

Birdstep Technology ASA

- Cutting costs for mobile operators and enterprises

Torbjörn Sandberg
CEO & President



Birdstep Technology ASA



- Headquartered in Oslo
- Listed on Oslo Stock Exchange since 2002 (BIRD)
- 100 employees
- Offices in Norway, Sweden, Finland, UK and the US
- Turnover 2009 – MNOK 107
- Market Capitalisation MNOK 119

2010.05.11

An experienced and capable team



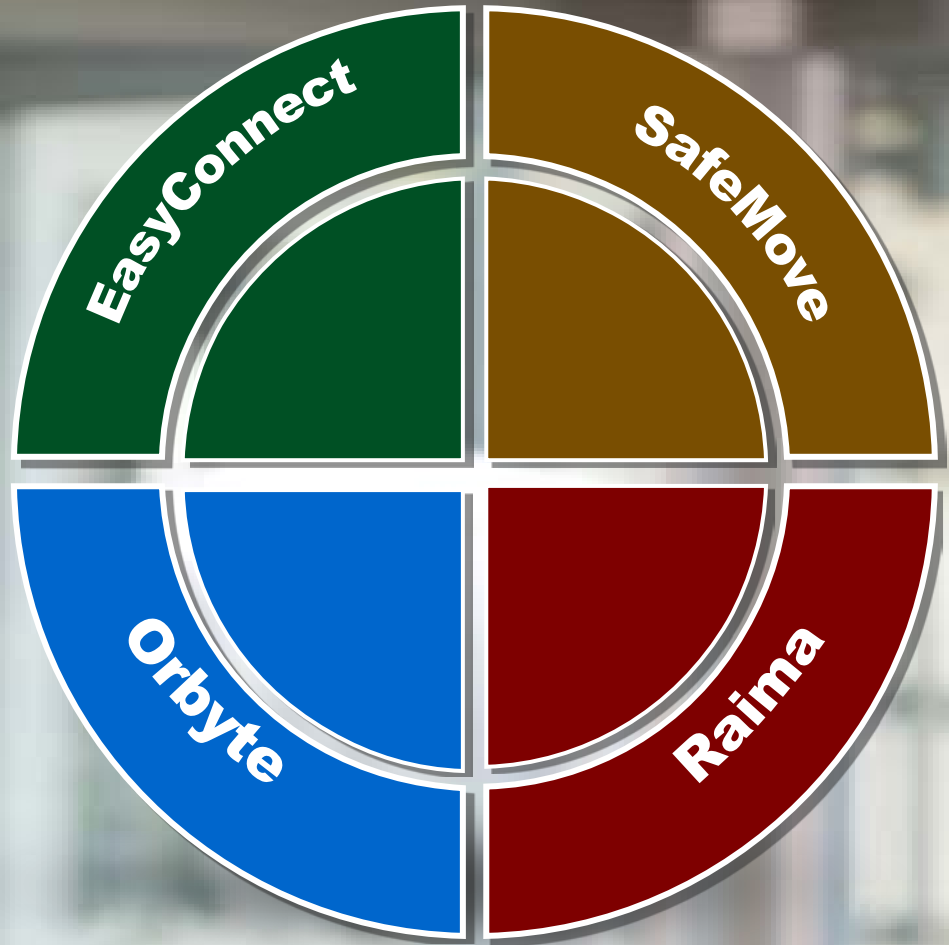
More than 40 successful operator deployments, 30 Enterprise customers and close to 10 OEM partners around the world

Finding Focus to increase returns

Birdstep Technology 2009

■ Four Business Units

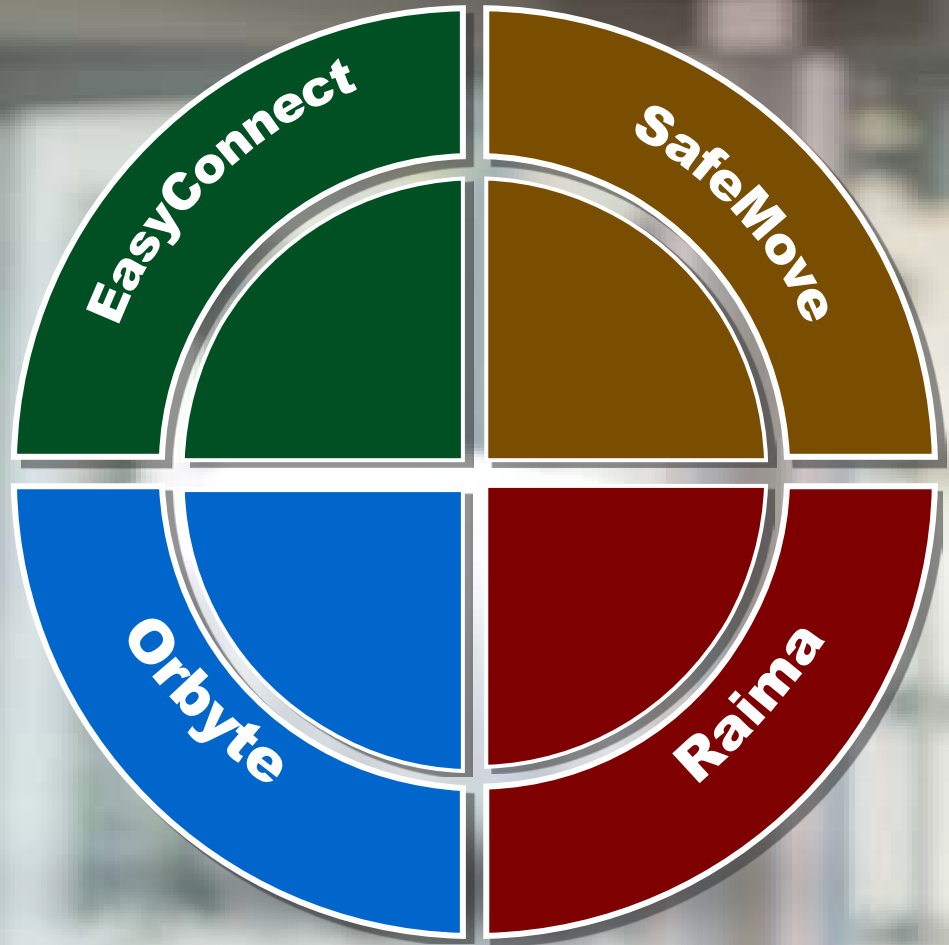
- Four market segments
- Limited operational synergies
- Distributed management attention
- Differing company conditions



Finding Focus to increasing returns

Birdstep Technology 2009

**Re-organised
for focus
and long
term growth**



Focusing on core products in high growth markets



Finding focus and increasing returns



Birdstep Technology

- Focus on core products in high growth markets – SafeMove and EasyConnect
- Divesting Raima
- Running Orbyte stand alone



Resulting

- Operational synergies
- Market synergies
- High growth potential
- New long term revenue targets

Our Focus Market - Mobile Broadband (MBB)

