



Boingo Wireless Announces Closing of \$175 Million Convertible Senior Notes Due 2023 and Full Exercise of Initial Purchasers' \$26.25 Million Over-Allotment Option

October 5, 2018

LOS ANGELES, Oct. 05, 2018 (GLOBE NEWSWIRE) -- Boingo Wireless, (NASDAQ: WIFI), the leading DAS and Wi-Fi provider that serves consumers, carriers and advertisers worldwide, today announced that it has closed its offering of convertible senior notes due 2023 (the "notes") for gross proceeds of \$201.25 million. The proceeds include the full exercise of the \$26.25 million over-allotment option granted by the Company to the initial purchasers. The notes were sold to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended.

The notes are senior, unsecured obligations of Boingo, and interest on the notes is payable semi-annually in cash at a rate of 1.00% per annum on April 1 and October 1 of each year, beginning on April 1, 2019. The notes will mature on October 1, 2023 unless they are redeemed, repurchased or converted prior to such date. Prior to April 1, 2023, the notes are convertible at the option of holders only during certain periods and upon satisfaction of certain conditions. Thereafter, the notes will be convertible at any time until the close of business on the second scheduled trading day immediately preceding the maturity date. Upon conversion, the notes may be settled in shares of Boingo common stock, cash or a combination of cash and shares of Boingo common stock, at Boingo's election.

The notes have an initial conversion rate of 23.6323 shares of common stock per \$1,000 principal amount of notes, which is subject to customary anti-dilution adjustments in certain circumstances. This represents an initial effective conversion price of approximately \$42.31 per share, which represents a premium of approximately 30% to the \$32.55 per share closing price of Boingo common stock on October 2, 2018.

Boingo estimates that the net proceeds from the offering is approximately \$195.1 million, given the initial purchasers' exercise in full their over-allotment option, after deducting the initial purchasers' discount and estimated offering expenses payable by Boingo. Boingo used approximately \$24.0 million of the net proceeds to pay the cost of the capped call transactions described below. Boingo expects to use the remainder of the net proceeds from the offering of the notes for general corporate purposes, potential acquisitions and strategic transactions, although Boingo has no agreements or understandings with respect to any acquisitions or strategic transactions at this time and may not enter into any or consummate any transaction. Boingo may also use a portion of the net proceeds for ongoing repurchases of common stock to satisfy tax withholding obligations related to vesting and settlement of restricted stock units (RSUs) and to repay its obligations under its credit facility.

Boingo may redeem all or any portion of the notes, at its option, on or after October 5, 2021, at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date, if the last reported sale price of Boingo's common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which Boingo provides written notice of redemption.

Holders of notes may require Boingo to repurchase their notes upon the occurrence of certain events that constitute a fundamental change under the indenture governing the notes at a fundamental change repurchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the date of repurchase. In connection with certain corporate events or if Boingo issues a notice of redemption prior to the maturity date, it will, under certain circumstances, increase the conversion rate for holders who elect to convert their notes in connection with such corporate event or notice of redemption.

In connection with the pricing of the notes, Boingo has entered into privately negotiated capped call transactions with a financial institution (the "capped call counterparty"). The capped call transactions initially cover, subject to customary anti-dilution adjustments, the number of shares of Boingo common stock that initially underlie the notes, including the notes purchased pursuant to the exercise of the initial purchasers' over-allotment option. The cap price of the capped call transactions is initially \$65.10 per share of Boingo's common stock, representing a premium of 100% above the closing price of \$32.55 per share of Boingo's common stock on October 2, 2018, and is subject to certain adjustments under the terms of the capped call transactions. The capped call transactions are expected generally to reduce potential dilution to Boingo's common stock upon conversion of the notes and/or offset the potential cash payments that Boingo could be required to make in excess of the principal amount of any converted notes upon conversion thereof, with such reduction and/or offset subject to a cap based on the cap price.

In connection with establishing their initial hedge of the capped call transactions, the capped call counterparty has advised Boingo that it and/or its affiliate expect to enter into various derivative transactions with respect to Boingo common stock and/or purchase Boingo common stock concurrently with, or shortly after, the pricing of the notes. This activity could increase (or reduce the size of any decrease in) the market price of Boingo common stock or the notes concurrently with, or shortly after, the pricing of the notes.

In addition, the capped call counterparty and/or its affiliate may modify their hedge positions by entering into or unwinding various derivatives with respect to Boingo common stock and/or purchasing or selling Boingo common stock in secondary market transactions following the pricing of the notes and prior to the maturity of the notes. This activity could affect the market price of Boingo common stock or the notes, which could affect noteholders' ability to convert the notes and, to the extent the activity occurs during any observation period related to a conversion of notes, it could affect the amount and value of the consideration that noteholders will receive upon conversion of such notes.

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities (including the shares of Boingo common stock, if any, into which the notes are convertible) and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

The notes and any shares of common stock issuable upon conversion of the notes have not been registered under the Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements.

Forward-Looking Statements

This press release contains forward-looking statements including, among other things, statements relating to the intended use of the net proceeds from the offering. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements involve risks and uncertainties that could cause actual results to differ materially, including, but not limited to, prevailing market conditions, the anticipated use of the net proceeds of the offering, which could change as a result of market conditions or for other reasons and the impact of general economic, industry or political conditions in the United States or internationally.

Boingo assumes no obligation to, and does not currently intend to, update any such forward-looking statements after the date of this release.

About Boingo Wireless

Boingo Wireless, Inc. (NASDAQ: WIFI) helps the world stay connected. Our vast footprint of DAS, Wi-Fi and small cells reaches more than a billion people annually, making Boingo one of the largest providers of indoor wireless networks. You'll find Boingo connecting people at airports, stadiums, military bases, convention centers, and commercial properties.

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