Press Release

Utrecht, January 24, 2013
Ziggo N.V. Full-year and Q4 2012 results

Continued sales growth in Q4 highlights resilience in competitive market environment

- **Successful 4th quarter campaigns have resulted in a sequential increase of gross adds**
- **Favorable customer response to WiFi-hotspot pilot supports planned rollout across Ziggo footprint during 2013-2014**
- **Marketing & sales initiatives to be enhanced in 2013 whilst product development initiatives to be accelerated**
- **Strong free cash generation underpins plan to accelerate dividend policy outlined at the time of the IPO**

Operational highlights Q4 2012

- All-in-1 bundle subscribers up 24,000 in Q4 resulting in 1.8% q-o-q growth and 10.6% y-o-y growth; penetration reaches 50.3% of our consumer customer base
- Internet subscribers up 21,000 in Q4, representing 1.2% q-o-q growth and 6.1% y-o-y growth
- Telephony usage revenue declines by 9.0% y-o-y and by approximately 5% excluding FTA rate reduction; q-o-q growth of 3.2%
- Digital Pay TV revenue increased through an ARPU increase and a strong uptake of VOD, partly offset by a 27,000 decline in subscribers
- Continued double-digit growth in B2B with almost 3,700 new business bundles

Financial highlights Q4 2012

- Revenues up 1.4% y-o-y to €383.2 million despite a 9.0% decline in telephony usage revenue
- Adjusted EBITDA €218.2 million, up 2.7% y-o-y
- Net result increased to €70.4 million from €10.9 million in Q4 2011
- Net debt amounts to €2.93 billion compared to €3.23 billion at year-end 2011
- Leverage ratio down to 3.33x compared to 3.87x at year-end 2011

Operational highlights FY 2012

- All-in-1 bundle subscribers up 134,000 or 10.6% for FY 2012
- Internet subscribers up 103,000 or 6.1% for FY 2012
- B2B RGUs up 41.4% to 194,000 driven by the sale of business bundles for SOHO and SME's

Financial highlights FY 2012

- Revenues up 4.0% y-o-y to €1,536.9 million; up 4.8% excluding other revenue
- B2B revenues up by 20.4% to €105.6 million
- Adjusted EBITDA up 5.5% y-o-y to €880.4 million
- Net result increased to €192.8 million in FY 2012 from €14.5 million in FY 2011
- Free cash flow increases by 10.3% despite an increase in capital expenditure of 15.1%
- Earnings per share climb from €0.07 in 2011 to €0.96 in 2012
- Proposal to increase final dividend over 2012 to €180 million resulting in a full year dividend per share over 2012 of €1.45

Press Release

CEO Bernard Dijkhuizen:

"I am pleased to announce that we have increased our full year revenues by 4.0% and maintained our strong EBITDA margin with 5.5% EBITDA growth, in line with our plan for the year. This result was achieved notwithstanding the increase in competitive intensity that we have seen over the course of 2012.

In the fourth quarter we have successfully stepped up our sales and marketing campaigns, which has resulted in a sequential increase of gross adds for the All-in-1 Bundle in Q4 2012. As the increase in sales is skewed towards the end of the quarter, we will record part of the Q4 sales in the first weeks of 2013. At the same time, we have seen an increase in churn to competition. However, the sequential increase in gross adds in Q4 more than offset the higher churn during the quarter.

Following our assessment of the increasingly competitive environment since Q2 2012, and considering the continuation of this trend in Q4, we have decided to step up our marketing & sales initiatives in 2013. In addition, we will speed up our product development initiatives by pulling forward some investments in product innovation that were originally planned to be made after 2013."

Outlook

Based on our continued investments in our network and customer base, we are confident that we can further benefit from having the best network and the best product offering in the Dutch market.

For 2013 we will increase marketing and sales initiatives, which will result in higher costs for sales and promotions. We expect EBITDA for 2013 to increase in the range of 2.5-3.5% with revenue growth moderately ahead of this rate. We anticipate an increase in revenue momentum over the course of 2013 as our marketing initiatives take effect. Our capital expenditure for 2013 will increase to €320-330 million. Approximately half of this increase compared to prior year is the result of accelerating the development of new products and systems originally planned for future years. Speeding up product development and innovations in the area of TV Everywhere and mobility means also pulling forward investments in systems to facilitate these new services.

We believe that the investments we are making will help secure continued long term earnings growth and generate new revenue streams for the business over the medium term. We shall continue to exercise the financial self-discipline which was shown by our Company in the recent mobile spectrum auction, which underpins the financial flexibility which we enjoy. Our strong cash generation enables us to invest for the future while also gradually increasing shareholder returns.

Dividend policy and capital structure

We have created the flexibility to adjust our dividend policy and increase our cash distribution for 2013 at a substantially lower cost than we would have incurred by refinancing our existing senior unsecured notes by putting in place a new €150 million term facility at the Ziggo NV level. Currently the senior unsecured notes, which were issued by a subsidiary of Ziggo NV in May 2010, restrict the dividend pay-out to 50% of cumulative adjusted net income.

Consequently, we plan to accelerate on the dividend policy outlined at the time of the IPO. We will increase our dividend pay-out with a view to maintaining a net debt to EBITDA leverage ratio of approximately 3.5 to 1. For the final dividend over the 2012 financial year, which becomes payable at the end of April 2013, we expect to distribute €180 million (subject to shareholder approval), which brings the total dividend pay-out over 2012 to €290 million or €1.45 per share.

With regard to the interim dividend over the 2013 financial year, we plan to distribute €190 million by mid-September 2013. Final dividend over the 2013 financial year will be subject to refinancing of our existing senior unsecured notes that are callable as per May 2014.

Press Release

Important dates

This year, Ziggo expects to publish its quarterly results on the following dates:

Q1 2013	April 17, 2013
Q2 2013	July 18, 2013
Q3 2013	October 18, 2013

The Annual General Meeting of Shareholders will be held on April 18, 2013.

April 18, 2013	AGM and final declaration of dividend
April 22, 2013	Ex-dividend (at opening)
April 24, 2013	Record date (after close)
April 29, 2013	Payment date

Press Release

Financial highlights (unaudited)

in € millions (except per share data)	Q4 2012	Q4 2011	Change %	FY 2012	FY 2011	Change %
Subscriptions + usage	346.0	345.0	0.3%	1,383.8	1,333.0	3.8%
Other revenues	9.8	8.4	17.2%	47.5	57.4	-17.4%
Total consumer revenues	**355.8**	**353.4**	**0.7%**	**1,431.3**	**1,390.5**	**2.9%**
Business services revenues	**27.4**	**24.6**	**11.6%**	**105.6**	**87.7**	**20.4%**
Total revenues	**383.2**	**378.0**	**1.4%**	**1,536.9**	**1,478.2**	**4.0%**
Cost of goods sold	69.1	69.3	-0.3%	295.0	291.1	1.3%
Gross margin	**314.1**	**308.6**	**1.8%**	**1,241.9**	**1,187.0**	**4.6%**
	82.0%	81.7%		80.8%	80.3%	
Operating expenses	77.7	75.8	2.5%	300.9	283.9	6.0%
Marketing & Sales	18.2	20.4	-10.8%	60.5	68.5	-11.7%
Total Operating Expenses	**95.9**	**96.2**	**-0.3%**	**361.4**	**352.4**	**2.6%**
As a % of revenue	25.0%	25.5%		23.5%	23.8%	
Adjusted EBITDA(1)	**218.2**	**212.4**	**2.7%**	**880.4**	**834.6**	**5.5%**
Adjusted EBITDA as a % of revenue	56.9%	56.2%		57.3%	56.5%	
IPO related costs				39.7		
EBITDA(2)	**218.2**	**212.4**	**2.7%**	**840.8**	**834.6**	**0.7%**
Depreciation and amortization (3)	68.3	78.6	-13.1%	279.1	348.0	-19.8%
Operating income	**149.8**	**133.8**	**12.0%**	**561.6**	**486.6**	**15.4%**
Share based payments	0.2			20.2		
Movement in provisions	0.0	-4.7	-99.6%	-1.0	-8.0	-87.2%
Change in net working capital	20.8	-11.9	-274.4%	61.1	-6.8	
Cash flow from operating activities	**239.2**	**195.7**	**22.2%**	**921.0**	**819.9**	**12.3%**
Capital expenditure	97.4	67.1	45.1%	279.7	242.9	15.1%
As a % of revenue	25.4%	17.8%		18.2%	16.4%	
Total capital expenditure (Capex)	**97.4**	**67.1**	**45.1%**	**279.7**	**242.9**	**15.1%**
Acquisition		7.4			7.4	
Interest received	0.0	0.1	-96.6%	0.4	0.5	-17.0%
Funding joint venture	3.1	-0.1		13.1	0.0	
Free cash flow	**138.7**	**121.5**	**14.1%**	**628.7**	**570.1**	**10.3%**
As a % of revenue	36.2%	32.1%		40.9%	38.6%	
Adjusted EBITDA-Capex	**120.8**	**145.3**	**-16.9%**	**600.8**	**591.7**	**1.5%**
As a % of revenue	31.5%	38.4%		39.1%	40.0%	
Net result	**70.4**	**10.9**	**548.2%**	**192.8**	**14.5**	**1229.1%**
Number of outstanding shares (in thousands)	200,000	200,000		200,000	200,000	
Earnings per share (in €)	**0.35**	**0.05**	**548.2%**	**0.96**	**0.07**	**1229.1%**

Operational highlights (in thousands) (unaudited)

