

sýn 



## Key Financial Results Q4 2018

### Revenue

5,754 m IKR  
34% increase from 2017

### EBITDA

780 m IKR  
3% decrease from 2017

### Net Profit

195 m IKR  
45% decrease from 2017

### Equity Ratio

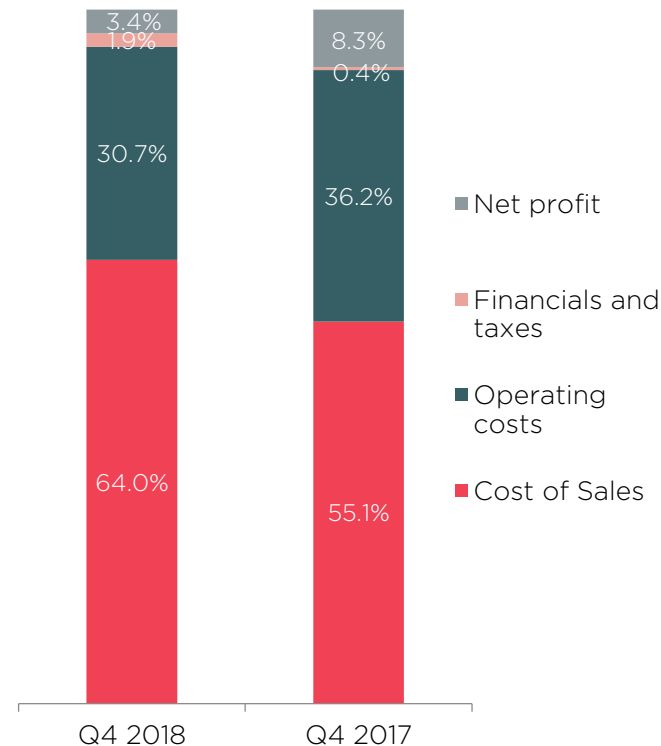
39.6%  
Was 39.7% in end of 2017

# Q4 Highlights



ISK m	Q4 2018	Q4 2017	Change	% change
Revenue	5,754	4,304	1,450	34%
Cost of Sales	3,684	2,370	1,314	55%
Gross Profit	2,070	1,934	136	7%
Operating costs	1,769	1,560	209	13%
EBITDA	780	803	-23	-3%
EBIT	301	374	-73	-20%
Net Financials	178	109	69	63%
Net Profit	195	356	-161	-45%

<i>Gross Margin (%)</i>	<i>36.0%</i>	<i>44.9%</i>
<i>EBITDA %</i>	<i>13.6%</i>	<i>18.7%</i>
<i>EBIT %</i>	<i>5.2%</i>	<i>8.7%</i>



# 4F Highlights



Adjusted for one-time costs

	Q4 2018	Q4 2017	Change	Change %	Q4 '18 adj.	Q4 '17 adj.	Change	% change
Revenue	5,754	4,304	1,450	34%	5,754	4,304	1,450	34%
Cost of Sales	3,684	2,370	1,314	55%	3,684	2,370	1,314	55%
Gross Profit	2,070	1,934	136	7%	2,070	1,934	136	7%
Operating costs	1,769	1,560	209	13%	1,750	1,402	348	25%
<b>EBITDA</b>	<b>780</b>	<b>803</b>	<b>-23</b>	<b>-3%</b>	<b>798</b>	<b>961</b>	<b>-163</b>	<b>-17%</b>
<b>EBIT</b>	<b>301</b>	<b>374</b>	<b>-73</b>	<b>-20%</b>	<b>319</b>	<b>532</b>	<b>-213</b>	<b>-40%</b>
Net Financials	178	109	68	63%	178	109	69	63%
<b>Net Profit</b>	<b>195</b>	<b>356</b>	<b>-161</b>	<b>-45%</b>	<b>209</b>	<b>482</b>	<b>-273</b>	<b>-57%</b>

Gross Margin (%)

36.0% 44.9%

36.0% 44.9%

EBITDA %

13.6% 18.7%

13.9% 22.3%

EBIT %

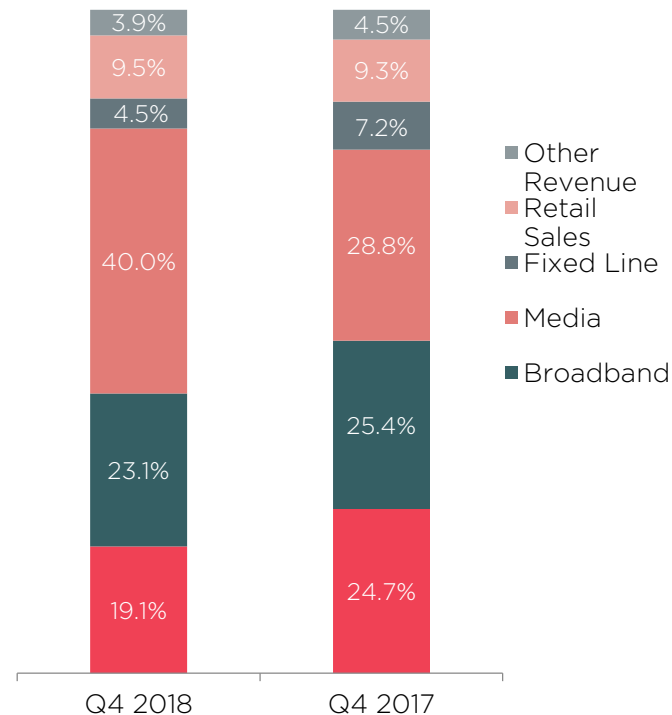
5.2% 8.7%

5.6% 12.4%

# Media largest contributor of revenue growth



ISK m	Q4 2018	Q4 2017	Chg.	% chg.
Media	2,294	1,239	1,055	85%
Broadband	1,330	1,093	237	22%
Mobile	1,100	1,065	35	3%
Fixed Line	260	312	-52	-17%
Retail Sales	547	402	145	36%
Other Revenue	223	193	30	15%
Total Revenue	5,754	4,304	1,450	34%

