TERACOM GROUP

plus TV BOXER TERACOM

Interim Report January - June 2011

Q2

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APRIL - JUNE 2011 IN SUMMARY

* Income 997 (960) MSEK
* Operating profit SEK 93 (29) million
* Net income SEK 49 (-9) million
* Return on equity 3 (0) percent
* Equity ratio 30 (38) percent
* Earnings per share, before and after dilution, SEK 196 (-36)

JANUARY - JUNE 2011 IN SUMMARY

* Income 1 960 (1 880) MSEK
* Operating profit SEK 160 (72) million
* Net income SEK 57 (-9) million
* Return on equity 3 (0) percent
* Equity ratio 30 (38) percent
* Earnings per share, before and after dilution, SEK 228 (-36)

COMMENTS FROM THE PRESIDENT AND CEO OF TERACOM

Income and operating profit have both improved, compared to the previous quarter as well as to the same quarter last year. The Swedish operations are quite stable, whereas the business in Denmark is in a growth phase, which is due to the acquisition of Teracom Denmark, as well as the growth of Boxer Denmark. Denmark is the Group's growth market. It has stable network operations and Pay-TV operations that are in the start-up phase. There is a great deal of potential, but large investments are still required before there will be a transition from reported losses to profits. Boxer Denmark has a steadily increasing customer base and its reputation in the Danish market is also improving. The Danish Consumer Council's magazine, TÆNK, recently listed Boxer as the "best buy" and efforts are underway to raise awareness of the diversity that exists in the Pay-TV offering. For example, Boxer's Pay-TV channels were made available on a wide scale, free-to-air, during the Easter holiday, which increased the interest in Pay-TV.

In Sweden, Teracom is continuing its efforts to expand HDTV broadcasts and we are pleased to see that the local media has given good attention to HDTV's launch in their own region. The terrestrial network and Boxer is still the only platform that is able to offer all of Sweden's major TV channels in HDTV. A growing portion of Boxer's customers are subscribing to HDTV and additional sales to existing customers along with streamlining measures explain the stable performance. However, Boxer has lately been losing customers and for this reason, a great deal of effort is being made to strengthen the attractiveness of Boxer's offering. As the popular Pay-TV operator, it is important that Boxer really reaches out to a mass market.

We are very happy to have reached an agreement on regionalization for a number of major TV channels. With up to 30 regions, the commercial channels will be able to make greater strides in their efforts to offer TV commercials to local advertisers. In this market, the local newspapers have essentially enjoyed monopoly status. This strengthens the channels and demonstrates the terrestrial network's flexibility and power.

The situation in Finland presents certain challenges. The terrestrial network remains strong, with a very large share of Finnish viewers. However, the demand for Pay-TV is weak. Finnish households still largely only associate Pay-TV with individual sports events and demand fell once the hockey season ended. Work is underway to strengthen PlusTV's offering and of course, both HDTV and Video On Demand are included in the plan. However, we should not expect any significant change in demand until the relationship between free TV and Pay-TV becomes more similar to how it is in the rest of the Nordic region.

On 1 June, we created a more transparent and simple structure for the Group when Teracom Group AB was established. A holding company has been set up for the Group-wide functions, which means that the legal structure now corresponds to the business structure. This provides a clearer picture of the companies' operations, which is fully in line with the Swedish Government's goal of its businesses being transparent to the country's citizens, who are the ultimate owners.

Crister Fritzson

President of Teracom AB

SIGNIFICANT EVENTS JANUARY – JUNE 2011

- Teracom Sweden is able to offer program companies the option of purchasing broadcasting of commercials or programs in up to 30 different regions. During the period, new agreements were signed with several major program companies.
- In the Swedish terrestrial network, the expansion of HDTV broadcasts has continued, encompassing 24 additional transmitter stations.
- In April, Boxer Sweden lowered the price of 8 Mbit/s broadband for Boxer customers to SEK 199 per month, which is one of the lowest prices available on the market and it is approximately SEK 100 lower than what Boxer's customers could obtain from the major telecommunications operators.
- During Easter, Boxer Denmark made 28 channels available to the entire country free-of-charge in order to demonstrate the diversity of its offering.
- 3DTV was launched on 4 April in a Nordic terrestrial network when Canal+ broadcast the AIK-Djurgården football game in 3D.
- The Swedish Radio and TV Authority has stated that it will be distributing DAB+ licenses during the year as part of its strategy for digital radio.
- On 1 June, Teracom Group AB was set up. It is the Parent Company for the Group and in conjunction with this, there is now a transparent legal structure corresponding to the business structure.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- Andrea Gisle Joosen began working on 8 August as the new President of Boxer Sweden. Most recently, she has been employed as the President of Panasonic Nordic.

