

# Interim Report January - March 2010

## Highlights

### Highest ever EBITDA contribution from market area Russia

- In Q1 2010, Tele2 Russia added 949,000 (220,000) customers. During the quarter EBITDA amounted to SEK 719 (538) million, with better than expected contribution from both new regions and mature regions

### Continued revenue growth in market area Nordic

- Mobile revenue in market area Nordic grew by 3 percent, led by Tele2 Sweden's push into the postpaid segment

### Stable cashflow contribution from market area Central Europe & Eurasia

- Through tight control of operational and capital expenditures, market area Central Europe & Eurasia was able to tackle a poor economic climate and maintain cash-flow contribution to the group

### Further success in the corporate segment for market area Western Europe

- The market area Western Europe was once again successful in extending existing accounts and in acquiring new accounts in Q1 2010. As a result, EBITDA increased to SEK 611 (594) million in the quarter

SEK million	Q1		
	2010	2009	%
Net Sales	9,535	9,828	-3
EBITDA	2,358	2,244	5
EBIT excluding one-off items	1,549	1,351	15
EBIT	1,546	1,347	15
Net Profit/Loss	1,249	474	164
Earnings per share, after dilution (SEK)	2.82	1.05	169

The figures presented in this report correspond to Q1 2010 and continued operations unless otherwise stated. The figures shown in parentheses correspond to the comparable periods in 2009.

Net sales

**9,535**  
SEK million

EBITDA

**2,358**  
SEK million

**TELE2**

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# Taking it to the next level. Together.

At Tele2 we are proud but never satisfied, and our Q1 2010 interim results are proof that hard work pays off. EBITDA grew by 5 percent to SEK 2,358 million, resulting in a strong margin of 25 percent.

Mobility is at the core of Tele2's business model and will take our operations to the next level. We will focus on defending voice revenues while defining new business models to drive further growth in a maturing market. To gain the loyalty of our customers, we will also ensure that our services are intuitive and exciting. Indeed, an important part of offering the Best Deal consists in offering services that are easy to understand, easy to buy and easy to use.

Another major priority for Tele2 is to respond to the fast-rising demand for bandwidth. This is why we are pushing hard to build out 4G in Sweden during the year – and we will see to it that we leverage what we have learnt there in our other important markets.

The development of our corporate business remains one of our focus areas in 2010, as there is a significant potential for further profitable growth in this segment. We will introduce business-to-business services in more Tele2 countries. At the same time, we will work on getting more economies of scale from existing assets and skills in markets where we already have a presence in the corporate segment.

In terms of geographical presence, we will continue to carefully explore new opportunities in Russia and the CIS. We aim to maintain a healthy balance between growth regions and more mature markets.

## **Russia**

Our Russian operations have carried on their successful roll-out in new regions and all licences received in 2007 have now been commercially launched. This marks a very important milestone and we now aim to rapidly increase our market share in the new regions whilst targeting to reach operational break-even within two years of commercial launch.

## **Nordic**

We continued to do well in the Swedish postpaid segment and we still aim to increase our market share. More importantly, Q1 2010 showed stabilizing ARPU profile in the consumer postpaid segment, which to me is an early sign of a market recovery.

## **Central Europe & Eurasia**

The situation in the Baltic region continues to be tough and recovery is still expected to be very slow. Our focus is to maintain cash flow contribution and further exploit opportunities in the corporate segment. Croatia is developing according to plan and we are firm in our belief that we will be able to reach EBITDA break-even in the 2H 2010. Lastly, we would like to welcome our latest member of the Tele2 Group – Tele2 in Kazakhstan, currently operating under the brand NEO.

## **Western Europe**

The market area once again proved that it can generate sustainable and profitable growth by further optimizing its structure and sales processes. To maintain high performance, it is important that we further differentiate our strategy and improve commercial quality at all levels. There shall be no reason not to choose Tele2.

Going forward the strategy is simple – Tele2 always offers the best deal.

Lars Nilsson

*CFO & Interim President and CEO, Tele2 AB*

# Financial Overview

Tele2's financial performance is a function of a continued focus on developing mobile services on our own infrastructure, complemented in some countries by fixed broadband services and business-to-business offerings. Mobile sales, which continued to grow compared to the same period last year, and a greater focus on mobile services on own infrastructure have further improved our EBITDA margin. The decline in the fixed telephony customer base is expected to persist. The company will focus on maximizing the return from fixed-line operations.

**Net customer** intake amounted to 811,000 (5,000) in Q1 2010. Including the acquisition of NEO in Kazakhstan, the net customer intake amounted to 1,076,000. The customer intake in mobile services almost tripled to 972,000 (264,000), of which 33,000 (22,000) were mobile internet users. This result was mainly driven by a solid performance in Tele2 Russia. During the period, Tele2 Russia's customer base grew by 949,000 (220,000) customers, of which 683,000 (84,000) were derived from new operations. Fixed broadband customer intake amounted to 9,000 (-4,000) customers in Q1 2010, thanks to a good intake in Sweden and the Netherlands. As expected, the number of fixed telephony customers decreased during the quarter. However the churn rate in the fixed telephony customer base improved in the quarter. In Q1 2010, the total customer base increased to 27,655,000 (24,023,000) driven by continued success in mobile services and the inclusion of the customer base of Tele2 in Kazakhstan following the closure of the transaction in the quarter.

**Net sales** in Q1 2010 amounted to SEK 9,535 (9,828) million, a decrease of -3 percent. The revenue development was mainly a result of negative sales development in fixed telephony together with the divestment of Tele2 Norway's fixed broadband operations in Q2 2009.

**EBITDA** in Q1 2010 amounted to SEK 2,358 (2,244) million, equivalent to an EBITDA margin of 25 (23) percent. The EBITDA development was positively affected by strong operational development in fixed broadband services and was to some extent hampered by an increased push in mobile marketing spend with an emphasis on the roll-out of new regions in Russia.

**EBIT** in Q1 2010 amounted to SEK 1,549 (1,351) million excluding one-off items of SEK -3 (-4) million<sup>1)</sup>. Including one-off items, EBIT amounted to SEK 1,546 (1,347) million.

**Profit/loss** before tax amounted to SEK 1,588 (755) million.

**Net profit/loss** amounted to SEK 1,249 (474) million. Reported tax for Q1 2010 amounted to SEK -339 (-281) million affected by one-off items amounting to SEK 0 (-196) million<sup>2)</sup>. Tax payment affecting cash flow amounted to SEK -233 (-456) million.

**Cash flow after Capex** amounted to SEK 1,683 (682) million.

**CAPEX** amounted to SEK 582 (1,168) million, due to a temporary delay in investments in Tele2 Russia.

**Net debt** amounted to SEK 3,203 (4,433) million on March 31, 2010, or 0.34 times full-year 2009 EBITDA. Including guarantees to joint ventures, the net debt to full-year 2009 EBITDA amounted to 0.53 times. Tele2's available liquidity amounted to SEK 13,188 (10,147) million.

## FINANCIAL GUIDANCE

Tele2's objective is to have a healthy balance between growth regions and more mature markets, and to be established in Europe and Eurasia. The company will secure licenses through strong local connections within the business and political arenas in all its markets. Tele2's core markets will be characterized by:

- An established Best Deal position
- The capability to reach a Top 2 position, in terms of customer market share, in an individual country or region
- A mobile operation based on own infrastructure should reach at least 35 percent EBITDA margin
- All operations in the group should reach at least 20 percent return on capital employed (ROCE)

## Tele2 Group forward looking statement

The following points should be considered when estimating 2010 for the group:

- Tele2 forecasts a corporate tax rate of approximately 22 (earlier 20) percent excluding one-off items. The tax payment will affect cash flow by approximately SEK 800 (earlier 700) million due to better than expected operational performance in Tele2 Russia.
- Tele2 forecasts a CAPEX level in the range of SEK 4,600-4,800 million.

## Tele2 Sweden forward looking statement

The following assumptions should be taken into account when estimating the Swedish mobile operations in 2010:

- Tele2 will continue to target the postpaid segment resulting in a full year EBITDA margin in the range of 33-35 percent depending on customer intake.

## Tele2 Russia forward looking statement

Tele2 has GSM licenses in 37 regions in Russia covering approximately 61 million inhabitants. The Russian operations have been divided into 17 old regions and 20 new regions. The following assumptions should be taken into account when estimating the operational performance of the total operations in Russia 2010-2011:

- Subscriber base should be able to reach 19-20 (earlier 18-19) million by YE 2011.
- Accumulated ARPU growth should amount to 5 percent in local currency.

<sup>1)</sup> See section EBIT on page 20

<sup>2)</sup> See Note 3

- EBITDA margin in the old regions should stabilize at 45 percent (earlier evolve in the range of 40–45 percent). EBITDA contribution in 2010 from new regions should be in the range of SEK -600 to -800 million (earlier SEK -700 to -900 million). The new regions' EBITDA margin should break even 2 years from commercial launch. Tele2 Russia's total EBITDA margin should evolve in the range of 27–32 (earlier 25–30) percent.
- Accumulated Capex in Russia should be in the range of SEK 4,500–5,000 million by YE 2011.

#### Tele2 Croatia forward looking statement

The following assumptions should be taken into account when estimating the Croatian mobile operations in 2010:

- Tele2 Croatia will reach EBITDA break-even by 2H 2010

#### Shareholder remuneration

Tele2's intention over the medium term is to pay a progressive ordinary dividend to its shareholders. The Board of Tele2 AB has decided to recommend an increase of the ordinary dividend of 10 percent to SEK 3.85 (3.50) per share in respect of the financial year 2009 to the Annual General Meeting (AGM) on 17 May 2010. The board has also decided to recommend an extraordinary dividend of SEK 2.00 (1.50) per share related to divestments made during the year.

#### Balance sheet

Tele2's longer term financial leverage, defined as net debt/EBITDA ratio, should be in line with the industry and the markets in which it operates and reflect the status of its operations, future strategic opportunities and contingent liabilities.

SEK million	Q1 2010	Q1 2009	FY 2009
<b>Mobile<sup>1)</sup></b>			
Net customer intake (thousands)	972	264	3,139
Net sales	6,183	5,853	24,619
EBITDA	1,689	1,515	6,605
EBIT	1,260	1,154	4,887
CAPEX	247	841	3,119
<b>Fixed broadband<sup>1)</sup></b>			
Net customer intake (thousands)	9	-4	-11
Net sales	1,548	1,804	6,691
EBITDA	282	241	1,055
EBIT	17	-154	-370
CAPEX	152	185	661
<b>Fixed telephony<sup>1)</sup></b>			
Net customer intake (thousands)	-170	-255	-801
Net sales	1,314	1,611	5,986
EBITDA	372	422	1,590
EBIT	319	357	1,332
CAPEX	25	18	82
<b>Total</b>			
Net customer intake (thousands)	811	5	2,327
Net sales <sup>2)</sup>	9,535	9,828	39,474
EBITDA	2,358	2,244	9,394
EBIT <sup>3)</sup>	1,546	1,347	5,736
CAPEX	582	1,168	4,439
<b>EBT</b>	1,588	755	5,236
Net profit/loss	1,249	474	4,755
Cash flow from operating activities	2,291	1,831	9,118
Cash flow after CAPEX	1,683	682	4,778

1) Less one-off items (see section EBIT on page 20)

2) Including one-off items (see Note 2)

3) Total EBIT includes result from sale of operations, impairment and other one-off items stated under the segment reporting section of EBIT (see page 20)

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## **SIGNIFICANT EVENTS IN THE QUARTER**

- Tele2 completed the acquisition of a majority share in mobile operator NEO in Kazakhstan for SEK 545 million (see Note 7)
- Tele2 acquired minority stake in its Russian mobile operation in Rostov for SEK 368 million (see Note 7)
- Tele 2 Sweden started to build out next generation infrastructure (referred to as 4G)
- Change of revenue recognition calculation for mobile Sweden (see Note 10) and internal sale between mobile and fixed access networks (see Note 9)
- Tele2's CEO, Harri Koponen, left the company (see Note 2)

### **Significant subsequent events**

- Tele2's Nomination Committee announced a proposal for the Board of Directors for Tele2
- The Nomination Committee proposed the election of Mike Parton as Chairman of the Board of Directors succeeding Vigo Carlund

# Overview by region

## NORDIC

The Nordic market area is a strong cash-flow generator to the Tele2 organization and also the test bed for new services.

