
  - 2Q evolution in line with trends observed in 1Q
- mobile market growing slightly, despite SMS cut, due to growth in volume and usage
  - MTR impacts year-on-year comparison
  - more clarity on sale of Polkomtel
  - 'T' rebranding without harm to market value
- fixed market down 3.8%
  - continued substitution to mobile
  - broadband growth very small, driven by CATV

Group revenue in line with outlook, expected to improve in 2H

TP Group revenue evolution y-o-y (in %)



TP Group revenue evolution (in PLN mn)

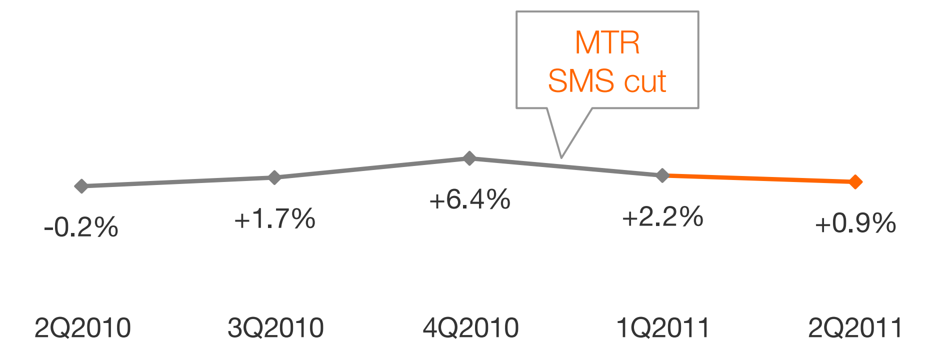


insight

- 1H revenue down by 4.3%, compared to -7.5% in 1H 2010
  - 2Q up by 1.6% quarter-on-quarter,
  - 2Q comparison to last year affected by SMS MTR cut and *force majeure* in 2010
- mobile up by 3.2%, excl regulatory impact
  - driven by strong growth in number of customers; +506,000 year-on-year
  - 2Q was another quarter of strong net adds
- stable trends in fixed segment
  - slow broadband pick-up due to low season
  - fixed-to-mobile substitution remains an important adverse factor

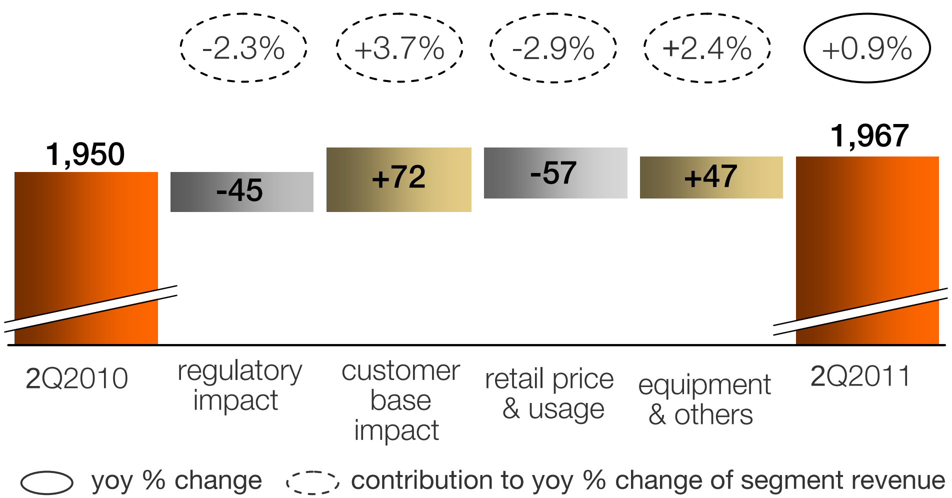
mobile segment revenue up by 3.2% excl. regulatory impact

mobile segment revenue* evolution y-o-y (in%)



Orange value market share evolution y-o-y (in%) **

mobile segment revenue* evolution (segment statutory in PLN mn)



