Q3 15

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INTERIM REPORT JANUARY - SEPTEMBER 2015

Improved efficiency strengthens quarterly EBITDA

Third quarter: July - September 2015

- Total operating revenue amounted to SEK 593 M (744), a decrease of 20%. Revenue decreased organically by 18% (-14%).
- Revenue from Desktop and Mobile search amounted to SEK 364 M (465), a decrease of 22%. Revenue from Desktop and Mobile search decreased organically by 20% (-11%). Digital search revenue amounted to SEK 415 M (518), a decrease of 20%. Digital search revenue decreased organically by 18% (-10%).
- Prepaid revenue as per September 30, 2015, amounted to SEK 512 M (545), a decrease of 6% compared with September 30, 2014.
- EBITDA was SEK 134 M (125), an increase of 7% compared with the third quarter 2014. Earnings were charged with SEK -1 M (-83) nonrecurring costs, consisting of SEK -1 M (-41) in restructuring costs, SEK 0 M (-28) in severance pay, and a net capital loss of SEK 0 M (-14). The EBITDA margin improved to 22.6% (16.8%).
- Net income for the quarter was strengthened and amounted to SEK 38 M (-1,820). Income for the comparison period was affected by impairment losses totaling SEK -1,799 M.
- Earnings per common share for the quarter improved and amounted to SEK 0.06 (-18.29) before dilution and SEK 0.04 (–) after dilution.
- Operating cash flow amounted to SEK 12 M (-104), an improvement of SEK 116 M compared with the third quarter 2014.

Nine-month period: January–September 2015

- Total operating revenue amounted to SEK 1,859 M (2,280), a decrease of 18%.
- Revenue from Desktop and Mobile search decreased organically by 16% (-10%), while total revenue from Digital search decreased organically by 15% (-7%).
- EBITDA amounted to SEK 276 M (497). Earnings were charged with SEK -59 M (-18) in nonrecurring costs, consisting of SEK -47 M (-44) in restructuring costs, SEK 12 M (-28) in costs for severance pay, and net capital gains of SEK 0 M (54). The EBITDA margin was 14.8% (21.8%).
- Net income for the period was SEK -1,174 M (-1,714), an increase of SEK 540 M. Net income was negatively affected primarily by impairment losses totaling SEK -1,140 M (-1,799).
- The renegotiated loan agreement took effect in April and is divided in three currencies with a tenor through 2018. A lump-sum amortization of debt was made in April, which converted to Swedish kronor amounted to approximately SEK 670 M. In June the first scheduled amortization was made, which converted to Swedish kronor amounted to approximately SEK 75 M. The bank loan amounts to approximately SEK 1,621 M per September 30, 2015.
- Earnings per common share for the period were SEK -4,51 (-17.49) before dilution and SEK -2.56 (–) after dilution.
- Operating cash flow amounted to SEK -31 M (17).

Events during the third quarter

- Adfenix from Gothenburg was named winner in Eniro Tech Challenge.
- The operations for 118 118 is concentrated to Norrköping and the office in Kristianstad is closing down.
- During the third quarter, 62 convertibles were converted to common shares.
- Fredrik Sandelin was appointed as Eniro's new CFO, effective November 1. He succeeds Maria Åkrans, who has been serving as acting CFO since May 2015.

Events after the end of the reporting period

- No significant events have taken place after the end of the reporting period.

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PHOTO: JOACHIM LUNDGREN

It is satisfying to report that both EBITDA and operating cash flow for the third quarter were better than in the corresponding period in 2014.

We are now seeing the effects of the reorganization that we communicated on April 24 this year. Our cost base has decreased by SEK 25 M this year, according to plan, and the full-year effect of SEK 120 M has been secured.

During the autumn a number of actions came in place. We launched the season's sales start earlier, we implemented an improved sales follow-up system, our introduction training has been expanded, and we have dedicated leadership. Together these actions have resulted in higher sales efficiency, and we are seeing continued signs of stability.

We are working continuously on improving our customer offering. We firmly believe that a simpler and clearer choice for customers leads to a more focused and consultative discussion between sales associates and customers. In this way, our sales people are given greater opportunities to assist customers in everything from creating a website to optimizing their search and contactable presence in relevant, digital channels. As a part of this and a direct measure to meet the declining sales trend in Denmark, we have repackaged our offering. A total of 144 options have now been reduced to five. In doing so we have strengthened customer benefit, and hopefully this will also have an effect on revenue in Denmark.

In Poland we have developed and implemented a tool that automatically generates and publishes a customer's advertisement during an ongoing phone call. This both shortens and simplifies the production process, since the salesperson can update and verify the ad's appearance at the same time that the order is concluded. This results in lower costs and contributes to greater sales efficiency, but even more so it modernizes our way of working.

"We want to increase our impact in the market together with our customers"

We have added customer satisfaction as a parameter in our Nordic commission models. Our Norwegian operation was the first to implement this, and the model is now being implemented also in the other Nordic market units. We want to increase our impact in the market together with our customers.

