EI TOWERS

FY 2012 Results Presentation

21st March 2013

Forward-looking Statements contained in this document, particularly the ones regarding any EIT (EI Towers) possible or assumed future performance, are or may be forward-looking statements and in this respect they involve some risks and uncertainties.
EIT actual results and developments may differ materially from the ones expressed or implied by the above statements depending on a variety of factors.
Any reference to past performance of EIT shall not be taken as an indication of future performance.
This announcement does not constitute an offer to sell or the solicitation of an offer to buy the securities discussed herein.
The executive responsible for the preparation of the accounts of EI Towers SpA, Fabio Caccia, declares that, as per art. 2, 154 bis of the Consolidated Finance Law, the 2012 accounting information contained in this release corresponds to that contained in the company's formal accounts.

The pro-forma full year 2011 results are prepared on the basis of management assumptions; therefore they do not represent accounting statements for the period and are unaudited.

EIT FY2012 - Targets Beaten

First operating year of EI Towers successfully completed…

- **The Company has been steadily outperforming the Business Plan targets, quarter by quarter thanks to:**
  - **Inflation index (CPI) higher than initially forecasted**
  - **G&A and operational efficiencies higher than expected (in the first year EI Towers already delivered 50% of 5 years Plan total cost efficiencies)**
  - **Commercial ability to open the network to new margin-accretive clients (e.g. Infront)**
- **In addition, the contract with TIMB has been renewed for further 12+6 years, marginally increasing the contracts portfolio duration**
- **These positive achievements have been able to more than offset the pressure coming from small TV clients, representing a low single-digit portion of revenues "at risk"**
- **Adjusted EBITDA at €95m (vs €86m of the Business Plan), notwithstanding the delay in the assignation of new frequencies by the Government**

