

ECI Telecom Company, Lightscape Networks Wins Global

Submitted by: Strategic Public Relations Ltd

Monday, 7 January 2002

XDM™ Platform Chosen for Worldwide Roll Out of DWDM in Metropolitan Area Networks

PETAH TIKVA, ISRAEL, January 7, 2002 - Lightscape Networks, an ECI Telecom company (ECI Telecom: NASDAQ:ECIL) and international leader in optical networking, has won a global contract to supply the XDM flagship optical networking platform, and a full suite of professional support services to Sweden's Telia International Carrier. The project will provide optical connectivity and lambda services between Telia's Viking backbone network and the metropolitan area networks (MANs) of numerous major cities across North America, Europe, and later Eastern Europe. The initial phase of the contract, covering approximately 15 cities, is valued at over million.

Telia International Carrier is one of the first carriers in the world to deploy optical Dense Wavelength Division Multiplexing (DWDM) and lambda services in the MAN to ease traffic bottlenecks at major urban centres and provide greater access to its backbone network. London will be the first city to go live with the equipment during the next few weeks. Shortly after, deployments will be made in numerous cities in Europe and the United States, among them New York City.

This large-scale project will involve the deployment of Lightscape Networks' XDM, a highly scalable metro optical networking platform, at city sites worldwide. The XDM's pioneering single architecture features intelligent optical networking capabilities, DWDM, multiple SDH/SONET rings, powerful digital cross connects (DXC), carrier-class Gigabit Ethernet and on-demand network provisioning, within a single device. This innovative approach combines the functionality of several systems into a compact shelf enabling carriers like Telia to achieve scalability with significant cost savings and offer value-added services at attractive pricing to their customers.

Under the agreement, Lightscape Networks will, in the initial phase, be responsible for the entire operation and management of the network in the United States. Outside of the United States, Telia will use the full range of professional services available from Lightscape Networks, from delivery to full turn-key solutions, as requested by each local branch of Telia International Carrier. A major aspect of this service element is the employment of a full-time professional support team at Telia's management center in Washington, D.C. for end-to-end management of the network.

The implementation is strategically important to Telia's goal of establishing itself as a front-runner for metro system networks worldwide. "We chose the XDM because it is one of the most advanced and flexible metro solutions on the market today," said Lars Rydin, VP of Telia International Carrier.

“This, combined with the cost effectiveness of their solution, made Lightscape Networks the natural choice.”

“The endorsement of a major international carrier such as Telia International Carrier clearly indicates our successful development of an optimal networking solution for today’s metro market, the fastest growing optical market segment,” said Eran Dariel, president and CEO of Lightscape Networks. “This announcement shows we are continuing to penetrate the European and North American markets and is an additional step in our strategy of penetrating leading strategic accounts for metro optical applications.”

Eli Peled, President of ECI Telecom’s Northern European Business Unit, commented, “We are extremely pleased to have Telia International Carrier among our growing customer base and we look forward to building a long term relationship with them. As this contract positions Telia International Carrier as a leader in deploying DWDM in the MAN through deployment of our XDM, this contract is of major strategic importance to our business in the Scandinavian region and worldwide.”

About Telia International Carrier

Telia’s wholly owned subsidiary, Telia International Carrier, provides IP, capacity, voice, infrastructure services and carrier neutral colocation solutions. Today, the company is the leading European carrier of transatlantic IP traffic to the USA. Its wholly owned multi-fibre optical network – the Viking Network – provides high capacity bandwidth and offers end-to-end connectivity round the world. The infrastructure in Europe is designed as a multi-duct network connecting all significant cities with communication, supporting IP, voice and data. Telia is the leading Scandinavian Internet & Communications company. Operating from its position as the largest player in the expanding North European market, the firm has established a strong global presence with representation all over the world. The turnover of the company in 2000 was SEK 54,064 million. Telia employs 29,900 people.

Visit Telia at <http://www.telia.com>

About Lightscape Networks

Lightscape Networks is a leading provider of next generation intelligent optical networking solutions. Leveraging more than ten years of global experience, Lightscape Networks offers advanced optical platforms that combine instant provisioning with on-demand network scalability. The company’s highly dense, multi-service XDM is used by carriers to build flexible network topologies that cost-effectively

scale to future demands. Lightscape Networks' solutions are deployed in 45 countries worldwide and serve both major carriers and emerging service providers at all stages of optical network implementation. The company has corporate headquarters in Petah Tikva, Israel and regional offices across Europe and Asia Pacific. In the USA the regional headquarters are in Herndon, VA. Lightscape Networks is a wholly owned subsidiary of ECI Telecom Ltd.

For more information on Lightscape Networks, please visit <http://www.lightscapenetworks.com>

About ECI Telecom

ECI Telecom Ltd. is a provider of integrated network solutions for digital communications and data transmission systems. The company designs, manufactures, markets and supports end-to-end digital telecommunications for today's new services and converging networks. The company's products create bandwidth, maximise revenues for network operators, expand capacity, improve performance and enable new revenue-producing services. In doing so, they enhance the capabilities of existing networks to support voice, data, video and multimedia services. ECI Telecom's equipment supports traffic in more than 500 service networks in over 145 countries.

Certain statements contained in this release may contain forward-looking information with respect to plans, projections or future performance of the company. By their nature, forward-looking statements involve certain risks and uncertainties including, but not limited to, product and market acceptance risks, the impact of competitive pricing, product development, commercialisation and technological difficulties and other risks detailed in the Company's filings with the Securities and Exchange Commission.