H1 2015 Results

4th August 2015

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Key Highlights for the Semester

1. Strong performance in the Telecom Site Rental segment driven by the organic growth (+4.5%), accretive acquisitions and network optimization, along with active commercial management to ensure cash flows growth
2. Removal of uncertainties surrounding broadcasting business: 8 channels shutdown risk disappears and 1.75 MUX tender process on track
3. First steps of efficiency program yielding high returns (payback of c.3 years), with very well contained cost base
4. Strong cash flow generation in the period with strict control on Capex and management of working capital (+35% RLFCF increase vs. last year)
5. New financing structure allowing longer maturities, partially hedged costs, neither covenants nor share pledges, lower refinancing risk and diversification of sources of funding (2.2% average cost of debt)
6. Revised FY 2015 adjusted EBITDA guidance of c.€235Mn, ahead of consensus

Business Performance
Telecom Site Rental

Setting foundations for solid organic growth with potential for €15Mn of additional revenues per annum

M&A Activity

7,677 new towers acquired as of June 2015

- Jan 2015: 300 towers from Telefonica for €44Mn
- Mar 2015: 7,377 towers from Wind for €770Mn

Galata integration plan (Wind towers) ongoing

Portfolio Optimization

(+) 10 new Telecom sites built

(+) 54 sites now dual use (from Broadcast only to both Broadcast and Telecom services use)

(-) 75 own sites decommissioned

Framework Agreements

Non-anchor tenant renewal

- Up to 700 renewals of PoPs over 2015-2018
- Renewal period of 10 years achieved
- Tariff scheme already defined with potential additional revenues of c.€4Mn

Wireless broadband operators

- Up to 1,500 new PoPs (+€11Mn p.a.) of which 350 already expected in 2015

Exclusive agreements with landlords

- Preferential rights for new telecom sites (rural and rooftops)

Rationalization Projects

Analysis of network rationalization with potential for at least 2,000 towers

- Mobile operators seeking Opex reductions

Business Performance
Broadcast and Network Services & Others

Risk of 8 channels shutdown disappears and 1.75 MUX tender process on track

Risk of loss of 8 additional channels disappears

Case closed by the Supreme Court following withdrawal of the claim

Risk of €40Mn revenues impact completely removed

1.75 national MUX tender

13 companies bidding for 6 channels

To be awarded by October 2015

Earliest service Q1 2016

- Potential recovery of c.€35Mn revenue per annum
- €175Mn backlog increase

Broadcast contracts renewed

Renewals of contracts with national broadcasters

- Revenue: €20Mn per annum
- No change on DTT prices, inflation indexation
- Backlog increase of €85Mn
- Maximum duration of 5 years

Average DTT contract life 4 years (5 years max legal)

Network Services

Extension of Public Protection and Disaster Relief network contract

- Backlog increase of €9Mn

IoT network deployment being analyzed

Business Performance
Cost Efficiencies

Efficiency program to be presented in H2 2015
First steps yielding double digit returns (Levered FCF over Capex)

Renegotiation of Ground Lease Contracts

- Savings of c.€2.2Mn per annum
- Capex of c.€8Mn
- Payback of 3.5 years

Network Cost Base Improvement

- Network upgrade to reduce spectrum fees
- Savings in spectrum fees of €0.5Mn per annum
- Capex of €3Mn

Energy costs

- Starting from 2015 Cost reduction of €0.3Mn per annum
- No associated Capex

Business Performance
Main KPIs

	DEC 2013	DEC 2014	JUN 2015
Number of Sites (at period end)	**5,440**	**7,493**	**15,140**
Spain	5,440	7,172	7,432
Italy	-	321	7,708
Tenancy ratio	**1.71**	**1.81**	**1.50**
Tenancy ratio Spain	1.71	1.77	1.86
Tenancy ratio Italy	-	2.39 [1]	1.23
Customers and revenues			
Revenue per site (thousands of euros)	14.0	23.0	25.5
% Revenues from Telecom Site Rental	10%	24%	44%
Broadcast Infrastructure			
Number of national DTT MUXs operated	8.00	6.50	5.25 [2]
Maintenance CAPEX/Revenues	**3.5%**	**3.0%**	**0.7%**

New tenants & decommissioning driving up tenancy ratio

Impact of recent acquisitions

Low maintenance Capex in H1 2015, expected to normalize in H2 2015

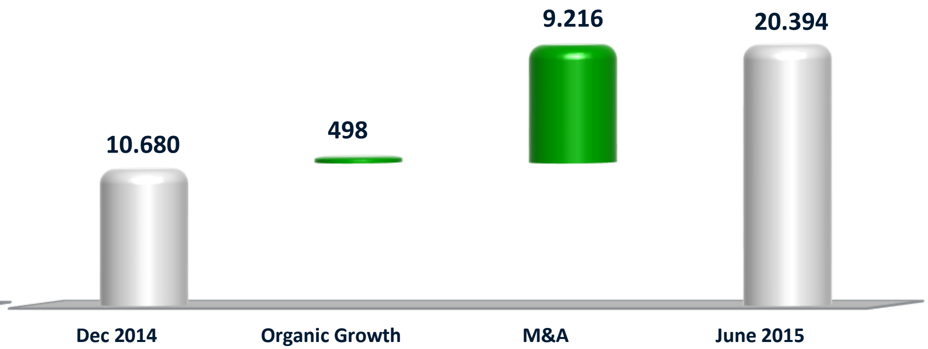
[1] Towerco only

[2] 1.75 MUXs to be reassigned during current tender process

H1 2015 Growth
Tenancy Ratio

Sites[1]

