



Press Release
2007-10-08

Tele2 divests its Austrian MVNO operations to Telekom Austria Group for approximately SEK 65 million

Stockholm - Tele2 AB, (“Tele2”), (Stockholm Stock Exchange: TEL2 A and TEL2 B), Europe’s leading alternative telecom operator, today announced that it has sold its Austrian MVNO operations to Telekom Austria Group. Telekom Austria Group will pay in cash approximately SEK 65 million (approximately EUR 7 million) on a cash and debt free basis.

At the end of June 2007, Tele2 had 131,000 mobile customers in Austria. Tele2’s mobile operations in Austria affected Tele2’s operating revenue in 2006 and the first half of 2007 by SEK 168 million and SEK 37 million, respectively, and EBITDA by SEK -28 million and SEK -30 million, respectively. The transaction will not have any P&L effect on Tele2. Completion is expected following approval from the relevant regulatory authorities.

Lars-Johan Jarnheimer, President and CEO of Tele2, comments; “Our strength in Austria lies within our infrastructure based fixed and broadband operation. However, the current market environment leaves us little room for a profitable and sustainable MVNO operation.”

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Tele2 is Europe’s leading alternative telecom operator Tele2’s mission is to provide cheap and simple telecoms for everyone in Europe. Tele2 always strives to offer the market’s best prices. We have 29 million customers in 18 countries. Tele2 offers fixed and mobile telephony, broadband, data network services and cable TV. 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 OMX Nordic Exchange since 1996. In 2006 we had operating revenue of SEK 50.3 billion and we reported an operating profit (EBITDA) of SEK 5.7 billion. For more information, visit www.tele2.com.