PRESS RELEASE

First Nine Months 2020 Results

Robust operational performance in Q3 2020 with 10,000 net new broadband subscriber additions, 21,700 mobile postpaid net additions and 22,400 net new FMC customers.

Robust financial performance in 9M 2020, driving a partial upgrade of our FY 2020 guidance as further detailed below, while reaffirming our 2018-2021 outlook.

Firmed shareholder remuneration policy with an intended gross total dividend of €2.75 per share, at the upper end of the 50-70% pay-out range, set as a floor going forward.

The enclosed information constitutes regulated information as defined in the Royal Decree of 14 November 2007 regarding the duties of issuers of financial instruments which have been admitted for trading on a regulated market. Inside information.

Mechelen, October 29, 2020 – Telenet Group Holding NV (“Telenet” or the “Company”) (Euronext Brussels: TNET) announces its unaudited consolidated results under International Financial Reporting Standards as adopted by the European Union (“EU IFRS”) for the nine months ended September 30, 2020.

HIGHLIGHTS

- Continued strong FMC growth to 621,300 customers at September 30, 2020, +22% yoy, reaching a 32% full convergence rate and driving 21,700 net mobile postpaid subscriber additions in the quarter.
- A higher share of multiple-play and higher-tier broadband customers and the benefit of certain price adjustments drove a healthy 2% yoy growth in the fixed ARPU per customer relationship to €58.3 for 9M 2020. In Q3 2020, the fixed ARPU per customer relationship increased 1% yoy.
- 9M 2020 and Q3 2020 revenue of €1,910.1 million and €637.9 million, stable and -2% yoy, respectively, and including the impacts of our acquisition of De Vijver Media (fully consolidated since June 3, 2019) and the divestiture of our former Luxembourg cable business (deconsolidated as of April 1, 2020). On a rebased(1) basis, our 9M 2020 and Q3 2020 top line decreased just over 2% and 1% yoy due to significantly lower other revenue following the effects of the COVID-19 pandemic. Excluding other revenue, both our reported and rebased revenue for both periods was broadly stable compared to the same period of last year, in line with our outlook.
- Net profit of €298.1 million in 9M 2020 (Q3 2020: €113.2 million, +30% yoy), +109% yoy, driven by significantly lower net finance expense in the period, lower income tax expense and a €28.5 million gain on the disposal of assets to joint venture.
- 9M 2020 and Q3 2020 Adjusted EBITDA(2) of €1,041.1 million and €343.1 million, +2% and -5% yoy, respectively and including the aforementioned inorganic impacts. On a rebased basis, our 9M 2020 Adjusted EBITDA increased modestly by 1% yoy and decreased 2% compared to Q3 2019 and reflected higher sales and marketing expenses in the third quarter as a result of stepped-up commercial activity.
- Accrued capital expenditures(3) of €427.5 million in 9M 2020, broadly stable yoy and equivalent to around 22% of revenue. Excluding the recognition of the UK Premier League football broadcasting rights in 2019 and certain broadcasting rights in 2020, our accrued capital expenditures increased 6% yoy. In Q3 2020, our accrued capital expenditures increased 8% yoy to €129.9 million, or approximately 20% of revenue, mainly driven by higher investments in customer premise equipment, product development and IT.
- Operating Free Cash Flow(4) of €619.6 million in 9M 2020 (Q3 2020: €218.7 million), which was down 1% yoy as an increase in our Adjusted EBITDA was more than offset by higher cash capital expenditures. Excluding the impact of IFRS 16 and the recognition of the football broadcasting rights, our rebased Operating Free Cash Flow growth was broadly stable for 9M 2020 and declined 8% in Q3 2020.
- Net cash from operating activities, net cash used in investing activities and net cash used in financing activities of €729.9 million, €336.5 million and €410.6 million, respectively, in 9M 2020. 9M 2020 Adjusted Free Cash Flow(5) decreased 4% yoy to €258.5 million with a negative €5.4 million contribution in Q3 2020 due to the payment of our annual corporate income tax in September. Our 9M 2020 Adjusted Free Cash Flow included a €54.0 million lower contribution from our vendor financing program as compared to last year. Excluding this impact, our Adjusted Free Cash Flow would have substantially increased.

- Operating Free Cash Flow guidance of a 6.5 to 8.0% CAGR[a,b] over the 2018-2021 period maintained. FY 2020 outlook partially upgraded, targeting (i) rebased[c] revenue decline of around 2%[d], (ii) broadly stable rebased revenue excluding other revenue versus FY 2019[d,e], (iii) broadly stable rebased Adjusted EBITDA instead of the previously guided decline of around 1%[a], (iv) rebased Operating Free Cash Flow growth between 1 and 2%[a, b] and maintaining (v) Adjusted Free Cash Flow at the lower end of the €415.0 to €435.0 million range[a, f].
- Considering the robust underlying Adjusted Free Cash Flow conversion and the healthy Operating Free Cash Flow outlook for both FY 2020 and the 3-year period over 2018-2021, the board of directors has decided to firm up the existing shareholder remuneration policy. While the 4.0x net total leverage target has been reaffirmed in absence of any material acquisitions and/or significant changes in our business or regulatory environment, the board of directors has introduced a dividend floor of €2.75 per share (gross) going forward. This dividend floor assumes no significant changes in our business or regulatory environment and replaces the previously communicated 50-70% pay-out range. The board intends to return a gross intermediate dividend of €1.375 per share (to be proposed to the Special Shareholders' Meeting in December 2020 and to be paid soon thereafter), followed by a gross dividend of €1.375 per share in May next year, subject to board and shareholder approval and assuming no significant changes in our business or regulatory environment. This represents a sum of €2.75 per share, in line with the aforementioned dividend floor.

(a) Quantitative reconciliations to net profit (including net profit growth rates) and cash flows from operating activities for our Adjusted EBITDA, Operating Free Cash Flow and Adjusted Free Cash Flow guidance cannot be provided without unreasonable efforts as we do not forecast (i) certain non-cash charges including depreciation and amortization and impairment, restructuring and other operating items included in net profit, nor (ii) specific changes in working capital that impact cash flows from operating activities. The items we do not forecast may vary significantly from period to period.

(b) Excluding the recognition of capitalized football broadcasting rights and mobile spectrum licenses and excluding the impact from IFRS 16 on our accrued capital expenditures.

(c) Including the pre-acquisition revenue and Adjusted EBITDA of De Vijver Media (fully consolidated since June 3, 2019), excluding the revenue and Adjusted EBITDA of our former Luxembourg cable subsidiary Coditel S.à r.l. (deconsolidated as of April 1, 2020) and reflecting changes related to the IFRS accounting outcome of certain content rights agreements over the August 1 - December 31 period.

(d) Relative to both our reported revenue for the full year 2019 and our reported revenue excluding other revenue for the full year 2019, our revenue outlook for the full year 2020 would be broadly stable

(e) Other revenue includes (i) interconnect revenue from both our fixed-line and mobile telephony customers, (ii) advertising and production revenue from De Vijver Media NV, which we fully consolidated as of June 3, 2019, (iii) mobile handset sales, including the revenue earned under our "Choose Your Device" programs, (iv) wholesale revenue generated through both our commercial and regulated wholesale businesses, (v) product activation and installation fees and (vi) set-top box sales revenue as detailed under 2.1 Revenue.

(f) Assuming certain payments are made on our current 2G and 3G mobile spectrum licenses in Q4 2020 and the tax payment on our 2019 tax return will not occur until early 2021.

For the nine months ended September 30,	2020	2019	Change %
FINANCIAL HIGHLIGHTS (€ in millions, except per share amounts)			
Revenue	1,910.1	1,910.6	— %
Operating profit	467.1	513.2	(9)%
Net profit	298.1	142.9	109 %
Net profit margin	15.6 %	7.5 %	
Basic earnings per share	2.73	1.30	110 %
Diluted earnings per share	2.73	1.30	110 %
Adjusted EBITDA (2)	1,041.1	1,024.5	2 %
Adjusted EBITDA margin %	54.5 %	53.6 %	
Accrued capital expenditures (excluding the recognition of football broadcasting rights and mobile spectrum licenses) (3)	421.5	397.2	6 %
Accrued capital expenditures as % of revenue (excluding the recognition of football broadcasting rights and mobile spectrum licenses)	22.1 %	20.8 %	
Operating Free Cash Flow (4)	619.6	627.3	(1)%
Net cash from operating activities	729.9	754.0	(3)%
Net cash used in investing activities	(336.5)	(304.5)	11 %
Net cash used in financing activities	(410.6)	(455.3)	(10)%
Adjusted Free Cash Flow (5)	258.5	270.1	(4)%
OPERATIONAL HIGHLIGHTS (Total Services)			
Video	1,822,500	1,881,700	(3)%
Basic video (6)	131,400	176,400	(26)%
Enhanced video (7)	1,691,100	1,705,300	(1)%
Broadband internet (8)	1,686,500	1,659,200	2 %
Fixed-line telephony (9)	1,184,600	1,221,200	(3)%
Mobile telephony (10)	2,821,700	2,778,900	2 %
Postpaid	2,416,600	2,324,800	4 %
Prepaid	405,100	454,100	(11)%
Triple-play customers	1,089,700	1,117,000	(2)%
Services per customer relationship (11)	2.29	2.29	— %
ARPU per customer relationship (€ / month) (11) (12)	58.3	57.4	2 %

Commenting on the results, **John Porter, Telenet's Chief Executive Officer**, stated:

"I hope you, your families and loved ones are all in good health as the COVID-19 pandemic is still ongoing and unfortunately again more intense since the last couple of weeks. Consequently, we took the decision to extend homeworking for almost all our employees until the end of the year. In combination with the ongoing transformation of our operating model to agile, we clearly see the process of digitalization accelerating, both internally and externally. Digital interactions with our customers increased almost 1.5 times since the outbreak of COVID-19 compared to the same period last year. We see a further increase of the proportion of online sales and self-installations of 2 and 13 percentage points respectively. Upstream and downstream data traffic on our Gigabit-speed HFC network increased 40% and 20% respectively since beginning of March. This also triggered uptiering within our customer base to bundles with higher speeds as the weighted average download speed per customers in the third quarter was 208 Mbps, 16% higher compared to the same period last year. In that context, we managed to further drive up the ARPU per customer relationship over the first nine months of the year by 2% to €58.3.

I am very pleased that we were again able to continue the positive commercial momentum which we had in the first half of this year, underpinning our resilience towards the COVID-19 pandemic impact. Our subscriber count at September 30, 2020 included the successful recovery of certain non-paying subscribers, which we removed from our accounts at the end of Q2 2020 in line with our accounting policy, even though we were only allowed to effectively disconnect them as of July 1 due to specific COVID-19 regulation imposed by the national telecoms regulator BIPT. We succeeded in further enlarging our FMC subscriber base to 621,300 customers, a net increase of 22,400 customers in the third quarter and bringing the full convergence rate to 32%, an increase of 250 basis points year-on-year. The solid FMC growth also drove robust mobile postpaid growth with 21,700 net additions, resulting in a mobile attach rate of 42%, an increase of 700 basis points year-on-year. And thanks to the success of both our summer and back-to-school student promotions, we again were able to enlarge our broadband customer base with 10,000 net RGUs. It's the fourth consecutive growth quarter, underlining the solid state of our core connectivity business. Within the mix, our residential broadband offerings performed particularly well with 8,100 net subscriber additions.

We saw continued positive value creation in the third quarter in the SoHo segment, as we saw strong net new sales results. Bad debt remained under control and the "KLIK" FMC customer base increased 17% year-on-year. In the SME/LE segment, cybersecurity sales results remained excellent (+32% year-on-year) with increased focus on recurring services. We launched new SD WAN and FWaaS (Firewall as a Service) offers with several LE clients already contracted. Overall, our B2B revenue held up well with the 2% year-on-year decline being fully attributable to a lower contribution from our acquired ICT integrator business.

We reached a new milestone in our entertainment business by launching Streamz mid-September, the joint venture between Telenet and DPG Media, providing a brand new local streaming platform with top notch Flemish and international content. We are very pleased with the smooth launch, which evidences the fact that Streamz represents the right step in the further execution of our connected entertainment strategy. We also launched our first international venues of our VR gaming experience The Park in the Netherlands. Over the past two years, the virtual reality arcades have already welcomed over 120,000 people and as a result of that great success, The Park has now crossed the border to Breda and Eindhoven.

As Erik will detail below, Telenet posted solid financial results over the first nine months of the year. Looking ahead, we feel comfortable in upgrading our rebased Adjusted EBITDA guidance for the full year from a decline of around 1% previously to broadly stable[a]. Given the robust Adjusted Free Cash Flow conversion and strong delivery against our three-year plan, the board has decided to firm up Telenet's shareholder remuneration profile as communicated during the December 2018 Capital Markets Day. As you will see below, our new policy aims to find a balance between attractive shareholder distributions, while preserving optionality for future value-accretive M&A opportunities. Assuming no significant changes in our business or regulatory environment, the board of directors has introduced a dividend floor of €2.75 per share, replacing the previously communicated 50-70% pay-out range. The proposed gross dividend of €2.75 per share consists of a gross intermediate dividend of €1.375 per share (to be paid in December 2020 and subject to shareholder approval) and a gross dividend of €1.375 per share (to be paid in May 2021, subject to board and shareholder approval and assuming no significant changes in our business or regulatory environment)."

(a) Quantitative reconciliations to net profit (including net profit growth rates) and cash flows from operating activities for our Adjusted EBITDA, Operating Free Cash Flow and Adjusted Free Cash Flow guidance cannot be provided without unreasonable efforts as we do not forecast (i) certain non-cash charges including depreciation and amortization and impairment, restructuring and other operating items included in net profit, nor (ii) specific changes in working capital that impact cash flows from operating activities. The items we do not forecast may vary significantly from period to period.

Commenting on the results, **Erik Van den Enden, Telenet's Chief Financial Officer**, stated:

"Despite the impact of the COVID-19 pandemic on certain parts of our business, notably during the second quarter, we delivered a strong financial performance over the first nine months of the year. For the first nine months of the year, we generated revenue of €1,910 million, which was stable relative to 9M 2019 on a reported basis and represented a 2% year-on-year decrease on a rebased basis. This mainly reflected a 12% rebased decrease in our other revenue as a result of the COVID-19 pandemic (broadly stable year-on-year on a reported basis), which includes amongst others interconnect revenue, handset-related revenue and advertising and production revenue at De Vijver Media. In Q3 2020, we generated revenue of €638 million, which represented a 2% and 1% decrease year-on-year on a reported and rebased basis, respectively. Excluding other revenue in both periods, our rebased top line was stable for both 9M and Q3 2020 (broadly stable year-on-year on a reported basis) as lower B2B revenue in both periods (due to the impact of the COVID-19 pandemic on our ICT integrator business) was fully offset by higher recurring subscription revenue.