Footprint[4]	31 Dec 2012	30 Sep 2012	Change in Q4 2012	31 Dec 2011	Change % y-o-y
Homes passed	4,213	4,218	-5	4,202	0.3%
Analog TV only	637	679	-43	865	-26.4%
Analog and digital TV[5]	2,256	2,253	3	2,152	4.8%
Total TV customers	**2,892**	**2,932**	**-40**	**3,017**	**-4.1%**
Digital pay TV subscribers	929	956	-27	940	-1.2%
Internet subscribers	1,788	1,766	21	1,685	6.1%
Telephony subscribers	1,493	1,466	26	1,349	10.6%
Total RGUs[6]	**7,102**	**7,121**	**-19**	**6,991**	**1.6%**
Total RGUs consumer	**6,908**	**6,941**	**-33**	**6,854**	**0.8%**
Of which bundle subscribers[7]	*1,395*	*1,371*	*24*	*1,261*	*10.6%*
RGUs per customer[8]	2.49	2.46	0.03	2.35	6.0%
ARPU in Q (€ per month)[9]	41.21	40.44	0.77	39.18	5.2%
ARPU YTD (€ per month)[9]	40.44	40.19	0.25	37.34	8.3%
Total RGUs B2B	**194**	**180**	**14**	**137**	**41.4%**

Press Release

Please note that the results published in this press release are the consolidated results of Ziggo N.V. ("Ziggo"), and not those of Ziggo Bond Company B.V., the entity that we reported on prior to Q1 2012. As a consequence of the initial public offering of 25% of its ordinary shares on March 21, 2012, Ziggo is now reporting quarterly results at the level of the entity that issued the ordinary shares at NYSE Euronext Amsterdam, referred to as "Ziggo". A reconciliation of the results for Ziggo N.V. to Ziggo Bond Company B.V. is attached as a separate schedule to this earnings release and an explanation of the most important reconciling items is provided at the end of this release. Ziggo was incorporated on April 1, 2011 and indirectly acquired all of the issued and outstanding shares of Ziggo Bond Company B.V. on March 20, 2012. For comparative purposes, the results of Zesko B.V. before the first quarter of 2012 have been included.

Definitions/Footnotes

(1) Adjusted EBITDA refers to EBITDA, adjusted to eliminate the effects of operating expenses incurred in connection with the initial public offering of ordinary shares of the company on March 21, 2012, which were €0.0 million for the quarter ended on December 31, 2012 and December 31, 2011 respectively and €39.7 million and €0.0 million for the year ended on December 31, 2012 and December 31, 2011 respectively.

(2) EBITDA represents operating income plus depreciation and amortization. Although EBITDA should not be considered a substitute for operating income and net cash flow from operating activities, we believe that it provides useful information regarding our ability to meet future debt service requirements.

(3) As of Q2 2011 we no longer amortize our customer list. The capitalized customer list resulted from the acquisition of the three predecessor businesses. Based on a renewed analysis we updated the assessment of the attrition of customer relationships connected to our network. It was concluded that the useful life of customer relationships connected to our network is indefinite as attrition is marginal and the number of subscriptions per active connection (RGUs per customer relationship) has been increasing. As a consequence, we no longer incur amortization expenses related to our customer relationships which are now subject to annual impairment testing. Hence, during 2012 amortization of other intangibles amounted to nil, while in Q1 2011 it stood at €44.1 million and in Q2, Q3 and Q4 2011 at nil.

(4) Operating data relating to our footprint and RGUs is presented as at the end of the period indicated.

(5) Digital television RGUs equals the total number of standard TV subscribers who have activated a smart card as at the end of the periods indicated. As a result, digital TV RGUs represents the number of subscribers who have access to our digital TV services. In any given period, not all of these digital TV RGUs will have subscribed to additional digital pay TV services. As at December 31, 2012 929,000 of our total digital TV RGUs subscribed to one or more of our digital pay TV services.

(6) Total RGUs are calculated as the sum of total standard TV subscribers, digital pay TV subscribers, internet subscribers and telephony subscribers which are serviced by our coaxial products for both the consumer and the business markets. Total consumer RGUs excludes the subscriptions for our products Office Basis (27,458), Office Plus (837) and internet Plus (8,562) targeted at SOHO and small businesses and our collective TV contracts TOM and TOMi (representing 76,000 RGUs), as these coaxial products are serviced by our business division and revenues generated through these products are recognized as business service revenues. These products represent 116,000 TV RGUs, 12,000 digital pay TV RGUs, 37,000 internet RGUs and 28,000 telephony RGUs.

(7) Besides the 1,395,000 customers who have taken up the All-in 1 bundle, we have another 15,000 customers who have subscribed to standard TV, internet and telephony on an individual product basis instead of an All-in-1 bundle.

(8) RGUs per customer is the total number of consumer RGUs (6,908,000 as per December 31, 2012) divided by the total number of consumer standard TV subscribers (2,776,000 as per December 31, 2012).

(9) Average Revenue per User (ARPU) for the consumer market is calculated as the sum of total standard TV, digital pay television, internet, telephony (including call charges and interconnection revenue) and All-in-1 bundle subscription revenues generated in the consumer market for the period divided by the number of months used and divided by the period's average monthly total standard TV RGUs. It excludes revenue from other sources, including installation fees and set-top box sales.

Press Release

About Ziggo
Ziggo is a Dutch provider of entertainment, information and communication through television, Internet and telephony services. The company serves around 2.9 million households, with almost 1.8 million Internet customers, more than 2.2 million customers for digital television and 1.5 million telephony subscribers. Business-to-business customers use services such as data communication, telephony, television and Internet. The company owns a next-generation network capable of providing the bandwidth required for all future services currently foreseen. More information on Ziggo can be found on: www.ziggo.com

---

Not for publication

For more information please contact:

Press
Martijn Jonker
Senior Communications Officer
+31 (0)88 717 2419 | Martijn.Jonker@office.ziggo.nl

Analysts and Investors
Wouter van de Putte
Director Corporate Finance & Investor Relations
+31 (0)88 717 1799 | investorrelations@office.ziggo.nl

Christian Berghout
Manager Corporate Finance & Investor Relations
+31 (0)88 717 1051| investorrelations@office.ziggo.nl

Press Release

Operations

At the end of December 2012, total RGUs reached 7.1 million, up 1.6% from Q4 2011. In Q4 2012, Ziggo lost 19,000 RGUs as a result of a decline in RGUs for digital pay TV by 27,000.

Consumer products & services

Details consumer (in thousands unless mentioned otherwise)	31 Dec 2012	30 Sep 2012	Change in Q4 2012	31 Dec 2011	Change % y-o-y
Analog TV only	545	591	*-46*	768	-29.1%
Analog and digital TV	2,231	2,231	*0*	2,152	3.7%
Total TV customers	**2,776**	**2,822**	**-46**	**2,920**	**-4.9%**
Digital pay TV subscribers	917	945	*-28*	940	-2.5%
Internet subscribers	1,751	1,733	*18*	1,662	5.4%
Telephony subscribers	1,464	1,441	*24*	1,332	9.9%
Total RGUs	**6,908**	**6,941**	**-33**	**6,854**	**0.8%**
Of which bundle subscribers	*1,395*	*1,371*	*24*	*1,261*	*10.6%*
RGUs per customer	2.49	2.46	0.03	2.35	*6.0%*
ARPU for the quarter (€ per month)	41.21	40.44	0.77	39.18	5.2%
ARPU YtD (€ per month)	40.44	40.19	0.25	37.34	8.3%

Following our announcement accompanying the Q3 2012 results, we stepped up our sales and marketing efforts in the fourth quarter. Our recent campaigns have been successful and have resulted in a sequential increase of gross adds for our All-in-1 propositions in Q4 2012. As the increase in sales is skewed towards the end of the quarter and as it takes a few weeks to connect a new customer, part of the gross adds will be recorded in the first weeks of 2013. Given the success of the current campaigns, we have decided to continue these in the first weeks of 2013 before launching our new campaigns for 2013 by the end of Q1.

At the same time, we have seen continued competitive intensity in the Dutch market. As a consequence, we recorded an increase in churn for our All-in-1 Bundle customers to approximately 5.5% in Q4 versus 4-5% in the previous quarters.

The number of subscribers to the All-in-1 bundle grew by 24,400 or 1.8% to 1.40 million and by 10.6% compared to the prior-year quarter. The number of Internet subscribers grew by 17,800 to 1.75 million during the quarter and by 5.4% compared to the prior-year quarter, again increasing our Internet market share.

The number of digital TV subscribers remained stable at 2.23 million, representing a penetration of 80% of our customer base. In digital TV, Ziggo experienced a slight decrease of its market share compared to the previous year and the number of net adds decreased during the year as a result of a high penetration, making it harder to migrate the remaining analog customers to digital TV, and due to increased competition in the TV market. Digital TV has a market share in the Netherlands of approximately 82% compared to 79.1% for our customer base. The number of TV-only subscribers decreased by 19.5% compared with the same quarter last year, to a total of 970,000 as at December 31, 2012. The decrease was caused by TV-only subscribers taking up the All-in-1 bundle as well as by churn. Churn among TV-only subscribers was higher compared to last year as a result of the market in general moving toward triple-play and increased competition, while churn on all other product lines, and for All-in-1 in particular, is significantly lower. We will continue to focus on upgrading customers to our All-in-1 bundle from a penetration of 50.3% today.

The total number of telephony subscribers rose to 1.46 million at the end of the fourth quarter, an increase of 9.9% compared to the same period in 2011. This increase is mainly the result of the increase in All-in-1 bundle subscriptions. However, as Ziggo's telephony subscriber base grows, the relative weight of free on-net calling becomes more relevant and affects usage ARPU. When a Ziggo telephony customer makes a fixed line call to another Ziggo telephony customer, the call qualifies as on-net and the minutes are not charged. In addition, the growing popularity of flat-fee telephony bundles, reduced FTA rates as per August 1 2012 and a lower average number of call minutes per subscriber put pressure on ARPU for telephony usage, which declined by 17.7% from €12.18 in Q4 2011 to €10.03 in Q4 2012. We expect these trends to continue. This will lead to a further decline in the ARPU for telephony usage going forward, partly offset by the anticipated increase in telephony rates by February 1, 2013.

