



FOR IMMEDIATE RELEASE
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NETCOM AB AWARDED UMTS LICENSE IN SWEDEN

New York and Stockholm – December 16, 2000 – NetCom AB ("NetCom", "the Group") (Nasdaq Stock Market: NECS), a leading pan-European telecommunications company, today announced that its Swedish subsidiary, Tele2 AB, has been awarded a license from The Swedish National Post and Telecom Agency to develop a third generation mobile UMTS (Universal Mobile Telecommunications Systems) network, offering bandwidths of up to 2 Mbps. Modern Times Group AB (MTG) will work in co-operation with Tele2 AB to develop content for the service.

Tele2 AB was one of ten applicants for four Swedish UMTS licenses in September 2000.

Lars-Johan Jarnheimer, President and CEO of NetCom AB stated: "We are very pleased with the award of this third generation UMTS license as it acknowledges our crucial role in the deregulation and development of the telecommunications sector in Europe.

"Our first priority now is to discuss with the other license owners how to co-operate in building the required infrastructure. Co-operation will be needed to reduce the cost of building the required infrastructure but also to minimize the impact on the environment.

"NetCom now has three UMTS licenses, in Finland, Norway and Sweden and we are convinced that the Scandinavian market will be the fastest growing and most profitable market for 3G, as was the case with GSM."

The Swedish cellular market currently consists of 3 GSM network operators and more than 120 Internet service providers, including Tele2. There are more than 6 million customers, equating to penetration in excess of 67 % of the population.

NetCom, formed in 1993, is a leading alternative pan-European telecommunications company offering fixed and mobile telephony, data network and internet services under the brands Tele2, Tango, Comviq and Q-GSM to 11 million people in 20 countries. NetCom operates Datamatrix, which specializes in systems integration, Optimal Telecom, 3C Communications, operating public pay telephones and public internet services; Transac, providing billing and transaction processing services; C³, offering co-branded pre-paid calling cards and IntelliNet, the price-guaranteed residential router device. The Group also offers cable television services in Sweden, Estonia and Lithuania under the brands Kabelvision, Tele2 and C-Gates, and together with MTG, owns the internet portal Everyday.com. The Company is listed on the Stockholm Stock Exchange, under NCOMA and NCOMB, and has ADRs listed on the Nasdaq Stock Market, under NECSA and NECSB.

CONTACTS

Lars-Johan Jarnheimer
President and CEO, NetCom AB, Sweden

Telephone: + 46 8 562 640 00

Hakan Zadler
CFO, NetCom AB, Sweden

Telephone: + 46 8 562 640 00

Andrew Best
Shared Value

Telephone: + 07798 576378

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