



November 7, 2018

# 3Q'18 Financial Results

**INWIT**

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# Safe Harbor

This presentation contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements mentioned repeatedly in this presentation and include statements regarding the intent, belief or current expectations of the customer base, estimates regarding future growth of the business, market share, financial results and other aspects of the activities and situations relating to Infrastrutture Wireless Italiane S.p.A. (INWIT). Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those projected or implied in the forward-looking statements as a result of various factors. Consequently, INWIT makes no representation, whether expressed or implied, as to the conformity of the actual results with those projected in the forward-looking statements.

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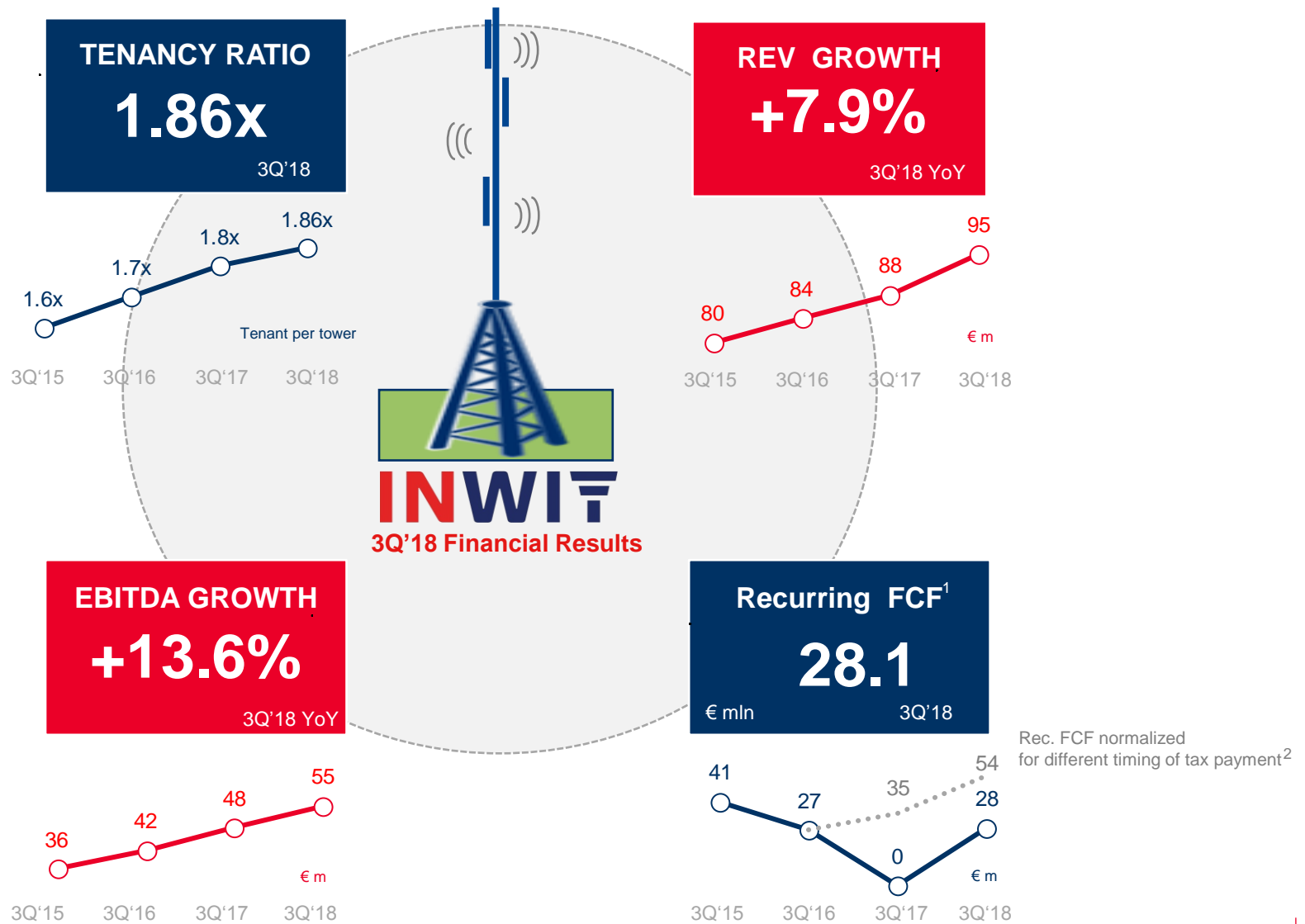
Inwit 3Q'18 financial information included in this presentation is taken from Inwit Financial Statement at September 30, 2018, drafted in compliance with the International Financial Reporting Standards, issued by the International Accounting Standards Board and endorsed by the European Union (designated as "IFRS"). Such interim financial statements are unaudited.

9M'15 in the P&L statement refers to the period April 2015 – December 2015. 9M'15 in the Cash Flow statement refers to the period April 2015 – September 2015. For the 3-month 2014 financial data (hereafter "2014 Avg Quarter"), included in this presentation for comparative purposes, Pro-Forma data is reported when historical data is not available. In the latter case, for reconciliation purposes, the average quarter for FY'14 PF data has been calculated as 25% of Pro-Forma data pertaining to the IPO Prospectus and was determined as historical data plus adjustments, as if the Transaction had virtually taken place on January 1, 2014. For reconciliation purposes, the 1Q'15 pro-forma has been calculated as 25% of FY'14 pro-forma data and the 9M'15 pro-forma has been calculated as 1Q'15PF (2014PF divided by 4) plus 2Q'15 and 3Q'15.

Average Lease costs have been calculated as the ground lease, divided by the total amount of sites. The organic base Tenancy Ratio has been determined without including the sites currently being dismantled.

