

## **The Board's statement pursuant to chapter 19, section 22 of the Swedish Companies Act**

As the Board proposes that the AGM on 23 March 2017 resolves to authorize the Board to resolve on acquisition of own shares, the Board presents the following statement pursuant to chapter 19, section 22 of the Swedish Companies Act.

The nature and scope of the Company's business are set forth in the Company's articles of association and the annual report for the financial year 2016. The annual report for the financial year 2016 sets forth the Company's and the group's financial position as of 31 December 2016. It also sets forth the principles applied with respect to the valuation of the Company's and the group's assets, reservations and liabilities.

According to the annual report for the financial year 2016, the Company's unrestricted equity (available profit and unrestricted reserves) amounts to approximately SEK 6 777 million. As per the balance sheet date, 31 December 2016, the Company's restricted equity amounted to approximately SEK 209 million. The Board has made the assessment that the Company's restricted equity will be intact if the authorization to acquire own shares is fully utilized, and the same applies when taking into account the proposed dividend of SEK 4.00 per share.

According to the annual report for the financial year 2016, the Company's equity ratio, taking into account the proposed dividend, is approximately 67 percent, and the group's equity ratio is approximately 26 percent. Assuming that the proposed authorization to resolve on acquisition of own shares is fully utilized, the Company's and the group's equity ratio will be reduced further to approximately 60 percent and 18 percent respectively.

The Board is of the opinion that acquisition of own shares pursuant to the authorization will not affect the Company's and the group's ability to meet their short and long term payment obligations. Nor is the utilization of the proposed authorization expected to negatively affect the Company's and the group's ability to make commercially justifiable investments. The Board is also of the opinion that the Company's and the group's equity, after utilization of the proposed authorization for acquisition of own shares and considering the proposed dividend, will be sufficient seen in relation to the nature, scope and risks of the business operations of the company and the group.

In view of the above and considering such other circumstances, which have come to the Board's attention, the Board is of the opinion, based on comprehensive assessment of the Company's and the group's financial position, that the proposed authorization to resolve on acquisition of own shares is justifiable with respect to the requirements imposed by the business' nature, scope and risks in relation to the size of the Company's and the group's equity, as well as the consolidation needs, liquidity and general position of the Company and the group. The Company's and the group's equity would have been lowered with SEK 0 and SEK 0, respectively, should assets and liabilities not have been reported at their fair value pursuant to chapter 4, section 14 a of the Swedish Annual Accounts Act.

The Board therefore considers the proposed authorization, to be justifiable with respect to the requirements stipulated pursuant to chapter 17, section 3, paragraph 2 and 3 of the Swedish Companies Act.

Stockholm, 17 February 2017

**Com Hem Holding AB (publ)**

The Board of Directors