

Q2 presentation, July 15, 2011

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Financial highlights Q2

- Revenues SEK 1,151 M, an organic decline of 8%
- Online revenues in Directory Scandinavia increased by 10% organically
- Cost reductions SEK 81 M – ahead of plan
- EBITDA SEK 285 M (397)
- Adjusted EBITDA SEK 335 M (382)
- As scheduled, pension payment of SEK 70 M
- Operating cash flow SEK 54 M (115)
- Loan repayment totaled SEK 209 M, of which SEK 100 M planned
- Prepaid revenues 4% higher compared with Q2 2010
- Interest bearing net debt SEK 3,930 M (6,418)

Halfway through the turnaround plan

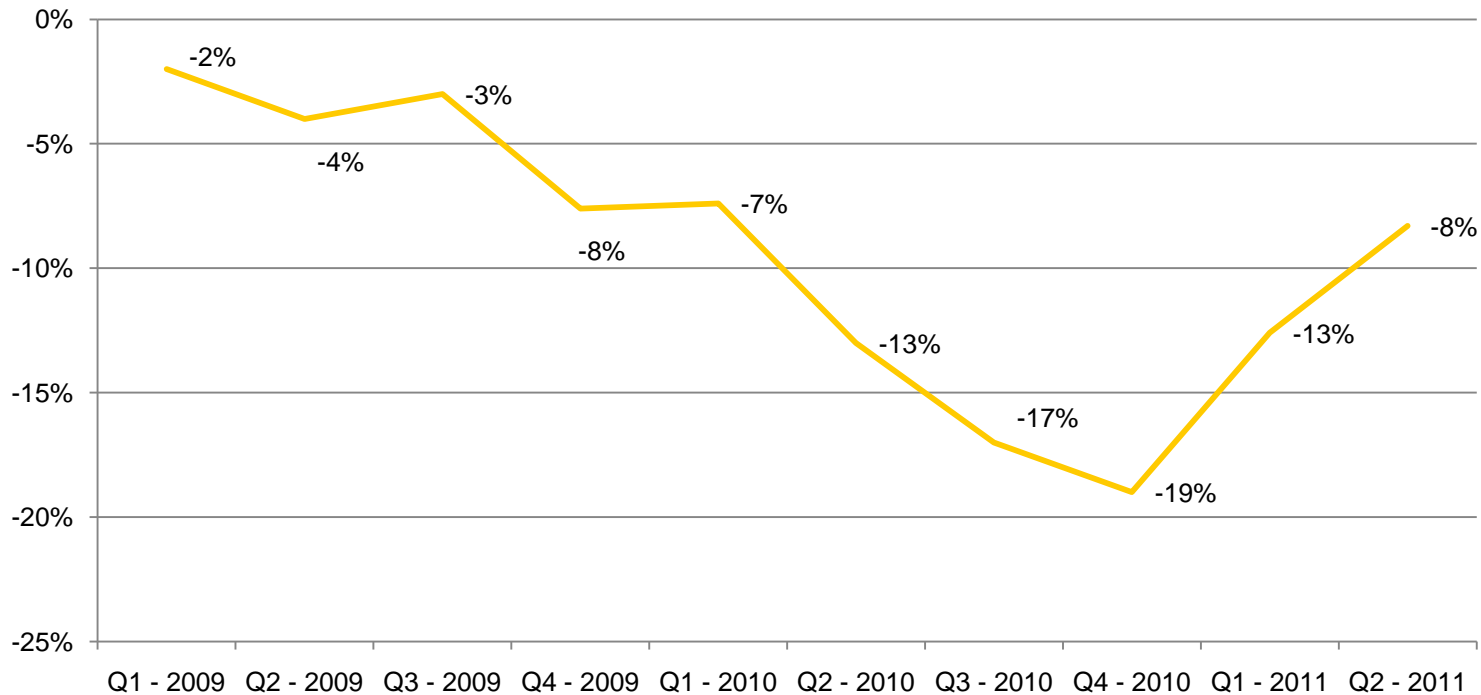


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|--|---|--|
| <ul style="list-style-type: none"> ■ Organic revenue decline less than 15% ■ Total cost base reduction of approx SEK 350 M vs total costs 2009¹ | <ul style="list-style-type: none"> ■ Single digit organic revenue decline ■ Total cost base reduction of approx <u>SEK 250 M</u> vs total costs 2010¹ | <ul style="list-style-type: none"> ■ Returning to revenue growth ■ Total cost base reduction of approx SEK 200 M vs total costs 2011¹ |
| <ul style="list-style-type: none"> ■ Actuals in line with guidance | <ul style="list-style-type: none"> ■ Revenue guidance remains <u>Cost guidance increased by SEK 50 M</u> | <ul style="list-style-type: none"> ■ Guidance remains |

