

# Rai Way: company presentation

Italian Infrastructure Day 2015

08 September, 2015 – Milan



## FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements regarding future events and the future results of Rai Way that are based on current expectations, estimates, forecasts, and projections about the industries in which Rai Way operates, as well as the beliefs and assumptions of Rai Way's management. In particular, certain statements with regard to management objectives, trends in results, margins, costs, rate of return and competition tend to be forward-looking in nature. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," and "estimates," variations of such words, and similar expressions, are intended to identify such forward-looking statements. These forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions that are difficult to predict because they relate to events and depend on circumstances that will occur in the future. Therefore, Rai Way's actual results may differ materially and adversely from those expressed or implied in any forward-looking statements. They are neither statements of historical fact nor guarantees of future performance. Rai Way therefore cautions against relying on any of these forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, economic conditions globally, the impact of competition, political, economic and regulatory developments in Italy. Any forward-looking statements made by or on behalf of Rai Way speak only as of the date they are made. Rai Way undertakes no obligation to update any forward-looking statements to reflect any changes in Rai Way's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

# Summary

- **Company profile & business model**

- Financials & 2015 Outlook

# Rai Way at a glance

## Leading broadcasting tower operator

Active in key strategic locations and c. 2,300 sites overall

Ownership of passive and active infrastructure

New exclusive contract with Rai signed in July 2014

€207,4m 2014 PF core revenues – c.83% from Rai

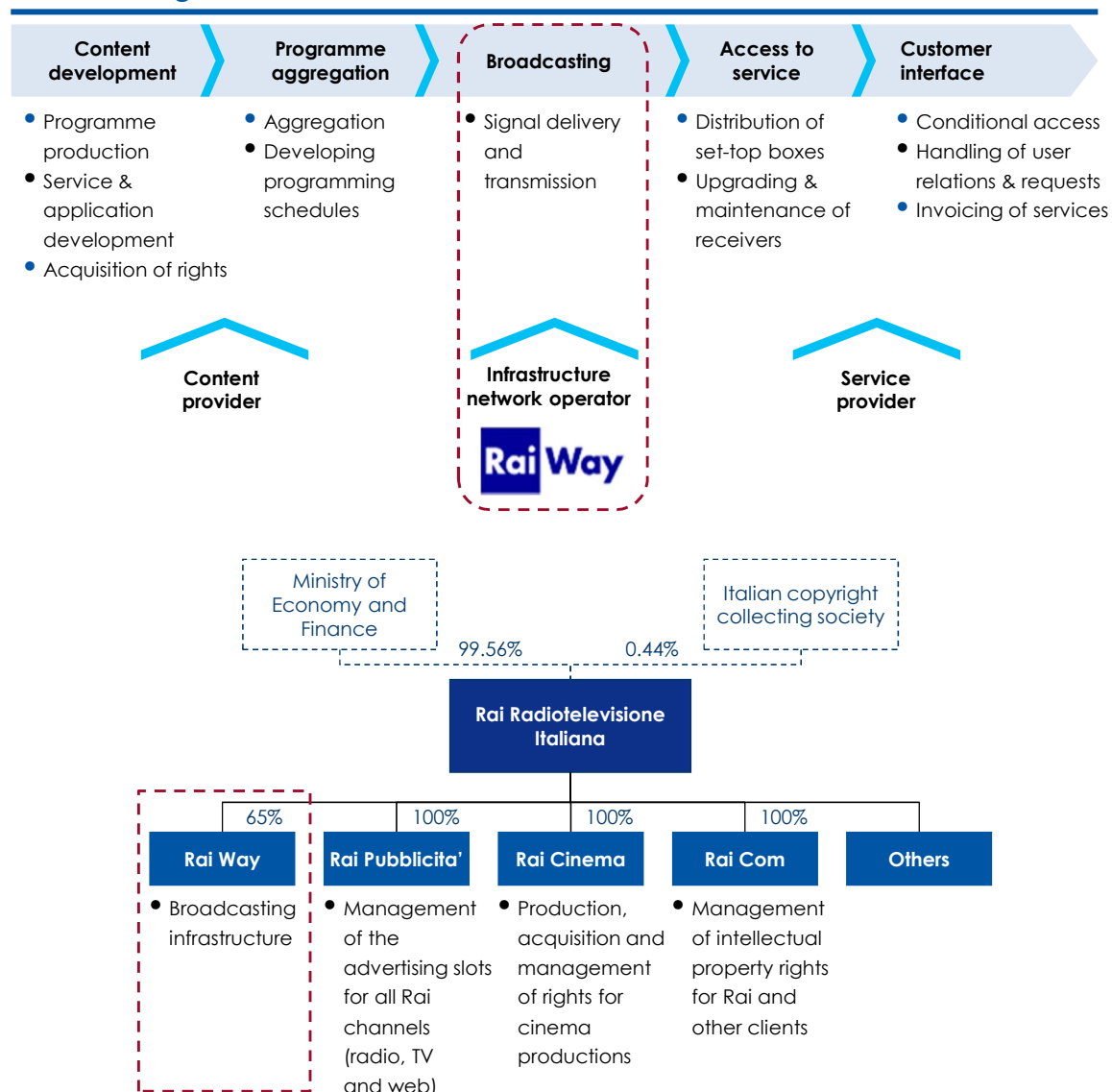
€105,1m 2014 PF Adj. EBITDA

€33,6m 2014 PF net income

c.80% 2014 PF cash conversion<sup>(1)</sup>

637 employees<sup>(2)</sup>

## Broadcasting value chain



(1) Cash conversion calculated as (PF Adj. EBITDA - Capex) / PF Adj. EBITDA

(2) As of June 2015

# A Smarter Tower Company...





# Leading broadcasting tower network with strong capillarity and population coverage

## Unique network capillarity



Legend: ● Rai Way's sites.

- The only terrestrial network capable of covering over 99% of the population
- c.2,300 sites across the country
- Unique capillarity in rural areas

## Key and non-replicable large sites

- Rai Way owns some **major sites**, which are **not easily replicable** by competitors

Roma M. Mario



- Only large site within the city
- Covers metropolitan area and most of Rome province

Monte Venda



- Located in Veneto region
- Covers most of Veneto and surrounding regions with a single site

