

TV4-GRUPPEN



**ANNUAL REPORT  
TV4 AB**

ORG. NR. 556242-7152  
2009-01-01 - 2009-12-31

## DIRECTORS' REPORT

The Board and Managing Director of TV4 AB, Reg. No. 556242-7152, having its registered office in Stockholm, hereby present the annual report and consolidated accounts for the financial year 2009. The parent company of the largest group of companies, in which TV4 AB is a subsidiary, and for which consolidated accounts are prepared is Albert Bonnier AB, Reg. No. 556520-0341, Stockholm.

### PROGRAMME OPERATIONS

Audience figures for TV4 Group channels rose in 2009, the total share of the 12 – 59-year-old main target group being 30.6 per cent (compared with 29.9 per cent in 2008), including Canal+. TV4 Fakta saw the largest relative improvement, increasing its share from 0.8 per cent to 1.4 per cent. TV4 Guld and TV4 Sport also saw their audience share rise appreciably during the year. TV4 Plus performed somewhat less well, essentially maintaining its position. The "Other TV channels" category (i.e. all channels except the five main channels – SVT1, SVT2, TV3, TV4 and Kanal 5) continued to gain ground, their combined audience share topping 40 per cent among the 12 – 59-year-old target group for the first time in 2009. Viewing figures for TV4 Group niche channels rose by 11 per cent, giving them a market share of 24 per cent of the "Other TV channels" market.

The single most popular programme on TV4 last year was Let's dance, with a peak audience of 2,637,000 (3 – 99 years old), a gratifying show of strength in the face of intense weekend competition. The expanded Idol coverage, particularly in the form of regional finals, was a hit with viewers and a commercial triumph, with sold-out venues in Malmö and Gothenburg. A Noteher programme attracting a growing audience was Halv åtta hos mig. In its first season

(autumn 2008) the show captured an audience share of 14.1 per cent. This figure climbed to an average of 21.4 per cent (12 – 59-year-olds) last season, on a rising trend.

A number of newly-produced Beck films were broadcast in 2009, attracting a very large audience. All of them found their way to the very top of TV4's annual ratings for 2009.

A Kalla fakta report (Dun till varje pris, by Per Hermanrud) was awarded the Grand Journalist Prize in 2009. In audience terms, the autumn season of Kalla fakta in particular was a ratings success, with a peak audience of 747,000 (across the whole population), and an audience share of 24.7 per cent (12 – 59-year-olds).

Såld på hus, a new programme on TV4 Plus, achieved good ratings during the year, peaking at 348,000 viewers (across the whole population). Other programmes worthy of mention include the late-night Crimetime package, the Vad blir det för mat cooking show and the Leila Lindholm series, which are among the channel's most popular programmes.

As Sweden's only dedicated documentary channel, TV4 Fakta Notched up many ratings successes during the year, doubling its audience among many target groups. This was in large part due to the channel's focus on crime documentaries.

TV4 Sport did very well indeed during the year, thanks to broadcasting rights for top-flight Spanish league football and UEFA Europa League. In the autumn a record audience of 775,000 saw Zlatan Ibrahimovich play his first El Clásico match.

Canal+ expanded its range of programmes during the year. The summer saw the launch of the Danish Canal9 basic package channel, aimed mainly at male viewers, with the emphasis on sport. Rights held by the channel include SAS-Ligan, Premier

League, La Liga and Champions League handball. SF-kanalen, which broadcasts Swedish movies round the clock, was launched in the autumn. The channel has been very well received by distributors and viewers alike.

### THE ADVERTISING MARKET

According to IRM (the Institute for Advertising and Media Statistics), advertising spending on the daily press, popular press, trade press, TV, radio, outdoor and cinema advertising<sup>1</sup> fell by 19.4 per cent from January to November. TV performed better than average in a contracting market, down 13.9 per cent on the previous year. Spending on all media declined, except for the Internet, which saw a 3 per cent increase in spending.

IRM estimates that the TV4 Group's share of advertising and sponsorship spending in the Swedish commercial TV market to November was 55.3 per cent (54.4 per cent). The decision to further increase programme spending despite the recession thus helped the TV4 Group to strength its existing position as market leader in 2009.

### DISTRIBUTION

In 2009 the TV4 Group concluded a number of strategically important agreements with Telenor, Viasat, Tele2 and Com Hem, assuring continuing broad distribution of TV4 Group channels by all operators in Sweden. TV4 has also continued to develop on-demand content available via the operators, to allow video on demand (VOD) using the remote control, Note just via the Internet. Completely new agreements on the launch of these products were concluded with Viasat and Com Hem in 2009. Telia customers already had access to TV4 content on demand.

TV CHANNEL SHARES (PER CENT) AND VIEWING TIME PER DAY (MINUTES) DURING JANUARY – DECEMBER 2009 FOR 12 – 59-YEAR-OLD VIEWERS.

	SVT1	SVT2	TV3	TV4	TV4 PLUS	KANAL5	ÖVRIGA	TV4 GROUP	TOTAL
09 Share	14.7	5.4	10.6	<b>19.5</b>	<b>3.8</b>	9.9	36.2	30.6	100
08 Share	15.2	7.0	10.7	<b>19.7</b>	<b>3.9</b>	10.4	33.0	29.9	100
07 Share	15.3	8.4	11.3	<b>20.8</b>	<b>3.5</b>	11.1	29.6	27.6	100
09 Minutes	22.3	8.2	16.0	<b>29.5</b>	<b>5.8</b>	15.0	55.1	46.4	151.9
08 Minutes	22.1	10.2	15.5	<b>28.6</b>	<b>5.6</b>	15.1	47.9	41.0	145.1
07 Minutes	22.1	12.1	16.3	<b>30.0</b>	<b>5.0</b>	15.9	42.8	39.8	144.2

<sup>1</sup>"Other" comprises Other TV channels Note including TV4 Plus. Source: MMS - Advantedge

## SALES, EARNINGS AND INVESTMENTS

### THE GROUP

Group net sales rose by 54 per cent, totalling SEK 5,543 million (3,603). This increase was due to the acquisition of C More/Canal+, which was only included in the figures for 2008 from December that year, but which is included for the whole of 2009. Note including C More/Canal+, revenues fell by 7.8 per cent in 2009.

Operating expenses rose by SEK 2,177 million (76 per cent) The increase is largely attributable to C More, which is included for the whole of 2009, but only for December 2008. The rest of the increase was mainly a result of higher programming costs.

Operating profit was SEK 495 million (733). Earnings after financial items were SEK 348 million (751).

Investments in tangible and intangible non-current assets totalling SEK 36 million were made during the year (114). Depreciation during the year totalled SEK 218 million (73).

The TV4 Group is part of a group account system administered by Bonnier AB. Liquid assets, including short-term investments, totalled SEK 369 million at the end of the year, compared with SEK 1,473 million at the same time last year.

Programme inventory totalled SEK 1,456 million (1,031), of which repeats accounted for SEK 208 million (134). Programme inventory, including contracted programmes Note yet delivered, totalled SEK 3,296 million (3,886).

The equity/assets ratio was 11.7 per cent at 31 December 2009, compared with 11.9 per cent at the same time last year.

### THE PARENT COMPANY

Net sales by the parent company totalled SEK 2,465 million (2,781), resulting in a profit after financial items of SEK 186 million (524). The parent company had liquid assets and short-term investments totalling SEK -192 million at the end of the year (877).

### BUSINESS RISKS

TV4 Group operations are dependent on access to attractive programme content and distribution of its channels. There are many distributors, but competition has intensified as the number of channels available has grown.

Distribution takes place via two satellite platforms – cable and the terrestrial network. Distribution via the terrestrial network requires a government licence.

Some programme content and rights are paid for in foreign currency, mainly US dollars and euros. This means that the Company is exposed to the risk of exchange rate fluctuations. The advertising market is highly susceptible to fluctuations in the economic climate. A substantial portion of TV4 Group revenue consists of advertising sales, and the TV4 channel is the main business of the Group. Revenues from other operations are rising sharply, however, following the acquisition of C More/Canal+, and our relative dependence on advertising revenues is therefore lessening

### HUMAN RESOURCES

In 2009 TV4 had an average of 1,017 (1,037) full-time employees, comprising

51 per cent men (53) and 49 per cent women (47). TV4 uses surveys, risk assessments, action plans and monitoring in its systematic approach to occupational health and safety, designed to promote a good quality physical, psychological and social working environment. This systematic approach to occupational health and safety is pursued as a joint effort between the employer, employees and trade unions.

