

SECOND QUARTER 2013

Tele2 AB

July 18, 2013

The logo for Tele2, featuring the word "TELE2" in a bold, black, sans-serif font. The letters are stylized with a slight slant and a thick, blocky appearance. The "2" is particularly large and prominent.

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

EBITDA

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

Net sales

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

CAPEX

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

*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

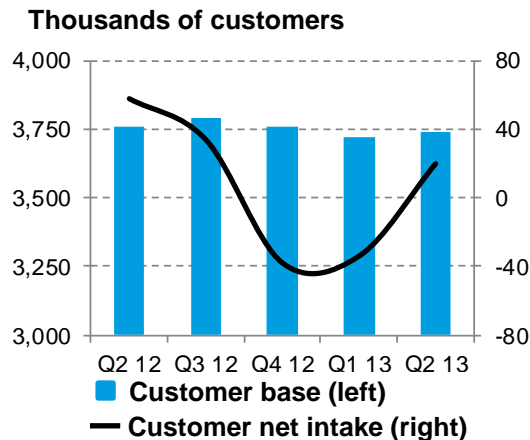
- Build on increasing mobile demand from consumers and corporates
- Continue with 4G roll-out supported by household / corporate fiber strategy
- Ensure market share growth in predominantly B2B segment
- Continue to build on shift from pay as you go to bucket price plans

Q2 Financial Highlights Tele2 Sweden

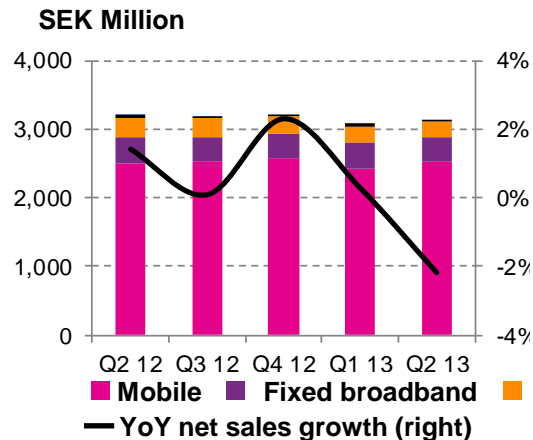
- Mobile customer net intake was 20,000 customers of which postpaid was 15,000
- Net sales amounted to SEK 3,139 million and EBITDA amounted to SEK 856 million
- Mobile service revenue growth of 1%. Underlying mobile service net sales (ex. interconnect and hardware sales) increased by 4%
- Mobile EBITDA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



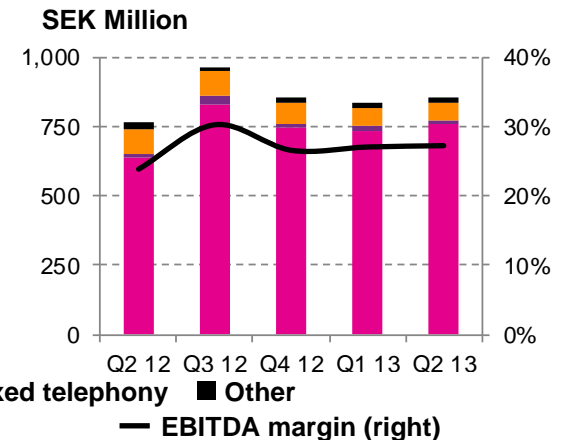
MOBILE CUSTOMER BASE AND CUSTOMER INTAKE



NET SALES AND YoY NET SALES GROWTH



EBITDA AND EBITDA MARGIN



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

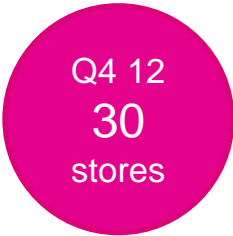
6 Customer Operations

- Customer Operations reaches customer satisfaction of 77% in Q2 2013

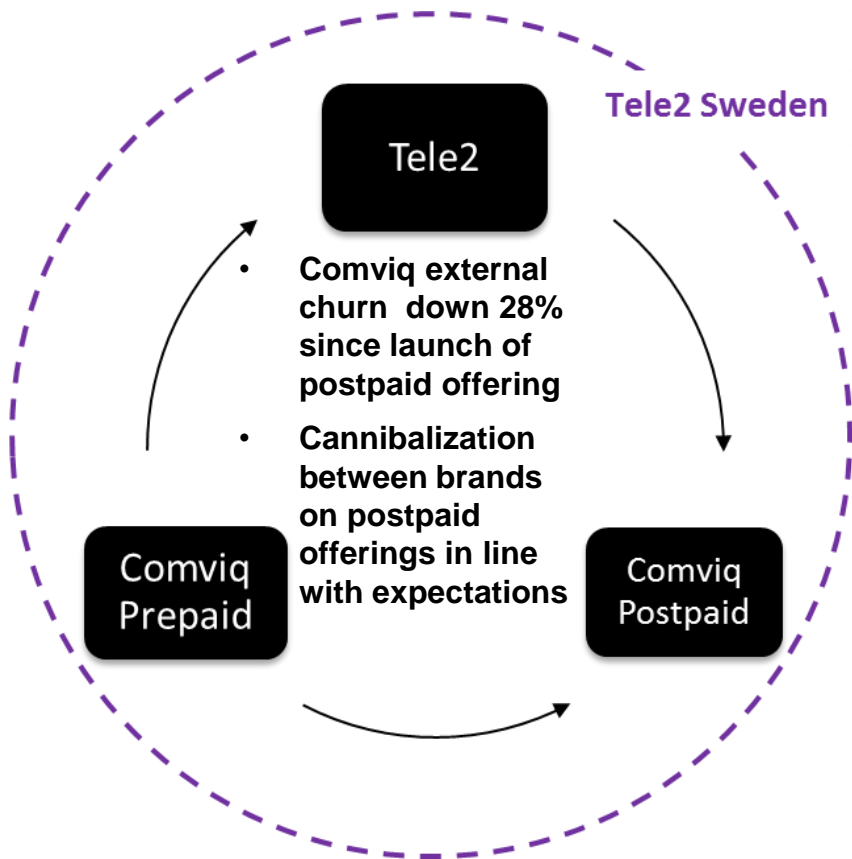
Sales channel expansion

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

Tele2 Store #51 opened

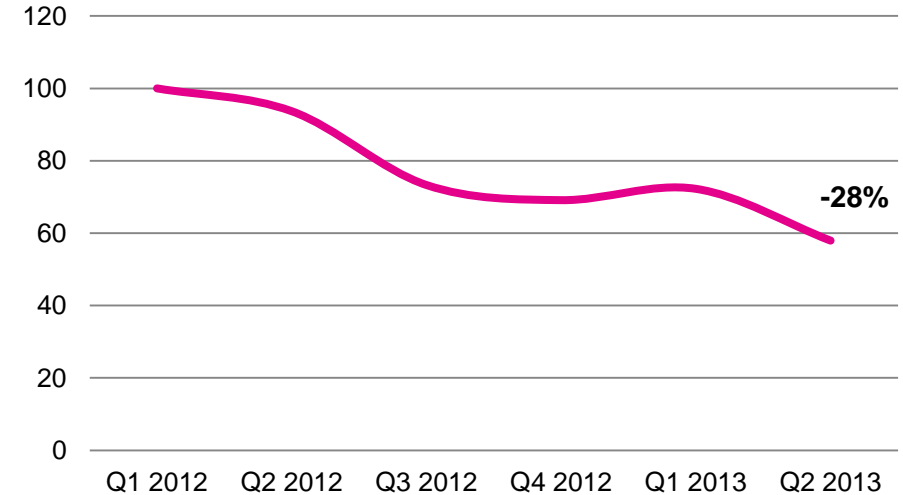


Dual brand strategy keeps customers in Tele2 Sweden



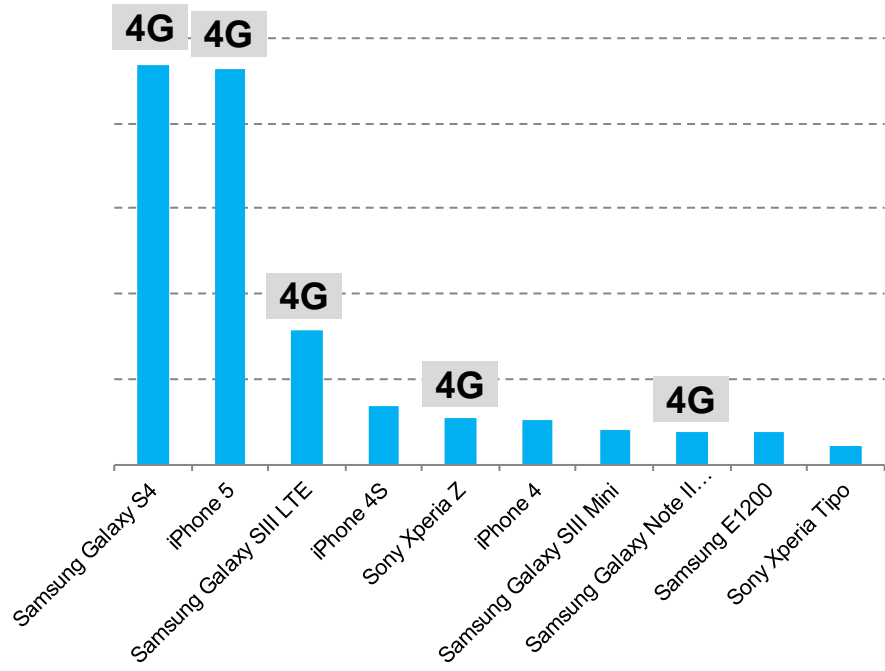
COMVIQ EXTERNAL CHURN

Indexed

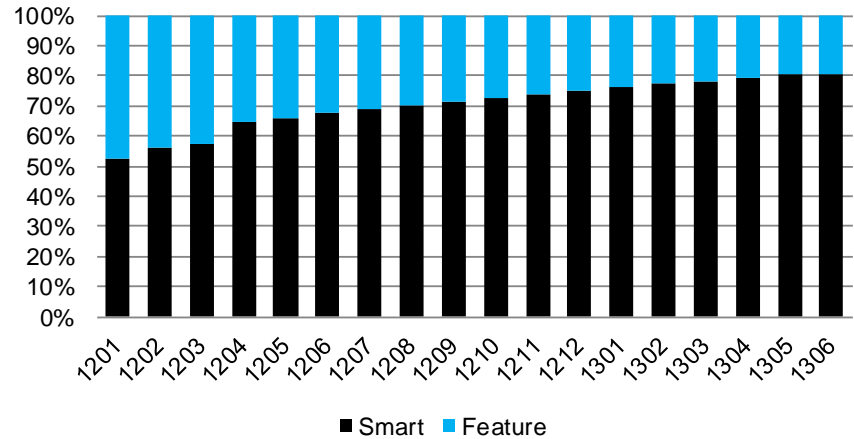


Smartphone market development

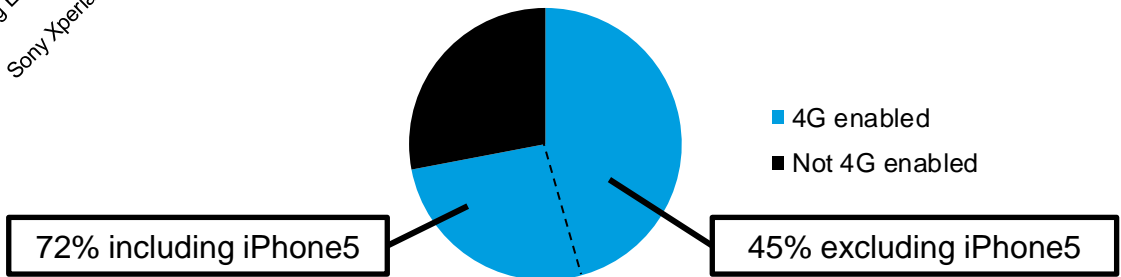
**SALES OF TOP TEN MOBILE PHONES
TELE2 SWEDEN (Q2 2013)**



SMARTPHONE INSTALLED BASE



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



Note: Postpaid residential, quantity of handsets

Tele2 Business number 2 in the Swedish B2B market according to PTS

Vi är inte här för att stanna.

I torsdags rapporterade Post- och telestyrelsen att vi är Sveriges näst största telekomleverantör för företagskunder. Vi är stolta. Men inte nöjda. Vi fortsätter att jobba för att svenska företag ska fungera bättre. Vår resa har bara börjat.

PTS senaste helårsrapport visar att vi växer med nästan 7%. För första gången kniper Tele2 Business andraplatsen på den svenska företagsmarknaden. Vill du också ha en lösning som passar ditt företag? Välkommen till närmaste Tele2-butik. tele2.se/business eller ring oss på 0200-23 23 23.

TELE2 Business Makes Work Work

- 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

Besta mobilen 15 gånger snabbare

En bra mobiltelefon kan vara 15 gånger bättre än en gammal mobil, visar den senaste testrapporten från Dagens Nyheter. Det är en upptäckt som du vill ha koll på om du vill köpa en ny mobiltelefon. Här är de fem snabbaste och billigaste mobilerna i testet.

