



FOR IMMEDIATE RELEASE

Friday, August 4, 2000

NETCOM AB ANNOUNCES STRONG OPERATING RESULTS FOR THE QUARTER ENDED JUNE 30, 2000

INTERIM REPORT JANUARY – JUNE 2000 AND QUARTERLY REPORT: APRIL - JUNE 2000

- **144% Annualized increase in EBIT**
- **76% Annualized increase in EBITDA**
 - **31.1% EBITDA margin (23.5%)**
- **32% Annualized increase in Group Operating Revenue**
- **35% Annualized increase in Subscribers to 5.4 million**
- **Announced SEK27.9 billion Offer for SEC on July 24, 2000**

New York and Stockholm –August 4, 2000 - NetCom AB (“NetCom”, “the Group”) (Nasdaq Stock Market: NECS), the leading provider of telecommunication services in the Nordic countries, the Baltic region and Poland, today announced its consolidated results for the quarter ended June 30, 2000.

Financial Summary for the Six Months ended June 30

MSEK	2000	1999	Change
Operating Revenue	4,855	3,665	32%
Operating Profit			
before depreciation and amortization (i)	1,511	860	76%
after depreciation and amortization (ii)	989	405	144%
Profit after financial items	887	305	191%
Profit after taxes	603	131	360%
Earnings per share (SEK)	5.80	1.26	360%

(i) EBITDA

(ii) EBIT

Lars-Johan Jarnheimer, President and CEO of NetCom AB stated: “NetCom has made an impressive start to the year with strong revenue growth. The Swedish mobile telephony operations continued to make strong progress with Comviq and Tele2Mobil reporting a total of 1.8 million customers. There was a sharp increase in contract customers showing the benefits of bundling fixed and mobile services. The growth in Everyday.com’s internet subscriber base was also good and management continues to focus on encouraging these users to become fixed telephony customers. In Denmark and Norway subscriber growth was particularly promising and this demand has fed through into strong revenue growth. NetCom continues to focus on the demands of a highly competitive market place with our competitive prices underpinning our brand strategy. Tight cost control and increasing efficiencies across the operations enable NetCom to maintain strong margins.”

FINANCIAL AND OPERATING HIGHLIGHTS

- Operating profit, before and after depreciation and amortization, increased by 76% and 144% respectively
- NetCom’s operating revenues were MSEK 4,855 for the six months ended June 30, 2000, an increase of 32% over the same period last year
- The total number of subscribers for the Group at June 30, 2000 was 5,054,000, an increase of 32% over the same period of 1999
- Fixed line operations were launched in Finland in April 2000, commencing with a pre-paid offering for fixed telephony customers
- In April 2000 NetCom announced the launch of mobile telephony services in Norway through Tele2Mobile
- Comviq confirms its position as price leader by reducing its SMS price, on May 12, 2000, to SEK1.45 per message
- Tele2 AB showed an encouraging increase in contract customers in Q2 showing the benefits of bundling fixed and mobile services
- Tele2 AB’s mobile telephony business reported a 7% increase in monthly average revenue per subscriber (ARPU) to SEK 416 and an 14% increase in average airtime usage per month to 132 minutes
- In July NetCom signed a new interconnect agreement with Telia. The agreement will lower the cost of interconnect, and will be back-dated to 1 March 2000. The benefits of the agreement will be seen in Q3.
- On July 24 2000, NetCom AB announced an offer for the total issued share capital of Société Européenne de Communication (“SEC”). The Offer values each SEC B share at SEK 61.04 and values the total issued share capital of SEC at SEK 34.9 billion. Under the Offer shareholders of SEC A shares can elect to receive NetCom B shares instead of NetCom A shares
- On June 15, 2000, NetCom AB announced the appointment of Håkan Zadler as Chief Financial Officer (CFO), effective as of August 2000

OFFER FOR SEC

NetCom AB announced a SEK 27.9 billion Offer for Société Européenne de Communication ("SEC") on July 24, after the reporting period ended. The Board of NetCom believes that the time is right for NetCom to combine with SEC. The Offer, if accepted, would take NetCom's interest from its current minority of 17.8% to full control. NetCom believes that SEC is a strong and well-funded business that is now fully operational in eight European countries with licences in a further three. SEC has established the Tele2 brand in these markets and it is the belief of the Board that there will be benefits in terms of brand and synergy in combining the businesses and creating a company with critical mass.