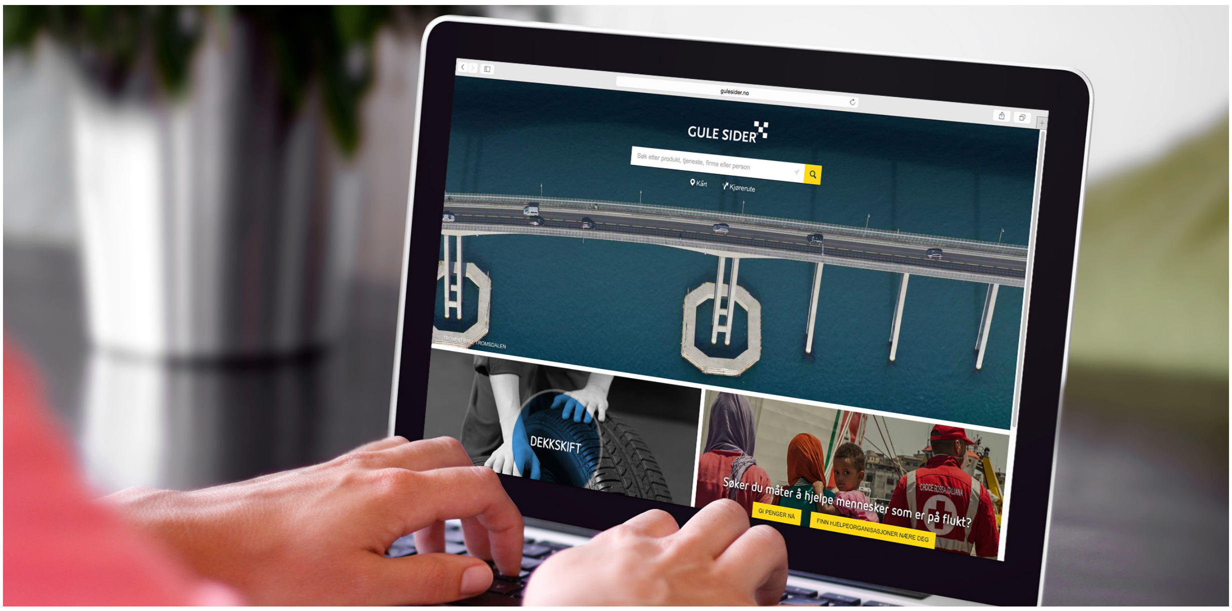
As a step toward further developing our partnership strategy and accelerating the pace of innovation, during the year we launched an innovation competition – Eniro Tech Challenge. The Challenge, in which entrepreneurs were given the opportunity to launch their business concepts in Scandinavia, attracted some 150 entrepreneurs from ten countries around the world to submit their business concepts. The winner was the Gothenburg-based company Adfenix. Their platform, incorporating search data from our 8 million users' 80 million searches per month, will enable relevant Facebook advertising that is target group–adapted for our customers. We are looking forward to launching a pilot before year-end.

Use of mobile devices is growing consistently in all countries. In September we updated our mobile apps with both new search logic and real-time traffic information. With these types of continuous updates we ensure our relevance for users. We are very proud of Eniro's navigation app, which since its launch is one of the five top app downloads in the Navigation category in all of the Nordic countries, both in Google Play and the App Store. In addition, during the summer season, the marine navigation app Eniro På Sjön held a top-20 position in the same category, which is proof that our services are popular and relevant.

Print and Voice, whose sales decreased by SEK 48 M (-45) during the quarter, together accounted for 30% of Eniro's total operating revenue. However, revenue for the Desktop/Mobile channels showed a sharper downward trend than we had hoped for. Sales performance in Denmark was weaker than acceptable, while in Norway, Poland and Sweden we are seeing improved efficiency. Parallel with this we are meeting the market's expectations for lower prices for digital marketing products by adapting our cost base.

We are undergoing a long-term transformation and are moving step by step in the right direction.

Solna, October 29 2015
Stefan Kercza
President & CEO



The start pages of our Local Search sites have got a new look and feel with unqiue aerial photos.

Third quarter 2015

Revenue Q3 2015

SEK 593 M

EBITDA Q3 2015

SEK 134 M

Revenue

Total operating revenue decreased by 20% to SEK 593 M (744). Revenue decreased organically by 18% (-14%). Changed publication dates for directories and divestments had a negative impact on revenue by SEK -9 M and SEK -19 M, respectively, compared with the third quarter a year ago. Currency effects on revenue – mainly a weaker Norwegian krona – were negative by SEK -11 M (21).

Prepaid revenue amounted to SEK 512 M (545) at the end of the quarter, a decrease of 6% compared with September 30, 2014.

Digital search (formerly Multiscreen)

Digital search revenue (Desktop search, Mobile search and Campaign products) decreased by 20% to SEK 415 M (518). The organic decrease in revenue was 18% (-10%).

Revenue from Desktop search decreased by 22% to SEK 288 M (369). The organic decrease in revenue was 20% (-20%).

Revenue from Mobile search decreased by 21% to SEK 76 M (96). Organic revenue from Mobile search decreased by 20% (39%). Eniro has a strong market position in the mobile search channel. During the third quarter, 35% of total searches were performed in the mobile channel.

Revenue from Campaign products was essentially unchanged at SEK 51 M (53). Adjusted for divestments, organic revenue decreased by 1% (6%).

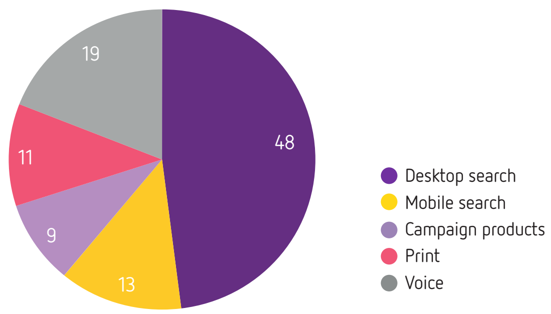
Print/Voice

Revenue from Print and Voice continued to decline during the third quarter as a result of the shift to digital search channels.

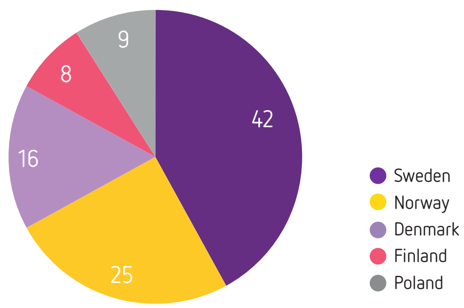
Revenue from Print decreased by 17% to SEK 64 M (77). During the third quarter, local directories accounted for 100% (93%) of Print revenue. Organic revenue from Print decreased by 8% (-36%).

Market volumes for directory information services continued to fall as a result of increased digitalization. Operating revenue for Voice decreased by 23% to SEK 114 M (149). Organic revenue decreased by 23% (-12%).

Group revenue per category Q3 2015, %



Group revenue per country Q3 2015, %



Earnings

EBITDA for the third quarter amounted to SEK 134 M (125). Earnings were affected by SEK -1 M (-41) in restructuring costs, SEK 0 M (-28) in costs for severance pay, and a net capital loss of SEK 0 M (-14). The margin was 22.6% (16.8%).

