



FOR IMMEDIATE RELEASE
Tuesday, February 19, 2002

TELE2 AB ANNOUNCES MSEK 616 POSITIVE CASH FLOW IN THE FOURTH QUARTER AND CUSTOMER INTAKE OF 3.4 MILLION WITH 54% INCREASE IN REVENUE FOR THE 12 MONTHS ENDED DECEMBER 31, 2001

- 54% increase in pro forma Operating Revenue for 2001
- Tele2 Sweden's mobile operations reported 54% EBITDA margin in 2001 and revenues up 20%
- 15 million subscribers by year end, an increase of 29%, mobile subscribers up 45%
- EBITDA MSEK 1,699 (pro forma 2000 MSEK -371)
- Tax payable reduced by SEK 3.1 billion following restructuring
- Balance sheet further strengthened with EUR 1.2 billion 5 year facility

New York and Stockholm – February 19, 2002 – Tele2 AB (“Tele2”, “the Group”) (Nasdaq Stock Market: TLTOA and TLTOB and Stockhomsbörsen: TEL2A and TEL2B), the leading alternative pan-European telecommunications company, today announced its consolidated results for the fourth quarter and twelve months ended December 31, 2001.

Tele2 Financial Summary

SEK millions	2001	2000 Pro forma
Operating Revenue	25,085	16,243
Operating Profit (loss)		
before depreciation and amortization (i)	1,699	-371
after depreciation and amortization (ii)	-1,356	-2,850
Profit (loss) after financial items (iii)	-1,944	-3,063
Profit (loss) after taxes (iv)	392	-3,618
Earnings (loss) per share, after dilution	2.70	-34.36

(i) EBITDA

(ii) EBIT

(iii) EBT

(iv) see Note 4

Lars-Johan Jarnheimer, President and CEO of Tele2 AB stated:

“With more than 15 million customers in 21 countries Tele2 is the largest pan-European telecoms brand, and our strong growth in subscribers and revenue over the last twelve months illustrates how Tele2 as a price leader has been able to maintain growth when many of our competitors have seen sales growth weaken. The last twelve months has also seen an improvement in Tele2's profitability as we have reached critical mass in key markets across Europe and we are confident that the European fixed line businesses will reach EBITDA breakeven in 2002 in line with plans to do so within three years from launch in each country. For this reason our focus continues to be on customer acquisition at a low cost, churn management and operational cost control, and these internal actions will be complemented by the actions of Regulators across Europe who continue to cut interconnection rates. Therefore we expect that margin improvements will continue to be made.”

FINANCIAL AND OPERATING HIGHLIGHTS

(The figures shown in parenthesis correspond to the comparable periods in 2000 and all negative amounts are distinguished with a minus sign).

Financial highlights 2001

- Tele2's operating revenues were MSEK 25,085 for the twelve months ended December 31, 2001, an increase of 54% over the pro forma MSEK 16,243 reported in the same period last year.
- The total number of subscribers at December 31, 2001 was 15.0 million, an increase of 29%.
- EBITDA was MSEK 1,699 (-371). EBITDA was SEK 633 in the fourth quarter a strong improvement against the previous year, (Q4 2000: SEK -379). The fourth quarter result was reduced in comparison to the third quarter by the higher sales and marketing costs associated from the large intake of new customers.
- Tele2 Sweden's operating revenues were MSEK 9,060 for the twelve months ended December 31, 2001 an increase of 14% over the same period last year. EBITDA was MSEK 3,773 (2,728), an increase of 38%. The EBITDA margin was 42% in 2001 as against 34% in 2000. Mobile telephony revenues were up 20% to MSEK 5,720 with EBITDA up 41% to MSEK 3,111 giving a mobile margin of 54%.
- In the fourth quarter there was a restructuring within the former SEC Group and one of the effects of this reorganization was that tax payable by the Group will be reduced by SEK 3.1 billion.

Operating highlights, 2001

Fourth quarter:

- In October, Tele2 announced a review of its product range making MSEK 80 cost savings per annum
- Tele2 launched GPRS in Sweden in October.
- Tele2 announced partnership with the Post Office in November to provide fixed telephony services in UK
- On December 1, 2001, Tele2 acquired FORA Telecom the mobile business of Millicom International Cellular
- Tele2 reached agreement with Viag Interkom in Germany to launch an MVNO following on from the successful launch of an MVNO in the Netherlands in August.
- On December 31 Tele2 purchased the remaining part of Levicom Broadband.

