com hem

Q4 and Full-year 2013 Presentation

Investor and Analyst Conference Call

February 14, 2014

Disclaimer

Disclosure Regarding Forward-Looking Statements

This presentation includes forward-looking statements. Forward-looking statements can be identified by the use of forward-looking terminology, including words such as “believes,” “estimates,” “anticipates,” “expects,” “intends,” “may,” “will”, “could” or “should” or, in each case, their negative or other variations thereof or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this presentation and include statements regarding, or based upon, our Management’s current intentions, beliefs or expectations concerning, among other things, our future results of operations, financial condition, liquidity, prospects, growth, strategies, potential acquisitions, or developments in the industry in which we operate.

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Unless otherwise specified, forward-looking statements herein speak only as of the date of this presentation. We undertake no obligation, and do not intend, to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above. Readers are cautioned not to place undue reliance on any forward-looking statements.

Leadership Change

As many of you know, Tomas Franzen is leaving Com Hem after 6 years as CEO

Tomas Franzén
Outgoing CEO

Sincere thanks and best wishes to Tomas Franzén – our outgoing CEO

Agenda

Business Strategy and Operational Results	Andrew Barron
Financial Results	Joachim Jaginder
Questions	Andrew Barron, Joachim Jaginder
Appendix	

Com Hem Overview

Com Hem Snap Shot

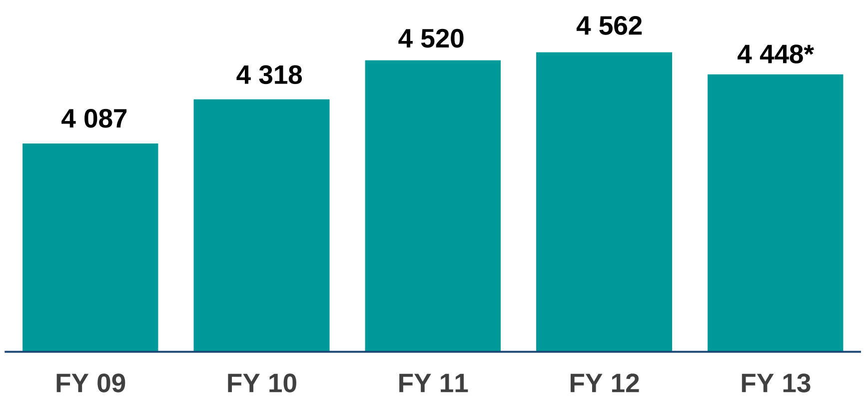
- ✓ Excellent upgraded network
- ✓ Market-leading TiVo product
- ✓ Large customer base
- ✓ Strong brand

Strong Cash Conversion

- ✓ Good cost discipline
- ✓ Excellent margins
- ✓ Strong cash generation

Revenue Development

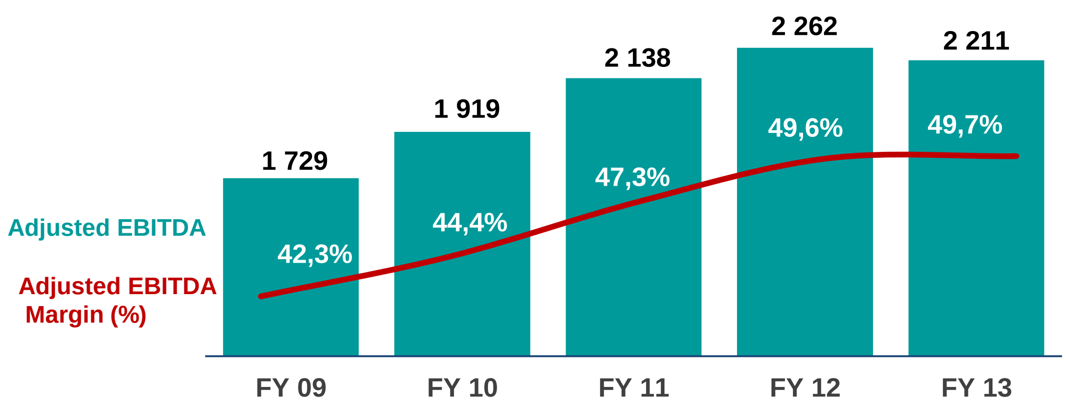
(*SEK*m)



* TiVo launch delayed 5 months

Adjusted EBITDA Development

(*SEK*m)



Com Hem Priorities

There are six strategic priorities that together will deliver sustained, profitable growth for Com Hem

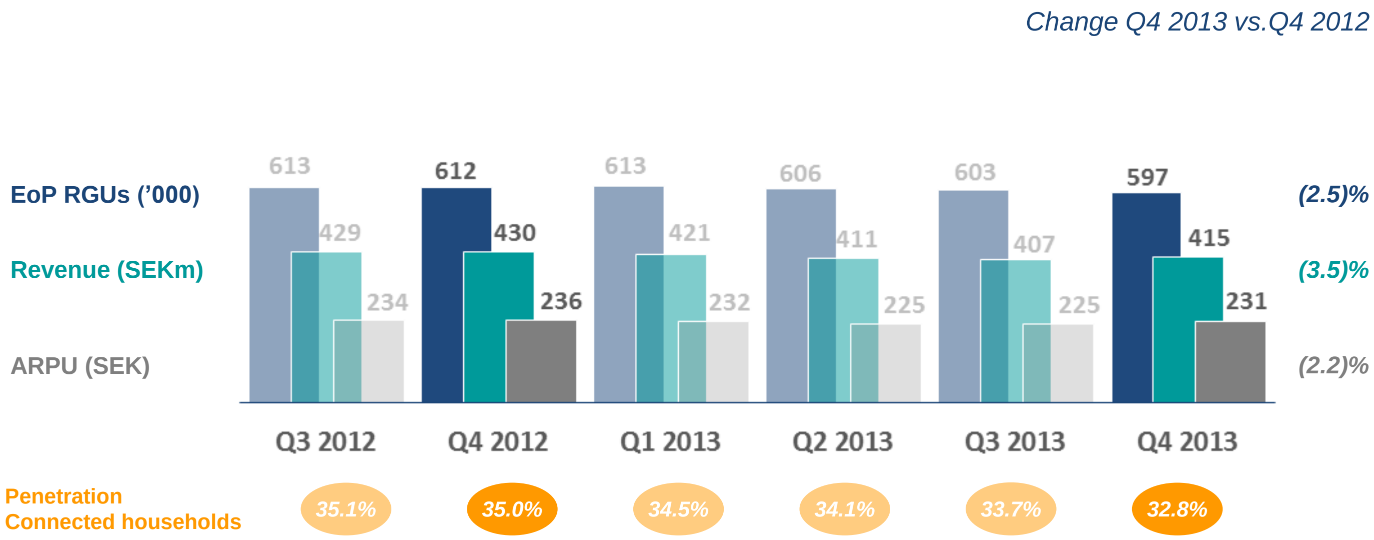
1. Grow DTV Subscribers and ARPU with TiVo
2. Continue to Grow Broadband subscribers and ARPU
3. Increase penetration of Dual & Triple Play Customers (Incl. Telephony)
4. Improve Customer Satisfaction (NPS) and Customer Churn
5. Launch B2B
6. Increase Homes Connected (and Upsell from Analogue to DTV)

Sustained Profitable Growth

1. Grow DTV with TiVo

Quarterly Development - Digital-TV

Development DTV Revenue, RGU and ARPU



Development

Q4 2013 vs. Q4 2012

- Market environment continues to be competitive
- TiVo launched October 7th 2013
- Strengthen content (e.g. Netflix)
- Declining trend in DTV revenue and ARPU reversed during Q4 2013

TiVo subscriptions sold

1. Grow DTV with Tivo (Cont.)

We can already see signs of that KPI growth in the Q4 2013 results:

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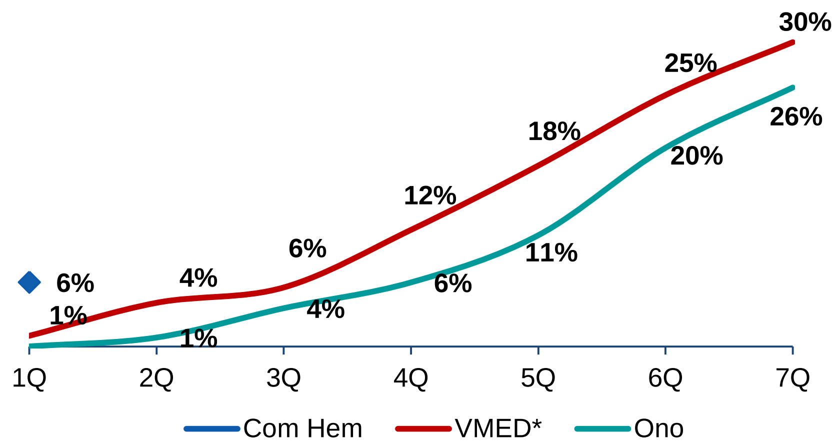
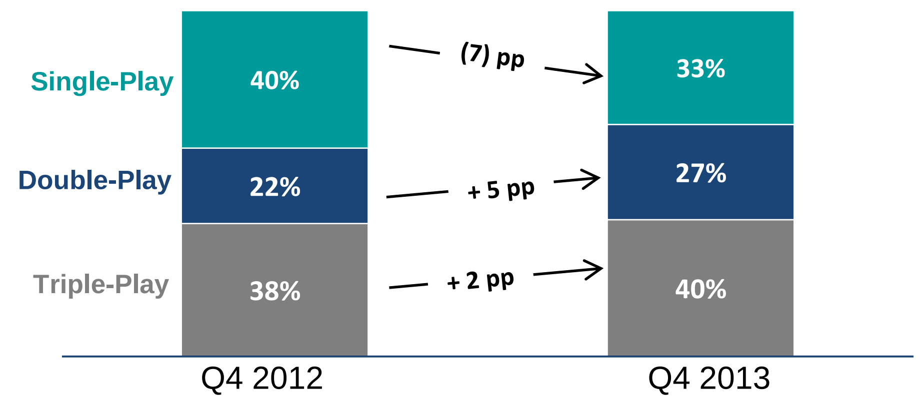
TiVo penetration of DTV base after launch



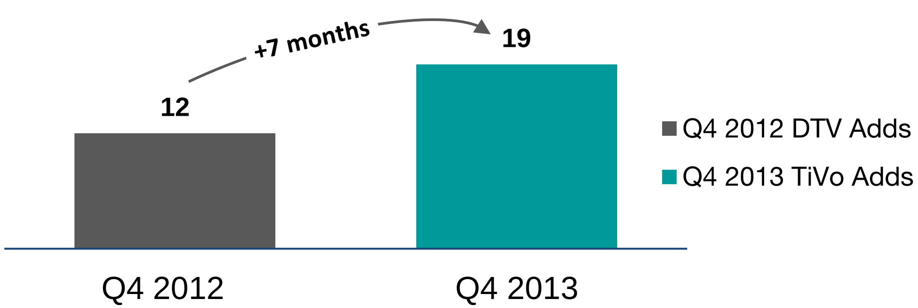
* To get comparable quartely figures, Virgin Media first quarter of TiVo sales includes for four months of TiVo sales (launch in December 2011).

