



EUSKALTEL, S.A. (Euskaltel or the Company), in accordance with article 17 of Regulation (EU) No. 596/2014 of 16 April 2014 on market abuse and article 228 of the consolidated text of the Securities Market Act approved by Royal Legislative Decree 4/2015 of 23 October, hereby announces the following

RELEVANT FACT

The Euskaltel Group renews and improves its wholesale agreements with Orange

The Euskaltel Group closes a deal with Orange, improving existing financial terms and enabling the Group to reach its households in Spain via optic fibre

- **The Euskaltel Group has renewed its wholesale agreements with Orange, which include better terms and longer agreements than before.**
- **In terms of fixed network services, the agreement reduces previous costs and holds open the possibility of joint investments with Orange in the future.**
- **The agreement means greater visibility and significant savings for the Group.**
- **The agreement lays the foundations set out in the Euskaltel Group's roadmap for its upcoming national expansion.**

Bilbao, 13 December 2019. The Euskaltel Group has signed an optic fibre and mobile network agreement with Orange Spain that will allow the Group to offer its customers the entire range of mobile technology and to access all Orange households in Spain via optic fibre to offer its advanced convergent telecommunications services. The agreement has therefore thoroughly safeguarded the foundations set out in the Euskaltel Group's roadmap for its upcoming national expansion.

The mobile service terms will be valid until June 2024 and there is no end date for the fixed services agreement, therefore renewing and improving the fixed line and mobile wholesale agreements the Euskaltel Group previously had with Orange, and enabling the Group to access



more advanced mobile and FTTH networks with long-term visibility, whilst maintaining the structure of previous agreements and including better terms and innovative services.

Furthermore, the agreement will mean significant cost savings for the Euskaltel Group. Improved volume-based discounts will bring the Group savings in mobile and fixed line networks using streamlined financial models.

The Euskaltel Group therefore guarantees its customers access to the most advanced mobile telecommunications services via a quality mobile network, and secures the necessary capacity to respond to all new mobile data service needs that users might have in the future.

In terms of the mobile network, the Euskaltel Group and Orange Spain have renewed their national roaming agreement based on the following terms:

- **Length:** The new agreement will be in force until June 2024, reflecting a two-year extension compared to the previous agreement, and it also offers greater visibility and better terms.
- **Prices:** The agreement contains improved volume-based discounts, bringing the Group significant savings.

The Euskaltel Group has also renewed its fixed network agreements, with access to Orange Spain's FTTH infrastructure under the following terms:

- **Coverage:** The Group will be able to access Orange Spain's FTTH network using a wholesale service model throughout Spain and under better terms.
- **Prices:** The new agreement includes significant discounts that improve on the previous agreement's terms; greater customer numbers mean bigger discounts.
- **Joint investment:** The agreement holds open the option of making joint investments with Orange Spain in FTTH households in the future. Joint investment in FTTH would mean savings for the Group by creating a flexible opex/capex financial model.

Derio, 13 December 2019.

EUSKALTEL, S.A.

Mr. José Ortiz Martínez
Secretary of the Board of Directors