



*1Q2017 Results Presentation*

*4<sup>th</sup> May 2017*

Forward-looking Statements contained in this document, particularly the ones regarding any EIT (EIT Towers) possible or assumed future performance, are or may be forward-looking statements and in this respect they involve some risks and uncertainties.

EIT actual results and developments may differ materially from the ones expressed or implied by the above statements depending on a variety of factors.

Any reference to past performance of EIT shall not be taken as an indication of future performance.

This announcement does not constitute an offer to sell or the solicitation of an offer to buy the securities discussed herein.

The executive responsible for the preparation of the accounts of EIT Towers SpA, Fabio Caccia, declares that, as per art. 2, 154 bis of the Consolidated Finance Law, the accounting information contained in this release corresponds to that contained in the company's formal accounts.

- **Core Revenues at €64.7m (+5.2% yoy)**
  - Growth driven by volumes (mainly M&A activity)
  - Cairo contract contribution
- **First Quarter Adjusted EBITDA at €33.2m (+7.8% yoy)**
  - Result, before extraordinary items, in line with FY2017 guidance
  - Adjusted EBITDA margin at 51.3% (+120 bps vs 1Q2016)
  - Reported EBITDA at €33m
- **Sound Free Cash Flow generation confirmed**
  - Normalized figure, before special dividend and share buy back, at ca €14.6m
  - Special dividend paid €99.7m
  - Share bought back ca €16.3m
  - Net Debt at €244m
  - Net Debt/LTM EBITDA ratio at 2x

# Income Statement

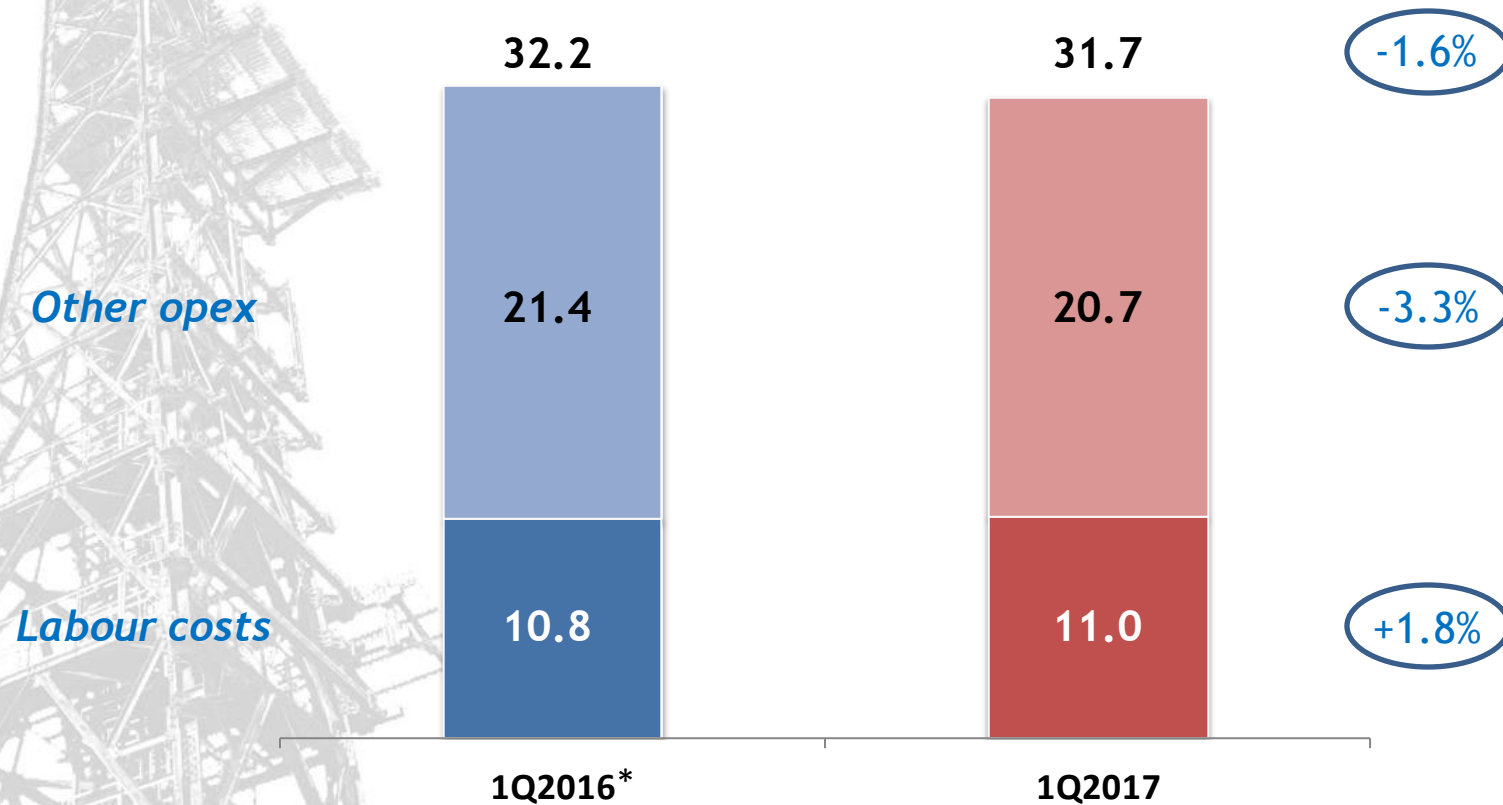
Data in €/m	1Q2016*	1Q2017	YoY %
<b>Core Revenues</b>	<b>61.5</b>	<b>64.7</b>	<b>5.2%</b>
Other Revenues	1.2	0.1	
<b>Adjusted EBITDA</b>	<b>30.8</b>	<b>33.2</b>	<b>7.8%</b>
<i>% Margin</i>	<i>50.1%</i>	<i>51.3%</i>	
One off	-0.3	-0.2	
<b>EBITDA</b>	<b>30.5</b>	<b>33.0</b>	<b>8.3%</b>
D&A, Provision	-9.6	-9.3	<b>-3.2%</b>
<b>EBIT</b>	<b>20.9</b>	<b>23.7</b>	<b>13.5%</b>
Financial Expenses	-2.3	-2.5	<b>8.4%</b>
<b>Pre-tax Profit</b>	<b>18.6</b>	<b>21.2</b>	<b>14.2%</b>
Taxes	-6.3	-6.6	<b>5.0%</b>
<i>% Tax Rate</i>	<i>33.9%</i>	<i>31.2%</i>	
<b>Net Income</b>	<b>12.3</b>	<b>14.6</b>	<b>18.9%</b>
<b>EPS</b>	<b>0.44</b>	<b>0.53</b>	<b>18.9%</b>

