

Press Release
April 20, 2018

Telia Company initiates a share buy-back program

Telia Company today announces that the Board of Directors has decided to initiate a share buy-back program. The intention is to buy back shares for an annual amount of SEK 5 billion over the coming three-year period, totaling SEK 15 billion. The reason is to return excess cash to shareholders and is a continued effort to optimize the capital structure of the company. Combined with the recently approved ordinary dividend of SEK 2.30 per share, the pro forma annual total shareholder remuneration will equal SEK 3.45 per share.

The disposals of assets (mainly related to Turkcell and MegaFon) and the strong cash flow generation in 2017 has led to a strong balance sheet. At the end of the first quarter 2018 the financial leverage was 1.0x. Adjusting for the dividend payment in April and other various known upcoming payments, the pro forma level is 1.3x. This is below the target of a net debt to EBITDA of 2x, +/-0.5x. The Board of Directors of Telia Company has therefore decided to initiate a share buy-back program as part of a continued effort to optimize the capital structure of the company. The ambition is to buy back shares for an annual amount of SEK 5 billion during the coming three years, subject to the annual general meeting approving necessary mandates for such share buy-backs in 2019 and 2020. Telia Company aims to make sure the shares are being bought back over the entire period for which the current mandate is valid.

The intention is to cancel the shares bought back. The cancellation of shares requires approval by the annual general meeting. Since the ambition is to buy back shares over the coming three-year period, the Board of Directors intends to seek such approval at the 2019, 2020 and 2021 annual general meetings.

Adding SEK 15 billion to our net debt the financial leverage would increase from the current pro forma level of 1.3x the end of the first quarter 2018, to 1.8x. The value of the entire three-year program equals 9.1 percent of current market value.

The Board of Directors sees the buy-back program as a great complement to the current dividend policy, which will provide a flexibility and a sustainable increase in the value creation to the shareholders.

“I am pleased to present a clear path to right sizing our balance sheet. Through a buyback program we aim to increase the return to our shareholders meanwhile we maintain room for disciplined value creative M&A within our Nordic and Baltic strategy framework,” says Johan Dannelind, President and CEO of Telia Company.

The buy-back program is being carried out in accordance with the Market Abuse Regulation (EU) No 596/2014 (“MAR”) and the Commission Delegated Regulation (EU) No 2016/1052 (the “Safe Harbour Regulation”). The buy-back program will be managed by an investment firm or credit institution that makes its trading decisions regarding the timing of the buy-backs of Telia Company’s shares independently of Telia Company.

The buy-back program is subject to the following terms:

We're Telia Company, the New Generation Telco. Our approximately 20,000 talented colleagues serve millions of customers every day in one of the world's most connected regions. With a strong connectivity base, we're the hub in the digital ecosystem, empowering people, companies and societies to stay in touch with everything that matters 24/7/365 - on their terms. Headquartered in Stockholm, the heart of innovation and technology, we're set to change the industry and bring the world even closer for our customers. Read more at www.teliacompany.com.



- Share repurchases can be made between 23 April 2018 and 22 March 2019. Telia Company will buy back shares for a maximum amount of SEK 5 billion in the period.
- Subject to the trading restrictions set out in the Safe Harbour Regulation and Nasdaq Stockholm's Rule Book for Issuers, shares for an aggregate consideration of at least SEK 250,000,000 shall be bought back per month.
- Repurchases are to be made on Nasdaq Stockholm and in accordance with Nasdaq Stockholm's Rule Book for Issuers, MAR and the Safe Harbour Regulation.
- Repurchases of shares on Nasdaq Stockholm are to be made at a per-share price within the registered interval for the going rate at any given time, which denotes the interval between the highest purchase price and the lowest selling price.
- According to the mandate given at the Annual General Meeting 10 April 2018 Telia Company's holding of its own shares may not at any time exceed 10 percent of the outstanding shares in Telia Company. The total number of outstanding shares currently amounts to 4,330,084,781. Telia Company currently holds no own shares in treasury which means that a maximum of 433,008,478 shares may be repurchased until 22 March 2019.
- Payment for the shares will be made in cash.
- The program will be carried out as long as the financial leverage target of 2x +/-0.5x is not in any material way breached or there are strong strategic reasons to refrain from further buy-backs.

For any queries about the buy-back program, please contact

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This information is information that Telia Company AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 06.45 CET on April 20, 2018.

For more information, please contact our press office +46 771 77 58 30, visit our [Newsroom](#) or follow us on Twitter [@Teliacompany](#).

Forward-Looking Statements

Statements made in the press release relating to future status or circumstances, including future performance and other trend projections are forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to many factors, many of which are outside the control of Telia Company.

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