DISCLAIMER & FORWARD-LOOKING STATEMENTS

This document contains the use of alternative performance measures (APM’s) to provide readers with additional financial information that is regularly reviewed by management, such as adjusted EBITDA, CAPEX and operational free cash flow. These APM’s should not be viewed as a substitute for Telia Company’s IFRS based figures, but as a complement. APM definitions can be found in Telia Company’s interims reports and Annual and Sustainability Report 2018 and may be defined differently by other companies and are therefore not always comparable to similar measures used by other companies. Telia Company’s management considers these APM’s combined with IFRS performance measures and in conjunction with each other, the most appropriate way to measure the performance of Telia Company.

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.
**AGENDA**

**WELCOME & OVERALL STRATEGY**
- Johan Dennelind, President & CEO
- 08.00-08.40

**SUSTAINABILITY UPDATE**
- Cecilia Lundin, Head of People & Brand
- 08.40-09.00

**COMMON PRODUCTS AND SERVICES (CPS)**
- Magnus Zetterberg, COO & Head of CPS
- 09.00-09.20

**FINANCIALS**
- Christian Luiga, CFO
- 09.20-09.50
- 09.50-10.10 Q&A

**SWEDEN**
- Anders Olsson, CEO Sweden
- 10.30-11.10

**NORWAY**
- Abraham Foss, CEO Norway
- 11.10-11.40

**FINLAND**
- Stein-Erik Vellan, CEO Finland
- 11.40-12.00

**CLOSING REMARKS AND Q&A**
- Johan Dennelind, President & CEO
- 12.00-12.30 Q&A
CAPITAL MARKETS DAY 2019
Johan Dennelind, President and CEO
ENTERING A NEW ERA OF OPPORTUNITIES

DIGITALIZED SOCIETIES

DIGITAL EXPERIENCES

AUTOMATION & INNOVATION
NEW FOCUS - REALLOCATED CAPITAL

DIVESTMENTS 2016-2018
AROUND SEK 50 BILLION

Ncell  yoigo  MEGAFON
TURKCELL  Tcell  Spotify
SERGEL  Kcell  Ucell
Azercell  Geocell

ACQUISITIONS 2016-2018
AROUND SEK 40 BILLION

INMICS  nebula  phonero
cloud solutions  AINA
C MORE  mtv  4

Norway

Bonnier Broadcasting expected closing H2 2019
THE #1 GO-TO PARTNER IN AN ATTRACTIVE REGION

TOTAL POPULATION
33 MILLION
Source: Eurostat

STRONG MACRO ECONOMY
2-3%
GDP GROWTH 2019-2020
Source: SEB

HIGH GRADE OF DIGITALIZATION
IOT CONNECTIONS/CAPITA
Source: Telia Company

TOP 5 COUNTRY ESG SCORES
Source: RobecoSAM
## WINNING 2022 – BUILDING THE TRUSTED AND LOVED BRAND OF TELIA

### 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

### 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

### VALUES

- **Dare**
- **Care**
- **Simplify**

### 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
GOOD BRAND MOMENTUM ACROSS MARKETS

THE TELIA BRAND PROMISE

YOUR NEW WORLD OF DIGITAL EXPERIENCES

POSITIVE LONG-TERM B2C NPS TREND

Numbers refer to change in B2C NPS 2018 vs. 2015
**CONVERGENCE B2C – OUR PHILOSOPHY**

- **STRONG CUSTOMER POSITION IN CORE SERVICES**
- **DRIVE LOYALTY FURTHER**
- **GROW ARPA AND ADDITIONAL SERVICES**

- **Demanding premium service and willing to pay for it**
- **Require incentives (e.g. more for more) to add additional services**
- **Require discounts to add additional services**

**Triangular Diagram:**
- Increased loyalty & ARPA
- Pro-motors
- Incentive seekers
- Discount seekers
B2C CONVERGENCE PROOF POINTS - BALTICS

B2C CONVERGENCE IN ESTONIA
NPS, ARPA in EUR and churn

<table>
<thead>
<tr>
<th>B2C CONV</th>
<th>NPS</th>
<th>ARPA</th>
<th>CHURN</th>
</tr>
</thead>
<tbody>
<tr>
<td>B2C AVG</td>
<td>19</td>
<td>35</td>
<td>12%</td>
</tr>
<tr>
<td>B2C CONV</td>
<td>30</td>
<td>50</td>
<td>7%</td>
</tr>
</tbody>
</table>

B2C CONVERGENCE IN LITHUANIA
ARPA in EUR and fixed BB customers having a mobile postpaid subscription

<table>
<thead>
<tr>
<th>ARPA</th>
<th>MOBILE POSTPAID SUBS PER BB CUSTOMER</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR 28</td>
<td>26%</td>
</tr>
<tr>
<td>EUR 33</td>
<td>29%</td>
</tr>
</tbody>
</table>

*TELIA 1*

*Telia1=Telia’s convergence proposition
DEEPENING OUR CONVERGENCE - ENTERING THE CONTENT ARENA

Enhance customer experience with data analytics into unique offerings

Secure key content, now and for the future

Monetize on video across the entire market, not just our customers

Be part of the reshaping media value chain on our terms
CONVERGENCE B2B – MORE FOR MORE

STRONG POSITION IN CORE SERVICES

DRIVE LOYALTY AND PROTECT CORE REVENUES

MONETIZE DIGITALIZATION GROWTH

Loyalty

Share of ICT spend

Ecosystem partner

ICT Solution provider
CLOUD, IoT, SECURITY

Connectivity provider
5G CONTRACTS AND PILOTS IN OUR MARKETS

TAKING THE LEAD

Examples throughout our footprint:

- **Volvo**
  - Construction Equipment

- **Karolinska**
  - University Hospital

- **Finavia**

Telia Company leading the way in 5G
LEVERAGE TELIA CARRIER POTENTIAL

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2015</th>
<th>2018</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>SERVICE REVENUES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

DIVISION X - IOT

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEK IN BILLION</td>
<td>0.8</td>
<td>1.0</td>
</tr>
<tr>
<td>SERVICE REVENUES</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

+20%

MULTINATIONAL CUSTOMERS

38 SELECTED CUSTOMERS

SEK 1.4 BILLION IN REVENUES

OTHER GROWTH DRIVERS

- Telia Ventures
- Digital health
- Data insights
- Partner networks

TELIA GLOBAL >SEK 200 MILLION IN ADDITIONAL EBITDA CONTRIBUTION POTENTIAL BY 2022
NEXT PHASE OF OUR SUSTAINABILITY AGENDA – DARING GOALS FOR IMPACT