EBITDA for the Local search operating segment, which includes the Digital search and Print categories, amounted to SEK 102 M (76). The EBITDA margin was 21.3% (12.8%).

EBITDA for the Voice operating segment amounted to SEK 43 M (76). The EBITDA margin for Voice was 37.7% (51.0%).

Adjusted EBITDA for the Group as a whole, excluding restructuring costs and other items affecting comparability, was SEK 135 M (208). The adjusted EBITDA margin was 22.8% (28.0%).

Income for the third quarter amounted to SEK 38 M (-1,820). Income for the third quarter a year ago was charged with SEK -1,799 M in impairment losses.

Cost efficiency

Eniro continues its work on efficiency improvement. Total operating costs were SEK 150 M lower than in the corresponding quarter a year ago.

Cost savings adjusted for restructuring and third-party costs amounted to SEK 129 M (90). The savings consisted mainly of lower personnel and marketing costs.

Acquisitions/divestments

No acquisitions or divestments were made during the third quarter.

Depreciation/amortization and impairment

Amortization pertaining to the Gule Sider and Ditt Distrikt brands totaled SEK -22 M (-23). Amortization of the Voice brand 1888 totaled SEK -8 M (-9) for the quarter.

As a result of the weak order intake during the second quarter, impairment testing was conducted during the second quarter of the Group's intangible assets with indefinite life. Impairment losses for the quarter amounted to SEK 8 M (-1,799), where the positive effect for the quarter was attributable to a new, accumulated average exchange rate.

Revenue and result

SEK M	Jul-Sep 2015	Jul-Sep 2014	%	Oct-Sep 2014/15	Jan-Dec 2014
Operating revenue	593	744	-20	2,581	3,002
EBITDA	134	125	7	410	631
Adjusted EBITDA	135	208	-35	495	675
Net income	38	-1,820	102	-1,122	-1,662
Operating cash flow	12	-104	112	103	151
Operating cost	459	609	-25	2,168	2,428
Interest-bearing net debt	1,349	2,353	-43	1,349	2,208

Nine-month period 2015

Revenue and result

SEK M	Jan-Sep 2015	Jan-Sep 2014	%	Oct-Sep 2014/15	Jan-Dec 2014
Operating revenue	1,859	2,280	-18	2,581	3,002
EBITDA	276	497	-44	410	631
Adjusted EBITDA	335	515	-35	495	675
Net income	-1,174	-1,714	32	-1,122	-1,662
Operating cash flow	-31	17	-282	103	151
Operating cost	1,585	1,845	-14	2,168	2,428
Interest-bearing net debt	1,349	2,353	-43	1,349	2,208

Revenue

Total operating revenue decreased by 18% to SEK 1,859 M (2,280). Revenue decreased organically by 16% (-12%). Changed publication dates for directories and divestments had a negative impact on revenue by approximately SEK -41 M compared with the corresponding period a year ago, and currency effects were positive by SEK 8 M (17).

Digital search (formerly Multiscreen)

Digital search revenue (Desktop search, Mobile search and Campaign products) decreased by 17% to SEK 1,367 M (1,642). The organic decrease in revenue was 15% (-7%). Revenue from Desktop search decreased by 19% to SEK 945 M (1,162). The organic decrease in revenue was 17% (-19%). Revenue from Mobile search decreased by 13% to SEK 254 M (292). Organic revenue from Mobile search also decreased, by 13% (57%). Revenue from Campaign products decreased by 11% to SEK 168 M (188). Organic revenue from Campaign products decreased by 5% (21%) compared with the same period a year ago.

Print/Voice

Revenue from Print amounted to SEK 139 M (197) during the first nine months of 2015, a decrease of 29%. Organic revenue from Print decreased by 12% (-29%). Revenue for Voice decreased by 20% to SEK 353 M (441). Organic revenue from Voice decreased by 20% (-18%).

Earnings

EBITDA for the first nine months amounted to SEK 276 M (497). Earnings were negatively affected by SEK -47 M (-44) in restructuring costs and SEK -12 M (-28) in costs for severance pay. Earnings for the comparison period included net capital gains of SEK 54 M. Total nonrecurring items amounted to SEK -59 M (-18). The EBITDA margin was 14.8% (21.8%).

EBITDA for the Local search operating segment, which includes the Digital search and Print categories, amounted to SEK 211 M (368). The EBITDA margin was 14.0% (20.0%).

EBITDA for the Voice operating segment amounted to SEK 134 M (187). The EBITDA margin for Voice was 38.0% (42.4%).

Adjusted EBITDA for the Group, excluding restructuring costs and other items affecting comparability, was SEK 335 M (515). The adjusted EBITDA margin was 18.0% (22.6%).

Income for the first nine months of the year amounted to SEK -1,174 M (-1,714), mainly owing to SEK -1,140 M (-1,799) in impairment losses.

Cost efficiency

Total operating costs were SEK 260 M lower than during the corresponding period a year ago. Cost savings adjusted for restructuring and third-party costs totaled SEK 319 M (209). The savings consisted mainly of lower personnel costs.

Acquisitions/divestments

No acquisitions or divestments were made during the first nine months of the year.

Depreciation/amortization and impairment

Amortization pertaining to the Gule Sider and Ditt Distrikt brands totaled SEK -68 M (-69) during the nine-month period. During the same period, amortization of the Voice brand 1888 totaled SEK -26 M (-27).

As a result of weak order intake during the second quarter, impairment testing was conducted during the second quarter of the Group's intangible assets with indefinite life. At the end of the third quarter there were no indications of a need to recognize impairment. Impairment testing during the year resulted in impairment of goodwill totaling SEK -1,101 M (0), of which SEK -636 M (-1,237) is attributable to Local search in Norway, SEK -360 M (0) to Voice in Sweden, and SEK -105 M (0) to Voice in Finland. In addition, earnings for the period were charged with impairment losses totaling SEK -39 M (0) for development projects in progress.

