

Annual results 2019

The Company continues to lead the growth in the Spanish market for the third consecutive year and reiterates all its financial objectives for the period 2020-21

MASMOVIL Group closes a record year and reaches a net income of 93M€ in 2019 (+32%), an EBITDA of 468M€ (+42%), service revenues of 1,462M€ (+24%) and total revenues of 1,681M€ (+16%)

- The Group has increased its customer base by 1.4M, between fixed and mobile postpaid broadband and momentum continues with strong growth in the last quarter of the year.
- The Group reaches 8.9M customers, of which 1.5M are fixed broadband and 7.4M mobile.
- MASMOVIL reaches 23.4M households with its offer of fiber.
- The Company continues to lead customer satisfaction in Spain.

Madrid, February 28th, 2020.- [MASMOVIL Group](#) today has presented its results for year 2019 in which the Company reaches a new historical milestone leading for the third consecutive year the growth of the Spanish telecommunications market, both in acquisition and in customer satisfaction.

Taking into account the good results of the Company, which maintained a strong commercial momentum during the last quarter of the year with **334.000 net additions between mobile postpaid and fixed broadband**, the Group has reached all its guidance for the year 2019 and has reiterated all its financial objectives for the period between 2020 and 2021.

As a result of this good evolution, **MASMOVIL Group obtained a net income of 93M€, 32% more than that of the previous year and an adjusted net income of 154M€ (+14%).**

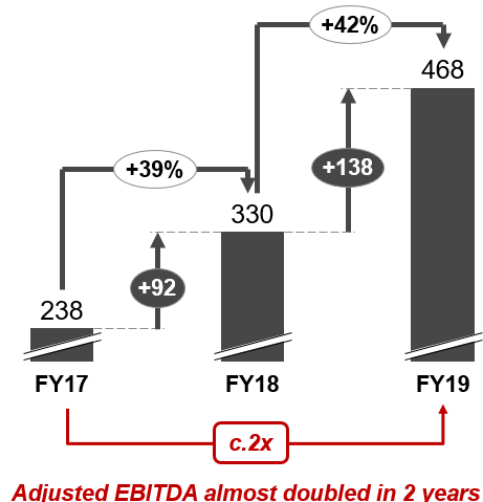
Excellent annual results in all parameters

During 2019, MASMOVIL Group has achieved **excellent results thanks to the success and good commercial momentum of all the Group's brands: Yoigo, MASMOVIL, Pepephone, Llamaya y Lebara.**

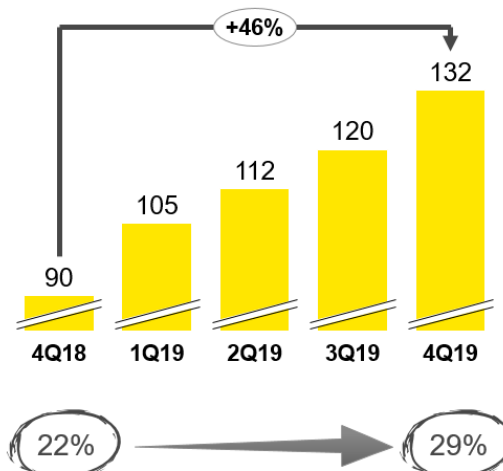
In 2019, **MASMOVIL Group reached an EBITDA of 468M€, 42% more than that obtained in 2018, almost doubling this parameter in the last two years (238M€17 vs 468M€19).** The EBITDA margin reached 28% in 2019.

In the last quarter of the year, the Group continued to accelerate its profitability and increased its EBITDA by 46% year- on-year, reaching 132M€ (+12M€ vs Q319), with an EBITDA margin of 29%.