…with a Free Cash Flow generation of €40m

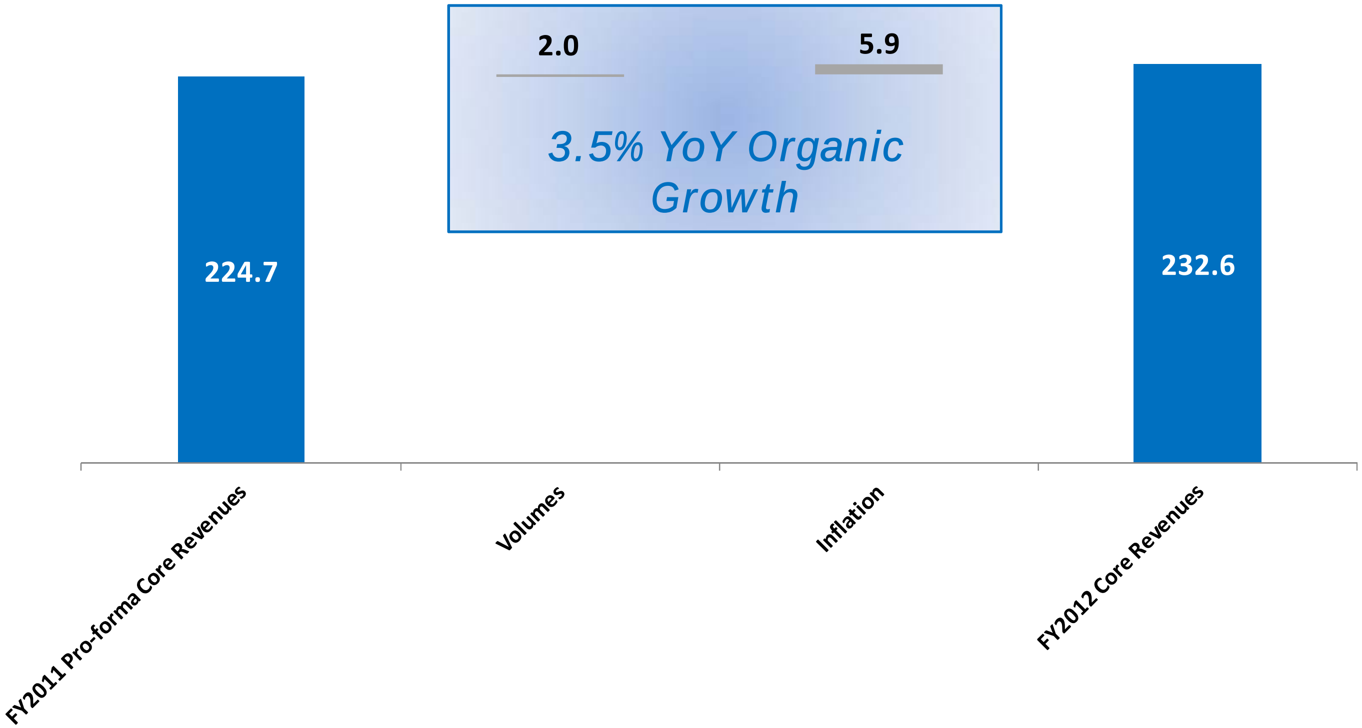
EIT FY2012 – P&L

Data in €/m	FY2011 (*)	*PRO-FORMA Adj.*	FY2011 PRO-FORMA	FY2012	Var. % YoY
Core Revenues	**219.7**	*5.0*	**224.7**	**232.6**	**3.5%**
Other revenues	4.2		4.2	1.2	
Total Revenues	**223.9**	*5.0*	**229.0**	**233.8**	**2.1%**
Operating costs	**(148.0)**	*(3.2)*	**(151.2)**	**(138.7)**	**-8.3%**
- o/w Opex	*(104.4)*	*(1.6)*	*(106.0)*	*(95.3)*	*-10.1%*
- o/w Labour Cost (**)	*(43.5)*	*(1.6)*	*(45.2)*	*(43.4)*	*-3.9%*
Adj. EBITDA	**75.9**	*1.9*	**77.8**	**95.2**	**22.3%**
% on Core Revenues	*33.9%*		*34.6%*	*40.9%*	
Non recurring items	(8.9)		(8.9)	(0.6)	
EBITDA	**67.0**	*1.9*	**68.9**	**94.6**	**37.3%**
D&A, provisions (***)	(48.0)	*na*	nm	(50.0)	nm
EBIT	**19.0**	*na*	**nm**	**44.5**	**nm**
Net financial charges	na	*na*	nm	(6.1)	nm
EBT	**na**	*na*	**nm**	**38.4**	**nm**
Income taxes	na	*na*	nm	(14.8)	nm
Net income	**na**	*na*	**nm**	**23.6**	**nm**
Net income adjusted	**na**	*na*	**nm**	**24.7**	**nm**
EPS (€)	**na**	*nm*	**nm**	**0.84**	**nm**
EPS adjusted (€)	**na**	*nm*	**nm**	**0.87**	**nm**

(*) DMT + old EIT carve out figures
(**) FY2011 pro-forma figures include the cost associated with 20 former MS employees
(***) Including (€2.5ml) amortization of non compete agreement with the former DMT CEO, PPA amortization (€5.7 ml, of which €2.5ml already booked by DMT), a positive effect (€1.7ml) of harmonization of assets residual life between EIT and Towertel

EIT FY2012 - Core Revenues Bridge (€ in millions)

- **Core Revenues growth at 3.5% YoY, notwithstanding the delay in new Mux auction**
  - **Growth slowdown in 4Q 2012 (vs 9M 2012) is exclusively explained by the contribution coming from installations and related activities in 4Q 2011; in 2012, the bulk of switch-off activities has been completed in the first 9M**
- **4Q CPI lower than average 9M 2012 (2.5% vs 3.1%)**



