Transitioning our business

Two years ago
- 24 Countries
- Mobile/MVNO in 13 countries
- Broadband in 10 countries
- Fixed in 23 countries

Disposals/withdrawals (resale based)
- Finland fixed
- Baltic fixed
- UK & Ireland fixed
- Czech fixed
- France fixed and broadband

Acquisitions/new markets/products (mostly asset based)
- UTA - Austria
- Versatel – Benelux
- Comunitel – Spain
- Croatian mobile
- Russian GSM operators/licences
- Building of LLUB infrastructure

Today
- 22 Countries
- Mobile/MVNO in 14 countries
- Broadband in 12 countries
- Fixed in 15 countries
As a result it is changing rapidly

Change in customers over the last year

Mobile: +42%
Broadband: +109%
Fixed Telephony: -23%

Change in revenues over the last year

Mobile: +31%
Broadband: +149%
Fixed Telephony: -10%
We may further concentrate focus and scope...

<table>
<thead>
<tr>
<th>Mobile</th>
<th>Broadband</th>
<th>Fixed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good position in Mobile</td>
<td>We have gone through a learning curve – different models, LLUB provisioning, scalability, competitive dynamics etc.</td>
<td>Structurally declining</td>
</tr>
<tr>
<td>We will seek to further strengthen this position</td>
<td>Based on this experience we are evaluating each market</td>
<td>Difficult to forecast</td>
</tr>
<tr>
<td></td>
<td>This may result in a narrowing of focus</td>
<td>Downturn in fixed, now in this quarter, balanced by increase in broadband</td>
</tr>
</tbody>
</table>

...To achieve the necessary scale to create long term successful businesses
Q3 2006 - Key points

- **Overall:**
  - Q3 Revenue growth of 11% to SEK 13.7 billion
  - EBITDA SEK 1.8 billion – up sharply on recent quarters
  - SEK 4.3 billion total one time effect of goodwill write down and capital loss related to the SEC acquisition in 2000 (as previously announced)
  - Disposal of French fixed and broadband to SFR for SEK 3.3 billion

- **Mobile:**
  - Strong performance with mobile revenues rising 32% in Q3 and intake of close to one million customers
  - Russia: very strong all round results – Q3 acquisition of four operations in Northwest Russia
  - French MVNO now has over 350,000 customers

- **Broadband:**
  - Intake of LLUB customers doubled compared to Q2
  - E.ON Bredband acquisition completed and Plusnet deal approved

- **Fixed**
  - Fixed telephony EBITDA margin was highest ever at 14%
  - Fixed telephony churn may be starting to level off
Nordic

- Tele2 acquired 75.1% of E.ON Bredband in Southern Sweden
- Continued good performance from Nordic operations with Swedish mobile at 43% EBITDA margin
- Tele2’s corporate business in Sweden won a number of significant contracts

**MA NORDIC Denmark, Norway & Sweden**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q3 2006</th>
<th>Q3 2005</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue*</td>
<td>3,961</td>
<td>3,872</td>
<td>+2%</td>
</tr>
<tr>
<td>EBITDA*</td>
<td>897</td>
<td>1,124</td>
<td>-20%</td>
</tr>
<tr>
<td>Net intake ('000)</td>
<td>10</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

*Excluding non-recurring items
Baltic & Russia

- Strong net intake of 872,000 customers in the quarter
- Russia reaching EBITDA margin of 25%, up from -8% one year ago
- Four GSM operators acquired in Northwest Russia in July

<table>
<thead>
<tr>
<th>MA BALTIC &amp; RUSSIA Estonia, Latvia, Lithuania, Russia &amp; Croatia</th>
<th>MSEK</th>
<th>Q3 2006</th>
<th>Q3 2005</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>1,884</td>
<td>1,129</td>
<td>+67%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>482</td>
<td>286</td>
<td>+69%</td>
<td></td>
</tr>
<tr>
<td>Net intake (’000)</td>
<td>872</td>
<td>765</td>
<td>+14%</td>
<td></td>
</tr>
</tbody>
</table>
Central Europe

- “Plusnet” was created with QSC to provide broadband access in Germany
- Fixed resale in Germany had positive net intake of customers and healthy profitability
- Strong broadband intake in Austria

<table>
<thead>
<tr>
<th>MA CENTRAL EUROPE</th>
<th>Austria, Germany, Hungary &amp; Poland</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>Q3 2006</td>
</tr>
<tr>
<td>Operating revenue</td>
<td>1,933</td>
</tr>
<tr>
<td>EBITDA</td>
<td>161</td>
</tr>
<tr>
<td>Net intake (’000)</td>
<td>-33</td>
</tr>
</tbody>
</table>
Southern Europe (continuing operations)