EBITDA Performance¹

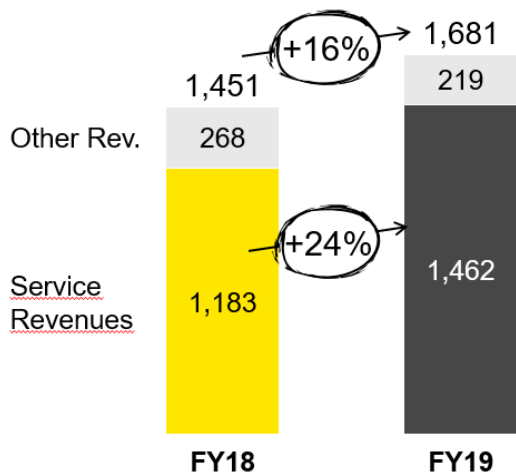


Quarterly Evolution¹

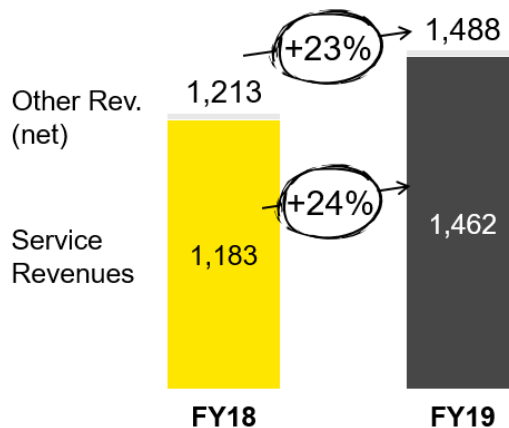


Service revenues during 2019 were 1,462M€, 24% more than last year. The Group achieved total revenues of 1,681M€ in 2019, 16% more than last year.

Revenues



Net Revenues¹



During the past year, MASMOVIL Group invested a total of 466M€ dedicated to the development of its own infrastructures, mainly the deployment of its own fiber optic network in which it invested a total of 232M€, to support its growth in customers.

The Group has improved its debt target for 2019, from the announced figure of 3.7x EBITDA to 3.5x EBITDA.

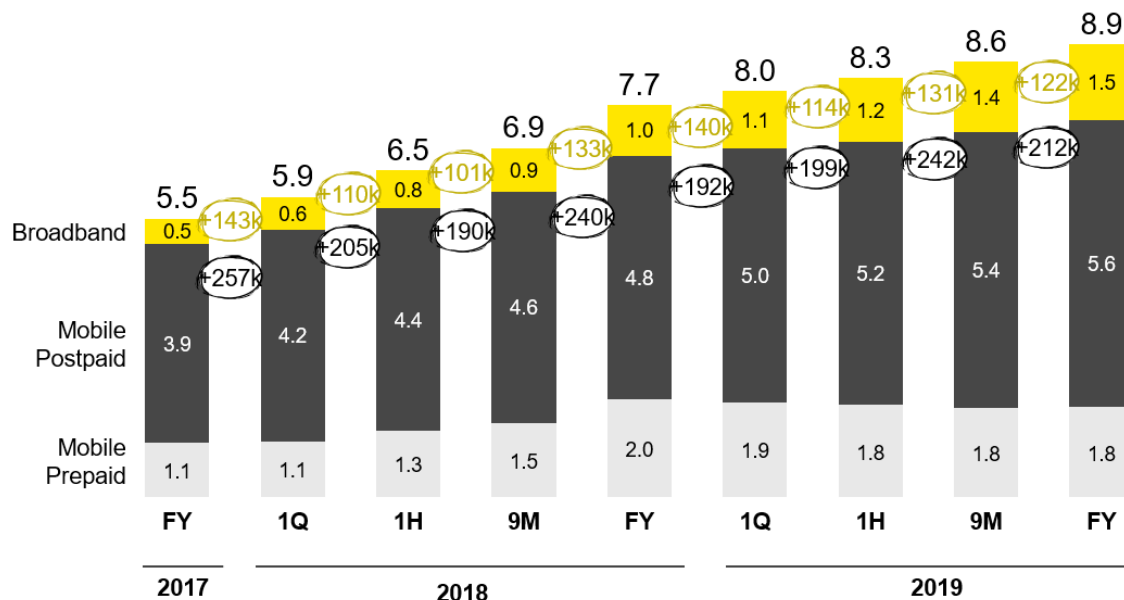
“We have led for the third consecutive year the growth of the telecommunications market in Spain with a commercial proposal based on the satisfaction of our customers. We are confident that our focus on the quality of our services and the creation of value will allow us to achieve all of our planned financial goals for 2020/2021”, said Meinrad Spenger, CEO of MASMOVIL Group.

Great commercial performance: accelerates the growth of its total customer base with the addition of nearly 1.4M new customers between broadband and mobile postpaid

Regarding its commercial results, **MASMOVIL Group closed 2019 with 8.9M customers, 15% more than last year**, of which, about 7.4M are mobile and 1.5M fixed broadband, demonstrating that its multi-brand strategy continues to obtain excellent results.

Of the total mobile customer base, **5.6M are postpaid customers, 18% more than last year and 1.8M to prepaid customers**. In 2019, the Group has added close to 1.4M customers between fixed broadband and postpaid mobile.

Regarding the fixed broadband business, at the end of 2019 MASMOVIL Group had 1.5M customers, 51% more year-over-year. During the year, the Company added more than 500,000 new customers in this segment, a new historical record for the Group’s fixed broadband acquisition. Currently, about 85% of the Group’s total customers access through fiber optic technology.



