Stable core business despite price competition

- Net sales SEK 25,693 million (24,835)  
  – Increased 2.9% in local currencies
- EBITDA* SEK 8,824 million (8,890)  
  – Decrease of 1.4% in local currencies  
  – EBITDA margin of 34.3% (35.8)
- Earnings per share SEK 0.90 (1.04)  
  – Associated companies and net interest expenses
- Free cash flow SEK 2,193 million (2,647)  
  – Higher cash CAPEX and interest paid

* Excl. non-recurring items
Several drivers behind improved growth

Growth driven by
- Double-digit revenue growth continued in Eurasia
- Revenues in Broadband Services flat y/y, positive impact from International Carrier
- Mobility Services, mainly driven by equipment sales

Addressable cost base continues to decline

* In local currencies and excl. acquisitions
** TeliaSonera Group
The crossroad between Voice and Data

Yesterday
Voice
- Minute based charging
- Telephone
- National
- Voice and text

Today
Hybrid
- Different pricing models
- Smartphone
- International
- Images and video

Tomorrow
Data
- Volume and value
- Freedom of choice
- Global
- Full multimedia

Defending core business revenues in Mobility

<table>
<thead>
<tr>
<th>Service</th>
<th>Volume y/y**</th>
<th>Revenue y/y**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voice</td>
<td>+3%</td>
<td>-3%</td>
</tr>
<tr>
<td>Messaging</td>
<td>-2%</td>
<td>-3%</td>
</tr>
<tr>
<td>Mobile data</td>
<td>+70%</td>
<td>+28%</td>
</tr>
</tbody>
</table>

*Billed traffic revenues*  
* Excluding equipment sale, interconnect and inbound roaming  
** Compared to Q1 2011
Strong customer development in Broadband

- Strong customer demand for our fiber offering
- Focus on internal processes to deliver world-class customer experience

Number of Fiber/LAN subscriptions

<table>
<thead>
<tr>
<th></th>
<th>Q1 10</th>
<th>Q1 11</th>
<th>Q1 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estonia</td>
<td>309</td>
<td>315</td>
<td>553</td>
</tr>
<tr>
<td>Lithuania</td>
<td>52</td>
<td>53</td>
<td>53</td>
</tr>
<tr>
<td>Denmark</td>
<td>20</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td>Norway</td>
<td>11</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Finland</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Sweden</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

Double-digit growth continues in Eurasia

Net sales growth* and margin**

<table>
<thead>
<tr>
<th></th>
<th>Q1 11</th>
<th>Q2 11</th>
<th>Q3 11</th>
<th>Q4 11</th>
<th>Q1 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 11</td>
<td>50.9%</td>
<td>50.9%</td>
<td>50.9%</td>
<td>50.9%</td>
<td>50.9%</td>
</tr>
<tr>
<td>Q2 11</td>
<td>50.8%</td>
<td>50.8%</td>
<td>50.8%</td>
<td>50.8%</td>
<td>50.8%</td>
</tr>
<tr>
<td>Q3 11</td>
<td>50.7%</td>
<td>50.7%</td>
<td>50.7%</td>
<td>50.7%</td>
<td>50.7%</td>
</tr>
<tr>
<td>Q4 11</td>
<td>50.6%</td>
<td>50.6%</td>
<td>50.6%</td>
<td>50.6%</td>
<td>50.6%</td>
</tr>
<tr>
<td>Q1 12</td>
<td>50.5%</td>
<td>50.5%</td>
<td>50.5%</td>
<td>50.5%</td>
<td>50.5%</td>
</tr>
</tbody>
</table>

Net sales growth by country*

- Netell: 64%
- Ucell: 22%
- Tcell: 22%
- Azerbaijan: 11%
- Mirkell: 9%
- Kcell: 3%
- Geocell: -9%

* In local currencies and excl. acquisitions
** Excluding non-recurring items
Looking ahead

Outlook for 2012 (unchanged)

• Growth in net sales* expected to be 1-2%*
• EBITDA margin** to remain at the same level as in 2011
• CAPEX-to-sales*** ratio between 13-14%

* In local currencies and excl. acquisitions
** Excl. non-recurring items
*** Excl. license and spectrum fees
Healthy balance between sales and costs

Net sales and addressable cost base*

* In local currencies and excluding acquisitions

Addressable cost base continues to decline

Gross margin*  
Addressable cost base**

* TeliaSonera Group
** TeliaSonera Group, in local currencies and excl. acquisitions
Decline in OPEX as percentage of sales

- Dilution of gross margin from higher equipment sales
- Net sales* +2.6% and addressable cost base* -4.5%
- Mix shift from classic to IP revenues and International Carrier
- Net sales* -0.3% and addressable cost base* -3.2%
- Higher interconnect cost driven by volume increase
- Net sales* +13.2% and addressable cost base* +8.0%