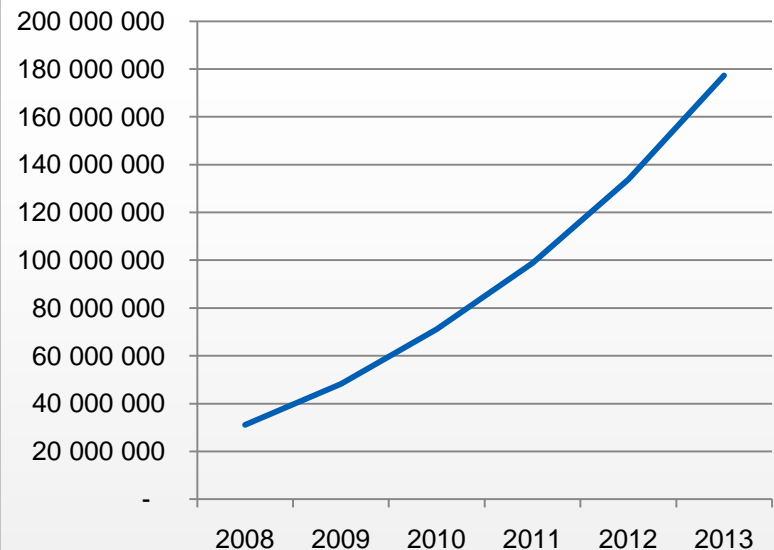
High Growth



- Fastest growing mobile service in history
- Now outstripping voice traffic
- Permeating social and business lifestyles
- A massive and growing market
- A truly global phenomenon



Global Mobile Broadband Subscribers



Source: Informa Telecoms & Media

Forecasted annual subscriber growth > 40%

Our Focus Market - Mobile Broadband (MBB)

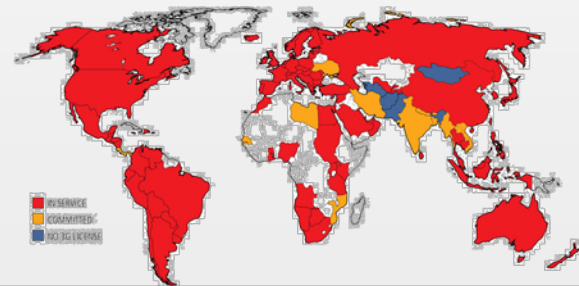
2010

- 337 Commercially live HSPA networks in 128 Countries today
GSMA May 2010
- 2.3% of global workforces have access to mobile broadband.
GSMA 23rd Sep 2009
- 67 million modems shipped
ABI Research - 2008



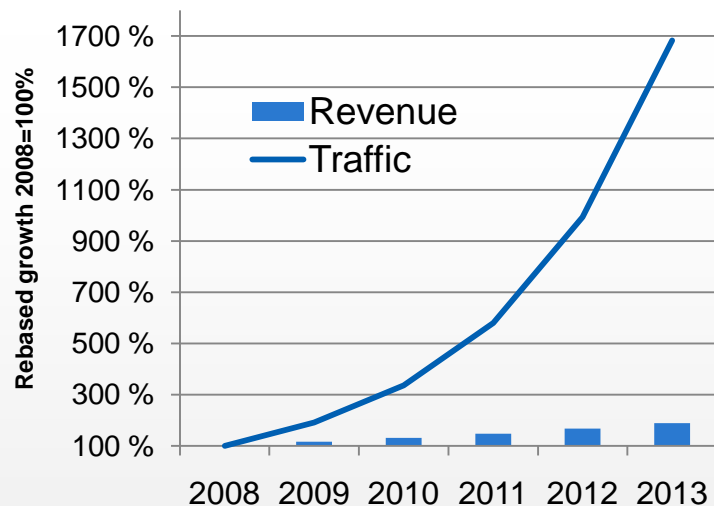
Forecast growth

- 150% subscriber growth by 2013
GSMA A Dec 2009
- 25% Increase in Enterprise connectivity in coming 12 months
GSMA 23rd Sep 2009
- 138 Million modems shipping 2013
ABI Research - 2008



Operators and MBB: Great growth – low returns

Globaldata revenue and traffic growth 2008-2013



Source: Informa Telecoms & Media

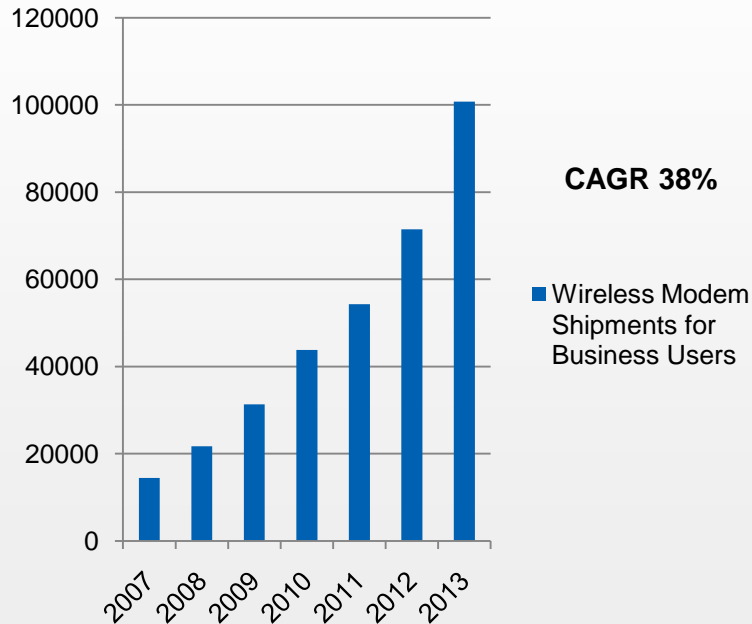
Industry Challenges



- Poor pricing models
- Expensive Traffic Growth
- Increasing OPEX and CAPEX
- Low consumer satisfaction

Enterprises and MBB: Great growth – low returns

Modem Shipments to Business



Source: ABI Research
Cellular Modems and Mobile Broadband Connectivity 2008

Industry Challenges



- Difficult to Deploy and manage
- Expensive data plans
- Security challenges
- Complex to use

A Fast Growing Market With Challenges

Mobile Operators



- Data traffic growth
- The support burden
- Quality of service
- Low/No Profitability
- Device diversity
- Monetising customers

Enterprises



- Usability issues
- Uncontrolled 3G data costs
- Complex connectivity
- Lack of Security
- Low Network reliability
- VoIP disfunctional

Birdstep Product Direction

Stephen Morris – VP Products & Strategy

Birdstep Technology Today

Addressing industry challenges with solutions for connectivity and access management that cut costs for enterprises and operators

2010 EasyConnect Solutions

Mobile Operators Challenges



- Data traffic growth
- The support burden
- Quality of service
- Device diversity
- Monetising customers



Birdstep Solutions



- Data tariffs and handoff
- Minimising/Resolving support
- Intelligent Communication
- Migrating all customers
- Intelligent and flexible billing

An Small European Operator can save 3 Million Euro p.a. with Birdsteps solutions

2010 SafeMove Solutions

Enterprise needs



- Simple connectivity
- Control 3G data costs
- Use multiple networks
- Security & Network reliability
- Deploy VoIP