It is to be pointed out that this Company was incorporated on January 14, 2015 and started its operations on April 1, 2015. Data pertaining to the same period of the previous Fiscal Year (FY report at December 31, 2015) only include 9 months of operations and therefore cannot be used for comparison purposes.

# Inwit keeps growing



The information reported above refers to the financial statement at 3Q 2018

1. Recurring FCF = EBITDA – Recurring CAPEX + Change in net working capital not related to development CAPEX – Taxes – Financial charges

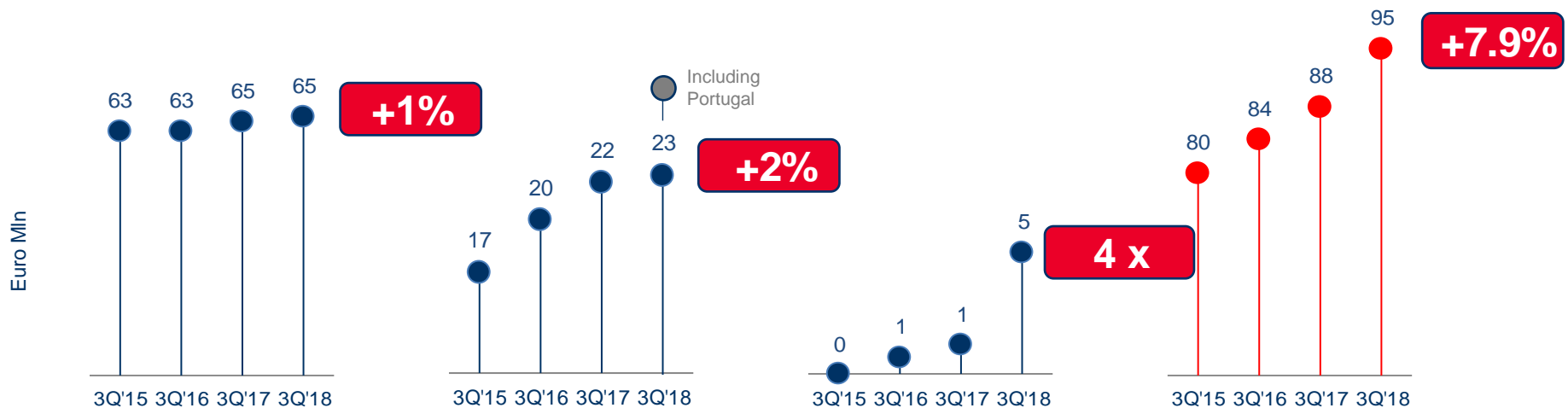
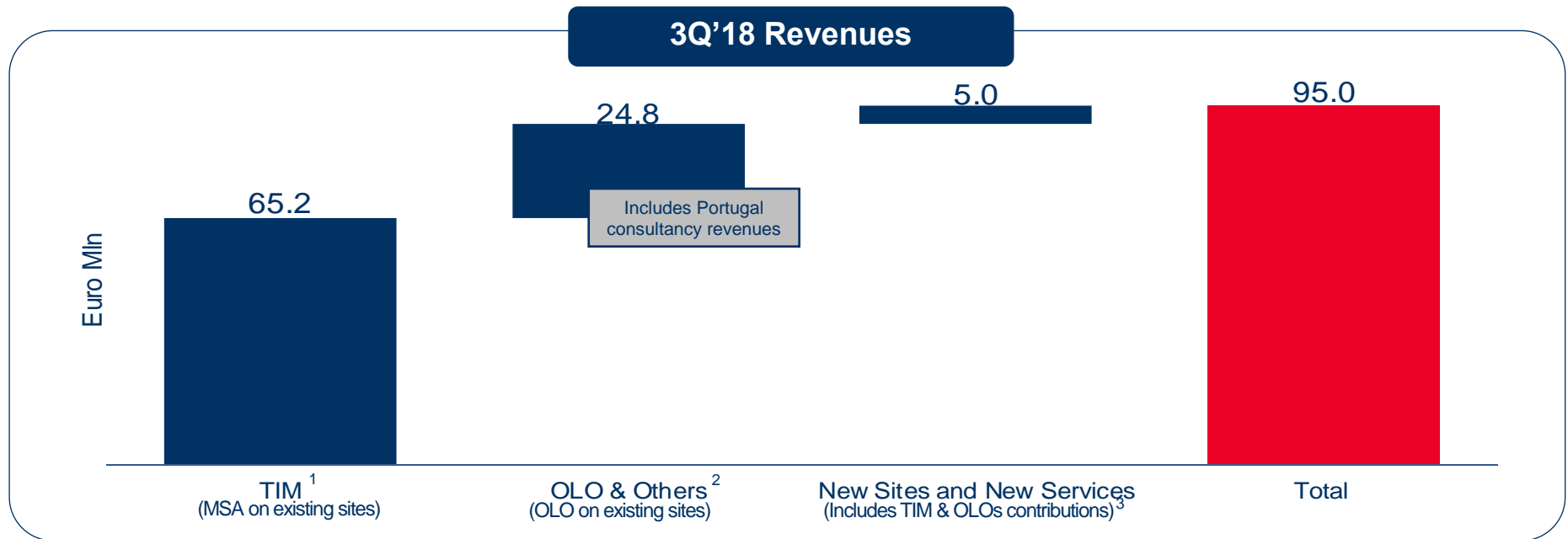
2. Recurring FCF net of cash taxes