FINANCIAL RESULTS

(The figures shown in parenthesis correspond to the comparable periods in 1999 and all negative amounts are distinguished with a minus sign)

Results for the six months ended June 30, 2000

Operating revenue was MSEK 4,855 (3,665) an increase of 32%. There has been strong revenue growth in Mobile Telephony operations in Sweden as well as Fixed Telephony operations in Sweden and Denmark. There has also been an encouraging performance from Tele2 Norway.

Operating profit before depreciation and amortization (EBITDA) increased by 76% to MSEK 1,511 (860). The **EBITDA margin** increased to 31.1% (23.5%). This was a result of continuing improvements in both Mobile Telephony and Fixed Telephony in Sweden and a positive EBITDA contribution from Tele2 Denmark and Tele2 Norway. The EBITDA at June 30, 2000 includes a fully reversed option cost following a decision at the AGM in May 2000 to facilitate an increase of shares in issue or to buy back shares. This has had an effect on the Income Statement of MSEK 236 (22). The obligation of the option to management has increased to MSEK 261 compared to MSEK 236 as at December 31, 1999. The EBITDA figure has also been affected by a loss on the sale of 4T Solutions of MSEK -36.

Operating profit after depreciation and amortization (EBIT) increased by 144% to MSEK 989 (405). The EBIT margin increased to 20.4% (11.1%).

Net interest expense and other financial items totaled MSEK -102, (-125). The average interest rate applied to debt outstanding declined to 4.7% (5.2%).

Profit after financial items increased by 191% to MSEK 887 (805). This increase reflects the improving profitability at the operating level as well as the reversed option cost.

Profit after tax increased to MSEK 603 (131). This increase reflects the profitability of NetCom's operations and the reversed option cost. Earnings per share consequently increased to SEK 5.80 (1.26).

NetCom's total assets at June 30, 2000 increased by 1% to MSEK 14,807 compared to MSEK 14,693 reported at December 31, 1999.

Results for the three months ended June 30, 2000

Operating revenue was MSEK 2,515 (1,927) an increase of 31%. The Mobile Telephony operation in Tele2 Sweden contributed revenues of MSEK 1,111 (936), an increase of 19%, while Fixed Telephony in Sweden was MSEK 735 (627), an increase of 17%. NetCom's Fixed Telephony operation in Norway reported exceptional growth with revenues of MSEK 230 (84), an increase of 174%.

Operating profit before depreciation and amortization (EBITDA) was MSEK 749 (762), an increase of 78%. The Group EBITDA margin was 29.8% (21.8%). Mobile Telephony in Sweden was MSEK 413 (385) while Fixed Telephony in Sweden was MSEK 99 (68). Both Tele2 Norway and Tele2 Denmark are showing positive EBITDA with MSEK 7 (-15) and MSEK 42 (-18), respectively. The EBITDA at June 30, 2000 includes a fully reversed option cost following a decision at the AGM in May 2000 to facilitate an increase of shares in issue or to buy back shares. This has had an effect on the Income Statement of MSEK 236 (-4). The obligation of the option to management has decreased by MSEK 48. The EBITDA figure also includes a loss on the sale of 4T Solutions of MSEK -36.

Operating profit after depreciation and amortization (EBIT) was MSEK 487 (188), an increase of 159%. The EBIT margin was 19.4% (9.8%).

GROUP REVIEW

Associated Companies

Everyday.com

NetCom is the leading Internet service provider or ISP in the Nordic region and its 1,172,000 Internet subscribers are being offered Everyday.com as their starting page. MTG publishes content on the WWW and has significant experience in the mass media and marketing and advertising sales through TV channels, radio stations and newspapers. The Everyday.com content offering is growing continuously. The service was launched in Norway in February and will be launched in Denmark later this year.

Investments

Europe

On July 24 2000, NetCom announced a SEK 27.9 billion offer for Société Européenne de Communication SA, (SEC) a leading alternative pan-European telecommunications service provider in which it has a 17.8% shareholding.

SEC provides national and international long distance telephony services through Tele2 Europe in the Netherlands, Germany, Switzerland, Austria, France, Italy, Luxembourg and Liechtenstein and provides a broad range of mobile telecommunication services through Tango in Luxembourg and Liechtenstein and Tele2 Mobile in Switzerland. The SEC Group also includes 3C Communications, operating public pay telephones and public internet services; Transac, providing billing and transaction processing services; Everyday.com, the free internet service provider and portal; C³, offering co-branded pre-paid calling cards; IntelliNet, the price-guaranteed residential router device; and a 37.45% interest in Transcom World Wide, one of Europe's largest call center companies

At the end of June, SEC reported a 162% increase to 4,174,876 fixed telephony subscribers. Cellular subscribers increased by 110% to 112,226 over the same time period. Revenues totaled Euro 290.4 million, and SEC reported a loss after tax of Euro 175.3 million or a loss of Euro 0.31 per ordinary share for the first half. This loss reflects the increase in marketing spend to continue the rapid growth of Tele2 subscribers and for the launches of C³ and Everyday.com in existing and new markets.

