



TeliaSonera

January – June 2010

Lars Nyberg
President and CEO

1

TeliaSonera

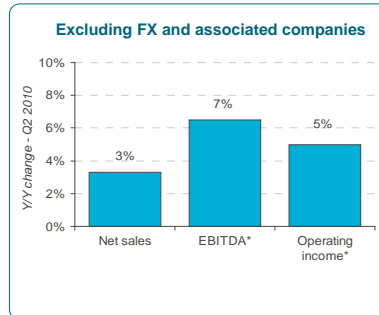
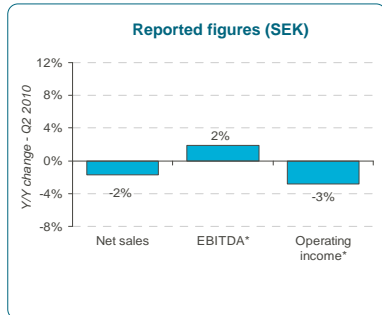
Second quarter 2010 – financial highlights

- Net sales in local currencies and excluding acquisitions increased **3.3 percent** to SEK 26,964 million (27,424)
- EBITDA margin, excluding non-recurring items, improved to **34.2 percent** (33.0)
- Free cash flow increased **27 percent** to SEK 3,930 million (3,106)

2

TeliaSonera

Strong underlying performance



- TeliaSonera Group
In reported currency (SEK) and including
Income from associated
companies

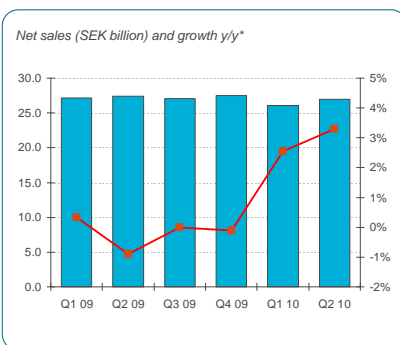
- TeliaSonera Group
In local currencies and
excluding acquisitions
and Income from
associated companies

* Excluding non-recurring items

3

TeliaSonera

Several factors behind stronger growth



- Double digit revenue growth in Eurasia
- Yoigo gaining market share in Spain
- Data growth in Nordic mobile markets

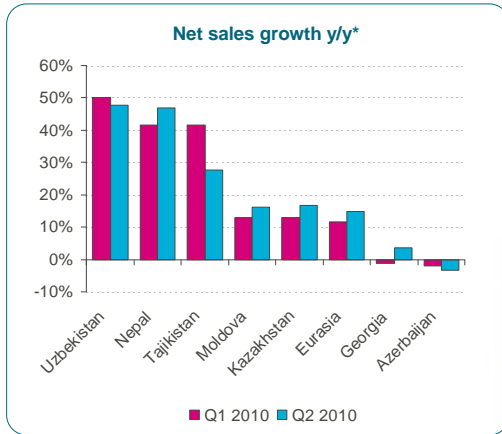


* In local currencies and excluding acquisitions

4

TeliaSonera

Improved growth in several markets in Eurasia



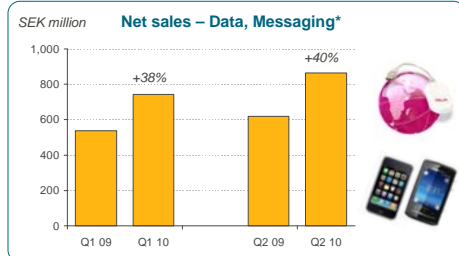
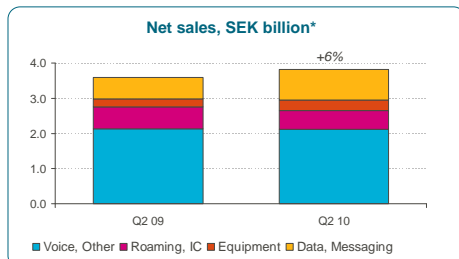
* In local currencies and excluding acquisitions



