

# INWIT

Infrastrutture Wireless Italiane

Q2  
2023



## Q2 2023 Financial Results

July 26<sup>th</sup> 2023

This presentation contains statements that constitute forward-looking statements. 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 guaranteed 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.

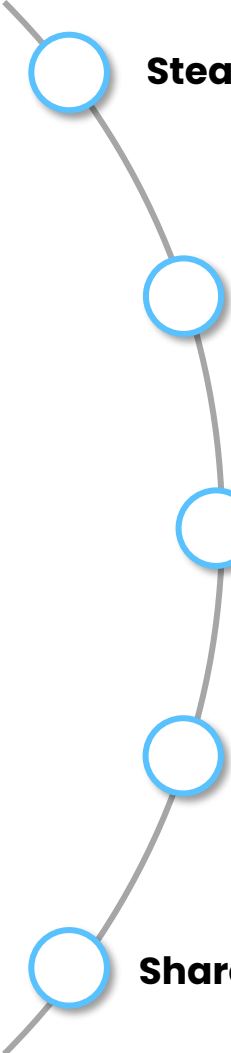
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The financial information of INWIT were prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the European Union (designated as “IFRS”). It is worth to remind that the Company has been merged with Vodafone Towers as of 31 March 2020. Following the adoption of IFRS 16, INWIT uses the additional alternative performance indicator of EBITDA after Lease (“EBITDAaL”), calculated by adjusting the EBITDA for the ground lease costs. Such alternative performance measure is not subject to audit.

The Recurring FCF formula is the following: Recurring Free Cash Flow calculated as EBITDA recurring IFRS 16 – ground lease payment – recurring CAPEX + change in net working capital not related to development CAPEX – cash taxes – financial interest payment.

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- 
- Steady progress** – execution continues in-line with Business Plan targets
  - Site roll-out keeps momentum** – solid Anchor MSA New Sites, initial delivery of the other BTS programs
  - Pick up in New Services** – early wins of renewed DAS indoor coverage commercial approach
  - Strong cash flow generation** – tenant growth, CPI link, cost control, NWC cash release, low capex and taxes
  - Share buyback plan initiated** – continued focus on growth capex while enhancing shareholder returns

## Sustained revenue growth

**+12.8%**

Organic Revenue Growth YoY

CPI link, New sites, New PoPs, New services

## Margin expansion

**+16.7%**

EBITDAaL Growth YoY

71% margin (+2.4 p.p. YoY)

## High cash flow generation

**€187m**

Recurring FCF

5.0x Net Debt / EBITDA vs 5.6x at 2Q'2022

## New Sites Momentum

**+225**

New Sites

170 MSA sites + other BTS programs

## Growth in New PoPs

**+1,060**

New PoPs

Tenancy ratio at 2.20x

## Real estate transaction at pace

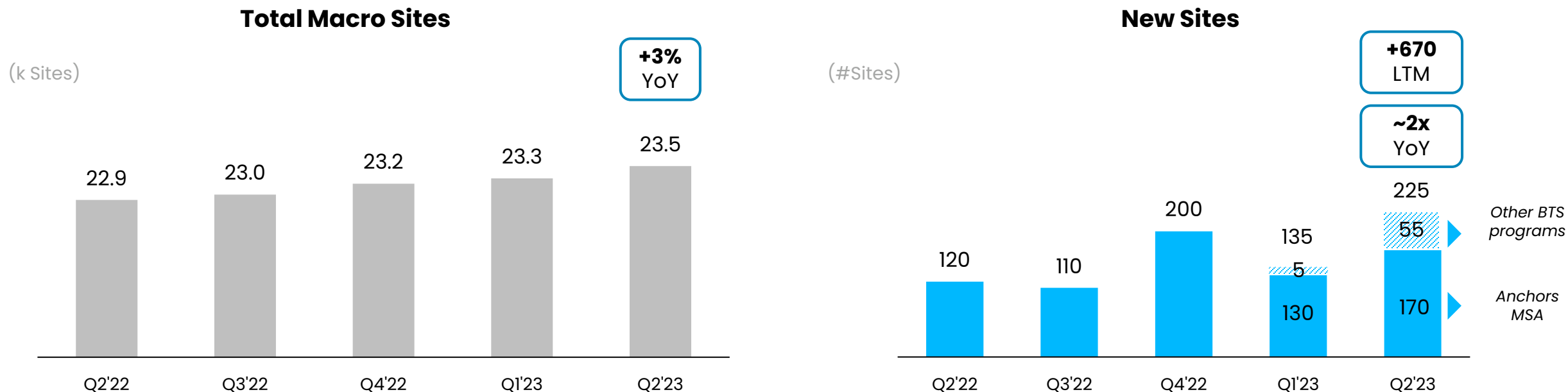
**+510**

renegotiation/ buyout transactions

EBITDAaL per site at €28.5k

**Execution of Business Plan 2023–2026 continues**

# New Sites: solid demand, operations keep momentum

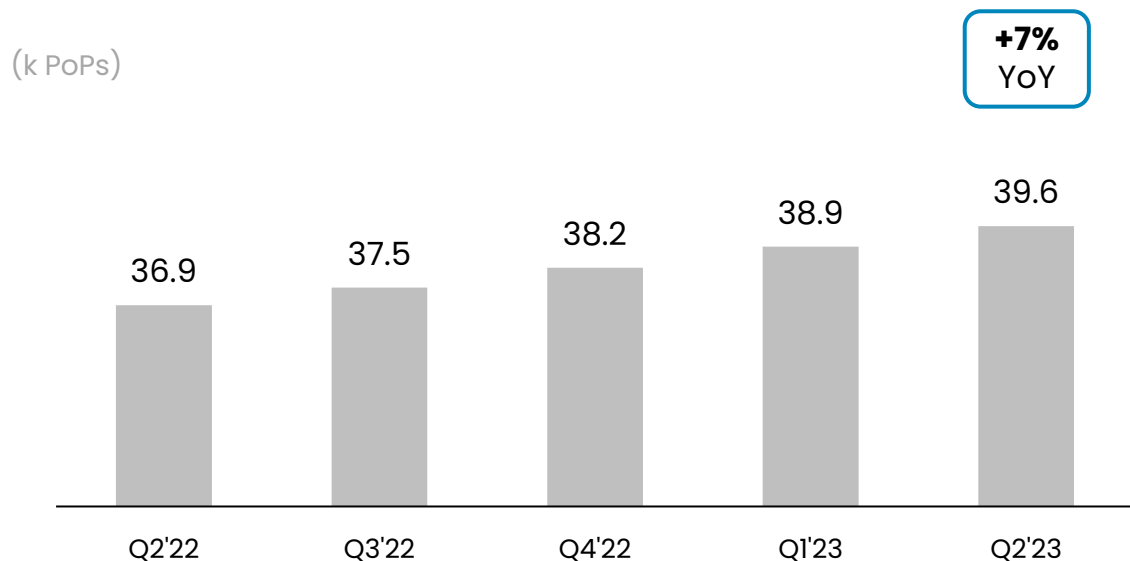


## Highlights

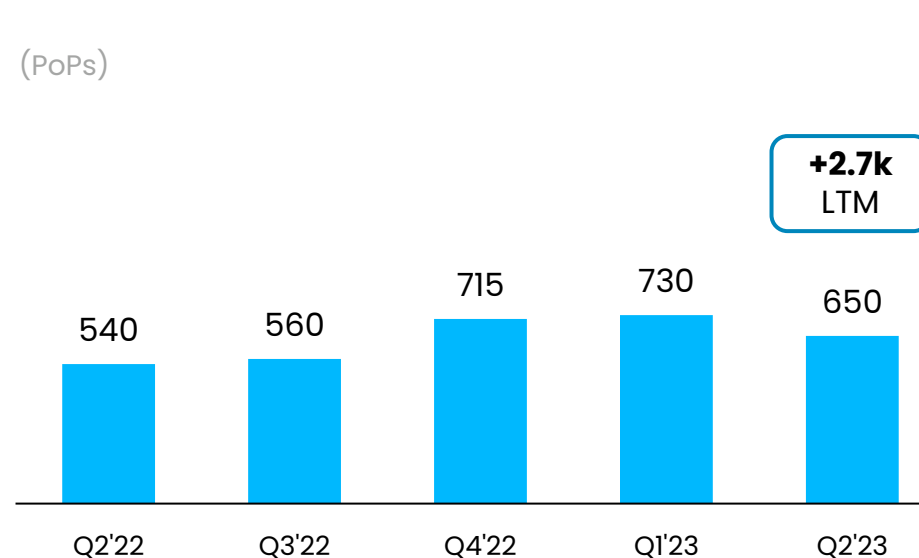
- **Solid demand** for new sites: improved coverage, densification needs linked to on-going upgrade to 5G, reduction of digital divide
- Operations **consistently at higher scale**: from <100 New Sites in 2020 to 2023 target of ~800 New Sites (Anchors MSAs New Sites + other BTS programs)
- Multiple New Sites programs now live: Anchors MSA, 5G Next Generation EU Tender, Open Fiber agreement
- Focus on: facilitating a faster permits process