Finland

NetCom is the largest shareholder in Suomen Kolmegee OY(3G), which has been granted one of only four nationwide licenses for a third generation mobile telephony network in Finland.

XSource Corporation

In the second quarter of this year, NetCom sold 4T Solutions, a leader in developing invoicing systems for telecommunications service providers, to XSource Corporation in exchange for 11.88% of XSource Corporation's share capital. XSource Corporation is a global billing company consisting of the following major companies: Savera, Billing Paraguay, Basset, Praesidium, Get2net and NetCom Consultants, a leading telecoms consultancy firm.

The 4T Solutions holding was initially significant in the development of NetCom's customer-friendly billing applications and now that these have been successfully established, NetCom is pleased that this regional company is becoming part of global company, providing a wider range of billing solutions. NetCom believes that XSource will provide the management focus, investment and global reach necessary to extract maximum benefit from 4T Solutions and that XSource will provide an attractive investment for NetCom.

OPERATIONAL REVIEW

	Number of customers		
	Second Quarter		%
	2000	1999	
Tele2 AB Sweden			
Mobile telephony	1,816,000	1,504,000	20
of which prepaid	1,018,000	808,000	26
Fixed telephony	933,000	826,000	13
Internet	603,000	456,000	32
Cable Television	160,000	135,000	16
Tele2 A/S Danmark			
Fixed telephony	467,000	384,000	22
Internet	323,000	216,000	50
Tele2 Norge A/S			
Mobile telephony	7,000	-	-
Fixed telephony	441,000	164,000	173
Internet	241,000	111,000	122
Ritabell			
Mobile telephony	63,000	43,000	47

Tele2 AB in Sweden

Tele2 AB encompasses three operational divisions: Mobile Telephony, Fixed Telephony and Internet and Cable Television which are marketed under the respective brand names of Comviq, Tele2 and Kabelvision.

Mobile Telephony

Operating revenue, MSEK 2,151 (1,749), +23%

EBITDA, MSEK 931 (745), +25%

The number of prepaid and contract subscribers continued to grow in the second quarter, due to our market position as the price-leading operator and through our commitment to the introduction of new marketing and pricing initiatives.

Prepaid customers accounted for 56% of the total mobile subscriber base and 55% of net new subscriber additions in the period. The total number of cards sold to retailers totaled 84,000 in the second quarter of 2000. The annual churn rate excluding prepaid subscribers was approximately 20% for the same period and both churn and acquisition costs for new customers were stable.

In the six months ended June 30, 2000, monthly average revenue per subscriber (ARPU), excluding prepaid subscribers, increased by over 7% to SEK 416 compared to the same period in 1999. This has been achieved by major price initiatives. Average airtime usage per month increased, excluding prepaid, by 14% to 132 minutes.

Fixed Telephony and Internet

Operating revenue, MSEK 1,503 (1,251), +20%

EBITDA, MSEK 303 (159), +91%

Tele2 has been offering lower Internet surfing rates to existing Internet customers who also become telephony customers and this has proved successful with approximately 64% customers subscribing to both Internet and fixed telephony services as of June 30, 2000. A wide range of initiatives designed to increase the rate of conversion from Internet only to combined Internet, fixed telephony and mobile customers are being implemented.

Through NetCom's joint venture with MTG, the majority of Tele2's Internet customers now have Everyday.com as their starting page and this service can be utilized using most browsers.

In the period June 30, 1999 to June 30, 2000, Tele2 in Sweden increased the number of its fixed telephony customers by 13% from 826,000 to 933,000.

Tele2 reported 603,000 dial up Internet customers at June 30, 2000, corresponding to a 32% increase on the 456,000 customers reported in the comparable period of 1999.

Cable Television

Operating revenue, MSEK 86 (60), +43%

EBITDA, MSEK 3 (-5)

The number of subscribers increased by 19% to 160,000 at June 30, 2000, from 135,000 at June 30, 1999.

Tele2 A/S, Denmark

Operating revenue, MSEK 554 (445), +24%

EBITDA, MSEK 61 (-54)

In the first half of 2000, Tele2 A/S, Denmark, continued to grow reporting 467,000 fixed telephony customers, an increase of 22% on the comparable period of 1999. Tele2 A/S has both private and corporate customers.