Placering	Modell	Prestanda
1	Apple iPhone 5	100%
2	Apple iPhone 4S	80%
3	Apple iPhone 4	60%
4	Apple iPhone 3GS	40%
5	Apple iPhone 3G	20%

Varierad hastighet mellan olika abonnemang

Hastighet för att se smor: data

Abonnemang	Tota 1	Tota 2	Telenor	Telia
1	14,0	22,8	26,4	14,5
2	18,6	25,4	25,6	17,9
3	17,8	25,2	20,6	16,7
4	17,6	22,6	20,3	17,7
5	16,6	19,5	21,2	16,1
6	15,5	21,2	18,4	16,5
7	14,7	22,8	13,0	13,6
8	16,1	24,7	26,3	18,7
9	15,1	22,0	20,3	17,2
10	13,6	25,5	14,5	16,2
11	12,4	19,2	9,2	11,8
12	10,4	14,8	13,7	15,9
13	8,4	9,8	9,2	7,2
14	6,4	7,2	7,6	5,4
15	3,1	5,1	7,8	6,4
16	5,6	4,8	5,7	4,7
17	5,6	4,4	5,2	4,6
18	5,3	4,7	4,7	4,7
19	4,3	4,7	4,7	4,7

Ekonomi

16

Volvo satsar på avgasfri

Volvo satsar på avgasfri bil. Bilen kommer att vara tillgänglig i slutet av 2011. Volvo satsar på avgasfri bil. Bilen kommer att vara tillgänglig i slutet av 2011.

86 procent

86 procent av svenskarna använder mobiltelefoner för att surfa på nätet. Detta visar en undersökning från Dagens Nyheter.

Här surfar du snabbast på sommarsemestern

Det kommer att gå snabbare att mobilsurfa på semestern i sommar. Surfhastigheten på de klassiska semesterna har historiskt sett förbättrats sedan förra året. Men ska du tillika till mer obebodda trakter gäller det att kolla tillgången förväg.

Surf och sökning på semestertiderna

Surf och sökning på semestertiderna. Detta visar en kartor över Sverige som visar surfhastigheten i olika delar av landet. Kartan visar att surfhastigheten är högre i tätbefolkade områden och lägre i obebodda trakter.

Ekonomi

17

Sweco koster staten Vectra

Sweco koster staten Vectra. Detta visar en artikel om Sweco och statens utgifter för Vectra.

86 procent

86 procent av svenskarna använder mobiltelefoner för att surfa på nätet. Detta visar en undersökning från Dagens Nyheter.

Står inte alltid bättre än skogen

Står inte alltid bättre än skogen. Detta visar en artikel om skogen och dess betydelse för miljön.

Familjen har testat olika operatörer

Familjen har testat olika operatörer. Detta visar en artikel om familjen och deras erfarenheter med olika operatörer.

TEST: MOBILT BREDBAND

Bäst i landsbygd: Tele2

Bor du långt från närmsta tätort och saknar täckning med andra operatörer så är Net1 ett alternativt val. Men på landsbygden är det Tele2 som får bäst betyg. Detta visar en testrapport från Dagens Nyheter.

Bäst i staden: Tele2

Bäst i staden: Tele2. Detta visar en testrapport från Dagens Nyheter om mobilbroadband i städer.

PC Net1 & Digitalt Hemmet SV 2011 30

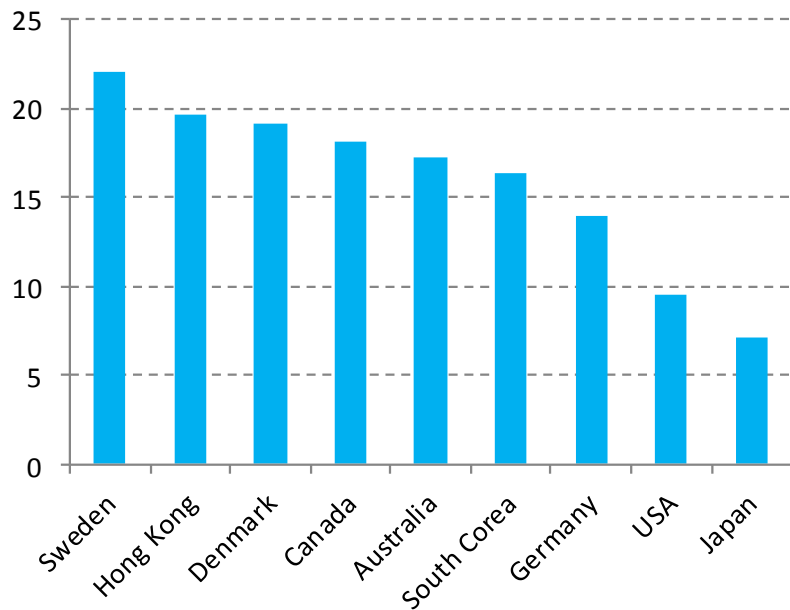
Tele2 bästa mobila bredbandet

TEST: Hur bra fungerar mobilbroadband i praktiken? Tidningen PC för alla har testat på tre platser i landet och bäst i test blev Tele2 som får en åtta av högsta möjliga tio i betyg. Mobiloperatören3 får också en åtta. Lägst betyg i testet får Net1, som anses betydligt långsammare än övriga operatörer.



Tele2's 4G network in Sweden – The fastest one in the world!?

DOWNLOAD SPEED IN Mbps



OpenSignal

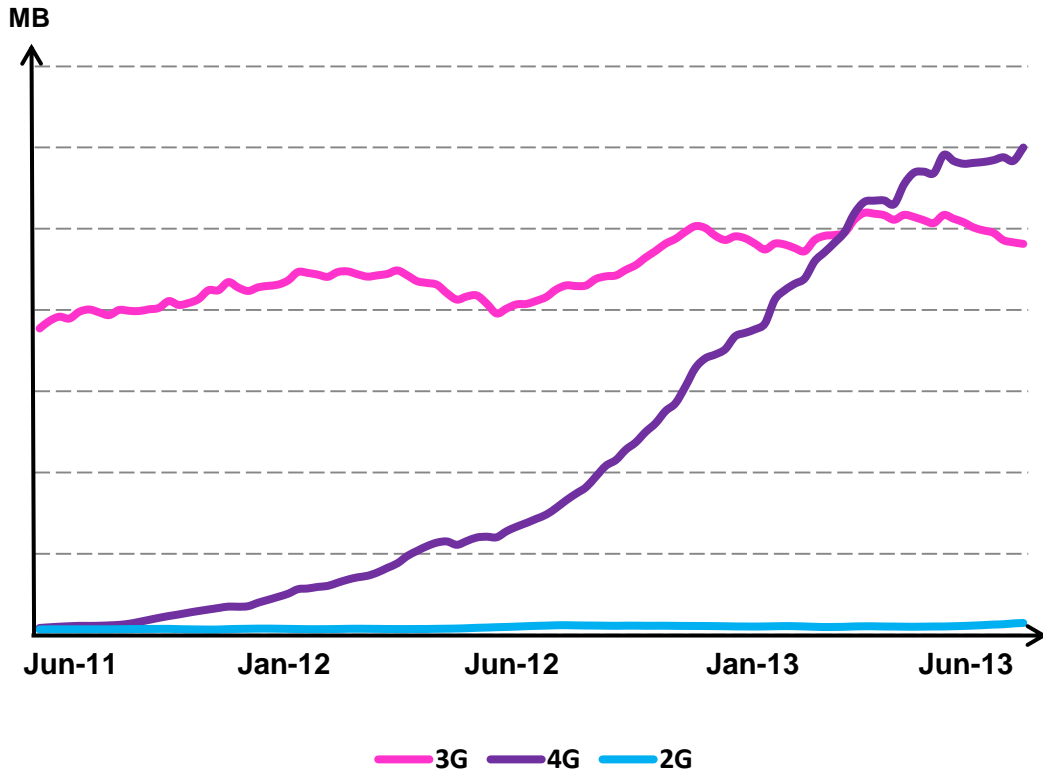


- According to OpenSignal's Global State of LTE Report:

"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

4G main source of data growth in Sweden



IT summary

5

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

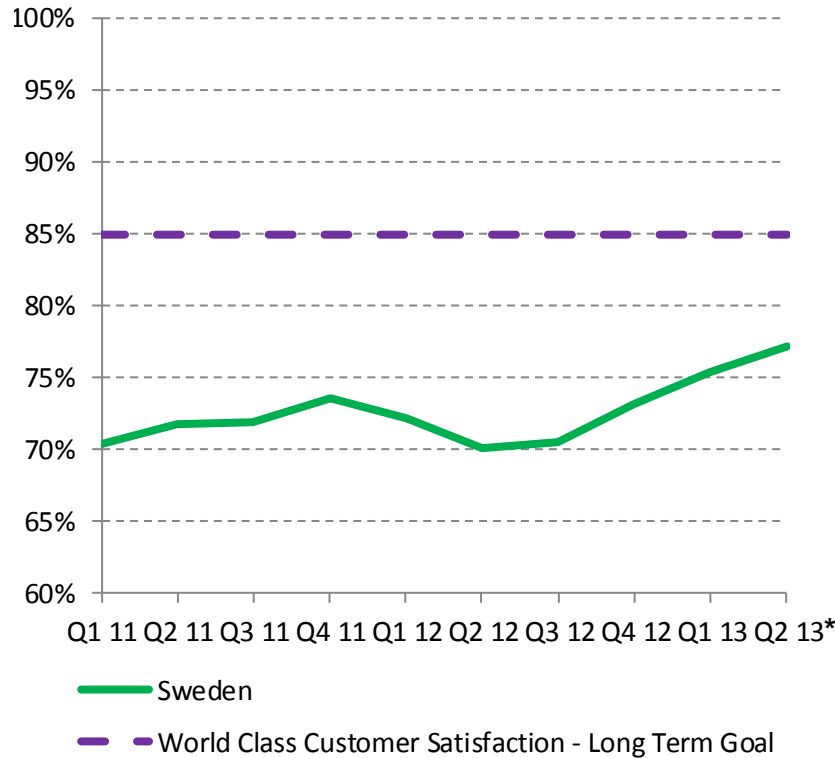
Billing systems transformation

- 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

END USER SATISFACTION



- Alignment toward Global standard (COPC) for high performance contact center management
- Thorough review of all customer related processes, focus on:
 - Planning
 - Communication
 - Ivrr 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



Population

5 million

Tele2 Norway

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

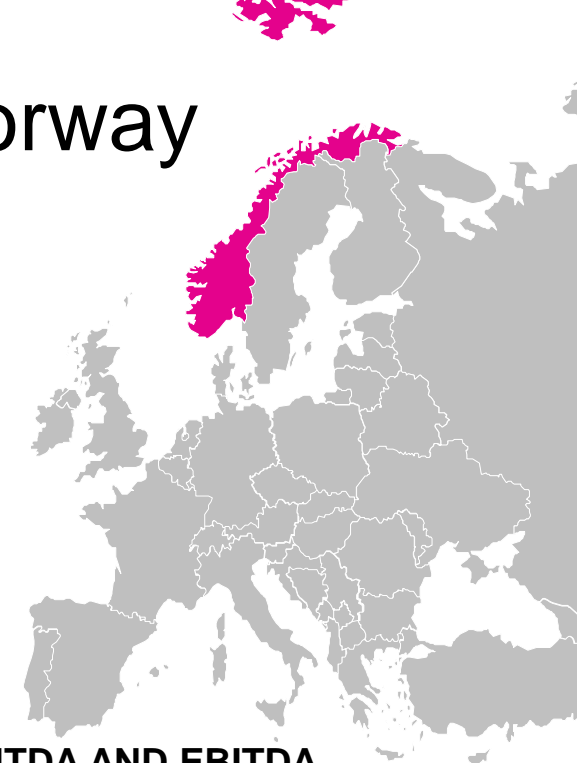
Represents 14% of total group net sales in Q2 2013

Focus

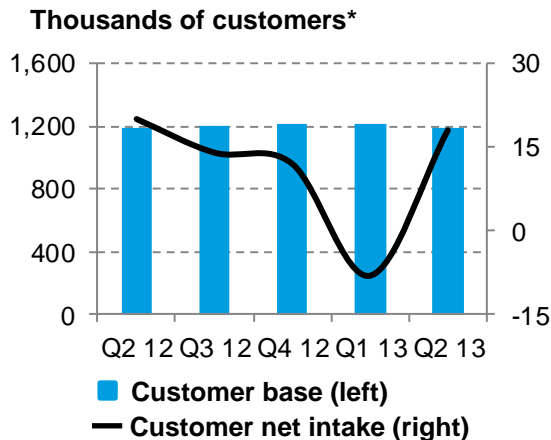
- Roll-out of the country's 3rd mobile network including LTE/4G
- Move from “pay-as-you-go” to bucket-price subscriptions
- Drive prepaid to postpaid migration

Q2 Financial Highlights Tele2 Norway

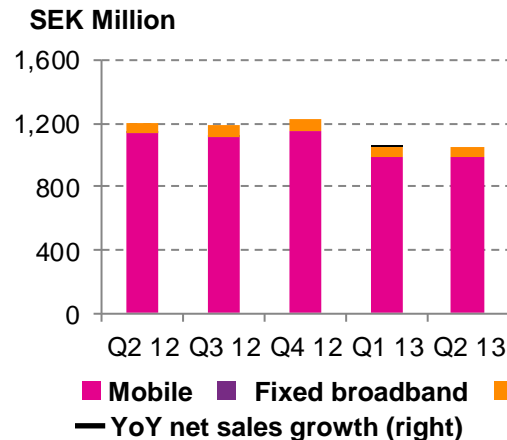
- Customer net intake was 18,000 customers
- Tele2 Norway reported total net sales of SEK 1,052 million, of which SEK 989 million was mobile sales
- Underlying mobile service revenue (excl. interconnect and hardware sales) increased by 13%
- Tele2 Norway reached an EBITDA contribution of SEK 44 million,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



