

Results January-March 2016

Cellnex Telecom Q1 2016 revenues grew by 41% to € 165 million


EBITDA reached € 63 million, with a net profit of € 11 million

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- Cellnex Telecom ("the Company" or "Cellnex") closed Q1 2016 with growth across all key metrics. **The EBITDA of € 63 million** (up 26% on Q1 2015) **reaffirms the growth estimated for this indicator for the whole of 2016 at between 15% and 20%.**
 - **Q1 2016 figures currently exclude revenue corresponding to the 6 new DTT channels in Spain (3 SD and 3 HD occupying 1.75 multiplexes) which are due to start broadcasting in April 2016.** A positive impact is anticipated from Q2 onwards.
 - **Recurring free cash flow for the financial year grew by 14%** to € 66 million.
 - **Cellnex Italy**, which includes TowerCo and Galata, **contributes 35% of total company revenue**, amounting to € 58 million in the quarter.
 - **Net debt at 31 March was € 901 million, reducing the debt to EBITDA ratio from 3.7x, at the end of 2015, to 3.6x.**
 - **The sharing ratio of Cellnex sites in Italy and Spain continues to grow steadily from 1.50 in June 2015** when Galata's assets were consolidated in Italy, **to 1.54.**
 - **Cellnex Telecom presented a joint binding offer with the Italian fund F2i, which could extend to 100% of the shares of Inwit**, the Italian telecommunications infrastructure operator controlled by Telecom Italia. **Cellnex is also analysing several growth operations**, with asset acquisition, **in various European markets.**
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Barcelona, 22 April 2016. Cellnex Telecom announces its first quarter results for 2016. The Company delivered revenues of € 165 million and EBITDA of € 63 million. Net income reached € 11 million compared to € 8 million in the first quarter of 2015.

The comparison with the first quarter of 2015 is conditioned by the "simulcast" (simultaneous transmission in two different channels) of several DTT stations in Spain, which continued to broadcast in the 800 MHz band during the first quarter 2015 until it was released for mobile telephony purposes also at the end of March 2015.

Tobías Martínez, CEO of Cellnex Telecom, highlighted that "today's numbers are a clear indication of the company's progress in realising its three key strategic objectives: geographic diversification, with the consolidation of business in Italy which contributes 35% of revenues; strengthening the mobile telephony infrastructure segment which now accounts for 56% of group revenues; and, maintaining our focus on organic growth to ensure we can deliver on our business objectives."

A decorative graphic in the bottom left corner consisting of three overlapping curved bands in light blue, light green, and light grey.

These figures are all the more significant considering we are to recoup revenues in the second quarter related to 1.75 multiplexes associated to the 6 new DTT channels in Spain that will start broadcasting this April. Furthermore, along with the well-known Inwit bidding process in Italy, we are focusing on European inorganic growth opportunities, especially in relation to sector consolidation and the prevalence of network infrastructure spin-offs and outsourcing."

Francisco Reynés, President of Cellnex Telecom, commented: "since its IPO in May 2015, Cellnex's key indicators have continued to perform well, in line with expectations. Our first quarter numbers underline our commitment to build a market leading European telecoms infrastructure company and reflects our management team's solid approach and performance. The company continues to be well positioned for growth and internationalization."

Organic growth, improved occupancy rate, investments

Cellnex's business segments comprise the following areas by revenue split: mobile telephony infrastructures contributed 56% of revenue to the tune of € 92 million; audiovisual broadcast networks contributed 31% of revenue, amounting to € 52 million; and lastly safety and emergency service networks and solutions for smart urban infrastructure management (IoT and Smart cities) contributed 13%, totalling € 22 million.

Cellnex Telecom had a total of 15,120 sites (7,708 in Italy and 7,412 in Spain) at the end of the first quarter 2016. Organic growth of points of presence (PoPs) over the existing stock of towers increased by 6% compared to the same period in 2015, while the occupancy rate per site increased from 1.50 in June 2015, when Galata assets in Italy were consolidated, to 1.54. This is a reflection of business activity, with the signing of new service provision agreements with mobile and telephony operators and audiovisual communications groups both in Italy and Spain.

