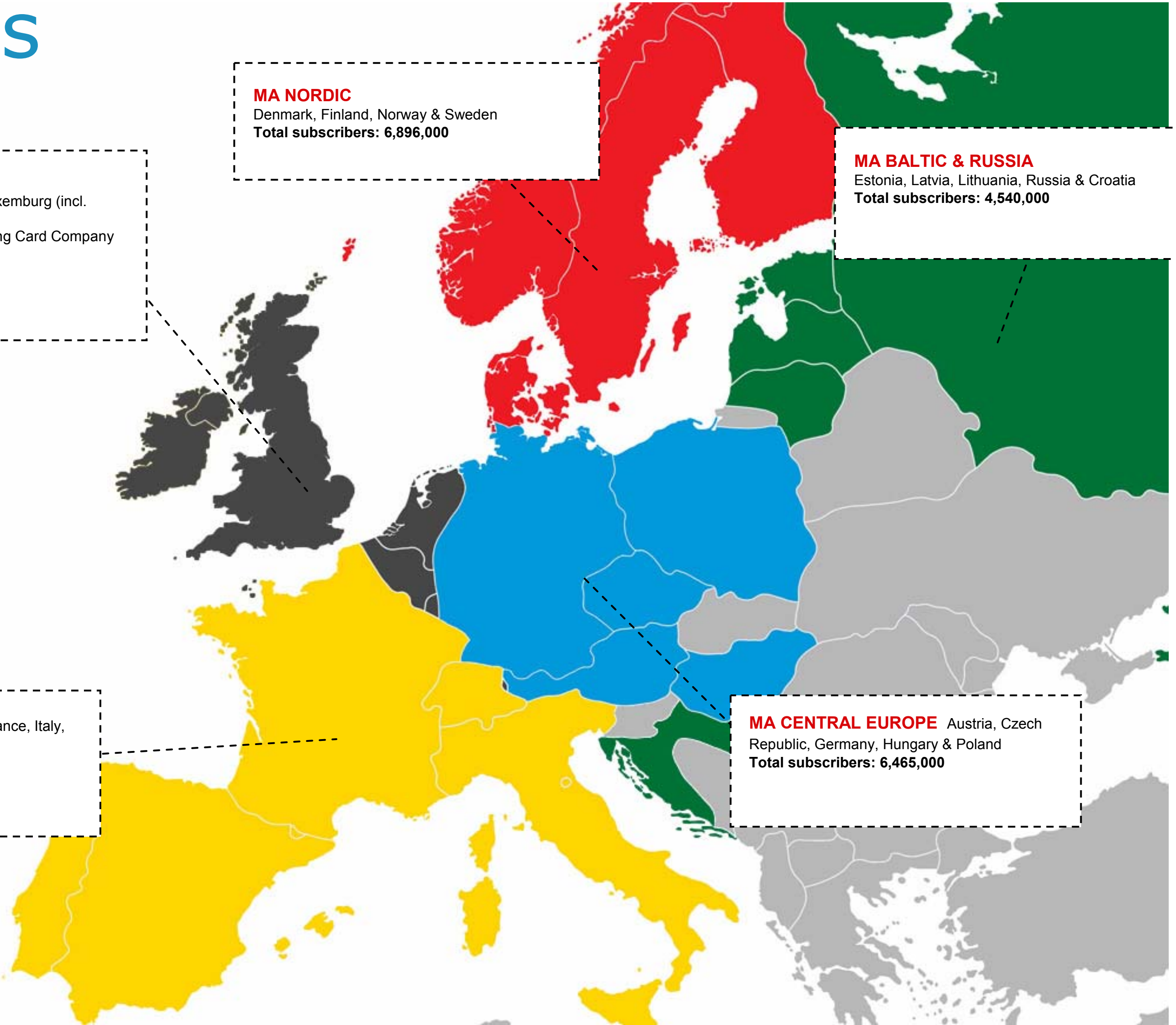
Dublin, October 6 2005

Per Borgklint
Market area director

29.4 million customers in 25 countries



MA NORDIC
Denmark, Finland, Norway & Sweden
Total subscribers: 6,896,000

MA UK & BENELUX
Belgium, The Netherlands, Luxemburg (incl. Tango), UK, Ireland
Liechtenstein, Transac & Calling Card Company (C³)
Total subscribers: 2,828,000

