



Press Release
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Tele2 divests Tele2 Italy and Tele2 Spain to Vodafone for approximately SEK 7.1 billion

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 Italian and Spanish operations to Vodafone. Vodafone will pay in cash approximately SEK 7.1 billion on a debt and cash free basis. Completion is expected following approval from the relevant regulatory authorities.

Lars-Johan Jarnheimer, President and CEO of Tele2, comments: "Tele2 has developed very successful businesses in both Italy and Spain. However, as an important step in our realignment strategy, Tele2 has decided to take advantage of the consolidation processes currently taking place in the Italian and Spanish telecommunications markets in order to realize value."

At the end of June 2007, Tele2 Italy had approximately 1,961,000 fixed telephony customers, 268,000 broadband resale customers and 375,000 direct access & LLUB customers. Tele2 Italy affected Tele2's operating revenue in 2006 and the first half of 2007 by SEK 4,924 million and SEK 2,689 million, respectively, and EBITDA by SEK -58 million and SEK 1 million, respectively.

At the end of June 2007, Tele2 Spain had approximately 307,000 fixed telephony customers, 47,000 broadband resale customers and 200,000 direct access & LLUB customers. Tele2 Spain affected Tele2's operating revenue in 2006 and the first half of 2007 by SEK 2,284 million and SEK 1,200 million, respectively, and EBITDA by SEK -188 million and SEK -74 million, respectively.

Further information can be obtained from:

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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.