### Sweden

**Mobile:** In Q1 2010, net sales grew by 3 percent to SEK 1,919 (1,867) million mainly due to a higher net customer intake in the consumer postpaid segment adding 29,000 (48,000) new customers, of which 15,000 (15,000) were mobile internet users. Tele2 Sweden continued to push for high ARPU customers within the postpaid segment, which resulted in an increasing share of net customers with monthly instalment plans. Within the total postpaid voice consumer segment 26 (21) percent of the customer base had monthly instalment plans in Q1 2010. During the quarter, Tele2 Sweden changed the accounting treatment for handsets sold with monthly instalments. As a result, both costs for handsets and revenue from instalment payments should be taken upfront (see Note 10).

In Q1 2010, the total mobile internet customer base amounted to 299,000 (185,000). The total net intake amounted to 25,000 (15,000). During the quarter Tele2 Sweden showed a stable EBITDA contribution with SEK 664 (648) million due to improved revenue and decreased sales costs. The profitability within the prepaid voice segment was maintained during the quarter at 50 (51) percent, thanks to a good ARPU development.

In the business segment, Tele2 Sweden reported stable growth and continued to win several major contracts especially with the product Communication as a service. In the consumer segment, Tele2/Comviq was recognized as the most appreciated operator brand among young people.

The mobile operations in Sweden reported a blended ARPU<sup>1)</sup> of SEK 179 (185). ARPU for mobile internet<sup>1)</sup> increased in the quarter to SEK 135 (88). MoU per customer, excluding mobile internet, increased to 241 (222) in Q1 2010.

Costs associated with SUNAB joint venture amounted to SEK -122 (-110) million in Q1 2010. During the quarter, Tele2 Sweden's joint venture company Net4Mobility started the build out of what will be Sweden's most extensive 4G, network and at the same time performed an upgrade of the 2G network.

**Fixed Broadband:** In Q1 2010, Tele2 Sweden had a high pace of ADSL and LAN sales resulting in improved revenue. Tele2 Sweden has a clear price position in the fixed broadband market and has focused on cross selling products to existing customers.

Profitability in the fixed broadband segment declined in Q1 2010, reaching an EBITDA margin of 4 (8) percent, due to an improved net customer intake.

**Fixed Telephony:** The scope of the fixed telephony market is slowly decreasing. Sales activities are focused on increasing the number of products per customer, e.g. by bundling fixed telephony with broadband services.

In the quarter, Tele2 Sweden saw a continued demand from customers in low tariff fixed price plans and VoIP subscriptions. The fixed telephony segment showed a stable revenue and profitability development in the quarter.

### Norway

**Mobile:** Tele2 Norway reported revenue of SEK 659 (636) million, a growth of 4 percent, and an EBITDA contribution of SEK 39 (25) million. The improvement was achieved despite the fact that the termination rate has been lowered by the authorities from NOK 1.15 to NOK 1.00 from February 2009.

The net intake amounted to 4 (-4) in Q1 2010. EBITDA improvement was reached through cost reductions, an increased share of high ARPU customers and lower churn.

During the quarter Mobile Norway, Tele2 Norway's joint venture with Network Norway, has for the first time incurred a cost for unused capacity from Mobile Norway. The cost was included as direct cost in Tele2 Norway, negatively affecting EBITDA with SEK -11 million in the quarter.

The EBIT result was negatively impacted by Tele2 Norway's share of the result from the Mobile Norway joint venture of SEK -2 (-16) million in Q1 2010.

Tele2 Norway kept delivering on the Best Deal strategy focusing on strengthening price position and increased quality perception. In order to gain market share, Tele2 Norway started selling prepaid subscriptions in physical sales channels in Q1 2010. The fierce competition in the postpaid segment persisted during the quarter. However, Tele2 continued the push for a higher market share through price leading offers. The business segment progressed positively with a net intake during the quarter.

**Fixed Telephony:** Tele2 Norway was able to deliver stable revenue and profitability, resulting in an EBITDA contribution of SEK 18 (14) million in Q1 2010. This was achieved through intensified efforts to bring costs down and keep improving the quality of the overall customer base.

## RUSSIA

The Russian operation is Tele2's most important growth engine. The company has GSM licenses in 37 with approximately 61 million inhabitants.

**Mobile:** Tele2 Russia successfully executed on its strategy to have a balanced approach to rolling-out new regions while improving profitability in the more mature regions. The market's response has been in line with or even better than expected compared to the business plan. The customer base of the new regions grew by 683,000 (84,000) customers.

Tele2 Russia reported an overall solid customer intake and added 949,000 (220,000) new users in the quarter. The total customer base amounted to 15,400,000 (10,642,000). The turnover of the total customer base improved both sequentially and annually, partly driven by the introduction of a new commission structure to the retail channels, improving the quality of the customer intake. During the quarter, Tele2 Russia broadened the cooperation with the Post of Russia to include several new cities.

Despite an impact from customer base growth in new regions with lower initial service usage, MoU for the total operations increased by 8 percent compared to Q1 2009, amounting to 220 (204). ARPU amounted to SEK 50 (48) or RUB 206 (195), despite a strong customer intake in new regions. The general pricing environment remained highly competitive throughout the Tele2 Russia footprint.

Supported by customer growth, Tele2 Russia carried on demonstrating good financial performance in the quarter. Revenue grew by 32 percent in Q1 2010 compared to the same period last year. The EBITDA margin development was robust, driven by strong operational performance in the more mature regions, as the company focused more on customer retention measures and stimulated usage rather than on market share growth. EBITDA in the mature regions amounted to SEK 886 (601) million, equivalent to a margin of 45 (36) percent. EBITDA in the new regions amounted to SEK -167 (-63) million.

<sup>1)</sup>Recurring ARPU: Less sale of equipment and terminals

Tele2 Russia will continue to look for possibilities to carefully expand its operations through new licenses as well as complementary acquisitions which fit with its corporate culture.

## CENTRAL EUROPE AND EURASIA

Tele2's Baltic operations will remain focused on creating a strong operational platform it can leverage on once economic stability is re-established in the region. Tele2's Croatian operation is a strong challenger as it offers the Best Deal in both voice services and mobile internet.

### Estonia

**Mobile:** The economic climate remained relatively challenging in Q1 2010. There was no clear recovery in consumer confidence and price pressure remained in all customer segments, particularly in the corporate segment. However, through enhanced efficiency measures of both operational and capital expenditures, Tele2 Estonia was able to improve its cash flow contribution during the period.

In this difficult environment, Tele2 Estonia improved its price position by launching new price-leading tariff plans on the market, both for mobile voice and mobile internet services. By offering the Best Deal, Tele2 Estonia's net intake grew in Q1 2010.

By the end of Q1 2010, Tele2 Estonia's 3.5G network covered all major cities, in total more than 70 percent of the population. During the quarter, interest in mobile services in the Estonian market increased.

According to a brand survey carried out February 2010, the Tele2 brand was named most-liked brand among Estonian people in the telecommunication, finance and infrastructure sectors.

### Lithuania

**Mobile:** Tele2 Lithuania managed to benefit from a sustained price leadership position, supported by effective sales and marketing campaigns. During Q1 2010, Tele2 Lithuania experienced good operational development and kept gaining market shares in both the postpaid consumer and corporate segments, confirming its position as market leader.

Tough price competition affected ARPU negatively during Q1 2010, leading to decreasing revenue. Nevertheless, Tele2 was able to successfully increase profitability by managing to keep reducing acquisition costs. Profitability was also positively influenced by a significantly higher customer base. Through a reduction of capital expenditures, cash flow contribution improved in the quarter.

Tele2 Lithuania will continue to focus on growing its market share in the corporate segment, to benefit from general price sensitivity among private companies and state-owned organizations. It will also start sales of mobile internet products, since Tele2 has already built a 3G network which fully corresponds to the market standard.

### Latvia

**Mobile:** As a result of a tough economic environment combined with aggressive price competition, the competitive landscape in the mobile sector remained challenging in all customer segments, leading to a continuation of price pressure in both mobile voice and mobile data.

The uptake of mobile internet products had good traction during the quarter and there were early signs of improved demand for the service. Tele2 Latvia will position itself as the best deal provider in this area in order to build market share in the new business segment.

The postpaid segment continued to suffer as a consequence of the

deteriorating economic context but it is showing signs of recovery. Through scrutinizing capital expenditures, Tele2 Latvia improved cash flow contribution.

Tele2 Latvia will continue activities to expand market share in the corporate segment, including state owned companies.

### Croatia

**Mobile:** Tele2 Croatia experienced a strong customer intake in the postpaid voice and mobile internet segments during Q1 2010. As a consequence of the changed principle for calculating the number of active customers in Q2 2009 (see Note 8), the total net intake in the quarter was lower compared to the same period last year.

Competitive pressure remained high in the quarter, but Tele2 Croatia maintained its price leading position. Tele2 Croatia will continue to exploit increased price sensitivity in the market and aims to double its market share in the medium term.

Tele2 Croatia will carry on laying emphasis on profitability in order to reach EBITDA break-even by 2H 2010.

## WESTERN EUROPE

Tele2's operations in Western Europe are the gold standard for the Group in Business to Business services and consumer fixed broadband.

### The Netherlands

**Mobile:** During Q1 2010, Tele2 Netherlands launched several new campaigns with innovative postpaid propositions, which halted the declining trend and led to a net increase in the postpaid customer base. Especially the "BIG DEAL" campaign, in which Tele2 Netherlands offers a high-end handset with a competitive postpaid subscription, proved to be successful. As Tele2 Netherlands continues to focus on high value postpaid subscriptions, the prepaid base and associated revenues showed a decline during the quarter. The focus on postpaid subscriptions resulted in an increase of margins in the mobile segment.

**Fixed Broadband:** The Dutch fixed broadband market continued to experience increased competition from cable operators that offer bundled products with high-speed internet access based on the latest Docsis 3.0 technology. The Dutch fixed broadband market is also becoming an increasingly saturated market with one of the highest broadband penetrations in Europe. During Q1 2010, Tele2 Netherlands was nonetheless able to materialize on the increased demand for its multi play offerings by increasing the intake of its new multi-play offer based on HD TV.

In the corporate segment, Tele2 Netherlands was again successful in prolonging existing accounts and in acquiring new accounts (such as Schiphol Telematics). During Q1 2010, Tele2 Netherlands also launched its (data) connect portfolio on ADSL2+.

During the quarter, the company further benefited from improvements in the regulatory environment, such as the decision on the Wholesale Price Cap II (WPC II) as imposed by the regulator, which provided relief on copper line rental fees and certain fees relating to fixed voice propositions.

**Fixed Telephony:** The fixed (resell) telephony market continued to decline in favour of bundled (dual play) offers. Tele2 Netherlands increased its efforts to up- and cross-sell its fixed telephony base towards its own bundled offerings. The company also continued to retain its CPS customer base with its wholesale line rental product (WLR).

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## Germany

**Fixed Broadband:** The German market showed signs of market saturation and industry consolidation started in the quarter. Mainly the cable operators as well as the incumbent continued to use promotional pricing as an important marketing tool. Tele2 Germany maintained its strategy of focusing on profitability rather than on market share.

**Fixed Telephony:** Tele2 Germany is the largest CPS (Carrier Pre-Select) provider in the market. As a result of the company's emphasis on retention activities and customer base management, the customer base developed better than planned. The EBITDA margin for fixed line was of 36 (38) percent in Q1 2010. Price competition in the segment was relatively low as most operators concentrated their marketing initiatives on fixed broadband services.

## Austria

**Fixed Broadband:** Bundled product offers and strong competition during the quarter affected the fixed broadband market in Austria negatively. Consumers continued to be heavily influenced by promotional offerings when making purchase decisions. Hence, Tele2 Austria maintained its focus on customer base management. Business and carrier segments developed according to plan and Tele2 Austria still remained the only full-service alternative to the incumbent in the business segment with a broad and flexible product range.

**Fixed Telephony:** Tele2 Austria remained the largest CPS provider and stabilized churn during the quarter due to effective retention activities. As a result Q1 2010 showed a significant cash flow improvement from the residential segment.

In the business segment Tele2 Austria continued with active sales and solution business strategy.