1) Assuming unchanged currencies and for comparable units

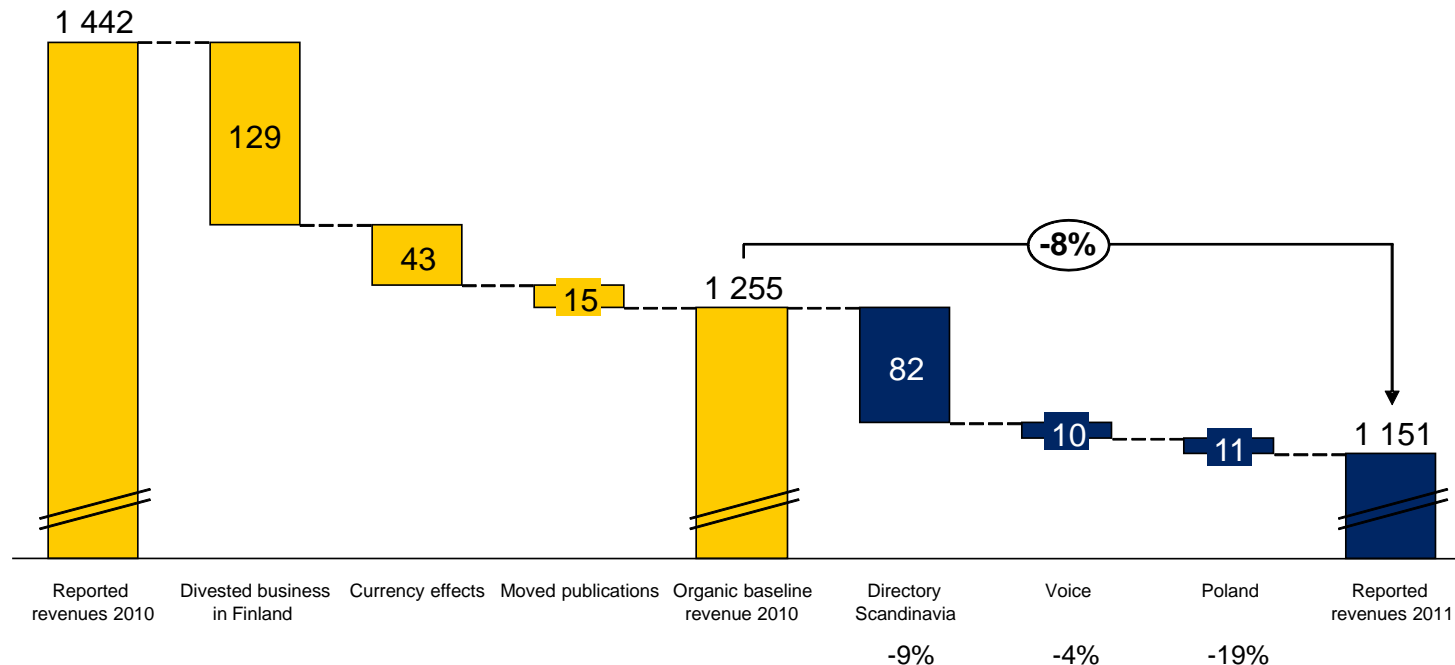
Focus on turning the negative trend

Organic revenue development by quarter from 2009



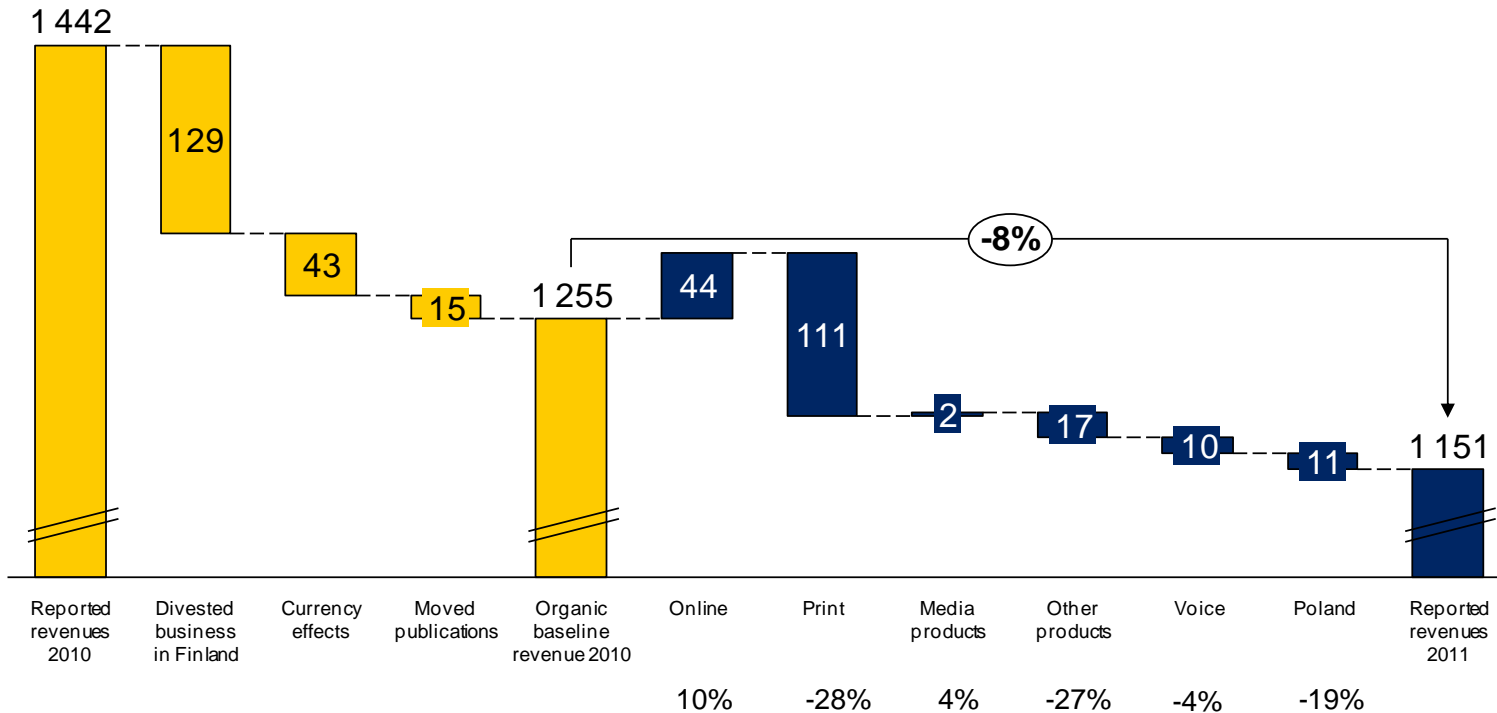
Decline in sales has slowed down and our plan proceeds as scheduled

Revenue bridge by business unit