Tele2 A/S reported 323,000 Internet customers at June 30, 2000, an increase of 50% compared to 216,000 Internet customers reported in the same period of 1999.

Tele2 Norge AS, Norway

Operating revenue, MSEK 455 (156), +192%
EBITDA, MSEK 12 (–33)

In the first half of 2000, Tele2 Norge reported a 169 % increase in the number of fixed telephony subscribers to 441,000 and had a total of 241,000 activated Internet subscribers, compared to 111,000 activated subscribers reported in the same period of 1999.

In April, NetCom announced the planned launch of mobile telephony services in Norway, through Tele2Mobil, offering both pre-paid and fixed subscription forms with tariff levels below the low cost alternatives currently available. Tele2 becomes the first service provider offering pre-paid cards and Tele2Mobil became operational during the second quarter of 2000. Tele2 has an agreement with Telenor to lease network capacity enabling Tele2Mobil to offer an equal range of network coverage. At June 30 2000, Tele2Mobil in Norway had 7,000 subscribers.

Other operations

Operating revenue, MSEK 477 (291), +64%
EBITDA, MSEK -9 (40)

Included within Other Operations are, amongst others, Optimal Telecom, 4T Solutions (sold in April 2000), Datametrix and Ritabell.

At June 30, 2000, NetCom's subsidiary Ritabell reported 63,000 gross cellular subscribers, an increase of 47% over the prior year and inclusive of 31,000 prepaid customers.

In May, NetCom launched pre-paid international telephony services in Finland to be followed by the launch of international, long distance and Internet services marketed under the Tele2 brand.

Parent Company

Result after financial items was MSEK 237 (39)

The EBITDA at June 30, 2000 includes a fully reversed option cost following a decision at the AGM in May 2000 to facilitate an increase of shares in issue or to buy back shares. This has had an effect on the Income Statement of MSEK 236 (22). The obligation of the option to management has increased to MSEK 261 compared to MSEK 236 as at December 31, 1999.

Liquidity at June 30, 2000 was MSEK 3, compared with MSEK 7 at December 31, 2000.

ACCOUNTING PRINCIPLES

NetCom has reported its interim report in accordance with the accounting principles used in the Annual Report and Accounts for the financial year of 1999.

The EBITDA at June 30, 2000 includes a fully reversed option cost following a decision at the AGM in May 2000 to facilitate an increase of shares in issue or to buy back shares. This has had an effect on the Income Statement of MSEK 236 (22). The obligation of the option to management has increased to MSEK 261 compared to MSEK 236 as at December 31, 1999.

COMPANY DISCLOSURE

Extraordinary General Meeting (EGM)

An EGM regarding NetCom's offer for SEC will be held on Thursday, August 10, 2000 at 10.00 am local time at Gamla Stans Bryggeri, Tullhus 2, Skeppsbrokajen, Stockholm, Sweden.

Third Quarter of 2000 Results

The proposed date for the release of NetCom's financial and operating results for the period ended September 30, 2000 is November 6, 2000.

Stockholm, August 4, 2000
Lars-Johan Jarnheimer
President and CEO, NetCom AB

REPORT REVIEW

The financial and operating results for the period ended June 30, 2000 have not been subject to specific review by the Company's auditor.

NetCom AB, formed in 1993, is a leading telecommunications company in the Nordic countries. The Company provides GSM cellular services, under the Comviq and Tele2Mobil brands in Sweden, under Tele2Mobil in Norway, through its Ritabell subsidiary (Q-GSM) in Estonia and under the Tele2 brand in Lithuania. For public telecommunications, data communications and Internet access, NetCom has the Tele2 brand in Sweden and the subsidiaries Tele2 A/S in Denmark and Tele2 Norge AS in Norway. Datamatrix, which specializes in systems integration, and Optimal Telecom are also part of NetCom AB. The Group offers cable television services under the Kabelvision brand name. NetCom AB has a 17.8% stake in Société Européenne de Communication SA. The Company is listed on the Stockholm Stock Exchange, under NCOMA and NCOMB, and an ADR listed on the Nasdaq Stock Market, under NECS.

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Visit us at our homepage: <http://www.netcom.se>

A conference call to discuss the results will be held at 16.00 (Swedish time) / 10.00 (New York time), on Friday August 4, 2000. The dial in number is: +44 (0) 20 8240 8242. A live audio stream of the conference call can also be accessed at www.netcom.se. Please dial in / log on 10 minutes prior to the start of the conference call to allow time for registration. A recording of the conference call will be available for 48 hours on +44 (0) 20 8288 4459.

