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High participation rate in Eltel's long-term incentive programme 2016

The subscription period for Eltel's long-term incentive programme 2016 (LTIP 2016), approved by the Group's Extraordinary General Meeting held on 20 June 2016, took place in August 2016 and the interest in participating was high with 87% of the invited individuals participated.

The programme is directed towards 85 key individuals at Eltel including the new CEO, members of the Group Management Team and other key employees at Eltel. The total value subscribed for by the participants amounts to approximately one million euro equivalent to approximately 85% of the maximum offered to these individuals. On behalf of the participants, shares corresponding to the value subscribed for will be purchased by a third party through public trading on Stockholm Nasdaq before mid-October.

LTIP 2016 is a continuation of the LTIP 2015 and is based on the same basic principles.

Participation in LTIP 2016 assumes that the participants acquire and lock Eltel ordinary shares for a three-year period ("Savings Shares"). The LTIP 2016 qualify for allotment of Eltel "Matching Shares" and may also qualify for additional Eltel "Performance Shares". Allotment of "Matching Shares" and "Performance Shares" within LTIP 2016 will be made during a limited period of time following presentation of the first quarterly statement 2019. The period up to this date is referred to as the qualification period (vesting period). A condition for the participant to receive allotment of "Matching Shares" and "Performance Shares" is that the participant remains an employee of the Eltel group during the full qualification period up until allotment and that the participant, during this period, has kept all "Savings Shares".

The purpose of the LTIP 2016 is to increase and strengthen the potential for recruiting, retaining and rewarding key individuals and also to use the LTIP 2016 to create individual long-term ownership of Eltel shares among participants.

For more information please visit:

www.eltelgroup.com/remuneration

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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.

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