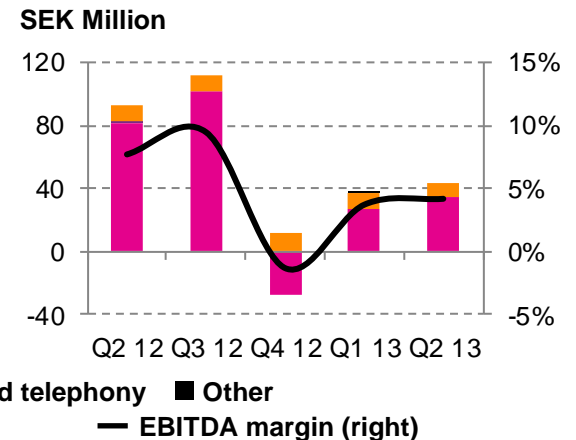
CUSTOMER BASE AND CUSTOMER INTAKE



NET SALES



EBITDA AND EBITDA MARGIN



*Method of calculation has changed – Negative adjustment in MyCall SIM customer base was made

Q2 Operational Highlights Tele2 Norway

Tele2 – Residential 1

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

Network Operations 2

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

Customer Operations 3

- Customer Operations reaches customer satisfaction of 84% in Q2 2013

New distribution channel - own shops

1

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 Storsesenter

From pay-as-you-go to bucket price plans

1

FREE VOICE AND SMS COMPLEMENTED WITH DATA VOLUME-BASED TIERS

Tele2 Residential		One Call	
 <p>Fastpris Small</p> <p>400 MB MIN SMS MMS</p> <p>Fastpris Small er for deg som bruker telefonen litt.</p> <p>Les mer</p>	<p>200 MB MIN SMS MMS</p> <p>Fri bruk til alle Tele2-kunder</p> <p>149,-/mnd.</p>	 <p>Fastpris Medium</p> <p>2000 MB MIN SMS MMS</p> <p>Fastpris Medium er for deg som bruker telefonen moderat</p> <p>Les mer</p>	<p>1000 MB MIN SMS MMS</p> <p>Fri bruk</p> <p>249,-/mnd.</p>
 <p>Fastpris Large</p> <p>6000 MB MIN SMS MMS</p> <p>Fastpris Large er for deg som bruker telefonen ofte.</p> <p>Les mer</p>	<p>3000 MB MIN SMS MMS</p> <p>Fri bruk</p> <p>349,-/mnd.</p>	 <p>Fastpris Extra Large</p> <p>6000 MB MIN SMS MMS</p> <p>Fastpris Extra Large er for deg som bruker telefonen mye.</p> <p>Les mer</p>	<p>6000 MB MIN SMS MMS</p> <p>Fri bruk</p> <p>499,-/mnd.</p>

One Call Folkepakka
FRI MINUTTER FRI SMS FRI MMS 1000 MB DATA

199,- pr.mnd

SLIPP MOBILEN FRI

FRI BRUK AV RINGEMINUTTER
FRI BRUK AV SMS
FRI BRUK AV MMS
RIKELIG MED DATA

Bucket plan offering is a clear trend in several markets

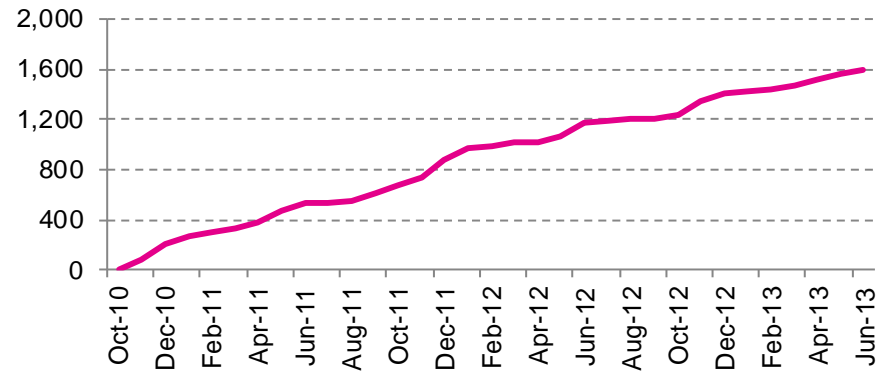
- The Norwegian mobile market is no exception
- All main competitors on the Norwegian market have launched bucket prices for voice, SMS and data subscriptions
- Tele2 Norway's residential brands started offering bucket price subscriptions in May this year

Network roll-out continues according to plan 2

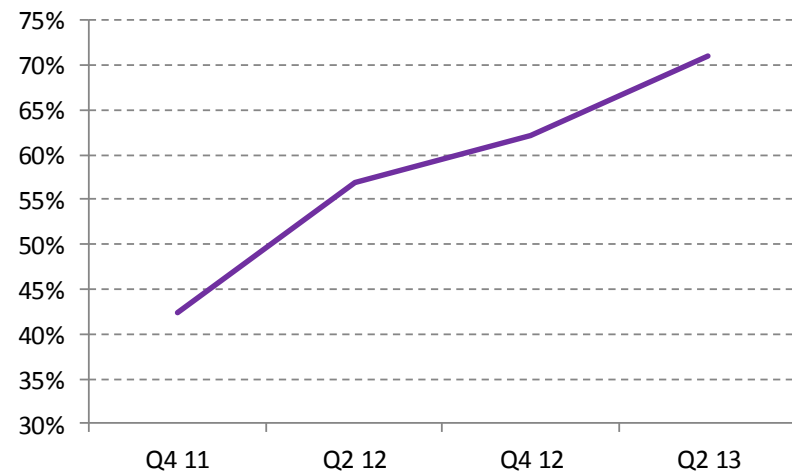
Strong focus on rolling out Norway's third mobile network

- 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

SITES READY

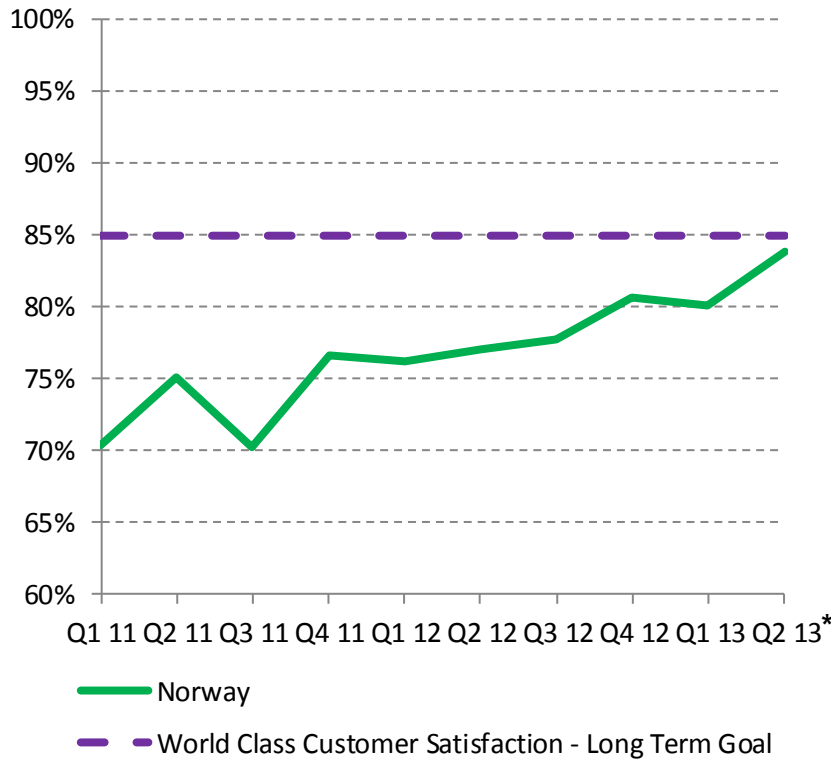


POPULATION COVERAGE



Customer satisfaction

END USER 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

* 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



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

Focus

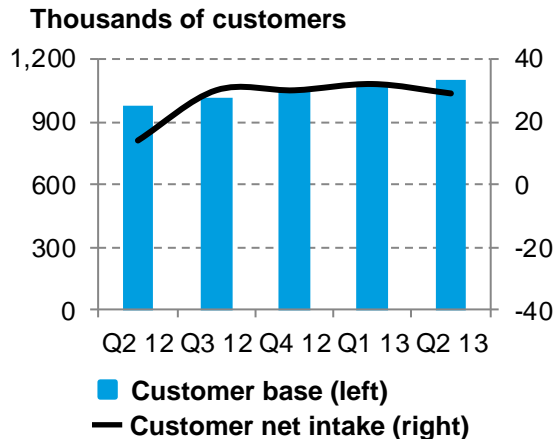
- Push 4G network roll-out
- Maintain strong growth for the mobile operations
- Increase new business in B2B
- Extend FttX coverage to support existing fixed broadband business

Q2 Financial Highlights Tele2 Netherlands

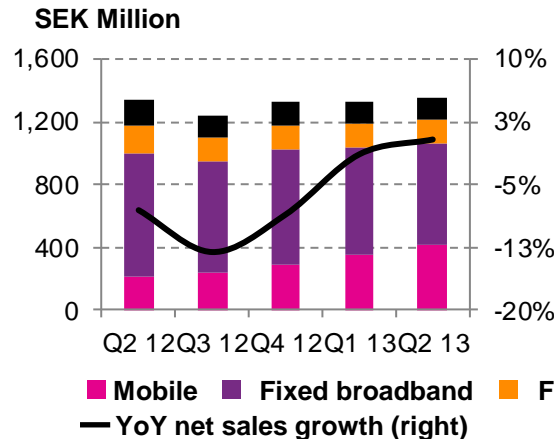
- Mobile net adds 49,000 customers, resulting in a total net intake of 29,000 customers
- Net sales amounted to SEK 1,349 million of which SEK 417 million was mobile sales
- Underlying mobile service revenue (excl. interconnect and hardware sales) increased by 81%
- EBITDA was SEK 321 million resulting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



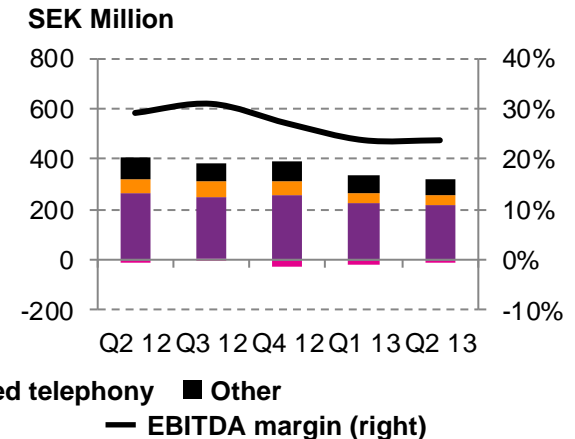
MOBILE CUSTOMER BASE AND CUSTOMER INTAKE



NET SALES AND YoY NET SALES GROWTH



EBITDA AND EBITDA MARGIN



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

1

▶ Network roll out starts in August

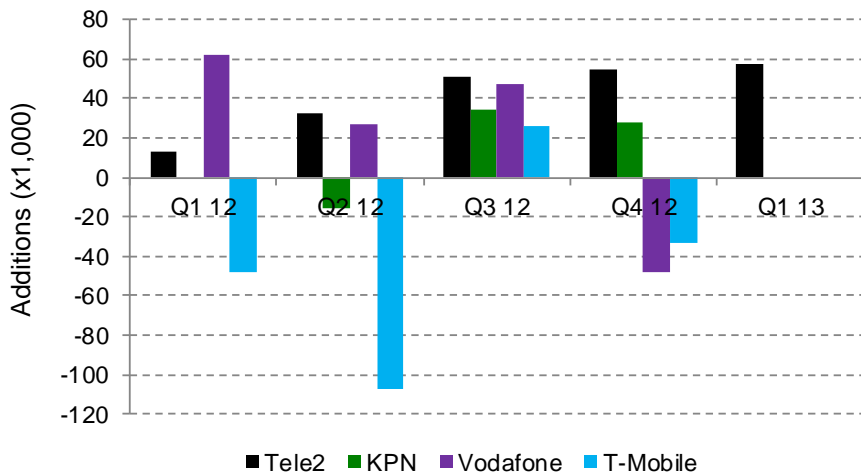
▶ Secured vendors for radio, core and IMS

▶ Our 4G network will contain 3,500-4,000 sites at completion

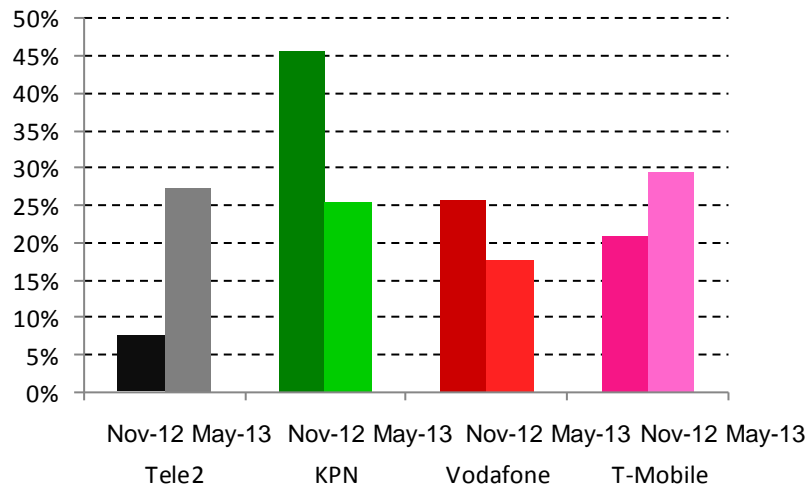
▶ We will build a competitive high quality '4G-only' network

Strong growth continues in mobile

NET ADDITIONS PER PROVIDER



MARKETSHARE INDIRECT RETAIL SEGMENT*



Tele2 continues to out-grow the market since Q1 2012

A sustainable distribution channel within indirect retail has been built

Biggest retailers of Tele2

Increase new business in B2B segment


Large Enterprises

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



The logos shown are Meander Medisch Centrum (a blue and white logo with a stylized 'M'), Telio (a red and grey logo with 'Tel' and 'io' in white circles), and Davinci College (a yellow and blue logo with a stylized signature).

