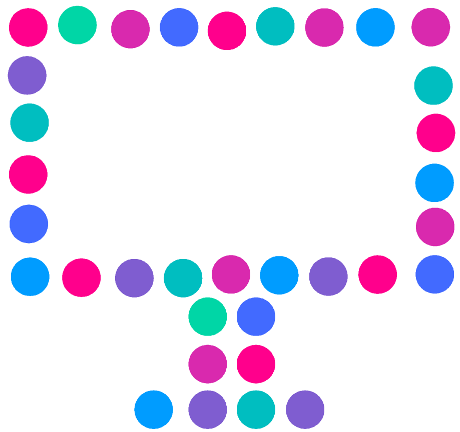


Poland’s leading alternative telco

November 2012

NETIA

Disclaimer

Some of the information included in this material contains forward-looking statements. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. For a more detailed description of these risks and factors, please see Netia's most recent financial report and press release. Netia undertakes no obligation to publicly update or revise any forward-looking statements.

Vision and Mission towards 2020

NETIA

Mission

Vision

By 2020 Netia will profitably grow to be Poland's No.1 on-line gateway through:

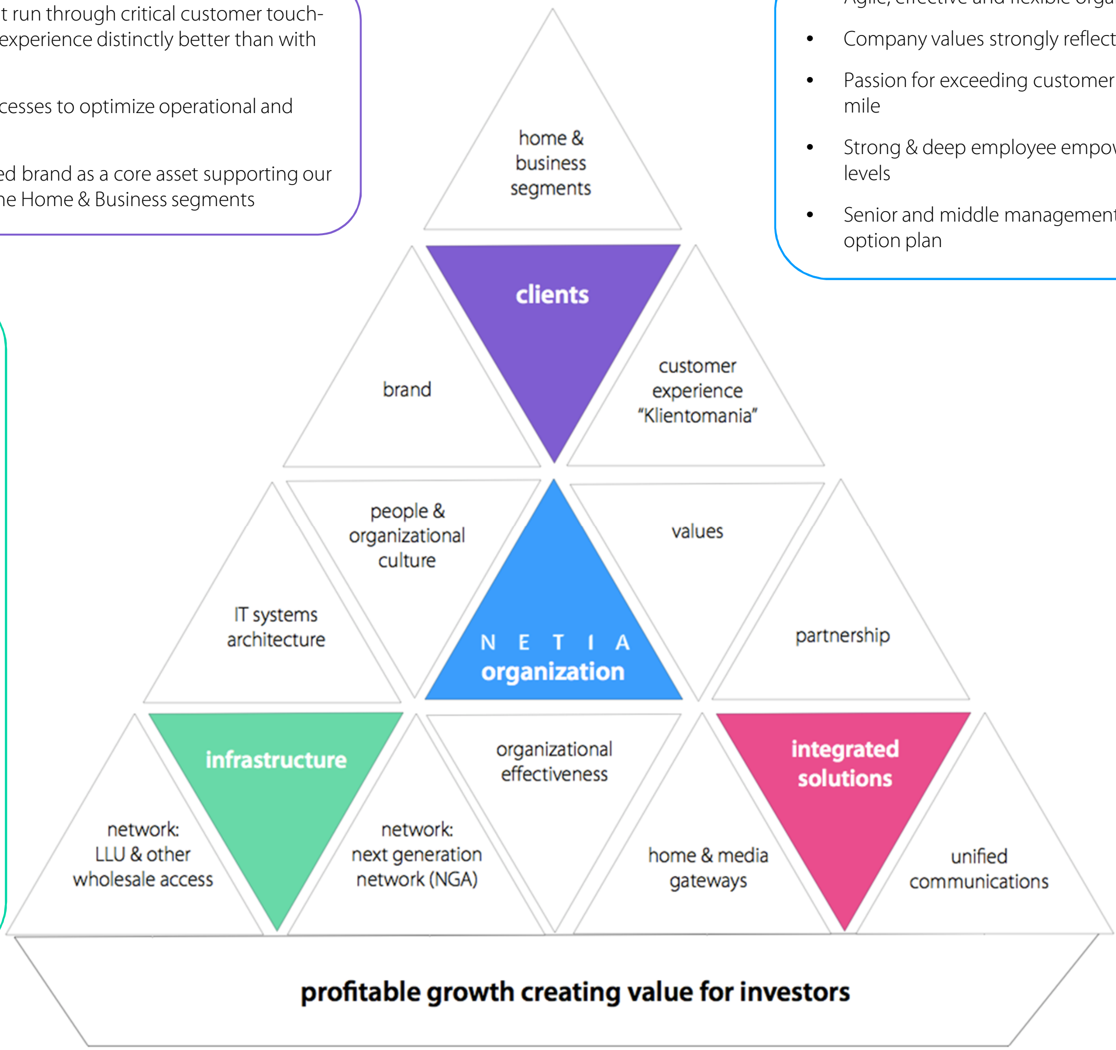
- Delivering integrated and easy to use solutions
- Providing a superior customer experience, and
- the Drive of passionate employees inspired by our values

Four strategic focus areas for Netia

- Excellence in processes that run through critical customer touch-points to deliver customer experience distinctly better than with the key competitors
- Streamlining customer processes to optimize operational and financial performance
- Recognized & well-perceived brand as a core asset supporting our strong market position in the Home & Business segments

- Agile, effective and flexible organization & processes
- Company values strongly reflected in employee behavior
- Passion for exceeding customer expectations by going the extra mile
- Strong & deep employee empowerment across all organizational levels
- Senior and middle management strongly motivated by stock option plan

- Own access network infrastructure largely upgraded to Next Generation Access (NGA)
- Migration from regulated & wholesale access to own infrastructure once sufficient local scale has been achieved to enable value-creating own network deployment
- Optimization of network roll-out cost and risk-sharing through co-investment & cooperative arrangements, offering wholesale services to third-parties and leveraging public & EU funds
- IT architecture supporting seamless & effective delivery of critical business processes



- Portfolio of integrated solutions that comprehensively meets the communication & entertainment needs of our Home & Business customers
- Strong expertise to consistently design & launch customer-winning propositions
- Ability to design user-friendly & intuitive interface and deliver effortless user experience
- Strong partnerships and seamless integration of third-party products & devices within our solutions

Investment proposition

NETIA

Poland's fastest growing telco consolidating the market

- Revenues at ~PLN 2.1bn and Adjusted EBITDA at ~28% margin with Adjusted FCF at ~15.5% (Guidance 2012)
- Modest leverage of 0.76x Adjusted EBITDA guidance for 2012[1] following another wave of transformational M&A in 2011
- Dynamically growing scale after exit from equity interest in the fourth mobile operator P4 and Tele2 Polska acquisition in 2008 followed by Dialog and Crowley takeovers in 2011
- Actively consolidating the local broadband market with 40+ Ethernet acquisitions since 2007
- Proven integration and cost reduction skills as approximately PLN 250m of opex saved since 2009

RGU-driven strategy with focus on multi-play services

- 2.7m services in Poland, of which 1,678k fixed voice and 889k fixed broadband at the end of Q3 2012
- 13.7% market share in fixed broadband and 20.0% market share in fixed voice
- Strong focus on 2play and 3play through delivery of integrated telco and media solutions
- 73k TV services, 95k mobile broadband and mobile voice services together
- 996k homes passed within the reach of NGA (50 Mbs+)

Leveraging own network scale and regulatory opportunities

- Over 5k km of fiber backbone and 7.2k km of fiber metro rings underpin all operations
- 2.2m homes passed with own network, 4.5m homes passed with LLU and national reach from regulated wholesale access
- 46% broadband clients and 39% voice clients served end-to-end over Netia's own network
- Market leader in roll-out of LLU (over 700 nodes unbundled, ~185k clients)
- Uniquely strong position in regulated wholesale access (LLU, voice WLR and broadband BSA)
- Synergistic network assets allowing to render services in B2C and B2B modes

1 Status as of Q3 2012

Netia broadband driven transformation

	2006 YE	→	2012 YE guidance	Change
RGUs Broadband	~60k		~900k	+ 14.0x
RGUs Fixed voice	~398k		~1,650k	+ 3.2x
Revenues	PLNm 862		PLNm 2,125	+ 147%
Adjusted EBITDA	PLNm 221		PLNm 600	+ 171%
Adjusted EBITDA margin	25.7%		28.2%	+ 2.5 pp
Adjusted OpFCF	PLNm 48		PLNm 330	+5.9x
Brand	Netia brand awareness as fixed telco provider		Netia brand awareness as • ISP → 95% • TV provider → 60%	na
Products	Fixed voice / Broadband / Data Transmission		+ TV / + WiFi / + Mobile / + VAS	na

Major initiatives and projects in the past 5 years

Disposals

P4
- Minority stake sold for EURm132 in 2008 (66% profit and annualized IRR of 26%)
- Cash proceeds for Netia's broadband expansion strategy

- International Voice Termination to Mediatel, CATV to Vectra and real estate property disposals

