



## COMMUNICATION OF A RELEVANT FACT

### MASMOVIL GROUP

December 21<sup>st</sup> 2017

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**”).

#### **MASMOVIL completes the refinancing process of the senior financing arrangement**

Masmovil announces the refinancing of its 386M€ senior loan subscribed last October 2016 (the “SFA”), having achieved all the targets initially planned:

- Creation of a single debt perimeter which includes now MASMOVIL Broadband S.A. and its subsidiaries.
- To extend the average life of the debt under the SFA in approximately 12 months.
- To reduce the financing costs under the SFA by 25b.p., despite the increase in size and length of the new SFA.
- To provide flexibility to some information and covenant obligations currently in place under the SFA.

Additionally, the new SFA provides greater financial flexibility to the MASMOVIL Group for its fixed and mobile infrastructure development programs, incorporating a new tranche for the senior financing for an amount of up to 150M€.

Finally, the Company has obtained a new senior debt tranche for 78M€ to financially support the ongoing repurchase process of MASMOVIL Broadband S.A. project bonds.

The general syndication process has resulted in around 35% oversubscription. This transaction has been underwritten and coordinated by Banco Santander, BNP Paribas and Société Générale having participated a pool of 22 entities (13 international and 9 domestic): Banco de Sabadell, BBVA, CACIB, Commerzbank, HSBC, ING, La Caixa, Mizuho Bank and The Royal Bank of Scotland as Mandated Lead Arrangers; Allied Irish Banks, Barclays, Instituto de Crédito Oficial and Raiffeisen Bank International AG as Lead Arrangers; and Bankinter, Cajamar, Citi, Liberbank, Natixis and Unicaja as Arrangers.

Consultants for MASMOVIL and the other parties involved in the different parts of the



transaction were the companies Evergreen Legal (MASMOVIL's legal consultant), Castañeda Abogados (which holds the secretary of MASMOVIL's Board of Directors), Cuatrecasas (consultant for the bondholders' commissionaire), White & Case (consultant for the junior creditors) Clifford Chance (consultant for the senior syndicate) and EY (financial support).

Madrid, December 21<sup>st</sup>, 2017

D. Meinrad Spenger

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