



2016

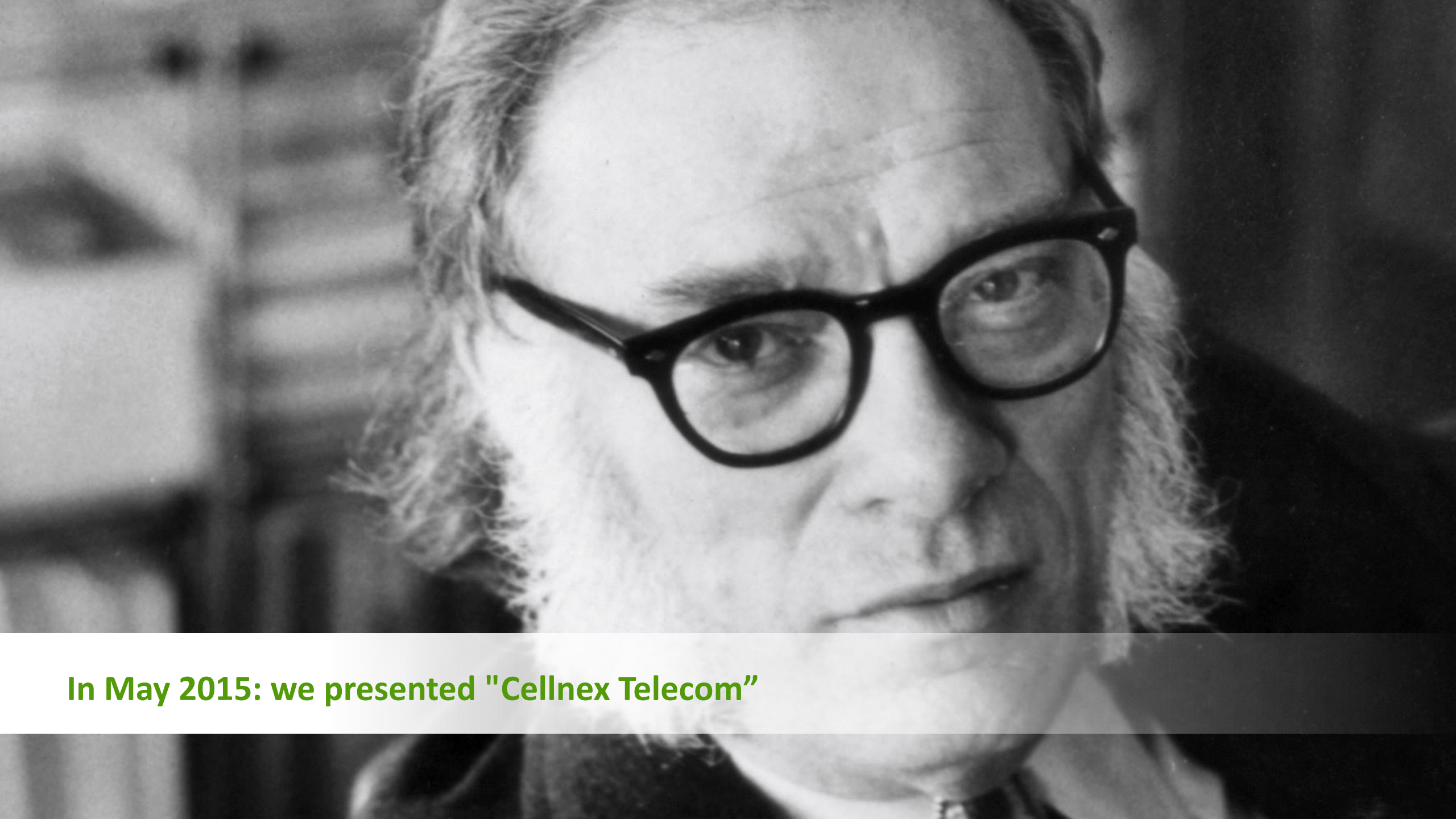
Junta General d'Accionistes

Junta General de Accionistas

Annual Shareholder' Meeting

Francisco Reynés

President



In May 2015: we presented "Cellnex Telecom"

- 1** Why Cellnex Telecom?
- 2** Corporate Governance
- 3** Keys for 2015
- 4** Value creation and responsible management
- 5** Proposed agreements for Shareholders' Meeting

1 Why Cellnex Telecom?

2 Corporate Governance

3 Claves 2015

4 Value creation and responsible management

5 Proposed agreements for Shareholders' Meeting



Why Cellnex Telecom?

Overcoming restrictions that were limiting growth

- Visibility of a specific "equity story"
- Shareholder Corporate Rating was restricting resources to the business line

Access to capital markets

- Appropriate scale and visibility of recurrent flows
- Accessibility to more instruments
- Accelerates growth

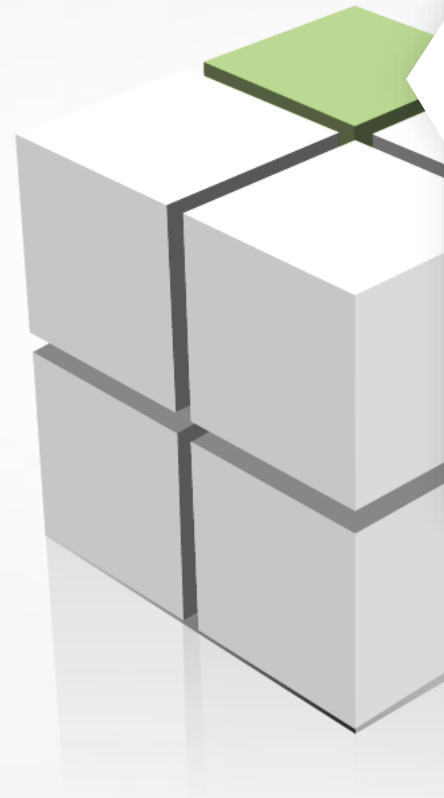
Seizing the opportunities offered by the market

- High interest in Telecommunications Infrastructure assets
- Appropriate scale and recurrent flows attractive to investors
- An experienced and skilled management team
- 2015: tailwinds in the markets

The IPO was the best option for supporting Telecom Cellnex growth



Foundations of the project



Ambition 2020

- Growth and scale
- **Leadership:** Europe's leading telecommunications infrastructure operator



Foundations of the project

Shareholder value

- Achieving the ambition
- Optimising financing schemes to support inorganic growth





Foundations of the project



Commitment

- **Proactive approach** to seizing opportunities
- **Building a "best in class" company** in terms of market performance



Foundations of the project

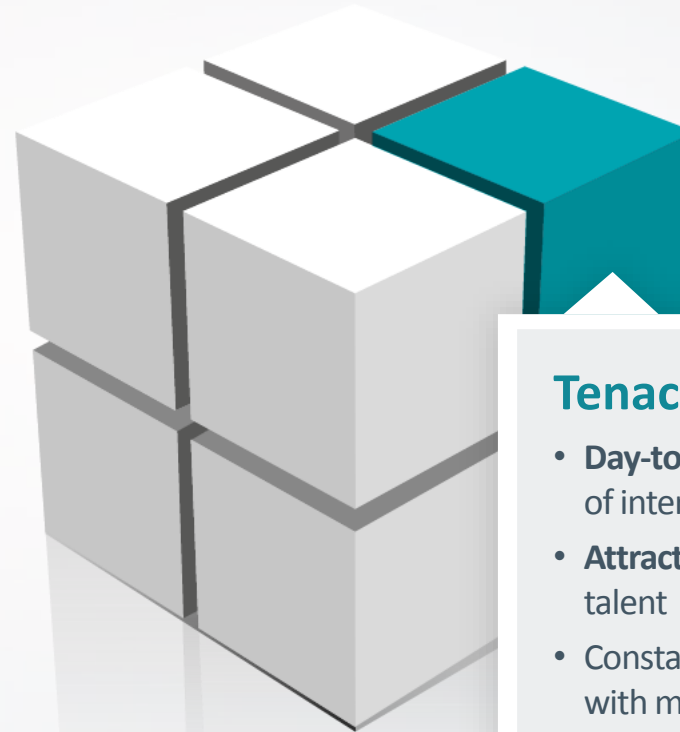


Execution

- **Credibility** based on achievements in organic and inorganic growth
- Consistent and demanding **acquisition criteria**
- Differentiation through **innovation**
- **Effectiveness** in execution, **efficiency** in resources