### ENVIRONMENT

TV4's business has limited environmental impact and requires no permits under the Environmental Code. Environmental considerations are taken into account when purchasing logistics services, energy and materials. TV4 sorts waste at source and uses ecolabelled electricity and energy-efficient lighting sources. The TV4 Group contributes to a better environment by working to integrate the environmental dimension in its day-to-day operations.

### STATEMENT BY THE BOARD OF

#### DIRECTORS CONCERNING DIVIDEND

Presupposing approval at the Annual General Meeting, a group contribution has been made in an amount of SEK 201,113,960, thus reducing non-restricted equity as at accounting year-end, taking account of the tax effect, by SEK 148,220,989.

It is the opinion of the Board of Directors that the proposed dividend, in the form of a group contribution, will not prevent the Company from meeting its short and long-term obligations, or from making necessary investments. The proposed transfer is therefore defensible in the light of the provisions of chapter 17, section 3 (2)–(3) of the Swedish Companies Act (the precautionary rule).

### PROPOSED DISTRIBUTION OF PROFIT

The following profit is available for allocation at the Annual General Meeting of the Shareholders in SEK:

Profit brought forward	52
Allocation for group contribution (koncernbidrag, a form of tax consolidation)	- 201,113,960
Tax, group contribution	52,892,971
Profit for the year	149,591,906
<b>Totalt</b>	<b>1,370,917</b>

### THE BOARD PROPOSES THE FOLLOWING ALLOCATION OF PROFIT IN SEK:

Carried forward	1,370,917
<b>Totalt</b>	<b>1,370,917</b>

## TV4 IN FIGURES – A FIVE-YEAR OVERVIEW

SEK thousands	2009	2008	2007	2006	2005
<b>Assets</b>					
Non-current assets	2,902,334	2,873,883	199,906	169,453	149,446
Deferred tax	234,241	157,275	-	-	-
Inventories (stock)	1,455,957	1,031,164	369,722	396,734	387,159
Other current assets	1,000,527	965,709	537,013	369,059	220,911
Accounts receivable – trade	651,659	649,071	466,393	370,182	331,022
Liquid assets	369,533	1,473,327	544,419	494,114	481,182
<b>Total assets</b>	<b>6,614,251</b>	<b>7,150,429</b>	<b>2,117,453</b>	<b>1,799,542</b>	<b>1,569,720</b>
<b>Equity and liabilities</b>					
Equity	774,396	851,676	1,459,439	1,009,839	925,718
Non-current liabilities and provisions	52,050	54,171	113,080	84,813	76,586
Other current liabilities	5,065,537	5,452,045	308,576	472,800	436,474
Accounts payable – trade	722,268	792,537	236,358	232,090	130,942
<b>Total equity and liabilities</b>	<b>6,614,251</b>	<b>7,150,429</b>	<b>2,117,453</b>	<b>1,799,542</b>	<b>1,569,720</b>
Net sales	5,543,069	3,602,825	3,143,934	2,962,944	2,606,055
Operating expenses	-5,047,625	-2,870,104	-2,530,602	-2,578,697	-2,349,218
<b>Operating profit</b>	<b>495,444</b>	<b>732,721</b>	<b>613,332</b>	<b>384,248</b>	<b>256,837</b>
Financial items	-147,706	18,685	14,251	9,242	5,252
<b>Profit after net financial income/expense</b>	<b>347,738</b>	<b>751,406</b>	<b>627,583</b>	<b>393,490</b>	<b>262,089</b>
Minority participations	0	3,981	5,108	4,391	-
Tax	-151,706	-233,859	-184,542	-113,442	-73,942
<b>Profit for the year</b>	<b>196,032</b>	<b>521,528</b>	<b>448,149</b>	<b>284,439</b>	<b>188,147</b>
<b>Key figures</b>					
Operating margin, %	8.9	20.3	19.5	13.0	9.9
Net margin, %	6.3	20.9	20.0	13.3	10.1
Return					
- on equity, %	24.1	45.1	36.3	29.2	21.8
- on capital employed, %	11.9	22.4	50.6	40.7	30.4
Equity/assets ratio, %	11.7	11.9	68.9	56.1	59.0
No. of employees	1,017	1,037	909	875	901

## DEFINITIONS

**OPERATING MARGIN**

Operating profit/loss in relation to net sales.

**NET MARGIN:**

Profit/loss after financial items in relation to net sales.

**RETURN ON EQUITY:**

Profit/loss after financial items and minority

participations minus tax in relation to the average of opening and closing equity. "Tax" takes account of loss carry-forward.

**RETURN ON CAPITAL EMPLOYED**

Profit/loss after financial items plus interest expenses in relation to the average of opening and closing capital employed.

**CAPITAL EMPLOYED**

Total assets minus non-interest-bearing liabilities and deferred tax liabilities.

**EQUITY/ASSETS RATIO**

Equity in relation to total assets.

**NO. OF EMPLOYEES**

Average number of employees during the year.

INCOME STATEMENT SEK thousands		GROUP		PARENT	
		2009	2008	2009	2008
Net sales	Note 1	5,543,069	3,602,825	2,464,944	2,781,192
Transmission costs	Note 2, 27	-4,127,138	-2,247,379	-1,763,012	-1,779,107
<b>Transmission costs</b>		<b>1,415,931</b>	<b>1,355,446</b>	<b>701,932</b>	<b>1,002,085</b>
Selling expenses		-444,906	-279,789	-126,410	-124,050
Administrative expenses		-472,481	-325,943	-244,799	-273,444
Other operating expenses	Note 3	-	-13,388	-9,509	-17,378
Shares in associated companies and joint ventures	Note 7	-3,100	-3,605	-	-
<b>Operating profit</b>	Note 4, 5, 6, 12	<b>495,444</b>	<b>732,721</b>	<b>321,214</b>	<b>587,213</b>
Financial income	Note 8	46,663	48,094	24,754	53,537
Financial expenses	Note 8	-194,369	-29,409	-159,654	-116,408
<b>Profit after financial items</b>		<b>347,738</b>	<b>751,406</b>	<b>186,314</b>	<b>524,342</b>
Appropriations	Note 21	-	-	19,585	-6,255
<b>Profit before tax</b>		<b>347,738</b>	<b>751,406</b>	<b>205,899</b>	<b>518,087</b>
Tax	Note 9	-151,706	-233,859	-56,307	-148,267
Minority		-	3,981		
<b>Net profit for the year</b>		<b>196,032</b>	<b>521,528</b>	<b>149,592</b>	<b>369,820</b>