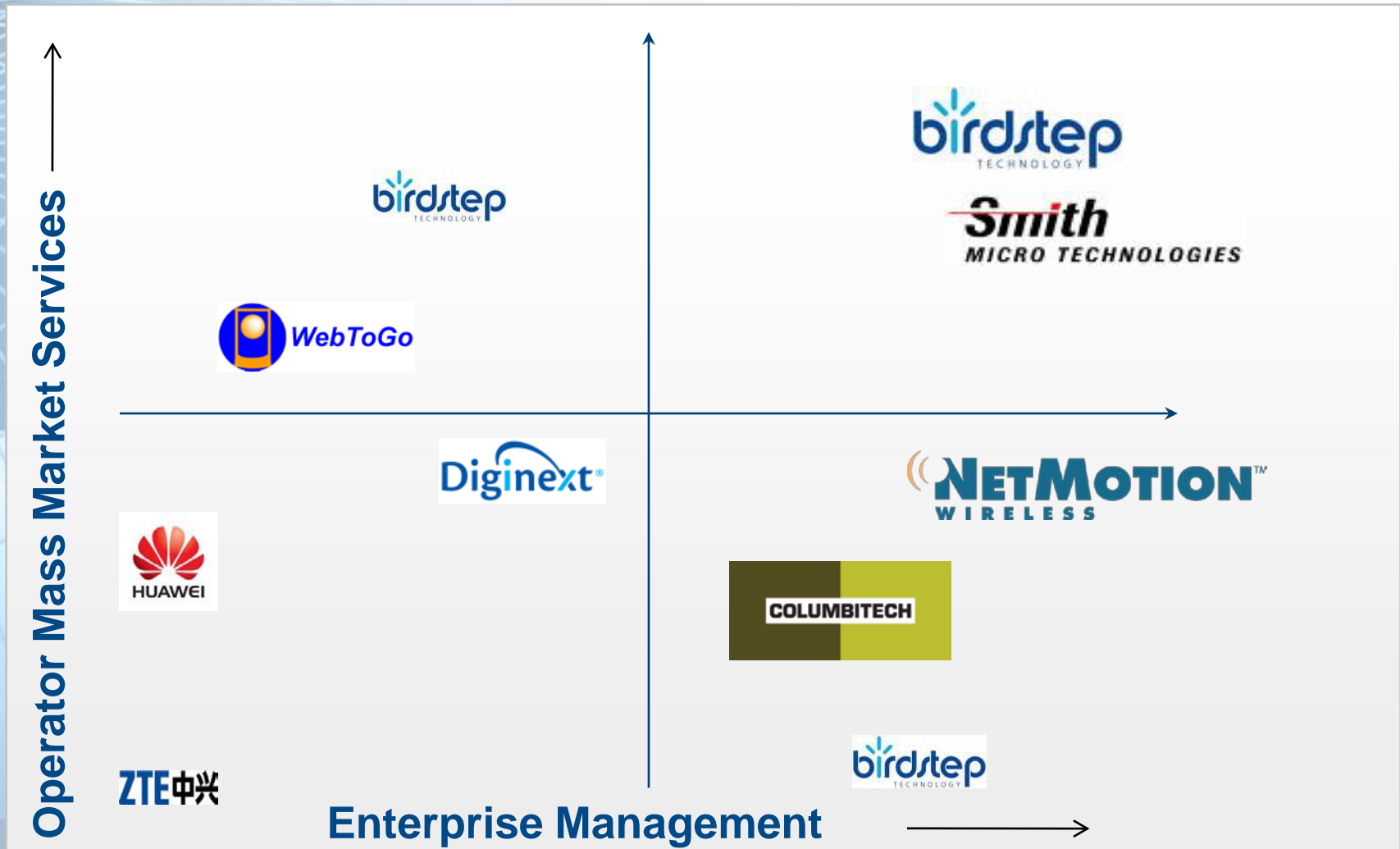
Birdstep Solutions



- Auto-Connect
- Network Prioritisation
- Intelligent switching
- Authentication and encryption
- Session persistence

SafeMove can increase efficiency by up to 30% and provide significant operational savings in an expanded mobility workforce

Birdstep Competitive Position – Software clients





Cutting Costs for Operators and Enterprises

From a firm current market base to a highly competitive position in the high growth MBB market

EasyConnect Sales Insight

Michael Jönsson– VP Global Sales EasyConnect

Experience



Michael Jönsson

- 46 years, Danish, live in Stockholm
- 20+ Years of experience in the Telecom Industry
- Former VP EMEA for Lavastorm
- 14 Years with Ericsson in various international roles
- Specialisations
 - *International Sales*
 - *Sales Management*

Birdstep's Portfolio & Solutions

Product Match against Market Needs

Birdsteps Operator Product - EasyConnect

EasyConnect BEC 2.9

Comes Pre-Installed on USB and/or embedded modems

- Connects to operator networks
- Supports roaming control
- Includes pre-paid and post billing
- Simplifies support
- Automate Hot-Spot logins
- Automatic Hand-over / 3G handoff

Sold to Mobile Operators & Service Providers who:

- Deliver Mobile Broadband Services
- Have Wifi Footprints or partnerships



EasyConnect Market Drivers

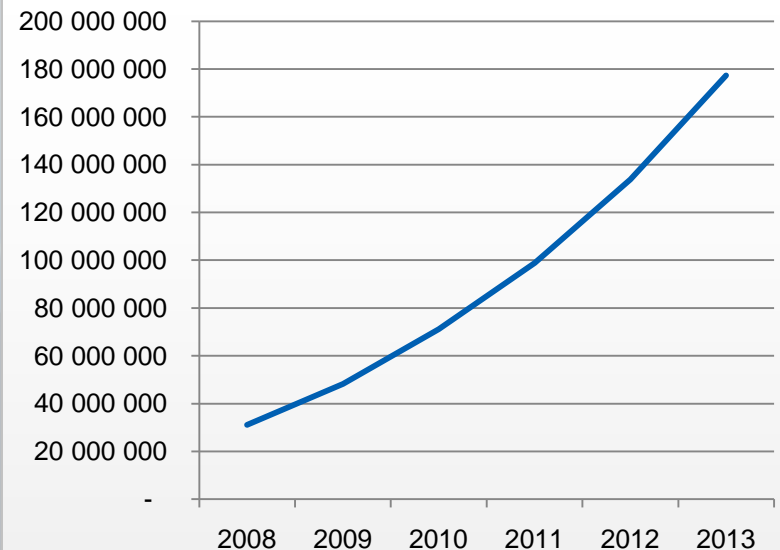
Operator Market Drivers



- Fastest growing mobile service in history
- Now outstripping voice traffic
- Permeating social and business lifestyles
- A massive and growing market
- A truly global phenomenon



Global Mobile Broadband Subscribers

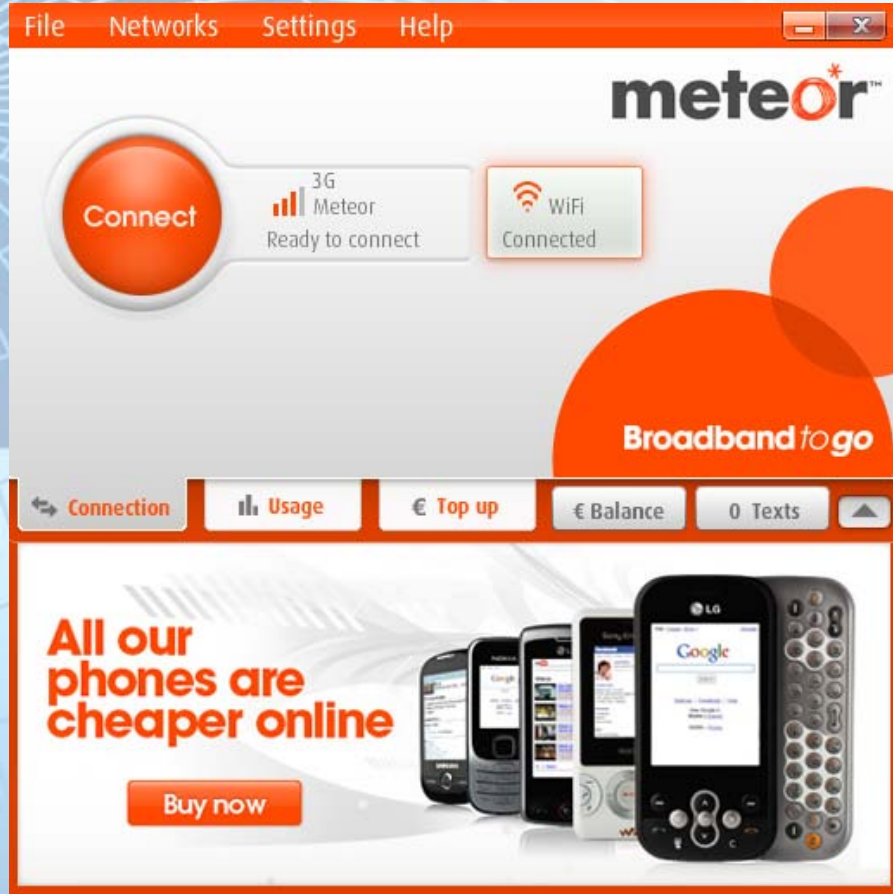


Source: Informa Telecoms & Media

Forecasted annual subscriber growth > 40%

Delivering Connectivity via 3G & WiFi in Ireland

Wifi Handoff, Hot Spot Access, consumer management to Meteor Ireland



Why Birdstep?