Throughout the value chain

Circular economy business model

People of Telia
**CLEAR EFFICIENCY AGENDA**

### COST DRIVERS
- Growth initiatives
- Inflation

### STRUCTURAL COST/CAPEX INITIATIVES
- M&A synergies
- New operating model
- Digital/IT transformation

### GENERAL COST REDUCTIONS
- Country programs G&A
- Operational excellence
- Commercial excellence
- Sourcing excellence

**AROUND 2 PERCENT ANNUAL NET OPEX REDUCTION 2019-2021**

**CAPEX EFFICIENCIES 2019-2022**
REVISING CASH FLOW SYNERGIES UPWARDS

NOK 800 MILLION END OF 2021
**MARKET SHARE IN KEY AGE GROUP**
Sweden 15-64 years old, incl. non-commercial

- **TV4 (CHANNEL)**
  - 2017: 21.5%
  - 2018: 23.6%
- **TV4 GROUP (ALL CHANNELS)**
  - 2017: 33.8%
  - 2018: 34.2%

**LOCAL AVOD MARKET SHARE**
Sweden % (based on MMS)

- **TV4 PLAY**
  - 2014: 54%
  - 2018: 65%
- **NENT GROUP**
  - 2014: 13%
  - 2018: 17%
- **DISCOVERY NETWORKS**
  - 2014: 17%
  - 2018: 16%
- **AFTONBLADET TV**
  - 2014: 20%
  - 2018: 20%

**TV4 GROUP TOTAL TV REACH**
Sweden %, both linear and AVOD

- 2014: 65%
- 2018: 66%

- **TV4 increased absolute viewing from 23 minutes to 26 minutes in key group 15-64 years**
- **TV4 Play equals the combined market share of closest local peers**
- **TV4 Play more than compensate for lower linear reach**

Source: MMS, Kantar-Sifo Orvetso
### FINANCIAL OVERVIEW

<table>
<thead>
<tr>
<th>Year</th>
<th>NET SALES</th>
<th>EBITA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>7.4</td>
<td>0.4</td>
</tr>
<tr>
<td>2017</td>
<td>7.4</td>
<td>0.4</td>
</tr>
<tr>
<td>2018</td>
<td>8.3</td>
<td>1.0</td>
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</table>

### FINANCIAL BREAKDOWN

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<thead>
<tr>
<th>Segment</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>NET SALES</td>
<td>7.4</td>
<td>7.4</td>
<td>8.3</td>
</tr>
<tr>
<td>- TV4</td>
<td>4.2</td>
<td>4.4</td>
<td>4.7</td>
</tr>
<tr>
<td>- C MORE</td>
<td>1.5</td>
<td>1.6</td>
<td>1.9</td>
</tr>
<tr>
<td>- MTV</td>
<td>1.8</td>
<td>1.7</td>
<td>1.9</td>
</tr>
<tr>
<td>EBITA</td>
<td>0.4</td>
<td>0.4</td>
<td>1.0</td>
</tr>
<tr>
<td>- TV4</td>
<td>0.7</td>
<td>1.0</td>
<td>1.4</td>
</tr>
<tr>
<td>- C MORE</td>
<td>-0.4</td>
<td>-0.4</td>
<td>-0.1</td>
</tr>
<tr>
<td>- MTV</td>
<td>-0.1</td>
<td>-0.3</td>
<td>-0.3</td>
</tr>
</tbody>
</table>

Note: Excludes other

### CASH FLOW DEVELOPMENT

<table>
<thead>
<tr>
<th>Year</th>
<th>NET SALES</th>
<th>EBITA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>0.4</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>0.4</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>1.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Bonnier Broadcasting Annual Report 2018
A STRONGER TELIA COMPANY EMERGING

<table>
<thead>
<tr>
<th>2018 (SEK BILLION)</th>
<th>GET/ TDC NORWAY</th>
<th>BONNIER BROADCASTING</th>
<th>FULL RUN-RATE SYNERGIES (PER YEAR)</th>
<th>COMBINED PRO FORMA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA (margin)</strong></td>
<td>1.8</td>
<td>1.1**</td>
<td>1.3</td>
<td>4.2 (prev. 3.5)</td>
</tr>
<tr>
<td></td>
<td>43.4%</td>
<td>13.8%</td>
<td></td>
<td>&gt;32.5%</td>
</tr>
<tr>
<td><em><em>EBITDA-CAPEX</em> (cash conversion)</em>*</td>
<td>0.8</td>
<td>1.0***</td>
<td>1.4</td>
<td>3.3 (prev. 2.7)</td>
</tr>
<tr>
<td></td>
<td>48.1%</td>
<td>91.3%</td>
<td></td>
<td>77.7%</td>
</tr>
</tbody>
</table>

* Excluding licenses ** Assuming same depreciation in 2018 as in 2017 *** Assuming EBITA equals EBITDA-CAPEX

SYNERGY BREAKDOWN

GET/TDC – NOK 800 MILLION CASH FLOW SYNERGIES END OF 2021

BONNIER BROADCASTING – CASH FLOW SYNERGIES OF SEK 600 MILLION END OF 2022
CASH FLOW TO SUSTAIN AND GROW BEYOND 2019

HOW SHOULD YOU HOLD US ACCOUNTABLE?

FIGHT FOR GROWTH
- Convergence
- Smart pricing
- Telia global

PUSH FOR EFFICIENCY
- Structural reductions
- Cost smartness
- Net OPEX reduction of 2 percent 2019-2021

EXECUTION OF M&A
- Get/TDC NOK 800 million
- Bonnier Broadcasting SEK 600 million

WISE INVESTMENTS USING OUR SCALE
- CAPEX coming down further

BEST IN CLASS CASH MANAGEMENT
- SEK 2.4 billion remaining in working capital efficiencies
Telia Crowd Insights screening millions of trips to/from/within Helsinki and Espoo

Helsinki Regional Traffic invested in a new subway line to improve the problematic traffic situation

Result: 8 percent less car traffic (5,700 cars) (Nov 2017-Jan 2018)

Replicable and scalable, other cities are already looking to work with Telia Company to deploy Crowd Insights in traffic planning

Contributing to SDG11: Sustainable cities and communities and SDG13: Climate action
OUR EVOLVING SUSTAINABILITY AGENDA
UPPING THE GAME: OUR DARING GOALS