Fixed Mobile Convergence




Increasing demand for our converged solutions

The image shows a black box labeled 'Hosted Voice' with icons of a laptop, a cloud, and a mobile phone, and the TELE2 logo at the bottom.

SME segment

New distributors give us access to 500 extra Points of Sale



The logos shown are televersal (a blue logo with a colorful circular graphic) and televakcenters (an orange logo with a stylized 'TV' icon).

Fiber pilot is successfully launched

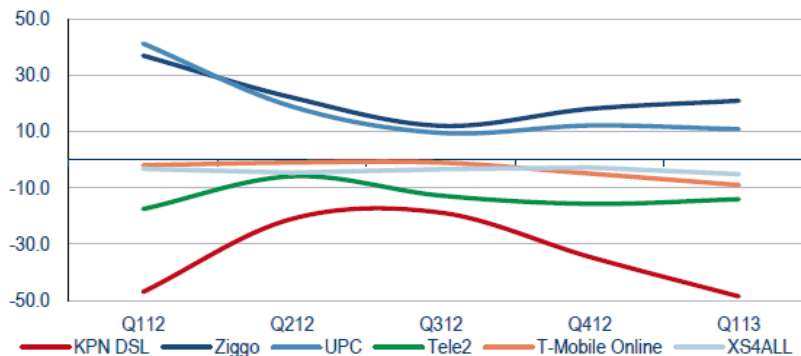
4

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)

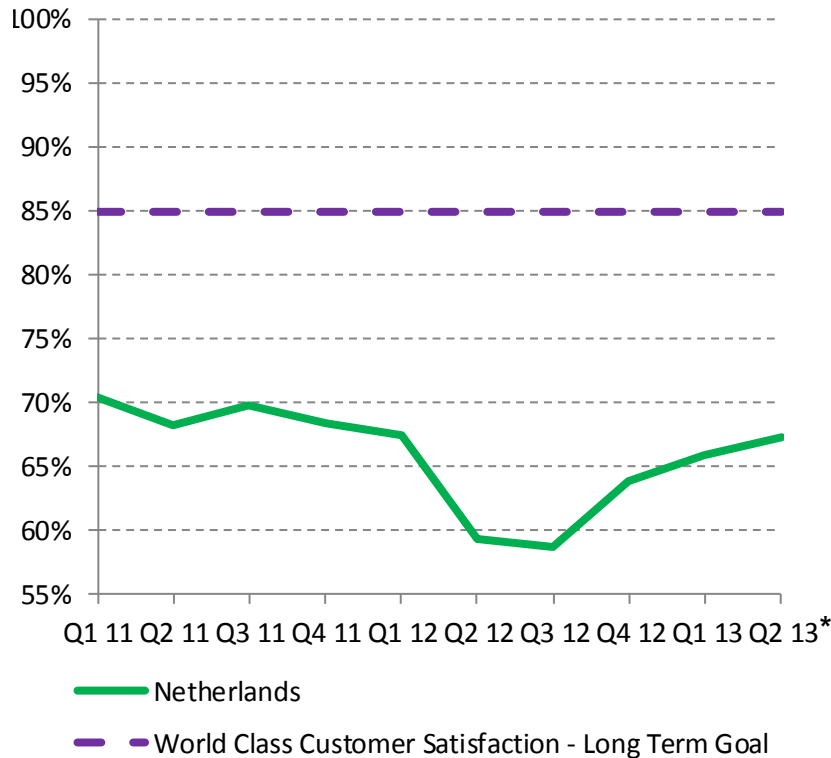


FttH market NL shows high potential growth figures

- 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

Customer satisfaction

END USER SATISFACTION



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

* 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



Central Europe and Eurasia



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%

Focus

- 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

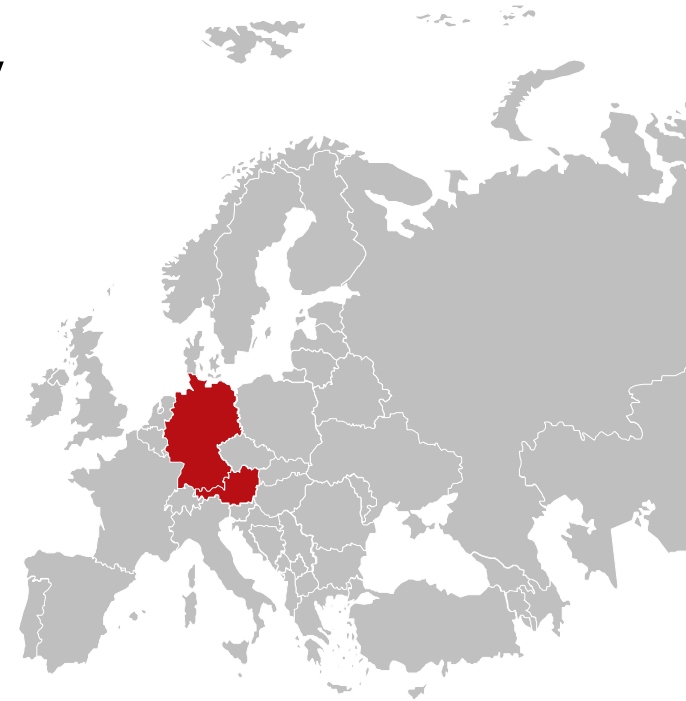
Q2 Highlights Tele2 Germany and Tele2 Austria

Tele2 Germany:

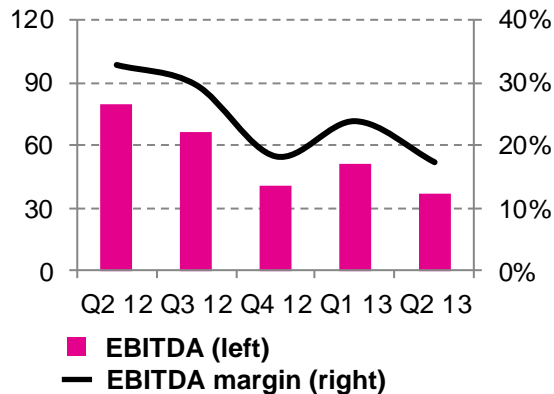
- Mobile sales increased by 68% supported by the launch of mobile service under Tele2 brand on June 27th

Tele2 Austria:

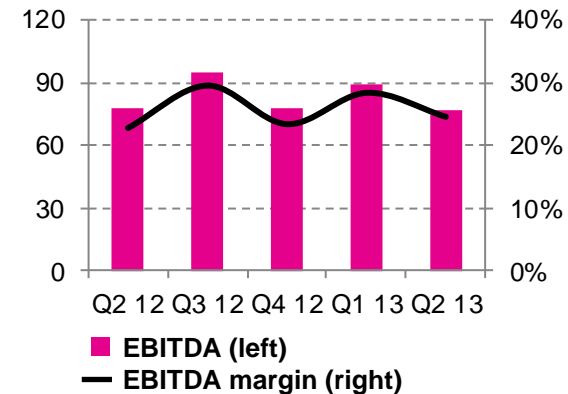
- Stable EBITDA performance helped by improved result from Residential business
- Tele2 Austria will maintain its focus to accelerate growth in B2B



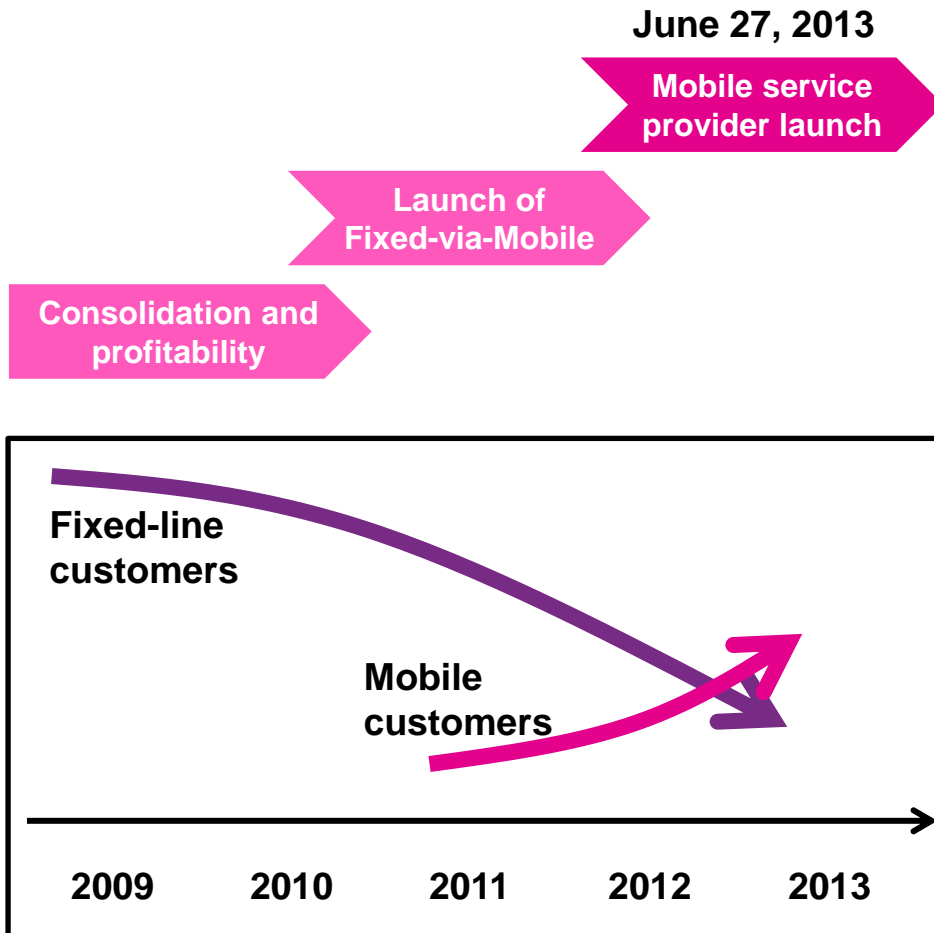
TELE2 GERMANY
EBITDA AND EBITDA MARGIN
SEK Million



TELE2 AUSTRIA
EBITDA AND EBITDA MARGIN
SEK Million



Tele2 Germany mobile service launch



Service provider setup explained

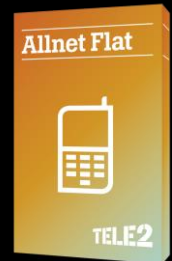
- Service provider contract with E-Plus
- No large investment risk
- No mobile network elements
- Extension of existing service provider infrastructure

Our product proposition

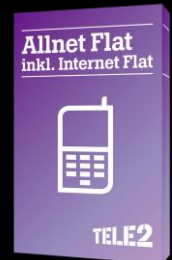
Mobile service
provider launch

- 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



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

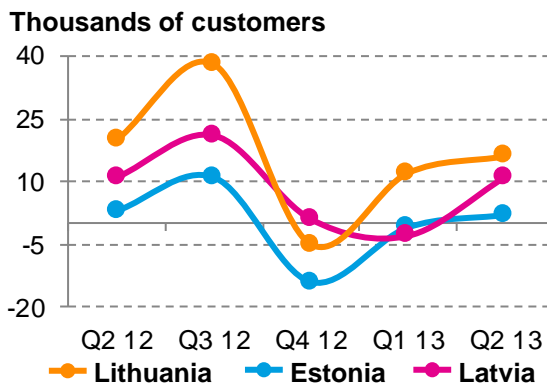
Tele2 Latvia:

- 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

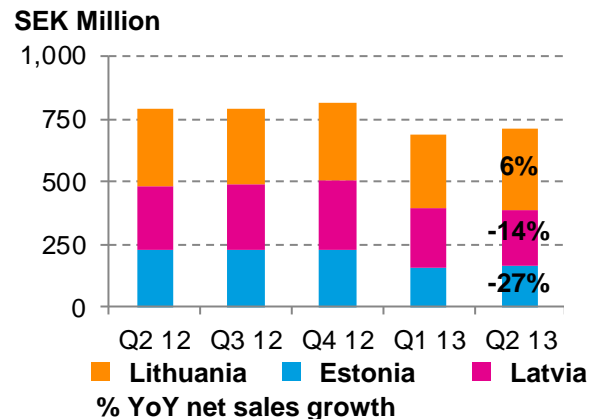
Tele2 Lithuania:

