

PRESS RELEASE

New independent Swedish company to develop base stations for 3G UMTS

(Stockholm 23 February 2001) KEVAB, a newly established Swedish firm has announced it will develop specialised radio base stations for 3G UMTS system technology as a complement to the standard products produced by the large telecom equipment manufacturers.

KEVAB's Managing Director and founder, Kjell Vernet, made the announcement at the annual GSM conference in Cannes, France. Mr. Vernet says KEVAB is the first independent European company to enter the potentially enormous market for UMTS infrastructure products. KEVAB has the financial backing of nCoTec ventures, a London based venture capital firm which invests in early stage companies engaged in developing the enabling technologies for the mobile internet.

KEVAB will be a fables designer and developer of specialist UMTS base stations, making use of standardised open interfaces and working closely with a number of 3G mobile operators to specify its products. KEVAB will outsource manufacture to third parties and licence technology where possible to shorten development lead times.

Mr. Vernet has a long background in wireless technology. He was responsible for Ericsson's initial development work for GSM infrastructure and later served as manager for Ericsson's wireless activities in China. He later founded and was CEO of Call Sciences, a UK based wireless software developer, inand CEO of Radio Design, a wireless infrastructure vendor, in Sweden.

"Industry participants must devote time and resources to standardising the so-called Iub interface to make it easy for 3G service providers to use equipment from all suppliers," says Mr. Vernet. "The mobile communications industry never succeeded in doing this for GSM. We want to make certain this mistake does not happen again. The large telecom equipment manufacturers will naturally not want to open their interfaces because this would lead to increased competition and downward price pressures. However, such a standardisation and increased competition is clearly in the best interests of the operators."

Commenting on the announcement, Lars Lindell of nCoTec, who is joining the Board of KEVAB, said, "We were attracted to the radio base station market because it is the largest and most profitable segment of the 3G infrastructure market. Kjell Vernet is one of the most experienced professionals in this area and we are delighted that he has chosen to work with nCoTec"

No official details of KEVAB's product portfolio have yet been released. It is known that it will include base station products with improved coverage and quality characteristics and higher capacity. The company's products will be unveiled at the UMTS conference in Barcelona in October of this year.

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