



TELIO HOLDING ASA

3rd QUARTER REPORT 2009





Telio Holding ASA –3rd Quarter Report 2009

Summary

The markets in which Telio operates have continued to develop positively in the 3rd quarter of 2009. Telio continues to focus on profitable growth and operating profit in the 3rd quarter increased by 43% compared to the same quarter last year.

Products and markets

Telio continues to grow in the markets outside Norway. Denmark shows steady growth and reports a 29% increase in the customer base compared to the same period last year. Through existing wholesale agreements in the Dutch market, Telio has achieved 49% increase in the customer base compared to the same period last year.

The video telephone was launched in the Norwegian market in the quarter and the first customers have signed up.

The process of setting up an operation in Zurich to serve the Swiss market develops as planned and Telio expects a market launch towards the end of the year.

Financials Q3 09 (2008 figures in brackets)

Revenues for 3rd quarter 2009 were NOK 96.3 million (93), representing a growth of 3.6%. Gross profit was NOK 61.5 million – 63.9% gross margin (58.2 – 62.6%). EBITDA was NOK 31.3 million – 32.5% (24.6 – 26%). Operating profit was NOK 20.2 million (14.2). Profit after tax was NOK 13.1 million (12).

Cash flow from operations was NOK 32.1 million in 3rd quarter 2009. Cash and cash equivalents were NOK 121.7 million at 30 September after dividend payment of NOK 57.9 million in May.

Investments

Investments in 3rd quarter 2009 were NOK 8.5 million, including leased equipment (see notes 6 and 7 for details).

Related party transactions

There have been no transactions by related parties that have had a material effect on the Group's financial position or results in the period.

Risk

There have been no material changes in the principal risks and uncertainties for the business during the first nine months and these are not expected to change significantly during the remaining three months of the financial year.

Financial market conditions

With a solid financial situation (cash position, no interest-bearing debt except financial lease and cash generating operations), Telio has not been notably affected by the turmoil in the financial markets. The company does not foresee any material impact from this situation on its operations or financial performance.

Shareholder information

The total number of registered shares outstanding at the end of 3rd quarter 2009 was 19,392,700 (19,392,700 at the end of Q2 09) out of which 86,500 shares were owned by Telio Holding ASA (86,500 shares at the end of Q2 09). The total number of shareholders was 414 (431 at the end of Q2 09) and 36.4% of the shares were registered abroad (37.6% at the end of Q2 09).

Total outstanding options at the end of 3rd quarter 2009 were 1.01 million (1.02 million at the end of Q2 09) with an average strike price of NOK 15.06 (NOK 15.13 at the end of Q2 09). The stock price moved from NOK 20.20 to NOK 24.00 (18.8%) during 3rd quarter 2009.

**Legal matters**

The appeal in the court trial regarding the ecom case between Telio Telecom AS and Telio SA on one hand and the Ministry of Transportation and Communication on the other is scheduled to take place in Lagmannsretten 29 and 30 October 2009.

Future market developments

The board expects no significant short term changes in the markets and business environment in which Telio operates.

Oslo, 27 October 2009
Board of Directors
Telio Holding ASA

Ingrid Simunic
(sign.)

Erik Osmundsen
Chairman of the Board
(sign.)

Richard Kosowsky
(sign.)

Marit Wetterhus
(sign.)

Aril Resen
(sign.)

Eirik Lunde
CEO
(sign.)