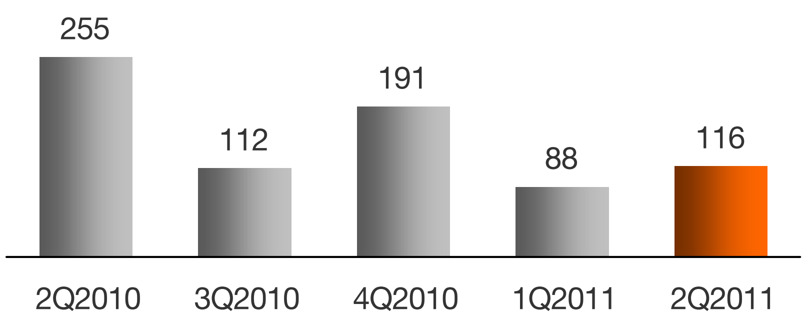
insight

- 1H revenue growing by 1.5% year-on-year:
  - due to growing customer base (+3.6% yoy)
  - despite impact of SMS MTR and roaming cuts
- Orange maintained value market leadership
- 28% share of smartphones in post-paid sales as appetite for smartphones is confirmed

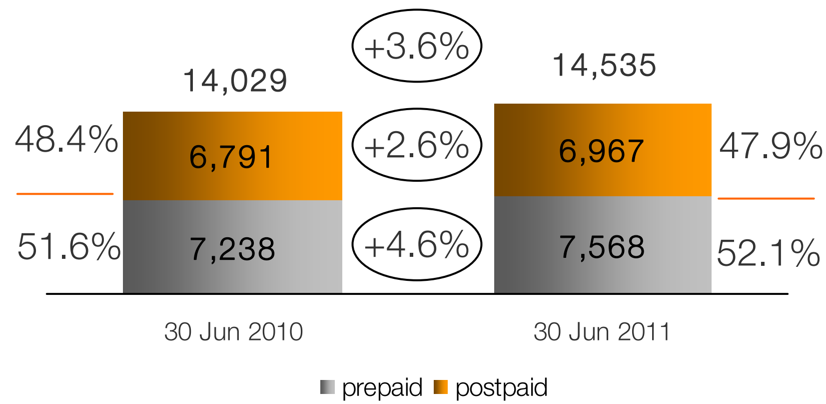
* incl. revenue from fixed services provided by PTK **company's estimation, 2010 data reviewed to up-to-date data from PLAY

200k mobile additions in 1H drive customer base >14.5million

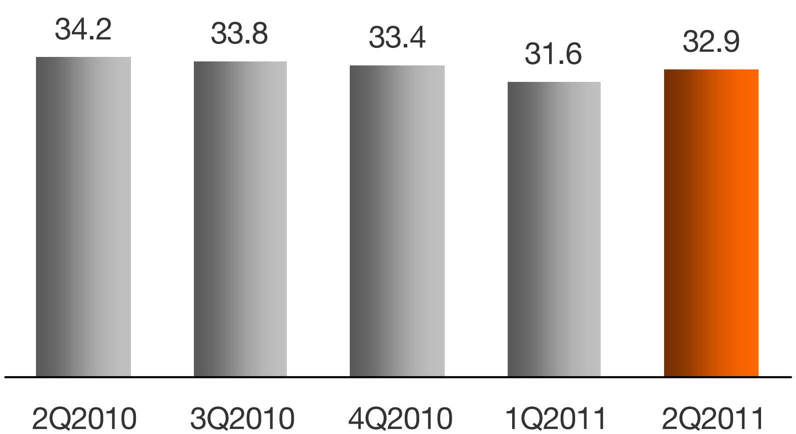
mobile net adds (in '000)



customer base evolution (in '000)



retail ARPU evolution (PLN/month)

