

Press release 2 May 2016 at 12.15 CET

Resolutions by Eltel's 2016 Annual General Meeting

On Monday 2 May 2016 Eltel AB held its 2016 Annual General Meeting (AGM) at Eltel's headquarters in Stockholm.

The following resolutions were made at the AGM:

The AGM resolved to adopt the income statement and balance sheet and consolidated income statement and consolidated balance sheet for the financial year 2015 and discharged the Board members and the Managing Director from liability for their administration during 2015.

Election of the Board of Directors

The AGM re-elected the following members of the Board: Gérard Mohr, Matti Kyytsönen, Susanne Lithander, Ulf Lundahl, Rada Rodriguez and Karl Åberg. Håkan Kirstein and Gunilla Fransson were elected as new members of the Board. Mr Mohr was re-elected Chairman of the Board.

- Håkan Kirstein is currently a member of the Board of Directors of Axis AB. Håkan Kirstein has previously been acting CEO of Imtech Nordic AB, CEO of StatoilHydro Sverige AB and Niscayah Group AB and member of the Board of Directors of Cloetta AB, Intersport AB, Kemetyl Group AB and Niscayah Group AB. Håkan Kirstein is independent of the Company and its management and also independent in relation to the major shareholders.
- Gunilla Fransson is currently a member of the Board of Directors of NetInsight AB and Permobil AB. She is also proposed as member of the Board of Directors of Trelleborg AB and Enea AB. Gunilla Fransson has previously been a member of the Group Management in Saab AB, where her latest position was Head of Business Area Security and Defense Solution. Previously she has also held different management positions within Ericsson AB.

Remuneration to the Board of Directors

The AGM resolved that the remuneration for the Board of Directors shall be EUR 357,200 (previous year SEK 3,000,000) to be allocated:

- EUR 77,000 (SEK 750,000) to the Chairman
- EUR 33,000 (SEK 300,000) to each of the seven other members of the Board
- EUR 8,200 (SEK 75,000) to each of the members of the Audit and Remuneration Committees

Eltel AB

Box 50, Laddargränden 8, FI-02611 Esbo, Finland
Box 126 23, Adolfsbergsvägen 13, SE-112 92 Stockholm, Sweden
info@eltelnetworks.com | www.eltelnetworks.com

Election of Auditors

The AGM re-elected PwC as Eltel's auditor for one year. The authorized public accountant Niklas Renström, PwC, will be the auditor in charge. Fees to the auditors shall be paid according to approved invoice.

Dividend

The AGM resolved, in accordance with the Board's proposal, that a dividend of EUR 0.24 be paid for the financial year 2015. The record date for the dividend is on 4 May 2016 and the payment date is on 12 May 2016. The dividend will be paid in euros.

Guidelines for remuneration to Eltel's senior management

The AGM approved the proposal by the Board of Directors regarding guidelines for remuneration to senior management as follows:

Eltel's overall objective is to offer senior management a competitive and market-based level of remuneration consisting of fixed and variable salary, pension and other remuneration components. Remuneration shall be determined in relation to area of responsibility, duties, expertise and performance. The fixed salary component equals and compensates for an engaged work of management at a high professional level, creating value to Eltel. The short-term variable salary component is based on predetermined and measurable financial targets recommended by the Remuneration Committee and ultimately decided by the Board of Directors. The pension terms of senior executives should be market based in relation to those that generally apply for comparable executives. In addition, senior executives may be offered long term incentive schemes on market-based terms. The Board shall have the right to deviate from the guidelines in individual cases if there are particular grounds for such deviation.

Long-term incentive programme for 2016 (LTIP 2016)

The Board of Directors decided to withdraw its proposal for implementation of a share savings programme 2016 for key individuals at Eltel Group. The Board has the intention to convene an extraordinary general meeting in the near future and present a revised proposal for the incentive programme.

Authorisation for the Board of Directors to resolve to issue new shares, repurchase and transfer own shares

The AGM resolved to authorise the Board of Directors, on one or more occasions during the period until the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, against cash payment, for payment in kind or by way of set-off, to resolve on share issue of a maximum of 6,250,000 shares (corresponding to a dilution of approximately 10.0 percent of the share capital and the votes).

The AGM also resolved to authorise the Board of Directors to repurchase, on one or several occasions prior to the next Annual General Meeting, as many shares as may be purchased without the Company's holding at any time exceeding 10 per cent of the total number of shares in the Company. The shares shall be acquired on Nasdaq Stockholm where shares in the Company are listed and only at a price within the price range registered at any given time, i.e. the range between the highest bid price and the lowest offer price.

Eltel AB

Box 50, Laddargränden 8, FI-02611 Esbo, Finland
Box 126 23, Adolfsbergsvägen 13, SE-112 92 Stockholm, Sweden
info@eltelnetworks.com | www.eltelnetworks.com

The AGM also resolved to authorise the Board of Directors to transfer the Company's own shares, on one or several occasions prior to the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, against cash payment, for payment in kind or by way of set-off.

The authorisations are valid until the 2017 Annual General Meeting.

For further information:

Ingela Ulfves
VP – IR and Group Communications
Tel: +358 40 311 3009
ingela.ulfves@eltelnetworks.com

Päivi Hautamäki
General Counsel and Group Secretary
Tel: +358 40 311 3211
paivi.hautamaki@eltelnetworks.com

About Eltel

Eltel is a leading European provider of technical services for critical infrastructure networks – Infranets – in the segments of Power, Communication and Transport & Security, with operations throughout the Nordic and Baltic regions, Poland, Germany, the United Kingdom and Africa. 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 loyal and growing customer base of large network owners. In 2015 Eltel net sales amounted to EUR 1,255 million. The current number of employees is approximately 9,600. Since February 2015, Eltel AB is listed on Nasdaq Stockholm.

Eltel AB

Box 50, Laddargränden 8, FI-02611 Esbo, Finland
Box 126 23, Adolfsbergsvägen 13, SE-112 92 Stockholm, Sweden
info@eltelnetworks.com | www.eltelnetworks.com