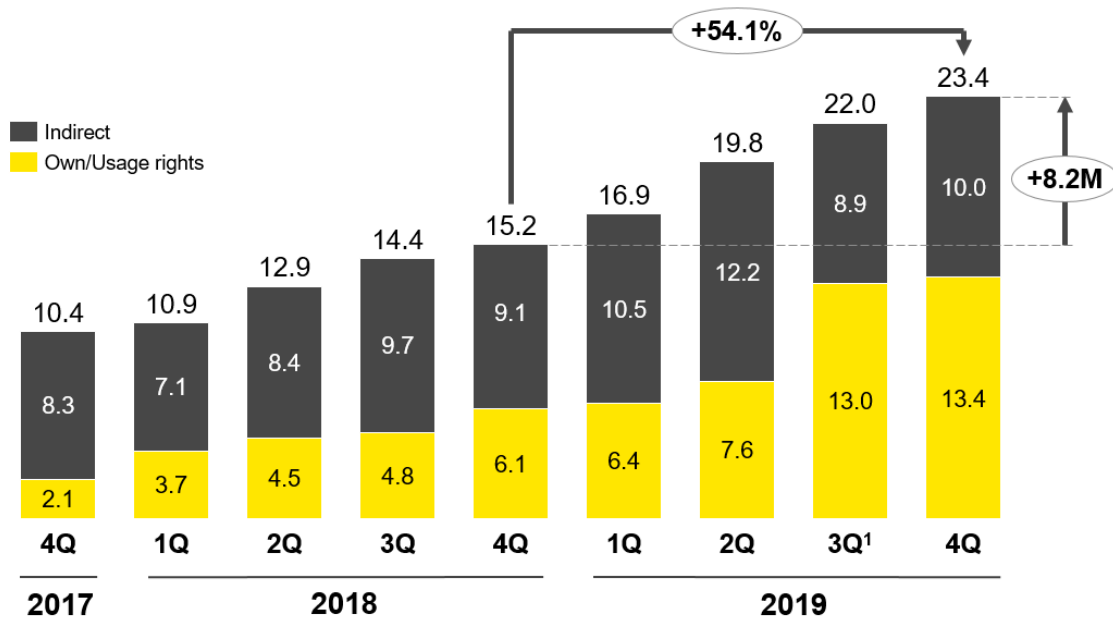
In the last quarter of the year, the Company obtained a great commercial performance with the incorporation of 334,000 customers between mobile postpaid -212,000- and fixed broadband -122,000-, being the tenth consecutive quarter with postpaid additions above 190k and the ninth above 100k additions of fixed broadband.

In addition, at the end of last year the Group reached 100,000 lines with the Agile TV service, accessible for Yoigo customers, which also implies that these customers have high value rates.

By the end of 2019, the Group had a fiber optic **coverage of 23.4M households (54% more) -13.4M between its own fiber network and rights of use-, 8.2M more than last year.** In the mobile segment, thanks to its own network and agreements with other operators, **the Group has a 4G coverage of 98.5% of the Spanish population.**

In the portability market, the Group continues to obtain excellent results and **during the last three years is the absolute leader in both mobile and fixed broadband, quarter after quarter.** During 2019, the Group obtained a net positive result in portability of 427,000 net mobile adds and 255,000 in the fixed broadband market.

The Group’s fiber network with access to more than 23M Building Units continues to be the fastest in Spain during 2019, according to the recent report issued by the prestigious French consultant nPerf, “*Barometer of fixed Internet connections*”, in which, after more than 1.6M tests carried out last year, **MASMOVIL for the third consecutive year, has offered on average the best speed in Spain to its clients of fixed broadband.**



MASMOVIL Group has a commercial offer based on fair prices and excellent quality of service, and according to the GFK Consultancy, all the Group’s brands lead customer satisfaction in their respective market segments, both in convergence and in mobile only, the most notable case being that of the Pepephone Brand, which has an NPS (Net Promoter Score) 60 points above the market average and that of Yoigo with a wide difference from its main competitors.

Guidance for 2020/2021

Taking into account the good results of the Company during 2019, MASMOVIL Group reiterates its financial objectives for the period 2020-2021:

- 2020 adjusted EBITDA 570-600M€; Margin 30-32%; Capex 295M€.
- 2021 adjusted EBITDA 670-700M€; Margin 32-34%; Capex 255M€.
- 2021 FCFE per share >2€.

About MASMOVIL Group

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

The group relies on a fiber/ADSL network for broadband and 3G and 4G network for mobile telephony. At present covers 23.4 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 8.9 million customers in Spain at the end of December 2019.

MASMOVIL Group has been awarded with the prize "[Best fiber operator by ADSLZone 2019](#)" 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 and it is the Spanish mobile operator best valued by its customers by "[The Stiga Customer Experience Index 2019 \(ISCX\)](#)".

Additionally, it is the operator with the fastest fiber network in Spain according to a study during 2019 by the company, [nPerf](#).

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