



Interim Report

January - September, 2007

The Nordic and Baltic
telecommunications leader 

TeliaSonera

Strong sales and earnings

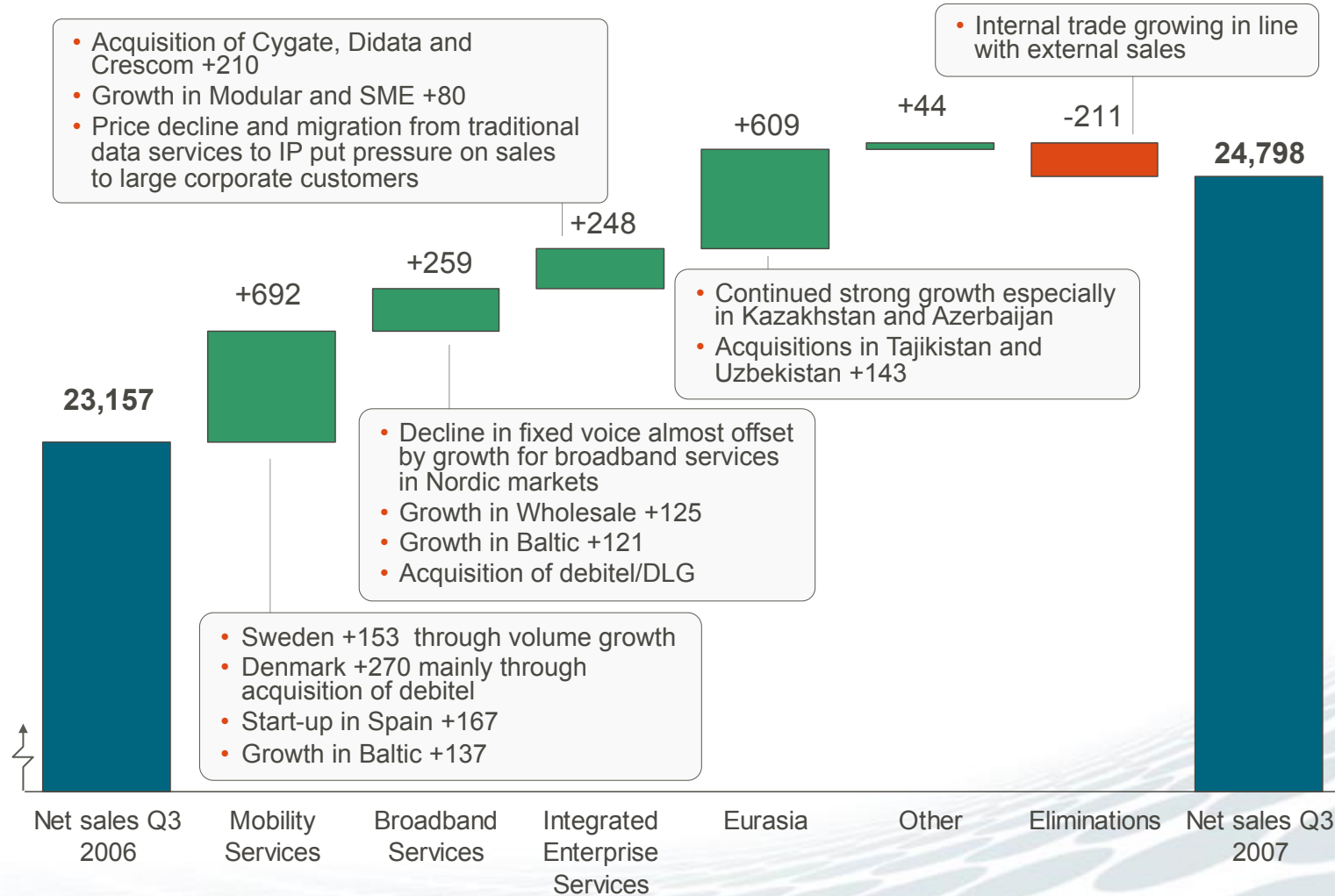
July - September, 2007

- Net sales *in local currencies*, +7.3%
- EBITDA-margin 35.1% (37.8)
- EPS SEK 1.20 (1.13)
- CAPEX MSEK 3,339 (2,743)
 - CAPEX-to-sales 13.5% (11.8)
- Free Cash Flow MSEK 5,078 (4,870)