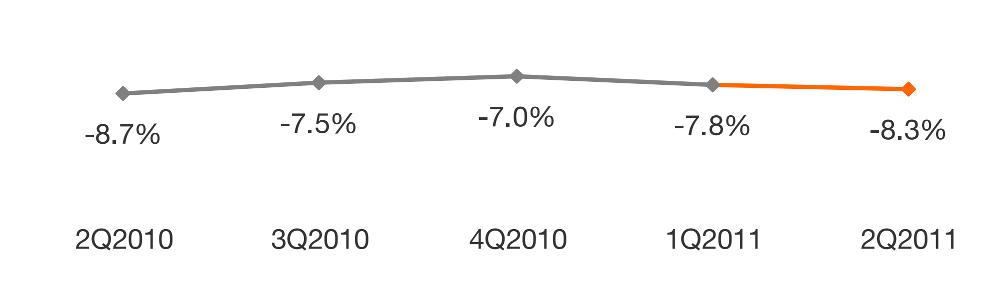


insight

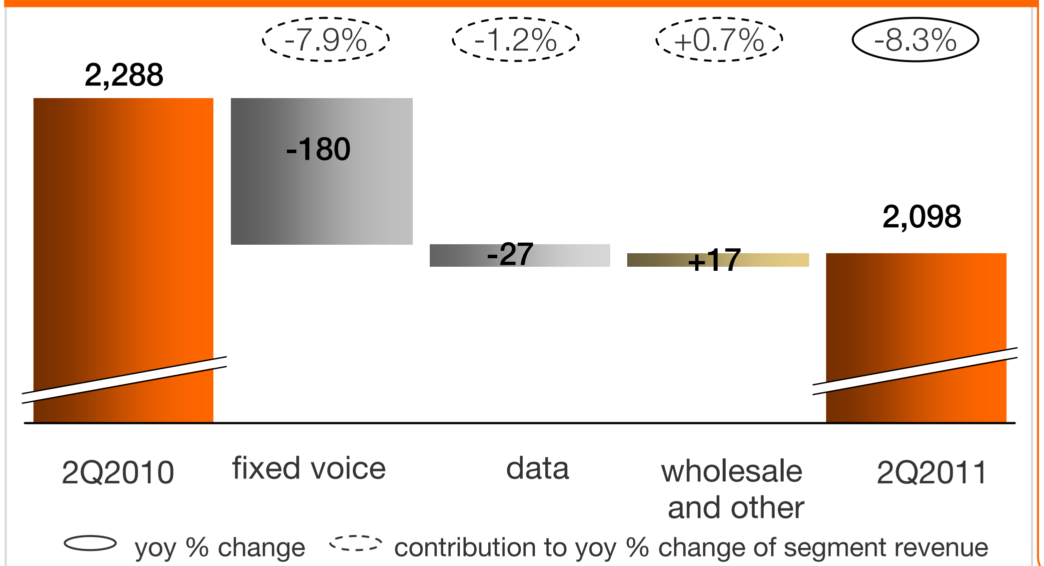
- customer base continues to growth at 3.6% year-on-year, despite a competitive market
- resilient retail ARPU despite price pressure
  – 2Q usage growing by 1.3% year-on-year
  – 2Q post-paid data ARPU +29% vs. last year
  – ARPU recovering by 4% since 1Q

stable trends in fixed segment

fixed segment revenue evolution y-o-y (in%)



fixed segment revenue evolution
(segment statutory in PLN mn)

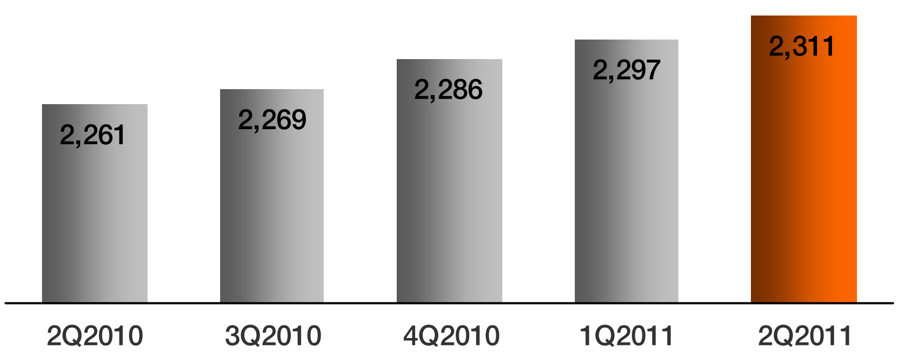


insight

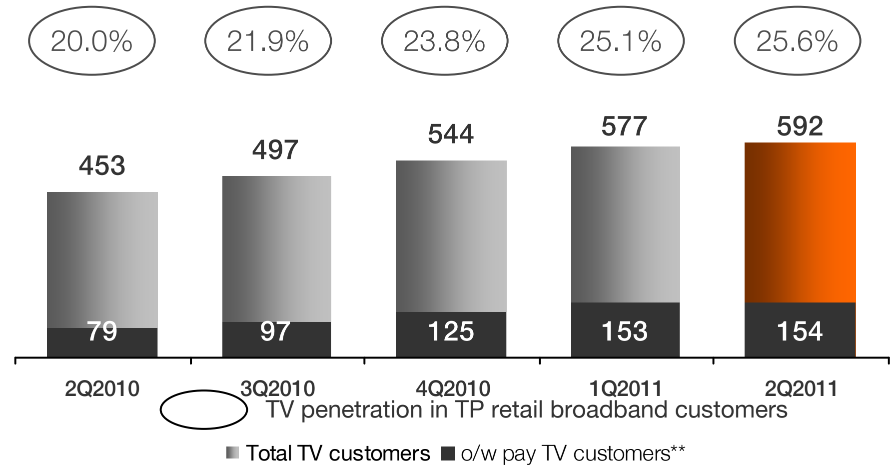
- revenue trends comparable with previous quarters, driven down by fixed voice
- broadband base up by 50k year-on-year
  - o 4th consecutive quarter of growth
  - o 14,000 net additions in 2Q,
  - o 40Mb/s and 80Mb/s speed options launched to boost growth
- TV base approaching 600k subscribers
  - – almost 26% of broadband customers
  - – new package with 'n' to foster growth

