Full-year report 2008

Q4

IN Q4 2008 t2'S EBITDA[1)] INCREASED BY 47 PERCENT TO SEK 2,173 MILLION. MOBILE EBITDA[1)] INCREASED BY 19 PERCENT TO SEK 1,580 MILLION.

	Q4			Full-year		
SEK million	2008	2007	%	2008	2007	%
Net sales[2)]	10,313	9,599	7	39,505	40,056	-1
EBITDA[1)]	2,173	1,482	47	8,189	6,309	30
EBIT excluding one-off items[1)]	1,210	538	125	4,508	2,784	62
EBIT[1)]	1,144	210	445	2,754	1,137	142
Net profit/loss[2)]	696	-139		1,718	-382	
Earnings per share[2)]	1.58	-0.31		3.82	-0.63	

The figures presented correspond to Q4 2008 unless otherwise stated. The figures shown in parentheses correspond to the comparable periods in 2007.
1) Less divested operations (see Note 9)
2) From continuing operations (see Note 10)

THE BOARD OF DIRECTORS PROPOSES A TOTAL DIVIDEND FOR 2008 AMOUNTING TO SEK 5

- ThE BOaRd Of t2 AB haS dECIdEd tO RECOMMEnd an InCREaSE Of thE ORdInaRY dIVIdEnd Of 11 percent to SEK 3.50 (3.15) per share in respect of the financial year 2008. The Board has also decided to recommend a special dividend of SEK 1.50 per share.

T2 SIGNED CREDIT FACILITY AGREEMENT OF SEK 12 BILLION

- t2 haS EntEREd IntO a 3-YEaR REVOlVIng CREdIt faCIlItY agREEMEnt Of SEK 12 billion with a syndicate of 9 banks. The deal was successfully oversubscribed and has been closed.

T2 RUSSIA PASSED 10.4 MILLION CUSTOMERS

- DURIng 2008 t2Russia made significant operational progress and the customer base amounted to 10.4 (8.6) million customers at year end.

BACK TO OUR ROOTS:

Renewed focus on mobile

EVERYTHING WE DO MUST CONTRIBUTE TO ADDING SHAREHOLDER VALUE AND CUSTOMER SATISFACTION – TWO FACTORS THAT GO HAND IN HAND”

t2 PERfORMEd VERY wEll In 2008, dESPItE tOUghER MaRkEt COndItIOnS. WE aRE haPPY tO present year-on-year revenue growth of 7 percent and an EBITDA margin of 21 percent from continuing operations, well above 2007. After a number of successful divestments, t2 IS EVEn MEanER and lEanER than bEfORE. GIVEn thE CURREnt nanCIal tURMOIl, I think that MOSt PEOPlE Can agREE that t2 ClOSEd thOSE IMPORtant dEalS at thE RIght tIME. We now have a solid financial foundation to continue to build our success in 2009.

OUR MARKETS

In Russia, t2 had more than 10.4 million customers, which is a strong achievement and the proof that our business plan works. We have also continued our selective expansion during 2008 with the launch of the Krasnodar region and the acquisition of an operation in the Kaliningrad region. After completion of the transaction, t2 will be present in 35 regions with a total population of approximately 61 million. Our expansion in Russia is set to continue and in the current economic environment we see opportunity to hire new top talent.

Mobile internet has now been launched in the Baltic region and in Croatia. We are also seeing in Sweden early signs of a better price environment for the service. This implies that we might be able to increase margins while still offering customers the best deal.

Our Western European assets, which include Austria, France, Germany and the Netherlands, have successfully carried out our new strategy, which consists in focusing more on profitability and less on market share.

TOP PRIORITIES FOR 2009

So what are the top priorities for 2009? I have already mentioned our Russian expansion. For me and my management team – yes, actually the whole company – there are a number of challenging tasks awaiting us in the coming year.

Everything we do must contribute to adding shareholder value and customer satisfaction – two factors that go hand in hand.

We need to further develop our mobile services. We need to constantly ask ourselves how we can compose a product portfolio that goes in line with the needs of our customers.

t2 will work harder in the corporate segment in both the Nordic and Western European regions . t2 is already very successful today. Now, we will seek to go further.

OUR HERITAGE

Jan Stenbeck once formulated the corporate DNA of t2: a challenger; a fast-mover; a company that always provides the best value, both for customers and for our shareholders. I promise that we will do everything to give you a positive experience.

Harri Koponen
President and CEO, t2 AB

Financial overview

t2'S nanCIal PERfORManCE IS a fUnCtIOn Of a COntInUEd fO cus on mobile services on own infrastructure complemented in some countries by fixed broadband services. Mobile sales continued to develop strongly, compared with the same period last year. A smaller scale and scope of total operations and a greater focus on mobile services on own infrastructure have led to a prolonged expansion in the EBITDA margin. The decline in fixed-line services is expected to continue. The company will focus on maximizing the return from the product line.

FINANCIAL OVERVIEW, LESS DIVESTED OPERATIONS

Net customer intake amounted to 304,000 (586,000) in Q4 2008. The customer base in mobile services continued to develop with a good customer intake in Russia, Croatia, Sweden, Norway and Lithuania. Mobile internet (also known as mobile broadband) added 21,000 new users in the quarter. Fixed broadband lost -2,000 (64,000) customers in Q4 2008, due to a group emphasis on profitability, leading to less resources spent on marketing activities. Fixed telephony continued to see an outow of customers and t2 expects that the current rate of change will continue. In Q4 2008, the total customer base increased to 24,486,000 (23,105,000).

Net sales in Q4 2008 amounted to SEK 10,345 (9,793) million, an increase of 6 percent[1]. The positive revenue development was driven by solid trends in core mobile services but also to some extent by continued good development in fixed broadband services.

EBITDA in Q4 2008 amounted to SEK 2,173 (1,482) million, equivalent to an EBITDA margin of 21 (15) percent. The EBITDA development was led by an improved revenue mix, with a higher contribution from mobile services on own infrastructure. Russia, the Netherlands and Germany showed the greatest absolute performance in Q4 2008. t2 also continued to succeed in maximizing the EBITDA contribution from its mature fixed telephony operations.

EBIT in Q4 2008 increased by 125 percent to SEK 1,210 (538) million excluding one-off items of SEK -66 (-328) million[2]. Including one-off items EBIT amounted to SEK 1,144 (210) million.

FINANCIAL OVERVIEW, CONTINUING OPERATIONS[3]

Profit/loss before tax amounted to SEK 592 (-64) million negativly affected by exchange rate effects of SEK -515 (90) million. Exchange rate differences directly recognized in shareholders' equity amounted to SEK 2,347 (310) million.

Net profit/loss amounted to SEK 696 (-139) million.
Cash flow after CAPEX[4] amounted to SEK 704 (-343) million.
CAPEX amounted to SEK 1,328 (1,151) million.

Net debt[4] amounted to SEK 4,952 (5,198) million at December 31, 2008, or 0.61 times full-year 2008 EBITDA. Including guarantees to joint ventures, the net debt to full-year 2008 EBITDA amounted to approximately 0.9 times. t2's available liquidity amounted to SEK 17,248 million.

FINANCIAL COMMENTS

The market

The economic recession is spreading across t2's different markets, both in its more mature as well as in its emerging operations. The company has not yet been affected by the current turmoil and customers are still demanding telecom services in a similar manner as before. It is, however, difficult to more precisely predict to what extent consumer telecom spending will be affected in 2009. t2 will closely monitor operational developments in its different countries and be ready to take necessary steps if consumer and corporate demand for telecom services starts to deteriorate. These measures would include scrutinizing both operational as well as capital expenditures. t2 will keep the market informed on a quarterly basis on the current market trends.

Toward the end of 2007, t2 Russia was awarded mobile telephony licenses for GSM in 17 new regions in Russia. The first steps of building a local organization and rolling out own infrastructure were taken in 2008. Together with the newly announced acquisition of Digital Expansion's mobile network in the region of Kaliningrad, t2 now has licenses in 35 regions covering approximately 61 million inhabitants. The process for awarding the new GSM licenses is still partially challenged in court. The following assumptions should be taken into consideration when estimating the financial impact of the 17 new licenses:

> In 2009 operational expenditures are estimated at SEK 500–700 million and capital expenditures are estimated at SEK 1,100 –1,300 million.

> Up to 12 out of 17 regions will be launched in 2009. The base plan is that an infrastructure-based operation should be able to reach EBITDA breakeven three years after commercial launch date. However, there might be regional differences, moving the breakeven date either forward or backwards.

> The longer-term market share in the 17 new regions should not deviate significantly from the historic market share of t2 Russia.

The following additional points should also be considered when estimating 2009:

> In 2009 t2 forecast a corporate tax rate of approximately 20 percent excluding one-off items. The tax payment will affect 2009 cash flow by approximately SEK 700-800 million.

> In 2009 t2 forecast a CAPEX level in the range of SEK 4,500-4,700 million.

[1] Excluding one-off items of SEK -32 (-200) million related to disputes with other operators
[2] See Notes 1-2
[3] From continuing operations (see Note 10)
[4] Including discontinued operations

Financial overview, cont.

Funding

t2 has signed a new credit facility agreement of SEK 12 billion. The loan has a 3-year term. The new credit facility expires in 2012.

The new agreement has been reached with a group of nine banks. The deal was successfully oversubscribed and has been closed.

The new facility further strengthens t2's nancial position in order to maintain a balance between growth and flexibility. t2 will use this facility to develop its business organically as well as to refinance its existing revolving credit facilities in order to keep an optimal capital structure.

The present five-year loan agreement falls due in Q4 2009. Consequently the loan is reported as a short-term liability from Q4 2008.

Shareholder remuneration

t2's intention over the medium term is to pay a progressive ordinary dividend to its shareholders. The Board of t2 AB has decided to recommend an increase of the ordinary dividend of 11 percent to SEK 3.50 (3.15) per share in respect of the financial year 2008 to the Annual General Meeting (AGM) in May 2009. The board has also decided to recommend a special dividend of SEK 1.50 (4.70) per share.

Balance Sheet

t2's longer term nancial leverage; dened as net debt / EBITDA ratio should be in line with the industry and the markets in which it operates and reflect the status of its operations and future strategic opportunities. Short term the company also needs to take into consideration the uncertainties in the financial markets and act accordingly.

Tax dispute

In Q1 2009, t2 announced that the company has not been allowed to deduct a capital loss of SEK 13.9 billion, which was associated with the liquidation of S.E.C. S.A. in 2001. The County Administrative Court refused the deduction stating that the capital loss could not be considered real. t2 will appeal the decision made by the County Administrative Court. t2 is of the opinion that the dispute will be settled in t2's favor and have not provisioned any costs associated with the verdict.

Financial overview, cont.

SEK million	2008 Q4	2007 Q4	2008 Full-year	2007 Full-year
Mobile[1]				
Net customer intake (thousands)	580	706	2,387	3,166
Net sales	6,502	5,705	24,472	21,390
EBITDA	1,580	1,323	6,425	5,257
EBIT	1,180	926	4,886	3,757
CAPEX	974	711	3,367	2,630
Fixed broadband[1]				
Net customer intake (thousands)	-2	64	71	271
Net sales	1,637	1,516	6,109	5,504
EBITDA	78	-190	-20	-534
EBIT	-335	-569	-1,609	-1,999
CAPEX	232	298	777	964
Fixed telephony[1]				
Net customer intake (thousands)	-274	-166	-1,292	-1,148
Net sales	1,662	1,950	6,884	8,274
EBITDA	454	356	1,686	1,404
EBIT	382	244	1,360	1,055
CAPEX	71	53	167	190
Total[1]				
Net customer intake (thousands)	304	604	1,166	2,289
Net sales	10,345	9,793	39,565	37,149
EBITDA	2,173	1,482	8,189	6,309
EBIT	1,210	538	4,508	2,784
CAPEX	1,328	1,145	4,480	3,974
Continuing operations				
Net customer intake (thousands)	304	586	1,156	2,083
Net sales[2]	10,313	9,599	39,505	40,056
EBITDA	2,168	1,418	8,175	6,320
EBIT[3]	1,185	41	2,851	1,337
CAPEX	1,328	1,151	4,481	4,120
EBT	592	-64	1,838	606
Net profit/loss	696	-139	1,718	-382
Cash flow from operating activities[4]	1,937	972	7,896	4,350
Cash flow after CAPEX[4]	704	-343	3,288	-819

The figures exclude one-off items except for figures presented for continuing operations

[1] Less divested operations (see Note 9) and less one-off items (see Notes 1-4)

[2] Net sales for Q4 2008, Q4 2007, FY 2008 and FY 2007 include negative one-off items of SEK -32 million, SEK -200 million, SEK -90 million and SEK -200 million, respectivly

[3] EBIT includes result from sale of operations, impairment of goodwill and other one-off items stated under the segment reporting section of EBIT

[4] Including discontinued operations (see Note 10)

SIGNIFICANT EVENTS IN THE QUARTER

- t2 ltd th dtnt f t2 witSerland to TDC Sunrise
- t2 Russia acquired Digital Expansion's mobile network in the region of Kaliningrad for approximately SEK 103 million
- t2 Russia launched operations in the Krasnodar region
- t2 SUCCESSfUllY laUnChEd a nEw MaRkEtIng COnCEPt Sweden and the Netherlands

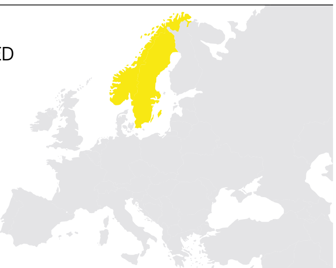
SIGNIFICANT SUBSEQUENT EVENTS

- The Board of Directors proposed a total dividend for 2008 amounting to SEK 5
- t2 SIgnEd nEw CREdIt faCIlItY agREEMEnt Of SEK 12 billion

Overview by region

NORDIC SWEDEN AND NORWAY

THE MOBILE CUSTOMER BASE IN NORWAY INCREASED IN Q4 2008 BY



19,000

ThE NORdIC MaRkEt aREa IS thE CaSh COw Of thE t2 ORganIzatIOn and also the test bed of new services. The operational development during 2008 was positive with a higher full-year EBITDA contribution from both Sweden as well as Norway.

