Orange Polska (TPSA)
results for 2012
and medium term action plan

Warsaw
February 12th, 2013

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 highlights

Maciej Witucki

president of the board and CEO

2012 in review

- **throughout 2012 we observed deteriorating operating conditions**
  - price war on the mobile post-paid market brought retail ARPU evolution to -7% year-on-year, and its effects will continue to be visible in 2013
  - deterioration of the macro environment has hampered our cash generation
  - new price war has been launched in January 2013, threatening further market decline

- **nevertheless, we have delivered commercial progress in 2012**
  - mobile customer base grew by 237k since 2011 and data usage continues to increase
  - broadband ARPU has increased by 5% year-on-year in 4Q, thanks to 193k additional triple-play users
  - the decline in number of fixed voice customers has been halved to 91k in 4Q as compared to 182k in 4Q 2011

- **4Q performance was in line with our revised objectives for 2012**
  - we have achieved satisfactory results in mobile and fixed voice customer bases
  - we have delivered our revised financial objectives

2012 in line with the revised objectives

		outlook and guidance (revised in October 2012)	results	
outlook on trends	market value and revenue	▪ annual revenue currently anticipated to decline by between -4%* and -5%*	PLN14.1bn	-4.1% yoy*
	costs and EBITDA	▪ EBITDA margin anticipated between 34%* and 36%*	34.2%	
	capex to sales	▪ capex anticipated between 15% and 17% of revenue*	16.5%	
guidance	net free cash flow	▪ cash generation* anticipated between PLN 1.5 bn and PLN 1.6bn	PLN 1.54bn**	

* excluding exceptional items, impact of claims and litigation, change in consolidation scope and unpredictable regulatory impact
** adjusted for the payment to DPTG a total of €550mn

shareholder remuneration in 2013

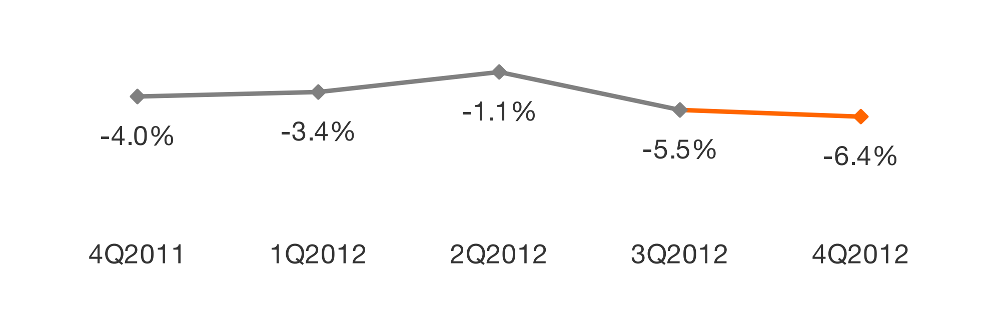
- we have the **financial capability** to pay shareholder remuneration of PLN 1 per share in 2013
- but **we face market volatility** as well as uncertain **significant cash outflows** (spectrum opportunity, EC fine)
- **we act responsibly**, to the long term benefit of the Company and all its stakeholders
- we strive to **preserve our sound balance sheet**
  - therefore, we commit to the **floor shareholder remuneration in 2013 of PLN 0.5 per share** in July, in form of an ordinary cash dividend
  - our articles of association allow an **interim shareholder remuneration**

2 financial review

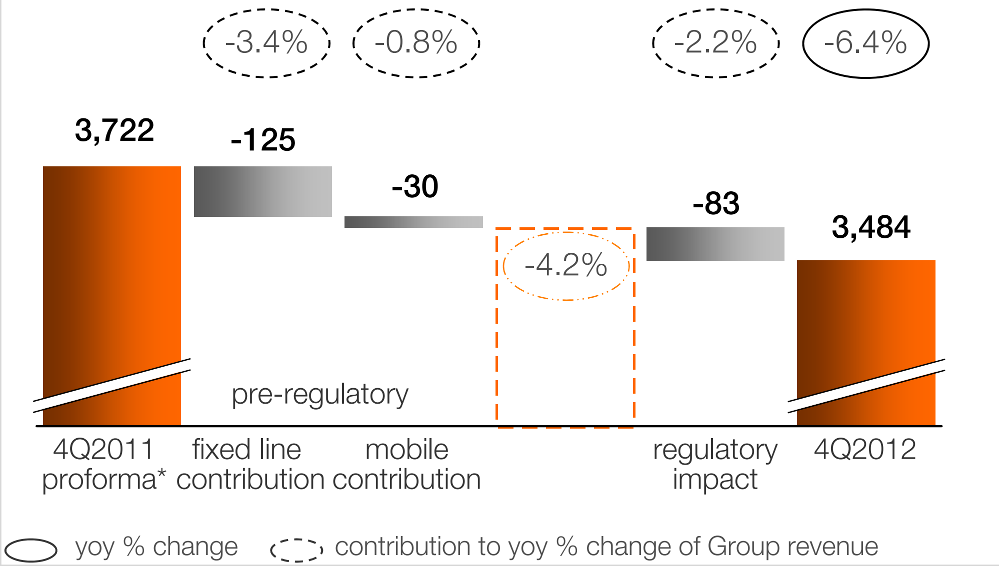
Jacques de Galzain
chief financial officer

Group revenues evolution affected by price pressure in mobile

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



Group revenue evolution (in PLN mn)



insight

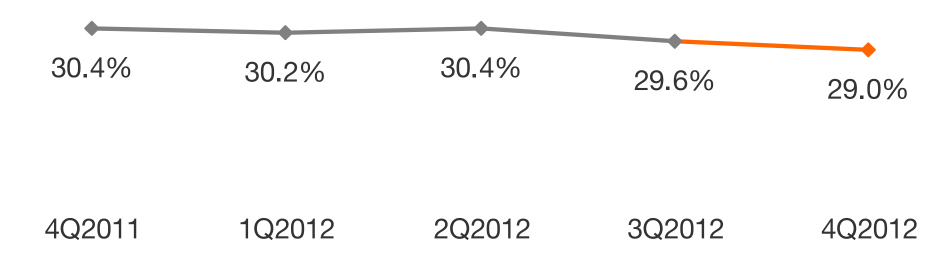
- 4Q revenue evolution affected by regulatory
  - PLN -47mn due to voice MTR cuts (to PLN 0.122 from PLN 0.152)
  - PLN -15 mn due to SMS MTR cuts
  - PLN -20 mn due to EU roaming rate cut and others
- pre-regulation, mobile contribution to top-line is resisting: -0.8% in 4Q despite price war
  - number of customers continues to grow, but
  - ARPU has declined due to further adoption of unlimited offers by customers
- fixed segment revenue reflects its structural decrease
  - driven down by decline of POTS
  - growth in data and wholesale insufficient to offset fixed voice decline

* vs. pro-forma, adjusted for de-consolidation of Emitel and Paytel

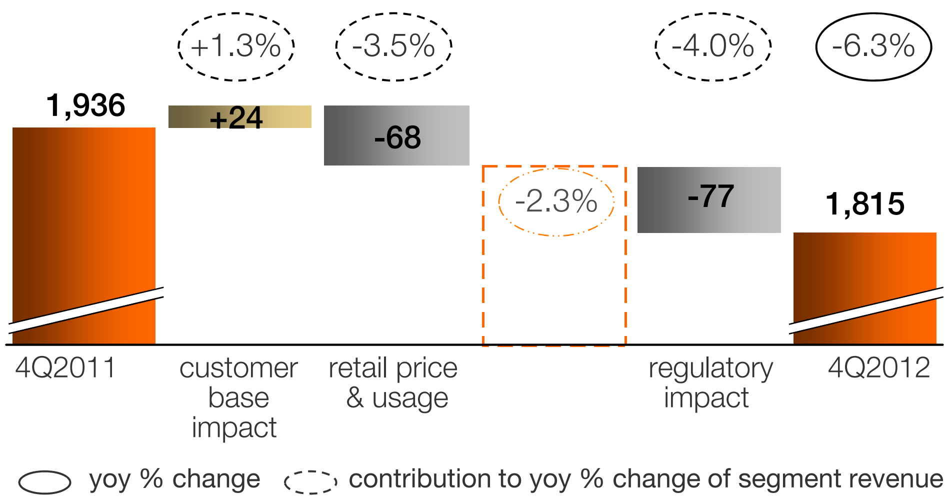
4Q mobile revenues affected by unlimited plans and MTR cuts

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)



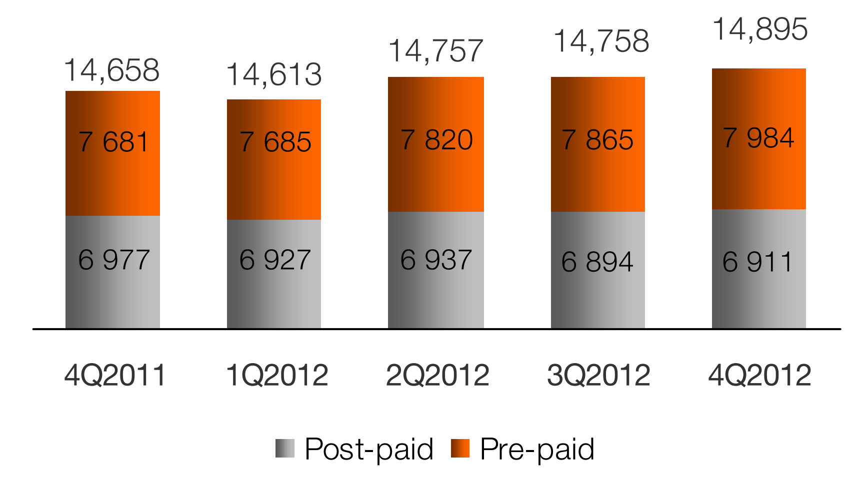
insight

- Orange remained value market leader
  - value market share decreasing by 1.4pp
- mobile customer base rose by 1.6% year-on-year
- excl. regulatory impact, 4Q revenues are -2.3% year-on-year
  - retail ARPU declined by 7.3% y-o-y due to unlimited offers

