Press Release, November 27th, 2001

Optillion introduces XENPAK transceiver for the 10 Gbit/s Ethernet market

In addition Optillion offers the industry's first evaluation system for XENPAK modules that reduces customers' system development time.

Stockholm, Sweden, November 27th, 2001 – Optillion, a leader in high-speed fiber-optic transceiver technology, today announced that it will present its first 10 Gbit/s Ethernet transceiver at the Lightspeed Europe exhibition next week in London. With the transceiver and the evaluation system, Optillion offers the first complete transceiver system development solution for the emerging 10 Gbit/s Ethernet market.

The new 10 Gbit/s transceiver has a capacity that is ten times higher than the fastest Ethernet transceivers for data communication currently on the market. Optillion's transceiver has been developed for data aggregation and switching, data trunking in metro networks, point-to-point links and test systems for the 10 Gbit/s Ethernet market. Optillion's hot-swappable fiber-optic module increases system flexibility by allowing operators and system developers to respond to the continually changing traffic patterns on the Internet.

"In less than two years we have built up one of the world's most experienced teams of experts for the development and production of high speed fiber-optic transceivers", states Optillion's CEO and President Patrik Evaldsson. "We are proud to present the TOP 3010 - a 1310 nm transceiver – Optillion's first transceiver for 10 Gbit/s Ethernet, together with our evaluation system. We will be initiating early customer evaluation trials of the product in December", adds Mr. Evaldsson.

Optillion's scalable and unique optic sub-module technology, with tight integration of high-speed electronic devices and optic components, gives the transceiver extremely good performance for the longer transmission distances required in the ongoing 10 Gbit/s Ethernet standardization (IEEE 802.3ae). The TOP 3010 is the first in a series of transceivers that will expand beyond the performance outlined in the IEEE specification.

"The high integration level in the product means that a 10 Gbit/s Ethernet switch can be developed in a very short time, because fewer sub-components need to be integrated", says Geoff Brown at Optillion's USA office in Pleasanton, CA.

The product is offered with a development tool for Optillion's XENPAK module that makes it possible for customers to evaluate system properties and facilitates the design of systems in which the transceivers are an integral part. The evaluation system enables all the transceiver's functions to be checked and simplifies their testing via a user-friendly PC-based graphic interface.

Optillion plans to offer the TOP 3010 transceiver and the evaluation system to a broader customer base during the first quarter of 2002. Optillion estimates that its volume production of TOP 3010 will ramp up during the second quarter of 2002, with the market for 10 Gbit/s Ethernet expected to reach high volumes during 2003. The transceiver module has been developed in accordance with the XENPAK multi-source agreement (MSA) providing customers a defined form factor, connection and pin functions that have been designed according to established industry standard.

For product information and press photos, see http://www.optillion.com/newspress_material.asp
To visit us at Lightspeed please join us in booth no 607. http://www.lightspeedeurope.com

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ABOUT OPTILLION

Optillion operates in the optic component and subsystem market to develop, manufacture and sell fiber-optic transceivers for 10 Gbit/s and beyond. The transmission capacity of Optillion's first transceivers will be 10 Gbit/s Ethernet.

Today, Optillion employs experts in high-speed electronics, high-speed optics, automated manufacturing and encasing. The company currently employs 105 people. The principal owners of Optillion are ITACT, Crescendo Ventures, Cisco Systems and Investor AB via Investor Growth Capital, its venture capital company.

In order to be able to manufacture large volumes of high-performance transceivers for 10 Gbit/s Ethernet at low cost, Optillion has chosen to build its own manufacturing facility to manufacture optic components and to encase and assemble the optic transceiver modules. www.optillion.com