BALANCE SHEET SEK thousands		GROUP		PARENT	
		2009-12-31	2008-12-31	2009-12-31	2008-12-31
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible non-current assets	Note 10				
Goodwill		2,742,906	2,583,106	-	-
Other intangible non-current assets		16,886	25,077	16,886	25,077
<b>Total intangible non-current assets</b>		<b>2,759,792</b>	<b>2,608,183</b>	<b>16,886</b>	<b>25,077</b>
Tangible non-current assets	Note 11				
Machinery and other plant		52,283	154,587	28,576	129,099
Capitalised refurbishment costs		16,306	16,833	11,937	10,303
Furniture and equipment		36,920	45,153	18,136	24,556
<b>Total tangible non-current assets</b>		<b>105,509</b>	<b>216,573</b>	<b>58,649</b>	<b>163,958</b>
Financial non-current assets					
Participations in group companies	Note 22	-	-	3,270,162	3,268,297
Participations in associated companies and joint ventures	Note 7	13,802	9,095	17,085	10,808
Other securities held as non-current assets	Note 13	986	4,125	986	4,125
Other non-current receivables	Note 28	22,245	35,907	1,418	1,500
Deferred tax receivables	Note 29	234,241	157,275	11,539	9,624
<b>Total financial non-current assets</b>		<b>271,274</b>	<b>206,402</b>	<b>3,301,190</b>	<b>3,294,354</b>
<b>Total non-current assets</b>		<b>3,136,575</b>	<b>3,031,158</b>	<b>3,376,725</b>	<b>3,483,389</b>
<b>Current assets</b>					
Programme inventory	Note 14	1,455,957	1,031,164	839,432	615,461
Current receivables					
Accounts receivable - trade		651,659	649,071	389,871	414,871
Receivables from group companies		-	-	353,575	218,794
Other receivables		53,822	25,774	10,098	9,955
Pre-paid expenses and accrued income	Note 15	946,705	939,935	691,052	704,253
<b>Total current receivables</b>		<b>1,652,186</b>	<b>1,614,780</b>	<b>1,444,596</b>	<b>1,347,873</b>
Cash and bank balances	Note 25	369,533	1,473,327	-192,452	876,931
<b>Total current assets</b>		<b>3,477,676</b>	<b>4,119,271</b>	<b>2,091,576</b>	<b>2,840,265</b>
<b>TOTAL ASSETS</b>		<b>6 614 251</b>	<b>7 150 429</b>	<b>5 468 301</b>	<b>6 323 654</b>

BALANCE SHEET SEK thousands		GROUP		PARENT	
		2009-12-31	2008-12-31	2009-12-31	2008-12-31
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>	Note 16				
Restricted equity					
Share capital		100,000	100,000	100,000	100,000
Restricted reserves		391,379	391,810	392,756	392,756
<b>Total restricted equity</b>		<b>491,379</b>	<b>491,810</b>	<b>492,756</b>	<b>492,756</b>
Non-restricted equity					
Profit brought forward		86,985	-161,662	-148,221	-369,820
Net profit for the year		196,032	521,528	149,592	369,820
<b>Total non-restricted equity</b>		<b>283,017</b>	<b>359,866</b>	<b>1,371</b>	<b>0</b>
<b>Total equity</b>		<b>774,396</b>	<b>851,676</b>	<b>494,127</b>	<b>492,756</b>
<b>Untaxed reserves</b>	Note 23	-	-	<b>354,130</b>	<b>373,714</b>
<b>Non-current liabilities</b>					
Other liabilities	Note 17	52,050	54,172	52,050	54,172
<b>Total non-current liabilities</b>		<b>52,050</b>	<b>54,172</b>	<b>52,050</b>	<b>54,172</b>
<b>Current liabilities</b>					
Advances from customers		15,313	6,283	14,896	6,283
Accounts payable - trade		722,268	792,537	379,403	421,936
Debts to group companies		3,805,120	4,631,609	3,874,800	4,694,231
Tax liabilities		-	-	-	-
Other liabilities		99,632	72,657	77,313	45,768
Accrued expenses and pre-paid income	Note 18	1,145,472	741,495	221,582	234,794
<b>Total current liabilities</b>		<b>5,787,805</b>	<b>6,244,581</b>	<b>4,567,994</b>	<b>5,403,012</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,614,251</b>	<b>7,150,429</b>	<b>5,468,301</b>	<b>6,323,654</b>
Assets pledged	Note 19	993	21,063	96	196
Contingent liabilities	Note 20	-	-	164,445	-

CASH FLOW STATEMENT SEK thousands		GROUP		PARENT	
		2009	2008	2009	2008
<b>Day-to-day operations</b>					
Profit after financial items	Note 26	347,738	751,406	186,314	524,342
Adjustments for items not included in cash flow:					
Depreciation and amortisation		218,424	73,534	59,633	53,799
Profit/loss from sale and disposal of non-current assets		1,734	13,372	-77	11,979
Other items not affecting liquidity		2,854	7,311	1,456	2,736
Tax paid		-10,733	-49,014	3,492	-39,307
<b>Cash flow from day-to-day operations before change in working capital</b>		<b>560,017</b>	<b>796,609</b>	<b>250,818</b>	<b>553,549</b>
<b>Cash flow from change in working capital</b>					
Inventories (stock)		-424,793	-230,230	-223,971	-265,108
Accounts receivable - trade		-2,588	-52,632	25,000	-11,595
Pre-paid accounts receivable - trade		-6,767	-208,995	13,202	-210,281
Other current assets		-37,861	-130	-143,413	-103,717
Accounts payable - trade		-70,096	402,158	-42,533	199,825
Pre-paid accounts payable - trade		-3,109	-168,747	-13,066	79,294
Other current liabilities		39,251	3,783	47,216	-15,383
<b>Cash flow from day-to-day operations</b>		<b>-505,963</b>	<b>-254,793</b>	<b>-337,565</b>	<b>-326,965</b>
<b>Cash flow from day-to-day operations</b>		<b>54,054</b>	<b>541,816</b>	<b>-86,747</b>	<b>226,584</b>
<b>Investments</b>					
Investment in intangible non-current assets		-	-6,787	-	-6,787
Investment in tangible non-current assets		-35,972	-106,808	-18,503	-81,626
Sale of tangible non-current assets		82,091	0	81,935	0
Acquisition of shares and participations	Note 24	-18,759	-2,851,317	-14,511	-3,239,478
Change in other financial assets		13,662	165	-1,833	-1,387
<b>Cash flow from investments</b>		<b>41,022</b>	<b>-2,964,747</b>	<b>47,088</b>	<b>-3,329,278</b>
<b>Financing</b>					
Change in interest-bearing current liabilities		-826,488	4,631,609	-826,488	4,631,609
Increase in non-current liabilities		-2,122	45,831	-2,122	45,831
Dividend paid		-	-627,860	-	-627,860
Group contribution (koncernbidrag)		-370,259	-697,741	-201,114	-513,639
<b>Cash flow from financing</b>		<b>-1,198,869</b>	<b>3,351,839</b>	<b>-1,029,724</b>	<b>3,535,941</b>
<b>Cash flow for the year</b>		<b>-1,103,793</b>	<b>928,908</b>	<b>-1,069,383</b>	<b>433,247</b>
<b>Cash at beginning of year</b>		<b>1,473,326</b>	<b>544,419</b>	<b>876,931</b>	<b>443,684</b>
Cash flow for the year		-1,103,793	928,908	-1,069,383	433,247
<b>Cash at year-end</b>	Note 25	<b>369,533</b>	<b>1,473,327</b>	<b>-192,452</b>	<b>876,931</b>

## ACCOUNTING PRINCIPLES

### INFORMATION ABOUT THE COMPANY

The Parent Company is a limited liability company having its registered office in Sweden. The Parent Company's registration number is 556242-7152. The business of the Group consists of commercial television transmissions by TV4, TV4 Plus, TV400, TV4 Film, TV4 Fakta, TV4 Guld, TV4 Komedi, TV4 Science Fiction, TV4 Sport AB and TV4 Sverige AB (local TV), Internet operations conducted under the umbrella of TV4 Nya medier, mobile operations under the umbrella of TV4 Expressen Mobilab AB, as well as Canal+ and the C More Entertainment AB pay TV company brand. The Annual General Meeting of the Shareholders will be held in April 2010.

### AMOUNTS AND DATES

Amounts are stated in SEK thousands unless otherwise stated. Profit and loss items relate to the period 1 January – 31 December, and balance sheet items relate to 31 December. Figures given in brackets refer to previous years.

### PRINCIPLES USED IN PREPARING THE ACCOUNTS

The financial statements have been prepared in accordance with the Annual Accounts Act and general guidelines issued by the Swedish Accounting Standards Board. The accounting principles applied by the Company conform to all applicable recommendations issued by the Swedish Financial Accounting Standards Council and all applicable statements issued by the Swedish Financial Accounting Standards Council Akutgrupp (ad hoc advisory committee) entering into force during or before 2009. The Company does not comply with Swedish Financial Accounting Standards Council recommendations with respect to all information requirements. Instances of non-compliance with Council recommendations are confined to certain requirements regarding information and are not considered to be material.

### DIFFERENCES BETWEEN THE ACCOUNTING PRINCIPLES USED BY THE GROUP AND THOSE USED BY THE PARENT COMPANY

Unless otherwise stated below, accounting principles used by the Parent Company are consistent with those used by the Group.

