



Teleca divests subsidiary in France

Malmö, Sweden – September 19, 2008 – Teleca, a world-leading supplier of software services to the mobile industry (Nordic Exchange, Small cap: TELC B), today announces the divestment of the company's subsidiary in Rennes, France.

Teleca has experienced a slowdown in demand for mobile services in the French market. We have stated in our long-term strategy that the company will leave sites where we can not reach critical mass and we have therefore decided to leave the French local market and serve certain existing French customers from our global operations.

Teleca has just signed an agreement to sell all its shares in the French subsidiary, with office in Rennes, to AFD Technologies Group. The unit employs 23 people. The parties have agreed not to disclose the purchase price but the transaction will result in a small positive cash effect for Teleca. In the first half of 2008 the net revenue of the sold business was SEK 15 million; earnings before interest and tax (EBIT) were at a break-even level for the same period.

Teleca will take a one-time non-cash charge related to a full write-down of goodwill related to the French operations of SEK 42 million.

The French subsidiary will be reported as discontinued operations in the Q3 report.

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Teleca is a world-leading supplier of software services to major players of the mobile device industry. The company offers tailored solutions, systems design and the integration of software and hardware for mobile phones. Teleca has about 2,000 employees in 11 countries in Asia, Europe and North America and is quoted on the small cap list of the Nordic Exchange.