Documentation to be presented
at the Extraordinary General Meeting of

TELE2 AB (publ)

Tuesday 21 February 2006

Agenda

for the Extraordinary General Meeting of Tele2 AB (publ) Tuesday 21 February 2006 at 1 p.m. CET at Pontus by the Sea, Tullhus 2, Skeppsbron, in Stockholm.

Proposed agenda

1. Election of Chairman of the Meeting.

2. Preparation and approval of the voting list.

3. Approval of the agenda.

4. Election of one or two persons to check and verify the minutes.

5. Determination of whether the Meeting has been duly convened.

6. Decision to amend the Articles of Association.

7. Incentive program, comprising the following resolutions:

   a. Adoption of incentive program.

   b. Issue of warrants for on-selling to employees.

   c. Authorisation for the Board of Directors to resolve to issue warrants for ensuring the incentive program.

8. Decision to authorise the Board of Directors to raise certain loans.

9. Closure of the Meeting.

The Board of Directors' proposals to be presented at the Extraordinary General Meeting of Tele2 AB (publ) on Tuesday 21 February 2006

The following proposals are numbered according to the proposed agenda.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION (item 6)

The Board of Directors proposes that the Meeting resolves to amend the Articles of Association for the purpose of adapting the Articles of Association to the requirements of the new Companies Act and to make some editorial changes.

The proposal of the Board of Directors involves amendments to the following paragraphs:

- § 4 - the term nominal value is substituted by a reference to the maximum and minimum number of shares in accordance with the new Companies Act;
- § 5 - differences attributable to the different share classes and the preferential rights of the shareholders to subscribe for new shares in connection with issues are amended in accordance with the new Companies Act, whereby the preferential rights of the different share classes are set out for each new issue of shares, warrants and convertible bonds, other than by issue in kind, the possibility to effect a bonus issue without increasing the number of shares is accounted for in the provision on preferential rights in connection with bonus issues. Moreover, the amended provision reflects that according to the new Companies Act, the Swedish Companies Registration Office may grant authorisation to reduce the share capital;
- § 6 - the provision on the number of board members etc. is cut shorter, as the way of appointment and terms already follows from law;
- § 7- editorial change;
- § 9 - the section previously stipulated the agenda, appointment of chairman and voting rights of the Annual General Meeting, which now follows from the Companies Act, and is hence proposed to be removed from the Articles of Association;
- § 9 (previously § 10) - the provision on notice for general meetings is amended in accordance with the new Companies Act, as to specify in what daily periodical the notice will be published;
- § 10 (previously § 11) - the provision on participation in general meetings sets the record day to five business days before the meeting in accordance with the new Companies Act; and
- § 11 (previously § 12) - the record day provision is amended in accordance with the new Companies Act.

The complete wording of the Articles of Association with the proposed amendments is found in **Appendix 1**. The proposed amendment is italicised.

INCENTIVE PROGRAM (item 7)

In order to implement the proposed incentive program, the Board of Directors proposes that the Meeting resolves in accordance with items a – c below. All resolutions are proposed to be conditional upon each other. A resolution in accordance with items a – c below must be supported by shareholders representing at least 9/10 of the shares and number of votes represented at the

Meeting. The proposal is supported by the major shareholders, including inter alia AMF Pension, Emesco AB, Fjärde AP-fonden, Investment AB Kinnevik, SEB Fonder and SEB Trygg Liv.

Adoption of incentive program (item 7 a)

The Board of Directors proposes that the Meeting resolves to adopt an incentive program for senior executives and other key employees within the Tele2 group. The incentive program means that employees are offered a combination of warrants and stock options, which entitle them to purchase Class B shares in the company under the terms stipulated below.

The incentive program means that present and future employees are granted call options (so called stock options), which entitle the holder to acquire Class B shares in the company. The Board of Directors proposes that the General Meeting approves the transfer of shares in accordance with the program.

Summary of the program

The participants in the incentive program (in maximum 32 individuals) shall be offered to purchase warrants on market terms. Each warrant entitles to subscription of one Class B share in the company. For each warrant purchased, the participant will be offered a maximum of two stock options for free, each carrying the right to purchase one Class B share.

The warrants

The warrants shall be governed by the following terms and conditions:

- A premium shall be paid on transfer and will correspond to the market price, as established by the Black & Scholes valuation model, in connection with the time of transfer of the warrant;
- Each warrant is valid for a period of approximately three years and entitles the holder to subscribe for one new Class B share during the period 25 February - 25 May 2009;
- The subscription price shall correspond to 110 per cent. of the average closing price of the company's Class B share 10 trading days following the Extraordinary General Meeting, e.g. in the period 22 February 2006 - 7 March 2006;
- Freely transferable; and
- Issued by Tele2 to a wholly owned subsidiary that should transfer the warrants to the participants in the program.

The stock options

The stock options shall be governed by the following terms and conditions:

- No premium shall be paid at allocation;
- The exercise price shall correspond to the 110 per cent. of the average closing price of the company's Class B share 10 trading days following the Extraordinary General Meeting, e.g. in the period 22 February 2006 - 7 March 2006;
- Are valid for approximately five years and may be exercised not earlier than three years from the time when the options were granted;
- Non-transferable and exercise is subject to the option holder still being employed within the Tele2 group; and

- May be issued by the company or by other companies within the group.

Annual allocations

The Board of Directors intends to make proposals to the Annual General Meetings of 2007 and 2008 regarding annual allocations in accordance with the above principles. Participation in the incentive program for 2007 and 2008 will be conditional upon that individual performance criteria on group and business area level are met. These criteria, upon which allocation under the program is conditioned, comprise specific benchmarks, such as growth and profitability goals, objectively verifiable business development goals and specific project completion goals.

The maximum annual allocation is proposed to comprise warrants and stock options giving right to a maximum of 3,177,000 Class B shares, which means that warrants and stock options that may give right to a maximum of 9,531,000 Class B shares may be issued during the period from 2006 through 2008. The Board of Directors will consider the result-oriented and business-oriented performance conditions on deciding the annual maximum allocation.

Options are proposed to be allocated annually during a three-year period and the annual allocation will be based on performance during the year, and consequently the number of participants and the individual allocations may vary over the duration of the incentive program.

Preparation and administration

The Board of Directors, or a committee established by the Board for these purposes, shall be entitled to decide upon the details of the terms and conditions of the incentive program in accordance with the general terms and guidelines above. In conjunction therewith the Board of Directors shall be entitled to make local adjustments to meet special regulations and market conditions abroad. The Board of Directors may also make other adjustments if significant changes in the Tele2 group or its circumstances would result in a situation where the decided terms and conditions for allocation under the incentive program become inappropriate to use.

