

Teligent announces SEK 34 million preferential share issue

The Board of Directors of Teligent resolved on 27 October 2004 to execute a new share issue with preferential rights for the company's shareholders, subject to the approval of the extraordinary general meeting to be held on 23 November 2004.

- The preferential share issue is to be executed in order to address the company's increased level of capital tied-up which has arisen as a result of the substantial level of growth in the company's sales.
- The preferential share issue amounts to approximately SEK 34 million.
- The company's shareholders are entitled to subscribe to one new share, at a subscription price of SEK 11 per share, for every fifth existing shares held.
- Shareholders representing a total of 42.2 per cent of the company's shares have declared that they are positive towards the new share issue.

Background and reason

After several years of weak demand in the telecommunications market, signs of recovery were seen in the last six months of 2003. Since the third quarter of 2003, Teligent reported successively increasing levels of sales. During the first nine months of 2004 sales increased by 63 per cent. The restructuring and efficiency programme, which has been implemented over the past two years, combined with these increased sales levels resulted in a significant improvement in the company's income. A positive result was reported for the first nine months of 2004, despite the continuation of major investments in product development and the build-up of global market channels. The rise in sales has, however, implied an increase in capital tied-up for Teligent, which has had effect on the company's liquidity.

Teligent sees that the market for the company's offerings will continue to be good and that the company will continue to have good opportunities for further growth and a continued increase in orders received in the near future. Against this background, the Board of Directors has decided to execute a new share issue. The increased capital base arising from the new share issue is expected to create the requisite financial premises for continued increases in growth and will imply that Teligent's growth strategy will remain intact.

Preferential share issue

At the Board meeting on 27 October 2004 the Board of Directors of Teligent AB (publ) decided, subject to the approval of the extra ordinary meeting to be held on 23 November 2004, to increase the company's share capital by a maximum of SEK 313,712 on the basis of a new share issue at a subscription price of SEK 11 per share. On the assumption that there is full subscription to the new share issue, it is estimated that SEK 34.5 million will be provided to Teligent. The company's existing shareholders have preferential right to subscribe to new shares in proportion to the number of shares previously held, whereby 5 existing shares entitle subscription to 1 newly issued shares.

All of the shareholders, who are members of the Board of Directors and the management of Teligent, have committed themselves to subscribe to a number of shares according to the number of shares previously held. The total number of these shares corresponds to 21.7 per cent of all shares. In addition, Teligent's major owners, who together represent 20.5 per cent of all shares, have declared that they are positive towards the new share issue. Therefore, in total the owners representing 42.2 per cent of the shares in Teligent support the share issue.

Summary of terms and conditions

- The new share issue, with preference for existing shareholders, will be based on a maximum of 3,137,123 shares, at a nominal value of SEK 0.10 per share.
- Every fifth (5) existing share entitle to subscription for one new share.
- The subscription price is SEK 11 per new share.

Estimated time plan of the new share issue

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| - Extraordinary general meeting | 23 November 2004 |
| - First day of trade in the Teligent share with no right to participation in the new share issue | 24 November 2004 |
| - Record day for receipt of subscription right | 26 November 2004 |
| - Publication of the prospectus | 26 November 2004 |
| - Subscription period | 1 – 21 December 2004 |
| - Trade in subscription right | 1 – 17 December 2004 |

Extraordinary general meeting

The Board of Directors' decision regarding the new share issue with preference for shareholders was passed subject to the approval of the extraordinary general meeting, to be held on 23 November 2004. For additional information regarding this extraordinary general meeting, refer to the enclosed notice, which is expected to be published 29 October 2004 and which will subsequently be available from the company's website, www.teligent.se.

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About Teligent

Teligent develops and markets advanced value added services for the telecommunications network. The services and applications offered by the company are based on the generic software platform Teligent P90/E. The company's solutions are currently utilised by a large number of leading operators, including BT, Cingular, MCI, T-mobile USA, Tele2, Telefónica, Telia and operators within the Vodafone Group. Teligent was founded in 1990 and has been listed on Stockholmsbörsen's O-list since 1999. With its head office in Nynäshamn, the company currently has offices in nine countries around the world. Teligent has approximately 290 employees and the company generated net sales of SEK 255 million in 2003. Visit of website www.teligent.se for more information.