

Interim report January-June 2010

STOCKHOLM, July 15, 2010

Developments in the second quarter - April – June, 2010

- Operating revenues amounted to SEK 1 442 M (1 673), down by 14 percent Y/Y, corresponding to an organic decline of 13 percent. The organic decline for the first 6 months was 10 percent.
- EBITDA amounted to SEK 397 M (561), down by 22% excluding other items affecting comparability¹
- Eniro's 50% holding in Suomi24 was divested during the period and resulted in a net gain of SEK 37 M and a positive effect on net debt of approximately SEK 50 M
- Earnings before tax amounted to 176 MSEK (303)
- Net income amounted to SEK -108 M (220), and included a provision of approximately SEK 280 M with regards to the reassessment notice Eniro received from the Norwegian Tax Authorities. Eniro will contest the potential claim following the reassessment.
- Operating cash flow for the first six months amounted to SEK 54 M (500)

SEK M	2010		2009		2010		2009	
	Apr-Jun	Apr-Jun	%	Jan-Jun	Jan-Jun	%	Jul-Jun	Jan-Dec
Operating revenues	1,442	1,673	-14	2,709	3,115	-13	6,175	6,581
Directories Scandinavia	995	1,161	-14	1,892	2,211	-14	4,367	4,686
Voice Scandinavia	183	188	-3	346	357	-3	701	712
Finland/Poland	264	324	-19	471	547	-14	1,107	1,183
EBITDA	397	561		567	846		1,528	1,807
Directories Scandinavia	288	411		418	669		1,235	1,486
Voice Scandinavia	79	43		145	98		242	195
Finland/Poland	61	34		59	24		164	129
Other	-31	73		-55	55		-113	-3
EBITDA Margin %	27.5	33.5		20.9	27.2		24.7	27.5
EBIT	269	415		304	582		414	692
Earnings before tax	176	303		158	306		84	232
Net Income	-108	220		-102	626		-120	608
Net income per share, SEK	-0.67	4.67		-0.63	14.27		-0.74	5.99
Operating Cash flow, SEK M	115	88		54	500		707	1,153
Total operating cost	1,082	1,223	-12	2,185	2,381	-8	4,705	4,901
Interest bearing Net Debt SEK M	6,418	7,068	-9	6,418	7,068	-9	6,418	6,645
Net debt /EBITDA adjusted for other items affecting comparability, times	4.3	3.7		4.3	3.7		4.3	3.9

¹ EBITDA in the second quarter 2009 included other items affecting comparability related to the settlement with DeTeMedien and the divestment of SprayPassagen of SEK 102 M, and EBITDA in the second quarter 2010 included a net gain of SEK 37 M from the divestment of the holding in Suomi24.

Interim report January-June 2010

STOCKHOLM, July 15, 2010

Jesper Kärrbrink, Eniro's CEO, commented:

"Our main focus during the second quarter has been to continue the implementation of the new sales concept in Directories Scandinavia where we, in the end of the second quarter, have seen the first signs of improved efficiency in our sales force. Further, we are continuing to develop new functionalities and advertising formats within online aiming to improve value for customers and users in the long term to be launched later this year."

"Reported revenues during the quarter reflect the structural print decline affecting our industry, as a result of the rapidly changing search behaviour, as well as a weak order intake in Q1. Consequently, we have increased the speed of our transformation process and temporarily increased the operative risk. Despite a successful implementation of the previously announced cost measures, a continued revenue decline combined with a potential payment related to the tax reassessment in Norway will further deteriorate the net debt/EBITDA-relation. This could lead to a breach of covenants in the latter part of the year. Hence, Eniro has initiated discussions with its lending banks to secure headroom to covenants."

Group Summary – second quarter 2010

Total revenues in the second quarter fell by 14 percent Y/Y, corresponding to an organic decline of 13 percent. For the first half of 2010, the organic Y/Y decline was 10 percent. The decline in reported revenue is a result of last year's weak economy and structural decline in printed directories as well as the low order intake in the first quarter.

A new sales concept was introduced in the first quarter of 2010 in Sweden and Norway to meet the structural decline for printed directories through an accelerated transformation from printed directories to online offerings. The share of reported revenues from online, as a percentage of total database directory services, was 56 percent for the first six months of 2010, indicating the strong progress towards becoming an online company. The combined offering, focusing on exposure in different channels, generation of leads and return on investment for the customer, aims to strengthen customer satisfaction and build long-term customer relations. The sales organization plays a central role in Eniro's transformation process. During the quarter, Peter Hagström was appointed Senior Vice President Sales.

In the Swedish market the number of sales days during the later part of the second quarter has been normalized, and part of the lag from the first quarter has been recaptured. The total number of advertisers has decreased, mainly small-sized companies with low exposure. Consequently, average revenue per account (ARPA) has increased. Customer satisfaction is continuously improving with the new sales concept, confirmed in customer ratings.

Growth in online is at the core of Eniro's strategy to strengthen the customer offering and increase relevance for end users and customers with a focus on developing core operations. The combined offering is a preparation ahead of the new functionalities and advertising formats to be launched later this year.

The weak order intake has affected working capital negatively and prepaid income in Directories Scandinavia June 30 2010 was 15 percent lower than at the end of June the preceding year.

EBITDA declined by 22 percent Y/Y excluding other items affecting comparability, despite successful implementation of the previously announced efficiency measures. The number of employees has during the first six months decreased by 423 to 4,571 at the end of June.

In June 2010, Eniro divested its holding in Suomi24 Oy (S24), Finland's largest online community, to Aller Media Oy. The transaction resulted in a capital gain of SEK 37 M and reduced net debt by approximately SEK 50 M on a group level. The divestment of S24 is in line with Eniro's business direction to focus on its core business in local search.