# Anchor PoPs: sustained pace supporting 5G densification

### Anchors – Total PoPs



### Anchors – New PoPs



Anchor clients:  

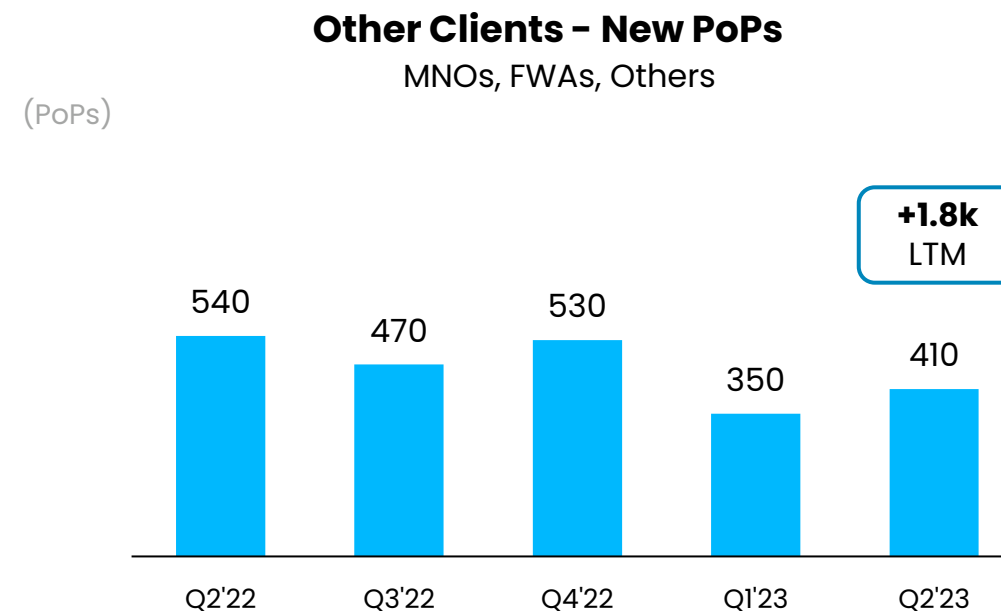
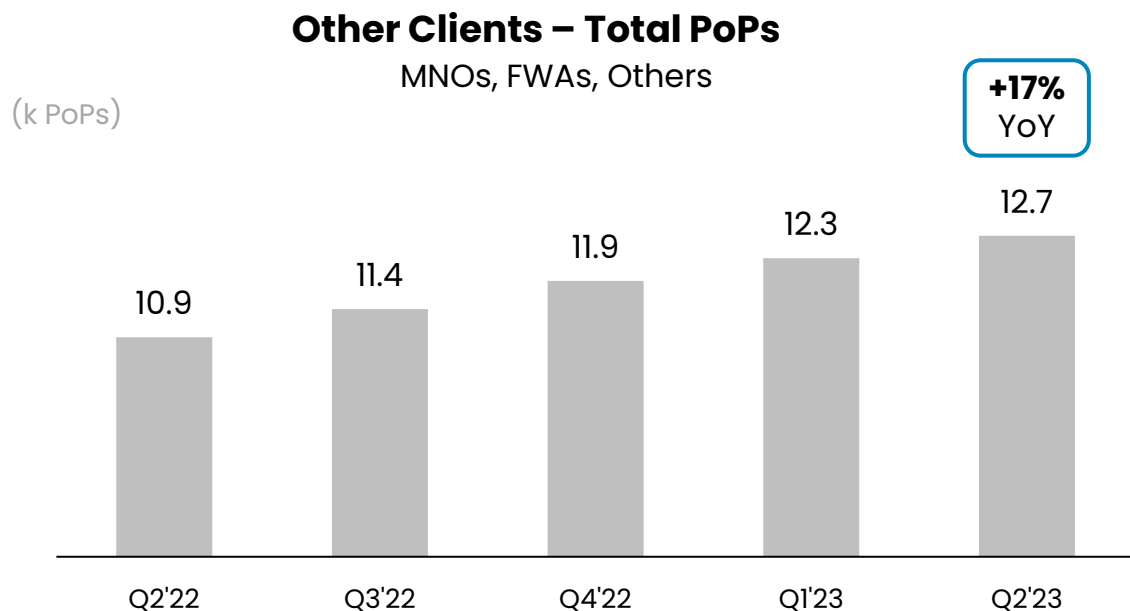
## Highlights

- INWIT operating model of shared infrastructure investments enabling an **efficient roll-out of 5G mobile network**
- Growth driven by Anchors MSA contractual commitments: New PoPs on New Sites and densification/optimization on Existing Sites
  - +2.7k PoPs in last-twelve-months (+7%), 1H23 run-rate in line with 2023 target

Notes:

“New PoPs” or “New Tenant” definition: new contract signed for a specific location, giving the host the right of use of a portion of a site for the installation and use of radio transmission active equipment.

# OLOs' PoPs: volume growth supported by "Other Clients"



MNOs – FWA Clients



iliad

FASTWEB

linkem



open fiber

Other Clients



Utilities



Security & Public Admin.



Radio DAB

## Highlights

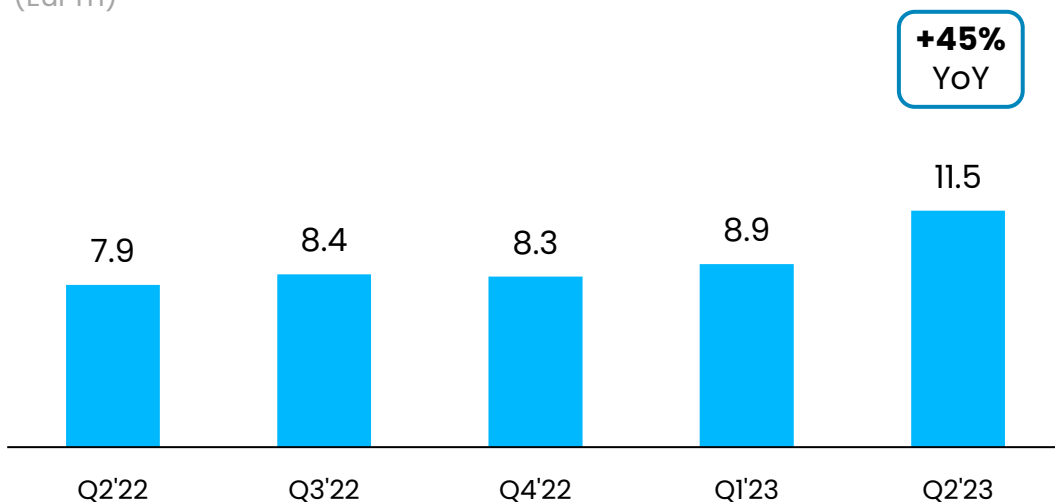
- INWIT assets attractive to **multiple client categories**: MNOs, FWAs, Others (e.g.: IoT, gateways etc.)
- MNOs: PoP growth from all clients, while regulatory dispute on remedies at EU level limits potential on towns >35k population
- FWA: recent industry and corporate developments causing demand volatility with some clients; **structural demand tailwinds** remain
- Other Clients: sustained volume continues, particularly for Utility clients (monitoring of real-time consumption data)

Notes:

"New PoPs" or "New Tenant" definition: new contract signed for a specific location, giving the host the right of use of a portion of a site for the installation and use of radio transmission active equipment.