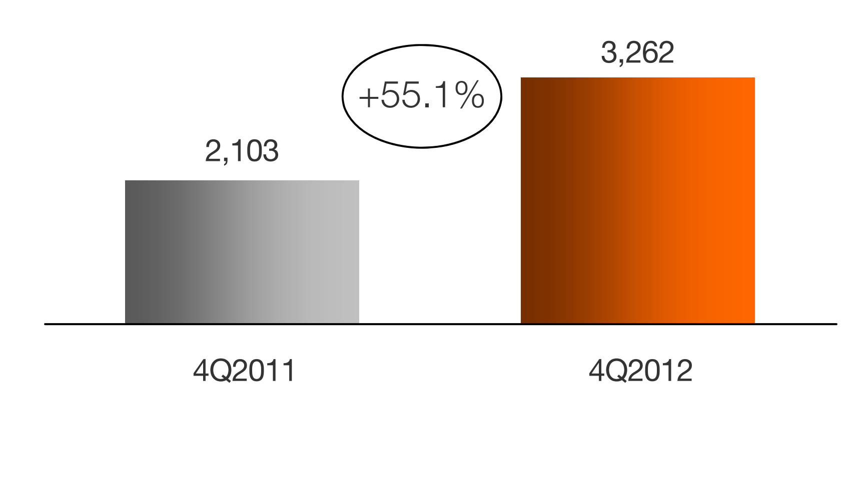
* incl. revenue from fixed services provided by PTK **company's estimation

mobile customer base grew by 1.6% year-on-year

customer base evolution (in ‘000)

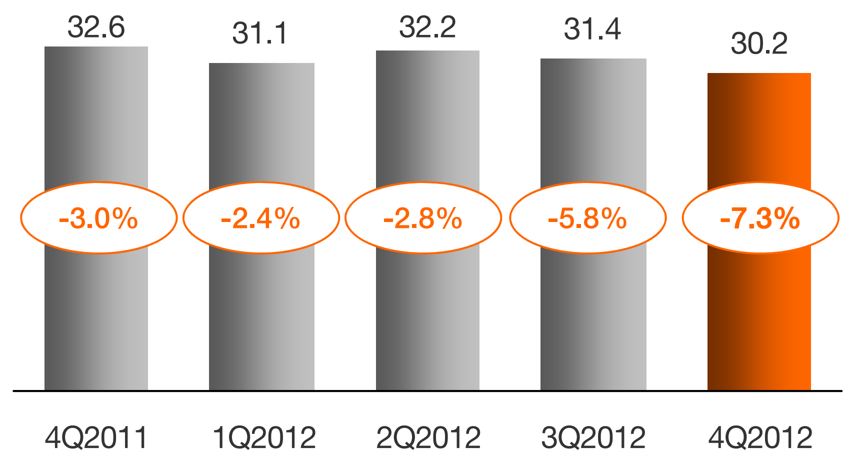


number of smartphones (in ‘000)



retail ARPU evolution (PLN/month)

y-o-y

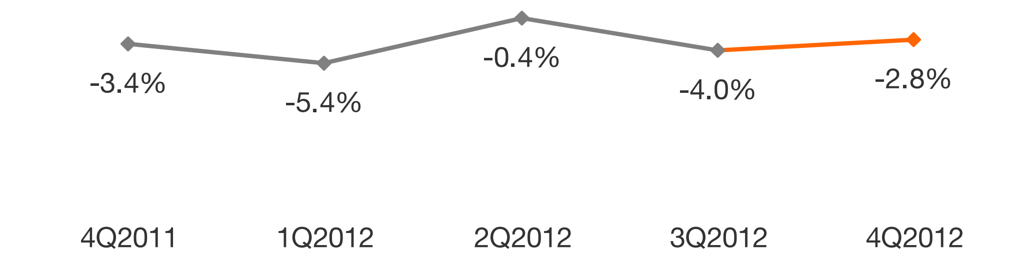


insight

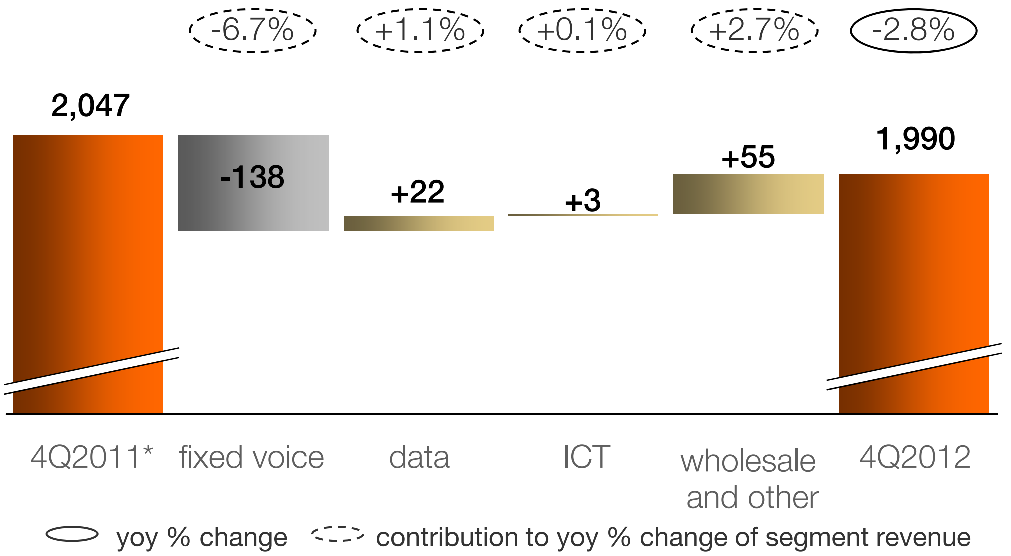
- customer base increased by 137,000 in quarter 4
- number of smartphones continues to rise, reaching 3.3mn in 4Q
- data ARPU in post-paid rose by 6.1% year on year
- marked decline of retail ARPU reflects increasing pressure of unlimited plans

fixed segment revenue decline limited in 4Q to 2.8%

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



fixed segment revenue evolution
(segment statutory in PLN mn)



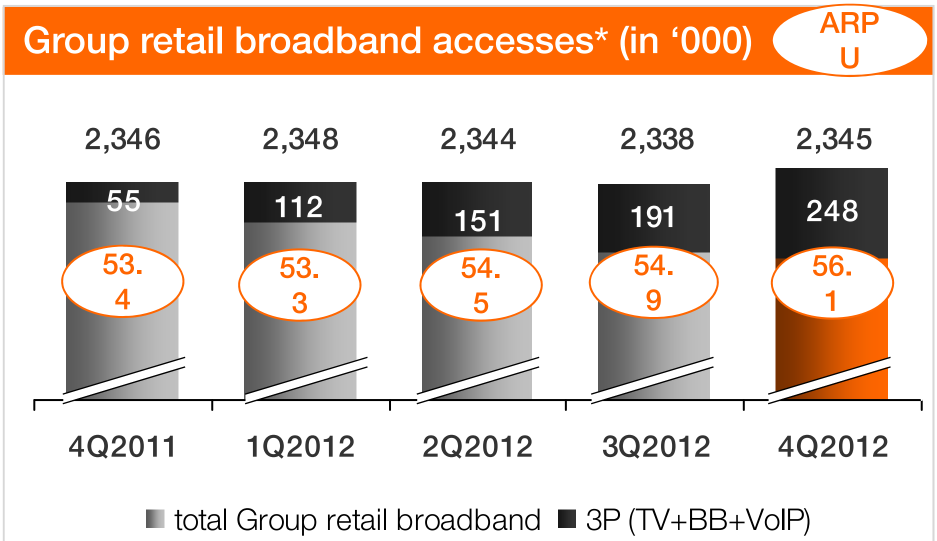
insight

- revenue contracting by 2.8% year-on-year after -4.0% decline in Q3 2012
- fixed voice revenue decrease was slower than in previous quarter, due to increasing 3P sales
- data revenues is up by PLN 22mn in 4Q
  - due to high sales of the 3P offer that pushed broadband ARPU up by 5% year-on-year
- wholesale and others increased by PLN 55mn mainly due to additional leased lines

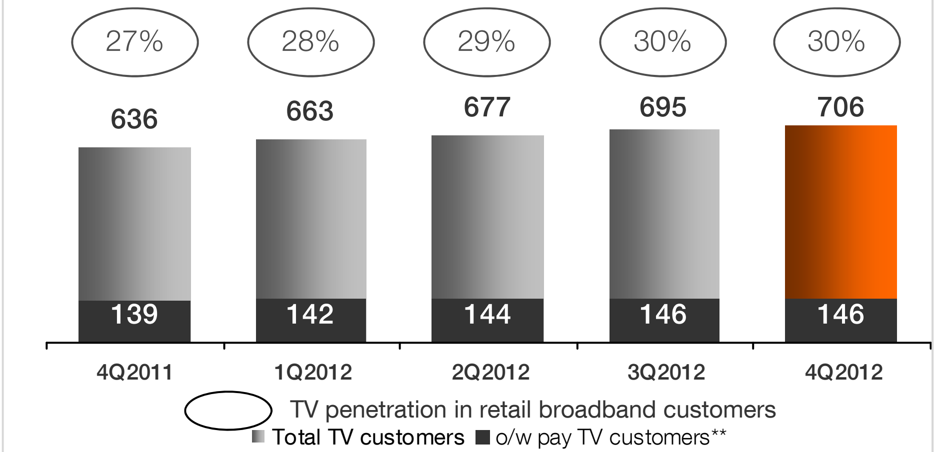
* pro-forma, adjusted for the deconsolidation of Emitel and Paytel

broadband ARPU up by 5.0% y-o-y, reaching PLN 56.1

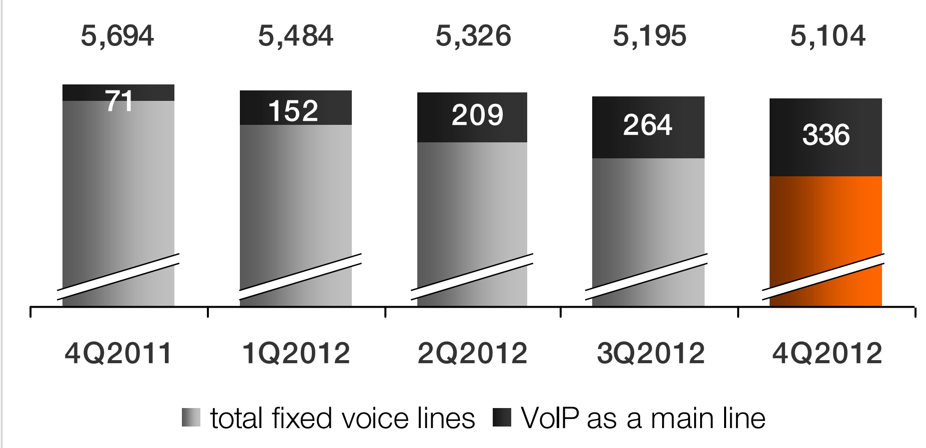
Group retail broadband accesses* (in '000)