Growth in RGUs by 0.8% in combination with a lower number of TV subscribers resulted in an improvement in RGUs per customer of 6.0% to 2.49 compared to the prior-year quarter. Excluding digital pay TV as a separate RGU, Ziggo recorded an average of 2.16 RGUs per customer or a 6.6% growth compared to the prior year. Blended ARPU rose by 5.2% y-o-y benefiting from revenue growth for digital pay TV and a further penetration of our All-in-1 bundle in our customer base.

In Q4, marketing activities were focused on the All-in-1 bundle. We started our post-summer campaign for the All-in-1 bundle in the second half of September. The campaign was centered around the TV Everywhere concept with a promotional offer for a set-top box for new All-in-1 subscribers, and was supported by a multi-media campaign including a TV commercial, direct marketing and print, which ran into December and was followed by smaller-scale direct mailings to targeted groups of customers.

As of November 23, the productions from the EU1 initiative were made available via Ziggo Video-on-Demand (VoD). EU1 is a platform by and for film and television makers where professionals present their ideas and show their movies, series and documentaries. EU1 is offered, without additional costs, to every Ziggo customer owning an interactive decoder.

On December 4, we doubled the number of channels for the Ziggo TV app for iOS and Android tablets and smart phones to 48 TV channels. Customers with a 'TV Standard' subscription can now view 27 channels, those with a 'TV Plus' package can view 36 channels and customers with 'TV Extra' can view 48 channels. The app itself is free. To watch live TV with this app, however, users need to have a Ziggo television and Internet subscription.
At December 31, 2012 a total of 617,000 iOS (Apple) users and 246,000 Android users have downloaded the Ziggo TV app to watch streaming TV via their tablets or smart phones. This clearly shows the potential of the TV Everywhere concept.

In December we also announced that we are planning to launch a TV App for Microsoft's Xbox LIVE service. The app is expected to be available in the course of 2013. Customers want to be able to use Ziggo's services in as many ways possible, and the development of an app for the very popular Xbox 360 is a logical step that is fully in line with our strategy. The Ziggo Xbox 360 app will be quite similar to the Ziggo TV app for iOS and Android in terms of design and functionality. Controlling the app will be possible with simple hand movements via Kinect or via the game controller. With this app, Xbox 360 users who are Ziggo subscribers will have a complete list of channels and an electronic program guide at their disposal. They will be able to watch live TV on their Xbox, and will in due course also have access to Video on Demand. The number of channels a customer will be able to watch is dependent on their subscription. Xbox 360 users need a subscription to Xbox LIVE Gold.

Press Release

At the end of December we concluded our pilot in Groningen, a city in the north of the Netherlands, to test Ziggo Home Zone, our WiFi hotspot concept utilizing the public channel in our WiFi EuroDocsis 3.0 modems at the customer's premises. The purpose of this pilot was to test ways of using the public channel in the WiFi modems as WiFi hotspots and thus create a network of WiFi hotspots for our customers. The pilot covered technical aspects such as WiFi handover, automatic provisioning of hotspots and network implications, as well as commercial aspects such as customer perception and the way customers actually use this new service. During the pilot, 18,000 Ziggo Internet customers had free access to high-speed Internet throughout the pilot area via the WiFi hotspot network. Based on the positive results of this pilot, we are planning a further roll-out of our WiFi hotspot concept into our footprint in 2013 and 2014.

During Q4 Ziggo swapped approximately 10,000 modems for a EuroDocsis 3.0 WiFi modem. A new version of this modem, which allows for concurrent usage of both the 2.4 GHz and 5 GHz bands, resulting in improved performance, is expected to become available in Q2 2013. For that reason we have decided to use the available EuroDocsis 3.0 WiFi modems only for new customers and upgrades and to limit the modem swap program.

In Q4 we started testing the upgrade of existing set-top boxes with interactive functionality through the introduction of a streaming GUI (Graphic User Interface) in the cloud. This new GUI will widen access to interactive television among customers and should stimulate the number of TV on-demand purchases. The GUI will come available for our customers in the course of the first quarter. During Q4, the number of transactions for VOD and pay-per-event increased again sharply by over 74% compared to the prior-year quarter; at the same time, the number of customers who have activated their interactive set-top box (360,000) is relatively small compared to our total customer base.

B2B products & services

Details B2B (in thousands)	**31 Dec 2012**	**30 Sep 2012**	**Change in Q4 2012**	**31 Dec 2011**	**Change % y-o-y**
Analog TV only	92	89	*3*	97	-5.2%
Analog and digital TV	24	22	*3*	0	-
Total TV customers	**116**	**110**	**6**	**97**	**19.8%**
Digital pay TV subscribers	12	11	*1*	0	-
Internet subscribers	37	33	*4*	23	60.2%
Telephony subscribers	28	25	*3*	17	66.4%
Total RGUs	**194**	**180**	**14**	**137**	**41.4%**
Of which:					
- Office Basis	*27.5*	*24.9*	*2.6*	*17.5*	*56.9%*
- Office Plus	*0.8*	*0.5*	*0.3*	*0.0*	-
- Internet Plus	*8.6*	*7.8*	*0.8*	*6.0*	*43.1%*

During Q4 over 3,700 new subscribers were added to our 'Office Basis', 'Office Plus' and 'Internet Plus' business bundles, bringing the total to over 36,900 subscribers. Office Plus, which was only recently introduced (in Q2), is starting to contribute to the growth with over 800 new subscribers during the year.

In November we started selling business bundles through the retail outlets of Makro via the shop-in-shop Phone House selling points. With one million entrepreneurs as their customers, Makro is a one-stop-shop for the Dutch business community. In this unique collaboration we created an attractive All-in-1 business package.

Other

In December 2012, the joint venture of Ziggo and HBO NL announced that HBO NL had signed an agreement to provide content to UPC. This agreement provides HBO NL with a distribution channel for its content to all important TV operators in the Netherlands: Ziggo, KPN, UPC, Delta and Canal Digital.

In connection with the Dutch multiband spectrum licenses auction for mobile services, we announced that Ziggo and UPC had participated through a joint venture. However, they did not acquire a new spectrum license during this auction. Ziggo and UPC considered the price too high given the additional return they expected to get from owning a license. Our financial discipline provides additional flexibility to invest in value enhancing initiatives which will support our long term growth plans. Both companies have experience in offering mobile services and are planning to expand their mobile offering in the coming years using the 2.6 GHz spectrum acquired in 2010, via WiFi and through the existing MVNO agreements.

Financial performance

Revenues
In Q4 2012 Ziggo generated revenues of €383.2 million, an increase of 1.4% compared to the same quarter of 2011 (€378.0 million) despite a 9.0% (€4.3 million) decline in revenues from telephony usage. Excluding 'Other Revenues', revenues increased by 1.0%. The most important drivers for the growth in revenues were continued growth in RGUs for Internet and telephony driven by a further uptake of our All-in-1 bundle, revenues from digital pay TV and business services. Business services again reported a healthy organic growth of 11.6% in the business market.

Consumer revenues for Q4 2012 amounted to €355.8 million, up 0.7% compared to Q4 2011. Excluding 'Other revenues', consumer revenues increased by 0.3%. This was mainly driven by a further uptake of our All-in-1 bundle during the year, of which 24,000 net additions during the quarter, or 10.6% y-o-y growth of All-in-1 subscribers. This resulted in a growth in both Internet and telephony RGUs by 5.4% and 9.9%, respectively. In addition, the company recorded growth in revenues from digital pay TV, including VOD, of 3.6% y-o-y despite a decline in the number of subscribers to digital pay TV by 28,000 compared to the prior year. Revenues from telephony usage decreased by 9.0% compared to Q4 last year. Revenues generated through our All-in-1 bundle increased by 11.0% from €155.7 million in Q4 2011 to €172.7 million in Q4 2012, now representing 48.5% of total consumer revenues, versus 44.0% in Q4 2011.

ARPU for digital pay TV increased by 4.4% from €14.73 in Q4 2011 to €15.38 in Q4 2012, driven by the increase in the number of packages per subscriber and the growth in VOD. The growth in the number of packages per subscriber was supported by the launch of HBO in February of this year. During Q4 we again experienced a strong y-on-y increase in VOD transactions (by over 74%). This increase was the result of (1) the launch of our new TV proposition in September 2011, providing all our digital TV customers access to our library of films and series; (2) the introduction of the pay-per-event proposition in May 2011, which enables customers to order a single match from the Dutch, Spanish or English Premier Leagues without the need for an interactive set-top box or a subscription to digital pay TV; and (3) the rise in the number of customers with an interactive set-top box to almost 360,000 by the end of Q4 2012 compared to 235,000 by the end of Q4 2011. With the program to upgrade part of the existing set-top boxes at our installed base of digital TV customers with interactive functionality through a Cloud-based streaming graphic user interface, we expect to further increase the penetration of interactive set-top boxes.

Press Release

As anticipated with our Q3 results, we saw a decline in revenues from telephony usage by 9.0% or €4.3 million, from €48.0 million in Q4 2011 to €43.7 million in Q4 2012. Excluding FTA rate reduction, revenues declined by approximately 5%. Growth in the number of telephony subscribers by 9.9% was more than offset by a lower ARPU for telephony usage as more subscribers have selected a flat-fee subscription for calls within the Netherlands and several foreign countries, and due to a higher share of free on-net calls following growth in the number of All-in-1 subscribers. Both trends result in a higher percentage of non-billable calling minutes compared with the previous year, in addition to an overall decline in the average usage per fixed-line telephony subscriber. Additionally, the reduction of the FTA rates as per August 1, 2012 negatively affected ARPU and revenue by €0.40 and €1.8 million respectively, compared with Q4 2011. In Q4, call minutes grew by 4.1% compared to the same quarter last year whereas on-net calling grew by almost 12.6%. However, average call minutes per user decreased by 4.7%. Despite the decline in revenue, gross margin on telephony improved slightly by almost 2%, also supported by the reduced FTA rates.