We maintained a tight cost focus throughout the year, leading to a 2% and 5% decrease in our 9M 2020 total operating expenses on a reported and rebased basis, respectively, as compared to the same period of last year. Except for our network operating costs, all our cost buckets showed an improved trend versus the same period of last year and reflected the impact of the COVID-19 pandemic on our business. We realized a net profit of €298 million and €113 million for 9M 2020 and Q3 2020, up 109% and 30% year-on-year, respectively, primarily driven by (i) significantly lower net finance expense in the period, (ii) lower income tax expense and (iii) a €29 million gain on the disposal of shares in a subsidiary. We achieved Adjusted EBITDA of €1,041 million for the nine months ended September 30, 2020, which was modestly up by 1% on a rebased basis. We succeeded in expanding our rebased Adjusted EBITDA margin by 150 basis points versus the same period of last year to 54.5%. In Q3 2020, our Adjusted EBITDA was €343 million, which represented a 2% decrease versus the same period of last year on a rebased basis. This decline was driven by higher sales and marketing expenses in the quarter amongst others due an anticipated step-up in our commercial activity. As of the third quarter of 2020, our Adjusted EBITDA is impacted by changes to the IFRS accounting outcome of certain content-related costs for our premium entertainment packages and the Belgian football broadcasting rights because of changes related to the underlying contracts.

Our Operating Free Cash Flow reached €620 million for the nine months ended September 30, 2020 (Q3 2020: €219 million), representing a 1% decrease year-on-year as the aforementioned increase in our Adjusted EBITDA was more than offset by higher accrued capital expenditures (excluding the recognition of the UK Premier League football broadcasting rights). Excluding the impact of IFRS 16 and the recognition of the football broadcasting rights, our rebased Operating Free Cash Flow was broadly stable for the first nine months of 2020.

Finally, the net cash generated by our operating activities totaled €730 million, which was down 3% year-on-year as (i) lower cash taxes relative to 2019, (ii) the aforementioned increase in Adjusted EBITDA and (iii) lower cash interest and derivative expenses as a result of recent refinancing transactions were more than fully offset by a €94 million lower trend in our working capital as compared to the same period of last year. Our Adjusted Free Cash Flow reached €259 million in 9M 2020 (-4% year-on-year) with a negative Adjusted Free Cash Flow contribution of €5 million in Q3 2020 due to the payment of our annual corporate income tax in September. Our Adjusted Free Cash Flow for the nine months ended September 30, 2020 included a €54 million lower contribution from our vendor financing program as compared to the same period of last year. Excluding this impact, our Adjusted Free Cash Flow would have substantially increased year-on-year.

Looking back at the first nine months and looking ahead, we are trading well relative to our full year outlook and believe we will outperform our rebased Adjusted EBITDA outlook based on the trends to date. As such, we upgrade our rebased Adjusted EBITDA outlook for the full year from around -1% to broadly stable[(a)]. All other guidance metrics for the full year have been maintained. As a reminder, our guidance assumes no second full-scale lockdown for the remainder of the year.

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Considering the robust underlying Adjusted Free Cash Flow conversion and the healthy Operating Free Cash Flow outlook for both FY 2020 and the 3-year period over 2018-2021, the board of directors has decided to firm up the existing shareholder remuneration policy. The updated policy aims to achieve a balance between attractive shareholder distributions on the one hand and optionality for future value-accretive M&A opportunities on the other hand. While the 4.0x net total leverage target has been reaffirmed in absence of any material acquisitions and/or significant changes in our business or regulatory environment, the board of directors has introduced a dividend floor of €2.75 per share (gross) going forward. This dividend floor assumes no significant changes in our business or regulatory environment and replaces the previously communicated 50-70% pay-out range. With that, the board of directors intends to commit a larger share of the Adjusted Free Cash Flow towards recurring dividends. The remainder of our Adjusted Free Cash Flow may still be considered for accretive acquisitions, extraordinary dividends, incremental share buy-backs, deleveraging or a combination thereof. The board of directors intends to propose a total gross dividend of €2.75 per share (€300 million in aggregate), up 47% from last year's level and representing the upper end of the aforementioned 50-70% range. The board of directors will propose to the Special Shareholders' Meeting in December 2020 to approve the payment of a gross intermediate dividend of €1.375 per share. If and when approved, the intermediate dividend will be paid on December 8, 2020 with the Telenet shares trading ex-dividend on Euronext Brussels as of December 4, 2020. The aforementioned intermediate dividend is intended to be paid in addition to a gross dividend of €1.375 per share subject to board and shareholder approval at the next AGM and assuming no significant changes in our business or regulatory environment. If and when approved, the latter dividend would then be paid early May next year."

1 Operational highlights

IMPORTANT REPORTING CHANGES:

Merger between SFR-Coditel and Eltrona: On April 1, 2020, we divested our wholly-owned Luxembourg cable subsidiary Coditel S.à r.l. to Eltrona and acquired a 34% stake in the latter from Post Luxembourg. Following these transactions, we now hold a 50% minus 1 share ownership in Eltrona, the largest cable operator in Luxembourg. As of April 1, 2020, SFR-Coditel is no longer consolidated in our operational and financial results. Consequently, we removed 47,700 homes passed, 9,500 customer relationships and 18,500 RGUs (video: 9,200 RGUs, broadband: 5,500 RGUs and fixed-line telephony: 3,800 RGUs) from our consolidated subscriber counts as presented below and under *4. Consolidated interim operating statistics*.

1.1 Multiple-play

OVERVIEW & MULTIPLE-PLAY

At September 30, 2020, we served 2,049,100 unique customer relationships, which represented approximately 61% of the 3,363,600 homes passed by our leading hybrid fiber coaxial ("HFC") network across our Flemish and Brussels footprint. Our cable network consists of a dense fiber backbone with local loop coaxial cable connections and spectrum of up to 1.2 GHz. Through both EuroDocsis 3.0 and 3.1 technologies, we offer data download speeds of up to 1 Gbps across our entire footprint, reaffirming our leading market position as the fastest internet service provider.

At September 30, 2020, we provided 4,693,600 fixed services ("RGUs") consisting of 1,822,500 video, 1,686,500 broadband internet and 1,184,600 fixed-line telephony subscriptions. Our September 30, 2020 subscriber numbers excluded our former SFR-Coditel customers due to the merger with the Luxembourg cable operator Eltrona as mentioned above. Also, our subscriber count at September 30, 2020 included the successful recovery of certain non-paying subscribers, which we removed from our accounts at the end of Q2 2020 in line with our accounting policy, even though we were only allowed to effectively disconnect them as of July 1 due to specific COVID-19 regulation imposed by the national telecoms regulator BIPT. Within our video mix, approximately 93% of our video subscribers have upgraded to our higher ARPU enhanced video platform at September 30, 2020. Enhanced video subscribers enjoy an enriched TV experience with unrestricted access to a wider range of digital, HD and pay television sports, series and movies channels, a vast library of domestic and international video-on-demand ("VOD") content and our over-the-top ("OTT") platform "Yelo Play". At September 30, 2020, we also served 2,821,700 mobile subscribers, of which approximately 86% are subscribed to one of our attractive mobile or fixed mobile converged ("FMC") rate plans. We reached a bundling rate of 2.29 fixed RGUs per unique customer relationship at the end of Q3 2020, which was stable compared to the prior annual period. Approximately 32% of our cable customers subscribed to a quadruple-play bundle at September 30, 2020 (excluding mobile subscriptions under the BASE brand), a solid increase of 250 basis points compared to the same period of last year, highlighting the continued success of our fixed-mobile convergence strategy.

Net subscriber growth for our FMC bundles remained solid at 22,400 in Q3 2020. Over the first nine months of 2020, we attracted 73,900 net FMC subscribers, again underlining the growth potential of our fully integrated fixed-mobile offers. In early August 2020, we launched "YUGO Connect" and "YUGO All-in", doubling the number of available bundles within the YUGO ecosystem. Both "YUGO Connect" and "YUGO All-in" include superfast fixed internet at 300 Mbps, up to 30 GB mobile data to be shared over a maximum of 2 SIM cards and 300 mobile minutes with our premium entertainment offer "Play" being bundled into "YUGO Connect". At September 30, 2020, our FMC customer base, which includes our "WIGO", "YUGO" and "KLIK" (B2B) customers, reached a total of 621,300 customers, representing a 22% year-on-year increase.

ARPU PER CUSTOMER RELATIONSHIP

The ARPU per customer relationship, which excludes our mobile telephony revenue and certain other types of revenue, is one of our core operating statistics as we seek to obtain a larger share of our customers' telecommunication and entertainment spending. For the nine months ended September 30, 2020, the monthly ARPU per customer relationship reached €58.3, representing a healthy 2% increase compared to 9M 2019. Growth in ARPU per customer relationship was underpinned by (i) a higher proportion of multiple-play subscribers in our overall customer mix, (ii) a greater share of higher-tier broadband subscribers in our mix and (iii) the favorable impact of the August 2019 price adjustment, which lapsed in the course of the third quarter of 2020. This favorable trend was partly offset by (i) a higher proportion of bundle discounts (including fixed-term promotions), (ii) lower out-of-bundle usage-related revenue and (iii) the effect of the changed allocation of bundle-related subscription revenue as further detailed under *2. Financial highlights*. In Q3 2020, we recorded a monthly ARPU per customer relationship of €58.2, which represented a modest increase year-on-year of nearly 1% as the benefit of the August 2019 price adjustment had annualized.

1.2 Broadband internet

At September 30, 2020, we served 1,686,500 broadband internet subscribers, including the removal of 5,500 RGUs in Q2 2020 following the merger of Coditel S.à r.l. with Luxembourg cable operator Eltrona. The improved trend in net broadband subscriber additions continued and even accelerated in Q3 2020 to 10,000 (9M 2020: 27,600), which represented our strongest quarterly achievement since Q4 2015. Within the mix, we saw a strong pick-up in the consumer segment of 8,100 net additions amidst growing customer demand for reliable high-speed connectivity solutions during the COVID-19 pandemic. Annualized churn decreased significantly from 9.7% in Q3 2019 to 8.3% in Q3 2020, yet ticking up relative to the minimal churn in Q2 2020 reflecting the impact of the COVID-related lockdown notably the mandatory closure of our retail locations in that period.

We shipped over 68,000 WiFi boosters to our customers in Q3 2020 in our efforts to maximize the in-home connectivity customer experience. We now serve an impressive installed base of 713,000 customers equipped with our in-home plug-and-play connectivity solution. This equates to approximately 42% of our broadband customer base compared to approximately 30% a year ago. Five years after the start of our fixed network upgrade program "De Grote Netwerf", we have begun to commercialize data download speeds of 1 gigabit per second throughout our entire footprint through the "GIGA Speedboost" option for an additional €15 per month. Our Gigabit Speedboost customer base at September 30, 2020 grew 11% compared to the preceding quarter, driven by the increasing demand for ultra-high speed internet connection and accelerated by the ongoing COVID-19 pandemic. Thanks to the continued uptiering of our broadband internet customer base, we further drove increases in the weighted average data download speed, reaching 208 Mbps at September 30, 2020. This represents an increase of 16% compared to the same period last year. During Q3 2020, we also continued to observe a sharp increase in both download and upload offpeak traffic of 40% year-on-year as a result of the COVID-19 pandemic. The monthly average volume used per user increased 37% in Q3 2020 compared to the same period last year.

1.3 Fixed-line telephony

At September 30, 2020, we served 1,184,600 fixed-line telephony subscribers, representing a 3% decrease compared to the same period of last year, reflecting an overall declining market trend and the removal of 3,800 RGUs following the aforementioned merger of our Luxembourg cable business with Eltrona. Relative to June 30, 2020, our fixed-line telephony subscriber base contracted by 10,800 RGUs on a net organic basis in Q3 2020 (9M 2020: -24,100). Similar to broadband internet, annualized churn for our fixed-line telephony service improved significantly compared to the same period of last year, improving 160 basis points to 9.4% in Q3 2020. Relative to the preceding quarter, annualized churn increased as Q2 2020 reflected the impact of the COVID-19 pandemic as mentioned above.

1.4 Mobile telephony

Our mobile telephony subscriber base, which excludes subscribers under our commercial wholesale partnerships and our SME customers, totaled 2,821,700 SIMs at the end of Q3 2020, including 2,416,600 postpaid subscribers. The remaining 405,100 mobile subscribers are prepaid subscribers under the BASE brand. Net mobile postpaid subscriber growth in Q3 2020 sharply recovered after a rather soft Q2 2020 which was impacted by the closure of our physical retail outlets until mid-May. We achieved 21,700 net postpaid additions in Q3 2020 (9M 2020: 52,800). Our prepaid subscriber base also modestly increased for the first time since Q3 2017, driven by the launch of a fully new BASE prepaid product portfolio and fixed-term Back To School promotions.

1.5 Video

TOTAL VIDEO
At September 30, 2020, our total basic and enhanced video customer base reached 1,822,500 RGUs and included the removal of 9,200 video subscribers following the merger of SFR-Coditel with Eltrona. This represented a net organic loss of 13,100 video subscribers during Q3 2020 (9M 2020: -34,900). This net loss excludes migrations to our enhanced video service and represents customers churning to competitors' platforms, such as other digital television, OTT and satellite providers, or customers terminating their video service or moving out of our service footprint. In October 2019, we launched our "Signal Switch" campaign in order to prepare for the switch-off of both the analog radio and video signals between 2020 and 2021. This will free up capacity on the network for the ever-increasing digital traffic. We decided to temporarily postpone this project as a result of the precautionary measures taken for the COVID-19 crisis. This project will be relaunched again depending on further developments of the current ongoing crisis.

ENHANCED VIDEO
At September 30, 2020, 1,691,100 of our video customers had upgraded to our higher ARPU enhanced video services, allowing them to enjoy a much richer TV experience, including free and unrestricted access to our "Yelo Play" app, through which they can enjoy a unique content experience on multiple connected devices in the home and out-of-home. This features our latest digital TV platform, including our next-generation cloud-based set-top box with voice recognition capabilities, which we launched at the end of April 2019. Our enhanced video customer base in Q3 2020 modestly contracted by 4,600 net RGUs (9M 2020: -1,600) as the quarterly performance was impacted by higher churn related to the delayed signing of the Belgian football broadcasting contract with Eleven Sports and our temporary halted "Signal Switch" campaign.

Mid-September, we launched "Streamz", a unique streaming service of DPG Media and Telenet, in which we hold a 50% share. Consequently, neither the operational nor the financial results of the joint venture itself are consolidated into our accounts. As we offer both "Streamz" and "Streamz+" directly to customers through our digital TV platform, we will continue to include the number of premium entertainment customers whom we serve directly. The revenue generated by these direct premium entertainment subscribers is unaffected and remains within our video subscription revenue, while the content-related costs are accounted for as direct costs (programming-related expenses) and hence impacting our Adjusted EBITDA. We refer to *2. Financial Highlights* for additional information.

Due to the launch of the "Streamz" streaming service, we introduced a new "Streamz+" product and rebranded the former "Play" product into "Streamz" alongside "Play More", which continues to exist. We believe the Streamz platform is uniquely positioned, combining the best locally produced series of all local broadcasters VTM, VIER and Eén, supplemented with must-see international content from HBO, in addition to an extensive kids zone, films and documentaries. Streamz is available to everyone through the Streamz app, online at Streamz.be and through our digital TV platform. The total number of customers subscribing to VOD packages "Streamz", "Streamz+" and "Play More" reached 413,400 in Q3 2020.

