



1Q18 Financial Results

Databook

March 31, 2018

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Disclaimer

Key Financials

Operating KPIs

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Disclaimer

The financial information of INWIT has been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the European Union (designated as "IFRS").

INWIT was incorporated on January 14, 2015 and the Tower Business was contributed to it from the Telecom Italia Group effective as of April 1, 2015. Therefore the financial information of INWIT does not include comparative information related to the 1H16 of the previous year.

FY14 Pro Forma data pertains to the Prospectus for the IPO and was determined as historical data plus adjustments as if the Transaction had virtually taken place on January 1st, 2014.

For the purpose of the reconciliation 2015 Annualized data has been calculated as 133% of the FY2015 financial results (April-December 2015).

This presentation contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements appear in a number of places 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.

Forward-looking information is based on certain key assumptions which we believe to be reasonable as of the date hereof, but forward-looking information by its nature involves risks and uncertainties, which are outside our control, and could significantly affect expected results. Analysts and investors are cautioned not to place undue reliance on those forward-looking statements, which speak only as of the date of this presentation. INWIT undertakes no obligation to publicly release the results of any review to these forward-looking statements which may be made to reflect events and circumstances after the date of this presentation, including, without limitation, changes to INWIT business or acquisition strategy or planned capital expenditures or to reflect the occurrence of unanticipated events.

Inwit FY17 financial information included in this presentation is taken from Inwit IFinancial Statement at December 31, 2017, 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 financial statements are unaudited.

12M PF is the annualized value of the reported 9M 2015 results, calculated multiplying the reported result by 12/9. The 3-month 2015 financial data (hereafter '2015 Avg Quarter') included in this presentation for comparative purposes was calculated as 33% of Inwit 9-month financial data for the year ended December 31, 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 1H'15 pro-forma has been calculated as 1Q'15PF (2014PF divided by 4) plus 2Q'15.

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.

Financial figures

Reported Quarterly Profit and Loss

Currency: €m	Average Quarter Pro-forma ^{1*}	Reported Quarterly Profit and Loss												
		1Q15 (Jan-Mar)	2Q15 (Apr-Jun)	3Q15 (Jul-Sep)	4Q15 (Oct-Dec)	1Q16 (Jan-Mar)	2Q16 (Apr-Jun)	3Q16 (Jul-Sep)	4Q16 (Oct-Dec)	1Q17 (Jan-Mar)	2Q17 (Apr-Jun)	3Q17 (Jul-Sep)	4Q17 (Oct-Dec)	1Q18 (Jan-Mar)
Revenues	78.6		79.0	79.8	80.4	81.7	83.2	83.9	84.7	86.4	87.4	88.0	94.8	95.5
TIM - MSA ¹	63.3		63.3	63.3	63.3	63.3	63.3	63.3	63.3	64.5	64.5	64.5	64.5	65.2
OLOs & Others ²	15.3		15.7	16.5	17.1	18.2	19.3	19.9	20.7	21.0	22.0	22.3	22.8	26.4
New Sites & New Services ³						0.2	0.6	0.7	0.8	0.9	0.9	1.2	7.5	3.9
Operating Expenses	(44.9)		(44.0)	(43.6)	(43.3)	(42.8)	(42.4)	(42.2)	(42.5)	(42.1)	(41.1)	(39.8)	(41.6)	(40.2)
Ground Lease	(38.6)		(38.0)	(37.9)	(37.1)	(35.6)	(35.6)	(35.4)	(34.6)	(33.9)	(33.9)	(33.4)	(33.5)	(32.9)
Other Operating Expenditure & Accruals ⁴	(5.2)		(4.7)	(4.5)	(4.9)	(5.5)	(5.3)	(5.3)	(6.0)	(6.2)	(5.3)	(4.4)	(6.0)	(5.2)
Personnel Costs ⁵	(1.1)		(1.3)	(1.2)	(1.3)	(1.7)	(1.5)	(1.5)	(1.9)	(2.0)	(1.9)	(2.0)	(2.1)	(2.1)
EBITDA	33.7		34.9	36.2	37.1	38.9	40.8	41.7	42.2	44.3	46.3	48.2	53.2	55.3
D&A	(2.5)		(2.7)	(2.8)	(3.3)	(3.2)	(3.3)	(3.3)	(3.7)	(2.9)	(3.1)	(3.2)	(3.3)	(3.1)
Write-off NBV of dismantled sites					(3.9)		(0.2)	(0.3)	(2.3)	(0.1)			(0.2)	(0.1)
EBIT	31.1		32.2	33.4	29.9	35.7	37.4	38.1	36.2	41.3	43.2	45.0	49.7	52.1
Interest	(0.9)		(0.8)	(1.0)	(1.0)	(0.9)	(0.9)	(0.9)	(0.8)	(1.0)	(0.9)	(1.0)	(0.9)	(1.0)
Taxes & Others	(9.7)		(10.1)	(10.7)	(9.0)	(11.3)	(11.4)	(12.0)	(11.1)	(11.5)	(12.2)	(11.3)	(13.9)	(14.7)
NET INCOME	20.6		21.3	21.7	19.9	23.5	25.1	25.1	24.3	28.9	30.2	32.7	34.9	36.4
EBITDA Margin	42.9%		44.2%	45.4%	46.1%	47.6%	49.0%	49.7%	49.8%	51.3%	53.0%	54.8%	56.1%	57.9%
TAX rate (on EBT)	32.1%		32.2%	33.0%	31.1%	32.5%	31.2%	32.3%	31.4%	28.5%	28.8%	25.7%	28.5%	28.8%
Net Income on Sales	26.2%		27.0%	27.2%	24.8%	28.8%	30.2%	29.9%	28.7%	33.4%	34.6%	37.3%	36.9%	38.1%