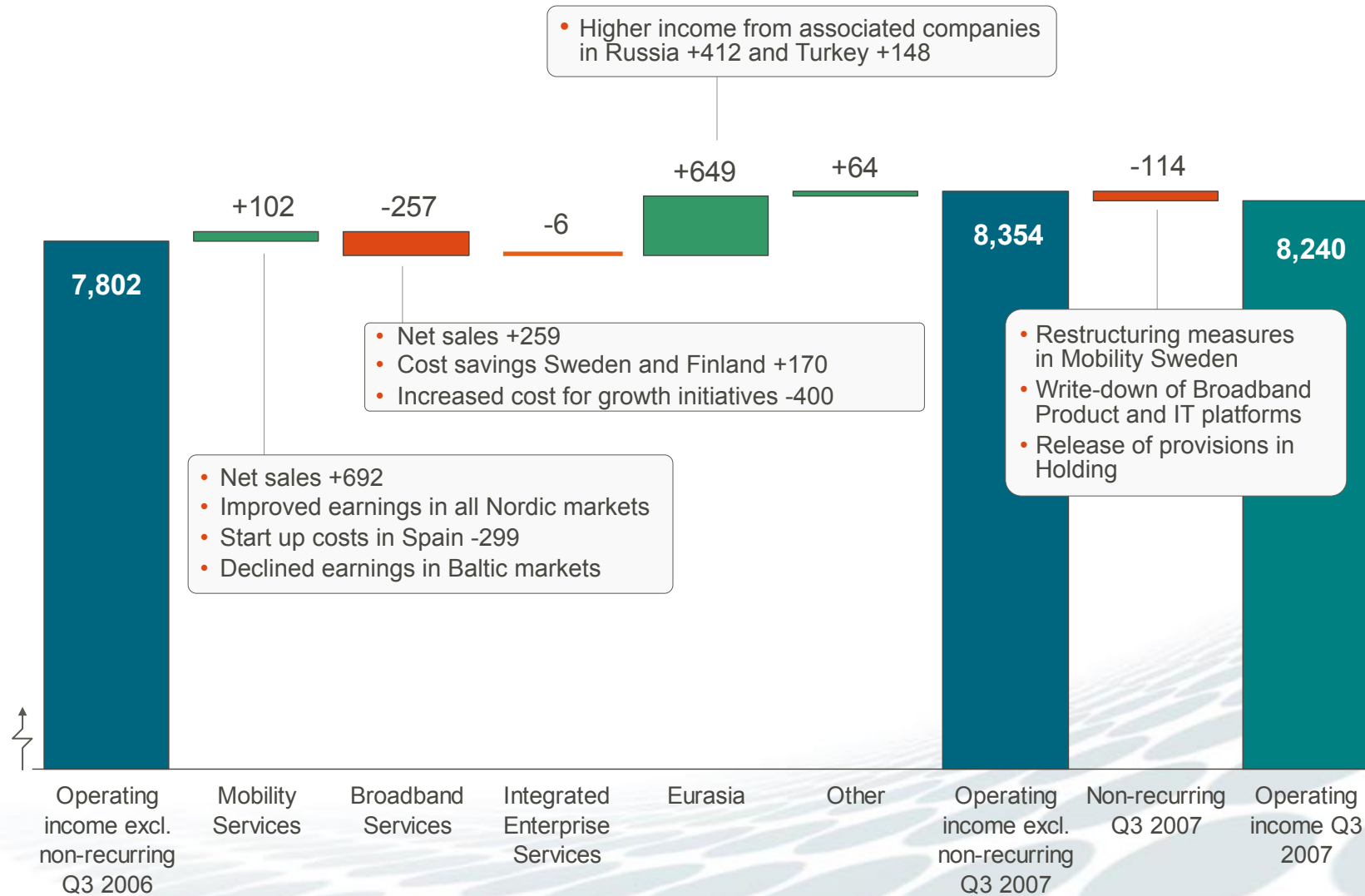
Q3 2007 Net Sales +7.1%

SEK million



Q3 2007 Operating Income Year-on-Year

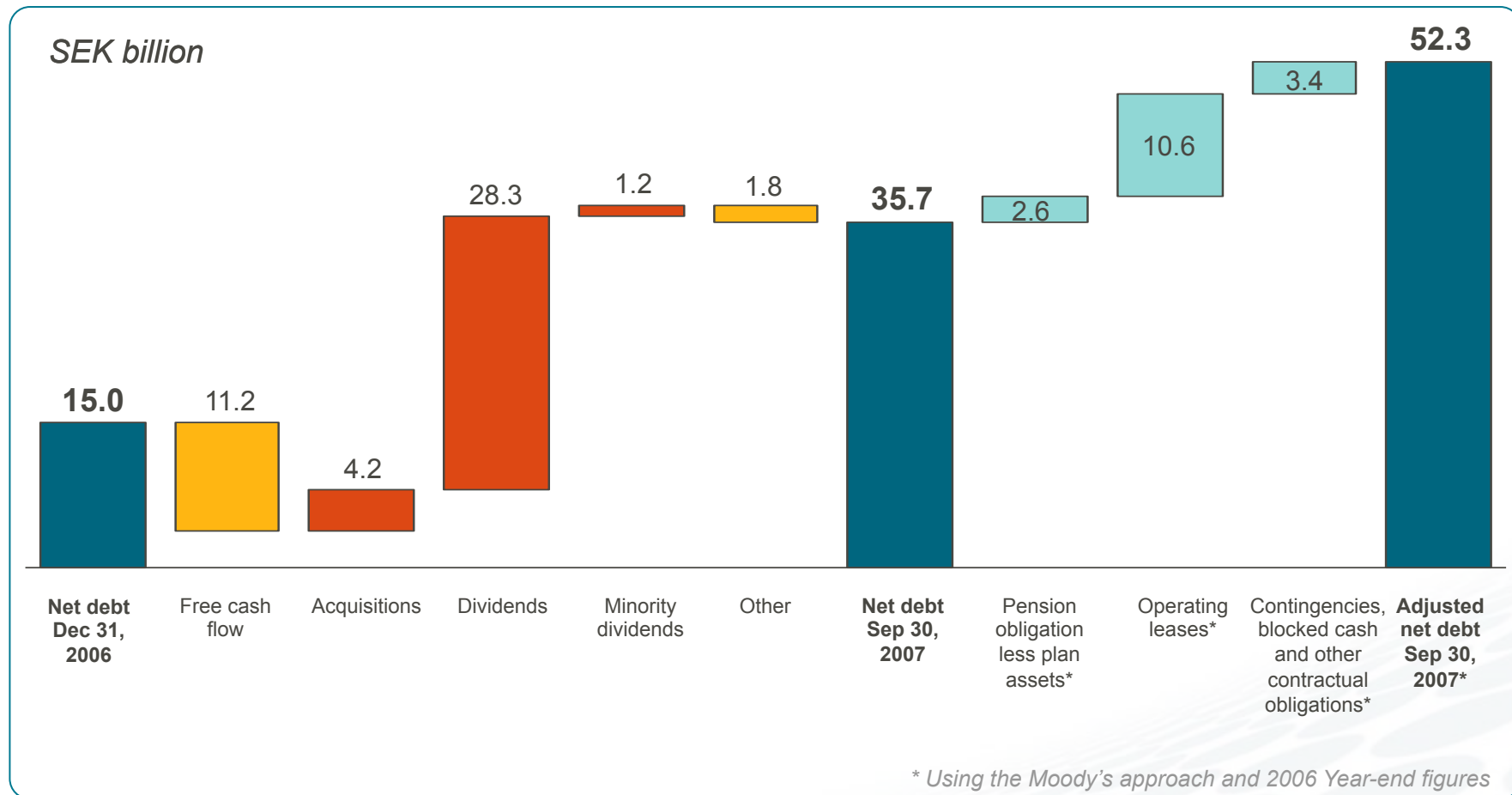
SEK million



Statement of cash flows Q3 2007

<i>SEK million</i>	Jul-Sep 2007	Jul-Sep 2006
EBITDA excluding non-recurring items	8,714	8,756
Dividends received from associated companies	1,547	679
Interest paid (net)	-409	-279
Income taxes paid	-925	638
Payment of restructuring provisions	-11	-107
Difference between paid/recorded pensions	-174	258
Changes in working capital and other items, net	-349	-2,127
Cash flow from operating activities	8,393	7,818
Cash CAPEX	-3,315	-2,948
Free cash flow	5,078	4,870
Cash flow from other investing activities	-879	-470
Cash flow before financing activities	4,199	4,400
Cash flow from financing activities	-3,683	-2,063
Change in cash & cash equivalents	516	2,337