Allocation 2006

The scope of the incentive program for the first year is proposed to amount to a maximum of 1,059,000 warrants and a maximum of 2,118,000 stock options and it will comprise a maximum of 32 individuals. The Managing Director will be offered to purchase a maximum of 100,000 warrants and be offered a maximum of 200,000 stock options, three members of the Group Executive Board will be offered to purchase a maximum of 50,000 warrants each and be offered a maximum of 100,000 stock options each, and the other senior executives (a maximum of 28 individuals) will be offered to purchase a maximum of between 25,000 and 36,000 warrants each and be offered a maximum of between 50,000 and 72,000 stock options each. The board of directors find that it is of great importance to create employee loyalty. The current incentive program that was adopted at the annual general meeting of 2002 expires this year. With reference to the goal of the Board to create a long-term incentive for the senior executives, the Board of Directors proposes that maximum allocation for the first year should be offered to the participants in the program.

Dilution and costs for 2006

Given full exercise and subscription of all stock options and warrants, the maximum dilution effect for 2006 is estimated to no more than 0.37 per cent. of the total number of votes. Considering the previously issued and outstanding warrants, the dilution effect will be approximately 1.01 per cent. of the total number of shares and approximately 0.52 per cent. of the total number of votes. Information on other incentive programs in the company can be found in **Appendix 2**.

Full subscription of all 3,177,000 warrants is expected to have a merely insignificant effect on the key ratios equity and earnings per share for the financial year of 2004. These key ratios are hence not presented.

Given that transfers of warrants from the subsidiary to employees shall take place at a calculated market price, the warrants are in this respect not expected to result in any social security fees for the group. Social security fees for the stock options will be expensed in 2006-2009 based on the change in value of the stock option.

IFRS 2 stipulates that stock options should be expensed as personnel costs (excluding social security charges) over the vesting period and will be reported directly against equity. Based on an assumption that approximately 20 per cent. of the stock options that are offered will lapse before vesting as a result of personnel turnover, which is based on historical personnel turnover, the estimated cost for the stock options amounts to approximately SEK 17.3 million allocated over the years 2006 - 2009. The accounted amount will be continuously reconsidered under the term of the warrants and stock options.

The cost for the company of paying a cash bonus to cover a part of the cost of the option premium (see below) amounts to approximately SEK 10.3 million including social costs. The calculation is based on the following assumptions:

- that all warrants are acquired;
- that the personnel turnover over the vesting period is 20 per cent.; and
- that the option premium amounts to SEK 8.90.

If implemented, the proposed incentive program will result in a decreased scope of the current incentive program.

Rationale for the deviation from the shareholders' preferential rights

The rationale for the deviation from the shareholders' preferential rights is that the Board of Directors of Tele2 considers that the employees' personal investment will strengthen their loyalty, improve the conditions for the company's continued demands on profitability and create an opportunity for the employees to take part in the group's development. The incentive program will constitute a competitive incentive and a motivating offer for senior executives and other key employees within the group. The incentive program has been structured to reward the participants for the increase in shareholder value by offering an allocation of warrants and stock options based on the fulfillment of certain performance conditions which are result-oriented as well as business-oriented performance targets. Moreover, participation in the program requires a personal investment by each participant since the participant pays the market price of the warrants. By linking the employee's reward with the development of the company's profits and value, long-term growth is rewarded. With reference to the above, the Board of Directors considers that an incentive program as set out herein has a positive effect on the Tele2 group's future development, and is thus beneficial to both the company and its shareholders.

Preparation

The Group Executive Board has, in consultation with external advisors, prepared the incentive program in accordance with guidelines set out by the Remuneration Committee. The incentive program has been reviewed at meetings of the Board of Directors in the fall of 2005 and in January 2006.

Possible future bonus

The Extraordinary General Meeting is informed that the Board of Directors considers to resolve on a cash bonus to be paid three years after the purchase of the warrants and stock options. The rationale is to encourage participation in the proposed incentive program. The cash bonus will only be paid if the warrants, stock options and/or Class B shares acquired through warrants and stock options are still held by the participant and if the participant is still employed within the Tele2 group. The net amount of the bonus may total a maximum of the difference between the purchase price for the warrants and two (2) per cent. of the value of the total number of underlying Class B shares at the time of the acquisition of the warrants and the grant of the stock options.

Issue of warrants for on-selling to employees (item 7 b)

The Board of Directors proposes that the Meeting resolves to issue a maximum of 1,059,000 warrants, each entitling the holder to subscribe for one new Class B share. Wholly-owned subsidiaries of Tele2 AB (publ) shall be entitled to subscribe and shall transfer the warrants to the participants in the incentive program on market terms and in accordance with the provisions in item 7 a above. Subscription for Class B shares through the warrants may take place during 25 February - 25 May 2009. The subscription price for one Class B share shall amount to 110 per cent. of the average last trading price of the company's Class B share during the ten trading days immediately following the day of the Extraordinary General Meeting. The rationale for the deviation from the shareholders' preferential rights is to implement the incentive program set out in item 7 a above. The Board of Director's complete proposal and guidelines for the transfer of warrants are set forth in **Appendix 3.**

Authorisation for the Board of Directors to pass resolutions regarding the issue of warrants for ensuring the incentive program (item 7 c)

The Board of Directors proposes that the Meeting resolves to authorise the Board of Directors, until the next Annual General Meeting, on one or several occasions, to resolve to issue a maximum of 2,118,000 warrants, each entitling to subscription of one Class B share. The warrants shall solely be exercised in order to ensure delivery of Class B shares under the stock options. Wholly-owned subsidiaries of Tele2 AB (publ) shall be entitled to subscribe. The rationale for the deviation from the shareholders' preferential rights is to ensure fulfilment of the company's obligations under the terms of the stock options in the incentive program described above under item 7 a. The Board of Director's complete proposal is forth in **Appendix 3.**

DECISION TO AUTHORISE THE BOARD OF DIRECTORS TO RAISE CERTAIN LOANS (item 8)

The Board of Directors proposes that the Meeting resolves to authorise the Board of Directors, until the next Annual General Meeting, on one or several occasions, to resolve to raise certain loans that are subject to the provisions in Chapter 11 Section 11 of the Swedish Companies Act (2005:551). The terms and conditions of such loans shall be on market terms. The rationale for the authorisation is that the company shall be able to raise such loans on terms favourable to the company, e.g. by making the interest dependent upon the performance or financial position of the company. According to the provisions of the new Companies Act, that entered into force on 1 January 2006, a decision to raise such loans must now be resolved by the General Meeting or by the Board of Directors, if the Board has been authorised by the General Meeting.

Appendix 1

ARTICLES OF ASSOCIATION

Tele2 AB (publ)

§ 1

The registered name of the company is Tele2 AB. The company is a public company (publ).

