

Press Release

June 10, 2004

TeliaSonera's cash offer for Eesti Telekom will not be implemented

The offer by TeliaSonera AB to purchase all shares of AS Eesti Telekom not already owned by TeliaSonera, has not been accepted to such extent that TeliaSonera holds at least 85 percent of the shares in Eesti Telekom. Therefore the offer will not be implemented.

"Taking into account the relative high valuation of Eesti Telekom, both in relation to Central and Eastern European incumbents and Western European incumbents and relative to the company's growth prospects, the offer price is fair. Increasing the offer price was never an option, since TeliaSonera is not prepared to overpay", says Kenneth Karlberg, President, TeliaSonera Norway, Denmark & the Baltics.

The respective account operators and the Estonian Central Register of Securities will annul the transaction instructions of each accepting shareholder.

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The full terms and conditions of the offer mentioned in this press release will be set out in the prospectus detailing this offer to be published after its approval by the Estonian Financial Supervision Authority and, in the case of relevant global depository receipt ("GDR") holders of AS Eesti Telekom, the instructions which will be made available by Baltic Tele AB to such GDR holders on how this offer may be accepted by them. Relevant holders of shares or GDRs of AS Eesti Telekom may rely only on such prospectus and instructions for all the terms and conditions of this offer.

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The availability of the offer mentioned in this press release may be affected by the laws of jurisdictions in addition to those mentioned above and holders of shares or global depository receipts of AS Eesti Telekom must inform themselves about and observe any such restrictions.

<p>TeliaSonera is the leading telecommunications company in the Nordic and Baltic regions. At the end of December 2003 TeliaSonera had 11,957,000 mobile customers (37,610,000 incl associated companies) and 8,061,000 fixed customers (9,160,000 incl associated companies) and 1,631,000 internet customers (1,691,000 incl associated companies). Outside the home markets TeliaSonera has extensive interests in the growth markets in Russia, Turkey and Eurasia. TeliaSonera is listed on the Stockholm Exchange, the Helsinki Exchanges and the Nasdaq Stock Market in the USA. Pro forma net sales January-December 2003 amounted to SEK 81.7 billion (EUR 9.01 billion). The number of employees was 26,694.</p>
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