Kim Ignatius
Executive Vice President and CFO
TeliaSonera AB (A2/A-)

- The Nordic and Baltic telecommunications leader
- Strong positions in mobile in Eurasia, Russia and Turkey through subsidiaries and associated companies
- Launch of mobile services in Spain end of 2006
- Strong financial position and healthy cash flow generation
- Focus on taking the lead in the migration from fixed to mobile and Internet
- Business focus for profitable growth – new organization introduced as of January 1, 2007

Number of employees: 27,716

Net Sales 2006
SEK 91,060 million
Unmatched Nordic and Baltic mobile footprint

- **Sweden**: Subscriptions 4.6 million
- **Norway**: Subscriptions 1.6 million
- **Denmark**: Subscriptions 1.1 million (Acquisition of debitel in Denmark to strengthen the position)
- **Finland**: Subscriptions 2.4 million
- **Estonia**: Ownership 53.7%, Subscriptions 0.8 million
- **Latvia**: Ownership 60.3%, Subscriptions 0.8 million
- **Lithuania**: Subscriptions 2.1 million

Numbers as of December 31, 2006
Unmatched Nordic and Baltic fixed footprint

**Sweden**
- Internet subscriptions: 1.5 million
- Of which broadband: 922,000
- Fixed subscriptions: 4.6 million

**Finland**
- Internet subscriptions: 453,000
- Of which broadband: 412,000
- Fixed subscriptions: 580,000

**Norway**
- Broadband subscriptions: 172,000

**Denmark**
- Broadband subscriptions: 162,000
- Cable TV subscriptions: 210,000
- Fixed subscriptions: 165,000

**Estonia**
- Ownership: 53.7%
- Internet subscriptions: 148,000
- Of which broadband: 141,000
- Fixed subscriptions: 381,000

**Latvia**
- Ownership: 49%
- Broadband subscriptions: 101,000
- Fixed subscriptions: 619,000

**Lithuania**
- Ownership: 60%
- Internet subscriptions: 192,000
- Of which broadband: 181,000
- Fixed subscriptions: 785,000

* = Broadband market position

Numbers as of December 31, 2006
Eastern positions – Fintur

Ownership in Fintur 74%

Moldova
- Population: 3.4 million
- Subscriptions: 448,000
- Market share: ~45%

Kazakhstan
- Population: 15.0 million
- Subscriptions: 3.5 million
- Market share: ~55%

Georgia
- Population: 4.8 million
- Subscriptions: 1 million
- Market share: ~50%

Azerbaijan
- Population: 8.1 million
- Subscriptions: 2.3 million
- Market share: ~75%

Number of customers and market share as of December 31, 2006
Eastern positions - Russia, Turkey, Ukraine

**Russia**
- Ownership: 44%
- Population, 2005: 143 million
- Subscriptions: 29.7 million
- Market share: 19.5%

**Turkey**
- Ownership: 37%
- Population, 2005: 70 million
- Subscriptions: 31.8 million
- Market share: 60%

**Ukraine**
- Ownership, Turkcell: 54.2%
- Population, 2005: 47.4 million
- Subscriptions: 4.6 million

Number of customers and market share as of December 31, 2006
Spain - Successful launch

1. Good and timely business opportunity to invest in profitable growth based on the strengths of our home market operations
2. Price for 3G-network equipment has fallen significantly and turnkey contracts possible
3. The availability of 3G terminals at commercial viable prices
4. Revised 3G license conditions
5. Strong Spanish partner
6. Experience and knowledge on how to build a cost efficient and competitive mobile operation in competitive markets
7. There is room for a fourth player on the Spanish market

• Operation expected to be cash flow positive and earnings accretive within 5 years
• Yoigo total financing need less than SEK 9 billion
• Long term goal to reach EBITDA* margin of ~30% by 2015
• Yoigo 2007 market share goal <1%, long-term goal 10% of market by 2015

* Excl. non-recurring items
Financial overview
2006 - Record earnings

**Full Year 2006**

- Sales +3.9%
- EBITDA\(^1\) margin **35.4% (33.6)**
- Free cash flow SEK **16.6 billion**

