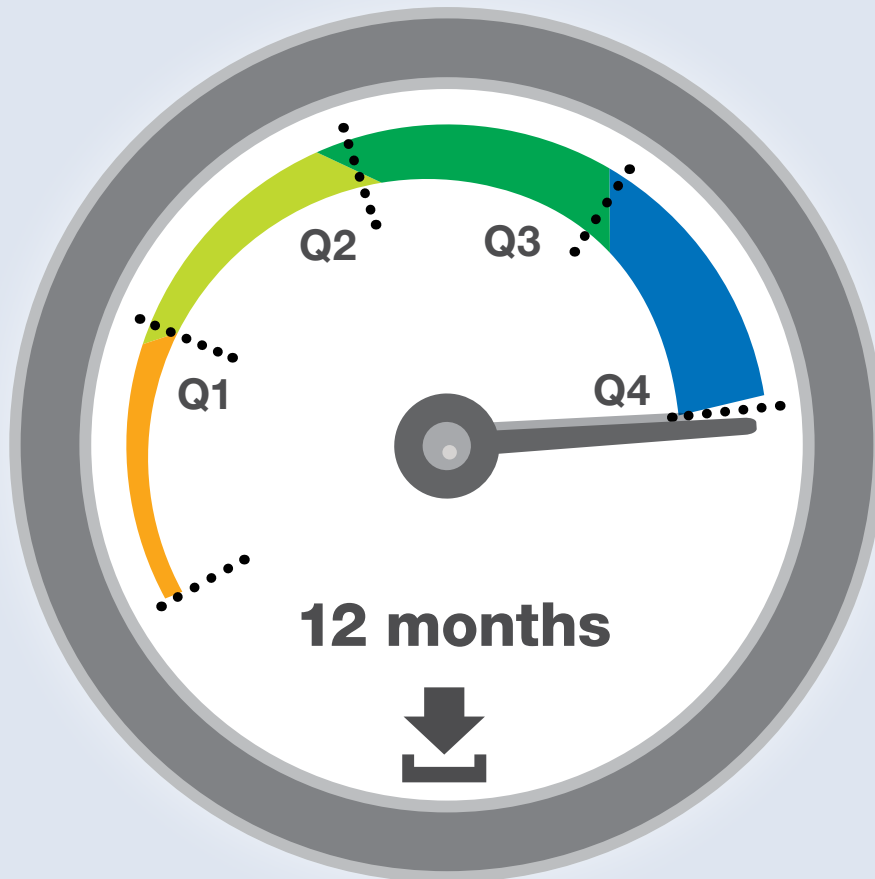


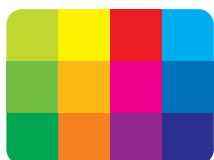


com hem

Q4 2015



Year-end Report
January-December



Continued focus on customer satisfaction leads to record high revenue

FOURTH QUARTER SUMMARY 2015

- Revenue totalled SEK 1,271m (LY 1,229), up 3.4 per cent.
- Underlying EBITDA increased by 3.3 per cent to SEK 595m.
- Operating free cash flow increased by 42.4 per cent reaching SEK 336m (236) as a result of improved Underlying EBITDA and lower investments compared to last year.
- Net result for the period improved to negative SEK 41m (negative 164) including one off costs of SEK 97m (377) related to refinancing activities. Excluding these one off costs net result for the period was positive SEK 56m.
- Earnings per share improved to negative SEK 0.21 (negative 0.79).
- Our consumer growth continues steadily:
 - The number of unique consumer subscribers rose 8,000 to a total of 911,000.
 - The record-low churn rate of 12.9 per cent remained at the same level as in the third quarter.
 - Continued volume growth in broadband, up 11,000 to 658,000 RGUs.
 - Growth in digital TV remained stable, and rose 4,000 to 635,000 RGUs.
 - The number of TiVo customers rose slightly more than 10,000 to 224,000 (a penetration rate of 35 per cent).
- In November Com Hem redeemed its 187 MEUR Notes which is expected to save the company more than SEK 100m in annual interest expenses.
- During the fourth quarter, Com Hem repurchased 1.9 per cent of the total number of shares, for SEK 294m.

FULL YEAR SUMMARY 2015

- Revenue increased by 5.0 per cent to SEK 5,000m (4,761) for the full year, of which 3.6 per cent was organic growth.
- Underlying EBITDA increased by 3.7 per cent totalling SEK 2,346m.
- Operating free cash flow increased by 11.8 per cent to SEK 1,355m (1,211).
- Net profit for the year increased to SEK 92m (negative 1,051), which equals SEK 0.45 (negative 6.67) per share. The exceptional improvement is explained by both higher operating profit and significantly lower net financial expenses.
- During the period May to December, Com Hem remunerated shareholders through a cash dividend, share redemption and share repurchases totalling SEK 983m, representing 6.5 per cent of market capitalisation at 31 December.
- The Board of Directors proposes to the AGM in May a cash dividend of SEK 1.50 per share, an increase of 50 per cent (last year SEK 1), and a renewed mandate to repurchase up to 10 per cent of the share capital.

FOCUS UPCOMING QUARTERS

- Following a number of product improvements and extensive investments into enhancing the quality of our broadband services, we have begun to execute on our 2016 price rise activity. See further page 3.

FINANCIAL GUIDANCE FOR 2016

- For 2016 we have changed our guidance for Underlying EBITDA margin to be stable compared to 2015 level, see further page 7.

Financial key metrics¹⁾

	OCT-DEC / Q4			JAN-DEC		
	2015	2014	Change	2015	2014	Change
Revenue, SEKm	1,271	1,229	3.4%	5,000	4,761	5.0%
Underlying EBITDA, SEKm	595	576	3.3%	2,346	2,262	3.7%
Underlying EBITDA margin, %	46.8	46.9	-0.0 p.p.	46.9	47.5	-0.6 p.p.
EBITDA, SEKm	581	536	8.5%	2,269	2,004	13.2%
Operating profit (EBIT), SEKm	190	159	19.5%	724	566	28.0%
Net result for the period, SEKm	-41	-164	74.8%	92	-1,051	n/m
Earnings per share, SEK	-0.21	-0.79	73.8%	0.45	-6.67	n/m
Capex, SEKm	259	340	-23.8%	991	1,051	-5.7%
Capex as % of revenue	20.4	27.6	-7.3 p.p.	19.8	22.1	-2.2 p.p.
Operating free cash flow, SEKm	336	236	42.4%	1,355	1,211	11.8%
Net debt at end of period, SEKm	9,030	8,851	2.0%	9,030	8,851	2.0%
Net debt/Underlying EBITDA LTM, multiple	3.8x	3.9x	-0.1x	3.8x	3.9x	-0.1x

¹⁾ See page 16 for definitions.

The figures in this report refer to the fourth quarter of 2015 unless otherwise stated. Figures in brackets refer to the corresponding period last year.

Message from the CEO

Our final quarter of 2015 was another consistent quarter, with steady execution on our growth drivers delivering a sound foundation for the execution of our 2016 plan.

We grew our consumer base to a record of 911,000 unique subscribers, with net additions in broadband of 11,000 and net additions in digital TV of 4,000. Consumer churn remained at a record low level, unchanged from Q3 at 12.9 per cent. Consumer ARPU was flat at SEK 363 in advance of our 2016 price rise activity.

