



Press Release
June 30, 2021

Telia Company reaches agreement to sell part of its tower business in Norway and Finland to Brookfield and Alecta

Transaction summary

- Brookfield, investing through its core-infrastructure fund, together with Alecta acquire 49 percent of Telia Company's tower business in Finland and Norway
- The transaction is in line with Telia Company's digital infrastructure strategy which includes partnering to further develop and crystalize asset value
- The transaction price corresponds to an enterprise value for 100 percent of EUR 1,524 million on a cash and debt free basis
- The valuation equals an EV/EBITDA multiple of 27x 2020
- The total cash proceeds to Telia Company for the 49 percent stake equals EUR 722 million
- Proceeds will be retained and enable deleveraging expected to result in a proforma net debt to EBITDA of around 2.1x (including the Telia Carrier proceeds)
- The transaction includes 4,700 towers with total revenue of EUR 88 million and EBITDA of EUR 56 million in 2020 (pre IFRS 16)
- The transaction is subject to customary regulatory approvals and closing is expected take place in the fourth quarter of 2021

Telia Company today announces the sale of 49 percent of its tower business in Finland and Norway to Brookfield and Alecta, at a price corresponding to an enterprise value for 100 percent of EUR 1,524 million on a cash and debt free basis. The price represents an EV/EBITDA 2020 multiple of 27x.

Earlier this year, Telia Company announced its ambition to partner with external parties to further develop its digital infrastructure assets and crystalize value.

“Telia is a clear leader in digital infrastructure, owning the largest tower infrastructure footprint, in the Nordics and the Baltics. We are delighted to enter into a strategic partnership with Brookfield and Alecta, to both crystallize immediate value, and more importantly help Telia better develop its infrastructure base. Both Telia and Brookfield/Alecta have a long-term industrial view on the role of tower infrastructure as a foundation for continued digitalization of the region,”, says Telia Company President and CEO Allison Kirkby.

Telia Company has the largest tower infrastructure footprint in the Nordics and the Baltics, with approximately 25,000 towers and rooftop sites. In Finland and Norway, Telia's tower business is comprised of approximately 4,700 towers with a total revenue in 2020 of EUR 88 million and an EBITDA of EUR 56 million (pre IFRS 16).

Once the transaction closes Telia Company will receive EUR 722 million for the 49 percent stake. The proceeds will be retained for deleveraging. Based on the Q1 2021 financial statements, and including the proceeds from the recently closed Telia Carrier transaction, this will result in a proforma net debt to EBITDA of around 2.1x. If, and when, there is a transfer of the tower assets from their respective business units, there will likely be a need for a review of the remaining carrying values of the business units.



Brookfield and Alecta are two of the largest owners and operators of real assets in their respective regions. Combined, they have more than USD 600 billion of assets under management, a relevant global data infrastructure platform and deep ties to the Nordic region.

Brookfield's infrastructure business is a leading global infrastructure platform that owns and operates assets in the data, utilities, transport, and midstream sectors across North and South America, Asia Pacific and Europe. Brookfield has an established track record in data, and today owns and operates a tower portfolio of 185,000 contracted sites across six markets, including India, France, the UK and New Zealand. In addition, Brookfield operates a portfolio of 20,000 km of fiber and over 50 data centers. Brookfield Infrastructure Partners is a part of Brookfield Asset Management, listed on the New York and Toronto stock exchanges.

Alecta is one of the largest shareholders on the Stockholm Stock Exchange. Alecta has over 100 years of history as a trusted investor with over SEK 1,100 bn in assets under management, having 2.6 million private customers and 35,000 customer companies.

The transaction is subject to customary regulatory approvals and closing is expected to take place in the fourth quarter of 2021. In connection with closing of the transaction, Telia Company will enter into an anchor tenant agreement with Telia Towers in Finland and Norway, based on today's price levels, for an initial period of 8 years, extended automatically with two extension terms of 5 years each.

Telia Company has been advised by Goldman Sachs, Roschier, Kvale, EY and Altman Solon.

This information is information that Telia Company AB is obliged to make public pursuant to the EU Market Abuse Regulation and Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 09:30 CET on June 30, 2021.

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.