SECOND QUARTER 2013

Tele2 AB
July 18, 2013
Agenda

- About Q2 2013
- Financial review
- Concluding remarks
### Tele2 Group Highlights

#### Customer intake

Net mobile customer intake of 455 thousand leading to a total customer base of 15.1* million

#### Net sales

Total net sales amounted to SEK 7.5 billion and mobile net sales grew by 6% to SEK 5.4 billion

#### EBITDA

EBITDA amounted to SEK 1.5 billion, equivalent to a margin of 20%

#### CAPEX

Further investment to improve data network quality resulting in a total CAPEX level of SEK 902 million

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*Method of calculation has changed for some markets
Sweden

Population
9.6 million

Tele2 Sweden
Home market and test bed for new services

Represents 42% of total group net sales in Q2 2013

Focus

- Build on increasing mobile demand from consumers and corporates
- Continue with 4G roll-out supported by household / corporate fiber strategy
- Ensure market share growth in predominantly B2B segment
- Continue to build on shift from pay as you go to bucket price plans
Q2 Financial Highlights Tele2 Sweden

- Mobile customer net intake was 20,000 customers of which postpaid was 15,000
- Net sales amounted to SEK 3,139 million and EBITDA amounted to SEK 856 million
- Mobile service revenue growth of 1%. Underlying mobile service net sales (ex. interconnect and hardware sales) increased by 4%
- Mobile EBITDA growth of 19%, equaling a margin of 30%
Q2 Operational Highlights Tele2 Sweden

1. **Comviq**
   - Comviq To Go national launch
   - 4G router offer introduced
   - Pre-paid to post-paid migration

2. **Tele2 – Residential**
   - Tele2 stores roll-out – total 51 stores in Q2
   - Continue to build on shift from pay as you go to bucket price plans

3. **Tele2 – Business**
   - Tele2 Business #2 on the Swedish B2B market
   - Extended agreements with several clients such as SEB and Region Gotland

4. **Network Operations**
   - Shared network on 2G activated in rest of Sweden in Q2
   - 72% of handsets sold in Q2 4G enabled

5. **IT**
   - Augmenting billing system and data warehouse
   - Platform for upsell of data successfully implemented

6. **Customer Operations**
   - Customer Operations reaches customer satisfaction of 77% in Q2 2013
Salasy channel expansion

National launch of Comviq To Go - Over 100 stores in 50 cities nation-wide

Tele2 Store #51 opened

Q4 12  30  stores
Q1 13  30  stores
Q2 13  108 stores

Q4 12  44  stores
Q1 13  46  stores
Q2 13  51  stores
Dual brand strategy keeps customers in Tele2 Sweden

- Comviq external churn down 28% since launch of postpaid offering
- Cannibalization between brands on postpaid offerings in line with expectations
Smartphone market development

**SALES OF TOP TEN MOBILE PHONES**
**TELE2 SWEDEN (Q2 2013)**

**SMARTPHONE INSTALLED BASE**

**SHARE OF HANDSETS BEING 4G ENABLED**
**TELE2 SWEDEN (Q2 2013)**

72% including iPhone5
45% excluding iPhone5

Note: Postpaid, residential, quantity of handsets
Tele2 Business number 2 in the Swedish B2B market according to PTS

- Launch of mobile soft switch delivers revenue growth in SME segment
- International price plans targeting Nordic calls market well received
- Continued intake of customers within large enterprise segment
- Roaming packages driving voice and data usage when abroad
Great network

Source: Göteborgs Posten, PC för alla, Dagens Nyheter
Tele2’s 4G network in Sweden – The fastest one in the world!?

According to OpenSignal’s Global State of LTE Report:

“Sweden has the fastest LTE network, averaging 22.1 Mbps.”

In a test made by Bredbandskollen, the Swedish mobile customers get the fastest mobile surf when using Tele2’s 4G network.