Acquisitions

Tele2
- Acquired in 2008 for EURm 34 (EV/EBITDA of 1.5x with synergies, 2.8x standalone)
- \+ 502k voice WLR RGUs
- \+ PLNm 455 revenues, + PLNm 41 EBITDA standalone for 2008
- Synergies of PLNm 45 delivered against original PLNm 30 target

Dialog + Crowley
- \+ 1,046k RGUs
- \+ PLNm 640 revenues
- \+ PLNm 156 EBITDA standalone for 2011
- \+ PLNm 130 FCF annual synergies by 2014 (including PLNm 120 EBITDA synergies)
- Increase in own network footprint, high multi-play and cross-sell potential

45 ETTH players
- \+ 139k ETTH RGUs acquired since 2007
- High-end technology, easy upgrade to NGA

Cost reduction

- PLNm 123 of net expense savings, +3 p.p. EBITDA yoy
- More agile organisation

Klientomania

- Improvements along entire value chain to drive customer satisfaction

Company culture

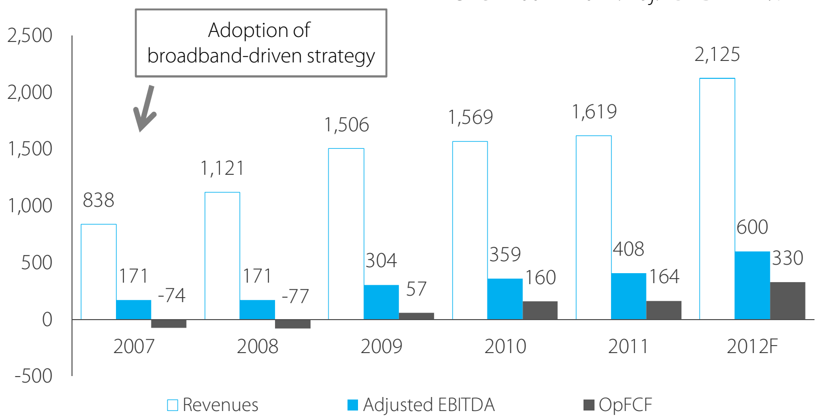
- Huge cultural transformation from a rigid, engineer-driven approach to entrepreneurial-minded teamwork
  → to challenge existing status quo on the telco market

Customer base and market shares

Revenues, EBITDA and OpFCF development

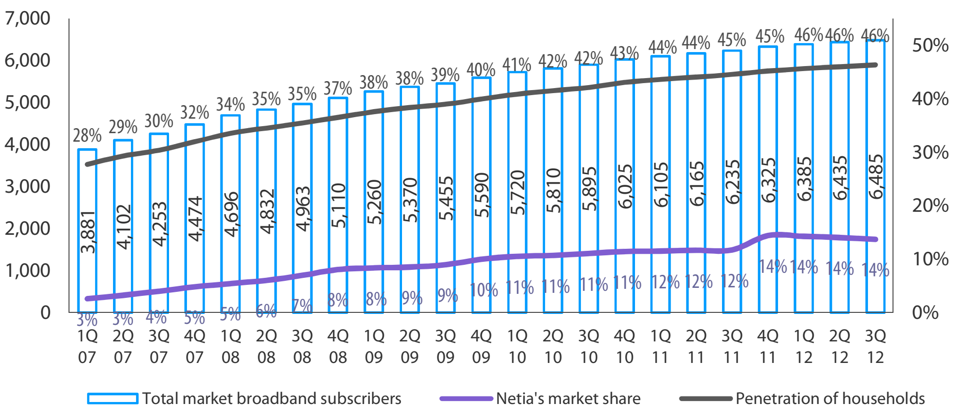
CAGR 2007 – 2011: Revenues +18%
CAGR 2007 – 2011: Adj. EBITDA+24%

PLN m



Fixed broadband market share (quarterly)

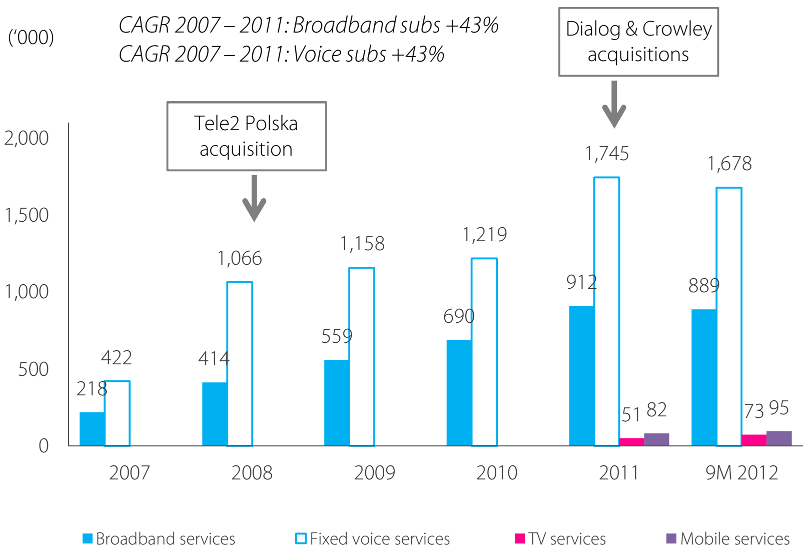
CAGR Q1 2007 – Q3 2012: Netia +10%
CAGR Q1 2007 – Q3 2012: Total market+2%



Subscriber base

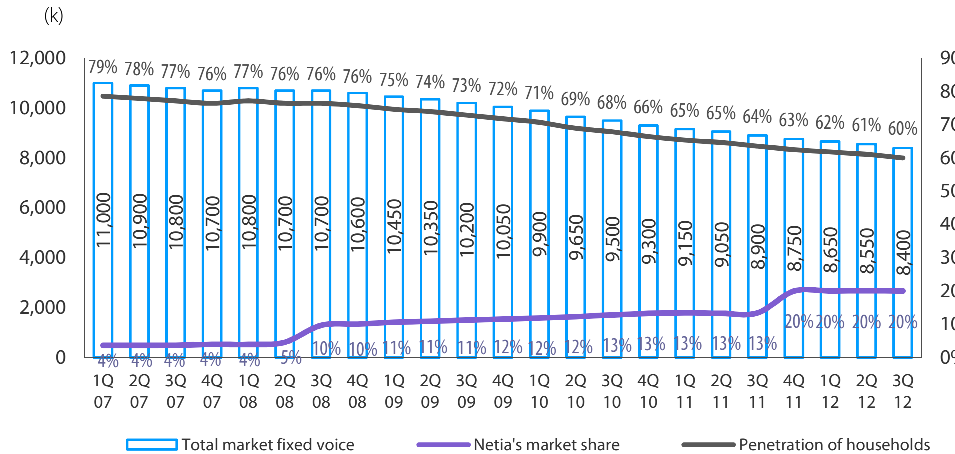
CAGR 2007 – 2011: Broadband subs +43%
CAGR 2007 – 2011: Voice subs +43%

('000)



Fixed voice market share (quarterly)

CAGR Q1 2007 – Q3 2012: Netia +7%
CAGR Q1 2007 – Q3 2012: Total market-1%



Note: For discussion purposes only, more detailed information for reference can be found in Netia Group's quarterly and annual financial statements and press releases