## New Services Revenues

(Eur m)



## Micro-grid assets and verticals



## Highlights

- **Micro grid assets** – DAS, Tunnels, Repeaters and Small Cells – **working in synergy with macro grid**
- New Services growth led by indoor coverage through DAS (Distributed Antenna Systems)
- Early wins from INWIT new go-to-market: ~130 new DAS Indoor coverage projects (H123) + tenancy growth on existing infrastructure
  - Public Administration, Leisure, Rail and Road and Healthcare the most dynamic verticals
- Small Cells expected to enhance 5G coverage/capacity in the medium-term: pilots on-going



# P&L: +17% growth in EBITDAaL

(€m)	Q2 2022	Q1 2023	Q2 2023	YoY
<b>Total Revenues</b>	<b>210.7</b>	<b>233.6</b>	<b>237.6</b>	12.8%
One-off Revenues	-	0.2	0.2	n.m.
<b>Recurring Revenues</b>	<b>210.7</b>	<b>233.4</b>	<b>237.5</b>	12.7%
Anchors MSA macro sites	174.4	194.0	196.1	12.4%
OLOs macro sites and others	28.3	30.6	29.9	5.6%
New services	7.9	8.9	11.5	44.9%
OpEx	19.0	19.8	21.3	12.2%
<b>EBITDA</b>	<b>191.7</b>	<b>213.8</b>	<b>216.4</b>	12.9%
<i>EBITDA margin</i>	91.0%	91.5%	91.1%	0.1pp
D&A	89.6	91.3	92.9	3.7%
Interests	19.0	25.0	26.8	40.9%
Taxes	9.2	14.6	15.9	72.4%
<b>Net Income</b>	<b>73.9</b>	<b>82.9</b>	<b>80.8</b>	9.3%
<i>Net Income margin</i>	35.1%	35.5%	34.0%	-1.1pp
Lease costs	48.2	48.2	48.8	1.3%
<b>EBITDAaL</b>	<b>143.5</b>	<b>165.6</b>	<b>167.6</b>	16.7%
<i>EBITDAaL margin</i>	68.1%	70.9%	70.5%	+2.4pp

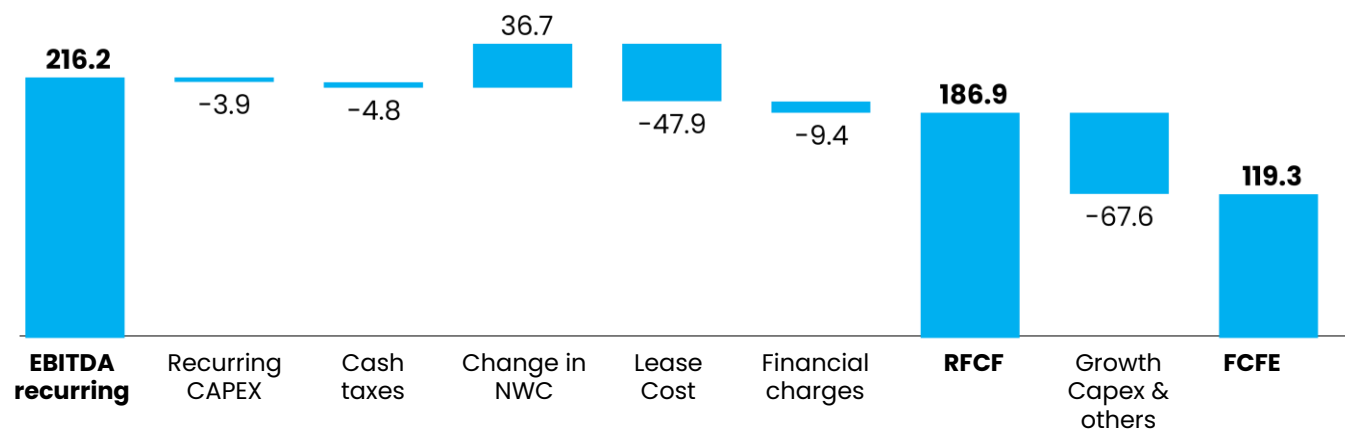
## Highlights

- Industry-leading “**low-teens**” **organic growth** supported by **multiple drivers**:
- Anchors: sustained growth pace driven by MSA contractual commitments
  - New PoPs on New and Existing Sites
  - CPI link (2022 avg figure applies; Anchors: no cap; OLOs: caps may apply)
- OLOs: limited growth discounting lower “other services” vs prior year:
  - “Other services” include tech services, installation, maintenance etc.
  - Continued OLOs volume growth, mix skewed towards non-TLC clients
- New services: **commercial momentum** driving meaningful pick up at +45%
  - New Indoor Coverage projects through DAS
- EBITDA margin in-line with guidance, despite OpEx phasing
- About stable lease costs, managing a larger asset base and inflation impact
  - >500 land renegotiation/buyout transactions in Q2
  - +2.4 p.p. EBITDAaL **margin expansion** year-on-year
- +9% growth in Net Income discounting higher D&A, interest and taxes
  - IFRS16 financial charges at €6.5m (€5.5m in Q2 2022)

# Cash flow: progress towards yearly target

(Eur m)

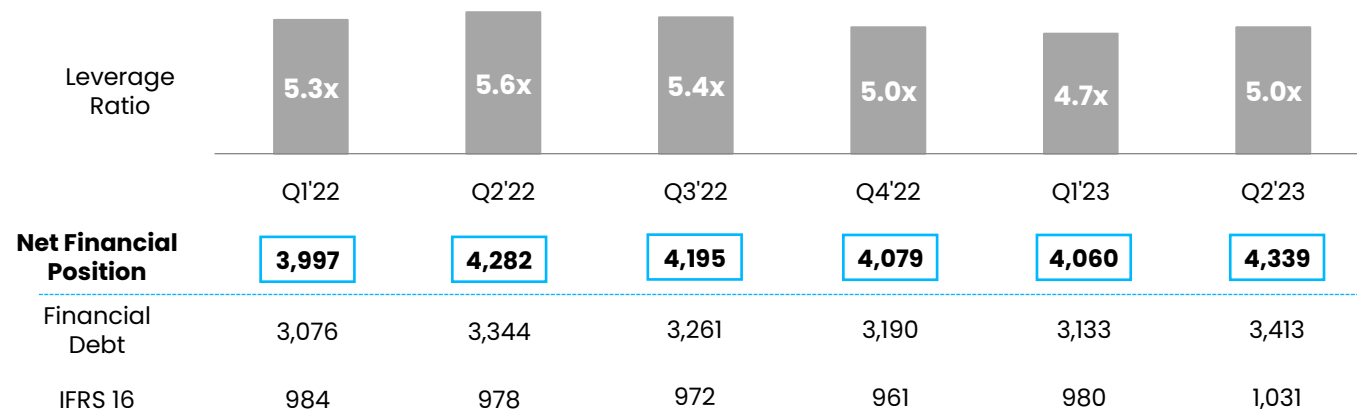
## Q2 2023 cash flow build up



## Highlights

- High RFCF at €187m (+85% YoY / +37% QoQ)
  - Positive NWC due to accelerated recovery of legacy items and optimization activities
  - Low cash taxes (FY23 expected < €20m)
  - Lease cost seasonality (Q2 lighter vs Q1)
- Growth capex focused on new sites and land buyout
- Structural ability to grow RFCF** based on improving margins and limited recurring capex

## Leverage Ratio<sup>1</sup> and Net Financial Position



## Highlights

- Moderate leverage increase due to dividend payment
  - €329m dividend cash out in Q2
  - €9m share buyback (started on June 15<sup>th</sup>)
- Progressive deleveraging to continue
- Debt profile details:
  - No refinancing before 2025** (Eur 500m term loan)
  - >75% fixed / <25% floating rate
  - Current average cost: 2.4%
  - Average bond maturity: about 4.8 years

Note:

1: Leverage ratio calculated as Net Debt on annualized quarterly EBITDA

# Sustainability Plan H1 2023 progress: supporting the reduction of digital divide

## TOWER AS A SERVICE



**Main target 2023-2026**



- Carbon Neutrality by 2024
- 2030 Net Zero Plan
- 2,5+ MWP photovoltaic plants
- -22 GWh from energy efficiency

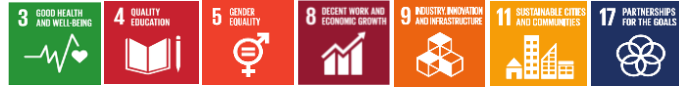
**1H 2023 progress**

- ISO 50001 Certification
- 4,5 GWh energy savings run rate
- 96% waste recovered
- Biodiversity monitoring: smart cameras installation in 3 WWF oasis

## E



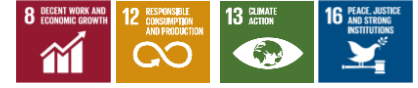
## S



- To accelerate indoor and outdoor coverage
- To grow hospitalities in white/vulnerable areas
- To improve gender equality
- To reduce lost days injury rate

- 360 new macrosites
- >140 new PoPs in white/vulnerable areas
- Lost days injury rate 1,7
- More than 300 H&S audits on contractors

## G



- Tenancy ratio improvement
- ESG Rating and Index
- Due Diligence Human Rights
- Tax Control Framework

- Bloomberg GEI and FTSE4Good Index inclusion
- TCFD Report
- 2023 Stakeholder Forum
- 69% of total expenditures assessed on ESG