TV customer base evolution (in '000)



retail voice subscribers evolution (in '000)



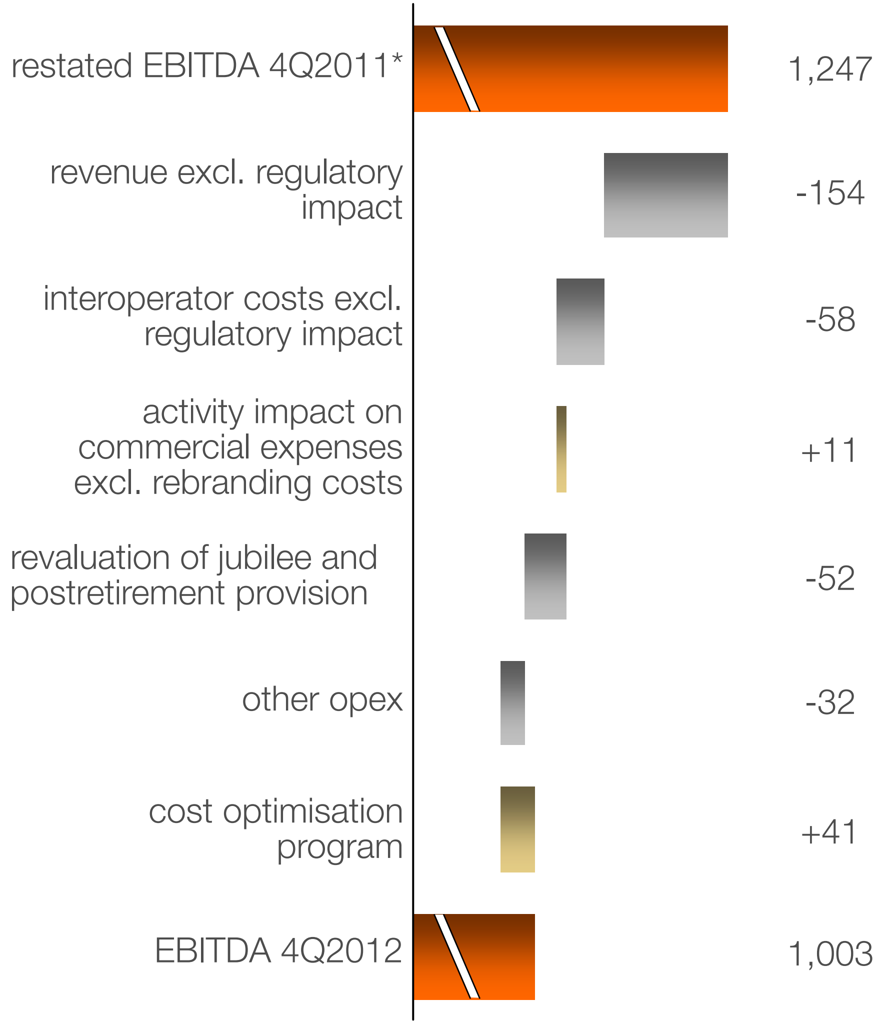
insight

- significant improvement in the number of fixed lines evolution
  - quarterly decrease limited to -91k as compared to -170k ave. of past quarters
  - almost 336,000 clients use VoIP as their main voice line
- almost 250,000 clients of the 3P bundle (BB+TV+VoIP) drive broadband ARPU up

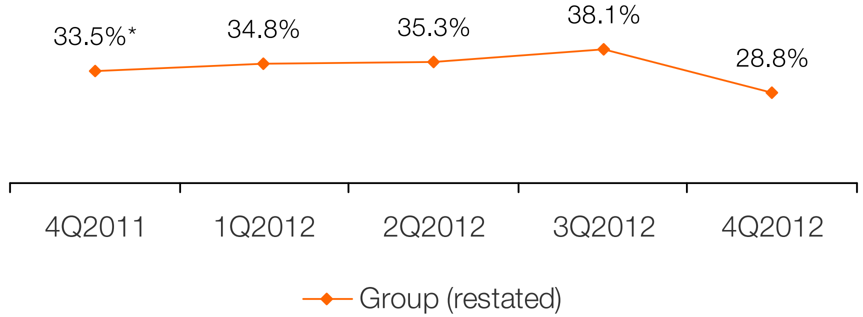
*Including CDMA and Orange Freedom
** includes TP's M-, L – packages, Orange Sport, HBO and 'n' packages

4Q EBITDA reflects the adverse revenues dynamics

Group EBITDA evolution (in PLN mn)



EBITDA margin (in %)



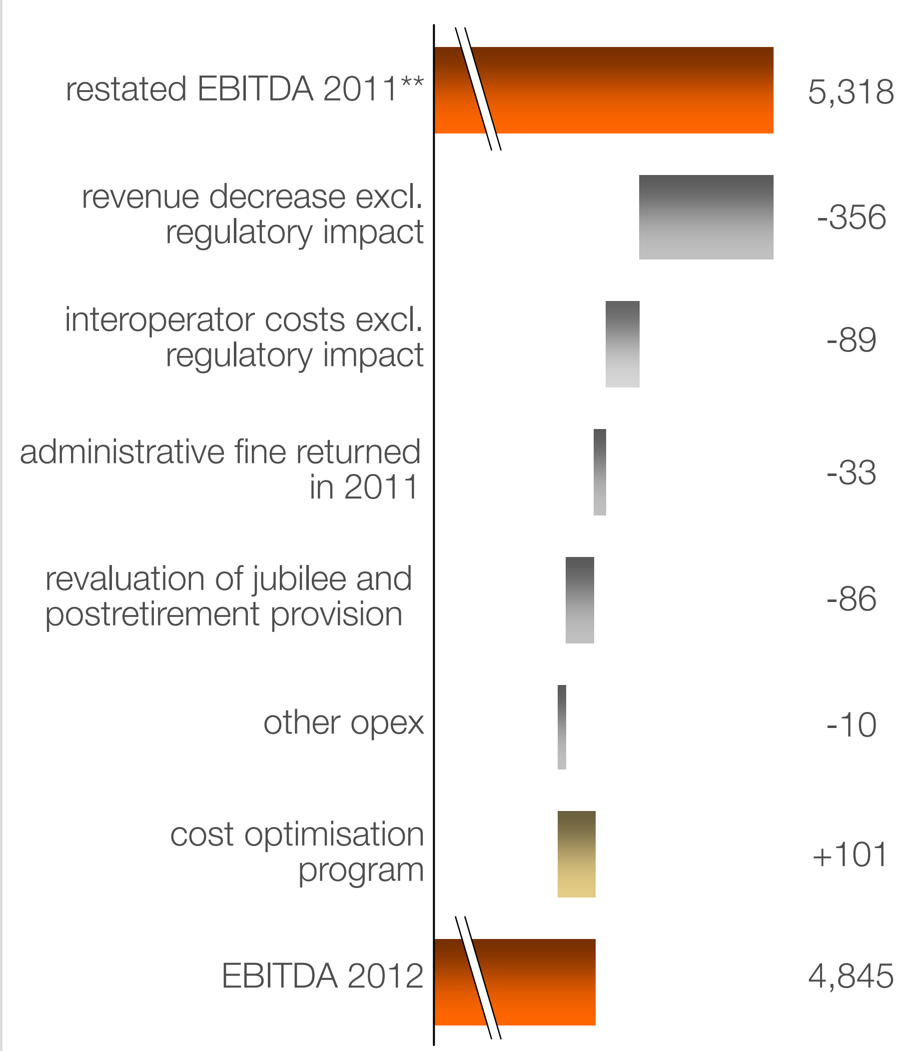
insight

- declining fixed voice revenue and pressure from mobile unlimited plans dragged EBITDA down
- interconnect costs (pre MTR impact) driven up since 2011 by higher traffic, stimulated by unlimited plans.
- commercial costs decreased due to lower advertising expenses
- revaluation of the jubilee and post-retirement provisions following changes in actuarial assumptions