broadband growth confirmed, fixed line loss again limited

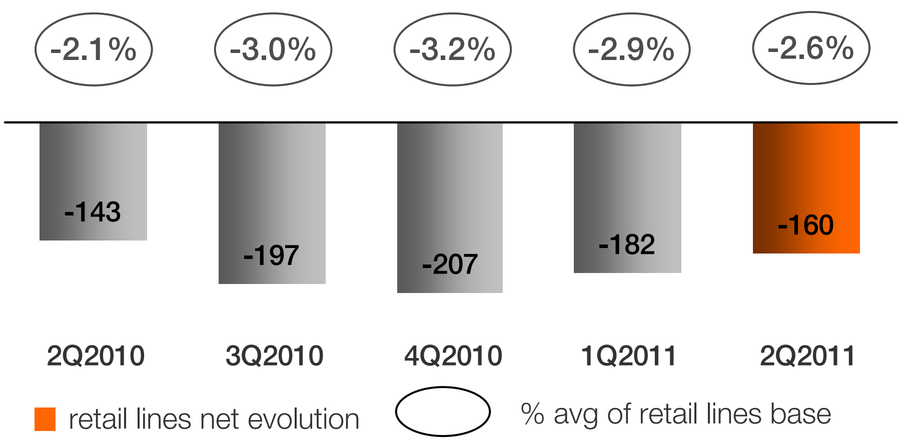
TP Group retail broadband accesses* (in ‘000)



TV customer base evolution (in ‘000)



retail lines evolution (in ‘000)