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

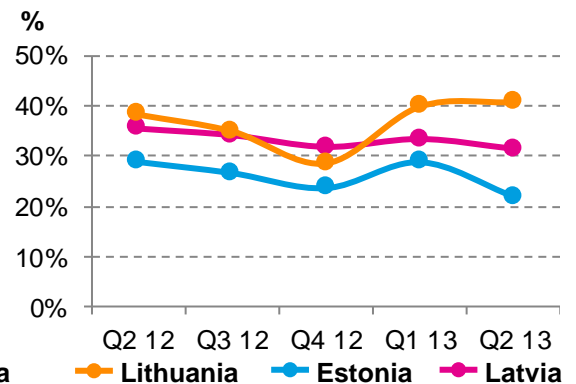
CUSTOMER INTAKE



NET SALES AND YoY NET SALES GROWTH



EBITDA MARGIN



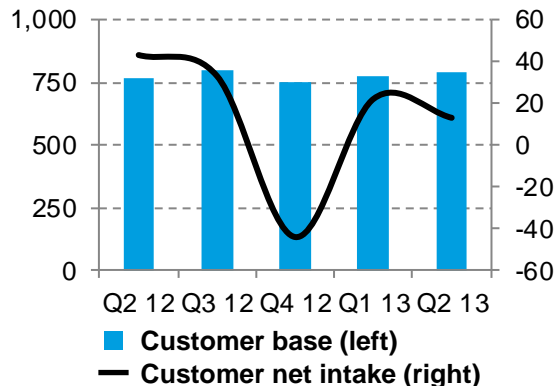
Q2 Highlights Tele2 Croatia

- 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



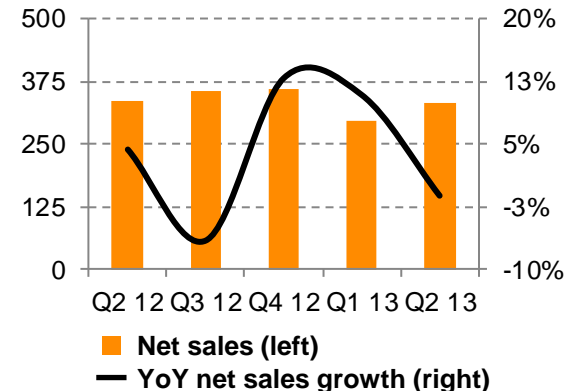
CUSTOMER BASE AND CUSTOMER INTAKE

Thousands of customers



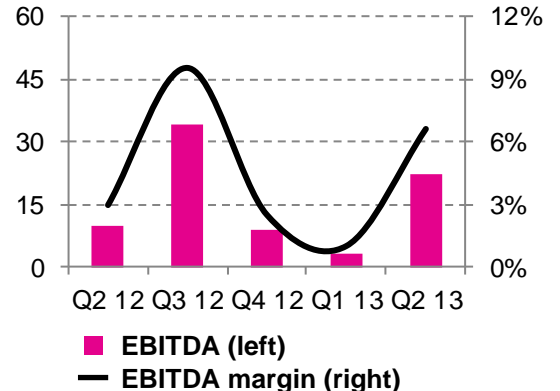
NET SALES AND YoY NET SALES GROWTH

SEK Million



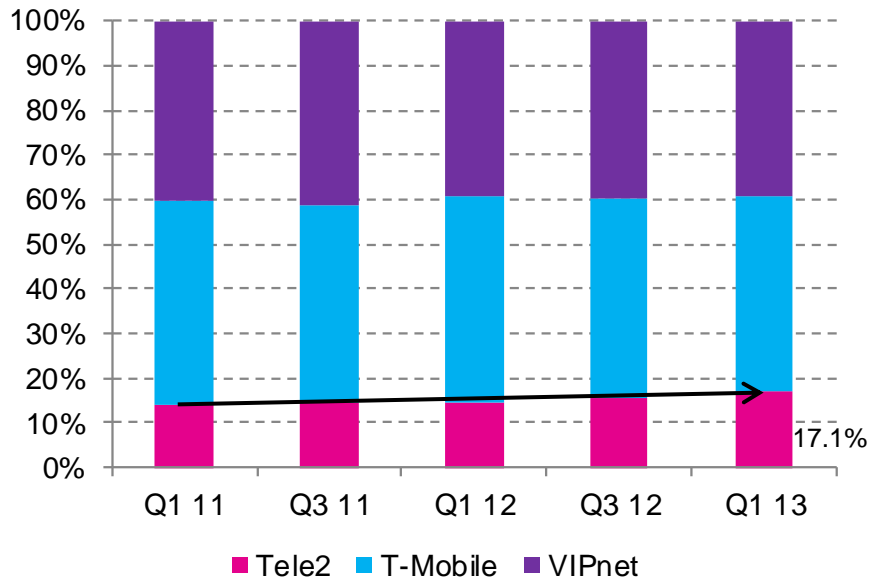
EBITDA AND EBITDA MARGIN

SEK Million



Overview of the Croatian mobile market

MOBILE REVENUE MARKET SHARE



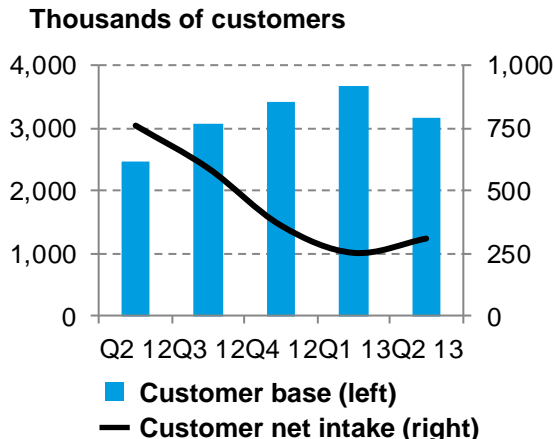
Positive Tele2 revenue market share growth through price leadership, but too slow

Q2 Financial Highlights Tele2 Kazakhstan

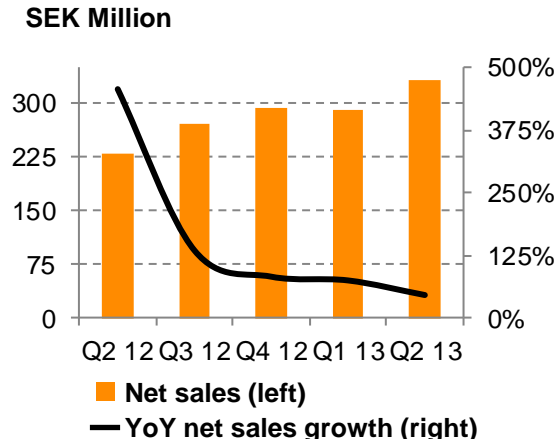
- Mobile customer intake of 309,000 in Q2
- Mobile net sales grew by 46% and amounted to SEK 333 million
- Underlying mobile service revenue (excl. Interconnect and hardware sales) increased by 64%
- Network roll-out to reach same capabilities as competition



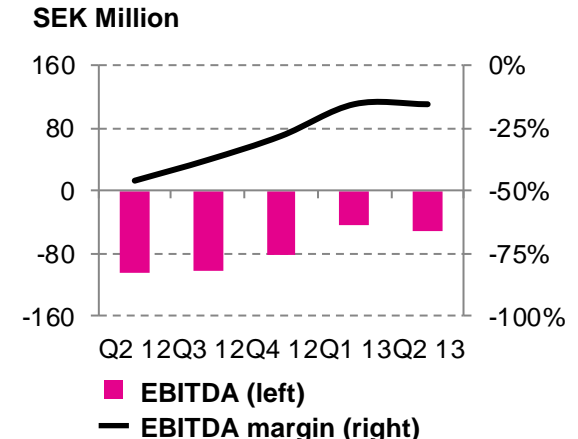
CUSTOMER BASE* AND CUSTOMER INTAKE



NET SALES AND YoY NET SALES GROWTH



EBITDA AND EBITDA MARGIN



*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

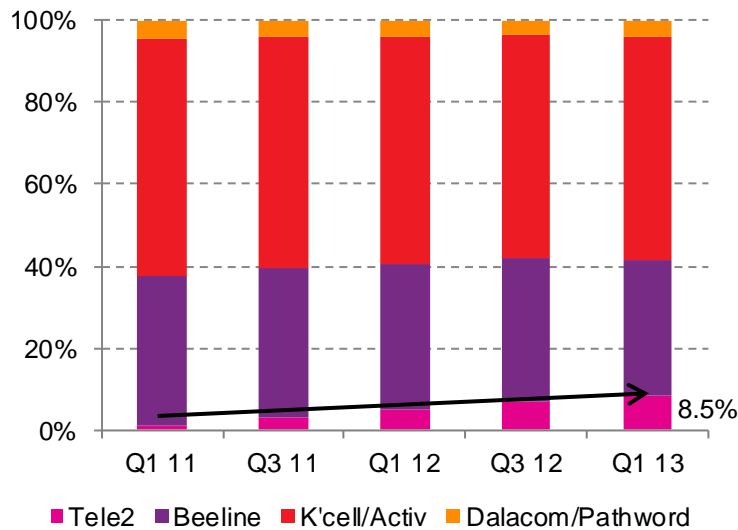
3 Customer Operations

- Customer satisfaction rate above target

Overview of the Kazakh mobile market

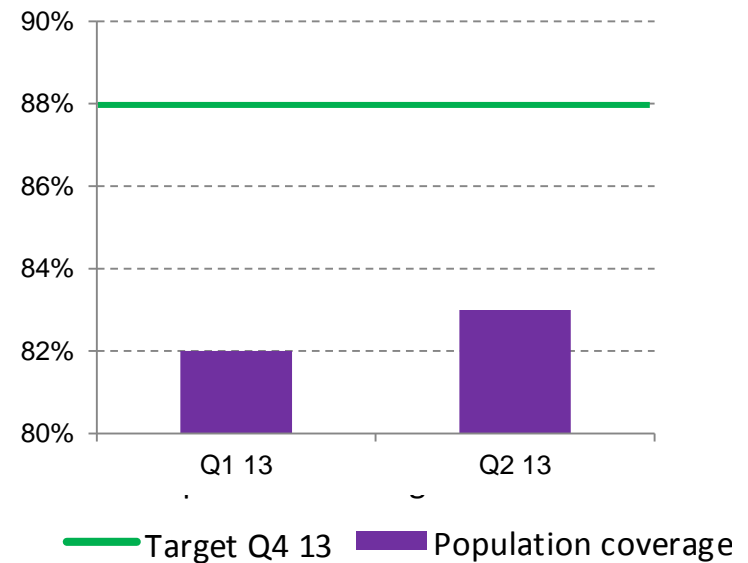
1

MOBILE REVENUE MARKET SHARE



CAGR 202%

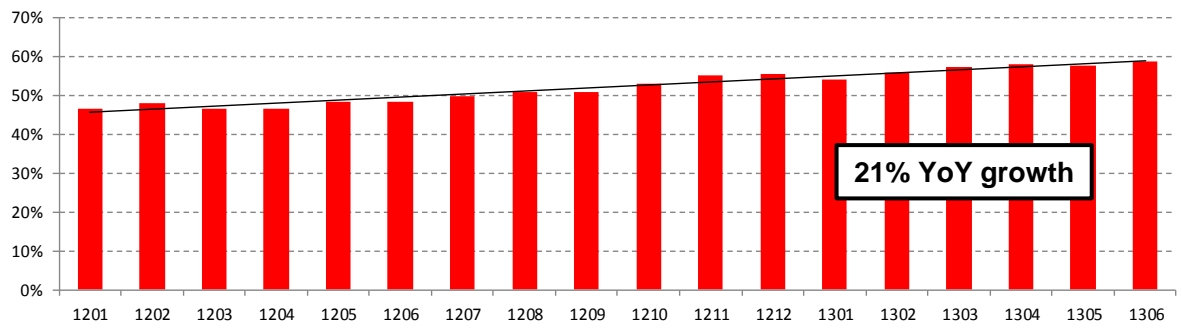
TELE2 POPULATION COVERAGE



Positive revenue market share growth driven by Tele2's aggressive offers, increased network coverage and growing brand awareness

