



PRESS RELEASE

Tilgin wins pilot order from Eastern European incumbent on next generation gateways

Stockholm, Sweden, 30 September 2008: Tilgin, a leading provider of solutions for multiplay and next-generation broadband services, today announces a new pilot order from an Eastern European incumbent for its next generation gateway solution and VCM software as part of the operator's plan to launch an advanced fully routed triple play offering.

The order forms the first step in a planned roll-out of IP technology. The operator's ambition is to perform the pilot and evaluation during the fall of 2008. The initial order value is limited. The operator, one of Eastern Europe's largest, plans to expand its offering with VoIP and other services based on high speed Internet to its over 700,000 broadband subscribers and potentially also to its large fixed-line subscriber base.

Tilgin will deliver its next generation home gateway solution including the HG 1521 product for fiber connectivity and its VCM management software. This next generation solution is part of a three party collaboration including Tilgin and two of Tilgin's leading regional telecom partners' end-to-end solution enabling the operator to offer its customers improved broadband services.

The operator is the principal provider of telecom services in its country. It provides a broad range of mobile and fixed-line services including telephony, Internet access and other IT-related services. Its vision is to offer top quality, efficient and innovative services to its customers through an increased focus on double and triple play services.

"This order yet again validates Tilgin as a supplier of next generation platforms for advanced IP services in the home", says Ola Berglund, CEO at Tilgin. "In this win the operator's choice has been based on a thorough competitive analysis and evaluation and we've once again been able to prove having the best-in-class fiber solution for FTTH roll-outs".

With the order from Tilgin the operator plans to be the first in its country to offer IP-based services and applications beyond traditional Internet access to its subscriber base and to offer new integrated media and value-added services.

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"Tilgin makes this information public in accordance with the Swedish Securities Exchange Act and/or in accordance with the Swedish Financial Supervisory Authority."

For further information: Katrin Buhre, IR Manager,
Phone: +46 8 572 386 86, E-mail: katrin.buhre@tilgin.com

About Tilgin

Tilgin designs and delivers operator managed intelligent service node products and solutions that service-connect the broadband home. Supporting the full convergence of voice, video and data, Tilgin takes a network systems approach to customer premises equipment (CPE) that enables providers to offer a broad portfolio of personalized and differentiated next-generation broadband services. Tilgin's comprehensive product portfolio of Telco Home Gateways, Advanced IP Media Terminals and Service Node Management solutions, offer service providers unprecedented return on investment – delivering new service revenues with substantial cost savings over the

lifetime of the product. Tilgin was founded in 1997 under the name i3 micro technology and is listed on the Stockholm Stock Exchange, Nordic List. It is headquartered in Kista, Sweden, with sales offices in France and Germany. www.tilgin.com