MA BALTIC & RUSSIA
Estonia, Latvia, Lithuania, Russia & Croatia
Total subscribers: 4,540,000

MA SOUTHERN EUROPE France, Italy, Spain, Portugal, Switzerland
Total subscribers: 8,688,000

MA CENTRAL EUROPE Austria, Czech Republic, Germany, Hungary & Poland
Total subscribers: 6,465,000

ele2 services

duct area	FIXED TELEPHONY	MOBILE POSTPAID	MOBILE PREPAID	DIAL-UP INTERNET	ADSL	CALLING CARDS	CABLE TV	VoIP
dic								
eden	★	★	★	★	★		★	★
w ay	★	★		★	★			
nmark	★	★	★	★	★			★
and	★		★	★				
uthern Europe								
nce	★	★		★	★	★		
/	★			★	★	★		
ain	★			★	★	★		
tugal	★			★		★		
itzerland	★		★	★	★			★
ntral Europe								
rmany	★			★		★		
stria	★	★	★	★	★	★		
and	★			★		★		
ech Republic	★			★				
ngary	★			★				
tic&Russia								
onia	★	★	★	★				
via	★	★	★					
uania	★	★	★				★	
ssia		★	★					
atia		★	★					
& Benelux								
e Netherlands	★	★	★	★	★	★		
embourg	★	★	★	★				
chtenstein	★	★	★	★	★			
gium	★			★	★			
ted Kingdom	★			★		★		
and	★			★		★		

Overview

	Q2 2005	Difference to Q2 2004	
Revenues (MSEK)	**12,043**	**+1,332**	**+12%**
EBITDA (MSEK)	**1,689**	**+18**	**+1%**
Customer Net Additions (thousands)	**722**	**-360**	**-33%**

- Strong results
  - Sweden in particular with EBITDA margin over 45%

- We continue to position our business for the future – in line with our strategies
  - France – launch of mobile operations together with ADSL push
  - Major acquisition and bid announcement in July – Comunitel and Versatel
  - Croatia - launch of GSM network

Europe’s regulatory situation – not yet satisfactory

- Countries are delaying the introduction of the new framework
  - unclear legal transitory situation and opportunity for former monopolists to maintain and increase market shares
- Former monopolists continue to abuse their dominant positions
  - higher prices for consumers and businesses
- The “deregulation” is not finished

