

2015

ENIRO ANNUAL REPORT

The symbol of local discovery

eniro 
Discover local. Search local.

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CEO'S MESSAGE

In 2015 we stabilized earnings, streamlined operations and strengthened our financial position.

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STRATEGY

Through extensive branding work in 2015 we have broadened our vision. Today we are the symbol of local discovery.

14

BUSINESS ACTIVITIES

Every week some 8.1 million unique visitors use our search services. Every month some 80 million searches are performed in our databases.

52

CONSOLIDATED ACCOUNTS

Operating revenue in 2015 totaled SEK 2,438 M. Adjusted EBITDA amounted to SEK 454 M.

Statutory Annual Report 2015

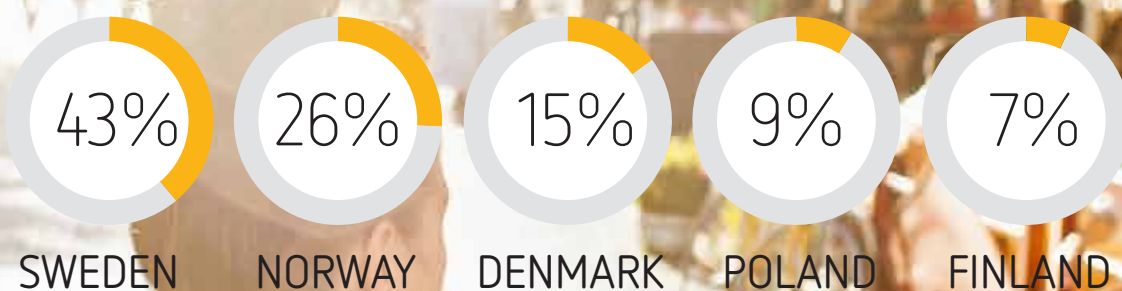
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The Board of Directors' report covers pages 30–49 and page 81.

Breakdown of revenue per country & product area

Eniro is a leading Swedish search company, with operations in Sweden, Norway, Denmark, Finland and Poland. Eniro aggregates, filters, organizes and presents local information. Sweden is the company's largest market area. Digital search, which includes the Desktop search, Mobile search and Complementary digital marketing products revenue categories, is our largest operating segment.

SHARE OF CONSOLIDATED OPERATING REVENUE 2015



SHARE OF CONSOLIDATED OPERATING REVENUE PER PRODUCT CATEGORY

DIGITAL SEARCH

73%

VOICE

19%

PRINT

8%

Activities for better stability

Q1 NEW ISSUE & STRENGTHENED LEADERSHIP

An Extraordinary General Meeting approved the proposition to carry out a guaranteed new issue of common shares with preferential rights for existing owners and a directed issue of convertible bonds.

In connection with the issues, the company's loan agreement with the bank consortium was renegotiated.

The Annual General Meeting resolved to not grant discharge from liability to former CEO Johan Lindgren for the 2014 financial year.

Q2 CONDITIONS ESTABLISHED FOR IMPROVED STABILITY

Restructuring of the company to fully adapt it to the digital operations.

Rights issue oversubscribed, with 97% support of subscription rights.

The renegotiated loan agreement took effect on April 24.

The Nasdaq Stockholm Disciplinary Committee announced that Eniro had contravened certain items in the Exchange's member rules and ordered Eniro to pay a fine equal to three years' fees.

Q3 EFFICIENCY IMPROVEMENT & GREATER PROFITABILITY

Fredrik Sandelin appointed as new Group CFO.

Gothenburg-based company Adfenix named as winner of Eniro Tech Challenge.

Operations of 118 118 concentrated in Norrköping; closure of office in Kristianstad.

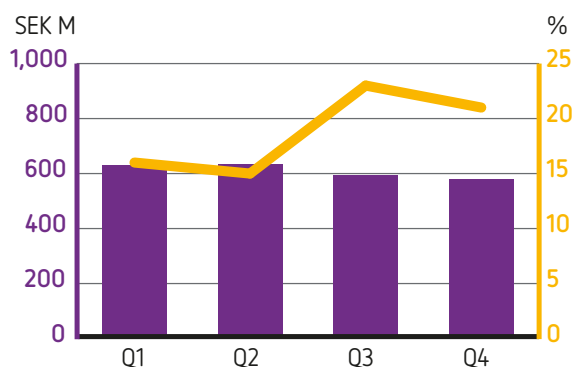
Q4 STRENGTHENED CUSTOMER OFFERING, MORE THAN 8 MILLION VISITORS EVERY WEEK, HIGH ACTIVITY LEVEL AND STABLE FINANCIAL POSITION

A new, Nordic sales organization was presented to enable faster and more efficient product development and thus an even stronger customer offering.

Pilot launch of Facebook advertising solution developed by Eniro in collaboration with Adfenix, the winner of the Eniro Tech Challenge in September.

An Extraordinary General Meeting resolved in favor of the Board's recommendation that the company concludes a settlement agreement with former CEO Johan Lindgren.

OPERATING REVENUE (SEK M) AND ADJUSTED EBITDA MARGIN (%) PER QUARTER 2015



In 2015 we updated our start page with local background photos and new, dynamic, time-steered sections to inspire a more engaging user experience.



We conducted a fundamental overhaul and modernization of our mobile app for local search, with faster navigation, more images and new advertising opportunities.



Q1

Extraordinary General Meeting resolved in favor of a new issue of common stock and of convertible bonds

In November we launched our local search app for Apple Watch.

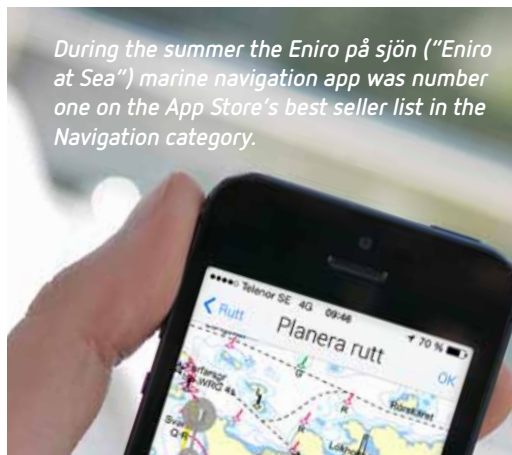




Q2

Renegotiated loan agreement took effect

During the summer the Eniro på sjön ("Eniro at Sea") marine navigation app was number one on the App Store's best seller list in the Navigation category.

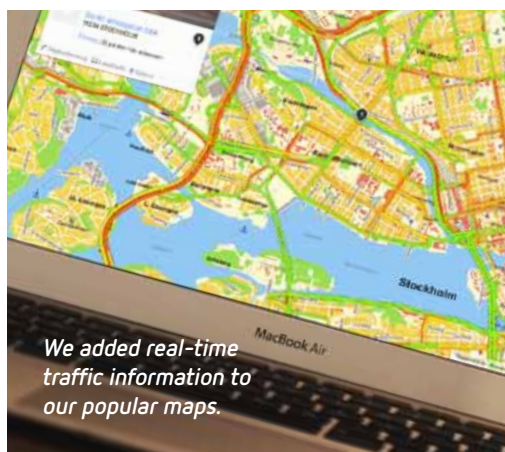


Q3

Operations of 118 118 concentrated in Norrköping



Eniro Navigation continued to show success in 2015 and complements our local search offering.



We added real-time traffic information to our popular maps.

Q4

New Nordic sales organization

An eventful year that created conditions for stability



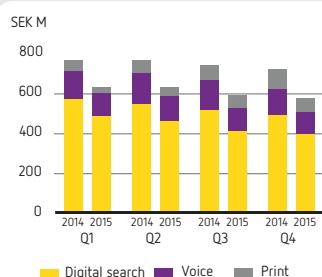
In 2015 we stabilized earnings, streamlined operations and strengthened our financial position. During the spring we renegotiated our loan agreement, which was conditional upon the completion of a rights issue of SEK 458 M and a convertible bond issue in the nominal amount of SEK 500 M. This strengthened financial position made it possible to develop Eniro's business and customer offering during the year. We achieved total operating revenue of SEK 2,438 M and adjusted EBITDA of SEK 454 M in 2015.

"We have developed and reorganized our business to strengthen our digital focus"

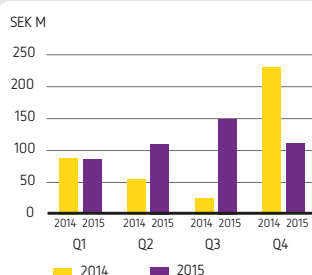
A leaner organization

During 2015 we carried out a strategic transformation focused on improving our customer offering, strengthening our business and lowering our overheads. We developed and reorganized the business to strengthen our digital focus, and we increased our efficiency by streamlining routines and personnel structures in line with a more mature business base. We recruited people for all central management positions, including a new Group CFO, and the Swedish, Norwegian and Danish sales units were combined into a smaller and more efficient Nordic sales organization which further strengthens our customer focus. In addition, we created a joint-Group Business Support function for the product development and sales organizations, to optimize processes and further strengthen the customer benefit of our offering. The organization is now both flatter and more efficient compared with 2014. The efficiency improvement we have conducted has in 2015 resulted in cost savings of SEK 371 M.

REVENUE BREAKDOWN, SEK M, 2015 VS. 2014



COST SAVINGS, SEK M, 2015 VS. 2014



10%

increase in the number of "click-on leads," i.e., searches that lead to visitors clicking forward on a link in their search results

Focus on value creation and quality

Our focus on customers and users has been an important part of the work on stabilizing revenues and improving operational efficiency in 2015. The ambition is to increase use of our websites and enhance customer benefit by further developing our digital advertising offering. During the year we improved our products and services in an effort to meet users' needs for fast functionality, greater relevance, search logic, and services that increase traffic to our sites. This work has been focused on creating structures, design and functions that facilitate users' options. The number of clicks by users to advertisers increased by 10% in 2015, and for 2016 our ambition is to capture new traffic flows, especially in mobile search services. At present we have more than 8 million unique visitors a week, and our navigation app was one of the five most downloaded apps in the Navigation category in 2015. Visitors continue to generate more than 80 million searches per month.

To increase the customer benefit of our offering, in 2015 we launched a new customer portal and a new customer care program that improves and simplifies our customer offering, at the same time that we included customer satisfaction as a parameter in the Nordic commission models. The goal is to create value for our customers through a broader digital offering and leading, local search functions, and to guide our customers through the digitalization process.

Three strategic pillars

We continue to have a positive view of underlying growth in the Scandinavian market for digital search services, where per capita advertising investment remains at a high level. We believe that our focus on quality and customer benefit will continue to increase relevance, creating benefit not only for our customers and users, but also for our business.

We are standing by our goal to implement our three strategic pillars:

- to further strengthen our leading position in local search
- to develop complementary growth opportunities in digital marketing through partnerships
- to manage our mature business areas in a responsible manner.

We are making a concerted effort to strengthen our leading position by targeting local small and medium-sized companies and offering them value-creating solutions that create relevant traffic for customers. Relevance boosts customer loyalty and has a positive impact on Eniro's revenue.

Our local databases, local sales organizations and our brand continue to be our most valuable assets in a complex and highly competitive market. Eniro's search engine is often the starting point that leads to a purchase, and to strengthen our leading position, our primary focus will continue to be on increasing users' engagement and loyalty. Our most important tools in this work are continuous development of the user experience and interface, and updated and

correct information in our search databases.

By working actively with various types of collaborations and partnerships, we are also seeking to offer our customers the most interesting digital marketing opportunities. During the past year we renewed and developed our cooperation agreement with Google in Norway, and in partnership with Adfenix, the winners of the Eniro Tech Challenge in 2015, we developed a user-adapted advertising solution for Facebook.

In Print and Voice the ambition is to maximize profitability through strict cost control and successful business optimization. During 2015, demand for products and services in the Print and Voice business areas continued to decline as a result of the shift toward digital services. We will continue to offer voice-based directory information services and advertising in local telephone directories as long as these businesses maintain satisfactory profitability.

User-generated content important market driver

To adapt our business to the rapid shifts in user behaviors and requirements, we continued to develop new services in 2015, with the goal to expand our offering and develop services and applications for new target groups. Since user-generated content has become an important market driver, Eniro's goal is to continue leading development by actively cultivating channels in social media. The successful "Thriving communities" YouTube campaign during the autumn is a prime example. Ten active YouTubers presented some of their favorite local businesses and thereby promoted Eniro by communicating the aim of the business and vision to be the symbol of local discovery. Other examples of successful interaction with and involvement by our users included the summer's "My neighborhood" campaign in Sweden, where users gave tips on local vacation spots, and the "Best company name" competition in Norway.

Given all of these measures we have taken and the activities that are now in progress, I am confident that our prospects are more stable now than at the start of 2015. In addition, during the year we closely monitored our staff turnover with the ambition to increase employee satisfaction and create a value-driven culture. With the help of Eniro's employees I look forward to the results of our ongoing, joint work on implementing our business strategy in 2016.

Stockholm, April 2016



Stefan Kercza
CEO and President

Our brands

LOCAL SEARCH

eniro 

krak 

 **PROFF**
The Business Finder

GULE SIDER 

 **PROFF FORVALT**
Utvidet firma- og regnskapsinformasjon

DE
GULE
SIDER

PanoramaFirm 

 **budownictwo.pl**

VOICE

TELEFONKATALOGEN
t1880

 **1880**

sentraali 
Part of Eniro Group

118
118

1888
Versigod!

PRINT

DinDel 

mostrup

Den Røde Lokalbog

Ragn-Sells AS



"A full 74% of customers who reach us via Gule Sider are entirely new customers"

*Anders Ellefsen, Head of Marketing,
Ragn-Sells AS, Norway*

Ragn-Sells AS Norway advertises on both the desktop and mobile versions of Gule Sider. The company has individual ads for 22 local businesses, featuring its logo, campaign images with web links, and its own defined keywords that are adapted for each individual facility.

What are your most important communication channels for reaching your customers?

We have two categories of customers – private and commercial. For reaching out to private customers, our online communication is the absolute most important, and in this regard Gule Sider is one of our most important channels.

How does your advertising on gulesider.no help your customers contact you?

We monitor this closely via Google Analytics, a tool that provides us with statistics on how people use our websites. We can see that many visitors to our website have found their way via the Gule Sider desktop version, but also that many people call us via the Gule Sider mobile app. We are particularly happy with the share of new customers that are brought in to our web store via Gule Sider – a full 74% of customers who reach us via Gule Sider are entirely new customers.

How do you feel that Eniro has treated you as a customer?

We are very happy with Eniro's customer support. Our own customer contact is always available for us and acts promptly when we have questions or need help with something, such as if we want to change a keyword or update information in any of our ads.

Would you recommend Eniro to other companies?

Yes. Gule Sider is a great channel for reaching out to customers who are near the purchasing process, and we are satisfied with the conversion rate for such customers. Gule Sider is an important and natural part of our marketing activities.

Ragn-Sells AS collects, processes and recycles waste and residual products from companies and private persons throughout Norway. Ninety-nine percent of all material that is collected can be recycled as energy or be used in new products. With origins in Sweden, RagnSells today has operations in Norway as well as in Denmark, Poland, Latvia and Estonia.

Drivers in the search market

The Scandinavian media market continues to grow. Digital business accounts for about a third of this market, and its share is growing steadily. Eniro has a strong position in the digital part of the media market. Our niche is local search.

Digital marketing accounts for about a third of the media market, and its share is growing constantly. The greatest growth is taking place in mobile marketing, but banner advertising, keyword marketing and web TV are also experiencing strong growth.

Regardless of channel, the search market is characterized by high competition, rapidly evolving user behaviors, and a high level of technical innovation. In addition, advertisers' demands for effect and clear follow-up are also rising.

Many different actors

Eniro's services encounter both direct and indirect competition from companies that offer searchability. At the same time, most competitors are also business partners.

The direct competitors are local actors – hitta.se in Sweden, Opplysningen 1881 in Norway, 118.dk in Denmark, and PKT in Poland.

Among international players are Google, Bing and Yahoo. Specialized players in specific areas – verticals – are either international companies, like Tripadvisor or Booking.com, or national, local actors. Google is an example of a company that operates both as a competitor as it moves closer to local search and as a partner that uses Eniro to gain access to customers. Apart from the various search companies are various social network sites that target the small and medium-sized companies segment.

In the market for media investments, Eniro also competes with alternative channels, such as daily newspapers, radio, TV, outdoor advertising, and direct marketing.

Telecom operators and manufacturers of cell phones are also players in the market that have many users and a wealth of information.

Attractive, strong position in the digital search market

Eniro has a strong and attractive position in the digital search market, which accounts for a third of the total media market. Eniro's strong position is based on five cornerstones: content, traffic, brand, customer base and sales force.

Content

- Nearly 5.8 million searchable companies in our databases, and the number is growing all the time.
- New functions are launched on average every three weeks on our search sites.

Traffic

- Our search services have an average of 8.1 million unique visitors every week.
- An average of 80 million searches are performed every month in our databases.

Brand

- We have a strong brand. In Sweden our brand recognition is nearly 90%. In Norway and Denmark it is between 80% and 85%, while in Poland it is over 40%.

Customer base

- Approximately 200,000 customers.
- We have a positive repeat purchase rate. Our customers increase their investment with us every time they renew their agreement with us.

Sales force

- Every day our more than 900 sales reps cultivate the Scandinavian media market and help our customers with their digital marketing.

We want to be the symbol of local discovery

In 2015 we conducted a thorough review of how our customers, users and employees perceive us and how we want them to perceive us. This work culminated in a refinement of our brand strategy, which entails a broadening of our scope from being the symbol of local search to being the symbol of local discovery. We want users to feel that by using our search services, they make discoveries about the world around them and become inspired and engaged in things that they were not aware of before.



Vision – The symbol of local discovery

Purpose – We help local communities thrive

User promise – The best local discoveries, at your fingertips

- User experience first
- Engaged solutions for local search
- Highest quality local data

Customer promise – Simple marketing solutions, to enable your local relationships

- Simple to manage marketing products
- Tools that enable local relationships
- Proactive sales and service experience

To achieve our vision, we have formulated a three-pillar strategy. It starts with the core of our offering – local search – where we have a strong position that we aim to build further upon. To broaden our offering and be an even more attractive partner for our customers, we are working actively on complementing our offering with other attractive marketing products. Finally, our directory information service in Voice and telephone directories in Print remain important. We are working relentlessly on optimizing these businesses to ensure maximum profitability.

1. Strengthen position in local search

The first and most important part of our strategy is to further strengthen our existing position in local search. Our brand building work in 2015, which resulted in us now expressing our vision as the symbol of local discovery, also entails that we have broadened our level of ambition. We want our users to feel that, by using our search services, they can discover happenings in their immediate surroundings and be inspired by things they weren't aware of before. We aim to achieve this by presenting, through our services, event information, weather and flows from social media. Our aim is to offer the best service to users when they want to search locally and thereby be a key channel for our customers to reach their customers.

Today more than 8 million unique visitors use our local search services every week from a desktop computer or mobile device. Starting with these visitors' needs and preferences, we are constantly developing our services – mostly with a special focus on mobile users. Examples of the latter are Eniro Navigation and Eniro På Sjön, which are among the most popular apps on App Store and Google Play. Since their launch they have remained among the top five apps in the navigation services category.

To meet the needs of desktop users, of course we are continuously updating our search sites: eniro.se, gulesider.so, krak.dk and panoramafirm.pl. During the year we made several improvements to our search logic, for example, resulting in better precision and relevance in users' search results.

The volume of use of our search services is proof that they are in demand. Regardless of whether users choose to use a desktop computer, a mobile device, a smart watch or a TV for their search, our services will be there. The more satisfied users are, the more traffic

we bring in to our search services, which in turn generates a better return for our customers on their marketing investments.

In addition to increasing traffic to our search services, we are also working to increase the frequency with which our users return to our search services. Achieving this requires that we generate relevant and correct search results. Moreover, the content must be dynamic and always perceived as being new, current and on-point. As an example of this work, in 2015 we added features such as traffic information and information on ski area conditions.

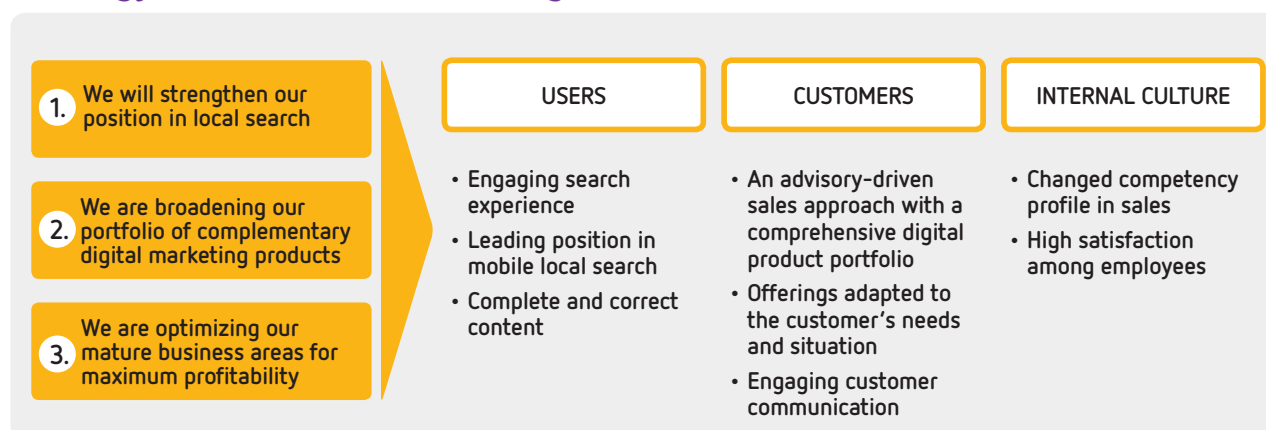
2. Broaden the portfolio of complementary digital marketing products

Since we strive to offer our customers a relevant and modern array of marketing services, we also want to be able to offer complementary solutions outside of our core product. This is a segment that is experiencing strong growth in all markets. We know that many small and medium-sized companies still have a relatively undeveloped insight into digital marketing – something that was brought to light in the Small Business Report from PR and our branding project with Lynxeye. It is therefore natural for us to broaden our portfolio with other digital marketing products as a complement to our own local search offerings.

We know that many users begin their searches on Google. What many people don't realize is that their first hits are often links to Eniro's various services. The reason why our advertisers also end up at the top of result lists on Google is that we work actively and effectively with search engine optimization (SEO). SEO refers to various methods and techniques for getting a website positioned high up on search engines' result lists. This is something that is

Strategy

Strategic direction



sought after, since the higher up on a result list a website is presented, the more clicks it receives. For customers who don't already have a presence on the Web, we help them with this also – including content and design as well as complete website publication.

We strive to always provide all relevant solutions in digital marketing for local businesses. In addition to websites, we offer services such as Google AdWords, banners, and Twitter advertising.

3. Optimization of mature business areas for maximum profitability

Our Print and Voice business areas were previously an important part of our core business. In pace with the digital development, revenues from these business areas are declining for every year that passes, which is in line with our expectations. Both of these businesses are separated from our core business to ensure focus within their respective organizations.

Continuous development of our offering

Our users' search behaviors are constantly evolving – today they search digitally almost without exception, from their smartphones, tablets or desktop computers. This puts demands on us that we continuously adapt our offering and our organization. During the

past year we therefore implemented a host of measures to adapt and fine-tune our customer offering. We have concentrated the operations of 118 118 in Norrköping and closed the office in Kristianstad. We continue to scale back on our telephone directory business, and total circulation in 2015 in the Nordic countries was 6.4 million (7.0 million in 2014). To cater to customers' total needs in digital marketing, sales representatives have been given responsibility to sell more products to one and the same customer. We have adjusted the commission models for our sales force to reward customer satisfaction. We have centralized several functions at the Group level, such as in product development, sales support and customer service. We have fewer management levels and have adopted a Nordic sales organization with local divisions in the respective countries. Taken together, all of these measures have resulted in valuable cost savings, but even more so they have led to further development of our offering, with a clear coupling between customers' and users' needs.

Goals for operational key performance indicators

NUMBER OF
VISITORS &
FREQUENCY

CUSTOMER
BASE &
CUSTOMER
SATISFACTION

STAFF
TURNOVER

We bring buyers and sellers together

Business model

Our business model is based on the interaction between users, customers and channels, which are all mutually dependent on each other.

Creating an attractive search service requires a current database and a search algorithm that generates accurate search results. We buy raw data, i.e., basic information such as addresses, registered company names and phone numbers from information registers maintained by telecom operators and Lantmäteriet (the Swedish National Land Survey), for example. Since such raw data includes legal company names, a large share of the data is refined through manual updating by our force of more than 900 sales representatives, who speak in person with our approximately 200,000 customers every year.

This data is further augmented by website crawling, which adds additional information, such as business hours, to the raw data we have compiled.

All information is stored in our database, which is the hub for everything we do. The database is our most important asset and the foundation for all of our product development.

The customer – user relationship

Today we have more than 8 million unique visitors a week who perform local and financial searches from desktop computers or mobile devices. These 8 million users are also 8 million potential buyers for our customers, and they perform nearly a billion searches every year, which represent contact opportunities.

In all of our local search products we sell advertising packages in the form of rankings, i.e., how high up the advertiser appears on a result list when a user performs a search. The pricing varies, depending on the customer's desired placement on a result list. A higher placement generates more clicks and thereby warrants a higher price. Rankings on result lists are also extremely important for our customers' ability to reach their customers – who are our users. We know that rankings on search result lists make a difference. As a case in point, we know that an advertiser in the number two spot receives 50% more clicks than an advertiser in spot three.

Advertising packages are usually sold as an annual subscription

with 12 months' advance payment. For larger companies, other types of payment models are also used, such as PPP (pay-per-performance), where customers pay for a certain number of clicks, visits or viewings, for example.

Our users search actively for contact information for a company when they are looking to buy a product or service, but regardless of whether they prefer to use our platforms for local search, social media services or Google searches from a desktop computer, a smartphone, a smart watch or a TV, our goal is to offer a total digital marketing solution to our customers. We are therefore working together with a number of different partners to offer our customers complementary products in digital marketing.

Printed telephone directories (Print) are now only available locally as a complement to our digital marketing products and are delivered primarily to select target groups at the local level.

We will continue to offer our directory information service (Voice), along with more qualified services by phone, as long as users continue to use the service and it has satisfactory profitability.

Market-leading return to advertisers

Higher user benefit leads to more traffic, which attracts advertisers. All customers receive result reports on a regular basis that show the traffic generated by Eniro's search services. In this way, customers can see the impact of their marketing and measure the return on their investment. Customers that monitor their marketing impact via Eniro's result reports have a higher repeat purchase rate than those that do not regularly take an interest in their advertising results. Eniro is striving to help customers to a greater extent in seeing the opportunities and impact of their marketing investment.

One way Eniro will achieve this is by being more perceptive and improving its dialog with advertisers. By working from individual customers' current needs and market situations, Eniro will increasingly focus on guiding its customers through the digital marketing process and offer customized solutions. These can entail, for example, price models, seasonal offers, or specific solutions for selected market segments.



1 Raw data from a large number of data sources is compiled and refined manually by our more than 900 sales representatives. All data is stored in our unique database, which is the hub of everything we do.

2 The data is filtered and presented in our local search services through search algorithms.

3 Our customers pay for exposure on result lists. The price is determined by how high up on a result list the company wants to appear and by the type of exposure.

4 Users search for a product, service or company. Attempts to contact our customers are steered by users' behaviors, which is why a placement high up on a result list is significant. A number two spot generates 50% more visits than number three.

5 We bring users and customers, i.e., buyers and sellers, together. Our result reports give customers statistics on how many users are converted to customers.

Ustekveikja Energi AS



**"Proff.no
is reliable and
has a good
reputation for
information about
businesses"**

*Per Roar Brox, Sales & Marketing manager,
Ustekveikja Energi AS*

Ustekveikja Energi AS, with head offices in the mountain village of Geilo, Norway, buys numerous services from Eniro, including advertising on proff.no and gulesider.no.

What are your most important communication channels for reaching your customers?

Digital and printed advertising are our most important communication channels. We make sure to maintain a presence via the media agencies that we work with and that we secure a high placement in hit lists on search sites, like Google.

How does your advertising via Eniro's search services contribute to customers contacting you?

Proff.no is reliable and has a good reputation for information about businesses. During certain periods we have used banner advertising on the proff.no start page, which has generated good results in the form of new customers. Our advertising on gulesider.no has also generated the same results.

How do you feel that Eniro has treated you as a customer?

Our marketing coordinator is engaged in a close dialog with our customer contact, and I find the service to be very good. We conduct a proactive dialog about what we should be doing to maximize the benefit of the services we use.

Would you recommend Eniro to other companies?

Absolutely! As I mentioned, the level of service is high, and the dialog we have with our customer contact is very constructive. With proff.no in particular, their data is always accurate, which contributes to the reliability in our advertisements.

Ustekveikja Energi AS is a Norwegian energy company that offers competitive energy contracts for small, medium-sized and large companies. Through its subsidiary EnergiPlan AS, Ustekveikja also helps business customers lower their energy costs.

Development aimed at continuously increasing the use of our services



1 – STRENGTHEN POSITION IN LOCAL SEARCH

- We launched a new start page for enhanced personalization
- We updated the interface on our mobile apps to facilitate contacts between users and customers
- We improved our search logic to ensure that users find what they are searching for
- We added traffic information for dynamic content



2 – BROADEN THE PORTFOLIO OF COMPLEMENTARY DIGITAL MARKETING PRODUCTS

- We began selling Twitter advertising
- Renewed retailer agreement with Google in Norway
- In Poland we sold more than 5,000 websites



3 – OPTIMIZATION OF MATURE BUSINESS AREAS FOR MAXIMUM PROFITABILITY

- The Voice office in Kristianstad was closed
- The Print office in Jönköping was closed





To increase traffic to Eniro's search services we are working relentlessly on improving the user experience and functionality. New data and new functions are being successfully launched week after week. Strategic partnerships are also a key source of traffic for Eniro. The volume of traffic routed to Eniro via Google increased during the year as a result of effective SEO work.

Desktop search

Our local search services are among the most highly visited sites in their respective markets. Brand recognition is between 80% and 90% in the Nordic countries and over 40% in Poland.

Our advertisers pay for rankings and exposure in result lists in our local search services – eniro.se, gulesider.no, krak.dk, dgs.dk, and panoramafirm.pl. A higher placement on a result list and better profiling generate greater exposure along with more clicks and calls from users, who in the end become the advertisers' customers. The number of contacts relayed via our services are presented to our customers in result reports.

The Desktop search segment also includes Eniro's financial search service, Proff, on the sites proff.se, proff.no and proff.dk.

Financial performance 2015

Revenue from Desktop search amounted to SEK 1,208 M (1,484) and accounted for 50% (49%) of Eniro's total revenue in 2015.

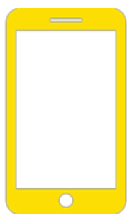
Business development during the year

During the year a new start page was launched for our local search sites, with local background images and new, dynamic, time-steered sections designed to create a more engaging user experience. The search logic of the service was improved considerably with a new suggestion function and improved sorting opportunities. Real-time traffic information was added to maps. New partners for booking were added during the year, and the content was expanded to include everything from ski area information to improved maps with geographic areas and local traffic conditions.

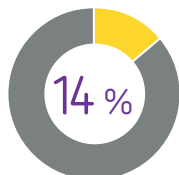


Share of Group revenue 2015





Share of Group revenue 2015



Mobile search

Mobile search includes our mobile-adapted local search services – eniro.se, gulesider.no, krak.dk, dgs.dk and panoramafirm.pl – and our three mobile apps for iOS and Android: Eniro's local search app, Eniro Navigation and Eniro På Sjöen, in the respective markets. Since their launch these apps have been very popular among users, and all of them have been continuously among the most highly downloaded apps in their respective categories.

Just like in the desktop search channel, our advertisers pay for ranking and exposure in our mobile search services. A higher placement on result lists and better profiling generate greater exposure along with more clicks and calls from users, who in the end become the advertisers' customers. The number of contacts relayed via our services are presented to our customers in effect reports.

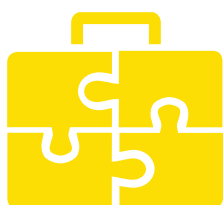
The Mobile search segment also includes Eniro's financial search service, Proff, on the sites proff.se, proff.no and proff.dk.

Financial performance 2015

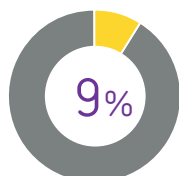
The share of users who visit us via mobile devices grew by 35% in 2015 and now account for 34% of our total number of visitors. Revenue from Mobile search amounted to SEK 338 M (385) and accounted for 14% (13%) of Eniro's total revenue in 2015.

Business development during the year

In our mobile search services we launched the same improvements during the year as for our desktop search channel, i.e., new start pages, better search logic, traffic information, new booking partners and new content. In addition, we launched new mobile apps for local search, with faster navigation, more images and new advertising opportunities. We also launched our local search service for Apple Watch.



Share of Group revenue 2015



Complementary digital marketing products

This product category includes our offerings of complementary advertising solutions via third-party vendors such as Google, and display advertising via external networks. We are also active in various advertising exchanges for automated advertising solutions.

By offering these products as a complement to our other search services we can help our customers optimize their searchability and digital presence in areas such as search engine optimization, keyword and banner advertising, and production of websites and videos. Through a special customer website, customers have the opportunity to monitor their ads and see the results of their marketing investment.

The products in this category are a volume business that requires effective sales and matching processes in order to be able to achieve satisfactory profitability. Revenues are generated when delivery takes place through a keyword click or when a banner ad is shown. Revenues for websites and search engine optimization services are based on a subscription model. Since the products we sell in this service area are based on partnerships, the margins are lower than for other revenue streams.

Financial performance 2015

Revenue from Complementary digital marketing products amounted to SEK 222 M (265) in 2015 and accounted for 9% (9%) of Eniro's total revenue in 2015.

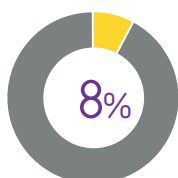
Business development during the year

Complementary digital marketing products were previously sold by separate sales forces under own brands, but this is something we changed in 2015. The products are now sold also by sales representatives who sell our other advertising products. The change has resulted in both greater efficiency in our internal sales process and in improvements for our customers, who now obtain assistance with all of our products from one and the same sales rep.

Another change that we carried out in 2015 is that we have begun producing websites under own management – a service that we previously outsourced to external vendors. This measure has resulted in better profitability and higher quality. We have also begun selling entirely new products, such as search retargeting products in Sweden and Norway, and Twitter advertising in Sweden.



Share of Group revenue 2015



Print

The advertising market for printed telephone directories is contracting steadily, and we continue to adapt our operations to users' changing search behaviors. We now offer advertising in local, printed phone directories in Sweden, Norway and Denmark. The directories are sold by a separate sales force as a complementary offering to our digital products. The directories are sold under the local, well known brands Din Del in Sweden, Ditt Distrikt in Norway, and Mostrup and Den Røde Lokalbog in Denmark. User surveys indicate that there is still demand for local directories, mainly among people in the 50 and over age bracket. For this segment Eniro focuses on advertisers who direct their marketing specifically to people in this age group.

Financial performance 2015

Revenue from Print decreased to SEK 210 M (295), corresponding to slightly more than 8% (10%) of Eniro's total revenue. In 2016 revenue from Print is

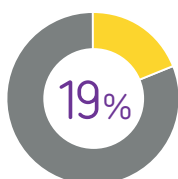
expected to decrease by SEK 17 M as a result of changed publication dates. Eniro will continue to publish printed local directories as long as they remain in demand among the company's users and customers, and satisfactory profitability can be maintained.

