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Eltel completes the divestment of its business operations in Estonia

Eltel's sale of its business operations in Estonia to Estonian TecnoLines OÜ, announced on 30 August 2017, has now been approved by the Estonian Competition Authorities and the transaction has consequently been completed.

The final transaction price amounts to roughly EUR 3 million with cash flow impact estimated at approximately EUR 2.5 million in the fourth quarter of 2017. This is, however, subject to additional expected payments based on changes in working capital. The transaction will have a negative impact of approximately EUR 1 million on Group EBITA and Eltel will record goodwill impairment of approximately EUR 3.8 million related to this divestment in the fourth quarter of 2017.

Eltel's Estonian business comprise power, telecommunication and gas infranet services. In 2016, these operations generated net sales of EUR 26.3 million with low profitability and currently employs approximately 300 people.

For further information:

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About Eltel

Eltel is a leading Northern European provider of technical services for critical infrastructure networks – Infranets – in the segments of Power, Communication and Other, with operations throughout the Nordics, Poland and Germany. 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 2016, Eltel net sales amounted to EUR 1.4 billion. The current number of employees is approximately 8,700. Since February 2015, Eltel AB is listed on Nasdaq Stockholm.