



ALTAN
REDES

INFORMATIVE FILE

ALTÁN Redes is the Mexican company in charge of designing, deploying, operating and maintaining the most transformative telecommunications project in Mexico – Red Compartida.

This avant-garde project forms the foundation of the Mexican Telecommunications Reform and the Federal Telecommunications and Broadcasting Law –established in 2013– to achieve a more connected country and reduce the digital gap.

Red Compartida is a wholesale, mobile telecommunications network that provides services to telecommunications retailers and concessionaires that include voice and data in an whole-sale, universal, continued, neutral and non-discriminatory manner.

This project guarantees effective and shared access to a modern **4G LTE** technology network infrastructure with low latency bandwidth, high speed, including connection indoors.

We spark significant **competition in the telecommunications industry** to the benefit of end users reigning in greater infrastructure at lower prices therein shifting quality and benefits to our services.





Under what arrangement does Red Compartida work?

It is a license from the Federal Government, granted to the winners of the international public bid assembled by the Mexican Secretary of Communications and Transportation. Red Compartida is operated under the **Public Private Partnership** (PPP) agreement between ALTÁN Redes, the Organization for the Promotion of Investment in Telecommunications (Organismo Promotor de Inversiones en Telecomunicaciones, Promtel) and Telecommunications of Mexico (Telecomunicaciones de México, Telecom).



Public Sector



PROMTEL leases the right to use the 90 MHz spectrum in the 700 MHz band to ALTÁN Redes. Additionally, a lease agreement with Telecomm allows ALTÁN Redes to utilize fiber optic strands from the Mexican Federal Electricity Commission's (CFE) fiber optic network for a period of 20 years (renewable for an additional 20-year period).

Red Compartida Wholesale Network



ALTÁN Redes invests in financial, technical, human and operational resources to transform the spectrum allowed in 4G LTE voice and data connectivity. Access to *Red Compartida's* Network will strictly be sold to other operators if it benefits their end-users.

Customers

Telecommunications companies

Red Compartida's customers are current and future telecommunications companies (both fixed and mobile) that have their own physical or virtual networks. Additional customers include governments and other entities that operate through a service provider hired or created for the provision of services to end-users.

Altán Redes capital is **100% private**, from its shareholders, as well as with private financing and from the Mexican development bank.



Our Shareholders

International Infrastructure Funds

Morgan Stanley
Marapendi Holding B.V.

Multilateral International Organizations



China-Mexico Fund¹

National and International Pension Funds



Caisse de dépôt et placement
du Québec



²

FFLATAM-15-2

Industrial Shareholders



axtel

National Shareholder

Hansam, S.A. de C.V

Strategic Shareholder



1. Managed by the IFC; 2. Investment vehicle (CKD) with four of the greater Mexican Afores.

ALTÁN Redes is committed to bringing connectivity to 92.2 percent of the country's total population

Milestones in population coverage of Red Compartida

Overall population covered
(Millions of inhabitants
based on Inegi 2010 census)

Rural Population

Population covered
in areas of less than
10,000 inhabitants
(Millions of people)

Pueblos Mágicos

111 "Pueblos Mágicos"
(Percentage of coverage)

