Any forward-looking statements concerning future economic and financial performance of O2 Czech Republic a.s. contained in this Presentation are based on assumptions and expectations of the future development of factors having material influence on the future economic and financial performance of O2 Czech Republic a.s.

These factors include, but are not limited to, public regulation in the telecommunications sector, future macroeconomic situation, development of market competition and related demand for telecommunications and other services.

The actual development of these factors, however, may be different. Consequently, the actual future results of economic and financial performance of O2 Czech Republic a.s. could materially differ from those expressed in the forward-looking statements contained in this Presentation.

Although O2 Czech Republic a.s. makes every effort to provide accurate information, we cannot accept liability for any misprints or other errors.
2016 FY outlook on the back of solid 9M results…

…Intention to propose share premium distribution on top of regular dividend

- 2016 FY outlook[1] on the back of solid 9M results…
- 2016 FY consolidated EBITDA within the range of CZK 10.4 to 10.7 billion
- 2016 FY consolidated Net profit within the range of CZK 5.1 to 5.4 billion

Dividend policy confirmed…

…intention to propose distribution of 90% to 110% of standalone net profit

Board of Directors intends to propose additional shareholder remuneration…

…CZK 4 per share on top of dividend from share premium

Not a one-off payment, but a mid-term intention…(up to CZK 36 per share[2])

…sustainability of absolute shareholder remuneration amount is among key proposal considerations

---

[1] 2016 FY outlook excludes any one-off/exceptional items not anticipated at the outlook release date (25th October 2016), [2] Calculated as current (as of 30th September 2016) share premium (CZK 11.9bn) less treasury shares account (CZK 658m), i.e. CZK 11.2bn in total, over current total number of shares (310.2m)
In 2016 we continued bringing new propositions to the market…

...including expansion to new businesses

- **Q1**: O2TV for all, roll-out to new distribution channels
- **Q2**: Try and Keep campaign supported by ATL
- **Q3**: O2TV Football channel launched to be followed by tennis and ice hockey

- > 95% of base already **enjoying unlimited fixed voice tariff**
- Well accepted by customers…
- … 40% growth in traffic per line

- **New O2 prepay tariff** (PredplaDENka)…
- …with daily voice & SMS flat fee
- **Tesco Mobile MVNO EBITDA doubled** in the last fiscal year

- Continuous investments by BOLT **start-up accelerator** activated
- **Synergies** based on newest technologies backed by O2 ecosystem contribution
Our value focused strategy works…
...two digit growth in mobile data, historic high customer loyalty

- Historical high customer loyalty
- B2B under pressure, but decline decelerating
- Roaming regulation negative impact
- Improving spend via tariff upsell

- LTE smartphone sales only…
- Tariff upsell and data limit recharges…
  ...driving growth in data traffic…
  ...and data monetization accelerates

- Record O₂ TV viewers figures
- >30k HH with second STB
- Partnership with leading breweries
- Own entertainment content production

---

<table>
<thead>
<tr>
<th>Small screen revenue (CZKm, y-o-y)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q16</td>
</tr>
<tr>
<td>849</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mobile ARPU (y-o-y)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9M14</td>
</tr>
<tr>
<td>-0,3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mobile Contract churn</th>
</tr>
</thead>
<tbody>
<tr>
<td>9M14</td>
</tr>
<tr>
<td>1,1%</td>
</tr>
</tbody>
</table>

28% LTE penetration
55% smartphone penetration

---

11 Tariff - IPTV, OTT, Multiroom (second STB), Multi-device (mobile & web application).
12 Excluding non-paying “Try & Keep” customers
Slovakia heavily investing into network & pro-growth areas…
...all B2B services already in place

- Full portfolio of services for corporate segment commercially launched…
- … including mobile services in cooperation with O2 Slovakia
- First contracts signed

- Improving network coverage and quality…
- … 4G coverage at ~ 66% by 2016 year-end
- …building national fibre backbone network
- Internet base growth (+12% y-o-y)

- Revenue growth maintained driven by data
- Total EBITDA margin 34.3%[^3]
- Positive contribution to Group financials

[^1]: year-on-year growth rates in constant currency (EUR),[^2] including O2 Business Services.,[^3] including NW costs
Financial Performance
January – September 2016
Pressure in traditional business compensated by new activities...  
...operating profitability slightly growing

<table>
<thead>
<tr>
<th></th>
<th>Jan-Sep 2016</th>
<th>Change 9M 16 / 9M 15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CZ Fixed</td>
<td>8,600</td>
<td></td>
</tr>
<tr>
<td>CZ Mobile</td>
<td>14,319</td>
<td></td>
</tr>
<tr>
<td>Slovakia[1]</td>
<td>4,934</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>27,720</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>7,855</td>
<td>+4.5%</td>
</tr>
<tr>
<td><strong>EBITDA margin</strong></td>
<td>28.3%</td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA margin excl. charge from CETIN</strong></td>
<td>54.5%</td>
<td></td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>4,012</td>
<td>+7.7%</td>
</tr>
<tr>
<td><strong>Free Cash Flow[2]</strong></td>
<td>2,592</td>
<td></td>
</tr>
</tbody>
</table>

