

Tele2 Gets Boost For Q3 From Russia

By [The Moscow Times](#)

October 19, 2010

The  Moscow Times

STOCKHOLM — Nordic and emerging market telecom firm Tele2 said the fast-growing Russian market and rising smartphone usage at home boosted its third-quarter profit to a higher-than-expected level.

The company said its fast-growing Russian operations added 1.17 million subscribers in the quarter, bringing the total to 17.7 million. The company aims to have 19 million to 20 million subscribers in Russia by the end of next year.

The newly launched operations in Russia are reaching break-even faster than Tele2 had earlier forecast, helping boost overall profit, and the company said it would look at expanding its footprint in the region.

"Tele2 Russia will continue to look for possibilities to carefully expand its operations through new licenses as well as by complementary acquisitions which fit with its corporate culture," the company said in a statement.

Telecom operators have weathered the global downturn relatively well, cutting costs to offset falling sales.

With domestic economies now recovering fast, gadget-hungry subscribers are switching in ever greater numbers to high-end phones offering mobile Internet access and social networking, boosting revenue as traditional fixed-line operations continue to decline.

Tele2 and Nordic rivals Telenor and TeliaSonera have also been helped by strong emerging market operations.

Tele2 chief executive Mats Granryd said the company was looking at acquisitions in Eastern Europe and Central Asia.

Tele2 posted earnings before interest, tax, depreciation and amortization for the period of 2.8 billion Swedish kronor (\$419 million) versus a mean forecast of 2.6 billion in a poll of analysts and 2.4 billion a year ago.

Original url: <https://www.themoscowtimes.com/2010/10/19/tele2-gets-boost-for-q3-from-russia-a2354>