For the full year, revenues from telephony usage increased by 5.2%. The increase of usage tariffs in September last year supported the growth in revenues during the first nine months while Q4 was the first quarter on a like-for-like basis in terms of pricing.

Total revenue growth in Q4 2012 did not include the positive effect of approximately €7 million that we enjoyed in Q4 2011, as we opted for a more limited annual price increase compared to last year. In 2011 we implemented an annual general price increase of €0.50 (€0.42 excl. VAT) as per February 1, 2011 for standard TV subscriptions and per March 1, 2011 for our All-in-1 bundle followed by a price increase for our telephony usage rates as per September 1, 2011 and a price increase for TV Extra and TV Plus as per the introduction of the new TV proposition on September 1, 2011. This year the price increase was €0.25 (€0.21 excl. VAT) and has been limited to standard TV subscriptions.

Blended ARPU for consumer in Q4 2012 was €41.21, up €2.03 (+5.2%) from Q4 2011. This increase was driven by the growth in the number of subscribers to our All-in-1 bundle which, combined with churn in TV-only subscribers, resulted in a 6% increase in RGUs per customer to 2.49 (based on a maximum of 4 RGUs per customer). Excluding digital pay TV as a separate RGU, Ziggo recorded an average of 2.16 RGUs per customer. Additionally, higher revenue from digital pay TV services, partly offset by lower revenues from telephony usage, also contributed to the increase in blended ARPU. Fourth quarter blended ARPU only showed a slight increase compared with Q3 due to limited growth in RGUs per customer by 1.2% and a slight increase in revenues from digital pay TV by €1.0 million and in revenues from telephony usage by €1.4 million.

Our business services activities generated revenues of €27.4 million in Q4 2012, up 11.6% compared to €24.6 million in the same period last year. The reduction of the FTA rates as per August 1, 2012 negatively affected revenue by almost €0.3 million. Additionally, from Q4 onwards certain low-margin legacy contracts with a total quarterly revenue of €0.3 million have not been renewed.
In Q4, Ziggo added over 3,700 new subscribers to its main B2B bundles products, 'Internet Plus', 'Office Basis' and its new 'Office Plus' bundle, to reach a total of almost 36,900 subscribers by December 31, 2012. Total revenues for the year from the coaxial products TOM and TOMi, our collective TV contracts, and the business bundles grew by over 45% compared to the prior year to €35.4 million, now representing 33.6% of total B2B revenues.

Cost of goods sold and gross margin

Cost of goods sold includes the costs of materials and services directly related to revenues and consists of copyrights, signal costs and royalties to procure our content, interconnection fees that we pay to other network operators, materials and logistics costs relating to the sale of set-top boxes and other products and materials used to connect customers to our network.

In Q4 2012 cost of goods sold decreased slightly to €69.1 million, down 0.3% from Q4 2011. The gross margin for Q4 was 82.0% of revenue versus 81.7% in the prior-year quarter. During Q4 2012 we supplied 36,000 iTV, 23,000 HD set-top boxes and 3,000 CI+ modules, versus 6,000 iTV, 29,000 HD and 9,000 CI+ modules in the same quarter in 2011. The boxes are typically sold at a negative gross margin as part of our promotional campaigns to support further penetration of digital TV and triple play and are therefore considered an investment in our customer base. The higher negative gross margin on set-top boxes as a result of an increased number of boxes shipped during Q4 2012 compared to 2011 was more than offset by higher gross margins on Internet, telephony and business services.

Operating expenses (opex)
Operating expenses decreased by €0.3 million or 0.3% to €95.9 million in Q4 2012 compared to €96.2 million in Q4 2011. As a percentage of revenue, operating expenses decreased from 25.5% to 25.0%, mainly as a result of a decrease in Marketing & Sales expenses by 10.8% from €20.4 million in Q4 2011 to €18.2 million in 2012. The decline in Marketing & Sales compared to last year is the result of a lower spend on branding in Q4 2012 as we launched a major branding event (The Entertainment Experience) in the second half of last year. If we exclude this event, the campaign and sales costs were at a similar level. However, in Q4 2012 our sales activities primarily focused on All-in-1 while during Q4 2011 our campaigns focused on the up-sell of TV Extra and Plus as a result of the introduction of the new TV proposition in September 2011.

Excluding Marketing & Sales, operating expenses increased by 2.5% compared to Q4 2011 and were up compared to Q1 and Q2 2012 in absolute terms by approximately €2.2 million. The main cause of this increase is higher personnel costs due to a slight increase in headcount and the recognition of an additional accrual for the employee bonus of €1.9 million compared to previous quarters as certain company targets were achieved.

Personnel costs increased by 8.8% compared to Q4 2011. Excluding the additional bonus accrual in Q4 by €1.9 million, personnel costs increased by 4.6% as a result of a 4.3% increase in headcount and an increase in the average salary costs by approximately 3.3%. The latter was driven by an increase based on discretionary individual salary increases, the collective labor agreement and higher employer charges for social security and pension contributions. The increase in both headcount and average salary costs was partly offset by a decrease in the average costs of external resources, a reduction of the number of external resources and an increase in capitalized personnel expenses.

At the end of Q4 our workforce totaled 3,018 FTEs compared to 2,894 FTEs at the end of Q4 2011 and 2,945 at the end of Q3 2012. Excluding external and temporary employees, we had 2,502 employees versus 2,376 in the previous year. The number of external resources declined from 346 FTEs at the end of Q4 2011 to 278 at the end of Q4 2012. The number of temporary call centre agents increased from 172 FTEs by the end of Q4 2011 to 238 by the end of 2012, mainly due to the insourcing of certain sales-related activities during the last quarter. The increase in total FTEs is related to the increase in the installed base of RGUs, which boosted activities for customer services such as maintenance, on-location customer service and the technical maintenance of our infrastructure, and to an increase in sales-related activities. In addition, the higher number of FTEs also results from our investments in innovation such as the preparations for our converged platform and our TV proposition.

Costs of contracted work decreased by 17.3% compared to Q4 2011, mainly as a result of lower call volumes in our customer services department by almost 25% and lower consultancy costs. In the prior-year period, we experienced a peak in activity in customer service, customer installations and inbound sales following the successful pre-summer campaigns at the end of Q2 2011 as well as the introduction of our new TV proposition and the related migration of all our customers to the new proposition in September 2011.

This decrease in costs of contracted work has partly been offset by higher costs of maintenance of the network and technology as a result of an increase in RGUs and capacity of our infrastructure and rising maintenance costs following investments in our core infrastructure and systems to facilitate the addition of new services, such as mobility and TV Everywhere.

Office expenses increased by 17.2% compared to Q4 2011, mainly as a result of an energy refund and a release of accrued IT costs in Q4 2011 of €1.4 million. Excluding this adjustment in Q4 2011, office expenses rose by 5.2%. This is due to increased costs of licenses and maintenance for applications as a result of an increase in the number of users and in the size of various databases. In addition, investments in innovations for our converged platform and business applications have resulted in additional license and maintenance costs on top of the existing IT environment. Year-to-date office expenses increased by 7.5%.

Other expenses decreased by 51.2% compared to Q4 2011, mainly thanks to an improved quality and ageing of our trade accounts receivable, resulting in a release of the provision for bad debt.

Adjusted EBITDA and operating profit
In Q4 2012 we achieved an adjusted EBITDA of €218.2 million, up 2.7% compared to Q4 2011. The EBITDA margin was 56.9% compared to 56.2% Q4 last year. This y-o-y increase is primarily due to an improved gross margin percentage and lower operating expenses (as a percentage of revenue). For the full year 2012, adjusted EBITDA increased by 5.5% to €880.4 million and the adjusted EBITDA margin was 57.3% compared to 56.5% for 2011.

Adjusted EBITDA excludes IPO-related expenses. In March of this year we recognized €39.7 million in costs directly related to our IPO at NYSE Euronext Amsterdam. The IPO costs include a share-based remuneration of €20 million awarded and settled by the shareholders before the IPO which, in accordance with IFRS2, was recognized as an equity-settled share-based payment transaction. Therefore, this transaction is reflected as personnel costs and equity but it has not affected the company's cash flow nor diluted shareholders' equity.

Depreciation expenses and amortization of software in Q4 2012 fell by €10.3 million to €68.3 million from €78.6 million in Q4 2011. This decrease is the result of high historical network and infrastructure investments as well as investments related to the merger of the three companies, which led to relatively high depreciation expenses in recent years. However, with the current investment program in our core infrastructure and systems to facilitate the addition of new services such as mobility and TV Everywhere, depreciation and amortization will stabilize in 2013.

As of Q2 2011, we no longer amortize our customer list. The capitalized customer list resulted from the acquisition of the three predecessor businesses. Based on an updated analysis we reviewed the assessment of the attrition of customer relationships connected to our network, and concluded that the useful life of customers connected to our network is indefinite as attrition is marginal. As a consequence, we will no longer incur amortization expenses related to our customer relationships, which are now subject to annual impairment testing. Hence, during 2012 amortization of other intangibles amounted to nil compared with €44.1 million in 2011.

Operating income (EBIT) for the fourth quarter increased by 12.0% to €149.8 million compared to €133.8 million for the prior-year quarter. Despite the recognition of one-off costs of €39.7 million related to the IPO, operating income for 2012 improved to €561.6 million, an increase of 15.4% compared to €486.7 million in 2011. This increase is due to the improved EBITDA, lower depreciation expenses, lower amortization on software, and cancellation of the amortization of our customer list.

