

Press Release

Change of share capital in Transmode Holding AB August 2011 Stockholm, Sweden – 31 August 2011

Following exercise of warrants in Transmode Holding AB in August 2011, the number of shares has increased by 6,800 and the share capital has increased by SEK 1,360. As per 31 August 2011, the company's share capital amounts to SEK 5,406,453.20 and the total number of shares amounts to 27,032,266 shares.

This information constitutes disclosure of an increase in the number of shares in accordance with chapter 4 section 9 paragraph 1 of the Swedish Financial Instruments Trading Act (Sw. lagen om handel med finansiella instrument).

The information in this announcement is required to be disclosed by Transmode Holding AB under the Swedish Securities Markets Act (Sw. lagen om värdepappersmarknaden). This information was released for publication at 08:00 AM CEST on 31 August 2011.

For more information please contact:

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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 based on <u>Wavelength Division Multiplexing</u> (WDM) and <u>packet optical transport</u> technologies, which are designed to increase the capacity, flexibility and functionality of optical metro core and metro access networks. Transmode's <u>Intelligent</u> <u>WDM (iWDMTM)</u> approach gives key advantages to customers, such as ultra-low latency, low power consumption and innovative network design.

Telephone +46 8 410 88 000 Transmode is headquartered in Stockholm, Sweden and is listed on the NASDAQ OMX Stockholm Exchange (TRMO). Since 2000 the company has installed more than 20,000 systems for over 300 fixed and mobile network operators, service providers, large enterprises and public institutions in over 40 countries across the globe.

For additional information about Transmode, please visit <u>www.transmode.com</u>.

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