In the second quarter Eniro received a tax reassessment notice from Norwegian Tax Authorities regarding the years 2001-2005 for its subsidiary Findexa A/S, detailing an increase of taxable income. The claims could potentially lead to a tax payment of approximately SEK 260 M, and a provision of approximately SEK 280M, including interest, was made in the second quarter results. Eniro will contest the potential claim.

For the full year, management's assessment is that organic revenue growth could be slightly below the previously stated guidance of -5 to -10 percent.

The Group's total operating expenses will be at least SEK 250 M lower in 2010 than in 2009, assuming constant exchange rates.

The Group's indebtedness, expressed as interest-bearing net debt in relation to EBITDA², continued to show an unfavourable trend also during the second quarter of 2010 and amounted to a multiple of 4.3 at the end of the period, compared to 3.9 on December 31, 2009.

Despite this, Eniro had headroom to the covenants in the bank agreement at the end of the second quarter. However, a continued revenue decline combined with a potential payment related to the tax reassessment in Norway will further deteriorate the net debt/EBITDA-relation. This could lead to a breach of covenants in the latter part of the year. Hence, Eniro has initiated discussions with its lending banks to secure headroom to covenants.

² EBITDA excluding other items affecting comparability.

Second-quarter results

Operating revenues during the second quarter amounted to SEK 1,442 M (1,673), a decline of 14 percent Y/Y corresponding to an organic decline of 13 percent. For the first 6 months, the revenue decline is 13 percent and the organic decline is 10 percent.

Revenues for Directories Scandinavia amounted to SEK 995 M (1,161), a decline of 14 percent. Organically, the decline for Directories Scandinavia was 15 percent. The decline in reported revenue is a result of last year's weak economy and structural decline in printed directories as well as the low order intake in the first quarter.

The new sales concept was introduced in Norway and Sweden in January 2010. In the Swedish market, the number of sales days during the later part of the second quarter has been normalized, and part of the lag from the first quarter has been recaptured. However, the number of clients have decreased, mainly small-sized companies.

The trend for Voice Scandinavia was stable in the quarter, and revenues amounted to SEK 183 M (188), a decline of 3 percent. Revenue in Voice Scandinavia declined by 2 percent organically.

Revenues from the segment Finland/Poland declined by 19 percent to SEK 264 M (324). The organic decline was 12 percent.

EBITDA for the quarter amounted to SEK 397 M (561), a decline of 22% excluding other items affecting comparability; EBITDA in the second quarter 2009 included one-off effects related to the settlement with DeTeMedien and the divestment of Spray Passagen of SEK 102 M, and EBITDA in the second quarter 2010 included a net gain of SEK 37 M from the divestment of the holding in Suomi24. Adjusted EBITDA for the quarter amounted to SEK 382 M (502). The decline in EBITDA mainly reflects lower revenues within Directories Scandinavia. Total operating costs decreased by 12 percent from the second quarter 2009 including currency effects, following the previously announced efficiency measures, and the number of employees has been reduced by 8.5 percent from year-end.

Operating Revenues

SEK M	2010	2009	2010	2009	2009/10	2009
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Directories Scandinavia	995	1,161	1,892	2,211	4,367	4,686
Voice Scandinavia	183	188	346	357	701	712
Finland/Poland	264	324	471	547	1,107	1,183
Other	-	-	-	-	-	-
Total	1,442	1,673	2,709	3,115	6,175	6,581

Revenue by category *)

SEK M	2010	2009	2010	2009	2009/10	2009
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Deferral method	458	507	947	1,000	2,021	2,074
Publication method	428	532	743	981	1,849	2,087
Total Directory Database services	886	1,039	1,690	1,981	3,870	4,161
Media products	44	40	82	79	171	168
Other products	65	82	120	151	326	357
Total Directory Scandinavia	995	1,161	1,892	2,211	4,367	4,686
Voice Scandinavia	183	188	346	357	701	712
Finland/Poland	264	324	471	547	1,107	1,183
Total	1,442	1,673	2,709	3,115	6,175	6,581

*) see heading "Other information" regarding revenue distribution between deferral and publication method

EBITDA

SEK M	2010	2009	2010	2009	2009/10	2009
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Directories Scandinavia	288	411	418	669	1,235	1,486
Voice Scandinavia	79	43	145	98	242	195
Finland/Poland	61	34	59	24	164	129
Other	-31	73	-55	55	-113	-3
Total	397	561	567	846	1,528	1,807
<i>of which items affecting comparability</i>						
Restructuring cost	-22	-43	-40	-60	-127	-147
Other items affecting comparability	37	102	37	102	37	102
Total adjusted EBITDA	382	502	570	804	1,618	1,852

EBITDA margin

%	2010	2009	2010	2009	2009/10	2009
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Directories Scandinavia	28.9	35.4	22.1	30.3	28.3	31.7
Voice Scandinavia	43.2	22.9	41.9	27.5	34.5	27.4
Finland/Poland	23.1	10.5	12.5	4.4	14.8	10.9
Other	-	-	-	-	-	-
Total	27.5	33.5	20.9	27.2	24.7	27.5

Group	Q1-2010		Q2-2010		YTD Q2-2010	
	%	SEK M	%	SEK M	%	SEK M
2009		1,442		1,673		3,115
Organic Growth	-7	-104	-13	-209	-10	-313
<i>where of</i>						
<i>Directories Scandinavia</i>	-10	-97	-15	-169	-13	-266
<i>Voice Scandinavia</i>	-4	-6	-2	-4	-3	-10
<i>Finland/Poland</i>	-1	-1	-12	-35	-7	-36
Currency effect	-2	-30	-3	-48	-2	-77
Acquisitions/Divestments/C	-1	-20	-2	-17	-1	-36
Changed Publication	-2	-22	3	43	1	21
2010	-12	1,267	-14	1,442	-13	2,709

Directories Scandinavia

The segment Directories Scandinavia includes all search services in the distribution channels online, directory and mobile in Sweden, Norway and Denmark including brands such as eniro.se, Gula Sidorna, Din Del, Gule Sider, kvasir.no, krak.dk, eniro.dk, Mostrup Grøne Vejviser and Den Røde Lokalbog.