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## **OTHER ITEMS**

### **Risks and uncertainty factors**

Tele2's operations are affected by a number of external factors. The risk factors considered to be most significant to Tele2's future development are operating risks such as the availability of frequencies and other telecom licenses, operations in Russia, network sharing with other parties, integration of new business models, changes in regulatory legislation, legal proceedings, economic climate and financial risks such as currency risk, interest risk, liquidity risk and credit risk. In addition to the risks described in Tele2's annual report for 2009 (see Directors' report and Note 2 of the report for a detailed description of Tele2's risk exposure and risk management), no additional significant risks are estimated to have developed.

## **COMPANY DISCLOSURE**

### **Dividend**

The Board of Tele2 AB has decided to recommend an increase of the ordinary dividend of 10 percent to SEK 3.85 (3.50) per share in respect of the financial year 2009 to the Annual General Meeting (AGM) in May 2010. The board has also decided to recommend an extraordinary dividend of SEK 2.00 (1.50) per share related to divestments made during the year.

### **Tele2 AB (publ) Annual General Meeting 2010**

The 2010 Annual General Meeting will be held on 17 May 2010 at 1 p.m. CET at Hotel Rival in Stockholm.

Shareholders who wish to participate in the Annual General Meeting shall have their names entered in the register of shareholders maintained by Euroclear Sweden AB on 10 May 2010, and notify the Company of their intention to participate by no later than 1.00 p.m. on 10 May 2010. The notification can be made on the Company's website, [www.tele2.com](http://www.tele2.com), by telephone +46-771 246 400 or in writing to the Company.

### **Other**

Tele2 will release the financial and operating results for the period ending June 30, 2010 on July 21, 2010.

Stockholm, April 21, 2010

Tele2 AB

Lars Nilsson  
*CFO/Interim President and CEO*

### **Report Review**

The financial and operating results for this interim report have not been subject to specific review by the company's auditors.

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## Result Meeting

Tele2 will host a conference call, with an interactive presentation, for the global financial community at 10.00 am CET (09.00 am UK time/04.00 am NY time) on Wednesday, April 21, 2010. The conference call will be held in English and also available as audiocast on Tele2's website, [www.tele2.com](http://www.tele2.com).

## Dial-in information

To ensure that you are connected to the conference call, please dial in a few minutes before the start of the conference call to register your attendance.

## Dial-in numbers:

Sweden: +46 (0)8 505 598 53

UK: +44 (0) 203 043 24 36

US: +1 866 458 40 87

You will also be in a position to listen to the conference call afterwards.

Replay number will be available 10 days following the conference call:

Sweden: +46 (0)8 506 269 49

Passcode: 242097 #

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## APPENDICES

Income statement

Comprehensive income

Change in shareholders' equity

Balance sheet

Cash flow statement

Number of customers

Net sales

Internal sales

EBITDA

EBIT

CAPEX

Key ratios

Parent company

Notes

**VISIT OUR WEBSITE: [www.tele2.com](http://www.tele2.com)**

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**TELE2 IS ONE OF EUROPE 'S LEADING TELECOM OPERATORS, ALWAYS PROVIDING THE BEST DEAL.** We have 28 million customers in 11 countries. Tele2 offers mobile services, fixed broadband and telephony, data network services, cable TV and content services. Ever since Jan Stenbeck founded the company in 1993, it has been a tough challenger to the former government monopolies and other established providers. Tele2 has been listed on the NASDAQ OMX Stockholm since 1996. In 2009, we had net sales of SEK 39.5 billion and reported an operating profit (EBITDA) of SEK 9.4 billion.

# Income statement

SEK million	Note	2010 Jan 1-Mar 31	2009 Jan 1-Mar 31	2009 Full year
<b>CONTINUING OPERATIONS</b>				
Net sales	1	9,535	9,828	39,474
Operating expenses	2	-8,007	-8,512	-33,720
Result from shares in associated companies and joint ventures		14	-18	-98
Other operating income		42	148	422
Other operating expenses		-38	-99	-342
<b>Operating profit/loss, EBIT</b>		<b>1,546</b>	<b>1,347</b>	<b>5,736</b>
Net interest expenses	1	-77	-139	-358
Exchange rate differences, external		-11	-166	3
Exchange rate differences, intragroup		132	-267	-80
Other financial items		-2	-20	-65
<b>Profit/loss after financial items, EBT</b>		<b>1,588</b>	<b>755</b>	<b>5,236</b>
Tax on profit/loss	3	-339	-281	-481
<b>NET PROFIT/LOSS FROM CONTINUING OPERATIONS</b>		<b>1,249</b>	<b>474</b>	<b>4,755</b>
<b>DISCONTINUED OPERATIONS</b>				
Net profit/loss from discontinued operations		19	197	-46
<b>NET PROFIT/LOSS</b>		<b>1,268</b>	<b>671</b>	<b>4,709</b>
ATTRIBUTABLE TO				
Equity holders of the parent company		1,265	663	4,673
Minority interest		3	8	36
<b>NET PROFIT/LOSS</b>		<b>1,268</b>	<b>671</b>	<b>4,709</b>
Earnings per share (SEK)		2.87	1.51	10.61
Earnings per share, after dilution (SEK)		2.86	1.50	10.59
FROM CONTINUING OPERATIONS				
Earnings per share (SEK)		2.83	1.06	10.72
Earnings per share, after dilution (SEK)		2.82	1.05	10.70
Number of outstanding shares, basic	4	440,401,339	440,351,339	440,381,339
Number of shares in own custody	4	5,798,000	9,448,000	5,798,000
Number of shares, weighted average	4	440,396,672	440,351,339	440,355,339
Number of shares after dilution	4	441,536,323	440,954,611	441,506,048
Number of shares after dilution, weighted average	4	441,606,093	440,959,944	441,272,717

# Comprehensive income

SEK million	2010 Jan 1-Mar 31	2009 Jan 1-Mar 31	2009 Full year
<b>Net profit/loss</b>	<b>1,268</b>	<b>671</b>	<b>4,709</b>
OTHER COMPREHENSIVE INCOME			
Exchange rate differences	-821	-122	-1,370
Exchange rate differences, tax effect	-587	23	-565
Reversed cumulative exchange rate differences from divested companies	-	-1	-138
Withholding tax	-	-	-19
Cash flow hedges	-7	-9	-6
Cash flow hedges, tax effect	2	1	-
<b>Other comprehensive income for the period, net of tax</b>	<b>-1,413</b>	<b>-108</b>	<b>-2,098</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-145</b>	<b>563</b>	<b>2,611</b>
ATTRIBUTABLE TO			
Equity holders of the parent company	-148	558	2,579
Minority interest	3	5	32
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-145</b>	<b>563</b>	<b>2,611</b>

# Change in shareholders' equity

SEK million	Note	Mar 31, 2010			Mar 31, 2009			Dec 31, 2009		
		Attributable to		Total share- holders' equity	Attributable to		Total share- holders' equity	Attributable to		Total share- holders' equity
		equity holders of the parent company	minority interests		equity holders of the parent company	minority interests		equity holders of the parent company	minority interests	
Shareholders' equity, January 1		28,402	63	28,465	28,151	50	28,201	28,151	50	28,201
Effect of restatement	10	358	-	358	204	-	204	204	-	204
Adjusted shareholders' equity, January 1		28,760	63	28,823	28,355	50	28,405	28,355	50	28,405
Costs for stock options	4	6	-	6	5	-	5	25	-	25
New share issues	4	2	-	2	-	-	-	4	-	4
Repurchase of own shares	4	-	-	-	-	-	-	-1	-	-1
Dividends	4	-	-	-	-	-	-	-2,202	-4	-2,206
Purchase of minority		-306	-63	-369	-	-	-	-	-15	-15
Comprehensive income for the period		-148	3	-145	558	5	563	2,579	32	2,611
<b>SHAREHOLDERS' EQUITY, END OF PERIOD</b>		<b>28,314</b>	<b>3</b>	<b>28,317</b>	<b>28,918</b>	<b>55</b>	<b>28,973</b>	<b>28,760</b>	<b>63</b>	<b>28,823</b>

# Balance sheet

SEK million	Note	Mar 31, 2010	Mar 31, 2009	Dec 31, 2009
<b>ASSETS</b>				
<b>FIXED ASSETS</b>				
Goodwill	7	10,541	11,460	10,179
Other intangible assets		3,211	2,053	2,234
<b>Intangible assets</b>		<b>13,752</b>	<b>13,513</b>	<b>12,413</b>
Tangible assets		15,757	15,573	15,344
Financial assets		662	434	596
Deferred tax assets	3	3,580	4,846	4,502
<b>FIXED ASSETS</b>		<b>33,751</b>	<b>34,366</b>	<b>32,855</b>
<b>CURRENT ASSETS</b>				
Materials and supplies		167	316	201
Current receivables		6,299	8,065	6,255
Short-term investments		108	2,949	114
Cash and cash equivalents		993	792	1,312
<b>CURRENT ASSETS</b>		<b>7,567</b>	<b>12,122</b>	<b>7,882</b>
<b>ASSETS</b>		<b>41,318</b>	<b>46,488</b>	<b>40,737</b>
<b>EQUITY AND LIABILITIES</b>				
<b>SHAREHOLDERS' EQUITY</b>				
Attributable to equity holders of the parent company		28,314	28,918	28,760
Minority interests		3	55	63
<b>SHAREHOLDERS' EQUITY</b>		<b>28,317</b>	<b>28,973</b>	<b>28,823</b>
<b>LONG-TERM LIABILITIES</b>				
Interest-bearing liabilities		3,810	4,899	3,188
Non-interest-bearing liabilities		922	734	731
<b>LONG-TERM LIABILITIES</b>		<b>4,732</b>	<b>5,633</b>	<b>3,919</b>
<b>SHORT-TERM LIABILITIES</b>				
Interest-bearing liabilities		523	3,509	443
Non-interest-bearing liabilities		7,746	8,373	7,552
<b>SHORT-TERM LIABILITIES</b>		<b>8,269</b>	<b>11,882</b>	<b>7,995</b>
<b>EQUITY AND LIABILITIES</b>		<b>41,318</b>	<b>46,488</b>	<b>40,737</b>

# Cash flow statement\*

SEK million	Note	2010 Jan 1-Mar 31	2009 Jan 1-Mar 31	2009 Full year	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4
<b>OPERATING ACTIVITIES</b>										
Cash flow from operations, less paid taxes		2,341	1,923	9,079	2,341	2,560	2,499	2,097	1,923	1,973
Taxes paid	3	-233	-456	-883	-233	-205	-98	-124	-456	-120
Changes in working capital	1	183	364	922	183	346	186	26	364	84
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>2,291</b>	<b>1,831</b>	<b>9,118</b>	<b>2,291</b>	<b>2,701</b>	<b>2,587</b>	<b>1,999</b>	<b>1,831</b>	<b>1,937</b>
<b>INVESTING ACTIVITIES</b>										
Capital expenditure in intangible and tangible assets, CAPEX		-608	-1,149	-4,340	-608	-1,048	-1,065	-1,078	-1,149	-1,233
<b>Cash flow after CAPEX</b>		<b>1,683</b>	<b>682</b>	<b>4,778</b>	<b>1,683</b>	<b>1,653</b>	<b>1,522</b>	<b>921</b>	<b>682</b>	<b>704</b>
Acquisition of shares and participations	7	-810	-59	-845	-810	-167	-302	-317	-59	-141
Sale of shares and participations	7	-9	-38	848	-9	511	94	281	-38	247
Changes of short-term investments etc		-	362	3,383	-	-16	103	2,934	362	5
<b>Cash flow from investing activities</b>		<b>-1,427</b>	<b>-884</b>	<b>-954</b>	<b>-1,427</b>	<b>-720</b>	<b>-1,170</b>	<b>1,820</b>	<b>-884</b>	<b>-1,122</b>
<b>CASH FLOW AFTER INVESTING ACTIVITIES</b>		<b>864</b>	<b>947</b>	<b>8,164</b>	<b>864</b>	<b>1,981</b>	<b>1,417</b>	<b>3,819</b>	<b>947</b>	<b>815</b>
<b>FINANCING ACTIVITIES</b>										
Change of loans, net		-1,167	-1,484	-5,872	-1,167	-1,332	-1,564	-1,492	-1,484	-831
Dividends	4	-	-	-2,202	-	-	-	-2,202	-	-
New share issues	4	2	-	4	2	3	1	-	-	-
Repurchase of own shares	4	-	-	-1	-	-	-1	-	-	-
Dividend to minority		-	-	-4	-	-	-3	-1	-	-
<b>Cash flow from financing activities</b>		<b>-1,165</b>	<b>-1,484</b>	<b>-8,075</b>	<b>-1,165</b>	<b>-1,329</b>	<b>-1,567</b>	<b>-3,695</b>	<b>-1,484</b>	<b>-831</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>-301</b>	<b>-537</b>	<b>89</b>	<b>-301</b>	<b>652</b>	<b>-150</b>	<b>124</b>	<b>-537</b>	<b>-16</b>
Cash and cash equivalents at beginning of period		1,312	1,250	1,250	1,312	683	1,021	792	1,250	1,327
Exchange rate differences in cash		-18	79	-27	-18	-23	-188	105	79	-61
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>		<b>993</b>	<b>792</b>	<b>1,312</b>	<b>993</b>	<b>1,312</b>	<b>683</b>	<b>1,021</b>	<b>792</b>	<b>1,250</b>