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Sales</th>
<th>Operating income excl. non-recurring items</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>80,979</td>
<td>9,911</td>
</tr>
<tr>
<td>2003</td>
<td>81,772</td>
<td>18,810</td>
</tr>
<tr>
<td>2004</td>
<td>81,937</td>
<td>20,859</td>
</tr>
<tr>
<td>2005</td>
<td>87,661</td>
<td>20,107</td>
</tr>
<tr>
<td>2006</td>
<td>91,060</td>
<td>26,751</td>
</tr>
</tbody>
</table>

\(^1\) excl. non-recurring items
\(^2\) proposed

TeliaSonera
All operations contributed to record result

Operating income excl. non-recurring items

SEK million

+439 +1,333 +622 +777 +478 +1,002 +1,863 +130

20,107 26,751

Group FY 2005 Sweden Finland Norway Denmark Baltic countries Eurasia Russia & Turkey Other Group FY 2006

+33%
2006 - Strengthened positions in home markets and successful launch in Spain

Home markets
- Acquisition of debitel (2007)
  - Strengthened position in Denmark
- Improved sales channels in Denmark, Norway and Baltics
- Acquisition of Cygate
  - Strengthened position in managed services
- Acquisition of NextGenTel
  - Broadband services in Norway

Yoigo and FreeMove
- Successful launch in Spain
- Joined the world leading mobile alliance - improved simplicity for international customers
# Key financials – Income statement and Cash flow

<table>
<thead>
<tr>
<th>SEK million</th>
<th>FY 2006</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>91,060</td>
<td>87,661</td>
</tr>
<tr>
<td>Gross income</td>
<td>42,420</td>
<td>40,374</td>
</tr>
<tr>
<td>Margin (%)</td>
<td>46.6</td>
<td>46.1</td>
</tr>
<tr>
<td>EBITDA excl. non-recurring items</td>
<td>32,266</td>
<td>29,411</td>
</tr>
<tr>
<td>Margin (%)</td>
<td>35.4</td>
<td>33.6</td>
</tr>
<tr>
<td>Operating income excl. non-recurring items</td>
<td>26,751</td>
<td>20,107</td>
</tr>
<tr>
<td>Margin (%)</td>
<td>29.4</td>
<td>22.9</td>
</tr>
<tr>
<td>Net financials</td>
<td>-263</td>
<td>-530</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-5,943</td>
<td>-3,325</td>
</tr>
<tr>
<td>Net income&lt;sup&gt;1&lt;/sup&gt;</td>
<td>16,987</td>
<td>11,697</td>
</tr>
<tr>
<td>CAPEX</td>
<td>11,101</td>
<td>11,583</td>
</tr>
<tr>
<td>In relation to net sales (%)</td>
<td>12.2</td>
<td>13.2</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>16,596</td>
<td>15,594</td>
</tr>
</tbody>
</table>

<sup>1</sup> Attributable to shareholders of the parent company
## Statement of cash flows

<table>
<thead>
<tr>
<th><strong>SEK million</strong></th>
<th><strong>FY 2006</strong></th>
<th><strong>FY 2005</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA excluding non-recurring items</td>
<td>32,266</td>
<td>29,411</td>
</tr>
<tr>
<td>Dividends received from associated companies</td>
<td>1,789</td>
<td>759</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>-2,382</td>
<td>-2,048</td>
</tr>
<tr>
<td>Payment of restructuring provisions</td>
<td>-1,210</td>
<td>-747</td>
</tr>
<tr>
<td>Difference between paid/recorded pensions</td>
<td>-456</td>
<td>254</td>
</tr>
<tr>
<td>Changes in working capital and other items, net</td>
<td>-2,506</td>
<td>-639</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td><strong>27,501</strong></td>
<td><strong>26,990</strong></td>
</tr>
<tr>
<td>Cash CAPEX</td>
<td>-10,905</td>
<td>-11,396</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td><strong>16,596</strong></td>
<td><strong>15,594</strong></td>
</tr>
<tr>
<td>Cash flow from other investing activities</td>
<td>-2,179</td>
<td>-840</td>
</tr>
<tr>
<td><strong>Cash flow before financing activities</strong></td>
<td><strong>14,417</strong></td>
<td><strong>14,754</strong></td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>-19,382</td>
<td>-15,653</td>
</tr>
<tr>
<td><strong>Net cash flow for the period</strong></td>
<td><strong>-4,965</strong></td>
<td><strong>-899</strong></td>
</tr>
</tbody>
</table>
### Key financials – Balance sheet Dec 31, 2006