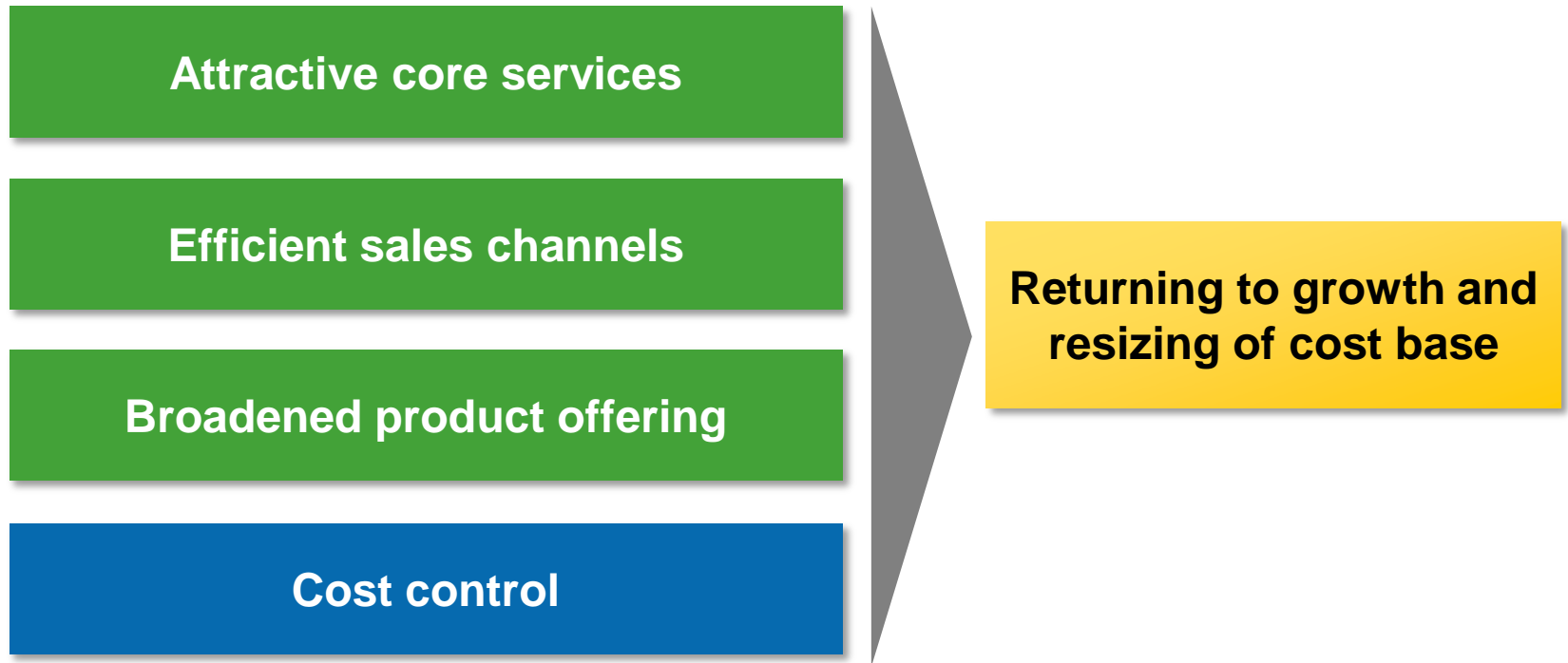
- Revenue effect from divested operations, currency and moved publications, totaled SEK 187 M
- Revenues decreased by 8% organically
- Revenues from Online 63% as a share of total Directory Database revenues
- Voice down 4% organically, margin up to 36% due to price increase
- Poland down 19% organically

