



Financial report January-September 2006:

Continued strong growth for Com Hem in Q3

Com Hem strengthened its results, increased sales with 55,000 new subscribers and took market shares in all its service sectors in the third quarter. The largest growth was in broadband and telephony with 24,000 and 21,000 new subscribers respectively.

“Com Hems strong growth continued in all our service sectors and demand for our triple play offer Com Bo also continued to be high. Simultaneously, our market shares rose, particularly in telephony, which is very satisfying. Our assessment is that growth will continue to be good in future,” says Gunnar Asp, CEO at Com Hem.

During the January-September period, net sales rose by 21 per cent to SEK 2,266 million (1 876)*, EBITDA rose 26 per cent to SEK 960 million (761) and the EBITDA margin climbed 1.7 percentage points to till 42.3 per cent (40.6). This positive trend is due to a strong flow of customers for all services, but above all broadband and telephony.

The number of broadband customers rose by 24,000 to 382,000 over Q3, the number of digital TV customers rose by 10,000 to 317,000 and the number of telephony customers climbed 21,000 to 145,000. The number of triple play customers also continued to rise and as on 30 September, 70,000 customers were subscribed to all three services: digital TV, broadband and telephony from Com Hem. This corresponds to a rise of 8,000 subscribers since Q2. Com Hem is continuing to invest heavily in its own network, providing more customers access to all triple play services.

During the period, Com Hem also increased its market share in all its service sectors**. As on 30 September Com Hem supplied broadband to 17 per cent and digital TV to 16 per cent of Swedish households. The market share for telephony in Com Hem’s upgraded telephony collection was 14 per cent (5 per cent).

	2006***	2005***
SEK million	Jan-Sep	Jan-Sep
Net sales	2 265.9	1 876.2
Operating profit before depreciation (EBITDA)****	959.7	761.3
<i>Margin %</i>	<i>42.3</i>	<i>40.6</i>
Investments in tangible fixed assets	509.3	502.4

Total number of connected households (thousands)	30/9/2006	30/6/2006	30/9/2005
Number of connected households	1 752	1 751	1 726
Number of broadband customers	382	358	271
Number of digital TV customers	317	307	247
Number of telephony customers	145	124	49

* Figures in brackets refer to the comparable period in 2005

** Source: Mediavision

*** Figures for all periods in the table are for the Com Hem Group, i.e. Com Hem and UPC. All figures are comparable to other periods

**** Before one-off items

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About com hem AB Com Hem is Swedens leading supplier of triple play-services - TV, Broadband and Telephony. More than one third of all Swedish homes, 1.75 million, are connected to Com Hem’s network and gain access to the market’s largest supply of TV channels and cost effective, high-quality and complete broadband- and telephone services. Com Hem also provides landlords with interactive services for efficient information management, property maintenance and operations. The company was founded in 1983, has approximately 700 employees, it’s main office in Stockholm, Sweden and is owned by The Carlyle Group and Providence Equity. For further information, please visit: www.comhem.se