Source: OpenSignal Global State of LTE Report – 2013
4G main source of data growth in Sweden
IT summary

- **Data upsale platform implemented**
  - Real time rating of data => real time upselling of data
  - Early statistics show that 35% of the customers reaching the bucket data limit chose to buy a new one, and it is a growing trend

- **Data warehouse migration ongoing**
  - Will deliver significant business benefits when implemented through enhanced customer experience
  - This will enable narrower segmentation of customers and campaign management

- **Billing systems transformation**
  - Will result in a quicker and better user experience for the customers through improved self-care
  - Will give sales organization higher flexibility when launching new offers

**Overall cost savings**
Customer satisfaction

- Alignment toward Global standard (COPC) for high performance contact center management
- Thorough review of all customer related processes, focus on:
  - Planning
  - Communication
  - Ivr setup
  - Support procedures
  - Go from technical/billing system to customer perspective
  - Agent soft skills

* Estimated for Q2 2013
Tele2 Sweden forward looking statement

The following assumptions should be taken into account when estimating the operational performance of the Swedish mobile operations in 2013:

- Tele2 expects total revenue of between SEK 10,100 to 10,300 million
- Tele2 expects EBITDA of between SEK 2,900 to 3,100 million
Norway

Focus

- Roll-out of the country’s 3rd mobile network including LTE/4G
- Move from “pay-as-you-go” to bucket-price subscriptions
- Drive prepaid to postpaid migration

Population
5 million

Tele2 Norway
Mobile operator #3 in Norway in terms of subscribers and revenue

Represents 14% of total group net sales in Q2 2013
Q2 Financial Highlights Tele2 Norway

- Customer net intake was 18,000 customers
- Tele2 Norway reported total net sales of SEK 1,052 million, of which SEK 989 million was mobile sales
- Underlying mobile service revenue (excl. interconnect and hardware sales) increased by 13%
- Tele2 Norway reached an EBITDA contribution of SEK 44 million, equaling an EBITDA margin of 4% percent

*Method of calculation has changed – Negative adjustment in MyCall SIM customer base was made*
Q2 Operational Highlights Tele2 Norway

Tele2 – Residential
- Tele2 stores roll-out: 3 stores opened in Q2
  - Strømmen
  - Bergen
  - Fredrikstad

Network Operations
- Roll-out on track
- Upcoming frequency auction – Q4 2013
- LTE/4G vendor selected

Customer Operations
- Customer Operations reaches customer satisfaction of 84% in Q2 2013
New distribution channel - own shops

Opened 3 Tele2 stores in Norway during Q2:

- Strømmen, Bergen and Fredrikstad

- Satisfactory sales figures in all categories: subscriptions, handsets and accessories

- In Fredrikstad, the number of subscriptions sold the first day was 75% higher than expected

- Very good feedback from customers on NPS

«Great service, no buying pressure but good recommendations. Took his time with us and was very pleasant»

Citation from customer at Strømmen Storresenter
Bucket plan offering is a clear trend in several markets

- The Norwegian mobile market is no exception
- All main competitors on the Norwegian market have launched bucket prices for voice, SMS and data subscriptions
- Tele2 Norway’s residential brands started offering bucket price subscriptions in May this year

Network roll-out continues according to plan

Strong focus on rolling out Norway’s third mobile network

- Roll-out progressing according to plan
- The target is to launch 1000 sites and build 750 sites in 2013 and then continue the expansion
- Focus on city and urban areas
- LTE/4G roll-out initiated (contract signed with Ericsson)
- The national auction for frequencies in the 800-, 900- and 1,800 MHz bandwidth is expected to take place in the beginning of December 2013
Customer satisfaction

- Alignment toward Global standard (COPC) for high performance contact center management
- Review of customer related processes
- Solid focus on soft skills via strengthened model for staff coaching and development

END USER SATISFACTION

Norway

World Class Customer Satisfaction - Long Term Goal

* Estimated for Q2 2013
Tele2 Norway forward looking statement

The following assumptions should be taken into account when estimating the operational performance of the Norwegian mobile operations in 2013:

- Tele2 expects total revenue of between SEK 4,200 to 4,300 million
- Tele2 expects EBITDA of between SEK 70 to 80 million
- Tele2 expects Cash flow Capex of between SEK 900 to 1,000 million
Netherlands

Focus

- Push 4G network roll-out
- Maintain strong growth for the mobile operations
- Increase new business in B2B
- Extend FttX coverage to support existing fixed broadband business

Population
16.7 million

Tele2 Netherlands
Leading the group in B2B and making transition to full MNO

Represents 18% of total group net sales in Q2 2013
Q2 Financial Highlights Tele2 Netherlands

- Mobile net adds 49,000 customers, resulting in a total net intake of 29,000 customers
- Net sales amounted to SEK 1,349 million of which SEK 417 million was mobile sales
- Underlying mobile service revenue (excl. interconnect and hardware sales) increased by 81%
- EBITDA was SEK 321 million resulting in an EBITDA margin of 24%

