



Press Release
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Tele2's subsidiary Versatel divests its Belgian operations to KPN for approximately MSEK 890

Stockholm - Tele2 AB, ("Tele2"), (Stockholm Stock Exchange: TEL2 A and TEL2 B), Europe's leading alternative telecom operator, today announced that its subsidiary Versatel has sold its Belgian operations Versatel Belgium and Tele2 Belgium, including fixed telephony and broadband, to KPN. KPN will pay in cash approximately MSEK 890 on a cash and debt free basis. The companies expect to complete the deal following approval from Belgian Competition Authorities.

At the end of June 2007, Versatel's Belgian operations reported approximately 200,000 fixed telephony customers and 125,000 broadband customers. In 2006 the operations generated revenues of SEK 1.38 billion and EBITDA of MSEK -56. For H1 2007, the operations had revenues of MSEK 610 and EBITDA of MSEK -34. The transaction will have a negative one-time P&L effect on Tele2 of MSEK 70-90.

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 21 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.