Monte Penice



- Key site covering Lombardia and eastern Piemonte

## State-of-the-art broadcasting equipment

Satellite reception



Microwave



FM radio transmitter



DAB transmitter



DVB-T transmitter



Combiner

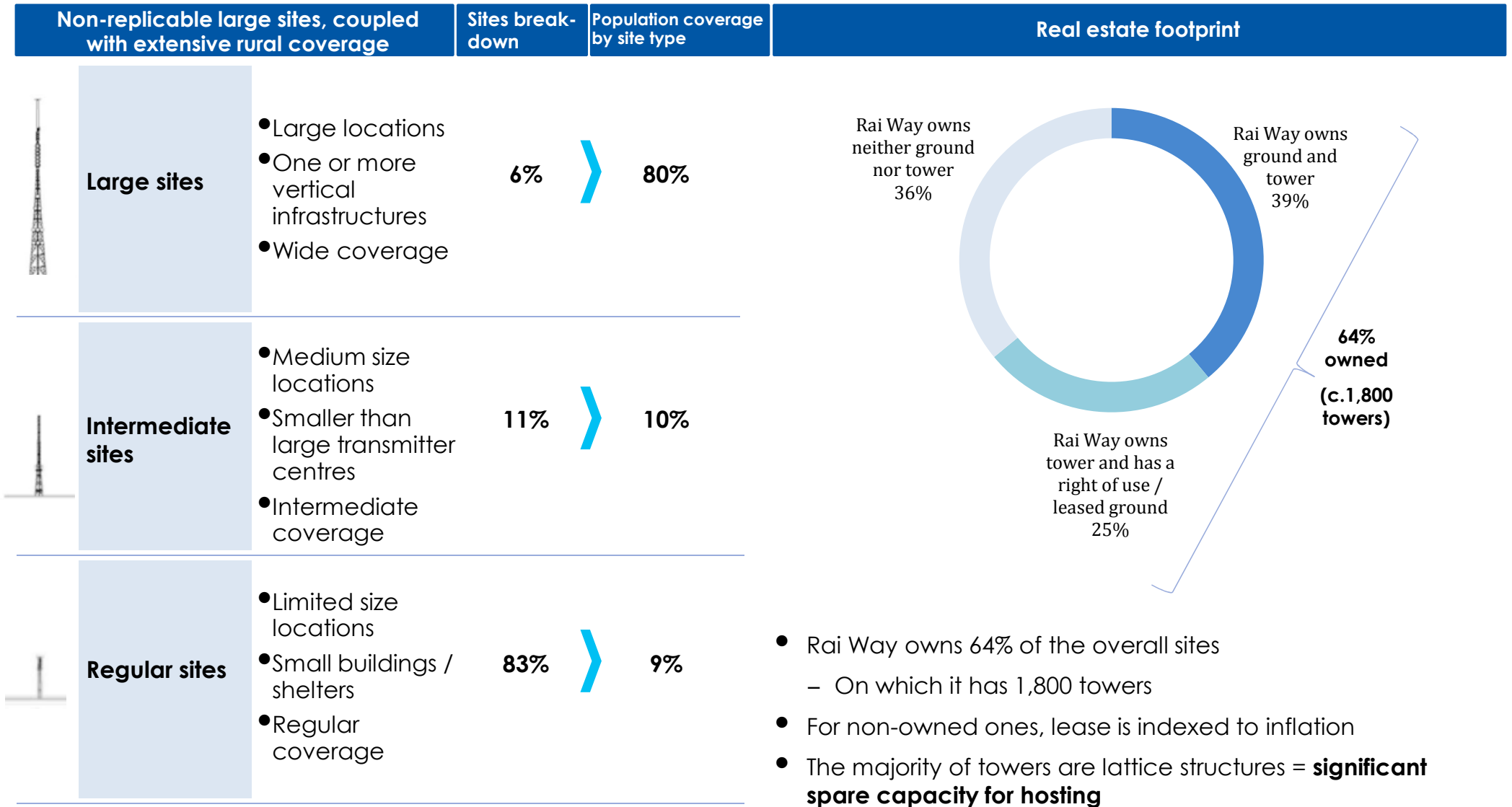


- Rai Way owns **state-of-the art TV and radio broadcasting equipment**
- Investment in digital TV broadcasting switch-over completed in 2012
- €215m<sup>(1)</sup> cumulative investments since 2011

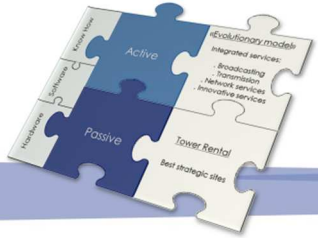
(1) Including investments made in 1H 2015. Capex includes IFRS capex and network investments



# Strategically positioned with significant spare capacity



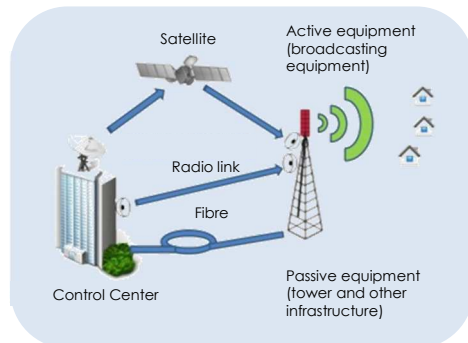




# Rai Way full service offering

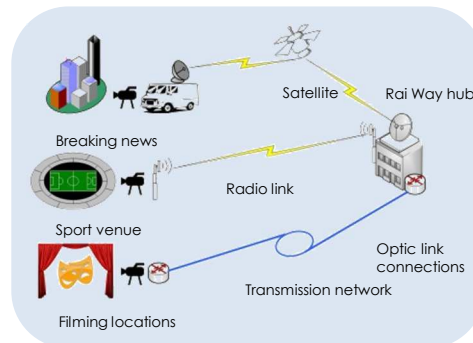
## TV and Radio broadcasting

- Delivers client's television and radio signals to end users using frequencies assigned to the broadcasters
- Digital terrestrial and satellite broadcasting
- Services at local, national and international level
- Turnkey solutions for transmission and broadcasting networks



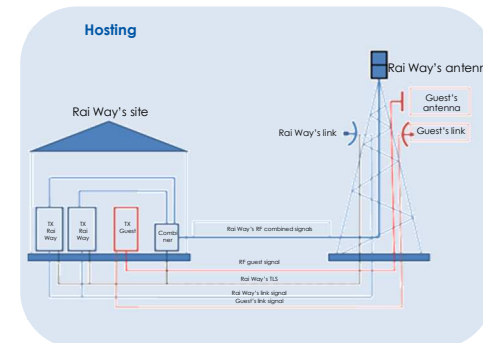
## Transmission

- Interconnects major event venues with Clients' newsrooms and offices
  - Examples:
    - The Venice Film Festival
    - Italian National Football League
    - FIFA world cup



## Tower hosting

- Provides availability of tower infrastructures for radio transmitters
- Customers include telco operators, public administrations and broadcasters and other various corporations



## Network services

- Consulting and technical support services







# Resilient business model, based on highly visible long-term revenues and strong cash flow generation

## Long service agreements with high profile customers

**Rai**

- Long-term service agreement with Rai just renewed



**One-stop shop leveraging on active and passive infrastructure ownership**

- Significant third party revenues<sup>(1)</sup>
  - Based on c. 1,900 equipments located on c. 850 Rai Way sites<sup>(2)</sup>

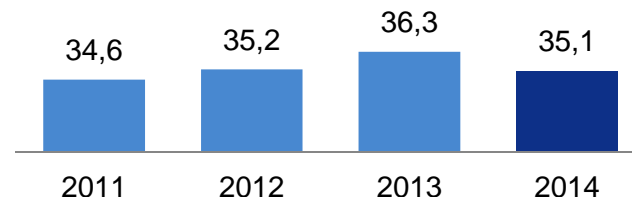


- High switching costs for customers
- Mainly 6 year contracts
  - Majority of revenues are indexed to CPI

**Third-party**

- **High profitability and strong cash flow generation**

Third party revenues in €m








- **Local broadcasters**
  - Capillarity
  - Local offices
- **National broadcasters**
  - One stop shop for broadcasting network needs
- **MNO and wireless**
  - Strategic sites for coverage deployment and backbone creation

(1) Based on IFRS reported figures. Third party IFRS revenues are not affected by pro forma adjustments.