- Proven technology with strong presence in the European market
- Standard product tailor-made through configurations
- Strong solution for both WiFi and 3G
- Strong and flexible handling of pre-paid & roaming
- Focused, highly responsive company able to support specific requirements
- Time to market - capable of meeting tough timelines
- Strong Roadmap for future

Birdstep's Portfolio & Solutions

Meeting Operator Challenges



2010 EasyConnect Solutions

Mobile Operators Challenges



- Data traffic growth
- The support burden
- Quality of service
- Device diversity
- Monetising customers



Birdstep Solutions

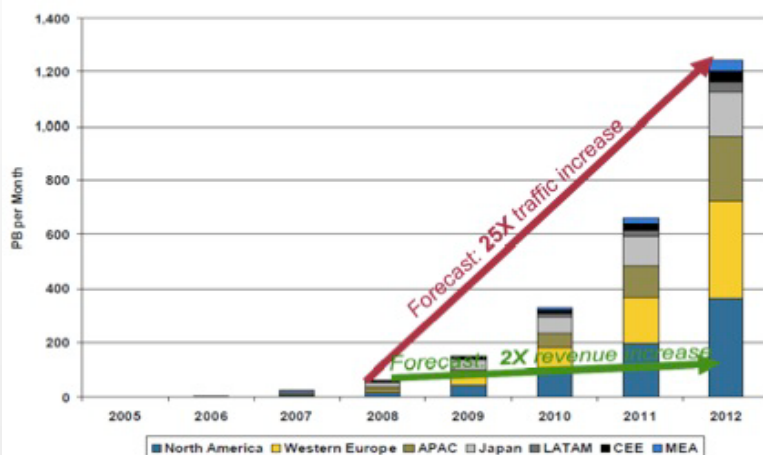


- Data tariffs and handoff
- Minimising/Resolving support
- Intelligent Communication
- Migrating all customers
- Intelligent and flexible billing

Solution in Detail EasyConnect Traffic handoff

Challenge – Data Traffic

- Data increased with 193% in 2009
- Revenues grew at only 24%
- Offload strategy can provide savings of 20 to 25 per cent per annum by 2013



Sources: Cisco, from Operators' network data and Analysts, 2008; Informa, 2008; and Pyramid, "Mobile data revenue will double by 2012," Dan Locke, Analyst Insight, 4/2008.

Birdstep Data Handoff

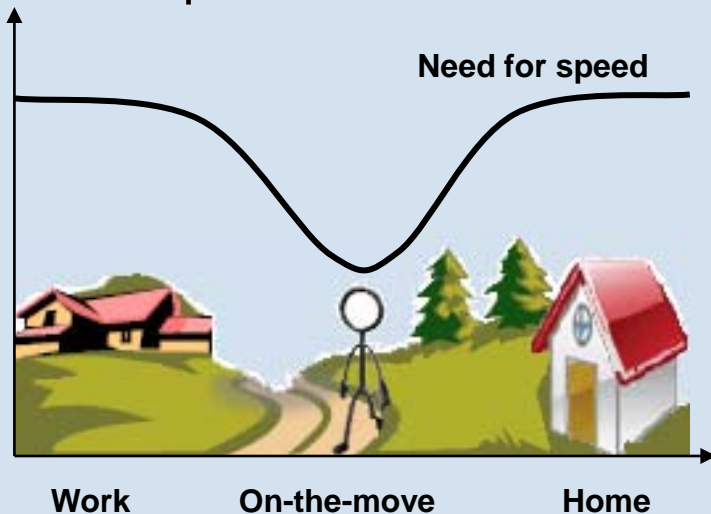
- EasyConnect provides inbuilt handoff and network prioritization for all operators allowing
 - Handoff to Wifi Platforms
 - Prioritisation of lower cost networks
 - Login to Hot-Spots
 - Data plan Bundling

- Swedish Telco Analysis provided for up to 2 Million Euro in annual savings

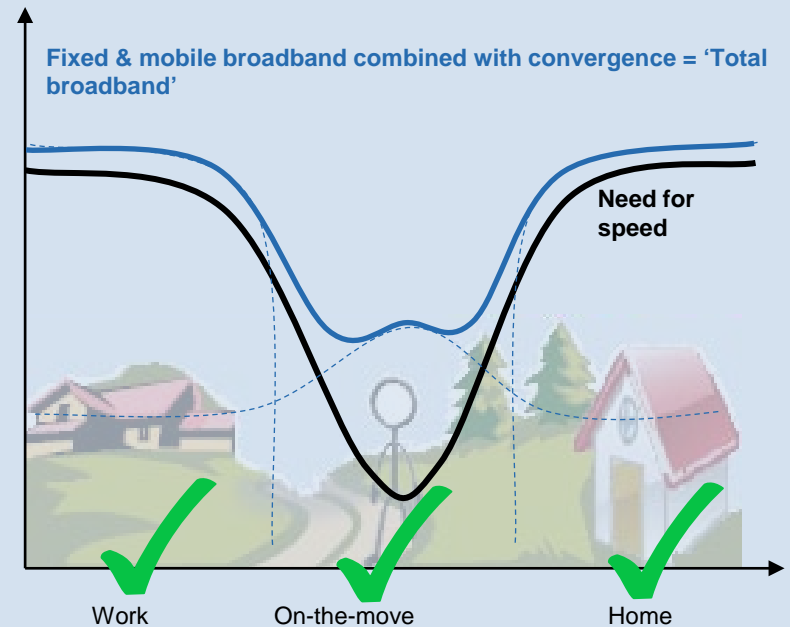
European Operator Customer Delivering Broadband Connectivity at home and work

Chosen Birdstep as their unified Connectivity and Customer Communication Solution in Nordic

Need for speed



Download speeds of 50-70 Mbps will be sufficient until 2020
No mainstream need for 100+ Mbps



