

## Cellnex places € 850 million convertible bonds due in 2028

The shares underlying the bonds are initially equivalent to 5.0% of Cellnex's share capital

- **The bonds**, with a principal amount of €100,000, **are expected to be issued on 5 July 2019, will have a maturity date of 5 July 2028 and will carry a coupon of 0.50% per annum**
- The conversion price at which the bonds may be converted into Cellnex shares has initially been set at €57.1756, representing a premium of 70% over the volume weighted average stock price of shares between the opening and closing of the market today. **As a result of the agreed redemption price, the effective conversion price will be €62.1.**
- This issuance allows **Cellnex to increase its average debt maturity up to c. 5.8 years, to place its average cost of borrowing at c. 1.8% and to strengthen its liquidity position, which will stand at c. € 5.5 billion following the issuance.**
- This issuance of convertible bonds **follows on from the first issuance for a total of € 800 million performed in two tranches (€600 million in January 2018, tapped by a €200 million issuance in January 2019) falling due in 2026.**

**Madrid, 25 June 2019.** Cellnex Telecom has set the conditions for a new issue of senior unsecured convertible bonds of the company. The placement stands at € 850 million. The shares underlying the bonds are initially equivalent to 5.0% of the company's share capital.

The initial conversion price of the bonds, which is subject to customary adjustments, has been set at € 57.1756, equivalent to a premium of 70% over the volume weighted average stock price of shares between the opening and closing of the market today. As a result of the agreed redemption price (equal to 108,57%), the effective conversion price will be €62.1.

This issuance follows on from the first convertible bond offering performed by the company since its IPO in 2015, for a total of € 800 million, in two tranches: an initial €600 million placement in January 2018, tapped by an additional €200 million placement in January 2019 (which consolidated and formed a single series with that of January 2018).

Commenting on the characteristics of this new issuance, **José Manuel Aisa, Cellnex Chief Financial Officer and M&A Director**, underlined "the excellent market reaction to this new issuance of convertible bonds. This comes on top of the excellent response by our shareholders and the market to the recent capital increase of € 1.2 billion carried out last March. We are taking advantage of favourable market conditions to shore up the structure of our balance sheet, our company's liquidity and the conditions of our borrowing in terms of cost and average life in the face of the strong M&A pipeline of Cellnex."

"We will continue to stay ahead" added Cellnex's CFO, "to adapt the size and efficiency of our balance sheet to the company's financial needs, providing ourselves with the resources we need to meet the planned investments and a sufficient margin to continue analysing the various opportunities that the market can offer".

The bonds will carry a fixed annual coupon of 0.50% payable annually in arrear. Any bonds that have not been converted, redeemed, repurchased or cancelled at maturity will be redeemed in full at an accreted principal amount (principal amount plus a premium) equal to 108,57% of the principal amount of the bonds. This will imply a yield to maturity of 1.40% per annum. Besides, the bonds may be converted into ordinary shares of Cellnex should their holders so decide. Cellnex may also opt to redeem all (but not some) of the bonds if after 26 July 2026 the market value of the underlying shares per €100,000 principal amount of the bonds exceeds 150% of the accreted principal amount of the bonds (as specified in the terms and conditions) during a specified period of time, or, at any time, if more than 85% of the aggregate principal amount of the bonds originally issued have been converted and/or redeemed or purchased and cancelled.

It is expected that the Bonds will be assigned a BBB- rating by Fitch, which is the company's current rating. The bonds are expected to be admitted to trading on the *Freiverkehr* (Open Market) of the Frankfurt Stock Exchange.

In the context of the issuance, Cellnex has committed to a lock-up 90 days from the issue date in relation to the shares and related securities, subject to certain exceptions. In accordance with the agreement subscribed as part of its IPO, these exceptions include, from 30 to 90 calendar days (inclusive) from the issuance date, the issuance (or otherwise transfer or disposal) of shares, as part of M&A activities, representing no more than 50% of the company's capital stock at the date of issuance.

The issuance has been coordinated by a bank syndicate led by BNP PARIBAS, Citigroup Global Markets Limited, Deutsche Bank AG, London Branch and J.P. Morgan Securities plc as Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers and Banco de Sabadell, S.A., Banco Santander, S.A., CaixaBank, S.A., Goldman Sachs International, Mediobanca – Banca di Credito Finanziario S.p.A., Morgan Stanley & Co. International plc and Unicredit Bank AG, London Branch as Joint Bookrunners.

### **About Cellnex Telecom**

Cellnex Telecom is Europe's leading operator of wireless telecommunications and broadcasting infrastructures with a portfolio of 45,000 sites including forecast roll-outs up to 2027. Cellnex operates in Spain, Italy, Netherlands, France, Switzerland and the United Kingdom. The company closed the 2018 financial year with revenues of € 901 million and EBITDA of € 591 million (up 18%).

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 IBEX35 and EuroStoxx 600 indices as well as the MSCI Europe index. It is also part of the FTSE4GOOD and CDP (Carbon Disclosure Project) and "Standard Ethics" sustainability indexes.

Cellnex's reference shareholders include ConneCT, with a 29.9% stake in the share capital, as well as CriteriaCaixa, Blackrock, Wellington Management Group and Canada Pension Plan, holding smaller stakes.

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