

CellPoint to Acquire Unwire

Stockholm, February 17 -- CellPoint Inc. (NASDAQ: CLPT, www.cellpt.com) is pleased to announce an agreement to acquire Swedish GSM solution provider Unwire AB (www.unwire.se). Unwire develops systems and equipment for GSM positioning and telematics and holds unique patents for positioning. "Unwire uses an approach to positioning similar to ours," said Peter Henriesson, Chairman and CEO of CellPoint Inc. "Their technology is especially impressive in the area of accuracy, where they hold patents desirable to CellPoint." CellPoint and Unwire will make their first combined appearance together at CeBIT in Hanover, Germany from February 24 – March 1.

Unwire has a contract to provide Swedish GSM operator Europolitan (www.europolitan.se) with its positioning system and is in negotiations with several other European operators. Unwire also has a cooperation agreement with Kipling Systems (www.kipling.se), a leading telecommunications application developer in Sweden, that will further complement CellPoint's commercial services. Unwire recently reached an agreement with Teligent AB (www.teligent.se) for strategic product development for mobile positioning services and innovative home-zone billing services that will be integrated into Teligent's telephony platform.

"By combining the companies, we will streamline our marketing efforts and leverage our combined positioning precision," said Michael Wallón, one of Unwire's founders. "This will help reinforce CellPoint's time-to-market advantage and will further establish its leadership in delivering market-ready location services. We've combined the world's only two commercially deployable positioning technology companies into one and the resultant company is a consolidated force." Unwire's focus has been on accuracy, with published accuracy figures showing their positioning technology to have high accuracy in urban areas.

"This is an ideal match for CellPoint," said Hadar Cars, President of subsidiary CellPoint Systems. "Just like CellPoint, Unwire is committed to providing technology that allows operators to offer positioning applications directly to a standard cellular phone independent of the network used. Our combined team will have more strength than both companies had separately."

CellPoint and Unwire will merge their telematics teams, thereby creating a dedicated channel for the products and services of both companies. Unwire's focus on telematics has driven cooperation agreements with Europolitan and Swedish GSM operator Wireless Maingate (www.maingate.se) for the joint development of telematics services. Unwire has a close cooperation with Swedish banks in the field of telematics for an 'electronic wallet' using the mobile GSM networks. Unwire also has telematics applications in operation with Electrolux, Allhabo and Selecta.

The acquisition will be financed by a directed issue of 1,075,000 restricted shares of CellPoint stock to the shareholders of Unwire, with a planned completion in March 2000. Fleming Aros have acted as financial advisors to CellPoint in the acquisition of Unwire.

Unwire AB is owned by Ledstiernan Partners, Procuritas Investment Partners BV and its founding management; it has 12 employees today. The existing shareholders of Unwire are looking forward to remaining as shareholders of CellPoint. "We believe that with the addition of Unwire, CellPoint will become even more entrenched as the leading company in the world for location services," said Per Lundberg, Chairman of Unwire and a senior partner

with Ledstiernan. “The wireless telematics products and services of the combined companies are incredible and poised to become a very successful and profitable line of business.”

CellPoint Inc. is a US company whose European subsidiary, CellPoint Systems AB, delivers services in cooperation with cellular operators worldwide. Several commercially available services are based on the CellPoint System technology that uses GSM cellular networks to determine physical locations of cellular phones and Internet applications to present results and manage services. The CellPoint System currently has the world’s only end-to-end commercial service offering for digital cellular location technology; it is fully scalable, works with standard GSM phones and WAP phones in unmodified digital networks requiring no costly overlays, and can be coordinated worldwide from a remote central location. GSM accounts for more than 66% of the world digital cellular market with more than 270 million subscribers worldwide. Estimates for cellular phone usage are now at 1.5 billion users by 2005, with GSM accounting for two-thirds of the total market, and 400 million mobile Internet users by 2004.

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