



*9M2017 Results Presentation*

*2<sup>nd</sup> November 2017*

Forward-looking Statements contained in this document, particularly the ones regarding any EIT (EI 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 EI 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.

# Key Highlights for 9 Months 2017



1 Consistent and Constant Topline Growth: +5.4% YoY

2 Solid Operating Performance: Adj. EBITDA Margin at 51%

3 Renewal of Mediaset Contract Ongoing

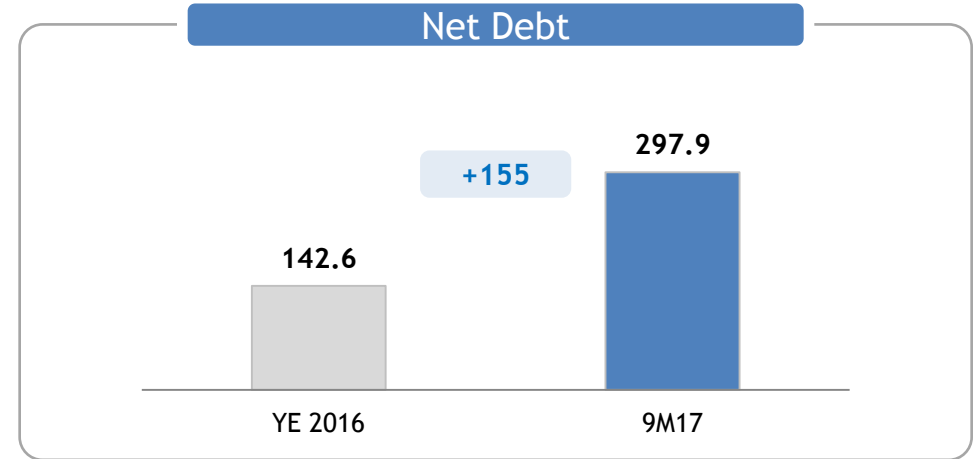
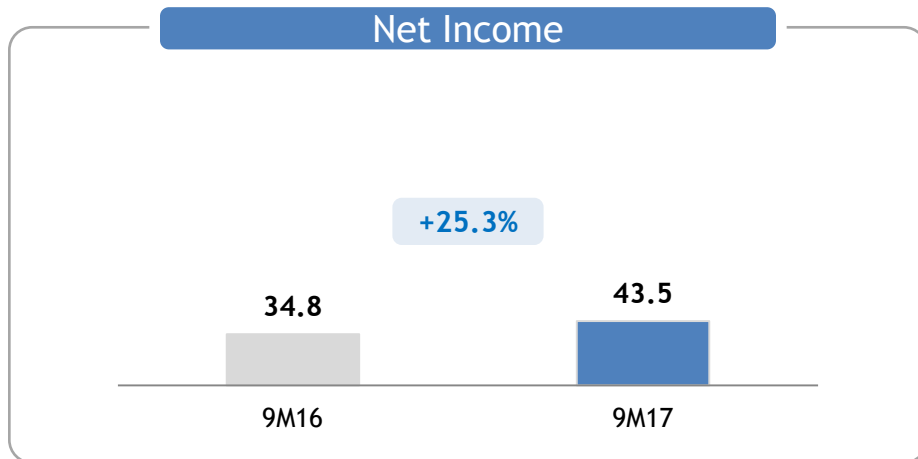
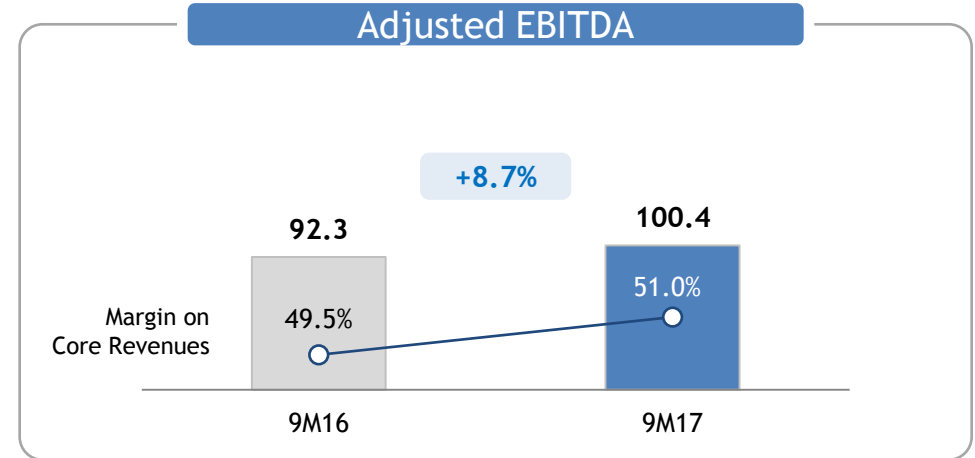
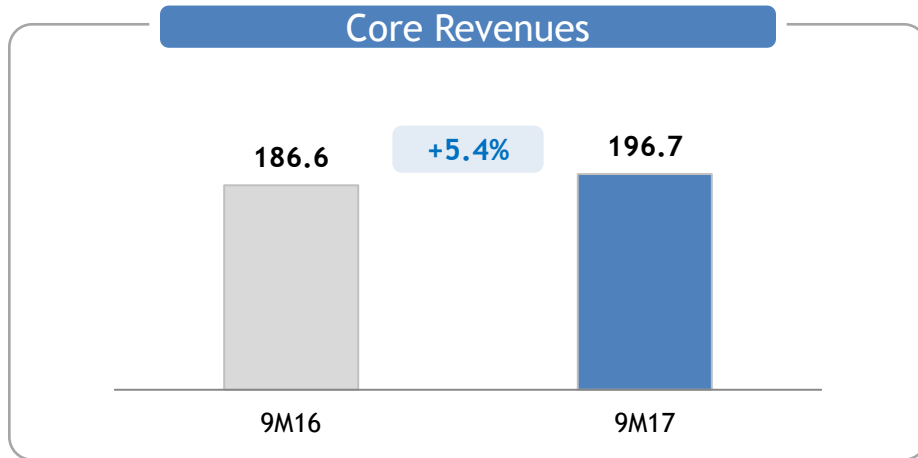
4 Small M&A Still an Important Catalyst for Growth