5

TeliaSonera

Mobile data growth continues in Sweden



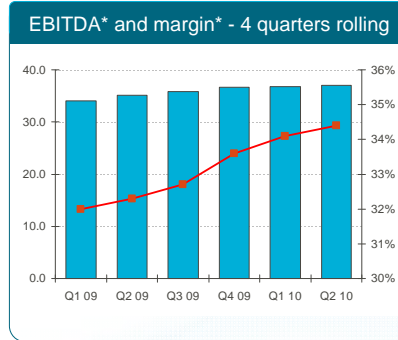
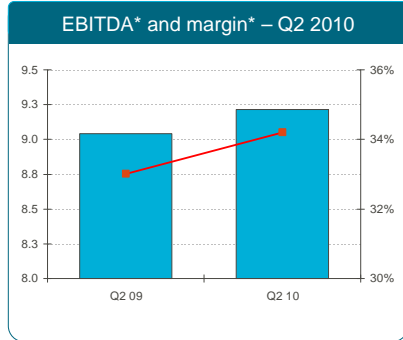
* Mobility Services Sweden



6

TeliaSonera

Continued margin improvement

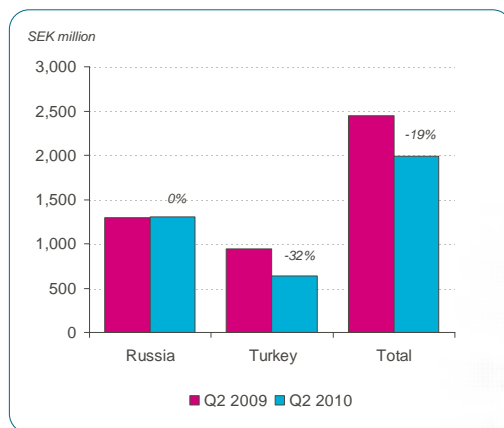


* SEK billion and excluding non-recurring items

7

TellaSonera

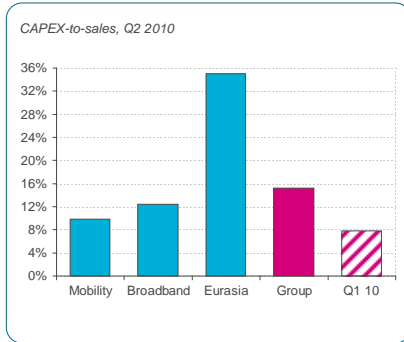
Lower income from associated companies



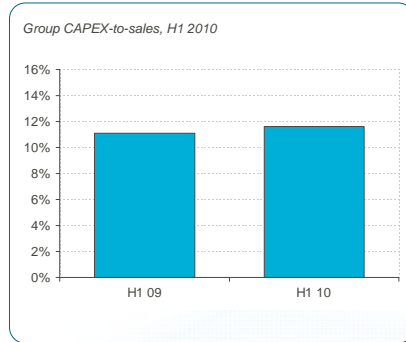
8

TellaSonera

Higher CAPEX-to-sales ratio in Q2 2010



- CAPEX-to-sales ratio of 15.2 (10.8) percent in Q2 2010*



- CAPEX-to-sales ratio of 11.6 (11.1) percent in H1 2010*

* Including the acquisition of a 4G license in Denmark (DKK 336 million)

9

TeliaSonera

January – June 2010

- Net sales SEK 53,054 million (54,559)
 - Net sales in local currencies +2.9 percent
- Addressable cost base** decreased 2.3 percent
- EBITDA* SEK 18,177 million (17,864)
 - EBITDA* margin improved to 34.3 percent (32.7)
- Earnings per share SEK 2.22 (1.98)
- Free cash flow SEK 7,302 million (6,365)

* In local currencies and excluding acquisitions
 ** Excluding non-recurring items



10

TeliaSonera

Outlook for 2010 (revised)

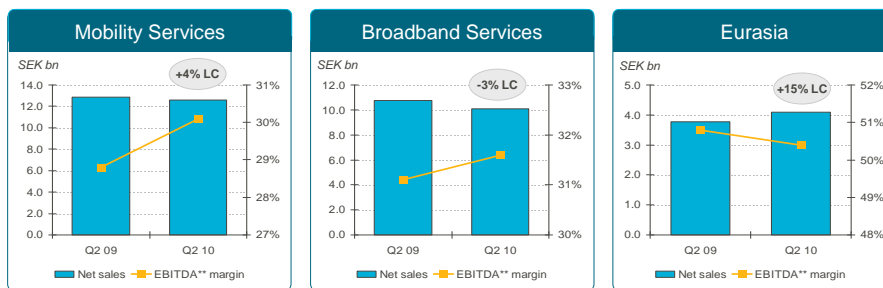
	Outlook 2010
Net sales*	Growth in line with the first half of 2010
Addressable cost base*	In line with the level of 2009
EBITDA margin**	Somewhat higher compared to 2009 (33.6%)
CAPEX-to-sales ratio	14-15% (12.8%)

