



Euskaltel Group

Resultados FY2018

28 Febrero 2019





Disclaimer

This presentation (the "Presentation") has been prepared and is issued by, and is the sole responsibility of Euskaltel, S.A. ("Euskaltel" or "the Company"). For the purposes hereof, the Presentation shall mean and include the slides that follow, any prospective oral presentations of such slides by the Company, as well as any question-and-answer session that may follow that oral presentation and any materials distributed at, or in connection with, any of the above.

The information contained in the Presentation has not been independently verified and some of the information is in summary form. No representation or warranty, express or implied, is made by the Euskaltel Group (including Euskaltel, S.A., R Cable y Telecomunicaciones Galicia, S.A.U. and Parselaya, S.L.U. and its subsidiaries (Telecable Capital Holding, S.A.U. and Telecable de Asturias S.A.U.)), nor by their directors, officers, employees, representatives or agents as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions expressed herein. None of Euskaltel Group, nor their respective directors, officers, employees, representatives or agents shall have any liability whatsoever (in negligence or otherwise) for any direct or consequential loss, damages, costs or prejudices whatsoever arising from the use of the Presentation or its contents or otherwise arising in connection with the Presentation, save with respect to any liability for fraud, and expressly disclaim any and all liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in connection with the accuracy or completeness of the information or for any of the opinions contained herein or for any errors, omissions or misstatements contained in the Presentation.

Euskaltel cautions that this Presentation contains forward looking statements with respect to the business, financial condition, results of operations, strategy, plans and objectives of the Euskaltel Group. The words "believe", "expect", "anticipate", "intends", "estimate", "forecast", "project", "will", "may", "should" and similar expressions identify forward-looking statements. Other forward-looking statements can be identified from the context in which they are made. While these forward-looking statements represent our judgment and future expectations concerning the development of our business, a certain number of risks, uncertainties and other important factors, including those published in our past and future filings and reports, including those with the Spanish Securities and Exchange Commission ("CNMV") and available to the public both in Euskaltel's website (www.euskaltel.com) and in the CNMV's website (www.cnmv.es), as well as other risk factors currently unknown or not foreseeable, which may be beyond Euskaltel's control, could adversely affect our business and financial performance and cause actual developments and results to differ materially from those implied in the forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

The information contained in the Presentation, including but not limited to forward-looking statements, is provided as of the date hereof and is not intended to give any assurances as to future results. No person is under any obligation to update, complete, revise or keep current the information contained in the Presentation, whether as a result of new information, future events or results or otherwise. The information contained in the Presentation may be subject to change without notice and must not be relied upon for any purpose.

Market and competitive position data in the Presentation have generally been obtained from industry publications and surveys or studies conducted by third-party sources. There are limitations with respect to the availability, accuracy, completeness and comparability of such data. Euskaltel has not independently verified such data and can provide no assurance of its accuracy or completeness. Certain statements in the Presentation regarding the market and competitive position data are based on the internal analyses of Euskaltel, which involve certain assumptions and estimates. These internal analyses have not been verified by any independent source and there can be no assurance that the assumptions or estimates are accurate. Accordingly, no undue reliance should be placed on any of the industry, market or Euskaltel's competitive position data contained in the Presentation.

You may wish to seek independent and professional advice and conduct your own independent investigation and analysis of the information contained in this Presentation and of the business, operations, financial condition, prospects, status and affairs of the Euskaltel Group. Euskaltel is not nor can it be held responsible for the use, valuations, opinions, expectations or decisions which might be adopted by third parties following the publication of this Presentation.







No one should purchase or subscribe for any securities in the Company on the basis of this Presentation. This Presentation does not constitute or form part of, and should not be construed as, (i) an offer, solicitation or invitation to subscribe for, sell or issue, underwrite or otherwise acquire any securities, nor shall it, or the fact of its communication, form the basis of, or be relied upon in connection with, or act as any inducement to enter into any contract or commitment whatsoever with respect to any securities; or (ii) any form of financial opinion, recommendation or investment advice with respect to any securities.

The distribution of this Presentation in certain jurisdictions may be restricted by law. Recipients of this Presentation should inform themselves about and observe such restrictions. Euskaltel disclaims any liability for the distribution of this Presentation by any of its recipients.

By receiving or accessing to this Presentation you accept and agree to be bound by the foregoing terms, conditions and restrictions.



Hitos relevantes FY2018 (*datos proforma*)

<p>Estabilización de B2C a pesar de la fuerte competencia Plan de expansión en línea y preparado para el despegue</p>	<p>Altas netas de fijo positivas en FY18</p>	
<p>Estabilización de ingresos B2B impulsado por pymes y grandes cuentas</p>	<p>+3.5% a/a en ingresos de pymes y grandes cuentas (-1.0% a/a en ingresos totales de B2B)</p>	
<p>Crecimiento del margen EBITDA gracias a la consecución de las sinergias y eficiencias anunciadas</p>	<p>+42pbs a/a en FY18 hasta 48.6% sobre ingresos</p>	
<p>Solida generación de flujo de caja libre</p>	<p>+24.3% en FY18 hasta EUR 124.0m (c.18% FCF sobre ingresos; 9.5% equity free cash flow yield¹)</p>	
<p>Crecimiento beneficio neto</p>	<p>BPA+26.6% en FY18 hasta EUR 0.35</p>	
<p>Remuneración al accionista sostenible</p>	<p>Propuesta de dividendo de EUR 0.31/acción en FY19 contra resultados 2018,+11.5% vs 0.278/acción en FY18</p>	

Note: 1. EFCF yield sobre el precio medio de la acción en FY18 ponderado por el volumen

2. Dividendo total de EUR 0.31 cents/acc: EUR 0.14 cents/acc desembolsados el 7 Febrero 2019 + EUR 0.17 cents/acc sujeto a la aprobación de la JGA (pagadero en Julio 2019)



Principales magnitudes FY2018

Cifras financieras (*datos estatutarios*)

<p>€691.6m +11.2% yoy</p>	<p>Ingresos totales</p>
<p>€336.4m +9.6% yoy</p>	<p>EBITDA¹ Margen EBITDA 48.6%</p>
<p>€182.9m -7.7% yoy</p>	<p>Cash Flow operativo (OpCF)² Margen OpCF 26.4% (31.8% ex capex de expansión&integración)</p>
<p>€62.8m +26.6% yoy</p>	<p>Beneficio neto</p>

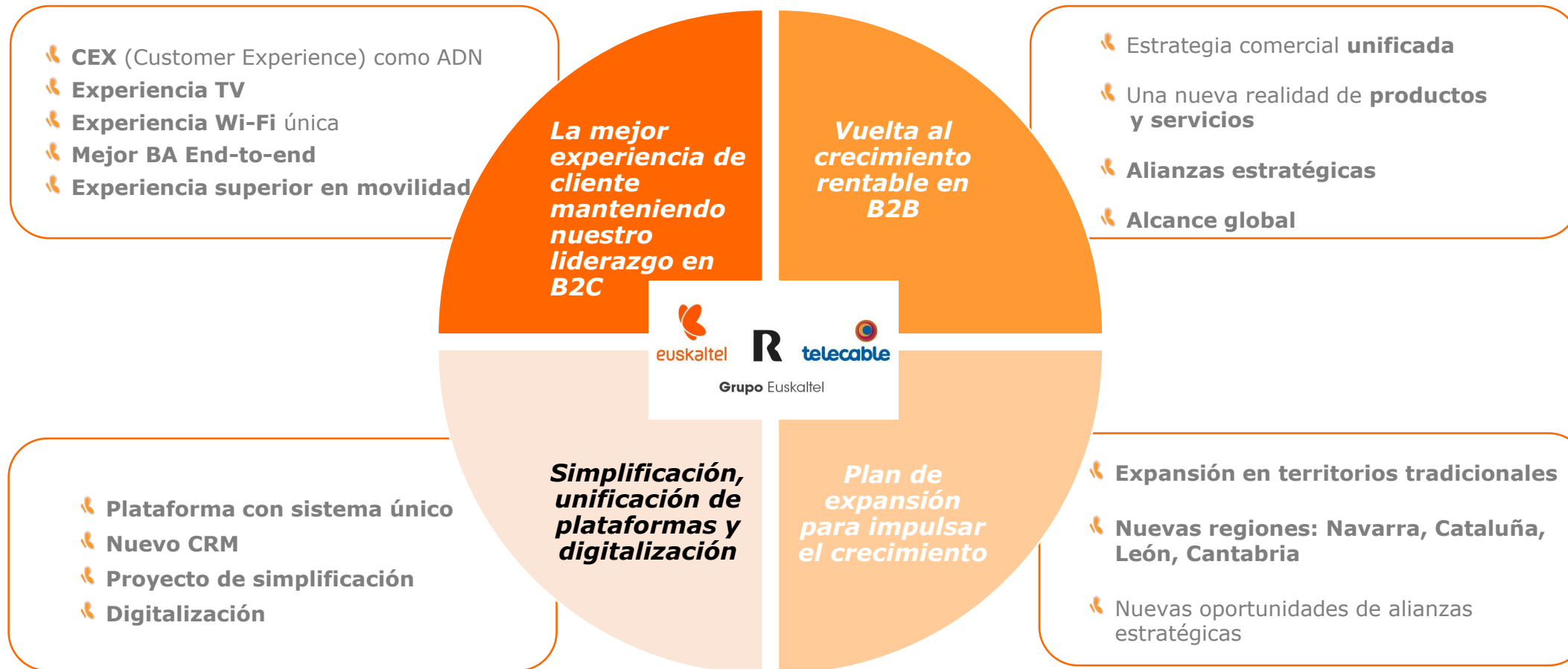
KPIs residencial (*datos proforma*)

<p>575.7k +0.3k yoy</p>	<p>Clientes de fijo</p>
<p>17.0% -48bps yoy</p>	<p>Ratio churn</p>
<p>€59.9 -1.2% yoy</p>	<p>ARPU global</p>
<p>2,388k +63k yoy</p>	<p>RGUs totales</p>

Note: 1. EBITDA definido como 'medidas alternativas de rendimiento': EBIT + depreciación y amortización +/- pérdidas por enajenación y bajas de inmovilizado + otros resultados
 2. OpCF medido como EBITDA-Capex