ZERO CO₂
Throughout the value chain

ZERO WASTE
Circular economy business model

100% ACTION
People of Telia
SHAPING THE PLANET’S GREENEST TELCO

**TODAY**
- 93% renewable energy
- 50% employee engagement
- Increased own renewable power
- Zero CO₂ supplier base

**2030**
- 100% renewable energy
- Full capacity utilization
- Full circularity
- 100% employee engagement

**Achievements**
- Linked to employee rewards

**CO₂ as selection criteria for suppliers**
- Digital waste strategy in place

**Environment by design**
- Full circularity
MAKING A CHANGE ACROSS THE ECOSYSTEM

Increased value, complexity and impact

Telia operations

Customers and Suppliers

Indirect stakeholders
ALL OF OUR SUPPLIERS TO REACH ZERO CO₂ BY 2030

CO₂ as decision criteria
Telia is adding CO₂ into the supplier selection criteria by end of 2019

Plan for reaching zero CO₂
All suppliers should have a plan in place for reaching the CO₂ goal (including their suppliers) before end of 2022
DARING GOALS DRIVING SHAREHOLDER VALUE

- Positive impact on customer loyalty
- Sustainability is a business driver
- Lowering risk

INCLUDED IN OP.FCF
SEK 12.0-12.5 BILLION

2019

2020 and beyond

WILL SUPPORT CASH FLOW & TSR
SHAPING THE PLANET’S GREATEST TELCO

TELIA GREEN COMMITMENTS
Zero CO₂
Zero Waste
100% Action

DIGITAL IMPACT
Part of our purpose and strategy

VALUE
Daring goals commitment is supporting cash flow and TSR
CAPITAL MARKETS DAY 2019
Magnus Zetterberg, COO & Head of CPS
COMMON PRODUCTS AND SERVICES – KEY MESSAGES

NEW OPERATING MODEL

BUSINESS DRIVEN 5G APPROACH
WHY A NEW OPERATING MODEL – PROBLEM STATEMENT

POINT OF DEPARTURE

- Overlapping work in product development
- Inconsistency in processes across our markets
- Old way of working with development – release-based model
- Country unique architecture in value chains
COMMON PRODUCTS AND SERVICES (CPS) OVERVIEW

OLD OPERATING MODEL

GLOBAL SERVICES & OPERATIONS (GSO)

- COMMON PLATFORM
- COMMON SERVICE ASSURANCE

- SWEDEN PRODUCTS, SERVICES AND SALES
- FINLAND PRODUCTS, SERVICES AND SALES
- NORWAY PRODUCTS, SERVICES AND SALES
- DENMARK PRODUCTS, SERVICES AND SALES
- ESTONIA PRODUCTS, SERVICES AND SALES
- LITHUANIA PRODUCTS, SERVICES AND SALES

END-CUSTOMERS

NEW OPERATING MODEL

- COMMON PRODUCTS & SERVICES (CPS)
  - PRODUCT AREAS
    - COMMUNICATION
    - CONNECTIVITY
    - MEDIA/ENTERTAINMENT
    - IT SERVICES
  - IT
  - COMMON PLATFORM
  - COMMON SERVICE ASSURANCE

CUSTOMER FACING UNITS

COUNTRY P&L

END-CUSTOMERS

SCALE EFFECTS IN DEVELOPMENT AND CONSOLIDATION (DEVELOP ONCE, DELIVER X6)
NEW OPERATING MODEL TO GENERATE EFFICIENCIES

IMPLEMENTING A NEW OPERATING MODEL...

CUSTOMER FACING UNITS
COUNTRY P&L

COMMON PRODUCTS & SERVICES
LEVERAGE SCALE ACROSS COMPANY

...WITH A STRONG BUSINESS RATIONALE

• RELEVANCE AND CUSTOMER AGILITY AS KEY DRIVERS
• ACCOUNTABLE FOR DRIVING COUNTRY COMMERCIAL AGENDA

• FOCUS ON ACHIEVING PLATFORM/PRODUCT EFFICIENCY AND QUALITY
• ACCOUNTABLE FOR MANAGING A COMPETITIVE, MODULAR PRODUCT PORTFOLIO FOR ALL MARKETS
MULTIPLE LAYERS OF SYNERGIES

DAY 1 BENEFITS

STEPWISE IMPLEMENTATION OF CORE CHANGES

FULLY IMPLEMENTED

POOLING OF RESOURCES

ORGANIZATIONAL SYNERGIES

CONSOLIDATION AND SCALE SYNERGIES

COMMON DEVELOPMENT OF PRODUCTS ON A COMMON PLATFORM

FULL BENEFIT OF OPERATING MODEL

Note: Sweden implemented in model, rest of the countries to follow over time
### MULTIPLE GAINS FROM COMMON OPERATING MODEL

<table>
<thead>
<tr>
<th>EFFICIENCY AND SCALABILITY</th>
<th>SPEED AND FLEXIBILITY</th>
<th>INCREASED CUSTOMER EXPERIENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>• NEW WAY OF WORKING – AGILE AND COMMON</td>
<td>• DEVELOP ONCE – DELIVER 6X</td>
<td>• EARLIER LAUNCHES OF NEW TECHNOLOGY</td>
</tr>
<tr>
<td>• COMMON PRODUCT DEVELOPMENT &amp; PLATFORM</td>
<td>• ONE JOINED FORCE VS. FRAGMENTED EFFORTS</td>
<td>• MORE COMPETITIVE PRODUCTS IN ALL MARKETS</td>
</tr>
</tbody>
</table>
SYNERGIES FROM THE NEW OPERATING MODEL

COST SYNERGY OVERVIEW

SEK billion

- ORGANIZATION: 15%
- WAY OF WORKING: 25%
- PRODUCTS/PROCESS: 20%
- SYSTEMS/PROCESS: 10%
- SUPPLIERS: 30%

0.6–0.9 BN

IN ADDITION CAPEX SAVINGS OF SEK 0.5 BILLION WITH RUN-RATE END OF 2022
OUR APPROACH TO...

...5G
5G COMMERCIAL CONTRACTS AND PILOTS

COMMERCIAL CONTRACTS FOR 5G
• Several commercial B2B contracts in Finland and Sweden
• 5G pilot networks in all markets (excluding Denmark)

COOPERATION WITH CUSTOMERS TO DIGITALIZE THEIR BUSINESSES
• Manufacturing
• Process industry
• Mining
• Logistics
• And several more

PARTNER PROGRAM
• +100 partners in Finland, Norway and Sweden
• Aim to drive development of new services based on 5G technology
5G ROADMAP FOR TELIA COMPANY

