



Press release

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## Tele2 reports 2Q13 operating and financial results

### Moscow – Tele2 Russia, an alternative mobile operator, has reported consolidated 2Q13 financial and operating results.

In 2Q13, the company showed a steady growth of key financials:

- Operating revenue increased 12% compared to 2Q12 and totaled RUB16.4 billion;
- All-Russia EBITDA equaled RUB5.9 billion, having added 11% against the same period last year. EBITDA margin totaled 36.3%;
- Investment in IT infrastructure and technical development totaled RUB1.4 billion in 2Q13.

Indicator (bn RUB)	Q2 2012	Q2 2013	Change
Operating revenue	14.6	16.4	12%
EBITDA	5.4	5.9	11%
EBITDA margin, %	36.6%	36.3%	-20bps
CAPEX	2.2	1.4	-39%
Free cash flow	2.9	4.2	45%

In 2Q13 года Tele2 Russia improved its key operating results:

- Subscriber base added 7% compared to 2Q12 bringing a total number of Russian clients up to 23 235 thou;
- Ruble-denominated average revenue per user (ARPU) increased 3% compared to the same period last year and totaled RUB237;
- Minutes of use (MoU) totaled 271 on average in Russia, the number gained 4% compared to 2Q12

Indicator	Q2 2012	Q2 2013	Change
Subscriber base, mn	21.6	23.2	7%
ARPU (rubles)	229	237	3%
MoU (minutes)	262	271	4%

### Aleksandr Provotorov, Tele2 Russia president and CEO:

“Despite the overall market slowdown, Tele2 has exhibited impressive financial and operating results. While maintaining strong marginality, the company is building up its subscriber base. In 2Q13 Tele2 connected a 23-million user. Tele2 Russia acquired a regional player Kodotel in an M&A deal – the first one for the last two years. We are striving to keep a positive dynamics and strengthen the company’s stance in Russia”.