<table>
<thead>
<tr>
<th><strong>ASSETS</strong></th>
<th><strong>SEK million</strong></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goodwill and other intangible fixed assets</td>
<td>74,172</td>
<td>74,367</td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>48,195</td>
<td>48,201</td>
<td></td>
</tr>
<tr>
<td>Investments in associated, deferred tax assets and other financial assets</td>
<td>41,826</td>
<td>40,526</td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>997</td>
<td>765</td>
<td></td>
</tr>
<tr>
<td>Trade receivables, current tax assets, assets held-for-sale and other receivables</td>
<td>20,641</td>
<td>20,675</td>
<td></td>
</tr>
<tr>
<td>Interest-bearing receivables</td>
<td>1,958</td>
<td>2,407</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11,603</td>
<td>16,834</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>199,392</strong></td>
<td><strong>203,775</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>EQUITY &amp; LIABILITIES</strong></th>
<th><strong>SEK million</strong></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders’ equity</td>
<td>119,217</td>
<td></td>
<td>127,049</td>
</tr>
<tr>
<td>Minority interest</td>
<td>8,500</td>
<td></td>
<td>8,645</td>
</tr>
<tr>
<td>Deferred tax liability, other long-term provisions</td>
<td>14,635</td>
<td></td>
<td>14,948</td>
</tr>
<tr>
<td>Other long-term liabilities</td>
<td>2,382</td>
<td></td>
<td>2,343</td>
</tr>
<tr>
<td>Long-term borrowings</td>
<td>24,311</td>
<td></td>
<td>20,520</td>
</tr>
<tr>
<td>Short-term borrowings</td>
<td>3,418</td>
<td></td>
<td>6,215</td>
</tr>
<tr>
<td>Trade payables, current tax liabilities, short-term provisions and other current liabilities</td>
<td>26,929</td>
<td>24,055</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>199,392</strong></td>
<td></td>
<td><strong>203,775</strong></td>
</tr>
</tbody>
</table>
Strong financial position and cash flow generation

One of the best rated Telecom Operators in Europe

* Using the Moody’s approach and 2006YE figures
Strategy and outlook
Profitable growth and implementation speed through business focus and reduced complexity

New Business Areas

**Mobility**
- **Mobility Services**
  - Personal mobility services for consumer and enterprise mass markets
  - Increase usage – voice/data

**Broadband**
- **Broadband Services**
  - Mass market services for connecting homes and offices and for home communications
  - Exploit triple play and migrate services

**Managed Services**
- **Integrated Enterprise Services**
  - Management of enterprise IT and telecom infrastructure
  - Build leading Nordic/Baltic IT/telecom systems integrator
  - Exploit penetration growth
  - Enhance shareholder value

**Eastern growth markets**
- **Eurasia**
  - Benchmarking for efficiency improvements
  - Cross-boarder synergies
  - Customers meet one company
Profitable growth and implementation speed through business focus and reduced complexity

TeliaSonera’s focus will be on:

• Developing the operations in the home markets
• Developing the investment in Spain
• Creating value related to the eastern positions

New Business Areas

- Mobility Services
- Broadband Services
- Integrated Enterprise Services
- Eurasia
Group outlook 2007

• **Net sales**
  expected to continue to grow, reaching the target of approximately SEK ~100 billion in two years with maintained good profitability

• **Net income**
  for 2007 is estimated to be somewhat higher than in 2006, excluding the positive one-off items of approx. SEK 1.7 billion in 2006

• **CAPEX-to-sales**
  expected to grow due to increased investments in broadband and mobile capacity
2006 - Record year

• Record sales
• Record earnings
• Strengthened position in home markets
• More potential to improve longer term
Krister Kylås
Treasurer
Financial position & ratings