This announcement is neither an offer to purchase nor a solicitation of an offer to sell shares of Société Européenne de Communication S.A. At the time NetCom AB (publ) commences its offer, it will file a registration statement, including a prospectus, with the U.S. Securities and Exchange Commission. **THE PROSPECTUS AND RELATED OFFER DOCUMENTS WILL CONTAIN IMPORTANT INFORMATION THAT SHOULD BE READ CAREFULLY BEFORE ANY DECISION IS MADE WITH RESPECT TO THE OFFER.** The registration statement will be made available to all shareholders of Société Européenne de Communication S.A. at no expense to them. The registration statement, which includes the prospectus, and related offer documents filed with the Commission will also be available for free at the Commission's website at www.sec.gov.

This press release contains forward-looking statements that involve inherent risks and uncertainties. We have identified certain important factors that may cause actual results to differ from those contained in such forward-looking statements. See "Description of Business – Risk Factors" in the Annual Report of NetCom AB (publ) on Form 20-F files with the U.S. Securities and Exchange Commission as updated with other filings from time to time.

APPENDICES

Consolidated Income Statement
Consolidated Balance Sheet
Consolidated Cashflow Statement
Consolidated Changes in Shareholders Equity
Company Review
Quarterly Historic Financial Review
Five Year Summary

CONSOLIDATED INCOME STATEMENT (MSEK)

	2000 Jan 1 - Jun 30	1999 Jan 1 - Jun 30	1999 Full Year
Operating revenue	4,855	3,665	8,193
Operating expenses	-4,166	-3,377	-7,129
Option to Management*	236	22	-134
Other revenues	104	96	213
Other expenses**	-40	-1	-1
Operating Profit	989	405	1,142
Share of profit/loss from associated companies	-	25	50
Sale of associated company	-	-	3,228
Net interest and other financial expenses	-102	-125	-241
Profit after financial items	887	305	4,179
Taxes	-285	-174	-412
Minority interest	1	-	2
Profit after taxes	603	131	3,769
 Earnings per share after tax (SEK)	 5.80	 1.26	 36.29
 Earnings per share after tax and after full conversion			
Tele2 Norway	-0.28	-0.57	-1.10
Tele2 Denmark	0.09	-0.97	-1.39
Associated companies	-	0.04	0.18
Sale of associated companies and subsidiaries**	-0.34	-	31.08
Tele2 Sweden and other operations	6.33	2.76	7.52
Total	5.80	1.26	36.29

* The EBITDA at June 30, 2000 includes a fully reversed option cost following a decision at the AGM in May 2000 to facilitate an increase of shares in issue or to buy back shares. This has had an effect on the Income Statement of MSEK 236 (22). The obligation of the option to management has increased to MSEK 261, at June 30, 2000.

** The second quarter of 2000 has been affected by a capital loss of MSEK -36 associated with the disposal of 4T Solutions

CONSOLIDATED BALANCE SHEET (MSEK)

	2000 June 30	1999 June 30	1999 December 31
ASSETS			
Fixed assets			
Intangible assets	2,195	2,422	2,305
Tangible assets	6,127	6,114	6,167
Long-term financial assets	3,769	289	3,604
	12,091	8,825	12,076
Current assets			
Materials and supplies	46	18	34
Current receivables	2,154	2,085	2,162
Cash and cash equivalents	516	41	421
	2,716	2,144	2,617
Total assets	14,807	10,969	14,693
EQUITY AND LIABILITIES			
Shareholders' Equity			
Restricted equity	4,761	4,072	4,761
Non-restricted equity	2,815	-691	2,241
	7,576	3,381	7,002
Minority interest	-	1	1
Provisions			
Deferred tax liabilities	424	-	139
Options issued*	-	80	236
Provisions	424	80	375
Long-term liabilities			
Interest-bearing liabilities	4,321	5,506	4,840
Non interest-bearing liabilities	15	1	15
	4,336	5,507	4,855
Short-term liabilities			
Interest-bearing liabilities	171	107	248
Non interest-bearing liabilities	2,300	1,893	2,212
	2,471	2,000	2,460
Total equity and liabilities	14,807	10,969	14,693

* The EBITDA at June 30, 2000 includes a fully reversed option cost following a decision at the AGM in May 2000 to facilitate an increase of shares in issue or to buy back shares. This has had an effect on the Income Statement of MSEK 236 (22). The obligation of the option to management has increased to MSEK 261 at June 30, 2000.

