

Press release

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Tele2 sums up FY2017 results: top line gains 16.2%

Moscow – Tele2, an alternative mobile operator, has reported consolidated financial and operating results over 2017.

In 2017, Tele2 has exhibited the following financial results:

- operating revenue gained 16.2% compared to 2016 and totaled RUB123 bn;
- EBITDA totaled RUB30.5 bn having increased 83.9% compared to the same period last year;
- net loss decreased 64.6% from RUB15.6 bn down RUB5.5 bn.

Indicator (bn rubles)	2016	2017	Change
Operating revenue	105.9	123.0	16.2%
EBITDA	16.6	30.5	83.9%
Net loss	(15.6)	(5.5)	64.6%

In 2017, the company showed improvement in the following operating indicators:

- as of 31 December 2017, the company's subscriber base equaled 40.6 mn people having gained 1.6 mn people over one year;
- average revenue per user (ARPU) gained 10.9% and totaled RUB252;
- a number of active wireless Internet users increased 39% over one year;
- a number of Russian regions with 4G networks doubled from 25 to 50 regions.

Indicator	2016	2017	Change
Subscriber base, mn	39.0	40.6	4.2%
ARPU (rubles)	228	252	10.9%

Sergey Emdin, CEO at Tele2:

"Growth rates of revenues and subscribers prove that our business strategy is correct and the "Other rules" communications platform is successful. During the launch of the "My Tele2" tariff range, we took into account our clients' main needs and launched a number of innovative services that defined new trends in telecom industry and contributed to the ARPU growth. Financial and operating results of the company point to the Tele2 dynamic development in stagnating market and confirm implementation of tasks set by shareholders. Tele2 will not seek larger net intake but will rather focus on improvement of the subscriber base quality. By focusing on development of the main revenue driver – data services, we will maintain and enhance the main metrics of the business marginality."

Additional information:

Tele2 is using a strict system for identifying active users of wireless Internet – the company considers as "active" the clients with 10 Mb or more of downloaded traffic.