Beginning in January 2010, the formerly separate sales forces for the main brands in Sweden and Norway which used to sell online and print distribution channels were merged into one. The new sales force focuses on offering customers combined packages that include online and print and generate contacts, regardless of distribution channel.

The aim of the new sales concept is to increase customer satisfaction, which is a priority for Eniro in building long-term customer relations. However, the introduction of the new sales concept has increased the operational risk in the short term.

In the Swedish market, the organic revenue decline was 15 percent in the first half year. The first quarter included a large degree of sales training, while the number of sales days has been brought back to a normalized level at the latter part of the second quarter. The total number of advertisers in Sweden has decreased, mainly small-sized companies with low exposure. Consequently, average revenue per account (ARPA) has increased. Customer satisfaction is continuously improving with the new sales concept, confirmed in customer ratings. New functionalities and advertising formats will be launched in the fourth quarter to both strengthen the customer offering and increase relevance for end users and customers.

The organic decline in Norway was 10 percent in the first half year. The effects of the structural decline have been milder in the Norwegian market where the sharp print fall has already occurred.

In Denmark, the organic decline for the first half year was 15 percent, due to falling print demand and ongoing reorganisation and efficiency measures.

Revenues for Directories Scandinavia amounted to SEK 995 M (1,161) during the quarter, a decline of 14 percent corresponding to an organic decline of 15 percent, mainly due to a 19 percent drop in Sweden.

Revenue per category in the second quarter shows a Y/Y drop of 23 percent in publication method revenues, reflecting the continuing decline in printed directories. Revenues categorized according to the deferral method (online revenues) fell by 10 percent Y/Y, adjusted for currency changes. This decline is related to a sharp fall in online revenues in local brands (Din Del and Ditt Distrikt) and Kvasir as well as weak order intake performance in Q1.

EBITDA in the second quarter 2010 amounted to SEK 288 M (411) and was negatively affected by lower revenues in all countries.

Directories Scandinavia

SEK M	2010		2009		2009/10	
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Operating revenues	995	1,161	1,892	2,211	4,367	4,686
Sweden	438	538	805	940	2,038	2,173
Norway	411	432	821	902	1,651	1,732
Denmark	146	191	266	369	678	781
EBITDA	288	411	418	669	1,235	1,486
<i>EBITDA margin, %</i>	<i>28.9</i>	<i>35.4</i>	<i>22.1</i>	<i>30.3</i>	<i>28.3</i>	<i>31.7</i>
<i>of which items affecting comparability</i>						
Restructuring cost	-14	-14	-31	-31	-93	-93
Other items affecting comparability	-	-	-	-	0	-
Total adjusted EBITDA	302	425	449	700	1,328	1,579
<i>EBITDA margin, %</i>	<i>30.4</i>	<i>36.6</i>	<i>23.7</i>	<i>31.7</i>	<i>30.4</i>	<i>33.7</i>

Directories Scandinavia	Q1-2010		Q2-2010		YTD Q2-2010	
	%	SEK M	%	SEK M	%	SEK M
2009		1,050		1,161		2,211
Organic Growth	-10	-97	-15	-169	-13	-266
<i>where of</i>						
<i>Sweden</i>	-10	-39	-19	-100	-15	-139
<i>Norway</i>	-10	-43	-8	-38	-10	-81
<i>Denmark</i>	-11	-16	-18	-29	-15	-45
<i>Other Scandinavia</i>	2	0	-7	-1	-2	-1
Currency effect	-1	-15	-2	-21	-2	-35
Acquisitions/Divestments/C	-2	-20	-2	-17	-2	-36
Changed Publication	-2	-22	4	41	1	19
2010	-15	897	-14	995	-14	1,892

Directories Scandinavia	Q1-2010		Q2-2010		YTD Q2-2010	
	%	SEK M	%	MSEK	%	SEK M
2009		1,050		1,161		2,211
Organic Growth	-10	-97	-15	-169	-13	-266
<i>where of</i>						
<i>Deferral</i>	-1	-4	-10	-50	-5	-54
<i>Publication</i>	-22	-93	-23	-130	-23	-223
<i>Media products / Other</i>	0	1	8	11	4	12
Currency effect	-1	-15	-2	-21	-2	-35
Acquisitions/Divestments/C	-2	-20	-2	-17	-2	-36
Changed Publication	-2	-22	4	41	1	19
2010	-15	897	-14	995	-14	1,892

Voice Scandinavia

The segment Voice Scandinavia includes the voice services in Sweden and Norway including the brands Eniro 118 118 and 1880.

The market for personal search services is undergoing major changes. Competition is increasing, and demand for traditional voice services is declining, while the trend towards more advanced personal search services is positive. Eniro is working to further develop its Voice services in order to provide a personal search service that stimulates greater usage, and is actively working with price models.

Voice Scandinavia revenues amounted to SEK 183 M (188), a decline of 3 percent corresponding to an organic decline of 2 percent.

EBITDA amounted to SEK 79 M (43), following savings measures implemented during 2009 when amongst others a number of locations were closed down.