Note 1: MSA = Master Service Agreement with TIM on the existing sites.

Note 2: OLOs & others refer mainly to revenues from OLO on existing sites and other revenues or accruals, including some one-off fees, due to installation service.

Note 3: New sites and New Services refer to revenues on post-Inwit carve-out sites or small cells, generated from both TIM and OLOs.

Note 4: Other Operating Expenditure & Accruals include all the accruals, also that related to personnel.

Note 5: Personnel cost refer to recurring cost for personnel, not including any accrual.

Financial figures

Profit and Loss															
	[Unaudited]	[Audited]	[Audited]	[Audited]	[Unaudited]	[Audited]	[Audited]	[Unaudited]	[Audited]	[Unaudited]	[Audited]	[Unaudited]	[Audited]	[Unaudited]	
	FY14	3M15	6M15	9M15	FY15	3M16	6M16	9M16	FY16	3M17	6M17	9M17	FY17	3M18	
Currency: €m	Pro-forma ¹	(Apr-Jun)	(Apr-Sep)	(Apr-Dec)	Annualized ²	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)	(Jul-Sep)	(Jan-Dec)	(Jan-Mar)	
Revenues	314.0	79.0	158.8	239.2	318.9	81.7	164.9	248.8	333.5	86.4	173.8	261.8	356.6	95.5	
TIM - MSA	253.0	63.3	126.7	190.0	253.3	63.3	126.5	189.9	253.0	64.5	129.0	193.5	258.0	65.2	
OLOs & Others	61.0	15.7	32.1	49.2	65.6	18.2	37.6	57.4	78.2	21.0	43.0	65.3	88.1	26.4	
New Sites & New Services						0.2	0.8	1.5	2.3	0.9	1.8	3.0	10.5	3.9	
Operating Expenses	(179.4)	(44.0)	(87.7)	(131.0)	(174.7)	(42.8)	(85.2)	(127.4)	(169.9)	(42.1)	(83.2)	(123.0)	(164.6)	(40.2)	
Ground Lease	(154.4)	(38.0)	(75.9)	(113.0)	(150.7)	(35.6)	(72.0)	(106.6)	(141.2)	(33.9)	(67.8)	(101.2)	(134.7)	(32.9)	
Other Operating Expenditure & Accruals	(20.7)	(4.7)	(9.2)	(14.2)	(18.9)	(5.5)	(10.0)	(16.1)	(22.1)	(6.2)	(11.5)	(15.9)	(21.9)	(5.2)	
Personnel Costs	(4.3)	(1.3)	(2.5)	(3.8)	(5.1)	(1.7)	(3.2)	(4.7)	(6.6)	(2.0)	(3.9)	(5.9)	(8.0)	(2.1)	
EBITDA	134.6	34.9	71.1	108.2	144.3	38.9	79.7	121.4	163.6	44.3	90.6	138.8	192.0	55.3	
D&A	(10.1)	(2.7)	(5.5)	(8.8)	(11.7)	(3.2)	(6.5)	(9.8)	(13.5)	(2.9)	(5.9)	(9.2)	(12.5)	(3.1)	
Write-off NBV of dismantled sites				(3.9)	(5.2)		(0.2)	(0.5)	(2.8)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	
EBIT	124.5	32.2	65.6	95.5	127.4	35.7	73.1	111.2	147.3	41.3	84.6	129.5	179.2	52.1	
Interest	(3.6)	(0.8)	(1.8)	(2.8)	(3.7)	(0.9)	(1.8)	(2.7)	(3.5)	(1.0)	(1.8)	(2.8)	(3.7)	(1.0)	
Taxes & Others	(38.7)	(10.1)	(20.8)	(29.8)	(39.8)	(11.3)	(22.7)	(34.7)	(45.8)	(11.5)	(23.6)	(34.9)	(48.8)	(14.7)	
NET INCOME	82.2	21.3	43.0	62.9	83.9	23.5	48.6	73.7	97.9	28.9	59.1	91.8	126.7	36.4	
EBITDA Margin	42.9%	44.2%	44.8%	45.2%	45.2%	47.6%	48.3%	48.8%	49.1%	51.3%	52.1%	53.0%	53.8%	57.9%	
TAX rate (on EBT)	32.0%	32.2%	32.6%	32.1%	32.2%	32.5%	31.8%	32.0%	31.8%	28.5%	28.6%	27.5%	27.8%	28.8%	

Note 1*: Pro-Forma data pertains to the Prospectus for the IPO and was determined as historical data plus adjustments, as if the Transaction had virtually taken place on January 1, 2014.
 Note 2*: For reconciliation purposes, the FY'15 Annualized data has been calculated as 133% of the FY'15 financial results (April-December 2015).

