

Ericsson and 724 Solutions to develop global solution for mobile financial services

- Mobile Internet technology to facilitate financial transactions anytime, anywhere

Ericsson, a leader in wireless mobility and 724 Solutions Inc., a leading Internet infrastructure software developer for financial services providers, today announced a Memorandum of Understanding (MoU) to create a mobile e-commerce solution based on a common financial services platform across many wireless networks. The two companies will collaborate on devices, wireless infrastructure and standards, and secure payment between financial institutions, merchants and consumers. Using standards based technology, operators and financial institutions worldwide will benefit by significantly extending the availability of wireless transaction services to their customers.

“Ericsson is aggressively focused on creating leading mobile commerce applications for the new telecoms world,” says Jan Lindgren, Vice President for Wireless Mobile Internet Solutions. “Our extensive global reach and leading wireless infrastructure products, combined with 724 Solutions’ infrastructure software, paves the way for developing a platform for mobile commerce that holds tremendous potential for network operators by boosting the amount of data traffic as banks and financial institutions promote widespread wireless commerce transactions.”

According to market research firm The Yankee Group, the number of mobile users is expected to exceed 1 billion by 2003 with about 60 percent capable of receiving wireless Internet. Mobile e-commerce is forecast to total 14 billion transactions in 2005 for a total market of \$US200 billion according to Strategy Analytics.

“724 Solutions and Ericsson believe that infrastructure and standards for mobile e-commerce are important to ensure a secure and convenient customer experience. This MoU lays the groundwork for 724 Solutions and Ericsson to leverage their products to form a combined standards-based e-commerce infrastructure for the rapid development and deployment of wireless banking solutions,” says Greg Wolfond, CEO, 724 Solutions. “Ericsson is an industry leader in communications on a global basis, and we are excited about cooperating with them to facilitate secure financial transactions anytime, anywhere using wireless mobility.”

To promote more rapid global adoption, Ericsson is working closely in international standards groups such as the GPRS Application Alliance, WAP Forum and the Bluetooth Consortium to ensure its infrastructure products and technology promote compatibility across networks. Ericsson is currently the leader in global wireless infrastructure with a market share of over 30%. Operators in over 140 countries use Ericsson's wireless infrastructure products - WAP gateways, routers and switches, and payment servers - in building mobile e-commerce-ready networks.

Combined with 724 Solutions' Internet infrastructure solution that enables financial institutions to offer personalized and secure online banking, brokerage and e-commerce service, Ericsson's infrastructure products and mobile handsets pave the way for a rapid rollout of mobile commerce globally.

Ericsson is the leading provider in the new telecoms world, with communications solutions that combine telecom and datacom technologies with freedom of mobility for the user. With more than 100,000 employees in 140 countries, Ericsson simplifies communications for its customers – network operators, service providers, enterprises and consumers – the world over.

Please visit Ericsson's Press Room at: <http://www.ericsson.se/pressroom>

FOR FURTHER INFORMATION, PLEASE CONTACT

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About 724 Solutions

724 Solutions provides an Internet infrastructure solution to financial institutions that enables them to offer personalized and secure on-line banking, brokerage and e-commerce services across a wide range of Internet-enabled wireless and consumer electronic devices. The Company's solution currently enables consumers to access on-line banking and brokerage services through network service providers using digital mobile phones, personal digital assistants, two-way pagers and personal computers. 724 Solutions common shares are listed on the NASDAQ (SVNX) and TSE (SVN) stock exchanges. Headquartered in Toronto, Canada, the company has offices in London, U.K., San Francisco, U.S., and Tokyo, Japan. For additional information visit www.724.com