Speeding up execution of the strategy

• Developing the operations in the home markets
  – Record sales driven by high commercial activities
  – Investments in future IP based services
  – Acquisitions to strengthen the position mainly in Mobility Services and Integrated Enterprise Services

• Creating value related to the eastern positions
  – Continued growth and high profitability
  – Acquisition of MCT adds three new growth markets in Eurasia

• Developing the investment in Spain
  – Yoigo performs according to plan, reaching 161,000 subscriptions
High commercial activity drives sales growth

April - June, 2007

- Net sales *in local currencies*, +6%
- EBITDA-margin 31.4% (34.9)
- EPS SEK 0.85 (0.94)
- CAPEX MSEK 3,318 (2,631)
  - CAPEX-to-sales 13.9% (11.6)
- Free Cash Flow MSEK 3,558 (4,018)
Q2 2007 Net Sales +5.1%

SEK million

- Acquisitions of Cygate and DiData, approx. +200 MSEK
- Price decline and migration from traditional data services to IP put pressure on sales to large corporate customers
- MaS package for SME customers launched in Finland in Q2, limited impact on net sales so far

**Net sales Q2 2006**: 22,737

**Net sales Q2 2007**: 23,901

Acquisitions +2.6% and FX -0.9%

**Continued strong volume growth was partly offset by increased price pressure**
- Continued decline in fixed voice partly offset by growth for broadband services
- Strong growth in Wholesale
- Acquisition of NextGenTel in Norway, June 2006

**Continued strong volume growth was partly offset by increased price pressure**
- Sweden +108 MSEK mainly related to volume growth
- Denmark +170 MSEK mainly related to acquisition of debitel
- Start-up in Spain +117 MSEK

Internal trade growing in line with external sales
Q2 2007 Operating Income Year-on-Year

SEK million

- Improved earnings in Wholesale
- Decreased depreciation in Swedish operations
- Adjustment made in 2006 between Q2 and Q3

Strong improvements in both Turkey and Russia

Building the foundation and establishing new Managed Services concepts

- Net sales +409 MSEK
- Improved earnings in Finland due to lower interconnect prices, higher end-user prices and lower marketing costs
- Start-up costs in Spain approx. -350 MSEK
- Increased marketing costs in Sweden, Norway and Denmark

- Write-down and provision for dismantling of fixed access network in Broadband Finland
- Write-down of production and IT platforms in Broadband Sweden
- Provisions related to cost efficiency measures
## Ongoing cost efficiency programs

### Group total divided by business area

<table>
<thead>
<tr>
<th>Measures to be implemented from April 1 to year-end 2007</th>
<th>Group Total</th>
<th>Mobility Services</th>
<th>Broadband Services</th>
<th>Integrated Enterprise Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Est. annual gross savings effect of approx. SEK 2.3 billion with full effect as of 2008</td>
<td>Approx. SEK 400 million</td>
<td>Approx. SEK 1,550 million</td>
<td>Approx. SEK 350 million</td>
<td></td>
</tr>
<tr>
<td>Est. annual gross savings effect as of 2008 from measures taken during Q2 2007</td>
<td>Approx. SEK 535 million</td>
<td>Approx. SEK 200 million</td>
<td>Approx. SEK 300 million</td>
<td>Approx. SEK 35 million</td>
</tr>
</tbody>
</table>

- Related restructuring costs are estimated to about SEK 1.5 billion, to be reported as non-recurring items in 2007
  - During Q2 2007 SEK 329 million was reported as related restructuring costs
Strong financial position and cash flow generation

One of the best rated Telecom Operators in Europe
Strong financial key ratios

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2007</th>
<th>December 31, 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return on equity*</td>
<td>16.1%</td>
<td>17.2%</td>
</tr>
<tr>
<td>Return on capital employed*</td>
<td>19.0%</td>
<td>19.5%</td>
</tr>
<tr>
<td>Equity/asset ratio</td>
<td>53.6%</td>
<td>49.9%</td>
</tr>
<tr>
<td>Net debt/equity ratio</td>
<td>37.0%</td>
<td>15.0%</td>
</tr>
</tbody>
</table>

* Rolling 12 months

High yielding share
• MCT acquisition underlines TeliaSonera’s strategy to be the leading Eurasian mobile operator
  – Natural addition to TeliaSonera’s Eurasian footprint, adding three attractive new growth markets
    – *Uzbekistan, Tajikistan and Afghanistan with growing economies and a total population of approx. 67 million*
    – *Mobile penetration below 20%*
• TeliaSonera has a transparent way of working in CIS countries, recognizing its corporate social responsibilities and will continue to act as a good citizen in the new markets

*More background information available at TeliaSonera’s web site teliasonera.com/ir*
Re-engineering in BA Broadband Services

Traditional services

Services with strong future...

