



2015 full year results

25 February 2016





Introduction

2015 has been a transformational year for Euskaltel...

1

Organic growth recovery on the back of successful initiatives

- 👉 Tangible momentum achieved in residential segment through pricing, up-selling and cross-selling offering further tangible upside
- 👉 Stabilisation and initial recovery of the business segment
- 👉 Sustained EBITDA margin and superior cash-flow conversion ratio backed by efficient cost management and disciplined growth-driven capex

2

Successful IPO of the company

- 👉 Key historic milestone for Euskaltel
- 👉 Successful market reception backed by high-profile institutional investor base

3

Completion of the transformational acquisition of R Cable

- 👉 Consolidation of 85% of the independent cable business of the North of Spain
- 👉 Fully complementary and well-invested platforms
- 👉 Strong potential for best-practice sharing

4

Efficient and optimised capital structure in place to support further growth

- 👉 Attractive long-term financing terms achieved with high profile financial institutions
- 👉 Strong liquidity profile with back-loaded amortising profiles
- 👉 BB- (S&P) and B1 (Moody's) ratings achieved

5

Defined strategy with initiatives in place to drive the enlarged Euskaltel to the next level

- 👉 R Cable integration and synergies on track
- 👉 Initial roll-out own 4G/LTE network
- 👉 Ongoing development of new initiatives

... and we delivered accordingly to our announced strategy

	Bundle	Mobility	Customer growth	Efficiency
Announced strategy for Euskaltel	<ul style="list-style-type: none"> Drive bundling to grow ARPU and reduce churn 	<ul style="list-style-type: none"> High-speed access everywhere 	<ul style="list-style-type: none"> Capture latent demand for fiber in underserved areas 	<ul style="list-style-type: none"> Benefit from best-practices sharing Maintain best-in-class margins Superior cash conversion
Key achievements in Euskaltel	<p>Broadband</p> <ul style="list-style-type: none"> 79% of Euskaltel customers with speeds above 50Mbps Launch of up to 350Mbps product offering <p>TV</p> <ul style="list-style-type: none"> Development 4K decos with HD, interactive and other high value offerings Launch of new functionalities (network PVR, start over, time shift) Already 48% of total fixed subs are TV subscribers 	<p>WiFi</p> <ul style="list-style-type: none"> WiFi Klean: 120k hotspots capturing 20% of mobile traffic <p>Mobile</p> <ul style="list-style-type: none"> #1 in post-paid mobile with 25% market share¹ Launch of own 4G service in October 8 operating sites as of end of 2015 <p>TV</p> <ul style="list-style-type: none"> TV everywhere (EDONON) 	<p>Network growth</p> <ul style="list-style-type: none"> More than 10k homes out of the 51k target already provisioned <p>Residential segment</p> <ul style="list-style-type: none"> +3.8k Broadband RGUs and +7.2k Pay TV RGUs Active churn management to mitigate loss of football content <p>Corporate segment</p> <ul style="list-style-type: none"> Launch of Euskaltel Pro Development of value-added cloud and security services Network deployment in industrial sites 	<p>Commercial channel</p> <ul style="list-style-type: none"> “Online first” strategy yielding results: 26% growth in online customer care and 55% of subscribers with web-username Improved tele-sales efficiency (22% growth) Disciplined capex strategy (c.14%) <p>Interconnection costs</p> <ul style="list-style-type: none"> Ability to maintain costs with increasing data usage <p>Organisation</p> <ul style="list-style-type: none"> Specific integration plans under implementation
KPIs Dec-15 (EKT standalone)	<p>65% of 3P/4P subscribers</p> <p>3.4x RGU/sub</p>	<p>66.4% mobile penetration</p>	<p>11.5% RGU growth</p>	<p>48.2% EBITDA margin</p> <p>70.4% Cash flow conversion</p>

Note:

1. Source: Kantar Worldpanel



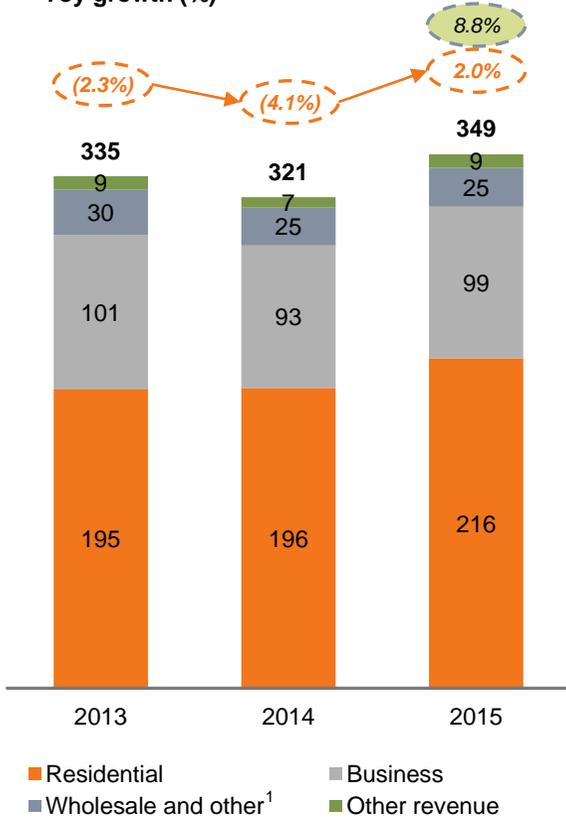
Summary of FY2015 Financial Performance

- On November 27th, 2015, Euskaltel acquired 100% of the shares in R Cable y Telecomunicaciones Galicia, S.A.
- Since that date, a new accounting group including both companies was created. Therefore, FY2015 consolidated financial information included in this document is presented following Euskaltel's accounting principles regarding consolidation requirements
- As a result, the FY2015 consolidated financials comprise Euskaltel FY2015 standalone and R Cable from 27-November-2015 to 31-December-2015. Where appropriate, the contribution of R Cable to the results of Euskaltel is highlighted separately
- For further detail on R Cable standalone operating performance, please refer to the appendices on which individual KPIs and key financial data for each of Euskaltel and R Cable are presented

A snapshot of Euskaltel's 2015 results

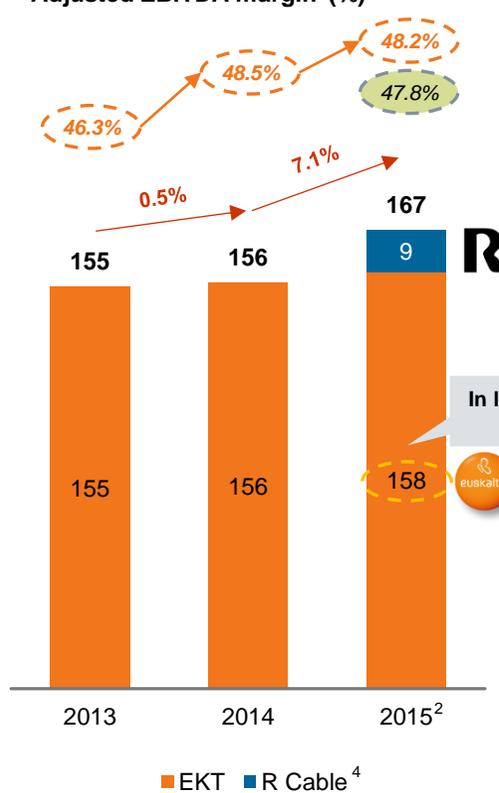
Revenue continues to grow after the inflexion point reached in 1Q15

Yoy growth (%)



Consistent annual EBITDA growth with margin sustainability (€m)

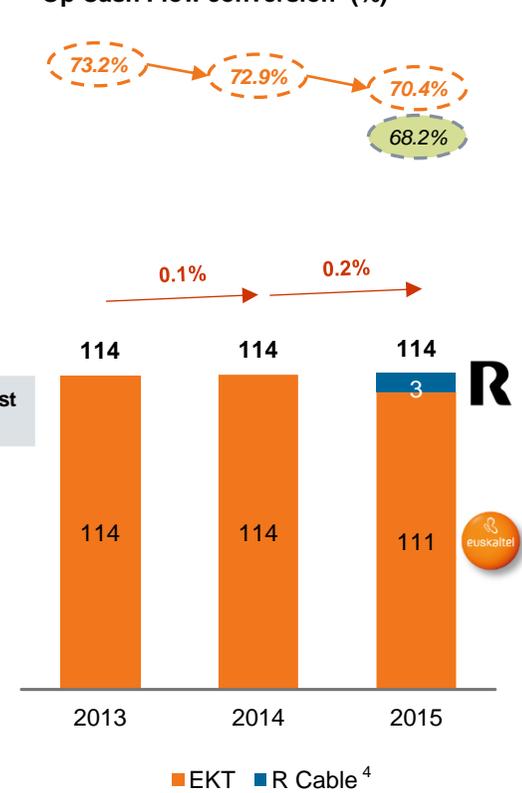
Adjusted EBITDA margin (%)



In line with analyst consensus

Superior Cash Flow Performance

Op Cash Flow conversion³ (%)