(2) As of 31 Dec 2014

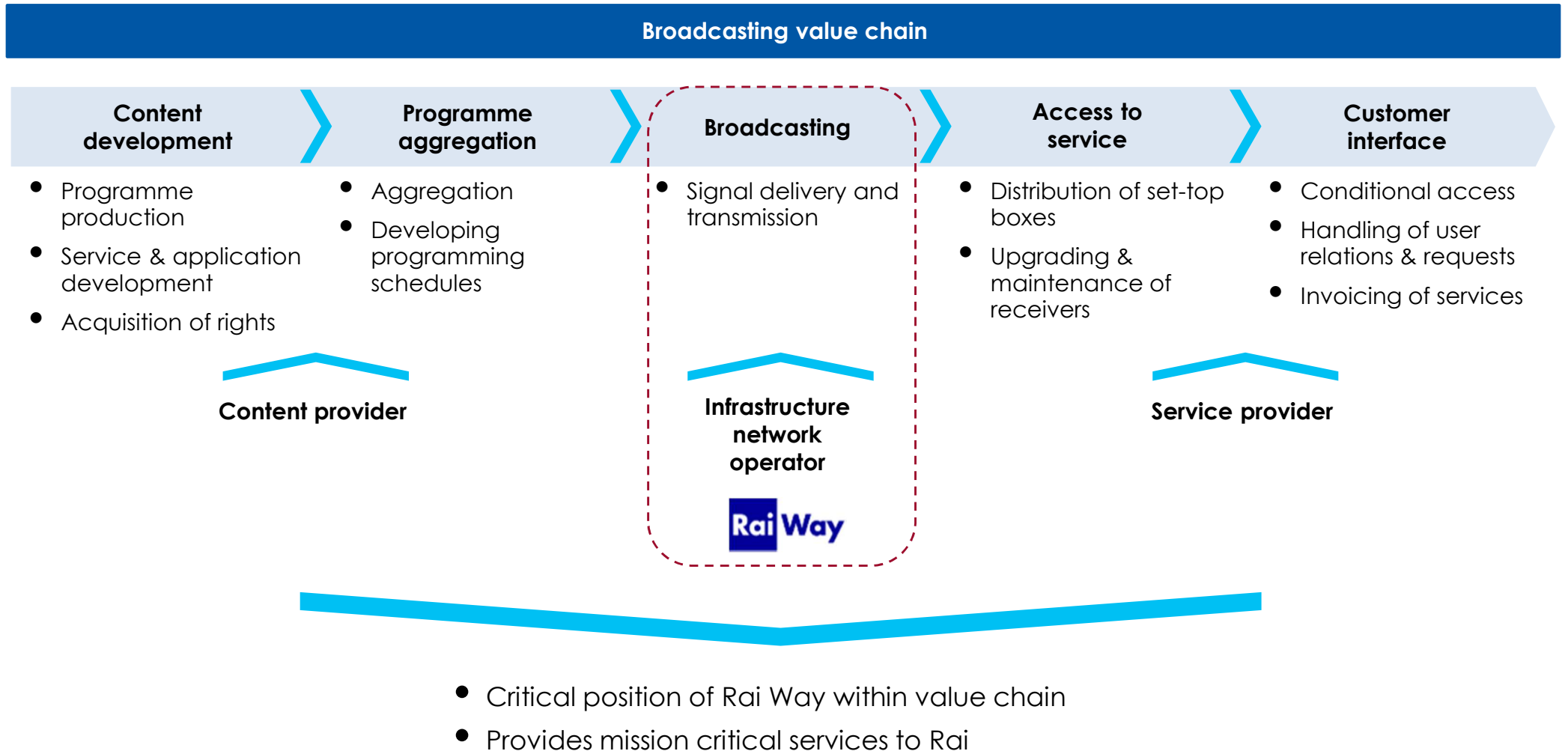


# Long-term contractual relationships with prime customers

	Client	Scope	Tenor	Revenues	2014PF % core revenues
Contract with Rai		<ul style="list-style-type: none"><li>• <b>Network services</b><ul style="list-style-type: none"><li>– Broadcasting and transmission of TV / Radio signals using MUXes assigned to Rai</li><li>– Full exclusivity for Rai Way</li></ul></li><li>• <b>New Services</b><ul style="list-style-type: none"><li>– Revenues from new and additional services</li></ul></li></ul>	<ul style="list-style-type: none"><li>• <b>7 years; automatically renewed for another 7 years</b> (up to max. 21 years)</li><li>• 12 months termination notice, from the end of year 7 onwards</li></ul>	<ul style="list-style-type: none"><li>• €85.5m for H2 2014</li><li>• <b>€175m for FY 2015</b></li><li>• <b>From 2016, increase in line with Italian CPI</b></li><li>• Consideration does not include revenues from new and additional services</li></ul>	c.83%
	<div></div> <div>TV and radio broadcasters</div>	<ul style="list-style-type: none"><li>• <b>Tower hosting services</b><ul style="list-style-type: none"><li>– Provides availability of tower infrastructures for radio transmitters</li><li>– Network installation and support</li></ul></li><li>• <b>Other client customized ancillary services</b></li></ul>	<div><ul style="list-style-type: none"><li>• <b>Typical 6-year contracts</b> with mobile operators<ul style="list-style-type: none"><li>– Three of the four main contracts recently renegotiated</li></ul></li></ul></div> <div><ul style="list-style-type: none"><li>• <b>Ad-hoc contracts</b> with the single broadcasters</li></ul></div>	<ul style="list-style-type: none"><li>• <b>Pricing depends on type of client and service</b><ul style="list-style-type: none"><li>– Revenues generally grow in line with inflation</li></ul></li></ul>	c.17%
Third-party services	Public administration & other corporate customers	<ul style="list-style-type: none"><li>• Contracts are similar to mobile operators' agreements</li><li>• Pricing based on fixed plus variable components</li></ul>			



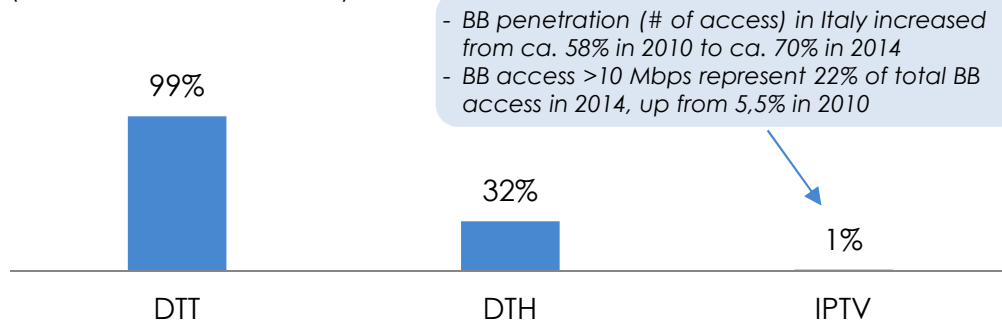
# Provider of mission critical broad range of services to Rai



