

March 4th, 2013

# RETELIT

## *RETI TELEMATICHE ITALIANE*

**FAMILY OFFICE INVESTOR DAY**  
II edizione



Milano, Sala Convegni Intesa Sanpaolo - 4 marzo 2013

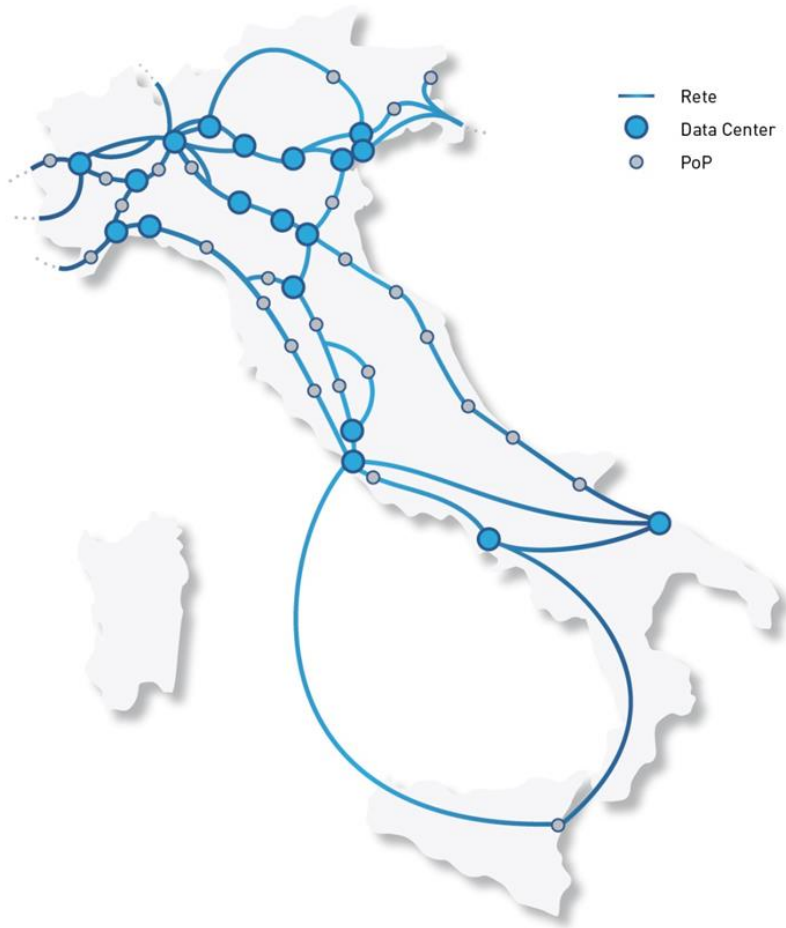
- Retelit is one of the leading Italian providers of data services and infrastructure for the telecommunications market, listed on the Milan Stock Exchange
- e-via, fully controlled by Retelit, is the operating subsidiary



