

Roll-out of a Fixed and Mobile Transport Fiber Network that will boost the
5G ecosystem in France

Agreement between Cellnex and Bouygues Telecom to invest € 1 billion over the next 7 years

Cellnex to create and manage a new company that will operate a fiber network to connect rooftops, towers, telecommunications sites and *edge computing* centres

- **The new infrastructure will interconnect telecommunications towers** that provide service to Bouygues Telecom, **with the network of “Central” and “Metropolitan offices”** that house data processing centres.
 - The agreement **covers the roll-out of up to 90 new “metropolitan offices”** also up to 2027.
 - **Bouygues Telecom will be the anchor tenant of the new network** and will sign a 30+5-year contract that extends Cellnex’s backlog of contracted future sales by € 4 billion, totalling 44 billion.
 - Once the network and the “metropolitan offices” are fully deployed, the **EBITDA generated by the new company will stand at € 80 million.**
 - **The acquisition is subject to** customary regulatory approvals.
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Barcelona, 26 February 2020. Cellnex and Bouygues Telecom have reached a strategic agreement through which they will become partners of a newly incorporated company (51% Cellnex, 49% Bouygues Telecom, with Cellnex holding 100% of the economic rights), that will deploy a national fibre optic network in France to provide mobile and fixed fiber based connectivity and especially accelerate the roll-out of 5G in the country.

Planned investment up to 2027 stands at € 1 billion, which will be used to roll out a network of up to 31,500 km., interconnecting the telecommunications rooftops and towers providing service to Bouygues Telecom --5,000 of which belong to and are operated by Cellnex-- with the network of “metropolitan offices” for housing data processing centres (*Edge Computing*).

Cellnex CEO Tobias Martinez remarked that "The agreement to roll out a genuine fibre ring in France interconnecting various key elements for the Fixed and Mobile ecosystem ranging from the towers connected to the fibre, the data processing centres distributed in the network, to small cells, represents our commitment to a holistic cooperation model with our key customers to facilitate planning and efficient operation of the telecoms infrastructures networks."

The Cellnex’s CEO added that with this transaction “we are strengthening our long-term strategic partnership with Bouygues Telecom, a relationship forged in 2016 with our first agreement and which has continually grown and consolidated since then.”

Bouygues Télécom Network Director, Jean Paul Arzel has underlined that “Bouygues Telecom is proud to go with Cellnex into a new partnership which will bring great opportunities to enhance the capacity of our fixed and mobile network through a high performance optical fiber infrastructure, and support and accelerate our 5G rollout. Also to develop new services for our B2B customers and to continue to deliver an excellent Quality of Service to all of our customers.”

Once the fibre network and the “metropolitan offices” are fully deployed, the EBITDA generated by the new company is expected to stand at € 80 million. Both the acquisition of 51% of the company by Cellnex and the planned investments will be financed mainly via Cellnex contributions (through equity and a shareholder loan), bank financing and cash flows generated by the company itself.

Bouygues Telecom will be the anchor tenant of the new company, with whom it will sign a 30+5-year contract. It is estimated that more than 80% of the new company revenues will be generated by the services associated to the contract with Bouygues Telecom.

As a consequence of this deal, Cellnex's backlog of future sales contracted will grow by € 4 billion to total 44 billion.

Strengthening Cellnex's position in the telecommunications sector in France

The new agreement with Bouygues Telecom reinforces Cellnex's position in the French market. **Cellnex has been operating in France since 2016**, when it acquired an initial package of 500 sites precisely from Bouygues Telecom.

The company continued to expand its footprint in 2017 and 2018 thanks to new agreements with Bouygues which, in total, involved Cellnex acquiring and managing more than 5,000 sites up to 2022.

In addition to the telecom sites and towers, **in December 2018 and February 2019**, Cellnex and Bouygues Telecom **extended their partnership through two new agreements** focused on the development of Fixed and Mobile Transport networks and infrastructure in France. **In December 2018** they agreed for Cellnex to build up to 88 strategic telecommunications centres, also known as “Central Offices” and “Metropolitan Offices” over five years to house data processing capacity (*edge computing*).

Back in February 2019 Cellnex and Bouygues agreed for Cellnex to purchase up to 62 existing centres of similar characteristics.

Finally, in May 2019, Cellnex closed an agreement with another major MNO with European span, to integrate 5,700 sites in France. The deal also provides for the roll-out of 2,500 new sites for this mobile operator up to 2027.

Once all these agreements are closed and all the planned sites have been built (up to 2027), Cellnex will manage a portfolio of almost 14,000 sites in France, which will become the group's main market by volume of assets managed and by turnover.

Since 2016 Cellnex has executed or committed more than € 4.3 billion in investment in growth operations in France, plus the € 1 billion it will now invest the new company controlled by Cellnex in rolling out the new fibre network and metropolitan offices by Cellnex.

About Cellnex Telecom

Cellnex Telecom is Europe's leading operator of wireless telecommunications and broadcasting infrastructures with a portfolio of c.58,000 sites including forecast roll-outs up to 2027. Cellnex operates in Spain, Italy, Netherlands, France, Switzerland, the United Kingdom, Ireland and Portugal.

Cellnex's business is structured in four major areas: telecommunication infrastructures services; audiovisual broadcasting networks; security and emergency service networks and solutions for smart urban infrastructure and services management (Smart cities and the Internet of Things (IoT)).

The company is listed on the continuous market of the Spanish stock exchange and is part of the selective IBEX 35 and EuroStoxx 600 indices. It is also part of the FTSE4GOOD and CDP (Carbon Disclosure Project) and "Standard Ethics" sustainability indexes.

Cellnex's reference shareholders include Connext, with a 29.9% stake in the share capital, as well as CriteriaCaixa, Blackrock, Wellington Management Group and Canada Pension Plan, holding smaller stakes.

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