# Attractive Italian broadcasting and telecom markets

## DTT is by far the key TV broadcasting technology<sup>(1)</sup>

(Penetration of households %)

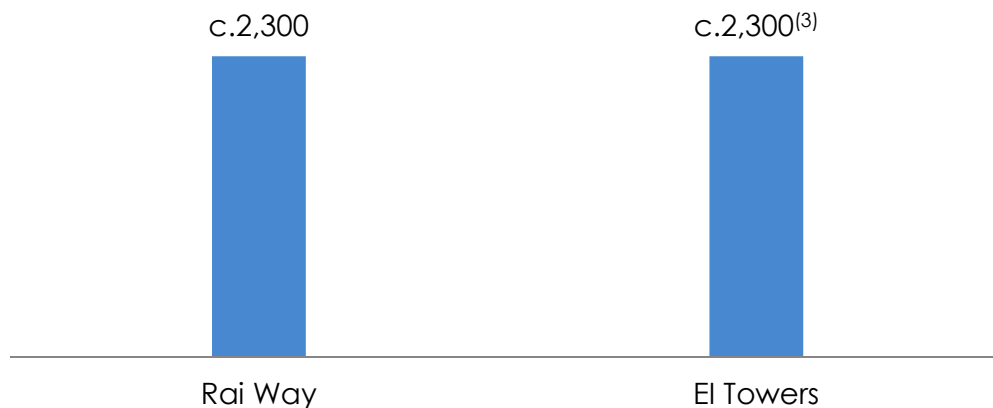


- ... with limited competition due to lack of cable and low broadband penetration / FTTx coverage...

## Rai Way is a leading player in a concentrated broadcasting infrastructure market

### Leading broadcasting infrastructure owners

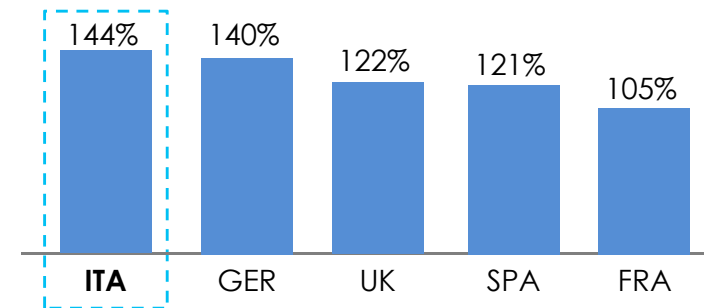
(# of sites)



- ... with potential growth from new MUX allocations and frequency readjustments

## Well-developed mobile telco market

- One of the highest mobile penetrations in Europe<sup>(4)</sup>



## Growth in data and on-going 4G rollout<sup>(5)</sup>



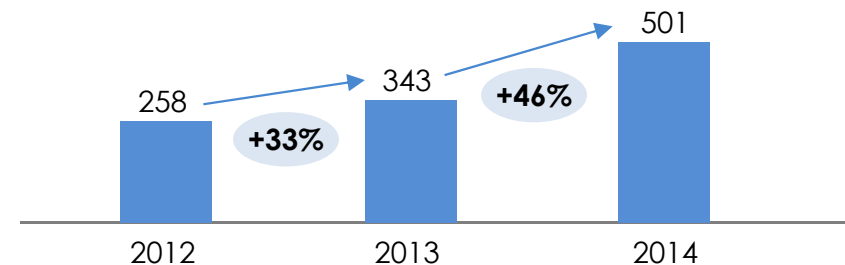
- >95% coverage by 2017



- >90% coverage by 2016



### Mobile networks data traffic volume (in Petabytes)<sup>(6)</sup>



<sup>(1)</sup> Source: Auditel; calculations based on the total number of households. Because certain households have access to more than one platform, the total number of platforms is higher than the total number of households.  
<sup>(2)</sup> Source: AGCOM, "Osservatorio sulle Comunicazioni" - December 2014  
<sup>(3)</sup> Source: El Towers Roadshow Presentation March 2014.

<sup>(4)</sup> Source: GSMA European mobile economy 2013, Mediobanca.  
<sup>(5)</sup> Sources: VOD presentation May 2014, TIM 2014-2016 LTE plan.  
<sup>(6)</sup> Source: AGCOM Annual report 2014 "il settore delle comunicazioni in Italia".

# Rai Way's key strategic pillars

**1 Expand leading position in broadcasting services with new offers to RAI**

- Upside in revenues from Rai, from expanded service offering

**2 Consolidate revenue streams in tower hosting for both MNOs and broadcasting companies**

- MNO revenues currently growing broadly in line with inflation

**3 Expand portfolio of services**

- Environmental and spectrum regulations to foster revenues from local and other broadcasters

**4 Focus on efficiency, profitability and cash flows**

# Summary

- Company profile & business model

- Financials & 2015 Outlook

# IPO as a starting point

## 2014 Main achievements

- IPO successfully completed
- New exclusive service contract with RAI signed in July 2014
- Two Telco contracts renewed
- New financing in place

## 2015 on track

- Management team completed
- Negotiations for new services to RAI under way
- Last Telco contract renewal under way
- Positive 2015 outlook



# Financial Highlights

2013 and 2014 pro-forma figures assume the impact of the new service contracts with RAI as effective from 1<sup>st</sup> January 2013 and 2014 respectively

	Full Year			First Half		
<i>Eur Mln, %</i>	2013FY PF	2014FY PF	% YoY	1H 2014 PF	1H 2015	% YoY
<b>Core Revenues</b>	<b>208,4</b>	<b>207,4</b>	<b>-0,5%</b>	<b>103,5</b>	<b>105,0</b>	<b>1,4%</b>
<b>Adjusted EBITDA</b>	<b>108,0</b>	<b>105,1</b>	<b>-2,7%</b>	<b>53,1</b>	<b>53,9</b>	<b>1,5%</b>
% margin	51,8%	50,7%		51,3%	51,4%	
<b>Net Income</b>	<b>30,8</b>	<b>33,6</b>	<b>8,9%</b>	<b>18,0</b>	<b>19,8</b>	<b>10,0%</b>
<b>Capex<sup>(1)</sup></b>	<b>23,0</b>	<b>21,0</b>	<b>-8,7%</b>	<b>6,5</b>	<b>7,1</b>	
% on core revenues	11,0%	10,1%		6,2%	6,7%	
Cash conversion <sup>(2)</sup>	78,7%	80,0%		87,9%	86,9%	
<b>Net Debt<sup>(3)</sup></b>	<b>58,6</b>	<b>65,5</b>	<b>11,9%</b>		<b>72,5</b>	
Net Debt/1Y rolling Adj. EBITDA	0,54x	0,62x			0,69x	

**Dividend distribution of 12,34 €cent/share (paid in May 2015), with a pay-out ratio of 100% of 2014 Net Income on a pro-forma basis**

(1) In 2013 and 2014, Capex include investments in tangible and intangible assets and financial lease cash-out, representing network capex according to the old service agreement with RAI (being treated as a financial lease)

