

PRESS RELEASE

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CONNOVA`S SAVINGS PROGRAMME PRODUCES RESULTS SOONER THAN EXPECTED

ConNova Group AB (publ) has succeeded sooner than expected in implementing the savings programme it commenced in October. In December this year, the majority of the savings measures will be producing results. Transition costs have also been lower than predicted, and the combination of these two factors will have a positive impact on the profit forecast for the year and will also lead to a lower level of fixed costs as of the start of 2001. This will result in a continued healthy financial position ahead of coming years. The market is also showing clear signs of recovery, providing an excellent sales climate for 2001.

“We are delighted that we were able to resolve the majority of staff-related problems quickly and positively. For ConNova, this means that we can start 2001 on a continued solid financial basis. This gives us a margin in the implementation of our plan for coming years, a margin that is expected to see the company through the final part of the investment phase to positive cash flow figures.”

“The market climate has also improved considerably. We are currently holding discussions with several major prospective customers who have tangible, scheduled purchase plans and excellent financing. We are also holding similar discussions with potential partners. This marks the end of an almost year-long period since the turn of the millennium in which there has been very little activity among our potential customers –
an excellent sign ahead of our future sales initiatives,” says Björn Persson, MD of ConNova.

ConNova.

ConNova specialises in developing and supplying business support systems for multimedia operators in the fields of pay-TV, the Internet, broadband and telecoms services. The company has 15 year's experience from the industry. ConNova's offering extends from consulting services to the development of software adapted to meet the very latest market requirements. Within the framework of ConNova TVX AB, the company also runs customer services on an assignment basis for European pay-TV operators. ConNova's present customers are mainly found in the fields of cable TV, DTT (Digital Terrestrial Television), multimedia and telecommunications. At the international trade fair for billing systems in London in May 1999, ConNova's customer management system BizManager was awarded two honourable mentions, one for "Overall Best Contribution to Billing" and the other for "Most Innovative Billing Product". The ConNova Group AB (Publ) has been listed on the OM Stockholm Stock Exchange's O list since 1997.

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