



Tower strategies of Europe's major MNOs

Company	Other alias'	European countries of operation	Tower strategy
A1 Group (Telekom Austria)	A1, vip	Austria, Belarus, Bulgaria, Croatia, North Macedonia, Serbia, Slovenia	<p>Telekom Austria have begun plans to carve out their towers into a separate towerco unit to reap “more benefits from tower assets through [a] targeted management focus on internal efficiencies and higher tenancy ratios”.</p> <p>In Mexico, América Móvil – Telekom Austria’s majority shareholder – has carved out their passive infrastructure into Telesites (which has listed shares on the Mexican stock exchange) and in their Q4 2020 results announced they were to follow the same strategy across all their Caribbean and Latin American markets, mentioning that they were in discussions with Telekom Austria regarding their towers in Europe.</p>
Altice	SFR	France; Portugal	<p>In France, carved out their towers into a captive towerco, Hivory, in which they sold a 49.99% stake to KKR. Hivory has subsequently been sold to Cellnex</p> <p>In Portugal, carved their towers into OMTEL, with OMTEL since 100% acquired by Cellnex</p>
Deutsche Telekom	Telekom Deutschland; T-Mobile; Magenta Telekom	Austria, Czech Republic, Germany, Poland (Plus direct and indirect investments in Croatia, Greece, Hungary, Montenegro and North Macedonia	<p>German towers carved into Deutsche Funkturm in 2002; Austrian towers carved into Magenta T-Infra in 2021. Both are held under the GD Towers business unit.</p> <p>Dutch towers have been merged with Cellnex’ Netherlands’ portfolio, with Cellnex and Deutsche Telekom creating a new investment fund, Digital Infrastructure Vehicle which holds a 38% stake of Cellnex Netherlands as its seed asset. DIV plans to seek third party investment and invest in other digital infrastructure.</p> <p>In Poland, T-Mobile’s towers are managed through a JV with Orange (NetWorkS!)</p>
Hutchison	3; Hi3G; Wind Tre	Austria, Denmark, Ireland, Italy, Sweden, UK	<p>Towers sold to Cellnex for €8.6bn in cash and €1.4bn in Cellnex shares (c. 5% Cellnex’ capital). Hutchison’s UK towers are managed by the JV MBNL, with Cellnex set to acquire only the economic risks and rewards of the towers. In Sweden, a portion of Hutchison’s towers are managed by the JV, 3GIS.</p>
Iliad (and other MNOs owned by Xavier Niel’s NJJ)	eir, Epic, Free, Iliad, Monaco Telecom, Salt	Cyprus, France, Ireland, Italy, Malta, Monaco, Poland	<p>Xavier Niel owned companies have sold their towers to Cellnex in four markets. In 2019, Iliad sold their towers in France and Italy to Cellnex, retaining a 30% stake in the former. At the same time, Salt sold their towers to the towerco, retaining a 10% stake. In Poland Play has sold towers to Cellnex, with Iliad retaining a 40% stake. In Ireland, eir has sold their tower portfolio to Phoenix Tower International and the towerco has also acquired Monaco Telecom’s towers in Malta and Cyprus.</p>