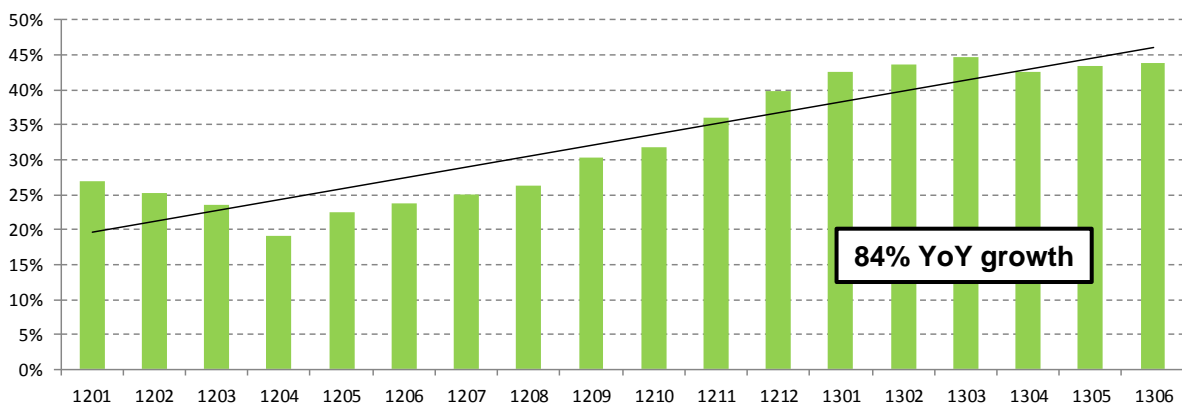
On track for EBITDA break-even 2H 2013

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

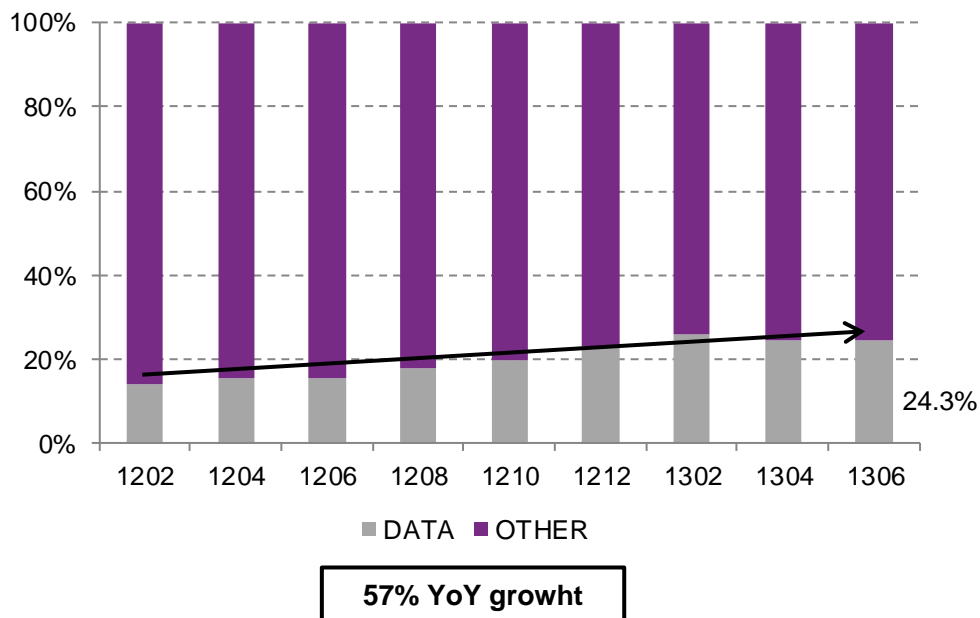
GM1% MARGIN DEVELOPMENT



Improved GM1% due to lower interconnect levels

Healthy growth of data revenues

DATA REVENUE AS SHARE OF SERVICE REVENUE* DEVELOPMENT



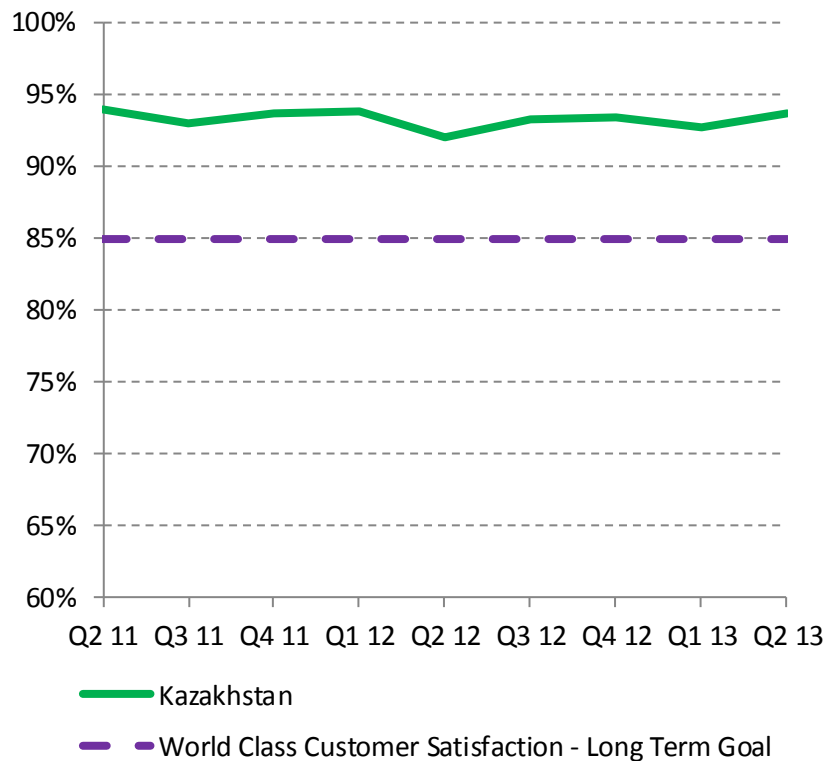
Increasing part of revenues generated by growth in data usage as Tele2 has attractive offers for data users and the good quality 3G network

*Excluding interconnect and equipment sales

Customer satisfaction

3

END USER 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

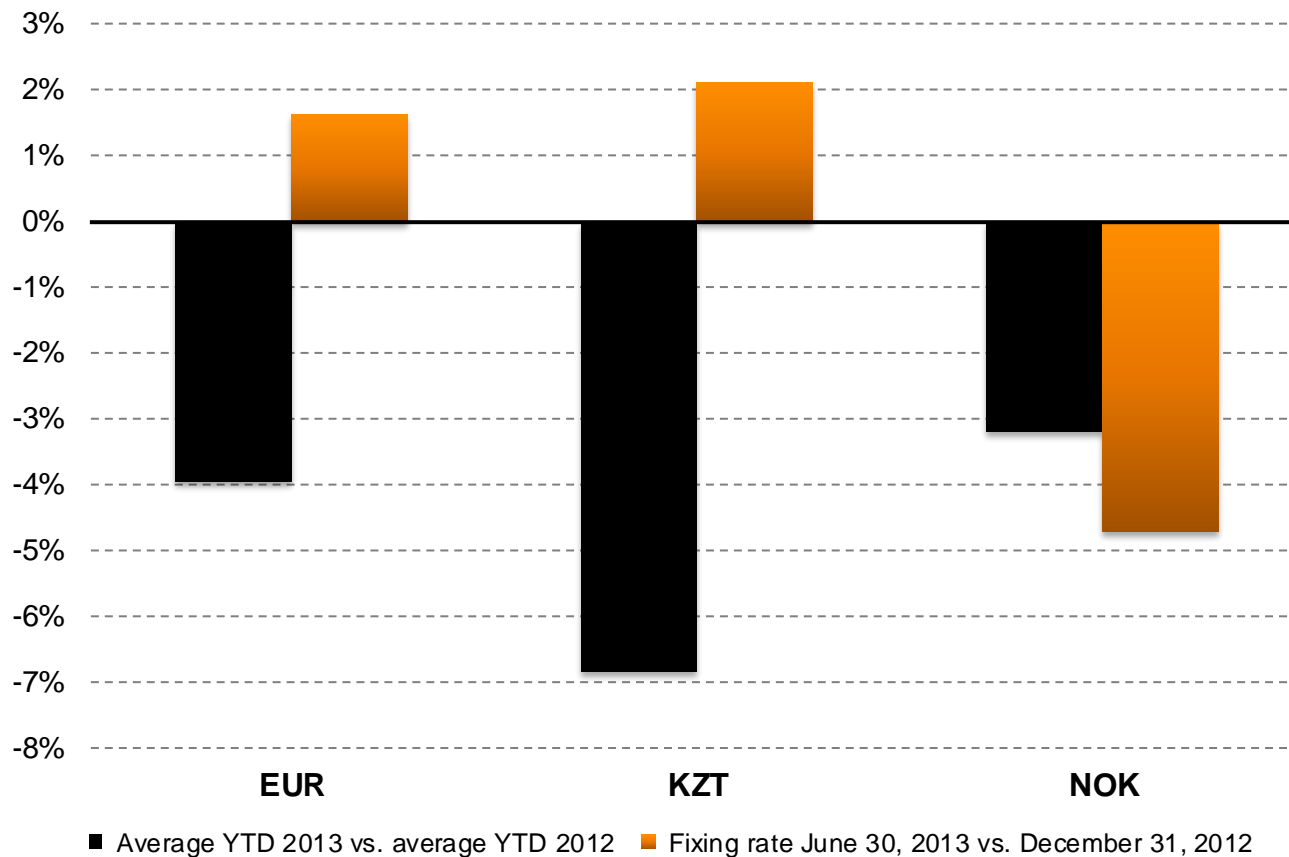
Group result Q2 2013

<i>SEK million</i>	Q2 2013	Q2 2012	▲%
Net sales	7,476	7,787	-4.0%
EBITDA	1,518	1,519	-0.1%
EBITDA margin (%)	20.3%	19.5%	0.8%
Depreciation & associated companies	-810	-989	-18.1%
Depreciation of net sales (%)	-10.8%	-12.7%	1.9%
One-off items	3	-18	
EBIT	711	512	38.9%
Normalized EBIT	708	530	33.6%
Normalized EBIT margin (%)	9.5%	6.8%	2.7%
Financial items	-150	-178	
Taxes	-234	-121	
Net profit from continuing operations	327	213	53.5%
Discontinued operations	13,256	637	
Net profit	13,583	850	1498.0%

Group result YTD

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

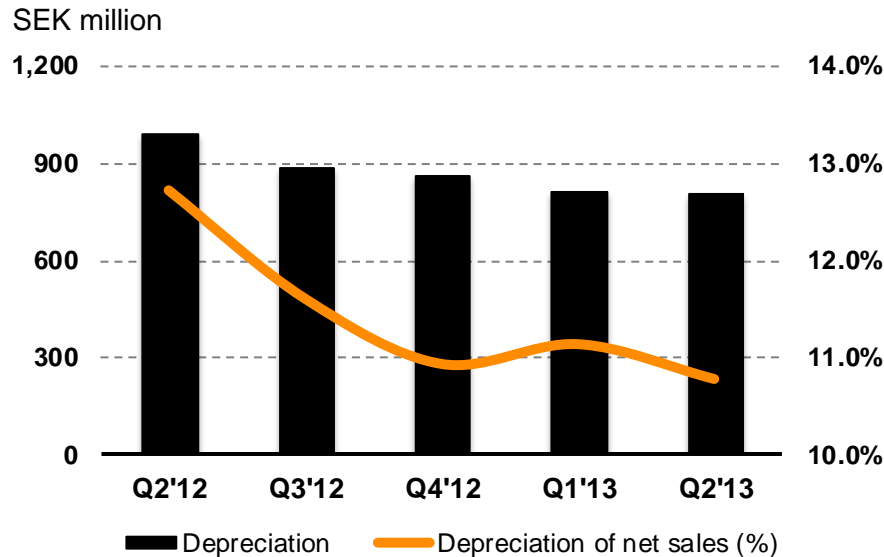
Currency movements YTD



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

Depreciation

Depreciation and Depreciation as a percentage of net sales



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

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

<i>Financial items in cash flow statement</i>	Q2 2013	Q2 2012	YTD 2013	YTD 2012	FY 2012
Excluding Russia					
Interest paid	-50	-53	-155	-109	-292
Russia					
Interest paid	-	-122	-69	-125	-376
Total					
Interest paid	-50	-175	-224	-234	-668

Taxes

SEK million

<i>Taxes in income statement</i>	Q2 2013	Q2 2012	YTD 2013	YTD 2012	FY 2012
Normal	-234	-121	-434	-319	-609
One-off	-	-	-	-	163
Total	-234	-121	-434	-319	-446

<i>Taxes in cash flow statement</i>	Q2 2013	Q2 2012	YTD 2013	YTD 2012	FY 2012
Excluding Russia					
Normal	-7	-18	-162	-52	-110
One-off	-	-	-	-	-
	-7	-18	-162	-52	-110
Discontinued operations					
Russia	-	-94	-177	-262	-879
Total	-7	-112	-339	-314	-989

