

PRESS RELEASE

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O3 Games' subsidiary signs contracts worth SEK 13 million with SWING!

Starbreeze Studios AB, a wholly-owned subsidiary company of the AT-listed O3 Games, has signed contracts worth at least USD 1,325 million, corresponding to approximately SEK 13 million, relating to the development of the computer game 'Enclave' together with a prototype game for a possible new version. These contracts have been concluded with SWING! Entert@inment Media AG which is one of Germany's leading digital entertainment publishers.

Enclave is a so-called FPS-game (first person shooter) and will be appropriately fully developed and ready for the 2001 Christmas trade.

"When we went out and offered Enclave to publishers, we immediately received great interest from some ten world-leading publishers. Following careful deliberations we chose to develop the product in collaboration with SWING! and its developer teams, says Daniel Benitez CEO of O3 Games.

"SWING! is a financially very stable company that is listed on the Neuer Markt in Frankfurt and which, in conjunction with its listing in February, implemented a new issue that injected Euro 16 million into the company, corresponding to approximately SEK 134 million, but even more important is the competence and experience found within this group together with their market channels", continues Daniel Benitez.

Ulrich Conrath, CEO of SWING! Entert@inment Media, makes the following comments:

"We are very pleased about Enclave becoming part of our portfolio for the forthcoming year. This game is from the technical perspective one of the absolutely most advanced in the world and the graphics are fantastic. Enclave has the potential of becoming one of the best selling titles during the next winter."

For further information, contact Daniel Benitez, CEO at 018-12 28 00 (+46 18 12 28 00), or write to info@o3games.com or visit www.o3games.com.

O3 Games was founded in 1998 and produces computer games for the world market. O3 Games is located in Uppsala, Sweden, and has currently 31 employees. Starbreeze Studios is a wholly-owned subsidiary company of O3 Games.