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t2 reports 2012 full-year results

Moscow – t2 Russia, the Russian subdivision of t2 AB, has reported consolidated FY2012 financial and operating results

In 2012, the company has shown a steady growth of key financials:

- Operating revenue increased 15% compared to 2011 and totaled RUB59.5 billion;
- All-Russia EBITDA equaled RUB21.7 billion, having added 7% against 2011;
- Investment in IT infrastructure and technical development totaled RUB6.1 billion in 2012.

Indicator (bn rubles)	2012	2011	Change
Operating revenue	59.5	51.9	15%
EBITDA	21.7	20.3	7%
CAPEX	6.1	7.6	-
Free cash flow (FCF)	12.8	9.6	27%

t2 Russia has improved its key operating results in 2012:

- Subscriber base added 10% compared to 2011 bringing a total number of Russian clients up to 22.7 million;
- Ruble-denominated average revenue per user (ARPU) increased 4% compared to the same period last year and totaled RUB229;
- Minutes of use (MoU) totaled 257 on average in Russia, the number gained 7% compared to 2011.

Indicator	2012	2011	Change
Subscriber base, mn	22.7	20.6	10%
ARPU (rubles)	229	221	4%
MoU (minutes)	257	241	7%

Lyudmila Smirnova, Chief Financial and Administrative Officer at t2 Russia:

“In 2012 t2 has performed a stable growth and steady increase in efficiency of the Russian operations. We are not only maintaining good earning rates but also building up our subscriber base and conquering new markets. In 2012 t2 successfully launched operations in four new regions and our subscriber base has added 2.1 million subscribers. In 2013 we will focus on achieved margins in “old” regions and “new” territories”.

Inessa Galaktioova, Chief Commercial Officer at t2 Russia:



“Every year t2 confirms its status of one of the most rapidly growing and efficient companies on the Russian telecommunications market. I am glad that the year of 2012 was no exception. Over 2012 t2 succeeded in keeping churn rates at its lows. I am happy that these achievements were only links in a long chain of future victories. In 2013 we will continue targeted work on fighting subscriber churn and raising our yields”.