\* including discontinued operations (Note 7)

# Number of customers

by thousands	Note	Number of customers		Net intake								
		2010 Mar 31	2009 Mar 31	2010 Jan 1- Mar 31	2009 Jan 1- Mar 31	2009 Full year	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4
<b>Sweden</b>												
Mobile	8	3,378	3,380	15	22	205	15	20	107	56	22	28
Fixed broadband		456	439	12	6	11	12	1	7	-3	6	3
Fixed telephony		705	796	-41	-21	-71	-41	-17	-17	-16	-21	-33
		<b>4,539</b>	<b>4,615</b>	<b>-14</b>	<b>7</b>	<b>145</b>	<b>-14</b>	<b>4</b>	<b>97</b>	<b>37</b>	<b>7</b>	<b>-2</b>
<b>Norway</b>												
Mobile	8	470	456	4	-4	8	4	3	7	2	-4	19
Fixed broadband		-	87	-	-4	-7	-	-	-	-3	-4	-7
Fixed telephony		116	127	-4	-6	-13	-4	-	-4	-3	-6	-4
		<b>586</b>	<b>670</b>	<b>-</b>	<b>-14</b>	<b>-12</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>-4</b>	<b>-14</b>	<b>8</b>
<b>Russia</b>												
Mobile	8	15,400	10,642	949	220	2,947	949	1,149	1,100	478	220	484
		<b>15,400</b>	<b>10,642</b>	<b>949</b>	<b>220</b>	<b>2,947</b>	<b>949</b>	<b>1,149</b>	<b>1,100</b>	<b>478</b>	<b>220</b>	<b>484</b>
<b>Estonia</b>												
Mobile	8	458	489	11	-13	-23	11	-12	3	-1	-13	-1
Fixed telephony		13	16	-	-	-3	-	-1	-1	-1	-	-1
		<b>471</b>	<b>505</b>	<b>11</b>	<b>-13</b>	<b>-26</b>	<b>11</b>	<b>-13</b>	<b>2</b>	<b>-2</b>	<b>-13</b>	<b>-2</b>
<b>Lithuania</b>												
Mobile	8	1,610	1,916	2	-8	-65	2	-60	22	-19	-8	12
Fixed broadband		44	42	-	1	3	-	1	1	-	1	1
Fixed telephony		3	4	-	-	-1	-	-	-1	-	-	-1
		<b>1,657</b>	<b>1,962</b>	<b>2</b>	<b>-7</b>	<b>-63</b>	<b>2</b>	<b>-59</b>	<b>22</b>	<b>-19</b>	<b>-7</b>	<b>12</b>
<b>Latvia</b>												
Mobile	8	1,039	1,083	-19	-23	-36	-19	-19	5	1	-23	-25
Fixed telephony		1	2	-	-	-1	-	-	-1	-	-	-1
		<b>1,040</b>	<b>1,085</b>	<b>-19</b>	<b>-23</b>	<b>-37</b>	<b>-19</b>	<b>-19</b>	<b>4</b>	<b>1</b>	<b>-23</b>	<b>-26</b>
<b>Croatia</b>												
Mobile	8	624	765	26	62	122	26	-18	70	8	62	76
		<b>624</b>	<b>765</b>	<b>26</b>	<b>62</b>	<b>122</b>	<b>26</b>	<b>-18</b>	<b>70</b>	<b>8</b>	<b>62</b>	<b>76</b>
<b>Kazakhstan</b>												
Mobile	7	265	-	-	-	-	-	-	-	-	-	-
		<b>265</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Netherlands</b>												
Mobile	8	383	466	-16	8	-19	-16	-18	-8	-1	8	-19
Fixed broadband		431	382	13	14	50	13	8	15	13	14	19
Fixed telephony		289	362	-18	-27	-82	-18	-17	-20	-18	-27	-23
		<b>1,103</b>	<b>1,210</b>	<b>-21</b>	<b>-5</b>	<b>-51</b>	<b>-21</b>	<b>-27</b>	<b>-13</b>	<b>-6</b>	<b>-5</b>	<b>-23</b>
<b>Germany</b>												
Fixed broadband		131	163	-8	-14	-38	-8	-6	-8	-10	-14	-14
Fixed telephony		1,375	1,843	-93	-187	-562	-93	-90	-170	-115	-187	-172
		<b>1,506</b>	<b>2,006</b>	<b>-101</b>	<b>-201</b>	<b>-600</b>	<b>-101</b>	<b>-96</b>	<b>-178</b>	<b>-125</b>	<b>-201</b>	<b>-186</b>
<b>Austria</b>												
Fixed broadband		126	157	-8	-7	-30	-8	-14	-5	-4	-7	-4
Fixed telephony		338	406	-14	-14	-68	-14	-23	-14	-17	-14	-39
		<b>464</b>	<b>563</b>	<b>-22</b>	<b>-21</b>	<b>-98</b>	<b>-22</b>	<b>-37</b>	<b>-19</b>	<b>-21</b>	<b>-21</b>	<b>-43</b>
<b>TOTAL</b>												
Mobile	8	<b>23,627</b>	<b>19,197</b>	<b>972</b>	<b>264</b>	<b>3,139</b>	<b>972</b>	<b>1,045</b>	<b>1,306</b>	<b>524</b>	<b>264</b>	<b>574</b>
Fixed broadband		<b>1,188</b>	<b>1,270</b>	<b>9</b>	<b>-4</b>	<b>-11</b>	<b>9</b>	<b>-10</b>	<b>10</b>	<b>-7</b>	<b>-4</b>	<b>-2</b>
Fixed telephony		<b>2,840</b>	<b>3,556</b>	<b>-170</b>	<b>-255</b>	<b>-801</b>	<b>-170</b>	<b>-148</b>	<b>-228</b>	<b>-170</b>	<b>-255</b>	<b>-274</b>
<b>TOTAL CONTINUING OPERATIONS</b>		<b>27,655</b>	<b>24,023</b>	<b>811</b>	<b>5</b>	<b>2,327</b>	<b>811</b>	<b>887</b>	<b>1,088</b>	<b>347</b>	<b>5</b>	<b>298</b>
Acquired companies	7			265	-	-	265	-	-	-	-	4
Divested companies				-	-	-84	-	-	-84	-	-	-
Changed method of calculation	8			-	-	318	-	-	-249	567	-	211
<b>Discontinued operations</b>												
Net intake		-	-25	-	-25	-40	-	-6	-9	-	-25	2
Divested companies		-	468	-	-	-377	-	-377	-	-	-	-466
Changed method of calculation		-	-	-	-	-51	-	-	-37	-14	-	-
<b>TOTAL OPERATIONS</b>		<b>27,655</b>	<b>24,466</b>	<b>1,076</b>	<b>-20</b>	<b>2,093</b>	<b>1,076</b>	<b>504</b>	<b>709</b>	<b>900</b>	<b>-20</b>	<b>49</b>

# Net sales

SEK million	Note	2010 Jan 1–Mar 31	2009 Jan 1–Mar 31	2009 Full year	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4
<b>Sweden</b>										
Mobile	9	1,956	1,896	8,008	1,956	2,040	2,043	2,029	1,896	1,974
Fixed broadband		359	350	1,400	359	355	346	349	350	348
Fixed telephony		460	486	1,909	460	476	471	476	486	522
Other operations		42	88	264	42	52	49	75	88	71
		<b>2,817</b>	<b>2,820</b>	<b>11,581</b>	<b>2,817</b>	<b>2,923</b>	<b>2,909</b>	<b>2,929</b>	<b>2,820</b>	<b>2,915</b>
<b>Norway</b>										
Mobile		659	636	2,616	659	667	659	654	636	609
Fixed broadband		2	97	194	2	3	2	92	97	95
Fixed telephony		116	125	482	116	120	117	120	125	128
		<b>777</b>	<b>858</b>	<b>3,292</b>	<b>777</b>	<b>790</b>	<b>778</b>	<b>866</b>	<b>858</b>	<b>832</b>
<b>Russia</b>										
Mobile		2,237	1,684	7,600	2,237	2,155	1,918	1,843	1,684	1,992
		<b>2,237</b>	<b>1,684</b>	<b>7,600</b>	<b>2,237</b>	<b>2,155</b>	<b>1,918</b>	<b>1,843</b>	<b>1,684</b>	<b>1,992</b>
<b>Estonia</b>										
Mobile		213	254	998	213	236	247	261	254	263
Fixed telephony		2	3	11	2	2	3	3	3	3
Other operations		11	14	56	11	13	15	14	14	17
		<b>226</b>	<b>271</b>	<b>1,065</b>	<b>226</b>	<b>251</b>	<b>265</b>	<b>278</b>	<b>271</b>	<b>283</b>
<b>Lithuania</b>										
Mobile		319	422	1,674	319	404	413	435	422	455
Fixed broadband		6	7	27	6	7	6	7	7	6
Fixed telephony		-	2	3	-	-	1	-	2	2
		<b>325</b>	<b>431</b>	<b>1,704</b>	<b>325</b>	<b>411</b>	<b>420</b>	<b>442</b>	<b>431</b>	<b>463</b>
<b>Latvia</b>										
Mobile		337	448	1,636	337	369	399	420	448	443
Fixed telephony		-	-	-	-	-	-	-	-	1
		<b>337</b>	<b>448</b>	<b>1,636</b>	<b>337</b>	<b>369</b>	<b>399</b>	<b>420</b>	<b>448</b>	<b>444</b>
<b>Croatia</b>										
Mobile		297	292	1,296	297	346	342	316	292	269
		<b>297</b>	<b>292</b>	<b>1,296</b>	<b>297</b>	<b>346</b>	<b>342</b>	<b>316</b>	<b>292</b>	<b>269</b>
<b>Netherlands</b>										
Mobile		225	265	1,014	225	232	245	272	265	260
Fixed broadband	1	846	936	3,529	846	879	869	845	936	796
Fixed telephony		306	389	1,429	306	327	338	375	389	379
Other operations		146	207	746	146	167	174	198	207	202
		<b>1,523</b>	<b>1,797</b>	<b>6,718</b>	<b>1,523</b>	<b>1,605</b>	<b>1,626</b>	<b>1,690</b>	<b>1,797</b>	<b>1,637</b>
<b>Germany</b>										
Fixed broadband		88	122	436	88	98	103	113	122	122
Fixed telephony		331	473	1,670	331	367	389	441	473	504
Other operations		97	112	436	97	111	104	109	112	100
		<b>516</b>	<b>707</b>	<b>2,542</b>	<b>516</b>	<b>576</b>	<b>596</b>	<b>663</b>	<b>707</b>	<b>726</b>
<b>Austria</b>										
Fixed broadband		250	297	1,123	250	269	271	286	297	270
Fixed telephony		105	148	522	105	121	122	131	148	140
Other operations		145	162	670	145	185	173	150	162	149
		<b>500</b>	<b>607</b>	<b>2,315</b>	<b>500</b>	<b>575</b>	<b>566</b>	<b>567</b>	<b>607</b>	<b>559</b>
<b>Other</b>										
Other operations		243	302	1,102	243	258	266	276	302	380
		<b>243</b>	<b>302</b>	<b>1,102</b>	<b>243</b>	<b>258</b>	<b>266</b>	<b>276</b>	<b>302</b>	<b>380</b>
<b>TOTAL</b>										
Mobile		<b>6,243</b>	<b>5,897</b>	<b>24,842</b>	<b>6,243</b>	<b>6,449</b>	<b>6,266</b>	<b>6,230</b>	<b>5,897</b>	<b>6,265</b>
Fixed broadband		<b>1,551</b>	<b>1,809</b>	<b>6,709</b>	<b>1,551</b>	<b>1,611</b>	<b>1,597</b>	<b>1,692</b>	<b>1,809</b>	<b>1,637</b>
Fixed telephony		<b>1,320</b>	<b>1,626</b>	<b>6,026</b>	<b>1,320</b>	<b>1,413</b>	<b>1,441</b>	<b>1,546</b>	<b>1,626</b>	<b>1,679</b>
Other operations		<b>684</b>	<b>885</b>	<b>3,274</b>	<b>684</b>	<b>786</b>	<b>781</b>	<b>822</b>	<b>885</b>	<b>919</b>
		<b>9,798</b>	<b>10,217</b>	<b>40,851</b>	<b>9,798</b>	<b>10,259</b>	<b>10,085</b>	<b>10,290</b>	<b>10,217</b>	<b>10,500</b>
Internal sales, elimination	9	-263	-389	-1,393	-263	-294	-332	-378	-389	-439
		<b>9,535</b>	<b>9,828</b>	<b>39,458</b>	<b>9,535</b>	<b>9,965</b>	<b>9,753</b>	<b>9,912</b>	<b>9,828</b>	<b>10,061</b>
One-off items	1	-	-	16	-	-1	76	-59	-	-32
<b>TOTAL CONTINUING OPERATIONS</b>		<b>9,535</b>	<b>9,828</b>	<b>39,474</b>	<b>9,535</b>	<b>9,964</b>	<b>9,829</b>	<b>9,853</b>	<b>9,828</b>	<b>10,029</b>
Discontinued operations	7	-	323	1,092	-	177	278	314	323	471
<b>TOTAL OPERATIONS</b>		<b>9,535</b>	<b>10,151</b>	<b>40,566</b>	<b>9,535</b>	<b>10,141</b>	<b>10,107</b>	<b>10,167</b>	<b>10,151</b>	<b>10,500</b>