Voice Scandinavia

SEK M	2010	2009	2010	2009	2009/10	2009
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Operating revenues	183	188	346	357	701	712
Sweden	147	155	278	292	569	583
Norway	36	33	68	65	132	129
EBITDA	79	43	145	98	242	195
<i>EBITDA margin, %</i>	<i>43.2</i>	<i>22.9</i>	<i>41.9</i>	<i>27.5</i>	<i>34.5</i>	<i>27.4</i>
<i>of which items affecting comparability</i>						
Restructuring cost	0	-13	-1	-13	-24	-36
Other items affecting comparability	-	-	-	-	0	-
Total adjusted EBITDA	79	56	146	111	266	231
<i>EBITDA margin, %</i>	<i>43.2</i>	<i>29.8</i>	<i>42.2</i>	<i>31.1</i>	<i>37.9</i>	<i>32.4</i>

Voice Scandinavia	Q1-2010		Q2-2010		YTD Q2-2010	
	%	SEK M	%	SEK M	%	SEK M
2009		169		188		357
Organic Growth	-4	-6	-2	-4	-3	-10
<i>where of</i>						
Sweden	-4	-6	-5	-7	-5	-13
Norway	1	0	9	3	5	3
Currency effect	0	0	0	0	0	0
Acquisitions/Divestments/C	0	0	0	0	0	0
2010	-3	163	-2	183	-3	346

Finland/Poland

The segment Finland/Poland comprises of operations in Finland and Poland and includes the Finnish brands eniro.fi, Eniro Puhelinluettelo, the voice service Eniro 0100100 and the call center operation Sentraali. The major brand in Poland is Panorama Firm.

In Finland, the directory market is fragmented with two major players, of which Eniro is number two. The market for Internet services in Finland and Poland is not as developed as in the Scandinavian countries, in part due to lower Internet usage. Eniro has a strong online position in both Finland and Poland with the search sites eniro.fi and pf.pl. Characteristic for the Finnish market is high usage of voice services.

In June 2010, Eniro divested its holding in Suomi24 Oy (S24), Finland's largest online community, to Aller Media Oy. The transaction resulted in a capital gain of SEK 37 M and reduced net debt by approximately SEK 50 M on a group level. The divestment of S24 is in line with Eniro's desire to focus on its core business in local search. Eniro continues its partnership with S24 through a renewed cooperation agreement.

The action plan which was initiated in 2009 in order to increase efficiency in the Finnish operations has proceeded

according to plan. This plan has included a reduction of personnel within the voice and administrative functions as well as new recruitments within the sales organization. Work to improve efficiency will continue during the rest of the year.

Revenues in Finland/Poland amounted to SEK 264 M (324), and decreased by 19 percent Y/Y. Organically, revenues in Finland declined by 13 percent. In Poland during the second quarter, revenues amounted to SEK 61 M (65), a decrease of 6 percent.

EBITDA for the segment Finland/Poland amounted to SEK 61M (34) and included a net gain from the divestment of S24 of SEK 37 M.

Finland/Poland

SEK M	2010	2009	2010	2009	2009/10	2009
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Operating revenues	264	324	471	547	1,107	1,183
Finland	203	259	353	437	668	752
Poland	61	65	118	110	439	431
EBITDA	61	34	59	24	164	129
<i>EBITDA margin, %</i>	<i>23.1</i>	<i>10.5</i>	<i>12.5</i>	<i>4.4</i>	<i>14.8</i>	<i>10.9</i>
<i>of which items affecting comparability</i>						
Restructuring cost	-	-16	-	-16	0	-16
Other items affecting comparability	37	-	37	-	37	-
Total adjusted EBITDA	24	50	22	40	127	145
<i>EBITDA margin, %</i>	<i>9.1</i>	<i>15.4</i>	<i>4.7</i>	<i>7.3</i>	<i>11.5</i>	<i>12.3</i>

Finland/Poland	Q1-2010		Q2-2010		YTD Q2-2010	
	%	SEK M	%	SEK M	%	SEK M
2009		223		324		547
Organic Growth	-1	-1	-12	-35	-7	-36
where of						
Finland	-7	-12	-13	-30	-11	-43
Poland	24	11	-6	-4	6	7
Currency effect	-7	-15	-8	-27	-8	-42
Acquisitions/Divestments/C	0	0	0	0	0	0
Changed Publication	0	0	-1	-2	0	-2
2010	-7	207	-18	264	-14	471

Financial position and cash flow January – June 2010

Operating income for the first six months amounted to SEK 304 M (582).

Net financial items for the period amounted to an expense of SEK 146 M (276) and were positively affected by a lower interest bearing debt.

Earnings before tax amounted to SEK 158 M (306) for the first six months of 2010.

Taxes

During the first half year 2010, Eniro recognized a tax cost of SEK 260 M (compared to a positive tax of SEK 320 M in 2009, including valuation effects regarding German tax-loss carryforwards). The tax cost in 2010 included a provision of approximately SEK 260 M in the second quarter, related to the reassessment notice from the Norwegian Tax Authorities, potentially leading to a claim for increased tax costs for the years 2001-2005 in Findexa A/S, acquired by Eniro in 2005.

The liquidation of the German company Eniro Windhager GmbH was finalised in June 2010, and Eniro will be able to use tax-loss carryforwards in Sweden to offset Swedish profits from 2010, and Eniro is not expected to pay any income taxes in Sweden for the coming years.

The underlying tax rate for the recent 12 months was 16 percent.

Earnings per share

Net income per share was SEK -0.63 (14.27) for the first six months of 2010.

Financial position and cash flow

Cash flow from current operations decreased in the first half year to SEK 165 M (589) mainly due to operating income declining by 48%. Higher tax payments and negative effects on working capital, especially from decreasing pre-paid revenues, had a negative effect on operating cash flow.

Cash effects from financial items were substantially lower than in the first half year 2009, mainly due to the decrease in net debt, and amounted to SEK 156 M (263).

The Group's interest-bearing net debt amounted to SEK 6,418 M on June 30, 2010, down by 3.5 percent from year-end. On June 30, 2010, the outstanding debt under the credit facility amounted to NOK 4,200 M, EUR 80 M, DKK 400 M and SEK 469 M.

Of this facility, NOK 3,500 M and SEK 360 M are hedged at fixed interest rates until the maturity date (August 2012). This corresponds to about 65 percent of the facility.

Eniro has an unused credit facility of SEK 890 M. Cash, cash equivalents and unutilized credit facilities amounted to about SEK 1,185 M on 30 June, 2010.

