

Post balance sheet events

Acquisition of Omtel in Portugal

On 2 January 2020 Cellnex Telecom (through its subsidiary Cellnex Telecom, S.A.) reached an agreement with Altice Europe and Belmont Infra Holding's to acquire 100% of the share capital of Belmont Infra Holding, S.A. from its shareholders which, in turn, owns all the shares of BIH – Belmont Infrastructure Holding, S.A. and Omtel, Estruturas de Comunicações, S.A. ("OMTEL") for an equivalent Enterprise Value of approximately EUR 800 million. As a result of the acquisition, Cellnex directly owns all the shares of Belmont Infra Holding, S.A. and, consequently, all the shares of its subsidiaries. The initial consideration in relation to this transaction was EUR 300 million cash outflow paid on January 2nd and the incorporation of EUR 200 million of borrowings on the balance sheet of the acquired subgroup. The remaining balance will be paid in December 2027, at the expected fair market value estimated as of today. The acquisition comprises the roll out of 750 sites (of which 400 sites are contracted) by 2027. The estimated investment for this build to suit plan amounts to EUR 140 million.

OMTEL currently operates a nationwide portfolio of approximately 3,000 sites in Portugal, which becomes the eighth country where Cellnex operates in Europe. MEO (formerly Portugal Telecom, the incumbent MNO) is the anchor tenant of this portfolio of telecom sites, with whom Cellnex has signed an Inflation-linked Master Lease Agreement for an initial period of 20 years, to be automatically extended for 5-year periods (all-or-nothing basis) with undefined maturity.

New Bond issuances

Bond issuance for an amount of EUR 450 million

On 9 January 2020, Cellnex successfully completed the pricing of a EUR-denominated bond issuance (with expected ratings of BBB- by Fitch Ratings and BB+ by Standard&Poor's) aimed at qualified investors for an amount of EUR 450 million, maturing in April 2027 and with a coupon of 1.0%. Simultaneously, Cellnex entered into several cross-currency swap agreements with strong financial counterparties by which Cellnex lends the EUR 450 million received and borrows the equivalent amount of sterling at an agreed exchange rate enabling Cellnex to obtain approximately 382 million sterling pounds at a cost of 2.2%.

Bond issuance for an amount of CHF 185 million

On 29 January 2020, Cellnex successfully completed the pricing of a CHF-denominated bond issuance (with an expected rating of BBB- by Fitch Ratings) aimed at qualified investors for an amount of CHF 185 million, maturing in February 2027 and with a coupon of 0.775%.

Cellnex is taking advantage of favourable market conditions to lower its average cost of debt and increase its average debt maturity by issuing a new long term instrument, at highly attractive terms. The net proceeds from the Issue will be used for general corporate purposes.