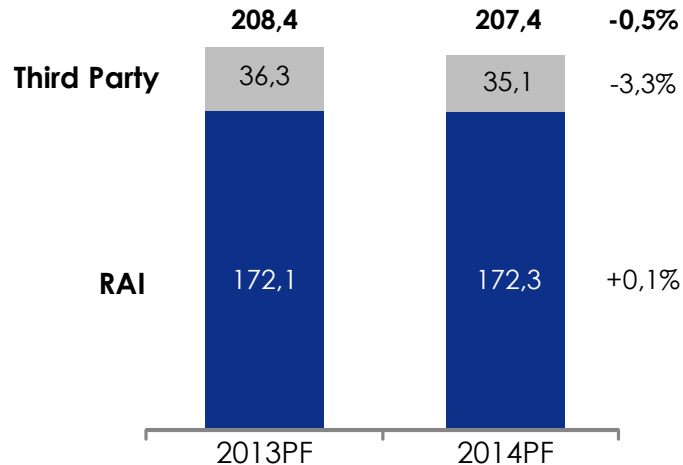
(2) Cash conversion= (Adj. EBITDA – Capex) / Adj. EBITDA

(3) 2014FY PF Net debt consists of the Net Financial Position (determined in compliance with paragraph 127 of the recommendations contained in the document prepared by ESMA, no. 319 of 2013, implementing Regulation 2004/809/EC) excluding the current financial receivables relating to the financial leasing with RAI

# Core Revenues

*Eur Mln; %*

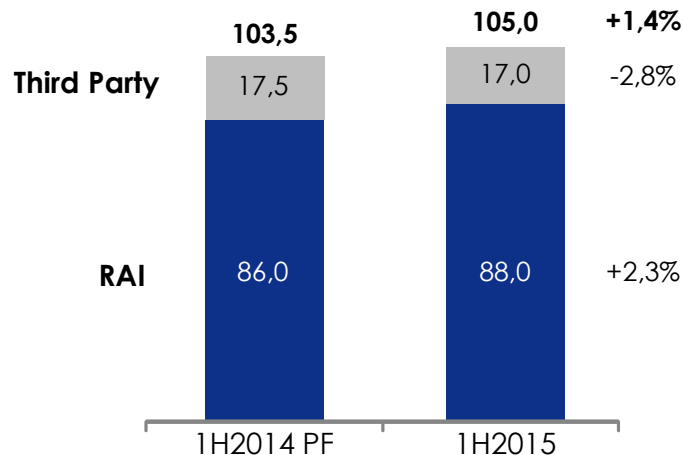
## Full Year



- Revenues from RAI reflect the terms of the new service contract (step-up in the fixed consideration from € 171m in 2014 to € 175m in 2015)

- Third Party performance mainly impacted by:
  - sites optimization operated by mobile operators in 2014
  - lower Tower Rental revenues, mainly from non-MNO customers, and lower Network Services revenues in 1H2015
  - negligible benefit from inflation in 2014 and 2015

## First Half

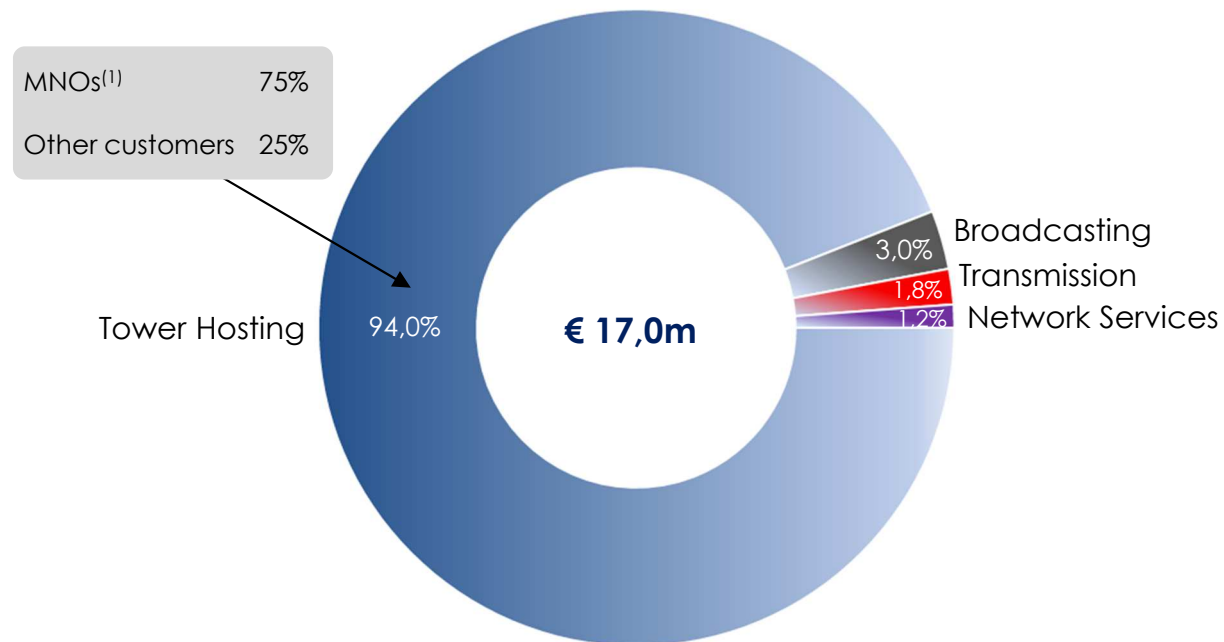


- Contracts with MNOs provide good visibility:
  - 3 out of 4 long term contracts already renewed, last renewal under way
  - link to inflation