Increased cross-sell for adds after cancellation**



** Adds after cancellations (Gross adds less Cancellations) for the quarter

Securing base with longer binding periods



TiVo Impact Q4 2013

- ✓ Sold 38,000 TiVo subscriptions since launch
- ✓ 6% TiVo DTV penetration after one full quarter of TiVo sales
- ✓ Increased cross-selling and bundling opportunities with TiVo
- ✓ Securing DTV base with longer binding periods for TiVo adds

1. Grow DTV with TiVo (Cont.)

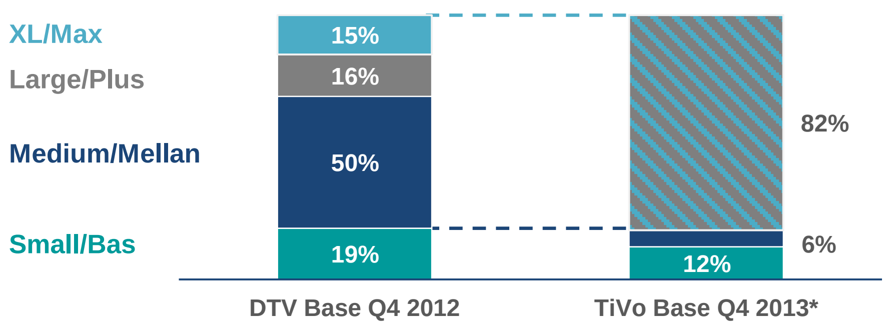
We are pairing TiVo, the best TV platform in the market, with the best content line-up in the market to drive tier mix and ARPU

Content Platform

- Most comprehensive channel line-up on the market (Over 140 channels of which 79 in basic tiers, TiVo Max, vs 54 channels with closest competitor);
- Majority of all basic channels with catch-up* functionality and available on TiVoToGo;
- Leading MSO in HD with HD integrated in basic tiers. Most HD channels in the market, currently 17 HD channels in basic tiers and growing;
- Comprehensive Play library included in each basic tier package;
- Leading MSO in integration of SVOD. Netflix fully integrated in TiVo, unique in the Swedish market. Cirkus, VoD service with the most popular British produced Drama series, available on TiVo and TiVoToGo;
- In addition, over 4,000 movies from four suppliers available for rent;
- Full coverage of premium packages with the best series, movies and live sport from C More and Viasat.

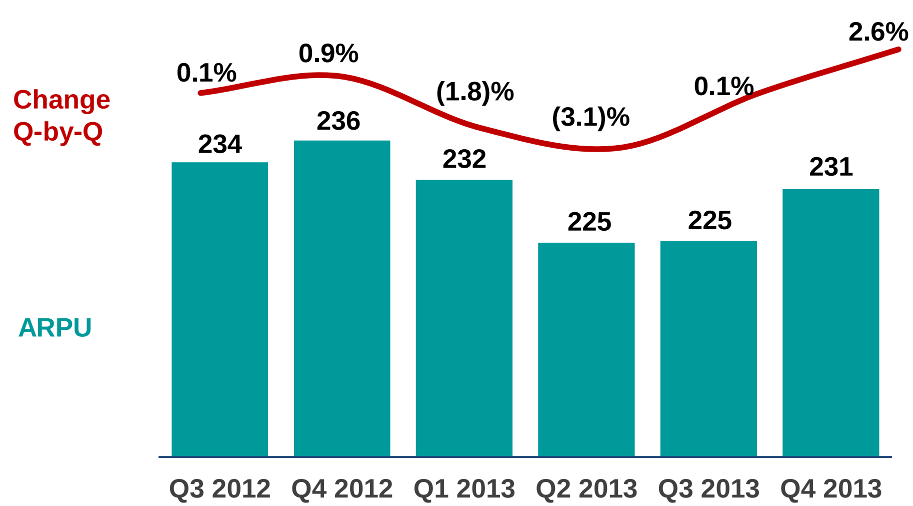
** Catch-up enables a customer to view a program up to 7 days after original air time.*

Changing DTV Tier Mix



* Current DTV campaign offers customers to try on TiVo and Max package, with the option to downspin to Plus or Mellan package within the first three months

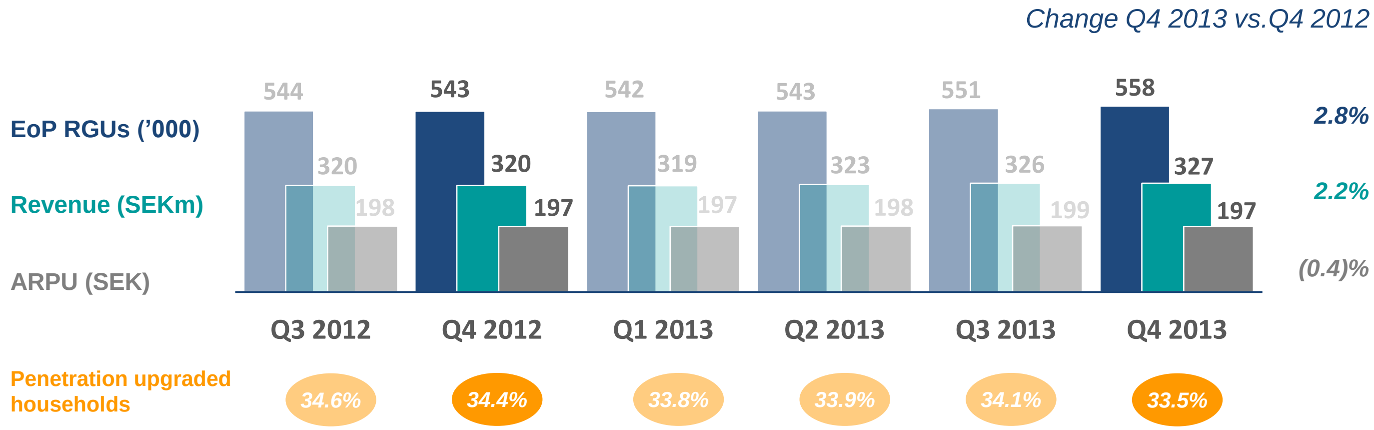
Development DTV ARPU



2. Broadband Growing

Broadband subscribers hit a record high in Q4 2013, driven by continuing demand for higher speeds

Revenue, RGU and ARPU

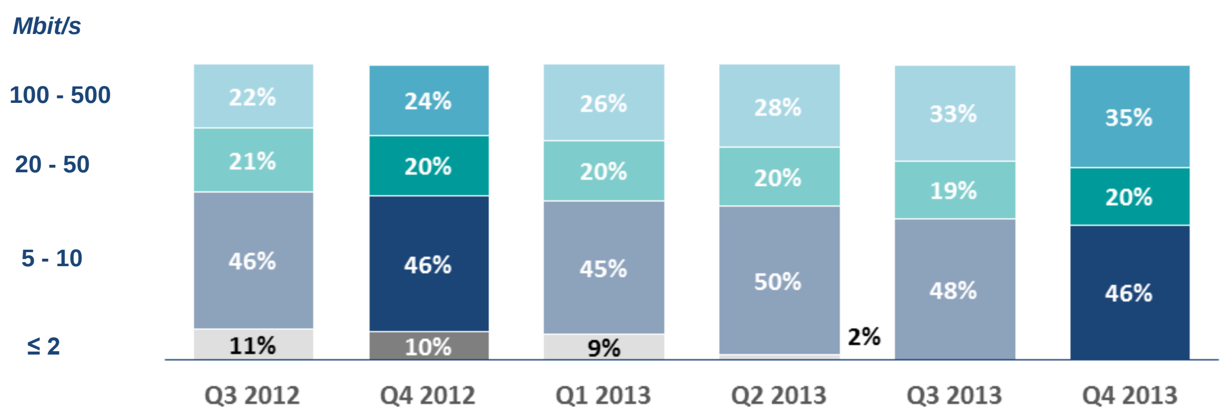


Development

Q4 2013 vs. Q4 2012

- **Revenue increase due to:**
  - Higher RGUs
  - Better tier mix
  - ARPU growth delayed by sign-up discounts (e.g. three month free)
- **Customer demand for higher speeds continues**
  - As of December 31, 2013, 35% of customer base subscribed for 100 – 500 Mbit/s services

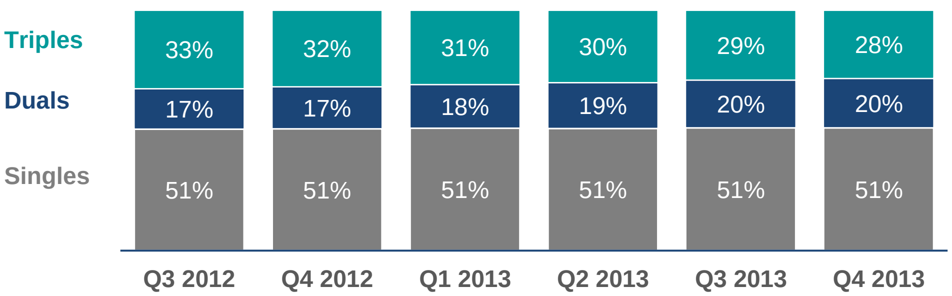
Increasing demand for higher broadband speeds