The Group's indebtedness, expressed as interest-bearing net debt in relation to EBITDA, excluding other items affecting comparability continued to show an unfavourable trend also during the second quarter of 2010 and amounted to a multiple of 4.3 at the end of the period, compared to 3.9 on December 31, 2009.

Despite this, Eniro had headroom to the covenants in the bank agreement at the end of the second quarter. However, a continued revenue decline combined with a potential payment related to the tax reassessment in Norway will further deteriorate the net debt/EBITDA-relation. This could lead to a breach of covenants in the latter part of the year. Hence, Eniro has initiated discussions with its lending banks to secure headroom to covenants.

Investments

During the six-month period, Eniro's net investments in business operations, including online investments, amounted to about SEK 111 M (89).

Holdings of own shares

On June 30, 2010, Eniro held 220,358 treasury shares. These shares will be retained for use in the share-saving program. The average treasury share holding during the quarter was 221,090.

Analysis of interest bearing net debt

	----- 3 months -----		----- 6 months -----		----- 12 months -----	
	2010	2009	2010	2009	2009/10	2009
SEK M	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Opening balance	-6,623	-9,675	-6,645	-9,948	-7,068	-9,948
Operating cash flow	115	88	54	500	707	1,153
Acquisitions and divestments	48	-	48	-6	4	-50
Dividend & share issue	-	2,483	-	2,483	-140	2,343
Translation difference and other changes	42	36	125	-97	79	-143
Closing balance	-6,418	-7,068	-6,418	-7,068	-6,418	-6,645
Net debt /EBITDA adjusted for other items affecting comparability, times	4.3	3.7	4.3	3.7	4.3	3.9

Other information

Market outlook 2010

For the full year, management's assessment is that organic revenue growth could be slightly below the previously stated guidance of -5 to -10 percent.

Total operating costs are estimated to be at least 250 MSEK below 2009 assuming constant currencies.

Long term financial objective

Growth:

Positive revenue growth - primarily generated from a 1-3 percent growth p.a. for Directories Scandinavia.

Margin:

Continuous improvement in EBITDA margin beyond 2010 to reach 30% in the long term (3-5 years) with a strong cash-flow.

Capital structure:

Net debt in relation to EBITDA not exceeding 3 times.

Dividend:

Up to 50% of net income.

Employees

On June 30, 2010, the number of full-time employees was 4,571, compared to 4,994 on December 31, 2009. The number of employees by country is presented in the table below.

Full time employees end of period	2010		2009
	Jun. 30	Dec. 31	
Sweden	1,439	1,625	
Norway	853	914	
Denmark	411	433	
Finland	738	783	
Poland	1,130	1,239	
Total	4,571	4,994	

Accounting principles from 2010

This interim report was prepared in accordance with the International Financial Reporting Standards (IFRS), as recognized by the European Union (EU). The structure of the interim report follows IAS 34 Interim Financial Reporting.

The following standards, amendments and interpretations to existing standards have been published and are mandatory for periods beginning on or after January 1, 2010, but has not been adopted earlier.

-IAS 27 (Amendment), Consolidated and Separate Financial Statements (effective from 1 July, 2009). The amendment requires that results relating to minority interests should always reflect the minority shareholders'

proportionate interest, even if the minority interest is negative. The amendment will affect the reporting of transactions with non-controlling interests from 1 January 2010.

-IFRS 3 (Amendment), Business Combinations (effective July 1, 2009). The amendment applies to acquisitions after the effective date and stipulates changes in reporting of future acquisitions. For example, all payments for acquiring businesses are to be recognized at fair value on the date of acquisition. Adjustments to the initial purchase value are recognized in profit and loss. All transaction costs concerning the acquisition are expensed. The amendment will not affect previous acquisitions but will affect the reporting of future transactions as of 1 January 2010.

-IAS 38 (Amendment), Intangible Assets. The amendment is part of the IASB's annual improvements project. The group will apply the amendment from the date IFRS 3 is adopted. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination. The amendment will not result in a material impact on the group's financial statements.

A more detailed description of the accounting principles applied by Eniro is presented in the 2009 Annual Report.

Revenue distribution for combination packages 2010

As of 2010, a common sales force sells combination packages that include all of Eniro's distribution channels. This is a difference, compared with previous years when separate sales forces sold online and printed products, respectively, and where only a small portion of sales (basic listing) in Sweden and Norway was sold as a bundled product. Sales of the new combination packages began in February 2010 in Sweden and Norway and will gradually comprise a greater share of the Group's sales.

The Eniro Group has two main principles for revenue recognition. Revenues attributable to Internet services (online) are distributed over the period during which the service is provided, normally 12 months (deferral method). Revenues from directories (offline) are recognized when the directory is published (publication method). Revenues from the combined packages will be distributed according to the two revenue-recognition principles based on the value of commercial use either derived from price lists or customer surveys. The outcome of the two revenue recognition methods is reported quarterly from Q1 2010 and is dependent on the value of the composition of the packages.

Publication dates

Organic growth is affected by the effect of publications moved between quarters. SEK 43 M has been moved into the second quarter, mainly from the third quarter. The reversed effect will to a large extent affect the comparison for the third quarter.

Revenue effect of moved publication 2010 versus 2009

Group			
MSEK	Q1	Q2	YTD Q2-2010
Sw eden	8	6	14
Norw ay	0	29	29
Denmark	-30	6	-24
Finland	0	2	2
Poland	0	0	0
Total effect	-22	43	21

Risks and uncertainties

Eniro has an annual process for conducting risk analysis, Enterprise Risk Management, that includes all parts of the business. Eniro strives to efficiently identify, evaluate and manage risks within the dimensions industry and market risks, commercial risks, operational risks, financial risks, compliance risks linked to laws and regulations and financial reporting risks. The principal risks and uncertainties facing the Group are the impact of the economy on demand, the ability to develop new products that increase the use of services and create value for advertisers, implementation of a new sales concept and the refinancing risk given the Group's debt level. A more complete description of Eniro's risks and uncertainties is provided in Eniro's 2009 annual report on pages 66-67 under the heading Eniro's definition of risk.

