Interim report January-September 2011

STOCKHOLM, October 27, 2011

Strong development of EBITDA and forecast of organic growth 2012 stands firm

Third quarter: July – September 2011

- Operating revenues totaled SEK 1,012 M (1,135), an organic decline of 8 percent
- Online revenues rose with 2 percent
- EBITDA amounted to SEK 267 M (-371), equal to an EBITDA margin of 26 percent
- Goodwill impairment in Poland and Voice in Norway totaled SEK 380 M (4,261); no impairment requirements in core business
- After goodwill impairment of SEK 380 M, the result for the period was SEK -340 M (-4,666)
- Net income per share amounted to SEK -3.39 (-285.14)
- The terms of the loan agreement are fulfilled.

First nine months: January – September 2011

- Operating revenues totaled SEK 3,129 M (3,844), an organic decline of 10 percent
- Online revenues rose with 3 percent, Sweden the largest market grew 11 percent
- EBITDA amounted to SEK 672 M (196), equal to an EBITDA margin of 21 percent (5)
- Net income amounted to SEK -338 M (-4,768), including impairment of SEK 380 M
- Net income per share amounted to -3.37 SEK (-291.37)

Significant events after the end of the period

- Cost-savings target for 2011 increased by SEK 100 M to SEK 350 M
- Eniro acquires the directory enquiries service 118 800
- Eniro Norway concentrates its operations and will discontinue the Gule Sider directory during 2012
- A more precise forecast for 2011 and 2012 is presented

SEK M	2011	2010		2011	2010		2010/2011	2010
	Jul-Sep	Jul-Sep	%	Jan-Sep	Jan-Sep	%	Oct-Sep	Jan-Dec
Operating revenues	1,012	1,135	-8*	3,129	3,844	-10*	4,611	5,326
EBITDA	267	-371	n/a	672	196	243	1,081	605
EBIT	-237	-4,759	n/a	-65	-4,455	n/a	214	-4,176
Net income	-340	-4,666	n/a	-338	-4,768	n/a	-190	-4,620
Operating cash flow	-53	259	n/a	-77	313	n/a	-239	151
Total operating cost	746	909	-18	2,458	3,094	-21	3,572	4,208
Interest-bearing net debt	4,000	6,138	-35	4,000	6,138	-35	4,000	3,951

* Organic development is adjusted for currency, publication shifts, acquisitions and divestments.

Comments from the President and CEO

Eniro is a media company with 70 percent of order intake from digital channels. The proportion continues to rise. One year ago, we presented the plan to turn around Eniro's revenue trend and strengthen the company's financial position. The focus has been to improve the quality of the core product and to create a complete media offering, which is progressing according to plan. In parallel with the work to clarify and strengthen the customer offering, the company has worked intensely to cut costs. The cost-saving year's is raised from SEK 250 M to SEK 350 M. Eniro's preparedness to continue adapting fixed costs to the prevailing market situation is deemed high.

Our objective of achieving our established goal of returning to organic revenue growth in 2012 stands firm. Indications concerning the order backlog entering 2012 are positive. The uncertainty in our business environment has intensified and we are aware that it is taking longer to sign agreements in our major-customer segment. The situation in Eniro's primary customer group, small and mid-size companies, remains stable. We believe that there will be a shift in the revenue mix to a larger portion of third-party partnerships involving sponsored links, which will have a positive impact on revenue but will entail lower margins. Our assessment is that we will retain EBITDA for 2012 on par with 2011, assuming a changed revenue mix and continued cost-cutting activities.

The organic revenue decline in the third quarter was 8 percent, entailing a somewhat lower level than anticipated and on par with the preceding quarter. As a result of seasonal patterns, with several planned printed publications, the fourth-quarter trend indicates lower organic growth. All in all, this means that the forecast for the current year will be an organic decline of about 10 percent.

Product-search has now been implemented in our core services throughout Scandinavia. Mobile services remain the area that has increased the most and we have a strong position in the growing market for mobile advertising. Eniro Deals has been well received by users and customers, but to date the financial impact has been marginal.

After the close of the period, Eniro signed an agreement to acquire the directory enquiries service 118 800. The acquisition will provide Eniro with access to a profitable operation, with a strong cash flow at low risk. The acquisition will strengthen Eniro's position in the search segment and contribute to consolidation in the directory enquiry market.

As part of the focus on profitable operations and Eniro's market position as a leading player in the transition to digital channels, the regional Gule Sider directory in Norway will be merged with the local Ditt Distrikt directory as of the end of 2012. The merger will generate savings and will streamline Gule Sider® into a pure online brand. The Swedish Gula Sidorna directory will be printed in A5-format from the same date, which will support continued high use and reduce costs. The print portfolio in Denmark will also be concentrated.

While compiling the quarterly financial accounts, the company's intangible assets were impairment tested. The results showed that the asset values in Eniro's core business had been maintained, while there were impairment requirements in Print in Poland and in Voice in Norway. The impairment in Norway was implemented due to volume decline in the market, while the situation in Poland was due to the accentuated online transformation. The impairment had no impact on the company's covenants, which were fulfilled by the communicated financial objectives.

In terms of finances, the plan is to continue to amortize loans to achieve the net-debt target of less than 3.0 in relation to EBITDA.

Johan Lindgren,
President and CEO

Group summary

Third-quarter results

Operating revenues during the third quarter totaled SEK 1,012 M (1,135). Revenues of SEK 40 M from divested operations in Finland were included in results for the third quarter of 2010. The organic revenue decline during the third quarter of 2011 was 8 percent.

The organic decline in operating revenues was 8 percent for Directory Scandinavia, 7 percent for Voice and 12 percent for Poland.

Online revenues (“deferral method”), rose 2 percent organically, while Print (“publication method”) fell 32 percent organically. For Directory Database Services, the proportion of online revenues in relation to total revenues was 74 percent.