**Rating Update**



**B**



**Low Risk (19.3/100)**



**A**



**3.5**



**C+**

**Prime**

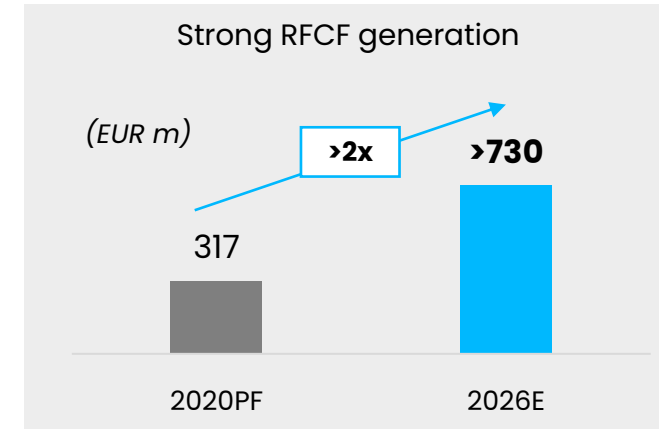


**B**



## Industry-leading organic growth with high visibility based on MSAs

- High-single-digit organic revenue growth
- EBITDAaL margin expansion
- Strong cash flow generation



## Sizeable capex plan with further balance sheet flexibility to maximize growth opportunity

Growth Capex  
**€0.9m**  
 (2023E-2026E)

Balance Sheet Flexibility  
**5.0x-5.5x**  
 (leverage 2023E-2026E)



## Enhanced dividend policy + first time share buyback plan

Current dividend policy  
**€1.5bn**  
 (2023E-2026E)

Extra dividends  
**€323m**  
 (2023E-2026E)

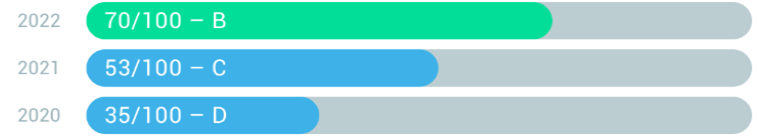
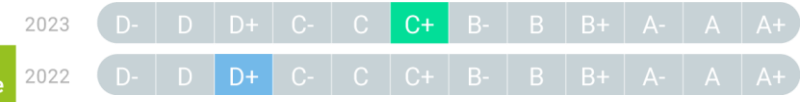
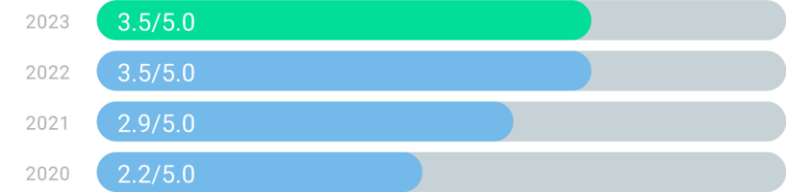
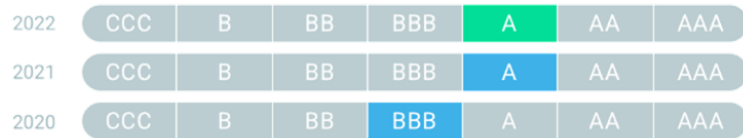
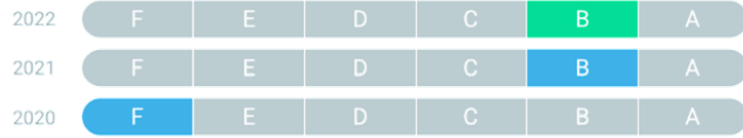
Share buyback  
**€300m**  
 (2023E-2024E)

## **Annex**

# 2023–2026 Business Plan Guidance

EUR m	2022A	2023E	YoY %	2026E	CAGR
<b>Revenues</b>	853	<b>960–980</b>	14%	<b>&gt;1,200</b>	<i>High 1-digit</i>
EBITDA	779	<b>91%</b>	<i>Stable</i>	<b>~92%</b>	<i>High 1-digit</i>
<b>EBITDA margin %</b>	91%				
EBITDAaL	587	<b>71%</b>	<i>+2 p.p.</i>	<b>~76%</b>	<i>2-digit</i>
<b>EBITDAaL margin %</b>	69%				
<b>RFCF</b>	491	<b>595–605</b>	<i>+22%</i>	<b>&gt;730</b>	<i>2-digit</i>
<i>RFCF per share</i>	0.51		<i>+Buyback accretion</i>		<i>+Buyback accretion</i>
Hp. CPI <i>(1y lag P&amp;L impact)</i>	8.0% <i>(impact from 2023)</i>	5.0%		2.0%	
<b>Dividend Policy</b>	€0.30 DPS in 2020 + 7.5% CAGR to 2023	<b>Additional €100m</b> dividends p.a. from 2024 onwards +7.5% total CAGR to 2026E (e.g.: 2024 DPS at €0.48)			
<b>Share Buyback</b>	<b>NEW: up to €300m</b> in 18 months				

# ESG: overview of Ratings and Index Memberships



## ESG Index Membership



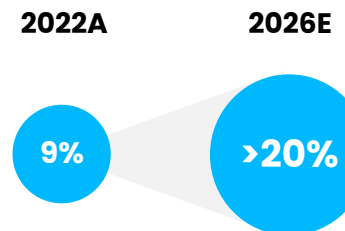
# Cost efficiency across the board

## Ground Lease cost

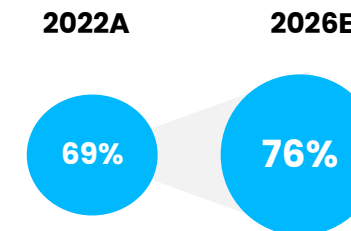
- Continued work on lease cost, tracking ahead of cost reduction targets
- Strong track record in lease cost reduction despite inflation link kicking-in and broader asset base
- Expansion of land buyout programme
- Ground lease costs stable ~€192m in 2026E



## % Land Owned

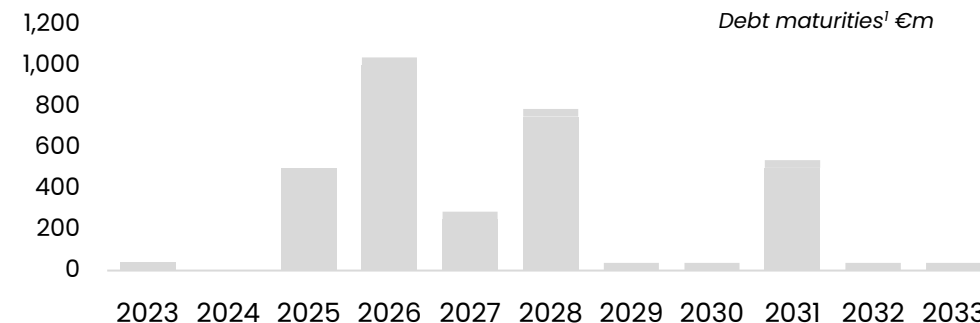


## EBITDAaL Margin %



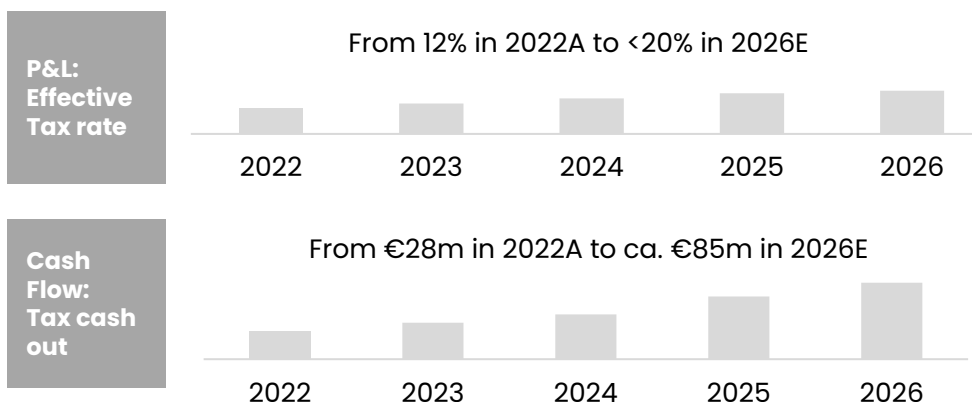
## Financial charges

- Balanced debt profile with no maturities in the short-term
  - Current cost of debt 2.4%
  - Average bond maturity about 4.8 years
  - >75% fixed / <25% floating rate
  - First bond maturity in 2026



