

Interim Report January–March 2009

Q1

IN Q1 2009 TELE2'S NET SALES INCREASED BY 6 PERCENT TO SEK 10,120 MILLION AND EBITDA INCREASED BY 34 PERCENT TO SEK 2,227 MILLION.

SEK million	Q1		
	2009	2008	%
Net sales	10,120	9,527	6
EBITDA	2,227	1,660	34
EBIT excluding one-off items	1,333	730	83
EBIT	1,329	813	63
Net profit/loss	464	701	-34
Earnings per share, after dilution (SEK)	1.03	1.55	-34

The figures presented in this report correspond to Q1 2009 and continued operations unless otherwise stated. The figures shown in parentheses correspond to the comparable periods in 2008.

TELE2 DELIVERED ROBUST ANNUAL SALES GROWTH AND SOLID EBITDA RESULT IN THE QUARTER

- In Q1 2009, Tele2's net sales increased by 6 percent to SEK 10,120 million and EBITDA grew by 34 percent to SEK 2,227 million. Despite a difficult economic environment, the company has been able to improve profitability through cost control and improved efficiency.

TELE2 RUSSIA ACCELERATED DEVELOPMENT OF NEW REGIONS

- Tele2 made operational progress focusing on improved efficiency for existing regions. New region activities accelerated during the quarter by means of network deployment and commercial activities.

STABLE OPERATIONAL DEVELOPMENT IN THE BALTIC REGION

- Tele2's Baltic operations saw stable EBITDA contribution in the quarter, led by Lithuania that delivered record high margin of 37 (34) percent.

NEW PARTNERSHIP TO BUILD JOINT LTE NETWORK IN SWEDEN

- Tele2 Sweden presented a partnership to build a joint LTE network in Sweden. The agreement included the formation of a joint venture for network construction and sharing of spectrum for mobile communication.

BACK TO OUR ROOTS:

Renewed focus on mobile



IN THIS CHALLENGING ENVIRONMENT, WE HAVE TO BE FLEXIBLE AND PREPARED TO TAKE ACTION”

Tele2 continues to deliver in the first quarter of 2009. Market conditions became increasingly tougher, but we have managed to perform well. I am pleased to present a robust annual sales growth and a solid EBITDA result.

EVEN MORE COST CONSCIOUS

The general economic climate is still weakening and we have seen the effects of recession in some parts of Tele2's operations. In this challenging environment, we have to be flexible and prepared to take action. We need to ensure stable cash flows in these times of uncertainty. We are currently looking over all costs and work hard to improve profitability through cost control and improved efficiency.

SMART INVESTMENTS

Our customers trust that we offer best deals with quality. We will do this in a cost-conscious way and make smart investments for the future. A recent example is our new partnership in Sweden. The joint venture secures the future for the next generation's mobile network and at the same time ensures cost-efficiency. If good opportunities arise, we will make this kind of investments to enable our vision of affordable and easy connectivity for everyone at any time.

RUSSIAN OPERATIONS

As a telecom operator with over 10.6 million customers in Russia, we often get questions about the business climate. We are, as the sole owner of our assets, positive about the future. Our operations in Russia are affected by the macro economic environment. However, we will continue to invest in the country. We strongly believe that great assets are built in times of turbulence. By making the necessary investments now we have the chance to get into better shape than the competition.

Going forward – the strategy is simple – Tele2 always offers the best deal.

Harri Koponen
President and CEO, Tele2 AB



Financial overview

Tele2's financial performance is a function of a continued focus on mobile services on own infrastructure, complemented in some countries by fixed broadband services and business to business offerings. Mobile sales continued to develop strongly compared with the same period last year. A smaller scale and scope of total operations and a greater focus on mobile services on own infrastructure have led to a prolonged expansion in the EBITDA margin. The decline in fixed-line services is expected to continue. The company will focus on maximizing the return from the product line.

FINANCIAL OVERVIEW

Net customer intake amounted to -20,000 (14,000) in Q1 2009. The customer base in mobile services increased by 239,000 (388,000) of which 22,000 (19,000) were mobile Internet users. Tele2 has experienced a general slowdown in customer activity in the quarter that affected the overall intake. Fixed broadband lost -4,000 (60,000) customers in Q1 2009, due to a group emphasis on profitability in the service area, leading to less resources spent on marketing activities. Fixed telephony continued to see an outflow of customers and Tele2 expects that the current rate of change will continue. In Q1 2009, the total customer base increased to 24,466,000 (23,129,000).

Net sales in Q1 2009 amounted to SEK 10,120 (9,527) million, an increase of 6 percent. The positive revenue development was driven by good trends in core mobile services and fixed broadband services. The favorable currency movement contributed by approximately SEK 500 million in the quarter, compared with currency rates at December 31, 2008.

EBITDA in Q1 2009 amounted to SEK 2,227 (1,660) million, equivalent to an EBITDA margin of 22 (17) percent. The EBITDA development was led by prolonged success in maximizing the EBITDA contribution from the more mature fixed telephony and broadband operations, but also higher contribution from mobile services on own infrastructure.

EBIT in Q1 2009 increased by 83 percent to SEK 1,333 (730) million excluding one-off items of SEK -4 (83) million¹⁾. Including one-off items, EBIT amounted to SEK 1,329 (813) million.

Profit/loss before tax amounted to SEK 737 (785) million negatively affected by internal and external exchange rate effects in financial items of SEK -433 (68) million. Exchange rate differences directly recognized in shareholders' equity amounted to SEK -122 (-295) million.

Net profit/loss amounted to SEK 464 (701) million. Reported tax for Q1 2009 amounted to SEK -273 million, whereof SEK -186 million was related to the S.E.C. S.A. tax dispute. Tax payment affecting cash-flow amounted to SEK 456 million.

Cash flow after CAPEX amounted to SEK 682 (508) million. CAPEX amounted to SEK 1,168 (837) million, mainly driven by expansion in Russia.

Net debt amounted to SEK 4,433 (4,935) million at March 31, 2009, or 0.5 times full-year 2008 EBITDA. Including guarantees to joint ventures, the net debt to full-year 2008 EBITDA amounted to 0.7 times. Tele2's available liquidity amounted to SEK 10,147 (26,134) million.

FINANCIAL COMMENTS

The market

Market reports indicate that economic conditions are still deteriorating and the effects of the current recession can be observed in some parts of Tele2's operations. Some markets are seeing a slowdown in minutes of use and general activities around communications services has come down. The company has acted and encouraged all parts of the group to prepare and implement contingency plans to reduce any impact of the economic slowdown. These measures include scrutinizing both operational and capital expenditures. Tele2 will act strongly to keep the cash generation of the organization intact. The current economic environment also gives rise to investment opportunities and Tele2 will selectively look to expand its mobile footprint in both Russia and the CIS. With a sound balance sheet it will be possible for the company to make smart investments in attractive countries and regions.

Toward the end of 2007, Tele2 was awarded mobile telephony licenses for GSM in 17 new regions in Russia. The first steps of building a local organization and rolling out our own infrastructure were taken in 2008. In 2009, the process has been accelerated. The total operations comprise licenses in 35 regions covering approximately 61 million inhabitants. The process of awarding the new GSM licenses is still challenged in court. The following assumptions should be taken into consideration when estimating the financial impact of the 17 new licenses in 2009:

- > Operational expenditures are estimated at SEK 500-700 million. Capital expenditures are estimated at SEK 1,300-1,500 million, affected by currency movement.
- > Up to 12 out of 17 regions will be launched in 2009. The base plan is that an infrastructure-based operation should be able to reach EBITDA breakeven three years after commercial launch date. However, there might be regional differences, moving the breakeven date either forward or backward.
- > The longer-term market share in the 17 new regions should not deviate significantly from the historic market share of Tele2 Russia.

¹⁾ See Notes 3-4

Financial overview, cont.

The following additional points should also be considered when estimating 2009:

- > Tele2 forecasts a corporate tax rate of approximately 20 percent excluding one-off items. The tax payment will affect cash flow by approximately SEK 800 million.
- > Tele2 forecasts a CAPEX level in the range of SEK 4,700–4,900 million, affected by movements in currencies.

FUNDING

In Q1 2009, Tele2 signed a new credit facility agreement of SEK 12 billion. The loan has a 3-year term. The new credit facility expires in 2012.

The new agreement has been reached with a group of nine banks. The deal was successfully oversubscribed and has been closed.

The new facility further strengthens Tele2's financial position by helping maintain a balance between growth and flexibility. Tele2 will use this facility to develop its business organically and refinance its existing revolving credit facilities so as to keep an optimal capital structure.

SHAREHOLDER REMUNERATION

Tele2's intention over the medium term is to pay a progressive ordinary dividend to its shareholders. The Board of Tele2 AB has decided to recommend an increase of the ordinary dividend of 11 percent to SEK 3.50 (3.15) per share in respect of the financial year 2008 at the Annual General Meeting (AGM) 11 May, 2009. The board has also decided to recommend an extraordinary dividend of SEK 1.50 (4.70) per share directly related to divestments made in 2008.

BALANCE SHEET

Tele2's longer term financial leverage, defined as net debt / EBITDA ratio, should be in line with the industry and the markets in which it operates and reflects the status of its operations and future strategic opportunities. In the short term, the company also needs to take the uncertainties in the financial markets into consideration and act accordingly.

