# Eniro – Year - end report 2006

## October - December *

- Operating revenues amounted to SEK 2,040 M (1,761)
- Operating income before depreciation (EBITDA) amounted to SEK 752 M (548)
- Earnings before tax amounted to SEK 503 M (461)
- Net income for the period amounted to SEK 354 M (479)
- Net income per share amounted to SEK 1.95 (2.96)
- Cash earnings per share amounted to SEK 2.53 (3.45)

## January - December *

- Operating revenues amounted to SEK 6,697 M (4,827)
- Operating income before depreciation (EBITDA) amounted to SEK 2,290 M (1,234)
- Earnings before tax amounted to SEK 1,336 M (1,017)
- Net income for the period amounted to SEK 1,054 M (917)
- Net income per share amounted to SEK 5.82 (5.84)
- Cash earnings per share amounted to SEK 8.13 (6.88)
- The Board of Directors will propose a dividend, in line with the stated policy, to the AGM of SEK 4.40 (2.20) totaling SEK 797 M (398)
- Market outlook for 2007: EBITDA is expected to be in line with 2006 and cash conversion will remain high

* Comparative figures for 2005 includes Findexa as of December 5, 2005

| Summary of consolidated income statement | | | | | | |
|---|---|---|---|---|---|---|
| | 3 months | | | 12 months | | |
| | Oct - December | | | January - December | | |
| SEK M | **2006** | 2005 | % | **2006** | 2005 | % |
| Operating revenues | **2,040** | 1,761 | *16* | **6,697** | 4,827 | *39* |
| Operating income before depreciation (EBITDA) | **752** | 548 | *37* | **2,290** | 1,234 | *86* |
| Earnings before tax | **503** | 461 | *9* | **1,336** | 1,017 | *31* |
| Net income from continuing operations | **354** | 461 | *-23* | **1,011** | 836 | *21* |
| Net income | **354** | 479 | *-26* | **1,054** | 917 | *15* |
| Net income per share from continuing op, SEK | **1.95** | 2.85 | *-32* | **5.58** | 5.32 | *5* |
| Net income per share, SEK | **1.95** | 2.96 | *-34* | **5.82** | 5.84 | *0* |
| Cash flow from operating activities | **545** | 357 | *53* | **1,436** | 1,007 | *43* |
| Cash Earnings per share, SEK | **2.53** | 3.45 | *-27* | **8.13** | 6.88 | *18* |

| Summary of consolidated income statement, Eniro pro forma including Findexa 2005 | | | | | | |
|---|---|---|---|---|---|---|
| | 3 months | | | 12 months | | |
| | Oct - December | | | January – December | | |
| SEK M | **2006** | 2005 | % | **2006** | 2005 | % |
| Operating revenues | **2,040** | 2,007 | *2* | **6,697** | 6,628 | *1* |
| Operating income before depreciation (EBITDA) | **752** | 555 | *35* | **2,290** | 1,980 | *16* |
| Earnings before tax | **503** | 258 | *95* | **1,336** | 985 | *36* |
| Cost related to acquisition | | -113 | | | -113 | |
| EBITDA excluding cost related to acquisition | **752** | 668 | *13* | **2,290** | 2,093 | *9* |

## CEO Tomas Franzén's comments on the Year - end report 2006

For Eniro 2006 has been a very important year. It has been the year when we laid the foundation for accelerated online growth through increased product development, increased focus on separate sales in most of our markets, enhancing our online market position through important acquisitions such as Din Pris and Leta.se and new partnerships like the joint venture with Aller regarding our portal in Norway, sol.no. We will continue to focus on these areas during 2007 and continue to add interesting online business through acquisitions and create new business opportunities by adding more partnerships.

2006 was also the year when we integrated the acquisition of Findexa and became the Nordic market leader in search. The integration has developed according to plan and the synergies we aimed for in the acquisition have been realized.

We have improved our operational EBITDA margins in all our business units and I am pleased with the improvement in our smaller markets Finland and Denmark where we are competing from a challenger position.

EBITDA for the Group improved by 9 percent to SEK 2,290 M (2,093), including a capital gain of SEK 43 M. Our guidance was an improvement of 5-7 percent. Excluding the capital gain we came in at the high end of this range and with a margin at Group level of 34 percent.

Online revenues for the Group increased organically by 14 percent for 2006, a good figure in a competitive market. By introducing new service concepts and developing our directory assistance services, we were able to increase revenues from voice by 2 percent, organically. Offline revenues in the Group declined by 5 percent, organically.

Our ambition for revenue growth in a mid term perspective is 3-5 percent. To achieve this we must accelerate growth in online revenues increase revenues from voice and reduce revenue decline in offline. At the same time we need to retain cost controls, but also become better at realizing Group synergies.

Norway, Finland, Denmark and Poland are experiencing high growth in online revenues. The challenge lies in increasing growth in Sweden. In Germany we have the turning point behind us and we see strong increase in order intake and new customers.

To meet user requirements and to increase Internet traffic, new versions of eniro.se, eniro.fi, eniro.dk, gulesider.no and kvasir.no have been launched with new designs and improved functionalities. Significant effort is being devoted to new customer offerings. Examples of new offerings include transaction-based payment and services that bring users closer to the transaction. These solutions enable Eniro to be an active participant in the fastest growing market segment, which is the market for sponsored links.

Revenues from offline declined by 5 percent during 2006. The ambition is to reduce and preferably stabilize the revenue decline. Denmark and Poland already report stable offline revenues. Sweden and Finland are making satisfactory progress while Norway is the market in which Eniro currently faces the greatest challenge. The keys to success are continuous product development that stimulates usage while increasing the effect of advertising, our ability to lead and develop the sales force based on Eniro´s sales concept, and our ability to demonstrate the value of advertising for our advertisers.

For 2006 the Board will propose to the AGM a dividend in line with our dividend policy - 76 percent of net income, meaning 4.40 SEK per share – in total SEK 797 M.

**Tomas Franzén**
President and CEO

## Financial summary

### Fourth quarter results (compared with pro forma figures including Findexa Q4 2005)

Operating revenues increased 2 percent to SEK 2,040 M (2,007). Growth in online and voice revenues compensated the weaker performance in offline revenues.

The organic growth in operating revenues (adjusted for currency effects, publication shifts, acquisitions, divestments and excluding effects from changed advertising tax) was an increase of 1 percent.

Online revenues continued to show nice improvements, with an increase of 11 percent to SEK 517 M (466) and , organically by 15 percent.

Total offline revenues decreased by 2 percent to SEK 1,284 M (1,315), with an organic decline of 4 percent.

Operating revenues from voice increased by 6 percent to SEK 239 M (226). Organically, voice revenues increased by 7 percent. Both Sweden and Finland showed improvements.

Lower costs in Sweden, Norway, Finland and Poland compared with the corresponding period in 2005, contributed to improved operating income before depreciation (EBITDA) of SEK 752 M (668).

### Full year results (compared with pro forma figures including Findexa, Jan-Dec 2005)

Operating revenues increased 1 percent to SEK 6,697 M (6,628). Organic growth was also an increase of 1 percent.

Online revenues increased by 14 percent to SEK 1,938 M (1,693), and the organic increase was also 14 percent. Norway was the main growth driver, with an organic online growth of 23 percent.

Voice revenues increased by 3 percent to SEK 907 M (884). The organic increase was 2 percent.

