

Eniro – Interim report: January – September 2005

July – September

- Operating revenues totaled SEK 969 M (977)
- Net income for the period was SEK 158 M (112)
- Net income per share was SEK 1.02 (0.67)
- Operating income before depreciation (EBITDA) was SEK 194 M (192)
- Eniro has reached an agreement to acquire the Norwegian company Findexa for a cash payment of NOK 4,515 M and 26.8 million Eniro shares
- Order intake for Swedish offline is better than expected. Therefore the market outlook for the estimated organic development for the Swedish offline revenues has been adjusted from -3% to -2% for the full-year 2005
- Operations in Russia were disposed of – a further step in the concentration to the Nordic countries and Poland

January – September

- Operating revenues amounted to SEK 3,066 M (3,130)
- Net income for the period was SEK 438 M (404)
- Net income per share was SEK 2.82 (2.41)
- Operating income before depreciation (EBITDA) was SEK 686 M (745)

The Group

July – September

On September 26, the boards of Eniro and Findexa announced that they had reached an agreement on the terms of a recommended acquisition by Eniro of Findexa. The total purchase price consists of a cash payment of NOK 4,515 M and 26.8 million Eniro shares, whereof a maximum of 24 million newly issued shares. The acquisition enhances Eniro's position as a leading search company in the Nordic media market and entails cost synergies, a more efficient capital structure and improved cash flow. The Norwegian Competition Authority informed on October 18, 2005, that it approved the acquisition. The acquisition is expected to be completed around December 5, after a formal court order in Jersey and the approval of the shareholders of Findexa and Eniro.

During the quarter, competition remained intense in most of Eniro's markets.

Order intake for the Swedish offline is better than expected. The market outlook for Swedish offline revenues, reported in Eniro's interim report for the second quarter, of an estimated organic decline of -3 percent for 2005 and 0 in 2006 has been adjusted. The new market outlook for offline revenues is an estimated organic decline of -2 percent for 2005 and unchanged in 2006. The market outlook for an expected increase in online revenues in Sweden excluding Voice of more than 10 percent remains in effect.

Eniro's revenues and profitability in Finland were weaker as a result of changed market conditions. During the quarter, a review of the organization was initiated, which will lead to restructuring costs during the fourth quarter of 2005 of roughly SEK 15 M. Starting in 2006, the measures implemented will result in annual cost savings of about SEK 15 M. Because of the changed market conditions and higher costs in 2005, the Finnish EBITDA margin for 2005 is expected to fall to the bottom end of the range of 8 – 10 percent (excluding restructuring costs), communicated in the interim report for the second quarter.

As part of Eniro's concentration on its core markets in the Nordic countries and Poland, operations in Russia were disposed of in October, with completion expected in November. Operations in the Baltic countries were disposed of in the second quarter and finalized in the third quarter.

The Group's operating revenues fell 1 percent to SEK 969 M (977). Organically (adjusted for exchange rates, acquisitions and disposals as well as changes in publication dates), revenues increased 1 percent. Offline revenues fell 10 percent to SEK 413 M (457). Organically, offline revenues fell 4 percent. Online revenues increased 7 percent to SEK 556 M (520) and also increased organically 5 percent. The Group's EBITDA for the quarter was SEK 194 M (192).

January – September

The Group's operating revenues for the first three quarters of 2005 fell 2 percent to SEK 3,066 M (3,130). Organically, revenues fell 1 percent. Offline revenues fell 9 percent to SEK 1,474 M (1,623). The organic fall in offline revenues was 7 percent. Online revenues increased 6 percent to SEK 1,592 M (1 507). Organically, online revenues increased 5 percent. EBITDA for the first three quarters fell 8 percent to SEK 686 M (745). The decrease is largely due to lower earnings in Finland.

Summary of the consolidated income statement									
	3 months			9 months			12 months		
	July-September			January-September			Oct-Sept	Jan-Dec	
SEK M	2005	2004	%	2005	2004	%	2004/05	2004	%
Operating revenues	969	977	-1	3,066	3,130	-2	4,681	4,745	-1
Operating income before deprec. (EBITDA)	194	192	1	686	745	-8	1,265	1,324	-4
Earnings before tax	142	145	-2	556	611	-9	1,076	1,131	-5
Net income per share, SEK	1.02	0.67	43	2.82	2.41	14	5.10	4.62	9
Cash earnings per share, SEK	1.22	0.80	44	3.36	2.81	17	5.83	5.20	11

Sweden

SEK M	July - September			January - September		
	2005	2004	%	2005	2004	%
Revenues	547	540	1	1,762	1,775	-1
Offline	245	252	-3	890	934	-5
Online	302	288	5	872	841	4
EBITDA	160	156	3	646	616	5
EBITDA marg	29	29		37	35	

Sweden excl. Voice

The total Swedish advertising market that is relevant to Eniro (traditional media, directories and Internet) was estimated by IRM to be SEK 18.6 billion (18.0) for 2004, of which Eniro has about a 12 percent market share (13). Eniro's share of the directory advertising market was 82 percent (86) and its share of the Internet advertising market was 41 percent (44).

SEK M	July - September			January - September		
	2005	2004	%	2005	2004	%
Revenues	391	381	3	1,310	1,310	0
Offline	245	252	-3	890	934	-5
Online	146	129	13	420	376	12
EBITDA	119	116	3	568	510	11
EBITDA marg	30	30		43	39	

July – September

Operating revenues for the third quarter increased 3 percent, while organically they increased 2 percent.

