



COMMUNICATION OF A RELEVANT FACT

MASMOVIL GROUP

3rd April 2018

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**" o the "**Group**").

RELEVANT FACT

Notice of Extraordinary General Meeting of the Company

The full text of the notice of meeting is set out on the following pages.

Madrid, 3rdApril 2018

D. Meinrad Spenger
CEO
MASMOVIL IBERCOM, S.A.

MASMOVIL IBERCOM, S.A.

Call of Ordinary General Shareholders' Meeting

The Board of Directors of Masmovil Ibercom, S.A. (the “**Company**”) has agreed to call the Ordinary General Shareholders' Meeting, to be held, on first call, on May 4th, 2018 at 12:00 a.m., at Hotel María Cristina, located at Paseo República Argentina, 4, 20004 San Sebastián (Guipúzcoa), and, on second call, on the following day, May 5th, 2018, at the same time and location, in order to discuss and approve, if appropriate, the following decisions of the:

Agenda

I. Items relating to the annual accounts, the proposal of allocation of results, the management of the Board of Directors and the auditor's reelection.

First.- Examination and, if appropriate, approval of the Individual Annual Accounts (Balance Sheet, Profit and Loss Account, Statement of the Changes in the Net Equity, Cash Flow Statement and Notes) and the Individual Management Report with respect to the financial year ended on December 31st, 2017.

Second.- Examination and, if appropriate, approval of the Consolidated Annual Accounts (Consolidated Balance Sheet, Consolidated Profit and Loss Account, Consolidated Statement of the Changes in the Net Equity, Consolidated Cash Flow Statement and Consolidated Notes) and Consolidated Management Report of the Company and its affiliates with respect to the financial year ended on December 31st, 2017.

Third.- Examination and, if appropriate, approval of the proposal of application of the Company's results of the financial year ended on December 31st, 2017.

Fourth.- Examination and, if appropriate, approval of the management of the Board of Directors during the financial year ended on December 31st, 2017.

Fifth.- Reelection of KPMG Auditores, S.L. as auditors of the Company and its Consolidated Group for year 2018.

II. Item relating to the composition of the Board of Directors.

Sixth.- Reelection of Mr. Meinrad Spenger as member of the Board for the statutory term of four years.

III. Item relating to the proposal of split of the Company's shares.

Seventh.- Split of the number of shares in which the Company's share capital is divided into, in the proportion of 5 new shares per each current share, by way of the reduction of the unitary face value of each share of €0.10 to €0.02, without amending the share capital. Delegation of faculties.

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IV. Item relating to the amendment of the Company's By-laws.

Eighth.- Amendment of article 38 ("Remuneration") of the Company's By-laws.

V. Items relating to the remuneration of the Board members.

Ninth.- Approval, for the purposes of article 529 novodecies of the Capital Companies Law, of the Directors' Remuneration Policy.

Tenth.- Consultative vote on the Annual Report on Directors' Remuneration for year 2017.

VI. Item relating to authorisation to the Board of Directors.

Eleventh.- Authorization to shorten the period for calling Extraordinary Shareholders' Meetings, pursuant to the provisions of article 515 of the Capital Companies Law.

VII. Item relating to general matters.

Twelfth.- Delegation of powers to formulate, rectify, register, interpret, implement and execute the resolutions adopted by the General Meeting and powers to formalise the deposit of the annual accounts.

1. Supplement to the call notice and submission of new resolution proposals.

Following article 519 of the Capital Companies Act, shareholders representing at least 3% of the Company's share capital may request the publication of a supplement to this call, including one or more items on the Agenda, providing that the new items are documented or, as appropriate, accompanied by a documented resolution proposal. For these purposes, shareholders should provide certified proof to the Company that they represent at least said percent of such share capital percentage and send such supplement and the corresponding documentation or proposal by certified channels to the Company, with an indication of the identity of the shareholders exercising the right and the number of shares they hold. Said supplement and the relevant documentation should be received in the Company's registered office (Parque Empresarial Zuatzu, Edificio Easo, 2ª Planta, 20018 San Sebastián, Guipúzcoa) within five days from the publication of this call. Said call supplement should be published by the Company with 15 days in advance prior to the date of the General Meeting, minimum.

