



## **Birdstep continues to deliver growth and improved cash flow**

(Oslo, May 20, 2010) **Birdstep Technology ASA reported an EBITDA of NOK -6.9 million in the first quarter of 2010 (-7.7), while revenues grew to NOK 27.0 million (24.8). The company has significantly strengthened the EasyConnect and SafeMove product offering and product roadmap to enhance the growth opportunities in the rapidly developing mobile broadband market.**

- Birdstep reported revenues up 9%, or 19% adjusted for currency effects, in the first quarter of 2010. In addition, we have been awarded important EasyConnect contracts, grown the sales pipeline and is in the process of significantly strengthening our EasyConnect and SafeMove offerings, says Torbjörn Sandberg, CEO of Birdstep Technology.

Birdstep Technology's first quarter 2010 revenues were NOK 27.0 million (24.8), with an EBITDA of NOK -6.9 million (-7.7). The cash flow was NOK -8.2 million, bringing cash and cash equivalents at the end of the quarter to NOK 47.5 million (69.8).

514 698 new customers activated their USB modems with EasyConnect software during the quarter, compared to 396 059 activations in the corresponding quarter last year. In May, the company was awarded a three year EasyConnect contracts with a leading European operator. For the initial launch country only, Birdstep Technology estimates the revenue for the first 2 years to amount to 8 million NOK. In addition, Birdstep Technology was awarded the upgrade of TDC Group to EasyConnect 2.9 for all Nordic entities.

- EasyConnect 2.9 was launched February 16 at the Mobile World Congress in Barcelona and has been very well received by the market and existing customers are ordering upgrades to the latest release. With the launch of EasyConnect 3.0 in the third quarter of 2010 and the SafeMove 5.2 early in the fourth quarter, we have a strong product offering coming to the market this year and beyond, says Sandberg.

Going forward, Birdstep Technology will focus its resources on EasyConnect and SafeMove. The company will consider exploring financial alternatives for Raima, Orbyte and the 32% partially owned Aptilo.

Following the reorganization, Birdstep Technology is a pure software vendor in the mobile broadband market, where the underlying growth trends continues. At the Birdstep Technology's General Meeting at 09.30 on 20 May, Sandberg will present highlights of the future product roadmap and the strategic outlook for 2010-2013. See the enclosed corporate presentation.

- The board of directors has set ambitious internal growth targets to management and the organisation to reflect their belief that Birdstep is well positioned to take advantage of the market opportunity associated with the massive growth of mobile services, says Sandberg.

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## **About Birdstep**

Birdstep Technology ASA is a leading provider of secure and seamless wireless connectivity software for operators, enterprises and mobile device manufacturers. EasyConnect offers advanced connection and service management solutions for network operators and laptop manufacturers. SafeMove is a mobile VPN solution providing seamless and secure connectivity to business data for corporations and governments.

Birdstep Technology was founded in 1996 and is since 2002 listed on the Oslo Stock Exchange under the ticker "BIRD". The company has 100 employees and is headquartered in Oslo, Norway, with competence centres in Sweden, Finland and the United States. For more information, visit [www.birdstep.com](http://www.birdstep.com).