Fastweb announces financial results for H1 2017: customers and margins keep growing for the 16th consecutive quarter. Mobile customers grow by 45%

- *Revenue of Fastweb increased 5% to 923 million Euro in the first semester 2017. The wireline customer base increased by 7% year over year.*
- *Organic EBITDA grows to 308 million Euro, +10% on previous year.*
- *Deployment of ultra-broadband fiber infrastructure advances steadily: 50% of Fastweb proprietary FttC network already upgraded to offer 200 Mb/s; deployment of FTTC ongoing in 19 new cities; "UltraFibra", Fastweb signature 1 Gb/s connectivity service, already launched in Milan, Turin, Bologna and Rome. Naples, Bari and Genova to follow in September.*
- *Strong growth of 4G mobile service.*

Milan, August 17th 2017 – In the first semester of 2017 Fastweb further consolidated its position in the Italian broadband market, confirming the continuous improvement of the main financial indicators. The strategy based on infrastructure investment keeps being rewarded by the market and both, consumer and business, customers are increasingly turning to Fastweb as a provider of high performance services.

By June 30th 2017, Fastweb wireline customer base reached 2.411.000, marking a 7% growth (+154.000 new customers) year over year. Total revenues totaled 923 million Euro, up 5% compared to 881 million euro of previous year, also due to the increasing availability of Fastweb ultra-broadband connectivity offer (up to 1 Gb/s) throughout the national territory.

EBITDA (Earnings before interest depreciation and amortization) reached 403 million euro compared to 335 million euro in the first half of 2016. Excluding extraordinary items, EBITDA amounts to 308 million euros, up 10% on previous year. A slight growth also for EBITDA margin on company's revenue which reached 33% compared to 32% in the first half of 2016, signaling the continuous improvement of earnings.

Free Cash Flow, taking into account extraordinary cash-outs for the acquisition of Tiscali Business branch and the participation in FlashFiber, totalled 75 million euro (+8 million on the previous 12 months). Excluding extraordinary cash outs, FCF would have reached 106 million Euro, up 58% on previous year.

Fastweb continuous engagement in fiber roll-out pushed CAPEX in the first six months of the year to 302 million euro, 16 million more than in the first half of 2016 (+6%) and equal to 33% of company's revenues, an unparalleled figure in the European telecoms sector highlighting Fastweb key role in delivering innovation and digitalisation in Italy.

On June 30th, Fastweb ultra-broadband network reached 7,8 million households in 130 cities with both Fiber to the Cabinet and Fiber to the Home architectures. Both the expansion of the FttC network - with 19 new cities being developed currently - and the technological upgrade of the FttC network, are proceeding steadily: more than 50% of households covered by the FttC network are already enabled to receive connectivity at 200 Mb/s.

Also the expansion and the upgrade of the FttH network proceeds in line with the industrial plan. The "UltraFibra" service, enabling download speeds up to 1 Gigabit per second – already available in Milan, Roma, Bologna and Torino – will be made available soon in all other FttH cities, starting with Genova, Naples and Bari, where "UltraFibra" will be available starting in September.

Fastweb consolidates its leadership position in terms of penetration of ultra-broadband connectivity services. By June 30th, more than 923.000 wireline customers opted for an ultra-broadband offer (+ 30% compared to the 710.000 customers active in June 2016). More than 38% of Fastweb wireline customer base has already switched to an ultra-broadband service with download speed up to 1 Gb/s, indicating a growth in the demand for high-performance connectivity and Fastweb commitment in promoting the digital transformation of Italian families and companies.

As far as the mobile segment is concerned, the strong growth already recorded in the first quarter further accelerates. Customer growth is four times the growth achieved in the first semester of the previous year (+ 204.000 compared to +43.000 in the first half 2016). Fastweb mobile customers on June 30th totaled 880.000, up 45% compared to 606.000 reached in June 2016.

Extremely positive is the performance of the Enterprise Business Unit. Specifically, all the contracts with the Public Administrations that were assigned to Fastweb in the context of Consip framework agreement to provide connectivity services to local and national Public Administrations (Public Connectivity System) were finalized. Among the Public Administrations that will be served by Fastweb for the next 7 years: the Ministry of Finance – including the Agency of Revenues, the Agency of Territories and the Agency of Monopolies - SOGEI and INPS. Also the definition of contracts for the provision of connectivity to local Public Administrations – including Municipalities, Regions and Local Health Centers - throughout the national territory is proceeding steadily. The excellent commercial performance of the Enterprise Business Unit, also pushed by several deals signed to provide connectivity and value added services to major companies in Italy, lead to a 15% growth of the BU order book compared to the first half of 2016.

For further info:

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