



FOR IMMEDIATE RELEASE

March 19, 2004

TELE2 ISSUES FINANCIAL INFORMATION ACCORDING TO ITS NEW MARKET AREA STRUCTURE

New York and Stockholm – Tele2 AB, (“Tele2”), (Nasdaq Stock Market: TLTOA and TLTOB and Stockholmsbörsen: TEL2A and TEL2B), the leading alternative pan-European telecommunications company, today issues financial information for the past six quarters, further to its previously communicated intention to provide financial information according to its new market area structure. The information includes net customer intake, revenue, EBITDA, EBIT and investments.

The new structure, announced in September 2003, was effective January 1, 2004. Tele2 will release its financial and operating results for the first quarter 2004 on April 21, 2004.

For full details and information regarding Tele2’s results, please refer to the fourth quarter and full year financial report for 2003, released on February 9, 2004.

Tele2 AB, formed in 1993, is the leading profitable alternative pan-European telecommunications company offering fixed and mobile telephony, data network and Internet services under the brands Tele2, Tango and Comviq to 22.3 million people in 23 countries. Tele2 operates Datamatrix, which specializes in systems integration, 3C Communications, providing integrated credit card processing, web payment solutions and public payphones; Transac, providing billing and transaction processing service; C³, offering co-branded pre-paid calling cards and Optimal Telecom, the price-guaranteed residential router device. The Group offers cable television services and, together with MTG, owns the Internet portal Everyday.com. The Company is listed on the Stockholmsbörsen, under TEL2A and TEL2B, and on the Nasdaq Stock Market under TLTOA and TLTOB.

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OLD MARKET AREA STRUCTURE

Nordic:

Sweden (including Optimal Telecom), Norway, Denmark, Finland, Datamatrix, ProcureITright

Eastern Europe and Russia:

Estonia, Latvia, Lithuania, Russia, Poland, Czech Republic, X-Source

Central Europe:

Germany, The Netherlands, Switzerland, Austria, Ireland

Southern Europe:

France, Italy, Spain, Portugal

Luxembourg:

Luxembourg (including Tango), Liechtenstein, Belgium, 3C, Transac

Branded Products and Services:

U.K., Calling Card Company (C³), Everyday

NEW MARKET AREA STRUCTURE

Nordic:

Sweden (including Optimal Telecom), Norway, Denmark, Finland, Datamatrix

The Baltics and Russia:

Estonia, Latvia, Lithuania, Russia

Central Europe:

Germany, Austria, Poland, Czech Republic

Southern Europe:

France, Italy, Spain, Switzerland, Portugal, U.K., Ireland, Calling Card Company (C³)

Benelux:

The Netherlands, Luxembourg (including Tango), Liechtenstein, Belgium, Transac

Services:

3C, ProcureITright, X-Source

NUMBER OF CUSTOMERS (in thousands)

Number of customers				Net intake								
				2003	2003	2003	2003	2002	2002			
				Dec 31	Dec 31	Change	Q4	Q3	Q2	Q1	Q4	Q3
<u>Nordic</u>												
Mobile telephony				3,600	3,221	12%	45	68	182	84	134	149
Fixed telephony and Internet	Note 1			2,942	2,822	4%	14	36	8	62	-406	-89
Cable TV				178	209	-15%	-13	5	-11	-12	13	4
				6,720	6,252	7%	46	109	179	134	-259	64
<u>The Baltics and Russia</u>												
Mobile telephony				2,204	1,366	61%	377	218	181	62	191	104
Fixed telephony and Internet				57	61	-7%	-	-1	-2	-1	-2	2
Cable TV				66	64	3%	2	-1	1	-	1	-
				2,327	1,491	56%	379	216	180	61	190	106
<u>Central Europe</u>												
Mobile telephony				50	-	-	15	15	11	9	-	-
Fixed telephony and Internet				3,419	1,817	88%	582	512	263	245	43	11
				3,469	1,817	91%	597	527	274	254	43	11
<u>Southern Europe</u>												
Mobile telephony				40	49	-18%	1	2	1	-13	19	-
Fixed telephony and Internet				7,447	5,545	34%	749	631	256	266	162	227
				7,487	5,594	34%	750	633	257	253	181	227
<u>Benelux</u>												
Mobile telephony				528	403	31%	18	36	27	44	54	46
Fixed telephony and Internet				1,775	1,207	47%	142	116	146	164	76	-26
				2,303	1,610	43%	160	152	173	208	130	20
Total number of customers				22,306	16,764	33%	1,932	1,637	1,063	910	285	428
BY BUSINESS AREA												
Mobile telephony				6,422	5,039	27%	456	339	402	186	398	299
of which prepaid				4,598	3,363	37%	351	312	375	197	281	379
Fixed telephony and Internet	Note 1			15,640	11,452	37%	1,487	1,294	671	736	-127	125
Cable TV				244	273	-11%	-11	4	-10	-12	14	4
Total number of customers				22,306	16,764	33%	1,932	1,637	1,063	910	285	428