The rate of cost savings was higher than planned. Total operating costs were SEK 102 M lower than in the third quarter of 2010, adjusted for divested operations and exchange-rate effects. Cost savings during the quarter derived primarily from staff and consultant costs.

The number of employees rose during the quarter by 13 to 3,711 at September 30, 2011. The increase was due to a strategic decision to expand the sales force.

EBITDA for the quarter was SEK 267 M (loss: 371). The third quarter of 2010 included a capital gain of SEK 49 M from the reduction of the conditional purchase consideration debt related to the acquisition of Oreo. The EBITDA margin for Eniro’s core service rose during the quarter.

A negative earnings effect of SEK 647 M due to asset divestments in Finland was also included in the year-earlier quarter. Adjusted EBITDA, excluding restructuring costs and costs affecting comparability, amounted to SEK 269 M (245), corresponding to a margin improvement of 5 percentage points to 27 percent (22).

While compiling the quarterly financial accounts, the company’s intangible assets were impairment tested. The results showed that the asset values in Eniro’s core business had been maintained, while there were impairment requirements in Print in Poland and in Voice in Norway. The impairment in Norway was implemented due to volume decline in the market, while the situation in Poland was due to the accentuated online transformation. The impairment requirement totaled SEK 380 M, of which SEK 214 M in Poland and SEK 166 M in Norway. Of the total, SEK 354 M was due to weaker prospects for the operations and SEK 26 M to changes in computed interest.

January1 – September, 30 2011

Operating revenues during the period amounted to SEK 3,129 M (3,844). The year-earlier period included revenues of SEK 246 M from divested operations in Finland. The organic revenue decline for the first nine months of the year was 10 percent.

Total operating costs were SEK 309 M lower than in the year-earlier period, adjusted for divested operations and exchange-rate effects. The cost savings for the period derived mainly from lower staff and consultants costs combined with lower costs in Print.

EBITDA for the period was SEK 672 M (196). The EBITDA margin rose to 21 percent (5).

Adjusted EBITDA, excluding restructuring costs and other items affecting comparability, amounted to SEK 736 M (815).

Operating Revenues

SEK M	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010/11 Oct-Sep	2010 Jan-Dec
Directories Scandinavia	735	788	2 317	2 680	3 350	3 713
Voice	230	250	676	743	901	968
Poland	47	57	136	175	326	365
Finland Directories	-	40	-	246	34	280
Total	**1 012**	**1 135**	**3 129**	**3 844**	**4 611**	**5 326**

Revenue by category *)

SEK M	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010/11 Oct-Sep	2010 Jan-Dec
Online	479	471	1 421	1 418	1 911	1 908
Print	171	226	629	969	1 046	1 386
Total Directory Database services	**650**	**697**	**2 050**	**2 387**	**2 957**	**3 294**
Media products	45	42	136	124	185	173
Other products	40	49	131	169	208	246
Total Directories Scandinavia	**735**	**788**	**2 317**	**2 680**	**3 350**	**3 713**
Voice	230	250	676	743	901	968
Poland	47	57	136	175	326	365
Finland Directories	-	40	-	246	34	280
Total Group	**1 012**	**1 135**	**3 129**	**3 844**	**4 611**	**5 326**

*) see heading "Other information" regarding revenue distribution between online and print

EBITDA

SEK M	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010/11 Oct-Sep	2010 Jan-Dec
Directories Scandinavia	203	235	544	653	832	941
Voice	101	93	240	270	310	340
Poland	-11	-7	-44	-32	33	45
Finland Directories	-	-656	-	-604	-5	-609
Other	-26	-36	-68	-91	-89	-112
Total EBITDA	**267**	**-371**	**672**	**196**	**1 081**	**605**
of which items affecting comparability						
Restructuring cost	-2	-18	-28	-58	-50	-80
Other items affecting comparability	0	-598	-36	-561	-56	-581
Total adjusted EBITDA	**269**	**245**	**736**	**815**	**1 187**	**1 266**

Directories Scandinavia

Directories Scandinavia includes all search services in the distribution channels online, directory and mobile in Sweden, Norway and Denmark including such brands as eniro.se, Gula Sidorna, Din Del, Gule Sider, kvasir.no, krak.dk, eniro.dk, Mostrup Grøne Vejviser and Den Røde Lokalbog. Directories Scandinavia accounted for around 74 percent of Eniro's revenues in 2010, excluding divested Finnish operations.

Third-quarter results

Operating revenues for Directories Scandinavia amounted to SEK 735 M (788), an organic decline of 8 percent. Revenues declined due to lower order intake in the major-customer segment. Prepaid revenues in the balance sheet were 8 percent lower at September 30, 2011 compared with the same date in 2010. The decline was due to lower order intake and changes in terms of payment.

Online revenues from Directory Database services rose 2 percent organically and revenues from Print fell 32 percent organically. Revenues from Media products increased 10 percent organically, and Other products rose 1 percent organically.

After the end of the period, Denmark launched product search, which means that the service has been launched in all Nordic countries. As of 2012, the regional Gule Sider directory and the local Ditt Distrikt directory will be merged in the Norwegian market, entailing efficiency enhancement and concentration. After the merger, Gule Sider will be a pure online brand. The Swedish Gula Sidorna directory will be printed in A5 format from that date, which will support continued high use and reduce costs. Also in the Danish market, there will be a consolidation of print titles and a transition to the A5 format.

Operating revenues in the Swedish market declined 8 percent organically.

Operating revenues in the Norwegian market fell 7 percent organically.

In Denmark, revenues decreased 14 percent organically.

EBITDA for Directories Scandinavia amounted to SEK 203 M (235). The EBITDA margin was 28 percent (30).

Adjusted EBITDA amounted to SEK 204 M (188).

January 1- September 30, 2011

Operating revenues for Directories Scandinavia totaled SEK 2,317 M (2,680), an organic decline of 10 percent.