SWEDEN

> Mobile In 2008 mobile services had robust revenue development with an annual growth of 6.5 percent and the mobile internet customer base grew by 83 percent to 170,000 (93,000).

Customer activity in the Swedish mobile market slowed in Q4 2008 leading to a lower pre-paid intake for t2 Sweden. Interest for SIM-only offers increased in the period. Customer usage continued to improve during the quarter and both voice and value-added services prolonged the positive trend.

Mobile operations in Sweden reported an ARPU of SEK 189 (204) in Q4 2008, including post-paid, pre-paid and mobile internet subscriptions. ARPU for mobile internet amounted to SEK 103. Minutes of use per customer, excluding mobile internet, were 212 (197) in Q4 2008.

In Q4 2008, t2 Sweden introduced a new marketing concept with the black sheep Frank ("Born to be Cheap"), which was well perceived. Higher marketing spend together with increased voice and data traffic carried by the Svenska UMTS Nät AB (SUNAB), had a negative effect on EBITDA. Costs associated with SUNAB amounted to approximately SEK 485 million year to date.

> Fixed Broadband The fixed broadband market continued to develop more slowly in the quarter, and the product segment was to some extent affected by promotional offerings in the mobile internet market. t2 continued to focus on improved protability in xed broadband services by focusing on bundled products together with lower direct costs.

> Fixed Telephony The EBITDA margin improved significantly in the quarter to 22 (11) percent, helped by improved cost control. The company continued its retention measures by providing add on services such as wholesale line rental, voice mail, etc.

NORWAY

> Mobile In 2008 t2 Norway successfully migrated its customer base to a new MVNO host, leading to improved profitability. During the year the company also confirmed its price position in the Norwegian market and started the roll-out of own infrastructure through the Mobile Norway joint venture.

The competitive environment was challenging in Q4 2008, with strong price competition in both mobile voice as well as data. Through a successful marketing campaign and effective retention management in the quarter, t2 Norway gained market share and added 19,000 (1,000) new users. The EBITDA contribution decreased in Q4 2008 due to higher sales and marketing costs as well as currency losses. EBIT was negatively affected by t2's share of the result from the operations of Mobile Norway of SEK -16 (-2) million in Q4 2008.

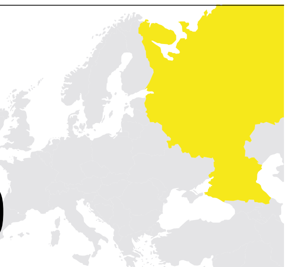
The termination rate has been lowered by the authorities from NOK 1.15 to NOK 1.00 at the beginning of Q1 2009.

> Fixed Broadband During 2008 t2 moved its marketing efforts away from resold broadband and migrated its customers onto own infrastructure. In Q4 2008 the revenue trend stabilized due to a better pricing environment. However, competition from fiber-based services and cable TV operators was still high during the quarter, driving churn rates up in the wholesale base. t2 will continue to focus on cost control and improved customer care as the main areas for its broadband operations.

> Fixed Telephony The overall performance for fixed telephony was stable in Q4 2008 and, excluding the negative currency impact, the EBITDA contribution started to stabilize in the quarter.

RUSSIA

THE CUSTOMER BASE I NCREASED IN Q4 2008 BY



484,000

The RUSSIan OPERatIOn IS t2'S MOSt IMPORtant gROwth EngInE. The company has GSM licenses in 35 regions with approximately 61 million inhabitants. In 2008 t2 addEd 1,858,000 nEw CUS tomers, despite a weakening economy.

> Mobile During 2008 t2 Russia made signicant operational progress and the customer base amounted to 10.4 (8.6) million customers at year end. The Krasnodar region was successfully launched and an operation in the Kaliningrad region was acquired. Also the preparatory work of rolling out the 17 new GSM licenses was done during the year (the process for awarding the new licenses is still partially challenged in court).

Customer development was strong in the quarter and t2 Russia added 484,000 (554,000) new users. The positive minutes of use trend continued in Q4 2008 and ARPU grew to SEK 65 (57). The EBITDA margin was to some extent hampered in the quarter by an intensified roll-out of the 17 new GSM licenses, commercial launch of the Krasnodar region and also one-off costs related to software license and exchange losses.

In the quarter t2 was able to further improve its market position by emphasising its price leadership and improve network quality by the introduction of EDGE technology.

t2 Russia will continue to look for possibilities to carefully expand its operations in Russia and CIS-countries through new licenses as well as by complementary acquisitions which fit with its corporate culture.

Overview by region, cont.

CENTRAL EUROPE ESTONIA, LITHUANIA, LATVIA AND CROATIA

THE CUSTOMER BASE IN CROATIA INCREASED IN Q4 2008 BY

76,000

In 2008 the Baltic operations were negatively affected by a strong economic downturn in the region. To offset the negative IMPaCt, t2 haS aCtIVElY InCREaSEd ItS MaRkEtIng aCtIVItIES tO gain market share on high value ARPU customers in both the consumer as well as the corporate segment. The tough economic ClIMatE IS EXPECtEd tO COntInUE dURIng 2009. t2 SEES thIS development as a possibility to move its market position carefully forward and make use of more price-sensitive customers.

The Croatian operation continued to develop according to plan with an increasing operational momentum during the year adding in total 233,000 new customers.

ESTONIA

> Mobile The economic environment in the country continued to be challenging in the quarter. The inflationary pressure showed a downtrend in Q4 2008 and is expected to decrease further in 2009. Price pressure remained in particular segments, especially in corporate and pre-paid. However, there are no signs of an overall price war. Despite a difcult economic environment, t2 's minutes of use and ARPU grew in the quarter. This was achieved by clear price leadership and successful acquisition activities in residential post-paid and business segment. t2 has recently been particularly successful in the business segment, reaching a 21 percent market share and doubling the customer base in the past 2 years.

In Q4 2008, EBITDA was negatively affected by a one-time cost related to settlement principles for bucket plans amounting to SEK 10 million.

LITHUANIA

> Mobile t2 prolonged the positive development in Q4 2008 adding share in the consumer as well as the corporate segment. A clear price position together with successful marketing campaigns led to a strong market position. t2's customer market share at the end of 2008 increased to 40 (36) percent. Competition in the quarter continued to be high but stable, with minor movements in prices and subscriber acquisition costs.

In 2009, t2 will continue to increase its focus on the corporate segment. As the market becomes more price sensitive, there is an opportunity for t2 to move its position forward among private companies, municipalities and state-owned organizations. t2 will also continue to stimulate interest around value-added services in all customer segments.

In Q1 2009 t2 expects interconnect prices to be cut by approximately 20 percent.

LATVIA

> Mobile During 2008 the economic slowdown was strong in Latvia, affecting the overall activity in the mobile segment. Competition has been high during the year with lower prices both in the pre-paid as well as in the post-paid segment. This trend has continued in Q4 2008 leading to a general increase in marketing spend spurring higher churn. t2, as the price leader, will try to take advantage of more customers reviewing their telecom service provider.

In Q4 2008, t2 Latvia continued to focus on attracting higher ARPU customers as a way of offsetting the weaker market environment. Increased competitive pressure, together with seasonally higher marketing spend, led to lower margins in Q4 2008.

t2 Latvia continues to see a good opportunity in the corporate segment as well as among the state-owned companies. This opportunity has been enhanced due to a slower economy, making business customers more price sensitive.

CROATIA

> Mobile During 2008 the total customer intake for t2 Croatia more than doubled compared to 2007, driven by an improved marketing strategy together with better quality of service. In Q4 2008 t2 Croatia added 76,000 (15,000) new customers. The positive customer development has partly been the result of a successful launch of the new shop concept introduced in 2008.

The minutes of use and ARPU trend remained positive during Q4 2008.

During Q4 2008 there was a general increase in marketing spend and subscriber acquisition cost. Together with a higher customer intake, EBITDA development was impacted negatively.

Overview by region, cont.

WESTERN EUROPE FRANCE, THE NETHERLANDS, GERMANY AND AUSTRIA

t2 NETHERLANDS
EBITDA INCREASED IN
Q4 2008 BY

32%

The Western European market area has over the last two years changed significantly in geographic scope. In 2008 the focus has been on managing the existing operations more effectively by concentrating on customer base management and using more cost effective sales channels such as web and in-bound customer service calls. Hence, the operational performance of the MaRkEt aREa IMPROVEd dURIng thE YEaR. GOIng fORwaRd t2 wIll continue to improve the efficiency of the different geographies by focusing less on market share and more on reducing the overall cost base.

FRANCE

> Mobile t2 continued to be protable in Q4 2008 with a stable post-paid customer base of 468,000. t2 reached its rst prots in 2008 with a strong EBITDA development compared to 2007. Main drivers were a positive ARPU development together with cost reduction program.

The pricing environment for post-paid services in the French mobile market was stable in Q4 2008. Going forward, t2 will continue to focus on profitability, leveraging on its post-paid customer base through retention management and usage development. Sales channels will be monitored closely in order to invest in the most protable. t2 will continue to proactively work with the national regulator to have full MVNO legislation introduced in France.

THE NETHERLANDS

> Mobile The competitive landscape remained stable in Q4 2008. Due to better control over acquisition as well as retention costs, t2 Netherlands improved the protability in the quarter. The Company maintained its efforts in moving the customer base from the pre-paid segment towards higher ARPU post-paid subscriptions. As a result t2 Netherlands was able to retain good nancial performance in the mobile segment, despite a slight decline in the customer base.

> Fixed Broadband t2 continued to gain market share in the fixed broadband market despite fierce competition in conjunction with Christmas campaigns. Promotional offerings, such as subsidised laptops had a negative effect on profitability in the quarter, however, they led to a strong net intake in Q4 2008. t2's business division added another strong quarter, mainly due to implementation of large corporate contracts and increased sales efforts of its on-net services. Going forward, t2 Netherlands expects both consumers as well as corporations to become more price sensitive as a result of a slower economy. This should prove beneficiary to the company as the market price leader. t2 Netherlands also expects some positive regulatory changes, such as migration service regulation, which could improve the sales process.

> Fixed Telephony The fixed telephony market continued to stagnate in Q4 2008 and was characterized by price increases and declining customer bases. The industry was not actively acquiring customers and was focusing solely on retention and up and-cross selling. Though still the price leading operator t2 beneted from the market trends and operations had solid development during the quarter. EBITDA contribution was SEK 95 (73) million in Q4 2008.

GERMANY

> Fixed Broadband The fixed broadband market continued to be highly competitive in Q4 2008, driven mainly by increased activity from the cable operators. The lack of significant market consolidation in the quarter led to pricing once again becoming important as a promotional tool. In Q4 2008 the market was once again more focused on direct access products rather than resold services. The trend towards more bundled products was also strong in the quarter.

t2 Germany continued with a reactive customer acquisition strategy with the web as the main sales channel. No active marketing campaigns were used during the quarter, which resulted in a net customer outflow. The German operations continued to improve cost control at the Plusnet JV, reducing operational losses in ULL (Unbundled Local Loop) fixed broadband services. Wholesale fixed broadband services were negatively affected by higher direct costs to the incumbent. Churn rate continues to develop according to plan, with higher levels of customer turnover in wholesale compared to the direct access base.