## Taxes

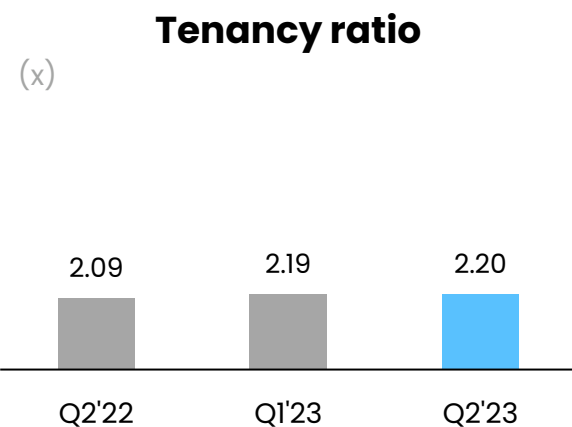
- Two tax schemes with long-term benefits and 2-digit IRRs
  - Presented in November 2020
    - Applied on €2bn goodwill from Vodafone merger
    - €114m p.a. cash benefits in 2022-2026 (RFCF)
  - Presented in March 2021, subsequently modified
    - Applied on €1.4bn goodwill at YE 2019
    - €8m p.a. cash benefits in 2022-2026 (RFCF)



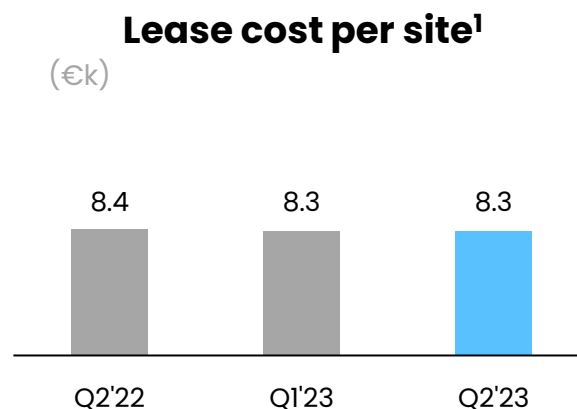
Notes:  
1: excluding short-term facilities



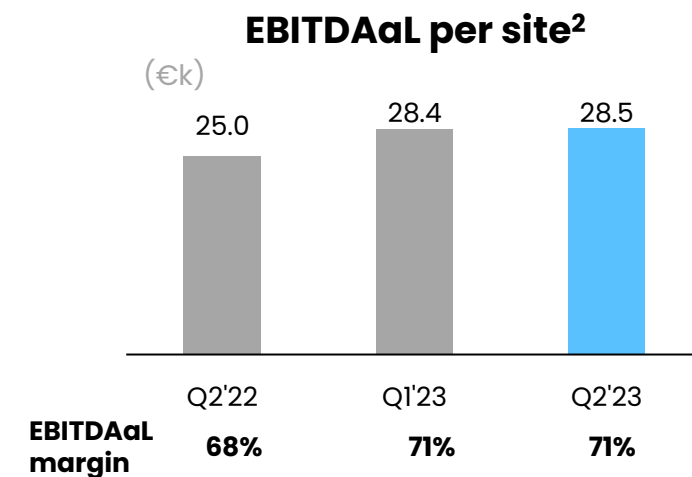
# Asset and cost optimization continues with tangible results



**Best in class tenancy ratio**



**Strong track record in lease cost reduction**



**Material and highly visible margin expansion**

## INWIT business model ensures highly visible margin expansion

- **Two Tier-1 anchors** and a role of **neutral host** resulting in one of the **highest tenancy ratio in the sector**
- Tenancy ratio expected to grow significantly, driven by mobile (MNOs and OLOs), FWA and other clients, unlocking **further operating leverage**
- Continued work **on lease cost**, tracking slightly ahead of cost **reduction targets**
- Progressive and visible **EBITDAaL per site expansion**

Notes:

1: Based on annualized quarterly lease cost; 2: Based on annualized quarterly EBITDAaL. Tenancy ratio: occupancy level of sites, computed as ratio of number of clients hosted and available sites.

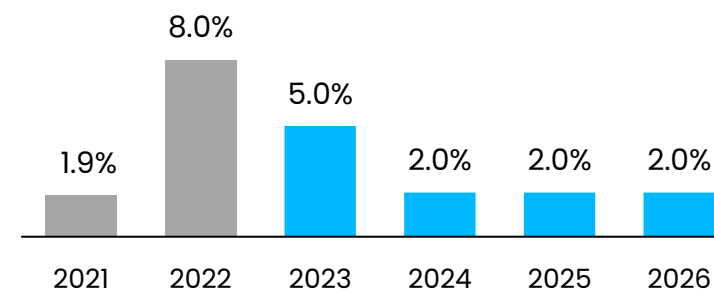
# Well positioned in current inflationary environment

Inflation impact on key variables		
Key Figures	% of 2022 Revenues	CPI link mechanics
Revenues	100%	
<b>Anchor MSA macro site</b>	82%	<b>100% linked to prior-year avg CPI (0% floor, no cap)</b> ✓
OLOs, New Services, others	18%	100% linked to 75% of prior year avg CPI
Operating expenses	9%	
Personnel Costs	3%	Based on collective bargaining agreements (hp: linked to CPI)
Other costs (inc. maintenance)	6%	Mainly outsourced (hp: partially linked to short term CPI)
<b>Tower site energy costs</b>	0%	<b>Pass-through to clients (no P&amp;L impact for INWIT)</b> ✓
EBITDA	91%	
Ground Lease Costs	23%	100% linked to 75% of prior year avg CPI (same time lag as revenues)
EBITDAaL	69%	
Financial charges	10%	Gross Debt >75% fixed / <25% floating rate
Capex (total)	22%	Limited impact from rising raw materials

**Inflation sensitivity:  
+1% inflation equals >€5m EBITDAaL**

## Inflation Business Plan assumptions

Inflation assumptions – year average



➔ Prior-year avg CPI applied to P&L

# Data book: Cumulated P&L

Currency: €m	3M20	6M20	9M20	FY20	3M21	6M21	9M21	FY21	3M22	6M22	9M22	FY22	3M23	6M23
	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)
<b>Revenues</b>	<b>103.0</b>	<b>287.4</b>	<b>473.5</b>	<b>663.4</b>	<b>190.2</b>	<b>383.1</b>	<b>581.2</b>	<b>785.1</b>	<b>207.0</b>	<b>417.7</b>	<b>632.5</b>	<b>853.0</b>	<b>233.6</b>	<b>471.2</b>
TIM - MSA macro sites <sup>1</sup>	66.3	146.7	228.4	310.0	82.1	165.7	250.1	333.7	85.7	173.3	259.9	345.1	95.6	195.7
VOD - MSA macro sites <sup>1</sup>		80.9	162.6	244.4	82.0	164.9	247.9	331.6	86.6	173.5	262.2	354.0	98.3	194.4
OLOs macro sites & Others <sup>2</sup>	24.4	45.5	66.1	89.4	22.9	45.8	70.4	99.6	27.1	55.5	86.6	121.7	30.8	60.8
New Services <sup>3</sup>	12.3	14.4	16.5	19.6	3.3	6.7	12.7	20.2	7.6	15.5	23.9	32.2	8.9	20.3
<b>Operating Expenses</b>	<b>(14.9)</b>	<b>(27.8)</b>	<b>(41.1)</b>	<b>(59.6)</b>	<b>(17.3)</b>	<b>(34.3)</b>	<b>(51.5)</b>	<b>(70.3)</b>	<b>(18.9)</b>	<b>(37.8)</b>	<b>(57.4)</b>	<b>(73.8)</b>	<b>(19.8)</b>	<b>(41.1)</b>
Ground Lease	(0.4)	(1.0)	(2.0)	(2.3)	(1.5)	(2.1)	(3.5)	(5.2)	(1.1)	(1.1)	(1.3)	(2.5)	(0.1)	(0.1)
Other OpEx	(11.7)	(19.2)	(27.3)	(39.1)	(10.4)	(22.0)	(33.7)	(46.7)	(12.9)	(26.5)	(40.3)	(50.0)	(14.5)	(31.2)
Personnel Costs	(2.8)	(7.6)	(11.8)	(18.2)	(5.4)	(10.2)	(14.3)	(18.4)	(4.9)	(10.2)	(15.8)	(21.4)	(5.2)	(9.7)
<b>EBITDA</b>	<b>88.0</b>	<b>259.6</b>	<b>432.4</b>	<b>603.8</b>	<b>173.0</b>	<b>348.9</b>	<b>529.8</b>	<b>714.9</b>	<b>188.1</b>	<b>379.8</b>	<b>575.1</b>	<b>779.2</b>	<b>213.8</b>	<b>430.2</b>
D&A and Write-off	(31.3)	(130.4)	(225.6)	(313.1)	(89.2)	(177.9)	(268.0)	(360.1)	(92.4)	(182.0)	(271.5)	(363.7)	(91.3)	(184.1)
<b>EBIT</b>	<b>56.7</b>	<b>129.2</b>	<b>206.8</b>	<b>290.7</b>	<b>83.8</b>	<b>171.0</b>	<b>261.8</b>	<b>354.7</b>	<b>95.7</b>	<b>197.9</b>	<b>303.6</b>	<b>415.5</b>	<b>122.5</b>	<b>246.0</b>
Interest	(9.5)	(26.9)	(47.5)	(69.8)	(21.5)	(47.9)	(70.1)	(90.1)	(18.8)	(37.8)	(57.5)	(81.2)	(25.0)	(51.8)
Taxes & Others	(13.7)	(30.6)	(47.4)	(64.3)	(18.9)	(28.0)	(42.1)	(73.3)	(8.9)	(18.1)	(29.1)	(40.9)	(14.6)	(30.5)
<b>NET INCOME</b>	<b>33.5</b>	<b>71.7</b>	<b>111.9</b>	<b>156.7</b>	<b>43.5</b>	<b>95.0</b>	<b>149.6</b>	<b>191.4</b>	<b>68.1</b>	<b>142.0</b>	<b>217.0</b>	<b>293.3</b>	<b>82.9</b>	<b>163.7</b>
<i>One-off details</i>														
One-off Revenues	<b>6.8</b>	<b>6.8</b>	<b>6.8</b>	<b>8.2</b>	<b>0.6</b>	<b>0.7</b>	<b>1.6</b>	<b>3.3</b>				<b>0.6</b>	<b>0.2</b>	<b>0.3</b>
One-off Expenses	<b>(5.0)</b>	<b>(6.8)</b>	<b>(6.8)</b>	<b>(6.8)</b>				<b>(2.5)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>(2.8)</b>	<b>(2.8)</b>		
<b>EBITDAaL</b>	<b>57.0</b>	<b>175.9</b>	<b>296.9</b>	<b>418.7</b>	<b>123.9</b>	<b>251.1</b>	<b>383.4</b>	<b>520.0</b>	<b>139.3</b>	<b>282.8</b>	<b>429.4</b>	<b>587.0</b>	<b>165.6</b>	<b>333.1</b>
EBITDA Margin	85.5%	90.3%	91.3%	91.0%	90.9%	91.1%	91.1%	91.1%	90.9%	90.9%	90.9%	91.3%	91.5%	91.3%
TAX rate (on EBT)	29.0%	30.0%	29.7%	29.1%	30.3%	22.8%	22.0%	27.7%	11.6%	11.3%	11.8%	12.2%	15.0%	15.7%
Net Income on Sales	32.5%	24.9%	23.6%	23.6%	22.8%	24.8%	25.7%	24.4%	32.9%	34.0%	34.3%	34.4%	35.5%	34.7%

