
News Release

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Announcement in connection with the Annual General Meeting in Telelogic on April 2, 2003

MALMÖ, Sweden – April 2, 2003 – At the Annual General Meeting in Telelogic AB (publ) on April 2, 2003 the following resolutions were made.

1. Appropriation of the company's loss

In accordance with the board of director's and managing director's proposal, as recommended by the auditor, it was resolved that the loss for the financial year 2002 of SEK 256 727 282 is dealt with by releasing from the share premium reserve an equivalent amount. No dividends are distributed to the shareholders for the financial year 2002.

2. Fees for the board of directors and the auditors

It was resolved that a fee to the board of directors for the time until the next Annual General Meeting shall be paid in an amount of SEK 900,000, of which the chairman of the board shall receive SEK 500,000 and residual external board members SEK 100,000 each. It was further resolved that the auditors shall be reimbursed on current account.

3. Election of the board of directors and auditors

Mr Bo Dimert, Mr Kjell Duveblad, Mr Anders Lidbeck, Mr Joakim Westh and Mr Erik Gabrielson were re-elected, and Mr Risto Silander was elected new ordinary member of the board for the time until the next Annual General Meeting. Mr Kjell Spångberg has declined re-election. The authorised public accountant Mr Alf Svensson, KPMG was re-elected auditor of the company with the authorised public accountant Mrs Eva Melzig Henriksson, KPMG as deputy auditor.

4. Resolution regarding authorization for the board of directors to issue shares and subordinated debentures with detachable warrants

In accordance with the board of director's proposal, the meeting resolved to authorise the board of directors to, not later than at the next Annual General Meeting, resolve to issue a total number of 18,000,000 new shares in consideration for cash and/or in kind or set-off or otherwise with conditions, and thereby resolve to deviate from the shareholders' preferential rights, as well as to resolve to raise loans in an amount not exceeding SEK 200 million by issuing convertible debt instruments or subordinated debentures with detachable warrants attached, which shall not entitle to conversion or subscription of more than 18,000,000 shares in total, in consideration for cash and/or in kind or set-off or otherwise with conditions, and thereby resolve to deviate from the shareholders' preferential rights. The board of directors must not use the authorisation in a manner that results in the number of issued shares and the number of shares that can be subscribed for due to issued warrants and conversion of issued debt instruments to exceed 18,000,000 shares. When making use of the authorisation in connection with new issues in consideration for cash, the board of directors shall as far as possible promote a new issue observing the preferential rights of the shareholders. Deviation from the shareholder's preferential rights shall only take place if there are special reasons for doing so.



The objective of the authorization is to enable the board of directors to finance acquisitions by issuing new shares and in connection herewith restructure or replace existing share option plans in the acquired companies, as well as to raise external financing in order to maintain a good financial position.

5. Grant of options in accordance with the Group's Global Share Option Plan

In accordance with the board of director's proposal and the terms of the Global Share Option Plan ("the Plan") adopted by the company at the Extraordinary General Meeting on 8 January 2001, the meeting resolved to grant not more than 1,900,000 call options whereby in principal senior managers and key employees of the group may each be granted not more than 200,000 call options and other employees not more than 25,000 call options each. The board of director's proposal was adjusted in the way that the exercise price of the options shall correspond to at least 110 percent of the market value of the company's shares at the time of grant of the options. Further, the proposal was adjusted to the effect that it shall not be possible to grant options with a lower exercise price in connection with corporate acquisitions in order to be able to replace existing share option plans in the acquired companies.

In the event that all 1,900,000 options are exercised, employees will acquire shares in the company in an amount corresponding to a dilution of approximately 0.9 percent. Taking into consideration previously adopted option plans to the employees, the total dilution amounts to approximately 5.2 percent and to 4.9 percent if taking into consideration outstanding convertibles.

6. Authorization for the Board of Directors to issue subordinated debentures with detachable warrants

The meeting resolved to authorise the board of directors to, not later than at the next Annual General Meeting, notwithstanding the shareholders' preferential rights, at one or more occasions, resolve to issue subordinated debentures attached with not more than 1,900,000 detachable warrants, which each shall entitle the holder to subscribe for one share in the company. Entitlement to subscribe for debentures shall, with deviation from the shareholders' preferential rights, rest with wholly owned subsidiaries in the group. If the authorisation is fully used and if all 1,900,000 options are exercised, the share capital of the company will increase with SEK 19,000. The reason for the deviation from the preferential rights of the shareholders is to guarantee the fulfilment of the obligation to grant options in accordance with the share option plan described in 5 above and to cover administrative costs, social security costs and equivalent foreign taxes which may be incurred due to the Plan.

7. Nomination committee and remuneration committee

The meeting resolved to establish a nomination committee consisting of the chairman of the board and representatives of the 4-5 largest shareholders. It was further resolved to commission the board of directors to appoint amongst them a remuneration committee that shall be responsible for the preparation of matters relating to the managing director's remuneration agreements and incentive schemes for managers and employees.

About Telelogic

Founded in 1983, Telelogic® is the leading global provider of solutions for advanced systems and software development. The company's integrated best-in-class software tools, supported by professional services, enable companies to automate their entire development lifecycle, resulting in improved quality and predictability with reduced time-to-market and overall costs. To ensure interoperability with third-party tools, Telelogic's products are built on an open architecture and standardized languages. As an industry leader and technology visionary, Telelogic is actively involved in shaping the future of advanced systems and software development by participating in industry organizations like 3GPP, ETSI, INCOSE, ITU-T, MOST, OMG and others.

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