Swedish tax legislation allows companies to defer payment of tax by making allocations

to untaxed reserves on the balance sheet and via appropriations in the income statement. Thus, the Parent Company reports untaxed reserves on the balance sheet and appropriations in the income statement. These items are treated as temporary differences on the consolidated balance sheet, i.e., they are divided up into deferred tax liabilities and equity. In the Group income statement the allocation to untaxed reserves is entered under "deferred tax", and reversed allocations are included in "net profit for the year".

Pensions are accounted for in accordance with the Swedish Annual Accounts Act and the Assurance of Pension Provisions Act, as well as regulations issued by the Swedish Financial Supervisory Authority.

### CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the Parent Company and all subsidiaries. The term "subsidiaries" means all companies controlled by the Parent Company. The consolidated financial statements have been prepared using the acquisition accounting method. This method means that assets and liabilities acquired are valued at their actual value at the time of their acquisition according to an acquisition analysis. If the acquisition value of the shares exceeds the actual value of the net assets of the company acquired, the surplus is reported as Group goodwill. Only that portion of the equity of the company acquired that has been generated after the acquisition is included in Group equity. Corporate income and expenses acquired are consolidated as of the date of acquisition. Divested corporate income and expenses are consolidated up to the time of disposal. Capital gains or losses on the sale of subsidiaries are reported on the contract date.

### ACCOUNTING OF ASSOCIATED COMPANIES

The term "associated companies" means all companies over which the Group has significant influence, but not control, which generally applies where a stake represents between 20 and 50 per cent of the voting rights. Holdings in associated companies are reported using the equity method and are valued initially at their acquisition cost. The value reported by the Group of its holdings in associated companies includes goodwill (net of any write-down) identified at the time of acquisition. The Group's

share of the profit/loss of associated companies following acquisition is recorded in the income statement. Accumulated changes following acquisition are reported as changes in the recorded value of the holding. When the Group's share of losses made by an affiliate equals or exceeds its holding in the affiliate, including any receivables, the Group does not report any further losses unless it has assumed additional obligations.

### JOINT VENTURES

For accounting purposes, a "joint venture" is an enterprise over whose operational and financial management the Group exercises joint operational and financial control under a joint venture agreement.

TV4 chooses to report its holdings using the equity method as described in Recommendation No. 14 issued by the Swedish Financial Accounting Standards Council. This accounting is consistent with that of associated companies as described above.

### REVENUE RECOGNITION

Revenues are recognised to the extent it is likely that the financial benefits will accrue to the Group and the revenues can be reliability calculated. The following specific criteria must be met before revenue is recognised.

**Advertising** revenues comprise payment for commercial spots on one of the Group's TV channels.

**Sponsorship** revenues comprise payment for billboards before and after programmes are transmitted on one of the Group's TV channels.

**Pay TV income** comprises payment from programme distributors for distributing TV4 channels.

**Other revenues** comprise revenue flows that do not have a heading of their own.

Examples include revenues from Nya medier, licensing revenues (DVDs, books, games etc) and resale of programmes.

### Accrual accounting of revenues

The basis for recognition of advertising revenues is the time the commercial is transmitted. Sponsorship revenues are recognised at the time of insertion of sponsor information. Pay TV revenues are recognised from the time when the channel in question is distributed by the distributor. Other revenues are recognised on performance.

**Interest**

Interest income is recognised as it accrues. Interest is calculated on the basis of the return on the underlying assets.

**Dividends**

Income is recognised in the income statement when the shareholder's right to receive the dividend has been established.

**Other information on revenue recognition**

Each year the Group enters into a limited number of service barter agreements. Revenues generated under those agreements are reported under the category according with the above definitions.

**TAXES**

Taxes comprise current tax and deferred tax. Deferred tax is reported using the balance sheet method, which means that deferred tax is calculated for all identified temporary differences as at accounting year-end, the difference being the difference between the tax base of the assets or liabilities and their book value. Deferred tax receivables are reported for all tax-deductible temporary differences and unutilised loss carry-forward to the extent it is likely that future taxable profits will be available against which the temporary differences or unutilised loss carry-forward can be offset. The book value of the deferred tax receivables is reassessed at each accounting year-end and reduced to the extent it is no longer likely to be possible to use them. TV4's current tax liability is affected by the appropriations and other tax provisions made by the individual companies. Utilisation of loss carry-forward in the accounts of TV4 or companies it has acquired also has an effect. TV4 has no tax-deductible temporary differences, loss carry-forward or other forms of relief that are not matched by reported temporary tax receivables. Taxes are recorded in the income statement, except where underlying transactions are booked direct against equity, where the resulting tax effect is booked under equity.

**VALUATION OF RECEIVABLES AND LIABILITIES IN FOREIGN CURRENCIES**

Assets and liabilities are valued at the exchange rate at accounting year-end. Transactions in foreign currency are

translated in accordance with the spot rate applying on the transaction day. Exchange rate changes attributable to the business are reported under "transmission costs"; see Note 27. Exchange rate changes of a financial nature are reported as a financial item. Most of the Company's receivables and liabilities in foreign currencies are hedged by way of currency futures.

**VALUATION OF LEASING AGREEMENTS**

TV4's leasing agreements are agreements in which all risks and benefits associated with ownership accrue to the lessor. These are classified as operational leasing agreements. Leasing fees are reported as a cost in the income statement. For a detailed breakdown of the agreements, see Note 11.

**VALUATION OF PROGRAMME INVENTORY**

Programme inventory consists of screening rights acquired, programmes produced by independent production companies as commissioned by TV4, in-house productions and co-productions of Swedish films. Programme inventory is reported at its historical acquisition cost reduced by the portion used at transmission and, where amortisation is required, after amortisation. Programmes are written off when transmitted. It is considered that certain programmes may be repeated on a later occasion and these are thus not fully written off when transmitted for the first time. Their repeat value is fixed in accordance with rules based on programme genre, number of times shown, number of episodes and length of the licence period.

An individual assessment of the value of repeat stock is made at the end of each accounting period. The assessment is based on the premise that repeats of programmes in the repeat stock should be planned in accordance with a repeats plan. If a programme is not considered to have a repeat value, it will be written off completely.

Programmes are reported as programme inventory as they become available to TV4. As a rule, this coincides with agreed licensing periods. Contracted programmes that are not yet available are not included in programme inventory but are reported under Note 14.

**NON-CURRENT ASSETS**

Non-current assets are valued at their

historical acquisition cost, less a deduction for accumulated depreciation. Depreciation is straight-line based on the useful life of the asset.

The book value of non-current assets is reviewed regularly in terms of a potential need for write-down where events or changed circumstances indicate that the residual value may not be recovered. If there are indications and if the balance sheet value exceeds the anticipated recoverable amount, the assets or the cash-generating units are written down to the recoverable amount. The recoverable amount for non-current assets equals the net sales price or the utility value, whichever is the higher. The utility value is estimated by discounting the anticipated future cash flows to arrive at a current value.

**INTANGIBLE ASSETS**

An intangible asset is defined as an identifiable, non-monetary asset without physical substance, held for use in production. It is likely that financial advantages are attributable to the asset and that it is possible to calculate its acquisition cost in a reliable manner.

**TANGIBLE ASSETS**

Plant and machinery are depreciated over four or five years. Capitalised costs for the refurbishment of rented premises are depreciated over the term of the lease. Machinery and equipment are depreciated over five years, with the exception of computers, which are depreciated over three years.

**CASH FLOW STATEMENT**

The cash flow statement has been prepared using the indirect method. Liquid assets are calculated as the sum of cash and bank deposits, together with short-term investments made by the Parent Company.

NOTE 1 Net sales	GROUP		PARENT	
	2009	2008	2009	2008
Advertising sales*	2,491,228	2,789,142	1,930,660	2,261,534
Pay TV income	2,815,365	693,828	421,268	418,191
Other sales income	236,476	119,855	113,016	101,467
<b>Total</b>	<b>5,543,069</b>	<b>3,602,825</b>	<b>2,464,944</b>	<b>2,781,192</b>

\*Purchases and sales within the Group

SEK 0.9 million (0.3) of the Parent Company's total purchasing costs derive from purchases within the TV Group and SEK 30.2 million (26.9) from purchases from other Bonnier companies.