> Fixed Telephony The pricing environment in the fixed telephony market remained unchanged in Q4 2008. t2's market share for CPS (Carrier Pre-Select) services remained stable at 40 percent in the quarter. As for fixed broadband services, no active marketing initiatives were used in Q4 2008 for t2's xed telephony segment. Instead the company continued to focus solely on retention and potential reactive cross-selling opportunities. As a result, the EBITDA margin for fixed telephony improved to 40 (25) percent in the quarter.

The overall customer turnover in the CPS base improved during the quarter due to flat fee products with binding periods, more effective retention and customer base management.

AUSTRIA

> Fixed Broadband Competition from bundled offerings together with aggressive pricing on mobile internet services continued to pressure t2's operations in Q4 2008. t2 maintained its effort to improve the overall cost structure by using best practice from t2's German and Dutch operations, leading to improving EBITDA in the quarter. The process of streamlining the Austrian operations will continue in 2009. Revenues and churn levels for direct access developed according to plan. t2 expects further price pressure in the corporate segment, due to large differences against the consumer segment.

> Fixed Telephony The decline of the fixed-line base continues during Q4 2008 due to a larger focus on customer base management rather than on user intake. To improve protability t2 Austria will look to selectively increase prices and up-sell customers to minute bundles with fixed monthly fees. In the consumer market competition from mobile remained high. However, in the business market fixed telephony services had stable development. Overall, both fixed telephony customers and revenues developed better than planned during Q4 2008.

Other items

RISKS AND UNCERTAINTY FACTORS

t2's operations are affected by a number of external factors. The risk factors considered to be most signicant to t2 's future development are operating risks such as changes in regulatory legislation in telecommunication services, increased competition, introduction of new services, ability to attract and retain customers, legal proceedings and financial risks such as currency risk, interest risk, liquidity risk and credit risk. In addition to the risks described in t2's annual report (see Directors' report and Note 40 of the report for a detailed description of t2's risk exposure and risk management), no additional significant risks are estimated to have developed.

COMPANY DISCLOSURE

Dividend

The board of t2 AB has decided to recommend an ordinary dividend of SEK 3.50 (3.15) per share in respect of the financial year 2008 to the Annual General Meeting in May 2009. The board has also decided to recommend a special dividend of SEK 1.50 (4.70) per share.

t2 AB (publ) Annual General Meeting 2009

The 2009 Annual General Meeting will be held on May 11, 2009 in Stockholm.

Shareholders wishing to have a matter considered at the Annual General Meeting should submit their proposals in writing to agm@t2.com or to the Company Secretary, t2 AB (publ), P.O. Box 62, SE-164 94 Kista, Sweden, at least seven weeks before the Annual General Meeting in order that the proposal may be included in the notice to the meeting.

Further details on how and when to register will be published in advance of the Annual General Meeting.

Nomination committee for the 2009 Annual General Meeting

A Nomination Committee of major shareholders in t2 AB (publ) has been formed in accordance with the resolution of the 2008 Annual General Meeting. The Nomination committee is comprised of Cristina Stenbeck on behalf of Investment AB Kinnevik and Emesco AB, Åsa Nisell on behalf of Swedbank Robur Fonder, Peter Lindell on behalf of AMF Pension and Ramsey Brufer on behalf of Alecta, who together represent more than 50 percent of the voting rights in t2. Information about the work of the Nomination Committee can be found on t2's corporate website at www.t2.com.

Shareholders wishing to propose candidates for election to the Board of Directors of t2 AB (publ) should submit their proposal in writing to agm@t2.com or to the Company Secretary, t2 AB (publ), P.O. Box 62, SE 164 94, Kista, Sweden.

Other

The annual report 2008 will be released week 12 2009 and available on www.t2.com.

t2 will release the nancial and operating results for the period ending March 31, 2009 on April 22, 2009.

Stockholm, February 10, 2009

t2 AB

Vigo Carlund Chairman	Mia Brunell Livfors	Jere Calmes
John Hepburn	Mike Parton	John Shakeshaft
Cristina Stenbeck	Pelle Törnberg	

Harri Koponen
President and CEO

REPORT REVIEW

Introduction

We have reviewed the full-year report for t2 AB (publ.) for the period January 1, 2008 to December 31, 2008. The Board of Directors and the President are responsible for the preparation and presentation of this full-year report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this full-year report based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing practices in Sweden. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the full-year report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company, in accordance with the Annual Accounts Act.

Stockholm, February 10, 2009

Deloitte AB
Jan Berntsson
Authorized Public Accountant

TELE2

CONFERENCE CALL DETAILS
A conference call, with an interactive presentation, to discuss the results will be held at 10.00 (CET) / 09.00 (UK time) / 04.00 am (New York time), on February 10, 2009.

The dial-in numbers are:
France: +33 (0)1 70 99 42 71
Germany: +49 (0)69 2222 2244
Sweden: +46 (0)8 5352 6440
The Netherlands: +31 (0)20 713 3422
UK: +44 (0)20 7138 0826
US: +1 212 444 0481

Please dial in 10 minutes prior to the start of the conference call to allow time for registration. The conference call wIll alSO bE aVailablE aS a lInk On thE t2 at wbt www.t2 ., bth l and n an ahd n.

VISIT OUR WEBSITE: www.t2.COM

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APPENDICES

T2 IS ONE OF EUROPE'S LEADING ALTERNATIVE TELECOM OPERATORS. t2's mission is to provide price leading and easy to use communication services. t2 always strives to offer the market's best prices. We have 24 million customers in 11 countries. t2 offers mobile services, xed broadband and telephony, data network services, cable TV and content services. Ever since Jan Stenbeck founded the company in 1993, it has been a tough challenger to the former government monopolies and other established providers. t2 has been listed on the OMX Nordic Exchange since 1996. In 2008, we had net sales of SEK 39.5 billion and reported an operating profit (EBITDA) of SEK 8.2 billion.

Income statement

SEK million	Note	2008 full year	2007 full year	2008 Q4	2007 Q 4
CONTINUING OPERATIONS					
Net sales	1	39,505	40,056	10,313	9,599
Operating expenses	2	−35,050	−37,928	−9,165	−9,412
Impairment of goodwill and customer agreements	2	−1,033	−1,315	−20	−5
Sale of operations, profit	3	125	1,562	38	40
Sale of operations, loss	4	−13	−823	9	−128
Result from shares in associated companies and joint ventures	5	−212	−234	−30	−60
Impairment of shares in joint ventures	2	−582	–	−16	–
Other operating income	6	451	112	145	63
Other operating expenses	6	−340	−93	−89	−56
Operating profit/loss, EBIT		**2,851**	**1,337**	**1,185**	**41**
Net interest expenses		−400	−765	−86	−188
Other financial items		−613	34	−507	83
Profit/loss after financial items, EBT		**1,838**	**606**	**592**	**−64**
Tax on profit/loss	7	−120	−988	104	−75
Net profit/loss from continuing operations		**1,718**	**−382**	**696**	**−139**
DISCONTINUED OPERATIONS					
Net profit/loss from discontinued operations	10	715	−1,387	198	110
NET PROFIT/LOSS		**2,433**	**−1,769**	**894**	**−29**
ATTRIBUTABLE TO					
Equity holders of the parent company		2,411	−1,669	896	−31
Minority interest		22	−100	−2	2
NET PROFIT/LOSS		**2,433**	**−1,769**	**894**	**−29**
Earnings per share (SEK)		5.44	−3.75	2.03	−0.07
Earnings per share, after dilution (SEK)		5.43	−3.75	2.03	−0.07
FROM CONTINUING OPERATIONS					
Earnings per share (SEK)		3.82	−0.63	1.58	−0.31
Earnings per share, after dilution (SEK)		3.82	−0.63	1.58	−0.31
Number of outstanding shares, basic	8	440,351,339	444,851,339		
Number of shares in own custody	8	9,448,000	4,098,000		
Number of shares, weighted average	8	443,538,839	444,727,119		
Number of shares after dilution	8	441,063,416	445,235,120		
Number of shares after dilution, weighted average	8	443,867,042	445,220,904		

Balance sheet

SEK million	Note	Dec 31, 2008	Dec 31, 2007
ASSETS			
FIXED ASSETS			
Goodwill		11,473	12,603
Other intangible assets		2,121	2,089
Intangible assets		**13,594**	**14,692**
Tangible assets		15,566	14,388
Financial assets		427	1,007
Deferred tax assets		4,754	3,258
FIXED ASSETS		34,341	33,345
CURRENT ASSETS			
Materials and supplies		368	435
Current receivables		7,815	9,816
Short-term investments		3,359	2,593
Cash and cash equivalents		1,250	2,459
CURRENT ASSETS		12,792	15,303
ASSETS		47,133	48,648
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Attributable to equity holders of the parent company		28,151	26,821
Minority interests		50	28
SHAREHOLDERS' EQUITY		28,201	26,849
LONG-TERM LIABILITIES			
Interest-bearing liabilities	14	2,161	5,670
Non-interest-bearing liabilities		758	927
LONG-TERM LIABILITIES		2,919	6,597
SHORT-TERM LIABILITIES			
Interest-bearing liabilities	14	7,635	4,602
Non-interest-bearing liabilities		8,378	10,600
SHORT-TERM LIABILITIES		16,013	15,202
EQUITY AND LIABILITIES		47,133	48,648

Cash flow statement*

SEK million	Note	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
OPERATING ACTIVITIES									
Cash flow from operations		7,789	4,488	1,810	2,315	2,239	1,425	1,339	1,208
Changes in working capital	1	107	−138	127	279	−381	82	−367	615
CASH FLOW FROM OPERATING ACTIVITIES		**7,896**	**4,350**	**1,937**	**2,594**	**1,858**	**1,507**	**972**	**1,823**
INVESTING ACTIVITIES									
Capital expenditure in intangible and tangible assets, CAPEX	13	−4,608	−5,169	−1,233	−930	−1,446	−999	−1,315	−1,188
Cash flow after CAPEX		***3,288***	***−819***	***704***	***1,664***	***412***	***508***	***−343***	***635***
Acquisition of shares and participations	9	−676	−1,438	−141	−47	−90	−398	−1,225	−27
Sale of shares and participations	9	2,273	13,215	247	2,172	−78	−68	7,576	5,505
Changes of long-term receivables	5	331	−6	5	12	158	156	161	−356
Cash flow from investing activities		**−2,680**	**6,602**	**−1,122**	**1,207**	**−1,456**	**−1,309**	**5,197**	**3,934**
CASH FLOW AFTER INVESTING ACTIVITIES		**5,216**	**10,952**	**815**	**3,801**	**402**	**198**	**6,169**	**5,757**
FINANCING ACTIVITIES									
Change of loans, net		−2,433	−10,798	−831	−4,577	2,273	702	−6,729	−5,518
Dividends	8	−3,492	−814	–	–	−3,492	–	–	–
New share issues	8	1	27	–	1	–	–	5	5
Repurchase of own shares	8	−462	−5	–	−462	–	–	−5	–
Other financing activities		7	351	–	–	7	–	–	1
Cash flow from financing activities		**−6,379**	**−11,239**	**−831**	**−5,038**	**−1,212**	**702**	**−6,729**	**−5,512**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**−1,163**	**−287**	**−16**	**−1,237**	**−810**	**900**	**−560**	**245**
Cash and cash equivalents at beginning of period		2,459	2,619	1,327	2,524	3,343	2,459	2,931	2,668
Exchange rate differences in cash		−46	127	−61	40	−9	−16	88	18
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		**1,250**	**2,459**	**1,250**	**1,327**	**2,524**	**3,343**	**2,459**	**2,931**
Taxes paid included in cash flow from operation		−377	−1,570	−120	−90	153	−320	−189	−489

* Including discontinued operations (Note 10)

