



FOR IMMEDIATE RELEASE

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**NETCOM AB ANNOUNCES STRONG SUBSCRIBER GROWTH FOR ITS
SUBSIDIARY, SOCIÉTÉ EUROPÉENNE DE COMMUNICATION S.A**

- **5,002,122 Fixed line Subscribers – an annualized increase of 127%**
- **136,786 Cellular Subscribers - an annualized increase of 116%**
- **851,806 Total New Subscribers – a quarterly increase of 25%**

New York and Stockholm - October 12, 2000 - NetCom AB (Publ) ("NetCom", "the Group") (Nasdaq Stock Market: NECSB), a leading alternative pan-European provider of telecommunications and related services, today announced that its majority owned subsidiary, Société Européenne de Communication, ("SEC") has achieved strong continued subscriber growth for the third quarter of 2000.

In the three month period ended September 30, 2000, SEC recorded the addition of 851,806 new customers. This represents an increase of 25% over the 681,692 new customers reported in the second quarter of 2000 and a 37% increase on the 620,981 new customers added in the same period of 1999, bringing the total number of subscribers to 5,138,908.

Anders Björkman, SEC's President and CEO stated "SEC experienced strong increases in customers, despite the holiday period, as a result of focused marketing efforts and leverage of the high degree of customer recognition of the Tele2 brand. Consolidation of SEC and NetCom will further strengthen the Tele2 brand and distribution channels across Europe."

Fixed line subscribers totalled 5,002,122 as at September 30, 2000, an increase of 20% over the 4,174,876 subscribers reported at the end of the second quarter. This represents an increase of 127% from the 2,201,926 subscribers reported for the third quarter of 1999.

SEC's cellular operations, under the brands of Tango in Luxembourg and Liechtenstein and Tele2 Mobile in Switzerland, gained 24,560 net new subscribers in the third quarter of 2000. The total of 136,786 subscribers as at September 30, 2000, represented an increase of 22% over the 112,226 customers reported at the end of the second quarter of 2000 and an increase of 116% over the 63,344 customers reported at the end of the third quarter of 1999.

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 over nine million people in 20 countries. NetCom operates Datametrix, 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 Modern Times Group, 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 NECSB. ADRs representing NetCom's Class A shares have also been approved for listing on the Nasdaq Stock Market.

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