Intra-group sales during the year totalled SEK 0.0 million (0.3). Sales to other Bonnier companies totalled SEK 76.3 million (68.1).

NOTE 2 Transmission costs	GROUP		PARENT	
	2009	2008	2009	2008
Fee for terrestrial transmission and distribution	-864,268	-160,755	-41,275	-78,526
Grant to Swedish film	-11,147	-10,604	-11,147	-10,603
Programming costs and other transmission costs	-3 251 723	-2 076 020	-1 710 590	-1,689 978
<b>Total</b>	<b>-4 127 138</b>	<b>-2,247 379</b>	<b>-1,763 012</b>	<b>-1,779 107</b>

#### GRANT TO SWEDISH FILM

Under an agreement with Stiftelsen Filminstitutet, the Company is to pay a grant to Swedish film of SEK 8.0 million a year from 2006 to 2010. In addition,

the Company has made a commitment to spend an average of SEK 20 million a year during the term of the agreement on the purchase of screening rights, co-productions and joint financing of

Swedish films that are also distributed for screening at cinemas. This sum is adjusted upwards by 2 per cent a year starting on 1 January 2007.

NOTE 3 Other operating expenses	GROUP		PARENT	
	2009	2008	2009	2008
Write-down of shares in subsidiaries	-	-	-9,509	-5,400
Loss on sale and disposal of non-current assets	-	-13,388	-	-11,978
<b>Total</b>	<b>-</b>	<b>-13,388</b>	<b>-9,509</b>	<b>-17,378</b>

NOTE 4 Number of employees; salaries, remuneration and other benefits	GROUP		PARENT	
	2009	2008	2009	2008
<b>Number of employees (full-year basis)</b>				
Male employees	519	553	304	310
Female employees	498	484	313	293
<b>Total</b>	<b>1,017</b>	<b>1,037</b>	<b>617</b>	<b>603</b>
<b>Salaries, remuneration and payroll overheads</b>				
Other directors	150	150	150	150
Managing Director	4,122	4,959	4,122	4,959
Other senior executives	29,587	26,686	24,517	24,117
Other employees	532,851	469,910	332,758	317,153
<b>Total remuneration and benefits</b>	<b>566,710</b>	<b>501,705</b>	<b>361,547</b>	<b>346,379</b>
<b>including:</b>				
Bonus	5,665	8,058	2,180	6,621
Profit bonus	9,512	25,800	5,646	16,454
Payroll overhead, Board of Directors	47	49	47	49
Payroll overhead, Managing Director	6,897	4,699	6,897	4,699
Payroll overhead, other senior executives	20,193	16,061	17,275	14,668
Payroll overhead, other employees	217,641	207,479	137,067	142,144
<b>Total payroll overheads</b>	<b>244,778</b>	<b>228,288</b>	<b>161,286</b>	<b>161,560</b>
<b>including:</b>				
Pension costs, Managing Director	5,386	2,963	5,386	2,963
Pension costs, other senior executives	9,835	5,398	8,683	4,947
Pension costs, other employees	53,833	41,352	35,841	29,659
<b>Auditors' fees</b>				
Öhrlings PWC, audit fees	1,265	1,226	545	976
Öhrlings PWC, other fees	391	2,146	391	2,146
<b>Total</b>	<b>1,656</b>	<b>3,372</b>	<b>936</b>	<b>3,122</b>

The Board of Directors comprised four men (four) and two women (three) of whom four (five) were elected at the AGM. The management team comprised nine men (nine) and six women (six).

#### PARENT COMPANY

TV4 AB has an agreement with the Alecta insurance company regarding standard pension arrangements for employees, as provided in the agreement between SAF (the Swedish Employers' Confederation) and PTK (the Federation of Salaried Employees in Industry and Services). This agreement also covers the management team and the Managing Director. Employees earning in excess of approximately SEK 500,000 per annum are entitled to place a certain proportion of their pension premium with an insurance company of their choice.

#### MANAGING DIRECTOR

The Managing Director received salary and other benefits totalling SEK 3.6 million (3.7) and a bonus of SEK 0.5 million (1.3) during the year. He is entitled to a maximum bonus of SEK 1.8 million. The bonus

does not confer pension entitlement. The bonus is based on earnings before net financial income and expenses. The bonus is also linked to individual qualitative parameters. The retirement age for the Managing Director is 60 years; his pension is 50 per cent of qualifying salary. His pension accrues linearly and is covered by premium payments. Pension is paid out between 60 and 75 years, after which pension is paid under an ITP contractual pension scheme. Departure before the age of 60 means that only pension accrued to date will be paid. In addition to a notice period of six months, the Managing Director is entitled to a severance payment equal to twelve months' salary, payable only in the event of termination by the employer. The severance payment is not offset against other income. TV4 AB has no remaining obligations towards any former managing director.

#### OTHER SENIOR EXECUTIVES

At year-end the Group management team comprised fifteen people (fifteen). Salaries and benefits are shown in the tables above. The Managing Directors

of TV4 Sverige and C More are included under "Other senior executives" in the table. TV4's management team is entitled to a bonus. The bonus is based on earnings before net financial income and expenses. In some cases the bonus is linked to divisional earnings. The bonus is also linked to individual qualitative parameters. The maximum bonus is SEK 6.9 million. Bonuses totalling SEK 2.5 million were paid out during the year (5.3). In most cases, pension is payable from the age of 65 under the standard ITP scheme. The retirement age is 60 in a few cases. Supplementary pension is payable on salary exceeding approximately SEK 1,500,000 so as to match the ITP pension of 65 per cent of pensionable salary. Notice periods follow the provisions of the Swedish Employment Protection Act. Some executives have been granted an extended period of notice or entitlement to additional severance pay, however. In no instance does the total notice period and severance payment exceed 12 months' salary. Severance payments are made only in the event of termination by the employer and are not offset against other income.

**BOARD OF DIRECTORS AND CHAIRMAN OF THE BOARD**

The director's fee paid during the year was that paid to the director not employed by the Bonnier Group of Companies. The fee for 2009 was SEK 150,000.

**CONSULTATIVE AND DECISION-MAKING PROCESS**

Directors' fees are decided at the General Meeting of the Shareholders. The Managing Director's salary and benefits are decided by the Board of Directors. The salaries and benefits received by executives immediately subordinate to the Managing Director

are decided by the Managing Director following consultation with the Chairman of the Board. The principle in the TV4 Group is that the immediate superior of any person holding a managerial position should approve any decisions on salaries and benefits in consultation with the Human Resources Director.

**NOTE 5****Benefits payable to former employees**

Retirement and family pension commitments for salaried employees in Sweden are assured by a policy held with the Alecta insurance company. According to a statement issued by the Swedish Financial Accounting Standards Council Akutgrupp (ad hoc advisory committee) (URA 42), this is a defined benefit scheme involving a number of employers. For the financial year 2009, the Company has not had access to the information necessary to report this scheme as a defined benefit scheme.

The ITP pension scheme assured by a policy with Alecta has therefore been reported as a defined contribution scheme. The year's contributions for Alecta pension insurance policies total SEK 31.9 million (23.0). Alecta's surplus can be distributed among the policy holders and/or those insured. At the end of 2009 Alecta's surplus expressed in the form of its collective consolidation ratio was 141 per cent (112 per cent). The collective consolidation ratio comprises the market value of Alecta's

assets as a percentage of its insurance commitments computed in accordance with Alecta's actuarial assumptions, which do not accord with Swedish Financial Accounting Standards Council Recommendation No. 29.

Premiums of SEK 36.2 million for other defined contribution schemes were paid during the year (26.7).