Demand for our high speed broadband continues to be strong, with more than 82 per cent of new subscribers in Q4 choosing speeds of 100 Mbit/s and above, a new high. This took average speed in the base up to 115 Mbit/s – also a new high. Our focus on broadband quality of service is paying off; we continue to lead both the Netflix speed index and the recently launched Google Video index. At the same time we outperform our competitors' in the quality of wifi.

TiVo attracted 10,000 new customers. TiVo customers are significantly more engaged in digital TV than the rest of the population, and we continue to promote the uptake of the exceptional range of features offered to Com Hem TV customers; a quarter after the launch of Com Hem Play, we have seen streaming uptake grow by 45 per cent and usage of TV Everywhere growing by 7 per cent.

The focus in our B2B business continues to be on the transformation from an Off-Net legacy fixed telco business to the fast-growing On-Net business. B2B revenue grew by 4.1 per cent in the quarter.

Significant improvements in operating free cash flow

Revenue grew with 3.4 per cent compared to the same quarter last year, driven by 5.7 per cent growth in our consumer business and 4.1 per cent growth in B2B. This takes Com Hem's revenue growth for the full year to 5.0 per cent, with organic growth of 3.6 per cent. Underlying EBITDA grew by 3.3 per cent to SEK 595m in the quarter and by 3.7 per cent for the full year.

Total capex fell to SEK 259m (340) during the quarter, with a full year total of SEK 991m. This contributed to an exceptionally strong operating free cash flow, which grew 42.4 per cent to SEK 336m in Q4 2015 compared to the corresponding period last year.

Our consistently strong cash flow allows us to deliver sustainably high shareholder returns in the form of dividends and share repurchases while remaining within our leverage target. During 2015, our shareholders have been remunerated by a total of SEK 983m, representing 6.5 per cent of our market capitalisation at year-end.

Focus upcoming quarters

During 2015, product improvements, such as the introduction of Com Hem Play and extensive investments in the quality of our broadband services, paired with improvements in our service levels, have continued to increase our customer satisfaction. A customer that receives a better service is in most cases also willing to pay a little bit more. On the back of the improvements mentioned above we have already begun to execute on our 2016 price rise activity. Prices for most of our affected customers will be changing from 1st March – a month earlier than 2015. Over half of our customers will be affected by the 2016 price rise programme which will typically be somewhat larger than 2015. However, we continue to focus on the elimination of discounts, rather than raising frontbook prices, and will be leaving the prices of our most popular broadband and TiVo services unchanged. As a consequence of the price changes, we anticipate a temporary higher consumer churn in Q1, with revenue and consumer ARPU impact taking effect from Q2.

We are also taking steps to explore our scope to grow in the SDU market which, over time, brings the potential to reach over 1 million additional homes with an infrastructure of equivalent quality to Com Hem's coax. During Q4 and Q1 we are trialling alternative ways to grow within this market.

Finally, as a natural next step in our customer satisfaction journey, we will in 2016 revisit how to communicate our brand.

Shareholder remuneration and guidance for 2016

We propose to continue to remunerate our shareholders through a mix of cash dividend and share buy backs. The Board of Directors is proposing to the AGM in May a cash dividend of SEK 1.50 per share, an increase of 50 per cent compared to last year, and a renewed mandate to repurchase up to 10 per cent of the share capital.

For 2016, we reiterate our aim to grow revenue by mid-single-digits for the full year. With our changed growth profile, from volume driven to a balance between volume and price led growth, we are changing our guidance on Underlying EBITDA margin to be at a stable level compared to the 46.9 per cent we recorded in 2015. We expect CAPEX to be in the range of SEK 1.0-1.1bn in 2016 and our leverage target remains unchanged.

The Com Hem team and I take substantial pride in our achievements in 2015, which have seen continued transformation in the quality of Com Hem's customer experience, and of its product portfolio. As a consequence, we have been able to deliver strong shareholder returns; we look forward to the next phase of our growth in 2016 with confidence.



Anders Nilsson
Chief Executive Officer

Operational development

Operational key metrics ¹⁾	2014		2015			
	Q3	Q4	Q1	Q2	Q3	Q4
Homes connected, thousands	1,846	1,876	1,920	1,930	1,942	1,968
Unique consumer subscribers, thousands	861	876	888	894	903	911
Unique consumer subscribers as % of homes connected, %	46.6	46.7	46.3	46.3	46.5	46.3
Consumer RGUs per unique consumer subscriber, ratio	1.78	1.79	1.80	1.79	1.78	1.77
Consumer churn as % of unique consumer subscribers, %	14.8	14.2	13.3	13.7	12.9	12.9
Consumer RGUs thousands						
Broadband	594	612	628	637	648	658
Digital TV	607	618	625	627	631	635
- of which TiVo customers	132	164	189	204	213	224
Fixed telephony	329	337	342	337	331	322
Total consumer RGUs	1,531	1,566	1,595	1,600	1,610	1,616
ARPU, SEK						
Consumer	361	361	358	361	363	363
Landlord	35	33	31	30	29	29

¹⁾ For the quarter, and on the last date of each quarter.

Comparison between fourth quarter 2015 and third quarter 2015, unless otherwise stated.

HOMES CONNECTED

In the fourth quarter, the number of homes connected was 1,968,000, an increase of 25,000 homes. For the full-year, the number of homes increased by 92,000, or 4.9 per cent. The increase was derived mainly from the addition of open LANs.

UNIQUE CONSUMER SUBSCRIBERS

The number of unique consumer subscribers continued to increase in the fourth quarter, up 8,000 to 911,000. For the full-year, the number of unique consumer subscribers increased 35,000, or 4.0 per cent. The increase for both the quarter and the full-year is a result of a stable growth in broadband and digital TV services, as well as an increased footprint.

CHURN RATE

The churn rate, expressed as the percentage of consumer subscriber discontinuance on an annual basis, was 12.9 per cent in the fourth quarter, which is in line with the third quarter. The churn rate for the full-year was 13.2 per cent, a year-on-year improvement of 1.9 p.p. The positive trend in the churn rate is a result of our continued focus on customer satisfaction.

CONSUMER RGUs

In the fourth quarter, the number of consumer RGUs was 1,616,000, an increase of 6,000. The increase for the full-year was 49,000 RGUs, or 3.2 per cent. The increase is a result of continued stable growth in broadband and digital TV services as well as an increased footprint.

The number of broadband RGUs rose 11,000 in the fourth quarter to 658,000. For the full-year, the number of broadband RGUs rose 47,000. Growth in broadband reflects the continued high demand for Com Hem's market-leading broadband offering, which has led to an increase in the number of broadband RGUs for the eleventh consecutive quarter. The proportion of new customers who purchased broadband speeds of 100 Mbit/s or higher continued to increase to 82 per cent, compared with 77 per cent in the third quarter of 2015 and 71 per cent in the

fourth quarter of 2014.

In the fourth quarter, the number of digital TV RGUs rose 4,000 to 635,000 RGUs, and for the full-year, the number of RGUs rose 18,000, or 2.9 per cent. At the end of the quarter, 224,000 digital TV customers had signed a TiVo subscription, corresponding to 35 per cent of the total digital TV base just two years after the TiVo service was launched.

