

COMUNICACIÓN DE HECHO RELEVANTE

GRUPO MASMOVIL

14 de julio de 2017

En virtud de lo previsto en el artículo 17 del Reglamento (UE) nº 596/2014 sobre abuso de mercado y en el artículo 228 del texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, y disposiciones concordantes, ponemos en su conocimiento el siguiente Hecho Relevante relativo a la sociedad MASMOVIL IBERCOM, S.A. (“**MASMOVIL**” o la “**Compañía**”, o el “**Grupo**”).

INFORMACIÓN RELEVANTE / RELEVANT FACT

La compañía publica la presentación de resultados del primer trimestre de 2017, en las páginas siguientes de este documento.

Asimismo, la Compañía anuncia una conferencia telefónica sobre los mismos el día 14 de julio 2017 a las 9:30am. Para conectarse, por favor llamar a cualquiera de los siguientes números. No se necesita contraseña.

España: +34 917900860

UK: +44 (0) 2030092454


The company publishes a presentation on its 1Q17 earnings in the following pages of this document.

Additionally, the Company announces a conference call to discuss them on July 14th 2017 at 9:30am CET. To connect, please dial in any of the following numbers. No password is required.

Spain: +34 917900860

UK: +44 (0) 2030092454

Madrid, 14 de julio de 2017



D. Meinrad Spenger
Consejero Delegado de MASMOVIL IBERCOM, S.A.



Results Q1 2017

July 2017 | Madrid

Key Highlights



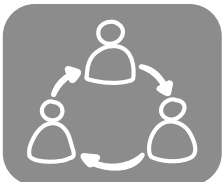
One of the fastest growing European Telecoms

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



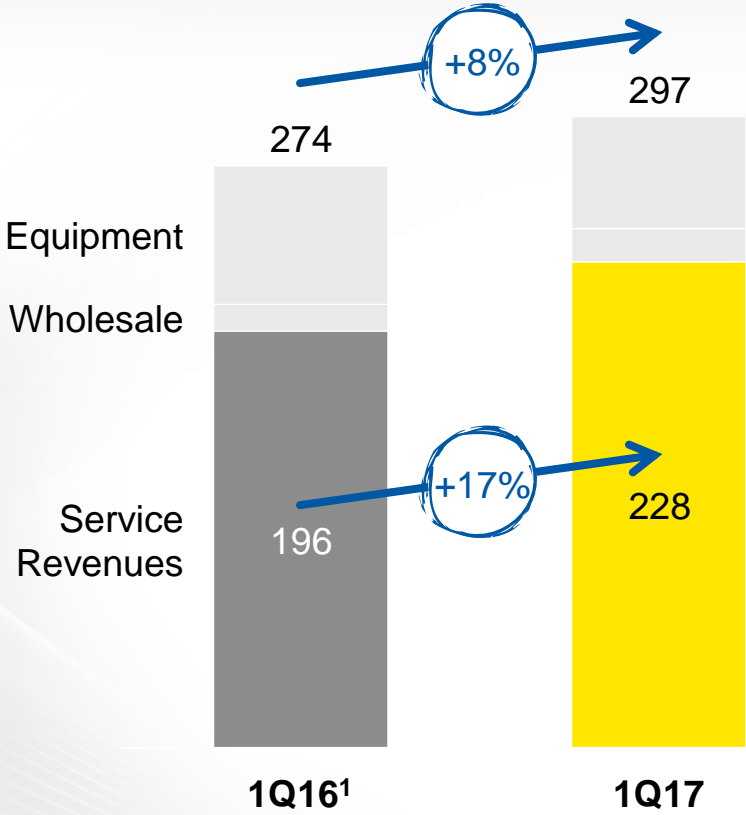
Reiterate confidence in guidance for 2017

