

TeliaSonera

January – September 2010

Lars Nyberg
President and CEO



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Improving growth and record earnings

- Net sales SEK 26,754 million (27,053)
 - Increase of 4.3 percent, in local currencies and excl. acquisitions
- EBITDA* SEK 9,776 million (9,763)
 - Highest EBITDA* so far, margin of 36.5 percent (36.1)
- EPS SEK 1.33 (1.12)
 - Improved by 19 percent compared to last year



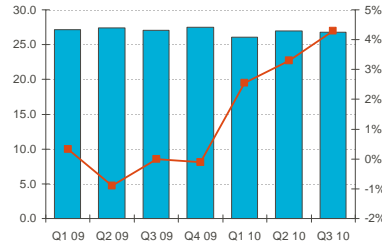
* Excluding non-recurring items

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Further improvement in net sales growth

Net sales (SEK billion) and growth y/y*



- Organic growth of 18% in Eurasia
- Data growth in Nordic mobile markets
- Highest gross intake ever for Yoigo, Spain



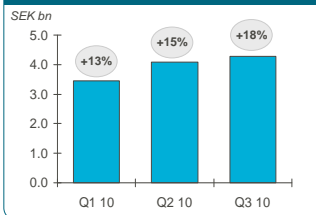
* In local currencies and excluding acquisitions

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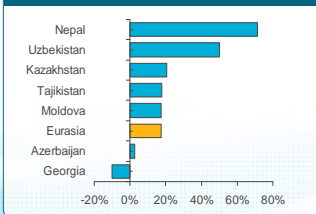
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Accelerated growth in Eurasia

Growth in Net sales*



Net sales growth by country*



* In local currencies and excluding acquisitions

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Gaining market share in Uzbekistan



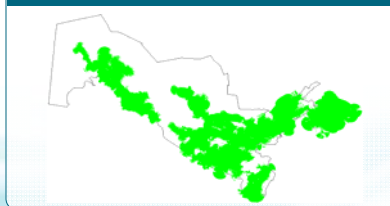
Network coverage at time of acquisition



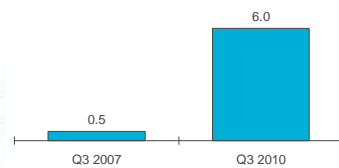
Important milestones

- Acquired in July, 2007
- Geographical coverage: 34% (21)
- Population coverage: 84% (54)
- Clear number 2 in Uzbekistan
- Market share increased to 31 percent (12)

Network coverage today



Subscription development (millions)



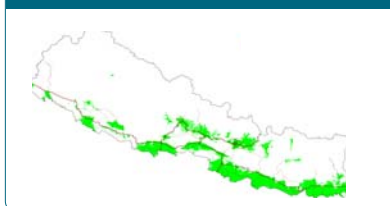
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Significant subscription growth in Nepal



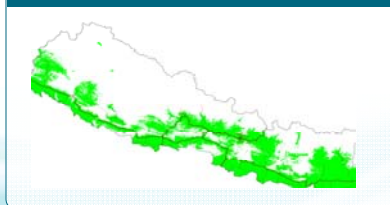
Network coverage at time of acquisition



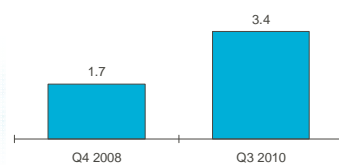
Important milestones

- Acquired in September, 2008
- Geographical coverage: 30% (12)
- Population coverage: 73% (45)
- Re-branded to Ncell in March 2010
- Market share of around 40 percent

Network coverage today



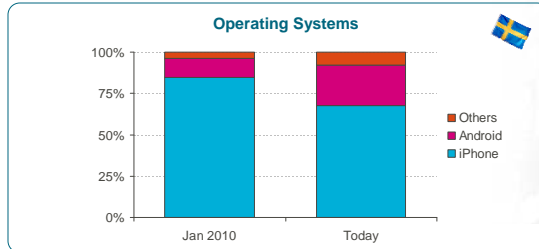
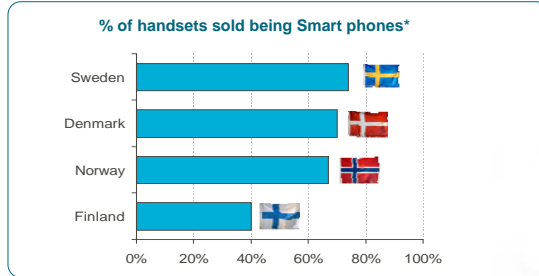
Subscription development (millions)