Change in shareholders´ equity

SEK million	Note	Dec 31, 2008 Attributable to equity holders of the parent company	Dec 31, 2008 Attributable to minority interests	Dec 31, 2008 Total shareholders' equity	Dec 31, 2007 Attributable to equity holders of the parent company	Dec 31, 2007 Attributable to minority interests	Dec 31, 2007 Total shareholders' equity
Shareholders' equity, January 1		26,821	28	26,849	28,800	323	29,123
ITEMS RECOGNIZED DIRECTLY IN SHAREHOLDERS' EQUITY							
Exchange rate differences		3,146	5	3,151	1,478	9	1,487
Reversed cumulative exchange rate differences from divested companies	10	−197	–	−197	−1,053	–	−1,053
Cash flow hedges		−101	–	−101	49	–	49
Items recognized directly in shareholders' equity		**2,848**	**5**	**2,853**	**474**	**9**	**483**
Net profit/loss for the year		2,411	22	2,433	−1,669	−100	−1,769
Total for the year		**5,259**	**27**	**5,286**	**−1,195**	**−91**	**−1,286**
OTHER CHANGES IN SHAREHOLDERS' EQUITY							
Costs for stock options		24	–	24	8	–	8
New share issues	8	1	–	1	27	–	27
Repurchase of own shares	8	−462	–	−462	−5	–	−5
Dividends	8	−3,492	–	−3,492	−814	−4	−818
Purchase of minority		–	−12	−12	–	−595	−595
New share issues to minority		–	7	7	–	395	395
SHAREHOLDERS' EQUITY, END OF PERIOD		**28,151**	**50**	**28,201**	**26,821**	**28**	**26,849**

Number of customers

		Number of customers		Net intake							
Thousands	Note	2008 Dec 31	2007 Dec 31	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Sweden											
Mobile		3,358	3,099	259	255	28	127	85	19	92	100
Fixed telephony		817	918	−101	−162	−33	−12	−21	−35	−45	−20
Fixed broadband		433	386	47	77	3	12	2	30	21	20
		4,608	**4,403**	**205**	**170**	**−2**	**127**	**66**	**14**	**68**	**100**
Norway											
Mobile		460	448	12	51	19	4	−4	−7	1	20
Fixed telephony		133	163	−30	−45	−4	−8	−8	−10	−10	−9
Fixed broadband		91	112	−21	20	−7	−6	−3	−5	−4	2
		684	**723**	**−39**	**26**	**8**	**−10**	**−15**	**−22**	**−13**	**13**
Russia											
Mobile	9	10,422	8,560	1,858	2,541	484	449	606	319	554	631
		10,422	**8,560**	**1,858**	**2,541**	**484**	**449**	**606**	**319**	**554**	**631**
Estonia											
Mobile		502	492	10	−18	−1	–	8	3	3	−6
Fixed telephony		16	20	−4	−6	−1	−1	−1	−1	−2	−1
		518	**512**	**6**	**−24**	**−2**	**−1**	**7**	**2**	**1**	**−7**
Lithuania											
Mobile		1,924	1,796	128	141	12	49	32	35	43	43
Fixed telephony		4	6	−2	−2	−1	–	−1	–	–	−1
Fixed broadband		41	36	5	4	1	1	1	2	1	1
		1,969	**1,838**	**131**	**143**	**12**	**50**	**32**	**37**	**44**	**43**
Latvia											
Mobile		1,106	1,122	−16	65	−25	5	−1	5	−6	18
Fixed telephony		2	4	−2	−3	−1	–	–	−1	–	–
		1,108	**1,126**	**−18**	**62**	**−26**	**5**	**−1**	**4**	**−6**	**18**
Croatia											
Mobile		703	470	233	113	76	74	37	46	15	49
		703	**470**	**233**	**113**	**76**	**74**	**37**	**46**	**15**	**49**
France											
Mobile		468	453	15	46	6	−3	–	12	26	−9
		468	**453**	**15**	**46**	**6**	**−3**	**–**	**12**	**26**	**−9**
Netherlands											
Mobile		458	570	−112	−28	−19	−23	−26	−44	−22	−1
Fixed telephony		389	494	−105	−281	−23	−30	−27	−25	−39	−54
Fixed broadband		368	324	44	56	19	11	7	7	22	16
		1,215	**1,388**	**−173**	**−253**	**−23**	**−42**	**−46**	**−62**	**−39**	**−39**
Germany											
Fixed telephony	12	2,030	2,725	−906	−478	−172	−112	−304	−318	−36	−200
Fixed broadband		177	173	4	64	−14	−7	6	19	13	7
		2,207	**2,898**	**−902**	**−414**	**−186**	**−119**	**−298**	**−299**	**−23**	**−193**
Austria											
Fixed telephony		420	562	−142	−171	−39	−32	−37	−34	−34	−39
Fixed broadband		164	172	−8	50	−4	−3	−8	7	11	12
		584	**734**	**−150**	**−121**	**−43**	**−35**	**−45**	**−27**	**−23**	**−27**
TOTAL											
Mobile	9	**19,401**	**17,010**	2,387	3,166	**580**	**682**	**737**	**388**	**706**	**845**
Fixed telephony	12	**3,811**	**4,892**	−1,292	−1,148	**−274**	**−195**	**−399**	**−424**	**−166**	**−324**
Fixed broadband		**1,274**	**1,203**	71	271	**−2**	**8**	**5**	**60**	**64**	**58**
		24,486	**23,105**	**1,166**	**2,289**	**304**	**495**	**343**	**24**	**604**	**579**
Divested operations	9	–	116	−10	−206	–	–	–	−10	−18	−40
NET CUSTOMER INTAKE				**1,156**	**2,083**	**304**	**495**	**343**	**14**	**586**	**539**
Acquired companies	9			4	10	4	–	–	–	10	–
Divested companies				−106	−2,138	–	–	–	−106	−762	−1,376
Changed method of calculation	12			211	−759	211	–	–	–	–	–
TOTAL CONTINUING OPERATIONS		**24,486**	**23,221**	**1,265**	**−804**	**519**	**495**	**343**	**−92**	**−166**	**−837**
Discontinued operations											
Net intake	10			−33	−891	−4	−30	2	−1	−72	−189
Divested companies	10	–	1,500	−1,467	−5,687	−466	−1,001	–	–	−2,969	−2,718
TOTAL OPERATIONS		**24,486**	**24,721**	**−235**	**−7,382**	**49**	**−536**	**345**	**−93**	**−3,207**	**−3,744**

Net sales

SEK million	Note	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Sweden									
Mobile		7,760	7,290	1,925	2,016	1,999	1,820	1,890	1,898
Fixed telephony		2,136	2,435	520	521	543	552	528	603
Fixed broadband		1,323	1,219	353	334	323	313	325	303
Other operations		546	740	161	104	128	153	187	195
		11,765	**11,684**	**2,959**	**2,975**	**2,993**	**2,838**	**2,930**	**2,999**
Norway									
Mobile		2,533	2,585	609	639	647	638	684	681
Fixed telephony		554	733	128	130	143	153	168	178
Fixed broadband		409	436	95	99	107	108	112	113
		3,496	**3,754**	**832**	**868**	**897**	**899**	**964**	**972**
Russia									
Mobile		6,867	4,837	1,992	1,763	1,624	1,488	1,418	1,289
		6,867	**4,837**	**1,992**	**1,763**	**1,624**	**1,488**	**1,418**	**1,289**
Estonia									
Mobile		1,045	1,079	263	261	264	257	282	276
Fixed telephony		14	18	3	3	4	4	4	4
Other operations		62	48	17	18	15	12	13	13
		1,121	**1,145**	**283**	**282**	**283**	**273**	**299**	**293**
Lithuania									
Mobile		1,599	1,305	455	404	380	360	336	352
Fixed telephony		7	6	2	2	2	1	1	2
Fixed broadband		22	19	6	6	5	5	5	5
		1,628	**1,330**	**463**	**412**	**387**	**366**	**342**	**359**
Latvia									
Mobile		1,864	1,661	486	476	466	436	420	445
Fixed telephony		2	2	1	–	1	–	–	–
		1,866	**1,663**	**487**	**476**	**467**	**436**	**420**	**445**
Croatia									
Mobile		859	543	269	246	194	150	156	153
		859	**543**	**269**	**246**	**194**	**150**	**156**	**153**
France									
Mobile		1,233	1,126	327	313	309	284	275	273
		1,233	**1,126**	**327**	**313**	**309**	**284**	**275**	**273**
Netherlands									
Mobile		1,060	1,087	260	268	274	258	272	288
Fixed telephony		1,505	1,564	379	348	392	386	412	381
Fixed broadband		2,895	2,452	796	688	697	714	706	598
Other operations		805	671	202	194	209	200	186	168
		6,265	**5,774**	**1,637**	**1,498**	**1,572**	**1,558**	**1,576**	**1,435**
Germany									
Fixed telephony		2,117	2,768	504	498	524	591	668	657
Fixed broadband		484	358	122	122	124	116	97	91
Other operations		428	448	100	101	115	112	106	122
		3,029	**3,574**	**726**	**721**	**763**	**819**	**871**	**870**
Austria									
Fixed telephony	1	597	833	140	141	149	167	180	196
Fixed broadband	1	996	1,053	270	257	261	208	278	259
Other operations		638	603	149	154	167	168	158	159
		2,231	**2,489**	**559**	**552**	**577**	**543**	**616**	**614**
Other									
Other operations		1,101	985	247	238	291	325	285	241
		1,101	**985**	**247**	**238**	**291**	**325**	**285**	**241**
TOTAL									
Mobile		**24,820**	**21,513**	**6,586**	**6,386**	**6,157**	**5,691**	**5,733**	**5,655**
Fixed telephony		**6,932**	**8,359**	**1,677**	**1,643**	**1,758**	**1,854**	**1,961**	**2,021**
Fixed broadband		**6,129**	**5,537**	**1,642**	**1,506**	**1,517**	**1,464**	**1,523**	**1,369**
Other operations		**3,580**	**3,495**	**876**	**809**	**925**	**970**	**935**	**898**
		41,461	**38,904**	**10,781**	**10,344**	**10,357**	**9,979**	**10,152**	**9,943**
Internal sales, elimination		–1,896	–1,755	–436	–453	–531	–476	–359	–434
		39,565	**37,149**	**10,345**	**9,891**	**9,826**	**9,503**	**9,793**	**9,509**
One-off items	1	–90	–200	–32	–58	–	–	–200	–
Divested operations	9	30	3,107	–	–	6	24	6	551
TOTAL CONTINUING OPERATIONS		**39,505**	**40,056**	**10,313**	**9,833**	**9,832**	**9,527**	**9,599**	**10,060**
Discontinued operations	10	2,481	12,577	144	597	865	875	2,223	2,767
TOTAL OPERATIONS		**41,986**	**52,633**	**10,457**	**10,430**	**10,697**	**10,402**	**11,822**	**12,827**

Internal sales

SEK million	Note	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Sweden									
Mobile		140	91	27	42	46	25	19	21
Fixed telephony		1	4	–	1	–	–	−3	–
Fixed broadband		–	9	–	–	–	–	1	–
Other operations		375	548	95	86	90	104	120	152
		516	**652**	**122**	**129**	**136**	**129**	**137**	**173**
Norway									
Mobile		3	7	–	−1	1	3	1	3
Fixed telephony		42	50	14	9	10	9	11	14
		45	**57**	**14**	**8**	**11**	**12**	**12**	**17**
Russia									
Mobile		58	12	9	17	17	15	3	5
		58	**12**	**9**	**17**	**17**	**15**	**3**	**5**
Estonia									
Other operations		62	48	17	18	15	12	13	13
		62	**48**	**17**	**18**	**15**	**12**	**13**	**13**
Lithuania									
Mobile		10	10	3	3	2	2	2	3
Fixed telephony		5	4	1	2	1	1	1	2
		15	**14**	**4**	**5**	**3**	**3**	**3**	**5**
Latvia									
Mobile		137	3	45	37	49	6	3	–
		137	**3**	**45**	**37**	**49**	**6**	**3**	**–**
Netherlands									
Fixed telephony		–	27	–	–	–	–	2	7
Fixed broadband		20	24	5	5	5	5	6	6
Other operations		61	18	9	13	25	14	6	3
		81	**69**	**14**	**18**	**30**	**19**	**14**	**16**
Germany									
Other operations		219	321	43	49	64	63	59	97
		219	**321**	**43**	**49**	**64**	**63**	**59**	**97**
Austria									
Other operations		103	74	15	22	34	32	15	23
		103	**74**	**15**	**22**	**34**	**32**	**15**	**23**
Other									
Other operations		660	505	153	150	172	185	100	85
		660	**505**	**153**	**150**	**172**	**185**	**100**	**85**
TOTAL									
Mobile		**348**	**123**	**84**	**98**	**115**	**51**	**28**	**32**
Fixed telephony		**48**	**85**	**15**	**12**	**11**	**10**	**11**	**23**
Fixed broadband		**20**	**33**	**5**	**5**	**5**	**5**	**7**	**6**
Other operations		**1,480**	**1,514**	**332**	**338**	**400**	**410**	**313**	**373**
		1,896	**1,755**	**436**	**453**	**531**	**476**	**359**	**434**
Divested operations	9	1	234	−1	1	–	1	1	58
TOTAL CONTINUING OPERATIONS		1,897	1,989	435	454	531	477	360	492
Discontinued operations	10	107	536	7	27	39	34	56	104
TOTAL OPERATIONS		**2,004**	**2,525**	**442**	**481**	**570**	**511**	**416**	**596**