Furthermore, shareholders of at least 3% of the Company's share capital may submit, within the same term and under the same form described in the previous paragraph, reasoned resolution proposals on items already included or to be included in the Agenda of the General Meeting. The Company shall make them available for its examination by shareholders at the Company's registered office, located at Parque Empresarial Zuatzu, Edificio Easo, 2ª Planta, 20018 San Sebastián (Guipúzcoa), its request or free of charge delivery, as well as at the Company's website (www.grupomasmovil.com).

2. Right to information.

In accordance with articles 197, 272, 286, 287, 518 and 520 of the Capital Companies Act, as of the date of publication of this call announcement, shareholders are entitled to examine the documents mentioned below, at the registered office located at Parque Empresarial Zuatzu, Edificio Easo, 2ª Planta, 20018 San Sebastián (Guipúzcoa), from 9:30 am to 13:30 pm, Mondays through Fridays, or via the Company's website (www.grupomasmovil.com), where they will be on-line continuously between the publication of the call announcement until the General Meeting is held, as well as the right to obtain its free of charge delivery or shipment of the following:

- The current call announcement.
- The number of shares and voting rights at the date of the call.
- The full texts of all proposals of the decisions set out in the Agenda.
- With respect to the items relating to the annual accounts, the proposal of allocation of results, the management of the Board of Directors and the auditor's reelection:
 - The Individual and Consolidated Annual Accounts (Balance Sheet, Profit and Loss Account, Statement of the Changes in the Net Equity, Cash Flow Statement and Notes) and the Individual and Consolidated Management Report with respect to the financial year ended on December 31st, 2017, along with the corresponding Auditor's reports.
 - The declaration of responsibility of the Board members regarding the Company's Individual and Consolidated Annual Accounts and the Individual and Consolidated Management Reports.
 - The Annual Corporate Governance Report for the year 2017.
 - The report on the independence of the Company's auditor for the year 2017.
- With respect to the item relating to the composition of the Board of Directors:
 - The report of the Appointments and Remuneration Committee on the reelection proposal of Mr. Meinrad Spenger as Board member.
 - The report of the Board of Directors assessing the competency, experience and merits of Mr. Meinrad Spenger.
 - The Curriculum Vitae and category of Mr. Meinrad Spenger.
- With respect to the item relating to the proposal of split of the Company's shares:
 - The explanatory report by the Board of Directors on the proposal of split of

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the Company's shares.

- With respect to the item relating to the amendment of the Company's By-laws:
 - The explanatory report by the Board of Directors on the proposal of amendment of article 38 of the Company's By-laws, as well as the full text of the By-laws.
- With respect to the item relating to the remuneration of the Board members:
 - The Directors' Remuneration Policy for the years 2018, 2018 and 2020.
 - The explanatory report by the Appointments and Remuneration Committee on the Director's Remuneration Policy.
 - The Annual Report on Director's Remuneration for the year 2017.
- The following have also been made available to the shareholders:
 - The form of attendance, proxy and absentee voting card.
 - The rules applicable for remote attendance to the General Meeting as well as for proxy and voting by remote communication systems.
 - Instructions regarding the manner in which shareholders can exercise their right to obtain information.
 - The regulation of the Electronic Shareholders Forum.
 - The Report on activities carried out by the Audit and Control Committee on the activities carried out by said Committee during year 2017.
 - The Report on activities carried out by the Appointments and Remuneration Committee on the activities carried out by said Committee during year 2017.
 - The Report of the Audit and Control Committee on related-party transactions.
 - The Report of the Appointments and Remuneration Committee on corporate social responsibility.
 - The Report on Ethics and Compliance.

Additionally, the valid requests for information, clarifications or questions posed by shareholders in the exercise of their right to information and any responses furnished by the directors, as appropriate, as well as the supplement to the call shall also be available.

Said documents are available on the Company's website, at www.grupomasmovil.com,

by going to “Shareholders and investors”, followed by “Corporate Governance”, and then “General Shareholders’ Meeting”.

In addition, from the publication of this call and up until the fifth day prior to that on which the Shareholders’ Meeting is scheduled to be held, shareholders may ask the directors, regarding the items included on the agenda, for the information and clarifications they consider necessary, or submit in writing the questions they consider pertinent. Likewise, and also up to the fifth day prior to the day on which the Shareholders’ Meeting is scheduled to be held, shareholders may ask the directors, in writing, for the clarifications they consider necessary regarding the information accessible to the public that the Company has provided to the Spanish National Securities Market Commission since the last Shareholders’ Meeting was held and regarding the audit report.