Source: Company

1 Adjusted OpFCF excluding one-off New Netia integration capex

Financial performance and network assets

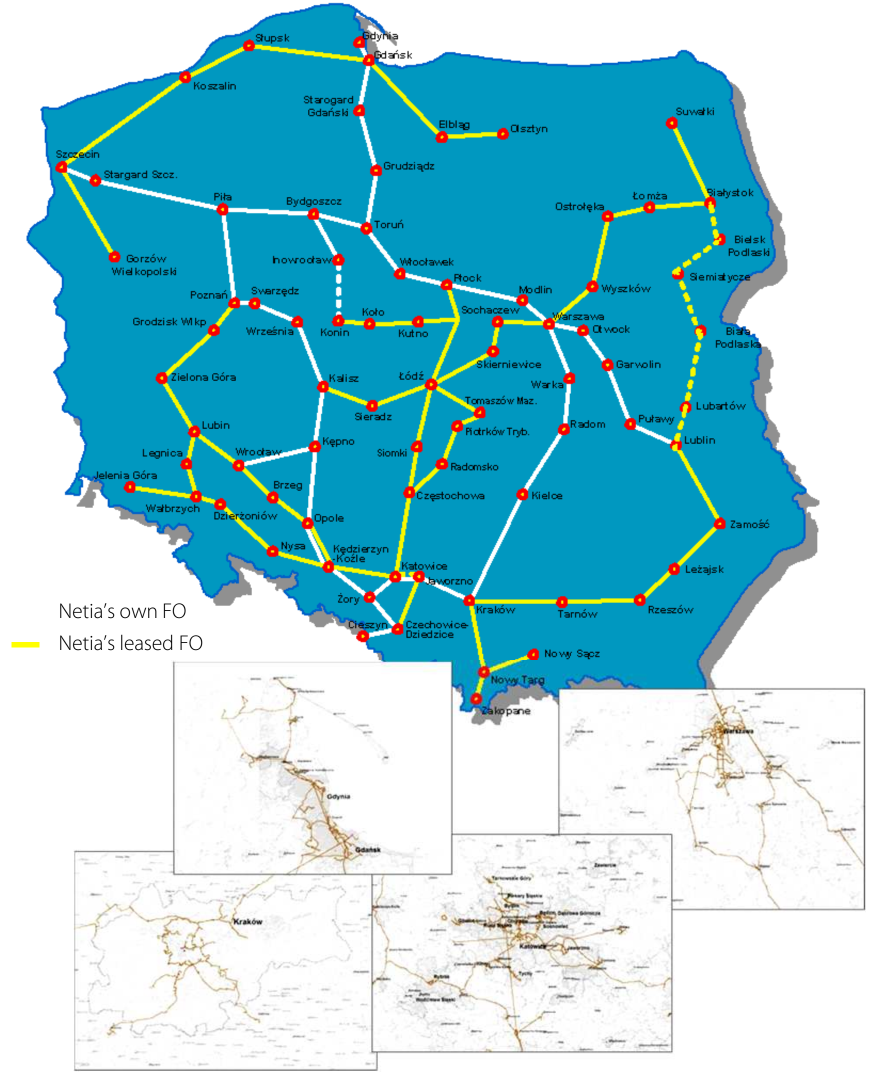
Dynamically growing business

PLN m	2007A	2008A	2009A	2010A	2011A[1]	2012F
Revenue	**838**	**1,121**	**1,506**	**1,569**	**1,619**	**2,125**
Growth (yoy%)	*-2.8%*	*33.8%*	*34.3%*	*4.2%*	*3.2%*	*31.3%*
Adjusted EBITDA	**171**	**171**	**304**	**359**	**408**	**600**
Margin (%)	*20.4%*	*15.3%*	*20.2%*	*22.9%*	*25.2%*	*28.2%*
EBITDA	**171**	**171**	**313**	**586**	**611**	nd
Margin (%)	*20.4%*	*15.3%*	*20.8%*	*37.3%*	*37.7%*	nd
Adjusted Capex *(excl. M&A and integration capex)*	244	248	246	200	244	270
Adjusted OpFCF	**(73)**	**(77)**	**58**	**159**	**164**	**330**
Acquisition outlays	37	178	16	15	978	nd
Total capex	281	426	262	215	1,222	nd
Disposal proceeds	na	460	46	24	9	nd
Net Cash / (Debt) at YE	(37)	193	240	345	(539)	nd

Asset backed with modest leverage

PLN m	2007A	2008A	2009A	2010A	2011A[1]	9M2012A
Total assets	**2,071**	**2,283**	**2,341**	**2,568**	**3,549**	**3,374**
Liabilities	343	355	316	271	1,049	**929**
Shareholders funds	1,728	1,928	2,025	2,297	2,500	**2,445**
Net cash / (debt)	(37)	193	239	345	(539)	**(459)**
Undrawn loan facilities	208	375	295	-	-	100

Netia's backbone and access network assets country-wide



Note: For discussion purposes only, more detailed information for reference can be found in Netia Group's quarterly and annual financial statements and press releases

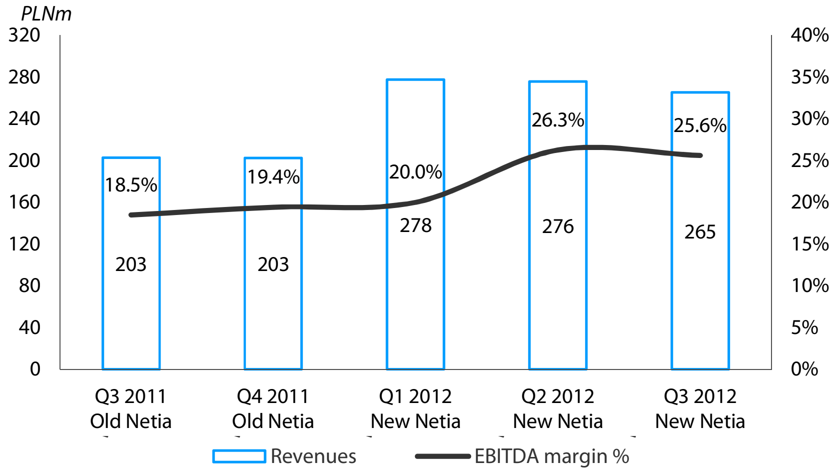
Source: Company

1 Including 2 weeks of Dialog's and Crowley's consolidation in December 2011

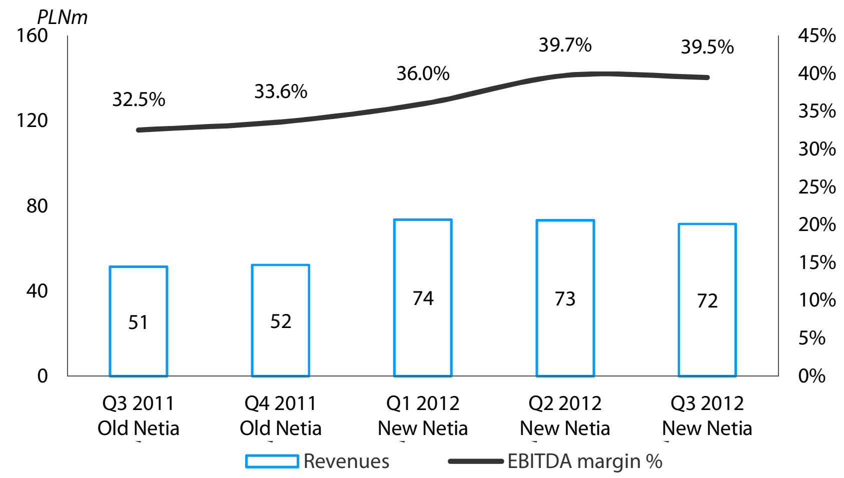
We operate across four customer segments

NETIA

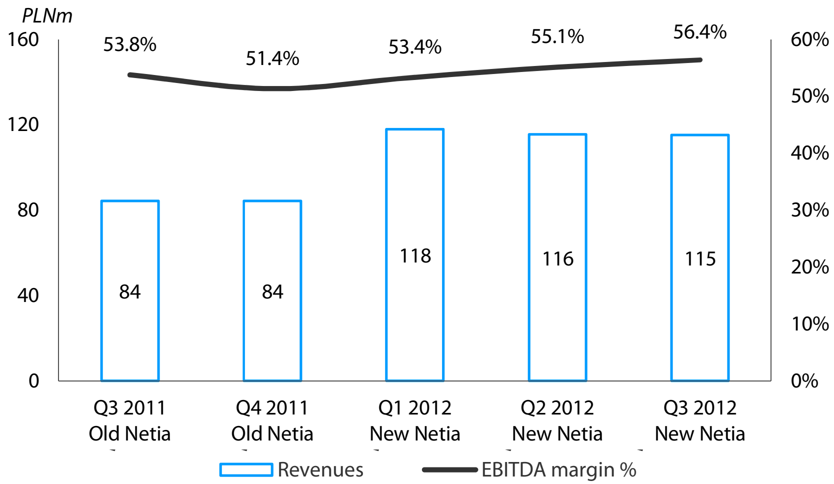
Residential segment (Old & New Netia)



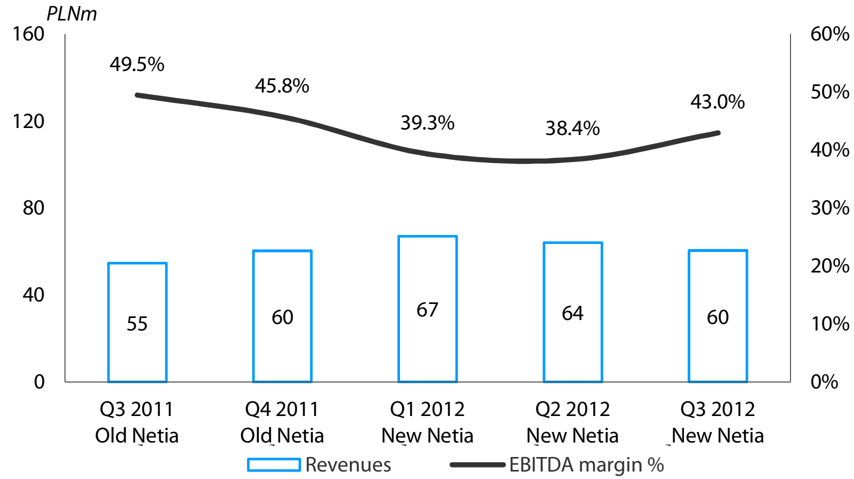
SoHo SME segment (Old & New Netia)



Corporate segment (Old & New Netia)



Carrier segment (Old & New Netia)