Revenue bridge by product category

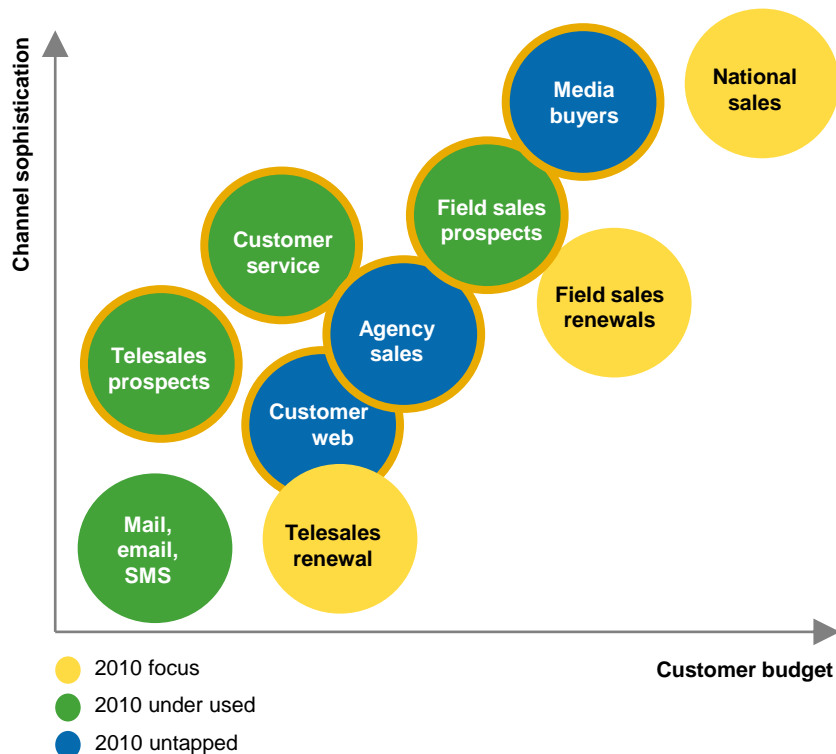


- Revenues from Online up 10% organically and order intake shows single digit growth
- Revenues from Print down 28% organically, highest decline in Norway
- Media products up 4% organically, slower increase of sponsored links
- Other products down 27% organically, partly explained by Findexa Forlag