Performance consolidating R Cable since 27-Nov-2015

Performance EKT standalone

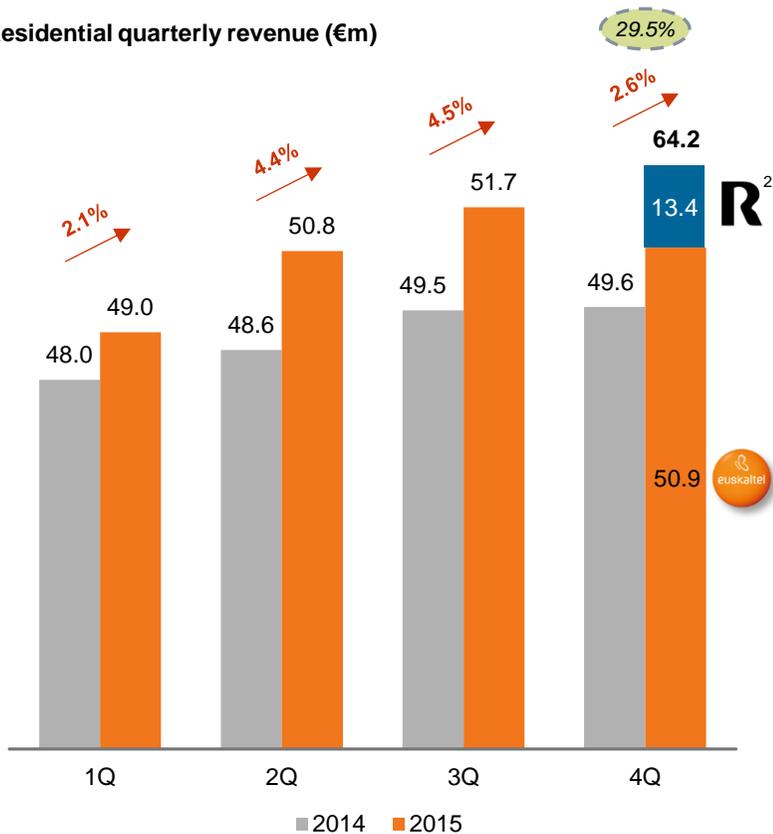
Notes:

1. Includes RACC, services to Telecable, other corporate revenue and TREI
2. 2015 EBITDA adjusted to exclude costs related to the IPO process, debt cancellation and acquisition of R Cable (c.€15.4m)
3. OpCF conversion defined as (EBITDA-capex)/EBITDA
4. 2015 figures include one month of R Cable (December-2015)

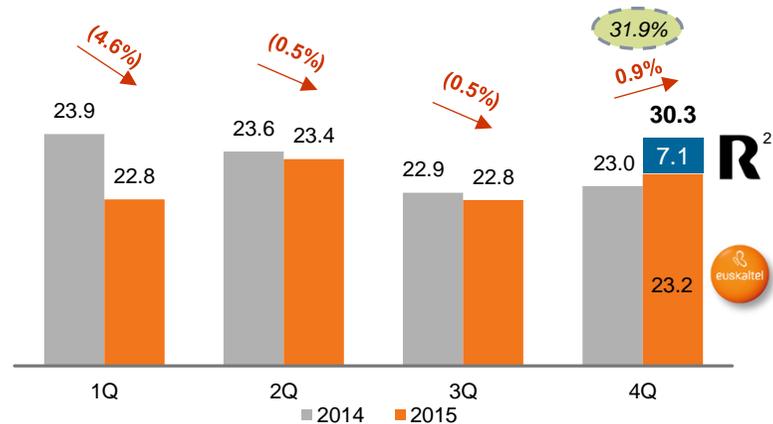
Solid growth in residential and attractive recovery in business segment

Residential revenue maintains strong momentum

Residential quarterly revenue (€m)

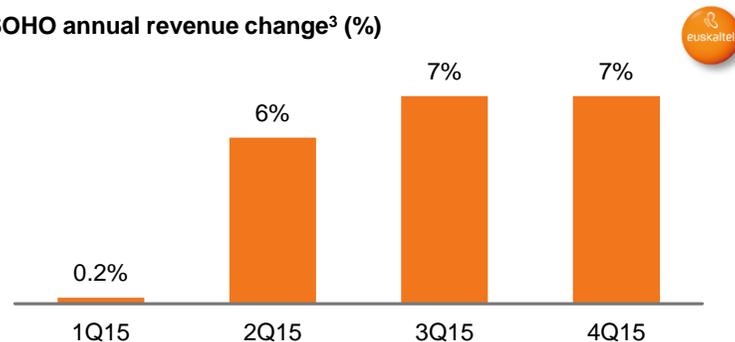


Business segment¹ is back to growth...



... with an impressive growth in SOHO segment

SOHO annual revenue change³ (%)



Note:

1. Includes SOHO, SME s and Large Accounts
2. 2015 figures include one month of R Cable (December-2015)
3. EKT standalone figures

EKT standalone annual change (%)

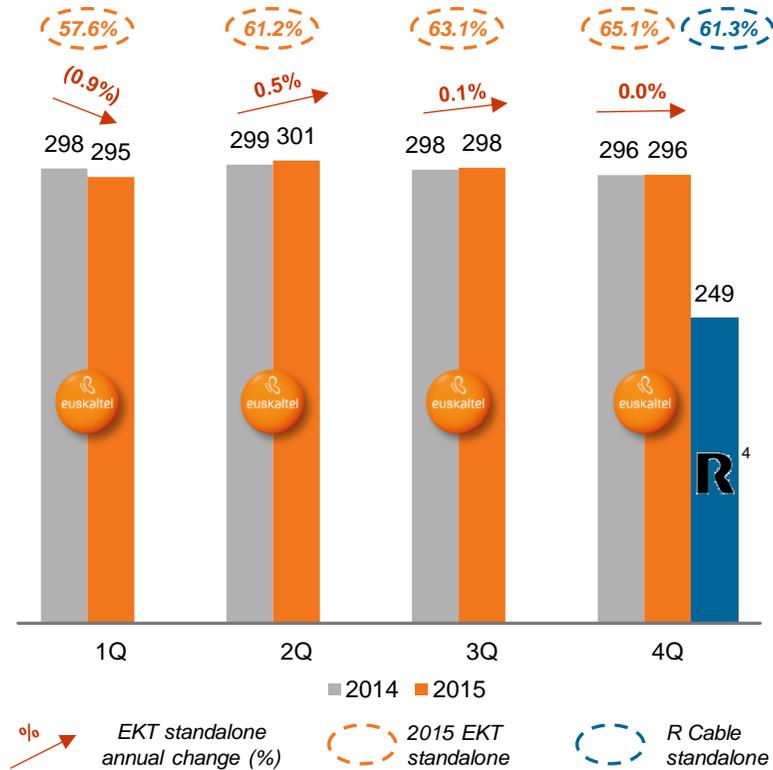
Performance consolidating one month of R Cable

Continued momentum in the residential segment... (1/2)

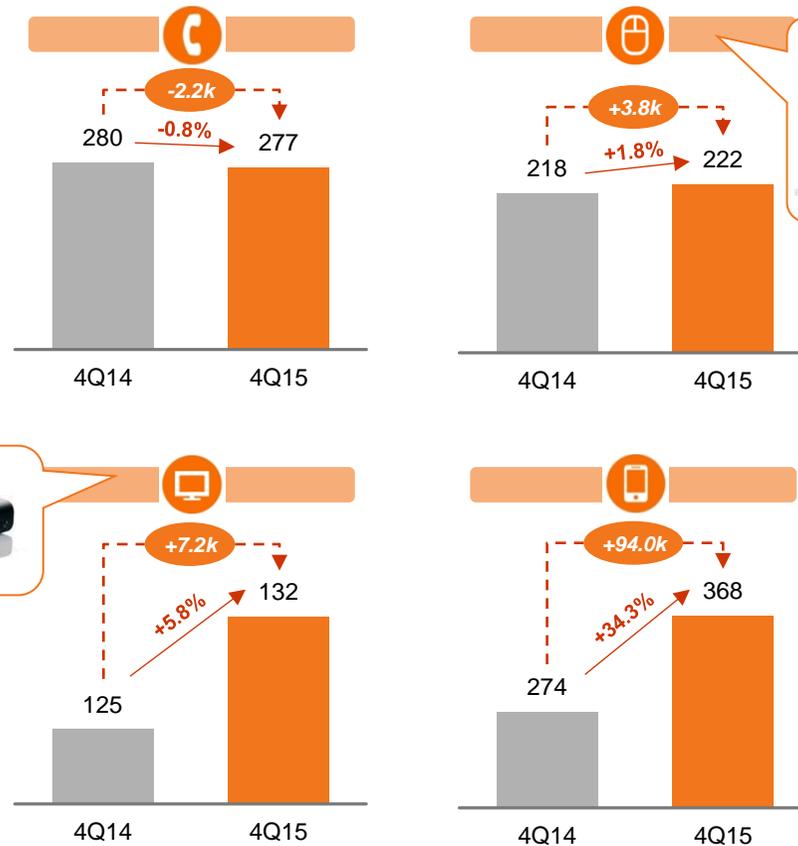
Stabilization in residential subscribers...