**MOBILE CUSTOMER BASE AND CUSTOMER INTAKE**

- Thousands of customers
- Customer base (left)
- Customer net intake (right)

**NET SALES AND YoY NET SALES GROWTH**

- SEK Million
- Mobile
- Fixed broadband
- YoY net sales growth (right)

**EBITDA AND EBITDA MARGIN**

- SEK Million
- Fixed telephony
- Other
- EBITDA margin (right)
Q2 Operational Highlights Tele2 Netherlands

1. **4G Roll-out**
   - Roll-out of nationwide 4G network starts in August
   - Secured vendors

2. **Tele2 – Residential**
   - High growth on mobile with focus on postpaid customers
   - Success in indirect retail segment

3. **Tele2 – Business**
   - Growth in Large Enterprise segment
   - Expansion of sales distribution in SME segment

4. **Network Operations**
   - Leveraging on own national fiber network, by extending to FttX

5. **Customer Operations**
   - Increase in customer satisfaction
4G Network roll-out update

- Network roll out starts in August
- Secured vendors for radio, core and IMS
- Our 4G network will contain 3,500-4,000 sites at completion
- We will build a competitive high quality ‘4G-only’ network
Strong growth continues in mobile

Tele2 continues to out-grow the market since Q1 2012

A sustainable distribution channel within indirect retail has been built

Biggest retailers of Tele2

* Source GFK
Increase new business in B2B segment

Large Enterprises

Tele2 is gaining market share at the top end of the market

Fixed Mobile Convergence

Increasing demand for our converged solutions

SME segment

New distributors give us access to 500 extra Points of Sale
Fiber pilot is successfully launched

In 2013 we launched a Pilot for FttH in NL

- By the end of Q2 we signed up 3,500 customers
- Results were successful to take the next step in building 100% coverage to FttH connected to our own fiber backbone

Quarterly net additions of top six broadband providers*
(x1,000)

FttH market NL shows high potential growth figures

- FttH coverage in 2017 will be 48% homes passed
- 50% of the homes passed will be activated, what results in a potential market of 1.6 million connections

*Source: Telecompaper
Customer satisfaction

- Alignment toward Global standard (COPC) for high performance contact center management
- Improvements in support routines needed
- Structural approach to root cause elimination ongoing

END USER SATISFACTION

* Estimated for Q2 2013
Tele2 Netherlands forward looking statement

The following assumptions should be taken into account when estimating the operational performance of the Dutch mobile operations in 2013:

- Expected revenue of SEK 1,600 to 1,700 million
- Tele2 expects EBITDA of between SEK -50 to -75 million
- Tele2 expects Cash flow Capex of between SEK 2,000 to 2,500 million, whereof licences for 4G/LTE SEK 1,400 million
- The mobile operations should reach EBITDA break-even 3 years after the commercial launch of 4G/LTE services
Continued rapid market share growth in Kazakhstan

Efficiency improvements in Baltics

Growth and profitability improvements in Croatia

Ensure stable financial performance in Germany and Austria

Launch of mobile services in Germany

Population 118 million

Represents 25% of total group net sales in Q2 2013

Estonia 2%; Latvia 3%; Lithuania 4%; Croatia 4%; Kazakhstan 4%; Germany 3%; Austria 4%
Q2 Highlights Tele2 Germany and Tele2 Austria

Tele2 Germany:
- Mobile sales increased by 68% supported by the launch of mobile service under Tele2 brand on June 27th

Tele2 Austria:
- Stable EBITDA performance helped by improved result from Residential business
- Tele2 Austria will maintain its focus to accelerate growth in B2B
Tele2 Germany mobile service launch

Service provider setup explained

- Service provider contract with E-Plus
- No large investment risk
- No mobile network elements
- Extension of existing service provider infrastructure

Consolidation and profitability

June 27, 2013

Launch of Fixed-via-Mobile

Fixed-line customers

Mobile customers

2009  2010  2011  2012  2013
Our product proposition

- Large addressable segment of voice-only users (~40m)
- Two initial products:
  - “All net voice flat” as anchor product
  - Data & SMS options for cross- and up-sell
- Best price, no worries on cost or limitations, easy-to-use

- Flat fee to fixed and mobile voice calls
  - € 9.95* / 14.95*
  - SMS Option € 5.00

- Flat fee to fixed and mobile voice calls
  - Internet
    - (500MB @ 7.2Mbit/s)
    - € 14.95* / 19.95*
    - SMS Option € 5.00