# Internal sales

SEK million	Note	2010 Jan 1–Mar 31	2009 Jan 1–Mar 31	2009 Full year	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4
<b>Sweden</b>										
Mobile	9	37	29	131	37	38	34	30	29	42
Fixed telephony		-	3	7	-	-	1	3	3	-
Other operations		15	44	120	15	12	21	43	44	36
		<b>52</b>	<b>76</b>	<b>258</b>	<b>52</b>	<b>50</b>	<b>56</b>	<b>76</b>	<b>76</b>	<b>78</b>
<b>Norway</b>										
Fixed telephony		6	11	32	6	7	7	7	11	14
		<b>6</b>	<b>11</b>	<b>32</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>11</b>	<b>14</b>
<b>Russia</b>										
Mobile		18	7	60	18	16	25	12	7	9
		<b>18</b>	<b>7</b>	<b>60</b>	<b>18</b>	<b>16</b>	<b>25</b>	<b>12</b>	<b>7</b>	<b>9</b>
<b>Estonia</b>										
Other operations		11	14	56	11	13	15	14	14	17
		<b>11</b>	<b>14</b>	<b>56</b>	<b>11</b>	<b>13</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>17</b>
<b>Lithuania</b>										
Mobile		3	3	15	3	4	3	5	3	3
Fixed telephony		-	1	1	-	-	-	-	1	1
		<b>3</b>	<b>4</b>	<b>16</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>5</b>	<b>4</b>	<b>4</b>
<b>Latvia</b>										
Mobile		2	5	17	2	1	8	3	5	2
		<b>2</b>	<b>5</b>	<b>17</b>	<b>2</b>	<b>1</b>	<b>8</b>	<b>3</b>	<b>5</b>	<b>2</b>
<b>Netherlands</b>										
Fixed broadband		3	5	18	3	4	5	4	5	5
Other operations		6	8	32	6	9	6	9	8	9
		<b>9</b>	<b>13</b>	<b>50</b>	<b>9</b>	<b>13</b>	<b>11</b>	<b>13</b>	<b>13</b>	<b>14</b>
<b>Germany</b>										
Other operations		14	37	135	14	26	32	40	37	43
		<b>14</b>	<b>37</b>	<b>135</b>	<b>14</b>	<b>26</b>	<b>32</b>	<b>40</b>	<b>37</b>	<b>43</b>
<b>Austria</b>										
Other operations		6	9	42	6	9	11	13	9	15
		<b>6</b>	<b>9</b>	<b>42</b>	<b>6</b>	<b>9</b>	<b>11</b>	<b>13</b>	<b>9</b>	<b>15</b>
<b>Other</b>										
Other operations		142	213	727	142	155	164	195	213	243
		<b>142</b>	<b>213</b>	<b>727</b>	<b>142</b>	<b>155</b>	<b>164</b>	<b>195</b>	<b>213</b>	<b>243</b>
<b>TOTAL</b>										
Mobile		60	44	223	60	59	70	50	44	56
Fixed broadband		3	5	18	3	4	5	4	5	5
Fixed telephony		6	15	40	6	7	8	10	15	15
Other operations		194	325	1,112	194	224	249	314	325	363
<b>TOTAL CONTINUING OPERATIONS</b>		<b>263</b>	<b>389</b>	<b>1,393</b>	<b>263</b>	<b>294</b>	<b>332</b>	<b>378</b>	<b>389</b>	<b>439</b>
Discontinued operations	7	-	-	-	-	-	-	-	-	7
<b>TOTAL OPERATIONS</b>		<b>263</b>	<b>389</b>	<b>1,393</b>	<b>263</b>	<b>294</b>	<b>332</b>	<b>378</b>	<b>389</b>	<b>446</b>

# EBITDA

SEK million	Note	2010 Jan 1–Mar 31	2009 Jan 1–Mar 31	2009 Full year	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4
<b>Sweden</b>										
Mobile	9	664	648	2,661	664	652	681	680	648	677
Fixed broadband	9	15	29	86	15	12	38	7	29	10
Fixed telephony	9	107	105	387	107	93	107	82	105	108
Other operations		8	14	59	8	7	6	32	14	10
		<b>794</b>	<b>796</b>	<b>3,193</b>	<b>794</b>	<b>764</b>	<b>832</b>	<b>801</b>	<b>796</b>	<b>805</b>
<b>Norway</b>										
Mobile		39	25	180	39	46	58	51	25	27
Fixed broadband		1	-3	2	1	2	1	2	-3	-1
Fixed telephony		18	14	64	18	20	17	13	14	13
		<b>58</b>	<b>36</b>	<b>246</b>	<b>58</b>	<b>68</b>	<b>76</b>	<b>66</b>	<b>36</b>	<b>39</b>
<b>Russia</b>										
Mobile		719	538	2,473	719	695	596	644	538	645
		<b>719</b>	<b>538</b>	<b>2,473</b>	<b>719</b>	<b>695</b>	<b>596</b>	<b>644</b>	<b>538</b>	<b>645</b>
<b>Estonia</b>										
Mobile		56	76	290	56	63	74	77	76	64
Fixed telephony		-	-	-	-	-	-	-	-	1
Other operations		-1	2	2	-1	1	-1	-	2	4
		<b>55</b>	<b>78</b>	<b>292</b>	<b>55</b>	<b>64</b>	<b>73</b>	<b>77</b>	<b>78</b>	<b>69</b>
<b>Lithuania</b>										
Mobile		112	156	591	112	125	143	167	156	124
Fixed broadband		1	1	6	1	2	1	2	1	2
Fixed telephony		-	1	1	-	1	-1	-	1	1
		<b>113</b>	<b>158</b>	<b>598</b>	<b>113</b>	<b>128</b>	<b>143</b>	<b>169</b>	<b>158</b>	<b>127</b>
<b>Latvia</b>										
Mobile		109	149	527	109	108	132	138	149	158
		<b>109</b>	<b>149</b>	<b>527</b>	<b>109</b>	<b>108</b>	<b>132</b>	<b>138</b>	<b>149</b>	<b>158</b>
<b>Croatia</b>										
Mobile		-41	-91	-244	-41	-53	-43	-57	-91	-108
		<b>-41</b>	<b>-91</b>	<b>-244</b>	<b>-41</b>	<b>-53</b>	<b>-43</b>	<b>-57</b>	<b>-91</b>	<b>-108</b>
<b>Netherlands</b>										
Mobile		31	14	127	31	27	36	50	14	56
Fixed broadband	1-2	261	249	926	261	227	249	201	249	128
Fixed telephony		89	83	344	89	84	82	95	83	95
Other operations		52	51	212	52	52	53	56	51	45
		<b>433</b>	<b>397</b>	<b>1,609</b>	<b>433</b>	<b>390</b>	<b>420</b>	<b>402</b>	<b>397</b>	<b>324</b>
<b>Germany</b>										
Fixed broadband		-32	-53	-134	-32	-23	-20	-38	-53	-63
Fixed telephony		118	179	627	118	126	158	164	179	201
Other operations		4	6	23	4	6	6	5	6	6
		<b>90</b>	<b>132</b>	<b>516</b>	<b>90</b>	<b>109</b>	<b>144</b>	<b>131</b>	<b>132</b>	<b>144</b>
<b>Austria</b>										
Fixed broadband		36	18	169	36	44	52	55	18	5
Fixed telephony		40	40	167	40	36	42	49	40	31
Other operations		12	7	35	12	5	8	15	7	5
		<b>88</b>	<b>65</b>	<b>371</b>	<b>88</b>	<b>85</b>	<b>102</b>	<b>119</b>	<b>65</b>	<b>41</b>
<b>Other</b>										
Other operations	1	-60	-14	-187	-60	-95	-34	-44	-14	-39
		<b>-60</b>	<b>-14</b>	<b>-187</b>	<b>-60</b>	<b>-95</b>	<b>-34</b>	<b>-44</b>	<b>-14</b>	<b>-39</b>
<b>TOTAL</b>										
Mobile		1,689	1,515	6,605	1,689	1,663	1,677	1,750	1,515	1,643
Fixed broadband		282	241	1,055	282	264	321	229	241	81
Fixed telephony		372	422	1,590	372	360	405	403	422	450
Other operations		15	66	144	15	-24	38	64	66	31
<b>TOTAL CONTINUING OPERATIONS</b>		<b>2,358</b>	<b>2,244</b>	<b>9,394</b>	<b>2,358</b>	<b>2,263</b>	<b>2,441</b>	<b>2,446</b>	<b>2,244</b>	<b>2,205</b>
Discontinued operations	7	-	14	148	-	38	55	41	14	25
<b>TOTAL OPERATIONS</b>		<b>2,358</b>	<b>2,258</b>	<b>9,542</b>	<b>2,358</b>	<b>2,301</b>	<b>2,496</b>	<b>2,487</b>	<b>2,258</b>	<b>2,230</b>