Stock performance since January 1st, 2012

# NETWORK AND DATA CENTERS

RETELIT



**7.500+ km Fiber Network**



**8 Metropolitan Networks**



**18 Data Centers**

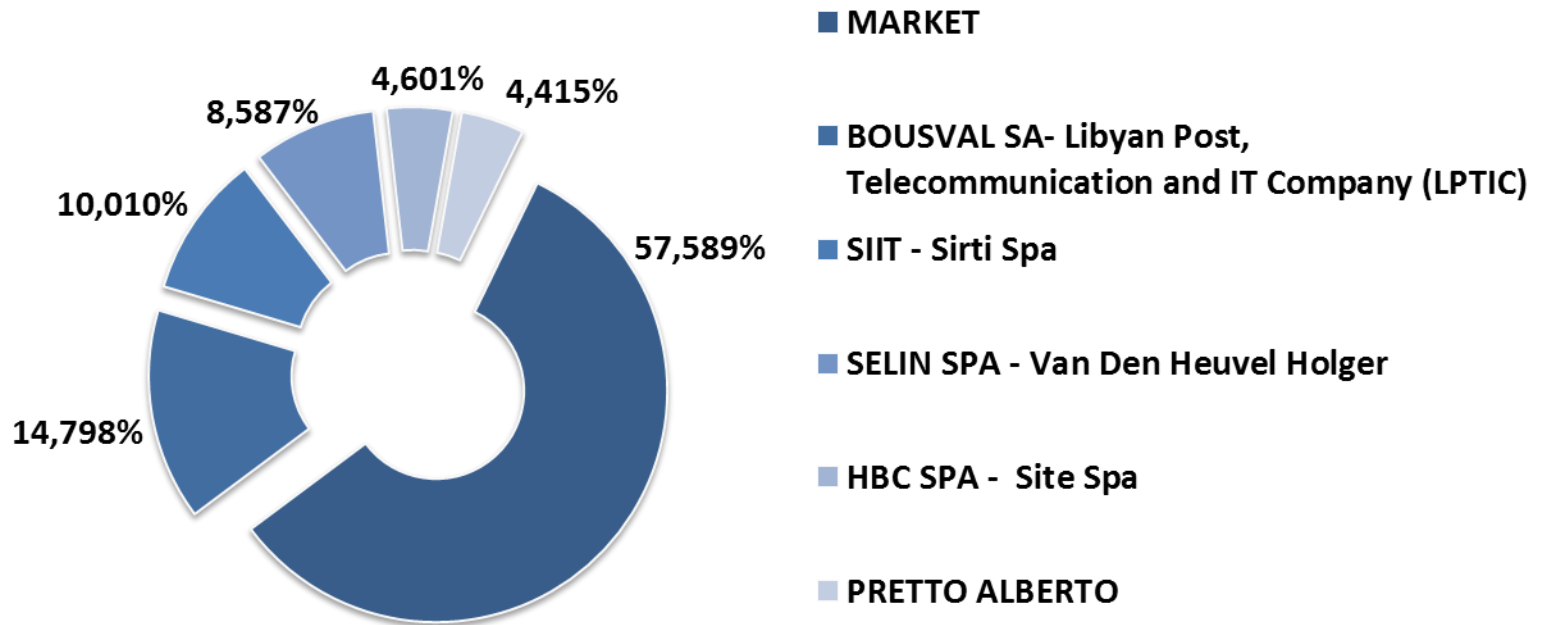
- **Modern, flexible, scalable, technologically advanced**
- **Built along the main state, provincial and municipal highways**
- **Reaching the largest Italian cities**
- **Covering all main business areas**

# RETELIT SHAREHOLDERS



Retelit's main shareholder is the Libyan Post, Telecommunication and IT company (LPTIC)

In September 2012 LPTIC drew up an agreement with other 11 shareholders (ex-minorities); in October they appointed a new Board of Directors to re-launch Retelit



# THE NEW BOARD OF DIRECTORS



**The Board is composed by nine Directors: the majority of them has international skills and experience in TLC and fiber optical sectors**

## **Gabriele Pinosa**

Board Chairman  
Remuneration Committee Chairman  
GO-SPA Consulting Founder&Chairman

## **Abdelmola Elghali**

Remuneration Committee member  
LPTIC Cfo

## **Mauro Tosi**

Executive Committee Chairman  
ERC Highlight Ceo  
Idealabs Founder&Ceo

## **Anna-Lena Philipson**

Control and Risk Committee member  
Risk and Head of Commercial Development TeliaSonera

## **Stefano Borghi**

Control and Risk Committee member  
SITE Chairman

## **Majdi Ashibani**

Board Vice-chairman  
Executive Committee member  
LPTIC Chairman

## **Johan Anders Leideman**

Executive Committee member  
Multicom Security Group Chairman and Ceo

## **Alberto Della Porta**

Remuneration Committee member  
Stena Italia Cfo

## **Paola Pillon**

Control and Risk Committee Chairwoman  
Global Key Account Manager ZTE

# CORPORATE GOVERNANCE GUIDELINES



- ❑ The Libyan company involvement is crucial, as it has industrial and strategic interests in this participation. Retelit will become a TLC bridge between Italy and Libya and it will be able to canalize the growing TLC traffic between Europe and Africa. In addition LPTIC has relevant financial resources to invest in the broadband infrastructures**
- ❑ Thanks to the BoD's high skills, Retelit was able to define a new business plan self-made. The business plan remains down on earth but in the meantime it is challenging**
- ❑ The BoD appointed a new General Manager, Mr. Enrico Mondo, from inside, giving a signal of enhancement of the company valuable HR**
- ❑ The BoD accepted an hard and fast remuneration policy: fixed remuneration at minimum level (20.000€/year Chairman - 10.000€/year each Director) and variable remuneration linked to the real economic results (EBIT) of the company**