PoPs



Tenancy Ratio

+4.5% new PoPs during H1 2015, compared to December 2014

Organic growth, decommissioning, built to suit and dual use contribute 0.08x to tenancy ratio

M&A activity dilutes tenancy ratio by 0.39x, mainly due to Galata[1] (1.17x initially)

[1] For Tenancy Ratio purposes, only sites from where Telecom Site Rental services are provided

Financial Performance
Income Statement

	JUN 2014	JUN 2015
Broadcast Infrastructure	127	119
Telecom Site Rental	45	126
Network Services & Others	39	40
Revenues	**210**	**285**
Staff Costs	-42	-44
Repairs and Maintenance	-10	-13
Rental Costs	-21	-54
Utilities	-12	-25
General and Other Services	-34	-47
Operating Costs	**-120**	**-183**
EBITDA	**91**	**102**
Non-recurring items	0	13
Adjusted EBITDA	**91**	**115**
% Margin	*43%*	*40%*
Depreciation & amortization	-41	-72
EBIT	**49**	**30**
Net Interest	-6	-7
Results from Associates	0	0
Corporate Income Tax	-13	-4
Non-Controlling Interests	0	0
Net Profit Attributable to the Parent	**31**	**18**
Maintenance CAPEX	**1**	**2**
Expansion CAPEX	**6**	**13**

Shutdown of 9 DTT channels in 2014 (-€20Mn), partly offset by DTT simulcast in 2015 (+€11Mn)

Telecom Site Rental increases due to acquisitions

Flat OPEX.
Increase due to acquisitions (+€43Mn), non-recurring items (+€13Mn) and pass-through costs (+€7Mn)

Non-recurring items include Galata acquisition fees (€8Mn), IPO costs (€2Mn), Tobin Tax (€1Mn), advances to customers (€1Mn) and prepaid energy expenses (€1Mn)

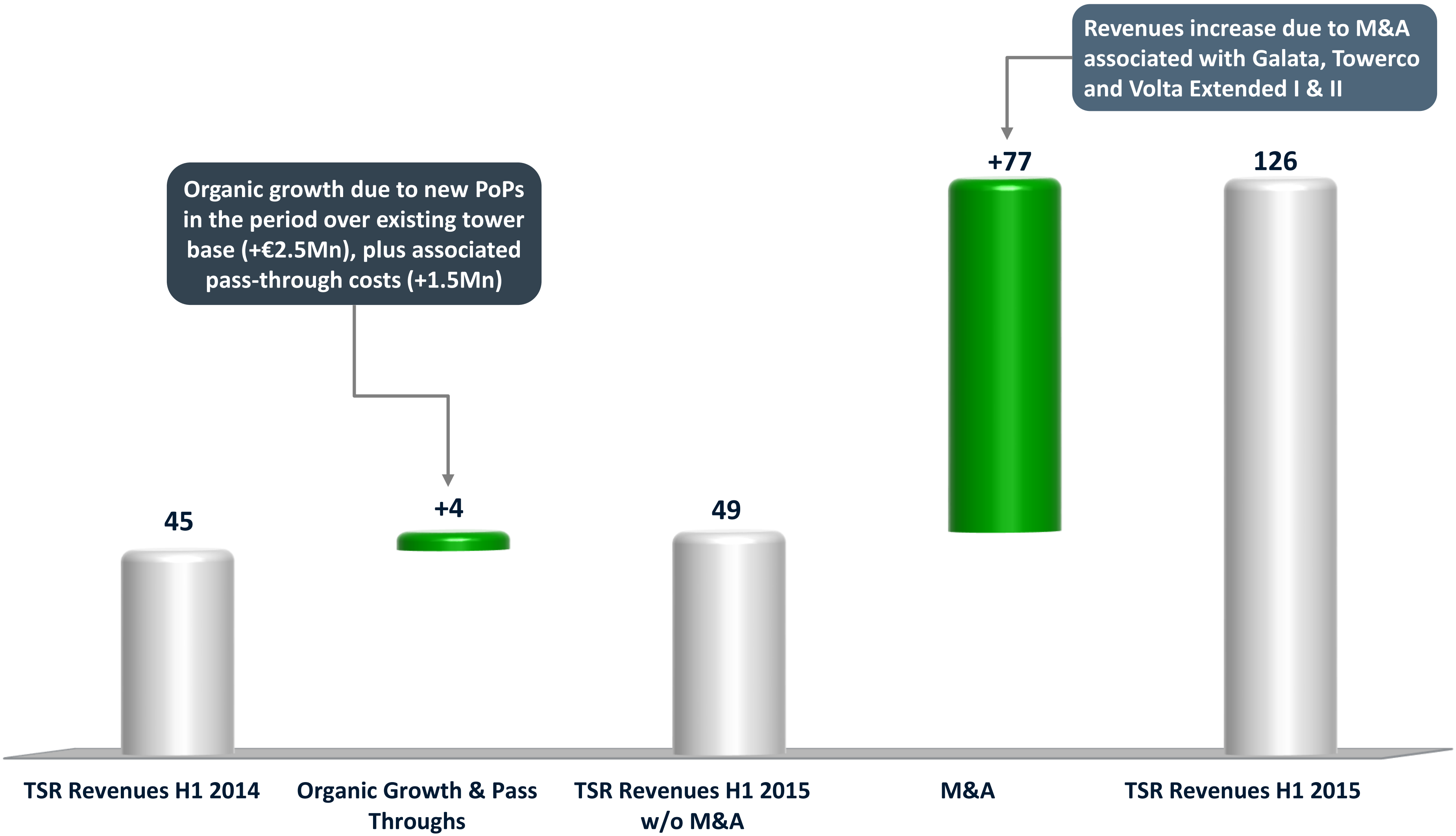
Strong Adjusted EBITDA growth (+26% increase)