# EBIT

SEK million	Note	2010 Jan 1-Mar 31	2009 Jan 1-Mar 31	2009 Full year	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4
<b>Sweden</b>										
Mobile	9	514	548	2,075	514	476	520	531	548	577
Fixed broadband	2, 9	-66	-65	-265	-66	-70	-45	-85	-65	-113
Fixed telephony	9	98	92	332	98	79	92	69	92	95
Other operations		-5	-3	2	-5	-5	-6	16	-3	-14
		<b>541</b>	<b>572</b>	<b>2,144</b>	<b>541</b>	<b>480</b>	<b>561</b>	<b>531</b>	<b>572</b>	<b>545</b>
<b>Norway</b>										
Mobile		33	5	90	33	18	36	31	5	6
Fixed broadband		1	-12	-16	1	2	2	-8	-12	-9
Fixed telephony		17	11	53	17	17	15	10	11	11
		<b>51</b>	<b>4</b>	<b>127</b>	<b>51</b>	<b>37</b>	<b>53</b>	<b>33</b>	<b>4</b>	<b>8</b>
<b>Russia</b>										
Mobile		540	393	1,822	540	529	419	481	393	501
		<b>540</b>	<b>393</b>	<b>1,822</b>	<b>540</b>	<b>529</b>	<b>419</b>	<b>481</b>	<b>393</b>	<b>501</b>
<b>Estonia</b>										
Mobile		39	58	217	39	44	55	60	58	40
Other operations		-1	2	2	-1	-	-	-	2	4
		<b>38</b>	<b>60</b>	<b>219</b>	<b>38</b>	<b>44</b>	<b>55</b>	<b>60</b>	<b>60</b>	<b>44</b>
<b>Lithuania</b>										
Mobile		88	131	491	88	100	118	142	131	102
Fixed broadband		-	1	1	-	-	-	-	1	1
Fixed telephony		-	1	1	-	1	-1	-	1	1
		<b>88</b>	<b>133</b>	<b>493</b>	<b>88</b>	<b>101</b>	<b>117</b>	<b>142</b>	<b>133</b>	<b>104</b>
<b>Latvia</b>										
Mobile		88	124	427	88	82	107	114	124	131
		<b>88</b>	<b>124</b>	<b>427</b>	<b>88</b>	<b>82</b>	<b>107</b>	<b>114</b>	<b>124</b>	<b>131</b>
<b>Croatia</b>										
Mobile		-70	-117	-353	-70	-81	-71	-84	-117	-131
		<b>-70</b>	<b>-117</b>	<b>-353</b>	<b>-70</b>	<b>-81</b>	<b>-71</b>	<b>-84</b>	<b>-117</b>	<b>-131</b>
<b>Netherlands</b>										
Mobile		28	12	118	28	25	34	47	12	46
Fixed broadband	1-2	105	-	36	105	66	13	-43	-	-101
Fixed telephony		73	62	264	73	66	63	73	62	74
Other operations		40	37	160	40	39	41	43	37	32
		<b>246</b>	<b>111</b>	<b>578</b>	<b>246</b>	<b>196</b>	<b>151</b>	<b>120</b>	<b>111</b>	<b>51</b>
<b>Germany</b>										
Fixed broadband		-34	-64	-173	-34	-35	-29	-45	-64	-76
Fixed telephony		104	167	574	104	108	146	153	167	188
Other operations		4	6	23	4	6	6	5	6	6
		<b>74</b>	<b>109</b>	<b>424</b>	<b>74</b>	<b>79</b>	<b>123</b>	<b>113</b>	<b>109</b>	<b>118</b>
<b>Austria</b>										
Fixed broadband		11	-14	47	11	16	23	22	-14	-31
Fixed telephony		27	24	108	27	22	28	34	24	14
Other operations		4	-2	-1	4	-3	-2	6	-2	-5
		<b>42</b>	<b>8</b>	<b>154</b>	<b>42</b>	<b>35</b>	<b>49</b>	<b>62</b>	<b>8</b>	<b>-22</b>
<b>Other</b>										
Other operations	1	-89	-46	-288	-89	-127	-47	-68	-46	-108
		<b>-89</b>	<b>-46</b>	<b>-288</b>	<b>-89</b>	<b>-127</b>	<b>-47</b>	<b>-68</b>	<b>-46</b>	<b>-108</b>
<b>TOTAL</b>										
<b>Mobile</b>		<b>1,260</b>	<b>1,154</b>	<b>4,887</b>	<b>1,260</b>	<b>1,193</b>	<b>1,218</b>	<b>1,322</b>	<b>1,154</b>	<b>1,272</b>
<b>Fixed broadband</b>		<b>17</b>	<b>-154</b>	<b>-370</b>	<b>17</b>	<b>-21</b>	<b>-36</b>	<b>-159</b>	<b>-154</b>	<b>-329</b>
<b>Fixed telephony</b>		<b>319</b>	<b>357</b>	<b>1,332</b>	<b>319</b>	<b>293</b>	<b>343</b>	<b>339</b>	<b>357</b>	<b>383</b>
<b>Other operations</b>		<b>-47</b>	<b>-6</b>	<b>-102</b>	<b>-47</b>	<b>-90</b>	<b>-8</b>	<b>2</b>	<b>-6</b>	<b>-85</b>
		<b>1,549</b>	<b>1,351</b>	<b>5,747</b>	<b>1,549</b>	<b>1,375</b>	<b>1,517</b>	<b>1,504</b>	<b>1,351</b>	<b>1,241</b>
One-off items		-3	-4	-11	-3	-64	116	-59	-4	-19
<b>TOTAL CONTINUING OPERATIONS</b>		<b>1,546</b>	<b>1,347</b>	<b>5,736</b>	<b>1,546</b>	<b>1,311</b>	<b>1,633</b>	<b>1,445</b>	<b>1,347</b>	<b>1,222</b>
Discontinued operations	7	19	197	-17	19	196	-461	51	197	207
<b>TOTAL OPERATIONS</b>		<b>1,565</b>	<b>1,544</b>	<b>5,719</b>	<b>1,565</b>	<b>1,507</b>	<b>1,172</b>	<b>1,496</b>	<b>1,544</b>	<b>1,429</b>

# EBIT, cont.

SEK million	Note	Specification of items between EBITDA and EBIT								
		2010 Jan 1-Mar 31	2009 Jan 1-Mar 31	2009 Full year	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4
<b>EBITDA</b>		<b>2,358</b>	<b>2,244</b>	<b>9,394</b>	<b>2,358</b>	<b>2,263</b>	<b>2,441</b>	<b>2,446</b>	<b>2,244</b>	<b>2,205</b>
Impairment of goodwill		-	-	-5	-	-5	-	-	-	-19
Impairment of customer agreements		-	-	-	-	-	-	-	-	-1
Impairment of shares in joint ventures		-	-	-	-	-	-	-	-	-16
Sale of operations		-	-4	7	-	-29	40	-	-4	47
Acquisition costs	7	-3	-	-29	-3	-29	-	-	-	-
Other one-off items	1	-	-	16	-	-1	76	-59	-	-30
<b>Total one-off items</b>		<b>-3</b>	<b>-4</b>	<b>-11</b>	<b>-3</b>	<b>-64</b>	<b>116</b>	<b>-59</b>	<b>-4</b>	<b>-19</b>
Depreciation/amortization and other impairment		-823	-875	-3,549	-823	-850	-898	-926	-875	-934
Result from shares in associated companies and joint ventures		14	-18	-98	14	-38	-26	-16	-18	-30
<b>EBIT</b>		<b>1,546</b>	<b>1,347</b>	<b>5,736</b>	<b>1,546</b>	<b>1,311</b>	<b>1,633</b>	<b>1,445</b>	<b>1,347</b>	<b>1,222</b>

# CAPEX

SEK million	Note	2010 Jan 1–Mar 31	2009 Jan 1–Mar 31	2009 Full year	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4
<b>Sweden</b>										
Mobile		72	76	252	72	66	60	50	76	27
Fixed broadband		29	38	159	29	40	32	49	38	51
Fixed telephony		8	-	9	8	4	2	3	-	14
Other operations		6	6	20	6	4	2	8	6	9
		<b>115</b>	<b>120</b>	<b>440</b>	<b>115</b>	<b>114</b>	<b>96</b>	<b>110</b>	<b>120</b>	<b>101</b>
<b>Norway</b>										
Mobile		2	1	6	2	4	1	-	1	2
Fixed broadband		-	1	2	-	-1	1	1	1	10
Fixed telephony		-	-	2	-	1	-	1	-	1
		<b>2</b>	<b>2</b>	<b>10</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>13</b>
<b>Russia</b>										
Mobile		102	555	2,232	102	441	707	529	555	613
		<b>102</b>	<b>555</b>	<b>2,232</b>	<b>102</b>	<b>441</b>	<b>707</b>	<b>529</b>	<b>555</b>	<b>613</b>
<b>Estonia</b>										
Mobile		13	45	110	13	22	19	24	45	65
		<b>13</b>	<b>45</b>	<b>110</b>	<b>13</b>	<b>22</b>	<b>19</b>	<b>24</b>	<b>45</b>	<b>65</b>
<b>Lithuania</b>										
Mobile		21	41	165	21	20	47	57	41	38
Fixed broadband		1	1	4	1	2	1	-	1	2
		<b>22</b>	<b>42</b>	<b>169</b>	<b>22</b>	<b>22</b>	<b>48</b>	<b>57</b>	<b>42</b>	<b>40</b>
<b>Latvia</b>										
Mobile		19	69	154	19	26	21	38	69	65
		<b>19</b>	<b>69</b>	<b>154</b>	<b>19</b>	<b>26</b>	<b>21</b>	<b>38</b>	<b>69</b>	<b>65</b>
<b>Croatia</b>										
Mobile		16	52	194	16	47	35	60	52	91
		<b>16</b>	<b>52</b>	<b>194</b>	<b>16</b>	<b>47</b>	<b>35</b>	<b>60</b>	<b>52</b>	<b>91</b>
<b>Netherlands</b>										
Mobile		2	2	6	2	2	1	1	2	7
Fixed broadband		114	139	448	114	129	96	84	139	113
Fixed telephony		12	14	46	12	14	9	9	14	11
Other operations		8	10	33	8	9	7	7	10	8
		<b>136</b>	<b>165</b>	<b>533</b>	<b>136</b>	<b>154</b>	<b>113</b>	<b>101</b>	<b>165</b>	<b>139</b>
<b>Germany</b>										
Fixed broadband		-	-	2	-	1	1	-	-	-6
Fixed telephony		-	-	1	-	-	-	1	-	-
		<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-6</b>
<b>Austria</b>										
Fixed broadband		8	6	46	8	20	10	10	6	51
Fixed telephony		5	4	24	5	8	5	7	4	27
Other operations		3	2	13	3	5	3	3	2	20
		<b>16</b>	<b>12</b>	<b>83</b>	<b>16</b>	<b>33</b>	<b>18</b>	<b>20</b>	<b>12</b>	<b>98</b>
<b>Other</b>										
Other operations		141	106	511	141	153	109	143	106	109
		<b>141</b>	<b>106</b>	<b>511</b>	<b>141</b>	<b>153</b>	<b>109</b>	<b>143</b>	<b>106</b>	<b>109</b>
<b>TOTAL</b>										
Mobile		<b>247</b>	<b>841</b>	<b>3,119</b>	<b>247</b>	<b>628</b>	<b>891</b>	<b>759</b>	<b>841</b>	<b>908</b>
Fixed broadband		<b>152</b>	<b>185</b>	<b>661</b>	<b>152</b>	<b>191</b>	<b>141</b>	<b>144</b>	<b>185</b>	<b>221</b>
Fixed telephony		<b>25</b>	<b>18</b>	<b>82</b>	<b>25</b>	<b>27</b>	<b>16</b>	<b>21</b>	<b>18</b>	<b>53</b>
Other operations		<b>158</b>	<b>124</b>	<b>577</b>	<b>158</b>	<b>171</b>	<b>121</b>	<b>161</b>	<b>124</b>	<b>146</b>
<b>TOTAL CONTINUING OPERATIONS</b>		<b>582</b>	<b>1,168</b>	<b>4,439</b>	<b>582</b>	<b>1,017</b>	<b>1,169</b>	<b>1,085</b>	<b>1,168</b>	<b>1,328</b>
Discontinued operations	7	-	-	-	-	-	-	-	-	10
<b>TOTAL OPERATIONS</b>		<b>582</b>	<b>1,168</b>	<b>4,439</b>	<b>582</b>	<b>1,017</b>	<b>1,169</b>	<b>1,085</b>	<b>1,168</b>	<b>1,338</b>

# CAPEX, cont.

SEK million	Additional cash flow information								
	2010 Jan 1–Mar 31	2009 Jan 1–Mar 31	2009 Full year	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4
<b>CAPEX according to cash flow statement</b>	<b>608</b>	<b>1,149</b>	<b>4,340</b>	<b>608</b>	<b>1,048</b>	<b>1,065</b>	<b>1,078</b>	<b>1,149</b>	<b>1,233</b>
This year unpaid CAPEX and paid CAPEX from previous year	-25	-51	-8	-25	-38	76	5	-51	87
Sales price in cash flow statement	-1	70	107	-1	7	28	2	70	18
<b>CAPEX according to balance sheet</b>	<b>582</b>	<b>1,168</b>	<b>4,439</b>	<b>582</b>	<b>1,017</b>	<b>1,169</b>	<b>1,085</b>	<b>1,168</b>	<b>1,338</b>