Net income
Interest costs excluding interest on shareholder loans decreased by 5.2% to €51.4 million in Q4 2012 compared to €54.2 million last year. In Q4 2012, €2.8 million was allocated as borrowing costs on work in progress, resulting in an interest credit, compared to €2.5 million in Q4 2011. Excluding borrowing costs, interest costs decreased by 6.1% or €3.1 million.

A reduction of our average debt by approximately €236 million reduced our interest expenses compared to Q4 2011. The blended interest rate for the fourth quarter was 6.8% versus approximately 6.8% for Q4 2011. At the end of Q3 2011 some of our interest rate swaps and all of our offsetting swaps expired. As a result, the blended interest rate came down by more than one percentage point since Q4 2011 and it has remained relatively stable since. The percentage of our hedged floating rate borrowings increased to 94% in Q4 2012 from approximately 72% in Q4 2011 as a result of prepayments of €320 million on our senior credit facility during 2012. At the end of 2012, only 2% of our gross debt was exposed to a floating interest rate taking into consideration the IRS position.

Interest on shareholder loans fell from €54.4 million in Q4 2011 to nil in Q4 2012. Since the conversion of the shareholder loans into equity prior to the IPO on March 21, 2012, the interest on these loans has been nil.

Banking and financing fees dropped by 16.8% to €0.2 million in Q4 2012 from €0.3 million in the prior-year quarter as a result of the reduction in the committed ancillary facility from €150 million to €50 million since Q4 2011.

The amortization of funding cost increased by €1.1 million to €4.1 million in Q4 2012 compared to Q4 last year and compared to Q3 as a consent fee of €7.6 million became payable to the lenders of the senior facility upon completion of our IPO in March of this year. The consent fee has been capitalized and will be amortized over the remaining term of the facility agreement. A backlog amortization charge of €0.9 million has been recognized in Q4 to cover the period from the IPO until Q4.

As Ziggo does not comply with hedge accounting for interest rate swaps under IFRS, any change in fair value is recognized as financial income and expense. In Q4 2012, Ziggo recorded a €2.9 million gain on other income, due to (1) the periodic amortization of our negative hedge reserve of €1.2 million, (2) a fair value gain on IRS contracts of €3.8 million as a result of shortened expiration periods of underlying hedges, and (3) a foreign exchange gain on USD denominated purchases of €0.3 million. For the comparable quarter of 2011, we reported a fair value loss of €1.9 million and a foreign exchange loss of €2.4 million.

The €2.2 million net loss from joint ventures predominantly relates to our 50% share in the results of HBO NL, our joint venture with HBO. Investments in and results from the joint venture are accounted for using the equity method. For the full year 2012 we recognized a net loss from joint ventures of €9.4 million, which mainly represents our 50% share in the results of HBO NL. Our share in the funding of this joint venture amounts to approximately €13 million in total.

For Q4 2012 Ziggo reported an income tax expense of €24.3 million, compared with an income tax expense of €6.6 million in the same quarter last year. Higher operating income in combination with reduced interest costs resulted in a strong increase in the result before income taxes and, consequently, in our income tax expense.

In Q4 2012, Ziggo posted a net profit of €70.4 million versus a net profit of €10.9 million in Q4 2011. For the full year net profit increased from €14.5 million in 2011 to €192.8 million in 2012. If we adjust for (1) interest on shareholder loans, (2) the amortization of the customer list, (3) the amortization of financing fees, (4) the non-recurring IPO costs, and (5) changes in fair value on our interest rate hedges (all adjustments net of income taxes), net result would have increased from approximately €160 million in 2011 to €285 million in 2012, representing an increase of 78%.

Working capital, cash flow and liquidity

Working capital
Net working capital excluding accrued interest and corporate income tax due decreased from €238.9 million negative as at the end of Q3 2012 to €268.1 million negative as at the end of December 2012. The decrease in working capital in Q4 2012 is mainly the result of a relatively high spend during Q4 on Marketing & Sales and capital expenditure, resulting in a relatively high balance for trade accounts payable and other current liabilities. In addition, the recognition of the IPO consent fee of €7.6 million due to the lenders of the senior facility resulted in an increased balance for other current liabilities. Both the balance for trade accounts receivable and deferred revenue declined as the billing of the quarterly subscriptions was postponed from the end of December to the beginning of January. This reduced the balance for trade receivables by approximately €8 million, for deferred revenue by €6.5 million and for taxes and social security by €1.5 million. Working capital includes a balance for corporate income tax due per December 31, 2012 of €2.3 million. This is the result of an intragroup transaction in which we transferred certain assets in order to renew part of our tax loss carry-forward position to avoid expiration of these losses. In one of our subsidiaries we must report a profit for tax purposes based on a percentage over the value of the transferred assets, which cannot be offset against the remaining losses of the fiscal unity according to Dutch carry-over rules.

For the full year working capital decreased by €68.9 million. This can mainly be attributed to VAT being payable on a quarterly rather than on a monthly basis (effective 2012), resulting in a reduction of net working capital of approximately €29 million. In addition, the relatively high spending during Q4 on capital expenditure and the recognition of the IPO consent fee of €7.6 million due to the lenders of the senior facility resulted in a relatively high balance for trade accounts payable and other current liabilities and contributed to the decrease in net working capital compared to 2011. Both the balance for trade accounts receivable and deferred revenue declined compared to December 2011 as the billing of the quarterly subscriptions was postponed from the end of December to the beginning of January. This reduced the balance for trade receivables by approximately €8 million and for deferred revenue by €6.5 million.

We have a committed bilateral ancillary facility of €50 million expiring in September 2014. In addition, we have an uncommitted €100 million revolving credit facility available under our credit facility, which expires in September 2017.

Cash flow from operating activities
Cash flow from operating activities increased by 22.2% to €239.2 million compared to €195.8 million in Q4 2011, whereas EBITDA in Q4 2012 increased by 2.7% to €218.2 million. This difference in growth between net cash flow from operating activities and EBITDA is mainly due to the €20.8 million cash inflow from the decrease in net working capital in Q4 2012 versus a cash outflow from an increase in net working capital of €11.9 million and a cash outflow from a movement in provisions of €4.7 million in Q4 2011.

For the full year, net cash flow from operating activities increased by €101.2 million or 12.3% to €921.0 million, despite an amount of €18.8 million being paid for IPO-related expenses. This improvement was mainly driven by an improved adjusted EBITDA by €45.8 million and the cash inflow of €61.1 million as a result of the decrease in working capital versus a cash outflow from an increase in net working capital by €6.8 million and a cash outflow from a movement in provisions by €8.0 million.

Capital expenditure (capex)
Our capital expenditure and investments relate primarily to extending, upgrading and maintaining our network, installation of new service equipment at customer premises, the cost of modems and investments in our core infrastructure and systems to facilitate the addition of new services such as mobility and TV Everywhere. It also includes increases in intangible assets, primarily expenditures on software, which we capitalize. Set-top boxes are sold to customers and therefore recognized as cost of goods sold and not capitalized.

During Q4 2012, Ziggo recorded capital expenditures of €97.4 million, an increase of 45.1% compared to Q4 2011 (€67.1 million). The increase is mainly the result of higher spending on equipment and contracted work for network growth and investments in our core infrastructure and systems to facilitate the addition of new services such as mobility and TV Everywhere.

Capex in €m	Q4 2012	% of total	Q4 2011	% of total	Dec 2012 YTD	% of total	Dec 2011 YTD	% of total
Customer installation	15.1	16%	20.7	31%	63.2	23%	73.0	30%
Network growth	53.2	55%	25.3	38%	120.1	43%	113.3	47%
Maintenance and other	29.1	30%	21.1	31%	96.4	34%	56.6	23%
Total capex	**97.4**		**67.1**		**279.6**		**242.9**	

In Q4 2012, €15.1 million (16%) of capital expenditure related to installations of service equipment and modem installations at customer premises (€20.7 million or 31% in Q4 2011), whereas 55% related to new build and growth of our network capacity to accommodate our increased subscriber base for Internet and the continuously increasing Internet speed and bandwidth requirements (approximately 38% in Q4 2011).

The decrease in customer installations compared to Q4 2011 is due to a limited number of modems swapped compared to the previous year. During Q4 we swapped approximately 10,000 modems for dual-band WiFi enabled EuroDocsis 3.0 modems that enable the highest Internet speeds for our customers. YtD we have swapped 137,000 modems and shipped 338,000 dual-band WiFi enabled EuroDocsis 3.0 modems to new All-in-1 and Internet subscribers and upgrades. By the end of Q4 we had 1,317,000 EuroDocsis 3.0 modems activated at customer premises, of which 822,000 were WiFi enabled.

The increase in network growth compared to Q4 2011 was mainly caused by relatively high spending on materials and equipment and contracted work during Q4 compared to the prior-year quarter. Projects to increase the capacity of our infrastructure peaked in the last quarter and for the full year we generated the additional capacity required to process an increase in Internet traffic of approximately 40%. The largest part of this increase was realized during Q4.

The remainder of our capital expenditure represents maintenance and replacement of network equipment and recurring investments in our IT platform and systems, and other investments in core infrastructure and systems to facilitate the addition of new services such as mobility and TV Everywhere. In Q4 2012, investments in this category increased by 38.1% to €29.1 million (or 30% of total capital expenditure for the quarter) compared to €21.1 million for the prior-year quarter. In 2011 we launched an investment program for core infrastructure and systems to facilitate the addition of new services such as mobility and TV Everywhere in the fourth quarter. This led to a step-up in capital investments in maintenance and other.

