LARS-JOHAN JARNHEIMER
President & CEO
OUR MISSION
“TO PROVIDE PRICE LEADING AND EASY-TO-USE TELECOM SERVICES”
CORE SERVICE
OUR CORE SERVICES ARE

MOBILE SERVICES ON OWN INFRASTRUCTURE COMPLEMENTED BY FIXED BROADBAND
Q1 2008
Q1 2008

25 million customers in 15 countries
Q1 2008

MOBILE: Strong operational perf. – EBITDA increased by 27 percent to SEK 1,392 million

FIXED BROADBAND: 11 percent revenue growth – focus on increased profitability

FIXED TELEPHONY: Maintaining EBITDA contribution
## Q1 2008 SUMMARY

<table>
<thead>
<tr>
<th>SEK million</th>
<th>Q1-08</th>
<th>Q1-07</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>10,378</td>
<td>9,551</td>
<td>8.7%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,764</td>
<td>1,558</td>
<td>13.2%</td>
</tr>
<tr>
<td>EBIT</td>
<td>786</td>
<td>674</td>
<td>16.6%</td>
</tr>
</tbody>
</table>
OPERATING REVENUE

Q1 2007

Q1 2008

Fixed broadband
Fixed telephony
Mobile

[Diagram showing revenue breakdown for Q1 2007 and Q1 2008]
EBITDA

Q1 2007

Q1 2008

Fixed broadband
Fixed telephony
Mobile
MOBILE SERVICE

CUSTOMERS: Robust intake of 416,000 customer

EBITDA: 35 percent margin in Sweden, Russia and Baltic region

MVNO agreements: Tele2 Norway and France
FIXED BROADBAND

REVENUE: 10 percent growth driven by Sweden and Netherlands

EBITDA: Fixed broadband must be able to compete with mobile services over time

GERMANY: Careful marketing leading to less losses
FIXED TELEPHONY

CUSTOMERS: Calculation of call-by-call customers effecting overall base

EBITDA: Focus on maintaining contribution
SUMMARY

MOBILE: Develop core mobile business – looking eastwards

FIXED BROADBAND: Significantly improve profitability during 2008

FIXED TELEPHONY: Focus on maintaining EBITDA contribution
LARS NILSSON
CFO

TELE2
## PROFIT & LOSS

**All figures in MSEK**

<table>
<thead>
<tr>
<th></th>
<th>Q1-08</th>
<th>Q1-07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Continuing operations, Revenue</strong></td>
<td>10,402</td>
<td>10,926</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>1,758</td>
<td>1,591</td>
</tr>
<tr>
<td>- EBITDA margin (%)</td>
<td>16,9%</td>
<td>14,6%</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>-915</td>
<td>-927</td>
</tr>
<tr>
<td><strong>Sale of operations, net</strong></td>
<td>83</td>
<td>-5</td>
</tr>
<tr>
<td><strong>Associated comp.</strong></td>
<td>-64</td>
<td>-57</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>862</td>
<td>602</td>
</tr>
<tr>
<td>- Normalized EBIT margin (%)</td>
<td>7,5%</td>
<td>5,6%</td>
</tr>
<tr>
<td><strong>Financial items</strong></td>
<td>-26</td>
<td>-279</td>
</tr>
<tr>
<td><strong>Taxes</strong></td>
<td>-86</td>
<td>-22</td>
</tr>
<tr>
<td><strong>Net Result</strong></td>
<td>750</td>
<td>301</td>
</tr>
</tbody>
</table>
## CASH FLOW

(All figures in MSEK)

<table>
<thead>
<tr>
<th></th>
<th>Q1-08</th>
<th>Q1-07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(1) CF from continuing operations</strong></td>
<td>1,425</td>
<td>652</td>
</tr>
<tr>
<td>Change in WC</td>
<td>82</td>
<td>-250</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td>1,507</td>
<td>402</td>
</tr>
<tr>
<td>CAPEX</td>
<td>-999</td>
<td>-1,173</td>
</tr>
<tr>
<td>Acquisition/sale of shares</td>
<td>-466</td>
<td>88</td>
</tr>
<tr>
<td>Change in long-term receivables</td>
<td>156</td>
<td>67</td>
</tr>
<tr>
<td><strong>Cash Flow after investing activities</strong></td>
<td>198</td>
<td>-616</td>
</tr>
<tr>
<td><strong>(1) Including taxes paid</strong></td>
<td>-320</td>
<td>-682</td>
</tr>
</tbody>
</table>
NET DEBT TO EBITDA

Q1 07 | Q2 07 | Q3 07 | Q4 07 | Q1 08

0 | 2.5 | 1.5 | 1 | 0.5
FINANCIAL COMMENTS

Tele2’s longer term financial leverage should reflect:

- The status of its operations

- The future strategic possibilities and obligations.
FINANCIAL COMMENTS cont.

Tele2 is still pursuing its realignment process

The company will also continue to invest in its core operations and also consider potential acquisitions.
Tele2’s view on a longer term target for financial leverage, defined as net debt/EBITDA ratio, is that it should be in line with the industry and the markets in which it operates.
NET INTAKE BY SEGMENT

- Fixed broadband
- Fixed telephony
- Mobile
REVENUE BY SEGMENT

Q1 07 | Q2 07 | Q3 07 | Q4 07 | Q1 08

- Fixed broadband
- Fixed telephony
- Mobile
EBITDA BY SEGMENT

Q1 07  | Q2 07  | Q3 07  | Q4 07  | Q1 08

-500   | 0      | 500    | 1000   | 1500

Legend:
- Fixed broadband
- Fixed telephony
- Mobile
EBIT BY SEGMENT

- Q1 07
- Q2 07
- Q3 07
- Q4 07
- Q1 08

Fixed broadband
Fixed telephony
Mobile
CAPEX BY SEGMENT
FINANCIAL COMMENTS: RUSSIA

Financial impact of the 17 new licenses

2008: The operational expenditures are estimated to SEK 50–75 million and the capital expenditures are estimated to SEK 500–600 million

2009: The operational expenditures are estimated to SEK 175–200 million and capital expenditures are estimated to SEK 800–1,000 million
FINANCIAL COMMENTS: RUSSIA

Financial impact of the 17 new licenses

Four regions will have been launched as of 1H 2009 and five regions as of 2H 2009.

New operations should be able to reach an EBITDA break-even three years after commercial launch date.

The longer term market share in the 17 new regions should not deviate significantly from the historic market share of Tele2 Russia.
QUESTIONS?