

**FRANCE TELECOM THROUGH ORANGE,  
BREDBANDSBOLAGET, SKANSKA AND SCHIBSTED TO  
APPLY FOR SWEDISH UMTS LICENCE**

***Stockholm, 17 August 2000.*** France Telecom through Orange, Bredbandsbolaget, Skanska and Schibsted jointly announced the formation of a consortium, under the name Orange, to apply for a Swedish UMTS licence.

The consortium partnership's blend of mobile operations experience, leading edge broadband expertise and an unrivalled Swedish civil engineering pedigree is coming together under the leading wirefree brand – Orange.

The consortium partners each recognise Sweden's position as one of the world's most developed mobile telephony and information technology markets. The consortium carries the collective ambition and strengths to compete in this highly advanced and attractive market by delivering mobile broadband based, life-enhancing services to the entire population. These services will include high speed internet access, e-commerce, location based information and entertainment to the customer whilst they are on the move.

France Telecom and Orange have a reputation for bringing innovation to their markets including the UK, Denmark, the Netherlands and Italy. In Sweden, Bredbandsbolaget leads the market in broadband services, offering broadband services all around Sweden and contributing to Sweden's world leading position in broadband access. The consortium members share a common tradition of innovation.

Following France Telecom's agreement to acquire Orange, the new enlarged Orange will become the second largest mobile operator in Europe. Orange has recently been awarded a UMTS licence in the UK. In addition the enlarged group will hold a UMTS licence in the Netherlands via Dutchtone, in which France Telecom is the majority shareholder with 80 percent.

**Kenny Hirschhorn**, Group Director of Strategy, Imagineering and Futurology at Orange, said: "UMTS is a revolutionary step in the world of wirefree communications and the consortium partners share a common vision of providing people with access to easy to use, affordable and personalised services, however, wherever and whenever they want to use them."

**Jan Morten Ruud**, CEO of Bredbandsbolaget, said: "UMTS will enhance our already innovative broadband services and further develop the network society. We are combining the strengths of some of Sweden's most exciting new businesses with the strength and credibility of France Telecom, and Orange - one of the world's most visionary brands. This is good news for every Swedish consumer - as we will be introducing more competition, new pricing schemes, increasing choice and delivering innovative services technology."

**Bernard Izerable**, Executive Vice President International, France Telecom, said: "Sweden is a strategic market for Orange in its development as a leading European operator and we are fully committed to provide customers and business users with state of the art convergent multimedia wireless services, with pan European footprint."

**Staffan Schéle**, Head of Corporate Finance, Skanska said: "We have a long tradition as infrastructure builders. IT-based communications is an increasingly important element of the modern infrastructure and, accordingly, it is natural for us to also continue the tradition within this area. We have the expertise required to manage and co-ordinate large and complicated projects. Today, we are involved in the expansion of telecom and data networks in the US, Argentina and Hong Kong as well as in Scandinavia and large parts of the rest of Europe. A growing portion, currently about 20%, of the Group's sales are attributable to the telecom and datacom sector."

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## **Notes to Editors**

### **Orange – the consortium**

Website: Media information to be found at [www.orangecommunications.nu](http://www.orangecommunications.nu)

#### **Orange**

On May 30, France Telecom acquired Orange, creating Europe's second largest mobile operator, with an estimated 30 million customers by the end of 2000. The Orange brand already operates in eight countries and the France Telecom acquisition significantly enhances Orange's ambition to be in 50 countries by 2005.

Orange has recently been awarded a UMTS licence in the UK following the conclusion of the UK government's auction process. Orange provides a broad range of personal communications services. As well as Orange GSM 1800 services, this includes other digital cellular telephone and paging services.

Orange is the largest and fastest-growing digital mobile phone network in the UK, with over 7 million customers as at 30 June 2000. Orange provides high quality coverage to 99% of the population and over 80% of the geographic area. In May 2000, OFTEL, the UK's telecommunications industry regulator, published the results of its third survey of the four UK GSM mobile communications networks' relative performance. Orange was shown to be the best performing network, with an average call success rate of 97.7%.

Orange offers roaming on 213 networks in 100 countries.

Media information can be found at: [www.media.orange.net](http://www.media.orange.net)

*Orange* and *wirefree* are trademarks of Orange.

#### **France Telecom**

France Telecom (NYSE: FTE) is one of the world's leading telecommunications carriers, with 1999 consolidated operating revenues of 27.2 billion euros and operations in more than 75 countries. France Telecom provides businesses, consumers and other carriers with a complete portfolio of solutions that spans local, long-distance and international telephony, data, wireless, multimedia, internet, cable TV, broadcast and value-added services. With the acquisition of the UK mobile operator Orange, France Telecom is the second largest European mobile operator, totalling more than 21 million subscribers. France Telecom has been listed on the New York Stock Exchanges (NYSE:FTE) and Paris Bourse since 1997.

Website: [www.francetelecom.com](http://www.francetelecom.com)

#### **Bredbandsbolaget**

Bredbandsbolaget is a leading broadband communications company offering advanced and affordable broadband services to consumers, as well as small and medium sized businesses. Bredbandsbolaget offers the market's fastest Internet connection with full duplex 10 Mbps (easily upgradeable to 100 Mbps), media-on-demand, television, video telephony, telephony, video-on-demand services and interactive services.

Bredbandsbolaget was established in the summer of 1998. NTL is the largest shareholder with a 25 percent stake in the company. Other major shareholders include Investor, the Carlyle Group, Framfab, Intel, Novestra and Morgan Stanley Dean Witter. Bredbandsbolaget is based in Sweden and has also operations in Norway, Denmark and Benelux. Further international expansion is planned.

Bredbandsbolaget will hold a stake in the consortium in a special set up company called Bredband Mobil where Bredbandsbolaget owns 85% and Framfab 15%.

Website: [www.bredband.com](http://www.bredband.com)

### **Skanska**

Skanska is one of the world's leading companies in the areas of construction-related services and project development. Operations aim to meet people's needs for housing, workplaces and communications. Skanska operates throughout the entire value circle – from concept and development to construction, operation, maintenance and service.

The company was founded in 1897 and has operations in more than 60 countries. Its primary markets are Sweden, the US, Denmark, Finland, Norway, Poland, the Czech Republic and Argentina. Sales total approximately SEK 100 billion. About 20 percent of sales are attributable to projects in the telecom and Internet infrastructure sector. The company currently has some 60,000 employees.

Website: [www.skanska.com](http://www.skanska.com)

### **Schibsted**

Schibsted is a leading media group in Scandinavia, active in newspaper, magazine and book publishing, TV- and film production, TV channels and a range of Internet services - in Sweden, Norway, Denmark, Estonia, Germany and Switzerland. The company has a strong position as content provider.

The group's newspapers reach daily 3.8 million readers, in Sweden including titles such as Aftonbladet and Svenska Dagbladet. The various Internet sites that Schibsted control fully or partially, are visited by a total of 11.5 million unique users per month. Building from its strong position among readers and advertisers, Schibsted is now focusing on the exciting prospects provided by the rapid development of broadband and UMTS.

This summer, Schibsted Telecom was formed as a separate company with the main purpose of building an advanced portal services for mobile users throughout the Nordic countries. The Schibsted Group employs 5300 people.

### **UMTS**

(Universal Mobile Telecommunication System) is the third generation mobile telecom system and a new standard for wireless broadband communications services, building on and radically extending the current GSM capabilities. While GSM was originally designed for voice services, UMTS has from the outset been specified with the mobile Internet and multimedia in mind.