During 2012, Ziggo recorded capital expenditure of €279.6 million, an increase of 15.1%, and in line with our guidance of €280 million for the year. The increase of €36.7 million compared to 2011 was mainly driven by investments in core infrastructure and systems to facilitate the addition of new services such as mobility and TV Everywhere. Network growth grew by €6.8 million or 6% compared to 2011, mainly due to the additional capacity required to process an increase in Internet traffic by approximately 40%. The lower spend on customer installations (down by €9.8 million compared with 2011) is mainly attributable to the lower number of modems swapped compared to 2011 (137,000).

Our capital expenditure for 2013 will increase to €320-330 million. Approximately half of this increase from the prior year is the result of accelerating the development of new products and systems originally planned for future years. Speeding up product development and innovations in the area of TV everywhere and mobility means also pulling forward investments in systems to facilitate these new services. In addition, the remainder of the increase is predominantly the result of growth in internet video traffic which demands an increase in network capacity, leading to additional network segmentation.

Operational free cash flow
Operational free cash flow (OpFCF, or adjusted EBITDA minus capex) decreased by 16.9% to €120.8 million in Q4 2012 compared to €145.3 million for the prior-year quarter. Year-to-date operational free cash flow adjusted for IPO-related costs increased by 1.5% to €600.8 million.

Free cash flow and net cash used in financing activities
During Q4, free cash flow (cash flow before financing activities) increased to €138.7 million, up 14.1% compared to Q4 2011. Although capital expenditure increased by €30.3 million or 45.1% compared to the prior-year quarter, the strong increase in the free cash flow was the result of an improved EBITDA in combination with a cash inflow from a change in working capital by €20.8 million versus a cash outflow from a change in working capital of €11.9 million in the prior-year quarter. For the full year free cash flow increased to €628.7 million, up 10.3% compared to 2011, and includes an amount of approximately €18.8 million for IPO-related expenses that has been settled.

Net cash used in financing activities for the quarter comprises interest costs, banking and financing fees related to our loan facilities, and prepayments on the senior credit facilities. During Q4 2012, voluntary prepayments on our senior credit facility of €167.2 million were made.

Cash interest paid in Q4 2012 amounted to €90.0 million, representing a €2.9 million drop from the prior-year period. The difference can be explained by the lower average debt. Interest on both the senior secured and the senior unsecured notes is payable semi-annually, in May and November.

At the end of Q4 2012, accrued interest for the senior secured and senior unsecured notes was €17.8 million, equal to the amount at the end of Q4 2011.

At the end of 2012, Ziggo held €92.4 million in cash and cash equivalents, compared to €112.7 million at the end of 2011.

Net debt and financing structure
As of December 31, 2012, we carried a total debt balance of €2,943.8 million including principal amount, capitalized funding costs and discount on issue date. An amount of €1,063.3 million is owed under our senior credit facility (term loans B and F), €750.0 million is granted by Ziggo Finance B.V. (term loan E), which issued senior secured notes in 2010 for a similar amount, and €1,208.9 million is related to senior unsecured notes issued in 2010. Below is a summary of the capital structure with the notional amounts outstanding as at December 31, 2012:

As per December 31 2012	in €m	x LTM EBITDA	Margin / Coupon	Maturity
Term loan B extended	922.9	1.05	E + 3.00%	Mar-17
Term loan E (Senior Secured Notes)	750.0	0.85	6.125%	Nov-17
Term loan F	140.4	0.16	E + 3.25%	Sep-17
Total Senior Debt	**1,813.3**	**2.06**		
Senior Unsecured Notes	1,208.9	1.37	8.000%	May-18
Total Debt	**3,022.2**	**3.43**		
Cash and cash equivalents	92.4	0.10		
Total Net Debt	**2,929.8**	**3.33**		

On December 31, 2012 the outstanding balance of our senior credit facility amounted to €1,018.2 million, including principal amount (€1,063.3 million) and capitalized financing fees (€45.1 million). Compared to Q3, a consent fee of €7.6 million became payable to the lenders of the senior credit facility upon completion of our IPO in March 2012.

The consent fee has been capitalized and will be amortized over the remaining term of the facility agreement. A backlog amortization charge of €0.9 million was recognized in Q4 to cover the period from the IPO until Q4. During Q4 2012 an amount of €167.2 million was voluntarily prepaid on our senior credit facility.

As at December 31, 2012, the senior unsecured notes amounted to €1,183.4 million. This item is stated at amortized costs, including principal amount (€1,208.9 million), capitalized funding costs and discount on issuance date. The financing fees for the notes issuance amount to €25.8 million and are amortized over a period of eight years. The capitalized discount at issuance amounted to €8.8 million and is amortized as interest costs over a period of eight years. As per December 31, 2012 an amount of €9.1 million was amortized resulting in capitalized financing fees as at the end of Q4 2012 of €19.0 million and a capitalized discount of €6.5 million.

As per December 31, 2012 the balance of the senior secured notes amounted to €742.2 million stated at amortized costs, including principal amount (€750.0 million) and capitalized funding cost. The financing fees for the senior secured notes issuance amount to €10.6 million and are amortized over a period of seven years. As at December 31, 2012 a total amount of €2.8 million had been amortized since issuance resulting in capitalized financing fees per the end of Q4 2012 of €7.8 million.

Interest on the senior secured notes and senior unsecured notes is due semi-annually and as at December 31, 2012 an amount of €17.8 million was accrued under current liabilities.

As per December 31, 2012, the fair value of the interest rate swaps (IRS) amounted to €63.2 million negative, compared to €67.0 million negative as at September 30, 2012. Since the issuance of the senior secured notes on October 28, 2010 any change in fair value has been recognized as financial income and expense as Ziggo does not satisfy the IFRS requirements for hedge-accounting. Before the issuance of the senior secured notes, any changes in fair value were recorded in the hedge reserve as part of equity. As at December 31, 2012, the hedge reserve amounted to €4.3 million negative and it is charged to profit and loss during the remaining term of the outstanding IRS.

As at December 31, 2012, our Net Debt to Adjusted LTM EBITDA leverage ratio (as defined under our senior credit facilities) was 3.33x, down from 3.87x as at year-end 2011 due to our strong EBITDA performance and strong cash generation. The average debt maturity was 4.9 years as at December 31, 2012.

Reconciliation of the results for Ziggo N.V. to Ziggo Bond Company B.V.
As a result of the restructuring which took place ahead of the IPO of Ziggo N.V. (Ziggo), Ziggo indirectly acquired all of the issued and outstanding shares of Ziggo Bond Company B.V. (Ziggo BondCo). A reconciliation of the results for Ziggo to Ziggo BondCo is attached as a separate schedule to this press release.

The most important differences with Ziggo BondCo are related to the outstanding loans to shareholders until Ziggo went public on March 21, 2012, at which moment the shareholder loans were fully converted into equity. The shareholder loans amounted to €2,281 million as per December 31, 2011 and €2,334 million at the moment Ziggo went public. The proceeds of these shareholder loans were invested in 2005-2007 as equity in the Amsterdamse Beheer and Consultingmaatschappij B.V. (ABC), which is a direct subsidiary of Ziggo BondCo. As a result, Ziggo recognized interest costs on the shareholder loans while Ziggo BondCo did not recognize these interest costs. Ziggo recognized interest costs on the shareholder loans for an amount of €54.4 million in Q4 2011 and nil in Q4 2012. During the year Ziggo recognized interest costs on the shareholder loans for an amount of €215.9 million in 2011 and €52.2 million in 2012.

Other reconciling items between the results of Ziggo and Ziggo BondCo are the following:

- In relation to the IPO, Ziggo recognized one-off costs of €39.7 million which have not been recognized by Ziggo BondCo and €0.4 million in management fees. As a result, reported operating income for Ziggo is €40.1 million lower than as reported for Ziggo BondCo.
- As a result of the IPO-related costs of €39.7 million, the allocation of the management board costs of €0.4 million to Ziggo and the interest on shareholder loans of €52.2 million, the result before income tax realized by Ziggo BondCo is €92.3 million higher than the result realized by Ziggo. Due to the fact that certain IPO costs are non-deductible for corporate income tax purposes, such as the €20.0 million share-based remuneration, the corporate income tax charge recognized by Ziggo BondCo is €17.6 million higher than the amount recognized by Ziggo.
- Mainly as a result of the accrued interest costs recognized on shareholder loans since 2006 of €969.5 million, the tax loss carry-forward at the moment of the conversion of the shareholder loans into equity on March 21, 2012, is €1,015.5 million higher than the amount realized by Ziggo BondCo. The resulting deferred tax asset by Ziggo amounts to €147.9 million while the deferred tax asset recognized by Ziggo BondCo amounts to €15.8 million. The deferred tax asset recognized by Ziggo BondCo is fully related to the fair value of the interest rate swaps per December 31, 2012.
- As a result of costs recognized and accrued for legal and advisory fees and costs of the announcement and corporate campaign in connection with the IPO, Other current liabilities as reported by Ziggo are €0.2 million higher than the amount reported by Ziggo BondCo.
- During the first quarter ABC distributed €53.0 million in dividend to Ziggo Bond Company Holding B.V. (through Ziggo Bondco). In addition, certain IPO-related costs were paid by Ziggo BondCo on behalf of Ziggo. As a result, the balance for current liabilities to related parties reported by Ziggo BondCo amounts to €34.1 million while Ziggo reports a balance of nil.
- The equity attributable to equity holders reported by Ziggo is €287.7 million higher than the equity reported by Ziggo BondCo. This difference is mainly the result of the tax benefit realized on the total accrued interest on shareholder loans since 2006, which amounts to €969.5 million, and the difference in net result for the year.