Business development during the year

Based on user surveys, distribution of directories in Sweden and Norway has been adapted to specific target groups, entailing that the directories are distributed primarily to households with people over 50 years of age. In Denmark work is in progress on more target group-oriented distribution. Circulation of local directories in 2015 was 3.1 million in Denmark, 2.5 million in Sweden, and 0.8 million in Norway.



Share of Group revenue 2015



Voice

Eniro provides directory information services by voice and text message (SMS). In Sweden Eniro is the market leader with its 118 118 service. Eniro also handle incoming calls under assignment from other companies. In Finland, in addition to the directory information service 0100100, Eniro has a small call center that provides switchboard and customer service operations. In Norway, Eniro is the majority owner of Nummeropplysningen 1880 AS (which provides the 1880 and 1888 directory information services).

Eniro strives to offer a personal, knowledgeable and engaged directory information service. Customer surveys indicate that Eniro's level of service is high and that the service is appreciated by users. Over time, Eniro has developed its directory information service to also encompass route descriptions, map links, business hours and other local information.

Financial performance 2015

Total revenue for Voice decreased to SEK 460 M (573), corresponding to 19% (19%) of Eniro's total revenue.

Business development during the year

The growth in digitalization and more prevalent use of smartphones, are leading to continued contraction in the market for directory information services. During the year, Eniro carried out a number of measures to maintain profitability. Among other things, in Sweden Eniro announced the closure of the local office in Kristianstad in March 2016.

In January 2016 the Swedish Market Court announced its ruling on a dispute between Eniro 118 118 AB and the Swedish Consumer Agency, regarding the Swedish Consumer Agency's demand that Eniro 118 118 provide price information when providing directory information services. The court's ruling – that such information must be provided – was in line with Eniro's expectations, and we are now working on developing a solution that enables this.

Kalvbergsåsen's Icelandic Horses



"We think our advertisement on eniro.se has made a strong contribution to our sales growth"

Helen Berg, owner, Kalvbergsåsens Islandshästar

Kalvbergsåsens Islandshästar (Kalvbergsåsen's Icelandic Horses) has advertised on eniro.se since 2014. The company has an ad that describes its business with pictures, text, and a website link.

What are your most important communication channels for reaching your customers?

Eniro.se is one of our most important marketing channels. Our website is important, too. We also advertise occasionally in local newspapers, but our online presence combined with recommendations from friends, acquaintances and existing customers is absolutely the most important.

How does your advertising on eniro.se contribute to customers contacting you?

We receive many phone calls that we know are directly the result of people finding us on eniro.se or via our website.

How do you feel that Eniro has treated you as a customer?

Mostly positive. We feel Eniro has listened when there was something we were not satisfied with, but also that your salespeople have been proactive and made an effort ensure that our ad has useful, correct and relevant content. We also especially appreciate the result report we receive every month, where we can see how many people have viewed our ad.

Would you recommend Eniro to other companies?

Yes, I would. We think our advertisement on eniro.se made a strong contribution to our sales growth last year, which was our first year on eniro.se, but this year as well. It is a very good marketing channel for small businesses like ours. If there was anything else I would prefer is that our customers – after having visited us – would return to eniro.se and write a review.

Kalvbergsåsens Islandshästar offers riding tours as well as a riding school and riding camps. The company has been in business for more than ten years.

Traffic development

We continue to have a strong position in local search. In our statistics follow-up we can see that the share of users who click forward to our advertisers' sites or contact them by phone is high. This is also something that our customers testify to and that they see themselves in their statistics.

Share of mobile searches continues to rise

Every week approximately 8.1 million unique visitors use our search services on a desktop computer, tablet or smartphone, and these often return an average of 1.5 times a week for new searches. Every month some 80 million searches are conducted in our databases.

At year-end 2015 we had approximately 5.8 million searchable companies in our databases, of which 2.9 million were Polish, 1.4 million were Swedish, 0.8 million were Danish, and 0.7 million were Norwegian companies.

Compared with 2014, total traffic to our search services increased by 5%, however, the breakdown between desktop and mobile searches is changing. Mobile searches increased by 23% in 2015, while desktop searches decreased by 4%. The share of mobile visitors thus now amounts to 34% of the total number of visitors to our search services, which is an increase of 8 percentage points compared with 2014 (26%).

Searches that generate contacts with our advertisers

Every month advertisers receive result reports which show, among other things, the number of searches per company, product or service, and the number of clicks the searches generate. For advertisers that are interested, the service also includes a measurement of the number of phone calls that their ads have generated.

In 2015 an average of 5.7 million company searches were performed via our search services every week, which is an increase of 2%. "Company searches" refers to the share of searches that are made either of a company name or a specific product or service and thereby generates search results in the form of a company name, which in turn entails a potential contact with potential customers of our advertisers.

We also measure the share of "clicks to advertisers," i.e., the share of searches that subsequently result in the user clicking forward to come into contact with any of the companies shown in the search result list. This share was 49% at year-end 2015 and represents 4 percentage points increase compared with 2014. This metric is an important critique of the quality of our service, since it shows that users also proceed to contact the companies that their searches have displayed.

In our own surveys we have asked users who have performed searches in our databases if they intend to contact or visit a company. 58% said yes. In response to the question of whether they intend to make a purchase, book a time, rent or reserve a product or service, 45% said yes.

Finally, as further proof of the value for our advertisers, through our phone call measurements we have been able to estimate that the share of all searches that lead to a phone contact is approximately 35%.

80 million
searches/
month

8.1 million
unique
visitors/
week

Searches
via smart-
phones
+23%

5.8 million
searchable
companies
in the
database

A safe and attractive choice for employees, customers and users

Our employees, customers, and users are our most important stakeholders. Our business is dependent on the trust that our customers and users put into our products, services, processes and employees. To earn this trust we must be a responsible employer that attracts competent and ambitious employees. The aim is to ensure that Eniro is perceived as a safe and attractive choice for all stakeholders.

“Coaching leadership is a central focus area. We strive to motivate and engage employees, and help them to understand their roles and importance for our business”



An engaged employer

To attract and retain talented employees, we work continuously on mapping out possible career paths. We strive to establish a clear structure and defined criteria for competencies and training related to possible career steps. We are also working on increasing the offering of e-learning courses available to employees.

Coaching leadership is a central focus area for us in our efforts to be an attractive employer. We strive to motivate and engage employees, and help them to understand their respective roles and importance for our business. Along with setting clear goals, we hope that this will contribute to better customer relationships and lower staff turnover. Activities that are designed to contribute towards these goals include systematic training, education, feedback and follow-up at the individual level within the sales organization. Our ambition is that all employees will have a focus talk with their respective managers at least once a week, that every team will conduct a written study of the performance of their sales activities every quarter, and that every team will have a number of key performance indicators (KPIs) that are followed up on a regular basis.

Since our customers are among our most valuable assets, one KPI that we monitor is the share of satisfied customers. To emphasize the importance of this KPI, in 2015 we added it as a criterion to the commission model for the sales representatives.

Good development opportunities for young employees

Nearly half of all Eniro's employees work in the sales organization. Many of these are young, and for many of them Eniro is their first employer. Approximately 35% of our employees are younger than 30. This is something that we are proud and happy about, but naturally it also puts a great responsibility on us as an employer that we take care of these individuals in the best way possible.

We maintain an active presence at vocational colleges and offer internships and summer employment. We accepted ten aspiring young employees via Tekniksprånget ("Technology Leap"), which is a trainee program dedicated to stimulating interest in engineering education and attracting young people to an engineering career. This led to greater interest in us as an employer. When the trainees evaluated their workplaces, Eniro scored as the seventh best company of 130 participating companies.

Concerted effort to reduce staff turnover

We have made a concerted effort to reduce staff turnover, which has generated results. The ambition of our HR organization is to hold talks with all employees who have left us to find out if there is anything in the organization that should be improved in order to motivate employees to stay on. In 2015, staff turnover decreased by 7 percentage points in Sweden, by 8 percentage points in Norway, and by 5 percentage points in Finland. In Denmark, staff turnover increased by 3 percentage points, while in Poland it was unchanged compared with 2014. In total for the group, staff turnover decreased to 34% (37). For further details, see chart below.

Streamlining of operations

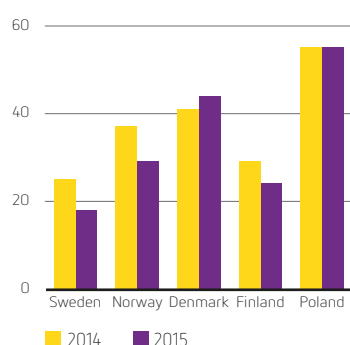
One of the most significant process-improvement activities that we carried out in 2015 was the creation of a shared administrative HR center for Sweden, Denmark and Norway. We brought the previously outsourced payroll administration back in-house, and in 2016 the local HR departments will be relieved of a certain administrative burden by moving these routines back to the central HR function. This will free up local resources, which can better focus on supporting local leadership and local operations. These are important and priority activities for us, as they can help lower staff turnover, chart out career paths and prioritize training in an effort to better motivate employees and in many ways also contribute to a more successful organization.

Apart from the HR function, we have also implemented measures in other areas to streamline and improve operations. These measures have mainly involved concentrating operations to shared service centers at a single location. For instance, we have moved some of our technical product development as well as some of our finance administration to Poland. Finally, we also concentrated the operations for 118 118 in Norrköping by closing the office in Kristianstad.

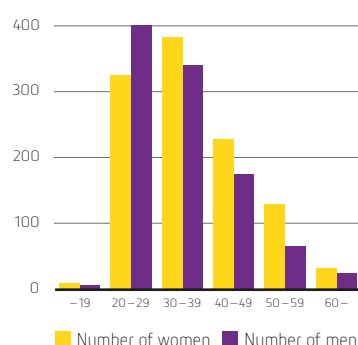
Diversity, equal opportunity and working conditions

We firmly believe that a breadth of diversity among the employees creates the best dynamics within the organization. We have a very even gender balance – 52% women and 48% men – and many employees come from a range of ethnic backgrounds. It goes without saying that we take diversity as well as equal opportunity perspectives into account in recruiting and career and succession planning.

Average staff turnover, %



Age breakdown



Key ratios

| | 2015 | 2014 |
|-------------------------------------|-------|-------|
| Full-time employees | 1,877 | 2,256 |
| Employees per country | | |
| Sweden | 551 | 736 |
| Norway | 311 | 418 |
| Denmark | 201 | 283 |
| Finland | 153 | 161 |
| Poland | 661 | 658 |
| Sales staff as % of total employees | 49 | 51 |

Another aspect of being an attractive employer is the ability to offer an attractive workplace – something that Eniro has ensured through collective agreements and constructive cooperation with the unions. We also offer our employees various opportunities for social activities and wellness care.

Responsibility to customers and users

We strive to offer our customers simple marketing solutions that enable local relationships. From the time we produced our first directories, we have helped people find businesses and have thereby helped small and medium-sized companies thrive and prosper. Without the dynamism of local businesses, small municipalities, towns and neighborhoods would gradually become impoverished and lose their populations. Our aim is to help local businesses gain exposure in a digitalized and centralized market development, and by extension, keep communities alive and thriving for our users to discover. We want our customers as well as users to perceive us as being an engaging, reliable and helpful partner as well as a source of information.

The environment

The focus of our environmental work is primarily on minimizing the environmental impact of our digital operations. To do this we are working with consolidation and virtualization of servers. Within our Print operations the share of printed directories is decreasing successively. For our remaining activities in this segment we set environmental requirements for the entire value chain – from choice of paper to production and distribution.

In our day-to-day activities, environmental initiatives at Eniro are focused on measures that save time and costs while reducing environmental impact. For example, business trips are increasingly being replaced by conference calls and videoconferences, and the company is striving to reduce the amount of air travel. In 2015 the number of trips by air decreased by 9%, and electricity consumption in Sweden was reduced by 18%.

Responsible purchasing

In our procurement processes we require vendors to have a documented policy for ethics and the environment, and certain environmental aspects are factored in to the choice of suppliers. Eniro's largest purchases pertain to digital production, offices, printing and distribution of directories. For directory printing, Eniro uses FSC-certified paper. In cases where we can have a say under applicable leases, we also require the use of "green" electricity.

Business ethics and anti-corruption

For Eniro, ensuring good business ethics is a natural part of doing business. All sales representatives receive training in proper conduct in customer relationships, including rules for gifts and entertainment.

Since 2014 we have had a compliance committee consisting of members of the company's legal affairs, HR and finance departments, tasked with handling improprieties. In 2014 we also established a whistleblower function, where individual employees can report what they believe may be departures from applicable routines, policies or rules.

Responsible marketing and user information

In our search services we allow only advertising that is in compliance with laws and regulations, and that is aligned with our own ethical guidelines. Nor do we allow advertising that is perceived to be objectionable. In general, we also have a restrictive stance towards alcohol advertising and do not allow any advertising for so-called alcopop or prescription medicines.

Advertising award competitions are designed in accordance with applicable laws, and commercial advertising lotteries are not permitted. Our policy for responsible marketing also covers advertising that is perceived to be discriminatory or that in some other way is contrary to human rights.

The processing of user data is an issue for the entire industry and is a matter of being able to protect users' integrity at the same time that there is growing interest in being able to better identify search patterns and offer more targeted services. Currently such issues are being addressed through industry organizations and by Eniro's Group Management.

Eniro's guidelines

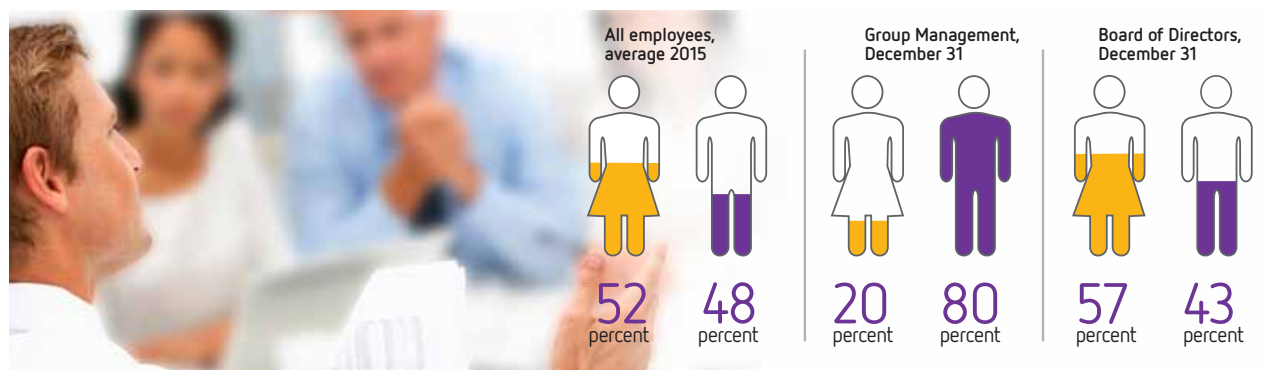
Eniro has a Group-wide ethics policy. Every Eniro employee is expected to adhere to it and the ambition is that all new employees shall receive training in its content and meaning. Some of the areas that our ethics policy addresses are the following:

- human rights
- customer relationships
- competition and independence.

In addition to our ethics policy, we also have a number of other guidelines that govern our conduct, including:

- Equal opportunity policy (for the respective countries)
- Environmental policy
- Purchasing policy
- Policy for advertising and discrimination

Gender balance



Zakład Galwanizacyjny Elżbieta Gajęcka



**“Thanks to
PanoramaFirm.pl we
reach out to many
more local geographic
areas in Poland”**

Elżbieta Gajęcka, Owner, Zakład Galwanizacyjny

Zakład Galwanizacyjny has been an Eniro customer for more than 12 years and currently advertises on PanoramaFirm.pl – both on desktop and mobile versions – and has complemented its advertisement with a banner.

What are your most important communication channels for reaching your customers?

While we have prioritized our own website, we have also invested in our presence on PanoramaFirm.pl, where we have thoughtfully selected various keywords and focused on our company image.

How does your advertising on Eniro's search service contribute to customers contacting you?

In our web statistics we see that many visitors to our website have come via PanoramaFirm.pl. Thanks to PanoramaFirm.pl, we gain exposure to many more local, geographic areas in Poland, and we see that our ads generate many customer contacts.

How do you feel that Eniro/PanoramaFirm has treated you as a customer?

PanoramaFirm has successfully adapted its offering to be aligned with the overall trend of online marketing. Today it is the best channel for digital marketing in Poland. We are happy to see that PanoramaFirm.pl appears frequently in result lists in various search engines, because this shows that it is a reliable source of information

for users. I am also happy with my sales representative, who visits us on a regular basis. He is competent and always acts professionally when he presents your offers. He describes new features and lays out the statistics very clearly. I am happy with the service!

Would you recommend Eniro to other companies?

I eagerly urge other companies to advertise on PanoramaFirm.pl. The offerings and solutions always include the most recent developments in online marketing. I feel that PanoramaFirm.pl generates valuable traffic to our website as well as new customer contacts, and that it helps us gain good exposure across our entire region.

Zakład Galwanizacyjny specializes in galvanizing of steel components. The company has 62 employees.

Increase in number of shares in 2015 through new issues

Eniro has two classes of stock, common shares and preference shares, both of which are listed on Nasdaq Stockholm. Eniro's common shares had a negative price performance of -73% for the year, while the preference shares grew in value by 2%. The total market capitalization for the common and preference shares was SEK 726 M at year-end. Total trading volume was 1,334,103,399 common shares and 621,941 preference shares, for a combined value of SEK 2.17 billion.

Eniro's stock

Eniro's common and preference shares are included in the Nordic Small Cap segment, Consumer Discretionary/Advertising sector. The common shares are traded under the ticker code ENRO, and the preference shares under ENRO PREF. Eniro's common shares have been listed since 2000, while the preference shares became listed in spring 2012. The common shares and preference shares have different voting power, with the common shares carrying entitlement to one vote each, and the preference shares carrying entitlement to one-tenth of a vote each. At year-end the common shares were included in the OMX Stockholm All-Share Index (OMX SPI) with a weighting of 0.008% (0.014%).

Eniro can also issue a third class of stock, Class C, but no Class C shares were in issue in 2015. This share class was introduced in 2013 as part of the performance-based incentive program. The Class C shares that were issued in 2013 were immediately converted to common shares.

Trading volume

A total of 1,334,103,399 (409,230,122) Eniro common shares were traded in 2015. Most trading in Eniro's shares in 2015, approximately 87% (63%), was conducted on Nasdaq Stockholm (the Stockholm Stock Exchange). In addition to trading on the Stockholm Stock Exchange, 7% (22%) of share trades were conducted on the BATS Chi-X marketplace, 3% (9%) on Turquoise, and 3% on other marketplaces.

Average daily trading volume was approximately SEK 7.9 M (27.1) for the common shares and SEK 0.80 M (2.1) for the preference shares. The turnover rate for Eniro's common shares was 3.1 times (2.6) during the year, compared with the market

average of 0.72 times (0.66) for shares included on the OMX SPI index.

Price trend and market capitalization

Eniro's market capitalization at year-end 2015 was SEK 726 M (1,000), including the value of the company's preference shares. The company's market cap decreased by SEK 274 M compared with the level on December 31, 2014. The share price for Eniro's common shares decreased by 73% (85%) during the year, compared with a 6.6% (12%) rise for the OMX SPI index. The preference shares had a positive price performance of 2% for the year (-45%).

The highest price paid for Eniro common shares during the year was SEK 3.67, on January 2, and the lowest price paid was SEK 0.74, on October 5. The highest price paid for Eniro preference shares during the year was SEK 432.50, on April 16, and the lowest price paid was SEK 252.50, on January 22.

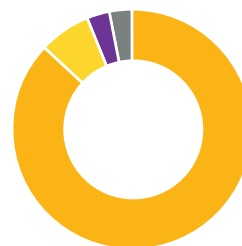
Ownership structure

Ownership of Eniro by Swedish shareholders was 74.8% (73.0%) at year-end, which is an increase of 1.8 percentage points compared with year-end 2014. Of total foreign ownership, shareholders in the UK accounted for 6.8%, shareholders in Luxembourg for 6.7%, and shareholders in the Netherlands for 5.5%.

Dividend and dividend policy

Eniro prioritizes reducing the company's net debt over payment of dividends. Accordingly, the Board of Directors of Eniro proposes that no dividend be paid for the company's common shares for the 2015 fiscal year. The Board of Directors proposes

Trading on various exchanges



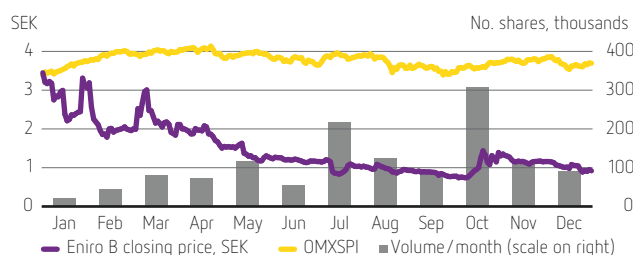
- NASDAQ Stockholm, 87%
- BATS Chi-X, 7%
- Turquoise, 3%
- Others, 3%

Categorical breakdown of shareholders

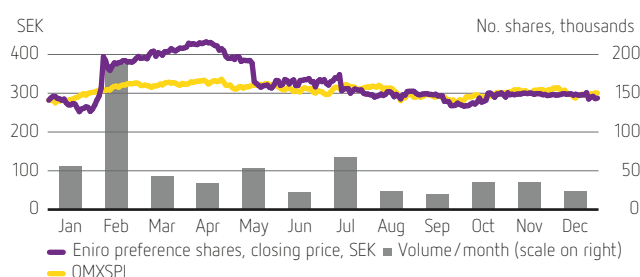


- Financial companies, 21%
- Foreign owners, 25%
- Other Swedish legal entities, 13%
- Interest organizations, 1%
- Swedish private persons, 40%

Price trend and trading in Eniro common shares, Jan. 1–Dec. 31, 2015



Price trend and trading in Eniro preference shares, Jan. 1–Dec. 31, 2015



Financial calendar

| | |
|--|------------------|
| Interim report January–March 2016: | April 27, 2016 |
| Half-year report January–June 2016: | July 15, 2016 |
| Interim report January–September 2016: | October 28, 2016 |
| Year-end report 2016: | February 2017 |

payment of a dividend of SEK 48 per share for 2015 to owners of preference shares, for a total dividend payout of SEK 48 M. It is proposed that dividends be paid out in three-month intervals.

Share capital

Eniro's share capital amounted to SEK 477,240,899 on December 31, 2015, divided among 476,240,899 common shares and 1,000,000 preference shares, of which Eniro's own holding amounted to 1,703,266 common shares. The average holding of treasury shares during the period was 1,703,266 shares. The total number of votes was 476,340,899, of which common shares carried entitlement to 476,240,899 votes and preference shares carried entitlement to 100,000 votes. As per December 31, 2015, there were no Class C shares in issue.

During the year the company carried out a new issue for SEK 958 M. The issue consisted of a rights issue of newly issued common shares for SEK 458 M and a convertible bond issue in the nominal amount of SEK 500 M. The conversion price for the convertibles is SEK 1.95. As per December 31, 2015, 134 of 500 in total, convertibles had been converted to stock. Upon full dilution through conversion to stock, the total number of shares would amount to a maximum of 664,933,216.

The share quota value is SEK 1.

Investor relations

An important part of communication with shareholders is the reporting that is conducted through interim reports, annual reports and press releases. In connection with the publication of interim reports, Eniro's CEO and CFO present the company's operations and quarterly results via webcast, where shareholders and other interested parties have the opportunity to ask questions.

In addition, Eniro meets with representatives of institutional shareholders on a regular basis during the year. Further information and data about the company can be found at www.enirogroup.com.

The ten largest shareholders, December 31, 2015

| Largest shareholders | No. of common shares | No. of preference shares | Holding, % | Votes, % |
|---|----------------------|--------------------------|--------------|--------------|
| Danske Capital Sverige AB | 43,820,161 | 84,000 | 9.2 | 9.2 |
| Staffan Persson, companies and family | 25,467,657 | 0 | 5.3 | 5.3 |
| Försäkringsbolaget Avanza Pension | 21,709,986 | 101,258 | 4.6 | 4.6 |
| Skandinaviska Enskilda Banken S.A., W8IMY | 12,827,975 | 5,494 | 2.7 | 2.7 |
| Dragfast AB/Danica | 12,000,000 | 16,000 | 2.5 | 2.5 |
| MSIL IPB Client Account | 11,671,376 | 0 | 2.5 | 2.5 |
| Länsförsäkringar fondförvaltning AB | 8,704,000 | 0 | 1.8 | 1.8 |
| Nordnet Pensionsförsäkring AB | 7,531,078 | 66,656 | 1.6 | 1.6 |
| Health Runner AB | 7,475,817 | 0 | 1.6 | 1.6 |
| Batljan, Ilija | 7,126,666 | 0 | 1.5 | 1.5 |
| Total, 10 largest shareholders | 158,334,716 | 273,408 | 33.2 | 33.2 |
| Others | 317,906,183 | 726,592 | 66.8 | 66.8 |
| Total | 476,240,899 | 1,000,000 | 100.0 | 100.0 |

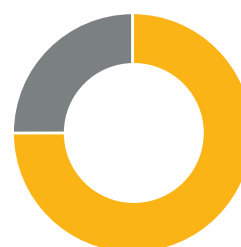
Share distribution (grouped ownership)

| Distribution | No. of shareholders | No. of common shares | No. of preference shares | Capital, % | Votes, % | Market value (SEK 000s) |
|---------------|---------------------|----------------------|--------------------------|----------------|----------------|-------------------------|
| 1–500 | 6,074 | 725,129 | 118,131 | 0.17 | 0.15 | 28,629 |
| 501–1,000 | 1,392 | 1,101,176 | 640,25 | 0.24 | 0.23 | 16,093 |
| 1,001–5,000 | 3,215 | 8,844,227 | 201,132 | 1.88 | 1.86 | 45,933 |
| 5,001–10,000 | 1,446 | 11,795,415 | 98,621 | 2.46 | 2.45 | 33,616 |
| 10,001–15,000 | 562 | 6,972,261 | 22,086 | 1.50 | 1.49 | 14,442 |
| 15,001–20,000 | 576 | 10,752,420 | 35,252 | 2.24 | 2.24 | 15,773 |
| 20,001– | 1,894 | 436,050,271 | 460,753 | 91.51 | 91.57 | 571,156 |
| Total | 15,159 | 476,240,899 | 1,000,000 | 100.00% | 100.00% | 725,642 |

Share information

| Information | Common shares | Preference shares |
|--------------------------------------|-----------------------|-----------------------|
| Marketplace | Nasdaq Stockholm, Mid | Nasdaq Stockholm, Mid |
| Abbreviation | ENRO | ENRO PREF |
| ISIN code | SE0000718017 | SE0004633956 |
| Trading lot | 1 | 1 |
| Market cap, December 31, 2015, SEK M | 438.14 | 287.50 |
| Change during the year, % | -73 | 2 |
| Yearly high, SEK | 3.67 | 432.50 |
| Yearly low, SEK | 0.74 | 252.50 |

Breakdown of Swedish/foreign ownership

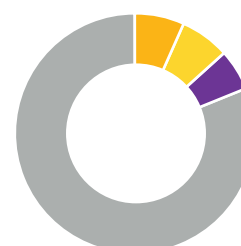


● Swedish shareholders, 75%
● Foreign shareholders, 25%

Share data, December 31, 2015

| Data | 2015 | 2014 |
|--|-----------|-----------|
| Earnings per common share, SEK | -3.69 | -17.09 |
| Shareholders' equity per common share, SEK | 2.35 | 17.17 |
| Dividend per common share, SEK | - | - |
| Dividend per preference share, SEK | 48 | 48 |
| Dividend payout ratio, common shares, % | - | - |
| Share price at year-end, common shares, SEK | 0.92 | 7.23 |
| Share price at year-end, preference shares, SEK | 287.5 | 282 |
| Dividend yield, common shares, % | - | - |
| Dividend yield, preference shares, % | 16.70 | 17.02 |
| Number of common shares at year-end, excl. treasury shares, 000s | 474,538 | 100,177 |
| Average number of common shares before dilution, 000s | 317,742 | 100,177 |
| Number of preference share at year-end | 1,000,000 | 1,000,000 |
| Average number of preference shares | 1,000,000 | 1,000,000 |
| Number of common shareholders at year-end | 14,226 | 12,002 |
| Number of preference shareholders at year-end | 1,241 | 1,266 |

Foreign ownership by country



● UK, 6.8%
● Luxembourg, 6.7%
● Netherlands, 5.5%
● Other, 81.1%

Analysts who monitor Eniro

| Company | Name | E-mail |
|--------------------------|----------------|-------------------------|
| Handelsbanken Securities | Rasmus Engberg | raen01@handelsbanken.se |

Information about the AGM

Annual General Meeting 2016

Eniro's Annual General Meeting (AGM) will be held on Wednesday, April 27, 2016, at 1:00 p.m. (CET), at the company's headquarters, Gustav III:s Boulevard 40, Solna. Doors to the AGM will open at noon.

The record date for shareholders to be able to participate at the AGM is April 21, 2016. To be able to participate at the AGM, shareholders whose shares are registered in the name of a nominee must temporarily reregister their shares in their own names, so that they are listed in Euroclear Sweden AB's shareholder register. In addition to ensuring that their shares are registered in their own names in Euroclear Sweden AB's register, shareholders must notify the company of their intention to attend the AGM well in advance of April 21.

Eniro shareholders can register to participate in the AGM as follows

- On the company's website, www.enirogroup.com
- By phone, at +46-8-402 90 44

Registration of proxy at 2016 AGM

Shareholders who cannot attend the Annual General Meeting in person have the right to designate a proxy to vote for them. Such shareholders must complete and sign a written proxy form, which can be downloaded from Eniro's website: www.enirogroup.com. Such proxy form must be submitted in original to the following address: Eniro AGM, Box 7832, SE-103 98 Stockholm.

For the proposed agenda, see the AGM notice and related documents on the company's website: www.enirogroup.com.

Glossary of industry terms

ARPA

Average Revenue Per Advertiser.

Click-on-leads

Total number of visits by users to the advertisers' contact information.

Complementary digital marketing products

Our complementary digital marketing products include, for example, banner ads, takeovers, Google AdWords and websites.

Crawling

An automated and systematic search of the Internet to add information to Eniro's database.

Customer base

Total number of existing customers.

Desktop search

Searches conducted from desktop computers and tablets.

Digital search

A collective name for our products in desktop and mobile search as well as complementary digital marketing products.

Financial search

Our subsidiary Proff, which operates in Sweden, Norway and Denmark, provides information about all companies in the Nordic region, enables monitoring of new transactions, and provides information about senior executives working for companies in the respective countries.

Local search

Our core business, which includes the services eniro.se, gulesider.no, krak.dk, dgs.dk and panoramafirm.pl.

Mobile search

This term is used in our revenue reporting and refers to advertisers that have purchased an advertising package in our mobile apps, which can be downloaded via Google Play or Apple's App Store.

Print

Our mature business area which handles printed publications and regional telephone directories. Operates in Sweden under the Din Del brand, in Norway under Ditt Distrikt, and in Denmark under the brands Mostrup and Den Røde Lokalbog.

Raw data

We buy unprocessed information from suppliers such as telecom operators and Lantmäteriet (the Swedish National Land Survey). Raw data is basic data that forms the core of our business.

Refined data

Manually updated or crawled data.

Result list

When a user performs a search, the search results are presented in result lists.

Result report

The total number of contacts that our local search services generate are reported in a monthly result report for our customers.

ROI

Return on Investment – the return our customers receive on their marketing investment.

SEM

Search Engine Marketing, which covers traffic, placement and exposure in hit lists in various search engines.

SEO

Search Engine Optimization – a collective name for methods and techniques that are used to give a website link the highest ranking possible in search engine result lists.

Takeover

A banner ad that takes up a full screen.

Unique visitors

We define a unique visitor as a unique browser session.

Voice

Our phone-based directory information services, such as 118 118, where customers call an operator and to obtain the information they are seeking.

Transcom



“We appreciate the close relationship we have with our customer contact”

Jesper Winther, Sales Director, Transcom

Transcom buys a range of services from Eniro and advertises using keywords, images and text on krak.dk and dgs.dk, in addition to using Eniro for assistance with its advertising on Google.

What are your most important communication channels for reaching your customers?

Our marketing varies, depending on which type of customer we are targeting. But for small and medium-sized companies, the Web is one of our most important channels. Our ads on both krak.dk and degulesider.dk are both important, as well as Google, of course.

How does your advertising via Eniro's search services contribute to customers contacting you?

People searching for our services online have an easy time finding us. The statistics show that we get many visitors to our website through ads we buy from Eniro.

How do you feel that Eniro has treated you as a customer?

We appreciate the close relationship we have with our customer contact. We get valuable help with our monthly and quarterly statistics, which show which keywords are more or less successful, and based on this we also get good help on changing these keywords as needed. We also get helpful information on new products and services.

Would you recommend Eniro to other companies?

Yes. We are very satisfied with your customer service. Our customer contact makes an extra effort to ensure that we understand the products you offer as well as the traffic reports we receive from Eniro.

Transcom is one of Denmark's largest debt collection companies. Every day we help our customers – typically small and medium-sized companies – get their trade receivables paid. Our services range from invoice administration to the legal process for getting payment for overdue invoices.

How to interpret Eniro's revenues and costs

Revenues

1 Desktop search

In Desktop search, revenue for advertising space is allocated over the period the customer is searchable. Other services include optimization services, for which revenue is recognized in connection with analysis and delivery, and video, which comprises two components: production and hosting. Revenue from video production is recognized upon delivery, while hosting is allocated over time.

2 Mobile search

In Mobile search, revenue for the advertising space is allocated over the period the customer is searchable. Other services include optimization services, for which revenue is recognized in connection with analysis and delivery, and video, which comprises two components: production and hosting. Revenue from video production is recognized upon delivery, while hosting is allocated over time.

3 Complementary digital marketing services

Complementary digital marketing services include products such as display advertising, search engine optimization (SEO), sponsored links, and production and hosting of videos and websites. Revenue from SEO and websites is allocated over time, while revenue from sponsored links is recognized in connection with user clicks. Revenue from videos is split into two components: for production, revenue is recognized upon delivery, while revenue from hosting is allocated over time.

Total operating revenue, SEK M

| | 2015 | 2014 |
|--|--------------|--------------|
| 1 Desktop search | 1,208 | 1,484 |
| 2 Mobile search | 338 | 385 |
| 3 Complementary digital marketing products | 222 | 265 |
| Digital search | 1,768 | 2,134 |
| Print | 210 | 295 |
| Local search | 1,978 | 2,429 |
| Voice | 460 | 573 |
| Total operating revenue | 2,438 | 3,002 |

4 Digital search

Digital search pertains to total digital advertising revenue.

5 Print

Print revenue is recognized when the printed products, directories and guides are distributed to users.

6 Local search

The Local search business area is one of Eniro's operating segments, for which financial information (EBITDA) is followed up by management. The business area has Group-wide transnational functions.

7 Voice

Revenue from Voice is recognized when the service is delivered to end users in a call or sent by text message (SMS). The Voice business area is managed separately, and financial information (EBITDA) is followed up by management as a separate operating segment.

Costs

A Employee remuneration, including social security costs

Salaries, benefits, pensions and social security costs for personnel employed within the Group.

B Rents for premises, telecom charges, travel and training

Rents for office premises in all countries, costs for workplaces, travel and employee development.

C External services

Costs for external consultants and for outsourced services, such as recruiting and computer operations.

D Marketing costs

Costs for marketing campaigns.

Costs, SEK M

| | 2015 | 2014 |
|--|--------------|--------------|
| A Employee remuneration, incl. social security costs | 1,208 | 1,351 |
| B Rents for premises, telecom charges, travel and training | 243 | 300 |
| C External services | 154 | 189 |
| D Marketing costs | 77 | 123 |
| Third-party costs | 169 | 123 |
| Paper, printing and distribution | 49 | 81 |
| Other costs | 157 | 261 |
| Depreciation / amortization | 256 | 269 |
| Total operating costs | 2,313 | 2,697 |

E Third-party costs

Costs for intermediating advertising campaigns on business partners' search sites, and production costs for campaign products, where the revenue is shared with a third party.