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Smart phones continue to dominate sales



* In own retail channels (Q3 2010)

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Improving growth trends in Mobility Services

- Net sales growth of 8.3 percent in Sweden
 - EBITDA margin increased to 43.7 percent (41.9)
 - Most satisfied customers for the third consecutive year*
- Improving net sales growth in Finland
 - Net sales growth of 8.4 percent in local currency
 - Growth in mobile data and equipment sales
- Signs of stabilization in the Baltics
 - Improving revenue trends compared to previous quarter



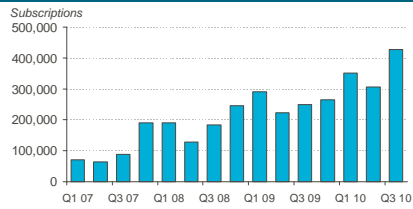
* According to EPSI

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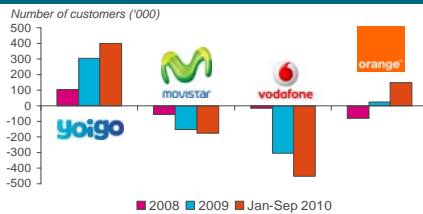
Highest gross intake ever in Spain

Record number of gross adds in Q3 2010



- 82 percent revenue growth
- 60 percent growth in subscriptions
- ~4 percent market share
- EBITDA breakeven in Q4 2010

Yoigo the winner in number portability



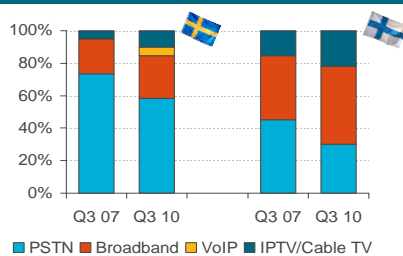
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Willingness to invest in Broadband Services

- Fixed network – a crucial and differentiating asset
- Positive take-up of broadcast offerings
- Regulatory uncertainty in Sweden

Customer split in Sweden and Finland



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January – September 2010

Per-Arne Blomquist
Executive Vice President and CFO



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January – September 2010

- Net sales SEK 79,808 million (81,612)
 - Net sales in local currencies +3.4 percent
- Addressable cost base** unchanged
- EBITDA* SEK 27,953 million (27,627)
 - EBITDA* margin improved to 35.0 percent (33.8)
- Earnings per share SEK 3.55 (3.11)
- Free cash flow SEK 11,159 million (12,525)

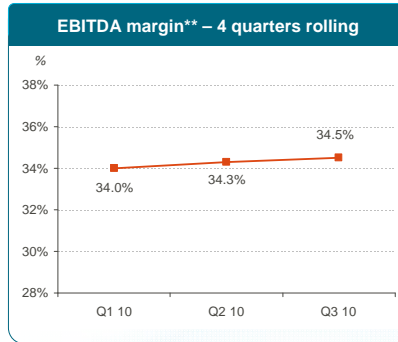
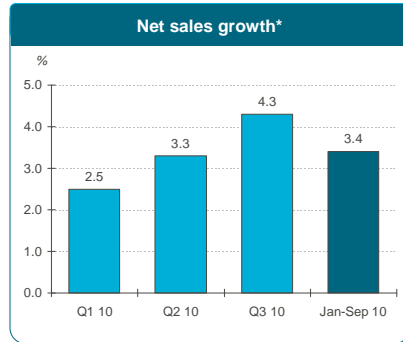
* In local currencies and excluding acquisitions
** Excluding non-recurring items



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Continued improvement in growth and margin