Regulation has been a success for customers

Competition

Local calls

-3,4%

National calls

-31%

International calls

-40%

No competition

Fixed subscription

+25%

Time period 2000-2004

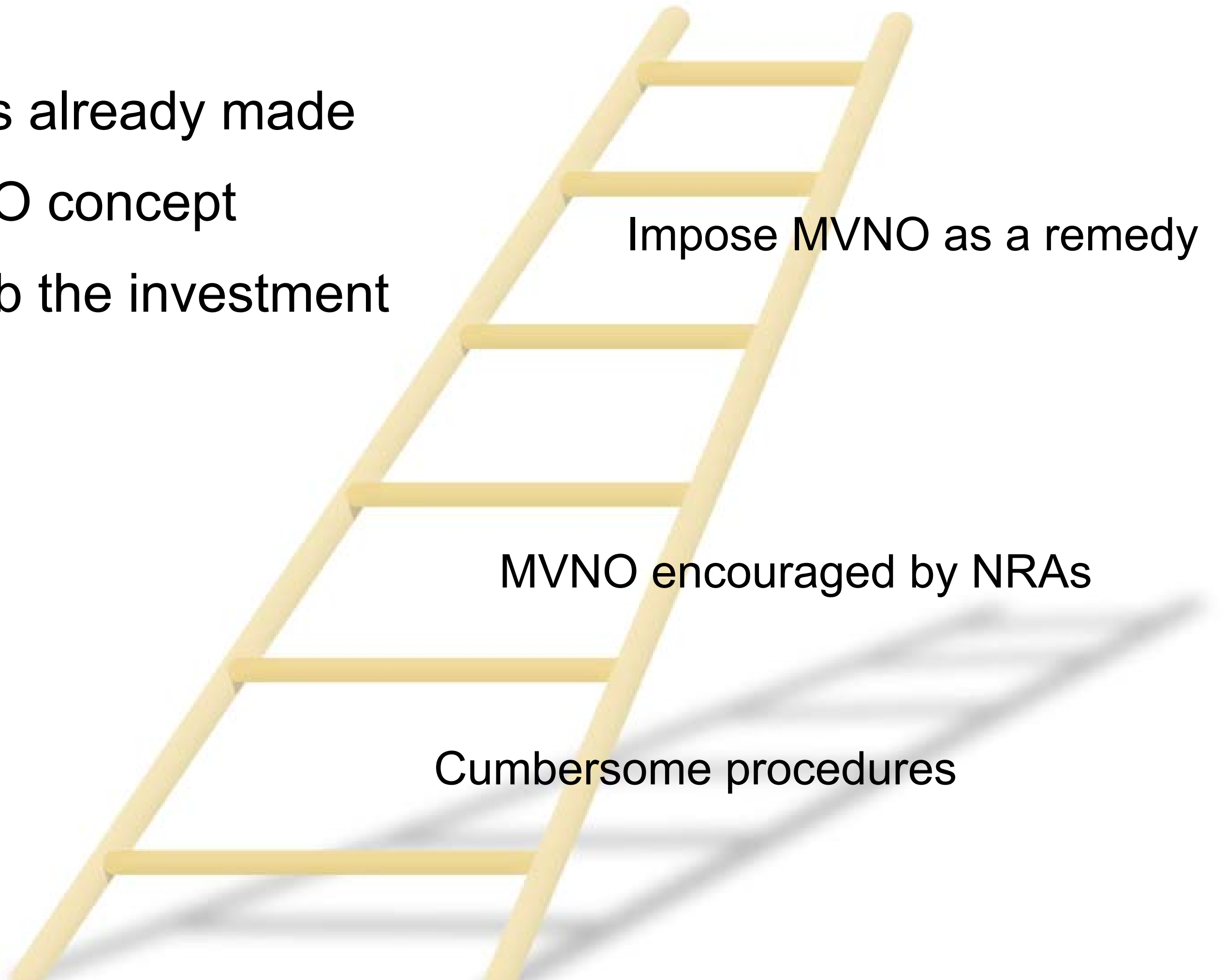
Source: 10th Implementation report from the European Commission

Customers could save EUR 2.5 billion on competition

- Challenge the remaining monopoly of fixed telephony subscription
  - force former monopolists to open-up fixed telephony subscription to alternative operators
- Let customers save EUR 2.5 billion per year by fair competition on fixed subscription

Scarce competition in the mobile market can easily be solved

- Utilize investments already made
- Endorse the MVNO concept
- Let operators climb the investment ladder

