



Press Information

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For immediate release

Contacts:

Anders Lidbeck
VD & Koncernchef
Telelogic AB
Tfn: 040-17 47 00
Fax: 040-17 47 47
E-mail: anders.lidbeck@telelogic.com

Håkan Rippe
EVP Business Development
Telelogic AB
Tfn: 040-17 47 16
Mobil: 0705-13 11 16
Fax: 040-17 47 47
E-mail: hakan.rippe@telelogic.com

Telelogic shares placed to institutional investors

MALMÖ, August 22, 2000 – Enskilda Securities and Alfred Berg have placed 9.6 million shares in Telelogic for a total of SEK 604 million in an offering to institutional investors in the US and in Europe.

The price in the offering was set at SEK 63 per share. The offering price represents a discount of approximately 3% compared with the closing price for the Telelogic share on August 21, 2000.

As part of the QSS acquisition 6.4 million shares were placed. Another 1.9 million shares of the QSS consideration were placed to meet strong market demand. The proceeds from 1.3 million of the placed shares, amounting to SEK 80.5 million before transaction costs, will be used by Telelogic to finance future acquisitions, for working capital and for general corporate purposes.

The new issue of shares will increase the total number of shares in Telelogic with 1.3 million shares. The QSS acquisition will increase the total number of shares with maximum of 14.7 million shares. The total number of shares in Telelogic will amount to approximately 123.7 million shares after the new issue and the consummation of the QSS acquisition.

Telelogic has undertaken to issue an additional maximum of 1.4 million shares to Enskilda Securities to cover possible over-allotment. Enskilda Securities may over-allot shares or effect transactions which stabilize or maintain the market price of the Telelogic shares at a level which might not otherwise prevail in the open market. Such stabilization, if commenced, may be effected on the OM Stockholm Exchange from today up to and including September 20, 2000, and may, if commenced, be discontinued at any time.



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The QSS acquisition is subject to closing conditions, including clearance according to the Hart Scott Rodino Act. The acquisition is expected to be consummated on, or around, September 1, 2000. In the event the QSS acquisition is not consummated on or before October 15, 2000, Telelogic will be the seller of all shares included in the offering.

Until the QSS acquisition is consummated, the shares sold are borrowed from one of Telelogics main shareholder, Kjell Spångberg (through a related company), in order to facilitate the offering¹.

About Telelogic

Telelogic is established in twelve countries under its own name, and a further 20 countries through distributors. It is one of the market leaders in development environments for technical software, especially in real-time applications. By offering high quality graphical development tools and related services, Telelogic makes the development of software more rapid, less labor intensive, and more reliable.

The company has a global client base, including top communication suppliers such as Alcatel, Cisco, Ericsson, Fujitsu, Hewlett-Packard, Lucent, Motorola, NEC, Nokia, Nortel Networks and Siemens, as well as a number of leading suppliers within automotive and aerospace.

The software market is moving towards more visual programming methods, and Telelogic is a leader in the production of the next generation of development tools, in this area. Telelogic is now well prepared to deliver rapid and complete solutions for the complex challenges faced by the real-time industry.

This announcement is not an offer of securities for sale in the United States. The securities referred to herein may not be offered or sold in the United States absent registration or an exemption from registration. Any offering of the securities to be made in the United States will be made by means of a prospectus that may be obtained from the Company and will contain detailed information about the Company and its management, as well as financial statements.

¹ In the event the QSS Acquisition is not consummated on or before October 15, 2000 and Telelogic does not fulfill its obligation to issue shares, the lending shareholder will be the seller of all of the Shares in the offering.