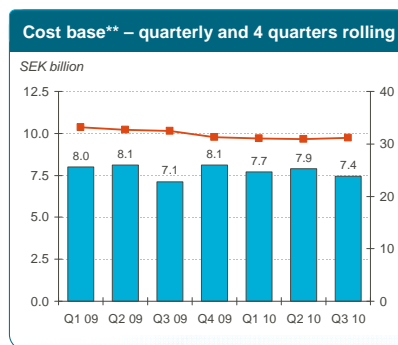
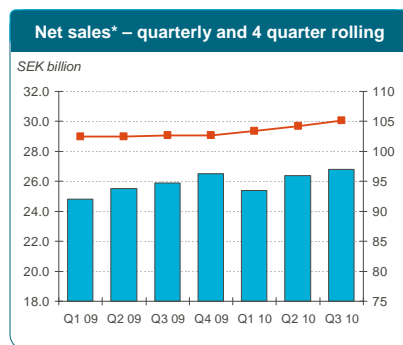


* In local currencies and excluding acquisitions
 ** Excluding non-recurring items

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Cost development under control

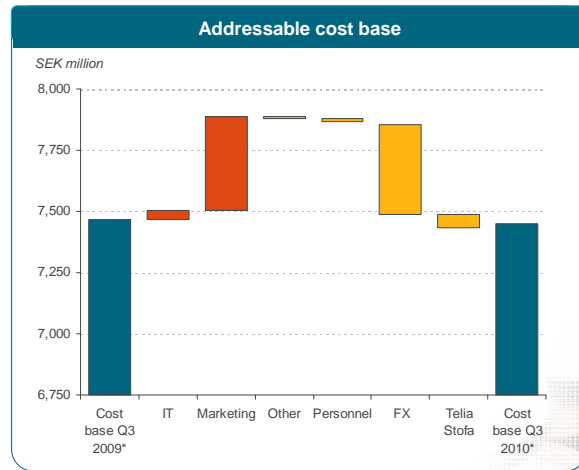


* Fixed currency rates
 ** Addressable cost base, fixed currency rates

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Marketing explains cost increase



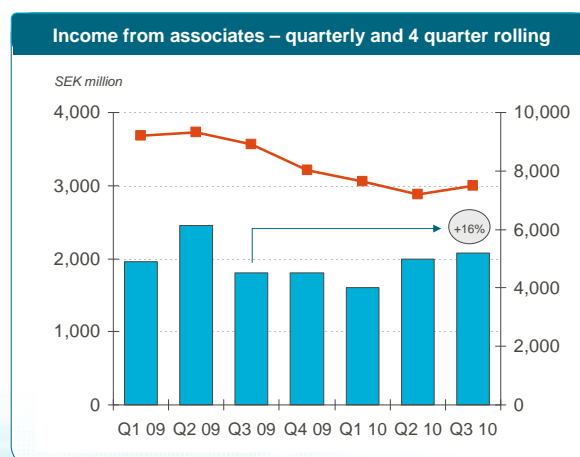
- More than 2/3 of higher marketing explained by increased marketing spending in Yoigo, Spain

* Addressable cost base, excluding non-recurring items

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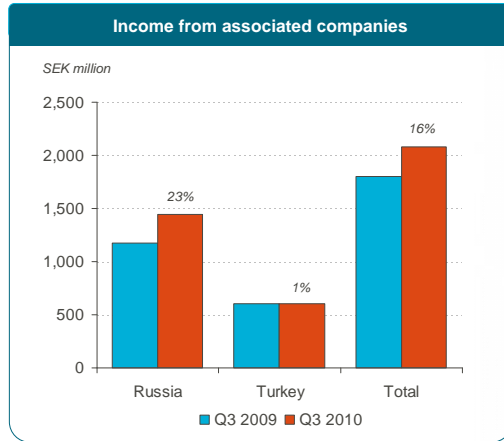
Higher income from associated companies



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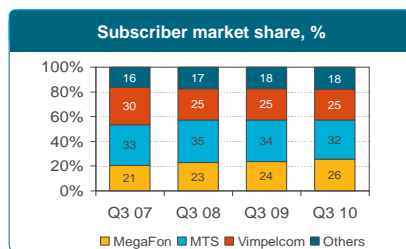
Strong performance by MegaFon



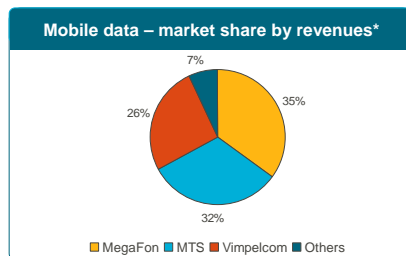
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MegaFon the leader in mobile data in Russia



- 35 percent market share in mobile data revenues in Q2 2010
- Second largest mobile operator in terms of subscribers
- Revenue growth of 15 percent in H1 2010



