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PRESS RELEASE

Tele2 AB launches its new strategy - including a plan to increase productivity

London – Tele2 AB, (Tele2), (NASDAQ Stockholm: TEL2 A and TEL2 B) today announces a new strategy, including The Challenger Program – a program to step change productivity in the Tele2 Group. As part of the program, Tele2 expects to realize yearly productivity savings of around SEK 1 billion from 2018 onwards, following a multi-year investment program that is expected to cost around SEK 1 billion.

At the analyst and journalist briefing in London today, Tele2 announced the new program which will strengthen the organization further and enable it to continue to challenge the industry. The Challenger Program is part of a strategic initiative to step change productivity, which is one of Tele2's four strategic pillars that will be adopted in 2015. The other three strategic initiatives include working as a Value Champion, making focused technology choices and leveraging "Winning people and culture".

Mats Granryd, President and CEO of Tele2 AB, comments: "Tele2 was sprung out of an idea to challenge the establishment - the status quo. We are entrepreneurs and have proven time and time again that we will never become just another telecom operator. We embrace change and will hit change before it hits us. We have never been stronger than we are today. Our business is growing and we have successfully spearheaded the transition into a data-centric business model. That puts us in a position of strength compared to the rest of the industry. That is why we do this now, as we have the opportunity to invest and fully prepare for the future by the launch of our new strategy and The Challenger Program."

The program will focus on productivity increases by taking a holistic look at the organization. Productivity increases will be found by simplifying the way Tele2 interacts with customers and by consolidating and transforming the organization to work even smarter and better. The program will require investments of around SEK 1 billion. This is likely to be phased 20 percent in Year 1, 50 percent in Year 2, and 30 percent in Year 3. Benefits will accrue at slightly slower pace to investments in Years 1 and 2, but achieve full run rate of SEK 1 billion between years 3 and 4. It is therefore expected that 2015 will be affected negatively by up to SEK 100 million.

For more information, please contact:

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TELE2 IS ONE OF EUROPE'S FASTEST GROWING TELECOM OPERATORS, ALWAYS PROVIDING CUSTOMERS WITH WHAT THEY NEED FOR LESS. We have 14 million customers in 9 countries. Tele2 offers mobile services, fixed broadband and telephony, data network services and content services. 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 the NASDAQ OMX Stockholm since 1996. In 2013, we had net sales of SEK 30 billion and reported an operating profit (EBITDA) of SEK 6 billion.

The logo for Tele2, featuring the word "TELE2" in a bold, black, sans-serif font. The "2" is significantly larger and more prominent than the other characters.