3. Duals and Triples

A substantial opportunity

Development Com Hem's Duals and Triples

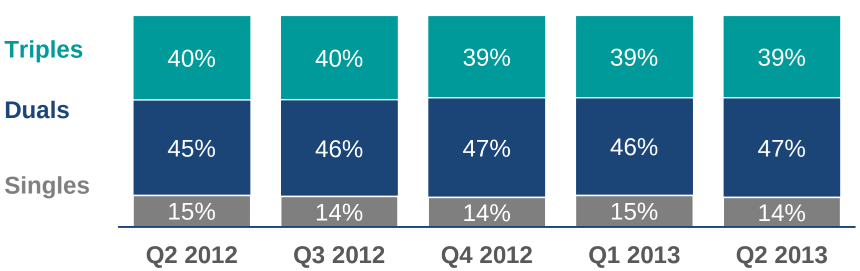


Com Hem's Duals and Triples

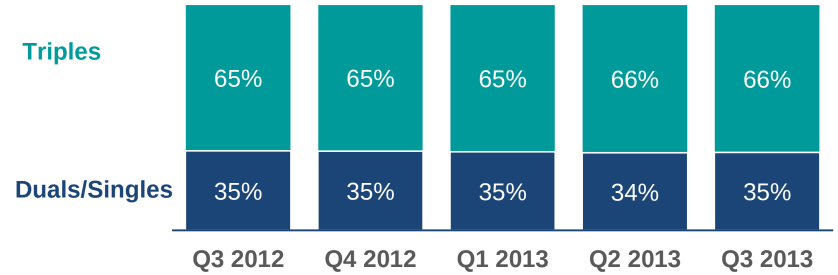
The Opportunity

- **Com Hem's bundle penetrations, especially triples, remains relatively low compared our European TiVo Peers**
- **Given the economic benefits of bundling for both customers and Com Hem, this is a substantial opportunity going forward**

Development Ono – Duals and Triples



Development Virgin Media – Duals and Triples



3. Duals and Triples (Cont.)

Impact on Fixed Telephony

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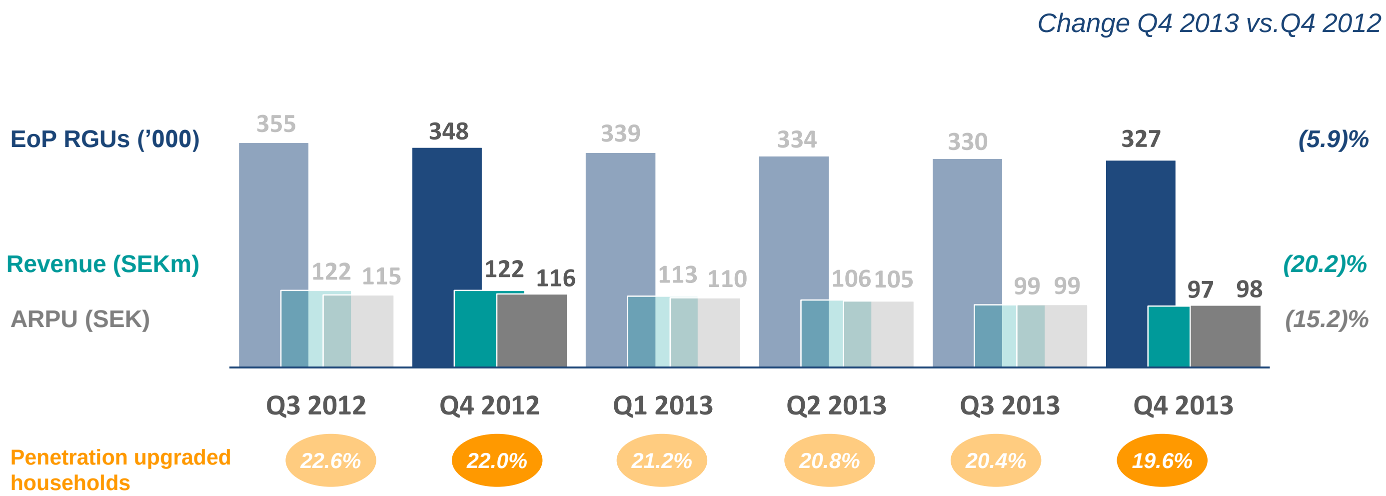
Development Revenue, RGUs and ARPU



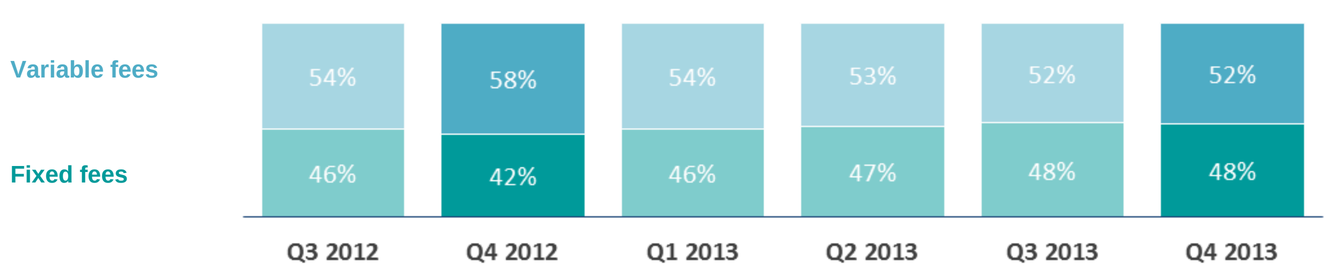
Bundling is Key

Focus going forward

- Key differentiators are DTV/TiVo and broadband.
- Current telephony usage and variable fees are declining
- To address the gradual decline in fixed telephony usage, bundling is key, i.e. Duals and Triples

Breakdown Telephony ARPU

(*Percentage*)



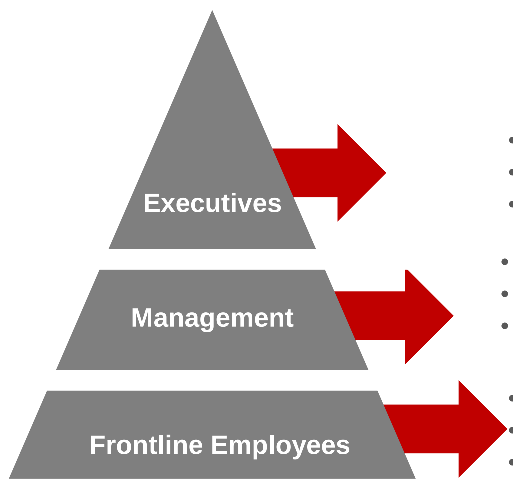
4. NPS and Customer Churn

Surveys we are dealing with…

Relationship Surveys
Measure experience periodically over the lifetime of a customer

Transactional Surveys
Measure experience following a specific event

… to close the loop at all levels to be succesful



- Instill and maintain Customer centric culture
- Leverage in corporate strategy planning and execution
- Reinforcement through active participation and communication

- Process and Policy improvements based in program results
- Performance management and celebration of high performance
- Build Champion Network and share organizational learning

- Neutralize Detractors
- Improve relationships one contact at a time
- Proactively create Promoters

5. Launch B2B

On December 20th 2013, Com Hem announced the acquisition of Phonera to accelerate its entry into the B2B segment

Acquisition – Phonera Företag

Phonera Företag

- Company was founded in 2000 with focus on offering CPS to the B2B SoHo segment
- Main office in Malmö with sales offices in Stockholm and Gothenburg
- Full service provider to the SoHo and SME Segment
- Virtual operator – Does not own passive or active network equipment
- VOIP products launched in 2008
- Mobile products launched in 2011

Key Metrics*

- SEK 264m in revenue (2012)
- 60,000 unique customers EoP (2012)
- Blended ARPU 366 SEK (2012)

* 2013 figures to be released imminently

5. Launch B2B (Cont.)

The acquisition combines Phonera's business product portfolio and 60,000 existing customers with Com Hem's superior network and cost to serve

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- A - Complementary strengths across Mobile, Voice and Broadband
- B - Acquiring stable platform (sales force and products in place) accelerate organic Time-to-Market SME initiative
- C - More aggressive cross-sell enabled

Product Overview

SoHo

	Product	Com Hem	Phonera
Mobile	Mobile tel.	X	✓
Mobile	Fixed # in mobile	X	✓
Mobile	Mobile switch	X	✓
Fixed tel.	PSTN	X	✓
Fixed tel.	VOIP	✓	✓
Fixed tel.	Conference call	X	✓
Broadband	xDSL	X	✓
Broadband	Mobile BB	✓	✓
Broadband	Coax BB	✓	X
Broadband	Open LAN BB	✓	X

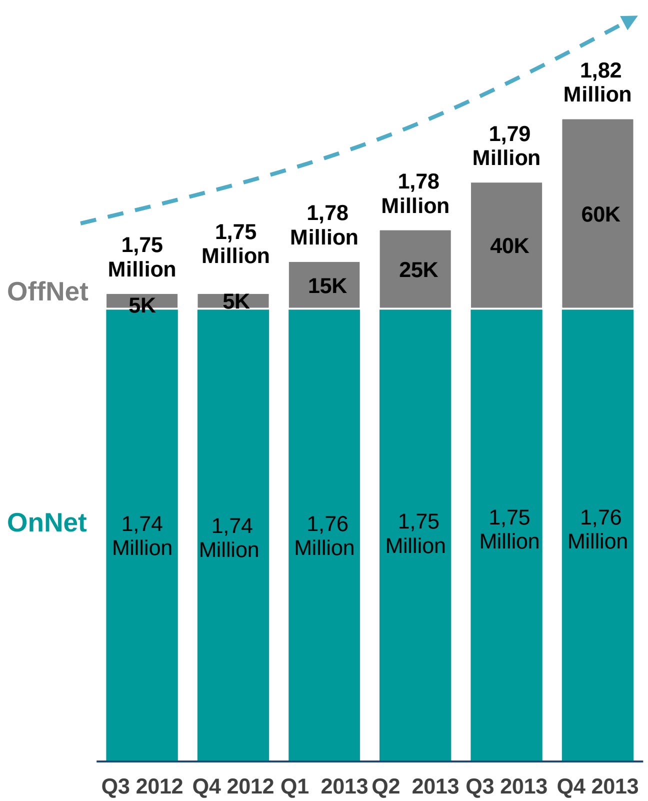
SME

	Product	Com Hem	Phonera
Mobile	Mobile tel.	X	✓
Mobile	Fixed # in mobile	X	✓
Mobile	Mobile switch	X	✓
Fixed tel.	IP-centrex/Mex	X	✓
Fixed tel.	Switchboard, DA, SIP, SIP-M	X	✓
Fixed tel.	Conference call	X	✓
Broadband	xDSL	X	✓
Broadband	Mobile BB	✓	✓
Broadband	Coax BB	✓	X
Broadband	Vertical LAN BB	✓	✓