**NOTE 6****Sick leave at the Parent Company**

	GROUP 2009		PARENT 2008	
	Total sick leave	Over 60 days	Total sick leave	Over 60 days
<b>Age group 29 or younger</b>				
Women	1%	0%	2%	6%
Men	2%	2%	1%	0%
<b>Total</b>	<b>2%</b>	<b>1%</b>	<b>2%</b>	<b>4%</b>
<b>30 - 49</b>				
Women	3%	41%	5%	57%
Men	2%	32%	2%	41%
<b>Total</b>	<b>2%</b>	<b>38%</b>	<b>3%</b>	<b>53%</b>
<b>50 or older</b>				
Women	1%	0%	1%	0%
Men	2%	67%	2%	71%
<b>Total</b>	<b>2%</b>	<b>54%</b>	<b>2%</b>	<b>59%</b>
<b>Overall</b>				
Women	3%	36%	4%	52%
Men	2%	38%	2%	44%
<b>All employees</b>	<b>2%</b>	<b>37%</b>	<b>3%</b>	<b>50%</b>

NOTE 7 Holdings in associated companies and joint ventures	GROUP		PARENT	
	2009	2008	2009	2008

Both associated companies and joint ventures are reported under this note. There is only one joint venture company (Nordic World AS).

Opening balance	5,702	2,752	10,808	4,211
Acquisition of associated companies	6,301	6,597	6,301	6,597
Disposal of associated companies	-	-	-24	-
Dividend	-	-	-	-
Share of profit/loss for the year	-3,272	-3,647	-	-
<b>Closing balance</b>	<b>8,731</b>	<b>5,702</b>	<b>17,085</b>	<b>10,808</b>

Group holdings in associated companies are reported on the balance sheet, broken down into companies with positive value 13,802 (9,095) and companies with negative value -5,071 (-3,176). The liability is reported under "Other liabilities".

The item "Holdings in associated companies" includes goodwill of SEK 5,682 thousand at 31 December 2009 (4,780).

#### Effect of each holding, including amortisation of goodwill, on profit/loss

GI Viktkoll i Sverige AB	-1,544	-1,381		
Lägenhetsbyte AB	300	-81		
Nordic World AS	-1,679	-2,260		
118100 online AB	-	117		
Mediamätning i Skandinavien MMS AB	-177			
<b>Net effect on profit/loss</b>	<b>-3,100</b>	<b>-3,605</b>		
<b>Tax</b>	<b>-172</b>	<b>-42</b>		
<b>Effect on profit after tax</b>	<b>-3,272</b>	<b>-3,647</b>		

Company name, Reg. No.	REG. OFFICE	ASSETS	LIABILITIES	EQUITY
GI ViktKoll i Sverige AB, 556674-9387	Stockholm, Sweden	11,752	-2,602	-9,150
Lägenhetsbyte i Sverige AB, 556685-6018	Stockholm, Sweden	1,767	-1,116	-651
Nordic World AS, 988873160	Oslo, Norway	8,038	-19,082	11,044
Mediamätning i Skandinavien MMS AB, 556353-3032	Stockholm, Sweden	28,474	-7,886	-20,588
<b>Total</b>		<b>50,031</b>	<b>-30,686</b>	<b>-19,345</b>

Company name, Reg. No.	STAKE	NUMBER	BOOK VALUE
GI ViktKoll i Sverige AB, 556674-9387	45,8%	700,255	7,262
Lägenhetsbyte i Sverige AB, 556685-6018	22,5%	225	392
Nordic World AS, 988873160	50,0%	5,000	-5,071
Mediamätning i Skandinavien MMS AB, 556353-3032	24,0%	1,225	6,148
<b>Total</b>		<b>706,705</b>	<b>8,731</b>

NOTE 8 Profit/loss from financial investments	GROUP		PARENT	
	2009	2008	2009	2008
Dividends	-	-	20,599	26,656
Interest income	7,943	42,413	4,130	26,881
Other financial income	38,720	5,681	25	-
	<b>46,663</b>	<b>48,094</b>	<b>24,754</b>	<b>53,537</b>
Interest expenses	-194,369	-29,409	-159,654	-116,408
	<b>-194,369</b>	<b>-29,409</b>	<b>-159,654</b>	<b>-116,408</b>
<b>Total</b>	<b>-147,706</b>	<b>18,685</b>	<b>-134,900</b>	<b>-62,871</b>

SEK 3.3 million (26.2) of the Parent Company's total interest income comprises interest from Bonnier Finans. SEK 6.0 million (33.8) of Group

interest income comprises interest from Bonnier Finans. SEK 137.6 million (12.8) of the Parent Company's total interest expenses comprises interest paid to

Bonnier Finans. SEK 139.2 million (15.0) of Group interest expenses comprises interest paid to Bonnier Finans.

NOTE 9 Tax on profit for the year	GROUP		PARENT	
	2009	2008	2009	2008
Current tax cost	-18,034	-14,662	-5,329	-4,674
Tax effect of group contribution (koncernbidrag)	-97,378	-195,367	-52,893	-143,819
Deferred tax relating to temporary differences	-36,294	-23,830	1,915	226
<b>Net tax cost</b>	<b>-151,706</b>	<b>-233,859</b>	<b>-56,307</b>	<b>-148,267</b>

NOTE 10 Intangible assets	GROUP	
	2009	2008
<b>Goodwill</b>		
Opening acquisition value	2,596,188	5,098
Purchases	306,842	2,591,090
Closing accumulated acquisition value	2,903,030	2,596,188
Opening depreciation	-13,082	-1,419
Depreciation for the year	-147,042	-11,663
Closing accumulated depreciation	-160,124	-13,082
<b>Closing residual value according to plan</b>	<b>2,742,906</b>	<b>2,583,106</b>

Goodwill refers to two companies.

C More Group AB, with a residual value of SEK 2,741 million. Goodwill is amortised over 20 years;

TV4 Sport AB has a residual value of SEK 2 million. Goodwill is amortised over 5 years.

NOTE 10 – CONTINUED	GROUP		PARENT	
Intangible assets	2009	2008	2009	2008
<b>Other intangible assets</b>				
Opening acquisition value	49,863	94,424	49,863	92,090
Purchases	1,763	6,787	1,763	6,787
Sales/disposals	-3,243	-22,150	-3,243	-19,816
Reclassifications	-	-29,198	-	-29,198
Closing accumulated acquisition value	48,383	49,863	48,383	49,863
Opening depreciation	-24,786	-20,558	-24,786	-19,539
Sales/disposals	1,144	8,831	1,144	7,734
Depreciation for the year	-7,855	-13,059	-7,855	-12,981
Closing accumulated depreciation	-31,497	-24,786	-31,497	-24,786
<b>Closing residual value according to plan</b>	<b>16,886</b>	<b>25,077</b>	<b>16,886</b>	<b>25,077</b>

Other intangible assets comprise systems and databases. The largest are: (i) an order and invoicing system (useful life five years, remaining life two years, residual value SEK 12 million); and

(ii) a recipe database that is being depreciated over three years, with two years remaining and a residual value of SEK 2 million, TV4 has a fully depreciated intangible asset that is still in use: a

programme planning system. TV4 has no internally generated intangible assets. TV4 has no intangible assets with an indeterminable useful life.