Foundations of the project

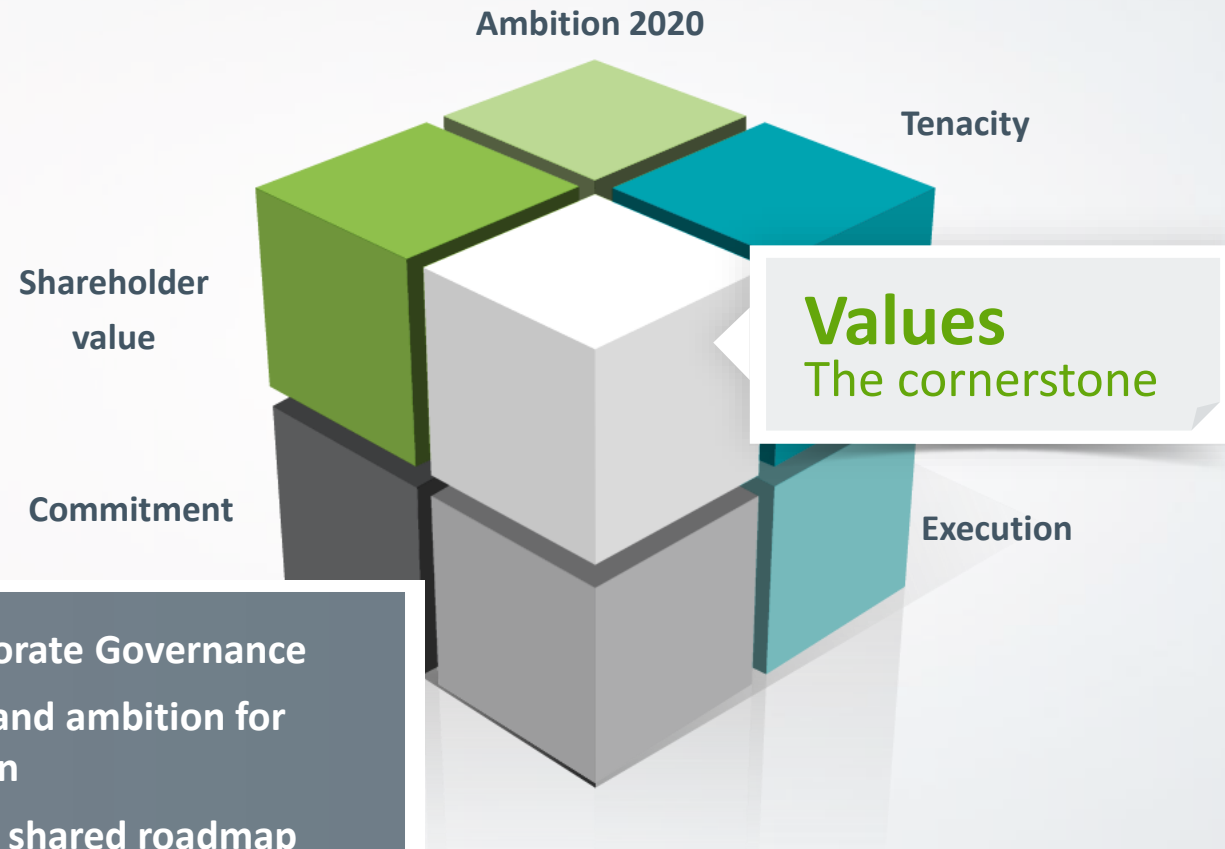


Tenacity

- **Day-to-day management** in a context of internationalisation
- **Attracting, recruiting and retaining** talent
- Constantly **aligning** the organisation with market expectations



Foundations of the project



- Best practices in Corporate Governance
- Management: ability and ambition for excellence in execution
- Result: objectives and shared roadmap

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2

Adopting a Corporate Governance framework worthy of a listed company

- **Adapting to the Law on Corporations**

- **Amending** the bylaws in accordance with the Corporate Enterprises Act
- **Approving** the Terms of Reference of the AGM and Board of Directors.
- **Approving and implementing** the Internal Code of Conduct

- **Structure of Governing Bodies**

- **A compact Board** oriented to decision-making and implementation
- **1 CEO; 4 independent directors; 4 proprietary directors**
- **Highly-qualified independent directors** with an **international profile**
- **Committees of the Board** (ARC and ACC) chaired by independent directors and majority of independent directors as members.

2 Board of Directors



- 1. **Javier Martí de Veses**
Secretary of the Board
- 2. **Giampaolo Zambelletti***
Former executive director at Telecom Italia Int. and former director at Auna and Telekom Austria
- 3. **Lluís Deulofeu**, DG Sanef
- 4. **Tobías Martínez**, CEO
- 5. **Bertrand Boudewijn Kan**
Former VP and executive director in charge of the telecommunications practice at Morgan Stanley
- 6. **Francisco Reynés**, President
- 7. **Pierre Blayau****
President of Caisse Central Réassurance and director at Canal + Group (France) and Fimalac holding
- 8. **Mary Gatehouse**, Deputy Secretary
- 9. **Leonard Peter Shore**
Former President of Arqiva
- 10. **Josep M^a Coronas**, General Secretary of Abertis
- 11. **Francisco José Aljaro**, Financial DG Abertis

* Chairman of the Appointments and Remuneration Committee

** Chairman of the Audit and Control Committee

- Proprietary directors
- Executive
- Independent
- Secretary and Deputy Secretary

2

Corporate Governance actions by the Board

- **Approving** the Code of Ethics and complementary legislation
 - Rule for the prevention of corruption
 - Ethical channel
 - Ethics and Criminal Prevention Committee
- **Formalising** policies:
 - **Communication and contact** with shareholders
 - **Selecting and appointing** directors
 - **Remuneration** of the Board
 - Corporate Responsibility **Master Plan**

2

Compliance with the Code of Good Governance

- **High degree of compliance** of the Code's recommendations

- **Comments on the degree of alignment** with certain recommendations:
 1. **Proportionality** "proprietary" representation (abertis)
 - Selecting new independents (in progress)
 2. **Evaluation of the Board in 2015**
 - Performed in April 2016 after the first full year
 3. **CEO remuneration scheme** in company shares
 - Incorporated into the long-term compensation plan

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2015, a year of achievements and transformation

IPO - May 2015

11x oversubscribed in the high band of the price range

31.12.2015

25th company by capitalisation

20.06.2016: IBEX 35

Results in line with market expectations

Refinancing

Corporate bond six-fold oversubscribed without covenants

M&A, execution and integration of assets: 7,400 WIND sites in Italy

Geographical diversification + business diversification

Dividend payout

€ 0.087 per share

- Nov.2015: € 0.040 on account
- Jul.2016: € 0.047 compl.

October 2015

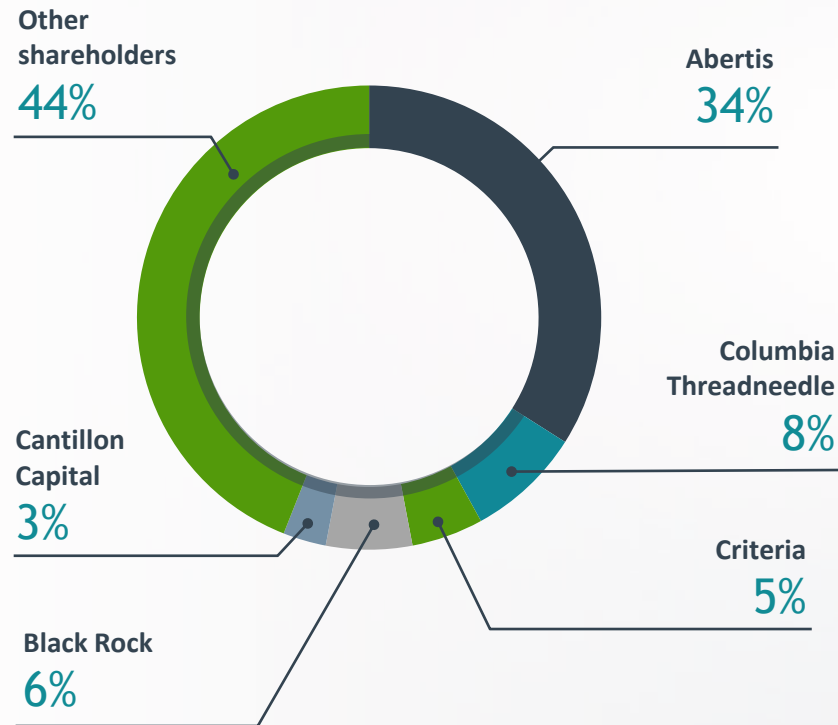
- Award of six new DTT channels in Spain
- Cellnex contracts signal transport

INCOME +41% / €613 M
EBITDA +32% / €235 M
INVESTMENT €788 M

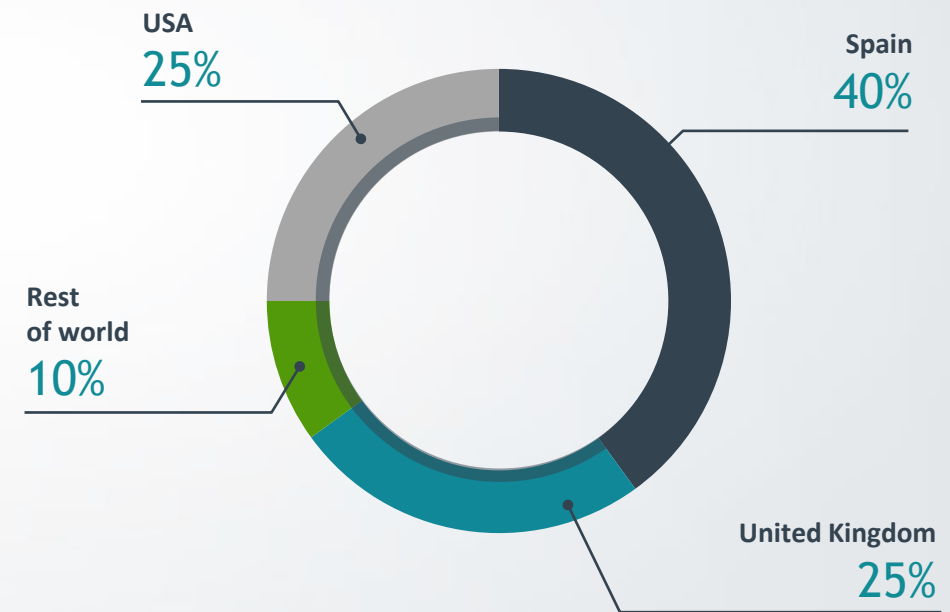
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4 Our shareholders