Telio Holding ASA
Condensed consolidated statement of financial position (unaudited)

(Figures in NOK '000)

| | <u>30.09.2009</u> | <u>30.09.2008</u> | <u>31.12.2008</u> |
|---|-----------------------|-----------------------|-----------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 21,026 | 24,447 | 20,957 |
| Intangible assets | 27,965 | 27,736 | 29,663 |
| Deferred tax assets | 4,046 | 12,371 | 4,047 |
| | <u>53,037</u> | <u>64,554</u> | <u>54,666</u> |
| Current assets | | | |
| Trade and other receivables | 68,128 | 70,834 | 73,315 |
| Cash and cash equivalents | 121,688 | 117,094 | 123,902 |
| | <u>189,816</u> | <u>187,928</u> | <u>197,217</u> |
| Total assets | <u>242,853</u> | <u>252,482</u> | <u>251,883</u> |
| EQUITY | | | |
| Capital and reserves attributable to equity holders of the Company | | | |
| Share capital | 1,930 | 1,929 | 1,929 |
| Other reserves | 11,384 | 31,595 | 6,015 |
| Retained earnings | 92,481 | 59,709 | 108,953 |
| Total equity | <u>105,795</u> | <u>93,233</u> | <u>116,897</u> |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Borrowings | 3,176 | 4,386 | 4,191 |
| Deferred tax liabilities | - | 2,006 | - |
| | <u>3,176</u> | <u>6,392</u> | <u>4,191</u> |
| Current liabilities | | | |
| Trade and other payables | 62,935 | 71,136 | 68,372 |
| Current income tax liabilities | 21,594 | 16,057 | 6,620 |
| Borrowings | 13,891 | 16,984 | 13,806 |
| Deferred income | 34,644 | 41,186 | 41,397 |
| Contingent liabilities | 818 | 7,494 | 601 |
| | <u>133,882</u> | <u>152,857</u> | <u>130,795</u> |
| Total liabilities | <u>137,058</u> | <u>159,249</u> | <u>134,986</u> |
| Total equity and liabilities | <u>242,853</u> | <u>252,482</u> | <u>251,883</u> |

Oslo, 27 October 2009

Board of Directors
Telio Holding ASA

Ingrid Simunic
(sign.)

Erik Osmundsen
Chairman of the Board
(sign.)

Richard Kosowsky
(sign.)

Marit Wetterhus
(sign.)

Aril Resen
(sign.)

Eirik Lunde
CEO
(sign.)



Telio Holding ASA
Condensed consolidated income statement (unaudited)

(Figures in NOK '000)

| | Notes | 3 rd quarter | | Accumulated 30 Sept | | Full year 2008 |
|---|-------|-------------------------|---------------|---------------------|----------------|-------------------|
| | | 2009 | 2008 | 2009 | 2008 | |
| Sales | 5 | 93,029 | 91,080 | 285,069 | 278,542 | 374,669 |
| Other revenues | | 3,277 | 1,889 | 9,509 | 5,385 | 9,699 |
| Total revenue | | 96,306 | 92,969 | 294,578 | 283,927 | 384,368 |
| Cost of connections and traffic charges | | (34,763) | (34,742) | (111,781) | (109,393) | (148,599) |
| Salaries and personnel costs | | (13,257) | (12,533) | (36,362) | (34,351) | (47,139) |
| Selling and marketing costs | | (5,007) | (9,532) | (12,339) | (28,872) | (34,483) |
| Other expenses | | (11,968) | (11,612) | (36,461) | (34,004) | (45,016) |
| Depreciation and amortization | 6, 7 | (11,130) | (10,396) | (31,957) | (30,928) | (41,051) |
| Operating profit | | 20,181 | 14,154 | 65,678 | 46,379 | 68,080 |
| Finance | 9 | (2,642) | 1,880 | (9,691) | 1,203 | 7,491 |
| Profit before income tax | | 17,539 | 16,034 | 55,987 | 47,582 | 75,571 |
| Income tax | | (4,478) | (4,009) | (14,557) | (12,417) | (13,696) |
| Profit | | 13,061 | 12,025 | 41,430 | 35,165 | 61,875 |

Attributable to :

| | | | | | |
|-------------------------------|--------|--------|--------|--------|--------|
| Equity holders of the Company | 13,061 | 12,025 | 41,430 | 35,165 | 61,875 |
|-------------------------------|--------|--------|--------|--------|--------|