2018
- 5G PILOTS IN ALL MARKETS (EXCL. DK)
- PARTNERSHIP PROGRAM LAUNCHED
- USE CASES IN SPECIFIC VERTICALS

2019
- COMMERCIAL OFFERINGS IN 1-2 COUNTRIES
- SECURE SPECTRUM

2020 AND BEYOND
- 5G MATURITY AND COMMERCIAL RAMP-UP ACROSS OUR MARKETS
- SECURE SPECTRUM

INDUSTRY FOCUS
- TESTING
- PIOTING

INDUSTRY FOCUS
- END-USER EQUIPMENT AVAILABLE IN LOW VOLUMES

INDUSTRY FOCUS
- COMMERCIAL REAL 5G IN VOLUMES

PILOT 5G
PRE 5G NON-STANDALONE
5G MATURITY AND RAMP-UP
BUSINESS CASE DRIVEN APPROACH TO 5G

5G ROLL-OUT APPROACH

- Roll-out based on solid business cases
- First focus
  - Enterprise mobile networks
  - Fixed wireless access
- Second focus
  - Mass-market
  - Leverage capacity enhancements

SHORT-TERM RADIO ACCESS NETWORK CAPEX

3G/4G/5G coverage/capacity

- Balanced investments in 5G based on a business case driven agenda following our roadmap
- 5G CAPEX investments included as part of overall CAPEX bucket
COMMON PRODUCTS AND SERVICES – KEY PRIORITIES

NEW OPERATING MODEL
Cost reduction ambition of SEK 0.6-0.9 billion

BUSINESS DRIVEN APPROACH
Leading position in 5G through business case driven approach
CAPITAL MARKETS DAY 2019
Christian Luiga, CFO
FINANCE - KEY PRIORITIES

- CASH FLOW
- COST AGENDA
- WORKING CAPITAL
- SHAREHOLDER REMUNERATION
- LEVERAGE
- SUSTAINABLE CREDIT
A SUCCESSFUL JOURNEY

REPORTED EBITDA DEVELOPMENT
Reported currency, adjusted EBITDA, R12

ORGANIC GROWTH COUPLED WITH M&A AND FX TAILWIND

LEVERAGE DEVELOPMENT
Adjusted EBITDA/net debt, 2018 a full year of Get/TDC Norway

RIGHTSIZING THE BALANCE SHEET VIA M&A AND BUYBACKS

OPERATIONAL FREE CASH FLOW
SEK billion, R12

GROWTH MAINLY DRIVEN BY M&A, ORGANIC EBITDA AND WORKING CAPITAL

TOTAL SHAREHOLDER REMUNERATION
Dividend and share buybacks

2.8% OF SHARES REPURCHASED 2018*

* Ambition to repurchase shares for SEK 5 billion per year over three years starting April 2018
Organic service revenue growth excluding legacy
• Fiber installation revenues in decline
• Deliberate reduction of low margin revenues in Telia Carrier 2017 and 2018 – impacted negatively by 0.7 percent in 2018
• Important going forward to drive organic service revenue growth excluding legacy

* Fiber OTC= Fiber One Time Charges
OPEX HAS BEEN TAKEN DOWN BUT MORE TO DO

OPEX COST BASE DEVELOPMENT

-1%  -2%  -2%  -3%
2016  2017  2018

• OPEX efficiencies generated over several years mainly from process optimization across the group, leading to lower resource costs

CONTINUOUS FINE-TUNING AND DEFINED PROJECTS HAVE DELIVERED EFFICIENCIES...

...AND CREATED A FOUNDATION FOR FURTHER EFFICIENCY REALIZATION
WE ARE DRIVING A BROAD EFFICIENCY AGENDA

CLEAR RUN-RATE SAVINGS AND CASH FLOW DURING 2019-2022 FROM CURRENT PROGRAMS

<table>
<thead>
<tr>
<th>SEK IN BILLION, RUN-RATE</th>
<th>COGS &amp; OPEX</th>
<th>CAPEX</th>
<th>CASH FLOW</th>
</tr>
</thead>
<tbody>
<tr>
<td>GET/TDC SYNERGIES</td>
<td>0.4 IN 2021</td>
<td>0.2 IN 2022</td>
<td>0.8 IN 2022</td>
</tr>
<tr>
<td>NEW OPERATING MODEL</td>
<td>0.6-0.9 IN 2022</td>
<td>0.5 IN 2022</td>
<td>1.2-1.4 IN 2022</td>
</tr>
<tr>
<td>E2E MASS MARKET (SWEDEN)</td>
<td>0.2 IN 2020</td>
<td>0.2 IN 2020</td>
<td>0.4 IN 2020</td>
</tr>
<tr>
<td>COUNTRY COST PROGRAMS</td>
<td></td>
<td></td>
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<tr>
<td>INFLATION</td>
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</tr>
<tr>
<td>GROWTH INITIATIVES</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

ROBOTICS, SOURCING, SARC, CHANNEL EFFICIENCY, G&A ETC.
NEW OPERATING MODEL FINANCIAL DYNAMICS

**NEW OPERATING MODEL SYNERGIES**

SEK billion, OPEX and COGS

- Efficiencies in OPEX and COGS to come gradually as the new operating model is rolled out across the group
- Sweden was first in - remaining countries to follow over time
- Target to reach OPEX and COGS synergies of 10-15 percent of the estimated total CPS* cost base in 2022 – equal to between SEK 0.6-0.9 billion
- Additional CAPEX synergies of SEK 0.5 billion by 2022
- Opportunity for additional efficiency potential in countries’ OPEX after full implementation post 2022

* CPS= Common Products and Services
TARGET OF CONTINUED OPEX REDUCTION 2019

- Around 2 percent in OPEX reduction (SEK 0.5 billion) to be driven by
  - (-) New operating model synergies
  - (-) Get/TDC OPEX synergies
  - (-) Robotics and near-shoring
  - (-) G&A and other efficiencies
  - (+) Inflation
  - (+) Service revenue growth initiatives
AN EFFICIENCY AGENDA STRETCHING BEYOND 2019

NEW OPERATING MODEL, END2END MASS MARKET, AND M&A SYNERGIES IMPORTANT DRIVERS

OPEX REDUCTION TARGET 2019-2021

- **2019**: 2%
- **2020**: 2%
- **2021**: 2%

---

- G&A OTHER
- IT
- CUSTOMER OPERATIONS
- NETWORK OPEX
- SALES & MARKETING

- 2019-2021: 20% OPEX reduction target
DIFFERENT GROWTH PATTERN EXPECTED 2019 VS. 2018

- Organic EBITDA growth Q1 2019 expected to be weaker than Q4 2018
- Reported development to be significantly positively impacted by Get/TDC Norway
- Changes in reporting from IFRS 16 not included in the illustrative graph above
TARGETING ANOTHER YEAR OF CASH FLOW GROWTH

OPERATIONAL FREE CASH FLOW 2016-2018
SEK billion, reported currency

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA, NWC, CAPEX</th>
<th>OTHER</th>
<th>EBITDA, NWC, CAPEX</th>
<th>OTHER</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>5.5</td>
<td></td>
<td>1.9</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>2.3</td>
<td>9.7</td>
<td>2.0</td>
<td>-0.8</td>
<td>5.5</td>
<td>10.8</td>
<td>10.8</td>
</tr>
</tbody>
</table>