Offline revenues decreased by 5 percent to SEK 3,852 M (4,051). Organically, offline revenues decreased by 5 percent, due to lower offline revenues mainly in Norway, Finland and Sweden.

EBITDA increased by 9 percent to SEK 2,290 M (2,093). A capital gain of SEK 43 M from the sale of shares in DM-huset and Tradera is included. Excluding the capital gain the EBITDA improvement is 7 percent.

### Taxes

Income tax for the fourth quarter was SEK 149 M (0). The fourth quarter in 2005 includes one - time effects deriving from the acquisition of Findexa, which lowered income tax. For 2006 the income tax was SEK 325 M (181), resulting in an average tax rate of 24 percent (18).

### Earnings per share

Cash earnings per share amounted to SEK 2.53 (3.45) for the fourth quarter and SEK 8.13 (6.88) for the full year. Net income per share amounted to SEK 1.95 (2.96) for the quarter and SEK 5.82 (5.84) for the full year. Net income per share from continuing operations amounted to SEK 1.95 (2.85) for the quarter and SEK 5.58 (5.32) for the full year. The fourth quarter in 2005 includes one time effects deriving from the acquisition of Findexa, which lowered income tax. Earnings per share before tax amounted to SEK 2.78 (2.85) for the fourth quarter and SEK 7.38 (6.47) for the full-year.

### Consolidated cash flow

Consolidated cash flow from operating activities was SEK 545 M (357) for the quarter and SEK 1,436 M (1,007) for the full year period. Consolidated cash flow was positively affected by higher operating income, while increased interest payments had an adverse effect.

### Financial position

The Group's interest-bearing net debt totaled SEK 8,872 M (10,564) at December 31, 2006. The equity/assets ratio was 28 percent (24). The debt/equity ratio was 1.73, compared with 2.28 at December 31, 2005. Interest-bearing net debt in relation to EBITDA was 3.9. Return on equity was 22 percent for 2006. Unrealized currency effects on external loans and derivatives totaling of SEK 862 M had a positive effect on net debt.

The financial net amounted to SEK -145 M (-9) for the fourth quarter. For the full year, the financial net amounted to SEK -536 M (-56) and included the net of currency exchange differences corresponding to SEK -16 M (51) for the fourth quarter and SEK -13 M (68) for the full year. The increase in financial costs for 2006 was due to higher debts in conjunction with the acquisition of Findexa when Eniro entered into a loan agreement corresponding to SEK 12,000 M. The purpose was to finance the cash portion of the acquisition of Findexa, refinance Eniro's and Findexa's former debt and for operations and working capital requirements. The term of the credit facility is five years. During the year an amount of SEK 1,088 M was amortized, another approximately SEK 850 M will be amortized in 2007 and in 2008 and approximately SEK 600 M for the remaining two years.

At December 31, 2006, the outstanding debt under the facility totaled NOK 6,877 M, EUR 100 M and SEK 927 M. The main part of the utilized portion of the facility in NOK and EUR is hedged to a fixed interest rate.

## Repurchase of own shares
At the start of the year, Eniro held 1,000,000 of its own shares, 140 shares were used in the share savings program. At the end of 2006, Eniro held 999,860 of its own shares. These shares will be retained for use in the share-saving program. The average holding of own shares during 2006 was 999,943.

## Market outlook
Total revenues for the Group in 2007 are expected to increase organically supported by strong online growth and despite the continued pressure on offline.

EBITDA for the Group is expected to be in line with 2006, including cost savings related to the previously announced cost-savings program as of 2004 as well as cost synergies from the integration of the Norwegian operations. EBITDA cash conversion will remain high.

Total revenues for Sweden are expected to increase organically in 2007. Offline is expected to decline in line with 2006, online growth rate is expected to be higher than in 2006, and voice to show a slight increase.

Total revenues in Norway, 2007, are expected to be organically in line with 2006. Offline is expected to decline organically by approximately 10 percent and online to increase organically by approximately 20 percent. In addition, publishing fees of NOK 52 M expire as of January 1, 2007.

The market outlook for Norway that was previously issued was revised stated above. The previous market outlook stated: “For 2007 the step up program is expected to reduce the organic decline in offline revenues to 2-3 percent. In addition, as previously announced, the publishing fee from Telenor of NOK 42 M expires as of 2007. The aim for 2008 is a flat development of offline revenues.”

# Development per market

## Sweden excluding Voice

| | October - December | | | | January - December | | | |
|---|---|---|---|---|---|---|---|---|
| SEK M | **2006** | 2005 | % | % org* | **2006** | 2005 | % | % org* |
| Revenues | **846** | 869 | *-3* | *-1* | **2,175** | 2,179 | *0* | *2* |
| Offline | **659** | 708 | *-7* | *-5* | **1,522** | 1,598 | *-5* | *-2* |
| Online | **187** | 161 | *17* | *17* | **653** | 581 | *13* | *13* |
| EBITDA | **466** | 426 | *9* | | **1,003** | 994 | *1* | |
| EBITDA marg % | **55** | 49 | - | | **46** | 46 | - | |

**Organic change*

### October - December
Operating revenues declined organically by 1 percent.

Organically, offline revenues declined by 5 percent. The decline in offline revenues was due to decreased revenues from “Yellow Pages” directories, with organically 8 percent. Organic offline revenues from local directories, Din Del, increased by 17 percent.

During the fourth quarter, revenues were reported from ten “Yellow Pages” directories. In comparison with the fourth quarter of 2005, average revenue per advertiser (ARPA) declined by 7 percent while the number of advertisers increased by 1 percent for comparable directories.

In November 2006, the printed classified paper “Gula Tidningen” was discontinued, which will have a minor positive EBITDA effect from 2007. Close down costs were negligible. The online version of “Gula Tidningen” is fully integrated into Eniro´s classified ads on eniro.se.

Online revenues increased organically by 17 percent.

EBITDA increased to SEK 466 M (426) as a result of lower costs, primarily lower production and consultancy costs.

### January - December
Operating revenues increased organically by 2 percent.

Organically, offline revenues declined by 2 percent. As previously announced, changes in advertising tax, publication shifts and close down of “Gula Tidningen” have reduced offline revenues with SEK 45 M for the full year 2006.

The total number of invoiced customers increased to 171,000 (166,000).

For comparable published Yellow Pages directories, average revenue per advertiser (ARPA) declined by 4 percent, while the number of advertisers were flat.

Offline revenues for Din Del and Emfas were SEK 318 M (289), an increase of 10 percent compared with 2005.

Online revenues increased organically by 13 percent.

EBITDA increased to SEK 1,003 M (994). Comparable figures for 2005 were also affected by a compensation that Eniro received from TDC in a legal settlement. The improvement in EBITDA was a result of well managed costs.

## Sweden Voice

| | October - December | | | | January - December | | | |
|---|---|---|---|---|---|---|---|---|
| SEK M | **2006** | 2005 | % | % org** | **2006** | 2005 | % | % org** |
| Revenues* | **158** | 148 | *7* | *7* | **597** | 600 | *-1* | *-1* |
| EBITDA | **31** | 44 | *-30* | | **140** | 122 | *15* | |
| EBITDA marg % | **20** | 30 | | | **23** | 20 | | |

** Voice revenues.*

***Organic change*

**October - December**
Operating revenues for the quarter increased by 7 percent. The new service concept that was introduced during the first quarter of 2006 resulted in prolonged average handling time with a positive impact on revenues. Volumes in the fourth quarter were also supported by the new Telenor contract. For the second consecutive quarter mobile calls exceeded the calls from fixed lines.