⇒ Growth rate higher than CPI largely thanks to small M&A

⇒ EBITDA growth and margin, net of other revenues, in line with Industrial Plan 2014/18

# 1Q2017 Opex

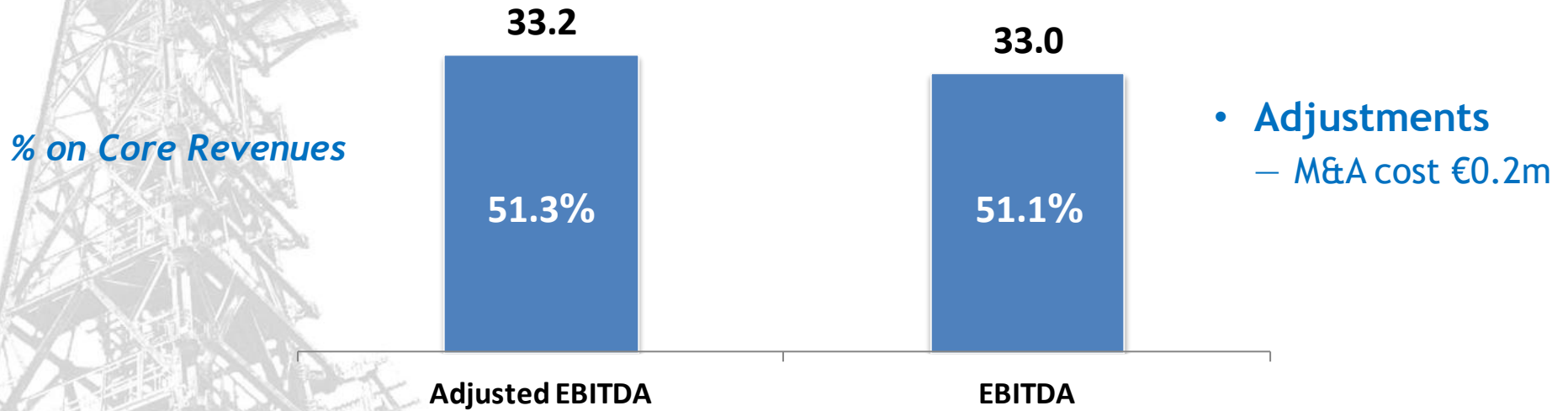
Data in €/m



(\*) Figures restated due to PPA

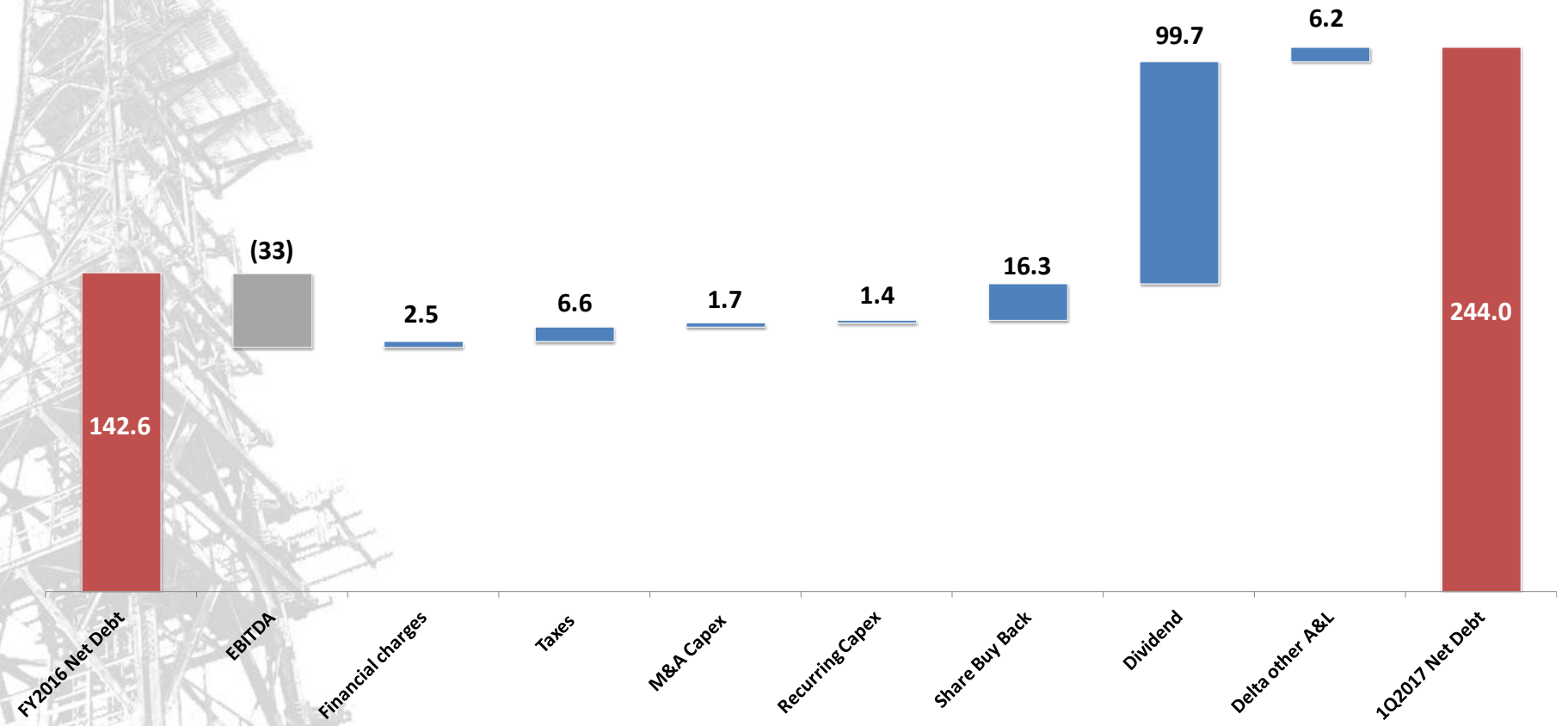
# 1Q2017 EBITDA

Data in €/m



# Net Debt and Cash Flow Bridge

Data in €/m



# Balance Sheet

Data in €/m	FY 2016*	1Q2017
<b>Non Current Asset</b>	<b>875.6</b>	<b>869.4</b>
Fixed Asset	371.9	365.7
Goodwill	503.7	503.7
<b>Non Current Liabilities</b>	<b>-73.2</b>	<b>-72.5</b>
<b>Net Working Capital</b>	<b>-22.0</b>	<b>-16.5</b>
<b>Net Invested Capital</b>	<b>780.4</b>	<b>780.4</b>
<b>Net Financial Position</b>	<b>142.6</b>	<b>244.0</b>
Cash	94.0	18.4
Borrowings	236.6	262.4
<b>Equity</b>	<b>637.8</b>	<b>536.4</b>

(\*) Figures restated due to PPA



# 2017 Outlook

- EBITDA ~ €127m
- Maintenance Capex ~ €12m
- Tax rate ~ 31-32%

# A more efficient Capital Allocation

- **2.5x Net Debt/EBITDA in 2018**
  - Target to be likely met 1yr in advance
- **Regular Dividend Policy**
  - Pay out *at the least* 100% Consolidated Net Income
  - 2017 dividend distribution approved: €1.80/share (~3.5% yield)
- **Share Buy Back programme**
  - Up to 5% of Share Capital
  - To date 2.73% of share capital in portfolio (2.51% bought on the market)
- **The proposed capital allocation allows to:**
  - Pursue investment opportunities (small M&A)
  - Maintain financial flexibility

A large, detailed image of a lattice tower structure, likely a telecommunications tower, is positioned on the left side of the page. The tower is made of metal and has a complex, multi-level design with various platforms and antennas. It is shown in a light gray, semi-transparent style against the white background.

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