

# **Press Release**

September 1, 2000

### Orange promises full coverage by 2003

Stockholm, September 1, 2000. Orange Sverige AB is determined to carry out a record-breaking roll-out of its UMTS network and promises full population coverage already by 2003. This commitment is given in the Orange tender for a UMTS license that was submitted to the PTS (The National Post and Telecom Agency) today.

Orange further commits to making the first UMTS calls on their network as early as spring 2001. The first commercial services will be launched in autumn 2001 subject to successful negotiations with PTS to allow us to advance the take up of our licence and with the military to release the UMTS spectrum.

"We aim to deliver our new and exciting 3G services to the Swedish market as soon as credibly viable," says **Michael Latimer**, COO and Group Director, International, Orange. "This drives us to deploy our high quality UMTS network in record time and by applying solely for UMTS spectrum we will be able to focus on building one advanced network reaching all of the population."

"UMTS will be especially important to create high-speed communications where the fixed broadband is not yet fully developed, e.g. in the rural parts of Sweden. Oranges fast roll-out plans gives all of Sweden the opportunity to be a part of the new network economy," says **Jonas Birgersson**, Chairman of Bredbandsbolaget and CEO Framfab.

"Skanska has sound knowledge of building telecom and IT networks. Our expertise and resources are major assets for the Consortium," says **Staffan Schéle**, Head of Corporate Finance, Skanska.

#### **Increased competition**

"Orange, part of France Telecom, has a track record of driving competition in the markets where we are active. Our goal is to contribute to increased competition on the Swedish market and price is only one dimension to our strategy; we will offer a high-quality network, products and services relevant to people and a customer service ranked as the best in the world," says **Michael Latimer**.

"Bredbandsbolagets services will operate optimally on mobile as well as fixed broadband, which means that each individual user will have access to personalised services regardless of when, where and how they want to use them," says **Jan Morten Ruud**, CEO Bredbandsbolaget.

#### **Tailored solution for VNOs**

We have designed our network architecture to accommodate VNOs (Virtual Network Operators) and their services easily at the earliest opportunity.

"A lot of people talk about open networks without really understanding them or their complexity. Orange not only offers an open network but also open systems and open practices. Building a network is easy enough! It is the services the networks will carry that are going to be the differentiators of the next mobile generation," says **Jeremy Sell**, International Business Planning Manager, Orange.

"Orange's VNOs (Virtual Networks Operators) will have access to all our systems and we will offer them a tailored solution," **Jeremy Sell** continues. "They can choose which parts of our offerings they want to benefit from, it will be something like picking from a smorgasbord. They can, for example, choose to use our billing but not our customer service. They can use our products but not our tariff plan. They can use part of our portal architecture or use their own. By encouraging increased usage in our network more people will have access to innovative services and, furthermore, we will have a guicker return on our investment."

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This and previous releases can also be found at www.skanska.com

#### **Notes to editors**

#### Orange - the Consortium

Backgrounders as well as pictures are available on: www.orangecommunications.nu

#### Orange

On May 30, France Telecom acquired Orange, creating Europe's second largest mobile operator, with an estimated 30 million customers by the end of 2000. The Orange brand already operates in eight countries and the France Telecom acquisition significantly enhances Orange's ambition to be in 50 countries by 2005.

Orange has recently been awarded a UMTS licence in the UK following the conclusion of the UK government's auction process. Orange provides a broad range of personal communications services. As well as Orange GSM 1800 services, this includes other digital cellular telephone and paging services.

Orange is the largest and fastest-growing digital mobile phone network in the UK, with over 7 million customers as at 30 June 2000. Orange provides high quality coverage to 99% of the population and over 80% of the geographic area. In May 2000, OFTEL, the UK's telecommunications industry regulator, published the results of its third survey of the four UK GSM mobile communications networks' relative performance. Orange was shown to be the best performing network, with an average call success rate of 97.7%. Orange offers roaming on 213 networks in 100 countries. Media information can be found at: <a href="https://www.media.orange.net">www.media.orange.net</a> Orange and wirefree are trademarks of Orange.

#### France Telecom

France Telecom (NYSE: FTE) is one of the world's leading telecommunications carriers, with 1999 consolidated operating revenues of 27.2 billion euros and operations in more than 75 countries. France Telecom provides businesses, consumers and other carriers with a complete portfolio of solutions that spans local, long-distance and international telephony, data, wireless, multimedia, internet, cable TV, broadcast and value-added services. With the acquisition of the UK mobile operator Orange, France Telecom is the second largest European mobile operator, totalling more than 21 million subscribers. France Telecom has been listed on the New York Stock Exchanges (NYSE:FTE) and Paris Bourse since 1997.

## Website: www.francetelecom.com

#### Bredbandsbolaget

Bredbandsbolaget is a leading broadband communications company offering advanced and affordable broadband services to consumers, as well as small and medium sized businesses. Bredbandsbolaget offers the market's fastest Internet connection with full duplex 10 Mbps (easily upgradeable to 100 Mbps), media-on-demand, television, video telephony, telephony, video-on-demand services and interactive services.

Bredbandsbolaget was established in the summer of 1998. NTL is the largest shareholder with a 25 percent stake in the company. Other major shareholders include Investor, the Carlyle Group, Framfab, Intel, Novestra and Morgan Stanley Dean Witter. Bredbandsbolaget is based in Sweden and has also operations in Norway, Denmark and Benelux. Further international expansion is planned.

Bredbandsbolaget will hold a stake in the Consortium in a special set up company called Bredband Mobil where Bredbandsbolaget owns 85% and Framfab 15%.

Website: www.bredband.com

#### Skanska

Skanska is one of the world's leading companies in the areas of construction-related services and project development. Operations aim to meet people's needs for housing, workplaces and communications. Skanska operates throughout the entire value circle – from concept and development to construction, operation, maintenance and service.

The company was founded in 1887 and has operations in more than 60 countries. Its primary markets are Sweden, the US, Denmark, Finland, Norway, Poland, the Czech Republic and Argentina. Sales total approximately SEK 100 billion. About 20 percent of sales are attributable to projects in the telecom and Internet infrastructure sector. The company currently has some 60,000 employees.

Website: www.skanska.com

#### Schibsted

Schibsted is a leading media group in Scandinavia, active in newspaper, magazine and book publishing, TV- and film production, TV channels and a range of Internet services - in Sweden, Norway, Denmark, Estonia, Germany and Switzerland. The company has a strong position as content provider.

The group's newspapers reach daily 3.8 million readers, in Sweden including titles such as Aftonbladet and Svenska Dagbladet. The various Internet sites that Schibsted control fully or partially, are visited by a total of 11.5 million unique users per month. Building from its strong position among readers and advertisers, Schibsted is now focusing on the exciting prospects provided by the rapid development of broadband and UMTS.

This summer, Schibsted Telecom was formed as a separate company with the main purpose of building an advanced portal services for mobile users throughout the Nordic countries. The Schibsted Group employs 5300 people.

#### UMTS

Universal Mobile Telecommunication System (UMTS) is the third generation mobile telecom system and a new standard for wireless broadband communications services, building on and radically extending the current GSM capabilities. While GSM was originally designed for voice services,

UMTS has from the outset been specified with the mobile Internet and multimedia in mind.