EasyConnect Sales

Strategy, Objectives & Pipeline

Addressable Market and Objectives - EasyConnect

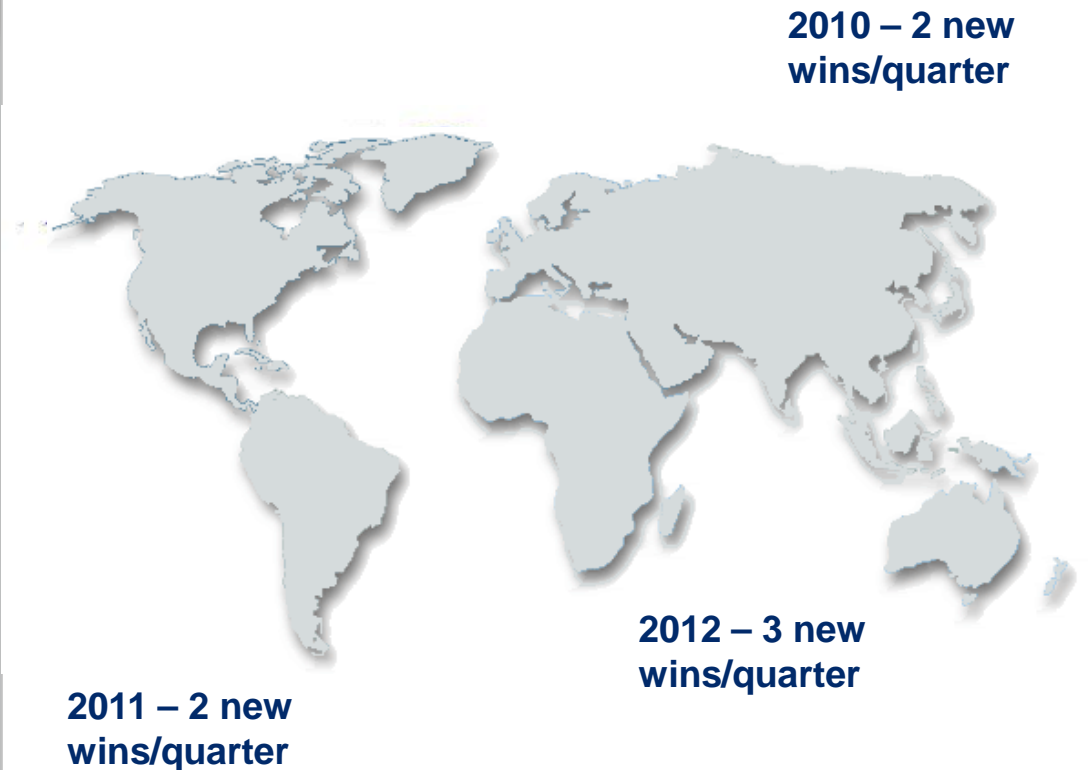
Target Markets 2013

- Target Operators:
~400 HSPA Deployed 2013
- Established MBB markets
- Focus Regions:
 1. Europe & ME
 2. Latin America
 3. Far East

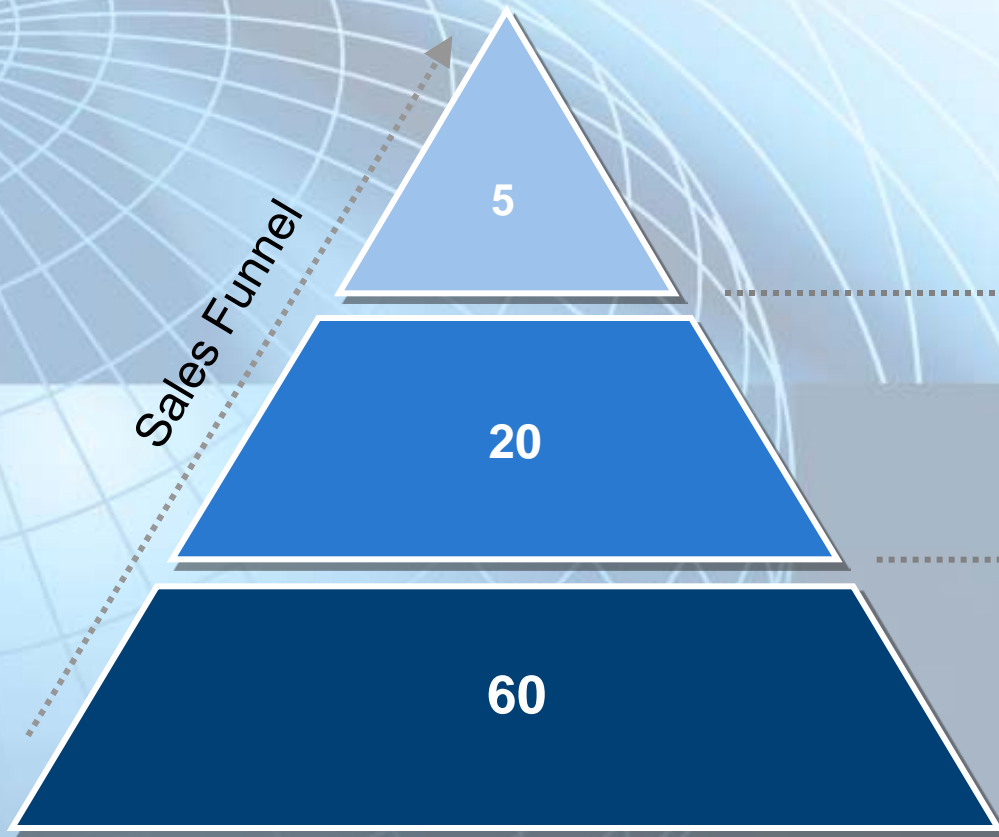
EasyConnect Objectives

- Maintain European market lead
- Become world leading provider 2012
- Increased installed base with 50% by end 2010
- Achieve 40+ Customers 2013

40+ Mobile Operator Customers 2013



Current EasyConnect Pipeline



- Current Opportunities in Closing
- Current Qualified Opportunities in Process (from proposal stage)
- Current Qualified Leads & Opportunities

EasyConnect Customer Pipeline Breakdown

3G only

- Delivering MBB to mass market:
 - Simple and Robust Connectivity, Ease of use
 - Provide End Customer Portal for communication
 - Reduce OPEX

Incumbent/Wifi & 3G

- Delivering One Solution to fit mass market & business users:
 - Same platform, different Skins / UI
 - Technology Agnostic (3G, WiFi, LAN)
 - 3G Off-load (to WiFi)