Except in those cases expressly provided by law, the Board of Directors shall be required to provide the information requested in writing through the date of holding of the General Meeting, and in the case of verbal requests made during the holding of the General Meeting, if the right of the shareholder cannot be satisfied at such time, the Board of Directors shall be required to provide such information in writing with seven days of the end of the General Meeting.

3. Electronic Shareholders Forum.

In accordance with the provisions set forth for this purpose in article 539.2 of the Capital Companies Act, as from the date of publication of this call announcement, the Company will enable an Electronic Shareholders Forum in the Company’s website (www.grupomasmovil.com), that may be accessed with due guarantees by individual shareholders as well as any voluntary shareholder associations duly incorporated and registered with the special Register of the Spanish National Securities Market Commission. Proposals for presentation as supplements to the Agenda announced in the call, requests for accession to such proposals, initiatives to attain the sufficient percentage to exercise a minority right envisaged by Law, as well as offers or requests for voluntary representation may be published in the Forum.

The rules of operation of said Electronic Shareholders Forum as well as the form to be filled in by shareholders are also available at the Company’s website (www.grupomasmovil.com), as well as at the Company’s registered office located at Parque Empresarial Zuatzu, Edificio Easo, 2ª Planta, 20018 San Sebastián (Guipúzcoa).

4. Right of attendance and representation.

In accordance with current article 22 of the Company’s By-laws, shareholders are entitled to attend the General Meeting providing they are registered as holders of Company’s shares at the relevant registry, before five days of the date the General Meeting is to be held. Shareholders, by exhibiting the attendance letter, certification issued by the relevant company adhered to Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear), or by any other valid form under Law.

Shareholders who wish to attend the General Meeting in person must be in possession of the corresponding attendance and proxy card issued by the corresponding Iberclear participating entity (or, in its absence, the applicable certificate issued by the Iberclear participating entity, or any other document which, in accordance with the law, attests that the person is a shareholder) or the attendance and proxy card made available by the Company at the website, and identify themselves to the personnel responsible for shareholder registration. In order to verify the identity of shareholders or their authorised proxies, attendees may be requested to prove their identity at the entrance to the premises hosting the Annual General Meeting by showing their National Identity Card or any other valid official document that the Company considers appropriate for this purpose, alongside their attendance and proxy card. Once the presentation of attendance and proxy cards has been closed, any shareholders or proxies arriving late at the Annual General Meeting will be issued with invitations to follow the proceedings of the meeting if they wish to do so, but neither these shareholders nor proxies will be included in the list of attendees.

Following articles 23 of the Company's By-laws and 12.3 of the General Meeting Rules, shareholders with the right to attendance may be represented in the General Meeting by another person, even a non-shareholder, in compliance with legal requirements and formalities, the content of the By-laws and the General Meeting Rules and in those specified in this call.

5. Grant of proxies and voting using means of distance communication.

Shareholders not attending the General Meeting and that have attendance rights may delegate their proxy or issue their vote by remote communication means as set forth below:

5.1 Grant of proxies using means of distance communication.

- a) Exercise of the proxy right by delivery or postal correspondence.

To grant their proxy by delivery or postal correspondence, shareholders must complete and sign the attendance card and the proxy issued on paper by the entities participating in Iberclear and send them to the Company's registered office (Parque Empresarial Zuatzu, Edificio Easo, 2ª Planta, 20018 San Sebastián, Guipúzcoa). The representation and the identity of the shareholder, as appropriate, shall be verified at the General Meeting.

In the event that the attendance card issued by the participating entity of Iberclear does not contain the information regarding the representation or the information is incomplete, shareholders may make use of the attendance card made available by the Company at the website (www.grupomasmovil.com). Said card, duly completed and containing a handwritten signature should be sent to the Company by post to the abovementioned address, along with the card issued by the participating entity of Iberclear, also duly signed.

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b) Exercise of the proxy right by electronic means.

Shareholders may exercise their proxy right by electronic means from April 11th, 2018, through the Company's website (www.grupomasmovil.com), by accessing and following the corresponding procedure.

To do so, shareholders should acquire an advanced or qualified electronic signature, as provided for in Electronic Signature Law 59/2003, of December 19, 2003, based on a qualified electronic certificate which has not been revoked and which may be (i) a User Electronic Certificate issued by the Spanish Public Certification Entity (CERES) attached to the Spanish Mint (FNMT-RCM) or (ii) a qualified electronic certificate that is included in the Electronic National Identity Card issued in accordance with Royal Decree 1553/2005, of December 23, 2005, regulating the issuance of the National Identity Card and its electronic signature certificates.