FINANCIAL OVERVIEW

The Group

MSEK	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Income	997	963	1040	932	960	920
Operating profit/loss	93	67	107	114	29	43
Operating margin	9%	7%	10%	12%	3%	5%
Profit/loss after financial items	81	43	111	107	31	32
Equity ratio	30%	31%	31%	29%	38%	41%
Cash flow	-124	-9	153	145	23	-20

FINANCIAL OVERVIEW

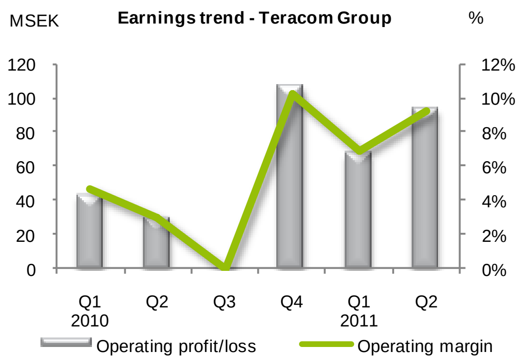
Income and profits

Second Quarter 2011

The Group reported income of SEK 997 (960) million for the second quarter of 2011, which is an increase of 4 percent. The improvement in income was primarily associated with the Danish network operations of Teracom Denmark (acquired on 30 September 2010) having reported income from external sources of SEK 46 million during the second quarter. Boxer Denmark's operations are in the start-up phase and have thus reported increased income. For Boxer Sweden, there was a negative impact on income for the quarter equal to SEK 25 million due to the transition from semi-annual billing to monthly billing of card fees. In conjunction with this transition, revenue is now recognized in a slightly different way. However, this is just a change in how accruals are made, which will even out between 2011 and 2012.

Operating profit for the second quarter of 2011 significantly improved compared to the same quarter in 2010 and was SEK 93 (29) million. The Danish business, which did not belong to the Group during the second quarter of last year, contributed to the improvement in performance. Translation of the losses in Finland and Denmark resulted in a positive impact on profits of slightly more than SEK 6 million.

Profit after financial items was SEK 81 (31) million. Net financial items for the second quarter of 2011 amounted to SEK -12 (2) million. Increased interest expenses of approximately SEK 10 million, due to higher loan levels in conjunction with the acquisition of Teracom A/S at the end of 2010, worsened the value of net financial items compared to the second quarter of 2010. The change in unrealized gains (losses) related to electricity derivatives impacted net financial items by SEK -5 (4) million in the second quarter.



First half of 2011

The Group reported income of SEK 1 960 (1 880) million for the first half of the year, which is an improvement of 4 percent. The increase in income was primarily due to the network operations of Teracom Denmark, which was acquired on 30 September 2010. It reported income from external sources of SEK 105 million for the first six months of the year. For Boxer Sweden, there was a negative impact on income of slightly more than SEK 55 million due to the transition from semi-annual billing to monthly billing of card fees. In conjunction with this transition, revenue is recognized in a slightly different manner. However, this is just a change in how accruals are made, which will even out between 2011 and 2012.

Operating profit for the first half of the year more than doubled compared to the same period last year and was SEK 160 (72) million. Essentially all areas of operation reported an improvement in performance. In addition, the Danish network operations, which were acquired during autumn 2010, contributed to operating profit. There was a negative impact on profit reported by the Swedish Pay-TV business of SEK 55 million, due to the items mentioned above. Translation of the losses in Finland and Denmark resulted in a positive impact on profits of approximately SEK 15 million.

Profit after financial items was SEK 124 (63) million. For the first half of 2011, net financial items amounted to SEK -36 (-9) million. Interest expenses increased by approximately SEK 15 million due to higher loan levels in conjunction with the acquisition of Teracom A/S. A change in unrealized gains (losses) related to electricity derivatives impacted net financial items by SEK -14 (-4) million for the first half of the year.

Net profit for the period was SEK 57 (-9) million. Based on the company management team's current assessment of future profits, no deferred tax asset has been reported for the year's deficit in Finland and Denmark.

MARKET OVERVIEW

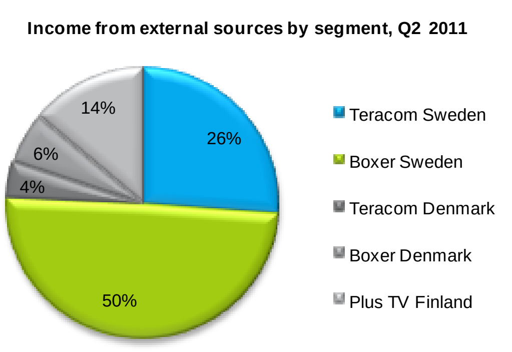
In Sweden, the market for TV and radio is regulated for public service broadcasting. There continued to be stringent competition in the Swedish Pay-TV market during the period. All competitors are developing new services, such as HDTV, On Demand and even some 3DTV broadcasts. Play and 4G services are also exhibiting strong growth. In order to prepare for the digital transition of radio, Teracom is conducting test broadcasts in cooperation with the major radio companies.

