TELIA COMPANY ACQUIRES GET AND TDC NORWAY

July 17, 2018
<table>
<thead>
<tr>
<th>TRANSACTION SUMMARY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>STRATEGIC RATIONAL</strong></td>
</tr>
<tr>
<td>• Strengthen and develop core operations in the Nordic and Baltic region – Norway a very attractive market</td>
</tr>
<tr>
<td>• Enable fixed and mobile converged offerings in Norway to consumers and enterprises</td>
</tr>
<tr>
<td><strong>VALUE</strong></td>
</tr>
<tr>
<td>• NOK 21.0 billion on a cash and debt free basis</td>
</tr>
<tr>
<td>• Implies EV/EBITDA, including full run rate synergies of 9.0x, (based on 2017FY)</td>
</tr>
<tr>
<td><strong>FINANCIAL EFFECTS</strong></td>
</tr>
<tr>
<td>• Cash flow* synergies NOK 0.7 billion</td>
</tr>
<tr>
<td>• Accretive to Telia Company EPS (+3%) and cash flow* (+9%) immediately after closing</td>
</tr>
<tr>
<td><strong>BALANCE SHEET IMPACT</strong></td>
</tr>
<tr>
<td>• Total consideration to be financed using cash on balance sheet</td>
</tr>
<tr>
<td>• Net debt to EBITDA proforma post transaction of 1.9x</td>
</tr>
<tr>
<td><strong>CONDITIONS</strong></td>
</tr>
<tr>
<td>• Subject to approval from Norwegian Competition Authority</td>
</tr>
<tr>
<td><strong>TIME TABLE</strong></td>
</tr>
<tr>
<td>• Expected closing in H2 2018</td>
</tr>
</tbody>
</table>

* EBITDA – Capex
STRONG STRATEGIC & FINANCIAL RATIONALE

STRATEGIC SWEET-SPOT

- Capital allocation to attractive Norway
- Convergence B2C – “hub to what matters”
- Convergence B2B – “digitalization partner of choice”
- Proven track record and value creation from M&A

BEST IN CLASS STAND ALONE OPERATION

- Connecting 1.8 million Norwegians
- More than 0.5 million paying users with high loyalty
- Superior high speed hybrid/coax-fiber network
- Strong operational track record
- Respected management and employees

FINANCIALLY ACCRETIVE

- Highly synergetic transaction
  - NOK 0.6 billion on EBITDA
  - NOK 0.7 billion on EBITDA less CAPEX
  - Proven track record to realize synergy potential
- Accretive to EPS (+3%) and cash flow (+9%) on a stand alone basis
IN LINE WITH NORDIC/BALTIC STRATEGY

**PURPOSE**

Bringing the world closer

**AMBITION**

- The most loyal and satisfied customers in our markets
- TSR among the top relevant European peers
- Industry leader in digital impact through United Nation’s Sustainable Development Goals
- The most engaged employees

**Building on connectivity leadership...**

Best network experience across platforms

**...closer to what matters to our customers...**

- Mass-market: Hub to digital experiences in homes and offices
- Enterprise: Digitalization partner of choice
- Ecosystems: Enabling partners with new business models

**...based on speed, innovation and great people**

- Analytics and insights driven go-to-market and customer interaction
- Rebuilding the factory through softwarization
- Cost leadership through scale and synergies

**FOUNDATION**

**VALUES**

- Values-driven culture, with self leadership, customer passion and cost ownership as cornerstones
- A strong governance framework with best-in-class ethics and compliance
LEADING COMMUNICATION AND ENTERTAINMENT PLAYER

FINANCIALS

<table>
<thead>
<tr>
<th>NOK billion</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>4.0</td>
</tr>
<tr>
<td>Revenue CAGR 2015-2017</td>
<td>3.2%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1.7</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>43.4%</td>
</tr>
<tr>
<td>EBITDA CAGR 2015-2017</td>
<td>7.6%</td>
</tr>
<tr>
<td>EBITDA-CAPEX</td>
<td>0.9</td>
</tr>
<tr>
<td>Cash conversion</td>
<td>53.1%</td>
</tr>
</tbody>
</table>

CUSTOMERS**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Homes passed*</td>
<td>800k</td>
</tr>
<tr>
<td>Homes connected</td>
<td>518k</td>
</tr>
<tr>
<td>RGUs</td>
<td>950k</td>
</tr>
<tr>
<td>B2B customers</td>
<td>2k</td>
</tr>
<tr>
<td>RGUs</td>
<td>77k</td>
</tr>
</tbody>
</table>

