PRESS RELEASE

Interim Report Third Quarter 2020


CEO comment by Kjell Johnsen

“Tele2 has a very strong foundation with an impressively resilient business model that continues to produce strong cash flow quarter after quarter. We have a solid position and plan to build on, but I also see room for operational improvement for further value creation that I will address and come back to going forward. Overall, I am very impressed by my new colleagues at Tele2 and really appreciate the resolute way in which they have handled the pandemic. I am very excited to be here and will certainly enjoy leading Tele2 onwards.”

Highlights

• End-user service revenue of SEK 4.9 billion, a decline by 2% compared to Q3 2019 on an organic basis, mainly due to negative impact from the pandemic.
• Revenue of SEK 6.6 billion, a decline by 3% compared to Q3 2019 on an organic basis.
• Underlying EBITDAaL of SEK 2.5 billion increased by 2% organically compared to Q3 2019 despite the pandemic impact, driven by strong performance in the Baltics and cost savings.
• Profit after financial items (EBT) was SEK 1.4 billion, an increase by SEK 0.2 billion compared to Q3 2019.
• Net profit from total operations of SEK 1.2 billion (SEK 1.76 per share) improved by SEK 0.2 billion compared to Q3 2019.
• Equity free cash flow from continuing operations of SEK 1.7 billion, flat compared to Q3 2019.
• Equity free cash flow from continuing operations for the last twelve months of SEK 5.3 billion, or roughly SEK 7.70 per share.
• The extraordinary dividend of SEK 3.50 per share was approved in the third quarter, and distributed along with the second tranche of ordinary dividend in early October.
• Switch to digital broadcasting successfully executed, increasing broadband capacity.
• Spectrum licenses acquired in the Netherlands, creating a foundation for continued strong performance.
• Kjell Johnsen joined as President and CEO of Tele2 on September 15, 2020.

Teleconference and webcast
Tele2 will host a teleconference and webcast with presentation at 10:00 CEST (09:00 BST, 04:00 EDT) on Tuesday, 20 October 2020. The presentation will be held in English and will be available as a webcast at www.tele2.com.

Dial-in information
To make sure you are connected in time for the teleconference, please dial in a few minutes in advance and register your attendance. Use Confirmation Code 4327369.

Dial-in numbers:
Tele2’s vision is to be the smartest telco in the world, creating a society of unlimited possibilities. Ever since Tele2 was founded in 1993, we have continued to challenge prevailing norms and dusty monopolies. Today, our award winning networks enable mobile and fixed connectivity, telephony, data network services, TV, streaming and global IoT solutions for millions of customers. We drive growth through customer satisfaction and smart combined offerings. Tele2 has been listed on Nasdaq Stockholm since 1996. In 2019, Tele2 generated revenue of SEK 28 billion and reported an underlying EBITDAaL of SEK 9 billion. For latest news and definitions of measures, please see our homepage www.tele2.com.