5 Successful Refinancing at Compelling Market Conditions

# 9M2017 Group Financial Results



Data in €mln, % YoY

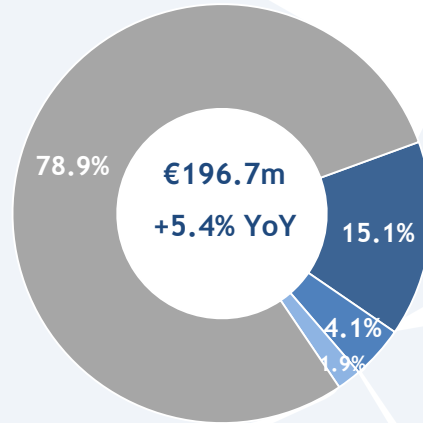


2016 Figures restated due to PPA

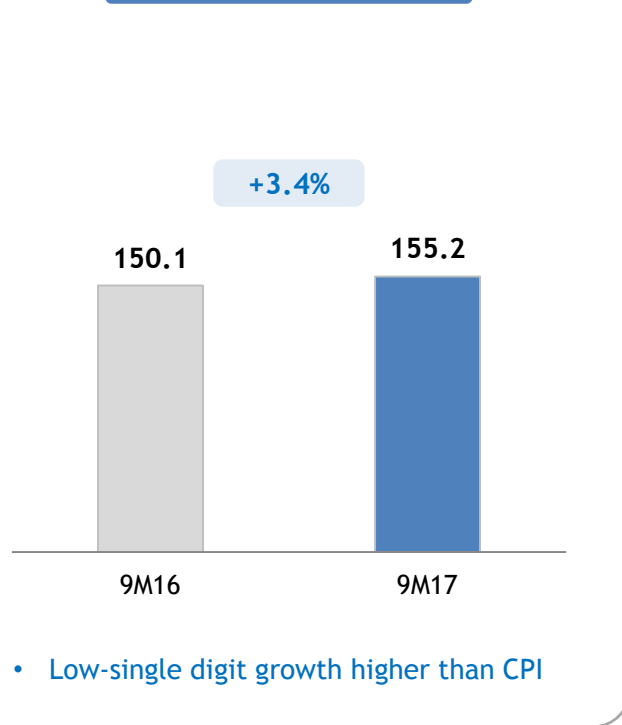
# Business Performance by Segment

Data in €mln

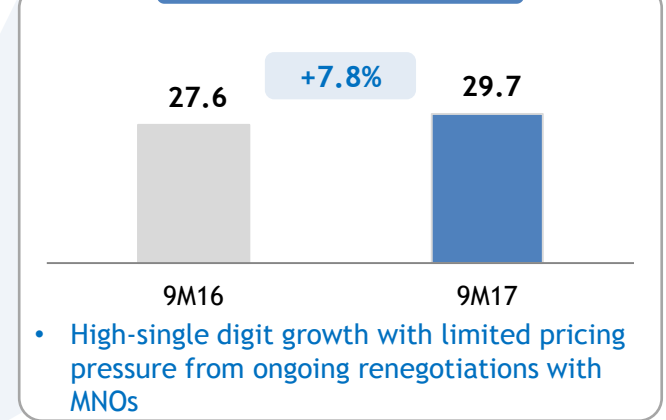
## 9M17 Core Revenues Breakdown by Segment