Financial figures

Cash Flow														
	[Audited]	[Audited]	[Audited]	[Audited]	[Audited]	[Audited]	[Audited]	[Unaudited]	[Audited]	[Unaudited]	[Audited]	[Unaudited]	[Audited]	[Unaudited]
Currency: €m	As of March 31st 2015 (3-mth period)	As of June 30th 2015 (3-mth period)	As of Sept. 30th 2015 (6-mth period)	As of Dec. 31st 2015 (9-mth period)	As of March 31st 2016	As of June 30th 2016	As of Sept. 30th 2016	As of Dec. 31st 2016	As of March 31st 2017	As of June 30th 2017	As of Sept. 30th 2017	As of Dec. 31st 2017	As of March 31st 2018	
EBITDA		34.9	71.1	108.2	38.9	79.7	121.4	163.6	44.3	90.6	138.8	192.0	55.3	
Recurring CAPEX				(3.8)		(1.8)	(3.0)	(4.7)		(0.6)	(1.1)	(4.7)		
EBITDA - Recurring CAPEX		34.9	71.1	104.4	38.9	77.9	118.4	158.9	44.3	90.0	137.7	187.3	55.3	
Var. in trade receivables			(29.4)	(29.6)	(19.0)	(2.5)	(16.2)	1.7	(22.1)	(18.4)	(12.4)	(15.3)	(17.0)	
Var. in trade payables			13.1	22.1	6.6	9.8	16.0	15.9	1.4	15.8	10.8	33.3	4.6	
Other variations			1.1	(1.2)	0.5	(4.6)	(7.0)	(10.9)	(0.8)	(2.9)	(8.3)	(10.6)	4.9	
Total var. in net working capital			(15.2)	(8.7)	(11.8)	2.8	(7.2)	6.8	(21.5)	(5.5)	(9.9)	7.4	(7.5)	
Operating Free Cash Flow		19.7	62.4	81.9	27.1	80.7	111.2	165.7	22.8	84.5	127.8	194.7	47.8	
Tax Cash-Out						(39.2)	(39.2)	(54.6)		(4.7)	(39.0)	(65.5)		
Financial Charges			(0.3)	(0.7)	(0.4)	(0.8)	(1.3)	(1.9)	(0.4)	(0.8)	(1.2)	(1.5)	(0.3)	
Recurring Cash Flow		19.4	61.7	80.6	26.7	40.7	70.7	109.2	22.4	79.0	87.6	127.6	47.5	
Investment in Brescia Companies					(8.3)	(8.3)	(8.3)	(8.3)						
Development Capex			(1.9)	(1.9)	(3.8)	(9.8)	(18.6)	(30.5)	(6.8)	(14.1)	(28.6)	(50.7)	(10.8)	
Free Cash Flow to Equity		17.5	59.8	72.0	14.6	22.5	43.8	70.4	15.6	64.9	59.0	76.9	36.7	
Dividend Paid						(56.7)	(56.7)	(56.7)		(88.2)	(88.2)	(88.2)		
Net Cash Flow		17.5	59.8	72.0	14.6	(34.2)	(12.9)	13.7	15.6	(23.3)	(29.3)	(11.3)	36.7	
Net Debt Beginning of Period		120.0	120.0	120.0	48.0	48.0	48.0	48.0	34.3	34.3	34.3	34.3	45.6	
Net Debt End of Period (ESMA)		102.5	60.2	48.0	33.4	82.3	60.9	34.3	18.8	57.6	63.6	45.6	8.9	

Financial figures

Balance Sheet

