



FOR IMMEDIATE RELEASE
Monday, August 6, 2001

TELE2 AB ANNOUNCES STRONG GROUP CUSTOMER INTAKE, AND CONTINUED SIGNIFICANT IMPROVEMENT IN EBITDA MARGINS

- 63% Annualized increase in Pro forma Operating Revenue
- 67% Annualized increase in Q2 Pro forma Operating Revenue
- Second successive EBITDA positive quarter since SEC Acquisition, a MSEK 349 improvement Q2/Q1
 - 66% Annualized increase in Q2 EBITDA for Tele2 Sweden
- Tele2's Mobile Operations in Sweden reported 53% EBITDA margins and close to 2.3m Subscribers, an Annualized increase of 25%
 - 41% Annualized increase in Pro forma Subscribers to 12.9 million
- Cash flows provided by operating activities improved from MSEK -211 in the first quarter to MSEK 385 in the second quarter
- Baltic and Eastern Europe increased Annualized EBITDA from MSEK 3 to MSEK 117

New York and Stockholm – August 6, 2001 – Tele2 AB (formerly NetCom AB, “Tele2”, “the Group”) (Nasdaq Stock Market: TLTOA and TLTOB and Stockhomsbörsen: TEL2 A and TEL2 B), the leading alternative pan-European telecommunications company, today announced its consolidated results for the first half of 2001.

Tele2 Financial Summary

SEK millions	2001 Q2	2001 Q1	2000 Q4	2000 Q2 Pro forma*
Operating Revenue	6,220	5,619	4,949	3,716
Operating Profit (Loss)				
before depreciation and amortization (i)	351	2	-356	80
after depreciation and amortization (ii)	-375	-707	-1,006	-520

(i) EBITDA

(ii) EBIT

* Pro forma before the merger of Tele2 and SEC

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

“Tele2 is the largest pan-European telecoms brand, with more than 12.9 million subscribers covering 21 countries. The strong first half of the year reflects both the improving profitability and strong margins of our mobile and fixed telephony operations in the Swedish market and in particular the improving EBITDA profitability of our operations in Central and Southern Europe, where our subscriber intake has been strong, driving revenue growth and EBITDA losses have been substantially reduced. Our focus continues to be on customer acquisition, churn management and cost control and we believe that margin improvements will continue to be made across the Group in 2001.”

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).

- Tele2's operating revenues were MSEK 11,839 for the six months ended June 30, 2001, an increase of 63% over the MSEK 7,247 reported proforma in the same period last year. Non proforma operating revenues increased by 143% over the same period
- The total number of subscribers for the Group at June 30, 2001 was 12.9 million, an increase of 41% proforma over the same period of 2000.
- EBITDA at the Group level improved from MSEK 2 in the first quarter of 2001 to MSEK 351 in the second quarter of 2001, a quarterly improvement of MSEK 349
- Cash flows provided by operating activities improved to MSEK 385 in the second quarter of 2001 from MSEK -211 in the first quarter
- Nordic operating revenues increased by 20% to MSEK 5,951 and EBITDA increased by 8% to MSEK 1,621
- Tele2 Sweden's operating revenues were MSEK 4,332 for the six months ended June 30, 2001, an increase of 15% over the same period last year. EBITDA increased by 36% to MSEK 1,691 over the same period, with increased minutes of usage (MOU), up more than 15%
- Tele2 Sweden's mobile telephony business reported stable monthly average revenue per subscriber (ARPU) of SEK 204 compared with SEK 210 in the same period last year, inclusive of postpaid and prepaid customers, the later represents 61% of total mobile subscribers
- Baltic and Eastern Europe operating revenues increased to MSEK 489 (76) and EBITDA increased to MSEK 117 (3)
- Central Europe increased operating revenues to MSEK 2,701 (+109%), Southern Europe MSEK 2,619 (+147%), Luxembourg MSEK 356 (+37%) and Branded products and services MSEK 732 (+172%). EBITDA losses contained and improvement in margins in Q2 increasing profitability per subscriber. Strong Q2 ARPU's for Central Europe of SEK 170 (92) and for Southern Europe of SEK 132 (101) on a monthly basis
- Tele2 has an unrivalled position in UMTS, with license awards in Sweden, Finland, Norway and Liechtenstein.
- In July, Tele2 announced a financing initiative to raise €1.2 billion, 5 year, amortizing senior debt facility
- In May, Tele2 announced additional acquisition of OÜ Levicom Broadband, a fixed telephony, internet and cable TV company in Estonia, from 19.9% to 60% with effect from July 2001

FINANCIAL RESULTS

From January 1, 2001, Tele2 has reported its results by six market areas

Proforma results for the three and six months ended June 30, 2001

Operating revenue increased by 63% to MSEK 11,839. There has been strong revenue growth in mobile telephony and fixed telephony operations in particular in the Baltics and Eastern Europe and Central and Southern Europe. Operating revenue improved by 11% from MSEK 5,619 in the first quarter of 2001 compared to MSEK 6,220 in the second quarter of 2001.