On track based on Q1 results

Service revenues up

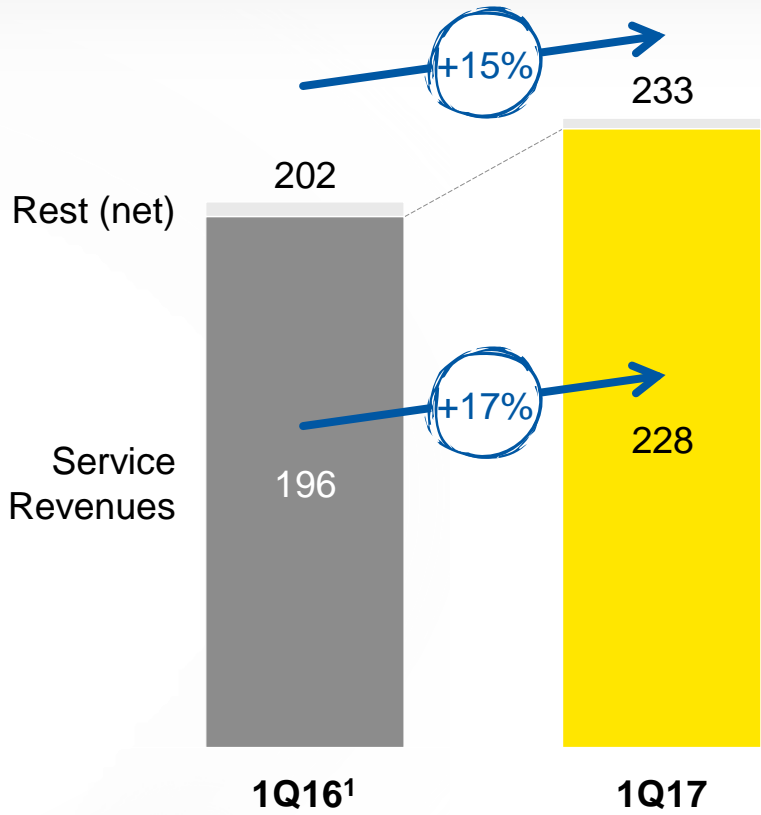
Total revenues +8%, service revenues +17% and net revenues +15% yoy 1Q16-1Q17; €M