First, second and third quarters:

- In January, Tele2 divested its 37% holding in Transcom Worldwide S.A to Industriforvaltnings AB Kinnevik
- In March, Tele2 signed agreement to form a jointly owned UMTS- network company with Telia
- In August, Tele2 finalised a 5 year new amortizing senior debt facility of Euro 1.2 billion
- In September, Tele2 Norge acquired Enitel AS's private and corporate fixed telephony and dial-up internet subscribers

OPERATIONAL REVIEW BY MARKET AREA

Number of customers

	December 31,		
	2001 '000s	2000 '000s (Note 7)	%
By Market Area			
Nordic	6,274	5,472	15%
Eastern Europe and Russia	996	278	258%
Central Europe	3,191	2,702	18%
Southern Europe	4,286	2,942	46%
Luxembourg	211	160	32%
TOTAL	14,958	11,554	29%
By Business Area			
Mobile telephony	3,710	2,559	45%
<i>Whereof Prepaid</i>	2,179	1,396	56%
Fixed telephony and Internet	11,248	8,995	25%
TOTAL	14,958	11,554	29%

Nordic

Operating revenue, MSEK 12,366 (10,481), +18%

EBITDA, MSEK 3,768 (2,943), +28%

The Nordic market encompasses operations in Sweden, Norway, Denmark and Finland.

Sweden

Tele2 Sweden is the main component of the Nordic region. In 2001 the growth in the number of mobile prepaid and contract subscribers continued due primarily to Tele2's market position as the price-leading operator. Comviq reported 2,532,000 subscribers, an annualized increase of 21%. Monthly average revenue per mobile subscriber (ARPU), including both postpaid and prepaid customers, was SEK 206 in 2001 and SEK 204 in the fourth quarter, despite the higher customer intake during the final two quarters. Monthly minutes of usage (MOU) rose to 117 in the fourth quarter as compared to 98 in the fourth quarter 2000, a rise of 19%.

Prepaid mobile customers accounted for 65% of the total mobile subscriber base.

Fixed telephony and internet customer intake in Sweden was strong, increasing 17% on an annualised basis to 2.1 million, whilst the EBITDA margin reached 21% in the full year 2001 compared to 17% in 2000.

In September, Tele2 Sweden launched a cost saving initiative by simplifying Tele2's offering to customers and reducing its domestic workforce by some 7%. These actions will save approximately 80 million SEK on an annual basis. In October, Tele2 launched GPRS in Sweden.

Denmark, Finland and Norway

Denmark, Finland and Norway are predominantly fixed telephony operations and reported a total of 1.7 million subscribers. There was growth in all areas of the business in these countries and encouragingly competitive pressures have reduced over the year.

In September Tele2 Norway acquired Enitel's private and corporate fixed telephony and dial-up Internet subscribers at a low cost per subscriber.

The mobile market place in Norway has consolidated in 2001. There were some 17 mobile service providers at the beginning of 2001 but by the year end there were only four operators. This consolidation substantially strengthens Tele2's position in Norway. Tele2 has a UMTS license in Norway and currently Tele2 is in discussion with the Norwegian regulator as to the conditions for the build out of the network and is reviewing its options.

During 2001 Tele2 became the only major alternative fixed telephony and internet provider competing with the incumbent TDC in Denmark. This brings to an end a period of intense competition as several competitors gave up selling fixed telephony and internet services to residential customers.

Eastern Europe and Russia

Operating revenue, MSEK 1,181 (261), +352%

EBITDA, MSEK 272 (-29)

The Eastern Europe and Russia market encompasses operations in the Baltics, Lithuania, Latvia and Estonia, in Poland, the Czech Republic and Russia.

The revenues within Eastern Europe and Russia are predominantly from the mobile businesses that have grown strongly in 2001.

In December Tele2 purchased FORA, Millicom International's Russian cellular assets. There are twelve operations and in all a total population under license of 48 million. The main driver to growth in 2001 was the prepaid service which now accounts for 53% of all subscribers. In December Tele2 also purchased Levicom Broadband Group, a cable TV and fixed line telecom network in The Baltics. Tele2 is now the leading alternative mobile operator in the Baltics.

Central Europe

Operating revenue, MSEK 5,364 (Pro forma 3,108), +73%

EBITDA, MSEK -606 (Pro forma -1,640)

The Central European market encompasses Tele2 operations in Germany, the Netherlands, Switzerland and Austria.

EBITDA for the market area improved significantly over the last five quarters reflecting the maturity of the operations and their progress towards EBITDA breakeven within the three years from operational launch. Strong ARPU for Central Europe of SEK 154 was achieved for the year and an ARPU of SEK 158 for the fourth quarter as against SEK 130 in the comparable period in 2000.

Tele2 is the largest alternative telephony operator in The Netherlands. In August, Tele2 launched the first Mobile Virtual Network Operator (MVNO) in The Netherlands.

The German fixed line business has benefited from a consolidation in the market as a number of competitors have either been integrated into larger organisations or disappeared from the market in 2001. Traffic figures are up substantially as Tele2 has a clear market position and the brand is recognised by more than 50% of the population. In December Tele2 signed a MVNO agreement in Germany. This will allow Tele2 to sell mobile services to more than one million Tele2 residential and business fixed line customers so building a mobile business in Europe's largest market at a low marginal cost.

Tele2 is now the second largest alternative operator in Switzerland, and it is the largest alternative fixed telephony operator in Austria. Consumption per customer in both countries rose strongly in 2001, owing to the high levels of preselection.