At the end of Q3 2020, we had 213,300 "Play Sports" customers, representing a net gain of 15,000 subscribers compared to June 30, 2020. This solid performance was driven by the agreement reached with Eleven Sports for the broadcasting of the Belgian football league. Unlike the previous contract, the cost of the new Belgian football contract will be accounted for as a direct cost (programming-related expenses) and hence impacting our Adjusted EBITDA. We refer to *2. Financial Highlights* for additional information. In addition, "Play Sports" continues to broadcast several other international football competitions, such as the UK Premier League exclusively, and via the international Eleven Sports channels: La Liga, Serie A and Bundesliga 1. Other sports, such as cyclo-cross, basketball, hockey, tennis, golf and motor sports, will also remain part of the package.

2 Financial highlights

IMPORTANT REPORTING CHANGES:

Rebased growth: For purposes of calculating rebased growth rates on a comparable basis For the three months ended September 30, 2020 and the nine months ended September 30, 2020, we have adjusted our historical revenue and Adjusted EBITDA to (i) include the pre-acquisition revenue and Adjusted EBITDA of De Vijver Media (fully consolidated since June 3, 2019) in our rebased amounts, (ii) exclude the revenue and Adjusted EBITDA of our former Luxembourg cable subsidiary Coditel S.à r.l. (deconsolidated as of April 1, 2020) and (iii) reflect changes related to the IFRS accounting outcome of certain content rights agreements over the August 1 - December 31 period from our rebased amounts for the three months ended September 30, 2019 and the nine months ended September 30, 2019 to the same extent that the revenue and Adjusted EBITDA of such entities and accounting impacts was included in our results For the three months ended September 30, 2020 and the nine months ended September 30, 2020. See *Definitions* for more disclosures. For more information regarding the variance between our reported and rebased financial results, we refer to the Appendix in this press release.

Allocation of bundle-related subscription revenue: Following the recent revamp of our broadband internet standalone portfolio, a lower revenue share from our fixed and FMC bundles is allocated to broadband internet revenue as of January 1, 2020. This adversely impacts our broadband internet revenue, fully offset by a higher allocation to our video, fixed-line telephony and mobile telephony revenue. The aforementioned change also impacts the ARPU per customer relationship (as this excludes mobile telephony revenue), yet does not impact our total subscription revenue.

Accounting framework Streamz joint venture and Belgian football broadcasting rights: Mid-September, we launched "Streamz", a unique streaming service of DPG Media and Telenet, in which we have a 50% shareholding. Consequently, neither the operational nor the financial results of the joint venture itself are consolidated into our accounts. As we offer both "Streamz" and "Streamz+" directly to customers through our digital TV platform, we will continue to include the number of premium entertainment customers whom we serve directly. The revenue generated by these direct premium entertainment subscribers is unaffected and remains within our video subscription revenue, while the content-related costs are accounted for as direct costs (programming-related expenses) and hence impacting our Adjusted EBITDA. In August 2020, we signed a five-year agreement with Eleven Sports for the broadcasting of the Belgian football league. Unlike the previous contract, the cost of the new Belgian football contract will be accounted for as a direct cost (programming-related expenses) and hence impacting our Adjusted EBITDA. Both changes have started to impact our (operating) expenses and Adjusted EBITDA as of the third quarter of 2020. We provide rebased year-on-year changes in order to allow both investors and analysts to assess our financial performance on a like-for-like basis.

Restated statement of financial position December 31, 2019: In the course of Q1 2020, Telenet completed its accounting for the step acquisition of De Vijver Media concluded on June 3, 2019 (“purchase price allocation”), which resulted in the recognition of €4.6 million deferred tax liabilities through goodwill. The condensed consolidated statement of financial position as per December 31, 2019 has been restated accordingly.

Purchase price allocation for the Native Nation acquisition: The Company's December 31, 2019 statement of financial position has been restated, reflecting the retrospective impact of the purchase price allocation (“PPA”) and accounting policies alignment for the Native Nation acquisition, which was not yet available at year-end 2019. The fair value adjustment on intangible assets (€6.9 million) mainly related to the acquired trade names (€2.8 million), customer relationships (€2.4 million) and technology (€1.7 million). Together with the deferred tax impact of the above mentioned adjustments (€1.7 million), goodwill was reduced by €5.2 million. The recognition of the fair value of the intangible assets did not result in any material additional amortization expense for the period between the acquisition date (October 18, 2019) and December 31, 2019, and consequently, the consolidated statement of profit and loss and other comprehensive income for the twelve months ended December 31, 2019 has not been restated.

2.1 Revenue

For the nine months ended September 30, 2020, we generated revenue of €1,910.1 million, which was stable versus €1,910.6 million in the prior year period. Our 9M 2020 revenue included a full nine-month contribution from the local media company De Vijver Media NV, of which we acquired the remaining 50% stake on June 3, 2019 and which has been fully consolidated as of then. As of April 1, 2020, our financial results no longer include the contribution of our Luxembourg cable subsidiary Coditel S.à r.l., which has been merged into Eltrona in which we hold a 50% minus 1 share shareholding. Excluding both inorganic effects, our rebased 9M 2020 revenue decreased just over 2% (-2.3%) compared to the same period last year and mainly reflected a 12% decrease in our other revenue as a result of the COVID-19 pandemic, as further described below.

Excluding other revenue, our rebased revenue for the nine months ended September 30, 2020 remained broadly stable, in line with our revised full year guidance as presented at the end of April. As such, we remain on track to deliver on our full year revenue guidance of around -2% with a broadly stable trend if we exclude our other revenue. This was driven by (i) continued solid momentum for our FMC bundles in both the residential and the business segments, (ii) the uptiering of broadband customers to higher speed bundles and (iii) the benefit of the August 2019 rate adjustments, whose impact lapsed in the course of the third quarter of this year. This effect was almost fully offset by a 2% decrease in our business services revenue, reflecting the negative effects from COVID-19 primarily on our ICT integrator business.

In Q3 2020, our operations yielded €637.9 million of revenue, which represented a 2% decrease versus Q3 2019 on a reported basis, which reflected amongst others the divestment of our Luxembourg cable business as mentioned above. Excluding this impact, our rebased top line in the quarter decreased just over 1% (-1.4%) year-on-year mainly because of 7% lower other revenue following the effects of the COVID-19 pandemic. Yet, our rebased revenue trend in the third quarter recovered sharply from the 5% rebased decrease we recorded in Q2 2020 on the back of relatively higher other revenue, partially offset by the annualization of the August 2019 price adjustment as mentioned above. Excluding other revenue, our rebased revenue in Q3 2020 was stable compared to Q3 2019.

VIDEO
Our video revenue represents the monthly fee paid by our video subscribers for the channels they receive in the basic tier and the revenue generated by our enhanced video subscribers which primarily includes (i) recurring set-top box rental fees, (ii) fees for supplemental premium content offerings, including our subscription VOD packages “Streamz”, "Streamz+" “Play More” and “Play Sports” and (iii) transactional and broadcasting-on-demand services. In 9M 2020, our video revenue amounted to €420.6 million (Q3 2020: €136.6 million), representing a 2% decrease compared to 9M last year, both on a reported and rebased basis. A higher revenue share from our FMC bundles as mentioned above and the benefit from certain rate adjustments were more than offset by the continued net loss of video subscribers and the year-on-year decrease in our "Play Sports" sports pay-television subscriber base, mainly in Q2 2020, following the COVID-19 pandemic.

BROADBAND INTERNET
The revenue generated by our residential and small business broadband internet RGUs totaled €488.4 million in 9M 2020 (Q3 2020: €164.9 million), which was broadly stable compared to the same period of last year, both on a reported and rebased basis. Following the recent revamp of our broadband standalone portfolio, a lower revenue share from our fixed and FMC bundles is allocated to broadband internet revenue since January 1, 2020. This had an adverse impact on our broadband internet revenue, fully offset by a higher allocation to our video, fixed-line telephony and mobile telephony revenue. This shift in our revenue mix fully offset (i) higher SOHO B2B-related broadband revenue driven by strong "KLIK" FMC bundle sales, (ii) the August 2019 price adjustment and (iii) the continued uptiering of our broadband internet customer base.

FIXED-LINE TELEPHONY

Our fixed-line telephony revenue includes recurring subscription-based revenue from our fixed-line telephony subscribers and variable usage-related revenue, but excludes the interconnect revenue generated by these customers which is reported under other revenue. For the nine months ended September 30, 2020, our fixed-line telephony revenue increased 3% year-on-year on both a reported and rebased basis to €170.0 million (Q3 2020: €56.2 million). The increase was mainly attributable to the favorable impact from the aforementioned reallocation of our fixed and FMC bundle revenue, the August 2019 price adjustment and higher usage-related revenue in a result of increased fixed-line calling behavior during the COVID-19 pandemic.

MOBILE TELEPHONY

Our mobile telephony revenue represents the subscription-based revenue generated by our direct mobile telephony subscribers and out-of-bundle revenue, but excludes (i) the interconnect revenue generated by these customers, (ii) the revenue earned from handset sales and (iii) revenue recognized under our "Choose Your Device" programs which are all recorded in other revenue. In 9M 2020, we generated mobile telephony revenue of €337.8 million (Q3 2020: €114.8 million), representing a 2% year-on-year increase on both a reported and rebased basis. The increase was mainly attributable to the favorable impact from the aforementioned reallocation of our fixed and FMC bundle revenue and continued solid net postpaid subscriber growth, driven by up -and cross-sell to our high-tier FMC bundles. These elements more than offset (i) lower out-of-bundle revenue generated by our mobile subscribers in excess of their monthly bundle on the back of our improved "WIGO" quad-play bundles, the shift to unlimited standalone mobile offers on both Telenet and BASE brands and the double data offer which we extended till the end of May because of the lockdown measures, (ii) higher bundle-related discounts following the success of our quad-play "WIGO" propositions and (iii) a continued decline in the number of prepaid subscribers.

BUSINESS SERVICES

The revenue reported under business services relates to (i) the revenue generated on non-coax products, including fiber and leased DSL lines, (ii) mobile telephony revenue generated by our SME customers, (iii) our carrier business and (iv) value-added services such as network hosting and managed data security. Our business services revenue also includes the revenue generated by the local ICT integrator Nextel, which we acquired on May 31, 2018. Revenue generated by our business customers on all coax-related products, such as our flagship "KLIK" bundle (formerly called "WIGO Business"), is allocated to our cable subscription revenue lines and is not captured within Telenet Business, our business services division.

Telenet Business generated revenue of €149.1 million for the nine months ended September 30, 2020 (Q3 2020: €50.8 million), representing a 2% decrease on both a reported and rebased basis compared to the prior year period. The decline was mainly caused by (i) a lower contribution from our May 2018 acquired ICT integrator business with COVID-19 resulting in certain project delays and postponements, (ii) lower out-of-bundle revenue generated by our SME mobile subscribers and (iii) a gradual shift from one-time revenue, such as equipment sales or project-related revenue, to recurring revenue earned following such transactions.

OTHER

Other revenue primarily includes (i) interconnect revenue from both our fixed-line and mobile telephony customers, (ii) advertising and production revenue from De Vijver Media NV, which we fully consolidated as of June 3, 2019, (iii) mobile handset sales, including the revenue earned under our "Choose Your Device" programs, (iv) wholesale revenue generated through both our commercial and regulated wholesale businesses, (v) product activation and installation fees and (vi) set-top box sales revenue.

Our other revenue reached €344.2 million in 9M 2020 (Q3 2020: €114.6 million), which was broadly stable on a reported basis following a full nine-month contribution from De Vijver Media as opposed to only four months in last year's comparable period. On a rebased basis, our other revenue sharply declined by 12% year-on-year, reflecting (i) a rebased 17% decline in interconnect revenue because of lower SMS traffic and decreased roaming visitors revenue mainly due to COVID-19, (ii) a rebased 21% decline in advertising and production revenue at De Vijver Media and (iii) a rebased 12% decline in revenue from handset sales. The same factors drove a 7% rebased decrease in our other revenue in Q3 2020 with the exception of handset-related revenue which was up 5% year-on-year, driven by Back To School hardware promotions and the July sales period.

2.2 Expenses

For the nine months ended September 30, 2020, we incurred total expenses of €1,443.0 million, representing a 3% increase compared to the prior year period. Our total expenses in 9M 2020 reflected (i) the aforementioned inorganic impacts from the De Vijver Media acquisition and the merger of SFR-Coditel into Eltrona and (ii) a €18.5 million goodwill impairment charge on De Vijver Media following the re-assessment of their strategic long-range plan in Q2 2020. Total expenses represented approximately 76% of revenue for the nine months ended September 30, 2020 (9M 2019: approximately 73%). Cost of services provided as a percentage of revenue represented approximately 54% in 9M 2020 (9M 2019: approximately 52%), while selling, general and administrative expenses represented approximately 22% of our total revenue in 9M 2020 (9M 2019: approximately 21%).

Our operating expenses, which include our (i) network operating expenses, (ii) direct costs, (iii) staff-related expenses, (iv) sales and marketing expenses, (v) outsourced labor and professional services and (vi) other indirect expenses, decreased nearly 2% on a reported basis for the nine months ended September 30, 2020 despite the aforementioned inorganic impacts and changes to the IFRS accounting outcome of certain content-related costs for our premium entertainment packages and the Belgian football broadcasting rights because of changes related to the underlying contracts. On a rebased basis, our 9M 2020 operating expenses decreased by 5% compared to the same period of last year. This was predominantly driven by (i) an 8% decrease in our direct costs due to significantly lower interconnect expenses and lower costs related to handset purchases during the COVID-19 pandemic, (ii) a 24% decline in outsourced labor expenses, (iii) a 7% decrease in our indirect costs, mainly driven by lower facility-related costs and tight cost control and (iv) a 7% reduction in our sales and marketing expenses due to lower commercial activity in H1 2020 because of the COVID-19 pandemic, notwithstanding an anticipated pick-up in Q3 2020 as a result of stepped-up commercial activity.

In Q3 2020, total expenses were €472.9 million compared to €460.4 million in Q3 2019. Our total expenses in the quarter reflected the aforementioned inorganic impact from the SFR-Coditel merger into Eltrona. Our operating expenses in the quarter increased nearly 2% year-on-year on a reported basis and primarily reflected higher sales and marketing expenses in the quarter following a subdued level of spending in the first half as a result of the COVID-19 pandemic. On a rebased basis, our operating costs decreased modestly by 1% as lower interconnection costs and lower costs related to outsourced labor and professional services more than offset the aforementioned increase in sales and marketing expenses in the third quarter.

NETWORK OPERATING EXPENSES
Network operating expenses for the nine months ended September 30, 2020 were €149.8 million (Q3 2020: €49.1 million), an increase of 1% year-on-year on both a reported and a rebased basis. The increase relates to higher core network and IT expenses.