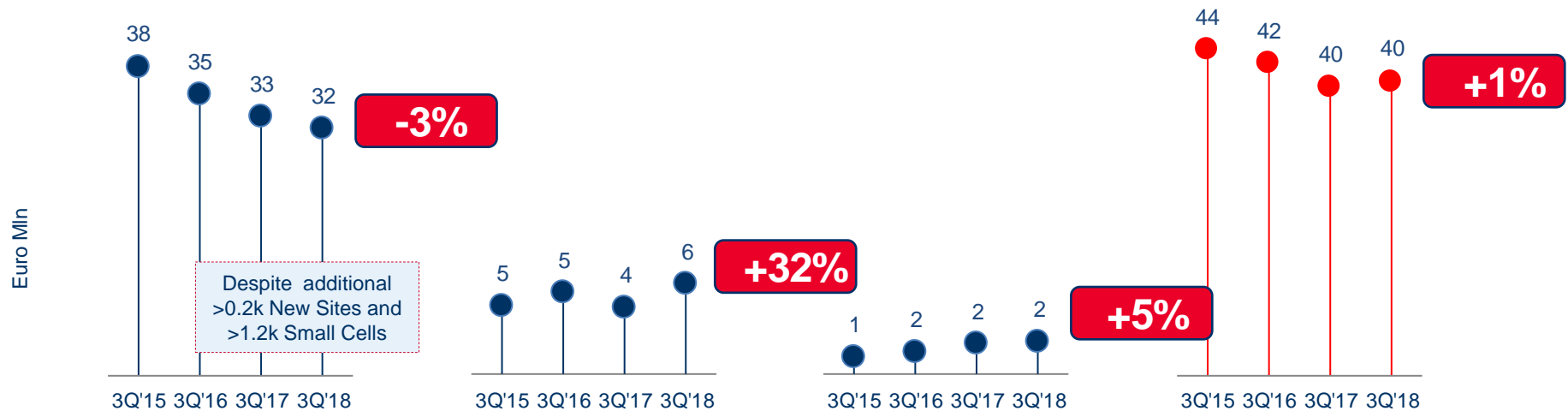
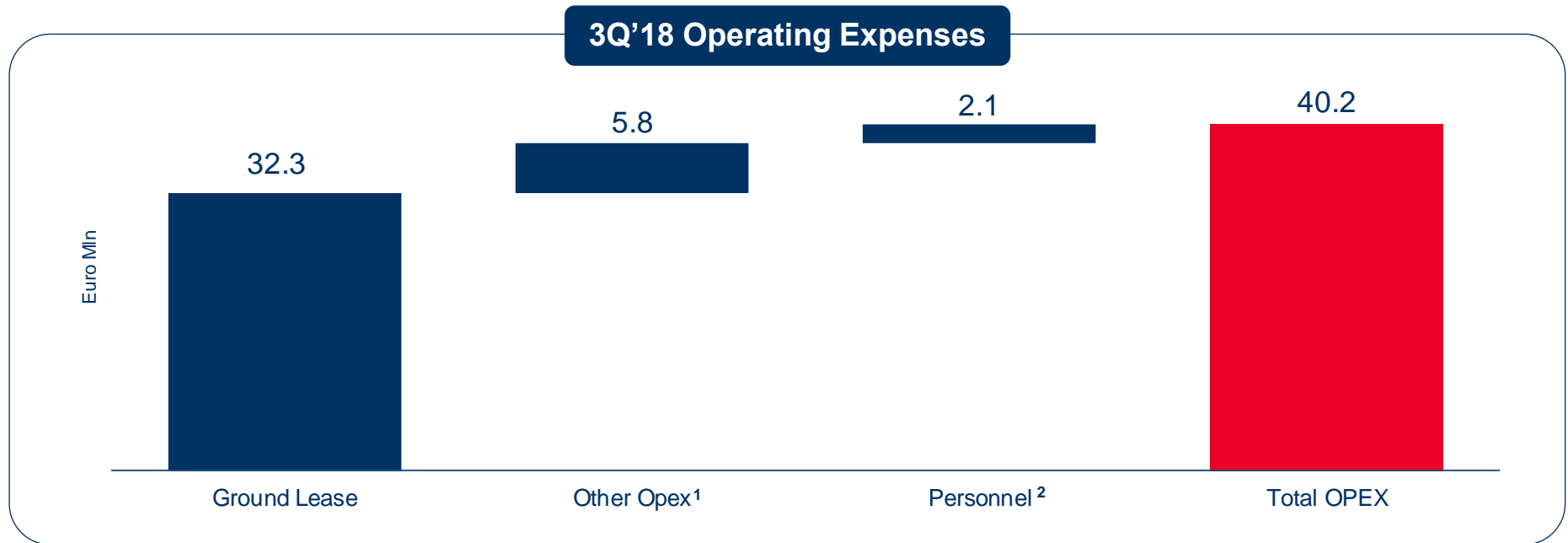
## 3Q'18 Financial Results