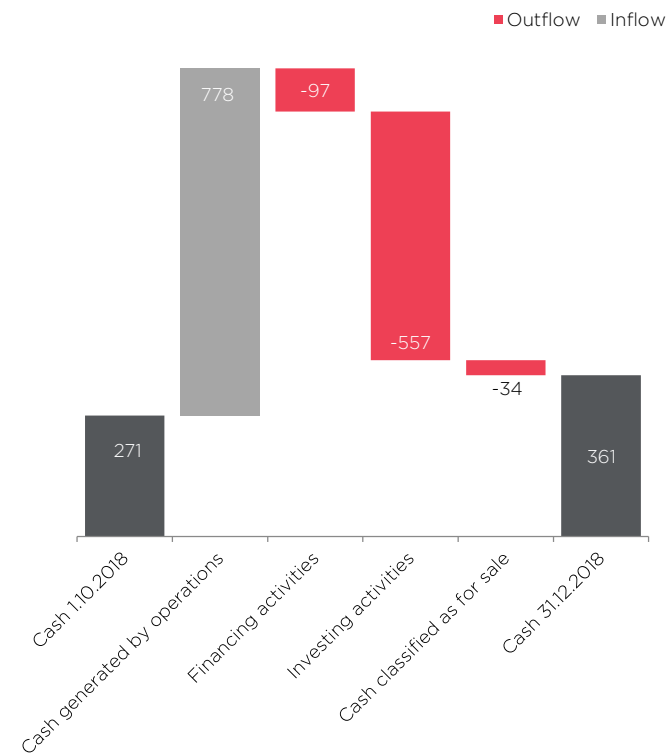


# Q3 Cash flow



ISK m	Q4 2018	Q4 2017	Change	% chg.
Cash generated by operations	778	691	87	13%
Investing activities	-557	-6,628	6,071	-92%
Financing activities	-97	5,869	-5,966	-102%
Change in cash	124	-68	192	-282%
Effect of exchange rate	-5	-1	-4	0%
Cash at beginning of period	271	385	-114	-30%
Cash classified as for sale	-34	0	-34	-
Cash at the end of period	356	317	39	12%
Free Cash Flow	402	240	162	68%

## Q4 2018 Cash Flow changes



\*Free cash flow consists of cash from operations before interest and income tax minus investment activities. The purchase of operations and shares and cash equivalents classified for sale is excluded as it is not related to the groups reinvestment needs.



## Key Financial Results 2018

### Revenue

21,951 m IKR  
54% increase from 2017

### EBITDA

3,248 m ISK  
3% increase from 2017

3,417 m ISK adj.\*  
2% increase from 2017

### Profit

473 m ISK  
56% decrease from 2017

608 m ISK adj.\*  
52% decrease from 2017

### Equity Ratio

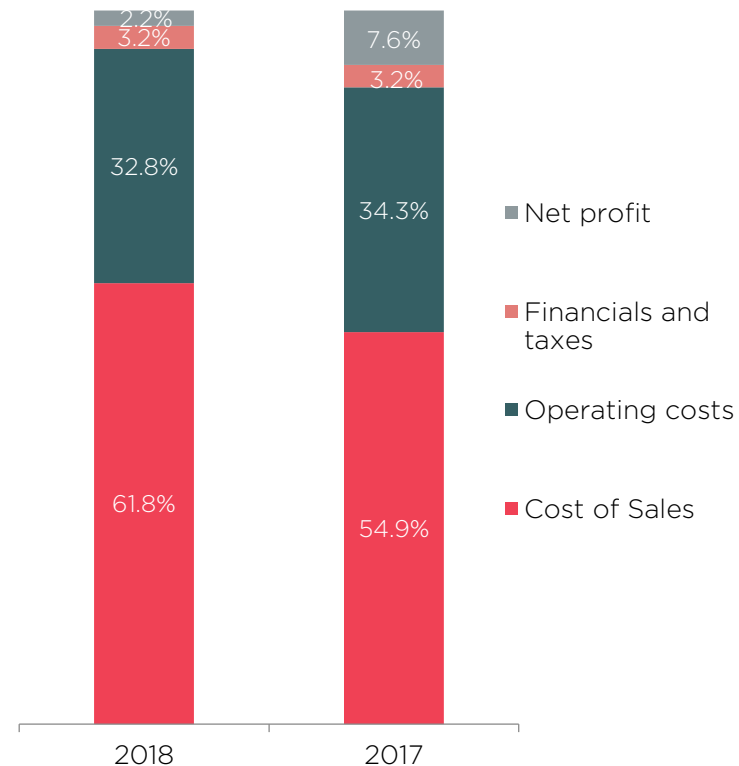
39.6%  
Was 39.7% in end of 2017

# 2018 Highlights



ISK m	2018	2017	Change	% change
Revenue	21,951	14,268	7,683	54%
Cost of Sales	13,556	7,829	5,727	73%
Gross Profit	8,395	6,439	1,956	30%
Operating Costs	7,192	4,889	2,303	47%
EBITDA	3,248	3,137	111	4%
EBIT	1,203	1,550	-347	-22%
Net Financials	728	374	354	95%
Net Profit	473	1,086	-613	-56%

Gross Margin (%)	38.2%	45.1%
EBITDA %	14.8%	22.0%
EBIT %	5.5%	10.9%





# 2018 Highlights



	2018	2017	Change	% change	Adjusted for one-time costs			
					2018 adj.	2017 adj.	Change	% change
Revenue	21,951	14,268	7,683	54%	21,984	14,268	7,716	54%
Cost of Sales	13,556	7,829	5,727	73%	13,540	7,829	5,710	73%
Gross Profit	8,395	6,439	1,956	30%	8,444	6,439	2,006	31%
Operating costs	7,192	4,889	2,303	47%	7,072	4,688	2,384	51%
<b>EBITDA</b>	<b>3,248</b>	<b>3,137</b>	<i>111</i>	<i>4%</i>	<b>3,417</b>	<b>3,338</b>	<i>80</i>	<i>2%</i>
<b>EBIT</b>	<b>1,203</b>	<b>1,550</b>	<i>-347</i>	<i>-22%</i>	<b>1,372</b>	<b>1,751</b>	<i>-380</i>	<i>-22%</i>
Net Financials	728	374	354	95%	728	374	354	95%
<b>Net Profit</b>	<b>473</b>	<b>1,086</b>	<i>-613</i>	<i>-56%</i>	<b>608</b>	<b>1,247</b>	<i>-639</i>	<i>-52%</i>