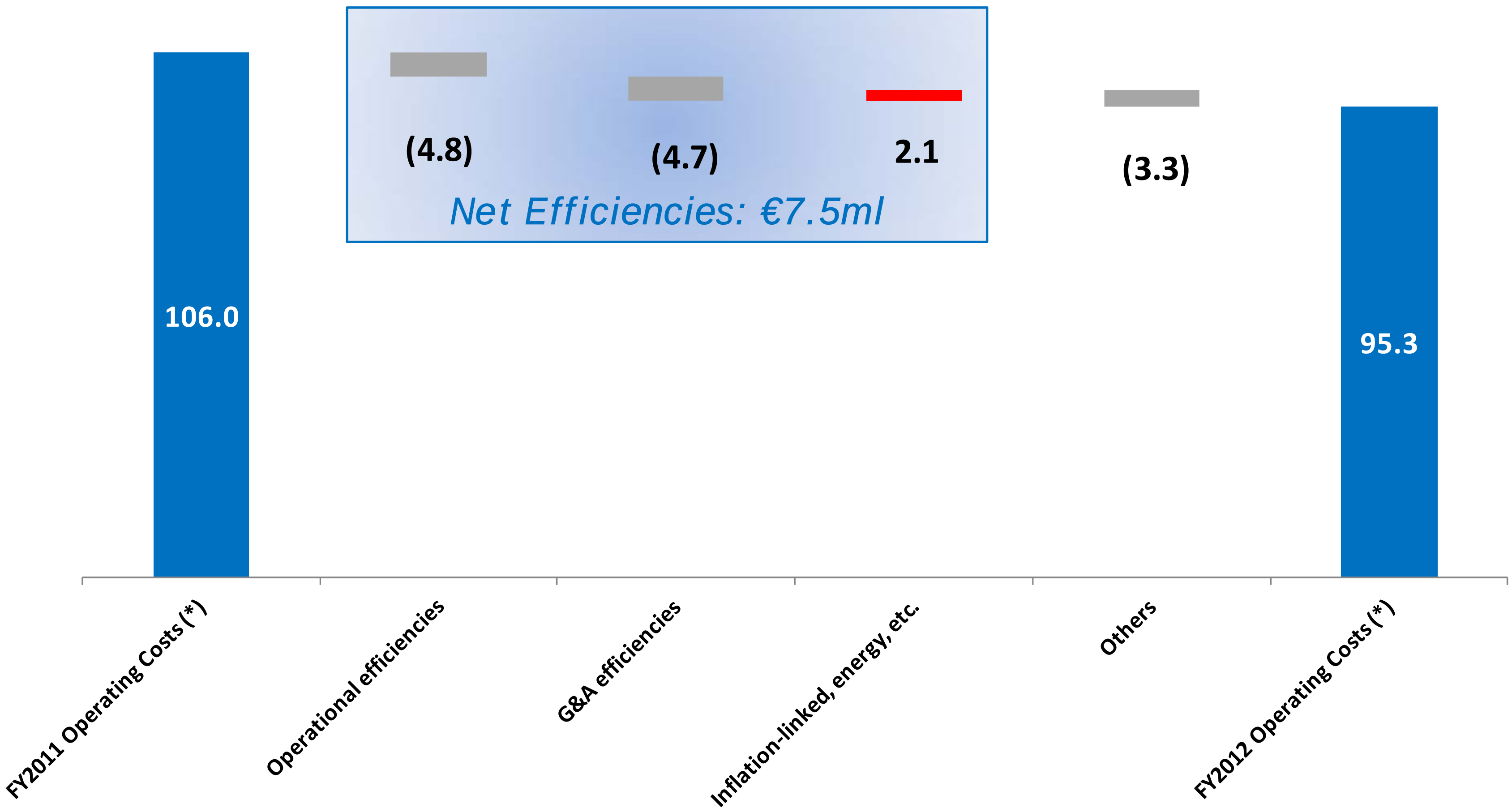
EIT FY2012 – Integration Plan

In 2012, strong focus on integration…

- In the first year of activity, the management, in order to achieve the Business Plan targets, focused its activity on the combination of the two merged entities
- In particular, among the most important tasks to carry out there has been the integration of two existing structures and the merger of two different cultures, one characterized by a strong commercial approach (former DMT) and one centralized on the technological excellence in network management (former Mediaset activities)
- Results of this integration process were visible since the first quarter of 2012 and above expectations also in following quarters
- The 2011-16 Business Plan is based on a opex reduction target of around €15m

…delivering 50% of 2011-16 Business Plan efficiencies

EIT FY2012 – Operating efficiencies (€ in millions)



(*) Excluding Labour Costs

EIT FY2012 Financial Results

FY targets more than achieved on quarterly and annual basis….