Operating revenue for Tele2 Sweden was MSEK 4,332, an annualized increase of 15% with an encouraging 23% increase in mobile telephony in Tele2 Sweden.

Operating profit before depreciation and amortization (EBITDA) was MSEK 353 (326). EBITDA improved from MSEK 2 in the first quarter of 2001 compared to MSEK 351 in the second quarter of 2001. EBITDA margins improved to 6% in the second quarter compared to 0% in the first quarter of 2001.

EBITDA for Tele2 Sweden was MSEK 1,691 (1,247), an annualized increase of 36% and an EBITDA margin of 39% (33%). EBITDA margins for Tele2 Sweden have shown consistent improvements on a quarterly basis for the past quarters.

Operating profit (loss) after depreciation and amortization (EBIT) was MSEK –1,082 (-894).

EBIT improved from MSEK –707 in the first quarter of 2001 compared to MSEK –375 in the second quarter of 2001. EBIT for Tele2 Sweden was MSEK 1,310 (905), a 45% increase.

Profit (loss) after financial items was MSEK –1,368 (-995). Net interest expense and other financial items totaled MSEK -236 (-90). The average interest rate applied to debt outstanding was 5.6%.

Profit (loss) after tax was MSEK –1,728 (-1,284).

Earnings (loss) per share (diluted) was SEK –11.91 (-12.37), after dilution.

Tax for the period was MSEK –363 (-290) reflecting tax payable within the Swedish operations. Deferred tax receivables are only recorded for losses carried forward where it is anticipated these will be used in the near future. A cautious valuation has been made for deferred taxes from foreign operations, which for the six months ended June 30, 2001 were recorded as zero.

Tele2's total assets at June 30, 2001 increased by 4% to MSEK 43,859 compared to MSEK 42,345 reported at December 31, 2000.

OPERATIONAL REVIEW BY MARKET AREA

	Number of customers		
	June 30,		
	2001	2000 Pro forma*	%
By Market Area			
Nordic	5,744,000	4,850,000	+18
Baltics and Eastern Europe	481,000	63,000	+663
Central Europe	2,815,000	2,111,000	+33
Southern Europe	3,653,000	2,028,000	+80
Luxembourg	186,000	99,000	+88
TOTAL	12,879,000	9,151,000	+41
By Business Area			
Fixed telephony	8,597,000	6,004,000	+43
Mobile telephony	3,025,000	1,998,000	+51
<i>Whereof Prepaid</i>	<i>1,695,000</i>	<i>1,098,000</i>	<i>+54</i>
Dial up Internet	1,257,000	1,149,000	+9
TOTAL	12,879,000	9,151,000	+41

* Pro forma before the merger of Tele2 and SEC

Nordic

Operating revenue, MSEK 5,951 (4,967), +20%

EBITDA, MSEK 1,621 (1,506), +8%

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

The Nordic market reported revenue growth across all of its core market areas.

Tele2 Sweden is the main component, representing operating revenues of MSEK 4,332, an increase of 15% over the six months ended June 30, 2000. The growth in the number of mobile prepaid and contract subscribers accelerated during the second quarter due to Tele2's market position as the price-leading operator. Tele2 Sweden reported 4.4 million subscribers an annualized increase of 24%. Monthly average revenue per subscriber (ARPU), inclusive of postpaid and prepaid customers, remained stable at SEK 204 compared to SEK 210 in the same period last year and SEK 201 in the first quarter of 2001, despite the higher customer intake during the period. Minutes of usage (MOU) increased by 9% from 105 to 114 over the same period and by 16% from 98 in the first quarter 2001.

Prepaid mobile customers accounted for 61% of the total mobile subscriber base and 88% of net new subscriber additions for Tele2 Sweden in the period.

Fixed telephony customer intake in Sweden was very strong, increasing 33% on an annualized basis to 1.2 million and this was reflected in increased sales and marketing spend which reduced margins.

In January, Tele2 announced a joint venture with Telia to share the cost of developing a UMTS network in Sweden. In June, the court upheld the Post and Telecommunications Authority (PTS) decision concerning the initial allocation of UMTS licenses in Sweden following an appeal process by Telia and Telenordia, both of whom have decided not to appeal this decision.

Denmark and Norway are predominantly fixed telephony operations and reported a total of 1.4 million subscribers. There was growth in all areas of the business in Denmark and Norway and particularly strong growth in Internet subscribers.

Tele2 Denmark became the first mobile virtual network operator (MVNO), allowing the company to offer competitively priced mobile telephony services to its existing customer base. In association with Sonofon, Tele2 will be able to offer prepaid and ultimately post paid contracts without the need to invest in infrastructure. Tele2 will look to replicate MVNO status in other countries of operations where appropriate.