Southern Europe

Operating revenue, MSEK 5,591 (Pro forma 2,574), +117%

EBITDA, MSEK -1,331 (Pro forma -1276)

The Southern Europe market includes Tele2 operations in France, Italy and Spain and a license in Portugal.

The region had a strong twelve months as increased sales and marketing attracted a large number of customers in the last two quarters of 2001. A strong ARPU for Southern Europe of SEK 125 was achieved for the year with an ARPU of SEK 127 in the fourth quarter as compared to SEK 113 in the comparable period of 2000.

Tele2 France, is the largest alternative fixed operator in France. In 2001 there has been a consolidation in the French market leaving the PTT, Tele2 and Cegetel as the only substantial businesses remaining in the market. Local calling will open up in all regions between February and April 2002 which will mean revenues per customer will grow substantially at no extra cost to Tele2. Also from 1 January 2002 interconnect tariffs have been reduced which will improve gross margins.

Tele2 is now Italy's second leading alternative fixed telephony operator. With strong customer intake brand recognition has risen sharply to over 70% and Tele2 has established price leadership during 2001.

In February 2001, Tele2 launched fixed telephony services in Spain using an IP network with CISCO switches and offering a 100% prepaid service. Tele2 has had a successful first year of operation and is already ranked among the top four operators.

Luxembourg

Operating revenue, MSEK 786 (Pro forma 573), +37%

EBITDA, MSEK 5 (Pro forma -110)

The Luxembourg market includes Tele2 operations in Liechtenstein, Luxembourg and Belgium and 3C companies in all countries of operation.

Tango is now the largest mobile provider in Luxembourg and in 2001 traffic has increased strongly with SMS traffic nearly doubling. In February 2001 Everyday Media launched "Tango Sunshine" radio in Luxembourg. The radio is targeted at a young audience and brings cross selling opportunities in that Tango Sunshine helps Tele2 market its products and services, particularly the SMS features. Tango TV was launched in December. The radio and television activities are primarily intended to strengthen the brand and to serve as a base for providing content for the UMTS network.

Branded Products and Services

Operating revenue, MSEK 1,576 (Pro forma 789), +100%

EBITDA, MSEK -409 (Pro forma -259)

Branded Products and Services includes Optimal Telecom, Tele2 UK, C³, Everyday.com, IntelliNet in all countries of operation.

The main revenue generators within this area are Optimal Telecom and C³. In November 2001 Tele2 launched fixed line telephony in the UK in partnership with the UK post Office.

GROUP REVIEW

Cash flow

Cash flow after investing activities for the fourth quarter 2001 increased to MSEK 1185, as compared to MSEK -1,260 in the third quarter 2001. The cash flow after investing activities for the fourth quarter 2001 are impacted by positive cash in purchased companies of MSEK 889.

Refinancing

Tele2 finalised a €1.2 billion refinancing through ABN Amro, CIBC World Markets plc, ING Bank, Nordea, The Royal Bank of Scotland and West LB. This 5 year, amortizing senior debt facility has replaced the two previous debt facilities, which existed within Tele2 Sweden and the former SEC. The applicable margin, which is based on the Debt to EBITDA ratio, started at 2.25% and will be progressively reduced as EBITDA improves. At 31 December 2001 the margin is 2%.

Investments and Divestments

FORA Group

Fora Group was purchased on December 1, 2001 for a price of MSEK 849. Fora Group has twelve mobile telephony operations in Russia and in all a total population under license of 48 million.

Levicom Broadband Group

Tele2 AB purchased the remaining part of Levicom Broadband Group on December 31, 2001. Levicom Broadband is a cable TV broadband and fixed telecom network in The Baltics.

Transcom Worldwide SA

In January, Tele2 divested its 37.45% holding in the call center company Transcom Worldwide SA ("Transcom") to Industriförvaltnings AB Kinnevik ("Kinnevik"). On 6 September the shares in Transcom were listed on NASDAQ and Stockholmborsen's O-list, and Tele2 recorded in a capital gain of MSEK 91 in the fourth quarter.

Parent Company

At the Parent company level, Tele2 reported at December 31, 2001 operating revenue of MSEK 12 (8), EBIT of MSEK -57 (155) and liquidity MSEK 8 compared to MSEK 7 at December 31, 2000. EBIT last year include the reversed option cost of MSEK 201. Tele2 AB has in the fourth quarter 2001 a liquidation cost of MSEK -13 964 from reorganisation of former SEC SA, resulting in a positive tax effect of MSEK 3,082.

Tele2 AB has during the fourth quarter purchased the Fora-group through a new issue of 2,461,449 new B-shares, with an impact of equity of MSEK 849. Tele2 AB has also made a new issue of 100,000 B-shares at December 31, 2001 related to the Convertible debt and with an impact of equity of MSEK 15. The later issue is still under registration at the Patent & Registration Office.

COMPANY DISCLOSURE

First Quarter of 2002 Results

The proposed date for the release of Tele2's financial and operating results for the period ended March 31, 2002 is 24 April, 2002.