Operating revenues in the Swedish market fell 6 percent organically.

Operating revenues in the Norwegian market fell 14 percent organically. The revenue decline was due to a continued decrease in printed directories, and the focus on sponsored links for Kvasir.

In Denmark, revenues fell 12 percent organically.

EBITDA for Directories Scandinavia amounted to SEK 544 M (653) and the EBITDA margin was 24 percent (24).

Adjusted EBITDA amounted to SEK 601 M (637).

Directories Scandinavia

SEK M	2011	2010	2011	2010	2010/11	2010
	Jul-Sep	**Jul-Sep**	**Jan-Sep**	**Jan-Sep**	**Oct-Sep**	**Jan-Dec**
Operating revenues	**735**	**788**	**2 317**	**2 680**	**3 350**	**3 713**
Sweden	342	366	1 096	1 171	1 615	1 690
Norway	277	283	903	1 104	1 226	1 427
Denmark	116	139	318	405	509	596
EBITDA	**203**	**235**	**544**	**653**	**832**	**941**
EBITDA margin, %	*27,6*	*29,8*	*23,5*	*24,4*	*24,8*	*25,3*
of which items affecting comparability						
Restructuring cost	-1	-2	-21	-33	-43	-55
Other items affecting comparability	0	49	-36	49	-40	45
Total adjusted EBITDA	**204**	**188**	**601**	**637**	**915**	**951**
EBITDA margin, %	27,8	23,9	25,9	23,8	27,3	25,6

Voice

The segment Voice includes directory assistance services Eniro 118 118 in Sweden, 1880 in Norway and 0 100 100 in Finland. Voice accounted for approximately 19 percent of Eniro's revenues in 2010 excluding divested Finnish operations.

Third-quarter results

The market for personal search services is undergoing major changes. While competition is sharpening, the use of smartphones and tablets is increasing. Volumes in traditional directory services are declining. Eniro is focusing on enhancing Voice services, in order to offer a personal search service that will encourage increased usage, while working actively on price models.

Operating revenues for Voice amounted to SEK 230 M (250), an organic decline of 7 percent. Volumes declined in all markets due to increasing number of smartphones. For revenues in Sweden, the volume decline was largely offset by a price rise in May. Marketing costs for the quarter were low.

EBITDA amounted to SEK 101 M (93), positively impacted by the Swedish price increase and cost adjustments. The EBITDA margin was 44 percent (37).

While compiling the quarterly financial accounts, the company's intangible assets were impairment tested. Since the carrying amount of the operation in Norway, in the Voice segment, could not be justified, goodwill was impaired by a total of SEK 166 M in the quarter. The impairment requirement was due to the declining volume trend in the market for directory services, as well as legislation that, in contrast to the Swedish market, does not facilitate a widening of the business concept.

January 1 – September 30, 2011

Operating revenues for Voice amounted to SEK 676 M (743), an organic decline of 7 percent. Volumes declined in all markets, but were partly offset by price increases.

EBITDA amounted to SEK 240 M (270) and the EBITDA margin was 36 percent (36).

Events after the end of the period

To strengthen the search offering and Eniro's position in the profitable Voice segment, Eniro signed an agreement after the end of the period to acquire the directory service 118 800. The transaction will have a positive impact on the company's cash flow at low risk. The purchase consideration was SEK 20 M, which will be paid in cash when the transaction has been finalized, as well as a variable portion amounting to a maximum of SEK 30 M, which will which be based on the acquired operation's performance in the coming two years.

118 800, which is profiled as a low-price alternative among Swedish directory services, reported sales in 2010 of approximately SEK 70 M, with EBITDA of slightly more than SEK 19 M. The operation is expected to be consolidated into Eniro's Voice business area in January 2012. The acquisition is conditional upon approval from the Competition Authority.

Voice

SEK M	2011	2010	2011	2010	2010/11	2010
	Jul-Sep	**Jul-Sep**	**Jan-Sep**	**Jan-Sep**	**Oct-Sep**	**Jan-Dec**
Operating revenues	**230**	**250**	**676**	**743**	**901**	**968**
Sweden	133	142	393	420	520	547
Norway	24	34	72	102	100	130
Finland	73	74	211	221	281	291
EBITDA	**101**	**93**	**240**	**270**	**310**	**340**
EBITDA margin, %	*43,9*	*37,2*	*35,5*	*36,3*	*34,4*	*35,1*
of which items affecting comparability						
Restructuring cost	-	0	-	-1	0	-1
Other items affecting comparability	-	-		-	-	-
Total adjusted EBITDA	**101**	**93**	**240**	**271**	**310**	**341**
EBITDA margin, %	43,9	37,2	35,5	36,5	34,4	35,2

Poland

The segment Poland includes Eniro's print and online operations in Poland under the brand Panorama Firm. Poland accounted for around 7 percent of Eniro's revenues in 2010, excluding divested Finnish operations.

Third-quarter results

The Polish market displayed a stronger decline in printed media. Eniro has a strong market position in Poland in Print and has taken the initiative to improve the online offering. However, the Polish market for online services is not as developed as the market in Scandinavia.

A limited number of Polish directories were published in the third quarter. Operating revenues for Poland totaled SEK 47 M (57), an organic decline of 12 percent, due to lower demand for printed directories. Online revenues rose 46 percent from a low level.

The review of the sales organization, and the activities that were initiated in the second quarter to increase the proportion of online revenues, continued in the third quarter.

EBITDA for Poland amounted to SEK -11 M (-7).

While compiling the quarterly financial accounts, the company's intangible assets were impairment tested. Since the carrying amount of the traditional print operation in Poland could not be justified due to the accentuated online transformation, goodwill was impaired by a total of SEK 214 M during the quarter.

January 1 – September 30, 2011

The order intake during the period declined year-on-year due to the structural decline in print. Online revenues continued to increase sharply, but from low levels.

