



PRESS RELEASE

18 January 2001

LGP declined further discussions

In a statement to the news agency Direkt, Mikael Gottschlich, CEO of LGP, yesterday commented on Allgon's management and board and the company's potential. Gottschlich noted that there had been no further contacts between the two companies following LGP's tender offer to the shareholders of Allgon.

These are the facts: Following an evaluation, Allgon's board found that the LGP offer failed to reflect the value of the company's business and prospects. Although a combination would carry some industrial logic, it would also lessen the focus on advanced telecom products that Allgon are striving for, especially since the majority of LGP's operations are subcontracting. For this reason, Allgon decided to evaluate different alternatives and to initiate discussions with other parties.

LGP was – together with other interested parties – invited to meet the management of Allgon and receive comprehensive material about the company and its future and to discuss possible structural business opportunities. The reason why LGP did not partake in these discussions was that LGP – contrary to other interested parties, Swedish as well as international – refused to make a confidentiality undertaking including a customary prohibition during a limited period of time to employ Allgon staff. LGP, thus, declined to participate in further discussions.

Allgon AB (publ)

Allgon's business concept is to develop, manufacture and market radio-based solutions and other products for wireless telephony and data communications. Allgon's product range consists of antenna systems for infrastructure in mobile telephone networks; filters, combiners and similar products for base stations; repeater networks; microwave equipment; mobile telephone antennas; wireless local networks and Bluetooth products. Allgon's invoiced sales amounted to SEK 2,136 million in 1999. The number of employees at the end of 1999 amounted to 1,249. Allgon was founded in 1946.