6. Homes Connected

Com Hem achieved a record number of homes connected in Q4 2013, largely due to off-net service provider growth

Homes Connected ('000)



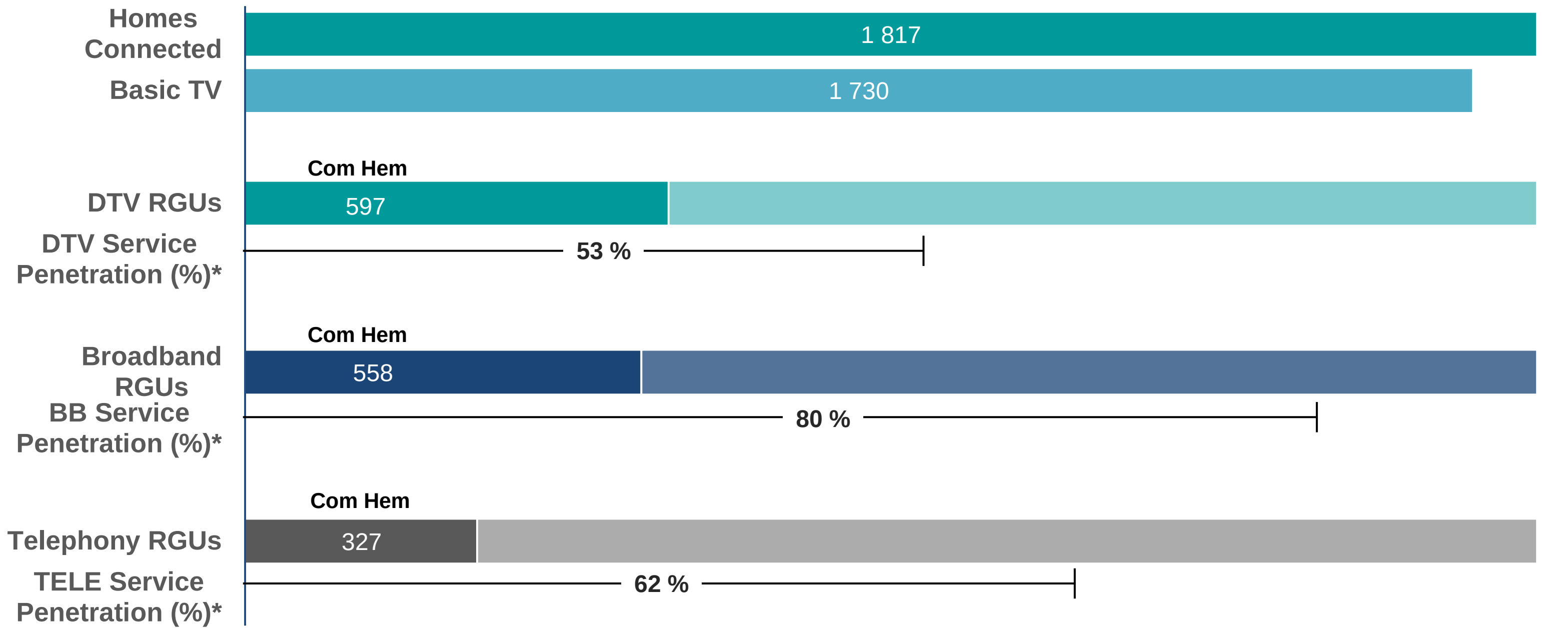
	Coax	Vertical LAN	Open LAN
OffNet	▪ Landlord wins from other cable operators	▪ Opportunities after initial contract period expires (e.g. B2)	▪ **Growth Tool** - Extend Coverage - Very low capex requirements **City Networks**
OnNet	▪ Develop current Landlord relationships	▪ Compete for new LAN builds where economically viable	▪ **Growth Tool** - Extend Coverage - Very low capex requirements

6. Homes Connected (Cont.)

Com Hem has significant growth opportunities from upsell and cross sell within it's existing homes connected

Homes Connected

As of December 31, 2013, '000s

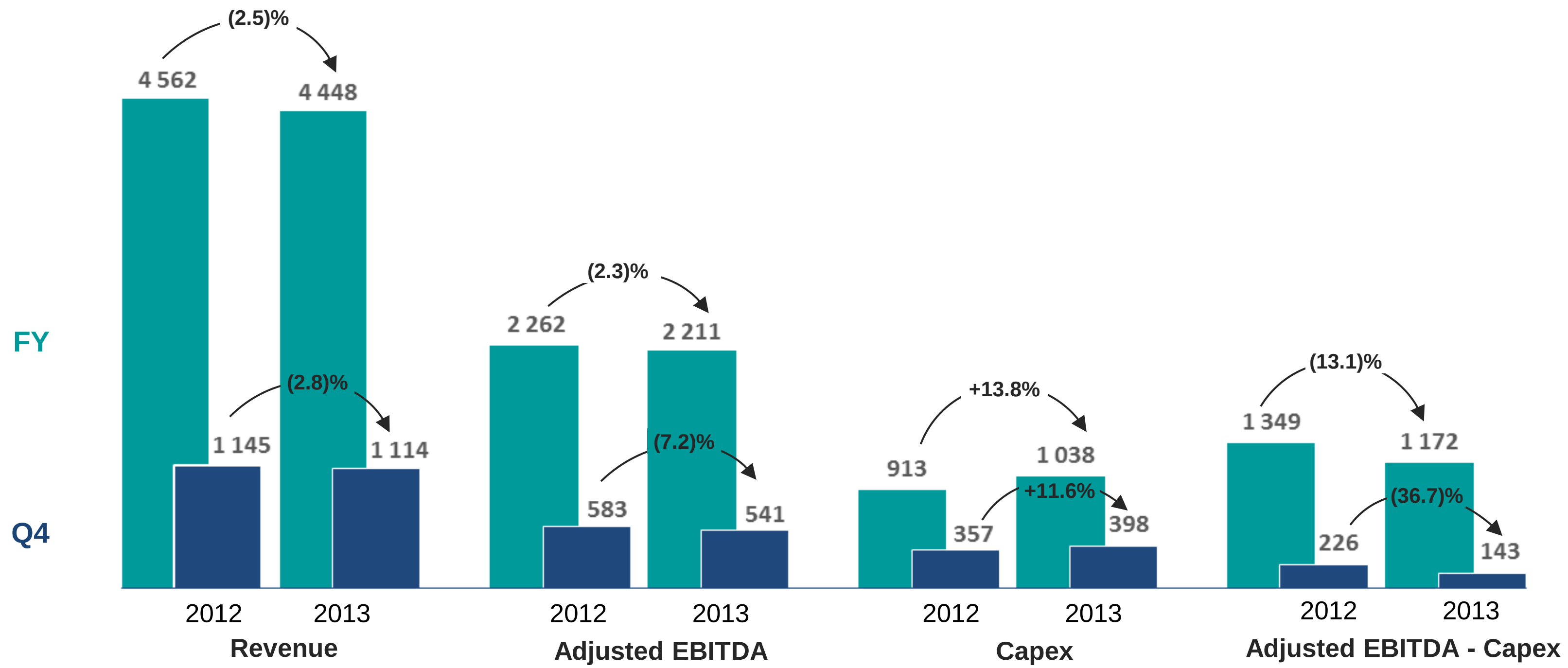


* Market penetration in Com Hem Homes Connected

Agenda

Business Overview and Operational Results	Andrew Barron
Financial Results	**Joachim Jaginder**
Questions	Andrew Barron, Joachim Jaginder
Appendix	

Financial Overview

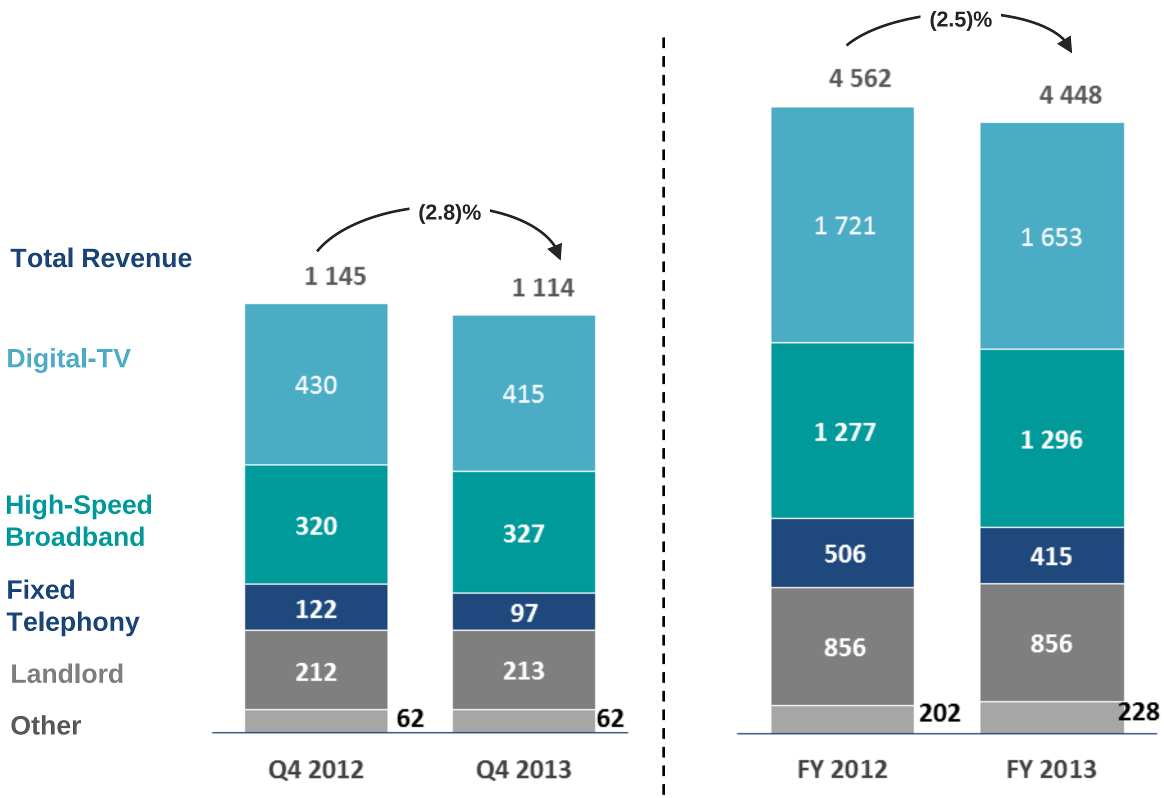


	Financial highlights – fourth quarter
Revenue	– Revenue was SEK 1,114m, a decrease of 2.8% compared to Q4 2012
Adjusted EBITDA	– Adjusted EBITDA was SEK 541m, a decrease of 7.2% compared to Q4 2012
Capex	– Capex was SEK 398m, an increase of SEK 41m compared to Q4 2012, mainly due to increased investments in TiVo STB’s
Adjusted EBITDA – Capex	– Adjusted EBITDA - Capex was SEK 143m, a decrease of 36.7% compared to Q4 2012