Annual General Meeting (AGM)

The AGM will be held at 13.30 on 16 May at Gamla Stans Bryggeri, Tullhus 2 at Skeppsbrogajen in Stockholm.

Stockholm, February 19, 2002

Board of Tele2 AB

REPORT REVIEW

The financial and operating results for the period ended December 31, 2001 have not been subject to specific review by the Company's auditor.

Tele2 AB, formed in 1993, is the leading alternative pan-European telecommunications company offering fixed and mobile telephony, data network and Internet services under the brands Tele2, Tango and Comviq to 15 million people in 21 countries. Tele2 operates Datametrix, which specializes in systems integration, 3C Communications, operating public pay telephones and public Internet services; Transac, providing billing and transaction processing service; C³, offering co-branded pre-paid calling cards and IntelliNet and Optimal Telecom, the price-guaranteed residential router device. The Group offers cable television services under the Kabelvision brand name 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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CONFERENCE CALL DETAILS

A conference call to discuss the results will be held at 15.30 (Swedish time) / 09.30 (New York time), on 19 February, 2002. The dial in number is: +44 (0) 208 781 0598 and participants should quote, Tele2 AB. A live audio stream of the conference call can also be accessed at www.Tele2.com. Please dial in / log on 10 minutes prior to the start of the conference call to allow time for registration. An instantaneous recording of the conference call will be available for 48 hours after the call on +44 (0) 208 288 4459 access code 670572.

APPENDICES

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CONSOLIDATED INCOME STATEMENT (MSEK)

		2001	2000	2001	2000
		Full year	Full year	Q4	Q4
Operating revenue		25,085	12,440	6,926	4,916
Operating expenses		-26,555	-12,374	-7,131	-5,976
Option to Management	Note 2	-	229	-	-
Other revenues		189	212	27	66
Other expenses		-75	-87	-47	-35
Operating Profit (loss)		-1,356	420	-225	-1,029
Share of profit (loss) of associated companies		-58	-44	-8	-14
Sale of associated company and subsidiaries		91	-	91	-
Net interest and other financial expenses		-621	-211	-202	-57
Profit (loss) after financial items		-1,944	165	-344	-1,100
Taxes	Note 4	2,335	-561	2,927	-143
Minority interest		1	-	-4	1
Profit (loss) after taxes		392	-396	2,579	-1,242
Earnings (loss) per share after tax (SEK)		2.70	-3.47	17.81	-11.61
Earnings (loss) per share after tax, after dilution (SEK)		2.70	-3.47	17.77	-11.61
Number of shares, basic	Note 1	147,360,175	144,798,726		
Number of shares, weighted average	Note 1	145,003,847	114,087,366		
Number of shares after dilution	Note 1	147,560,175	145,098,726		
Number of shares after dilution, weighted average	Note 1	145,223,466	114,224,866		

CONSOLIDATED BALANCE SHEET (MSEK)

		2001	2000
		Dec 31	Dec 31
ASSETS			
Fixed assets			
Intangible assets		27,769	27,352
Tangible assets		9,431	8,031
Long-term financial assets	Note 4	<u>2,390</u>	<u>445</u>
		39,590	35,828
Current assets			
Materials and supplies		362	246
Current receivables		6,929	4,760
Cash and cash equivalents	Note 8	<u>2,275</u>	<u>1,511</u>
		9,566	6,517
Total assets		<u>49,156</u>	<u>42,345</u>
EQUITY AND LIABILITIES			
Shareholders' Equity			
Restricted equity		36,478	25,822
Non-restricted equity		<u>-6,961</u>	<u>717</u>
		29,517	26,539
Minority interest		28	8
Provisions			
Deferred tax liabilities	Note 4	-	571
Long-term liabilities			
Interest-bearing liabilities		10,972	5,590
Non-interest-bearing liabilities		<u>8</u>	<u>25</u>
		10,980	5,615
Short-term liabilities			
Interest-bearing liabilities		882	3,228
Non-interest-bearing liabilities		<u>7,749</u>	<u>6,384</u>
		8,631	9,612
Total equity and liabilities		<u>49,156</u>	<u>42,345</u>

CONSOLIDATED CASH FLOW STATEMENT (MSEK)

	2001	2000	2001	2001	2001	2001	2000
	Full year	Full year	Q4	Q3	Q2	Q1	Q4
Cash flows from operations	1,161	1,574	508	590	198	-135	-467
Change in working capital	-748	-691	108	-967	187	-76	-152
Cash flows provided by operating activities	413	883	616	-377	385	-211	-619
Investing activities	Note 3 -1,467	-770	569	-883	-565	-588	187
	-1,054	113	1,185	-1,260	-180	-799	-432
Financing activities	1,793	1,121	98	1,232	325	138	1 721
Net change in cash	739	1,234	1,283	-28	145	-661	1,289
Cash at beginning of period	1,511	421	968	1,070	871	1,511	370
Exchange difference in cash	25	-144	24	-74	54	21	-148
Cash at end of period	Note 8 2,275	1,511	2,275	968	1,070	871	1,511

