

Continues to maintain its strong growth during the first quarter of the year with 332,000 fix broadband and mobile postpaid net adds and reaches 8M of customers

MASMOVIL Group obtains a net profit of 22 million euros (+168%) in the first quarter of the year

- EBITDA increases to 105M€ (+ 40%) and the margin significantly improves reaching 27%.
- Service revenues increase by 27% and total revenues by 13%.
- Great acceleration of its fiber network coverage, reaching about 17M households with a significant increase of its own FTTH network.
- The Company sells 933K households of its own FTTH for 217,5M€ and acquire 1M households from Orange Spain for 70M€
- Reiterates its confidence in reaching the guidance reported for the full year.

Madrid, May 7th, 2019.- MASMOVIL Group today presented its results for the first quarter of the year in which **the Company continues to maintain its strong growth in customer acquisition and continues to significantly increase both its service revenues and its profitability.**

As a result of the good performance of the Company, MASMOVIL obtained a net profit of 22M€ (+ 168%) and an adjusted net profit of 37M€ in the first quarter of the year.

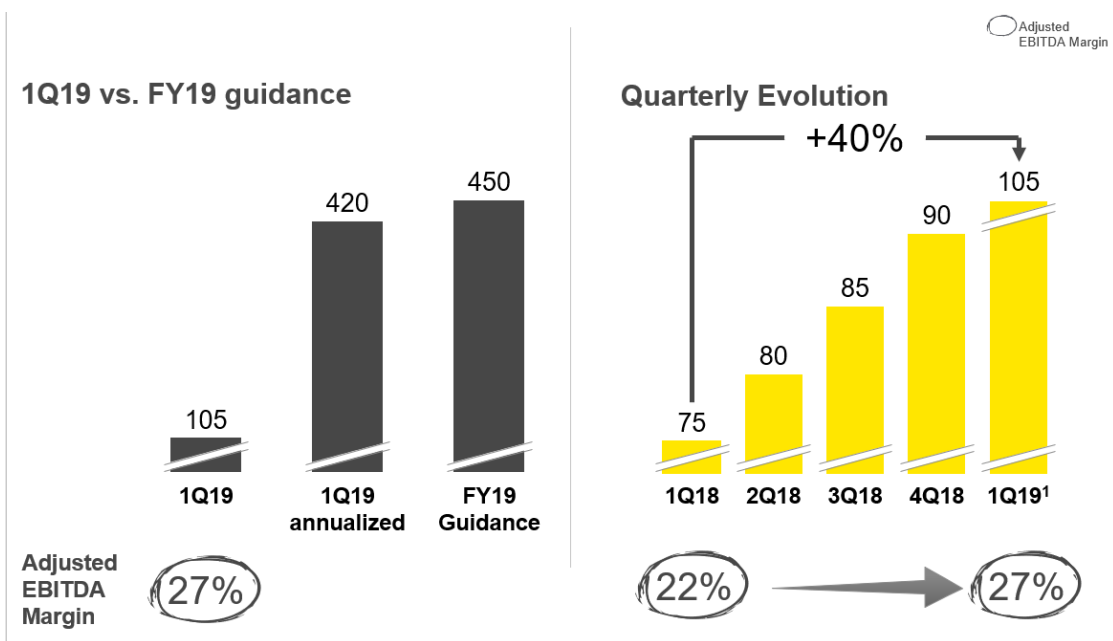
The Company has also announced **two important transactions related to its fiber optic network, which will translate in a positive impact of 150M€ in cash flow.**

First, MASMOVIL has reached an agreement for the sale of 933,000 households of its own fiber network to an international infrastructure fund for an amount of 217.5M€

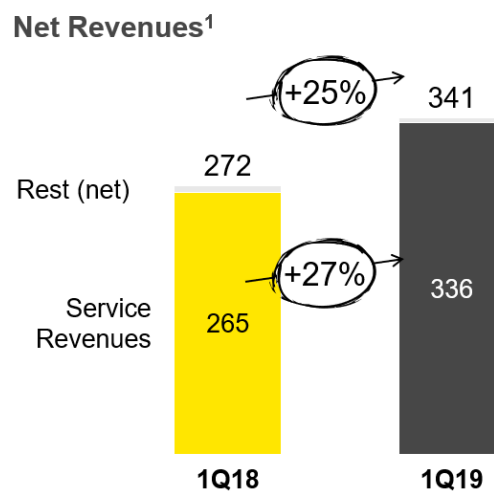
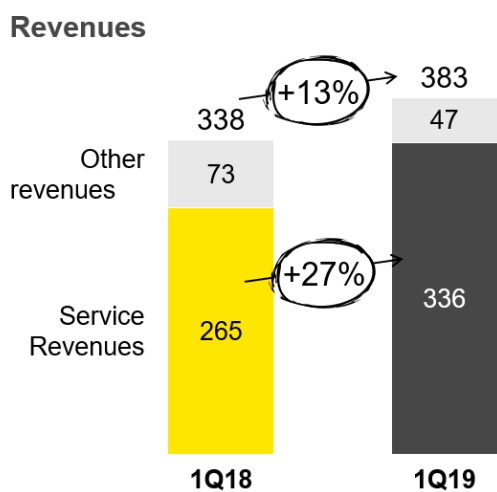
In addition, it has also announced the purchase of 1M fiber optic households from Orange Spain for an amount of 70M€, which will benefit its own fiber growth and reach 8M households with its own fiber network FTTH by the end of this year.

