

GRUPO
MAS
MOVIL

**MASMOVIL SUCCESSFULLY PLACES €100M
AT €20 PER SHARE**

May 8th, 2019

Update on Future Equity Funding

Need for €200M Preferred Equity & subsequent ABO eliminated. Incremental equity reduced by €100M

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**€100m Less
Equity & no
ABO**

FTTH transactions eliminate need for €200M Preferred Equity & subsequent €200m equity offering via ABO

- As part of the refinancing, MASMOVIL intended to issue €200M of Preferred Equity and to subsequently refinance it with new common equity raised via an accelerated bookbuild offering (ABO)
- Need for €200M Preferred Equity and subsequent ABO now eliminated & replaced with:
 - €100M from net proceeds that would be generated from FTTH transactions
 - €100M equity issuance at €20 per share fully subscribed by two leading financial institutions

2

**Share count
fixed**

The share count is now final, uncertainty fully removed

- Dilution is reduced by €100m
- MASMOVIL's share count is now set at 131.7M shares






3

**Risk
Partially
Hedged**

A total Return Swap (TRS) partially hedges risk of potential €60M variable payment

- As part of the repurchase of the Providence Convertible, MASMOVIL agreed with Providence on a variable tranche of ±60M€ depending on share price performance
- MASMOVIL has partially hedged this exposure via a TRS on a notional amount of €100m with financial institutions, which hedges c.40% of the potential variable payment to Providence

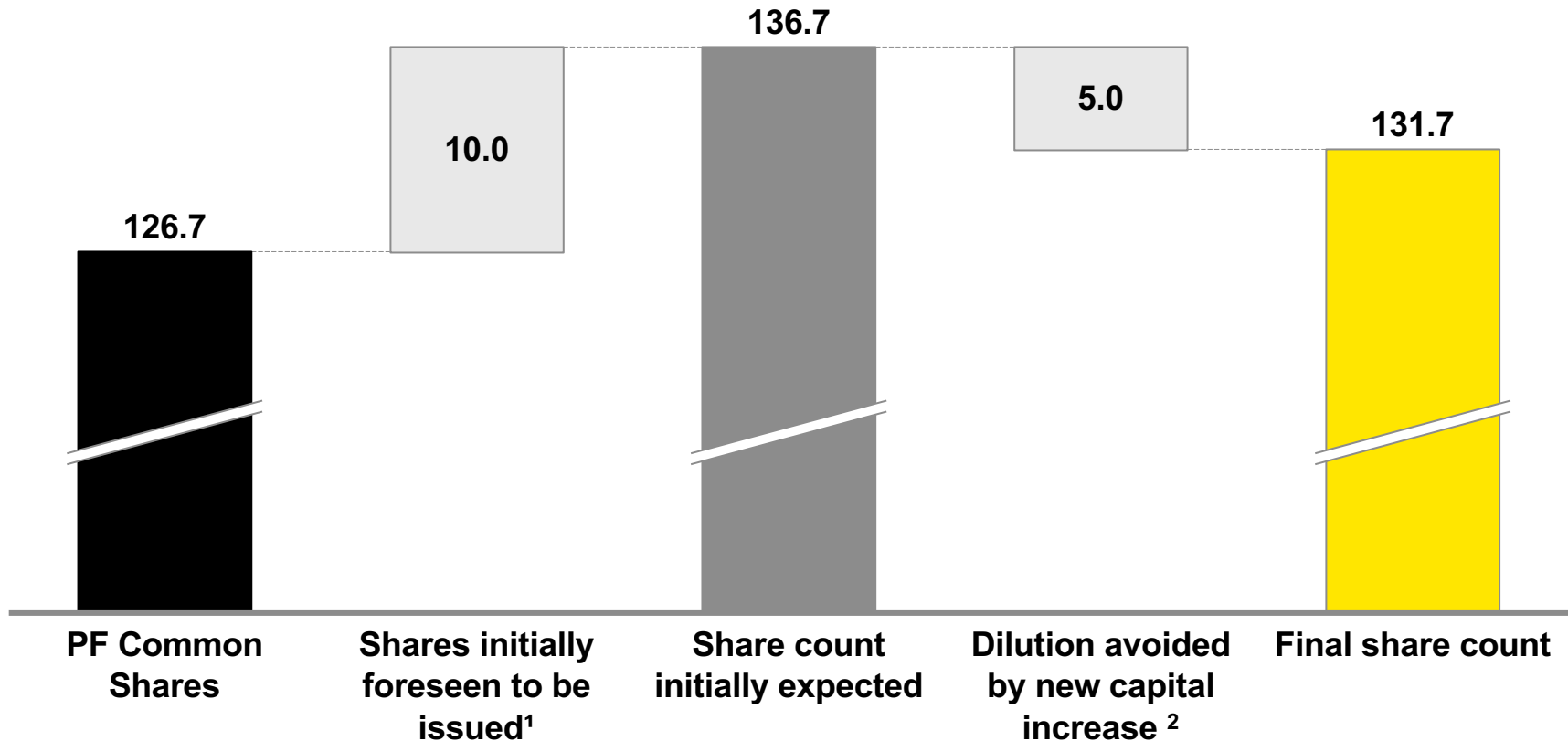
Benefits of Equity issuance and FTTH transactions

-  **€ 150 M**
cash proceeds
 -  **€ 1,500 M**
footprint valuation
 -  **No more overhang**
 -  **Lower & predictable financing cost**
 -  **Leverage reduced**
- c.€150M net cash proceeds without impact on footprint, customer penetration or EBITDA
- Puts a reference value on MASMOVIL's FTTH network
- Eliminates overhang from potential €200M equity placement. Share count is now final with no discussions about it
- Facilitates current debt financing process including planned placing of TLB. Hedges c.40% of potential €60M variable payment to Providence
- Reduces leverage to below 3.6x by FY19

Fully Diluted Share Count Reduced

131.7m share outstanding post transactions – 5m less than initially anticipated

Number of Shares (m)



The transactions complete the refinancing and eliminating the need to raise additional equity in the public market

- ❑ Dilution by c. additional 5m shares avoided

¹ €200m of intended repayment of Preferred Equity

² €100m of new equity offering at €20.0

SOURCE: Company