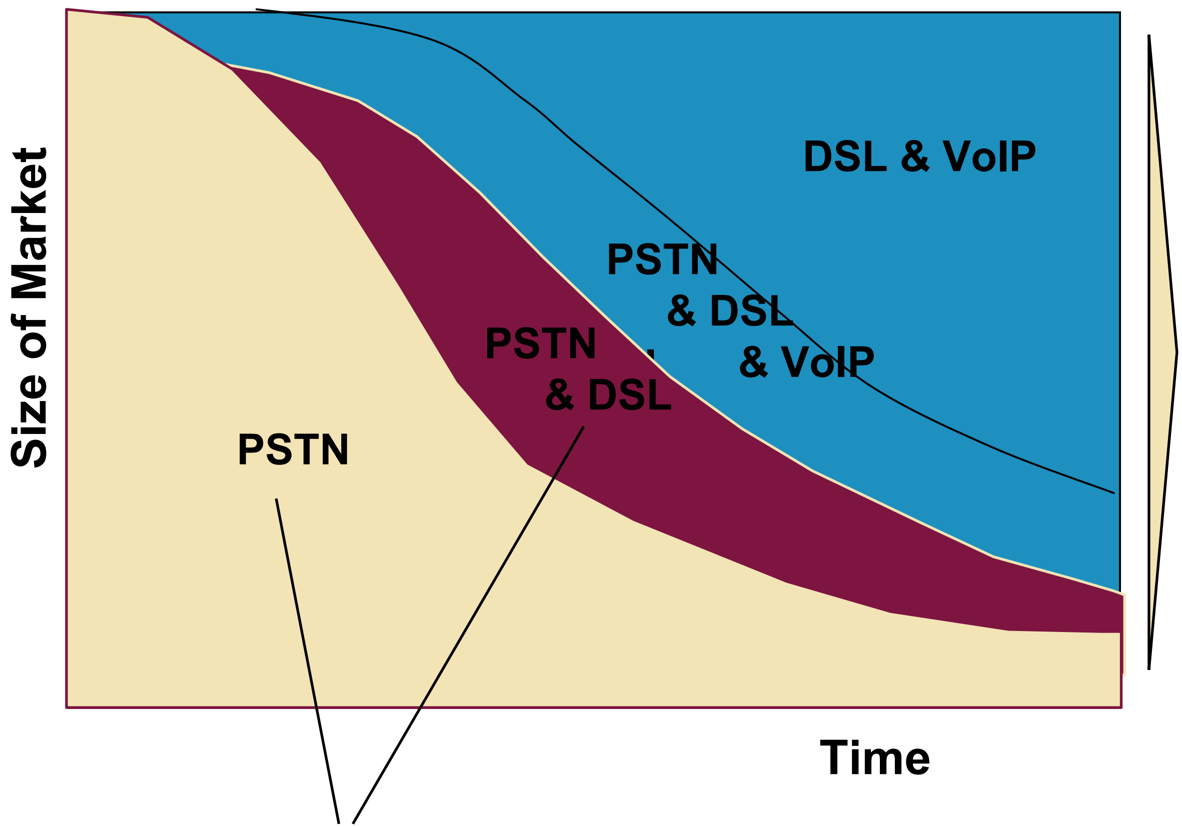


Monopolistic behaviour hampers the penetration of ADSL

The evidences are clear

- Former monopolists' wholesale pricing
- Restrictions to only resell ADSL
- Not being able to distribute modems
- Too small margins
- Long pending appeals
- Market not yet defined

Technology Migration will reduce the deregulated addressable market (as of today)



Today addressable for CPS and OCBC

Question is not if, but rather

- In what timeframe?
- To what extent?

Price control and cost accounting must contribute to harmonisation

- Accept that there will be no nation wide replication of the “last mile”
- Today the investment ladder is not sustainable as regulation is inconsistent or non existent

1	Resale, where available	Required for fast launch and full coverage Unattractive conditions, thus questionable business model
2	Bitstream	Regulatory environment in most countries too unknown/uncertain to base any strategy in bitstream
3	Own ULL	Huge investments Time consuming to roll-out and likelihood of incumbent obstructing

Price control and cost accounting must contribute to harmonisation

- Key elements for harmonisation in the LRIC model
  - weighted average of cost of capital (WACC)
  - economical lifetime of assets
  - choice of depreciation method
  - staff needed to operate and maintain access networks of similar sizes
- A retail-minus check can serve as ‘sanity checks’ to ensure that the LRIC models reflect the reality

A retail-minus calculation checks the LRIC model