

GRUPO **MAS**MOVIL

COMMUNICATION OF A RELEVANT FACT

MASMOVIL GROUP

28th February 2020

The following Relevant Fact is provided regarding the company MASMOVIL IBERCOM, S.A. (hereinafter either the “**MASMOVIL Group**” or “**MASMOVIL**” or “**Group**”) in accordance with what is laid down in article 17 of Regulation (UE) n° 596/2014 on market abuse and article 228 of the revised text of the Securities Market Act passed by Legislative Royal Decree 4/2015 of 23rd October and subsequent dispositions.

Earnings Report FY 2019

In Madrid on 28th February 2020

Meinrad Spenger
CEO
MASMOVIL IBERCOM, S.A.

Earnings Report FY 2019





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Information also available on www.grupomasmovil.com under section “shareholders and investors”

Key Highlights FY19

- **2019 Revised Guidance Met:**

		FY19 Guidance	FY19 Reported	On track?
Service Revenues 	Growth in Service Revenues	+24% YoY	+24% YoY	✓
Adjusted EBITDA 	Adjusted EBITDA (before one-off costs)	€465M	€468M	✓
Net Capex 	Net Infrastructure Capex	€457M	€466M	✓
Deleveraging Path 	Net Debt / EBITDA	3.7x	3.5x	✓

Source: Company

- **Continued Strong Service Revenues & Subscriber Growth**

- Service Revenue grew +24% YoY in FY19
- The number of broadband and postpaid mobile subscribers grew by 507K (+51% YoY) and 844K (+18% YoY) respectively in FY19
- In 4Q19 alone, the number of broadband subscribers increased by 122K and mobile postpaid subscribers by 212K

- **Increased Profitability**

- Adjusted EBITDA FY19 of €468M (+42% YoY)
- EBITDA margin increased from 23% in FY18 to 28% in FY19 (+5pp)
- For 4Q 2019, Adjusted EBITDA of €132M represents a €12M QoQ increase relatively to 3Q 2019
- Net Income increased by +31% with EPS increasing by +60% vs FY18 (+53% with EPS c.x2 on Restated basis)

- **Network Development on Plan**

- Total FTTH coverage increased to 23.4M BUs (including wholesale access)

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- MASMOVIL's own/usage rights FTTH footprint increased to 13.4M Building Units ("BUs"), which is equivalent to 72% coverage of all Spanish primary households¹

• Operational Milestones & Initiatives During the Period

- In 4Q 2019 we updated the mobile and convergent product portfolio under our brand "MASMOVIL" and the mobile-only offers under our "Yoigo" brand.
- According to a nPerf research study, Grupo MASMOVIL ranked once more as #1 broadband network in Spain in terms of speed (up-/download) and latency for the period Jan-Dec 2019²
- Netflix streaming service was included as part of the Agile TV offering in addition to the existing services such as Amazon Prime TV, SKY and Rakuten. By YE19 we achieved over 100k lines with TV service
- During 4Q19 our brand "Pepephone" surpassed the 1 million customers threshold
- Retail channel reinforced. Now more than 100 "MASLife" shops, which are offering the full MASMOVIL product portfolio across our all brands
- Launch of MAS Fijo, a voice product based on a mobile SIM card that allows users to replicate a fixed line product (keeping their fixed telephone number) without incurring monthly subscription fees for a fixed line
- Our brand Yoigo has been the first advertiser utilizing programmatic TV, based on data and including web and mobile channels
- Yoigo has also been the first TelCo operator in Europe offering free content in Amazon Prime Video subscribers with our RSC initiative 'Pienso Luego Actúo (I Think, thus I Act)'

• Repurchase of Providence convertible:

- MASMOVIL announced in April 2019 an agreement with Providence for a full repurchase of its convertible debt for a total final consideration of around €900M
- This transaction removed the implied share overhang equivalent to ~26% of the Company's share capital and will be double digit EPS accretive

• Refinancing of capital structure:

- MASMOVIL completed in May 2019 the refinancing of its capital structure including the placement of a €1,450M 7-year covenant-lite Term Loan B (TLB)
- The margin on this TLB was reduced in November 2019 from the initial 325bps to 262.5bps, which implies annual savings of €9M in TLB interest

¹ Assuming 18.5 million primary HH according to INE

² Study nPerf of Jan 2020 (Covering Jan – Dec 2019) <https://bit.ly/2SfGuSF> based on 1.6 million tests that measures average performance of data connections; MASMOVIL also leads in latency