Earnings per share for profit attributable to the equity holders of the Company during the period (expressed in NOK per share)

| | | | | | |
|-----------|------|------|------|------|------|
| – basic | 0.68 | 0.62 | 2.15 | 1.82 | 3.21 |
| – diluted | 0.67 | 0.62 | 2.11 | 1.82 | 3.16 |

Condensed consolidated statement of comprehensive income (unaudited)

(Figures in NOK '000)

| | 3 rd quarter | | Accumulated 30 Sept | | Full year 2008 |
|-----------------------------------|-------------------------|---------------|---------------------|---------------|-------------------|
| | 2009 | 2008 | 2009 | 2008 | |
| Profit | 13,061 | 12,025 | 41,430 | 35,165 | 61,875 |
| Currency translation differences | 2,195 | (1,122) | 4,959 | (1,427) | (7,993) |
| Employee share option scheme: | | | | | |
| – value of employee services | 389 | 531 | 1,281 | 1,593 | 2,080 |
| Other comprehensive income | 2,584 | (591) | 6,240 | 166 | (5,913) |
| Total comprehensive income | 15,645 | 27,778 | 47,670 | 35,331 | 55,962 |



Telio Holding ASA

Condensed consolidated statement of changes in equity (unaudited)

(Figures in NOK '000)

| | Attributable to equity holders of the Company | | | |
|---|---|----------------|-------------------|----------------|
| | Share capital | Other reserves | Retained earnings | Total equity |
| Balance at 1 January 2008 | 1,929 | 31,379 | 24,544 | 57,852 |
| Total comprehensive income Jan-Sep 2009 | - | 166 | 35,165 | 35,331 |
| Employee share option scheme: | | | | |
| – proceeds from shares issued | - | 50 | - | 50 |
| Balance at 30 September 2008 | 1,929 | 31,595 | 59,709 | 93,233 |
| Balance at 1 October 2008 | 1,929 | 31,595 | 59,709 | 93,233 |
| Total comprehensive income Sep – Dec 2008 | - | (6,079) | 26,710 | 20,631 |
| Previous year adjustment | - | - | 2,983 | 2,983 |
| Write-down of premium reserve | | (19,551) | 19,551 | - |
| Employee share option scheme: | | | | |
| – proceeds from shares issued | - | 50 | - | 50 |
| Balance at 31 December 2008 | 1,929 | 6,015 | 108,953 | 116,897 |
| Balance at 1 January 2009 | 1,929 | 6,015 | 108,953 | 116,897 |
| Total comprehensive income Jan-Sep 2009 | - | 6,240 | 41,430 | 47,670 |
| Purchase of treasury shares | (10) | (1,994) | - | (2,004) |
| Payment of dividend | - | - | (57,902) | (57,902) |
| Employee share option scheme: | | | | |
| – proceeds from shares issued | 11 | 1,123 | - | 1,134 |
| Balance at 30 September 2009 | 1,930 | 11,384 | 92,481 | 105,795 |



Telio Holding ASA
Condensed consolidated statement of cash flows (unaudited)

(Figures in NOK '000)

