



Storytel in line with forecast first quarter 2019

Storytel had an average of 834,300 paying subscribers in the first quarter of 2019, which is an increase of 65,600 customers compared to the fourth quarter of 2018 and in line with the forecast of 835,000 paying subscribers that was previously estimated. Streaming revenues for the first quarter of 2019 came in at 296 MSEK, compared to a forecast of 297 MSEK. Annual revenue growth thus corresponds to 39%

The average number of paying subscribers for the first quarter of 2019 in Sweden was 363,200, which corresponds to 1,200 paying subscribers above forecast. Storytel's family subscriptions have performed above expectations, which has led to more subscribers than forecast but a lower ARPU. Streaming revenues in Sweden came in at 136.9 MSEK, compared to a forecast of 138 MSEK.

"We have enjoyed a large influx of customers in Sweden in the quarter and our new family subscription has been well received. We are determined to keep constantly developing the user experience and as things stand we have excellent momentum throughout the organisation to add extra focus on this development," says Jonas Tellander, CEO of Storytel.

The average number of subscribers abroad for the first quarter of 2019 totalled 471,100, an increase of 47,600 paying subscribers compared to the fourth quarter of 2018, and is slightly lower than the communicated forecast of 473,000 for first quarter 2019. Annual subscriber growth was 73%. Streaming revenues abroad totalled around 159.1 MSEK in the first quarter of 2019, in line with forecast.

Just over a week ago, Storytel launched in its 16th country: Singapore. As previously announced, Storytel will also launch its service in Germany and Brazil in 2019.

"We are witnessing fantastic growth with almost 50,000 customers abroad and we continue to increase the inflow to the service quarter on quarter. The next milestone is to reach one million paying subscribers and it is our international markets that hold the key here," says Jonas Tellander.

Key performance indicators for Storytel Streaming

Currency: thousand SEK	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Streaming Total					
Revenue	222,133	239,139	279,979	291,315	295,994
Contribution Profit ¹	24,079	25,045	22,063	30,444	
Contribution Margin	10.8%	10.5%	7.9%	10.5%	
Paying Subscribers	577,900	621,200	720,900	768,700	834,300
ARPU ² (SEK/Month)	128	128	129	126	118
Streaming Sweden					
Revenue	122,046	125,759	135,986	139,977	136,861
Contribution Profit	43,067	35,763	40,888	49,190	
Contribution Margin	35.3%	28.4%	30.1%	35.1%	
Paying Subscribers	305,100	314,700	336,200	345,200	363,200
ARPU (SEK/Month)	133	133	135	135	126
Streaming International³					
Revenue	100,087	113,380	143,993	151,338	159,133
Contribution Profit	-18,988	-10,718	-18,826	-18,746	
Contribution Margin	-19.0%	-9.5%	-13.1%	-12.4%	
Paying Subscribers	272,800	306,500	384,700	423,500	471,100
ARPU (SEK/Month)	122	123	125	119	113

¹ Contribution Profit is defined as streaming revenue minus costs for content (licensed content and in-house productions) and marketing. Storytel Reader is not included in Streaming.

² ARPU = Average Revenue Per User (Subscriber) per month. In Q1 2019, Storytel released Family subscription and a discounted campaign has been run, lowering the ARPU. The lowering ARPU is also explained by Q1 having fewer days (90) and growth in low priced markets.

³ Storytel Norway included in figures @ 100%. In the consolidated group accounts Norway is reported according to the principle of proportional consolidation.

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About Storytel

Storytel is Northern Europe's leading audiobook and e-book streaming service and offers unlimited listening and reading of more than 200 000 titles on a global scale. Our vision is to make the world a more empathetic place with great stories to be shared and enjoyed by anyone, anywhere and anytime. Storytel is a digital platform provider as well as a comprehensive publishing group. The streaming business area offers subscriptions for audiobooks and e-books under the Storytel and Mofibo brands. Storytel's publishing business area is carried out through the publishing houses Norstedts, Massolit, StorySide, Printz Publishing, People's Press, Rabén & Sjögren, B.Wahlströms and Norstedts Kartor. Ztory - a subscribed digital read-all-you-can streaming service for newspapers and magazines, is part of Storytel since January 2019. Storytel operates in 16 markets around the globe and is headquartered in Stockholm, Sweden.