- **MASMOVIL signed on September 30th, 2019 comprehensive agreements with Orange Espagne S.A.U. that cover all future 5G needs, significantly increase the size and cost efficiency of our FTTH network, and will generate €40M of run-rate Opex savings**
 - MASMOVIL will reach the end of its fixed & mobile network investment phase – the FTTH network will cover cost efficiently c.14.2M BUs by the end of 2020 over 60% of all current Spanish FTTH BUs with no need for significant additional investments in its mobile network
 - The agreements with Orange are beneficial to MASMOVIL due to the following:
 - Mobile cost stability due to roaming contract extension until 2028-2033 including 5G, with attractive economics and changing the NRA to a future proof and sustainable network capacity-based model
 - Nationwide 5G coverage solves in a single transaction all future 5G needs across the entire country with sufficient flexibility to accommodate MASMOVIL's growth
 - Own/usage rights FTTH network increases from 8.2M to 13.4M BUs in 2019 (+63%) in a single transaction (and to >14M BUs by 2020). This provides a quicker time to market while improving the cost efficiency of our FTTH footprint with payments spread over 4 years through a vendor financing scheme
 - High capex visibility with required future 5G & FTTH investment to be very limited and materially below any standalone deployment solution
- **Sale of FTTH network to Macquarie:**
 - MASMOVIL closed in November the sale of c.1M building units ("BU's") FTTH network to Macquarie for a total consideration of €218M
- **MASMOVIL reiterates its 2020-2021 guidance:**
 - 2020 Adjusted EBITDA €570-600M; Margin 30-32%; Net Capex €295M
 - 2021 Adjusted EBITDA €670-700M; Margin 32-34%; Net Capex €255M
 - 2021 EFCF > €2 per share

FY19 Financial Highlights

- MASMOVIL generated Service Revenues of €1,462M (+24% YoY) and Total Revenues of €1,681M (+16% YoY)
- Adjusted EBITDA of €468M (+42% YoY) with an EBITDA margin of 28% (+5pp)
- Reported Net Income of €93M was up 53% YoY vs €61M (Restated) in FY18, and +32% YoY on Reported basis. Net Income was impacted by €108M non-cash financial expenses related mainly to the one-off accounting loss derived from the convertible bond acquisition in 2Q19 and the €144M book gain from the sale of c.1M FTTH BUs in 4Q19
- Adjusted Net Income of €154M increased +14% YoY vs €125M Net Income in FY18
- Total Net Capex of €466M includes €161M of Commercial Capex (€109M in relation to customer growth and €52M to churn replacement) and €232M in relation to new FTTH deployments (3.1M BUs in FY19)

Growth Capex of €322M (c.70% of Total Net Capex) reflects MASMOVIL's continued strong operating momentum

- MASMOVIL's own/usage rights FTTH network coverage increased to 13.4M BUs (vs. 6.1M BUs in FY18), representing 57% of MASMOVIL's total FTTH footprint of 23.4M BUs in 4Q19

These 13.4M BUs mentioned above include usage rights over 5.2M BUs from our new Orange deal announced in October 2019 and it also includes the sale of c.1M BUs to Macquarie in November 2019

- Net Debt of €1,655M equivalent to a financial leverage of 3.5x 2019 Adjusted EBITDA of €468M. The net debt level fully reflects the repurchase of the Providence convertible
- Cash Flow from Operations was positive for the third quarter in a row and MASMOVIL reported €67M cash flow for the full year 2019. Cash Flow in 4Q19 benefitted from €218M proceeds received from the sale of the FTTH network to Macquarie

• **Subscribers**

- MASMOVIL achieved +122k fixed broadband net adds (in excess of 100k for nine consecutive quarters) and +212k postpaid mobile net adds in 4Q19 (in excess of 190k for ten consecutive quarters)
- As of 4Q19 MASMOVIL reached 5.6M mobile postpaid lines (+18% YoY) and 1.5M broadband lines (+51% YoY)

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Table 1 – Key Financials

	FY18	FY19	Growth (%)
			Reported
<u>Lines (M)</u>			
Mobile postpaid	4.8	5.6	18%
Mobile prepaid	2.0	1.8	-9%
Broadband	1.0	1.5	51%
Total Lines	7.8	8.9	15%
<u>Key Financials (M€, unless otherwise)</u>			
Service Revenues	1,183	1,462	24%
Total Revenues	1,451	1,681	16%
Adjusted EBITDA⁽¹⁾	330	468	42%
Adjusted Net Income	135	154	14%
Net Debt	918	1,655	n.m.
<u>Key KPIs</u>			
<i>EBITDA Margin (%)</i> ⁽²⁾	23%	28%	513 bps
<i>Net Debt/Adjusted EBITDA</i> ⁽³⁾	2.4x	3.5x	
<i>Adj. EPS (fully diluted, €)</i> ⁽⁴⁾	0.83	1.17	41%
<u>Shares Outstanding (M)</u>			
Basic	120.2	131.7	
Fully Diluted ⁽⁵⁾	163.4	131.7	

(1) FY18 figures shown pre-IFRS16. FY18 Adjusted EBITDA restated post IFRS16 was €389M. FY19 EBITDA growth pre-IFRS16 would be +20% YoY. EBITDA excludes, one-off expenses and stock appreciation rights (long-term management incentive plan)

(2) EBITDA margin FY19 pre-IFRS16 of 26%

(3) FY19 leverage calculated as Net debt of €1,655M divided by Adjusted EBITDA of €468M

(4) FY18 number of shares adjusted for the 1-for-5 stock split

(5) FY18 fully diluted number of shares is based on shares outstanding plus conversion of outstanding Providence convertibles. FY19 number of shares outstanding and fully diluted shares are equal