Net interest costs and corporate tax are both well contained

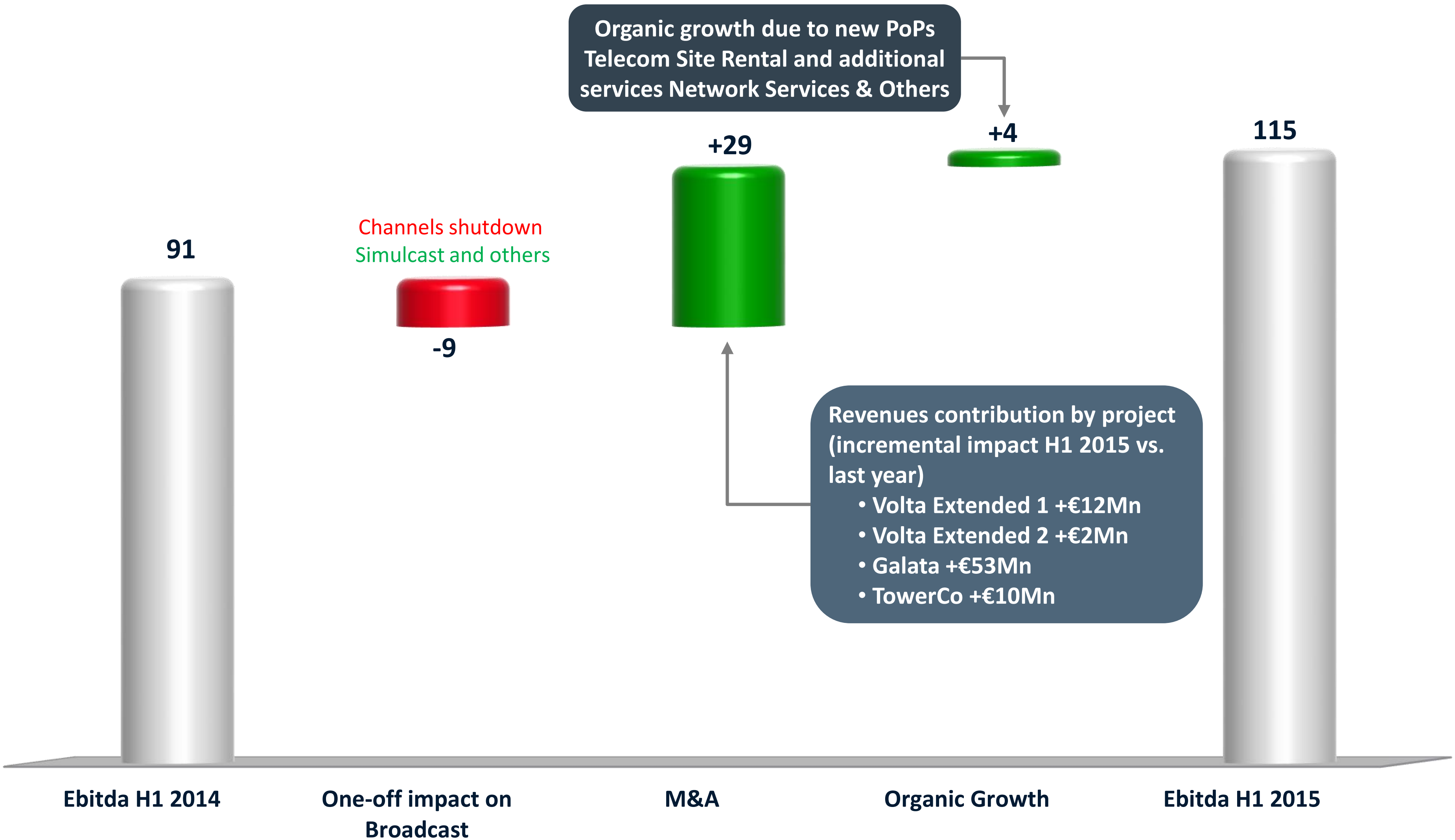
Comparable Net Profit as of June 2015 €34Mn, after adding back Galata PPA amortization and non-recurring items (both items after taxes)