NOTE 11	GROUP		PARENT	
Tangible assets	2009	2008	2009	2008
<b>Plant and machinery</b>				
Opening acquisition value	528,939	422,758	447,019	350,147
Purchases	18,272	84,232	10,144	68,681
Sales/disposals	-124,715	-7,259	-123,360	-1,017
Reclassifications	-	29,208	-	29,208
Closing accumulated acquisition value	422,496	528,939	333,803	447,019
Opening depreciation	-374,352	-344,923	-317,920	-292,683
Sales/disposals	47,013	4,730	45,769	466
Depreciation for the year	-42,874	-34,159	-33,076	-25,703
Closing accumulated depreciation	-370,213	-374,352	-305,227	-317,920
<b>Closing residual value according to plan</b>	<b>52,283</b>	<b>154,587</b>	<b>28,576</b>	<b>129,099</b>

NOTE 11 – CONTINUED	GROUP		PARENT	
Tangible assets	2009	2008	2009	2008
<b>Capitalised refurbishment costs</b>				
Opening acquisition value	47,926	39,554	34,776	32,267
Purchases	3,200	8,372	2,619	2,509
Closing accumulated acquisition value	51,126	47,926	37,395	34,776
Opening depreciation	-31,093	-28,558	-24,473	-23,062
Depreciation for the year	-3,727	-2,535	-985	-1,411
Closing accumulated depreciation	-34,820	-31,093	-25,458	-24,473
<b>Closing residual value according to plan</b>	<b>16,306</b>	<b>16,833</b>	<b>11,937</b>	<b>10,303</b>
<b>Equipment</b>				
Opening acquisition value	255,810	164,658	150,437	143,909
New subsidiaries	-	80,139	-	-
Purchases	12,737	14,955	3,976	10,435
Sales/disposals	-11,169	-3,932	-8,563	-3,897
Translation difference	-342	-	-	-
Reclassifications	-	-10	-	-10
Closing accumulated acquisition value	257,036	255,810	145,850	150,437
Equipment	-210,657	-135,666	-125,881	-121,163
Opening acquisition value	-	-66,485	-	-
New subsidiaries	7,114	3,612	6,375	3,586
Purchases	-16,926	-12,118	-8,208	-8,304
Sales/disposals	353	-	-	-
Translation difference	-220,116	-210,657	-127,714	-125,881
Reclassifications	-	-	-	-
<b>Closing accumulated acquisition value</b>	<b>36,920</b>	<b>45,153</b>	<b>18,136</b>	<b>24,556</b>

A 10-year joint operation agreement on TV technology was concluded with the telecom company Ericsson in 2009, under which TV4 AB sold equipment for 84,460.

The Group has operational leasing agreements for cars and other equipment. All agreements are on customary fair market terms.

The Group's lease of rented premises is on customary fair market terms. In cash terms, Group renting mainly comprises the lease of the Parent Company's premises at Tegeluddsvägen.

Expiry of Group leases breaks down as follows.

- Within a year	25,130
- Within between one and five years	91,776
- More than five years	39,200

NOTE 12 Depreciation charged to operating profit	GROUP		PARENT	
	2009	2008	2009	2008
Intangible assets	154,897	24,722	7,855	12,981
Plant and machinery	42,874	34,159	33,076	25,703
Capitalised refurbishment costs	3,727	2,535	985	1,411
Equipment	16,926	12,118	8,208	8,304
<b>Total</b>	<b>218,424</b>	<b>73,534</b>	<b>50,124</b>	<b>48,399</b>

#### Breakdown of depreciation by function

Transmission costs	207,198	67,383	46,124	45,202
Selling expenses	5,404	3,546	1,500	1,199
Administrative expenses	5,822	2,605	2,500	1,998
<b>Total</b>	<b>218,424</b>	<b>73,534</b>	<b>50,124</b>	<b>48,399</b>

NOTE 13 Other securities held as non-current assets	NUMBER	STAKE	PAR VALUE	OPENING VALUE ADD/ DEDUCT MKT VALUATION BOOK VALUE
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Other long-term securities are held as part of the business. MMS Mediamätning i Skandinavien AB is owned by the major Swedish TV channels. The company is an associated company as of 2009; see Note 7. La Société de la Chaîne Européenne Multilingue d'Information EuroNews owns EuroNews.

#### Company, Reg. No.

MMS Mediamätning i Skandinavien AB, 556353-3032	862	16,90%	86,200	3,139 -3,139 <b>0</b>
La Société de la Chaîne Européenne Multilingue d'Information EuroNews, B 387 858 046	1,300	0,50%	-	986 - <b>986</b>
Total opening value				4,125
Total additional securities				-3,139
<b>Total closing value</b>				<b>986</b>

NOTE 14	GROUP		PARENT	
Programme inventory	2009	2008	2009	2008
Screening rights acquired	1,123,652	779,977	544,718	373,059
In-house productions	332,305	251,187	294,714	242,402
<b>Total book value</b>	<b>1,455,957</b>	<b>1,031,164</b>	<b>839,432</b>	<b>615,461</b>
including repeat value	207,770	134,219	204,346	129,874
<b>Delivery plan</b>				
Programme inventory contracted but not yet delivered:				
Stock for delivery within one year	1,263,927	1,768,210	750,622	1,140,917
Stock for delivery later than one year	576,189	1,086,515	261,461	316,581
<b>Total</b>	<b>1,840,116</b>	<b>2,854,725</b>	<b>1,012,083</b>	<b>1,457,498</b>
<b>Payment plan</b>				
Payment obligations for programmes ordered but not delivered:				
Paid in advance	642,915	627,510	574,649	586,482
Payments due within one year	493,677	1,089,015	175,973	554,435
Payments due within more than one year	703,523	1,138,200	261,461	316,581
<b>Total</b>	<b>1,840,116</b>	<b>2,854,725</b>	<b>1,012,083</b>	<b>1,457,498</b>

NOTE 15	GROUP		PARENT	
Pre-paid expenses and accrued income	2009	2008	2009	2008
Advance payments to programme suppliers	642,915	627,511	574,649	586,483
Pre-paid distribution costs	1,006	10,197	421	9,615
Pre-paid rents	15,086	11,566	8,232	7,543
Accrued income	252,970	258,455	93,756	85,484
Other pre-paid expenses	34,728	32,206	13,994	15,128
<b>Total</b>	<b>946,705</b>	<b>939,935</b>	<b>691,052</b>	<b>704,253</b>

## NOTE 16

## Equity

2009

2008

Group equity comprises share capital, other reserves, other contributed capital and earnings.

**Share capital**

Number of shares, class A (ten votes)	20,000,000	20,000,000
Par value per share (SEK)	5	5
Total share capital (SEK)	100,000,000	100,000,000

**RESERVES**

Reserves include all exchange rate differences arising when translating financial reports on foreign operations presenting their financial reports in a currency other than the currency in which the Group presents its financial reports. The Parent Company and the Group present their financial reports in Swedish kronor (SEK).

**OTHER CONTRIBUTED CAPITAL**

This comprises a share premium fund and the portion of the statutory reserve not created by allocation from profit for the year.

**PROFIT BROUGHT FORWARD (UNAPPROPRIATED EARNINGS) INCLUDING PROFIT/LOSS FOR THE YEAR**  
Balanserade vinstmedel i GROUP utgörs av årets resultat samt föregående års balanserade vinstmedel efter eventuell vinstutdelning.

The Parent Company's equity comprises share capital, statutory reserve and non-restricted equity

**SHARE CAPITAL**

As above.

**STATUTORY RESERVE**

This item includes a share premium fund. As of 31 December 2005 allocation to the statutory reserve is no longer necessary.

**NON-RESTRICTED EQUITY**

The Parent Company's non-restricted equity comprises profit for the year and profit brought forward from the previous year after payment of any dividends. The Board of Directors proposes a dividend. The dividend amount is decided at the AGM.

NOTE 16 – CONTINUED Change in equity	SHARE CAPITAL	RESTRICTED RESERVES	NON-RESTRIC- TED EQUITY	TOTAL
<b>The Group</b>				
<b>Closing equity at 31 Dec 2007</b>	<b>100,000</b>	<b>390,867</b>	<b>968,572</b>	<b>1,459,439</b>
Exchange rate differences		943		943
Profit for the year			521,528	521,528
<b>Total changes in assets not including transactions with shareholders</b>	<b>100,000</b>	<b>391,810</b>	<b>1,490,100</b>	<b>1,981,910</b>
Dividend			-627,860	-627,860
Group contributions (koncernbidrag) made			-697,741	-697,741
Tax effect of group contributions			195,367	195,367
<b>Closing equity 31 Dec 2008</b>	<b>100,000</b>	<b>391,810</b>	<b>359,866</b>	<b>851,676</b>
Exchange rate differences		-431		-431
Profit for the year			196,032	196,032
<b>Total changes in assets not including transactions with shareholders</b>	<b>100,000</b>	<b>391,379</b>	<b>555,898</b>	<b>1,047,277</b>
Group contribution (koncernbidrag) made			-370,259	-370,259
Tax effect of group contribution			97,378	97,378
<b>Closing equity 31 Dec 2009</b>	<b>100,000</b>	<b>391,379</b>	<b>283,017</b>	<b>774,396</b>
<b>Parent Company</b>				
<b>Closing balance according to adopted balance sheet 31 Dec 2007</b>	<b>100,000</b>	<b>392,756</b>	<b>627,860</b>	<b>1,120,616</b>
Dividend			-627,860	-627,860
Group contributions received			184,118	184,118
Group contributions made			-697,757	-697,757
Tax effect resulting from group contribution			143,819	143,819
Profit for the year			369,820	369,820
<b>Closing balance according to adopted balance sheet 31 Dec 2008</b>	<b>100,000</b>	<b>392,756</b>	<b>0</b>	<b>492,756</b>
Group contributions received			198,292	198,292
Group contributions made			-399,406	-399,406
Tax effect resulting from group contribution			52,893	52,893
Profit for the year			149,592	149,592
<b>Closing balance 31 December 2009</b>	<b>100,000</b>	<b>392,756</b>	<b>1,371</b>	<b>494,127</b>