Source: Company

Operational & Financial Review

- **FY19 Service Revenue growth of +24% YoY**
 - Service Revenues grew +24% YoY to €1,462M in FY19
 - Other Revenues declined 18% (low margin revenues)
 - Total Revenues grew +16% YoY reaching €1,681M in FY19

Table 2 – Revenue Split

€M	FY18	FY19	Growth (%)
			Reported
Service Revenues	1,183	1,462	24%
Other Revenues	268	219	(18%)
Total Revenues	1,451	1,681	16%
Net Revenues⁽¹⁾	1,213	1,488	23%

(1) Net Revenues calculated as Service Revenues plus Gross Profit contribution from Other Revenues
Source: Company

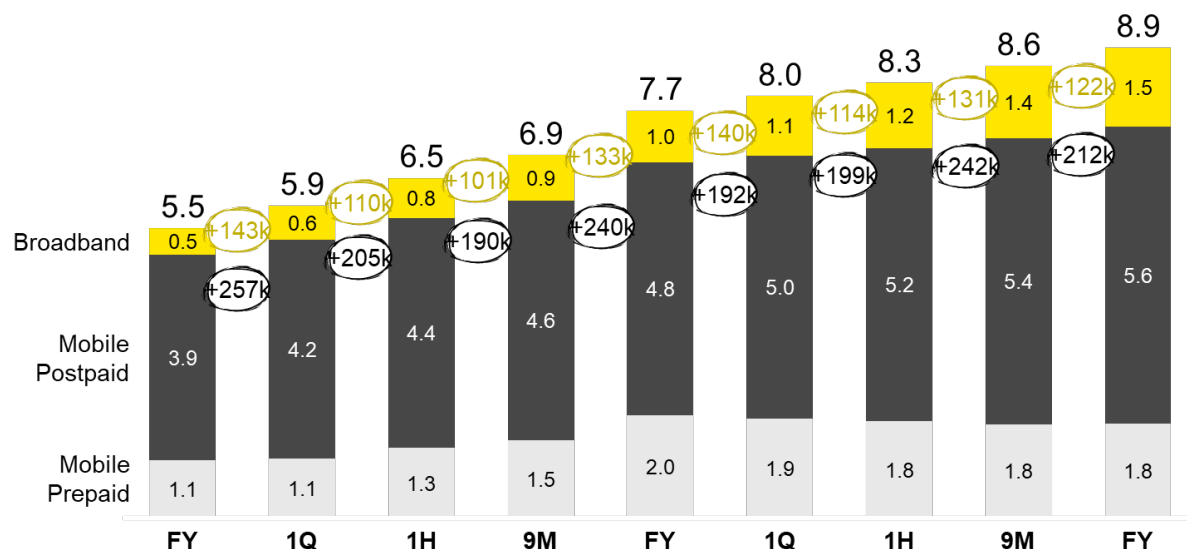
- **MASMOVIL continues its strong growth trajectory and reaches a total of 8.9M lines including 1.5M broadband lines**
 - At the end of FY19, MASMOVIL had 8.9M total lines (+15% vs. FY18)
 - Our multi-brand strategy of addressing different customer segments with tailored value propositions continues to deliver positive results
 - Cross-selling of broadband to the existing mobile subscriber base as well as the upselling of higher value packages like Agile TV service remains on track

Table 3 – Overview of Customer Base

MLines	FY18	FY19	Delta	Growth
Mobile postpaid	4.8	5.6	0.8	18%
Mobile prepaid	2.0	1.8	-0.2	-9%
Total Mobile	6.8	7.4	0.7	10%
Broadband	1.0	1.5	0.5	51%
Total lines	7.8	8.9	1.2	15%

Source: Company

Chart 1 – Evolution of Mobile & Broadband Lines (millions)