* In local currencies and excluding acquisitions
 ** Excluding non-recurring items

11

TeliaSonera

Improved growth across several markets



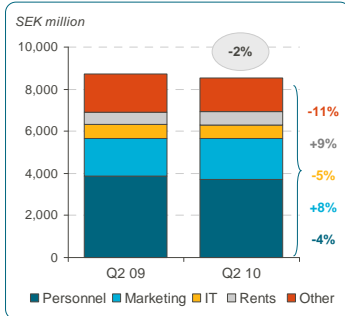
- Net sales* grew in Sweden, Spain and Finland. Early signs of recovery in Estonia
- IP-based revenues now 36 percent of external net sales in Broadband Services
- Double-digit organic revenue growth continues in Eurasia

* Net sales growth in local currencies and excluding acquisitions
 ** EBITDA margin, excluding non-recurring items

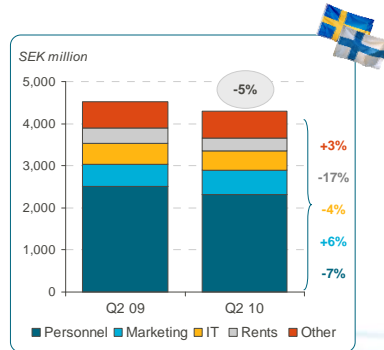
12

TeliaSonera

Addressable cost base



- TeliaSonera Group
In local currencies and excluding acquisitions

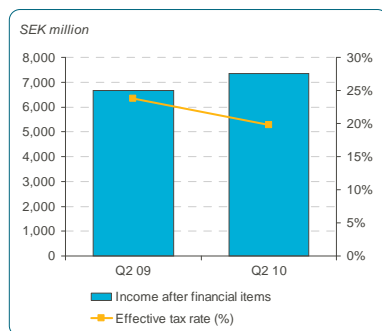


- Sweden and Finland
In local currencies and excluding acquisitions

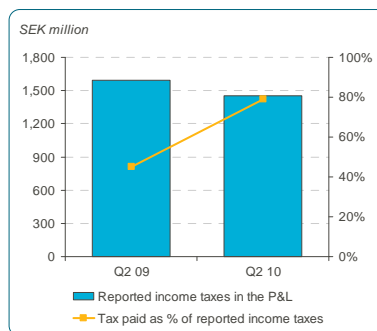
13

TeliaSonera

Income taxes



- Effective tax rate decreased to 19.8 percent (23.8)

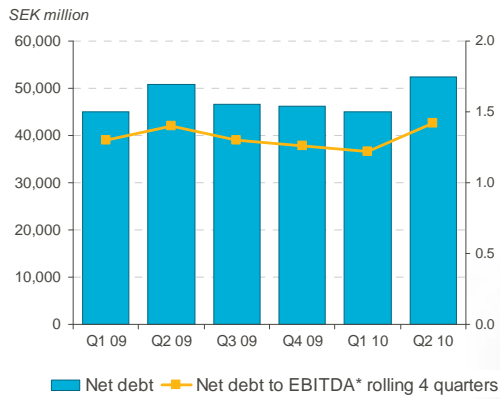


- Tax paid as share of reported income taxes increased to 79 percent

14

TeliaSonera

Solid financial position

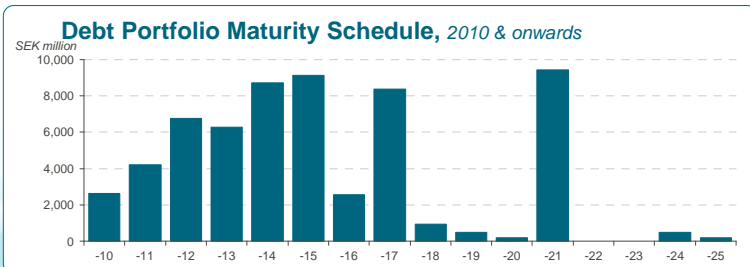
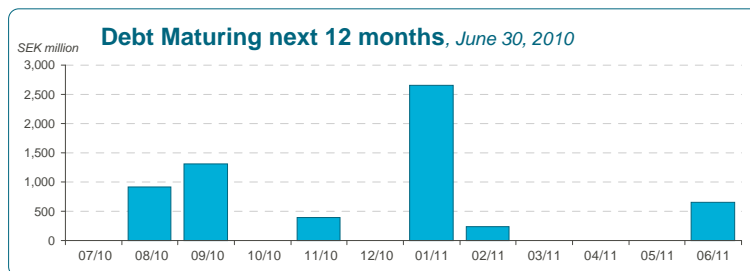