| | 3 rd quarter | | Accumulated 30 Sept | | Full year |
|--|-------------------------|----------------|---------------------|-----------------|-----------------|
| | 2009 | 2008 | 2009 | 2008 | 2008 |
| Cash flows from operating activities | | | | | |
| Profit (loss) before tax | 17,539 | 16,034 | 55,987 | 47,582 | 75,571 |
| Adjustments for: | | | | | |
| - Net finance | 2,643 | (1,880) | 9,692 | (1,203) | (7,491) |
| - Interest paid | (396) | (558) | (1,116) | (2,946) | (3,371) |
| - Interest received | 227 | 2,006 | 1,235 | 3,958 | 5,726 |
| - Tax paid | (738) | (30) | (4,107) | (313) | (4,372) |
| - Depreciation | 5,258 | 6,115 | 15,497 | 17,178 | 22,837 |
| - Amortization | 5,872 | 4,282 | 16,460 | 13,752 | 18,214 |
| - Non cash transaction related to cost of share options | 389 | 531 | 1,281 | 1,593 | 2,080 |
| Changes in working capital (excluding the effects of exchange differences on consolidation): | | | | | |
| - Trade and other receivables | 1,599 | (4,080) | 5,188 | (4,256) | (6,737) |
| - Trade and other payables | 2,523 | 7,303 | (3,454) | 5,309 | (4,284) |
| - Deferred revenue | (2,811) | (1,376) | (6,688) | (6,203) | (6,057) |
| Net cash generated from operating activities | 32,105 | 28,347 | 89,975 | 74,451 | 92,116 |
| Cash flows from investing activities | | | | | |
| Purchases of property, plant and equipment (PPE) | (688) | (133) | (3,386) | (1,680) | (2,647) |
| Purchases of intangible assets | (4,463) | (1,578) | (14,759) | (5,231) | (11,620) |
| Net cash flow from investing activities | (5,151) | (1,711) | (18,145) | (6,911) | (14,267) |
| Cash flows from financing activities | | | | | |
| Sale/(purchase) of treasury shares | - | - | (871) | 50 | 100 |
| Repayment of loan | - | - | - | (59,050) | (59,050) |
| Repayments of borrowings/leasing | (4,352) | (5,003) | (12,988) | (13,912) | (18,778) |
| Payment of dividend | - | - | (57,902) | - | - |
| Net cash flow from financing activities | (4,352) | (5,003) | (71,761) | (72,912) | (77,728) |
| Net (decrease)/increase in cash, cash equivalents | 22,602 | 21,633 | 69 | (5,372) | 121 |
| Cash and cash equivalents at beginning of the period | 100,895 | 97,388 | 123,902 | 122,851 | 122,851 |
| Translation adjustments | 1,809 | (1,927) | (2,283) | (385) | 930 |
| Cash and cash equivalents at end of the period | 121,688 | 117,094 | 121,688 | 117,094 | 123,902 |



Telio Holding ASA

Notes to the condensed consolidated interim financial statements (unaudited)

Note 1: Reporting entity

Telio Holding ASA (the “Company”) is a company domiciled in Oslo, Norway. These September 2009 condensed consolidated interim financial statements of Telio Holding ASA and its subsidiaries (together “the Group”) are for the nine months ended 30 September 2009.

The consolidated financial statements of the Group as at and for the year ended 31 December 2008 are available upon request from the Company’s registered office at Støperigaten 2, Oslo, or at www.telioholding.no/investor_relations.

Note 2: Statement of compliance

These condensed consolidated interim financial statements of Telio Holding ASA Group have been prepared in accordance with rules and regulations from Oslo Stock Exchange and International Financial Reporting Standard (IFRS) IAS 34, Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2008.

These condensed consolidated interim financial statements were approved by the Board of Directors on 27 October 2009.

Note 3: Significant accounting policies

These condensed consolidated interim financial statements have been prepared under the historical cost convention. They have been prepared under the same accounting principles as those set out in the consolidated financial statements of the Group as at and for the year ended 31 December 2008.

Note 4: Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2008.

Note 5: Segment reporting

Primary reporting format - business segments

IFRS 8 requires segment reporting on both a primary and secondary basis. Business segments are the primary reporting format for Telio, as products and services represent the predominant source and nature of risks and returns. Telio is a niche company specializing in development, marketing and sales of voice over IP telecommunication and operates only in one business segment.