*Gross Margin (%)*

*38.2%*

*45.1%*

*38.4%*

*45.1%*

*EBITDA %*

*14.8%*

*22.0%*

*15.5%*

*23.4%*

*EBIT %*

*5.5%*

*10.9%*

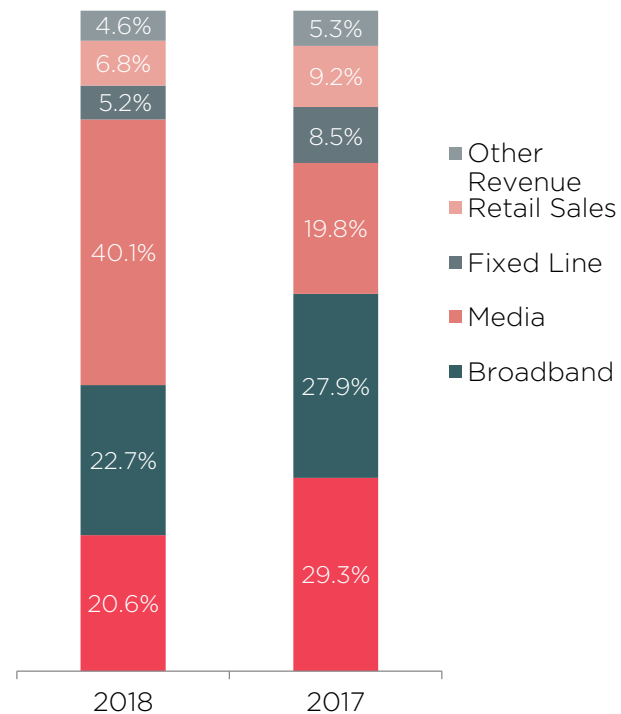
*6.2%*

*12.3%*

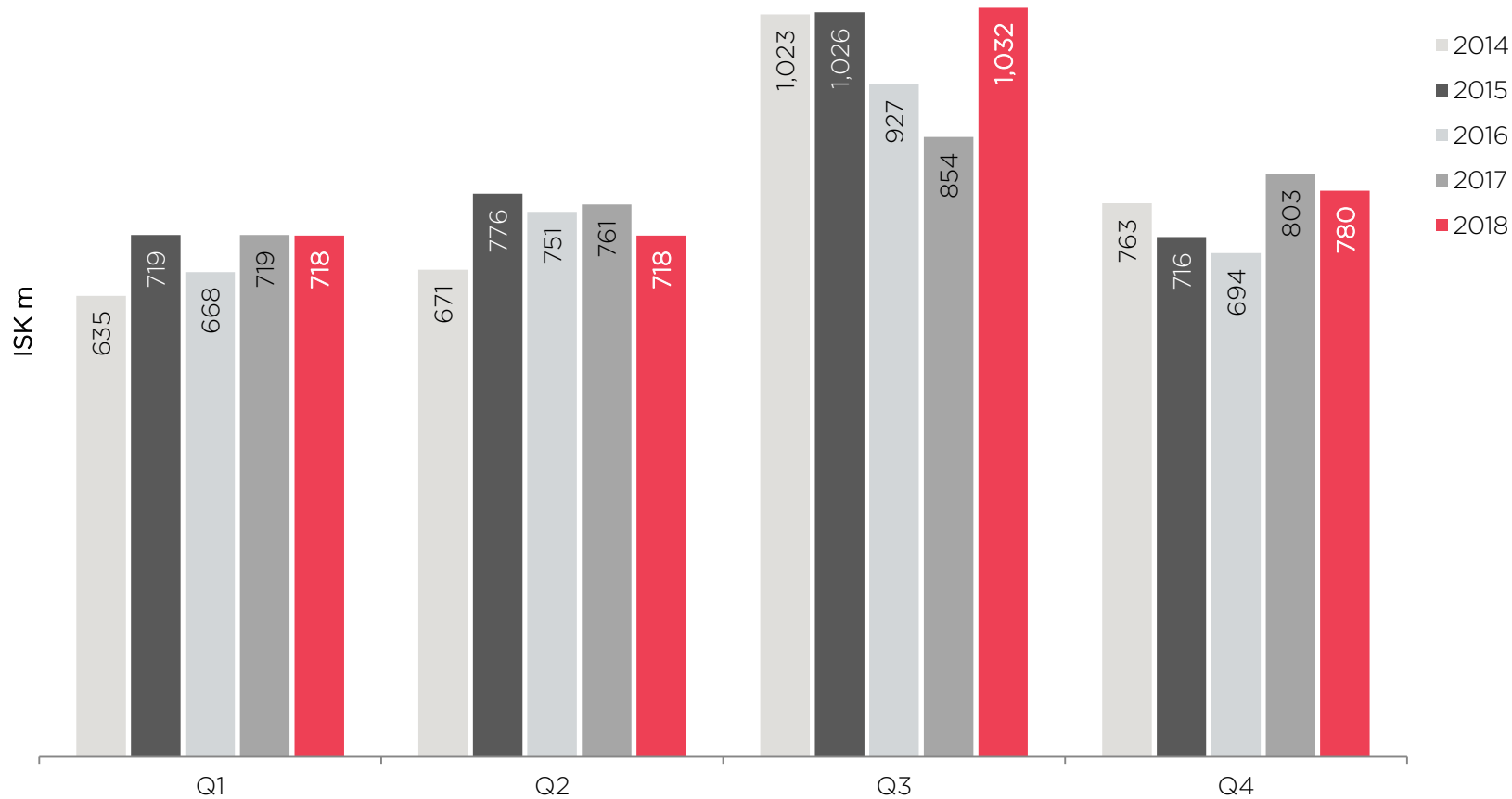
# Media largest contributor of revenue growth