Organically, offline revenues fell 4 percent.

During the quarter, revenues were reported from seven Gula Sidorna directories, including for the cities of Helsingborg, Skövde and Karlstad. For comparable published Gula Sidorna directories, the average revenue per advertiser (ARPA) decreased by 1 percent, and the number of advertisers fell 2 percent, compared to the third quarter of 2004.

Revenues from Gula Tidningen were down compared to 2005 and had an adverse effect on offline revenues. Operating revenues from the 36 Din Del directories published increased strongly.

The organic increase in online revenues for the third quarter was 13 percent.

EBITDA for the third quarter was SEK 119 M (116).

January – September

Operating revenues for the first three quarters increased organically 1 percent. Offline revenues fell 5 percent, while they fell organically 3 percent. Online revenues increased 12 percent, which was also the organic increase.

EBITDA improved by 11 percent, largely as a result of lower costs.

Sweden Voice

Eniro is the market leader in directory assistance services in Sweden and maintained its market share in 2004.

SEK M	July - September			January - September		
	2005	2004	%	2005	2004	%
Revenues	156	159	-2	452	465	-3
EBITDA	41	40	3	78	106	-26
EBITDA marg	26	25		17	23	

July – September

Operating revenues totaled SEK 156 M (159). The number of calls to directory assistance declined somewhat as a result of greater competition from the Internet. The decrease is however to a large part compensated by new, more refined, services.

EBITDA during the quarter was positively affected by timing effects on costs.

January – September

Operating revenues fell slightly as a result of lower volume.

Restructuring costs of SEK 15 M had a negative impact on EBITDA. The restructuring costs pertain to the cut in the number of operation locations and will result in annual savings of about SEK 20-25 M beginning in 2006.

Timing effects have implied higher costs during the first six months 2005.

Nordic region (excl. Sweden)

SEK	July - September			January - September		
	2005	2004	%	2005	2004	%
Revenues	262	292	-10	917	964	-5
Offline	108	159	-32	490	593	-17
Online	154	133	16	427	371	15
EBITDA	12	42	-71	53	169	-69
EBITDA marg	5	14		6	18	

Finland

Eniro is one of the leading search companies in Finland with products and services in all relevant search channels. In 2004, Eniro had 42 percent (44) of the directory advertising market in Finland and 23 percent (27) of the Internet advertising market.

SEK M	July - September			January - September		
	2005	2004	%	2005	2004	%
Revenues	103	101	2	469	545	-14
EBITDA	-12	-6	n.a.	15	136	-89
EBITDA marg	-12	-6		3	25	

July – September

The changed market conditions that developed in Finland in 2004 for both Gula Sidorna and B2B products continue.

Operating revenues for the third quarter fell 2 percent to SEK 103 M (101). Organically, the decrease was 4 percent.

EBITDA fell to SEK -12 M (-6).

During the quarter, a review of the organization was initiated which will result in restructuring costs during the fourth quarter of 2005 of roughly SEK 15 M. Starting in 2006, the measures implemented are expected to result in annual savings of about SEK 15 M.

As a result of changed market conditions and higher costs during 2005, the Finnish EBITDA margin in 2005 is expected to fall to the bottom end of the range of 8-10 percent (excluding restructuring costs).

The measures for cost savings and product offering that were initiated earlier are expected to have a positive effect on earnings in 2006.

January – September

Operating revenues for the first three quarters fell organically by 14 percent. Operating revenues from the Tampere and Helsinki directories fell a total of 27 percent.

The EBITDA margin for the first three quarters fell to 3 percent (25) as a result of the decline in operating revenues and higher costs.

During the second quarter, Eniro acquired operations in directory assistance which are expected to have a positive impact of SEK 5 M annually on Eniro Finland's EBITDA.

Denmark

In Denmark, Eniro has focused its offering on local directories and on Internet and mobile services. Eniro's share of the Danish directory advertising market is 20 percent (20) and its share of Internet advertising in 9 percent (10).

SEK M	July - September			January - September		
	2005	2004	%	2005	2004	%
Revenues	98	146	-33	274	293	-6
EBITDA	16	48	-66	29	38	-24
EBITDA marg	16	33		11	13	

July – September

Operating revenues fell 33 percent to SEK 98 M (146). Taking into account the effects of the change in publication dates of SEK –51 M, whereof SEK 28 M will be published during the fourth quarter, and exchange rate effects, the organic increase was 1 percent.

The change in publication dates had a negative impact on EBITDA compared to the same period 2004.

In August, a sales office opened in Århus with mostly online sales staff.

January – September

Operating revenues fell 6 percent. Organically, revenues increased 3 percent.

EBITDA was negatively affected by the shift in publication dates.

Norway

The Eniro Internet operation in Norway has one of the leading market positions with a 16 percent (14) market share.

SEK M	July - September			January - September		
	2005	2004	%	2005	2004	%
Revenues	61	45	36	174	126	38
EBITDA	8	0	n.a.	9	-5	n.a.
EBITDA marg	13	0		5	-4	

July – September

In Norway, the competition has intensified in the rapidly growing Internet advertising market. Eniro Norway experienced continued strong growth, and operating revenues increased 35 percent to SEK 61 M (45). Taking into account exchange rate effects, the organic increase was 25 percent.