Strong financial position and cash flow generation



One of the best rated Telecom Operators in Europe

Strong financial key ratios

	Sep 30, 2007	Dec 31, 2006
Return on equity*	15.8%	17.2%
Return on capital employed*	17.9%	19.5%
Equity/asset ratio	54.8%	49.9%
Net debt/equity ratio	31.8%	15.0%

* Rolling 12 months

High yielding share

Ongoing cost efficiency programs

Group total divided by business area

	Group Total	Mobility Services	Broadband Services	Integrated Enterprise Services
<i>Measures to be implemented from April 1 to year-end 2007</i>	<i>Est. annual gross savings effect of approx. SEK 1.5 billion with full effect as of 2008</i>	<i>Approx. SEK 350 million</i>	<i>Approx. SEK 1,000 million</i>	<i>Approx. SEK 150 million</i>
Est. annual gross savings effect as of 2008 from measures taken from April 1 to September 30, 2007	Approx. SEK 835 million	Approx. SEK 300 million	Approx. SEK 500 million	Approx. SEK 35 million

Related restructuring costs are estimated to be around SEK 1 billion, to be reported as non-recurring items in 2007.

Since April 1, 2007 SEK 562 million was reported as related restructuring costs.

In total, the efficiency programs are expected to reduce annual gross costs by approx. SEK 6.4 billion as of 2008, compared to the set target of SEK 7-8 billion

Capital structure and distributions to shareholders



- Target a solid investment grade long-term credit rating (A- to BBB+)
- TeliaSonera's dividend policy is to distribute at least 40% of net income attributable to shareholders of the parent company
- Excess capital to be returned to shareholders, after having taken into consideration the company's cash at hand, cash flow projections and investment plans in a medium term perspective
- Based on the current assessment, extraordinary dividend for 2007 will be approx. SEK 10 billion

Outlook slightly revised

Net Sales

expected to continue to grow, reaching the target of approx. SEK 100 billion during 2008 with maintained good profitability

Ongoing Efficiency Measures

implemented in Q2-Q4 of 2007 in Sweden and Finland are estimated to give an annual gross savings effect of approx. SEK 1.5 billion as of 2008. Accordingly, related restructuring costs, reported as non-recurring items in Q2-Q4 of 2007, are expected to be around SEK 1 billion. Additional efficiency measures will be taken

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 in 2007 due to increased investments in broadband and mobile capacity



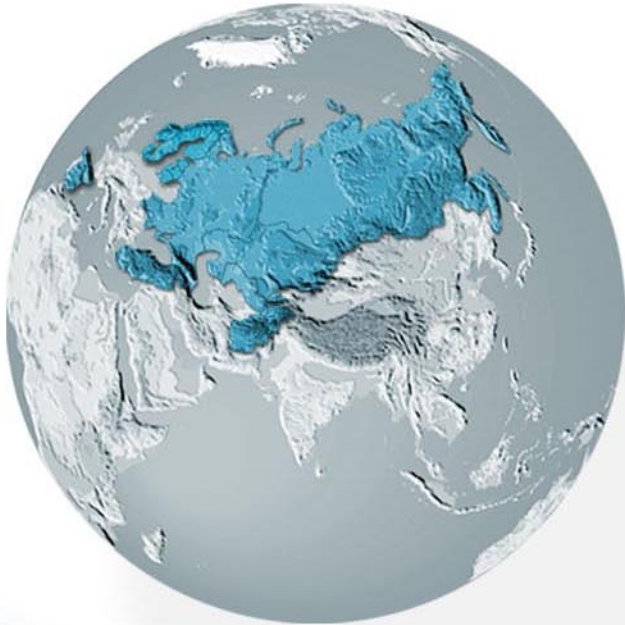


Lars Nyberg
President and CEO

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TeliaSonera

Five focus areas



- Migration from traditional services
- Explore growth in Eurasia
- New B2B sales approach
- World class service company
- Intensified efficiency