## Industrial Results

# Mid single digit revenue growth confirmed



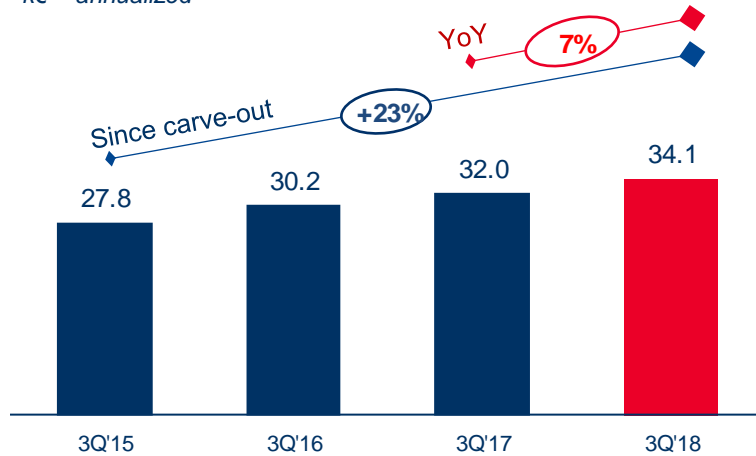
# Lease cost reduction ongoing



# New tenants and Lease reduction key drivers for growth

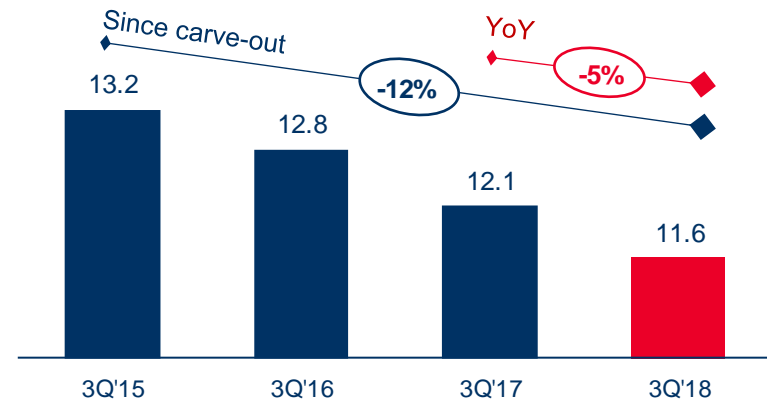
## Avg Revenues per Site <sup>3</sup>

k€ - annualized



## Avg Lease Cost per Site <sup>2</sup>

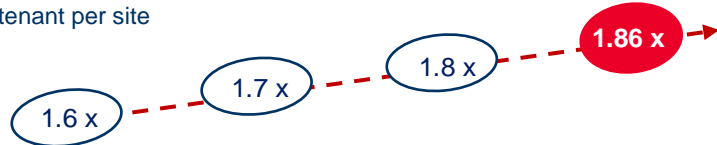
k€ - annualized



## New Tenants

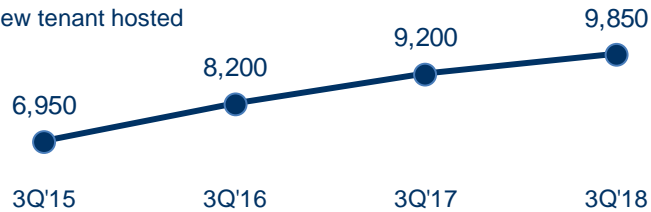
### Tenancy Ratio <sup>1</sup>

# tenant per site



### New OLO tenants

# new tenant hosted

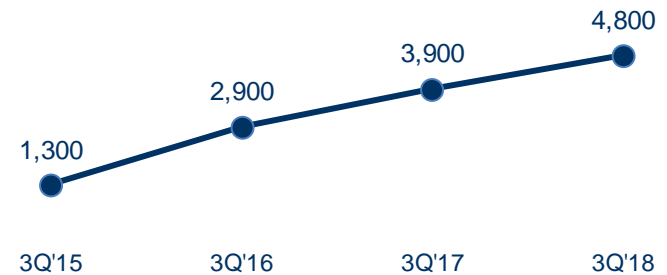


## Cost Saving

### Lease Reduction

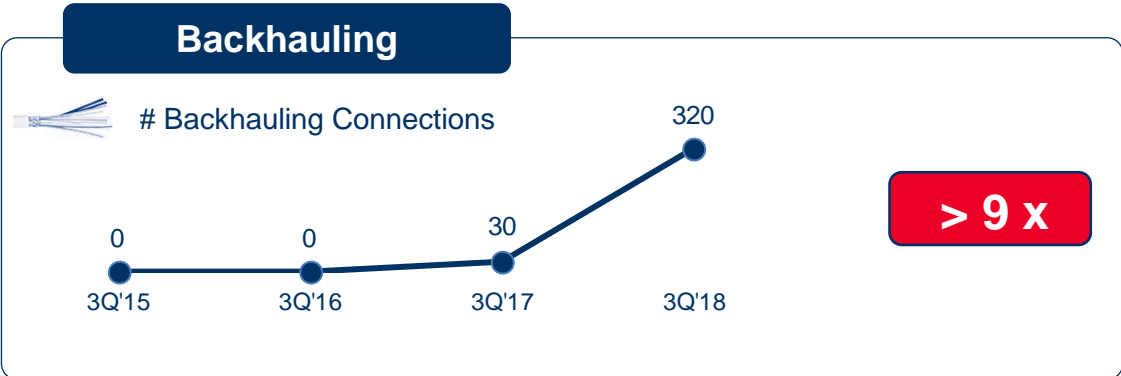
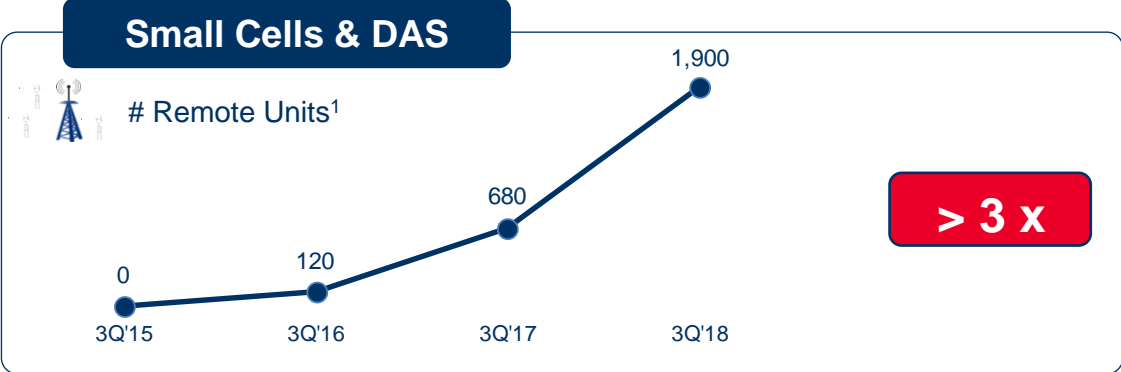
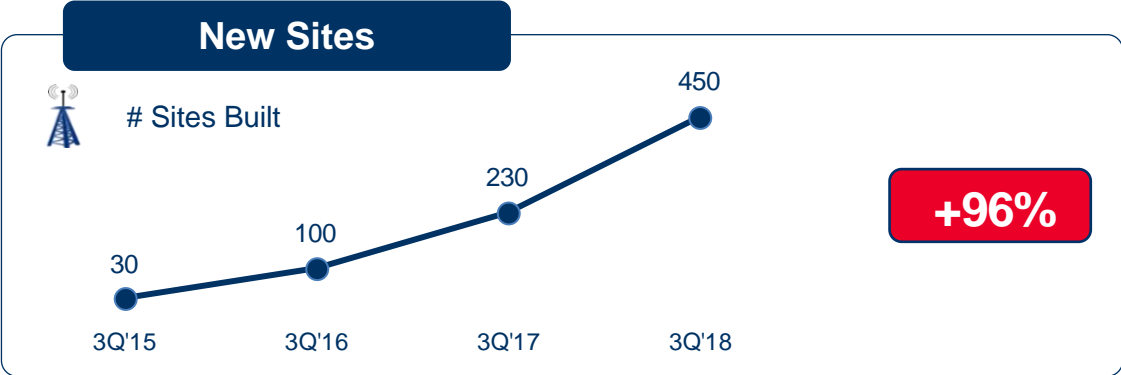
# sites / lands