Certification by the Board of Directors and the President

The Board of Directors and the President certify that the six-month report provides an accurate overview of the parent Company's and the Group's operations, financial position and results, and that it describes the significant risks and uncertainties faced by the parent Company and the companies in the Group.

Stockholm July 15, 2010

Lars Berg
Chairman of the Board of Directors

Jesper Kärrbrink
President and CEO

Lina Alm
Member of the Board

Thomas Axén
Member of the Board

Mattias Miksche
Member of the Board

Bengt Sandin
Member of the Board

Barbara Donoghue
Member of the Board

Harald Strømme
Member of the Board

Jonas Svensson
Member of the Board

Karin Forseke
Member of the Board

Simon Waldman
Member of the Board

This report has not been reviewed by the company's auditors.

Jesper Kärrbrink
President and CEO

For further information, please contact:

Jesper Kärrbrink, President and CEO
Tel: 08-553 310 01

Jan Johansson, CFO
Tel: 08-553 310 15, 070- 575 89 72

Birgitta Henriksson, Acting Head of IR
Tel: 08-553 315 29, 072-220 83 29

Eniro AB (publ)
169 87 Stockholm
Org nr 556588-0936

www.eniro.com

Financial calendar 2010-2011

Interim report Jan-Sep 2010	October 28, 2010
Year End Report 2010	February 10,, 2011
Annual General Meeting 2011	April 20,, 2011
Interim Report Jan-Mar 2011	April 28, 2011
Interim Report Jan-Jun 2011	July 15, 2011
Interim Report Jan-Sep 2011	October 27, 2011

Consolidated Income Statement

	----- 3 months -----		----- 6 months -----		----- 12 months -----	
	2010	2009	2010	2009	2009/10	2009
SEK M	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Operating revenues:						
Gross operating revenues	1,448	1,687	2,725	3,138	6,220	6,633
Advertising tax	-6	-14	-16	-23	-45	-52
Operating revenues	1,442	1,673	2,709	3,115	6,175	6,581
Costs:						
Production costs	-424	-492	-816	-952	-1,948	-2,084
Sales costs	-421	-456	-887	-921	-1,838	-1,872
Marketing costs	-164	-180	-323	-323	-1,222	-1,222
of which impairment of intangibles	-	-28	-	-28	-532	-560
Administration costs	-137	-190	-293	-342	-557	-606
Product development costs	-64	-51	-129	-107	-254	-232
Other revenues/costs	37	111	43	112	58	127
Operating income before interest and taxes *	269	415	304	582	414	692
Financial items, net	-93	-112	-146	-276	-330	-460
Earnings before tax	176	303	158	306	84	232
Income tax	-284	-83	-260	320	-204	376
Net income	-108	220	-102	626	-120	608
Attributable to:						
Equity holders of the parent company	-108	226	-102	633	-119	616
Minority interests	0	-6	0	-7	-1	-8
Net Income	-108	220	-102	626	-120	608
Net income per share, SEK **						
- before dilution	-0.67	4.67	-0.63	14.27	-0.74	5.99
- after dilution	-0.67	4.67	-0.63	14.26	-0.74	5.99
Average number of shares before dilution, 000s	161,361	48,406	161,359	44,371	161,357	102,863
Average number of shares after dilution, 000s	161,368	48,427	161,367	44,392	161,364	102,880
* Depreciations are included with	-18	-19	-36	-38	-72	-74
* Amortizations are included with	-110	-99	-227	-198	-444	-415
* Impairment are included with	-	-28	-	-28	-598	-626
* Depreciations, Amortizations & Impairment total	-128	-146	-263	-264	-1,114	-1,115

** calculated on result attributable to equity holders of the parent company

Report of comprehensive income

	----- 3 months -----					
	2010	2009	2010	2009	2009/10	2009
SEK M	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Net income	-108	220	-102	626	-120	608
Other comprehensive income						
Foreign currency translation differences	-223	-195	-547	666	-313	900
Hedging of cash flow	-23	9	-120	427	79	626
Hedging of net investments	84	144	296	-481	167	-610
Share-savings program - value of services provided	0	-1	-2	-2	-2	-2
Change in minority interest	-3	0	-3	0	-9	-6
Tax attributable to components attributable to other total result	-16	-39	-46	15	-63	-2
Other comprehensive income, net of income tax	-181	-82	-422	625	-141	906
Total comprehensive income	-289	138	-524	1,251	-261	1,514
Attributable to:						
Equity holders of the parent company	-286	144	-521	1,258	-251	1,528
Minority interests	-3	-6	-3	-7	-10	-14
Total comprehensive income	-289	138	-524	1,251	-261	1,514

Consolidated balance sheet

SEK M	2010 Jun. 30	2009 Jun. 30	2009 Dec. 31
Assets			
Non-current assets			
Tangible assets	98	132	124
Intangible assets	13,729	14,897	14,453
Deferred income tax assets	229	340	281
Financial assets	237	300	377
Total non-current assets	14,293	15,669	15,235
Current assets			
Accounts receivable	718	894	1,028
Current income tax receivables	72	155	82
Other non-interest bearing receivables	437	510	475
Other interest bearing receivables	10	3	22
Cash and cash equivalents	293	751	350
Total current assets	1,530	2,313	1,957
TOTAL ASSETS	15,823	17,982	17,192
Equity and liabilities			
Equity			
Share capital	323	321	323
Additional paid in capital	4,527	4,531	4,529
Reserves	-110	20	307
Retained earnings	848	967	950
Equity, share holders parent company	5,588	5,839	6,109
Minority interest	0	10	3
Total equity	5,588	5,849	6,112
Non-current liabilities			
Borrow ings	6,948	8,391	7,445
Retirement benefit obligations	193	174	200
Other non-interest bearing liabilities	58	56	55
Deferred income tax liabilities	794	830	630
Provisions	33	1	6
Total non-current liabilities	8,026	9,452	8,336
Current liabilities			
Accounts payable	152	193	305
Current income tax liabilities	127	160	204
Other non-interest bearing liabilities	1,757	2,236	2,042
Provisions	64	92	93
Borrow ings	109	0	100
Total current liabilities	2,209	2,681	2,744
TOTAL EQUITY AND LIABILITIES	15,823	17,982	17,192

