



Results Q1 2017

July 2017 | Madrid

Key Highlights



One of the fastest growing European Telecoms

Service Revenue and EBITDA growth of 17% and 128% respectively (all pro forma)



Convergent bundle with continued momentum

77k broadband lines added in Q1 2017 vs. 86k over the full year 2016



Mobile postpaid + broadband lines growing by c.163k in Q1

Mobile postpaid lines +86k, broadband +77k



Total revenues reached 297M€ (+8% vs 1Q16) and Net Profit -42M€ mainly on non-cash charges



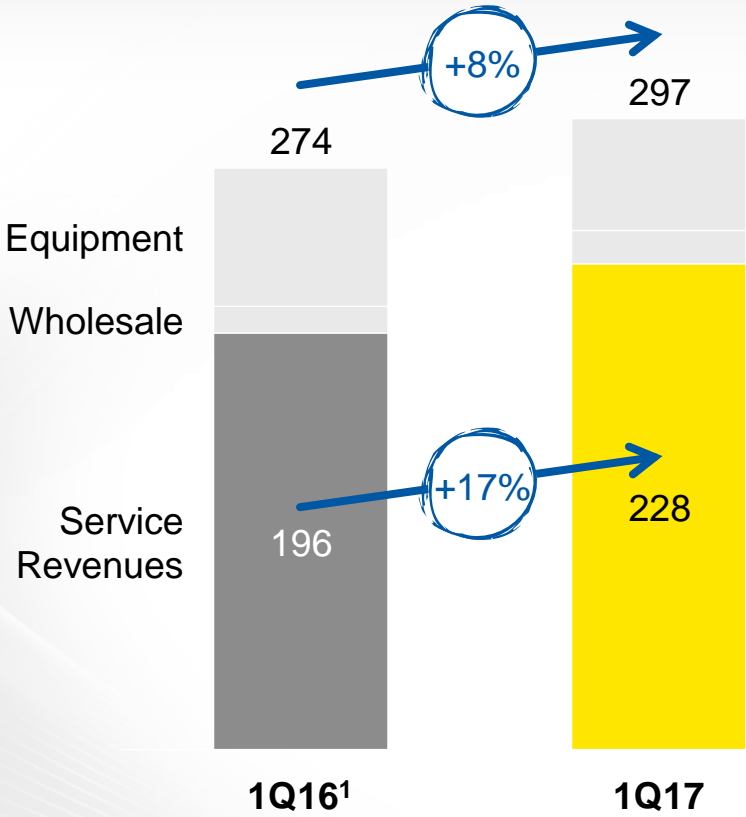
Reiterate confidence in guidance for 2017

On track based on Q1 results

Service revenues up

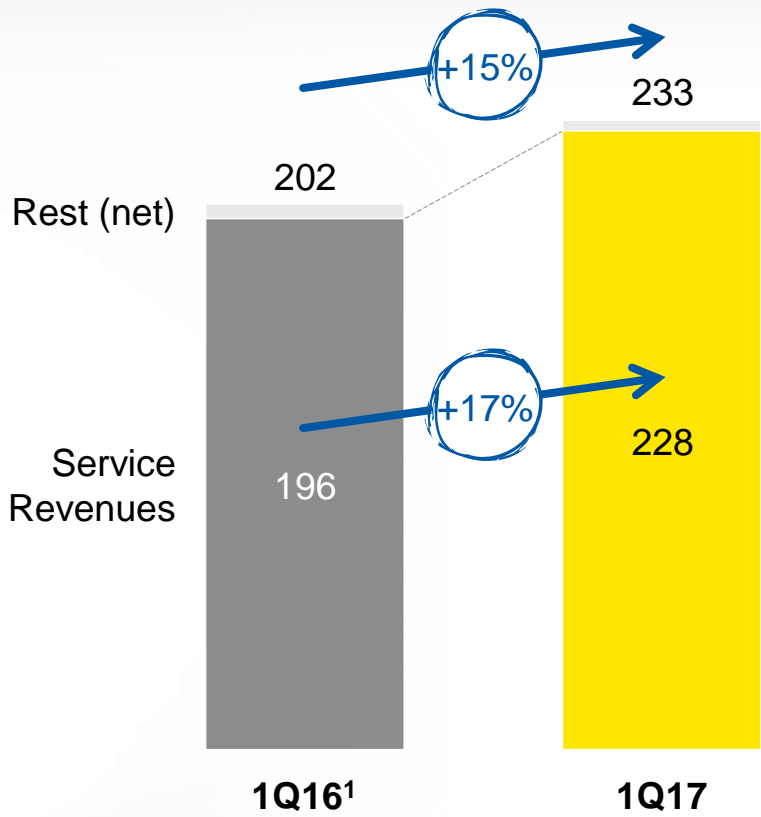
Total revenues +8%, service revenues +17% and net revenues +15% yoy 1Q16-1Q17; €M

