An Acknowledged Industry Innovator

1989 DataNet, the first European LAN interconnection service

1990 The first European concept for Packet Switched Private Network

1991 DataNet, The first European Frame Relay service

1993 The world's first pilot ATM service

1994 Hot Product of the Year award by Data Communications International magazine for DataNet ATM, Europe's first commercial ATM service

1995 Nation-wide commercial ATM network Medianet, Europe's first multimedia service pilot

1996 Hot Product of the Year award by Data Communications International magazine for Medianet multimedia service pilot

1997 Neophone, the first service for IP voice over corporate data networks including a gateway to the PSTN. User's choice award by Data Communications International magazine for Sonera's Frame Relay service

First in the world to apply mobile cash in consumer applications

First in the world to develop wireless data backup service for smart phones

An Acknowledged Industry Innovator

1998 the first telecom operator in Europe to introduce a new IP communications network incorporating the functionality of both the Internet and the traditional telephony network.

1999 Hot Product of the Year award by Data Communications magazine for Sonera's IP Communications Network

The World Billing Award for outstanding customer service and customer management in mobile telephone service billing by Institute for International Research (IIR)

The International Ovations Award for outstanding innovation and vision in mobile network design, engineering and services by tele-com magazine and the ComNet2000 conference.

2000

Sonera was awarded as the best mobile operator in World Communication Awards 2000 in Cannes

1. Advisory Agreement for Sonera Fund
2. Strategic Co-operation Agreement
3. Sonera investment into SVP Fund
4. Advisory Agreement of SVP Fund
• We expect the moderate growth to continue
• Low valuations create good time to enter
Mobile market potential

Mobile vs. television and PC penetration

Mobile Handsets:
- Will become the dominant communications device
- Will supersede fixed-line telephones
- Are personal communications devices, offering customized services
- Will be used for a variety of communications and commerce applications
- Will utilize many networks, including 2G, 3G and Bluetooth

Source: Dataquest, EMC
SnV Partners’ Value Creation

- Strategy & Knowledge
  - Insight from the Mobile Industry standardization bodies
  - SnVP presence in selected critical VC Hot Spots
  - Sonera’s Extensive Mobile & Telecom Expertise
  - SnVP International Partner Network
  - Technology DD Process

- Deal Flow & Opportunities
  - Sonera Partnership Network
  - Leading Mobile Market in Finland
  - Sonera’s World Class Test Laboratories

- Analysis & Due Diligence
  - ICT Industry Growth & Trends
  - SnVP presence in selected critical VC Hot Spots

- Negotiation & Deal Making
  - Insight from the Mobile Industry standardization bodies
  - Technology DD Process

- Portfolio Company Management
  - ICT Industry Growth & Trends
  - SnVP presence in selected critical VC Hot Spots

- Exits, Mergers, Trade Sales
  - ICT Industry Growth & Trends
  - SnVP presence in selected critical VC Hot Spots

Skills
- Technology Intelligence skills
- Backgrounds in strategy development of Corporations and smaller Companies
- Experience in Intellectual Asset Management
- Practical knowledge on SW and Mobile Services development
- General Business Management Skills
- Industry Expertise
- Several implemented successful Deals
- Corporate Venture Capital Experience
- Joint Venture Management
- Accounting and Business Control Experience

Experience
- Technical Sales Support, IT Management
- Research in Medical Technology
- 30+ years of experience in International SW Development, Mobile Applications and Services Development, Product Management
- Business Development Experience combined from many different segments and markets
- 20+ years of experience in cross-border Mergers and Acquisitions

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14 Direct Investments, €63M

- **PacketVideo**: Wireless streaming media infrastructure developer (MPEG4) raised EUR 150+M
- **Simplexity.com**: Online sales & marketing solutions for telecom service distribution channels raised EUR 56M
- **Digiq**: Software and platform developer for handhelds (Symbian competence center) raised EUR 37M
- **Springtoys**: Wireless gaming and entertainment software developer raised EUR 12M
- **Handwise**: Provider of software, services, and technology for handheld terminals raised EUR 4M
- **PayPal**: Leading online payment service raised EUR 250M
- **Byte Mobile**: Wireless data optimization and service creation platform raised EUR 16M
- **Dejima**: Natural user interaction platform for wireless and other applications raised EUR 30M
- **Eveo**: Rich-media publishing platform service provider for businesses raised EUR 16M
- **Eveo**: Consumer credit card and banking company with advanced wireless & Internet features raised EUR 290M
- **CellGlide**: Wireless 2.5/3G data QoS management and capacity optimization platform raised EUR 5M
- **Zoom**: 3D animation developer for interactive TV and wireless raised EUR 3M
- **Zapper**: Software platform for tailored and personalized search and navigation raised EUR 18M
SnVP & Sonera co-operation

