

Telia to acquire Unisource Iberia in Spain

Telia has taken another step towards becoming Europe's leading Internet provider by signing an agreement to acquire Unisource Iberia (Spain). The acquisition will strengthen Telia's European IP strategy for enterprises.

The three owners of Unisource – KPN (Netherlands), Telia (Sweden) and Swisscom (Switzerland) – introduced a new strategy for Unisource earlier this year in which the subsidiaries of Unisource nv., which have developed into successful companies, are now being sold separately. Unisource Carrier Service was the first to be divested and now Unisource Iberia is being acquired by Telia. The acquisition strengthens Telia's position as a leading IP provider in Europe and increases the company's presence in the Spanish market, which is characterized by very strong growth.

"The Internet Protocol (IP) will be an important platform for future communications. Telia is currently building up its operations to become one of the leading network operators with a complete portfolio of services for the European market. By acquiring Unisource Iberia, we have established a base for our growth strategy in the south of Europe. Unisource Iberia's business orientation and operations are completely in line with Telia's and will help us speed up our international expansion in this area," says Olle Waktel, Business Manager for Telia's IP Services.

Telia has previously invested SEK 2.7 billion to increase its network capacity in overseas markets by building the "Viking Ring", a fiber optics network, between London, Paris and Frankfurt am Main and by laying the international Atlantic cable TAT-14 to the United States. The network is being built with state-of-the-art technology and will be a superhighway for providing IP-based services and telephone and datacom services.

Unisource Iberia started its operations last year and has since then captured a leading position as a wholesaler of network services in the IP market. In June, the company launched the first phase of its national IP network in Spain so it can offer advanced services to enterprises.

Unisource Iberia aims to become a leading ISP in the enterprise market. As part of the company's efforts to achieve this goal, an IP-VPN service will be introduced this autumn. After its acquisition by Telia, Unisource Iberia will be able to utilize Telia's cutting-edge position to launch local services faster.

Unisource Iberia's IP-based network covers the major cities in Spain. In coming months, the company will install new nodes to achieve nationwide coverage by the first quarter of next year.

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<p>Telia is the leading provider of telecom-based information services in the Nordic countries and Baltic Sea region. Telia is represented internationally through its own companies and in association with partners. In 1998, the Telia Group has sales of SEK 51,240 million and about 30,600 employees.</p>