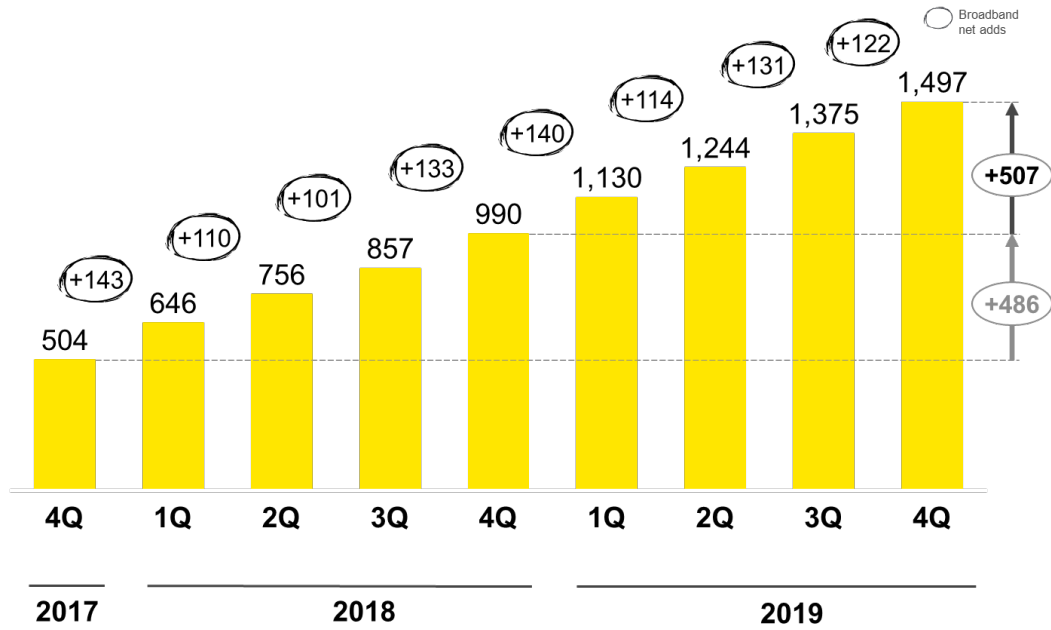


Source: Company

- **Mobile postpaid lines grew +18% YoY**
 - In FY19, MASMOVIL reached 5.6M mobile post-paid clients, an increase of +845k lines vs. FY18
 - The use of its different brands (Yoigo, MASMOVIL, Pepephone, Llamaya and Lebara) with tailored value propositions and sales channels allows MASMOVIL to adequately address customers with different profiles and behavior

- **Broadband net adds of +122k in 4Q19**
 - MASMOVIL added +122k new net broadband lines during 4Q19 (over half a million since 4Q18) resulting in a total of 1.5M broadband lines as of FY19 (+51% YoY)
 - Broadband net adds in excess of +100k for nine consecutive quarters

Chart 2 – Evolution of Broadband Lines ('000)

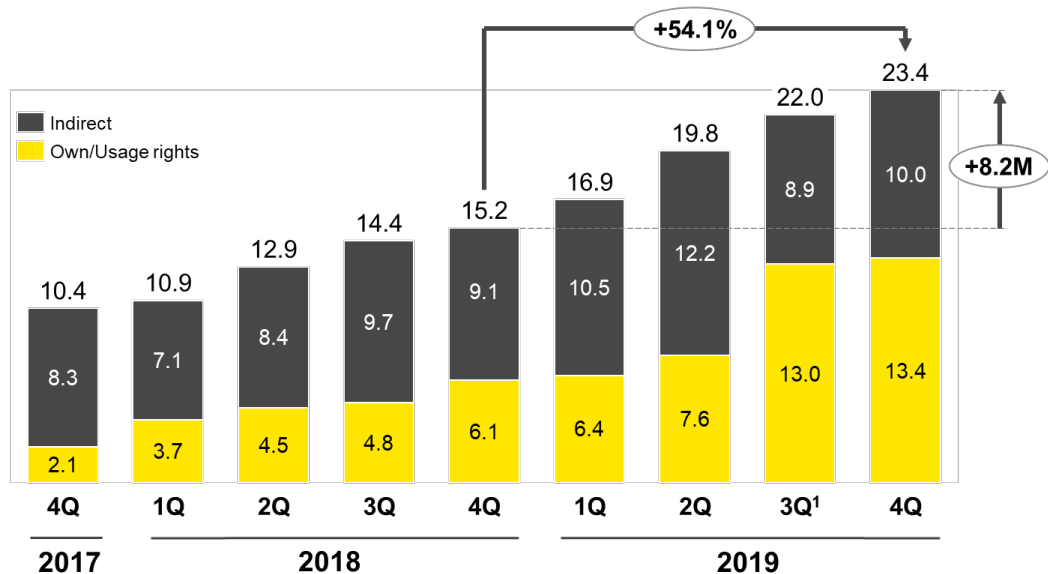


Source: Company

- **FTTH footprint increased to 23.4M BUs, growing 8.2M since 4Q18 (+54% YoY)**

- The co-invest agreements signed with Orange (several since 2016) and Vodafone (4Q18), continued own deployments as well as the usage rights over 5.2M BUs from the new Orange deal announced on Oct 1st 2019, enabled MASMOVIL to expand its own/usage rights FTTH pro-forma footprint to 13.4M BUs as of FY19. This figure is also including the sale of c.1M BUs to Macquarie
- An additional 10M BUs are accessible through Bitstream agreements with third parties

Chart 3 – Fiber Footprint Expansion (Million BUs)



(1) Proforma for Orange deal announced on Oct 1st, 2019 and the sale of c.1M BUs to Macquarie in the 4Q

Source: Company

Consolidated Profit and Loss Statement

Table 4 – Summarized P&L (€M)