EBITDA

SEK million	Note	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Sweden									
Mobile		2,646	2,600	608	714	692	632	645	700
Fixed telephony		396	402	112	102	97	85	60	106
Fixed broadband		–90	–111	7	8	–48	–57	–55	–21
Other operations		–14	44	–9	–22	–5	22	4	24
		2,938	**2,935**	**718**	**802**	**736**	**682**	**654**	**809**
Norway									
Mobile		143	132	27	63	65	–12	41	10
Fixed telephony		84	113	13	18	26	27	27	28
Fixed broadband		–39	–77	–1	–7	–11	–20	–14	–14
		188	**168**	**39**	**74**	**80**	**–5**	**54**	**24**
Russia									
Mobile		2,368	1,526	645	628	577	518	440	428
		2,368	**1,526**	**645**	**628**	**577**	**518**	**440**	**428**
Estonia									
Mobile		333	348	64	94	87	88	96	83
Fixed telephony		2	–1	1	–	–	1	–	–4
Other operations		10	3	4	3	2	1	1	4
		345	**350**	**69**	**97**	**89**	**90**	**97**	**83**
Lithuania									
Mobile		483	387	124	116	121	122	66	111
Fixed telephony		4	3	1	1	1	1	1	1
Fixed broadband		5	4	2	1	1	1	1	1
		492	**394**	**127**	**118**	**123**	**124**	**68**	**113**
Latvia									
Mobile		646	738	158	165	160	163	157	211
		646	**738**	**158**	**165**	**160**	**163**	**157**	**211**
Croatia									
Mobile		–363	–331	–108	–77	–83	–95	–83	–77
		–363	**–331**	**–108**	**–77**	**–83**	**–95**	**–83**	**–77**
France									
Mobile		6	–249	6	6	30	–36	–72	–6
		6	**–249**	**6**	**6**	**30**	**–36**	**–72**	**–6**
Netherlands									
Mobile		163	106	56	41	40	26	33	27
Fixed telephony		332	198	95	98	77	62	73	23
Fixed broadband		509	419	128	129	145	107	116	136
Other operations		154	120	45	50	43	16	24	32
		1,158	**843**	**324**	**318**	**305**	**211**	**246**	**218**
Germany									
Fixed telephony	2	739	487	201	205	185	148	169	93
Fixed broadband		–270	–554	–63	–45	–75	–87	–165	–147
Other operations		22	29	6	3	4	9	3	11
		491	**–38**	**144**	**163**	**114**	**70**	**7**	**–43**
Austria									
Fixed telephony	1–2	129	202	31	28	37	33	26	47
Fixed broadband	1–2	–135	–215	5	–8	–30	–102	–73	–47
Other operations		23	55	5	4	8	6	12	6
		17	**42**	**41**	**24**	**15**	**–63**	**–35**	**6**
Other									
Other operations		–97	–69	10	–70	–44	7	–51	–16
		–97	**–69**	**10**	**–70**	**–44**	**7**	**–51**	**–16**
TOTAL									
Mobile		**6,425**	**5,257**	**1,580**	**1,750**	**1,689**	**1,406**	**1,323**	**1,487**
Fixed telephony		**1,686**	**1,404**	**454**	**452**	**423**	**357**	**356**	**294**
Fixed broadband		**–20**	**–534**	**78**	**78**	**–18**	**–158**	**–190**	**–92**
Other operations		**98**	**182**	**61**	**–32**	**8**	**61**	**–7**	**61**
		8,189	6,309	2,173	2,248	2,102	1,666	1,482	1,750
Divested operations	9	–14	11	–5	–2	–1	–6	–64	–3
TOTAL CONTINUING OPERATIONS		8,175	6,320	2,168	2,246	2,101	1,660	1,418	1,747
Discontinued operations	10	292	629	19	89	86	98	386	245
TOTAL OPERATIONS		**8,467**	**6,949**	**2,187**	**2,335**	**2,187**	**1,758**	**1,804**	**1,992**

EBIT

SEK million	Note	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Sweden									
Mobile		2,065	1,936	479	582	535	469	481	537
Fixed telephony		318	321	94	84	77	63	38	87
Fixed broadband		−440	−371	−119	−65	−125	−131	−128	−86
Other operations		−118	−28	−52	−42	−26	2	−17	7
		1,825	**1,858**	**402**	**559**	**461**	**403**	**374**	**545**
Norway									
Mobile		75	120	6	41	45	−17	35	9
Fixed telephony		76	103	11	16	23	26	24	25
Fixed broadband		−72	−98	−9	−16	−19	−28	−19	−21
		79	**125**	**8**	**41**	**49**	**−19**	**40**	**13**
Russia									
Mobile		1,834	990	501	492	457	384	290	280
		1,834	**990**	**501**	**492**	**457**	**384**	**290**	**280**
Estonia									
Mobile		255	285	40	80	63	72	77	67
Fixed telephony		1	−1	−	−	−	1	−	−4
Other operations		10	2	4	3	3	−	−	4
		266	**286**	**44**	**83**	**66**	**73**	**77**	**67**
Lithuania									
Mobile		401	314	102	96	101	102	47	93
Fixed telephony		4	2	1	1	1	1	−	−
Fixed broadband		2	1	1	−	1	−	−	1
		407	**317**	**104**	**97**	**103**	**103**	**47**	**94**
Latvia									
Mobile		556	652	131	144	139	142	136	191
		556	**652**	**131**	**144**	**139**	**142**	**136**	**191**
Croatia									
Mobile		−446	−388	−131	−98	−103	−114	−98	−92
		−446	**−388**	**−131**	**−98**	**−103**	**−114**	**−98**	**−92**
France									
Mobile		3	−251	6	4	29	−36	−73	−6
		3	**−251**	**6**	**4**	**29**	**−36**	**−73**	**−6**
Netherlands									
Mobile		143	99	46	39	37	21	31	26
Fixed telephony		250	97	74	78	58	40	33	1
Fixed broadband		−435	−513	−101	−99	−98	−137	−112	−100
Other operations		103	62	32	38	30	3	9	18
		61	**−255**	**51**	**56**	**27**	**−73**	**−39**	**−55**
Germany									
Fixed telephony	2	680	433	188	191	170	131	152	81
Fixed broadband		−364	−623	−76	−56	−112	−120	−192	−166
Other operations		22	29	6	3	4	9	3	11
		338	**−161**	**118**	**138**	**62**	**20**	**−37**	**−74**
Austria									
Fixed telephony	1–2	31	100	14	4	7	6	−3	24
Fixed broadband	1–2	−300	−395	−31	−47	−74	−148	−118	−93
Other operations		−8	19	−5	−3	2	−2	4	−4
		−277	**−276**	**−22**	**−46**	**−65**	**−144**	**−117**	**−73**
Other									
Other operations		−138	−113	−2	−76	−58	−2	−62	−27
		−138	**−113**	**−2**	**−76**	**−58**	**−2**	**−62**	**−27**
TOTAL									
Mobile		**4,886**	**3,757**	**1,180**	**1,380**	**1,303**	**1,023**	**926**	**1,105**
Fixed telephony		**1,360**	**1,055**	**382**	**374**	**336**	**268**	**244**	**214**
Fixed broadband		**−1,609**	**−1,999**	**−335**	**−283**	**−427**	**−564**	**−569**	**−465**
Other operations		**−129**	**−29**	**−17**	**−77**	**−45**	**10**	**−63**	**9**
		4,508	**2,784**	**1,210**	**1,394**	**1,167**	**737**	**538**	**863**
One-off items	1–2	−1,754	−1,647	−66	−950	−738	−	−328	−1,319
Divested operations	9	97	200	41	−21	1	76	−169	1,013
TOTAL CONTINUING OPERATIONS		**2,851**	**1,337**	**1,185**	**423**	**430**	**813**	**41**	**557**
Discontinued operations	10	705	−944	201	683	−228	49	514	−952
TOTAL OPERATIONS		**3,556**	**393**	**1,386**	**1,106**	**202**	**862**	**555**	**−395**

EBIT, cont.

SEK million	Note	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
SPECIFICATION OF ITEMS BETWEEN EBITDA AND EBIT									
EBITDA		**8,175**	**6,320**	**2,168**	**2,246**	**2,101**	**1,660**	**1,418**	**1,747**
Impairment of goodwill	2	−986	−1,039	−19	−784	−183	–	−4	−1,035
Impairment of customer agreements	2	−47	–	−1	−46	–	–	–	–
Impairment of shares in joint ventures	2	−582	–	−16	−11	−555	–	–	–
Other one-off items	1-2	−139	−608	−30	−109	–	–	−324	−284
		−1,754	**−1,647**	**−66**	**−950**	**−738**	**–**	**−328**	**−1,319**
Divested operations									
Impairment of goodwill	2	–	−276	–	–	–	–	−1	−275
Sale of operations	3-4	112	739	47	−19	1	83	−88	1,352
Total one-off items		**−1,642**	**−1,184**	**−19**	**−969**	**−737**	**83**	**−417**	**−242**
Depreciation/amortization and other impairment		−3,470	−3,565	−934	−815	−855	−866	−900	−893
Result from shares in associated companies and joint ventures	5	−212	−234	−30	−39	−79	−64	−60	−55
EBIT		**2,851**	**1,337**	**1,185**	**423**	**430**	**813**	**41**	**557**

CAPEX

SEK million	Note	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Sweden									
Mobile	13	900	483	93	46	649	112	132	107
Fixed telephony		75	102	32	5	11	27	19	31
Fixed broadband		252	335	62	40	48	102	127	75
Other operations		71	69	18	8	30	15	39	13
		1,298	**989**	**205**	**99**	**738**	**256**	**317**	**226**
Norway									
Mobile		6	6	2	1	–6	9	2	1
Fixed telephony		2	–	1	1	–	–	–	–
Fixed broadband		24	57	10	6	3	5	20	15
		32	**63**	**13**	**8**	**–3**	**14**	**22**	**16**
Russia									
Mobile		1,699	1,537	613	498	342	246	352	327
		1,699	**1,537**	**613**	**498**	**342**	**246**	**352**	**327**
Estonia									
Mobile		194	108	65	46	44	39	43	33
		194	**108**	**65**	**46**	**44**	**39**	**43**	**33**
Lithuania									
Mobile		107	84	38	21	21	27	22	15
Fixed broadband		5	4	2	1	1	1	1	1
		112	**88**	**40**	**22**	**22**	**28**	**23**	**16**
Latvia									
Mobile		214	130	65	47	55	47	33	48
		214	**130**	**65**	**47**	**55**	**47**	**33**	**48**
Croatia									
Mobile		235	278	91	68	36	40	124	61
		235	**278**	**91**	**68**	**36**	**40**	**124**	**61**
France									
Mobile		–	4	–	–1	1	–	3	–
		–	**4**	**–**	**–1**	**1**	**–**	**3**	**–**
Netherlands									
Mobile		12	–	7	1	2	2	–	–
Fixed telephony		40	39	11	10	9	10	2	10
Fixed broadband		392	427	113	98	93	88	110	98
Other operations		30	28	8	8	7	7	7	6
		474	**494**	**139**	**117**	**111**	**107**	**119**	**114**
Germany									
Fixed telephony		2	2	–	1	–	1	–	–
Fixed broadband		5	40	–6	1	–1	11	11	11
		7	**42**	**–6**	**2**	**–1**	**12**	**11**	**11**
Austria									
Fixed telephony		48	47	27	6	2	13	32	5
Fixed broadband		99	101	51	15	14	19	29	30
Other operations		33	36	20	4	4	5	18	7
		180	**184**	**98**	**25**	**20**	**37**	**79**	**42**
Other									
Other operations		35	57	5	10	9	11	19	–8
		35	**57**	**5**	**10**	**9**	**11**	**19**	**–8**
TOTAL									
Mobile	13	**3,367**	**2,630**	**974**	**727**	**1,144**	**522**	**711**	**592**
Fixed telephony		**167**	**190**	**71**	**23**	**22**	**51**	**53**	**46**
Fixed broadband		**777**	**964**	**232**	**161**	**158**	**226**	**298**	**230**
Other operations		**169**	**190**	**51**	**30**	**50**	**38**	**83**	**18**
		4,480	3,974	1,328	941	1,374	837	1,145	886
Divested operations	9	1	146	–	–	1	–	6	29
TOTAL CONTINUING OPERATIONS		4,481	4,120	1,328	941	1,375	837	1,151	915
Discontinued operations	10	142	1,078	10	35	46	51	279	280
TOTAL OPERATIONS		**4,623**	**5,198**	**1,338**	**976**	**1,421**	**888**	**1,430**	**1,195**

CAPEX, cont.