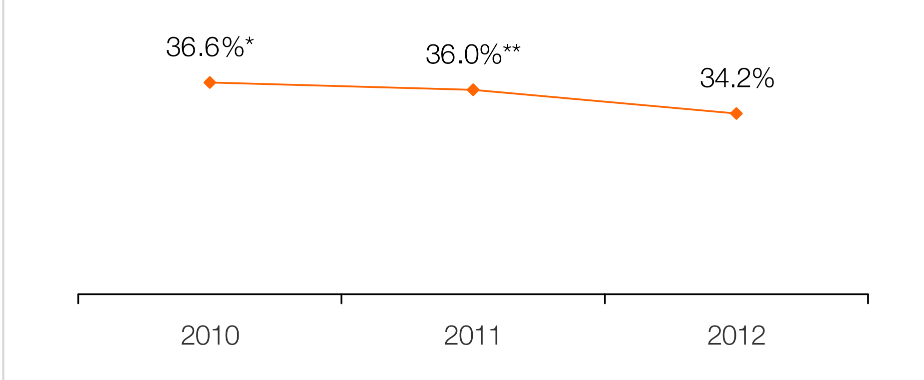
* pro-forma adjusted for the deconsolidation of Emitel and Paytel, excluding add. costs on Emitel disposal (PLN -5mn), restructuring provision (PLN -172mn) and increase in DPTG provision (PLN -35mn)

mobile price war weighs down on 2012 EBITDA

Group EBITDA evolution (in PLN mn)



restated EBITDA margin (in %)



insight

- EBITDA down by PLN 473mn since 2011, mostly due to lower revenue
- regulatory impact in 2012 neutral to EBITDA
- interconnect costs (pre MTR impact) driven up by higher traffic, stimulated by unlimited plans.
- other opex up by PLN 10mn mostly due to higher brand fee (-PLN 15 mn)
- actualisation of jubilee and post-retirement provisions
- cost base -1.4% since 2011 driven down by PLN 101mn savings delivered by optimisation program

* 2010 pro-forma and excluding impact of DPTG provision revision (PLN -1,061mn)

** pro-forma adjusted for the deconsolidation of Emitel and Paytel, excluding gain on Emitel disposal (PLN +1,183mn), provision for EC fine (PLN -458mn), restructuring costs (PLN -172mn) and increase in DPTG provision (PLN -35mn)

2012 net income reached PLN 0.9bn

in million PLN	FY2011	FY2012	
EBITDA as reported in 2011	5,928	4,845	
depreciation and amortization	*-3,703*	*-3,261*	1
impairment of non-current assets	*-9*	*-16*	
share of profit of investments accounted for using the equity method	*1*	*5*	
operating income	2,217	1,573	
*net financial costs**	*-432*	*-557*	2
of which foreign exchange gains / (losses)	7	28	
income taxes	*133*	*-161*	3
net income	1,918	855	
EPS (PLN per share)	1.44	0.65	

1 fall in 2012 vs. 2011 due to underlying trend and less accelerated charges

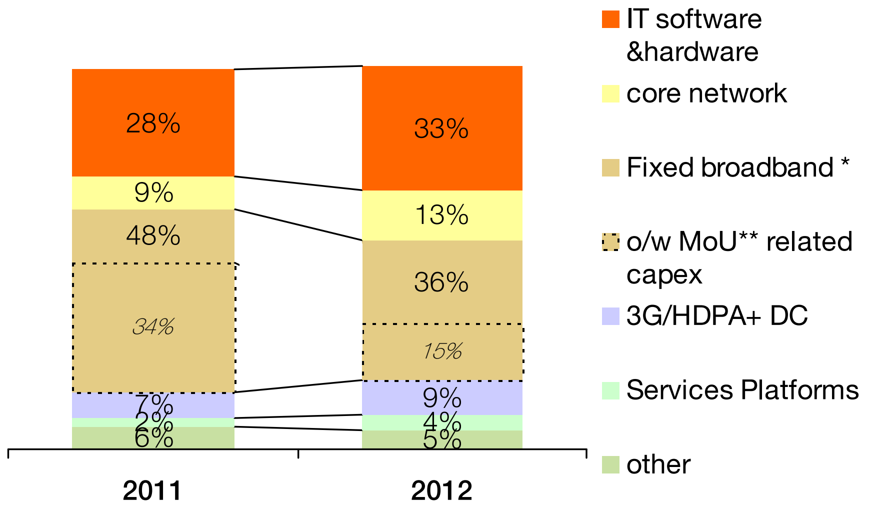
2 financial costs above 2011 due to an increase of net debt

3 tax charge in 2011 included recognition of deferred tax asset

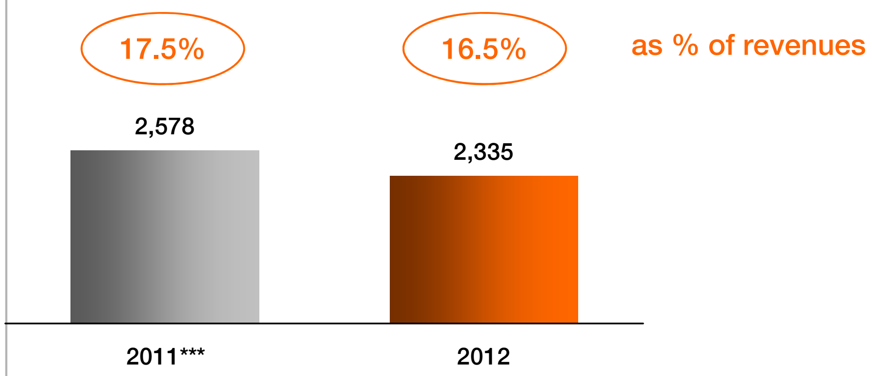
* including discounting expenses

2012 capex decreased by 9.4% versus 2011

Group key investment areas in 2012 (in %)



Group capital expenditure evolution (in PLN mn)



insight

- total capex in 2012 amounted to PLN 2,3bn, versus PLN 2,6bn in 2011
- capex to sales decreased to 16.5% in 2012 vs. 17.5% in 2011
- status of MOU with UKE
  - total capex spent to-date amounts to PLN 2.1bn
  - 1,026k Broadband lines delivered to-date
- 36% of 2012 capex spent on fixed broadband vs. 48% in 2011, as most of the MOU related capex has already been executed

*including capex for customer premises equipment ** MoU - Memorandum of Understanding signed with UKE *** adjusted for the deconsolidation of Emitel

cash flow in line with the revised guidance

in million PLN	FY2011 reported	FY2012 reported excluding DPTG***	change in absolute terms
net cash flow from operating activities before income tax paid and change in working capital	5,004	4,460	-544
change in working capital	353	-101	-454
CAPEX*	-2,598	-2,319	+279
CAPEX payables**	-168	-452	-284
income tax paid	-188	-46	+142
net free cash flow after tax paid	2,403	1,542	-861
as % of revenues	*16.1%*	*10.9%*	*-5.2 ppts*
sales of assets	55	59	+4
Decrease/(increase) in receivables related to leased fixed assets	-7	-7	-
organic cash flow	2,451	1,594	-857

cash flow operating activities decreased due to lower EBITDA

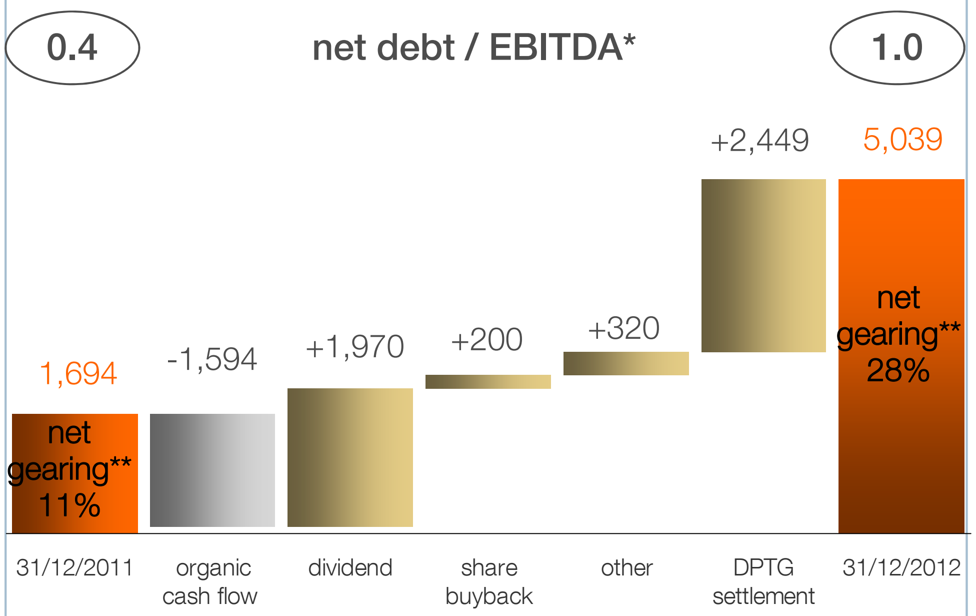
higher requirements for working capital mainly due to lower accounts payable

lower tax paid due to utilisation of deferred tax asset

* excluding capex financed by lease and including exchange rate effect on derivatives economically hedging capital expenditures, net
** including decrease/(increase) in receivables related to leased fixed assets
*** According to the settlement signed Jan. 12, 2012, TP S.A. paid DPTG a total of €550mn (PLN 2,449mn o/w change in provisions PLN -2,167mn and change in working capital PLN -282mn)

debt increase reflecting shareholder remuneration and settlement with DPTG

net debt evolution (in PLN mn)



insight

- **available liquidity** position as of Dec 31, 2012:
  - cash & equivalents at PLN 0.4 bn
  - unused credit lines at PLN 0.9bn
- back-up facility at EUR 400 mn
- **credit ratings** at A3 / BBB+ with negative outlook

* annualised restated EBITDA,
** net gearing after hedging ratio = net debt after hedging / (net debt after hedging + shareholders' equity)