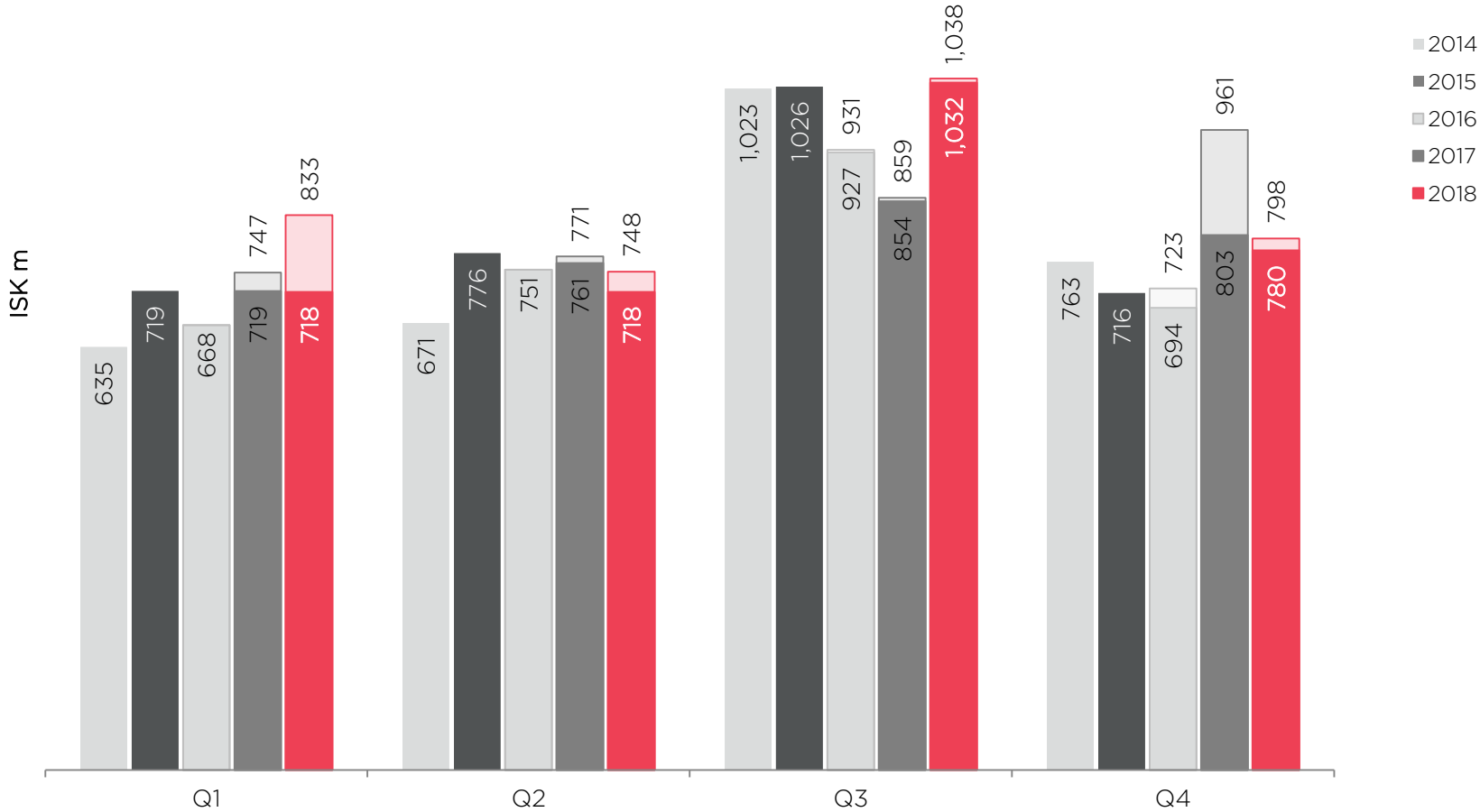
ISK m	2018	2017	Breyt.	% breyt.
Media	8,812	2,824	5,988	212%
Broadband	5,008	3,975	1,033	26%
GSM	4,515	4,179	336	8%
Fixed Line	1,131	1,213	-82	-7%
Retail Sales	1,485	1,320	165	12%
Other Revenue	1,000	757	243	32%
<b>Total Revenue</b>	<b>21,951</b>	<b>14,268</b>	<b>7,683</b>	<b>54%</b>



# EBITDA quarterly development



# EBITDA quarterly development adjusted for one time items



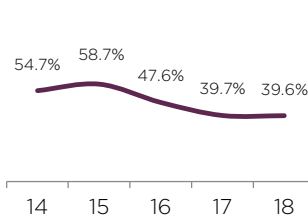
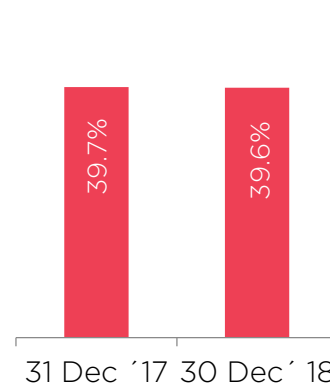
# Balance sheet 31.12.2018



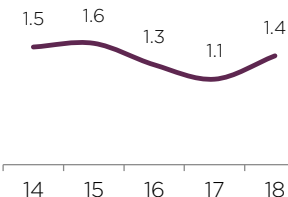
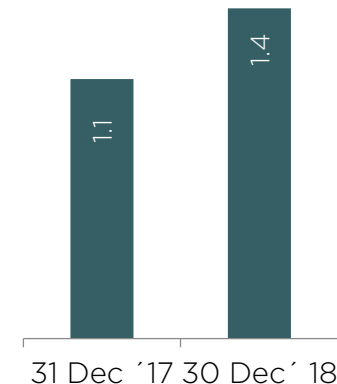
	31.12.18	31.12.17	Change	%
Operational assets	4,785	4,902	-117	-2%
Intangible assets	15,454	15,605	-151	-1%
Shares in other companies	48	16	32	200%
Fixed assets	20,287	20,523	-236	-1%
Other current assets	5,312	4,656	656	14%
Cash and cash equivalents	356	317	39	12%
Assets classified for sale	1,056	0	1,056	-
Current assets	6,724	4,973	1,751	35%
<b>Total assets</b>	<b>27,011</b>	<b>25,496</b>	<b>1,515</b>	<b>6%</b>

Changed comparative figures for 2017, see note 33 in the financial statements

## Equity Ratio



## Current Ratio\*



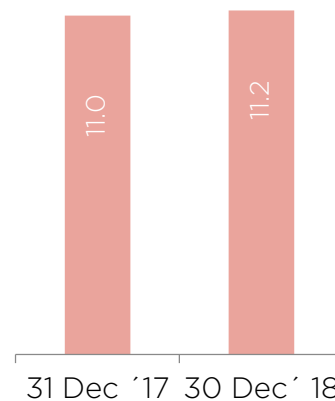
\*Current ratio for continuing operations