Operating revenues for Poland amounted to SEK 136 M (175), an organic decline of 16 percent, due to lower demand for printed directories.

EBITDA for Poland amounted to SEK -44 M (-32).

A limited number of Polish directories were published during the first nine months of 2011. Most print revenues normally accrue during the fourth quarter, which means that the fourth quarter will show the weakest trend in Poland. The Polish operation will report a loss for the full-year 2011.

Poland

SEK M	2011	2010	2011	2010	2010/11	2010
	Jul-Sep	**Jul-Sep**	**Jan-Sep**	**Jan-Sep**	**Oct-Sep**	**Jan-Dec**
Operating revenues	**47**	**57**	**136**	**175**	**326**	**365**
EBITDA	**-11**	**-7**	**-44**	**-32**	**33**	**45**
EBITDA margin, %	*-23,4*	*-12,3*	*-32,4*	*-18,3*	*10,1*	*12,3*
of which items affecting comparability						
Restructuring cost	-1	-	-1	-	-1	0
Other items affecting comparability	-	-	-	-	-	-
Total adjusted EBITDA	**-10**	**-7**	**-43**	**-32**	**34**	**45**
adjusted EBITDA margin, %	-21,3	-12,3	-31,6	-18,3	10,4	12,3

Earnings, cash flow and financial position

January 1 – September 30, 2011

Earnings

The operating result for the period was SEK -65 M (-4,455), including goodwill impairment totaling SEK 380 M (4,261), of which SEK 166 M was due to the Norwegian Voice operation and SEK 214 M to the Polish operation.

Net financial items amounted to SEK -288 M (- 219) and were negatively impacted by higher interest rates and an exchange-rate loss of SEK 5 M (gain: 34).

The result before tax was SEK -353 M (-4,674).

Earnings per share amounted to SEK -3.37 (-291.37).

Taxes

During the nine-month period, tax revenue of SEK 15 M (expense: 94) was recognized. During the third quarter, tax expenses of SEK 11 M (tax revenue: 166) were recognized.

As a result of loss carryforwards from the liquidation of the German company, Eniro Windhager GmbH, Eniro is not expected to pay any income tax in Sweden in the years ahead.

Investments

During the period, Eniro's net investments in business operations, including online investments, amounted to SEK 84 M (163).

Cash flow

Operating cash flow for the period declined to SEK -77 M (313), negatively impacted by a nonrecurring payment of SEK 70 M in the second quarter, as well as a negative working capital trend.

Tax payments amounted to SEK 184 M (132) and included SEK 101 M in additional tax regarding the period 2001-2005 in the subsidiary Eniro Holding AS (Findexa Norway AS), according to the definitive ruling from the Norwegian tax authority received in 2010.

Cash flow from financing activities was affected by loan payments for the new facility totaling SEK 263 M, of which a scheduled installment of SEK 100 M was paid in June.

Financial position

Refinancing of existing credit facilities was carried out on January 13, 2011. The terms of the new facility are described on pages 67-68 of the 2010 Annual Report.

The Group's interest-bearing net debt amounted to SEK 4,000 M on September 30, compared with SEK 3,930 M on June 30, 2011.

At the end of the period, outstanding debt under the existing credit facilities amounted to NOK 1,482 M, DKK 79 M and SEK 2,465 M. Of this facility, NOK 1,350 M and SEK 360 M have been hedged at a fixed interest rate until August 2012, corresponding to approximately 45 percent of the facility.

At the end of September 2011, Eniro had an unutilized credit facility of SEK 238 M. Cash and cash equivalents and unutilized credit facilities amounted to SEK 621 M.

At the end of the third quarter, the Group's indebtedness, expressed as interest-bearing net debt in relation to EBITDA, excluding other items affecting comparability, amounted to 3.5, compared with 3.6 on June 30, 2011.

Holdings of treasury shares

Following the conclusion of the share-match program, Eniro held 3,266 treasury shares at September 30, 2011. The average holding of treasury shares during the third quarter was 3,266.

Other information

Reduced retirement benefit obligations

During the second quarter, Eniro reduced its pension liabilities in the balance sheet by paying insurance premiums to Alecta. This led to a nonrecurring cost of SEK 36 M, mainly due to actuarial losses being recognized according to IFRS. The payment of pension premiums amounted to SEK 70 M.

Forecast for 2011 and 2012

Operating revenues

For 2011, an organic revenue decline is anticipated, which has been adjusted from an organic revenue decline of less than 10 percent to an organic revenue decline of approximately 10 percent. The objective of achieving organic revenue growth as of 2012 stands firm. However, the uncertainty in the forecast has increased due to accelerating concerns at a macroeconomic level. The objective is to retain EBITDA in 2012 at the same level as in 2011, assuming a changed revenue mix and continued savings.

Costs

The total cost reduction in 2011 is expected to be SEK 350 M, compared with the cost base in 2010, excluding effects of divestments and restructuring of the online and offline operations in Finland. Costs due to pension provisions posted in the second quarter are included in the total cost reduction.

During 2012, total costs are expected to decline by an additional SEK 200 M, compared with 2011.

The planned cost savings do not include effects from divestments and acquisition of operations, or the higher third-party costs that arose as a result of the strategic shift in the revenue mix to higher revenues from third-party partnerships.

Capital structure

The target is a net debt in relation to EBITDA not exceeding a multiple of three.

Dividend

Priority will be assigned to the reduction of net debt in accordance with the net debt/EBITDA target.

Employees

On September 30, 2011, the number of full-time employees was 3,711, compared with 3,698 on June 30, 2011. The number of employees by country is presented in the table below.