Challenges and tactical plan

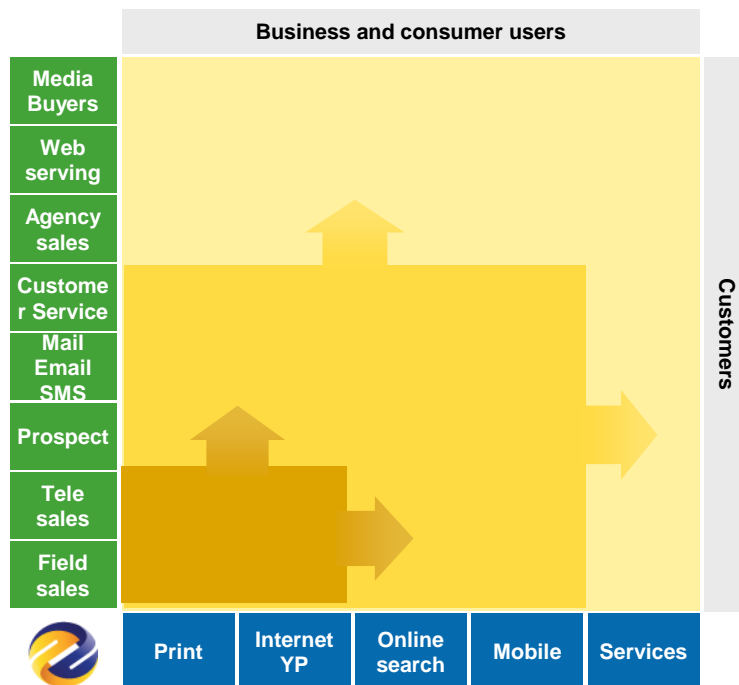


Improved sales efficiency



- Focus on Poland sales efficiency
- New sales organization for search words and other media products
- Need for 100 sales reps as of mid August
- Customer service now selling
- Need to improve revenue per sales rep

Enhanced services and offering



Activities in Q1

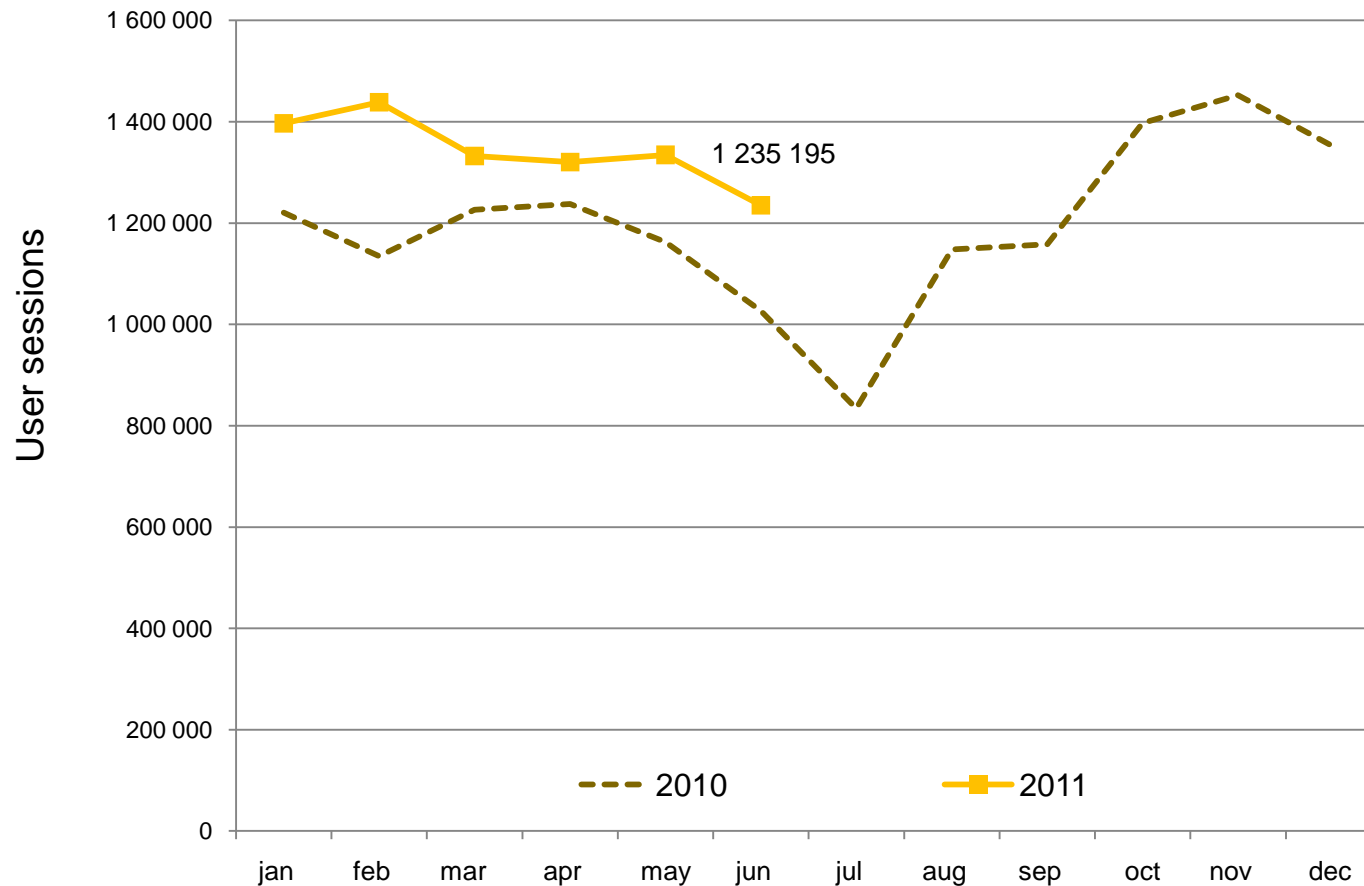
- All back-end systems operational as planned
- Product search in Sweden and Norway
- Scandinavian Ad Network launched
- Reach Local package (videos, websites) in Sweden and Norway
- Web to Mobile and Apps focused
- Partnerships with media agencies