Revenues



Net Revenues²

○ % YoY growth

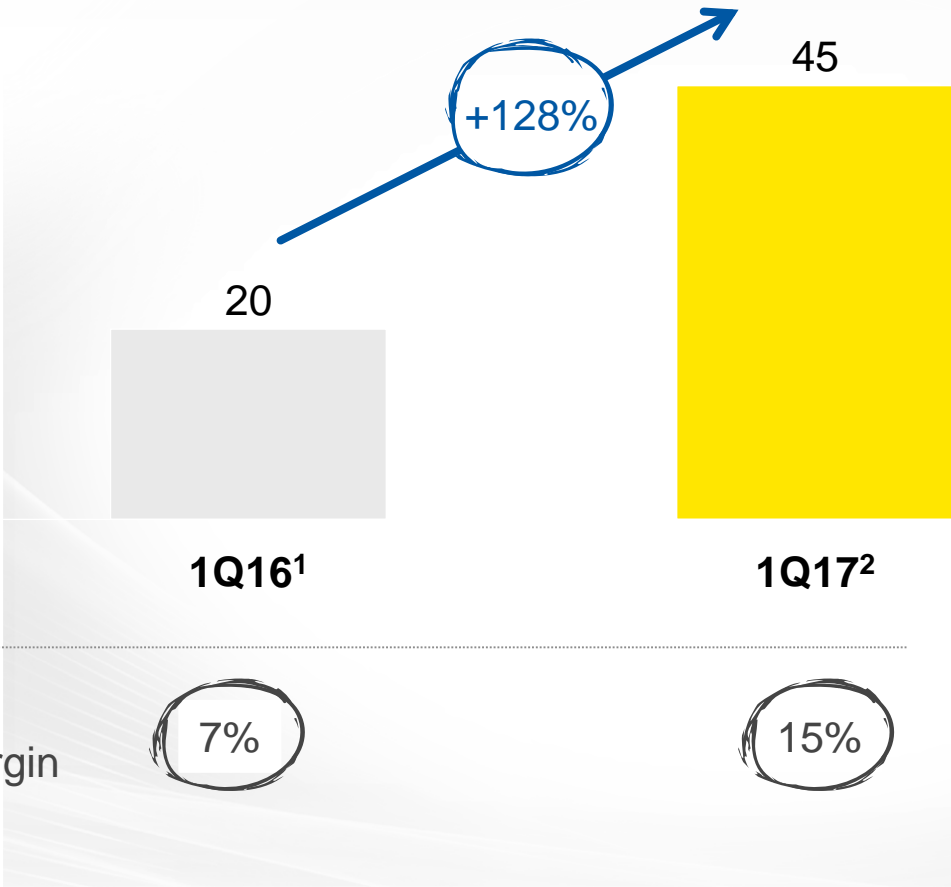


1 Proforma
 2 Net Revenues: Service revenues plus gross profit contribution from Equipment and Wholesale revenues

SOURCE: Internal Information

Recurrent EBITDA growth

Operating momentum and NRA savings driving EBITDA margin expansion. EBITDA more than doubled 1Q16-1Q17; €M