* Excluding non-recurring items

15

TellaSonera

Debt maturity schedule



16

TellaSonera

Strong financial key ratios

	June 30, 2010	June 30, 2009
Return on equity*	15.9%	17.0%
Return on capital employed*	15.7%	16.8%
Equity/assets ratio	51.2%	51.8%
Net debt/equity ratio	40.0%	37.1%
Net Debt/EBITDA rate* multiple	1.42x	1.45x

* Rolling 12 months, EBITDA excl. non-recurring items

One of the best rated Telecom Operators in Europe

17

TeliaSonera

Liquidity position TeliaSonera Group

Cash and cash equivalents, less blocked funds approx. SEK 7.2 billion

Committed bank lines	Maturity	Size	Amount undrawn
Syndicated revolving credit facility	Dec 2011	EUR 1 billion	EUR 1 billion
Bilateral credit facility	Apr 2013	SEK 1.4 billion	SEK 1.4 billion

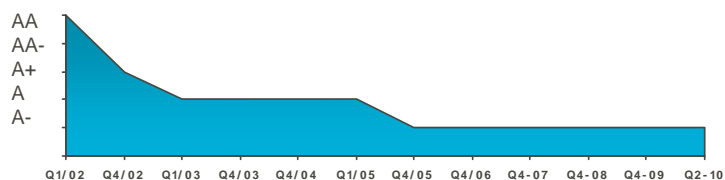
June 30, 2010

18

TeliaSonera

TeliaSonera AB credit ratings (A3/A-)

TeliaSonera AB long-term ratings migration history 2002-to-today



Moody's (A3/P-2)

- January 8, 2003, lowered long-term debt rating to A2
- November 1, 2006, outlook changed to Negative
- October 30, 2007, lowered long- and short-term debt rating to **A3** and **P-2** respectively
- April 7, 2010, debt ratings confirmed
- **Outlook: Stable**

Standard & Poor's (A-/A-2)

- 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**
- July 16, 2010, debt ratings confirmed
- **Outlook: Stable**

19

TeliaSonera

Organic revenue growth

Revenue growth (%) Q2 2010	Reported growth	of which currency	of which acquisitions	of which organic
Mobility Services	-2.0	-6.1	-	4.1
Broadband Services	-5.9	-3.9	0.8	-2.8
Eurasia	8.1	-6.7	-	14.8
The Group	-1.7	-5.3	0.3	3.3

20

TeliaSonera

Net sales - Group and by Business area

SEK million	Apr – Jun 2010	Apr – Jun 2009	Change %
Mobility Services	12,620	12,881	-2
Broadband Services	10,100	10,736	-6
Eurasia	4,089	3,781	8
Other operations	1,389	1,402	-1
The Group	26,964	27,424	-2

21

TeliaSonera

EBITDA* - Group and by Business area

EBITDA* SEK million	Apr – Jun 2010	Apr – Jun 2009	Change %
Mobility Services	3,797	3,711	2
Broadband Services	3,196	3,337	-4
Eurasia	2,062	1,919	7
Other operations	130	40	225
The Group	9,214	9,043	2

EBITDA* margin, %	Apr – Jun 2010	Apr – Jun 2009	Change % point
Mobility Services	30.1	28.8	1.3
Broadband Services	31.6	31.1	0.5
Eurasia	50.4	50.8	-0.4
Other operations	9.4	2.9	6.5
The Group	34.2	33.0	1.2

* Excluding non-recurring items

22

TeliaSonera

Statement of cash flows

SEK million	Q2 2010	Q2 2009	Diff
EBITDA excluding non-recurring items	9,214	9,043	171
Dividends received from ass companies	827	984	-157
Interest paid (net)	-134	-363	229
Income taxes paid	-1,150	-722	-428
Payment of restructuring provisions	-277	-303	26
Diff between paid/recorded pensions	-342	-93	-249
Changes in working cap and other items	-1,145	-2,509	1,364
Cash flow from operating activities	6,993	6,037	956
Cash CAPEX	-3,063	-2,931	-132
Free cash flow	3,930	3,106	824

* As of Q1 2010, cash flows from settlement of foreign exchange derivative contracts used for economic hedges of cash-pool balances are reported within financing activities (previously reported within operating activities). Previous periods have been restated.

