

NORWOOD SYSTEMS ENTERPRISEMOBILITY SELECTED AS A TRIAL PLATFORM FOR BT'S BLUEPHONE INITIATIVE

Richmond-Upon-Thames, UK - 31st July 2003 - Norwood Systems today announces that its Bluetooth-based EnterpriseMobility wireless voice and data networking solution has been included in trials for the BT Project Bluephone initiative.

EnterpriseMobility will be trialled at the BT Centre, near St Paul's in London, over the coming months, in advance of BT's launch of Project Bluephone service for domestic and corporate customers later this year.

BT's vision for Project Bluephone spans four propositions for office workers, teleworkers, residential and public hot spot users. Norwood Systems' EnterpriseMobility platform will be evaluated as a candidate solution for Project Bluephone to address specific requirements covering each of these propositions.

Paul Østergaard, CEO of Norwood Systems said, "We are delighted to be selected as a trial partner for BT's Project Bluephone initiative. EnterpriseMobility, as the first Bluetooth-based wireless voice and data networking platform for the workplace, will powerfully complement BT's vision for innovative short-range mobility services for the business and home telephony markets. We are excited to be working with BT and will be supporting them to ensure that Project Bluephone becomes an outstanding success."

John Lee, who is leading the convergence programme, of which Project Bluephone is a part, said: " We have selected the Norwood solution as one of a set of different technologies that BT is trialling, as part of the research into the best means of delivering an initial product."

About Norwood Systems

Norwood Systems is the market leader in mobility applications for short-range wireless-based voice and data networks for the office and remote teleworkers. Norwood's applications deliver wireless communications platforms that connect mobile devices with existing voice and data communication networks, extending the reach of the virtual workplace while keeping capital and operational costs under control.

Founded in January 2000, Norwood Systems raised an additional \$15 million (approx.) in third round venture capital funding in July 2002, led by Deutsche Bank Capital Venture Partners and Cazenove Private Equity. Other investors who have backed Norwood Systems include Newport Technology Fund (whose investors include HP, UBS and CDIB), and existing investors Argo Global Capital and Innovacom, along with a number of private investors.
www.norwoodsystems.com <<http://www.norwoodsystems.com>>

About BT

BT Group plc is the listed holding company for the BT Group of companies, while British Telecommunications plc (BT) is a wholly owned subsidiary. BT is one of the world's leading providers of telecommunications services and one of the largest private sector companies in Europe. Its principal activities include local, long distance and international telecommunications services, internet and broadband services and IT solutions. In the UK, BT serves more than 28 million exchange lines as well as providing network services to other licensed operators.

The company is organised in to self-contained business units:

- * BT Global Services, an international broadband network business, focused primarily on corporate and wholesale markets;
- * BT Openworld, an international, mass-market internet business;
- * BT Retail, serving businesses and residential customers; and
- * BT Wholesale, selling network capacity and call terminations to other carriers.

Further businesses make up the BT Group, including BTexact Technologies, an internationally renowned engineering and technology research and development business.

In the year to March 31, 2003, BT's group turnover was £18,727m with profit before taxation of £1,829m.

For more information, visit www.btplc.com.