F Paper, printing and distribution

Direct costs for printing.

G Other costs

Other costs pertain to licenses, purchases of database content, advertising costs and other costs.

Board of Directors' report

Eniro AB (publ) is a leading search company in the media market, with operations in Sweden, Norway, Denmark, Finland and Poland. Eniro specializes in local search, and its well known brands, products and services are used daily by a large number of users. The information in Eniro's databases is accessible through the company's various distribution channels: desktop and mobile search, printed telephone directories, and directory information service by phone and text message (SMS). Eniro breaks down its financial performance reporting into the Local search and Voice business areas.

Performance 2015

The Eniro Group's total operating revenue in 2015 amounted to SEK 2,438 M (3,002), a decrease of 19% (-16%). Revenue decreased organically by 17% (-13%).

Operating revenue from Digital search (previously called Multiscreen), including Desktop search, Mobile search and Complementary digital marketing products (previously called Campaign products), decreased by 17%, to SEK 1,768 M (2,134). Organically, revenue decreased by 15% (-8%). Digital search revenue as a share of total advertising revenue (Local search) was 89% (88%). Operating revenue from Desktop search decreased by 19%, to SEK 1,208 M (1,484). Revenue decreased organically by 17% (-19%). Revenue from Mobile search decreased by 12% to SEK 338 M (385), with a 12% decrease in organic revenue (39%). Revenue from Complementary digital marketing products decreased by 16%, to SEK 222 M (265). Organic revenue decreased by 12% (22%).

Operating revenue from Print and Voice continued to decline during the year as a result of the shift towards digital search channels. Operating revenue from Print amounted to SEK 210 M (295), a decrease of 29%. Revenue from Print decreased organically by 19% (-33%).

Operating revenue for Voice decreased by 20% to SEK 460 M (573). Market volumes for directory information services continued to contract as a result of increased digitali-

zation. Revenue decreased organically by 20% (-18%).

Revenue in Sweden decreased by 22% (-20%) to SEK 1,038 M (1,325).

In Norway, revenue decreased by 21% (-18%) to SEK 641 M (809).

In Denmark, revenue decreased by 22% (-9%) to SEK 366 M (470).

In Finland, where Eniro only has operations in Voice, revenue decreased by 4% (-11%) to SEK 178 M (185).

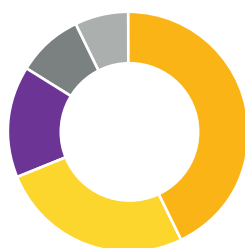
In Poland, revenue increased by 1% (-4%) to SEK 215 M (213).

EBITDA amounted to SEK 383 M (631), corresponding to a margin of 15.7% (21.0%). EBITDA is broken down as

Operating revenue per category

| SEK M | 2015 | 2014 |
|--|--------------|--------------|
| Desktop search | 1,208 | 1,484 |
| Mobile search | 338 | 385 |
| Complementary digital marketing products | 222 | 265 |
| Digital search | 1,768 | 2,134 |
| Print | 210 | 295 |
| Local search | 1,978 | 2,429 |
| Voice | 460 | 573 |
| Total operating revenue | 2,438 | 3,002 |

Operating revenue per country



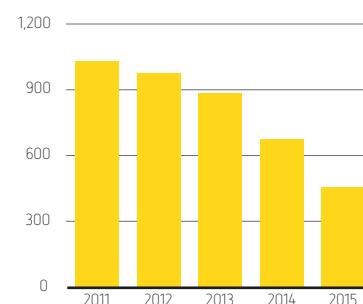
| |
|----------------|
| ● Sweden, 43% |
| ● Norway, 26% |
| ● Denmark, 15% |
| ● Poland, 9% |
| ● Finland, 7% |

Operating revenue per category



| |
|--|
| ● Desktop search, 49% |
| ● Mobile search, 14% |
| ● Complementary digital marketing products, 9% |
| ● Print, 8% |
| ● Voice, 19% |

Adjusted EBITDA



follows: SEK 273 M (474) for Local search, SEK 189 M (237) for Voice, and SEK -79 M (-80) for other Group functions. Earnings for the year were affected by lower sales in all segments and markets. The organizational adaptations that this requires have compensated for a large part of the decrease in revenue, but at the same time they have given rise to restructuring costs, which is why the effects of these measures will become evident later. In addition, earnings for the preceding year were positively affected by SEK 69 M in capital gains on the sale of four businesses. No corresponding items are reported for 2015.

Adjusted EBITDA, excluding restructuring costs and other items affecting comparability, amounted to SEK 454 M (675), corresponding to a margin of 18.6% (22.5%). Restructuring affected adjusted EBITDA positively by SEK 73 M (63). Other items affecting comparability had a net negative impact of SEK 2 M (-19).

Operating income was SEK -1,030 M, compared with SEK -1,441 M a year ago. As a result of the year's impairment testing of the Group's intangible assets with indefinite life, operating income was charged with impairment losses totaling SEK -1,157 M (-1,803), of which goodwill accounted for SEK -1,111 M (-1,781). Of this total, SEK -646 M (-1,219) pertained to Local search and SEK -465 M (-562) to Voice. The impairment in Local search pertained mainly to goodwill attributable to the acquisition of the Norwegian company Findexa in 2005. Of goodwill impairment in Voice, SEK -360 M (-429) is attributable to Sweden, SEK 0 M (-67) to Norway, and SEK -105 M (-66) to Finland.

Net financial items amounted to SEK -60 M (-153) and were favorably affected by a lower level of debt. Exchange rate differences had a positive effect on net financial items by SEK 89 M (7).

Income before tax for the year was SEK -1,090 M (-1,594).

The reported tax cost for the year was SEK -35 M (-68). The effective tax rate was 3.2% (4.3%).

Income for the year was SEK -1,125 M (-1,662), of which SEK -1,124 M (-1,664) is attributable to owners of the Parent Company.

Investments and development projects

During the year, Eniro continued to launch upgraded digital search services for desktop search, responsive design and mobile apps. With focus on the mobile user experience, the search logic was upgraded to enable results to be adapted to where the user is physically located. We also updated our database with 180,000 new companies in Sweden and invested in new map content in all countries. This includes, among other things, historical maps in Denmark and ski trails in Norway. Our services in 2015 were made more image-centric, creating a more engaging user experience.

Eniro also launched an app for Apple Watch, which attracted considerable media attention.

Eniro reintroduced sales of Google AdWords in Norway during the fourth quarter after repackaging the product,

which is now offered by the same organization that sells advertising solutions on gulesider.no. Parallel with this, an offering was introduced in which customers were offered to buy targeted advertising on Facebook. Both of these launches are entirely in line with Eniro's strategy to complement its traditional offering in local search with other, relevant advertising solutions.

Product and service development for the entire Group is conducted centrally in a User & Customer Experience unit, with a focal point in Sweden and Poland.

External funding, rights issue and convertible bond issue

During the first quarter Eniro renegotiated its loan agreement with the bank consortium, which was conditional upon completion of a rights issue of SEK 458 M and a convertible bond issue in the nominal amount of SEK 500 M. These issues were approved by an Extraordinary General Meeting on March 9, 2015, and were carried out in April. The convertible bonds were issued at 5% below the nominal amount, or SEK 475 M, entailing that the loan is SEK 25 M higher than the proceeds received by Eniro. The issues were registered during the second quarter and raised approximately SEK 933 M before transaction costs of approximately SEK 78 M, including bank fees. Of this infusion, in April a lump-sum amortization of SEK 670 M was paid towards the Group's bank loans.

In connection with the lump-sum loan amortization, the renegotiated loan agreement took effect. It thereafter consists of three tranches with a conversion value of SEK 1,850 M. Tranche A is broken down into three currencies. Tranche A1 amounts to SEK 761 M, tranche A2 amounts to NOK 250 M, and tranche A3 amounts to DKK 50 M. Tranche B is worth SEK 600 M, and Tranche C is a bank overdraft facility (RCF) worth SEK 150 M.

The terms of the renegotiated loan agreement entail an extension of the term of the loan through 2018 and a slower pace of amortization than previously. In 2015 the loan has after the renegotiation and and lump-sum amortization, been amortized with approximately SEK 150 M.

Amortization is conducted semi-annually at the end of June and the end of December. Amortization during the years 2016–2018 will amount to approximately SEK 175 M per year.

Interest-bearing net debt

| SEK M | 2015 | 2014 |
|---|---------------|---------------|
| Borrowings | -1,465 | -2,392 |
| Other current interest-bearing receivables | 0 | 9 |
| Other non-current interest-bearing receivables* | 133 | 123 |
| Cash and cash equivalents | 91 | 58 |
| Interest-bearing net debt | -1,241 | -2,208 |

*Included in financial assets.

Financial position

Total assets decreased by 28% to SEK 4,416 M (6,176). The Group's intangible non-current assets amounted to SEK 3,615 M (5,108), of which goodwill accounted for SEK 2,808 M (4,051) after recognition of SEK 1,111 M (1,781) in goodwill impairment. Brands with indefinite useful life amounted to SEK 113 M (119). Other brands decreased to SEK 497 M (673) after amortization of SEK 126 M (132) for the year, of which the Gule Sider and Ditt Distrikt brands accounted for SEK 86 M (92), and the Voice brand 1888 accounted for SEK 35 M (36).

Investments in tangible assets and in intangible assets, mainly pertaining to product development, amounted to SEK 92 M (139) during the year.

Trade accounts receivable amounted to SEK 265 M (353). The decrease is mainly attributable to lower sales.

Shareholders' equity decreased by SEK 639 M, to SEK 1,158 M (1,797) at year-end. No dividend was paid to holders of common shares during the year. The dividend for holders of preference shares that was approved by the 2015 Annual General Meeting amounted SEK 48 M (48). As per December 31, 2015, shareholders' equity per common share was SEK 2.35 (17.17), and the equity ratio was 26% (29%).

The Group's interest-bearing net debt amounted to SEK 1,241 M (2,208). At year-end, borrowings amounted to SEK 1,465 M (2,392). Interest-bearing liabilities decreased by SEK 927 M (175), where loan amortization during the year totaled SEK 885 M, of which SEK 670 M pertained to the lump-sum amortization in connection with the new share issue and convertible bond issue in April. Interest-bearing net debt in relation to adjusted EBITDA was 2.7 (3.3). outstanding debt at year-end under existing credit facilities was NOK 216 M (356), DKK 43 M (71) and SEK 1,257 M (1,956).

As per December 31, 2015, Eniro had an unutilized credit facility of SEK 125 M (53). Cash and cash equivalents, and unutilized credit facilities amounted to SEK 216 M (111).

In April 2015 Eniro issued a convertible bond in the nominal amount of SEK 500 M, which after a discount of 5% gener-

ated proceeds of SEK 475 M before issue costs. In accordance with IFRS, initially SEK 380 M of the convertible loan was reported as debt and SEK 95 M as equity before tax. As per December 31, 134 convertibles of the total of 500 have been converted to shares, which corresponds to 27% of the original convertible loan. Thus the nominal value of the convertible loan was SEK 366 M as per December 31. As per December the carrying amount of the convertible loan on the balance sheet is SEK 284 M (-).

Eniro's pension obligations have decreased by SEK 186 M to SEK 415 M (601). This is mainly attributable to a change in the discount rate that is used to calculate the pension liability in Sweden, from 2.5% at year-end 2014 to 3.3% in connection with changed interest rates for Swedish mortgage bonds. The actuarial gain that is reported in other comprehensive income amounted to SEK 199 M, compared with an actuarial loss of SEK 297 M in the preceding year.

Deferred income amounted to SEK 528 M (583), a decrease of 9%, mainly attributable to lower sales. Advance payments are made mainly in the Desktop and Mobile search segments, as customers pay in advance for an annual subscription, and also in Print in Sweden, where customers pay in advance, but the revenue is not recognized until the directories have been printed and distributed.

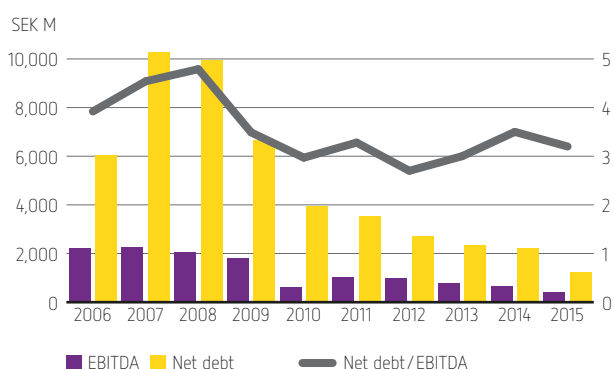
Cash flow

Operating cash flow decreased to SEK 86 M (151), mainly owing to the lower earnings. Cash flow from operating activities, excluding changes in working capital, amounted to SEK 199 M (427). Cash flow was negatively affected by changes in working capital in the amount of SEK 21 M (-139).

Cash flow from investing activities was SEK -86 M (-75), where lower revenue of SEK 6 M (62) from divested operations countered lower investments in non-current assets, totaling SEK -92 M (-137).

Cash flow from financing activities was SEK -53 M (-271), where most of the proceeds from the year's new share issue and convertible bond issue were used for a lump-sum amorti-

Net debt in relation to EBITDA



Operating cash flow

| SEK M | 2015 | 2014 |
|---|------|------|
| From operating activities before changes in working capital | 199 | 427 |
| Changes in working capital | -21 | -139 |
| Investments in non-current assets | -92 | -137 |
| Operating cash flow | 86 | 151 |

zation of debt. Long-term investments increased by an additional SEK 10 M (10) and pertain to pledged bank funds for continued credit insurance with PRI Pensionsgaranti.

Cash flow for the year was SEK 39 M (-58).

Acquisitions and divestments

No acquisitions or divestments were made during the year.

Personnel

The number of full-time employees on December 31, 2015, was 1,877 compared with 2,256 at the start of the year.

Settlement agreement

An Extraordinary General Meeting on December 18 resolved in favor of a settlement agreement with former CEO Johan Lindgren, whereby Lindgren agreed to waive all claims against the company regarding termination salary and severance pay, and in return, the company waived its claims against Lindgren. However, under the terms of the settlement agreement, the company has agreed to compensate Lindgren for his legal costs in the process up until the settlement. The agreement entails that the parties thereafter cannot direct any further claims against each other.

Future outlook

Eniro works in a growing market in which demand for digital marketing is rising. Through continuous development of the digital offering, Eniro will capitalize on opportunities in the market in a profitable manner. Parallell to this digital focus, Eniro shall optimize profitability within the mature business areas Print and Voice.

Parent Company

Operating revenue for 2015 totaled SEK 26 M (35), which pertains in its entirety to internal services within the Group. Group contributions received are reported as appropriations and amounted to SEK 323 M (330). Income before tax amounted to SEK -1,042 M (-2,705). The Parent Company has no external interest-bearing net debt. The Parent Company's equity amounted to SEK 2,489 M (2,999) at year-end, of which unrestricted equity amounted to SEK 2,012 M (2,690).

The registered share capital on December 31, 2015, was SEK 477,240,899, divided among 476,240,899 common

shares and 1,000,000 preference shares. The total number of votes was 476,340,899, of which common shares carried 476,240,899 votes and preference shares 100,000 votes. At year-end 2015 the share quota value was SEK 1. At year-end 2015 Eniro AB held 1,703,266 treasury shares, which was also the average number of treasury shares held for the year.

The Parent Company AB had 19 (36) full-time employees at year-end.

Further information about Eniro's shares and ownership structure is provide on pages 24-26.

Environment

The focus of Eniro's environmental work is on reducing the impact of production and distribution of printed directories and continuously reducing the environmental impact of its digital operations. In Sweden, Norway and Denmark, greater target group adaptation of publication and a Group-wide effort to coordinate deliveries of directories have helped limit environmental impact.

With respect to the environmental impact of digital products, Eniro is working with consolidation and virtualization of servers.

Further information about Eniro's environmental work is available on Eniro's website, www.enirogroup.com.

Significant agreements that would be affected by a public takeover offer

Eniro's loan agreement with the bank consortium contains conditions that if an owner or group of owners acquires more than 30% of the voting rights in Eniro, Eniro and the banks in question must reach an agreement within 30 days on a continuation of the loan agreement. If an agreement is not reached, the loan agreement may be terminated, and the outstanding loan must be repaid immediately.

Significant events after the balance sheet date

The Swedish Market Court delivered a judgment stating that, as of June 30, 2016, consumers must be given the opportunity to receive price information in connection with calls and SMS text messages to the directory service 118 118. The outcome is in line with what Eniro had expected, and the company is now looking into technical solutions for handling this. The ruling is expected to have a limited earnings impact.

Risks and risk management

Eniro defines risk as the uncertainty of an event occurring that could affect the company's ability to achieve its set business objectives within a given period of time. Risks are a natural part of all business activities and must be managed by the company in an effective manner.

Risk management aims to prevent risks from arising and to limit and prevent risks from adversely impacting operations. Eniro conducts an annual risk assessment process, Enterprise Risk Management (ERM), which includes all parts of the business, including revenue streams as well as Group functions. Eniro strives to effectively identify, assess and manage potential risks, which can be grouped into a number of areas, including sector and market risks, commercial risks, operational risks, financial risks, compliance risks and financial reporting risks. Eniro's risk exposure varies within the company's reported revenue categories: Desktop search, Mobile search, Complementary digital marketing products, Print and

Voice. In the risk assessment, the various risks are identified in a structured manner by analyzing a number of risk drivers per risk category. For each identified risk, an assessment is made to determine to what extent the risk should be monitored, eliminated, reduced, or increased, if this is judged to represent an opportunity. The risk assessment also serves as the basis for the annual work on Eniro's business plan, where a number of risk management activities are planned as strategic or operational initiatives. The results of the risk assessment, including risk management activities, are reported to the company's Audit Committee and Board of Directors for evaluation and approval.

| Business risks | Risk description | Risk management |
|--|---|---|
| Recruitment and staff turnover | A negative media image harms the Eniro brand, which in turn can make it difficult to recruit key competencies. Negative speculation in the media about the company's future creates insecurity among employees. High staff turnover is costly, resulting in the loss of valuable expertise from the organization along with a concurrent rise in recruitment costs for new hires. | <ul style="list-style-type: none"> The Human Resources function (HR) works with employer branding from a Group perspective. Eniro sets concrete, long-term objectives and involves employees to a greater extent than previously. In connection with Eniro's strategy work, the company's internal culture has been identified as a focus area. All employees have an annual performance review with their immediate supervisor. The aim of this review/talk is to develop the company and its employees, stimulate personal development, and promote good relations and cooperation. HR is reviewing the company's recruitment methods and evaluating business partners. |
| Risk for continued decline in online revenue | Eniro's future profitability potential is built upon ensuring growth in the digital area. The trend in recent years has shown a decline in this segment. | <ul style="list-style-type: none"> Modernization of the traditional advertising offering in local search, with focus on subscriptions and performance-based offerings. A clearer offering of complementary advertising products. Training initiatives within the sales organization to handle more new products. |

| Business risks | Risk description | Risk management |
|--|--|--|
| Limitations posed by the terms of existing loan agreements | Existing loan agreements have terms that limit opportunities for Eniro's management to independently decide on certain business conditions. In addition, the loan agreement includes a number of covenants at the Group level, including: minimum ratio between cash flow, interest and amortization; minimum ratio between EBITDA and net financial income/expense; a maximum ratio between total net debt and EBITDA; and a requirement putting a cap on capital expenditures. | <ul style="list-style-type: none"> • The Board has adopted a finance policy that lays out guidelines for financial risks, hedges and long-term loans. • Eniro continuously monitors key ratio performance based on compiled forecasts and analyses. |
| Increased competition from global players in local search | The digital advertising market continues to expand in step with growth in customer demand. In the market for innovative mobile services, Eniro faces strong competition from both local and global actors. Added to these are numerous niche players that focus only on specific search segments. Ensuring that customers get relevant hits on their searches quickly and conveniently is a decisive competitive factor. | <ul style="list-style-type: none"> • Eniro is developing, maintaining and improving the quality of its services to ensure that it continuously delivers the best local search service. • The user experience is being constantly monitored through tests in various categories, to see what users appreciate the most. • With respect to its customers, Eniro's ambition is to offer a broader advertising package that also includes other products from Eniro's business partners. |
| Declining traffic in local search | <p>More users increase traffic and thus customer benefit for paying customers. Users must quickly be able to find current and relevant information in their searches in order to want to use Eniro for their next search. Eniro must continuously deliver innovative and relevant services that capture users and their changing needs.</p> <p>To ensure long-term growth and profitability, it is important to keep user benefit in focus in connection with product and service development. Our users' search behaviors are changing in pace with development of the digital environment. To be competitive, Eniro needs to present advertising solutions that offer an engaging user experience and favorable return to advertisers.</p> | <ul style="list-style-type: none"> • Eniro's product development is focused on users and how they search. • Major emphasis has been put on understanding users, and in this work Eniro has chosen a user segment for primary focus in the further development of its services. • Eniro regularly conducts surveys that measure user satisfaction as well as the needs for development as the users see it. This ensures that all development is conducted from an outside-in perspective. • In 2016 Eniro will maintain clear focus on creating an engaging user experience that gives users answers to more than just names, addresses and numbers, and on providing new content, such as maps. |
| Risk of ineffective pricing and handling of discounts | Eniro's customer offering can include both structured (packaged) discounts and an unstructured discount that the sales representative is authorized to offer in certain cases. It is important that discounts are kept at the right level to ensure profitability and to prevent the Eniro brand from becoming associated with low value. | <ul style="list-style-type: none"> • Eniro is introducing stricter business rules for discount levels and clearer rules for where in the organization that decisions may be made. • Sellers' commission models are being adjusted to make them more clearly discount-governed. |
| Greater media agency sales putting pressure on Eniro's margins | The share of customers that use media agencies for their advertising purchases is rising. As a result, Eniro is losing direct communication with its customers. | <ul style="list-style-type: none"> • Eniro will act as its own media agency by offering comprehensive advertising solutions in local search, including searchability and exposure on local sites, keyword and banner advertising, and production of websites, company pages on Facebook and videos. |

| Business risks | Risk description | Risk management |
|--|---|--|
| Difficulty in conveying customer benefit | In order for customers to be able to measure the turn on their advertising investment, statistics are needed on how many contacts customers receive from their advertisement via Eniro's search services. The measurement method needs to be reliable at the same time that the reports must be simple to understand. | <ul style="list-style-type: none"> • Traffic and activities on Eniro's sites are analyzed using the Site Catalyst web analysis tool. The monthly result reports that Eniro produces for its customers show the results that customers get from their advertisement. Result reports enable customers to see the total number of visits by users who are channeled via Eniro's search services and the number of clicks to the customer's sites or the number of contacts received. Customers also receive detailed keyword information that shows how many searches were performed from every keyword generated by Eniro. This compilation makes it possible to monitor performance over time. • New tools are being developed with a focus on enabling customers to see themselves which opportunities that exist to come higher up on a result list. • Customer communication is being improved within the framework of the Eniro Life Cycle Program, where segmented and need-adapted communication is sent to customers. |
| Operational disruption | Eniro's business is dependent on IT and communication systems that work effectively and without disruption. A disruption or error in current systems would affect Eniro's ability to aggregate, filter and organize its search services, which would affect users and thus customers. | <ul style="list-style-type: none"> • Eniro and its external providers of IT and communication solutions work continuously with measures designed to prevent Eniro's databases from being destroyed or the loss of content as a result of a disruption, damage or disturbance. |
| Risk for smaller customer base | Eniro targets primarily small and medium-sized companies and has built up a large customer base over the years. A stable customer base is the foundation for countering the negative revenue trend. | <ul style="list-style-type: none"> • In 2016 we will be evaluating an offer to local search customers to buy our product on a running, subscription basis. • The customer offering will be expanded with solutions from Eniro's business partners. • Result reports will be developed and designed in such a way that customers can more easily see the effect of being an Eniro customer. |
| Risk of an aged and fragmented IT architecture | Eniro's IT platforms for CRM, back office and invoicing are fragmented and differ from country to country. This results in slower product development and higher costs for development and maintenance. | <ul style="list-style-type: none"> • In its online and mobile platforms, Eniro has already consolidated its IT operations and uses the same solution in Sweden, Norway and Denmark. • Projects are currently being conducted with a focus on introducing a modular, cloud-based system support for the other, older CRM, back office and invoicing systems. |

| Financial risks | Risk description | Risk management |
|-----------------------------------|--|--|
| Financial reporting risks | Defective monitoring and controls could affect the reliability of Eniro's financial reports. | <ul style="list-style-type: none"> Eniro continuously reviews its key processes and controls within the framework of internal control. |
| Currency risk | <p>The Group is active internationally and is exposed to currency risks arising from currency exposures from Eniro's operations in Norway, Denmark, Finland and Poland. Currency risk arises through future business transactions, reported assets and liabilities and net investments in foreign operations.</p> <p>Transaction risk pertains to the impact on net income and cash flows of changes in the value of operational flows in foreign currencies caused by changes in exchange rates.</p> <p>By translation risk is meant the risk for fluctuations in value in Swedish kronor of net investments in foreign currencies caused by changes in exchange rates.</p> | <ul style="list-style-type: none"> Transaction risk in business transactions in each geographic area is limited, since relatively few contracts are denominated in a currency other than that of the particular country's reporting currency. Major purchasing contracts in foreign currency are hedged on a case-to-case basis. Translation risk arises in connection with net investments in foreign currencies. Eniro has investments in NOK, EUR, PLN and DKK, where the largest exposure is in NOK. As part of efforts to reduce exposure of net investments in foreign currencies, parts of the company's borrowing have been raised in NOK and DKK. |
| Interest rate risk | The Group's interest rate risk arises in connection with long-term borrowing. Borrowing at variable interest rates gives rise to interest rate risk for cash flows, while borrowing at fixed interest rates gives rise to interest rate risk affecting fair value. | <ul style="list-style-type: none"> All of Eniro's borrowing carries variable interest rates. According to Eniro's finance policy, the company's financial situation is to be taken into account when setting terms of fixed interest. Since all borrowing is currently at variable interest rates, the company's level of debt represents an exposure to interest rate risk. |
| Credit risk | Credit risk refers to the risk of a counterparty being unable to fulfill its obligations, thereby causing a loss for its counterparty. | <ul style="list-style-type: none"> Surplus liquidity may only be invested in Swedish government bonds, commercial paper with a Triple A/P1 rating, and with banks that have a high official credit rating. Eniro is exposed to the risk of not being paid by its customers. However, the risk for substantial losses of this sort is relatively low, since Eniro's customer base is large and highly differentiated. |
| Liquidity risk and financing risk | Liquidity risk refers to the risk of encountering difficulties in meeting financial obligations due to a lack of available liquid funds. Financing risk pertains to the risk that external financing will not be available when needed and that the refinancing of maturing loans will be impeded or be costly. | <ul style="list-style-type: none"> Eniro works continuously to ensure the availability of liquid funds and unutilized credit facilities. Eniro's goal is that 60% of available loan facilities will have maturities of longer than one year. Eniro also has an explicit policy of maintaining relations with a number of credit institutions with high ratings. The Board of Directors regularly receives rolling forecasts of the Group's future cash flows that include estimates of liquid funds and unutilized credit facilities. |
| Intangible assets | Eniro's intangible assets consist mainly of goodwill and trademarks. A changed market situation may give rise to a need to recognize impairment of the carrying amount of these assets. | <ul style="list-style-type: none"> Every year the value of intangible assets is tested for impairment. For further information on impairment testing of goodwill and trademarks, see Note 8 on page 63. |
| Pension obligations | Eniro makes provisions for pension obligations under defined benefit pension plans. The size of the pension obligations is calculated on the basis of known data as well as of assumptions about such factors as inflation and discount rate. Inaccurate assessments that lead to incorrect assumptions may give rise to a need to remeasure the Group's pension obligations. | <ul style="list-style-type: none"> For an account of how the Group's pension obligations are calculated and a sensitivity analysis of the underlying assumptions, see Note 16 on page 66. |

Corporate governance report 2015



"2015 was as eventful year in which the company's situation has now been stabilized"

Chairman's statement

When I summed up 2014 in our last annual report, I wrote that it was a challenging year. Looking back on 2015 I get somewhat of the same feeling; and that we never seem to learn that changes in ways of working always take longer than what we first estimate. Today we are no longer as big a company as we once were, and we must learn to work without large supporting staffs and consultants. In other words, we must cut our coat to fit the size of the company we are today. I now dare say that Eniro's situation has stabilized. We have more than 8 million visitors a week, and I'll be darned if this is not a big enough foundation on which to make Eniro a successful company.

We started the year by presenting a funding package consisting of a renegotiated bank loan, a directed convertible bond issue and a rights issue which, after obtaining approval by an Extraordinary General Meeting on March 9, we were able to carry out during the spring. These measures were aimed at paying down existing bank loans, creating greater financial flexibility, and establishing better conditions for realizing Eniro's strategy.

After the activities related to the refinancing were concluded, the company has been able to focus on executing a strategic overhaul starting with our business mission and focusing on further developing our offering with a clear coupling between customer and user benefit. This work also entailed changes in our senior management, including the appointment of a new Group CFO, Fredrik Sandelin, who took office on November 1. It is also worth noting that our employees have gone through a very tough period, and despite this they have worked hard and on occasion made a greater effort than what can be expected. To that I say thanks!

We also had a change in personnel within the Board: in July Staffan Persson announced that after a year and a half on the Board, he was forced to leave for personal reasons.

The year came to a close with yet another Extraordinary General Meeting, which approved a settlement agreement with the company's former CEO, Johan Lindgren. Under the terms of this settlement, Johan Lindgren has waived all claims for termination salary and severance pay, in exchange for the company, in turn, withdrawing its claims against Johan Lindgren.

Eniro has weathered a series of tough challenges, both strategic and in terms of earnings. The company's financial position has now stabilized, and Eniro is in a favorable position to capitalize on its compelling digital offering – the best local discoveries for users, and simple marketing solutions that enable our customers to build local relationships.

Stockholm, April 2016

A handwritten signature in black ink, appearing to read 'L. Jarnheimer'.

Lars-Johan Jarnheimer
Chairman of the Board

Governance of the Eniro Group

Eniro is a Swedish stock corporation listed on Nasdaq Stockholm. It is Eniro's shareholders who ultimately decide on the Group's governance, and Eniro's board is responsible for this governance.

An obvious starting point for how governance of Eniro should be organized is to ensure that the company's operations take sustainability issues into account with a long-term perspective. By showing consideration for our employees, customers, users and other stakeholders – but also through a responsible approach to the environment and ensuring that our environmental impacts are as little as possible – we are convinced that we will achieve the greatest success for our business and our company.

We have well developed routines for how we coach our employees, how we act towards our customers, and how we develop our services to meet our users' expectations. As a service company our climate impact is small, but we nevertheless strive to minimize any adverse environmental impacts we may have, such as by using virtual meeting alternatives instead of traveling, and by recycling obsolete IT equipment.

With these perspectives as a starting point, the Board makes decisions that contribute to the ongoing governance of the Eniro Group. The company also adheres to other, formal rules and regulations that regulate how the Eniro Group is governed. These include the Swedish Companies Act, the Annual Accounts Act, Nasdaq Stockholm's rules and regulations, the Swedish Corporate Governance Code (the Code), Eniro's Articles of Association and other relevant rules, regulations and guidelines, such as the Group's corporate governance documents (including the Board's rules of procedure and the CEO's instructions), Eniro's values and internal policies. Eniro's formal governance structure is illustrated below.

Application of the Swedish Code of Corporate Governance

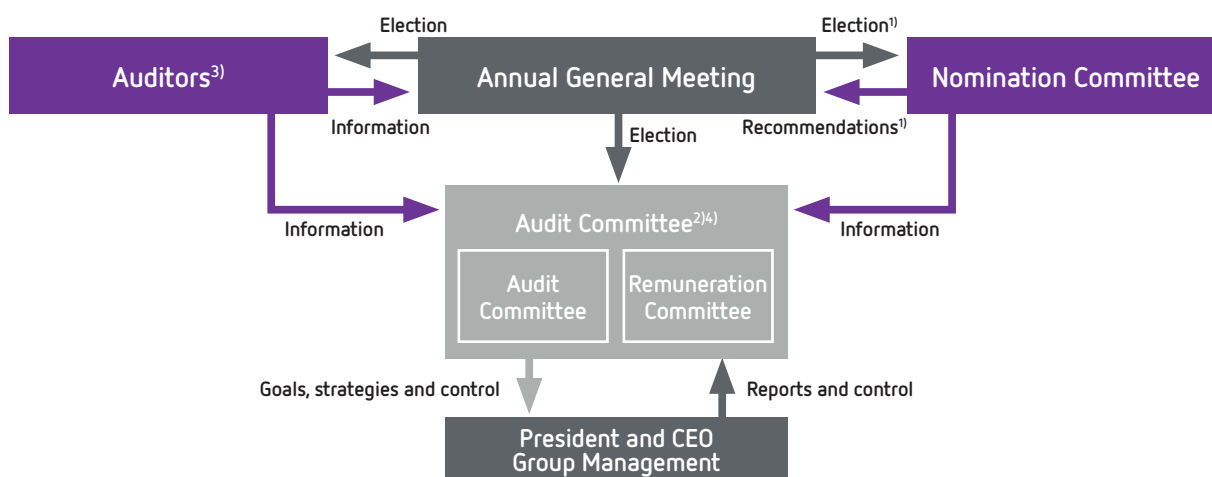
Eniro applies the Swedish Code of Corporate Governance. For 2015 the company has one departure to report. When it constituted itself in connection with the 2015 Annual General Meeting, Eniro's board chose to have two members on the company's Audit Committee. The Code stipulates that a company's audit committee shall have at least three members. Eniro AB is a comparatively small company with only six AGM-elected directors. The Board has determined that it is more suitable that two of the six board members make up the Audit Committee instead of half of the AGM-elected directors, and is of the opinion that the requirements for experience and competence in the Audit Committee have been met.

Ruling by the Nasdaq Stockholm Disciplinary Committee

In a ruling announced in June 2015, the Nasdaq Stockholm Disciplinary Committee found that Eniro had contravened certain items in the Exchange's member rules and ordered Eniro to pay a fine equal to three years' fees.

The Disciplinary Committee concluded that the incorrect accounting caused by the former CEO, which the company discovered and corrected in 2014, led to incorrect disclosures and financial reporting by the company. The Committee also concluded that Eniro's adjustment of its full-year forecast in May 2015 should have been made in connection with the publication of the first quarter interim report for 2015 on April 24. The Disciplinary Committee emphasized, however, that it has not been argued that Eniro knowingly published an incorrect forecast, and thus the matter merely related to a question of judgment.

Eniro's governance structure



- 1) The Nomination Committee drafts a recommendation for decision that is presented at the AGM. The AGM decides on the principles for appointment of the Nomination Committee.
- 2) The Board establishes the committees and determines which directors will serve on the respective committees.

- 3) The auditors perform the audit and report to the Board of Directors and shareholders.
- 4) The evaluation of the Board's work is reported to the Nomination Committee.

Important internal governance instruments

Business concept and objectives, Articles of Association, the Board of Directors' rules of procedure, the CEO's instructions, strategies and policies for ethics, financial matters, information and insider issues, and processes for internal control and governance.

Important external governance instruments

The Swedish Companies Act, the Annual Accounts Act, Nasdaq Stockholm's rules and regulations, other relevant laws and the Swedish Corporate Governance Code (www.bolagsstyrning.se).

Shareholders

It is Eniro's shareholders who ultimately decide on the Group's governance by electing the company's board at the Annual General Meeting. The Board, in turn, is responsible on a continuing basis during the year for ensuring that the company's corporate governance adheres to laws and other external and internal governance instruments.