# Third Party Revenues breakdown

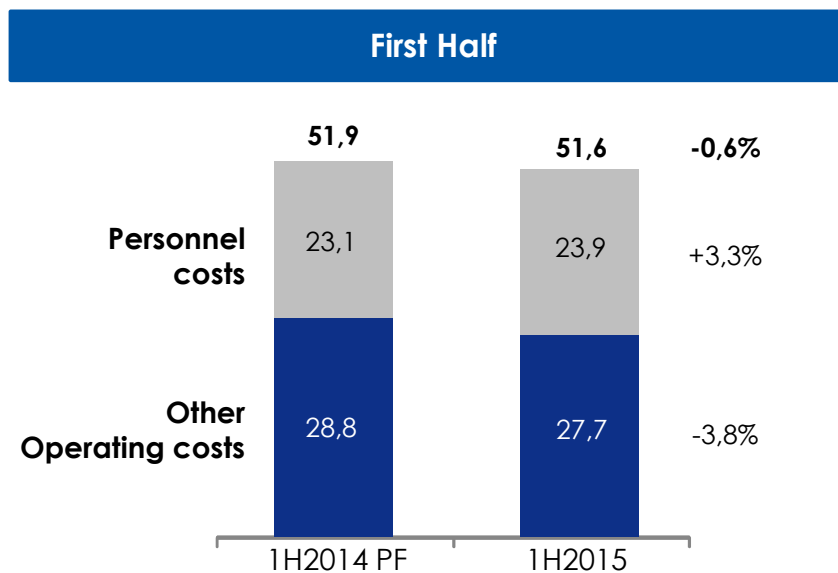
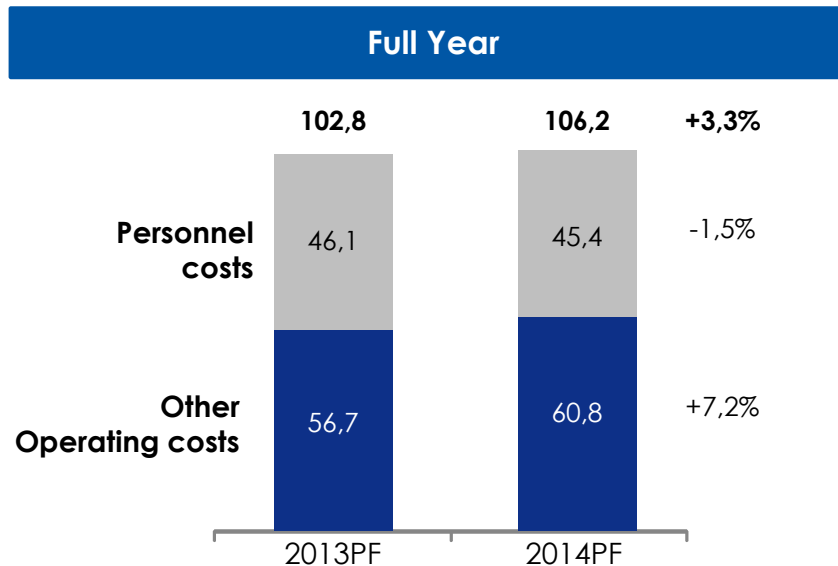
Eur Mln; %

## 1H15 Third Party Revenues breakdown by service



- Tower Hosting stable at 94,0% of Third Party revenues

Eur Mln; %



- Personnel costs rose 3,3% in 1H15 vs. 1H14 mainly driven by completion of organizational structure after IPO
- 2014 increase in Other Operating costs fully driven by lower level of prior year adjustments compared to 2013
- In 1H15 Other Operating costs declined by 3,8% vs. 1H14 mainly driven by maintenance, utilities and ICT intercompany services

# Profit and Loss

	Full Year			First Half		
<i>Eur Mln, %</i>	2013FY PF	2014FY PF	% YoY	1H 2014 PF	1H 2015	% YoY
<b>Core Revenues</b>	<b>208,4</b>	<b>207,4</b>	<b>-0,5%</b>	<b>103,5</b>	<b>105,0</b>	<b>1,4%</b>
Other revenues	2,5	3,9	57,0%	1,5	0,5	-67,1%
Opex	-102,8	-106,2	3,3%	-51,9	-51,6	-0,6%
<b>Adj. EBITDA</b>	<b>108,0</b>	<b>105,1</b>	<b>-2,7%</b>	<b>53,1</b>	<b>53,9</b>	<b>1,5%</b>
% margin	51,8%	50,7%		51,3%	51,4%	
One-off	-3,6	-0,5		0,0	-0,1	
<b>EBITDA</b>	<b>104,5</b>	<b>104,6</b>	<b>0,2%</b>	<b>53,1</b>	<b>53,8</b>	<b>1,2%</b>
% margin	50,1%	50,4%		51,3%	51,2%	
D&A <sup>(1)</sup>	-53,3	-50,5	-5,4%	-24,8	-23,3	-5,9%
<b>EBIT</b>	<b>51,1</b>	<b>54,2</b>	<b>6,0%</b>	<b>28,3</b>	<b>30,5</b>	<b>7,5%</b>
Financial expenses	-3,1	-2,0	-35,1%	-0,9	-1,0	19,7%
<b>Pre Tax Profit</b>	<b>48,0</b>	<b>52,1</b>	<b>8,6%</b>	<b>27,5</b>	<b>29,4</b>	<b>7,1%</b>
Taxes	-17,2	-18,6	8,2%	-9,5	-9,6	1,7%
% tax rate	35,8%	35,6%		34,5%	32,8%	
<b>Net Income</b>	<b>30,8</b>	<b>33,6</b>	<b>8,9%</b>	<b>18,0</b>	<b>19,8</b>	<b>10,0%</b>
EPS <sup>(2)</sup>	0,1133	0,1234		0,0661	0,0727	

- Focusing on core items only (excluding change in Other revenues and prior period adjustments), 2014 PF Adjusted EBITDA broadly flat vs. 2013 with costs optimization almost fully offsetting reduction of Core revenues
- 1H15 Adjusted EBITDA margin impacted by lower level of Other Revenues
- Declining D&A mainly resulting from reduction of Capex vs. "switch-off period"
- 1H15 Tax rate at 32,8%, with improvement mainly driven by higher deductibility of personnel costs from IRAP-taxable income

