

NEWS RELEASE

HIGH SPEED - AND HIGH ACCURACY - LOCATION POSITIONING CRITICAL TO MOBILE LOCATION SERVICE SUCCESS, NEW CHINESE DEPLOYMENT REVEALS

(Amsterdam, Tuesday 25 May 2004) NEW results from Chinese trials of CPS' Matrix mobile location technology confirm sub-100m location accuracy and two second time-to-fix - underlining the need for precision accuracy and high-speed delivery of location positioning, the company said this week.

They were achieved in extensive testing with new Matrix-enabled handsets provided by ZTE, the major Chinese manufacturer who announced recently they were working with CPS on trials in Beijing.

The latest results also highlight what CPS calls "The Four Dimensions of Location" - high accuracy, coverage in all environments, speed of location fix and low cost - as key factors in location based service success.

CPS CEO Chris Wade will tell this week's Mobile Location Services Industry Summit in Amsterdam, regarded as the leading event in the location industry calendar, that the company's latest experiences in China underline the need for location technologies to meet these four key parameters.

The new results, carried out over the last three months, reveal:

- Sub-100m accuracy across a wide range of busy urban/suburban areas and indoors
- Location fix within two seconds
- Strong performance from ZTE production handsets in delivering Matrix solution via "user plane" location delivery mechanism
- Rapid Matrix deployment capability to meet demanding trial schedule

Chris Wade said: "Everyone in the industry understands the need for high accuracy to kick start location-based services. But high-speed location time-to-fix and high levels of coverage in all environments are now emerging as equally important in ensuring user expectations are met.

"Experience tells us that users will not tolerate delays in the delivery of mobile data services. And yet this is what we're seeing in GPS-based services - with location fixes taking anything up to 45 seconds to be delivered. What began as anecdotal evidence has now become common knowledge across the industry. Our own testing with GPS-based services in Japan bears this out - and now we're seeing extensive press coverage underlining disappointing user experience with satellite-based location technologies, particularly in urban areas where most usage occurs.

"Our experience in Beijing - in some very demanding urban environments - underlines how important the four dimensions of location are. We've been delighted with the results and look forward to working with application developers on the next phase of our deployment."

Matrix is a unique software-only solution that combines sub-100m accuracy with rapid location time-to-fix and consistent performance across outdoor and indoor environments - for less than \$1 per subscriber. Until now, location-positioning information has been delivered over GSM using the "control plane" - the internal GSM signalling. Utilising the "user plane" - via IP over GPRS or SMS - operators can deploy the Matrix solution across networks from different equipment vendors in a transparent and seamless way.

In turn, this leads to significant operational cost benefits.

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About CPS:

CPS is the high accuracy location enabler for the wireless world. Through consistent innovation, we have developed new ways of helping people pinpoint their whereabouts - via a standard GSM mobile handset. Our technology is called Matrix - a unique software-only solution that combines sub-100m accuracy with rapid time-to-fix and consistent performance across all environments.

Standardized for GSM, Matrix can be rolled out easily and rapidly to meet operator needs for new and differentiated location-enabled services. And because Matrix is software only, it means deployment costs are less than \$1 per subscriber - the most competitive high accuracy solution available.