Tele2 in Norway has an agreement with Telenor to lease network capacity enabling Tele2Mobil to offer an equal range of network coverage. Tele2 was the first service provider to offer pre-paid cards in Norway and Tele2Mobil has been operational since the second quarter of 2000.

Tele2 offers pre-paid international telephony services in Finland and has launched international, long distance and Internet services marketed under the Tele2 brand.

Baltics and Eastern Europe

Operating revenue, MSEK 489 (76), +543%

EBITDA, MSEK 117 (3)

The Baltic and Eastern Europe market encompasses operations in the Baltics, Poland and the Czech Republic.

At June 30, 2001, Tele2's operations reported 481,000 gross subscribers, compared to 63,000 subscribers reported in the same period of 2000, 49% of which were prepaid subscribers.

Central Europe

Operating revenue, MSEK 2,701 (1,291), +109%

EBITDA, MSEK -430 (-651)

The Central European market encompasses Tele2 operations in Germany, the Netherlands, Switzerland, Austria and the United Kingdom and reported a strong first half of EBITDA growth compared to the second half of 2000, reflecting the maturity of certain of the operations and their progress to EBITDA breakeven within the three years from operational launch.

Southern Europe

Operating revenue, MSEK 2,619 (1,060), +147%

EBITDA, MSEK -707 (-486)

The Southern Europe market includes Tele2 operations in France, Italy and Spain and a license in Portugal. This region had a strong first half in terms of EBITDA margin growth reflecting the improving profitability of Tele2's operations in France and their significant subscriber base.

Tele2 entered the French market in March 1999 and has grown to become the largest private operator in the residential sector with a subscriber base of approximately 2.3 million. Tele2's large customer base gives it a strong foundation to negotiate with mobile network operators to secure MVNO status.

Tele2 is now one of Italy's second leading private fixed line operators.

In the second quarter, Tele2 launched fixed telephony services in Spain and by June 30, 2001, reported more than 110,000 subscribers. Tele2 aims to be the second leading alternative operator by the year-end. The network in Spain is IP based using CISCO switches and the offer is entirely pre-paid.

Luxembourg

Operating revenue, MSEK 356 (259), +37%

EBITDA, MSEK 9 (-8)

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

Tele2 offers mobile telephony services in Liechtenstein under the Tango brand and launched fixed telephony services under the Tele2 brand in the second half of 2000. In March, Tele2 was awarded a UMTS license in Liechtenstein.

In Luxembourg, Tango has a 42% market share. In March, Tango launched GPRS in Luxembourg.

Branded Products and Services

Operating revenue, MSEK 732 (269), +172%

EBITDA, MSEK -257 (-38)

Branded Products and Services includes Optimal Telecom, C³, Everyday.com and IntelliNet in all countries of operation. The main revenue generator within this area is Optimal Telecom and C³.

GROUP REVIEW

Refinancing

At June 30, 2001, Tele2 recorded short-term liabilities of MSEK 3,350 related to the €1.2 billion refinancing announced in July and hence it is not foreseen that this sum will become payable. Tele2 has mandated ABN Amro, CIBC World Markets plc, ING Bank, Nordea, The Royal Bank of Scotland and West LB to arrange a €1.2 billion, 5 year, amortizing senior debt facility. This will replace the two existing debt facilities, which currently exist within Tele2 Sweden and the former SEC.

Investments and Divestments

Estonia

In July, Tele2 increased its stake in OÜ Levicom Broadband, which operates fixed telephony, Internet and Cable TV services in Estonia under the Tele2 brand, from 19.9 percent to 60 percent. This will impact the financial results for accounting periods commencing July 2001.

Following this increase in ownership, the operations and organizational structures of Levicom Broadband will be merged with those of Tele2 Eesti AS, which provides mobile telephony services in Estonia under the Q and Tele2 Mobil brands and which is 94.8 percent owned by Tele2.

Finland

Tele2 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. The Everyday.com portal and free Internet services have been launched in the capital, Helsinki and expansion will follow throughout the country.

Transcom Worldwide SA

In January, Tele2 divested its 37.45% holding (acquired through the merger with SEC) in the call center company Transcom Worldwide SA (Transcom) to Industriförvaltnings AB Kinnevik (Kinnevik). At its AGM, the Board of Kinnevik proposed a dividend of Transcom shares to its shareholders and also a public listing of Transcom. The proceeds due to Tele2 on the sale of its interest in Transcom will be determined by the market price of Transcom's publicly listed equity 60 days after the market quotation day. It is therefore anticipated that a capital gain on disposal will be recorded in the income statement in the fourth quarter of 2001.

Parent Company

At the Parent company level, Tele2 reported operating revenue of MSEK 7 (4) and EBITDA of MSEK -25 (210). Liquidity at June 30, 2001 and December 31, 2000 was MSEK 7 and MSEK 7 respectively.

COMPANY DISCLOSURE

Third Quarter of 2001 Results

The proposed date for the release of Tele2's financial and operating results for the period ended September 30, 2001 is October 24, 2001.

