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Press release

Swedia Networks signs Letter of Intent to acquire Kilsheelan Technology International

Swedia Networks and Kti - Kilsheelan Technology International, the Irish telecom services provider, have signed a Letter of Intent, which means that Swedia Networks intend to acquire 100% of the shares of Kti. Under the terms of the Letter of Intent, Swedia Networks will take over the management and control of Kti and its subsidiaries in the UK, Kti UK Ltd and Oren Communications and integrate the three companies into the existing Swedia Networks entities in the UK and Ireland. The Combined entity will consist of one British company and one Irish company under one management structure. The completion of a final agreement will be no later than July 31.

Magnus Odelius, currently CEO of Swedia Networks UK Ltd, has been appointed CEO of the combined entity.

"Kti and Oren will be an excellent complement to the Swedia Networks group and it underlines Swedia Networks strategy to be a significant services provider to the telecom market in the UK and Ireland," says Magnus Odelius. "The new combined entity will have a strong footprint across the UK and Irish market with more than 150 employees and with a competence profile ranging from design and implementation to Operation and Maintenance of both fixed and mobile networks. We warmly welcome Kti's and Oren's highly competent staff to join our experienced pan-European workforce. Their expertise will strengthen and complement the skills of the Swedia Networks group."

"Swedia Networks will after completing this acquisition have a unique position on two of Europe's major Mobile markets – the UK and Germany - with the capability to provide all types of services for any mobile operator as well as for all suppliers of mobile equipment", says Bo Eklof, Head of Business Area International in Swedia Networks AB.

For more information, please contact:

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Swedia Networks AB is one of Europe's leading active telecom contractors in the fields of design, construction and service of infrastructure for electronic communication. Swedia Networks has 2500 employees in 8 countries. The turnover in 2003 was MSEK 2500 (£180M). Swedia Networks has subsidiaries in Germany, Austria, Switzerland, the United Kingdom, Denmark, France (Francia Networks S.A.) and Ireland.

Swedia Networks is part of the Telefonos Group, which is owned by Industri Kapital, the 2000 Fund (51%) and Telia (49%). For further information please visit www.swedianet.com