

Eltel closes acquisitions with U-SERV and EVB in the German platform for smart metering business

Eltel has completed the previously announced acquisitions of U-SERV GmbH and the metering related field operations of EVB Billing und Services GmbH. By the acquisition of U-SERV Eltel becomes the 100% owner of the company. By the deal with EVB, the customer base in metering related field services and personnel of the company are transferred to Eltel. Both transactions have entered into force on May 1, 2016.

Eltel announced the signing of the contract to acquire U-SERV GmbH, a company operating in the electricity and gas metering sector in Germany on April 22, 2016. At the same time Eltel announced the contract to acquire metering related field service assets of EVB Billing und Services GmbH. The deal with EVB comprises the transfers of EVB's customer base as well as approximately 80 employees to Eltel.

Eltel will also continue a business development agreement with EVB. Through this agreement, EVB and Eltel will collaborate to expand the business for metering services in Germany. The German market is opening for rollout investments in accordance with the new legislation during 2017 to 2032. There are altogether 43 million electricity meters to be changed. Likewise, another five million gas meters need to be changed.

Eltel has a strong market position in the smart metering sector of the Nordics with reference of more than five million meter installations including new order backlog of 1.6 million installations. This acquisition is now expanding Eltel's footprint to cover also the German market. U-SERV's strong and rapidly growing local presence in combination with Eltel's vast international competence in smart meter rollouts offers good potential for further growth.

Armin Pirkwieser will continue as the Managing Director of U-SERV GmbH.

For further information:

Ingela Ulfves
VP - IR and Group Communications
Tel: +358 40 311 3009, ingela.ulfves@eltelnetworks.com

Hannu Tynkkynen
Director – External Communications and Sustainability
Tel: +358 40 311 4503, hannu.tynkkynen@eltelnetworks.com

About Eltel

Eltel is a leading European provider of technical services for critical infrastructure networks – Infranets – in the segments of Power, Communication and Transport & Security, with operations throughout the Nordic and Baltic regions, Poland, Germany, the United Kingdom and Africa. Eltel provides a broad and integrated range of services, spanning from maintenance and upgrade services to project deliveries. Eltel has a diverse contract portfolio and a loyal and growing customer base of large network owners. In 2015 Eltel net sales amounted to EUR 1,255 million. The current number of employees is approximately 9,600. Since February 2015, Eltel AB is listed on Nasdaq Stockholm.

Eltel AB

Box 50, Laddargränden 8, FI-02611 Esbo, Finland
Box 126 23, Adolfsbergsvägen 13, SE-112 92 Stockholm, Sweden
info@eltelnetworks.com | www.eltelnetworks.com