There is also intense competition in Denmark's Pay-TV market. Many competitors are offering triple play and HDTV services. Preparations continue for the conversion of TV2, Denmark's largest TV channel, from free TV to Pay-TV, which will take place in January 2012.

Terrestrial TV in Finland is strong. The majority of TV reception is free TV, which has a wide variety of channels. The demand for Pay-TV is partially seasonal and it is driven by various sports events. During the period, the competition for Pay-TV customers increased when the terrestrial network operator, Digita, which is owned by TDF, started up Pay-TV operations under the name, TV Viihde.

DEVELOPMENTS BY SEGMENT

The Teracom Group monitors operations within five segments. Two segments run network operations within the areas of terrestrial TV, radio and transmission. Three segments run Pay-TV operations within the area of terrestrial TV. The geographic markets cover Sweden, Denmark and Finland.



Teracom Sweden

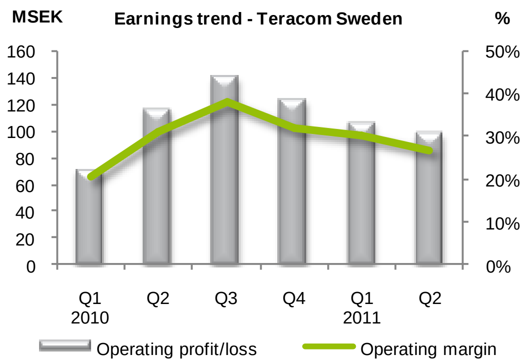
MSEK	Q2 2011	Q2 2010	1st half 2011	1st half 2010
Income incl. internal sales	366	372	718	720
Operating profit/loss	98	116	204	187
Operating margin	27%	31%	28%	26%

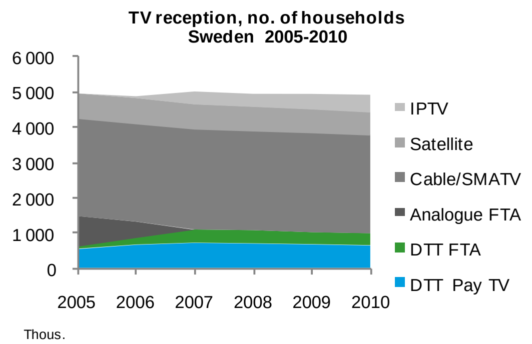
The profits reported by Teracom Sweden during the second quarter remained at a good level. In total, the reported profit was somewhat higher than last year, which was primarily due to restructuring efforts.

During the second quarter, Teracom Sweden signed agreements pertaining to the regionalization of STV's and TV4's HDTV broadcasts, as well as Kanal 5 and TV3. The launch of all of these channels will take place during spring 2012.

Investments in the HDTV network expansion are continuing as planned. Coverage of the population will be 95 percent by the end of the year.

Network quality during the period has been good.





The number of TV households broken down by main form of reception. DTT FTA: households that only have free TV via the terrestrial network. Many TV households also have DTT FTA as a supplementary form of reception.

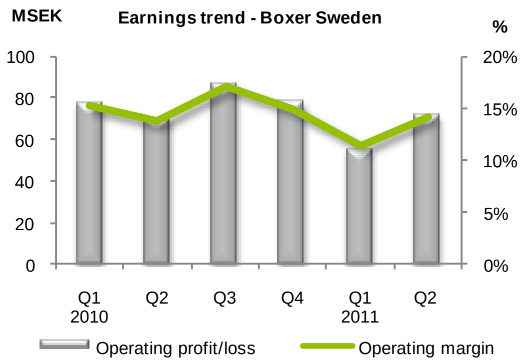
Boxer Sweden

MSEK	Q2 2011	Q2 2010	1st half 2011	1st half 2010
Income incl. internal sales	499	510	983	1 016
Operating profit/loss	71	70	126	147
Operating margin	14%	14%	13%	14%
Number of subscr. (thous.)	637	667	637	667

Due to a change in the invoicing method for card fees, there was a decline in income of approximately SEK 55 million for the first half of 2011, of which SEK 25 million was related to the second quarter. This only has to do with how accruals are made and it will even out between 2011-2012. There was a negative impact on operating margin of -4 percentage points for the first half of the year, due to the change in invoicing method. The underlying profit trend, however, is positive even though there is a lower customer base. This is due to a higher average revenue per customer, along with cost saving measures.

