



Press Release
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Tele 2 Russia Holding AB (BB+ by Fitch) announces proposed rouble bond offering

Stockholm - Tele2 AB (Tele2), (NASDAQ OMX Stockholm: TEL2 A and TEL2 B) today announced that OJSC Saint-Petersburg Telecom (Issuer), a subsidiary of Tele2 Russia Holding AB has announced its debut RUB bond offering.

Issue nominal amount is RUB 5,000,000,000 with final maturity in 10 years. The bonds are issued with put options, providing for effective tenors of 5 years. Indicative coupon guidance 9.00 – 9.50 percent per annum for 5 year tenors with semi-annual coupons. Issuer's liabilities under the offering will be covered by irrevocable undertakings from Tele2 Russia Holding AB and Tele2 Financial Services AB. The book is to be closed on 22 June, 2011. The settlement and secondary trading will be executed on MICEX.

Fitch Ratings has assigned issue preliminary rating of «BB+» level.

Tele2 Russia Holding AB intends to use the proceeds from the bonds to refinance existing intercompany indebtedness.

Lead-Arrangers and Book-runners of the offering are Raiffeisen Bank and VTB Capital.

Ondra Partners are financial advisors to Tele2 AB.

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