Residential subscribers¹ ('000)

3P & 4P as % of total subscribers (2015)



... and a significant increase in RGUs⁵ ('000)



Notes:

1. Includes mobile-only subscribers
2. Residential subscribers with mobile (excluding mobile-only subscribers) as percentage of total fixed subscribers
3. Total RGUs (incl. mobile-only) / total subs (incl. mobile-only)
4. R Cable data as of Dec-15
5. EKT standalone RGUs (does not include R Cable)

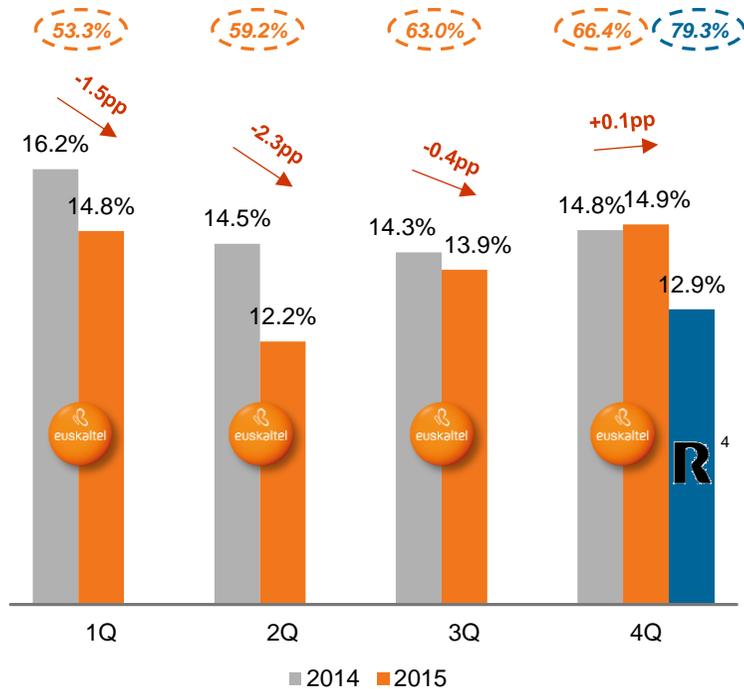


Positive momentum in the residential segment... (2/2)

Stable and controlled churn

Annual churn (%)

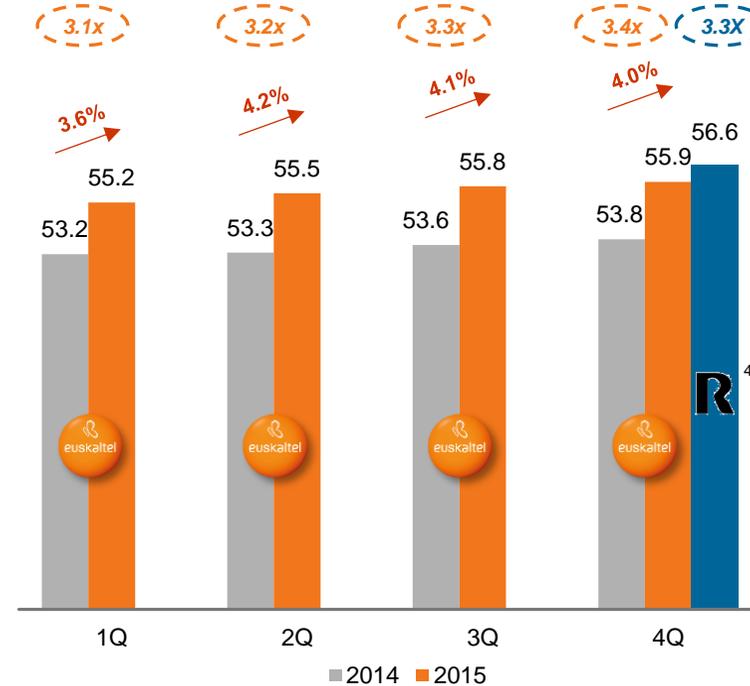
Residential mobile penetration (2015)²



Consistent ARPU increase

Residential ARPU (€/month)

RGU/Subs (2015)³



↗ % EKT standalone annual change (%)

○ 2015 EKT standalone

○ R Cable standalone

Notes:

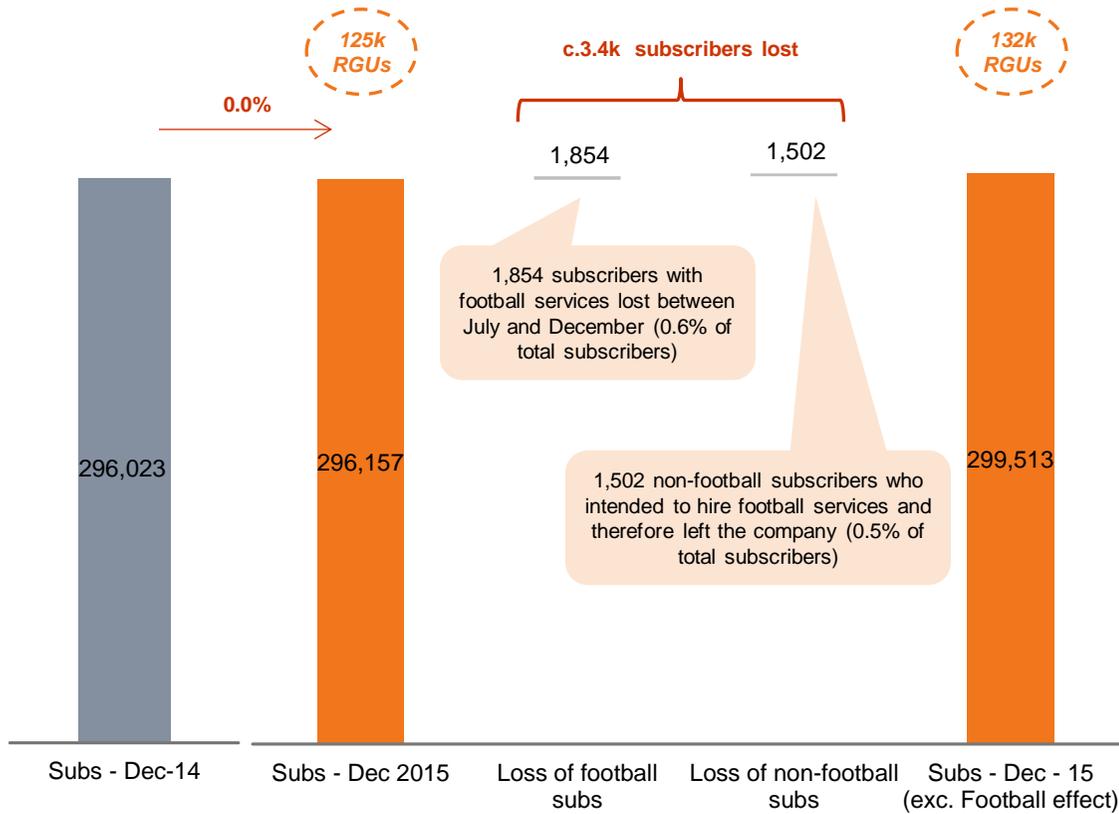
1. Includes mobile-only subscribers
2. Residential subscribers with mobile (excluding mobile-only subscribers) as percentage of total fixed subscribers
3. Total RGUs (incl. mobile-only) / total subs (incl. mobile-only)
4. R Cable data as of Dec-15

Limited impact of decision not to acquire football content

Proforma subscriber base excluding football effect (2015)



