

Fastweb announces financial results for fiscal year 2018: another outstanding year with customers and margins growing for the 22th consecutive quarter. Remarkable growth of the mobile segment with customers increasing by 34%. Net income at 106 million Euro.

- *The wireline customer base at December 31st reached 2.547.000, increasing by 4% year over year. Overall revenue of Fastweb increased 8% to 2.104 million Euro. Organic EBITDA grows to 674 million Euro, +6% on previous year on comparable basis.*
- *Outstanding performances for all market segments, with Enterprise Business Unit reaching a market share in terms of revenues of 31% while the Wholesale Division's revenues grow 11% reaching 274 million Euro.*
- *Another year of remarkable growth for 4G mobile service, with 1.432.000 customers, up 34% on previous year.*

Milan, February 7th 2019 - Another positive year for Fastweb performances with customers and margins growing for the 22nd consecutive quarter. The results published today confirm for 2018 the trends highlighted by Mediobanca R&S research for the 2013-2017 period: Fastweb is the only Italian operator growing among Italy's telecom companies in terms of revenues (+18,4%). An outstanding performance that is also confirmed at EU level by the analysis produced by Natixis: the benchmark with major telco operators in the big five (France, Germany, Italy, Spain, UK) shows Fastweb as the operator with the fastest growing EBITDA in EU.

The strategy based on innovation and infrastructure investment, as well as fair and transparent offers, keeps being rewarded by the market, both in fixed and mobile segments.

By December 31st 2018, Fastweb wireline customer base reached 2.547.000, marking a 4% growth (+96.000 new customers) year over year.

Revenues year-to-date totaled 2.104 million Euro, up 8% compared to 1.944 million Euro of previous year. EBITDA reached 674 million Euro, up 6% on previous year on comparable basis.

A positive performance of Operating FCF proxy which reaches 84 million Euro, up 100% on 2017, highlighting Fastweb increasing capability to generate cash organically. The above figure excludes extraordinary cash-in and cash-out for litigations, the acquisition from Tiscali of 3.5 Ghz spectrum license and Tiscali Fixed Wireless branch as well as the acquisition of one of the allotment in 26 Ghz band through the public auction for 5G frequencies.

Net income reaches 106 million Euro, +49% year over year excluding extraordinary items recorded in 2017.

Fastweb keeps pursuing its industrial infrastructure-based convergent strategy with the aim of offering the most performing indoor and outdoor connectivity to its customers. Fastweb confirms its leadership in terms of investments: Fastweb wireline ultrabroadband network at December 31st was available in 22 million households of which 8 million covered through a proprietary FTTx infrastructure and 4 million with the Fixed Wireless Access network acquired from Tiscali. The acquisition of 40 Mhz of spectrum in 3.5 Ghz band and

200 Mhz in 26 Ghz band allows Fastweb, which has now completed its spectrum portfolio, to enter the planning and deployment phase of a 5G network starting from the major Italian cities.

Net of extraordinary cash out mentioned above, Fastweb CAPEX in the year reached 593 million Euro equal to 28% of company's revenues, an unparalleled figure in the European telecoms sector. As highlighted by Mediobanca R&S report *"Fastweb has the highest average percentage of revenues invested over the 2013-2017 period (32,7%); from its creation in 1999 the company has invested in its wireline infrastructure of 46,6 km of fiber over 9 billion Euro"*.

Fastweb confirms thus its key role in delivering innovation and digitalisation in Italy, with the goal of leveraging its assets - the fiber deployed in major urban areas, the spectrum portfolio and its FWA network with more than 800 sites - to rapidly deploy a national 5G network and position itself as the leading convergent operator in the country.

Fastweb consolidates its leadership position as well in terms of penetration of ultra-broadband connectivity services. By December 31st, 1.402.000 wireline customers opted for an ultra-broadband offer (+36% compared to the 1.034.000 customers active in December 2017). Approximately 55% of Fastweb wireline customers - up 13 pp on 2017 and a unique figure in Europe - 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.

2018 was an excellent year for the mobile segment as well. At December 31^s Fastweb has 1.432.000 mobile customers, up 34% on the previous year. Overall customer growth is extremely satisfying (+389.000) despite intense competition due to the entrance of the 4th mobile operator in the market. Fastweb confirms its focus on fixed-mobile convergence - increasing to 30% the percentage of customers adopting both fixed and mobile services (+7pp in 12 months) - as well as on customer experience, thanks to the launch of the new chapters of the "Niente Come Prima" strategy.

The Enterprise Business Unit performed extremely well over the year respect both the contracts with the central and local Public Administrations as well as the provision of connectivity and value added services to new private business customers: Fastweb market share in the Enterprise Business market is now 31% in terms of revenues, with outstanding performances in specific segments such as data connectivity (50% of market share) and services to public administration (39% of market share).

Equally robust the performances of Fastweb Wholesale division: the provision of wholesale data connectivity services as well as fiber connection of MNOs antennas represents a growing segment of the company's commercial activity. All operators in the Italian markets acquire one or more wholesale services from Fastweb, leading revenues to 274 million euro, up 11% on previous year.

For further info:

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