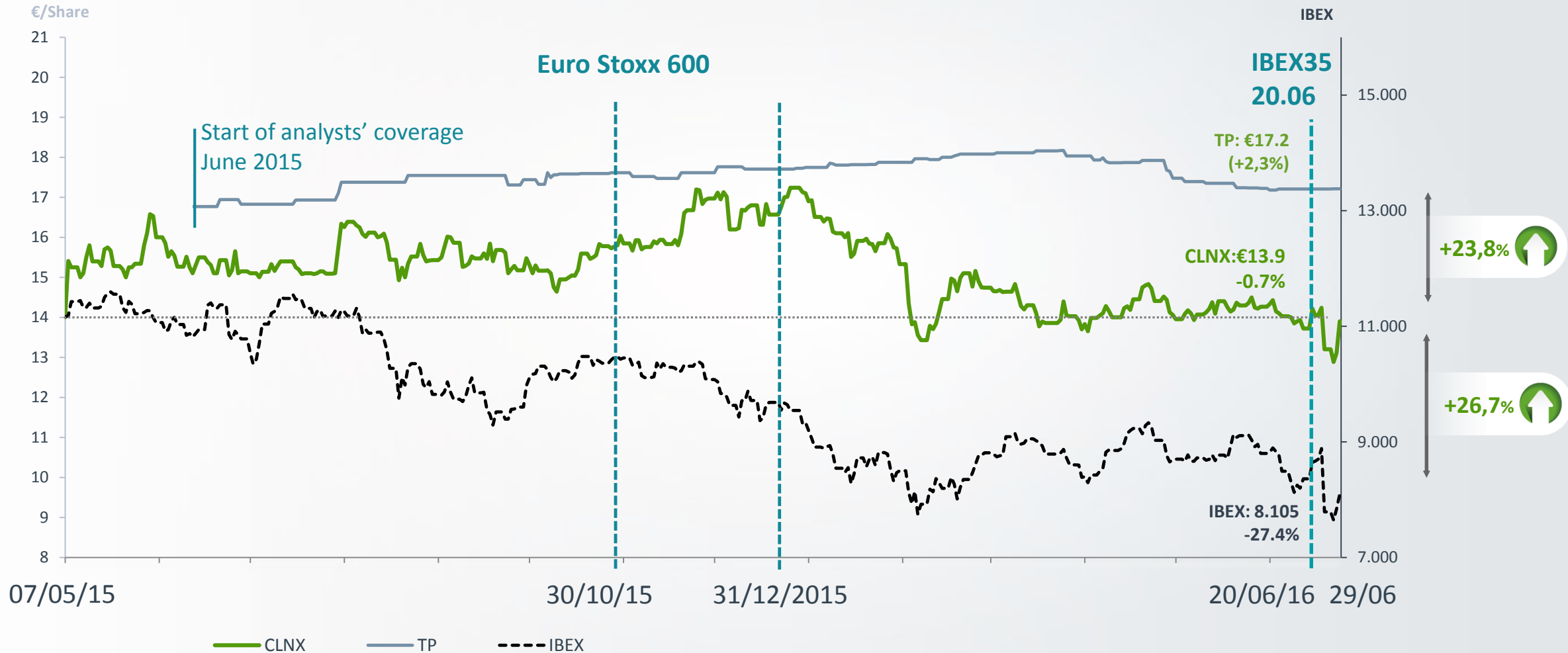
Significant shareholdings in Cellnex Telecom



Shareholdings by geographical origin



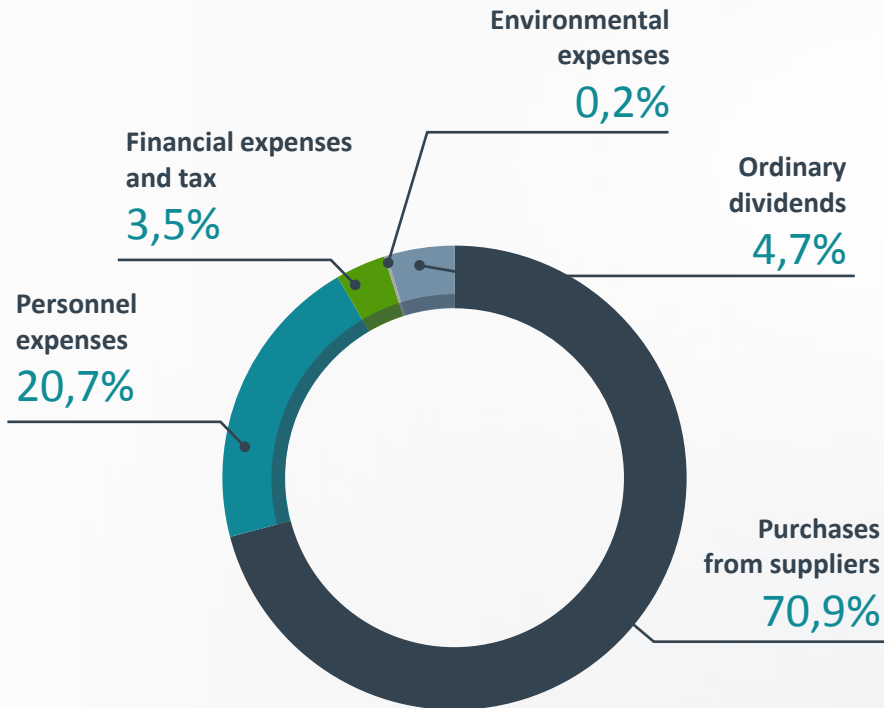
4 CLNX shares vis a vis the market



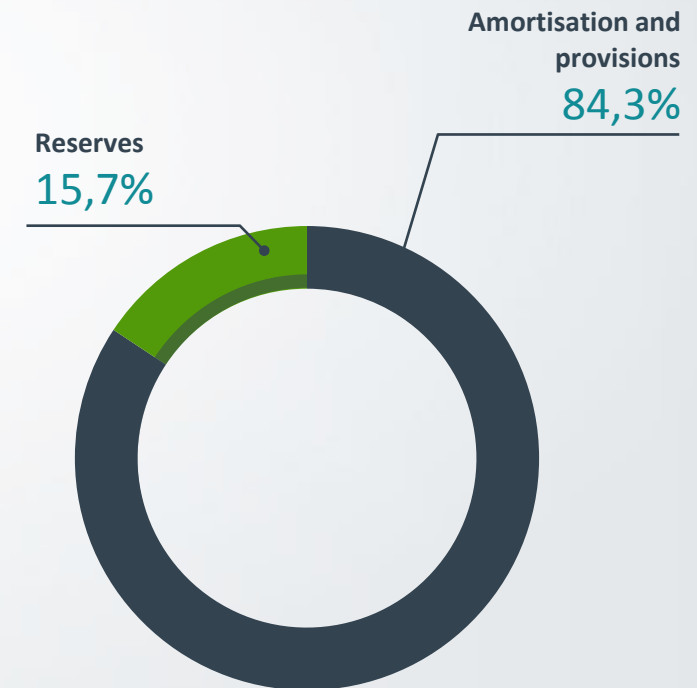
4 Value generated and distributed

€ 613 Million (income)

€432 Million
Economic value distributed



€181 Million
Economic value retained



4 Social value: axes of Corporate Responsibility

1. **Industrial vision:** long-term commitment to actors in our ecosystem.
2. **Sustainability and efficiency** in the use of resources transmitted to the entire value chain;
 - **Customers:** making better use of infrastructures rolled out, greater shared value;
 - **Suppliers:** developing initiatives to make better use of resources (e.g. Energy efficiency)
3. **Open innovation:**
 - Collaboration with knowledge generators (universities, technological centres) to support applied innovation (e.g. EU “Horizon 2020” programme);
 - Supporting programmes for enterprise in the digital economy
4. **Talent:**
 - Training, objective-oriented management, social involvement (“Volunteers” programme), cooperation agreements with universities.

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5 Proposed agreements for Shareholders' Meeting

1. Financial Statements and Management Report 2015

- Distribution of the profit for the period

2. Amendments to the bylaws

- Adapting to new legal provisions
- Facilitating the participation of shareholders at the AGM
- Amending the regulations of the AGM in accordance with amendments to bylaws

3. Renewing Board members

4. Remuneration policy

5. Annual Report on remuneration, consultative

cellnex 
driving telecom connectivity

Tobias Martínez

CEO

- 1** The emergence of a new sector
- 2** Vision for FY 2015
- 3** Development 2016
- 4** Axes for future growth
- 5** Conclusions

1 The emergence of a new sector

2 Vision for FY 2015

3 Development 2016

4 Axes for future growth

5 Conclusions

1 Interpreting the dynamics of the sector

Opportunity for growth in Europe



Total market (urban + non-urban: 11% Europe vs. 34% USA)

● Proportion of sites outsourced to independent operators
Source: EY/ TowerXchange

Outsourcing: Europe behind USA
84% USA vs. 20% Europe (non-urban sites)