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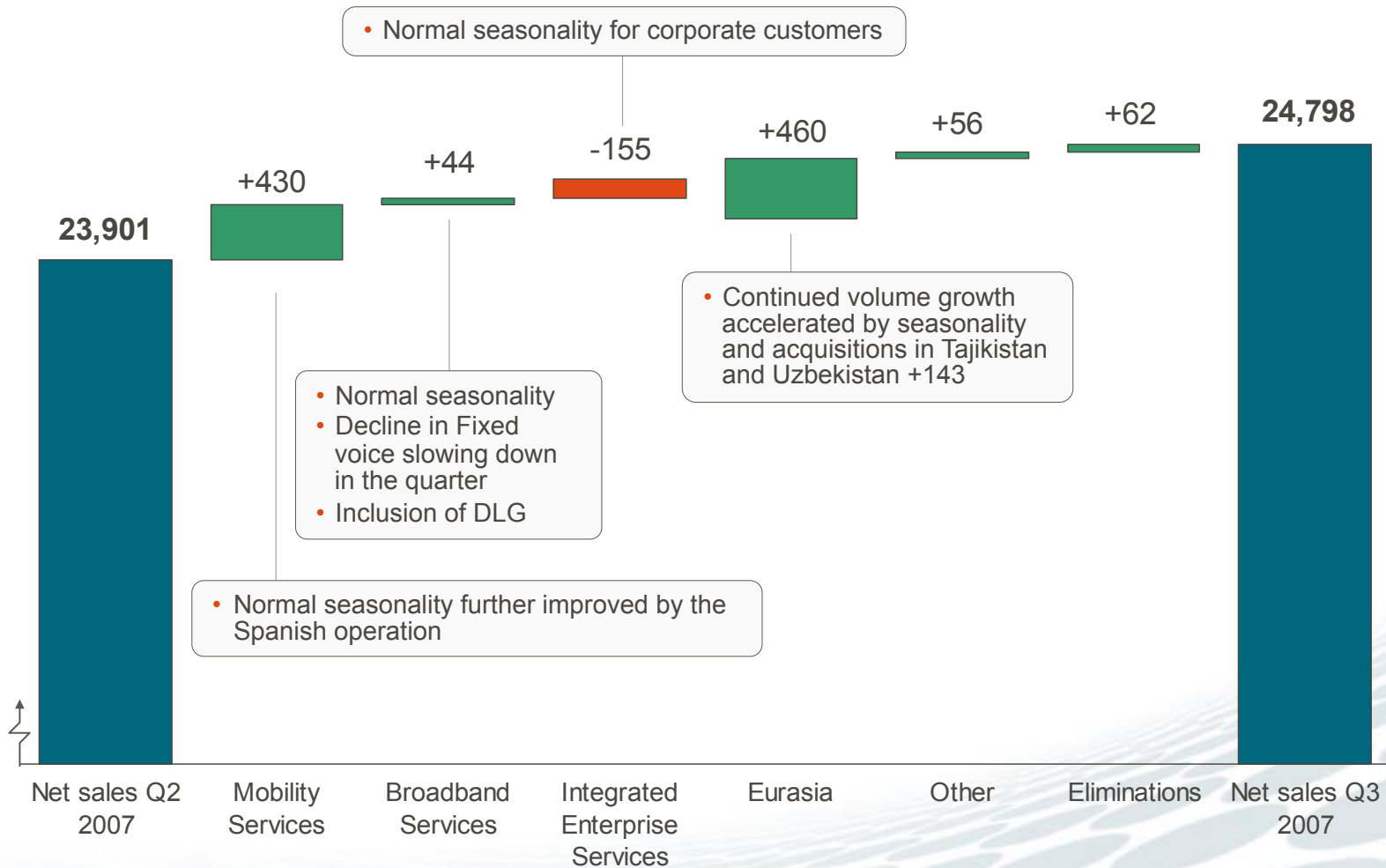
Forward-looking statements