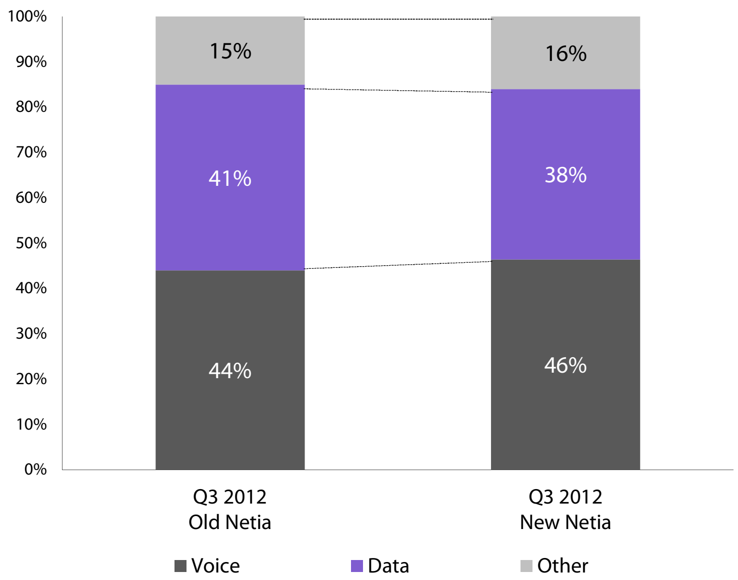


Note: Customer segment EBITDAs presented above exceed Netia's total reported EBITDA due to certain costs being allocated centrally (please refer to notes to financial statements for more details)
Note: Old Netia excludes acquisitions of Dialog and Crowley, intercompany settlements between Netia, Dialog Group and Crowley netted out; New Netia includes Dialog and Crowley

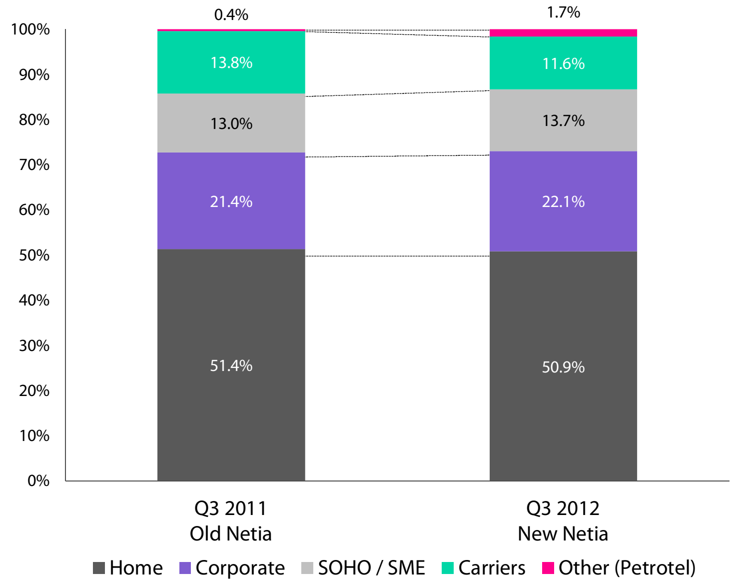
Source: Company internal management reports

Recent M&As - Dialog Group and Crowley

Old Netia vs. New Netia Revenue by Service



Old Netia vs. New Netia Revenue by Segment



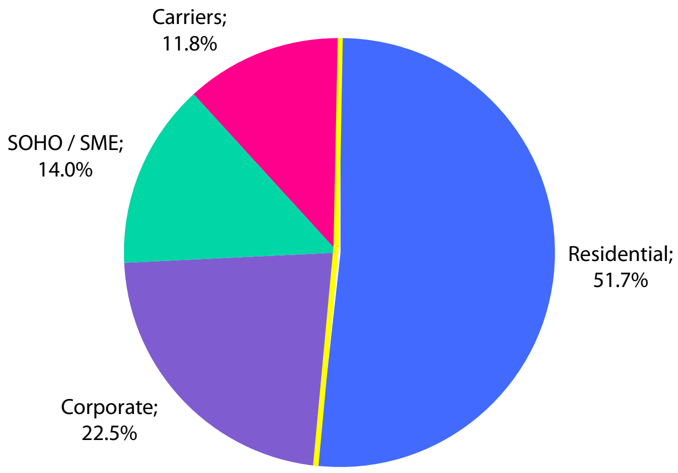
Comments

- Dialog and Crowley subscribers now distributed amongst customer-based segments of New Netia
- Combination with Dialog and Crowley had minimal impact on composition of revenues
- Single New Netia Organisation across all legal entities except Petrotel (segment other) since Q2 2012
- Cumulative 9M 2012 captured opex synergies estimated at PLN 48m (PLN 80m annualised) visible across the operational segments

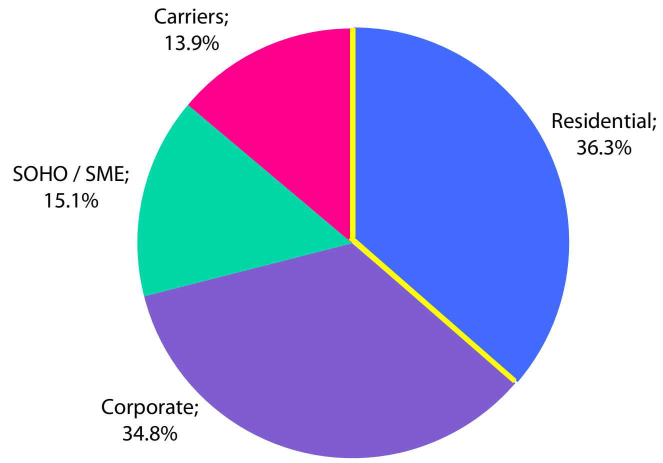
Note: Dialog Group and Crowley were acquired by Netia on December 16 and 14, 2011 respectively and fully aligned into Netia's four operating segments in Q3 2012
2 Net cash expenses were adjusted by the following one-off items: M&A related expenses, Integration & Restructuring
Source: Company

Business strength balances recent pressure on low-end part of the Residential segment

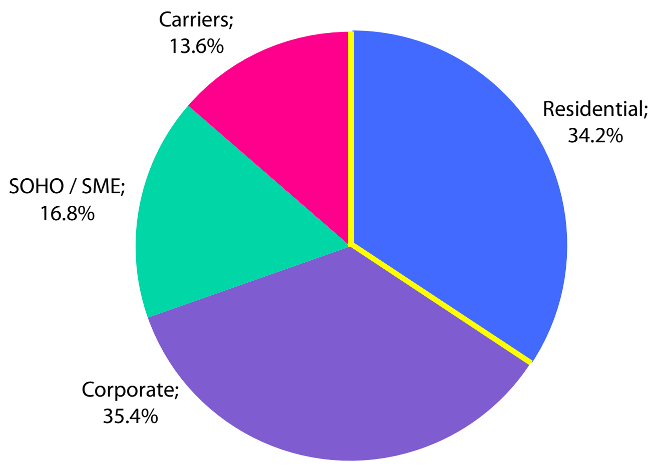
Revenue breakdown by segment in Q3 2012



Adj. EBITDA breakdown by segment in Q3 2012



OpFCF breakdown by segment in Q3 2012



Comments

- Business segments contributing 48.3% of revenue, but 63.8% of Adjusted EBITDA and 65.8% of OpFCF
- Business segment margins supported by higher on-network share of RGUs and higher Capex intensity than the Residential Segment

Note: For illustrative purposes only

Products and offering

NETIA

Residential

- Customers served over own network (copper and Ethernet) and regulated access (LLU, BSA, WLR)
- Focus on bundles, especially 3play services (BB+V+IPTV) complemented by mobile broadband and VAS
- Fixed broadband offered on the ‚best effort' basis (highest feasible transfer speed) and mobile broadband with 2/4 GB download limit
  - Netia Spot – an innovative Wi-Fi home router solution
  - Netia Player – a multimedia STB (incl. an IPTV/DTT decoder functions) with content, widgets and multimedia sharing
  - Personal TV including HBO GO content (over-the-top solution)
  - E-store and variety of value-added solutions (incl. virtual disc, antivirus, fax-server, email and other functionalities)

Corporate

- Customers served primarily over Netia's own network (capex driven end-to-end connection to the client's premises)
- Offered services dedicated to all main industrial sectors, including finance & banking, public administration, real estate, FMCG, transport & logistics, construction, power supply, contact centres and media
  - Data transmission (IP VPN, MPLS, MetroEthernet)
  - Voice (ISDN/POTS, SIP Trunk)
  - Co-location services
  - Intelligent network services
  - NGN (IntegralNet – virtual PABX)

SoHo & SME

- Customers served over own network (copper and Ethernet) and regulated access (LLU, BSA, WLR)
- Focus on business bundles with two main packages
  - One Office (up to 10 employees)
  - Business Office (10 employees and more)
- Unified communications solutions
- Focus on 2play services (BB+V)
  - Similar offered services to those in Residential plus more advanced business-friendly solutions including PABX, IP phones, call centre or teleconferencing
  - Cloud and P2P solutions to play an important role in future