1 Interpreting the dynamics of the sector



Considerable potential growth in Europe



Approx.
368,000

Total telco sites

Approx.
315,000

Approx.
50

No of mobile
operators

4

>500MM

Total lines/contracts

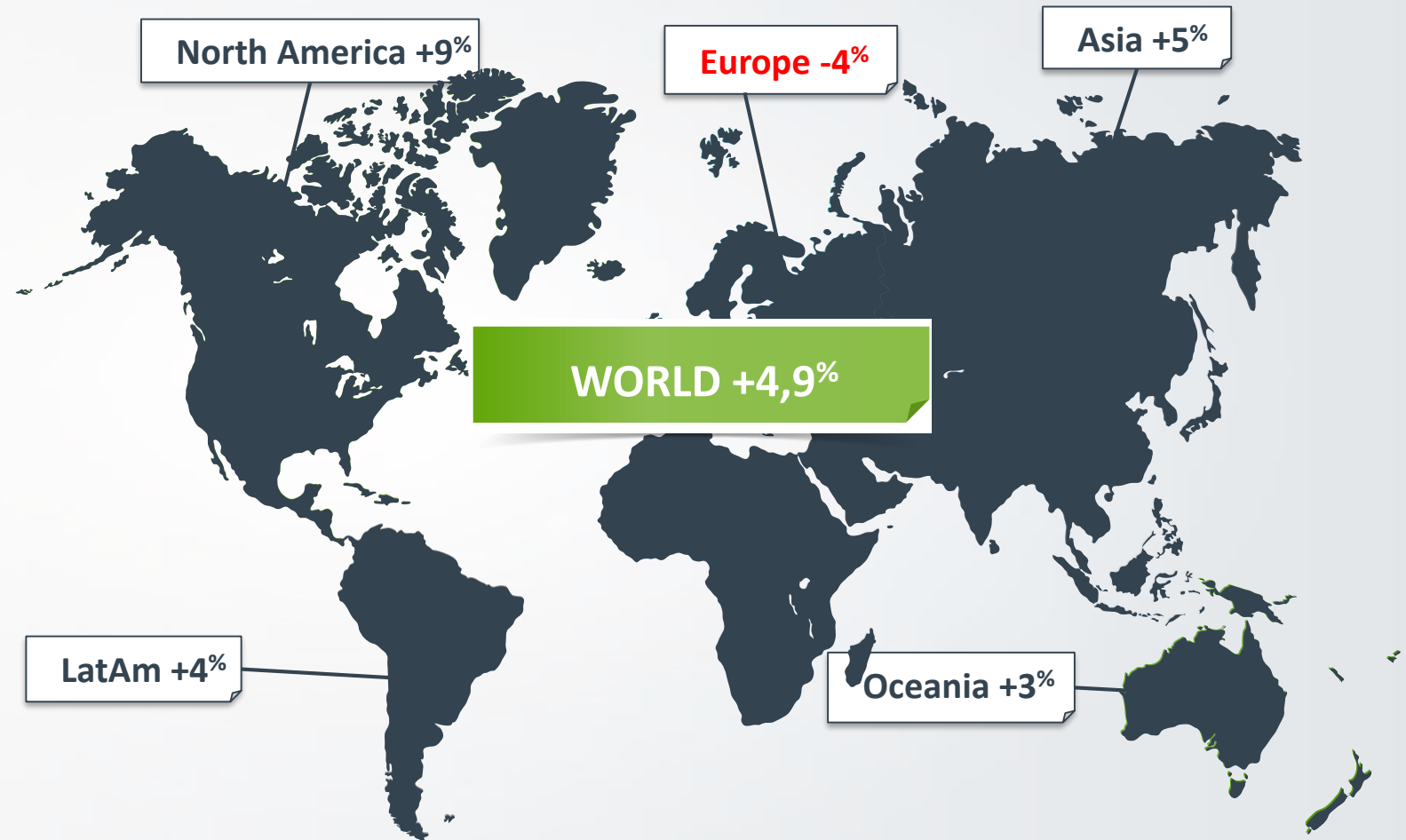
>340MM



The telecommunications market

Diagnosis

- Europe – a mature market
 - No growth in income
 - Growth in investment
 - Erosion of cash flow
- Only region where the telco sector has failed to grow in the last 5 years (2011-2015)





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Trends

- Concentration of telco operators
- Trend towards consolidation of telco infrastructures
- Outsourcing infrastructure assets to focus on the core business:
 - Monetising assets
 - Improved OPEX
 - Improved CAPEX
 - Independent, specialised management



The telecommunications market

Diagnosis

- Europe – a mature market
 - No growth in income
 - Growth
 - Erosion
- Only region sector has the last 5 y