Euskaltel standalone – Residential segment subscribers



Impact on churn

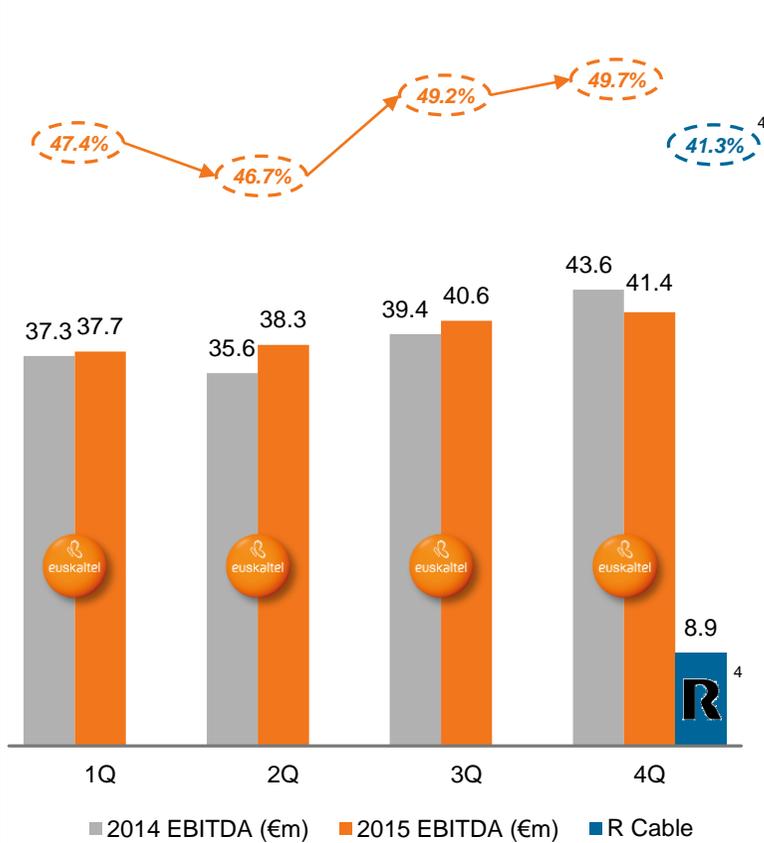


Euskaltel standalone – Residential segment churn

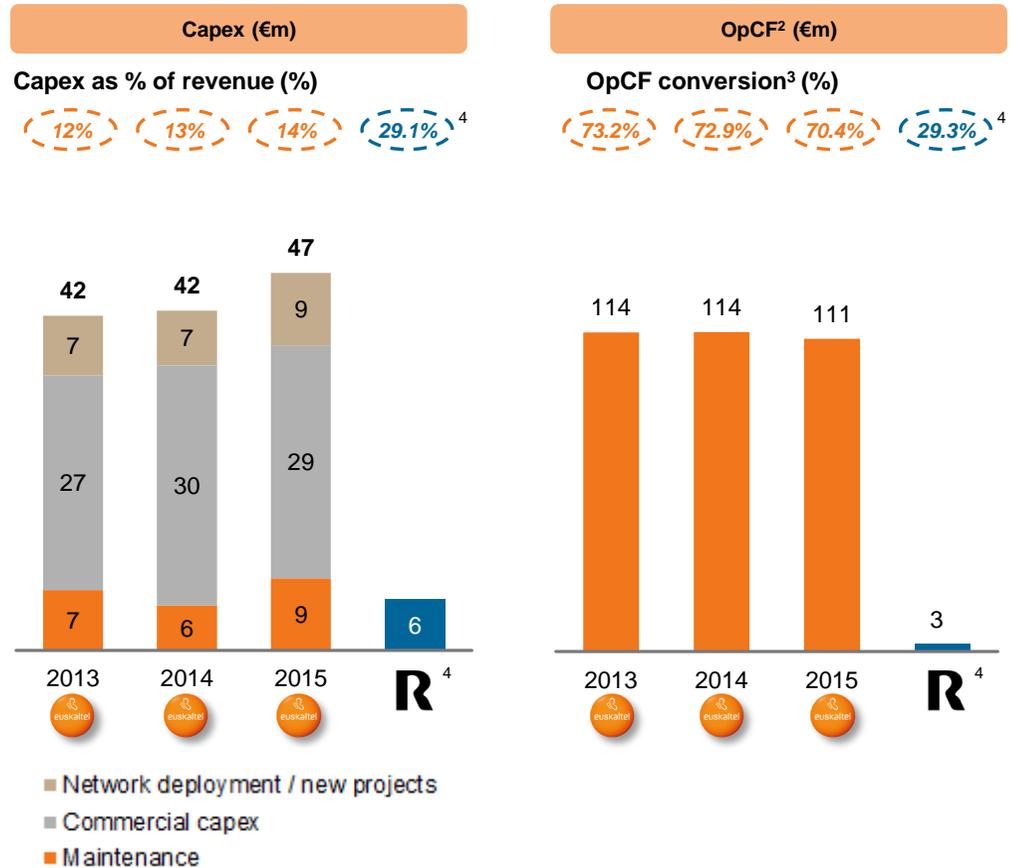


Efficient operations driving superior cash flow conversion

EBITDA¹ in line with our objectives for 2015 (€m)



Capex and OpCF (€m)



Note:

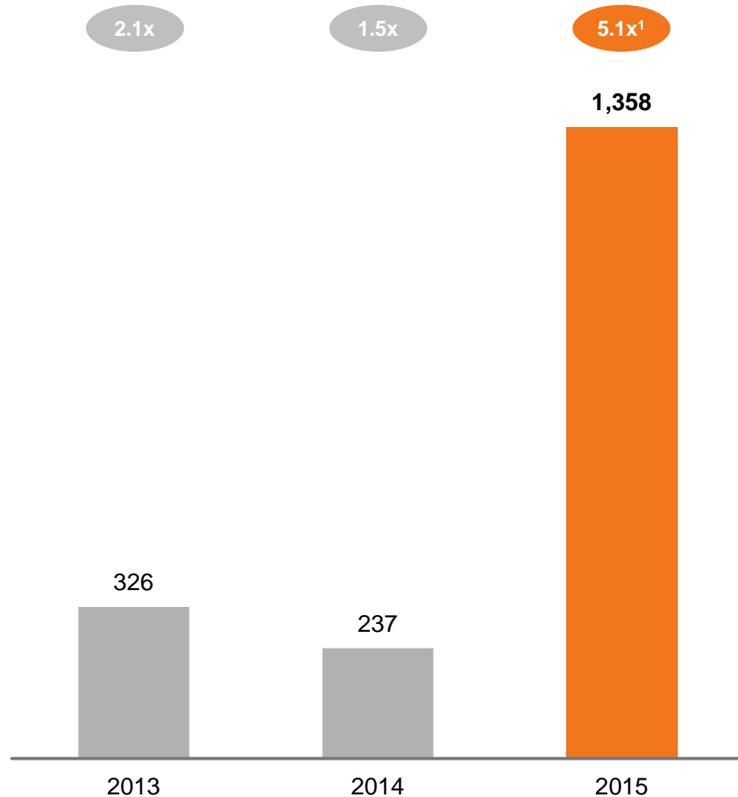
- 2015 EBITDA adjusted to exclude costs related to the IPO process, debt cancellation and acquisition of R Cable (c.€15.4m)
- OpCF defined as EBITDA – capex
- OpCF conversion defined as (EBITDA – capex) / EBITDA
- R Cable data refers to one month (December 2015)

○ 2015 EKT standalone

○ R Cable standalone

Balance sheet post R Cable transaction (net debt, €m)

Leverage evolution (ND / adjusted EBITDA)



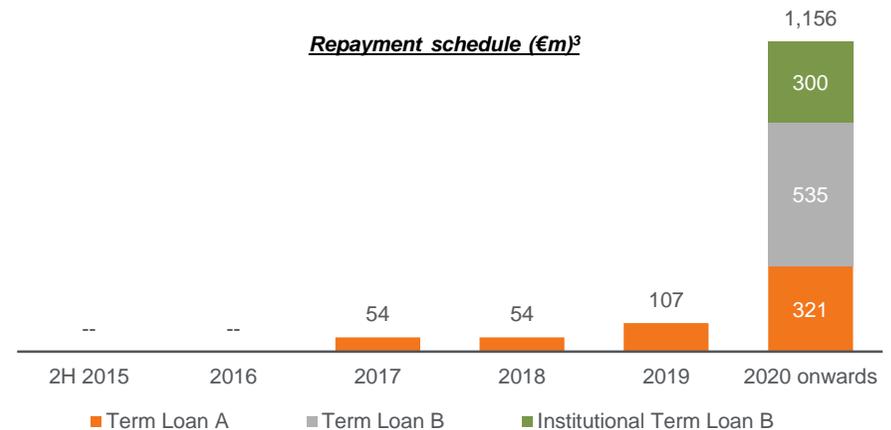
Notes:

1. 2015 leverage based on adjusted 2015 annual EBITDA of Euskaltel (€158.1m) and R Cable (€108.6m) excluding potential synergies
2. WACD calculated assuming proforma ND/EBITDA adjusted for synergies (<5.0x)
3. Excludes c.€10m debt related to R Cable

New capital structure

- 🔥 **Total debt structure** post-acquisition amounts to €1,370m:
 - 🔥 Existing Term Loan A increased to €535m
 - 🔥 Existing Term Loan B increased to €535m
 - 🔥 €300m of new institutional Term Loan B
- 🔥 **Strong liquidity** with available RCF
- 🔥 **WACD:** 3.45% (vs. 5.5% until June)²
- 🔥 **Financial covenants:** from 4.5x ND/Adj. EBITDA onwards with flexibility to reach 5.5x if further M&A
- 🔥 Ability to pay **ordinary dividends** when leverage below 4.5x

Repayment schedule (€m)³



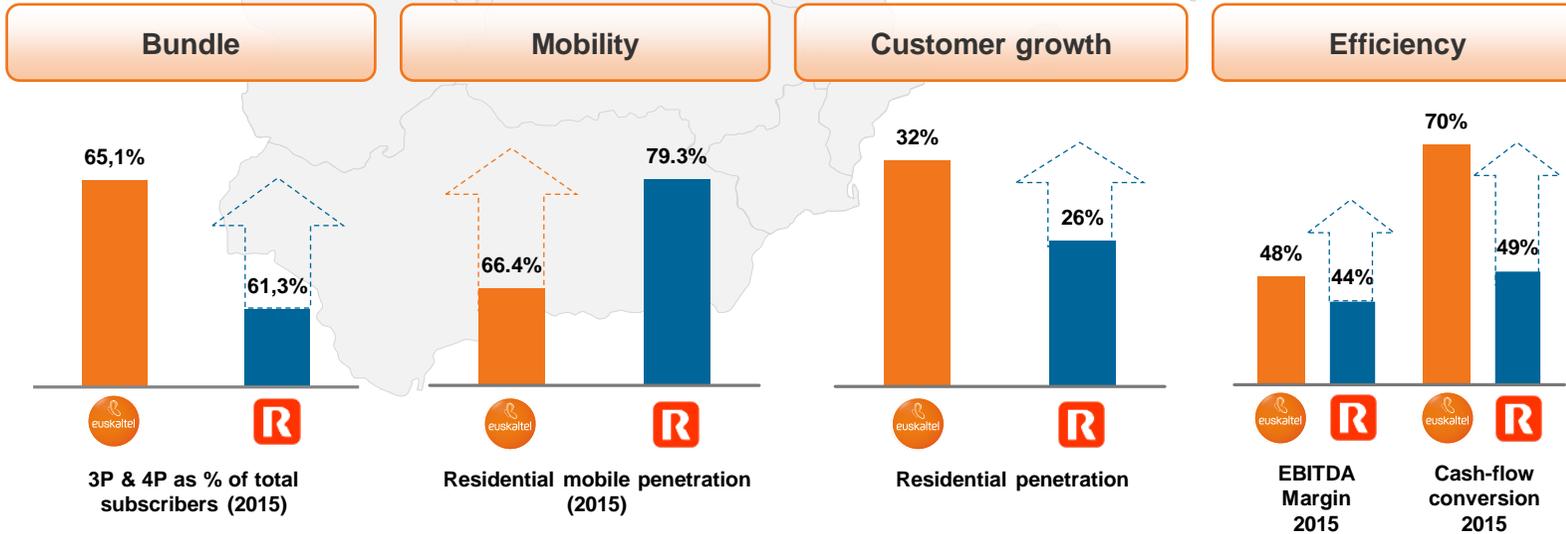


Update on the integration plan and strategy

The starting point: 85% of the independent cable of the north side of Spain



Key consolidated metrics (2015)	
Addressable market (population in millions)	c.5.0
RGUs (m):	1.8
Revenue (€m):	c.570
Adj. EBITDA (€m):	c.265
Operating cash flow (€m):	c.165