Activities in Q2

- Proff in all of Scandinavia
- Improved online offer in Poland
- Eniro Deals, Gule Sider Deals and Krak Deals launched
- All new functionality will be implemented in Denmark
- Initial quality issues in Norway
- Significant update of core services
- Mobile Gold, Silver, Bronze launched
- Sea maps ("På Sjön") for iPad

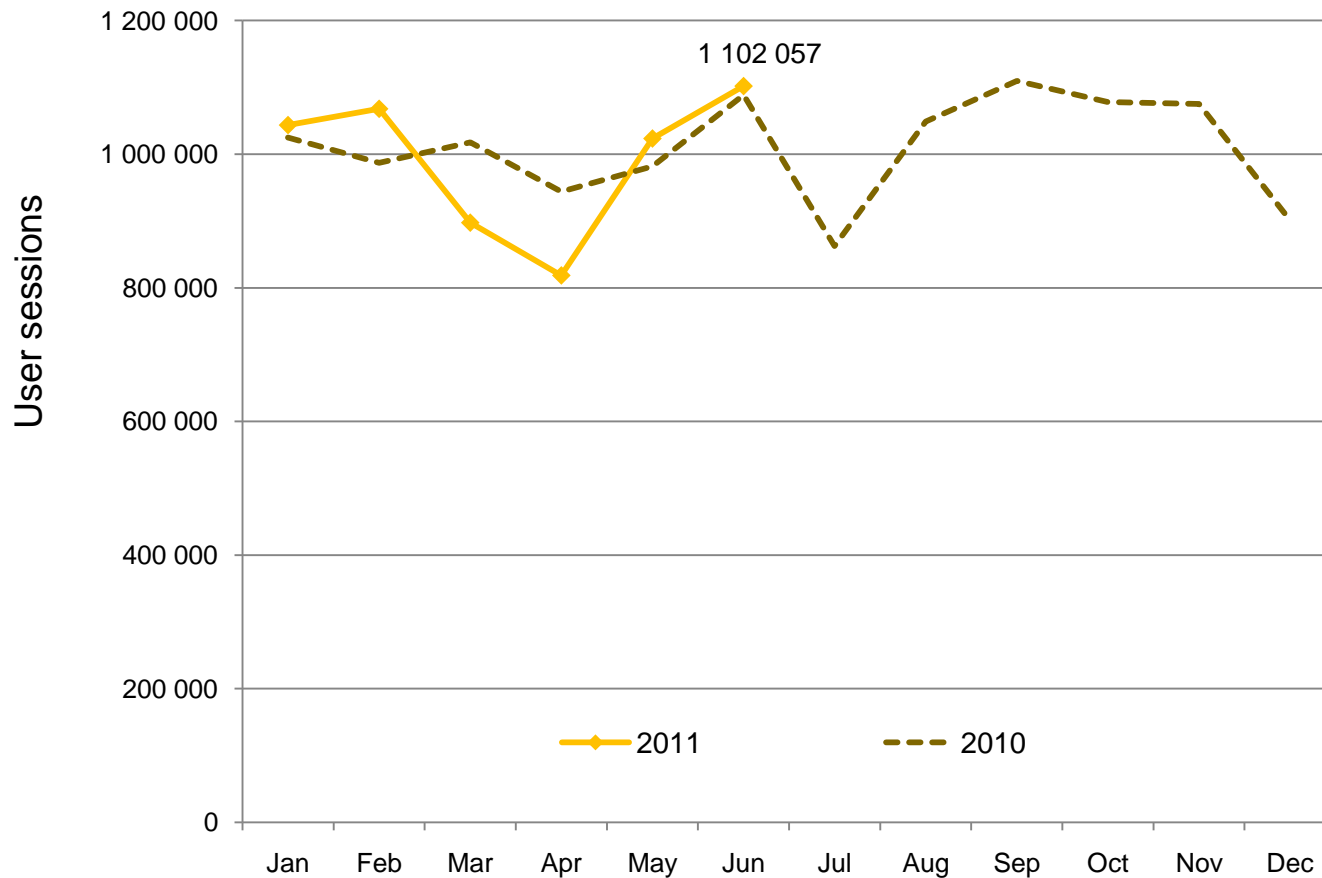
Yellow usage – eniro.se

Weekly sessions, monthly averages



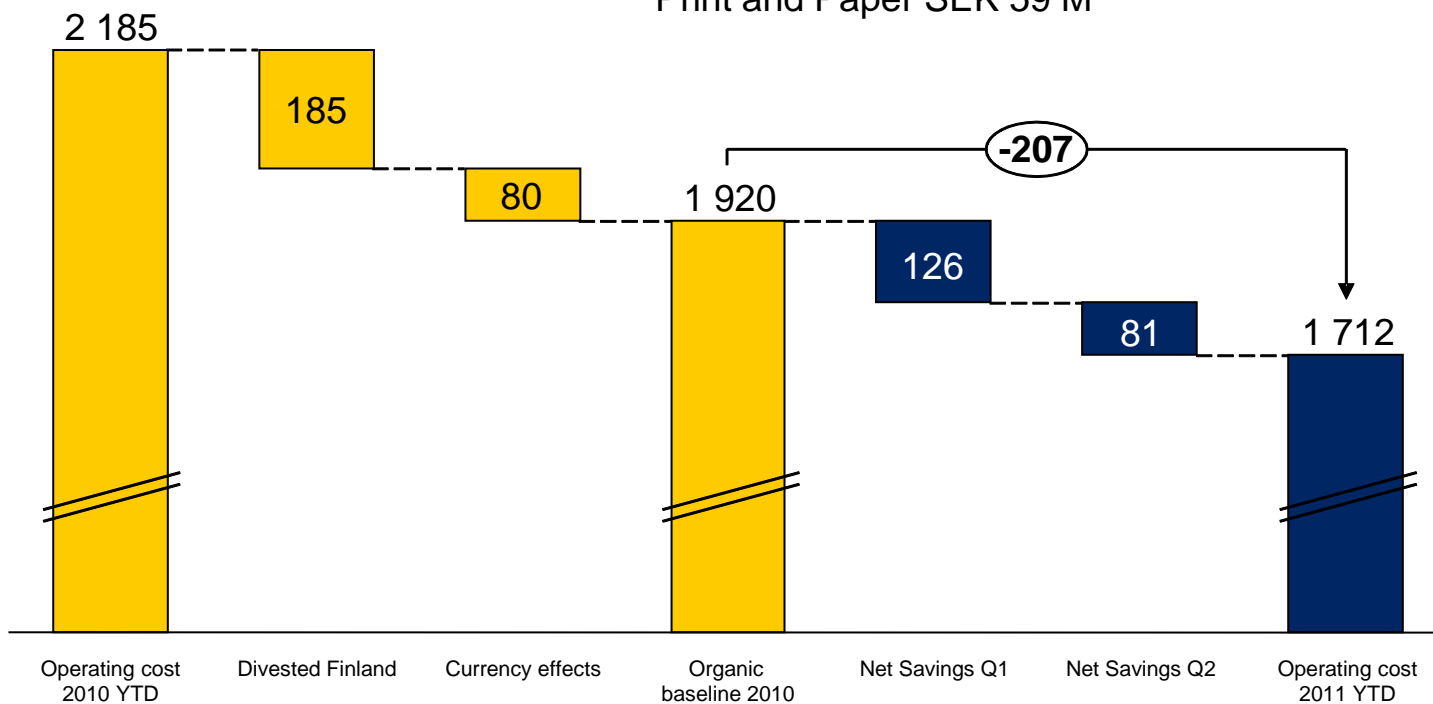
Yellow usage – gulesider.no

Weekly sessions, monthly averages



Cost reductions ahead of plan

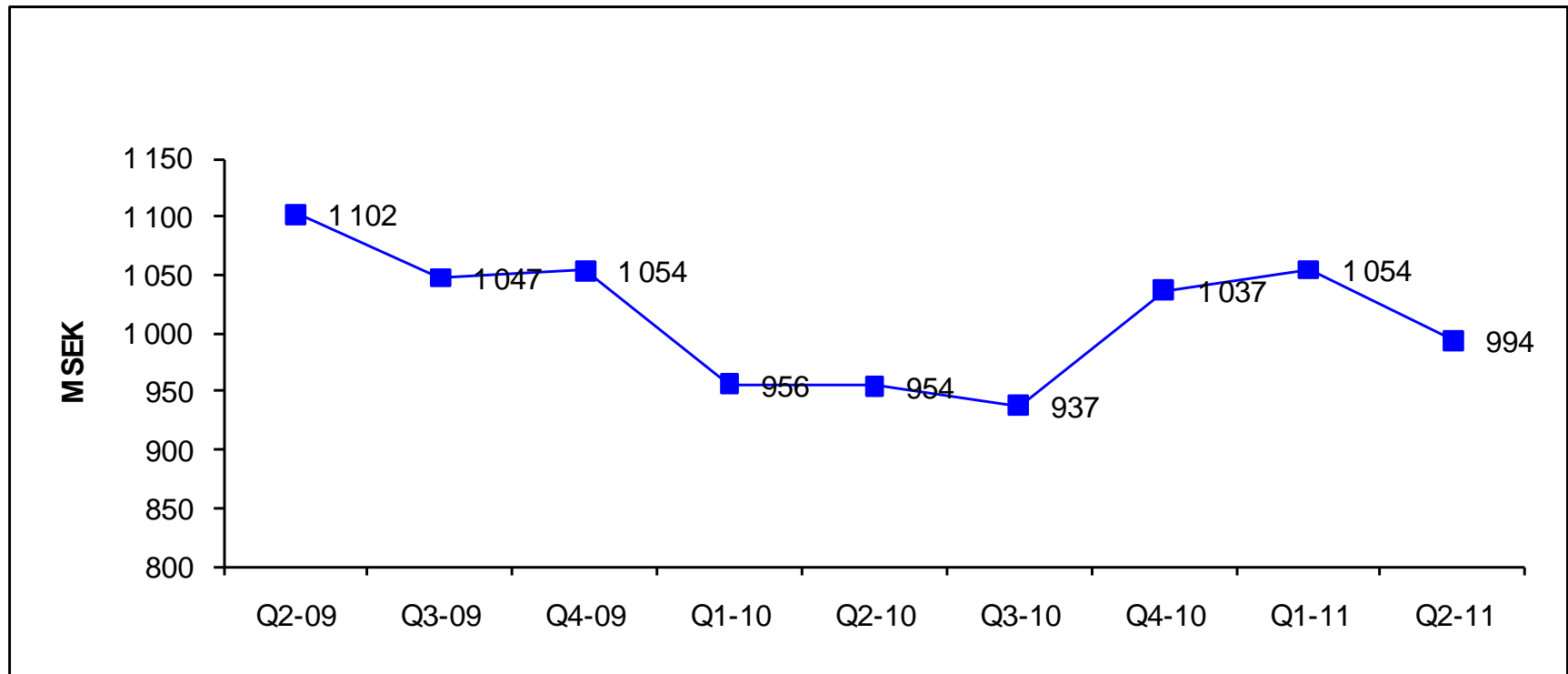
- Total savings SEK 207 M in first six months, including extra pension cost of SEK 36 M in Q2
- Of which Staff SEK 64 M, Consultants SEK 50 M, Print and Paper SEK 59 M



Revenue/EBITDA overview

SEK M	2011	2010	2011	2010	2010/11	2010
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Operating revenues	1 151	1 442	2 117	2 709	4 734	5 326