Revenue Development

Revenue

(*SEK*m)



Revenue	Q4 2012	Q4 2013	Change		FY 2012	FY 2013	Change	
Digital-TV	430	415	(15)	(3,5%)	1 721	1 653	(68)	(3,9%)
High-Speed Broadband	320	327	7	2,2%	1 277	1 296	19	1,5%
Fixed-Telephony	122	97	(25)	(20,2%)	506	415	(91)	(17,9%)
Landlord	212	213	0	0,2%	856	856	(1)	(0,1%)
Other	62	62	0	0,5%	202	228	26	12,9%
Total Revenue	**1 145**	**1 114**	**(32)**	**(2,8%)**	**4 562**	**4 448**	**(114)**	**(2,5%)**

Development last quarter

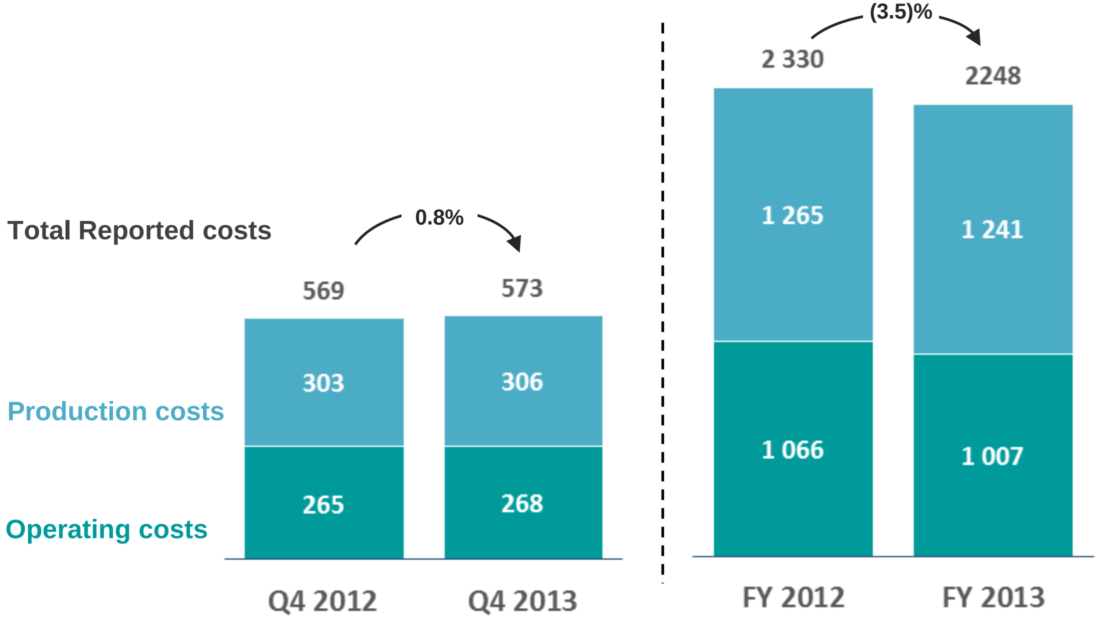
Q4 2013 vs. Q4 2012

- **Digital-TV**
  - Decrease in average RGUs for the quarter 2013, of 12,000 to 600,000 DTV RGUs
- **High-Speed Broadband**
  - Increase in average RGUs for the fourth quarter 2013, of 11,000 to 555,000 BB RGUs
- **Fixed Telephony**
  - Decrease in average RGUs for the quarter 2013, of 23,000 to 329,000 RGUs and ARPU decline as a result of lower usage of Fixed Telephony services
- **Landlord**
  - Decrease in ARPU, due to price renegotiations, offset by additional Coax and LAN households
- **Other**
  - Remained at the same level as Q4 2012

Development Cost Base

Production and Operating costs

(*SEK*m)



SEKm	Q4 2012	Q4 2013	Change		FY 2012	FY 2013	Change	
Content	(159)	(155)	4		(664)	(628)	36	
Fibre & ducting	(59)	(65)	(5)		(247)	(247)	0	
Other production costs	(85)	(86)	(1)		(354)	(366)	(12)	
Production Costs	**(303)**	**(306)**	**(2)**	**(0,8%)**	**(1 265)**	**(1 241)**	**24**	**1,9%**
Marketing & sales costs	(53)	(43)	9		(220)	(173)	47	
Staff*	(160)	(169)	(9)		(620)	(633)	(13)	
Other operating costs	(53)	(56)	(3)		(226)	(201)	24	
Operating Costs	**(265)**	**(268)**	**(2)**	**(0,9%)**	**(1 066)**	**(1 007)**	**59**	**5,5%**
Total Reported Costs	**(569)**	**(573)**	**(5)**	**(0,8%)**	**(2 330)**	**(2 248)**	**82**	**3,5%**
Retail subsidies costs	6	1	(5)		30	11	(20)	
Adjusted Reported Cost	**(563)**	**(572)**	**(10)**	**(1,7%)**	**(2 300)**	**(2 237)**	**63**	**2,7%**

** Includes outsourcing, consultancy and employee costs.*

Development cost base

Q4 2013 vs. Q4 2012

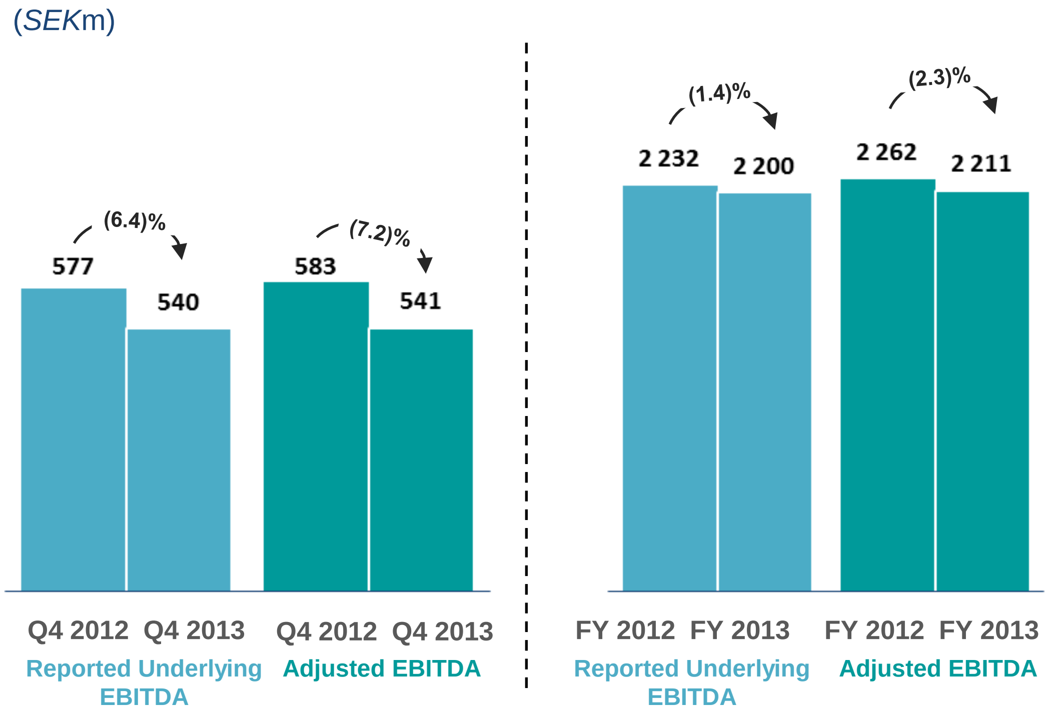
- Production costs
  - ***Content*** costs decreased mainly due to lower DTV subscriber base
  - Increase in costs for ***Fibre & ducting*** due to timing in Q4 2013
  - ***Other production costs*** remains at the same level as Q4 2012
- Operating costs
  - ***Marketing & sales costs*** decreased due to lower sales costs as a consequence of change in sales channels mix and lower expensed retail subsidies
  - ***Staff related costs*** increased due to new growth initiatives such as TiVo, B2B and LAN
  - ***Other operating costs*** increased due to timing differences between the quarters

EBITDA Development

Revenue & EBITDA

SEKm	Q4 2012	Q4 2013	FY 2012	FY 2013
Total Revenue	**1 145**	**1 114**	**4 562**	**4 448**
Total costs	(569)	(573)	(2 330)	(2 248)
Reported Underlying EBITDA*	**577**	**540**	**2 232**	**2 200**
Reported Underlying EBITDA margin	50,4%	48,5%	48,9%	49,5%
Expensed retail subsidies**	6	1	30	11
Adjusted EBITDA*	**583**	**541**	**2 262**	**2 211**
Adjusted EBITDA margin	50,9%	48,6%	49,6%	49,7%