§ 2

The registered office of the board of directors is in the Municipality of Stockholm.

§ 3

The primary objective of the company’s operations shall be to generate profits for its shareholders.

Moreover, the company shall provide services and technical expertise, broadcast and transmit radio and television programmes and carry out related operations.

Furthermore, the company shall send and transmit telephony carried by radio waves and cable and carry out related operations.

The company shall also be able to own and manage real property as well as shares and other chattels and carry out related operations.

The company shall be entitled to give guarantees or other securities for undertakings entered into by another company in the same group.

Current wording § 4

The company’s share capital shall be not less than SEK 250,000,000 and not more than SEK 1,000,000,000.

Each share shall have a par value of SEK 1.25.

Proposed wording § 4

The company’s share capital shall be not less than SEK 250,000,000 and not more than SEK 1,000,000,000.

The number of shares shall be not less than 200,000,000 and not more than 800,000,000.

Current wording § 5

The shares shall be of three classes, Class A, Class B and Class C. Shares of Class A may be issued up to a maximum of 800,000,000, shares of Class B may be issued up to a maximum of

800,000,000 and Class C shares may be issued up to a maximum of 800,000,000. Class A shares entitle to ten votes each and Class B and Class C shares entitle to one vote each.

Class C share do not entitle to dividends. Upon the Company's liquidation, Class C shares carry an equivalent right to the Company's assets as the other classes of shares, however not to an amount exceeding up to the par value of the share, annualised as per day of distribution with an interest rate of STIBOR 30 days with an additional 0.05 percentages calculated from the day of payment of the subscription price. STIBOR 30 days is set on the first business day of each calendar month.

If the Company resolves to issue new Class A, Class B, and Class C shares by a cash issue, each holder of Class A, B and C shares has preferential rights to subscribe for new shares of the same class in proportion to the number of old shares held by such holder (primary preferential rights). Shares not subscribed for with primary preferential rights shall be offered for subscription to all shareholders in the Company (subsidiary preferential rights). If the number of shares so offered is less than the number subscribed for with subsidiary preferential rights, the shares shall be distributed among the subscribers in proportion to the number of already shares held, or, to the extent that this is not possible, by lot.

If the Company resolves on a cash issue of new shares solely of Class A, Class B or Class C shares, all shareholders, irrespective of which class of shares held, are entitled to preferential rights to subscribe for new shares in proportion to the number of shares already held.

The stipulations regarding preferential rights shall not infringe on the possibility to resolve on a cash issue in which the preferential rights of shareholders are waived.

If the share capital is increased by a bonus issue, new shares of Class A and Class B shall be issued in relation to the number of shares of the same classes already held. In such cases, old shares of a specific class shall entitle to new shares of the same class. Class C shares do not carry rights to participate in bonus issues. Following a requisite amendment in the Articles of Association, the aforementioned stipulation shall not infringe on the possibility to issue shares of a new class by a bonus issue.

Reduction of the share capital, however not below the minimum share capital, may on request of holders of Class C shares or as resolved by the Company's Board of Directors or General Meeting, be made by redemption of Class C shares. A request from a shareholder shall be made in writing to the Company's Board of Directors and the Board of Directors shall promptly act on the matter. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the Company's reserves, if the required funds are available.

The redemption payment per Class C share shall correspond to the par value of the share annualised per day with an interest rate of STIBOR 30 days with additional 0.05 percentages calculated from the day of payment of the subscription price. STIBOR 30 days shall be initially set on the day of payment of the subscription price.

Following notice of the redemption resolution, holders having requested redemption shall promptly receive payment for the share, or, if court authorisation is required, following notice that the court's final decision has been registered.

Proposed wording § 5

The shares shall be of three classes, Class A, Class B and Class C. Shares of Class A may be issued up to a maximum of 800,000,000, shares of Class B may be issued up to a maximum of 800,000,000 and Class C shares may be issued up to a maximum of 800,000,000. Class A shares entitle to ten votes each and Class B and Class C shares entitle to one vote each.

Class C share do not entitle to dividends. Upon the company's liquidation, Class C shares carry an equivalent right to the Company's assets as the other classes of shares, however not to an amount exceeding up to the quota value of the share, annualised as per day of distribution with an interest rate of STIBOR 30 days with an additional 0.05 percentages calculated from the day of payment of the subscription price. STIBOR 30 days is set on the first business day of each calendar month.

If the company resolves to issue new Class A, Class B, and Class C shares by a new issue of shares, other than by an issue in kind, each holder of Class A, B and C shares has preferential rights to subscribe for new shares of the same class in proportion to the number of old shares held by such holder (primary preferential rights). Shares not subscribed for with primary preferential rights shall be offered for subscription to all shareholders in the Company (subsidiary preferential rights). If the number of shares so offered is less than the number subscribed for with subsidiary preferential rights, the shares shall be distributed among the subscribers in proportion to the number of shares already held, or, to the extent that this is not possible, by lot.

If the company resolves on an issue of new shares, other than by an issue in kind, solely of Class A, Class B or Class C shares, all shareholders, irrespective of which class of shares held, are entitled to preferential rights to subscribe for new shares in proportion to the number of shares already held.

The stipulations regarding preferential rights shall apply mutatis mutandis for new issues of warrants and convertible debt, and shall not infringe on the possibility to resolve on an issue in which the preferential rights of shareholders are waived.

If the share capital is increased by a bonus issue, where new shares are issued, new shares of Class A and Class B shall be issued in relation to the number of shares of the same classes already held. In such cases, old shares of a specific class shall entitle to new shares of the same class. Class C shares do not carry rights to participate in bonus issues. Following a requisite amendment in the Articles of Association, the aforementioned stipulation shall not infringe on the possibility to issue shares of a new class by a bonus issue.

Reduction of the share capital, however not below the minimum share capital, may on request of holders of Class C shares or as resolved by the Company's Board of Directors or General Meeting, be made by redemption of Class C shares. A request from a shareholder shall be made in writing to the Company's Board of Directors and the Board of Directors shall promptly act on the matter. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the Company's reserves, if the required funds are available.

The redemption payment per Class C share shall correspond to the quota value of the share annualised per day with an interest rate of STIBOR 30 days with additional 0.05 percentages calculated from the day of payment of the subscription price. STIBOR 30 days shall be initially set on the day of payment of the subscription price.

Following notice of the redemption resolution, holders having requested redemption shall promptly receive payment for the share, or, if authorisation from the Swedish Companies Registration Office or a court is required, following notice that the final decision has been registered.