SEK million	Note	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
ADDITIONAL CASH FLOW INFORMATION									
CAPEX according to cash flow statement		4,608	5,169	1,233	930	1,446	999	1,315	1,188
This year unpaid CAPEX and paid CAPEX from previous year									
Continuing operations		−1	48	87	32	−29	−91	68	–
Discontinued operations	10	−21	−37	–	9	−2	−28	45	3
Sales price in cash flow statement									
Continuing operations		37	17	18	5	6	8	1	4
Discontinued operations	10	–	1	–	–	–	–	1	–
CAPEX according to balance sheet		**4,623**	**5,198**	**1,338**	**976**	**1,421**	**888**	**1,430**	**1,195**

Key ratios

SEK million	2008	2007	2006	2005	2004
CONTINUING OPERATIONS					
Net sales	39,505	40,056	39,401	34,410	27,752
Number of customers (by thousands)	24,486	23,221	24,025	21,017	18,153
EBITDA	8,175	6,320	5,390	4,948	4,714
EBIT	2,851	1,337	181	2,419	2,693
EBT	1,838	606	−384	1,977	2,523
Net profit/loss	1,718	−382	−697	1,435	1,900
KEY RATIOS					
EBITDA margin, %	20.6	15.7	13.7	14.4	17.0
EBIT margin, %	7.2	3.3	0.5	7.0	9.7
VALUE PER SHARE (SEK)					
Earnings	3.82	−0.63	−1.29	3.25	4.29
Earnings after dilution	3.82	−0.63	−1.29	3.25	4.28
TOTAL (INCLUDING DISCONTINUED OPERATIONS)					
Shareholders' equity	28,201	26,849	29,123	35,368	32,900
Shareholders' equity after dilution	28,211	26,893	29,137	35,401	32,965
Total assets	47,133	48,648	66,164	68,291	49,873
Cash flow from operating activities	7,896	4,350	3,847	5,487	5,876
Cash flow after CAPEX	3,288	−819	−1,673	1,847	4,314
Available liquidity	17,248	25,901	5,963	8,627	5,113
Net debt	4,952	5,198	15,311	11,839	2,831
Investments in intangible and tangible assets, CAPEX	4,623	5,198	5,365	3,750	1,585
Investments in shares and long-term receivables, net	−1,928	−11,444	1,616	7,953	1,653
KEY RATIOS					
Equity/assets ratio, %	60	55	44	52	66
Debt/equity ratio, multiple	0.18	0.19	0.53	0.33	0.09
Return on shareholders' equity, %	8.8	−6.0	−11.3	6.9	10.8
Return on shareholders' equity after dilution, %	8.8	−6.0	−11.3	6.9	10.8
Return on capital employed, %	12.8	1.6	−5.5	8.3	11.6
Average interest rate, %	6.2	5.2	4.2	3.7	4.4
VALUE PER SHARE (SEK)					
Earnings	5.44	−3.75	−8.14	5.30	7.74
Earnings after dilution	5.43	−3.75	−8.14	5.29	7.73
Shareholders' equity	63.47	60.31	64.85	78.96	74.32
Shareholders' equity after dilution	63.44	60.34	64.84	78.93	74.29
Cash flow from operating activities	17.80	9.78	8.66	12.39	13.27
Dividend, ordinary	3.50[1]	3.15	1.83	1.75	1.67
Extraordinary dividend and redemption	1.50[1]	4.70	–	–	3.33
Market price at closing day	69.00	129.50	100.00	85.25	87.00

[1] Proposed dividend

Parent company

INCOME STATEMENT

SEK million	2008	2007
Net sales	30	30
Administrative expenses	−160	−167
Operating profit/loss, EBIT	**−130**	**−137**
Dividend from group company	–	13,000
Exchange rate difference on financial items	−445	−396
Net interest expenses and other financial items	356	265
Profit/loss after financial items, EBT	**−219**	**12,732**
Tax on profit/loss	49	100
NET PROFIT/LOSS	**−170**	**12,832**

BALANCE SHEET

SEK million	Note	Dec 31, 2008	Dec 31, 2007
ASSETS			
FIXED ASSETS			
Financial assets		35,529	27,192
FIXED ASSETS		35,529	27,192
CURRENT ASSETS			
Current receivables		64	13,139
Short-term investments		–	250
Cash and cash equivalents		2	15
CURRENT ASSETS		66	13,404
ASSETS		35,595	40,596
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Restricted equity	8	17,460	17,459
Unrestricted equity	8	11,185	15,689
SHAREHOLDERS' EQUITY	8	28,645	33,148
LONG-TERM LIABILITIES			
Interest-bearing liabilities		2,606	5,152
LONG-TERM LIABILITIES		2,606	5,152
SHORT-TERM LIABILITIES			
Interest-bearing liabilities		4,244	2,154
Non-interest-bearing liabilities		100	142
SHORT-TERM LIABILITIES		4,344	2,296
EQUITY AND LIABILITIES		35,595	40,596

Notes

ACCOUNTING PRINCIPLES AND DEFINITIONS

For the Group, the full-year report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act, and for the parent company in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2.1 Reporting for legal entities.

As a result of the changed strategic focus and divestment of a number of operations in 2007, t2 has in Q1 2008 chosen to change the reporting of the primary segment from market area level to country level. This change corresponds with the internal reporting to the Board and management. Segment *Other* mainly includes the parent companY t2 AB, operations in the UK, Datametrix, Radio Components and Procure IT Right.

t2 has in Q1 2008 chosen to change the denition of the following business areas (previous periods have been adjusted retrospectively). The *Fixed telephony* business area includes resold products within fixed telephony. The product portfolio within resold fixed telephony consists of prefix telephony, pre-selection (dial the number without a prefix) and subscription. The *Fixed broadband* business area includes direct access & LLUB, i.e. our own services based on access via copper cable, and other forms of access, such as cable TV networks, DNS networks, wireless broadband and metropolitan area networks. Fixed broadband also includes resold broadband while mobile internet is included in business area *Mobile*. The product portfolio within direct access & LLUB includes telephony services (including IP telephony), internet access services (including t2's own ADSL) and TV services.

Divestment of the total operations in a country will be reported as discontinued operations according to IFRS 5, from January 1, 2008. This is an effect of the transition from reporting at market area level to country level. Divestments up to 2007, which have not previously been reported as discontinued operations, do not amount to a material part of the respective market area and are reported as divested companies in a separate line within continuing operations.

t2 has, in all other respects, presented its interim report in accordance with the accounting principles and calculation methods used in the 2007 Annual Report. Definitions are found in the 2007 Annual Report.

NOTE 1 NET SALES

In Q4 2008, net sales in t2 Sweden were reduced bY SEK 32 million related to interconnect disputes with TeliaSonera and a number of other operators. The amount is reported as a one-off item.

In Q3 2008, net sales in t2 Sweden were reduced bY SEK 58 million due to a revaluation regarding t2's claim on TeliaSonera concerning a number of disputes. The amount is reported as a one-off item and concerns the interconnect disputes between the Years 2000–2004. In Q4 2007, net sales in t2 Sweden were reduced by SEK 200 million concerning these disputes and were reported as a one-off item. In Q1 2008, the Supreme Administrative Court decided to refuse appeal in one of the disputes hence from a cash ow view t2 has paid SEK 533 million to TeliaSonera in Q2 2008. Decision by the district court in the case of t2's claims on TeliaSonera is eXpected in 2009.

Net sales were negatively impacted in Q1 2008 by SEK 61 million in the Austrian fixed broadband operations due to revaluation of reserves.

NOTE 2 OPERATING EXPENSES

In Q4 2008 fixed telephony in Germany was positively affected by SEK 26 million concerning a final settlement in the dispute with Deutsche Post and negatively by SEK 23 million related to other disputes. The dispute with Deutsche Post was reported as a negative effect of SEK 52 million in Q1 2008.

In Q3 2008 t2 Netherlands was positivelY affected bY SEK 63 million concerning a settlement with Versatel AG/APAX mainly related to the valuation of stock options for tax purposes. The amount is reported as a one-off item. In Q4 2007 the costs for the Netherlands were increased by SEK 124 million following The Supreme Court in The Hague ruled negativelY on t2 Netherlands Holding N.V.'s (formerly Versatel) appeal regarding the dispute with the tax authorities about the valuation of the stock options for tax purposes. The amount was reported as one-off items.

In Q4 2007 EBITDA was effected negatively by SEK 34 million, attributable to the fixed telephony and fixed broadband operation in Austria, due to revaluation of reserves.

DEPRECIATION/AMORTIZATION AND IMPAIRMENT

In Q4 2008 t2 Sweden recognized impairment losses on Xed assets of SEK 70 million mainly related to the cable TV network.

In Q3 2008 t2 recognized goodwill impairment losses of SEK 783 (1,310) million, related to operations stated below, impairment loss of SEK 46 million related to customer agreements in Austria and SEK 114 (284) million attributable to impairment loss of central IT-systems in Sweden.

Due to the existing severe competitive market situation for broadband in GermanY, in Q2 2008 t2 performed an impairment test that resulted in reported impairment losses in the quarter related to goodwill SEK 183 million and in investment in joint venture Plusnet of SEK 555 million.

Continuing Note 2

SEK million	2008 Full year	2008 Q4	2008 Q3	2008 Q2	2007 Full year	2007 Q4	2007 Q3
Austria	799	16	783	–	291	1	290
Germany	187	3	1	183	572	2	570
Netherlands	–	–	–	–	176	1	175
	986	**19**	**784**	**183**	**1,039**	**4**	**1,035**
Divested operations							
Belgium	–	–	–	–	276	1	275
Total impairment of goodwill	**986**	**19**	**784**	**183**	**1,315**	**5**	**1,310**

The impairment loss of goodwill, SEK 799 million, and customer agreements, SEK 47 million, in Austria is related to increased and severe competition from mobile internet providers for internet access services in Austria.

The impairment loss of IT-systems in Sweden, SEK 114 million, is related to the expectation that utilization of common billing systems will be lower than planned, included reduced expectations on customer stock in Austria, and due to the sale of the operations in Poland.

NOTE 3 SALE OF OPERATIONS, PROFIT

t2 has reported the following capital gains from the divestment of operations.

SEK million	2008 Full year	2008 Q4	2008 Q3	2008 Q1	2007 Full year	2007 Q4	2007 Q3
MVNO operations Austria	49	10	–	39	–	–	–
Irkutsk, Russia	–	–	–	–	1,179	11	1,168
Denmark	15	15	–	–	318	9	309
Hungary	5	5	–	–	17	17	–
Belgium	58	8	1	49	–	–	–
Uni2 Denmark	−5	−3	–	−2	45	6	39
Portugal	3	3	–	–	3	−3	6
Total	**125**	**38**	**1**	**86**	**1,562**	**40**	**1,522**

NOTE 4 SALE OF OPERATIONS, LOSS

t2 has reported the following capital losses from the divestment of operations.

SEK million	2008 Full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Full year	2007 Q4	2007 Q3	2007 Q2	2007 Q1
Alpha Telecom/Calling Card company	−13	−1	−12	–	–	−629	−99	−10	−520	–
3C Communications	1	–	1	–	–	−136	−3	−133	–	–
Belgium	–	–	–	–	–	−20	–	−20	–	–
Datametrix Norway	−1	–	1	1	−3	−12	–	−7	–	−5
Portugal	–	10	−10	–	–	–	–	–	–	–
Other	–	–	–	–	–	−26	−26	–	–	–
Total	**−13**	**9**	**−20**	**1**	**−3**	**−823**	**−128**	**−170**	**−520**	**−5**

NOTE 5 CONTINGENT LIABILITIES

SEK million	2008 Dec 31	2007 Dec 31
Tax dispute S.E.C. SA liquidation	4,651	4,456
Guarantee related to joint ventures		
– Svenska UMTS-nät, Sweden	2,021	1,838
– Plusnet, Germany	–	47
– Mobile Norway, Norway	33	28
Other commitments	1	1
Total contingent liabilities	**6,706**	**6,370**

In 2000, t2 acquired the outstanding majoritY of the listed company S.E.C. SA. The assets and liabilities of S.E.C. SA were, in connection with a restructuring in 2001, transferred to a new legal entity. At the time of the transfer an independent valuation was carried out. The valuation showed a decrease in the market value of the assets. As a result, t2 claimed a taX deduction for the realized loss of SEK 13.9 billion. The tax authorities did not agree and t2's taX return was rejected in December, 2004. The decision was appealed to the County Administrative Court in 2005.

