

# PRESS RELEASE

00-10-20

F.a.o.: News Manager

# Red-M Partners with Insite to Deliver Bluetooth Solutions to the European Education Market

Wexham Springs, UK (October 20, 2000) – Red-M™, a pioneering developer of Bluetooth Internet access server technology and subsidiary of Madge Networks N.V. (NASDAQ NM: MADGF), announces today that it will work in partnership with a Swedish e-learning company, Insite, to bring the benefits of wireless technology to the distance learning and education market.

Insite is one of Scandinavia's leading providers of interactive training and e-learning solutions for large service-oriented companies. Red-M is developing Bluetooth Internet access server products that will provide rapid and reliable transmission of data, voice and video communications over a wireless connection using Bluetooth, the emergent short-range wireless technology. The collaboration between the two companies will enable students to access training courses over a wireless Internet connection, bringing greatly increased speed and flexibility.

Michael Koch, CEO, Insite, commented, "Our partnership with Red-M enables us to extend our service offering, far beyond that of our competitors. We can now provide our clients with more accessible and flexible e-learning solutions, free from the constraints of fixed-wire networks. We believe Bluetooth technology will have a huge impact on our market sector – revolutionizing the way students study for qualifications."

Simon Gawne, VP of Marketing and Business Development at Red-M, says, "Bluetooth is set to bring substantial benefits to the education market. We are committed to pioneering its implementation in this key vertical sector.

Red-M's products will allow Insite to offer its customers all the benefits usually associated with interactive distance learning, now using a wireless Internet connection."

#### About Red-M

Founded in 2000, Red-M is a subsidiary of Madge Networks N.V. The company is a pioneer of mobile commerce solutions based on Bluetooth™ technology. Bluetooth™ allows the wireless integration of data, voice and video communications in the work place and public concourses, delivering reliable and secure access to Internet, Intranet and business critical applications from a wide range of mobile devices. Information on Red-M can be found on the World Wide Web at www.red-m.com.

# About Madge Networks N.V.

Madge Networks N.V. (NASDAQ NM: MADGF) is a global provider of advanced Internet-centric network services and products, and mission-critical enterprise solutions. The company operates through three primary subsidiaries: Madge.web, a global provider of rich content applications and managed network services; Madge.connect, a global supplier of product solutions for mission-critical enterprise networks; and Red-M, a developer of wireless Internet server products that provide Internet and Intranet access from a wide range of mobile devices in the workplace. The company's main business centres are located in Wexham Springs, United Kingdom; New York City and Dallas, Texas. Information about Madge's complete range of products and services can be accessed on the World Wide Web at www.madge.com.

#### **About Bluetooth**

The Bluetooth™ wireless technology is set to revolutionize the personal connectivity market by providing freedom from wired connections. It is a specification for a small form-factor, low-cost radio solution providing links between mobile computers, mobile phones and other portable and handheld devices, and connectivity to the Internet. The Bluetooth Special Interest Group (SIG), comprised of leaders in the telecommunications, computing, and network industries, is driving development of the technology and bringing it to market. The Bluetooth SIG includes promoter companies 3Com, Ericsson, IBM, Intel, Lucent, Microsoft, Motorola, Nokia and Toshiba, and more than 1800 adopter companies.

#### **About Insite**

INSITE AB is one of Scandinavia's largest dedicated interactive training companies and the largest dedicated e-learning company. Insite's business concept is to consolidate knowledge-intensive companies' competitive power by means of effective and innovative e-learning solutions and the strategic implementation of the latter. Insite offers customised interactive training to major companies on the international market. Insite's customers are to be found amongst the world's most knowledge-intensive companies, e.g. the Bank of America, Berendsen, MeritaNordbanken, SEB, Schlumberger, Audi, Atlas Copco, Porsche, Volvo and Tetra Pak. Over recent months INSITE has expanded very rapidly both geographically and in terms of size from its head office in Gothenburg, Sweden. Insite has offices in Sweden, Norway, Spain, Italy and Switzerland.

Insite's objective is continued rapid expansion, with the aim of becoming Europe's leading supplier of interactive and simulation-based training measures via the Internet. The company furthermore intends to establish a presence on the American market in the near future. Insite is currently being traded on the H&Q Tech Market, and it intends to be listed on the OM Stockholm stock exchange's O-list. The IT investment companies Speed Ventures AB and MVI are the largest individual owners at Insite.

### **Private Securities Litigation Reform Act Statement**

Investors should take note that certain statements in this press release are forward-looking and may not give full weight to all of the potential risks (e.g., ability to deliver new marketable solutions quickly to bring products to market before our competitors, changing technologies, management of change and changed resource allocation resulting from these and other factors). Forward-looking statements in this press release include our ability to deliver flexible and feature-rich mobile solutions for work environments that will provide an effective platform for the delivery of future m-commerce applications, that the products we are developing will help shape the workplace of the future and will provide ground breaking mobile communications and Internet access solutions, our aim to become market leader in a sector which we expect to undergo tremendous growth over the coming years, our aim that products will be available by the end of 2000 and other statements which are not completely historical. These statements may differ materially from actual future actions, events or results. For more information on risks, please refer to Madge's recent SEC filings.

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