Current wording § 6

The number of members of the board of directors appointed by the general meeting of the company shall amount to at least five and no more than nine members, with no more than the same number of deputies. Members of the board of directors and deputies shall be elected annually at the annual general meeting for the period until the close of the next annual general meeting.

Proposed wording § 6

The number of members of the board of directors shall amount to at least five and no more than nine members, with no more than the same number of deputies.

Current wording § 7

A maximum of three authorised auditors and no more than the same number of authorised deputy auditors shall be appointed at the annual general meeting. Authorised public accounting firms may be appointed as auditors.

Proposed wording § 7

A maximum of three authorised auditors and no more than the same number of authorised deputy auditors shall be appointed at the annual general meeting.

§ 8

The company's fiscal year shall be the calendar year.

Current § 9 (the section is proposed to be removed)

Those who are entitled to vote at a general meeting of the company shall vote for his or her total number of shares.

The chairman of the board of directors or a person appointed by the board of directors shall open the general meeting and conduct the meeting until a chairman for the meeting is elected.

The following items of business shall be addressed at the annual general meeting:

1. Election of a chairman of the meeting.

2. Preparation and approval of the list of shareholders entitled to vote at the meeting.

3. Approval of the agenda for the meeting.

4. Election of one or two persons, in addition to the chairman, to verify the minutes.

5. Determination of whether the meeting has been duly convened.

6. Presentation of the annual report and the auditor's report and, if the company is a parent company, the consolidated financial report and the auditor's report on the consolidated financial report.

7. Resolution on the adoption of the income statement and balance sheet, and, if the company is a parent company, the consolidated income statement and the consolidated balance sheet.

8. Resolution on the disposal of the company's profit or loss according to theadopted balance sheet.

9. Resolution on the discharge of the members of the board of directors and the managing director from personal liability for the fiscal year.

10. Determination of fees to the board and, if applicable, to the auditors.

11. Election of the members of the board of directors and, if applicable, auditors and deputy auditors.

12. Other items of business to be addressed by the meeting pursuant to the Swedish Companies Act (1975:1385) or the company's articles of association.

Current § 10

Notice of an annual general meeting and any extraordinary general meeting where any proposed amendment to the articles of association is to be addressed, shall be given no earlier than six and no later than five weeks prior to the meeting. Notice of any other extraordinary general meeting shall be given no earlier than six and no later than two weeks prior to the meeting.

Notice of a general meeting of shareholders shall be made by announcement in Post- och Inrikes Tidningar and in Svenska Dagbladet or another daily periodical with national coverage.

Proposed § 9

Notice of an annual general meeting and any extraordinary general meeting where any proposed amendment to the articles of association is to be addressed, shall be given no earlier than six and no later than five weeks prior to the meeting. Notice of any other extraordinary general meeting shall be given no earlier than six and no later than two weeks prior to the meeting.

Notice of a general meeting of shareholders shall be made by announcement in Post- och Inrikes Tidningar and in Svenska Dagbladet.

Current § 11

To be entitled to participate in a general meeting, shareholders must appear in the share register pursuant to Chapter 3, Section 13 §, second paragraph of the Swedish Companies Act, relating to the circumstances as of ten days before the meeting, and give notice to the company no later than 1 p.m. on the day stipulated in the notice of the meeting. This day may not be a Sunday, another public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve, and may not fall before the fifth business day prior to the meeting.

Proposed § 10

To be entitled to participate in a general meeting, shareholders must be recorded in a print-out or another presentation of the complete share register relating to the circumstances as of five business days before the meeting, and give notice to the company no later than 1 p.m. on the day stipulated in the notice of the meeting. This day may not be a Sunday, another public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve, and may not fall before the fifth business day prior to the meeting.

Current § 12

All persons entered in the share register, or type of list specified in Chapter 3, § 12 of the Swedish Companies Act (1975: 1385) on the stipulated record date, shall be entitled to receive dividends and, in connection with bonus issues, new shares to which shareholders are entitled, and to exercise shareholder preferential rights in connection with new issues.

Proposed § 11

The shareholder or nominee who on the record date is registered in the share register and in a central securities depository register pursuant to Chapter 4 of the Financial Instruments Accounts Act (1998:1479) or any person who is registered in a central securities depository account pursuant to Chapter 4, Section 18 first paragraph 6-8 of the mentioned Act, shall be deemed to be authorised to exercise the rights set out in Chapter 4, Section 39 of the Companies Act (2005:551).

Appendix 2

Description of outstanding incentive programs

On 16 May 2002, the Extraordinary General Meeting resolved on a stock option program. The stock options entitle to acquisition of Class B shares in the company. Senior executives and key employees are entitled to allocation of stock options. Inter alia the following terms and conditions are applicable to outstanding stock options:

The stock options are exercisable at the earliest three years and at the latest five years from time of grant. The stock option holders must at the time of exercise remain in the employment of the Tele2 group. The stock options are granted free of charge and may not be transferred. The term, the strike price and the number of outstanding stock options are set forth in the summary below. In 2005, a total of 972,307 warrants have been exercised for acquisition of shares, of which 162,187 have been exercised to cover administrative costs, social security contributions and equivalent taxes.

Year of grant	2002
Number of outstanding stock options	984,390
Price per share (SEK)	60.80
Number of Class B shares that can be acquired at exercise	984,390

In order to ensure the company's undertaking to deliver Class B shares upon exercise of the stock options, and to cover any administrative costs, social security contributions and equivalent taxes that may arise as a result of these stock options, warrants were issued in 2002 to the wholly owned subsidiary Netcom GSM Sverige AB. The warrants entitle to subscription for a total of 1,304,821 new Class B shares.

Appendix 3

Proposal to the Extraordinary General Meeting of Tele2 AB (publ)

§ [7 b]

It was resolved to issue a maximum of 1,059,000 warrants on the following terms and conditions:

1. Each warrant entitles to subscription for one new Class B share in Tele2 AB during the period 25 February - 25 May 2009.

2. The exercise price for a warrant corresponds to 110 per cent. of the average last trading price for Tele2 AB's Class B shares, during the period 22 February - 7 March 2006. The exercise price thus calculated shall be rounded off to the nearest whole ten öre, whereupon five öre shall be rounded downwards.

3. If all 1,059,000 warrants are completely exercised the share capital will increase by SEK 1,323,750. Class B share issued as a result of subscription will carry right to dividends as of the first record date for dividends, which has been established after subscription is executed.

4. Notwithstanding the shareholders' preferential rights, the party entitled to subscribe for the warrants shall be a wholly-owned subsidiary of Tele2 AB.

5. Subscription for warrants shall take place no later than 8 March 2006. The Board of Directors may prolong the subscription period. Subscription shall be made without payment.