Secondary reporting format - geographical segments

The Group’s operations are defined into three geographical segments; Norway, Switzerland and the rest of Europe. The risks and returns of an entity are influenced both by the geographical *location of its operations* and also by the *location of its markets*. Telio’s definition of geographical segments is based on the location of its markets and customers. Transactions between segments are eliminated.



| Revenues | 3rd quarter 2009 | 3rd quarter 2008 | Accumulated 30 Sept 2009 | Accumulated 30 Sept 2008 | Full year 2008 |
|------------------------------|-------------------------|-------------------------|-------------------------------------|-------------------------------------|---------------------------|
| <i>(Figures in NOK '000)</i> | | | | | |
| Norway | 41,540 | 43,805 | 130,281 | 138,870 | 183,857 |
| Switzerland | 38,129 | 38,365 | 113,663 | 114,867 | 154,257 |
| | 79,669 | 82,170 | 243,944 | 253,737 | 338,114 |
| Other Europe | 13,360 | 8,910 | 41,125 | 24,805 | 36,555 |
| Total | 93,029 | 91,080 | 285,069 | 278,542 | 374,669 |

Capital expenditure

(Figures in NOK '000)

| | | | | | |
|--------------|--------------|--------------|---------------|--------------|---------------|
| Norway | 4,611 | 1,102 | 16,676 | 6,272 | 13,626 |
| Switzerland | - | - | - | 30 | 32 |
| Other Europe | 540 | 609 | 1,469 | 609 | 609 |
| Total | 5,151 | 1,711 | 18,145 | 6,911 | 14,267 |

Capital expenditure includes both property, plant and equipment (not equipment on financial lease) and intangible assets. Geographical allocation is based on where the assets are located.

| Total assets | 30.09.2009 | 30.09.2008 | 31.12.2008 |
|------------------------------|-------------------|-------------------|-------------------|
| <i>(Figures in NOK '000)</i> | | | |
| Norway | 164,329 | 133,827 | 166,435 |
| Switzerland | 48,985 | 96,412 | 31,914 |
| Other Europe | 29,539 | 22,248 | 53,534 |
| Total | 242,853 | 252,487 | 251,883 |

| Analysis of sales by category | 3rd quarter 2009 | 3rd quarter 2008 | Accumulated 30 Sept 2009 | Accumulated 30 Sept 2008 | Full year 2008 |
|--------------------------------------|-------------------------|-------------------------|-------------------------------------|-------------------------------------|---------------------------|
| <i>(Figures in NOK '000)</i> | | | | | |
| Connection fees | 3,194 | 3,302 | 9,785 | 9,627 | 12,848 |
| Subscriptions | 48,893 | 47,709 | 147,031 | 142,174 | 192,822 |
| Traffic | 32,645 | 33,081 | 103,481 | 106,403 | 140,744 |
| ASP | 4,526 | 2,947 | 13,955 | 8,636 | 12,998 |
| Mobile | 3,771 | 4,041 | 10,817 | 11,702 | 15,257 |
| Total | 93,029 | 91,080 | 285,069 | 278,542 | 374,669 |



Note 6: Property, plant and equipment

| | 3rd quarter 2009 | 3rd quarter 2008 | Accumulated 30 Sept 2009 | Accumulated 30 Sept 2008 | Full year 2008 |
|--|------------------|------------------|-----------------------------|-----------------------------|-------------------|
| <u>Adapters</u> | | | | | |
| Book value beg. of period | 16,771 | 12,873 | 15,613 | 16,008 | 16,008 |
| Additions | 3,315 | 10,670 | 12,180 | 15,229 | 16,144 |
| Depreciation | (3,789) | (4,472) | (11,496) | (12,166) | (16,539) |
| Book value end of period | 16,297 | 19,071 | 16,297 | 19,071 | 15,613 |
| <u>Other equipment</u> | | | | | |
| Book value beg. of period | 5,510 | 6,881 | 5,344 | 8,707 | 8,707 |
| Additions | 688 | 133 | 3,386 | 1,680 | 2,936 |
| Depreciation | (1,469) | (1,638) | (4,001) | (5,011) | (6,299) |
| Book value end of period | 4,729 | 5,376 | 4,729 | 5,376 | 5,344 |
| Total property, plant and equipment | 21,026 | 24,447 | 21,026 | 24,447 | 20,957 |

