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PRESS RELEASE

Tele2 moves internal infrastructure to the cloud to cater for 5G

Stockholm – Tele2 AB, (Tele2), (NASDAQ OMX Stockholm: TEL2 A and TEL2 B) today announces a shift in technology whereby Tele2's Network & IT functions are moved to the cloud.

Tele2 has decided to move its Network & IT functions into the cloud, using Network Function Virtualization (NFV) in order to enable a smarter, user-friendly, future-proof and even more cost efficient internal management.

This exciting shift of technology will enable Tele2 to deliver a wider set of services to its customers within all segments including Business, Consumer and Internet of Things (IoT). Big Data with advanced analytics will also be vital part of the implementation.

Niklas Sonkin, EVP and COO, Tele2 AB, comments: "This is an important step for Tele2 in further strengthening our position as a technology frontrunner. We are strong believers in 5G and are actively contributing to the evolution of 5G as a member of NGMN. The 5G standard will be ready by 2020 and in the field one or two years later. Cloud and virtualization are important building blocks in the foundation of 5G technology."

Tele2 is embracing open source as a way to speed service deployment and keep costs low. Tele2 has therefore chosen OpenStack as the foundation for our private cloud. Canonical will provide and manage OpenStack for Tele2 and Canonical's generic VNF manager, Juju, will be used for the onboarding of new services. Huawei will be providing the rack mount servers. Cisco is the chosen Network Vendor and will provide their ACI solution. The entire data center network will be built on a future proof spine/leaf network with modern 25Gb/100Gb connectivity.

Tele2 expects to have the first live application in the form of a virtual Evolved Packet Core (vEPC) in the cloud by Q3 this year.

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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, content services and global M2M/IoT solutions. 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 2015, we had net sales of SEK 27 billion and reported an operating profit (EBITDA) of SEK 5.8 billion.