6. The warrants shall in all other respects be governed by the terms and conditions set forth in **Appendix A**.

The exercise price upon exercise of warrants and the number of shares to which each warrant provides an entitlement to subscribe may be adjusted in accordance with section 8 of the terms and conditions for warrants, see **Appendix A**.

The rationale for the deviation from the shareholders' preferential rights is to implement an incentive program for senior executives and other key employees.

The annual report for the financial year of 2004 is set out in **Appendix B** and documents for the purposes of Chapter 14, Section 8, items 3-4, Companies Act, is set out in **Appendix C**.

It was resolved that the Managing Director should be authorised to undertake such minor adjustments that may be required for the registration with the Companies Registration Office and VPC AB.

It was noted that over subscription is not possible.

It was noted that the following terms should apply in respect of the transfer of warrants.

Notwithstanding the shareholders' preferential rights, the issued warrants shall be subscribed for by wholly owned subsidiary of Tele2 AB, whereby this company shall offer the warrants to employees within the Tele2 Group. The transfer of warrants shall be made at a price corresponding to the market value of the warrants.

The Board of Directors shall, according to the following guidelines, resolve on the allocation of warrants. The Managing Director will be offered to purchase a maximum of 100,000 warrants, members of the Group Executive Board (three individuals) will be offered to purchase a maximum of 50,000 warrants each, and the other senior executives (approximately 28 individuals) will be offered to purchase a maximum of 36,000 warrants each.

It was resolved to approve the above stated principles for the transfer of warrants in accordance with Chapter 16, Section 5 of the Companies Act (2005:551) (Certain Directed Issues).

§ [7 c]

It was resolved to authorise the Board of Directors, until the next Annual General Meeting, on one or several occasions, to resolve to issue a maximum of 2,118,000 warrants, each entitling to subscription of one Class B share. Wholly-owned subsidiaries of Tele2 AB (publ) shall be entitled to subscribe for the warrants.

The rationale for the deviation from the shareholders' preferential rights is to ensure fulfilment of the company's obligations under the terms of the stock options in the adopted incentive program described above under item 7 a.

The annual report for the financial year of 2004 is set out in **Appendix B** and documents for the purposes of Chapter 14, Section 8, items 3-4, Companies Act, is set out in **Appendix C**.

Appendix A

Terms and Conditions for Warrants 2006/2009 for Subscription of Shares in Tele2 AB (publ)

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1 Definitions

In these terms and conditions, the following terms shall have the meanings given below:

"Bank"	the bank or account operator which the Company at each time has appointed to handle the administration of the Warrants in accordance with these terms and conditions;
"Business Day"	a day which is not a Saturday, Sunday or other public holiday or, with respect to the payment of promissory notes, is not equated with a public holiday in Sweden;
"Companies Act"	the Swedish Companies Act (SFS 2005:551);
"Company"	Tele2 AB (publ) reg. no. 556410-8917;
"Market Quotation"	listing of shares in the Company on a stock exchange, authorised market place or other corresponding market place;
"Securities Account"	a securities account (Sw. *avstämningskonto*) with VPC in which the respective Warrant Holders' holdings of Warrants or holdings of shares acquired pursuant to Warrants are registered;
"Subscription"	subscription of shares in the Company on exercise of Warrants in accordance with Chapter 14 of the Companies Act;
"Subscription Price"	the price at which Subscription for new shares may take place on exercise of Warrants;
"VPC"	VPC AB, (the Swedish Central Securities Depository and Clearing Organisation);
"Warrant""	the right to subscribe for newly issued Class B shares in the Company in exchange for payment in accordance with these terms and conditions;
"Warrant Holder"	a person registered in a Securities Account as the holder of a Warrant;
"weekday"	a day which is not a Sunday or public holiday.

2 Warrants and registration

The total number of Warrants amounts to 1,059,000. The Warrants shall be registered in Securities Accounts in accordance with Chapter 4 of the Financial Instruments Accounts Act (SFS 1998:1479).

Requests for particular registration measures in respect of the Warrants shall be submitted to the account operator with which the Warrant Holder has opened a Securities Account.

3 Right to subscribe for new shares

Each Warrant entitles the holder thereof to subscribe for one new Class B share in the Company at a Subscription Price amounting to 110 percent of the average closing price of the company's Class B share 10 trading days immediately after 21 February 2006.

The Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe may be recalculated in the circumstances set out in section 8 below.

Subscription may only take place in respect of the entire number of shares for which the total number of Warrants entitles the Warrant Holder to subscribe and which a single Warrant Holder desires to exercise. On such Subscription, any excess fractions of Warrants which cannot be exercised shall be disregarded.

4 Application for Subscription

Application for Subscription of shares may take place during the period commencing on 25 February 2009 up to and including 25 May 2009 or such earlier date as may be determined in accordance with section 8 below. If an application for Subscription is not submitted within the time stated above, the Warrant shall lapse.

On application for Subscription, a completed application form in the predetermined form shall be submitted to the Company. Applications for Subscription are binding and irrevocable.

5 Payment for new shares

On application for Subscription, payment for the number of shares which the application for Subscription covers shall be made simultaneously. Payment shall be made in cash to a bank account designated by the Company.

6 Registration in Securities Account and in the share register

Following payment for subscribed shares, Subscription shall be effected through the registration of the new shares as interim shares in the Company's share register and on the respective Warrant Holder's Securities Account. Following registration with the Swedish Companies Registration Office, the registration of the new shares in the share register and on Securities Accounts will become definitive. According to section 8 below such registration might in certain circumstances be postponed.

7 Dividends on new shares

Shares issued following Subscription shall entitle the holders thereof to participate in the distribution of dividends for the first time on the record date that occurs immediately following the Subscription.

8 Recalculation of Subscription Price and the number of shares

The following provisions shall govern the right that vests in Warrant Holder in the event the share capital prior to the Subscription is increased or reduced, convertible bonds or warrants are issued, or the Company is dissolved or ceases to exist as a consequence of a merger or division, or there is an Extraordinary Dividend (as defined below):

A Bonus issue

In the event of a bonus issue, where an application for Subscription is submitted at such time that the allotment of shares cannot be made on or before the fifth weekday prior to the general meeting which resolves to make the bonus issue, Subscription shall be effected only after the general meeting has adopted a resolution approving the bonus issue. Shares which vest pursuant to Subscription effected after the adoption of a resolution approving the bonus issue shall be registered in the Warrant Holder's Securities Account as interim shares, and accordingly such shares shall not entitle the holder thereof to participate in the bonus issue. Definitive registration in Securities Accounts shall only take place after the record date for the bonus issue.

