



GLOCALNET

PRESS RELEASE

Glocalnet Takes Sweden to a Lead Position in IP Telephony

Glocalnet has become the first operator worldwide to launch an equal access service based on IP telephony. The service has further fuelled the rocketing growth of Voice over IP-based services in Sweden.

VON Conference, Atlanta - September 29, 1999 -Voice over IP (VoIP) has long been viewed as a technology for the future. It is evident at the current VON conference, the largest conference focusing on IP telephony worldwide, that this technology is now achieving major acceptance by end-users. In Sweden Glocalnet, the alternative operator and VoIP pioneer, has become one of the fastest growing operators. "VoIP has left the nerd and lab stages behind and is now winning major grounds in the mass market for telephony" says Stefan Krook, founder and Chief Executive Officer of Glocalnet. The quality of VoIP calls has improved significantly over the last year and services are now hard or impossible to distinguish from traditional voice services for an average user.

"With the improved quality coupled to the introduction of equal access in the VoIP space, the market is set to boom. Sweden has manifested its position as the number one market when it comes to VoIP adoption. Glocalnet has significantly helped drive this adoption. Glocalnet is not only one of the fastest growing operators in their home market, but is an international leader among all next-generation telcos. Pulver.com is looking forward to producing Voice on the Net Europe '2000 in June in Stockholm", commented industry guru and conference organizer Jeff Pulver.

Glocalnet has grown over 300 percent in the last two months and is serving more than 40,000 customers in Sweden today. "We are aiming to become the third largest operator in the residential market next year and are planning an international expansion", says Krook.

Telephony free of charge

IP telephony based on equal access allows customers to save up to more than 75 percent on their long distance and international calls. Krook believes that telephony rates will continue to be slashed, eventually becoming free-of-charge and that operators will have to find their business elsewhere. "We will lead the price war and give our customers telephony at the lowest possible price. Operators like ourselves will earn money on more innovative services", says Krook.

New world of communications

Stefan Krook pictures a new world of communications where the services are offered via utilities, banks and food chains and where the operators selling to the consumers are independent of the physical networks. "The customers will buy specific services and will expect their operator to provide these services seamless of which network they use for access. Thus, the characterization of operators as fixed line, broadband and mobile operators will lose its validity in the eyes of the consumers", Krook envisions.

Glocalnet AB's stock is listed on the Reuters page of Aragon, a Swedish investment bank and is a next-generation telecommunications company. The Company markets its services together with local marketing partners such as Birka Energi, with which Glocalnet has close cooperation. Glocalnet's headquarters are located in Stockholm, Sweden.

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