EBITDA decreased to SEK 31 M (44) for the quarter. The comparison with last year is affected by the reversal of pension reserves totaling SEK 11 M.

**January - December**
Operating revenues declined organically by 1 percent.

EBITDA amounted to SEK 140 M (122). The increase was mainly due to strict cost control and the restructuring charge of SEK 15 M in 2005.

Eniro 118 118 was chosen by Telenor as their service provider for directory assistance services in Sweden for two years. The order value corresponds to SEK 10 -15 M in additional revenue per year.

During the year Eniro 118 118 was appointed “Europe’s best personal search service” and “Best search service for mobile users” by the consultancy firm 118 tracker in Great Britain.

## Norway

| | October - December | | | | | January-December | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| SEK M | **2006** | 2005* | Proforma 2005** | % vs proforma | % org vs proforma**** | **2006** | 2005* | Proforma 2005** | % vs proforma | % org vs proforma**** |
| Revenues | **416** | 119 | 365 | *14* | *4* | **2,121** | 293 | 2,094 | *1* | *1* |
| Offline | **216** | 13 | 181 | *19* | *-6* | **1,344** | 13 | 1,443 | *-7* | *-7* |
| Online*** | **173** | 100 | 153 | *13* | *22* | **675** | 274 | 545 | *24* | *23* |
| Voice*** | **27** | 6 | 31 | *-13* | *-5* | **102** | 6 | 106 | *-4* | *-3* |
| EBITDA | **108** | -48 | 71 | *52* | | **925** | -39 | 819 | *13* | |
| EBITDA marg % | **26** | -40 | 18 | | | **44** | -13 | 39 | | |

** Findexa was consolidated in the Eniro group as of December 5, 2005.*
*** Norway pro forma including Findexa and excluding costs related to the acquisition.*
****Revenues from DA SMS services have been re-classified from Online to Voice in line with how revenues are recognized in Sweden.*
***** Organic change.*

**October - December (compared with pro forma figures including Findexa Q4 2005)**
Operating revenues for Norway during the fourth quarter increased, by 14 percent to SEK 416 M (365).

Adjusted for the effects of changed publication dates totaling SEK 77 M and negative currency effects of SEK -49 M, revenues increased organically by 4 percent.

Offline revenues increased by 19 percent to SEK 216 M (181). The organic development was a decrease of 6 percent.

Online revenues for Norway totaled SEK 173 M (153), with organic growth of 22 percent, mainly driven by strong growth in gulesider.no.

Voice revenues decreased organically by 5 percent.

EBITDA for Norway was SEK 108 M (71). Changes in publication dates as well as realized cost synergies affected EBITDA positively.

**January - December (compared with pro forma figures including Findexa Jan-Dec 2005)**
The two entities Findexa AS and Eniro AS are now fully integrated.

Operating revenues increased organically by 1 percent.

Offline revenues declined organically by 7 percent while online revenues increased, organically by 23 percent and voice decreased by 3 percent, organically.

EBITDA for the period increased to SEK 925 M (819). EBITDA includes a capital gain of SEK 37 M, which was received in the second quarter. Cost synergies were implemented according to plan.

## Finland

| | October - December | | | | January - December | | | |
|---|---|---|---|---|---|---|---|---|
| SEK M | **2006** | 2005 | % | % org* | **2006** | 2005 | % | % org* |
| Revenues | **161** | 168 | *-4* | *4* | **642** | 637 | *1* | *1* |
| Offline | **77** | 92 | *-16* | *-5* | **311** | 363 | *-14* | *-12* |
| Online | **30** | 29 | *3* | *11* | **123** | 96 | *28* | *29* |
| Voice | **54** | 47 | *15* | *16* | **208** | 178 | *17* | *13* |
| EBITDA | **26** | 19 | *37* | | **84** | 34 | *147* | |
| EBITDA marg % | **16** | 11 | | | **13** | 5 | | |

**Organic change*

**October - December**
The organic development of operating revenues was an increase of 4 percent.

Adjusted for publication shifts, acquisitions and currency effects, the offline revenues declined organically by 5 percent.

Initiatives implemented within online sales continued to result in improved performance for eniro.fi, yritystele.fi and suomi24.fi with favorable growth both in usage and revenues. Online revenues increased organically by 11 percent.

Revenues from voice increased organically by 16 percent.

EBITDA improved to SEK 26 M (19), as a result of lower costs compared with the fourth quarter 2005.

**January - December**
For the full year, organic development of operating revenues was an increase by 1 percent.

Organically, offline revenues declined by 12 percent, while online revenues increased by 29 percent and voice increased by 13 percent.

The Helsinki and the Tampere directories are those most affected by competition. Total revenues for these two editions declined to about SEK 170 M (210) including a lost publication fee of SEK 8 M from Elisa. The other Eniro Telephone directories developed favorably.

The online and the voice businesses both showed strong growth. The 118 services acquired during the year have an annual impact on revenues of about SEK 6 M.

EBITDA showed a strong increase to SEK 84 M (34), due to improved cost control and higher revenues. The EBITDA margin improved to 13 percent (5).

## Denmark

| | October-December | | | | January-December | | | |
|---|---|---|---|---|---|---|---|---|
| SEK M | **2006** | 2005 | % | % org* | **2006** | 2005 | % | % org* |
| Revenues | **138** | 122 | *13* | *8* | **442** | 396 | *12* | *6* |
| Offline | **111** | 101 | *10* | *3* | **346** | 320 | *8* | *2* |
| Online | **27** | 21 | *29* | *32* | **96** | 76 | *26* | *27* |
| EBITDA | **35** | 8 | *338* | | **58** | 37 | *57* | |
| EBITDA marg % | **25** | 7 | | | **13** | 9 | | |

**Organic change*

**October - December**
The organic development of operating revenues was an increase of 8 percent.

Offline revenues increased organically by 3 percent and online revenues increased organically by 32 percent.

EBITDA amounted to SEK 35 M (8).

**January - December**
Operating revenues increased organically by 6 percent.

Offline revenues increased organically by 2 percent. In order to ensure continued growth of online revenues, new sales personnel were recruited earlier in the year. The organic increase in online revenues was 27 percent.

EBITDA increased to SEK 58 M (37). The EBITDA margin improved to 13 percent (9).

## Poland

| | October-December | | | | January-December | | | |
|---|---|---|---|---|---|---|---|---|
| SEK M | **2006** | 2005 | % | % org* | **2006** | 2005 | % | % org* |
| Revenues | **239** | 247 | *-3* | *-4* | **395** | 375 | *5* | *2* |
| Offline | **221** | 233 | *-5* | *-5* | **329** | 327 | *1* | *-2* |
| Online | **18** | 14 | *29* | *28* | **66** | 48 | *38* | *32* |
| EBITDA | **111** | 124 | *-10* | | **91** | 83 | *10* | |
| EBITDA marg % | **46** | 50 | | | **23** | 22 | | |

**Organic change*

**October - December**
Operating revenues decreased organically by 4 percent.

Offline revenues declined organically by 5 percent, mainly due to lower sales for Panorama Firm in the Warsaw area. Pf.pl continues to show nice improvements with an organic increase in online revenues with 28 percent.