	[Audited]	[Unaudited]	[Audited]	[Audited]	[Audited]	[Audited]	[Audited]	[Unaudited]	[Audited]	[Unaudited]	[Audited]	[Unaudited]	[Unaudited]	
Currency: €m	As of April 1st 2015	As of March 31st 2015	As of June 30th 2015	As of Sept. 30th 2015	As of Dec. 31st 2015	As of March 31st 2016	As of June 30th 2016	As of Sept. 30th 2016 - Consolidated	As of Dec. 31 2016 - Consolidated	As of March 31st 2017	As of June 30th 2017	As of Sept. 30th 2017	As of Dec. 31st 2017	As of March 31st 2018
Goodwill	1,404		1,404	1,404	1,404	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412	1,412
Tangible assets	184		181	178	186	187	189	193	193	195	198	206	222	226
Other intangible fixed assets			2	2	4	5	7	9	13	15	17	21	27	30
Other fixed assets (deferred taxes)					1				1					
Fixed assets	1,588		1,587	1,584	1,596	1,603	1,608	1,614	1,619	1,622	1,627	1,639	1,661	1,668
Net Working Capital	9		24	17	1	1	10	8	20	40	25	29	13	1
Current assets/liabilities	9		24	17	1	1	10	8	20	40	25	29	13	1
ARO fund	(95)		(95)	(95)	(100)	(101)	(100)	(100)	(95)	(95)	(96)	(96)	(97)	(97)
Other LT Net Assets/liabilities	(2)		(12)	(23)	(5)	(4)	(1)	(1)	(27)	(36)	(44)	(20)	(9)	(3)
Non-Current assets/liabilities	(96)		(107)	(118)	(105)	(104)	(100)	(101)	(122)	(131)	(139)	(116)	(106)	(100)
Invested Capital	1,500		1,504	1,483	1,491	1,500	1,517	1,521	1,518	1,532	1,512	1,552	1,568	1,568
Share Capital	600		600	600	600	600	600	600	600	600	600	600	600	600
Legal Reserve	120		120	120	120	120	120	120	120	120	120	120	120	120
Distributable Reserves	660		660	660	660	723	689	715	666	764	676	676	676	803
CY P&L (Fully distributable)			21	43	63	24	25	25	98	29	59	92	127	36
Total Net Equity	1,380		1,401	1,423	1,443	1,467	1,435	1,460	1,484	1,513	1,455	1,488	1,523	1,559
Long-Term Debt	120		120	120	120	120	120	120	100	100	80	80	60	60
Cash & Cash equivalents	120		(17)	(60)	(72)	(87)	(37)	(59)	(65)	(81)	(22)	(16)	(14)	(51)
Total Net Financial Position	120		103	60	48	33	82	61	34	19	57	64	46	9
Total sources of financing	1,500		1,504	1,483	1,491	1,500	1,517	1,521	1,518	1,532	1,512	1,552	1,568	1,568
NFP/EBITDA	0.9 x	n.a.	0.7 x	0.4 x	0.3 x	0.2 x	0.5 x	0.4 x	0.2 x	0.1 x	0.3 x	0.3 x	0.2 x	0.2 x