DIRECT COSTS (PROGRAMMING AND COPYRIGHTS, INTERCONNECT AND OTHER)
Our direct costs include all of our direct expenses such as (i) programming and copyright costs, including costs related to purchase of content for our "Streamz", "Streamz+" and "Play More" packages as well as the costs related to the Belgian football broadcasting rights (ii) interconnect costs and (iii) handset sales and subsidies. For the nine months ended September 30, 2020, our direct costs were €369.5 million, a 3% decrease compared to 9M 2019. On a rebased basis, our direct costs for the nine months ended September 30, 2020 decreased 8% year-on-year due to significantly lower interconnect and roaming expenses and lower costs related to handset purchases during the COVID-19 pandemic. In Q3 2020, our direct costs were €127.0 million, which was broadly stable compared to the prior year period. On a rebased basis, our direct costs showed a 6% year-on-year decrease as higher costs related to handset purchases and higher content-related expenses were more than offset by lower interconnect expenses.

STAFF-RELATED EXPENSES

Staff-related expenses for the nine months ended September 30, 2020 were €197.9 million (Q3 2020: €64.7 million), which represented an increase of 3% compared to the prior year period and reflected the aforementioned inorganic impacts. On a rebased basis, staff-related expenses for the nine months ended September 30, 2020 decreased almost 1% relative to the same period of last year, as a result of continued tight cost control, a lower headcount as compared to last year and the impact of the COVID-19 pandemic.

SALES AND MARKETING EXPENSES

Our sales and marketing expenses for the nine months ended September 30, 2020 were €63.2 million (Q3 2020: €23.2 million), representing a 3% year-on-year decrease due to phasing in certain marketing campaigns versus the same period of last year and the impact of COVID-19 on our marketing and retail activity. On a rebased basis, sales and marketing expenses for the first nine months of the year decreased 7% year-on-year and reflected primarily the same drivers as mentioned above. In Q3 2020, sales marketing expenses were €23.2 million, which was up 13% versus Q3 2019. On a rebased basis, sales and marketing expenses increased an equivalent 13% compared to the same quarter last year because of an anticipated step-up in our commercial activity related to new product launches (YUGO, BASE prepaid) and Back To School promotions.

OUTSOURCED LABOR AND PROFESSIONAL SERVICES

Costs related to outsourced labor and professional services for the nine months ended September 30, 2020 were €21.1 million (Q3 2020: €6.8 million), a 24% decrease both on a reported and rebased basis as a result of the COVID-19 pandemic and continued tight cost control.

OTHER INDIRECT EXPENSES

Other indirect expenses reached €67.5 million for the nine months ended September 30, 2020 (Q3 2020: €24.0 million), representing a robust 6% decrease compared to the prior year period on a reported basis. On a rebased basis, other indirect expenses decreased 7% year-on-year, driven by lower facility-related expenses because of COVID-19 and reflecting our continued focus on operating leverage and tight cost control.

DEPRECIATION, AMORTIZATION AND RESTRUCTURING, INCL. IMPAIRMENT OF LONG-LIVED ASSETS AND GAIN ON DISPOSAL OF ASSETS

Depreciation and amortization, including impairment of long-lived assets, gain on disposal of assets and restructuring charges, reached €552.7 million for the nine months ended September 30, 2020 (Q3 2020: €165.9 million) compared to €500.0 million for the prior year period and included the aforementioned €18.5 million goodwill impairment charge.

2.3 Net result

FINANCE INCOME AND EXPENSES

For the nine months ended September 30, 2020, net finance expense totaled €153.3 million compared to net finance expense of €295.0 million in the prior year period. Finance income in 9M 2020 increased to €125.5 million from €40.9 million last year and included a €124.8 million non-cash foreign exchange gain on our USD-denominated debt, while the prior year period included a €40.2 million non-cash loss on our derivatives. As detailed under 2.8 *Debt profile, cash balance and net total leverage ratio*, our USD-denominated debt has been hedged until the end of the respective maturity dates, hence minimizing the impact of foreign exchange variances on our cash flows. Finance expenses for the nine months ended September 30, 2020 decreased 17% to €278.8 million from €335.9 million for the nine months ended September 30, 2019. The finance expenses for 9M 2019 included a €131.5 million non-cash foreign exchange loss on our USD-denominated debt. Our 9M 2020 finance expenses included a €103.8 million non-cash loss on derivatives and a €15.2 million in loss on the extinguishment of debt following the January 2020 refinancing of both our euro and USD-denominated term loan facilities.

Net finance expense in Q3 2020 amounted to €55.5 million compared to €64.3 million in Q3 2019 and included a €120.1 million non-cash foreign exchange gain on our USD-denominated debt versus a €113.2 million non-cash foreign exchange loss in Q3 last year. Net finance expense in Q3 2020 also reflected a €126.5 million non-cash loss on our derivatives versus a net non-cash gain of €118.9 million in Q3 last year.

GAIN (LOSS) ON THE DISPOSAL OF SHARES IN A SUBSIDIARY
For the first nine months of 2020, we recorded a €28.5 million gain on the disposal of shares in a subsidiary, of which €32.8 million in Q3 2020.

INCOME TAXES
We recorded income tax expense of €43.5 million for the nine months ended September 30, 2020 (Q3 2020: €27.1 million) compared to €73.8 million in 9M 2019. Our income tax expense for the nine months ended September 30, 2020 was favorably impacted by the recognition of the innovation income tax deduction in the first quarter of 2020, including a one-time effect of deductions related to prior periods.

NET PROFIT
We realized a net profit of €298.1 million for the nine months ended September 30, 2020 compared to €142.9 million in the prior year period. The substantial increase in our net profit was primarily driven by (i) significantly lower net finance expense in the period, (ii) lower income tax expense as mentioned above and (iii) the aforementioned gain on the disposal of shares in a subsidiary. For the nine months ended September 30, 2020, we achieved a healthy net profit margin of 15.6% compared to a net profit margin of 7.5% last year.

Net profit for Q3 2020 was €113.2 million as compared to €86.9 million in Q3 last year. The 30% year-on-year increase was driven by the same factors as mentioned above. Our net profit margin represented 17.7% in Q3 2020 versus 13.4% in Q3 2019.

2.4 Adjusted EBITDA

For the nine months ended September 30, 2020, we achieved Adjusted EBITDA of €1,041.1 million, representing a 2% increase versus the €1,024.5 million we delivered in 9M 2019. Our Adjusted EBITDA for the first nine months of 2020 included the impacts of (i) our acquisition of De Vijver Media (fully consolidated since June 3, 2019), (ii) the divestiture of our former Luxembourg cable business (deconsolidated as of April 1, 2020) and (iii) changes to the IFRS accounting outcome of certain content-related costs for our our premium entertainment packages and the Belgian football broadcasting rights, because of changes related to the underlying contracts. On a rebased basis, excluding these impacts, our Adjusted EBITDA increased modestly by less than 1% (+0.5%) for the first nine months of 2020, driven by (i) lower sales and marketing expenses due to the impact of the COVID-19 pandemic and last year's impact of the SFR customer migration and (ii) continued tight cost control as demonstrated by lower other indirect expenses, lower costs related to outsourced labor and professional services and lower staff-related expenses. As detailed under 3.1 *Outlook*, we have upgraded our rebased FY 2020 Adjusted EBITDA outlook from a decline of around 1% to broadly stable given the better-than-anticipated performance year-to-date. We achieved an Adjusted EBITDA margin of 54.5% in 9M 2020 as compared to 53.6% in 9M 2019. On a rebased basis, we succeeded in expanding our Adjusted EBITDA margin by 150 basis points versus the same period of last year.

In Q3 2020, we realized Adjusted EBITDA of €343.1 million, which was down 5% compared to the prior year period when we achieved Adjusted EBITDA of €359.7 million and reflected the aforementioned divestment of our Luxembourg cable business. On a rebased basis, our Adjusted EBITDA in Q3 2020 decreased 2% compared to the same period of last year driven by (i) higher network operating expenses, (ii) higher sales and marketing expenses as a result of stepped-up commercial activity, (iii) higher staff-related expenses and (iv) higher other indirect costs. Consequently, we achieved an Adjusted EBITDA margin of 53.8% in the quarter compared to 55.4% a year ago. On a rebased basis, we managed to keep our Adjusted EBITDA margin broadly stable compared to Q3 2019.

Exhibit 1: Reconciliation between profit for the period and Adjusted EBITDA (unaudited)

(€ in millions)	For the three months ended September 30, 2020	For the three months ended September 30, 2019	Change %	For the nine months ended September 30, 2020	For the nine months ended September 30, 2019	Change %
Profit for the period	**113.2**	**86.9**	**30 %**	**298.1**	**142.9**	**109 %**
Income tax expense	27.1	37.2	(27) %	43.5	73.8	(41) %
Share of the result of equity accounted investees	2.0	0.2	900 %	0.7	1.6	(56) %
Loss (gain) on disposal of (shares in) a subsidiary	(32.8)	—	100%	(28.5)	(0.1)	N.M.
Net finance expense (income)	55.5	64.3	(14) %	153.3	295.0	(48) %
Depreciation, amortization, impairment and gain on disposal of assets	165.6	167.1	(1) %	547.4	498.7	10 %
EBITDA	**330.6**	**355.7**	**(7)%**	**1,014.5**	**1,011.9**	**— %**
Share based compensation	10.8	3.9	177 %	18.8	10.8	74 %
Operating charges related to acquisitions or divestitures	1.4	(0.1)	N.M.	3.1	0.5	520 %
Restructuring charges	0.3	0.2	50 %	5.3	1.3	308 %
Post measurement period adjustments related to business acquisitions	—	—	—%	(0.6)	—	100%
Adjusted EBITDA	**343.1**	**359.7**	**(5)%**	**1,041.1**	**1,024.5**	**2 %**
Adjusted EBITDA margin	53.8 %	55.4 %		54.5 %	53.6 %	
Net profit margin	17.7 %	13.4 %		15.6 %	7.5 %	

N.M. - Not Meaningful

2.5 Capital expenditures

Accrued capital expenditures for the nine months ended September 30, 2020 reached €427.5 million, which was broadly stable versus the same period of last year and equivalent to approximately 22% of revenue over the period. Our 9M 2020 accrued capital expenditures included the impacts of (i) our acquisition of De Vijver Media (fully consolidated since June 3, 2019), (ii) the divestiture of our former Luxembourg cable business (deconsolidated as of April 1, 2020) and (iii) the recognition of certain football broadcasting rights in the third quarter, while our accrued capital expenditures in 9M 2019 included the recognition of the UK Premier League broadcasting rights for a period of three seasons. Under EU IFRS, these football broadcasting rights have been capitalized as an intangible asset and will be amortized as the seasons progress. Excluding the recognition of the football broadcasting rights in both periods, our accrued capital expenditures for the nine months ended September 30, 2020 increased 6% year-on-year.

In Q3 2020, our accrued capital expenditures increased 8% to €129.9 million from €120.4 million in Q3 last year as a result of higher investments in customer premise equipment, product development and IT. As a proportion of revenue, our Q3 2020 accrued capital expenditures represented approximately 20%, which was comparable to the investment rate of the second quarter. As highlighted under 2. *Financial highlights - Important reporting changes*, the IFRS accounting outcome for certain content rights agreements related to both the Streamz BV joint venture and the Belgian football broadcasting rights has started to impact our capex profile as of the third quarter. Whilst both categories were previously recognized within our accrued capex, such costs will now be accounted for under our operating expenses (direct costs), hence impacting our Adjusted EBITDA performance.

Capital expenditures related to customer premises equipment, which includes our spending on set-top boxes, modems and WiFi powerlines, amongst others, represented €74.1 million in 9M 2020 (Q3 2020: €21.7 million). This represented a 1% decrease compared to the prior year period, which reflected higher investments related to our successful in-home connectivity campaigns and the launch of our next-gen set-top box, while the first nine months of 2020 reflected the impact of the COVID-19 pandemic. Capital expenditures related to customer premises equipment for the nine months ended September 30, 2020 represented approximately 17% of our total accrued capital expenditures.

Accrued capital expenditures for network growth and upgrades amounted to €58.4 million in 9M 2020 (Q3 2020: €19.8 million), marking a 26% decrease compared to the prior year period and predominantly reflected the substantial completion of both our fixed and mobile network infrastructure improvement programs and to a lesser extent the impact of COVID-19 on our field operations. For the nine months ended September 30, 2020, network-related capital expenditures represented approximately 14% of total accrued capital expenditures.

Capital expenditures for products and services, which reflects our investments in product development and the upgrade of our IT platforms and systems, amongst others, totaled €109.2 million in 9M 2020 (Q3 2020: €33.8 million). This represents a strong 33% year-on-year increase, reflecting higher spending on our IT upgrade program. Capital expenditures for products and services represented approximately 26% of total accrued capital expenditures for the nine months ended September 30, 2020.

The remainder of our accrued capital expenditures includes (i) refurbishments and replacements of network equipment, (ii) sports and programming acquisition costs, including certain content acquired by De Vijver Media, (iii) certain recurring investments in our IT platform and systems and (iv) lease additions under IFRS 16. These reached €185.8 million for the nine months ended September 30, 2020 (Q3 2020: €54.6 million), representing a 3% decrease compared to the same period last year.

The above implies that approximately 57% of our accrued capital expenditures for the nine months ended September 30, 2020 (Q3 2020: 58%) were scalable and subscriber growth related. We will continue to closely monitor our capital expenditures in order to make sure that they drive incremental returns.

Exhibit 2: Reconciliation between accrued capital expenditures and cash capital expenditures (unaudited)

(€ in millions)	For the three months ended September 30,			For the nine months ended September 30,		
	2020	2019	Change %	2020	2019	Change %
Accrued capital expenditures	**129.9**	**120.4**	**8 %**	**427.5**	**428.2**	**— %**
Assets acquired under capital-related vendor financing arrangements	(15.4)	(79.5)	(81) %	(64.5)	(187.3)	(66) %
Assets acquired under lease agreements	(12.1)	(14.9)	(19) %	(47.3)	(52.9)	(11) %
Changes in current liabilities related to capital expenditures	2.0	71.3	(97) %	20.9	100.2	(79) %
Cash capital expenditures	**104.4**	**97.3**	**7 %**	**336.6**	**288.2**	**17 %**

2.6 Operating Free Cash Flow

The sum of our Adjusted EBITDA and accrued capital expenditures yielded an Operating Free Cash Flow of €619.6 million for the nine months ended September 30, 2020. Compared to 9M 2019, our Operating Free Cash Flow decreased modestly by 1% as the aforementioned 2% increase in our Adjusted EBITDA was more than offset by an 6% increase in our accrued capital expenditures (excluding the recognition of the UK Premier League football broadcasting rights). In Q3 2020, we generated €218.7 million of Operating Free Cash Flow, representing a 4% decrease versus the same period of last year and mainly reflecting the aforementioned Adjusted EBITDA decrease in the third quarter. Excluding the impact of IFRS 16 and the recognition of the football broadcasting rights, our rebased Operating Free Cash Flow for 9M 2020 and Q3 2020 was broadly stable and -8% versus 9M 2019 and Q3 2019, respectively.

