



Wind Tre, growth in the first quarter of 2017 Revenue +2.1%, EBITDA* +9.7%

Key consolidated results at March 31st, 2017

Milan, 9th may 2017

- Total revenue up by 2.1% to €1,552 million
- Revenue from mobile services at €1,048 million, +0.4% excluding the effect of the leap year
- Revenue from fixed services at €269 million, an increase of 2.3%
- Internet segment constantly growing: mobile revenue +12.1% and customers +5.0%, fixed revenue +8.6% and broadband customers +2.4%
- EBITDA* at €517 million, an increase of 9.7%
- Synergies in Q1 2017 on track, target confirmed
- Cash from operations of €277 million generated in the first quarter
- Early implementation of EU provisions on roaming by Wind Tre
- On May the 1st 2017, Moody's upgraded Wind Tre's rating and kept the positive outlook

"We are very satisfied with the results for this first quarter", stated Maximo Ibarra, Wind Tre's CEO. "The integration process between the two companies is moving along quickly and we have already achieved considerable synergies in constructing the new Group. In addition, due to the commercial strategy of our two brands we are able to compete highly effectively with the aim of ensuring the best customer experience on the market".

Wind Tre has begun 2017 with a solid set of results (total revenue +2.1% and EBITDA* +9.7%) as a result of a good commercial performance in the fixed and business segments, cornerstones of the Group's strategy, and the optimization of its cost structure. Synergies in first quarter 2017 on track, therefore the planned targets have been confirmed (around €700 million annual run-rate, 70% OpEx and 30% CapEx).

Total revenue grew by 2.1% compared to the same period of last year, with service revenue stable at €1,317 million and excluding the leap year effect increasing by 1.0%. Excluding the leap year effect, mobile service revenue grew by 0.4% boosted by the good performance of the mobile internet segment which delivered a double-digit growth (+12.1%).

Wind Tre's mobile customers stood at 30.9 million, confirming the leading position in terms of customers market share above 37%; the Group had 19.5 million mobile internet customers, an increase of 5.0%. Mobile ARPU was stable at €11.1 with the data component growing 5.8% to €5.6. All Wind Tre customers – Wind starting from 24th April and 3 starting from 8th May – can travel in Europe using their national tariffs without any additional roaming charges. This is possible due to the introduction of the EU roaming provisions approximately two months in advance compared to the mandatory deadline of 15th June.

The "VEON app" which at March 31st had already reached 1.5 million downloads, has taken off with great success, thereby contributing to the strengthening of the company's digital strategy. The

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availability of Wind Tre' services on the Amazon marketplace, which will enable Wind Tre to provide its products directly to the customer's home, goes in the same direction.

Fixed telephone service revenue achieved an excellent performance in the first quarter of the year, growing by 2.3%. The broadband component, with revenue increasing by 8.6%, was driven by the increase in the number of customers to 2.4 million (+2.4%) and the growth of broadband ARPU (+6.0%). Total fixed telephony customers totaled 2.7 million, with direct access customers increasing by 1.8%. Total fixed telephony ARPU, stood at €28.1, growing by 2.9% in the first quarter of 2017 as a the result of the commercial steps taken in Q4 2016.

The Group's EBITDA* increased by 9.7% over Q1 2016 to €517 million boosted by costs efficiency and delivering of synergies. EBITDA* margin was at 33.3%, representing an increase of 230 bps YoY. Wind Tre capital expenditure stood at approximately €240 million in the first quarter of 2017. Investments were focused on strengthening mobile and fixed networks, in order to support the leading position of the company in the country.

On May 1st, Moody's Investors Service raised its rating on Wind Tre from B2 to B1, confirming a positive outlook.

* EBITDA Q1 2017 excluding integration costs of approximately €59 million

It should be noted that after the completion of the joint-venture between VEON Ltd (formerly VimpelCom Ltd) and CK Hutchison Holdings Ltd for the integration of their activities in Italy, WIND and 3 Italy, the two operating companies WIND Telecomunicazioni SpA and H3G SpA had been merged on December 30, 2016, incorporating the former into the latter, with a simultaneous change of Company name in WindTre SpA., and therefore no corresponding information from the previous year is available.

However, for comparison purposes for 2016, combined financial data has been prepared to simulate, according to evaluation criteria consistent with those used by the company and compliant with the relevant legislation, the main economic effects as if the Merger had been consummated at the beginning of the period to which the combined information presented refers.

This document contains predictions of events and future results of Wind Tre that are based on the current expectations, estimates and projections regarding the sector in which the company operates and on the current opinions of its management. These elements have by their nature a component of risk and uncertainty, because they depend on future events taking place. It should be noted that the actual results may differ significantly from those announced due to a multiplicity of factors, including: global economic conditions, competition impact, and political, economic and regulatory developments in Italy.