Expasion Capex includes simulcast, cost of dismantling towers and others

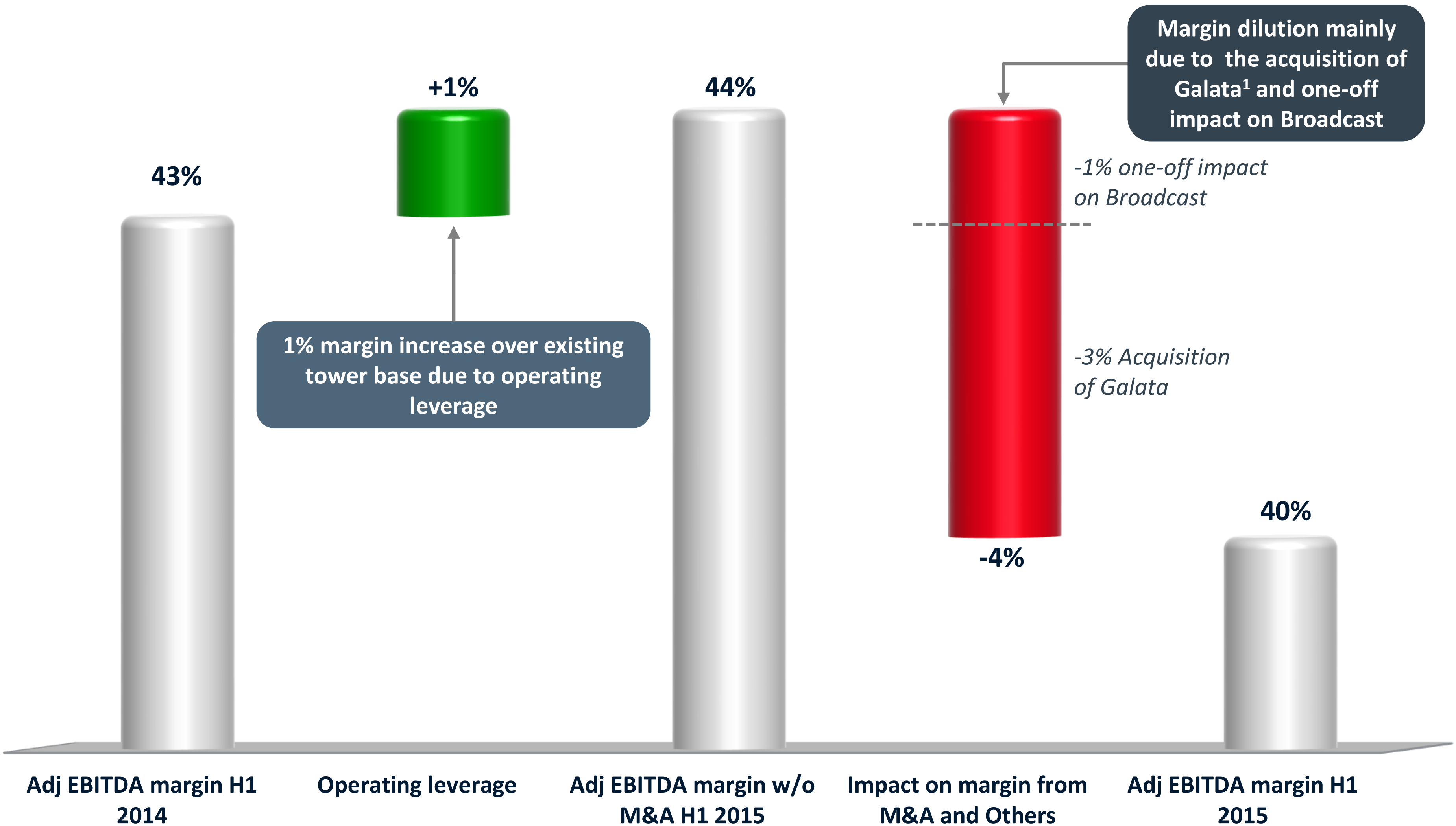
Financial Performance
Telecom Site Rental Revenues



Financial Performance
Adjusted EBITDA



Financial Performance
Adjusted EBITDA margin



[1] EBITDA margin for Galata of 31%

Financial Performance
Recurring Levered FCF (RLFCF)

	H1 2014 June	H1 2015 June	Var
Adjusted EBITDA	**91**	**115**	26%
Maintenance Capex[1]	-1	-2	
Recurring Operating FCF	**90**	**113**	26%
Cash Conversion	*99%*	*98%*	
Change in Working Capital	1	2	
Interest Paid	-5	-6	
Cash Tax	-11	-7	
Recurring Levered FCF	**75**	**102**	35%
Cash Conversion	*83%*	*89%*	
Non-M&A Expansion Capex[2]	-6	-13	
M&A Expansion Capex	-164	-737	

Strong cash conversion

(RLFCF): even stronger performance (+35%) than that of adjusted EBITDA (+26%)

M&A Capex linked to acquisition of Galata (€693Mn) and Volta Extended Phase II (€44Mn)

Our current intention is to pay our first dividend during Q4 2015, corresponding to at least 20% of our (RLFCF) starting from our results for the second half of the year. Commensurate with our leverage profile and our growth strategy and net profit attributable to the parent

[1] Investments in existing assets primarily linked to keeping sites in good working order, but excluding investment in increasing site capacity

[2] Capital expenditure related to the expansion of our business that generates additional income, including: build-to-suit sites, decommissioning investment, adaptation of site rental infrastructure, land acquisitions and urban telecom infrastructure and broadcasting services

Financial Performance
Balance Sheet / Net debt

	DEC 2014	JUN 2015
Tangible & intangible fixed assets	905	1,791
Goodwill	45	116
Total fixed assets	**950**	**1,907**
Current assets	**191**	**173**
Cash and cash equivalents	**91**	**153**
TOTAL ASSETS	**1,232**	**2,233**
Total Equity	**501**	**515**
Borrowings	421	1,098
Other liabilities	310	620
Total liabilities	**731**	**1,718**
TOTAL EQUITY AND LIABILITIES	**1,232**	**2,233**
Bank borrowings	421	1,098
Other financial liabilities	12	11
Cash and cash equivalents	-91	-153
NET DEBT	**342**	**956**
Adjusted NET DEBT/EBITDA for covenant ratio[1]	**1.7x**	**3.7x**

Balance Sheet changes:
- **Mainly due to the impact of Galata acquisition**
- **Minimal goodwill in purchase price allocation**

