

## Press release February 16, 2000

## Telia reduces prices for operator services in Sweden

## Beginning April 1, 2000, Telia's network unit – IP Carrier and Network Services – will reduce its prices for a number of services that are offered in the Swedish market. The largest price reduction will be in areas of the transport network where capacity is available.

On April 1, 2000 Telia's IP Carrier and Network Services business area will reduce its wholesale prices for leased lines for operators. The services are available through IP Carrier and Network Services' fiber optic network, which serves almost 90 percent of Sweden's population.

The changes affect primarily prices for leased lines of the type Digitel 2, 34 and 140 Mbit/s. These services are used by most operators and service providers in the Swedish market.

"Telia's IP Carrier and Network Services business area acts like a wholesaler of network capacity," explains Stefan Mokvist, Sales Manager. "Our customers lease lines for their backbone networks and package their own telephony, Internet and broadband services for selling to end customers."

Prices will be cut by an average of 39 percent. The largest price reduction will be the quarterly charge for the transport network, where rates will be considerably lower when there is capacity available in the network.

"It's too early to say how these changes will impact end customers, but in general the market should become more competitive as a result of the price reductions, which should favor end users in one way or another," says Stefan Mokvist.

Prices are being reduced because of stiffer competition and the expected increase in volume, which will enable a lower unit price. Increasingly efficient production methods is another reason for the new prices. Due to the use of new, cheaper and less resource-intensive technologies, networks can be utilized more effectively. Wavelength multiplexing and remote control are two examples.

"The new reduced prices for leased lines are part of IP Carrier and Network Services' efforts to adapt its network wholesaling operations to the market, which will give operators and service providers better possibilities to develop low-price services of high value for the end user market," ends Stefan Mokvist.

## For further information journalists can contact:

Stefan Mokvist + 46 8 713 3100 or Jerri Waris, +46 33 193847, at Telia IP Carrier and Networks.

IP Carrier and Network Services (formerly Telia's Network Services Business Area) is a business area of the Telia Group and conducts a wholesale business offering products and services in a fixed network. The business area produces, sells and leases infrastructure, capacity, access and traffic services in an open market. IP Carrier and Network Services is a market leader in Europe for transatlantic IP traffic and operates through its own offices in Sweden, the United States, the United Kingdom, Germany, France, Denmark, Norway and Finland.