At general meetings of shareholders, all owners of common shares with entitlement to vote may vote for the full number of shares owned and represent their shares without limitation in voting rights. Owners of preference shares have 1/10 of a vote per share. As per December 31, 2015, the company had no Class C shares.

Eniro's share capital amounts to SEK 477,240,899, divided among 476,240,899 common shares and 1,000,000 preference shares, of which Eniro's own holdings amounted to 1,703,266 common shares. The total number of votes was 476,340,899, of which common shares carried entitlement to 476,240,899 votes and preference shares 100,000 votes. The company's three largest shareholders as per December 31, 2015, were:

- Danske Capital (9.2% of the votes)
- Zimbrine Holding BV (Staffan Persson) (5.4% of the votes)
- Försäkringsaktiebolaget Avanza Pension (4.6% of the votes).

Further information about the company's share capital, Eniro's stock and the shareholder structure is provided on pages 24–26.

General meetings of shareholders

The shareholders' influence in the company is exercised at the Annual General Meeting (AGM) – or where applicable, at extraordinary general meetings – which is the company's highest decision-making body. Individual shareholders who want a matter of business to be addressed at a general meeting can submit a request to Eniro's board at a designated address that is posted on the Group's website, www.enirogroup.com, well in advance of a general meeting. The Annual General Meeting decides on the following matters, among others:

- dividends
- approval of the annual financial statements
- election of board members and auditors
- guidelines on remuneration and other terms of employment for senior executives
- amendments to the company's Articles of Association
- other important matters.

Annual General Meeting 2015

The 2015 AGM was held on March 27, 2015, at the company's headquarters in Solna.

- The AGM resolved, in accordance with the Board's proposal, to pay a dividend of SEK 48 per preference share for the 2014 fiscal year, for a total dividend payout of SEK 48 M, and that no dividend would be paid for the company's common shares for the 2014 fiscal year. The AGM resolved that company's remaining available funds would be carried forward.
- In accordance with the Nomination Committee's recommendation, the AGM resolved that Eniro's board of directors would comprise six members and no deputies. The AGM resolved to re-elect Lars-Johan Jarnheimer, Staffan Persson, Leif Aa. Fredsted and Stina Honkamaa as directors, and to elect Cecilia Lager and Anna Settmann as new directors. Lars-Johan Jarnheimer was elected as Chairman of the Board.

- The AGM resolved in favor of the proposed principles for remuneration of senior executives, which adhere to the remuneration guidelines adopted by the 2014 AGM, and variable remuneration of senior executives in the form of cash compensation, with the adjustment that no long-term share-based incentive program (LTIP) was proposed.
- The AGM resolved to not grant discharge from liability to the former CEO Johan Lindgren for the 2014 fiscal year.
- In addition, the AGM decided on directors' fees and the appointment of the Nomination Committee ahead of the 2016 AGM. In accordance with the Nomination Committee's proposal, the AGM resolved to elect the chartered accounting firm PricewaterhouseCoopers AB as auditor for a term until the next AGM.

The total number of shares represented at the AGM was 21,089,389, corresponding to 20,886,123.1 votes and approximately 20% of the total number of votes in the company. All documents from the 2015 AGM are available on the company's website, www.enirogroup.com.

Extraordinary General Meetings in 2015

Eniro held an Extraordinary General Meeting on March 9, 2015, at which it resolved in favor of the Board's recommendation to approve the Board's decision on a rights issue and directed convertible bond issue.

On December 18, 2015, Eniro held an Extraordinary General Meeting at which the Board's recommendation that the company enter into a settlement agreement with former CEO Johan Lindgren was approved. For further information on the Extraordinary General Meetings in 2015, see the company's website www.enirogroup.com.

Annual General Meeting 2016

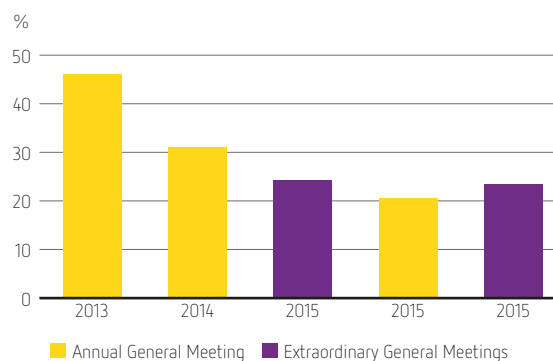
Eniro's next Annual General Meeting will be held on April 27, 2016. For further information on the next AGM, see page 27.

Nomination Committee

Since 2005 the AGM has resolved that the four largest shareholders shall be offered the opportunity to appoint one representative each and that these representatives, together with the Chairman of the Board, are to form the Nomination Committee for the period until a new nomination committee has been appointed. The composition of the Nomination Committee is to be announced in a press release as soon as the members have been appointed, and not later than six months prior to the AGM.

If a member of the Nomination Committee resigns prior to the

Share of votes represented at general meetings 2013–2015



completion of the Committee's work, the shareholder who appointed the resigning member is to appoint a successor, provided that this shareholder is still one of the four largest owners in terms of voting rights.

If a shareholder is no longer one of the four largest shareholders in terms of voting rights up until three months before the AGM, then such shareholder shall make its spot available for another major shareholder.

Nomination Committee's composition

The composition of the Nomination Committee was presented in a press release on October 26, 2015, and is based on the ownership conditions (share of votes) as per August 31, 2015. Eniro's Nomination Committee ahead of the 2016 AGM consists of the following members:

- Pehr-Olof Malmström, Danske Capital AB
- Staffan Persson, Zimbrine Holding BV
- Sebastian Jahreskog, own shareholding and through companies
- Jesper Bonnivier, Länsförsäkringar Fondförvaltning AB
- Lars-Johan Jarnheimer, Chairman of the Board of Eniro.

The Nomination Committee appointed Pehr-Olof Malmström to serve as committee chair.

Nomination Committee's assignment

The Nomination Committee is tasked with making recommendations on the following matters ahead of the AGM on April 27, 2016:

- the number of board members to be elected by the AGM
- directors' fees
- any fees for committee work
- the Board's composition
- election of the Chairman of the Board
- election of a person to serve as AGM Chairman
- auditors' fees
- election of auditors
- process for appointing the next year's nomination committee.

The Nomination Committee has ahead of the AGM 2016 held seven meetings, at which minutes were recorded, and between those meetings the members remained in contact. At the initial stage of the nomination process, the Chairman of the Board reported on the Board's and the Committee's work since the AGM, and the CEO reported on the company's current situation and future challenges.

The Nomination Committee reviews the combined expertise of the existing board members, discusses requirement profiles for potential new board members, interviews potential candidates, and agrees on a recommendation for the Board's composition. The Nomination Committee's recommendations are presented in the

official AGM notice and on Eniro's website, www.enirogroup.com. In connection with this, the Nomination Committee has issued a reasoned statement on its recommendations for the Board and election of auditor at the 2016 AGM.

Board of Directors

The Board of Directors is responsible for governing the company's operations in accordance with the interests of the company and all shareholders. According to the Swedish Companies Act, the Board is responsible for the organization and the administration of the company's affairs. Every year the Board adopts written rules of procedure which, together with the Companies Act, the Articles of Association and the Code, lay out the Board's responsibilities and regulate the division of responsibilities within the Board, i.e., between the Chairman and the other board members as well as between the Board and its committees. The rules of procedure also stipulate routines for the continuing board work.

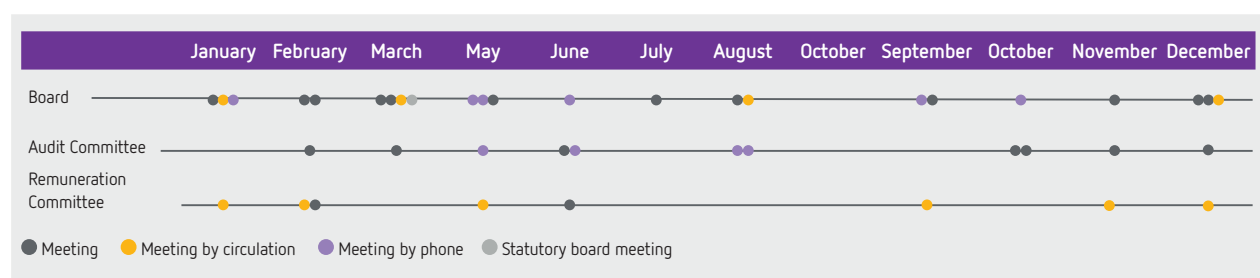
The Board shall normally hold six regular meetings per year, including at least one with the company's auditors in attendance and without the attendance of members of the Group Management. Extra board meetings may be held to deal with matters that cannot appropriately be dealt with at a regular meeting. Such meetings may be held by phone, by videoconference or by circulation. Normally a summons to a regular meeting shall be sent to the board members one week in advance of the meeting in question. The summons is to include the agenda and relevant documents and decision-making materials regarding the business to be addressed at the meeting.

The Group's auditors attended the board meetings that approved the 2014 year-end report and interim report for the third quarter of 2015. During the year, the auditors attended all of the meetings of the Audit Committee and presented their review reports at the meetings that addressed the 2014 year-end report, the interim report for the third quarter of 2015, and the report on internal control.

The Board's composition

According to Eniro's Articles of Association, the Board shall consist of four to ten directors, who are elected each year at the Annual General Meeting based on the recommendations of the Nomination Committee for a term extending through the end of the next Annual General Meeting. According to Swedish law, the employee organizations have the right to appoint three board members and one deputy for each of these. The Board currently consists of five AGM-elected directors and two employee representatives. The AGM-elected director Staffan Persson resigned from the Board by his own initiative on July 16, 2015, for personal reasons. Therefore,

Board and committee meetings in 2015



one of the AGM-elected board seats has remained vacant since July 16, 2015. No board member is a member of Group Management.

The Board's and Chairman's responsibilities

The Chairman is ultimately responsible for the Board's work and is the person who continuously monitors the operations in close dialog with the CEO. The Chairman is responsible for ensuring that the other board members receive the information and documentation that is necessary for them to be able to fulfill their board assignments in a responsible manner. The Chairman represents Eniro on ownership matters. The Chairman is also responsible for the yearly evaluation of the Board's work.

The Board's rules of procedure include instructions for the division of duties between the Board and the CEO as well as routines for how the CEO shall continuously inform the Board about the development of the Group's operations and financial position. The company's CEO attends all board meetings except the one addressing the evaluation of the CEO's work. Other senior executives attend when needed to inform the Board or upon specific request by the Board or CEO. The Board currently has two committees – the Remuneration Committee and the Audit Committee – and drew up rules of procedure for each of these during the year. The Board also decided on Eniro's corporate governance documents, which include the Board's and the committees' rules of procedure, the CEO's instructions and the Group-wide policies for financial, information and insider matters.

The Board's work in 2015

The Board held 22 meetings in 2015. The attendance of each board member at these meetings is shown on pages 46–47. Eniro's General Counsel, Lina Söderström, serves as secretary at board meetings.

At the regular board meetings, the CEO reported on the Group's results and financial position, including a forecast for the coming quarters.

Important matters addressed by the Board during the year included the following, among others:

- the company's management, earnings and financial position
- funding issues, including the raising of capital and renegotiation of the company's bank borrowing agreement
- downward adjustment of forecast
- the matters being reviewed by the Nasdaq Stockholm Disciplinary Committee
- monitoring of quality assurance and revenue recognition, and of roles and responsibilities
- internal control
- measures in view of the AGM's decision to not grant discharge from liability to the former CEO
- settlement of dispute with the former CEO over severance pay
- strategic issues, restructuring and organizational matters
- the company's product and service offering
- agreements and investments, including a new lease for the company's headquarters
- impairment of goodwill.

The Board conducts an annual evaluation of its work under the direction of the Chairman of the Board. This evaluation covers the focus of the Board's work, the Board's forms of working, and its work climate. The evaluation is also focused on assessing the need of expertise on the Board. The aim is to develop the Board's work and provide documentation to the Nomination Committee.

In 2015 the board members submitted written assessments on

how the board work was conducted during the year based on the parameters described above. In addition, the Board discussed the forms of its work in connection with board meetings during the year. The result of this evaluation was reported to the Nomination Committee chair.

Remuneration Committee

During the time after the 2015 AGM the Remuneration Committee consisted of Lars-Johan Jarnheimer (chair) and Stina Honkamaa Bergfors.

According to the Code, a company's remuneration committee shall be tasked with preparing the board's recommendations to the AGM regarding guidelines for determining the salary and other remuneration of the CEO and other senior executives. According to the Board's rules of procedure, the Remuneration Committee's recommendations shall be presented to the Board, which decides on a recommendation to the AGM. This recommendation shall be in line with standard practice for listed companies. The Board's proposed guidelines that were adopted by the 2015 AGM are presented on page 43.

In accordance with the Board's rules of procedure, the Board has authorized the Remuneration Committee to decide on individual salaries, remuneration and retirement benefits for senior executives, except for the CEO.

The Remuneration Committee held a total of eight meetings during the year. The members' attendance at the meetings is shown on pages 46–47.

Remuneration Committee meetings are documented by minutes, which are reported on orally at board meetings.

Audit Committee

During the time after the 2015 AGM the Audit Committee consisted of Cecilia Lager (chair) and Staffan Persson, up until his resignation from the Board on July 16, 2015, when he was replaced by Lars-Johan Jarnheimer.

According to the Companies Act, an audit committee shall monitor the company's financial reporting, among other things. In accordance with the Board's rules of procedure, the Audit Committee is responsible for preparing the Board's work on ensuring the quality of the Group's financial reporting. This includes monitoring the audit processes and the effectiveness of the company's internal control over financial reporting.

The Audit Committee shall meet with Eniro's auditor on a regular basis and keep itself informed about the focus and scope of the audit work, and evaluate this work. The committee shall also continuously discuss with the auditor the view of Eniro's risks related to the financial reporting. The Audit Committee members represent many years of experience from senior positions in Swedish business and industry.

The Audit Committee shall inform Eniro's nomination committee about its evaluation of the audit work. In connection with the election of the company's auditor, the Audit Committee shall assist the Nomination Committee in its work on drafting a recommendation for auditor and the auditor's fees.

In accordance with the Board's rules of procedure, the Board has authorized the Audit Committee to set guidelines for services other than auditing services that Eniro may procure from its auditor. The Audit Committee has the right to independently commission the services of external advisors for special inquiries that the Audit Committee deems necessary. The Audit Committee has the right to

request information from and support for its work from all employees of the Group, as well as to request that individual employees attend Audit Committee meetings.

The Audit Committee held 11 meetings during the year. The members' attendance at the meetings is shown on pages 46–47.

Audit Committee meetings are documented by minutes, which are appended to the board material and reported on orally at board meetings. Important matters addressed by the Audit Committee during the year included the following:

- revenue accounting
- internal control processes and routines
- funding issues, including the raising of capital and renegotiation of the company's bank loans, and financial targets
- downward adjustment of forecast
- the matters being reviewed by the Nasdaq Stockholm Disciplinary Committee
- the company's audit
- risk analyses
- monitoring of financial reporting
- insurance matters
- pension matters
- impairment testing of intangible assets.

Directors' fees

The AGM resolves on the fees payable to the members of the Board of Directors. The 2015 AGM resolved that directors' fees were to be paid in a total amount of SEK 3,650,000, of which SEK 1,100,000 to the Chairman of the Board and SEK 420,000 to each of the other AGM-elected directors, SEK 150,000 to the Audit Committee chair, and SEK 75,000 to each of the other four members of the Board's committees. The Chairman of the Board and other AGM-elected directors have no retirement benefits or agreements for severance pay.

CEO and Group Management

The CEO is appointed by and receives instructions from the Board of Directors. The CEO, in turn, appoints the other members of Group Management and is responsible for the day-to-day administration of the Group's operations in accordance with the Board's guidelines and instructions.

Eniro's Group Management consists of the CEO, the CFO, the Head of Nordic Sales, the Head of User & Customer Experience, and the Head of Business Support.

The CEO leads the Group Management's work and makes decisions after consulting with members of Group Management.

During the year the Group Management's work was focused on the following:

- measures to improve profitability
- measures to reduce staff turnover
- strategy and brand platform
- funding
- the digital product offering and digital trends
- efficiency improvements in the organization
- refinement and concentration of operations.

Executive compensation

The 2015 AGM approved guidelines for remuneration of senior executives in line with the guidelines adopted by the 2014 AGM, and approved variable remuneration of senior executives in the form of cash payment with the adjustment that no long-term

share-based incentive program (LTIP) was proposed. No grants in accordance with the previously approved LTIP 2014 were made.

The goal is that Eniro will offer remuneration that is in line with the going rate in the market, consisting of the following components:

- fixed salary
- variable salary
- pension provisions
- other remuneration and benefits.

Fixed salary is based on the individual executive's area of responsibility, expertise and experience. Variable salary consists of cash payment, limited to 40% of the executive's fixed salary (50% for the CEO). The targets for variable salary are to be determined by the Board of Directors starting on January 1, 2015, and shall mainly pertain to the Group's financial performance and be measured in relation to the Group's revenue and EBITDA. The Board of Directors determines the variable salary based on annual evaluations of the individual executive's achievement of the stated targets and goals. Payment of part of the variable salary component shall be conditional upon the long-term, sustainable achievement of the underlying targets. The company retains the right to demand reimbursement of variable salary if the award has been based upon information that subsequently proves to be clearly incorrect.

Eniro's pension policy is based on either an individual occupational pension plan or a defined contribution pension plan amounting to a maximum of 35% of the executive's fixed salary. Upon termination of employment at the company's initiative, a notice period of a maximum 12 months applies. Other remuneration and benefits, such as a company car and disability insurance, shall be in line with the going rate in the market. The Board may depart from the guidelines in individual cases if special reasons exist.

Eniro's CEO, Stefan Kercza, has a notice period of six months by his own initiative and 12 months in the event the company serves notice. In the event the company serves notice, he is entitled to an additional six months' severance pay, which may be reduced in the event the CEO takes up new employment elsewhere. The company and the other members of Group Management have a mutual notice period of six months.

Information on remuneration for 2015 is provided in note 24 on page 71.

Auditors

The AGM elects the company's auditor. Based on an annually adopted audit plan, the auditor is responsible for reviewing and evaluating the risks associated with the operations and the Group's financial reporting. The auditor meets with the Audit Committee on a regular basis to inform its members about the ongoing audit work. The 2015 AGM re-elected PricewaterhouseCoopers AB as auditor for a term extending until the 2016 AGM. Eniro's current auditor was elected by the 2015 AGM.

PricewaterhouseCoopers AB was represented during the year up until the 2015 AGM by Bo Hjalmarsson as auditor-in-charge. Bo Hjalmarsson has been auditor-in-charge for Eniro since 2008. For the time after the 2015 AGM, PricewaterhouseCoopers AB was represented by Authorized Public Accountant Mikael Eriksson. Apart from his assignment with Eniro, Mikael Eriksson has audit assignments with Meda, Trelleborg and Ecolan, among others. The auditors' fees are payable as invoiced, as per agreement. Information on auditors' fees is provided in note 25 on page 72.

Internal control over financial reporting

Internal control over financial reporting aims to provide reasonable assurance of the reliability of the company's external financial reporting. The external financial reporting is to be prepared in conformity with laws, applicable accounting standards and other requirements for companies listed on Nasdaq Stockholm.

Eniro has implemented a modified COSO framework for internal control over financial reporting, broken down into five components: control environment, risk assessment, processes and control activities, information and communication, and monitoring.

The Board's responsibility

The Board is responsible for ensuring that the company has satisfactory internal control and formalized routines to ensure compliance with the set principles for financial reporting and internal control. The Board is also responsible for ensuring that the company's financial reporting is prepared in conformity with laws, applicable accounting standards and other requirements for listed companies.

The Board has established an audit committee which – among other duties – monitors the company's financial reporting, and with respect to the financial reporting monitors the effectiveness of the company's internal control and risk management. The Board has decided to not establish a special internal audit function. This determination is based on the Group's size and operations, and on existing internal control processes. When needed, external advisors are used for projects pertaining to internal controls performed under assignment from the Audit Committee.

Control environment

The Audit Committee is responsible for preparing the Board's work on ensuring the quality of the Group's financial reporting. This also includes monitoring the audit process, ensuring the effectiveness of internal control over financial reporting and the follow-up of deviation reports. Responsibility for maintaining an effective control environment and effective internal control over financial reporting has been delegated to the Group's CEO.

The control environment at Eniro consists of a number of corporate policies, guidelines and supporting frameworks related to the financial reporting. These include the following:

- accounting manual (including Eniro's framework for internal control)
- financial policy
- directives and instructions concerning decision-making levels and authorizations
- directives regarding insider matters
- information policy
- ethics policy.

The guidelines are updated on a regular basis and are communicated on the Group's intranet. Changes in the accounting manual are communication in connection with monthly book-closings to the people involved in the work with the financial reporting.

Risk assessment

Eniro performs an annual risk assessment process. Based on this assessment, the material risks that affect the company's internal control over financial reporting are identified and evaluated. This risk assessment serves as the foundation for managing risks through an improved control environment and also results in prioritized areas to be evaluated.

Processes and control activities

Eniro has identified the following main processes:

- revenue process
- payroll process
- purchasing process
- book-closing process.

These processes have been documented through detailed descriptions of control activities. The control activities, which can be manual as well as automated, are mainly aimed at discovering and preventing errors and thereby ensuring the quality of the financial reporting. Control activities are performed at both the subsidiary and Group level.

Roles and responsibilities

| Role | Control person | Sub-process owner | Process owner |
|--------------------|--|---|---|
| Responsibility | <ul style="list-style-type: none"> • Perform controls • Evaluate controls • Report on effectiveness of controls | <ul style="list-style-type: none"> • Update and monitor sub-processes | <ul style="list-style-type: none"> • Update and govern entire processes |
| Examples of duties | <ul style="list-style-type: none"> • Document performed control • Address any deviations | <ul style="list-style-type: none"> • Review and confirm performed control • Prepare and ensure possible actions | <ul style="list-style-type: none"> • Follow up and report on control and evaluation • Follow up any actions |
| Report | <ul style="list-style-type: none"> • Documentation in risk control matrix | <ul style="list-style-type: none"> • Quarterly reporting on performed controls, effectiveness and any changes in sub-process | <ul style="list-style-type: none"> • Quarterly reporting on performed controls, effectiveness and any changes in sub-process |
| Reports to | <ul style="list-style-type: none"> • Sub-process owner | <ul style="list-style-type: none"> • Process owner | <ul style="list-style-type: none"> • CFO |

Whistleblower function

A Group-wide whistleblower function gives all employees the opportunity to anonymously report serious irregularities and violations of Eniro's various policies. One of the aims of this function is to maintain good ethics and prevent improprieties within Eniro to the benefit of the company's employees, customers, vendors and owners. In 2015, 11 cases have been reported to Eniro's whistleblower function.

Information and communication

Eniro's communication is to be open, relevant, correct and available to all interested parties simultaneously. All communication is to be provided in accordance with Nasdaq Stockholm's Rule Book for Issuers. The Board has approved an information policy that regulates the manner in which the company is to disclose information. Information is communicated to external parties regularly through press releases and via www.enirogroup.com.

The Board receives financial reports on a regular basis. The Board reviews and approves interim reports and the annual report at regular board meetings prior to publication. Financial information about the Group may only be communicated by – apart from the Board – the CEO, and the CFO.

Principles for financial processes are communicated between management and other personnel via regularly recurring meetings, the Group's intranet and e-mail.

The CFO reports the results of his work with internal control over financial reporting to the Audit Committee. The results of the

Audit Committee's work are reported on a regular basis to the Board in the form of observations, recommendations, and recommendations for decisions and actions to be taken.

Financial reporting

Financial data is reported monthly from all reporting units in accordance with reporting routines documented in the accounting manual. This reporting forms the foundation for the Group's consolidated financial reporting.

Consolidation is conducted from a legal and operational perspective, which results in complete monthly income statements and balance sheets for each company and consolidated for the Group. All consolidation is conducted centrally.

Monitoring

The CFO is responsible for monitoring and evaluating the effectiveness of the company's risk management and internal control system. During 2015, work on reviewing the internal control system continued, which led to a further strengthening of processes and routines.

The work with internal control is reported on a regular basis to Group Management and the Audit Committee. These regularly recurring reports form the foundation for the Board's evaluation and assessment of the effectiveness of internal control over financial reporting and are the basis for decisions regarding any potential improvement measures.

Financial information is provided on a regular basis in the form of:

- year-end and interim reports (quarterly), which are published via press releases
- annual reports
- press releases on important news and events
- presentations and conference calls for analysts, investors and media on the same day that year-end and interim reports are published
- meetings with analysts and investors.

Board of Directors



Lars-Johan Jarnheimer
Chairman of the Board,
elected 2011
Remuneration Committee chair,
member of the Audit Committee



Stina Honkamaa Bergfors
Director, elected 2014
Member of Remuneration
Committee



Leif Aa. Fredsted
Director, elected 2012

| | | | |
|--|--|---|---|
| Born | 1960 | 1972 | 1961 |
| Education | M.Sc. Econ. | M.Sc. Econ. | M.Sc. Econ. |
| Other directorships | Arvid Nordquist, Egmont International, INGKA Holding BV (IKEA's parent company), SAS, SSRS Holding, Qliro Group. | INGKA Holding (IKEA's parent company). | Vivaki Norway, Vivaki Sweden and Vivaki Denmark. |
| Professional experience | President and CEO, Tele2; Marketing Director northern Europe, Saab Automobile; CEO, Comviq. | Strategy and business development for United Screens (currently); Head of Google Sweden and YouTube Sweden; CEO, Carat. | CEO, Starcom Nordic (currently); CEO, Markup Consulting and CEO Synergi Rf. |
| Shareholding¹⁾ in Eniro | Common shares: 800,000 Preference shares: 5,000 | Common shares: 24,000 Preference shares: – | Common shares: 7,500 Preference shares: – |
| Attendance 2015²⁾ | | | |
| Board meetings | 22 (22) | 20 (22) | 21 (22) |
| Audit Committee meetings | 4 (6) | – | – |
| Audit Committee meetings | 8 (8) | 8 (8) | – |
| Fees for mandate period 2015/2016, SEK⁴⁾ | | | |
| Board of Directors | 1,100,000 | 420,000 | 420,000 |
| Audit Committee | 52,500 ³⁾ | – | – |
| Remuneration Committee | 75,000 | 75,000 | – |
| Independent from the company and major shareholders | Yes | Yes | Yes |

1) Including shares held by related parties as per December 31, 2015.

2) Figures in parentheses indicate the number of meetings that were held during the time period that the respective directors were members.

3) Lars-Johan Jarnheimer received 70% of the annual fee for his work on the Audit Committee, since he served on the committee only after the time that Staffan Persson left the Board on July 16, 2015.

4) Staffan Persson left the Board on July 16, 2015. He received 30% of the fee for the mandate period after the 2015 AGM. Fees paid to employee representatives pertain to the 2015 fiscal year.



Cecilia Lager
Director, elected 2015
Audit Committee chair



Anna Settmann
Director, elected 2015



Katarina Emilsson-Thudén
Employee representative, elected
2013 as deputy, regular member
since May 2014



Jonas Svensson
Employee representative, elected
2007 as deputy, regular member
since 2010

1963

Economics, Lund University

Elanders, Kungliga Tennishallen,
Oniva Online Group Europe,
Intellecta, Altor Fund Manager,
Sherpani Advisors, Knowit and
Cinnober Financial Techno-
logy. Chairman of the Board of
Navigera.

CEO Sherpani Advisors (currently);
management consultant, Askus;
Head of Marketing & Communica-
tion, Alecta; CEO, SEB Fonder;
Head of Communication &
Investor Relations, Sapa.

Common shares: –
Preference shares: –

12 (14)
9 (9)
–

420,000
150,000

Yes

1970

IFL at Stockholm School of Eco-
nomics; Communication, Berghs
School of Communication

Nordnet and Anticimex Group.

CEO and founding partner of
The Springfield Project (currently);
CEO, Aftonbladet Hierta, CEO
Aftonbladet Nya Medier.

Common shares: –
Preference shares: –

14 (14)
–
–

420,000
–
–

Yes

1969

Certified information broker and
business intelligence analyst

Unionen local chapter Eniro.

Facility manager, information of-
ficer, internal environmental audit.

Common shares: –
Preference shares: –

22 (22)
–
–

27,000
–
–

–

1966

Secondary school diploma

Chairman of Unionen local
chapter Eniro, employee repre-
sentative on the board of Eniro
118 118, employee representative
on the board of 118 118' pension
foundation.

Project manager and Business &
Sales Controller, Eniro 118 118.

Common shares: –
Preference shares: –

22 (22)
–
–

27,000
–
–

–

Group Management



| | | | |
|---|---|--|---|
| | Stefan Kercza President and CEO since August 2014 Eniro employee and member of Group Management since 2011 | Fredrik Sandelin Chief Financial Officer Eniro employee and member of Group Management since 2015 | Nils Carlsson Head of Nordic Sales Eniro employee and member of Group Management since 2015 |
| Born | 1964 | 1962 | 1969 |
| Education | MBA, AVT Business School, Copenhagen | M.Sc. Econ., Stockholm School of Economics | B.Sc. Econ., Växjö University; MBA Economics Heriot-Watt University, Edinburgh; Executive Management program at the Stockholm School of Economics |
| Directorships | Fibetco | – | – |
| Professional experience | CEO, Telenor India; SVP, Telenor B2B; SVP Telenor B2B and Consumer; SVP Telenor Consumer. | CFO, Caperio; Executive Vice President and CFO, IBS; CEO, A-Com; SVP Sverige Hilton Hotels Worldwide; Executive Vice President and CFO, Scandic Hotels; Financial Manager, Ratios. | CEO, Electrolux Hemprodukter; COO, Netbooster Group; Managing Director, Netbooster UK; Managing Director, Netbooster Denmark; Managing Director, Netbooster Sweden; Vice President Sales, Marketing & Product, Telenor; Director of Product and Business Development, Europolitan and Vodafone. |
| Shareholding¹⁾ in Eniro | Common shares: 200,000 Preference shares: – | Common shares: 200,000 Preference shares: – | Common shares: 10,000 Preference shares: – |
| Synthetic shares | 21,742 | – | – |

¹⁾ Including shares held by related parties.

**Henriette Gram Niebling**

Head of Business Support
Eniro employee since 2008, member of
Group Management since 2015

1967

Master's Informatics and Systems Science

–

Product Manager, IT Factory; Global TSO,
Tectura; COO, Aston; Controller, Hydro
Texaco Denmark; Sales Coordinator/
Controller, Texaco; Project Engineer, ABB.

Common shares: –
Preference shares: –

–

**Mattias Wedar**

Head of User & Customer Experience
Eniro employee since 2005, member of
Group Management since 2008

1973

M.Sc. Informatics and Systems Science

–

CEO Eniro Sweden and Finland;
Head of Group IT, Eniro; Project manager
and Key Account Manager, Accenture.

