



Press release

Elecnor to join the UK's landmark project to establish nationwide fibre optic connectivity

- The company has reached an agreement with CityFibre, the country's leading alternative broadband network infrastructure provider
- IQA, the group's UK subsidiary, will roll out the network to 100,000 households

Madrid, December 13th, 2019 IQA, the Elecnor group's UK subsidiary, became the first Spanish company to join the British government's landmark initiative to extend fibre optic connectivity to every home in the British Isles. The affiliate of the Spanish infrastructure, energy and telecommunications group signed a deal with telecommunications firm CityFibre, under which it will roll out a fibre optic network in the United Kingdom for EUR 66 million. Over four years, IQA will do the necessary work to extend fibre optic connectivity to 100,000 households in Newcastle.

The Elecnor group subsidiary was selected based on its expertise and experience building fibre optic infrastructures in countries such as Spain and Italy. In fact, Spain is one of the top two countries in terms of the number of households already enjoying fibre optic services (the other being South Korea). 80% of Spanish territory already has fibre optic coverage. Elecnor played a major role in this, providing connectivity for 15% of all households in Spain and all operators in the Spanish market: Movistar, Orange, Vodafone and MÁSMÓVIL.

The United Kingdom intends to make fibre optic broadband available throughout the entire country. This plan has seen CityFibre, a partner of Elecnor's subsidiary, establish itself as the largest alternative broadband network infrastructure provider in the United Kingdom. The company is making significant investments in the Gigabit City plan, aiming to expand the country's fibre network. The firm has secured financing in excess of GBP 1 billion, the most funding in UK history awarded for fibre deployment, and is targeting 37 towns and cities. CityFibre also recently secured an agreement with Vodafone that will see it provide fibre connectivity to one million homes and businesses by 2021 and five million by 2025.

Initiatives like this from CityFibre and other operators are part of the British government's plans to increase the number of households with fibre connectivity, which currently languishes at just 10% of homes compared to 80% in Spain. To address this situation, the British government has set a target of reaching 50% of households in 10 years and achieving nationwide fibre coverage by 2033.



After having initiated a similar project in Italy two years ago, the agreement with CityFibre will see Elecnor capitalise on its expertise in telecommunications, while also expanding its international footprint to the British market, which offers considerable growth potential.

The deal with CityFibre will double IQA's commercial capacity in the UK. At the close of 2018 the company employed a workforce of 265 and had turnover of EUR 29 million. The Elecnor group subsidiary began operations in the UK in 2012. Its main business has so far been providing services and electrical infrastructure to clients such as Scottish Power.

About Elecnor

Elecnor is a leading Spanish business group in the infrastructure, renewable energy and new technology sectors. With over 60 years of continuous growth and a presence in 55 countries, the company operates in various sectors including electricity, gas, industrial plants, railways, telecommunications, water, control systems, construction, the environment, installations maintenance and even aerospace engineering. Elecnor's strong international vocation has led the company to embark on a continuous expansion process that has opened doors to new markets all over the world, mostly in North America, Central America, South America, Africa and the Middle East. Elecnor is listed on the Continuous Market and has a team of highly qualified professionals and a workforce of 13,889 employees. In 2018, the company reported revenues of EUR 2.2731 billion and a consolidated net profit of EUR 74.3 million. For more information, please visit www.elecnor.com

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