EBITDA improved to SEK 8 M (0).

January – September

Operating revenues increased 38 percent, whereof the organic increase was 32 percent.

Central Europe

SEK M	July – September			January - September		
	2005	2004	%	2005	2004	%
Revenues	160	145	10	387	391	-1
Offline	60	46	30	94	96	-2
Online	100	99	1	293	295	-1
EBITDA	32	13	146	22	32	-31
EBITDA marg	20	9		6	8	

Poland

Eniro is a market-leading search company in Poland with both printed directories and Internet and mobile services. Eniro Poland's share of the Internet advertising market is about 24 percent (24) and its share of the directory advertising market is about 50 percent (48).

SEK M	July - September			January - September		
	2005	2004	%	2005	2004	%
Revenues	73	53	38	128	104	23
EBITDA	12	1	1,100	-41	-34	n.a.
EBITDA marg	16	2		-32	-33	

July – September

Operating revenues increased 38 percent. Taking into account exchange rate differences and the change in publication dates of SEK 8 M, the organic rate of growth in revenues was 7 percent.

EBITDA increased to SEK 12 M (1).

January – September

Operating revenues increased 23 percent, whereof the organic increase was 11 percent compared to the same period in 2004.

In Eniro Poland, the publishing of directories is concentrated to the fourth quarter and only a limited number of directories were published during the first nine months.

Germany

Through Wer Liefert Was? in Germany, Eniro is a market leader in B2B search services on the Internet with a focus on industrial purchasers. Eniro's share of the Internet advertising market in Germany is about 12 percent (13).

SEK M	July - September			January - September		
	2005	2004	%	2005	2004	%
Revenues	87	92	-5	259	287	-10
EBITDA	20	12	67	63	66	-5
EBITDA marg	23	13		24	23	

July – September

Operating revenues fell 5 percent compared to the third quarter of 2004. The organic decline was 8 percent. The transition in operations and a weak German economy have had an adverse effect on sales.

EBITDA was positively impacted by timing effects on costs compared to the equivalent period last year.

January – September

Operating revenues fell 10 percent.

Timing effects on cost had a positive impact the first nine months. A one-time reversal of a reserve relating to a change in the sale organization had a positive effect of SEK 6 M on EBITDA during the period.

The transition in operations is expected to be completed at the end of 2005.

Eastern Europe

Eniro intends to dispose all of its operations in Eastern Europe. Following IFRS 5, operations that are being disposed of are excluded from consolidated operating revenues and operating income.

January – September

As part of Eniro's focus on its core markets, all operations in Russia were disposed of in October. The sale is pending the approval of the Russian anti-monopoly authority, and it is expected that the sale can be completed in November 2005. The sale is not expected to generate any material capital gain. During the quarter, the sale of Eniro's operations in Estonia and Lithuania was finalized, generating a capital gain of SEK 92 M. The sale of operations in Latvia was finalized during the second quarter. After the above mentioned divestments, only operations in Belarus remain within Eastern Europe.

Other

This category includes costs for corporate headquarters and Group-wide projects as well as costs for structural transactions where appropriate.

For the third quarter, EBITDA was SEK 10 M (–19) and SEK –35 M (–72) for the first three quarters of 2005. Cost savings at corporate headquarters and low costs for Group-wide projects had a positive impact on earnings.

Consolidated cash flow

Consolidated cash flow from operations was SEK 187 M (165) for the quarter and SEK 650 M (815) for the first nine months. The cash flow for the first three quarters of 2005 was influenced by one-time effects in the first quarter; payments made for costs in Germany for which provisions were previously set aside, and change in working capital.

Financial position

The Group's interest-bearing net debt totaled SEK 2,758 M at the end of the period. The equity/assets ratio was 26 percent at the end of the period, which was unchanged compared to the end of 2004. The debt/equity ratio was 1.48 compared to 1.51 at the end of December 2004. Interest-bearing net debt divided by EBITDA was 2.2 compared to 2.1 at the end of December 2004. Return on equity was 42 percent for the most recent twelve months.

Taxes

The tax expense for the third quarter is estimated to be SEK –68 M (–29) and SEK –181 M (–170) for the nine-month period. The underlying tax on profit for the period is about 29 percent for the group. Tax expense for the third quarter is affected by one-time effects from inter alia revaluation of tax losses carried forward in Denmark.

Earnings per share

Cash earnings per share were SEK 1.22 (0.80) for the third quarter and SEK 3.36 (2.81) for the nine-month period. Earnings per share were SEK 1.02 (0.67) for the quarter and SEK 2.82 (2.41) for the nine-month period.

Share repurchase

Eniro had 3,860,700 of its own shares at the end of the reporting period. The average number of own shares during the third quarter was 3,860,700 and during the nine month period 2,669,781. About 2.9 million shares will be used as payment at the acquisition of Findexa. The remaining number of shares will be kept to be used in the share-savings program (see below).

Share-savings program

About 300 Eniro employees decided to take part in the share-savings program that was adopted by the 2005 Annual General Meeting. All of Eniro's permanent employees in Sweden, Finland and Norway as well as senior executives in Denmark and Poland are invited to participate in the share-savings program.