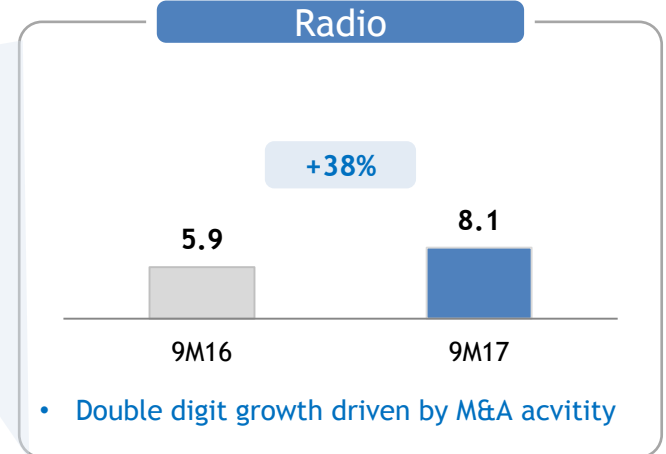
### TV



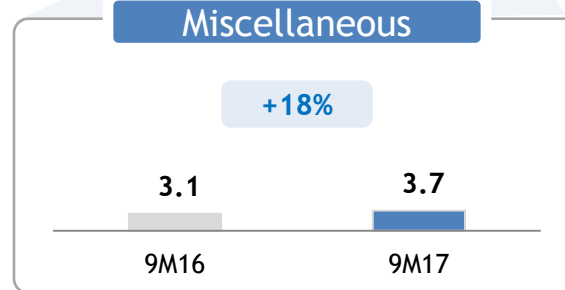
### Telco



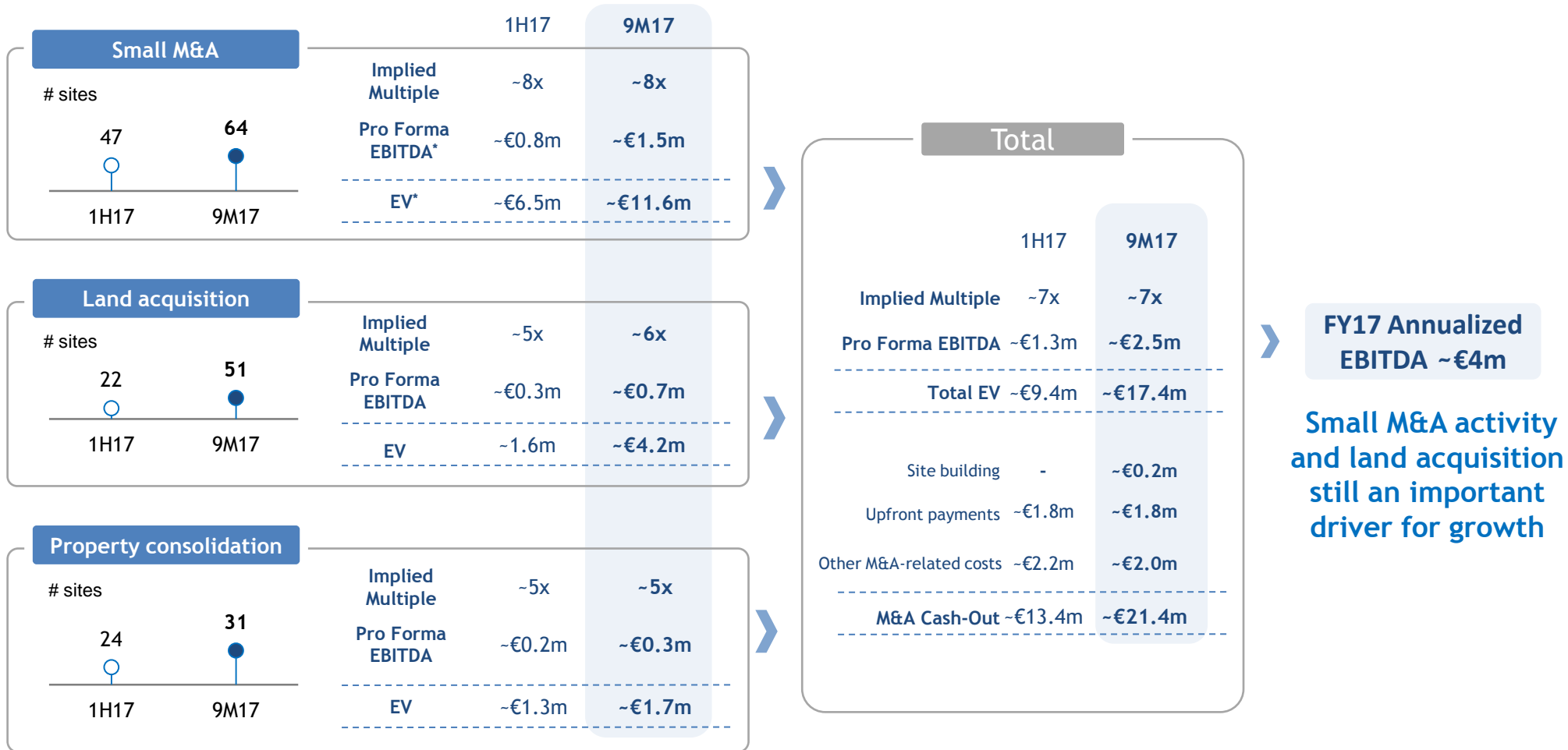
### Radio



### Miscellaneous



# Small M&A Update



# Income Statement

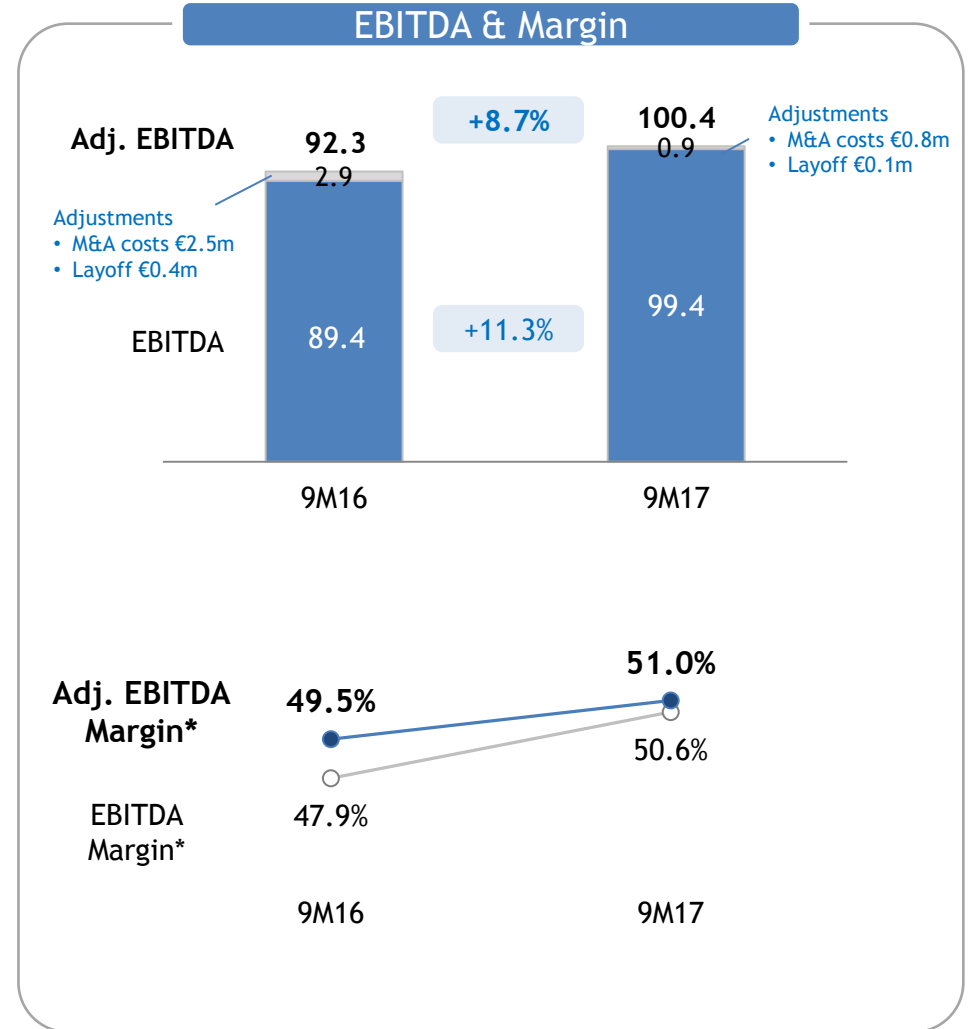
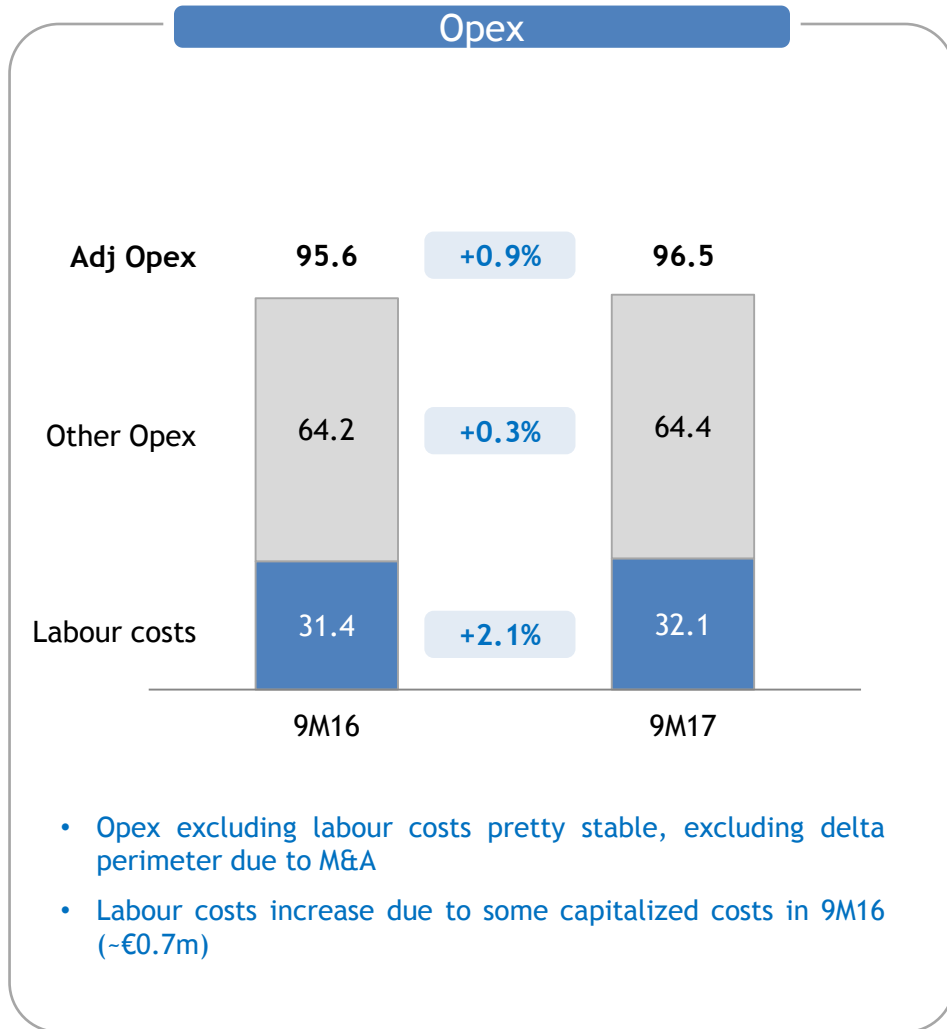
