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## **INDEPENDENT AUDITOR'S REPORT ON THE EXAMINATION OF THE TAKEOVER REPORT**

*(Translation of the Estonian original)*

At the request of TeliaSonera AB (the "Majority Shareholder"), we have examined the accompanying takeover report dated 16 October 2009 (the "Takeover Report") prepared by the Majority Shareholder, which sets out the conditions governing the takeover of the minority shareholders' shares in AS Eesti Telekom and the basis for determining the amount of compensation payable for those shares.

The Majority Shareholder has assessed the value of the shares to be taken over and determined the amount of compensation to be paid for them in accordance with Section 182<sup>1</sup> of the Securities Market Act. The completeness and accuracy of the valuation of the shares and the Takeover Report are the responsibility of the Majority Shareholder. Our responsibility is to examine the Takeover Report and to determine whether the amount of compensation determined by the Majority Shareholder complies with the law.

To express our opinion, we examined the Takeover Report and other documents submitted to us by the Majority Shareholder that served as a basis for preparing the Takeover Report, and performed other procedures that we deemed necessary for forming an opinion.

According to the Takeover Report made available to us, the monetary compensation for taking over the shares of 93 Estonian kroons per share has been determined on the basis of a value equal to the price per share paid on the basis of the takeover offer made on 9 October 2009 for acquiring all the shares in AS Eesti Telekom not already owned by the Majority Shareholder's group. As a result of the said takeover offer and additional market transactions, the Majority Shareholder increased its shareholding in AS Eesti Telekom to 97.58% as at 16 October 2009.

The Majority Shareholder has explained the terms of taking over the shares held by the minority shareholders and the basis for determining the compensation payable for the shares in the Takeover Report, having, among other things, compared the compensation with the price determination criteria provided in Section 2 of the Rules of Takeover Bids established with Regulation No 71 by the Minister of Finance on 28 May 2002.

In comparison with the amounts of compensation calculated using the different criteria, the compensation payable by the Majority Shareholder is higher than the fair purchase price calculated using the above criteria.

In our opinion, the method used by the Majority Shareholder for determining the value of a share is appropriate for determining the compensation payable and the amount of the compensation determined by the Majority Shareholder in the Takeover Report complies with the provisions of Section 182<sup>1</sup> of the Securities Market Act.

The report has been issued for presentation only to the general meeting of the shareholders of AS Eesti Telekom and to the parties stipulated in the law in connection with the takeover of the minority shareholders' shares by the Majority Shareholder. This report may not be used for any other purpose and it is valid only in conjunction with the Takeover Report.

Tallinn, 16 October 2009

KPMG Baltics AS

(signature)

Taivo Epner

*Authorized Public Accountant*