Exhibit 3: Reconciliation to Operating Free Cash Flow (unaudited)

(€ in millions)	For the three months ended September 30, 2020	2019	Change %	For the nine months ended September 30, 2020	2019	Change %
Adjusted EBITDA	**343.1**	**359.7**	**(5)%**	**1,041.1**	**1,024.5**	**2 %**
Accrued capital expenditures	(129.9)	(120.4)	8 %	(427.5)	(428.2)	— %
Recognition of football broadcasting rights	5.5	(10.3)	N.M.	6.0	31.0	(81) %
Accrued capital expenditures excluding recognition of football broadcasting rights and mobile spectrum licenses	**(124.4)**	**(130.7)**	**(5)%**	**(421.5)**	**(397.2)**	**6 %**
Operating Free Cash Flow	**218.7**	**229.0**	**(4)%**	**619.6**	**627.3**	**(1)%**

2.7 Cash flow and liquidity

NET CASH FROM OPERATING ACTIVITIES

For the nine months ended September 30, 2020, our operations yielded €729.9 million of net cash compared to the €754.0 million we generated during the prior year period. The net cash from our operating activities for the nine months ended September 30, 2020 included the impacts of our acquisition of De Vijver Media (fully consolidated since June 3, 2019) and the divestiture of our former Luxembourg cable business (deconsolidated as of April 1, 2020). Our net operating cash flow decreased 3% year-on-year and reflected (i) a €48.7 million reduction in cash taxes relative to 2019, (ii) the aforementioned increase in Adjusted EBITDA and (iii) €14.2 million lower cash interest and derivative expenses as a result of recent refinancing transactions. The aforementioned tailwinds were more than fully offset by a €94.0 million lower trend in our working capital as compared to the same period of last year.

In Q3 2020, the net cash generated by our operating activities reached €158.2 million, representing a 38% decrease compared to Q3 2019 mainly driven by the different phasing of our corporate income tax payment which occurred in Q3 2020 versus Q1 last year.

NET CASH USED IN INVESTING ACTIVITIES

We used €336.5 million of net cash in investing activities for the nine months ended September 30, 2020 compared to €304.5 million in the nine months ended September 30, 2019. The 11% increase in our net cash used in investing activities reflected (i) the aforementioned inorganic impacts, (ii) higher cash capital expenditures following a lower amount of assets procured through our vendor financing program as well as (iii) the aforementioned acquisition of a 34% shareholding in the Luxembourg cable operator Eltrona from Post Luxembourg. In Q3 2020, we used €81.1 million of net cash in investing activities, which was down 17% compared to the same period of last year and primarily reflected €27.2 million proceeds from the sale of property and equipment, which more than offset higher cash capital expenditures as mentioned above. We utilize a vendor financing program through which we are able to extend our payment terms for certain suppliers to 360 days at an attractive all-in cost. During 9M 2020, we acquired €64.5 million of assets through capital-related vendor financing arrangements (Q3 2020: €15.4 million), favorably impacting our net cash used in investing activities for the equivalent amount. This represented a decline of 66% and 81% year-on-year, respectively, versus 9M and Q3 2019. Please refer to Section 2.5 - *Capital expenditures* for a reconciliation between accrued capital expenditures and cash capital expenditures.

NET CASH USED IN FINANCING ACTIVITIES

For the nine months ended September 30, 2020, the net cash used in financing activities was €410.6 million compared to €455.3 million of net cash used in financing activities in the nine months ended September 30, 2019. The net cash used in financing activities for the nine months ended September 30, 2020 reflected a net cash outflow of €148.7 million related to loan repayments including the voluntary 10% redemption of our 3.50% €600.0 million Senior Secured Fixed Rate Notes due March 2028 for an aggregate amount of €56.6 million and scheduled repayments of our short-term vendor financing commitments. In addition, the net cash used in financing activities for the nine months ended September 30, 2020 reflected the continued delivery against our shareholder remuneration policy as presented during the December 2018 Capital Markets Day. In

May 2020, we paid a gross final dividend of €1.3050 per share (€142.3 million in aggregate) and in the first half of 2020 we also spent €34.4 million on share repurchases as part of our Share Repurchase Program 2020. Under this program, we acquired 1.1 million shares during March 2020 at an average price of €30.43. We also paid €13.7 million related to debt issuance costs for debt refinancings completed in the first half of 2020. The remainder of the net cash used in financing activities primarily consisted of finance lease repayments and other financial payments.

In Q3 2020, we used €64.3 million of net cash in financing activities versus €214.0 million of net cash used in Q3 last year.

ADJUSTED FREE CASH FLOW
For the nine months ended September 30, 2020, we generated Adjusted Free Cash Flow of €258.5 million compared to €270.1 million during the first nine months of last year. Relative to the same period of last year, our Adjusted Free Cash Flow decreased 4% and included a €54.0 million lower contribution from our vendor financing program. Excluding this impact, our Adjusted Free Cash Flow would have substantially increased year-on-year.

Our Adjusted Free Cash Flow in Q3 2020 was a negative €5.4 million versus €63.4 million for the prior year period. Our Adjusted Free Cash Flow in the quarter included the payment of our annual corporate income tax, which had a different phasing in 2020 versus 2019. In addition, our Adjusted Free Cash Flow in the quarter included a €25.2 million negative contribution from our vendor financing program as compared to €4.5 million negative contribution in Q3 2019. Excluding these impacts, our Adjusted Free Cash Flow profile in the quarter would have trended positively despite the aforementioned cash tax impact.

2.8 Debt profile, cash balance and net leverage ratio

DEBT PROFILE
At September 30, 2020, we carried a total debt balance (including accrued interest) of €5,483.0 million, of which €1,393.1 million principal amount is related to the € and USD-denominated Senior Secured Fixed Rate Notes due March 2028 and €3,067.9 million principal amount is owed under our 2020 Amended Senior Credit Facility with maturities ranging from April 2028 through April 2029. Our total debt balance at September 30, 2020 also included a principal amount of €340.3 million related to our vendor financing program and €4.0 million for the outstanding portion of the 2G and 3G mobile spectrum licenses. The remainder primarily represents lease obligations associated with the Interkabel Acquisition and lease liabilities following the adoption of IFRS 16 as of January 1, 2019.

At September 30, 2020, we carried €340.3 million of short-term debt related to our vendor financing program, all of which is maturing within less than twelve months. This represented a decrease of €14.6 million versus December 31, 2019 and a seasonal €25.2 million decline in the third quarter. In line with our full year Adjusted Free Cash Flow outlook, we expect our vendor financing program to ramp up in the fourth quarter. As of end-October 2020, the applicable margin on our future short-dated commitments under the vendor financing program has been reduced by another 15 basis points to 1.95% over EURIBOR floored at 0%. This reduced interest cost comes on top of an equivalent 15 basis points margin reduction in February 2020. Given the aforementioned size of the program, this will have a modest accretive impact on our Adjusted Free Cash Flow in 2021 and beyond.

In the first half of 2020, we finalized several accretive (re)financing transactions including (i) the successful issuance of a new 8.25-year USD 2,295 million Term Loan (“Facility AR”) and a new 9.25-year €1,110 million Term Loan (“Facility AQ”) in January 2020, (ii) the issuance of a new 6.2-year €510.0 million revolving credit facility in April 2020 ("Revolving Credit Facility I") and (iii) the April 2020 10% repurchase of our 3.50% €600.0 million Senior Secured Fixed Rate Notes due March 2028. Compared to June 30, 2020, there were no substantial changes to our debt profile and payment schedules as shown in the table below.

Excluding short-term liabilities related to our vendor financing program, we face no debt maturities prior to the March 2028 with a weighted average maturity of 7.8 years at September 30, 2020. In addition, we also had full access to €555.0 million of undrawn commitments under our revolving credit facilities at September 30, 2020 with certain availabilities up to May 2026.

DEBT OVERVIEW AND PAYMENT SCHEDULES

The table below provides an overview of our debt instruments and payment schedule at September 30, 2020.

Exhibit 4: Debt maturity table as of September 30, 2020

	Total Facility as per	Drawn amount	Undrawn amount	Maturity Date	Interest rate	Interest payments due
	September 30, 2020					
	(€ in millions)					
2020 Amended Senior Credit Facility						
Term Loan AR	1,957.9	1,957.9	—	April 30, 2028	Floating | 6-month LIBOR (0% floor) + 2.00%	Monhtly
Term Loan AQ	1,110.0	1,110.0	—	April 30, 2029	Floating | 6-month EURIBOR (0% floor) + 2.25%	Semi-annual (Jan. and July)
Revolving Credit Facility I	510.0	—	510.0	May 31, 2026	Floating | 6-month EURIBOR (0% floor) + 2.25%	Quarterly (commitment fees only)
Senior Secured Fixed Rate Notes						
€600 million Senior Secured Notes due 2028 (Facility AK)	540.0	540.0	—	March 1, 2028	Fixed | 3.50%	Semi-annual (Jan. and July)
USD 1.0 billion Senior Secured Notes due 2028 (Facility AJ)	853.1	853.1	—	March 1, 2028	Fixed | 5.50%	Semi-annual (Jan. and July)
Other						
Revolving Credit Facility	20.0	—	20.0	September 30, 2021	Floating | 1-month EURIBOR (0% floor) + 2.00%	Quarterly (commitment fees only)
Overdraft Facility	25.0	—	25.0	September 30, 2021	Floating | 1-month EURIBOR (0% floor) + 1.60%	Quarterly (commitment fees only)
Total notional amount	**5,016.0**	**4,461.0**	**555.0**			

Note: In the table above, Telenet's USD-denominated debt has been converted into € using the September 30, 2020 EUR/USD exchange rate. As Telenet has entered into several derivative transactions to hedge both the underlying floating interest rate and exchange risks, the €-equivalent hedged amounts were €2,041.5 million (USD 2,295.0 million Term Loan AR) and €882.8 million (USD 1.0 billion Senior Secured Notes due 2028), respectively. For the calculation of its net leverage ratio, Telenet uses the €-equivalent hedged amounts given the underlying economic risk exposure.

CASH BALANCE AND AVAILABILITY OF FUNDS

At September 30, 2020, we held €84.2 million of cash and cash equivalents compared to €71.4 million at June 30, 2020 and €101.4 million at December 31, 2019. To minimize the concentration of counterparty risk, our cash equivalents and AAA-rated money market funds are placed with highly rated European and US financial institutions and we strive to invest at least 75% of our cash and cash equivalents in AAA-rated money market funds in order to limit banking counterparty exposure. Relative to December 31, 2019, our cash balance decreased despite a robust Adjusted Free Cash Flow generation over the first nine months of the year. Year-to-date, a substantial part of our cash flow has been used under our shareholder remuneration policy, including the payment of a final gross dividend per share of €1.3050 (€142.3 million in aggregate) in May 2020 and €34.4 million of net cash used under the Share Repurchase Program 2020, which has been completed end-March 2020. We also redeemed 10% of our 3.50% €600.0 million Senior Secured Fixed Rate Notes due March 2028 in April for an aggregate amount of €56.6 million. Finally, we incurred a €13.7 million payment related to debt issuance costs for debt refinancings completed in the first half of 2020. In addition to our available cash balance, we also had access to €555.0 million of available commitments under our 2020 Amended Senior Credit Facility and our other revolving credit facilities at September 30, 2020, subject to compliance with the covenants mentioned below.

NET LEVERAGE RATIO

At the occasion of the December 2018 Capital Markets Day, we reconfirmed our leverage framework, maintained at 3.5x to 4.5x Net Total Debt to Consolidated Annualized Adjusted EBITDA ("net total leverage"). In absence of any material acquisitions and/or significant changes in our business or regulatory environment, we intend to stay around the 4.0x mid-point through an attractive and sustainable level of shareholder disbursements. At September 30, 2020, our net total leverage was 4.0x, which was unchanged compared to June 30, 2020.

Our net covenant leverage, as calculated under the 2020 Amended Senior Credit Facility, differs from our net total leverage as it excludes (i) lease-related liabilities, (ii) any vendor financing-related short-term liabilities and includes (iii) the Credit Facility Excluded Amount (which is the greater of €400.0 million and 0.25x Consolidated Adjusted Annualized EBITDA). Our net covenant leverage reached 2.9x at September 30, 2020, which was stable versus the prior quarter. Our current net covenant leverage ratio is significantly below the springing maintenance covenant of 6.0x and the incurrence test of 4.5x net senior leverage. The aforementioned maintenance covenant only applies, however, in case we would draw 40% or more under our revolving credit facilities. At September 30, 2020, our revolving credit facilities were fully undrawn as mentioned above.

3 Outlook and other information

3.1 Outlook

We delivered a solid financial performance over the first nine months of 2020 relative to our revised full year 2020 outlook as presented at the end of April. On a rebased basis, our year-to-date revenue decreased just over 2% and mainly reflected a 12% reduction in our other revenue, which includes amongst others (i) interconnect revenue, (ii) revenue related to the sale of handsets and (iii) advertising and production revenue from our media company De Vijver Media NV. Excluding our other revenue, which is most impacted by the COVID-19 pandemic, our rebased revenue was broadly stable over the first nine months of 2020. For the full year, we maintain our rebased revenue forecast of around -2% versus 2019 with our rebased revenue profile excluding other revenue expected to remain broadly stable compared to last year.

Over the first three quarters of the year, our rebased Adjusted EBITDA increased modestly by 1%, driven by (i) lower sales and marketing expenses due to the impact of the COVID-19 pandemic and last year's impact of the SFR customer migration and (ii) continued tight cost control. Looking at the remainder of the year, we believe we will outperform relative to our outlook assuming that no second COVID-related lockdown takes place. As such, we upgrade our rebased Adjusted EBITDA outlook for the full year from around -1% to broadly stable.

Given the robust nature of both our fixed and mobile infrastructure and our demonstrated track record of carefully balancing our future investments, we still expect our Operating Free Cash Flow to grow, more specifically between 1 and 2% on a rebased basis with Operating Free Cash Flow being broadly stable for the first nine months of the year. Finally, we continue to target Adjusted Free Cash Flow of €415.0 - €435.0 million, skewed however towards the lower end of this range. We are well on track given achieved Adjusted Free Cash Flow of €258.5 million for the first nine months of 2020.

Exhibit 5: Outlook

Outlook FY 2018 - 2021	As presented on December 4, 2018	As reaffirmed on April 30, 2020 and October 29, 2020
Operating Free Cash Flow CAGR (rebased) [a, b]	Between 6.5% - 8.0%	Between 6.5% - 8.0%

Outlook FY 2020	FY 2019 Rebased[c]	As presented on February 12, 2020	As amended on April 30, 2020	As amended on October 29, 2020
Revenue (rebased) [d]	€2,626.0 million	Broadly stable	Around -2%	Around -2%
Revenue, excluding other revenue (rebased) [d, e]	€2,089.4 million	-	Broadly stable	Broadly stable
Adjusted EBITDA growth (rebased) [a]	**€1,370.5 million**	Around 1%	Around -1%	**Broadly stable**
Operating Free Cash Flow growth (rebased) [a, b]	**€819.2 million**	Around 2%	Between 1 - 2%	Between 1 - 2%
Adjusted Free Cash Flow [a, f]	-	€415.0 - 435.0 million	Lower end of the €415.0 - 435.0 million range	Lower end of the €415.0 - 435.0 million range

(a) Quantitative reconciliations to net profit (including net profit growth rates) and cash flows from operating activities for our Adjusted EBITDA, Operating Free Cash Flow and Adjusted Free Cash Flow guidance cannot be provided without unreasonable efforts as we do not forecast (i) certain non-cash charges including depreciation and amortization and impairment, restructuring and other operating items included in net profit, nor (ii) specific changes in working capital that impact cash flows from operating activities. The items we do not forecast may vary significantly from period to period.

