

## Fastweb – customers, revenues and margins all up in the first nine months of the year

*Subscribers amount to 2.3 million, up 5.7% with respect to September 2015. Revenues for first nine months up 2.5% on 9M 2015 to Euro 1.318 billion. EBITDA, net of extraordinary items, up to Euro 435 million (+7.4%), achieving an uninterrupted growth of Ebitda over the last 13 quarters.*

Milan, November 3, 2016 – Fastweb announces its **9M 2016** results. The company continued to grow revenues, earnings and subscribers in a period featuring vibrant new customer acquisition and higher operating profits.

By the end of September 2016, broadband subscribers reached **2.3 million**, increasing **123,000 (+5.7%)** on September 2015. With 33% of customers connected to the New Generation network with speeds of up to 200 Mbps, Fastweb has confirmed itself as ultra-broadband market co-leader with 750 thousand active ultra-broadband customers.

Strong growth is also reported on the **mobile** segment, with Fastweb's virtual mobile service attracting more than 110,000 new customers, up 23% on the previous year - for 601,000 customers.

In the first nine months the telecommunication operator's **revenues** reached Euro 1.318 billion, up 2.5% from Euro 1.286 billion in the same period of the previous year.

In the **residential** segment, the increased number of customers more than offset the squeezing of prices on the highly competitive Italian telecommunication services market. Increasing numbers of Italians are turning to Fastweb thanks to excellent network performance. The customer offer has been extended to include a wide package of digital services, with partners such as Rcs, Sole 24 Ore, Drop Box, Play Station and Xbox. The joint internet and TV package partnership with Sky was also renewed and extended.

The **large enterprise and public administration** connectivity and services market performances were also strong. Fastweb is the second largest Italian operator in this segment with a market share of 28%. Following investment in network infrastructure, the new Data Center and the launch of ICT solutions, Fastweb has gained market share in the Cloud Computing and ICT Security services segment. In the third quarter of the year, the temporary consortium comprising Fastweb, Finmeccanica and IBM was awarded a long-term contract worth Euro 600 million for public sector digital security services.

Operating profitability grew strongly in the first nine months of the year. **EBITDA** rose to Euro 490 million (+21% from Euro 405 million last year). Net of extraordinary items for Euro 55 million, adjusted EBITDA was up 7.4% to Euro 435 million. Thanks to the strong industrial performance and the leaner cost structure Ebitda at Fastweb has continuously increased over the last 13 quarters. The adjusted EBITDA margin, therefore net of extraordinary items, increased 1.5% to 33%.

**Investments** were boosted to Euro 430 million (+6.7%) in support of the continued expansion of the ultra-broadband infrastructure. In the first nine months of the year,



Fastweb invested 33% of turnover to ensure the speedy roll out its ultra-broadband network which will reach 13 million households and businesses - equal to 50% of the Italian population - by 2020. Of these, 8 million households will be reached by Fiber to the Cabinet technology permitting download speeds of up to 200 Mbps, and 5 million households and businesses reached by FTTH (Fiber To The Home) technology with speeds of up to 1 Gigabit per second and beyond.

Flash Fiber became operative during Q3, the Joint venture between Fastweb and Tim to create a FTTH network to reach 3 million households and businesses in the 29 largest Italian cities. By the end of September 2016, Flash Fiber had connected 75 thousand residential units to FTTH.

The independent infrastructure investment policy enables Fastweb to improve its autonomy and service quality control, while simultaneously growing company revenue thanks to the reduced need for third party infrastructure.

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For further information:

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