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Cellnex Telecom to increase its share capital by €1.2 billion

The Board of Directors approved the increase in order to bolster the Company's available resources to finance the expansion of its telecommunications infrastructure portfolio in Europe

- **The share capital increase, with preferential subscription rights for current shareholders, amounts to €1.2 billion** and will be made through the issuance of approximately 67 million new shares representing 28.9% of the share capital before the capital increase and 22.4% after.
 - **The subscription price will be €17.89 for each New Share**, with a 20.01% discount to TERP (*theoretical ex-rights price*) based on the closing price of the shares on 27 February 2019: 23,66 euros.
 - **Cellnex plans to invest** the funds from the capital increase **in growth projects via acquisitions that could materialise gradually in the medium term.**
 - **Since its IPO in May 2015, Cellnex has announced investments or commitments to invest of approximately €4 billion, with an estimated average forward EBITDA multiple¹ of approximately 14x**, for the acquisition or construction of up to 21,500 infrastructures that run up to 2027 (which together with the infrastructures already owned, amount to an aggregate of up to 29,000 infrastructures). It has expanded its operations to six European markets and increased the number of telecommunication sites it operates and manages.
 - **ConnectT**, holder of 29.9% of the share capital Cellnex, **has committed to subscribe its corresponding shares in the capital increase.** Similarly, **CriteriaCaixa**, holder of 6.0% of the Company's share capital, **and the directors and members of senior management who currently hold shares (in aggregate 0.03% of the share capital), have each committed to subscribe their respective shares in the capital increase.**
 - The preferential subscription period shall last for fifteen days following publication in the BORME, which is expected to take place tomorrow 1 March 2019.
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Madrid, 28th February 2019. Cellnex Telecom has informed the Spanish National Securities Market Commission (CNMV) of its decision to execute a capital increase with preferential subscription rights for an amount of €1.2 billion. The decision was taken under the delegation obtained at the General Shareholders' Meeting held on 31 May 2018.

The funds from the capital increase will be used to bolster the Company's resources in order to continue supporting its expansion, in line with its growth strategy in Europe.

Cellnex President Marco Patuano underlined the Board's support "for the Company's strategy of sustained growth which, in just four years since the IPO, has allowed the Company to extend its operations to six European markets, multiplying its key metrics and positioning the Company as the industry leader in Europe among

¹ Under IAS 17 (pre IFRS 16)

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telecommunications infrastructure operators. Cellnex has announced investments worth approximately €4 billion in this period and has a portfolio of projects that will allow this growth to continue in the coming months and years, reinforcing the attractiveness of the Company – which has provided a shareholder return of over 70% since May 2015 – to investors and current shareholders.”

Tobias Martinez, Chief Executive Officer of Cellnex, said that “strengthening the Company’s available resources will provide us with greater strength to finance growth and, at the same time as we pursue new opportunities.”

The CEO of Cellnex added: “We are analysing growth prospects in practically all the markets in which we operate. The aim is to consolidate and expand our position in the six countries where we are present while remaining attentive to projects that may arise in other European markets.

This includes growth opportunities related to the infrastructure ecosystem required for the roll-out of 5G, including the roll out of optical fibre to the tower and to small cells (known as backhauling); the deployment and densification of networks based on small cells and distributed antenna systems (DAS); and also, in accordance with the recent agreements entered into with Bouygues in France and the experience acquired with Alticom in the Netherlands, the potential to house data processing centres in strategic sites that allow this processing capability to be brought closer to data sending points and to users, thereby realising the real-time communication objectives demanded by critical applications based on 5G”.

Technical data on the Capital Increase

The capital increase will be implemented through the issuance and sale of approximately 67 million ordinary registered shares at a subscription price (nominal plus share premium) of €17.89 for each new share. The Capital Increase will amount to an actual aggregate of €1.2 billion, or any lesser amount which may result from an incomplete subscription. The subscription price implies a discount of 20.01% to TERP (theoretical ex-rights price) taking into consideration the share price at yesterday’s close of the market.

All Cellnex’s shareholders who have acquired shares up to 1 March 2019 and whose transactions have been registered in Iberclear up to 5 March 2019 (both inclusive) will be granted preferential subscription rights. In turn, 38 rights shall be required to subscribe for 11 new shares. The preferential subscription period shall last fifteen calendar days from the day after publication of the Capital Increase in the BORME (Official Gazette of the Business Register), which is expected to take place tomorrow 1 March 2019.

The New Shares will confer to their holders the same political and economic rights as the ordinary shares of the Company currently in circulation, from the date on which the Company declares subscribed and disbursed the Capital Increase.

Likewise, and regarding the dividend policy, the company confirms the maintenance of the policy in its current terms.

Cellnex has entered into an underwriting agreement with several banks as "Underwriters". In this sense, any New Shares not subscribed during the subscription period, other than any committed shares, as described below, shall be subscribed by the Underwriters under customary conditions for these transactions. Cellnex has agreed on a lock-up of 90 days after the date on which the underwriting agreement is signed, inclusive, subject to the customary exceptions. In addition, subject to certain limitations, following the 45th calendar day from the date on which the underwriting agreement is signed Cellnex may issue, transfer or dispose shares representing no more than 50% of its share capital in the context of a merger or acquisition undertaken by the Company.

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Connect - whose shareholders are Edizione (60%), Adia (20%) and GIC (20%) -, holder of 29.9% of the share capital Cellnex, has committed to subscribe its corresponding shares in the capital increase. Similarly, CriteriaCaixa, holder of 6.0% of the Company's share capital, and the directors and members of senior management who currently hold shares (in aggregate, 0.03% of the share capital), have each committed to subscribe their respective shares in the capital increase.

The terms and conditions of the Capital Increase and the procedure for subscription and payment of the New Shares will be contained in the corresponding prospectus to be registered with the Spanish Stock Exchange Commission in the following days. Cellnex shall request admission to trading of the New Shares on the Continuous Market of the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges.

About Cellnex Telecom

Cellnex Telecom is Europe's leading neutral operator of wireless telecommunications and broadcasting infrastructures with a projected portfolio of 29,000 sites including forecast roll-outs up to 2027. Cellnex operates in Spain, Italy, Netherlands, France, Switzerland and the United Kingdom.

Cellnex closed financial year 2018 with total revenues of € 901 million (+14%), EBITDA of € 591 million (+18%) and free and recurring cash flow of € 305 million (+10%). Investments performed in 2018 stood at € 670 million. Future sales contracted ("backlog") stand at € 18 billion, assuming the complete execution of all committed investments.

Cellnex's business is structured in four major areas: telecommunication infrastructures services; audiovisual broadcasting networks; security and emergency service networks and solutions for smart urban infrastructure and services management (Smart cities and the Internet of Things (IoT)).

The company is listed on the continuous market of the Spanish stock exchange and is part of the selective IBEX 35 and EuroStoxx 600 indices. It is also part of the FTSE4GOOD and CDP (Carbon Disclosure Project) and "Standard Ethics" sustainability indexes.

Cellnex's principal shareholders include Connect - whose shareholders are Edizione (60%), Adia (20%) and GIC (20%) - with a 29.9% stake in the Company's share capital, as well as CriteriaCaixa, Threadneedle Asset Management and Blackrock, each of whom holds minority interests.

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