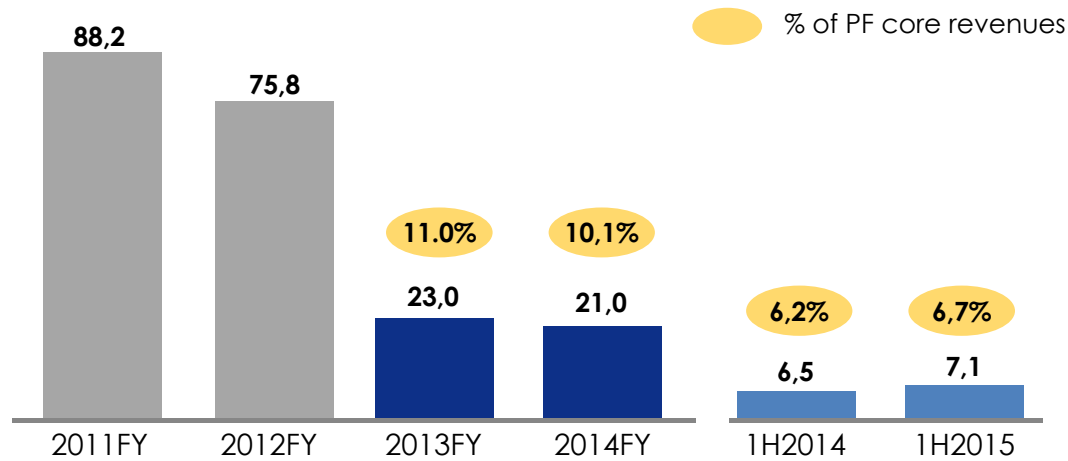
(1) Including provisions

(2) 2013FY and 1H14 PF EPS calculated on 2014YE number of shares

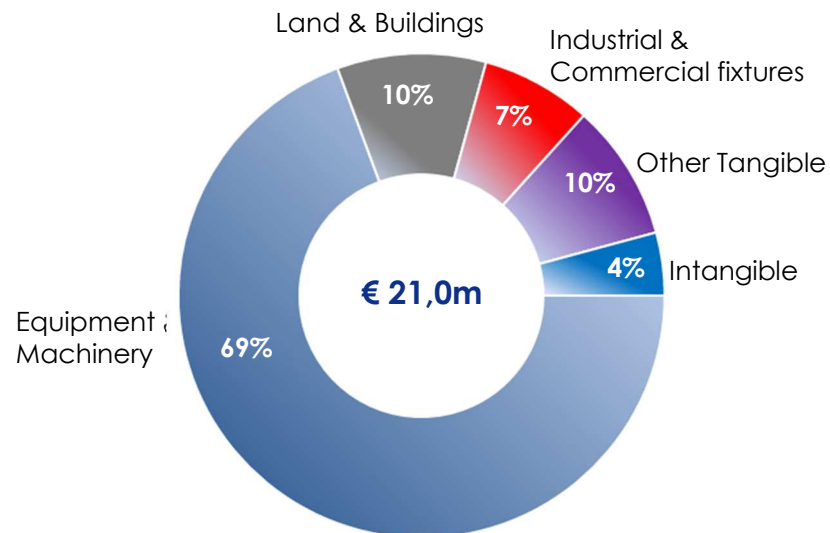
# Capex

Eur Mln; %

## Capex



## 2014 Capex breakdown by asset category

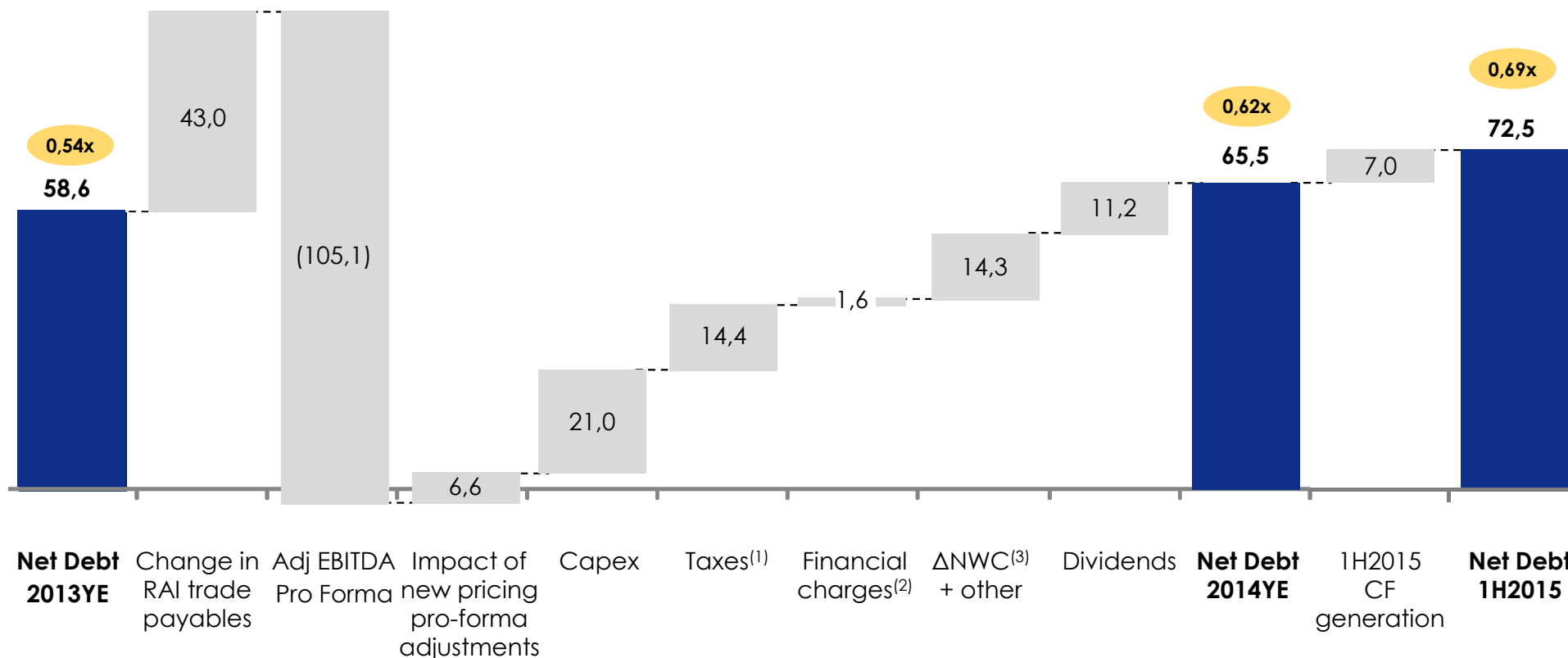


- 2014 Capex at € 21,0m, 10,1% of PF Core revenues
- After few years of heavy investments for DTT roll-out, capex back at maintenance level in 2013-14
- Capex level in the first half reflects typical distribution throughout the year

# Cash Flow generation

Net Debt/1y rolling Adj. EBITDA

Eur Mln; %



- Positive cash flow generation in 2014 (excluding change in RAI trade payables)
- 1H2015 Cash generation pre-dividend payment of ca. € 26,7m
- Strong cash conversion<sup>(4)</sup> at 80% in 2014

(1) P&L taxes

(2) P&L financial charges excluding interests on the employee benefit liability

(3) Excluding change in RAI trade payables

(4) Cash conversion= (Adj. EBITDA – Capex) / Adj. EBITDA



# 2015 Outlook

## Main market trend

- Continuing low-inflation environment
- DTT confirmed as leading platform in Italy:
  - Sky Italia entered DTT with its All-news channel
  - Agon Channel on air since November 2014
  - Discovery Italia securing one additional channel
  - Cairo confirming launch of new channels on the recently awarded MUX
- Stabilization of TV and radio advertising market
- Possible redefinition of local TV frequencies to solve interferences issue
- Growing customers/end-users' demand for new technologies (HD, DAB+)
- 4G network roll-out outside main cities
- Entry of a new player in the Italian TLC tower market (Abertis following Wind deal)

## Rai Way

### • EBITDA

- 2015 EBITDA expected to increase by ~ € 2m compared to 2014 level

### • Capex

- 2015 Capex expected at ~ € 40m, including maintenance and first tranche of development capex for new services to RAI

### • Net Debt

- 2015YE Net Debt targeted at ~ € 50m

**2015-2019 Industrial Plan** to be presented in September

# Contacts

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## Upcoming events

Date

Event

September 2015

2015-19 Industrial Plan

03/11/2015

3Q15 results

# Appendix

The background of the slide features a tall, lattice-structured communication tower situated on a hill. The sun is positioned behind the tower, creating a bright, circular flare that illuminates the scene. The overall color palette is a soft, monochromatic blue, giving the image a clean, professional appearance. The tower's structure is intricate, with various antennas and equipment visible at different levels. The hill it sits on is covered in sparse vegetation, and a fence line is visible in the lower-left foreground. The sky is a pale, hazy blue, suggesting a clear day.

