



FY2014 Results Presentation

19th March 2015

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 2013 and 2014 accounting information contained in this release corresponds to that contained in the company's formal accounts.

FY2014 Business Plan targets fully achieved

- **€3.6m net cost efficiencies delivered in FY2014**
 - In line with FY2014 Net Efficiencies Target
 - Additional Opex savings on top of €15m delivered in FY2012/13
- **Full Year Adjusted EBITDA at €110.8m (+4.5% yoy)**
 - Result, before lay-offs and M&A fees, exceeding guidance
 - Adj. EBITDA margin at 47.2% (+140 bps vs FY2013)
 - Reported EBITDA at €108.8m
- **Sound Free Cash flow generation confirmed**
 - Maintenance Capex in line with Business Plan target (€11.0m)
 - €32.6m Net Free Cash Flow
 - » Normalized figure exceeding €60m
 - » Current Free Cash Flow yield exceeding 4% (2014 average FCF yield >5%)
 - Net Debt/EBITDA ratio = 0.9x

FY2014 EBITDA growth in line with 2014-18 Business Plan target...

2014 Financial Headlines	Data in €/m	FY2013	FY2014	Var. % YoY	
	Core Revenues	231.6	234.5	1.3%	➔ Growth rate higher than CPI thanks to: - Organic growth - Small M&A
	Other revenues	1.6	0.5		
	Total Revenues	233.2	235.0	0.8%	
	Operating costs	(127.2)	(124.2)	-2.3%	➔ Opex efficiencies in line with Industrial Plan Targets
	- o/w Opex	(86.1)	(82.6)	-4.1%	
	- o/w Labour Cost (*)	(41.1)	(41.6)	1.4%	
	Adj. EBITDA	106.0	110.8	4.5%	➔ EBITDA growth and margin in line with Industrial Plan 2014/18
	% on Core Revenues	45.8%	47.2%		
	Non recurring items (**)	(0.4)	(2.0)		
	EBITDA	105.6	108.8	2.9%	
	D&A (***)	(45.8)	(42.8)	-6.5%	
	Provisions	(1.5)	(0.1)		
	EBIT	58.4	65.8	12.8%	
	Net financial charges	(7.4)	(7.7)	2.9%	
	Loss from equity investements	(0.4)	-		
	EBT	50.5	58.2	15.1%	
	Income taxes	(17.6)	(20.4)	15.7%	
	Net income	32.9	37.8	14.8%	
	EPS (€)	1.17	1.34	14.8%	

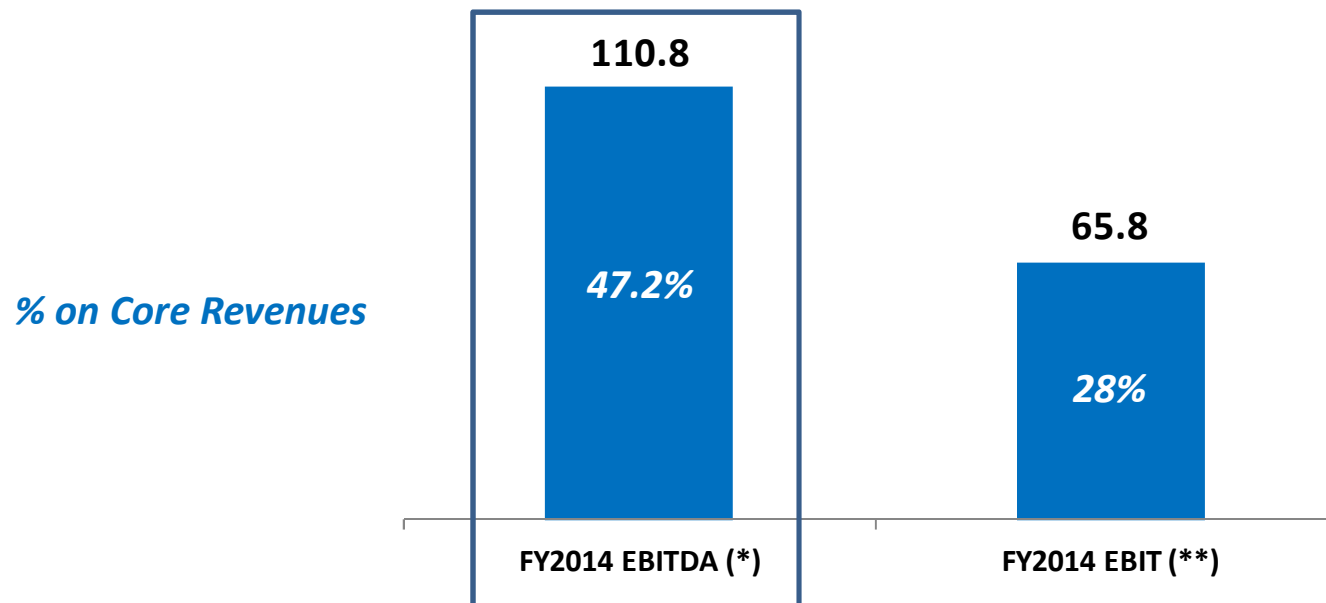
(*) Excluding ancillary costs also associated with personnel for €1.2m/€1.0m in FY2013/14