CUSTOMERS (in thousands)

	Number of Customers			Net Intake				
	2001 Dec 31	2000 Dec 31	Change	2001 Q4	2001 Q3	2001 Q2	2001 Q1	2000 Q4
								Pro forma
BY MARKET AREA:								
Nordic	6,274	5,472	15%	198	332	81	191	511
Eastern Europe and Russia	Note 7 996	278	258%	422	93	124	79	198
Central Europe	3,191	2,702	18%	243	133	4	109	213
Southern Europe	4,286	2,942	46%	418	215	234	477	476
Luxembourg	211	160	32%	12	13	13	13	18
Total number of customers	14,958	11,554	29%	1,293	786	456	869	1,416
BY BUSINESS AREA:	Note 7							
Mobile telephony	3,710	2,559	45%	432	253	252	214	371
<i>of which prepaid</i>	2,179	1,396	56%	215	269	171	128	208
Fixed telephony and Internet	11,248	8,995	25%	861	533	204	655	1,045
Total number of customers	14,958	11,554	29%	1,293	786	456	869	1,416

CHANGE OF CONSOLIDATED SHAREHOLDERS' EQUITY (MSEK)

	December 31, 2001			December 31, 2000		
	Restricted	Non restricted		Restricted	Non restricted	
	Share capital	Other		Share capital	Other	
Equity, January 1	724	25,098	829	519	4,242	1,996
Effect of changes in accounting principles (note 5)	-	-	-112	-	-	-97
Adjusted equity, January 1	724	25,098	717	519	4,242	1,899
New issue, purchase of companies	12	837	-	204	19,569	-
New issue, Convertible debt	1	14	-	1	36	-
Gradual acquisition	-	-	-12	-	-	-284
Translation differences and other transfers	-	9,792	-8,058	-	1,251	-502
Profit, year-to-date	-	-	392	-	-	-396
Equity, end of period	737	35,741	-6,961	724	25,098	717
Total restricted and retained losses		36,478	-6,961		25,822	717

MARKET AREAS SPLIT BY BUSINESS AREAS (MSEK)**OPERATING REVENUE**

		Pro forma							
		2001	2000	2000	2001	2001	2001	2001	2000
		Full year	Full year	Full year	Q4	Q3	Q2	Q1	Q4
		Note 6							
<u>Nordic:</u>									
Mobile telephony	Note 5	6,029	4,800	4,800	1,591	1,664	1,452	1,322	1,311
Fixed telephony and Internet		5,886	5,294	5,294	1,607	1,363	1,438	1,478	1,439
Cable Television		171	190	190	52	43	29	47	55
Data processing		280	197	197	55	52	104	69	56
Total Nordic		12,366	10,481	10,481	3,305	3,122	3,023	2,916	2,861
<u>Eastern Europe and Russia:</u>									
Mobile telephony		1,094	222	222	370	270	258	196	125
Fixed telephony and Internet		34	5	5	12	11	8	3	2
Data processing		53	34	34	18	11	13	11	11
Total Eastern Europe and Russia		1,181	261	261	400	292	279	210	138
<u>Central Europe:</u>									
Mobile telephony		25	8	4	7	7	6	5	4
Fixed telephony and Internet		5,339	3,100	1,014	1,444	1,292	1,419	1,184	1,014
Total Central Europe		5,364	3,108	1,018	1,451	1,299	1,425	1,189	1,018
<u>Southern Europe:</u>									
Fixed telephony and Internet		5,591	2,574	882	1,566	1,406	1,415	1,204	882
Total Southern Europe		5,591	2,574	882	1,566	1,406	1,415	1,204	882
<u>Luxembourg:</u>									
Mobile telephony		471	315	74	149	113	109	100	74
Fixed telephony and Internet		211	181	50	46	60	55	50	50
Data processing		104	77	37	34	28	25	17	37
Total Luxembourg		786	573	161	229	201	189	167	161
<u>Branded products and services:</u>									
Mobile telephony		17	-	-	13	4	-15	15	-
Fixed telephony and Internet		1,559	789	496	368	372	432	387	198
Total Branded products and services		1,576	789	496	381	376	417	402	198
Adjustments for sales internal		-1,779	-1,543	-859	-406	-364	-535	-474	-342
Total operating revenue		25,085	16,243	12,440	6,926	6,332	6,213	5,614	4,916