Employees

On September 30, 2005, the number of full-time employees was 4,510 (4,959). The number of employees is broken down by region as shown in the following table:

Sweden	1,480	(1,507)
Nordic region	1,098	(1,113)
Central Europe	1,375	(1,271)
Eastern Europe	557	(1,068)

Accounting principles as of 2005

This interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS), approved by the European Union (EU). The organization of the report adheres to IAS 34 Interim Financial Reporting. The interim report has been prepared in accordance with RR31. A more detailed description of the principles applied effective as of 2005 is given in the 2004 Annual Report.

The central principle is that IFRS and other changes in principles shall be applied retroactively. The changes in assets and liabilities thus arising were booked directly in shareholders' equity at January 1, 2004. A review of these effects and a more detailed account of how the transition to the new principles was effectuated are provided in the interim report for the first quarter of 2005.

In accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, operations that Eniro is phasing out are reported separately in the balance sheet and income statement, since it is highly probable that a sale will be finalized within one year. This means that the Eastern European operations are reported separately effective from the second quarter of 2005 under the heading Discontinued operations.

Effect on revenues resulting from changes in publication dates during 2005

Revenues from the sale of printed directories are reported when the various directories are distributed. A change in publication dates can thus affect comparisons between the same quarters for different years. In a comparison between 2005 and 2004, the net effect on operating revenues as a result of changes in publication dates is estimated to be a total of about SEK -24 M.

Effect on revenues resulting from changes in publication dates in 2005 compared to 2004					
SEK M	Q 1	Q 2	Q 3	Q 4	Total 2005
Sweden excl. Voice	-43	10	4	5	-24
Denmark	10	13	-51	28	0
Finland	-9	3	0	7	0
Poland	-1	-11	8	5	0
Total effect	-44	14	-39	45	-24

Distribution of revenues from bundled sales in 2005

Sales of bundled products in the Swedish operation amount to about SEK 450-500 M. In reporting these sales revenues as offline or online, a distribution ratio is applied that is based on the usage of the products and which is updated annually. As of January 1, 2005, 35 percent (30) of the sales from bundled products are recognized as online sales, while 65 percent (70) are recognized as offline sales.

Acquisitions

On September 26, the boards of Eniro and Findexa announced that they had reached an agreement that Eniro would carry out a recommended acquisition of Findexa. Shareholders of Findexa representing 61.1 percent of the share capital have committed to vote for the acquisition. The total purchase price consists of a cash payment of NOK 4,515 M and 26.8 million Eniro shares, 24 million of these being newly issued shares. The acquisition enhances Eniro's position as a leading search company in the Nordic media market and entails expected cost synergies, a more efficient capital structure and improved cash flow.

The Norwegian Competition Authority informed on October 18, 2005, that it approved the acquisition. It is expected that the acquisition can be completed around December 5, after a formal court order in Jersey and the approval of the shareholders of Findexa and Eniro.

With the aim of enhancing Eniro's market position in directory assistance in Finland, directory assistance operations in Finland were acquired during the second quarter. The purchase price was SEK 13 M. The operations reported revenues of SEK 10 M in 2004, and are expected to add SEK 5 M to EBITDA annually.

Eniro has secured a license for a technical platform in paid search through a contract with MIVA. The intention is to be able to broaden the customer offering and use more sophisticated pricing models. In addition to the licensing agreement, Eniro also acquired the assets of MIVA (Espotting Scandinavia) in Sweden, Norway and Denmark for a total of SEK 5 M.

Disposals

Eniro has divested all operations in the Baltic countries for a total of about SEK 80 M. The sale of Latvian operations was finalized on May 31, 2005, and the sale of operations in Estonia and Lithuania was finalized on August 31, 2005. The total capital gain from the sale of operations in the Baltic countries was SEK 92 M.

After the end of the third quarter, operations in Russia were sold for EUR 5 M or roughly SEK 47 M. The sale, which includes all of Eniro's legal units in Russia, is pending the approval of the Russian anti-monopoly

authority and is expected to be finalized in November 2005. The disposal is not expected to generate any material capital gain.

New financing

In conjunction with the disclosure of the transaction to acquire Findexa, Eniro signed a loan agreement corresponding to SEK 12,000 M with four Swedish banks as co-arrangers. The aim of the financing is partly to finance the acquisition of Findexa, partly to refinance Eniro's and Findexa's existing credit facilities.

Legal issues

Eniro reached a settlement on the matter regarding the infringement of Eniro's rights by TeleDanmark's (TDC) Swedish subsidiary through the distribution of the telephone directory Gulan in the Swedish market. TDC's Swedish subsidiaries have agreed to cease to infringe Eniro's rights to the database Gula Sidorna on the Internet and to the trademark Gula Sidorna. In addition, TDC's Swedish subsidiary is paying compensation to Eniro. The parties have agreed not to disclose the financial portion of the settlement.

The Parent Company

Operating revenues for the first three quarters totaled SEK 41 M (34). All operating revenues pertain to intra-Group sales. Earnings before tax totaled SEK 699 M (-86), whereof SEK 756 M being dividends from subsidiaries. Investments totaled SEK 195 M (74), and consist solely of capital contributions to subsidiaries. The Parent Company's interest-bearing net debt totaled SEK 2,577 M (1,987) at the end of the period.

The interim report for the parent company has been drawn up in accordance with RR32.