You can now see live traffic information in our Nordic web apps

Revenue by category and operating segments

SEK M	Jul-Sep 2015	Jul-Sep 2014	%	Jan-Sep 2015	Jan-Sep 2014	%	Oct-Sep 2014/15	Jan-Dec 2014
Desktop search	288	369	-22	945	1,162	-19	1,267	1,484
Mobile search	76	96	-21	254	292	-13	347	385
Campaign products	51	53	-4	168	188	-11	245	265
Digital search	***415***	***518***	***-20***	***1,367***	***1,642***	***-17***	***1,859***	***2,134***
Print	64	77	-17	139	197	-29	237	295
Local search	**479**	**595**	**-19**	**1,506**	**1,839**	**-18**	**2,096**	**2,429**
Voice	114	149	-23	353	441	-20	485	573
Total revenue	**593**	**744**	**-20**	**1,859**	**2,280**	**-18**	**2,581**	**3,002**

Organic revenue change by category

%	Jul-Sep 2015	Jul-Sep 2014	Jan-Sep 2015	Jan-Sep 2014	Oct-Sep 2014/15	Jan-Dec 2014
Desktop search	-20	-20	-17	-19	n.a.	-19
Mobile search	-20	39	-13	57	n.a.	39
Campaign products	-1	6	-5	21	n.a.	22
Digital search	***-18***	***-10***	***-15***	***-7***	***n.a.***	***-8***
Print	-8	-36	-12	-29	n.a.	-33
Local search	**-17**	**-15**	**-15**	**-11**	**n.a.**	**-12**
Voice	-23	-12	-20	-18	n.a.	-18
Total organic development	**-18**	**-14**	**-16**	**-12**	**n.a.**	**-13**

Revenue by country

SEK M	Jul-Sep 2015	Jul-Sep 2014	%	Jan-Sep 2015	Jan-Sep 2014	%	Oct-Sep 2014/15	Jan-Dec 2014
Sweden	249	326	-24	799	1,028	-22	1,096	1,325
Norway[1)]	151	191	-21	496	614	-19	691	809
Denmark[1)]	94	126	-25	265	343	-23	392	470
Finland	46	49	-6	134	138	-3	181	185
Poland	53	52	2	165	157	5	221	213
Total revenue	**593**	**744**	**-20**	**1,859**	**2,280**	**-18**	**2,581**	**3,002**

1) The comparative year includes revenues from divested operations of SEK 29 M in Norway and SEK 7 M in Denmark (where of M 28 SEK and M 8 SEK respectively during first halfyear).

EBITDA by operating segments

SEK M	Jul-Sep 2015	Jul-Sep 2014	%	Jan-Sep 2015	Jan-Sep 2014	%	Oct-Sep 2014/15	Jan-Dec 2014
Local search	102	76	34	211	368	-43	317	474
Voice	43	76	-43	134	187	-28	184	237
Other	-11	-27	59	-69	-58	-19	-91	-80
Total EBITDA	**134**	**125**	**7**	**276**	**497**	**-44**	**410**	**631**
Items affecting comparability								
Restructuring costs	1	41		47	44		66	63
Other items affecting comparability	0	42		12	-26		19	-19
Total adjusted EBITDA	**135**	**208**	**-35**	**335**	**515**	**-35**	**495**	**675**

Earnings and cash flow for the nine-month period 2015, and financial position

Other earnings items

Operating income for the first nine months amounted to SEK -1,057 M (-1,506). Net financial items amounted to SEK -98 M (-157). Exchange rate differences had a positive impact on net financial items by SEK 15 M (-37). Income before tax was SEK -1,155 M (-1,663) for the period. Earnings per common share before dilution were SEK -4.51 (-17.49).

Taxes

The reported tax cost for the first nine months was SEK -19 M (-51). The effective tax rate was 1.6% (3.1%).

Eniro's taxes are paid primarily in the first half of the year. Accordingly, paid taxes are low during the second half of the year. As a result of substantial tax-loss carry forwards in Sweden, Denmark and Finland, Eniro is expected to have low tax payments in the years immediately ahead.

Investments

Eniro's net investments in operations totaled SEK 64 M (104) during the first nine months of the year.

Cash flow

Operating cash flow amounted to SEK -31 M (17) for the first nine months of 2015. Compared with the same period in 2014, operating cash flow was negatively affected primarily by lower underlying income before depreciation, amortization and impairment losses at the same time that a smaller negative change in working capital had a positive effect. In addition, operating cash flow was positively affected compared with the same period a year ago by lower investments in non-current assets, totaling SEK -64 M (-104). The change in working capital was SEK -83 M (-197) for the first nine months of the year.

Cash flow from financing activities totaled SEK 56 M (-144) and was positively affected by the new issue and issuance of the convertible loan, totaling SEK 933 M. The proceeds from the new issue are reported in the cash flow statement net after deducting SEK -28 M in transaction costs. During the first half of the year, amortization of bank loans totaled SEK 813 M, of which SEK 670 M pertained to a lump-sum amortization in connection with the renegotiated loan agreement.

Financial position

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 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 will amount to approximately SEK 150 M, and the first semi-annual payment was made in June. Annual amortization during the years 2016–2018 will amount to approximately SEK 175 M (semi-annual payment).

As per September 30, the Group's outstanding debt under existing credit facilities amounts to NOK 233 M, DKK 47 M, and SEK 1,309 M. At the end of the period Eniro had an unutilized credit facility of SEK 104 M. Cash and cash equivalents, and unutilized credit facilities, totaled SEK 187 M.

In accordance with IFRS, initially SEK 380 M of the convertible loan was reported as debt and SEK 95 M as equity. As per September 30, 101 convertibles have been converted to shares, which corresponds to 20% of the original convertible loan of nominal SEK 500 M. Thus the nominal value of the convertible loan was SEK 399 M as per September 30. As per September 30, the convertible loan in the balance sheet is reported to SEK 312 M (0).

The Group's interest-bearing net debt, excluding the convertible loan, amounted to SEK 1,349 M (2,353) as per September 30, 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 3.3 as per September 30, 2015, compared with 3.6 on September 30, 2014.

Eniro has credit insurance with PRI Pensionsgaranti (PRI) which remains in force through 2015. Eniro has pledged bank funds for future obligations (a so-called enhanced pension guarantee). In March 2015 Eniro pledged an additional SEK 10 M, entailing that total pledged funds amount to SEK 133 M including the return.

