

Cellnex closes the acquisition of 230 communication towers from Bouygues Telecom

This is the first phase of the agreement announced in July that provides for the extension to 500 towers

- The operation has been closed after completion of the customary administrative procedures for such transactions.
- This first purchase of 230 towers represents an initial investment of € 80 million. **In a second phase, which has already begun, the number of towers could increase to 500.**
- The closure of this first agreement with Bouygues Telecom **consolidates Cellnex as the telecommunications infrastructure operator with the most extended presence in various European markets** and one able to offer its network of sites in Spain, Italy, Netherlands and now France.
- **The towers purchased will bring in estimated revenues of € 6.9 million over a 12 month period,** including services rendered to other customers.

Barcelona, September 16th 2016. Today Cellnex Telecom closed the first phase of the agreement announced last July for the acquisition of a package of 230 telecommunication towers from Bouygues Telecom in France. The € 80 million investment opens the door to the French market and consolidates Cellnex's profile as an independent wireless telecommunications infrastructure operator with a European reach.

Cellnex and Bouygues are already working on the second phase of the agreement signed in July, which contemplates a possible increase up to 500 towers.

In the words of **Tobías Martínez**, CEO of Cellnex when announcing the first agreement with Bouygues Telecom, "We are embarking on a long-term collaboration that opens the door to other areas of interest such as the construction of new Build-to-Suit sites or the roll-out of new technologies based on small cells for mobile broadband. We are bolstering our European reach and, with it, the ability to build agreements and alliances with customers operating in various European countries to which we can offer connectivity solutions for telecommunications".

The agreement with Bouygues Telecom

This first phase of the agreement with Bouygues Telecom, signed today, involves acquiring and integrating 230 sites for wireless transmission of data signals and mobile telephony. The transaction, involving an investment of € 80 million, opens up a long-term avenue for collaboration with one of France's leading mobile telephony operators. The acquisition of this portfolio of towers is accompanied by a contract for Cellnex to provide services to Bouygues Telecom that spans 20 years.

The sites are distributed throughout France, mostly in suburban and rural areas, with a small percentage in urban areas. In a second phase, which is expected to close before 31 December, this initial package of 230 towers may be increased to 500.

Bouygues Telecom is the third mobile operator in France by turnover, with a current portfolio of 11,000 sites. In recent years the French company has launched a gradual process to separate and sell off its non-strategic infrastructure assets, in accordance with the trend towards outsourcing and operation by neutral and independent operators like Cellnex Telecom.

The French market

France hosts 56,000 of the 330,000 telecommunication signal transmission sites in Western Europe. Just over 20% of these sites are run by independent operators.

France, which enjoys an AA rating from S&P and Fitch, is currently rolling out 4G mobile broadband across the country, providing coverage for between 60% and just over 75% of the population depending on the operator concerned. As in other European countries, this roll-out is taking place on the basis of existing 2G and 3G sites.

Improving coverage to allow mobile access to broadband content in areas with large numbers of concurrent users is both a key challenge and a priority. In this regard, rolling out high-density capillary networks, small cells and distributed antenna systems (DAS) will also be one of the growth vectors in the French market over the coming years.

About Cellnex Telecom

Cellnex Telecom is Europe's leading independent operator of wireless telecommunications infrastructure, with a total portfolio of over 16,100 sites. Cellnex closed the first half of 2016 with revenue of € 338 million (+18%) and EBITDA of € 134 million (+16.5%). The company has operations in Spain, Italy, Netherlands and now France.

Cellnex classifies its activities into three areas: Mobile telephony infrastructures; 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)).

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