EBITDA declined to SEK 111 M (124). In addition to lower revenues, marketing costs were somewhat higher partly due to timing and partly due to increased advertising.

**January - December**
Operating revenues increased organically by 2 percent.

Offline revenues decreased organically by 2 percent, while online revenues increased by 32 percent organically.

EBITDA amounted to SEK 91 M (83).

## Germany

| | October-December | | | | January-December | | | |
|---|---|---|---|---|---|---|---|---|
| SEK M | **2006** | 2005 | % | % org** | **2006** | 2005 | % | % org** |
| Revenues* | **82** | 88 | *-7* | *-3* | **325** | 347 | *-6* | *-6* |
| EBITDA | **5** | 9 | *-44* | | **70** | 72 | *-3* | |
| EBITDA marg % | **6** | 10 | | | **22** | 21 | | |

** Wer Liefert Was? has only Internet revenues*
***Organic change*

**October - December**
Organically, operating revenues decreased by 3 percent compared with the corresponding period last year. However the new business model resulted in increasing revenues as of the third quarter. The second quarter of 2006 was the point of lowest quarterly revenue. Since then revenues have increased quarter by quarter. The new business model also resulted in higher growth rates in new customers.

EBITDA amounted to SEK 5 M (9). EBITDA in the fourth quarter 2005 was positively affected by reversals of reserves of SEK 7 M.

**January - December**
Organically, operating revenues declined by 6 percent. However, since the second quarter 2006, revenues improved quarter by quarter.

EBITDA amounted to SEK 70 M (72). Lower operational and marketing costs partly offset the decline in revenues. EBITDA last year was positively affected by reversals of reserves of SEK 20 M.

## Other

*This category includes costs for corporate headquarters and Group-wide projects.*

EBITDA for the fourth quarter amounted to SEK -30 M (-34) and for the full year SEK -81 M (-69).

# Other information

**Employees**
On December 31, 2006, the number of full-time employees totaled 4,821 (5,429). In the total figure for 2005 a total of 556 employees in Eastern Europe was included. The increase in the number of employees in Denmark was attributable to additional sales personnel and the acquisition of Webdir. The number of employees by country is presented in the table below:

| | | |
|---|---|---|
| Sweden | 1,459 | (1,472) |
| Norway | 1,069 | (1,156) |
| Finland | 530 | (549) |
| Denmark | 401 | (331) |
| Poland | 1,108 | (1,112) |
| Germany | 254 | (253) |

**Legal issues**
In the ongoing legal proceedings between Eniro Windhager Medien GmbH and DeTeMedien GmbH in Germany, the Supreme Court has now passed their ruling on the issue of whether to admit the DeTeMedien appeal to the Supreme Court or not. The Supreme Court decided to remit the case back to the Court of Appeal in Frankfurt for a new hearing. The ground for the remittal was procedural. A new hearing at the Court of Appeal in Frankfurt is expected to be held late in 2007. Eniro has not recognized any asset in the balance sheet regarding the legal proceedings, with DeTeMedien, nor has it during 2006 been any change in the accounting of the financial assessment of the case.

**Accounting principles from 2006**
This interim report was prepared in accordance with the International Financial Reporting Standards (IFRS), which are recognized by the European Union (EU). The structure of the interim report follows IAS 34 Interim Financial Reporting.

As of January 1, 2006, a change in IAS 19 Employee benefits adopted by the EU will permit immediate booking of deficit and surplus amounts in pension plans (actuarial losses and gains) against equity. Eniro will not avail itself of this possibility but, instead, will continue to report such deviations from previous assumptions in the income statement.

Other standards and interpretations adopted by the EU and effective as of January 1, 2006 include amendments and changes to IAS 39 Financial instruments and IFRIC 4 Determining whether an arrangement contains a lease. Eniro has chosen to apply these standards as of the date on which they came into force. Other standards and statements adopted by the EU and effective as of January 1, 2006 are deemed not to have any significant effect on the Group's earnings or equity.

A more detailed description of the principles, which Eniro is applying, is presented in the 2005 Annual Report.

**Revenue effects for changed publication dates.**
Revenues from the sale of printed directories are reported when the various directories are published. Changes in publication dates can thus affect comparisons between the same quarters for different years.

| Revenue effect of moved publication 2006 vs 2005 | | | | | |
|---|---|---|---|---|---|
| SEK M | Q1 | Q2 | Q3 | Q4 | 2006 |
| Sweden excl Voice | 19 | -19 | 0 | -11 | -12 |
| Norway | 0 | 0 | -78 | 78 | 0 |
| Denmark | -1 | 9 | -10 | 2 | 0 |
| Finland | -10 | 13 | 5 | -8 | 0 |
| Poland | 0 | 3 | 1 | -4 | 0 |
| **Total effect** | **8** | **5** | **-82** | **57** | **-12** |

| Revenue effect of moved publication 2006 2007 vs 2006 | | | | | |
|---|---|---|---|---|---|
| SEK M | Q1 | Q2 | Q3 | Q4 | 2007 |
| Sweden excl Voice | 24 | -23 | -1 | 0 | 0 |
| Norway | 0 | 0 | 0 | 0 | 0 |
| Denmark | 22 | -14 | 2 | -10 | 0 |
| Finland | 10 | -9 | -1 | 0 | 0 |
| Poland | 0 | 1 | 0 | -1 | 0 |
| **Total effect** | **56** | **-45** | **0** | **-11** | **0** |

**Revenue distribution of bundled sales in 2007**
For sales of bundled offline and online products, revenues are distributed according to a distribution ratio reflecting the market value of each product. The distribution ratio has been based on the commercial use of each product, which is measured continuously through customer surveys. As of 2007, the distribution ratio is revised to be based on value for the advertiser.

The sale of bundled products by Swedish operations amounts to approximately SEK 420-450 M. From January 1, 2007, 40 percent of revenues from bundled products sold after January 1, 2007, will be reported as online revenues, while 60 percent will be reported as offline. In 2006 the same allocation percentage between online and offline was applied.

The sale of bundled products in Norway amounts to approximately NOK 150 M. The same allocation method will be introduced in Norway as in Sweden, which indicates an allocation to online by 70 percent and to offline by 30 percent on all sales from January 1, 2007. The change in allocation method will negatively affect offline revenues by NOK 75 M while online revenues will increase by NOK 51 M for 2007. EBITDA in 2007 will be negatively impacted by approximately NOK 24 M. The net difference of NOK 24 M in revenues will be deferred into 2008.

**After the end of the reporting period**
Eniro Finland has sold its 35 percent holding in Finnet Media Oy, for a contribution of SEK 17 M.

At the same time 15 percent of the shares in SNOY were acquired for SEK 5 M. SNOY gathers, administers and distributes all basic contact information in Finland.

In order to increase traffic and revenues for sol.no, Eniro´s Internet portal in Norway, an agreement was reached with Norsk Aller AS to form a jointly owned company as of January 1, 2007. Eniro will retain 50.1 percent of the company while Aller will acquire a total of 49.9 percent in the newly created company Scandinavia Online AS (SOL). 2006 pro forma revenue for the SOL operation is approximately NOK 42 M, with EBITDA of approximately NOK 6 M. The capital gain for Eniro Norway is estimated at approximately NOK 100 M to be recognized in 2007.

