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Ledstiernan's portfolio company ipUnplugged raises SEK 68 million

ipUnplugged, a leading developer of networking products that integrate mobile networks such as GPRS and wireless LANs, raises 68 million Swedish crowns of venture capital. The financiers are the venture capital company of NTT DoCoMo - Mobile Internet Capital, Ledstiernan and Industrifonden. The money will be used for continued market establishment and development of the next product generation.

Until now, the founders of the company and Ledstiernan have owned ipUnplugged. Now, in addition to Ledstiernan, NTT DoCoMo's venture capital firm Mobile Internet Capital and Swedish Industrifonden are investing in the company. In total, they are investing 68 MSEK through a convertible loan.

"In the last few months, we have received several clear confirmations, such as agreements with Telenor and Cygate and now broadened financing, that the market for our products is taking off. Since the start of the company, we have prioritized customers and development before expansion. This is now paying off in the form of good financing despite the current overall market outlook," says Magnus Lengdell, CEO of ipUnplugged.

"To participate in the latest development of mobile systems in Scandinavia, we have been looking to invest in a strong technical company. ipUnplugged is the leading developer of mobility between networks and their products provide simplicity for users. This simplicity is an important part of NTT DoCoMo's success. We see a strong possibility to combine ipUnplugged's knowledge of networks with our experience in mobile services," says xx at Mobile Internet Capital.

"ipUnplugged's professionalism and experience with large mobile companies has become even more evident since they have entered into agreements with operators and system integrators. We strongly believe in ipUnplugged because the company has a proven record of keeping their promises and has a strong business idea. These qualities are additionally confirmed by the investment of both Industrifonden and Mobile Internet Capital in ipUnplugged," says Johan Wachtmeister, CEO of Ledstiernan.

"When we invest, we look for companies with a strong management team, good business idea and technical expertise. ipUnplugged meets these requirements and

more. Secure mobility between access networks is not just a future vision. GPRS-subscriptions are already a reality and PDAs that can connect to different kinds of networks are entering the market. ipUnplugged is poised and ready to capitalize on the possibilities,” says Göran Ohlsson of Industrifonden.

Before this follow-up investment Ledstiernan owned 42 per cent of ipUnplugged. Ledstiernan has previously provided ipUnplugged with a loan of MSEK 20. In combination with the conversion of this loan into the above-mentioned convertible, Ledstiernan will invest a further MSEK 22.3 in ipUnplugged as part of this issue of convertible loan stock (total MSEK 42.3). This will take its equity interest (after full conversion of the convertible) to 49.8 per cent (53.1% ¹⁾). The other main, outside shareholders in the company are the Swedish Industrial Development Fund (9.2 per cent after full conversion) and Mobile Internet Capital (6.1 per cent after full conversion). The remaining shares are owned by the company's founders and employees.

1) After full exercise of options and full dilution Ledstiernan's interest will amount to 53.1 per cent.

For more information, please contact

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About ipUnplugged

ipUnplugged is the leading developer of networking products for secure mobility that integrate any networks such as wireless LANs and GPRS. The solutions enable mobile users to move freely from one network to another without having to reconnect, change settings or lose connection at any point. (www.ipunplugged.com)

- *ipUnplugged was founded in December 1999*
- *The first series of products was launched in April 2001*
- *The company's solutions consist of Mobile Service Routers, Mobile Service Managers and Mobile Service Clients*

About Ledstiernan

Ledstiernan is building Europe's leading seed and venture capital company focusing on mobile communication. The company is listed on Stockholm Stock Exchange's O-list. (www.ledstiernan.com)

About Mobile Internet Capital

Mobile Internet Capital (MIC) ...