# BUSINESS PLAN STRATEGIC GUIDELINES



- **Grow** without changing Company's DNA
- **Strengthen** positioning in Telcos wholesale market
- **Consolidate** positioning in ICT and new media market
- **Address** selected corporations and public administrations
  
- **Focus** on high quality broadband services, developing Internet value added services and Virtual Private Networks
- **Improve** Premium Data Center services portfolio
  
- **Extend** network reach leveraging fiber backhauling projects for mobile operators
- **Consider** telecom infrastructure acquisitions to increase network coverage
- **Expand** backbone cross-border and open new European Points of Presence
- **Develop** International projects, some in partnership with LPTIC

## ✓ **Carriers (National and International)**

- Fixed and/or Mobile
- Multiutilities

## ✓ **International Defense and Aerospace**

- DoD – DISA/DITCO
- NATO
- Aerospace

## ✓ **TLC Service Providers**

- ISPs
- Resellers

## ✓ **ICT Service Providers**

- System Integrators
- Software Houses
- IT Vendors
- VARs
- Engineering Companies

## ✓ **Broadcasters**

- TV / Satellite
- Teleports
- Content Providers
- Over the Top



# PLANNED MARKET EXTENSION



## ✓ Wholesale

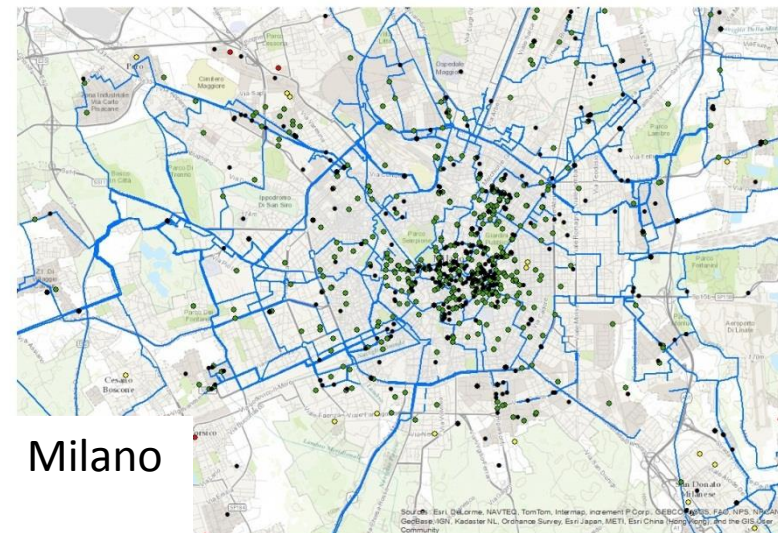
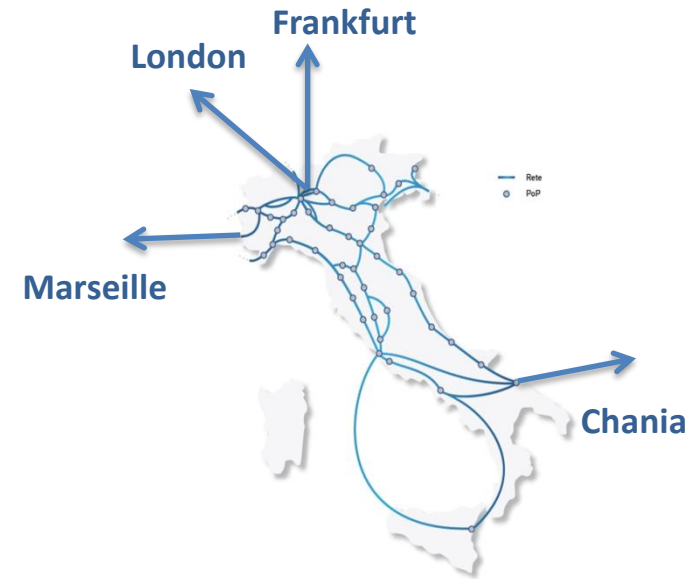
- Increase points of interconnection to address new international operators
- Enhance IP peering
- Landing stations gateway for Middle and Far East