OPERATIONAL FREE CASH FLOW 2019E
SEK billion, reported currency

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA</th>
<th>CAPEX</th>
<th>NWC</th>
<th>INTEREST</th>
<th>TAX</th>
<th>OTHER</th>
<th>OTHER</th>
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</thead>
<tbody>
<tr>
<td>2018</td>
<td>10.8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019E</td>
<td></td>
<td></td>
<td></td>
<td>12-12.5</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

• Get/TDC main driver behind growth in EBITDA

NEGATIVE SWEDEN OFFSET BY GET/TDC IN NORWAY
AROUND SEK 2.5 BILLION UNTAPPED NWC POTENTIAL

• Previous estimate of a SEK 5 billion potential raised to around SEK 6 billion
• Customer financing and inventory will play a bigger role 2019-2021

ACCUMULATED NET WORKING CAPITAL IMPACT ON CASH FLOW
SEK billion, reported currency, accumulated impact

3.6BN
2017-18

90%

SUPPLIERS
CUSTOMERS
INVENTORY AND OTHER

IMPROVEMENTS REALIZED WITHOUT ANY OFFSETTING COSTS

5% 5%
CAPEX TO LEVEL OUT – FUTURE SAVINGS REINVESTED

CASH CAPEX EXCLUDING LICENSES* BY ITEM
SEK billion, stable FX, excl. IFRS 16 impact

- CAPEX has gradually come down from 2016 peak
- Slight reduction expected 2019 despite full year consolidation of Get/TDC – mainly driven by lower fiber CAPEX in Sweden

CASH CAPEX EXCLUDING LICENSES* AMBITION
SEK billion, excl. IFRS 16 impact

- CAPEX efficiency improvements and savings to be reinvested in continuous IT improvement and network
- Fiber in Sweden also the main driver for 2020 decline
- Balanced 5G investments based on business cases

* 2016 adjusted for capitalized wages and excluding ice hockey rights 2017 and Helsinki Data Center 2018
**Operational Free Cash Flow**

SEK billion, reported currency

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA</th>
<th>NWC</th>
<th>CAPEX*</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>-3.4</td>
<td>13.1</td>
<td></td>
<td></td>
<td>9.7</td>
</tr>
<tr>
<td>2018</td>
<td>-4.3</td>
<td>15.1</td>
<td></td>
<td></td>
<td>10.8</td>
</tr>
<tr>
<td>2019E</td>
<td>-5</td>
<td>17</td>
<td></td>
<td></td>
<td>12-12.5</td>
</tr>
</tbody>
</table>

- EBITDA, NWC, CAPEX* - Other

**Cash Flow Impact (Y-o-Y)**

<table>
<thead>
<tr>
<th>Component</th>
<th>2019E</th>
<th>2020E</th>
<th>2021E</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of which service revenues excl. legacy and fiber OTC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NWC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAPEX*</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>OTHER</td>
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<tr>
<td>TOTAL</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

**Operational Free Cash Flow**

- EBITDA to be supported by growth in core revenues, M&A and cost measures

**Bonnier Broadcasting**

- Bonnier Broadcasting estimated to contribute by at least SEK 0.5 billion by 2020

**Notes:**

- * Excluding licenses
- ** Transaction estimated to be closed during H2 2019
SUSTAINED DIVIDEND PER SHARE REQUIRES SEK 12 BILLION IN DIVIDEND BASE

DIVIDEND POLICY
A MINIMUM OF 80 PERCENT OF FREE CASH FLOW FROM CONTINUING OPERATIONS, EXCLUDING LICENSES AND SPECTRUM FEES

SHARE BUYBACKS
INTENTION OF SEK 15 BILLION OVER THE YEARS 2018-2020

DIVIDENDS FROM ASSOCIATED COMPANIES
OP FCF REQUIRED FOR 2.36/SHARE
OPERATIONAL FREE CASH FLOW

2018
SEK 2.36/SHARE

REQUIRES
SEK 12 BILLION
(INCL. DIVIDENDS FROM ASSOCIATES)

2019
OP. FCF OUTLOOK
SEK 12-12.5 BILLION

DIVIDENDS FROM ASSOCIATED COMPANIES COME ON TOP OF SEK 12-12.5 BILLION

84% PAY-OUT
MIN 80% PAY-OUT
SUSTAINABILITY IN FINANCIAL MANAGEMENT

**AMBITION**
To become a truly sustainable credit/investment

**WHY**
Improved risk profile, capital market access, credit rating and funding costs “the preferred choice”

**WHAT**
Financial governance, funding, financial investments

**HOW**
Pro-active influencer, including approach
FINANCE - KEY PRIORITIES

- **CASH FLOW**: SEK 12-12.5 billion in 2019
- **COST AGENDA**: Reduce OPEX by 2% net annually 2019-2021
- **WORKING CAPITAL**: SEK 2.5 billion in untapped potential
- **SHAREHOLDER REMUNERATION**: Clear dividend policy and ambition of share buybacks to 2020
- **LEVERAGE**: Maintaining a solid investment grade
- **SUSTAINABLE CREDIT**: Pro-active influencer
CAPITAL MARKETS DAY 2019
Anders Olsson, CEO Telia Sweden
GROWING TELECOM MARKET EXCLUDING LEGACY BUT WITH A SOFTENING B2C MOBILE TRENDS

**Market Development by Product**
SEK billion, core telco revenue excl. equipment

- Growth in all core services historically
- Continuous legacy decline

**B2C Market Mobile Service Revenues**
Percent y-o-y, B2C mobile service revenues

- Clearly softening trend in B2C mobile market throughout 2018
- Telia as market leader is aiming to get market back to growth

**Market Share Development**
Core telco revenues excl. equipment

- Telia in stable market leader position despite legacy exposure

* Datacom, UCC & Contact Centre, Managed Security Services
Source: Gartner, IDC, Telia Market analysis

**Telia Market analysis based on Top 4 companies’ quarterly reports**
• EBITDA decline fully driven by service revenues
• Net OPEX reductions to mitigate product mix effects and inflation

• Growth in core not enough to mitigate for legacy revenue erosion and lower fiber installation revenues
• Core revenue growth of around 1 percent CAGR, albeit fading somewhat in 2018

* Includes fixed voice (end-user and wholesale & datacom)
KEY P&L DRIVERS FOR TELIA SWEDEN