Note 7: Intangible assets

| | 3rd quarter 2009 | 3rd quarter 2008 | Accumulated 30 Sept 2009 | Accumulated 30 Sept 2008 | Full year 2008 |
|--|------------------|------------------|-----------------------------|-----------------------------|-------------------|
| <u>Customer acquisition costs</u> | | | | | |
| Book value beg. of period | 19,244 | 23,416 | 20,936 | 27,650 | 27,650 |
| Additions | 2,468 | 1,210 | 8,486 | 4,245 | 7,046 |
| Amortization | (4,413) | (3,212) | (12,123) | (10,481) | (13,760) |
| Book value end of period | 17,299 | 21,414 | 17,299 | 21,414 | 20,936 |
| <u>Technology platform</u> | | | | | |
| Book value beg. of period | 9,202 | 4,832 | 7,174 | 5,775 | 5,775 |
| Additions | 1,995 | 368 | 6,273 | 986 | 4,574 |
| Amortization | (1,155) | (751) | (3,405) | (2,312) | (3,175) |
| Book value end of period | 10,042 | 4,449 | 10,042 | 4,449 | 7,174 |
| <u>Other intangible assets</u> | | | | | |
| Book value beg. of period | 924 | 2,192 | 1,553 | 2,833 | 2,833 |
| Additions/(disposals) | - | - | - | - | - |
| Amortization | (300) | (319) | (929) | (960) | (1,280) |
| Book value end of period | 624 | 1,873 | 624 | 1,873 | 1,553 |
| Total intangible assets | 27,965 | 27,736 | 27,965 | 27,736 | 29,663 |

Note 8: Deferred revenues

Deferred revenues include revenues generated from connection fees, subscriptions and software lease agreements (ASP). These are recognized as follows (as stated in section 2.15 in the annual report for 2008):

Connection fee

Connection fee revenues are recognized over a 5 year period, which represents the expected average duration of a customer relationship. Revenues are being recognized when the customer has entered into a subscription agreement, has paid the connection fee and has been connected to the network. The connection fee includes the initial connection service, adapter delivery and porting (to technically transfer the unique telephone number from another telephone operator to the Company). The connection fee is non-refundable and the subscription agreement has no



lock-in period. Revenues generated from porting services (transfer of a telephone number from Telio to another telecom operator) are being recognized when the porting service has been delivered.

Subscriptions

Revenues from subscriptions are recognized on an accruals basis over the subscription period in accordance with the substance of the subscription agreement, starting as at the date of the activation of the subscription.

Software lease agreements (ASP)

Revenues from software lease agreements (ASP) are recognized on an accrual basis over the contract period in accordance with the substance of the lease agreement.

| <i>(Figures in NOK '000)</i> | 30.09.2009 | 30.09.2008 | 31.12.2008 |
|---|-------------------|-------------------|-------------------|
| Deferred revenues connection fee | 13,426 | 22,794 | 20,563 |
| Deferred revenues subscriptions | 21,218 | 18,392 | 20,834 |
| Total deferred revenues in balance sheet | 34,644 | 41,186 | 41,397 |

Note 9: Finance

Net finance loss of NOK 2.642 million in Q3 09 (NOK 9,691 YTD 09) includes net unrealized foreign exchange loss of NOK 2.669 million related to inter-company loans (NOK 10,115 YTD 09).



Financial information Q3 09

Telio reports revenues of NOK 96.3 million in 3rd quarter 2009. EBITDA was NOK 31.3 million (EBITDA margin of 32.5%) and EBIT was NOK 20.2 million.

EBIT was NOK 20.2 million compared to NOK 14.2 million in Q3 08. Profit before tax was NOK 17.5 million compared to NOK 16 million in Q3 08.