- **Co-operation agreement provides access to:**
  - Sonera’s in-depth industry knowledge (e.g. standardization committees)
  - Technology due diligence process
  - Carrier-grade test-laboratory facilities

- **Portfolio value building:**
  - Strategy and technology consulting by experts
  - Pilot deployments
  - Potential distribution and sales channel development
  - Leverage Sonera’s network of affiliated carriers, infrastructure vendors, terminal vendors and partners
A shift that already took place?

- Dell’Oro Group
  - Wireless equipment revenue estimates for 2001

### Cellular Infrastructure

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>$35,857</td>
</tr>
<tr>
<td>2001</td>
<td>$34,812</td>
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</tbody>
</table>

### Fixed Wireless

<table>
<thead>
<tr>
<th>Year</th>
<th>APs / bridges</th>
<th>Broadband GWs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>655</td>
<td>313</td>
</tr>
<tr>
<td>2001</td>
<td>727</td>
<td>564</td>
</tr>
</tbody>
</table>

### Wireless LAN

<table>
<thead>
<tr>
<th>Year</th>
<th>APs / bridges</th>
<th>Broadband GWs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>313</td>
<td>564</td>
</tr>
<tr>
<td>2000</td>
<td>564</td>
<td>1,156</td>
</tr>
<tr>
<td>2001</td>
<td>1,156</td>
<td>1,156</td>
</tr>
</tbody>
</table>

- Cellular infrastructure revenue decreased by 3%.
- Fixed wireless revenue increased by 11%.
- Wireless LAN revenue increased by 105%.

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Definitions

• **2G** Second generation digital wireless technologies. In Europe GSM; in North America CDMA, TDMA and GSM

• **2.5G** Packet switched data to circuit switched 2G networks. GPRS

• **3G** Third generation digital wireless technology referring primarily to UMTS (W-CDMA)

• **4G** Short range wireless technologies (802.11a/b, HiperLAN2, Bluetooth) and alternative metro and wide area wireless technologies
The challenge behind 11.5G

Simultaneous discontinuities create a challenge, as operators must at the same time:

• manage technology evolution and investment cycles
• transition to a new industry structure
• migrate into new business models

AS THEY RETAIN THEIR CUSTOMERS
AND PROFITABILITY

It is not 2G to 3G, but 11.5G!
The demand for integration!

Markets will be flooded with parallel roll-outs of competing and complementing technologies.
Sonera in the global hamburger?

- A world of Yahoo!’s and mega media moguls
- Controlled by players that can’t be controlled by Sonera
- Requires network ownership, only 4G within Sonera’s reach
- Technology play driven by technology vendors
- Makes sense, but where’s the billion dollar business?
- Requires customer ownership, VNO model questionable
- Strengthens leading edge position but difficult to extract value
- Clearly valuable position but more technology than service
- Driving the network integration
- Strengthens leading edge position but difficult to extract value
- Requires customer ownership, VNO model questionable
- Clearly valuable position but more technology than service
Operator’s Technology Focus

Integration of digital services

1985 1995 2000

Time

Telecom Operator as a monopoly

Network

Customer Relationship Management
Billing
Service Provisioning
Product platforms + Network

Billing and customer care

Telco operator in competitive environment

Customer Relationship Management
Billing
Service Provisioning
Product platforms + Network

Integration of digital services

Communications Operator (3/4G)

Billing and customer care

Customer Relationship management + Service management + Network/terminal independent

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The New Opportunity is Enormous

- Only infrastructure companies make currently money with internet in addition to some IPO’s
- Internet has had a 10x effect on business and society
- Information Society will have 100x impact
- Network based business needs completely new infrastructure
- Real-time location based life&community management infra

**Business & Social Impact**

- Computer & Communications Revolution
- Internet Revolution
- Wireless Internet Revolution
- IP routing
- Global roaming
- Seamless access selection
- Real-time service management

**Here new players who understand new infra will make money**

**We Are Here**

**CISCO**

**Nokia makes money**

**Sonera Venture Partners LP**

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