EBITDA development



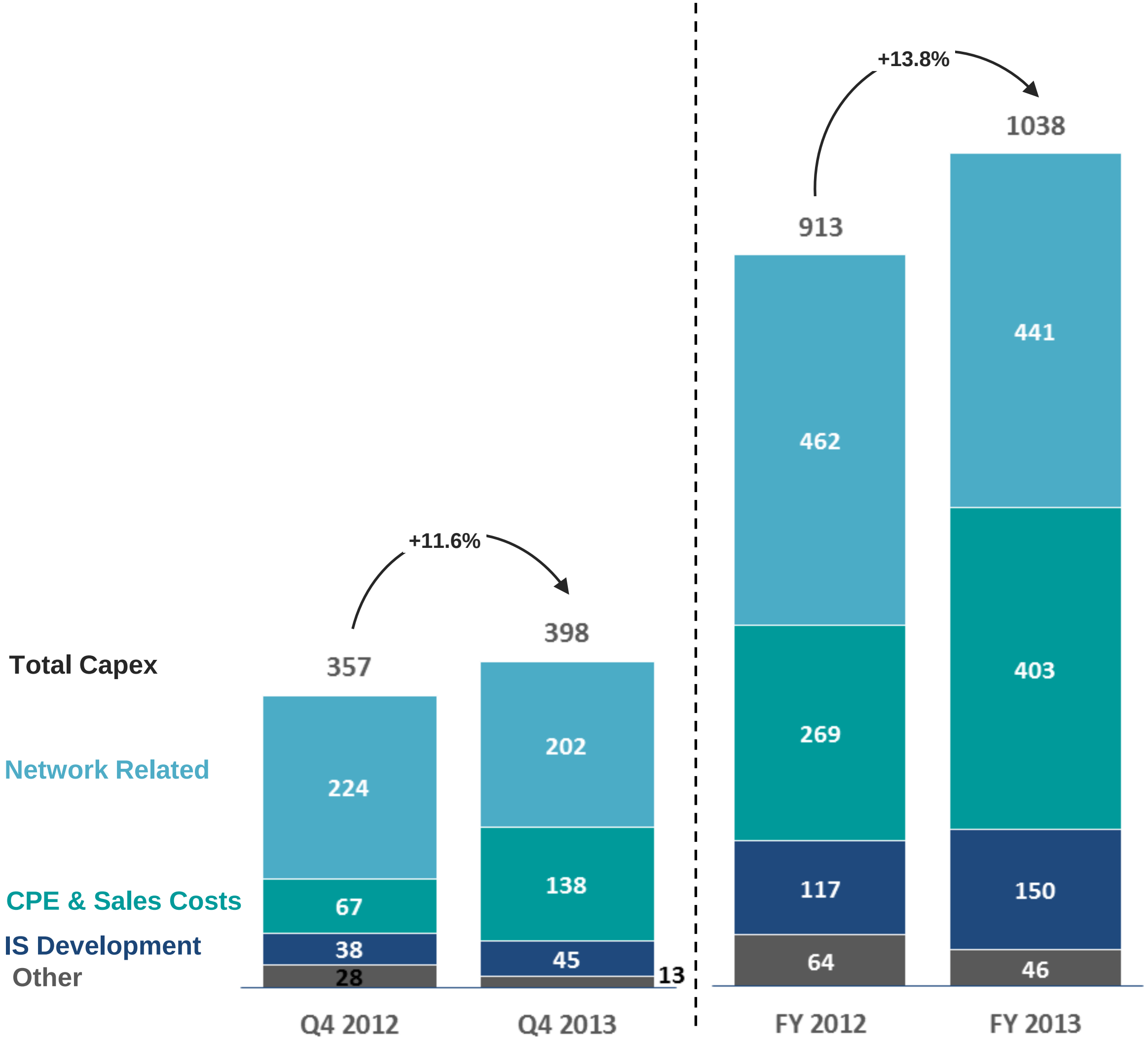
* *For a definition of Reported Underlying EBITDA and Adjusted EBITDA ; please refer to "Non-IFRS Financial Measures" in Appendix.*

** *From January 2011, subsidies paid to retailers are capitalized in accordance with IAS 38, earlier distributed as a cost over three years.*

Capital Expenditures

Capex development

(*SEK*m)



Development Capex

Q4 2013 vs. Q4 2012

- **Network Related and Quality Enhancement**
  - Lower network capex due to less investment in open networks, TiVo platform development and timing in investment in network capacity during Q4 2013
- **Customer Premises Equipment & Sales Cost**
  - Higher CPE capex due to investment in TiVo STB's
  - Higher Capitalization of sales costs
- **IS Development**
  - Higher IS Development capex as a consequence of increased participation in development projects as a result of growth initiatives such as TiVo and B2B
- **Other Capex**
  - Lower other capex due to one-off investment in Q4 2012, relating to equipment for field service

Cash Flow Generation

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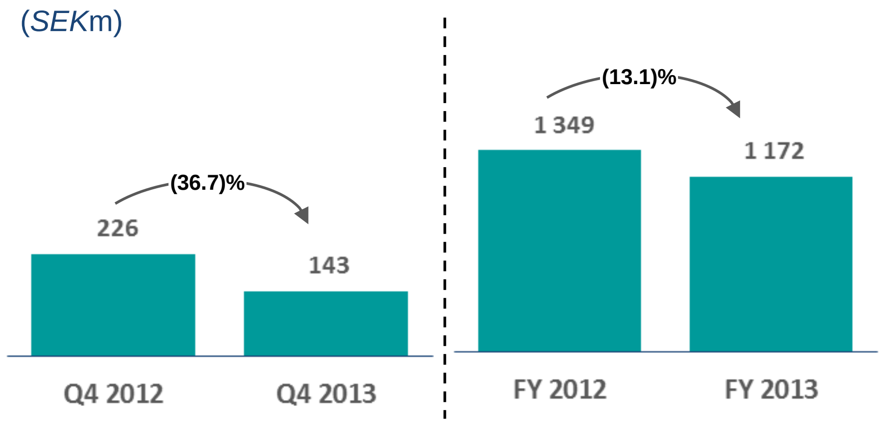
Adjusted EBITDA – Capex

SEKm	Q4 2012	Q4 2013	Deviation	FY 2012	FY 2013	Deviation
Adjusted EBITDA*	**583**	**541**	**(42)**	**2 262**	**2 211**	**(51)**
Gross capex	(357)	(398)	(41)	(913)	(1 038)	(126)
Adjusted EBITDA - Capex	**226**	**143**	**(83)**	**1 349**	**1 172**	**(177)**

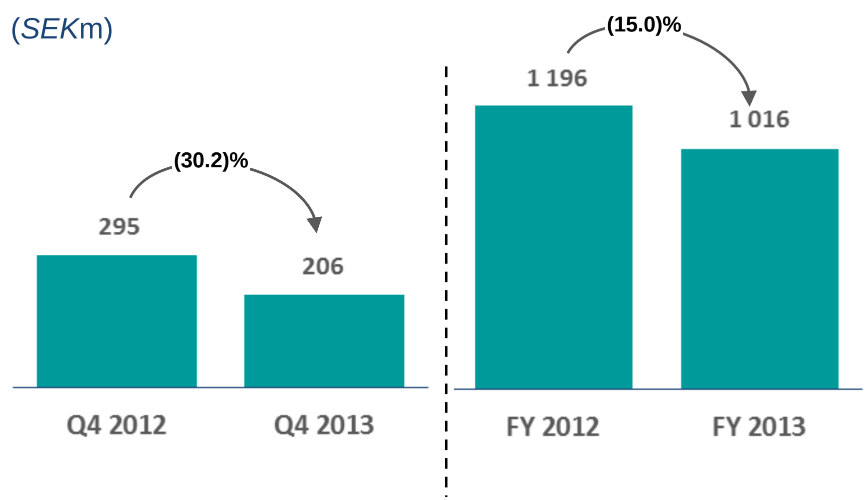
Adjusted EBITDA – Capex



Operating free cash flow

SEKm	Q4 2012	Q4 2013	Deviation	FY 2012	FY 2013	Deviation
Adjusted EBITDA*	**583**	**541**	**(42)**	**2 262**	**2 211**	**(51)**
Expensed retail subsidies**	(6)	(1)	5	(30)	(11)	20
Reported Underlying EBITDA*	**577**	**540**	**(37)**	**2 232**	**2 200**	**(32)**
One-off items***	(22)	(73)	(51)	(52)	(176)	(124)
Adjustment for items not included in cash flow****	3	4	1	7	4	(4)
Change in net working capital	71	103	32	(117)	(15)	102
Gross capex	(357)	(398)	(41)	(913)	(1 038)	(126)
Capex funded by leasing	23	30	7	38	42	3
Operating free cash flow	**295**	**206**	**(89)**	**1 196**	**1 016**	**(180)**

Operating free cash flow



* *For a definition of Reported Underlying EBITDA and Adjusted EBITDA, please refer to "Non-IFRS Financial Measures" in Appendix*

** *From January 2011, subsidies paid to retailers are capitalized in accordance with IAS 38, earlier distributed as a cost over three years*

*** *One-off items in Q4 2013 primarily include non-recurring costs relating to the TiVo launch and legal and advisory fees for investments opportunities (including costs for acquiring Phonera)*

**** *Includes change in pension provisions, change in other provisions and other items not included in the cash flow*

Financial Position as of December 31, 2013

Cash Net Debt Table

As of December 31, 2013	SEKm	EURm
Term Loan A (SEK)	1 275	143
Term Loan B (SEK/EUR)*	3 934	440
Capex Facility (SEK)	300	34
Incremental Facility (SEK)**	500	56
Bank Debt	**6 008**	**672**
Senior Secured Notes (SEK)	3 492	391
Senior Notes (EUR)*	2 567	287
Bank & Notes Debt	**12 068**	**1 349**
Cash and Cash Equivalents**	(1 122)	(125)
Net Cashpay Debt	**10 946**	**1 224**

Leverage***

As of December 31, 2013	
Leverage Bank Debt	**2,72x**
Leverage Bank & Notes Debt	**5,46x**
Leverage Net Cashpay Debt	**4,95x**

Liquidity Position

Available funds as of December 31, 2013	SEKm	EURm
Capex Facility	450	50
Revolving Facility	445	50
Committed and Undrawn Amount	**895**	**100**
Unrestricted Cash and Cash Equivalents	622	70
Cash Balance & Available Funds	**1 517**	**170**

* *The exchange rate 8,943 is used to convert EUR debt to SEK debt.*

** *The outstanding indebtedness under the Incremental Facility of 500 mSEK is currently held on restricted bank accounts and can only be used for potential investments, hence is the restricted cash of SEK 500 m not included when calculating Available Funds.*

*** *Debt to LTM Adjusted EBITDA.*

Changes in Revenue recognition for Collective Agreements from 1th of January 2014

	Reported Revenue			Pro Forma Revenue			Change 2011-2013		
MSEK	As Reported			Pro Forma			Change		
Revenue	FY 2011	FY 2012	FY 2013	FY 2011	FY 2012	FY 2013	FY 2011	FY 2012	FY 2013
Digital-TV	1 678	1 721	1 653	1 691	1 741	1 683	14	21	30
High-Speed Broadband	1 231	1 277	1 296	1 243	1 296	1 323	12	19	27
Fixed-Telephony	564	506	415	565	507	417	1	1	2
Landlord	884	856	856	857	815	797	-27	-41	-59
Other	163	202	228	163	202	228	0	0	0
Total Revenue	**4 520**	**4 562**	**4 448**	**4 520**	**4 562**	**4 448**	**0**	**0**	**0**

* *As a consequence of enhanced support systems, revenue for digital-services (DTV, Broadband and Telephony) generated from landlord collective agreement earlier classified and included in the reported landlord revenue, will from January 1th 2014, be allocated to each individual digital-consumer-service*.