Stockholm, August 6, 2001
Board of Tele2 AB

REPORT REVIEW

The financial and operating results for the period ended June 30, 2001 have not been subject to specific review by the Company's auditor.

Tele2 AB, (formerly NetCom 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, Comviq and Q-GSM to more than 12.8 million people in 21 countries. Tele2 operates Datamatrix, 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.

CONTACTS

Lars-Johan Jarnheimer President and CEO, Tele2 AB	Telephone: + 46 8 562 640 00
Hakan Zadler CFO, Tele2 AB	Telephone: + 46 8 562 640 00
Andrew Best Investor enquiries	Telephone: + 44 (0) 20 7321 5022
Bert Willborg Press enquiries	Telephone: +46 707 27 7022

Visit us at our homepage: <http://www.Tele2.com>

CONFERENCE CALL DETAILS

A conference call to discuss the results will be held at 15.30 (Swedish time) / 09.30 (New York time), on Monday, August 6, 2001. The dial in number is: +44 (0) 20 8240 8241 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) 20 8288 4459, access code 676372.

APPENDICES

Consolidated Income Statement
Consolidated Balance Sheet
Consolidated Cashflow Statement
Consolidated Changes in Shareholders Equity
Market Areas split by Business Areas, Proforma
Market Areas split by Business Areas, non-Proforma
Five-Year Summary
Notes to the Accounts

CONSOLIDATED INCOME STATEMENT (MSEK)

		2001	2000	2001	2000	2000
		Jan 1– Jun 30	Jan 1– Jun 30	Q2	Q2	Full Year
Operating revenue		11,839	4,867	6,220	2,521	12,470
Operating expenses		-12,994	-4,145	-6,622	-2,246	-12,383
Option to Management	Note 2	-	236	-	236	229
Other revenues		105	104	44	32	212
Other expenses		-32	-40	-17	-40	-87
Operating Profit (loss)		-1,082	1,022	-375	503	441
Share of profit (loss) of associated companies		-50	-11	-17	-10	-44
Net interest and other financial expenses		-236	-102	-109	-51	-211
Profit (loss) after financial items		-1,368	909	-501	442	186
Taxes		-363	-290	-192	-147	-567
Minority interest		3	1	1	-	-
Profit (loss) after taxes		-1,728	620	-692	295	-381
Earnings (loss) per share after tax (SEK)		-11.94	5.96	-4.79	2.83	-3.34
Earnings (loss) per share after tax, after dilution (SEK)		-11.91	5.96	-4.77	2.83	-3.34
Number of shares, basic	Note 1	144,798,726	103,850,246			144,798,726
Number of shares, weighted average	Note 1	144,798,726	103,850,246			114,087,366
Number of shares, after dilution	Note 1	145,098,726	103,850,246			145,098,726
Number of shares after dilution, weighted average	Note 1	145,098,726	104,350,246			114,224,866

CONSOLIDATED BALANCE SHEET (MSEK)

	2001	2000	2000
	Jun 30	Jun 30	Dec 31
ASSETS			
Fixed assets			
Intangible assets	27,737	1,945	27,352
Tangible assets	8,474	6,113	8,031
Long-term financial assets	396	3,754	445
	36,607	11,812	35,828
Current assets			
Materials and supplies	433	46	246
Current receivables	5,749	2,154	4,760
Cash and cash equivalents	1,070	516	1,511
	7,252	2,716	6,517
Total assets	43,859	14,528	42,345
EQUITY AND LIABILITIES			
Shareholders' Equity			
Restricted equity	26,837	4,761	25,822
Non-restricted equity	-604	2,586	829
	26,233	7,347	26,651
Minority interest	4	-	8
Provisions			
Deferred tax liabilities	981	351	615
Long-term liabilities			
Interest-bearing liabilities	5,920	4,321	5,590
Non-interest-bearing liabilities	7	15	25
	5,927	4,336	5,615
Short-term liabilities			
Interest-bearing liabilities	3,457	171	3,228
Non-interest-bearing liabilities	7,257	2,323	6,228
	10,714	2,494	9,456
Total equity and liabilities	43,859	14,528	42,345

CONSOLIDATED CASHFLOW STATEMENT (MSEK)

	2001	2000	2000
	Jan 1 – Jun 30	Jan 1 –Jun 30	Full Year
Cash flow from operations	71	1,438	1,595
Changes in working capital	103	-165	-712
Cash flows provided by operating activities	174	1,273	883
Investing activities	-1,153	-582	-770
Financing activities	463	-600	1,121
Net change in cash	-516	91	1,234
Cash at beginning of period	1,511	421	421
Exchange difference in cash	75	4	-144
Cash at end of period	1,070	516	1,511

CHANGE OF CONSOLIDATED SHAREHOLDERS' EQUITY (MSEK)