Sales

Cost

Sales

Cost
Focus on new services and reduced complexity

- All markets Retail
  - IP-based services
- Sweden, Finland and Denmark Retail
  - Traditional services

Product & Production
- All markets Wholesale
  - Shared IP-based network and products
  - Infrastructure (incl. copper, fiber etc.)
  - International carrier network

Traditional products
- SE | FI | DK
Continuity - with strong track record

- Strategy – unchanged
- Dividend policy – unchanged
- Outlook – unchanged from Q1 2007
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.
Appendix
Q2 2007 Net Sales vs Q1 2007 +5.2%

**SEK million**

- **Acquisition of Cygate and seasonal increase of sales:** +386
- **Stable development between Q1 and Q2, supported by increased sales of Broadband services in IES:** +259
- **Normal seasonality:** +139
- **Internal trade growing in line with external sales:** +9
- **Acquisitions +1.7% and FX +0.2%**

**Net sales Q1 2007:** 22,724

- **Mobility Services:** +730
- **Broadband Services:**
- **Integrated Enterprise Services:**
- **Eurasia:**
- **Other:**
- **Eliminations:** -346

**Net sales Q2 2007:** 23,901

**Stable development between Q1 and Q2, supported by increased sales of Broadband services in IES**

**Normal seasonality further improved by the Spanish operation and the acquisition of debitel**
Q2 2007 Operating Income vs Q1 2007

**SEK million**

- Seasonal increase of variable cost related to net sales
- Reversal of interconnect provision in Q1, -141 MSEK in Sweden
- Increased marketing and sales expenses in several markets (SE, FI, DK, NO)

**Operating income excl. non-recurring Q1 2007:** 6,191

- 337
- 273
- 97

**Operating income excl. non-recurring Q2 2007:** 6,575

- 470
- 75

**Non-recurring Q2 2007:** -779

**Increased net sales, +259 MSEK, more than offset by increased costs related to production, Cygate and for IT in Broadband, as well as decreased earnings in TeliaSonera Finans**

- Increased net sales, +139 MSEK
- Increased cost for IPTV initiative
- Decreased cost for storm Per
- Release of provision for interconnect in Q1, -60 MSEK
- Decreased subcontractor costs for pole reduction project in Finland

**Operating income excl. non-recurring Q2 2007:** 5,796

- Write-down and provision for dismantling of fixed access network in Broadband Finland
- Write-down of production and IT platforms in Broadband Sweden
- Provisions related to cost efficiency measures
### Key Financials – Income Statement and Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>Apr - Jun 2007</th>
<th>Apr - Jun 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>23,901</td>
<td>22,737</td>
</tr>
<tr>
<td><strong>Gross income</strong></td>
<td>10,221</td>
<td>10,617</td>
</tr>
<tr>
<td><strong>Margin (%)</strong></td>
<td>42.8</td>
<td>46.7</td>
</tr>
<tr>
<td><strong>EBITDA excl. non-recurring items</strong></td>
<td>7,516</td>
<td>7,928</td>
</tr>
<tr>
<td><strong>Margin (%)</strong></td>
<td>31.4</td>
<td>34.9</td>
</tr>
<tr>
<td><strong>Operating income excl. non-recurring items</strong></td>
<td>6,575</td>
<td>6,316</td>
</tr>
<tr>
<td><strong>Margin (%)</strong></td>
<td>27.5</td>
<td>27.8</td>
</tr>
<tr>
<td><strong>Net financials</strong></td>
<td>-151</td>
<td>-119</td>
</tr>
<tr>
<td><strong>Income taxes</strong></td>
<td>-1,351</td>
<td>-1,334</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>3,832</td>
<td>4,213</td>
</tr>
<tr>
<td><strong>Earnings per share</strong> (SEK)</td>
<td>0.85</td>
<td>0.94</td>
</tr>
<tr>
<td><strong>CAPEX</strong></td>
<td>3,318</td>
<td>2,631</td>
</tr>
<tr>
<td><strong>In relation to net sales (%)</strong></td>
<td>13.9</td>
<td>11.6</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>3,558</td>
<td>4,018</td>
</tr>
</tbody>
</table>

1) Attributable to shareholders of the parent company
2) EPS calculated on net income attributable to shareholders of the parent company, divided by the number of shares
## Statement of cash flows

<table>
<thead>
<tr>
<th></th>
<th>Apr - Jun 2007</th>
<th>Apr - Jun 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SEK million</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA excluding non-recurring items</strong></td>
<td>7,516</td>
<td>7,928</td>
</tr>
<tr>
<td>Dividends received from associated companies</td>
<td>607</td>
<td>447</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>-811</td>
<td>-1,096</td>
</tr>
<tr>
<td>Payment of restructuring provisions</td>
<td>-159</td>
<td>-395</td>
</tr>
<tr>
<td>Difference between paid/recorded pensions</td>
<td>-146</td>
<td>170</td>
</tr>
<tr>
<td>Changes in working capital and other items, net</td>
<td>-99</td>
<td>-641</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td><strong>6,908</strong></td>
<td><strong>6,413</strong></td>
</tr>
<tr>
<td>Cash CAPEX</td>
<td>-3,350</td>
<td>-2,395</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td><strong>3,558</strong></td>
<td><strong>4,018</strong></td>
</tr>
<tr>
<td>Cash flow from other investing activities</td>
<td>-873</td>
<td>-2,537</td>
</tr>
<tr>
<td><strong>Cash flow before financing activities</strong></td>
<td><strong>2,685</strong></td>
<td><strong>1,481</strong></td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>-23,529</td>
<td>-13,550</td>
</tr>
<tr>
<td><strong>Net cash flow for the period</strong></td>
<td><strong>-20,844</strong></td>
<td><strong>-12,069</strong></td>
</tr>
</tbody>
</table>