Com Hem Priorities

There are six strategic priorities that together will deliver sustained, profitable growth for Com Hem

1. Grow DTV Subscribers and ARPU with TiVo
2. Continue to Grow Broadband subscribers and ARPU
3. Increase penetration of Dual & Triple Play Customers (Incl. Telephony)
4. Improve Customer Satisfaction (NPS) and Customer Churn
5. Launch B2B
6. Increase Homes Connected (and Upsell from Analogue to DTV)

Sustained Profitable Growth

Questions

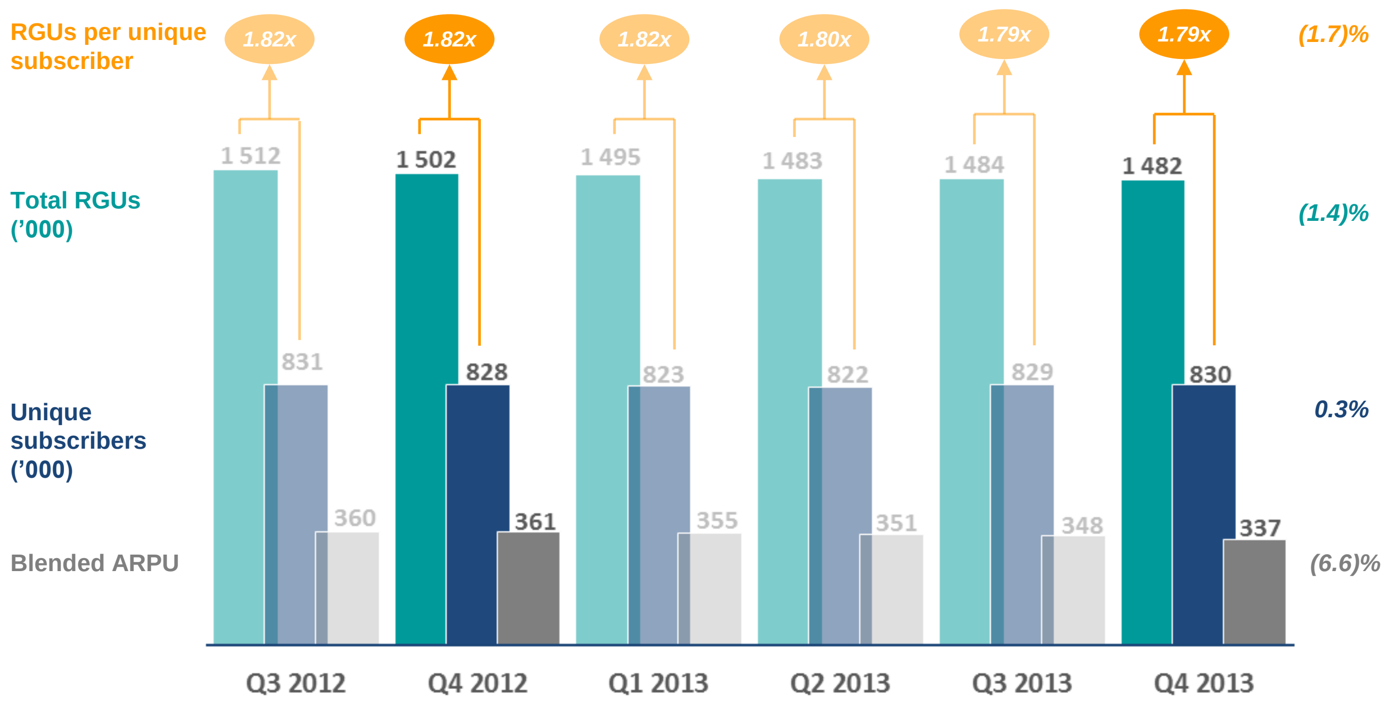
Agenda

Business Overview and Operational Results	Andrew Barron
Financial Results	Joachim Jaginder
Questions	
Appendix	

Subscribers and RGUs

Services and ARPU per unique subscriber

Change Q4 2013 vs.Q4 2012



Development

Q4 2013 vs. Q4 2012

- **Decrease in number of RGUs, and RGUs per unique subscriber**
  - Substitution from fixed to mobile telephony and slight pressure on DTV subscriber base
- **Slight increase in unique subscribers**
- **Decrease in blended ARPU**
  - Decrease due to lower ARPU contribution from DTV and fixed-telephony services

Revenue to Adjusted EBITDA

com hem

Fourth Quarter

SEKm	Q4 2012	Q4 2013	Deviation	Change %
Pay Television	430	415	(15)	
High-Speed Broadband	320	327	7	
Fixed-Telephony	122	97	(25)	
Landlord	212	213	0	
Other	62	62	0	
Revenue	**1 145**	**1 114**	**(32)**	**(2,8%)**
Content	(159)	(155)	4	
Fibre & ducting	(59)	(65)	(5)	
Other production costs	(85)	(86)	(1)	
Production costs	**(303)**	**(306)**	**(2)**	**(0,8%)**
Gross Profit	**842**	**808**	**(34)**	**(4,1%)**
Gross Profit Margin	**73,5%**	**72,5%**	**(1.0pp)**	
Marketing & sales costs	(53)	(43)	9	
Staff	(160)	(169)	(9)	
Other operating costs	(53)	(56)	(3)	
Operating costs	**(265)**	**(268)**	**(2)**	**(0,9%)**
Reported Underlying EBITDA*	**577**	**540**	**(37)**	**(6,4%)**
Reported Underlying EBITDA Margin	**50,4%**	**48,5%**	**(1.9pp)**	
Expensed retail subsidies	6	1	(5)	
Adjusted EBITDA*	**583**	**541**	**(42)**	**(7,2%)**
Adjusted EBITDA Margin	**50,9%**	**48,6%**	**(2.3pp)**	

Full Year

SEKm	FY 2012	FY 2013	Deviation	Change %
Pay Television	1 721	1 653	(68)	
High-Speed Broadband	1 277	1 296	19	
Fixed-Telephony	506	415	(91)	
Landlord	856	856	(1)	
Other	202	228	26	
Revenue	**4 562**	**4 448**	**(114)**	**(2,5%)**
Content	(664)	(628)	36	
Fibre & ducting	(247)	(247)	0	
Other production costs	(354)	(366)	(12)	
Production costs	**(1 265)**	**(1 241)**	**24**	**(1,9%)**
Gross Profit	**3 298**	**3 207**	**(90)**	**(2,7%)**
Gross Profit Margin	**72,3%**	**72,1%**	**(0.2pp)**	
Marketing & sales costs	(220)	(173)	47	
Staff	(620)	(633)	(13)	
Other operating costs	(226)	(201)	24	
Operating costs	**(1 066)**	**(1 007)**	**59**	**(5,5%)**
Reported Underlying EBITDA*	**2 232**	**2 200**	**(32)**	**(1,4%)**
Reported Underlying EBITDA Margin	**48,9%**	**49,5%**	**0.5pp**	
Expensed retail subsidies	30	11	(20)	
Adjusted EBITDA*	**2 262**	**2 211**	**(51)**	**(2,3%)**
Adjusted EBITDA Margin	**49,6%**	**49,7%**	**0.1pp**	

* *For a definition of Reported Underlying EBITDA and Adjusted EBITDA, please refer to "Non-IFRS Financial Measures" in Appendix.*

Cash Flow after Debt Service

Fourth Quarter				
SEKm	**Q4 2012**	**Q4 2013**	**Deviation**	**Change %**
Adjusted EBITDA*	**583**	**541**	**(42)**	**(7,2%)**
Expensed retail subsidies**	(6)	(1)	5	
Reported Underlying EBITDA*	**577**	**540**	**(37)**	**(6,4%)**
One-off items	(22)	(73)	(51)	
Adjustment for items not included in cash flow***	3	4	1	
Change in net working capital	71	103	32	
Gross capex	(357)	(398)	(41)	
Capex funded by leasing	23	30	2	
Operating free cash flow	**295**	**206**	**(89)**	**(30,2%)**
Net Borrowings	-	200	200	
Interest payments on borrowings	(413)	(417)	(3)	
Amortization of borrowings	(34)	(34)	(1)	
Interest payments to group companies	(201)	-	201	
Change in intercompany loans	201	-	(201)	
Cash flow after debt service	**(152)**	**(45)**	**107**	**70,4%**

Full Year				
SEKm	**FY 2012**	**FY 2013**	**Deviation**	**Change %**
Adjusted EBITDA*	**2 262**	**2 211**	**(51)**	**(2,3%)**
Expensed retail subsidies**	(30)	(11)	20	
Reported Underlying EBITDA*	**2 232**	**2 200**	**(32)**	**(1,4%)**
One-off items	(52)	(176)	(124)	
Adjustment for items not included in cash flow***	7	4	(4)	
Change in net working capital	(117)	(15)	102	
Gross capex	(913)	(1 038)	(126)	
Capex funded by leasing	38	42	3	
Operating free cash flow	**1 196**	**1 016**	**(180)**	**(15,0%)**
Net Borrowings	-	785	785	
Interest payments on borrowings	(968)	(977)	(9)	
Amortization of borrowings	(457)	(354)	103	
Interest payments to group companies	(201)	-	201	
Change in intercompany loans	101	-	(101)	
Cash flow after debt service	**(330)**	**470**	**800**	**n/m**

* *For a definition of Reported Underlying EBITDA and Adjusted EBITDA, please refer to "Non-IFRS Financial Measures" in Appendix.*
** *From January 2011, subsidies paid to retailers are capitalized in accordance with IAS 38, earlier distributed as cost over three years.*
*** *Includes change in pension provisions, change in other provisions and other items not included in the cash flow.*

Balance Sheet

Assets	Dec 31, 2013	Dec 31, 2012
(SEKm)		
Non-current assets		
Intangible assets	16 154	16 513
Property, plant and equipment	1 463	1 421
Other non-current assets	6	6
Total non-current assets	**17 624**	**17 940**
Current assets		
Current assets	563	300
Cash and cash equivalents	1 122	661
Total assets	**19 309**	**18 901**