€300m NPV of synergies on track with 22 integration projects already under-way



Our mid term objectives are reconfirmed by the results of our strategy

Medium-term targets

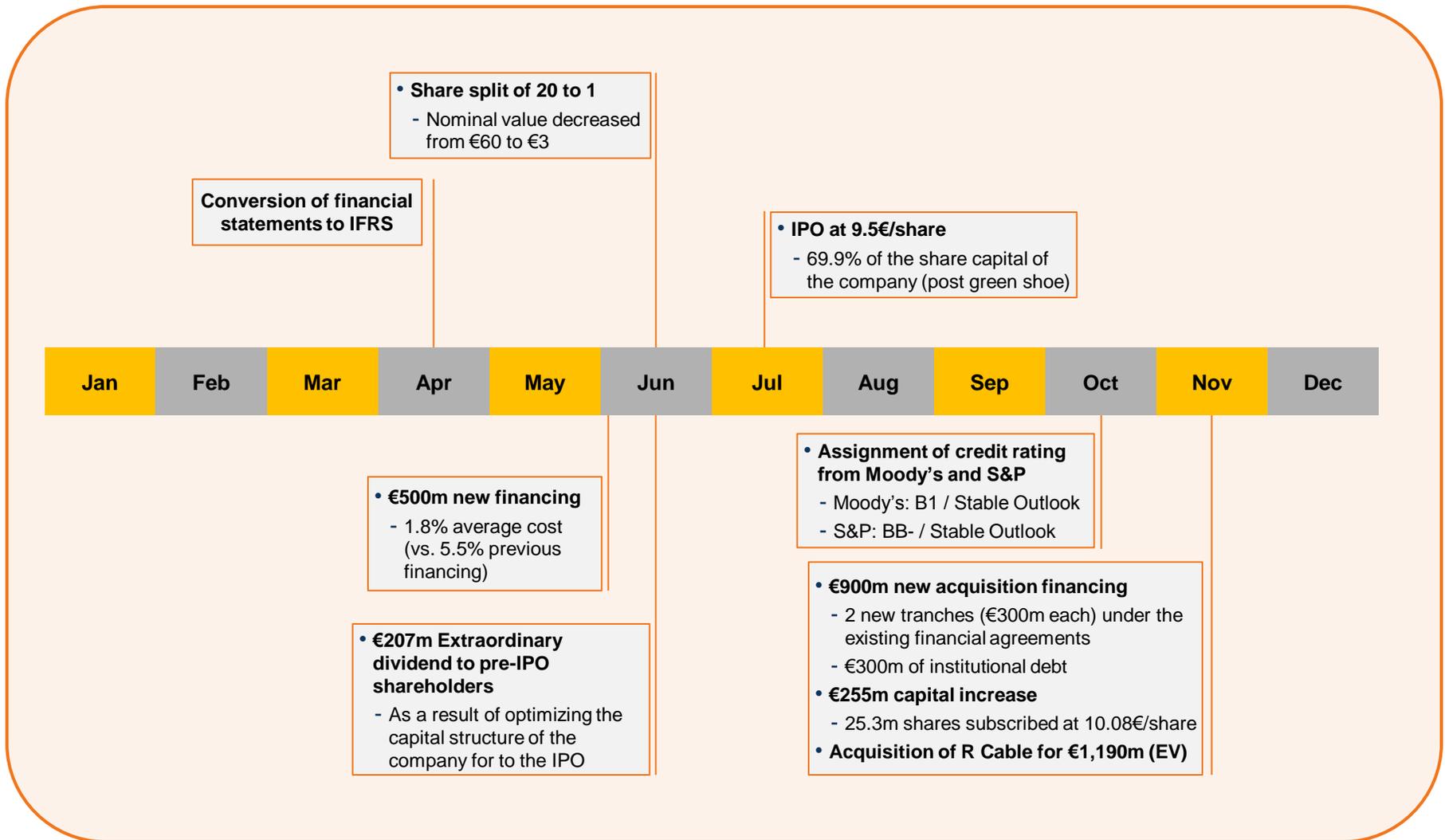
Bundle	Mobility	Customer growth	Efficiency
<ul style="list-style-type: none">Drive bundling to grow ARPU and reduce churn	<ul style="list-style-type: none">High-speed access everywhere	<ul style="list-style-type: none">Capture latent demand for fiber in underserved areas	<ul style="list-style-type: none">Deliver synergies according to planBenefit from best-practices sharingMaintain best-in-class margins and superior cash conversion
<ul style="list-style-type: none">>€60 ARPU~75% 3P/4P penetrationActive churn management (c.12%)	<ul style="list-style-type: none">~75% mobile penetration	<ul style="list-style-type: none">30-35% residential penetration rateMarket share gain in all products and segments	<ul style="list-style-type: none">Increase Adjusted EBITDA margin up to 50%Converge on capex / revenue ratios of both companies (14-15%)Deliver 100% of synergies by end of 2017

Shareholder distribution expected to start in FY2017 out of net income for FY2016



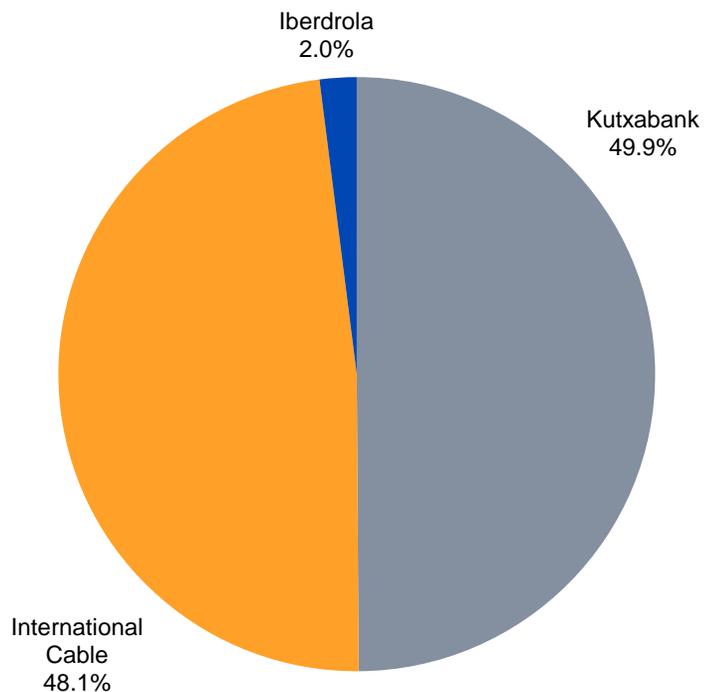
Closing remarks

Key transformational milestones happened during the year



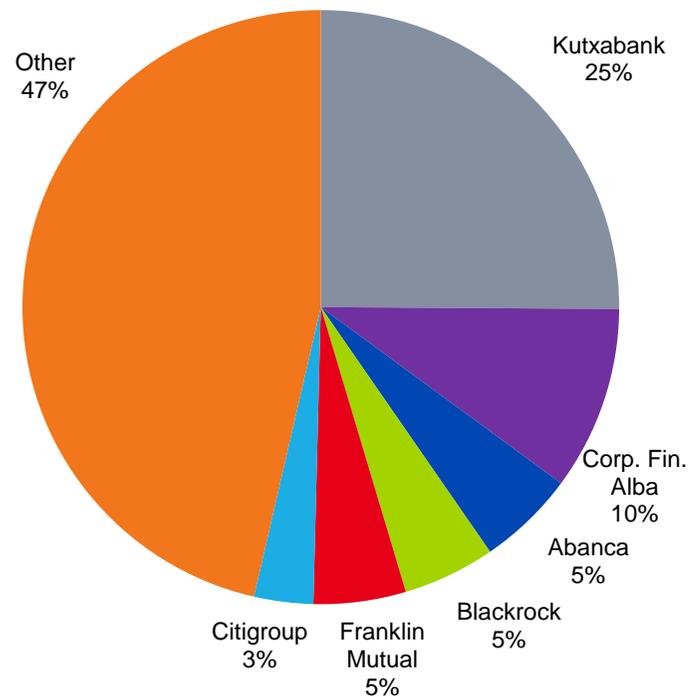
Shareholding structure evolution

December 2014 (Pre-IPO)



Private Company

Current shareholding structure¹ (Post-IPO)