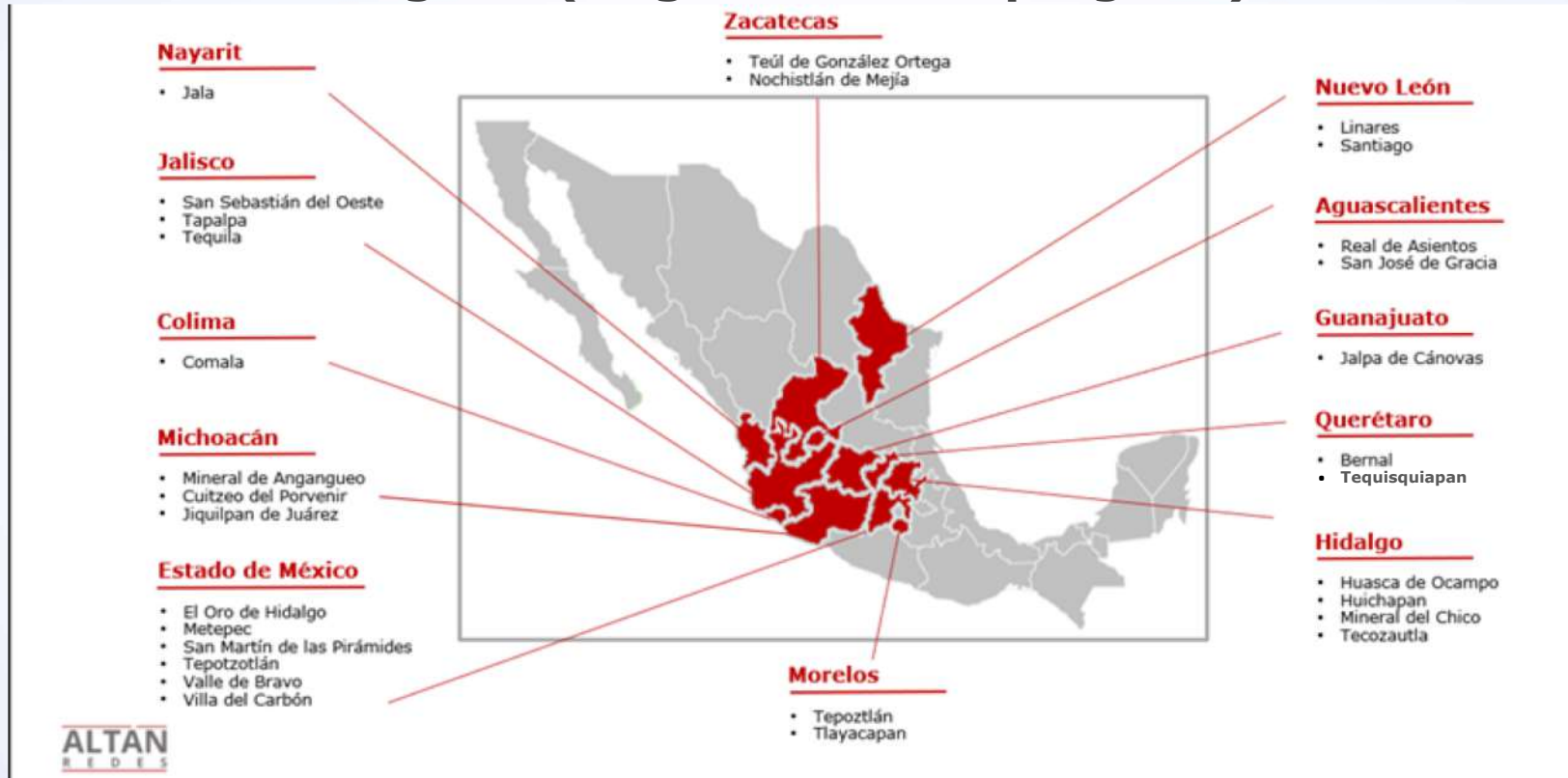


First milestone achieved and exceed

11 cities:

Ciudad de México and suburbs; **Guadalajara**, JAL and suburbs; **Monterrey**, NL and suburbs; **Aguascalientes**, AGS; **Celaya**, GTO; **Puebla**, PUE; **Querétaro**, QRO; **Morelia**, MICH; **Tepic**, NAY; **Colima**, COL, y **Toluca**, EDOMEX.

29 Pueblos Mágicos (Magicals Towns program):



36.1 millions people in total and 5.8 millions in rural populations

Red Compartida: **Good news for Mexico**

With its infrastructure and connectivity, transforms spectrum efficiently to provide greater coverage and capability at a better price.

More services



- Facilitates the digital inclusion and adoption of information technologies in urban and rural areas.
- Capable of reaching regions that currently lack connectivity.
- Able to increase coverage and the capacity of existing and future telecommunications services. For example:
 - Greater connectivity of schools, hospitals and marginalized areas.
 - New public security services supported by video.

Expanded competition



- Promotes the creation of new telecommunications companies.
- It will boost healthy competition for the sector through better prices and additional services.
- Contributes in incentivizing increased investments in the industry.
- Allows concessionaire and distributors to offer more competitive prices and better-quality services to their users.



More innovation



- Increases the performance of services to international standards.
- It's the only network uses cutting-edge 4G-LTE technology conception to implementation, also now ready for 5G.
- Pushes for new digital services, taking advantage of technological capabilities in speed for IoT ("Internet of things").

Increased efficiency



- Assures enhanced connectivity and greater speed for telecommunications services.
- Allows for betterment in business operations and the transfer of these benefits to users.



What do we offer?

Best quality, service and price with tailored solutions and base products.

Data and voice movility services

- Voice calls supported by 4G technology round the clock
- High definition
- Greater speed in data delivery
- Low latency and speeds of up to 400 Mb per second

Internet home and business

- Increased connectivity in areas with low indoor internet quality
- Plug & Play wireless routers allowing end users to connect independently.
- No investment required to offer solutions to end users
- Instant solutions for our customers



Our team

We are an more than 150 professionals committed to connect millions of Mexicans.

We have the dynamism and the necessary experience to convert the concession spectrum into the greatest capacity, at the most competitive cost and with the best technological features available thanks to the leadership of the management group.

The deployment and operation of *Red Compartida* by ALTÁN Redes has a significant social and economic impact on the populations in which it operates. It spurs job creation and the development of supply chains, improving communication and quality of life for residents.

The company operates through the application of rigorous global business ethics and anticorruption policies required by both the international make-up of its investors and by international and domestic laws that pertain to telecommunications.