* Lower price given is promotional pricing for the first 12 months of the contract. Minimum binding period 24 months.
Q2 Highlights Tele2 Estonia, Latvia and Lithuania

Tele2 Estonia:
- Intensive price competition
- Revenue and EBITDA negatively affected by reduced MTR rates
- Focus on efficiency and cost reduction

Tele2 Latvia:
- Stable and strong financial performance at 32% EBITDA margin in Q2
- Tough market environment enhances the importance of defending Tele2 price leadership perception
- Focus on efficiency and cost reduction

Tele2 Lithuania:
- Tele2 is the largest mobile operator in terms of revenue market share
- Strong financial performance with 41% EBITDA margin in Q2

CUSTOMER INTAKE

Thousands of customers

NET SALES AND YoY NET SALES GROWTH

SEK Million

EBITDA MARGIN

% YoY net sales growth
Q2 Highlights Tele2 Croatia

- Positive net intake in postpaid and prepaid segments, total mobile net intake 13,000 in Q2
- Revenue development of -1%
- Positive EBITDA margin development; reaching 7% in Q2, however still not at satisfactory levels
Overview of the Croatian mobile market

Positive Tele2 revenue market share growth through price leadership, but too slow

CAGR 10.6%
Q2 Financial Highlights Tele2 Kazakhstan

- Mobile customer intake of 309,000 in Q2
- Mobile net sales grew by 46% and amounted to SEK 333 million
- Underlying mobile service revenue (excl. Interconnect and hardware sales) increased by 64%
- Network roll-out to reach same capabilities as competition

*Method of calculation has changed
Q2 Operational Highlights Tele2 Kazakhstan

1. Tele2 Mobile Market
   - Increasing revenue market share
   - Continue network roll-out

2. Financial Development
   - On track for EBITDA break-even 2H 2013
   - Continuous growth of data revenues

3. Customer Operations
   - Customer satisfaction rate above target
Overview of the Kazakh mobile market

Positive revenue market share growth driven by Tele2’s aggressive offers, increased network coverage and growing brand awareness.
On track for EBITDA break-even 2H 2013

TRAFFIC DEVELOPMENT, INCOMING MINUTES FROM OTHER NETWORKS IN % OF OUTGOING MINUTES

Growing market share results in increased share of incoming minutes from other networks in % of outgoing minutes

GM1% MARGIN DEVELOPMENT

Improved GM1% due to lower interconnect levels
Healthy growth of data revenues

DATA REVENUE AS SHARE OF SERVICE REVENUE DEVELOPMENT

Increasing part of revenues generated by growth in data usage as Tele2 has attractive offers for data users and the good quality 3G network.

*Excluding interconnect and equipment sales
Customer satisfaction

- Alignment toward Global standard (COPC) for high performance contact center management
- Focus on end-to-end process for inhouse staff management (e.g. from processes for recruiting to scheduling)
- Cross organizational incentives linked to customer service performance (from top management to service center staff)
Tele2 Kazakhstan forward-looking statement

The following assumptions should be taken into account when estimating the operational performance of the Kazakh mobile operations in 2013:

- Tele2 expects total revenue of between SEK 1,450 to 1,550 million (earlier 1,700 to 1,800)
- Tele2 expects EBITDA of between SEK -100 to -200 million
- Tele2 expects Cash flow Capex of between SEK 550 to 650 million
Corporate Responsibility - A natural way of doing business

Tele2 conducted Sweden’s first Corporate Responsibility Capital Market Day on April 9 2013

“Regardless of all clear guidelines and control systems, we have to be prepared that something might go wrong. Increased knowledge about what that might cost us – not just in terms of lost image but also in terms of lost business - makes it more obvious what to do or where to invest to balance risk.”

“Corporate responsibility should not be a surface, it should be a mindset for all our employees in Tele2’s entire footprint.”

“Being a responsible challenger means to us that we keep track of our impact and conduct business in a way that strives to maximize positive and minimize negative impact.”

Tele2 one of Nordea’s Swedish Stars

- Thanks to its structured and efficient CR work Nordea’s Swedish Stars funds approved Tele2 as being a good Environment Social Governance (ESG) investment
- “… and Tele2 are companies that show concrete improvements and also a willingness to go further.”