Data in €/m	9M 2016*	9M 2017	Var. % YoY
<b>Core Revenues</b>	<b>186.6</b>	<b>196.7</b>	<b>5.4%</b>
Other revenues	1.3	0.2	
<b>Adj. EBITDA</b>	<b>92.3</b>	<b>100.4</b>	<b>8.7%</b>
<i>% on Core Revenues</i>	<i>49.5%</i>	<i>51.0%</i>	
One off	(2.9)	(0.9)	
<b>EBITDA</b>	<b>89.4</b>	<b>99.4</b>	<b>11.3%</b>
D&A, Provisions	(30.7)	(28.5)	-7.3%
<b>EBIT</b>	<b>58.6</b>	<b>70.9</b>	<b>21.0%</b>
Financial Expenses	(7.0)	(7.4)	6.7%
<b>Pre-tax Profit</b>	<b>51.7</b>	<b>63.5</b>	<b>22.9%</b>
Taxes	(16.9)	(20.0)	18.2%
<i>% Tax Rate</i>	<i>33%</i>	<i>31%</i>	
Minorities	0.0	0.1	
<b>Net income</b>	<b>34.8</b>	<b>43.6</b>	<b>25.3%</b>
<b>EPS (€)</b>	<b>1.24</b>	<b>1.59</b>	

