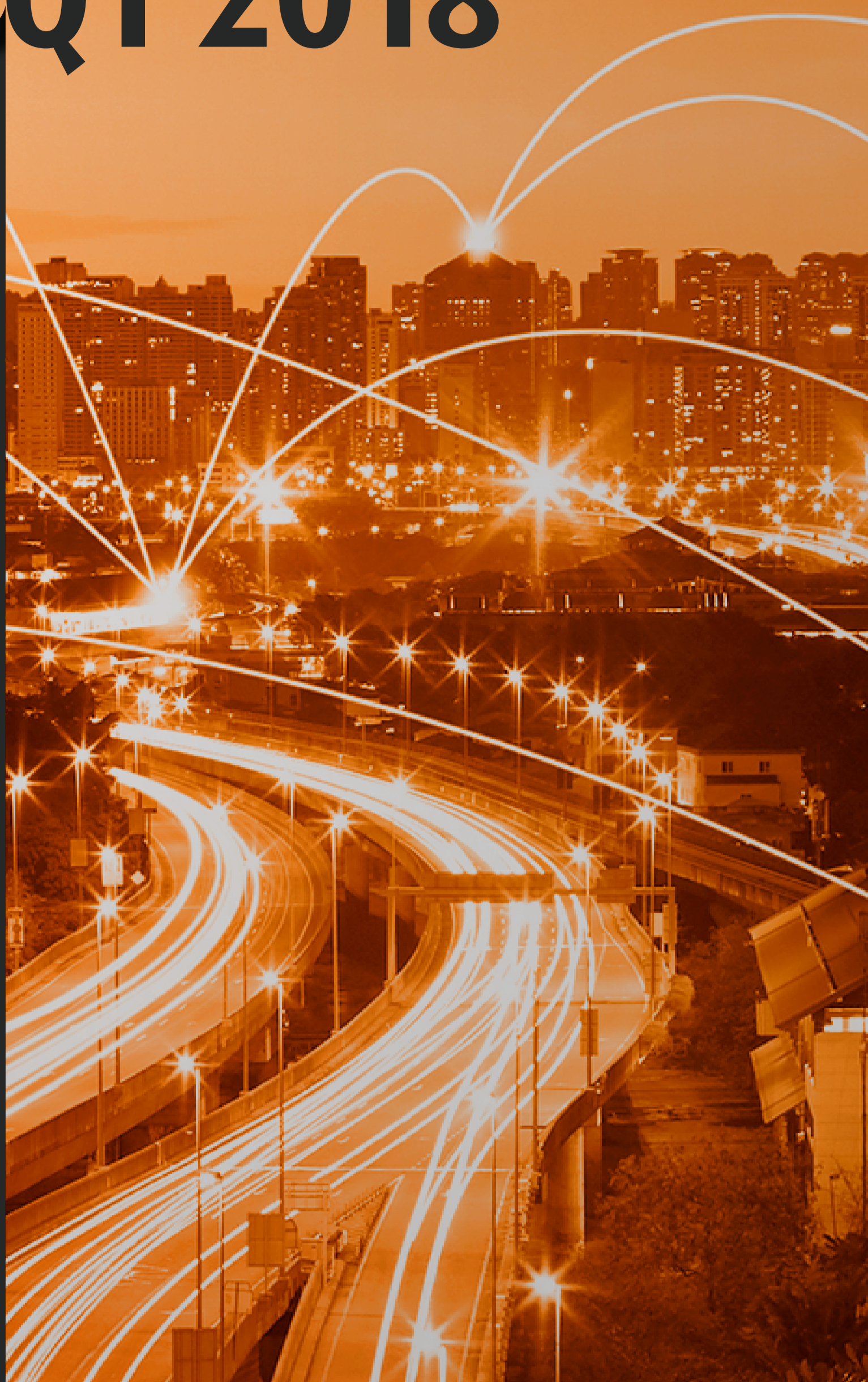


FINANCIAL RESULTS Q1 2018

VIVACOM is the leader of the telecom market in terms of total revenues

The financial results of the Company for the first quarter of 2018 show a steady growth of mobile market share.