	June 30, 2001			June 30, 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
Translation differences and other transfers	-	1,015	295	-	-	-30
Profit, year-to-date	-	-	-1,728	-	-	620
Equity, year-to-date	724	26,113	-604	519	4,242	2,586
Total restricted and retained losses		26,837	-604		4,761	2,586

MARKET AREAS SPLIT BY BUSINESS AREAS, PROFORMA (MSEK)

OPERATING REVENUE

	2001	2001	2000	Proforma	Proforma	Proforma
	Q2	Q1	Q4	2000	2000	2000
				Q3	Q2	Q1
				Note 5	Note 5	Note 5
<u>Nordic:</u>						
Mobile telephony	1,459	1,327	1,344	1,316	1,122	1,048
Fixed telephony and Internet	1,438	1,478	1,439	1,265	1,275	1,315
Cable Television	29	47	55	43	64	28
Data processing	104	69	56	26	41	74
Total Nordic	3,030	2,921	2,894	2,650	2,502	2,465
<u>Baltic and Eastern Europe:</u>						
Mobile telephony	258	196	125	38	31	28
Fixed telephony and Internet	8	3	2	1	1	1
Data processing	13	11	11	8	8	7
Total Baltic and Eastern Europe	279	210	138	47	40	36
<u>Central Europe:</u>						
Mobile telephony	6	5	4	3	1	-
Fixed telephony and Internet	1,465	1,225	1,014	796	622	668
Total Central Europe	1,471	1,230	1,018	799	623	668
<u>Southern Europe:</u>						
Fixed telephony and Internet	1,415	1,204	882	632	553	507
Total Southern Europe	1,415	1,204	882	632	553	507
<u>Luxembourg:</u>						
Mobile telephony	109	100	74	92	83	66
Fixed telephony and Internet	55	50	50	47	46	38
Data processing	25	17	37	14	12	14
Total Luxembourg	189	167	161	153	141	118
<u>Branded products and services:</u>						
Total Branded products and services	371	361	198	322	134	135
Adjustments for sales internal	Note 5 -535	-474	-342	-526	-277	-398
Total operating revenue	6,220	5,619	4,949	4,077	3,716	3,531

MARKET AREAS SPLIT BY BUSINESS AREAS, PROFORMA (MSEK), continued

OPERATING PROFIT (LOSS) BEFORE DEPRECIATION & AMORTIZATION, EBITDA

	2001	2001	2000	Proforma	Proforma	Proforma
	Q2	Q1	Q4	2000	2000	2000
				Q3	Q2	Q1
				Note 5	Note 5	Note 5
<u>Nordic:</u>						
Mobile telephony	697	589	634	581	528	515
Fixed telephony and Internet	152	188	98	100	249	220
Cable Television	-18	2	19	4	1	2
Data processing	6	5	23	-1	-30	21
Total Nordic	837	784	774	684	748	758
<u>Baltic and Eastern Europe:</u>						
Mobile telephony	79	63	-9	-8	-1	4
Fixed telephony and Internet	-21	-7	-17	-3	-2	-2
Data processing	-	3	3	2	2	2
Total Baltic and Eastern Europe	58	59	-23	-9	-1	4
<u>Central Europe:</u>						
Mobile telephony	-	1	1	-	-	-
Fixed telephony and Internet	-137	-294	-501	-489	-406	-245
Total Central Europe	-137	-293	-500	-489	-406	-245
<u>Southern Europe:</u>						
Fixed telephony and Internet	-310	-397	-331	-459	-232	-254
Total Southern Europe	-310	-397	-331	-459	-232	-254
<u>Luxembourg:</u>						
Mobile telephony	29	25	6	25	36	21
Fixed telephony and Internet	-27	-4	-98	-33	-43	-18
Data processing	-3	-11	1	-3	-2	-2
Total Luxembourg	-1	10	-91	-11	-9	1
<u>Branded products and services:</u>						
Total Branded products and services	-96	-161	-185	-36	-20	-18
Total EBITDA	351	2	-356	-320	80	246
<u>EBITDA margin</u>						
Nordic	28%	27%	27%	26%	30%	31%
Baltic and Eastern Europe	21%	28%	-17%	-19%	-3%	11%
Central Europe	-9%	-24%	-49%	-61%	-65%	-37%
Southern Europe	-22%	-33%	-38%	-73%	-42%	-50%
Luxembourg	-1%	6%	-57%	-7%	-6%	1%
Branded products and services	-26%	-45%	-93%	-11%	-15%	-13%
Total EBITDA margin	6%	0%	-7%	-8%	2%	7%

MARKET AREAS SPLIT BY BUSINESS AREAS, NON-PROFORMA (MSEK)