In January 2007, Eniro acquired 100 percent of the shares in Leta AB in Sweden for a cash consideration of SEK 48 M. The operation is consolidated from February 1, 2007. The company reported revenues in 2006 of about SEK 7 M and an EBITDA of about SEK 6 M. Leta.se is an established start page in Sweden with more than 1.1 million visits per week.

On February 13, 2007 a new organizational structure for the Swedish operations was approved by the Board. The operations in Sweden will be organized in four independent units. In addition to the currently existing independently operating units Eniro 118 118 and Din Del there will be a Print and an Online unit. Peter Kusendahl who besides being the President of Din Del will be the President for the Print unit, while Tomas Franzén will be responsible for the Online unit.

**Other information**
Following a decision by the 2006 Annual General Meeting, a Nomination Committee was appointed. The Nomination Committee, for the 2007 Annual General Meeting, consists of  Wouter Rising, Hermes Focus Asset Management, Luca Bechis, Richmond Capital, Niklas Antman, Kairos Investment Management, Mads Eg Gensmann, Parvus Asset Management, and Lars Berg, Chairman of the Eniro Board of Directors. The Nomination Committee appointed Wouter Rosingh to serve as Chairman of the committee.

Shareholders wishing to make proposals to the nomination committee can do so by e-mail to: nominationcommittee@eniro.com

**Annual General Meeting 2007**
The 2007 Annual General Meeting will be held on March 30, 2007, at 10.00 (CET), at Näringslivets Hus on Storgatan 19 in Stockholm, Sweden. The Annual Report for 2006 is expected to be available from mid-March and will be distributed to all shareholders who have requested financial information.

For the 2006 fiscal year, the Board will propose a dividend of SEK 4.40 (2.20) per share, which corresponds to 76 percent of the year´s net income. The total amount that to be proposed for distribution amounts to SEK 797 M (398).

The proposed record date for dividends is April 4, 2007.

**Stockholm, February 14, 2007**

**Tomas Franzén**
President and CEO

This report has not been reviewed by the company´s Auditors.

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**Financial calendar 2007**

| | |
|---|---|
| Annual report 2006 | Mid March, 2007 |
| Annual General Meeting 2007 | March 30, 2007 |
| Interim report Jan-March 2007 | April 25, 2007 |
| Interim report Jan-June 2007 | July 19, 2007 |
| Interim report Jan-Sept 2007 | October 24, 2007 |

## Market statistics

**Eniro's market shares**

| Country | Market | Market size 2006, SEK M | 2006 | 2005 |
|---|---|---|---|---|
| Sweden | Advertising* | 22,100 | 10 % | 11 % |
| | Internet advertising | 2,600 | 26 % | 33 % |
| | Directory advertising | 2,000 | 78 % | 82 % |
| Norway | Advertising* | 19,100 | 11 % | 13 % |
| | Internet advertising | 2,200 | 31 % | 34 % |
| | Directory advertising | 1,400 | 97 % | 100 % |
| Finland | Advertising* | 12,800 | 3 % | 4 % |
| | Internet advertising | 800 | 15 % | 15 % |
| | Directory advertising | 1,200 | 26 % | 31 % |
| Denmark | Advertising* | 15,100 | 3 % | 3 % |
| | Internet advertising | 1,100 | 8 % | 8 % |
| | Directory advertising | 1,100 | 32 % | 27 % |
| Poland | Advertising* | 15,300 | 3 % | 3 % |
| | Internet advertising | 700 | 10 % | 11 % |
| | Directory advertising | 700 | 50 % | 55 % |
| Germany | Advertising* | 213,900 | <1 % | <1 % |
| | Internet advertising | 15,300 | 2 % | 4 % |
| | Directory advertising | 10,700 | N/a | N/a |

Sources: IRM, WARC, IAB, TNS Adex, Dansk Oplagskontrol, ZAW, BVDW, CR Media Consulting and Eniro estimates. The figures for 2005 were adjusted in consideration of changed market data from the various institutes and changes in sources.
* Traditional media, directories and Internet. Traditional media includes daily press, magazines, TV, radio cinema and outdoor advertising.

## Consolidated Income Statement

| SEK M | 3 months 2006 Oct-Dec | 3 months 2005 Oct-Dec | 12 months 2006 Jan-Dec | 12 months 2005 Jan-Dec |
|---|---|---|---|---|
| ***Continuing operations*** | | | | |
| Operating revenues: | | | | |
| Gross operating revenues | 2 081 | 1 803 | 6 771 | 4 910 |
| Advertising tax | -41 | -42 | -74 | -83 |
| **Operating revenues** | **2 040** | **1 761** | **6 697** | **4 827** |
| Costs: | | | | |
| Production costs | -594 | -539 | -1 899 | -1 569 |
| Sales costs | -408 | -385 | -1 646 | -1 294 |
| Marketing costs | -207 | -163 | -701 | -404 |
| Administration costs | -150 | -169 | -531 | -427 |
| Product development costs | -35 | -40 | -121 | -118 |
| Other revenues/costs | 2 | 5 | 73 | 58 |
| **Operating income before interest and taxes *** | **648** | **470** | **1 872** | **1 073** |
| Financial items, net | -145 | -9 | -536 | -56 |
| **Earnings before tax** | **503** | **461** | **1 336** | **1 017** |
| Income tax | -149 | 0 | -325 | -181 |
| **Net income from continuing operations** | **354** | **461** | **1 011** | **836** |
| ***Discontinued operations*** | | | | |
| Net income from discontinued operations | - | 18 | 43 | 81 |
| **Net income** | **354** | **479** | **1 054** | **917** |
| * Depreciations are included with | 20 | 25 | 83 | 72 |
| * Amortizations are included with | 84 | 53 | 335 | 89 |
| *** Depreciations and Amortizations total** | **104** | **78** | **418** | **161** |
| Net income per share from continuing operations, SEK | | | | |
| - before dilution | 1,95 | 2,85 | 5,58 | 5,32 |
| - after dilution | 1,95 | 2,85 | 5,58 | 5,32 |
| Net income per share from discontinued operations, SEK | | | | |
| - before dilution | - | 0,11 | 0,24 | 0,52 |
| - after dilution | - | 0,11 | 0,24 | 0,52 |
| Net income per share, SEK | | | | |
| - before dilution | 1,95 | 2,96 | 5,82 | 5,84 |
| - after dilution | 1,95 | 2,96 | 5,81 | 5,83 |
| Average number of shares before dilution, 000s | 181 102 | 161 868 | 181 102 | 157 079 |
| Average number of shares after dilution, 000s | 181 309 | 162 021 | 181 309 | 157 231 |