Trends

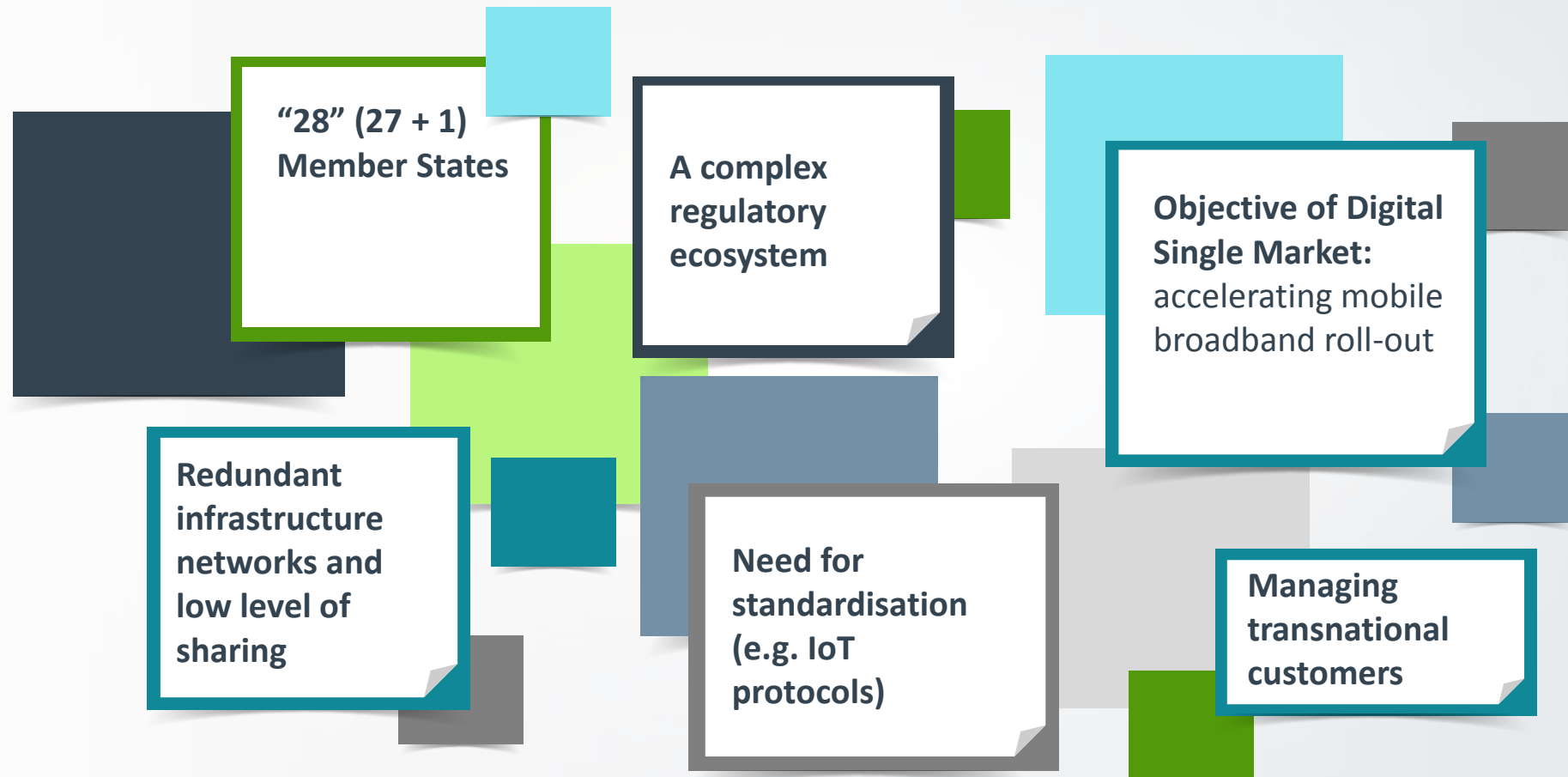
- Concentration of telco operators

**Concentration of operators and
Consolidation of infrastructures =
A GREAT OPPORTUNITY**

- Independent, specialised management

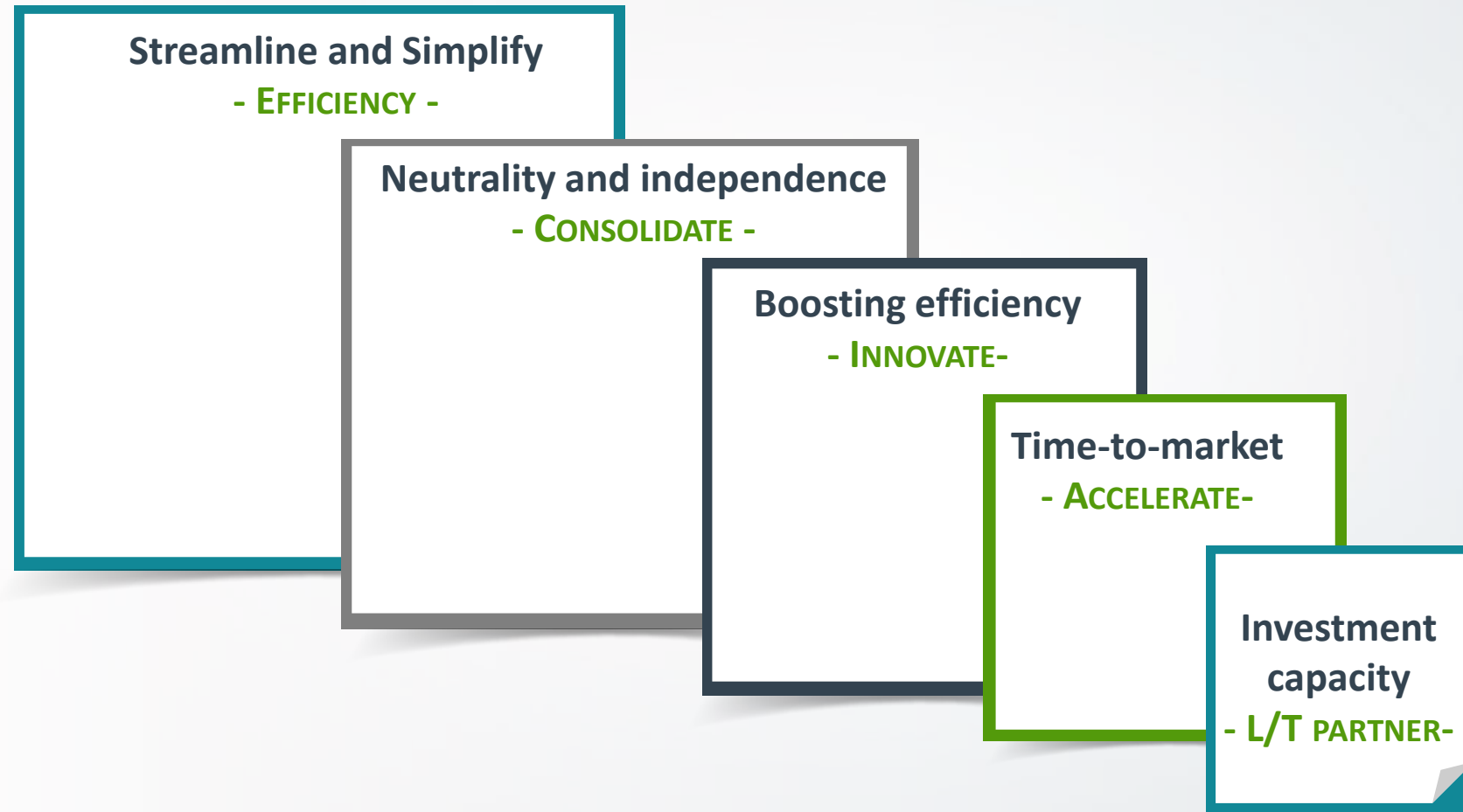


The complexity of the European context: the challenge





The added value of the independent infrastructure operator



1 The emergence of a new sector

2 Vision for FY 2015

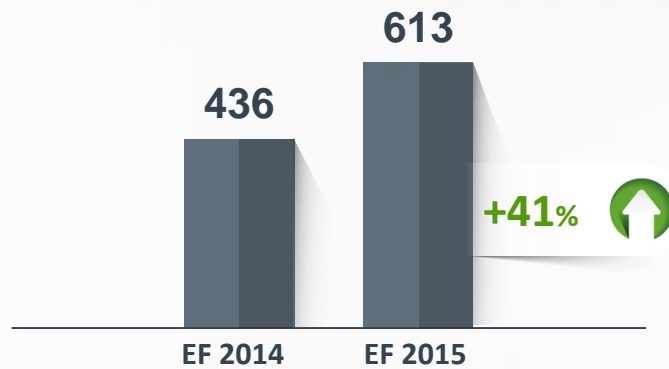
3 Development 2016

4 Axes for future growth

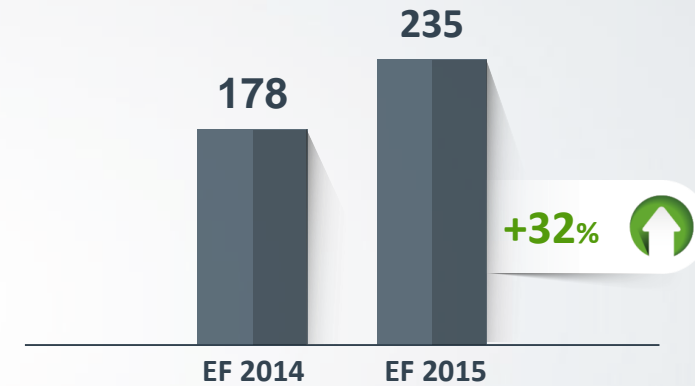
5 Conclusions

2 Main indicators

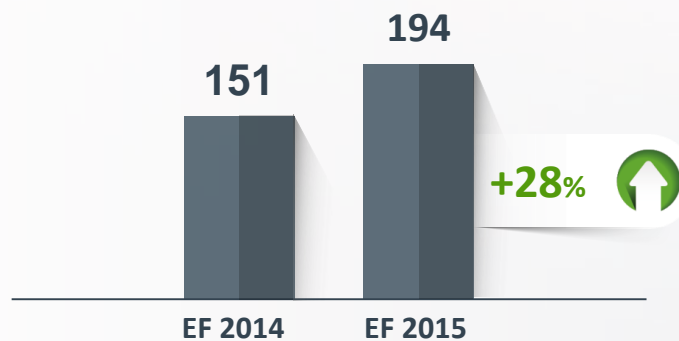
Income (€ Mn)



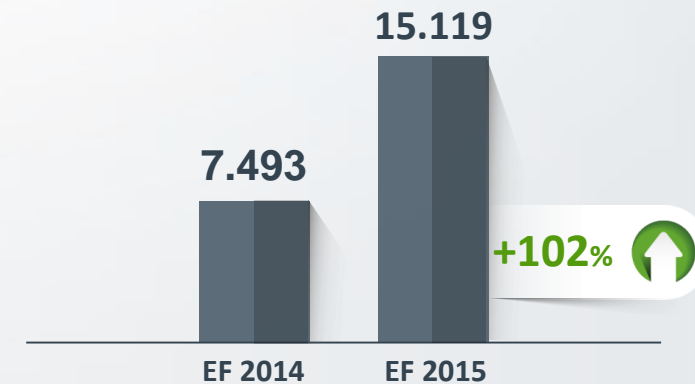
EBITDA (€ Mn)



RLFCF (Recurring cashflow) (€ Mn)

