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PRESS RELEASE

EFFNET SPEARHEADS DEVELOPMENT OF WIRELESS INTERNET STANDARDS FOR IP HEADER COMPRESSION

Founder Mikael Degermark wins "Framstegets Pris" for wireless research

Effnet's IP Header Compression provides increased performance for cellular networks, including optimisations for operators and users of future broadband wireless networks. IP Header Compression is being integrated into the EffnetEdge™ Toolkit for IP packet processing optimisation.

This new technology positions the company in the forefront of Wireless Internet developments.

"Our focus on IP Header Compression follows Effnet's strategic transition to core development and licensing in areas like IP packet-processing and IT security", says Tony Svensson, CEO, Effnet Group AB. "There is a huge potential in Wireless Internet and we will continue to innovate in these high growth areas. Our award-winning IP Header Compression research and technology clearly indicates our success in the area."

Award-winning IP Technology

The core of this new IP Header Compression technology is a new standard developed for the Internet (RFC 2507) by three key Effnet contributors: Dr. Mikael Degermark (Co-founder), Björn Nordgren (Senior Engineer) and Dr. Stephen Pink (Chief Technology Officer and Co-founder). Mikael Degermark recently received the prize "Framstegets Pris" by the Swedish magazine NyTeknik for research within wireless mobile Internet telephony.

The other header compression standard is now being finalized in the ROHC Work Group of the Internet Engineering Task Force, which is chaired by Dr. Degermark.

"The new ROHC standard will be ready this year", says Dr. Degermark, and adds that "this new global standard is largely based on results from the ROCCO project which recently received the Framsteget Award".

The prestigious Framsteget award is given annually to "the best research project in the IT area in Sweden" by Ny Teknik, a leading Swedish technology publication, and was presented at the Guldmusen ceremonies last week.

"As the original developers of the world-renowned Luleå family of algorithms for fast IP forwarding and packet filtering, Effnet has established itself as a leader in high speed networking performance. By adding the IP Header Compression for low-speed wireless links, Effnet's technology is extended to cover the new and expanding world of Wireless Internet communication", says Dr. Stephen Pink, Chief Technology Officer, Effnet Group.

EffnetEdge ™ Toolkit and Technology Partner Program

Effnet partners closely with licensees to integrate the EffnetEdge[™] Toolkit technology modules into their component, chip or system designs. Through Effnet's Technology Partner Program (TPP), which offers the EffnetEdge[™] Toolkit and products like SecureIT[™], licensees can utilize parts, or the whole, of the Effnet technology platform.

"We continue to innovate our Internet technology through optimisations for the Wireless Internet. The EffnetEdge™ Toolkit will now have support for the latest technology that enables building Wireless Internets faster and cheaper than before", says Dr. Stephen Pink.

IP Header Compression

The Header Compression module, under development, can be used as part of an IP router or firewall that also serves as a Wireless Internet base station for cellular phone users, and potentially users of coming broadband wireless technologies. All header compression optimisations are done at the IP level so that today's investments will continue to pay off as new higher speed wireless technologies are deployed.

By compressing the IP packet headers, more user data can be transferred in the same amount of time. This advance translates into faster and lower cost services for wireless Internet customers and operators. In addition, IP Header Compression has features that allow the safe and effective compression of headers even on typically noisy wireless links. This means that the benefits of header compression are not lost because of dropouts or other interruptions of cellular or wireless calls.

About Effnet

Effnet develops and licenses IP-packet processing technology designed to resolve bottlenecks in Internet communication and security, thereby creating maximum benefit for its customers. Today, Effnet has offices in four locations: Stockholm, Luleå and Håverud in Sweden; and Mountain View, Silicon Valley. Effnet Group AB is listed on Stockholm's "*Nya Marknaden*" (New Market). The company has 70+ employees, including those in Wkit Security, the wholly owned data security services and products subsidiary.

Read more about Effnet at <u>www.effnet.com</u>. Read about Wkit at <u>www.wkit.com</u>.

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