Carrier

- Opportunistic wholesale deals leveraging Netia's own backbone network and metro fibre rings in major Polish cities
  - Voice termination
  - Tele-housing
  - Duct and dark fibre lease
  - IP transit
  - MPLS
- Dedicated services for Internet Service Providers:
  - BDI, Metro Ethernet
  - Leasing of infrastructure

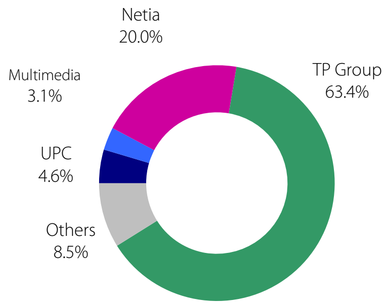
Source: Company

Market overview

Fixed line voice[1]

- Total market of 8.4m lines (-6% y-o-y)
- Penetration of households at ~60%
- Traditional services rendered based on POTS / ISDN protocols with quickly increasing volume of VoIP protocol based solutions
- ARPUs ranging between operators from PLN 30 to PLN 50 for large or unlimited call bundles
- Netia's market share at 20% volume-wise including ~646k services on own networks and ~1,0m services over regulated wholesale WLR (904k) and LLU (128k) access

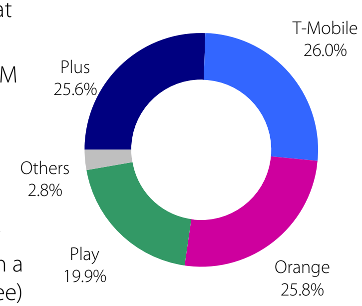
Key market players



Mobile (voice and broadband)[3]

- 51.2m SIM cards in total (voice + data, post- and pre-paid) (+7% y-o-y)
- Penetration of population at ~134% (SIM cards), 3G coverage at ~67% and smartphone penetration at ~13% (2010YE)
- ~3.3m dedicated post-paid mobile broadband SIM cards (dongles)
- Fixed-to-mobile broadband substitution level rather low mainly related to lack of fixed line infrastructure (mainly in rural areas)
  - Mobile broadband speeds today significantly lower compared to fixed broadband and with a download limit (rechargeable with an extra fee)
  - LTE roll-out rather minor at this stage in Poland
- Netia had ~33k mobile broadband and ~62k mobile voice services at the end of Q3 2012

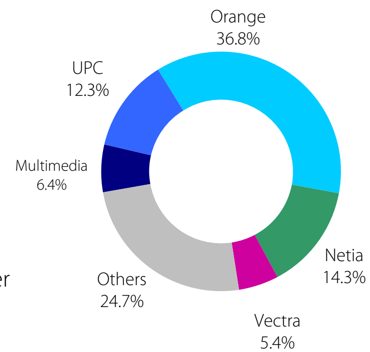
Key market players in mobile broadband



Fixed line broadband[1]

- Total market of ~6.4m subscribers (+4% y-o-y)
- Penetration of households at ~46%
- ARPUs ranging between operators from PLN 40 to PLN 50 for 2-16Mb offer depending on competitive environment and technology
- Expected to continue to be the main internet access type in Poland through 2014[2]
- Netia's market share at13.7% volume-wise including ~ 405k services on own networks (copper, Ethernet, PON) and ~492k services over regulated wholesale BSA (299k) and LLU (185k) access

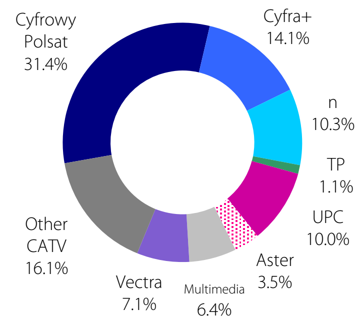
Key market players



Pay TV[3]

- Total market of ~11.3m households (+5% y-o-y)
- Penetration of households at ~80%
- SAT and CATV represent 57% and 35% of all access types, respectively
- ARPUs ranging between operators from PLN 30 to PLN 60 for a stand alone offer comprising 30-80 channel package including premium offer
  - Digital terrestrial FTA TV (DVB-T) and planned analogue switchover to DTT in 2013 country wide will eliminate low end package incentives for many customers
- As at the end of Q3 2011 Netia served ~73k PayTV customers

Key market players



1 Status as of Q3 2012 2 Source: Analysys Mason, 2008 3 Status as of Q4 2011 (source: companies data, Netia estimates)

NGA and 3play deployment

NGA and IPTV characteristics and current status

- High speed broadband transfer on VDSL (up to 50Mbs), FTTB (up to 100Mbs) and PON (up to 1Gbs)
- Capability to deliver 3play and HD IPTV / streaming content to customers with simultaneous high speed broadband transfer
- Personal TV concept including VOD and PVR functionalities, widgets and potentially new features with dedicated Wi-Fi connection in the household
    - ~73k TV customers today
- IPTV coverage not limited to NGA but also feasible on ADSL2+

NGA and IPTV potential coverage for New Netia

('000 homes passed)	Homes passed (HP)	NGA Potential	NGA + IPTV 2011YE	IPTV ready 2011YE	NGA + IPTV 2012YE Plan	IPTV ready 2012YE Plan
Cu	1,682	990	528	476	696	374
ETTH	556	370	146	-	188	-
PON	112	112	112	-	140	-
LLU	4,545	1,150	-	-	-	650
Total	6,783	2,510	786	476	1,024	1,024

Total IPTV ready potential by 2012YE = 2,048

Note: IPTV upgrades of LLU roll-out subject to successful trial during H2 2012, IPTV HPs based on ADSL+ come on top of NGA HPs thus producing the total IPTV (3play) potential for New Netia's addressable market (homes passed)

NGA upgrade roll-out status update

- 996k NGA ready HPs able to render 3play to date
    - ~696k VDSL upgraded HPs on copper networks
    - ~163k FTTB upgraded HPs on ETTH networks
    - ~137k over PON fiber networks
- Netia Group targets ~ 1.0m NGA ready HPs by 2012YE
- 2.0m NGA potential of the combined Netia Group comparable to the leading Polish cable operator

Multifunctional TV approach fully in line with Netia's strategy

Maximising NGA and IPTV coverage, optimizing capex

- 2011 roll-out capex at only PLN 12m as focused on VDSL cards to existing DSLAMs and ETTH upgrades in Netia
- 2012 roll-out capex at around 40m as focused on VDSL cards to existing DSLAMs in Dialog, shortening of copper loops and ETTH upgrades in Netia (extra 450k NGA ready HPs)

Netia leverages own network and regulatory access opportunites to maximise growth potential in all segments

Own networks

Strong assets base

- Backbone fiber network of approximately 5,350km
- Metro fiber network of approximately 7,170km
    - Own duct pipe of approximately 3,550km
    - Metropolitan fiber infrastructure in 48 biggest cities of Poland
- Over 140 C/DWDM sites in all major cities
- SDH network based mainly on Alcatel (Huawei and Lucent also used) (2,000+ SDH sites with STM -16 and STM -64)
- Two independent networks (Ethernet and IP) carrying all packet traffic
    - Carrier Ethernet and Metro Ethernet for L2 services
        - 320+ Ethernet nodes with 10Gbps uplink
        - 120+ Ethernet nodes with 1Gbps uplink
        - 1,450+ access nodes with 1Gbps uplink (incl. 870+ ADSL and 580+ VDSL)
    - IP core network for other services
        - 39 Core IP nodes with 100Gbps, 40Gbps and 10Gbps uplink
        - 4 POI (in 3 major cities) with 2 International IP Transit Providers
- 6 VoIP switches, 28 PSTN switches
- Access network based on variety of solutions (FTTH, FTTB, ETTH, FITL, VDSL, ADSL)
- 5 Collocation Centers (Tier III class)
- International point of interconnect in Cieszyn (route to Prague and Frankfurt)

Consolidation opportunities in Ethernets

- Netia controls all elements of access network = no „last mile" access fees to third parties
- Average Internet ARPU at ~ 43 PLN
- Potential for ARPU increase when introducing VoIP services
- Synergies from the acquired Ethernet networks (scale, infrastructure, organization) leading to the improvement of results after acquisition
- Fast client service – Internet activation and maintenance
- Gross profit margin of ~ 70%

Regulatory access

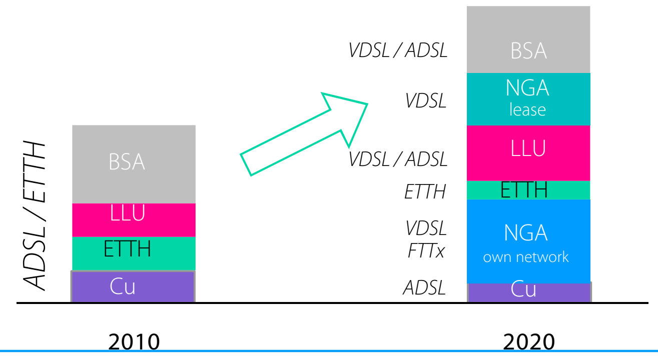
LLU model offers excellent opportunities