Total borrowings increase due to the financing of Galata acquisition

Total leverage expected for FY 2015 in line with long-term target of 4x Net debt/EBITDA

Off-Balance Sheet Items: Non-Recourse Factoring
- **Limit: €107Mn**
- **Drawn: €58Mn**

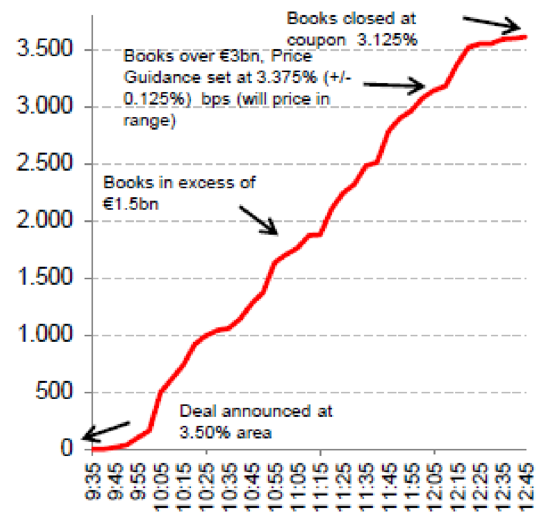
[1] Exclusively for the purposes of the financial ratio of the syndicated debt in place before the refinancing process. See Annual Accounts 2014 for calculation methodology

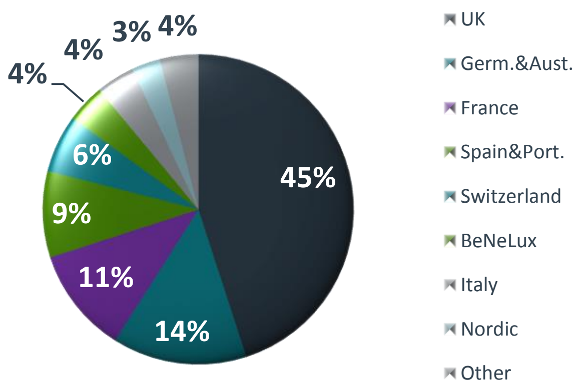
Financial Performance
Refinancing of the Capital Structure

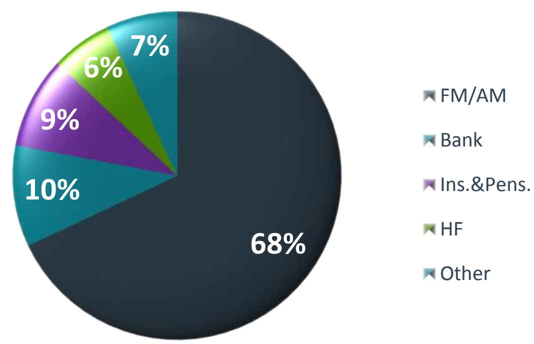
Inaugural bond on July 20th, 6 times over-subscribed despite challenging market conditions

Issuer	Cellnex Telecom, S.A.
Amount	EUR 600mn
Ratings (S&P/Fitch)	BB+ / BBB- (all stable)
Pricing Date	20 July 2015
Settlement Date	27 July 2015
Maturity	27 July 2022
Ranking	Senior unsecured
Format	Fixed Rate
Coupon	3.125% (Annual, Act/Act)
Reoffer Yield	3.250%
Reoffer Price	99.229%
Reoffer Spread	MS + 252.6 bps
Denoms/Language	€100k + 100k / CoC
Listing	Ireland / English Law

Book Evolution (GMT)







Financial Performance
Refinancing of the Capital Structure

Following the bond issuance, Cellnex presents a stable long term debt structure, with attractive flexibility at a competitive cost

Old Structure

- *Euribor 3M + 2%*
- *Maturity June 2021*

Galata 300

- *Euribor 1M + 1.5%*
- *Maturity June 2019*

RCF 75

- *Euribor 3M + avg. margin 1.5%*
- *Maturity June 2019*

Loan B 375

- *Euribor 3M + avg. margin 1.25%*
- *Maturity June 2017*

Loan A 350

Debt with covenants

Dividend Lock-up:
- ND/EBITDA >4.5x

Default:
- ND/EBITDA >5x

Debt with pledge and guarantees

Debt: €1,100Mn
Average Maturity: c.3.9 years
Average Cost(1): 1.6%

New Structure

- *Euribor 1M + c.1%*
- *Maturity 2022(2)*

New RCF 300

- *Euribor 3M + c.1 %*
- *Maturity 2020*

New Loan A 200

- *Coupon 3.125%*
- *Maturity 2022*

Bond 600 (BBB-/BB+)

Longer term debt

Partially fixed rates

Debt without covenants

Debt without pledge nor guarantees

Lower refinancing risk

Funding sources diversification

Debt: €1,100Mn
Average Maturity: c.6.6 years
Average Cost(1): 2.2%

(1) Considering current 3 month Euribor rates; cost over full financing period to maturity