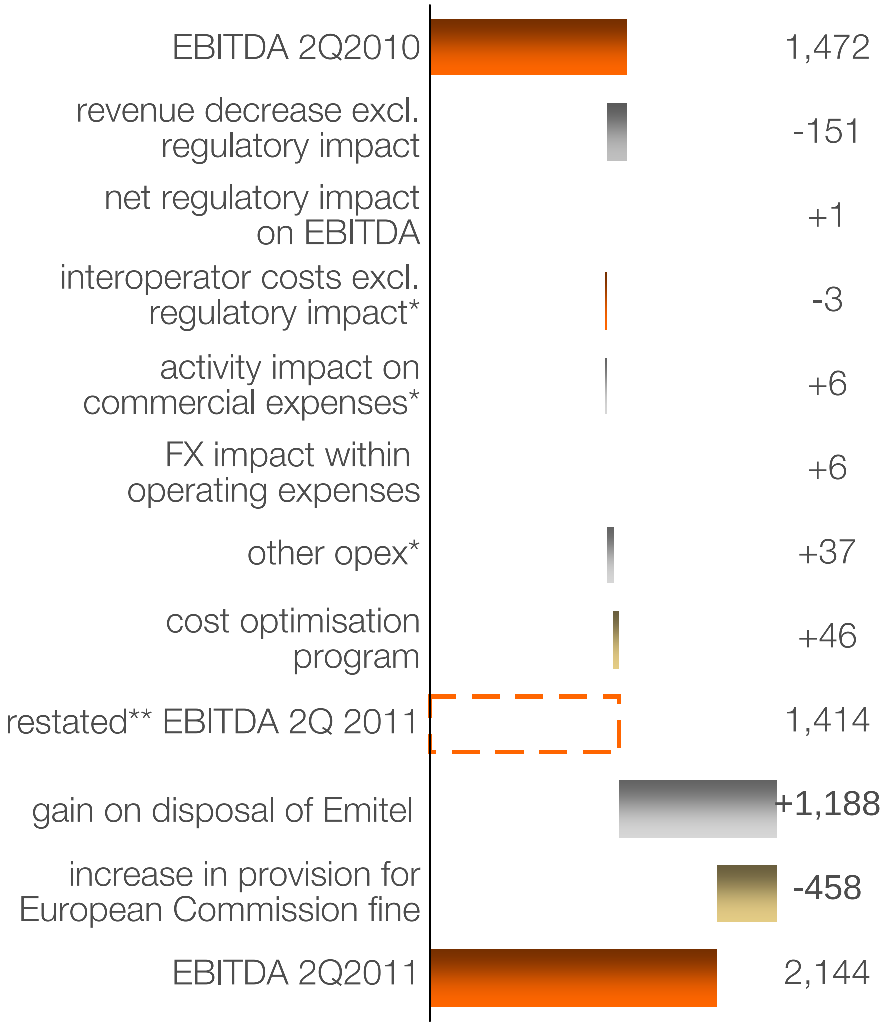
insight

- broadband growth confirmed; +14k in 2Q bring total to +50k year-on-year
  - net adds market share >21%
- TV base exceeded 25% penetration in broadband, growing customer loyalty
  - slower pay-TV growth in anticipation of new offer
- fixed line decrease limited to ~2.6% per quarter

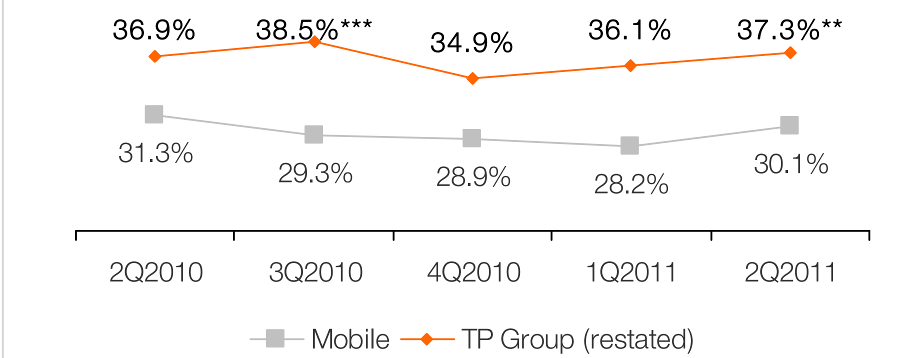
*Including CDMA and Orange Freedom
** includes TP’s M-, L – packages, Orange Sport and HBO

2Q EBITDA margin** above 37% mark, up by 1.2p.p. since 1Q

TP Group EBITDA evolution (in PLN mn)



EBITDA margin (in %)



insight

- 2Q Group EBITDA margin** up by 0.4p.p. since last year, above the 37% mark
- mobile margin up by almost 2p.p. since 1Q
  – despite PLN35mn one-off costs to TPSA in 2Q
- fixed revenue remains a main drag on EBITDA
- as expected, no regulatory impact on EBITDA
- other opex down due to non-recurring items
- PLN 46mn savings drive cost base** down by 5.5% since last year

* excluding FX impact and effect of cost transformation program
** adjusted for gain on disposal of Emitel and increase in provision for European Commission fine imposed, amounting to +PLN 1.2 bn and -PLN 0.46 bn respectively,
*** excluding the -PLN 1.1bn impact of revision of the provision for the DPTG dispute, recorded in 3Q2010

1H net income at PLN 1.2bn, thanks to capital gains

in million PLN	1H2010	1H2011	change
EBITDA	2,892	3,489	+20.6%
depreciation and amortization	*-1,906*	*-1,967*	*+3.2%*
impairment of non-current assets	*-5*	*-4*	*-20.0%*
operating income	981	1,518	+54.7%
net financial costs	*-213*	*-220*	*+3.3%*
of which foreign exchange gains / (losses)	11	12	+9.1%
income taxes	*-158*	*-114*	*-27.8%*
net income	610	1,184	+94.1%
net income (restated)**	610	454	-25.6%
# of shares (weighted average, in millions)	*1,336*	*1,336*	-
EPS (in PLN per share, basic & diluted)	0.46	0.89	*+93.5%*

insight

- PLN 1bn net income in 2Q brings 1H to PLN 1.2bn, as compared to 0.6bn last year
- 1H depreciation affected by PLN 125mn charge due to mobile network swap
- income tax down PLN 44mn, with low effective tax rate, as sale of Emitel did not impact Group tax.