Orange Polska
medium term action plan (2013-2015)

i) introduction **Maciej Witucki, CEO**

ii) commercial strategy
iii) network and IT
iv) resource management

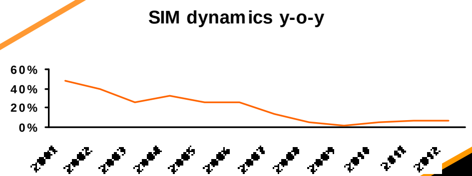
Warsaw
February 12th, 2013

introduction to our medium term strategy

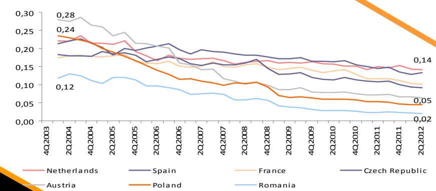
- **2010-2012 action plan effectively helped to stabilise our Group**
  - it improved the regulatory dialogue, enabling us to focus on our core business
  - it restored our leadership in mobile value, and we added 1.2 million clients
  - it enabled us to compete in broadband, after several years of decline
  - we transformed our cost base, bringing it down by 8.4% or PLN 0.9bn (2012 vs. 2009)
  - we launched projects that are key for our future, such as network sharing and TV coöperation
- **however, telecom market has changed significantly since 2009**
  - mobile competition has reached climax, resulting in price war in post-paid
  - most of urban broadband growth is captured by CATV, while mobile internet pricing puts pressure on fixed broadband in rural areas
  - the industry is ahead of the 4G spectrum purchase and service deployment
  - another round of MTR cuts is going to take place this year
  - finally, we will operate under weaker than before macroeconomic conditions
- **we have a strategy to face new challenges through a much leaner organisation, with a stronger offer and an improved sales force**

we recognise and will overcome a challenging environment

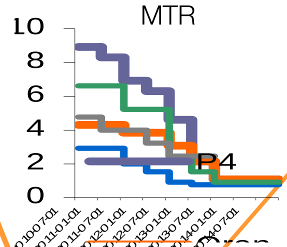
saturating core telecom market



price wars



regulatory decisions adverse to operators and market development (MTR/roaming cuts)



to much mono-market competition and many privileged / not regulated rivals (e.g. P4, CATV)

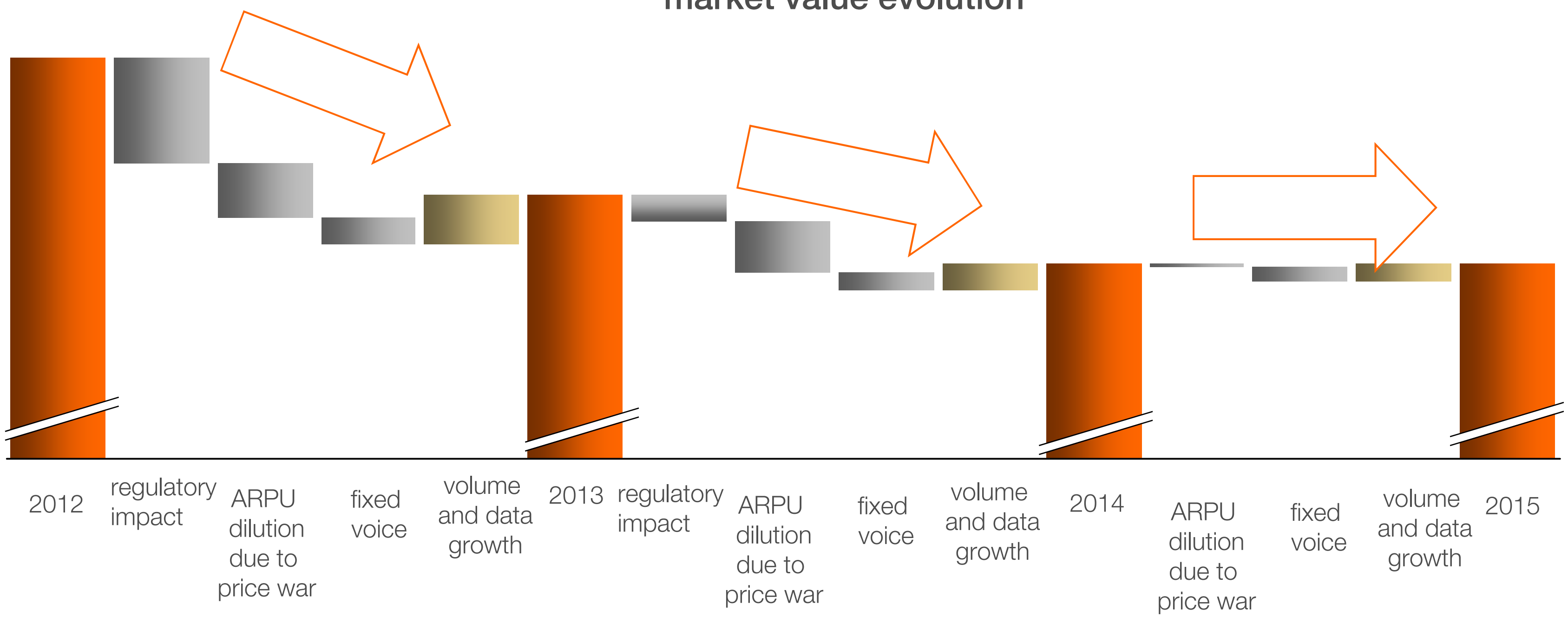
voice and data migration to mobile / VoIP

Polish telecom market likely to go through 2-3 years of transition

insight

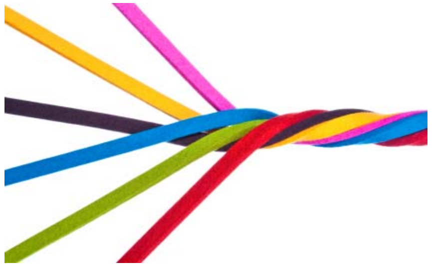
- market will be under **strong pressure resulting from MTR and Fixed-To-Mobile rate cuts**
  - This will affect market value by PLN 2.7bn in 2013 and PLN 0.8bn in 2014
- **price wars**, experienced strongly in 2012, will affect market value further
- However, continuous **growth of volumes and data will help to offset the adverse** factors beyond 2015

market value evolution



we will leverage on our strengths and seize market opportunities

bundling & convergence



- We have contact with over 20 million customers of our different services
- We have developed the best online sales portal and social media – **our facebook page ranked #5 worldwide by Socialbakers**
- We have the widest available range of products and services, delivered by various technologies
- We will use bundling to protect the overall ARPU of the Group and build customer loyalty

growing data traffic

- We have observed a continuous growth of data traffic
- This tendency can further be fuelled by 4G internet, but also by adequate bundling of various mobile and fixed products
- Monetisation of data will be key to ARPU development by all operators

new markets

- We have strong assets that could prove valuable in non-telecom markets
  - Countrywide sales network
  - 24h/d large scale customer care
  - Network and service platforms
- While it is not yet integrated into this plan, we will study possible expansion to non-telco markets, where our assets could be best utilised

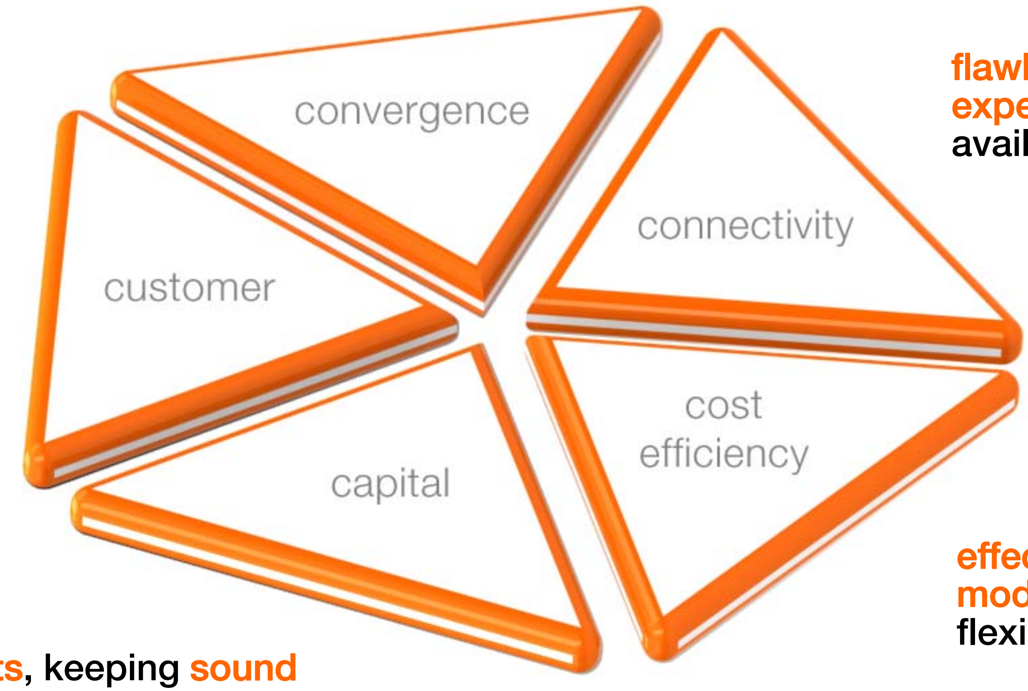
corner stones of our medium term strategy