A first quarter of the year with great growth in its financial parameters

MASMOVIL continues to increase the Group's profitability and has obtained 105M€ EBITDA in the first quarter of the year, 40% more compared to the same period of last year, and 15M€ more than the previous quarter. Recurring EBITDA margin has reached 27%, compared to 22% in 1Q17%.



Total revenues during the first quarter reached 383M€, 13% more compared to the same period of last year. Service revenues increased significantly to 336M€, 27% more compared to the same period of last year, and significantly above the reported target of 22% for the full year.



"We have had an exceptional first quarter of the year in terms of customer acquisition with more than 330,000 adds in mobile postpaid and fixed broadband. We continue to grow in an accelerated and profitable manner while we significantly increase the number of households that can be marketed with optic fiber," said Meinrad Spenger, CEO of MASMOVIL.

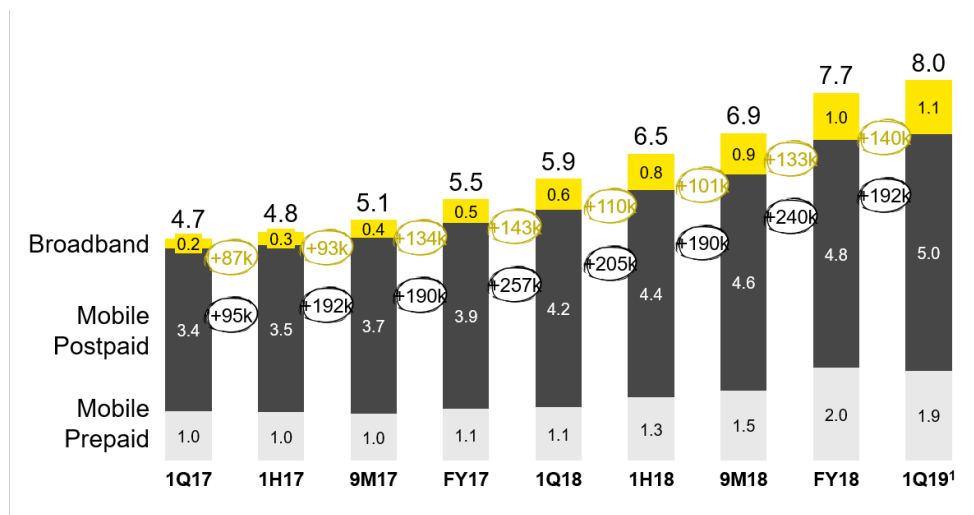
Commercial results: great commercial performance in Q1 with more than 330,000 new customers

In terms of commercial results, **MASMOVIL Group continues to maintain its excellent commercial progress and its strong organic growth, closing the first quarter of the year with 332,000 net additions in the period**, 192,000 postpaid mobile and 140,000 fixed broadband. In terms of net broadband adds, this quarter registered a record for the last 12 months.

The Company has added more than 100,000 net broadband for six consecutive quarters and more than 190,000 net adds of mobile postpaid for seven consecutive months



At the end of the first quarter, MASMOVIL Group had 8M lines, 34% more than last year, of which 7M are mobile (5M belong to the postpaid segment, 20% more than last year) and more than 1.1M of fixed broadband, 75% more compared to the previous year. During the last 12 months, MASMOVIL has added close to 500,000 fixed broadband lines. 73% of the total base of broadband customers use optic fiber.