* AC&M Consulting, Q2 2010



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Constantly reviewing our asset portfolio

Stofa:

- Sale of Telia Stofa in Denmark to Ratos
- Capital gain of SEK 831 million in Q3 2010



- Sale of shares (7.8%) in Digitel in the Philippines
- Capital gain of SEK 67 million in Q3 2010



- Transferred from Eurasia to Other operations*
- Write-down of SEK 678 million in Q3 2010

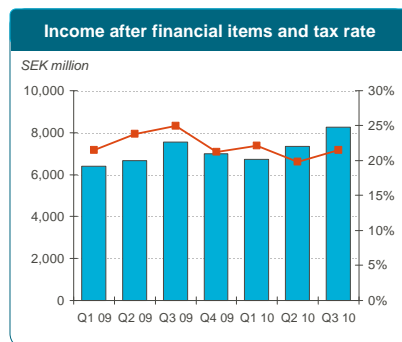


* During Q2 2010

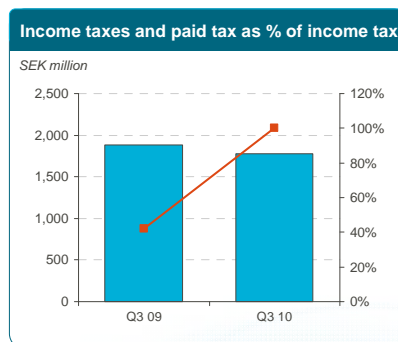
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Higher paid tax in the third quarter



- Effective tax rate decreased to 21.5 percent (24.9)

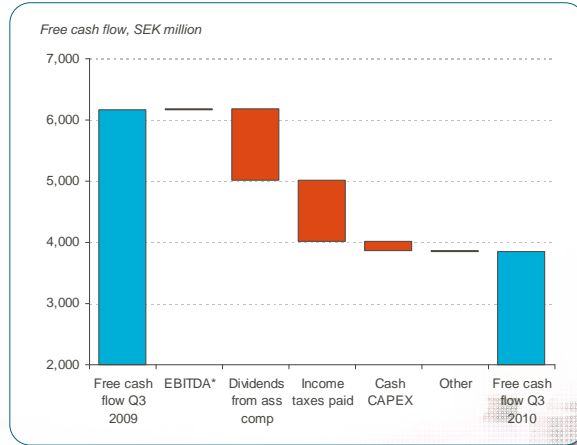


- Tax paid as share of reported income taxes increased to 100 percent (42)

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Lower FCF due to timing of dividends and taxes

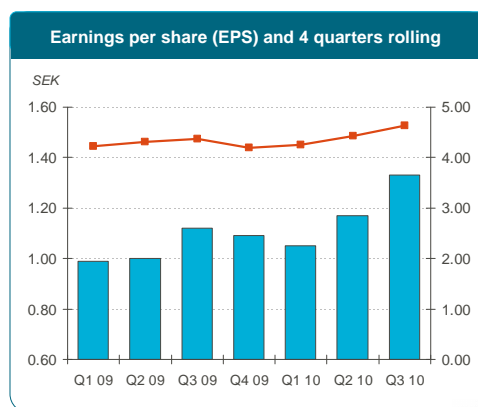


* EBITDA, excluding non-recurring items

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EPS increased by 19 percent in Q3 2010



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EPS January-September 2010 +14%

SEK million	2010	2009	Change per share, SEK
EBITDA*	29,358	27,627	+0.39
Depreciation and amortization*	-10,249	-9,601	-0.14
Income from associated companies*	5,726	6,080	-0.08
Non-recurring items	-111	-1,287	+0.26
Changes in fx-rates	-840		-0.19
Operating income	23,884	22,819	+0.24
Finance costs and other financial items, net	-1,567	-2,188	+0.14
Income taxes	-4,720	-4,850	+0.03
Net income attributable to non-controlling interests	1,650	1,829	+0.04
Net income attributable to owners of the parent company	15,948	13,952	+0.44
EPS, SEK	3.55	3.11	+0.44