MARKET AREAS SPLIT BY BUSINESS AREAS (MSEK), continued**EBITDA**

		Pro forma							
		2001 Full year	2000 Full year	2000 Full year	2001 Q4	2001 Q3	2001 Q2	2001 Q1	2000 Q4
		Note 6							
<u>Nordic:</u>									
Mobile telephony	Note 5	2,917	2,237	2,237	754	885	693	585	611
Fixed telephony and Internet		847	667	667	303	204	152	188	98
Cable Television		-11	26	26	19	-14	-18	2	19
Data processing		15	13	13	3	1	6	5	23
Total Nordic		3,768	2,943	2,943	1,079	1,076	833	780	751
<u>Eastern Europe and Russia:</u>									
Mobile telephony		320	-14	-14	96	82	79	63	-9
Fixed telephony and Internet		-56	-24	-24	-24	-4	-21	-7	-17
Data processing		8	9	9	4	1	-	3	3
Total Eastern Europe and Russia		272	-29	-29	76	79	58	59	-23
<u>Central Europe:</u>									
Mobile telephony		-21	1	1	-23	1	-	1	1
Fixed telephony and Internet		-585	-1,641	-501	-54	-120	-133	-278	-501
Total Central Europe		-606	-1,640	-500	-77	-119	-133	-277	-500
<u>Southern Europe:</u>									
Fixed telephony and Internet		-1,331	-1,276	-331	-329	-295	-310	-397	-331
Total Southern Europe		-1,331	-1,276	-331	-329	-295	-310	-397	-331
<u>Luxembourg:</u>									
Mobile telephony		101	88	6	4	43	29	25	6
Fixed telephony and Internet		-61	-192	-98	-25	-5	-27	-4	-98
Data processing		-35	-6	1	-16	-5	-3	-11	1
Total Luxembourg		5	-110	-91	-37	33	-1	10	-91
<u>Branded products and services:</u>									
Mobile telephony		-22	-	-	-15	-4	7	-10	-
Fixed telephony and Internet		-387	-259	-172	-64	-49	-107	-167	-185
Total Branded products and services		-409	-259	-172	-79	-53	-100	-177	-185
Total EBITDA		1,699	-371	1,820	633	721	347	-2	-379

EBITDA MARGIN

Nordic	Note 5	30%	28%	28%	33%	34%	28%	27%	26%
Eastern Europe and Russia		23%	-11%	-11%	19%	27%	21%	28%	-17%
Central Europe		-11%	-53%	-49%	-5%	-9%	-9%	-23%	-49%
Southern Europe		-24%	-50%	-38%	-21%	-21%	-22%	-33%	-38%
Luxembourg		1%	-19%	-57%	-16%	16%	-1%	6%	-57%
Branded products and services		-26%	-33%	-35%	-21%	-14%	-24%	-44%	-93%
Total EBITDA margin		7%	-2%	15%	9%	11%	6%	0%	-8%

MARKET AREAS SPLIT BY BUSINESS AREAS (MSEK), continued**EBIT**

		2001	2000	2001	2001	2001	2001	2000
		Full year	Full year	Q4	Q3	Q2	Q1	Q4
<u>Nordic:</u>								
Mobile telephony	Note 5	2,563	1,950	663	795	609	496	530
Fixed telephony and Internet		363	166	179	80	30	74	-52
Cable Television		-83	-37	1	-32	-37	-15	2
Data processing		12	-1	2	-	6	4	23
Total Nordic		2,855	2,078	845	843	608	559	503
<u>Eastern Europe and Russia:</u>								
Mobile telephony		76	-61	-38	41	44	29	-30
Fixed telephony and Internet		-79	-30	-34	-12	-25	-8	-18
Data processing		-3	3	3	-2	-2	-2	3
Total Eastern Europe and Russia		-6	-88	-69	27	17	19	-45
<u>Central Europe:</u>								
Mobile telephony		-24	-	-26	1	-	1	-
Fixed telephony and Internet		-683	-511	-75	-147	-158	-303	-511
Total Central Europe		-707	-511	-101	-146	-158	-302	-511
<u>Southern Europe:</u>								
Fixed telephony and Internet		-1,427	-336	-359	-319	-336	-413	-336
Total Southern Europe		-1,427	-336	-359	-319	-336	-413	-336
<u>Luxembourg:</u>								
Mobile telephony		36	-8	-13	24	14	11	-8
Fixed telephony and Internet		-109	-103	-43	-15	-37	-14	-103
Data processing		-40	1	-18	-6	-4	-12	1
Total Luxembourg		-113	-110	-74	3	-27	-15	-110
<u>Branded products and services:</u>								
Mobile telephony		-22	-2	-15	-4	7	-10	-2
Fixed telephony and Internet		-424	-188	-74	-60	-114	-176	-191
Total Branded products and services		-446	-190	-89	-64	-107	-186	-193
<u>Group adjustments, depreciation</u>		<u>-1,512</u>	<u>-423</u>	<u>-378</u>	<u>-385</u>	<u>-376</u>	<u>-373</u>	<u>-337</u>
Total EBIT		-1,356	420	-225	-41	-379	-711	-1,029

EBIT MARGIN

Nordic	Note 5	23%	20%	26%	27%	20%	19%	18%
Eastern Europe and Russia		-1%	-34%	-17%	9%	6%	9%	-33%
Central Europe		-13%	-50%	-7%	-11%	-11%	-25%	-50%
Southern Europe		-26%	-38%	-23%	-23%	-24%	-34%	-38%
Luxembourg		-14%	-68%	-32%	1%	-14%	-9%	-68%
Branded products and services		-28%	-38%	-23%	-17%	-26%	-46%	-97%
Total EBITDA margin		-5%	3%	-3%	-1%	-6%	-13%	-21%