Pilares de nuestro plan estratégico





Análisis Operativo

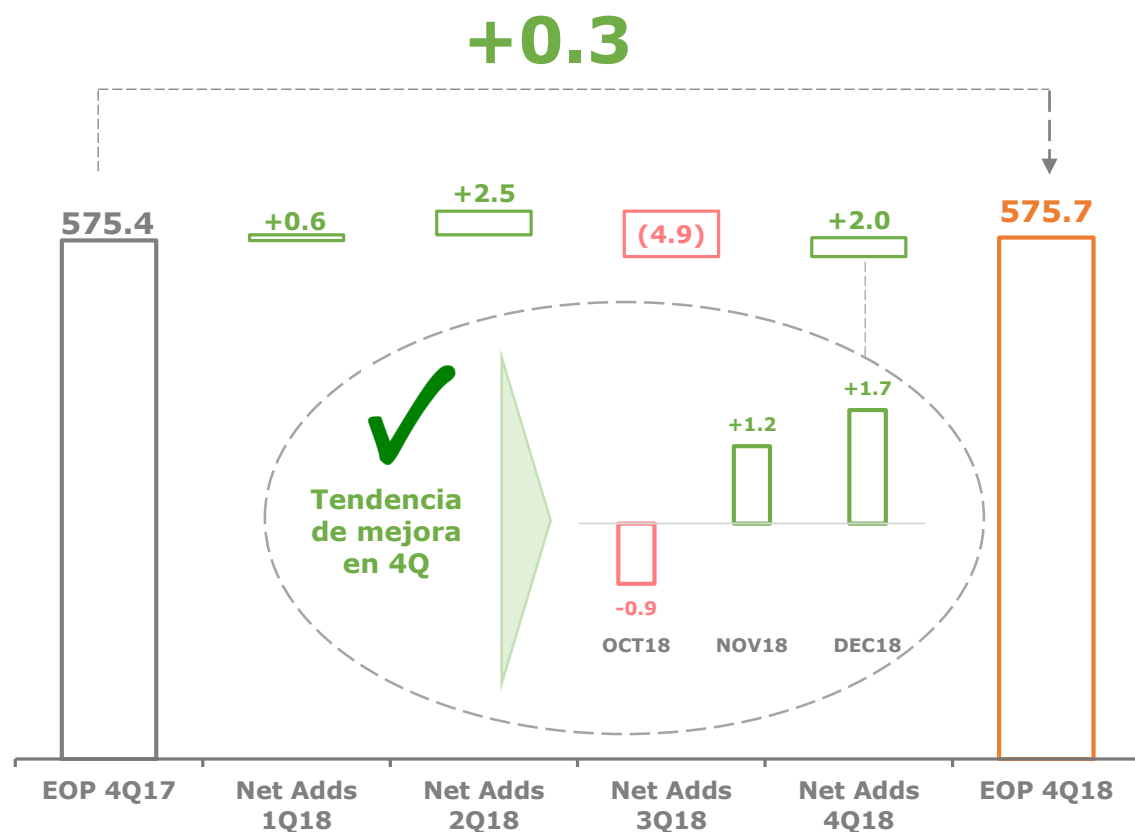
*Nota: Todos los datos de 2017 que se muestran son **proforma** para incluir a Telecable*



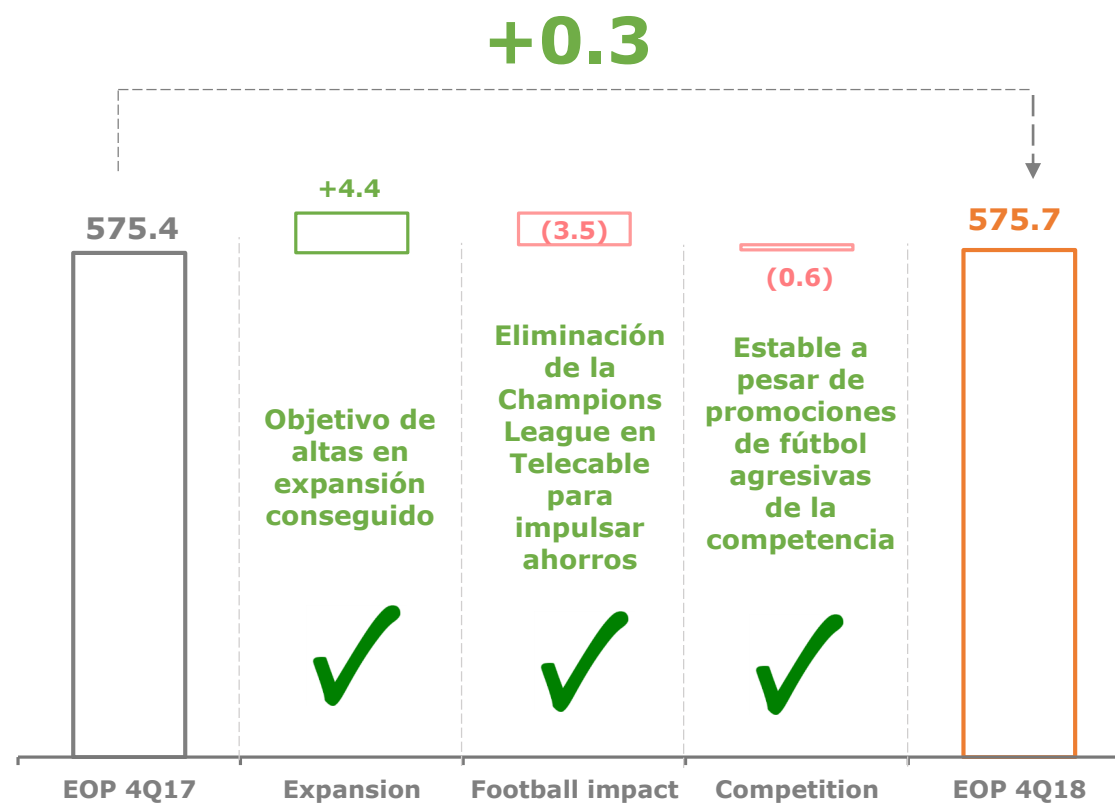
B2C | Las altas netas positivas del año demuestran la fortaleza de nuestras marcas

Evolución de clientes fijos del segmento residencial (000')

Crecimiento por trimestres



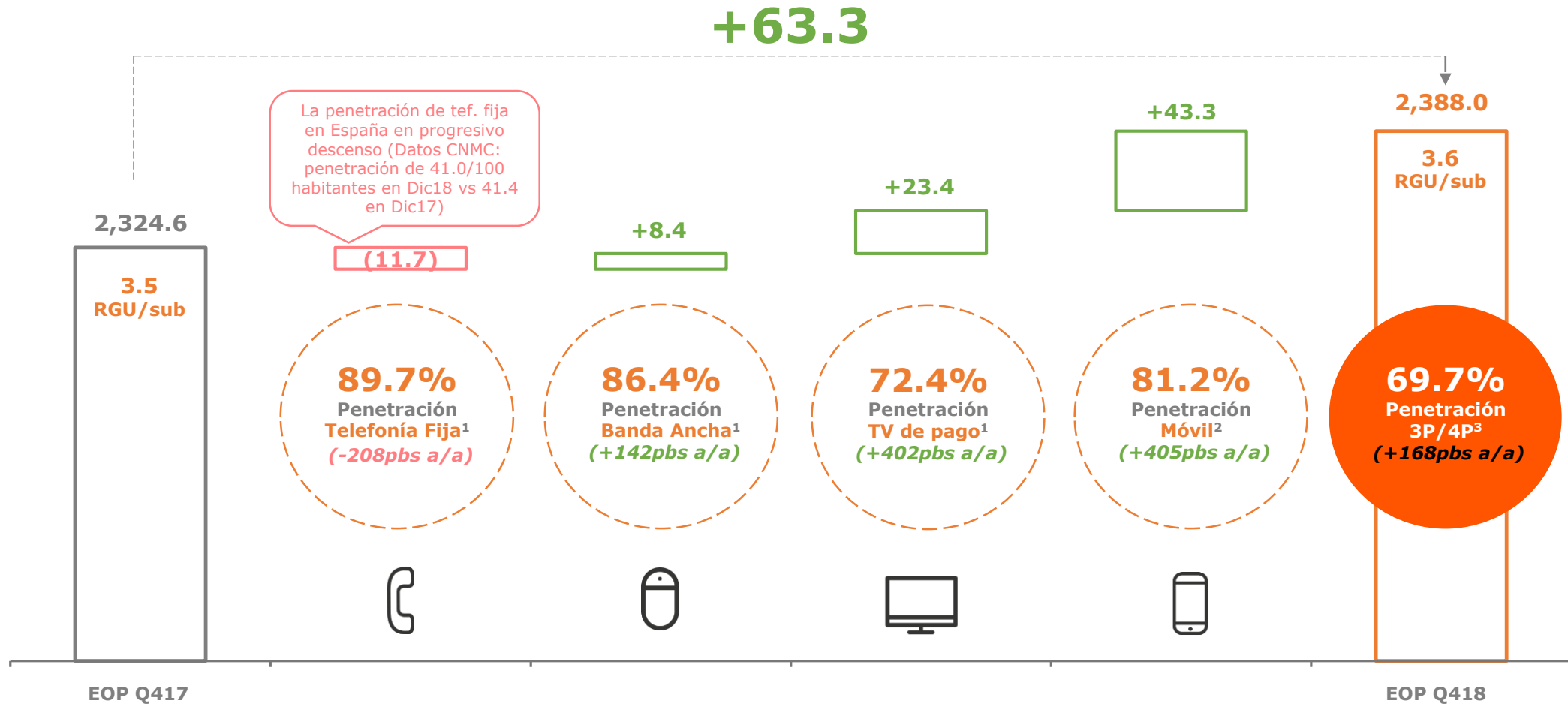
Crecimiento por tipo





B2C | Cada vez más convergentes

Crecimiento de RGUs (000')

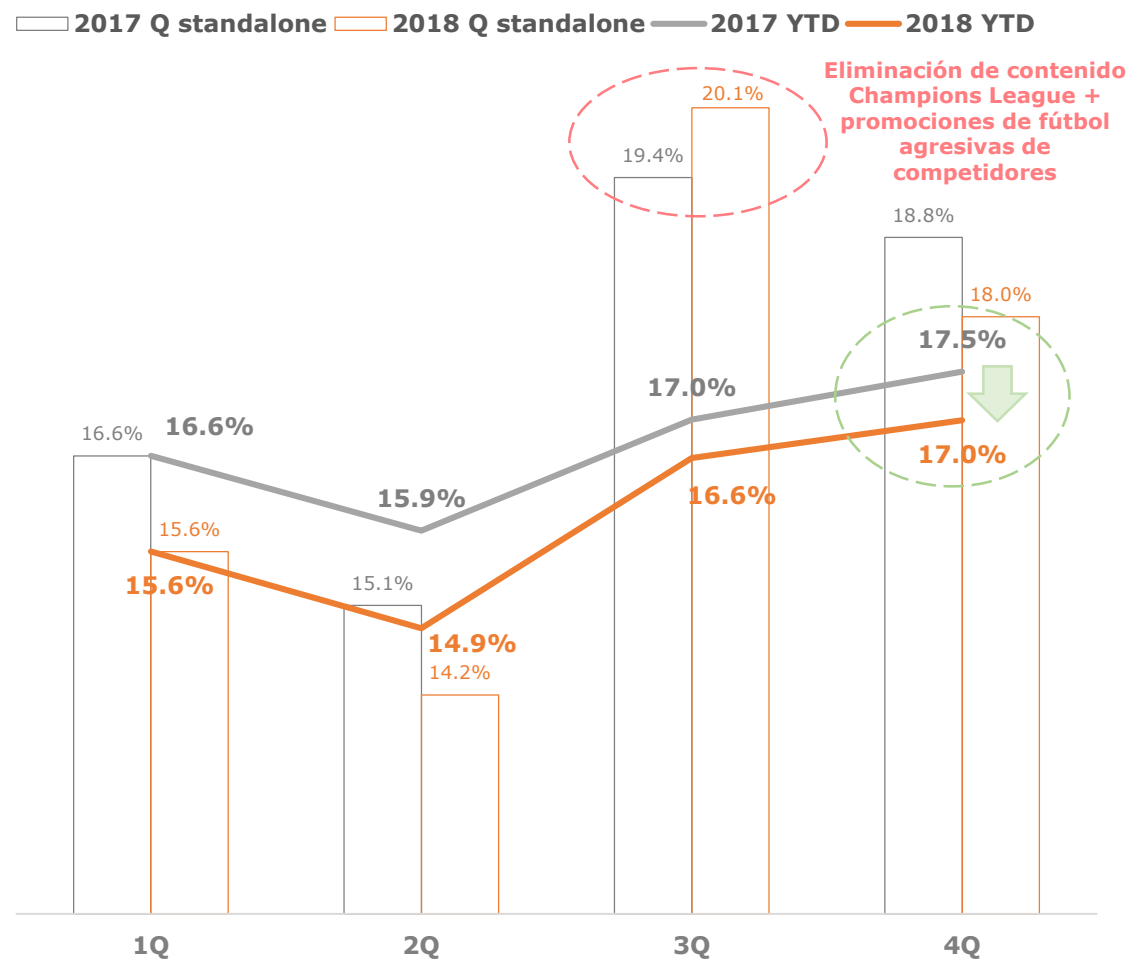


Note: 1. RGUs como % sobre el total de clientes fijos
 2. Clientes residenciales de móvil (excluyendo solo móvil) como % sobre el total de clientes fijos
 3. Clientes residenciales como % sobre el total de clientes