Almedalen 2013

- Participation in the seminar 'Sustainable growth in corrupt markets - Is it possible?'
- At Tele2 we take our CR work, including anti-corruption, very serious and apply a 'zero tolerance', for fraud and corruption
Agenda

- About Q2 2013
- Financial review
- Concluding remarks
## Group result Q2 2013

<table>
<thead>
<tr>
<th></th>
<th>Q2 2013</th>
<th>Q2 2012</th>
<th>▲ %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>7,476</td>
<td>7,787</td>
<td>-4.0%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>1,518</td>
<td>1,519</td>
<td>-0.1%</td>
</tr>
<tr>
<td>EBITDA margin (%)</td>
<td>20.3%</td>
<td>19.5%</td>
<td>0.8%</td>
</tr>
<tr>
<td><strong>Depreciation &amp; associated companies</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation of net sales (%)</td>
<td>-10.8%</td>
<td>-12.7%</td>
<td>1.9%</td>
</tr>
<tr>
<td><strong>One-off items</strong></td>
<td>3</td>
<td>-18</td>
<td></td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>711</td>
<td>512</td>
<td>38.9%</td>
</tr>
<tr>
<td>Normalized EBIT</td>
<td>708</td>
<td>530</td>
<td>33.6%</td>
</tr>
<tr>
<td>Normalized EBIT margin (%)</td>
<td>9.5%</td>
<td>6.8%</td>
<td>2.7%</td>
</tr>
<tr>
<td><strong>Financial items</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Taxes</strong></td>
<td>-234</td>
<td>-121</td>
<td></td>
</tr>
<tr>
<td><strong>Net profit from continuing operations</strong></td>
<td>327</td>
<td>213</td>
<td>53.5%</td>
</tr>
<tr>
<td><strong>Discontinued operations</strong></td>
<td>13,256</td>
<td>637</td>
<td></td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>13,583</td>
<td>850</td>
<td>1498.0%</td>
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</table>
## Group result YTD

<table>
<thead>
<tr>
<th></th>
<th>YTD 2013</th>
<th>YTD 2012</th>
<th>FY 2012</th>
<th>▲%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>14,774</td>
<td>15,220</td>
<td>30,742</td>
<td>-2.9%</td>
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<tr>
<td><strong>EBITDA</strong></td>
<td>3,006</td>
<td>3,025</td>
<td>6,240</td>
<td>-0.6%</td>
</tr>
<tr>
<td>EBITDA margin (%)</td>
<td>20.3%</td>
<td>19.9%</td>
<td>20.3%</td>
<td>0.5%</td>
</tr>
<tr>
<td><strong>Depreciation &amp; associated companies</strong></td>
<td>-1,630</td>
<td>-1,950</td>
<td>-3,707</td>
<td>-16.4%</td>
</tr>
<tr>
<td>Depreciation of net sales (%)</td>
<td>-11.0%</td>
<td>-12.8%</td>
<td>-12.0%</td>
<td>1.9%</td>
</tr>
<tr>
<td><strong>One-off items</strong></td>
<td>5</td>
<td>-17</td>
<td>-558</td>
<td></td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>1,381</td>
<td>1,058</td>
<td>1,975</td>
<td>30.5%</td>
</tr>
<tr>
<td>Normalized EBIT</td>
<td>1,376</td>
<td>1,075</td>
<td>2,533</td>
<td>28.0%</td>
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<tr>
<td>Normalized EBIT margin (%)</td>
<td>9.3%</td>
<td>7.1%</td>
<td>8.2%</td>
<td>2.3%</td>
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<tr>
<td><strong>Financial items</strong></td>
<td>-267</td>
<td>-262</td>
<td>-553</td>
<td></td>
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<tr>
<td><strong>Taxes</strong></td>
<td>-434</td>
<td>-319</td>
<td>-446</td>
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<tr>
<td><strong>Net profit from continuing operations</strong></td>
<td>680</td>
<td>477</td>
<td>976</td>
<td>42.6%</td>
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<tr>
<td><strong>Discontinued operations</strong></td>
<td>13,912</td>
<td>1,242</td>
<td>2,288</td>
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<tr>
<td><strong>Net profit</strong></td>
<td>14,592</td>
<td>1,719</td>
<td>3,264</td>
<td>748.9%</td>
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</table>
Currency movements YTD

EUR/EUR pegged currencies represent 39% of external sales and 46% of EBITDA

- Average YTD 2013 vs. average YTD 2012
- Fixing rate June 30, 2013 vs. December 31, 2012

EUR  KZT  NOK

-8% -7% -6%
-5% -4% -3%
-2% -1%  0%
 1%  2%  3%

EUR/EUR pegged currencies represent 39% of external sales and 46% of EBITDA
Depreciation