MARKET AREAS SPLIT BY BUSINESS AREAS (MSEK)

		<u>OPERATING REVENUE</u>						
		2003	2002	2003	2003	2003	2003	2002
		Full year	Full year	Q4	Q3	Q2	Q1	Q4
								Q3
<u>Nordic</u>								
Mobile telephony	Note 2	7,330	6,872	1,839	1,943	1,861	1,687	1,806
Fixed telephony and Internet		6,310	6,557	1,627	1,551	1,575	1,557	1,560
Cable TV		207	222	53	53	50	51	60
Other		281	320	83	69	66	63	85
Adjustments mobile Sweden	Note 2	-374	237	-374	-	-	-	-
Adjustments for internal sales		-812	-651	-250	-189	-186	-187	-148
		12,942	13,557	2,978	3,427	3,366	3,171	3,459
								3,321
<u>The Baltics and Russia</u>								
Mobile telephony		2,600	2,068	713	723	622	542	549
Fixed telephony and Internet		106	91	27	25	30	24	24
Cable TV		26	26	7	6	7	6	7
Other		-	-	-	-	-	-	-
Adjustments for internal sales		-8	-8	-2	-2	-2	-2	-2
		2,724	2,177	745	752	657	570	578
								578
<u>Central Europe</u>								
Mobile telephony		58	-	25	15	12	6	-
Fixed telephony and Internet		3,863	2,781	1,171	993	862	837	771
Adjustments for internal sales		-480	-316	-125	-119	-115	-121	-112
		3,441	2,465	1,071	889	759	722	659
								609
<u>Southern Europe</u>								
Mobile telephony		32	30	7	9	8	8	10
Fixed telephony and Internet		14,563	10,746	3,949	3,527	3,671	3,416	3,116
Adjustments for internal sales		-736	-483	-248	-195	-167	-126	-145
		13,859	10,293	3,708	3,341	3,512	3,298	2,981
								2,495
<u>Benelux</u>								
Mobile telephony		943	650	266	264	221	192	195
Fixed telephony and Internet		2,834	2,055	798	717	684	635	577
Cable TV		11	2	2	3	3	3	1
Other		21	66	-2	6	7	10	30
Adjustments for internal sales		-105	-104	-36	-24	-23	-22	-28
		3,704	2,669	1,028	966	892	818	775
								664
<u>Services</u>								
Fixed telephony and Internet		127	75	91	11	11	14	20
Other		258	157	86	60	57	55	59
Adjustments for internal sales		-144	-111	-51	-32	-29	-32	-40
		241	121	126	39	39	37	39
								28
Total operating revenue		36,911	31,282	9,656	9,414	9,225	8,616	8,491
								7,695
<u>BY BUSINESS AREA</u>								
Mobile telephony	Note 2	10,963	9,620	2,850	2,954	2,724	2,435	2,560
Fixed telephony and Internet		27,803	22,305	7,663	6,824	6,833	6,483	6,164
Cable TV		244	250	62	62	60	60	68
Other		560	543	167	135	130	128	174
Adjustments mobile Sweden	Note 2	-374	237	-374	-	-	-	-
Adjustments for internal sales		-2,285	-1,673	-712	-561	-522	-490	-475
		36,911	31,282	9,656	9,414	9,225	8,616	8,491
								7,695