Shares and treasury shares

Eniro has two classes of stock: common shares and preference shares. As a result of the new issue, the number of common shares increased by 305,642,220 in April. Since issuance of the convertible bonds, the number of common shares has increased by 51,794,865 through conversion of 101 convertibles. As per September 30, 2015, the total number of shares is 460,317,825, of which 459,317,825 are common shares and 1,000,000 are preference shares. The total number of votes as per September 30 is 459,417,825, of which common shares corresponded to 459,317,825 votes and preference shares to 100,000 votes.

Upon full dilution resulting from conversion to shares, the number of shares will amount to a maximum of 664,933,216.

Eniro held 1,703,266 treasury shares on September 30, 2015. The average holding of treasury shares during the period was 1,703,266.

Other information

Nomination Committee
In accordance with a resolution by the 2015 Annual General Meeting, a nomination committee has been appointed.
The Nomination Committee for the 2016 Annual General Meeting is composed of Pehr-Olof Malmström, Danske Capital AB; Staffan Persson, Zimbrine Holding BV; Sebastian Jahreskog, own shares and via company; Jesper Bonnivier, Länsförsäkringar Fondförvaltning AB and Lars-Johan Jarnheimer, Chairman of the Board of Eniro.

The Nomination Committee appointed Pehr-Olof Malmström as committee chair. Shareholders who wish to submit nominations to the Nomination Committee may do so by e-mail at nominationcommittee@eniro.com by December 15, 2015, at the latest.

Dividend policy
The company gives priority to lowering net debt above paying dividends.
The 2015 Annual General Meeting approved, in accordance with the Board's recommendation, a dividend for preference shares for 2015/16 of SEK 48 per share, for a total dividend of SEK 48 M. The dividend will be paid in three month intervals. The record dates for payment of the dividend are October 30, 2015, and January 29, 2016.

Publication dates
Revenues from sales of printed directors are recognized when the various directories are published. Changed publication dates can therefore affect comparisons. The table below shows the planned distribution among quarters and markets in 2015. The net effect on operating revenue in 2015 compared with 2014 is expected to be negative, by SEK -36 M. As a result of the structural decline in the market for printed products, revenue for these directories will be lower in 2015.

Changed publication 2015 compared with 2014

SEK M	Q1	Q2	Q3	Q4	2015
Sweden	-9	-11	-9	3	-26
Norway	-4	3	-2	-3	-6
Denmark	-12	1	2	5	-4
Poland	0	0	0	0	0
Total effect	**-25**	**-7**	**-9**	**5**	**-36**

Full time employees end of period

	Sep. 30 2015	Sep. 30 2014
Sweden including Other	498	667
Norway	247	437
Denmark	230	340
Poland	681	734
Local search incl. Other	**1,656**	**2,178**
Sweden	133	162
Norway	32	44
Finland	149	170
Voice	**314**	**376**
Total Group	**1,970**	**2,554**

Disclosure

The information in this interim report is such that Eniro AB (publ) is obligated to disclose pursuant to the Securities Market Act.

This information was submitted for publication at 8.00 a.m. CET on October 29, 2015.

Solna, October 29, 2015

Stefan Kercza
President & CEO

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PRESS AND ANALYST CONFERENCE

Conference call/webcast
Thursday October 29, 2015
10:00 a.m

Webcast:
financialhearings.nu/151029/eniro

Sweden: +46 (0) 8 566 426 64
UK: +44 (0) 20 342 814 09

FINANCIAL CALENDAR 2016

Year-end report 2015	Feb. 9, 2016
Interim report Jan-March 2016	Apr 27, 2016
Annual General Meeting	Apr. 27, 2016
Interim report Jan-June 2016	Jul. 15, 2016
Interim report Jan-Sept 2016	Oct. 28, 2016

Auditor's review report of interim financial information

Auditor's review report of interim financial information in summary (interim report) prepared in accordance with IAS 34 and Ch. 9 of the Swedish Annual Accounts Act

Introduction

We have reviewed the condensed interim financial information (interim report) of ABC Entity as of 30 September 201x and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, October 29, 2015
PricewaterhouseCoopers AB

Mikael Eriksson
Authorized Public Accountant
Auditor in charge

Consolidated Income Statement

SEK M	Jul-Sep 2015	Jul-Sep 2014	Jan-Sep 2015	Jan-Sep 2014	Oct-Sep 2014/15	Jan-Dec 2014
Gross operating revenue	594	744	1,860	2,282	2,583	3,005
Advertising tax	-1	0	-1	-2	-2	-3
Operating revenue	**593**	**744**	**1,859**	**2,280**	**2,581**	**3,002**
Production costs	-127	-169	-417	-548	-589	-720
Sales costs	-188	-259	-670	-791	-934	-1,055
Marketing costs	-59	-62	-196	-201	-268	-273
Administration costs	-95	-132	-311	-338	-416	-443
Product development costs	-53	-59	-184	-171	-219	-206
Other income/costs	0	-10	2	62	-3	57
Impairment of non-current assets	8	-1,799	-1,140	-1,799	-1,144	-1,803
Operating income**	**79**	**-1,746**	**-1,057**	**-1,506**	**-992**	**-1,441**
Financial items, net	-28	-57	-98	-157	-94	-153
Income before tax	**51**	**-1,803**	**-1,155**	**-1,663**	**-1,086**	**-1,594**
Income tax	-13	-17	-19	-51	-36	-68
Net income	**38**	**-1,820**	**-1,174**	**-1,714**	**-1,122**	**-1,662**
Of which, attributable to:						
Owners of the Parent Company	38	-1,820	-1,174	-1,716	-1,122	-1,664
Non-controlling interests	0	0	0	2	0	2
Net Income	**38**	**-1,820**	**-1,174**	**-1,714**	**-1,122**	**-1,662**

