



PRESS RELEASE

Gatespace Secures Additional Financing and Acquires Ericsson's e-Services Venture.

Acquisition positions Gatespace to offer carrier-grade end-to-end solutions for broadband and telematics operators.

Göteborg, Sweden – March 12, 2002 – Gatespace, a leading provider of managed services systems and solutions for broadband operators and telematics system developers, announced today that it is acquiring the e-services venture from Ericsson Business Innovation. As a part of this agreement, Ericsson transfers its e-Services activity in full, including products, personnel and customer contracts. Gatespace is also receiving additional funding from its current owners, including Ericsson, Bure Equity and Morgan Stanley. Ericsson will take payment in newly issued Gatespace stock.

Gatespace was founded in 1999 by Ericsson and the Swedish research firm CR&T. Initially, Gatespace focused on developing a distributed service platform based on the Open Services Gateway initiative (OSGi) targeted at broadband and in-vehicle gateways. The Ericsson e-services venture has been a major customer of Gatespace, and has developed a carrier grade management system and applications based on the Gatespace platform. During 2001, Gatespace extended its offering to also include management and service provisioning products, as well as complete solutions for broadband operators and telematics system developers.

This acquisition will enable Gatespace to leverage Ericsson's recognized expertise in the telecommunications market to now offer carrier-grade end-to-end solutions for managed services to broadband and telematics operators. "By joining forces we create a very powerful industry player capable of delivering complete OSGi compliant solutions," says Jöran Hoff, CEO of Ericsson Business Innovation. "Gatespace will now truly be the driving force in this industry. We believe in the need for OSGi and see the value of a strong, independent player who can provide added-value services to network operators."

"This is an excellent deal for Gatespace", says Staffan Truvé, CEO of Gatespace. "With a strengthened product portfolio, new customer relationships and secured financing we are now well positioned to make strong inroads in the broadband and telematics services market."

Gatespace Inc. (USA)
720 San Antonio Road, Palo Alto, CA 94303, USA
Phone: +1 650 846 6580, Fax: +1 650 846 9345

Gatespace AB (Sweden)
Stora Badhusgatan 18-20, 411 21 Göteborg, Sweden
Phone: +46 31-743 98 00, Fax: +46 31-711 64 16

E-mail: info@gatespace.com

Web: www.gatespace.com



PRESS RELEASE

“Gatespace and Ericsson e-services are two important players in the emerging market for network based services”, says Björn Boldt-Christmas, Chairman of Gatespace and Senior Investment Manager at Bure Equity, a major Gatespace investor. “With an extended, battle-proven product portfolio and strong financing, Gatespace is now able to take the next steps of its evolution.”

About Gatespace

Gatespace is a leading supplier of future-proof, managed-services solutions for connecting applications and services running on enterprise systems to servers and gateways, running on the edge of the Internet. With our Enterprise-to-Edge solutions, our customers extend their business offerings by provisioning, configuring, and operating applications and services within the Broadband and Telematics markets.

Gatespace is privately funded by Ericsson, Morgan Stanley Dean Witter, Fuqua Venture Partners, Bure Equity, CR&T, European Equity Partners, Pythagoras Participation, and T-bolaget. The company is based in Göteborg, Sweden, with its US headquarters in Palo Alto, California.

For Further Information, please contact

Staffan Truvé, CEO Gatespace AB

Tel. +46 70 59 33 885

E-Mail: truve@gatespace.com

Gatespace Inc. (USA)
720 San Antonio Road, Palo Alto, CA 94303, USA
Phone: +1 650 846 6580, Fax: +1 650 846 9345

Gatespace AB (Sweden)
Stora Badhusgatan 18-20, 411 21 Göteborg, Sweden
Phone: +46 31-743 98 00, Fax: +46 31-711 64 16

E-mail: info@gatespace.com

Web: www.gatespace.com