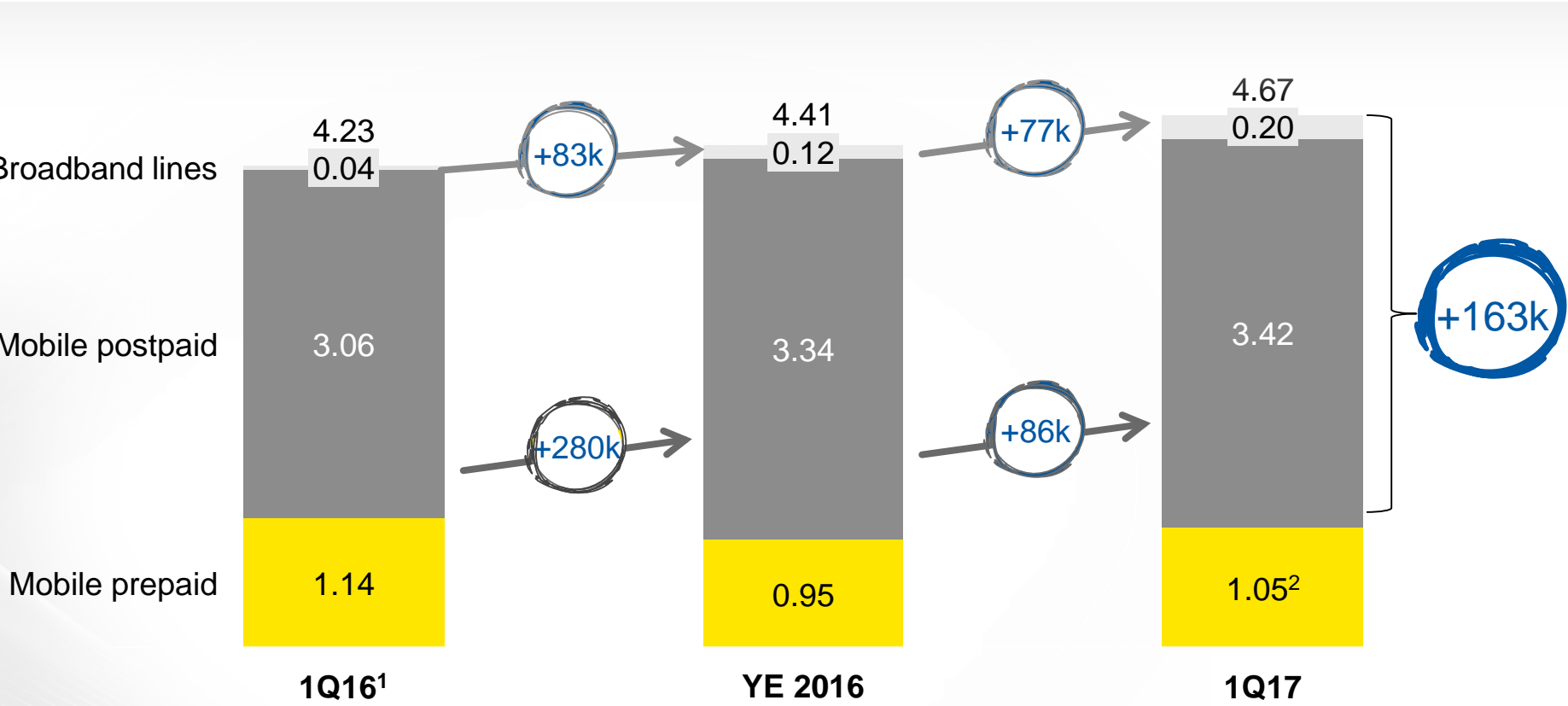


1 Proforma
2 Recurrent

SOURCE: Internal Information; CNMC

Evolution of mobile postpaid + broadband lines

Broadband and postpaid lines up by 163k (Broadband by 77k and postpaid by 86k)
 Million lines