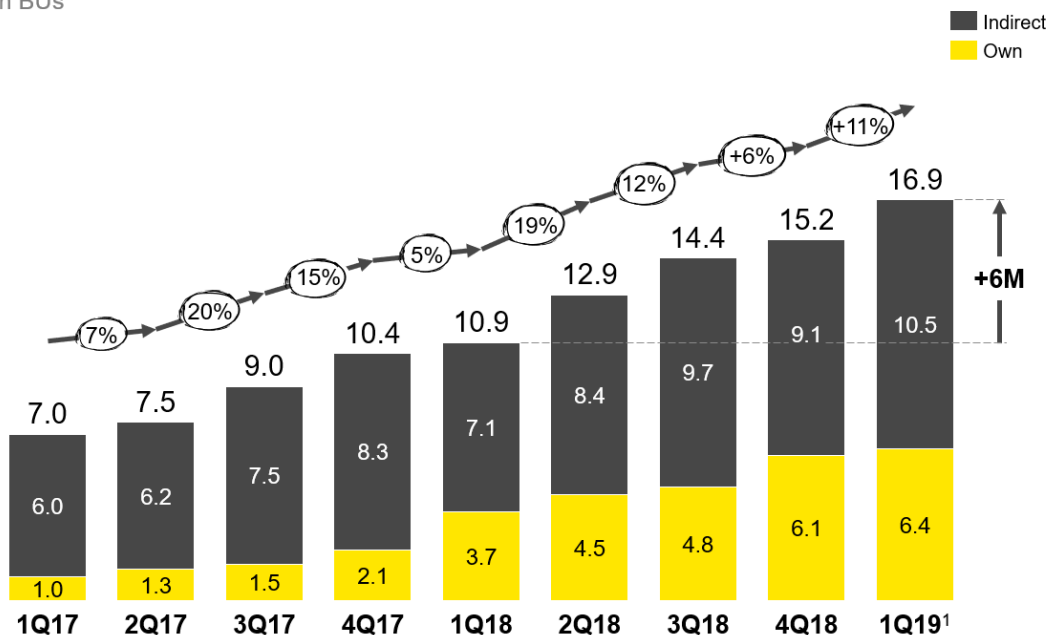


Significant increase in its optic fiber footprint during the first quarter of the year with 1.7M new marketable homes

MASMOVIL had at the end of the first quarter about 17M of marketable homes with its fiber offer - 6.4M with its own fiber (+72%) -, 55% more than at the end of the same period last year, including the Bitstream agreements with Orange and Telefónica.

According to a study by the prestigious French company nPerf, the fiber network of MASMOVIL Group is the fastest in the Spanish market.

Million BUs



¹ Including the footprint available under Bitstream agreements (including initial Telefónica's NEBA offer)

During the first quarter of the year, the Group invested a total of 57M€, of which 20M€ corresponds to the development of its high-speed networks.

Two important operations related to its fiber network that will generate a positive impact in terms of cash flow of 150M€

MASMOVIL Group has also announced today two important transactions related to its fiber optic network

MASMOVIL sells 933K households of its fiber optic network for 217,5M€

First the company has agreed to sell 933K households of its own fiber network for an amount of 217,5M€ to an important international infrastructure fund. Present and future clients in the area will keep within the Company.

Agrees to acquire 1M of FTTH homes to Orange Spain for 70M €

In addition, the Group has also announced the agreement to purchase before the end of the year through an "IRU" (Irrevocable Right of Use) 1M homes from Orange

Spain for an amount of 70M€, which will permit to increase the deployment of its own fiber optic.

The combination of these two operations will generate a positive cash flow for MASMOVIL of 150M€. Considering the sale price per household -233 € - obtained by the Group in this transaction, the valuation of the Group's own FTTH network composed of 6.4M households, would reach 1,500M€.

These two operations will have a neutral impact in the size of MASMOVIL's own fiber network and the Company maintains the goal of reaching 8M homes with its own fiber network by the end of this year.

Confirm its guidance for 2019

Finally considering the good results of the Company during the first quarter of the year, MASMOVIL Group reiterates its confidence in achieving the following objectives:

- **Service revenues: growth in service revenues of 22%, reaching 1,445M€.**
- **EBITDA: 450M€** of recurring EBITDA, compared to 330M€ in 2018 (+ 36%) and an **EBITDA margin of 27%**.
- **CAPEX: 360M€ most for the development of its fiber optic network** and to support the growth of its customer base.

About MASMOVIL Group

MASMOVIL Group is the fourth largest converging telecommunications operator in Spain that provides fixed, mobile and broadband Internet services for residential, business and Wholesale, through its main brands: Yoigo, Pepephone, MASMOVIL, Lebara and Llamaya.

The group relies on a fiber/ADSL network for broadband and 3G and 4G network for mobile telephony. At present, it has close to 17 million fiber households and reaches 18 million homes with ADSL. The companies' 4G mobile network covers 98,5% of the Spanish population. The Group has more than 8 million customers in Spain.

MASMOVIL Group has been awarded with the [prize "Best fiber operator" by ADSLZone 2018](#) and the ["Best fiber operator by the website El Grupo Informático"](#). In addition, it has been named ["Revelation Company" in the Business Awards of the Vocento Group](#).

Additionally, it is the operator with the fastest fiber network in Spain according to a study by the company, [nPerf](#), and the operator with the fastest 3G+4G aggregated mobile network in Spain, according to a study by the company, [Tutela](#). Finally, it has obtained the highest score as the Spanish mobile operator best valued by customers, according to the "Customer Experience Index 2017", prepared by the consultancy Stiga.

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