Fastweb: customers, revenues and margins grow in the first semester 2014 thanks to ultrabroadband services and increased investments

During the first semester of the year the broadband provider's revenues reached 792 million euro (+1% YoY) and Ebitda increased by 12% to 236 million euro. The number of customers increased by 6% with respect to first half 2013 and the Enterprise segment marked a strong performance. Rollout of the fibre optic network is proceeding according to schedule and in June the network had reached 4.2 million homes and businesses.

Milan, 20th August 2014 – During the first six months of 2014 FASTWEB consolidated its position in the Italian broadband market thanks to its innovative commercial offers and to the quality, speed and stability of its internet connectivity.

During the first semester of the year FASTWEB was co-leader in the acquisition of new broadband customers, with a 36% market share of net adds. The customer base increased by 6% to 1,994,000 customers (+107,000 new customers) with respect to first six months of 2013.

At June 30th 2014, FASTWEB's total **revenues** had reached 792 million euro, a 1% increase with respect to 785 million euro posted the previous year. As reported in previous quarters, these figures are net of low margin interconnection revenues, which the Company is gradually reducing. The gross figures were respectively 806 million euro and 810 million euro.

Ebitda (earnings before interest depreciation and amortization) reached 236 million euro, a 12% increase with respect to 210 million euro posted a year earlier. Excluding regulatory onetime effects, Ebitda grew by 5% to 221 million YoY. The Ebitda margin increased to 29% from 26% in first semester 2013.

With regard to **Capital Expenditure** (Capex), in the first six months of the year FASTWEB invested 284 million euro (+11% YoY) in order to extend its fibre optic network. During this period, Company Capex was equal to 35% of revenues. Thanks to this extraordinary effort and to the investments made in 2013, the National Regulation Authority Agcom publicly recognised the key role that Fastweb has played in Italian NGN development in its Report to the Italian Parliament.

To date, **4.2 million** homes and businesses in Italy have been passed by FASTWEB's NGN (using fibre-to-the-home or fibre-to-the-cabinet technology). This network allows connection speeds of up to 100 megabit per second. The cities reached so far by FASTWEB's ultra broadband services are: Milano, Rome, Ancona, Bari, Bergamo, Bologna, Brescia, Busto Arsizio, Catania, Como, Genoa, Legnano, Livorno, Modena, Monza, Naples, Reggio Emilia, Padua, Palermo, Pescara, Pisa, Turin, Varese, Venice and Verona.

The new fibre optic network extension plan is proceeding according to schedule and 80% of the cabinets programmed for year-end have already been installed. The number of customers already active on the new ultrafast network is 110,000. The rollout of the new fibre optic network and the commercial performance of its services are strong and in-line with forecast.

The performance of the **enterprise and public administration** segment was also strong. In this segment FASTWEB is the second most important provider of voice and data connectivity in Italy with a 28% market share. The Enterprise segment produced a 14% year on year increase in orderbook in the first semester, despite a highly competitive market environment. The Enterprise business unit reached a 71% success rate of bids with respect to 59% in first half of 2013. Some of the the new customers acquired in the period include the new fiber network of Garr X Project, Asl Torino, the new Biella hospital and Cardarelli hospital in Naples. In order to increase its range of services for large enterprises and public administration, FASTWEB is completing the construction of a new data centre in Milan, which has obtained the highest certification level from the Uptime Institute: Tier IV. FASTWEB will be the first telecom provider in Italy to supply such a high performing service to its customers.

For further information please contact:

FASTWEB PRESS OFFICE,
Maria Laura Sisti
Tel + 39 02 4545 4370
Marialaura.sisti@fastweb.it