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Tele2 reports 1Q13 results

Moscow – Tele2 Russia, alternative mobile operator, has reported consolidated 1Q13 financial and operating results.

In 1Q13 the company exhibited a solid growth of key financials:

- Operating revenue increased 13% compared to 1Q12 and totaled 15.4 bn rubles;
- All-Russia EBITDA totaled 5.6 bn rubles, having performed an 18% growth compared to the same period last year. EBITDA margin grew 150 bps and totaled 36.4% ;
- In 1Q13 total investment in IT and technology equaled 1.5 bn rubles.

Indicator (bn rub)	1Q12	1Q13	Change
Operating revenue	13.6	15.4	13%
EBITDA	4.7	5.6	18%
EBITDA margin	34.9%	36.4%	150 bps
CAPEX	1.1	1.5	38%
Free cash flow	2.8	2.3	-18%

In 1Q13 the company improved key operating results:

- Subscriber base increased 9% compared to 1Q12, as the total number of Russian subscribers equaled 22.9 mn people;
- Ruble-denominated ARPU went up 3% compared to the same period last year and totaled 225 rubles;
- MoU amounted to 260 in Russia, which is 5% up compared to 1Q12.

Indicator	1Q12	1Q13	Change
Subscriber base, mn	20.9	22.9	9%
ARPU (rubles)	218	225	3%
MoU (minutes)	246	260	5%

Jere Calmes, Tele2 Russia CEO:

“In 1Q13 the company exhibited an outstanding growth of key financial and operating results and we are focused on keeping up the pace. In March VTB acquired 100% of Tele2 Russia’s equity. Tele2 Russia will continue providing high-quality services at low-cost prices. We will pursue our current strategy to remain the most efficient player in the industry. Together with VTB, Tele2 Russia is working on a new concept of the company’s development.”