- Netia bills 2play revenues for voice and 4Mb/s Internet service at ~ 61 PLN[1]
- Netia pays TP 22 PLN monthly line rental fee
- Gross margin 64%
- Netia has to invest in its own DSLAM (~200K PLN / node)
- NETIA controls services delivered over DSLAM
    - Speeds
    - Value Added Services like IPTV, VOD, PVR

Regulated BSA/WLR access strategy

- TP offers Voice & 2 Mb/s Internet for ~76 PLN[1]
- Netia bills voice and Internet for ~ 72 PLN[1]
- Netia pays to TP ~26 PLN for Internet and 20 PLN for WLR
- TOTAL cost ~ 46 PLN
- Gross margin 36%
- Netia does not invest in DSLAM
- Netia can only resell services offered by TP i.e. bandwidths

Planned evolution of Netia clients by technology



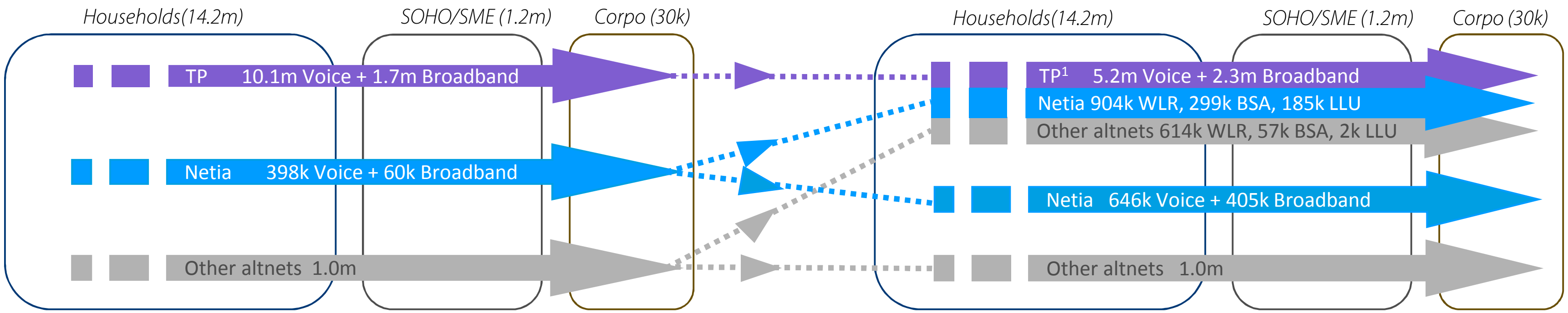
1 Based on a standard comparable 2play contract, for illustrative purposes only

Source: Company

Positive regulatory environment since 2006

2006 pre regulatory access

Q3 2012 with regulatory access



Netia addressable market today is:

- 7.0m active TP lines plus dormant lines
- 646k Netia own lines (2m homes passed)

- WiMax national license
- Ethernet networks acquisitions (621k homes passed)

Regulated access monthly fees

Full LLU costs (Internet + voice)	PLN 22	Fee frozen until Q4 2012					
Shared LLU costs[3] (Internet)	PLN 5.81	Fee frozen until Q4 2012					
Voice wholesale cost (WLR)	PLN 20	Fee frozen until Q4 2012					
Internet wholesale cost (BSA)	'Cost plus' formula subject to margin squeeze test	0.5 Mb/s	1 Mb/s	2 Mb/s	6 Mb/s	10 Mb/s	20 Mb/s
		PLN 19.05[2]	PLN 21.22[2]	PLN 25.66[2]	PLN 26.76[2]	PLN 29.73[2]	PLN 32.70[2]

1 TP lines in retail (excluding wholesale to altnets) Source: Company, TP, UKE, press releases
2 The amount of a wholesale charge can be lower but cannot be increased by the end of 2012
3 A client should have an active voice service or pay a line maintenance fee of PLN 30 gross
Source: Company

Dialog and Crowley acquisitions

N E T I A

- On December 14th and 16th Netia closed two significant acquisition transactions
  - ***Telefonia Dialog Group*** for EV 880m PLN
    EV/EBITDA 2011 **6.7x** stand alone or EV/EBITDA 2011 **3.8x** including full annualized synergies
  - ***Crowley Data Poland*** for EV 98m PLN
    EV/EBITDA 2011 **7.0x** stand alone or EV/EBITDA 2011 **2.8x** including full annualized synergies
- FCF synergy projections to deliver **130m PLN in annual synergies** by 2014, including PLN 120m cost synergies
  - The above final synergy targets raised from the initial estimates of PLN 115m (for FCF synergies) and PLN 106m (for cost synergies)
  - PLN 60m of annualized synergies delivered from completed projects as of H1 2012
- Both acquisitions **fully in line with Netia's Strategy 2020** which will now be adjusted to accommodate new group's potential for further growth
  - ***Telefonia Dialog Group***: Home segment expansion, IPTV competences and platform, MVNO with Polkomtel
  - ***Crowley Data Poland***: Corporate and SME segments ' booster, acquired entrepreneurial team, LMDS technology
- **Objective to utilize surplus cash fully delivered**
  - PLN 328m of own cash funds invested in the two acquisitions
  - Pro-forma 2011 net debt post acquisition at comfortable level of 1.0x Adjusted EBITDA (for consolidated pro-forma 2011)
- Projected boost to profitability and cash generation makes New Netia **a sizeable European altnet with circa 2.7 million unique services (RGUs) in Poland** and appetite for further in-market consolidation supported by significant further borrowing capacity

Integration of recently consumed M&As

- **1st phase** - Integration Planning **(completed)**
  - ✓ Definition of operational and strategic assumptions for the integration process
  - ✓ Confirmed quick-win synergies
  - ✓ Finalized nominations of key directors (N-1 level)
- **2nd phase** – „the first 100 days" **(completed)**
  - ✓ Execution of quick-win synergies
  - ✓ Nominations of level N-2 and N-3 level managers, organizational structure and location decisions
  - ✓ Planning the detailed implementation of integration initiatives and related synergies (to be executed starting from H2 2012)
- **3rd phase** – Implementation of all other synergy projects **(in progress)**
  - Out of over 100 synergy initiatives with span of responsibilities across all operational departments in the New Netia group:
    - ✓ 75 EBITDA Synergy initiatives and 19 CAPEX Synergy initiatives with activities completed (delivered respectively PLN 48m and PLN 13m in synergies through September 30, 2012)

Integration process – timeline

Dec.2011 → **Q1 2012** → **From Q2 2012**

Strategy

Strategic planning

First100 days

Execution of ‚quick-wins'
Management team nominations
Detailed integration planning

Implementation

Implementation of initiatives
Execution of ‚non-quick wins'

Jan. 2013 — ***Crowley integrated***

July 2014 — ***Dialog integrated***

Integration process – team

Top Mangement

Steering Committee

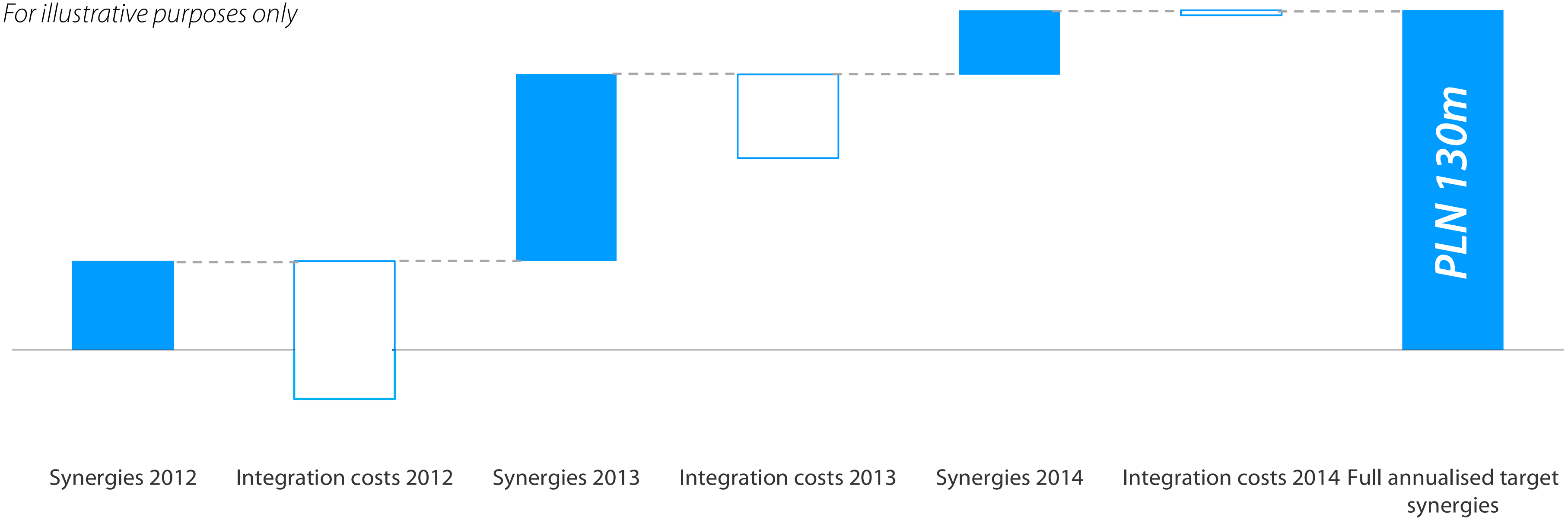
Integration Team

Integration streams			
Marketing	Mass Market	Business Market	SOHO / SME
Products – Mass Market	Products – Business	Customer Service	Network
Service delivery	IT	Finance	Interconnect & IP transit
Administration	HR (policy)	HR (organisation)	Procurement
CEO Functions	Legal/ Security		