(2) Maturity: 5 years with two extensions of 1 year to be mutually agreed

M&A Activity Update

cellnex
driving telecom connectivity

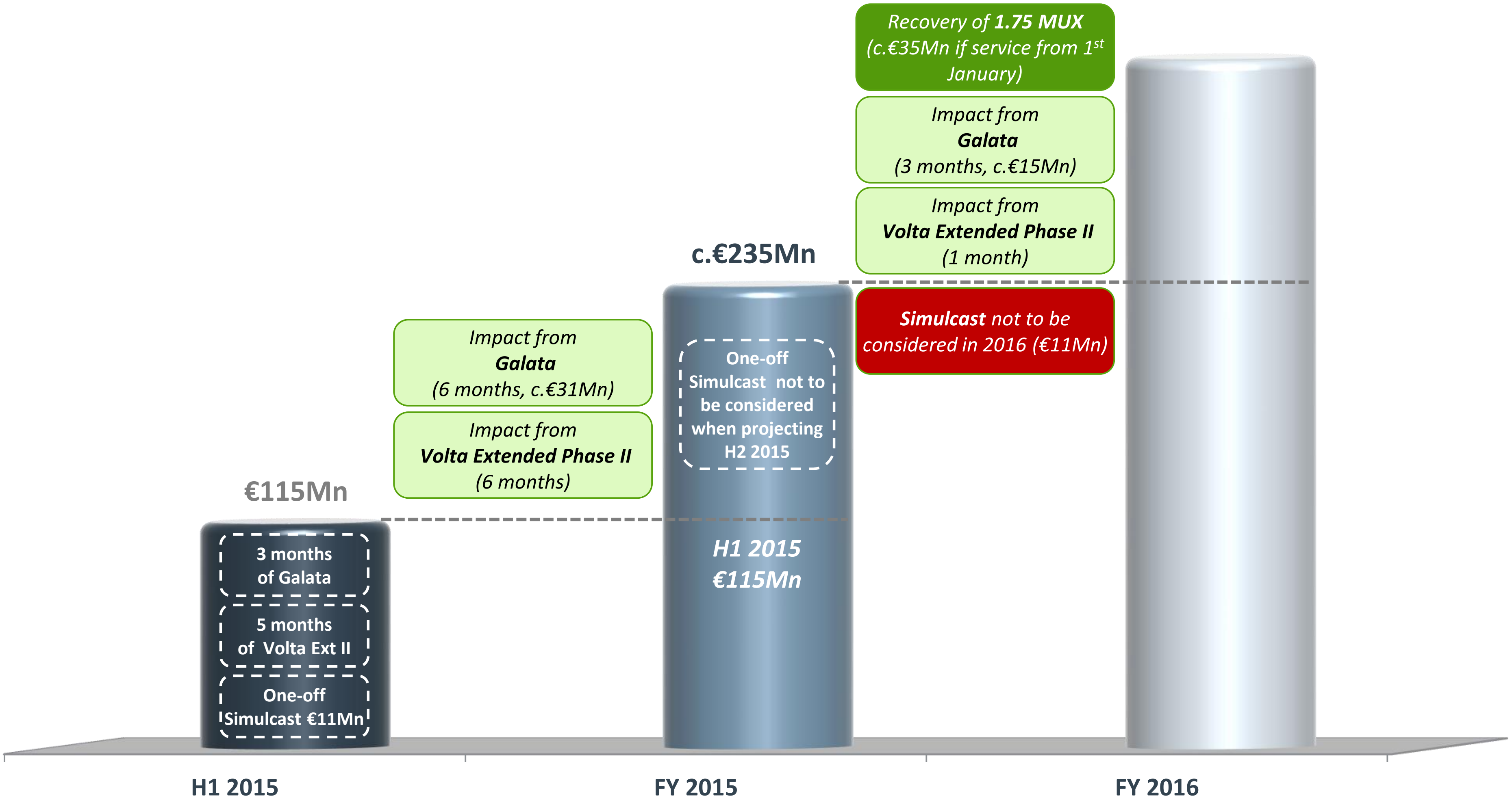
Acquisition of c.3,000 sites per annum on average

Project	Acquired Towers	Acquisition Date
Babel	1,000	2012
Volta I	1,211	2013
Volta II, III, Volta Extended I, Neosky, TowerCo	2,064	2014
Volta Extended II, Galata	7,677	2015
	11,952	

Most recent acquisition Galata performing in line with the business plan
€770Mn EV / €62Mn FY Adjusted EBITDA = 12.4x (see Appendix)

Financial Outlook
Guidance for FY 2015 Adjusted EBITDA performance

Expected adjusted EBITDA for the full year above current market consensus



Financial Outlook
Guidance for FY 2015 RLFCF

Adjusted EBITDA	Revised Full Year 2015 Adjusted EBITDA guidance of c.€235Mn
Maintenance Capex	c.3.5% of total revenues
Working Capital	Tending to neutral
Interests paid	Similar amount as in first semester expected for the second half of the year
Cash Tax	Similar amount as in first semester expected for the the second half of the year
Net debt	Net debt as of June 2015 already in line with full year market consensus

Key Highlights for the Semester

1. Strong performance in the Telecom Site Rental segment driven by the organic growth (+4.5%), accretive acquisitions and network optimization, along with active commercial management to ensure cash flows growth
2. Removal of uncertainties surrounding broadcasting business: 8 channels shutdown risk disappears and 1.75 MUX tender process on track
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Appendix