Interest-bearing net debt

SEK M	2010 Jun. 30	2009 Jun. 30	2009 Dec. 31
Borrow ings excluding derivatives	-6,721	-7,882	-7,155
Derivative financial instruments *	-157	-286	-62
Retirement benefit obligations	-193	-174	-200
Other current interest bearing receivables	10	3	22
Cash and cash equivalents	293	751	350
Other assets **	14	10	11
Interest-bearing net debt incl. interest rate swaps	-6,754	-7,578	-7,034
Less: market value interest sw aps	336	510	389
Interest bearing net debt	-6,418	-7,068	-6,645

* included in financial assets (positive market value) and borrow ings (negative market value)

Changes in equity

SEK M	Share Capital	Additional paid in capital	Reserves	Retained earnings	Total equity shareholders parent company	Minority interest
Opening balance as per January 1, 2009	185	2,285	-607	334	2,197	17
Reduction of Share Capital	-104	-	-	-	-104	-
Share issue *	240	2,248	-	-	2,488	-
Total comprehensive income	-	-2	627	633	1,258	-7
Closing balance as per June 30, 2009	321	4,531	20	967	5,839	10
Opening balance as per January 1, 2010	323	4,529	307	950	6,109	3
Total comprehensive income	-	-2	-417	-102	-521	-3
Closing balance as per June 30, 2010	323	4,527	-110	848	5,588	0

* Reported net after cost for the share issue of SEK 133 M after tax

Cash flow statement

SEK M	----- 3 months -----		----- 6 months -----		----- 12 months -----	
	2010	2009	2010	2009	2009/10	2009
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Operating income before interest and taxes	269	415	304	582	414	692
Depreciations, amortizations and impairment	128	146	263	264	1,114	1,115
Other non-cash items	-24	44	-68	35	-39	64
Financial items, net	-79	-246	-156	-263	-339	-446
Income taxes paid	-44	-32	-122	-47	-131	-56
Cash flow from current operations before changes in working capital	250	327	221	571	1,019	1,369
Changes in net working capital	-65	-181	-56	18	-41	33
Cash flow from current operations	185	146	165	589	978	1,402
Acquisition of group companies and associated companies	-	-	-	-6	-37	-43
Divestment of group companies and associated companies	48	-	48	-	41	-7
Purchases and sales of non-current assets, net	-70	-58	-111	-89	-271	-249
Cash flow from investing activities	-22	-58	-63	-95	-267	-299
New loans raised	-	-	131	-	261	130
Loans paid back	-211	-2,237	-272	-2,556	-1,272	-3,556
Share issue	-	2,483	-	2,483	-140	2,343
Cash flow from financing activities	-211	246	-141	-73	-1,151	-1,083
Cash flow	-48	334	-39	421	-440	20
Total cash and cash equivalents at beginning of period	348	412	350	319	751	319
Cash flow	-48	334	-39	421	-440	20
Exchange difference in cash and cash equivalents	-7	5	-18	11	-18	11
Total cash and cash equivalents at end of period	293	751	293	751	293	350

Analysis of interest bearing net debt

SEK M	----- 3 months -----		----- 6 months -----		----- 12 months -----	
	2010	2009	2010	2009	2009/10	2009
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Opening balance	-6,623	-9,675	-6,645	-9,948	-7,068	-9,948
Operating cash flow	115	88	54	500	707	1,153
Acquisitions and divestments	48	-	48	-6	4	-50
Dividend & share issue	-	2,483	-	2,483	-140	2,343
Translation difference and other changes	42	36	125	-97	79	-143
Closing balance	-6,418	-7,068	-6,418	-7,068	-6,418	-6,645
Net debt /EBITDA adjusted for other items affecting comparability, times	4.3	3.7	4.3	3.7	4.3	3.9

Operating Revenues by business unit and country

SEK M	----- 3 months -----		----- 6 months -----		----- 12 months -----	
	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009/10 Jul-Jun	2009 Jan-Dec
Total operating revenues	1,442	1,673	2,709	3,115	6,175	6,581
Directories Scandinavia	995	1,161	1,892	2,211	4,367	4,686
Sweden	438	538	805	940	2,038	2,173
Norway	411	432	821	902	1,651	1,732
Denmark	146	191	266	369	678	781
Voice Scandinavia	183	188	346	357	701	712
Sweden	147	155	278	292	569	583
Norway	36	33	68	65	132	129
Finland/Poland	264	324	471	547	1,107	1,183
Finland	203	259	353	437	668	752
Poland	61	65	118	110	439	431

EBITDA by business unit

SEK M	----- 3 months -----		----- 6 months -----		----- 12 months -----	
	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009/10 Jul-Jun	2009 Jan-Dec
EBITDA Total	397	561	567	846	1,528	1,807
Margin, %	28	34	21	27	25	27
Directories Scandinavia	288	411	418	669	1,235	1,486
Margin, %	29	35	22	30	28	32
Voice Scandinavia	79	43	145	98	242	195
Margin, %	43	23	42	27	35	27
Finland/Poland	61	34	59	24	164	129
Margin, %	23	10	13	4	15	11
Other (Head office & group-wide projects)	-31	73	-55	55	-113	-3
Depreciations, Amortizations and impairment	-128	-146	-263	-264	-1,114	-1,115
EBIT Total	269	415	304	582	414	692
Margin, %	19	25	11	19	7	11