In conjunction with Subscription which is effected after the adoption of a resolution to make a bonus issue, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the Warrant Holder to subscribe shall be applied. The recalculation shall be carried out by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price) x (the number of shares in the Company prior to the bonus issue) / (the number of shares in the Company after the bonus issue)

Recalculated number of shares for which each Warrant entitles the Warrant Holder to subscribe = (previous number of shares for which each Warrant entitled the holder to subscribe) x (the number of shares in the Company after the bonus issue) / (the number of shares in the Company prior to the bonus issue).

The Subscription Price and the number of shares which each Warrant entitles the holder to subscribe for, recalculated as set out above, shall be determined by the Company as soon as possible after the general meeting has adopted a resolution approving the bonus issue.

B Reverse share split/share split

In the event the Company effects a reverse share split or share split, the provisions of sub-section A above shall apply *mutatis mutandis*. The record date shall be deemed to be the date on which the reverse share split or share split is carried out by VPC at the request of the Company.

C New issue

If the Company issues new shares subject to preferential rights for shareholders to subscribe for new shares in exchange for cash payment, the following shall apply with respect to the right to participate in the new issue held by the shareholders whose shares vest as a consequence of Subscription on exercise of the Warrant:

1. If the board of directors of the Company has resolved to carry out a new issue conditional on the approval of the general meeting of the shareholders or pursuant to authorisation granted by the general meeting of the shareholders, the resolution of the new issue shall state the last day on which Subscription must be effected in order to entitle the holders of the shares held pursuant to the Subscription to participate in the new issue.

2. If the general meeting adopts a resolution to issue new shares, where an application for Subscription is submitted at such time that it cannot be effected on or before the fifth weekday prior to the general meeting which shall address the question of the new issue, Subscription shall only be effected following the

adoption of a resolution with respect thereto by the general meeting. Shares which vest as a consequence of such Subscription shall be registered in the Securities Account as interim shares, and accordingly shall not entitle the holders to participate in the new issue. Definitive registration in Securities Accounts shall only take place after the record date for the new issue.

Where Subscription is effected at such time that no right to participate in the new issue arises, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price*)* x (the average quoted price of the share during the subscription period stated in the resolution approving the issue (referred to below as the "average price of the share")) / (the average price of the share increased by the theoretical value of the subscription right calculated on the basis thereof)

Recalculated number of shares for which each Warrant entitles the holder to subscribe = (previous number of shares for which each Warrant entitled the holder to subscribe) x (the average price of the share increased by the theoretical value of the subscription right calculated on the basis thereof) / (the average price of the share)

The average price of the share shall be deemed to be the equivalent of the average calculated mean value, for each trading day during the subscription period, of the highest and lowest quoted paid price on that day according to the stock exchange or market place list on which the shares are quoted. In the absence of a quoted paid price, the bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

The theoretical value of the subscription right is calculated in accordance with the following formulae:

Theoretical value of subscription right = (the maximum number of new shares which may be issued pursuant to the resolution approving the issue) x ((the average price of the share) – (the issue price of the new share)) / (the number of shares prior to the adoption of the resolution approving the issue)

If this results in a negative value, the theoretical value of the subscription right shall be deemed to be zero.

The Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two Business Days after the expiry of the subscription period and shall apply to each Subscription effected thereafter.

If the Company's shares, at the time of the resolution to issue the new shares, are not subject to a Market Quotation, a corresponding recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the Warrants shall remain unchanged.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities

Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

D Issue of convertible bonds or warrants in accordance with Chapter 14 of the Companies Act

In the event the Company issues convertible bonds or warrants, in both cases subject to preferential rights for the shareholders to subscribe for such equity related instrument in exchange for cash payment, the provisions of sub-section C, first paragraph, sub-paragraphs 1 and 2 shall apply *mutatis mutandis* in respect of the right to participate in the issue for any share which has been issued through Subscription.

Where Subscription is effected at a such time that no right to participate in the new issue arises, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price*)* x (the average quoted price of the share during the relevant period stated in the resolution approving the issue (referred to below as the "average price of the share")) / (the average price of the share increased by the value of the subscription right).

Recalculated number of shares for which each Warrant entitles the holder to subscribe = (previous number of shares for which each Warrant entitled the holder to subscribe) x (the average price of the share increased by the value of the subscription right) / (the average price of the share).

The average price of the share shall be calculated in accordance with the provisions of sub-section C above.

The value of the subscription right shall be deemed to be the equivalent of the average calculated mean value, for each trading day during the subscription period, of the highest and lowest quoted paid price on that day according to the stock exchange or market place list on which the subscription rights are quoted. In the absence of a quoted paid price, the quoted bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

If the subscription rights are not subject to a Market Quotation, the value of the subscription right shall, to the greatest extent possible, be determined based upon the change in the market value of the Company's shares which may be deemed to have occurred as a consequence of the issue of the convertible bonds or warrants.

The Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two Business Days after the expiry of the subscription period and shall apply to each Subscription effected thereafter.

If the Company's shares, at the time of the resolution to issue the notes, are not subject to a Market Quotation, a corresponding recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the Warrants shall remain unchanged.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

E Other offers to shareholders

Where the Company, in circumstances other than those referred to in sub-sections A-D above, makes offers to the shareholders, subject to preferential rights for the shareholders in accordance with the principles set out in Chapter 12, section 2 of the Companies Act, to acquire securities or rights of any type from the Company or resolves, in accordance with the principles mentioned above, to distribute such securities or rights to the shareholders without consideration, in conjunction with Subscription which is effected at such time that the shares thereby received do not entitle the holder to participate in the offer, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price*)* x (the average quoted price of the share during the application period for the offer (referred to below as the "average price of the share")) / (the average price of the share increased by the value of the right to participate in the offer (referred to below as the “value of the purchase right”).

Recalculated number of shares for which each Warrant entitles the holder to subscribe = (previous number of shares for which each Warrant entitled the holder to subscribe) x (the average price of the share increased by the value of the purchase right) / (the average price of the share).

The average price of the share shall be calculated in accordance with the provisions of sub-section C above.

Where shareholders have received purchase rights and trading in these has taken place, the value of the right to participate in the offer shall be deemed to be equivalent to the value of the purchase rights. For this purpose, the value of the purchase right shall be deemed to be equivalent to the average calculated mean value, for each trading day during the application period, of the highest and lowest quoted paid price during the day according to the stock exchange or market place list on which the purchase rights are quoted. In the absence of a quoted paid price, the quoted bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

If the shareholders do not receive purchase rights or where such trading in purchase rights as referred to in the preceding paragraph otherwise does not take place, the recalculation of the Subscription Price shall be made as far as possible by applying the principles set out above in this sub-section E and the following shall apply. Where listing of the securities or rights offered to the shareholders takes place, the value of the right to participate in the offer shall be deemed to be equivalent to the average calculated mean value, for each trading day during the period of 25 trading days calculated from the first day of listing, of the highest and lowest transaction prices quoted for trades in such securities or rights on the securities exchange or other marketplace for financial instruments on which those securities or rights are listed, reduced where appropriate by the consideration paid for these in conjunction with the offer. In the absence of a quoted paid price, the quoted bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation of the value of the right to participate in the offer. In the recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe, the period of 25 trading days referred to above shall be deemed to be the application period determined for the offer pursuant to the first paragraph of this Section E.