TAX DISPUTE

In Q1 2009, Tele2 announced that the company has not been allowed to deduct a capital loss of SEK 13.9 billion, which was associated with the liquidation of S.E.C. S.A. in 2001. The County Administrative Court refused the deduction stating that the capital loss could not be considered real. Tele2 have appealed the decision made by the County Administrative Court. Tele2 is of the opinion that the dispute will be settled in Tele2's favor and has only provisioned for a limited part of the costs associated with the verdict.

Financial overview, cont.

SEK million	2009 Q1	2008 Q1	2008 Full-year
Mobile			
Net customer intake (thousands)	239	388	2,387
Net sales	6,175	5,640	24,472
EBITDA	1,455	1,406	6,425
EBIT	1,079	1,023	4,886
CAPEX	908	522	3,367
Fixed broadband			
Net customer intake (thousands)	-4	60	71
Net sales	1,807	1,459	6,109
EBITDA	241	-158	-20
EBIT	-154	-564	-1,609
CAPEX	195	226	777
Fixed telephony			
Net customer intake (thousands)	-255	-424	-1,292
Net sales	1,616	1,844	6,884
EBITDA	448	357	1,686
EBIT	380	268	1,360
CAPEX	34	51	167
Total			
Net customer intake (thousands)	-20	14	1,156
Net sales ¹⁾	10,120	9,527	39,505
EBITDA	2,227	1,660	8,175
EBIT ²⁾	1,329	813	2,851
CAPEX	1,168	837	4,481
EBT	737	785	1,838
Net profit/loss	464	701	1,718
Cash flow from operating activities	1,831	1,507	7,896
Cash flow after CAPEX	682	508	3,288

The figures exclude one-off items except for figures presented for continuing operations

¹⁾ Net sales for FY 2008 include negative one-off items of SEK -90 million (see Note 1)

²⁾ EBIT includes result from sale of operations, impairment of goodwill and other one-off items stated under the segment reporting section of EBIT

SIGNIFICANT EVENTS IN THE QUARTER

- Tele2 appealed the County Administrative Court's decline on deduction regarding S.E.C S.A.
- Tele2 signed new credit facility agreement of SEK 12 billion
- Tele2 Netherlands and T-Mobile signed MVNO agreement

SIGNIFICANT SUBSEQUENT EVENTS

- Tele2 appointed Niklas Sonkin as new Executive Vice president and Market Area Director for Central Europe
- Tele2 and Telenor announced an agreement to build joint 4G network in Sweden

Overview by region

NORDIC SWEDEN AND NORWAY

THE MOBILE INTERNET
CUSTOMER BASE IN SWEDEN
INCREASED IN Q1 2009 BY

15,000

The Nordic market area is the cash cow of the Tele2 organization and also the test bed for new services.

SWEDEN

> **Mobile** In Q1 2009, Tele2 added 22,000 (19,000) new customers during the quarter, of which 15,000 were mobile Internet users. The total mobile Internet customer base amounted to 185,000 (111,000). The revenue development in the quarter was stable, with an annual growth of 3 percent.

The customer activity on the Swedish mobile market slowed down in Q1 2009, leading to a lower prepaid intake. The interest for SIM-only offers, on the other hand, increased in the quarter. Customer usage grew on an annual basis and both voice and VAS (Value Added Services) continued their positive trends.

The mobile operations in Sweden reported an ARPU of SEK 185 (192), including postpaid, prepaid and mobile Internet subscriptions. MoU (Minutes of Use) per customer, excluding mobile Internet, increased by 7 percent to 208 (194) in Q1 2009.

Higher marketing spending thanks to better post-paid intake, together with increased voice and data traffic carried by the Svenska UMTS Nät AB (SUNAB), had a negative effect on EBITDA. Costs associated with SUNAB amounted to approximately SEK 110 million in Q1 2009.

April 14, 2009, Tele2 Sweden and Telenor Sweden presented an agreement to build a joint 4G network in Sweden. The agreement included the formation of a joint venture for network construction

and sharing of spectrum for mobile communication. The roll-out of what will be Sweden's most extensive 4G network will start in 2009. The intent is to launch high-speed mobile Internet services based on LTE-technology at the end of 2010, while improving at the same time voice coverage (GSM) for all customers.

> **Fixed Broadband** The fixed broadband market developed more slowly in the quarter, and the product segment was to some extent affected by promotional offerings in the mobile Internet market. Tele2 continued to focus on improved profitability on fixed broadband services and reached an EBITDA margin of 8 (-18) percent, mainly by focusing on bundled products together with lower direct cost.

> **Fixed Telephony** The EBITDA margin continued to be strong in the quarter at 27 (15) percent, helped by improved cost control. The company continued its retention measures by providing add-on services, such as wholesale line rental, voice mail, etc.

NORWAY

> **Mobile** The competitive environment was challenging in Q1 2009, with strong price competition in both mobile voice and mobile data.

The underlying net intake in Q1 2009 grew with 7,000. However, the total customer base was reduced by approximately 11,000 customers in the quarter, further to a clean up of inactive customers. The exercise resulted in a net reduction of 4,000 customers in Q1 2009.

The EBITDA contribution was stable in Q1 2009. The termination rate has been lowered by the authorities from NOK 1.15 to NOK 1.00 from February 10, 2009, negatively affecting EBITDA with SEK -18 million for Q1 2009.

The EBIT result was negatively affected by Tele2's share of the result from the Mobile Norway joint venture of SEK -16 (-1) million in Q1 2009.

> **Fixed Broadband** During Q1 2009, Tele2 moved its marketing efforts away from resold broadband and migrated its customers onto own infrastructure. During the quarter, the revenue trend stabilized. Competition from fibre-based services and cable TV operators was still high during the quarter, driving churn rates up in the wholesale base. Tele2 will continue to focus on cost control and improved customer care as the main areas for its broadband operations.

> **Fixed Telephony** The overall performance for fixed telephony was stable in Q1 2009 with constant EBITDA contribution.

RUSSIA

THE MOBILE CUSTOMER BASE
INCREASED IN Q1 2009 BY

220,000

The Russian operation is Tele2's most important growth engine. The company has GSM licenses in 35 regions with approximately 61 million inhabitants.

> **Mobile** During Q1 2009, Tele2 made continued operational progress focusing on improved efficiencies for existing regions and cost cutting in network deployment. New region activities accelerated during the quarter by means of network deployment and commercial activities. Tele2 Russia expects to launch its first new region toward the end of the second quarter and to launch 6 additional regions in

the third quarter (the process for awarding the new licenses is still partially challenged at court).

Customer development fell short of internal expectations and Tele2 added 220,000 (320,000) new users. The positive trend of minutes of use continued in Q1 2009, despite the economic downturn. Due to tough price competition on the market, the growth in ARPU was flattened and amounted to SEK 53 (56).

The EBITDA margin was impacted by lower prices per minute, the intensified roll-out of the 17 new GSM licenses, and the rouble devaluation & exchange rate losses. EBITDA in the 16 old regions amounted to SEK 601 (530) million, equivalent to a margin of 36 (36) percent. EBITDA in the new regions including Krasnodar and Kaliningrad amounted to SEK -63 (-12) million.

VAS (Value Added Services) and data usage showed continued growth during the quarter despite economic turbulence, fuelled by Tele2's launch of GSM EDGE technology in all of its regions. The company also launched bundled offers for GPRS which are expected to demonstrate results in the second quarter. Tele2 increased prices in regions where market conditions permitted, but the general pricing environment remains highly competitive.

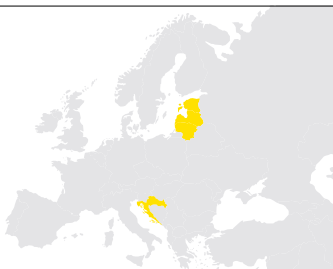
Tele2 Russia will continue to look for possibilities to carefully expand its operations in Russia and CIS-countries through new licenses as well as by complementary acquisitions which fit with its corporate culture.

Overview by region, cont.

CENTRAL EUROPE ESTONIA, LITHUANIA, LATVIA AND CROATIA

THE CUSTOMER BASE
IN CROATIA INCREASED
IN Q1 2009 BY

62,000



In 2008, the Baltic operations were negatively affected by a strong economic downturn in the region. The trend was prolonged in Q1 2009. To offset the negative impact, Tele2 has actively increased its marketing activities to gain market share on high value ARPU customers in both the consumer and the corporate segment. The tough economic climate is expected to continue throughout 2009. Tele2 sees this development as a possibility to move its market position carefully forward and make use of more price-sensitive customers.

The Croatian operation continued to develop according to plan with good operational momentum during Q1 2009, adding in total 62,000 (46,000) new customers.

ESTONIA

> **Mobile** The economic environment in the country continued to be challenging in the quarter. The inflationary pressure prolonged its downtrend in Q1 2009 and is expected to decrease further during the year.

Price pressure increased in all segments during Q1 2009. In this environment, Tele2 kept its price leadership position and saw a good opportunity to attract more customers by offering the best price and expected quality. Besides residential segments, where Tele2 has had historically a very strong position, the company continued to focus greatly on business customers and mobile Internet services during Q1 2009.

Despite a difficult economic environment, Tele2 showed robust performance in terms of net sales and EBITDA. The recession has impacted mainly hardware sales, whereas minutes of use continued to grow, and ARPU together with operational margins remained stable, compared to the same period last year.

LITHUANIA

> **Mobile** Tele2 had good operational development in Q1 2009 adding revenue share in the consumer as well as the corporate segment. A sustained price leader position together with effective marketing campaigns led to a strong market position. Tele2's customer market share at the end of Q1 2009 increased to 43 (39) percent. Competition in the quarter was high but stable, with minor movements in prices and subscriber acquisition costs.