MARKET AREAS SPLIT BY BUSINESS AREAS (MSEK), continued

		EBITDA							
		2003	2002	2003	2003	2003	2003	2002	2002
		Full year	Full year	Q4	Q3	Q2	Q1	Q4	Q3
<u>Nordic</u>									
Mobile telephony	Note 2	3,299	3,339	806	909	821	763	894	955
Fixed telephony and Internet		896	1,188	211	236	199	250	347	281
Cable TV		40	32	9	14	9	8	11	13
Other		-	9	2	-1	1	-2	1	2
Adjustments mobile Sweden	Note 2	-374	237	-374	-	-	-	-	-
		3,861	4,805	654	1,158	1,030	1,019	1,253	1,251
<u>The Baltics and Russia</u>									
Mobile telephony		809	611	159	221	211	218	131	193
Fixed telephony and Internet		-8	-8	-13	8	-4	1	-1	-4
Cable TV		-1	-1	-	-	1	-2	-1	-
Other		-	-	-	-	-	-	-	-
		800	602	146	229	208	217	129	189
<u>Central Europe</u>									
Mobile telephony		-53	-13	-13	-12	-15	-13	-13	-
Fixed telephony and Internet		-250	-218	7	-95	-83	-79	-43	-62
		-303	-231	-6	-107	-98	-92	-56	-62
<u>Southern Europe</u>									
Mobile telephony		-4	-2	-1	-1	-	-2	-1	-
Fixed telephony and Internet		1,100	-46	160	289	353	298	174	30
		1,096	-48	159	288	353	296	173	30
<u>Benelux</u>									
Mobile telephony		153	-10	67	42	32	12	13	14
Fixed telephony and Internet		89	49	36	19	13	21	37	13
Cable TV		-9	-29	-3	-3	-1	-2	-7	-8
Other		-10	-21	-9	-1	1	-1	-4	-6
		223	-11	91	57	45	30	39	13
<u>Services</u>									
Fixed telephony and Internet		12	-11	11	1	-3	3	-3	-4
Other		21	21	2	9	3	7	14	5
		33	10	13	10	-	10	11	1
Total EBITDA		5,710	5,127	1,057	1,635	1,538	1,480	1,549	1,422
BY BUSINESS AREA									
Mobile telephony	Note 2	4,204	3,925	1,018	1,159	1,049	978	1,024	1,162
Fixed telephony and Internet		1,839	954	412	458	475	494	511	254
Cable TV		30	2	6	11	9	4	3	5
Other		11	9	-5	7	5	4	11	1
Adjustments mobile Sweden	Note 2	-374	237	-374	-	-	-	-	-
Total EBITDA		5,710	5,127	1,057	1,635	1,538	1,480	1,549	1,422
EBITDA MARGIN									
Nordic	Note 2	30%	35%	22%	34%	31%	32%	36%	38%
The Baltics and Russia		29%	28%	20%	30%	32%	38%	22%	33%
Central Europe		-9%	-9%	-1%	-12%	-13%	-13%	-8%	-10%
Southern Europe		8%	0%	4%	9%	10%	9%	6%	1%
Benelux		6%	0%	9%	6%	5%	4%	5%	2%
Services		14%	8%	10%	26%	0%	27%	28%	4%
Total EBITDA margin		15%	16%	11%	17%	17%	17%	18%	18%