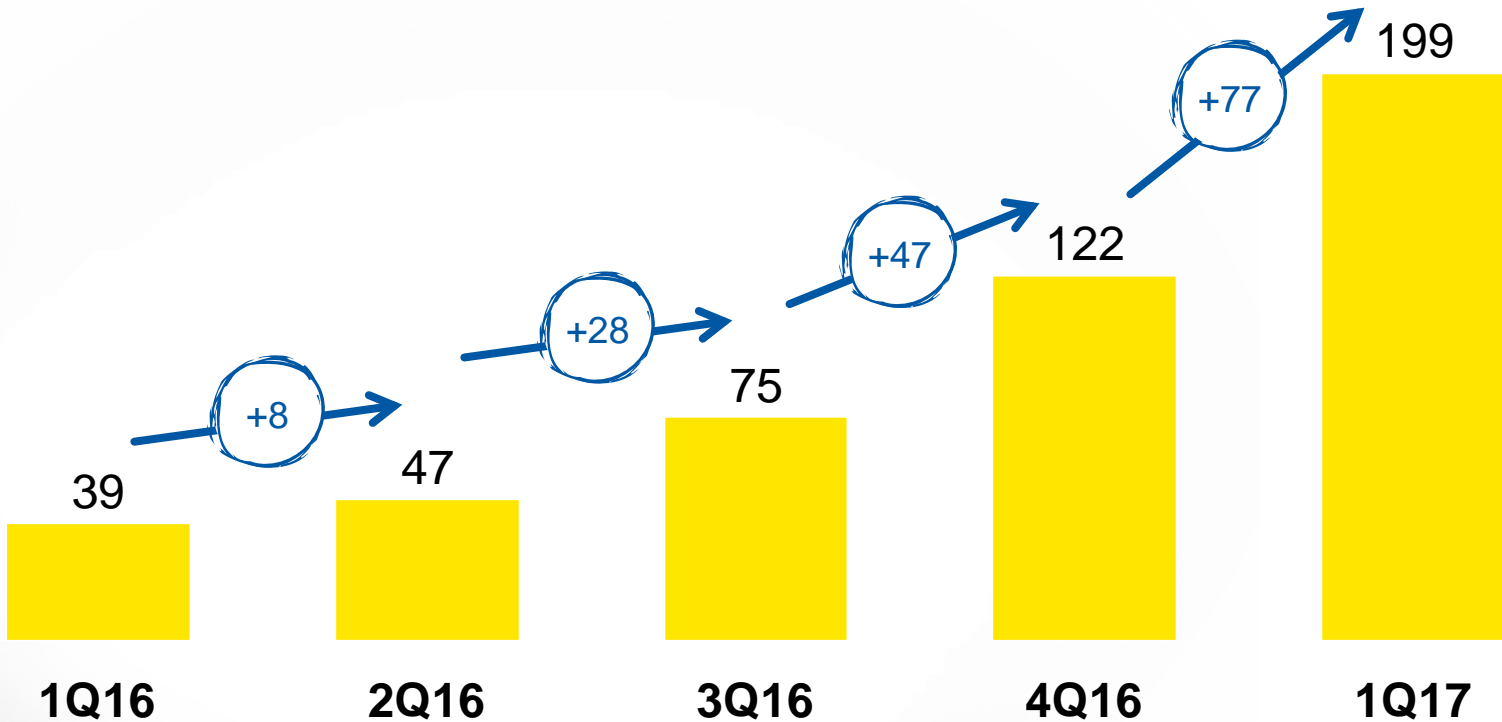
1 Proforma
 2 Includes Llamaya (ethnic MVNO)

SOURCE: Internal Information

Growth in broadband lines

Growth is accelerating: positive impact from launch of broadband under Yoigo/Pepephone brands in Q1
Quarterly evolution 1Q16-1Q17; '000 lines