In 2009, Tele2 will continue to increase its focus on the corporate segment. As the market becomes more price sensitive, there is an opportunity for Tele2 to move its position forward among private companies, municipalities and state-owned organizations. Tele2 will also continue to stimulate interest around value-added services in all customer segments.

Interconnect prices were cut by 20 percent on 1 January, 2009.

LATVIA

> **Mobile** The economic slowdown was strong in Latvia during the quarter, affecting the overall activity in the mobile segment. As a result, competition has been high during Q1 2009 with lower prices both in the prepaid and in the postpaid segment. As the price leader, Tele2 is taking advantage of the fact that more customers are re-viewing their telecom service provider.

Increased competitive price pressure led to lower margins in Q1 2009. Tele2 Latvia continued to focus on attracting higher ARPU customers as a way of offsetting the weaker market environment.

Tele2 Latvia continues to see a good opportunity in the corporate segment and among the state-owned companies. This opportunity has been enhanced due to a slower economy, making business customers more price sensitive.

CROATIA

> **Mobile** Tele2 continued to develop according to plan, adding 62,000 (46,000) new customers during the quarter. The customer development was especially strong in January during the handball world championship held in Croatia, where Tele2 was one of the main sponsors of the Croatian national team.

Towards the end of Q1 2009, the first negative effects of the economic turmoil were noticed in the customers' behaviour, primarily the MoU trends. As a natural reaction to the turmoil, Tele2 introduced a unique saving guarantee concept during the quarter, as the price leader in the market.

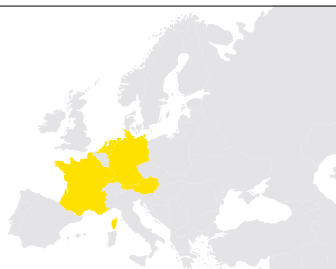
The seasonal increase in marketing spending in Q4 2008 partly continued in Q1 2009, due to the special activities related to the handball championship. Together with increased frequency fees, the EBITDA development was impacted negatively.

Overview by region, cont.

WESTERN EUROPE FRANCE, THE NETHERLANDS, GERMANY AND AUSTRIA

TELE2 NETHERLANDS
EBITDA INCREASED IN
Q1 2009 BY

88%



The Western European market area has changed significantly in geographic scope over the last two years. Throughout 2008, the focus has been to manage the existing operations more effectively, by concentrating on customer base management and using more cost effective sales channels, such as web and in-bound customer service calls. Hence, the operational performance of the market area improved during the last year. In 2009, Tele2 is continuing to improve the efficiency of the different geographies, by focusing on customer base management and on the reduction of the overall cost base.

FRANCE

> **Mobile** Tele2 continued to increase its profitability in Q1 2009 to a 4 (-13) percent EBITDA margin. The main drivers were a cost reduction program and a better efficiency in retention measures.

The customer base amounted to 443,000 (465,000) in the quarter, further to the termination of 28,000 postpaid customers due to bad debt. Excluding the termination exercise, the customer base grew by 3,000 in Q1 2009.

In 2009, Tele2 will maintain its focus on profitability, leveraging on its postpaid customer base through retention management and usage development. Sales channels will be monitored closely in order to invest in the most profitable ones.

Tele2 will continue to proactively work with the national regulator to have full MVNO legislation introduced in France.

THE NETHERLANDS

> **Mobile** The landscape for mobile services remained competitive in Q1 2009. Tele2 balanced acquisition and retention measures during the quarter. As a result of marketing efforts, Tele2 has been able to increase the intake for prepaid customers. Meanwhile, the strategy to move the customer base towards higher ARPU postpaid subscriptions continued. During the first quarter, the Company concluded a national roaming deal with T-Mobile for its residential MVNO base, providing better terms and conditions as of Q3 2009. The agreement also provides the possibility to launch mobile Internet services.

> **Fixed Broadband** The EBITDA contribution increased during the quarter, partly driven by improved marketing spend. The residential fixed broadband base developed above expectation in Q1 2009. The fact that Tele2 got ranked as the fastest growing

fixed broadband operator in the Dutch market, together with the corporate branding campaign of Frank, launched during Q4 2008, contributed in brand awareness and higher order intake in Q1 2009, which lowered the acquisition cost.

In the business segment, Tele2 saw an increased order intake during the quarter, predominantly in the large corporate segment, mainly relating to on-net data and voice services. Furthermore, revenue developed positively as last year's order intake started to materialize, especially on-net data services, Internet and secured Internet.

> **Fixed Telephony** The fixed telephony market continued to decline, due to a shift towards bundled voice and Internet offerings. Tele2 remained focused on up- and cross-selling towards its bundled broadband base. The company has successfully retained its fixed telephony base with WLR (Wholesale Line Rental). The customer base with a combined CPS (Carrier Pre-Select)/WLR offering remained stable compared to the previous quarter. Though the EBITDA contribution is still strong, the minutes of use and ARPU have slightly declined.

GERMANY

> **Fixed Broadband** The fixed broadband markets showed signs of market saturation. Increased marketing activities have again been visible from the cable operators as well as the incumbent. Due to a lack of industry consolidation in the quarter, promotional pricing remained an important marketing tool. The market prolonged the focus on unbundled products rather than on resold services.

Tele2 Germany continued with a reactive intake strategy to closely control acquisition cost. The improved cost control measures at the Plusnet JV have again led to lower operational losses in unbundled broadband services. Thanks to all retention activities that have improved their effectiveness during the quarter, the customer turnover decreased at the end of Q1 2009.

> **Fixed Telephony** Tele2 Germany remained the largest CPS (Carrier Pre-Select) provider with a market share of 40 percent in the quarter. Due to the strong focus on retention and customer base management, the churn continued to trend down in Q1 2009. As a result the EBITDA margin for fixed telephony was at 38 (25) percent in the quarter.

The pricing environment in the fixed telephony market remained stable in Q1 2009. Most Operators focused their marketing activities on unbundled broadband services what led to relatively less competition.

AUSTRIA

> **Fixed Broadband** Tele2 maintained its effort to improve the overall cost structure and concentrate on a more focused service portfolio in both the consumer and the business segment. The process of streamlining the Austrian operation will continue throughout 2009.

> **Fixed Telephony** The decline of the fixed-line base improved in Q1 2009 due to more effective retention measures. In the consumer market, competition from mobile remained high. However, in the business market fixed telephony services sustained a stable development. Overall, both fixed telephony customers and revenues developed better than planned during Q1 2009.

Other items

RISKS AND UNCERTAINTY FACTORS

Tele2's operations are affected by a number of external factors. The risk factors considered to be most significant to Tele2's future development are operating risks such as the economic recession, operations in Russia, changes in regulatory legislation in telecommunication services, increased competition, introduction of new services, ability to attract and retain customers, legal proceedings and financial risks such as currency risk, interest risk, liquidity risk and credit risk. In addition to the risks described in Tele2's annual report for 2008 (see Directors' report and Note 2 of the report for a detailed description of Tele2's risk exposure and risk management), no additional significant risks are estimated to have developed.

COMPANY DISCLOSURE

Dividend

The Board of Tele2 AB has decided to recommend an ordinary dividend of SEK 3.50 (3.15) per share in respect of the financial year 2008 at the Annual General Meeting in May 2009. The board has also decided to recommend an extraordinary dividend of SEK 1.50 (4.70) per share.

Tele2 AB (publ) Annual General Meeting 2009

The 2009 Annual General Meeting will be held at 1.30 p.m. CET on May 11, 2009, at Hotel Rival, Mariatorget 3 in Stockholm.

Shareholders who wish to participate at the Annual General Meeting shall have their names entered in the register of shareholders maintained by Euroclear Sweden AB (formerly VPC AB, the Swedish Central Securities Depository) on Tuesday 5 May 2009, and notify the Company of their intention to participate by no later than 1.00 p.m. on Tuesday 5 May 2009. The notification can be made on the Company's website, www.tele2.com, by telephone +46-771 246 400 or in writing to the Company.

Other

Tele2 will release the financial and operating results for the period ending June 30, 2009 on July 22, 2009.

Stockholm, April 22, 2009

Tele2 AB

Harri Koponen
President and CEO

REPORT REVIEW

The financial and operating results for this interim report have not been subject to specific review by the company's auditors.

RESULT MEETING

Tele2 will present the results at a meeting at Clarion Hotel Sign, Norra Bantorget, Stockholm, at 10.00 am CET (09:00 am UK time/04:00 am NY time) on Wednesday, April 22, 2009. The meeting will be held in English and webcasted on Tele2's website, www.tele2.com, with the possibility to enter questions online.

CONFERENCE CALL DETAILS

It will also be possible to listen to the meeting live over the phone and attend the Q&A session via a conference call. Please note that there might be a time lag of up to 30 seconds between the Internet broadcast and the conference call if you are simultaneously watching and calling in to the press conference.

DIAL-IN INFORMATION:

To ensure that you are connected to the conference call, please dial in a few minutes before the start of the press conference to register your attendance.

