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Palo Alto, California

## **Symphony Technology Group buys equity stake in Teleca from Danir AB and Konstantin Caliacmanis**

*Symphony Technology Group ("STG") has acquired the share interests of Teleca founders and board members Dan Olofsson through Danir AB and Konstantin Caliacmanis. The combined agreements represent 8,669,982 Series B shares and 655,000 Series A shares – and when completed, the purchase by STG will represent 14.9% of the Teleca shares outstanding, and 22.1% of the vote. In conjunction with this investment, STG will seek to nominate its representatives to join the Board of Directors.*

"We are excited to have STG take such a large position in Teleca," said Teleca CEO Rene Svendsen-Tune. "We consider it a strong vote of confidence in our company and in our market. We view STG as a strategic investor who can bring the substantial operating experience of its partners to assist Teleca. Also, with a long history of building great outsourcing companies, we know STG will help us grow our global delivery platform. As a result, we think STG is uniquely qualified to help us achieve our ambition of becoming the largest provider of outsourced software development services to the world's leading wireless companies."

Over the past two years, Teleca has started a significant transformation. It has exited non-core product businesses while achieving growth and profitability in its mobile services business. Today, Teleca is among the world's leading companies in the field of software development services for the mobile communications industry. Teleca serves leading wireless companies including Nokia, Ericsson, Motorola and Kyocera. It also sells to leading technology companies focused on the wireless industry including Microsoft, ST Microelectronics and UIQ.

"Teleca is an ideal investment for STG," said Symphony Technology Group Chairman Romesh Wadhvani. "Since I started STG we have focused exclusively on software and services companies that are undergoing significant transformation. We have helped our portfolio companies generate substantial amounts of shareholder value by pairing the operational capabilities of our partners with intelligent offshoring strategies that have enabled our companies to deliver high value services on a global basis thereby redefining the customer value proposition to our clients. We believe we have a lot to contribute to Teleca's growth, and see immense opportunities to help them become the leading company in this market."

Dan Olofsson and Konstantin Caliacmanis were effectively co-founders of Teleca after they merged their two companies 1996. Dan Olofsson commented, "I have enjoyed my association with Teleca over the years. As a founder, I am pleased to see that it has reached such a position of prominence in the wireless industry. At this time, however, I am focused on other personal endeavors and it is time for Teleca to take on strategic investors that can take it to the next level. I am convinced that STG is the right investor for Teleca at this stage of development."

Earlier today Teleca also announced an issuance of SEK 150 million in primary shares underwritten by Symphony. That capital, plus internally generated cash flow, will allow Teleca to take advantage of organic growth opportunities in the market and to explore strategic acquisitions.

For further information:

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**About Symphony Technology Group:**

Symphony Technology Group (STG) is a Palo Alto, California based investment firm that exclusively invests in the enterprise software and technology services market, helping their portfolio companies maximize growth, operational efficiencies, and innovation. Some of Symphony's previous investments have included Information Resources, Inc., Intenia AB, Symphony Services Corporation, and Aldata Solution. STG is actively engaged with each Group company, providing the strategic insight needed to achieve business performance and revenue growth through innovation.