FY2012 Financial Headlines

Data in €/m	1Q 2012	2Q 2012	3Q 2012	4Q 2012	Var. % QoQ	∆ Q4 vs Q3	FY 2012
Core revenues	**55.9**	**60.6**	**58.1**	**58.0**	**-0.2%**	**-0.1**	**232.6**
Other revenues	0.2	0.3	0.2	0.5	129.9%	0.3	1.2
Total Revenues	**56.1**	**60.9**	**58.3**	**58.5**	**0.3%**	**0.2**	**233.8**
Total Operating costs	**(33.4)**	**(36.7)**	**(33.5)**	**(35.1)**	**4.9%**	**(1.7)**	**(138.7)**
- o/w Opex	*(22.6)*	*(24.6)*	*(23.6)*	*(24.5)*		*(0.9)*	*(95.3)*
- o/w Labour Cost	*(10.8)*	*(12.1)*	*(9.9)*	*(10.6)*		*(0.8)*	*(43.4)*
Adj. EBITDA	**22.7**	**24.2**	**24.9**	**23.4**	**-6.0%**	**(1.5)**	**95.2**
% on Core Revenues	*40.6%*	*39.9%*	*42.8%*	*40.3%*			*40.9%*
Non recurring items	(0.5)	-	-	(0.1)		-0.1	(0.6)
EBITDA	**22.2**	**24.2**	**24.9**	**23.3**	**-6.4%**	**(1.6)**	**94.6**
D&A (*)							(43.3)
PPA Amortisation							(3.2)
Others							(3.5)
EBIT							**44.5**
Net financial charges							(6.1)
EBT							**38.4**
Income taxes							(14.8)
Net income							**23.6**
Net Income adj.							**24.7**
EPS (€)							**0.84**
EPS adj. (€)							**0.87**
NFP							**189.2**

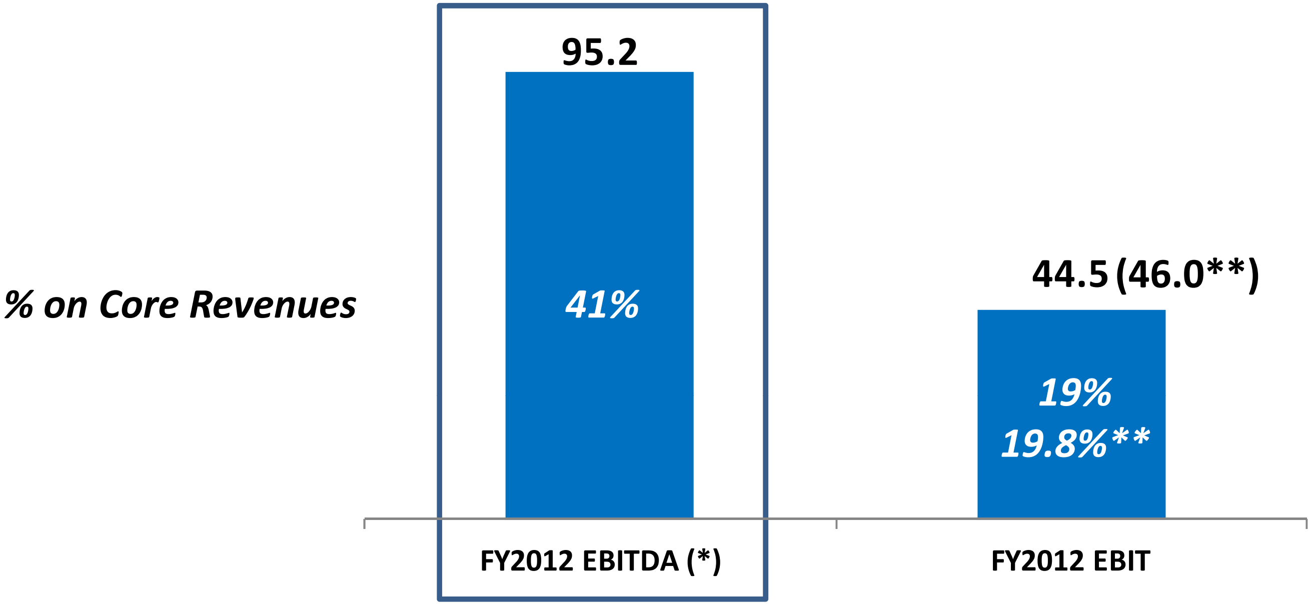
- *4Q Opex in line with 2Q*
- *4Q Labour Cost higher than 3Q (switch-off and paid annual leave effects) but lower than 2Q*

(*) Including €2.5ml amortization of non compete agreement with the former DMT CEO

EIT FY2012 Margins (€ in millions)