Where no listing of such securities or rights offered to the shareholders takes place, the value of the right to participate in the offer shall, to the greatest extent possible, be determined based on the change in the market value of the Company's shares which may be deemed to have occurred as a consequence of the offer.

The Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe, recalculated in accordance with the above, shall be determined by the Company as soon as possible after it becomes possible to calculate the value of the right to participate in the offer.

If the Company's shares, at the time of the offer, are not subject to a Market Quotation, a corresponding recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the Warrants shall remain unchanged.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

F Equal treatment of Warrant Holders and shareholders

Where the Company issues new shares or makes an issue pursuant to Chapters 14 or 15 of the Companies Act, with preferential rights for shareholders to subscribe for equity related instruments in exchange for cash payment, the Company may grant all Warrant Holders the same preferential rights as the shareholders. In conjunction therewith, each Warrant Holder, irrespective of whether subscription for shares has been made, shall be deemed to be the owner of the number of shares which such Warrant Holder would have received, had Subscription on the basis of the Warrant been effected in respect of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, in effect at the time of the resolution to issue the shares.

If the Company resolves to make an offer to the shareholders as described in sub-section E above, what has been stated in the preceding paragraph shall apply mutatis mutandis. However, the number of shares of which each warrant holder shall be deemed to be the owner shall, in such circumstances, be determined on the basis of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, in effect at the time of the resolution to make the offer.

If the Company resolves to grant the warrant holders preferential rights in accordance with the provisions set out in this sub-section F, no recalculation as set out in sub-sections C, D, or E above of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe for shall be made.

G *Extraordinary Dividend*

If the Company decides to pay a cash dividend to shareholders of an amount which, combined with other dividends paid during the same fiscal year, exceeds 15 per cent. of the average price of the share during the period of 25 trading days immediately preceding the day on which the Company's board of directors announced its intention to propose that the general meeting approve such a dividend, a recalculation of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, shall be made in respect of any Subscription requested at such a time that the shares thereby received do not carry rights to receive such dividend. The recalculation shall be based on that part of the total dividend which exceeds 15 per cent. of the average price of the shares during the above-mentioned period of 25 trading days (referred to below as "Extraordinary Dividend").

The recalculation shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price) x (the average quoted price of the share during a period of 25 trading days calculated from the day on which the share is listed without any right to Extraordinary Dividend (referred to below as the "average price of the share")) / (the average price of the share increased by the Extraordinary Dividend paid per share).

Recalculated number of shares for which each Warrant entitles the holder to subscribe = (previous number of shares for which each Warrant entitled the holder to subscribe) x (the average price of the share increased by the Extraordinary Dividend paid per share) / (the average price of the share).

The average price of the share shall be deemed to be the equivalent of the average calculated mean value during the above-mentioned period of 25 trading days of the highest and lowest quoted paid price on each day according to the stock exchange or market place list on which the shares are quoted. In the absence of a quoted paid price, the bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

The recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe shall be determined by the Company two Business Days after the expiry of the above-mentioned period of 25 trading days and shall apply to each Subscription effected from the day on which the share is listed without any right to Extraordinary Dividend.

If the Company's shares, at the time of the resolution to pay a dividend, are not subject to a Market Quotation and it is resolved to pay a cash dividend to shareholders of an amount which, combined with other dividends paid during the same fiscal year, exceeds 50 per cent. of the Company's earnings after tax in accordance with the Company's consolidated income statement adopted in the financial year immediately preceding the year in which the resolution was adopted to pay the dividend, a recalculation of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, shall be made in respect of any Subscription requested at such a time that the shares thereby received do not carry rights to receive such dividend. The recalculation shall be based on that part of the total dividend which exceeds 50 per cent. of the Company's earnings after tax and shall be made by the Company in accordance with the above-mentioned principles.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

H Reduction of share capital

If the Company's share capital is reduced through a repayment to the shareholders, and such reduction is compulsory, a recalculated Subscription Price and a recalculated number of shares for which each Warrant entitles the holder to subscribe, shall be applied.

The recalculations shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price*)* x (the average quoted price of the share during a period of 25 trading days calculated from the day on which the share is listed without any right to participate in the distribution (referred to below as the "average price of the share")) / (the average price of the share increased by the amount repaid per share).

Recalculated number of shares for which each Warrant entitles the holder to subscribe = (previous number of shares for which each Warrant entitled the holder to subscribe) x (the average price of the share increased by the amount repaid per share) / (the average price of the share).

The average price of the share is calculated in accordance with the provisions set out in sub-section C above.

In carrying out the recalculations according to the above and where the reduction is made through redemption of shares, instead of using the actual amount which is repaid for each share, an amount calculated as follows shall be applied:

Calculated amount to be repaid for each share = (the actual amount repaid for each redeemed share reduced by the average market price of the share during a period of 25 trading days immediately prior to the day on which the share is listed without any right to participate in the reduction (referred to below as the "average price of the share")) / (the number of shares of the Company which carry an entitlement to the redemption of one share, reduced by 1)

The average exchange price is calculated in accordance with the provisions set out in sub-section C above.

The Subscription Price and number of shares for which each Warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two Business Days after the expiry of the above-mentioned period of 25 trading days, and shall apply to each Subscription effected thereafter.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

If the Company's share capital is reduced through redemption of shares with repayment to the shareholders, where such reduction is not compulsory, but where, in the opinion of the Company, the reduction, due to its technical structure and its financial effects, is equivalent to a compulsory reduction, the recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall be made, to the greatest extent possible, in accordance with the principles stated above in this sub-section H.

If the Company's shares, at the time of the reduction of share capital, are not subject to a Market Quotation, a corresponding recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the Warrants shall remain unchanged.

I Recalculation shall give a reasonable result

Should the Company take actions such as those stated in sub-sections A-E, G or H above and if, in the Company's opinion, application of the recalculation formula established for such action, taking into account the technical framework of such action or for other reasons, could not be made or would result in the Warrant Holders receiving, in relation to the shareholders, economic compensation that is not reasonable, the Company shall, subject to prior written approval by the board of directors of the Company, make the recalculation of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, in such a manner as the Company determines is appropriate to ensure that the recalculation gives a reasonable result.