- French fixed and broadband business sold to SFR
- Retained French mobile business has more than 350,000 customers
- Spanish broadband network will soon cover 60% of households and 70% of SME’s
- In Italy 75% of LLUB build out has been completed

<table>
<thead>
<tr>
<th>MA SOUTHERN EUROPE</th>
<th>Italy, Spain, France, Portugal &amp; Switzerland</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSEK</td>
<td>Q3 2006</td>
</tr>
<tr>
<td>Operating revenue</td>
<td>2,537</td>
</tr>
<tr>
<td>EBITDA</td>
<td>-188</td>
</tr>
<tr>
<td>Net intake ('000)</td>
<td>-118</td>
</tr>
</tbody>
</table>
UK & Benelux

- Tele2 is successfully migrating customers in Belgium and the Netherlands from CPS to dual and triple play products
- Digital Television agreement signed with KPN
- Netherlands MVNO is EBITDA positive

<table>
<thead>
<tr>
<th>MA UK &amp; BENELUX</th>
<th>Belgium, The Netherlands, Luxembourg, Liechtenstein, Alpha Telecom and C3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MSEK</strong></td>
<td>Q3 2006</td>
</tr>
<tr>
<td><strong>Operating revenue</strong></td>
<td>2,252</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>262</td>
</tr>
<tr>
<td><strong>Net intake (’000)</strong></td>
<td>-157</td>
</tr>
</tbody>
</table>

*Excluding non-recurring items
## Financial overview for Q3 2006 – Total Operations

<table>
<thead>
<tr>
<th></th>
<th>Q3 2006</th>
<th>Difference to Q3 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues (MSEK)</td>
<td>13,749</td>
<td>1,368</td>
</tr>
<tr>
<td>EBITDA (MSEK)</td>
<td>1,784</td>
<td>-89</td>
</tr>
<tr>
<td>CAPEX (MSEK)</td>
<td>1,200</td>
<td>483</td>
</tr>
<tr>
<td>Customer Net Additions (thousands)</td>
<td>435</td>
<td>-275</td>
</tr>
</tbody>
</table>
## Financial overview for Q3 2006 – Discontinued Operations

<table>
<thead>
<tr>
<th></th>
<th>Q3 2006</th>
<th>Difference to Q3 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues (MSEK)</td>
<td>1,024</td>
<td>-289 (-22%)</td>
</tr>
<tr>
<td>EBITDA (MSEK)</td>
<td>105</td>
<td>-104</td>
</tr>
<tr>
<td>CAPEX (MSEK)</td>
<td>32</td>
<td>13</td>
</tr>
<tr>
<td>Customer Net Additions (thousands)</td>
<td>-139</td>
<td>-11</td>
</tr>
</tbody>
</table>
## Financial overview for Q3 2006 – Continuing Operations

<table>
<thead>
<tr>
<th></th>
<th>Q3 2006</th>
<th>Difference to Q3 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues (MSEK)</td>
<td>12,725</td>
<td>1,657</td>
</tr>
<tr>
<td>EBITDA (MSEK)</td>
<td>1,679</td>
<td>15</td>
</tr>
<tr>
<td>CAPEX (MSEK)</td>
<td>1,168</td>
<td>464</td>
</tr>
<tr>
<td>Customer Net Additions (thousands)</td>
<td>574</td>
<td>-264</td>
</tr>
</tbody>
</table>
Operating Revenue per Segment

Sales - Fixed telephony resale
-17% year-on-year

Sales - Broadband resale
+78% year-on-year

Sales - Direct access & LLUB
+206% year-on-year

Sales - Mobile
+32% year-on-year
Customer net intake (‘000)

Customer net intake
Mobile

Customer net intake
Fixed telephony resale

Customer net intake
Broadband resale

Customer net intake
Direct access & LLUB
<table>
<thead>
<tr>
<th>(SEK)</th>
<th>Q3 2005</th>
<th>Q3 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>131</td>
<td>120</td>
</tr>
<tr>
<td>Fixed telephony</td>
<td>141</td>
<td>137</td>
</tr>
<tr>
<td>Broadband resale</td>
<td>270</td>
<td>230</td>
</tr>
<tr>
<td>Direct access &amp; LLUB</td>
<td>450</td>
<td>627</td>
</tr>
</tbody>
</table>
### ARPU - Group

<table>
<thead>
<tr>
<th></th>
<th>Q3 2005</th>
<th>Q2 2006</th>
<th>Q3 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARPU</td>
<td>145</td>
<td>144</td>
<td>143</td>
</tr>
</tbody>
</table>

- ARPU slightly down at 143 (145)
- Dilution from high growth in low ARPU regions, particularly Russia, offset by increased intake of broadband customers
Sales development