## ✓ Corporate and Selected Enterprises

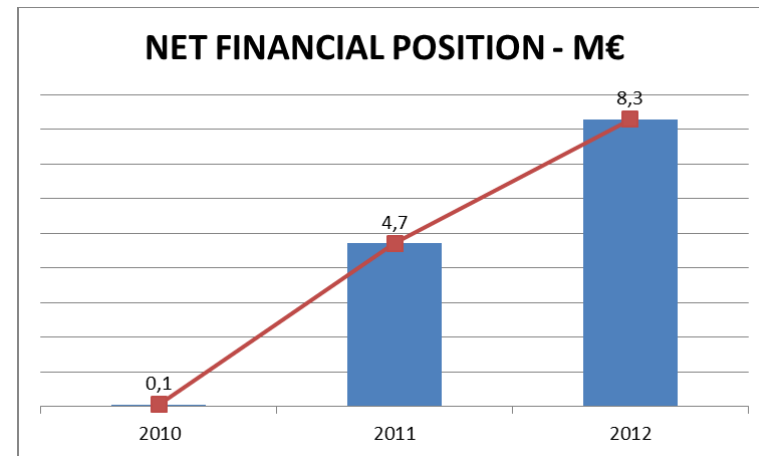
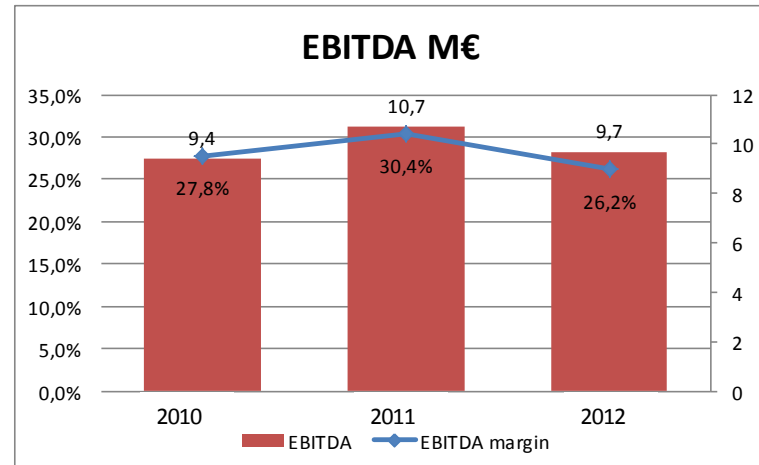
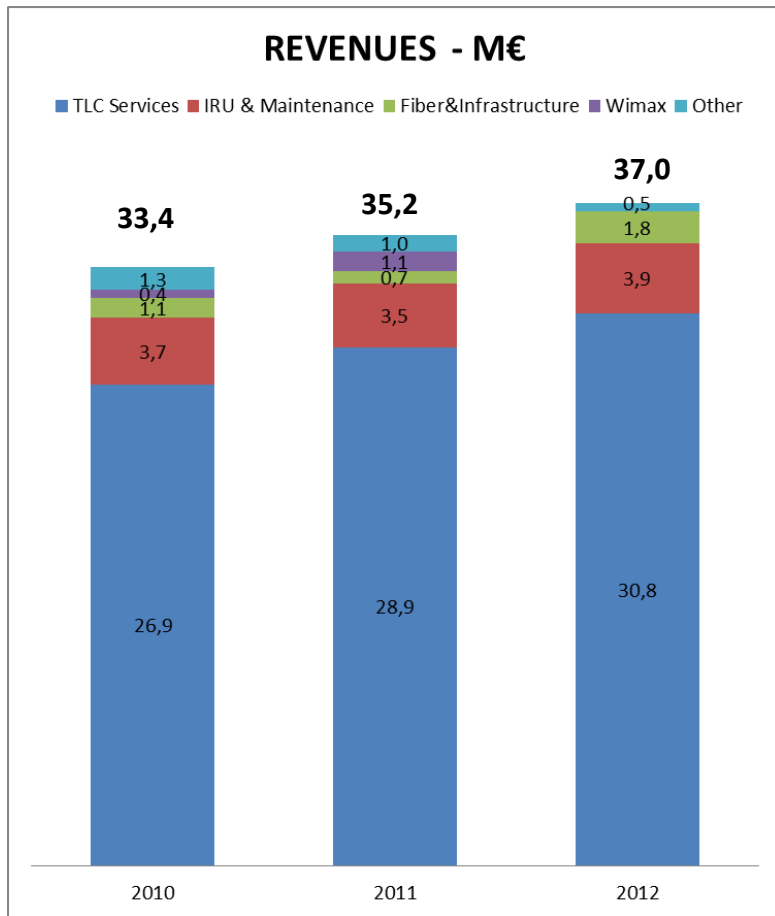
- 50-250 Employees
- Near our fiber route
- Addressing high end Broadband and Disaster Recovery needs