## Consolidated balance sheet

| SEK M | 2006 Dec. 31 | 2006 Sep. 30 | 2006 Jun. 30 | 2006 Mar. 31 | 2005 Dec. 31 | 2005 Sep. 30 |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| **Non-current assets** | | | | | | |
| Tangible non-current assets | 259 | 258 | 262 | 281 | 292 | 174 |
| Intangible assets | 15 459 | 15 844 | 16 249 | 16 507 | 16 497 | 5 127 |
| Deferred income tax assets | 138 | 156 | 130 | 174 | 172 | 207 |
| Participation in associated companies | - | - | - | 9 | 7 | - |
| Financial assets | 293 | 169 | 191 | 171 | 152 | 135 |
| **Total non-current assets** | **16 149** | **16 427** | **16 832** | **17 142** | **17 120** | **5 643** |
| **Current assets** | | | | | | |
| Work in progress | 157 | 158 | 144 | 166 | 145 | 106 |
| Accounts receivable | 1 042 | 774 | 890 | 873 | 1 208 | 638 |
| Prepaid costs and accrued revenues | 203 | 280 | 192 | 195 | 185 | 160 |
| Current income tax receivables | 108 | 120 | 89 | 85 | 78 | 82 |
| Other non-interest bearing current receivables | 68 | 71 | 74 | 74 | 42 | 32 |
| Other financial assets | 8 | 3 | 42 | 40 | 6 | 2 |
| Cash and cash equivalents | 478 | 421 | 417 | 595 | 742 | 391 |
| Assets classified as held for sale | - | - | - | - | 16 | 30 |
| **Total current assets** | **2 064** | **1 827** | **1 848** | **2 028** | **2 422** | **1 441** |
| **TOTAL ASSETS** | **18 213** | **18 254** | **18 680** | **19 170** | **19 542** | **7 084** |
| **Equity and liabilities** | | | | | | |
| **Equity** | | | | | | |
| Share capital | 182 | 182 | 182 | 182 | 182 | 158 |
| Additional paid in capital | 4 254 | 4 252 | 4 252 | 4 250 | 4 249 | 1 879 |
| Reserves | -296 | -279 | -158 | -83 | -121 | -15 |
| Retained earnings | 980 | 626 | 439 | 492 | 324 | -155 |
| **Total equity** | **5 120** | **4 781** | **4 715** | **4 841** | **4 634** | **1 867** |
| **Non-current liabilities** | | | | | | |
| Borrowings | 8 545 | 9 154 | 9 560 | 9 874 | 10 190 | 1 431 |
| Retirement benefit obligations | 334 | 353 | 396 | 375 | 365 | 339 |
| Deferred income tax liabilities | 1 227 | 1 100 | 1 076 | 1 028 | 1 020 | 317 |
| Provisions | 40 | 44 | 24 | 44 | 43 | 42 |
| **Total non-current liabilities** | **10 146** | **10 651** | **11 056** | **11 321** | **11 618** | **2 129** |
| **Current liabilities** | | | | | | |
| Advances from customers | 143 | 266 | 219 | 191 | 126 | 231 |
| Accounts payable | 326 | 191 | 246 | 229 | 355 | 165 |
| Current income tax liabilities | 26 | 7 | 5 | 1 | 27 | 0 |
| Other non-interest bearing liabilities | 476 | 466 | 414 | 395 | 564 | 181 |
| Provisions | 21 | 14 | 13 | 18 | 24 | 25 |
| Accrued costs and prepaid revenues | 1 192 | 1 082 | 1 161 | 1 308 | 1 294 | 930 |
| Borrowings | 763 | 796 | 851 | 866 | 876 | 1 503 |
| Liabilities directly associated with assets classified as held for sale | - | - | - | - | 24 | 53 |
| **Total current liabilities** | **2 947** | **2 822** | **2 909** | **3 008** | **3 290** | **3 088** |
| **TOTAL EQUITY AND LIABILITIES** | **18 213** | **18 254** | **18 680** | **19 170** | **19 542** | **7 084** |

## Changes in equity

| SEK M | Share Capital | Additional paid in capital | Reserves | Retained earnings | Total equity |
|---|---|---|---|---|---|
| **Opening balance as per January 1, 2005** | **158** | **2 072** | **-103** | **-248** | **1 879** |
| Foreign currency translation differences | - | - | 4 | - | 4 |
| Hedging of cash flow after tax | - | - | -48 | - | -48 |
| Hedging of net investments after tax | - | - | 26 | - | 26 |
| Share-savings program - value of services provided | - | 2 | - | - | 2 |
| Dividend | - | - | - | -345 | -345 |
| Buy back of shares | - | -193 | - | - | -193 |
| Non-cash issues in conjunction with company acquisition | 24 | 2 368 | - | - | 2 392 |
| Net income | - | - | - | 917 | 917 |
| **Closing balance as per December 31, 2005** | **182** | **4 249** | **-121** | **324** | **4 634** |
| **Opening balance as per January 1, 2006** | **182** | **4 249** | **-121** | **324** | **4 634** |
| Foreign currency translation differences | - | - | -875 | - | -875 |
| Hedging of cash flow after tax | - | - | 172 | - | 172 |
| Hedging of net investments after tax | - | - | 528 | - | 528 |
| Share-savings program - value of services provided | - | 5 | - | - | 5 |
| Dividend | - | - | - | -398 | -398 |
| Net income | - | - | - | 1 054 | 1 054 |
| **Closing balance as per December 31, 2006** | **182** | **4 254** | **-296** | **980** | **5 120** |

## Cash flow statement

| | ------- 3 months -------- | | ------- 12 months ------- | |
|---|---|---|---|---|
| | 2006 | 2005 | 2006 | 2005 |
| SEK M | Oct-Dec | Oct-Dec | Jan-Dec | Jan-Dec |
| **Operating income before interest and taxes** | **648** | **470** | **1 872** | **1 073** |
| Depreciations and amortizations | 104 | 78 | 418 | 161 |
| Other non-cash items | -16 | -2 | -73 | -47 |
| Interest paid | -126 | -51 | -491 | -115 |
| Income taxes paid | -51 | -50 | -255 | -179 |
| Cash flow from operating activities before changes in working capital | 559 | 445 | 1 471 | 893 |
| Changes in net working capital | -14 | -88 | -35 | 114 |
| **Cash flow from operating activities** | **545** | **357** | **1 436** | **1 007** |
| | | | | |
| **Cash flow from discontinued operations** | **-** | **-5** | **45** | **78** |
| | | | | |
| Acquisition of subsidiaries, net of cash acquired | -16 | -5 055 | -138 | -5 060 |
| Purchases and sales of non-current assets, net | -53 | -20 | -87 | -81 |
| **Cash flow from investing activites** | **-69** | **-5 075** | **-225** | **-5 141** |
| | | | | |
| New loans raised | - | 11 201 | - | 11 201 |
| Loans paid back | -405 | -6 117 | -1 088 | -6 195 |
| Buy back of shares | - | - | - | -193 |
| Dividend | - | - | -398 | -345 |
| **Cash flow from financing activities** | **-405** | **5 084** | **-1 486** | **4 468** |
| | | | | |
| **Cash flow** | **71** | **361** | **-230** | **412** |
| | | | | |
| Total cash and cash equivalents at beginning of period | 421 | 391 | 742 | 317 |
| Cash flow | 71 | 361 | -230 | 412 |
| Exchange difference in cash and cash equivalents | -14 | -10 | -34 | 13 |
| Total cash and cash equivalents at end of period | 478 | 742 | 478 | 742 |