(b) Excluding the recognition of the capitalized football broadcasting rights and mobile spectrum licenses and excluding the impact from IFRS 16 on our accrued capital expenditures.

(c) Including the pre-acquisition revenue and Adjusted EBITDA of De Vijver Media (fully consolidated since June 3, 2019), excluding the revenue and Adjusted EBITDA of our former Luxembourg cable subsidiary Coditel S.à r.l. (deconsolidated as of April 1, 2020) and reflecting changes related to the IFRS accounting outcome of certain content rights agreements over the August 1 - December 31 period.

(d) Relative to both our reported revenue for the full year 2019 and our reported revenue excluding other revenue for the full year 2019, our revenue outlook for the full year 2020 would be broadly stable

(e) Other revenue includes (i) interconnect revenue from both our fixed-line and mobile telephony customers, (ii) advertising and production revenue from De Vijver Media NV, which we fully consolidated as of June 3, 2019, (iii) mobile handset sales, including the revenue earned under our "Choose Your Device" programs, (iv) wholesale revenue generated through both our commercial and regulated wholesale businesses, (v) product activation and installation fees and (vi) set-top box sales revenue as detailed under 2.1 *Revenue*.

(f) Assuming certain payments are made on our current 2G and 3G mobile spectrum licenses in Q4 2020 and the tax payment on our 2019 tax return will not occur until early 2021.

3.2 Shareholder remuneration

At the occasion of the December 2018 Capital Markets Day, we reconfirmed our leverage framework, maintained at 3.5x to 4.5x Net Total Debt to Consolidated Annualized Adjusted EBITDA ("net total leverage"). In absence of any material acquisitions and/or significant changes in our business or regulatory environment, we intended to stay around the 4.0x mid-point through an attractive and sustainable level of shareholder disbursements. As part of our capital allocation framework, we aimed to distribute between 50% and 70% of the prior year Adjusted Free Cash Flow to shareholders through intermediate and final dividends. Within the boundaries of the aforementioned net total leverage framework and in absence of any of the above factors, the remaining part of our Adjusted Free Cash Flow could be considered for incremental share buy-backs, extraordinary dividends, deleveraging, accretive acquisitions or a combination thereof.

In both 2019 and 2020, we have consistently been executing against the aforementioned shareholder remuneration policy, returning a total gross dividend of €1.8750 per share to shareholders. This consisted of a €0.57 gross intermediate dividend per share in December 2019 and a gross €1.3050 dividend per share in May 2020. Totaling €205.1 million in aggregate, this represented approximately 53% as calculated as a percentage of our FY 2019 Adjusted Free Cash Flow. In addition, we repurchased 1.1 million shares as part of the Share Repurchase Program 2020 for an aggregate amount of €34.4 million.

Considering the robust underlying Adjusted Free Cash Flow conversion and the healthy Operating Free Cash Flow outlook for both FY 2020 and the 3-year period over 2018-2021, the board of directors has decided to firm up the existing shareholder remuneration policy. Our new policy aims to achieve a balance between attractive shareholder distributions on the one hand, while preserving optionality for value-accretive M&A opportunities in the future on the other hand. While the 4.0x net total leverage target has been reaffirmed in absence of any material acquisitions and/or significant changes in our business or regulatory environment, the board of directors has introduced a dividend floor of €2.75 per share (gross) going forward. This dividend floor assumes no significant changes in our business or regulatory environment and replaces the previously communicated 50-70% pay-out range. With that, the board of directors intends to commit a larger share of the Adjusted Free Cash Flow towards recurring dividends. The remainder of our Adjusted Free Cash Flow may still be considered for accretive acquisitions, extraordinary dividends, incremental share buy-backs, deleveraging or a combination thereof.

The board of directors intends to propose a total gross dividend of €2.75 per share (€300.2 million in aggregate[1]), up 47% from last year's level and representing the upper end of the aforementioned 50-70% range. The board of directors will propose to the Special Shareholders' Meeting in December 2020 to approve the payment of a gross intermediate dividend[2] of €1.375 per share (€150.1 million in total[1]). If and when approved, the intermediate dividend will be paid on December 8, 2020 with the Telenet shares trading ex-dividend on Euronext Brussels as of December 4, 2020. The aforementioned intermediate dividend is intended to be paid in addition to a gross dividend of €1.375 per share subject to board and shareholder approval at the next AGM and assuming no significant changes in our business or regulatory environment. If and when approved, the latter dividend would then be paid early May next year.

[1] Based on 109,153,814 dividend-entitled shares outstanding at the date of this release

[2] The distributable amounts for the intermediate dividend in December 2020 have been determined on the basis of the 2019 financial statements as per Belgian law.

3.3 Subsequent events

There were no significant events subsequent to September 30, 2020 that would require adjustment to or disclosure in the financial information included in this press release.

4 Telenet Group Holding NV – Consolidated interim operating statistics

As of and for the three months ended September 30,	2020	2019	Change %
Total Services - Combined Network			
Homes passed (13)	3,363,600	3,375,300	— %
Video			
Basic video (6)	131,400	176,400	(26) %
Enhanced video (7)	1,691,100	1,705,300	(1) %
Total video	**1,822,500**	**1,881,700**	**(3)%**
Internet			
Residential broadband internet	1,458,200	1,448,100	1 %
Business broadband internet	228,300	211,100	8 %
Total broadband internet (8)	**1,686,500**	**1,659,200**	**2 %**
Fixed-line telephony			
Residential fixed-line telephony	1,048,000	1,088,600	(4) %
Business fixed-line telephony	136,600	132,600	3 %
Total fixed-line telephony (9)	**1,184,600**	**1,221,200**	**(3)%**
Total RGUs (14)	**4,693,600**	**4,762,100**	**(1)%**
Churn (15)			
Video	8.9 %	9.4 %	
Broadband internet	8.3 %	9.7 %	
Fixed-line telephony	9.4 %	11.0 %	
Customer relationship information			
Triple-play customers	1,089,700	1,117,000	(2) %
Total customer relationships (11)	2,049,100	2,079,000	(1) %
Services per customer relationship (11)	2.29	2.29	— %
ARPU per customer relationship (in € / month) (11) (12)	58.2	57.8	1 %

As of and for the three months ended September 30,	2020	2019	Change %
Mobile statistics			
Mobile telephony			
Postpaid subscribers	2,416,600	2,324,800	4 %
Prepaid subscribers	405,100	454,100	(11) %
Total mobile subscribers (10)	**2,821,700**	**2,778,900**	**2 %**

Note: On April 1, 2020, we divested our wholly-owned Luxembourg cable subsidiary Coditel S.à r.l. to Eltrona and acquired a 34% stake in the latter from Post Luxembourg. Following both transactions, we now hold a 50% minus 1 share ownership in Eltrona, which is the largest cable operator in Luxembourg. As of April 1, 2020, SFR-Coditel is no longer consolidated in our operational results. Consequently, we removed 47,700 homes passed, 9,500 customer relationships and 18,500 RGUs (video: 9,200 RGUs, broadband: 5,500 RGUs and fixed-line telephony: 3,800 RGUs) from our consolidated subscriber counts.

5 Telenet Group Holding NV – Selected EU IFRS condensed consolidated interim financial statements

5.1 EU IFRS condensed consolidated interim statement of profit or loss and other comprehensive income (unaudited)

(€ in millions, except shares and per share amounts)	For the three months ended September 30,			For the nine months ended September 30,		
	2020	2019	Change %	2020	2019	Change %
Profit for the period						
Revenue	**637.9**	**649.0**	**(2)%**	**1,910.1**	**1,910.6**	**— %**
Expenses						
Cost of services provided	(328.7)	(325.6)	1 %	(1,030.5)	(1,002.7)	3 %
Gross profit	**309.2**	**323.4**	**(4)%**	**879.6**	**907.9**	**(3)%**
Selling, general & administrative expenses	(144.2)	(134.8)	7 %	(412.5)	(394.7)	5 %
Operating profit	**165.0**	**188.6**	**(13)%**	**467.1**	**513.2**	**(9)%**
Finance income	120.5	119.1	1 %	125.5	40.9	207 %
Net interest income and foreign exchange gain	120.5	0.2	N.M.	125.5	0.7	N.M.
Net gain on derivative financial instruments	—	118.9	(100) %	—	40.2	(100) %
Net gain on extinguishment of debt	—	—	—%	—	—	—%
Finance expenses	(176.0)	(183.4)	(4) %	(278.8)	(335.9)	(17) %
Net interest expense, foreign exchange loss and other finance expenses	(49.5)	(180.2)	(73) %	(159.8)	(332.7)	(52) %
Net loss on derivative financial instruments	(126.5)	—	100%	(103.8)	—	100%
Net loss on extinguishment of debt	—	(3.2)	(100) %	(15.2)	(3.2)	375 %
Net finance income (expense)	(55.5)	(64.3)	(14) %	(153.3)	(295.0)	(48) %
Share of the result of equity accounted investees	(2.0)	(0.2)	900 %	(0.7)	(1.6)	(56) %
Gain (loss) on disposal of (shares in) a subsidiary	32.8	—	100%	28.5	0.1	N.M.
Profit before income tax	**140.3**	**124.1**	**13 %**	**341.6**	**216.7**	**58 %**
Income tax expense	(27.1)	(37.2)	(27) %	(43.5)	(73.8)	(41) %
Profit for the period	**113.2**	**86.9**	**30 %**	**298.1**	**142.9**	**109 %**
Other comprehensive income (loss) for the period, net of income tax						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability/(asset), net of tax	—	—	—%	(12.5)	—	100%
Other comprehensive income for the period, net of income tax	**—**	**—**	**—%**	**(12.5)**	**—**	**100%**
Total comprehensive income for the period	**113.2**	**86.9**	**30 %**	**285.6**	**142.9**	**100 %**
Profit attributable to:	**113.2**	**86.9**	**30 %**	**298.1**	**142.9**	**109 %**
Owners of the Company	113.2	86.9	30 %	298.4	142.8	109 %
Non-controlling interests	—	—	—%	(0.3)	0.1	N.M.
Total comprehensive income for the period, attributable to:	**113.2**	**86.9**	**30 %**	**285.6**	**142.9**	**100 %**
Owners of the Company	113.2	86.9	30 %	285.9	142.8	100 %
Non-controlling interests	—	—	—%	(0.3)	0.1	N.M.

(€ in millions, except shares and per share amounts)	For the three months ended September 30,			For the nine months ended September 30,		
	2020	2019	Change %	2020	2019	Change %
Weighted average shares outstanding	109,143,857	110,007,109		109,409,569	110,012,141	
Basic earnings per share	1.04	0.79	32 %	2.73	1.30	110 %
Diluted earnings per share	1.04	0.79	32 %	2.73	1.30	110 %
Revenue by Nature						
Subscription revenue:						
Video	136.6	142.9	(4) %	420.6	430.8	(2) %
Broadband internet	164.9	163.7	1 %	488.4	486.8	— %
Fixed-line telephony	56.2	54.7	3 %	170.0	164.5	3 %
Cable subscription revenue	**357.7**	**361.3**	**(1)%**	**1,079.0**	**1,082.1**	**— %**
Mobile telephony	114.8	115.1	— %	337.8	332.4	2 %
Total subscription revenue	**472.5**	**476.4**	**(1)%**	**1,416.8**	**1,414.5**	**— %**
Business services	50.8	49.9	2 %	149.1	152.6	(2) %
Other	114.6	122.7	(7) %	344.2	343.5	— %
Total Revenue	**637.9**	**649.0**	**(2)%**	**1,910.1**	**1,910.6**	**— %**
Expenses by Nature						
Network operating expenses	(49.1)	(46.9)	5 %	(149.8)	(148.8)	1 %
Direct costs (programming, copyrights, interconnect and other)	(127.0)	(126.4)	— %	(369.5)	(381.7)	(3) %
Staff-related expenses	(64.7)	(63.1)	3 %	(197.9)	(191.5)	3 %
Sales and marketing expenses	(23.2)	(20.5)	13 %	(63.2)	(64.9)	(3) %
Outsourced labor and professional services	(6.8)	(10.3)	(34) %	(21.1)	(27.7)	(24) %
Other indirect expenses	(24.0)	(22.1)	9 %	(67.5)	(71.5)	(6) %
Restructuring charges	(0.3)	(0.2)	50 %	(5.3)	(1.3)	308 %
Post measurement period adjustments related to business acquisitions	—	—	—%	0.6	—	100%
Operating charges related to acquisitions or divestitures	(1.4)	0.1	N.M.	(3.1)	(0.5)	520 %
Share-based payments granted to directors and employees	(10.8)	(3.9)	177 %	(18.8)	(10.8)	74 %
Depreciation	(104.9)	(100.8)	4 %	(318.0)	(309.6)	3 %
Amortization	(47.3)	(43.2)	9 %	(139.6)	(127.7)	9 %
Amortization of broadcasting rights	(12.9)	(23.2)	(44) %	(69.0)	(62.2)	11 %
Impairment of long-lived assets - Intangible assets and goodwill	—	—	—%	(21.3)	—	100%
Gain (loss) on disposal of assets	0.6	0.6	— %	3.6	1.6	125 %
Impairment of long-lived assets - Property and equipment	(1.1)	(0.5)	120 %	(3.1)	(0.8)	288 %
Total Expenses	**(472.9)**	**(460.4)**	**3 %**	**(1,443.0)**	**(1,397.4)**	**3 %**

