



news release

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NORTHERN TELECOM EXPANDS SALES IN CHINA **WITH EDC FINANCING**

The Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade, announced today that the Government of Canada, through EDC (Export Development Corporation), will support the sale of digital switching systems by Northern Telecom Canada Limited (NTCL) to China. The transaction will be financed with a loan to the Bank of China of up to US\$35 million.

NTCL will supply digital switching systems for public exchanges to the Instrimpex Equipment Import and Export Corporation for use by the post and telecommunications authorities in the provinces of Jiangxi, Sichuan and Yunnan. Northern Telecom Limited, based in Mississauga, Ontario, is a leading global supplier of fully digital telecommunications systems. This transaction will create approximately 1,010 person-years of employment in Canada.

The project preserves existing links established by the exporter over the past 20 years, and includes a training component that offers direct, people-to-people exchanges. The telecommunications equipment and services to be exported will help expand network capacity to better meet civilian domestic needs.

The transaction is being financed under a line of credit between EDC and the Bank of China. EDC lends the funds to the Bank of China, which in turn lends them to end-users.

EDC is a unique financial institution that specializes in helping Canadian exporters compete internationally. EDC facilitates trade and investment through the provision of risk management