1. Legacy Decline
2. OPEX Improvement
3. Core/New Service Contribution
COPPER REVENUES PARTLY RECAPTURED

2018 SEK ~6.5 BILLION

MITIGATING INITIATIVES

• INCREASE PENETRATION IN EXISTING FIBER NETWORK
• PROACTIVE MIGRATION TO FUTURE PROOF SOLUTIONS FOR B2B
• EXPAND OCN FOOTPRINT & PENETRATION
• SELECTIVE FIBER & FWA BUILD
• REPLACE COPPER WITH MOBILE

<table>
<thead>
<tr>
<th>REVENUES</th>
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<tbody>
<tr>
<td>FIXED VOICE</td>
<td>VOIP MOBILE</td>
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<td>TV XDSL</td>
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| 2018 SEK | ~6.5 BILLION                   |

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<td>FIBER AND FWA</td>
</tr>
</tbody>
</table>

| 2018 SEK | ~6.5 BILLION                   |
LEGACY NETWORK SIZE DRIVES COST—NOT # OF CUSTOMERS

COPPER ACCESS RUNNING COSTS
Share of total

- BUILDINGS INCLUDING ENERGY: 20%
- COPPER NW (ACCESS NW, DUCTS, POLES): 40%
- IT SYSTEMS: 20%
- BILLING, DELIVERY, SA & OTHER PLATFORMS: 20%

COST DRIVEN BY SIZE OF NETWORK
- ~50% of costs reduced by reduction in network-size
- ~50% of costs remain until network is completely closed

COMPETITIVE OFFERS FOR NATURAL MIGRATION

PROACTIVE MIGRATION OF FUTURE PROOF SERVICES

RURAL: FRAMTIDENS NÄT 2
INFRATECTURE DIGITALIZATION SUNE MUNICIPALITY
FORCED AND PROACTIVE INFRA- AND PLATFORM PROJECTS
EFFICIENCY TO DRIVE 3% OPEX REDUCTION 2019-2021

2019 main levers
- Robotics & automation
- Sourcing
- SARC optimization
- Channel efficiency
- Pooling

OPEX REDUCTION TARGET 2019
Target breakdown

- Customer operations: 30%
- Sales & marketing: 20%
- IT: 20%
- Network OPEX: 20%
- G&A other: 10%

OPEX REDUCTION TARGET 2020-2021

- Continued ongoing efficiency efforts
- E2E mass market
- Scale advantages via new operating model

~3% annually
MARKET LEADERSHIP DRIVING CONVERGENCE

STRONG BRAND - FOLKNÄTET

- RESPONSIBLE MARKET LEADER DRIVING PREMIUM OFFERINGS AND VALUE-BASED PRICE DEVELOPMENT
- UNIQUENESS IN NETWORK QUALITY AND TECHNICAL EXCELLENCE
- UNDERSTAND PEOPLE’S NEEDS AND TAKE GREATER SOCIAL RESPONSIBILITY

STRONG OFFERINGS

Serving all customers with full product portfolio

- B2C
- B2B
- B2O

STRONG PRICING POWER*

- TELIA FIBER (BB 100/100) FROM 399 TO 429 (SEK)
- TELIA TV (LAGOM) FROM 279 TO 299
- FIXED TELEPHONY (TELIA BAS) FROM 205 TO 329

* Current price adjustments, effective as of April 1, 2019

VÄLKOMMEN TILL FOLKNÄTET.

SKI 5 YEARS RUNNING
B2C CONVERGENCE TO DRIVE LOYALTY AND GROWTH

- **Strong customer position in core services**
- **Drive loyalty further**
- **Grow ARPA and additional services**

**Actual product relations**

**Postpaid**

**Fiber**

**TV**

**Telia Life**

**Adding adjacent services**

**Division X/Partners**

**Smart Home**

**Entertainment**

**Convergence experience**

**Cross & up-sell**

**Share of wallet**
ALL HOUSEHOLDS WILL BE REACHED

TELIA BROADBAND INFRASTRUCTURE REACH AND POTENTIAL
Households in million, Telia open fiber reach and OCN* reach

- 1 million potential customers in current fiber reach (TELIA + OCN*)
- 4G/5G
- Fiber M&A
- Fiber roll-out

<table>
<thead>
<tr>
<th></th>
<th>Telia Open Fiber Reach</th>
<th>Telia OCN Reach</th>
<th>Remaining OCN Reach</th>
<th>Further Potential</th>
<th>Total Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>PENETRATION POTENTIAL</td>
<td>1.8</td>
<td>0.9</td>
<td>0.3</td>
<td>1.6</td>
<td>4.6</td>
</tr>
</tbody>
</table>

* OCN=Open City Network
UPDATED TELIA LIFE TO DRIVE LOYALTY

TELIA LIFE

1. **NEXT TIER ON MOBILE DATA**
2. **NEXT SPEED ON FIXED BROADBAND**
3. **20GB MOBILE BROADBAND**

CHOOSE BETWEEN 1-3

- UPDATED TELIA LIFE LAUNCHED 2019
- CONVERGENCE OFFER-BASED ON MORE FOR MORE

PROOF POINTS

<table>
<thead>
<tr>
<th></th>
<th>NPS</th>
<th>CHURN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 PRODUCT</td>
<td>0%</td>
<td>20%</td>
</tr>
<tr>
<td>2 PRODUCTS</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>3 PRODUCTS</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

• NPS
• CHURN

75
GROWING REACH AND INCREASING ARPA THROUGH CONVERGENCE

NEW SERVICES
3 Adding innovative media and home-related digital services

CONVERGED CUSTOMER BASE
2 Cross-selling mobile to our fiber customer base

BROADBAND PENETRATION
1 Expanding reach, upselling on own infrastructure and increased penetration on OCN
CREATING DIFFERENTIATION AND LOYALTY THROUGH B2B CONVERGENCE ...