...delivering an EBITDA margin at 41%…

Data in €/m

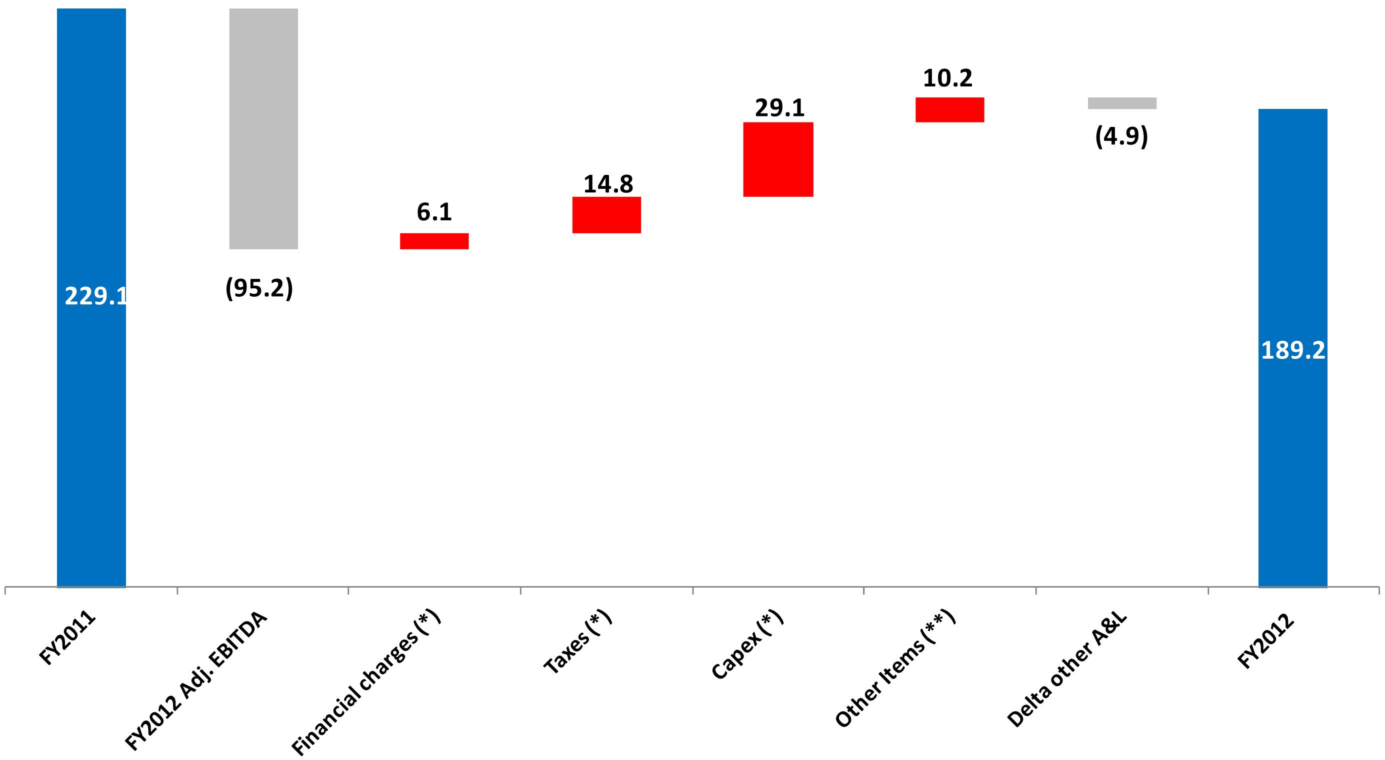


(*) Adjusted EBITDA
(**) Excluding PPA amortization and assets residual life harmonization

EIT FY2012 - Strong Cash Flow conversion

...with an EBITDA cash flow conversion at 42%

Data in €/m



- **Sales Cash flow conversion: 17%**
- **Adj. EBITDA Cash flow conversion: 42%**
- **EBITDA higher than expected, driven by top-line (CPI-linked) and efficiencies (G&A and operational)**

(*) Accounting figures
(**) NCA, lay-offs and M&A fees

EIT Final Remarks

- The dividend proposal made by the Board of Directors, to be approved by the AGM on the 18th of April, is equal to €0.42 per ordinary share
- The Company is in the process of refinancing the Group facilities and will eventually access the debt capital market in 2013
- The draft of rules for the auction are being analysed by the European Commission for approval. The timing of the process is still uncertain, although the pending infringement procedure vs Bruxelles gives confidence that the auction should take place

EIT Outlook 2013

- EBITDA in 2013 should be close to €100m
- 2013 Net Cash flow generation before dividend distribution, notwithstanding the delay in the auction for the assignation of new TV frequencies, will be at least in line with 2012 normalised figure, as a result of:
    - Maintenance capex below €15ml
    - Continuous effort in opex reduction
    - Higher tax outflow vs 2012
- Long term dividend policy will be unveiled after the Group refinancing

For more information please contact:

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