➤ Growth rate higher than CPI largely thanks to small M&A and Cairo contribution

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

# Focus on Profitability

Data in €mln, % YoY

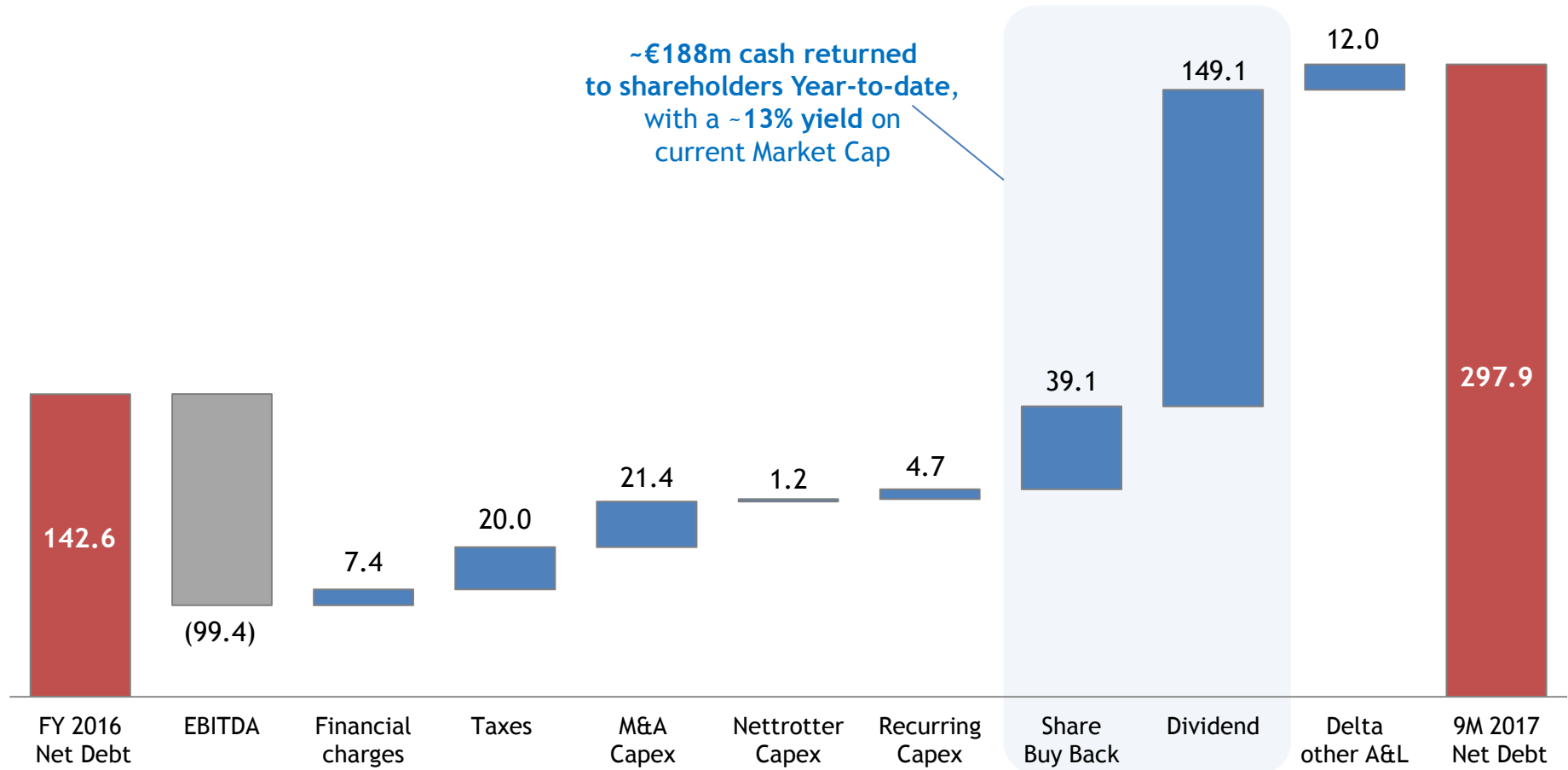


(\*) As % of Core Revenues



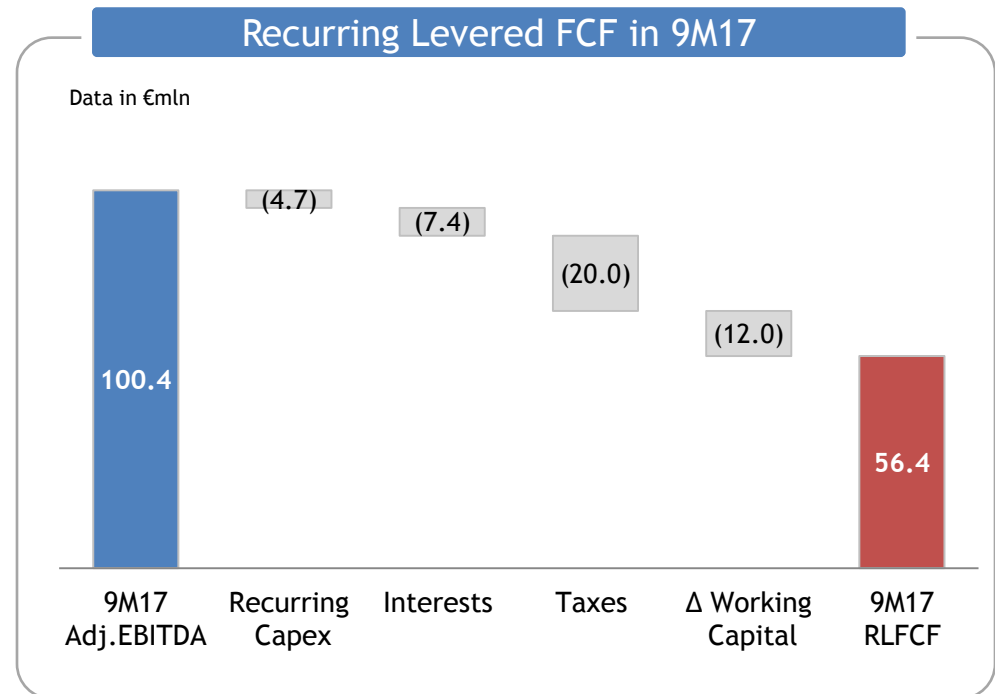
# Net Debt and Cash Flow Bridge

Data in €mln



# Focus on Recurring Levered FCF (RLFCF)

Data in €/m	9M 2016 restated	9M 2017	Var. % YoY
<b>Core Revenues</b>	<b>186.6</b>	<b>196.7</b>	<b>5.4%</b>
<b>Adjusted EBITDA</b>	<b>92.3</b>	<b>100.4</b>	<b>8.7%</b>
as % of core revenues	49.5%	51.0%	
Recurring Capex	(6.4)	(4.7)	
Interest	(7.0)	(7.4)	
Taxes	(17.5)	(20.0)	
Δ Working Capital	(18.1)	(12.0)	
<b>RLFCF</b>	<b>43.3</b>	<b>56.4</b>	<b>30.2%</b>
as % of core revenues	23.2%	28.6%	



**~60% cash conversion of Adj. EBITDA into Recurring Levered FCF**

# New Refinancing - Terms & Conditions



On October 30<sup>th</sup>, EI Towers signed a 4-Year Senior Loan Agreement with a pool of Italian banks