* including discounting expenses

** adjusted for gain on disposal of Emitel and increase in provision for European Commission fine imposed, amounting to +PLN 1.2 bn and -PLN 0.46 bn respectively,

net free cash flow in line with full-year guidance

in million PLN	1H2010	1H2011	change	2Q2010	2Q2011	change
net cash flow from operating activities before income tax paid and change in working capital	2,555	2,539	-0.6%	1,300	1,298	-0.2%
o/w exchange rate effect on derivatives paid, net	*-54*	*-7*	*-87.0%*	*1*	*36*	*36x*
change in working capital	-242	50	n/a	-138	-112	+18.8%
CAPEX*	-715	-925	+29.4%	-515	-573	-11.3%
CAPEX payables	-299	-676	126.1%	121	-80	n/a
income tax paid	-124	-83	-33.1%	-57	-26	-54.4%
net free cash flow after tax paid	**1,175**	**905**	**-23.0%**	**711**	**507**	**-28.7%**
as % of revenues	*14.9%*	*12.0%*	*-2.9ppts*	*17.8%*	*13.4%*	*-4.4 ppts*
sales of assets	26	18	-30.8%	14	13	-7.1%
proceeds from sale of subsidiaries, net of cash	-	1,637	n/a		1,637	n/a
other investing activities	-19	4	n/a	-6	7	n/a
FCF before financing	1,182	2,564	2.2x	719	2,164	3.0x

* excluding capex financed by lease

consequences of Emitel disposal

- sale of Emitel is an element of Group's strategy of non-core assets disposal
- proceeds amounted to PLN 1.7bn (11x 2010 EBITDA)
- gain on the disposal amounted PLN 1.2bn, positively impacted EBITDA and net income
- transaction will not impact cash flow target, as proceeds from sale of assets are not included in net free cash flow
- Emitel's results were fully consolidated by the Group, and therefore it will report 2H results vs. pro-forma (Emitel as an external partner in 2H 2010)
- the Management Board of TPSA will propose to allocate about half of the proceeds from disposal of TP Emitel to share buy back, amounting to PLN 800mn

TP Group 2010 as reported

in million PLN	3Q2010	4Q2010	FY2010
revenues	3,898	3,957	15,715
restated EBITDA	1,500**	1,380	5,772**
CAPEX	597	1,401	2,716

TP Group 2010 pro-forma

in million PLN	3Q2010	4Q2010	FY2010*
revenues	3,824	3,881	15,565
restated EBITDA	1,457**	1,342	5,691**
CAPEX	557	1,368	2,643

*TP Emitel consolidated in TP Group in 1H and treated as an external entity in 2H
** excluding the -PLN 1.1bn impact of revision of the provision for the DPTG dispute, recorded in 3Q2010

3 conclusions

Maciej Witucki
president of the board and CEO

TP Group reconfirms 2011 outlook & guidance

		FY outlook and guidance reminder	status	comments
outlook on trends	market & revenue evolution (yoy)	▪ affected by new MTR cuts, revenue is anticipated to decline by at least 2%* but not more than 4.5%*	confirmed	▪ better year-on-year revenue evolution expected in 2H than -4.3% in 1H 2011 ▪ 2H revenue reported vs. 2010 pro-forma
outlook on trends	EBITDA margin	▪ EBITDA margin anticipated between 36%* and 37%*	confirmed	▪ EBITDA margin* outlook range reiterated, inc. expected strong commercial activity in 4Q
outlook on trends	capex to sales	▪ capex anticipated between 17% and 19% of revenue*, broadband investment program continued	confirmed	▪ full-year capex to revenue ratio expected towards the lower end of the outlook
guidance	net free cash flow	▪ net free cash flow expected of at least PLN 2.4bn*	confirmed	▪ NFCF target reconfirmed

* excluding exceptional items, impact of claims and litigation, change in consolidation scope and unpredictable regulatory impact

conclusions

- 2Q marked by strong financial performance and strategic developments
  - underlying results in line with outlook and guidance
  - asset disposal brings net income to PLN 1.2bn for 1H
  - network sharing to bring additional NFCF of ~PLN1 bn within 5 years

- commercial developments give confidence for the future
  - mobile momentum maintained
  - progress in broadband, with 21% net adds share, still below ambitions
  - new high speeds and TV content to facilitate broadband growth