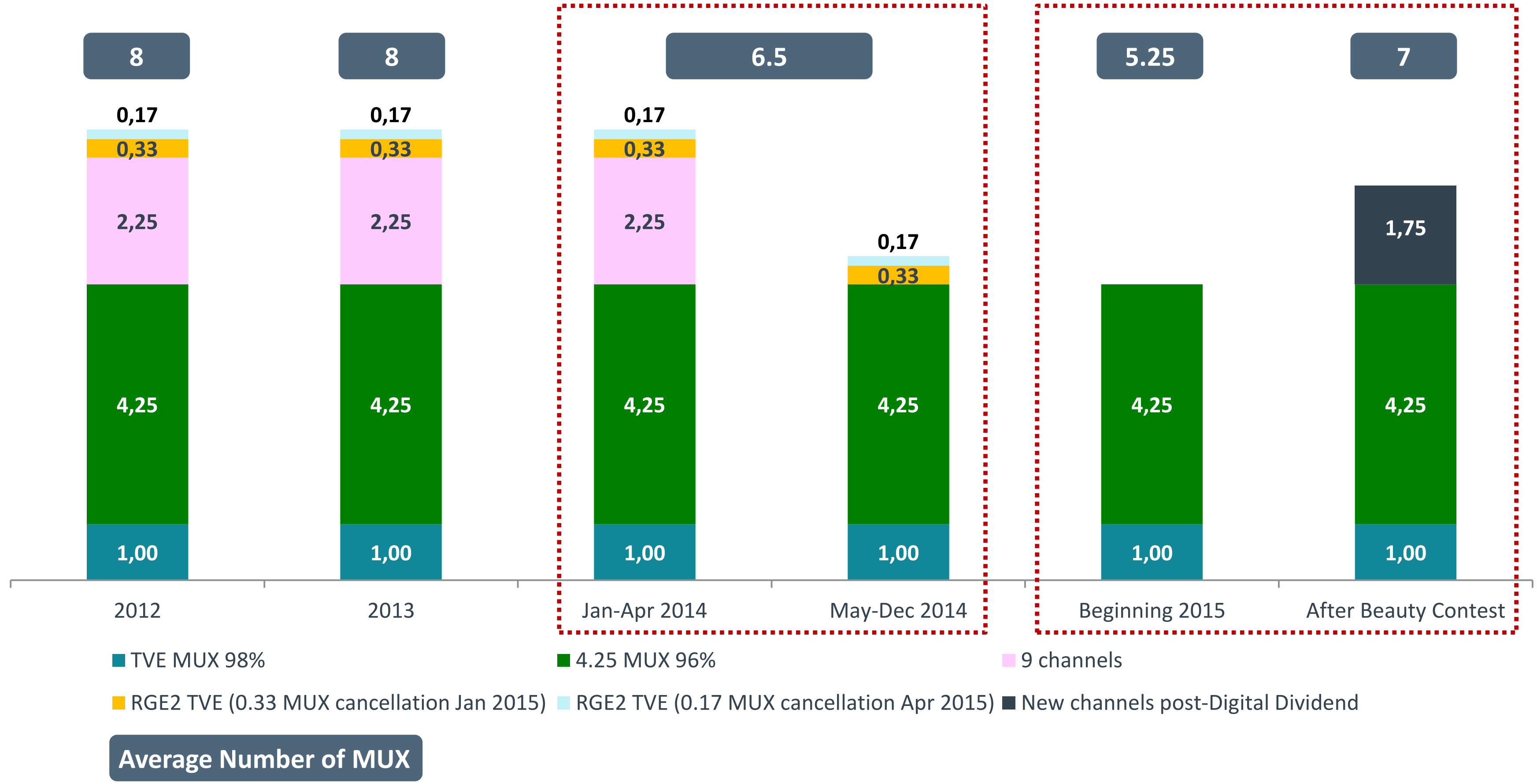
Geographical Breakdown

	June 2014	June 2015 Spain	June 2015 Italy	June 2015
Broadcast Infrastructure	127	119	0	119
Telecom Site Rental	45	62	64	126
Network Services & Others	39	40	0	40
Revenues	**210**	**221**	**64**	**285**
Staff Costs	-42	-42	-2	-44
Repairs and Maintenance	-10	-12	0	-13
Rental Costs	-21	-27	-27	-54
Utilities	-12	-14	-11	-25
General and Other Services	-34	-45	-3	-47
Operating Expenses	**-120**	**-140**	**-43**	**-183**
EBITDA	**91**	**81**	**21**	**102**
Non-recurring items	0	11	2	13
Adjusted EBITDA	**91**	**92**	**23**	**115**

TowerCo €7Mn
Galata €16Mn

Galata Full Year
€16Mn x 4 ≈ c.€62Mn

Evolution of National DTT MUX



Rating

STANDARD & POOR'S RATINGS SERVICES **(BB+ Stable, Outlook)**

"Our preliminary long-term rating on Cellnex reflects our view of the group's leading position, the industry's high barriers to entry, the group's strong revenue and cash flow visibility, high margins, and some growth opportunities."

Cash generation

- "The group has strong revenue and cash flow visibility, given its long-term contracts (…) and a significant revenue backlog of close to 12 years (…) after the recent acquisition of Galata S.p.A (…). Another strength is Cellnex's satisfactory profitability."

Strong Revenue and Cash Flow Visibility and Satisfactory Profitability

- "…the group has strong revenue and cash flow visibility, given its long-term contracts (up to 25 or 30 years including extensions) and a significant revenue backlog of close to 12 years (…) after the recent acquisition of Galata S.p.A. Another strength is Cellnex's satisfactory profitability, in line with that of European peers…"

Strong Liquidity

- "We assess Cellnex's liquidity as "strong," as defined in our criteria. This reflects our projections that Cellnex's sources of liquidity will exceed its uses by at least 1.5x over the upcoming 24 months."

