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2016-10-07

PRESS RELEASE

Tele2 receives clearance to acquire TDC Sweden

Stockholm –Tele2 AB (Tele2), (NASDAQ OMX Stockholm Exchange: TEL2 A and TEL2 B). The European Commission today announced clearance on Tele2’s acquisition of TDC Sweden at an Enterprise Value of SEK 2.9 billion. Tele2 will now work towards closing the transaction by the end of the month.

The acquisition allows Tele2 to become a stronger player in the strategically important B2B segment in its home market Sweden. TDC Sweden is a highly successful provider of B2B services in Sweden, serving both the public sector and many Swedish blue chip customers with their entire end-to-end connectivity and communication needs. TDC Sweden has a strong position in attractive product segments, and a solid track record of profitable growth, delivering net sales in 2015 of SEK 3.4 billion and an EBITDA of SEK 0.4 billion.

Allison Kirkby, President and CEO of Tele2 AB, comments: “We are delighted to have received clearance to proceed with the acquisition of TDC Sweden. This acquisition is consistent with our strategy to be champions of customer value for both consumers and businesses, allowing us to serve our large B2B customers with a stronger and wider range of communication & network services. The combination of Tele2 and TDC Sweden will therefore unlock significant value for both our customers and our shareholders.”

Samuel Skott, CEO of Tele2 Sweden, comments: “I am truly excited to now be able to start combining the strengths of Tele2 and TDC Sweden. Together, we will be a challenger, offering a more comprehensive product portfolio. The unique complementary profiles of the two companies will enable us to provide our customers with even greater value going forward.”

As previously communicated, the Board of Directors of Tele2 has resolved on a rights issue (“Rights Issue”) of approximately SEK 3 billion with preferential rights to existing shareholders subject to the approval of an Extraordinary General Meeting that will be held October 27. The acquisition of TDC Sweden is not conditional on equity financing, as Tele2 has available funds and existing credit facilities in place to finance the transaction. However, in conjunction with the announcement of the acquisition, Tele2 also communicated the intention to undertake an equity issue with preferential rights for existing shareholders to maintain the Company’s financial strength. The Rights Issue is fully underwritten and has the support of Tele2’s largest shareholder Kinnevik.

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TELE2 IS ONE OF EUROPE'S FASTEST GROWING TELECOM OPERATORS, ALWAYS PROVIDING CUSTOMERS WITH WHAT THEY NEED FOR LESS. We have 16 million customers in 9 countries. Tele2 offers mobile services, fixed broadband and telephony, data network services, content services and global IoT solutions. Ever since Jan Stenbeck founded the company in 1993, it has been a tough challenger to the former government monopolies and other established providers. Tele2 has been listed on the NASDAQ OMX Stockholm since 1996. In 2015, we had net sales of SEK 27 billion and reported an operating profit (EBITDA) of SEK 5.8 billion. For definitions of measures, please see the last page of the Annual report 2015.

The logo for Tele2, featuring the word "TELE2" in a bold, black, sans-serif font. The "2" is significantly larger and more prominent than the other characters.