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

Cash flow

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

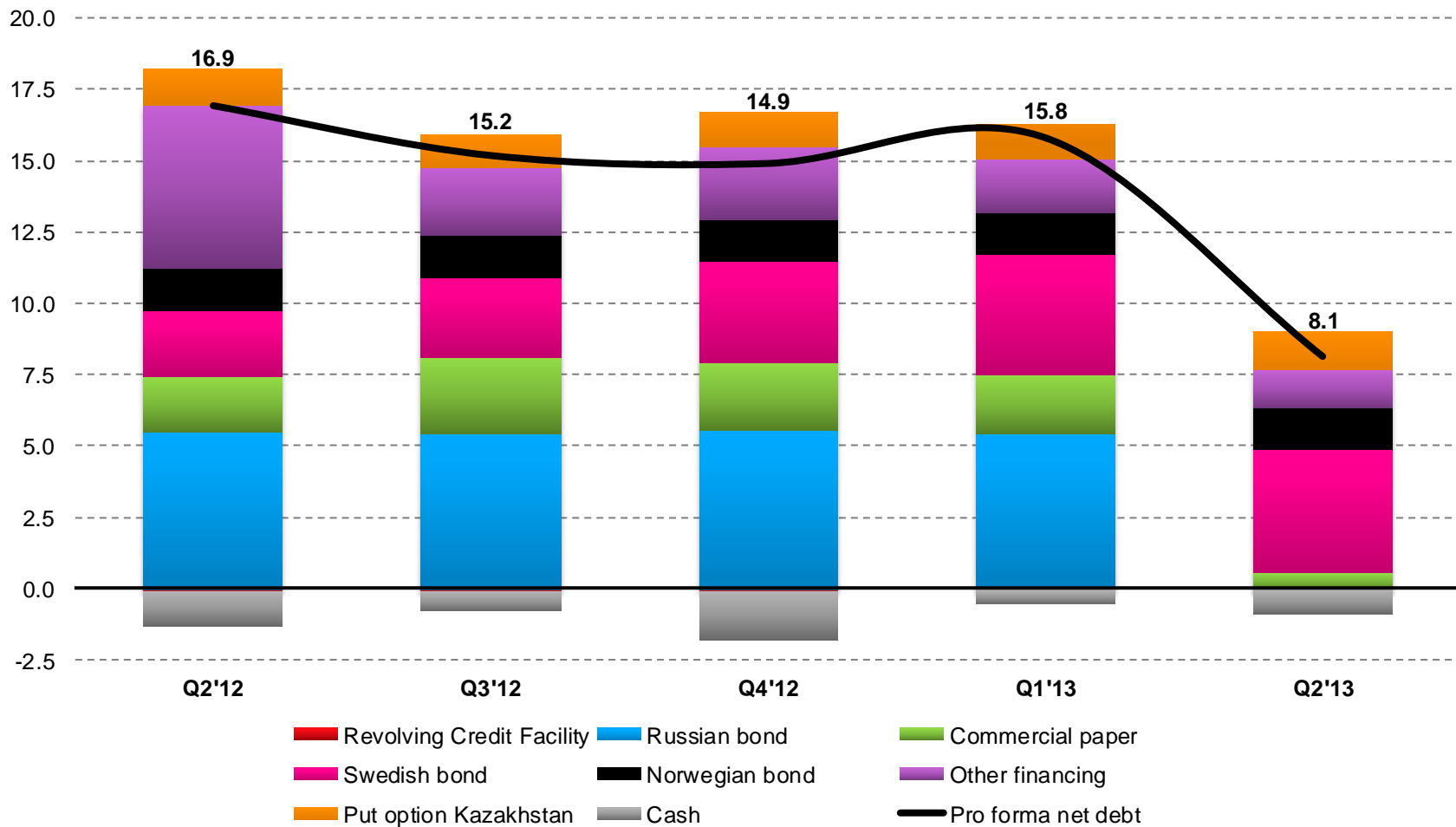
Cash flow excl. Russia

<i>SEK million</i>	Q2 2013	Q2 2012	YTD 2013	YTD 2012	FY 2012
OPERATING ACTIVITIES					
Cash flow from operations, excl. taxes and interest	1,481	1,534	3,044	3,051	6,065
Interest paid	-50	-53	-155	-109	-292
Taxes paid	-7	-18	-162	-52	-110
Change in working capital	-63	-308	-514	-704	-696
Cash flow from operating activities	1,361	1,155	2,213	2,186	4,967
INVESTING ACTIVITIES					
CAPEX	-905	-916	-3,050	-1,503	-3,283
Cash flow after CAPEX	456	239	-837	683	1,684
Shares and other financial assets	-4	-5	-5	-203	-215
Cash flow after investing activities	452	234	-842	480	1,469

Pro forma financial debt profile

Sources of funding

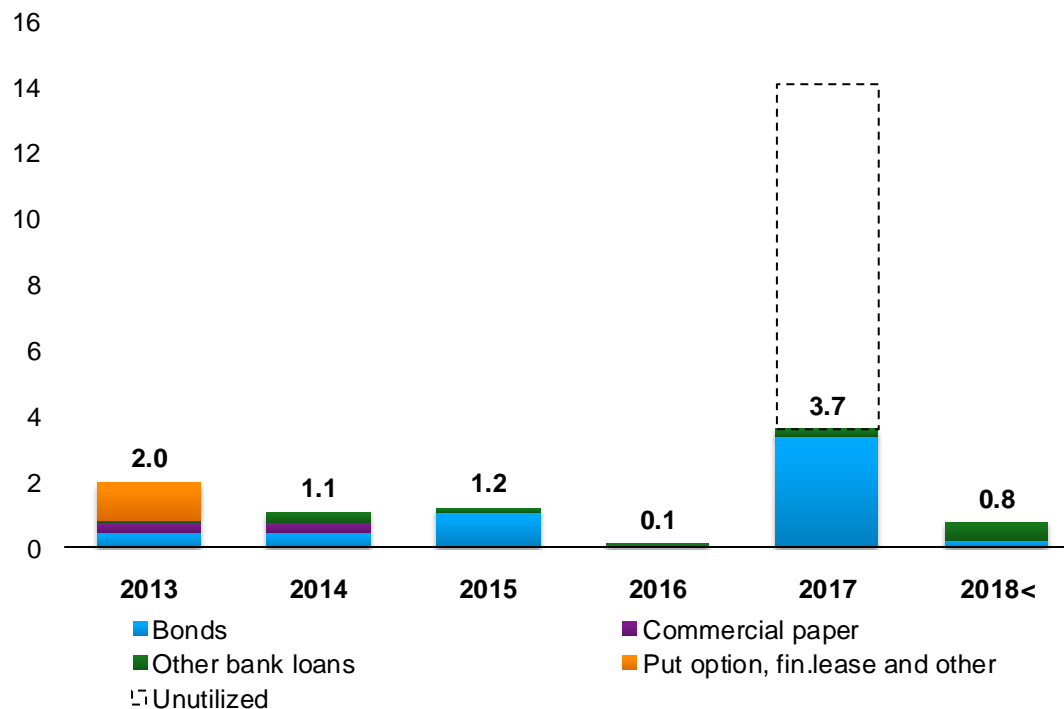
SEK billion



Debt maturity and currency profile

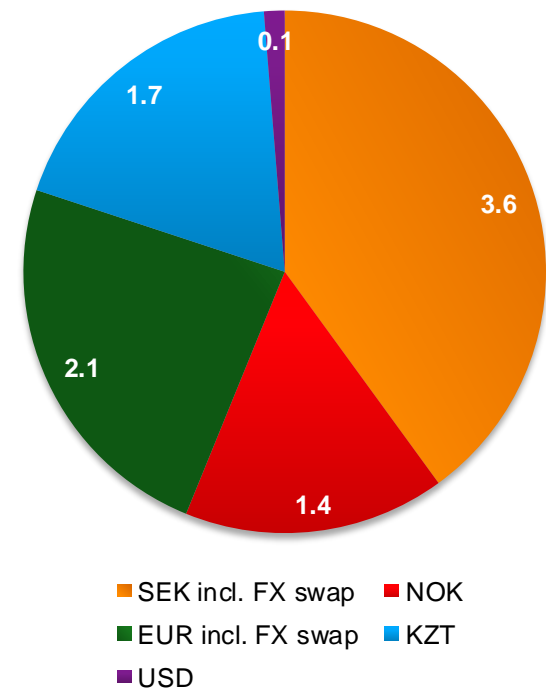
Debt maturity profile

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

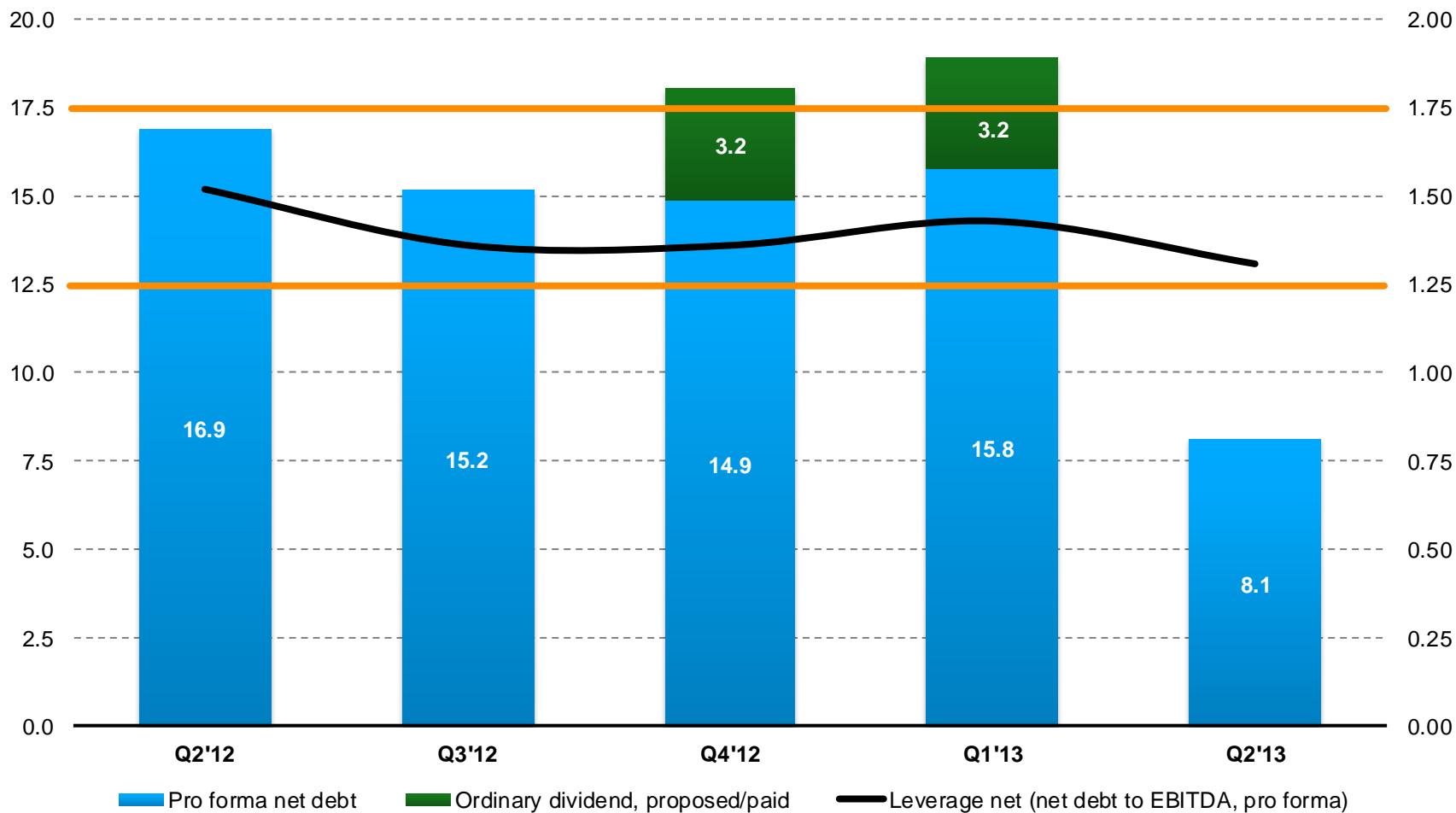
	Instrument	Date of issue	Maturity date	Volume	in MSEK*
	NOK Bond 5yr	20/02/2012	24/02/2017	1,000 MNOK	1,112
	NOK Bond 3yr	20/02/2012	24/02/2015	300 MNOK	334
	SEK Bond	08/05/2012	17/05/2017	1,500 MSEK	1,500
	SEK Bond	08/05/2012	15/05/2017	800 MSEK	800
	SEK PP Bond	27/09/2012	27/03/2014	500 MSEK	500
	SEK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