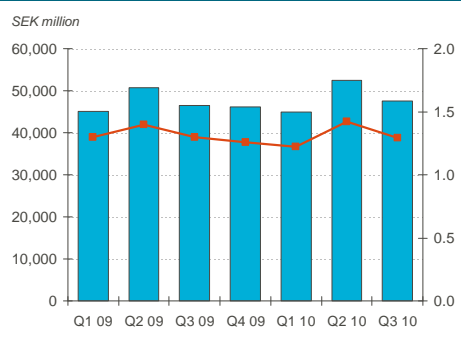
EBITDA*, Depreciation and amortization*, Associates* and Non-recurring items in 2010 are stated in fixed 2009 currency exchange rates
* Excluding non-recurring items

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Solid financial position

Net debt and Net debt to EBITDA (4 quarters rolling)

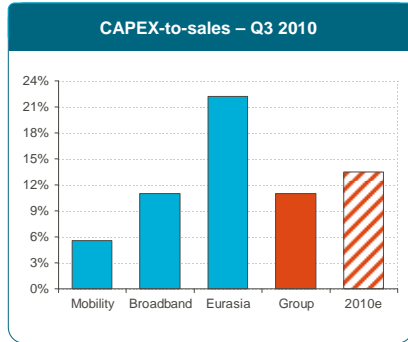


- Good access to the debt market
 - Eurobond of EUR 500 million in September, 2010. Re-offer yield at 3.928% p.a. equivalent to Euro Mid-swaps + 100 bp for a 15 year deal maturing in October 2025

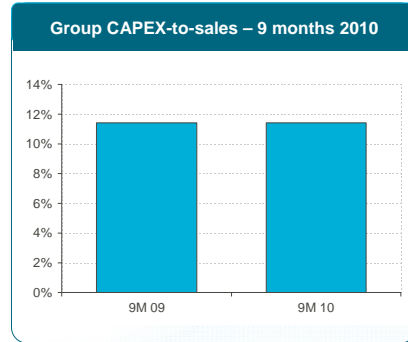
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Unchanged CAPEX-to-sales ratio



- CAPEX-to-sales ratio of 11.0 (12.0 percent in Q3 2010)



- CAPEX-to-sales ratio of 11.4 percent*, unchanged compared to last year

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

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Outlook for 2010 (revised)

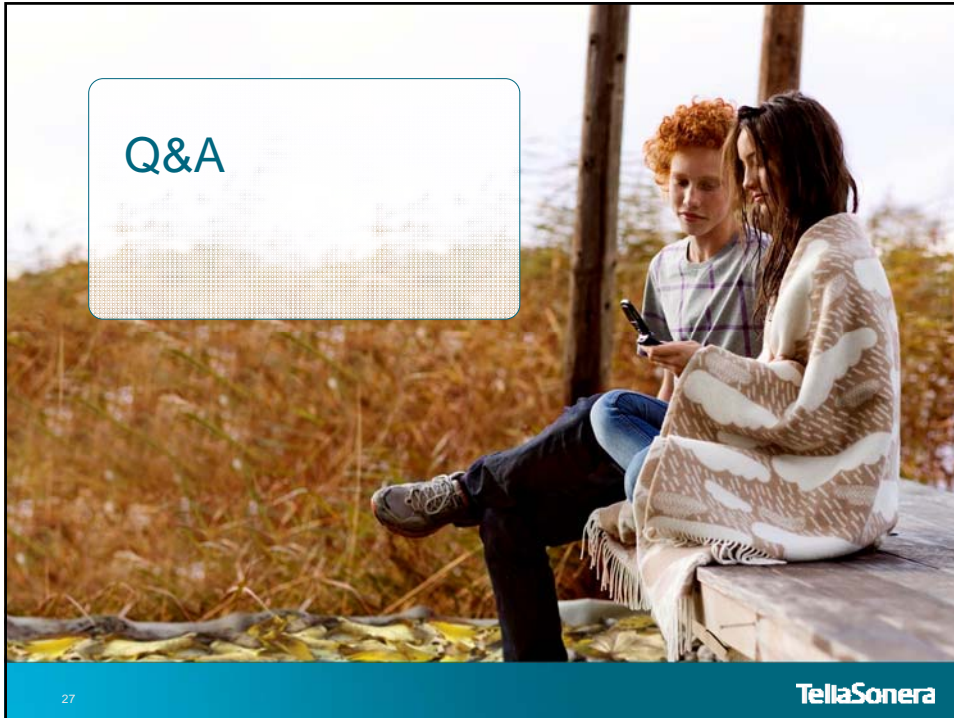
	Outlook 2010
Net sales*	Growth in line with the first nine months of 2010 (3.4%) (Growth in line with the first half of 2010 (2.9%))
Addressable cost base*	Somewhat higher in 2010 compared to 2009 (In line with the SEK 33.2 billion of 2009)
EBITDA margin**	Higher compared to 2009 (33.6%) (Somewhat higher compared to 2009)
CAPEX-to-sales ratio	Around 13.5 percent (12.8%) (Approximately 14-15 percent in 2010)