Market outlook

Order intake for the Swedish offline is better than expected. The market outlook for Swedish offline revenues reported in Eniro's interim report for the second quarter of an estimated organic decline of -3 percent for 2005 and 0 in 2006 has been adjusted. The new market outlook for offline revenues is an estimated organic decline of -2 percent for 2005 and unchanged in 2006. The market outlook for an expected increase in online revenues in Sweden excl Voice of more than 10 percent remains in effect.

As a result of changed market conditions and higher costs in 2005, the Finnish EBITDA margin for 2005 is expected to fall to the bottom end of the range of 8-10 percent (excluding restructuring costs), communicated in the interim report for the second quarter.

Through a cost-savings program, Eniro will reduce its total cost level, calculated in fixed monetary values, by SEK 350 M compared to a cost level of SEK 3.7 billion in 2003. These net savings, of which some 75 percent will be realized in Swedish operations, are expected to have an effect of SEK 100 M during 2005, SEK 250 M

during 2006 and the full effect of SEK 350 M during 2007. The specified effects are net savings.

In order to meet the tougher competition in online, it was decided and announced during the second quarter that about SEK 25 M would be additionally spent in product development in the second half of 2005.

Other information

Following a decision at the 2005 Annual General Meeting, a nomination committee was appointed. The nomination committee, for the 2006 Annual General Meeting, consists of Wouter Rosingh, Hermes Focus Asset Management, Torsten Johansson, Handelsbanken/SPP Fonder, Magnus Wärn, AMF Pension, Ossian Ekdahl, Första AP-fonden and Lars Berg, the Chairman of the Board of Eniro. The Chairman of the Nomination Committee is Wouter Rosingh. Shareholders wishing to make proposals to the Nomination Committee can do so by e-mail to nominationcommittee@eniro.com

Extraordinary General Meeting

In view of Eniro's proposed acquisition of all outstanding shares in Findexa Limited, Eniro's board of directors has decided to call an Extraordinary General Meeting pertaining to the board's mandate to decide on the issue of new shares and the board's mandate to decide on a transfer of Eniro's own shares. The Extraordinary General Meeting will take place on Monday, November 7, 2005, at 5 p.m. at Näringslivets Hus, Storgatan 18, Stockholm, Sweden.

Stockholm October 27, 2005

Tomas Franzén
President and CEO

Auditor's Review Report

We have reviewed this Interim Report in compliance with the recommendation issued by the Swedish Institute of Authorized Public Accountants (FAR). A review is considerably limited in scope compared with an audit. Nothing has come to our attention that causes us to believe that the Interim Report does not comply with the requirements of the Securities and Clearing Operations Act and the Annual Accounts Act.

Stockholm October 27, 2005
PricewaterhouseCoopers AB

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Financial calendar 2005-2006

Year-end report 2005	Feb 14, 2006
Annual report	March 2006
Annual General Meeting	April 5, 2006
Interim report Jan-Mar 2006	April 27, 2006
Interim report Jan-Jun 2006	July 20, 2006
Interim report Jan-Sept 2006	October 26, 2006

Consolidated Income Statement

	----- 3 months -----		----- 9 months -----		----- 12 months -----	
	2005	2004	2005	2004	2004/05	2004
SEK M	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Oct-Sep	Jan-Dec
<u>Continuing operations</u>						
Operating revenues:						
Gross operating revenues	977	993	3 107	3 186	4 769	4 848
Advertising tax	-8	-16	-41	-56	-88	-103
Operating revenues	969	977	3 066	3 130	4 681	4 745
Costs:						
Production costs	-314	-323	-1 030	-1 060	-1 595	-1 625
Sales costs	-301	-314	-909	-875	-1 201	-1 167
Marketing costs	-78	-73	-241	-211	-344	-314
Administration costs	-86	-88	-258	-269	-360	-371
Product development costs	-28	-19	-78	-64	-109	-95
Other revenues/costs	2	11	53	30	82	59
Operating income before interest and taxes *	164	171	603	681	1 154	1 232
Financial revenues	5	5	36	23	39	26
Financial cost	-27	-31	-83	-93	-117	-127
Earnings before tax	142	145	556	611	1 076	1 131
Taxes	-68	-29	-181	-170	-379	-368
Net income from continuing operations	74	116	375	441	697	763
<u>Discontinued operations</u>						
Net income from discontinued operations	84	-4	63	-37	101	1
Net income	158	112	438	404	798	764
* Depreciations and amortizations are included with	30	21	83	64	111	92
Net income per share from continuing operations, SEK	0,48	0,69	2,41	2,63	4,46	4,62
Net income per share from discontinued operations, SEK	0,54	-0,02	0,41	-0,22	0,64	0,00
Net income per share, SEK	1,02	0,67	2,82	2,41	5,10	4,62
Average number of shares, 000s	154 291	167 398	155 482	167 398	156 390	165 327
Average number of shares after dilution, 000s	154 406	167 398	155 597	167 398	156 506	165 327