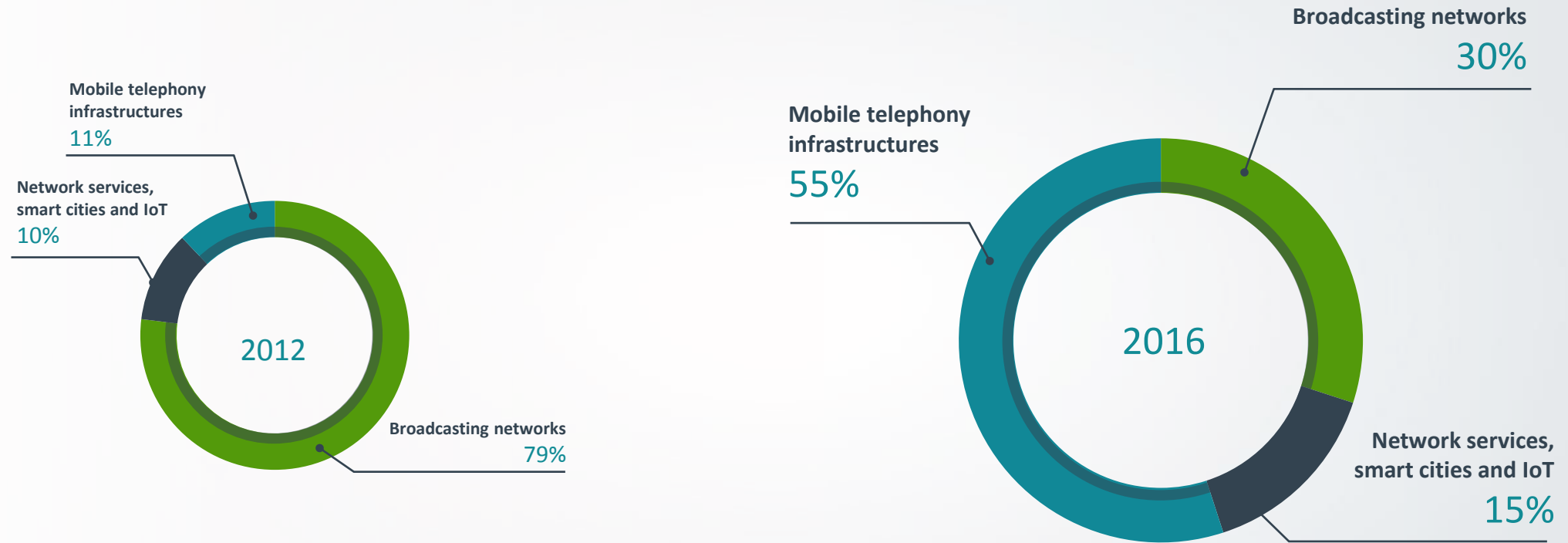


Sites ¹



(1) Includes all sites: mobile telephony and broadcasting

2 Income distribution by business: transformation



in 4 years

2 Geographical distribution of revenues

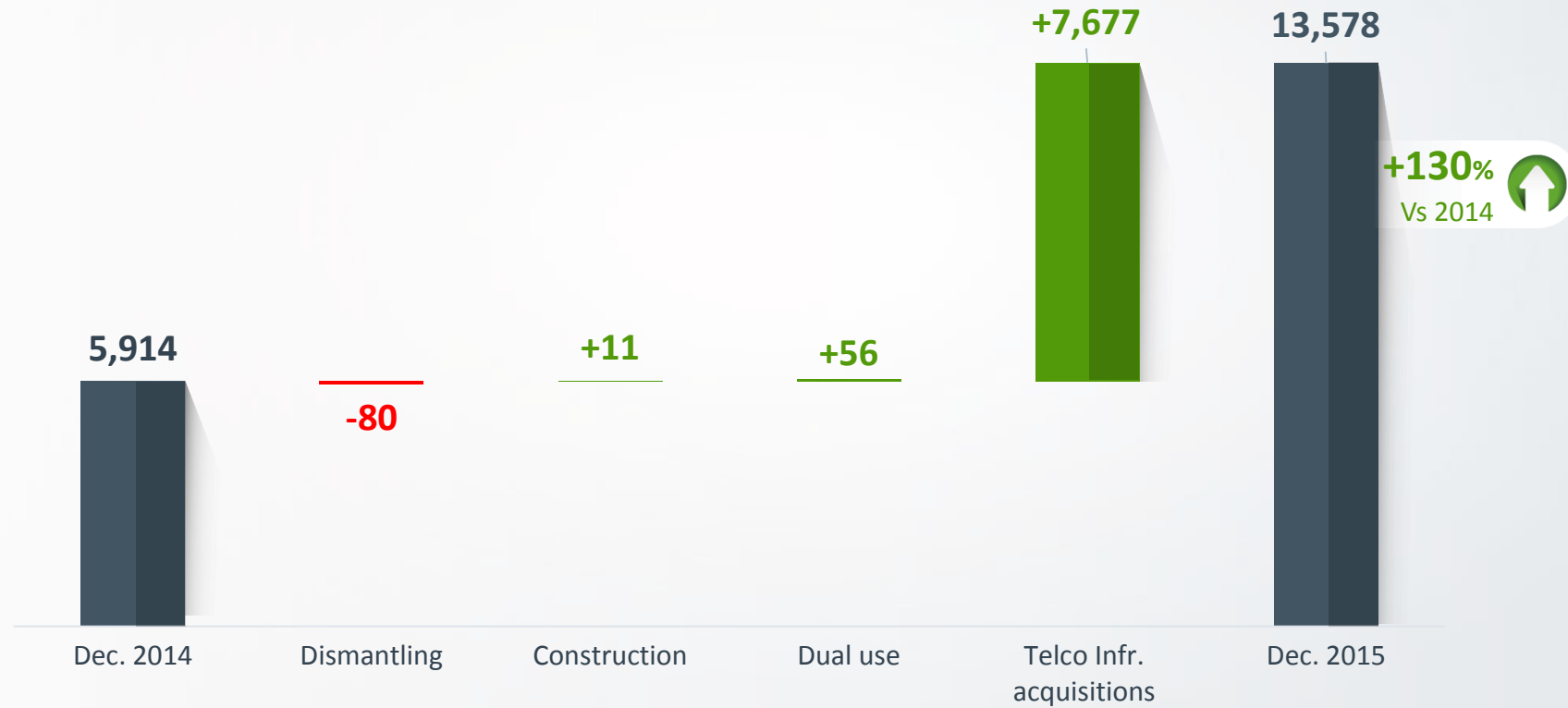


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2015: Key figures and indicators

Mobile telephony sites¹

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(1) Only mobile telephony sites taken into account for calculation of the sharing ratio

2

2015: Key figures and indicators

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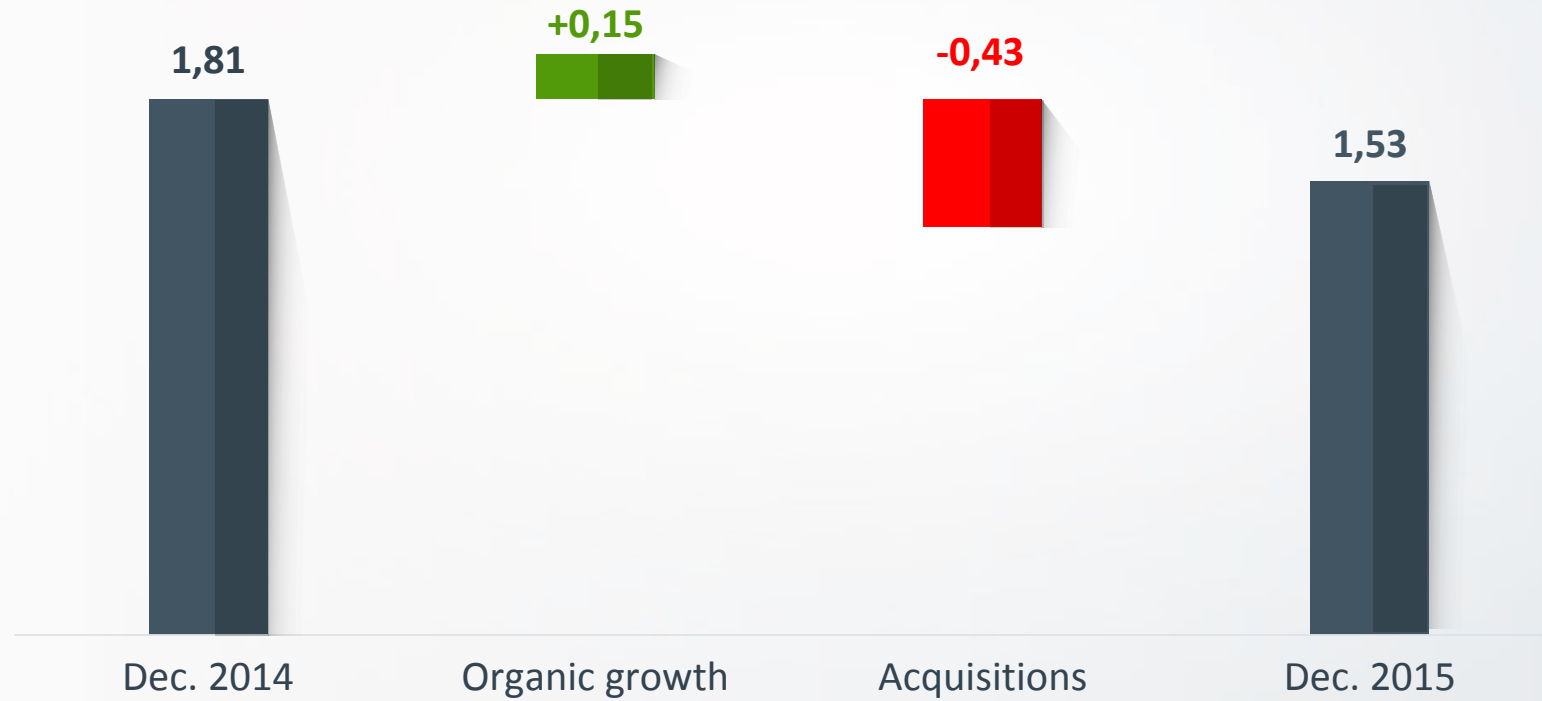
Points of Presence (PoP) of mobile operators at sites





2015: Key figures and indicators

Sharing ratio at mobile telephony sites

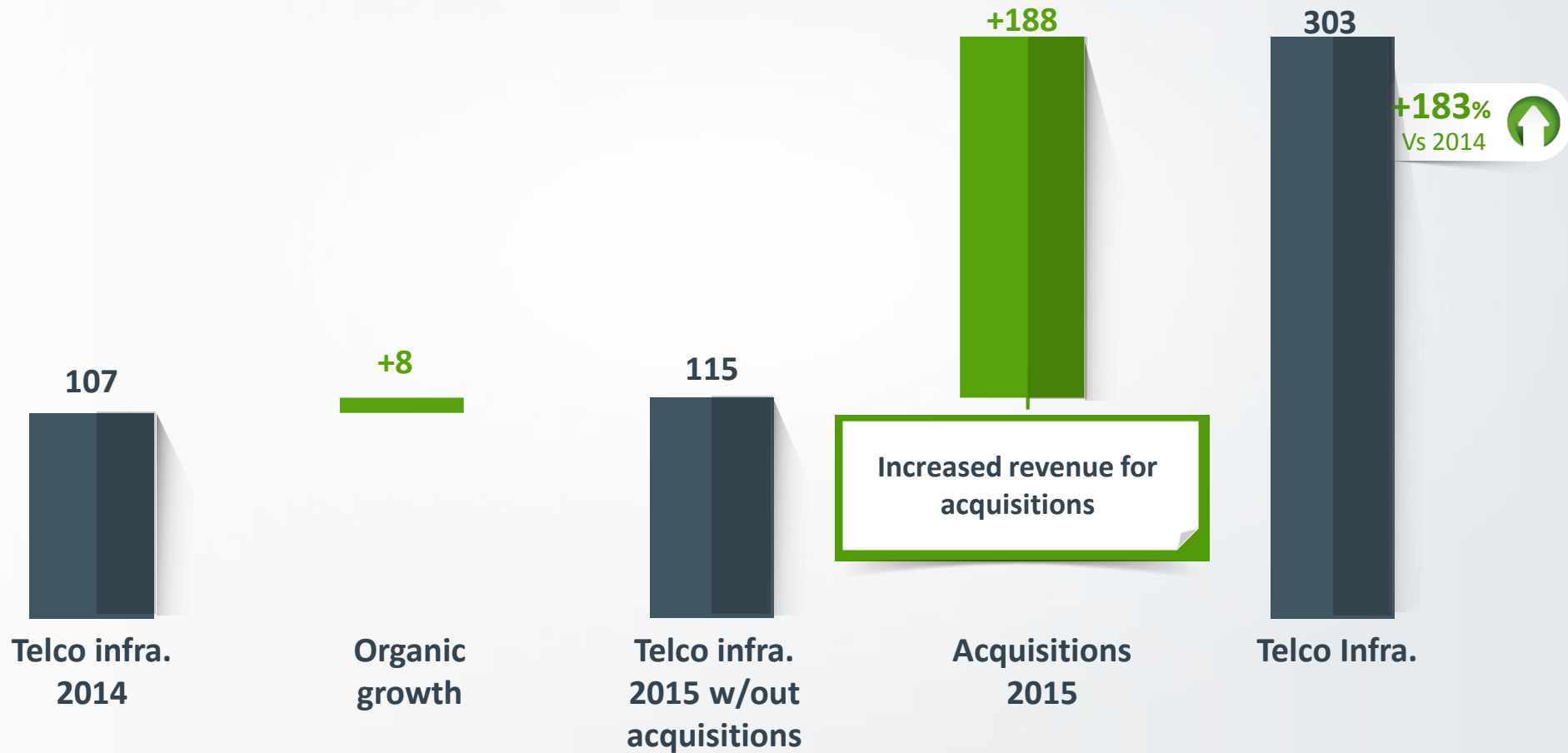


2

2015: Key indicators and figures (in € M)

cellnex

Development of revenues in telco infrastructure: **50% of total**



2

2015: Key indicators and figures (in €M)

