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2019-07-17

PRESS RELEASE

Interim Report Second Quarter 2019

Stockholm – Tele2 AB (“Tele2”) (Nasdaq Stockholm: TEL2 A and TEL2 B) today announces its consolidated results for the second quarter 2019.

CEO comment by Anders Nilsson

“In the second quarter of 2019 we took additional steps to focus our geographical footprint by closing the sale in Kazakhstan and announcing the sale of our Croatian business. We also propose an extraordinary dividend of SEK 6 per share to distribute the proceeds from the transactions in Kazakhstan and the Netherlands to our shareholders. The Com Hem integration is well under way and we realized an additional SEK 100 million of synergies, reaching our full year run-rate target of SEK 450 million already after six months. In Sweden, we launched a rebranding campaign of the Tele2 brand and continued to see progress on our fixed mobile convergence (FMC) strategy with 93,000 customers now on FMC offers, paving the way for future revenue growth as we reduce churn and increase pricing power.”

Highlights

- Revenue of SEK 6.8 billion, representing organic decline of –2 percent
- End-user service revenue of SEK 5.1 billion, representing organic decline of –1 percent
- Organic growth of 3 percent in underlying EBITDA, excluding IFRS 16, to SEK 2.2 billion for the Group
- Organic growth of 3 percent in underlying EBITDA, excluding IFRS 16, to SEK 1.8 billion in Sweden, driven by synergies from the Com Hem merger
- Net profit from total operations of SEK 2.1 billion impacted by a SEK 1.6 billion capital gain from the sale in Kazakhstan and a goodwill impairment of SEK –0.5 billion in Estonia
- Profit after financial items (EBT) was SEK 0.3 billion (0.7 billion)
- Earnings per share after dilution was SEK 2.98 (0.81)
- Proposed extraordinary dividend of SEK 6.00 per share to distribute proceeds from asset sales in Kazakhstan and the Netherlands
- Equity free cash flow more than doubled to SEK 1.1 billion, driven by the Com Hem merger
- Financial guidance unchanged, capex updated to reflect Croatia now reported as a discontinued operation

Teleconference and webcast

Tele2 will host a teleconference and webcast with presentation at 10:00 CEST (09:00 BST, 04:00 EDT) on Wednesday, July 17, 2019. The presentation will be held in English and will also be available as a webcast at Tele2’s website: www.tele2.com

Dial-in information

To make sure you are connected in time for the teleconference, please dial in a few minutes in advance and register your attendance. Use Confirmation Code **3047523**.

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.

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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 July 17, 2019.

TELE2'S MISSION IS TO FEARLESSLY LIBERATE PEOPLE TO LIVE A MORE CONNECTED LIFE. We constantly strive to be *the truly integrated challenger* – providing speed, data and video content, no matter where or when. Ever since Tele2 was founded in 1993, we have continued to challenge prevailing norms and dusty monopolies. Today, our award winning networks enable mobile and fixed connectivity, telephony, data network services, TV, streaming and global IoT solutions for millions of customers. We drive growth through customer satisfaction and smart combined offerings. Tele2 has been listed on Nasdaq Stockholm since 1996. In 2018, Tele2 generated revenue of SEK 30 billion and reported an underlying EBITDA of SEK 9 billion. For latest news and definitions of measures, please see our homepage www.tele2.com

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