Operating Revenues by quarter

	2010	2010	2009	2009	2009	2009
SEK M	Q2	Q1	Q4	Q3	Q2	Q1
Operating revenues						
Total	1,442	1,267	1,966	1,500	1,673	1,442
Directories Scandinavia	995	897	1,387	1,088	1,161	1,050
Sw eden	438	367	781	452	538	402
Norw ay	411	410	392	438	432	470
Denmark	146	120	214	198	191	178
Voice Scandinavia	183	163	174	181	188	169
Sw eden	147	131	141	150	155	137
Norw ay	36	32	33	31	33	32
Finland/Poland	264	207	405	231	324	223
Finland	203	150	174	141	259	178
Poland	61	57	231	90	65	45

EBITDA by quarter

	2010	2010	2009	2009	2009	2009
SEK M	Q2	Q1	Q4	Q3	Q2	Q1
EBITDA by quarter						
Total	397	170	557	404	561	285
Directories Scandinavia	288	130	478	339	411	258
Voice Scandinavia	79	66	22	75	43	55
Finland/Poland	61	-2	88	17	34	-10
Other	-31	-24	-31	-27	73	-18

Key ratios

	2010	2009	2009
SEK M	Jun. 30	Jun. 30	Dec. 31
Equity, average 12 months, SEK M *	5,834	3,208	4,735
Return on equity, 12 months, % *	-2	1	13
Interest-bearing net debt, SEK M	-6,418	-7,068	-6,645
Debt/equity ratio, times	1.15	1.21	1.09
Equity/assets ratio, %	35	33	36
Interest-bearing net debt/EBITDA, times	4.2	3.5	3.7
Net debt /EBITDA adjusted for other items affecting comparability, times	4.3	3.7	3.9
	----- 3 months -----	----- 6 months -----	----- 12 months -----
	2010	2009	2009
SEK M	Apr-Jun	Apr-Jun	Jan-Jun
Operating margin - EBITDA, %	28	34	21
Operating margin - EBIT, %	19	25	11
Cash Earnings SEK M	20	366	161
	----- 6 months -----	----- 12 months -----	
	2010	2009	2009
	Jan-Jun	Jan-Jun	Jan-Dec
Average number of full-time employees, period	4,743	4,993	5,096
Number of full-time employees on the closing date	4,571	4,918	4,994

*calculated on result attributable to equity holders of the parent company

Key ratios per share before dilution

	2010	2009	2010	2009	2009/10	2009
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Operating revenues, SEK	8.94	34.56	16.79	70.20	38.27	63.98
Earnings before tax, SEK	1.09	6.26	0.98	6.90	0.52	2.26
Net income, SEK	-0.67	4.67	-0.63	14.27	-0.74	5.99
Cash Earnings, SEK	0.12	7.56	1.00	20.06	6.16	16.75
Average number of shares before dilution, 000s *	161,361	48,406	161,359	44,371	161,357	102,863
Average number of shares after dilution, 000s *	161,368	48,427	161,367	44,392	161,364	102,880

	2010	2009	2009
	Jun. 30	Jun. 30	Dec. 31
Equity, SEK **	34.63	36.19	37.86
Share price, end of period, SEK*	7.70	28.40	35.80
Number of shares on the closing date (reduced by own holding), 000s **	161,361	161,352	161,356

* Adjusted for reversed split 4:1
** Calculated on equity attributable to equity holders of the parent company

Parent company

	2010	2009
SEK M	Jan-Jun	Jan-Jun
Income statement		
Revenues	11	10
Earnings before tax	816	639
Net Income	698	766
Balance sheet		
Non-current assets	12,137	12,603
Current assets	1,299	658
TOTAL ASSETS	13,436	13,261
Equity	5,329	4,645
Untaxed reserves	360	847
Provisions	125	21
Non-current liabilities	7,590	7,537
Current liabilities	32	211
TOTAL EQUITY AND LIABILITIES	13,436	13,261

Definitions

Account

Advertiser by brand and any channel (printed directory, online, mobile, etc.) in a publication cycle last 12 months

Average revenue per account (ARPA)

Revenue rolling 12 months by brand and account

Average equity

Based on the average of equity at the beginning and the end of the period for each quarter.

Average number of shares for the period

Calculated as an average number of outstanding shares on a daily basis after redemption and repurchase.

Cash Earnings per share

Cash earnings divided by the average number of shares for the period.

Cash Earnings

Net income for the year plus re-entered depreciation and amortization plus re-entered impairment loss

Debt/equity ratio

Interest-bearing net debt divided by equity.

Direct return (%)

Dividend for the fiscal year divided by the share price at the end of the period multiplied by 100.

Earnings before tax per share

Earnings before tax for the period divided by the average number of shares for the period.

EBIT

Operating income after depreciation, amortization and impairment loss.

EBITDA marginal (%)

EBITDA divided by operating revenues multiplied by 100.

EBITDA

Operating income before depreciation, amortization and impairment.

Equity per share

Equity per share divided by the number of shares at the end of the period after redemption, repurchase and share issue.

Equity/assets ratio (%)

Equity divided by the balance sheet total multiplied by 100.

Interest-bearing net debt

Interest-bearing liabilities plus interest-bearing provisions less interest-bearing assets, excluding the market value of interest swaps.

Interest-bearing net debt/EBITDA

Interest-bearing net debt divided by EBITDA.

Operating cash flow

Cash flow from operations and cash flow from investments excluding company acquisitions/divestments.

Operating revenues per share

Operating revenues divided by the average number of shares for the period.

Organic growth

The change in operating revenues for the period adjusted for currency effects, changed publication dates, close down of white pages in Norway, acquisitions and divestments.

P/E ratio

Share price at the end of the period divided by earnings per share for the period.

Return on equity (%)

Net income for the last 12 months divided by average equity multiplied by 100

Total operating cost

Production-, sales-, marketing-, administration-, product- and development costs excluding depreciation, amortization and impairment.