During the quarter, Boxer Sweden launched a new packaging and price point for its broadband and telephony services.

The customer base was lower at the end of the second quarter compared to the same point in time last year. However, it has recovered somewhat compared to the first quarter of 2011. Efforts continue to make Boxer's offering even more attractive.



Teracom Denmark

MSEK	Q2 2011	Q2 2010	1st half 2011	1st half 2010
Income incl. internal sales	74	-	169	-
Operating profit/loss	16	-	29	-
Operating margin	22%	-	17%	-

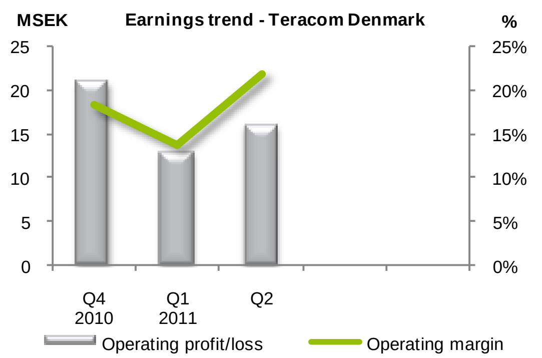
Teracom Denmark was acquired on 30 September 2010. Teracom Denmark's clientele primarily consists of TV and radio program companies. However, it also has telecom companies as its customers.

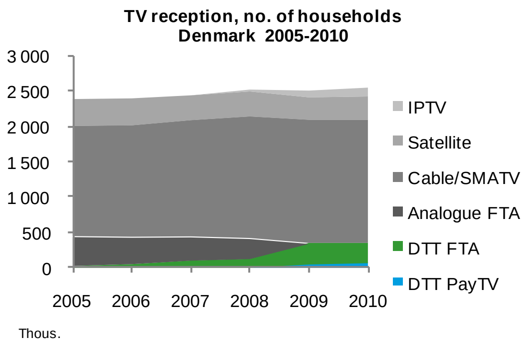
Both income and profits are in line with expectations. Teracom Denmark has a relatively stable revenue base with long-term contracts.

During the quarter, efforts to expand DAB radio continued, as well as the preparations for converting MUX1 to MPEG4 technology.

Network quality during the period has been good.

The three companies that previously made up Teracom Denmark were merged during the quarter.





The share of TV households broken down by main form of reception. DTT FTA: households that only have free TV via the terrestrial network. Many TV households also have DTT FTA as a supplementary form of reception.

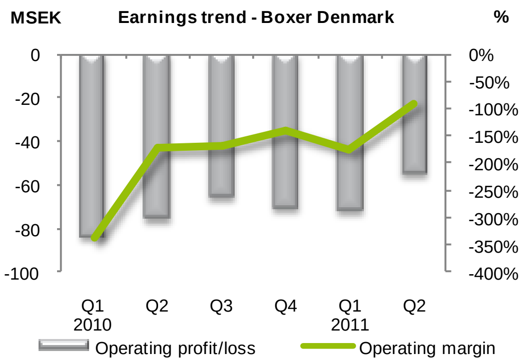
Boxer Denmark

MSEK	Q2 2011	Q2 2010	1st half 2011	1st half 2010
Income incl. internal sales	60	44	102	69
Operating profit/loss	-55	-76	-127	-160
Operating margin	-92%	-173%	-125%	-232%
Number of subscr. (thous.)	80	54	80	54

Boxer Denmark's operations started up in November 2009 and they are still in the start-up phase. The number of subscriptions substantially increased last year and sales during the second quarter remained good. Income during the first half of the year increased by slightly more than 60 percent in the local currency compared to the same period last year. However, losses are still being reported, which is to be expected during the start-up phase of a business. There was a positive impact on profit upon translation of approximately SEK 12 million due to a strong SEK compared to DKK.

Boxer Denmark holds a strong position in the Danish Pay-TV market as a Preferred Brand. During the quarter, a new customer friendly concept for extra cards was launched.

The popular program channel, TV2, will become a Pay-TV channel on 1 January 2012, which is expected to result in more new subscriptions. Efforts continue to prepare for this transition.