DIAL-IN NUMBERS:

Sweden: +46 8 50 52 02 70

UK: + 44 208 817 9301

US: + 1 718 354 1226

You will also be in a position to listen to the conference call afterwards:

Replay number until May 2, 2009: +44 207 769 6425

Access code: 1646 970#

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APPENDICES

Income statement

Comprehensive income

Balance sheet

Cash flow statement

Change in shareholders' equity

Number of customers

Net sales

Internal sales

EBITDA

EBIT

CAPEX

Key ratios

Parent company

Notes

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

Income statement

SEK million	Note	2009 Jan 1–Mar 31	2008 Jan 1–Mar 31	2008 full year
CONTINUING OPERATIONS				
Net sales	1	10,120	9,527	39,505
Operating expenses	2	-8,818	-8,758	-35,050
Impairment of goodwill and customer agreements	2	-	-	-1,033
Sale of operations, profit	3	-	86	125
Sale of operations, loss	4	-4	-3	-13
Result from shares in associated companies and joint ventures	5	-18	-64	-212
Impairment of shares in joint ventures	2	-	-	-582
Other operating income	6	148	115	451
Other operating expenses	6	-99	-90	-340
Operating profit/loss, EBIT		1,329	813	2,851
Net interest expenses		-139	-88	-400
Exchange rate differences, external		-166	102	-216
Exchange rate differences, intragroup		-267	-34	-334
Other financial items		-20	-8	-63
Profit/loss after financial items, EBT		737	785	1,838
Tax on profit/loss	7	-273	-84	-120
Net profit/loss from continuing operations		464	701	1,718
DISCONTINUED OPERATIONS				
Net profit/loss from discontinued operations	9	184	49	715
NET PROFIT/LOSS		648	750	2,433
ATTRIBUTABLE TO				
Equity holders of the parent company		640	738	2,411
Minority interest		8	12	22
NET PROFIT/LOSS		648	750	2,433
Earnings per share (SEK)		1.45	1.66	5.44
Earnings per share, after dilution (SEK)		1.45	1.66	5.43
FROM CONTINUING OPERATIONS				
Earnings per share (SEK)		1.04	1.55	3.82
Earnings per share, after dilution (SEK)		1.03	1.55	3.82
Number of outstanding shares, basic	8	440,351,339	444,851,339	440,351,339
Number of shares in own custody	8	9,448,000	4,098,000	9,448,000
Number of shares, weighted average	8	440,351,339	444,851,339	443,538,839
Number of shares after dilution	8	440,954,611	445,225,883	441,063,416
Number of shares after dilution, weighted average	8	440,959,944	445,246,739	443,867,042

Comprehensive income

SEK million	Note	2009 Jan 1–Mar 31	2008 Jan 1–Mar 31	2008 full year
Net profit/loss		648	750	2,433
OTHER COMPREHENSIVE INCOME				
Exchange rate differences		-122	-295	2,351
Exchange rate differences, tax effect		23	-105	800
Reversed cumulative exchange rate differences from divested companies	9	-1	-	-197
Cash flow hedges		-9	-44	-141
Cash flow hedges, tax effect		1	13	40
Other comprehensive income for the period, net of tax		-108	-431	2,853
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		540	319	5,286
ATTRIBUTABLE TO				
Equity holders of the parent company		535	308	5,259
Minority interest		5	11	27
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		540	319	5,286

Balance sheet

SEK million	Note	Mar 31, 2009	Mar 31, 2008	Dec 31, 2008
ASSETS				
FIXED ASSETS				
Goodwill		11,460	12,463	11,473
Other intangible assets		2,053	2,043	2,121
Intangible assets		13,513	14,506	13,594
Tangible assets		15,573	14,279	15,566
Financial assets		434	996	427
Deferred tax assets		4,926	3,085	4,754
FIXED ASSETS		34,446	32,866	34,341
CURRENT ASSETS				
Materials and supplies		316	362	368
Current receivables		7,758	9,157	7,815
Short-term investments		2,949	2,623	3,359
Cash and cash equivalents		792	3,343	1,250
CURRENT ASSETS		11,815	15,485	12,792
ASSETS		46,261	48,351	47,133
EQUITY AND LIABILITIES				
SHAREHOLDERS' EQUITY				
Attributable to equity holders of the parent company		28,691	27,134	28,151
Minority interests		55	39	50
SHAREHOLDERS' EQUITY		28,746	27,173	28,201
LONG-TERM LIABILITIES				
Interest-bearing liabilities		4,899	4,811	2,161
Non-interest-bearing liabilities		734	920	758
LONG-TERM LIABILITIES		5,633	5,731	2,919
SHORT-TERM LIABILITIES				
Interest-bearing liabilities		3,509	6,129	7,635
Non-interest-bearing liabilities		8,373	9,318	8,378
SHORT-TERM LIABILITIES		11,882	15,447	16,013
EQUITY AND LIABILITIES		46,261	48,351	47,133

Cash flow statement

SEK million	Note	2009 Jan 1–Mar 31	2008 Jan 1–Mar 31	2008 full year	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4
OPERATING ACTIVITIES										
Taxes paid	7	-456	-320	-377	-456	-120	-90	153	-320	-189
Cash flow from operations, other		1,892	1,745	8,166	1,892	1,930	2,405	2,086	1,745	1,528
Changes in working capital	1	395	82	107	395	127	279	-381	82	-367
CASH FLOW FROM OPERATING ACTIVITIES		1,831	1,507	7,896	1,831	1,937	2,594	1,858	1,507	972
INVESTING ACTIVITIES										
Capital expenditure in intangible and tangible assets, CAPEX	12	-1,149	-999	-4,608	-1,149	-1,233	-930	-1,446	-999	-1,315
Cash flow after CAPEX		682	508	3,288	682	704	1,664	412	508	-343
Acquisition of shares and participations	9	-59	-398	-676	-59	-141	-47	-90	-398	-1,225
Sale of shares and participations	9	-38	-68	2,273	-38	247	2,172	-78	-68	7,576
Changes of short-term investments etc		362	156	331	362	5	12	158	156	161
Cash flow from investing activities		-884	-1,309	-2,680	-884	-1,122	1,207	-1,456	-1,309	5,197
CASH FLOW AFTER INVESTING ACTIVITIES		947	198	5,216	947	815	3,801	402	198	6,169
FINANCING ACTIVITIES										
Change of loans, net		-1,484	702	-2,433	-1,484	-831	-4,577	2,273	702	-6,729
Dividends		-	-	-3,492	-	-	-	-3,492	-	-
New share issues		-	-	1	-	-	1	-	-	5
Repurchase of own shares	8	-	-	-462	-	-	-462	-	-	-5
Other financing activities		-	-	7	-	-	-	7	-	-
Cash flow from financing activities		-1,484	702	-6,379	-1,484	-831	-5,038	-1,212	702	-6,729
NET CHANGE IN CASH AND CASH EQUIVALENTS		-537	900	-1,163	-537	-16	-1,237	-810	900	-560
Cash and cash equivalents at beginning of period		1,250	2,459	2,459	1,250	1,327	2,524	3,343	2,459	2,931
Exchange rate differences in cash		79	-16	-46	79	-61	40	-9	-16	88
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		792	3,343	1,250	792	1,250	1,327	2,524	3,343	2,459

Change in shareholders' equity

SEK million	Note	Mar 31, 2009			Mar 31, 2008			Dec 31, 2008		
		Attributable to		Total share- holders' equity	Attributable to		Total share- holders' equity	Attributable to		Total share- holders' equity
		equity holders of the parent company	minority interests		equity holders of the parent company	minority interests		equity holders of the parent company	minority interests	
Shareholders' equity, January 1		28,151	50	28,201	26,821	28	26,849	26,821	28	26,849
Costs for stock options		5	-	5	5	-	5	24	-	24
New share issues		-	-	-	-	-	-	1	-	1
Repurchase of own shares	8	-	-	-	-	-	-	-462	-	-462
Dividends		-	-	-	-	-	-	-3,492	-	-3,492
Purchase of minority		-	-	-	-	-	-	-	-12	-12
New share issues to minority		-	-	-	-	-	-	-	7	7
Comprehensive income for the period		535	5	540	308	11	319	5,259	27	5,286
SHAREHOLDERS' EQUITY, END OF PERIOD		28,691	55	28,746	27,134	39	27,173	28,151	50	28,201

