

PRESS RELEASE

## TDF GROUP 2022 EARNINGS

### TDF GROUP REPORTS REVENUE INCREASE AND CEMENTS GROWTH DYNAMIC

In 2022, TDF Group posted:

- **€769.5 million revenues - up 5.2%**, boosted by mobile networks and fiber demand
- **€447.6 million EBITDAAL, up 8.6%**
- **1.7% capital expenditure increase** to €425.4 million, 55.3% of revenues
- **Bolstered output capacity - 200,000 FttH plugs build and 250 new telecoms masts delivered**

The Group has consistently turned in earnings growth and high capital spending over the past four years underpinned by its ambitious capex program. Group strategy is buoyed by its output capacity to build and roll out fixed and mobile superfast broadband networks on a huge scale.

*Figures in the appendix hereunder are stated before IFRS16 adjustments. EBITDAAL: EBITDA before operating lease costs, IFRS 2 charges, staff severance payments and related fees. Figures are detailed in the Appendix.*

- **In mobile telecom infrastructures, the Group turned in 7.4% revenue growth**  
Backed by top-class industrial know-how, TDF cemented its reputation with mobile operators and other customers to build masts and rooftop connections - 600 further points of presence reaching 21,000 points of presence and generating €381.9m revenues - up 5.3% like-for-like. As 5G take-up progressed in France, the Group further consolidated its regional digital development leadership with a view to enhancing French private home and business connectivity.

**In 2022, the Group pursued telecoms network construction to boost digital coverage.** It delivered 250 mobile telecom masts raising the total completed to 1,400 since the 2016 mast construction program launch.

Other telecom services revenues surged 24.1% to €55.7m, fueled by higher indoor mobile coverage demand. Satisfying operator needs for the 5G, the Group rolled out further mobile edge computing facilities to host hardware and software in local datacenters.

- **The fiber rollout shifted up a gear such that Group fiber revenues soared 42.8% to €51.8m.**  
**80+% of the Group's four French territory networks (Val d'Oise, Yvelines, Loir-et-Cher/Indre-et-Loire and Maine-et-Loire) have been installed and Val d'Oise and Les Yvelines networks are now complete. 200,000 plugs were built meaning that 610,000 out of TDF's allocated total of 750,000 plugs were available for sale as of December 31, 2022.**

**Sales were buoyant throughout France.** 2022 order entry leapt 75% year-on-year resulting in the number of connected plugs rising from 155,000 at Dec 31, 2021 to 275,000 at Dec 31, 2022.

During the year, the Group took on management of a new Haute-Savoie area totaling 15,000 plugs. Specifically, the Faucigny Glières community association granted TDF a lease of part of the existing fiber network comprising 3,000 plugs, and tasked the Group to build 12,000 further plugs by 2025 for the seven communities' inhabitants. As a result, the Group cemented its FttH network operator market share and expertise.

- **Broadcasting services revenues dipped 2.6% year-on-year.** 2022 radio revenues came in up 2.9% buoyed by the Group pursuing and stepping up the DAB+ digital radio rollout in line with the broadcasting regulator's (Arcom) roadmap. Rollout will be ramped up during 2023.

2022 Digital Terrestrial Television (DTT) broadcasting revenues slipped 6.2%. Thanks to its network supervision and operating expertise, the Group provides customers world-class service against a backdrop where many people still demand terrestrial broadcasting. The Group innovates and is poised to support its broadcaster customers in their endeavors to upgrade DTT to Ultra High Definition in time for the looming 2024 Paris Olympic Games.

#### **Huge mobile and fiber telecoms capital spending underpinned by the Group's output capacity.**

- **2022 Group capital spending hit a record in 2022:** €425.4 million capex (up 1.7% year-on-year) or 55.3% of revenues. Operating capex included €353.2 million growth spending, largely in Telecoms and Fiber.
- **The Group pursued its huge and ambitious capital spending program for its customers, thereby locking in future growth while keeping a tight lid on costs and resources.** It continued to expand its presence that now consists of 19,600 marketable sites including 8,200 operating sites - masts, towers, rooftops, stations and more.
- The faster ultra high-speed fixed networks and masts rollout was only possible due to TDF's expanded output capacity as manager of the end-to-end construction process.

Despite the inflation context, efforts to keep costs down yielded higher operating income: **EBITDAAL rose 8.6% to €447.6 million.**

Furthermore, Group order backlog jumped to a record €3.931 billion representing 5.1 years of revenues, boosted by contract renewals in all Group businesses over the last few years, faster infrastructure rollout and greater customer use thereof.

**To secure future growth, the Group took steps to strengthen its balance sheet and liquidity during the year:**

- **In February 2022, TDF Fibre, in which TDF and Banque des Territoires hold 79.5% and 20.5 % equity stakes respectively, contracted a €725 million bank 'Social Loan' with a view to increasing financial resources.** This structural transaction for the future occurred at a time when the Group's work on regional fiber rollout was coming to an end. So TDF Fibre will enable the Group to pursue installing, managing, and taking over new FttH (*Fiber to the Home*) and FttO (*Fiber to the Office*) networks in France, while also installing and marketing networks in French counties it serves.
- In July 2022, the Group prepaid €220m of bonds maturing October 19, 2022.
- The Group sought and received permission from all relevant lenders, which meant it could postpone its Capex Facility maturity to March 26, 2026.
- The Group has no debt falling due until year-end 2025.

### TDF stuck to its pledges as responsible industrial company

As leading digital telecom infrastructure developer, TDF delivers DTT and digital radio reception services for all French people. What's more, by installing networks it helps improve fixed and mobile superfast broadband that the entire population needs more than ever.

