



FOR IMMEDIATE RELEASE

October 17, 2005

## **TELE2 HALTS ANY FURTHER INVESTMENTS IN ITS FIXED LINE OPERATIONS IN ESTONIA, LATVIA AND LITHUANIA**

**Stockholm – Tele2 AB, (“Tele2”), (Stockholmsbörsen: TEL2A and TEL2B), the leading alternative pan-European telecommunications company, today announced that, based on the current regulatory environment in Estonia, Latvia and Lithuania, it has decided to stop any further investments in its fixed line operations in these countries.**

Tele2 intends to stop product development and marketing of fixed telephony in Estonia, Latvia and Lithuania. Tele2 will continue servicing its existing customers, but will not take on new customers. Tele2 will continue to offer mobile telephony as one of the leading operators in these countries.

Lars-Johan Jarnheimer, CEO and President of Tele2 commented, “We regret that, given the current regulatory environment in Estonia, Latvia and Lithuania, we do not, at this point, see any alternative other than to stop further investments in our fixed line operations. The implementation of the new EU legal regulatory framework is very late and the necessary work required to be done by the local regulatory authorities to ensure an open and competitive market has barely started. We are not able, for example, to launch broadband in these markets. Instead, we will focus on continuing to offer our successful mobile products and services to our customers in Estonia, Latvia and Lithuania.”

*Tele2 is Europe’s leading alternative telecom operator. Tele2 always strives to offer the market’s best prices. With our unique values, we provide cheap and simple telecom for all Europeans every day. We have 29.4 million customers in 25 countries. We offer products and services in fixed and mobile telephony, Internet access, data networks, cable TV and content services. Our main competitors are the former government monopolies. Tele2 was founded in 1993 by Jan Stenbeck and has been listed on Stockholmsbörsen since 1996. In 2004 we had operating revenue of SEK 43 billion and reported a profit (EBITDA) of SEK 6.6 billion.*

### **CONTACTS**

**Lars-Johan Jarnheimer**  
President and CEO, Tele2 AB

**Telephone: + 46 8 562 640 00**

**Håkan Zadler**  
CFO, Tele2 AB

**Telephone: + 46 8 562 640 00**

**Dwayne Taylor**  
**Lena Krauss**  
Investor enquiries

**Telephone: + 44 20 7321 5038**

**Telephone: + 46 8 562 000 45**

Visit us at our homepage: <http://www.Tele2.com>