**Note:**

Note 1: MSA= Master Service Agreement with TIM and Vodafone, macro sites only. Note 2: OLO & Others refer mainly to revenues from OLOs macro sites and other revenues, such as installation.

Note 3: New Services refer to revenues related to Small Cells, DAS, Backhauling by all customers (both Anchors and OLOs). EBITDAaL calculated based on contractual rental fee incurred in the period.

# Data book: Quarterly P&L

Currency: €m	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23
	(Jan-Mar)	(Apr-Jun)	(Jul-Sep)	(Oct-Dec)	(Jan-Mar)	(Apr-Jun)	(Jul-Sep)	(Oct-Dec)	(Jan-Mar)	(Apr-Jun)	(Jul-Sep)	(Oct-Dec)	(Jan-Mar)	(Apr-Jun)
<b>Revenues</b>	<b>103.0</b>	<b>184.4</b>	<b>186.1</b>	<b>189.9</b>	<b>190.2</b>	<b>192.9</b>	<b>198.1</b>	<b>203.9</b>	<b>207.0</b>	<b>210.7</b>	<b>214.8</b>	<b>220.5</b>	<b>233.6</b>	<b>237.6</b>
TIM - MSA macro sites <sup>1</sup>	66.3	80.4	81.7	81.7	82.1	83.6	84.4	83.6	85.7	87.5	86.6	85.2	95.6	100.1
VOD - MSA macro sites <sup>1</sup>		80.9	81.7	81.8	82.0	82.9	83.0	83.6	86.6	86.9	88.7	91.9	98.3	96.0
OLOs macro sites & Others <sup>2</sup>	24.4	21.1	20.6	23.3	22.9	23.0	24.6	29.2	27.1	28.3	31.1	35.1	30.8	30.1
New Services <sup>3</sup>	12.3	2.1	2.1	3.2	3.3	3.4	6.0	7.5	7.6	7.9	8.4	8.3	8.9	11.5
<b>Operating Expenses</b>	<b>(14.9)</b>	<b>(12.9)</b>	<b>(13.3)</b>	<b>(18.5)</b>	<b>(17.3)</b>	<b>(17.0)</b>	<b>(17.2)</b>	<b>(18.8)</b>	<b>(18.9)</b>	<b>(19.0)</b>	<b>(19.6)</b>	<b>(16.4)</b>	<b>(19.8)</b>	<b>(21.3)</b>
Ground Lease	(0.4)	(0.6)	(1.0)	(0.3)	(1.5)	(0.7)	(1.4)	(1.6)	(1.1)	(0.0)	(0.2)	(1.1)	(0.1)	(0.0)
Other OpEx	(11.7)	(7.5)	(8.1)	(11.8)	(10.4)	(11.6)	(11.7)	(13.0)	(12.9)	(13.6)	(13.8)	(9.6)	(14.5)	(16.8)
Personnel Costs	(2.8)	(4.8)	(4.2)	(6.4)	(5.4)	(4.7)	(4.1)	(4.1)	(4.9)	(5.3)	(5.6)	(5.6)	(5.2)	(4.5)
<b>EBITDA</b>	<b>88.0</b>	<b>171.6</b>	<b>172.8</b>	<b>171.4</b>	<b>173.0</b>	<b>175.9</b>	<b>180.9</b>	<b>185.1</b>	<b>188.1</b>	<b>191.7</b>	<b>195.2</b>	<b>204.1</b>	<b>213.8</b>	<b>216.4</b>
D&A and Write-off	(31.3)	(99.1)	(95.2)	(87.5)	(89.2)	(88.7)	(90.1)	(92.2)	(92.4)	(89.6)	(89.5)	(92.2)	(91.3)	(92.9)
<b>EBIT</b>	<b>56.7</b>	<b>72.5</b>	<b>77.6</b>	<b>83.9</b>	<b>83.8</b>	<b>87.1</b>	<b>90.8</b>	<b>93.0</b>	<b>95.7</b>	<b>102.2</b>	<b>105.7</b>	<b>111.9</b>	<b>122.5</b>	<b>123.5</b>
Interest	(9.5)	(17.4)	(20.6)	(22.3)	(21.5)	(26.4)	(22.1)	(20.0)	(18.8)	(19.0)	(19.8)	(23.7)	(25.0)	(26.8)
Taxes & Others	(13.7)	(16.9)	(16.7)	(16.9)	(18.9)	(9.2)	(14.0)	(31.2)	(8.9)	(9.2)	(11.0)	(11.8)	(14.6)	(15.9)
<b>NET INCOME</b>	<b>33.5</b>	<b>38.1</b>	<b>40.3</b>	<b>44.7</b>	<b>43.5</b>	<b>51.5</b>	<b>54.6</b>	<b>41.8</b>	<b>68.1</b>	<b>73.9</b>	<b>75.0</b>	<b>76.3</b>	<b>82.9</b>	<b>80.8</b>
<i>One-off details</i>														
One-off Revenues	<b>6.8</b>			<b>1.4</b>	<b>0.6</b>	<b>0.1</b>	<b>0.9</b>	<b>1.7</b>				<b>0.6</b>	<b>0.2</b>	<b>0.2</b>
One-off Expenses	<b>(5.0)</b>	<b>(1.8)</b>						<b>(2.5)</b>	<b>(0.9)</b>		<b>(1.9)</b>			
<b>EBITDAaL</b>	<b>57.0</b>	<b>118.9</b>	<b>121.0</b>	<b>121.7</b>	<b>123.9</b>	<b>127.2</b>	<b>132.3</b>	<b>136.6</b>	<b>139.3</b>	<b>143.5</b>	<b>146.6</b>	<b>157.6</b>	<b>165.6</b>	<b>167.6</b>
EBITDA Margin	85.5%	93.0%	92.9%	90.3%	90.9%	91.2%	91.3%	90.8%	90.9%	91.0%	90.9%	92.6%	91.5%	91.1%
TAX rate (on EBT)	29.0%	30.8%	29.3%	27.4%	30.3%	15.1%	20.5%	42.7%	11.6%	11.1%	12.8%	13.4%	15.0%	16.4%
Net Income on Sales	32.5%	20.7%	21.7%	23.5%	22.8%	26.7%	27.6%	20.5%	32.9%	35.1%	34.9%	34.6%	35.5%	34.0%

**Note:**

Note 1: MSA= Master Service Agreement with TIM and Vodafone, macro sites only. Note 2: OLO & Others refer mainly to revenues from OLOs macro sites and other revenues, such as installation.  
 Note 3: New Services refer to revenues related to Small Cells, DAS, Backhauling by all customers (both Anchors and OLOs). EBITDAaL calculated based on contractual rental fee incurred in the period.