# Balance sheet 31.12.2018

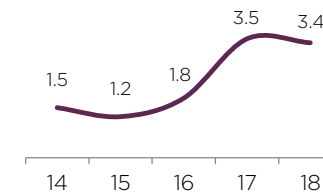
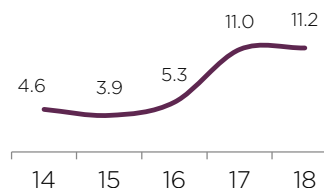
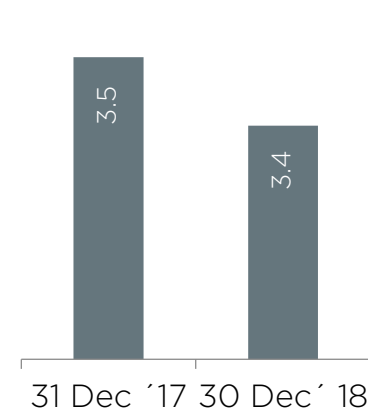


	31.12.18	31.12.17	Change	%
Equity	10,707	10,131	576	6%
Interest bearing debt	10,874	10,732	142	1%
Deferred tax liabilities	138	193	-55	-28%
Non-current liabilities	11,012	10,925	87	1%
Interest bearing debt	687	618	69	11%
Other current liabilities	4,167	3,822	345	9%
Liabilities connected to assets classified for sale	438	0	438	-
Current liabilities	5,292	4,440	852	19%
<b>Total equity and liabilities</b>	<b>27,011</b>	<b>25,496</b>	<b>1,515</b>	<b>6%</b>
<i>Interest bearing debt</i>	<i>11,561</i>	<i>11,350</i>		
<i>Net interest bearing debt</i>	<i>11,205</i>	<i>11,033</i>		
<i>Equity ratio</i>	<i>39.6%</i>	<i>39.7%</i>		

### Net Interest Bearing Debet



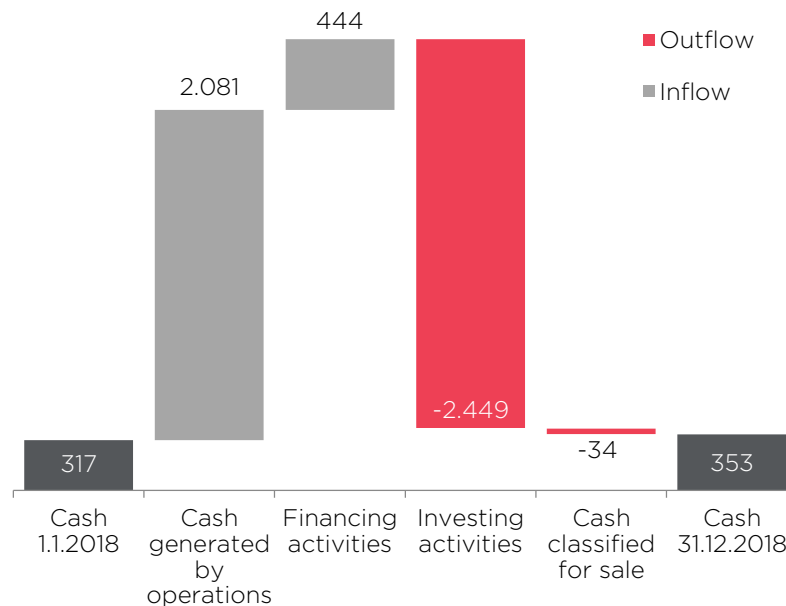
### Net Debt/EBITDA\*



# 2018 Cash flow



ISK m	2018	2017	Change	% chg.
Cash generated by operations	2,081	2,150	-69	-3%
Investing activities	-2,449	-7,857	5,408	-69%
Financing activities	444	5,659	-5,215	-92%
Change in cash	76	-48	124	-258%
Effect of exchange rate	-3	-3	0	0%
Cash at beginning of period	317	368	-51	-14%
Cash classified for sale	-34	0	-34	-
Cash at the end of period	356	317	39	12%
Free Cash Flow	341	805	-464	-58%



\*Free cash flow consists of cash from operations before interest and income tax minus investment activities. The purchase of operations and shares and cash equivalents classified for sale is excluded as it is not related to the groups reinvestment needs.