Depreciation and Depreciation as a percentage of net sales

SEK million

<table>
<thead>
<tr>
<th></th>
<th>Depreciation</th>
<th>Depreciation of net sales (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2'12</td>
<td>1,200</td>
<td>14.0%</td>
</tr>
<tr>
<td>Q3'12</td>
<td>900</td>
<td>13.0%</td>
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<tr>
<td>Q4'12</td>
<td>600</td>
<td>12.0%</td>
</tr>
<tr>
<td>Q1'13</td>
<td>300</td>
<td>11.0%</td>
</tr>
<tr>
<td>Q2'13</td>
<td>0</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

Change year-on-year for Q2

- Reduction in Sweden: SEK -74 million, mainly due to fully depreciated assets related to GSM network in Q2 2012
- Reduction in Kazakhstan of SEK -30 million
- Reduction in the Baltics of SEK -58 million
# Financial items

SEK million

## Financial items in income statement

<table>
<thead>
<tr>
<th></th>
<th>Q2 2013</th>
<th>Q2 2012</th>
<th>YTD 2013</th>
<th>YTD 2012</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income/costs</td>
<td>-48</td>
<td>-148</td>
<td>-178</td>
<td>-244</td>
<td>-494</td>
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<tr>
<td>Exchange rate differences, external</td>
<td>-1</td>
<td>10</td>
<td>14</td>
<td>-7</td>
<td>-20</td>
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<tr>
<td>Exchange rate differences, intragroup</td>
<td>-62</td>
<td>4</td>
<td>-25</td>
<td>72</td>
<td>116</td>
</tr>
<tr>
<td>Other financial items</td>
<td>-39</td>
<td>-44</td>
<td>-78</td>
<td>-83</td>
<td>-155</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>-150</strong></td>
<td><strong>-178</strong></td>
<td><strong>-267</strong></td>
<td><strong>-262</strong></td>
<td><strong>-553</strong></td>
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</table>

## Financial items in cash flow statement

<table>
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<tr>
<th></th>
<th>Q2 2013</th>
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<th>YTD 2013</th>
<th>YTD 2012</th>
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<tr>
<td><strong>Excluding Russia</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest paid</td>
<td>-50</td>
<td>-53</td>
<td>-155</td>
<td>-109</td>
<td>-292</td>
</tr>
<tr>
<td><strong>Russia</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest paid</td>
<td>-</td>
<td>-122</td>
<td>-69</td>
<td>-125</td>
<td>-376</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-50</td>
<td>-175</td>
<td>-224</td>
<td>-234</td>
<td>-668</td>
</tr>
</tbody>
</table>
## Taxes

### SEK million

#### Taxes in income statement

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Normal</td>
<td>-234</td>
<td>-121</td>
<td>-434</td>
<td>-319</td>
<td>-609</td>
</tr>
<tr>
<td>One-off</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>163</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-234</td>
<td>-121</td>
<td>-434</td>
<td>-319</td>
<td>-446</td>
</tr>
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</table>

#### Taxes in cash flow statement

<table>
<thead>
<tr>
<th></th>
<th>Q2 2013</th>
<th>Q2 2012</th>
<th>YTD 2013</th>
<th>YTD 2012</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Excluding Russia</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Normal</td>
<td>-7</td>
<td>-18</td>
<td>-162</td>
<td>-52</td>
<td>-110</td>
</tr>
<tr>
<td>One-off</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Discontinued operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russia</td>
<td>-</td>
<td>-94</td>
<td>-177</td>
<td>-262</td>
<td>-879</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-7</td>
<td>-112</td>
<td>-339</td>
<td>-314</td>
<td>-989</td>
</tr>
</tbody>
</table>

- Deferred tax assets year to date amounted to SEK 3.2 billion (December 2012: SEK 4.3 billion)
## Cash flow