<u>OPERATING REVENUE</u>	2001	2000	2001	2001	2000	2000	2000	2000
	Jan 1 – Jun 30	Jan 1 – Jun 30	Q2	Q1	Q4	Q3	Q2	Q1
<u>Nordic:</u>								
Mobile telephony	2,786	2,170	1,459	1,327	1,344	1,316	1,122	1,048
Fixed telephony and Internet	2,916	2,590	1,438	1,478	1,439	1,265	1,275	1,315
Cable Television	76	92	29	47	55	43	64	28
Data processing	173	115	104	69	56	26	41	74
Total Nordic	5,951	4,967	3,030	2,921	2,894	2,650	2,502	2,465
<u>Baltic and Eastern Europe:</u>								
Mobile telephony	454	59	258	196	125	38	31	28
Fixed telephony and Internet	11	2	8	3	2	1	1	1
Data processing	24	15	13	11	11	8	8	7
Total Baltic and Eastern Europe	489	76	279	210	138	47	40	36
<u>Central Europe:</u>								
Mobile telephony	11	-	6	5	4	-	-	-
Fixed telephony and Internet	2,690	-	1,465	1,225	1,014	-	-	-
Total Central Europe	2,701	-	1,471	1,230	1,018	-	-	-
<u>Southern Europe:</u>								
Fixed telephony and Internet	2,619	-	1,415	1,204	882	-	-	-
Total Southern Europe	2,619	-	1,415	1,204	882	-	-	-
<u>Luxembourg:</u>								
Mobile telephony	209	-	109	100	74	-	-	-
Fixed telephony and Internet	105	-	55	50	50	-	-	-
Data processing	42	-	25	17	37	-	-	-
Total Luxembourg	356	-	189	167	161	-	-	-
<u>Branded products and services:</u>								
Total Branded products and services	732	199	371	361	198	99	99	100
Adjustments for sales internal	-1,009	-375	-535	-474	-342	-142	-120	-255
Total operating revenue	11,839	4,867	6,220	5,619	4,949	2,654	2,521	2,346

MARKET AREAS SPLIT BY BUSINESS AREAS, NON- PROFORMA (MSEK), continued

OPERATING PROFIT (LOSS) BEFORE DEPRECIATION & AMORTIZATION, EBITDA

	2001	2000	2001	2001	2000	2000	2000	2000
	<u>Jan 1 – Jun 30</u>	<u>Jan 1 – Jun 30</u>	<u>Q2</u>	<u>Q1</u>	<u>Q4</u>	<u>Q3</u>	<u>Q2</u>	<u>Q1</u>
<u>Nordic:</u>								
Mobile telephony	1,286	1,043	697	589	634	581	528	515
Fixed telephony and Internet	340	469	152	188	98	100	249	220
Cable Television	-16	3	-18	2	19	4	1	2
Data processing	11	-9	6	5	23	-1	-30	21
Total Nordic	1,621	1,506	837	784	774	684	748	758
<u>Baltic and Eastern Europe:</u>								
Mobile telephony	142	3	79	63	-9	-8	-1	4
Fixed telephony and Internet	-28	-4	-21	-7	-17	-3	-2	-2
Data processing	3	4	0	3	3	2	2	2
Total Baltic and Eastern Europe	117	3	58	59	-23	-9	-1	4
<u>Central Europe:</u>								
Mobile telephony	1	-	-	1	1	-	-	-
Fixed telephony and Internet	-431	-	-137	-294	-501	-	-	-
Total Central Europe	-430	-	-137	-293	-500	-	-	-
<u>Southern Europe:</u>								
Fixed telephony and Internet	-707	-	-310	-397	-331	-	-	-
Total Southern Europe	-707	-	-310	-397	-331	-	-	-
<u>Luxembourg:</u>								
Mobile telephony	54	-	29	25	6	-	-	-
Fixed telephony and Internet	-31	-	-27	-4	-98	-	-	-
Data processing	-14	-	-3	-11	1	-	-	-
Total Luxembourg	9	-	-1	10	-91	-	-	-
<u>Branded products and services:</u>								
Total Branded products and services	-257	12	-96	-161	-185	1	7	5
Total EBITDA	353	1,521	351	2	-356	676	754	767

EBITDA margin

Nordic	27%	30%	28%	27%	27%	26%	30%	31%
Baltic and Eastern Europe	24%	4%	21%	28%	-17%	-19%	-3%	11%
Central Europe	-16%	-	-9%	-24%	-49%	-	-	-
Southern Europe	-27%	-	-22%	-33%	-38%	-	-	-
Luxembourg	3%	-	-1%	6%	-57%	-	-	-
Branded products and services	-35%	6%	-26%	-45%	-93%	1%	7%	5%
Total EBITDA margin	3%	31%	6%	0%	-7%	25%	30%	33%

