

## **Fastweb acquires 5G spectrum and fixed wireless branch from Tiscali**

**Fastweb signed an agreement to acquire Tiscali's fixed wireless branch of business and full ownership of 3.5 GHz spectrum, required to obtain a long term sustainable mobile and convergent business. With this transaction Fastweb will secure long term access to valuable 5G spectrum.**

Fastweb, the leading alternative ultra-broadband provider in Italy, is also offering mobile services as a virtual network operator based on a MVNO contract with Telecom Italia Mobile (TIM) since 2017, which includes a nationwide 4G mobile communications coverage. With this approach, Fastweb was able to significantly increase its customer base and share of convergence. Fastweb has extended the MVNO agreement until the year-end 2020 and will leverage 4G services on TIM's network.

### **Convergent business strategic for Fastweb**

Since December 2016, Fastweb has the right to use 3.5 GHz spectrum in main Italian cities (20% population coverage) leased from Aria S.p.A., a subsidiary of Tiscali S.p.A. Fastweb will now acquire full ownership of such frequency, together with the Fixed Wireless Access (FWA) branch from Tiscali Italia S.p.A., a subsidiary of Tiscali S.p.A.

The branch of business includes the FWA infrastructure composed by about 835 towers, its equipment and 34 specialized FTEs (mainly engineers). At the same time, Tiscali enters into a wholesale agreement (with a contract value of EUR 40 million) on Fastweb's network.

With this transaction, Fastweb intends to get long-term access to valuable 5G spectrum, 40 MHz at 3.5GHz band, thus reinforcing its convergent ambitions as alternative network operator. In addition, Fastweb will provide fixed wireless connectivity to all market segments in extended digital-divide areas via its access network and through fiber optics access network in other areas.

Provided certain conditions are met, closing is planned for November 2018. Fastweb will finance the transaction from its own available cash resources. The value of the deal will be approximately 150 million euro, of which 100 million euro in cash (thereof half in 2018 and 2019 each), a 4 to 5 year's wholesale agreement of a total value of 40 million euro and 10 million euro of debts towards suppliers. The transaction will be subject to approval by the respective authorities.

Berne, 30 July 2018

### **About Swisscom Ltd**

Swisscom, Switzerland's leading telecoms company and one of its leading IT companies, is headquartered in Ittigen, close to the capital city Berne. Swisscom's international activities are concentrated mainly in Italy, where its subsidiary Fastweb is one of the biggest broadband providers. More than 20,000 employees generated sales of CHF 2.9 billion to the end of the 1st quarter 2018. Swisscom is one of the most sustainable companies in Switzerland and Europe.

### **About Fastweb SPA**

With 2.4 million customers, Fastweb is a major Italian telecommunications operator. The company offers a wide range of voice and data services, fixed communication and mobile, to households and businesses. Since its creation in 1999, the company has focused on innovation and network infrastructure to provide high quality ultra-broadband services. Fastweb has developed a national fiber optic network infrastructure of 46,600 kilometers with over 4 million kilometers of fiber and, at present, passes about 8 million homes and businesses with fiber-to-the-home or fiber-to-the-cabinet technology.

### **About Tiscali S.p.A**

Tiscali ([www.tiscali.it](http://www.tiscali.it)) is one of the leading alternative telecommunications companies in Italy and provides its private and business customers with a wide range of services: internet access through ADSL and fiber, as well as media, and added-value services and other technologically advanced products. As at December 31, 2017, Tiscali reported recorded a customer portfolio of about 748.000 units.