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2016-11-21

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PRESS RELEASE

Tele2's rights issue oversubscribed

Stockholm - Tele2 AB (publ), ("Tele2" or the "Company"), (NASDAQ OMX Stockholm: TEL2 A and TEL2 B), announces that the preliminary result of Tele2's rights issue (the "Rights Issue"), for which the subscription period ended on November 16, 2016, indicates that approximately 2,522,083 A shares and approximately 52,659,138 B shares, corresponding to approximately 99.58 percent of the A shares and approximately 98.83 percent of the B shares offered, were subscribed for by the exercise of subscription rights. Additionally, applications for subscription without subscription rights of approximately 831,391 A shares and approximately 51,492,394 B shares, corresponding to approximately 32.83 percent of the A shares and approximately 96.64 percent of the B shares offered, have been received. Thus, the Rights Issue is oversubscribed. Tele2 will receive approximately SEK 2,958 million through the Rights Issue before transaction costs.

The final results of the Rights Issue will be published on or around November 23, 2016. Allotment of shares that were subscribed for without subscription rights will be made in accordance with the principles outlined in the prospectus. Notification regarding the allotment of shares to be registered at Euroclear Sweden and traded on Nasdaq Stockholm will be sent only to those who have been allotted shares.

As a result of the Rights Issue, Tele2's share capital will increase by SEK 69,770,841.25 from SEK 563,854,173.75 to SEK 633,625,015 in total, and the total number of shares will increase by 55,816,673 from 451,083,339 to 506,900,012.

The new A shares and B shares subscribed for with subscription rights are expected to be registered by the Swedish Companies Registration Office ("SCRO", Sw. *Bolagsverket*) on or about November 22, 2016. The last day of trading in the interim shares ("BTA") is expected to be on November 28, 2016. Trading of the new A shares and B shares is expected to begin on Nasdaq Stockholm on December 2, 2016.

The new A shares and B shares subscribed for without subscription rights are expected to be registered by the SCRO on or about December 1, 2016 and are expected to start trading on Nasdaq Stockholm on December 5, 2016.

Financial and legal advisors

Nordea Bank AB (publ) is acting as financial advisor and Advokatfirman Vinge KB is acting as legal advisor in connection with the Rights Issue.

The information was distributed for disclosure at 08.00 CET on November 21, 2016.

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For more information, please contact:

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Important information

This announcement does not constitute or form part of an offer for sale or solicitation of an offer to purchase or subscribe for securities in the United States, any Member State of the European Economic Area ("EEA") or any other jurisdiction.

The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold, directly or indirectly, in the United States absent registration under or an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Company does not intend to register any portion of this offering in the United States or to conduct a public offering in the United States. Any public offering of securities to be made in the United States will be made by means of a prospectus that will contain detailed information about the Company and its management, as well as financial statements. Copies of this announcement are not being, and should not be, distributed in or sent into the United States.

This announcement is an advertisement and not a prospectus for the purposes of the Prospectus Directive. Any purchase of securities of Tele2 pursuant to the Rights Issue should only be made on the basis of the information contained in the formal prospectus issued in connection with the Rights Issue and approved by the Swedish Financial Supervisory Authority on 28 October 2016 (the "Prospectus") and any supplement or amendment thereto. The Prospectus relating to the Rights Issue contains detailed information about Tele2 and its management, as well as financial statements and other financial data. The Prospectus is available at the offices of Tele2 at the address given above.

Offers to the public are permitted in Sweden, the United Kingdom, Ireland, Denmark, Norway and Finland from and including the date of approval of the prospectus by the competent authority in Sweden and notified to the relevant competent authorities in other Member States of the EEA in accordance with the Prospectus Directive ("Prospectus Publication"), through to and including the settlement date.

Elsewhere in the EEA, this announcement and this offering are only addressed to and directed at persons in Member States of the EEA, who are "Qualified Investors" within the meaning of Article 2(1)(e) of the Prospectus Directive. The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with Qualified Investors. This announcement should not be acted upon or relied upon in any member state of the EEA by persons who are not Qualified Investors.

"Prospectus Directive" means Directive 2003/71/EC (as amended), and includes any relevant implementing measure in any Member State concerned.

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In advance of Prospectus Publication, this announcement is for distribution only to and is directed only at persons who (i) have professional experience in matters relating to investments which fall within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom this announcement, to the extent that it constitutes an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may lawfully be communicated or caused or be communicated, or who otherwise may receive this announcement on the basis that section 21 of the Financial Services and Markets Act 2000 does not apply (all such persons together being referred to as “relevant persons”). This announcement is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this announcement relates is available only to relevant persons and will be engaged in only relevant persons.

TELE2 IS ONE OF EUROPE'S FASTEST GROWING TELECOM OPERATORS, ALWAYS PROVIDING CUSTOMERS WITH WHAT THEY NEED FOR LESS. We have 17 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.