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Eltel completes divestment of rail operations in Finland

Eltel's sale of its rail business operations in Finland to Winco Oy, a wholly owned subsidiary of Graniittirakennus Kallio Oy, announced on 15 November 2017, has now been completed.

The final transaction price amounts to roughly EUR 8.5 million deducted by the cash generated from these operations during September 2017 – January 2018. The purchase price will be paid in the first quarter of 2018. The transaction is estimated to positively impact Group EBITA by approximately 4 million EUR in the first quarter of 2018. EUR 0.415 million shall be placed in an escrow account pending resolution of certain claims made by the buyer.

In 2016, Eltel's Finnish rail business operations generated net sales of EUR 28 million and currently employs approximately 120 people.

In February 2017, Eltel decided that its strategic focus will be on the Group's core businesses in Power and Communication with the geographical markets being in the Nordics, Poland and Germany. Eltel's rail operations were classified as non-core operations to be divested.

Eltel has earlier today announced the sale of its Danish rail business operations to Strukton Rail A/S. The divestment process of Eltel's rail operations in Sweden and Norway is still ongoing.

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About Eltel

Eltel is a leading Northern European provider of technical services for critical infrastructure networks – Infranets – in the segments of Power, Communication and Other, with operations throughout the Nordics, Poland and Germany. Eltel provides a broad and integrated range of services, spanning from maintenance and upgrade services to project deliveries. Eltel has a diverse contract portfolio and a growing customer base of large network owners. In 2016, Eltel net sales amounted to EUR 1.4 billion. The current number of employees is approximately 8,400. Since 2015, Eltel AB is listed on Nasdaq Stockholm.