



**This is a joint press release of Versatel Telecom International N.V. ("Versatel"), Tele2 Finance B.V. ("Tele2") and funds advised by Apax Partners ("Apax") in relation to the recommended cash offer for the shares and convertible notes in Versatel. Not for release, publication or distribution, in whole or in part, in or into Australia, Canada, Italy or Japan.**

**PRESS RELEASE**

**14 OCTOBER 2005**

**ANNOUNCEMENT OF FIRST SETTLEMENT OF OFFERS ON SHARES AND BONDS**

Further to the earlier press releases of 18 July 2005, 17 August 2005, 8 September 2005 and 13 September 2005 by Tele2, Apax and Versatel, the press release of 10 October 2005 by Tele2 and Apax, as well as to the offer memorandum of 14 September 2005, Tele2, Apax and Versatel announce that a total of 387,423,035 ordinary shares in the capital of Versatel ("**Shares**") have been delivered to Tele2 as a result of the offer for all ordinary shares and a total of 1,250 3.875 per cent. convertible senior notes due 2011 convertible into ordinary shares in the capital of Versatel ("**Bonds**") have been delivered to Tele2 as a result of the settlement of the offer for all of the Bonds. Consequently, Tele2 now holds 74% of the issued and outstanding share capital of Versatel which, upon conversion of all the Bonds should all Bonds be converted into Shares, would be increased to approximately 77.25 per cent. of the consequently diluted share capital of Versatel.

Apax and Versatel furthermore announce that they have completed the sale and transfer of Versatel Deutschland Holding GmbH to Ganymed 345.VV GmbH, a wholly owned subsidiary of Apax Europe VI-A, L.P.

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This press release is a public announcement as meant within article 9b paragraph 1 of the Bte 1995.

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