



**EUSKALTEL, S.A. (Euskaltel or the Company)**, in accordance with article 17 of Regulation (EU) No. 596/2014 on market abuse, article 228 of the restated text of the Securities Market Law approved by the Royal Legislative Decree 4/2015, of 23 October (Texto refundido de la Ley del Mercado de Valores aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre), and related provisions, hereby announces the following

#### **RELEVANT FACT**

Find attached press release that Euskaltel proceeds to distribute.

Derio, 17 December 2018.

**EUSKALTEL, S.A.**  
**Luis Alba Ferré**  
**Secretary of the Board of Directors**



**The telecommunications company expands its presence in the Catalan market**

# **The Euskaltel Group and RACC create RACctel+ to provide a comprehensive telecommunications service to 600,000 homes in Catalonia**

- *The two companies extend the agreement they had in place so that RACC members can now sign up to the Euskaltel Group's full range of convergent fixed-line and mobile telecommunications products and services.*
- *By extending this agreement, the Euskaltel Group enters the Catalan market with a portfolio of 900,000 potential customers.*
- *This alliance between two leading companies in their industries combines the most advanced technology and the best service.*

Barcelona, 17 December 2018. The Euskaltel Group and RACC have signed a new agreement to create RACctel+, a new brand enabling the leading convergent telecommunications group in the north of Spain to offer its entire range of convergent services –broadband, digital television and fixed-line and mobile phone services– to members of the Catalan service provider.

The agreement represents an alliance between two industry leaders aimed at improving the services they provide to society. This is an extension of the agreement in place between the two companies since 2008, whereby members of RAAC could sign up to mobile telecommunications services managed by the Euskaltel Group.

From now on, RAAC members will be able to purchase the full range of Euskaltel Group convergent fixed-line and mobile telecommunications products and services: broadband internet, fixed-line and mobile phone services and digital TV. They will also soon be able to access new technological services developed by the operator, such as IoT (the Internet of Things), AI and new technologies that bring WiFi and mobility together.

By extending this agreement, the Euskaltel Group enters the Catalan market for the first time, where the majority of RACC members are located. Furthermore, the

Euskaltel Group has drawn up an expansion plan to enter new markets during 2019, where it has a high penetration capacity thanks to its experience and proven model. The leading convergent telecommunications group in the north is currently expanding into Navarre and will soon be moving into Leon, Cantabria and La Rioja as well, joining the Group's existing markets in the Basque Country, Galicia and Asturias.

The Euskaltel Group is Europe's most advanced telecommunications operator with regards the HFC 3.1. fibre network and this, alongside the best WiFi experience, guarantees the highest level of competitiveness in the long-term. The leading convergent telecommunications group in the Basque Country, Galicia and Asturias combines the best advanced products and services with high levels of efficiency, winning the trust of customers to become their go-to telecommunications supplier and positioning the group as Europe's industry leader.

Following the signing of the agreement, Xavier Pérez, CEO of RACC, stated: "We believe that Euskaltel's quality technological and customer service makes it the perfect partner for expanding the telecommunications services offered to our members. This alliance enables RACC to strengthen its solid commitment to households, providing a full range of services that currently include insurance, emergencies, repairs and renovations and which will now extend to convergent communications services with RACCtel+.

Francisco Arteche, the Euskaltel Group's CEO, announced: "Firstly, we are very pleased to be offering our services to the Catalan market and to have reached a strategic agreement with a leading Catalan company of the standing, quality and solvency of RACC. We are sure that the agreement we have signed with RACC today will be extremely positive for both companies and their members and customers, who will be able to access the full range of convergent telecommunications services under competitive terms". Arteche added, "This is a very important step for the Euskaltel Group within the expansion process we are currently undertaking. We have an ambitious strategic alliance plan in place with the market's key players and in this case, RACC is an industry leader for the quality of its service and customer assistance".

## **About the Euskaltel group**

*Euskaltel is the leading telecommunications operator in the Basque Country and, alongside R in Galicia and Telecable in Asturias, they form the leading convergent telecommunications group in the north of Spain. The Group's mission is to provide a comprehensive response to people's communication needs and help businesses boost their productivity by providing them with information management and communication tools, thereby making a contribution to social and economic development in the communities we operate in. The company has strong territorial ties and a well-founded commitment to the Basque Country, Galicia and Asturias, where it operates via the operators Euskaltel, R and Telecable.*

*The Euskaltel Group employs 705 professionals, indirectly providing 4,200 jobs in the Basque Country, Galicia and Asturias. The Group offers services to a market of 6 million people, providing around 2.4 million services on a daily basis. The Group is the leading fibre-optic provider (broadband, phone services, pay TV and convergent telecommunications services), it has the largest WiFi network in the Basque Country, Galicia and Asturias with over 436,000 access points and it is a mobile phone operator with its own 4G licence, rolling out a proprietary network thanks to the LTE licence.*

## **About RACC**

*RACC is a high quality insurance and service provider, meeting the needs of over 10 million people worldwide. The company specialises in providing personal, family, mechanical, emergency health and*

*home care and has the largest network of driving schools in Spain. In meeting the needs of members and customers, the company responds to 900,000 requests for assistance a year and manages over 600,000 different insurance policies. RACC promotes a safer and more environmentally friendly mobility culture, and is highly influential in publicising issues around improving road safety, reducing accidents and infrastructures.*

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