Consolidated balance sheet

SEK M	2005 Sep. 30	2005 Jun. 30	2005 Mar. 31	2004 Dec. 31	2004 Sep. 30	2004 Jun. 30
Assets						
Non-current assets						
Tangible non-current assets	174	179	194	193	222	229
Goodwill	4 967	4 976	4 863	4 822	4 794	4 789
Other intangible assets	160	169	160	163	106	87
Deferred income tax assets	207	231	254	193	231	210
Financial assets	135	143	159	158	10	10
Non-current assets	5 643	5 698	5 630	5 529	5 363	5 325
Current assets						
Work in progress	106	142	197	154	151	126
Accounts receivable	638	650	684	1 038	636	656
Prepaid costs and accrued revenues	160	182	117	135	160	186
Current income tax receivables	250	134	149	112	142	3
Other non-interest bearing current receivables	32	25	50	67	73	63
Non-interest bearing current assets	1 186	1 133	1 197	1 506	1 162	1 034
Other financial assets	2	3	5	4	147	152
Cash and cash equivalents	391	316	219	317	288	216
Interest bearing current assets	393	319	224	321	435	368
Total current assets	1 579	1 452	1 421	1 827	1 597	1 402
Assets classified as held for sale	30	58				
TOTAL ASSETS	7 252	7 208	7 051	7 356	6 960	6 727
Shareholders' equity and liabilities						
Shareholders' equity						
Restricted equity						
Share capital	158	158	158	158	167	167
Restricted reserves	918	967	890	797	1 622	2 162
Unrestricted equity						
Unrestricted reserves	353	306	855	160	178	-387
Net income	438	280	44	764	404	292
Shareholders' equity	1 867	1 711	1 947	1 879	2 371	2 234
Non-current liabilities						
Long-term borrowings	1 431	1 536	1 917	1 785	1 388	1 528
Retirement benefit obligations	339	335	332	323	311	307
Deferred income tax liabilities	317	271	278	242	169	28
Long-term provisions	42	24	35	74	77	82
Total non-current liabilities	2 129	2 166	2 562	2 424	1 945	1 945
Current liabilities						
Advances from customers	231	198	195	133	344	278
Accounts payable	165	210	191	308	189	206
Current income tax liabilities	168	3	1	40	44	39
Other non-interest bearing liabilities	181	194	173	314	173	208
Short-term provisions	25	42	30	66	59	55
Accrued costs and prepaid revenues	930	1 001	951	989	974	964
Non-interest bearing current liabilities	1 700	1 648	1 541	1 850	1 783	1 750
Short-term borrowings	1 503	1 601	1 001	1 203	861	798
Total current liabilities	3 203	3 249	2 542	3 053	2 644	2 548
Liabilities directly associated with assets classified as held for sale	53	82				
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	7 252	7 208	7 051	7 356	6 960	6 727

Shareholders' equity

SEK M	Share Capital	Restricted reserves	Unrestricted reserves	Total equity
Opening balance as per January 1, 2004				
Foreign currency translation differences	-	-	62	62
Transfer between unrestricted and restricted equity	-	-230	230	-
Dividend	-	-	-301	-301
Net income	-	-	404	404
Closing balance as per September 30, 2004	167	1 622	582	2 371
Opening balance as per January 1, 2005				
Foreign currency translation differences	-	-	88	88
Transfer between unrestricted and restricted equity	-	121	-121	-
Dividend	-	-	-345	-345
Buy back of shares	-	-	-193	-193
Net income	-	-	438	438
Closing balance as per September 30, 2005	158	918	791	1 867

Cash flow statement

SEK M	----- 3 months -----		----- 9 months -----		----- 12 months -----	
	2005	2004	2005	2004	2004/05	2004
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Oct-Sep	Jan-Dec
Operating income before interest and taxes	164	171	603	681	1 154	1 232
Depreciations and amortizations	30	21	83	64	111	92
Other non-cash items	21	6	-45	-55	-18	-28
Interest paid	-19	-14	-64	-55	-85	-76
Income taxes paid	46	-28	-129	-158	-208	-237
Cash flow from operating activities before changes in working capital	242	156	448	477	954	983
Changes in net working capital	-55	9	202	338	-103	33
Cash flow from operating activities	187	165	650	815	851	1 016
Cash flow from discontinued operations	75	2	83	-1	88	4
Acquisition of subsidiaries, net of cash acquired	-5	3	-5	-85	17	-63
Purchases and sales of non-current assets, net	-9	-26	-61	-108	-125	-172
Cash flow from investing activities	-14	-23	-66	-193	-108	-235
Changes in borrowings	-179	-76	-78	-323	673	428
Redemption to shareholders	-	-	-	-	-796	-796
Buy back of shares	-	0	-193	-	-293	-100
Dividend	-	-	-345	-301	-345	-301
Cash flow from financing activities	-179	-76	-616	-624	-761	-769
Cash flow	69	68	51	-3	70	16
Total cash and cash equivalents at beginning of period	316	216	317	285	288	285
Cash flow	69	68	51	-3	70	16
Exchange difference in cash and cash equivalents	6	4	23	6	33	16
Total cash and cash equivalents at end of period	391	288	391	288	391	317

