

24 January 2001

Venture capitalism with a human face

Pekka Peltola, a co-founder of European Teligent, quoted on OM Stockholm Exchange's O-list, is forming e-horizon, a venture capital corporation and innovation house for software developers in the communications sector. Five per cent of portfolio venture value growth will be donated to good causes.

A new venture capital Corporation—e-horizon—has been formed in the communications sector. Its business concept is to invest in ventures to develop software products for the communications market through its first SEK 100 m fund. The intention is to divest portfolio ventures, either through IPOs or trade sales, after an active value creation process.

Mr. Peltola, e-horizon's Chairman, commented: "we're going to be concentrating on ventures at the absolute cutting edge of technology, whose surrounding environments are highly changeable. This kind of dynamic and global market environment offers new start-ups the brightest prospects of success."

e-horizon will concentrate on investments offering the best outlook for robust shareholder value growth. The eventual objective is to list the corporation.

Apart from 50% of portfolio ventures being spun off to e-horizon shareholders through its IPO, 5% of these ventures will be transferred to various projects through an Ethical Advisory Board. Such hand-overs may be to projects targeted on disaster recovery, climatic research, the environment and endangered species or assistance to children in need worldwide.

"The drawback with the contemporary market economy is that it isn't a complete system," added Mr. Peltola, "and thereby, some of the value growth realized is an illusion because generally, we don't pay for polluting the environment, eradicating an endangered species or altering the global climate. Thereby, we're stealing assets from future generations without paying our due. By handing over 5% of the value growth of our portfolio ventures, we'll contribute to the creation of a better world."

Apart from his Chairmanship of e-horizon, Mr. Peltola will retain his existing position as Deputy Chairman of European Teligent, and commented:

"European Teligent is one of the most promising business projects you could possibly want. The corporation is on the verge of a very exciting phase and facing a global market, while quarterly earnings are improving."

Mats Lindberg, with extensive telecom and computer sector experience, will be e-horizon's CEO. Mr. Lindberg expects IP (Internet Protocol) to play a key role in the future of telephony. He announced: "e-horizon SoftSwitching is our first start-up, and is a venture that will develop the IP teledata networks of the future. We offer unique solutions to provide basic telephony just as simply over IP networks as over fixed lines or via a mobile phone."

e-horizon SoftSwitching will offer IP network operators software systems allowing mass telephony offerings, enabling users to make calls into and out of such networks from any handset simply and with high transmission quality.

Mr. Lindberg concluded that "we're convinced that there is an enormous international market for the solutions we can offer."

For more information, please contact:

Pekka Peltola	+46 (0)70 538 8888	Chairman of e-horizon
Mats Lindberg	+46 (0)70 605 5920	CEO of e-horizon