INVESTMENTS*

*According to the Cash flow Statement

		2001	2000	2001	2001	2001	2001	2000
		Full year	Full year	Q4	Q3	Q2	Q1	Q4
Market areas:								
Nordic		1,029	1,266	200	248	252	329	482
Eastern Europe and Russia		328	174	128	130	3	67	89
Central Europe		149	19	6	93	28	22	13
Southern Europe		454	11	105	73	180	96	11
Luxembourg		122	8	92	14	8	8	8
Branded products and services		63	40	19	30	-1	15	20
		2,145	1,518	550	588	470	537	623
Change of long-term receivables		87	95	-	25	11	51	32
Purchase/sale of companies	Note 3	-765	-843	-1,119	270	84	-	-842
Total investments		1,467	770	-569	883	565	588	-187

Business areas:

Mobile telephony		789	773	166	269	142	212	359
Fixed telephony and Internet		1,272	658	400	292	300	280	234
Cable Television		52	40	-25	19	20	38	13
Data processing		32	47	9	8	8	7	17
		2,145	1,518	550	588	470	537	623
Change of long-term receivables		87	95	-	25	11	51	32
Purchase/sale of companies	Note 3	-765	-843	-1,119	270	84	-	-842
Total investments		1,467	770	-569	883	565	588	-187

TELE2 SWEDEN

		2001	2000	2001	2001	2001	2001	2000
		Full year	Full year	Q4	Q3	Q2	Q1	Q4
Operating revenue:								
Mobile telephony	Note 5	5,720	4,777	1,513	1,560	1,377	1,270	1,300
Fixed telephony and Internet		3,183	3,013	853	726	782	822	815
Cable Television		157	177	49	39	26	43	52
Total Tele2 Sweden		9,060	7,967	2,415	2,325	2,185	2,135	2,167

EBITDA

Mobile telephony	Note 5	3,111	2,200	808	897	730	676	663
Fixed telephony and Internet		675	499	220	161	141	153	116
Cable Television		-13	29	19	-15	-19	2	21
Total Tele2 Sweden		3,773	2,728	1,047	1 043	852	831	800

EBITDA margin:

Mobile telephony	Note 5	54%	46%	53%	58%	53%	53%	51%
Fixed telephony and Internet		21%	17%	26%	22%	18%	19%	14%
Cable Television		-8%	16%	39%	-38%	-73%	5%	40%
Total Tele2 Sweden		42%	34%	43%	45%	39%	39%	37%

EBIT

Mobile telephony	Note 5	2,759	1,914	718	807	645	589	585
Fixed telephony and Internet		324	136	130	74	53	67	23
Cable Television		-83	-33	2	-33	-37	-15	5
Total Tele2 Sweden		3 000	2 017	850	848	661	641	613

EBIT margin:

Mobile telephony	Note 5	48%	40%	47%	52%	47%	46%	45%
Fixed telephony and Internet		10%	5%	15%	10%	7%	8%	3%
Cable Television		-53%	-19%	4%	-85%	-142%	-35%	10%
Total Tele2 Sweden		33%	25%	35%	36%	30%	30%	28%

FIVE YEAR SUMMARY

	2001	2000	1999	1998	1997
Income Statement and Balance Sheet (MSEK)					
Operating revenue	25,085	12,440	8,171	5,918	4,030
Operating profit before depreciation	1,699	1,820	2,060	1,165	1,026
Operating profit (loss) after depreciation	-1,356	420	1,152	506	507
Profit (loss) after financial items	-1,944	165	4,184	219	78
Profit (loss) after taxes	392	-396	3,768	53	130
Shareholders' equity	29,517	26,539	6,659	2,926	2,903
Shareholders' equity, after dilution	29,547	26,584	6,659	2,926	2,940
Total assets	49,156	42,345	14,401	9,995	8,435
Cash flow provided by operating activities	413	883	1,753	971	441
Liquidity	1,378	1,304	1,123	821	1,499
Net borrowing	9,286	7,095	4,605	4,600	3,579
Net borrowing, after dilution	9,256	7,050	4,605	4,600	3,542
Investments including financial lease	1,485	774	1,475	1,941	1,147
Key Ratios					
Solidity	60%	63%	46%	29%	34%
Solidity, after dilution	60%	63%	46%	29%	35%
Debt/equity ratio	0.31	0.27	0.69	1.57	1.23
Result before depreciation margin	6.8%	14.6%	25.2%	19.7%	25.5%
Result after depreciation margin	-5.4%	3.4%	14.1%	8.6%	12.6%
Return on shareholders' equity	1.4%	-2.4%	78.6%	1.8%	6.9%
Return on shareholders' equity, after dilution	1.4%	-2.4%	78.6%	1.8%	6.4%
Return on capital employed	-3.3%	1.9%	45.2%	6.8%	6.8%
Average interest rate	6.3%	4.8%	4.8%	6.6%	7.1%
Average interest rate, after dilution	6.3%	4.8%	4.8%	6.6%	7.1%
Value per Share (SEK)					
Profit (loss)	2.70	-3.47	36.28	0.51	1.32
Profit (loss), after dilution	2.70	-3.47	36.28	0.51	1.36
Shareholders' equity	203.56	232.62	64.12	28.24	29.60
Shareholders' equity, after dilution	203.46	232.74	64.12	28.17	28.42
Cash flow	2.85	7.74	16.88	9.38	4.50
Cash flow, after dilution	2.85	7.73	16.88	9.35	4.26
Dividend	-	-	-	-	-
Market value at closing day	378.00	392.00	598.00	330.00	170.50
P/E-ratio	139.81	-112.89	16.48	642.68	128.82
P/E-ratio, after dilution	140.02	-113.02	16.48	644.24	125.61