## Operating Revenues by region and market unit

| SEK M | ------- 3 months -------- 2006 Oct-Dec | 2005 Oct-Dec | ------- 12 months ------- 2006 Jan-Dec | 2005 Jan-Dec |
|---|---|---|---|---|
| ***Continuing operations*** | | | | |
| **Total operating revenues** | **2 040** | **1 761** | **6 697** | **4 827** |
| Offline revenues | 1 284 | 1 147 | 3 852 | 2 621 |
| Online revenues | 517 | 413 | 1 938 | 1 422 |
| Voice revenues | 239 | 201 | 907 | 784 |
| *Online revenues, portion of total* | *25%* | *23%* | *29%* | *29%* |
| **Sweden** | **1 004** | **1 017** | **2 772** | **2 779** |
| Offline revenues | 659 | 708 | 1 522 | 1 598 |
| Online revenues | 187 | 161 | 653 | 581 |
| Voice revenues | 158 | 148 | 597 | 600 |
| ***Sweden excl. Voice*** | ***846*** | ***869*** | ***2 175*** | ***2 179*** |
| Offline revenues | 659 | 708 | 1 522 | 1 598 |
| Online revenues | 187 | 161 | 653 | 581 |
| ***Sweden Voice*** | ***158*** | ***148*** | ***597*** | ***600*** |
| Voice revenues | 158 | 148 | 597 | 600 |
| **Nordic excl. Sweden** | **715** | **409** | **3 205** | **1 326** |
| Offline revenues | 404 | 206 | 2 001 | 696 |
| Online revenues | 230 | 150 | 894 | 446 |
| Voice revenues | 81 | 53 | 310 | 184 |
| ***Norway*** | ***416*** | ***119*** | ***2 121*** | ***293*** |
| Offline revenues | 216 | 13 | 1 344 | 13 |
| Online revenues | 173 | 100 | 675 | 274 |
| Voice revenues | 27 | 6 | 102 | 6 |
| ***Finland*** | ***161*** | ***168*** | ***642*** | ***637*** |
| Offline revenues | 77 | 92 | 311 | 363 |
| Online revenues | 30 | 29 | 123 | 96 |
| Voice revenues | 54 | 47 | 208 | 178 |
| ***Denmark*** | ***138*** | ***122*** | ***442*** | ***396*** |
| Offline revenues | 111 | 101 | 346 | 320 |
| Online revenues | 27 | 21 | 96 | 76 |
| **Central Europe** | **321** | **335** | **720** | **722** |
| Offline revenues | 221 | 233 | 329 | 327 |
| Online revenues | 100 | 102 | 391 | 395 |
| ***Germany*** | ***82*** | ***88*** | ***325*** | ***347*** |
| Online revenues | 82 | 88 | 325 | 347 |
| ***Poland*** | ***239*** | ***247*** | ***395*** | ***375*** |
| Offline revenues | 221 | 233 | 329 | 327 |
| Online revenues | 18 | 14 | 66 | 48 |

## EBITDA by region and market unit

| SEK M | ------- 3 months -------- 2006 Oct-Dec | 2005 Oct-Dec | ------- 12 months ------- 2006 Jan-Dec | 2005 Jan-Dec |
|---|---|---|---|---|
| ***Continuing operations*** | | | | |
| **EBITDA Total** | **752** | **548** | **2 290** | **1 234** |
| *Margin, %* | *37* | *31* | *34* | *26* |
| **Sweden** | **497** | **470** | **1 143** | **1 116** |
| *Margin, %* | *50* | *46* | *41* | *40* |
| ***Sweden excl. Voice*** | ***466*** | ***426*** | ***1 003*** | ***994*** |
| *Margin, %* | *55* | *49* | *46* | *46* |
| ***Sweden Voice*** | ***31*** | ***44*** | ***140*** | ***122*** |
| *Margin, %* | *20* | *30* | *23* | *20* |
| **Nordic excl Sweden** | **169** | **-21** | **1 067** | **32** |
| *Margin, %* | *24* | *-5* | *33* | *2* |
| ***Norway*** | ***108*** | ***-48*** | ***925*** | ***-39*** |
| *Margin, %* | *26* | *-40* | *44* | *-13* |
| ***Finland*** | ***26*** | ***19*** | ***84*** | ***34*** |
| *Margin, %* | *16* | *11* | *13* | *5* |
| ***Denmark*** | ***35*** | ***8*** | ***58*** | ***37*** |
| *Margin, %* | *25* | *7* | *13* | *9* |
| **Central Europe** | **116** | **133** | **161** | **155** |
| *Margin, %* | *36* | *40* | *22* | *21* |
| ***Germany*** | ***5*** | ***9*** | ***70*** | ***72*** |
| *Margin, %* | *6* | *10* | *22* | *21* |
| ***Poland*** | ***111*** | ***124*** | ***91*** | ***83*** |
| *Margin, %* | *46* | *50* | *23* | *22* |
| **Other (Head office and group-wide projects)** | ***-30*** | ***-34*** | ***-81*** | ***-69*** |

## EBIT by region

| SEK M | ------- 3 months -------- 2006 Oct-Dec | 2005 Oct-Dec | ------- 12 months ------- 2006 Jan-Dec | 2005 Jan-Dec |
|---|---|---|---|---|
| ***Continuing operations*** | | | | |
| **Total EBIT** | **648** | **470** | **1 872** | **1 073** |
| *Margin, %* | *32* | *27* | *28* | *22* |
| **Sweden** | **485** | **448** | **1 100** | **1 053** |
| *Margin, %* | *48* | *44* | *40* | *38* |
| **Nordic excl Sweden** | **82** | **-73** | **711** | **-47** |
| *Margin, %* | *11* | *-18* | *22* | *-4* |
| **Central Europe** | **111** | **129** | **142** | **137** |
| *Margin, %* | *35* | *39* | *20* | *19* |
| **Other** | **-30** | **-34** | **-81** | **-70** |