Multi-National Operator groups

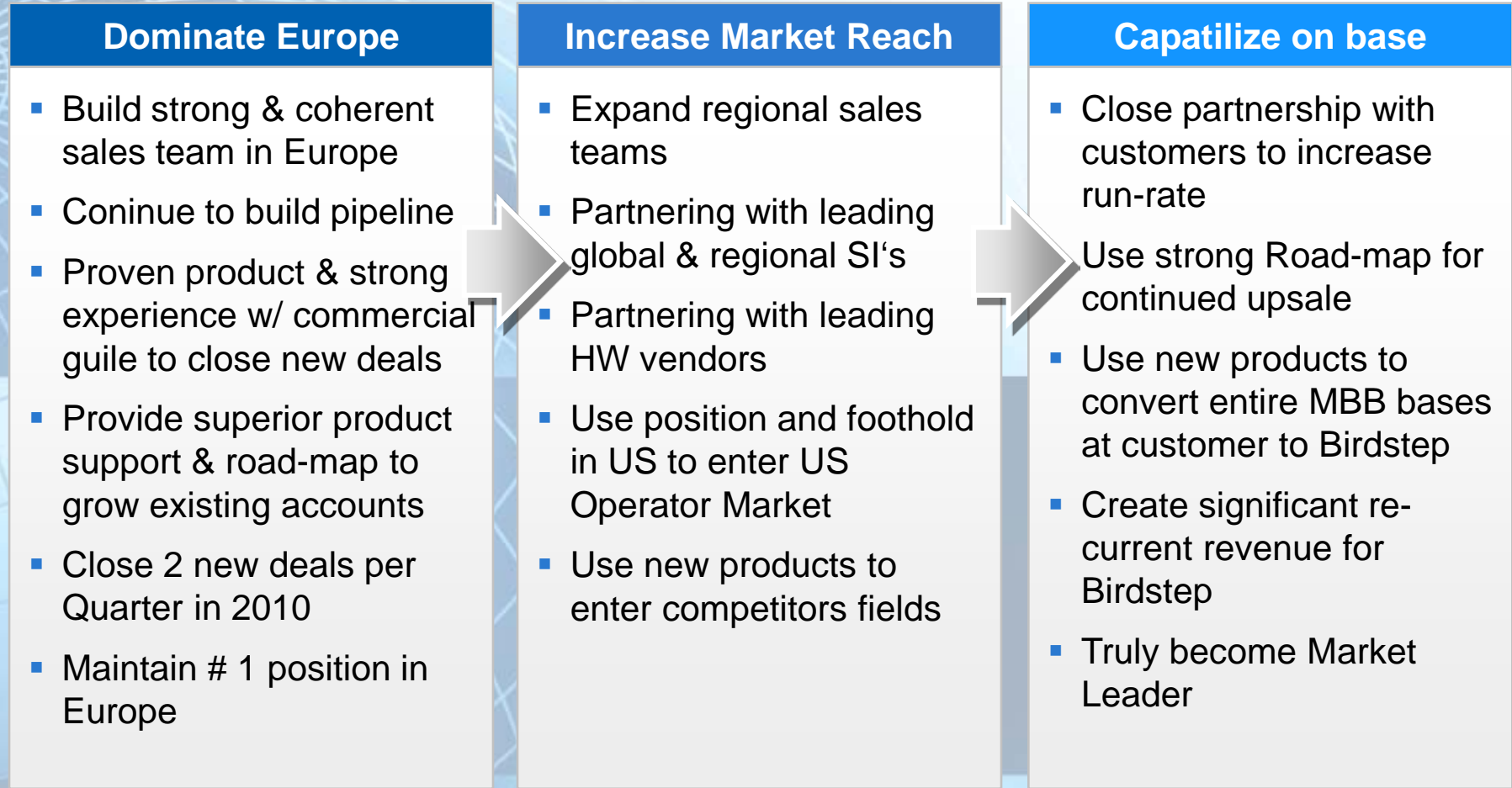
- Delivering One Solution to fit different operational needs:
 - Same platform, different features and skins
 - Support Economy of Scale with multi lingual, multi UI
 - Strong Roaming Solution w/ 3G Off-Load (to WiFi)

HW Partners

- Delivering purpose built state-of-art SW Solution:
 - Avoid costly own SW Development and customization
 - Achieve much improved Time to Market
 - Segmentation & Marketing Possibilities thru server backend

Key Performance Benchmarks

In order to achieve our projected growth



EasyConnect Sales Insight

In summary:

- Market is there: Fastest Growing Mobile Technology Ever
- Strong Birdstep Solution & Portfolio matching market needs
- Strong Growing Sales Pipeline with successful international sales team
- Achieving 2010 customer growth targets – 2 per quarter YTD



Questions

SafeMove Sales Insight

Tim Carter – VP Global Sales SafeMove

Experience



- Tim Carter
 - 15 years software industry experience
 - Former VP Sales EMEA
XcelleNet / Sybase iAnywhere
 - Specialisations
 - *Enterprise Mobility*
 - *Direct Sales*
 - *Channels and Alliances*
 - *European growth*

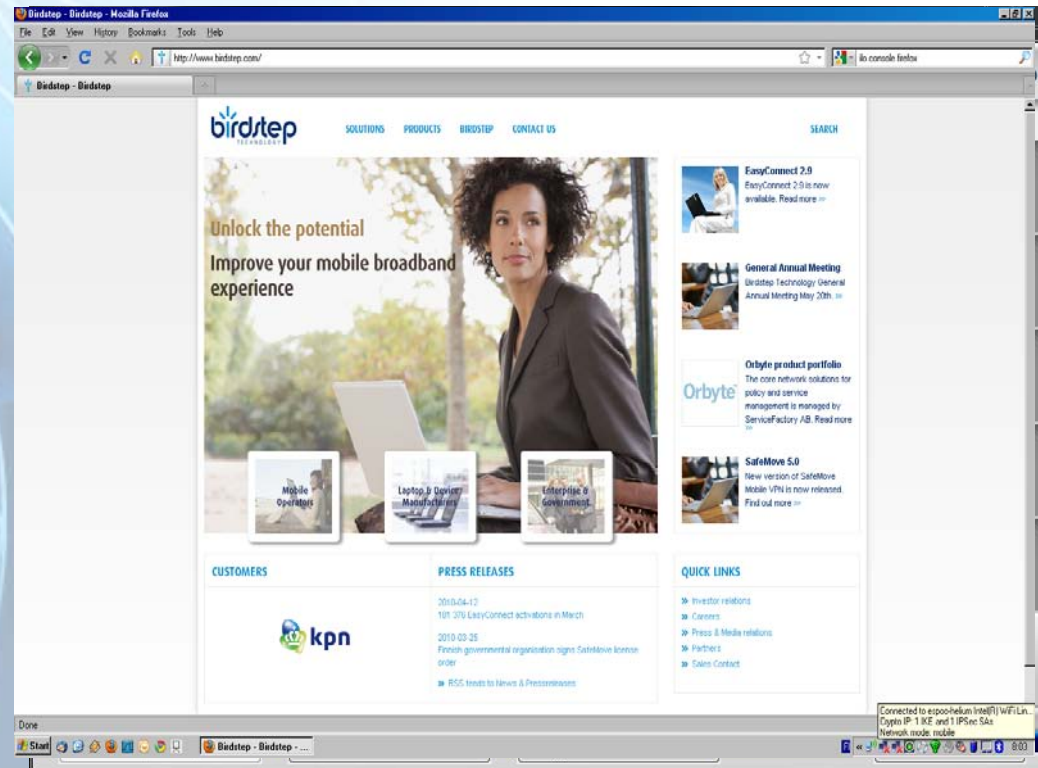
Enterprise Product - SafeMove

SafeMove

- Available on Notebooks, PDAs, Smartphones
- Manages wireless network connectivity
- Provides advanced security
- Allows seamless sessions
- Reduces costs and increases productivity

Sold to enterprises who:

- Have mobile workforces
- Recognise that successful mobility needs a different approach
- Require secure access to data