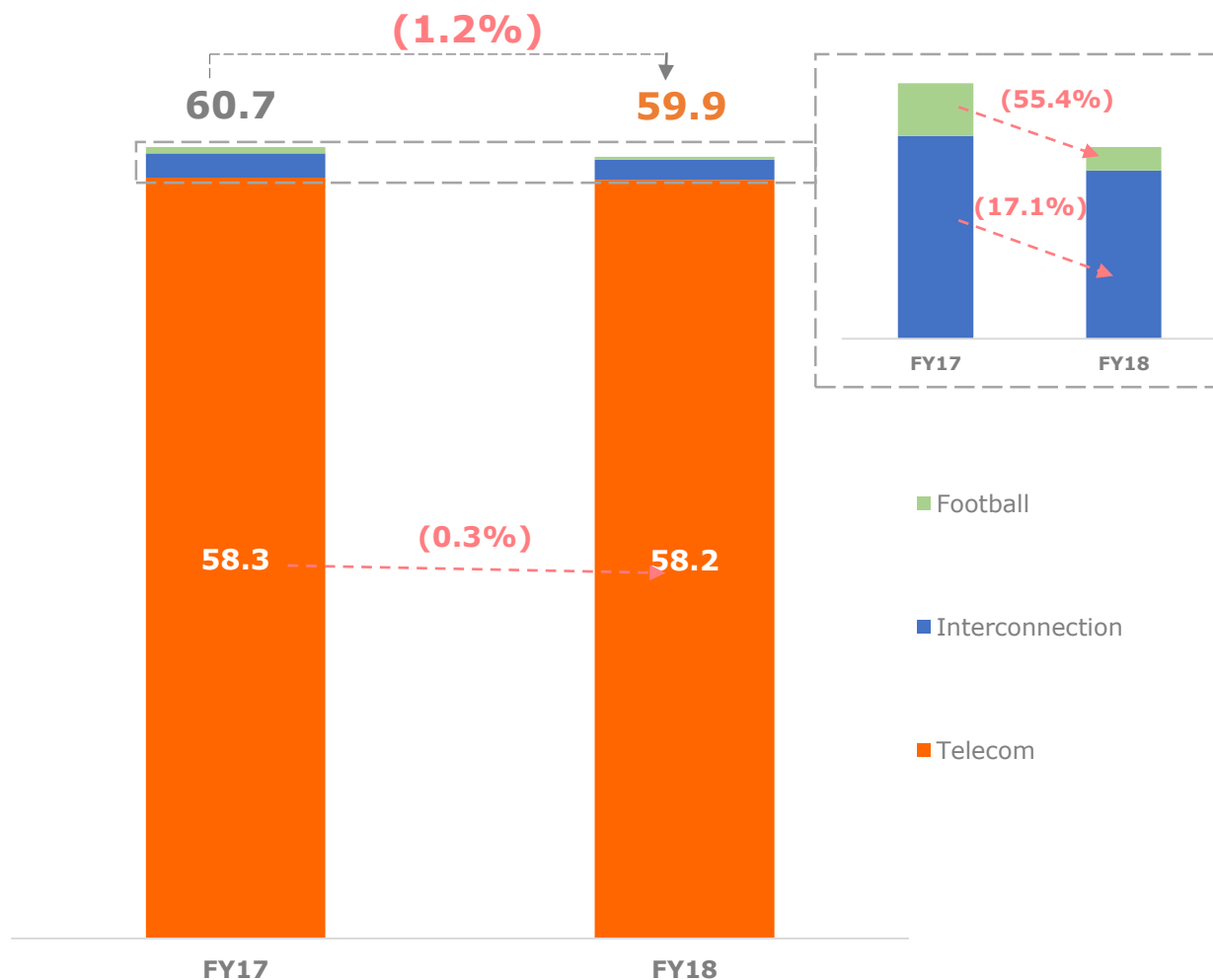


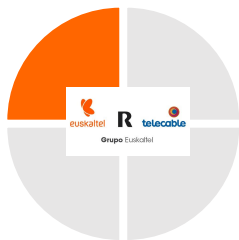
B2C | Mejora en churn y mantenimiento de ARPU telecom a/a

Churn clientes fijos residencial (%)



ARPU residencial (€/mes)





B2C | Mejor experiencia de cliente mientras mantenemos liderazgo en residencial

Principales logros en 2018

BANDA ANCHA:

- ✓ DOCSIS 3.1 finalizado
- ✓ Cable modem WiFi AC para clientes de alta velocidad
- ✓ Auditorias Wifi (más de 60.000 evaluaciones in-situ)
- ✓ In-home QPI tracking proactivo

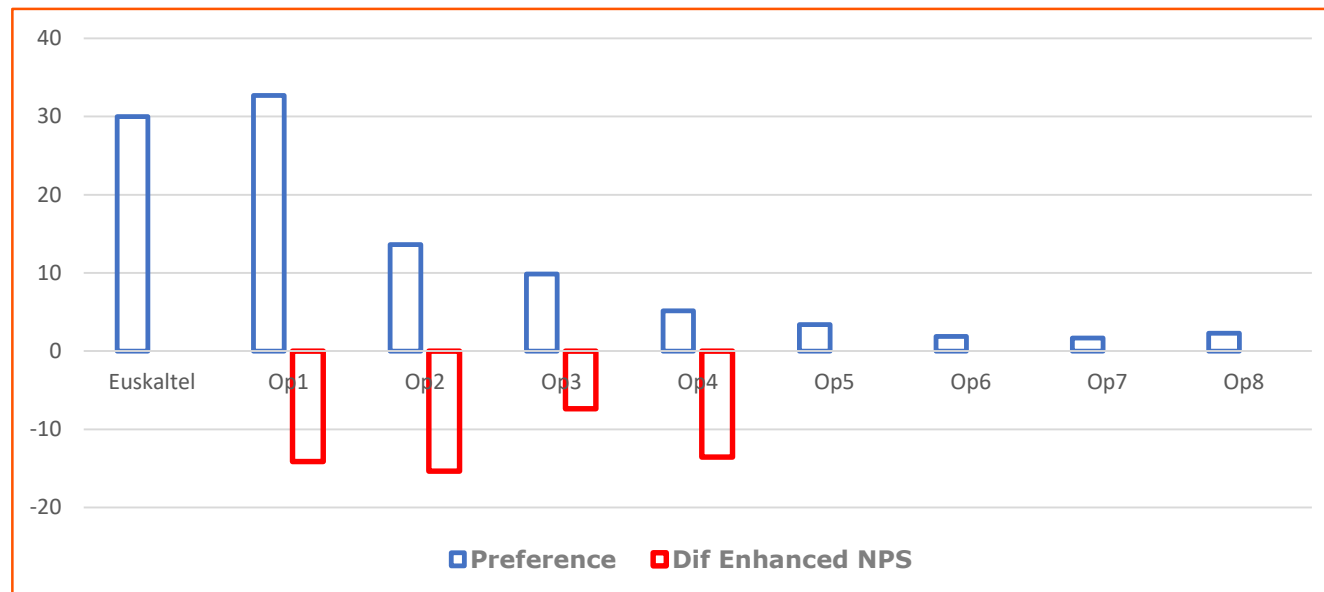
TV DE PAGO:

- ✓ Alianzas con NETFLIX y Amazon Prime Video
- ✓ Despliegue masivo de decodificador 4K (25% del total de la base)
- ✓ Clientes 4K utilizan la TV no lineal el 80% del tiempo

MÓVIL:

- ✓ Ofertas exclusivas para clientes convergentes (Datastrofe, WiFi vacaciones, ...)

GFK 2018. Evaluación de la fidelidad de los clientes.



Preferencia: ¿Qué operador de telecomunicaciones elegirías como primera opción?

Diferencial de Enhanced NPS: Desventaja comparada con marcas de Euskaltel (Promotores seguros – Detractores en riesgo)

No muestra suficiente en 4 de los competidores para evaluar su NPS

- ✓ **Nuestras 3 marcas (Euskaltel, R, Telecable) mantienen la preferencia entre los consumidores, tanto actuales como potenciales**
- ✓ **Nuestras 3 marcas (Euskaltel, R, Telecable) se posicionan muy por delante de otras en términos de fidelidad y apego a la marca**



B2C | Plan de expansión para impulsar el crecimiento

Experiencia ganada durante 2018

Gestionar **redes diferentes** (HFC, FTTH propio, FTTH mutualizado, FTTH alquilado) **en una misma plataforma:** mismo CRM, mismo deco 4K

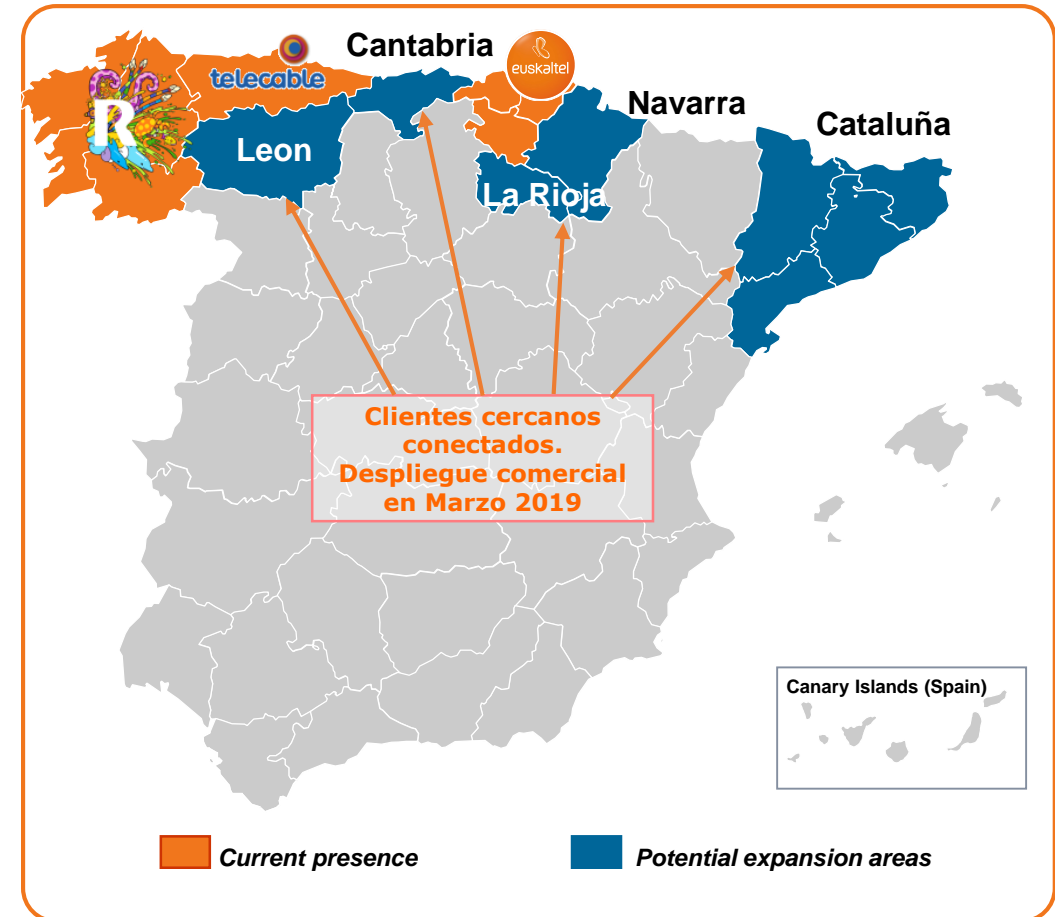
COMPORTAMIENTO DE CLIENTE CONFIRMADO:

