

Announcement

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To the Copenhagen Stock Exchange and the press

RTX Telecom reaches important milestone towards 3.G mobile telephone technology.

RTX Telecom A/S is progressing according to plans on the development of the CDMA (IS-95) mobile telephone platform for the North and South American markets.

During the Wireless Japan 2000 exhibition in Tokyo, RTX Telecom and LSI Logic successfully demonstrated a working prototype, making CDMA calls. By this demonstration, the CDMA cooperation between RTX Telecom and LSI Logic has reached its first milestone towards the development of competitive turnkey CDMA solutions.

RTX Telecom has developed the Radio Frequency and baseband hardware plus the complete generic Man-Machine Interface software. LSI Logic has developed the complete CDMA baseband chipset and CDMA protocol stack software.

During year 2000, RTX Telecom has seen an increasing interest in turnkey development of CDMA cellular phones from the USA, Japan and Korea.

During the same period of time, RTX Telecom has built an efficient development team for CDMA phones. The CDMA team is the cornerstone for the development of CDMA technologies like IS-95 and IS-2000 (which is the direct line to wireless 3rd generation mobile technology (W-CDMA), that is expected to take off in Europe in the years to come.

RTX Telecom expects the revenue and earnings for this fiscal year to remain unaffected by the above mentioned developments in CDMA.

Expansion in Århus.

The build-up of the RTX Telecom branch in Århus, established in April this year, has happened faster than expected. Currently 12 highly experienced engineers are working in Århus and additional office space has just been rented, allowing RTX Telecom to hire additionally around 10 engineers for this location before the end of the year.

RTX Telecom has now 162 employees, which is more than originally expected. The hiring of engineers should be regarded as a proactive step to ensure future growth, especially within the CDMA and Bluetooth technologies

RTX Telecom A/S



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