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

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Q&A



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Strong financial key ratios

	Sept 30, 2010	Dec 31, 2009
Return on equity*	17.6%	15.2%
Return on capital employed*	16.9%	15.5%
Equity/assets ratio	50.5%	49.1%
Net debt/equity ratio	38.3%	34.9%
Net Debt/EBITDA rate* multiple	1.29x	1.26x

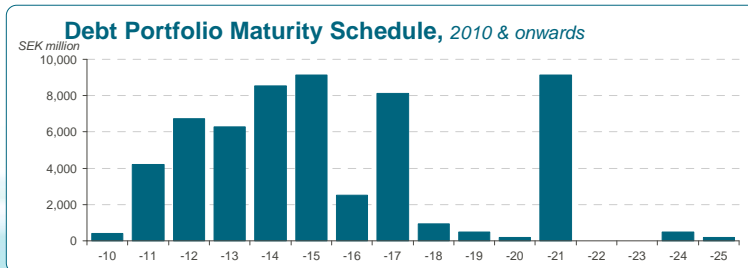
* Rolling 12 months, EBITDA excl. non-recurring items

One of the best rated Telecom Operators in Europe

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Debt maturity schedule



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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

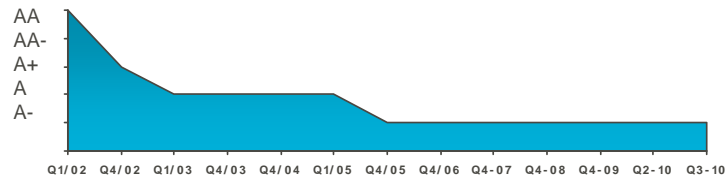
September 30, 2010

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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**
- September, 2010, debt ratings confirmed
- **Outlook: Stable**

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Organic revenue growth

Revenue growth (%) Q3 2010	Reported growth	of which currency	of which acquisitions	of which organic
Mobility Services	2.6	-6.4	-	9.0
Broadband Services	-9.4	-3.6	-	-5.8
Eurasia	15.7	-1.8	-	17.5
The Group	-1.1	-4.5	-0.9	4.3

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Net sales - Group and by Business area

SEK million	Jul - Sep 2010	Jul - Sep 2009	Change %
Mobility Services	12,959	12,631	3
Broadband Services	9,772	10,785	-9
Eurasia	4,288	3,706	16
Other operations	1,157	1,361	-15
The Group	26,754	27,053	-1

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EBITDA* - Group and by Business area

EBITDA* SEK million	Jul - Sep 2010	Jul - Sep 2009	Change %
Mobility Services	3,926	3,966	-1
Broadband Services	3,326	3,794	-12
Eurasia	2,278	1,912	19
Other operations	246	113	119
The Group	9,776	9,763	0

EBITDA* margin, %	Jul - Sep 2010	Jul - Sep 2009	Change % point
Mobility Services	30.3	31.4	-1.1
Broadband Services	34.0	35.2	-1.2
Eurasia	53.1	51.6	1.5
Other operations	21.3	8.3	13.0
The Group	36.5	36.1	0.4

* Excluding non-recurring items

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Statement of cash flows

SEK million	Q3 2010	Q3 2009	Diff
EBITDA excluding non-recurring items	9,776	9,763	13
Dividends received from ass companies	0	1,169	-1,169
Interest paid (net)	-238	-256	18
Income taxes paid	-1,780	-791	-989
Payment of restructuring provisions	-159	-298	139
Diff between paid/recorded pensions	12	-125	137
Changes in working cap and other items	-382	-86	-296
Cash flow from operating activities	7,229	9,376	-2,147
Cash CAPEX	-3,372	-3,216	-156
Free cash flow	3,857	6,160	-2,303

* 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.

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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.



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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.