Posicionamiento de "calidad asequible" bien recibido y listo para ser activado. Patrocinios locales, eficientes en coste y eficaces

Los clientes de las nuevas regions contratan **paquetes más premium** que los de territorios tradicionales

El **ARPU de expansión** (tras promoción inicial) estará **en línea con el ARPU promedio** de las regiones tradicionales

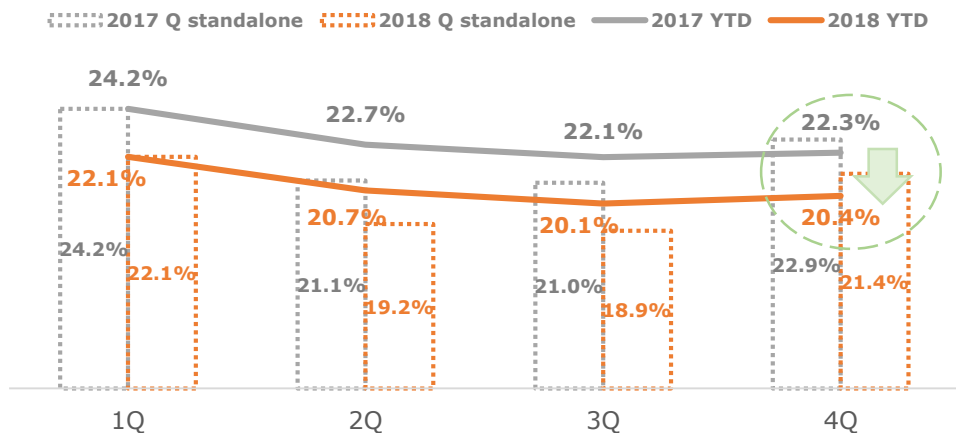
Siguientes pasos



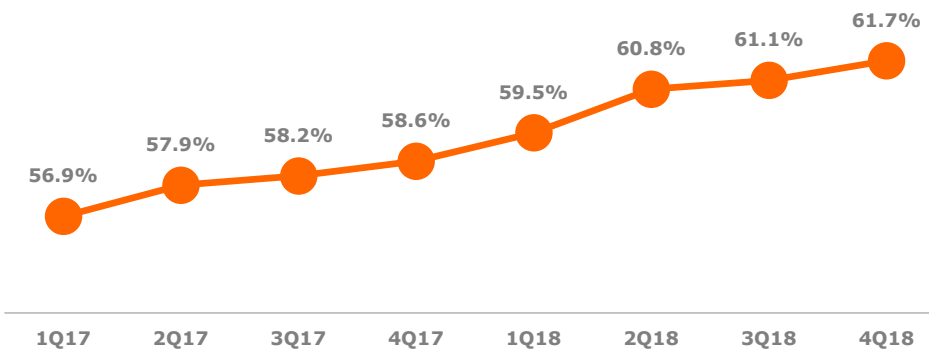


B2B | Mejora progresiva en la tendencia

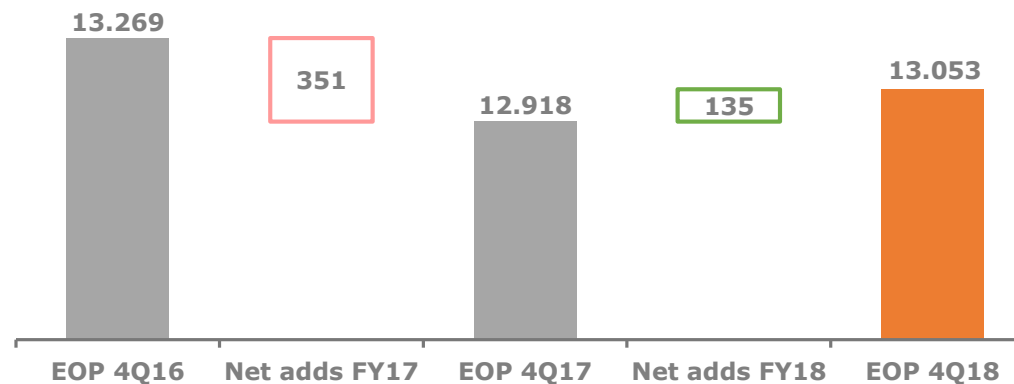
Churn de fijo de clientes SOHO (%)



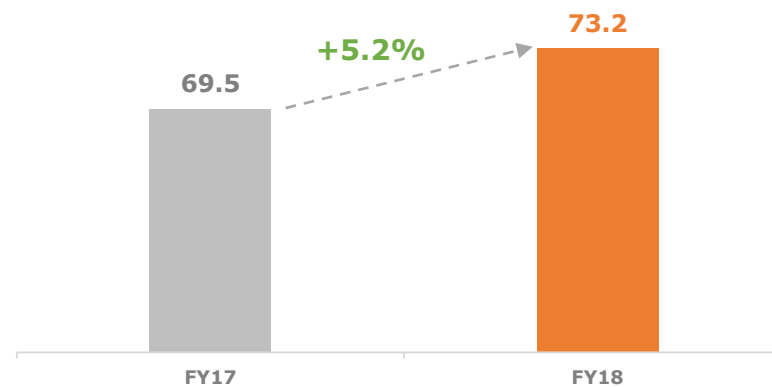
Penetración 3P&4P en SOHO

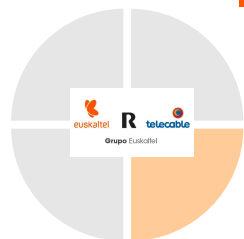


Evolución de clientes 'pyme' (#)



Ingresos grandes cuentas (€m)





B2B | Vuelta al crecimiento rentable en B2B

Principales hitos logrados en 2018

GRANDES CUENTAS: La oferta establecida gana tracción

- ✓ Servicios en la nube: Private Cloud + DRaaS
- ✓ Ciberseguridad
- ✓ IoT + Big Data
- ✓ Smart Cities
- ✓ Wifi as a Service

Partners estratégicos



PYMEs: Adaptación de la oferta para ser más capilar

- ✓ Extensión de servicios a todo tipo de accesos: DOCSIS, NEBA, FTTH, ...
- ✓ Adaptar servicios de GGCC a Pymes: Office 365, WiFiaaS, ...



SOHOs: Lanzamiento reciente. Esperando resultados

- ✓ Wifi Pro
- ✓ Small Business Module

WiFi PRO

Euskaltel PRO para autónomos



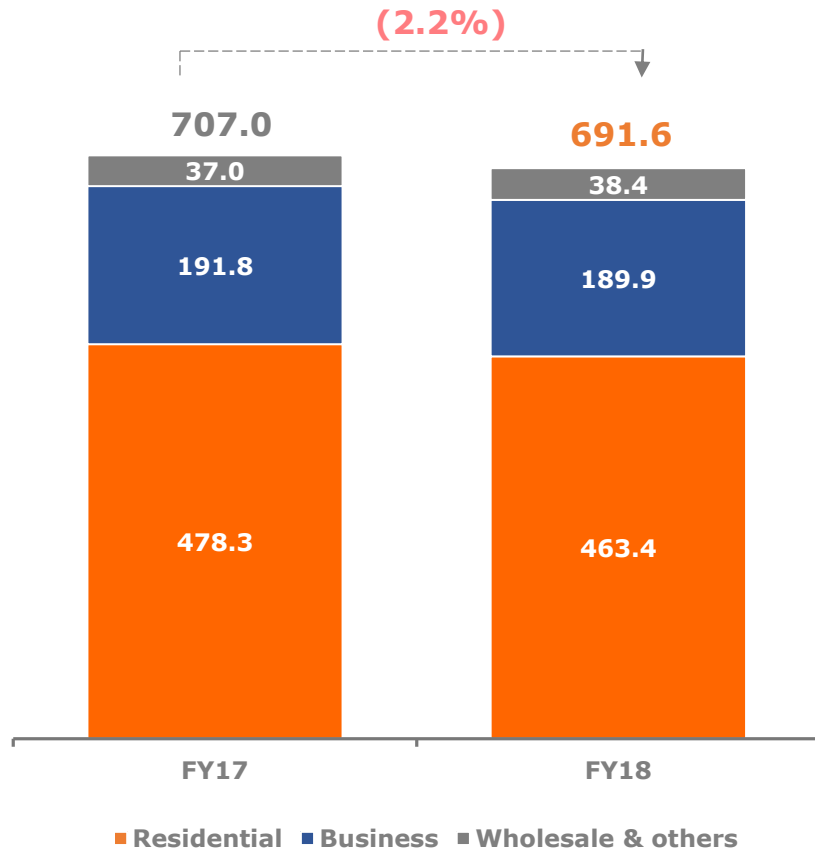
Análisis Financiero

*Nota: Todos los datos de 2017 que se muestran son **proforma** para incluir a Telecable*