## ✓ Public Sector

- Central and Local
- Education
- Health
- Defense
- University and Research Institutes



# KEY HISTORICAL FINANCIAL



- Constant growth of Telecom services
- EBITDA approx 10 M€
- NFP positive, strongly increased in the last two years

# BUSINESS PLAN 2013-2017



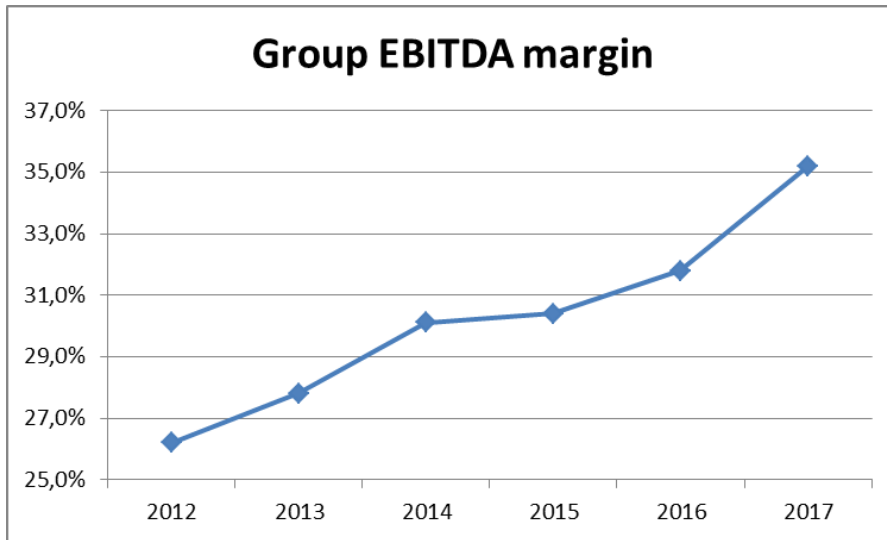
(million euro)	2012 Actual (*)	2013 Targets	2017 Plan
Revenues	36,8	38,4	73,9
Operating income before interest tax depreciation and amortisation (EBITDA)	9,7	10,7	26,0

## CAGR

- Revenues 17,7%
- EBITDA 24,9%

(\*) pre-final data approved by BoD

## Group EBITDA margin



- Planned overall five years CAPEX of 75,0 M€ of which 49,2 M€ for building connections
- Net profit in 2014
- Net financial position at the end of 2017 of 49,4 M€
- Expected cash generation of 42 M€ of which 29,1 M€ from the sale of the WiMAX branch

EBITDA margin increased 9% from 2012 to 2017

# OPPORTUNITIES NOT YET INCLUDED IN THE BUSINESS PLAN



- Several potential acquisitions are currently under investigation, however they require extra time for further analysis and due diligence
- Cloud Services may be included in our portfolio after an accurate selection of possible partners
- An additional important international project will be analysed in depth by the end of March

***Each one of these opportunities can have a great impact on our business plan and result in very considerable growth prospects***

# WARRANT RETELIT 2008-2013 OPPORTUNITY



- The final deadline to exercise “Retelit 2008 -2013” warrant is set at 31<sup>st</sup> March 2013
- To date, there are 37,101,871 warrants valid for the subscription of an equal number of newly-issued shares at the exercise price of € 0.50
- The entire subscription would allow the company to have 18.5 M€ to accelerate the development plans

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