FitchRatings **(BBB- Stable, Outlook)**

Long-term Contracts Critical

- "The contracts for Cellnex's mobile towers are typically 10 to 15 years long while TV broadcasting contracts are up to five years long (…) The contracts are CPI linked and fixed with a very high chance of renewal for a further 10 to 15 years (…) This provides long-term visibility and stability to the company's cash flows".

Cash Generative Business Model

- "The issuer has a strong and scalable, cash generative business model with relatively low capital intensity requirements and demand driven growth capex that reduces related investment risks."
- "The strong margin is a combination of underlying rental contracts, economies of scale in operations, the pass through of certain costs to clients (e.g. energy costs) and low capital intensity requirements"
- "Fitch believes that Cellnex is likely to deleverage at a rate of 0.4x to 0.5x per annum due to its strong cash generation, assuming a conservative dividend policy."

Source:

(1) Fitch Ratings Report dated 26 May 2015

(2) S&P Rating Report date 27 May 2015

European Consolidation

Impact of potential merger among European MNOs

Challenges for the tower industry

- The consolidation process among mobile operators in Europe is reducing the potential number of operators per country
- This can be perceived as a lower future number of tenants to be captured by a tower company

Opportunities
How Cellnex can manage these challenges

- Consolidation deals are usually subject to regulatory restrictions, such as divesting some of the assets or giving back spectrum, which can be acquired by a different operator
- Allocation of the new spectrum can offer additional opportunities for tower companies because of the associated required investment and rollout needs by mobile operators
- This process can trigger the potential consolidation of sites into a single grid, the need for a shared backhaul, and the integration of operations and maintenance activities

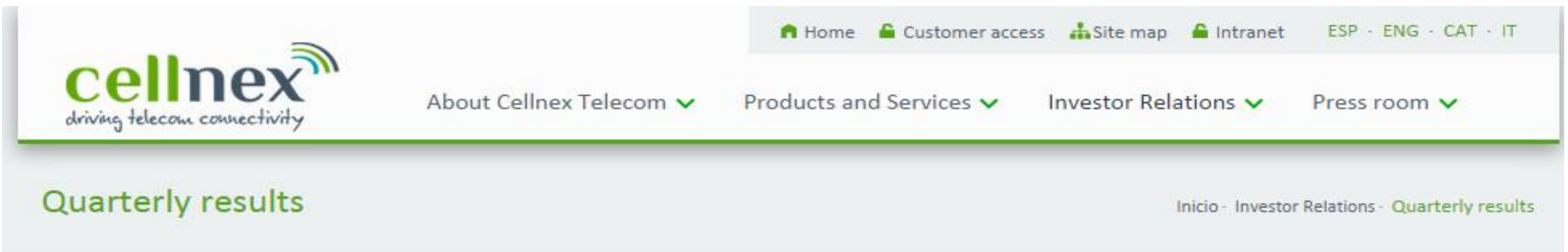
In the case of Cellnex

✓ **Contracted revenues are protected from the potential impact of already known mergers**
✓ **Future organic growth might be impacted as less operators in one single country are present**
✓ **However, Cellnex is well positioned to design an optimal network, acquire new assets and provide further services to the newly merged companies**

Definitions

Term	Definition
Advances to customers	The amounts paid for sites to be dismantled and the estimated future decommissioning costs relate to deferred commercial costs for the purpose of entering into an agreement with the relevant MNO that will generate future economic benefit in our pre-existing infrastructure. These amounts are therefore considered as a deferred commercial cost on account of future income from our customers. The term used to describe these deferred costs on our consolidated balance sheet is “advances to customers”
Adjusted EBITDA	Profit from operations before D&A and after adding back noncash items (such as advances to customers) and non-recurrent items
Anchor tenant	Anchor tenants are telecom operators from which the Company has acquired assets
Built-to-Suit	Process of building up sites on behalf of one or more telecom operators who will then use those sites under site rental agreements
Digital Dividend	Release by the Spanish government of 800 MHz band of frequencies previously used by DTT for mobile use to the benefit of 4G/LTE service provider as a result of the reallocation of spectrum, which was completed on March 31, 2015 and which reduced the number of MUXs from eight to seven at a national level
DTT	Digital terrestrial television
Galata	Stock purchase agreement between Cellnex and Wind for the acquisition of 90% of the capital stock of Wind’s wholly owned subsidiary Galata for a cash consideration of €693Mn
Maintenance Capex	Capex in relation to maintenance investments in existing tangible or intangible assets, such as investment in infrastructure, equipment and information technology systems, and are primarily linked to keeping sites in good working order, but which excludes investment in increasing the capacity of sites
MUX	Multiplex, a system of transmitting several messages or signals simultaneously on the same circuit or channel
Non-M&A Expansion Capex	Expansions to the network of tower infrastructure for site rental, equipment for radio broadcasting, the broadcasting of network services and other, and the radio communications network in pre-existing projects that generate additional income
PoP	Points of presence, an artificial demarcation point or interface point between communicating entities. Each tenant on a given site is considered a PoP
Rationalization	Process consisting on decommissioning one site and moving equipment to another one, so that out of two sites only one remains
RLFCF	Recurring Operating Free Cash Flow plus/minus changes in working capital, plus interest received, minus interest expense paid and minus income tax paid
Recurring Operating FCF	Adjusted EBITDA minus Maintenance Capex
Simulcast	Broadcasting of programs or events across more than one medium, or more than one service on the same medium, at exactly the same time
Tenancy Ratio	Average number of PoPs per site, taking into account changes in the consolidation perimeter

Additional information available on Investor Relations section of Cellnex' website



Backup Excel File

H1 2015 Consolidated Interim Financial Statements