Listed company – Market Cap: c.€1.5bn

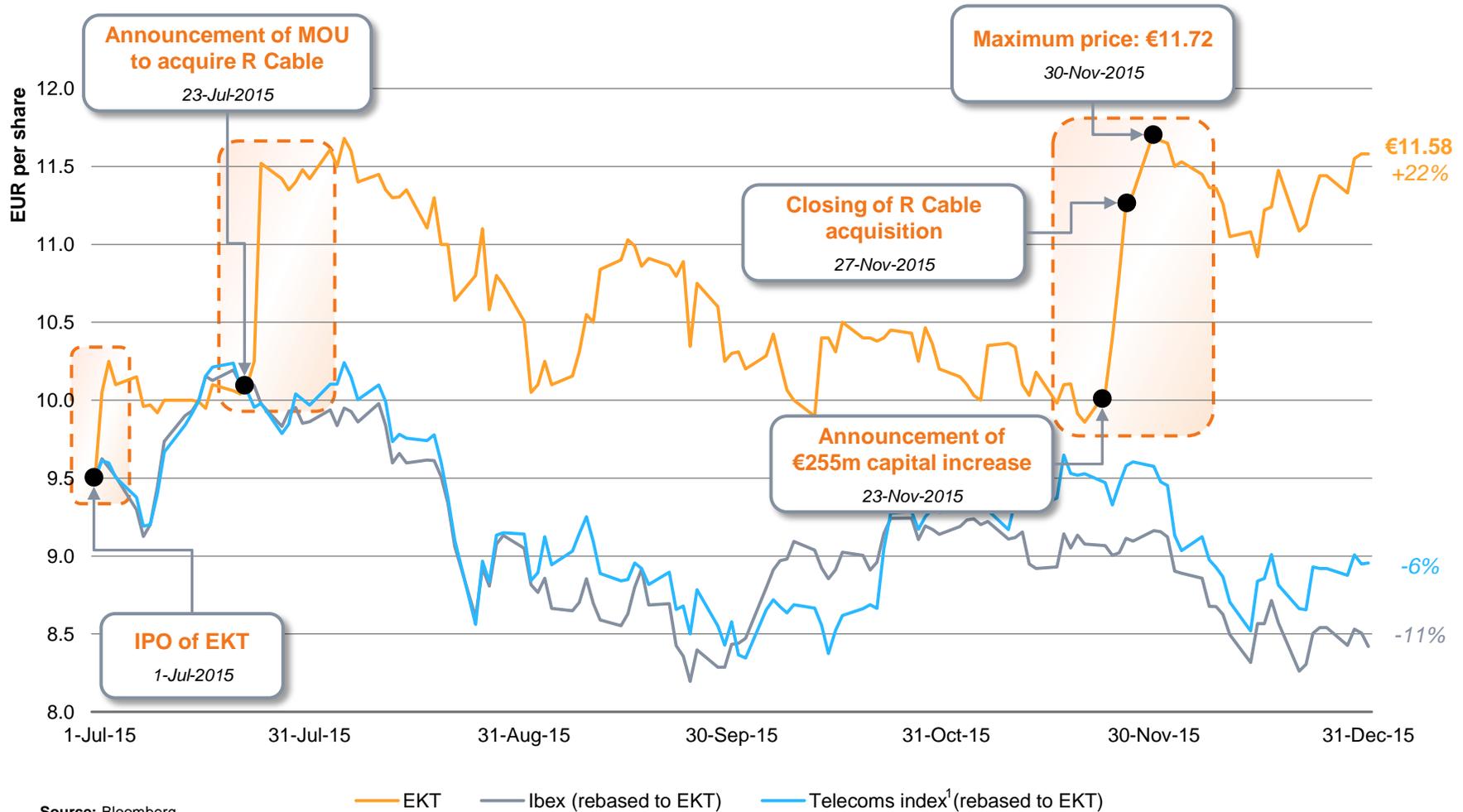
Source: CNMV as of 24-February-2016

Note:

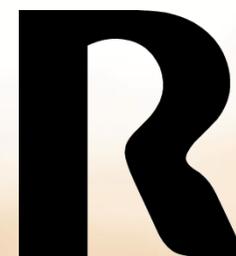
1. Based on voting rights as of 24-February-2016

Positive market reception of the IPO and R Cable acquisition

In FY15, since the IPO date, EKT has significantly outperformed the Spanish index Ibx-35 (+22% vs. -11%) with a very positive reception of the acquisition of R Cable



“Thank you for your support. Our journey has just started”



Conference call:

February 25th, 2016 – 10:00 CET



Appendix I - Euskaltel FY2015 consolidated results and KPIs

Key financials for the fiscal years ended December 31st, 2015 and 2014

€m	2015	2015 Adjusted (**)	2014	2015 Adjusted vs	
				2014	%2014
Total Revenue	349.4	349.4	321.2	28.2	8.8%
Residential	215.7	215.7	195.7	20.0	10.2%
Business	99.3	99.3	93.4	5.9	6.3%
Wholesale & Other	25.4	25.4	25.2	0.2	0.8%
Other (*)	8.9	8.9	6.9	2.0	29.5%
EBITDA	151.6	167.0	155.9	11.1	7.1%
<i>Ebitda Margin (%)</i>	43.4%	47.8%	48.5%	-0.7 pp	
OpFCF	98.4	113.8	113.6	0.3	0.2%
<i>Conversion rate (%)</i>	64.9%	68.2%	72.9%	-4.7 pp	
Net income	7.2	49.6	(**) 42.4	7.2	16.9%
Net Financial Debt	1,358.3		236.9	1,121.3	

(*) Profit neutral operations

(**) Excluded costs related to the IPO process, debt cancellation and the acquisition of R Cable.

Euskaltel consolidated - KPIs (i/ii)

Residential												
KPI	Unit	2012	2013	2014	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
Homes passed	#	863,461	866,716	869,900	867,532	868,217	868,908	869,900	872,053	873,254	876,937	1,699,073
Household coverage	%	84%	84%	85%	84%	85%	85%	85%	85%	85%	85%	65%
Residential subs	#	305,761	298,495	296,023	298,178	299,375	297,713	296,023	295,360	300,751	298,419	545,502
o/w fixed services	#	287,457	284,105	279,212	283,507	283,812	281,362	279,212	278,051	282,890	279,353	471,664
as % of homes passed	%	33.3%	32.8%	32.1%	32.7%	32.7%	32.4%	32.1%	31.9%	32.4%	31.9%	27.8%
o/w mobile only subs	#	18,304	14,390	16,811	14,671	15,563	16,351	16,811	17,309	17,861	19,066	73,838
o/w 1P (%)	%	26.5%	23.1%	17.8%	22.4%	17.8%	17.9%	17.8%	17.6%	17.3%	17.5%	21.9%
o/w 2P (%)	%	41.2%	35.8%	26.9%	34.2%	29.6%	28.3%	26.9%	24.8%	21.5%	19.3%	14.8%
o/w 3P (%)	%	26.4%	31.8%	35.0%	32.6%	33.9%	34.6%	35.0%	35.5%	36.6%	36.6%	29.6%
o/w 4P (%)	%	6.0%	9.4%	20.3%	10.8%	18.7%	19.2%	20.3%	22.1%	24.6%	26.5%	33.7%
Total RGUs	#	719,033	769,036	896,077	784,713	870,852	884,226	896,077	918,120	968,023	982,290	1,809,720
RGUs / sub	#	2.4	2.6	3.0	2.6	2.9	3.0	3.0	3.1	3.2	3.3	3.3
Residential churn fixed customers	%	17.2%	14.8%	14.8%	16.2%	14.5%	14.3%	14.8%	14.8%	12.2%	13.9%	14.8%
Global ARPU fixed customers	€/month	54.3	53.3	53.8	53.2	53.3	53.6	53.8	55.2	55.5	55.8	56.0
KPI	Unit	2012	2013	2014	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
Fixed Voice RGUs	#	287,042	284,311	279,691	283,709	284,163	281,707	279,691	278,516	283,341	279,792	467,181
as% fixed customers	%	99.9%	100.1%	100.2%	100.1%	100.1%	100.1%	100.2%	100.2%	100.2%	100.2%	99.0%
BB RGUs	#	209,092	215,520	217,726	217,313	219,480	218,532	217,726	218,391	224,361	222,288	389,456
as% fixed customers	%	72.7%	75.9%	78.0%	76.7%	77.3%	77.7%	78.0%	78.5%	79.3%	79.6%	82.6%
TV RGUs	#	50,177	56,992	124,754	61,390	129,876	126,774	124,754	124,729	127,660	127,802	250,191
as% fixed customers	%	17.5%	20.1%	44.7%	21.7%	45.8%	45.1%	44.7%	44.9%	45.1%	45.7%	53.0%
Postpaid lines	#	172,722	212,213	273,906	222,301	237,333	257,213	273,906	296,484	332,661	352,408	702,892
Postpaid customers	#	104,801	126,016	153,939	132,538	139,833	146,826	153,939	165,411	185,203	194,926	412,247
as% fixed customers (only mobile excluded)	%	30.1%	39.3%	49.1%	41.6%	43.8%	46.4%	49.1%	53.3%	59.2%	63.0%	71.7%
Mobile lines / customer	#	1.6	1.7	1.8	1.8	1.7	1.8	1.8	1.8	1.8	1.8	1.7
SOHO												
KPI	Unit	2012	2013	2014	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
Subs	#	45,637	46,317	47,038	46,474	46,993	46,907	47,038	47,136	47,932	47,775	88,163
o/w 1P (%)	%	37.8%	35.0%	32.7%	34.7%	33.7%	33.4%	32.7%	32.1%	30.3%	29.7%	28.5%
o/w 2P (%)	%	31.0%	29.9%	26.1%	29.1%	26.7%	26.9%	26.1%	23.9%	21.9%	20.4%	27.0%
o/w 3P (%)	%	27.2%	30.0%	31.1%	30.6%	29.6%	29.9%	31.1%	32.9%	35.2%	36.9%	33.9%
o/w 4P (%)	%	3.9%	5.1%	10.2%	5.6%	10.0%	9.9%	10.2%	11.1%	12.6%	13.0%	10.6%
Total RGUs	#	125,772	133,079	143,472	134,317	140,675	140,807	143,472	147,585	155,881	158,589	278,314
RGUs / sub	#	2.8	2.9	3.1	2.9	3.0	3.0	3.1	3.1	3.3	3.3	3.2
Global ARPU Fixed customers	€/month	72.0	68.2	65.0	66.3	65.7	65.2	65.0	64.4	65.1	65.4	65.3
SMEs and Large Accounts												
KPI	Unit	2012	2013	2014	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
Customers	#	5,291	5,251	5,094	5,198	5,162	5,134	5,094	5,041	5,072	5,053	11,518

Euskaltel consolidated - KPIs (ii/ii)