Operating Revenues by region and market unit

SEK M	----- 3 months -----		----- 9 months -----		----- 12 months -----	
	2005 Jul-Sep	2004 Jul-Sep	2005 Jan-Sep	2004 Jan-Sep	2004/05 Oct-Sep	2004 Jan-Dec
Continuing operations						
Total operating revenues	969	977	3 066	3 130	4 681	4 745
Offline revenues	413	457	1 474	1 623	2 555	2 704
Online revenues	556	520	1 592	1 507	2 126	2 041
Online revenues, portion of total	57%	53%	52%	48%	45%	43%
Sweden	547	540	1 762	1 775	2 773	2 786
Offline revenues	245	252	890	934	1 601	1 645
Online revenues	302	288	872	841	1 172	1 141
Sweden excl. Voice	391	381	1 310	1 310	2 167	2 167
Offline revenues	245	252	890	934	1 601	1 645
Online revenues	146	129	420	376	566	522
Sweden Voice	156	159	452	465	606	619
Nordic excl. Sweden	262	292	917	964	1 211	1 258
Offline revenues	108	159	490	593	648	751
Online revenues	154	133	427	371	563	507
Denmark	98	146	274	293	357	376
Finland	103	101	469	545	627	703
Norway	61	45	174	126	227	179
Central Europe	160	145	387	391	697	701
Offline revenues	60	46	94	96	306	308
Online revenues	100	99	293	295	391	393
Germany	87	92	259	287	348	376
Poland	73	53	128	104	349	325

EBITDA by region and market unit

SEK M	----- 3 months -----		----- 9 months -----		----- 12 months -----	
	2005 Jul-Sep	2004 Jul-Sep	2005 Jan-Sep	2004 Jan-Sep	2004/05 Oct-Sep	2004 Jan-Dec
Continuing operations						
EBITDA Total	194	192	686	745	1 265	1 324
Margin, %	20	20	22	24	27	28
Sweden	160	156	646	616	1 127	1 097
Margin, %	29	29	37	35	41	39
Sweden excl. Voice	119	116	568	510	1 016	958
Margin, %	30	30	43	39	47	44
Sweden Voice	41	40	78	106	111	139
Margin, %	26	25	17	23	18	22
Nordic excl Sweden	12	42	53	169	58	174
Margin, %	5	14	6	18	5	14
Denmark	16	48	29	38	13	22
Margin, %	16	33	11	13	4	6
Finland	-12	-6	15	136	46	167
Margin, %	-12	-6	3	25	7	24
Norway	8	0	9	-5	-1	-15
Margin, %	13	0	5	-4	0	-8
Central Europe	32	13	22	32	146	156
Margin, %	20	9	6	8	21	22
Germany	20	12	63	66	83	86
Margin, %	23	13	24	23	24	23
Poland	12	1	-41	-34	63	70
Margin, %	16	2	-32	-33	18	22
Other	-10	-19	-35	-72	-66	-103
Head office and group-wide projects	-10	-19	-35	-72	-66	-103

EBIT by region

SEK M	----- 3 months -----		----- 9 months -----		----- 12 months -----	
	2005 Jul-Sep	2004 Jul-Sep	2005 Jan-Sep	2004 Jan-Sep	2004/05 Oct-Sep	2004 Jan-Dec
Continuing operations						
Total EBIT	164	171	603	681	1 154	1 232
Margin, %	17	18	20	22	25	26
Sweden	145	149	605	594	1 071	1 060
Margin, %	27	28	34	33	39	38
Nordic excl Sweden	3	33	26	142	22	138
Margin, %	1	11	3	15	2	11
Central Europe	27	8	8	18	127	137
Margin, %	17	6	2	5	18	20
Other	-11	-19	-36	-73	-66	-103

Operating Revenues by quarter

SEK M	2005 Q3	2005 Q2	2005 Q1	2004 Q4	2004 Q3	2004 Q2	2004 Q1
<u>Continuing operations</u>							
Operating revenues							
Total	969	1 292	805	1 615	977	1 309	844
Offline revenues	413	756	305	1 081	457	800	366
Online revenues	556	536	500	534	520	509	478
Sweden	547	749	466	1 011	540	730	505
Offline revenues	245	448	197	711	252	444	238
Online revenues	302	301	269	300	288	286	267
Sweden excl. Voice	391	591	328	857	381	572	357
Sweden Voice	156	158	138	154	159	158	148
Nordic excl. Sweden	262	422	233	294	292	447	225
Offline revenues	108	283	99	158	159	325	109
Online revenues	154	139	134	136	133	122	116
Denmark	98	107	69	83	146	90	57
Finland	103	258	108	158	101	314	130
Norway	61	57	56	53	45	43	38
Central Europe	160	121	106	310	145	132	114
Offline revenues	60	25	9	212	46	31	19
Online revenues	100	96	97	98	99	101	95
Germany	87	85	87	89	92	93	102
Poland	73	36	19	221	53	39	12

EBITDA by quarter

SEK M	2005 Q3	2005 Q2	2005 Q1	2004 Q4	2004 Q3	2004 Q2	2004 Q1
<u>Continuing operations</u>							
EBITDA by quarter							
Total	194	380	112	579	192	415	138
Sweden	160	325	161	481	156	309	151
Sweden excl. Voice	119	305	144	448	116	279	115
Sweden Voice	41	20	17	33	40	30	36
Nordic excl. Sweden	12	78	-37	5	42	135	-8
Denmark	16	23	-10	-16	48	8	-18
Finland	-12	50	-23	31	-6	127	15
Norway	8	5	-4	-10	0	0	-5
Central Europe	32	-12	2	124	13	12	7
Germany	20	14	29	20	12	18	36
Poland	12	-26	-27	104	1	-6	-29
Other	-10	-11	-14	-31	-19	-41	-12
Head office and Group-wide projects	-10	-11	-14	-31	-19	-41	-12