Development of revenues in broadcasting: **35% del total**

Development of revenues in broadcasting



Múltiplex

8

5,25

5,25

7

- Switch-off 9 channels May 2014

- Freeing up 800 MHz band (1Q 2015)
- Awarding six new channels: +1.75 MUX (October 2015)

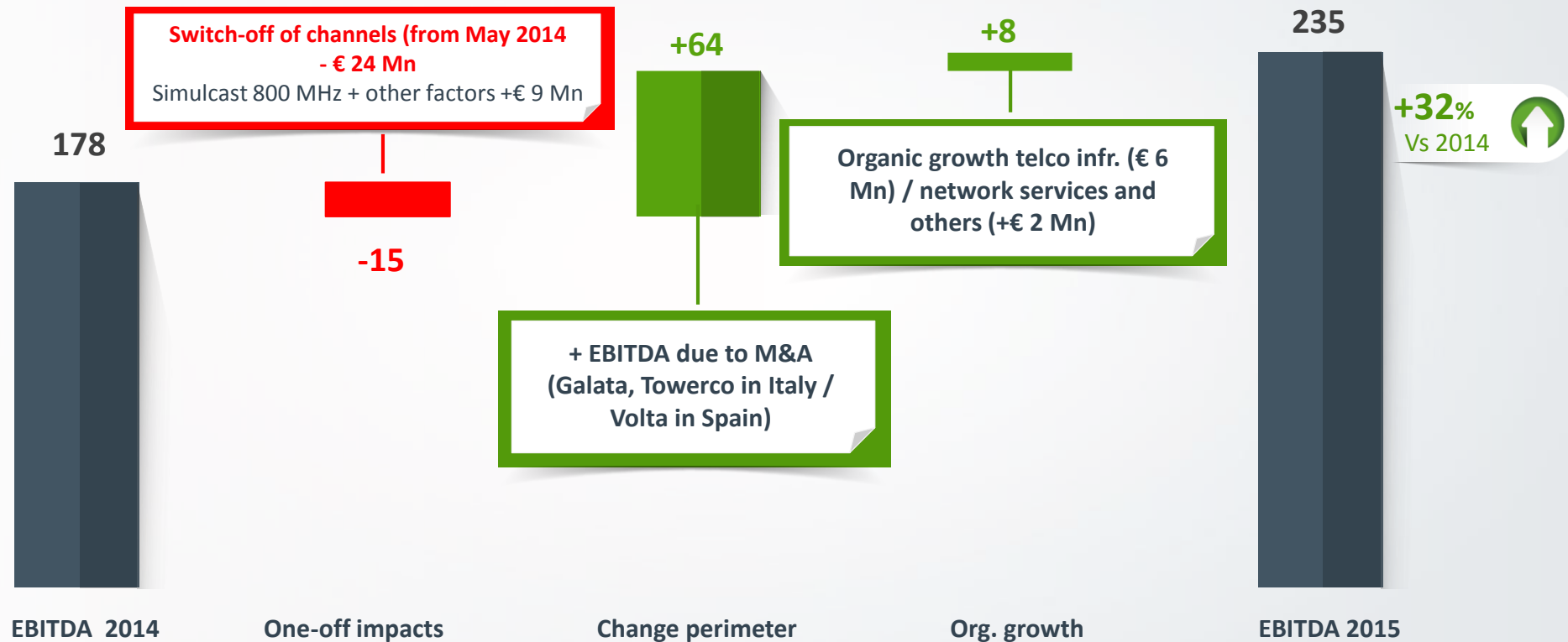
- Start of broadcast on six new channels (April 2016) and stabilisation in 7 MUX

2

2015: Key indicators and figures (in € M€)

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EBITDA in line with market expectations



2 2015: Key figures and indicators

Income statement

(€Mn)

Telecommunications infrastructure
 Broadcasting
 Network services and others

Income

Operating costs

EBITDA

Non-recurring costs (1)

Depreciation & amortization

Financial spending and taxes (2)

Minority holdings

Net result

2015

303

225

85

613

-378

235

-18

-154

-14

-1

48

+40%
Vs 2014



+32%
Vs 2014



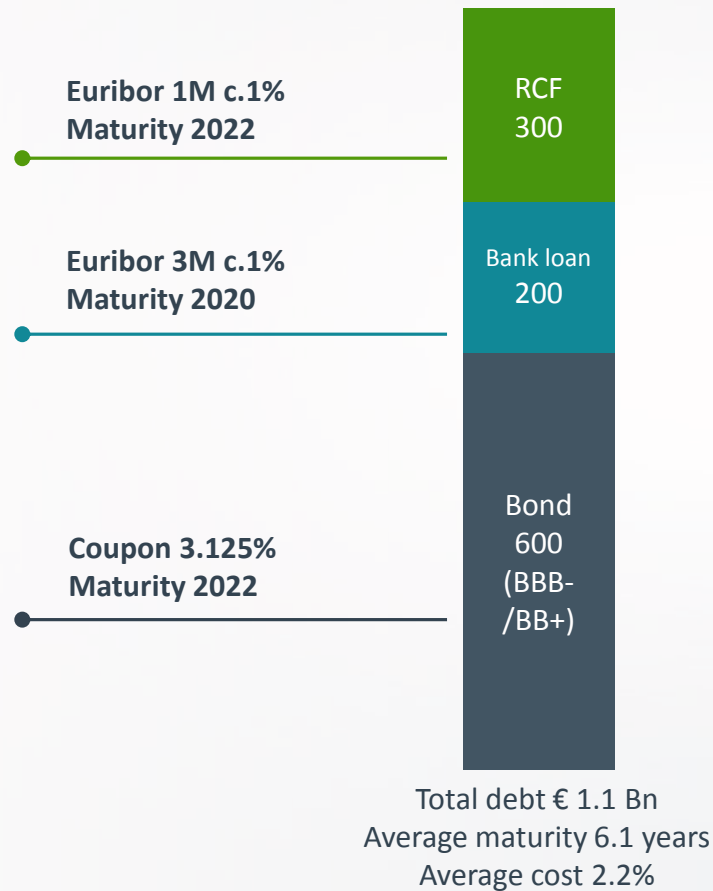
(1) Non-recurring expenses associated to Galata acquisition, IPO and Bond issue commissions

(2) Includes the favourable impact, with no cash effect, on deferred tax due to change in rates applicable in Italy.

2

2015: Key figures and indicators

Solid debt structure with long maturities



- ✓ Diversification of funding sources
- ✓ Debt without covenants
- ✓ Debt without pledges and guarantees
- ✓ 55% fixed rate

2

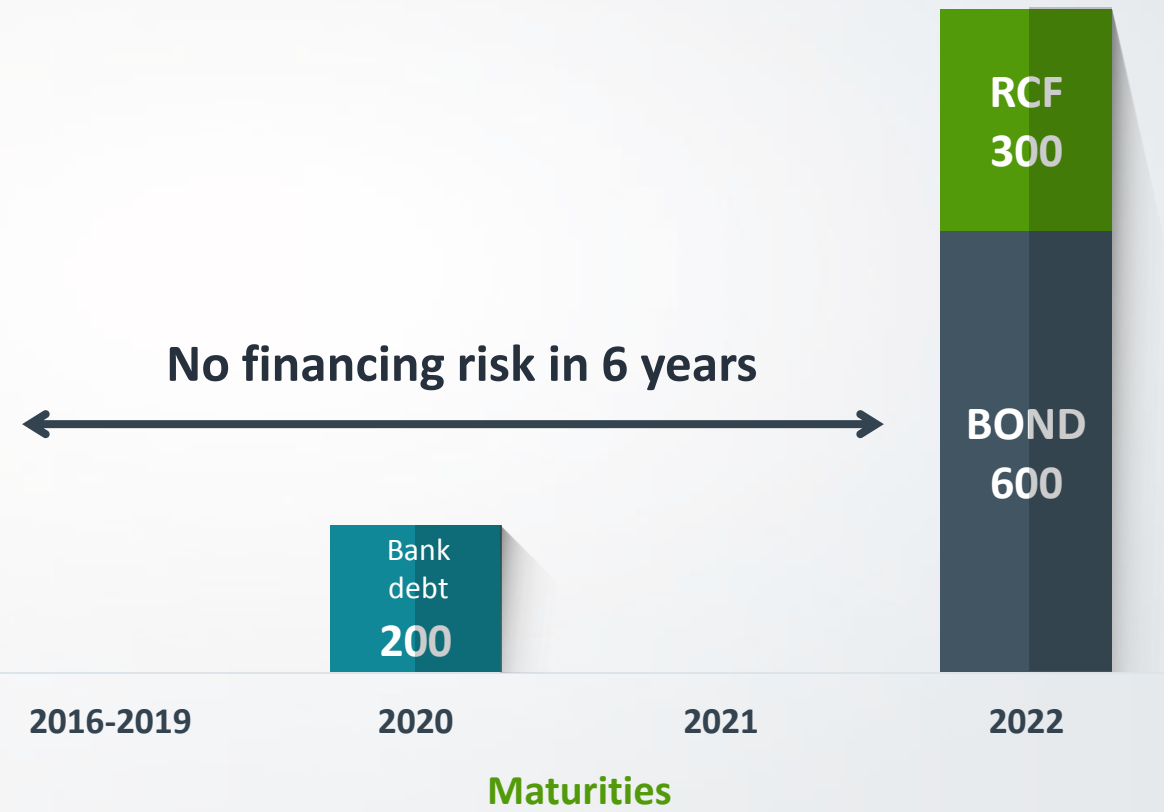
2015: key figures and indicators

Sustainable and long-term debt structure

Net debt as of end 2015

€927 Mn (bank debt & bond)