(**) Lay-offs in 2013; Lay-offs (1/3 of Total) + M&A costs (2/3 of Total) in 2014

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

...delivering an EBITDA margin at 47.2%

Data in €/m

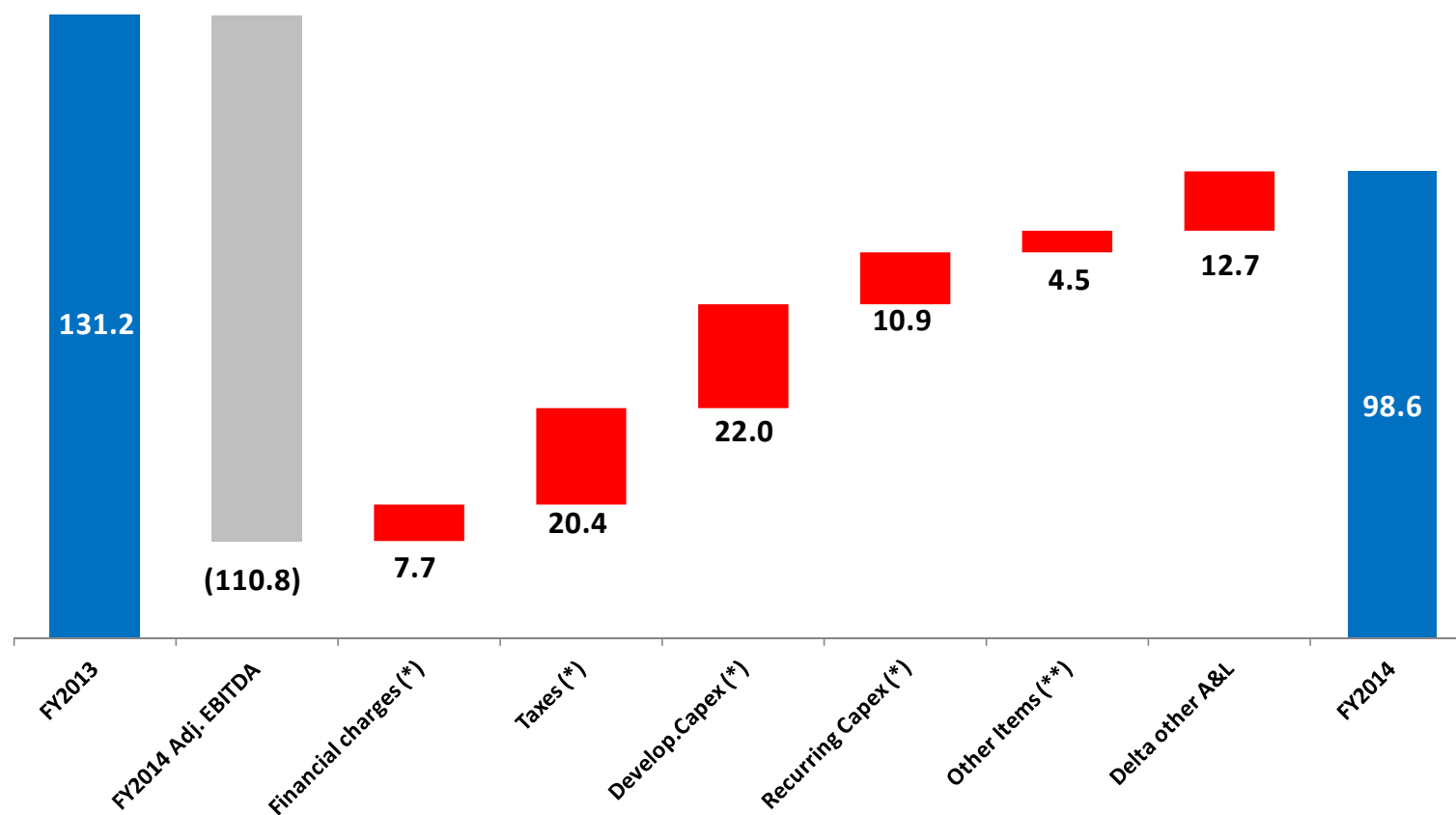


(*) Adjusted EBITDA

(**) Net of M&A and Lay-offs for a total consideration of €2.0m

FY cash flow generation mainly boosted by EBITDA growth

Data in €/m



(*) Accounting figures

(**) Including NCA, lay-offs and M&A expenses



Update on Tower Sector Italian Market Landscape

EI Towers has been able to focus on and sign an important agreement with a new TV network operator...

- On January 27th EI Towers signed the agreements with Cairo for the construction and subsequent management (“Full Service”) of a new national TV Network

...while boosting the current dynamism of the tower sector in Italy

- Partial sale of Wind tower portfolio to Abertis recently announced (7,377 sites and related contracts)
- Telecom Italia is reported by the press to be considering the IPO of Inwit (tower company)
- EI Towers announced Public Tender and Exchange Offer for 100% of Rai Way

Recent Events

Voluntary Tender and Exchange Offer on Rai Way

- **Main economic terms:**
 - **Approx. €4.50 per share (Equity Value for Rai Way: €1,225.3m)**
 - » +22% premium as compared to the reference price per unit of the Rai Way ordinary shares registered as of 23rd February 2015 and equal to €3.69
 - » +52.7%, as compared to the reference price per unit of the Rai Way ordinary shares registered as of 19th November 2014, i.e. the date of commencement of trading of the Rai Way ordinary shares on the MTA and equal to Euro 2.95
 - **Consideration:**
 - » €3.13 Cash for each Rai Way share
 - » 0.03 newly issued EI Towers shares for each Rai Way share
- **A compelling industrial offer to create a single operator of broadcasting towers, in line with European best practices**



Recent Events

Voluntary Tender and Exchange Offer on Rai Way (follows)

- **The Offer is subject to certain conditions:**
 - Unconditional approval of the acquisition of the control over Rai Way by EI Towers given by **Italian Competition Authority** (*Autorità Garante della Concorrenza e del Mercato*)