Renegotiated or Acquired





# Continue in building a 5G-proof infrastructure



*'Between 2016 and 2022, European data traffic is expected to increase by 8 times'*

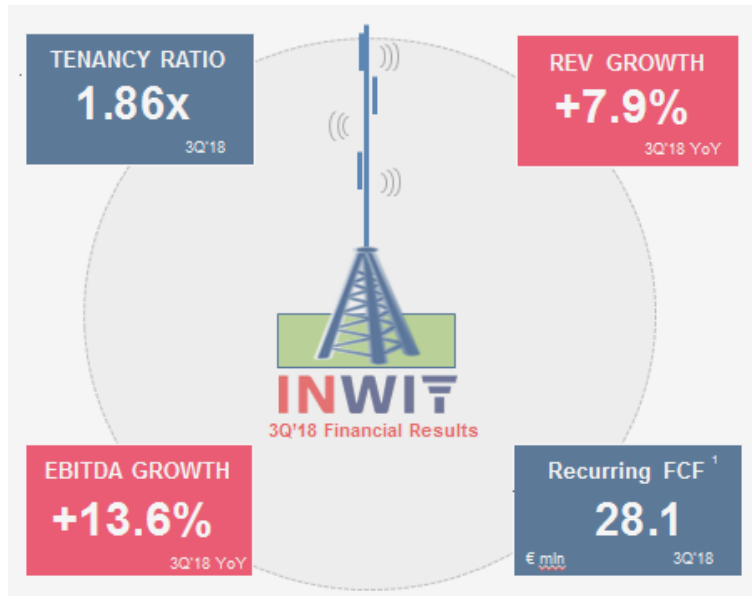
Ericsson mobility report – 2Q 2018

*'5G's capabilities rely on densification of network, requiring up to 10 times the number of existing sites (towers or small cells)'*

5G Deployment - Deloitte 2018



# Final remarks



- ❖ Fourteenth Quarter in a row of relentless growth
- ❖ Portugal: from statements to real money
- ❖ Strong Financials (mid single digit on Revs and low teens on EBITDA growth on track)
- ❖ On track to meet our guidance

The (5)Gold rush had its grand start in Italy  
With frequencies in the bag,  
operators focus is now on network deployment