Full time employees end of period

	2011	2010	2010
	Sep. 30	**Sep. 30**	**Dec. 31**
Sweden including Other	955	996	920
Norway	651	751	728
Denmark	352	400	377
Directories Scandinavia including Other	**1 958**	**2 147**	**2 025**
Sweden	325	437	414
Norway	63	76	71
Finland	425	378	355
Voice	**813**	**891**	**840**
Poland	940	1 128	1 038
Finland Directories	-	194	26
Total Group	**3 711**	**4 360**	**3 929**

Divestments

In line with the strategy of focusing on profitable core operations, Eniro agreed to divest all of its assets in Findexa Forlag AS, including its five-year right to the Findexa brand. The record date for the transaction was September 1, 2011 and the transaction did not result in any capital gains.

Eniro also sold the operation in Guiden Västerbotten, which publishes local monthly magazines in northern Sweden and was part of the Din Del local directory operations. The sale took place in May and generated a marginal capital loss.

Accounting policies from 2011

The consolidated accounts are prepared with the Financial Reporting Standards (IFRS), as recognized by the European Union (EU). A detailed description is found in the Annual Report 2010 with the exception of new or revised standards and interpretations endorsed by the EU and effective as of January 2011, as explained below. The structure of the interim report complies with IAS 34 Interim Financial Reporting.

New or amended IFRS standards and IFRIC interpretations, which became effective January 2011, have had no material effect on consolidated financial statements.

Revenue distribution for combination packages

As of 2010, a joint sales force sells combination packages that include all of Eniro's distribution channels. Sales of the new combination packages began in February 2010 in Sweden and Norway and will gradually comprise a greater share of consolidated sales.

The Eniro Group has two main principles for revenue recognition. Revenues attributable to Internet services (online) are distributed over the period during which the service is provided, normally 12 months (deferral method). Revenues from Directories (print) are recognized when the directory is published (publication method). Revenues from the combined packages will be distributed according to the revenue-recognition principles based on the value of commercial use either derived from price lists or customer surveys. The outcome of the two revenue recognition methods is reported quarterly from the first quarter of 2010 and depends on the value of the components of the two packages. As of the second quarter 2011, these revenue categories are named Online and Print.

Publication dates

Revenues from the sale of printed directories are recognized when the various directories are published. Changes in planned publication dates can thus affect comparisons. In a comparison between 2011 and 2010, the net effect on operating revenue deriving from changed publication dates is estimated to total SEK -25 M. See table below for distribution between quarters and markets.

Revenue effect of moved publications 2011 compared with 2010

	Q1	Q2	Q3	Q4	YTD 2011
Sweden	-13	3	10	10	10
Norway	10	-25	12	-12	-15
Denmark	-19	6	-1	-6	-20
Poland	-1	1	0	0	0
Total effect	-23	-15	21	-8	-25

Risks and uncertainties

Eniro has an annual process for conducting risk analysis, Enterprise Risk Management, which encompasses all parts of the business. Eniro strives to efficiently identify, evaluate and manage risks within the dimensions of industry and market risks, commercial risks, operational risks, financial risks, compliance risks linked to laws and regulations and financial reporting risks.

Refer to pages 30-33 of the annual report for 2010, for a detailed description of the factors that could affect Eniro's business, financial position and net income. The principal risks and uncertainties facing the Group in 2011 are the impact of the economy on demand, the ability to broaden product offerings and increase sales efficiency and an alignment of the cost base.

Nomination Committee

Following a resolution at the 2011 Annual General Meeting, a Nomination Committee was elected. The Nomination Committee for the 2012 Annual General Meeting comprises Philip Wendt, Länsförsäkringar Fondförvaltning AB, Mikael Nordberg, Danske Invest Fonder, Sven Zetterqvist, Skandia Livförsäkring, Marianne Nilsson, Swedbank Robur, and Lars-Johan Jarnheimer, Chairman of the Board of Eniro. The Nomination Committee elected Mikael Nordberg as Chairman of the Committee.

Shareholders who wish to submit proposals to the Nomination Committee can do so by e-mailing nominationcommittee@eniro.com not later than February 14, 2012.

Stockholm, October 27, 2011

Johan Lindgren

President and CEO

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Financial calendar 2011-2012

Year-end report 2011	February 9, 2012
Interim report Jan-Mar 2012	April 25, 2012
Annual General Meeting 2012	April 25, 2012
Interim report Jan-Jun 2012	July 13, 2012
Interim report Jan-Sep 2012	October 25, 2012

Review report

We have reviewed the interim report of Eniro AB (publ) for the period January 1 to September 30, 2011. The Board of Directors and President are responsible for preparing this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on the interim financial information based on our review.

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed on the basis of a review does not provide the same level of assurance as a conclusion expressed on the basis of an audit.

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not, in all material aspects, been compiled in accordance with IAS 34 Interim reporting and the Swedish Annual Accounts Act.