The number of fixed-line telephony RGUs was 322,000, down 9,200 compared with the preceding quarter. During the year, the number of fixed-line telephony RGUs decreased 15,000. The decline is due to both a higher churn rate and lower new sales.

CONSUMER ARPU

Consumer ARPU amounted to SEK 363 in the fourth quarter, which is in line with the preceding quarter.

Consumer ARPU for the full-year amounted to SEK 361, up SEK 1 year-on-year. The increase is due to the price adjustments implemented during the year, and a higher average speed for broadband RGUs.

LANDLORD ARPU

Landlord ARPU amounted to SEK 29 for the quarter, which is in line with the preceding quarter.

Landlord ARPU for the full-year amounted to SEK 30, compared with SEK 35 in the preceding year. Approximately half of the ARPU decline for the full-year was due to the growing number of homes connected via open LANs, where Com Hem does not provide any basic TV package and does not, therefore, receive any landlord revenue. The remaining portion of the decline was mainly attributable to lower prices arising from contract renegotiations, and a decision by some landlords to sign bulk service agreements when extending their agreements, whereby all revenue was previously recognised under landlord services, but the portion relating to consumer services is now recognised under consumer services when their agreements are extended.

Financial overview

Financial summary, SEKm	OCT-DEC / Q4			JAN-DEC		
	2015	2014	Change	2015	2014	Change
Revenue						
Consumer	959	908	5.7%	3,755	3,540	6.1%
Landlord	171	186	-8.0%	695	774	-10.1%
B2B	81	78	4.1%	311	222	40.1%
Other revenue	61	59	3.8%	238	226	5.5%
Revenue	1,271	1,229	3.4%	5,000	4,761	5.0%
Operating expenses	-1,081	-1,071	1.0%	-4,276	-4,196	1.9%
Operating profit (EBIT)	190	159	19.5%	724	566	28.0%
Net financial income and expenses	-243	-560	-56.6%	-605	-2,082	-70.9%
Income taxes	12	237	-94.9%	-27	465	n/m
Net result for the period	-41	-164	74.8%	92	-1,051	n/m

Comparisons between the fourth quarter of 2015 and 2014, unless otherwise stated.

TOTAL REVENUE

Total revenue rose SEK 42m to SEK 1,271m, compared with the fourth quarter of 2014. For the full-year, total revenue rose SEK 239m to SEK 5,000m. Adjusted for the acquisition of Phonera, which has been included in the consolidated accounts from 31 March 2014, the increase was SEK 174m, corresponding to an organic growth of 3.6 per cent for the full-year.

CONSUMER SERVICES

Revenue from consumer services rose SEK 51m, amounting to SEK 959m. The increase was attributable to higher revenue from broadband and digital TV services.

Revenue from broadband services rose SEK 46m, or 12 per cent, and amounted to SEK 433m in the fourth quarter. For the full-year, revenue from broadband services rose SEK 205m, or 14 per cent, to SEK 1,666m. The increase in broadband revenue is attributable to more RGUs, an improved speed mix due to continued strong demand for our high-speed broadband packages, and the price adjustments implemented during the second and third quarters of 2015.

Revenue from digital TV rose SEK 12m, amounting to SEK 451m in the fourth quarter. For the full-year, the increase was SEK 48m. The increase in digital TV revenue was due to customer growth, a higher proportion of customers with TiVo packages, and the price adjustments implemented for parts of the digital TV base during the second and third quarters of 2015.

Revenue from fixed-line telephony decreased SEK 7m in the fourth quarter and amounted to SEK 75m, mainly attributable to lower fixed revenue due to a decline in the number of telephony RGUs. For the full-year, revenue from fixed-line telephony decreased SEK 37m and amounted to SEK 304m due to fewer RGUs and lower variable access revenue.

LANDLORD SERVICES

Revenue from landlord services declined SEK 15m, amounting to SEK 171m for the fourth quarter, the decline was somewhat lower than the decline in the third quarter. For the full-year, revenue from landlord services declined SEK 78m. The decline compared with preceding periods was mainly attributable to the lower prices arising from contract renegotiations, and a decision by some landlords to sign bulk service agreements when extending their agreements, whereby all revenue was previously recognised under landlord services, but the portion relating to

consumer services is now recognised under consumer services when the agreements are extended.

B2B SERVICES

Revenue from B2B services rose SEK 3m, amounting to SEK 81m for the fourth quarter. An increase of SEK 13m was attributable to the addition of 8,000 new, unique B2B SoHo customers in Com Hem's network (OnNet), compared with the year-on-year quarter. The OnNet operations therefore accounted for 28 per cent of revenue from B2B services for the fourth quarter compared to 12 per cent last year. The increase in OnNet was offset by lower revenue from other services, mainly due to lower variable telephony revenue.

For the full-year, organic revenue growth from B2B services was SEK 24m.

OTHER REVENUE

Other revenue increased for both the fourth quarter and the full-year, mainly due to higher revenue from iTUX, the Group's communication operator.

OPERATING EXPENSES

Operating expenses amounted to SEK 1,081m, up SEK 11m. The increase was attributable to a changed revenue mix as well as higher depreciation and amortisation of CPE and capitalised sales commissions.

OPERATING PROFIT (EBIT)

Operating profit for the fourth quarter amounted to SEK 190m, up SEK 31m. The increase in operating profit was largely due to increased revenue, resulting in a higher Underlying EBITDA contribution and lower non-recurring costs (non-recurring items, operating currency loss/gains and disposals) of SEK 26m, compared with the year-on-year quarter. The increase in Underlying EBITDA and lower non-recurring costs were partly offset by higher depreciation and amortisation, primarily due to capitalised sales commissions due to higher volume growth in the first quarters of 2014 and 2015 in both consumer and B2B services.

Operating profit for the full-year totalled SEK 724m, up SEK 159m. The increase was mainly attributable to IPO costs of SEK 107m that were charged to operating profit for the preceding year, and the fact that increased revenue in 2015 led to a higher Underlying EBITDA contribution.

NET FINANCIAL INCOME AND EXPENSES

In the fourth quarter, net financial income and expenses amounted to a net expense of SEK 243m, compared with SEK 560m in the year-on-year quarter. The lower net expenses were largely a result of lower refinancing costs during the quarter (SEK 97m in the fourth quarter of 2015, compared with SEK 377m in the year-on-year quarter) and lower interest expenses. Average interest expenses declined to 3.6 per cent in the fourth quarter, compared with 5.3 per cent in the fourth quarter of 2014, attributable to the refinancing activities completed in 2014 and 2015.

For the full-year, net financial income and expenses improved SEK 1,477m, due to lower refinancing costs and decreased interest expenses in 2015 compared to 2014.

INCOME TAXES

The Group recognised a deferred tax income of SEK 12m for the quarter, and a deferred tax expense of SEK 27m for the full-year. The Group's taxable profit for 2015 was offset against previously recognised tax losses carryforwards, which amounted to approximately SEK 2.5bn at the end of the year.

NET RESULT FOR THE PERIOD

Due to non-recurring costs in connection with refinancing, net result for the fourth quarter was SEK -41m.

Net result for the full-year 2015 totalled SEK 92m, compared with a net result of SEK -1,051m for the full-year 2014.