MARKET AREAS SPLIT BY BUSINESS AREAS (MSEK), continued

		EBIT							
		2003	2002						
		Full year	Full year	2003	2003	2003	2003	2002	2002
				Q4	Q3	Q2	Q1	Q4	Q3
<u>Nordic</u>									
Mobile telephony	Note 2, 3	2,875	2,548	689	806	717	663	393	855
Fixed telephony and Internet	Note 3	392	711	18	140	94	140	222	170
Cable TV		-21	-32	-6	-1	-6	-8	-5	-4
Other		-9	1	-1	-2	-1	-5	-2	1
Adjustments mobile Sweden	Note 2	-374	237	-374	-	-	-	-	-
		2,863	3,465	326	943	804	790	608	1,022
<u>The Baltics and Russia</u>									
Mobile telephony		454	272	61	146	104	143	30	121
Fixed telephony and Internet		-9	-13	-13	6	-2	-	-2	-6
Cable TV		-10	-13	-2	-1	-3	-4	-5	-4
Other		-	-	-	-	-	-	-	-
		435	246	46	151	99	139	23	111
<u>Central Europe</u>									
Mobile telephony		-61	-14	-15	-14	-17	-15	-14	-
Fixed telephony and Internet		-414	-312	-37	-137	-124	-116	-80	-79
		-475	-326	-52	-151	-141	-131	-94	-79
<u>Southern Europe</u>									
Mobile telephony		-4	-2	-1	-	-1	-2	-1	-
Fixed telephony and Internet		932	-202	121	248	313	250	136	-18
		928	-204	120	248	312	248	135	-18
<u>Benelux</u>									
Mobile telephony		61	-91	43	17	10	-9	-7	-8
Fixed telephony and Internet	Note 3	-17	14	-45	14	6	8	28	5
Cable TV		-15	-34	-5	-3	-4	-3	-8	-11
Other		-16	-24	-11	-1	-	-4	-5	-5
		13	-135	-18	27	12	-8	8	-19
<u>Services</u>									
Fixed telephony and Internet		7	-20	8	1	-4	2	-4	-8
Other		1	10	-4	3	-	2	17	1
		8	-10	4	4	-4	4	13	-7
Group adjustments, depreciation	Note 3	-1,888	-1,506	-740	-387	-388	-373	-378	-378
Total EBIT		1,884	1,530	-314	835	694	669	315	632
BY BUSINESS AREA									
Mobile telephony	Note 2, 3	3,325	2,713	777	955	813	780	401	968
Fixed telephony and Internet	Note 3	891	178	52	272	283	284	300	64
Cable TV		-46	-79	-13	-5	-13	-15	-18	-19
Other		-24	-13	-16	-	-1	-7	10	-3
Adjustments mobile Sweden	Note 2	-374	237	-374	-	-	-	-	-
Group adjustments, depreciation	Note 3	-1,888	-1,506	-740	-387	-388	-373	-378	-378
Total EBIT		1,884	1,530	-314	835	694	669	315	632
EBIT MARGIN									
Nordic	Note 2, 3	22%	26%	11%	28%	24%	25%	18%	31%
The Baltics and Russia		16%	11%	6%	20%	15%	24%	4%	19%
Central Europe		-14%	-13%	-5%	-17%	-19%	-18%	-14%	-13%
Southern Europe		7%	-2%	3%	7%	9%	8%	5%	-1%
Benelux	Note 3	0%	-5%	-2%	3%	1%	-1%	1%	-3%
Services		3%	-8%	3%	10%	-10%	11%	33%	-25%
Total EBIT margin		5%	5%	-3%	9%	8%	8%	4%	8%

INVESTMENTS (MSEK)

	2003	2002	2003	2003	2003	2003	2002	2002
	Full year	Full year	Q4	Q3	Q2	Q1	Q4	Q3
<u>Market areas</u>								
Nordic	454	901	86	111	122	135	162	202
The Baltics and Russia	908	560	221	234	278	175	221	130
Central Europe	163	182	53	29	48	33	97	34
Southern Europe	134	149	14	29	27	64	30	25
Benelux	155	62	54	18	61	22	-8	22
Services	76	36	55	3	14	4	24	5
Investments in intangible and tangible assets	1,890	1,890	483	424	550	433	526	418
<u>Additional investments, non-cash transactions:</u>								
Finance lease	5	66	5	-	-	-	66	-
Total, CAPEX	1,895	1,956	488	424	550	433	592	418
<u>Business areas</u>								
Mobile telephony	1,250	998	361	279	366	244	308	235
Fixed telephony and Internet	545	794	78	132	165	170	208	150
Cable TV	32	85	1	10	9	12	5	31
Other	63	13	43	3	10	7	5	2
Investments in intangible and tangible assets	1,890	1,890	483	424	550	433	526	418