23

TellaSonera

Dividend policy

- The company shall target a solid investment grade long-term credit rating (A- to BBB+) to secure the company's strategically important financial flexibility for investments in future growth, both organically and by acquisitions.
- The ordinary dividend shall be at least 50 percent of net income attributable to owners of the parent company.
- Excess capital shall be returned to shareholders, after the Board of Directors has taken into consideration the company's cash at hand, cash flow projections and investment plans in a medium term perspective, as well as capital market conditions.



24

TellaSonera

Mobile *data*

Håkan Dahlström
President, Mobility Services

4G
World Premiere
Stockholm | Oslo

25

TeliaSonera

Traffic will double every year

Year	Traffic (TByte)
2007	~10,000
2008	~15,000
2009	~25,000
2010	~40,000
2011	~70,000
2012	~120,000
2013	~200,000
2014	~350,000

* Mobility Services Sweden

26

TeliaSonera

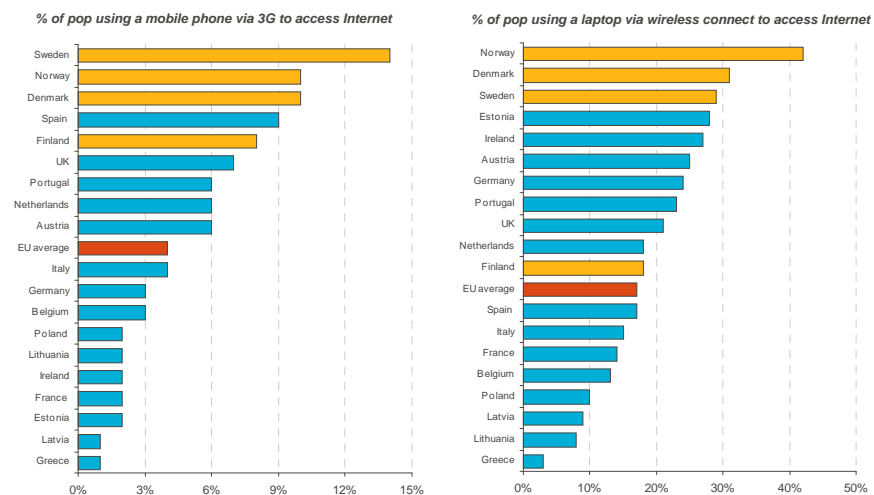
Several sources for mobile data growth



27

TellaSonera

Nordic countries early adopters of technology

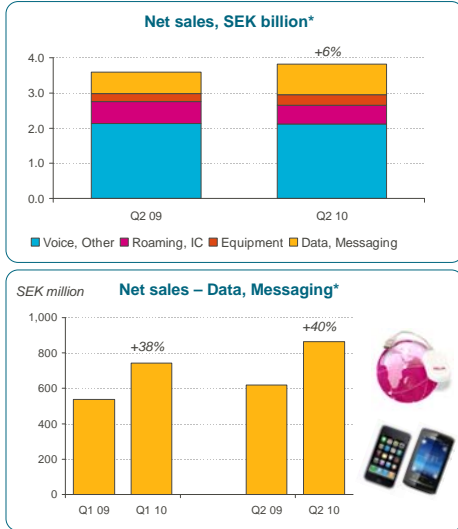


Source: European Commission, Europe's Digital Competitiveness Report, May 2010

28

TellaSonera

Mobile data growth continues in Sweden