	FY18 Restated	FY18 Reported	FY19 Reported	Growth (%) Rep. vs. Rep.
Service Revenues	1,183	1,183	1,462	24%
Other revenues	268	268	219	-18%
Revenue	1,451	1,451	1,681	16%
Other operating revenue	47	47	65	38%
Cost of sales	(967)	(1,026)	(1,150)	12%
Other operating expenses	(142)	(142)	(128)	-10%
Adjusted EBITDA⁽¹⁾	389	330	468	42%
Net one-offs ⁽²⁾	(17)	(17)	94	n.m.
Reported EBITDA	372	313	562	80%
Depreciation and amortization	(214)	(161)	(272)	69%
Reported EBIT	158	152	290	91%
Net financial expenses ⁽³⁾	(94)	(74)	(225)	204%
Reported Profit before taxes	64	78	65	-16%
Income tax	(4)	(7)	28	n.m.
Reported Net Income/(Loss)	61	71	93	32%
Sum of the "Adjustments"	65	65	61	-6%
Adjusted Net Income/(Loss)⁽⁴⁾	125	135	154	14%

(1) FY19 EBITDA pre-IFRS16 YoY growth would have been +31% (or 20% post IFRS16 in both FY18 and FY19)

(2) Including book gain related to the sale of the FTTH network

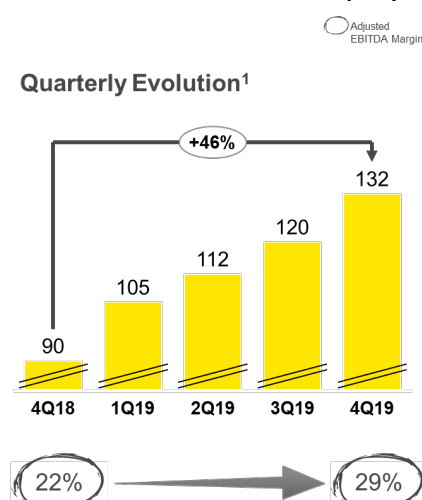
(3) Including non-cash financial expenses of €108M related to the one-off non-cash accounting derived from the 2Q19 convertible bond acquisition

(4) Please see next table the list of adjustments

Source: Company

- **Adjusted EBITDA post IFRS16 of €468M in FY19 +42% YoY (+31% YoY pre-IFRS16)**
 - 4Q19 EBITDA of €132M represents a €12M QoQ increase vs. 3Q19
 - EBITDA margin reached c.29% in 4Q19 (27% pre-IFRS16) vs. 22% in 4Q18

Chart 4 – Quarterly Adjusted EBITDA¹ Performance (€M)



¹ EBITDA Post IFRS16 in 2019. For 2018, EBITDA is shown pre-IFRS16. Pre-IFRS16 EBITDA growth YoY would have been +36% for 4Q19 and +31% for FY19, respectively (or 20% post IFRS16 in both FY18 and FY19)

Source: Company

- **Adjusted Net Income for FY19 of €154M and Reported Net Income of €93M**
 - Adjusted Net Income of €154M after adjusting for the following one-offs and other non-business-related accounting charges:
 - Reversal of net operative one-offs gains of €94M. These non-recurring gains comprise non-recurring costs related to the migration of the legacy national roaming contracts and one-off integration costs. In the 4Q19 it also includes the reversal of the €144M book gain from the sale of the FTTH network to Macquarie
 - Amortization of acquired customer base and brand for €27M
 - €40M linked to management's long-term incentive plan
 - Non-cash financial expenses of €108M mainly related to the one-off accounting loss derived from the convertible bond acquisition in 2Q19. The -€225M financial result for FY19 would have been -€117M excluding one-off, non-cash charges related to the re-purchase of the convertible
 - Tax impact of the above-mentioned adjustments of -€20M€

Adjusted EPS for the period of €1.17 increased by +41% YoY. EPS is based on 131.7M shares outstanding. Since May 2019, the number of shares outstanding and the number of fully diluted shares are the same.

Table 5 – Adjusted Net Income and EPS (€M)

	FY19
Reported Net Income/(Loss)	93
Operating one-offs ⁽¹⁾	(94)
Amortization of acquired customer base & brand	27
Management incentive plans (SAR)	40
Non-cash impact convertible purchase ⁽²⁾	108
Tax impact of "Adjustments"	(20)
Adj. Net Income/(Loss)	154
Number of shares (million)	131.7
Adj. EPS (€)	1.17

(1) Including book gain related to the sale of the FTTH network in 4Q19 (€144M), cash one-offs (-€18M) and CPE write-offs

(2) Mainly related to the one-off accounting loss derived from the Providence convertible bond acquisition in 2Q19

Source: Company

Consolidated Balance Sheet

Table 6 – Consolidated Balance Sheet (€M)

	FY18	FY18	FY19	Delta
	Restated	Reported	Reported	Rep. vs. Rep
Non current assets	2,317	2,172	2,801	629
Intangible assets	1,382	1,212	1,724	512
Property, plant and equipment	604	610	648	38
Other non current assets	80	104	136	31
Deferred tax assets	251	246	294	48
Current assets	481	481	473	(8)
Inventories	1	1	12	11
Trade and other receivables	238	238	220	(18)
Other current assets	144	144	178	35
Cash and cash equivalents	98	98	63	(35)
Total assets	2,797	2,653	3,274	621