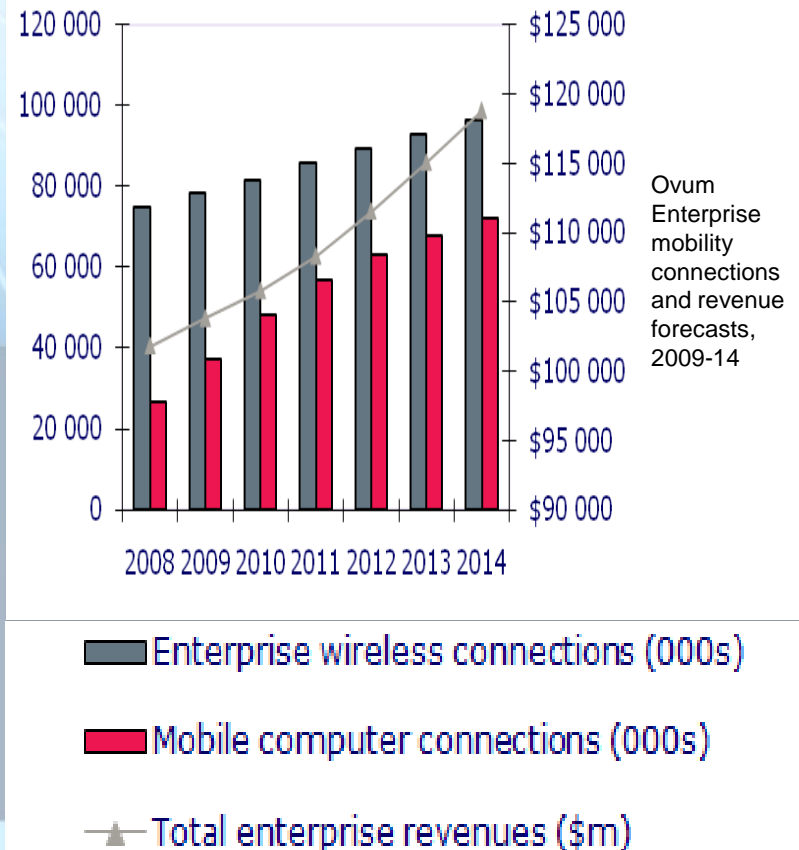
SafeMove Market Drivers

Enterprise Market Drivers

- Ubiquitous, faster wireless networks
- User demand for high-end smartphones
- Improved enterprise software support
- Access to Cloud-based services
- Trend towards flexible working

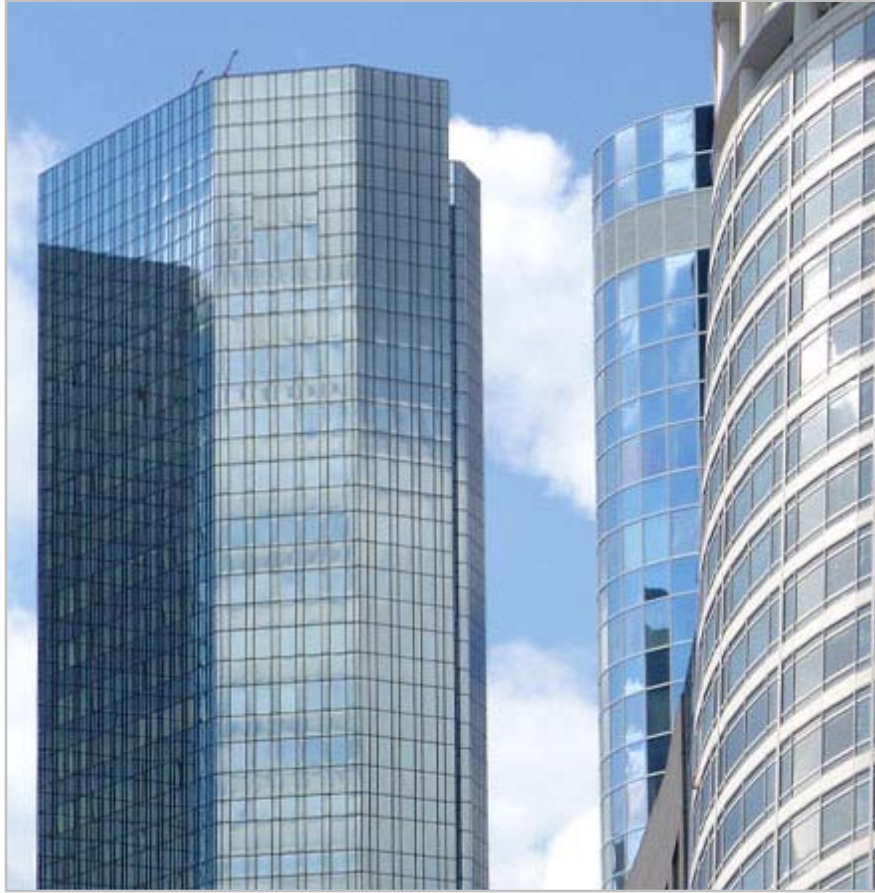
Enterprise Mobility Growth

Global enterprise mobility forecast (000's)



SafeMove Customer Example

Delivering secure remote access to the Government of Finland



Why Birdstep?

- Proven technology with strong presence in the Nordic market
- Tight integration of IPsec VPN and Mobile IP for seamless mobility into a single solution
- Focused, highly responsive company able to support specific security requirements
- Scalable, reliable product now deployed in 12 of 15 Finnish ministries
- Partnership approach

2010 SafeMove Solutions

Enterprise Challenges



- Simple connectivity across multiple networks
- Control 3G data costs
- Security
- Network reliability
- Deploy VoIP



Birdstep Solutions



- Zero-Click Connectivity
- Network Prioritisation
- Intelligent switching
- Authentication and encryption
- Session Persistence

SafeMove can increase productivity by up to 30% and provide significant operational savings across mobile field forces and enterprise deployments of laptops and smartphones.

SafeMove Customer Pipeline Breakdown

Enterprise

- Financial Services, Utilities, HiTech, Field Service.
 - Simple, location-independent use of laptops and smartphones

Public Sector

- Central and Local Government, Emergency Services, Healthcare.
 - Secure, reliable remote access to central applications and data