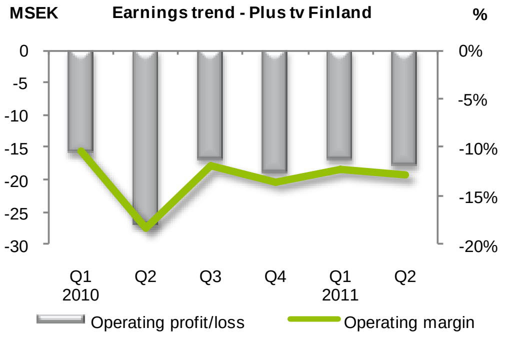
PlusTV Finland

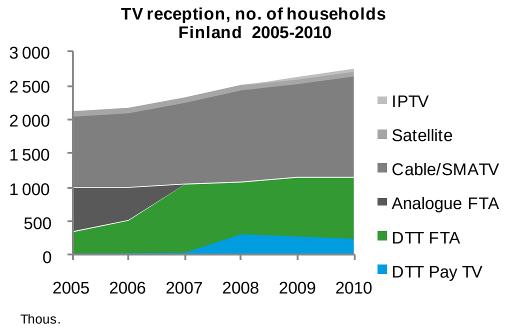
MSEK	Q2 2011	Q2 2010	1st half 2011	1st half 2010
Income incl. internal sales	139	147	278	301
Operating profit/loss	-18	-27	-35	-43
Operating margin	-13%	-18%	-13%	-14%
Number of subscr. (thous.)	234	243	234	243

PlusTV is the market-leading provider of Pay-TV in Finland. The Finnish Pay-TV market has exhibited very weak growth during a two-year period due to the wide selection of free TV. Demand is also driven by the seasonality of sports events, which has had a negative impact on the quarter's reported figures for both sales and the number of canceled subscriptions.

During spring, PlusTV introduced a new packaging structure, which offers greater freedom of choice and more attractive price points. It has been well received by existing customers in particular. Purchases from existing customers has had a positive impact on average income per customer. The churn rate, i.e. cancellation of subscriptions, is steadily falling due to specific measures that have been implemented.

There was a positive impact from the translation of profit to SEK due to a strong SEK compared to EUR. In local currency however, the reported profit is somewhat better than last year. Higher average income per customer and lower costs have compensated for the lower customer base.





The number of TV households broken down by main form of reception. DTT FTA: households that only have free TV via the terrestrial network. Many TV households also have DTT FTA as a supplementary form of reception.

CASH FLOW

Cash flow from operating activities during the second quarter was SEK 113 (201) million. The cash flow from working capital during the second quarter of last year was sharply positive due to temporarily having a large amount of capital tied up in accounts receivable, primarily.

The Group's investments in property, plant and equipment and intangible assets, SEK 73 (63) million, were primarily related to measures designed to increase the capacity of the transmission network, along with continued expansion of the Swedish HDTV network. During the second quarter, SEK 110 (110) million in dividends were paid and amortization of the credit facility was SEK 50 (0) million. Cash flow for the quarter was SEK -124 (23) million.

FINANCIAL POSITION

The Group's interest-bearing liabilities increased as a result of last year's acquisition of Teracom A/S and the amount reported was SEK 2 246 (976) million. The net debt/equity ratio was 1.20 (0.56). During the second quarter, the Group decided to use its surplus liquidity to pay off SEK 50 million of the credit facility.

Net debt/equity ratio

MSEK	6/30/2011	6/30/2010	12/31/2010
Interest-bearing liabilities	2 246	976	2 381
Less: Cash equivalents	-245	-81	-377
Other interest-bearing assets	-56	-37	-52
Net liability	1 945	858	1 952
Equity	1 619	1 541	1 743
Net debt/equity ratio	**1,20**	**0,56**	**1,12**

Total assets increased by SEK 1 473 million to SEK 5 484 (4 011) million. The Group's equity ratio worsened by 8 percentage points to 30 (38) percent compared to the same point in time last year.

At the end of the period, cash equivalents and short-term investments, including available bank credit, were SEK 1 295 (1 001) million.

ANNUAL GENERAL MEETING

In accordance with the Board's proposal, the AGM decided to distribute dividends of SEK 110 million for 2010. The dividend corresponded to 55 percent of the profit for 2010. The Group's goal is to distribute as dividends 40-60 percent of net profit for the year provided that the goal of an equity ratio equal to 30 percent has been achieved.

RE-ELECTION OF DIRECTORS

The 2011 AGM adopted the election committee's proposal for Board Directors and Chairman of the Board. Tobias Henmark, Ingrid Engström, Lars Grönberg, Kristina Axberg-Bohman, Urban Lindskog and Maria Curman were re-elected as Board members. Nils Petter Tetlie was elected as a new Board member. Åsa Sundberg was re-elected as Chairman of the Board.

Johan Hallberg, Deputy Assistant Undersecretary at the Ministry of Finance's Unit for State-Owned Enterprises, replaced Tobias Henmark in June 2011.

RISKS AND UNCERTAINTIES

Please see the 2010 Teracom Annual Report for a description of the risks and risk management practices. No additional risks or uncertainty factors have been identified during the period.

