

2009-05-11

## Annual General Meeting

**Tele2 AB (publ) today announced that the Company's Annual General Meeting (AGM) of shareholders held today in Stockholm re-elected Mia Brunell Livfors, Jere Calmes, Vigo Carlund, John Hepburn, Mike Parton, John Shakeshaft, Cristina Stenbeck and Pelle Törnberg as Board Members. Further, Vigo Carlund was re-elected as Chairman of the Board of Directors and Mike Parton was elected as Deputy Chairman of the Board of Directors.**

The AGM discharged the Board of Directors and the CEO from liability for the 2008 financial year. Further, the AGM resolved in accordance with the proposal of the Board of Directors on an ordinary dividend of SEK 3.50 per share and a special dividend of SEK 1.50 per share. Thursday 14 May 2009 was decided as the record date for the dividend and it is expected that the dividend will be distributed by Euroclear Sweden AB on Tuesday 19 May 2009.

The AGM resolved:

- To set the remuneration for the period until the close of the next Annual General Meeting to the Board of Directors in accordance with the following. Fixed remuneration of SEK 5,125,000, of which SEK 1,200,000 shall be allocated to the Chairman of the Board, SEK 600,000 to the Deputy Chairman of the Board of Directors and SEK 450,000 to each of the directors of the Board and in total SEK 625,000 as remuneration for the work in the committees of the Board of Directors. The Nomination Committee proposes that for work within the Audit Committee SEK 200,000 shall be allocated to the Chairman and SEK 100,000 to each of the other three members. For work within the Remuneration Committee SEK 50,000 shall be allocated to the Chairman and SEK 25,000 to each of the other three members. Further, it was resolved that the remuneration to the Auditor shall be paid in accordance with approved invoices.
- To adopt the following procedure for preparation of the election of members of the Board of Directors and auditor. The work of preparing a proposal on the directors of the Board and auditor, in the case that an auditor should be elected, and their remuneration as well as the proposal on the Chairman of the Annual General Meeting of 2010 shall be performed by a Nomination Committee. The Nomination Committee will be formed during October 2009 in consultation with the largest shareholders of the Company as at 30 September 2009. The Nomination Committee will consist of at least three members representing the largest shareholders of the Company. The Nomination Committee is appointed for a term of office commencing at the time of the announcement of the third quarter report in 2009 and ending when a new Nomination Committee is formed. The majority of the members of the Committee may not be directors of the Board of Directors or employed by the Company. If a member of the Committee resigns before the work is concluded, a replacement member is to be appointed in the corresponding manner. Cristina Stenbeck will be a member of the Committee and will also act as its convenor. The members of the Committee will appoint the Committee Chairman at their first meeting. The Nomination Committee shall have the right to upon request receive personnel resources such as secretarial services from the Company, and to charge the Company with costs for recruitment consultants if deemed necessary.

- To amend Section 9, second paragraph of the Articles of Association meaning that a notice of a General Meeting of shareholders shall be published in the Official Swedish Gazette (Post- och Inrikes Tidningar) as well as on the company's website. The resolution is conditional upon that an amendment of the Companies Act (SFS 2005:551) has come into force, entailing that the proposed wording above is in accordance with the Companies Act.
- To approve the guidelines on remuneration for senior executives.
- To adopt an incentive programme for allocation to senior executives and other key employees in the Tele2 Group, in accordance with the Board's proposals.

The incentive program ("the Plan") includes in total approximately 80 senior executives and other key employees within the Tele2 group. The participants in the Plan are required to own shares in Tele2. These shares can either be shares already held or shares purchased on the market in connection with notification to participate in the Plan. Thereafter the participants will be granted, by the Company free of charge, retention rights and performance rights on the terms stipulated below. The proposed Plan has the same structure as the plan that was adopted at the 2008 Annual General Meeting.

For each share held under the Plan, the participants will be granted retention rights and performance rights by the Company. Subject to fulfilment of certain retention and performance based conditions during the period 1 April 2009 – 31 March 2012 (the "Measure Period"), the participant maintaining the employment within the Tele2 group at the date of the release of the interim report January – March 2012 and subject to the participant maintaining the invested shares, each retention right and performance right entitles the employee to receive one Class B share. Dividends paid on the underlying share will increase the number of retention and performance shares being allotted in order to treat the shareholders and the participants equally.

In total, the Plan is estimated to comprise up to 164,000 shares and entitling up to 752,000 rights whereof 164,000 retention rights and 588,000 performance rights. The participants are divided into different groups and in accordance with the above, the Plan will comprise up to 8,000 shares and seven rights per invested share for the CEO, up to 36,000 shares and six rights per invested share for senior executives and up to 120,000 shares and four rights per invested share for other participants (approximately 70 persons).