Press Release

Consolidated income statement for Ziggo N.V. (unaudited)

(in € thousands)	Q4 2012	Q4 2011	Change %	FY 2012	FY 2011	Change %
Total Revenues	**383,231**	**377,961**	**1.4%**	**1,536,865**	**1,478,169**	**4.0%**
Cost of goods sold	69,123	69,336	-0.3%	295,013	291,147	1.3%
Personnel	50,157	46,120	8.8%	225,525	175,574	28.4%
Contracted work	12,412	15,015	-17.3%	51,526	51,162	0.7%
Marketing & Sales	18,193	20,406	-10.8%	61,507	68,514	-10.2%
Office expense	13,718	11,709	17.2%	54,757	49,564	10.5%
Other operating expenses	1,448	2,968	-51.2%	7,784	7,606	2.3%
Depreciation	61,491	67,982	-9.5%	250,707	268,014	-6.5%
Amortization of software	6,844	10,658	-35.8%	28,407	35,815	-20.7%
Amortization of other intangible assets(1)					44,124	-100.0%
Total operating expenses	**233,386**	**244,194**	**-4.4%**	**975,226**	**991,520**	**-1.6%**
Operating income	**149,845**	**133,768**	**12.0%**	**561,639**	**486,649**	**15.4%**
Net financial income (expense)						
- Interest	-51,415	-108,625	-52.7%	-259,523	-471,949	-45.0%
- Banking and financing fees	-238	-286	-16.8%	-1,047	-2,363	-55.7%
- Amortization of funding costs	-4,112	-3,002	37.0%	-13,228	-14,373	-8.0%
- Other income (i.e. fair value gains / (losses) on derivative fin. instruments)	2,943	-4,245	-169.3%	-11,005	24,492	-144.9%
Result from normal business before income taxes	**97,023**	**17,609**	**451.0%**	**276,836**	**22,456**	**1132.8%**
Net result of joint ventures and associates	-2,248	-168		-9,389	-168	
Income tax benefit (expense)	-24,330	-6,573	270.2%	-74,677	-7,784	859.4%
Net result	**70,445**	**10,868**	**548.2%**	**192,770**	**14,504**	**1229.1%**

Financial Information - The condensed consolidated income statement has been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union

(1) Amortization of other intangible assets includes amortization on customer lists. Please note that goodwill and customer list have been capitalized as a result of applying purchase accounting (IFRS 3).

Consolidated balance sheet for Ziggo N.V. (unaudited)

(in € thousands)	31 Dec 2012	31 Dec 2011
ASSETS		
Intangible assets	3,321,204	3,321,204
Capitalized software	37,183	38,532
Property and equipment	1,434,080	1,421,386
Other financial assets	719	402
Investments in joint ventures	3,556	0
Deferred income tax asset	223,733	272,225
Total non-current assets	**5,020,475**	**5,053,749**
Inventories	27,889	32,180
Trade accounts receivable	18,240	25,753
Other current assets	24,914	26,813
Cash and cash equivalents	92,428	112,679
Total current assets	**163,471**	**197,425**
TOTAL ASSETS	**5,183,946**	**5,251,174**
EQUITY AND LIABILITIES		
Issued share capital	200,000	65
Share premium	3,500,000	36,647
Treasury stock	-36	0
Retained earnings	-2,513,830	-1,112,855
Net income (loss) for the period	192,770	14,504
Equity attributable to equity holders	**1,378,904**	**-1,061,639**
Loans from financial institutions	1,018,230	1,336,667
Shareholder loan	0	2,281,218
Unsecured Bond	1,183,378	1,179,710
Facility E (Secured Bond)	742,209	740,866
Derivative financial instruments	63,236	46,796
Provisions	23,059	24,886
Deferred income tax liability	407,824	382,780
Other non current liabilities	204	214
Total non-current liabilities	**3,438,139**	**5,993,137**
Trade accounts payable	85,563	74,417
Deferred revenue	109,692	115,876
Derivative financial instruments	0	10,267
Provisions	7,480	6,892
Corporate income tax	2,323	0
Taxes and social security	52,819	19,927
Personnel related liabilities	17,495	15,186
Accrued interest	17,976	18,601
Other current liabilities	73,555	58,510
Total current liabilities	**366,903**	**319,676**
TOTAL EQUITY AND LIABILITIES	**5,183,946**	**5,251,174**

Financial Information - The condensed consolidated balance sheet has been prepared in accordance with the International Financial Reporting Standards, (IFRS), as adopted by the European Union.

Press Release

Consolidated cash flow statement for Ziggo N.V. (unaudited)

(in € millions)	Q4 2012	Q4 2011	Change %	FY 2012	FY 2011	Change %
Operating activities						
Operating income	149,845	133,768	12.0%	561,639	486,649	15.4%
Adjustments to reconcile operating profit to net cash flow						
Share based payments	200			20,200		
Depreciation	61,491	67,982	-9.5%	250,707	268,014	-6.5%
Amortization	6,844	10,658	-35.8%	28,407	79,939	-64.5%
Movement in provisions	-21	-4,727	-99.6%	-1,020	-7,974	-87.2%
Working capital adjustments						
(Increase)/Decrease in current assets	17,576	815	2056.6%	13,707	-12,518	-209.5%
Increase/(Decrease) in current liabilities	3,230	-12,746	-125.3%	47,409	5,756	723.7%
Change in working capital (excl. accrued interest)	20,806	-11,931	-274.4%	61,116	-6,762	-1003.8%
Net cash flow from operating activities	**239,166**	**195,750**	**22.2%**	**921,049**	**819,866**	**12.3%**
Investing activities:						
Capital expenditures	-97,382	-67,103	45.1%	-279,650	-242,918	15.1%
Acquistion Breezz		-7,413	-100.0%		-7,413	-100.0%
Funding of joint venture	-2,765	-15		-12,954	-15	
Interest received	5	147	-96.6%	426	513	-17.0%
Capital contribution					45	
Treasury Stock	-36			-36		
Change in financial assets	-329	120	-374.2%	-155.00	-6	2483.3%
Net cash flow from (used in) investing activities	**-100,507**	**-74,264**	**35.3%**	**-292,369**	**-249,794**	**17.0%**
Financing activities:						
Term Loan F					460,431	-100.0%
Dividend				-110,000		
Repayment on Senior Credit Facility loans	-167,228			-320,000	-708,858	-54.9%
Interest	-89,947	-92,882	-3.2%	-217,906	-267,005	-18.4%
Other financing activities	146	-958	-115.2%	-1,025	-8,964	-88.6%
Net cash flow from (used in) financing activities	**-257,029**	**-93,840**	**173.9%**	**-648,931**	**-524,396**	**23.7%**
Net increase (decrease) in cash and cash equivalents	**-118,371**	**27,645**	**-528.2%**	**-20,251**	**45,676**	**-144%**

Financial Information - The condensed consolidated cash flow statement has been prepared in accordance with the International Financial Reporting Standards, (IFRS), as adopted by the European Union.

Free cash flow = Net cash flow from operating activities + net cash flow from (used in) investing activities.
For the Q4 ending December 31, 2012 the free cash flow amounts to €628,680 (December 31, 2011: €570,073)

Press Release

Details on consolidated income statement (unaudited)

(in € millions)	Q4 2012	Q4 2011	Change %	FY 2012	FY 2011	Change %
(A) Income statement						
Revenue by segment[1]						
Standard cable subscription revenue	114,224	118,643	-3.7%	464,533	481,601	-3.5%
Digital pay television services revenue	42,982	41,470	3.6%	168,139	151,269	11.2%
Total video revenues	**157,206**	**160,113**	**-1.8%**	**632,672**	**632,870**	**0.0%**
Broadband Internet subscription revenue	**111,983**	**106,907**	**4.7%**	**442,419**	**415,878**	**6.4%**
Telephony subscription revenue	33,135	30,016	10.4%	129,048	113,485	13.7%
Telephony usage revenue	43,690	47,999	-9.0%	179,701	170,800	5.2%
Total telephony revenues	**76,825**	**78,015**	**-1.5%**	**308,749**	**284,285**	**8.6%**
Revenue from other sources	**9,801**	**8,366**	**17.2%**	**47,461**	**57,437**	**-17.4%**
Total consumer market	**355,815**	**353,401**	**0.7%**	**1,431,301**	**1,390,470**	**2.9%**
Of which All-in-1 bundle revenues	*172,712*	*155,664*	*11.0%*	*671,982*	*587,009*	*14.5%*
Business services revenues	**27,416**	**24,560**	**11.6%**	**105,564**	**87,699**	**20.4%**
Total revenues	**383,231**	**377,961**	**1.4%**	**1,536,865**	**1,478,169**	**4.0%**
Cost of goods sold	69,123	69,336	-0.3%	295,013	291,147	1.3%
Personnel	50,157	46,120	8.8%	189,903	175,574	8.2%
Contracted work	12,412	15,015	-17.3%	50,876	51,162	-0.6%
Marketing & Sales	18,193	20,406	-10.8%	60,531	68,514	-11.7%
Office expense	13,718	11,709	17.2%	53,302	49,564	7.5%
Other expenses	1,448	2,968	-51.2%	6,799	7,607	-10.6%
Total operating expenses	**165,051**	**165,554**	**-0.3%**	**656,424**	**643,568**	**2.0%**
Adjusted EBITDA[2]	**218,180**	**212,408**	**2.7%**	**880,441**	**834,602**	**5.5%**
IPO related costs[3]				39,688		
EBITDA	**218,180**	**212,408**	**2.7%**	**840,753**	**834,602**	**0.7%**
Depreciation and amortization	68,336	78,640	-13.1%	279,115	347,953	-19.8%
Operating income	**149,845**	**133,768**	**12.0%**	**561,639**	**486,649**	**15.4%**
Net financial income (expense)	52,822	116,158	-54.5%	284,803	464,193	-38.6%
Result from normal business before income taxes	**97,022**	**17,609**	**451.0%**	**276,835**	**22,456**	**1132.8%**
Net result of joint ventures and associates	-2,248	-168	1241.9%	-9,389	-168	5505.1%
Income tax benefit (expense)	-24,330	-6,573	270.2%	-74,677	-7,784	859.4%
Result from normal business after income taxes	**70,445**	**10,869**	**548.1%**	**192,770**	**14,504**	**1229.1%**

Financial Information - The condensed consolidated income statement has been prepared in accordance with the International Financial Reporting Standards, (IFRS), as adopted by the European Union.
(1) Revenue for each of our segments is derived from our internal accounts and is not presented in audited financial statements.
(2) EBITDA is defined as profit before net finance expense, income taxes, depreciation, amortization and impairment. Adjusted EBITDA is defined as EBITDA before extraordinary costs.
(3) Operating expenses incurred in connection with the IPO of Ziggo.