NOTES TO THE ACCOUNTS

Accounting principals and definitions

In 2001, Tele2 modified its accounting principles to conform with the recommendation of the Swedish Financial Accounting Standards Council: RR18-Result per share and RR20-Interim Financial Statement. The new recommendations have no material effect on the Financial Statements. Tele2 follows recommendation RR1:00 - RR18 and RR20. In all other cases, with the exception note 5 below, Tele2 has reported its interim report in accordance with the accounting principles and methods used in the Annual Report and Accounts for the financial year of 2000.

Definitions: Please see the Annual Report for 2000.

An internal reorganisation has resulted in a transfer of one company from Central Europe to Branded products & services. All figures relating to this company have also been moved for the previous periods

Note 1 Shares and Convertibles

At the AGM in May 2000 the company received shareholder approval to settle the option obligation through a new issue of shares. In October 2000 there was an issue of Convertible debt with an option right to subscribe for 100,000 B-shares in Tele2 AB for the three years 2001, 2002 and 2003. At December 31, 2001 there was a transfer from Convertible to shares for 2001 under registration at the Patent and Registration Office. The remaining Convertibles at December 31, 2001 represent 200,000 B-shares.

Note 2 Option to Management

The EBITDA in the second quarter 2000 includes a fully reversed option cost of MSEK 229 following a decision by the Board to resolve the obligation through a new issue, of which MSEK 28 is shown as fixed telephony in Tele2 Sverige AB, Sweden.

Note 3 Non-cash transactions

Tele2 AB-group has additional investments with no cash-effect in the fourth quarter of 2001. The purchase of shares in Fora was made by means of an issue of MSEK 849 and is not included in the cash flow statements as investments or financing. Fora had cash of MSEK 884 by the time of acquisition, which is stated as a positive investment. The purchase of shares in Levicom Broadband for MSEK 121 was financed by a loan from the vendor and is not included in the cash flow statements as investments or financing. Levicom Broadband had cash of MSEK 5 by the time of acquisition which is stated as positive investments.

Tele2 AB-group has in the fourth quarter of 2000 through a new issue purchased shares in SEC for MSEK 19,772, why only cash in SEC by the time of acquisition is stated as positive investments in the cash flow statement with MSEK 3,008.

Note 4 Taxes

Tele2 AB has in the fourth quarter of 2001 recorded a deferred tax receivable /-revenue of MSEK 3,082, as a result of the reorganisation of the former SEC-group.

At December 31, 2001 the total deferred tax receivable for the group was MSEK 1,764, and is included in the item "Long-term financial assets". The group has previous periods stated deferred tax liabilities.

Note 5 Changes in accounting principles

The group has in the fourth quarter of 2001 changed the accounting principle for the number of minutes within the mobile telephony business to be used by the customers in future months ("IQ Spar"). A retroactive change has been made to previous periods. In total these changes have no material impact of the accounts for the group.

Note 6 Pro forma, purchase of SEC

Pro forma financial information gives effect to the acquisition by Tele2 AB of Société Européenne de Communication SA ("SEC") in a transaction accounted for as a purchase made at January 1, 1999. The pro forma is based on an issue of 40,748,480 Tele2 AB-shares. Goodwill arising from the purchase has an effect on the income statement of MSEK 1,158 on an annual basis, as a result of a 20-year depreciation period. No material differences occurs between the companies accounting principles. The disposal of shares in the Norwegian company Netcom ASA has during 1999 and 2000 been recorded in the accounts by both Tele2 AB and SEC. The pro forma is calculated as if the new group has sold the whole investment in Netcom ASA by the 1st of January 1999. The received payment has been discounted with an interest rate of approximately 4.8% on an annual basis, with an effect on the financial items in the Income statement for each pro forma period.

Pro forma figures for SEC are from January 1, 1999 to September 30, 2000.

Note 7 Purchased companies

As a result of the purchase of companies in the fourth quarter of 2001, the total number of customers at December 31, 2001 include 166,000 customers for the Fora-group and 130,000 customers for the Levicom Broadband-group, of which 66,000 were cable customers.

Note 8 Restricted funds

At December 31, 2001 MSEK 897 of the Group's liquid funds were deposited in blocked accounts as security for guarantees granted.