

PRESSRELEASE

MOTALA, OCTOBER 4, 2000

CONNNOVA EXPECTS LOWER RESULTS THAN PREVIOUSLY ANTICIPATED FOR YEAR 2000.

Following massive efforts made by many companies in late 1999 to resolve their year 2000 information technology issues, which diverted management attention away from planning of new systems initiatives, there has been a major short term slowdown in ConNova's marketplace. Since January 2000, not one of the potential customers in the market segment where ConNova is active has placed an order for a new billing or customer care system, whether with ConNova or with our competitors. Inevitably, ConNova's revenues for the year will be adversely affected, reducing the earnings contribution for the year. The year is expected to show a loss in the region of MSEK 70.

However, customers' needs for the kinds of systems that ConNova supplies are as pressing as they have ever been. Numerous potential customers are active in the market for such systems, making their operational and technical requirements known, and negotiating with ConNova and other suppliers. ConNova's management are intensely engaged with this process, and are confident that the market downturn is temporary.

The company has initiated actions to cut costs to compensate for lost revenues. ConNova's financial position is secure, and sufficient on a prudent basis to support the continuation of current plans for product development and marketing.

The report for the 3rd quarter will be released on October 26.

ConNova.

ConNova specializes in developing and supplying business support systems for multimedia operators handling pay-TV, the Internet, broadband and telecom services. The company has 15 year's experience of the industry. ConNova's services extend from consulting services to the development of software adapted to meet the market's latest requirements. Within the framework of ConNova TVX AB, ConNova also runs customer services on an assignment basis for European pay-TV operators. ConNova's current customers are mainly to be found in the fields of cable TV, DTT (Digital Terrestrial Television), multimedia and telecommunications.

At the international exhibition for billing systems in London in May 1999, ConNova's customer management system BizManager was awarded two honorable mentions, one for "Overall Best Contribution to Billing" and the other for "Most Innovative Billing Product".

The ConNova Group AB (publ) has been listed on the OM Stockholm Stock Exchange's O list since 1997.

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