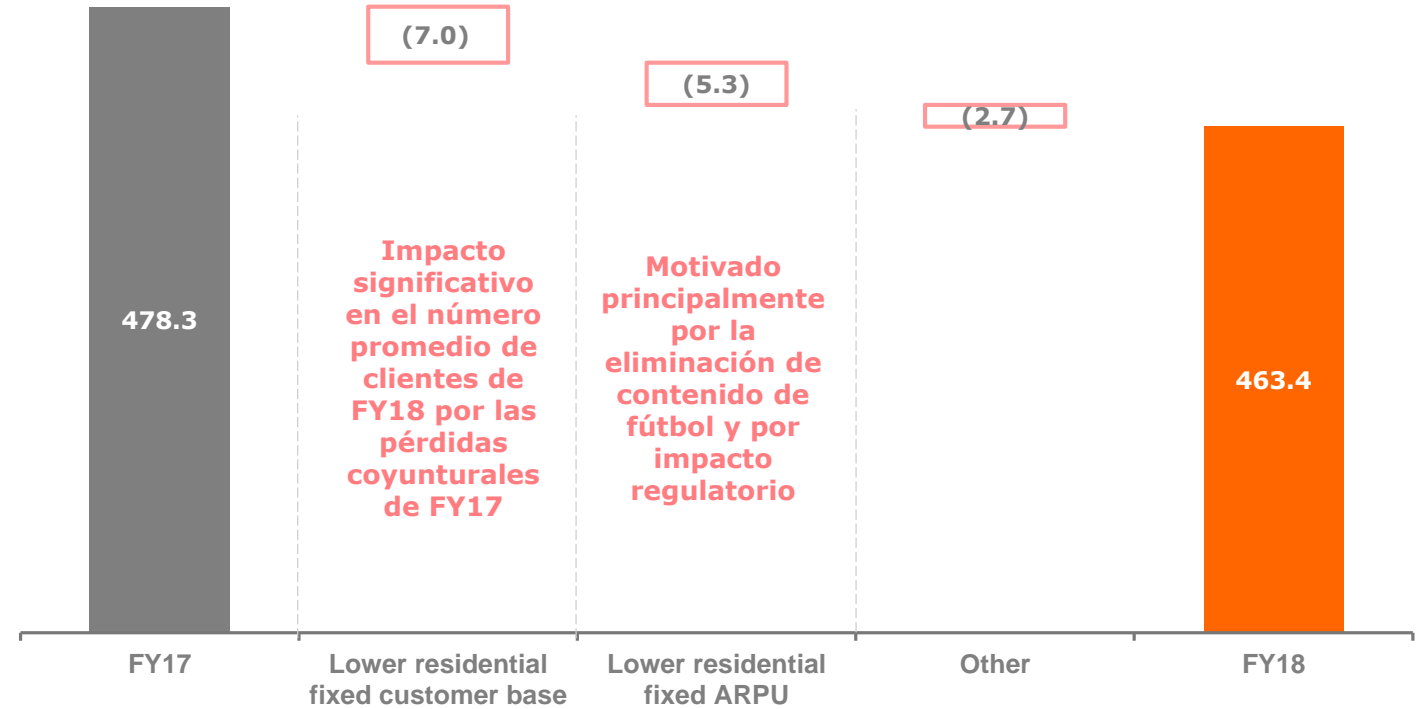


Evolución de ingresos

Ingresos totales (€m)



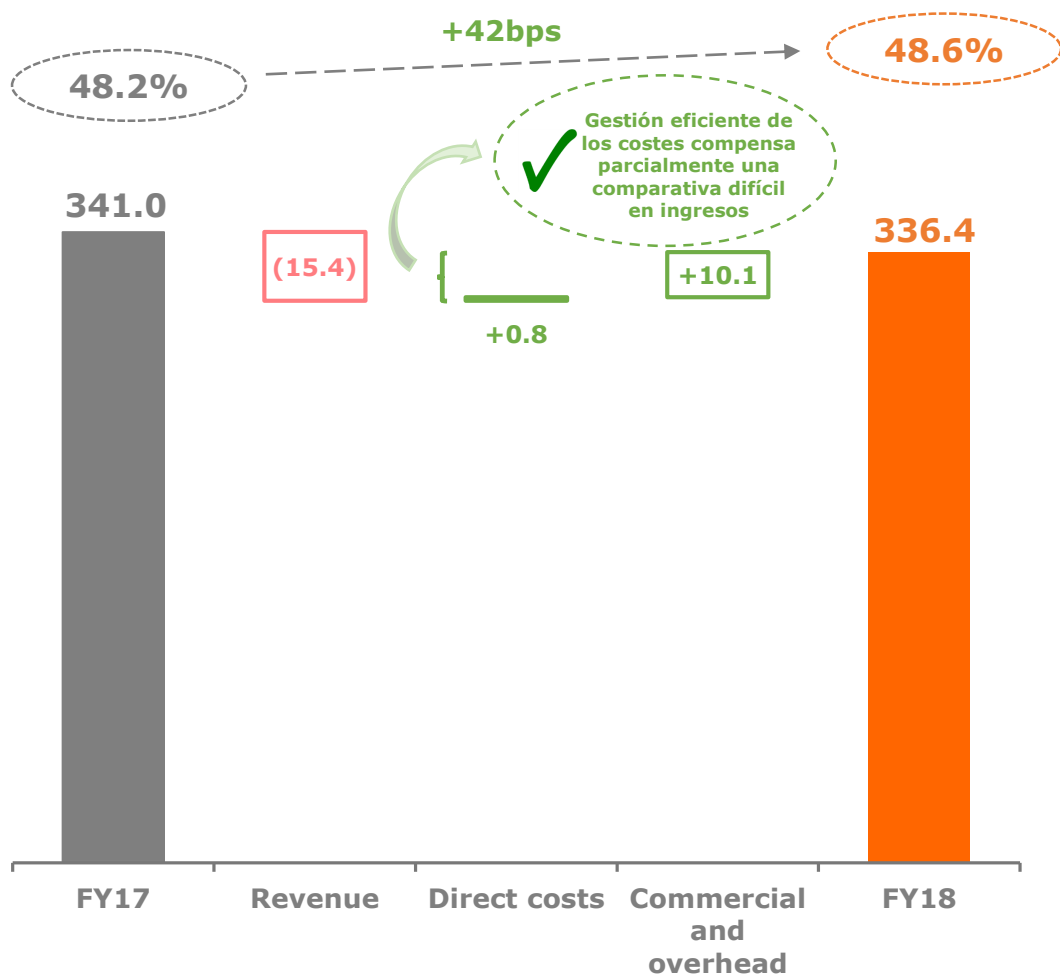
Ingresos de segmento residencial (€m)



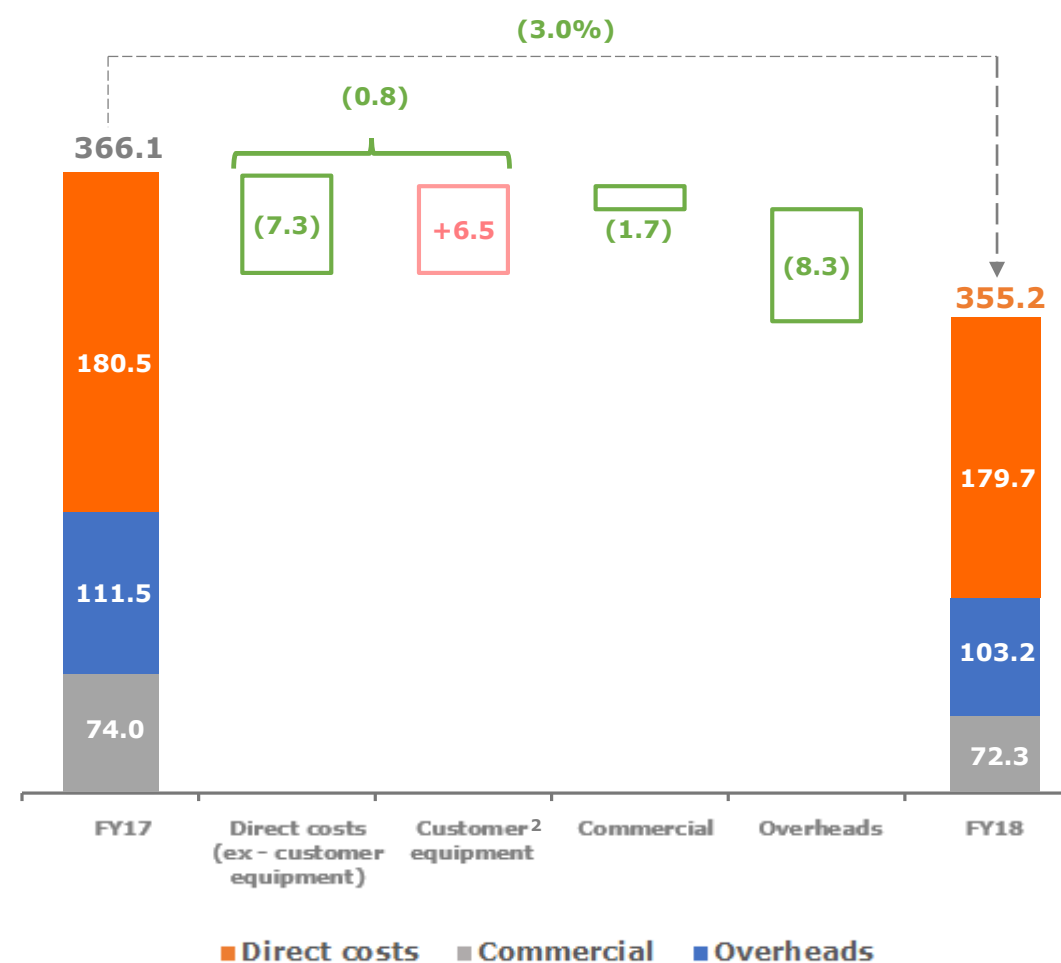


Evolución del EBITDA¹

EBITDA (€m) y margen EBITDA (% sobre ingresos)

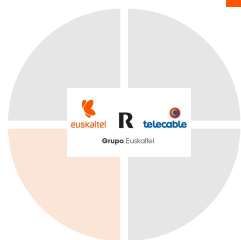


Estructura de costes (€m)



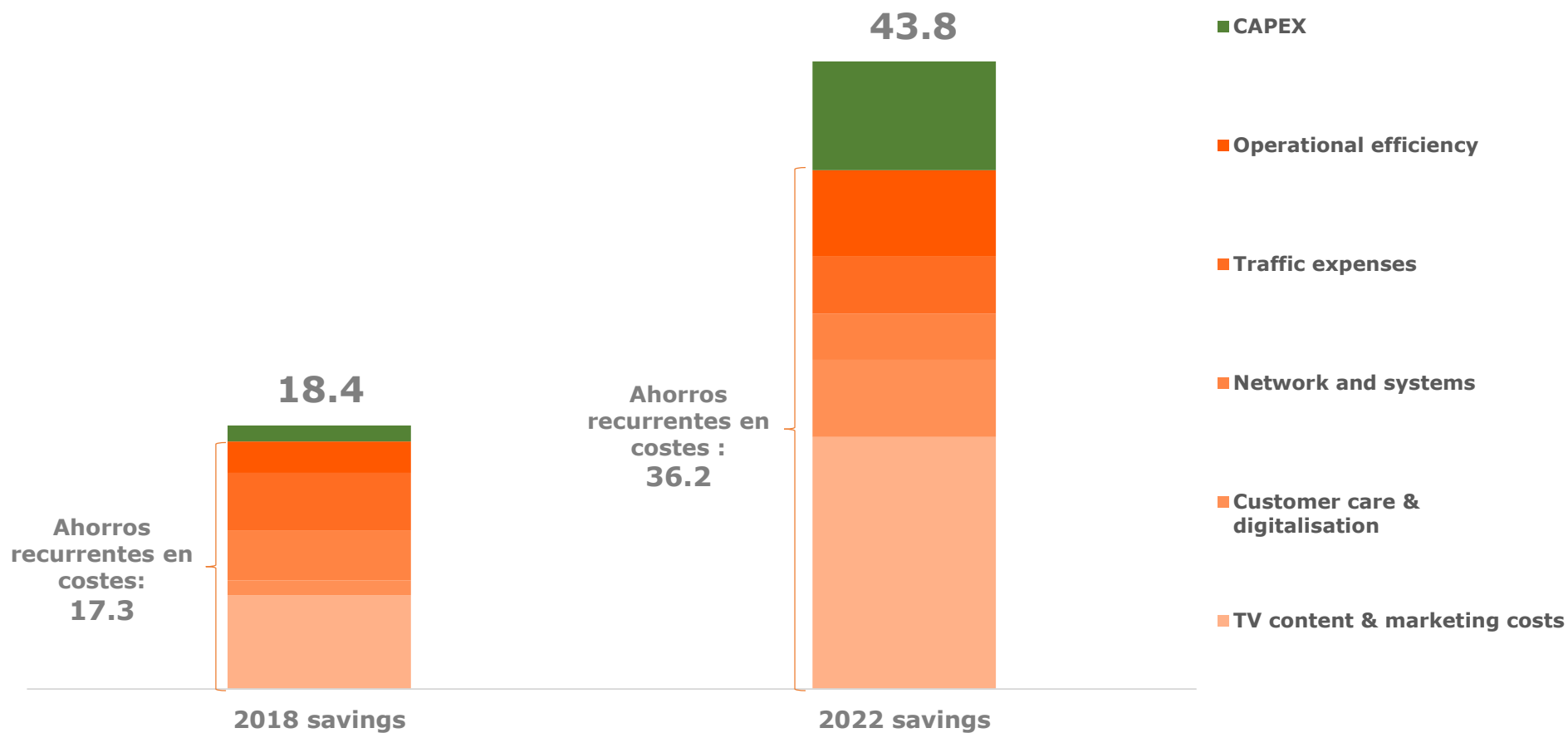
Note: 1. EBITDA definido como 'medidas alternativas de rendimiento': EBIT + depreciación y amortización +/- pérdidas por enajenación y bajas de inmovilizado + otros resultados

