



115,000 customers since its launch

Virgin telco celebrates its first anniversary with record figures

- The brand has comfortably exceeded all targets, beating forecasts by over 50% in 2020 and taking this year by storm.
- Virgin telco customers are subscribed to over 325,000 products and services –fibre, mobile, TV and landline.
- Virgin telco has continued to grow during this first year, winning over the market and positioning itself as the operator with the most satisfied customers.

Madrid 20 May 2021. One year ago, Euskaltel Group took a big leap and launched its Virgin telco brand onto the Spanish market in a complex environment, in the midst of a global pandemic and with restricted portability throughout Spain. During its first year, the telco has demonstrated that its strategy and values are the perfect combination for success, as evidenced by the excellent results.

Virgin telco continues to exceed expectations on a daily basis and already has 115,000 customers on its first anniversary –92,000 fibre customers and 24,000 mobile-only customers. In total, Virgin telco offers over 325,000 products and services to its customers (fibre, mobile, TV and landline), accounting for 10.2% of the Euskaltel Group's total mass market services.

Extraordinary network developments are, in part, responsible for this significant growth, as in the first year, Virgin telco has come to provide coverage to 24 million homes across Spain, well above the 18 million home milestone set out in the business plan.

As well as expanding its customer base, Virgin telco continues to increase the number of services per customer and ARPU –which has risen over 10% since the brand's launch– and service bundles subscribed per customer, which increased over 23%. Virgin telco has also gained a predominant place within the Euskaltel Group, contributing over Euros 10.5 million to the Group's total revenues, which grew by 1.4% in the first quarter, driven by Virgin telco's strong customer growth.

Virgin telco's customer base has steadily grown and evolved thanks to the launch of high-value product and service proposals that appeal to all kinds of audience and have positioned Virgin telco as an operator offering high-value services at competitive prices. One of the company's latest offers is 'Virgin telco Family', aimed at families who want to make considerable savings on their bill, but who also want high performing fibre and mobile services. This offer continues to

evolve and now includes unlimited data, making it the most attractive product bundle on the market today. Virgin Family has also driven the increase in services per customer seen by the brand. The "Wi-Fi mesh" service has also been offered, giving customers maximum Wi-Fi power in their homes.

Another very well received service that expands Virgin telco's audio-visual offering is the partnership announced in January with Amazon Prime. New customers who subscribe to Premium Extra TV in their fibre and mobile package are offered a 50% discount for 6 months and a year's subscription to all Amazon Prime services. Last October, the "Netflix Fan" package was also launched, which includes access to Netflix and 10GB of data that customers can use on any of their lines (all free for the first 3 months).

Perhaps the latest agreement signed by the company is one of the most important of the year, as Virgin telco announced a historic partnership with Amazon just a few weeks ago, enabling customers to sign up for service bundles (internet, mobile and TV) via Amazon.es. This agreement places the Spanish telco at the forefront of telecommunications in Europe.

During this first year, agreements have also been signed with key companies in the industry, such as the agreement with Telefónica to offer NEBA services in areas exempt from regulation, the agreement with Adamo to use its fibre network nationwide, and the agreement with Orange to expand its national coverage through its network.

As José Miguel García, head of Virgin telco and CEO of the Euskaltel Group states: *"We take great pride in having far exceeded our expectations in the company's first year. Thanks to the team's impressive efforts –including dealing with the difficult health situation on a national level from the start and throughout this tough year–, we have been able to offer our services in a transparent, straightforward and flexible way, placing customers at the centre of our business strategy. By actively listening to, getting to know and understanding our users, we have been able to achieve the great results we have today. 2021 is sure to bring us fantastic achievements and we will continue to go from strength to strength by adding value".*

Virgin telco exhibits the values that have taken the brand to the top. Its ongoing customer-centred approach, its commitment to flexible product and service offerings, its determination to provide an outstanding service based on simplicity, quality, proximity and honesty and its focus on value have paid off, winning over the market week after week and becoming the operator with the most satisfied customers on the market, according to Net Promoter Score.

Virgin telco emerged as the new national operator set to shake up the telecoms sector and it has certainly done that. It already has a solid value positioning rooted in its attributes and its well-known mould-breaking DNA: *choose what you want and skip what you don't*.

About Virgin telco

Virgin telco (www.virgintelco.es) is the national telecommunications services brand of the Euskaltel Group, one of the main telecoms operators in Spain, which began providing services to customers on 20 May 2020. The operator offers premium, quadruple play bundles for landline and mobile phones, internet and TV through an offering that stands apart from the rest: a format that breaks with traditional closed bundles so that consumers can combine products as they like, choosing only what they need, saving unnecessary costs simply and quickly, and taking full control without the small print and with no obligation for grouped contracts. Virgin telco places the customer at the centre of its entire strategy.

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