	FY18	FY18	FY19	Delta
	Restated	Reported	Reported	Rep. vs. Rep
Equity	461	476	104	(372)
Share capital	2	2	3	0
Additional paid in capital	616	616	836	220
Reserves and other equity instruments	(157)	(143)	(735)	(592)
Non-current liabilities	1,388	1,257	1,864	607
Long term debt	889	769	1,546	777
Other financial non-current liabilities	178	178	17	(160)
Provisions	105	105	56	(49)
Other non-financial non-current liabilities	145	145	180	35
Deferred tax liabilities	72	61	66	5
Current liabilities	948	920	1,306	386
Current portion of long term debt	329	322	550	227
Other financial current liabilities	32	13	137	124
Provisions	34	31	95	64
Trade and other payables	554	554	524	(30)
Total equity and liabilities	2,797	2,653	3,274	621

Source: Company

- **Repurchase of Providence convertible in full and refinance of existing debt**

- In May 2019, MASMOVIL completed the full repurchase of the Providence convertible financed with a combination of debt and equity. As part of the transaction the Company refinanced the majority of its existing debt
- The repurchase of the convertible included a fixed amount for a total of €883M. This was structured in two tranches, the first of €351M was paid in May with a second tranche of €532M paid in December 2019. On top of this fixed component, the transaction included a variable component (collar adjustment based on the evolution of MASMOVIL's share price) which ended up giving rise to a €23M payment also in December
- The repurchase was funded with a €1,450M covenant-lite Term Loan B ("TLB") with 7 years bullet maturity (2026) and initially priced at E+325bps. Back in November this TLB was repriced to E+262.5bps driving around €9M gross financial savings annually
- As part of the restructuring of its capital structure, MASMOVIL additionally raised €120M of common equity from Providence at a share price of €18.45 in the form of 6.5M newly issued shares and a capital increase of €100M by two leading financial institutions at a share price of €20 in the form of 5.0M newly issued shares
- The change in net debt is largely driven by the repurchase of the Providence convertible bond in 2Q19

Table 7 – Net Debt Overview (€M)

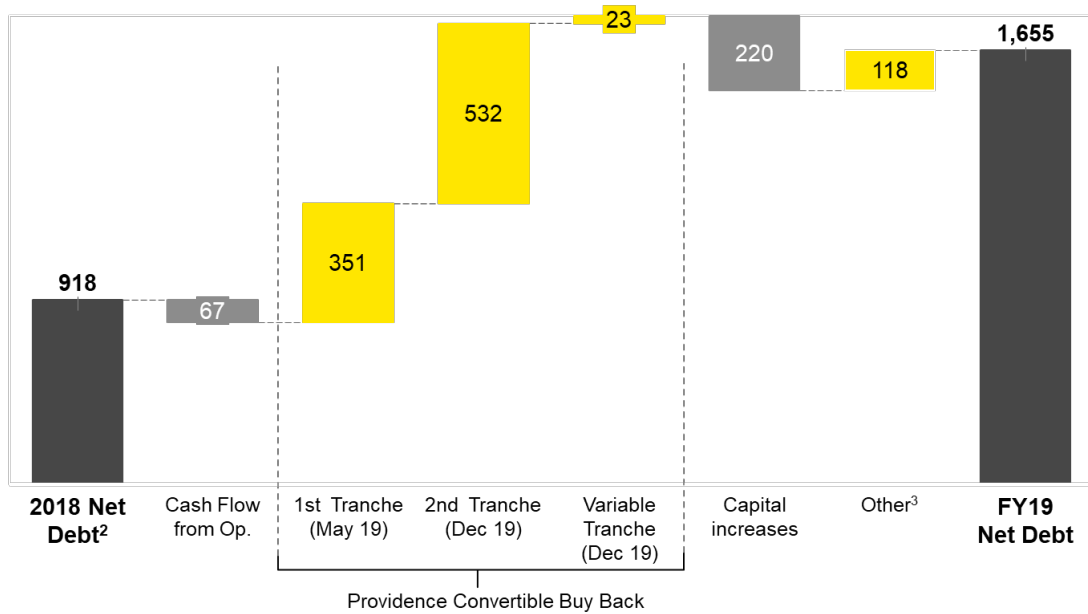
	FY18	FY19	Delta FY19 vs. FY18
Short-term commercial paper	-	100	100
Senior debt	680	1,408	728
Bonds	28	28	0
Junior debt	120	-	(120)
Debt with Providence	131	-	(131)
IFRS 16	148	147	(1)
Other debts	41	35	(6)
Cash & cash equivalents	(98)	(63)	(36)
Net Debt	1,050	1,655	606
<i>x Adjusted EBITDA ⁽¹⁾</i>	<i>3.2x</i>	<i>3.5x</i>	
Providence convertible	(131)	-	131
ACS convertible	-	-	-
Net Debt (excl. convertibles)	918	1,655	737
<i>x Adjusted EBITDA ⁽¹⁾</i>	<i>2.8x</i>	<i>3.5x</i>	

(1) Leverage calculated as Net debt excluding convertibles divided by Adjusted EBITDA

Note: FY18 figures shown post-IFRS16

Source: Company

Chart 5 – Change in Net Debt (€M) resulting in around 3.5x leverage¹ as of FY19



1 FY19 Net Debt of €1,655M over FY19 Adjusted EBITDA of €468M

2 Excluding convertibles

3 Includes mainly payments related to M&A, other corporate stakes and early redemption of senior and junior debt

Source: Company

Cash Flow Statement

- **Net Capex of €466M in FY19**

- Fixed Network Development Capex was €232M in FY19, representing 50% of the Total Net Capex over the period. This includes 3.1M BUs of gross deployment this year (2.1M net of the c.1M FTTH network sold to Macquarie).