## Operating Revenues by quarter

| SEK M | 2006 Q4 | 2006 Q3 | 2006 Q2 | 2006 Q1 | 2005 Q4 | 2005 Q3 | 2005 Q2 | 2005 Q1 |
|---|---|---|---|---|---|---|---|---|
| ***Continuing operations*** | | | | | | | | |
| **Operating revenues** | | | | | | | | |
| **Total** | **2 040** | **1 432** | **1 819** | **1 406** | **1 761** | **969** | **1 292** | **805** |
| Offline revenues | 1 284 | 720 | 1 106 | 742 | 1 147 | 413 | 756 | 305 |
| Online revenues | 517 | 479 | 478 | 464 | 413 | 350 | 335 | 324 |
| Voice revenues | 239 | 233 | 235 | 200 | 201 | 206 | 201 | 176 |
| **Sweden** | **1 004** | **543** | **723** | **502** | **1 017** | **547** | **749** | **466** |
| Offline revenues | 659 | 230 | 417 | 216 | 708 | 245 | 448 | 197 |
| Online revenues | 187 | 160 | 154 | 152 | 161 | 146 | 143 | 131 |
| Voice revenues | 158 | 153 | 152 | 134 | 148 | 156 | 158 | 138 |
| *Sweden excl. Voice* | *846* | *390* | *571* | *368* | *869* | *391* | *591* | *328* |
| *Offline revenues* | *659* | *230* | *417* | *216* | *708* | *245* | *448* | *197* |
| *Online revenues* | *187* | *160* | *154* | *152* | *161* | *146* | *143* | *131* |
| *Sweden Voice* | *158* | *153* | *152* | *134* | *148* | *156* | *158* | *138* |
| *Voice revenues* | *158* | *153* | *152* | *134* | *148* | *156* | *158* | *138* |
| **Nordic excl. Sweden** | **715** | **728** | **967** | **795** | **409** | **262** | **422** | **233** |
| Offline revenues | 404 | 426 | 656 | 515 | 206 | 108 | 283 | 99 |
| Online revenues | 230 | 222 | 228 | 214 | 150 | 104 | 96 | 96 |
| Voice revenues | 81 | 80 | 83 | 66 | 53 | 50 | 43 | 38 |
| *Norway* | *416* | *518* | *581* | *606* | *119* | *61* | *57* | *56* |
| *Offline revenues* | *216* | *325* | *378* | *425* | *13* | *-* | *-* | *-* |
| *Online revenues* | *173* | *167* | *175* | *160* | *100* | *61* | *57* | *56* |
| *Voice revenues* | *27* | *26* | *28* | *21* | *6* | *-* | *-* | *-* |
| *Finland* | *161* | *110* | *257* | *114* | *168* | *103* | *258* | *108* |
| *Offline revenues* | *77* | *25* | *172* | *37* | *92* | *29* | *194* | *48* |
| *Online revenues* | *30* | *31* | *30* | *32* | *29* | *24* | *21* | *22* |
| *Voice revenues* | *54* | *54* | *55* | *45* | *47* | *50* | *43* | *38* |
| *Denmark* | *138* | *100* | *129* | *75* | *122* | *98* | *107* | *69* |
| *Offline revenues* | *111* | *76* | *106* | *53* | *101* | *79* | *89* | *51* |
| *Online revenues* | *27* | *24* | *23* | *22* | *21* | *19* | *18* | *18* |
| **Central Europe** | **321** | **161** | **129** | **109** | **335** | **160** | **121** | **106** |
| Offline revenues | 221 | 64 | 33 | 11 | 233 | 60 | 25 | 9 |
| Online revenues | 100 | 97 | 96 | 98 | 102 | 100 | 96 | 97 |
| *Germany* | *82* | *81* | *80* | *82* | *88* | *87* | *85* | *87* |
| *Online revenues* | *82* | *81* | *80* | *82* | *88* | *87* | *85* | *87* |
| *Poland* | *239* | *80* | *49* | *27* | *247* | *73* | *36* | *19* |
| *Offline revenues* | *221* | *64* | *33* | *11* | *233* | *60* | *25* | *9* |
| *Online revenues* | *18* | *16* | *16* | *16* | *14* | *13* | *11* | *10* |

## EBITDA by quarter

| SEK M | 2006 Q4 | 2006 Q3 | 2006 Q2 | 2006 Q1 | 2005 Q4 | 2005 Q3 | 2005 Q2 | 2005 Q1 |
|---|---|---|---|---|---|---|---|---|
| ***Continuing operations*** | | | | | | | | |
| **EBITDA by quarter** | | | | | | | | |
| **Total** | **752** | **464** | **683** | **391** | **548** | **194** | **380** | **112** |
| Sweden | 497 | 198 | 301 | 147 | 470 | 160 | 325 | 161 |
| *Sweden excl. Voice* | 466 | 147 | 269 | 121 | 426 | 119 | 305 | 144 |
| *Sweden Voice* | *31* | *51* | *32* | *26* | *44* | *41* | *20* | *17* |
| Nordic excl. Sweden | 169 | 244 | 392 | 262 | -21 | 12 | 78 | -37 |
| *Norway* | *108* | *236* | *301* | *280* | *-48* | *8* | *5* | *-4* |
| *Finland* | *26* | *3* | *62* | *-7* | *19* | *-12* | *50* | *-23* |
| *Denmark* | 35 | 5 | 29 | -11 | 8 | 16 | 23 | -10 |
| Central Europe | 116 | 41 | 4 | 0 | 133 | 32 | -12 | 2 |
| *Germany* | *5* | *16* | *20* | *29* | *9* | *20* | *14* | *29* |
| *Poland* | *111* | *25* | *-16* | *-29* | *124* | *12* | *-26* | *-27* |
| Other (Head office and group-wide projects) | -30 | -19 | -14 | -18 | -34 | -10 | -11 | -14 |

## Financial key ratios

| SEK M | ------- 3 months -------- 2006 Oct-Dec | 2005 Oct-Dec | ------- 12 months ------- 2006 Jan-Dec | 2005 Jan-Dec |
|---|---|---|---|---|
| Operating margin - EBITDA, % | 37 | 31 | 34 | 26 |
| Operating margin - EBIT, % | 32 | 27 | 28 | 22 |
| Cash Earnings continuing operations, SEK M | 458 | 539 | 1 429 | 997 |
| Cash Earnings, SEK M | 458 | 558 | 1 472 | 1 081 |

| SEK M | 2006 Dec. 31 | 2006 Sep. 30 | 2006 Jun. 30 | 2006 Mar. 31 | 2005 Dec. 31 | 2005 Sep. 30 |
|---|---|---|---|---|---|---|
| Equity, average 12 months, SEK M | 4 804 | 4 379 | 3 639 | 2 902 | 2 195 | 1 914 |
| Return on equity, 12 months, % | 22 | 27 | 32 | 36 | 42 | 42 |
| Interest-bearing net debt, SEK M | 8 872 | 9 719 | 10 187 | 10 340 | 10 564 | 2 758 |
| Debt/equity ratio, times | 1,73 | 2,03 | 2,16 | 2,14 | 2,28 | 1,48 |
| Equity/assets ratio, % | 28 | 26 | 25 | 25 | 24 | 26 |
| Interest-bearing net debt/EBITDA 12 months, times | 3,9 | 4,7 | 5,6 | 6,8 | 8,6 | 2,2 |

## Key ratios per share before dilution

| | ------- 3 months -------- 2006 Oct-Dec | 2005 Oct-Dec | ------- 12 months ------- 2006 Jan-Dec | 2005 Jan-Dec |
|---|---|---|---|---|
| Operating revenues, SEK | 11,26 | 10,88 | 36,98 | 30,73 |
| Earnings before tax, SEK | 2,78 | 2,85 | 7,38 | 6,47 |
| Net income continuing operations, SEK | 1,95 | 2,85 | 5,58 | 5,32 |
| Net income, SEK | 1,95 | 2,96 | 5,82 | 5,84 |
| Cash Earnings continuing operations, SEK | 2,53 | 3,33 | 7,89 | 6,35 |
| Cash Earnings, SEK | 2,53 | 3,45 | 8,13 | 6,88 |
| Average number of shares before dilution, 000s | 181 102 | 161 868 | 181 102 | 157 079 |
| Average number of shares after dilution, 000s | 181 309 | 162 021 | 181 309 | 157 231 |

| | 2006 Dec. 31 | 2006 Sep. 30 | 2006 Jun. 30 | 2006 Mar. 31 | 2005 Dec. 31 | 2005 Sep. 30 |
|---|---|---|---|---|---|---|
| Equity, SEK | 28,27 | 26,40 | 26,03 | 26,73 | 25,59 | 12,10 |
| Share price, end of period, SEK | 90,50 | 90,00 | 75,75 | 90,00 | 100,00 | 90,50 |
| Number of shares on the closing date after buy backs, 000s | 181 103 | 181 103 | 181 102 | 181 102 | 181 102 | 154 291 |

## Other key data

| | ------- 12 months ------- 2006 Jan-Dec | 2005 Jan-Dec |
|---|---|---|
| Average number of full-time employees, period | 4 801 | 4 754 |
| Number of full-time employees on the closing date | 4 821 | 5 429 |