Directories Scandinavia	862	995	1 582	1 892	3 403	3 713
Voice	241	258	446	493	921	968
Poland	48	61	89	118	336	365
Finland Directories	-	128	-	206	74	280
EBITDA	285	397	405	567	443	605
Directories Scandinavia	239	288	341	418	864	941
Voice	87	94	139	177	302	340
Poland	-14	-11	-33	-25	37	45
Finland Directories	-	57	-	52	-661	-609
Other	-27	-31	-42	-55	-99	-112
<i>of which items affecting comparability</i>						
Restructuring cost	-14	-22	-26	-40	-66	-80
Other items affecting comparability	-36	37	-36	37	-654	-581
Total adjusted EBITDA	335	382	467	570	1 163	1 266

Prepaid revenues in the balance sheet



■ Prepaid revenues increased by 4% compared with June 30, 2010

Change in net debt

Analysis of interest bearing net debt

	----- 3 months -----		----- 6 months -----		----- 12 months -----	
	2011	2010	2011	2010	2010/11	2010
SEK M	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Opening balance	-3 960	-6 623	-3 951	-6 645	-6 418	-6 645
Operating cash flow	54	115	-24	54	73	151
Acquisitions and divestments	1	48	27	48	5	26
Share issue	-	-	-9	-	2 380	2 389
Translation difference and other changes	-25	42	27	125	30	128
Closing balance	-3 930	-6 418	-3 930	-6 418	-3 930	-3 951
Net debt /EBITDA adjusted for other items affecting comparability, times	3,6	4,3	3,6	4,3	3,6	3,3

- Operating cash flow affected by payment of extra tax of SEK 101 in Q1 and payment of pension premiums of SEK 70 M in Q2

Outlook for 2011-2012

Revenues

Single-digit organic revenue decline in 2011
Organic revenue growth in 2012

Cost reductions

Net cost reductions¹ of SEK 250 M in 2011
and SEK 200 M in 2012

Dividend and capital structure

Priority will be given to the reduction of net debt
The target is net debt/EBITDA not exceeding three

1) Based on total cost base in 2010 and 2011. The cost attributable to pension obligations during the second quarter is included in the total cost reductions.

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