Earnings per common share before dilution, SEK	0.06	-18.29	-4.51	-17.49	-5.17	-17.09
Earnings per common share after dilution, SEK	0.04	-	-2.56	-	-2.72	-
Average number of common shares before dilution, thousanc	441,717	100,177	268,298	100,177	226,268	100,177
Average number of common shares after dilution, thousands	646,333	-	472,913	-	430,883	-
Preference shares on closing date, thousands	1,000	1,000	1,000	1,000	1,000	1,000
Preference dividends on cumulative preference shares declared in the period	-12	-12	-36	-36	-48	-48
Net income used for calculating earnings per common share	26	-1,832	-1,210	-1,752	-1,170	-1,712
EBITDA	134	125	276	497	410	631
Operating cost	-459	-609	-1,585	-1,845	-2,168	-2,428
** Includes depreciation of	-5	-6	-14	-17	-19	-22
** Includes amortization of	-58	-66	-179	-187	-239	-247
** Includes impairment losses of	8	-1,799	-1,140	-1,799	-1,144	-1,803
Total	-55	-1871	-1,333	-2,003	-1,402	-2,072

Consolidated statement of comprehensive income

SEK M	Jul-Sep 2015	Jul-Sep 2014	Jan-Sep 2015	Jan-Sep 2014	Oct-Sep 2014/15	Jan-Dec 2014
Net income	**38**	**-1,820**	**-1,174**	**-1,714**	**-1,122**	**-1,662**
Other comprehensive income						
Items that cannot be reclassified to income statement						
Revaluation of pension obligations	74	-226	107	-211	21	-297
Tax attributable to revaluation pension obligations	-17	49	-24	46	-5	65
Total	**57**	**-177**	**83**	**-165**	**16**	**-232**
Items that have been or can be reclassified to the income statement						
Exchange rate differences	-70	55	-97	227	-239	85
Hedge of net investments	16	-11	10	-32	36	-6
Tax attributable to hedge of net investments	-3	2	-2	7	-8	1
Total	**-57**	**46**	**-89**	**202**	**-211**	**80**
Other comprehensive income, net after tax	***0***	***-131***	***-6***	***37***	***-195***	***-152***
Total comprehensive income	**38**	**-1,951**	**-1,180**	**-1,677**	**-1,317**	**-1,814**
Of which, attributable to:						
Owners of the Parent Company	41	-1,953	-1,177	-1,681	-1,309	-1,813
Non-controlling interests	-2	2	-3	4	-8	-1
Total comprehensive income	**39**	**-1,951**	**-1,180**	**-1,677**	**-1,317**	**-1,814**

Consolidated balance sheet

SEK M	Sep. 30 2015	Sep. 30 2014	Dec. 31 2014
Assets			
Non-current assets			
Tangible assets	22	27	21
Intangible assets	3,743	5,264	5,108
Deferred tax assets	144	235	210
Financial assets	180	172	173
Total non-current assets	**4,089**	**5,698**	**5,512**
Current assets			
Accounts receivable - trade	291	378	353
Current tax assets	17	4	6
Other current receivables	175	273	244
Other interest-bearing receivables	0	1	3
Cash and cash equivalents	83	50	58
Total current assets	**566**	**706**	**664**
TOTAL ASSETS	**4,655**	**6,404**	**6,176**
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	461	309	309
Additional paid in capital	5,506	5,125	5,125
Reserves	-363	-160	-277
Retained earnings	-4,506	-3,405	-3,420
Shareholders' equity, owners of the Parent Company	**1,098**	**1,869**	**1,737**
Non-controlling interests	46	65	60
Total Shareholders' equity	**1,144**	**1,934**	**1,797**
Non-current liabilities			
Borrowing	1,386	1,964	1,767
Convertible bond	312	-	-
Deferred tax liabilities	223	250	247
Pension obligations	508	515	601
Provisions	5	5	5
Other non-current liabilities	0	0	-
Total non-current liabilities	**2,434**	**2,734**	**2,620**
Current liabilities			
Accounts payable - trade	67	145	97
Current tax liabilities	0	33	31
Prepaid revenues	512	545	583
Other current liabilities	289	394	369
Provisions	30	57	54
Borrowing	179	562	625
Total current liabilities	**1,077**	**1,736**	**1,759**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**4,655**	**6,404**	**6,176**

Interest-bearing net debt

SEK M	Sep. 30 2015	Sep. 30 2014	Dec. 31 2014
Borrowing	-1,565	-2,526	-2,392
Other current interest-bearing receivables	0	1	3
Other non-current interest-bearing receivables**	133	122	123
Cash and cash equivalents	83	50	58
Interest-bearing net debt	**-1,349**	**-2,353**	**-2,208**

**Included in financial assets

Consolidated statement of changes in equity

SEK M	Share Capital	Additional paid in capital	Reserves	Retained earnings	Total equity, owners of the Parent Company	Non-controlling interest	Total equity
Opening balance, January 1, 2014*	**309**	**5,125**	**-360**	**-1,476**	**3,598**	**68**	**3,666**
Total comprehensive income	-	-	200	-1,881	-1,681	4	**-1,677**
Dividend on preference shares	-	-	-	-48	-48	-	**-48**
Dividend non-controlling interest	-	-	-	-	-	-7	**-7**
Closing balance, September 30, 2014	**309**	**5,125**	**-160**	**-3,405**	**1,869**	**65**	**1,934**
Opening balance, January 1, 2014*	**309**	**5,125**	**-360**	**-1,476**	**3,598**	**68**	**3,666**
Total comprehensive income	-	-	83	-1,896	-1,813	-1	**-1,814**
Dividend on preference shares	-	-	-	-48	-48	-	**-48**
Dividend non-controlling interest	-	-	-	-	-	-7	**-7**
Closing balance, December 31, 2014	**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**
Total comprehensive income	-	-	-86	-1,091	-1,177	-3	**-1,180**
Reduction of share capital	-257	-	-	257	0	-	**0**
Rights issue	153	278	-	-	431	-	**431**
Bonus issue	204	-	-	-204	0	-	**0**
Convertible bond - equity part	-	72	-	-	72	-	**72**
Conversion of convertible bonds	52	31	-	-	83	-	**83**
Dividend on preference shares	-	-	-	-48	-48	-	**-48**
Dividend non-controlling interest	-	-	-	-	-	-11	**-11**
Closing balance, September 30, 2015	**461**	**5,506**	**-363**	**-4,506**	**1,098**	**46**	**1,144**