 Broadband net adds¹



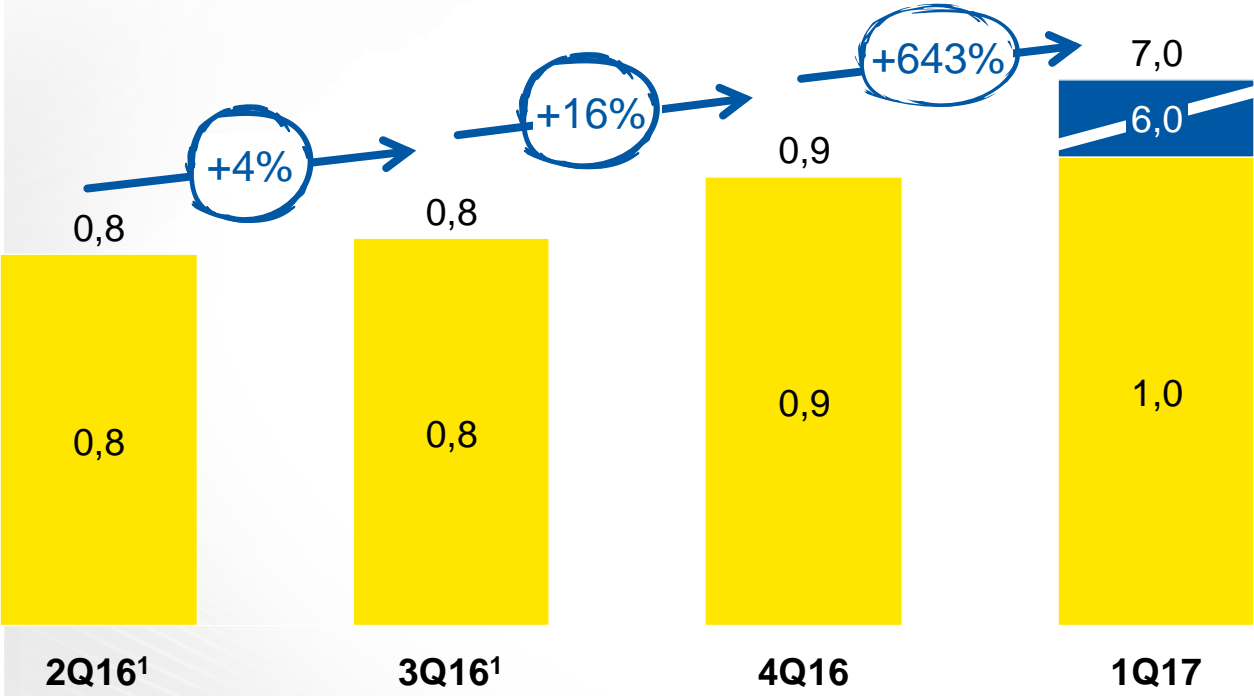
¹ Without Wimax

SOURCE: Internal Information

Fibre footprint expansion

MASMOVIL has grown its FTTH footprint to more than 7 million Building Units (BUs) as of 1Q17
 Million BUs

■ Bitstream
 ■ Own



- ~1 million BU's in own broadband
- Multiplied FTTH coverage by c.7x

¹ Aggregated
 SOURCE: Internal Information; CNMC

P&L

(Million €)	1Q16 ⁽¹⁾	1Q17	% Growth
Revenue	273.6	296.9	8%
Other operating revenue	1.4	7.6	n.a.
Cost of sales	(227.4)	(231.1)	2%
Other operating expenses	(27.8)	(28.0)	1%
Recurrent EBITDA	19.9	45.3	128%
One Offs	0	(5.0)	n.a.
Reported EBITDA	19.9	40.4	103%
Depreciation and amortization	(22.2)	(28.4)	28%
Reported EBIT	(2.3)	12.0	n.a.
Recurrent EBIT	(2.3)	16.9	n.a.
Net financial expenses	(2.2)	(49.5)	n.a.
<i>o.w. Non-Cash Financial Exp. f/ Minorities Note</i>		(34.0)	
Profit before taxes	(4.5)	(37.5)	n.a.
Income tax	(0.7)	(4.3)	n.a.
Reported Net Income	(5.2)	(41.8)	n.a.
Non-Cash Financial Exp. From Minorities Note		34.0	n.a.
One offs		5.0	n.a.
Recurrent Net Income ⁽²⁾	(5.2)	(2.8)	n.a.




(1) Proforma

(2) Excluding both one-offs and the non-cash financial expense from the Yoigo Ex-shareholder minority note

Source: Company

Confidence in 2017 guidance

We reiterate confidence in FY17 targets given 1Q17

	Guidance for 2017	1Q17	On track?
Subscribers 	<ul style="list-style-type: none"> Total combined net increase in fixed broadband lines and mobile post-paid lines by 500k 	163k	✓
Service Revenues 	<ul style="list-style-type: none"> Growth in Service Revenues of more than 10% vs 2016 Proforma Service revenues (838M€) 	+17% YoY	✓
Recurrent EBITDA 	<ul style="list-style-type: none"> Growth in Recurrent EBITDA (before one-off costs) from 119M€ in 2016 to more than 200M€ (>70% growth) 	+128% YoY	✓