Reconciliation between Operating profit (EBIT) and Underlying EBITDA, SEKm	OCT-DEC / Q4			JAN-DEC		
	2015	2014	Change	2015	2014	Change
Operating profit (EBIT)	190	159	19.5%	724	566	28.0%
Depreciation & amortisation per function						
- Cost of services sold	201	188	7.3%	778	720	8.1%
- Selling expenses	184	181	1.7%	742	683	8.6%
- Administrative expenses	6	8	-27.2%	25	36	-28.8%
Total depreciation & amortisation	392	377	3.8%	1,545	1,438	7.4%
EBITDA	581	536	8.5%	2,269	2,004	13.2%
EBITDA margin, %	45.7	43.6	2.1 p.p.	45.4	42.1	3.3 p.p.
Disposals	0	11	-99.5%	9	15	-38.4%
Operating currency loss/gains	1	6	n/m	9	15	-41.9%
Non-recurring items	14	23	-37.7%	58	228	-74.5%
Underlying EBITDA	595	576	3.3%	2,346	2,262	3.7%
Underlying EBITDA margin, %	46.8	46.9	-0.0 p.p.	46.9	47.5	-0.6 p.p.

Comparisons between fourth quarter of 2015 and fourth quarter of 2014, unless otherwise stated.

UNDERLYING EBITDA

In the fourth quarter, Underlying EBITDA rose SEK 19m to SEK 595m and the Underlying EBITDA margin was 46.8 per cent. For the full-year, Underlying EBITDA rose SEK 84m to SEK 2,346m and the Underlying EBITDA margin was 46.9 per cent. The increase in Underlying EBITDA was mainly attributable to increased revenue from the consumer and B2B services. The Underlying EBITDA margin declined slightly year-on-year due to a changed revenue mix, in which decreased revenue from landlord services and fixed-line telephony with high margins was offset by revenue growth from services with slightly lower margins.

EBITDA

In the fourth quarter, EBITDA rose SEK 45m to SEK 581m. The increase in EBITDA was mainly attributable to an increased Underlying EBITDA contribution of SEK 19m as well as lower non-recurring costs compared with the fourth quarter of 2014. The EBITDA margin subsequently increased to 45.7 per cent, compared with 43.6 per cent in the year-on-year quarter.

EBITDA for the full-year 2015 rose SEK 265m to SEK 2,269m, and the EBITDA margin was 45.4 per cent.

The increase in EBITDA was mainly attributable to lower non-recurring costs (non-recurring items, operating currency loss/gains and disposals) of SEK 182m, since last year's EBITDA was charged with IPO costs of SEK 107m.

DEPRECIATION AND AMORTISATION

In the fourth quarter, depreciation and amortisation rose SEK 14m to SEK 392m, due to higher depreciation and amortisation on CPEs (cost of services sold) and IT investments (cost of services sold).

For the full-year 2015, depreciation and amortisation rose SEK 107m to SEK 1,545m. Higher depreciation and amortisation was mainly due to increased investment in CPE (cost of services sold) and capitalised sales commissions (selling expenses), as a result of higher sales in the first six months of 2015 and in the preceding year in both consumer and B2B services, and increased amortisation of customer relationships (selling expenses) due to the acquisition of Phonera on 31 March 2014.

Operating free cash flow, SEKm	OCT-DEC / Q4			JAN-DEC		
	2015	2014	Change	2015	2014	Change
Underlying EBITDA	595	576	3.3%	2,346	2,262	3.7%
Capital expenditure						
Network related	-97	-147	-33.9%	-332	-354	-6.4%
CPEs and capitalised sales commissions	-113	-137	-17.1%	-486	-498	-2.4%
IT investments	-37	-37	0.2%	-128	-147	-12.8%
Other capex	-11	-19	-40.3%	-45	-52	-12.3%
Total capital expenditure	-259	-340	-23.8%	-991	-1,051	-5.7%
Operating free cash flow	336	236	42.4%	1,355	1,211	11.8%

Comparisons between fourth quarter of 2015 and fourth quarter of 2014, unless otherwise stated.

CAPITAL EXPENDITURE (CAPEX)

Capital expenditure for the fourth quarter amounted to SEK 259m, comprising 20.4 per cent of total revenue. The decline of SEK 81m, compared with the year-on-year quarter, was largely a result of timing in network investments (approximately SEK 30m was instead invested in early 2016) and lower capitalised sales commissions. The decline in capitalised sales commissions was mainly a result of lower RGU growth in the fourth quarter compared with the year-earlier quarter, due to a focused shift from purely volume-driven growth to a combination of volume plus price-driven growth.

Capital expenditure for the full-year amounted to SEK 991m, comprising 19.8 per cent of total revenue. The decline derived mainly from timing in network related capital expenditure, lower capitalised sales commissions and lower IT investments due to higher efficiency.

OPERATING FREE CASH FLOW

Operating free cash flow increased SEK 100m in the fourth quarter, amounting to SEK 336m. The increase was mainly due to a higher Underlying EBITDA contribution, timing regarding network-related capital expenditure, and lower capitalised sales commissions compared with the fourth quarter of 2014.

Operating free cash flow increased SEK 143m for the full-year, amounting to SEK 1,355m. The increase was mainly due to a higher Underlying EBITDA contribution, timing in regard to network related capital expenditure, lower capitalised sales commissions and lower IT investments compared with the preceding year.

Financial Guidance for 2016:

REVENUE - UNCHANGED

We aim to deliver mid-single-digits revenue growth on a full year basis.

UNDERLYING EBITDA

We aim to maintain a stable Underlying EBITDA margin for the group, resulting in mid-single-digits growth of Underlying EBITDA on a full year basis.

With our new growth strategy, being a mix of volume and price led growth, we have changed guidance from "slight pressure" to "stable" Underlying EBITDA margin.

CAPEX

We expect CAPEX to be in the range of SEK 1.0-1.1bn in 2016 compared to the SEK 991m we invested in 2015, which was affected by temporarily low CAPEX in H2.

LEVERAGE TARGET - UNCHANGED

We aim to maintain our leverage within the interval of 3.5-4.0x Underlying EBITDA LTM.

Financial position

LIQUIDITY

At 31 December 2015, the Group's total available funds amounted to SEK 1,393m (SEK 1,312m at 31 December 2014), of which cash and cash equivalents comprised SEK 743m (SEK 716m at 31 December 2014) and unutilised credit facilities SEK 650m (SEK 595m at 31 December 2014). Refer also to "Outstanding debt" below.

NET DEBT

At 31 December 2015, the Group's net debt amounted to SEK 9,030m (SEK 8,851m at 31 December 2014), while net debt/Underlying EBITDA LTM was a multiple of 3.8x (3.9x at 31 December 2014), which is in line with the targeted leverage of 3.5-4.0x.

OUTSTANDING DEBT

31 December 2015, SEKm	Maturity date	Interest base/coupon	Total credit	Utilised amount	Unutilised amount
Bank debt					
Facility A	26 Jun 2019	Floating	3,500	3,500	-
Revolving Credit Facility	26 Jun 2019	Floating	2,000	1,350	650
Incremental Facility 2	26 Jun 2019	Floating	375	375	-
Incremental Facility 3	4 Mar 2017	Floating	500	500	-
Incremental Facility 4	26 Jun 2019	Floating	1,000	1,000	-
Incremental Facility 5	14 Sep 2016	Floating	500	500	-
Outstanding notes at fixed interest rates					
SEK 2,500m Senior Secured Notes	4 Nov 2019	Fixed 5.25%	2,500	2,500	-
Total credit facilities¹⁾			10,375	9,725	650

¹⁾ In addition to the above credit facilities Com Hem holds interest-bearing financial lease liabilities totalling SEK 48m.