<table>
<thead>
<tr>
<th></th>
<th>SEK million</th>
<th>Q2 2013</th>
<th>Q2 2012</th>
<th>YTD 2013</th>
<th>YTD 2012</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flow from operations, excl. taxes and interest</td>
<td>1,481</td>
<td>2,734</td>
<td>4,229</td>
<td>5,320</td>
<td>10,794</td>
<td></td>
</tr>
<tr>
<td>Interest paid</td>
<td>-50</td>
<td>-175</td>
<td>-224</td>
<td>-234</td>
<td>-668</td>
<td></td>
</tr>
<tr>
<td>Taxes paid</td>
<td>-7</td>
<td>-112</td>
<td>-339</td>
<td>-314</td>
<td>-989</td>
<td></td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-63</td>
<td>-257</td>
<td>-730</td>
<td>-686</td>
<td>-458</td>
<td></td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td>1,361</td>
<td>2,190</td>
<td>2,936</td>
<td>4,086</td>
<td>8,679</td>
<td></td>
</tr>
<tr>
<td><strong>INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAPEX</td>
<td>-905</td>
<td>-1,417</td>
<td>-3,366</td>
<td>-2,247</td>
<td>-4,609</td>
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</tr>
<tr>
<td><strong>Cash flow after CAPEX</strong></td>
<td>456</td>
<td>773</td>
<td>-430</td>
<td>1,839</td>
<td>4,070</td>
<td></td>
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<tr>
<td>Shares and other financial assets</td>
<td>17,400</td>
<td>-5</td>
<td>17,296</td>
<td>-203</td>
<td>-215</td>
<td></td>
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<tr>
<td><strong>Cash flow after investing activities</strong></td>
<td>17,856</td>
<td>768</td>
<td>16,866</td>
<td>1,636</td>
<td>3,855</td>
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</tbody>
</table>
## Cash flow excl. Russia

### OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>Q2 2013</th>
<th>Q2 2012</th>
<th>YTD 2013</th>
<th>YTD 2012</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operations, excl. taxes and interest</td>
<td>1,481</td>
<td>1,534</td>
<td>3,044</td>
<td>3,051</td>
<td>6,065</td>
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<tr>
<td>Interest paid</td>
<td>-50</td>
<td>-53</td>
<td>-155</td>
<td>-109</td>
<td>-292</td>
</tr>
<tr>
<td>Taxes paid</td>
<td>-7</td>
<td>-18</td>
<td>-162</td>
<td>-52</td>
<td>-110</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-63</td>
<td>-308</td>
<td>-514</td>
<td>-704</td>
<td>-696</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td><strong>1,361</strong></td>
<td><strong>1,155</strong></td>
<td><strong>2,213</strong></td>
<td><strong>2,186</strong></td>
<td><strong>4,967</strong></td>
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</tbody>
</table>

### INVESTING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>Q2 2013</th>
<th>Q2 2012</th>
<th>YTD 2013</th>
<th>YTD 2012</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAPEX</td>
<td>-905</td>
<td>-916</td>
<td>-3,050</td>
<td>-1,503</td>
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<td>Cash flow after CAPEX</td>
<td>456</td>
<td>239</td>
<td>-837</td>
<td>683</td>
<td>1,684</td>
</tr>
<tr>
<td>Shares and other financial assets</td>
<td>-4</td>
<td>-5</td>
<td>-5</td>
<td>-203</td>
<td>-215</td>
</tr>
<tr>
<td><strong>Cash flow after investing activities</strong></td>
<td><strong>452</strong></td>
<td><strong>234</strong></td>
<td><strong>-842</strong></td>
<td><strong>480</strong></td>
<td><strong>1,469</strong></td>
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</table>
Pro forma financial debt profile

Sources of funding
SEK billion

<table>
<thead>
<tr>
<th>Sources of funding</th>
<th>Amount (SEK billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revolving Credit Facility</td>
<td>16.9</td>
</tr>
<tr>
<td>Russian bond</td>
<td>15.2</td>
</tr>
<tr>
<td>Swedish bond</td>
<td>14.9</td>
</tr>
<tr>
<td>Norwegian bond</td>
<td>15.8</td>
</tr>
<tr>
<td>Other financing</td>
<td>8.1</td>
</tr>
<tr>
<td>Cash</td>
<td>-2.5</td>
</tr>
</tbody>
</table>

Pro forma net debt
Debt maturity and currency profile

Debt maturity profile
Gross debt SEK 8.9 billion (incl. unutilized SEK 19.4 billion)

Debt currency profile
Gross debt SEK 8.9 billion
**Tele2 in Debt Capital Markets**