# Key ratios

SEK million	2010 Jan 1-Mar 31	2009 Jan 1-Mar 31	2009	2008	2007	2006
<b>CONTINUING OPERATIONS</b>						
Net sales	9,535	9,828	39,474	38,330	39,082	38,596
Number of customers (by thousands)	27,655	24,023	26,579	24,018	22,768	23,618
EBITDA	2,358	2,244	9,394	8,227	6,721	6,179
EBIT	1,546	1,347	5,736	2,906	1,740	970
EBT	1,588	755	5,236	1,893	1,009	405
Net profit/loss	1,249	474	4,755	1,758	-78	-186
<b>KEY RATIOS</b>						
EBITDA margin, %	24.7	22.8	23.8	21.4	17.1	16.0
EBIT margin, %	16.2	13.7	14.5	7.6	4.5	2.5
<b>VALUE PER SHARE (SEK)</b>						
Earnings	2.83	1.06	10.72	3.91	0.05	-0.14
Earnings after dilution	2.82	1.05	10.70	3.91	0.05	-0.14
<b>TOTAL (INCLUDING DISCONTINUED OPERATIONS)</b>						
Shareholders' equity	28,317	28,973	28,823	28,405	27,010	29,172
Shareholders' equity after dilution	28,332	28,973	28,823	28,415	27,054	29,186
Total assets	41,318	46,488	40,737	47,337	48,809	66,213
Cash flow from operating activities	2,291	1,831	9,118	7,896	4,350	3,847
Cash flow after CAPEX	1,683	682	4,778	3,288	-819	-1,673
Available liquidity	13,188	10,147	12,410	17,248	25,901	5,963
Net debt	3,203	4,433	2,171	4,952	5,198	15,311
Investments in intangible and tangible assets, CAPEX	582	1,168	4,439	4,623	5,198	5,365
Investments in shares, short-term investments etc	911	-265	-3,357	-2,255	-11,444	1,616
<b>KEY RATIOS</b>						
Equity/assets ratio, %	69	62	71	60	55	44
Debt/equity ratio, multiple	0.11	0.15	0.08	0.17	0.19	0.52
Return on shareholders' equity, %	17.7	9.3	16.4	8.9	-5.6	-11.2
Return on shareholders' equity after dilution, %	17.7	9.3	16.4	8.9	-5.6	-11.2
Return on capital employed, %	19.2	18.8	17.6	12.9	2.0	-5.4
Average interest rate, %	10.2	7.2	6.9	6.2	5.2	4.2
<b>VALUE PER SHARE (SEK)</b>						
Earnings	2.87	1.51	10.61	5.53	-3.50	-8.03
Earnings after dilution	2.86	1.50	10.59	5.53	-3.50	-8.03
Shareholders' equity	64.29	65.67	65.31	63.93	60.67	64.96
Shareholders' equity after dilution	64.15	65.58	65.18	63.90	60.70	64.95
Cash flow from operating activities	5.20	4.16	20.71	17.80	9.78	8.66
Dividend, ordinary			3.85 <sup>1)</sup>	3.50	3.15	1.83
Extraordinary dividend			2.00 <sup>1)</sup>	1.50	4.70	-
Market price at closing day	120.50	69.50	110.20	69.00	129.50	100.00

<sup>1)</sup>Proposed dividend

# Parent Company

## INCOME STATEMENT

SEK million	2010 Jan 1-Mar 31	2009 Jan 1-Mar 31
Net sales	13	10
Administrative expenses	-50	-22
<b>Operating profit/loss, EBIT</b>	<b>-37</b>	<b>-12</b>
Exchange rate difference on financial items	-10	-132
Net interest expenses and other financial items	-84	-27
<b>Profit/loss after financial items, EBT</b>	<b>-131</b>	<b>-171</b>
Tax on profit/loss	26	-162
<b>NET PROFIT/LOSS</b>	<b>-105</b>	<b>-333</b>

## BALANCE SHEET

SEK million	Note	Mar 31, 2010	Dec 31, 2009
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
Financial assets		29,957	30,985
<b>FIXED ASSETS</b>		<b>29,957</b>	<b>30,985</b>
<b>CURRENT ASSETS</b>			
Current receivables		18	15
Cash and cash equivalents		5	4
<b>CURRENT ASSETS</b>		<b>23</b>	<b>19</b>
<b>ASSETS</b>		<b>29,980</b>	<b>31,004</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Restricted equity	4	17,460	17,459
Unrestricted equity	4	8,312	8,420
<b>SHAREHOLDERS' EQUITY</b>		<b>25,772</b>	<b>25,879</b>
<b>LONG-TERM LIABILITIES</b>			
Interest-bearing liabilities		4,012	4,984
<b>LONG-TERM LIABILITIES</b>		<b>4,012</b>	<b>4,984</b>
<b>SHORT-TERM LIABILITIES</b>			
Interest-bearing liabilities		91	85
Non-interest-bearing liabilities		105	56
<b>SHORT-TERM LIABILITIES</b>		<b>196</b>	<b>141</b>
<b>EQUITY AND LIABILITIES</b>		<b>29,980</b>	<b>31,004</b>



# Notes

## ACCOUNTING PRINCIPLES AND DEFINITIONS

For the Group, the interim report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act, and for the parent company in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2.3 Reporting for legal entities and its statements.

From Q1 2010, with retroactive effect, the internal sale between mobile and fixed broadband/telephony has been reported for Tele2 Sweden. For additional information please refer to Note 9.

In Sweden from January 1, 2010 sales with enhanced subscription fees are regarded as instalment payments and the accounting of revenues has been adjusted accordingly. Previous periods have been recalculated. For additional information please refer to Note 10.

Revenues from customer agreements including the delivery of mobile phones or other equipment without the debit of any specific enhanced subscription fees (for example discounts) are not allocated to the individual components. Instead, it is recognized when the total service is provided (for additional information please refer to the 2009 Annual Report). Tele2 now prepares to change this principle so that revenues that can be allocated to the equipment are recognized at the delivery of the equipment to the customer and revenues from other subscription charges are recognized in the period covered by the charge. The change in allocation is expected to be implemented in the later part of the year. Historical figures will most likely not be restated due that it is not possible to determine the effect on prior periods.

## REVISED IFRS 3 AND IAS 27 CONCERNING BUSINESS ACQUISITION

In the revised IFRS 3, all acquisition related costs (transaction costs) are to be recognized as expenses in the period in which they arise and cannot, as previously, be included as a part of the acquisition value for the acquired business. Also the definition of a business combination has been clarified. The revised IFRS 3 also allows the use of the so called full goodwill method. This means that the minority interest and goodwill are reported at fair value at the time of acquisition. According to the revised IFRS 3 a conditional purchase price shall be reported, both initially as well as in the following periods, at fair value with any subsequent revaluation to be reported in the income statement. Previously a provision for conditional purchase price was initially reported at a value that corresponded to the company's best estimate of the likely outcome. Subsequent changes in the provision, except for the discount effect, were reported against goodwill. The revised standard is applied prospectively.

The revised IAS 27 clarifies that changes in the parent company's share in the subsidiary, where the parent company retains the control shall be reported as a transaction within equity. This means that these types of changes shall not result in recognition of profit or loss in the income statement. Nor shall the transaction cause any changes of the subsidiary's net assets (including goodwill). The previous standard gave no guidance on how changes in the parent company's participating interest should be accounted for. The revised standard is applied prospectively and will result in changes compared with the previous principles.

## Choice of accounting principle for put options

When choosing and applying the accounting principles, Tele2 has chosen the following principle for the reporting of put options aroused in connection with business combinations where put options give the minority owner a right to sell its shares or part of its shares to Tele2 in a company in which Tele2 is the majority stockholder.

Initially, at the business combination, a minority interest is recognized. This minority interest is then immediately reclassified as a financial liability. The financial liability is recognized at its fair value at each reporting date with the changes reported within financial items in profit or loss.

An alternative method would be to report both a minority interest and a financial liability. Another alternative is to on a current basis report a minority interest which is reclassified as a financial liability at each reporting the period. The difference between the reclassified minority interest and the fair value of the financial liability is reported as a change of the minority interest within equity.

## Other new and amended IFRS standards and IFRIC interpretations

The other new or amended IFRS standards and IFRIC interpretations, which became effective January 1, 2010, have had no material effect on the consolidated financial statements.

Tele2 has, in all other respects, presented its interim report in accordance with the accounting principles and calculation methods used in the 2009 Annual Report. Definitions are found in the 2009 Annual Report.

## NOTE 1 NET SALES

In Q3 2009, net sales in segment Other were increased by SEK 76 million related to a settlement with another operator. The positive effect was reported as a one-off item.

In Q2 2009, net sales in Sweden were decreased by SEK 59 million related to the revaluation of reserves. The negative effect was reported as a one-off item.

In Q1 2009, net sales for fixed broadband in Netherlands were increased by SEK 50 million related to the settlement of disputes with another operator.

In Q4 2008, net sales in Sweden were reduced by SEK 32 million related to interconnect disputes with TeliaSonera and a number of other operators. The amount was reported as one-off item. In Q4 2009 Tele2 made a settlement with TeliaSonera, and the solved dispute affected the cash flow positively by SEK 340 million and the interest income by SEK 60 million, but did not affected EBIT.

## NOTE 2 OPERATING EXPENSES

In Q1 2010 segment Other has been negatively affected with SEK 22 million associated with termination payment, including pension costs and social security cost, to former President and CEO Harri Koponen.

In Q1 2009 Netherlands was negatively affected by SEK 38 million concerning retroactive price adjustments related to network costs mainly related to fixed broadband.

In Q4 2008 Sweden recognized impairment losses on fixed assets of SEK 70 million mainly related to the cable TV network.

## NOTE 3 TAXES

In Q4 2009, a revaluation of deferred tax assets was reported, negatively affecting the income statement by SEK 97 million, due to reduced income tax rate in Luxembourg.

In Q3 2009 net taxes was positively affected by SEK 1,071 million as a result of a valuation of deferred tax assets related to holding companies in Luxembourg. In Q4 2009 Luxembourg reported a tax revenue of SEK 117 million due to changed assessment related to 2008.

In Q3 2009 Tele2 Sweden received a negative tax ruling, mainly regarding a deduction for contribution to its subsidiary Tele2 Norway for the write off of a MVNO-agreement. The declined deductions affected the tax cost negatively by SEK 209 million in Q3 2009, but had no cash flow effects.

In Q1 2009 SEK 186 million as well as SEK 10 million were expensed regarding the S.E.C. dispute and other tax disputes respectively. Total tax and interest paid in Q1 2009, related to tax disputes, amounted to SEK 395 million out of which SEK 163 million was already provisioned for in 2005. The tax dispute is presented in Note 15 of the 2009 Annual Report.

#### NOTE 4 SHARES AND CONVERTIBLES

As a result of 20,000 stock options being exercised during Q1 2010, Tele2 has issued new shares resulting in an increase of shareholders' equity of SEK 2 million.

In Q1 2010, 4,140,326 class A shares has been reclassified into class B shares in Tele2 AB. The reclassification was made in accordance with the resolution approved at the Annual General Meeting on May 11, 2009.

As a result of 30,000 stock options were exercised during Q4 2009, Tele2 issued new shares resulted in an increase of shareholders' equity of SEK 3 million.

In order to ensure delivery of shares under the incentive program 2009-2012 Tele2 has, in Q3 2009, issued 850,000 Class C shares through a directed placement at a subscription price corresponding to a quota value of SEK 1.25 per share, a total of SEK 1 million. The Class C shares are not entitled to dividends and represent one vote each. Tele2 has immediately after the issue repurchased all Class C shares at a price corresponding to the subscription price.

In Q3 2008 Tele2 repurchased own shares of Series B of 4,500,000, corresponding to 1 percent of all shares in Tele2, for a cost of SEK 462 million. The repurchased shares were cancelled in Q2 2009, which resulted in a reduction of the share capital of SEK 5 million.

In Q2 and Q3 2009, 44,710 and 12,997,000 class A shares in Tele2 AB respectively were reclassified into class B shares.

#### DIVIDEND

Tele2's Board of Directors intends to propose an increase of the ordinary dividend with 10 percent to SEK 3.85 per share in respect of the financial year 2009 to the Annual General Meeting in 2010 and an extraordinary dividend of SEK 2.00 per share related to divestments made during the year. Tele2's intention over the medium term is to pay a progressive ordinary dividend to its shareholders.

In Q2 2009 Tele2 paid to the shareholders an ordinary dividend of SEK 3.50 per share and an extraordinary dividend of SEK 1.50 per share, corresponding to SEK 1,541 million and SEK 661 million respectively and totalling SEK 2,202 million.

