

CPS Secures Major Middle East Deal with Electronia for Gulf Wide Deployment of High Accuracy LBS

July 21, 2005 - CPS (Cambridge Positioning Systems Ltd) has secured a contract to provide its Matrix high accuracy location technology to Electronia, the leading Middle East communications provider and manufacturer, it was announced today.

Under the terms of the multi-million dollar deal, Electronia will utilise Matrix to build on its significant market share in the telematics market and extend its service offering into asset and personnel safety services. They will also offer Matrix technology to GSM operators and value added service providers in the region.

Targetting the six GCC (Gulf Co-operation Council) countries - the Kingdom of Saudi Arabia, UAE, Bahrain, Oman, Qatar and Kuwait - Electronia and CPS anticipate the first deployments before the end of this year.

Electronia is recognised as a leading innovator and a trusted provider of a wide variety of secure, cost-efficient, and personalized solutions in wired/wireless broadband communications, international data highways, switching networks and VSAT systems.

The company, whose Eltrac-GCS vehicle tracking system is regarded as a market leader in the region, carried out extensive research of available location solutions before selecting the CPS solution. Matrix provided a cost effective, high accuracy solution, compared to high cost, high response time and poor indoor coverage associated with AGPS technology and the erratic accuracy of Cell-ID, according to Electronia Vice President Business Development Tariq Husain.

He commented: "We know through our extensive experience in telematics across the Gulf region that there is considerable demand for competitive high accuracy location solutions to meet the needs of the enterprise sector. Utilising Matrix will address this market - and open up considerable new opportunities to develop profitable new services. We have undertaken the most thorough evaluation of all available technologies and now know that Matrix offers the most powerful combination of accuracy, performance and cost to drive profitable new services."

CPS CEO Chris Wade commented: "Electronia already has a strong and growing market presence in a region where demand for increasingly sophisticated location based services is growing rapidly. Its endorsement of Matrix, after a rigorous selection process, aligns with their strategy of offering quality, cost effective solutions to significant organisations and enterprises.

"For CPS, this represents a further extension of our footprint in line with our Matrix Everywhere strategy. We now see increasing market traction across all our target markets, and we are delighted to be working with Electronia on this significant high value opportunity."

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About CPS:

CPS (Cambridge Positioning Systems Limited) delivers cost competitive high accuracy mobile location technology to the billion-strong customer GSM and emerging 3G/WCDMA markets. CPS' products are based on its software-only Matrix technology - which delivers sub-100m accuracy, sub-3 second location fixes and all environment coverage. The product portfolio extends to Matrix 3G and E-GPS - a powerful combination of Matrix and GPS technology.

With network deployments of Matrix underway, CPS is working with the world's leading mobile technology companies - including Nokia, HP, LogicaCMG and Andrew - to enable a new generation of high accuracy location based services and devices for enterprise and consumer markets. Headquartered in Cambridge (UK), CPS is funded by venture capital and strategic corporate investors. CPS's value is underpinned by 20 key worldwide technology patents - one of the largest and most comprehensive IPR portfolios of high accuracy location technology in the world. For more information about CPS visit: www.cpslocates.com.

About Electronia:

Electronia is the provider of choice for highly advanced wired/wireless broadband communications systems, VSAT systems, sophisticated trunking and switching technologies, secure smart card solutions, vehicle tracking systems, office automation, and state-of-the-art customized manufacturing. Electronia's Contactless Smart Card technologies and VSAT TDMA Dama Technology technically and commercially lead the market. Electronia also provides R&D, manufacturing, installation, operation and maintenance, training, engineering, software design, and consultancy services to its customers.

Founded in 1989, Electronia and its affiliates are active in many countries around the world, including the Middle East, North America, Africa, and spanning such countries as Nigeria, Jordan, Saudi Arabia, Egypt, and Kuwait. Electronia's clients include some of the most important organizations, businesses, and governments in its markets. More information: www.electronia.com