Common shares: 36,000
Preference shares: –

23,870

Financial statements

Operating revenue amounted to SEK 2,438 M

Operating income was SEK -1,030 M

Earnings per common share before dilution were SEK -3.69

Cash flow for the year was SEK 39 M



| Income Statement | | 2023 | 2022 |
|---|--|--------|--------|
| Operating revenue | | 2,438 | 2,312 |
| Operating income | | -1,030 | -1,030 |
| Earnings per common share before dilution | | -3.69 | -3.69 |
| Cash flow for the year | | 39 | 39 |

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Consolidated financial statements

Consolidated income statement

| SEK M | Note | 2015 | 2014 |
|---|---------------|---------------|---------------|
| Gross operating revenue | | 2,440 | 3,005 |
| Advertising tax | | -2 | -3 |
| Operating revenue | 3 | 2,438 | 3,002 |
| Production costs | 4 | -550 | -720 |
| Sales costs | 4 | -883 | -1,055 |
| Marketing costs | 4 | -257 | -273 |
| Administration costs | 4 | -397 | -443 |
| Product development costs | 4 | -226 | -206 |
| Other revenue | | 13 | 81 |
| Other costs | | -11 | -24 |
| Impairment of non-current assets | 7, 8 | -1,157 | -1,803 |
| Operating income | 3, 22, 23, 24 | -1,030 | -1,441 |
| Financial income | 5 | 110 | 18 |
| Financial expense | 5 | -170 | -171 |
| Income before tax | | -1,090 | -1,594 |
| Income tax | 6 | -35 | -68 |
| Net income for the year | | -1,125 | -1,662 |
| Of which, attributable to | | | |
| Owners of the Parent Company | | -1,124 | -1,664 |
| Non-controlling interests | | -1 | 2 |
| Earnings per common share before dilution, SEK | 13 | -3.69 | -17.09 |
| Earnings per common share after dilution, SEK | 13 | -2.32 | - |
| Average number of common shares before dilution, 000s | | 317,742 | 100,177 |
| Average number of common shares after dilution, 000s | | 505,435 | - |
| Number of preference shares at year-end, 000s | | 1,000 | 1,000 |

Consolidated statement of comprehensive income

| SEK M | Note | 2015 | 2014 |
|--|------|---------------|---------------|
| Net income for the year | | -1,125 | -1,662 |
| Other comprehensive income | | | |
| Items that cannot be reclassified to the income statement | | | |
| Revaluation of pension obligations | 16 | 199 | -297 |
| Tax attributable to revaluation of pension obligations | | -44 | 65 |
| Total | | 155 | -232 |
| Items that have been or can be reclassified to the income statement | | | |
| Hedge of net investment | | 21 | -6 |
| Tax attributable to hedge of net investment | | -5 | 1 |
| Exchange rate differences | | -235 | 85 |
| Total | | -219 | 80 |
| Other comprehensive income, net after tax | | -64 | -152 |
| Comprehensive income for the year | | -1,189 | -1,814 |
| Of which, attributable to: | | | |
| Owners of the Parent Company | | -1,183 | -1,813 |
| Non-controlling interests | | -6 | -1 |

Consolidated balance sheet

| SEK M | Note | 12/31/2015 | 12/31/2014 |
|---|------|--------------|--------------|
| ASSETS | | | |
| Non-current assets | | | |
| Tangible assets | 7 | 21 | 21 |
| Intangible assets | 8 | 3,615 | 5,108 |
| Deferred tax assets | 6 | 100 | 210 |
| Financial assets | 9 | 179 | 173 |
| Total non-current assets | | 3,915 | 5,512 |
| Current assets | | | |
| Work in progress | | 31 | 55 |
| Accounts receivable – trade | 10 | 265 | 353 |
| Prepaid expenses and accrued revenue | 11 | 87 | 169 |
| Current tax assets | | 14 | 6 |
| Other current receivables | 10 | 13 | 20 |
| Other interest-bearing receivables | 10 | 0 | 3 |
| Cash and cash equivalents | 12 | 91 | 58 |
| Total current assets | | 501 | 664 |
| TOTAL ASSETS | | 4,416 | 6,176 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| Shareholders' equity | | | |
| Share capital | 13 | 477 | 309 |
| Other capital contributions | | 5,517 | 5,125 |
| Reserves | | -491 | -277 |
| Retained earnings | | -4,384 | -3,420 |
| Shareholders' equity, owners of the Parent Company | | 1,119 | 1,737 |
| Non-controlling interests | | 39 | 60 |
| Total shareholders' equity | | 1,158 | 1,797 |
| Non-current liabilities | | | |
| Borrowing | 14 | 1,295 | 1,767 |
| Convertible bond | 15 | 284 | - |
| Deferred tax liabilities | 6 | 209 | 247 |
| Pension obligations | 16 | 415 | 601 |
| Provisions | 17 | 5 | 5 |
| Total non-current liabilities | | 2,208 | 2,620 |
| Current liabilities | | | |
| Accounts payable – trade | | 50 | 97 |
| Current tax liabilities | | 13 | 31 |
| Accrued expenses | 18 | 144 | 229 |
| Prepaid revenue | 19 | 528 | 583 |
| Other current liabilities | | 106 | 140 |
| Provisions | 17 | 39 | 54 |
| Borrowing | 14 | 170 | 625 |
| Total current liabilities | | 1,050 | 1,759 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | | 4,416 | 6,176 |

Consolidated statement of changes in equity

| Equity attributable to owners of the Parent Company | | | | | | | | |
|---|------|---------------|-----------------------------|---------------------|-------------------|--------|---------------------------|-----------------------------|
| SEK M | Note | Share capital | Other capital contributions | Translation reserve | Retained earnings | Total | Non-controlling interests | Total share-holders' equity |
| Opening balance, January 1, 2014 | | 309 | 5,125 | -360 | -1,476 | 3,598 | 68 | 3,666 |
| Net income for the year | | - | - | - | -1,664 | -1,664 | 2 | -1,662 |
| Hedge of net investment | | | | | | | | |
| Measurement of loan liabilities | | - | - | -6 | - | -6 | - | -6 |
| Tax on measurement of loan liabilities | | - | - | 1 | - | 1 | - | 1 |
| Translation of foreign subsidiaries | | - | - | 88 | - | 88 | -3 | 85 |
| Change in pensions | | | | | | | | |
| Actuarial gains/losses | | - | - | - | -297 | -297 | - | -297 |
| Tax on actuarial gains/losses | | - | - | - | 65 | 65 | - | 65 |
| Total comprehensive income | | - | - | 83 | -1,896 | -1,813 | -1 | -1,814 |
| Transactions with shareholders: | | | | | | | | |
| Dividend | | - | - | - | -48 | -48 | - | -48 |
| Dividend, non-controlling interests | | - | - | - | - | - | -7 | -7 |
| Share-based payments | | - | - | - | 0 | 0 | - | 0 |
| Total transactions with shareholders | | - | - | - | -48 | -48 | -7 | -55 |
| Closing balance, December 31, 2014 | 13 | 309 | 5,125 | -277 | -3,420 | 1,737 | 60 | 1,797 |
| Opening balance, January 1, 2015 | | 309 | 5,125 | -277 | -3,420 | 1,737 | 60 | 1,797 |
| Net income for the year | | - | - | - | -1,124 | -1,124 | -1 | -1,125 |
| Hedge of net investment | | | | | | | | |
| Measurement of loan liabilities | | - | - | 21 | - | 21 | - | 21 |
| Tax on measurement of loan liabilities | | - | - | -5 | - | -5 | - | -5 |
| Translation of foreign subsidiaries | | - | - | -230 | - | -230 | -5 | -235 |
| Change in pensions | | | | | | | | |
| Actuarial gains/losses | | - | - | - | 199 | 199 | - | 199 |
| Tax on actuarial gains/losses | | - | - | - | -44 | -44 | - | -44 |
| Total comprehensive income | | - | - | -214 | -969 | -1,183 | -6 | -1,189 |
| Transactions with shareholders | | | | | | | | |
| Reduction of share capital | | -257 | - | - | 257 | 0 | - | 0 |
| Rights issue | | 153 | 278 | - | - | 431 | - | 431 |
| Bonus issue | | 204 | - | - | -204 | 0 | - | 0 |
| Convertible bonds, equity portion | | - | 72 | - | - | 72 | - | 72 |
| Conversion of convertible bonds | | 68 | 42 | - | - | 110 | - | 110 |
| Dividend on preference shares | | - | - | - | -48 | -48 | - | -48 |
| Dividend, non-controlling interests | | - | - | - | - | - | -15 | -15 |
| Share-based payments | | - | - | - | 0 | 0 | - | 0 |
| Total transactions with shareholders | | 168 | 392 | - | 5 | 565 | -15 | 550 |
| Closing balance, December 31, 2015 | 13 | 477 | 5,517 | -491 | -4,384 | 1,119 | 39 | 1,158 |

Consolidated statement of cash flows

| SEK M | Note | 2015 | 2014 |
|--|------|------------|-------------|
| Operating activities | | | |
| Operating income | | -1,030 | -1,441 |
| Adjustments for | | | |
| Depreciation, amortization and impairment losses | 4 | 1,413 | 2,072 |
| Pensions and other provisions | | -11 | 1 |
| Capital gains/losses on sales of non-current assets | | 0 | -57 |
| Interest received | | 5 | 7 |
| Interest paid | | -160 | -133 |
| Income tax paid | | -18 | -22 |
| Cash flow from operating activities before changes in working capital | | 199 | 427 |
| Cash flow from changes in working capital | | | |
| Decrease/increase in work in progress | | 23 | 15 |
| Decrease/increase in current receivables | | 163 | 84 |
| Decrease/increase in current liabilities | | -207 | -238 |
| Cash flow from operating activities | | 178 | 288 |
| Investing activities | | | |
| Acquisitions of tangible assets | 7 | -18 | -12 |
| Acquisitions of intangible assets | 8 | -74 | -127 |
| Divestments of Group companies and other operations | | 6 | 62 |
| Sales of non-current assets | 7 | 0 | 2 |
| Cash flow from investing activities | | -86 | -75 |
| Financing activities | | | |
| Loans raised | | 0 | 77 |
| Repayment of loans | | -885 | -283 |
| Long-term investments | | -10 | -10 |
| Rights issue | | 430 | - |
| Convertible bonds issue | 15 | 475 | - |
| Dividend on preference shares | | -48 | -48 |
| Dividend, non-controlling interests | | -15 | -7 |
| Cash flow from financing activities | | -53 | -271 |
| Cash flow for the year | | 39 | -58 |
| Cash and cash equivalents at start of the year | | 58 | 113 |
| Cash flow for the year | | 39 | -58 |
| Exchange rate differences in cash and cash equivalents | | -6 | 3 |
| Cash and cash equivalents at year-end | 12 | 91 | 58 |

Notes to the consolidated financial statements

NOTE 1 Accounting policies

GENERAL

The Group includes the Parent Company, Eniro AB (publ), corporate identity number 556588-0936, and its subsidiaries and associated companies. The Parent Company has its registered office in Stockholm, Sweden, and has been listed on Nasdaq OMX Stockholm since October 10, 2000. The address of the headquarters is SE-169 87 Stockholm. The annual report and the consolidated financial statements were approved by the Board of Directors on April 4, 2016, and will be presented for adoption by the Annual General Meeting on April 27, 2016.

BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as endorsed by the EU, as well as with applicable stipulations in the Swedish Annual Accounts Act and Swedish Financial Reporting Board Recommendation RFR 1 – Supplementary Accounting Policies for Groups. The consolidated financial statements have been prepared in accordance with the cost method, except for with respect to assets and liabilities (including derivative instruments) measured at fair value through profit or loss.

NEW AND AMENDED STANDARDS APPLIED BY THE GROUP

New and amended standards that took effect in fiscal years beginning on January 1, 2015, and later pertain to IFRIC 21 Levies as well as a number of clarifications related to IFRS 1, IFRS 3, IFRS 13 and IAS 40. None of these clarifications, amendments and interpretations have any material impact on the consolidated financial statements.

PRINCIPLES OF CONSOLIDATION

Subsidiaries

The consolidated financial statements include the Parent Company Eniro AB and its subsidiaries. Subsidiaries are all companies (including structured entities) in which the Group has control. The Group controls a company when it is exposed to or has a right to variable returns from its holding in the company and has the opportunity to affect returns through its influence in the company. Subsidiaries are included in the consolidated financial statements from the date on which control was transferred to the Group. They are eliminated from the consolidated financial statements on the date from which control ceases.

Eniro applies the purchase method for reporting the Group's business combinations. The purchase consideration for the acquisition of a subsidiary consists of the fair value of transferred assets and liabilities acquired by the Group from the previous owner of the acquired company and the shares issued by the Group. The purchase consideration also includes the fair value of all assets or liabilities resulting from an agreement for contingent consideration. Identifiable acquired assets and assumed liabilities in a business combination are initially measured at fair value on the date of acquisition. For each acquisition, the Group determines whether non-controlling interests in the acquired company are to be recognized at fair value or at the holding's proportional share of the carrying amount of the acquired company's identifiable net assets. Acquisition-related costs are expensed as they arise. If the business combination is implemented in several stages, the previous shares in the equity of the acquired company are remeasured at their fair value on the date of acquisition. Any resulting gain or loss is recognized in profit or loss. Each contingent consideration that is to be transferred by the Group is recognized at fair value on the date of acquisition. Subsequent changes in the fair value of contingent consideration that has been classified as an asset or liability is recognized in accordance with IAS 39 either in profit or loss or in other comprehensive income. Contingent consideration that is classified as shareholders' equity is not remeasured, and subsequent settlement is recognized in shareholders' equity.

Goodwill is initially measured in the amount by which the total purchase consideration and fair value for non-controlling interests exceeds the fair value of identifiable acquired assets and assumed liabilities. If the purchase consideration is lower than the fair value of the acquired company's net assets, the difference is recognized directly in profit or loss.

Intra-Group transactions, balance sheet items and revenue and expenses from transactions between Group companies are eliminated. Gains and losses from intra-Group transactions that are reported in assets are also eliminated.

Associated companies

Associated companies are companies in which the Group has a significant – but not controlling – influence, which as a rule applies for shareholdings corresponding to between 20% and 50% of the votes. Holdings in associated companies are recognized in accordance with the equity method. This entails that the investment is initially valued at cost, and the carrying amount is increased or decreased thereafter to take into account the

Group's share of associated company's profit or loss after the acquisition date. The Group's carrying amount of holdings in associated companies includes goodwill that is identified in connection with the acquisition.

TRANSLATION OF FOREIGN CURRENCY

Financial reporting is conducted in the currency used in the area in which each Group company is primarily active. This is the unit's functional currency. In the consolidated financial statements, the Swedish krona (SEK) is used, which is the Parent Company's functional currency and the Group's reporting currency.

Transactions in foreign currency are translated to the functional currency using the exchange rates in effect on the transaction date. Exchange gains and losses arising in payments for such transactions and in the translation of monetary assets at the exchange rate in effect on the balance sheet date are recognized in profit or loss. Exceptions are transactions that constitute hedges that satisfy the conditions for hedge accounting of cash flows or net investments. Such gains or losses are recognized in other comprehensive income.

Income statements and balance sheets of Group companies with another functional currency than SEK are translated as follows:

- Assets and liabilities are translated at the exchange rate in effect on the balance sheet date.
- Revenues and costs are translated at the average exchange rate (inasmuch as this gives a reasonable approximation of the accumulated effect of the exchange rates that apply on the transaction date; otherwise, revenues and costs are translated at the exchange rate in effect on the transaction date).
- Exchange rate differences are recognized in other comprehensive income.

Goodwill and adjustments of fair value arising from the acquisition of foreign operations are treated as assets and liabilities in that operation and are translated at the exchange rate in effect on the balance sheet date.

REVENUE

Revenue is recognized when it is probable that the economic benefits associated with the transaction will accrue to Eniro and when the revenue can be measured in a reliable manner. Revenue is measured at the fair value of what has been received or will be received after deducting for discounts. Eniro presents its revenue according to the revenue streams Desktop search, Mobile search, Complementary digital marketing products (previously called Campaign products), Print and Voice.

Eniro's revenue is generated primarily from advertisements that are shown when a user performs a search on the Internet, via a mobile device, in directories and via directory assistance services. Revenue is recognized in the period in which Eniro delivered the product/service. In cases where a product or service contains several components, the market value attributable to each component is recognized on delivery. Revenue for advertising packages is apportioned in accordance with the various revenue recognition principles that apply for the constituent components. The outcome of the apportionment among the various revenue-recognition methods depends on the value of the constituent components in the particular package and is assigned in accordance with the market value of commercial use based on price lists.

Revenue – Desktop search and Mobile search

In the Desktop search and Mobile search revenue categories, Eniro offers its customers advertising space in Eniro's highly popular local search sites. Eniro's offering consists of various sizes of advertising packages with varying content and geographic coverage. Revenue from the advertising packages is apportioned to the constituent components. The advertising space in Eniro's desktop and mobile channels is allocated over time that the service is provided, normally 12 months. Keyword optimization entails that Eniro analyzes traffic on Eniro's search pages, after which it subsequently chooses specific keywords for the respective customers, which increases the customers' searchability and thus their visibility on result lists. Optimization revenue is recognized when the analysis has been delivered to the customer. The optimization service is included in advertising packages, in which case the revenue attributable to the service is recognized up-front, or can be purchased separately. For example, if a video product is included in an advertising package, the revenue is apportioned between the components video and video hosting, where the revenue attributable to the video is recognized when the recording has been completed and the video is delivered to the customer. The revenue attributable to video hosting is allocated over the period in which the service is provided.

Revenue – Complementary digital marketing products

In the Complementary digital marketing products revenue area, Eniro offers services such as search engine optimization (SEO), videos, websites and sponsored links.

Search engine optimization (SEO) entails optimizing customers' websites for the major search engines. Eniro conducts continuous updates in order to deliver the desired results. SEO revenue is allocated over the period during which the service is provided, which normally means that the revenue is recognized over a period of 12 months, but other periods are also possible.

For the video product, the offering entails filming and editing a video production, which is then published during a subscription period. The customer may also publish the video on its own website. Revenue is allocated to the constituent components video and video hosting, whereby the revenue attributable to the video is recognized when the recording has been completed and the video is delivered to the customer. Revenue attributable to video hosting is recognized on a straight line basis over the subscription period, i.e., the period when the service is provided.

The website product entails that Eniro produces a website for the customer, which is thereafter published during a subscription period. The revenue is recognized in its entirety on a straight-line basis over the subscription period, which deviates from the previous principle where part of the revenue was recognized when the website is delivered to the customer. The reason for the change is that websites are no longer delivered to the customers and can no longer be hosted by any party than Eniro.

Sponsored links are an auction-based service that provides clickable text ads. Revenue for sponsored links is recognized when a user clicks on the sponsored link at the prevailing cost per click (CPC), in accordance with an auction procedure.

Print revenue

Revenue from printed directories is recognized when the directories are distributed to users.

Voice revenue

Revenue from directory assistance services or other voice services is recognized when the service is provided to the end user in a phone call or by text message (SMS).

SEGMENT REPORTING

Segment reporting reflects how Eniro's financial information is presented internally to the chief operating decision maker. At Eniro, Group Management constitutes the chief operating decision maker and is responsible for the allocation of resources and evaluation of results. Eniro's operating segments consist of the business areas Local search and Voice. Operations in Local search are conducted in Sweden, Norway, Denmark and Poland. In the Local search business area, cross-border functions are conducted, such as UCE (User and Customer Experience), Nordic Sales, Business Support, Finance and Human Resources. The Voice business area encompasses the directory information services in Sweden, Norway and Finland. The Voice unit is governed separately and is not an integrated part of the functional organization. Group Management's monitoring of earnings performance (EBITDA) and financial reporting are conducted according to the Local search and Voice breakdown.

CURRENT AND DEFERRED TAX

The tax cost for the period consists of both current and deferred tax. Tax is reported in the income statement, except for in cases where the tax pertains to items that are reported in other comprehensive income or directly in shareholders' equity. In such case, tax is also recognized in other comprehensive income and shareholders' equity. The current tax cost is calculated on the basis of the tax rules that have been decided on or have essentially been decided on in the countries in which the Parent Company and its subsidiaries are active and generate taxable revenue. Deferred tax is recognized for all temporary differences between reported and tax values of assets and liabilities. Deferred tax liabilities and tax assets are calculated using the tax rates that have been decided on or announced as per the balance sheet date, and which are expected to apply when the pertinent tax liability is settled or the deferred tax asset is realized. Deferred tax assets attributable to tax-loss carryforwards are recognized only when it is considered probable that the loss carryforward can be utilized in the future. Deferred tax assets and liabilities are offset in cases where there is a legal offsetting right for current tax assets and tax liabilities, and they pertain to taxes charged by one and the same tax authority and pertain to either the same tax subject or different tax subjects in cases where there is an intention to settle them through net payments.

TANGIBLE ASSETS

Tangible assets is reported at cost less depreciation and any impairment losses. Cost includes expenses that can be directly attributable to the acquisition of the asset. Depreciation is applied on a straight-line basis over the assets' estimated useful life, down to any residual value. Eniro's tangible assets consists mainly of computer equipment and office equipment. The estimated useful life varies from three to five years. The residual value of assets and their useful life are tested for impairment on every closing date and are adjusted as necessary. Gains and losses on sales of tangible assets, i.e., the difference between the asset's carrying amount and the sales revenue, are recognized among other revenue/costs in the income statement.

INTANGIBLE ASSETS

The Group's intangible assets consist of goodwill, trademarks with indefinite and finite useful lives, customer relationships and other intangible assets, which mainly pertain to product development.

Goodwill consists of the amount by which the price paid exceeds the fair value of the Group's share of an acquired subsidiary's/associated company's identifiable net assets on the acquisition date. Trademarks with indefinite useful life that are acquired in con-

nection with business combinations are carried at fair value on the date of acquisition. Goodwill and trademarks with indefinite useful life are tested annually for impairment and are carried at cost less accumulated impairment losses. Gains or losses arising from the divestment of a unit include the residual carrying amount of goodwill and other consolidated surplus value attributable to the divested unit.

Customer relationships, other trademarks and other intangible assets are carried at cost less accumulated amortization and are amortized on a straight-line basis over their useful life. The useful life for customer relationships is based on the repeat purchase frequency and varies between three and seven years. Other trademarks have a useful life of between five and ten years. Other intangible assets consist primarily of product development. The outlays that are capitalized include costs for direct salaries and other costs directly attributable to development projects. Software licenses, databases and publication rights of a unique nature that are controlled by Eniro and that have a useful life exceeding three years are reported as other intangible assets. Other intangible assets are amortized on a straight-line basis over their estimated useful life, which varies between three and ten years.

Impairment

Intangible assets with an indefinite useful life, such as goodwill and certain trademarks, or intangible assets that are not ready for use, are not amortized, but are instead tested for impairment yearly or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. In impairment testing, assets are grouped at the lowest levels at which there are separate identifiable cash flows (cash-generating units). For assets that were previously impaired, on every balance sheet date a test is performed to determine if a reversal should be made. Goodwill impairment is not reversed.

Impaired assets are tested for impairment whenever there is an indication that a need to recognize impairment exists.

NON-CURRENT ASSETS HELD FOR SALE

Non-current assets (or disposal groups) are classified as held for sale when their carrying amount will mainly be recovered through a sale transaction and a sale is considered to be highly probable. They are reported at the lower of their carrying amount and fair value, less costs to sell.

FINANCIAL ASSETS

Classification of financial assets is determined upon the initial reporting occasion and is dependent on the purpose for which the financial asset was acquired. Financial assets are classified in the following categories:

- Financial assets at fair value through profit or loss
- Loan receivables and trade accounts receivable
- Available-for-sale financial assets

Financial assets at fair value through profit or loss consist of assets acquired with the intention to be sold in the near term. At year-end 2015 and 2014 Eniro had only minor assets classified in this category.

Loan receivables and trade accounts receivable are non-derivative financial assets with determined payment amounts or payments whose amounts can be determined and that are not listed on an active market. Eniro's loan receivables and trade receivables consist of trade receivable and other receivables, and cash and cash equivalents. They are included in current assets, except for items with due dates longer than 12 months after the end of the reporting period, which are classified as non-current assets.

Available-for-sale financial assets are non-derivative financial assets in which the assets have been identified as available for sale or not belonging to any other category. At year-end 2015 and 2014 Eniro did not have any assets classified in this category.

Purchases and sales of financial assets are recognized on the date on which Eniro undertakes to buy or sell the asset. Financial assets are initially measured at fair value plus transaction costs, except for financial assets at fair value through profit or loss, for which transaction costs are excluded. Financial assets are derecognized from the balance sheet when the right to receive cash flows from the instrument has expired or when virtually all risks and benefits associated with the asset have been transferred to another party.

Loan receivables and trade accounts receivable are recognized at cost, since their short durations entail that the difference compared with application of the effective interest method is judged to be immaterial. Available-for-sale financial assets and financial assets at fair value through profit or loss are measured after the acquisition date at fair value.

Financial assets and liabilities are offset and reported as a net amount on the balance sheet only when there is a legal right to offset the reported amounts and there is an intention to settle on a net basis or to at the same time realize the asset and settle the liability. The legal right may not be dependent on future events and must be legally binding for the company and the counterparty both in the normal business activities and in the event of a suspension in payments, insolvency or bankruptcy.

At the end of every reporting period, an assessment is made as to whether there is objective evidence that a need to recognize impairment exists for a financial asset or group of financial assets.

WORK IN PROGRESS

The value of work in progress consists of direct production costs and attributable indirect production costs. Borrowing costs are not included. For printed directories, direct production costs pertain mainly to purchases of paper, printing and binding of directories, and costs for producing and processing the information for publication in printed directories. An individual assessment is made for expensed amounts for each individual directory. For Desktop and Mobile search, direct production costs pertain mainly to costs for advertising production.

TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable are initially measured at fair value, which normally corresponds to the invoiced amount. Thereafter, trade receivables are measured at cost without discounting, less any provisions for bad debts. No discounting is performed, since the average credit period is short and the interest is thus immaterial. Credit risks are managed through active credit checks and routines for follow-up and debt collection. In addition, the size of the reserves is tested regularly based primarily on confirmed losses in previous years and taking into account current payment patterns. Amounts that are not expected to be received are offset by provisions and are reported as Sales cost in the income statement.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash, disposable funds in bank accounts and other short-term investments with a maturity shorter than three months from the acquisition date. Cash and cash equivalents in restricted bank accounts are classified as a financial asset.

SHAREHOLDERS' EQUITY

Shareholders' equity in the Group is broken down into share capital, other capital contributions, reserves and retained earnings. Holdings of treasury shares acquired within the framework approved by the Annual General Meeting are reported in the consolidated financial statements as a reduction of other capital contributions. In the Parent Company, this reduction is reported as a reduction of retained earnings or, where applicable, against a reserve to be used in accordance with a resolution by a general meeting of shareholders. Costs in addition to the purchase price arising in conjunction with purchases of treasury shares are charged against retained earnings. This holding is not included in the number of shares outstanding when calculating key data per share.

Eniro classifies the company's preference shares as equity, and dividends to owners of preference shares in accordance with IAS 32 Financial Instruments. Classification has been made on the basis of the company's terms that the preference shares lack a set date for redemption and that owners of preference shares do not have any right to demand redemption.

BORROWINGS

Borrowings are initially stated at fair value, net after transaction costs. They are thereafter carried at amortized cost, and any difference between the amount received after transaction costs and the amount repaid is recognized in profit or loss over the term of the loan using the effective interest method. Liabilities that are expected to be settled within 12 months after the end of the reporting period are classified as current liabilities. Liabilities that are expected to be settled later than 12 months after the end of the reporting period are classified as non-current liabilities. Further information about the Group's borrowing, including the convertible bond, is provided in Note 14 Borrowings and Note 15 Convertible bond.

REPORTING OF DERIVATIVE INSTRUMENTS AND HEDGE ACCOUNTING

Derivative instruments are recognized on the balance sheet as per the contract date and are measured at fair value both initially and in subsequent revaluations. Derivatives may be used to hedge fair value, cash flows or foreign net investments. When a hedging contract is entered into, Eniro documents the relationship between the hedge instrument and the hedged item, as well as the effectiveness of the derivative instrument in balancing the fair value or cash flow for the hedged items. At present only hedges of foreign net investments exist in the Group.

Hedges of foreign net investments

The effective portion of a hedge of foreign net investments is recognized in other comprehensive income, while the ineffective portion is recognized directly in profit or loss under the item Financial costs. Accumulated gains and losses in shareholders' equity are recognized as a portion of the capital gain or loss arising when a foreign operation is divested.

PROVISIONS

Provisions refer to liabilities that are uncertain with respect to their amount or the date on which they will be settled. Provisions for restructuring costs and legal requirements are reported when the Group has a legal or constructive obligation as a result of previous events and it is probable that an outflow of resources will be required to settle the obligation, and the amount can be estimated in a reliable manner. Provisions for restructuring costs cover costs for the cancellation of leases and severance payments. Reserved amounts represent the best estimate of the amount that would be required to settle the obligation.

TRADE ACCOUNTS PAYABLE

Trade accounts payable are initially stated at fair value and subsequently at amortized cost without discounting, since the average credit time is short and the interest is thus immaterial. Trade payables are classified as current liabilities.

EMPLOYEE BENEFITS**Pension obligations**

The Eniro Group has both defined contribution and defined benefit pension plans. A defined contribution plan is a pension plan in which the Group makes fixed contributions to a separate legal entity and has no legal or constructive obligation to make further payments. The contributions are recognized as payroll costs as they fall due for payment.

For defined benefit plans, an amount is reported for post-retirement benefits paid to an employee, based on one or more factors, such as age, the number of years of service, and the employee's salary at the time of retirement. The Group bears the risk for paying the pledged benefits. Eniro has defined benefit plans in Sweden, Norway and Finland. Certain plans are funded by special assets or funds that are held separately from the Group for future disbursements. Other plans are unfunded, and disbursements from these are paid by the Group as they fall due for payment. Pension obligations pertain mainly to employees in Sweden. Eniro 118 118 has assets that have been detached in a separate pension foundation, while other obligations in Sweden are secured through insurance with PRI Pensionsgaranti. The net amount of the estimated present value of the obligations and the fair value of the plan assets is carried on the consolidated balance sheet. In cases where a surplus in a pension plan cannot be fully utilized, only the portion of the surplus that the company can recover through lower future contributions or refunds is reported.

Eniro's defined benefit obligations are calculated yearly by independent actuaries using the Projected Unit Credit method. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using the interest rate for high quality corporate bonds that are issued in the same currency that the benefits will be paid out in, and with terms comparable with the pension obligation in question. In Sweden, a discount rate is used that corresponds to the yield on mortgage bonds with a maturity corresponding to the obligation in question, since there is no working market for high quality corporate bonds. For defined benefit plans, costs for service in the current period consist of the increase in the defined benefit obligation, changes in benefits, reductions and settlements. The cost is reported as payroll costs in the income statement. The net interest is calculated by using the discount rate for defined benefit plans and the fair value of plan assets. Actuarial gains and losses arising from experience-based adjustments, and changes in actuarial obligations, are reported in other comprehensive income during the period in which they arise.

Pension obligations also include a provision for future pensions in Eniro 118 118 AB, in accordance with an arrangement under collective bargaining agreements that provides for an Early Retirement Benefit (ERB) plan at 55, 60 or 63 years for certain personnel categories. The ERB plan is a pension plan covering certain Eniro employees who were previously employed by Televerket (today TeliaSonera) prior to its incorporation in 1991. Under the agreement, payments from this plan are to be covered in part by the former owner, TeliaSonera.

Share-based payments

The Eniro Group has two share-based incentive programs directed at the CEO, members of Group Management and certain key persons, a synthetic share program, and a the Long Term Incentive Program (LTIP 2013).

Variable cash salary with three-year lock-in – synthetic shares (2012)

This incentive program, based on so-called synthetic shares, entails that a maximum scope corresponding to 15%-40% of the employee's fixed salary is reserved for a grant of synthetic shares. For the CEO, the maximum scope can correspond to 50% of fixed salary. Calculation of the number of synthetic shares that corresponds to the amount determined for the participant is based on the average price paid for Eniro shares during the five trading days immediately following the record date. After three years the holding of synthetic shares is converted to cash payment. The outcome of the synthetic shares requires that the participant completes an employment period of three years after the grant. Eniro allocates the cost of the incentive program over the lock-in period. The maximum amount to be paid out for each synthetic share is limited to five times the share price at the time of conversion to synthetic shares. The incentive program does not entail compensation in Eniro shares, but can be seen as an index that regulates the size of the cash payment. During the year, the 2011 incentive program with synthetic shares was settled. The 2012 incentive program will be settled in 2016. After this is done, no current incentive programs coupled to synthetic shares will remain.

Long Term Incentive Program (LTIP 2013)

The 2013 Annual General Meeting approved a new, share-based incentive program, the Long Term Incentive Program (LTIP 2013), which replaced the previous program based on synthetic shares. This program expired on 31 December 2015 without achievement of the performance-based conditions for rewards or achievement of the share value, and thus no grants of shares will be made to the participants in the program.

LEASES

A lease in which a significant portion of the risks and benefits resulting from ownership are retained by the lessor is classified as an operating lease. Payments made during the lease period are expensed on a straight-line basis over the lease period. Currently, the Group only has operating leases.

NEW ACCOUNTING POLICES AND AMENDMENTS IN 2016 AND LATER

A number of new standards, amendments and interpretations of existing standards have been published and are mandatory for fiscal years beginning on or after January 1, 2016, but have not been applied prospectively. None of these are expected to have any material impact on the Group's financial statements, with the exception of the ones that follow:

IFRS 9 Financial Instruments replaces the parts of IAS 39 that address classification and measurement of financial instruments. The standard addresses classification, measurement and valuation and recognition of financial assets and liabilities, and defines three measurement categories: amortized cost, fair value through other comprehensive income, and fair value through profit or loss. The classification is determined on the initial accounting occasion based on the company's business model and the instrument's characteristic attributes. The standard also introduces a new model for calculating the loan loss reserve. For financial liabilities, the classification and measurement do not change except in the case where a liability is recognized at fair value through profit or loss based on the fair value option. The standard is to be applied for fiscal years that began on January 1, 2018, and later. Prospective application is permitted. The Group has not yet evaluated the effects of adoption of the standard.

IFRS 15 Revenue from Contracts with Customers addresses revenue recognition. The standard replaces all previously issued standards and interpretations that address revenue (i.e., IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programs, IFRIC 15 Agreements for Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers, and SIC-31 Revenue – Barter Transactions Involving Advertising Services. IFRS 15 includes a composite model for revenue recognition for customer contracts. The core principle is that everything starts with a contract on the sale of a product or service between two parties. Initially, the contract with a customer is to be identified, which generates an asset (rights, a promise for consideration) and a liability (a performance obligation, consisting of a promise to transfer a product or service). According to the model, the company then recognizes revenue, indicating that the company has performed its obligation to deliver the promised product or service to the customer. IFRS 15 takes effect on January 1, 2018, and prospective application is permitted. The Group has not yet evaluated the effects of adoption of the standard.

IFRS 16 Leases is a new leasing standard that will replace IAS 17 Leases along with the accompanying interpretations IFRIC 4, SEC-15 and SIC-17. The standard requires recognition on the balance sheet of assets and liabilities attributable to all leases, with a few exceptions. This accounting is based on the notion that the lessee has a right to use the asset during a specific period of time, and at the same time has an obligation to pay for this right. The reporting for the lessor will be unchanged in all essential respects. The standard is applicable for fiscal years beginning on January 1, 2019, and later. Prospective application is permitted. The EU has not yet endorsed the standard. The Group has not yet evaluated the effects of adoption of the standard.

No other IFRSs or IFRIC interpretations that have not yet taken effect are expected to have any material impact on the Group.

NOTE 2 Important estimations and assessments

Preparation of financial statements in accordance with IFRS requires the use of numerous important estimations for accounting purposes as well as that company management makes certain assessments in application of the Group's accounting policies. The areas that entail a high degree of assessment, that are complex, or are such areas in which assumptions and estimations are of material significance for the consolidated accounting, are stated below. The Group makes estimations and assumptions about the future. The estimations for accounting purposes that result from these will, by definition, rarely match actual outcome. The estimations and assumptions that give rise to a material risk of significant adjustments of the carrying amounts of assets and liabilities during the following fiscal year are outlined below.

Estimations and assessments are evaluated continuously and are based on historical experience and other factors, including anticipations about future events that are considered to be reasonable under the prevailing conditions.

Impairment testing of goodwill and trademarks with indefinite useful life

In accordance with IFRS, goodwill and trademarks with indefinite useful life are not amortized, but are instead tested yearly for impairment. The Group's other intangible assets and non-current assets are amortized over the period during which company management has estimated that the asset will generate revenues. In addition, impairment testing is conducted whenever there is an indication that assets may be impaired.

A number of assumptions and assessments are made when an asset's value in use is calculated, such as revenue growth for the particular segment on the basis of market conditions and the way the cost base will develop, taking into account cost-cutting measures. Other significant assumptions include allocated interest, which is based on Eniro's cost of capital and risk premium at the time of the valuation. Company management makes the assumptions, which are reviewed by the Audit Committee. Further information on goodwill and trademarks with indefinite useful life is provided in Note 8, Intangible assets.

The Group has trademarks with indefinite useful life with a total book value of SEK 113 M (119). Trademarks that are amortized and other intangible assets amount to SEK 3,502 M (4,989) and are reported at cost less accumulated amortization and any impairment losses. Amortization is done over the estimated useful life down to an estimated residual value. The carrying amount of the Group's non-current assets is tested as soon as changed circumstances show that there is a need to recognize impairment. The starting point for determining useful life is the allocations of the prices paid for the original purchases. The Group regularly tests if these continue to be deemed relevant. The carrying amount of an asset is also tested in connection with yearly impairment testing of goodwill.

Income taxes

The Group is obligated to pay tax in several countries. Comprehensive assessments are required to determine the Group's provision for income taxes. Many transactions and calculations involve amounts whereby the final tax payment is uncertain. In cases in which the final tax for these matters differs from the amount initially recognized, these differences will affect current and deferred tax assets and liabilities during the period when such conclusions are made.

Deferred tax assets and liabilities are reported for temporary differences between recognized amounts for reporting purposes and amounts used for taxation purposes and for the utilization of loss-carryforwards. The largest loss-carryforwards pertain to Sweden and Denmark. The valuation of the loss-carryforwards and the Group's ability to utilize loss-carryforwards are based on management's estimations of future, taxable income in various tax areas. See also Note 6.

Defined benefit pension obligations

The present value of pension obligations depends on a number of factors that are established on an actuarial basis based on a number of assumptions. The assumptions used when establishing the net cost of pensions include the discount rate. Each change in these assumptions will impact the carrying amount of pension obligations. The Group establishes an appropriate discount rate at the end of each year. This is the interest rate used to determine the present value of anticipated future payments that are expected to be required to settle the pension obligations. When establishing an appropriate discount rate in Sweden, the Group takes into account yields on high-quality mortgage bonds that are expressed in the currency in which the payments will be made and that have maturities matching the assessments for the particular pension obligation. Other important assumptions concerning pension obligations include the expected return on plan assets, future salary increases, inflation, and demographic conditions, which are partly based on prevailing market conditions or established actuarial expectations. Further information is provided in Note 16, Pension obligations.

Revenue recognition

For the digital services that Eniro delivers, the revenue is allocated over the duration of the advertising period to the extent that the revenue does not pertain to services that are delivered immediately. The allocation of the revenue is done primarily on the basis of the market price of the services provided. In cases where it has not been possible to determine a comparable transaction, an estimation of the components' value is made.