In respect of its 2021 ESG performance, in 2022 GRESB (top real estate company ESG assessor) gave TDF a score of 95 out of 100. As such, TDF came second in its 'Europe - Telecom Towers - Maintenance and Operations' category retaining its '5 Stars' award that it has held for the last 5 years.

With regard to energy performance, the Group innovates in its operations. Over 100 solar panels were fitted on telecom masts during the year and it plans to carry on down this path for all its eligible sites, targeting 2,000+ telecom sites. Turning to fiber network construction work, a more climate-friendly 'Green Pose' procedure was introduced in Val de Loire for trenchwork to lay ducting.

As part of the Group's overall ESG and decarbonizing programs, in December 2022 it signed a Corporate Power Purchase Agreement with Neoen, a leading independent renewable energy provider. Under this deal, starting in 2026 TDF will buy power, including constant supply guarantees, generated by the Salernes (French county Var) and Boussès (Lot-et-Garonne) solar parks. Eventually this deal will satisfy 10% of Group telecom and TV/radio sites' power needs.

What's more, DTT is the most ecofriendly TV platform as well as being free and accessible for 97% of French people. A study carried out by management consultants Carnstone with Bristol University reveals that DTT traditional TV viewing consumes 11 times less power than watching TV via the Internet.

With regard to Social matters, the Group's gender equality index score stands at 94 out of 100. As gender equality pioneer over many years, TDF has introduced various schemes to further gender equality. Steps taken here break down into six areas: parental leave, hiring, career development, pay, training and corporate culture.

**TDF Group CEO Olivier Huart said:** *"I'm immensely proud to announce earnings growth for the fourth year running. Our mobile and fixed network capital spending is roaring ahead. Backed by our huge output capacity, our capital spending strategy means we can meet our customer needs and gear up for whatever future tech breakthroughs come our way in the future. Our critical network and telecoms expertise prompts us to take a close look at broadening our customer services. As stand-out leader in our industry, we're blessed by all the strengths we need to meet such challenges and tech market demand"*.

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#### About TDF Infrastructure SAS

TDF Infrastructure SAS is a TDF Group sub-holding company which helps digital firms in mainland France and French overseas territories meet their strategic transmission goals. For radio and DTT broadcasting, mobile ultra high-speed broadband coverage and rolling out optical fiber, TDF brings clients in-depth operational expertise, a mix of unique and ground-breaking technology and an exceptionally widespread local presence. In an ever more connected world, over the last four decades or more TDF has enabled telecoms and media companies to connect the French regions and people, backed by its 19,600 sites, everywhere and faster.

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## APPENDICES

### 1. Key figures

		Dec 2022	Dec 2021	Change Dec 22 / Dec21
<b>Key items of consolidated income statement</b>				
<b>Revenues</b>	€m	<b>769.5</b>	<b>731.7</b>	+5.2%
EBITDA	€m	502.7	464.2	+8.3%
As a % of revenues	%	65.3%	63.4%	+1.9 pt
EBITDAaL (*)	€m	447.6	412.2	+8.6%
As a % of revenues	%	58.2%	56.3%	+1.8 pt
<i>o/w Towers segment</i>	€m	418.9	390.5	+7.3%
<i>o/w Fiber segment</i>	€m	28.7	21.6	+32.9%
Current operating income	€m	289.4	264.4	+9.4%
As a % of revenues	%	37.6%	36.1%	+1.5 pt
Operating income	€m	291.9	259.9	+12.3%
Profit (loss) attributable to owners of the Company	€m	72.2	(3.6)	-2115.1%
<b>Key items of consolidated cash flow statement</b>				
Cash flows from operating activities <i>after operating leases</i>	€m	512.7	378.2	+35.6%
As a % of revenues	%	66.6%	51.7%	+14.9 pts
Purchase of operating fixed assets <i>excluding increase in right-of-use assets (IFRS 16)</i>	€m	(425.4)	(418.4)	+1.7%
As a % of revenues	%	-55.3%	-57.2%	+1.9 pt
Operating free cash flow <i>after operating leases</i>	€m	93.9	(33.1)	-383.7%
<b>Key items of financial structure</b>				
Net debt excluding Shareholders loan and accrued interests, and excluding Lease liability (IFRS 16)	€m	2388	1932	23.6%
<i>o/w Towers segment</i>	€m	2,007	1,836	+9.4%
<i>o/w Fiber segment</i>	€m	381	96	+295.1%
Leverage	X	5.34	4.69	+0.65 pt
<i>o/w Towers segment</i>	X	4.79	4.70	+0.09 pt
<i>o/w Fiber segment</i>	X	13.27	4.46	+8.81 pts
<b>Key performance indicators</b>				
Order backlog	€m	3,931	3,844	+2.3%
Number of Group sites	X	19,588	19,229	+1.9%
FTE end of period	X	1,828	1,840	-0.7%

(\*) EBITDAaL: EBITDA plus expenses related to operating leases, and excluding IFRS 2 charges, severance payments and related fees

## 2. Revenue Breakdown

<i>in millions euros</i>	Dec 2022	Dec 2021	Change Dec 22 / Dec21
Digital Television	158.6	169.1	-6.2%
Radio	114.7	111.5	2.9%
<b>Total Broadcasting Services</b>	<b>273.3</b>	<b>280.6</b>	<b>-2.6%</b>
Telecom: Site Hosting	381.9	362.6	5.3%
Telecom: Other Services	55.7	44.9	24.1%
<b>Total Telecoms &amp; Services</b>	<b>437.5</b>	<b>407.5</b>	<b>7.4%</b>
<b>Fiber (FTTH)</b>	<b>51.8</b>	<b>36.3</b>	<b>42.8%</b>
Autre	6.8	7.3	-7.1%
<b>Revenues</b>	<b>769.5</b>	<b>731.7</b>	<b>5.2%</b>