



## Press Release

### **INWIT: BOARD OF DIRECTORS EXAMINED AND APPROVED THE INTERIM REPORT ON OPERATIONS AS OF SEPTEMBER 30, 2017**

#### MAIN RESULTS IN THE THIRD QUARTER OF 2017:

- ▶ **NET PROFIT: 32.7 MILLION EURO**  
(+ 30.3 % COMPARED WITH THE SAME PERIOD OF 2016)
- ▶ **EBITDA: 48.2 MILLION EURO**  
(+ 15.6% COMPARED WITH THE THIRD QUARTER OF 2016)
- ▶ **REVENUES: 88.0 MILLION EURO**  
(+ 4.9% COMPARED WITH THE THIRD QUARTER OF 2016)
- ▶ **NET FINANCIAL DEBT: 63.6 MILLION EURO (+6.0 MILLION EURO COMPARED WITH 30 JUNE 2017)**

#### MAIN RESULTS IN THE FIRST NINE MONTHS OF THE YEAR:

- ▶ **NET PROFIT: 91.8 MILLION EURO**  
(+24.6 % COMPARED WITH THE SAME PERIOD OF 2016)
- ▶ **EBITDA: 138.8 MILLION EURO**  
(+14.3 % COMPARED TO THE SAME PERIOD OF 2016)
- ▶ **REVENUES: 261.8 MILLION EURO**  
(+5.2 % COMPARED WITH THE SAME PERIOD OF 2016)

*Milan, November 7, 2017*

The Board of Directors of Infrastrutture Wireless Italiane S.p.A. (INWIT), meeting today under the chairmanship of Francesco Profumo, examined and approved the Interim Report on Operations as of September 30, 2017.

#### **Infrastrutture Wireless Italiane S.p.A.**

TIM Group - Management and coordination TIM S.p.A. - Registered Office: Milan, Via G. Vasari 19 - 20135 Milan - Tax Code/VAT Registration Number and Milan Business Register Number 08936640963 - Share capital € 600,000,000.00 - certified email [adminpec@inwit.telecompost.it](mailto:adminpec@inwit.telecompost.it)



## Main Results as of September 30, 2017

In the first nine months of the year, INWIT confirmed the upward trend in its EBITDA resulting from the increasing turnover, driven by a gradual increase in revenues from the main mobile phone operators, and by a fall in passive leasing costs.

In detail, for Q3 2017:

**Revenue** amounted to **88.0 million euro** (83.9 million euro in Q3'16), up 4.9% on the same quarter of 2016, including:

- 64.5 million euro from the TIM Master Service Agreement;
- 22.3 million euro from other customers, including Italy's leading mobile and other radio network operators;
- 1.2 million euro from new services and hosting on new sites.

**EBITDA** totalled **48.2 million euro** (41.7 million euro in Q3'16), with a margin on revenues of 54.8%, reflecting the increase in the number of tenants on sites and a reduction in space leasing costs. The Q3'17 EBITDA growth compared to Q3'16 is around 6.5 million euro, amounting to 15.6%.

**Net profit** for the quarter amounted to **32.7 million euro** (25.1 million euro in Q3'16), up by 30.3% compared with the same quarter of 2016.

**Capital expenditure** as of September 30, 2017 totalled **29.7 million euro**.

**Net financial debt at the end of the quarter** was **63.6 million euro**, up by 6 million euro compared to June 30, 2016.

*“The Q3 results confirm the solidity of the company’s growth path. The aim of achieving a low teens increase in EBITDA we had set for ourselves in the Plan has been reached for the third quarter running. The revenues have grown because the number of customers choosing our infrastructure is rising and costs are falling thanks to a gradual reduction in leasing fees” - underlines INWIT’s CEO Oscar Cicchetti. “Furthermore, investments in innovative infrastructure like microcells and fibre backhauling provide a guarantee of steady growth for the future as well. All the conditions exist for us to continue making the most of our assets and seizing opportunities arising from the development of next generation wireless networks”.*

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## Outlook for the 2017 financial year

The wireless infrastructure market continues to undergo a profound transformation process and a growing demand for services from mobile operators and other radio network operators.

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Mobile Operators need to increase access points to support new network architectures and to respond to the growing demand for connections and data traffic resulting from the use of images and video in communication and private and professional applications.

The radio networks of other entities that supply public safety, wireless local loop and Internet of Things services are also growing.

This context, combined with the growing willingness of operators to share infrastructure assets, allows INWIT to continue increasing its traditional business and assert itself in new services, confirming its 2017-2019 investment plan.

The most significant elements of the Company's growth path included in the 2017-2019 Plan are the following:

- An increase in the co-tenancy ratio, which in this quarter rose to 1.80x from the previous 1.70x during the same period of 2016, and which is expected to continue growing in the coming quarters.
- The continuation of the cost efficiency plan with the rationalisation of sites, renegotiation of rental contracts and the purchase of land that hosts its installations.
- The development of new business ventures, supported by investments in the creation of new sites, micro-coverage and fibre backhauling.

The results achieved and the investment plan adopted to date confirm a gradual growth in operating performance, consistent with the dynamics described in the Plan for 2017-2019.

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## Events after September 30, 2017

There have been no events of any impact since 30 September 2017.

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## Corporate governance issues

The Board of Directors appointed Mr. Venanzio Iacozzili as non-Executive Director of the Company to replace Elisabetta Colacchia, who resigned on 31 July this year.

Director Iacozzili does not own any shares issued by the Company and will remain in office until the next Shareholders' Meeting. His CV is available on the Company's website at [www.inwit.it](http://www.inwit.it).

[The Board approved the adoption of the Group Regulations, intended to define the reference context in which TIM's direction and coordination activities applicable to all of the Group's subsidiaries is carried out, setting out the principles, limits, reach and procedural arrangements.

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The document will be made available on the Company's website at [www.inwit.it](http://www.inwit.it), in the Governance/Governance System section.]

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INWIT economic and financial results at September 30, 2017 will be illustrated to the financial community during a conference call scheduled for tomorrow November 8, 2017 at 10:30 (CET). Journalists may listen in to the presentation, without asking questions, by calling: +39 06 33168. The presentation supporting the conference call will be made available in advance in the Investors section of the company website [www.inwit.it](http://www.inwit.it).

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Pursuant to subsection 2, Article 154-bis of the Consolidated Law on Finance, the Manager responsible for preparing the company's accounting documents, Mr Rafael Giorgio Perrino, has declared that the accounting disclosures contained in this press release correspond to the documentary evidence and the accounting books and records.

**Disclaimer**

*This press release contains forward-looking information on INWIT events and results, based on the industry current expectations, estimates and projections and on its management current views. By its very nature, such information entails risks and uncertainties as it depends on the occurrence of future events. Actual results might significantly differ from those announced due to multiple factors, including: global economic trends, competitive scenarios and political, economic and regulatory developments in Italy.*

*Note that the financial information relating to INWIT's third quarter 2017 contained in this document is drawn from the INWIT Interim Report on Operations as of September 30, 2017, drawn up in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and approved by the European Union (defined as "IFRS"). This Interim Report is not subject to audit.*

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