Number of customers

Thousands	Note	Number of customers		Net intake						
		2009 Mar 31	2008 Mar 31	2008 full year	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4
Sweden										
Mobile		3,380	3,118	259	22	28	127	85	19	92
Fixed broadband		439	416	47	6	3	12	2	30	21
Fixed telephony		796	883	-101	-21	-33	-12	-21	-35	-45
		4,615	4,417	205	7	-2	127	66	14	68
Norway										
Mobile		456	441	12	-4	19	4	-4	-7	1
Fixed broadband		87	107	-21	-4	-7	-6	-3	-5	-4
Fixed telephony		127	153	-30	-6	-4	-8	-8	-10	-10
		670	701	-39	-14	8	-10	-15	-22	-13
Russia										
Mobile		10,642	8,879	1,858	220	484	449	606	319	554
		10,642	8,879	1,858	220	484	449	606	319	554
Estonia										
Mobile		489	495	10	-13	-1	-	8	3	3
Fixed telephony		16	19	-4	-	-1	-1	-1	-1	-2
		505	514	6	-13	-2	-1	7	2	1
Lithuania										
Mobile		1,916	1,831	128	-8	12	49	32	35	43
Fixed broadband		42	38	5	1	1	1	1	2	1
Fixed telephony		4	6	-2	-	-1	-	-1	-	-
		1,962	1,875	131	-7	12	50	32	37	44
Latvia										
Mobile		1,083	1,127	-16	-23	-25	5	-1	5	-6
Fixed telephony		2	3	-2	-	-1	-	-	-1	-
		1,085	1,130	-18	-23	-26	5	-1	4	-6
Croatia										
Mobile		765	516	233	62	76	74	37	46	15
		765	516	233	62	76	74	37	46	15
France										
Mobile		443	465	15	-25	6	-3	-	12	26
		443	465	15	-25	6	-3	-	12	26
Netherlands										
Mobile		466	526	-112	8	-19	-23	-26	-44	-22
Fixed broadband		382	331	44	14	19	11	7	7	22
Fixed telephony		362	469	-105	-27	-23	-30	-27	-25	-39
		1,210	1,326	-173	-5	-23	-42	-46	-62	-39
Germany										
Fixed broadband		163	192	4	-14	-14	-7	6	19	13
Fixed telephony	11	1,843	2,407	-906	-187	-172	-112	-304	-318	-36
		2,006	2,599	-902	-201	-186	-119	-298	-299	-23
Austria										
Fixed broadband		157	179	-8	-7	-4	-3	-8	7	11
Fixed telephony		406	528	-142	-14	-39	-32	-37	-34	-34
		563	707	-150	-21	-43	-35	-45	-27	-23
Other										
Other operations		-	-	-10	-	-	-	-	-10	-18
		-	-	-10	-	-	-	-	-10	-18
TOTAL										
Mobile		19,640	17,398	2,387	239	580	682	737	388	706
Fixed broadband		1,270	1,263	71	-4	-2	8	5	60	64
Fixed telephony	11	3,556	4,468	-1,292	-255	-274	-195	-399	-424	-166
Other operations		-	-	-10	-	-	-	-	-10	-18
TOTAL CONTINUING OPERATIONS		24,466	23,129	1,156	-20	304	495	343	14	586
Acquired companies				4	-	4	-	-	-	10
Divested companies				-106	-	-	-	-	-106	-762
Changed method of calculation	11			211	-	211	-	-	-	-
Discontinued operations										
Net intake	9		-1	-33	-	-4	-30	2	-1	-72
Divested companies	9		1,500	-1,467	-	-466	-1,001	-	-	-2,969
TOTAL OPERATIONS		24,466	24,628	-235	-20	49	-536	345	-93	-3,207

Net sales

SEK million	Note	2009 Jan 1–Mar 31	2008 Jan 1–Mar 31	2008 full year	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4
Sweden										
Mobile		1,876	1,820	7,760	1,876	1,925	2,016	1,999	1,820	1,890
Fixed broadband		351	313	1,323	351	353	334	323	313	325
Fixed telephony		487	552	2,136	487	520	521	543	552	528
Other operations		138	153	546	138	161	104	128	153	187
		2,852	2,838	11,765	2,852	2,959	2,975	2,993	2,838	2,930
Norway										
Mobile		636	638	2,533	636	609	639	647	638	684
Fixed broadband		97	108	409	97	95	99	107	108	112
Fixed telephony		125	153	554	125	128	130	143	153	168
		858	899	3,496	858	832	868	897	899	964
Russia										
Mobile		1,684	1,488	6,867	1,684	1,992	1,763	1,624	1,488	1,418
		1,684	1,488	6,867	1,684	1,992	1,763	1,624	1,488	1,418
Estonia										
Mobile		254	257	1,045	254	263	261	264	257	282
Fixed telephony		3	4	14	3	3	3	4	4	4
Other operations		14	12	62	14	17	18	15	12	13
		271	273	1,121	271	283	282	283	273	299
Lithuania										
Mobile		422	360	1,599	422	455	404	380	360	336
Fixed broadband		7	5	22	7	6	6	5	5	5
Fixed telephony		2	1	7	2	2	2	2	1	1
		431	366	1,628	431	463	412	387	366	342
Latvia										
Mobile		484	436	1,864	484	486	476	466	436	420
Fixed telephony		-	-	2	-	1	-	1	-	-
		484	436	1,866	484	487	476	467	436	420
Croatia										
Mobile		292	150	859	292	269	246	194	150	156
		292	150	859	292	269	246	194	150	156
France										
Mobile		323	284	1,233	323	327	313	309	284	275
		323	284	1,233	323	327	313	309	284	275
Netherlands										
Mobile		265	258	1,060	265	260	268	274	258	272
Fixed broadband	1	936	714	2,895	936	796	688	697	714	706
Fixed telephony		389	386	1,505	389	379	348	392	386	412
Other operations		207	200	805	207	202	194	209	200	186
		1,797	1,558	6,265	1,797	1,637	1,498	1,572	1,558	1,576
Germany										
Fixed broadband		122	116	484	122	122	122	124	116	97
Fixed telephony		473	591	2,117	473	504	498	524	591	668
Other operations		112	112	428	112	100	101	115	112	106
		707	819	3,029	707	726	721	763	819	871
Austria										
Fixed broadband	1	297	208	996	297	270	257	261	208	278
Fixed telephony	1	148	167	597	148	140	141	149	167	180
Other operations		162	168	638	162	149	154	167	168	158
		607	543	2,231	607	559	552	577	543	616
Other										
Other operations		197	350	1,132	197	246	239	297	350	292
		197	350	1,132	197	246	239	297	350	292
TOTAL										
Mobile		6,236	5,691	24,820	6,236	6,586	6,386	6,157	5,691	5,733
Fixed broadband		1,810	1,464	6,129	1,810	1,642	1,506	1,517	1,464	1,523
Fixed telephony		1,627	1,854	6,932	1,627	1,677	1,643	1,758	1,854	1,961
Other operations		830	995	3,611	830	875	810	931	995	942
Internal sales, elimination		10,503	10,004	41,492	10,503	10,780	10,345	10,363	10,004	10,159
		-383	-477	-1,897	-383	-435	-454	-531	-477	-360
		10,120	9,527	39,595	10,120	10,345	9,891	9,832	9,527	9,799
One-off items	1	-	-	-90	-	-32	-58	-	-	-200
TOTAL CONTINUING OPERATIONS		10,120	9,527	39,505	10,120	10,313	9,833	9,832	9,527	9,599
Discontinued operations	9	-	875	2,481	-	144	597	865	875	2,223
TOTAL OPERATIONS		10,120	10,402	41,986	10,120	10,457	10,430	10,697	10,402	11,822

Internal sales

SEK million	Note	2009 Jan 1–Mar 31	2008 Jan 1–Mar 31	2008 full year	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4
Sweden										
Mobile		10	25	140	10	27	42	46	25	19
Fixed broadband		-2	-	-	-2	-	-	-	-	1
Fixed telephony		-1	-	1	-1	-	1	-	-	-3
Other operations		95	104	375	95	95	86	90	104	120
		102	129	516	102	122	129	136	129	137
Norway										
Mobile		-	3	3	-	-	-1	1	3	1
Fixed telephony		11	9	42	11	14	9	10	9	11
		11	12	45	11	14	8	11	12	12
Russia										
Mobile		7	15	58	7	9	17	17	15	3
		7	15	58	7	9	17	17	15	3
Estonia										
Other operations		14	12	62	14	17	18	15	12	13
		14	12	62	14	17	18	15	12	13
Lithuania										
Mobile		3	2	10	3	3	3	2	2	2
Fixed telephony		1	1	5	1	1	2	1	1	1
		4	3	15	4	4	5	3	3	3
Latvia										
Mobile		41	6	137	41	45	37	49	6	3
		41	6	137	41	45	37	49	6	3
Netherlands										
Fixed broadband		5	5	20	5	5	5	5	5	6
Fixed telephony		-	-	-	-	-	-	-	-	2
Other operations		8	14	61	8	9	13	25	14	6
		13	19	81	13	14	18	30	19	14
Germany										
Other operations		37	63	219	37	43	49	64	63	59
		37	63	219	37	43	49	64	63	59
Austria										
Other operations		9	32	103	9	15	22	34	32	15
		9	32	103	9	15	22	34	32	15
Other										
Other operations		145	186	661	145	152	151	172	186	101
		145	186	661	145	152	151	172	186	101
TOTAL										
Mobile		61	51	348	61	84	98	115	51	28
Fixed broadband		3	5	20	3	5	5	5	5	7
Fixed telephony		11	10	48	11	15	12	11	10	11
Other operations		308	411	1,481	308	331	339	400	411	314
TOTAL CONTINUING OPERATIONS		383	477	1,897	383	435	454	531	477	360
Discontinued operations	9	-	34	107	-	7	27	39	34	56
TOTAL OPERATIONS		383	511	2,004	383	442	481	570	511	416