# Financial Guidance



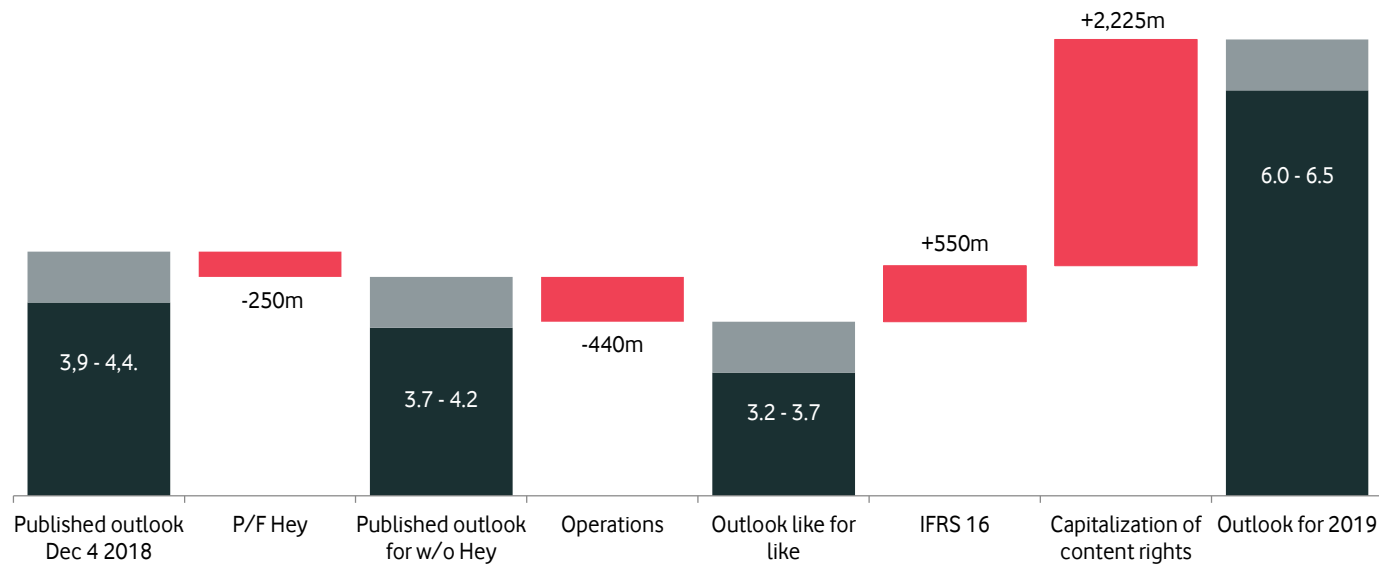
# Important aspects of the operation

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- Economic uncertainty impacted the company in 2018 and still does.
- Actions have resulted in increase sales, though competition in the market is fierce.
- Service was impacted during the merger, but is back to normal.
- Technical merger projects have mostly been completed and all operations have been moved to the groups headquarters at Suðurlandsbraut 8-10.
- Cost measures have resulted in, and will continue to deliver, improved operations to 2020.
- Sales of majority shares in Hey in the Faroe Islands are a part of simplifying the business.
- The construction of Reykjavik's first data center, which Sýn participates in, has begun at Korputorg and the data center becomes one of the most powerful in the country. New revenue can be expected from this project in 2020.
- Now that larger merger projects are largely completed, an integrated company is financially strong with a wide range of revenue streams and well-equipped to deal with economic uncertainty and competition.

# Financial guidance 2019



# Factors affecting prospects

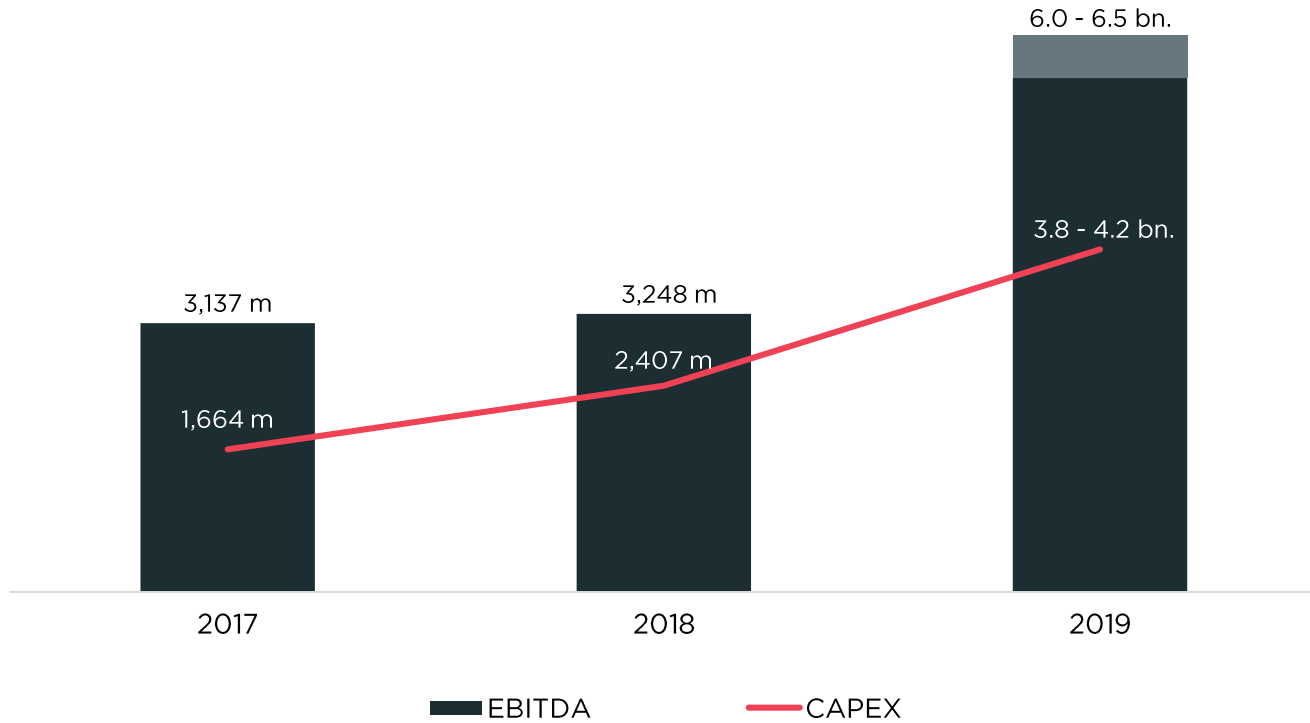


- Sales of the majority of shares in Hey are completed and are based on January 1. 2019.
- The estimated impact of the implementation of IFRS16 of operations and financial position on January 1. 2019, aims to ensure that other assumptions remain unchanged.
- The accounting method of content rights will be changed from January 1, 2019, and the rights will be accounted for as intangible assets, the effect on the EBITDA guidance is positive around ISK 2,2 bn.

Impact on:	Sale of P/F Hey	IFRS 16	Accounting of content rights
EBITDA	-245 ISK m	+550 ISK m	+2,225 ISK m
Depreciation	-155 ISK m	+440 ISK m	+2,225 ISK m
Net financial expenses	-	+175 ISK m	-
Profit	-	-60 ISK m	-
Total assets	-1,056 ISK m	+3,225 ISK m	-
Equity ratio	+1%	-5%	-

Effect of IFRS 16 and capitalization of exhibition rights are estimated.

# Guidance 2019





# Business highlights

# SPORT



## UEFA CHAMPIONS LEAGUE

The UEFA Champions League is an annual club football competition organised by the Union of European Football Associations and contested by top-division European clubs.



## SERIE A

The Italian premier league. 5-6 matches shown on Stod 2 Sport in every round.



## FORMULA 1

All of the Formula 1 races are live on Stod 2 Sport plus the F1 testing- and timing rounds.



## UEFA EUROPA LEAGUE

The UEFA Europa League is an annual football club competition organised by UEFA since 1971 for eligible European football clubs. 4 matches live in every round.