RESOURCE GENERATION

convenient, technology transparent services available anytime & at any place

flawless connectivity experience thanks to widely available convergent network

customer oriented solutions instead of products and technologies



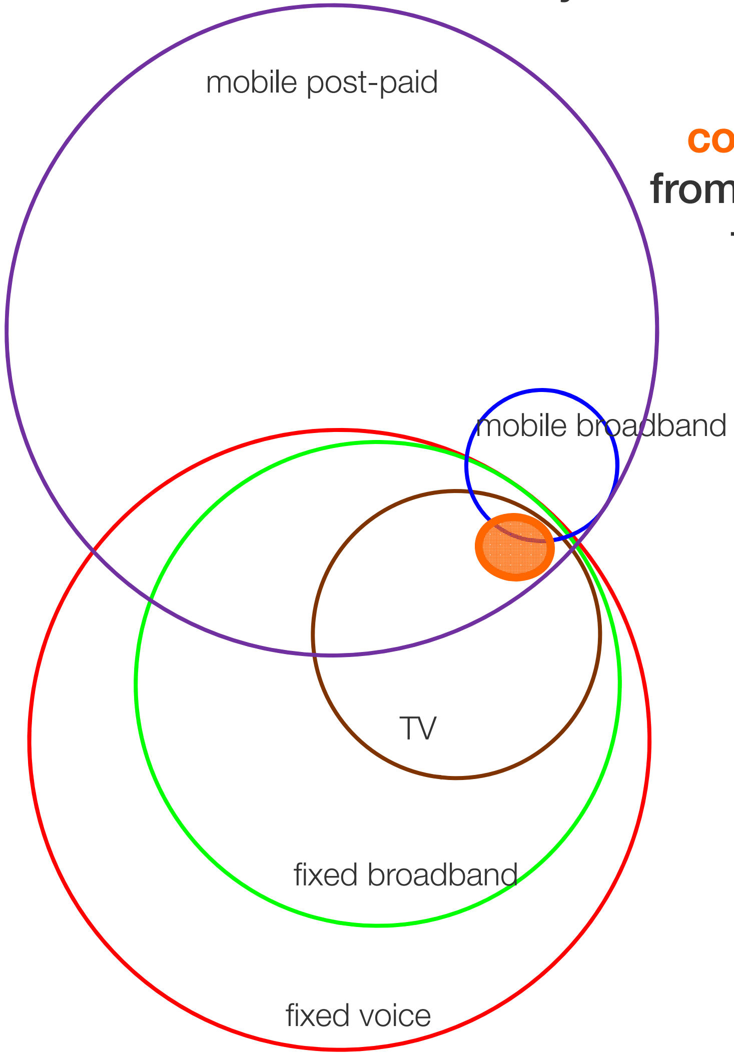
effective business model, with a more flexible cost base

selective investments, keeping sound balance sheet

RESOURCE ALLOCATION

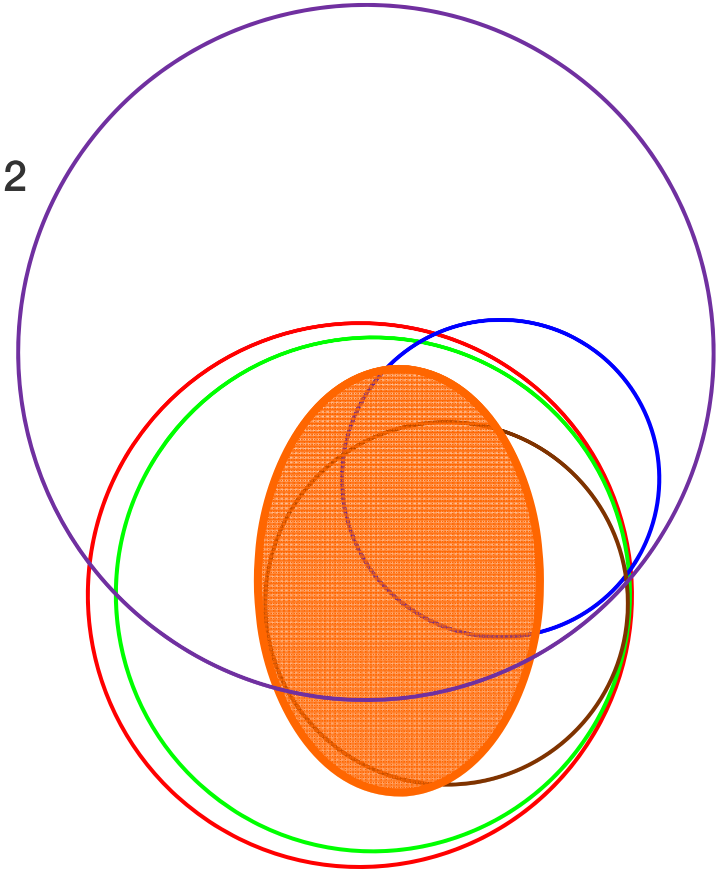
we will leverage our unique position for convergence - relationship with over 20 million customers of different services

our customer base today



convergence growth
from 1% of base in 2012 to ~50% of total post-paid

our customer base in the future



convergent Orange Open solution

simultaneously, we will transform to a leaner and flexible business

core business transformation

- continued efficiency gains including human resources
- fewer management posts
- key transformation initiatives (e.g. network sharing) implemented as planned
- simpler products and IT systems to drive further efficiencies
- legal merger of TPSA with PTK will bring cost efficiencies

review of asset portfolio

- Wirtualna Polska not considered a core asset, disposal process initiated
- IT efficiency project under consideration
- we will conduct an in-depth review of our options for the core fixed network as well as for other activities

capital expenditure optimisation

- capex brought significantly down, thanks to finalisation of the broadband investment program
- shift in capex allocation between our businesses, favouring mobility and convergence
- spectrum acquisition

Orange Polska
medium term action plan

i) introduction
ii) commercial strategy **V.Lobry (CMO), M.Gaca (CCO)**
iii) network and IT
iv) resource management

our commercial plan is based on 5 key directions

DIRECTIONS	AMBITIONS
1 grow the share of convergence base	½ of broadband and mobile post-paid private customers with ORANGE OPEN
2 retain clear leadership on mobile	value mobile market share >30%
3 secure Orange position on fixed broadband market	VHBB* as ¼ of all broadband customers (retail)
4 fortify our value position in B2B	B2B market share >⅓ in mobile and >½ in fixed accelerate growth in ICT
5 efficient sales network for convergent products	20% of sales acts made on-line POS productivity doubled

* VDSL & FTTH

convergence is key to preserve value in a price competitive market

customers can save vs. buying stand-alone products

customers will get seamless connectivity regardless of the end-user devices

we can defend ARPU by maximising up-sell to mono-product clients

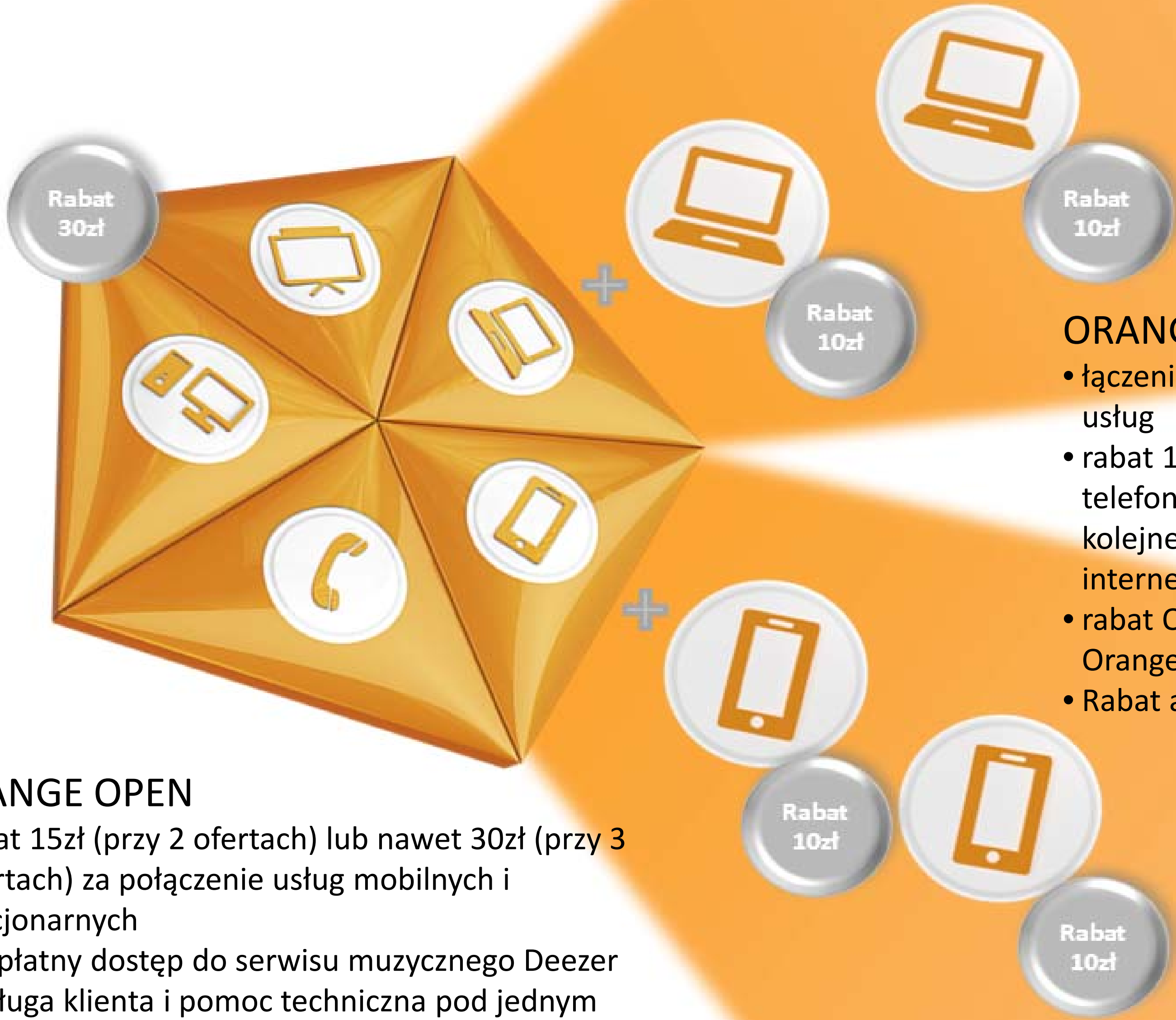
offer simplicity suits clients, while it gives us an opportunity to reduce IT costs

convergent offer **will defend our market shares** both in fixed and mobile

convergence will further **boost usage and enable data monetisation**

Warto przenosić swoje oferty do Orange,
i otrzymywać atrakcyjne rabaty

łącząc usługi w Orange otrzymasz nawet 70zł rabatu



ORANGE OPEN FAMILY – NOWOŚĆ!