The County Administrative Court held an oral hearing in November, 2008. On January 27, 2009, the County Administrative Court declined t2's appeal. The Court concluded that t2 had not proved that the loss should be considered real. t2's opinion is that the prerequisites for a deduction have been fulfilled and the decision by the County Administrative Court will be appealed to the Administrative Court of Appeal.

If the CountY Administrative Court of Appeal declines t2's appeal and the Supreme Administrative Court, in connection with an appeal of the County Administrative Court of Appeal's decision, decide not to accept the case the result will be an increased tax payment of SEK 3.9 billion, excluding interest, since the capital loss has already been deducted against earlier years' profits. The interest is estimated to amount to SEK 741 (546) million at December 31, 2008.

In Q2 2008, the guarantee for the benefit of Plusnet has been replaced by a deposit in a restricted bank account of SEK 109 million.

Additional contractual commitments and liabilities related to the joint venture Plusnet and Mobile Norway are stated in Note 35 in the Annual Report for 2007.

NOTE 6 OTHER OPERATING INCOME AND OTHER OPERATING EXPENSES

Service contracts and sales of capacity to sold operations are included in other operating income as well as in other operating expenses as set out below.

SEK million	2008 Full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Full year
Other operating income	334	74	77	82	101	50
Other operating expenses	−288	−64	−74	−70	−80	−44
Total service contracts and sales of capacity to sold operations, net	**46**	**10**	**3**	**12**	**21**	**6**

TELE2

NOTE 7 TAXES

In Q4 2008, a revaluation of deferred tax assets was reported negatively affecting the income statement by a net of SEK 143 million due to reduced income tax rates in Sweden and Russia.

The tax cost has during 2008 been affected positively with SEK 676 million as a result of that write-downs of shares in group companies are tax deductible in the legal entity in Luxembourg and no temporary differences exist relating to these investments.

In Q3 2008 net taxes has been positively affected by SEK 102 million as a result of valuation of deferred tax assets related to continued improved earnings in Russia.

In Q2 2007, a revaluation of deferred tax assets was reported affecting the income statement by SEK –228 million, of which SEK –193 million was related to reduced income tax rate in Germany. In Q3 2007, in connection with the impairment of goodwill according to Note 2, an additional write-down of tax assets for t2 GermanY was reported, affecting the income statement bY SEK –599 million.

NOTE 8 SHARES AND CONVERTIBLES

In Q3 2008 t2 has repurchased own shares of Series B of 4,500,000, corresponding to 1 percent of all shares in t2, for a cost of SEK 462 million. The Board of Directors will propose to cancel the repurchased shares at the next Annual General Meeting.

In order to ensure delivery of shares under the incentive program 2008–2011 t2 has, in Q3 2008, issued 850,000 Class C shares through a directed placement at a subscription price corresponding to a quota value of SEK 1.25 per share, a total of SEK 1 million. The Class C shares are not entitled to dividends and represent one vote each. t2 has immediatelY after the issue repurchased all Class C shares at a price corresponding to the subscription price.

During the year, 182,839 class A shares were reclassified into class B shares. The reclassification was made in accordance with the resolution passed at the Annual General Meeting on May 10, 2006.

t2 has, in Q2 2008, paid a dividend of SEK 7.85 per share, corresponding to a total of SEK 3,492 million, of which ordinary dividend SEK 1,401 million and extraordinary dividend SEK 2,091 million.

INCENTIVE PROGRAM 2008–2011

The Annual General Meeting on May 14, 2008, approved an incentive program for allocation to senior executives and other key emploYees in the t2 Group.

The incentive program ("the Plan") includes a total of approximately 80 senior executives and other key employees within the t2 Group. The participants in the Plan are required to own shares in t2. These shares can either be shares alreadY held or shares purchased on the market in connection with notification to participate in the Plan. Thereafter the participants have been granted, free of charge, retention rights and performance rights on the terms stipulated below.

For each share held under the Plan, the participants will be granted retention rights and performance rights by the company. Subject to fulfilment of certain retention and performance based conditions during the period April 1, 2008 – March 31, 2011 (the "Measure Period"), the participant maintaining the employment within the t2 Group at the date of the release of the interim report January – March 2011 and subject to the participant maintaining the invested shares, each retention right and performance right entitles the employee to receive one Class B share in the company. Dividends paid on the underlying share will increase the number of retention and performance shares being allotted in order to treat the shareholders and the participants equally. The participant's maximum profit per right in the Plan is limited to SEK 540, five times the average closing share price of the t2 Class B shares during March 2008 (SEK 108).

The Board of Directors was authorized during the period until the next Annual General Meeting, to increase the company's share capital by not more than SEK 1,062,500 by the issue of not more than 850,000 Class C shares, each with a ratio value of SEK 1.25. The new issue was performed during Q3 2008. Moreover, it was resolved to authorise the Board of Directors, during the period until the next Annual General Meeting, to repurchase the new Class C shares, which was performed in Q3 2008. The purpose of the repurchase is to ensure the delivery of Class B shares under the Plan. Further, it was resolved that Class C shares that the Company purchases by virtue of the authorisation to repurchase its own shares, following reclassification into Class B shares, may be transferred to participants in accordance with the terms of the Plan.

The Plan comprise, at the three allocation dates, a total number of 134,818 shares and the following number of rights for the different Groups: a) 16,000 shares and 7 rights per invested share for the CEO, b) 20,000 shares and 6 rights per invested share for other senior executives (5 persons) and c) 98,818 shares and 4 rights per invested share for other participants (63 persons).

In Q4 2008 allocation has been done to President and CEO Harri Koponen and key employees in Russia.

Number of rights	2008 May 30–Dec 31
Allocated May 30, 2008	384,400
Allocated October 24, 2008	56,000
Allocated December 19, 2008	186,872
Total allocated	**627,272**
Forfeited	–16,000
Total outstanding rights	**611,272**

Total costs before tax for outstanding rights in the incentive program are expensed as they arise over a three-year period, and these costs are expected to amount to SEK 40 million, of which SEK 11 million has been expensed in 2008.

The estimated average fair value of the granted rights was SEK 108.10 on the grant date, May 30, 2008, SEK 41.20 on October 24, 2008 and SEK 41.00 on December 19, 2008. The calculation of the fair values has been carried out by external analysts. The following variables have been used where Serie A is based on total shareholder return (TSR), Serie B is based on the company's average normalised return on capital employed (ROCE) and Serie C is based on total shareholder return (TSR) compared to a peer Group.

	Serie A	Serie B	Serie C
Annual turnover of personnel	7.0%	7.0%	7.0%
Expected value reduction parameter fulfilment	–	50%	–
Allocation May 30, 2008:			
Weighted average share price	128.60	128.60	128.60
Expected life	2.91 years	2.91 years	2.91 years
Expected value reduction parameter market condition	90%	–	65%
Allocation October 24, 2008:			
Weighted average share price	65.60	65.60	65.60
Expected life	2.50 years	2.50 years	2.50 years
Expected value reduction parameter market condition	35%	–	35%
Allocation December 19, 2008:			
Weighted average share price	69.00	69.00	69.00
Expected life	2.35 years	2.35 years	2.35 years
Expected value reduction parameter market condition	35%	–	35%

Continuing Note 8

Value reduction parameter for market condition is evaluated to be 50 percent at December 31, 2008.

INCENTIVE PROGRAM 2007–2012

Number of options	Jan 1 2008– Dec 31, 2008	Aug 28, 2007– Dec 31, 2008
Allocated August 28, 2007		3,552,000
Outstanding as of January 1, 2008	3,489,000	
Forfeited	−666,000	−729,000
Total outstanding stock options	**2,823,000**	**2,823,000**

During Q3 2008 the incentive program for 2007–2012 has been supplemented with a possibility to receive a bonus, as a compensation for the extra ordinary dividend paid during 2008. Total costs before tax for outstanding stock options in the incentive program are expensed as they arise over a three-year period, and these costs are expected to amount to SEK 49 million, of which SEK 6 million was expensed in 2007 and SEK 15 million in 2008.

INCENTIVE PROGRAM 2006–2011

	Stock options		Warrants	
Number of options	Jan 1 2008– Dec 31, 2008	Mar 6, 2006 – Dec 31, 2008	Jan 1 2008– Dec 31, 2008	Mar 6, 2006 – Dec 31, 2008
Allocated March 6, 2006		1,504,000		752,000
Outstanding as of January 1, 2008	1,164,000		717,000	
Forfeited	−230,000	−570,000	−80,000	−115,000
Total outstanding	**934,000**	**934,000**	**637,000**	**637,000**

During Q3 2008 the incentive program for 2006–2011 has been supplemented with a possibility to receive a bonus, as a compensation for the extra ordinary dividend paid during 2008. Total costs before tax for outstanding stock options and warrants in the incentive program are expensed as they arise over a three-year period, and these costs are expected to amount to SEK 25 million, of which SEK 7 million was expensed in 2006, SEK 8 million in 2007 and SEK 8 million in 2008.

NOTE 9 BUSINESS ACQUISITIONS AND DIVESTMENTS

Acquisitions and divestments of shares and participations affecting cash flow are the following.

SEK million	2008 Jan 1–Dec 31
Acquisitions	
Netherlands, minority interest	−416
Kaliningrad, Russia	−103
Adigeja, Russia	−14
Other acquisitions	−2
	−535
Divestments	
Luxembourg and Liechtenstein	1,955
Switzerland	254
Poland	220
Austria, MVNO	20
Managest Media, associated company	23
	2,472
Other	
Capital contribution to joint venture companies	−141
Other cash flow changes in shares and participations	−199
	−340
TOTAL CASH FLOW EFFECT	**1,597**

ACQUISITIONS

Netherlands

During 2008 t2 increased its shares in t2 Netherlands (formerly Versatel) by an additional 0.85 percent and is now holding 99.66 percent of the shares. The purchase price amounted to SEK 77 million. An additional SEK 339 million was paid during the first quarter 2008 as settlement for shares purchased in 2007.

Kaliningrad, Russia

On November 27, 2008, t2 acquired all shares in Teleset Ltd, UTel and Digital Expansion, with an 1800 MHz GSM-license in the Russian region Kaliningrad for SEK 103 million. The customer base in the acquired companies was 4,000 mobile telephony customers. During 2008 the acquisition has had no impact on t2's nancial statements.

Kaliningrad is one of Russia's fastest growing regions. Goodwill in connection with the acquisition is related to economies of scale and sYnergies through integration in t2 Russia's eXisting operation with a successful brand and product strategies in the Russian market.

Adigeja, Russia

On FebruarY 22, 2008 t2 acquired all shares in Adigeja Cellular Communications with an 1800 MHz GSM-license in the Russian region Adigeja for SEK 14 million. Adigeja is a small enclave inside Krasnodar. During 2008 the acquisition has had no impact on t2's nancial statements.

Goodwill in connection with the acquisition is related to economies of scale and sYnergies through integration in t2 Russia's existing operation with a successful brand and product strategies in the Russian market.

Other acquisitions

In JulY, 2008 t2 acquired the remaining 49 percent in t2 Retail Latvia for SEK 2 million.

Assets, liabilities and contingent liabilities included in the acquired companies are as follows:

	Kaliningrad, Russia		
SEK million	Accounting value at the time of the acquisition	Adjustment to fair value	Fair value
Customer contracts	–	1	1
Licenses	–	53	53
Tangible assets	18	–	18
Deferred tax assets	16	–	16
Current receivables	43	–	43
Deferred tax liabilities	–	−11	−11
Other long-term liabilities	−164	25	−139
Short-term liabilities	−68	–	−68
Net acquired assets	**−155**	**68**	**−87**
Goodwill			100
Purchase price shares			**13**
Debt in acquired companies			130
Acquisition price			**143**
Liabilities to former owners			−40
NET EFFECT ON GROUP CASH ASSETS			**103**

The information above and pro forma below are to be viewed as preliminary.