PARENT COMPANY

Teracom AB was previously the Parent Company for the Group, which consisted of Teracom Sweden's operations and Group-wide functions. The Government was granted the authority by Parliament to change the Group structure. As a result of this decision, a new Parent Company, Teracom Group AB, was created on 1 June 2011. The new Parent Company is a holding company, which has taken over the activities of the Group-wide functions from Teracom AB. With this structure in place, the legal structure now corresponds to the governance-related business structure.

The shares in Teracom AB have been transferred via a shareholder contribution to Teracom Group AB. Afterwards, Teracom AB's subsidiaries were transferred to the new Parent Company in exchange for promissory notes. Carrying amounts were used when making the transactions. The new Group structure does not involve any change in the business focus as set out by Parliament.

Going forward, the Parent Company's income statement and balance sheet will still be discussed in the Group's interim report for the first six months of the year.

For the first half of the year, the income reported by the newly established Parent Company, Teracom Group AB, was SEK 5 (0) million, which entirely consisted of intra-Group sales. Profit after financial items was SEK 284 (0) million, including SEK 297 (0) million in dividends from subsidiaries. Net profit for the period was SEK 284 (0) million.

The Parent Company's investments in financial assets amounted to SEK 5 384 (0) million and these were related to the transfer of subsidiaries to the new Parent Company through a shareholder contribution in exchange for promissory notes. At the end of the second quarter, cash equivalents were SEK 0 (0) million, since the Group account had not yet been transferred over from Teracom AB to the new Parent Company, Teracom Group AB. Cash flow for the period was SEK 0 (0) million. The Parent Company's income statement and balance sheet are reported on page 13.

INCOME STATEMENT FOR THE GROUP

MSEK	Not	2011-04-01 2011-06-30	2010-04-01 2010-06-30	2011-01-01 2011-06-30	2010-01-01 2010-06-30	2010-01-01 2010-12-31
Operating income						
Net sales		999	960	1 951	1 879	3 848
Other income		-2	0	9	1	4
	2	**997**	**960**	**1 960**	**1 880**	**3 852**
Work performed by the company for its own use		**8**	**1**	**11**	**1**	**9**
Operating expenses						
Material costs *		-54	-85	-105	-119	-235
Employee benefit costs		-165	-161	-309	-301	-571
Depreciation/amortization and impairment		-99	-95	-203	-172	-349
Other expenses *		-594	-591	-1 194	-1 217	-2 413
Operating profit/loss	2	**93**	**29**	**160**	**72**	**293**
Net financial income/expense		-12	2	-36	-9	-12
Profit/loss after financial items		**81**	**31**	**124**	**63**	**281**
Tax on net profit/loss for the period		-32	-40	-67	-72	-80
Net profit/loss for the period		**49**	**-9**	**57**	**-9**	**201**
Exchange rate differences		-59	2	-71	-25	-33
Other comprehensive income, net after tax		**-59**	**2**	**-71**	**-25**	**-33**
Comprehensive income for the period		**-10**	**-7**	**-14**	**-34**	**168**

* In the comparison figures for Q2 2010 and the first six months of 2010, there has been a reclassification between material costs and other expenses.

Comprehensive income for the period related to:					
Parent Company shareholders	-10	-7	-14	-34	168
Minority interest	0	0	0	0	0
Net profit/loss for the period	-10	-7	-14	-34	168

PER SHARE INFORMATION

Number of shares at the end of the period	250 000	250 000	250 000	250 000	250 000
Average number of shares before and after dilution	250 000	250 000	250 000	250 000	250 000
Earnings per share, before and after dilution, SEK	196	-36	228	-36	804

STATEMENT OF FINANCIAL POSITION FOR THE GROUP

MSEK	Note	2011-06-30	2010-06-30	2010-12-31
ASSETS				
Fixed assets				
Property, plant and equipment		3 019	1 624	3 039
Intangible assets		1 482	1 342	1 565
Deferred tax assets		0	13	0
Other long-term liabilities		115	111	114
Total fixed assets		**4 616**	**3 090**	**4 718**
Current assets				
Inventories		43	38	25
Current receivables		580	802	578
Cash equivalents		245	81	377
Total current assets		**868**	**921**	**980**
TOTAL ASSETS	2	**5 484**	**4 011**	**5 698**
EQUITY AND LIABILITIES				
Equity		1 619	1 541	1 743
Liabilities to credit institutions		2 094	782	2 210
Long-term liabilities and provisions		442	489	433
Current liabilities and provisions		1 329	1 199	1 312
TOTAL EQUITY AND LIABILITIES		**5 484**	**4 011**	**5 698**
Memorandum items				
Pledged assets		0	0	0
Contingent liabilities		0	0	0