CONSOLIDATED CASHFLOW STATEMENT (MSEK)

	2000	1999	1999
	Jan 1 - Jun 30	Jan 1 - Jun 30	Full Year
Cash flow from operations	1,428	715	1,812
Changes in working capital	-155	-361	-41
Cash flows provided by operating activities	1,273	354	1,771
Investing activities	-582	-925	-1,458
Financing activities	-600	182	-322
Net change in cash	91	-389	-9
Cash at beginning of year	421	433	433
Exchange difference in cash	4	-3	-3
Cash at end of period	516	41	421

CONSOLIDATED CHANGES IN SHAREHOLDERS EQUITY (MSEK)

	Restricted Equity		Non-restricted Equity
	Share Capital	Other Restr. Equity	
Equity, Jan. 1, 2000	519	4,242	2,241
Translation differences	-	-	-29
Profit for the period	-	-	603
Equity, Jun 30, 2000	519	4,242	2,815
Total Restricted & Retained Profit		4,761	2,815

REVIEW OF THE GROUP (MSEK)

	2000 Jan 1 - Jun 30	1999 Jan 1 - Jun 30	1999 Full Year
Operating revenue by business area			
Tele2 AB:			
-Mobile telephony	2,151	1,749	3,909
-Fixed telephony included Internet	1,503	1,251	2,630
-Cable Television	86	60	110
	3,740	3,060	6,649
Tele2 Norway	455	156	444
Tele2 Denmark	554	445	974
Other operations	477	291	696
Parent Company	4	5	10
Adjustments for sales internal	-375	-292	-580
Total	4,855	3,665	8,193

Depreciation and amortization by business area

Tele2 AB:			
-Mobile telephony	-148	-150	-304
-Fixed telephony included Internet	-179	-143	-301
-Cable Television	-31	-32	-61
	-358	-325	-666
Tele2 Norway	-26	-11	-24
Tele2 Denmark	-34	-31	-68
Other operations	-47	-30	-78
Parent company	-	-	-
Group adjustments, depreciation	-57	-58	-119
Total	-522	-455	-955

Operating profit by business area

Tele2 AB:			
-Mobile telephony	783	595	1,554
-Fixed telephony including internet	124	16	165
-Cable television***	-28	-37	-69
	879	574	1,650
Tele2 Norway	-14	-44	-82
Tele2 Denmark	27	-85	-115
Other operations**	-56	10	-27
Parent company*	210	8	-165
Group adjustments, depreciation	-57	-58	-119
Total	989	405	1,142

**REVIEW OF THE GROUP (MSEK),
continued**

	2000	1999	1999
	Jan 1 - Jun 30	Jan 1 - Jun 30	Full Year
Profit/loss after financial items by business area			
Tele2***	800	464	1,455
Tele2 Norway	-29	-59	-114
Tele2 Denmark	10	-100	-144
Other operations**	-74	-6	-65
Parent company*	237	39	-112
Shares of Profit/loss in associated companies	-	25	50
Sale of associated company	-	-	3,228
Group adjustments, depreciation	-57	-58	-119
Total	887	305	4,179
<u>Investments by business area</u>			
Tele2 AB:			
-Mobile telephony	221	269	424
-Fixed telephony included Internet	180	269	431
-Cable Television	14	6	14
-Purchase of companies (net)	-	221	221
	415	765	1,090
Tele2 Norway	27	23	53
Tele2 Denmark	33	44	93
Other operations	65	67	133
Parent company, tangible assets	1	-	-
Parent company, purchase of companies (net)	-	26	69
Long-term receivables, change	41	-	20
	582	925	1,458
Finance lease	-	42	35
Total investments including finance lease	582	967	1,493

* The EBITDA at June 30, 2000 includes a fully reversed option cost following a decision at the AGM in May 2000 to facilitate an increase of shares in issue or to buy back shares. This has had an effect on the Income Statement of MSEK 236 (22). The obligation of the option to management has increased to MSEK 261 at June 30, 2000

** The second quarter of 2000 has been affected by a capital loss of MSEK -36 associated with the disposal of 4T Solutions

*** The result for the six months ended June 30, 2000, includes MSEK 2 proposed refund of pension premiums from the SPP, the Swedish Pension Organisation

QUARTERLY HISTORIC FINANCIAL REVIEW (MSEK)