EBITDA

SEK million	Note	2009 Jan 1–Mar 31	2008 Jan 1–Mar 31	2008 full year	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4
Sweden										
Mobile		574	632	2,646	574	608	714	692	632	645
Fixed broadband		29	-57	-90	29	7	8	-48	-57	-55
Fixed telephony		131	85	396	131	112	102	97	85	60
Other operations		17	22	-14	17	-9	-22	-5	22	4
		751	682	2,938	751	718	802	736	682	654
Norway										
Mobile		25	-12	143	25	27	63	65	-12	41
Fixed broadband		-3	-20	-39	-3	-1	-7	-11	-20	-14
Fixed telephony		14	27	84	14	13	18	26	27	27
		36	-5	188	36	39	74	80	-5	54
Russia										
Mobile		538	518	2,368	538	645	628	577	518	440
		538	518	2,368	538	645	628	577	518	440
Estonia										
Mobile		76	88	333	76	64	94	87	88	96
Fixed telephony		-	1	2	-	1	-	-	1	-
Other operations		2	1	10	2	4	3	2	1	1
		78	90	345	78	69	97	89	90	97
Lithuania										
Mobile		156	122	483	156	124	116	121	122	66
Fixed broadband		1	1	5	1	2	1	1	1	1
Fixed telephony		1	1	4	1	1	1	1	1	1
		158	124	492	158	127	118	123	124	68
Latvia										
Mobile		149	163	646	149	158	165	160	163	157
		149	163	646	149	158	165	160	163	157
Croatia										
Mobile		-91	-95	-363	-91	-108	-77	-83	-95	-83
		-91	-95	-363	-91	-108	-77	-83	-95	-83
France										
Mobile		14	-36	6	14	6	6	30	-36	-72
		14	-36	6	14	6	6	30	-36	-72
Netherlands										
Mobile		14	26	163	14	56	41	40	26	33
Fixed broadband	1-2	249	107	509	249	128	129	145	107	116
Fixed telephony		83	62	332	83	95	98	77	62	73
Other operations		51	16	154	51	45	50	43	16	24
		397	211	1,158	397	324	318	305	211	246
Germany										
Fixed broadband		-53	-87	-270	-53	-63	-45	-75	-87	-165
Fixed telephony	2	179	148	739	179	201	205	185	148	169
Other operations		6	9	22	6	6	3	4	9	3
		132	70	491	132	144	163	114	70	7
Austria										
Fixed broadband	1-2	18	-102	-135	18	5	-8	-30	-102	-73
Fixed telephony	1-2	40	33	129	40	31	28	37	33	26
Other operations		7	6	23	7	5	4	8	6	12
		65	-63	17	65	41	24	15	-63	-35
Other										
Other operations		-	1	-111	-	5	-72	-45	1	-115
		-	1	-111	-	5	-72	-45	1	-115
TOTAL										
Mobile		1,455	1,406	6,425	1,455	1,580	1,750	1,689	1,406	1,323
Fixed broadband		241	-158	-20	241	78	78	-18	-158	-190
Fixed telephony		448	357	1,686	448	454	452	423	357	356
Other operations		83	55	84	83	56	-34	7	55	-71
TOTAL CONTINUING OPERATIONS		2,227	1,660	8,175	2,227	2,168	2,246	2,101	1,660	1,418
Discontinued operations	9	-	98	292	-	19	89	86	98	386
TOTAL OPERATIONS		2,227	1,758	8,467	2,227	2,187	2,335	2,187	1,758	1,804

EBIT

SEK million	Note	2009 Jan 1–Mar 31	2008 Jan 1–Mar 31	2008 full year	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4
Sweden										
Mobile		460	469	2,065	460	479	582	535	469	481
Fixed broadband		-65	-131	-440	-65	-119	-65	-125	-131	-128
Fixed telephony		115	63	318	115	94	84	77	63	38
Other operations		-5	2	-118	-5	-52	-42	-26	2	-17
		505	403	1,825	505	402	559	461	403	374
Norway										
Mobile		5	-17	75	5	6	41	45	-17	35
Fixed broadband		-12	-28	-72	-12	-9	-16	-19	-28	-19
Fixed telephony		11	26	76	11	11	16	23	26	24
		4	-19	79	4	8	41	49	-19	40
Russia										
Mobile		393	384	1,834	393	501	492	457	384	290
		393	384	1,834	393	501	492	457	384	290
Estonia										
Mobile		58	72	255	58	40	80	63	72	77
Fixed telephony		-	1	1	-	-	-	-	1	-
Other operations		2	-	10	2	4	3	3	-	-
		60	73	266	60	44	83	66	73	77
Lithuania										
Mobile		131	102	401	131	102	96	101	102	47
Fixed broadband		1	-	2	1	1	-	1	-	-
Fixed telephony		1	1	4	1	1	1	1	1	-
		133	103	407	133	104	97	103	103	47
Latvia										
Mobile		124	142	556	124	131	144	139	142	136
		124	142	556	124	131	144	139	142	136
Croatia										
Mobile		-117	-114	-446	-117	-131	-98	-103	-114	-98
		-117	-114	-446	-117	-131	-98	-103	-114	-98
France										
Mobile		13	-36	3	13	6	4	29	-36	-73
		13	-36	3	13	6	4	29	-36	-73
Netherlands										
Mobile		12	21	143	12	46	39	37	21	31
Fixed broadband	1-2	-	-137	-435	-	-101	-99	-98	-137	-112
Fixed telephony		62	40	250	62	74	78	58	40	33
Other operations		37	3	103	37	32	38	30	3	9
		111	-73	61	111	51	56	27	-73	-39
Germany										
Fixed broadband		-64	-120	-364	-64	-76	-56	-112	-120	-192
Fixed telephony	2	167	131	680	167	188	191	170	131	152
Other operations		6	9	22	6	6	3	4	9	3
		109	20	338	109	118	138	62	20	-37
Austria										
Fixed broadband	1-2	-14	-148	-300	-14	-31	-47	-74	-148	-118
Fixed telephony	1-2	24	6	31	24	14	4	7	6	-3
Other operations		-2	-2	-8	-2	-5	-3	2	-2	4
		8	-144	-277	8	-22	-46	-65	-144	-117
Other										
Other operations		-10	-9	-153	-10	-8	-78	-58	-9	-142
		-10	-9	-153	-10	-8	-78	-58	-9	-142
TOTAL										
Mobile		1,079	1,023	4,886	1,079	1,180	1,380	1,303	1,023	926
Fixed broadband		-154	-564	-1,609	-154	-335	-283	-427	-564	-569
Fixed telephony		380	268	1,360	380	382	374	336	268	244
Other operations		28	3	-144	28	-23	-79	-45	3	-143
		1,333	730	4,493	1,333	1,204	1,392	1,167	730	458
One-off items	1-4	-4	83	-1,642	-4	-19	-969	-737	83	-417
TOTAL CONTINUING OPERATIONS		1,329	813	2,851	1,329	1,185	423	430	813	41
Discontinued operations	9	184	49	705	184	201	683	-228	49	514
TOTAL OPERATIONS		1,513	862	3,556	1,513	1,386	1,106	202	862	555

EBIT, cont.

SEK million	Note	2009 Jan 1–Mar 31	2008 Jan 1–Mar 31	2008 full year	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4
SPECIFICATION OF ITEMS BETWEEN EBITDA AND EBIT										
EBITDA		2,227	1,660	8,175	2,227	2,168	2,246	2,101	1,660	1,418
Impairment of goodwill	2	-	-	-986	-	-19	-784	-183	-	-5
Impairment of customer agreements	2	-	-	-47	-	-1	-46	-	-	-
Impairment of shares in joint ventures	2	-	-	-582	-	-16	-11	-555	-	-
Sale of operations	3-4	-4	83	112	-4	47	-19	1	83	-88
Other one-off items	1-2	-	-	-139	-	-30	-109	-	-	-324
Total one-off items		-4	83	-1,642	-4	-19	-969	-737	83	-417
Depreciation/amortization and other impairment		-876	-866	-3,470	-876	-934	-815	-855	-866	-900
Result from shares in associated companies and joint ventures	5	-18	-64	-212	-18	-30	-39	-79	-64	-60
EBIT		1,329	813	2,851	1,329	1,185	423	430	813	41

CAPEX

SEK million	Note	2009 Jan 1–Mar 31	2008 Jan 1–Mar 31	2008 full year	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4
Sweden										
Mobile	12	143	112	900	143	93	46	649	112	132
Fixed broadband		48	102	252	48	62	40	48	102	127
Fixed telephony		16	27	75	16	32	5	11	27	19
Other operations		12	15	71	12	18	8	30	15	39
		219	256	1,298	219	205	99	738	256	317
Norway										
Mobile		1	9	6	1	2	1	-6	9	2
Fixed broadband		1	5	24	1	10	6	3	5	20
Fixed telephony		-	-	2	-	1	1	-	-	-
		2	14	32	2	13	8	-3	14	22
Russia										
Mobile		555	246	1,699	555	613	498	342	246	352
		555	246	1,699	555	613	498	342	246	352
Estonia										
Mobile		45	39	194	45	65	46	44	39	43
		45	39	194	45	65	46	44	39	43
Lithuania										
Mobile		41	27	107	41	38	21	21	27	22
Fixed broadband		1	1	5	1	2	1	1	1	1
		42	28	112	42	40	22	22	28	23
Latvia										
Mobile		69	47	214	69	65	47	55	47	33
		69	47	214	69	65	47	55	47	33
Croatia										
Mobile		52	40	235	52	91	68	36	40	124
		52	40	235	52	91	68	36	40	124
France										
Mobile		-	-	-	-	-	-1	1	-	3
		-	-	-	-	-	-1	1	-	3
Netherlands										
Mobile		2	2	12	2	7	1	2	2	-
Fixed broadband		139	88	392	139	113	98	93	88	110
Fixed telephony		14	10	40	14	11	10	9	10	2
Other operations		10	7	30	10	8	8	7	7	7
		165	107	474	165	139	117	111	107	119
Germany										
Fixed broadband		-	11	5	-	-6	1	-1	11	11
Fixed telephony		-	1	2	-	-	1	-	1	-
		-	12	7	-	-6	2	-1	12	11
Austria										
Fixed broadband		6	19	99	6	51	15	14	19	29
Fixed telephony		4	13	48	4	27	6	2	13	32
Other operations		2	5	33	2	20	4	4	5	18
		12	37	180	12	98	25	20	37	79
Other										
Other operations		7	11	36	7	5	10	10	11	25
		7	11	36	7	5	10	10	11	25
TOTAL										
Mobile	12	908	522	3,367	908	974	727	1,144	522	711
Fixed broadband		195	226	777	195	232	161	158	226	298
Fixed telephony		34	51	167	34	71	23	22	51	53
Other operations		31	38	170	31	51	30	51	38	89
TOTAL CONTINUING OPERATIONS		1,168	837	4,481	1,168	1,328	941	1,375	837	1,151
Discontinued operations	9	-	51	142	-	10	35	46	51	279
TOTAL OPERATIONS		1,168	888	4,623	1,168	1,338	976	1,421	888	1,430

CAPEX, cont.