2. 'Customer equipment costs' hace referencia a costes relacionados con nuevas líneas de negocio para grandes cuentas



Simplificación, unificación de plataformas y digitalización

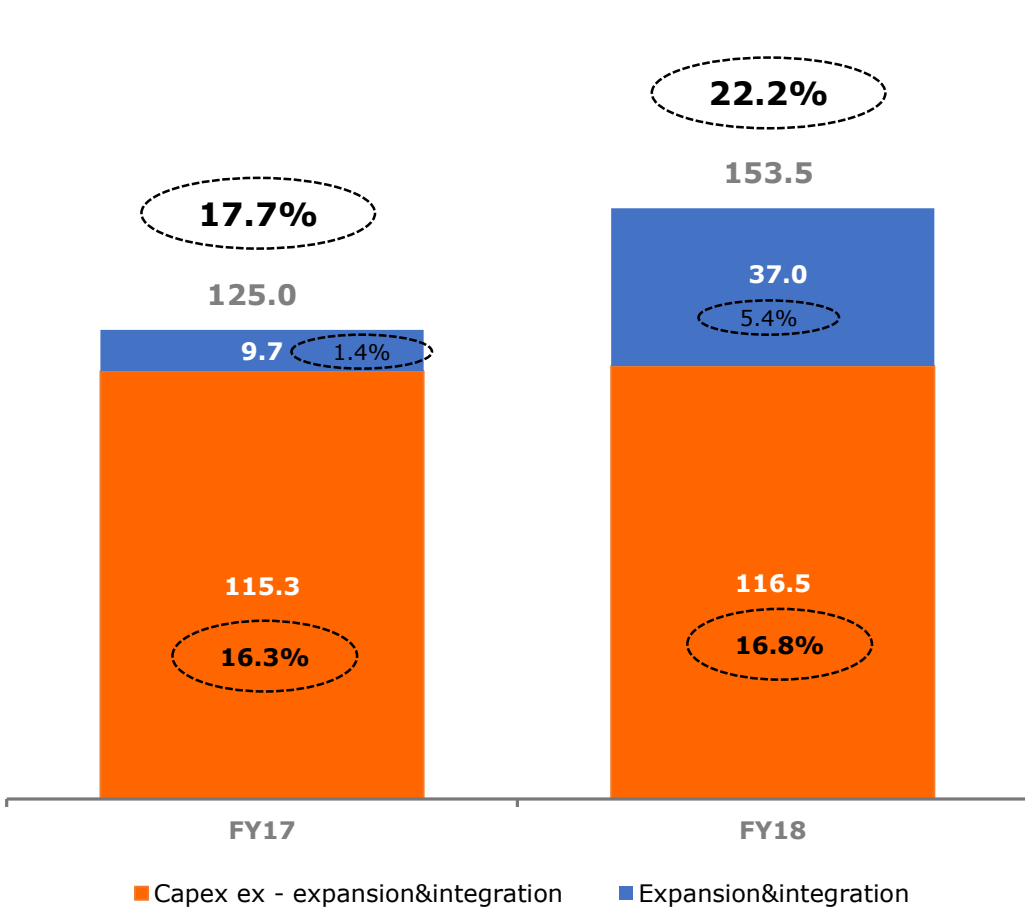
Ahorros recurrentes por tipo (€m)



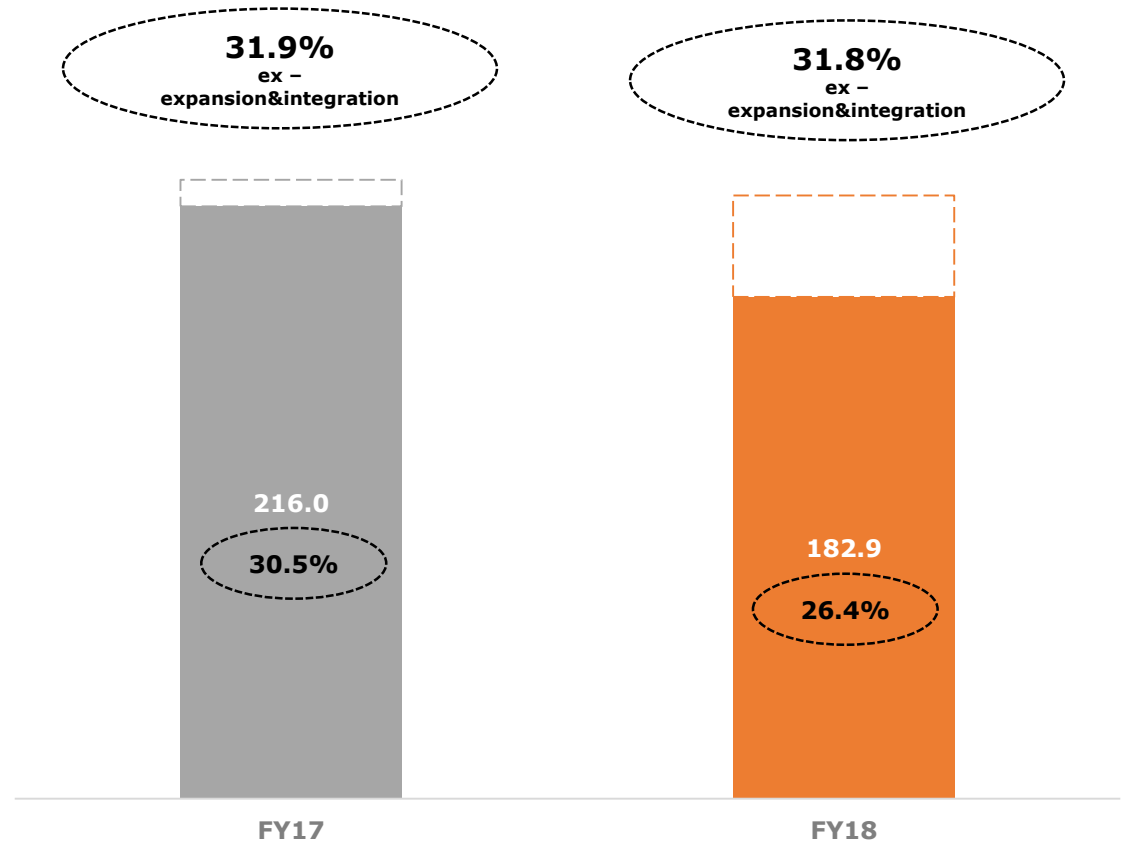


CAPEX y Cash Flow Operativo (OpCF)¹

Desglose de CAPEX (€m) y CAPEX sobre ingresos (%)



OpCF (€m) y OpCF sobre ingresos (%)