## 3Q'18 Financial Results

Financial Results

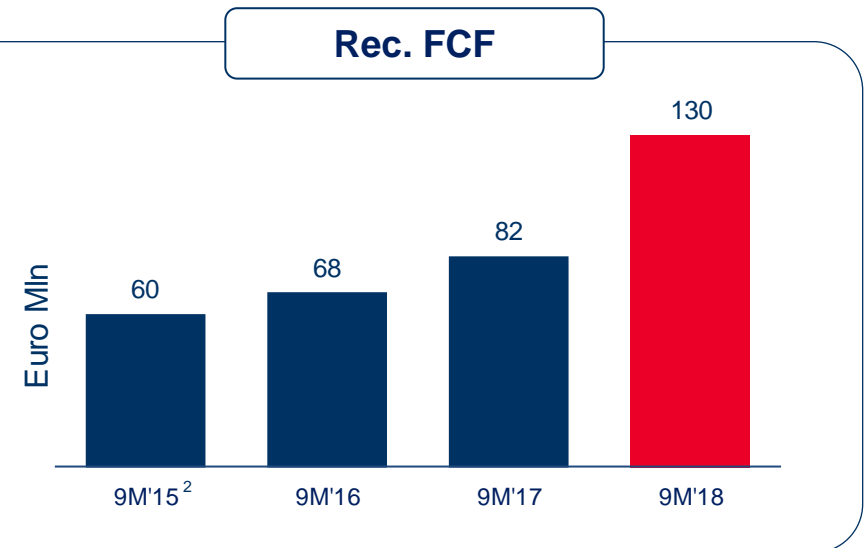
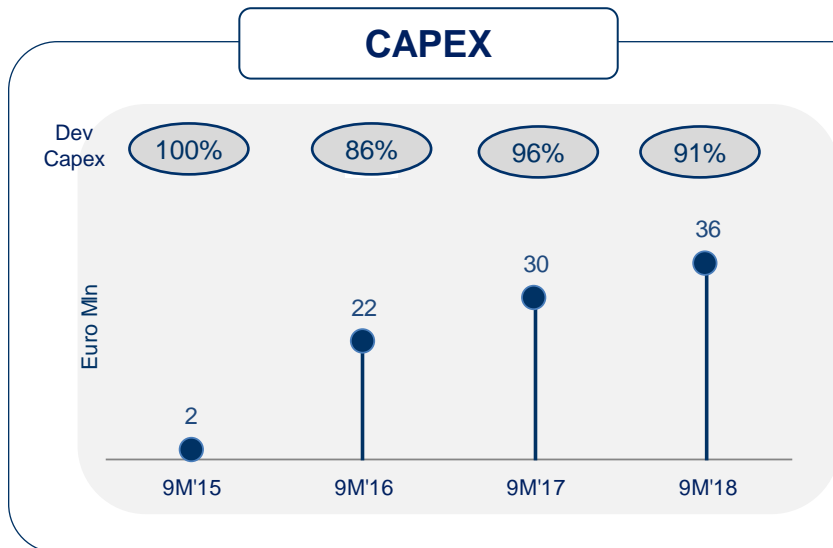
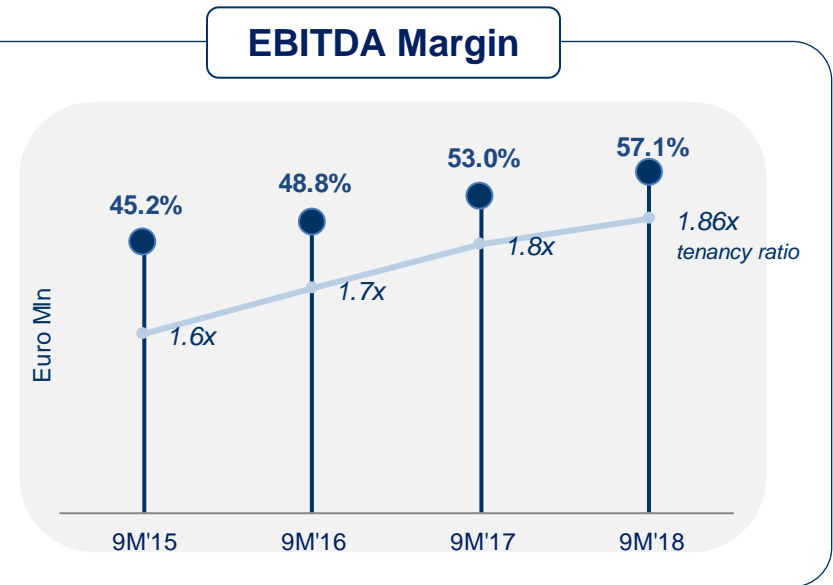
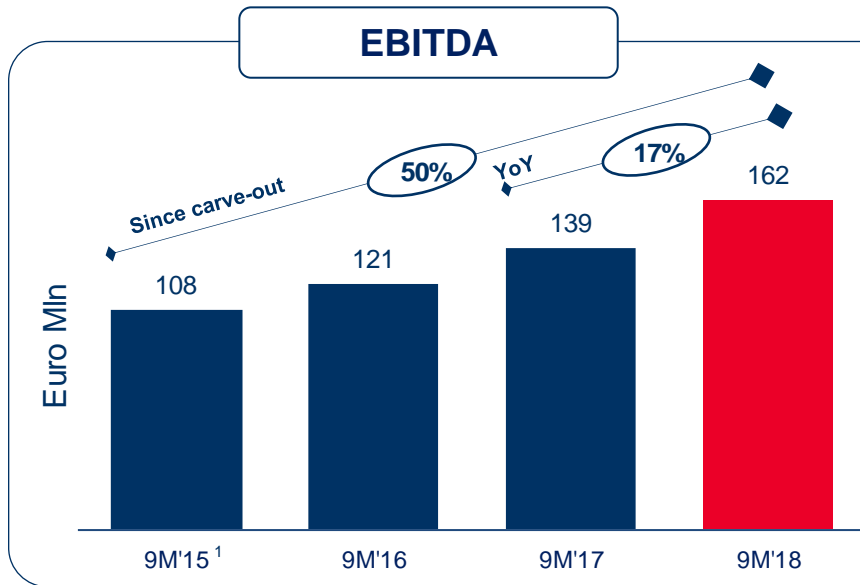
# Sound and positive economic trends in all metrics

|                                      | 9M'17          | 9M'18          | YoY %         |
|--------------------------------------|----------------|----------------|---------------|
| <b>Revenues</b>                      | <b>261.8</b>   | <b>283.9</b>   | <b>+8.4%</b>  |
| TIM (MSA) <sup>1</sup>               | 193.5          | 195.7          | +1.1%         |
| OLOs & others <sup>2</sup>           | 65.3           | 74.7           | +14.4%        |
| New Sites & Small Cells <sup>3</sup> | 3.0            | 13.5           | > 4x          |
| <b>OPEX</b>                          | <b>(123.0)</b> | <b>(121.6)</b> | <b>(1.1%)</b> |
| Ground lease                         | (101.2)        | (97.8)         | (3.4%)        |
| Other Opex & Accruals <sup>4</sup>   | (15.9)         | (17.3)         | +8.8%         |
| Personnel Costs <sup>5</sup>         | (5.9)          | (6.5)          | +10.2%        |
| <b>EBITDA</b>                        | <b>138.8</b>   | <b>162.3</b>   | <b>+16.9%</b> |
| D&A & Write Off                      | (9.3)          | (11.2)         | +20.4%        |
| <b>EBIT</b>                          | <b>129.5</b>   | <b>151.1</b>   | <b>+16.7%</b> |
| Financial Expenses                   | (2.8)          | (3.0)          | +7.1%         |
| Taxes                                | (34.9)         | (42.4)         | +21.5%        |
| <b>NET INCOME</b>                    | <b>91.8</b>    | <b>105.7</b>   | <b>+15.1%</b> |
| Rec Capex                            | (1.1)          | (3.1)          | +181.8%       |
| Var Recurring WC <sup>9</sup>        | (15.3)         | (2.3)          | (85.0%)       |
| Cash Taxes                           | (39.0)         | (26.1)         | (33.1%)       |
| Financial Charges                    | (1.2)          | (1.3)          | +8.3%         |
| <b>Rec FCF <sup>7</sup></b>          | <b>82.2</b>    | <b>129.5</b>   | <b>+57.5%</b> |
| Capex <sup>6</sup>                   | (29.7)         | (36.2)         | +21.9%        |
| <b>Net Debt <sup>8</sup></b>         | <b>63.6</b>    | <b>65.0</b>    | <b>+2.3%</b>  |