Financial key ratios

	----- 3 months -----		----- 9 months -----		----- 12 months -----	
	2005	2004	2005	2004	2004/05	2004
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Oct-Sep	Jan-Dec
SEK M						
Operating margin - EBITDA, %	20	20	22	24	27	28
Operating margin - EBIT, %	17	18	20	22	25	26
Cash Earnings, SEK M	188	134	523	471	912	860
Interest coverage ratio, times	7,4	6,4	8,7	8,3	11,1	10,6
	2005	2005	2005	2004	2004	2004
	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30
SEK M						
Equity, average 12 months, SEK M	1 914	2 042	2 111	2 154		
Return on equity, 12 months, %	42	37	36	35		
Interest-bearing net debt, SEK M	2 758	3 010	2 867	2 832	2 115	2 255
Interest-bearing net debt/equity ratio, times	1,48	1,76	1,47	1,51	0,89	1,01
Equity/assets ratio, %	26	24	28	26	34	33
Interest-bearing net debt/EBITDA 12 months, times	2,2	2,4	2,2	2,1		

Key ratios per share

	----- 3 months -----		----- 9 months -----		----- 12 months -----	
	2005	2004	2005	2004	2004/05	2004
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Oct-Sep	Jan-Dec
Operating revenues, SEK	6,28	5,84	19,72	18,70	29,93	28,70
Net income, SEK	1,02	0,67	2,82	2,41	5,10	4,62
Cash Earnings, SEK	1,22	0,80	3,36	2,81	5,83	5,20
Average number of shares before dilution, 000s	154 291	167 398	155 482	167 398	156 390	165 327
Average number of shares after dilution, 000s	154 406	167 398	155 597	167 398	156 506	165 327
	2005	2005	2005	2004	2004	2004
	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30
Equity, SEK	12,10	11,09	12,43	12,00	14,16	13,35
Share price, end of period, SEK	90,50	89,00	83,50	68,00	63,00	57,50
Number of shares on the closing date after buy backs, 000s	154 291	154 291	156 630	156 630	167 398	167 398

Other key data

	----- 9 months -----		----- 12 months -----
	2005	2004	2004
	Jan-Sep	Jan-Sep	Jan-Dec
Average number of full-time employees, YTD	4 795	4 872	4 752
Number of full-time employees on the closing date	4 510	4 959	4 953

Effects of transition to IFRS, reconsolidation of net income

SEK M	-----3 months ----- Jul - Sep 2004			----- 9 months ----- Jan - Sep 2004		
	Previous	Adjustments	Restated	Previous	Adjustments	Restated
	GAAP	IAS/IFRS		GAAP	IAS/IFRS	
<u>Continuing operations</u>						
Operating revenues:						
Gross operating revenues	993		993	3 186		3 186
Advertising tax	-16		-16	-56		-56
Operating revenues	977		977	3 130		3 130
Costs:						
Production costs	-314	-9	-323	-997	-63	-1 060
Sales costs	-290	-24	-314	-841	-34	-875
Marketing costs	-73		-73	-211		-211
Administration costs	-88		-88	-269		-269
Product development costs	-19		-19	-64		-64
Other revenues/costs	11		11	30		30
Amortization of goodwill	-87	87		-258	258	
Operating income *	117	54	171	520	161	681
Financial revenues	5		5	23		23
Financial cost	-31		-31	-93		-93
Earnings before tax	91	54	145	450	161	611
Taxes	-53	24	-29	-202	32	-170
Net income from continuing operations	38	78	116	248	193	441
<u>Discontinued operations</u>						
Net income from discontinued operations	-5	1	-4	-20	-17	-37
Net income	33	79	112	228	176	404
*) Depreciations and amortizations are included with						
	21	0	21	63	1	64
Net income per share from continuing operations, SEK	0,23	0,47	0,69	1,48	1,15	2,63
Net income per share from discontinued operations, SEK	-0,03	0,00	-0,02	-0,12	-0,10	-0,22
Net income per share, SEK	0,20	0,47	0,67	1,36	1,05	2,41
Average number of shares, 000s	167 398			167 398		

Effects of transition to IFRS, reconsolidation of equity

Millions of SEK	----- Sep 30 2004 -----		
	Previous GAAP	Adjustments IAS/IFRS	Restated
Assets			
Non-current Assets			
Tangible non-current assets	222		222
Goodwill	4 599	195	4 794
Intangible assets	48	58	106
Deferred tax asset	261	-30	231
Financial receivables	10		10
Non-current assets	5 140	223	5 363
Current assets			
Non-interest bearing current assets	1 136	26	1 162
Interest bearing current assets	435		435
Total current assets	1 571	26	1 597
TOTAL ASSETS	6 711	249	6 960
Shareholders' equity and liabilities			
Shareholders' equity	2 374	-3	2 371
Long term liabilities			
Borrowings	1 388		1 388
Retirement benefit obligations	322	-11	311
Deferred tax liabilities	282	-113	169
Provisions	77		77
Total long-term liabilities	2 069	-124	1 945
Current liabilities			
Advances from customers		344	344
Accounts payable	189		189
Current tax liabilities	44		44
Other non-interest bearing liabilities	173		173
Provisions	59		59
Accrued cost and prepaid revenues	942	32	974
Non-interest bearing current liabilities	1 407	376	1 783
Borrowings	861		861
Total current liabilities	2 268	376	2 644
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	6 711	249	6 960