



Exceed Together



COLT Q2 2009 Results Analyst Conference Call

23 July 2009

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Rakesh Bhasin
Chief Executive Officer

Financial Headlines

€m	Q2 09	Q2 08	Change	Q1 09	Change
Total revenue	401.2	416.3	(15.1)	416.2	(15.0)
Data revenue	198.7	196.8	1.9	199.7	(1.0)
Managed Services	36.1	28.8	7.3	37.3	(1.2)
GMBD %	40.7	39.2	1.5	38.9	1.8
SG&A	84.1	86.8	2.7	83.1	(1.0)
EBITDA	79.1	76.5	2.6	78.9	0.2
PBT	28.8	16.5	12.3	17.1	11.7
Free Cashflow	43.5	2.9	40.6	(11.1)	54.6

Favourable (adverse) change

All numbers exclude exceptional items

Highlights Q2 2009

- > Continue to make progress despite this tough market - business remains resilient
 - Data revenue has continued to grow – Ethernet main driver
 - Strong Managed Services growth
 - EBITDA and Profit Before Tax improved
 - Strong cash generation
- > Three large contracts wins in the Quarter - combined TCV > €60m
- > Enterprise cloud platform launched with first service available
- > Further progress on key initiatives
 - Next Generation Long Distance Network upgrade substantially complete
 - MSP roll-out complete
 - New billing platform being well received and live in six countries



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Tony Bates

Chief Operating Officer and Acting Group CFO

Headlines – Q2

€m	Q2 09	Q2 08	Trading change*	Currency impact	Q1 09	Trading change*	Currency impact
Total revenue	401.2	416.3	(8.2)	(6.9)	416.2	(17.0)	2.0
Data revenue	198.7	196.8	5.8	(3.9)	199.7	(2.1)	1.1
Managed Services	36.1	28.8	8.2	(0.9)	37.3	(1.5)	0.3
GMBD %	40.7	39.2	1.5	--	38.9	1.8	--
SG&A	84.1	86.8	(0.9)	3.6	83.1	(0.2)	(0.8)
EBITDA	79.1	76.5	1.3	1.3	78.9	0.3	(0.1)
PBT	28.8	16.5	9.5	2.8	17.1	12.3	(0.6)
Free Cashflow	43.5	2.9	38.4	2.2	(11.1)	55.0	(0.4)

*At constant € exchange rates

All numbers exclude exceptional items

Favourable (adverse) change

Revenue and Deferred Revenue

Revenue	Q2 09 €m	Trading change v Q2 08 %	Currency impact v Q2 08 %	Trading change v Q1 09 %	Currency impact v Q1 09 %
Data	198.7	2.9	(1.9)	(1.1)	0.6
Managed Services	36.1	28.5	(3.2)	(4.0)	0.8
Corporate & Reseller Voice	114.0	(12.7)	(0.9)	(6.8)	0.3
Carrier Voice	52.4	(9.4)	(1.5)	(8.9)	0.3
Total Revenue	401.2	(2.0)	(1.6)	(4.1)	0.5
Deferred Revenue €m	Q2 09	Trading change v Q2 08	Currency impact v Q2 08	Trading change v Q1 09	Currency impact v Q1 09
Data	132.6	(1.6)	(3.1)	(4.6)	4.0
Managed Services	65.2	16.2	(3.4)	7.3	3.3
Total	197.8	14.6	(6.5)	2.7	7.3

Revenue - Business Divisions

		Q2 09 €m	Trading change v Q2 08 %*	Currency impact v Q2 08 %	Trading change v Q1 09 %*	Currency impact v Q1 09 %
Major Enterprise	Data	101.8	(0.1)	(2.1)	(1.9)	0.5
	Managed Services	28.5	28.1	(3.1)	(6.3)	1.0
	Corporate & Reseller	35.3	(13.8)	(2.0)	(10.3)	0.8
	Total	165.6	0.3	(2.2)	(4.6)	0.7
SME	Data	45.6	4.1	(0.9)	0.9	0.4
	Managed Services	6.6	38.8	(4.1)	10.0	--
	Corporate & Reseller	59.5	(16.0)	(0.5)	(7.3)	0.1
	Total	111.7	(6.4)	(0.8)	(3.2)	0.2
Wholesale	Data	51.3	8.5	(2.7)	(1.0)	0.6
	Managed Services	1.0	(9.1)	--	(16.7)	--
	Corporate & Reseller	19.2	2.7	--	2.1	--
	Carrier Voice	52.4	(9.4)	(1.5)	(8.9)	0.3
	Total	123.9	(0.8)	(1.7)	(4.2)	0.4

*At constant € exchange rates and calculated using restated comparatives for 2008

Cash flow

€m	Q2 09	Q2 08	Q1 09
EBITDA	79.1	76.5	78.9
Capital expenditure	(41.5)	(85.7)	(49.6)
Deferred revenue	2.8	4.3	(0.8)
Working capital	40.4	(4.9)	28.5
Provisions	10.0	16.9	(40.3)
Interest	(0.9)	(1.0)	(1.3)
Free cash flow	(6.0)	(8.1)	2.0
Equity issue	43.5	2.9	(11.1)
Debt repayment	--	0.2	196.3
Exeptional item	(262.2)	--	--
Total cash flow	--	17.0	--
Net funds/(debt)	(218.7)	20.1	185.2
	243.1	(29.0)	195.9

Capital expenditure

€m	Q2 09	% of total	Q2 08	% of total	Q1 09	% of total
1. Data	29.4	70.8%	50.4	58.8%	36.0	72.6%
2. Managed Services	4.7	11.4%	21.1	24.6%	5.0	10.1%
Total success based	34.1	82.2%	71.5	83.4%	41.0	82.7%
3. Other	7.4	17.8%	14.2	16.6%	8.6	17.3%
Total capital expenditure	41.5	100.0%	85.7	100.0%	49.6	100.0%

Definitions:

1. Capital expenditure on customer premises and elsewhere in the network to support the acquisition of new Data revenue customer contracts
2. Build out of Data Centres and customer specific capital expenditure within Data Centres
3. IT, core network, new product development and office infrastructure



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