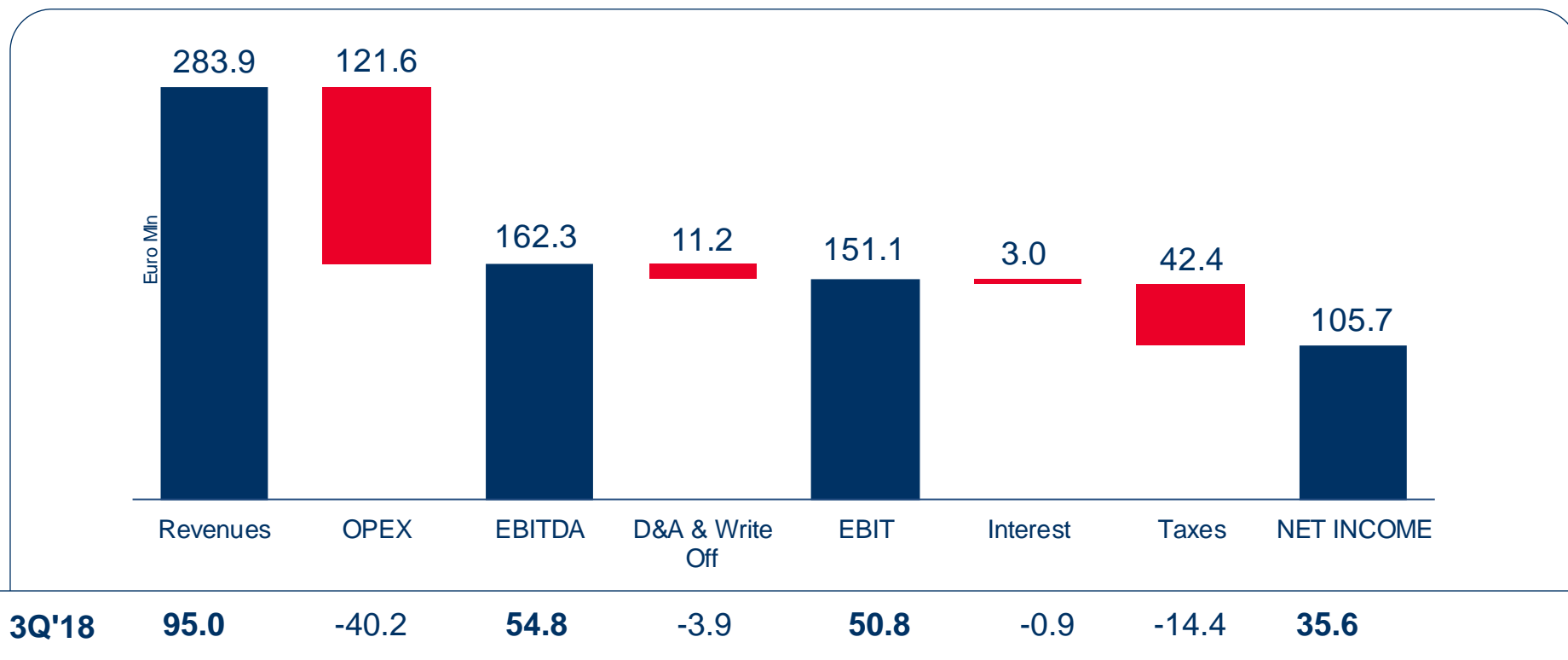
Euro Min



# Main Achievements



# Profit & Loss 9M'18



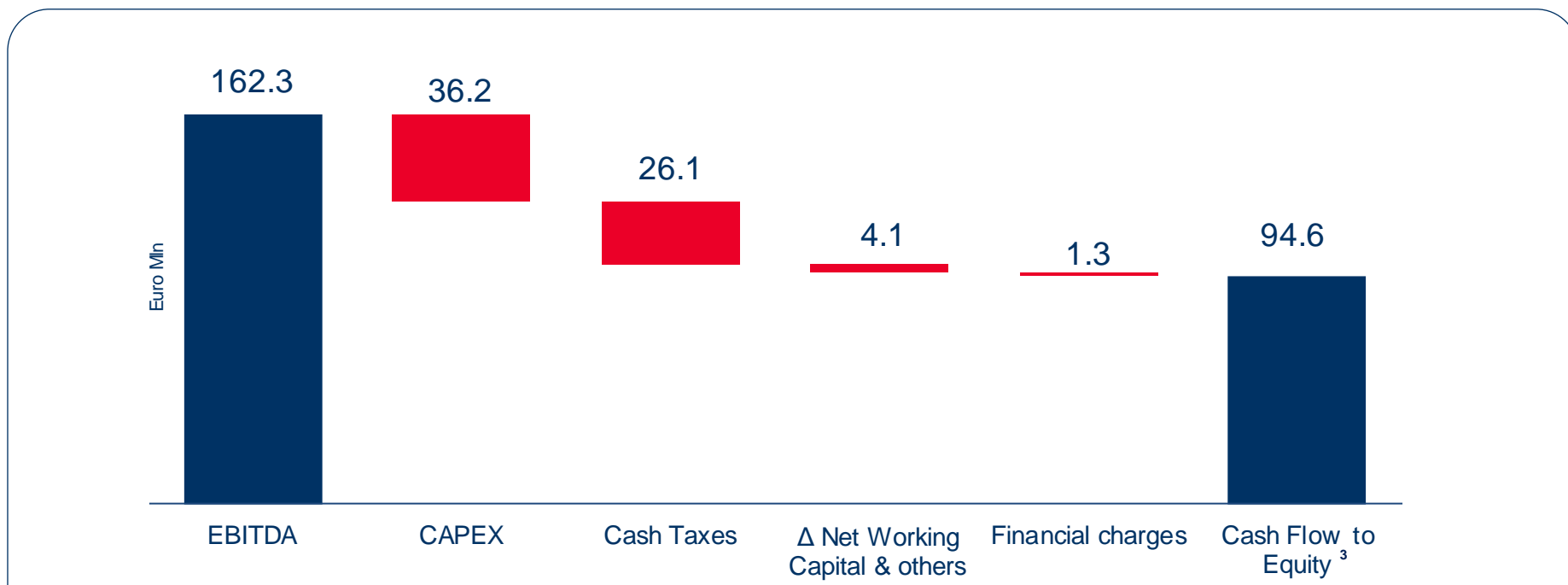
**Solid performance that confirms the growth trajectory**  
**Best in class EBIT Margin**