Stockholm, October 27, 2011

PricewaterhouseCoopers AB

Bo Hjalmarsson
Authorized Public Accountant
Auditor in Charge

Eva Medbrandt
Authorized Public Accountant

Consolidated Income Statement

SEK M	3 months 2011 Jul-Sep	3 months 2010 Jul-Sep	9 months 2011 Jan-Sep	9 months 2010 Jan-Sep	12 months 2010/11 Oct-Sep	12 months 2010 Jan-Dec
Operating revenues:						
Gross operating revenues	1 016	1 143	3 145	3 868	4 636	5 359
Advertising tax	-4	-8	-16	-24	-25	-33
Operating revenues	**1 012**	**1 135**	**3 129**	**3 844**	**4 611**	**5 326**
Costs:						
Production costs	-273	-342	-870	-1 158	-1 294	-1 582
Sales costs	-278	-343	-915	-1 230	-1 329	-1 644
Marketing costs	-133	-141	-426	-464	-603	-641
Administration costs	-106	-153	-359	-446	-508	-595
Product development costs	-79	-55	-243	-184	-322	-263
Other revenues/costs	1	-597	1	-554	42	-513
Impairment of assets	-381	-4 263	-382	-4 263	-383	-4 264
Operating income before interest and taxes *	**-237**	**-4 759**	**-65**	**-4 455**	**214**	**-4 176**
Financial items, net	-92	-73	-288	-219	-632	-563
Earnings before tax	**-329**	**-4 832**	**-353**	**-4 674**	**-418**	**-4 739**
Income tax	-11	166	15	-94	228	119
Net income	**-340**	**-4 666**	**-338**	**-4 768**	**-190**	**-4 620**
Attributable to:						
Equity holders of the parent company	-340	-4 666	-338	-4 768	-190	-4 620
Non controlling interest	-	0	-	0	0	0
Net Income	**-340**	**-4 666**	**-338**	**-4 768**	**-190**	**-4 620**
Net income per share, SEK **						
- before dilution	-3,39	-285,14	-3,37	-291,37	-2,33	-248,43
- after dilution	-3,39	-285,13	-3,37	-291,36	-2,33	-248,42
Average number of shares before dilution, 000s	100 177	16 364	100 177	16 364	81 456	18 597
Average number of shares after dilution, 000s	100 177	16 365	100 177	16 364	81 456	18 598
* Depreciations are included with	-11	-15	-32	-51	-48	-67
* Amortizations are included with	-112	-110	-323	-337	-436	-450
* Impairment are included with	-381	-4 263	-382	-4 263	-383	-4 264
*** Depreciations, Amortizations & Impairment total**	**-504**	**-4 388**	**-737**	**-4 651**	**-867**	**-4 781**

** calculated on result attributable to equity holders of the parent company

Report of comprehensive income

SEK M	3 months 2011 Jul-Sep	3 months 2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010/11 Oct-Sep	2010 Jan-Dec
Net income	**-340**	**-4 666**	**-338**	**-4 768**	**-190**	**-4 620**
Other comprehensive income						
Foreign currency translation differences	3	-178	142	-725	43	-824
Hedging of cash flow	4	-117	38	-237	227	-48
Hedging of net investments	0	257	-36	553	-19	570
Share-savings program - value of services provided	-	0	-	-2	2	-
Change in non controlling interest	-	0	-	-3	-	-3
Tax attributable to components in comprehensive income	0	-37	0	-83	-54	-137
Other comprehensive income, net of income tax	***7***	***-75***	***144***	***-497***	***199***	***-442***
Total comprehensive income	**-333**	**-4 741**	**-194**	**-5 265**	**9**	**-5 062**

Consolidated balance sheet

SEK M	2011 Sep. 30	2010 Sep. 30	2010 Dec. 31
Assets			
Non-current assets			
Tangible assets	68	92	84
Intangible assets	7 829	8 482	8 336
Deferred income tax assets	415	295	323
Financial assets	66	105	101
Total non-current assets	**8 378**	**8 974**	**8 844**
Current assets			
Accounts receivable	576	703	842
Current income tax receivables	3	93	29
Other non-interest bearing receivables	358	422	415
Other interest bearing receivables	3	7	7
Cash and cash equivalents	383	422	450
Total current assets	**1 323**	**1 647**	**1 743**
TOTAL ASSETS	**9 701**	**10 621**	**10 587**
Equity and liabilities			
Equity			
Share capital	2 504	323	2 504
Additional paid in capital	4 767	4 527	4 767
Reserves	12	-185	-132
Retained earnings	-4 008	-3 818	-3 670
Equity, share holders parent company	**3 275**	**847**	**3 469**
Non controlling interest	-	0	-
Total equity	**3 275**	**847**	**3 469**
Non-current liabilities			
Borrowings	4 021	6 632	3 915
Retirement benefit obligations	170	205	212
Other non-interest bearing liabilities	-	8	2
Deferred income tax liabilities	325	710	353
Provisions	27	49	34
Total non-current liabilities	**4 543**	**7 604**	**4 516**
Current liabilities			
Accounts payable	112	196	173
Current income tax liabilities	52	138	190
Other non-interest bearing liabilities	1 448	1 768	1 804
Provisions	21	58	64
Borrowings	250	10	371
Total current liabilities	**1 883**	**2 170**	**2 602**
TOTAL EQUITY AND LIABILITIES	**9 701**	**10 621**	**10 587**

Interest-bearing net debt

SEK M	2011 Sep. 30	2010 Jun. 30	2010 Dec. 31
Borrowings excluding derivatives	-4 235	-6 378	-4 213
Derivative financial instruments *	-36	-262	-73
Retirement benefit obligations	-170	-205	-212
Other current interest bearing receivables	3	7	7
Cash and cash equivalents	383	422	450
Other assets **	19	14	17
Interest-bearing net debt incl. interest rate swaps	**-4 036**	**-6 402**	**-4 024**
Less: market value interest swaps	36	264	73
Interest bearing net debt	**-4 000**	**-6 138**	**-3 951**

* included in financial assets (positive market value) and borrowings (negative market value)

** included in non current financial assets

Changes in equity

SEK M	Share Capital	Additional paid in capital	Reserves	Retained earnings	Total equity shareholders parent company	Non controlling interest	Total equity
Opening balance as per January 1, 2010	**323**	**4 529**	**307**	**950**	**6 109**	**3**	**6 112**
Total comprehensive income	-	-2	-492	-4 768	**-5 262**	-3	-5 265
Closing balance as per September 30, 2010	**323**	**4 527**	**-185**	**-3 818**	**847**	**0**	**847**
Opening balance as per January 1, 2011	**2 504**	**4 767**	**-132**	**-3 670**	**3 469**	**-**	**3 469**
Total comprehensive income	-	-	144	-338	**-194**		**-194**
Closing balance as per September 30, 2011	**2 504**	**4 767**	**12**	**-4 008**	**3 275**	**-**	**3 275**