**STRONG CUSTOMER POSITION IN CORE SERVICES**
- Best mobile network
- Largest fiber footprint
- Telia Carrier

**DRIVE LOYALTY FURTHER**
- SME - ICT Partner
  - Personal technician
  - Communication as a service
- Large & Public - Digitalization partner
  - Health care
  - Efficient work place
  - Managed network services

**CAPTURE ICT GROWTH MARKETS**
- ICT solution provider
  - Cloud, IoT, security
- Connectivity provider

**LOYALTY**
- Ecosystem partner
- Share of ICT spend
AND ACCELERATED LEADERSHIP IN DIGITALIZATION

DIVISION X

5G PARTNER PROGRAM

CUSTOMER-DRIVEN INNOVATION

CROWD INSIGHTS

SMART TRANSPORTATION

HEALTHCARE

DIGITALIZATION OF MINING

MORE DIGITAL

DIGITAL SECURITY
EBITDA TREND-SHIFT DURING 2020

1. Legacy Decline
   - 2019: Legacy pressure
   - 2020: Legacy pressure will fade over time

2. OPEX Improvement
   - 2019: OPEX improvement
   - 2020: Net cost savings of around 3% annually

3. Core/New Service Contribution
   - 2019: Core/new service contribution
   - 2020: Revenue growth through convergence
TELIA SWEDEN – KEY PRIORITIES

- Remain a responsible market leader
- Continued legacy pressure mitigated by a clear transition plan
- 3 percent 2019-2021 net annual OPEX reductions
- B2C convergence - growth engine for the future
- B2B convergence - unique position in market
TELIA NORWAY – KEY MESSAGES

MARKET
GET/TDC
B2C CONVERGENCE
B2B CONVERGENCE
EFFICIENCY
CONVERGENCE TO DRIVE REVENUES

Untapped demand for bundles

36% 17% 23%

Have bundles Would consider
to have

10% 80%

Focus on quality

High purchasing power

Untapped demand for bundles

80%

10%

Have bundles Would consider to have
THE NORWEGIAN MARKET TO REMAIN SOLID

Market development by segment
Revenue growth, mobile, fixed, TV

- Market growth despite reduction in legacy services
- Stable regulatory and political environment

Market share by segment
Revenue market share, Telia including Get/TDC, H1 2018

- Telia and Telenor key players in the mobile market
- Fixed market more fragmented

Source: NKOM, fixed includes fixed broadband, TV and fixed telephony
EVOLVED AND IMPROVED

**TELIA BRAND**
- Building Telia as a strong brand
- Supported by fighter brands in B2C and B2B

**IPSOS REPUTATION SURVEY**
% good/very good impression

- 0%
- 10%
- 20%
- 30%
- 40%
- 50%

![Graph showing percentage of good/very good impression from 2014 to 2018](image)

- 2014
- 2015
- 2016
- 2017
- 2018

**NETWORK TEST WINNER**
- Operating one of the best mobile networks in the world

- From unknown to a significant player
- Clear increase in positive impression
STRONG FINANCIAL DEVELOPMENT

- B2C and B2B footprint significantly stronger
- Strong synergy realization track record
- Good organic development
- Operational leverage and good CAPEX discipline

* Including reported Get/TDC
STABLE DEVELOPMENT FOR GET/TDC 2018

- Stable revenues and a slight EBITDA pressure for the year
- Get broadband more than offset by pressure in Get TV and TDC
- Ending the year with good momentum on the customer side

CUSTOMERS
- Broadband: +12,000
- TV: +5,000

ARPU B2C
- Broadband: +1%
- TV: -1%
INTEGRATING INTO A CONVERGED COMPANY

THREE ENTITIES BECOMING ONE

BUILDING AN INTEGRATED ORGANIZATION WITH...

A NEW LEADERSHIP
A COMMON CULTURE
A NEW OPERATING MODEL

AND FOCUS ON...

DEAL SYNERGIES
CONVERGENCE
EFFICIENCIES

INTEGRATION HAS COME FAR

✓ ORGANIZATION AND LEADERSHIP IN PLACE
✓ LEGAL MERGER AND NEW ERP
✓ TDC REBRANDED TO TELIA
✓ LAUNCHED CONVERGENT B2B PRODUCT
✓ CUSTOMER OVERLAY ANALYSIS COMPLETED

... AND MORE TO COME
CASH FLOW SYNERGIES INCREASED TO NOK 800 MILLION

• Total cash flow synergies increased from NOK 700 million to NOK 800 million

GET/TDC NORWAY CASH FLOW SYNERGIES
NOK million, excl. working capital

SYNERGY DISTRIBUTION BY 2022
NOK million

• Revenue synergies from convergence
• Further upsides identified beyond 2022
• Leverage group scale
COST SYNERGIES INCREASED TO NOK 350 MILLION

- Significant G&A synergies in 2019
- Combined sales and customer organizations
- Combined Network and IT organization and operations
- Significant marketing synergies over time
- New operating model supports synergy take-out
INCREASED CAPEX AND WORKING CAPITAL SYNERGIES

CAPEX SYNERGY DISTRIBUTION BY 2022
NOK million, accumulated in %

- Network: 60%
- IT: 40%

WORKING CAPITAL SYNERGY DISTRIBUTION 2019-2020
NOK million, accumulated in %, one time effects

- Suppliers: 15%
- Customers: 25%
- Inventory and other: 60%

- Common product and IT platforms
- Utilize fixed network footprint on mobile network and B2B
- Leverage new operating model and sourcing

- One time effects from
  - Leverage supplier invoice and customer finance solutions
  - Combined inventory management
**BALANCE B2C CUSTOMER AND ARPU DEVELOPMENT**

<table>
<thead>
<tr>
<th>Personalization driver for ARPU growth and churn reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digitalization of customer interactions</td>
</tr>
<tr>
<td>Maintain and develop strong position on handsets</td>
</tr>
</tbody>
</table>
CONVERGENCE B2C

STRONG CUSTOMER POSITION IN CORE SERVICES

LARGE ADDRESSABLE CUSTOMER BASE IN GET

- 30% Telia Customers
- 70% Not Telia Customers

+1M

DRIVE LOYALTY FURTHER

LOW PENETRATION BUT HIGH DEMAND FOR BUNDLES

- 10% HAVE BUNDLES
- 80% WOULD CONSIDER TO HAVE

GROW ARPA AND ADDITIONAL SERVICES

INNOVATIVE BUNDLING OF CONTENT SERVICES

- 50% lower churn on converged customer base

Source: Based on Telia customer survey
CONVERGENCE B2B

STRONG CUSTOMER POSITION IN CORE SERVICES

42K B2B CUSTOMERS
500K MOBILE SUBSCRIPTIONS
ALMOST 1M DAILY USERS
SIGNIFICANT INFRASTRUCTURE

DRIVE LOYALTY FURTHER

REBRANDING
INTEGRATED B2B OPERATION
BROADBAND ROUTER WITH INTEGRATED 4G

CAPTURE ICT GROWTH MARKETS

TELIA ACE
MULTINATIONAL CUSTOMERS
IOT
CLOUD AND ICT
POSITIONED TO GAIN REVENUE MARKET SHARE

HISTORICAL GROWTH FROM SUCCESSFUL M&A COMBINED WITH STABLE ORGANIC BUSINESS

CAPITALIZE ON STRONG BRAND, NETWORK POSITION AND INCREASED SCALE

B2C AND B2B CONVERGENCE TO DRIVE FUTURE GROWTH

TELIA REVENUE MARKET SHARE DEVELOPMENT

Fixed and mobile, 2019-2021 ambitions

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<tbody>
<tr>
<td>Revenue Market Share</td>
<td>9%</td>
<td>14%</td>
<td>15%</td>
<td>16%</td>
<td>24%</td>
<td>15%</td>
<td>16%</td>
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Source: NKOM
NOK 0.6 BILLION IN NET COST REDUCTION TARGETED