Target synergies of PLN 130m annually to be delivered

Timeline for extraction of synergies and integration spendings (cash flow impact)

For illustrative purposes only



Key focus and synergy sources for 2012

Focus

- *Optimization*
- *Quick-wins (marketing, procurement)*
- *Increasing efficiency*
- *Offer consolidation*

Sources

- *Marketing*
- *Procurement*
- *Sales commissions*
- *Printing house synergies*
- *IP transit*
- *Network leases*
- *Service agreements*
- *Support functions*

Key focus and synergy sources for 2013

Focus

- *Complete IT migration*
- *Operating synergies*
- *Increasing efficiency*
- *Elimination of duplicate platforms*
- *Network integrations*

Sources

- *Termination of lease agreements*
- *Network synergies*
- *Contact center optimization*
- *E-invoice*
- *Marketing*
- *Procurement*

Key focus and synergy sources for 2014

Focus

- *CRM Migrations / Architecture Project*
- *Network migrations*

Sources

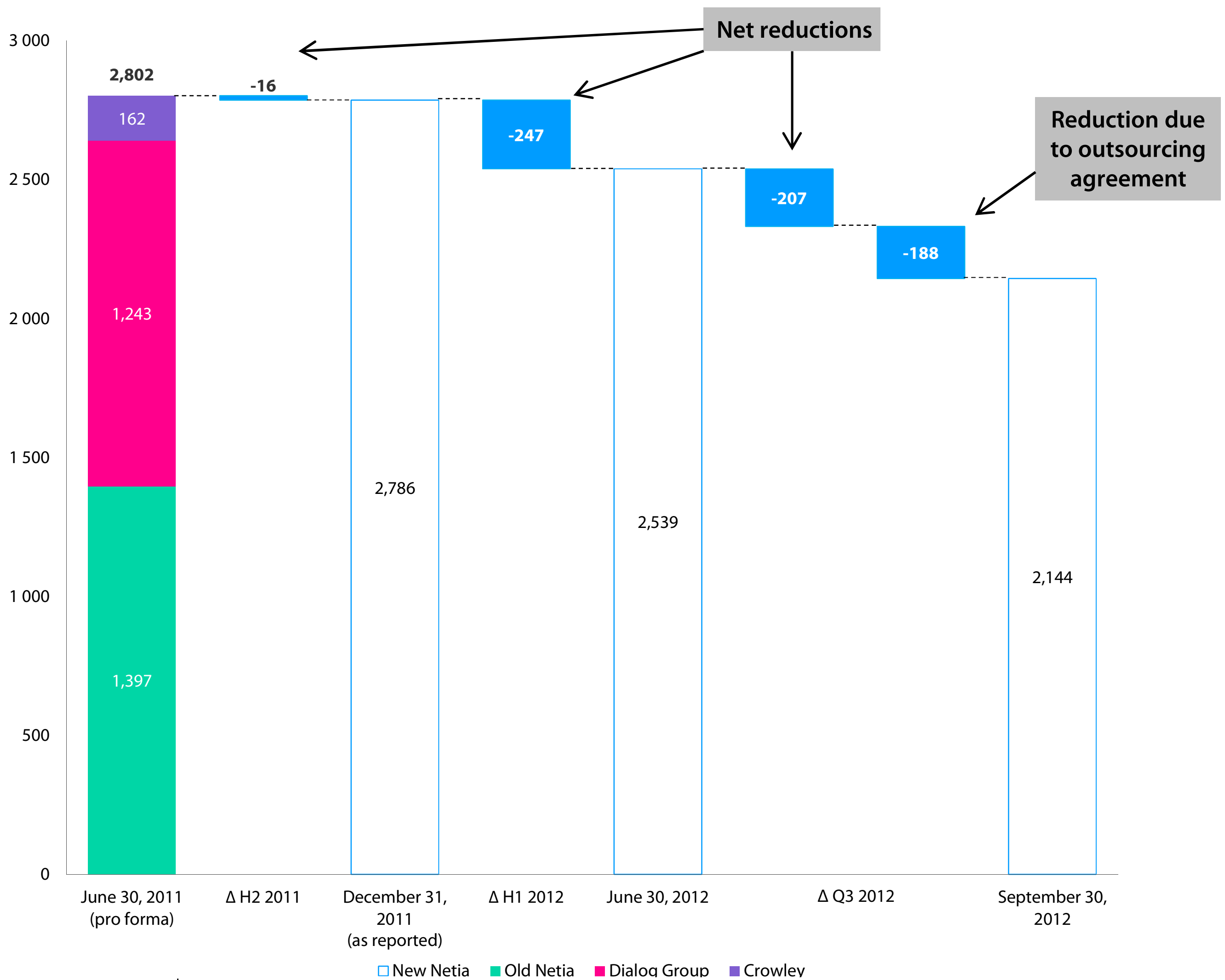
- *Customer service*
- *Procurement*

- ***Cost synergies target rising from PLN 106m to PLN 120m***
- ***FCF synergies target rising from PLN 115m to PLN 130m***
- ***2012 Integration Opex up to PLN 50m (one-off)***
- ***2012 Integration Capex up to PLN 30m (one-off)***

Headcount optimization to boost organizational efficiency of New Netia

NETIA

Total active headcount bridge between June 30, 2011 and September 30, 2012



Comments

- Total active headcount of 2,144 at the end of Q3 2012 down by 23.5% versus June 2011
- Continuing headcount optimization led to a 395 net HC reduction in Q3 2012
  - This included 188 employees transferred to Ericsson within the maintenance outsourcing agreement
- Second wave of reductions included in the 519 Announced 2012 redundancies got underway in October
- Management expects group headcount at approximately 2,100 by the end of 2012

2012 Guidance and Strategic Financial Goals

NETIA

2012 Full Year Guidance

Number of services (RGUs) ('000)	**2,650**
Revenues (PLNm)	**2,125**
Adjusted EBITDA (PLNm)	**600**
EBITDA margin (PLNm)	**28.2%**
Adjusted EBIT (PLNm)	**125**
Capex (excl. integration outlays) PLNm)	**270**
Adjusted OpFCF (PLNm)	**330**

The above financial guidance excludes the impact of one-off integration costs and one-off integration capex

Integration Opex (PLNm)	**up to 50**
Integration Capex (PLNm)	**up to 30**

Strategic Financial Goals (Until 2020)

Progressive growth in the total number of services (RGUs)

Services per subscriber to reach 2.0x (RGUs per sub)

Continuously increasing value share in the fixed telco market

Adjusted EBITDA margin in 27% - 29% range throughout

Capex to sales ratio to stay below 15% during network upgrade (2012 – 2013) and falling to 10% - 12% thereafter (2014 – 2020)

OpFCF margin to sales continuously above 12%

All guidance excludes impact of further potential transformational M&A

In view of recently announced price reductions by key competitors and the weak market environment, Management has decided to review its Residential Market Strategy and may update its long-term Strategic Financial Gorals along with 2012 full-year results

Distribution policy, M&A and leverage guidelines

NETIA

M&A Activity and Leverage

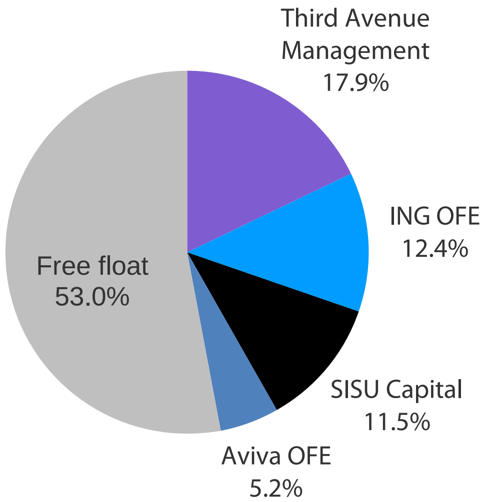
- Several transformational M&A opportunities still remain feasible in the fixed telco segment
  - Netia will try to maintain financial flexibility to acquire selected targets
  - Further expansion via M&A remains the optimal way to increase leverage up to a maximum level of 2.5x EBITDA and a target level of 1.5 x EBITDA
    - An increase in senior debt and / or issuance of 5 year PLN denominated bonds is considered the optimal way to fund acquisitions
- Targets are EBITDA positive businesses therefore additional funding for acquisitions should be available
- Netia will continue to consolidate ETTH operators from its own free cash flow generation