N.M. - Not Meaningful

5.2 EU IFRS condensed consolidated interim statement of cash flows (unaudited)

(€ in millions)	For the three months ended September 30,			For the nine months ended September 30,		
	2020	2019	Change %	2020	2019	Change %
Cash flows from operating activities						
Profit for the period	113.2	86.9	30 %	298.1	142.9	109 %
Depreciation, amortization, impairment and restructuring charges	166.1	167.3	(1) %	552.8	500.0	11 %
Working capital changes and other non cash items	19.9	(4.6)	N.M.	3.6	97.6	(96) %
Income tax expense	27.1	37.2	(27) %	43.5	73.8	(41) %
Net interest expense, foreign exchange loss and other finance expenses	(71.0)	180.2	N.M.	34.4	332.7	(90) %
Net loss (gain) on derivative financial instruments	126.6	(118.9)	(206) %	103.9	(40.2)	N.M.
Loss (gain) on extinguishment of debt	—	3.2	(100) %	15.1	3.2	372 %
Loss (gain) on disposal of (shares in) a subsidiary	(32.8)	—	—%	(28.5)	(0.1)	N.M.
Cash interest expenses and cash derivatives	(81.6)	(96.3)	(15) %	(183.2)	(197.4)	(7) %
Income taxes paid	(109.3)	(0.2)	N.M.	(109.8)	(158.5)	(31) %
Net cash from operating activities	**158.2**	**254.8**	**(38)%**	**729.9**	**754.0**	**(3)%**
Cash flows from investing activities						
Purchases of property and equipment	(56.8)	(53.5)	6 %	(200.9)	(188.2)	7 %
Purchases of intangibles	(47.6)	(43.8)	9 %	(135.7)	(100.0)	36 %
Acquisitions of and loans to equity accounted investees	(3.9)	(0.3)	N.M.	(24.4)	(1.2)	N.M.
Acquisition of subsidiaries, net of cash acquired	—	—	—%	(3.5)	(16.0)	(78) %
Proceeds from sale of property and equipment	27.2	(0.3)	N.M.	28.0	0.9	N.M.
Net cash used in investing activities	**(81.1)**	**(97.9)**	**(17)%**	**(336.5)**	**(304.5)**	**11 %**
Cash flows from financing activities						
Repayments of loans and borrowings	(132.9)	(360.1)	(63) %	(465.7)	(739.3)	(37) %
Proceeds from loans and borrowings	91.6	164.9	(44) %	317.0	376.1	(16) %
Repurchase of own shares	—	—	—%	(34.4)	(101.1)	(66) %
Sale of own shares	—	2.7	(100) %	—	46.5	(100) %
Payments related to capital reductions and dividends	—	—	—%	(142.3)	—	100%
Payments for early termination of loans and borrowings	—	(3.2)	(100) %	—	(3.2)	(100) %
Payments for debt issuance costs	(0.3)	—	100%	(13.7)	—	100%
Other financing activities (incl. leases)	(22.7)	(18.3)	24 %	(71.5)	(34.3)	108 %
Net cash used in financing activities	**(64.3)**	**(214.0)**	**(70)%**	**(410.6)**	**(455.3)**	**(10)%**
Net increase (decrease) in cash and cash equivalents						
Cash at beginning of period	71.4	139.5	(49) %	101.4	88.2	15 %
Cash at end of period	84.2	82.4	2 %	84.2	82.4	2 %
Net cash generated (used)	**12.8**	**(57.1)**	**N.M.**	**(17.2)**	**(5.8)**	**197 %**

(€ in millions)	For the three months ended September 30,			For the nine months ended September 30,		
	2020	2019	Change %	2020	2019	Change %
Adjusted Free Cash Flow						
Net cash from operating activities	158.2	254.8	(38)%	729.9	754.0	(3) %
Cash payments for direct acquisition and divestiture costs	0.8	0.6	33 %	1.7	0.9	89 %
Expenses financed by an intermediary	81.6	54.9	49 %	252.0	171.1	47 %
Purchases of property and equipment	(56.8)	(53.5)	6 %	(200.9)	(188.2)	7 %
Purchases of intangibles	(47.6)	(43.8)	9 %	(135.7)	(100.0)	36 %
Principal payments on amounts financed by vendors and intermediaries	(122.1)	(134.7)	(9)%	(329.7)	(314.8)	5 %
Principal payments on leases (excluding network-related leases assumed in acquisitions)	(11.9)	(8.1)	47 %	(29.5)	(33.5)	(12) %
Principal payments on post acquisition additions to network leases	(7.6)	(6.8)	12 %	(29.3)	(19.4)	51 %
Adjusted Free Cash Flow	**(5.4)**	**63.4**	**N.M.**	**258.5**	**270.1**	**(4)%**

N.M. - Not Meaningful

5.3 EU IFRS condensed consolidated interim statement of financial position (unaudited)

(€ in millions)	September 30, 2020	December 31, 2019 - Restated	Change
ASSETS			
Non-current Assets:			
Property and equipment	2,289.0	2,366.8	(77.8)
Goodwill	1,832.9	1,874.1	(41.2)
Other intangible assets	709.6	797.1	(87.5)
Deferred tax assets	210.0	261.4	(51.4)
Investments in and loans to equity accounted investees	110.6	16.3	94.3
Other investments	6.3	6.1	0.2
Derivative financial instruments	67.7	55.3	12.4
Other assets	18.4	27.9	(9.5)
Total non-current assets	**5,244.5**	**5,405.0**	**(160.5)**
Current Assets:			
Inventories	32.1	25.2	6.9
Trade receivables	188.5	204.5	(16.0)
Other current assets	148.4	130.4	18.0
Cash and cash equivalents	84.2	101.4	(17.2)
Derivative financial instruments	32.5	61.7	(29.2)
Total current assets	**485.7**	**523.2**	**(37.5)**
TOTAL ASSETS	**5,730.2**	**5,928.2**	**(198.0)**

(€ in millions)	September 30, 2020	December 31, 2019 - Restated	Change
EQUITY AND LIABILITIES			
Equity:			
Share capital	12.8	12.8	—
Share premium	80.7	80.7	—
Other reserves	676.7	695.7	(19.0)
Retained loss	(2,136.5)	(2,287.8)	151.3
Remeasurements	(26.0)	(13.5)	(12.5)
Total equity attributable to owners of the Company	**(1,392.3)**	**(1,512.1)**	**119.8**
Non-controlling interests	25.1	25.1	—
Total equity	**(1,367.2)**	**(1,487.0)**	**119.8**
Non-current Liabilities:			
Loans and borrowings	5,016.6	5,206.0	(189.4)
Derivative financial instruments	356.0	261.4	94.6
Deferred revenue	3.5	3.8	(0.3)
Deferred tax liabilities	128.0	178.7	(50.7)
Other non-current liabilities	68.3	63.1	5.2
Provisions	15.8	17.6	(1.8)
Total non-current liabilities	**5,588.2**	**5,730.6**	**(142.4)**
Current Liabilities:			
Loans and borrowings	466.4	527.0	(60.6)
Trade payables	215.5	247.7	(32.2)
Accrued expenses and other current liabilities	407.0	418.4	(11.4)
Provisions	82.3	70.9	11.4
Deferred revenue	121.8	107.8	14.0
Derivative financial instruments	52.4	69.5	(17.1)
Current tax liability	163.8	243.3	(79.5)
Total current liabilities	**1,509.2**	**1,684.6**	**(175.4)**
Total liabilities	**7,097.4**	**7,415.2**	**(317.8)**
TOTAL EQUITY AND LIABILITIES	**5,730.2**	**5,928.2**	**(198.0)**

6 Appendix

6.1 Reconciliation reported versus rebased financial information (unaudited)

(€ in millions)	Reported					Acquisition impact De Vijver Media NV, divestment Coditel S.à r.l. and changes related to the IFRS accounting outcome of certain content rights agreements				
	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
Revenue by nature										
Video	144.9	143.0	142.9	143.6	574.4	—	(1.3)	(1.3)	(1.3)	(3.9)
Broadband internet	161.2	161.9	163.7	164.9	651.7	—	(0.2)	(0.3)	(0.2)	(0.7)
Fixed-line telephony	55.6	54.2	54.7	54.5	219.0	—	(0.1)	(0.2)	(0.1)	(0.4)
Cable subscription revenue	**361.7**	**359.1**	**361.3**	**363.0**	**1,445.1**	**—**	**(1.6)**	**(1.8)**	**(1.6)**	**(5.0)**
Mobile telephony	107.2	110.1	115.1	112.3	444.7	—	(0.1)	—	—	(0.1)
Total subscription revenue	**468.9**	**469.2**	**476.4**	**475.3**	**1,889.8**	**—**	**(1.7)**	**(1.8)**	**(1.6)**	**(5.1)**
Business services	52.1	50.6	49.9	53.2	205.8	—	(0.4)	(0.4)	(0.3)	(1.1)
Other	105.0	115.8	122.7	144.8	488.3	27.5	21.0	—	(0.2)	48.3
Total Revenue	**626.0**	**635.6**	**649.0**	**673.3**	**2,583.9**	**27.5**	**18.9**	**(2.2)**	**(2.1)**	**42.1**
Operating expenses by Nature										
Network operating expenses	(54.3)	(47.6)	(46.9)	(48.1)	(196.9)	—	0.2	0.2	0.4	0.8
Direct costs (programming, copyrights, interconnect and other)	(127.0)	(128.3)	(126.4)	(143.7)	(525.4)	(6.1)	(6.5)	(8.1)	(14.4)	(35.1)
Staff-related expenses	(64.5)	(63.9)	(63.1)	(69.6)	(261.1)	(4.9)	(3.5)	0.2	(0.4)	(8.6)
Sales and marketing expenses	(23.5)	(20.9)	(20.5)	(31.9)	(96.8)	(2.3)	(1.0)	0.1	0.1	(3.1)
Outsourced labor and professional services	(9.0)	(8.4)	(10.3)	(10.5)	(38.2)	—	—	(0.1)	0.1	—
Other indirect expenses	(28.2)	(21.2)	(22.1)	(18.6)	(90.1)	(1.3)	0.1	0.1	0.1	(1.0)
Total operating expenses	**(306.5)**	**(290.3)**	**(289.3)**	**(322.4)**	**(1,208.5)**	**(14.6)**	**(10.7)**	**(7.6)**	**(14.1)**	**(47.0)**
Adjusted EBITDA	**319.5**	**345.3**	**359.7**	**350.9**	**1,375.4**	**12.9**	**8.2**	**(9.8)**	**(16.2)**	**(4.9)**
Adjusted EBITDA margin	***51.0 %***	***54.3 %***	***55.4 %***	***52.1 %***	***53.2 %***					

(€ in millions)	Rebased				
	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019
Revenue by nature					
Video	144.9	141.7	141.6	142.3	570.5
Broadband internet	161.2	161.7	163.4	164.7	651.0
Fixed-line telephony	55.6	54.1	54.5	54.4	218.6
Cable subscription revenue	**361.7**	**357.5**	**359.5**	**361.4**	**1,440.1**
Mobile telephony	107.2	110.0	115.1	112.3	444.6
Total subscription revenue	**468.9**	**467.5**	**474.6**	**473.7**	**1,884.7**
Business services	52.1	50.2	49.5	52.9	204.7
Other	132.5	136.8	122.7	144.6	536.6
Total Revenue	**653.5**	**654.5**	**646.8**	**671.2**	**2,626.0**
Operating expenses by Nature					
Network operating expenses	(54.3)	(47.4)	(46.7)	(47.7)	(196.1)
Direct costs (programming, copyrights, interconnect and other)	(133.1)	(134.8)	(134.5)	(158.1)	(560.5)
Staff-related expenses	(69.4)	(67.4)	(62.9)	(70.0)	(269.7)
Sales and marketing expenses	(25.8)	(21.9)	(20.4)	(31.8)	(99.9)
Outsourced labor and professional services	(9.0)	(8.4)	(10.4)	(10.4)	(38.2)
Other indirect expenses	(29.5)	(21.1)	(22.0)	(18.5)	(91.1)
Total operating expenses	**(321.1)**	**(301.0)**	**(296.9)**	**(336.5)**	**(1,255.5)**
Adjusted EBITDA	**332.4**	**353.5**	**349.9**	**334.7**	**1,370.5**
Adjusted EBITDA margin	***50.9 %***	***54.0 %***	***54.1 %***	***49.9 %***	***52.2 %***

Rebased information: For purposes of calculating rebased growth rates on a comparable basis For the three months ended September 30, 2020 and the nine months ended September 30, 2020, we have adjusted our historical revenue and Adjusted EBITDA to (i) include the pre-acquisition revenue and Adjusted EBITDA of De Vijver Media (fully consolidated since June 3, 2019) in our rebased amounts, (ii) exclude the revenue and Adjusted EBITDA of our former Luxembourg cable subsidiary Coditel S.à r.l. (deconsolidated as of April 1, 2020) and (iii) reflect changes related to the IFRS accounting outcome of certain content rights agreements over the August 1 - December 31 period from our rebased amounts for the three months ended September 30, 2019 and the nine months ended September 30, 2019 to the same extent that the revenue and Adjusted EBITDA of such entities and accounting impacts was included in or excluded from our results For the three months ended September 30, 2020 and the nine months ended September 30, 2020. We have reflected the revenue and Adjusted EBITDA of these entities in our 2019 rebased amounts based on what we believe to be the most reliable information that is currently available to us (generally pre-acquisition financial statements), as adjusted for the estimated effects of (a) any significant differences between our accounting policies and those of the acquired entities, (b) any significant effects of acquisition accounting adjustments, and (c) other items we deem appropriate. We do not adjust pre-acquisition periods to eliminate nonrecurring items or to give retroactive effect to any changes in estimates that might be implemented during post-acquisition periods. As we did not own or operate the acquired businesses during the pre-acquisition periods, no assurance can be given that we have identified all adjustments necessary to present the revenue and Adjusted EBITDA of these entities on a basis that is comparable to the corresponding post-acquisition amounts that are included in our historical results or that the pre-acquisition financial statements we have relied upon do not contain undetected errors. In addition, the rebased growth percentages are not necessarily indicative of the revenue and Adjusted EBITDA that would have occurred if these transactions had occurred on the dates assumed for purposes of calculating our rebased amounts or the revenue and Adjusted EBITDA that will occur in the future. The rebased growth percentages have been presented as a basis for assessing growth rates on a comparable basis. Rebased growth is a non-GAAP measure as contemplated by the U.S.

Securities and Exchange Commission's Regulation G and is an additional measure used by management to demonstrate the Company’s underlying performance and should not replace the measures in accordance with EU IFRS as an indicator of the Company’s performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

6.2 Reconciliation between profit for the period and Consolidated Annualized EBITDA (unaudited)

Net total leverage, which is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission’s Regulation G, is defined as the sum of loans and borrowings under current and non-current liabilities minus cash and cash equivalents ("Net Total Debt"), as recorded in the Company's statement of financial position, divided by the last two quarters' Consolidated Annualized Adjusted EBITDA. In its statement of financial position, Telenet's USD-denominated debt has been converted into € using the September 30, 2020 EUR/USD exchange rate. As Telenet has entered into several derivative transactions to hedge both the underlying floating interest rate and exchange risks, the €-equivalent hedged amounts were €2,041.5 million (USD 2,295.0 million Term Loan AR) and €882.8 million (USD 1.0 billion Senior Secured Notes due 2028), respectively. For the calculation of its net leverage ratio, Telenet uses the €-equivalent hedged amounts given the underlying economic risk exposure.

The following table provides a reconciliation of L2QA Profit for the period to L2QA Adjusted EBITDA.

