



**EUSKALTEL, S.A. (Euskaltel o la Sociedad)**, in accordance with article 17 of Regulation (EU) No. 596/2014 on market abuse and 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**

Euskaltel is pleased to announce that it has successfully priced a new 7-year €835m Term Loan B at a margin of E+2.75% and OID at par.

On the back of strong oversubscription and support for Euskaltel's credit story, pricing was tightened from initial guidance of E+2.75%-3.00% and OID of 99.75, representing one of the tightest recent pricings across comparable European telco issuers.

Proceeds will be used to redeem the existing €235m Term Loan A1, €300m Term Loan B2 and €300m Term Loan B3.

This transaction is leverage-neutral for Euskaltel and in addition to reducing interest expense and extending the weighted average maturity profile of the capital structure to 5.2yrs it will also broaden Euskaltel's lender base providing for easier access to capital markets.

BNP Paribas was Global Co-ordinator and Physical Bookrunner for the transaction, alongside J.P. Morgan and BBVA as Physical Bookrunners.

Derio, November 10, 2017.

**EUSKALTEL, S.A.**  
**Francisco Javier Allende Arias**  
**Secretary of the Board of Directors**