STATEMENT OF CHANGES IN EQUITY FOR THE GROUP

MSEK	Share capital	Other contributed capital	Translation reserve	Earned profits	Total equity attributable to the Parent Company's shareholders	Minority share of equity	Total equity
Opening balance 1/1/2011	**250**	**653**	**-49**	**889**	**1 743**	**0**	**1 743**
Dividends				-110	**-110**	0	-110
Comprehensive income for the year			-71	57	-14	0	-14
New Group structure 1 June 2011	-250	980		-730	0	0	0
Closing balance 6/30/2011	**0**	**1 633**	**-120**	**106**	**1 619**	**0**	**1 619**

MSEK	Share capital	Other contributed capital	Translation reserve	Earned profits	Total equity attributable to the Parent Company's shareholders	Minority share of equity	Total equity
Opening balance 1/1/2010	**250**	**653**	**-16**	**798**	**1 685**	**0**	**1 685**
Dividends				-110	-110	0	-110
Comprehensive income for the year			-25	-9	-34	0	-34
Closing balance 6/30/2010	**250**	**653**	**-41**	**679**	**1 541**	**0**	**1 541**

STATEMENT OF CASH FLOWS FOR THE GROUP

MSEK	Not	2011-04-01 2011-06-30	2010-04-01 2010-06-30	2011-01-01 2011-06-30	2010-01-01 2010-06-30	2010-01-01 2010-12-31
Operating profit/loss before financial items		**93**	**29**	**160**	**72**	**293**
Adjustments for items not included in cash flow		96	122	181	203	377
Income tax paid		-42	-61	-75	-120	-165
Cash flow before changes in working capital		**147**	**90**	**266**	**155**	**505**
Change in working capital		-34	111	10	112	284
Cash flow from operating activities		**113**	**201**	**276**	**267**	**789**
Acquisition of property, plant and equipment and intangible assets		-73	-63	-145	-100	-284
Acquisitions	3	0	0	0	0	-1 241
Cash flow from other investing activities		-4	-16	-4	-22	-3
Cash flow from investing activities		**-77**	**-79**	**-149**	**-122**	**-1 528**
Cash flow from financing activities		**36**	**122**	**127**	**145**	**-739**
Dividends		**-110**	-110	-110	-110	-110
Amortization/New loans		**-50**	11	-150	-32	1 150
Cash flow from financing activities		**-160**	**-99**	**-260**	**-142**	**1 040**
Cash flow for the period/year from continuing operations		**-124**	**23**	**-133**	**3**	**301**
Cash equivalents at the beginning of the period/year		368	58	377	78	78
Exchange rate differences on cash equivalents		1	0	1	0	-2
Cash equivalents at the end of the period		**245**	**81**	**245**	**81**	**377**

SUMMARY INCOME STATEMENT FOR THE PARENT COMPANY

MSEK	Note	2011-04-01 2011-06-30	2011-01-01 2011-06-30
Operating income			
Net sales		5	5
Other income		0	0
		5	**5**
Operating profit/loss			
Other external expenses		-2	-2
Personnel costs		-7	-7
Depreciation/amortization and impairment loss on property, plant and equipment and intangible assets		0	0
Operating profit/loss		**-4**	**-4**
Net financial income/expense		288	288
Profit/loss after financial items		**284**	**284**
Tax on net profit/loss for the period		0	0
Net profit/loss for the period		**284**	**284**
Other comprehensive income		**0**	**0**
Comprehensive income for the period		**284**	**284**

SUMMARY BALANCE SHEET FOR THE PARENT COMPANY

MSEK	2011-06-30
ASSETS	
Fixed assets	5 384
Current assets	299
TOTAL ASSETS	**5 683**
EQUITY AND LIABILITIES	
Non-restricted equity	1 917
Long-term liabilities	3 751
Current liabilities	15
TOTAL EQUITY AND LIABILITIES	**5 683**
Memorandum items	
Pledged assets	0
Contingent liabilities	0

NOTES

Note 1 Accounting Principles

The Group's reporting is in accordance with the Government Ownership Policy and the guidelines for external reporting that apply to state-owned companies. Accordingly, the interim report for the Group was prepared in accordance with IAS 34, Interim Financial Reporting and the Swedish Annual Accounts Act and for the Parent Company, in accordance with the Swedish Annual Accounts Act.

The Group applies the same accounting principles as those described in the 2010 Annual Report. Carrying amounts were used when implementing the change in the Group structure, which took place on 1 June 2011. The Government's carrying amount of shares in Teracom AB, corresponding to equity in the Teracom Group as of 31 December 2010, less the dividends of SEK 110 million, was SEK 1 633 million. The difference between the owner's carrying amount and equity in Teracom AB has been recorded as unrestricted equity in the Group. Teracom Group AB has acquired shares, at the carrying amounts, in all of the Group companies in exchange for promissory notes. As a result, no Group surpluses or deficits have arisen as a result of these transactions. New and revised IFRS standards that must be applied as of 2011 have not affected Teracom's financial statements by significant amounts.