TELE2 OPERATIONS IN SWEDEN (MSEK)*

* Tele2 Sverige AB and Optimal Telecom AB

		2003	2002	2003	2003	2003	2003	2002	2002
		Full year	Full year	Q4	Q3	Q2	Q1	Q4	Q3
<u>Operating revenue</u>									
Mobile telephony	Note 2	6,626	6,374	1,637	1,748	1,697	1,544	1,657	1,695
Fixed telephony and Internet		3,793	3,925	976	937	950	930	988	913
Cable TV		191	205	50	49	46	46	55	52
Adjustments mobile	Note 2	-374	237	-374	-	-	-	-	-
Total		10,236	10,741	2,289	2,734	2,693	2,520	2,700	2,660
<u>EBITDA</u>									
Mobile telephony	Note 2	3,325	3,409	780	919	857	769	880	954
Fixed telephony and Internet		714	879	174	197	158	185	219	221
Cable TV		35	32	8	13	7	7	11	12
Adjustments mobile	Note 2	-374	237	-374	-	-	-	-	-
Total		3,700	4,557	588	1,129	1,022	961	1,110	1,187
<u>EBITDA margin</u>									
Mobile telephony	Note 2	50%	53%	48%	53%	51%	50%	53%	56%
Fixed telephony and Internet		19%	22%	18%	21%	17%	20%	22%	24%
Cable TV		18%	16%	16%	27%	15%	15%	20%	23%
Total		36%	42%	26%	41%	38%	38%	41%	45%
<u>EBIT</u>									
Mobile telephony	Note 2	2,912	3,021	666	819	757	670	780	855
Fixed telephony and Internet	Note 3	308	523	7	125	75	101	131	135
Cable TV		-23	-29	-6	-1	-8	-8	-4	-3
Adjustments mobile	Note 2	-374	237	-374	-	-	-	-	-
Total		2,823	3,752	293	943	824	763	907	987
<u>EBIT margin</u>									
Mobile telephony	Note 2	44%	47%	41%	47%	45%	43%	47%	50%
Fixed telephony and Internet	Note 3	8%	13%	1%	13%	8%	11%	13%	15%
Cable TV		-12%	-14%	-12%	-2%	-17%	-17%	-7%	-6%
Total		28%	35%	13%	34%	31%	30%	34%	37%

Note 1 Number of customers in Denmark

In Denmark, the reported number of active customers was from quarter 4, 2002 fully adopted to Group definitions. As a result of this and as a one time effect, the number of fixed and Internet customers was adjusted by -461,000 in Q4 2002.

Note 2 Adjustment: Operating revenue

Revenue from mobile telephony is shown as calls are made, which means that sold but not yet used prepaid cards should not be included in revenues. To estimate this, revenues in Sweden have been recognized according to a model that has been used unchanged since the start of Tele2's prepaid telephony in 1997, rather than a system to measure the value of sold but not used prepaid cards. In the latter part of 2003, Comviq brought such a system into use, and it was established that sold but not used prepaid cards have been undervalued by around MSEK -374 in total for the period 1997 through 30 September, 2003, of which MSEK -95 is estimated to have occurred in 2003.

In the first quarter of 2002 Tele2 won a case in the Administrative Court against Telia regarding payment principles for interconnection. The decision was that Telia is liable for payments regarding traffic transited via their network ("Cascade Accounting") at certain tariffs rates. Consequently an amount of approximately MSEK 150 and MSEK 87 is included in operating revenue for mobile telephony in Sweden in the first and second quarter of 2002, respectively. The claim is hereby fully recorded at June 30, 2002. On June 26, 2003, the Administrative Court of Appeal in a final decision made Telia responsible for payment.

Note 3 Adjustment: Operating expenses

As a result of valuation of loss-carry-forwards for some companies in Continental Europe to their full value in Q4 2003, the part of loss carry-forwards that existed when Tele2 acquired SEC and that could have reduced goodwill by MSEK -322, is accounted for as a writedown according to the Swedish Financial Accounting Standards Council's recommendation RR9-Income taxes.

A writedown on fixed assets to a total value of MSEK -225 was made in Q4 2003. The largest element, MSEK -175, relates to the depreciation of an Atlantic undersea cable that Tele2 invested in during the latter part of the 1990's, and is a result of Tele2's assessment of continued overcapacity.

During Q4 2002, Tele2 Norway returned its UMTS licence. The net book value of these capitalized costs was eliminated in its entirety and MSEK -400 was charged against depreciation in the fourth quarter 2002.