Selected financial data					Quarter									
	Unit	2012	2013	2014	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	2014	2015
Total revenues	€m	342.8	334.9	321.2	79.6	79.9	79.5	82.2	79.6	82.1	82.7	105.0	321.2	349.4
Y-o-y change	%		-2.3%	-4.1%					0.0%	2.7%	4.0%	27.7%		8.8%
o/w residential	€m	201.3	195.4	195.7	48.0	48.6	49.5	49.6	49.0	50.8	51.7	64.2	195.7	215.7
Y-o-y change	%		-2.9%	0.2%					2.1%	4.4%	4.5%	29.5%		10.2%
o/w Business	€m	102.8	101.2	93.4	23.9	23.6	22.9	23.0	22.8	23.4	22.8	30.3	93.4	99.3
Y-o-y change	%		-1.6%	-7.7%					-4.8%	-0.5%	-0.5%	31.9%		6.3%
o/w Wholesale and Other	€m	28.9	29.7	25.2	6.1	5.7	5.5	7.9	5.6	5.6	6.2	8.1	25.2	25.4
Y-o-y change	%		2.8%	-15.1%					-8.2%	-2.9%	12.5%	2.3%		0.8%
o/w Other Profit Neutral Revenues	€m	9.8	8.6	6.9	1.6	2.0	1.6	1.7	2.2	2.3	2.0	2.3	6.9	8.9
Y-o-y change	%		-12.3%	-19.9%					41.8%	18.0%	24.5%	36.3%		29.5%
Adjusted EBITDA	€m	134.7	155.1	155.9	37.3	35.6	39.4	43.6	37.7	38.3	40.6	50.3	155.9	167.0
Y-o-y change	%		15.2%	0.5%					1.2%	7.6%	3.2%	15.3%		7.1%
Margin	%	39.3%	46.3%	48.5%	46.8%	44.6%	49.5%	53.0%	47.4%	46.7%	49.2%	47.9%	48.5%	47.8%
Capital expenditures	€m	-119.2	-41.5	-42.2	-7.8	-10.3	-7.8	-16.4	-9.1	-9.2	-10.3	-24.6	-42.2	-53.1
Y-o-y change	%		-65.2%	1.7%					17.0%	-10.4%	32.0%	50.0%		25.9%
% total revenues	%	-34.8%	-12.4%	-13.1%	-9.7%	-12.9%	-9.8%	-19.9%	-11.4%	-11.2%	-12.4%	-23.4%	-13.1%	-15.2%
Operational Free Cash Flow	€m	15.5	113.6	113.6	29.5	25.3	31.6	27.2	28.6	29.1	30.4	25.7	113.6	113.8
Y-o-y change	%		632.9%	0.0%					-3.0%	14.9%	-3.8%	-5.5%		0.2%
% EBITDA	%	11.5%	73.2%	72.9%	79.2%	71.1%	80.2%	62.4%	75.9%	76.0%	74.7%	51.2%	72.9%	68.2%



Appendix II – Euskaltel standalone results and KPIs

Euskaltel standalone – KPIs (i/ii)

Residential				
KPI	Unit	2012	2013	2014
Homes passed	#	863,461	866,716	869,900
Household coverage	%	84%	84%	85%
Residential subs	#	305,761	298,495	296,023
o/w fixed services	#	287,457	284,105	279,212
as % of homes passed	%	33.3%	32.8%	32.1%
o/w mobile only subs	#	18,304	14,390	16,811
o/w 1P (%)	%	26.5%	23.1%	17.8%
o/w 2P (%)	%	41.2%	35.8%	26.9%
o/w 3P (%)	%	26.4%	31.8%	35.0%
o/w 4P (%)	%	6.0%	9.4%	20.3%
Total RGUs	#	719,033	769,036	896,077
RGUs / sub	#	2.4	2.6	3.0
Residential chum fixed customers	%	17.2%	14.8%	14.8%
Global ARPU fixed customers	€/month	54.3	53.3	53.8

KPI	Unit	2012	2013	2014
Fixed Voice RGU's	#	287,042	284,311	279,691
as% fixed customers	%	99.9%	100.1%	100.2%
BB RGU's	#	209,092	215,520	217,726
as% fixed customers	%	72.7%	75.9%	78.0%
TV RGU's	#	50,177	56,992	124,754
as% fixed customers	%	17.5%	20.1%	44.7%
Postpaid lines	#	172,722	212,213	273,906
Postpaid customers	#	104,801	126,016	153,939
as% fixed customers (only mobile excluded)	%	30.1%	39.3%	49.1%
Mobile lines / customer	#	1.6	1.7	1.8

SOHO				
KPI	Unit	2012	2013	2014
Subs	#	45,637	46,317	47,038
o/w 1P (%)	%	37.8%	35.0%	32.7%
o/w 2P (%)	%	31.0%	29.9%	26.1%
o/w 3P (%)	%	27.2%	30.0%	31.1%
o/w 4P (%)	%	3.9%	5.1%	10.2%
Total RGUs	#	125,772	133,079	143,472
RGUs / sub	#	2.8	2.9	3.1
Global ARPU Fixed customers	€/month	72.0	68.2	65.0

SMEs and Large Accounts				
KPI	Unit	2012	2013	2014
Customers	#	5,291	5,251	5,094

1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
867,532	868,217	868,908	869,900	872,053	873,254	876,937	879,219
84%	85%	85%	85%	85%	85%	85%	86%
298,178	299,375	297,713	296,023	295,360	300,751	298,419	296,157
283,507	283,812	281,362	279,212	278,051	282,890	279,353	276,959
32.7%	32.7%	32.4%	32.1%	31.9%	32.4%	31.9%	31.5%
14,671	15,563	16,351	16,811	17,309	17,861	19,066	19,198
22.4%	17.8%	17.9%	17.8%	17.6%	17.3%	17.5%	17.3%
34.2%	29.6%	28.3%	26.9%	24.8%	21.5%	19.3%	17.6%
32.6%	33.9%	34.6%	35.0%	35.5%	36.6%	36.6%	35.4%
10.8%	18.7%	19.2%	20.3%	22.1%	24.6%	26.5%	29.6%
784,713	870,852	884,226	896,077	918,120	968,023	982,290	998,871
2.6	2.9	3.0	3.0	3.1	3.2	3.3	3.4
16.2%	14.5%	14.3%	14.8%	14.8%	12.2%	13.9%	14.9%
53.2	53.3	53.6	53.8	55.2	55.5	55.8	55.9

1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
283,709	284,163	281,707	279,691	278,516	283,341	279,792	277,449
100.1%	100.1%	100.1%	100.2%	100.2%	100.2%	100.2%	100.2%
217,313	219,480	218,532	217,726	218,391	224,361	222,288	221,573
76.7%	77.3%	77.7%	78.0%	78.5%	79.3%	79.6%	80.0%
61,390	129,876	126,774	124,754	124,729	127,660	127,802	131,963
21.7%	45.8%	45.1%	44.7%	44.9%	45.1%	45.7%	47.6%
222,301	237,333	257,213	273,906	296,484	332,661	352,408	367,886
132,538	139,833	146,826	153,939	165,411	185,203	194,926	203,114
41.6%	43.8%	46.4%	49.1%	53.3%	59.2%	63.0%	66.4%
1.8	1.7	1.8	1.8	1.8	1.8	1.8	1.8

1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
46,474	46,993	46,907	47,038	47,136	47,932	47,775	47,684
34.7%	33.7%	33.4%	32.7%	32.1%	30.3%	29.7%	29.1%
29.1%	26.7%	26.9%	26.1%	23.9%	21.9%	20.4%	18.2%
30.6%	29.6%	29.9%	31.1%	32.9%	35.2%	36.9%	38.4%
5.6%	10.0%	9.9%	10.2%	11.1%	12.6%	13.0%	14.2%
134,317	140,675	140,807	143,472	147,585	155,881	158,589	162,844
2.9	3.0	3.0	3.1	3.1	3.3	3.3	3.4
66.3	65.7	65.2	65.0	64.4	65.1	65.4	65.7

1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
5,198	5,162	5,134	5,094	5,041	5,072	5,053	5,002

Euskaltel standalone – KPIs (ii/ii)

Selected financial data					Quarter									
	Unit	2012	2013	2014	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	2014	2015
Total revenues	€m	342.8	334.9	321.2	79.6	79.9	79.5	82.2	79.6	82.1	82.7	83.4	321.2	327.8
Y-o-y change	%		-2.3%	-4.1%					0.0%	2.7%	4.0%	1.4%		2.1%
o/w residential	€m	201.3	195.4	195.7	48.0	48.6	49.5	49.6	49.0	50.8	51.7	50.9	195.7	202.4
Y-o-y change	%		-2.9%	0.4%					2.1%	4.4%	4.5%	2.6%		3.4%
o/w Business	€m	102.8	101.2	93.4	23.9	23.6	22.9	23.0	22.8	23.4	22.8	23.2	93.4	92.2
Y-o-y change	%		-1.6%	-7.7%					-4.8%	-0.5%	-0.5%	0.9%		-1.3%
o/w Wholesale and Other	€m	28.9	29.7	25.2	6.1	5.7	5.5	7.9	5.6	5.6	6.2	7.0	25.2	24.3
Y-o-y change	%		2.8%	-1.7%					-8.2%	-2.9%	12.5%	-11.6%		-3.6%
o/w Other Profit Neutral Revenues	€m	9.8	8.6	6.9	1.6	2.0	1.6	1.7	2.2	2.3	2.0	2.3	6.9	8.9
Y-o-y change	%		-12.3%	-20.1%					41.8%	19.1%	24.5%	36.3%		29.5%
Adjusted EBITDA	€m	134.7	155.1	155.9	37.3	35.6	39.4	43.6	37.7	38.3	40.6	41.4	155.9	158.1
Y-o-y change	%		15.2%	0.5%					1.2%	7.6%	3.2%	-4.9%		1.5%
Margin	%	39.3%	46.3%	48.5%	46.8%	44.6%	49.5%	53.0%	47.4%	46.7%	49.2%	49.7%	48.5%	48.2%
Capital expenditures	€m	-119.2	-41.5	-42.2	-7.8	-10.3	-7.8	-16.4	-9.1	-9.2	-10.3	-18.3	-42.2	-46.9
Y-o-y change	%		-65.2%	1.7%					17.0%	-10.4%	32.0%	11.7%		11.0%
% total revenues	%	-34.8%	-12.4%	-13.1%	-9.7%	-12.9%	-9.8%	-19.9%	-11.4%	-11.2%	-12.4%	-21.9%	-13.1%	-14.3%
Operational Free Cash Flow	€m	15.5	113.6	113.6	29.5	25.3	31.6	27.2	28.6	29.1	30.4	23.2	113.6	111.3
Y-o-y change	%		632.9%	0.0%					-3.0%	14.9%	-3.8%	-14.9%		-2.1%
% EBITDA	%	11.5%	73.2%	72.9%	79.2%	71.1%	80.2%	62.4%	75.9%	76.0%	74.7%	55.9%	72.9%	70.4%