SEK million	Note	2009 Jan 1–Mar 31	2008 Jan 1–Mar 31	2008 full year	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4
ADDITIONAL CASH FLOW INFORMATION										
CAPEX according to cash flow statement		1,149	999	4,608	1,149	1,233	930	1,446	999	1,315
This year unpaid CAPEX and paid CAPEX from previous year										
Continuing operations		-51	-91	-1	-51	87	32	-29	-91	68
Discontinued operations	9	-	-28	-21	-	-	9	-2	-28	45
Sales price in cash flow statement										
Continuing operations		70	8	37	70	18	5	6	8	1
Discontinued operations	9	-	-	-	-	-	-	-	-	1
CAPEX according to balance sheet		1,168	888	4,623	1,168	1,338	976	1,421	888	1,430

Key ratios

SEK million	2009 Jan 1-Mar 31	2008 Jan 1-Mar 31	2008	2007	2006	2005
CONTINUING OPERATIONS						
Net sales	10,120	9,527	39,505	40,056	39,401	34,410
Number of customers (by thousands)	24,466	23,129	24,486	23,221	24,025	21,017
EBITDA	2,227	1,660	8,175	6,320	5,390	4,948
EBIT	1,329	813	2,851	1,337	181	2,419
EBT	737	785	1,838	606	-384	1,977
Net profit/loss	464	701	1,718	-382	-697	1,435
KEY RATIOS						
EBITDA margin, %	22.0	17.4	20.6	15.7	13.7	14.4
EBIT margin, %	13.1	8.5	7.2	3.3	0.5	7.0
VALUE PER SHARE (SEK)						
Earnings	1.04	1.55	3.82	-0.63	-1.29	3.25
Earnings after dilution	1.03	1.55	3.82	-0.63	-1.29	3.25
TOTAL (INCLUDING DISCONTINUED OPERATIONS)						
Shareholders' equity	28,746	27,173	28,201	26,849	29,123	35,368
Shareholders' equity after dilution	28,746	27,210	28,211	26,893	29,137	35,401
Total assets	46,261	48,351	47,133	48,648	66,164	68,291
Cash flow from operating activities	1,831	1,507	7,896	4,350	3,847	5,487
Cash flow after CAPEX	682	508	3,288	-819	-1,673	1,847
Available liquidity	10,147	26,134	17,248	25,901	5,963	8,627
Net debt	4,433	4,935	4,952	5,198	15,311	11,839
Investments in intangible and tangible assets, CAPEX	1,168	888	4,623	5,198	5,365	3,750
Investments in shares and long-term receivables, net	-265	310	-1,928	-11,444	1,616	7,953
KEY RATIOS						
Equity/assets ratio, %	62	56	60	55	44	52
Debt/equity ratio, multiple	0.15	0.18	0.18	0.19	0.53	0.33
Return on shareholders' equity, %	9.0	10.9	8.8	-6.0	-11.3	6.9
Return on shareholders' equity after dilution, %	9.0	10.9	8.8	-6.0	-11.3	6.9
Return on capital employed, %	18.6	10.5	12.8	1.6	-5.5	8.3
Average interest rate, %	7.2	5.9	6.2	5.2	4.2	3.7
VALUE PER SHARE (SEK)						
Earnings	1.45	1.66	5.44	-3.75	-8.14	5.30
Earnings after dilution	1.45	1.66	5.43	-3.75	-8.14	5.29
Shareholders' equity	65.16	61.00	63.47	60.31	64.85	78.96
Shareholders' equity after dilution	65.07	61.03	63.44	60.34	64.84	78.93
Cash flow from operating activities	4.16	3.39	17.80	9.78	8.66	12.39
Dividend, ordinary			3.50 ¹⁾	3.15	1.83	1.75
Extraordinary dividend			1.50 ¹⁾	4.70	-	-
Market price at closing day	69.50	112.25	69.00	129.50	100.00	85.25

¹⁾ Proposed dividend

Parent company

INCOME STATEMENT

SEK million	2009 Jan 1-Mar 31	2008 Jan 1-Mar 31
Net sales	10	8
Administrative expenses	-22	-13
Operating profit/loss, EBIT	-12	-5
Exchange rate difference on financial items	-132	145
Net interest expenses and other financial items	-27	52
Profit/loss after financial items, EBT	-171	192
Tax on profit/loss	-162	-52
NET PROFIT/LOSS	-333	140

BALANCE SHEET

SEK million	Note	Mar 31, 2009	Dec 31, 2008
ASSETS			
FIXED ASSETS			
Financial assets		35,095	35,529
FIXED ASSETS		35,095	35,529
CURRENT ASSETS			
Current receivables		23	64
Cash and cash equivalents		2	2
CURRENT ASSETS		25	66
ASSETS		35,120	35,595
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Restricted equity	8	17,460	17,460
Unrestricted equity	8	10,844	11,185
SHAREHOLDERS' EQUITY	8	28,304	28,645
LONG-TERM LIABILITIES			
Interest-bearing liabilities		6,340	2,606
LONG-TERM LIABILITIES		6,340	2,606
SHORT-TERM LIABILITIES			
Interest-bearing liabilities		378	4,244
Non-interest-bearing liabilities		98	100
SHORT-TERM LIABILITIES		476	4,344
EQUITY AND LIABILITIES		35,120	35,595

Notes

ACCOUNTING PRINCIPLES AND DEFINITIONS

For the Group, the interim report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act, and for the parent company in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2.1 Reporting for legal entities and its statements.

Accounting principles applied to segments are the same as the ones applied for the consolidated financial statements.

From Q1 2009, divested operations up to 2007 which have not previously been reported as discontinued operations is reported in the segment Other. Previous periods have been adjusted retroactively.

Tele2 has, in all other respects, presented its interim report in accordance with the accounting principles and calculation methods used in the 2008 Annual Report. Definitions are found in the 2008 Annual Report.

NOTE 1 NET SALES

In Q1 2009, net sales for fixed broadband in Netherlands were increased by SEK 50 million related to settlement of disputes with another operator.

In Q4 2008, net sales in Sweden were reduced by SEK 32 million related to interconnect disputes with TeliaSonera and a number of other operators. The amount is reported as a one-off item. In Q3 2008, net sales in Sweden were reduced by SEK 58 million due to a revaluation regarding Tele2's claim on TeliaSonera concerning a number of disputes. The amount is reported as a one-off item and concerns the interconnect disputes between the years 2000–2004. In Q4 2007, net sales in Sweden were reduced by SEK 200 million concerning these disputes and were reported as a one-off item. In Q1 2008, the Supreme Administrative Court decided to refuse appeal in one of the disputes hence from a cash flow view Tele2 has paid SEK 533 million to TeliaSonera in Q2 2008. Decision by the district court in the case of Tele2's claims on TeliaSonera is expected in 2010.

Net sales were negatively impacted in Q1 2008 by SEK 61 million in the Austrian fixed broadband operations due to revaluation of reserves.

NOTE 2 OPERATING EXPENSES

In Q1 2009 Netherlands was negatively affected by SEK 38 million concerning retroactive price adjustments related to network costs mainly related to fixed broadband.

In Q4 2008 fixed telephony in Germany was positively affected by SEK 26 million concerning a final settlement in the dispute with Deutsche Post and negatively by SEK 23 million related to other disputes. The dispute with Deutsche Post was reported as a negative effect of SEK 52 million in Q1 2008.

In Q3 2008 Netherlands was positively affected by SEK 63 million concerning a settlement with Versatel AG/APAX mainly related to the valuation of stock options for tax purposes. The amount is reported as a one-off item. In Q4 2007 the costs for the Netherlands were increased by SEK 124 million following The Supreme Court in The Hague ruled negatively on Tele2 Netherlands Holding N.V.'s (formerly Versatel) appeal regarding the dispute with the tax authorities about the valuation of the stock options for tax purposes. The amount was reported as one-off items.

In Q4 2007 EBITDA was effected negatively by SEK 34 million, attributable to the fixed telephony and fixed broadband operation in Austria, due to revaluation of reserves.

DEPRECIATION/AMORTIZATION AND IMPAIRMENT

In Q4 2008 Sweden recognized impairment losses on fixed assets of SEK 70 million mainly related to the cable TV network.

In Q3 2008 Tele2 recognized goodwill impairment losses of SEK 783 million, related to operations stated below, impairment loss of SEK 46 million related to customer agreements in Austria and SEK 114 million attributable to impairment loss of central IT-systems in Sweden.

Due to the existing severe competitive market situation for broadband in Germany, in Q2 2008 Tele2 performed an impairment test that resulted in reported impairment losses in the quarter related to goodwill SEK 183 million and in investment in joint venture Plusnet of SEK 555 million. Impairment of goodwill is stated below.