# Data book: Balance Sheet

Currency: €m	3M20	6M20	9M20	FY20	3M21	6M21	9M21	FY21	3M22	6M22	9M22	FY22	3M23	6M23
	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)
Goodwill	6,712	6,113	6,113	6,113	6,113	6,113	6,113	6,147	6,147	6,147	6,147	6,147	6,147	6,156
Tangible assets	783	778	798	812	802	815	821	876	877	886	903	933	964	998
Other intangible fixed assets	13	810	786	762	744	722	696	693	666	640	617	589	556	523
Other fixed assets (deferred taxes)														
Rights of Use on Third Party Assets	1,168	1,230	1,149	1,140	1,107	1,072	1,050	1,078	1,096	1,094	1,091	1,092	1,128	1,185
<b>Fixed assets</b>	<b>8,677</b>	<b>8,930</b>	<b>8,846</b>	<b>8,827</b>	<b>8,766</b>	<b>8,722</b>	<b>8,679</b>	<b>8,794</b>	<b>8,786</b>	<b>8,767</b>	<b>8,758</b>	<b>8,761</b>	<b>8,794</b>	<b>8,862</b>
Net Working Capital	64	94	24	(34)	(9)	343	370	214	225	288	281	216	248	202
Shareholders dividend	(570)	(0)												
<b>Current assets/liabilities</b>	<b>(506)</b>	<b>94</b>	<b>24</b>	<b>(34)</b>	<b>(9)</b>	<b>343</b>	<b>370</b>	<b>214</b>	<b>225</b>	<b>288</b>	<b>281</b>	<b>216</b>	<b>248</b>	<b>202</b>
ARO fund	(217)	(218)	(220)	(221)	(221)	(223)	(224)	(228)	(229)	(229)	(230)	(225)	(226)	(230)
Deferred taxes Fund	(81)	(335)	(346)	(277)	(296)	(301)	(314)	(239)	(232)	(226)	(220)	(204)	(202)	(202)
Other LT Net Assets/liabilities	(30)	-	(3)	(3)	(3)	(3)	(4)	(4)	(4)	(4)	(4)	(4)	(5)	(5)
<b>Non-Current assets/liabilities</b>	<b>(328)</b>	<b>(553)</b>	<b>(569)</b>	<b>(501)</b>	<b>(521)</b>	<b>(527)</b>	<b>(542)</b>	<b>(471)</b>	<b>(465)</b>	<b>(459)</b>	<b>(454)</b>	<b>(433)</b>	<b>(433)</b>	<b>(437)</b>
<b>Invested Capital</b>	<b>7,842</b>	<b>8,471</b>	<b>8,301</b>	<b>8,292</b>	<b>8,236</b>	<b>8,538</b>	<b>8,508</b>	<b>8,537</b>	<b>8,546</b>	<b>8,596</b>	<b>8,585</b>	<b>8,545</b>	<b>8,609</b>	<b>8,626</b>
Share Capital	600	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	120
Reserves	3,830	3,703	3,703	3,703	3,860	3,572	3,572	3,572	3,762	3,453	3,453	3,453	3,747	3,404
CY P&L (Fully distributable)	34	72	113	157	43	95	150	191	68	142	217	293	83	164
<b>Total Net Equity</b>	<b>4,583</b>	<b>4,495</b>	<b>4,536</b>	<b>4,580</b>	<b>4,624</b>	<b>4,387</b>	<b>4,442</b>	<b>4,484</b>	<b>4,550</b>	<b>4,315</b>	<b>4,390</b>	<b>4,466</b>	<b>4,550</b>	<b>4,288</b>
Long-Term Debt	2,196	1,658	2,023	2,767	2,769	2,767	3,018	3,018	3,018	3,018	3,019	3,069	3,030	3,031
IFRS16 Long term debt	904	972	933	893	843	824	806	831	834	828	822	810	826	873
IFRS16 Short term debt	178	176	141	159	172	153	150	151	151	151	150	152	153	157
Short term debt	21	1,218	788	13	17	432	141	149	58	326	242	121	102	380
Cash & Cash equivalents	(40)	(48)	(118)	(120)	(188)	(25)	(49)	(96)	(64)	(41)	(38)	(73)	(52)	(104)
<b>Total Net Financial Position</b>	<b>3,259</b>	<b>3,976</b>	<b>3,765</b>	<b>3,712</b>	<b>3,612</b>	<b>4,151</b>	<b>4,066</b>	<b>4,053</b>	<b>3,997</b>	<b>4,282</b>	<b>4,195</b>	<b>4,079</b>	<b>4,060</b>	<b>4,339</b>
<b>Total sources of financing</b>	<b>7,842</b>	<b>8,471</b>	<b>8,301</b>	<b>8,292</b>	<b>8,236</b>	<b>8,538</b>	<b>8,508</b>	<b>8,537</b>	<b>8,546</b>	<b>8,596</b>	<b>8,585</b>	<b>8,545</b>	<b>8,609</b>	<b>8,626</b>
<b>NFP/EBITDA</b>	<b>4.9 x</b>	<b>5.9 x</b>	<b>5.5 x</b>	<b>5.4 x</b>	<b>5.2 x</b>	<b>5.9 x</b>	<b>5.6 x</b>	<b>5.5 x</b>	<b>5.3 x</b>	<b>5.6 x</b>	<b>5.4 x</b>	<b>5.0 x</b>	<b>4.7 x</b>	<b>5.0 x</b>

