



Teligent proposes redemption of shares for a maximum amount of SEK 79.5 million

The Board of Directors of Teligent resolved today to propose, to an extraordinary meeting of shareholders to be held on 8 April 2003, the redemption of a stipulated number of shares in the company. The proposal implies that shareholders in Teligent are offered the right to redeem every fifth share for a cash payment of SEK 20 per share. A maximum total of 3,972,147 shares¹ will be redeemed for a total amount of a maximum of approximately SEK 79.5 million².

Background and motivation for redemption of shares

Today Teligent has a good financial position and also has a positive overall situation as regards expenses, both of which are a result of adaptations to the current market situation. The company's liquid funds are deemed to be in excess of the amount required during the foreseeable future, while, at the same time, it is deemed that the possibilities of taking further market shares and expanding in the context of improved economic conditions continue to be positive. Therefore, and on the basis of shareholder value, the Board of Directors proposes direct access to the company's excess funds for the shareholders on the basis that approximately one third of its liquid funds are transferred via the redemption of shares.

The price paid on the Stockholmsbörsen for the Teligent share, during the last six months, has varied between SEK 4.50 and SEK 12.50, equivalent to a market capitalisation of between SEK 88 and 244 million. As at 31 December 2002, Teligent's liquid funds and short-term investments amounted to SEK 231.5 million.

Against the background of Teligent's positive financial position and the fact that the company's market capitalisation has been on par with or even less than its net cash position, the Board of Directors proposes that approximately one third of the current liquid funds are transferred to shareholders, on the basis of the redemption of shares in exchange for a cash payment. It should also be noted that the company will continue to have a good financial position after the redemption of shares. Teligent's net cash position, after redemption of shares for a maximum amount of approximately SEK 79.5 million and based on proforma 31 December 2002, will amount to approximately SEK 152 million and the company's equity/assets ratio will be approximately 80 percent.

The Board of Directors proposes that redemption of shares shall take place at SEK 20 per share, which is equivalent to a redemption premium of approximately 21 percent in relation to the company's equity of SEK 16.52 per share, as at 31 December 2002. Compared to the

¹ Of which a maximum of 306,600 shares can comprise of those shares that can be subscribed under the relevant, outstanding option programmes.

² Of which approximately SEK 1.2 million refers to shares that can be subscribed under the relevant, outstanding option programmes and, thereafter, presented for redemption.

most recent price paid for the share on the Stockholmsbörsen on 18 March 2003, SEK 9.10, this redemption premium is equivalent to approximately 120 percent.

Summary of terms and conditions

Each share in Teligent entitles the holder to one (1) redemption right. Five (5) redemption rights entitle the holder to redemption of one (1) Teligent share for a cash payment of SEK 20.

On the basis of the premise that the extraordinary meeting of shareholders, to be held on 8 April 2003, resolves to adopt the proposal of the Board of Directors regarding redemption of shares, the record day for receipt of redemption rights is estimated to be 11 April 2003. The first day for trading in shares in Teligent, excluding the redemption rights, would, thereby, be 9 April 2003. Trade in redemption rights is expected to take place on the Stockholmsbörsen between 17 April and 13 May 2003. The period of application is expected to take place between 17 April 2003 to 16 May 2003. The redemption shares are expected to begin to be traded on the Stockholmsbörsen from and beginning 2 June 2003 up to approximately one week prior to payment of the redemption price (see below).

Further information regarding the process of redemption of shares will be distributed to Teligent's shareholders in conjunction with the beginning of the period of application.

In order to be able to execute the redemption of shares in accordance with the proposal of the Board of Directors, it is required that the extraordinary meeting of shareholders resolve to decrease the company's share capital and share premium reserve as and in the amounts necessary. The Board of Directors makes the further proposal that, in conjunction with this decrease due to the redemption of shares, the remaining restricted funds in the share premium reserve³ are to be transferred to non-restricted reserves, over which future general meetings of shareholders will have the right of disposal. The purpose of this transfer is to achieve flexibility and capacity as regards possible dividend distributions.

The decrease in the company's share capital and share premium reserve are, provided that the general meeting of shareholders resolves to execute such decreases in accordance with the Board of Director's proposal, dependent on registration with the Swedish Patent and Registration Office and the decrease must be approved by Handen District Court after legal notice has taken place. The date of payment for the redeemed shares is, therefore, dependent on, amongst other things, the administration time required by the court. Teligent estimates that payment for the redemption of shares can take place at the end of August 2003.

Carnegie is the financial advisor of Teligent

Nynäshamn, 19 March 2003

Questions regarding this press release can be addressed to the following individuals:

Per Wejke (Chairman of the Board)

Olle Isberg (Member of the Board)

Ulf Lindstén (President and CEO)

Contact with the above individuals can be arranged with the assistance of Therese Tietjens, telephone, +46 8 520 66050

³ With the exception of one amount of SEK 391,083 which will remain for legal requirements.