	2000 Q2	2000 Q1	1999 Q4	1999 Q3	1999 Q2	1999 Q1
Operating revenue by business area						
Tele2 AB:						
-Mobile telephony	1,111	1,040	1,054	1,106	936	813
-Fixed telephony included Internet	735	768	776	603	627	624
-Cable Television	61	25	29	21	28	32
	<u>1,907</u>	<u>1,833</u>	<u>1,859</u>	<u>1,730</u>	<u>1,591</u>	<u>1,469</u>
Tele2 Norway	230	225	168	120	84	72
Tele2 Denmark	272	282	283	246	242	203
Other operations	224	253	223	182	157	134
Parent company	2	2	2	3	3	2
Adjustments for sales internal	-120	-255	-167	-121	-150	-142
Total	<u>2,515</u>	<u>2,340</u>	<u>2,368</u>	<u>2,160</u>	<u>1,927</u>	<u>1,738</u>
Depreciation and amortization by business area						
Tele2 AB:						
-Mobile telephony	-72	-76	-78	-76	-75	-75
-Fixed telephony included Internet	-93	-86	-79	-79	-73	-70
-Cable Television	-16	-15	-14	-15	-15	-17
	<u>-181</u>	<u>-177</u>	<u>-171</u>	<u>-170</u>	<u>-163</u>	<u>-162</u>
Tele2 Norway	-15	-11	-8	-5	-6	-5
Tele2 Denmark	-16	-18	-21	-16	-16	-15
Other operations	-22	-25	-27	-21	-18	-12
Group adjustments, depreciation	-28	-29	-32	-29	-29	-29
Total	<u>-262</u>	<u>-260</u>	<u>-259</u>	<u>-241</u>	<u>-232</u>	<u>-223</u>
Operating profit by business area						
Tele2 AB:						
-Mobile telephony	341	442	423	536	310	285
-Fixed telephony included Internet	6	118	121	28	-5	21
-Cable Television***	-17	-11	-10	-22	-20	-17
	<u>330</u>	<u>549</u>	<u>534</u>	<u>542</u>	<u>285</u>	<u>289</u>
Tele2 Norway	-8	-6	-11	-27	-21	-23
Tele2 Denmark	26	1	-16	-14	-34	-51
Other operations**	-59	3	-26	-11	-2	12
Parent company	226	-16	-158	-15	-11	19
Group adjustments, depreciation	-28	-29	-32	-29	-29	-29
Total	<u>487</u>	<u>502</u>	<u>291</u>	<u>446</u>	<u>188</u>	<u>217</u>
Profit/loss after financial items by business area						
Tele2***	287	513	496	495	239	225
Tele2 Norway	-15	-14	-20	-35	-29	-30
Tele2 Denmark	18	-8	-23	-21	-42	-58
Other operations**	-68	-6	-38	-21	-10	4
Parent company*	242	-5	-147	-4	3	36
Shares of profit (loss) from associated companies	-	-	-	25	19	6
Sale of associated company	-	-	3,228	-	-	-
Group adjustments, depreciation	-28	-29	-32	-29	-29	-29
Total	<u>436</u>	<u>451</u>	<u>3,464</u>	<u>410</u>	<u>151</u>	<u>154</u>

QUARTERLY HISTORIC FINANCIAL REVIEW (MSEK) continued

	2000 Q1	2000 Q4	1999 Q3	1999 Q2	1999 Q1	1999 Q4
<u>Value per share (SEK)</u>						
Profit/loss, after full conversion	2.80	3.00	32.35	2.68	0.78	0.49
-of which Tele2 Norway	-0.15	-0.13	-0.19	-0.34	-0.28	-0.29
-of which Tele2 Denmark	0.17	-0.08	-0.24	-0.19	-0.40	-0.56
-of which associated companies	-	-	-0.01	0.15	0.13	-0.10
-of which sale of associated companies and subsidiaries	-0.34	-	31.08	-	-	-
-of which Tele2 Sweden and other operations	3.12	3.21	1.71	3.06	1.33	1.44
<u>Investments by business area</u>						
Tele2 AB:						
-Mobile telephony	105	116	84	71	142	127
-Fixed telephony included Internet	90	90	69	93	114	155
-Cable Television	8	6	6	2	3	3
-Purchase of companies (net)	-	-	-	-	10	211
	<u>203</u>	<u>212</u>	<u>159</u>	<u>166</u>	<u>269</u>	<u>496</u>
Tele2 Norway	10	17	13	17	10	13
Tele2 Denmark	19	14	15	34	15	29
Other operations	32	33	44	22	25	42
Parent company, tangible assets	1	-	-	-	-	-
Parent company, purchase of companies (net)	-	-	37	6	2	24
Long-term receivables, change	29	12	20	-	-	-
	<u>294</u>	<u>288</u>	<u>288</u>	<u>245</u>	<u>321</u>	<u>604</u>
Finance leases	-	-	-17	10	1	41
Total investments including finance leases	<u>294</u>	<u>288</u>	<u>271</u>	<u>255</u>	<u>322</u>	<u>645</u>