 - **The Extraordinary Shareholders' Meeting** of EI Towers called on 27th March 2015 to have approved the proposal of Share Capital Increase
 - EI Towers to have acquired (as a consequence of the Offer or of purchases effected outside the Offer in compliance with applicable law) a **shareholding at least equal to 66.67% of Rai Way's share capital**
 - The **Ministry of Economic Development** to have authorized RAI to continue to carry out its activities concerning the provisions of public services through Rai Way also following the acquisition of control over Rai Way by EI Towers
 - As of the payment date of the Consideration, the **non-occurrence of extraordinary circumstances or events or MAC** in the financial, economic, currency, legal or market situation on a national or international level, or other events which may materially prejudice the Offer or the asset, financial and economic condition of Rai Way



Recent Events

Voluntary Tender and Exchange Offer on Rai Way (follows)

- Economic and financial rationale for EI Towers:
 - Creation of a single operator of broadcasting towers
 - » Italy is the only country within the most industrialised ones in Europe to have a double national infrastructure (e.g. UK, France and Spain already have a privately owned single infrastructure)
 - Creation of a more efficient operator
 - » progressive infrastructure simplification
 - » more efficient approach to technology
 - » environmental and landscape benefits for peripheral areas thanks to a unified infrastructure
 - Advantages and opportunities for clients
 - » A larger portfolio of towers will significantly increase the value of the service provided
 - Stimulation of the market consolidation process
 - More efficient financial structure for EI Towers post transaction
 - » Initial pro-forma releverage at approximately 5x (Net Debt/EBITDA)

- Adjusted^(*) EBITDA at €114m
- Tax rate 35%
- Capex:
 - Cairo Agreement Capex ~€15m^(**)
 - Ordinary Capex ~€12m
- New small M&A target portfolios are being analysed
 - Potential new Capex on top of Industrial Plan target (€11m)

() Before non-recurring items (e.g. M&A expenses)*

*(**) Of which €7m of EI Towers' network upgrade and €8m related to transmitters; €3m additional capex expected in 2016*

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