#### INCENTIVE PROGRAM 2009-2012

Number of share rights	2010	
	Jan 1–Mar 31	Cumulative from start
Allocated June 1, 2009		640,160
Outstanding as of January 1, 2010	632,160	
Forfeited	-74,000	-82,000
<b>Total outstanding share rights</b>	<b>558,160</b>	<b>558,160</b>

#### INCENTIVE PROGRAM 2008-2011

Number of share rights	2010	
	Jan 1–Mar 31	Cumulative from start
Allocated May 30, 2008		384,400
Allocated October 24, 2008		56,000
Allocated December 19, 2008		186,872
Allocated Q2 2009, compensation for dividend		25,165
		<b>652,437</b>
Outstanding as of January 1, 2010	492,549	
Forfeited	-73,213	-233,101
<b>Total outstanding share rights</b>	<b>419,336</b>	<b>419,336</b>

#### INCENTIVE PROGRAM 2007-2010/2012

Number of options	2010	
	Jan 1–Mar 31	Cumulative from start
Allocated August 28, 2007		3,552,000
Outstanding as of January 1, 2010	2,550,000	
Forfeited	-21,000	-1,023,000
<b>Total outstanding stock options</b>	<b>2,529,000</b>	<b>2,529,000</b>

#### INCENTIVE PROGRAM 2006-2009/2011

Number of options	Stock options		Warrants	
	2010 Jan 1–Mar 31	Cumulative from start	2010 Jan 1–Mar 31	Cumulative from start
Allocated March 7, 2006		1,504,000		752,000
Outstanding as of January 1, 2010	904,000		-	
Forfeited	-	-570,000	-	-752,000
Exercise	-20,000	-50,000	-	-
<b>Total outstanding</b>	<b>884,000</b>	<b>884,000</b>	<b>-</b>	<b>-</b>

Weighted average share price at date of exercise for stock options has during 2010 amounted to SEK 106.48.

#### NOTE 5 CONTINGENT LIABILITIES

SEK million	2010		2009	
	Mar 31	Dec 31	Mar 31	Dec 31
Tax dispute, S.E.C. SA liquidation	4,354		4,354	
Guarantee related to joint ventures				
–Svenska UMTS-nät, Sweden	1,708		1,745	
–Mobile Norway, Norway	103		80	
Other commitments	-		-	
<b>Total contingent liabilities</b>	<b>6,165</b>		<b>6,179</b>	

On January 27, 2009, the County Administrative Court declined Tele2's claim for a tax deduction of SEK 13.9 billion corresponding to a tax effect, excluding interest, of SEK 3.9 billion related to the S.E.C. tax dispute, of which SEK 186 million was expensed and paid in 2009 (please refer to Note 3). In Q1 2009 the County Administrative Court's ruling was appealed to the Administrative Court of Appeal. The interest is estimated to amount to SEK 630 million at March 31, 2010 and SEK 630 million at December 31, 2009. The tax dispute is presented in detail in Note 15 of the 2009 Annual Report.

Additional contractual commitments and liabilities related to joint ventures are stated in Note 31 and 32 in the Annual Report for 2009.

#### NOTE 6 TRANSACTIONS WITH RELATED PARTIES

Apart from transactions with Transcom and joint ventures no other significant related party transactions have been carried out during 2010. Related parties are presented in Note 39 of the 2009 Annual Report.

## NOTE 7 BUSINESS ACQUISITIONS AND DIVESTMENTS

Acquisitions and divestments of shares and participations affecting cash flow are the following.

SEK million	2010 Jan 1–Mar 31
<b>Acquisitions</b>	
Kazakhstan	-534
Rostov, Russia	-273
	<b>-807</b>
Capital contribution to joint venture companies	-3
	<b>-3</b>
<b>Total acquisitions</b>	<b>-810</b>
<b>Divestments</b>	
Settlements of previous years' discontinued operations	-7
Settlements of previous years' other divestments	-2
<b>Total divestments</b>	<b>-9</b>
<b>TOTAL CASH FLOW EFFECT</b>	<b>-819</b>

### ACQUISITIONS

#### Kazakhstan

On March 17, 2010 Tele2 acquired 51 percent of mobile operator NEO in Kazakhstan for SEK 545 million. Tele2 has in addition committed to a capital injection of SEK 360 million.

NEO operates a 900 MHz GSM license in Kazakhstan with a population of approximately 16.2 millions. Tele2 owns 51 percent of the shares with a call option to buy the remaining 49 percent from December 14, 2014. The other shareholder, Asianet Holding B.V., has a put option to sell its shares to Tele2 from December 14, 2011. The exercise price of both options is the fair market value of the shares at the date of exercise.

Goodwill in connection with the acquisition has been recognized in accordance with the so called full-goodwill method and is related to Tele2's expectations of strengthening this operation using its solid experience as a leading mobile challenger. The acquisition will provide the potential of synergies given the proximity and similarity of the Kazakhstan asset to other Tele2 operations as well as from the replication of Tele2's successful operational model, including the successful brand and product strategies used in the Russian market.

Total acquisition costs regarding Kazakhstan of SEK 32 million have been reported in the income statement and cash flow statement, whereof SEK 29 million was reported in Q4 2009.

#### Rostov, Russia

In January 2010, Tele2 acquired the remaining 12.5 percent of the shares in the subsidiary Tele2 Rostov in Russia for SEK 368 million, of which SEK 92 million will be paid in Q1 2013. This was the last minority stake in Tele2 Russia and as a result of this acquisition Tele2 now owns 100 percent of its Russian operation.

#### Net assets at the time of acquisition

Assets, liabilities and contingent liabilities included in the acquired operations are stated below.

SEK million	Kazakhstan			Rostov, Russia		
	Reported value at the time of the acquisition	Adjustment to fair value	Fair value	Reported value at the time of the acquisition	Adjustment to fair value	Fair value
Customer contracts	-	373	373	-	-	-
Licenses	128	466	594	-	-	-
Software	26	-	26	-	-	-
Tangible assets	707	-	707	-	-	-
Financial assets	55	-	55	-	-	-
Current receivables	50	-	50	-	-	-
Cash and cash equivalents	11	-	11	-	-	-
Deferred tax liabilities	-	-168	-168	-	-	-
Other long-term liabilities	-1,275	284	-991	-	-	-
Short-term liabilities	-371	-	-371	-	-	-
Minority interest	-	-527	-527	62	-	62
<b>Acquired net assets</b>	<b>-669</b>	<b>428</b>	<b>-241</b>	<b>62</b>	<b>-</b>	<b>62</b>
Decrease of equity			-			306
Goodwill			786			-
<b>Purchase price shares</b>			<b>545</b>			<b>368</b>
Liabilities to former owners			-			-92
Exchange rate differences			-			-3
Less: cash in acquired operations			-11			-
<b>NET EFFECT ON GROUP CASH ASSETS</b>			<b>534</b>			<b>273</b>

The information above and the pro forma below are to be viewed as preliminary.

The put option has been measured to its fair value and the minority interest within equity has been reclassified to an interest bearing financial liability.

In the balance sheet for Kazakhstan there is a non-interest bearing liability to the former owner. This liability has been discounted to present value and the value of the long-term liability has been reduced with SEK 284 million.

## CONT. NOTE 7

### DIVESTMENTS

#### Other divestments

Other cash flow changes include settlements of sales costs in the amount of SEK 2 million, for divestments that have not been classified as discontinued operations.

#### PRO FORMA

The table below shows the effect of the acquired companies and operations at March 31, 2010 on Tele2's net sales and result, had they been acquired at January 1, 2010.

SEK million	Jan 1-Mar 31, 2010		
	Tele2 Group	Acquired operations before the time of acquisition	Tele2 Group, pro forma
Net sales	9,535	45	9,580
EBITDA	2,358	-35	2,323
Net profit/loss	1,249	-71	1,178

#### DISCONTINUED OPERATIONS

Discontinued operations include settlements of sales costs for discontinued operations sold during previous years.

### NOTE 8 NUMBER OF CUSTOMERS

As a way of standardizing reporting both internally and externally, Tele2 decided in 2009 to change its principles for calculating the number of active customers in its mobile prepaid base. As of June 30, 2009, Tele2 considers a customer inactive if the customer has not used its mobile service in 3 months, instead of as earlier 3 to 13 months. Previous periods were not adjusted retroactively. In Q3 2009, additional adjustments were done to the customer base in Russia and Lithuania to reach conformity with the new principle.

In Q2 and Q3 2009, the one-time effect was a net increase of 567,000 and a net decrease of -249,000 respectively in the reported customer base. The large positive effect that the changed principle had on the Russian customer base was mainly related to the fact that the 3 months period was previously calculated from the time of the payment and not as the new definition from the last outgoing call. The table below presents how the customer base was affected by the changed definition in each country.

Thousands	Number of customers at June 30, 2009			Q3 2009
	Before	Changed definition	After	Additional change <sup>1)</sup>
Sweden	3,436	-200	3,236	-
Norway	458	-2	456	-
Russia	11,120	1,261	12,381	-179
Estonia	488	-32	456	-
Lithuania	1,897	-181	1,716	-70
Latvia	1,084	-12	1,072	-
Croatia	773	-227	546	-
Netherlands	465	-40	425	-
<b>Number of customers</b>	<b>19,721</b>	<b>567</b>	<b>20,288</b>	<b>-249</b>

<sup>1)</sup> Additional change due to the new principle decided in Q2 2009

### NOTE 9 SALES BETWEEN MOBILE AND FIXED

Previously, in the segment information for Sweden, effects from mobile traffic terminating in the fixed access network and traffic in the fixed access network terminating in the mobile access network have not been reported since they relate to traffic within the same company. From Q1 2010, with retroactive effect, the internal sale between mobile and fixed broadband/telephony has been reported for Tele2 Sweden. Segment Sweden has been adjusted with the following amounts.

### INTERNAL SALES

SEK million	2009 Full year	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Full year	2008 Q4
Mobile	77	17	15	23	22	109	23
<b>Internal sales</b>	<b>77</b>	<b>17</b>	<b>15</b>	<b>23</b>	<b>22</b>	<b>109</b>	<b>23</b>

### EBITDA AND EBIT

SEK million	2009 Full year	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Full year	2008 Q4
Mobile	77	17	15	23	22	109	23
Fixed broadband	-31	-7	-6	-9	-9	-40	-10
Fixed telephony	-46	-10	-9	-14	-13	-69	-13
<b>EBITDA and EBIT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### NOTE 10 NEW REVENUE RECOGNITION

In Sweden the sale of phones and computers via so called enhanced subscription fees has lately increased more and more. Enhanced fee is an offering for the customer to pay explicitly for the equipment during a period of 12 to 24 months. This change in customer offering has led to a revaluation of how much of the total cash flows that can be allocated to the equipment such as mobile phones etc. In Sweden from January 1, 2010 sales with enhanced subscription fees are regarded as installment payment and the accounting of the revenue reflects that. Hence both the cost and the revenue from the equipment are accounted for at the time it is supplied to the customer. Before the cost was taken up front and the revenue was recognized when the total services were provided. Previous periods have been recalculated and the effects on the financial statements are presented below.

### INCOME STATEMENT

SEK million	2009 Full year	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Full year	2008 Q4	2007 Full year	2006 Full year
Net sales, mobile	209	75	66	37	31	58	43	152	66
Tax	-55	-20	-17	-10	-8	-15	-11	-40	-17
<b>Net profit/loss</b>	<b>154</b>	<b>55</b>	<b>49</b>	<b>27</b>	<b>23</b>	<b>43</b>	<b>32</b>	<b>112</b>	<b>49</b>

### BALANCE SHEET

SEK million	2009 Dec 31	2009 Sep 30	2009 Jun 30	2009 Mar 31	2008 Dec 31	2007 Dec 31	2006 Dec 31
<b>Assets</b>							
Accrued income	485	410	344	307	276	218	66
Deferred tax assets	-127	-107	-90	-80	-72	-57	-17
<b>Assets</b>	<b>358</b>	<b>303</b>	<b>254</b>	<b>227</b>	<b>204</b>	<b>161</b>	<b>49</b>
<b>Shareholders' equity</b>	<b>358</b>	<b>303</b>	<b>254</b>	<b>227</b>	<b>204</b>	<b>161</b>	<b>49</b>
<b>Equity and liabilities</b>	<b>358</b>	<b>303</b>	<b>254</b>	<b>227</b>	<b>204</b>	<b>161</b>	<b>49</b>

### CASH FLOW STATEMENT

SEK million	2009 Full year	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Full year	2008 Q4	2007 Full year	2006 Full year
Cash flow from operations, less paid taxes	209	75	66	37	31	58	43	152	66
Change in working capital	-209	-75	-66	-37	-31	-58	-43	-152	-66
<b>Cash flow from operating activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>