## PREMIER LEAGUE DARTS

Premier League Darts is live on Stod 2 Sport every thursday night.



## LENGJUBIKARINN

Lengjubikarinn is an annual football league cup which played over the winter.



## EUROPEAN QUALIFIERS

UEFA-affiliated national association football teams go through a group stage competition in order to qualify for the UEFA European Championship.



## DOMINOS-DEILDIN

Top quality Icelandic basketball, men and women division.



## INKASSO-DEILDIN

Icelandic football in league 1, played over the summertime.



## FA CUP

The FA Cup, also known officially as The Football Association Challenge Cup, is an annual knockout football competition in men's domestic English football.



## PEPSI MAX-DEILDIN

Icelandic football premier league, men and women division.



## UEFA EURO 2020

Euro 2020, is scheduled to be the 16th UEFA European Championship, the quadrennial international men's football championship of Europe organised by UEFA.



## CARABAO CUP

The EFL Cup, currently known as the Carabao Cup for sponsorship reasons, is an annual knockout football competition in men's domestic English football.



## MJÓLKURBIKARINN

Icelandic football league cup, men and womens, played over the summertime.



## ICC

The International Champions Cup is an annual club association football exhibition competition. It features club teams from Europe playing pre-season friendly matches.



## CHAMPIONSHIP DEILDIN

The English Football League Championship is the highest division of the English Football League and second-highest overall in the English football league system, after the Premier League.



## OLÍS-DEILDIN

Top quality Icelandic handball, men and women division.



## LA LIGA

The Campeonato Nacional de Liga de Primera División, commonly known as La Liga, is the men's top professional football division of the Spanish football league system



## UEFA NATIONS LEAGUE

The UEFA Nations League is a biennial international football competition contested by the senior men's national teams of the member associations of UEFA



## NFL-DEILDIN

The National Football League is a professional American football league consisting of 32 teams. 2 matches every sunday on Stod 2 Sport



## UFC

UFC Fight Nights, saturdays on Stod 2 Sport.



## GOLFSTÖÐIN

Live broadcasts from the PGA, LPGA and the European Championship.

 SPORT

## PERCENTAGE OF HOURS

LIVE BROADCASTS



PREMIER LEAGUE

15,4%



LA LIGA

13,2%



SERIE A

13,2%



ICELANDIC FOOTBALL

10,8%



DOMINOS-LEAGUE

10%



NATIONAL MATCHES

7,7%



OLÍS-LEAGUE

7,4%



CHAMPIONS LEAGUE

6,6%



EUROPEAN LEAGUE

4,1%



NFL

3,5%



FA CUP

3,1%



CHAMPIONSHIP

2,3%



UFC

1,9%



FORMULA 1

1,6%



PDC DARTS

0,9%



NATIONS LEAGUE FINAL 4

0,3%





13. september 2005 | Innlendir fréttir | 263 orð | 1 mynd

## Skylt að afhenda merki Enska boltans

Svik við úrskurð Samkeppnisráðs segir framkvæmdastjóri Íslenska sjónvarpsfélagsins

Eftir Hjálmar Jónsson [hjalmar@mbl.is](mailto:hjalmar@mbl.is).

Eftir Hjálmar Jónsson [hjalmar@mbl.is](mailto:hjalmar@mbl.is)

SAMKEPPNISEFTIRLITIÐ hefur úrskurðað að Íslenska sjónvarpsfélaginu beri þegar í stað að afhenda sjónvarpsmerki Enska boltans til þeirra fyrirtækja sem þess óska og uppfylla þau skilyrði sem félaginu er heimilt að setja í þeim efnun, samkvæmt úrskurði Samkeppnisráðs frá því snemma í vor.

Magnús Ragnarsson, framkvæmdastjóri Íslenska sjónvarpsfélagsins, segir að hann sé rasandi hissa á ákvörðun Samkeppniseftirlitsins og hann sé varla búinn að átta sig á hvernig Samkeppniseftirlitið treysti sér til að ganga með þessum hætti á bak orða sinna, eins og félagið túlki þau. Þetta séu svik við úrskurð Samkeppnisráðs frá því í vor.

Samkeppniseftirlitið segir í ákvörðuninni að Íslenska sjónvarpsfélagið hafi brotið gegn ákvæðum ákvörðunar Samkeppnisráðs frá því snemma í vor sem varðaði samruna Landsíma Íslands og Íslenska sjónvarpsfélagsins með því að neita að afhenda Íslandsmiðli ehf. og Tengi hf. sjónvarpmerki Enska boltans. Landsími Íslands hafi ekki einkarétt til að dreifa Enska boltanum á fjarstjoptakerfum fyrirtækisins.



Chelsea's Frank Lampard (L) and Eidur Gudjohnsen (C) jump for the ball with Arsenal's Gilberto during their English Premier League soccer match at Stamford Bridge in London August 21, 2005. NO ONLINE/INTERNET USE WITHOUT A LICENCE FROM THE FOOTBALL DATA CO LTD. FOR LICENCE ENQUIRIES PLEASE TELEPHONE +44 207 298 1656. REUTERS/Eddie Keogh — Reuters

13. september 2005 | Innlendir fréttir | 428 orð

## Framkvæmdastjóri Íslenska sjónvarpsfélagsins

### Dauðadómur fyrir stöðu ÍS á áskriftarmarkaði

MAGNÚS Ragnarsson, framkvæmdastjóri Íslenska sjónvarpsfélagsins, segir að hann sé rasandi hissa á ákvörðun Samkeppniseftirlitsins og hann sé varla búinn að átta sig á hvernig Samkeppniseftirlitið treysti sér til að ganga með þessum hætti á bak orða...

MAGNÚS Ragnarsson, framkvæmdastjóri Íslenska sjónvarpsfélagsins, segir að hann sé rasandi hissa á ákvörðun Samkeppniseftirlitsins og hann sé varla búinn að átta sig á hvernig Samkeppniseftirlitið treysti sér til að ganga með þessum hætti á bak orða sinna, eins og félagið túlki þau. Magnús sagði að í vor hefði verið úrskurðað um samruna Símans og Skjás eins annars vegar og hins vegar um samruna 365 miðla og OgVodafone. "Þá er í fyrsta lagi 365 gert skylt að afhenda sín merki strax til dreifingra. Þeir fengu aðlögunarfrest til 23. júní. Okkur er gert í rauninni skylt að afhenda okkar merki líka, en við fáum hins vegar aðlögunarfrest með Enska boltann til 2007," sagði Magnús.

