



Press Release

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Song Networks co-ordinating and centralising activities in Sweden

Song Networks Holding AB (NASDAQ: SONW, OM Stockholm Stock Exchange: SONW) is taking further measures to refine and make its business more effective in Sweden. The measures include using the synergies arising from the acquisition of Sonera's Swedish business earlier this year. Furthermore a number of positions will be centralised at the Swedish head office and the activities of the subsidiary Wineasy will be co-ordinated.

Song Networks and its subsidiary Wineasy will continue to consolidate the Swedish business, which is part of the rationalisation and effectivity scheme that the companies carried out during the autumn. This means that a number of central positions will move from local offices to the Swedish head office and that Wineasy's activities will be co-ordinated with Song Networks'. Activities that will be run outside Stockholm will be those close to the customer, such as sales and field service. In total this covers around 50 positions at the Swedish subsidiaries.

"Song Networks AB has rapidly expanded over the last few years through organic growth and acquisitions. It is now necessary to consolidate the business, and we see this as a dynamic measure, where we are centralising our strengths and at the same time maintaining a local presence with seven local sales offices in Sweden. Rationalisation will have a positive impact for our customers regarding our supply and service capacity. Our aim is to continue supplying high quality data and tele-services to companies and organisations that intend to be market leaders in their respective sectors," says Peter Lövgren, MD at Song Networks AB.

"The measures that we are taking will produce annual savings of around SEK 30-35 million for next year," says Ivar Strömberg, CEO at Song Networks Holding AB. "The one-off restructuring expenses are estimated at around SEK 20-25 million, and will be charged to the current quarter. We expect that Song Networks will breakeven at an adjusted EBITDA level before the end of Q1 2002 and for the whole of the second quarter in 2002. Song Networks' business plan will also be fully financed following restructuring," he concludes.



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About Song Networks, the former Tele1 Europe, (NASDAQ: SONW, Stockholm Stock Exchange: SONW) Song Networks is a rapidly expanding data and telecommunications operator with activities in Sweden, Denmark, Finland and Norway. The company provides broadband solutions for data, internet, hosting and voice, to businesses in the Nordic region. Song Networks is currently the only pan Nordic operator investing in local access networks with broadband capacity. The company is constructing networks in the 80 largest cities in the Nordic region. The access networks, which are linked by a long-distance network, will be one of Europe's fastest data and internet super-highways with an initial capacity for customers of up to one gigabit. The company was founded in 1995 in Sweden and has approximately 1,200 employees. The head office is in Stockholm and there are an additional 31 offices located in the Nordic region. For further information, please visit our website at www.songnetworks.net

Certain statements contained in this press release contain "forward-looking statements" within the meaning of the U.S. federal securities law. Such statements are based on the current expectations of the management of Song Networks Holding AB only, and performance is subject to risks, uncertainties and other factors that could cause actual results to differ materially from these statements. Such risks include, but are not limited to, adverse regulatory, technological or competitive developments; decline in demand for the company's services or products; inability to timely develop, introduce and market new technologies, products and services; pricing pressures resulting from competition; unforeseen construction delays; and the inability to successfully manage systems failures or shutdowns and service interruptions or reduced services to customers. For a more detailed discussion of such risks and uncertainties affecting the company, please refer to Song Networks Holding AB's reports that are filed from time to time with the U.S. Securities and Exchange Commission, including the company's annual report on Form 20-F and reports on Form 6-K.