* In local currency and excluding acquisitions

Mobility Services - Strong growth in Sweden

- Strong growth in Mobility Sweden continued despite intensified competition
- Launch of 4G handsets in February, approx. 100,000 4G users in the Nordic and Baltic countries today
- Fierce price competition in Denmark. Loss of wholesale revenues in Norway
Higher equipment sales dilute gross margin

- Net sales split – Mobility Services
- Gross margin – Mobility Services

Broadband Services - Positive customer trend

- Organic revenue growth improving, mainly driven by International Carrier
- More than half a million Fiber/LAN subscriptions

Net sales and EBITDA margin*

CAPEX and CAPEX-to-sales ratio**

* Excl. non-recurring items
**Defending and increasing market shares**

- **Fixed voice incl. VoIP**
  - Sweden: Q1 11 65%, Q1 12 63%
  - Finland: Q1 11 24%, Q1 12 22%

- **Fixed broadband**
  - Sweden: Q1 11 44%, Q1 12 30%
  - Finland: Q1 11 44%, Q1 12 30%

- **TV**
  - Sweden: Q1 11 10%, Q1 12 12%
  - Finland: Q1 11 11%, Q1 12 18%

**Eurasia - Double-digit revenue growth**

- Growth slowing in Kcell in Kazakhstan due to price erosion.
- Agreement to further increase ownership in Ncell, exit from Smart Mobile in Cambodia.

---

*Excl. non-recurring items**

**Excluding licenses and spectrum fees**

- Net sales and EBITDA margin:
  - Q1 2011: 50.9%, Q1 2012: 50.8%
  - +13.2% LC

- CAPEX and CAPEX-to-sales ratio:
  - Q1 2011: 22.8%, Q1 2012: 17.6%
Ncell - a success story since acquisition in 2008

- More than 7 million subscription
- Return on Operating Capital higher than the WACC
- Positive cash flow and repayments of loans in 2012

* In local currencies and excl. acquisitions, 12 months rolling

Lower income from associated companies

- Income from associated companies down 36%
- Write-downs and currency effects in Belarus impacted Turkcell by SEK 0.3 billion
- One-time effects related to financial items and taxes impacted MegaFon by SEK 0.3 billion

Turkcell is reported with one-quarter lag
EPS impacted by associated companies

- Lower income from associated companies and higher financial net explains most of the decline in earnings per share

Stable CAPEX-to-sales ratio expected

- CAPEX amounted to SEK 3.2 billion (3.7) whereof SEK 18 million (937) for licenses and spectrum fees

- CAPEX-to-sales for 2012 is expected to be approx. 13-14%, excl. license and spectrum fees
Lower FCF due to CAPEX and higher interest

Free cash flow Q1 2012

- EBITDA* +1.1
- Taxes paid -0.4
- Interest paid -0.5
- Cash CAPEX -0.5
+ Other 2.2

Q1 2011 EBITDA* Taxes paid Interest paid Cash CAPEX Other Q1 2012

+2.6
-0.1

* Excl. non-recurring items

Kcell transaction increased net debt

- Gross debt SEK 95.1 billion (79.8)
- Net debt SEK 74.1 billion (65.0)
- Acquisition of 49% in Kcell for USD 1.5 billion in Q1 2012

Net debt and Net debt / EBITDA*
Debt maturity schedule

Debt Maturing next 12 months – March 31, 2012

Debt Portfolio Maturity Schedule – 2012 and onwards

Debt per Q1 2012
- Total debt SEK 95.1 bn
- Net debt SEK 74.1 bn
- Net debt/EBITDA 2.01x

Highlights

Organic revenue growth improving
- Equipment sales and International Carrier
- Defending core revenues in Mobility
- Positive customer trend in Broadband
- Double-digit revenue growth in Eurasia

Changed mix impacting margins
- Decline in gross margin
- Decline in addressable cost base

Constantly reviewing our assets
- Agreement to increase our ownership in Ncell
- Exit from Smart Mobile in Cambodia
- Discussions about ownership and governance of MegaFon
### Outlook for 2012 (unchanged)

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth in Net sales*</td>
<td>Within the range of 1-2%</td>
</tr>
<tr>
<td>EBITDA margin**</td>
<td>Remain at the same level as 2011 (35.4%)</td>
</tr>
<tr>
<td>CAPEX-to-sales ratio***</td>
<td>13-14%</td>
</tr>
</tbody>
</table>