- łączenie usług mobilnych z jednego koszyka usług
- rabat 10zł za drugi i kolejne 10 zł za trzeci telefon komórkowy, rabat 10 zł za drugą i kolejne 10 zł za trzecią posiadaną ofertę internetu mobilnego Orange Free
- rabat Orange Open Family łączy się z rabatami Orange Open i Orange Combo
- Rabat aktywuje się automatycznie

ORANGE OPEN

- rabat 15zł (przy 2 ofertach) lub nawet 30zł (przy 3 ofertach) za połączenie usług mobilnych i stacjonarnych
- bezpłatny dostęp do serwisu muzycznego Deezer
- obsługa klienta i pomoc techniczna pod jednym numerem telefonu

building blocks to roll out convergence

sales network organised to the convergence concept

- geographically organised
- focused on a holistic view of the customer
- focused predominantly to promote convergence

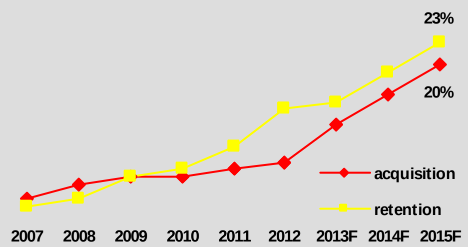
efficient service delivery and coverage

- IT tools and billing system to cope with convergence
- widest coverage and adequate network capacity
- seamless switching between technologies
- use of technologies that promote convergence (e.g. Wi-Fi offload)
- significantly shortened delivery process of broadband

4G network and services

- broadband coverage in rural areas
- more data capacity in urban zones
- possibility to use additional capacity to promote cloud computing
- possibility to differentiate quality to monetize data
- possibility for 3rd party services on the network

we will achieve more efficient, convergent sales and distribution

OUR AMBITION	HOW TO ACHIEVE IT?
B2C AND SOHO CONVERGENCE IN DISTRIBUTION 	• Segmented Customer approach to deliver most suitable solutions for home and enterprise • Orange Open as a first proposal
CUSTOMER PROFILED AND EFFICIENT RETAIL NETWORK	• POS categorization • Decrease no of low performing POS • Shop in Shop concept
GROW ON-LINE SALES 	• Easy purchasing thanks to simplification • Best offers available on internet • Improve e-care conversion on new sales • Best in class in on-line sales

we offer our clients friendly and competent customer care

SERVICE IN POS

•Cost reduction thanks to self-service improvement
•Once and Done for 70% issues
•Revenue generation from monetization

CUSTOMER CARE

•Insurance
•Accessories
•Orange Expert
•Technical Assistance

CROSS CHANNEL

•Seamless customer experience at each step of customer journey whichever channel customer decides to use

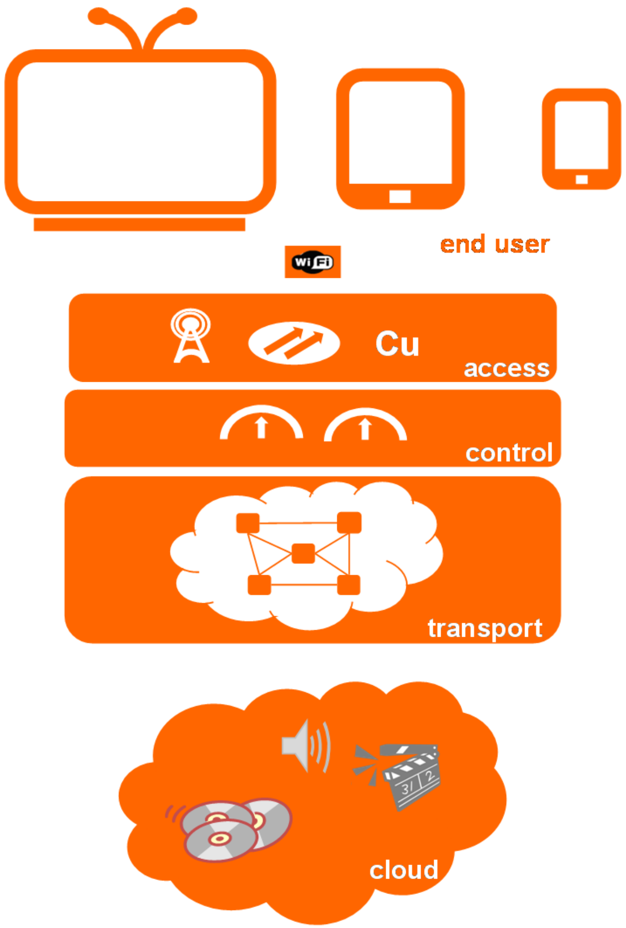
Orange Polska
medium term action plan

i) introduction
ii) commercial strategy
iii) network and IT **P.Muszyński, COO**
iv) resource management

our technical priorities focus around supporting a convergent organisation

DIRECTIONS	AMBITIONS
1 evolve towards a convergent network	**3G** coverage **>80%, 4G** at **>90%** up to **4M homes** addressable by fixed **VHBB**
2 modernise our Business and Operations Support IT Systems	**Transform Operating Model** to reduce costs and facilitate convergence
3 support customer experience	VHBB **delivery time decreased by 3x**

we will move towards a convergent network



actions and directions

expand VHBB coverage

- complete mobile network sharing and roll out 4G
- Invest in fibre to the most economical point to expand VDSL and FTTH

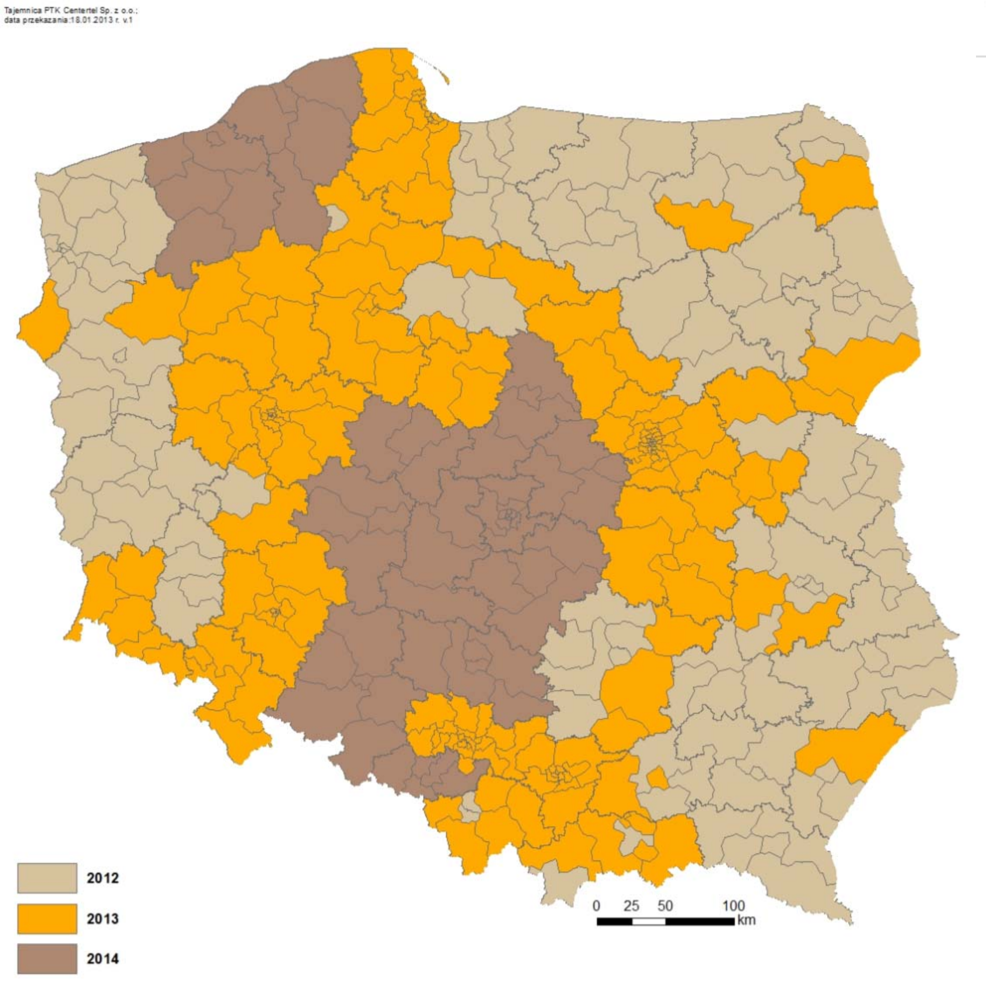
ensure network quality & control

- maintain call quality in mobile network
- provide network throughput to service the expected traffic
- enable QoS and throughput control

support convergence

- Migrate Mobile backhaul to high speed Ethernet
- build LTE readiness
- Enable cloud based services

network sharing delivers wider coverage and significant savings



actions and results

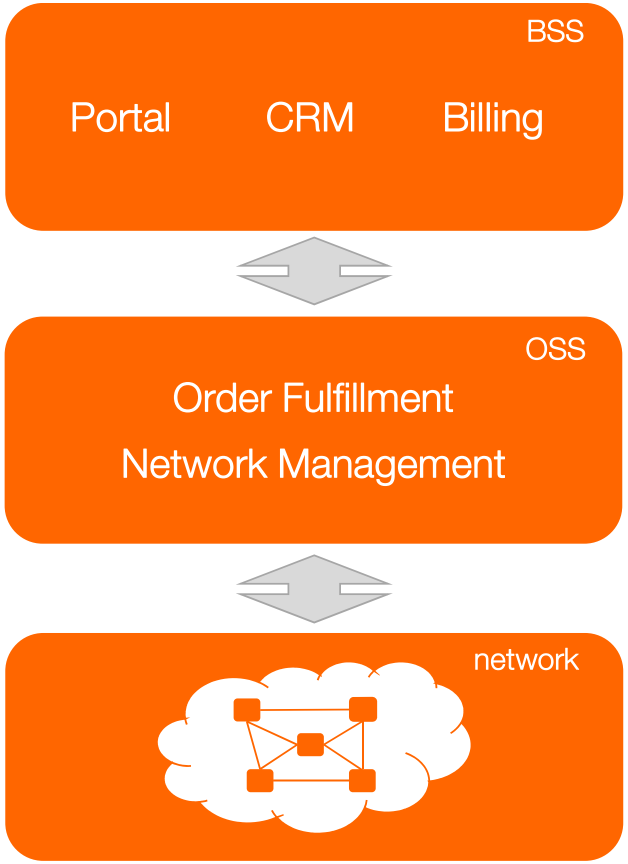
improve network quality by expanding capacity & coverage