MARKET AREAS SPLIT BY BUSINESS AREAS, NON- PROFORMA (MSEK), continued

OPERATING PROFIT (LOSS) AFTER DEPRECIATION & AMORTIZATION, EBIT

	2001	2000	2001	2001	2000	2000	2000	2000
	Jan 1 – Jun 30	Jan 1 – Jun 30	Q2	Q1	Q4	Q3	Q2	Q1
<u>Nordic:</u>								
Mobile telephony	1,113	911	613	500	553	507	465	446
Fixed telephony and Internet	104	233	30	74	-52	-15	127	106
Cable Television	-52	-29	-37	-15	2	-10	-16	-13
Data processing	10	-21	6	4	23	-3	-34	13
Total Nordic	1,175	1,094	612	563	526	479	542	552
<u>Baltic and Eastern Europe:</u>								
Mobile telephony	73	-13	44	29	-30	-18	-10	-3
Fixed telephony and Internet	-33	-8	-25	-8	-18	-4	-6	-2
Data processing	-4	-1	-2	-2	3	1	-	-1
Total Baltic and Eastern Europe	36	-22	17	19	-45	-21	-16	-6
<u>Central Europe:</u>								
Mobile telephony	1	-	-	1	-	-	-	-
Fixed telephony and Internet	-482	-	-162	-320	-511	-	-	-
Total Central Europe	-481	-	-162	-319	-511	-	-	-
<u>Southern Europe:</u>								
Fixed telephony and Internet	-749	-	-336	-413	-336	-	-	-
Total Southern Europe	-749	-	-336	-413	-336	-	-	-
<u>Luxembourg:</u>								
Mobile telephony	25	-	14	11	-8	-	-	-
Fixed telephony and Internet	-51	-	-37	-14	-103	-	-	-
Data processing	-16	-	-4	-12	1	-	-	-
Total Luxembourg	-42	-	-27	-15	-110	-	-	-
<u>Branded products and services:</u>								
Total Branded products and services:	-272	7	-103	-169	-193	-4	5	2
Group adjustments, depreciation	-749	-57	-376	-373	-337	-29	-28	-29
Total EBIT	-1082	1,022	-375	-707	-1,006	425	503	519

MARKET AREAS SPLIT BY BUSINESS AREAS, NON-PROFORMA (MSEK), continued

INVESTMENTS

	2001	2000	2001	2001	2000	2000	2000	2000
	Jan 1 – Jun 30	Jan 1 – Jun 30	Q2	Q1	Q4	Q3	Q2	Q1
Market areas:								
Nordic	581	499	252	329	482	285	240	259
Baltic and Eastern Europe	70	31	3	67	89	54	16	15
Central Europe	50	2	28	22	13	4	2	-
Southern Europe	276	-	180	96	11	-	-	-
Luxembourg	16	-	8	8	8	-	-	-
Branded products and services	14	9	-1	15	20	11	7	2
	1,007	541	470	537	623	354	265	276
Change of long-term receivables	62	41	11	51	32	22	29	12
Purchase of companies (net) Note 4	84	-	84	-	-842	-1	-	-
Total investments	1,153	582	565	588	-187	375	294	288

Business areas:

Mobile telephony	354	244	142	212	359	170	117	127
Fixed telephony and Internet	580	257	300	280	234	167	133	124
Cable Television	58	14	20	38	13	13	8	6
Data processing	15	26	8	7	17	4	7	19
	1,007	541	470	537	623	354	265	276
Change of long-term receivables	62	41	11	51	32	22	29	12
Purchase of companies (net)	84	-	84	-	-842	-1	-	-
Total investments	1,153	582	565	588	-187	375	294	288

TELE2 SVERIGE AB, SWEDEN

	2001	2000	2001	2001	2000	2000	2000	2000
	Jan 1 – Jun 30	Jan 1 – Jun 30	Q2	Q1	Q4	Q3	Q2	Q1
Operating revenue:								
Mobile telephony	2,659	2,163	1,384	1,275	1,333	1,311	1,117	1,046
Fixed telephony and Internet	1,604	1,503	782	822	815	695	735	768
Cable Television	69	86	26	43	52	39	61	25
Total Tele2 Sweden	4,332	3,752	2,192	2,140	2,200	2,045	1,913	1,839

Operating profit before depreciation and amortization, EBITDA:

Mobile telephony	1,414	941	734	680	686	594	418	523
Fixed telephony and Internet	294	303	141	153	116	80	99	204
Cable Television	-17	3	-19	2	21	5	-1	4
Total Tele2 Sweden	1,691	1,247	856	835	823	679	516	731

EBITDA margin:

Mobile telephony	53%	44%	53%	53%	51%	45%	37%	50%
Fixed telephony and Internet	18%	20%	18%	19%	14%	12%	13%	27%
Cable Television	-25%	3%	-73%	5%	40%	13%	-2%	16%
Total Tele2 Sweden	39%	33%	39%	39%	37%	33%	27%	40%

Operating profit after depreciation and amortization, EBIT:

Mobile telephony	1,242	809	649	593	608	518	354	455
Fixed telephony and Internet	120	124	53	67	23	-11	6	118
Cable Television	-52	-28	-37	-15	5	-10	-17	-11
Total Tele2 Sweden	1,310	905	665	645	636	497	343	562

