

Mobilaris delivers Location Based Services to Russia

Stockholm, Cannes, February 20 2004 –Mobilaris delivers their Location Based Services (LBS) Solution to ZAO Sonic Duo (MegaFon-Moscow), operating in the Moscow area for Russian nationwide mobile network MegaFon.

Mobilaris, the Swedish mobile Internet positioning specialists, today announced that it has, in partnership with Ericsson, the leading telecom supplier, been selected by MegaFon-Moscow, Russia, to deliver a service layer platform for deployment of location-based mobile services.

Ericsson and Mobilaris won this contract as a result of the tender on LBS solution. In accordance with the agreement signed by three parties, Ericsson delivers to MegaFon-Moscow its LBS solution based on a combination of hardware and software, and Mobilaris supplies its middleware platform for the integration of applications into the operator's network.

Location-based services are forecasted by many analysts to be one of the most important sources of revenue for the operators. Location information is one of the key enablers for different new services in 3G networks.

MegaFon-Moscow, as one of the leading LBS operators in the world, has a history of launching many commercially successful applications combined with innovative marketing campaigns. As part of MegaFon-Moscow's LBS evolution, the market leading LBS Middleware Pacific Ocean™ from Mobilaris is being installed.

"Mobilaris and Ericsson have delivered LBS to other markets with great success and MegaFon-Moscow is convinced that these companies will bring valuable experience and support to the roll-out of LBS in the Russian market today and tomorrow" - says Leonid Denisov General Director at MegaFon-Moscow.

MegaFon-Moscow will, as part of the delivery, receive a complete toolkit for developing new location-based services with an innovative "plug and play" structure, allowing mobile services to be launched in weeks rather than months. MegaFon-Moscow is now able to allow third party service providers to offer its customers location-based-services in a secure way.

"Operators investing in Pacific Ocean™* gain the advantage of significantly lower internal costs for development and resource allocation," said Björn Westerholm, Mobilaris' CEO. "The agreement with MegaFon-Moscow is further evidence that Mobilaris is a world leader in LBS" he added.

About Mobilaris

Based in Sweden, Mobilaris' mission is to focus on fast time-to-market and return-on-investment for operators. Mobilaris combines leading expertise from the mobile operator business environment with world-class mobile internet technology and R&D. Mobilaris comprise proven business developers for location-based services, software developers and strategic management from the mobile communication industry. Mobilaris and Ericsson have enjoyed commercial success with many deployed installations across Europe.

Mobilaris' core business is to enable operators to create, launch, manage and market mobile services in a faster, safer and more cost efficient way than ever before, by providing a secure investment in the Pacific Ocean™* Service Management Platform. The platform bridges end-user services (Voice Controlled, SMS, MMS, WAP, and Web) and Ericsson's LBS solution, integrated into the operator's network.

About Pacific Ocean

Pacific Ocean is a service-enabling mediation middleware, functioning as a layer between end-user services and subservient operator systems. The solution enables fast development of mobile services due to open interfaces allowing independent application providers to access and interact with network functionality such as positioning, messaging, billing, privacy, and similar systems. Pacific Ocean™ enables operators to scale and change legacy systems without affecting existing services.

About ZAO Sonic Duo (MegaFon-Moscow) is a 100%-owned subsidiary of OAO MegaFon and the operator of the first Russian nationwide MegaFon network in Moscow area. MegaFon-Moscow network applies the most advanced technologies, providing subscribers with new opportunities for communication and work with information, and allowing customers using the entire range of traditional and advanced services of mobile communication at optimal cost. MegaFon-Moscow in cooperation with the leaders of the world telecommunications market dynamically develops its mobile network

OAO MegaFon is the first Russian nationwide mobile communication operator of GSM 900/1800 standard. Founded in May 2002, as a result of renaming and changing of organizational and legal status of ZAO North-Western GSM and uniting of regional operators of ZAO Sonic Duo (Moscow), ZAO Mobicom-Kavkaz, ZAO Mobicom-Center, ZAO Mobicom-Novosibirsk, ZAO Mobicom-Khabarovsk, ZAO Mobicom-Kirov, OAO MSS-Povolzhye, ZAO Volzhsky GSM and ZAO Uralsky GSM. The Company's major shareholders are OAO Telecominvest, OOO CT-Mobile, Sonera (Finland) and Telia (Sweden). The license area of OAO MegaFon covers 100% of the territory of Russia - 89 regions of the Russian Federation with the population of 145 million. Currently the total number of the Company's customers is exceeding 6.7 million.

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