- No.1** VIVACOM remains the telecom #1 in total revenue* on the Bulgarian market;
- 11.6%** VIVACOM reports 11.6% EBITDA growth compared to Q1 2017;
- VIVACOM reports growing mobile service revenue market share - **29.8%**;
- VIVACOM is #1 fixed broadband operator with largest subscriber base - **26%** market share;
- VIVACOM is #1 IPTV operator;
- 99%** 4G network with best population coverage, according to GWS**.



- REVENUE**
5.6%
2017 2018
VIVACOM retains its leading position on the Bulgarian telecom market with highest total revenue of BGN 223 million for the first quarter of 2018. The Company reports 5.6% growth compared to same period last year.
- ADJUSTED EBITDA**
11.6%
2017 2018
Despite the highly competitive market environment, VIVACOM reports stable adjusted EBITDA growth of 11.6% to BGN 86 million.
- MOBILE SERVICES**
VIVACOM continues to increase its revenues from mobile services, achieving nearly 30% market share with 3,048,000 mobile subscribers, 89% of which are using postpaid subscriptions.
- MOBILE BROADBAND**
The share of mobile data revenue from mobile service revenue continues to grow, reaching 41% in the first quarter of 2018, compared with 34% for the same period in 2017.
- 4G COVERAGE**
99%
The positive trend above is supported by extension of the 4G network to 99% of the population, measured by GWS.**
- FIXED BROADBAND**
VIVACOM is the leader on fixed broadband market with a total of 487,000 subscribers compared to 444,000 for the first quarter of 2017. The fiber-optic network covers nearly 1,141,000 households, which is a 4.2% increase compared to the first quarter of 2017.

- IPTV**
VIVACOM is the leading operator in provision of the most advanced television service - interactive TV (IPTV). 47% of 451,000 pay-TV subscribers have chosen the interactive television during the first quarter of 2018, which represents 4 percentage points increase over the same period last year.
- INVESTMENTS**
VIVACOM's capital investments for the first quarter of 2018 amounted to BGN 26 million, 61% of which are invested in development and maintenance of network infrastructure.
- FUTURE DEVELOPMENT**
In 2018 VIVACOM will continue to focus on infrastructure development in line with the fast-paced new technologies and innovations as well as provision of high quality services. The Company has introduced the next generation mobile solutions - 4.5G, and will continue to expand its coverage which will ultimately lead to higher mobile broadband speeds and better customer experience. VIVACOM is developing new M2M-type (machine-to-machine) networks to enable the introduction and development of smart technologies in Bulgarian cities and homes. The telecom will continue to build dynamic, secure and easy to manage cloud infrastructure. The Company will remain a reliable partner to both large, medium and small enterprises, providing them with the necessary security and further opportunities for business development.

* Results for all periods are prior to impact of IFRS 15.

** 4G network population coverage measurement was performed by Global Wireless Solutions (GWS) on their methodology in the period 05.02 - 08.03.2018

RESULTS FOR Q1 2018

BGN thousands, except percentages	For the three months ended March 31,		Change	
	2018	2017	(amount)	(%)
Revenue	222 846	211 106	11 739	5,6
Adjusted EBITDA	86 194	77 204	8 990	11,6
% Adjusted EBITDA Margin	38,7	36,6	2,1	5,8
Number of mobile subscribers at period end	3 048	3 088	(41)	(1,3)
% post-paid at period end	88,9	88,9	0,0	0,0
Fixed voice subscribers at period end	778	894	(117)	(13,1)
Fixed broadband subscribers at period end	487	444	43	9,7
% FTTx at period end	54,4	52,4	2,0	3,8
Number of fiber homes passed at period end	1 141	1 095	46	4,2
Fixed pay-TV subscribers at period end	451	416	35	8,4
% IPTV at period end	46,6	43,1	3,6	18,3