



PRESS RELEASE

Cablefree Solutions announces manufacture expansion to meet explosive market growth

Cablefree IR/laser now being scaled for high-volume telecommunications applications worldwide

Surrey, 2 October 2000 – Leading manufacturer of Laser/Infra-Red (IR) wireless connectivity systems, Cablefree Solutions Limited, has today announced that it has undertaken an aggressive expansion of manufacturing capacity for its Optical Wireless products. Cablefree, a worldwide leader in Optical Wireless communications, is increasing capacity in order to stay ahead of explosive market demand. The company plans to scale capacity to meet expected worldwide demand of up to 10,000 units during calendar year 2001 through expansions of in-house manufacturing and outsourcing capacity in the UK, over a four-to-six month period.

In support of the capacity expansion, Cablefree expects to invest more than US\$5 million dollars in manpower, stock, capital equipment and plant expansions. Enlarging Cablefree's production management and technical support staff will facilitate test, quality control and support of both current and future products.

"The motivation and timing of this expansion are all to do with rapid changes in demand in the markets" said Stephen Patrick, Director of Technology at Cablefree. "In the past, Optical Wireless has been most successful in the LAN-LAN connectivity market, where Cablefree has demonstrated performance and reliability. It is only quite recently Optical Wireless technology has been increasingly accepted by telecom carriers – competition, rapid rollouts and demands for Gigabit bandwidths require new technologies for creating and extending networks in metropolitan areas."

"Several markets for Optical Wireless connectivity are now growing exponentially," said Paul Keen, production manager for Cablefree's UK facility. "CableFree is undergoing

rapid on-going product development to meet existing and anticipated customer demands – we recognise the need for new products to be scaled into volume manufacture in short timescales."

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N.B. Both Cablefree Solutions™ and Cablefree™ are trademarks of Cablefree Solutions Limited

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