SEK million	2008 Full year	2008 Q4	2008 Q3	2008 Q2	2007 Q4
Austria	-799	-16	-783	-	-1
Germany	-187	-3	-1	-183	-2
Netherlands	-	-	-	-	-1
	-986	-19	-784	-183	-4
Divested operations					
Belgium	-	-	-	-	-1
Total impairment of goodwill	-986	-19	-784	-183	-5

NOTE 3 SALE OF OPERATIONS, PROFIT

Tele2 has reported the following capital gains from the divestment of operations.

SEK million	2008 Full year	2008 Q4	2008 Q3	2008 Q1	2007 Q4
MVNO operations Austria	49	10	-	39	-
Irkutsk, Russia	-	-	-	-	11
Denmark	15	15	-	-	9
Hungary	5	5	-	-	17
Belgium	58	8	1	49	-
Uni2 Denmark	-5	-3	-	-2	6
Portugal	3	3	-	-	-3
Total	125	38	1	86	40

NOTE 4 SALE OF OPERATIONS, LOSS

Tele2 has reported the following capital losses from the divestment of operations.

SEK million	2009 Q1	2008 Full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4
Alpha Telecom/ Calling Card company	-	-13	-1	-12	-	-	-99
3C Communications	-2	1	-	1	-	-	-3
Datamatrix Norway	-	-1	-	1	1	-3	-
Portugal	-	-	10	-10	-	-	-
Other	-2	-	-	-	-	-	-26
Total	-4	-13	9	-20	1	-3	-128

NOTE 5 CONTINGENT LIABILITIES

SEK million	2009 Mar 31	2008 Dec 31
Tax dispute S.E.C. SA liquidation	4,353	4,563
Guarantee related to joint ventures		
- Svenska UMTS-nät, Sweden	1,996	2,021
- Mobile Norway, Norway	36	33
Other commitments	-	1
Total contingent liabilities	6,385	6,618

On January 27, 2009, the County Administrative Court declined Tele2's claim for a tax deduction of SEK 13.9 billion corresponding to a tax effect, excluding interest, of SEK 3.9 billion related to the S.E.C. tax dispute of which SEK 186 million has been expensed in Q1 2009. In the quarter the County Administrative Court's ruling has been appealed to the Administrative Court of Appeal. The interest is estimated to amount to SEK 630 million at March 31, 2009 and SEK 653 million at December 31, 2008. The tax dispute is presented in detail in Note 15 of the 2008 Annual Report. Please refer to Note 7 regarding reported tax cost in Q1 2009.

Additional contractual commitments and liabilities related to the joint venture Plusnet and Mobile Norway are stated in Note 32 in the Annual Report for 2008.

NOTE 6 OTHER OPERATING INCOME AND EXPENSES

OTHER OPERATING INCOME

SEK million	2009 Q1	2008 Full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1
Service contracts and sales of capacity to sold operations	92	334	74	77	82	101
Other	56	117	71	21	11	14
Total other operating income	148	451	145	98	93	115

OTHER OPERATING EXPENSES

SEK million	2009 Q1	2008 Full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1
Service contracts and sales of capacity to sold operations	-58	-288	-64	-74	-70	-80
Other	-41	-52	-25	-13	-4	-10
Total other operating expenses	-99	-340	-89	-87	-74	-90

NET

SEK million	2009 Q1	2008 Full year	2008 Q4	2008 Q3	2008 Q2	2008 Q1
Service contracts and sales of capacity to sold operations	34	46	10	3	12	21
Other	15	65	46	8	7	4
Total	49	111	56	11	19	25

NOTE 7 TAXES

In Q1 2009 SEK 186 million as well as SEK 10 million have been expensed regarding the S.E.C. dispute and other tax disputes respectively. Total tax and interest paid in Q1 2009, related to tax disputes, amount to SEK 395 million out of which SEK 163 million have already been provisioned for in 2005. The tax dispute is presented in Note 15 of the 2008 Annual Report.

In Q4 2008, a revaluation of deferred tax assets was reported negatively affecting the income statement by a net of SEK 143 million due to reduced income tax rates in Sweden and Russia.

The tax cost has during 2008 been affected positively with SEK 676 million as a result of that write-downs of shares in group companies are tax deductible in the legal entity in Luxembourg and no temporary differences exist relating to these investments.

In Q3 2008 net taxes has been positively affected by SEK 102 million as a result of valuation of deferred tax assets related to continued improved earnings in Russia.

NOTE 8 SHARES AND CONVERTIBLES

The Board and CEO propose to the Annual General Meeting to resolve on an ordinary dividend of SEK 3.50 per share and an extraordinary dividend of SEK 1.50 per share to be paid to the shareholders, corresponding to SEK 1,541 million and SEK 661 million respectively and totalling SEK 2,202 million at March 31, 2009.

In Q3 2008 Tele2 has repurchased own shares of Series B of 4,500,000, corresponding to 1 percent of all shares in Tele2, for a cost of SEK 462 million. The Board of Directors will propose to cancel the repurchased shares at the next Annual General Meeting.

INCENTIVE PROGRAM 2008-2011

Number of rights	2009 Jan 1-Mar 31	Cumulative from start
Allocated May 30, 2008		384,400
Allocated October 24, 2008		56,000
Allocated December 19, 2008		186,872
Total allocated		627,272
Outstanding as of January 1, 2009	611,272	
Forfeited	-8,000	-24,000
Total outstanding rights	603,272	603,272

Value reduction parameter for market condition is evaluated to be 50 percent at March 31, 2009.

INCENTIVE PROGRAM 2007-2012

Number of options	2009 Jan 1-Mar 31	Cumulative from start
Allocated August 28, 2007		3,552,000
Outstanding as of January 1, 2009	2,823,000	
Forfeited	-21,000	-750,000
Total outstanding stock options	2,802,000	2,802,000

The exercise price has been adjusted from SEK 130.20 to SEK 125.50 due to a compensation for the extra ordinary dividend paid during 2008.

INCENTIVE PROGRAM 2006-2011

Number of options	Stock options		Warrants	
	2009 Jan 1-Mar 31	Cumulative from start	2009 Jan 1-Mar 31	Cumulative from start
Allocated March 6, 2006		1,504,000		752,000
Outstanding as of January 1, 2009	934,000		637,000	
Forfeited	-	-570,000	-	-115,000
Total outstanding	934,000	934,000	637,000	637,000

NOTE 9 BUSINESS ACQUISITIONS AND DIVESTMENTS

Acquisitions and divestments of shares and participations affecting cash flow are the following.

SEK million	2009 Jan 1–Mar 31
Acquisitions	
Sweden	-70
Netherlands, minority interest	-5
Other	-30
	-105
Capital contribution to joint venture companies	46
	46
Total acquisitions	-59
Divestments	
Settlements of previous years' discontinued operations	-30
Settlements of previous years' other divestments	-8
Total divestments	-38
TOTAL CASH FLOW EFFECT	-97

ACQUISITIONS

Netherlands

During 2009 Tele2 increased its shares in Tele2 Netherlands (formerly Versatel) by an additional 0.05 percent and is now holding 99.71 percent of the shares. The purchase price amounted to SEK 5 million.

Other acquisitions

During 2009 Tele2 has made capital contribution to the joint venture company Spring mobil of a total of SEK 2 million. During 2009 the joint venture company Plusnet made a repayment of SEK 48 million, regarding previous contributed capital

SEK 30 million was paid during 2009 regarding the acquisition of Kaliningrad during 2008.

Net assets at the time of acquisition

Assets, liabilities and contingent liabilities included in the acquired operations are stated below.

SEK million	Swefour, Sweden		Fair value
	Reported value at the time of the acquisition	Adjustment to fair value	
Licenses	4	90	94
Deferred tax liabilities	-	-24	-24
Net acquired assets	4	66	70
Goodwill			-
Purchase price shares			70
NET EFFECT ON GROUP CASH ASSETS			70

The information above are to be viewed as preliminary, since the valuation of acquired assets has not been finalized, as the acquisition date is close to the end of the reporting date.

DIVESTMENTS

Discontinued operations

Discontinued operations include settlements of sales costs and price adjustments for discontinued operations during 2008, of which SEK 189 million in income statement refer to a positive outcome from a dispute in the divested operation in Switzerland which according to the sales agreement will be in the favour of Tele2. The amount has been paid to Tele2 in April 2009.

SEK million	2009 Jan 1–Mar 31
Income statement	
Sale of operations, profit	189
Sale of operations, loss	-5
NET PROFIT/LOSS	184
Earnings per share, SEK	0.41
Earnings per share after dilution, SEK	0.42

SEK million	2009 Jan 1–Mar 31
Cash flow statement	
INVESTING ACTIVITIES	
Sale of shares and participations	-30
NET CHANGE IN CASH AND CASH EQUIVALENTS	-30

For additional information on discontinued operations please refer to the Q4 2008 Interim Report.

Other divestments

Other cash flow changes include settlements of sales costs and price adjustments in the amount of SEK -8 million, for divestments during 2008.

NOTE 10 TRANSACTIONS WITH RELATED PARTIES

Apart from transactions with Transcom no other significant related party transactions have been carried out during 2009. Related parties are presented in Note 39 of the 2008 Annual Report.

NOTE 11 NUMBER OF CUSTOMERS

In Q4 2008, Tele2 decided to change its method for calculating the number of customers in the open-call-by-call service in its German fixed telephony base. The one-time effect was an increase of 211,000 in the reported customer base in Germany.

NOTE 12 CAPEX

In Q2 2008 Tele2 Sweden was awarded 4G/LTE (Long Term Evolution) 2.6 GHz spectrum. The payment for the license affected CAPEX by SEK 549 million.