* Retrospective restatement of financial statements in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Key ratios

	Sep. 30 2015	Sep. 30 2014	Dec. 31 2014
Equity, average 12 months, SEK M	1,485	3,488	3,021
Return on equity (ROE), 12 months, %	-75.6	-51.4	-55.1
Return on Assets (ROA), 12 months, %	-17.0	-20.4	-19.6
Earnings per common share before dilution, SEK	-4.51	-17.49	-17.09
Earnings per common share after dilution, SEK	-2.56	-	-
Adjusted earning per common share (non-IFRS), excl. items affecting comparability and PPA related depr/amort	-0.01	1.02	2.02
Interest-bearing net debt, SEK M	-1,349	-2,353	-2,208
Debt/equity ratio, times	1.18	1.22	1.23
Equity/assets ratio, %	25	30	29
Interest-bearing net debt/EBITDA 12 months, times	3.3	3.6	3.5
Interest-bearing net debt/adjusted EBITDA, times	2.7	3.2	3.3
Average number full-time employees YTD	2,113	2,685	2,536
Number of full-time employees on closing date	1,970	2,554	2,256
Number of common shares before dilution on closing date after deduction of treasury shares, 000s	457,615	100,177	100,177
Number of common shares after dilution on closing date after deduction of treasury shares, 000s	662,230	-	-
Number of preference shares on closing date, 000s	1,000	1,000	1,000

Key ratios per share

	Sep. 30 2015	Sep. 30 2014	Dec. 31 2014
Equity per share, SEK	2.39	18.47	17.17
Share price for common shares at end of period before dilution, SEK	-	10.51	7.23
Share price for common shares at end of period after dilution, SEK	0.78	5.04*	3.47*

* Share price at end of period adjusted for new issue of shares

Consolidated statement of cash flows

SEK M	Jul-Sep 2015	Jul-Sep 2014	Jan-Sep 2015	Jan-Sep 2014	Oct-Sep 2014/15	Jan-Dec 2014
Operating income	**79**	**-1,746**	**-1,057**	**-1,506**	**-992**	**-1,441**
Adjustments for						
Depreciation, amortization and impairment	55	1,871	1,333	2,003	1,402	2,072
Capital gain/loss and other non-cash items	-12	41	-19	-53	-22	-56
Financial items, net	-31	-34	-123	-104	-145	-126
Income tax paid	0	0	-18	-22	-18	-22
Cash flow from operating activities before changes in working capital	**91**	**132**	**116**	**318**	**225**	**427**
Changes in working capital	-62	-206	-83	-197	-25	-139
Cash flow from operating activities	**29**	**-74**	**33**	**121**	**200**	**288**
Acquisitions/divestments of Group companies and other assets	0	12	5	61	6	62
Investments in non-current assets, net	-17	-30	-64	-104	-97	-137
Cash flow from investing activities	**-17**	**-18**	**-59**	**-43**	**-91**	**-75**
Proceeds from borrowings	9	23	21	95	3	77
Repayment of borrowings	0	0	-813	-186	-910	-283
Long-term investments	0	0	-10	-10	-10	-10
Dividend on preference shares	-12	-12	-36	-36	-48	-48
Dividend non controlling interests	-4	0	-11	-7	-11	-7
Rights issue	-	-	430	-	430	-
Convertible bonds	-	-	475	-	475	-
Cash flow from financing activities	**-7**	**11**	**56**	**-144**	**-71**	**-271**
Cash flow for the period	**5**	**-81**	**30**	**-66**	**38**	**-58**
Cash and cash equivalents at start of period	**82**	**131**	**58**	**113**	**50**	**113**
Cash flow for the period	5	-81	30	-66	38	-58
Exchange rate differences in cash and cash equivalents	-4	0	-5	3	-5	3
Cash and cash equivalents at end of period	**83**	**50**	**83**	**50**	**83**	**58**

Analysis of interest-bearing net debt excluding convertible bond

SEK M	Jul-Sep 2015	Jul-Sep 2014	Jan-Sep 2015	Jan-Sep 2014	Oct-Sep 2014/15	Jan-Dec 2014
Opening balance	**-1,345**	**-2,232**	**-2,208**	**-2,340**	**-2,353**	**-2,340**
Operating cash flow	12	-104	-31	17	103	151
Acquisitions and divestments	0	12	5	61	6	62
Rights & convertible bond issue	-	-	905	-	905	-
Translation differences and other changes	-16	-29	-20	-91	-10	-81
Closing balance	**-1,349**	**-2,353**	**-1,349**	**-2,353**	**-1,349**	**-2,208**
Net debt/EBITDA, times	**3.3**	**3.6**	**3.3**	**3.6**	**3.3**	**3.5**

Parent Company

Income statement

SEK M	Jan-Sep 2015	Jan-Sep 2014	Jan-Dec 2014
Revenue	26	28	35
Income before tax	-1,076	-2,571	-2,705
Net Income for the period	-1,043	-2,539	-2,734

Balance sheet

SEK M	Sep. 30 2015	Sep. 30 2014	Dec. 31 2014
Non-current assets	4,691	6,110	5,636
Current assets	56	1,901	2,214
TOTAL ASSETS	**4,747**	**8,011**	**7,850**
Shareholders' equity	2,492	3,193	2,999
Provisions	74	66	71
Non-current liabilities	2,123	4,672	4,672
Current liabilities	58	80	108
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**4,747**	**8,011**	**7,850**

Eniro AB has written down shares in subsidaries with SEK 988 M (2,457) during Q3. In 2014 an additional write down of SEK 420 M was carried out in Q4.

Notes to the consolidated accounts

Note 1 Accounting policies as from 2015

This interim report has been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations, as endorsed by the European Union (EU). A detailed description of the accounting policies applied by Eniro can be found in the 2014 Annual Report, Note 1, with the exception of the policy for recognizing revenue for sales of websites, which has been changed as from 2015, and the policy for reporting convertible loans. The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting

REVENUE FROM SALES OF WEBSITES

Revenue from sales of websites is recognized in its entirety on a linear basis over the subscription period, in contrast with the previous policy in which a portion was recognized upon delivery of the website to the customer. The reason for the change is that websites are no longer delivered to customers and cannot be hosted by any other party than Eniro.