DIVESTMENTS

Discontinued operations

During 2008 t2 has announced the sale of its operations in Luxembourg, Liechtenstein, Switzerland and Poland. The divested operations have been reported as discontinued operations; please refer to Note 10 for additional information.

Austria, MVNO

On October 8, 2007 t2 announced its divestment of the mobile operation in t2 Austria. The sale was completed on March 31, 2008 after receiving approval from the regulatory authorities. The sales price was SEK 20 million which affected the cash ow in Q2 2008. The operation has affected t2 's net sales year-to-date by SEK 19 (45) million, EBITDA by SEK −6 (−94) million and net profit/loss by SEK −7 (−105) million in addition to a capital gain of SEK 49 million.

Since the divested operation above, was not a significant part of t2's result and nancial position, separate reporting in the income statement according to IFRS 5, has not been made.

Managest Media, associated company
On August 2008 t2 divested the shares in the associated company Managest Media for SEK 23 million.

Other
Other cash flow changes in shares and participations include settlements of sales costs and price adjustments in the amount of SEK –199 million, for divestments during 2007. For additional information on divested operations during 2007 please refer to the Q4 2007 Interim Report.

Net assets at the time of divestment
Assets, liabilities and contingent liabilities included in the divested operations at the time of divestment are stated below.

SEK million	Luxembourg and Liechtenstein	Switzerland	Poland	Austria MVNO	Total
Goodwill	590	108	195	–	893
Other intangible assets	84	22	3	–	109
Tangible assets	259	236	45	9	549
Deferred tax receivables	6	–	–	21	27
Long-term receivables	–	–	1	–	1
Material and supplies	9	3	–	1	13
Current receivables	431	213	131	6	781
Cash and cash equivalents	63	80	74	–	217
Exchange rate differences	–86	–157	47	–	–196
Deferred tax liabilities	–21	–14	–	–	–35
Long-term liabilities	–17	–126	–	–	–143
Short-term liabilities	–489	–256	–135	–57	–937
Divested net assets	**829**	**109**	**361**	**–20**	**1,279**
Capital gain/loss	1,126	118	–31	49	1,262
Sales price, net sales costs	**1,955**	**227**	**330**	**29**	**2,541**
Sales costs etc, non-cash	63	–20	–36	–9	–2
Payment of debts in divested operations	–	127	–	–	127
Less: cash in divested operations	–63	–80	–74	–	–217
TOTAL CASH FLOW EFFECT	**1,955**	**254**	**220**	**20**	**2,449**

PRO FORMA
The table below shows the effect of the acquired and divested companies and operations at December 31, 2008 on t2's net sales and result, had they been acquired or divested at January 1, 2008.

	Jan 1–Dec 31, 2008			
SEK million	t2 Group[1]	Acquired companies before the time of the acquisition	Excluding divested companies and operations[1]	t2 Group, pro forma
Net sales	39,505	7	–30	39,482
EBITDA	8,175	–8	14	8,181
Net profit/loss	1,718	–27	–99	1,592

[1] Less t2 Switzerland, Poland, Luxembourg and Liechtenstein since these are reported as discontinued operations

NOTE 10 DISCONTINUED OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE

The following divestments have been reported separately as discontinued operations in the income statement, with a retrospective effect on previous periods, and in the balance sheet during 2008 according to IFRS 5-*Non-current assets held for sale and discontinued operations*.

SWITZERLAND
On September 29, 2008 t2 announced the sale of its operations in Switzerland for SEK 275 million. The sale was completed on November 21, 2008 after approval from the regulatory authorities.

In Q3 2008 t2 recognized goodwill impairment loss of SEK 450 million, related to t2 Switzerland. The impairment reects the difference between sales price and assets sold. During Q4 2008, a capital gain of SEK 118 million has been reported as discontinued operations, whereof a gain of SEK 144 million is related to a reversal of exchange rate differences previously reported directly in equity.

POLAND
On June 30, 2008 t2 announced the sale of its operations in Poland for SEK 397 million. The sale was completed on September 15, 2008 after approval from the regulatory authorities.

An impairment of goodwill regarding the operations in Poland has been reported during Q2 2008 amounting to SEK 269 million. The impairment reflects the difference between sales price and assets sold. During 2008, a capital loss of SEK 31 million has been reported as discontinued operations, whereof a loss of SEK 45 million is related to a reversal of exchange rate differences previously reported directly in equity.

LUXEMBOURG AND LIECHTENSTEIN
On June 26, 2008 t2 announced the sale of its operations in Luxembourg and Liechtenstein for SEK 1,997 million. The sale was completed on August 5, 2008 after approval from the regulatory authorities.

During 2008, a capital gain of SEK 1,126 million has been reported as discontinued operations, whereof a gain of SEK 98 million is related to a reversal of exchange rate differences previously reported directly in equity.

FRANCE, ITALY AND SPAIN
The discontinued operations during 2007 comprised the fixed and broadband business in France as well as t2's operations in Italy and Spain.

During 2008, an additional capital gain of SEK 53 million has been reported as discontinued operations, regarding these divestments.

Continuing Note 10

INCOME STATEMENT

Income statement for discontinued operations is stated below.

SEK million	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Net sales	2,481	12,577	144	597	865	875	2,223	2,767
Operating expenses	−2,333	−12,707	−134	−536	−832	−831	−1,981	−2,704
Impairment of goodwill	−719	−1,370	−16	−440	−263	–	−5	−1,290
Sale of operations, profit	1,297	542	173	1,124	–	–	273	269
Sale of operations, loss	−31	–	32	−63	–	–	–	–
Other operating income	18	24	3	3	5	7	7	7
Other operating expenses	−8	−10	−1	−2	−3	−2	−3	−1
EBIT	**705**	**−944**	**201**	**683**	**−228**	**49**	**514**	**−952**
Net interest	8	6	–	1	5	2	–	2
Other financial items	–	−1	–	–	–	–	–	−1
EBT	**713**	**−939**	**201**	**684**	**−223**	**51**	**514**	**−951**
Tax on profit/loss	2	−448	−3	4	3	−2	−404	−94
NET PROFIT/LOSS	**715**	**−1,387**	**198**	**688**	**−220**	**49**	**110**	**−1,045**
Earnings per share (SEK)	1.62	−3.12	0.45	1.55	−0.49	0.11	0.24	−2.34
Earnings per share, after dilution (SEK)	1.61	−3.12	0.45	1.54	−0.49	0.11	0.24	−2.34

CASH FLOW STATEMENT

Cash flow statement for discontinued operations is stated below.

SEK million	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
OPERATING ACTIVITIES								
Cash flow from operations	304	613	20	92	93	99	491	150
Changes in working capital	−6	−182	15	−17	15	−19	−98	8
CASH FLOW FROM OPERATING ACTIVITIES	**298**	**431**	**35**	**75**	**108**	**80**	**393**	**158**
INVESTING ACTIVITIES								
Capital expenditure in intangible and tangible assets, CAPEX	−163	−1,114	−10	−26	−48	−79	−233	−277
Cash flow after CAPEX	***135***	***−683***	***25***	***49***	***60***	***1***	***160***	***−119***
Sale of shares and participations	2,429	9,678	358	2,212	−141	–	6,741	2,937
Changes of long-term receivables	–	10	–	–	–	–	−14	25
Cash flow from investing activities	**2,266**	**8,574**	**348**	**2,186**	**−189**	**−79**	**6,494**	**2,685**
CASH FLOW AFTER INVESTING ACTIVITIES	**2,564**	**9,005**	**383**	**2,261**	**−81**	**1**	**6,887**	**2,843**
FINANCING ACTIVITIES								
Changes of loans, net	–	29	–	–	–	–	4	−5
Cash flow from financing activities	**–**	**29**	**–**	**–**	**–**	**–**	**4**	**−5**
NET CHANGE IN CASH AND CASH EQUIVALENTS	**2,564**	**9,034**	**383**	**2,261**	**−81**	**1**	**6,891**	**2,838**
Taxes paid included in cash flow from operation	–	−40	–	–	–	–	62	−71

Continuing Note 10

NUMBER OF CUSTOMERS

Thousands	Number of customers 2008 Dec 31	2007 Dec 31	Net intake 2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Mobile	–	301	–	–3	20	28	8	11
Fixed telephony	–	1,098	–4	–27	–26	–35	–172	–284
Fixed broadband	–	101	–	–	8	6	92	84
	–	**1,500**	**–4**	**–30**	**2**	**–1**	**–72**	**–189**
Divested companies			–466	–1,001	–	–	–2,969	–2,718
Total customers/net intake	**–**	**1,500**	**–470**	**–1,031**	**2**	**–1**	**–3,041**	**–2,907**

NET SALES

SEK million	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Mobile	668	974	32	123	264	249	242	258
Fixed telephony	1,469	7,178	83	384	492	510	1,097	1,382
Fixed broadband	244	3,691	28	67	75	74	718	931
Other operations	207	1,270	8	50	73	76	222	300
	2,588	**13,113**	**151**	**624**	**904**	**909**	**2,279**	**2,871**
Internal sales, elimination	**–107**	**–536**	**–7**	**–27**	**–39**	**–34**	**–56**	**–104**
Total net sales	**2,481**	**12,577**	**144**	**597**	**865**	**875**	**2,223**	**2,767**

EBITDA

SEK million	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Mobile	–46	46	–7	3	–28	–14	–6	11
Fixed telephony	350	1,210	26	91	110	123	360	238
Fixed broadband	–29	–733	–	–9	–2	–18	20	–38
Other operations	17	106	–	4	6	7	12	34
Total EBITDA	**292**	**629**	**19**	**89**	**86**	**98**	**386**	**245**

EBIT

SEK million	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Mobile	–125	–70	–11	–9	–60	–45	–35	–21
Fixed telephony	305	939	23	80	95	107	310	179
Fixed broadband	–39	–1,093	–1	–12	–6	–20	–42	–125
Other operations	17	108	1	3	6	7	13	36
	158	**–116**	**12**	**62**	**35**	**49**	**246**	**69**
Impairment of goodwill	–719	–1,370	–16	–440	–263	–	–5	–1,290
Sale of operations, profit	1,297	542	173	1,124	–	–	273	269
Sale of operations, loss	–31	–	32	–63	–	–	–	–
Total EBIT	**705**	**–944**	**201**	**683**	**–228**	**49**	**514**	**–952**
Specification of items between EBITDA and EBIT								
EBITDA	**292**	**629**	**19**	**89**	**86**	**98**	**386**	**245**
Impairment of goodwill	–719	–1,370	–16	–440	–263	–	–5	–1,290
Sale of operations	1,266	542	205	1,061	–	–	273	269
Total one-off items	**547**	**–828**	**189**	**621**	**–263**	**–**	**268**	**–1,021**
Depreciation/amortization and other impairment	–134	–745	–7	–27	–51	–49	–140	–176
EBIT	**705**	**–944**	**201**	**683**	**–228**	**49**	**514**	**–952**

CAPEX

SEK million	2008 full year	2007 full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
Mobile	128	129	10	32	37	49	67	21
Fixed telephony	5	103	–	2	2	1	29	20
Fixed broadband	9	846	–	1	7	1	183	239
Total CAPEX	**142**	**1,078**	**10**	**35**	**46**	**51**	**279**	**280**
Additional cash flow information								
CAPEX according to cash flow statement	163	1,114	10	26	48	79	233	277
This year unpaid CAPEX and paid CAPEX from previous year	–21	–37	–	9	–2	–28	45	3
Sales price in cash flow statement	–	1	–	–	–	–	1	–
CAPEX according to balance sheet	**142**	**1,078**	**10**	**35**	**46**	**51**	**279**	**280**

NOTE 11 TRANSACTIONS WITH RELATED PARTIES

Apart from transactions with Transcom no other significant related party transactions have been carried out during 2008. Related parties are presented in Note 42 of the 2007 Annual Report.

NOTE 12 NUMBER OF CUSTOMERS

As a way of standardizing reporting both internally and externallY, t2 has decided to change its method for calculating the number of customers in the open-call-by-call service in its German fixed telephony base. In Q4 2008, the one-time effect was an increase of 211,000 in the reported customer base in Germany.

NOTE 13 CAPEX

In Q2 2008 t2 Sweden was awarded 4G/LTE (Long Term Evolution) 2.6 GHz spectrum. The payment for the license affected CAPEX by SEK 549 million in the second quarter.

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The present five-year loan agreement falls due in Q4 2009. Consequently the loan is reported as short-term liabilities from Q4 2008. t2 has entered into a new credit facilitY agreement in 2009.

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