



EUSKALTEL, S.A. (Euskaltel or the Company), in accordance with article 228 of the consolidated Securities Market Law approved by Royal Decree 4/2015 of 23 October, hereby announces the following

RELEVANT FACT

Further to the relevant fact announced yesterday (number 231,325), in relation to Euskaltel's share capital increase executed through an accelerated bookbuilding offering of 25,307,560 new shares (the **New Shares**) with a nominal value of €3 per share, of the same class and series as the shares currently outstanding and with exclusion of pre-emption rights (the **Share Capital Increase**), in which Citigroup Global Markets Limited and UBS Limited –as Joint Global Coordinators– and Rothschild, S.A. –as financial advisor to the Company– have participated, Euskaltel announces that, following completion of the book-building process carried out by the Joint Global Coordinators, Euskaltel has fixed the definitive offer price of the New Shares issued in the Share Capital Increase.

The offer price (nominal value and share issue premium) of the New Shares has been set at €10.08 per share. Therefore, the total gross proceeds of the Share Capital Increase amount to €255,100,204.80, of which €75,922,680 represent the total nominal value and €179,177,524.80 represent the share issue premium for all the New Shares.

The New Shares are expected to be admitted to listing on the Stock Exchanges of Bilbao, Barcelona, Madrid and Valencia on November 25, 2015 with dealings on the shares commencing on November 26, 2015.

Derio, November 24, 2015.

EUSKALTEL, S.A.

Francisco Javier Allende Arias
Secretary of the Board of Directors



IMPORTANT COMMUNICATION

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This relevant fact is an advertisement and does not constitute a prospectus and nothing herein contains an offering of securities. Euskaltel, S.A. will file with the Spanish National Securities Market Commission (*Comisión Nacional de Mercado de Valores* or "CNMV") for its approval a prospectus (*folleto informativo*) in connection with the admission to trading of the new shares issued in the share capital increase of Euskaltel, S.A. Once approved by and registered with the CNMV, the prospectus will be published and made available at the website of the CNMV (www.cnmv.es) and Euskaltel (www.euskaltel.com).

Citigroup Global Markets Limited and UBS Limited (the "Joint Global Coordinators") are acting for the Company in connection with the Share Capital Increase and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the Share Capital Increase or any other matter referred to herein. This announcement has been issued by and is the sole responsibility of the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Joint Global Coordinators or by any of their respective affiliates or agents as to, or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

The Joint Global Coordinators or their respective affiliates from time to time have provided in the past, are currently providing and/or may provide in the future, investment banking,



financial advisory, broker dealer and commercial banking services to the Company and its affiliates in the ordinary course of business for which they have received, or may receive, customary fees and commissions in connection with their services. In addition, one or more of the Joint Global Coordinators are lenders (either directly or through their affiliates) to the Company.

Forward-looking statements

This communication contains forward-looking statements (within the meaning of the *U.S. Private Securities Litigation Reform Act of 1995*) and information relating to Euskaltel that are based on the beliefs of its management as well as assumptions made and information currently available to Euskaltel, S.A. Forward-looking statements are generally identifiable by the use of the words "may", "will", "should", "plan", "expect", "anticipate", "estimate", "believe", "intend", "project", "goal" or "target" or the negative of these words or other variations on these words or comparable terminology. Such statements reflect the current views of Euskaltel with respect to future events and are subject to risks, uncertainties and assumptions about Euskaltel and its subsidiaries and investments, including, among other things, the development of its business, trends in its operating industry, and future capital expenditures. In light of these risks, uncertainties and assumptions, the events or circumstances referred to in the forward-looking statements may not occur. None of the future projections, expectations, estimates or prospects in this communication should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, firm communication. Many factors could cause the actual results, performance or achievements of Euskaltel to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, the factors contained in the "*Risk Factors*" section of the Prospectus for the initial public offering of Euskaltel, S.A. registered with the Spanish National Securities Market Commission on June 19, 2015.

Euskaltel undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, new events or any other type of development.