Refinancing

In November, Com Hem made an early redemption of the Group's Senior Notes of EUR 187m, which had been issued by its subsidiary NorCell Sweden Holding 2 AB (publ) and were originally due in 2019. Upon redemption, Com Hem paid redemption premiums totalling SEK 92m plus accrued interest, and all previously held derivative contracts were closed. The Senior Notes carried a fixed interest rate of 10.75 per cent and were replaced by new credit facilities of SEK 1,500m signed in September (Incremental Facility 4 and 5 in the table above), and existing unutilised credit facilities. The new credit has the same lending terms as other bank financing and has been signed with an interest rate that is expected to reduce the Group's average interest expense from 4.4 per cent before refinancing, to approximately 3 per cent with the prevailing Swedish market interest rate. The refinancing is therefore estimated to reduce the Group's annual interest expenses by more than SEK 100m, compared with the previous level.

At 31 December 2015, the Group's total credit facilities, including the outstanding SEK bond, amounted to SEK 10,375m, with an average remaining term of 3.4 years. Com Hem's intention is to continue striving for long-term, diversified financing in both bond and bank financing forms.

Loan conditions

The loan facilities with credit institutions are conditional on the Group continually satisfying a predetermined financial key

metric, referred to as the covenant. The covenant is consolidated net debt in relation to consolidated Underlying EBITDA LTM. In addition, there are provisions and limitations in loan agreements for the credit facilities with credit institutions and the bond loan regarding further debt gearing, guarantee commitments and pledging, material changes to operating activities, as well as acquisitions and divestments. The conditions were met with a solid margin as per 31 December 2015.

DIVIDEND/REPURCHASE AND REDEMPTION OF SHARES

During the May-September period, shareholders were remunerated a total of SEK 983m in the form of a share redemption, ordinary dividend and share repurchases, representing 6.5 per cent of the market capitalisation at year-end.

A total of SEK 65m was paid to shareholders who participated in the share redemption programme. The AGM approved a dividend of SEK 1 per share, totalling SEK 207m, which was paid in May. In accordance with the AGM-approved authorisation regarding share repurchases, shares totalling SEK 711m were repurchased during the year, which is summarised in the table below. Repurchases were executed in accordance with the authorisation given to an independent credit institution under Commission Regulation (EC) No 2273/2003 of 22 December 2003 (the EC Regulation), and through block trades in accordance with the rules on repurchases of treasury shares as set out in Nasdaq Stockholm's Rule Book for Issuers.

REPURCHASE OF SHARES

2015	No. of shares	FOURTH QUARTER		TOTAL REPURCHASED SHARES		
		Average price per share, SEK	SEKm	No. of shares	Average price per share, SEK	SEKm
No. of repurchased shares, BoP						
Programme I according to EC ordinance	-	-	-	2,486,692	76.41	190
Programme II according to EC ordinance	1,410,260	69.47	98	3,784,505	71.59	271
Programme III according to EC ordinance	2,274,263	75.02	171	2,274,263	75.02	171
Block trades	339,546	73.83	25	1,099,663	72.32	80
No. of repurchased shares, EoP	4,024,069	72.98	294	9,645,123	73.73	711
Per cent of registered shares	1.9%			4.7%		

Condensed Consolidated Income Statement

SEKm	OCT-DEC / Q4		JAN-DEC	
	2015	2014	2015	2014
Revenue	1,271	1,229	5,000	4,761
Cost of services sold	-631	-601	-2,464	-2,315
Gross profit	641	628	2,536	2,446
Selling expenses	-379	-388	-1,516	-1,491
Administrative expenses	-75	-68	-295	-264
Other operating income and expenses	3	-14	-1	-126
Operating profit	190	159	724	566
Financial income and expenses	-243	-560	-605	-2,082
Result after financial items	-53	-401	119	-1,517
Income taxes	12	237	-27	465
Net result for the period	-41	-164	92	-1,051
Average number of outstanding shares, thousands ¹⁾	199,155	207,530	204,068	157,483
Earnings per share, SEK	-0.21	-0.79	0.45	-6.67
Average number of outstanding shares, diluted, thousands ¹⁾	199,228	207,530	204,112	157,483
Earnings per share, diluted, SEK	-0.21	-0.79	0.45	-6.67

¹⁾ Average number of outstanding shares for 2014 has been adjusted for the bonus issue in June 2014.

Consolidated Statement of Comprehensive Income

SEKm	OCT-DEC / Q4		JAN-DEC	
	2015	2014	2015	2014
Net result for the period	-41	-164	92	-1,051
Other comprehensive income				
<i>Items that will not be reclassified to net profit or loss</i>				
Revaluation of defined-benefit pension obligations	40	-42	75	-110
Tax on items that will not be reclassified to profit or loss	-9	9	-16	24
Other comprehensive income for the period, net of tax	31	-33	58	-86
Total comprehensive income for the period	-10	-197	150	-1,137

Condensed Consolidated Balance Sheet

SEKm	31 DEC	
	2015	2014
ASSETS		
Non-current assets		
Intangible assets	15,451	16,041
Property, plant and equipment	1,531	1,505
Financial assets	0	39
Total non-current assets	16,982	17,585
Current assets		
Other current assets	352	418
Cash and cash equivalents	743	716
Total current assets	1,095	1,134
TOTAL ASSETS	18,078	18,720
EQUITY AND LIABILITIES		
Equity	6,403	7,233
Non-current liabilities		
Non-current interest-bearing liabilities	9,151	9,391
Other non-current liabilities	176	236
Deferred tax liabilities	234	190
Total non-current liabilities	9,561	9,817
Current liabilities		
Current interest-bearing liabilities	528	30
Other current liabilities	1,585	1,640
Total current liabilities	2,113	1,670
Total liabilities	11,675	11,487
TOTAL EQUITY AND LIABILITIES	18,078	18,720
Number of outstanding shares, at end of period, thousands	196,998	207,530
Equity per share, SEK	33	35

Condensed Consolidated Statement of Changes in Equity

SEKm	31 DEC	
	2015	2014
Opening equity	7,233	2,212
Comprehensive income for the period		
Net result for the period	92	-1,051
Other comprehensive income for the period	58	-86
Total comprehensive income for the period	150	-1,137
Transactions with the owners		
Redemption of shares	-65	-5
Repurchase of shares and warrants	-713	-
New share issue	-	6,239
Issue expenses, net after tax	4	-87
Dividend	-207	-
Issue of warrants	-	10
Share-based remuneration	1	-
Total transactions with the owners	-979	6,158
Closing equity	6,403	7,233