FIVE YEAR SUMMARY

	2001	2000	2000	1999	1998	1997
	Jan 1 – Jun 30	Jan 1 – Jun 30				
<u>Income Statement and Balance Sheet (MSEK)</u>						
Operating revenue	11,839	4,867	12,470	8,175	5,957	4,030
Operating profit before depreciation	353	1,521	1,841	2,062	1,192	1,026
Operating profit after depreciation	-1,082	1,022	441	1,154	533	507
Profit (loss) after financial items	-1,368	909	186	4,186	246	78
Profit (loss) after taxes	-1,728	620	-381	3,769	73	130
Shareholders' equity	26,233	7,347	26,651	6,756	3,022	2,903
Shareholders' equity, after dilution	26,278	7,422	26,696	6,756	3,022	2,940
Total assets	43,859	14,528	42,345	14,401	9,958	8,435
Cash flow provided by operating activities	174	1,273	883	1,753	971	441
Liquidity	2,135	1,398	1,304	1,123	821	1,499
Net borrowing	8,045	3,874	7,095	4,605	4,600	3,579
Net borrowing, after dilution	8,000	3,799	7,095	4,605	4,600	3,542
Investments including financial lease	1,160	582	774	1,475	1,941	1,147
<u>Key ratios</u>						
Solidity, %	60%	51%	63%	47%	30%	34%
Solidity, after dilution, %	60%	51%	63%	47%	30%	35%
Debt/equity ratio	0.31	0.53	0.27	0.68	1.52	1.23
Result before depreciation margin, %	3.0%	31.3%	14.8%	25.2%	20.0%	25.5%
Result after depreciation margin, %	-9.1%	21.0%	3.5%	14.1%	8.9%	12.6%
Return on shareholders' equity, %	-6.6%	8.8%	-2.3%	77.1%	2.5%	6.9%
Return on shareholders' equity, after dilution, %	-6.6%	8.7%	-2.3%	77.1%	2.5%	6.4%
Return on capital employed, %	-3.1%	8.7%	1.9%	44.8%	7.1%	6.8%
Average interest rate, %	5.6%	4.7%	4.8%	4.8%	6.6%	7.1%
Average interest rate, after dilution, %	5.6%	4.7%	4.8%	4.8%	6.6%	7.1%
<u>Value per share (SEK)</u>						
Profit (loss)	-11.94	5.96	-3.34	36.29	0.71	1.32
Profit (loss), after dilution	-11.91	5.96	-3.34	36.29	0.70	1.36
Shareholders' equity	181.17	70.75	233.60	65.06	29.17	29.60
Shareholders' equity, after dilution	181.11	71.47	233.72	65.06	29.10	28.42
Cash flow	1.20	12.25	7.74	16.88	9.38	4.50
Cash flow, after dilution	1.20	12.25	7.73	16.88	9.35	4.26
Dividend	-	-	-	-	-	-
Market value at closing day	353.50	651.00	392.00	598.00	330.00	170.50
P/E-ratio	-14.80	54.60	-117.33	16.48	467.07	128.82
P/E-ratio, after dilution	-14.84	54.60	-117.47	16.48	468.21	125.61

NOTES TO THE ACCOUNTS

Accounting principals and definitions

In 2001, Tele2 modified its accounting principles to conform to the following recommendation of the Swedish Financial Accounting Standards Council: RR18-Result per share and RR20-Interim Financial Statement. The new recommendations have no essential effect on the Financial Statements for Tele2. Tele2 follows recommendation RR1:00 - RR18 and RR20. In all other cases 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.

For definitions, please refer to the 2000 Annual Report and Accounts.

Note 1 Shares and Convertibles

At the AGM in May 2000 the AGM permitted the board to settle the option obligation through new issue. In October 2000, three Convertible debt issues were made with option rights to subscribe to new shares of 100 000 Class B Tele2 shares during each of the years 2001, 2002 and 2003.

Note 2 Option to Management

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

Note 3 Loan Facilities

As a result of the acquisition of SEC by Tele2 AB, the new Groups loan facilities will be refinanced. A financing initiative to raise €1.2 billion was announced in July.

Note 4 Investments

Tele2 AB Group has in addition to the shown investments with a cash-effect purchased shares in SEC through a new issue totaling MSEK 19,772, of which only cash in purchased companies is stated as investments in the cashflow statement amounting to MSEK -3 008.

Note 5 Proforma. purchase of SEC

Proforma 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 as at January 1, 1999. The proforma 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 difference occurs between the companies accounting principles. Both Tele2 AB and SEC have during 1999 and 2000 recorded the disposal of shares in the Norwegian company Netcom ASA in the accounts. The proforma is calculated as if the new group sold the whole investment in Netcom ASA by the 1st of January 1999. The received payment has been discounted applying an annualized interest rate of approximately 4.8%, with an effect on the financial items in the Income statement for each proforma-period.

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