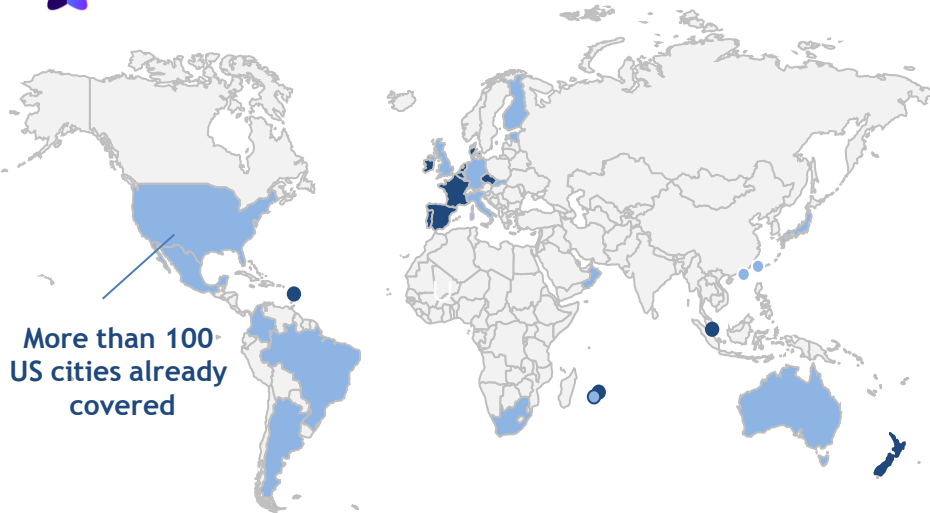
<b>Amount</b>	Up to €270 million
<b>Lending Banks</b>	Intesa Sanpaolo, Unicredit, Banco Popolare di Milano, Mediobanca
<b>Duration</b>	4 Years
<b>Repayment Terms</b>	Bullet repayment at maturity
<b>Availability period</b>	Until 29 <sup>th</sup> December 2017
<b>Interest Rate</b>	Euribor + 75 basis points
<b>Guarantees</b>	Unsecured
<b>Financial covenants</b>	Leverage < 3.25x
<b>Use of proceeds</b>	<ul style="list-style-type: none"><li>• Early repayment (which is supposed to take place within this year) of the 5-year Eurobond of €230 million, issued on April 2013</li><li>• Support to the Company's general corporate activity</li></ul>
<b>Key Positives</b>	<ul style="list-style-type: none"><li>• Significant debt cost reduction and remarkable improvement of the Group's financial profile</li><li>• Higher flexibility for the business development, including M&amp;A activity, in the next years</li></ul>