	Dec 31, 2013	Dec 31, 2012
(SEKm)		
Total Equity	**(664)**	**70**
Non-current liabilities		
Non-current interest bearing liabilities	17 022	15 553
Other non-current liabilities	906	1 192
Total non-current liabilities	**17 927**	**16 746**
Non-current liabilities		
Current interest bearing liabilities	308	354
Current liabilities	1 737	1 731
Total non-current liabilities	**2 045**	**2 085**
Total equity & liabilities	**19 309**	**18 901**

Reconciliation of Pro Forma Adjustments due to Changed Accounting Principles

Recognized in Balance Sheet	EoP 2011	Change Q1 2012	Change Q2 2012	Change Q3 2012	Change Q4 2012	EoP 2012	Change Q1 2013	Change Q2 2013	Change Q3 2013	Change Q4 2013	EoP 2013
Prepaid cost retail subsidies for 2008	-	-	-	-	-	-					
Prepaid cost retail subsidies for 2009	8	(3)	(3)	(2)	(1)	-					
Prepaid cost retail subsidies for 2010	30	(5)	(5)	(5)	(5)	11	(5)	(3)	(2)	(1)	-
Change in prepaid cost retail subsidies	**41**	**(9)**	**(8)**	**(7)**	**(6)**	**11**	**(5)**	**(3)**	**(2)**	**(1)**	**-**

9 + 8 + 7 + 6 = 30

Expensed in Q1 2012
Expensed in Q2 2012
Expensed in Q3 2012
Expensed in Q4 2012

5 + 3 + 2 + 1 = 11

Expensed in Q1 2013
Expensed in Q2 2013
Expensed in Q3 2013
Expensed in Q4 2013

SEKm	Q4 2012	Q4 2013
Reported Underlying EBITDA	**577**	**540**
Retail subsidies costs*		
Costs related to subsidies paid in 2008	-	-
Costs related to subsidies paid in 2009	1	-
Costs related to subsidies paid in 2010	5	1
Retail subsidies costs	**6**	**1**
Adjusted EBITDA	**583**	**541**

* *From January 2011, subsidies paid to retailers are capitalized in accordance with IAS 38, earlier distributed as cost over three years.*

Capitalization Table as of December 31, 2013

Total Net Debt NorCell Group	As of December 31, 2013		As of September 30, 2013		As of December 31, 2012	
As of December 31, 2013	mSEK	mEUR*	mSEK	mEUR**	mSEK	mEUR***
Term Loan A (SEK)	1 275	143	1 275	147	1 490	172
Term Loan B1 (SEK)	1 216	136	1 216	140	1 216	141
Term Loan B2 (EUR)	2 718	304	2 637	304	2 626	304
Capex Facility	300	34	100	12	-	-
Incremental Facility	500	56	500	58	-	-
Bank Debt	**6 008**	**672**	**5 727**	**660**	**5 332**	**617**
Senior Secured Notes (SEK)	3 492	391	3 492	403	3 492	404
Senior Notes (EUR)	2 567	287	2 490	287	2 481	287
Bank & Notes Debt	**12 068**	**1 349**	**11 710**	**1 350**	**11 305**	**1 308**
Cash and Cash Equivalents (SEK)	(1 122)	(125)	(1 168)	(135)	(661)	(76)
Net Cashpay Debt	**10 946**	**1 224**	**10 542**	**1 215**	**10 644**	**1 232**
Finance Leases (SEK)	81	9	87	10	179	21
Intercompany PIK Loan (EUR)	2 483	278	2 266	261	2 116	245
Accrued Interest Intercompany PIK Loan (EUR)	26	3	96	11	29	3
Unamortizated Transaction Costs (SEK/EUR)	(468)	(52)	(490)	(56)	(549)	(66)
Total External Net Debt NorCell Group	**13 069**	**1 461**	**12 500**	**1 441**	**12 418**	**1 436**

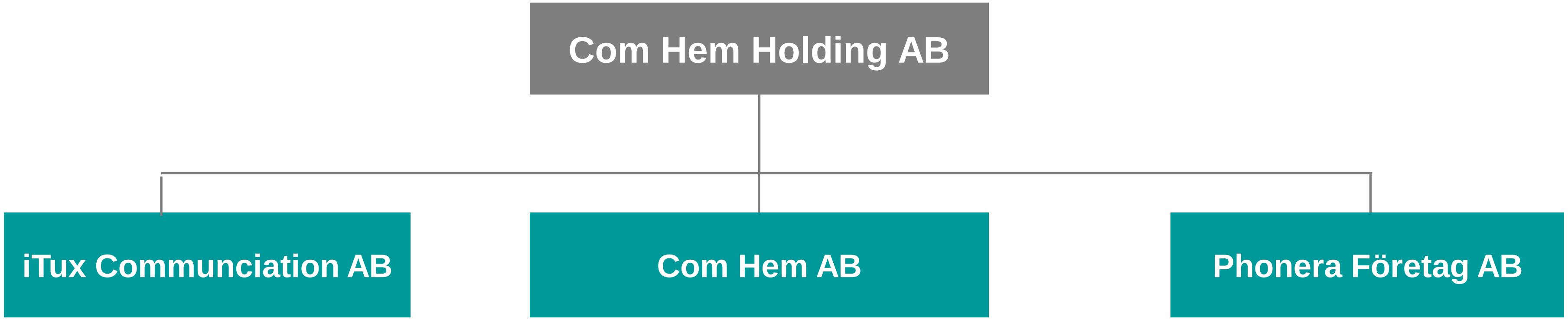
Total Net Debt NorCell 1B AB (publ)	As of December 31, 2013		As of September 30, 2013		As of December 31, 2012	
As of December 31, 2013	mSEK	mEUR*	mSEK	mEUR**	mSEK	mEUR**
Senior PIK Notes (EUR)	2 530	283	2 311	266	2 160	250
OID Senior PIK Notes, gross (EUR)	(46)	(5)	(45)	(5)	(45)	(5)
Accrued Interest Senior PIK Notes (EUR)	26	3	96	11	29	3
Unamortized Transaction Costs Senior PIK Notes (SEK/EUR)	(25)	(3)	(28)	(3)	(36)	(4)
Total External Debt	**2 484**	**278**	**2 334**	**269**	**2 109**	**244**
Cash and Cash Equivalents (SEK)	(0)	(0)	(0)	(0)	(1)	(0)
Total External Net Debt NorCell 1B AB (publ)	**2 484**	**278**	**2 334**	**269**	**2 108**	**244**

* *The exchange rate 8,943 is used to convert EUR debt into SEK as of December 31, 2013.*
** *The exchange rate 8,676 is used to convert EUR debt into SEK as of September 30, 2013.*
*** *The exchange rate 8,642 is used to convert EUR debt into SEK as of December 31, 2013.*

Financing Phonera Acquistion

Financing of Acquistion	
Acquiring Company:	Com Hem Holding AB
Purchase Price:	SEK 315 million (on debt free basis)
Uses of funds:	Incremental facility of SEK 500 million already in place

Terms and condition Incremental facility	
Currency:	SEK
Interest rate:	STIBOR 3M + 5% margin
Maturity:	March 29, 2018
Borrower:	NorCell Sweden Holding 3 AB (publ)
Ranking:	Pari passu with Senior Secured Notes



Presentation of Consolidated Financial Data

Presentation of Financial Information

This Presentation presents the following financial information, which has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**").

- The unaudited condensed consolidated financial statements of the NorCell Group as of and for the three months end December 31 2013 and 2012, and as of and for the full year ended December 31, 2013 and 2012

Non-IFRS Financial Measures

The following financial measures included in this presentation are not measures of financial performance or liquidity under IFRS:

- Reported Underlying EBITDA is defined as earnings before income taxes, net financial items, write-downs, depreciation and amortization, non-recurring costs and operating currency gain/(loss). Depreciation and amortization are recorded under costs of sales and services (depreciation and amortization on fixed tangible and intangible assets related to production), selling expenses (depreciation and amortization on fixed tangible and intangible assets related to the sales function) and administrative expenses (depreciation and amortization on fixed tangible and intangible assets related to administrative functions).
- Adjusted EBITDA is defined as Reported Underlying EBITDA less expenses associated with retail subsidies, which consist of subsidies paid to retailers for the sale of set-top boxes ("STBs") that can be associated with individual subscriber agreements. Due to the enhancement of Com Hem's support systems, the Group has of January 1, 2011, reported the portion of retail subsidies paid in cash that can be associated with individual subscriber agreements as fixed intangible assets in accordance with IFRS. Prior to this date, these expenses were accounted for as prepaid expenses and expensed over a period of 36 months. Expenses for retail subsidies in the three months ended June 30, 2012 relate to retail subsidies paid in prior periods.
- Reported Underlying EBITDA margin and Adjusted EBITDA margin are calculated as Reported Underlying EBITDA and Adjusted EBITDA, respectively, as a percentage of revenue.
- Operating free cash flow is calculated as Reported Underlying EBITDA less non-recurring costs, plus currency loss/gain, plus total adjustments for items not included in cash flow, less change in net working capital, less capital expenditures in fixed tangible and intangible assets not funded by leasing, plus sales of property, plant and equipment, less acquisition of subsidiaries and related payments.
- Operating Free Cash Flow margin is calculated as Operating Free Cash Flow as a percentage of revenue.
- Net working capital consists of inventories, trade receivables, prepaid expenses and accrued income, plus other receivables, less trade payables, other current liabilities, as well as accrued expenses and deferred income. Financial items included in these line items in the balance sheet are excluded from the net working capital calculation.

The non-IFRS financial measures presented herein are not recognized measures of financial performance under IFRS but measures used by Management to monitor the underlying performance of the business and operations. In particular, the non-IFRS financial measures should not be viewed as substitutes for profit/(loss) for the period, profit/(loss) after financial items, operating income, cash and cash equivalents at period end or other income statement or cash flow items computed in accordance with IFRS. The non-IFRS financial measures do not necessarily indicate whether cash flow will be sufficient or available to meet the Group's cash requirements and may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of future results.

These non-IFRS measures have been presented in this Presentation because they are considered to be important supplemental measures of Com Hem's performance, and Management believes that they are widely used by investors comparing performance between companies. Since not all companies compute these or other non-IFRS financial measures in the same way, the manner in which Management has chosen to compute the non-IFRS financial measures presented herein may not be comparable with similarly defined terms used by other companies.