



Stockholm, 21 November 2002

## PRESS RELEASE

### Effnet expands effort in 3G market with InterDigital Communications contract

Effnet, a leading provider of Header Compression technology for 3G networks, announced that InterDigital Communications Corporation (NASDAQ: IDCC) has selected Effnet's IPHC (IP Header Compression) product for integration with InterDigital's FDD protocol stack product in order to improve the efficiency of transmitting Internet Protocol (IP) traffic over wireless networks and thereby lower the cost of IP feature services for wireless operators.

InterDigital's FDD mobile terminal software product is being designed to take advantage of the converging IP-based internet and wireless link technologies using Effnet's IPHC. "InterDigital is recognized as a leader in the development of technologies that will make data on the go a reality for mobile wireless communications worldwide," said Tony Bowden, InterDigital's Senior Director, Software Product Management. "Our selection of Effnet IPHC software is an element in our UMTS/FDD protocol stack product development strategy that we believe will greatly benefit our customers and wireless operators."

"When InterDigital was looking for world-class Header Compression software for its UMTS release 3 protocol stack, they came to Effnet, the leader in Header Compression technology," said Michael Stipe, VP Sales & Marketing, Effnet. "We are very excited with our new relationship with InterDigital. Our association will strengthen both company's market offerings."

Header Compression reduces the size of an IP packet header by removing or shrinking header fields. When IP packet headers are compressed, more of the packet's payload, or user data, is transferred in the same amount of time. Header Compression means faster, more reliable and lower cost services for wireless Internet operators and customers.

Effnet IPHC is a software implementation of IETF RFC 2507, delivered as an ANSI C language reference implementation, which runs on Sparc (Solaris), x86 (Linux), and ARM7 but can easily be ported to other platforms. It can optionally be provided with a test environment, Effnet's HCSim product, which is used to validate operation when IPHC is integrated into the customer's target environment.

InterDigital's FDD Layer 2/3 software protocol stack, designed for portability, can be integrated onto multiple physical layer (Layer 1) implementations and can act as the communications engine for a wide range of 3G mobile devices and services. This complete UMTS FDD software protocol stack is being designed to run on any real time operating system and hardware platform, including existing

FDD physical layer implementations. It is fully compliant with the latest 3GPP release 99 (Mar 02) standard with optional features including Effnet's IPHC for enhanced performance. InterDigital is employing a multiple-stage product development process that facilitates technology transfer to customers early in their design process making this software available now for early integration into 3G terminal units. Effnet's IPHC will support InterDigital's products and technology optimizing bandwidth utilization, Data and IP based applications.

#### **About Effnet**

Effnet develops and sells embedded software that increases the efficiency, speed and security of IP traffic on fixed and mobile networks to manufacturers of network products. Effnet techniques enable optimal performance for IP packet processing. The company was founded by leading researchers in the Header Compression field and has operations in Stockholm, Sweden and Tucson, Arizona. Effnet Group AB is quoted on the New Market in Sweden (symbol: EFFN). More information can be found at [www.effnet.com](http://www.effnet.com).

#### **About InterDigital**

InterDigital architects, designs and provides advanced wireless technologies and products that drive voice and data communications. The Company offers technology and product solutions for mainstream wireless applications that deliver cost and time-to-market advantages for its customers. InterDigital has a strong portfolio of patented technologies covering 2G, 2.5G and 3G standards, which it licenses worldwide. For more information, please visit InterDigital's web site: [www.interdigital.com](http://www.interdigital.com). InterDigital is a registered trademark of InterDigital Communications Corporation.

#### **For additional information contact:**

Michael Stipe  
VP Sales & Marketing  
Effnet Inc.  
+1(858)759-4048  
[michael.stipe@effnet.com](mailto:michael.stipe@effnet.com)

Guy Hicks  
VP Communications, Investor Relations  
InterDigital  
+1(610)878-7800  
[guy.hicks@interdigital.com](mailto:guy.hicks@interdigital.com)