The participant's maximum profit per right in the Plan is limited to SEK 355, five times the average closing share price of the Tele2 Class B shares during February 2009 (SEK 71). The maximum dilution is up to 0.19 percent in terms of shares outstanding, 0.11 percent in terms of votes and 0.07 percent in terms of costs for the programme as defined in IFRS 2 divided by Tele2's market capitalisation.

The Board of Directors was authorized during the period until the next Annual General Meeting, to increase the Company's share capital by not more than SEK 1,062,500 by the issue of not more than 850,000 Class C shares, each with a ratio value of SEK 1.25. With disapplication of the shareholders' preferential rights, Nordea Bank AB (publ) shall be entitled to subscribe for the new Class C shares at a subscription price corresponding to the ratio value of the shares. The purpose of the authorisation and the reason for the disapplication of the shareholders' preferential rights in connection with the issue of shares is to ensure delivery of Class B shares to participants under the Plan. Moreover, it was resolved to authorise the Board of Directors, during the period until the next Annual General Meeting, to repurchase its own Class C shares. The repurchase may only be effected through a public offer directed to all holders of Class C shares and shall comprise

all outstanding Class C shares. The purchase may be effected at a purchase price corresponding to not less than SEK 1.25 and not more than SEK 1.35. Payment for the Class C shares shall be made in cash. The purpose of the repurchase is to ensure the delivery of Class B shares under the Plan. Further, it was resolved that Class C shares that the Company purchases by virtue of the authorisation to repurchase its own shares, following reclassification into Class B shares, may be transferred to participants in accordance with the terms of the Plan.

- To reduce the Company's share capital by not more than SEK 5,625,000 by redemption without repayment of 4,500,000 Class B shares which the Company has repurchased. It was resolved that the redemption amount shall be transferred to non-restricted equity.
- To authorise the Board of Directors to pass a resolution on one or more occasions for the period up until the next Annual General Meeting on purchasing so many Class A and/or Class B shares that the Company's holding does not at any time exceed 10 percent of the total number of shares in the Company. The purchase of shares shall take place on the NASDAQ OMX Stockholm and may only occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and lowest selling price. Moreover, it was resolved to authorise the Board of Directors to pass a resolution on one or more occasions for the period up until the next Annual General Meeting on transferring the Company's own Class A and/or Class B shares on the NASDAQ OMX Stockholm or in connection with an acquisition of companies or businesses. The transfer of shares on the NASDAQ OMX Stockholm may only occur at a price within the share price interval registered at that time. The authorisation includes the right to resolve on disapplication of the preferential rights of shareholders and that payment shall be able to be made in other forms than cash. The Board of Directors shall be able to resolve that purchase of own shares shall be made within a repurchase programme in accordance with the Commissions Regulation (EC) no 2273/2003, if the purpose of the authorisation and the purchase only is to decrease the Company's equity.
- That holders of Class A shares shall be entitled to reclassify their Class A shares into Class B shares, upon which time one Class A share shall be eligible for reclassification into one Class B share. An application for reclassification shall be made during the period 12 May 2009 through 29 May 2009. The reclassification request may include some or all of the shareholder's Class A shares and should either state the number of Class A shares that shall be reclassified, or the fraction (stated in percentage with no more than two decimals) of the total number of votes in the company that the Class A shareholder wants to hold after the reclassification.
- At a statutory meeting of the Board of Directors, an Audit Committee and a Remuneration Committee were appointed. John Shakeshaft was appointed as Chairman of the Audit Committee and Mia Brunell Livfors, Jere Calmes and Mike Parton were appointed as members of the committee. John Hepburn was appointed as Chairman of the Remuneration Committee and Mia Brunell Livfors, Jere Calmes and Vigo Carlund were appointed as members of the committee.

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**Further information can be obtained from:**

Harri Koponen, President and CEO, Telephone: +46 8 5626 4000

Lars Nilsson, CFO, Telephone: +46 8 5626 4000

Lars Torstensson, Investor Inquiries, Telephone: +46 702 73 48 79

*TELE2 IS ONE OF EUROPE'S LEADING ALTERNATIVE TELECOM OPERATORS. Tele2's mission is to provide affordable and easy connectivity for everyone at anytime. Tele2 always strives to offer the market's best prices. We have 24.5 million customers in 11 countries. Tele2 offers mobile services, fixed broadband and telephony, data network services, cable TV and content services. Ever since Jan Stenbeck founded the company in 1993, it has been a tough challenger to the former government monopolies and other established providers. Tele2 has been listed on the OMX Nordic Exchange since 1996. In 2008, we had net sales of SEK 39.5 billion and reported an operating profit (EBITDA) of SEK 8.2 billion. Please visit us at [www.tele2.com](http://www.tele2.com).*