Key Performance Indicators

	PF2014 - 1Q15 PF	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18
<i>Operational KPIs</i>	As of Dec. 31st 2014 PF	As of June 30th 2015	As of Sept. 30th 2015	As of Dec. 31st 2015	As of March 31st 2016	As of June 30th 2016	As of Sept. 30th 2016	As of Dec. 31 2016	As of March 31st 2017	As of June 30th 2017	As of Sept. 30th 2017	As of Dec. 31st 2017	As of March 31st 2018
Tenancy Ratio	1.55x	1.59x	1.60x	1.62x	1.64x	1.67x	1.70x	1.72x	1.75x	1.78x	1.80x	1.82x	1.84x
Number of Tenants (in K)	17.8	18.3	18.4	18.2	18.3	18.6	18.9	19.1	19.3	19.6	19.9	20.1	20.30
Anchor Tenants	11.50	11.5	11.4	11.1	10.90	10.9	10.7	10.7	10.70	10.6	10.7	10.7	10.75
(+) Anchor Tenants - New Sites "on air"			0.03		0.04	0.02	0.01	0.05	0.02	0.01	0.05	0.07	0.05
(-) Anchor Tenants - Decommissioning			0.1	0.3	0.2		0.3		0.1		-		-
OLOs	6.3	6.8	7.0	7.1	7.4	7.7	8.2	8.4	8.7	9.0	9.2	9.4	9.55
OLOs New Tenants		0.5	0.2	0.2	0.3	0.3	0.5	0.2	0.3	0.3	0.2	0.2	0.15
Organic Number of Sites (in K)	11.5	11.5	11.5	11.2	11.1	11.2	11.1	11.1	11.0	11.0	11.0	11.0	11.05
(+) Sites - New Sites "on air"			0.03		0.04	0.02	0.01	0.05	0.02	0.01	0.05	0.07	0.05
(-) Dismantled or Being Dismantled Sites				0.30	0.10		0.10		0.10	0.10	0.10	0.05	-

Note 1: New Sites "on air" refers to New Sites completed during the period and already used by clients.

Note 2: Site where the anchor tenant left, not necessarily dismantled yet.

Note 3: Subtract not marketable sites, which are being dismantled and already decommissioned by the MNOs.

Note 4: Site both already dismantled and being dismantled, excluding the ones marked as marketables || all of them have already being decommissioned by the MNO.