Sales development per segment

- Mobile
- Direct access & LLUB
- Fixed telephony resale
- Broadband resale

(MSEK)

Δ Q1-06
Δ Q2-06
Δ Q3-06
EBITDA development

EBITDA development per segment

(Δ) Q1-06  (Δ) Q2-06  (Δ) Q3-06

-300 -200 -100 0 100 200 300 400 500

(MSEK)

Mobile  Direct access & LLUB  Fixed telephony resale  Broadband resale
P&L impact from Broadband growth (inclusive discontinued operations)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2006</th>
<th>Q3 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>P&amp;L impact from Broadband growth (MSEK)</td>
<td>300</td>
<td>250</td>
</tr>
<tr>
<td>Net intake</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broadband resale ('000)</td>
<td>72</td>
<td>39</td>
</tr>
<tr>
<td>Direct access and LLUB ('000)</td>
<td>57</td>
<td>113</td>
</tr>
<tr>
<td>Acquisition cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broadband resale (SEK)</td>
<td>1,500</td>
<td>2,050</td>
</tr>
<tr>
<td>Direct access and LLUB (SEK)</td>
<td>3,600</td>
<td>1,500</td>
</tr>
</tbody>
</table>

Broadband churn slightly down Q3-06 compared to Q2-06
EBITDA and Net Intake per Segment

- **Fixed Telephony Resale**
  - Group EBITDA and Net Intake
  - Graphs showing Q2 to Q3 2005 to 2006

- **Broadband Resale**
  - Group EBITDA and Net Intake
  - Graphs showing Q2 to Q3 2005 to 2006

- **Direct Access & LLUB**
  - Group EBITDA and Net Intake
  - Graphs showing Q2 to Q3 2005 to 2006

- **Mobile**
  - Graphs showing EBITDA and Net Intake for Q2 to Q3 2005 to 2006
EBITDA – CAPEX

EBITDA - CAPEX
Fixed telephony resale

EBITDA - CAPEX
Broadband resale

EBITDA - CAPEX
Direct access & LLUB

EBITDA - CAPEX
Mobile telephony
Mobile sales +32%

Adjusted for non-recurring

EBITDA impact from France & Croatia:
-275 MSEK in Q3 2006
-156 MSEK compared to Q3 2005
Russia sales +182%

- Net intake of 711,000 customers to a total of 5,520,000 customers
- ARPU of 52 SEK in Q3 2006 compared to 43 SEK in Q3 2005
- EBITDA margin 25% (-8%)
Baltic & Croatia Mobile sales +31%

Mobile roll-out in Croatia – 104 MSEK
Sweden Mobile sales +1%

- EBITDA-margin stable at 43%
- Payment to Svenska UMTS-nät MSEK 42 (66)

Adjusted for non-recurring
Nordic excl. Sweden Mobile sales +28%

Adjusted for Tele2/Telenor MVNO accounting
- More than 350,000 MVNO customers in France vs. 300,000 at end Q2 2006
UK & Benelux Mobile sales +9%
Net debt

(Q3-06 excludes proceeds from divested operations in France, which will have a Net Debt effect of 3.3 billion SEK)
The main part of the group's goodwill is associated with the acquisition of SEC in 2000. Payment was made in Tele2 shares at a time where both Tele2 and SEC, in common with most TMT companies at that time, had historically high valuations.

Divesting parts of the French business has given us an indication of the market value of our other businesses in Continental Europe.

Even though France, with a fiercely competitive telecoms market and with the impact of current consolidation, is not necessarily representative, we have decided to base the collective valuation on its value at disposal.

Tele2 has taken a writedown of goodwill of SEK 3.3 billion which impacts EBT.

Tele2 has taken an estimated capital loss of SEK 1 billion on the sale of the French businesses, which impacts Net Profit.

The reported losses have no cash flow impact.
Financial comments on the coming quarters

- Previous guidance for the full year 2006, including France was:
  - Revenue growth of between 11–14%
  - EBITDA in the range SEK 5,5–6,0 billion
  - Capex in the range SEK 5,5–6,0 billion

- If the assumption is made that the fixed telephony and broadband operations in France had been kept, the guidance for 2006, is now that:
  - EBITDA will come in at the upper end of the range or slightly above
  - Capex at the lower end or slightly below
  - Revenues will be at the lower end or slightly below

- This guidance is based on a stable high mobile intake, a stable decline in fixed telephony intake and a significantly higher broadband intake, compared to Q3.

- Our previous outlook for 2007 remains unchanged. We expect significantly higher EBITDA and higher organic growth for comparable businesses, compared to 2006
Don’t forget

VISIT WWW.TELE2.COM

- Conference call today at 16.00 CET
  WEBCAST AT WWW.TELE2.COM
- Q4 2006: February 2007

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