

## Transmode announces dividend proposal for the AGM 2014

**Stockholm, Sweden - 14 January 2014 - Transmode, a global supplier of packet optical networking solutions, is announcing today that the Board of Directors has decided to propose a total dividend of 6.50 SEK per share to its Annual General Meeting (AGM) 2014, corresponding to SEK 180,626,394 in total.**

In accordance with its dividend policy, see below, Transmode's Board of Directors has decided to propose a dividend of SEK 1.80 per share to its AGM, corresponding to SEK 50,019,617 in total, for the financial year 2013.

As a result of the company's strong cash position (preliminary over SEK 430 m on 31 December 2013), the company not having any interest-bearing liabilities and its business being self-financed, the Board of Directors is also proposing that the AGM approves an extra dividend of SEK 4.70 per share, corresponding to SEK 130,606,777 in total, for the financial year 2013.

Accordingly, the Board of Directors is proposing a total dividend of SEK 6.50 per share to the AGM, corresponding to SEK 180,626,394 in total. Transmode's AGM will be held on 10 April 2014.

The Board of Directors' and the CEO's opinion is that after the proposed dividend, the company will still be in a very strong financial and cash position that will enable it to fulfill its future commitments and operational and strategic plans, in terms of investment in product development and market expansion.

The dividend policy approved by Transmode's Board of Directors states that Transmode's target is to propose a yearly dividend over time of between 25 - 50% of Transmode's profit for the previous financial year. According to the dividend policy, when proposing a dividend for a financial year, the Board of Directors should consider Transmode's investment requirement, financial needs, liquidity requirements and its financial targets.

See also a separate press release on today's date, 14 January 2014, regarding Transmode's preliminary sales for the fourth quarter.

*The information in this press release is mandatory for Transmode AB (publ) to publish pursuant to the Swedish Securities Markets Act (Sw. lagen om värdepappersmarknaden). The information was submitted for publication at 08:01 a.m. CET on 14 January 2014.*

*This is a translation of the Swedish original. In case of any inconsistency between the Swedish and English version, the Swedish version shall apply.*

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### About Transmode

Transmode is a global provider of packet optical networking solutions that enable fixed line and mobile network operators to cost effectively address the capacity needs created by the rapid growth in video and data traffic. These solutions are important building blocks in next-generation high-speed optical networks that support services such as broadband backhaul, mobile data backhaul, video delivery services and cloud computing. Transmode's solutions are designed to increase the capacity, flexibility and functionality of metro and regional networks and are based on Wavelength Division Multiplexing

(WDM) and transport technologies such as Ethernet. Transmode's [Native Packet Optical 2.0](#) architecture gives customers key advantages such as cost efficient Ethernet services, ultra-low latency, low power consumption and future proof network design.

Transmode is headquartered in Stockholm, Sweden and is listed on the NASDAQ OMX Stockholm Exchange (TRMO). Since 2000, the company has installed more than 40,000 systems for over 500 fixed and mobile network operators, service providers, large enterprises and public institutions in over 45 countries across the globe.

For additional information about Transmode, please visit [www.transmode.com](http://www.transmode.com).

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