

## **ARGO GLOBAL CAPITAL ESTABLISHES NEW US\$300 MILLION VENTURE-CAPITAL FUND ARGO II—THE WIRELESS INTERNET FUND**

**Cannes, February 1, 2000** — Building on the strengths and accomplishments of its previous fund, GSM Capital, Argo Global Capital today announced the creation of Argo II – The Wireless Internet Fund – Limited Partnership, with capital expected to exceed US\$300 million. Argo II will provide private equity to companies developing products and services that address the requirements of the converging Internet and mobile telecommunications industries. First closing will take place on March 31, 2000.

"Argo's knowledge of the sector and unique relationship with key industry players, including its wireless-operator and service-provider partners in GSM Capital, give it the wherewithal to identify promising companies and significantly increase the likelihood of portfolio companies achieving their goals," said H.H. Haight, President of Argo Global Capital.

Building on the success of GSM Capital, Argo II will have a similar structure with approximately one-third of the committed capital coming from wireless service providers (WSPs) and the balance from institutional investors. The majority of GSM Capital's WSP investors from Europe, Asia, and North America have already confirmed their intention to invest in Argo II.

"This is a winning combination; the results speak for themselves," added Mr. Haight. "Only 28 months after we raised the capital, the value of GSM Capital's investments in 23 companies has more than tripled, including a particularly significant success story with Saraide."

This unique structure provides WSPs with a powerful resource for new business development, including early access to new business and technology opportunities, and direct access to portfolio companies. In turn, it provides portfolio companies with priceless insights into WSP requirements and future plans, and helps in the development and implementation of licensing, joint venture and other strategic opportunities through privileged access to high-level decision-makers within the WSPs. It also gives portfolio companies access to valuable distribution channels and international markets.

GSM Capital is a US\$135-million international venture-capital fund targeted at investments in companies providing wireless communications products and services. It was established in 1998 by Canada's GSM operator Microcell Telecommunications. Other participating mobile operators include Aerial Communications (United States), Deutsche Telekom, ESAT Digifone (Ireland), France Télécom, Omnipoint Communications (United States), Singapore Telecom and SmartTone (Hong Kong). GSM Capital has made 23 investments in a range of world-class, innovative hardware and software products as well as in specialized services, including entrepreneurial companies Cambridge Positioning Systems, Novatel, ObjectSwitch, JetCell and Webraska.

Argo II is sponsored by Telesystem Ltd., a leading Canadian holding company engaged in the global communications industry. Its portfolio of companies focuses primarily on broadband services and mobile communications. It is the parent company of PCS operator, Microcell Telecommunications and the principal shareholder of Telesystem International Wireless which operates digital mobile telecom networks in Europe, Asia and Brazil.

Argo Global Capital LLC is the manager of Argo II and of GSM Capital funds. It is based in Boston (United States) with offices in Montréal (Canada) and Hong Kong. Argo Global's investment team includes individuals with strong operational and technical backgrounds,

proven private equity investment experience and extensive knowledge of international business operations, particularly in Europe and the Asia-Pacific region.

For further information:  
Alan MacIntosh  
Vice-President  
Argo Global Capital LLC  
GSM: +1 514 992-4990

Ann-Marie Gagné  
Associate Director, Communications  
Telesystem Ltd.  
Tel.: +1 514 397 8469  
amgagne@telesystem.ca

Note: Messrs. Haight, President, and MacIntosh, Vice-President, Argo Global Capital, will both be attending the 2000 GSM World Congress and will be available for interviews.