Condensed Consolidated Statement of Cash Flows

SEKm	OCT-DEC / Q4		JAN-DEC	
	2015	2014	2015	2014
Operating activities				
Result after financial items	-53	-401	119	-1,517
Adjustments for non-cash items	249	365	1,551	1,876
Cash flow from operating activities before changes in working capital	196	-36	1,670	359
Change in working capital	108	-23	100	-133
Cash flow from operating activities	304	-59	1,770	227
Investing activities				
Acquisition of non-current intangible assets	-95	-139	-381	-429
Acquisition of property, plant and equipment	-164	-172	-594	-594
Acquisition of shares in subsidiaries	-	-	-	-302
Divestment of financial assets	-	0	0	6
Cash flow from investing activities	-259	-312	-976	-1,318
Financing activities				
New share issue	-	-	-	6,239
Share issue expenses	-	-53	-22	-82
Repurchase of shares ¹⁾ and warrants	-294	-	-703	-
Redemption of shares	-	-	-65	-5
Issue of warrants	-	-	-	10
Dividend	-	-	-207	-
Borrowings	1,900	3,775	2,000	8,575
Amortisation of borrowings	-1,725	-3,498	-1,749	-13,945
Payment of borrowing costs	-7	-45	-21	-108
Cash flow from financing activities	-126	178	-768	685
Net change in cash and cash equivalents	-80	-192	27	-406
Cash and cash equivalents at beginning of period	824	909	716	1,122
Cash and cash equivalents at end of period	743	716	743	716

¹⁾Total share repurchases amounted to SEK 711m, of which SEK 701m was paid.

Adjustment for non-cash items

SEKm	OCT-DEC / Q4		JAN-DEC	
	2015	2014	2015	2014
Depreciation/amortisation	392	377	1,545	1,438
Unrealised exchange-rate differences	-41	63	-64	188
Capital gain/loss on sale/disposal of non-current assets	0	-	9	-
Change in fair value of derivatives	46	-40	39	-158
Change in capitalised borrowing costs and discounts	44	138	71	507
Change in accrued interest expenses	-197	-188	-66	-124
Other profit/loss items not settled with cash	4	15	16	26
Total	249	365	1,551	1,876

Parent Company Condensed Financial Reports

INCOME STATEMENT

SEKm	OCT-DEC / Q4		JAN-DEC	
	2015	2014	2015	2014
Revenue	4	2	13	8
Administrative expenses	-9	-4	-40	-15
Other operating income and expenses	0	0	6	-100
Operating profit/loss	-5	-2	-21	-107
Financial income and expenses ¹⁾	-512	-139	361	-1,373
Result after financial items	-517	-141	340	-1,480
Income taxes	5	-2	4	-2
Net result for the period	-512	-144	344	-1,482

¹⁾Includes write-down of shares in subsidiaries, following group contribution given.

STATEMENT OF COMPREHENSIVE INCOME

SEKm	OCT-DEC / Q4		JAN-DEC	
	2015	2014	2015	2014
Net result for the period	-512	-144	344	-1,482
Other comprehensive income	-	-	-	-
Comprehensive income for the period	-512	-144	344	-1,482

BALANCE SHEET

SEKm	31 DEC	
	2015	2014
ASSETS		
Financial assets	9,771	9,397
Deferred tax assets	25	22
Current assets	4	9
Cash and bank balances	30	130
TOTAL ASSETS	9,830	9,558
EQUITY AND LIABILITIES		
Restricted equity	213	208
Unrestricted equity	8,046	8,685
Provisions	1	0
Non-current liabilities to Group companies	942	228
Current liabilities to Group companies	607	374
Current liabilities	21	63
TOTAL EQUITY AND LIABILITIES	9,830	9,558
Pledged assets and contingent liabilities		
Pledged assets	1	0
Contingent liabilities	4	4

Other information

Com Hem Holding AB (publ) is a Swedish limited liability company (Corp. ID. No. 556858-6613), with its registered office in Stockholm, Sweden. Com Hem's shares have been listed on Nasdaq Stockholm, Large Cap list, since June 2014.

ACCOUNTING POLICIES

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and described in the Group's 2014 Annual Report. The Group's functional currency is the Swedish krona (SEK), which is also the presentation currency of the Group. All amounts have been rounded to the nearest million (SEKm), unless otherwise stated. New or amended IFRSs that became effective on 1 January 2015 had no material effect on the consolidated financial statements. The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. Condensed financial statements for the Parent Company have been prepared in accordance with the Annual Accounts Act and RFR 2 Accounting for Legal Entities.

ADJUSTMENTS

Certain financial information and other amounts and percentages presented in this report have been rounded and therefore the tables may not tally. The abbreviation "n/m" ("not meaningful") is used in this report if the information is not relevant.

OPERATING SEGMENT

The operations of the Group are integrated and constitute a single operating segment that offers bundled services to consumers (digital TV, broadband and fixed telephony), B2B (broadband and telephony) and landlords (basic TV service), in a single market, Sweden. This is also the base of the Group's management structure and the structure for internal reporting, which is controlled by the Group's Chief Executive Officer, who has been identified as the chief operating decision maker. As such, the Group does not present any operating segment information.

RISKS AND UNCERTAINTIES

The Group and the Parent Company have identified a number of operational and financial risks. Operational risks include increased competition, the ability to attract and retain customers, technical development, regulatory environment and substitution from fixed to mobile telephony. Financial risks include liquidity, credit, interest rate, and currency risks.

NON-RECURRING ITEMS

The Group's non-recurring items are specified as follows:

SEKm	OCT-DEC / Q4		JAN-DEC	
	2015	2014	2015	2014
IPO-related costs	-	-	5	-107
TiVo and B2B launch	-	-	-	-60
Acquisition costs	-	-	-	-9
Redundancy costs	-8	-21	-41	-40
Other	-6	-2	-22	-10
Total non-recurring items	-14	-23	-58	-228

For a detailed description of the significant risk factors for the Group's future development, see the Group's 2014 Annual Report. The Group believes that the risk environment has not materially changed from the description in the 2014 Annual Report.

CHANGES IN SHARE CAPITAL AND SHARE REPURCHASES

As a result of Com Hem's share redemption programme announced in the first quarter of 2015, a total of 886,221 shares were redeemed on 23 April at a price of SEK 73.50 per share, totalling SEK 65m.

In accordance with the mandate given at the Annual General Meeting on 21 May, the Board of Directors resolved to repurchase shares in accordance with the European Commission's ordinance (EC) No 2273/2003 of 22 December 2003 "EC ordinance". The share repurchases are carried out by a credit institution that makes its trading decisions regarding Com Hem's shares independently and without the influence of Com Hem with regard to the timing of the repurchase. In May, the Board also resolved on the possibility, up until the following Annual General Meeting, to make repurchases through block trades, that will not be made in accordance with the EC ordinance. During 2015 9,645,123 shares were repurchased representing 4.7 per cent of registered shares for a total of SEK 711m, of which block trades comprised SEK 80m corresponding to 1,099,663 shares.

Change in no. of shares	Total no. of shares
No. of shares, 31 Dec 2014	207,529,597
Redemption of shares	-886,221
Registered shares, 31 Dec 2015	206,643,376
Repurchased shares held by Com Hem	-9,645,123
Total no. of outstanding shares, 31 Dec 2015	196,998,253

INCENTIVE PROGRAMMES

In connection to the IPO in 2014, two incentive programmes were established for executive management, key employees and Board members. The programmes comprise a total of 4,949,944 issued and paid warrants.

The 2015 Annual General Meeting resolved to adopt a long-term share savings incentive programme ("LTIP 2015").