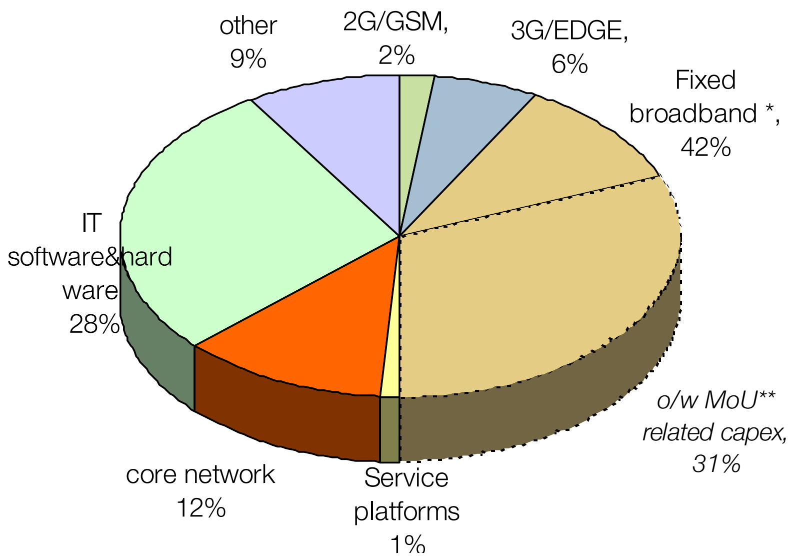
- our 2H commercial agenda is focused on:
  - increasing the pace of broadband growth
  - modifying our sales engine for the big cities
  - building good ground for faster growth in 2012

5 Q&A session

6 appendices

capex up 10.6% year-on-year

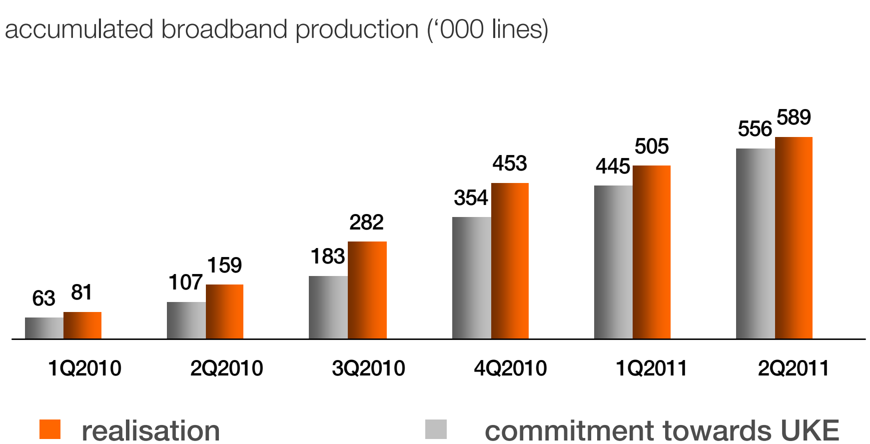
TP Group key investment areas in 2Q2011 (in %)



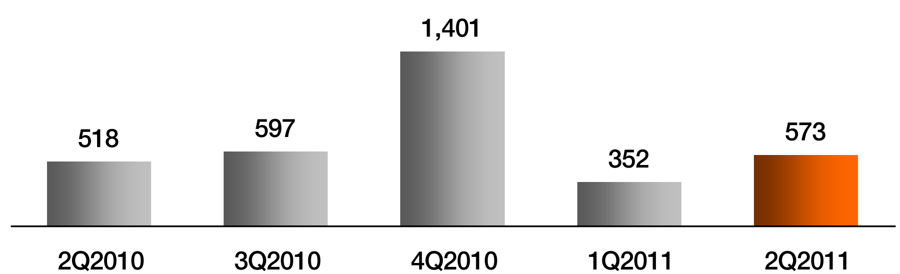
insight

- capex up year-on-year thanks to faster execution of investment projects
- 42% capex dedicated to fixed broadband
- commitments towards Regulator realised with a ~33k lines safety buffer

UKE arrangement



TP Group capital expenditure evolution (in PLN mn)