Annualised Net Debt/ EBITDA
3,7x





2015: we did what we said

Results in line with 2015 roadmap

Financial Outlook			
Guidance for FY 2015 RLFCF			
Adjusted EBITDA	Revised Full Year 2015 Adjusted EBITDA guidance of c.€235Mn	●	EBITDA adjusted as expected
Maintenance Capex	c.3.5% of total revenues	●	Keeping Capex below 3%
Working Capital	Tending to neutral	●	Improved working capital
Interests paid	Similar amount as in first semester expected for the second half of the year	●	Lower financial costs
Cash Tax	Similar amount as in first semester expected for the second half of the year	●	Taxes in line with forecasts
Net debt	Net debt as of June 2015 already in line with full year market consensus	●	Net debt below market consensus

Results H1 2015 - August 2015



1 The emergence of a new sector

2 Vision for FY 2015

3 Development 2016

4 Axes for future growth

5 Conclusions

3

First months

Good performance during the period

Significant increase in recurring free cash flow

1Q: +14%

The six new TV channels are already broadcasting

2Q 2016
+1,75 MUX

Sustained growth in sharing ratios and PoPs

Ability to react and performance in the face of market opportunities

Netherlands, Italy

Close 1Q 2016

+ income +41%
+ EBITDA +26%
+ Free cash flow +14%
- Debt -2.8%
+ net result +37.5%

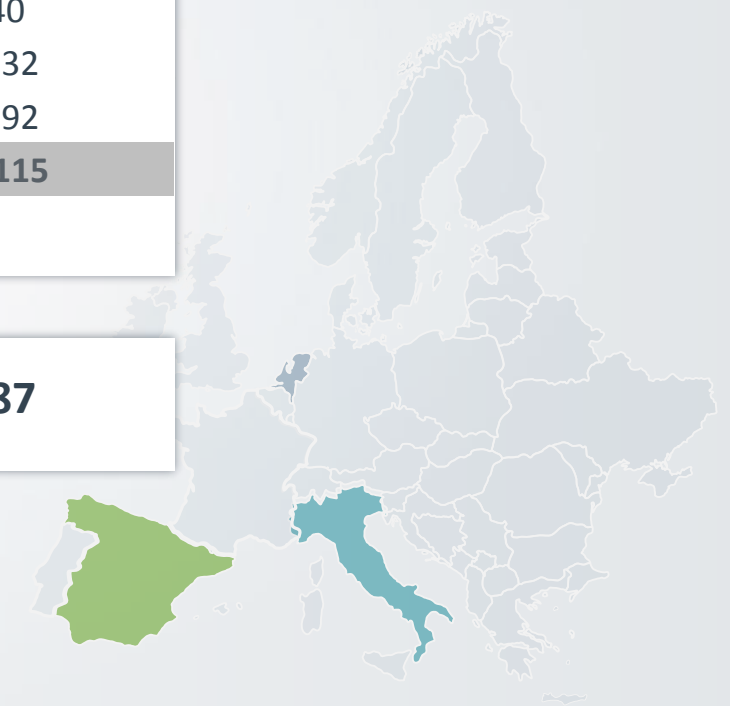
3

The Cellnex portfolio: European growth

	Spain	Italy	Netherlands	TOTAL EUROPE
Sites				
Telco	3.494	7.596	261	11.351
DAS and Small Cells	-	840	-	840
Broadcasting	1.532	-	-	1.532
Combined use	2.392	--	--	2.392
Total	7.418	8.436	261	16.115
National coverage	✔	✔	✔	
Revenue in 2015 (Proforma M€)**	439	241	7	687

* Incorporates CommsCon sites in Italy

** (annualized at 12 months Italy &
Finalisation Protelindo Netherlands)



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Axes for future growth

+ sharing

Attracting more tenants
to existing sites

Rationalisation

Consolidation of networks
to optimise customer
OPEX/CAPEX

IoT

Rolling out IoT connectivity
on our networks

Backhauling

Right to use existing FO
(backbone) and roll-out of
new FO for sites to provide
high-capacity connectivity

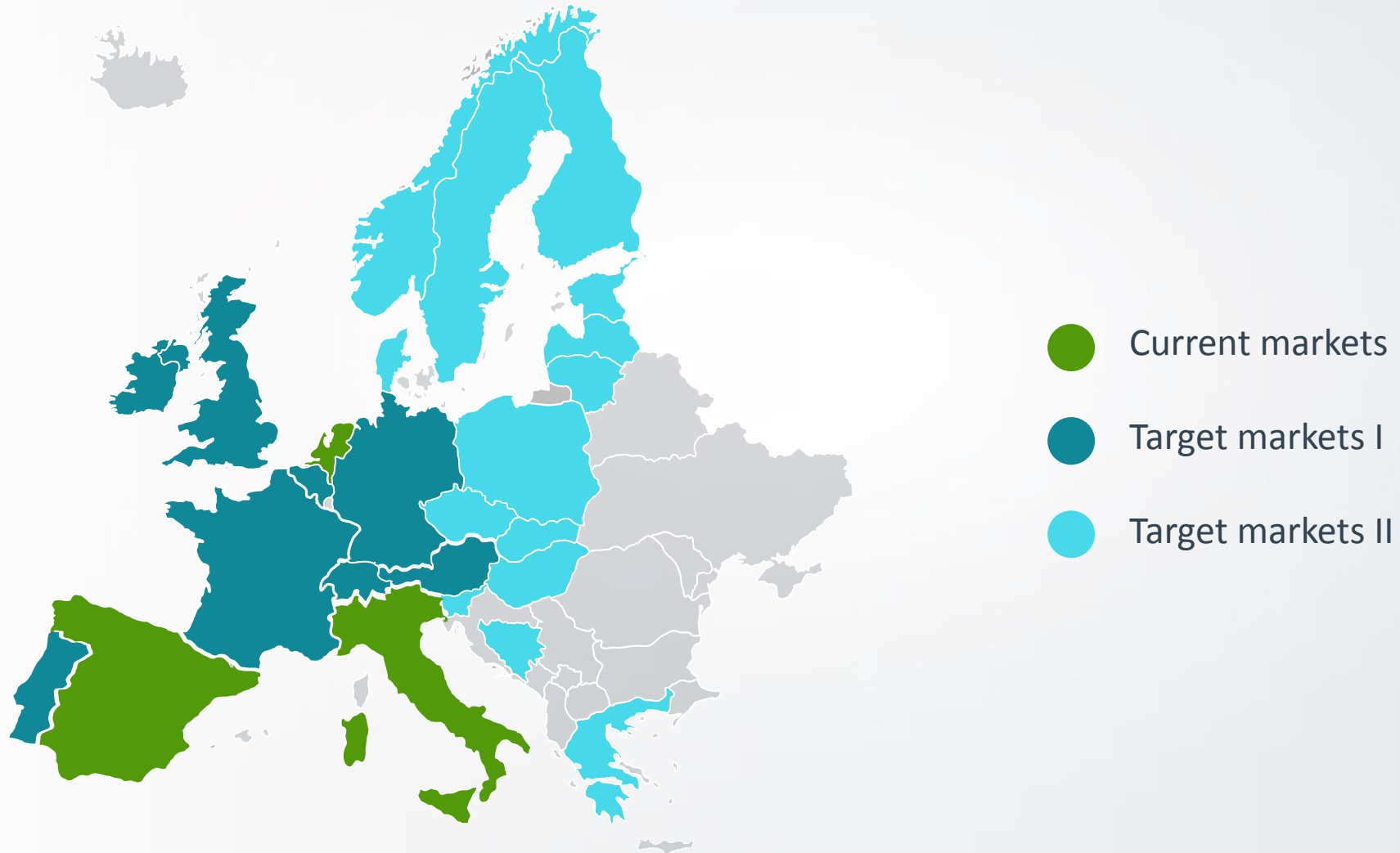
Small Cells

Rolling out new antennas
in urban fixtures
(outdoor) and inside
buildings (indoor) to
improve coverage and
ensure broadband in high
data demand areas (e.g.
agglomeration of users)

2015

4

Axes for future growth: target markets



- 1 The emergence of a new sector
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Conclusions

**Europe's leading independent
wireless telecommunications
infrastructure operator**



Conclusions

Europe's leading
independent wireless
telecommunications
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Diversification by business lines and by countries

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Diversification by business
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**Consistent performance and
aligned business objectives in
2015 and 2016**

Conclusions

Europe's leading
independent wireless
telecommunications
infrastructure operator

Diversification by business
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Consistent performance and
aligned business objectives in
2015 and 2016

**Emphasis on organic growth from
portfolio rolled out**

5 Conclusions

Europe's leading independent wireless telecommunications infrastructure operator

Diversification by business lines and by countries

Consistent performance and aligned business objectives in 2015 and 2016

Robust balance sheet with flexible access to debt and capital markets

Emphasis on organic growth from portfolio rolled out

5 Conclusions

Europe's leading independent wireless telecommunications infrastructure operator

Diversification by business lines and by countries

Consistent performance and aligned business objectives in 2015 and 2016

Proactive monitoring of growth opportunities

>1Bn€ invested since 2014

Emphasis on organic growth from portfolio rolled out

Robust balance sheet with flexible access to debt and capital markets

5 Conclusions

Europe's leading independent wireless telecommunications infrastructure operator

Diversification by business lines and by countries

Consistent performance and aligned business objectives in 2015 and 2016

With team that is convinced and committed to Rolling out the project

Emphasis on organic growth from portfolio rolled out

Robust balance sheet with flexible access to debt and capital markets

Proactive monitoring of growth opportunities

>1Bn€ invested since 2014

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driving telecom connectivity