NOTE 3 Segment information

Eniro reports its financial results distributed among the Local search and Voice business areas. Local search has cross-border functions for User and Customer Experience, Business Support, Nordic Sales, Human Resources, and Finance. The Voice business area is governed separately and is not an integrated part of the function-based organization. See also Note 1 – Accounting policies, for a description of Eniro's segment reporting.

| SEK M | Local search | | Voice | | Other | | Total | |
|---|--------------|--------------|-------------|-------------|--------------|--------------|---------------|---------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Operating revenue | | | | | | | | |
| Sweden | 817 | 1,024 | 221 | 301 | - | - | 1,038 | 1,325 |
| Norway | 580 | 722 | 61 | 87 | - | - | 641 | 809 |
| Denmark | 366 | 470 | - | - | - | - | 366 | 470 |
| Finland | - | - | 178 | 185 | - | - | 178 | 185 |
| Poland | 215 | 213 | - | - | - | - | 215 | 213 |
| Total | 1,978 | 2,429 | 460 | 573 | - | - | 2,438 | 3,002 |
| Operating income before depreciation, amortization and items affecting comparability | 338 | 484 | 191 | 238 | -75 | -47 | 454 | 675 |
| Items affecting comparability* | -65 | -10 | -2 | -1 | -4 | -33 | -71 | -44 |
| Depreciation/amortization | -215 | -222 | -41 | -46 | 0 | -1 | -256 | -269 |
| Impairment losses | -693 | -1,235 | -464 | -562 | - | -6 | -1,157 | -1,803 |
| Operating income | -635 | -983 | -316 | -371 | -79 | -87 | -1,030 | -1,441 |
| Net financial items | | | | | | | -60 | -153 |
| Taxes | | | | | | | -35 | -68 |
| Net income for the year | | | | | | | -1,125 | -1,662 |
| Assets and liabilities | | | | | | | | |
| Goodwill | 2,568 | 3,336 | 240 | 715 | - | - | 2,808 | 4,051 |
| Other non-current assets | 806 | 1,020 | 22 | 58 | 0 | 0 | 828 | 1,078 |
| Other distributed assets | 292 | 474 | 36 | 91 | 68 | 32 | 396 | 597 |
| Undistributed assets | | | | | 384 | 450 | 384 | 450 |
| Total | 3,666 | 4,830 | 298 | 864 | 452 | 482 | 4,416 | 6,176 |
| Distributed liabilities | 697 | 858 | 32 | 74 | 143 | 176 | 872 | 1,108 |
| Undistributed liabilities | | | | | 3,544 | 5,068 | 3,544 | 5,068 |
| Total | 697 | 858 | 32 | 74 | 3,687 | 5,244 | 4,416 | 6,176 |
| Other disclosures | | | | | | | | |
| Investments | 86 | 138 | 6 | 1 | 0 | 0 | 92 | 139 |

* Items affecting comparability consist of restructuring costs, costs for severance pay and synthetic shares, and capital gains/losses on divestments.

External operating revenue per category and operating segment:

| SEK M | 2015 | 2014 |
|--|--------------|--------------|
| Desktop search | 1,208 | 1,484 |
| Mobile search | 338 | 385 |
| Complementary digital marketing products ¹⁾ | 222 | 265 |
| Digital search²⁾ | 1,768 | 2,134 |
| Print | 210 | 295 |
| Local search | 1,978 | 2,429 |
| Voice | 460 | 573 |
| Total | 2,438 | 3,002 |

1) Previously called Campaign products.

2) Previously called Multiscreen.

External operating revenue per country, based on where customers are located:

| SEK M | 2015 | 2014 |
|--------------------------------|--------------|--------------|
| Sweden | 1,038 | 1,325 |
| Norway | 641 | 809 |
| Denmark | 366 | 470 |
| Finland | 178 | 185 |
| Poland | 215 | 213 |
| Total operating revenue | 2,438 | 3,002 |

Eniro offers a diverse portfolio of search services and search-related products to hundreds of thousands of customers, and thus the Group's dependence on individual customers is virtually non-existent.

NOTE 4 Breakdown of costs by type

| SEK M | 2015 | 2014 |
|--|--------------|--------------|
| Employee benefits, incl. social security costs | 1,208 | 1,351 |
| Rents for premises, telecom, travel and training | 243 | 300 |
| External services | 154 | 189 |
| Marketing costs | 77 | 123 |
| Third-party costs | 169 | 123 |
| Paper, printing and distribution | 49 | 81 |
| Other | 157 | 261 |
| Depreciation/amortization | 256 | 269 |
| Total | 2,313 | 2,697 |

Marketing costs are reported in the income statement as marketing costs. Third-party costs, paper, printing and distribution are included in production costs. The remaining costs are included in operating costs and are reported under the respective functions. Operating costs refer to production costs, sales costs, marketing costs, administration costs and product development costs. Employee benefits include restructuring costs of SEK 72 M (63). Other restructuring costs of SEK 1 M (0) are included in the item Rents for premises, telecom, travel and training.

Depreciation and amortization by function

| SEK M | 2015 | 2014 |
|--|------------|------------|
| Tangible assets | | |
| Production costs | 11 | 14 |
| Sales costs | 2 | 3 |
| Marketing costs | 0 | 0 |
| Administration costs | 5 | 5 |
| Product development costs | 0 | 0 |
| Total | 18 | 22 |
| Intangible assets | | |
| Production costs | 16 | 23 |
| Sales costs | 4 | 4 |
| Marketing costs | 126 | 131 |
| Administration costs | 3 | 5 |
| Product development costs | 89 | 84 |
| Total | 238 | 247 |
| Total depreciation/amortization | 256 | 269 |

Impairment losses amounted to SEK 1,157 M (1,803), of which impairment of tangible assets amounted to SEK 0 M (6), and impairment of intangible assets amounted to SEK 1,157 M (1,797).

NOTE 5 Financial income and expense

| SEK M | 2015 | 2014 |
|---|-------------|-------------|
| Financial income | | |
| Exchange rate gains on intra-Group receivables and liabilities | 103 | 11 |
| Other financial income | 2 | 1 |
| External financial interest income | 5 | 6 |
| Total | 110 | 18 |
| Financial expense | | |
| Exchange rate losses on intra-Group receivables and liabilities | -14 | -4 |
| Other financial expenses | -1 | -4 |
| Interest expense on pension liabilities | -14 | -10 |
| External financial interest expense | -141 | -153 |
| Total | -170 | -171 |
| Net financial items | -60 | -153 |

NOTE 6 Tax

Tax costs include the following components:

| SEK M | 2015 | 2014 |
|---|------------|------------|
| Current tax on income for the year | -14 | -45 |
| Deferred tax cost pertaining to utilized loss carryforwards | -33 | -35 |
| Deferred tax cost pertaining to unrecognized loss carryforwards | - | -21 |
| Deferred tax cost pertaining to temporary differences | -40 | -36 |
| Deferred tax income pertaining to temporary differences | 65 | 61 |
| Adjustment of deferred tax from previous years and effect of changed tax rate | -13 | 8 |
| Reported tax | -35 | -68 |

Connection between tax cost for the year and tax cost according to applicable Swedish tax rate:

| SEK M | 2015 | 2014 |
|--|---------------|---------------|
| Reported income before tax | -1,090 | -1,594 |
| Tax according to Swedish tax rate of 22% | 240 | 351 |
| Tax effect of: | | |
| Non-deductible expenses | -112 | -254 |
| Tax-exempt income | 22 | 37 |
| Unrecognized loss carryforwards | -177 | -202 |
| Adjustment of previous years' tax and changed tax rate | -13 | 7 |
| Differences between Swedish and foreign tax rates | 5 | -7 |
| Reported tax | -35 | -68 |

The reported tax cost for the year was SEK -35 M (-68), which corresponds to an effective tax rate of 3.2% (4.3%). Eniro AB has tax loss carryforwards originating from the liquidation of a German subsidiary in 2010 and utilized approximately SEK 116 M (119) of this amount during the year. The Group also has tax loss carryforwards in Denmark and Finland, and thus expects tax payments to be low in the years immediately ahead.

In 2013 the decision was made in Denmark to implement a gradual, yearly reduction in the corporate tax rate, from 25% in 2013 down to 22% in 2016. The tax rate was 24.5% in 2014, 23.5% in 2015, and will be 22% in 2016. The tax rate was also changed in Norway between 2013 and 2014 from 28% to 27%, and will be lowered further to 25% in 2016. In Finland the tax rate was decreased from 24.5% to 20% as from 2014. These changes have affected deferred tax assets and liabilities both in 2015 and in previous years.

NOTE 6 TAX *(continued)*

Tax attributable to components in other comprehensive income amount to the following:

| SEK M | 2015 | | | 2014 | | |
|------------------------------------|------------|------------|------------|-------------|-----------|-------------|
| | Before tax | Tax | After tax | Before tax | Tax | After tax |
| Exchange rate difference | -235 | - | -235 | 85 | - | 85 |
| Hedge of net investment | 21 | -5 | 16 | -6 | 1 | -5 |
| Revaluation of pension obligations | 199 | -44 | 155 | -297 | 65 | -232 |
| Total | -15 | -49 | -64 | -218 | 66 | -152 |

Deferred tax assets and tax liabilities are attributable to the following components:

| SEK M | 2015 | | | 2014 | | |
|---|---------------------|--------------------------|--------------------------------|---------------------|--------------------------|--------------------------------|
| | Deferred tax assets | Deferred tax liabilities | Net assets (+) liabilities (-) | Deferred tax assets | Deferred tax liabilities | Net assets (+) liabilities (-) |
| Tangible assets | 42 | - | 42 | 49 | - | 49 |
| Intangible assets | 25 | 202 | -177 | 14 | 254 | -240 |
| Current receivables | 9 | 1 | 8 | 7 | 1 | 6 |
| Pension obligations | 53 | - | 53 | 96 | - | 96 |
| Other provisions | - | - | - | 5 | - | 5 |
| Non-current liabilities | 8 | 77 | -69 | 8 | 53 | -45 |
| Current liabilities | 13 | 1 | 12 | 6 | - | 6 |
| Loss carryforward | 39 | - | 39 | 76 | - | 76 |
| Other items | - | 17 | -17 | - | -10 | 10 |
| Deferred tax assets/liabilities | 189 | 298 | -109 | 261 | 298 | -37 |
| Offsetting of deferred tax assets/liabilities | -89 | -89 | - | -51 | -51 | - |
| Deferred tax assets/liabilities, net | 100 | 209 | -109 | 210 | 247 | -37 |

Changes in deferred tax

| SEK M | 2015 | 2014 |
|---|-------------|------------|
| Opening carrying amount of deferred tax assets (+)/liabilities (-) | -37 | -67 |
| Recognized in profit or loss | -21 | -32 |
| Recognized in equity | -7 | - |
| Recognized in other comprehensive income | -49 | 66 |
| Exchange rate differences | 5 | -4 |
| Net closing carrying amount of deferred tax assets (+)/liabilities (-) | -109 | -37 |

Of deferred tax liabilities, most fall due after more than 12 months. At year-end the Group had SEK 309 M (231) in unrecognized loss carryforwards; these carryforwards can be utilized indefinitely into the future.

NOTE 7 Tangible assets

| SEK M | Equipment | |
|--|-----------|-----------|
| | 2015 | 2014 |
| Accumulated cost | 404 | 442 |
| Accumulated depreciation | -370 | -398 |
| Accumulated impairment losses | -13 | -23 |
| Carrying amount | 21 | 21 |
| At start of year | 21 | 40 |
| Acquisitions | 0 | 0 |
| Investments for the year | 18 | 12 |
| Divestments and disposals | 0 | -2 |
| Reclassifications | 0 | 0 |
| Depreciation for the year | -18 | -22 |
| Impairment losses for the year | 0 | -6 |
| Exchange rate difference for the year | 0 | -1 |
| Carrying amount | 21 | 21 |
| Payment received from divestments | 2 | 2 |

NOTE 8 Intangible assets

| | Goodwill | | Trademarks with indefinite useful life | | Trademarks, other | | Customer relationships | | Other intangible assets | | Total | |
|---------------------------------------|--------------|--------------|--|------------|-------------------|------------|------------------------|-----------|-------------------------|------------|--------------|--------------|
| SEK M | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Accumulated cost | 9,920 | 10,716 | 395 | 429 | 810 | 900 | 1,904 | 2,106 | 1,338 | 1,536 | 14,367 | 15,687 |
| Accumulated amortization | - | - | - | - | -311 | -224 | -1,538 | -1,701 | -1,006 | -1,141 | -2,855 | -3,066 |
| Accumulated impairment losses | -7,112 | -6,665 | -282 | -310 | -2 | -3 | -360 | -396 | -141 | -139 | -7,897 | -7,513 |
| Carrying amount | 2,808 | 4,051 | 113 | 119 | 497 | 673 | 6 | 9 | 191 | 256 | 3,615 | 5,108 |
| At start of year | 4,051 | 5,763 | 119 | 112 | 673 | 804 | 9 | 11 | 256 | 258 | 5,108 | 6,948 |
| Acquisitions | - | - | - | - | - | - | - | - | - | - | 0 | - |
| Investments for the year | - | - | - | - | - | - | - | - | 5 | 6 | 5 | 6 |
| Internally developed assets | - | - | - | - | - | - | - | - | 69 | 121 | 69 | 121 |
| Divestments and disposals | - | -11 | - | - | - | - | - | - | -6 | -2 | -6 | -13 |
| Reclassifications | -20 | - | - | - | - | - | - | - | 20 | - | 0 | 0 |
| Amortization for the year | - | - | - | - | -126 | -132 | -3 | -3 | -109 | -112 | -238 | -247 |
| Impairment losses for the year | -1,111 | -1,781 | - | - | - | - | - | - | -46 | -16 | -1,157 | -1,797 |
| Exchange rate difference for the year | -112 | 80 | -6 | 7 | -50 | 1 | - | 1 | 2 | 1 | -166 | 90 |
| Carrying amount | 2,808 | 4,051 | 113 | 119 | 497 | 673 | 6 | 9 | 191 | 256 | 3,615 | 5,108 |
| Payment received from divestments | - | - | - | - | - | - | - | - | - | 0 | - | 0 |

Revised useful life for certain trademarks

In 2013 Eniro revised its assessment regarding useful life for the Gule sider and Ditt District trademarks, from an indefinite useful life to a finite useful life of 10 years and 5 years, respectively. The 1888 trademark, which was identified in connection with the 2013 merger between 1880 and 1888, is being amortized over a period of 3 years. Of amortization for the year of the item "Trademarks, other," SEK 86 M (92) pertains to Gule Sider and Ditt Distrikt, and SEK 35 M (36) to the 1888 trademark.

Impairment testing of goodwill and trademarks with indefinite useful life

Annual impairment testing is conducted of the Group's intangible assets with indefinite useful life, i.e., goodwill and certain trademarks. The impairment testing determines if there is a need to recognize impairment by comparing the cash-generating units' carrying amount, including goodwill and other consolidated surplus value, with the recoverable amount. The recoverable amount consists of the value in use. If the carrying amount exceeds the recoverable amount, the carrying amount is written down to the recoverable amount. Eniro's lowest cash-generating units consist of the operating segments per country, i.e., Local search and Voice, which corresponds to the monitoring that is conducted in both the internal and external reporting.

Forecasts for the coming three years

The cash flows used in the impairment testing are based on a forecast for the coming three years, which is prepared in connection with Eniro's annual long-term strategy process. This forecast is approved by Group Management and the Board of Directors. Movements in working capital are considered to have a relatively small impact on cash flow.

Growth and investments beyond the forecast period

As from year four and forward the growth assumption for Local search is 2%, which is in line with expected inflation in the respective countries. In Local search, from year four the level of investment is assumed to be 2% of the respective cash-generating units' revenues. For the Voice operations, a negative growth assumption of -2% to -10% is used from year four and forward. In Voice, from year four the level of investment is assumed to be 0.5% of the respective cash-generating units' revenues.

Discount rate (WACC)

A discount rate before tax has been determined for each cash-generating unit, which varies between 12.0% and 19.4%. The rates used are higher than in the preceding year, mainly owing to higher market risk.

Result of the year's impairment testing

The year's impairment testing indicated a need to recognize impairment of goodwill in the amount of SEK 1,111 M (1,781). Of this amount, SEK 646 M (1,219) pertained to Local search and SEK 465 M (562) to Voice. The impairment in Local search pertains mainly to goodwill attributable to the acquisition of the Norwegian company Findexa in 2005, due to a negative market trend. Of the goodwill impairment in Voice, SEK 360 M (429) is attributable to Sweden, SEK 0 M (67) is attributable to Norway, and SEK 105 M (66) is attributable to Finland. The impairment losses were recognized against the background of the continued declining market trend that is judged to exist in the Voice segment.

The impairment testing was based on the following assumptions and resulted in the following:

| Cash-generating unit | WACC before tax, % | Annual growth in cash flow, years 0–3, % | Margin on carrying amount after impairment, % | Margin at 1% higher WACC after tax, % | Margin at 10% lower cash flow, % |
|----------------------|--------------------|--|---|---------------------------------------|----------------------------------|
| Sweden Local search | 12.5 | 22 | 187 | 156 | 158 |
| Sweden Voice | 19.4 | -51 | 6 | 2 | -5 |
| Norway Local search | 12.4 | 36 | 0 | -11 | -10 |
| Norway Voice | 18.4 | -35 | 3 | -1 | -7 |
| Denmark Local search | 12.4 | 74 | 21 | 8 | 9 |
| Poland Local search | 12.0 | n.a. ¹⁾ | n.a. ²⁾ | n.a. ²⁾ | n.a. ²⁾ |
| Finland Voice | 13.8 | -25 | 40 | 31 | 26 |

1) The cash flow for Local search in Poland is negative, and thus a yearly cash flow growth is not applicable.

2) The carrying amounts attributable to Poland have been written down to zero.

NOTE 8 Intangible assets (*continued*)

A change in assumptions for WACC after tax and/or operating income before interest, taxes, depreciation and amortization (EBITDA) would result in the following need to recognize impairment:

| | | Change in WACC after tax | | | |
|---------------------------------|------|--------------------------|------|------|------|
| SEK M | | 0.0% | 0.5% | 1.0% | 2.0% |
| Change in prognosticated EBITDA | 0% | - | 80 | 157 | 305 |
| | -5% | 74 | 157 | 230 | 413 |
| | -10% | 159 | 237 | 335 | 522 |
| | -20% | 369 | 478 | 574 | 742 |

Goodwill and other intangible assets with indefinite useful life are attributable to the following cash-generating units:

| SEK M | 2015 | 2014 |
|--|--------------|--------------|
| Goodwill | | |
| Sweden Local search | 1,062 | 1,062 |
| Norway Local search | 881 | 1,621 |
| Denmark Local search | 631 | 658 |
| Poland Local search | - | - |
| Local search | 2,574 | 3,341 |
| Sweden Voice | 66 | 426 |
| Norway Voice | 29 | 32 |
| Finland Voice | 139 | 252 |
| Voice | 234 | 710 |
| Total goodwill | 2,808 | 4,051 |
| Trademarks | | |
| Denmark Local search | 113 | 119 |
| Local search | 113 | 119 |
| Total trademarks | 113 | 119 |
| Total intangible assets with indefinite useful life | 2,921 | 4,170 |

Goodwill included in the carrying amount for which amortization is tax-deductible:

| SEK M | 2015 | 2014 |
|--------------|------------|------------|
| Denmark | 203 | 217 |
| Finland | 92 | 124 |
| Total | 295 | 341 |

NOTE 9 Financial assets

| SEK M | 2015 | 2014 |
|---|------------|------------|
| Participations in external companies | 1 | 1 |
| Interest-bearing receivables, restricted bank funds | 133 | 123 |
| Other interest-bearing receivables, pension obligations | 35 | 31 |
| Other receivables | 10 | 18 |
| Total | 179 | 173 |

NOTE 10 Trade accounts receivable and other receivables

| SEK M | 2015 | 2014 |
|-----------------------------|------------|------------|
| Accounts receivable – trade | 324 | 456 |
| Provision for bad debts | -59 | -103 |
| Total | 265 | 353 |

Age analysis of trade accounts receivable

| | | |
|-----------------------------------|------------|------------|
| - not due | 126 | 186 |
| - past due less than one month | 82 | 107 |
| - past due one to three months | 40 | 42 |
| - past due more than three months | 17 | 18 |
| Total | 265 | 353 |

Provision for bad debts

| SEK M | 2015 | 2014 |
|-------------------------------------|------------|------------|
| Opening provision | 103 | 112 |
| New provisions | 40 | 33 |
| Provisions utilized during the year | 0 | 0 |
| Recovered customer losses | -18 | -21 |
| Reversed unutilized provisions | -62 | -23 |
| Effects of changed exchange rates | -4 | 2 |
| Closing provision | 59 | 103 |

The Group has made provisions for bad debts where a need to recognize impairment has arisen. Customer losses reported under sales costs in the income statement amount to SEK 31 M (17).

Other current receivables

| SEK M | 2015 | 2014 |
|-----------------------------------|-----------|-----------|
| - not due | 12 | 20 |
| - past due less than one month | 0 | 0 |
| - past due one to three months | 0 | 0 |
| - past due more than three months | 1 | 0 |
| Total | 13 | 20 |

Other interest-bearing receivables

| SEK M | 2015 | 2014 |
|-----------------------------------|----------|----------|
| - not due | 0 | 3 |
| - past due more than three months | 0 | 0 |
| Total | 0 | 3 |

The maximum exposure to credit risk as per December 31 consists of the sum of the respective receivable categories above. The Group has no collateral as security.

NOTE 11 Prepaid expenses and accrued revenue

| SEK M | 2015 | 2014 |
|-------------------------|-----------|------------|
| Prepaid expenses | 29 | 56 |
| Accrued revenue | 58 | 113 |
| Accrued interest income | 0 | 0 |
| Total | 87 | 169 |

NOTE 12 Cash and cash equivalents

Cash and cash equivalents consist mainly of bank balances.

| SEK M | 2015 | 2014 |
|--|-----------|-----------|
| Cash and bank balances | 91 | 58 |
| Total cash and cash equivalents | 91 | 58 |

NOTE 13 Shareholders' equity and earnings per share

| | Period | Common shares | Preference shares | Total number of registered shares | Registered share capital, SEK M |
|---------------------------------|------------------|--------------------|-------------------|-----------------------------------|---------------------------------|
| At start of year | Jan. 2014 | 101,880,740 | 1,000,000 | 102,880,740 | 309 |
| At year-end | Dec. 2014 | 101,880,740 | 1,000,000 | 102,880,740 | 309 |
| At start of year | Jan. 2015 | 101,880,740 | 1,000,000 | 102,880,740 | 309 |
| Reduction of share capital | April 2015 | - | - | - | -257 |
| Rights issue | April 2015 | 305,642,220 | - | 305,642,220 | 153 |
| Bonus issue | April 2015 | - | - | - | 204 |
| Conversion of convertible bonds | May - Nov. 2015 | 68,717,939 | - | 68,717,939 | 68 |
| At year-end | Dec. 2015 | 476,240,899 | 1,000,000 | 477,240,899 | 477 |

Eniro has two classes of stock – common shares and preference shares. Through the rights issue in April 2015 the number of common shares increased by 305,642,220. Since issuance of the convertible bond, 134 convertibles have been converted (see Note 15 for more information about the convertible bond), increasing the number of common shares by 68,717,939. As per December 31 the total number of shares outstanding was 477,240,899, of which 476,240,899 are common shares and 1,000,000 are preference shares. The total number of votes as per December 31 is 476,340,899, of which common shares account for 476,240,899 votes and preference shares for 100,000 votes. Upon full dilution caused by the conversion to shares, the total number of shares would amount to a maximum of 664,933,216.

The share capital amounted to SEK 477,240,899 on December 31, 2015, with each share having a share quota value of SEK 1.

At year-end 2015 Eniro held 1,703,266 treasury shares. The average holding of treasury shares during the year was 1,703,266. The carrying amount of treasury shares as per December 31, 2015, was SEK 55 M (55).

Earnings per share

| SEK M | 2015 | 2014 |
|--|---------------|---------------|
| Earnings attributable to owners of the Parent Company | -1,124 | -1,664 |
| Dividend established for cumulative preference shares during the period | -48 | -48 |
| Earnings used to calculate earnings per common share | -1,172 | -1,712 |
| Average number of common shares before dilution, after deducting treasury shares, 000s | 317,742 | 100,177 |
| Average number of common shares after dilution, after deducting treasury shares, 000s | 505,435 | - |
| Earnings per common share before dilution, SEK | -3.69 | -17.09 |
| Earnings per common share after dilution, SEK | -2.32 | - |

Dividend as per AGM resolution

| | | |
|------------------------|-------|-------|
| Common shares, SEK | - | - |
| Preference shares, SEK | 48.00 | 48.00 |

In accordance with an AGM resolution, no dividends were paid on common shares in 2014 or 2015. For preference shares, a dividend of SEK 48 per share was paid out in the respective years, i.e., a total dividend of SEK 48 M in each year. The dividends were paid out in three-month intervals.

NOTE 14 Borrowings

| SEK M | 2015 | 2014 |
|--|--------------|--------------|
| Long-term borrowing | 1,295 | 1,767 |
| Short-term borrowing | 170 | 625 |
| Total borrowing | 1,465 | 2,392 |
| Interest-bearing loans have the following maturity structure: | | |
| - within one month | - | - |
| - between one and three months | - | 88 |
| - between three months and one year | 170 | 537 |
| - within five years | 1,295 | 1,767 |
| Total | 1,465 | 2,392 |

Borrowing costs are capitalized and recognized as an interest expense over the term of the loan. At year-end 2015 a total of SEK 52 M (29) was recognized as interest expense.

Carrying amount of borrowings per currency

| | | |
|--------------|--------------|--------------|
| NOK | 206 | 374 |
| DKK | 53 | 91 |
| SEK | 1,206 | 1,927 |
| Total | 1,465 | 2,392 |

Granted unutilized credit facilities

| | | |
|--|------------|-----------|
| - due within one year | - | - |
| - due between one and five years | 125 | 53 |
| - due later than five years | - | - |
| Total granted credit facilities | 125 | 53 |

Fair value of borrowing

| | | |
|--|-------|-------|
| | 1,386 | 2,365 |
|--|-------|-------|

| Actual average interest rates as per balance sheet date, % | 2015 | 2014 |
|--|------|------|
| NOK | 5.31 | 5.32 |
| DKK | 4.06 | 4.09 |
| SEK | 4.60 | 4.07 |

The Group's borrowing exposure to changes in interest rates and contractual dates for interest rate renegotiation:

| SEK M | 6 months or less | 6–12 months | 12–36 months | 36 months or longer | Total |
|-----------------------------|------------------|-------------|--------------|---------------------|-------|
| As per Dec. 31, 2015 | | | | | |
| Total borrowing | 1,465 | - | - | - | 1,465 |
| As per Dec. 31, 2014 | | | | | |
| Total borrowing | 2,392 | - | - | - | 2,392 |

All of Eniro's borrowing is at variable interest rates. A change in market interest rate by 1 percentage point based on the level as per the balance sheet date would affect the annual interest expense by SEK +11/-2 M (+24/-19).

Financing

During the first quarter Eniro renegotiated its loan agreement with the bank consortium, which was conditional upon completion of a rights issue of SEK 458 M and a convertible bond issue in the nominal amount of SEK 500 M. The convertible bonds were issued at 5% below the nominal amount, or SEK 475 M, entailing that the loan is SEK 25 M higher than the proceeds received by Eniro. The issues were registered during the second quarter and raised approximately SEK 933 M before transaction costs. Of this infusion, on April 24 a lump-sum amortization of SEK 670 M was paid towards the Group's bank loans, and SEK 185 M was used to strengthen Eniro's liquidity position. Transaction costs amounted to SEK -78 M, including bank fees.

In connection with the lump-sum loan amortization, the renegotiated loan agreement took effect. It thereafter consists of three tranches with a conversion value of SEK 1,850 M. Tranche A is broken down into three currencies. Tranche A1 amounts to SEK 761 M, tranche A2 amounts to NOK 250 M, and tranche A3 amounts to DKK 50 M, with a conversion value of SEK 1,100 M. Tranche B is worth SEK 600 M, and the bank overdraft facility (RCF) amounts to SEK 150 M.

The terms of the renegotiated loan agreement entail an extension of the loan period through 2018. The covenants are the same as in the previous agreement, including the definition of indebtedness, which only includes the bank loans, i.e., the convertible loan is not included. The amortization schedule has been changed, and scheduled amortization in 2015 totaled approximately SEK 150 M, which was paid in June and December. Amortization during the years 2016–2018 will amount to approximately SEK 175 M per year (semi-annual payment).

As per December 31 the Group's outstanding debt under existing credit facilities amounts to NOK 216 M, DKK 43 M, and SEK 1,257 M. At year-end Eniro had an unutilized credit facility of SEK 125 M. Cash and cash equivalents, and unutilized credit facilities, totaled SEK 216 M.

The Group's interest-bearing net debt, excluding the convertible loan, amounted to SEK 1,241 M on December 31, 2015, compared with SEK 2,208 M on December 31, 2014. The Group's indebtedness, expressed as interest-bearing net debt excluding the convertible loan in relation to EBITDA, was 3.2 as per December 31, 2015, compared with 3.5 on December 31, 2014.

NOTE 14 Borrowings (continued)**Interest rates**

The loan agreement with respect to Tranche A and the bank overdraft facility has a margin above IBOR and follows an interest ladder based on the company's level of indebtedness (defined as consolidated net debt in relation to EBITDA). At December 31, 2015, the three-month IBOR rate was -0.294% (0.264%) in Sweden, 1.21% (1.47%) in Norway and -0.09% (0.2825%) in Denmark. In cases where the IBOR is negative, the interest rate for the company is 0.

The margin above IBOR for Tranches A1-A3 and the bank overdraft facility are as follows:

| | % |
|---|------|
| For net debt in relation to EBITDA equal to or above 1.50 | 4.00 |
| For net debt in relation to EBITDA below 1.50 | 3.50 |

Tranche B has a contracted interest ladder which in 2016 will gradually widen the margin above IBOR from 5.0% at year-end 2015 to 7.5%, which will then apply during the remaining term of the contract through the end of 2018. In the event IBOR is negative, this interest rate for the company would be 0.

Guarantees and collateral

Shares in all Group companies directly owned by Eniro AB, all significant Group companies, and all Group companies that own or hold rights to search engines, databases or some other right, or assets that are material for the Group's operations, have been pledged as collateral for the new loan agreement that Eniro has entered into with the bank syndicate. In addition, significant trademarks and other intangible rights, significant intra-Group loans and other significant assets have been pledged as collateral for the loan agreement.

The shares in the following, larger companies, among others, have been pledged as collateral for the loan agreement: Eniro Sverige AB, Eniro 118 118 AB, Eniro Treasury AB, Eniro Norway AB, Eniro Initiatives AB, Oy Eniro Finland Ab, Eniro Polska Sp. z o.o., Eniro Danmark A/S, Findexa Luxembourg Sarl, Eniro Holding AS and Eniro Norge AS. These companies, Eniro AB (publ.), and certain other Group companies are also guarantors under the loan agreement. See also Note 27, Pledged assets.

Covenants

The loan agreement contains customary restrictions and covenants, including:

- a requirement for a certain ratio between cash flow, interest and amortization at the Group level;
- a requirement for a certain ratio between EBITDA and net interest at the Group level;
- a requirement for a certain ratio between total net debt and EBITDA at the Group level;
- a requirement that investments shall not exceed certain set amounts during certain periods, restrictions and limitations regarding additional debt, guarantee commitments and pledges, significant changes in the business, and acquisitions and divestments.

The financial loan covenants listed under points a-c above are to be measured quarterly on a moving 12-month basis. The calculation of net indebtedness does not include the convertible bond. The calculation of net interest includes only the set coupon on the convertible bond.

Cancellation/grounds for cancellation

The loan agreement may be canceled voluntarily by Eniro. In other respects, the loan agreement stipulates customary grounds for cancellation (falling under "events of default"). The agreement also includes provisions on "change of control," entailing that if an owner or group of owners acquires more than 30% of the votes in Eniro, then Eniro and the banks involved must reach an agreement within 30 days on a continuation of the bank loan. If an agreement cannot be reached, the loan agreement may be canceled and the outstanding loan amounts would fall due for immediate repayment.

NOTE 15 Convertible bond

| SEK M | 2015 | 2014 |
|--|------------|----------|
| Nominal amount at time of issue | 500 | - |
| Subscription discount | -25 | - |
| Equity share – value of subscription rights | -95 | - |
| Capitalized issue costs | -10 | - |
| Net initially reported debt after issue | 370 | - |
| Debt converted during the year | -104 | - |
| Total interest expense during the year | 30 | - |
| Total coupon interest paid during the year | -12 | - |
| Total | 284 | - |
| Outstanding nominal debt | 366 | - |
| Fair value of convertible bond | 261 | - |

Convertible bond issue

On April 14, 2015, the company issued 500 convertibles with a principal amount of SEK 1 M per convertible. Each convertible bears a coupon of 6% per annum. The convertibles mature on April 14, 2020, if they are not converted to common shares prior to this at the request of the convertible bondholder. The conversion price is SEK 1.95 per share, and thus one convertible will convert to 512,820 common shares. The subscription price was 95% of the convertibles' nominal amount, and thus the company raised SEK 475 M before issue costs. Interest is paid semi-annually on April 14 and October 14 of each year. Holders of convertibles may request conversion at any time until the tenth business day prior to April 14, 2020.

Accounting for the loan

A convertible bond is a compound financial instrument that gives rise to a financial liability for Eniro and an option for the holders of the instrument to convert the debt to common shares in Eniro.

This means that the convertible bond is initially recognized as a liability and equity instrument. The liability is initially carried at fair value, entailing that the liability is discounted to present value using an effective interest rate that is to reflect the market rate at the time the loan was issued. This interest rate thereafter does not change in calculations of the loan's cost. Eniro applies an effective interest rate of 13%. The equity instrument is initially measured as the difference between the proceeds of the loan and the fair value of the liability. Over time, the effective interest will be charged against earnings and increase the debt until the debt reaches the nominal amount on the final maturity date. Upon conversion to common shares, the debt will decrease in proportion to the share that has been converted.

The difference between the proceeds received from the bonds, SEK 475 M, and the discounted value of the debt, SEK 380 M, makes up the total value of the conversion right, which is booked directly against shareholders' equity after deducting deferred tax. Of the issue costs of SEK 12 M, SEK 2 M has been booked directly against shareholders' equity and SEK 10 M is allocated as a borrowing cost over the term of the convertible bond, and thereby initially reduces the debt. The debt is thus SEK 370 M, net, after the issue.

Subsequent to the issue, the debt has decreased in pace with conversions. A total of 134 convertibles have been converted, which has reduced the debt by SEK 104 M. The year's interest expense, which increases the debt, consists of the impact of the time factor on the discounted debt, the total coupon rate and the allocation of the borrowing costs, and amounts to SEK 30 M. The debt is reduced by the coupon interest actually paid, SEK 12 M.

NOTE 16 Pension obligations

The amounts reported on the balance sheet have been calculated as follows:

| SEK M | 2015 | 2014 |
|---|------------|------------|
| Present value of funded obligations | 464 | 573 |
| Fair value of plan assets | -466 | -468 |
| Deficit (+)/surplus (-) in funded plans | -2 | 105 |
| Present value of unfunded obligations | 375 | 457 |
| Total deficit in defined benefit pension plans | 373 | 562 |
| Effect of minimum funding requirement/asset ceiling | 0 | 0 |
| Total defined benefit pension obligation | 373 | 562 |
| Other pension obligations | 42 | 39 |
| Pension obligations on the balance sheet | 415 | 601 |

The Group has defined benefit pension plans in Sweden, Norway and Finland that are governed under similar rules. All defined benefit pension plans are based on the employee's final salary, which gives employees covered by the respective plan a guaranteed level of lifetime retirement benefits. The level of benefits depends on the employee's service period and salary at the time of retirement. In the Swedish plans, pension benefits are normally indexed in accordance with the consumer price index. Except for inflation risk in Sweden, the plans are exposed to essentially similar risks. The respective countries (Sweden and Finland) each have a plan that is secured through foundations. The foundations' operations are regulated by national rules and practice. For unfunded plans, the company pays benefits on the due date.

The Group also has a provision for an Early Retirement Benefit (ERB) plan with Eniro 118 118 AB, in accordance with a collective agreement, for certain employees at 55 years of age. The ERB plan covers certain Eniro employees who were previously employed by Televerket (today TeliaSonera) prior to its incorporation in 1991. Under the agreement, payments from this plan are to be covered in part by the former owner, TeliaSonera. On December 31, 2015, Eniro had a receivable from TeliaSonera in the amount of SEK 7 M (8).