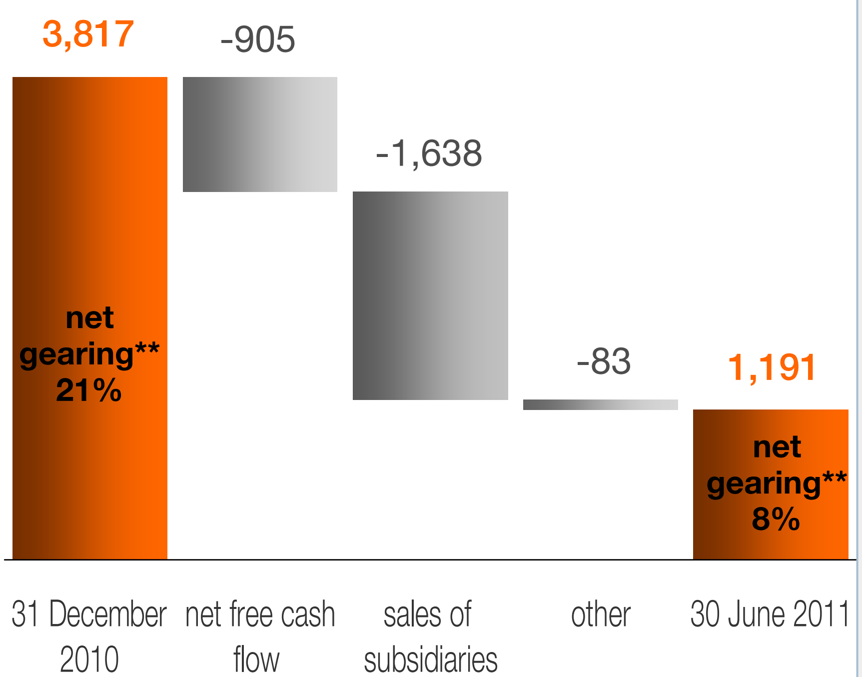


*including capex for customer premises equipment ** MoU - Memorandum of Understanding signed with UKE

strong balance sheet maintained

net debt evolution (in PLN mn)

net debt / EBITDA* at 0.2



insight

- available liquidity position:
  - cash & equivalents at PLN 5.0 bn
  - unused credit lines at PLN 2.0 bn
- back-up facility at PLN 1.6 bn
- effective hedging policy
- solid credit rating
  - A3 / BBB+ with stable outlook
- PLN 2bn dividend paid on July 7th, 2011

*annualized EBITDA, excluding the PLN 1.1bn revision of the provision for the DPTG dispute, recorded in 3Q2010
** net gearing after hedging ratio = net debt after hedging / (net debt after hedging + shareholders' equity)

appendices

I. glossary

glossary (1/3)

ARPL	Average Revenue per Line
ARPU	Average Revenue per User
AUPU	Average Usage per User
BSA	Bit Stream Agreement
CATV	Cable Television
Catch-up	A type of VoD where broadcasters make programming available for streaming
CPE	Customer-premises equipment
CPS/CS	Carriers Pre-Selection/ Carriers Selection
DLD	Domestic Long Distance Calls
DSLAM	Digital Subscriber Line Access Multiplexer
DTH	Direct To Home
DVB-T	Digital Video Broadcasting - Terrestrial
DVB-H	Digital Video Broadcast - Handheld
EBITDA	Operating income + depreciation and amortization + impairment of goodwill + impairment of non-current assets
F2M	Fixed to Mobile Calls
FTE	Full time equivalent
FTTH	Fiber To The Home

glossary (2/3)

HFC	Hybrid Fibre Coax
HSDPA	High Speed Downlink Packet Access
HSPA	High Speed Packet Access
ICT	Information and Communication Technologies
ILD	International Calls
IP TV	TV over Internet Protocol
IVR	Interactive Voice Response
LC	Local Calls
Liquidity Ratio	Cash and unused credit lines divided by debt to be repaid in the next 18 months
LLU	Local Loop Unbundling
LTE	Long Term Evolution *(3GPP 4G technology)*
LTO	Local Telecommunication Operator
MoU wth UKE	Memorandum of Understanding signed with UKE
MTR	Mobile Termination Rates
MVNO	Mobile Virtual Network Operator
Net FCF	Net Free Cash Flow = Net cash provided by Operating Activities – (CAPEX + CAPEX payables)
Net gearing	net gearing after hedging ratio = net debt after hedging / (net debt after hedging + shareholders' equity)

glossary (3/3)

NGA	Next Generation Access
NGN	Next Generation Network
POS	Point-Of-Sale
POTS	Plain Old Telephone Service
PVR	Personal Video Recorder
RIO	Reference Interconnection Offer
RLLO	Reference Leased Line Offer
RUO	Reference Unbundling Offer
SAC	Subscriber Acquisition Costs
SDI	Permanent (Rapid) Access to Internet
SMP	Significant Market Power
USO	Universal Service Offer
UKE	Office of Electronic Communications - Regulator
VAS	Value Added Services
VDSL	Very High Speed Digital Subscriber Line
VoIP	Voice over Internet Protocol
WLL	Wireless Local Loop - a term for the use of a wireless communications, the "first mile"
WLR	Wholesale Line Rental