# Balance Sheet

Data in €/m	FY 2016	9M 2017
<b>Non Current Assets</b>	<b>875.7</b>	<b>875.1</b>
Fixed Assets	371.9	363.5
Goodwill	503.8	511.6
<b>Non Current Liabilities</b>	<b>(73.3)</b>	<b>(71.7)</b>
<b>Net Working Capital</b>	<b>(22.0)</b>	<b>(12.2)</b>
<b>Net Invested Capital</b>	<b>780.4</b>	<b>791.1</b>
<b>Net Financial Position</b>	<b>142.6</b>	<b>297.9</b>
Cash	(94.0)	(6.4)
Borrowings	236.6	304.4
<b>Equity</b>	<b>637.8</b>	<b>493.2</b>
<b>Net Financial Position + Equity</b>	<b>780.4</b>	<b>791.1</b>

# Update on Nettetrotter - Sigfox

## Sigfox Global Reach



### ● 12 covered countries

Belgium  
Czech Republic  
France  
Denmark  
Ireland  
Luxembourg  
Malta  
New Zealand  
Portugal  
Singapore  
Spain  
The Netherlands

### ● On going deployment

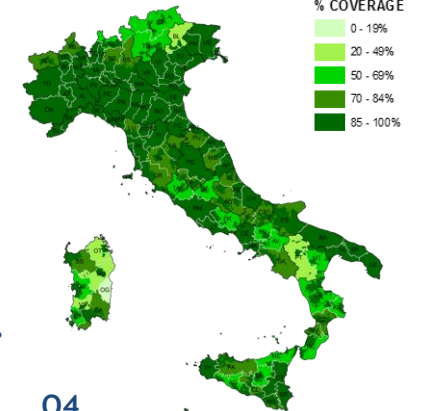
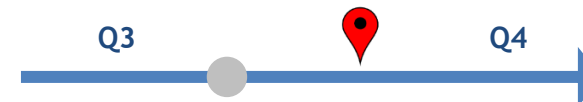
Australia  
Argentina  
Brazil  
Colombia  
Estonia  
Finland  
Germany  
Italy  
Japan  
Mauritius Island  
Mexico  
Slovakia  
South Africa  
Taiwan  
The Sultanate of Oman  
The U.K  
The U.S.  
+ Hong-Kong territory

## Italian Coverage

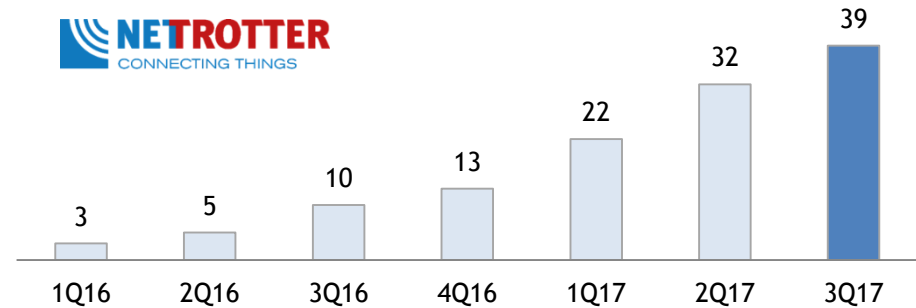
**Cities**  
>50k inhabitants with >=85% coverage ➔ 100%

>10k inhabitants with >=85% coverage ➔ 87%

~ 90% pop.



## # of Customers



## Operational Update

In 9M17 solid performance across all segments (TV, Radio, TLC)

Mediaset contract likely to be renewed with no significant changes to the current ones

Preliminary guidelines on 700MHz refarming expected by June 2018

## Financial Outlook

**FY2017: Outperforming EBITDA target at ~€130m**

Share Buy Back On Track: 4.16% of Share Capital in Portfolio at 30<sup>th</sup> Sep'17

Releveraging Plan On Track: 2.5x Net Debt/EBITDA to be reached by YE 2017



**In absence of big M&A deals, financial flexibility is kept to:**

## Capital Allocation

Continue to invest in Small M&A and Land acquisition

Return Cash to Shareholders through Dividends

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