Details on working capital YTD 2012

(in € thousands)	As of Dec. 31, 2012	As of Dec. 31, 2011
(C) Change in net working capital		
Inventories	27,889	32,180
Trade accounts receivable	18,240	25,753
Other current assets	24,914	26,813
	71,043	**84,746**
Trade accounts payable	85,563	74,417
Deferred revenue	109,692	115,876
Corporate income tax	2,323	
Taxes and social securities	52,819	19,927
Personnel related liabilities	17,495	15,186
Accrued interest	17,976	18,601
Other current liabilities	73,555	58,510
	359,423	**302,517**
Net working capital	**-288,380**	**-217,771**
Change in net working capital	**70,609**	**-6,755**
Net working capital excl. accrued interest and corp. income tax	**-268,082**	**-199,170**
Change in net working capital excl. accrued interest and corp. inc tax	**68,912**	**-5,176**

Press Release

Details on working capital for the 4th quarter 2012

(in € thousands)	As of Dec. 31, 2012	As of Sep. 30, 2012	As of Dec. 31, 2011	As of Sep. 30, 2011
(C) Change in net working capital in Q4				
Inventories	27,889	37,451	32,180	26,965
Trade accounts receivable	18,240	25,294	25,753	25,450
Other current assets	24,914	26,285	26,813	31,884
	71,043	**89,029**	**84,746**	**84,299**
Trade accounts payable	85,563	56,034	74,417	74,300
Deferred revenue	109,692	118,061	115,876	114,139
Corporate income tax	2,323	789		
Taxes and social securities	52,819	64,920	19,927	19,689
Personnel related liabilities	17,495	19,362	15,186	13,315
Accrued interest	17,976	53,933	18,601	54,140
Other current liabilities	73,555	69,570	58,510	72,370
	359,423	**382,668**	**302,517**	**347,953**
Net working capital	**-288,380**	**-293,639**	**-217,771**	**-263,654**
Change in net working capital Q4	**-5,258**		**-45,883**	
Net working capital excl. accrued interest and corp. income tax	**-268,082**	**-238,917**	**-199,170**	**-209,514**
Change in net working capital excl. accrued interest and corp. inc tax	**29,165**		**-10,344**	

Press Release

Details Loans

(in € thousands)	31-Dec-12	31-Dec-11	31-Dec-10
Senior Debt	1,063,336	1,383,337	1,631,764
Capitalized financing fees	-45,107	-46,670	-50,637
Loans from financial institutions	**1,018,230**	**1,336,667**	**1,581,127**
Senior Notes (principal amount)	1,208,850	1,208,850	1,208,850
Capitalized discount at issuance (price 99.271)	-6,478	-7,411	-8,078
Capitalized financing fees	-18,994	-21,729	-24,242
Senior Notes	**1,183,378**	**1,179,710**	**1,176,530**
Facility E (Secured Bond; principal amount)	750,000	750,000	750,000
Capitalized financing fees	-7,791	-9,134	-10,396
Senior Notes	**742,209**	**740,866**	**739,604**
Shareholdersloan		**2,281,218**	**2,065,336**
Total Loans	**2,943,816**	**5,538,461**	**5,562,597**

Press Release

Consolidated income statement for Ziggo N.V compared with Ziggo Bondco BV. (unaudited)

(in € thousands)	YTD December 2012			YTD December 2011		
	Ziggo NV		Bondco BV	Ziggo NV		Bondco BV
Total revenue	**1,536,865**	**0**	**1,536,865**	**1,478,169**	**0**	**1,478,169**
Cost of goods sold	295,013	0	295,013	291,147	0	291,147
Personnel	225,525	38,090	187,434	175,574	0	175,574
Contracted work	51,526	650	50,876	51,162	0	51,162
Marketing & Sales	61,507	976	60,531	68,514	0	68,514
Office expense	54,757	1,455	53,302	49,564	0	49,564
Other operating expenses	7,784	-1,057	8,841	7,606	0	7,606
Depreciation	250,707	0	250,707	268,014	0	268,014
Amortization of software	28,407	0	28,407	35,815	0	35,815
Amortization of other intangible assets[1]	0	0	0	44,124	0	44,124
Total operating expenses	**975,226**	**40,115**	**935,111**	**991,520**	**0**	**991,520**
Operating income	**561,639**	**-40,115**	**601,754**	**486,649**	**0**	**486,649**
Net financial income (expense)						
- Interest	-259,523	-52,180	-207,343	-471,949	-215,882	-256,067
- Banking and financing fees	-1,047	0	-1,047	-2,363	0	-2,363
- Amortization of funding costs	-13,228	0	-13,228	-14,373	0	-14,373
- Other income (i.e. fair value gains / (losses) on derivative fin. instruments)	-11,005	0	-11,005	24,492	0	24,492
Result from normal business before income taxes	**276,836**	**-92,295**	**369,131**	**22,456**	**-215,882**	**238,338**
Net result of joint ventures and associates	-9,389	0	-9,389	-168	0	-168
Income tax benefit (expense)	-74,677	17,630	-92,307	-7,784	52,082	-59,866
Net result	**192,770**	**-74,665**	**267,435**	**14,504**	**-163,800**	**178,305**

Financial Information - The condensed consolidated income statement has been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union

(1) Amortization of other intangible assets includes amortization on customer lists. Please note that goodwill and customer list have been capitalized as a result of applying purchase accounting (IFRS 3).

Press Release

Consolidated balance sheet for Ziggo N.V. compared with Ziggo Bondco BV (unaudited)

(in € thousands)	31 December 2012			31 December 2011		
	Ziggo NV		Bondco BV	Ziggo NV		Bondco BV
ASSETS						
Intangible assets	3,321,204	0	3,321,204	3,321,204	0	3,321,204
Capitalized software	37,183	0	37,183	38,532	0	38,532
Property and equipment	1,434,080	0	1,434,080	1,421,386	0	1,421,386
Other financial assets	719	0	719	402	0	402
Other financial assets	3,556	0	3,556	0	0	
Deferred income tax asset	223,733	129,756	93,977	272,225	236,339	35,886
Total non-current assets	**5,020,475**	**129,756**	**4,890,718**	**5,053,749**	**236,339**	**4,817,410**
Inventories	27,889	0	27,889	32,180	0	32,180
Trade accounts receivable	18,240	0	18,240	25,753	0	25,753
Other current assets	24,914	0	24,914	26,813	519	26,294
Cash and cash equivalents	92,428	65	92,363	112,679	45	112,634
Total current assets	**163,471**	**65**	**163,406**	**197,425**	**564**	**196,861**
TOTAL ASSETS	**5,183,946**	**129,821**	**5,054,124**	**5,251,174**	**236,903**	**5,014,271**
EQUITY AND LIABILITIES						
Issued share capital	200,000	199,982	18	65	47	18
Share premium	3,500,000	2,659,018	840,982	36,647	-804,335	840,982
Treasury stock	-36	-36		0	0	
Retained earnings	-2,513,830	-2,496,641	-17,189	-1,112,855	-1,076,900	-35,955
Net income (loss) for the period	192,770	-74,665	267,435	14,504	-163,800	178,303
Equity attributable to equity holders	**1,378,904**	**287,657**	**1,091,246**	**-1,061,639**	**-2,044,987**	**983,348**
Loans from financial institutions	1,018,230	0	1,018,230	1,336,667	0	1,336,667
Shareholder loan	0	0	0	2,281,218	2,281,218	0
Unsecured Bond	1,183,378	0	1,183,378	1,179,710	0	1,179,710
Facility E (Secured Bond)	742,209	0	742,209	740,866	0	740,866
Derivative financial instruments	63,236	0	63,236	46,796	0	46,796
Provisions	23,059	0	23,059	24,886	0	24,886
Deferred income tax liability	407,824	-123,928	531,752	382,780	283	382,497
Other non current liabilities	204	0	204	214	0	214
Total non-current liabilities	**3,438,139**	**-123,928**	**3,562,067**	**5,993,137**	**2,281,501**	**3,711,636**
Trade accounts payable	85,563	0	85,563	74,417	0	74,417
Deferred revenue	109,692	0	109,692	115,876	0	115,876
Current liabilities related parties		-34,130	34,130		-340	340
Derivative financial instruments	0	0	0	10,267	0	10,267
Provisions	7,480	0	7,480	6,892	0	6,892
Current taxes	2,323	0	2,323	0	0	
Taxes and social securities	52,819	0	52,819	19,927	0	19,927
Personnel related liabilities	17,495	0	17,495	15,186	0	15,186
Accrued interest	17,976	0	17,976	18,601	0	18,601
Other current liabilities	73,555	222	73,333	58,510	729	57,781
Total current liabilities	**366,903**	**-33,908**	**400,811**	**319,676**	**389**	**319,287**
TOTAL EQUITY AND LIABILITIES	**5,183,946**	**129,821**	**5,054,124**	**5,251,174**	**236,903**	**5,014,271**

Financial Information - The condensed consolidated balance sheet has been prepared in accordance with the International Financial Reporting Standards, (IFRS), as adopted by the European Union.