* In local currencies and excluding acquisitions

** Excl. non-recurring items

*** Excl. license and spectrum fees
Financial highlights – Q1 2012

<table>
<thead>
<tr>
<th>SEK million</th>
<th>Jan – Mar 2012</th>
<th>Jan – Mar 2011</th>
<th>Change %</th>
<th>Local ccy %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>25,693</td>
<td>24,835</td>
<td>3</td>
<td>2.9</td>
</tr>
<tr>
<td>EBITDA*</td>
<td>8,824</td>
<td>8,890</td>
<td>-1</td>
<td>-1.4</td>
</tr>
<tr>
<td>Depreciation, amortization</td>
<td>3,217</td>
<td>3,265</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income from associated companies</td>
<td>1,033</td>
<td>1,619</td>
<td>-36</td>
<td></td>
</tr>
<tr>
<td>Operating income*</td>
<td>6,641</td>
<td>7,258</td>
<td>-9</td>
<td></td>
</tr>
<tr>
<td>EPS, SEK</td>
<td>0.90</td>
<td>1.04</td>
<td>-13</td>
<td></td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>2,193</td>
<td>2,647</td>
<td>-17</td>
<td></td>
</tr>
</tbody>
</table>

* Excl. non-recurring item

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

- 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
- Feb 2011, debt ratings confirmed
- Outlook: Negative

Moody’s (A3/P-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 P-2
- August 2011, debt ratings confirmed
- Outlook: Stable

Standard & Poor’s (A-/A-2)
Liquidity position TeliaSonera Group

Cash and cash equivalents, less blocked funds approx. SEK 16 billion

<table>
<thead>
<tr>
<th>Committed bank lines</th>
<th>Maturity</th>
<th>Size</th>
<th>Amount undrawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Syndicated revolving credit facility</td>
<td>Dec 2017</td>
<td>EUR 1 billion</td>
<td>EUR 1 billion</td>
</tr>
<tr>
<td>Bilateral credit facility</td>
<td>Apr 2013</td>
<td>SEK 1.4 billion</td>
<td>SEK 1.4 billion</td>
</tr>
<tr>
<td>Syndicated revolving credit facility</td>
<td>Sep 2013</td>
<td>EUR 665 million</td>
<td>EUR 3 million</td>
</tr>
</tbody>
</table>

March 31, 2012

Financial key ratios

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Return on equity*</td>
<td>17.8%</td>
<td>16.8%</td>
</tr>
<tr>
<td>Return on capital employed*</td>
<td>15.9%</td>
<td>16.4%</td>
</tr>
<tr>
<td>Equity/assets ratio</td>
<td>38.6%</td>
<td>44.0%</td>
</tr>
<tr>
<td>Net debt/equity ratio</td>
<td>73.6%</td>
<td>58.2%</td>
</tr>
<tr>
<td>Net Debt/EBITDA rate* multiple</td>
<td>2.01x</td>
<td>1.75x</td>
</tr>
</tbody>
</table>

* Rolling 12 months
Organic revenue growth

<table>
<thead>
<tr>
<th>Revenue growth (%) Q1 2012</th>
<th>Reported growth</th>
<th>of which currency</th>
<th>of which disposals</th>
<th>of which organic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobility Services</td>
<td>2.9</td>
<td>+0.3</td>
<td>-</td>
<td>2.6</td>
</tr>
<tr>
<td>Broadband Services</td>
<td>0</td>
<td>+0.2</td>
<td>+0.1</td>
<td>-0.3</td>
</tr>
<tr>
<td>Eurasia</td>
<td>15.1</td>
<td>+1.9</td>
<td>-</td>
<td>13.2</td>
</tr>
<tr>
<td>The Group</td>
<td>3.5</td>
<td>+0.6</td>
<td>-</td>
<td>2.9</td>
</tr>
</tbody>
</table>

Statement of cash flows

<table>
<thead>
<tr>
<th>SEK million</th>
<th>Q1 2012</th>
<th>Q1 2011</th>
<th>Diff</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA excluding non-recurring items</td>
<td>8,824</td>
<td>8,889</td>
<td>-65</td>
</tr>
<tr>
<td>Dividends received from ass companies</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Interest paid (net)</td>
<td>-1,090</td>
<td>-660</td>
<td>-430</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>-931</td>
<td>-2,024</td>
<td>1,093</td>
</tr>
<tr>
<td>Payment of restructuring provisions</td>
<td>-186</td>
<td>-125</td>
<td>-61</td>
</tr>
<tr>
<td>Diff between paid/recorded pensions</td>
<td>19</td>
<td>-28</td>
<td>47</td>
</tr>
<tr>
<td>Changes in working cap and other items</td>
<td>-1,377</td>
<td>-867</td>
<td>-510</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>5,258</td>
<td>5,185</td>
<td>73</td>
</tr>
<tr>
<td>Cash CAPEX</td>
<td>-3,065</td>
<td>-2,538</td>
<td>-527</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>2,193</td>
<td>2,647</td>
<td>-454</td>
</tr>
</tbody>
</table>
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% 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

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.