Updated Distribution Policy

- The AGM held on June 2, 2011 adopted a two year share buy-back program to acquire and redeem up to 12.5% of the Netia's share capital utilizing assigned funds totaling up to PLN 350m
  - Within this program, Netia has already completed two buy-back tranches:
    - for 2.5% of equity for PLN 49m (in 2011)
    - for 3.3% of equity for PLN 75m (in 2012)
  - A third buy-back tranche to acquire and redeem up to 2.5% of share capital for up to PLN 50m was launched on June 19, 2012 and is continuing
  - Distributing up to PLN 125m in share buy-backs during 2012 should not hinder Netia's further M&A activity
- The Management expects a significant increase in EBITDA and free cash flow generation once the synergies from Dialog and Crowley transformational acquisitions are fully delivered in 2013 and beyond:
  - Management therefore considers the institution of a long term dividend policy from 2013 onwards
  - Any such dividend policy will reflect the actual situation with regard to large scale acquisitions, new investments opportunities and maintenance of leverage at prudent levels

Netia shareholders and stock performance

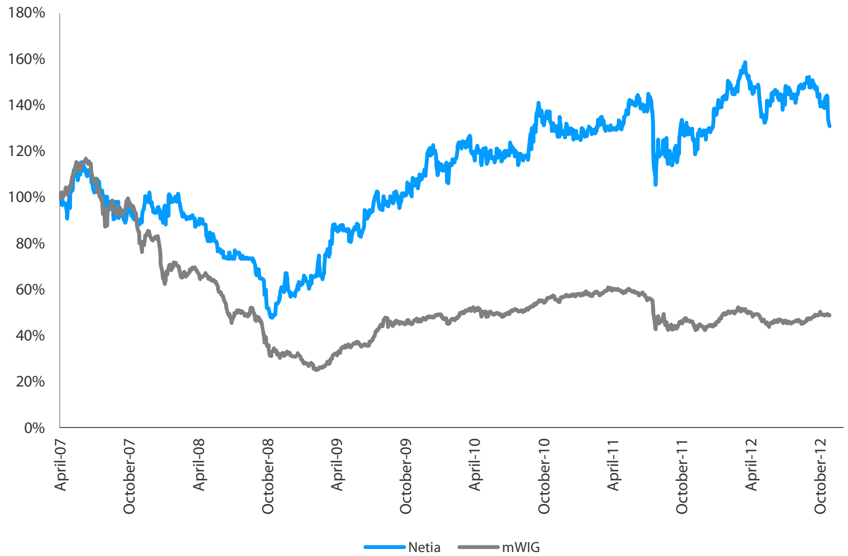
Shareholder structure



As of November 21, 2012

Shareholder	Number of shares (m)	% Capital	% Votes
Third Avenue Management	69.0	17.87%	17.87%
ING OFE	48.0	12.43%	12.43%
SISU Capital	44.3	11.48%	11.48%
Aviva OFE	20.2	5.24%	5.24%
Free float	204.6	52.98%	52.98%
Total	**386.2**	**100.00%**	**100.0%**

Share price performance since launch of broadband driven growth strategy (April 2007)



	PLN m	EUR m
Enterprise value (as of November 15, 2012)	**2,528.8**	**606.3**
Market capitalisation (as of November 15, 2012)	2,070.0	496.3
Bank debt outstanding (as of September 30, 2012)	590.0	141.4
Cash (as of September 30, 2012)	131.2	31.5
Shares outstanding (m)	386.2	386.2
Share price (as of November 15, 2012)	5.36	1.29
Daily volume average (k shares) (as of November 15, 2012 YTD)	643	643
PLN/EUR spot rate as of November 15, 2012	*4.1712*	*nm*

Source: Company

Management team

Mirosław Godlewski, *Chief Executive Officer*, 45, joined Netia in February 2007. Previously he served as President and CEO in Opoczno SA (2006) and Dec Sp. z o.o., a subsidiary of GATX, (2003-2005). Earlier, he worked at Pepsi-Cola General Bottlers Poland Sp. z o.o. as General Manager (2000-2003) and Sales Director (1999-2000); at PepsiCo Trading Sp. z o.o. (1993-1999) and at Polskie Biuro Badań Marketingowych Sp. z o.o. as Retail Audit Manager (1991-1993). Mr. Godlewski graduated from the Warsaw Technical University with a M. Sc. in Industrial Management. He also holds an MBA from Ashridge Management College, Great Britain. Active member of Young Presidents Organisation. Member of the supervisory boards of SEG (the Polish Association of Stock Exchange Issuers) and ABC Data SA.

Jon Eastick, *Chief Financial Officer*, 45, joined Netia's management board in April 2006. Previously, he spent five years as Chief Financial Officer of the then leading Polish mobile operator PTC Sp. z o. o. Earlier, he worked at Lucent Technologies Poland SA as Country CFO (1998-2001); at PTK Centertel Sp. z o. o. as Strategy and Financial Planning Manager (1995-1998); and at Arthur Andersen, working in London and later in Warsaw (1989-1995). He graduated from the London School of Economics and is a UK Qualified Chartered Accountant.

Tom Ruhan, *Chief Legal Officer*, 49, was appointed to Netia's management board in April 2006. He has been the Chief Legal Officer of Netia since March 2003. Prior to his employment with Netia, he worked at Wardyński & Partners for 12 years in various positions, being Of Counsel immediately before moving to Netia. During his 12 years there Mr. Ruhan advised on a number of privatisations including, amongst others, Telekomunikacja Polska SA and also worked on the financial restructuring of Netia. He graduated in law from the University of Warwick, UK. Mr. Ruhan is Chairman of the Board of Directors of the European Competitive Telecommunications Association (ECTA)(www.ectaportal.com). He is also a Deputy Chairman of SOT KIGEiT (Telecommunications Operators Section of the Polish Chamber of Commerce for Electronics and Telecommunications) for a third three-year term of office and is a member of the Arbitration Committee (Komisja Rozjemcza) of KIGEiT.

Miroslaw Suszek, *Chief Operating Officer*, 47, was appointed to Netia's management board in May 2012. Prior to commencement of his cooperation with Netia, he served from 2004 as Chief Operating Officer and management board member of UPC Polska, the largest cable TV operator in Poland. As COO he was responsible for such areas as customer care, subscriber service, service installation, logistics, vindication and settlements as well as maintenance and development of the HFC telecommunication network. From 2001 to 2004 Mr. Suszek worked as New Services Development Director in Wizja TV, a satellite TV operator, and then as Project Director and Development Director in UPC Polska.

Mr. Suszek graduated in Electrical Engineering from the Warsaw University of Technology (Politechnika Warszawska). He also holds the diploma of Executive MBA from Warsaw University of Technology Business School (Szkoła Biznesu Politechniki Warszawskiej) in partnership with London Business School, HEC School of Management and Norwegian School of Economics and Business Administration.

Key managers highly incentivised

New stock option plan for 2011-2020[1]

- The highest number of options which can be granted: 27,253,674
  - The highest grant per annum: 3,893,382

  out of which the options which can be granted to the Management Board : 1,946,691
- The highest number of shares which may be issued under the new stock option plan: 13,626,837
- Options may be exercised within the defined open periods and not earlier that three years from the grant date and not later than on May 26, 2020
- As well as three years' service, option vesting is dependent on delivering business goals set by the Supervisory Board
- 5.5m options were outstanding as of September 2012, with strike prices ranging between PLN 5.23 and PLN 6.16 and the earliest vesting date in 2014

Earlier stock option plan expires in December 2012[2]

Options (m) / Strike price:	PLN 5.50	PLN 7.00	PLN 8.25	Other	
Participants:					**Total**
Members of the Management Board	0.0m	6.9m	6.9m	0.0m	**13.8m**
Employees and former MB members	0.5m	5.2m	2.9m	0.4m	**9.0m**
Total	**0.5m**	**12.1m**	**9.8m**	**0.4m**	**22.8m**

- Exercise date: until December 20, 2012
- Number of shares issued: 11,722,009
- Where options are exercised at a market price above the relevant strike price, the participant receives a number of shares equivalent to the value of the difference, eg., options exercised at PLN 8 would create 1.8m new shares (0.5% dilution)

The Management Board hold significant shareholding[3]

- Mirosław Godlewski[4], *Chief Executive Officer* 1,405,000
- Jon Eastick, *Chief Financial Officer* 750,000
- Tom Ruhan[4], *Chief Legal Officer* 555,575
- Mirosław Suszek, *Chief Operating Officer* -

1 New stock option plan was adopted by Netia's supervisory board on February 25, 2011
2 Status as at September 30, 2012
3 Status as reported in 3Q 2012 financial statements
4 Including shares held by a closely related company

Source: Company