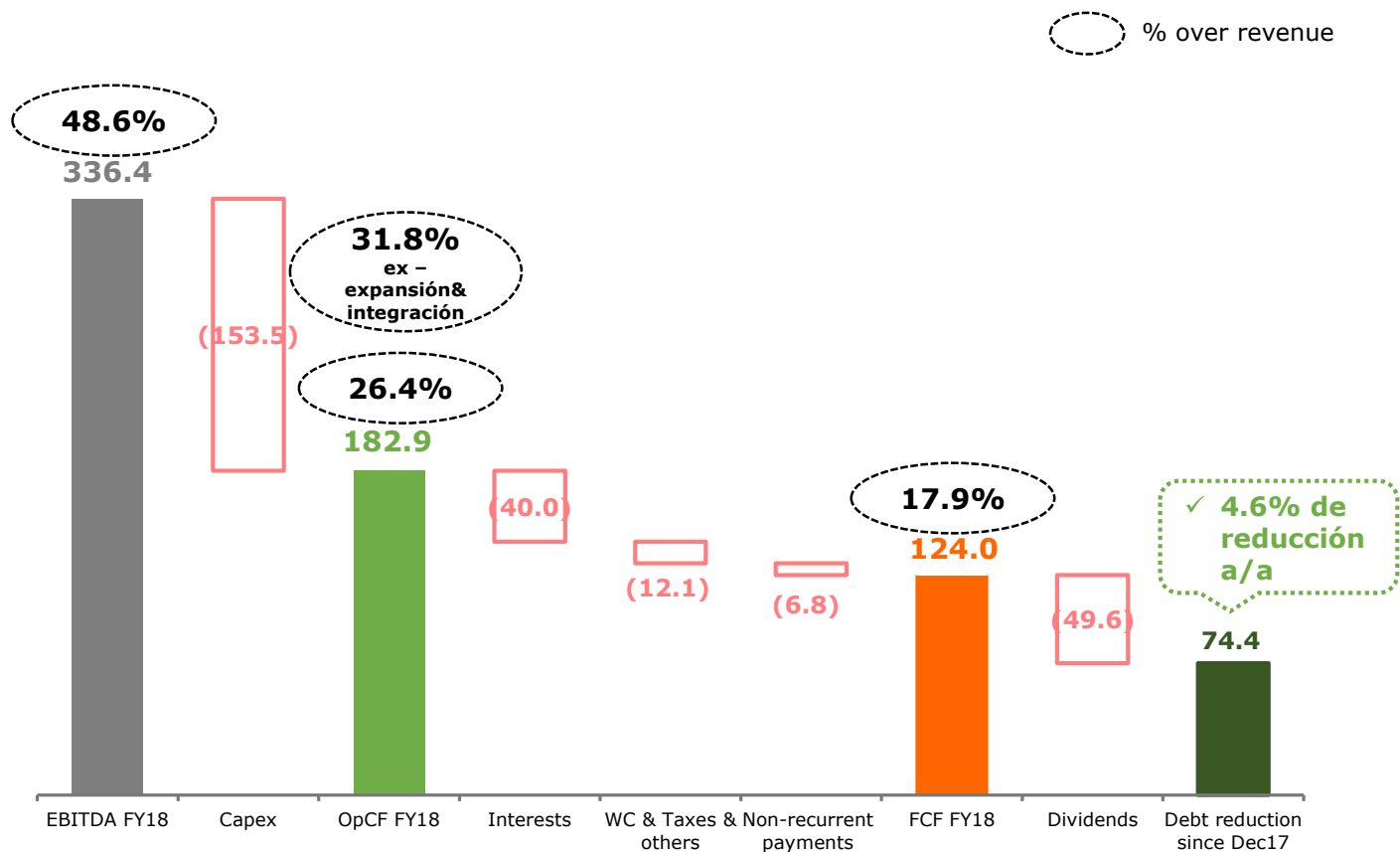


Note: 1. OpCF medido como EBITDA-Capex

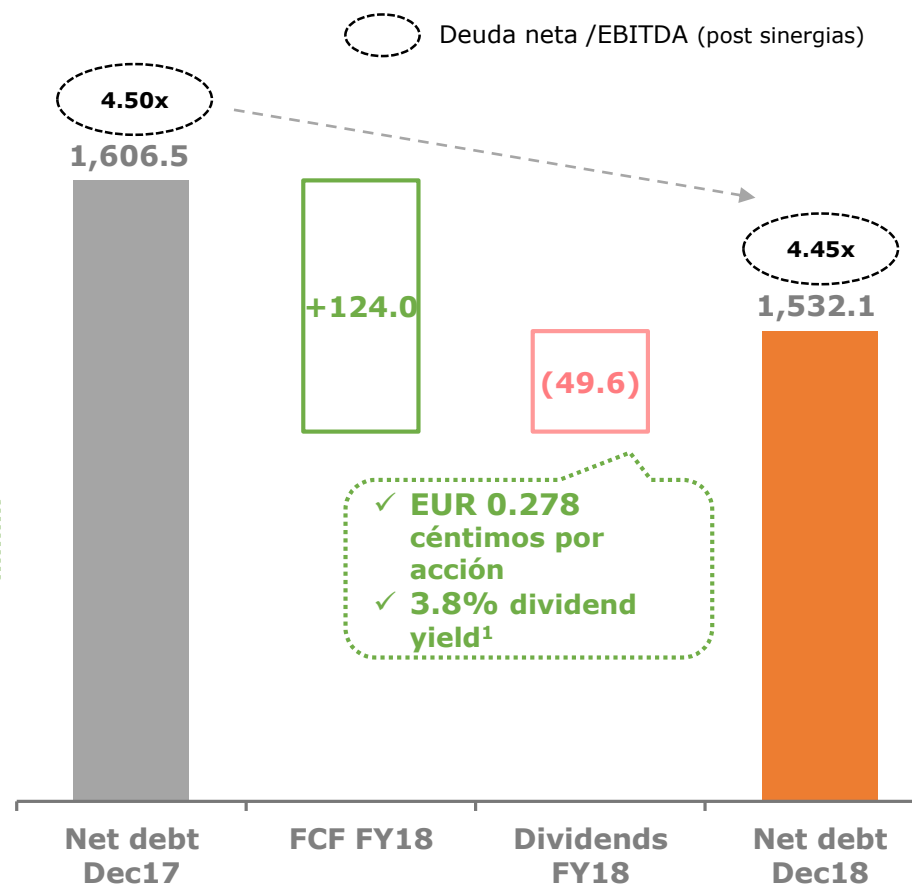


Generación de caja

Generación de caja (€m)



Deuda neta (€m)



9.5% equity free cash flow yield¹ en FY18

Note: 1. EFCF yield sobre el precio medio de la acción en FY18 ponderado por el volumen



Outlook 2019

Crecimiento (orgánico a/a)	2019	Medio plazo
Crecimiento ingresos	Simple dígito bajo	Simple dígito bajo-medio
Crecimiento EBITDA ¹	Simple dígito bajo-medio	Simple dígito medio
Crecimiento OpCF (EBITDA-capex)	Simple dígito medio-alto	Simple dígito medio-alto
Crecimiento BPA	>10%	>10%
Crecimiento Dividendo	Doble dígito	Doble dígito

Q&A



Grupo Euskaltel



Apéndice I

Resultados consolidados y KPIs del Grupo Euskaltel en FY2018

Nota: las cuentas anuales del año 2017 incluyen datos de Telecable del 1 de agosto de 2017 al 31 de diciembre de 2017.



Grupo Euskaltel consolidado - KPIs (i/iii)

Residential		Annual		Quarterly							
KPIs	Unit	2016	2017	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Homes passed	#	1,707,558	2,166,001	1,708,468	1,709,771	2,163,919	2,166,001	2,222,026	2,230,073	2,306,030	2,357,323
Household coverage	%	65%	70%	65%	65%	70%	70%	70%	70%	70%	71%
Residential subs	#	546,040	660,946	544,351	540,510	669,591	660,946	660,758	662,501	657,909	658,172
o/w fixed services	#	469,662	575,354	468,944	465,477	581,412	575,354	575,970	578,503	573,648	575,664
as % of homes passed	%	27.5%	26.6%	27.4%	27.2%	26.9%	26.6%	25.9%	26.7%	26.4%	26.4%
o/w mobile only subs	#	76,378	85,592	75,407	75,033	88,179	85,592	84,788	83,998	84,261	82,508
o/w 1P (%)	%	21.7%	19.5%	21.2%	20.9%	19.8%	19.5%	19.2%	18.7%	19.1%	18.6%
o/w 2P (%)	%	12.5%	12.5%	12.3%	12.4%	12.6%	12.5%	12.2%	12.0%	11.9%	11.7%
o/w 3P (%)	%	26.4%	26.3%	26.0%	25.9%	26.8%	26.3%	25.5%	24.8%	24.0%	22.9%
o/w 4P (%)	%	39.4%	41.7%	40.6%	40.8%	40.8%	41.7%	43.2%	44.5%	45.0%	46.8%
Total RGUs	#	1,891,653	2,324,640	1,904,783	1,899,532	2,338,345	2,324,640	2,349,101	2,381,419	2,363,292	2,387,989
RGUs / sub	#	3.5	3.5	3.5	3.5	3.5	3.5	3.6	3.6	3.6	3.6
Residential churn fixed customers	%	15.1%	17.4%	16.1%	15.3%	16.9%	17.4%	15.6%	14.9%	16.6%	17.0%
Global ARPU fixed customers	€/month	58.44	59.99	58.57	58.68	59.55	59.99	60.36	60.02	60.13	59.93
Fixed Voice RGUs	#	462,827	527,908	459,968	453,821	537,982	527,908	524,758	525,459	516,453	516,169
as % fixed customers	%	98.5%	91.8%	98.1%	97.5%	92.5%	91.8%	91.1%	90.8%	90.0%	89.7%
BB RGUs	#	394,810	488,708	396,310	392,646	492,257	488,708	491,786	496,045	492,732	497,135
as % fixed customers	%	84.1%	84.9%	84.5%	84.4%	84.7%	84.9%	85.4%	85.7%	85.9%	86.4%
TV RGUs	#	270,333	393,356	274,408	274,139	393,606	393,356	399,381	408,252	406,911	416,718
as % fixed customers	%	57.6%	68.4%	58.5%	58.9%	67.7%	68.4%	69.3%	70.6%	70.9%	72.4%
Postpaid lines	#	763,683	914,668	774,097	778,926	914,500	914,668	933,176	951,663	947,196	957,967
Postpaid customers	#	438,953	529,459	443,892	445,746	530,783	529,459	539,305	547,636	544,575	549,955
as % fixed customers (only mobile excluded)	%	77.2%	77.1%	78.6%	79.6%	76.1%	77.1%	78.9%	80.1%	80.2%	81.2%
Mobile lines / customer	#	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7

SOHO		Annual		Quarterly							
KPIs	Unit	2016	2017	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Subs	#	89,322	101,378	88,945	88,676	103,279	101,378	100,038	99,667	98,754	97,002
o/w 1P (%)	%	29.7%	26.7%	28.7%	28.0%	26.9%	26.7%	26.3%	25.7%	25.8%	25.7%
o/w 2P (%)	%	16.4%	14.7%	15.9%	15.5%	14.9%	14.7%	14.2%	13.4%	13.1%	12.6%
o/w 3P (%)	%	39.7%	39.3%	40.1%	40.5%	39.7%	39.3%	38.8%	38.6%	38.4%	37.9%
o/w 4P (%)	%	14.2%	19.4%	15.2%	15.9%	18.5%	19.4%	20.7%	22.2%	22.7%	23.8%
Total RGUs	#	300,713	353,641	303,168	303,886	358,274	353,641	352,206	355,535	352,723	349,028
RGUs / sub	#	3.4	3.5	3.4	3.4	3.5	3.5	3.5	3.6	3.6	3.6
Soho churn fixed customers	%	20.3%	22.2%	24.1%	22.4%	21.9%	22.2%	22.1%	20.7%	20.1%	20.4%
Global ARPU Fixed customers	€/month	65.20	67.04	65.15	64.95	66.09	67.04	68.32	68.06	67.90	67.84

SMEs and Large Accounts		Annual		Quarterly							
KPIs	Unit	2016	2017	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Customers	#	11,193	14,670	11,084	11,042	14,688	14,670	14,728	14,785	14,801	14,827



Grupo Euskaltel consolidado – Resultados financieros (ii/iii)

Selected financial information		Annual		Quarterly							
	Unit	2016	2017	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Total revenue	€m	572.9	622.2	139.5	139.8	164.7	178.2	176.6	172.7	171.9	170.5
<i>Y-o-y change</i>	%	164.0%	8.6%	-1.6%	-3.0%	14.0%	25.1%	26.6%	23.5%	4.4%	-4.3%
o/w residential	€m	373.1	416.5	92.5	93.2	111.7	119.1	116.3	115.8	116.5	114.8
<i>Y-o-y change</i>	%	173.0%	11.6%	1.2%	-0.5%	17.5%	27.9%	25.7%	24.3%	4.3%	-3.6%
o/w Business	€m	166.6	170.5	39.0	38.6	44.1	48.8	49.3	47.9	46.2	46.5
<i>Y-o-y change</i>	%	167.7%	2.4%	-8.1%	-9.7%	5.9%	23.0%	26.4%	24.0%	4.6%	-4.7%
o/w Wholesale and Other	€m	33.2	35.2	8.1	8.0	8.9	10.3	11.0	8.9	9.2	9.2
<i>Y-o-y change</i>	%	130.6%	6.0%	0.1%	2.5%	15.2%	6.4%	37.1%	11.8%	3.9%	-10.4%
Adjusted EBITDA	€m	280.6	306.9	68.0	69.9	81.4	87.6	84.2	84.5	84.1	83.6
<i>Y-o-y change</i>	%	168.0%	9.4%	-1.5%	-0.6%	16.0%	23.3%	23.8%	21.0%	3.3%	-4.6%
<i>Margin</i>	%	49.0%	49.3%	48.8%	50.0%	49.4%	49.2%	47.7%	49.0%	48.9%	49.0%
Capital expenditures	€m	(95.9)	(108.8)	(23.3)	(22.9)	(24.1)	(38.4)	(33.9)	(34.0)	(36.1)	(49.4)
<i>Y-o-y change</i>	%	180.5%	13.4%	7.3%	-4.4%	10.9%	35.0%	45.9%	48.2%	49.6%	28.7%
<i>% total revenues</i>	%	-16.7%	-17.5%	-16.7%	-16.4%	-14.7%	-21.5%	-19.2%	-19.7%	-21.0%	-29.0%
Operating Free Cash Flow	€m	184.7	198.1	44.8	46.9	57.3	49.2	50.3	50.5	48.0	34.2
<i>Y-o-y change</i>	%	162.1%	7.3%	-5.6%	1.4%	18.3%	15.5%	12.3%	7.7%	-16.2%	-30.6%
<i>% total revenues</i>	%	32.2%	31.8%	32.1%	33.5%	34.8%	27.6%	28.5%	29.3%	27.9%	20.0%
Net Income	€m	62.1	49.6	13.2	7.9	11.8	16.7	14.6	14.2	17.7	16.3



