



**Press Release**  
January 26, 2018

## **Telia Company agrees to divest its holding in Geocell**

**Fintur Holdings B.V. (Fintur), jointly owned by Telia Company and Turkcell, has agreed to sell 100 percent of its holding in Geocell LLC, to the Georgian telecommunications company JSC Silknet, Georgia's largest fixed network operator, for a transaction price of USD 153 million.**

"I'm happy to announce another step in our effort, to over time, leave Eurasia and focus on the Nordic and Baltic regions within the framework of our New Generation Telco strategy. I would also like to thank Geocell's employees for their outstanding contributions and wish them all the best in the company's next phase," says Johan Dannelind, President and CEO of Telia Company.

At completion of the transaction, Fintur's Turkish subsidiary Gürtel Telekomünikasyon Yatırım ve Dis Ticaret A.S. (Gürtel), will divest its 100 percent holding in Geocell LLC (Geocell) to JSC Silknet, Georgia's largest fixed network operator. Gürtel is owned by Fintur (99.9 percent) and four minority shareholders.

The transaction price for Geocell is based on an enterprise value of USD 153 million for 100 percent of the company. The price corresponds to an EV/EBITDA multiple of 4.5x based on 2017. The transaction is expected to result in a capital loss of SEK 0.1 billion (in addition to the impairment of SEK 0.6 billion recognized in December 2017), subject to changes in FX and carrying values, and net proceeds of SEK 0.7 billion (after distribution of Turkcell's share of the proceeds).

Prior to signing the agreement, Telia Company completed strict compliance and purchaser due diligence using internal and external expertise, and is satisfied that all relevant checks and controls have been carried out with satisfactory results. Silknet is Georgia's largest fixed network operator and has a market share of 41 percent of the Internet market in Georgia and 48 percent of the fixed telephone market. Silknet is owned by the three local investors George Ramishvili, Alex Topuria and David Borger.

The transaction is subject to regulatory approvals, and is expected to be completed in the second quarter of 2018.

### **About Geocell**

Geocell LLC was founded in 1996 and was the first mobile company in Georgia. It has been wholly owned by Gürtel Telekomünikasyon Yatırım ve Dis Ticaret A.S. (Gürtel), a Turkish subsidiary of Fintur Holdings B.V. Fintur owns a 99.9 percent stake in Gürtel. Geocell has roughly 2 million subscribers and its network covers more than 98 percent of Georgia.

### **About Fintur**

Fintur Holdings B.V. (Fintur) is jointly owned by Telia Company (58.55 percent) and Turkcell (41.45 percent). Fintur has holdings in Telia Company's Eurasian operations Kcell, Azercell, Geocell and Moldcell.

**For more information, please contact our press office +46 771 77 58 30, visit our [Newsroom](#) or follow us on Twitter [@Teliacompany](#).**

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We're Telia Company, the New Generation Telco. Our 21,000 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).



#### **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.

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