- 10K base stations in co-ordinated networks o/w 5K owned by Orange
- network to facilitate 4G implementation in the future

expected results

- 58% more locations with Orange signal
- 3G population coverage of >80% vs. 62% before the project
- growth in 2G/3G indoor coverage
- site rental, energy and maintenance opex savings
- significant capex savings in comparison to standalone development

IT systems supporting convergence and customer experience



actions and directions

transform IT

- implement pre-integrated IT components that enable visible business transformation
- transform service platforms

support new revenue streams

- enable data monetization through QoS & throughput differentiation
- enable smart data and content billing

Orange Polska
medium term action plan

i) introduction
ii) commercial strategy
iii) network and IT
iv) resource management J.de Galzain, CFO

transformation accelerated to obtain a leaner and more flexible business

cost optimisation

- Further **headcount reduction**, including 1 700 for 2013
- **Reduction of managerial posts**
- **Sharing of some service delivery costs** with clients
- **Optimisation of number of POS** and sales commissions
- **G&A cost reduction**, enabled by the TPSA and PTK merger

transformation towards more flexible cost base

- Study of options for **fixed network**
- **Transformation of our IT**, including possible partial outsourcing
- Capitalising on **gains from our network sharing project**

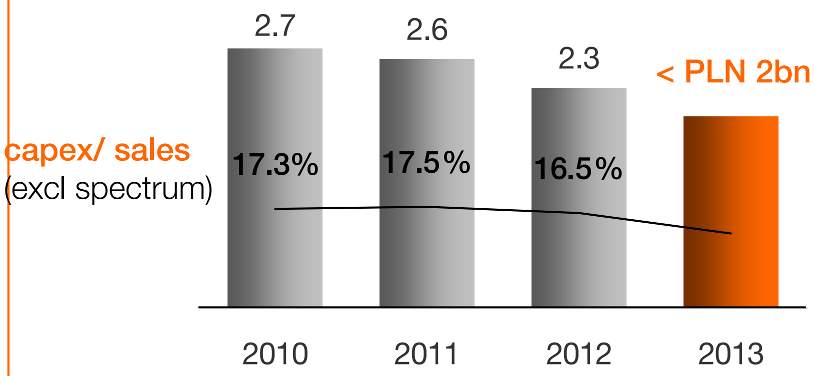
review of our asset portfolio

- **Disposal of Wirtualna Polska**
- **Disposal of other minor non-core assets**, such as Exploris
- Reduction of G&A costs linked to subsidiaries management

capital expenditures decreased to reflect evolution of our business

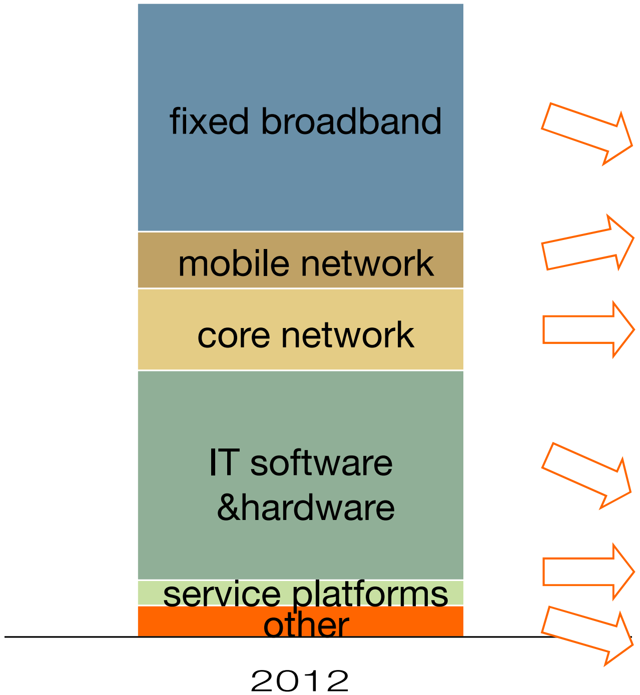
capex reduction

recurring **capex will be brought down** due to lower broadband investments and mobile network sharing



long-term target 12-13% of sales

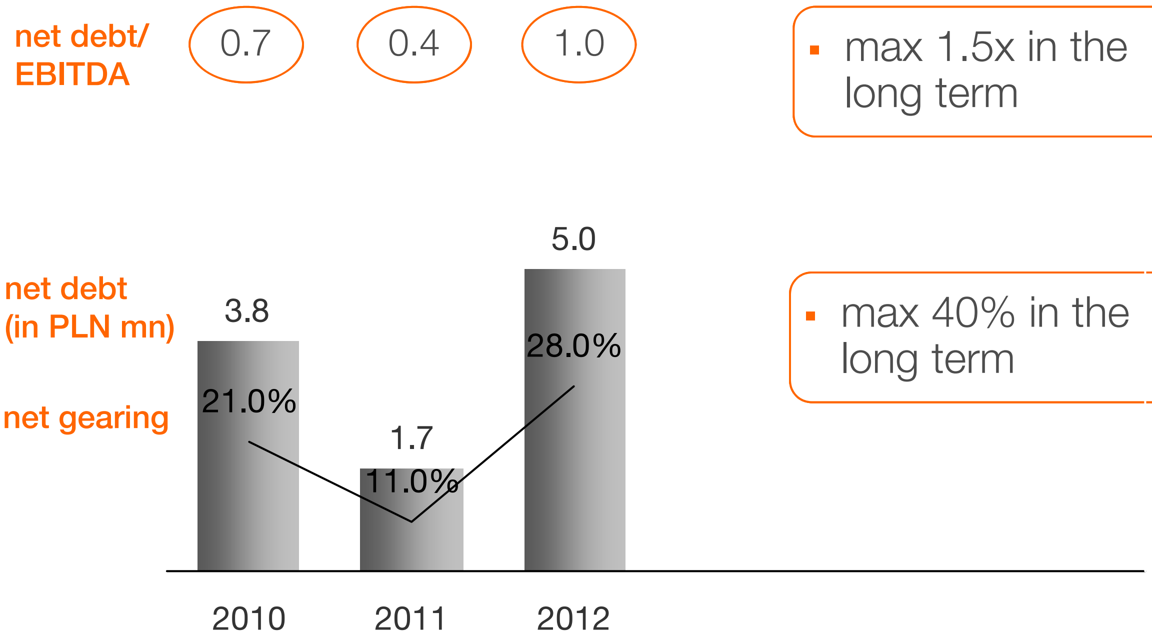
main capex directions



capital potentially required for spectrum

- 4G spectrum purchase may cost between PLN 1bn and PLN 2bn
- possible significant capital expenditure for some 3G spectrum renewal

we will allocate capital to acquire spectrum, while keeping a safe balance sheet



- max 1.5x in the long term

- max 40% in the long term

- we **anticipate pressures on debt**, due to new capital requirements, such as 4G spectrum
- we remain firmly **committed to keep debt metrics down** within the stated limits in the long term
- temporary increase of debt beyond these figures is acceptable in a short term
- **shareholder remuneration will reflect our ability to generate cash and future capital requirements**

we strive to protect revenues and improve those drivers of our business that are within our control

main trends going forward

top line	revenue will erode in 2013 due to steep MTR / F2M cuts and price pressure. Further on, it will be less affected by MTR cuts.
intensified cost optimisation	costs will be continuously decreased, driven down by headcount reduction, business transformation and benefits from network sharing, with commercial costs contained at around 20% of sales
capex lighter business model	capital expenses decreased below PLN 2bn* in 2013. To be pushed further in subsequent years, with the aim to drive capex to 12-13%* of sales
Organic Cash Flow	above PLN 0.8bn* in 2013

* excluding spectrum acquisition, change in consolidation scope and impact of risk and litigation

Orange Polska

conclusions M.Witucki, CEO

conclusions

- **the Polish telecom market has become even more challenging**
  - competition is fierce across all market segments and focused predominantly on price
  - MTR and wholesale rates are among the lowest in Europe
  - low ARPU on the market is not coherent with investment opportunities (4G, VHBB) unless we drive costs further down
- **our strategy addresses this new environment**
  - focused on convergence as the differentiating advantage vis-à-vis price driven competition
  - striving to make us the telecom operator that is most recommended by clients in Poland
  - set to preserve value and ARPU from the sum of Group’s multiple services sold to a single client
  - fighting for a much more efficient business, in parallel to our market ambitions
- **this strategy will place the Group in a stronger position once market will return to growth**

Q&A session

glossary (1/4)

ARPL	Average Revenue per Line
ARPU	Average Revenue per User
AUPU	Average Usage per User
BSA	Bit Stream Access
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 (2/4)

HFC	Hybrid Fibre Coax
HSDPA	High Speed Downlink Packet Access
HSPA	High Speed Packet Access
HSPA DC	High Speed Packet Access Dual Carrier
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 (3/4)

NGA	Next Generation Access
NGN	Next Generation Network
Organic Cash Flow	Organic Cash Flow = Net cash provided by Operating Activities – (CAPEX + CAPEX payables)+proceeds from sale of assets
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

glossary (4/4)

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