Accumulated cost savings of NOK 0.6 billion by 2022
Around 50 percent of cost reduction from Get/TDC synergies
Additional saving potential on network COGS and properties

Significant synergies and efficiencies within sales and marketing and customer acquisition
Continued digitalization and automation improve efficiency
Leverage group scale
TELIA NORWAY - KEY PRIORITIES

- Create a fully integrated company
- Build brand and network position
- Convergence in B2C and B2B
- Efficiencies from digitalization and scale

Market fundamentals in place
TELIA FINLAND – KEY MESSAGES

- Market
- B2C Convergence
- B2B Convergence
- Efficiency
FINLAND CHARACTERIZED BY UNLIMITED DATA

- ≈63% of Telia B2C customers on unlimited tariffs – still untapped potential
- HIGH DATA USAGE
  - 16GB monthly average data consumption
EVEN PLAYING FIELD FACILITATES A STABLE MARKET

**Revenue Market Share Development**
Core telco revenues excl. devices and IT services*

- Stable market with relatively equal sized players

**Market Churn Rates**
Postpaid churn rates

CHURN COMING DOWN AFTER A PEAK IN 2017

**B2C Postpaid Subscription Development**
Million subscriptions

SLIGHTLY CONTRACTING MARKET DUE TO DUAL-SIM

* Traficom 2015-2017, Telia Company estimate 2018
NEW AND IMPROVED

REBRANDED

Sonera → Telia

REPOSITIONED

WITH A POSITIVE IMPACT ON SOCIETY

100% ACTION

Awarded Gold LEED environmental certificate

State-of-the-art energy-efficient data center service

Exceptional water solution and energy efficiency
CONVERGENCE B2C

STRONG CUSTOMER POSITION IN CORE SERVICES

DRIVE LOYALTY FURTHER

GROW ARPA AND ADDITIONAL SERVICES

- Network quality improvements
- Significant opportunity to reduce churn

* Brand Tracking Survey, Telia
TAKING LIIGA TO THE NEXT LEVEL

- Built first-class TV production and offering
- Established solid awareness that Telia is the new home for Liiga
- Built award-winning mobile app
- Gained solid customer base
- → Strong first steps taken on a 6 year journey

FOCUSED LIIGA RAMP-UP
Upcoming Liga Initiatives

- **Playoffs push**
  - Provide convergence benefits to Telia customers providing attractive bundles
  - Drive access rate
  - Sales channel boost in digital and traditional channels

- **Product enhancements**
  - Attract wider audiences with free to air (FTA) model
  - Improved broadcast with ultra-HD quality
STILL POTENTIAL TO DRIVE MOBILE ARPU

**BLENDED MOBILE ARPU\(^*\) INCREASING**

EUR per month

20
18
16
14
12
10

Q1 15  Q2 15  Q3 15  Q4 15  Q1 16  Q2 16  Q3 16  Q4 16  Q1 17  Q2 17  Q3 17  Q4 17  Q1 18  Q2 18  Q3 18  Q4 18

- Telia
- Elisa
- DNA

**CONTINUED INNOVATION LIKE TELIA DOT**

Digital only service launched Q4 2018

- Pay only for what you use
- Reach customer service in the app
- See your usage in real time

- Telia DOT digital offering driving market average ARPU with a very good customer experience (NPS 40+) and at a low SAC

- Continued market ARPU growth possible with new service innovations, focus on speed, our unlimited usage upside and additional price optimization

*Company Interim Reports, DNA calculated as mobile service and interconnect & roaming revenues in relation to the average number of mobile subscriptions
CONVERGENCE B2B

STRONG CUSTOMER POSITION IN CORE SERVICES

DRIVE LOYALTY FURTHER

CAPTURE ICT GROWTH MARKETS

THE LEADING ICT SERVICE COMPANY IN FINLAND*

ICT LEADERSHIP SURVEY RESULTS

<table>
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<tr>
<th>Telia</th>
<th>Elisa</th>
<th>DNA</th>
<th>MicroSoft</th>
<th>Visma</th>
<th>Finnet</th>
<th>CGI</th>
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Customers recognize Telia as ICT leader

- Currently winning significant cases
- Sales funnel is strong

- The largest selection of ICT solutions in Finland, all under one roof

- Continuing to drive offering innovation with Telia Division X and new subsidiaries

*As measured by Telia Proprietary Tracking Research of all ICT service companies operating in Finland, Q4 2018
5G IN FINLAND

**CONSUMER**

- **Access**
  - Launched Fixed Wireless Access Nokia Fastmile Solution

- **Services**
  - E-Sports Tournaments Played Over 5G in Helsinki

**BUSINESS**

- **Analytics**
  - 5G Industrial Uses in Oulu with Business Finland, Stora Enso

- **Apps**
  - "Tellu" 5G-Enabled Greeting Robot at Helsinki Airport

- **Devices**
COST EFFICIENCIES

OPEX DEVELOPMENT
EUR in million, % of net sales

2015 2016 2017 2018
300 350 400 450 500 550 600
30% 31% 32% 33% 34% 35% 36% 37% 38%

IT EFFICIENCY
• IT core systems renewal and simplification

SOURCING
• Supplier optimization and cross-border synergies

GENERAL EFFICIENCIES
• Robotics automation
• Contractors streamlined and selective insourcing
• Ongoing organizational and process optimization
• Shared network with DNA in northern Finland

NEW OPERATING MODEL
• Finland to be enrolled 2019
TELIA FINLAND - KEY PRIORITIES

1. **Continue to lift ARPU**
2. **Further develop B2C convergence and drive content including Liiga**
3. **Capitalize on B2B pole position pushing into ICT space**
4. **Continue to transform with remained cost control**
CLOSING REMARKS

OVERALL: OP FCF TO SUSTAIN AND GROW BEYOND 2019, SEK 12-12.5 BILLION A FLOOR

SUSTAINABILITY: UPPING THE GAME WITH OUR DARING GOALS

CPS: SEK 0.6-0.9 BILLION COST SAVINGS FROM NEW OPERATING MODEL

FINANCIALS: AMBITION TO REDUCE OPEX ~2% NET ANNUALLY 2019-2021

SWEDEN: EBITDA TREND-SHIFT DURING 2020

NORWAY: GET/TDC CASH FLOW SYNERGIES INCREASED TO NOK 800 MILLION