Note 2 Segment information

The segments are reported in accordance with the same accounting principles applied by the Group. Sales between segments occur at prices that are fair estimates of current market prices. Operating profit is used to assess the performance of each segment. Financial expenses, financial income and income tax are dealt with at the Group level.

Operating income per segment and quarter

MSEK	Q2 2011	Q2 2010	First half of 2011	First half of 2010	2010
Teracom Sweden	366	372	718	720	1 473
Boxer Sweden	499	510	983	1 016	2 041
Teracom Denmark	74	-	169	-	115
Boxer Denmark	60	44	102	69	158
Plus TV Finland	139	147	278	301	584
Other	10	1	32	1	7
Adjustments made upon consolidation	-152	-114	-322	-227	-526
Total	**997**	**960**	**1 960**	**1 880**	**3 852**

Operating profit/loss per segment and quarter

MSEK	Q2 2011	Q2 2010	First half of 2011	First half of 2010	2010
Teracom Sweden	98	116	204	187	450
Boxer Sweden	71	70	126	147	311
Teracom Denmark	16	-	29	-	21
Boxer Denmark	-55	-76	-127	-160	-297
Plus TV Finland	-18	-27	-35	-43	-79
Other	-14	-41	-27	-41	-66
Adjustments made upon consolidation	-5	-13	-10	-18	-47
Total	**93**	**29**	**160**	**72**	**293**

Assets / Liabilities	**Assets**		**Liabilities**		Assets	Liabilities
MSEK	30 juni 2011	30 juni 2010	30 juni 2011	30 juni 2010	Full year 2010	Full year 2010
Teracom Sweden	5 610	3 832	4 215	2 616	5 447	2 662
Boxer Sweden	954	947	856	705	631	491
Teracom Denmark	1 473	-	175	-	1 842	340
Boxer Denmark	223	120	355	276	123	227
Plus TV Finland	142	140	257	136	104	166
Other	5 685	-	3 766	-	-	-
Adjustments made upon consolidation	-8 603	-1 028	-6 122	-1 707	-2 449	-294
Total	**5 484**	**4 011**	**3 502**	**2 026**	**5 698**	**3 592**

Note 3 Acquired businesses

On 30 September 2010, Teracom acquired 100 percent of the shares in the Danish terrestrial network operator, BSD (the name has since been changed to Teracom A/S), which consists of the following three companies: Broadcast Service Denmark A/S, Broadcast Stations Company 1 A/S and Broadcast Stations Company 2 A/S. The acquisition costs amounted to SEK 16 million, which had an impact on the Group's operating profit as of 31 December 2010.

The acquired companies comprise a cash generating unit and they also form the segment called Teracom Denmark. The acquisition analysis is preliminary, since the review of the opening balances has not yet been completed. According to the preliminary acquisition analysis, the assets and liabilities included in the acquisition are as follows:

MSEK	**Value according to acquisition analysis**
Property, plant and equipment	1 426
Customer agreements	20
Customer relations	12
Intangible assets	120
Current receivables - interest-bearing	47
Current receivables - non interest-bearing	4
Cash and bank balances	147
Provisions (deferred tax liabilities)	-8
Long-term liabilities - interest-bearing	-241
Long-term liabilities - non interest-bearing	-98
Current liabilities - interest-bearing	-43
Current liabilities - non interest-bearing	-104
Acquired identifiable net assets	1 282
Goodwill	112
Consideration for shares in subsidiary	**1 394**
Consideration paid on 31 December 2010	-1 388
Consideration paid during first quarter of 2011	-6
Total consideration paid	-1 394

FORTHCOMING FINANCIAL REPORTS

Interim Report 1 January – 30 September 2011	28 October 2011
Q4/Year-End Report 1 January – 31 December 2011	10 February 2012

The Board of Directors and CEO hereby declare that this semi-annual report provides a true and fair view of the Parent Company's and the Group's business activities, financial position and performance. The significant risks and uncertainty factors facing the company and its subsidiaries have also been described.

Sundbyberg, Monday, August 15, 2011

Åsa Sundberg Chairman of the Board	Kristina Axberg Bohman Board Member	Maria Curman Board Member
Ingrid Engström Board Member	Lars Grönberg Board Member	Johan Hallberg Board Member
Urban Lindskog Board Member	Nils Petter Tetlie Board Member	Magnus Ahxner Board Member
John-Olof Blomkvist Board Member	Crister Fritzson President and CEO	

REVIEW REPORT

The Company's auditors have not reviewed this report.

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