5.2 Voting using means of distance communication.

Shareholders with rights of representation and vote are entitled to cast their vote relating to the points of the Agenda prior to the holding of the General Meeting, by way of postal correspondence or electronic means as set forth below:

a) Vote by delivery or post.

To vote by post on the points on the Agenda, shareholders must complete and sign the the attendance card issued by the member of Iberclear with which they have deposited their shares, by choosing the desired option —in favor, against, abstention or blank vote.

Once the appropriate section of the card has been completed and signed, the shareholder must send it to the Company at the registered domicile located at Parque Empresarial Zuatzu, Edificio Easo, 2^a Planta, 20018 San Sebastián, Guipúzcoa.

In the event that the attendance card issued by the participating entity of Iberclear does not contain the information regarding the representation or the information is incomplete, shareholders may make use of the attendance card made available by the Company at the website (www.grupomasmovil.com). Said card, duly completed and containing a handwritten signature should be sent to the Company by post to the abovementioned address, along with the card issued by the participating entity of Iberclear, also duly signed.

b) Vote by electronic means.

Shareholders may vote on the points on the Agenda for the Shareholders' Meeting following the same steps described in paragraph 5.1.b) with regard to the granting of proxy by electronic means. Thus, the vote shall be casted through the Company's website (www.grupomasmovil.com), by accessing and following the corresponding procedure.

5.3 Deadline for reception by the Company.

For validity, proxies granted as well as votes issued prior to the General Meeting by

remote communication means (by post or by electronic means) should be received by the Company prior to 23:59 on the three days prior to the holding of the General Meeting, on first call (that is to say, before 23:59 of May 1st, 2018). After the aforementioned deadline, only those proxies issued by card from the Iberclear participants submitted by the shareholder or the represented party to personnel in charge of shareholder registration.

The personal attendance to the General Meeting of any shareholder who has granted a proxy or previously voted by any remote communication, regardless of the type used, will render the proxy or vote null and void and thus without any legal effect.

5.4 Technical incidents.

The Company reserves the right to amend, suspend, cancel or restrict any electronic voting and proxy mechanisms when technical or security reasons are required or imposed. Likewise, the Company reserves the right to request to shareholders additional methods of identification that might be necessary with respect to their identity, the authenticity of the vote or representation granted and, in general, the legal certainty of the General Shareholders' Meeting

6. Participation of a Notary at the General Meeting.

The Board of Directors has agreed to request the presence of a Notary to draw up the minutes of the General Meeting, in accordance with articles 203 of the Capital Enterprises Act and 101 of the Regulations of the Commercial Registry.

7. Expected date of the General Meeting.

The General Meeting is expected to be held on first call, that is, on May 4th, 2018, at the time and location established before.

8. Personal Data Protection.

The personal data that shareholders provide to the Company with respect to the exercise or delegation of their rights to attend or to vote at the General Meeting or that are provided by the financial institutions and by the investment services companies that are depositaries or custodians of the shares held by such shareholders, as well as by the entities in charge of the book-entry registers pursuant to law, Iberclear, will be processed by the Company in order to manage the shareholding relationship (including, but not limited to, the organisation of, the call to and holding of the Ordinary General Shareholders' Meeting). To such end, the data will be kept in computer files for which the Company is responsible of. Such data will be provided to the notary public solely in connection with the drawing-up of the notarial minutes of the Ordinary General Shareholders' Meeting.

The owner of the data is entitled to exercise the rights to access, rectify, cancel and object to the data collected by the Company. Said rights might be exercised, in compliance with Law 15/1999, of December 13th, of Personal Data Protection, by

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addressing their request in writing (attaching a copy of their National Identity Document or equivalent document) to Ms. María de la Torre Rodríguez, at the Company's premises, located at Avenida de la Vega, 15, 28108 Alcobendas (Madrid).

If the attendance card of the shareholder includes personal data of other individuals, such shareholder must advise them of the details set forth in the preceding paragraphs and comply with any other requirements that may apply for the provision of the personal data to the Company, without the Company having to take any additional action.

Madrid, April 4th, 2018. The Secretary of the Board of Directors, Mr. Alberto Castañeda González.