

Fastweb announces its results for the first quarter 2015: strong growth in customers (+7%), revenues (+8%) and margins (+11%)

In the first quarter of 2015, FASTWEB's revenues amounted to 429 million Euro, up 8% from Q1 2014, and Ebitda reached 120 million Euro (+11%). The customer base grew by 7%. Investments, 147 million Euro, recorded for 34% of revenues. The fiber optic network extension continues, reaching 61 cities as of today.

Milan, 6th May 2015 - In the first quarter of 2015, FASTWEB consolidated its position in the Italian broadband market, growing in terms of customers, revenues and margins.

In the first quarter of the year, FASTWEB confirmed the positive trend in the acquisition of broadband users, with 52,000 new customers, thus taking the customer base to 2,124,000 subscribers. Compared to the previous year customers increased by 140,000 units (+7%).

At 31st March 2015 FASTWEB's total revenues amounted to 429 million Euro, up 33 million Euro with respect to 396 million Euro of the previous year (+8%).

Despite a scenario characterized by competitive pressure on pricing, FASTWEB's growth affected all market segments: Consumer, Enterprise and Wholesale. Performance was also excellent in the "VAS/ICT" segment (*value added services/Information Communication Technology*) for large enterprises, and Public Administration. In particular, revenues of these services (Cloud Computing, Security and Housing/Co-location, Managed services, Unified communication) increased by 22% YoY.

Ebitda (*earning before interest depreciation and amortization*) for the first three months of 2015 amounted to 120 million Euro, up 11% from 108 million Euro recorded in first quarter 2014, due to the combined effect of increased margins and cost reductions. The Ebitda margin amounted to 28% with an increase of nearly one percentage point.

Since the beginning of the year, FASTWEB has invested 147 million Euro, 5 million Euro more than in the first quarter of 2014, and equal to 34% of revenues. Those investments are part of the 2015-2016 plan to expand Fastweb's new-generation infrastructure to further 2 million homes and enterprises, thus taking the coverage of operators's fiber network to about 30% of the Italian population, or 7.5 million households in 100 cities by the end of 2016.

By the end of March 2015, 5.5 million Italian homes and businesses were already reached by FASTWEB's fiber optic (with *fiber-to-the-home* and *fiber-to-the-cabinet* technology), which enables connection speeds up to 100 Mbps in 61 cities. FASTWEB's active fiber customers were 520,000; in areas where Fastweb offers fiber connection, the sales penetration is 20% higher than in unbundling areas. In fiber areas, where Internet speeds average is up to 80 Mbps, customers' satisfaction is higher and less customers decide to change operator (*churn*).

During the first quarter, FASTWEB signed an agreement with Alcatel and Huawei aimed to further strengthen the fiber network through technologies such as Vectoring, Vdsl Enhanced, Gfast, that will make it possible for all customers to reach connection speeds over 100 Mbps, and up to 500 Mbps, starting from 2016.

In support of Cloud services dedicated to middle and large enterprises, and Public Administration, FASTWEB has inaugurated the new Data Center in Milan, the first one in



Italy to obtain a Tier IV certification from the Uptime Institute, both for its design, and for constructed facility: today FASTWEB is the only provider in Italy with a Data Center ensuring such a high level of certification and data security to its Corporate customers.

FASTWEB

Thanks to its 2.12 million customers, FASTWEB is one of the main telecommunications providers in Italy. The Company offers a wide range of integrated internet and voice services, both fixed and mobile, to families and small businesses. FASTWEB offers advanced telecommunications and ICT services, such as housing, cloud computing, security and unified communications to the business segment, public administration, large enterprises, SMEs, professionals, universities and research centres. Since its foundation in 1999, the Company has focused on innovation and network development in order to offer maximum service quality to its broadband customers. FASTWEB has developed a 38,000 km fibre optic network in Italy and reaches approximately 50% of the Italian population with its network. At present, FASTWEB passes about 5.5 million homes and businesses with its ultrabroadband network at speeds of up to 100 megabit per second with fibre-to-the-home or fibre-to-the-cabinet technology. FASTWEB has announced a new network expansion plan which will be completed at the end of 2016 and which will cover about 7.5 million homes and businesses, or 30% of the Italian population. Since September 2007, FASTWEB has been part of the Swisscom Group. www.company.fastweb.it

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