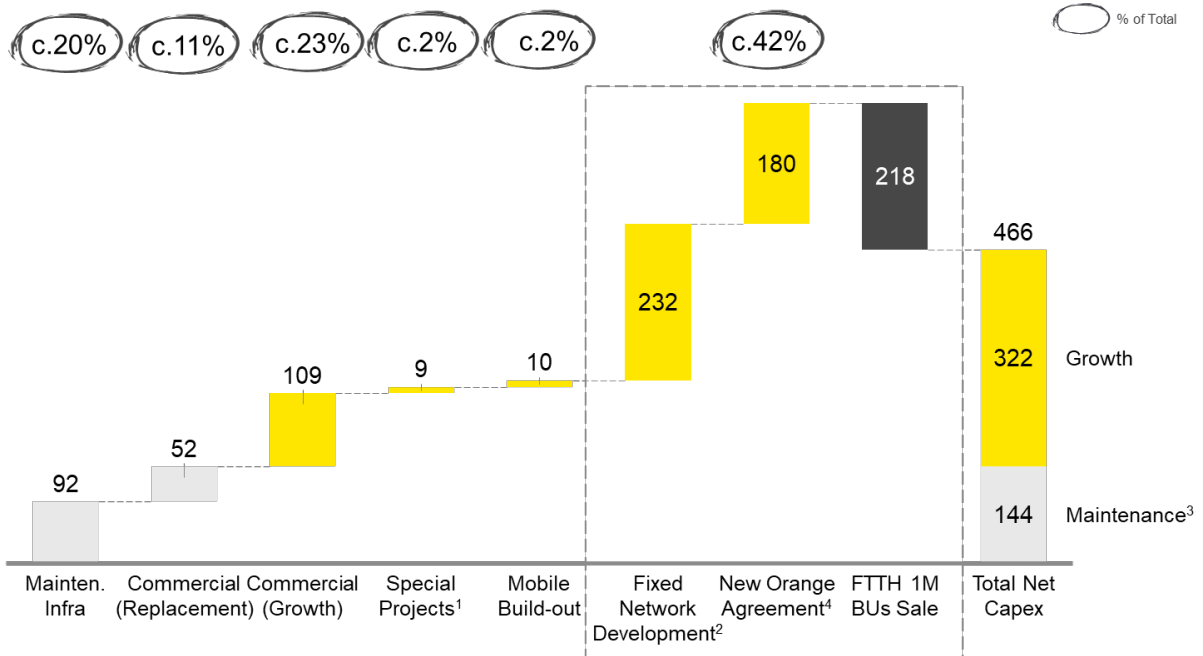
This is 200k ahead of guidance. Total unitary build-out capex reached c.€75 per BU in 2019

- Technical Maintenance Capex reached €92M in FY19 and Capex dedicated to Special Projects was €9M in the period
- Commercial Capex, which is directly associated to the Company's acquisition of broadband lines, amounted to €161M in FY19, of which €109M was dedicated to growing the Company's broadband customer base

Unitary SAC was in-line with expectations and remained basically flat when adjusted by the ADSL/FTTH mix effect and the growing impact from new lines with TV

- Growth related Capex amounted to €322M (c.70% of total Capex), while total FY19 Maintenance Capex reached €144M

Chart 6 – Capex FY19 (€M)