**EBIT Margin**

**53%**

9M'18

# Cash Flow 9M'18



| 3Q'18 | 54.8 | 10.1 | 25.2 | 4.3 | 0.4 | 14.7 |
|-------|------|------|------|-----|-----|------|
|-------|------|------|------|-----|-----|------|

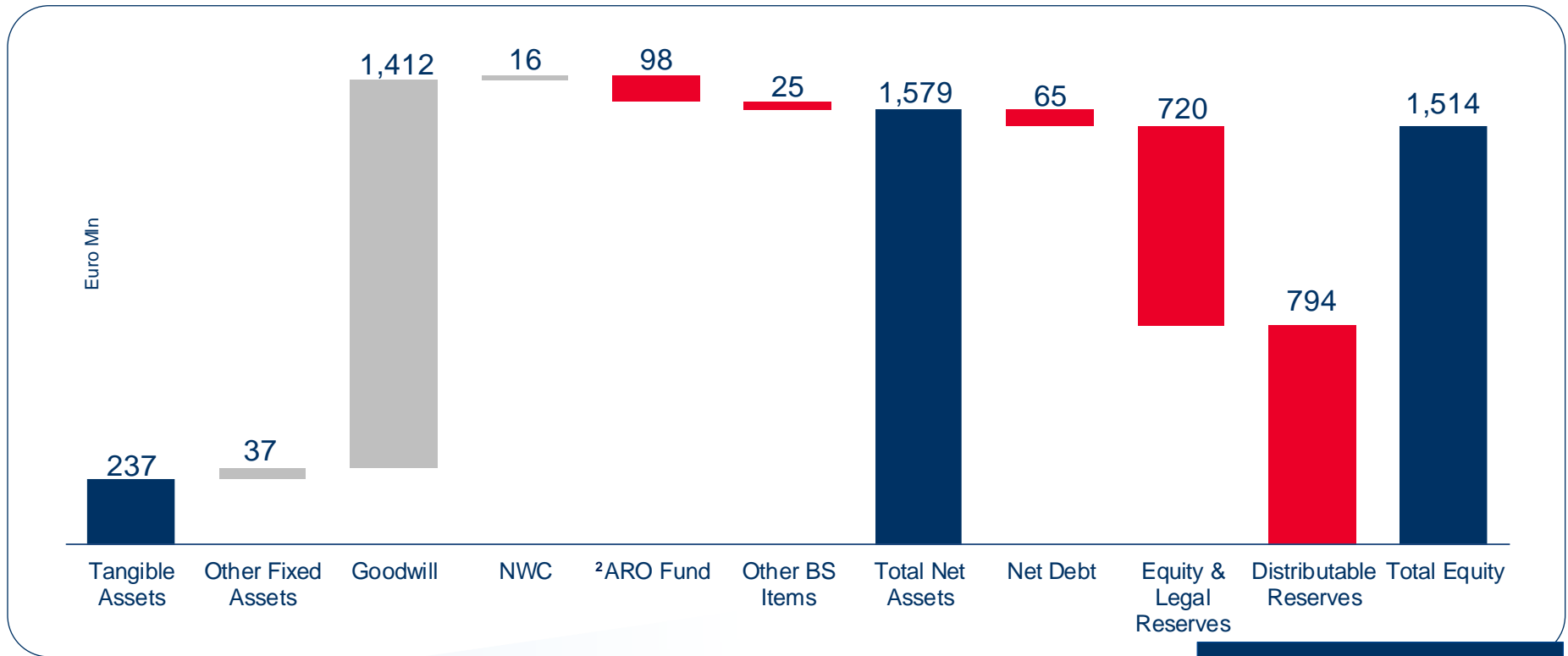
Recurring FCF<sup>1</sup>  
**129.5 mln €**

2018 Dividend<sup>2</sup>  
**114 mln €**  
 Equivalent to 0.19 € / share

**Positive Cash Flow-to-Equity**, despite increasing investments  
 +60% Growth YoY

**2018 dividend: 114 mln €** equivalent to 19 euro cent per share,  
 +29% Growth YoY

# Balance Sheet at September 30, 2018



**Intact financial flexibility  
to seize consolidation opportunities  
in a sparkling domestic tower market**

**Net Debt/EBITDA<sup>1</sup>**

**0.3x**

**Distributable reserves**

**794 mln €**

**Equivalent to 1.3 € / share**

3Q'18 Financial Results  
INWIT



More questions?  
Ask Investor Relations

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