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Date of issue</th>
<th>Maturity date</th>
<th>Volume</th>
<th>in MSEK*</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOK Bond 5yr</td>
<td>20/02/2012</td>
<td>24/02/2017</td>
<td>1,000 MNOK</td>
<td>1,112</td>
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<tr>
<td>NOK Bond 3yr</td>
<td>20/02/2012</td>
<td>24/02/2015</td>
<td>300 MNOK</td>
<td>334</td>
</tr>
<tr>
<td>SEK Bond</td>
<td>08/05/2012</td>
<td>17/05/2017</td>
<td>1,500 MSEK</td>
<td>1,500</td>
</tr>
<tr>
<td>SEK Bond</td>
<td>08/05/2012</td>
<td>15/05/2017</td>
<td>800 MSEK</td>
<td>800</td>
</tr>
<tr>
<td>SEK PP Bond</td>
<td>27/09/2012</td>
<td>27/03/2014</td>
<td>500 MSEK</td>
<td>500</td>
</tr>
<tr>
<td>SEK PP Bond</td>
<td>06/12/2012</td>
<td>06/03/2015</td>
<td>750 MSEK</td>
<td>750</td>
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<tr>
<td>SEK PP Bond</td>
<td>03/01/2013</td>
<td>3 months rolling</td>
<td>500 MSEK</td>
<td>500</td>
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<tr>
<td>SEK PP Bond</td>
<td>18/02/2013</td>
<td>18/02/2020</td>
<td>250 MSEK</td>
<td>250</td>
</tr>
<tr>
<td>SEK CP</td>
<td>on-going</td>
<td>within 1yr</td>
<td>600 MSEK</td>
<td>600</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>6,346</strong></td>
</tr>
</tbody>
</table>

* Fixing rate June 30, 2013
Debt position and ratio

Pro forma net debt / EBITDA 12 m rolling
SEK billion / Ratio

Q2'12 | Q3'12 | Q4'12 | Q1'13 | Q2'13
--- | --- | --- | --- | ---
16.9 | 15.2 | 14.9 | 15.8 | 8.1
Group Financials

Group EBITDA and Group EBITDA margin
SEK million

Group CAPEX (BS) and CAPEX/Sales
SEK million

Group Net Sales
SEK million

ROCE (Normalized)
Percent

● Mobile
● Fixed telephony
● Fixed broadband
● Other
In Q2 2013, the mobile customer stock was negatively impacted by a one-time adjustment* of -844,000 customers (which is not reflected in the charts above)

* “inactive” customers with only incoming calls to their mailbox will no longer be counted as active customers
Revenue development – Per segment

FX adjusted
SEK million

<table>
<thead>
<tr>
<th>Mobile revenue</th>
<th>Fixed broadband revenue</th>
<th>Fixed telephony revenue</th>
<th>Other revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2'12</td>
<td>Q3'12</td>
<td>Q4'12</td>
<td>Q2'13</td>
</tr>
<tr>
<td>4,900</td>
<td>1,150</td>
<td>680</td>
<td>350</td>
</tr>
<tr>
<td>5,000</td>
<td>1,200</td>
<td>700</td>
<td>350</td>
</tr>
<tr>
<td>5,100</td>
<td>1,250</td>
<td>690</td>
<td>350</td>
</tr>
<tr>
<td>5,200</td>
<td>1,300</td>
<td>680</td>
<td>350</td>
</tr>
<tr>
<td>5,300</td>
<td>1,350</td>
<td>690</td>
<td>350</td>
</tr>
<tr>
<td>5,400</td>
<td>1,400</td>
<td>700</td>
<td>350</td>
</tr>
</tbody>
</table>

Q2'12 Q3'12 Q4'12 Q1'13 Q2'13
Revenue development – Mobile
FX adjusted
SEK million

<table>
<thead>
<tr>
<th>Q2'12</th>
<th>Q3'12</th>
<th>Q4'12</th>
<th>Q1'13</th>
<th>Q2'13</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,130</td>
<td>5,310</td>
<td>5,464</td>
<td>5,091</td>
<td>5,377</td>
</tr>
<tr>
<td>1,098</td>
<td>1,044</td>
<td>1,080</td>
<td>858</td>
<td>867</td>
</tr>
<tr>
<td>656</td>
<td>675</td>
<td>888</td>
<td>736</td>
<td></td>
</tr>
<tr>
<td>3,377</td>
<td>3,590</td>
<td>3,496</td>
<td>3,497</td>
<td>3,674</td>
</tr>
</tbody>
</table>

Q2 2013 year-on-year growth
- Operator revenue: -21%
- Equipment revenue: 28%
- Underlying revenue: 9%
Agenda

- About Q1 2013
- Financial review
- Concluding remarks
Concluding remarks

- Strong customer intake in key markets
- Good mobile growth development
- Maintain focus on network roll-out and cost efficiency
Q&A