REPORTING OF CONVERTIBLE LOAN

According to IFRS, a convertible loan 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 liability to common shares in Eniro. Holders of the instrument are entitled to a 6% coupon.

This means that the convertible loan is initially recognized as a liability and an equity instrument. The liability is recognized initially at fair value, which entails that the liability is discounted to present value using an effective interest rate that is to reflect the market interest rate. Eniro has applied an effective rate of 13%. The equity instrument is initially valued as the difference between the proceeds received and the fair value of the liability. Over time, the effective interest will be charged against income and increase the liability, until the liability equals the nominal value at the final due date of the loan. Upon conversion to common shares, the liability and equity instrument will decrease by the proportional portion of the loan that is converted.

Note 2 Risks and uncertainties

Eniro conducts risk analysis in an annual Enterprise Risk Management process, covering all parts of the business operations.

A detailed description of factors that could affect Eniro's business operations, financial position and earnings is provided on pages 34-37 of the 2014 Annual Report. The principal risks and uncertainties that were considered to have a potential impact on the Group's performance in 2014 were related to low employer branding, high personnel turnover in the sales organization, limitations posed by the terms of existing loan agreements, greater competition from global actors in local search, and a decrease in traffic in the Desktop search and Mobile search channels.

Note 3 Goodwill

Goodwill SEK M	Sep. 30 2015	Sep. 30 2014	Dec. 31 2014
At start of year	4,051	5,763	5,763
Divestments and disposals	-	-	-11
Impariment loss for the year	-1,101	-1,793	-1,781
Exchange rate difference	-63	163	80
Carrying amount	**2,887**	**4,133**	**4,051**

IMPAIRMENT TESTING OF GOODWILL AND TRADEMARKS WITH INDEFINITE USEFUL LIFE

As a result of the weak order intake during the second quarter, impairment testing was conducted of the Group's intangible assets with indefinite useful life as per June 30. As per September 30, there are no indications of a need to recognize further impairment.

Impairment testing is performed to determine if a need to recognize impairment exists by comparing the carrying amount of the cash-generating unit, including goodwill and other Group surplus value, with the recoverable value. If the carrying amount exceeds the recoverable value, the carrying amount is written down to the recoverable value.

Eniro's smallest cash-generating units are operating segments per country, i.e., Local search and Voice, which correspond to the monitoring that is conducted in both internal and external reporting. The recoverable value consists of value in use. A discount rate has been set for the respective cash-generating units

The impairment testing indicated a need to recognize SEK 1,101 M (1,793) in goodwill impairment. Of the impairment, SEK 636 M (1,231) pertained to Local search and SEK 465 M (562) to Voice. The impairment of Local search pertains mainly to impairment of goodwill attributable to the acquisition of the Norwegian company Findexa in 2005. Of the goodwill impairment in Voice, SEK 360 M pertains to Sweden and SEK 105 M to Finland. The impairment losses differs slightly in the third quarter compared with the second quarter as a result of translation to a new, accumulated average exchange rate.

Discount rate after tax by cash generating unit, %	Jun. 30 2015	Sep. 30 2014
Sweden, Local search och Voice	9.40	8.25
Norway, Local search och Voice	9.25	8.93
Denmark, Local search	9.31	7.86
Poland, Local search	10.75	10.29
Finland, Voice	9.46	8.25

Note 4 Financial instruments by category

Assets on the balance sheet SEK M	Sep. 30 2015	Sep. 30 2014	Dec. 31 2014
Loans and accounts receivables			
Interest-bearing receivables and blocked bank funds	133	122	123
Accounts receivable - trade and other receivables	309	391	376
Cash and cash equivalents	83	50	58
TOTAL	**525**	**563**	**557**

Liabilities on the balance sheet SEK M	Sep. 30 2015	Sep. 30 2014	Dec. 31 2014
Other financial liabilities			
Borrowing	1,565	2,526	2,392
Convertible bond	312	-	-
Accounts payable - trade	67	145	97
TOTAL	**1,944**	**2,671**	**2,489**

Financial definitions

Adjusted earnings per common share (non-IFRS)
Net income per share adjusted for items affecting comparability, acquisition-related depreciation/amortization and impairment losses, and other acquisition-related adjustments.

Adjusted EBITDA
EBITDA excluding restructuring costs and other items affecting comparability.

Average number of common shares after dilution
The average number of common shares adjusted for full conversion of all potential common shares through the convertible loan.

Average number of common shares before dilution
Calculated as the average number of common shares outstanding on a daily basis, excluding treasury shares.

Average number of full-time employees
Calculated as the number of full-time employees at the start of the period plus the number at the end of the period, divided by two.

Average shareholders' equity
Calculated as average shareholders' equity attributable to owners of the Parent Company per quarter, based on the opening and closing balance per quarter.

Average total assets
Total assets for the four most recent quarters, divided by four.

Debt/equity ratio
Interest-bearing net debt divided by shareholders' equity including non-controlling interests.

Earnings per common share for the period, before dilution
Income for the period attributable to owners of the Parent Company less the set dividend on preference shares for the period, divided by the average number of common shares before dilution.

Earnings per share after dilution
Income for the period attributable to owners of the Parent Company plus interest expense after tax pertaining to the convertible loan, in relation to the average number of shares after full conversion.

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 the balance sheet total.

Equity per share
Shareholders' equity attributable to owners of the Parent Company divided by the number of shares at the end of the period after redemptions and repurchases. Excluding treasury shares.

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, 12 months.

Operating cash flow
Cash flow from operating activities and cash flow from investing activities excluding company acquisitions/divestments.

Operating income
Operating income after depreciation, amortization and impairment losses.

Organic growth
The change in operating revenue for the period adjusted for currency effects, changed publication dates, acquisitions and divestments.

Return on equity (%)
Net income divided by average shareholders' equity attributable to owners of the Parent Company.

Return on total assets (%)
Moving 12-month operating income and financial income divided by the average total assets.

Total operating costs
Production, sales, marketing, administrative and product development costs excluding depreciation, amortization and impairment losses.