REVENUE DISTRIBUTION**

- TV: 41%
- Business: 23%
- Broadband: 28%
- Other Services: 8%

GET HOMES CONNECTED**

- Homes passed: 800k
- Homes connected: 518k
- RGUs: 950k
- B2B customers: 2k
- RGUs: 77k

NETWORK

- Connecting ~1.8 million Norwegians every day
- High loyalty - low single digit churn
- High speed broadband
- Advanced TV entertainment
- Smart home services
- Multiservice network with a range of as-a-service products – IPVPN, Internet, WiFi, VOIP and TV

* Including 24 Partners **All numbers 2017
CONTINUOUSLY AT THE FOREFRONT OF INNOVATION

CURRENT MARKET FUNDAMENTALS AND CUSTOMER DEMAND

TV STILL THE MOST IMPORTANT SOURCE OF ENTERTAINMENT... 

<table>
<thead>
<tr>
<th>Year</th>
<th>Media Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>96%</td>
</tr>
<tr>
<td>2017</td>
<td>95%</td>
</tr>
</tbody>
</table>

...BUT CUSTOMERS WANT MORE

- 51% Pay for streaming services
- 46% Think sport is important in their TV package
- ~180,- Pay in average
- 25% Choose to pay for premium sport

of Norwegian households with TV subscription**

PIONEERS IN INNOVATION AND ADOPTION TO DEMAND

*Source: TNS Gallup 2017
**Source SSB 2017
## Key Value Propositions in the Market

### Strengthened Entertainment Provider Position
- Content model redefined to meet customer demand
- New personalized TV package
- New streaming platform

### State of the Art Network and Wifi
- Product portfolio with subscriptions from 60-500Mbps
- Moving to gigabit speeds
- Modern Wifi solutions

### Smart Home
- Launched Smart home services since 2017
- Proven value proposition among MDUs
- Strengthens position in renegotiations and new sales

### B2B – Multiple Service Network
- From IPVPN to cloud based services
- Drives upsell among existing customers
- Further potential in mobile services
# Unlocking Meaningful Value from Synergies

## Key Categories

### Revenues
- Mobile and fixed cross-sell opportunities in both B2C and B2B

### Cost
- **Network**
  - Reduction in lease capacity cost leveraging GET/TDC infrastructure for mobile backhaul
  - Efficient network and IT operations
  - Combined market operations
  - Churn reduction
  - Combine overlapping functions
  - Generate procurement savings and efficiencies

- **IT**
- **Sales and CS**
- **Marketing**
- **G&A**

### EBITDA Synergies
- NOK 0.6 billion

### CAPEX
- Combining investments into networks and IT systems
- NOK 0.1 billion

### Total Synergies
- NOK 0.7 billion

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*By the end of 2021*
## FINANCIALLY ACCRETEIVE TRANSACTION

<table>
<thead>
<tr>
<th>2017 (NOK BILLION)</th>
<th>TELIA NORWAY</th>
<th>GET &amp; TDC NORWAY</th>
<th>RUN-RATE SYNERGIES</th>
<th>COMBINED</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>9.8</td>
<td>4.0</td>
<td>0.3</td>
<td>14.1</td>
</tr>
<tr>
<td><strong>EBITDA (margin)</strong></td>
<td>3.4 35.0%</td>
<td>1.7 43.4%</td>
<td>0.6</td>
<td>5.8</td>
</tr>
<tr>
<td><strong>EBITDA-CAPEX</strong></td>
<td>2.4 70.1%</td>
<td>0.9 53.1%</td>
<td>0.7</td>
<td>4.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2017 (SEK BILLION)*</th>
<th>TELIA COMPANY***</th>
<th>GET &amp; TDC NORWAY</th>
<th>RUN-RATE SYNERGIES</th>
<th>COMBINED</th>
</tr>
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<tbody>
<tr>
<td><strong>EPS (SEK)</strong></td>
<td>1.92</td>
<td>0.06</td>
<td>0.10</td>
<td>2.07 (+7.9%)</td>
</tr>
<tr>
<td><strong>EBITDA-CAPEX</strong></td>
<td>10.3 41.0%</td>
<td>1.0 53.1%</td>
<td>0.7</td>
<td>12.0 (+16.2%)</td>
</tr>
</tbody>
</table>

* FX SEK/NOK 1.03  
** Excluding licenses  
*** Continuing operations
MAINTAINING A STRONG CAPITAL STRUCTURE

PRO FORMA NET DEBT
SEK in billion, Q1 2018

- 28.5
- 58.7

PRO FORMA NET DEBT TO EBITDA

- 1.0
- 1.9

• Net debt to EBITDA pro forma within our targeted range
• Remaining room for further M&A
• No change to current capital allocation commitments
FORWARD-LOOKING STATEMENTS

Statements made in this document 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.