Appendix III – R Cable December-2015 (month) results and KPIs

R Cable December-2015 (month) – KPIs (i/ii)

Residential

KPI	Unit	Dec.15 (month)
Homes passed	#	819,854
<i>Household coverage</i>	%	51.1%
Residential subs	#	249,345
<i>o/w fixed services</i>	#	194,705
<i>as % of homes passed</i>	%	23.7%
<i>o/w mobile only subs</i>	#	54,640
o/w 1P (%)	%	27.2%
o/w 2P (%)	%	11.5%
o/w 3P (%)	%	22.8%
o/w 4P (%)	%	38.5%
Total RGUs	#	810,849
RGUs / sub	#	3.3
Residential churn fixed customers	%	11.9%
Global ARPU fixed customers	€/month	57.0

KPI Unit Dec.15 (month)

Fixed Voice RGU's	#	189,732
<i>as% fixed customers</i>	%	97.4%
BB RGU's	#	167,883
<i>as% fixed customers</i>	%	86.2%
TV RGU's	#	118,228
<i>as% fixed customers</i>	%	60.7%
Postpaid lines	#	335,006
Postpaid customers	#	209,133
<i>as% fixed customers (only mobil</i>	%	79.3%
<i>Mobile lines / customer</i>	#	1.6

SOHO

KPI	Unit	Dec.15 (month)
Subs	#	40,479
o/w 1P (%)	%	27.8%
o/w 2P (%)	%	37.3%
o/w 3P (%)	%	28.6%
o/w 4P (%)	%	6.3%
Total RGUs	#	115,470
RGUs / sub	#	2.9
Global ARPU Fixed customers	€/month	59.9

SMEs and Large Accounts

KPI	Unit	Dec.15 (month)
Customers	#	6,516

Selected Dec-15 financial data

	Unit	Dec.15 (month)
Total revenues	€m	21.6
Y-o-y change	%	
o/w residential	€m	13.4
Y-o-y change	%	
o/w Business	€m	7.1
Y-o-y change	%	
o/w Wholesale and Other	€m	1.1
Y-o-y change	%	
o/w Other Profit Neutral Revenue	€m	0.0
Y-o-y change	%	
Adjusted EBITDA	€m	8.9
Y-o-y change	%	
Margin	%	41.3%
Capital expenditures	€m	-6.3
Y-o-y change	%	
% total revenues	%	-29.1%
Operational Free Cash Flow	€m	2.6
Y-o-y change	%	
% EBITDA	%	29.3%



Appendix IV – R Cable proforma results and KPIs

R Cable proforma – KPIs (i/ii)

Residential		1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
KPI	Unit								
Homes passed	#	799,278	802,168	803,827	807,019	809,429	812,695	816,839	819,854
Household coverage	%	49.8%	50.0%	50.1%	50.3%	50.4%	50.6%	50.9%	51.1%
Residential subs	#	240,571	239,568	239,600	241,925	243,398	246,105	248,220	249,345
o/w fixed services	#	191,173	190,110	190,229	192,228	192,891	194,181	194,534	194,705
as % of homes passed	%	23.9%	23.7%	23.7%	23.8%	23.8%	23.9%	23.8%	23.7%
o/w mobile only subs	#	49,398	49,458	49,371	49,697	50,507	51,924	53,686	54,640
o/w 1P (%)	%	26.7%	26.2%	26.5%	26.3%	26.1%	25.8%	26.9%	27.2%
o/w 2P (%)	%	19.3%	18.5%	17.6%	16.3%	14.7%	13.6%	12.4%	11.5%
o/w 3P (%)	%	28.5%	29.5%	30.1%	30.3%	28.7%	27.2%	24.8%	22.8%
o/w 4P (%)	%	25.5%	25.8%	25.8%	27.1%	30.4%	33.5%	36.0%	38.5%
Total RGUs	#	707,627	714,819	719,531	738,069	759,882	784,204	796,971	810,849
RGUs / sub	#	2.9	3.0	3.0	3.1	3.1	3.2	3.2	3.3
Residential churn fixed customers	%	12.5%	13.0%	13.9%	13.4%	10.3%	10.5%	12.8%	12.9%
Global ARPU fixed customers	€/month	57.1	56.7	56.8	56.4	55.7	55.6	56.3	56.6
Fixed Voice RGU's	#	190,496	189,712	188,023	189,208	189,948	192,160	190,199	189,732
as% fixed customers	%	99.6%	99.8%	98.8%	98.4%	98.5%	99.0%	97.8%	97.4%
BB RGU's	#	160,321	159,675	160,469	163,119	164,274	165,845	166,858	167,883
as% fixed customers	%	83.9%	84.0%	84.4%	84.9%	85.2%	85.4%	85.8%	86.2%
TV RGU's	#	91,079	89,375	86,610	88,242	96,724	105,212	111,738	118,228
as% fixed customers	%	47.6%	47.0%	45.5%	45.9%	50.1%	54.2%	57.4%	60.7%
Postpaid lines	#	265,731	276,057	284,429	297,500	308,936	320,987	328,176	335,006
Postpaid customers	#	170,853	176,189	181,085	188,548	195,265	202,182	205,689	209,133
as% fixed customers (only mobile excluded)	%	63.5%	66.7%	69.2%	72.2%	75.0%	77.4%	78.1%	79.3%
Mobile lines / customer	#	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6

SOHO		1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
KPI	Unit								
Subs	#	41,902	41,995	41,558	41,368	41,106	41,332	40,880	40,479
o/w 1P (%)	%	32.1%	28.6%	25.0%	26.7%	26.5%	25.4%	23.9%	27.8%
o/w 2P (%)	%	42.6%	43.0%	40.2%	41.3%	42.0%	40.9%	40.4%	37.3%
o/w 3P (%)	%	24.0%	27.3%	28.2%	27.3%	26.1%	27.2%	27.2%	28.6%
o/w 4P (%)	%	1.3%	1.0%	6.6%	4.7%	5.4%	6.6%	8.5%	6.3%
Total RGUs	#	109,125	110,538	111,187	113,269	114,027	116,274	115,669	115,470
RGUs / sub	#	2.6	2.6	2.7	2.7	2.8	2.8	2.8	2.9
Global ARPU Fixed customers	€/month	61.7	61.3	61.1	60.7	59.7	59.5	59.9	59.9

SMEs and Large Accounts		1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
KPI	Unit								
Customers	#	6,635	6,575	6,572	6,581	6,527	6,565	6,537	6,516

R Cable proforma – KPIs (ii/ii)

Selected quarterly financial data		Quarterly data								Proforma	
	Unit	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	2014	2015
Total revenues	€m	62.6	61.3	60.7	59.7	58.9	62.4	62.0	63.1	244.2	246.4
Y-o-y change	%					-5.8%	1.9%	2.1%	5.8%		0.9%
o/w residential	€m	40.2	39.4	39.5	38.7	38.2	38.5	40.1	39.9	157.8	156.7
Y-o-y change	%					-4.9%	-2.3%	1.5%	3.1%		-0.7%
o/w Business	€m	20.5	20.0	19.2	19.3	19.1	21.7	19.5	20.4	79.1	80.7
Y-o-y change	%					-7.1%	8.9%	1.5%	5.3%		2.1%
o/w Wholesale and Other	€m	1.9	1.9	2.0	1.6	1.7	2.2	2.4	2.8	7.4	9.0
Y-o-y change	%					-11.6%	14.8%	17.8%	75.3%		22.0%
o/w Other Profit Neutral Revenues	€m	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Y-o-y change	%										
Adjusted EBITDA	€m	29.5	27.8	26.3	26.1	25.5	27.5	28.5	27.1	109.7	108.6
Y-o-y change	%					-13.5%	-0.9%	8.5%	3.5%		-1.0%
Margin	%	47.1%	45.4%	43.3%	43.8%	43.2%	44.1%	46.0%	42.9%	44.9%	44.1%
Capital expenditures	€m	-9.5	-9.7	-10.6	-21.8	-11.3	-17.7	-12.0	-14.9	-51.5	-55.9
Y-o-y change	%					18.8%	82.3%	13.7%	-31.5%		8.5%
% total revenues	%	-15.1%	-15.8%	-17.4%	-36.5%	-19.1%	-28.3%	-19.4%	-23.6%	-21.1%	-22.7%
Operational Free Cash Flow	€m	20.0	18.1	15.7	4.4	14.2	9.8	16.5	12.1	58.1	52.7
Y-o-y change	%					-28.8%	-45.5%	4.9%	178.4%		-9.3%
% EBITDA	%	67.9%	65.1%	59.7%	16.7%	55.8%	35.7%	57.8%	44.9%	53.0%	48.5%

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