JRounding off

On recalculation of the Subscription Price in accordance with the above, the Subscription Price shall be rounded off to the nearest ten öre, for which purposes five öre shall be rounded downwards and the number of shares shall be rounded off to two decimal places.

K Mergers

Where the general meeting adopts a resolution to approve a merger plan pursuant to Chapter 23, section 15 of the Companies Act, pursuant to which the Company is to be merged into another company or where the board of directors adopts a resolution pursuant to Chapter 23, section 28 of the Companies Act adopts a resolution that the Company be merged into its parent company, the Warrant Holders shall receive rights in the acquiring company corresponding at least to the rights held in the Company (the transferor company), unless, pursuant to the merger plan, the Warrant Holders are entitled to demand redemption of their Warrants by the acquiring company.

L Division

Where the general meeting adopts a resolution to approve a division plan pursuant to Chapter 24, section 17 of the Companies Act, pursuant to which a proportion of the assets and liabilities of the Company are taken over by two or more other companies, a recalculated subscription price and a recalculated number of shares for which each Warrant entitles the Warrant Holder to subscribe shall be calculated. The provisions of sub-section G regarding Extraordinary Dividend shall then apply *mutatis mutandis*. The recalculation shall be based on the proportion of the assets and liabilities of the Company that are taken over by the transferee company or companies.

Where all assets and liabilities of the companies are taken over by two or more other companies, on paying consideration to the shareholders of the Company, the provisions of sub-section M below regarding liquidation shall apply *mutatis mutandis*. Inter alia, this means that the right to demand Subscription shall terminate simultaneously with the registration in accordance with Chapter 24, section 27 of the Companies Act and that the Warrant Holder shall be notified no later than four weeks before the division plan shall be submitted for approval to the general meeting.

M Liquidation

If it is resolved that the Company be put into liquidation, for whatever reason, Subscription may not take place thereafter. The right to demand Subscription shall terminate simultaneously with the adoption of the resolution to put the Company in liquidation, irrespective of whether such resolution has become final.

Not later than four weeks prior to the adoption of a resolution by a general meeting in respect of whether or not the Company should be put into liquidation in accordance with Chapter 25 of the Companies Act, the Warrant Holders shall be notified with respect to the planned liquidation in accordance with section 10 below. The notice shall state that subscription may not take place following the adoption of the resolution in respect of liquidation.

If the Company gives notice of a planned liquidation pursuant to the above, the Warrant Holders shall, notwithstanding the provisions of section 4 in respect of the earliest date for application for Subscription, be entitled to apply for Subscription commencing on the day on which the notice is given, provided that Subscription may be effected not later than prior to the general meeting at which the resolution regarding the liquidation of the Company shall be addressed.

Notwithstanding the provisions above pursuant to which Subscription may not take place after the adoption of a resolution regarding liquidation, the right to subscribe shall be reinstated in the event the liquidation is not carried out.

N Insolvent liquidation

If the Company is put into insolvent liquidation, Subscription may not take place through the exercise of Warrants. Where, however, the decision to put the Company into insolvent liquidation is set aside by a higher court, subscription rights shall be reinstated.

9 Nominees

According to Chapter 3 section 7 of the Financial Instruments Accounts Act (SFS 1998:1479), a legal entity shall be entitled to be registered as nominee. Such a nominee shall be regarded as a Warrant Holder for the purposes of the application of these terms and conditions.

10 Notices

Notices relating to these Warrant Terms and Conditions shall be provided to each Warrant Holder and any other rights holders registered in Securities Accounts.

11 Right to represent Warrant Holders

The Bank shall be entitled to represent Warrant Holders in matters of a formal nature concerning the Warrants without special authorisation from the Warrant Holders.

12 Amendments to terms and conditions

The Company shall be entitled, in consultation with the Bank, to amend the terms and conditions of the Warrants to the extent required by legislation, decisions of courts of law or decisions of governmental authorities or where otherwise, in the Company's opinion, such is necessary or expedient for practical reasons and provided that the rights of the Warrant Holders are in no way prejudiced.

13 Confidentiality

The Company and VPC may not, without authorisation, disclose information regarding the Warrant Holders to any third party. The Company shall have access to information contained in the register of warrants held by VPC which sets out the persons registered as holders of Warrants.

14 Limitation of liability

In respect of measures which it is incumbent on the Company, VPC or the Bank to take in accordance with the terms and conditions of the Warrants, taking into considearation the provisions of the Financial Instruments Accounts Act (SFS 1998:1479), neither the Company, VPC nor the Bank shall be liable for loss which arises as a consequence of Swedish or foreign legislation, the actions of Swedish or foreign governmental authorities, acts of war, strikes, blockades, boycotts, lockouts, or other similar circumstances. The reservation in respect of strikes, blockade, boycotts, and lockouts shall apply notwithstanding that the Company, VPC or the Bank is itself the subject of, or effects, such measures.

Nor shall VPC be liable for loss which arises under other circumstances provided VPC has duly exercised normal caution. The Company and the Bank shall also enjoy a corresponding limitation of liability. In addition, under no circumstances shall the Company or the Bank be liable for indirect loss.

If the Company, VPC or the Bank is unable to perform its obligations as a consequence of a circumstance specified in the first paragraph, such performance may be postponed until such time as the cause for the impediment has terminated.

15 Applicable law and forum

The Warrants, and all legal issues related to the Warrants, shall be determined and interpreted in accordance with Swedish law. Legal proceedings relating to the Warrants shall be brought before the [Stockholm District Court] or such other forum as is accepted in writing by the Company.

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Appendix B

Annual report for the financial year of 2004 is held available at Tele2's website, www.tele2.com. It can also be requested from Tele2 upon which the material will be dispatched by mail.

Appendix C

Report from the Board of Directors according to Chapter 14, Section 8, items 3-4 of the Companies Act (2005:551)

The Board of Directors hereby present the following report according to Chapter 14, Section 8, items 3-4 of the Companies Act (2005:551).

After the Annual Report for the financial year 2004 was presented, those events of significance for the company's status have occurred which are indicated in the attached interim reports and press releases.

Tele2 AB (publ)
Board of Directors

Sven Hagströmer	Marc J.A. Beuls	Vigo Carlund
John Hepburn	Jan Loeber	John Shakeshaft
Cristina Stenbeck		

Statement of the auditor on the report by the Board of Directors according to Chapter 14, Section 8, items 3-4 of the Companies Act (2005:551)

I have examined the Board of Directors' report referred to above, against which I have no objections.

Tommy Mårtensson
Authorised public accountant

Other background materials for this complete proposal, i.e. the interim reports Q1-Q3 and press releases for the period after Q3, are held available at Tele2's website, www.tele2.com. It can also be requested from Tele2 upon which the material will be dispatched by mail.