

**Press Release**  
November 12, 2019

## **Telia Company's acquisition of Bonnier Broadcasting approved**

**The European Commission has today approved Telia Company's acquisition of Bonnier Broadcasting, including TV4, MTV and C More. Combining Telia Company's award-winning networks and broad sales channels with Bonnier Broadcasting's popular media content creates the possibility to give customers and viewers new experiences and services to enjoy wherever they are. The combined entities will secure a foundation for Nordic quality content and create new revenue streams. The acquisition is expected to generate synergies as per 2020 with a full run-rate of SEK 600 million in 2022.**

"This is a milestone for Telia Company. We become pioneers in the Nordics by creating convergence that can meet customers' demands for high quality connectivity, reliable streaming and great content," says Christian Luiga, acting President and CEO of Telia Company, and continues: "We've had the most satisfied tv customers for five consecutive years in Sweden. This transaction naturally enables us to improve even further. I look forward to closing this transaction and to start co-operating for real with our new colleagues to become the natural choice for content and communication services in the Nordics and Baltics."

Marie Ehrling, Chair of the Board, Telia Company, also welcomes the European Commission's approval. "Today's decision means that also the European Commission sees the benefits for consumers of combining Telia Company and Bonnier Broadcasting. It has been a long and thorough process and a new phase will now begin where Telia Company will include media in its business in order to create more value for customers and shareholders. This acquisition creates a strong Nordic player who can compete with international corporations who are very active in the Nordics. As a media owner, Telia Company will ensure that continued editorial independence is upheld vis-à-vis the owners, Board and management."

The integration of Bonnier Broadcasting, with its roughly 1,200 employees in Sweden, Finland and Denmark, into Telia Company will begin when the transaction is expected to close on December 2, 2019. TV4, C More and MTV will be part of Telia Company's newly established business area for media. Casten Almqvist, who is currently CEO of Bonnier Broadcasting, will become responsible for the new business area which will also include Telia Company's current media operations.

"When TV4, MTV and C More join forces with Telia Company, it will strengthen our possibility of bringing quality drama, sport, news and entertainment to users in Sweden and Finland, further. I look forward to combining the respective strengths of Telia Company and Bonnier Broadcasting. Together we will bring the experience of quality content to a new level," says Casten Almqvist, CEO of Bonnier Broadcasting.

During the approval process Telia Company has noted the European Commission's concerns regarding the acquisition and has offered the following commitments, among others, to guarantee continued competition in the Nordic broadcasting market:

- To license, on fair, reasonable and non-discriminatory terms, Bonnier Broadcasting's Free To Air/basic and premium sports channels to TV distributors in each of Sweden and Finland, respectively.
- To license standalone OTT rights to one other market player in each of Sweden and Finland, respectively.

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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](http://www.teliacompany.com)



- To sell advertising space, on fair, reasonable and non-discriminatory terms, to providers of mobile telecommunication services, providers of fixed internet access services and TV distributors in Sweden and Finland, respectively.
- To license Liiga Channel package on fair, reasonable and non-discriminatory terms to TV distributors in Finland.

Telia Company announced the acquisition of Bonnier Broadcasting, including brands TV4 in Sweden, MTV in Finland and C More which is present in both markets, on July 20, 2018, from Bonnier AB for SEK 9.2 billion on a cash and debt free basis which was equivalent to an EV/EBIT multiple of 15.3x excluding synergies. Based on rolling twelve months as per 31 August, 2019, the EV/EBITA multiple was 8.4x.

The transaction also includes an earn-out based on certain financial and operational metrics. The size of the earn-out of a maximum of SEK 1 billion is yet to be determined and will become final after closing of the transaction. Closing is expected on December 2, 2019.

The acquisition is expected to generate EBITDA synergies as per 2020 with a full run-rate of SEK 600 million in 2022. The synergies will be divided between three areas – enhancing our core business, more of C More and TV4 Play, and cost efficiencies. The integration costs are expected to reach a total amount of SEK 400 million 2020-2021. The operational free cash flow impact for 2020, net of synergies and integration costs, are expected to reach SEK 500 million.

**A press meeting for media will be held on November 12, 2019, at 14:00 CET** with Christian Luiga, acting President and CEO of Telia Company, and Casten Almqvist, CEO of Bonnier Broadcasting. Possibilities for one-on-ones and phone interviews will be given.

Place: TV4, Tegeluddsvägen 3-5, Stockholm

Press identification card or similar is required to attend.

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 12:15 CET on November 12, 2019.

**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.