



FOR IMMEDIATE RELEASE

June 16, 2006

PRESS RELEASE REGARDING LEGAL MERGER BETWEEN TELE2 AND VERSATEL

Further to the press release of Versatel Telecom International N.V. ("Versatel") dated 21 April 2006, Versatel and Tele2 AB ("Tele2") jointly announce that Tele2 has decided to put the preparations for a triangular merger between Versatel (as the disappearing entity), Tele2 Finance BV and Tele2 Netherlands Holding BV on hold. Versatel and Tele2 are currently considering possible alternatives, amongst others Versatel acquiring Tele2's Dutch and Belgian activities. It is anticipated that prior to 1 September 2006, a further press release will be issued on the outcome of these discussions.

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Tele2 is Europe's leading alternative telecom operator. Tele2's mission is to provide cheap and simple telecom for everyone in Europe. Tele2 always strives to offer the market's best prices. We have 31 million customers in 22 countries. Tele2 offers fixed and mobile telephony, broadband, data network services, cable TV and content services. Ever since Jan Stenbeck founded the company in 1993, it has been a tough challenger to the former government monopolies. Tele2 has been listed on Stockholmsbörsen since 1996. In 2005 we had operating revenue of SEK 50 billion and reported a profit (EBITDA) of SEK 6.6 billion.