Revenues



Net Revenues²

○ % YoY growth

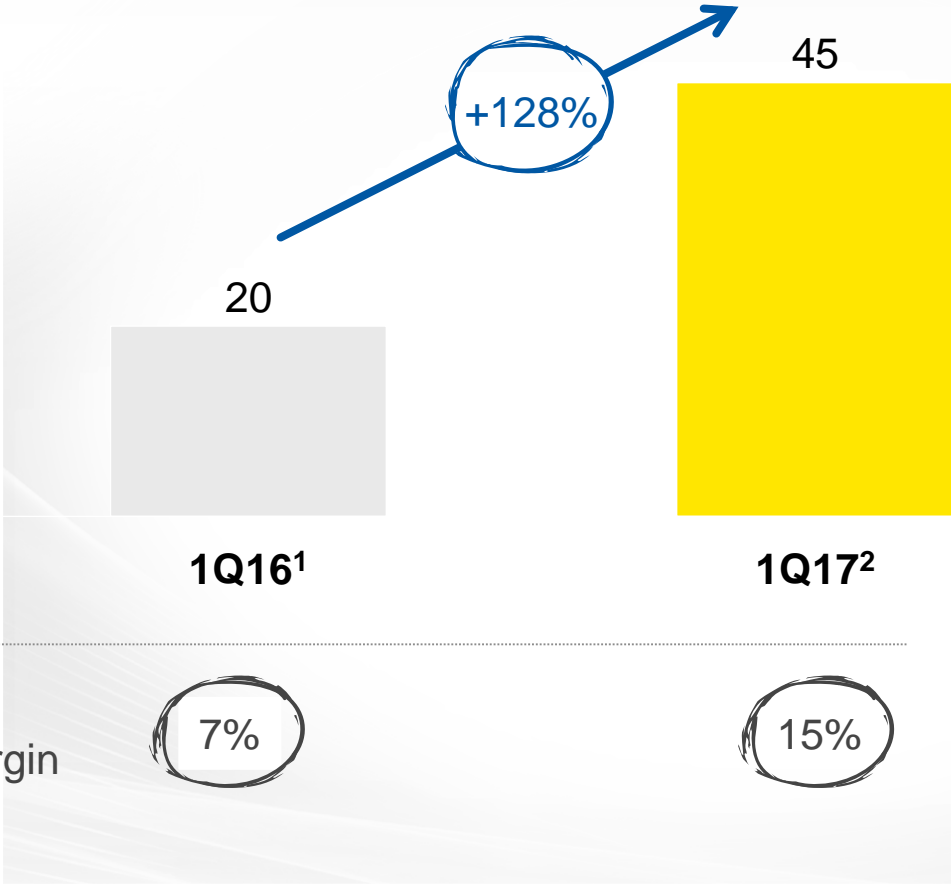


1 Proforma
 2 Net Revenues: Service revenues plus gross profit contribution from Equipment and Wholesale revenues

SOURCE: Internal Information

Recurrent EBITDA growth

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

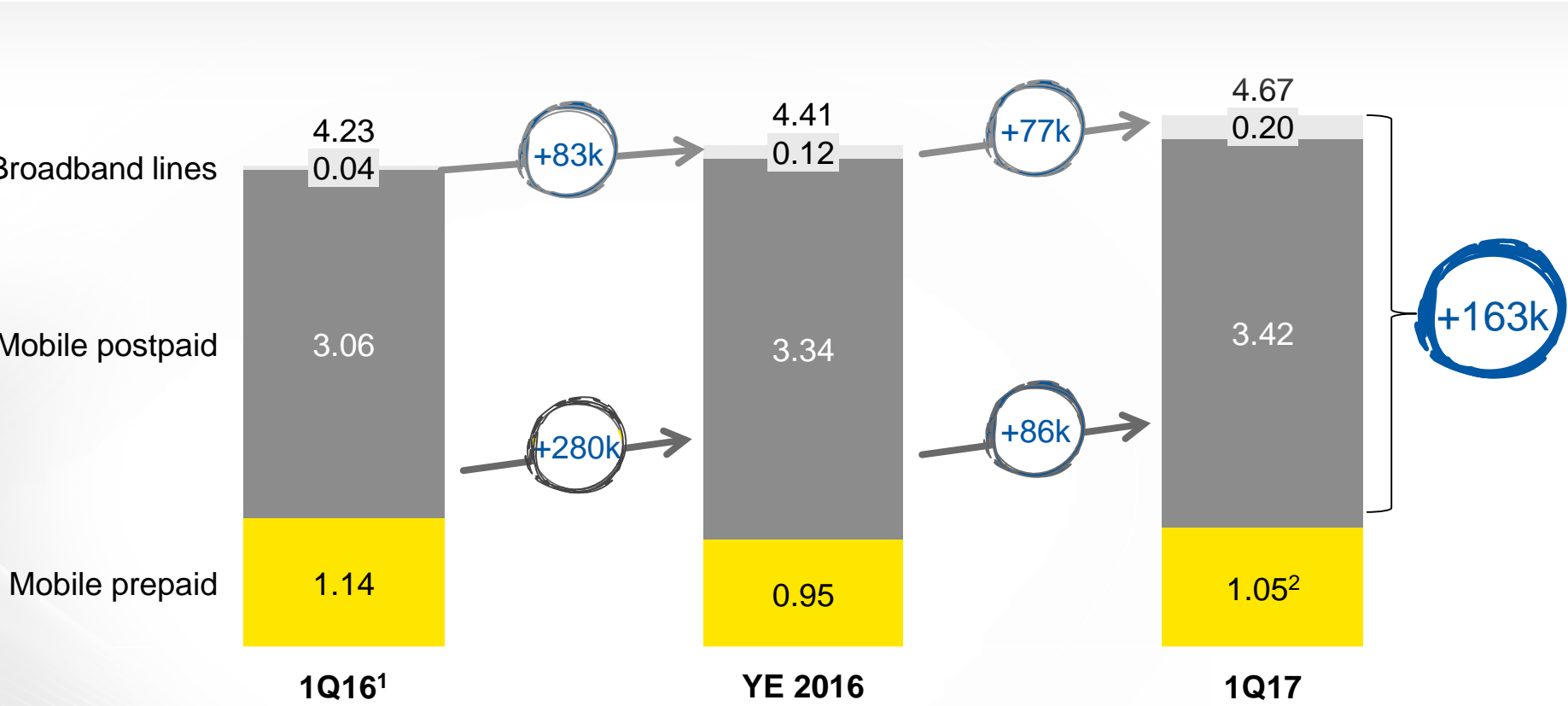