# Data book: Cash Flow

Currency: €m	3M20	6M20	9M20	FY20	3M21	6M21	9M21	FY21	3M22	6M22	9M22	FY22	3M23	6M23
	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)
EBITDA Recurring	86.3	259.5	432.4	602.4	172.4	348.2	528.1	714.1	189.0	380.7	577.9	781.4	213.6	429.9
Recurring CAPEX		(3.2)	(3.8)	(16.8)	(1.8)	(8.0)	(11.6)	(17.4)	(5.4)	(12.3)	(19.2)	(23.2)	(5.6)	(9.5)
<b>EBITDA - Recurring CAPEX</b>	<b>86.3</b>	<b>256.3</b>	<b>428.6</b>	<b>585.6</b>	<b>170.7</b>	<b>340.1</b>	<b>516.5</b>	<b>696.7</b>	<b>183.6</b>	<b>368.5</b>	<b>558.7</b>	<b>758.2</b>	<b>208.1</b>	<b>420.3</b>
Change in Net Working Capital	(4.7)	(15.9)	30.0	54.5	(18.2)	10.1	4.4	27.1	4.0	(1.0)	0.7	10.9	(5.5)	31.2
Change in Net Working Capital non Recurring	-	-	(57.8)	(57.8)										
<b>Operating Free Cash Flow</b>	<b>81.5</b>	<b>240.4</b>	<b>400.8</b>	<b>582.3</b>	<b>152.5</b>	<b>350.3</b>	<b>521.0</b>	<b>723.8</b>	<b>187.7</b>	<b>367.5</b>	<b>559.3</b>	<b>769.1</b>	<b>202.5</b>	<b>451.6</b>
Tax Cash-Out		(22.8)	(24.1)	(93.3)		(51.9)	(56.3)	(110.2)		(23.8)	(23.8)	(27.9)	(1.4)	(6.2)
Lease payment Recurring	(29.7)	(85.4)	(133.2)	(196.7)	(51.1)	(103.6)	(151.6)	(201.9)	(58.4)	(103.0)	(150.0)	(200.0)	(58.5)	(106.4)
Financial Charges	(1.5)	(2.5)	(16.3)	(20.5)	(8.3)	(10.3)	(31.6)	(45.3)	(2.7)	(13.0)	(35.0)	(49.8)	(6.0)	(15.5)
<b>Recurring Cash Flow</b>	<b>50.3</b>	<b>129.8</b>	<b>227.2</b>	<b>271.8</b>	<b>93.1</b>	<b>184.4</b>	<b>281.4</b>	<b>366.5</b>	<b>126.6</b>	<b>227.7</b>	<b>350.5</b>	<b>491.4</b>	<b>136.7</b>	<b>323.5</b>
One-off Items	(0.3)	(0.3)	(0.3)	1.1	0.6	0.7	1.6	0.7	(0.9)	(0.9)	(2.8)	(2.2)	0.2	0.3
Change in trade payables related to Dev. CAPEX	(10.2)	(2.0)	19.4	29.3	(6.2)	(9.9)	(27.2)	56.3	(62.9)	(66.7)	(66.9)	(37.3)	(24.7)	(36.9)
Development CAPEX	(8.1)	(21.5)	(64.2)	(101.9)	(16.2)	(46.4)	(69.8)	(199.1)	(26.4)	(58.2)	(98.7)	(163.8)	(51.6)	(107.5)
Goodwill tax scheme pre-payment						(334.0)	(334.0)	(334.0)		(14.0)	(14.0)	(14.0)		(14.0)
Price adjustment				18.7										
Other Change in Net Working Capital			57.8	63.4	(3.0)	(2.6)	(1.6)	(0.0)	32.7	(1.2)	(8.2)	(6.5)	(7.7)	6.7
<b>Free Cash Flow to Equity</b>	<b>31.7</b>	<b>106.0</b>	<b>239.9</b>	<b>282.4</b>	<b>68.2</b>	<b>(207.9)</b>	<b>(149.7)</b>	<b>(109.6)</b>	<b>69.1</b>	<b>86.7</b>	<b>159.9</b>	<b>267.5</b>	<b>52.7</b>	<b>172.0</b>
Purchase/sale of treasury shares					(0.5)	(0.5)	(0.5)	(0.5)	(2.1)	(2.1)	(2.1)	(2.1)		(8.6)
Financial investments	(2,140.0)	(2,140.0)	(2,140.2)	(2,140.2)										
Other Financial Charges	(3.3)	(12.5)	(12.3)	(10.0)	(5.6)	(14.3)	(8.2)	(6.9)	(8.9)	(11.7)	(3.4)	(4.4)	11.9	21.5
Other variations	(8.4)	(28.7)	(26.2)	(38.6)		(7.0)	(7.0)	(7.0)	0.2					
Dividend Paid		(696.6)	(696.7)	(696.9)		(283.9)	(284.1)	(286.8)	(0.0)	(305.2)	(306.5)	(307.5)	(3.3)	(332.8)
<b>Net Cash Flow</b>	<b>(2,119.9)</b>	<b>(2,771.8)</b>	<b>(2,635.5)</b>	<b>(2,603.3)</b>	<b>62.1</b>	<b>(513.5)</b>	<b>(449.3)</b>	<b>(410.8)</b>	<b>58.3</b>	<b>(232.3)</b>	<b>(152.1)</b>	<b>(46.5)</b>	<b>61.3</b>	<b>(147.9)</b>
Impact IFRS16	(2.4)	(69.0)	6.0	27.7	37.2	74.3	95.2	69.3	(1.9)	3.9	10.4	20.9	(18.5)	(69.2)
<b>Net Cash Flow after adoption IFRS16</b>	<b>(2,122.3)</b>	<b>(2,840.8)</b>	<b>(2,629.5)</b>	<b>(2,575.6)</b>	<b>99.4</b>	<b>(439.2)</b>	<b>(354.2)</b>	<b>(341.4)</b>	<b>56.3</b>	<b>(228.4)</b>	<b>(141.7)</b>	<b>(25.6)</b>	<b>42.8</b>	<b>(217.1)</b>
Net Debt Beginning of Period	712.4	3,258.4	3,976.9	3,765.6	3,711.7	3,711.7	3,711.7	3,711.7	4,053.1	4,053.1	4,053.1	4,053.1	4,078.7	4,078.7
<b>Net Debt End of Period Inwit Stand Alone</b>	<b>2,834.7</b>	<b>3,553.2</b>	<b>3,341.9</b>	<b>3,288.0</b>	<b>3,612.3</b>	<b>4,150.9</b>	<b>4,065.9</b>	<b>4,053.1</b>	<b>3,996.8</b>	<b>4,281.5</b>	<b>4,194.9</b>	<b>4,078.7</b>	<b>4,035.9</b>	<b>4,295.8</b>
Vodafone contribution	423.7	423.7	423.7	423.7										
<b>Net Debt End of Period</b>	<b>3,258.4</b>	<b>3,976.9</b>	<b>3,765.6</b>	<b>3,711.7</b>	<b>3,612.3</b>	<b>4,150.9</b>	<b>4,065.9</b>	<b>4,053.1</b>	<b>3,996.8</b>	<b>4,281.5</b>	<b>4,194.9</b>	<b>4,078.7</b>	<b>4,059.6</b>	<b>4,338.7</b>
<b>CAPEX (total)</b>	<b>(8.1)</b>	<b>(33.7)</b>	<b>(68.0)</b>	<b>(118.7)</b>	<b>(18.0)</b>	<b>(54.4)</b>	<b>(81.4)</b>	<b>(216.5)</b>	<b>(31.8)</b>	<b>(70.5)</b>	<b>(117.9)</b>	<b>(187.0)</b>	<b>(57.2)</b>	<b>(117.1)</b>

# Data book: Operational KPIs

Figures in #k	1Q20	2Q20	3Q20	4Q20	1Q21 <sup>1</sup>	2Q21	3Q21	4Q21 <sup>3</sup>	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23
	3M20	6M20	9M20	FY20	3M21	6M21	9M21	FY21	3M22	6M22	9M22	FY22	3M23	6M23
	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)	(Jan-Sep)	(Jan-Dec)	(Jan-Mar)	(Jan-Jun)
<b>Tenancy Ratio</b>	<b>1.96x</b>	<b>1.81x</b>	<b>1.84x</b>	<b>1.88x</b>	<b>1.91x</b>	<b>1.95x</b>	<b>1.98x</b>	<b>2.01x</b>	<b>2.05x</b>	<b>2.09x</b>	<b>2.12x</b>	<b>2.16x</b>	<b>2.19x</b>	<b>2.20x</b>
<b>Number of Tenants</b>	<b>21.9</b>	<b>40.5</b>	<b>41.0</b>	<b>42.0</b>	<b>42.8</b>	<b>44.0</b>	<b>44.9</b>	<b>46.0</b>	<b>46.8</b>	<b>47.9</b>	<b>48.9</b>	<b>50.1</b>	<b>51.2</b>	<b>52.3</b>
Anchor Tenants	<b>10.9</b>	<b>32.0</b>	<b>32.2</b>	<b>32.7</b>	<b>33.6</b>	<b>34.5</b>	<b>35.1</b>	<b>35.8</b>	<b>36.4</b>	<b>36.9</b>	<b>37.5</b>	<b>38.2</b>	<b>38.9</b>	<b>39.6</b>
Anchors New Tenants		21.1	0.2	0.5	0.9	0.9	0.6	0.7	0.6	0.5	0.6	0.7	0.7	0.7
OLOs	<b>11.1</b>	<b>8.5</b>	<b>8.8</b>	<b>9.2</b>	<b>9.2</b>	<b>9.5</b>	<b>9.8</b>	<b>10.2</b>	<b>10.4</b>	<b>10.9</b>	<b>11.4</b>	<b>11.9</b>	<b>12.3</b>	<b>12.7</b>
OLOs New Tenants	0.2	0.1	0.3	0.4	0.4	0.3	0.3	0.5	0.2	0.5	0.5	0.5	0.4	0.4
<b>Organic Number of Sites<sup>2</sup></b>	<b>11.2</b>	<b>22.3</b>	<b>22.3</b>	<b>22.3</b>	<b>22.4</b>	<b>22.5</b>	<b>22.6</b>	<b>22.8</b>	<b>22.8</b>	<b>22.9</b>	<b>23.0</b>	<b>23.2</b>	<b>23.3</b>	<b>23.5</b>
<b>Other KPIs</b>														
Small Cells & DAS Remote Units	<b>3.5</b>	<b>3.7</b>	<b>4.3</b>	<b>4.5</b>	<b>4.9</b>	<b>5.2</b>	<b>5.3</b>	<b>6.4</b>	<b>6.6</b>	<b>6.8</b>	<b>6.9</b>	<b>7.0</b>	<b>7.3</b>	<b>7.8</b>
New Remote Units	0.1	0.2	0.6	0.2	0.4	0.4	0.1	1.1	0.2	0.2	0.1	0.1	0.3	0.5
Backhauling links	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.3</b>	<b>1.3</b>	<b>1.3</b>	<b>1.3</b>	<b>1.5</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>	<b>1.8</b>
New backhauling links	0.2	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.2	-	0.1	0.1	0.1	0.0
Lease Renegotiations/Buyouts (#)	<b>180</b>	<b>100</b>	<b>800</b>	<b>600</b>	<b>400</b>	<b>570</b>	<b>400</b>	<b>475</b>	<b>360</b>	<b>650</b>	<b>700</b>	<b>510</b>	<b>320</b>	<b>510</b>

**Note 1:** 1Q21 New Tenants excluding terminations.

**Note 2:** Total sites figure restated starting from April 1, 2020 following the reporting system integration of INWIT pre-merger and Vodafone Towers. From 2023 onwards the figure includes other BTS program

**Note 3:** New Small Cells & DAS Remote Units in Q4'21 include impact of Highway Tunnel investment (ca. 800 Remote Units)

More questions?  
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