LARGEST SHAREHOLDERS

As per 31 December 2015, NorCell S.à r.l., (indirectly controlled by funds managed by BC Partners Limited) controlled 37.5 per cent of the outstanding shares and votes. Com Hem Holding AB (publ) had a total of 1,094 shareholders.

As per 31 Dec 2015	No. of shares	Capital/votes,% ¹⁾
NorCell S.à r.l.	73,911,671	37.5
Adelphi Capital LLP	10,616,235	5.4
MFS Investment Management	10,440,158	5.3
Norges Bank Investment Management	9,564,382	4.9
Lazard Frères Gestion Funds	2,146,900	1.1
Saudi Arabian Monetary Agency	1,998,812	1.0
Echiquier Funds	1,860,234	0.9
Abu Dhabi Investment Authority	1,573,793	0.8
Stichting Pensioenfond ABP	1,385,502	0.7
Nordea Funds	1,309,223	0.7
Total 10 largest shareholders	114,806,910	58.3
Other shareholders	82,191,343	41.7
Total no. of outstanding shares	196,998,253	100.0

Source: Holdings/Euroclear as per 31 December 2015.

¹⁾The participating interest has been adjusted for the Parent Company's holdings of treasury shares. The ten largest public shareholders are listed above. Holdings with depositories are reported as "other shareholders."

EVENTS AFTER THE END OF THE REPORTING PERIOD

During the period 1 January-8 February 2016, an additional 1,466,294 shares were repurchased by the independent credit institute for an amount of SEK 106m in accordance with the European Commission's ordinance (EC) No 2273/2003. Com Hem held 11,111,417 own shares as of 8 February corresponding to 5.4 per cent of the total number of registered shares.

COM HEM'S 2016 ANNUAL GENERAL MEETING

The Annual General Meeting will be held on 19 May 2016 in Stockholm. Shareholders wishing to have an item addressed are to submit a written request no later than 31 March 2016 to guarantee that the item is included in the notice of the Annual General Meeting. The request is to be sent by e-mail to: bolagsstamma@comhem.com or by post to: Com Hem Holding AB (publ), Annual General Meeting, PO Box 8093, SE-104 20 Stockholm, Sweden. Additional information regarding registration will be published prior to the Annual General Meeting.

NOMINATION COMMITTEE FOR THE ANNUAL GENERAL MEETING 2016

The Nomination Committee for the Annual General Meeting on 19 May 2016 consists of the following members:

- Pierre Stemper, chairman of the Nomination Committee, appointed by NorCell S.à r.l.
- Henry Guest, appointed by Adelphi Capital LLP
- Erik Durhan, appointed by Nordea Fonder
- Andrew Barron, Chairman of Com Hem Holding AB

The Nomination Committee will prepare proposals for the Annual General Meeting in 2016 regarding Chairman of the Annual General Meeting, Board members, Chairman of the

FAIR VALUE OF DERIVATIVES

In order to decrease the Group's interest-rate risk and currency exposure, certain derivatives have been entered into. The derivatives are measured at fair value and recognised in profit or loss. Hedge accounting is not applied. The Group held level 2 instruments only, as described in the Group's 2014 Annual Report. There were no transfers between levels or measurement categories during the period. An amount of SEK -39m (158) pertaining to changes in the fair value of derivatives was recognised in financial income and expenses for the year. When the company's Senior Notes were refinanced in November 2015, all derivatives attributable to outstanding debt were closed.

Fair value of derivatives at end of period

SEKm	31 DEC	
	2015	2014
Derivatives (CIRS)	-	39
Derivatives (currency forward contracts)	0	-
Financial assets / liabilities	0	39

Board, remuneration for Board members distinguishing between the Chairman of the Board of Directors and other Members of the Board of Directors and remuneration for committee work, auditors, auditor fee and, to the extent deemed necessary, proposal regarding amendments of the current instruction for the Nomination Committee.

DIVIDEND AND REPURCHASE OF SHARES

The Board of Directors proposes to the AGM in May a cash dividend of SEK 1.50 per share, an increase of 50 per cent (last year SEK 1), and a renewed mandate to repurchase up to 10 per cent of the share capital.

AUDITOR'S REVIEW

This year-end report has not been reviewed by the company's auditors.

DISCLOSURE

Com Hem Holding AB (publ) discloses the information provided in this year-end report pursuant to the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information was published at 7.30 a.m. CET on Tuesday, 9 February 2016.

OTHER INFORMATION

BOARD'S ASSURANCE

The Board of Directors and the CEO certify that the year-end report gives a true and fair overview of the Parent Company's and Group's operations, their financial position and results of operations, and describes the material risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, 9 February 2016

Andrew Barron
Chairman of the Board

Monica Caneman
Board member

Eva Lindqvist
Board member

Joachim Ogland
Board member

Nicholas Stathopoulos
Board member

Tomas Kadura
Employee representative

Marianne Bohlin
Employee representative

Anders Nilsson
Board member and CEO

Financial metrics and industry terms

Financial metrics

Capital expenditure (Capex)

Capital expenditure in intangible assets and property, plant and equipment, including capital expenditure financed by leasing.

Consumer ARPU

Consumer ARPU is calculated by dividing all digital TV, broadband, fixed telephony and other revenue that can be allocated to each consumer service for the period in question, by the average number of total unique consumer subscribers for the respective period, and further by the number of months in the period. The average number of subscribers is calculated as the number of unique consumer subscribers on the first day in the respective period plus the number of unique consumer subscribers on the last day of the respective period, divided by two.

Earnings per share

Net result for the period attributable to owners of the Parent Company divided by the average number of shares.

EBITDA

EBIT excluding depreciation and amortisation.

EBITDA margin

EBITDA as a percentage of revenue.

Equity/assets ratio

Equity as a percentage of total assets.

Equity per share

Equity divided by the total number of outstanding shares.

Landlord ARPU

Landlord ARPU is calculated by dividing the revenue for the respective period by the average number of homes connected for that period and divided by the number of months in the period. The average number of homes connected is calculated as the period plus the number of homes connected on the last day of the respective period divided by two.

Net debt

Interest-bearing liabilities, excluding borrowing costs, less cash and cash equivalents.

Net debt/Underlying EBITDA

Net debt at the end of the period indicated divided by Underlying EBITDA LTM.

Operating free cash flow

Underlying EBITDA less capital expenditure.

Operating profit (EBIT)

Revenue less operating expenses.

Underlying EBITDA

EBITDA before disposals excluding non-recurring items and operating currency gains/losses.

Underlying EBITDA margin

Underlying EBITDA as a percentage of revenue.

Industry terms

ARPU

Average monthly revenue per user for the referenced period. ARPU is calculated by dividing the monthly revenue for the respective period by the average number of unique consumer subscribers for that period. The average number of unique consumer subscribers is calculated as the number of unique consumer subscribers on the first day in the respective period plus the number of unique consumer subscribers on the last day of the respective period, divided by two.

Churn

The voluntary or involuntary discontinuance of services by a subscriber.

Homes connected

Homes connected represents the number of residential units to which Com Hem provides basic TV service, primarily through long-term contracts with the landlords of multiple dwelling units (MDUs) and homes connected through third-party communication operator's open networks through which consumers can purchase digital services from Com Hem.