1 Proforma
2 Recurrent

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




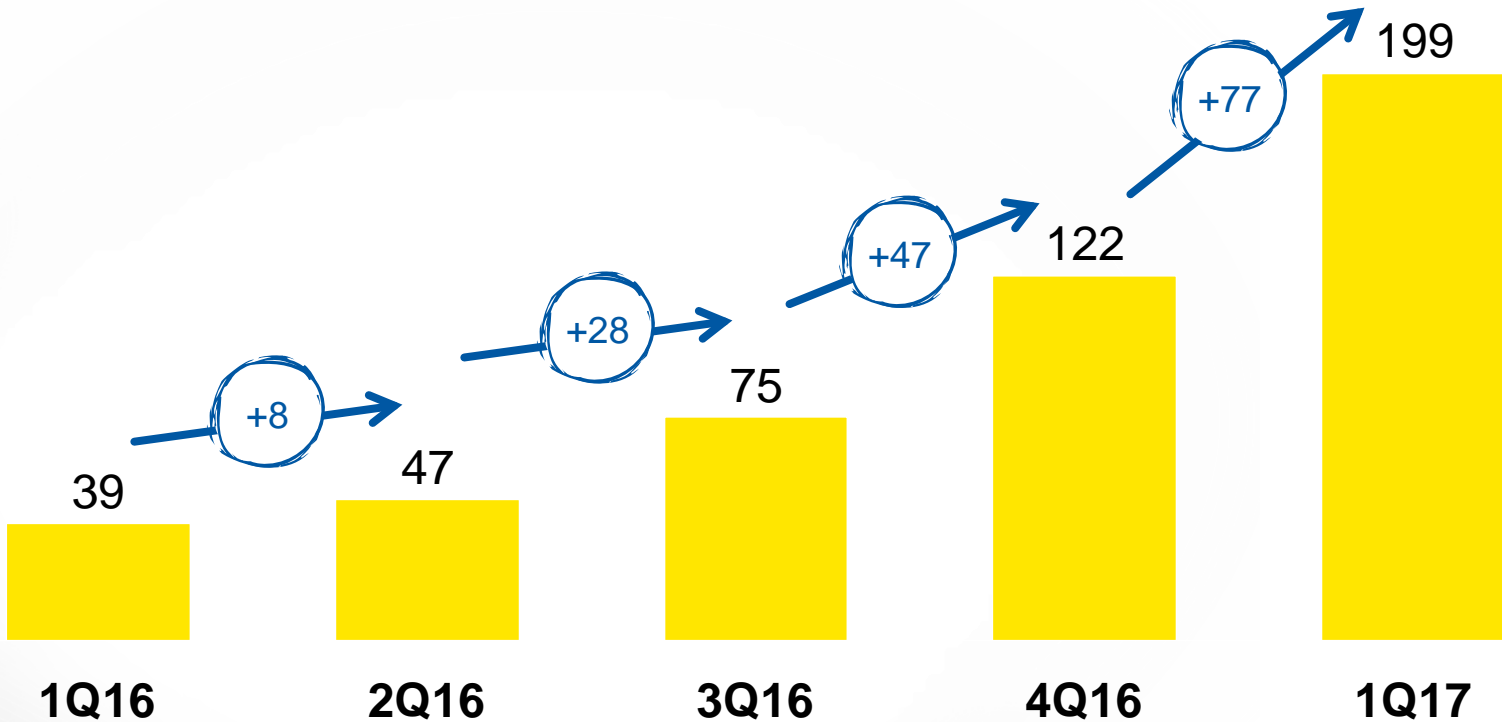
1 Proforma
 2 Includes Llamaya (ethnic MVNO)

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



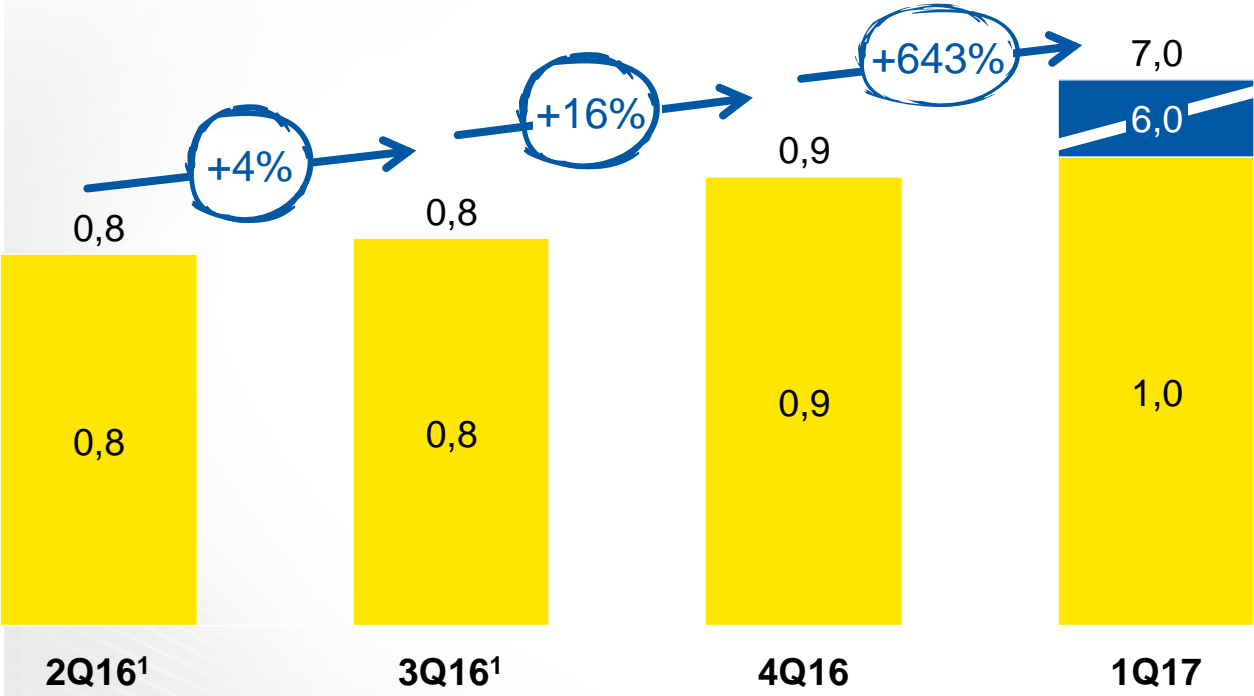
1 Without Wimax

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	✓