Change in present value of obligations during the year

| SEK M | 2015 | 2014 |
|---|--------------|--------------|
| Opening balance | 1,030 | 743 |
| Adjustment of opening balance | - | -33 |
| Costs recognized in profit or loss: | | |
| Service cost for current year | 16 | 16 |
| Interest expense | 25 | 29 |
| Gains and losses from reductions and settlements | -8 | -14 |
| | 33 | 31 |
| Remeasurements recognized in other comprehensive income: | | |
| Gain/loss attributable to changed demographic assumptions | -1 | 0 |
| Gain/loss attributable to changed financial assumptions | -172 | 332 |
| Experience-based gains/losses | -21 | -16 |
| | -194 | 316 |
| Benefits paid | -28 | -28 |
| Other | 0 | 0 |
| Exchange rate difference | -2 | 1 |
| Closing balance | 839 | 1,030 |

Change in fair value of plan assets during the year

| SEK M | 2015 | 2014 |
|---|-------------|-------------|
| Opening balance | -468 | -470 |
| Items recognized in profit or loss: | | |
| Interest income | -11 | -19 |
| Gains and losses from reductions and settlements | 1 | 0 |
| | -10 | -19 |
| Remeasurements recognized in other comprehensive income: | | |
| Return on plan assets excluding amounts included in interest income | -5 | -19 |
| | -5 | -19 |
| Fees: | | |
| Employer contributions | 0 | 0 |
| Employee contributions | 0 | 0 |
| | 0 | 0 |
| Withdrawals/compensation from plan assets | 15 | 41 |
| Benefits paid | 1 | 0 |
| Exchange rate difference | 1 | -1 |
| Closing balance | -466 | -468 |

Net change in defined benefit obligations during the year

| SEK M | 2015 | 2014 |
|---|-------------|------------|
| Opening balance | 562 | 273 |
| Adjustment of opening balance | - | -33 |
| Items recognized in profit or loss: | | |
| Service cost for current year | 16 | 16 |
| Interest expense/income | 14 | 10 |
| Gains and losses from reductions and settlements | -7 | -14 |
| | 23 | 12 |
| Remeasurements recognized in other comprehensive income: | | |
| Return on plan assets excluding amounts included in interest income/expense | -5 | -19 |
| Gain/loss attributable to changed demographic assumptions | -1 | 0 |
| Gain/loss attributable to changed financial assumptions | -172 | 332 |
| Experience-based gains/losses | -21 | -16 |
| | -199 | 297 |
| Fees : | | |
| Employer contributions | 0 | 0 |
| Employee contributions | 0 | 0 |
| | 0 | 0 |
| Benefits paid | -27 | -28 |
| Withdrawals from plan assets | 15 | 41 |
| Other | 0 | 0 |
| Exchange rate difference | -1 | 0 |
| Closing balance | 373 | 562 |

The Group's pension payments are expected to amount to approximately SEK 26 M (26) in the coming year. No need to contribute funds to the pension foundations is judged to exist.

Credit insurance with PRI Pensionsgaranti

Eniro has credit insurance with PRI Pensionsgaranti (PRI) that remains in force through 2016. Eniro has pledged bank funds for future obligations (a so-called expanded pension guarantee) to PRI. A total of SEK 130 M was pledged between 2012 and 2015. As per year-end, total pledged funds amounted to SEK 133 M (123) including returns. Eniro will pledge an additional SEK 40 M in 2016. Pledged funds including returns are reported as Other non-current interest-bearing receivables. Starting in 2016 Eniro has changed over to paying periodic premiums for defined benefit pensions in Sweden.

The present value of defined benefit obligations is attributable to:

| SEK M | 2015 | 2014 |
|--|------------|--------------|
| Active employees | 132 | 195 |
| Employees who have left the plan prior to retirement | 480 | 582 |
| Persons covered by the plan who have retired | 227 | 253 |
| | 839 | 1,030 |

NOTE 16 Pension obligations (*continued*)

Country breakdown of defined benefit pension obligations and plan assets

| SEK M | 2015 | | | | 2014 | | | |
|-----------------------------|------------|-----------|----------|------------|------------|-----------|----------|------------|
| | Sweden | Norway | Finland | Total | Sweden | Norway | Finland | Total |
| Present value of obligation | 802 | 11 | 26 | 839 | 985 | 13 | 32 | 1,030 |
| Fair value of plan assets | -446 | - | -20 | -466 | -444 | -1 | -23 | -468 |
| Total | 356 | 11 | 6 | 373 | 541 | 12 | 9 | 562 |

Plan assets consist of the following:

| SEK M | 2015 | | | | 2014 | | | |
|---|------------|----------|-----------|------------|------------|----------|-----------|------------|
| | Sweden | Norway | Finland | Total | Sweden | Norway | Finland | Total |
| Fixed income securities including accrued coupon interest | 179 | - | n.a. | 179 | 155 | 1 | n.a. | 156 |
| Shares, listed | 133 | - | n.a. | 133 | 158 | - | n.a. | 158 |
| Alternative investments, listed | 130 | - | n.a. | 130 | 128 | - | n.a. | 128 |
| Cash and cash equivalents | 4 | - | n.a. | 4 | 3 | - | n.a. | 3 |
| Total | 446 | - | 20 | 466 | 444 | 1 | 23 | 468 |
| Actual return, % | 0.5 | - | -13.0 | | -1.3 | 0.0 | 21.1 | |

The purpose of Eniro 118 188 AB's pension foundation in Sweden is to secure commitments for pension benefits made by Eniro 118 188 AB to its employees, former employees or their survivors. According to the investment guidelines, investment of the foundation's assets shall be made so as to ensure a satisfactory return within set limits for financial risks. The return is expected to average 5.5% annually during a ten-year period. The investment guidelines stipulate that interest-bearing investments may account for between 30% and 100% of the assets. In addition, the guidelines stipulate that equities may account for between 0% and 40%, alternative investments may account for between 0% and 35%, and cash and cash equivalents may account for between 0% and 15%. The pension foundation has no investments in Eniro shares. In Finland, the plan assets are the insurance company's responsibility and make up part of the insurance company's investments, which is why a categorical breakdown is not possible.

The most important actuarial assumptions were as follows:

| | 2015 | | | 2014 | | |
|-----------------------|--------|--------|---------|--------|--------|---------|
| | Sweden | Norway | Finland | Sweden | Norway | Finland |
| Discount rate, % | 3.3 | 1.9 | 2.0 | 2.5 | 2.0 | 1.8 |
| Salary increase, % | 3.0 | 2.5 | 1.7 | 3.0 | 2.8 | 2.0 |
| Inflation, % | 2.0 | 0 | 1.7 | 2.0 | 0 | 2.0 |
| Income Base Amount, % | 3.0 | 2.3 | - | 3.0 | 2.5 | - |

The average remaining lifetime (years) for a person who retires at 65 years of age

| | 2015 | | | 2014 | | |
|--|--------|--------|---------|--------|--------|---------|
| | Sweden | Norway | Finland | Sweden | Norway | Finland |
| Retirement at the end of the reporting period | | | | | | |
| Men | 19.6 | 21.0 | 21.4 | 19.6 | 20.7 | 19.0 |
| Women | 22.8 | 24.1 | 25.4 | 22.8 | 23.9 | 24.7 |
| Retirement 20 years after the end of the reporting period | | | | | | |
| Men | 21.6 | 23.2 | 22.0 | 21.6 | 23.0 | 20.6 |
| Women | 24.1 | 26.5 | 27.0 | 24.1 | 26.3 | 26.4 |

Sensitivity in the defined benefit obligation to changes in the weighted, significant assumptions

| SEK M | 2015 | | 2014 | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 0.5% increase in assumption | 0.5% decrease in assumption | 0.5% increase in assumption | 0.5% decrease in assumption |
| Discount rate | -89 | 103 | -114 | 132 |
| Salary increases | 4 | -4 | 6 | -5 |
| Pension increases (inflation and Income Base Amount) | 104 | -91 | 134 | -115 |

The sensitivity analyses above are based on a change in one assumption while all other assumptions remain constant. In practice, it is not probable that this would occur, and changes in any of the assumptions may be correlative.

Maturity analysis of expected, undiscounted payments for post-retirement benefits

| SEK M | 2015 | 2014 |
|----------------------------|--------------|--------------|
| Within one year | 26 | 27 |
| Between one and two years | 24 | 26 |
| Between two and five years | 64 | 68 |
| More than five years | 956 | 951 |
| Total | 1,070 | 1,072 |

NOTE 17 Provisions

Non-current provisions

| SEK M | 2015 | 2014 |
|--|----------|----------|
| Opening balance | 5 | 5 |
| New provisions | 0 | 0 |
| Provisions utilized during the year | 0 | 0 |
| Reversed unutilized provisions | 0 | 0 |
| Effects of exchange rate changes | 0 | 0 |
| Closing balance, non-current provisions | 5 | 5 |

Current provisions

| SEK M | 2015 | 2014 |
|--|-----------|-----------|
| Opening balance | 54 | 74 |
| New provisions | 72 | 50 |
| Provisions utilized during the year | -78 | -69 |
| Reversed unutilized provisions | -5 | -1 |
| Effects of exchange rate changes | -4 | 0 |
| Closing balance, current provisions | 39 | 54 |

Provisions pertain mainly to provisions for restructuring.

NOTE 18 Accrued expenses

| SEK M | 2015 | 2014 |
|---------------------------------|------------|------------|
| Accrued personnel-related costs | 88 | 171 |
| Accrued interest costs | 0 | 4 |
| Other accrued expenses | 56 | 54 |
| Total | 144 | 229 |

NOTE 19 Prepaid revenue

Prepaid revenue amounted to SEK 528 M (583). Advance payments are received in Desktop and Mobile search, as customers pay in advance for an annual subscription, and also in Print in Sweden, where customers pay in advance, but the revenue is not recognized until the directories have been printed and distributed.

NOTE 20 Financial instruments by category

Assets on the balance sheet

| SEK M | 2015 | 2014 |
|---|------------|------------|
| Loan receivables and trade accounts receivable | | |
| Interest-bearing receivables, restricted bank funds | 133 | 123 |
| Account receivable - trade and other receivables | 278 | 376 |
| Cash and cash equivalents | 91 | 58 |
| Total | 502 | 557 |

Liabilities on the balance sheet

| SEK M | 2015 | 2014 |
|------------------------------------|--------------|--------------|
| Other financial liabilities | | |
| Borrowing | 1,465 | 2,392 |
| Convertible bond | 284 | - |
| Accounts payable - trade | 50 | 97 |
| Total | 1,799 | 2,489 |

Eniro has no assets or liabilities measured at fair value through profit or loss or available-for-sale assets. The carrying amount for borrowings and the convertible bond has been stated for disclosure purposes at fair value, as indicated in Note 14 Borrowings and Note 15 Convertible bond. For assets and liabilities carried at amortized cost, such as trade receivables and payables, this represents a good approximation of fair value, as they are current.

NOTE 21 Financial risk management

Eniro is exposed to various financial risks through its operations in the form of currency risk, interest rate risk, credit risk and liquidity risk. The focus of Eniro's risk management is to reduce or eliminate financial risks, while taking into account costs, liquidity and financial position. Eniro's board of directors sets the Group's finance policy that serves as the foundation for the management of financial operations, the division of responsibilities, and financial risks. According to Eniro's financial policy, the Board of Directors makes decisions on whether to hedge translation risks. The subsidiary Eniro Treasury AB has centralized responsibility for handling financing and risk management.

Currency risk

The Group is active internationally and is exposed to currency risks that arise from various currency exposures from Eniro's operations in Norway, Denmark, Finland and Poland. Currency risk arises through future business transactions, reported assets and liabilities, and net investments in foreign operations. Currency risk can be divided into transaction risk and translation risk.

Transaction risk pertains to the impact on net income and cash flow of changes in the value of operating flows in foreign currencies attributable to exchange rate movements. Transaction risk in business transactions in the respective geographic areas is limited, since relatively few contracts are denominated in a currency other than that of the respective countries.

The Group is exposed to two types of translation risk, where the first is the risk of earnings effects from translation of balance sheet items in another currency than the individual company's functional currency.

The Group's foreign subsidiaries have essentially no receivables or liabilities in another currency than their functional currency. The Swedish companies mainly have intra-Group receivables and liabilities in foreign currency. A 10% increase/decrease in SEK vs. NOK, DKK, EUR and PLN, would have affected EBITDA by SEK +/-3 M.

To the extent the Group's Swedish treasury company's internal deposits and lending are not matched by external borrowing, currency effects arise that are recognized in net financial items. A 10% increase/decrease in SEK compared with the year-end exchange rate would have affected net financial items by SEK 202 M, mainly attributable to changes in the relationship between SEK and NOK. The Group's exposure to changes in foreign currency in relation to SEK is analyzed and monitored on a regular basis.

The second type of translation risk consists of effects when consolidating foreign subsidiaries' income statements and balance sheets. If the exchange rates for the currencies used by the Group's foreign subsidiaries had been an average of 10% higher/lower in relation to SEK, EBITDA for 2015 would have been SEK 9 M (27) higher/lower.

Translation risk refers to the risk of the value in SEK of net investments in foreign currencies fluctuating as a result of changes in exchange rates. Net investments in foreign currencies are exposed to translation risk. Eniro has investments in NOK, DKK, EUR and PLN, with the largest exposure in NOK. As part of efforts to reduce exposure to net investments in foreign currencies, some of the company's borrowing has been raised in NOK and DKK, where the loans are used as hedge instruments.

External loans in foreign currency at year-end 2015 amounted to NOK 216 M (356) and DKK 43 M (71). If the exchange rates for these currencies at year-end 2015 been 10% higher/lower in relation to SEK, shareholders' equity would have been affected by revaluation of the company's loan liabilities by SEK 26 M (47), of which SEK 21 M (37) pertains to revaluation of NOK loans. The revaluation of loans due to currency effects is reported in other comprehensive income, where it is offset by the effect of translation of the foreign net investments.

Translation exposure arising out of investments in foreign subsidiaries, taking into account currency hedging, amounted to SEK 4,137 M (4,728), as shown below:

| Millions in each currency | 2015 | 2014 |
|---------------------------|-------|-------|
| Norwegian kroner (NOK) | 3,308 | 3,460 |
| Danish kroner (DKK) | 596 | 571 |
| Polish zloty (PLN) | 22 | 34 |
| Euro (EUR) | 22 | 30 |

As per December 31, 2015, the loans in NOK and DKK that are reported as a hedge of net investments were lower than the Group's net investments in the respective currencies, and thus the hedges are considered to be effective.

Interest rate risk

The Group's exposure to interest rate risk arises from long-term borrowing. Borrowing at variable interest rates exposes the Group to interest rate risk in terms of cash flow, while borrowing at fixed interest rates exposes the Group to interest rate risk in terms of fair value. According to Eniro's finance policy, the company's financial position must be taken

NOTE 21 Financial risk management (*continued*)

into account when selecting interest fixing periods. Since all borrowing at present is at variable rates of interest, the company's level of debt entails an exposure to interest rate risk. The interest rate duration at year-end was 91 days (137).

The Group analyzes its exposure to interest rate risk on a continuous basis, and simulations of interest rate changes are performed on a regular basis. A change in the market interest rate of 100 basis points (1 percentage point) would increase/decrease the Group's interest costs by SEK 11/-2 M (24/-19) based on current level of debt at year-end 2015. Income after tax would have been positively/negatively impacted by SEK 9/-2 M (18/-14).

Credit risk

Credit risk pertains to the risk that a counterparty will be unable to fulfill its obligations and thereby cause a loss for its counterparty. Surplus liquidity may only be invested in Swedish government bonds, commercial paper with a rating of AAA/P1, and with banks with a high official credit rating. At year-end, all surplus liquidity was invested in such banks. Eniro is exposed to the risk of not being paid by its customers. However, the risk of substantial losses for bad debts is comparatively small on account of Eniro's very large and highly diversified customer base.

Liquidity risk

Liquidity risk is the risk that difficulties will arise in fulfilling financial obligations due to a lack of available liquid funds. Financing risk pertains to the risk that external financing will not be available when needed and that the refinancing of maturing loans will be impeded or become costly. Eniro works on a continuous basis to ensure that it has access to liquid funds and unutilized credit facilities. Eniro's goal is that 60% of available credit facilities will have maturities of longer than one year. Eniro also has an explicit policy of maintaining relationships with a number of credit institutions with high ratings. The Board of Directors regularly receives rolling forecasts concerning the Group's future cash flows that include estimates of liquid funds and unutilized credit facilities.

The table below shows a breakdown of Eniro's financial liabilities according to their contractual maturity dates. The amounts specified are undiscounted cash flows including borrowing costs. Amounts falling due within one year correspond to the carrying amount, since the discount effect is insignificant.

| As per December 31, 2015 SEK M | Maturing within 1 year | Maturing in 1-5 years | Maturing later than 5 years | Total |
|-----------------------------------|------------------------------|--------------------------|-----------------------------------|--------------|
| Bank loans | 170 | 1,347 | - | 1,517 |
| Accounts payable - trade | 50 | - | - | 50 |
| Total | 220 | 1,347 | - | 1,567 |

| As per December 31, 2014 SEK M | Maturing within 1 year | Maturing in 1-5 years | Maturing later than 5 years | Total |
|-----------------------------------|------------------------------|--------------------------|-----------------------------------|--------------|
| Bank loans | 625 | 1,796 | - | 2,421 |
| Accounts payable - trade | 97 | - | - | 97 |
| Total | 722 | 1,796 | - | 2,518 |

When calculating amounts in the tables above, it has been assumed that exchange rates and market interest rates at the end of each year are unchanged for future periods.

As per December 31, 2015, Eniro's goal that 60% of available credit facilities will mature after more than one year was considered to have been achieved, as Eniro's existing loan agreements remain in effect until December 31, 2018.

Measuring fair value in accordance with the fair value hierarchy

The financial assets measured at fair value are all included in Level 1 of the valuation hierarchy, as endowment insurance policies consists essentially of listed shares and fixed-income securities.

Eniro has no financial liabilities measured at fair value. However, Eniro does have liabilities with a disclosure requirement at fair value. The financial liabilities carry variable interest and a fixed credit margin, which for one loan increases over time. Eniro's convertible bonds carry fixed interest of 6%. The fair value of the liabilities depends on what the market currently expects the interest rate and credit margin to be. A rising interest rate and credit margin would decrease the fair value of the liabilities.

Since observable market data is lacking, Eniro has based its calculation of fair value on the changes in interest rates used in the Group's impairment tests.

Capital structure

Eniro's capital structure and dividend policy are set by the Board of Directors. Eniro aims to have an efficient capital structure, taking into account operational and financial risks, that will facilitate long-term development of the company while providing satisfactory returns to the shareholders. To adjust the capital structure, the company can change the dividend paid to shareholders, repay capital to shareholders, issue new shares or change its borrowing. Since the signing of the original loan agreement at the end of 2010, Eniro's loan financing has been renegotiated and adjusted. The most recent renegotiation was conducted during the first quarter of 2015, when the loan financing was extended until December 31, 2018, conditional upon the successful completion of a rights issue for SEK 458 M and a convertible bond issue in the nominal amount of SEK 500 M. These issues were registered in April 2015 and raised approximately SEK 933 M before transaction costs. Of this contribution, SEK 670 M was used in a lump-sum repayment of bank loans.

In October 2013 the Board of Directors set a long-term target for the company's capital structure and interest-bearing net debt in relation to EBITDA to not exceed a multiple of 2.0. The capital structure is measured on the basis of the key ratio interest-bearing net debt in relation to EBITDA both by company management and external stakeholders. Interest-bearing net debt is defined as borrowings less cash and cash equivalents, and interest-bearing assets. At year-end 2015, interest-bearing net debt in relation to adjusted EBITDA was a multiple of 2.7 (3.3).

The Board of Directors has proposed to the 2016 Annual General Meeting that no dividend be paid for common shares, which is in line with the company's goal to reduce net debt. The Board of Directors has proposed to the 2016 Annual General Meeting that a dividend of SEK 48 per share be paid on the company's preference shares for 2016/17, for a total payout of SEK 48 M (48). Dividends will be paid in three-month intervals in the amount of SEK 12 per share at every three-month interval.

NOTE 22 Employees

| Average number of full-time employees | 2015 | | 2014 | |
|--|--------------|-------------------------|--------------|-------------------------|
| | Total | Share of women, % | Total | Share of women, % |
| Sweden | 635 | 49 | 813 | 49 |
| Norway | 342 | 36 | 494 | 36 |
| Finland | 213 | 71 | 165 | 68 |
| Denmark | 241 | 57 | 378 | 54 |
| Poland | 675 | 56 | 753 | 56 |
| Total | 2,106 | 52 | 2,603 | 51 |

The number of full-time employees at year-end was 1,877 (2,256). The proportion of women on the Board of Directors at year-end was 57% (38%), and the proportion of women in Group Management was 20% (38%).

NOTE 23 Wages, salaries and other remuneration

| SEK M | 2015 | 2014 |
|---|--------------|--------------|
| Wages, salaries and other remuneration | 902 | 1,077 |
| Pension costs, defined benefit plans | 16 | 16 |
| Pension costs, defined contribution plans | 66 | 81 |
| Social security costs | 200 | 250 |
| Total | 1,184 | 1,424 |

NOTE 24 Remuneration of the Board of Directors and senior executives

Directors' fees

The members of the Board of Directors are paid a fee in accordance with an AGM resolution. The 2015 AGM resolved that directors' fees were to be paid in a total amount of SEK 3,650,000, of which SEK 1,100,000 to the Chairman of the Board and SEK 420,000 to each of the other AGM-elected directors, SEK 150,000 to the Audit Committee chair, and SEK 75,000 to each of the members of the Audit and Remuneration Committees. The Chairman of the Board and other AGM-elected directors have no retirement benefits or agreements for severance pay. Fees payable to employee representatives are set by the AGM based on the company's recommendation. See also the table on meeting attendance and directors' fees in the Corporate Governance section.

| SEK M | Directors' fees | Fee for committee work | Total |
|-----------------------|-----------------|------------------------|------------|
| Chairman of the Board | 1.1 | 0.1 | 1.2 |
| Other board members | 1.9 | 0.2 | 2.1 |
| Total | 3.0 | 0.3 | 3.3 |

Remuneration of senior executives

Remuneration of the CEO and other members of Group Management is based on the guidelines adopted by the 2015 AGM. The aim of the guidelines for remuneration of senior executives is to allow Eniro to provide market-based remuneration consisting of the following components: fixed salary, variable cash salary, pension provisions, and other remuneration and benefits. The Board may depart from the guidelines in individual cases if special reasons exist.

Fixed salary

Fixed salary is based on the individual executive's area of responsibility, expertise and experience, and serves as the base for variable cash salary.

Variable cash salary

Variable salary consists of cash payment, and the targets for qualifying for payment of variable salary shall mainly pertain to consolidated revenue and EBITDA. Members of Group Management receive variable salary, which can vary depending on their area of responsibility. For the CEO, variable salary can amount to a maximum of 50% of fixed salary, while for other senior executives it can amount to a maximum of 40% of fixed salary. The targets for qualifying for variable salary have been decided on by the Board of Directors and are coupled mainly to the Group's financial performance and are measured against consolidated sales and EBITDA. The Board sets the level of variable salary based on yearly evaluations of the individuals' target achievement.

Variable cash salary with three-year lock-in period – synthetic shares

As per December 31, 2015, Eniro had an outstanding program for variable cash salary with a three-year lock-in period (so-called synthetic shares that were granted in 2012). The program was approved by the 2012 AGM. Valuation of the synthetic shares is coupled to Eniro's share price, and cash settlement of the synthetic shares is conducted after a three-year lock-in period. For the CEO, variable cash salary with the three-year lock-in period could amount to a maximum of 50% of fixed salary, while for other senior executives it could amount to a maximum of 40% of fixed salary. The participants must remain employed during the entire lock-in period in order to qualify for payment. The maximum amount payable for each synthetic share is limited to five times the com-

pany's share price at the time of conversion to synthetic shares. The Board is authorized to make necessary adjustments in order to ensure that the financial outcome of the synthetic shares is reflected in dividends paid or changes in share capital. The program was concluded on December 31, 2015, and settlement will be made in spring 2016.

The year's cost for synthetic shares, pertaining to the number granted to members of Group Management including the CEO, was SEK -0.9 M (-4.7). Total remuneration for the outstanding program for current executives including the CEO is SEK 0.1 M (1.7), based on a share price of SEK 0.92 (7.23). The cost of the synthetic shares is allocated over the lock-in period.

Long-term share-based payment (Long Term Incentive Program – LTIP 2013)

The 2013 AGM approved the Board's proposal to establish a share-based Long Term Incentive Program, LTIP 2013. The program included 17 senior executives and key persons in the Eniro Group. At year-end 2015, three persons remained in the program. For remuneration coupled to LTIP 2013, the targets are measured in terms of the growth in value of Eniro's common shares and EBITDA less investments +/- change in working capital during the period January 1, 2013–December 31, 2015. None of these targets were achieved by the end of the measurement period, and therefore no grants of shares or warrants will be made under the program.

Costs for LTIP 2013

The provisions previously made for costs associated with the program have been reversed in the 2015 accounts. This had a positive impact on income by SEK 1.0 M (-0.5).

Pensions

Eniro's pension policy is based on either an individual occupational pension plan or a defined contribution pension plan corresponding to a maximum of 35% of fixed salary. The CEO has a defined contribution pension plan with contributions corresponding to 35% of his salary.

Other benefits

Other remuneration and benefits in the form of private health insurance, company car, subsidized lunches and wellness/fitness programs are to be in line with the going rate in the market.

Other remuneration

Other remuneration includes severance pay during the notice period for members of Group Management. These restructuring costs are included in items affecting comparability.

Notice period for termination of employment

The President and CEO has a notice period of 6 months by his own initiative, and 12 months in the event the company serves notice. If the company serves notice, he is entitled to an additional 6 months severance pay, which will be deducted against any earned income from other subsequent employment. A mutual notice period of a maximum of 6 months applies between the company and other members of Group Management for executives who give notice, and a maximum of 12 months in the event the company serves notice.

Related-party transactions

Remuneration of members of Group Management and other senior executives is shown below. In other respects, no transactions took place with related parties during the year.

CEO and other senior executives

| SEK M | Fixed salary incl. vacation supplement | Variable remuneration ¹⁾ | Long-term share-based remuneration | Other benefits | Pension cost | Other remuneration ²⁾ | Total | Holding of synthetic shares, number |
|---|--|-------------------------------------|------------------------------------|----------------|--------------|----------------------------------|-------------|-------------------------------------|
| President and CEO, Stefan Kercza ³⁾ | 5.2 | -0.2 | 0.0 | 0.1 | 1.8 | 0.0 | 6.9 | 21,742 |
| Group Management, 4 persons, of whom 1 full-time equivalents, ⁴⁾⁵⁾ | 14.9 | -0.7 | -0.2 | 0.4 | 3.3 | 21.0 | 38.7 | 23,870 |
| Total | 20.1 | -0.9 | -0.2 | 0.5 | 5.1 | 21.0 | 45.6 | 45,612 |

¹⁾ Pertains to adjustments of the value of synthetic shares granted in the years 2011–2012.

²⁾ Pertains to remuneration of SEK 20.2 M during the notice period for salary, pension costs and company car.

³⁾ For 2014, base salary incl. vacation supplement amounted to SEK 1.0 M, variable remuneration amounted to SEK -0.5 M, long-term share-based remuneration amounted to SEK 0 M, other benefits amounted to SEK 0 M, pension costs amounted to SEK 0.1 M, and other remuneration amounted to SEK 0 M.

⁴⁾ For 2014, base salaries incl. vacation supplement amounted to SEK 15.6 M, variable remuneration amounted to SEK -3.7 M, long-term share-based remuneration amounted to SEK 0.5 M, other benefits amounted to SEK 0.5 M, pension costs amounted to SEK 3.1 M, and other remuneration amounted to SEK 9.5 M.

⁵⁾ As from December 2015 the Group Management includes 5 persons including the President and CEO, compared with 8 previously.

NOTE 25 Auditors' fees

| SEK M | 2015 | 2014 |
|---|----------|----------|
| PricewaterhouseCoopers, audit assignment | 4 | 4 |
| PricewaterhouseCoopers, auditing activities in addition to the audit assignment | 1 | 1 |
| PricewaterhouseCoopers, tax consulting | 0 | 0 |
| PricewaterhouseCoopers, other services | 1 | 1 |
| Total | 6 | 6 |

NOTE 26 Leasing**Contractual leasing fees for non-cancellable operating leases**

| SEK M | 2015 | 2014 |
|--------------------------------------|------|------|
| - payable within one year | 73 | 92 |
| - payable between one and five years | 148 | 148 |
| - payable later than five years | 24 | 23 |

The year's operating expenses include fees of SEK 105 M (118) for operating leases. Leases for premises include standard indexation clauses.

NOTE 27 Pledged assets**Pledged assets for own liabilities**

| SEK M | 2015 | 2014 |
|---|--------------|--------------|
| Pledged assets | | |
| Pertaining to pension obligations, restricted bank funds | 133 | 123 |
| Pertaining to long-term borrowing, pledged shares in subsidiaries | 2,901 | 4,664 |
| Total | 3,034 | 4,787 |

Eniro has credit insurance with PRI Pensionsgaranti (PRI) that remains in force through 2016. Eniro has pledged bank funds for future obligations (a so-called expanded pension guarantee) to PRI. A total of SEK 130 M was pledged between 2012 and 2015. As per year-end, total pledged funds amounted to SEK 133 M (123) including returns. Eniro will pledge an additional SEK 40 M in 2016. Pledged funds including returns are reported as Other non-current interest-bearing receivables.

In accordance with long-term borrowing agreements, internal receivables and shares in subsidiaries have been pledged as collateral for Eniro Treasury's external loans. Subsidiaries and the Parent Company have also provided sureties for Eniro Treasury's liabilities. See also Note 14, Borrowings.

NOTE 28 Events after the balance sheet date**Ruling by the Market Court**

The Swedish Market Court delivered a judgment stating that, as of June 30, 2016, consumers must be given the opportunity to receive price information in connection with calls and SMS text messages to the directory service 118 118. The outcome is in line with what Eniro had expected, and the company is now looking into technical solutions for handling this. The ruling is expected to have a limited earnings impact.

Proposal for new Board of Directors

Eniro's nomination committee proposes to the Annual General Meeting 2016 the election of Björn Björnsson as new chairman of the Board of Directors and Joachim Berner, Örjan Frid and Ola Salmén as new members of the Board of Directors of Eniro AB. Lars-Johan Jarnheimer, chairman, and the directors Anna Settmann, Stina Honkamäe Bergfors, Leif AA. Fredstedt and Cecilia Lager, have all declined re-election.

Proposal for new incentive programmes for the Board and senior executives

The nomination committee proposes to the Annual General Meeting 2016 to decide on two new incentive programs consisting of warrants for the Board and senior executives, respectively, which represent a dilution effect of approximately 3 percent. Since the acquisition of the warrants will be carried out at market terms, the warrants are deemed not to cause any wage costs or any social security contributions for the company.

Parent Company financial statements

Parent Company income statement

| SEK M | Note | 2015 | 2014 |
|--|---------|---------------|---------------|
| Operating revenue | 2 | 26 | 35 |
| Marketing costs | 3 | 0 | -1 |
| Administration costs | 3,17,18 | -101 | -112 |
| Other revenue | | 7 | 3 |
| Other costs | | -6 | -6 |
| Operating income | | -74 | -81 |
| Dividends from Group companies | | 61 | 27 |
| Impairment of shares in Group companies | 8 | -1,249 | -2,876 |
| Financial income | 4 | 0 | 5 |
| Financial expense | 4 | -103 | -110 |
| Income after financial items | | -1,365 | -3,035 |
| Appropriations, Group contributions received | | 323 | 330 |
| Income before tax | | -1,042 | -2,705 |
| Income tax | 5 | -31 | -29 |
| Net income for the year | | -1,073 | -2,734 |
| Proposed dividend per common share for the fiscal year | | - | - |

Parent Company statement of comprehensive income

| SEK M | Note | 2015 | 2014 |
|--|------|---------------|---------------|
| Net income for the year | | -1,073 | -2,734 |
| Other comprehensive income | | - | - |
| Comprehensive income for the year | | -1,073 | -2,734 |

Parent Company balance sheet

| SEK M | Note | 12/31/2015 | 12/31/2014 |
|---|------|--------------|--------------|
| ASSETS | | | |
| Non-current assets | | | |
| Tangible assets | 6 | 0 | 0 |
| Intangible assets | 7 | 0 | 0 |
| Holdings in subsidiaries | 8 | 4,241 | 5,440 |
| Deferred tax assets | 5 | 6 | 44 |
| Other interest-bearing receivables | 9 | 165 | 152 |
| Total non-current assets | | 4,412 | 5,636 |
| Current assets | | | |
| Receivables from Group companies | | 361 | 384 |
| Prepaid expenses | | 0 | 10 |
| Current tax assets | | 2 | 2 |
| Other current receivables | 10 | 0 | 0 |
| Other interest-bearing receivables | 10 | 0 | 1 |
| Cash and cash equivalents | 11 | 0 | 1,817 |
| Total current assets | | 363 | 2,214 |
| TOTAL ASSETS | | 4,775 | 7,850 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| Shareholders' equity | | | |
| Restricted shareholders' equity | | | |
| Share capital | 12 | 477 | 309 |
| Unrestricted shareholders' equity | | | |
| Share premium reserve | | 392 | - |
| Retained earnings | | 2,693 | 5,424 |
| Net income for the year | | -1,073 | -2,734 |
| Total shareholders' equity | | 2,489 | 2,999 |
| Provisions | | | |
| Pension obligations | 13 | 70 | 66 |
| Provisions | 14 | 5 | 5 |
| Total provisions | | 75 | 71 |
| Non-current liabilities | | | |
| Convertible bond | 15 | 292 | - |
| Liabilities to Group companies | | 1,795 | 4,672 |
| Total non-current liabilities | | 2,087 | 4,672 |
| Current liabilities | | | |
| Accounts payable – trade | | 2 | 7 |
| Liabilities to Group companies | | 90 | 45 |
| Accrued expenses | 16 | 11 | 41 |
| Other current liabilities | | 16 | 13 |
| Provisions | 14 | 5 | 2 |
| Total current liabilities | | 124 | 108 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | | 4,775 | 7,850 |

Parent Company statement of changes in shareholders' equity

| SEK M | Note | Share capital | Share premium reserve | Retained earnings | Total shareholders' equity |
|---|------|---------------|-----------------------|-------------------|----------------------------|
| Opening balance, January 1, 2014 | | 309 | - | 5,471 | 5,780 |
| Comprehensive income for the year | | - | - | -2,734 | -2,734 |
| Share-based payments | | - | - | 1 | 1 |
| Dividend on preference shares | | - | - | -48 | -48 |
| Closing balance, December 31, 2014 | 12 | 309 | - | 2,690 | 2,999 |
| Opening balance, January 1, 2015 | | 309 | - | 2,690 | 2,999 |
| Comprehensive income for the year | | - | - | -1,073 | -1,073 |
| Reduction of share capital | | -257 | - | 257 | 0 |
| Rights issue | | 153 | 278 | - | 431 |
| Bonus issue | | 204 | - | -204 | 0 |
| Convertible bonds, equity portion | | - | 72 | - | 72 |
| Conversion of convertible bonds | | 68 | 42 | - | 110 |
| Share-based payments | | - | - | -2 | -2 |
| Dividend on preference shares | | - | - | -48 | -48 |
| Closing balance, December 31, 2015 | 12 | 477 | 392 | 1,620 | 2,489 |

The proposed dividend is SEK 0 (0) per common share.