Total gross profit in Q3 09 was NOK 61.5 million (63.9% margin) compared to NOK 58.2 million (62.6% margin) in Q3 08.

Average monthly revenue per customer (VoIP Norway) during Q3 09 was NOK 242, compared to NOK 244 in the previous quarter. Average monthly gross profit per customer for Norwegian VoIP customers was NOK 168 during the quarter compared to NOK 161 in the previous quarter.

Salaries and personnel costs were NOK 13.3 million in Q3 09 (13.8% of revenues). The company capitalized NOK 1.8 million in development costs during the quarter. Selling and marketing costs were NOK 5 million in Q3 09 (5.2% of revenues). The company capitalized customer acquisition costs of NOK 2.5 million during the quarter.

Cash flow from operations was NOK 32.1 million in the quarter. Cash and cash equivalents were NOK 121.7 million at 30 September after dividend payment of NOK 57.9 million in May. Consolidated equity was NOK 105.8 million (equity ratio of 43.6%) compared to NOK 93.2 million (36.9%) at the end of Q3 08.

Deferred revenues (current liabilities) decreased by NOK 2.8 million during the quarter. Deferred income at the end of Q3 09 was NOK 34.6 million of which NOK 13.4 million has been collected and is non-refundable. Total financial lease debt was NOK 17.1 million at the end of the quarter which is NOK 1.1 million below the end of the previous quarter (NOK 18.2 million). Of the total financial lease debt, NOK 13.9 million was classified as current liabilities (payable within one year from the balance sheet date).

The Telio Group had 104 employees (FTE) at 30 September 2009.

| <i>(Figures in NOK '000)</i> | 3rd quarter 2009 | 2nd quarter 2009 | 1st quarter 2009 | 4th quarter 2008 | 3rd quarter 2008 | 2nd quarter 2008 | 1st quarter 2008 |
|------------------------------|--|--|--|--|--|--|--|
| Total revenue | 96,306 | 99,144 | 99,128 | 100,441 | 92,969 | 96,692 | 94,267 |
| Gross margin (%) | 64% | 62% | 60% | 61% | 63% | 61% | 61% |
| Operating profit | 20,181 | 26,026 | 19,471 | 21,701 | 14,154 | 20,192 | 12,033 |
| Operating margin (%) | 21% | 26% | 20% | 22% | 15% | 21% | 13% |
| EBITDA | 31,311 | 36,355 | 29,970 | 31,824 | 24,550 | 30,040 | 22,717 |
| EBITDA margin (%) | 33% | 37% | 30% | 32% | 26% | 31% | 24% |
| EPS (NOK) | 0.68 | 0.95 | 0.52 | 1.32 | 0.62 | 0.80 | 0.40 |
| EPS (NOK) fully diluted | 0.67 | 0.94 | 0.51 | 1.32 | 0.62 | 0.80 | 0.40 |



Company Facts

Telio Holding ASA
Støperigt. 2
Postboks 1203 Vika
0110 Oslo

Telephone: +47 2167 3500
Homepage: www.telioholding.no

Company reg. number: 985 968 098
Founded: 12 August 2003

Board of Directors

Erik Osmundsen (Chairman)
Richard Philip Kosowsky
Aril Resen
Ingrid Simunic
Marit Wetterhus

Group Management

Eirik Lunde, Chief Executive Officer
Tom Nøttveit, Chief Financial Officer
Alan Duric, co-founder and Chief Technology Officer
Jens Hetland, Commercial & Product Director
Nina Forsberg Mathiesen, Director Customer Services

Investor Relations

Tom Nøttveit, Chief Financial Officer
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Financial Calendar

1st quarter 2009: 29 April
2nd quarter 2009: 20 August
3rd quarter 2009: 28 October

Equity Research Coverage

| Company | Contact | Phone |
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