



PRESS RELEASE

INWIT: PRELIMINARY RESULTS AS AT 31 DECEMBER 2015 APPROVED; 2016 - 2018 BUSINESS PLAN PRESENTED

- **REVENUES FY2015 9M: 239.2 MILLION EURO (318.9 MILLION EURO ON AN ANNUALISED BASIS VS. 314 OF THE PRO-FORMA 2014)**
- **STRONG INCREASE IN REVENUES FROM OTHER OPERATORS (+12% VS. HISTORICAL 2014 FIGURES)**
- **EBITDA FY2015 9M: 108.2 MILLION EURO (144.3 MILLION EURO ON AN ANNUALISED BASIS VS. 134.6 MILLION OF THE PRO-FORMA 2014)**
- **EBITDA MARGIN 45.2%, WITH AN INCREASE EXCEEDING 200 BPS VS. PRO-FORMA 2014**
- **NET FINANCIAL DEBT: 48.1 MILLION EURO**

2016 - 2018 BUSINESS PLAN APPROVED:

- **HIGH SINGLE DIGIT ANNUAL GROWTH OBJECTIVE FOR EBITDA**
- **OVER 135 MILLION EURO INVESTMENTS IN ITALY**
- **MAJOR BOOST TO THE DEVELOPMENT OF SMALL CELLS WITH THE OBJECTIVE OF OVER 1K TENANTS BY 2018**



Milan, February 3, 2016

The Board of Directors of Infrastrutture Wireless Italiane S.p.A. (**INWIT**), met today under the chairmanship of Francesco Profumo examined and approved the preliminary year-end results at 31 December 2015.

The Board also examined and approved the 2016 - 2018 Business Plan.

The board of Directors of INWIT will examine the draft financial statements at 31 December 2015 on 11 March 2016.

Principal results at 31 December 2015

The preliminary results for the nine months of FY 2015 (01 April 2015 - 31 December 2015) show significant growth in revenues and efficiencies, with both aspects outperforming forecasts.

Revenues as at 31 December 2015 amounted to **239.2 million euro**; of which: 190.0 million euro from Telecom Italia reflecting the terms of the Master Service Agreement ('MSA'), and 49.2 million euro from **OLOs, up 12.0%** on the comparable 2014 figure¹.

On an annualised basis, revenues for FY2015 amounted to 318.9 million euro (vs. 314.0 million euro pro-forma FY2014) with revenues from Telecom Italia equal to 253.3 million euro (vs. 253.0 million euro pro-forma² FY2014) and revenues from OLOs of 65.6 million euro (vs. 61.0 million euro pro-forma FY2014).

In 4Q15, in line with contracted co-tenancy targets, INWIT was able to increase the number of tenants other than Telecom Italia by approximately 150 bringing the tenancy ratio to 1.62x³. Additionally, 75 new sites have been committed and about 40% of them are already functioning.

Furthermore, in 4Q15 three new micro-coverage projects were launched in areas with a major concentration of clients and traffic. With these additional deployments, INWIT brings to five the total number of locations where it operates small cells units.

EBITDA as at 31 December 2015 was 108.2 million euro, with a 45.2% margin on revenues, with an increase exceeding 200 bps on the pro-forma for the same period 2014. On an annualized basis, EBITDA for FY2015 amounted to 144.3 million euro (vs. 134.6 million euro pro-forma FY2014).

The increase in period EBITDA exceeds the target defined during the IPO, of 103.3 million euro, by 4.9 million euro. This performance was determined by:

1. the growth of revenues described above
2. the reduction of the costs of lease following the planned decommissioning and dismantling activities contracted with Telecom Italia (65 sites have already been decommissioned and dismantled, around 250 sites have been decommissioned and will be dismantled in 2016) and the renegotiation of approximately 2,000 lease contracts;

1 The historic figure relating to the nine months considered is determined on the basis of the historic revenues recorded prior to the transfer of the towers branch of business to Telecom Italia in FY 2014, allocated over this same period.

2 The pro-forma figures are derived from the pro-forma financial information relating to the financial year ended 31 December 2014, as shown in the Company's listing prospectus.

