

Telio continues to report record results **- Operating profit increased by 43% in 3rd quarter 2009**

Telio continues to deliver strong results, thereby confirming their position as a leading European provider of access independent broadband telephone services. Revenues in the third quarter ended at NOK 96.3 million, compared to NOK 93 million in the same period last year. Operating profit was NOK 20.2 million, up from NOK 14.2 million in the year-ago quarter.

- We have continued to deliver record results for the last 10 quarters, and we are naturally very satisfied with revenue growth and 43% growth in operating profit compared to 3rd quarter 2008, says Eirik Lunde, CEO of Telio Holding ASA.

Growth in international markets

Telio also 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. In the Dutch market, Telio has achieved a 49 % year-to-year growth in the customer base through existing wholesale agreements. In October, the Netherlands has generated a customer intake of 2,000 customers compared to 1,200 customers in the 3rd quarter. The company expects continued strong growth in the Dutch market.

Telio in Deloitte Technology Fast 50 list 2009

Deloitte is ranking the fastest growing technology companies with own technology the last 5 years.

- We are of course proud to be on this list. Our unique technological platform contributes to growth in Norway and in international markets. Our customers experience Telio's services as highly attractive with unique quality, says Eirik Lunde, CEO of Telio Holding ASA.

Strong financial results

In the 3rd quarter, the Telio Group achieved revenues of NOK 96.3 million compared to NOK 93 million in the year-ago quarter. EBITDA was NOK 31.3 million (33% EBITDA margin) compared to NOK 24 million in the same quarter last year (26 % EBITDA margin). Operating profit ended at NOK 20.2 million compared to NOK 14.2 million in the 3rd quarter of 2008.

(See listing of financial results below)

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Download high definition pictures of CEO Eirik Lunde at http://www.telio.ch/om_telio/presse

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Key financial figures for the Telio Group:

<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