1 Special projects includes areas such as digitalization, cybersecurity, and other specific projects

2 Includes Transmission and Access. Net of IRU sales

3 Includes churn related (replacement) commercial capex and maintenance infrastructure Capex

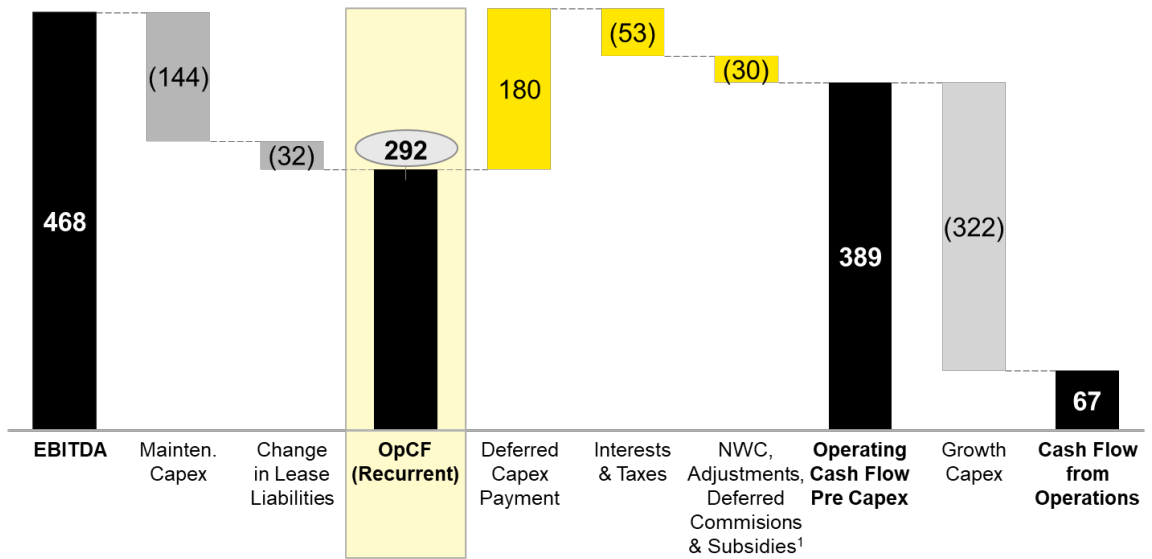
4 On NPV terms

Source: Company

- **Cash Flow from Operations of €67M in FY19**

- Cash Flow from Operations was again positive in 4Q19, benefitting from the €218M proceeds from the sale of c.1M FTTH BU to Macquarie.
- Interest and taxes were -€53M while NWC, Adjustments, Deferred Commissions & Subsidies (including IFRS15 adjustments) were -€30M

Chart 7 – Cash Flow from Operations FY19 (€M)



¹ Includes impact from IFRS15 (mainly deferred commissions/subsidies)

Source: Company

Infrastructure deals in the 4Q19

- **New Orange agreement announced on October 1st, 2019**
 - MASMOVIL has signed comprehensive agreements with Orange covering all future 5G needs and increasing its FTTH footprint, specifically:
 - Mobile agreements:
 - MASMOVIL extended its NRA with Orange until 2028 with an option for 5 additional years, including 5G (using all 5G frequency bands) and evolving to a capacity-based network model
 - In addition to the new NRA, MASMOVIL will also benefit through a Virtual Active Sharing agreement from Orange's deployment of up to 4,500 5G sites, covering the top 40 cities in the country (35% of the population). Consequently, there is no need for further Capex deployment while Opex will gradually increase by €10M by 2023 and will remain stable thereafter
 - MASMOVIL also has an additional option to use up to 6,000 Orange sites on a site-by-site basis including all mobile technologies under a Radio as a Service scheme
 - FTTH network agreements:
 - MASMOVIL receives by YE19 a right of use on 5.2M BUs for which Orange was offering MASMOVIL bitstream services. The upfront Capex/BU under the agreement is around 50% of a traditional co-investment scheme, while the recurring monthly charges per line are set at around 50% of the current rates. MASMOVIL also has an additional option - from 2030 onwards - it can acquire the full IRU for all or part of the 5.2M BUs above mentioned for a payment per BU similar to the upfront payment
 - This results in incremental FTTH Capex of c.€180M fully booked in 2019 with payments spread over 2020-2023 through a vendor financing agreement
 - In summary the agreement covers all future 5G needs, significantly increases the size and cost efficiency of our FTTH network, and generates €40M run-rate of Opex savings

- **FTTH Network sale**
 - As already announced in 2Q19 earnings report, MASMOVIL closed in November the sale of c.1M FTTH BUs to Macquarie for a total consideration of €218M

Relevant Issues Following the Closing of the Period

There are no relevant issues following the closing of the period

Disclaimer

This document may contain forward-looking statements and information (hereinafter, the “Statements”) relating to MASMOVIL IBERCOM, S.A., or MASMOVIL Group (hereinafter indistinctly, “MASMOVIL”, the “Company” or the “Group”) or otherwise. These Statements may include financial forecasts and estimates based on assumptions or statements regarding plans, objectives and expectations that make reference to different matters, such as the customer base and its evolution, growth of the different business lines and of the global business, market share, possible acquisitions, divestitures or other transactions, Company’s results and other aspects related to the activity and situation of the Company.

The Statements can be identified, in certain cases, through the use of words such as “forecast”, “expectation”, “anticipation”, “aspiration”, “purpose”, “estimates”, “plan” or similar expressions or variations of such expressions. These Statements reflect the current views of MASMOVIL with respect to future events, do not represent, by their own nature, any guarantee of future fulfilment, and are subject to risks and uncertainties that could cause the final developments and results to materially differ from those expressed or implied by such Statements. These risks and uncertainties include those identified in the documents containing more comprehensive information filed by MASMOVIL before the different supervisory authorities of the securities markets in which its shares are listed and, in particular, the Spanish National Securities Market Commission.

Except as required by applicable law, MASMOVIL does not assume any obligation to publicly update the Statements to adapt them to events or circumstances taking place after the date hereof, including changes in the Company's business or business development strategy or any other unexpected circumstance.

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