

Accounting changes

Somewhat increased scope of *Items affecting comparability* to make *Underlying EBITDA* cleaner

We add “reported” EBITDA to align with the industry

P & L with IFRS 16	
Revenue	
Underlying EBITDA	
+/- Items affecting comparability	
= EBITDA	
- Depreciation & Amortization	
<i>of which RoU asset depreciation</i>	
+/- JVs and associated companies	
= Operating profit	
- Financial items	
<i>of which lease interest</i>	
= Profit after financial items	
...	

Underlying EBITDA

- Lease costs as booked before IFRS 16

= Underlying EBITDA excluding IFRS 16

We will use this measure for comparability during 2019

Underlying EBITDA

- RoU asset depreciation

- Lease interest

= Underlying EBITDAaL

We intend to keep this measure in coming years, and use it for leverage calculation

Note: *Underlying EBITDA excluding IFRS 16* and *Underlying EBITDAaL* are almost equal, but there is a small difference since lease interest is front-end loaded over the contract period. In addition, *Underlying EBITDA excluding IFRS 16* will be reported separately for Sweden Consumer and Sweden Business, but *Underlying EBITDAaL* will only be provided for Sweden as a whole.

Accounting changes

Leverage ratio

Economic net debt / Underlying EBITDAaL

Note: When calculating leverage we include 49% of the Underlying EBITDAaL from Kazakhstan (=our equity share)

Economic net debt

Net debt according to IFRS 16

- Leasing liabilities

- Liabilities to Kazakhtelecom

- Earn-out obligation Kazakhstan

- Loan guaranteed by Kazakhtelecom

= Economic net debt

New adjustment

These adjustments are unchanged

OCF definition

Underlying EBITDAaL

- Capex paid

= Operating Cash Flow (OCF)