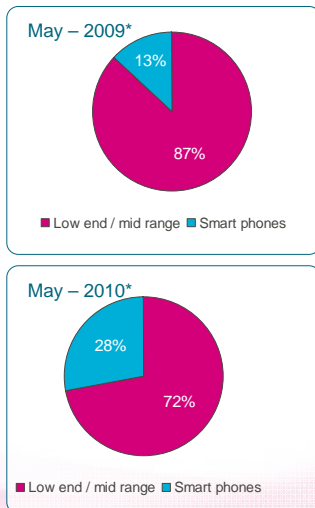


* Mobility Services Sweden

29

TellaSonera

Increasing number of Smart phones



* Mobility Services Sweden



30

TellaSonera

Functionality and user friendliness drive usage

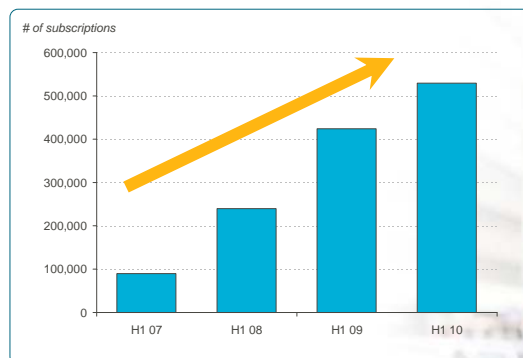


Source: Average data volumes per model in TellaSonera's network May 2010

31

TellaSonera

Strong momentum for mobile broadband

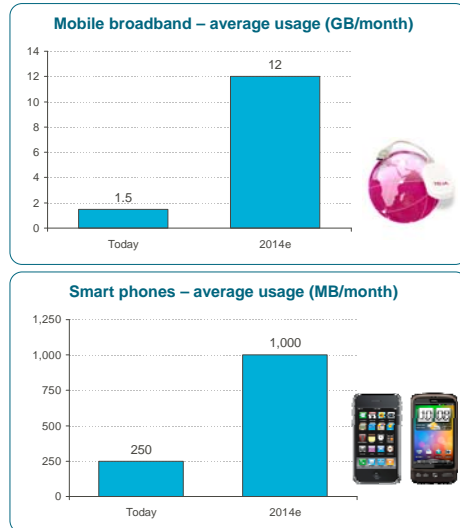


* Mobility Services Sweden

32

TellaSonera

Different usage for different products



* Mobility Services Sweden

33

TellaSonera

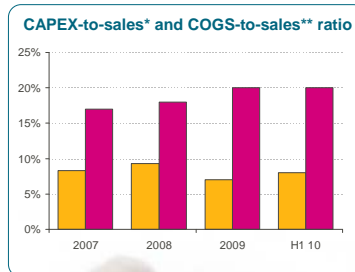
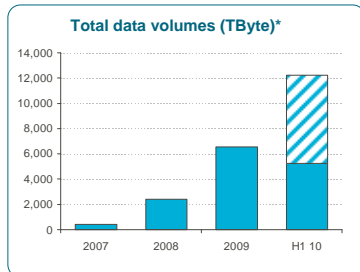
Several factors work in our favour

- 1 New technology
- 2 Spectrum
- 3 Existing mobile and fixed infrastructure

34

TellaSonera

Data explosion - stable COGS / CAPEX-to-sales

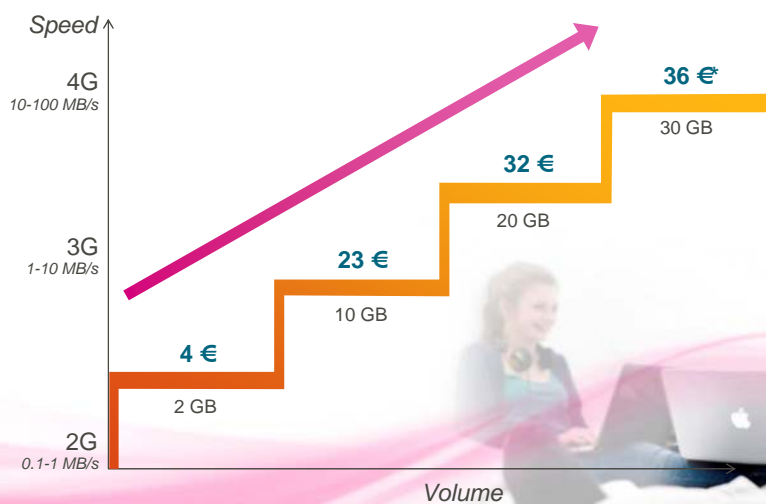


* Mobility Services Sweden, including SUNAB
 ** Excluding interconnect and roaming

35

TeliaSonera

Volume and speed based pricing



36

TeliaSonera

Conclusions

- Demand for bandwidth is unlimited
- Technology will continue to deliver
- Costs and CAPEX under control
- Willingness to pay for:
 - Speed
 - Usage
 - New Services
 - Quality



37

TeliaSonera

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.

38

TeliaSonera