RGUs

Revenue generating units, which refer to each subscriber receiving basic or digital TV, broadband or telephony services from Com Hem. A customer who has all three services is counted as three RGUs but one unique subscriber.

SME

Small and medium enterprises. Refers to offices with 10-99 employees.

SoHo

Single office/Home office. Refers to offices with 1-9 employees.

Unique consumer subscribers

Unique consumer subscribers represent the number of individual end-users who have subscribed for one or more of Com Hem's digital services (digital TV, broadband and fixed telephony).

Com Hem refers to the end-users receiving Com Hem's products and services directly through our network as unique subscribers even if the billing relationship for that end-user is with the end-user's landlord or housing association.

About Com Hem

- About 40 per cent of Swedish homes, or 2.0 million, are connected to Com Hem’s network.
- A market-leading provider of broadband up to 1 Gbit/s, and the fastest download speed according to the Netflix Speed Index.
- The largest range of TV services in Sweden, with more than 80 channels.
- Since 2013, Com Hem has offered a competitive range of broadband and telephony services for B2B customers.
- The company was founded in 1983, has approximately 1,200 employees and its head office in Stockholm.
- Com Hem’s share is listed on Nasdaq Stockholm, Large Cap list, under the ticker symbol COMH.
- For more information, visit www.comhemgroup.com

OUR VISION

Sweden’s most satisfied broadband, TV and telephony customers.

OUR MISSION

Com Hem offers broadband, TV and telephony services to consumers and B2B customers.

SHAREHOLDER RETURNS

Our strong cash flow allows us to invest in our network and product development to maintain our market leadership, while also generating a considerable surplus to return to shareholders through cash dividends and/or share repurchases.

The Annual General Meeting in May 2015 granted the Board of Directors a mandate to repurchase up to 10 per cent of the shares outstanding. During the May to December period, 4.7 per cent of registered shares were repurchased. In addition, a cash dividend of SEK 1 per share was paid in May.

OUR STRATEGY FOR ORGANIC GROWTH

Increase customer satisfaction – with a fast and stable network, and superior services.

Capitalise on our unique digital TV offering.

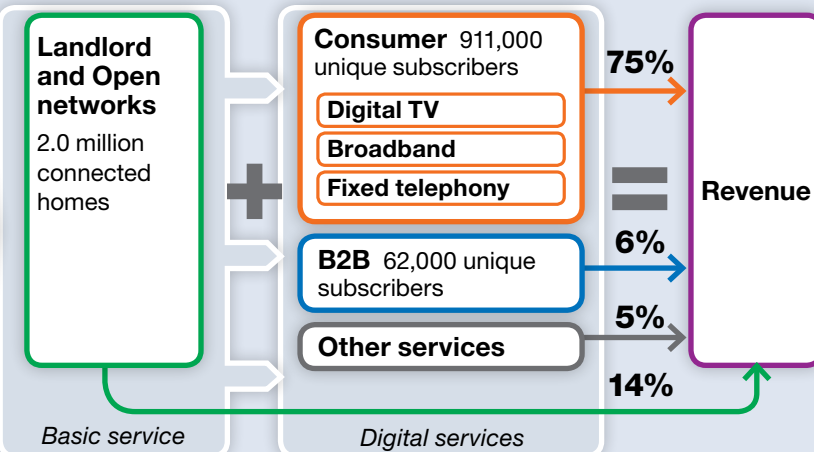
Increase the share of bundled broadband, TV and telephony services.

Focus on B2B customers in properties connected to Com Hem’s network.

VALUE-DRIVING FACTORS

Com Hem has one of the fastest and most technologically advanced cable networks in the world, giving us a competitive advantage over other industry players. With our upgraded network, we can deliver both faster broadband in most parts of our network, and a broader range of digital TV services than any other provider. By continuously converting our basic service customers to digital consumer subscribers, we can deliver more content and more services, which generates value for both our customers and our shareholders.

OUR BUSINESS MODEL



FINANCIAL GUIDANCE AND OUTCOME FOR 2015

- Achieve mid-single-digits revenue growth on an annual basis.
Revenue: 5.0% annual growth of which 3.6% organic
- Due to a change in the revenue mix, the Underlying EBITDA margin is expected to decline slightly.
Underlying EBITDA margin down to 46.9% from 47.5% 2014
- Capital expenditure as a percentage of revenue will decrease to a level that is more in line with the industry average.
Capex of SEK 991m in 2015, 19.8% of revenue compared to 22.1% in 2014
- We aim to maintain our leverage within the interval of a multiple of 3.5-4.0x Underlying EBITDA LTM.
Leverage: 3.8x Underlying EBITDA LTM as at 31 December 2015

Financial key metrics per quarter

Group	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue, SEKm	1,124	1,198	1,210	1,229	1,228	1,246	1,255	1,271
Underlying EBITDA, SEKm	545	566	576	576	577	583	590	595
Underlying EBITDA margin, %	48.5	47.2	47.6	46.9	47.0	46.8	47.0	46.8
EBITDA, SEKm	488	417	563	536	538	571	580	581
EBITDA margin, %	43.4	34.8	46.6	43.6	43.8	45.8	46.2	45.7
Operating profit (EBIT), SEKm	147	60	200	159	161	182	192	190
Operating margin (EBIT margin), %	13.1	5.0	16.5	12.9	13.1	14.6	15.3	14.9
Capex, SEKm	215	239	257	340	263	250	219	259
Capex as % of revenue	19.1	20.0	21.3	27.6	21.4	20.1	17.4	20.4
Operating free cash flow, SEKm	330	327	318	236	314	333	372	336
Equity/assets ratio, %	11	30	39	39	39	38	37	35
Net debt at end of period, SEKm	13,865	9,110	8,291	8,851	8,628	8,896	8,815	9,030
Net debt/Underlying EBITDA LTM, multiple	6.3x	4.0x	3.7x	3.9x	3.8x	3.8x	3.8x	3.8x
Earnings per share, SEK ¹⁾	-1.76	-6.53	0.03	-0.79	0.19	0.20	0.25	-0.21
Equity per share, SEK ¹⁾	20	35	36	35	35	34	33	33

¹⁾In the calculation the number and average number of shares for 2014 has been adjusted for the bonus issue in June 2014.

Other information

FOR FURTHER INFORMATION, CONTACT:



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FINANCIAL INFORMATION

All financial information is published on www.comhemgroup.com directly after release.

You are welcome to subscribe to our press releases and financial statements via e-mail. Subscribe here: <http://www.comhemgroup.se/en/investors/subscribe/>

WEBCAST TELECONFERENCE

Com Hem will present the fourth quarter results for analysts and investors via a webcast teleconference in English on Tuesday, 9 February, 2016 at 10:00 a.m CET.

To participate, use the following link:
http://cloud.magneetto.com/comhem/2016_0209_YER/view

Alternatively, use one of the following dial-in numbers:
Sweden: +46 8 5052 0110
UK: +44 20 7162 0077
US: +1 334 323 6201

FINANCIAL CALENDAR

Annual Report 2015	15 April 2016
Interim Report January - March 2016	19 April 2016
Annual General Meeting	19 May 2016
Interim Report January - June 2016	13 July 2016
Interim Report January - Sept 2016	18 October 2016



Com Hem Holding AB (publ)
Corp. ID. No. 556858-6613
Registered office: Stockholm
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com hem