



Press Release

TERRAPLAY SYSTEMS RAISES €6.5 MILLION FOR CONTINUED EXPANSION

Stockholm June 10, 2004

Terraplay Systems has completed its financing round raising €6.5 million from Nordic Venture Partners and existing shareholders

The market for mobile and fixed multiplayer gaming continues to develop rapidly. Terraplay has made substantial progress in this market over the last twelve months. The first real-time mobile and console based commercial services were launched by its customers in the first quarter of 2004. The company's solution is key to the deployment of profitable gaming services and this financing allows the company to build further on this success.

"We are pleased with our launches in both the fixed and mobile segments so far this year and with the take-up our customers have seen from consumers," says Jeremy Lewis CEO Terraplay Systems AB. "We are seeing demand increase in all geographic markets and we are looking forward to continuing growth".

"We seek out powerful enabling technologies that can generate real value by addressing customer needs. Terraplay is such a company with a highly capable management team and we look forward to working with them moving forward," says Larry McDonald of Nordic Venture Partners.

"We are very pleased with the company's achievements so far and believe this forms a solid basis for building the business further as new market opportunities present themselves. Market demand for multiplayer gaming in fixed and mobile is now very clear and Terraplay is well positioned to capitalize on that" says Jesper Kärrbrink of IT Provider.

"Terraplay's technology is now proving itself in commercial service. It is highly effective and efficient and allows game service providers and developers to profitably offer consumers a compelling multiplayer experience. We are pleased to support the company as it continues its roll out," says Fredrik Adams of Viventures Partners.

"Terraplay has successfully delivered its product to market and we are delighted with the response so far. We look forward to the continued growth of the company in this exciting market place," says Anil Raj of Ericsson.

**About Terraplay Systems AB**

Terraplay Systems develops carrier grade on-line network technology. The Terraplay solution enables network operators and publishers to provide gaming services in fixed or mobile environments to a large number of users. For application and game developers, Terraplay currently provides tools for Windows®, PlayStation®2, Xbox® and for all download enabled mobile devices, including J2ME™, Brew™, Symbian™, mophun™ and Microsoft Mobile™. Terraplay has the most comprehensive catalogue of mobile multiplayer games from numerous developers, on the market. More information can be found at www.terraplay.com

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About Viventures Partners

Viventures 2, a global venture capital fund managed by Viventures Partners S.A. through its offices in Paris (France), San Francisco (US) and Singapore (Asia). The fund invests in innovative, early stage companies focused on the information technology and telecommunication sectors and provides not only financial commitment but also the technology, business and international expertise of its experienced partners as well as an extensive worldwide network of resources, including relationships with its global, blue-chip investors.

About Ericsson

Ericsson is shaping the future of Mobile and Broadband Internet communications through its continuous technology leadership. Providing innovative solutions in more than 140 countries, Ericsson is helping to create the most powerful communication companies in the world. Read more at <http://www.ericsson.com>.

About IT Provider

IT Provider Adviser 1 AB is a leading Swedish venture capital advisory firm advising three different investment funds focusing on technology investments. IT Provider-related funds have made investments in over 70 technology companies over the past ten years and have made more than 25 exits through IPOs and trade sales.

About Nordic Venture Partners

Nordic Venture Partners is a multi-stage ICT fund that was founded in the fall of 2000. The management company was originally known as Danske Venture Partners and on 1 January, 2004, Nordic Venture Partners was founded as a management buy-out from Danske Bank.