Investments for the period, totalling € 11 million, were deployed on maintaining existing infrastructure and on projects linked to generating new revenue and improving operating costs, such as renegotiation of mobile contracts.

Debt structure and ECB bond purchase programme

Cellnex maintained a stable and long-term debt structure as at the close of the first quarter, with a maturity of 5,9, with an average cost of 2.3% with 63% referenced to a fixed rate. Cellnex Telecom's debt is not subject to any *covenants*.

The company's net debt at 31 March stood at € 901 million, a reduction of 3% compared to € 928 million at the end of 2015. The annualised net debt/EBITA ratio was 3.6x compared to 3.7x in December 2015. It is also worth highlighting the company's considerable cash generating capacity, which allows it to further improve its debt/EBITDA ratio in anticipation of possible new asset acquisitions.

On 30 March Cellnex Telecom joined the list of corporate bonds eligible for discount as a collateral at the European Central Bank. This action falls within the framework of the Corporate Sector Purchase Programme (CSPP), which on 10 March completed the Asset Purchase Programme (APP) previously deployed by the ECB.

The announcement of this inclusion is consistent with Fitch's investment grade rating for Cellnex bonds (BBB-).

About Cellnex Telecom

Since it acquired the portfolio of telecommunications towers from WIND in Italy last March, Cellnex Telecom has become Europe's leading independent operator of wireless communications infrastructure, with a total portfolio of 15,120 towers at the close of 1Q 2016.

Cellnex classifies its activities into three areas: Mobile telephony infrastructures; audiovisual broadcasting networks; security and emergency service networks and solutions for smart urban infrastructure and services management (smart cities and the "Internet of Things" (IoT)).



Appendix 1

Income statement and balance sheet

	March 2015	March 2016
Telecom Site Rental	36	92
Broadcast infrastructure	61	52
Network Services & Others	20	22
Revenues	117	166
Operating costs	-67	-102
EBITDA	50	63
Non-recurring costs (1)	-10	-3
Depreciation & amortization	-25	-41
EBIT	15	19
Net interest	-3	-7
Corporate Income Tax	-3	-1
Non-controlling Interests	0	0
Net Profit	8	11

(1) M&A expenses €2Mn (Inwit) and non-cash effect of prepaid energy expenses in Galata

	Dec. 2015	March 2016
Non current assets	1.808	1.773
Goodwill	216	216
Fixed assets	1.519	1.483
Other financial assets	73	74
Current Assets	219	226
Debtors and other current Assets	168	174
Cash and Cash Equivalents	51	52
TOTAL ASSETS	2.027	1.999
Net Equity	538	549
Non current liabilities	1.290	1.258
Bond issues	593	593
Deferred Tax Liabilities	184	180
Borrowings	377	347
Other liabilities	136	138
Current liabilities	199	192
TOTAL EQUITY AND LIABILITIES	2.027	1.999
NET DEBT	927	901
Annualized NET DEBT/EBITDA	3.7,x	3,6x

Appendix 2

Significant events in Q1 2016

February

1. **Orange and Cellnex Telecom rolled out the largest network of 4G Small Cells in Barcelona**, in cooperation with the City Council.

March

1. **Cellnex Telecom announced it would set up a "corporate excellence" centre in Italy**, which will cover the entire Group. The launch of this Rome-based centre is a sign of Cellnex's long-term commitment with Italy and reflects the degree of preparation and professionalism of the teams of Galata and TowerCo, the Group's companies in Italy.
2. **Cellnex Telecom and Italian investment fund F2i** presented a binding offer which, if accepted by Telecom Italia, could lead them to acquire up to 100% of the shares of Inwit, one of Italy's main operators of telecommunications infrastructure, which has 11,500 sites in the country. Telecom Italia controls 60% of Inwit's shares.
3. The European Central Bank incorporated Cellnex Telecom bonds into the high-quality corporate bonds purchase programme launched by the ECB itself under its Asset Purchase Programme, which aims to inject liquidity into the European economy.