The Nordic and Baltic telecommunications leader

TeliaSonera
## Credit statistics – TeliaSonera Group

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Debt</strong></td>
<td>27.7</td>
<td>26.7</td>
</tr>
<tr>
<td><strong>Cash &amp; Liquidity</strong></td>
<td>11.7</td>
<td>17.3</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td>16.0</td>
<td>9.4</td>
</tr>
</tbody>
</table>

### Moody’s

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Net Debt</td>
<td>31.6</td>
<td>30.5</td>
</tr>
<tr>
<td>Adj. Retained Cash Flow</td>
<td>22.3</td>
<td>22.8</td>
</tr>
<tr>
<td>Adj. RCF/ND</td>
<td>70%</td>
<td>75%</td>
</tr>
<tr>
<td>If XOD included</td>
<td>38%</td>
<td>42%</td>
</tr>
<tr>
<td><strong>FCF (4)/ Adj. Net Debt</strong></td>
<td>31%</td>
<td>32%</td>
</tr>
</tbody>
</table>

### S&P

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Net Debt</td>
<td>28.1</td>
<td>25.5</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>28.0</td>
<td>27.7</td>
</tr>
<tr>
<td>Adj. ND/EBITDA</td>
<td>1.0X</td>
<td>0.9X</td>
</tr>
</tbody>
</table>

---

1. Gross Debt (incl. Xfera commitments) / Cash & Liquidity incl. STI > 3 months excl. Blocked funds (SEK 1 Bn) and excl. Available Unutilised Revolving Credit Facility Volume (EUR 1 billion)
2. Gross Debt - Cash & Liquidity + Pensions (2.6) + Contractual Obligations etc (2.4) + Operating Lease Adj. (10.6) (Moody’s)
3. Cash Flow from Operating Activities (27.5) + Operating Lease Adjustment (1.4) - Dividend Payment (common & minority) (6.6) (Moody’s)
4. Cash Flow from Operating Activities (27.5) - CAPEX (11) – Dividend Payments (common & minority) (6.6) (Moody’s)
5. Gross Debt - Cash & Liquidity + Pensions (2.6) + Contractual Obligations (2.4) + Operating Lease Adjustment (S&P’s approach 7.1)
6. EBITDA ex N-rec. . Adj. for Deduction of EBITDA-contribution from Int’l Mobile (-4.8) & add Operating Lease effect (S&P’s approach +0.5)
7. TeliaSonera estimates using respective agency approach.
TeliaSonera pension obligations

• Almost all TeliaSonera employees in Sweden, Finland & Norway are covered by Defined Benefit pension plans

• TeliaSonera Pension Fund’s are funding vehicles for those pension obligations, the remainder recorded on the balance sheet, covered via credit guarantees

• No real “unfunded pensions”
  – Rating agencies would however define our “pension gap” to be approximately SEK 2.6 billion (YE 2006)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present Value of pension obligation</td>
<td>21.5</td>
<td>22.1</td>
</tr>
<tr>
<td>Fair Value of plan assets</td>
<td>19.0</td>
<td>18.5</td>
</tr>
<tr>
<td>Pension obligations less plan assets</td>
<td>2.5</td>
<td>3.6</td>
</tr>
<tr>
<td>Booked Pension Receivable</td>
<td>0.1</td>
<td>0.4</td>
</tr>
<tr>
<td><em>Pension gap</em></td>
<td>2.6</td>
<td>4.0</td>
</tr>
</tbody>
</table>
TeliaSonera pension obligations (cont’d)

• **Main reasons for the decrease in the “pension gap” by some SEK 1.4 billion (YE 2006 vs. YE 2005)**
  
  – Increase of discount rate for pension obligations: Pension liabilities decreased by SEK 0.9 billion
  
  – “Excess” return on Plan Assets vs. IAS-assumptions: SEK 0.4 billion
  
  – Amortization of actuarial losses etc (outside the IAS-corridor): SEK 0.1 billion  
    (*reduction of the accrued “loss”*)

TeliaSonera Group Assumptions re. Pensions:

<table>
<thead>
<tr>
<th></th>
<th>YE 2006</th>
<th>YE 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate:</td>
<td>3.9%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Expected return on Plan Assets (Net):</td>
<td>4.5%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Expected salary increase:</td>
<td>3.2%</td>
<td>3.1%</td>
</tr>
</tbody>
</table>
TeliaSonera pension obligations (cont’d)

• TSG Pension related risks:
  – A reduction of the Discount Rate for pension obligations by 100 bps from the current level of 3.9%, implies an increase in TSG pension liabilities, all else equal, by some SEK 3.6 billion
  – The expected impact on fixed income Plan Assets, for the same change in overall interest rates, implies an increase in value by some SEK 1 billion
  – “Net impact” thus SEK 2.6 billion. (Other Plan Assets assumed yielding a zero return)
  – Note however that other aspects, such as expected Salary Increases, typically may offset somewhat
  – “Exogenous risks” include e.g. change in Life Expectancy
TeliaSonera AB credit ratings (A2/A-)

- January 8, 2003, lowered long-term debt rating to A2
- November 1, 2006, Outlook changed to Negative
- Short-term debt rating is at Prime-1
- Outlook: Negative
- Annual rating review during H1 / 2007

Moody’s (A2 / P-1)

- February 5, 2003, lowered long-term debt rating to A
- October 28, 2005, lowered long-term debt rating to A- and short-term debt rating to A-2
- Outlook: Stable
- Annual rating review during H1 / 2007

One of the best rated Telecom Operators in Europe
Debt maturity schedule (excluding lease and pension liabilities)

Debt Maturing during 2007 (SEK million)

Debt Portfolio Maturity Schedule (SEK billion), Jan 2007 & onwards

TeliaSonera AB
TeliaSonera Finland Oyj (formerly Sonera Corporation)
Dividend policy

• TeliaSonera’s dividend policy is to distribute 30-50% of net income attributable to shareholders of the parent company.

• In addition to the ordinary annual dividend the Board of Directors intends to propose an annual additional distribution to shareholders:
  – The additional distribution will be reviewed annually taking into consideration cash flow and its projections as well as investment plans.
  – Based on the current assessment, the additional distributions would be on the same level as the current one of approximately SEK 10 billion.

• Proposed dividends for 2006 SEK 6.30 per share (3.50):
  – of which ordinary dividend SEK 1.80 per share (1.25), totaling SEK 8.1 billion.
  – of which extraordinary dividends SEK 4.50 per share (2.25), totaling SEK 20.2 billion.
TeliaSonera funding strategy

• Strong liquidity position, which as of December 31, 2006 was
  – Available cash & short-term liquid investment approximately SEK 10 billion
    *(excl e.g. Blocked Funds)*
  – Available unutilised amount of committed bank credit lines approximately SEK 10 billion

• Primary means of external borrowing
  – **EMTN** (EUR 5 billion) [1]
  – **Swedish FTN** (SEK 12 billion) [2]
  – **ECP** (EUR 1 billion) [3]

• TeliaSonera AB’s intention is to continue to refinance the outstanding Sonera (“TSF”) debt as well as any new financing required

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[1] EUR 2.3 billion million utilised of the EMTN.
[2] SEK 0.8 billion utilised of the FTN.
[3] CP programmes are presently unutilised.
TeliaSonera funding strategy (cont’d)

• Base-case implies a focus on EMTN financing during 2007, both public EURO-bond(s) and Private Placements

• Utilisation of our CP programmes is likely during the spring & summer of 2007

• SEK & EUR are the preferred currencies

• Other currencies utilised for flexibility reasons, when deemed attractive

• Expected funding requirement
  – Within 6 months: EUR 1.25-1.75 billion (eq)
  – Within 18 months (acc): EUR 2.25-2.75 billion (eq)
Conclusion

- TeliaSonera is the telecommunications leader in the Nordic and Baltic regions
- Strong position in growth areas of Eurasia, Russia and Turkey
- Solid capital structure
- Strong financial resources and healthy cash flows
- High level of financial flexibility

Company website: www.teliasonera.com
Forward-looking statements

Statements made in this document relating to future status or circumstances, including future performance and other trend projections are forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to many factors, many of which are outside the control of TeliaSonera.