---

[1] including O2 Business Services, [2] including payment for 1.8GHz and 2.6GHz spectrum (CZK 1.5bn)
SK top line growing despite roaming impact, CZ flat…

… SK profitability hit by roaming & B2B entry

- **Revenue**
  - CZK mil year-on-year:
    - 9M15: 22,900
    - 9M16: 22,918
    - 0.1%

- **EBITDA**
  - 9M15: 5,773
  - 9M16: 6,162
  - 6.7%

- **Net Income**
  - 9M15: 2,772
  - 9M16: 3,175
  - 14.6%

---

1. **CZ**: excluding dividend from O2 SK

- **Revenue**
  - EUR mil year-on-year:
    - 9M15: 179.4
    - 9M16: 182.5
    - 1.7%

- **EBITDA**
  - 9M15: 63.8
  - 9M16: 62.6
  - -1.8%

- **Net Income**
  - 9M15: 32.9
  - 9M16: 28.9
  - -12.2%

---

**Notes**:
- **Growth drivers**:
  - Mobile data
  - O2 TV
  - Fixed voice
- **Factors impacting**:
  - Roaming
  - B2B pressure
  - Higher CAPEX & depreciation
  - Mobile data
  - Customer growth
  - Roaming
  - B2B entry
The new propositions turned around fixed revenue…
… non-telco initiatives to mitigate future roaming impact

Pay TV revenue
(year-on-year)

9M 14 9M 15 9M 16
-7% 23% 65%

Fixed voice revenue
(CZK mil, year-on-year)

9M 14 9M 15 9M 16
-711 -393 -113
-21% -15% -5%

- Milestone of 100 thousand insurance policies…
- … first focus on hardware insurance..
- … and later as well on travel insurance

- Electronic sales reporting complete tool for Czech entrepreneurs
- Launch in December 2016 for hotels and restaurants…
- …to be followed by next waves (other retail segments)
Fixed revenue improving trends compared to last year…
… with B2B segment still under pressure
Mobile revenue impacted by B2B pricing & roaming…
… while data revenue growing double digit

CZK millions
(% change y-o-y)

-484
(-6.9%)

-124
(-15.0%)

+421
(+13.1%)

+39
(+2.3%)

+81
(+8.4%)

+43
(+6.8%)

14,344

14,319

9M 15
Voice
Messaging
Data
Interconnection
Hardware
Other
9M 16

Slovakia Operating Revenue
(+1.7%)

Czech Operating Revenue
(-0.2%)

[2] Inbound Roaming, M2M, Other revenue
Cost base under control…

… despite entry in Slovak fixed market

CZK millions
(% change y-o-y)

<table>
<thead>
<tr>
<th>9M 15 Costs of Service</th>
<th>Commercial Costs</th>
<th>Marketing Expenses</th>
<th>NW &amp; IT repairs and maintenance</th>
<th>Other [1]</th>
<th>9M 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,174 (1.0%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>19,926</td>
</tr>
<tr>
<td>+113 (+1.0%)</td>
<td>-191 (-6.5%)</td>
<td>+317 (+12.3%)</td>
<td>-208 (-24.1%)</td>
<td>-229 (-12.0%)</td>
<td></td>
</tr>
<tr>
<td>-1.2%</td>
<td>-4.7% CZ</td>
<td>+6.2% SK</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

O₂ IT Services

Insourcing
• call centers
• IT
• franchises

[1] Taxes other than income taxes, provisions and fees, Rentals, Buildings, Vehicles, Consumables, Consultancy, Billing, Collection, Call Centers, management fees and other; including Internal expenses capitalized in fixed assets
9M 2016 with low CAPEX profile…
…investments directed to growth areas and IT transformation

Czech Republic:
- IT transformation (also in 4Q 2016)
- 1,800 & 2,600 MHz spectrum (3Q 2016)
- Sport content
- Media production van
- Core NW upgrade and enhancement

Slovakia:
- 3G capacity & 4G coverage extension
- IT upgrade
- 3.4 & 3.7 GHz spectrum
- Accelerated 4G rollout in 4Q 2016

[1] excluding 1.8GHz and 2.6GHz spectrum (CZK 1.5bn)
Higher assets driven largely by spectrum in 3Q…
…with no additional external financing

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 2015</th>
<th>30 June 2016</th>
<th>30 Sep 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- of which Intangible Assets</td>
<td>16,147</td>
<td>15,568</td>
<td>16,672</td>
</tr>
<tr>
<td>- of which Property, Plant &amp; Equipment</td>
<td>4,638</td>
<td>4,582</td>
<td>4,521</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td>8,848</td>
<td>10,292</td>
<td>10,658</td>
</tr>
<tr>
<td>- of which Cash &amp; cash. Equiv.</td>
<td>1,970</td>
<td>3,095</td>
<td>3,524</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>30,268</td>
<td>30,732</td>
<td>32,347</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td>18,344</td>
<td>15,437</td>
<td>16,725</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td>3,146</td>
<td>8,224</td>
<td>8,275</td>
</tr>
<tr>
<td>- of which Long-term financial debt</td>
<td>2,970</td>
<td>7,975</td>
<td>7,976</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>8,778</td>
<td>7,304</td>
<td>7,320</td>
</tr>
</tbody>
</table>