Cash flow statement

	------- 3 months --------		------- 9 months -------		------- 12 months -------	
	2011	**2010**	**2011**	**2010**	**2010/11**	**2010**
SEK M	**Jul-Sep**	**Jul-Sep**	**Jan-Sep**	**Jan-Sep**	**Oct-Sep**	**Jan-Dec**
Operating income before interest and taxes	**-237**	**-4 759**	**-65**	**-4 455**	**214**	**-4 176**
Depreciations, amortizations and impairment	504	4 388	737	4 651	867	4 781
Other non-cash items	2	603	-114	535	-101	548
Financial items, net	-87	25	-266	-131	-695	-560
Income taxes paid	0	-10	-184	-132	-278	-226
Cash flow from current operations before changes in working capital	**182**	**247**	**108**	**468**	**7**	**367**
Changes in net working capital	-211	64	-101	8	-104	5
Cash flow from current operations	**-29**	**311**	**7**	**476**	**-97**	**372**
Divestment of group companies and associated companies	0	-11	27	37	16	26
Purchases and sales of non-current assets, net	-24	-52	-84	-163	-142	-221
Cash flow from investing activities	**-24**	**-63**	**-57**	**-126**	**-126**	**-195**
New loans raised	-	-	4 536	131	4 733	328
Loans paid back	-	-109	-4 543	-381	-6 923	-2 761
Share issue	-	-	-9	-	2 380	2 389
Cash flow from financing activities	**-**	**-109**	**-16**	**-250**	**190**	**-44**
Cash flow	**-53**	**139**	**-66**	**100**	**-33**	**133**
Total cash and cash equivalents at beginning of period	**441**	**293**	**450**	**350**	**422**	**350**
Cash flow	-53	139	-66	100	-33	133
Exchange difference in cash and cash equivalents	-5	-10	-1	-28	-6	-33
Total cash and cash equivalents at end of period	**383**	**422**	**383**	**422**	**383**	**450**

Analysis of interest bearing net debt

	------- 3 months --------		------- 9 months -------		------- 12 months -------	
	2011	**2010**	**2011**	**2010**	**2010/11**	**2010**
SEK M	**Jul-Sep**	**Jul-Sep**	**Jan-Sep**	**Jan-Sep**	**Oct-Sep**	**Jan-Dec**
Opening balance	**-3 930**	**-6 418**	**-3 951**	**-6 645**	**-6 138**	**-6 645**
Operating cash flow	-53	259	-77	313	-239	151
Acquisitions and divestments	-	-11	27	37	16	26
Share issue	-	-	-9	-	2 380	2 389
Translation difference and other changes	-17	32	10	157	-19	128
Closing balance	**-4 000**	**-6 138**	**-4 000**	**-6 138**	**-4 000**	**-3 951**
Net debt /EBITDA adjusted for other items affecting comparability, times	3,5	4,7	3,5	4,7	3,5	3,3

Operating Revenues by business unit and country

	------- 3 months --------		------- 9 months -------		------- 12 months -------	
	2011	**2010**	**2011**	**2010**	**2010/11**	**2010**
SEK M	**Jul-Sep**	**Jul-Sep**	**Jan-Sep**	**Jan-Sep**	**Oct-Sep**	**Jan-Dec**
Total operating revenues	**1 012**	**1 135**	**3 129**	**3 844**	**4 611**	**5 326**
Directories Scandinavia	**735**	**788**	**2 317**	**2 680**	**3 350**	**3 713**
Sweden	342	366	1 096	1 171	1 615	1 690
Norway	277	283	903	1 104	1 226	1 427
Denmark	116	139	318	405	509	596
Voice	**230**	**250**	**676**	**743**	**901**	**968**
Sweden	133	142	393	420	520	547
Norway	24	34	72	102	100	130
Finland	73	74	211	221	281	291
Poland	**47**	**57**	**136**	**175**	**326**	**365**
Finland Directories	**-**	**40**	**-**	**246**	**34**	**280**

EBITDA by business unit

	------- 3 months --------		------- 9 months -------		------- 12 months -------	
	2011	**2010**	**2011**	**2010**	**2010/11**	**2010**
SEK M	**Jul-Sep**	**Jul-Sep**	**Jan-Sep**	**Jan-Sep**	**Oct-Sep**	**Jan-Dec**
EBITDA Total	**267**	**-371**	**672**	**196**	**1 081**	**605**
Margin, %	26	-33	21	5	23	11
Directories Scandinavia	**203**	**235**	**544**	**653**	**832**	**941**
Margin, %	28	30	23	24	25	25
Voice	**101**	**93**	**240**	**270**	**310**	**340**
Margin, %	44	37	36	36	34	35
Poland	**-11**	**-7**	**-44**	**-32**	**33**	**45**
Margin, %	-23	-12	-32	-18	10	12
Finland Directories	**-**	**-656**	**-**	**-604**	**-5**	**-609**
Margin, %		-1 640		-246	-15	-218
Other (Head office & group-wide projects)	**-26**	**-36**	**-68**	**-91**	**-89**	**-112**
Depreciations, Amortizations and impairment	-504	-4 388	-737	-4 651	-867	-4 781
EBIT Total	**-237**	**-4 759**	**-65**	**-4 455**	**214**	**-4 176**
Margin, %	-23	-419	-2	-116	5	-78

Operating Revenues by quarter

	2011	2011	2011	2010	2010	2010	2010	2009
SEK M	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Operating revenues								
Total	**1 012**	**1 151**	**966**	**1 482**	**1 135**	**1 442**	**1 267**	**1 966**
Directories Scandinavia	**735**	**862**	**720**	**1 033**	**788**	**995**	**897**	**1 387**
Sweden	342	417	337	519	366	438	367	781
Norway	277	316	310	323	283	411	410	392
Denmark	116	129	73	191	139	146	120	214
Voice	**230**	**241**	**205**	**225**	**250**	**258**	**235**	**258**
Sweden	133	142	118	127	142	147	131	141
Norway	24	25	23	28	34	36	32	33
Finland	73	74	64	70	74	75	72	84
Poland	**47**	**48**	**41**	**190**	**57**	**61**	**57**	**231**
Finland Directories	**-**	**-**	**-**	**34**	**40**	**128**	**78**	**90**

