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Tele1 Europe, Telia and Utfors constructing a broadband network in the northern coast of Sweden, Norrland

Tele1 Europe (NASDAQ: TEUR, Stockholm Stock Exchange: TEUR), Telia and Utfors have now begun the joint construction of a broadband network along the coast of northern Sweden, Norrland. The long-distance network consists of a total of 1100 km of fibre-optic cable and stretches from Haparanda in the north to Norrtälje in the south. The entire project involves an investment of approximately SEK 300-600 million, a cost that is being shared by the three broadband players.

- We are three market players who have decided to work together. We believe in Norrland and consider the market potential in the region to be high. We are very pleased about our collaboration and the development will be made possible through the joint excavations, says Anders Brismo Managing Director Tele1 Europe AB, Lars-Gunnar Johansson vice area manager Telia Carrier & Networks and Jan Werne, Managing Director at Utfors in a joint statement.

The build-out will begin in about two week's time, when excavations will begin at two locations simultaneously, Haparanda in the north and Norrtälje in the south. The coast of Norrland will then gradually be connected to the new technology with an anticipated completion around the turn of the year 2000/2001.

Access to the technology will provide industry in Norrland with an improved basis on which to develop and the operators' investment will also lead to the creation of many new jobs.

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About Tele1 Europe

Tele1 Europe is a fast-growing data and telecommunications operator with operations in Denmark, Finland, Norway and Sweden, headquartered in Stockholm. The Company offers broadband data, Internet and voice solutions, including server/web hosting and value-added data services to large and medium-sized business customers in the Nordic countries. Tele1 Europe is currently the only pan Nordic data- and telecommunications operator investing in local access networks with broadband capacity. The company is currently constructing networks in the nine largest cities in the Nordic region. The group also operates DSL networks. Tele1 Europe plans to build local access networks using fiber or DSL in 79 additional cities, accross the four countries. The access networks, which are linked together with a long-distance network, will be one of Europe's fastest data and Internet superhighways with an initial capacity for customers of up to one gigabyte. www.tele1europe.com