NOTE 17 Non-current liabilities	GROUP		PARENT	
	2009	2008	2009	2008
Profit-sharing fund	30,186	30,186	30,186	30,186
Long-term accounts payable - trade	21,864	23,986	21,864	23,986
<b>Total</b>	<b>52,050</b>	<b>54,172</b>	<b>52,050</b>	<b>54,172</b>

The Company's long-term accounts payable are not interest-bearing.

Group total long-term accounts payable - trade break down as follows

- More than one year but within five years	52,050
- More than five years	-

NOTE 18 Accrued expenses and pre-paid income	GROUP		PARENT	
	2009	2008	2009	2008
Accrued personnel costs	104,747	143,620	58,847	77,435
Pre-paid income	59,149	47,165	0	0
Other accrued expenses	981,576	550,710	162,735	157,359
<b>Total</b>	<b>1,145,472</b>	<b>741,495</b>	<b>221,582</b>	<b>234,794</b>

NOTE 19 Assets pledged	GROUP		PARENT	
	2009	2008	2009	2008
Blocked liquid assets	897	20,867	-	-
Deposits	96	196	96	196
<b>Total</b>	<b>993</b>	<b>21,063</b>	<b>96</b>	<b>196</b>

The "Blocked liquid assets" refers to bank guarantees in Norway.  
The "Deposits" item largely consists of rent for an apartment in New York.

NOTE 20 Contingent liabilities	GROUP		PARENT	
	2009	2008	2009	2008
Parent company guarantee	-	-	164,445	-

TV4 has issued a parent company guarantee for C More Entertainment AB.

NOTE 21 Appropriations	PARENT	
	2009	2008
Difference between book depreciation and depreciation according to plan	6,600	-6,400
Tax adjustment reserve (periodiseringsfond)	12,985	145
<b>Total</b>	<b>19,585</b>	<b>-6,255</b>

NOTE 22 Shares in Group companies	NUMBER REG. OFFICE	STAKE	NOMINAL VALUE	OPENING VALUE ADD/DEDUCT BOOK VALUE
<b>Company name, registration number</b>				
Nordisk Television AB, 556273-6032	1,000 Stockholm	100,00%	100	105 - 105
TV4 Vision AB, 556417-6898	30,000 Stockholm	100,00%	3,000	3,600 - 3,600
TV4 Väst AB, 556491-8422	10,000 Gothenburg	100,00%	1,000	1,200 - 1,200
TV4 Stockholm AB, 556423-2626	50,000 Stockholm	100,00%	500	15,640 -9,509 6,131
TV4 Sverige AB, 556289-4237	2,250 Malmö	100,00%	225	7,351 - 7,351
TV4 Öst AB, 556166-2023	20,000 Västerås	100,00%	2,000	3,745 -3,745 0
TV4 Uppland AB, 556496-0630	16,000 Uppsala	100,00%	400	503 -503 0
TV4 Expressen Mobilab AB, 556630-6808	1,000 Stockholm	100,00%	100	100 - 100
TV Fakta Nordic Oy, 1956124-6	1,000 Helsinki	100,00%	100	1,308 - 1,308
TV4 Sport AB, 556246-8164	1,350 Stockholm	100,00%	204	4,673 - 4,673
Bloggvärlden Svensson och Alsén AB, 556728-0085	1,000 Stockholm	100,00%	100	100 - 100
C More Group AB, 556630-5180	9,947,150 Stockholm	100,00%	9,947	3,229,974 15,620 3,245,594
<b>Total</b>				<b>3,270,162</b>

NOTE 23 Untaxed reserves	GROUP		PARENT	
	2009	2008	2009	2008
Difference between book depreciation and depreciation according to plan			8,339	14,939
Allocation to tax adjustment reserve			345,791	358,775
<b>Total</b>			<b>354,130</b>	<b>373,714</b>

NOTE 24 Acquisition of shares and participations	GROUP		PARENT	
	2009	2008	2009	2008
Price paid for acquisition of subsidiaries, associated companies and other shares	18,759	2,851,317	14,511	3,239,478
Shareholders' contribution	-	-	-	-
<b>Total</b>	<b>18,759</b>	<b>2,851,317</b>	<b>14,511</b>	<b>3,239,478</b>

Shares in the following subsidiaries, associated companies and other companies were acquired during 2009.

#### SUBSIDIARIES

The acquisition value of C More Entertainment AB was adjusted during the year. The acquisition

price was 15,620, which was paid in cash.

The subsidiaries TV4 Öst AB and TV Uppland AB were sold during the year. No cash payment was received.

#### ASSOCIATED COMPANIES

During the year TV4 increased its stake in GI Viktkoll

AB by 4.48 per cent to 45.8 per cent. The acquisition was paid for in cash and totalled 315.

During the year TV4 also increased its stake in Mediamätning I Skandinavien MMS AB to 24.0 per cent. The acquisition was paid for in cash and totalled 2,847. The shares in 118100 Online AB were sold at their book value of 24 during the year.

NOTE 25 Cash position	GROUP		PARENT	
	2009	2008	2009	2008
Short-term investments held to maturity having a term of more than three months at time of acquisition	-	301,541	-	-
Cash and bank balances	369,533	1,171,786	-192,452	876,931
<b>Total</b>	<b>369,533</b>	<b>1,473,327</b>	<b>-192,452</b>	<b>876,931</b>

NOTE 26 Dividends and interest	GROUP		PARENT	
	2009	2008	2009	2008
Dividends received	-	-	20,598	26,656
Interest received	7,943	42,413	4,155	26,881
Interest paid	-160,312	-29,409	-158,344	-116,408
	<b>-152,369</b>	<b>13,004</b>	<b>-133,591</b>	<b>-62,871</b>

NOTE 27 Exchange rate differences	GROUP		PARENT	
	2009	2008	2009	2008
Exchange rate difference, transmission costs	111,853	42,884	104,304	38,713
<b>Total</b>	<b>111,853</b>	<b>42,884</b>	<b>104,304</b>	<b>38,713</b>

NOTE 28 Other non-current receivables	GROUP		PARENT	
	2009	2008	2009	2008
Pre-paid transponder expenses	20,427	34,407	-	-
Other non-current receivables	1,818	1,500	1,418	1,500
	<b>22,245</b>	<b>35,907</b>	<b>1,418</b>	<b>1,500</b>

NOTE 29 Deferred tax receivables and tax liabilities	GROUP		PARENT	
	2009	2008	2009	2008
Loss carry-forward	243,915	196,461	-	-
Deferred tax on untaxed reserves	-103,337	-113,718	-	-
Other deferred tax receivables	93,663	74,532	11,539	9,624
	<b>234,241</b>	<b>157,275</b>	<b>11,539</b>	<b>9,624</b>

\* An adjustment has been made for 2008 between the lines "Deferred tax on untaxed reserves" and "Other deferred tax liabilities".

Stockholm, 22 March 2010

Torsten Larsson

**CHAIRMAN OF THE BOARD**

Bengt Braun

Ingrid Dahlberg

Robert Andersson

Jan Scherman  
Managing Director

Björn Ivarsson

Sara Öhrvall

Our auditor's report was submitted on 23 March 2010

Örhlings PricewaterhouseCoopers AB

Bertil Johansson  
Authorised Public Accountant