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Orange		Belgium, France, Germany, Luxembourg, Moldova, Poland, Romania, Slovakia, Spain	<p>Orange has carved out its French and Spanish towers into TOTEM. TOTEM is expected to launch operations in H2 2021, at which point Orange will explore the integration of Orange towers in other markets. Orange wants to remain majority control of TOTEM. TOTEM has an appetite for M&A including the potential formation of JVs with other MNO owned towercos.</p> <p>In Poland and Romania, Orange's towers are managed by the joint ventures NetWorkS! (with T-Mobile) and Netgrid Telecoms (with Vodafone) respectively, although the towers remain on the balance sheets of the MNOs.</p> <p>Outside of this, Orange has completed one sale and leaseback transaction in Europe, selling 1,500 non-strategic sites to Cellnex in Spain.</p>
PPF Telecom Group	O2 Czech Republic, Telenor CEE	Bulgaria, Czech Republic, Hungary, Montenegro, Serbia	<p>PPF has separated out its infrastructure and retail businesses in the Czech Republic, Bulgaria, Hungary and Serbia, with the infrastructure managed under CETIN Group. CETIN manages both passive and active infrastructure. PPF is considering the monetisation of CETIN, with a potential IPO one option under consideration.</p>
Tele2		Croatia, Germany, Estonia, Kazakhstan, Latvia, Lithuania, Netherlands, Sweden	<p>Has yet to reveal any significant plans for their passive infrastructure but Tele2 told analysts in their Q320 results call that "there is an opportunity to do more in terms of sharing and separating out some of our infrastructure assets". In their Q4 results they stated that more information would become available on their Capital Markets Day in May.</p> <p>In Sweden, Tele2 is involved in two active sharing joint ventures; SUNAB (with Telia, covering 3G which is set to be wound down) and Net4Mobility (with Telenor – whose remit has just been extended to include 5G as well as 2G and 4G).</p> <p>In Latvia and Lithuania, Tele2 has formed Centuria, a network sharing joint venture with Bite. The joint venture covers both active and passive sharing (including spectrum sharing)</p>
Telefónica	Movistar, O2	Germany, Spain, UK	<p>Telefónica carved their infrastructure assets (both towers and subsea cabling) into infraco Telxius before selling a 40% stake to KKR and an effective 9.99% stake to Pontegadea. Telefonica has subsequently sold Telxius' tower business to American Tower.</p> <p>In the UK, Telefónica's towers are owned by Cornerstone, Telefónica's 50:50 joint venture with Vodafone. Telefónica and Vodafone recently announced the commercialisation of Cornerstone, with Vodafone transferring its stake to Vantage Towers.</p>



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Telenor		Denmark, Finland, Norway, Sweden	Telenor has carved out their Nordic towers into Telenor Tower Holdings, with Telenor's numerous joint ventures also included in the scope of the new towerco. In Sweden, Telenor is involved in two active sharing joint ventures: 3GIS (with Hi3G which covers 3G and is being wound down) and Net4Mobility (with Tele2 – whose remit has just been extended to include 5G as well as 2G and 4G). In Denmark, Telenor's towers are held by TT-Network, the joint venture with Telia. Telenor refer to their assets as "strategic" implying that if monetisation is on the cards, a sale of a minority stake is the most likely option. Telenor's Asian towers are currently not included in the towerco plans.
Telia	Moldcell	Denmark, Estonia, Finland, Latvia, Lithuania, Moldova, Norway, Sweden	Telia tower assets in Sweden, Norway and Finland have been carved into separate towerco units and sit under the Telia Asset Management business unit. In June 2021, Telia agreed the sale of a 49% stake in its Finnish and Norwegian assets to infrastructure investor Brookfield and Swedish pension fund, Alecta. The operator is involved in a number of infrastructure sharing joint ventures. In Denmark, Telia's joint venture with Telenor, TT-Network covers 2G, 3G and 4G and has recently been extended to cover 5G. In Sweden, Telia's infrastructure sharing joint venture with Tele2 covers just 3G and is set to be unwound as the technology is sunsetted
Turkcell	BEST; Lifecell	Belarus, Turkey, Turkish Republic of Northern Cyprus, Ukraine	Turkcell has carved out its towers across its operations into Global Tower. Turkcell launched and then pulled plans to IPO Global Tower, a further monetisation attempt is expected.
VEON	Beeline; Kyivstar;	Armenia, Georgia, Kazakhstan, Russia, Ukraine	VEON has announced that it will create towerco business units in each of its nine markets, with National Tower Company already formed in Russia. The operator remains open minded as to what it will do with the towerco units, considering the rollup into a single towerco, JVs with other MNOs or potential monetisation. VEON had previously launched and then cancelled proceedings to divest its tower portfolios across Russia and the CIS. The operator has completed one tower deal, selling its Italian towers (to Cellnex), prior to divesting its operations in Italy.
Vodafone		Albania, Czech Republic, Germany, Greece, Hungary, Ireland, Italy, Malta, Netherlands, Portugal, Romania, Spain, Turkey, UK	Vodafone has carved out the vast majority of its tower assets into Vantage Towers and listed a minority stake in the towerco on the Frankfurt Stock Exchange. Vantage Towers has an appetite for M&A and the formation of joint ventures. In Greece, Vodafone has acquired the towers of Wind Hellas; In Italy Vodafone has merged its towers with TIM's INWIT, with Vantage Towers owning a 33.2% stake in INWIT; In the UK, Vodafone has transferred its 50% interest in JV Cornerstone to Vantage Towers, whilst simultaneously announcing the commercialisation of Cornerstone. In Romania, Vantage Towers' sites are managed (but not owned) by Netgrid Telecoms, their joint venture with Orange.