Information related to Regulation G

Telenet Group Holding NV (Telenet):

Telenet is a leading provider of media and telecommunication services. Its business comprises the provision of cable television, high speed internet and fixed and mobile telephony services in Belgium. For purposes of its standalone reporting obligations, Telenet prepares its consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (GAAP).

Adjusted EBITDA, Operating Free Cash Flow and Adjusted Free Cash Flow are non-GAAP measures as contemplated by the U.S. Securities and Exchange Commission's Regulation G. Telenet believes that its presentation of Adjusted EBITDA and Operating Free Cash Flow measures provide useful information to investors, as both measures provide a transparent view of Telenet's recurring operations and is a key measure that is used by Telenet's chief operating decision makers to evaluate operating performance and to decide how to allocate resources.

Telenet believes that its presentation of Adjusted Free Cash Flow provides useful information to investors, as this measure can be used to gauge Telenet's ability to service debt and fund new investment opportunities. Adjusted Free Cash Flow should not be understood to represent Telenet's ability to fund discretionary amounts, as Telenet has various mandatory and contractual obligations, including debt repayments, which are not deducted to arrive at this amount.

Investors should view Telenet's Adjusted EBITDA, Operating Free Cash Flow and Adjusted Free Cash Flow as supplements to, and not substitutes for, operating income (loss), net profit (loss), cash flows from operating activities and other GAAP measures of income or cash flows. A reconciliation of Adjusted EBITDA, Operating Free Cash Flow and Adjusted Free Cash Flow to the most directly comparable GAAP financial measure is presented below:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
	in millions			
Profit for the period	€ 42.0	€ 78.7	€ 56.0	€ 108.4
Income tax expense	15.7	23.7	36.6	32.2
Share of the result of equity accounted investees	0.3	(0.1)	1.4	0.6
Loss (gain) on disposal of assets to a joint venture	—	—	(0.1)	—
Net finance expense	115.7	77.5	230.7	149.0
Depreciation, amortization, impairment and loss (gain) on disposal of subsidiaries	166.3	157.4	331.6	345.5
EBITDA (a)	340.0	337.2	656.2	635.7
Share based compensation	4.4	(1.7)	6.9	1.5
Operating charges related to acquisitions or divestitures	0.2	1.5	0.6	2.5
Restructuring charges	0.7	0.3	1.1	5.4
Adjusted EBITDA (a)	345.3	337.3	664.8	645.1
Accrued capital expenditures (b)	(135.1)	(145.1)	(307.8)	(301.7)
Recognition of football broadcasting rights	—	—	41.3	—
Operating Free Cash Flow (c)	€ 210.2	€ 192.2	€ 398.3	€ 343.4

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
	in millions			
Net cash from operating activities	€ 333.9	€ 327.8	€ 499.2	€ 519.1
Cash payments for direct acquisition and divestiture costs	0.1	1.2	0.3	1.9
Expenses financed by an intermediary	56.9	35.3	116.2	68.8
Purchases of property and equipment	(61.6)	(69.3)	(134.7)	(132.2)
Purchases of intangibles	(26.7)	(34.3)	(56.2)	(72.7)
Principal payments on amounts financed by vendors and intermediaries	(96.6)	(68.4)	(180.1)	(103.9)
Principal payments on finance leases (excluding network-related leases assumed in acquisitions)	(12.1)	(1.3)	(25.4)	(2.3)
Principal payments on post acquisition additions to network leases	(6.8)	(5.7)	(12.6)	(10.4)
Adjusted Free Cash Flow (d)	€ 187.1	€ 185.3	€ 206.7	€ 268.3

(a) Telenet defines EBITDA 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 and restructuring charges, and before operating charges or credits related to successful or unsuccessful acquisitions or divestitures.

(b) Accrued capital expenditures are defined as additions to property, equipment and intangible assets, including additions from finance leases and other financing arrangements, as reported in Telenet's consolidated statement of financial position on an accrued basis.

(c) 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.

(d) Telenet defines Adjusted Free Cash Flow as net cash provided by Telenet’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 Telenet's consolidated statement of cash flows, (ii) principal payments on amounts financed by vendors and intermediaries, (iii) principal payments on finance 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 Telenet’s consolidated statement of cash flows.