Hann sagði að þetta hefði verið gert vegna stöðunnar á áskriftarsjónvarpsmarkaði. "Eftir þetta hefur Samkeppniseftirlitið nýja algjörlega misst áhuganum á þessum áskriftarsjónvarpsmarkaði og einblínr bara á ADSL-markaðinn. Þessi bráðabirgðaurður þýðir það í rauninni að við eigum að afhenda okkar merki strax. 365 eru ekki ennþá búin að afhenda sín merki," sagði Magnús einnig.

Hann sagði að þessi bráðabirgðaurður væri dauðadómur á þann hátt að Íslenska sjónvarpsfélaginu yrði ekki gert kleift að ná stöðu á áskriftarmarkaði. "Þetta þýðir náttúrulega bara að enski boltinn fer beint inn á Digital Ísland sem er með 70 þúsund myndlykla á íslenskum heimilum á meðan við erum með 10 þúsund," sagði Magnús.

Hann sagði að það hefði legið fyrir frá upphafi og hefði einnig legið fyrir í vor að ADSL-myndlyklar þóssuðu ekki við Digital Ísland-kerfið og því síður við kerfi Íslandsmiðils þar sem væri í rauninni um að ræða gervitungladreifinguna.

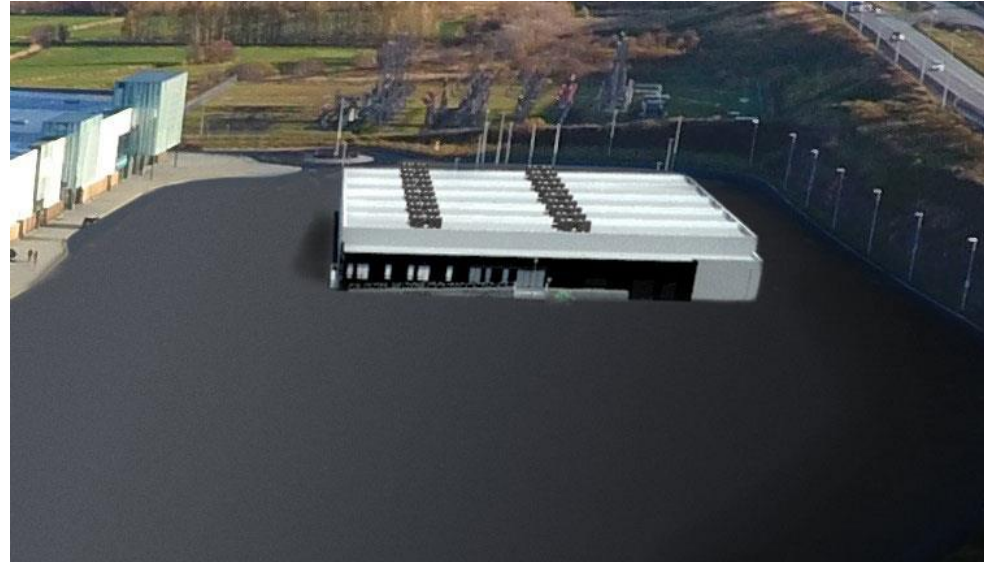
Magnús sagði að Íslenska sjónvarpsfélagið væri með í undirbúningi að bjóða upp á miklu meira en bara enska boltann. Til dæmis hefði verið í farvatninu að bjóða upp á myndleitu og það virkaði einfaldlega ekki nema á gagnvirkum dreifileiðum og ADSL væri eina gagnvirka dreifileiðin sem stæði til boða. Með þessari ákvörðun væri verið að setja þær áætlanir allar í uppnám.



# New Data Center opens at end of the year



- The data center development is on plan and will be operational by end of 2019
- The main contractor for the building is ICTRoom. ICTRoom will operate the data center for one year after it becomes operational
  - ICT Room is a Dutch company focusing on designing, building and operating modular data center
- Power contracts with Landsvirkjun and Landsnet are progressing as planned
- The project has attracted significant interest from both domestic and international parties.



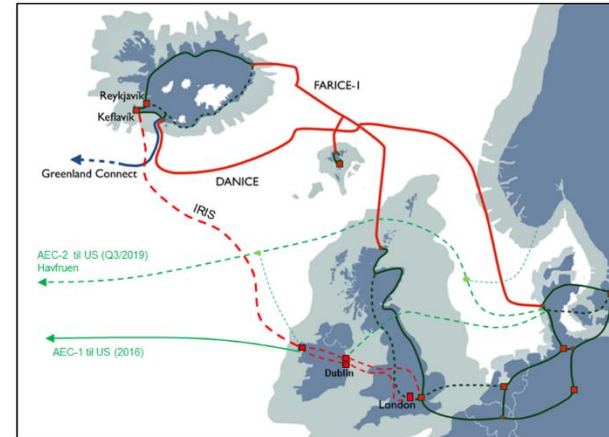
# Recent progress



- The Government Telecommunication Fund initiates a submarine survey for a new route, Farice undertakes to perform the survey for the fund in the summer 2019.
- The route to be surveyed, as introduced by Farice and the ministry of communications, is the same route as Sýn has focused on
- Significant cost savings can be in cooperation with a project from Norway



Installation synergies with subsea cables from Norway and Iceland



Possible route for a new cable (Irelce) between Iceland and Ireland as introduced by the ministry of communications



- **Mobile** – Revenue for use of cell phones, including data transfer with in the mobile network, subscription revenue from individuals, prepaid sim cards, roaming revenue from travelers, interconnection revenues etc.
- **Broadband** – Revenue from internet service in fixed-line networks, including fiber optic cables, xDSL service and other data connections.
- **Media** – Revenue from the operation of broadcast media, TV subscriptions, advertisement, distribution systems, set-top boxes, TVOD, SVOD and PPV.
- **Fixed line** – Revenue from home phone usage and corporate fixed line usage, interconnection revenue from fixed line.
- **Retail sale** – Revenue from sale of telecommunications equipment and accessories.
- **Other revenue** – Service revenues and rental of terminal equipment

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