

GRUPOMASMOVIL

COMMUNICATION OF A RELEVANT FACT

MASMOVIL GROUP

May 24th, 2019

In accordance with article 17 of the Regulations (UE) number 596/2014 on market abuse and article 228 of the Securities Market Act passed by Legislative Royal Decree 4/2015 of October 23 and concordance rules, we inform the market about the following Relevant Fact referred to MASMOVIL IBERCOM, S.A. ("**MASMOVIL**" or the "**Company**" or the "**Group**").

RELEVANT FACT

MASMOVIL successfully closes the syndication of its 1.45bn€ senior debt.

MASMOVIL has successfully completed the placement of its debut €1,450M covenant-lite Term Loan B ("TLB") and thus implementing a new simplified capital structure helping to provide additional flexibility for further growth.

The €1,450M 7yr covenant-lite Term Loan B transaction was launched on May 8th and has been successfully priced on 24th May:

- Priced at E+325bps / 99.5 vs. initial talk at E+325-350 / 99.5 guidance (margin stepping down to E+275 when leverage is below 2.5x).
- Attracted very strong demand from the broader European institutional investor base with an oversubscription of 1.6x.
- Enabled flexibility for further growth through Covenant-lite feature.
- Lengthened the maturity profile with no contractual maturities before 2026.

In parallel, the Company secured €280M of undrawn available liquidity through a i) Capital Expenditure Facility of €150M and ii) Revolving Credit Facility of €100M from the financing Banks, in addition to iii) other credit facilities of €30M. The Capital Expenditure and Revolving Credit Facilities carries a margin of E+275 with step down to E+225 for leverage below 2.5x

The syndication was led by Goldman Sachs and BNP Paribas as Joint Global Coordinators and Active Bookrunners, and Société Generale, JPMorgan , Banco Santander , BBVA and Barclays as Joint Bookrunners

The Company also underwent a rating process with all the three rating agencies Standard & Poors, Fitch and Moody's achieving satisfactory outcomes of BB- (stable) / BB- (stable) / B1 (stable) respectively.

BNP Paribas acted as lead Rating Advisor alongside Société Générale as Co-Advisor in this process.

Finally, MASMOVIL is the first borrower in Europe to incorporate Environmental, Social, and Governance (ESG) criteria into a leveraged loan package. The €100M revolving credit facility (E+275) and €150M capex line (E+275) that sit alongside the TLB include a ratchet on the loans' interest that either, steps up if the ESG rating deteriorates, or steps down if the rating improves. BNP Paribas acted as sole Sustainability Coordinator.

May 24th, 2019.

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