EBITDA by quarter

	2011	2011	2011	2010	2010	2010	2010	2009
SEK M	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
EBITDA by quarter								
Total	**267**	**285**	**120**	**409**	**-371**	**397**	**170**	**557**
Directories Scandinavia	203	239	102	288	235	288	130	478
Voice	101	87	52	70	93	94	83	40
Poland	-11	-14	-19	77	-7	-11	-14	110
Finland Directories	-	-	-	-5	-656	57	-5	-40
Other	-26	-27	-15	-21	-36	-31	-24	-31

Key ratios

	2011	2010	2010
SEK M	Sep. 30	Sep. 30	Dec. 31
Equity, average 12 months, SEK M *	3 132	5 203	4 275
Return on equity, 12 months, % *	-6	-88	-108
Interest-bearing net debt, SEK M	-4 000	-6 138	-3 951
Debt/equity ratio, times	1,22	7,25	1,14
Equity/assets ratio, %	34	8	33
Interest-bearing net debt/EBITDA , times	3,7	8,2	6,5
Net debt /EBITDA adjusted for other items affecting comparability, times	3,5	4,7	3,3

	------- 3 months --------		------- 9 months -------		------ 12 months -------	
	2011	2010	2011	2010	2010/11	2010
SEK M	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Oct-Sep	Jan-Dec
Operating margin - EBITDA, %	26	-33	21	5	23	11
Operating margin - EBIT, %	-23	-419	-2	-116	5	-78
Cash Earnings SEK M	164	-278	399	-117	677	161

	------- 9 months -------		------ 12 months -------
	2011	2010	2010
	Jan-Sep	Jan-Sep	Jan-Dec
Average number of full-time employees, period	3 737	4 675	4 437
Number of full-time employees on the closing date	3 711	4 360	3 929

*calculated on result attributable to equity holders of the parent company

Key ratios per share before dilution

	------- 3 months --------		------- 9 months -------		------ 12 months -------	
	2011	2010	2011	2010	2010/11	2010
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Oct-Sep	Jan-Dec
Operating revenues, SEK	10,10	69,36	31,23	234,91	56,61	286,40
Earnings before tax, SEK	-3,28	-295,28	-3,52	-285,63	-5,13	-254,83
Net income, SEK	-3,39	-285,14	-3,37	-291,37	-2,33	-248,43
Cash Earnings, SEK	1,64	-16,99	3,98	-7,15	8,31	8,66
Average number of shares before dilution, 000s *	100 177	16 364	100 177	16 364	81 456	18 597
Average number of shares after dilution, 000s *	100 177	16 365	100 177	16 364	81 456	18 598

	2011	2010	2010
	Sep. 30	Sep. 30	Dec. 31
Equity, SEK **	32,69	51,76	35,21
Share price, end of period, SEK *	13,45	59,18	27,50
Number of shares on the closing date (reduced by own holding), 000s *	100 177	16 364	98 526

* Adjusted for reversed split 50:1 January 2011
and the bonus element in the share issue
December 2010
** Calculated on equity attributable to equity holders of the parent company

Parent company

	------- 9 months -------		------ 12 months -------
Income statement	**2011**	**2010**	**2010**
SEK M	**Jan-Sep**	**Jan-Sep**	**Jan-Dec**
Revenues	18	16	21
Earnings before tax	-519	-1 751	-1 821
Net Income	-459	-1 942	-1 994
Balance sheet	**2011**	**2010**	**2010**
SEK M	**Sep. 30**	**Sep. 30**	**Dec. 31**
Non-current assets	8 852	9 117	9 229
Current assets	1 103	1 236	1 793
TOTAL ASSETS	**9 955**	**10 353**	**11 022**
Equity	4 805	2 689	5 265
Untaxed reserves	-	-	-
Provisions	49	64	66
Non-current liabilities	5 057	7 541	5 036
Current liabilities	44	59	655
TOTAL EQUITY AND LIABILITIES	**9 955**	**10 353**	**11 022**

Definitions

Adjusted EBITDA

EBITDA excluding restructuring costs and other items affecting comparability.

Average equity

Based on the average of equity at the beginning and the end of the period for each quarter.

Average number of shares for the period

Calculated as an average number of shares outstanding on a daily basis after redemption and repurchase.

Cash Earnings per share

Cash earnings divided by the average number of shares for the period.

Cash Earnings

Net income for the year plus re-entered depreciation and amortization plus re-entered impairment loss.

Debt/equity ratio

Interest-bearing net debt divided by equity.

Earnings before tax per share

Earnings before tax for the period divided by the average number of shares for the period.

EBIT

Operating income after depreciation, amortization and impairment.

EBITDA margin (%)

EBITDA divided by operating revenues multiplied by 100.

EBITDA

Operating income before depreciation, amortization and impairment.

Equity per share

Equity per share divided by the number of shares at the end of the period after redemption, repurchase and share issue.

Equity/assets ratio (%)

Equity divided by the balance sheet total multiplied by 100.

Interest-bearing net debt

Interest-bearing liabilities plus interest-bearing provisions less interest-bearing assets, excluding the market value of interest swaps.

Interest-bearing net debt/EBITDA

Interest-bearing net debt divided by EBITDA.

Operating cash flow

Cash flow from operations and cash flow from investments excluding company acquisitions/divestments.

Operating revenues per share

Operating revenues divided by the average number of shares for the period.

Organic growth

The change in operating revenues for the period adjusted for currency effects, changed publication dates, acquisitions and divestments.

Return on equity (%)

Net income for the last 12 months divided by average equity multiplied by 100.

Total operating cost

Production, sales, marketing, administration, product and development costs excluding depreciation, amortization and impairment.