Parent Company cash flow statement

| SEK M | Note | 2015 | 2014 |
|--|------|---------------|--------------|
| Operating activities | | | |
| Operating income | | -74 | -81 |
| Adjustment for non-cash items | | 1 | -25 |
| Interest received from Group companies | | 0 | 4 |
| Interest paid to Group companies | | -50 | -111 |
| Interest received from others | | 0 | 1 |
| Interest paid to others | | -48 | 1 |
| Income tax paid | | 0 | 0 |
| Cash flow before changes in working capital | | -171 | -211 |
| Cash flow from changes in working capital | | | |
| Decrease/increase in current receivables | | 16 | 0 |
| Decrease/increase in current liabilities | | 18 | 19 |
| Cash flow from operating activities | | -137 | -192 |
| Investing activities | | | |
| Acquisition of tangible assets | | 0 | 0 |
| Cash flow from investing activities | | 0 | 0 |
| Financing activities | | | |
| Net of intra-Group dividends and shareholder contributions | | 343 | 635 |
| Net change in financial receivables and liabilities to Group companies | | -2,872 | 0 |
| Long-term investments | | -8 | -10 |
| Rights issue | 12 | 430 | - |
| Convertible bonds issue | 15 | 475 | - |
| Dividend on preference shares | | -48 | -48 |
| Cash flow from financing activities | | -1,680 | 577 |
| Cash flow for the year | | -1,817 | 385 |
| Cash and cash equivalents at start of the year | | 1,817 | 1,432 |
| Cash flow for the year | | -1,817 | 385 |
| Cash and cash equivalents at year-end | 11 | 0 | 1,817 |

Notes to the Parent Company financial statements

NOTE P1 Parent Company accounting policies

The Annual Report of a legal entity is to be prepared in accordance with the Annual Accounts Act and Swedish Financial Reporting Board recommendation RFR 2 – Accounting for Legal Entities. In RFR 2, the Swedish Financial Reporting Board has stated that legal entities whose securities are publicly traded shall, to the greatest extent possible, apply the IFRSs/IASs and IFRIC/SIC interpretations that are applied in the consolidated financial statements as far as possible within the framework of the Annual Accounts Act and taking into account the connection between accounting and taxation. The recommendation specifies which exceptions and additions are to be made compared with IFRS. Pursuant to RFR 2.2, the following deviations from IFRS/IAS are applied for the Parent Company Eniro AB:

IAS 1 is not applied with respect to the presentation of the balance sheet and income statement, which are instead presented in accordance with the Annual Accounts Act.

IAS 12 is not applied with respect to untaxed reserves, which are reported gross on the balance sheet. Changes in untaxed reserves are recognized in profit or loss.

IAS 17 is not applied for finance leases. At present, no finance leases are held by the Parent Company.

IAS 19 – Employee Benefits is not applied for reporting of pension obligations and pension costs. These are instead reported in accordance with FAR's recommendation 4 "Reporting of pension liability and pension cost." The Parent Company has pledged defined benefit pensions to employees. In this context, the Parent Company's obligation to pay pensions in the future has been assigned a present value, determined for each employee on the basis of such factors as pension level, age and to what extent full pension has been vested. This present value has been calculated on an actuarial basis, using respective individuals' pay and pension levels prevailing on the balance sheet date as the starting point. Pension obligations are reported as a provision on the balance sheet. The interest component of the pension cost for the year is reported among financial expenses. Other pension costs are charged against operating income.

IAS 39 is not applied with respect to financial guarantee agreements for the benefit of subsidiaries and associated companies.

The net of Group contributions and dividends is reported in the income statement. Unless stated otherwise, amounts are in millions of Swedish kronor (SEK M).

Important estimations and assessments

See the information for the Group, Note 2, Important estimations and assessments.

NOTE P2 Operating revenue

The Parent Company's operating revenue amounted to SEK 26 M (35) and pertained in its entirety to payment for intra-Group services at market terms.

NOTE P3 Breakdown of costs by type

| SEK M | 2015 | 2014 |
|---|------------|------------|
| Employee benefits, incl. social security costs | 59 | 75 |
| Consultants | 21 | 24 |
| Media monitoring | 0 | 1 |
| Depreciation/amortization and impairment losses | 0 | 0 |
| Other | 21 | 13 |
| Total operating expenses | 101 | 113 |

Operating expenses pertain to marketing and administration costs.

Depreciation/amortization by function

| SEK M | 2015 | 2014 |
|--|----------|----------|
| Pertaining to tangible assets | | |
| Administration costs | 0 | 0 |
| Pertaining to intangible assets | | |
| Administration costs | 0 | 0 |
| Total | 0 | 0 |

NOTE P4 Financial income and expense

| SEK M | 2015 | 2014 |
|--|-------------|-------------|
| Financial income | | |
| Exchange rate gains on external receivables and liabilities | 0 | 0 |
| External financial interest income | 0 | 1 |
| Internal financial interest income | - | 4 |
| Total financial income | 0 | 5 |
| Financial expense | | |
| Exchange rate losses on external receivables and liabilities | 0 | 0 |
| Interest expense on pensions | -1 | -1 |
| External financial interest expense | -54 | 1 |
| Internal financial interest expense | -48 | -110 |
| Total financial expense | -103 | -110 |
| Net financial items | -103 | -105 |

NOTE P5 Tax

Tax costs include the following components:

| SEK M | 2015 | 2014 |
|---|------------|------------|
| Current tax on income for the year | 0 | 0 |
| Deferred tax cost pertaining to unutilized loss carryforwards | -25 | -26 |
| Deferred tax income pertaining to temporary differences | -6 | -3 |
| Adjustment of deferred tax from previous years | 0 | 0 |
| Reported tax | -31 | -29 |

Connection between tax cost for the year and tax cost according to applicable Swedish tax rate

| SEK M | 2015 | 2014 |
|--|---------------|---------------|
| Reported income before tax | -1,042 | -2,705 |
| Tax according to Swedish tax rate of 22% | 229 | 595 |
| Tax effect of | | |
| Non-deductible expenses | -275 | -633 |
| Tax-exempt income | 15 | 9 |
| Reported tax | -31 | -29 |

Deferred tax assets are attributable to the following components

| SEK M | 2015 | 2014 |
|----------------------------|----------|-----------|
| Pension obligations | 9 | 8 |
| Other provisions | 0 | 0 |
| Convertible | -13 | - |
| Loss carryforward | 10 | 36 |
| Deferred tax assets | 6 | 44 |

NOTE P6 Tangible assets

| SEK M | Equipment | |
|---------------------------|-----------|----------|
| | 2015 | 2014 |
| Accumulated cost | 1 | 1 |
| Accumulated depreciation | -1 | -1 |
| Carrying amount | 0 | 0 |
| At start of year | 0 | 0 |
| Investments for the year | 0 | 0 |
| Depreciation for the year | 0 | 0 |
| Carrying amount | 0 | 0 |

NOTE P7 Intangible assets

| SEK M | Intangible assets | |
|---------------------------|-------------------|----------|
| | 2015 | 2014 |
| Accumulated cost | 3 | 3 |
| Accumulated amortization | -3 | -3 |
| Carrying amount | 0 | 0 |
| At start of year | 0 | 0 |
| Amortization for the year | 0 | 0 |
| Carrying amount | 0 | 0 |

NOTE P8 Shares and participations in Group companies

Shares and participations owned directly and indirectly by the Parent Company

| Company | Corporate identity number | Registered office | No. of shares | Share of equity, % | Carrying amount 12/31/2015 SEK M | Carrying amount 12/31/2014, SEK M |
|---------------------------------|---------------------------|-------------------|---------------|--------------------|----------------------------------|-----------------------------------|
| TIM Varumärke AB | 556580-8515 | Stockholm | 1,000 | 100 | 0 | 0 |
| Eniro Danmark A/S | 18936984 | Copenhagen | 24,000 | 100 | 793 | 793 |
| Kraks Forlag A/S | 10629241 | Copenhagen | 11,000 | 100 | | |
| Respons Group AB | 556639-2196 | Stockholm | 1,000 | 100 | 0 | 0 |
| Eniro International AB | 556429-6670 | Stockholm | 1,000 | 100 | 0 | 0 |
| Eniro Sverige AB | 556445-1846 | Stockholm | 500,000 | 100 | 2,292 | 2,245 |
| Eniro Sverige Försäljning AB | 556580-1965 | Stockholm | 1,000 | 100 | | |
| Eniro 118 118 AB | 556476-5294 | Stockholm | 75,000 | 100 | | |
| Din Del Försäljning AB | 556572-1502 | Stockholm | 1,000 | 100 | | |
| Kataloger i Norr AB | 556670-3707 | Skellefteå | 1,000 | 100 | | |
| Eniro Global AB | 556723-6541 | Stockholm | 100,000 | 100 | | |
| Proff AB | 556764-1534 | Stockholm | 1,000 | 100 | | |
| Eniro Passagen AB | 556750-0896 | Stockholm | 1,000 | 100 | | |
| Aller Tillväxt Alfa AB | 556751-3279 | Stockholm | 500 | 50 | | |
| Eniro Initiatives AB | 556763-0966 | Stockholm | 1,000 | 100 | 8 | 6 |
| Starcus AB | 556535-8008 | Stockholm | 1,000 | 100 | | |
| Leta Information Eniro AB | 556591-3596 | Stockholm | 1,000 | 100 | 6 | 9 |
| Eniro Treasury AB | 556688-5637 | Stockholm | 1,000 | 100 | 967 | 2,100 |
| Findexa Luxembourg Sarl | B-100.546 | Luxembourg | 343,848 | 100 | | |
| Eniro Norway AB | 556688-5652 | Stockholm | 1,000 | 100 | | |
| Eniro Holding AS | 986 656 022 | Oslo | 1,100,000 | 100 | | |
| Eniro Norge AS | 963 815 751 | Oslo | 55,206 | 100 | | |
| 1880 Nummeropplysning AS | 976 491 351 | Gjøvik | 102,000 | 64 | | |
| Findexa Förlag AB | 556750-9673 | Uddevalla | 1,000 | 100 | | |
| Gule Sider 1880 AS | 986 493 492 | Oslo | 100,000 | 100 | | |
| Telefonkatalog AS | 988 437 565 | Oslo | 100 | 100 | | |
| Rosa Sider AS | 988 437 581 | Oslo | 100 | 100 | | |
| Gule Sider AS | 968 306 782 | Oslo | 100 | 100 | | |
| Telefonkatalogens Gule Sider AS | 968 306 405 | Oslo | 100 | 100 | | |
| Gule Sider Internett AS | 980 287 432 | Oslo | 100 | 100 | | |
| Proff AS | 989 531 174 | Oslo | 100 | 100 | | |
| Telefonkatalogen AS | 982 175 968 | Oslo | 100 | 100 | | |
| Ditt Distrikt AS | 883 878 752 | Oslo | 100 | 100 | | |
| Oy Eniro Finland Ab | 0100130-4 | Esboo | 60,000 | 100 | 145 | 253 |
| Eniro Polska Sp Z o.o. | KRS 0000116894 | Warsaw | 1,035,209 | 100 | 30 | 34 |
| Total | | | | | 4,241 | 5,440 |

No companies were sold for discontinuation, liquidated or merged with another Group company in 2015.

Changes during the year (SEK M)

| | |
|---|--------|
| Shares in subsidiaries as per 12/31/2014 | 5,440 |
| Impairment of shares in Eniro Treasury AB | -1,133 |
| Impairment of shares in Eniro Polska Sp Z o.o. | -4 |
| Impairment of shares in Leta Information Eniro AB | -3 |
| Impairment of shares in Oy Eniro Finland Ab | -108 |
| Capital contribution Eniro Sverige AB | 47 |
| Capital contribution Eniro Initiatives AB | 2 |
| Shares in subsidiaries as per 12/31/2015 | 4,241 |

NOTE P9 Other interest-bearing receivables

| SEK M | 2015 | 2014 |
|---|------------|------------|
| Interest-bearing receivables, restricted bank funds | 133 | 123 |
| Interest-bearing receivables, pension obligations | 32 | 28 |
| Other interest-bearing receivables | 0 | 1 |
| Total | 165 | 152 |

NOTE P10 Other current assets**Other current receivables**

| SEK M | 2015 | 2014 |
|-----------------------------------|----------|----------|
| - not due | 0 | 0 |
| - due less than one month | - | - |
| - past due one to three months | - | - |
| - past due more than three months | - | - |
| Total | 0 | 0 |

Other interest-bearing receivables

| SEK M | 2015 | 2014 |
|-----------------------------------|----------|----------|
| - not due | 0 | 1 |
| - past due more than three months | - | - |
| Total | 0 | 1 |

The maximum exposure to credit risk as per December 31 is the fair value of each category of receivables stated above. The Parent Company has not pledged any collateral.

NOTE P11 Cash and cash equivalents

Cash and cash equivalents consist mainly of bank balances and investments in the Group's central account system.

| SEK M | 2015 | 2014 |
|--|----------|--------------|
| Cash and bank balances | 0 | 1,817 |
| Total cash and cash equivalents | 0 | 1,817 |

NOTE P12 Shareholders' equity**Share capital and treasury shares**

See the corresponding section in Note 13 to the consolidated financial statements.

NOTE P13 Pension obligations

The Parent Company's pension liability pertains to the capital value of pension obligations in accordance with Swedish rules, FAR recommendation 4.

The amounts reported on the balance sheet have been calculated as follows:

| SEK M | 2015 | 2014 |
|---|-----------|-----------|
| Present value of unfunded obligations | 19 | 19 |
| Other pension obligations | 51 | 47 |
| Liability on the balance sheet reported as pension obligations | 70 | 66 |

| SEK M | 2015 | 2014 |
|--|-----------|-----------|
| Change in defined benefit obligations during the year | | |
| Opening balance | 19 | 59 |
| Adjustment of opening balance | - | -41 |
| Costs recognized in profit or loss | | |
| Service cost for current year | 1 | 1 |
| Interest expense | 1 | 1 |
| | 2 | 2 |
| Benefits paid | -1 | -1 |
| Closing balance | 20 | 19 |

In the coming year the Parent Company's pension payments for defined benefit plans are expected to total approximately SEK 1 M.

Total pension costs

| SEK M | 2015 | 2014 |
|---|-----------|------------|
| Costs for defined benefit plans | -1 | -1 |
| Costs for defined contribution plans | -2 | -8 |
| Costs for special employer's payroll tax and policyholder tax | -2 | -3 |
| Interest expense | -1 | -1 |
| Cost reported in income statement | -6 | -13 |

Credit insurance with PRI Pensionsgaranti

Eniro has credit insurance with PRI Pensionsgaranti (PRI) that remains in force through 2016. Eniro has pledged bank funds for future obligations (a so-called expanded pension guarantee) to PRI. A total of SEK 130 M was pledged between 2012 and 2015. As per year-end, total pledged funds amounted to SEK 133 M (123) including returns. Eniro will pledge an additional SEK 40 M in 2016. Pledged funds including returns are reported as Other non-current interest-bearing receivables. Starting in 2016 Eniro has changed over to paying periodic premiums for defined benefit pensions in Sweden.

NOTE P14 Provisions**Non-current provisions**

| SEK M | 2015 | 2014 |
|-------------------------------------|----------|----------|
| Opening balance | 5 | 5 |
| New provisions | - | - |
| Utilized provisions during the year | - | - |
| Reversed unutilized provisions | - | - |
| Closing balance | 5 | 5 |

Current provisions

| SEK M | 2015 | 2014 |
|-------------------------------------|----------|----------|
| Opening balance | 2 | 12 |
| New provisions | 6 | 0 |
| Utilized provisions during the year | -3 | -10 |
| Reversed unutilized provisions | - | - |
| Closing balance | 5 | 2 |

Provisions at year-end pertain to provisions for restructuring.

NOTE P15 Convertible bond

| SEK M | 2015 | 2014 |
|---|------------|----------|
| Nominal amount at time of issue | 500 | - |
| Subscription discount | -25 | - |
| Equity share – value of subscription rights | -95 | - |
| Net initially reported liability after issue | 380 | - |
| Debt converted during the year | -104 | - |
| Total interest costs for the year | 28 | - |
| Coupon interest paid during the year | -12 | - |
| Total | 292 | - |
| Outstanding nominal debt | 366 | - |

Convertible bond issue

For information about the convertible bond issue and related accounting policies, see Note 15 to the consolidated financial statements.

Accounting for loan

The Parent Company's accounting for the loan is done in the same way as for the Group, with one exception. For the Parent Company, the issue costs have not been allocated over the term of the loan as a financing cost. Instead, these costs have been expensed directly, except for the portion booked directly against shareholders' equity as with the Group. As a result of this difference, the loan is carried at a slightly higher amount in the Parent Company, but this difference will gradually decrease over the term of the loan. In addition, the Group will continually report a slightly higher financing cost for the loan.

NOTE P16 Accrued expenses

| SEK M | 2015 | 2014 |
|---------------------------------|-----------|-----------|
| Accrued personnel-related costs | 6 | 30 |
| Accrued interest costs | 1 | 3 |
| Other accrued expenses | 4 | 8 |
| Total | 11 | 41 |

NOTE P17 Employees – wages, salaries and other remuneration

The average number of full-time employees in the Parent Company was 17 (30), including 7 women (17).

| SEK M | 2015 | 2014 |
|--|-----------|-----------|
| Wages, salaries and other remuneration | 38 | 44 |
| Pension costs | 6 | 11 |
| Social security costs | 10 | 17 |
| Total | 54 | 72 |

NOTE P18 Auditors' fees

| SEK M | 2015 | 2014 |
|---|----------|----------|
| PricewaterhouseCoopers, audit assignment | 2 | 2 |
| PricewaterhouseCoopers, auditing activities in addition to the audit assignment | 1 | 1 |
| PricewaterhouseCoopers, other services | 1 | 1 |
| Total | 4 | 4 |

NOTE P19 Pledged assets, obligations and contingent liabilities

| SEK M | 2015 | 2014 |
|---|--------------|--------------|
| Contingent liabilities | | |
| Sureties and contingent liability pertaining to subsidiaries | 70 | 77 |
| PRI Pensionsgaranti | 0 | 0 |
| Guarantee for loan agreement | 1,516 | 2,421 |
| Total contingent liabilities | 1,586 | 2,498 |
| Pledged assets | | |
| Pertaining to pension obligations, restricted bank funds | 133 | 123 |
| Pertaining to long-term borrowing, pledged shares in subsidiaries | 4,241 | 5,440 |
| Total pledged assets | 4,374 | 5,563 |
| Total | 5,960 | 8,061 |

Internal receivables and shares in subsidiaries have been pledged as collateral for Eniro Treasury's external loans. Subsidiaries and the Parent Company have also guaranteed Eniro Treasury's obligations, which will amount to SEK 1,516 M at maturity. See also Note 14 to the consolidated financial statements, Borrowing.

Eniro has credit insurance with PRI Pensionsgaranti (PRI) that remains in force through 2016. Eniro has pledged bank funds for future obligations (a so-called expanded pension guarantee) to PRI. A total of SEK 130 M was pledged between 2012 and 2015. As per year-end, total pledged funds amounted to SEK 133 M (123) including returns. Eniro will pledge an additional SEK 40 M in 2016. Pledged funds including returns are reported as Other non-current interest-bearing receivables.

The Board's proposed distribution of earnings

Dividend and dividend policy

Eniro will continue to give priority to reducing net debt in relation to EBITDA over payment of a dividend.

Accordingly, the Board of Directors of Eniro proposes that no dividend be paid for the company's common shares for the

2015 fiscal year. The Board of Directors proposes payment of a dividend of SEK 48 per share for 2015 to owners of preference shares, for a total dividend payout of SEK 48 M. It is proposed that dividends be paid out in three-month intervals.

| Proposed distribution of earnings | SEK |
|--|----------------------|
| The following earnings in the Parent Company are available for distribution by the Annual General Meeting: | |
| Net income for the year | -1,072,677,474 |
| Retained earnings | 3,084,850,337 |
| Total | 2,012,172,863 |
| | |
| The Board of Directors proposes a dividend for preference shares of SEK 48 per share | 48,000,000 |
| To be carried forward | 1,964,172,863 |
| Total | 2,012,172,863 |

The Board of Directors and President certify that the Annual Report has been prepared in accordance with generally accepted accounting principles and gives a true and fair view of the company's financial position and results of operations, and that the statutory Administration Report gives a true and fair view of the performance of the company's operations, financial position and results of operations, and describes material risks and uncertainties facing the company. In addition, the Board of Directors and President certify that the consolidated financial

statements have been prepared in accordance with the International Financial Reporting Standards referred to in European Parliament and Council of Europe Regulation (EC) No. 1606/2002 of July 19, 2002, on application of International Financial Reporting Standards, and that disclosures herein give a true and fair view of the Group's financial position and results of operations and describes material risks and uncertainties facing the companies included in the Group.

Stockholm, April 4, 2016

Eniro AB (publ)

Lars-Johan Jarnheimer

Chairman of the Board

Stina Honkamaa Bergfors

Board member

Leif Aa. Fredsted

Board member

Cecilia Lager

Board member

Anna Settmann

Board member

Jonas Svensson

Employee representative

Katarina Emilsson-Thudén

Employee representative

Stefan Kercza

President and CEO

Our audit report was submitted on April 4, 2016

Mikael Eriksson

Authorized Public Accountant and
auditor-in-charge

Audit Report

To the Annual General Meeting of Eniro AB, Corporate Identity Number 556588-0936

Report on the annual accounts and consolidated accounts

We have audited the annual accounts and consolidated accounts of Eniro AB (publ) for the 2015, except for the corporate governance statement on pages 38–49. The annual accounts and the consolidated accounts of the company are included in the printed version of this document on pages 30–81.

Responsibilities of the Board of Directors and the President for the annual accounts and consolidated accounts

The Board of Directors and the President are responsible for the preparation and fair presentation of these annual accounts and consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the President determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by the Board of Directors and the President, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of December 31, 2015, and of its financial performance and cash flows for the year then ended, in accordance with the Annual Accounts Act, and the consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of December 31, 2015, and of its financial performance and cash flows for the year then ended, in accordance with IFRS, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 38–49. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statements and balance sheet for the parent company and the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the President of Eniro AB (publ) for the year 2015. We have also conducted a statutory examination of the corporate governance statement.

Responsibilities of the Board of Directors and the President

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the President are responsible for administration under the Companies Act and for ensuring that the corporate governance statement on pages 38–49 has been prepared in accordance with the Annual Accounts Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the President is liable to the company. We also examined whether any member of the Board of Directors or the President has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Furthermore, we have read the corporate governance statement and based on that reading and our knowledge of the company and the group we believe that we have a sufficient basis for our opinions. This means that our statutory examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the President be discharged from liability for the financial year. A corporate governance statement has been prepared, and its statutory content is consistent with the other parts of the annual accounts and consolidated accounts.

Stockholm, April 4, 2016
PricewaterhouseCoopers AB
Mikael Eriksson
Authorized Public Accountant, Auditor-in-Charge

Several-year overview

| SEK M | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|--|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|
| CONDENSED CONSOLIDATED INCOME STATEMENT (SEK M) | | | | | | | | | | |
| Operating revenue | 2,438 | 3,002 | 3,588 | 3,999 | 4,323 | 5,326 | 6,581 | 6,645 | 6,443 | 6,372 |
| Operating revenue before depreciation and amortization (EBITDA) | 383 | 631 | 777 | 976 | 1,031 | 605 | 1,807 | 2,064 | 2,266 | 2,220 |
| Operating income after depreciation and amortization (EBIT) | -1,030 | -1,441 | 462 | 481 | 176 | -4,176 | 692 | 410 | 1,855 | 1,813 |
| Income before taxes | -1,090 | -1,594 | 320 | 341 | -188 | -4,739 | 232 | -276 | 1,401 | 1,276 |
| Net income (attributable to owners of the Parent Company) | -1,124 | -1,664 | 177 | 241 | -184 | -4,620 | 616 | -315 | 1,305 | 1,054 |
| CONDENSED CONSOLIDATED BALANCE SHEET (SEK M) | | | | | | | | | | |
| Assets | | | | | | | | | | |
| Goodwill | 2,808 | 4,051 | 5,763 | 6,124 | 6,119 | 6,494 | 12,088 | 11,374 | 12,508 | 12,267 |
| Other non-current assets | 1,107 | 1,461 | 1,582 | 1,739 | 2,063 | 2,350 | 3,147 | 3,236 | 3,759 | 3,882 |
| Current assets | 501 | 664 | 829 | 1,081 | 1,607 | 1,743 | 1,957 | 2,010 | 2,200 | 2,064 |
| Total assets | 4,416 | 6,176 | 8,174 | 8,944 | 9,789 | 10,587 | 17,192 | 16,620 | 18,467 | 18,213 |
| Shareholders' equity and liabilities | | | | | | | | | | |
| Shareholders' equity (owners of the Parent Company) | 1,119 | 1,737 | 3,598 | 3,543 | 3,028 | 3,469 | 6,109 | 2,197 | 4,051 | 5,120 |
| Non-controlling interests | 39 | 60 | 68 | - | - | - | 3 | 17 | 13 | - |
| Non-current liabilities | 2,208 | 2,620 | 2,675 | 3,331 | 4,201 | 4,516 | 8,341 | 11,379 | 11,628 | 10,146 |
| Current liabilities | 1,050 | 1,759 | 1,833 | 2,070 | 2,560 | 2,602 | 2,739 | 3,027 | 2,775 | 2,947 |
| Total shareholders' equity and liabilities | 4,416 | 6,176 | 8,174 | 8,944 | 9,789 | 10,587 | 17,192 | 16,620 | 18,467 | 18,213 |
| CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (SEK M) | | | | | | | | | | |
| Cash flow from operating activities | 178 | 288 | 481 | 420 | 371 | 372 | 1,402 | 1,331 | 1,631 | 1,402 |
| Cash flow from investing activities | -86 | -75 | -119 | -51 | -141 | -195 | -299 | -293 | -540 | -215 |
| Cash flow from financing activities | -53 | -271 | -440 | -730 | -117 | -44 | -1,083 | -1,329 | -2,119 | -1,486 |
| Cash flow from discontinued operations | - | - | - | - | - | - | - | - | 1,118 | 69 |
| Cash flow for the year | 39 | -58 | -78 | -361 | 113 | 133 | 20 | -291 | 90 | -230 |
| KEY RATIOS | | | | | | | | | | |
| Operating margin – EBITDA, % | 16 | 21 | 22 | 24 | 24 | 11 | 27 | 31 | 35 | 35 |
| Operating margin – EBIT, % | -42 | -48 | 13 | 12 | 4 | -78 | 11 | 6 | 29 | 28 |
| Average shareholders' equity, SEK M | 1,312 | 3,021 | 3,607 | 3,308 | 3,201 | 4,275 | 4,735 | 3,321 | 5,222 | 4,804 |
| Return on shareholders' equity, % | -85.7 | -55.1 | 4.9 | 7.3 | -5.7 | -108.0 | 13.0 | -9.0 | 25.0 | 22.0 |
| Interest-bearing net debt, SEK M | 1,241 | 2,208 | 2,340 | 2,704 | 3,535 | 3,951 | 6,645 | 9,948 | 10,264 | 9,044 |
| Debt/equity ratio, multiple | 1.1 | 1.2 | 0.6 | 0.8 | 1.2 | 1.1 | 1.1 | 4.5 | 2.5 | 1.7 |
| Equity/assets ratio, % | 26 | 29 | 45 | 40 | 31 | 33 | 36 | 13 | 22 | 28 |
| Interest-bearing net debt/adjusted EBITDA, multiple | 2.7 | 3.3 | 2.6 | 2.8 | 3.4 | 6.5 | 3.7 | 4.8 | 4.5 | 4.1 |
| KEY RATIOS PER SHARE BEFORE DILUTION | | | | | | | | | | |
| Net income, SEK (owners of the Parent Company) | -3.69 | -17.09 | 1.29 | 2.09 | -1.84 | -248.43 | 59.05 | -77.03 | 286.63 | 229.56 |
| Cash flow from operating activities* | 0.56 | 2.87 | 4.80 | 4.19 | 3.70 | 20.00 | 134.40 | 325.48 | 358.23 | 305.35 |
| Shareholders' equity, SEK (owners of the Parent Company) | 2.35 | 17.17 | 35.56 | 35.02 | 30.23 | 35.21 | 1,893.02 | 2,723.51 | 5,023.72 | 5,654.24 |
| Average number of common shares excluding treasury shares, 000s* | 317,742 | 100,177 | 100,177 | 100,177 | 100,177 | 18,597 | 10,432 | 4,089 | 4,553 | 4,591 |
| Number of common shares at year-end, excluding treasury shares, 000s** | 474,538 | 100,177 | 100,177 | 100,177 | 100,177 | 98,526 | 3,227 | 807 | 806 | 906 |
| Number of preference shares at year-end, 000s | 1,000 | 1,000 | 1,000 | 1,000 | - | - | - | - | - | - |
| Dividend per common share, SEK** | - | - | - | - | - | - | - | - | 1,040 | 880 |
| Dividend per preference share as per AGM decision, SEK | 48 | 48 | 48 | 32 | - | - | - | - | - | - |
| OTHER KEY RATIOS | | | | | | | | | | |
| Average number of employees | 2,106 | 2,603 | 2,996 | 3,409 | 3,680 | 4,437 | 5,096 | 4,861 | 4,697 | 4,801 |
| Number of full-time employees at year-end | 1,877 | 2,256 | 2,816 | 3,187 | 3,626 | 3,926 | 4,994 | 4,961 | 4,650 | 4,821 |

* Adjusted for reverse splits in July 2009 (4:1) and January 2010 (50:1), and the bonus issue element (X 5.07) in the rights issue of December 2010.

** Adjusted for reverse splits in July 2009 (4:1) and January 2010 (50:1).

Figures for 2011 have been recalculated to match the comparative year of 2012, in accordance with changed accounting policies for pensions.

Figures for 2012 have been recalculated to match the comparative year of 2013, in accordance with changed accounting policies for pensions.

Figures for 2013 have been restated to match the comparative year of 2014, in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Major changes in the Group's composition

- 2014** • Divestments of Scandinavia Online AS and InTouch in Norway.
- 2013** • Combination of operations with 1888 in Norway.
- 2012** • Divestment of Inform in Norway and Scandinavia Online in Denmark.
- 2011** • Acquisition of De Gule Sider in Denmark, consolidated as from December 2011.
- 2010** • Divestment of Suomi24 Oy and Directories operations in Finland.
- 2008** • Acquisition of Sentraali Oy, Finland, consolidated as from October 2008.

- 2007** • Sale of WLW in Germany (classified as discontinued operation 2006–2007).
- Acquisition of KRAK in Denmark, consolidated as from June 2007.
- 2006** • Acquisition of Din Pris AS, Norway, consolidated as from February 2006.
- Acquisition of WebDir, Denmark, consolidated as from February 2006.
- Acquisition of Kataloger i Norr AB, consolidated as from June 2006.

Quarterly overview

OPERATING REVENUE BY CATEGORY AND OPERATING SEGMENTS

| SEK M | 2015 | | | | | 2014 | | | | |
|--|-----------|-----|-----|-----|-----|-----------|-----|-----|-----|-----|
| | Full year | Q4 | Q3 | Q2 | Q1 | Full year | Q4 | Q3 | Q2* | Q1* |
| Desktop search | 1,208 | 263 | 288 | 316 | 341 | 1,484 | 322 | 369 | 388 | 405 |
| Mobile search | 338 | 84 | 76 | 89 | 89 | 385 | 93 | 96 | 101 | 95 |
| Complementary digital marketing products ¹⁾ | 222 | 54 | 51 | 60 | 57 | 265 | 77 | 53 | 60 | 75 |
| Digital search ²⁾ | 1,768 | 401 | 415 | 465 | 487 | 2,134 | 492 | 518 | 549 | 575 |
| Print | 210 | 71 | 64 | 46 | 29 | 295 | 98 | 77 | 63 | 57 |
| Local search | 1,978 | 472 | 479 | 511 | 516 | 2,429 | 590 | 595 | 612 | 632 |
| Voice | 460 | 107 | 114 | 123 | 116 | 573 | 132 | 149 | 155 | 137 |
| Total operating revenue | 2,438 | 579 | 593 | 634 | 632 | 3,002 | 722 | 744 | 767 | 769 |

EBITDA BY OPERATING SEGMENTS

| SEK M | 2015 | | | | | 2014 | | | | |
|-------------------------------------|-----------|-----|-----|-----|-----|-----------|-----|-----|-----|-----|
| | Full year | Q4 | Q3 | Q2 | Q1 | Full year | Q4 | Q3 | Q2* | Q1* |
| Local search | 273 | 62 | 102 | 44 | 65 | 474 | 106 | 76 | 115 | 177 |
| Voice | 189 | 55 | 43 | 48 | 43 | 237 | 50 | 76 | 62 | 49 |
| Other | -79 | -10 | -11 | -43 | -15 | -80 | -22 | -27 | -9 | -22 |
| Total EBITDA | 383 | 107 | 134 | 49 | 93 | 631 | 134 | 125 | 168 | 204 |
| Items affecting comparability | | | | | | | | | | |
| Restructuring costs | 73 | 26 | 1 | 35 | 11 | 63 | 19 | 41 | -1 | 4 |
| Other items affecting comparability | -2 | -14 | 0 | 12 | - | -19 | 7 | 42 | -6 | -62 |
| Total adjusted EBITDA | 454 | 119 | 135 | 96 | 104 | 675 | 160 | 208 | 161 | 146 |

EBITDA MARGINS BY OPERATING SEGMENTS

| % | 2015 | | | | | 2014 | | | | |
|--------------|-----------|------|------|------|------|-----------|------|------|------|------|
| | Full year | Q4 | Q3 | Q2 | Q1 | Full year | Q4 | Q3 | Q2* | Q1* |
| Local search | 13.8 | 13.1 | 21.3 | 8.6 | 12.6 | 19.5 | 18.0 | 12.8 | 18.8 | 28.0 |
| Voice | 41.1 | 51.4 | 37.7 | 39.0 | 37.1 | 41.4 | 37.9 | 51.0 | 40.0 | 35.8 |
| Total | 15.7 | 18.5 | 22.6 | 7.7 | 14.7 | 21.0 | 18.6 | 16.8 | 21.9 | 26.5 |

1) Previously called Campaign products.

2) Previously called Multiscreen.

* Retrospective restatement of financial statements in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, due to incorrectly recognized revenue in previous periods.

Definitions of financial terms

Key ratios have been calculated using the amounts in the Annual Report, i.e., rounded to the nearest million.

Adjusted EBITDA

EBITDA excluding restructuring costs and other items affecting comparability.

Average number of common shares

Calculated as an average of the number of common shares outstanding on a daily basis after redemptions and repurchases, excluding treasury shares.

Average shareholders' equity

Calculated as average shareholders' equity attributable to owners of the Parent Company per quarter, based on the opening and closing balance for each quarter.

Debt/equity ratio

Interest-bearing net debt divided by shareholders' equity, including holdings with a controlling influence.

Earnings per common share for the period

Income for the period attributable to owners of the Parent Company less the portion of the approved dividend for the period on preference shares, divided by the average number of common shares.

EBITDA

Operating income before depreciation, amortization and impairment losses.

EBITDA margin (%)

EBITDA divided by operating revenue.

Equity/assets ratio (%)

Shareholders' equity including non-controlling interests divided by total assets.

Interest-bearing net debt

Borrowings excluding interest rate derivatives less cash and cash equivalents and interest-bearing assets.

Interest-bearing net debt/EBITDA

Interest-bearing net debt divided by EBITDA.

Operating cash flow

Cash flow from operating activities and cash flow from investing activities, excluding company acquisitions and divestments.

Organic growth

The change in operating revenue during the period adjusted for currency effects, changed publication dates, acquisitions and divestments.

Operating income

Operating income after depreciation, amortization and impairment losses.

Return on equity (%)

Net income for the year divided by average shareholders' equity attributable to owners of the Parent Company.

Shareholders' equity per share

Shareholders' equity attributable to owners of the Parent Company divided by the number of shares at year-end after redemptions, repurchases and decided share issues.

Total operating costs

Costs for production, sales, marketing, administration and product development, excluding depreciation, amortization and impairment losses.



ENIRO

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