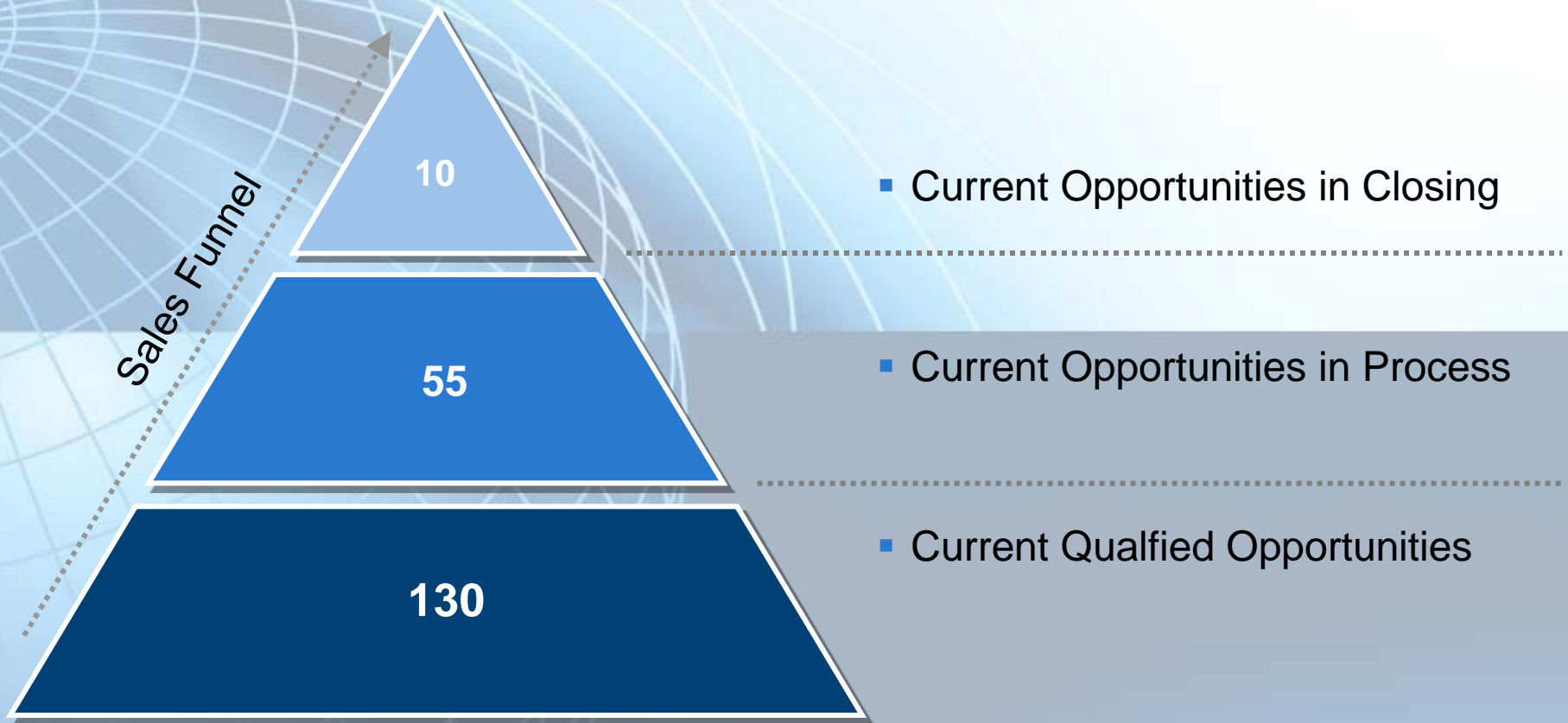
Device Vendors

- Nokia, Motorola
 - Seamless switching between 3G and Wi-Fi networks

Service Providers

- Orange, Arris Group, Nokia Siemens Networks
 - Enable next-generation, value-added services with seamless mobility

Current SafeMove Pipeline



Looking Forward to 2013

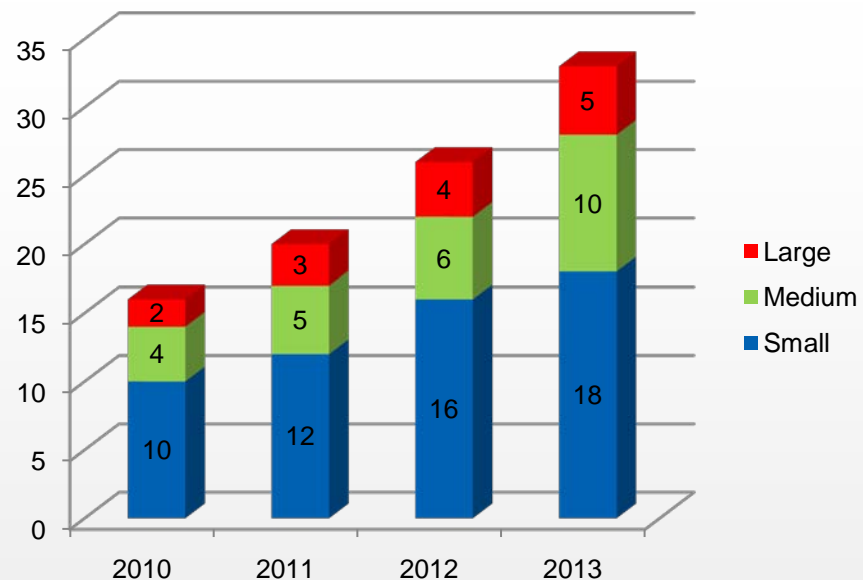
SafeMove Market 2013

- 1800 MNOK total market
- 8m licenses
- Mobile VPN and Mobile IP

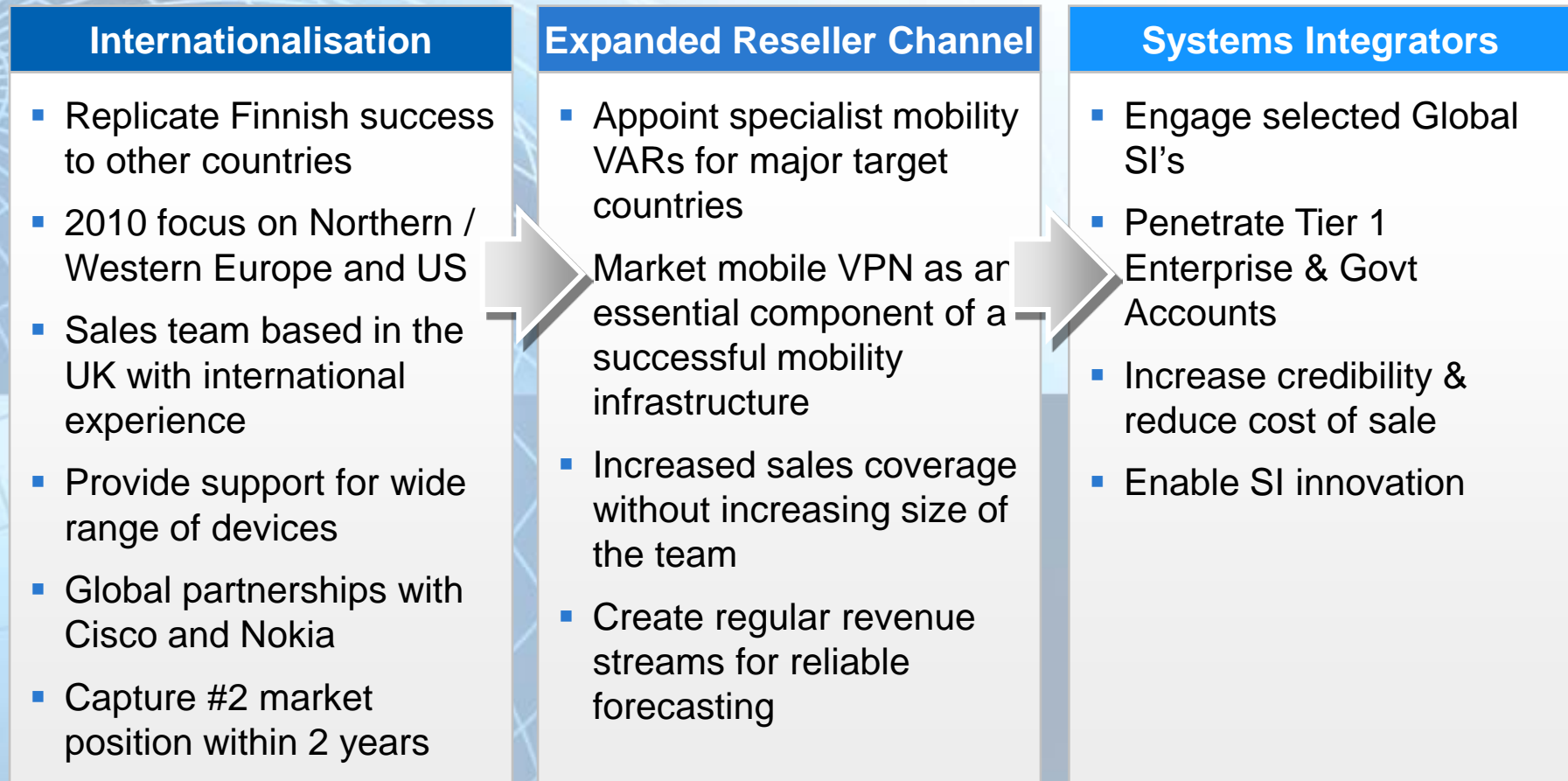
SafeMove Target

- No.2 Market Share
- Europe, AsiaPac and US
- Enterprise, VARs, Sis, Device Vendors and Service Providers

Enterprise Targets



Key Performance Benchmarks



SafeMove Sales Summary

Market for seamless mobility has arrived

Products and roadmap aligned with market requirements

Sales team & strategy in place to secure long term growth



Questions

Birdstep Technology in Summary

Strategically positioned in a high growth market

Re-focused and achieving operational and market synergies

Competitively positioned with an attractive product range

An experienced team capable of delivering

Torbjörn Sandberg
CEO & President

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Thankyou