3 Excludes about 250 sites undergoing decommissioning.

Net financial debt at 31 December 2015 was 48.1 million euro, down more than 70 million euro from the date of the transfer thanks to strong cash-flow generation; the Net Debt/2015 EBITDA leverage ratio on an annualised basis was therefore 0.3x.

2016 - 2018 Business Plan

The 2016 - 2018 Business Plan expects to reach a tenancy ratio of about 1.9x by 2018 and record high-single digit EBITDA annual growth.

More than 135 million euro are also expected to be invested in the next three years.

For the Organic Business, the Plan envisages:

- a mid-single digit growth for tenants other than Telecom Italia
- the dismantling of approximately 1000 sites that have been decommissioned by Telecom Italia by 2018
- the pursuit of the renegotiation of lease and the replacement of excessively costly sites
- an accelerated land acquisition plan and multiple-year rights to use the roofs on which the Company's infrastructures are installed. Thanks to this plan, at the end of 2018, INWIT should own or have the right to make multiple-year use of 15% of its sites⁴.

INWIT also has an major investment plan on the cards in the micro-coverage of locations with a high concentration of users and traffic against the powerful growth forecast for this market.

"The year-end results are better than the forecasts announced to investors during the IPO and confirm the credibility of our industrial history. We are diligently pursuing our organic growth path, increasing tenants and revenues, progressively reducing costs, and investing in new services in order to create "future-proof" wireless infrastructures", commented Oscar Cicchetti, Chief Executive Officer of INWIT.

"Our unique infrastructure, our rigorous approach, our continuous innovation and our key relationships with customers constitute the main levers by which we are building the foundations of our future growth."

"The 2016-2018 Plan primarily aims at reinforcing INWIT leadership. Over the next three years, we aim to guarantee a further increase in revenues, thanks to the growth of hosts on our infrastructures, the development of new sites, the realisation of new-generation wireless infrastructures like the small cells, which will be essential to the development of fifth-generation mobile networks and an improvement to profitability, mainly as a result of the rigorous cost control and the purchase of property or multiple-year rights to use the lands and roofs that host our infrastructures. Finally, we will maintain rigid financial rules with the aim, amongst others, of guaranteeing excellent remuneration for our shareholders. In particular I will propose to the BoD and the Shareholders' Meeting the distribution of a dividend of 90% of the Net Income for the 2015 financial year" - Oscar Cicchetti concluded.

Corporate Governance Issues

The Board of Directors acknowledged the appointment of Director Cristina Finocchi Mahne as chairwoman of the Nomination and Remuneration Committee, the office was vacant following the resignation of Professor Umberto Tombari.

⁴ The perimeter of the acquisition plan excludes the sites owned by Telecom Italia.



The economic and financial results of the Company at 31 December 2015 will be illustrated to the financial community during a conference call scheduled for Wednesday February 3, 2015 at 5,30 pm (CET). Journalists may listen to the conference call, without asking questions, by calling: +39 06 33168.

The presentation to support the conference call will be made available in the Investors section of the company website: www.inwit.it.

Pursuant to sub-section 2, clause 154-bis of the Consolidated Law on Financial Intermediation, the Manager responsible for preparing the corporate accounting documents, Rafael Giorgio Perrino, has declared that the accounting disclosures contained in this press release correspond to the data records, accounting books and accounts entries.

Disclaimer

This press release contains predictions of events and future results of INWIT that are based on the current expectations, estimates and projections regarding the sector in which INWIT operates and on the current opinions of its management. These elements have by their nature a component of risk and uncertainty, because they depend on future events taking place. It should be noted that the actual results may differ significantly from those announced due to a multiplicity of factors, including: global economic conditions, competition impact, and political, economic and regulatory developments in Italy.

It should be noted that the Company was incorporated on 14 January 2015 and therefore no corresponding information from the previous year (i.e. half-yearly report at 30 September 2014) is available. However, for comparison purposes, pro-forma financial data has been prepared to simulate, according to evaluation criteria consistent with those used by the Company and compliant with the relevant legislation, the main economic effects of the Transfer of the Branch of the Company as if this occurred virtually on 01 January 2014.

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