* The EBITDA at June 30, 2000 includes a fully reversed option cost following a decision at the AGM in May 2000 to facilitate an increase of shares in issue or to buy back shares. This has had an effect on the Income Statement of MSEK 236 (22). The obligation of the option to management has increased to MSEK 261 at June 30, 2000

** The second quarter of 2000 has been affected by a capital loss of MSEK -36 associated with the disposal of 4T Solutions

*** The result for the six months ended June 30, 2000, includes MSEK 2 proposed refund of pension premiums from the SPP, the Swedish Pension Organisation

FIVE YEAR SUMMARY

	2000 6 months	1999 6 months	1999	1998	1997	1996
<u>Income Statement and Balance Sheet (MSEK)</u>						
Operating revenue	4,855	3,665	8,193	5,969	4,036	2,872
Operating profit before depreciation	1,511	860	2,097	1,223	1,000	651
Operating profit after depreciation	989	405	1,142	518	392	254
Profit/loss after financial items	887	305	4,179	232	-37	29
Shareholders' equity	7,576	3,381	7,002	3,269	3,156	2,276
Shareholders' equity, after full conversion	7,576	3,381	7,002	3,269	3,193	2,923
Total assets	14,807	10,969	14,693	10,189	8,684	7,527
Cash flow provided by operating activities	1,273	354	1,771	990	411	610
Liquidity	1,398	326	1,123	821	1,499	819
Net borrowing	3,874	5,559	4,605	4,600	3,579	3,894
Net borrowing, after full conversion	3,874	5,559	4,605	4,600	3,542	3,247
Investments including financial lease*	582	967	1,493	1,959	1,117	1,016
<u>Key ratio (%)</u>						
Solidity	51%	31%	48%	32%	36%	30%
Solidity, after full conversion	51%	31%	48%	32%	37%	39%
Debt/equity ratio	0.51	1.64	0.66	1.41	1.13	1.71
Return on shareholders' equity	8.3%	3.9%	73.4%	2.1%	3.2%	-10.0%
Return on shareholders' equity, after full conversion	8.3%	3.9%	73.4%	2.1%	3.2%	-3.3%
Return on capital employed	8.3%	5.2%	43.6%	6.7%	4.8%	1.3%
Average interest rate	4.7%	5.2%	4.8%	6.6%	7.1%	8.9%
Average interest rate, after full conversion	4.7%	5.2%	4.8%	6.6%	7.1%	8.6%
<u>Value per share (SEK)**</u>						
Profit/loss	5.80	1.26	36.29	0.64	0.50	2.80
Profit/loss, after full conversion	5.80	1.26	36.29	0.64	0.57	2.78
-of which Tele2 Norway	-0.28	-0.57	-1.10	-1.24	-0.46	-0.12
-of which Tele2 Denmark	0.09	-0.97	-1.39	-1.69	-0.79	-0.16
-of which associated companies	-	0.04	0.18	-0.14	-0.85	2.52
-of which sale of associated companies and subsidiaries	-0.34	-	31.08	-	-	-
-of which Tele2 Sweden and other ops	6.33	2.76	7.52	3.71	2.67	0.54
Shareholders' equity	72.95	32.56	67.43	31.55	32.18	25.78
Shareholders' equity, after full conversion	72.95	32.56	67.43	31.48	30.86	28.70
Cash flow	12.26	3.41	17.05	9.56	4.19	6.91
Cash flow, after full conversion	12.26	3.41	17.05	9.53	3.97	5.99
Dividend	-	-	-	-	-	-
Market value at closing day	651.00	286.00	598.00	330.00	170.50	110.50
P/E-ratio	56.10	113.12	16.48	512.92	344.43	39.40
P/E-ratio, after full conversion	56.10	113.12	16.48	514.17	298.12	39.81

* Financial lease are included from January, 1 1997

** The weighted average number of A and B shares outstanding at June 30, 2000 was 103.850.246

For definitions: please see the Annual Report for 1999. Debt/equity ratio = net borrowing expressed as a multiple of equity at the end of the period.