(€ in millions)	For the three months ended		For the six months ended	Last two quarters' annualized
	June 30, 2020	September 30, 2020	September 30, 2020	September 30, 2020
Profit for the period	**31.7**	**113.2**	**144.9**	**289.8**
Income tax expense	10.2	27.1	37.3	74.6
Share of the result of equity accounted investees	(0.9)	2.0	1.1	2.2
Loss (gain) on disposal of (shares in) a subsidiary	4.3	(32.8)	(28.5)	(57.0)
Net finance expense (income)	103.6	55.5	159.1	318.2
Depreciation, amortization, impairment and gain on disposal of assets	193.3	165.6	358.9	717.8
EBITDA	**342.2**	**330.6**	**672.8**	**1,345.6**
Share based compensation	6.2	10.8	17.0	34.0
Operating charges related to acquisitions or divestitures	0.6	1.4	2.0	4.0
Restructuring charges	4.0	0.3	4.3	8.6
Post measurement period adjustments related to business acquisitions	(0.6)	—	(0.6)	(1.2)
Adjusted EBITDA	**352.4**	**343.1**	**695.5**	**1,391.0**
Adjusted EBITDA margin	56.9 %	53.8 %	55.3 %	55.3 %
Net profit margin	5.1 %	17.7 %	11.5 %	11.5 %

6.3 Definitions

(1) For purposes of calculating rebased growth rates on a comparable basis For the three months ended September 30, 2020 and the nine months ended September 30, 2020, we have adjusted our historical revenue and Adjusted EBITDA to (i) include the pre-acquisition revenue and Adjusted EBITDA of De Vijver Media (fully consolidated since June 3, 2019) in our rebased amounts, (ii) exclude the revenue and Adjusted EBITDA of our former Luxembourg cable subsidiary Coditel S.à r.l. (deconsolidated as of April 1, 2020) and (iii) reflect changes related to the IFRS accounting outcome of certain content rights agreements over the August 1 - December 31, 2019 period from our rebased amounts for the three months ended September 30, 2019 and the nine months ended September 30, 2019 to the same extent that the revenue and Adjusted EBITDA of such entities and accounting impacts was included in or excluded from our results For the three months ended September 30, 2020 and the nine months ended September 30, 2020. We have reflected the revenue and Adjusted EBITDA of these entities in our 2019 rebased amounts based on what we believe to be the most reliable information that is currently available to us (generally pre-acquisition financial statements), as adjusted for the estimated effects of (a) any significant differences between our accounting policies and those of the acquired entities, (b) any significant effects of acquisition accounting adjustments, and (c) other items we deem appropriate. We do not adjust pre-acquisition periods to eliminate nonrecurring items or to give retroactive effect to any changes in estimates that might be implemented during post-acquisition periods. As we did not own or operate the acquired businesses during the pre-acquisition periods, no assurance can be given that we have identified all adjustments necessary to present the revenue and Adjusted EBITDA of these entities on a basis that is comparable to the corresponding post-acquisition amounts that are included in our historical results or that the pre-acquisition financial statements we have relied upon do not contain undetected errors. In addition, the rebased growth percentages are not necessarily indicative of the revenue and Adjusted EBITDA that would have occurred if these transactions had occurred on the dates assumed for purposes of calculating our rebased amounts or the revenue and Adjusted EBITDA that will occur in the future. The rebased growth percentages have been presented as a basis for assessing growth rates on a comparable basis. Rebased growth is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G and is an additional measure used by management to demonstrate the Company’s underlying performance and should not replace the measures in accordance with EU IFRS as an indicator of the Company’s performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

(2) **EBITDA** is defined as profit before net finance expense, the share of the result of equity accounted investees, income taxes, depreciation, amortization and impairment. **Adjusted EBITDA** is defined as EBITDA before stock-based compensation, post measurement period adjustments related to business acquisitions and restructuring charges, and before operating charges or credits related to successful or unsuccessful acquisitions or divestitures. Operating charges or credits related to acquisitions or divestitures include (i) gains and losses on the disposition of long-lived assets, (ii) due diligence, legal, advisory and other third-party costs directly related to the Company’s efforts to acquire or divest controlling interests in businesses, and (iii) other acquisition-related items, such as gains and losses on the settlement of contingent consideration. Adjusted EBITDA is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission’s Regulation G and represents an additional measure used by management to demonstrate the Company’s underlying performance and should not replace the measures in accordance with EU IFRS as an indicator of the Company’s performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure. A reconciliation of this measure to the most directly comparable EU IFRS measure is disclosed in Exhibit 1 on page 17.

(3) **Accrued capital expenditures** are defined as additions to property, equipment and intangible assets, including additions from capital leases and other financing arrangements, as reported in the Company’s consolidated statement of financial position on an accrued basis.

(4) **Operating Free Cash Flow** (“OFCF”) is defined as Adjusted EBITDA minus accrued capital expenditures as reported in the Company’s consolidated financial statements. Accrued capital expenditures exclude the recognition of football broadcasting rights and mobile spectrum licenses. Operating Free Cash Flow is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission’s Regulation G and represents an additional measure used by management to demonstrate the Company’s underlying performance and should not replace the measures in accordance with EU IFRS as an indicator of the Company’s performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

(5) **Adjusted Free Cash Flow** is defined as net cash provided by the Company’s operating activities, plus (i) cash payments for third-party costs directly associated with successful and unsuccessful acquisitions and divestitures and (ii) expenses financed by an intermediary, less (i) purchases of property and equipment and purchases of intangibles as reported in the Company's consolidated statement of cash flows, (ii) principal payments on amounts financed by vendors and intermediaries, (iii) principal payments on capital leases (exclusive of network-related leases that were assumed in acquisitions), and (iv) principal payments on post acquisition additions to network leases, each as reported in the Company’s consolidated statement of cash flows. Adjusted Free Cash Flow is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G and is an additional measure used by management to demonstrate the Company’s ability to service debt and fund new investment opportunities and should not replace the measures in accordance with EU IFRS as an indicator of the Company’s performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

(6) **Basic Video Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives Telenet's video service over the Combined Network either via an analog video signal or via a digital video signal without subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Encryption-enabling technology includes smart cards, or other integrated or virtual technologies that Telenet uses to provide its enhanced service offerings. Telenet counts Revenue Generating Unites (“RGUs”) on a unique premises basis. In other words, a subscriber with multiple outlets in one premise is counted as one RGU and a subscriber with two homes and a subscription to Telenet's video service at each home is counted as two RGUs.

(7) **Enhanced Video Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives Telenet's video service over the Combined Network via a digital video signal while subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Enhanced Video Subscribers are counted on a unique premises basis. For example, a subscriber with one or more set-top boxes that receives Telenet's video service in one premise is generally counted as just one subscriber. An Enhanced Video Subscriber is not counted as a Basic Video Subscriber. As Telenet migrates customers from basic to enhanced video services, Telenet reports a decrease in its Basic Video Subscribers equal to the increase in Telenet's Enhanced Video Subscribers.

(8) **Internet Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives internet services over the Combined Network.

(9) **Fixed-line Telephony Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives fixed-line voice services over the Combined Network. Fixed-line telephony Subscribers exclude mobile telephony subscribers.

(10) **Telenet's mobile subscriber count** represents the number of active subscriber identification module ("SIM") cards in service rather than services provided. For example, if a mobile subscriber has both a data and voice plan on a smartphone this would equate to one mobile subscriber. Alternatively, a subscriber who has a voice and data plan for a mobile handset and a data plan for a laptop (via a dongle) would be counted as two mobile subscribers. Customers who do not pay a recurring monthly fee are excluded from Telenet's mobile telephony subscriber counts after a 90-day inactivity period.

(11) **Customer Relationships** are the number of customers who receive at least one of Telenet's video, internet or telephony services that Telenet counts as RGUs, without regard to which or to how many services they subscribe. Customer Relationships generally are counted on a unique premises basis. Accordingly, if an individual receives Telenet's services in two premises (e.g. a primary home and a vacation home), that individual generally will count as two Customer Relationships. Telenet excludes mobile-only customers from Customer Relationships.

(12) **Average Revenue Per Unit ("ARPU")** refers to the average monthly subscription revenue per average customer relationship and is calculated by dividing the average monthly subscription revenue (excluding mobile services, Business-to-Business ("B2B") services, interconnect, channel carriage fees, mobile handset sales and installation fees) for the indicated period, by the average of the opening and closing balances for customer relationships for the period.

(13) **Homes Passed** are homes, residential multiple dwelling units or commercial units that can be connected to the Combined Network without materially extending the distribution plant. Telenet's Homes Passed counts are based on census data that can change based on either revisions to the data or from new census results.

(14) **RGU** is separately a Basic Video Subscriber, Enhanced Video Subscriber, Internet Subscriber or Fixed-line Telephony Subscriber. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer subscribed to Telenet's enhanced video service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of Basic Video, Enhanced Video, Internet and Fixed-line Telephony Subscribers. RGUs generally are counted on a unique premises basis such that a given premises does not count as more than one RGU for any given service. On the other hand, if an individual receives one of Telenet's services in two premises (e.g. a primary home and a vacation home), that individual will count as two RGUs for that service. Each bundled cable, internet or fixed-line telephony service is counted as a separate RGU regardless of the nature of any bundling discount or promotion. Non-paying subscribers are counted as subscribers during their free promotional service period. Some of these subscribers may choose to disconnect after their free service period. Services offered without charge on a long-term basis (e.g. VIP subscribers, free service to employees) generally are not counted as RGUs. Telenet does not include subscriptions to mobile services in its externally reported RGU counts.

(15) **Customer Churn** represents the rate at which customers relinquish their subscriptions. The annual rolling average basis is calculated by dividing the number of disconnects during the preceding 12 months by the average number of customer relationships. For the purpose of computing churn, a disconnect is deemed to have occurred if the customer no longer receives any level of service from Telenet and is required to return Telenet's equipment. A partial product downgrade, typically used to encourage customers to pay an outstanding bill and avoid complete service disconnection is not considered to be disconnected for purposes of Telenet's churn calculations. Customers who move within Telenet's cable footprint and upgrades and downgrades between services are also excluded from the disconnect figures used in the churn calculation.

(16) Telenet's **ARPU per mobile subscriber** calculation that excludes interconnect revenue refers to the average monthly mobile subscription revenue per average mobile subscribers in service and is calculated by dividing the average monthly mobile subscription revenue (excluding activation fees, handset sales and late fees) for the indicated period, by the average of the opening and closing balances of mobile subscribers in service for the period. Telenet's ARPU per mobile subscriber calculation that includes interconnect revenue increases the numerator in the above-described calculation by the amount of mobile interconnect revenue during the period.

(17) **Net total leverage** is defined as the sum of loans and borrowings under current and non-current liabilities minus cash and cash equivalents ("Net Total Debt"), as recorded in the Company's statement of financial position, divided by the last two quarters' Consolidated Annualized Adjusted EBITDA. In its statement of financial position, Telenet's USD-denominated debt has been converted into € using the September 30, 2020 EUR/USD exchange rate. As Telenet has entered into several derivative transactions to hedge both the underlying floating interest rate and exchange risks, the €-equivalent hedged amounts were €2,041.5 million (USD 2,295.0 million Term Loan AR) and €882.8 million (USD 1.0 billion Senior Secured Notes due 2028), respectively. For the calculation of its net leverage ratio, Telenet uses the €-equivalent hedged amounts given the underlying economic risk exposure. Net total leverage is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G.

(18) **Net covenant leverage** is calculated as per the 2020 Amended Senior Credit Facility definition, using Net Total Debt (using the €-equivalent hedged amounts for its USD-denominated debt as highlighted above), excluding (i) subordinated shareholder loans, (ii) capitalized elements of indebtedness under the Clientele and Annuity Fees, (iii) any finance leases entered into on or prior to August 1, 2007, (iv) any indebtedness incurred under the network lease entered into with the pure intermunicipalities, (v) any vendor financing-related liabilities, and including (vi) the Credit Facility Excluded Amount (which is the greater of (a) €400.0 million and (b) 0.25x Consolidated Annualized Adjusted EBITDA), divided by last two quarters' Consolidated Annualized Adjusted EBITDA.

Investor & Analyst call – Telenet will host a video webcast and conference call for institutional investors and analysts on October 29, 2020 at 3:00pm CET, For details and webcast links, please visit: https://investors.telenet.be.

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About Telenet – As a provider of entertainment and telecommunication services in Belgium, Telenet Group is always looking for the perfect experience in the digital world for its customers. Under the brand name Telenet, the company focuses on offering digital television, high-speed Internet and fixed and mobile telephony services to residential customers in Flanders and Brussels. Under the brand name BASE, it supplies mobile telephony in Belgium. The Telenet Business department serves the business market in Belgium and Luxembourg with connectivity, hosting and security solutions. More than 3,000 employees have one aim in mind: making living and working easier and more pleasant. Telenet Group is part of Telenet Group Holding NV and is quoted on Euronext Brussel under ticker symbol TNET. For more information, visit www.telenet.be. Liberty Global - one of the world's leading converged video, broadband and communications companies, innovating and empowering people in six countries across Europe to make the most of the digital revolution – owns a direct stake of 58.3% in Telenet Group Holding NV (excluding any treasury shares held by the latter from time to time).

Additional Information – Additional information on Telenet and its products can be obtained from the Company's website https://www.telenet.be. Further information regarding the operating and financial data presented herein can be downloaded from the investor relations pages of this website. The Company's Consolidated Annual Report 2019 as well as unaudited condensed consolidated interim financial statements and presentations related to the financial results for the nine months ended September 30 have been made available on the investor relations pages of the Company's website (https://investors.telenet.be).

Safe Harbor Statement under the U.S. Private Securities Litigation Reform Act of 1995 – Various statements contained in this document constitute "forward-looking statements" as that term is defined under the U.S. Private Securities Litigation Reform Act of 1995. Words like "believe," "anticipate," "should," "intend," "plan," "will," "expects," "estimates," "projects," "positioned," "strategy," and similar expressions identify these forward-looking statements related to our financial and operational outlook; future growth prospects; strategies; product, network and technology launches and expansion and the anticipated impact of acquisitions on our combined operations and financial performance, which involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted whether expressed or implied, by these forward-looking statements. These factors include: potential adverse developments with respect to our liquidity or results of operations; potential adverse competitive, economic or regulatory developments; the potential adverse impact of the recent outbreak of the novel cornoavirus (COVID-19) pandemic, our significant debt payments and other contractual commitments; our ability to fund and execute our business plan; our ability to generate cash sufficient to service our debt; interest rate and currency exchange rate fluctuations; the impact of new business opportunities requiring significant up-front investments; our ability to attract and retain customers and increase our overall market penetration; our ability to compete against other communications and content distribution businesses; our ability to maintain contracts that are critical to our operations; our ability to respond adequately to technological developments; our ability to develop and maintain back-up for our critical systems; our ability to continue to design networks, install facilities, obtain and maintain any required governmental licenses or approvals and finance construction and development, in a timely manner at reasonable costs and on satisfactory terms and conditions; our ability to have an impact upon, or to respond effectively to, new or modified laws or regulations; our ability to make value-accretive investments; and our ability to sustain or increase shareholder distributions in future periods. We assume no obligation to update these forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.

Financial Information – The consolidated annual financial statements of Telenet Group Holding as of and for the year ended December 31, 2019 have been prepared in accordance with EU IFRS unless otherwise stated and have been made available on the Company's website.

Non-GAAP measures –Adjusted EBITDA, Operating Free Cash Flow, Adjusted Free Cash Flow and net total leverage are non-GAAP measures as contemplated by the U.S. Securities and Exchange Commission's Regulation G. For related definitions and reconciliations, see the Investor Relations section of the Liberty Global plc website (https://www.libertyglobal.com). Liberty Global plc is the Company's controlling shareholder.

This document has been released on October 29, 2020 at 7:00am CET