

Consolidation in the Netherlands in partnership with Deutsche Telekom Group

Cellnex integrates 3,150 sites in the Netherlands

Agreement between Cellnex and Deutsche Telekom to merge their tower businesses in the Netherlands and fund an independently managed Digital Infrastructure Vehicle (DIV).

Cellnex will own 62% of Cellnex Netherlands, while Deutsche Telekom will contribute its 38% stake into DIV as a seed asset.

Once the agreement is finalised, Cellnex Netherlands will operate a total of 4,314 sites including 180 new sites to be rolled out over the next 7 years.

Barcelona, 21 January 2021.- Cellnex has reached an agreement with Deutsche Telekom to integrate T-Mobile Infra BV's 3,150 telecommunications towers and sites in the Netherlands. Once the deal is closed, Cellnex will operate a total of 4,314 sites¹ in the Netherlands and the company will play an important role as a telecommunications infrastructure operator in the Netherlands.

Cellnex and T-Mobile Netherlands BV will sign a 15 years long-term provision contract which is automatically renewable for 10-year periods. The agreement also includes the roll-out of 180 new sites.

Once all the new sites are rolled out, the estimated EBITDA contribution of this transaction to the Group will amount to c. €63 million (IFRS16), while Recurring Leveraged Free Cash Flow (RLFCF) will increase by c. €30 million.

Cellnex first entered the Netherlands in 2016, when it finalised the acquisitions of Protelindo and Shere Group. In 2017 it acquired Alticom. The current portfolio consists of 984 sites for an investment of c. €492 million.

Cellnex CEO Tobias Martinez underlined how “this transaction exemplifies the strength of Cellnex’s partnerships with its customers. Just as we did in Switzerland with Sunrise, we have built an alliance with Deutsche Telekom in The Netherlands which now allows us to consolidate our position as a key player in the Dutch market. At the same time, since this agreement involves Cellnex gaining assets in exchange for equity in our local subsidiary, we are presenting to the market a new growth operation, one that preserves and protects our capacity to take on more projects by not consuming financial resources from the Group.”

The DIV Fund

Deutsche Telekom will contribute T-Mobile Infra BV's assets (3,150 sites) plus €250 million in debt to Cellnex Netherlands through the newly created DIV Fund (“Digital Infrastructure Vehicle 1SCSp”). This fund will hold a 38% stake in Cellnex Netherlands as a seed asset.

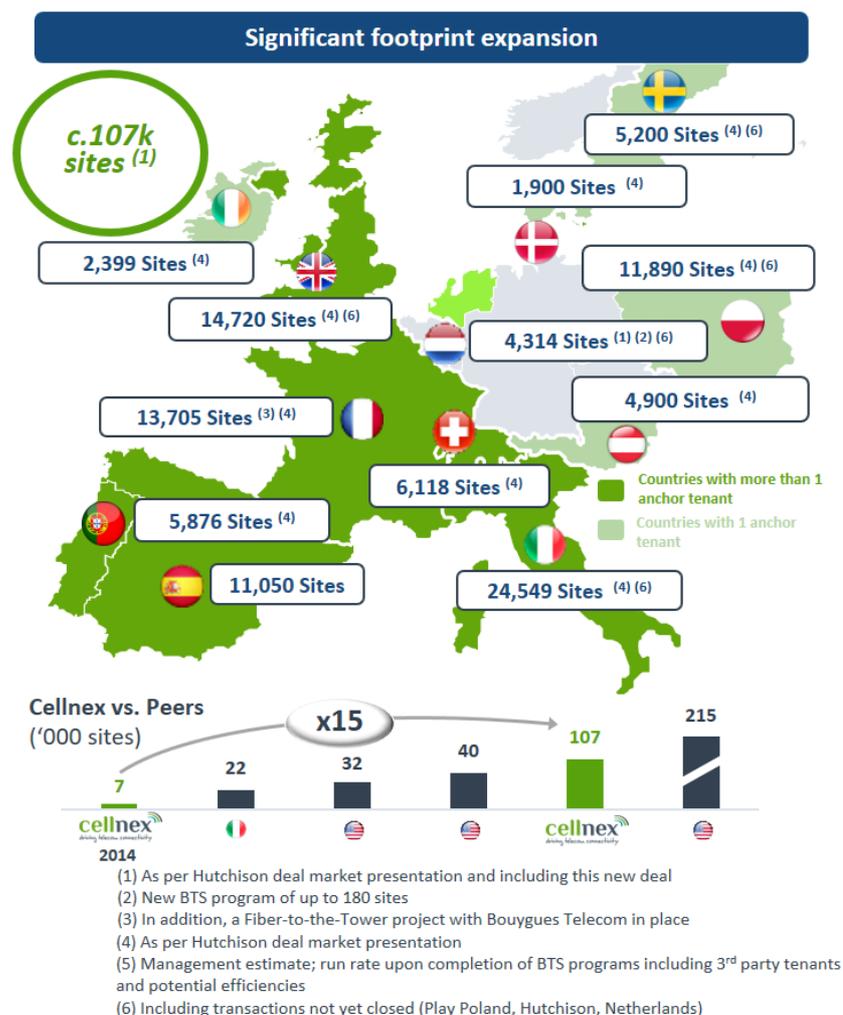
As a part of the transaction, Cellnex has committed €200 million to the fund (DIV), in addition to c. €400 million capital commitment by Deutsche Telekom in the form of an asset contribution.

¹ 984 Cellnex sites + 3,150 Deutsche Telekom sites + 180 BTS (build-to-suit sites)

The fund, which is independently managed, is expected to seek investments in European digital infrastructure assets such as fiber, towers and data centers, which provide attractive risk adjusted returns. Its investment in Cellnex Netherlands aims to create value by gaining exposure to the growth derived from 5G adoption, as well as by realizing synergies resulting from the merger. Cellnex and DIV have signed a dealflow agreement whereby Cellnex and DIV can partner on future transactions in the European tower sector, in which Cellnex will have the right to co-invest with a stake of 51% .

Cellnex in the Netherlands

Cellnex's presence in the Netherlands dates back to 2016, when it finalised the first site acquisitions of Protelindo and Shere (725 sites). In 2017 Cellnex acquired Alticom (30 high-rise towers with 'edge computing' centres), after which the Cellnex Netherlands organisation has continued to expand its portfolio of sites up to the current total of 984 telecommunications sites and towers. The accumulated investment stands at c. €492 million.



About Cellnex Telecom

Cellnex Telecom is Europe's leading operator of wireless telecommunications and broadcasting infrastructures with a portfolio of c.70,000 sites including forecast roll-outs up to 2028. Cellnex operates in Spain, Italy, Netherlands, France, Switzerland, the UK, Ireland, Portugal, Austria and Denmark.

Cellnex's business is structured in four major areas: telecommunications infrastructure services; audiovisual broadcasting networks, security and emergency service networks and solutions for smart urban infrastructure and services management (Smart cities e 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, CDP (Carbon Disclosure Project), Sustainalytics and "Standard Ethics" sustainability indexes.

Cellnex's reference shareholders include Edizione, GIC, ADIA, CriteriaCaixa, Blackrock, Wellington Management Group and Canada Pension Plan.

For more information: <https://www.cellnextelecom.com>