

PRESS RELEASE

Interim Report First Quarter 2018

Stockholm - Tele2 AB, (Tele2), (NASDAQ OMX Stockholm: TEL2 A and TEL2 B) today announces its consolidated results for the first quarter 2018.

CEO comment:

"The first quarter of 2018 marks the beginning of a year of major transformation for the Tele2 Group. Our business momentum continued with growth in revenue, EBITDA and operating cash flow. Looking forward to the merger with Com Hem, we are today also announcing an updated shareholder remuneration and leverage policy, which we believe is highly attractive to all shareholders of the combined company."

Financial highlights:

- Net sales growth of 5 percent, like-for-like
- Mobile end-user service revenue growth of 4 percent and EBITDA growth of 6 percent, like-for-like
- Adjusted for two non-cash one-off items, mobile end-user service revenue grew 5 percent and EBITDA grew 9 percent
- Rolling 12 months operating cash flow growth of 26 percent
- Kazakhstan reached the EBITDA margin target level of 30 percent earlier than expected
- Updated financial framework for the combined company, post the proposed merger with Com Hem, aiming for:
 - Net debt to EBITDA target range of 2.5-3.0x
 - Ordinary dividend of at least 80 percent of equity free cash flow
 - Extraordinary dividends and/or share repurchases to maintain target leverage

The report is available on www.tele2.com

Presentation of the first quarter 2018

Tele2 will host a presentation with the possibility to join through a conference call, for the global financial community at 10:00 am CEST (09:00 am BST/04:00 am EDT) on Monday, April 23, 2018. The presentation will be held in English and also made available as a webcast on Tele2's website: www.tele2.com

Dial-in information:

To ensure that you are connected to the conference call, please dial in a few minutes before the start of the conference call to register your attendance. Ask for Tele2 Q1 Interim Report 2018.

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This information is information that Tele2 AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 07:00 CEST on April 23, 2018.

TELE2'S MISSION IS TO FEARLESSLY LIBERATE PEOPLE TO LIVE A MORE CONNECTED LIFE. We believe the connected life is a better life, and so our aim is to make connectivity increasingly accessible to our customers, no matter where or when they need it. 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 offers mobile services, fixed broadband and telephony, data network services, content services and global IoT solutions. Every day our 17 million customers across 8 countries enjoy a fast and wireless experience through our award winning networks. Tele2 has been listed on the NASDAQ OMX Stockholm since 1996. In 2017, Tele2 had net sales of SEK 25 billion and reported an EBITDA of SEK 6.4 billion. For definitions of measures, please see the last pages of the Annual Report 2017. Follow @Tele2group on Twitter for the latest updates.

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