# Detailed summary of Income Statement

(€m; %)	2Q14	2Q14 PF	2Q15	1H14	1H14 PF	1H15
<b>Core revenues</b>	<b>28.1</b>	<b>51.7</b>	<b>52.6</b>	<b>63.4</b>	<b>103.5</b>	<b>105.0</b>
Other revenues	1.3	1.3	0.3	1.5	1.5	0.5
Purchase of consumables	(0.3)	(0.3)	(0.3)	(0.8)	(0.8)	(0.6)
Service costs	(13.1)	(12.3)	(12.4)	(28.0)	(26.4)	(25.4)
Personnel costs	(11.4)	(11.4)	(11.5)	(23.1)	(23.1)	(23.9)
Other costs	(0.9)	(0.9)	(0.9)	(1.6)	(1.6)	(1.8)
<b>Opex</b>	<b>(25.8)</b>	<b>(24.9)</b>	<b>(25.2)</b>	<b>(53.5)</b>	<b>(51.9)</b>	<b>(51.7)</b>
D&A	(0.1)	(12.1)	(11.6)	(0.3)	(24.8)	(23.3)
Provisions	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Operating profit</b>	<b>3.6</b>	<b>15.9</b>	<b>16.1</b>	<b>11.2</b>	<b>28.3</b>	<b>30.5</b>
Net Finance income	1.6	(0.4)	(0.6)	3.2	(0.9)	(1.0)
<b>Profit before income taxes</b>	<b>5.2</b>	<b>15.5</b>	<b>15.5</b>	<b>14.4</b>	<b>27.5</b>	<b>29.4</b>
Income taxes	(1.9)	(5.1)	(5.1)	(5.4)	(9.5)	(9.6)
<b>Profit for the year</b>	<b>3.3</b>	<b>10.4</b>	<b>10.5</b>	<b>9.0</b>	<b>18.0</b>	<b>19.8</b>
<b>EBITDA</b>	<b>3.6</b>	<b>28.1</b>	<b>27.7</b>	<b>11.4</b>	<b>53.1</b>	<b>53.8</b>
EBITDA margin	12.9%	54.3%	52.7%	18.0%	51.3%	51.2%
Non recurring expenses	0.0	0.0	(0.1)	0.0	0.0	-0.1
<b>Adjusted EBITDA</b>	<b>3.6</b>	<b>28.1</b>	<b>27.9</b>	<b>11.4</b>	<b>53.1</b>	<b>53.9</b>
Adjusted EBITDA margin	12.9%	54.3%	53.0%	18.0%	51.3%	51.4%

# Summary of Balance Sheet

(€m)	2014FY	1H2015
<b>Non current assets</b>		
Tangible assets	243.1	227.0
Intangible assets	0.6	0.6
Non-current financial assets	0.6	0.5
Non-current tax assets	5.4	5.3
<b>Total non current assets</b>	<b>249.8</b>	<b>233.5</b>
<b>Current assets</b>		
Inventories	0.9	1.0
Trade receivables	64.4	65.5
Other receivables and current assets	4.4	5.1
Current financial assets	0.7	0.5
Cash	14.7	47.8
Tax assets	0.3	0.3
<b>Total current assets</b>	<b>85.3</b>	<b>120.2</b>
<b>TOTAL ASSETS</b>	<b>335.1</b>	<b>353.7</b>

(€m)	2014FY	1H2015
<b>Equity</b>		
Share capital	70.2	70.2
Legal reserves	6.9	8.1
Other reserves	37.1	37.1
Retained earnings	39.6	25.0
<b>Total equity</b>	<b>153.8</b>	<b>140.4</b>
<b>Non-current liabilities</b>		
Non-current financial liabilities	80.6	105.6
Employee benefits	21.3	20.6
Provisions for risks and charges / Allowances	18.6	18.1
Other non-current liabilities	0.0	0.0
Non-current tax liabilities	0.0	0.0
<b>Total non-current liabilities</b>	<b>120.5</b>	<b>144.3</b>
<b>Current liabilities</b>		
Commercial debt	36.0	30.4
Other debt and current liabilities	21.7	20.9
Current financial liabilities	0.3	15.3
Tax liabilities	2.9	2.4
<b>Total current liabilities</b>	<b>60.8</b>	<b>69.0</b>
<b>TOTAL NET EQUITY AND LIABILITIES</b>	<b>335.1</b>	<b>353.7</b>

# Summary of Cash Flow Statement

(€m)	2Q2014	2Q2015	1H2014	1H2015
<b>Earnings before taxes</b>	<b>5.2</b>	<b>15.5</b>	<b>14.4</b>	<b>29.4</b>
D&A	0.1	11.6	0.3	23.3
Provisions and others	(0.7)	(1.3)	(0.1)	(1.3)
Net financial Income	(1.6)	0.6	(3.2)	1.0
Other non-monetary items	(0.6)	0.0	(0.6)	0.0
<b>Net operating CF before change WC</b>	<b>2.4</b>	<b>26.4</b>	<b>10.7</b>	<b>52.5</b>
Change in inventories	(0.0)	(0.1)	0.0	(0.1)
Change in account receivables	2.3	19.9	(8.9)	(1.2)
Change in account payables	(43.5)	(4.8)	(46.1)	(5.6)
Change in other assets	(4.7)	0.3	(8.7)	(0.7)
Change in other liabilities	(11.8)	(7.5)	1.8	2.0
Use of funds	(0.0)	(0.1)	(0.1)	(0.1)
Payment of employee benefits	(0.6)	0.8	(1.4)	0.5
Change in tax credit/liabilities	0.0	0.4	(0.9)	(0.5)
Taxes paid	(5.2)	(12.4)	(5.2)	(12.4)
<b>Net operating cash flow</b>	<b>(61.1)</b>	<b>22.8</b>	<b>(58.7)</b>	<b>34.3</b>
Investment in tangible assets	(0.0)	(4.0)	(0.0)	(6.9)
Sale of tangible assets	0.0	0.1	0.0	0.1
Investment in intangible assets	(0.0)	(0.1)	(0.0)	(0.1)
Sale of intangible assets	0.0	0.0	0.0	0.0
Financial lease cash-out	(4.6)	0.0	(6.4)	0.0
Financial lease cash-in	19.1	0.0	31.1	0.0
Change in non-current financial assets	(0.0)	0.0	0.0	0.0
Interest received	2.0	0.0	3.9	0.1
<b>Investing cash flow</b>	<b>16.4</b>	<b>(4.0)</b>	<b>28.6</b>	<b>(6.9)</b>
(Decrease)/Increase in long-term debt	(0.1)	(0.0)	(0.1)	25.0
(Decrease)/Increase in current liabilities	56.1	0.3	41.8	15.0
Change in current financial assets	0.0	(0.3)	0.0	0.2
Interest paid	(0.2)	(0.5)	(0.5)	(0.9)
Dividends paid	(11.2)	(33.6)	(11.2)	(33.6)
<b>Financing cash flow</b>	<b>44.6</b>	<b>(34.0)</b>	<b>30.1</b>	<b>5.8</b>
Change in cash and cash equivalent	0.0	(15.1)	0.0	33.2
Cash and cash eq (Beg. of Period) <sup>(1)</sup>	0.0	63.0	0.0	14.7
Cash and cash eq (End of Period) <sup>(1)</sup>	0.0	47.8	0.0	47.8

(1) In 1H2014, financial lease cash-out represents network capex, due to the old service agreement with RAI being treated as a financial lease  
(2) In 1H2014, cash-pooling agreement with RAI