Grupo Euskaltel consolidado – PyG (iii/iii)

€m	2017				2018				FY17	FY18	Variación
	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18			
Residencial	92.5	93.2	111.7	119.1	116.3	115.8	116.5	114.8	416.5	463.3	+11.3%
Empresa	39.0	38.6	44.1	48.8	49.3	47.9	46.2	46.5	170.5	189.9	+11.3%
Wholesale & otros	8.1	8.0	8.9	10.3	11.0	8.9	9.2	9.2	35.2	38.4	+9.1%
Ingresos	139.5	139.8	164.7	178.2	176.6	172.7	171.9	170.5	622.2	691.6	+11.2%
Costes directos	(32.8)	(30.2)	(42.7)	(44.4)	(49.0)	(41.8)	(46.9)	(42.6)	(150.1)	(179.7)	+19.7%
Margen bruto	106.8	109.6	122.0	133.8	127.7	130.9	125.0	127.9	472.1	511.9	+8.4%
Costes comerciales y generales	(38.7)	(39.8)	(40.6)	(46.2)	(43.4)	(46.4)	(40.9)	(44.3)	(165.2)	(175.5)	+6.2%
EBITDA	68.0	69.9	81.4	87.6	84.2	84.5	84.1	83.6	306.9	336.4	+9.6%
Amortizaciones & depreciaciones	(38.0)	(37.8)	(46.8)	(48.7)	(48.8)	(50.6)	(48.2)	(47.2)	(171.4)	(194.8)	+13.6%
EBIT	30.0	32.0	34.6	38.9	35.4	33.8	35.9	36.4	135.5	141.6	+4.6%
Intereses	(11.3)	(11.9)	(12.4)	(13.3)	(12.9)	(11.3)	(11.9)	(12.0)	(48.9)	(48.2)	(1.4%)
Gastos extraordinarios	(0.9)	(9.5)	(6.5)	(3.4)	(2.9)	(3.6)	(1.4)	(3.8)	(20.2)	(11.8)	(41.8%)
Impuestos	(4.6)	(2.7)	(3.9)	(5.5)	(4.9)	(4.8)	(4.9)	(4.3)	(16.7)	(18.8)	+12.8%
Beneficio neto	13.2	7.9	11.8	16.7	14.6	14.2	17.7	16.3	49.6	62.8	+26.6%



Apéndice II

Resultados y KPIs proforma (consolidación de Telecable en el año completo)



Proforma – KPIs (i/iii)

Residential		Quarterly							
KPIs	Unit	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Homes passed	#	2,160,946	2,162,408	2,163,919	2,166,001	2,222,026	2,230,073	2,306,030	2,357,323
Household coverage	%	70%	70%	70%	70%	70%	70%	70%	71%
Residential subs	#	679,432	675,130	669,591	660,946	660,758	662,501	657,909	658,172
o/w fixed services	#	590,764	586,094	581,412	575,354	575,970	578,503	573,648	575,664
as % of homes passed	%	27.3%	27.1%	26.9%	26.6%	25.9%	26.7%	26.4%	26.4%
o/w mobile only subs	#	88,668	89,036	88,179	85,592	84,788	83,998	84,261	82,508
o/w 1P (%)	%	19.7%	19.5%	19.8%	19.5%	19.2%	18.7%	19.1%	18.6%
o/w 2P (%)	%	12.5%	12.6%	12.6%	12.5%	12.2%	12.0%	11.9%	11.7%
o/w 3P (%)	%	27.4%	27.2%	26.8%	26.3%	25.5%	24.8%	24.0%	22.9%
o/w 4P (%)	%	40.4%	40.8%	40.8%	41.7%	43.2%	44.5%	45.0%	46.8%
Total RGUs	#	2,358,696	2,356,503	2,338,345	2,324,640	2,349,101	2,381,419	2,363,292	2,387,989
RGUs / sub	#	3.5	3.5	3.5	3.5	3.6	3.6	3.6	3.6
Residential churn fixed customers	%	16.6%	15.9%	17.0%	17.5%	15.6%	14.9%	16.6%	17.0%
Global ARPU fixed customers	€/month	60.01	60.14	60.55	60.69	60.36	60.02	60.13	59.93
Fixed Voice RGUs	#	557,948	550,424	537,982	527,908	524,758	525,459	516,453	516,169
as% fixed customers	%	94.4%	93.9%	92.5%	91.8%	91.1%	90.8%	90.0%	89.7%
BB RGUs	#	498,112	494,209	492,257	488,708	491,786	496,045	492,732	497,135
as% fixed customers	%	84.3%	84.3%	84.7%	84.9%	85.4%	85.7%	85.9%	86.4%
TV RGUs	#	397,641	396,182	393,606	393,356	399,381	408,252	406,911	416,718
as% fixed customers	%	67.3%	67.6%	67.7%	68.4%	69.3%	70.6%	70.9%	72.4%
Postpaid lines	#	904,995	915,688	914,500	914,668	933,176	951,663	947,196	957,967
Postpaid customers	#	529,069	533,501	530,783	529,459	539,305	547,636	544,575	549,955
as% fixed customers (only mobile excluded)	%	74.5%	75.8%	76.1%	77.1%	78.9%	80.1%	80.2%	81.2%
Mobile lines / customer	#	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7

SOHO		Quarterly							
KPIs	Unit	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Subs	#	105,281	104,757	103,279	101,378	100,038	99,667	98,754	97,002
o/w 1P (%)	%	27.8%	27.2%	26.9%	26.7%	26.3%	25.7%	25.8%	25.7%
o/w 2P (%)	%	15.3%	14.9%	14.9%	14.7%	14.2%	13.4%	13.1%	12.6%
o/w 3P (%)	%	40.2%	40.5%	39.7%	39.3%	38.8%	38.6%	38.4%	37.9%
o/w 4P (%)	%	16.7%	17.4%	18.5%	19.4%	20.7%	22.2%	22.7%	23.8%
Total RGUs	#	361,257	361,797	358,274	353,641	352,206	355,535	352,723	349,028
RGUs / sub	#	3.4	3.5	3.5	3.5	3.5	3.6	3.6	3.6
Soho churn fixed customers	%	24.2%	22.7%	22.1%	22.3%	22.1%	20.7%	20.1%	20.4%
Global ARPU Fixed customers	€/month	69.26	68.98	68.96	69.12	68.32	68.06	67.90	67.84

SMEs and Large Accounts		Quarterly							
KPIs	Unit	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Customers	#	14,818	14,762	14,688	14,670	14,728	14,785	14,801	14,827



Proforma – Financieros (ii/iii)

Selected financial information		Quarterly							
		1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Total revenue	€m	176.0	176.2	176.6	178.2	176.6	172.7	171.9	170.5
<i>Y-o-y change</i>	%	-1.0%	-1.9%	-1.6%	0.0%	0.4%	-2.0%	-2.7%	-4.3%
o/w residential	€m	119.1	119.5	120.5	119.1	116.3	115.8	116.5	114.8
<i>Y-o-y change</i>	%	1.8%	0.2%	0.1%	-0.2%	-2.4%	-3.1%	-3.3%	-3.6%
o/w Business	€m	48.1	47.9	47.0	48.8	49.3	47.9	46.2	46.5
<i>Y-o-y change</i>	%	-6.5%	-7.1%	-7.0%	0.4%	2.5%	0.0%	-1.7%	-4.7%
o/w Wholesale and Other	€m	8.7	8.8	9.1	10.3	11.0	8.9	9.2	9.2
<i>Y-o-y change</i>	%	-5.0%	-0.3%	5.2%	1.2%	26.5%	1.0%	0.8%	-10.4%
Adjusted EBITDA	€m	84.0	85.2	84.1	87.6	84.2	84.5	84.1	83.6
<i>Y-o-y change</i>	%	-1.8%	-1.9%	-2.3%	0.9%	0.3%	-0.8%	0.0%	-4.6%
<i>Margin</i>	%	47.7%	48.4%	47.6%	49.2%	47.7%	49.0%	48.9%	49.0%
Capital expenditures	€m	(30.8)	(29.0)	(26.8)	(38.4)	(33.9)	(34.0)	(36.1)	(49.4)
<i>Y-o-y change</i>	%	4.9%	-0.3%	-5.8%	12.0%	10.1%	17.4%	34.8%	28.7%
<i>% total revenues</i>	%	-17.5%	-16.4%	-15.2%	-21.5%	-19.2%	-19.7%	-21.0%	-29.0%
Operating Free Cash Flow	€m	53.2	56.3	57.3	49.2	50.3	50.5	48.0	34.2
<i>Y-o-y change</i>	%	-5.4%	-2.7%	-0.6%	-6.4%	-5.4%	-10.3%	-16.3%	-30.6%
<i>% total revenues</i>	%	30.2%	31.9%	32.5%	27.6%	28.5%	29.3%	27.9%	20.0%



Proforma – PyG (iii/iii)

€m	2017PF				2018				FY17PF	FY18	Variación
	1Q17PF	2Q17PF	3Q17PF	4Q17PF	1Q18	2Q18	3Q18	4Q18			
Residencial	119.1	119.5	120.5	119.1	116.3	115.8	116.5	114.8	478.3	463.3	(3.1%)
Empresa	48.1	47.9	47.0	48.8	49.3	47.9	46.2	46.5	191.8	189.9	(1.0%)
Wholesale & otros	8.7	8.8	9.1	10.3	11.0	8.9	9.2	9.2	37.0	38.4	+3.8%
Ingresos	176.0	176.2	176.6	178.2	176.6	172.7	171.9	170.5	707.0	691.6	(2.2%)
Costes directos	(44.8)	(42.9)	(48.5)	(44.4)	(49.0)	(41.8)	(46.9)	(42.6)	(180.5)	(179.7)	(0.4%)
Margen bruto	131.2	133.4	128.1	133.8	127.7	130.9	125.0	127.9	526.5	511.9	(2.8%)
Costes comerciales y generales	(47.2)	(48.1)	(44.0)	(46.2)	(43.4)	(46.4)	(40.9)	(44.3)	(185.5)	(175.5)	(5.4%)
EBITDA	84.0	85.2	84.1	87.6	84.2	84.5	84.1	83.6	341.0	336.4	(1.3%)
Amortizaciones & depreciaciones	(51.5)	(51.5)	(51.4)	(48.7)	(48.8)	(50.6)	(48.2)	(47.2)	(203.2)	(194.8)	(4.1%)
EBIT	32.5	33.7	32.7	38.9	35.4	33.8	35.9	36.4	137.8	141.6	+2.8%
Intereses	(18.1)	(18.8)	(21.5)	(13.3)	(12.9)	(11.3)	(11.9)	(12.0)	(71.6)	(48.2)	n/a
Gastos extraordinarios	(1.2)	(14.7)	(8.0)	(3.4)	(2.9)	(3.6)	(1.4)	(3.8)	(27.2)	(11.8)	n/a
Impuestos	(3.4)	(0.1)	(0.5)	(5.5)	(4.9)	(4.8)	(4.9)	(4.3)	(9.4)	(18.8)	n/a
Beneficio neto	9.8	0.2	2.8	16.7	14.6	14.2	17.7	16.3	29.5	62.8	n/a