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

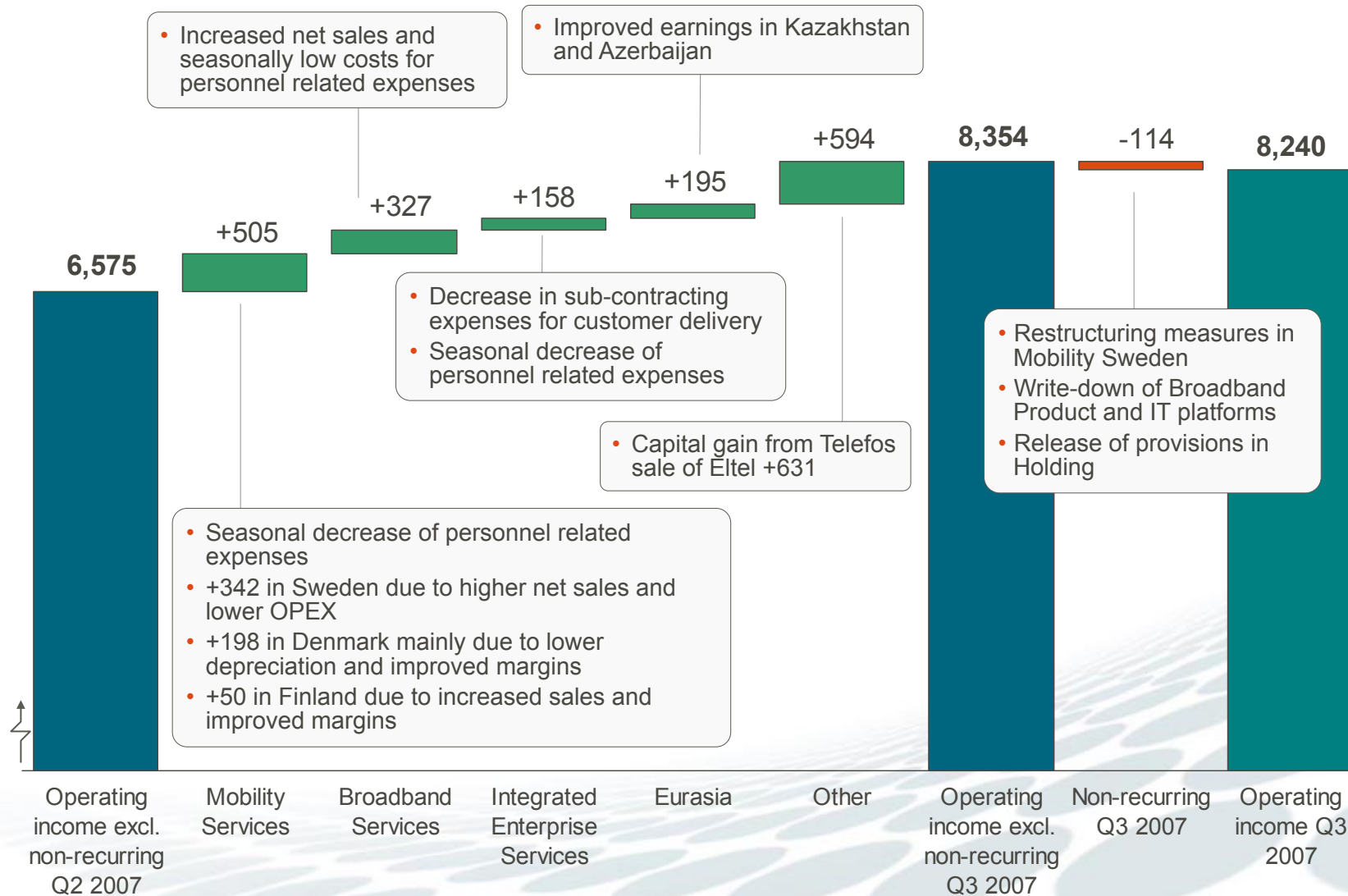
Q3 2007 Net Sales vs. Q2 2007 +3.8%

SEK million



Q3 2007 Operating Income vs Q2 2007

SEK million



- Increased net sales and seasonally low costs for personnel related expenses

- Improved earnings in Kazakhstan and Azerbaijan

- Decrease in sub-contracting expenses for customer delivery
- Seasonal decrease of personnel related expenses

- Capital gain from Telefos sale of Eitel +631

- Seasonal decrease of personnel related expenses
- +342 in Sweden due to higher net sales and lower OPEX
- +198 in Denmark mainly due to lower depreciation and improved margins
- +50 in Finland due to increased sales and improved margins

- Restructuring measures in Mobility Sweden
- Write-down of Broadband Product and IT platforms
- Release of provisions in Holding

Key Financials – Income Statement and Cash Flow

<i>SEK million</i>	Jul-Sep 2007	Jul-Sep 2006
Net sales	24,798	23,157
Gross profit	11,433	11,535
<i>Margin (%)</i>	46.1	49.8
EBITDA excl. non-recurring items	8,714	8,756
<i>Margin (%)</i>	35.1	37.8
Operating income excl. non-recurring items	8,354	7,802
<i>Margin (%)</i>	33.7	33.7
Net financials	-335	-155
Income taxes	-1,692	-1,779
Net income ¹	5,399	5,053
Earnings per share ² (SEK)	1.20	1.13
CAPEX	3,339	2,743
In relation to net sales (%)	13.5	11.8
Free cash flow	5,078	4,870

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



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