* Fixing rate June 30, 2013

Debt position and ratio

Pro forma net debt / EBITDA 12 m rolling

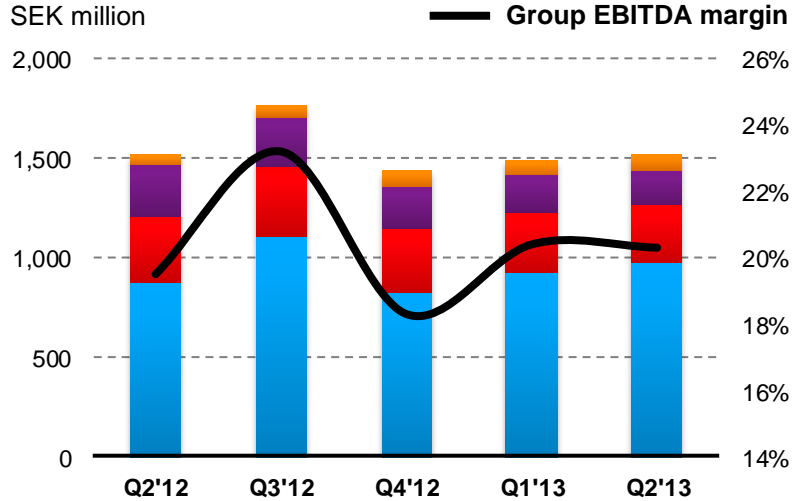
SEK billion / Ratio



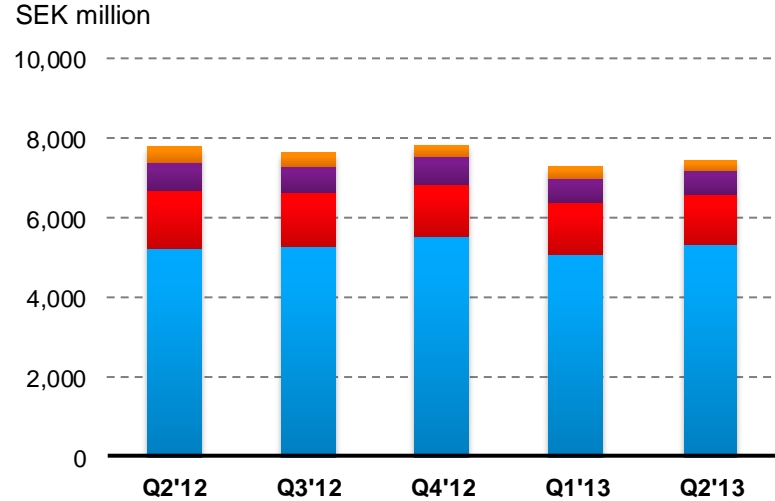
Group Financials

- Mobile
- Fixed broadband
- Fixed telephony
- Other

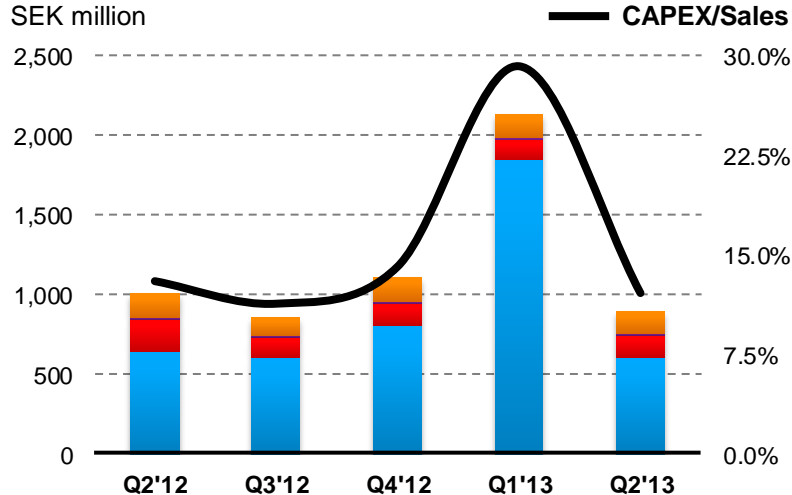
Group EBITDA and Group EBITDA margin



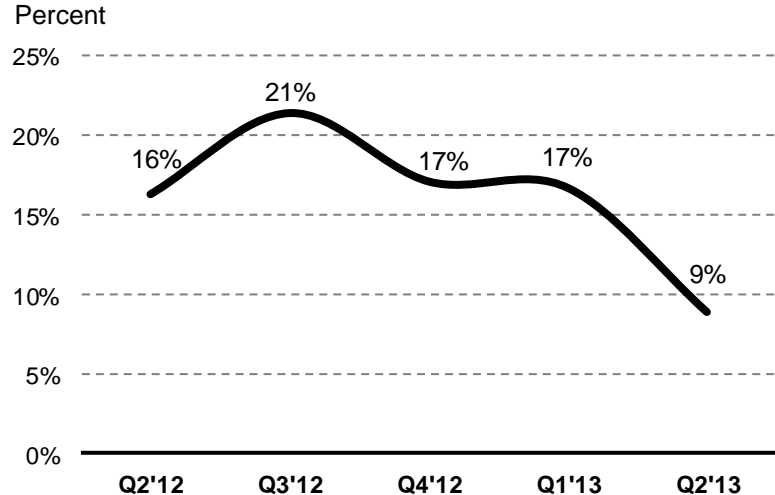
Group Net Sales



Group CAPEX (BS) and CAPEX/Sales



ROCE (Normalized)

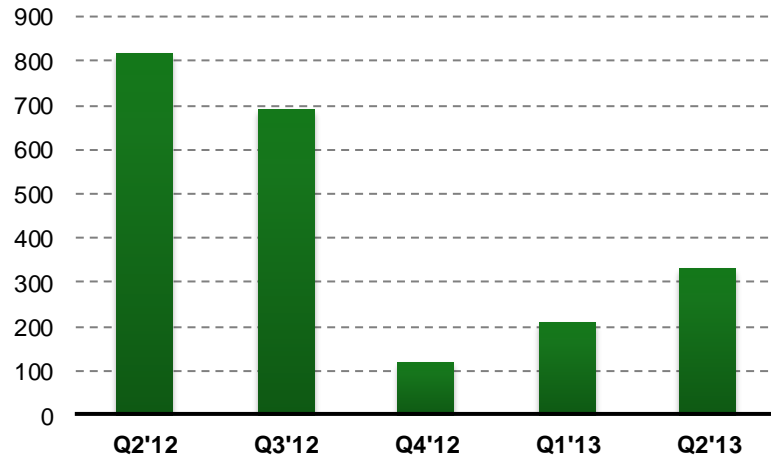


Customer net intake

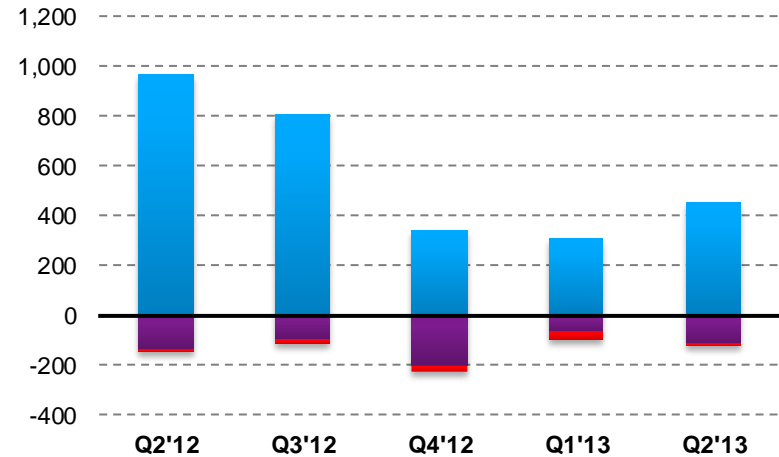
in thousands

● Total net intake
● Mobile
● Fixed telephony
● Fixed broadband

Total net intake



Net intake split



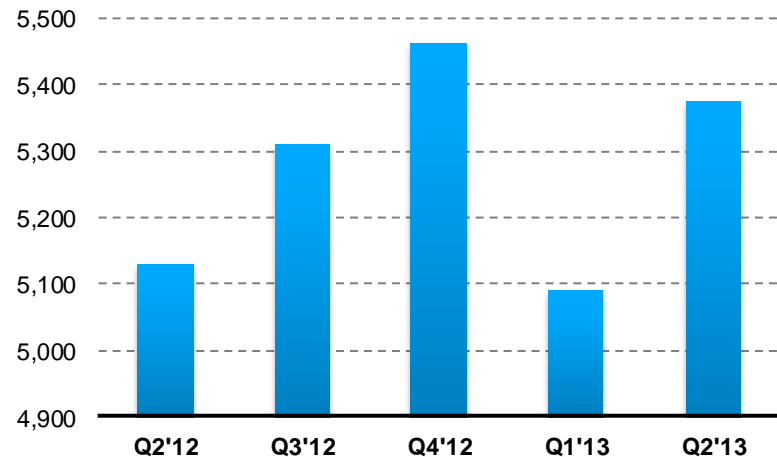
- In Q2 2013, the mobile customer stock was negatively impacted by a one-time adjustment* of -844,000 customers (which is not reflected in the charts above)

* "inactive" customers with only incoming calls to their mailbox will no longer be counted as active customers

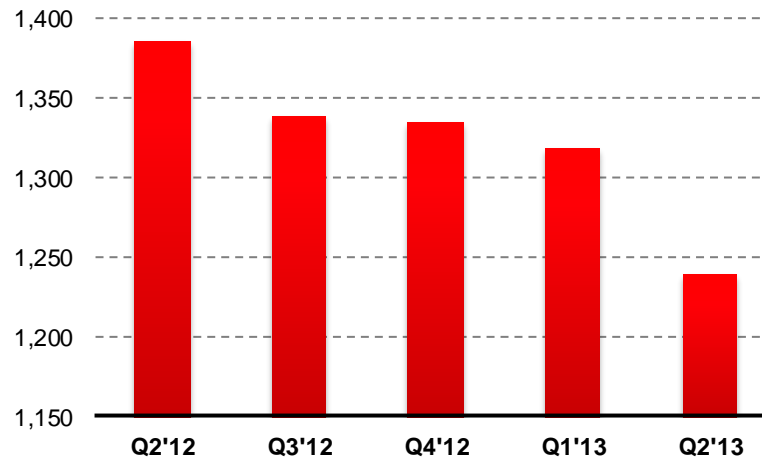
Revenue development – Per segment

FX adjusted
SEK million

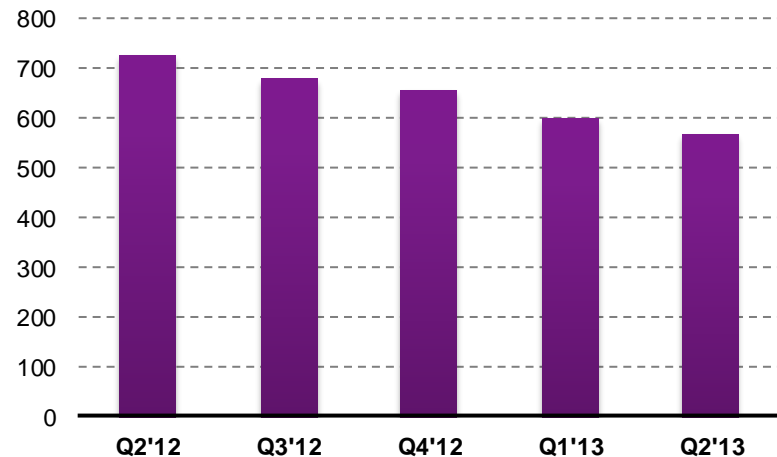
Mobile revenue



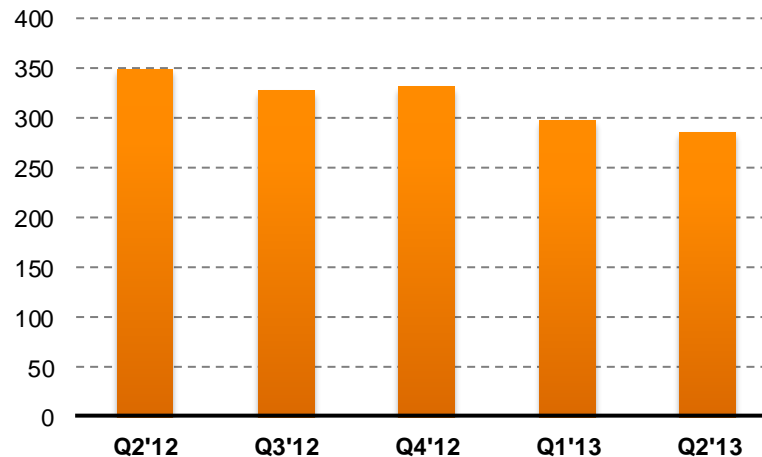
Fixed broadband revenue



Fixed telephony revenue

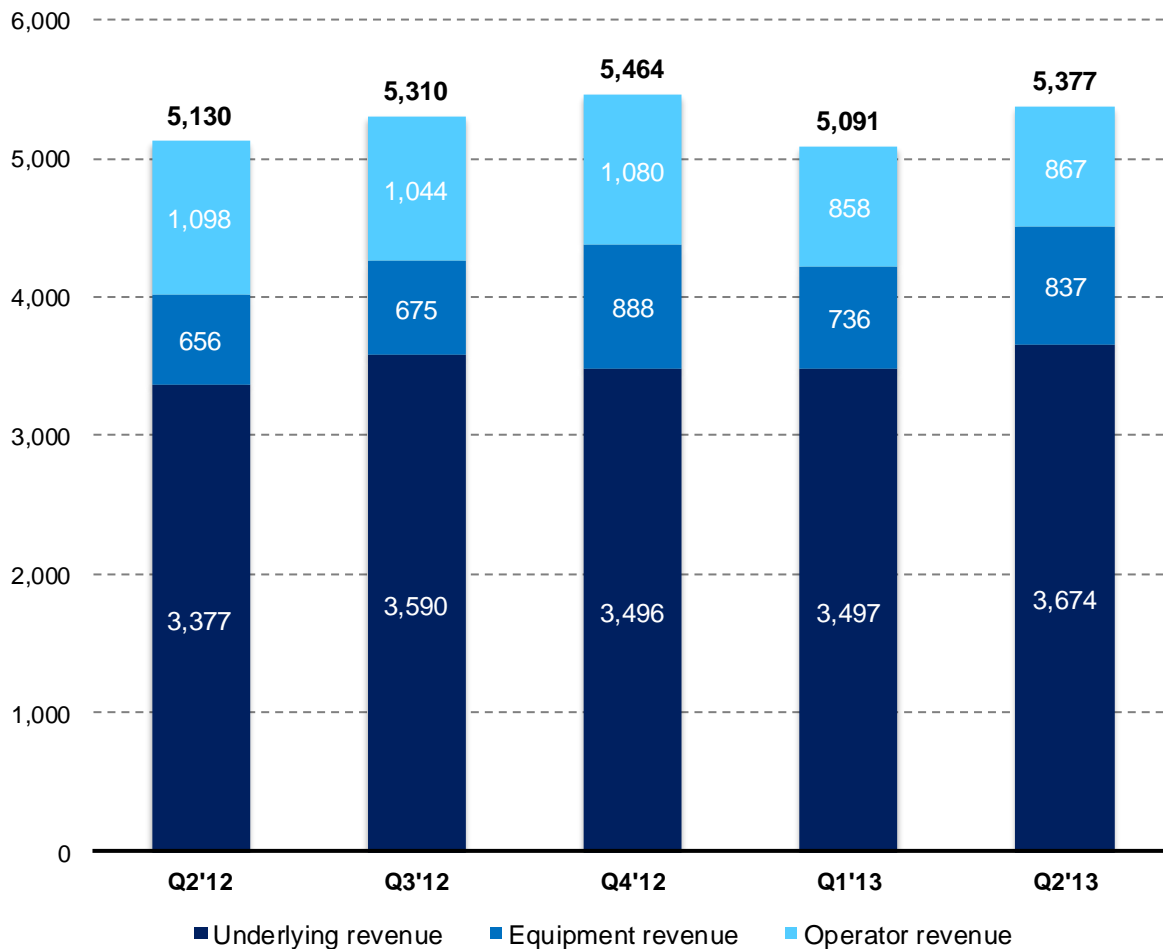


Other revenue



Revenue development – Mobile

FX adjusted
SEK million



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



TELE2