

Esmertec reports solid revenues and market share growth for the first half-year, 2007

Market share in mobile handset market grows from 3.9% in the first half of 2006 to 8.7% in the first half of 2007 – Over 100 million mobile subscribers have access to Esmertec's USSD browsing solution – First half-year 2007 revenues totaled USD 17 million

DUEBENDORF-ZURICH, Switzerland – August 29, 2007 – Esmertec™ (SWX: ESMN), a focused provider of software and services to communications device manufacturers and mobile telecom operators, is pleased to announce that it expects the first half-year 2007 revenues to be USD 17 million representing an increase of 83.7% compared to the first six months of 2006. The company also notes significant improvement in cash flow from operations.

Jean-Claude Martinez, CEO of Esmertec, said: "Our substantial operational progress has resulted in a solid revenue growth. Thanks to our international network and customized solution offering, we are well placed to anticipate customer needs very fast, and in doing so further drive growth and gain market share. Our order backlog remains strong and we have been able to renew contracts with top tier customers."

In the Mobile and Multimedia Devices segment the company's customer shipments in the second quarter 2007 reached 26.4 million units compared to 10.4 million in the second quarter 2006. The market share improved to an estimated 8.7% in the first half-year 2007 from 3.9% in the first half-year 2006. Total customer shipments in the first half-year 2007 reached 46.3 million units compared to 18.1 million units for the same period in 2006.

As at June 30, 2007 20 mobile operators have deployed the Mobile Operator segment's USSD browsing solution to serve an estimated cumulative consumer base of over 100 million mobile subscribers as of today compared to 40 million per June 30, 2006.

Financial results for the first half-year 2007 will be announced by press release at 0700hrs CET on September 25, 2007, and presented at a media and analyst conference at 09:30hrs CET the same day at SWX Swiss Exchange ConventionPoint in Zurich/Switzerland.

This communication contains forward-looking statements based on current expectations and assumptions of the company's management only, and involves certain risks and uncertainties. The forward-looking statements contained herein could be substantially impacted by risks and influences that are not foreseeable at present, so that actual results may vary materially from those anticipated, expected, or projected. Esmertec disclaims any intention or obligation to update and revise any forward-looking statements, whether as a result of new information, future events or otherwise.

About Esmertec

Esmertec is a focused provider of software and services to communications device manufacturers and mobile telecom operators. The company provides software platforms that enable the deployment of content and applications in devices and over servers. Customers include mobile telecom operators and manufacturers of mobile handsets, set-top boxes and interactive televisions. Esmertec's software and service capabilities excel with their reliability as well as fast and local execution. Founded in 1999, Esmertec is headquartered in Zurich-Switzerland with subsidiaries in China, France, South Korea, and the USA, and offices in Taiwan and the UK. Since 2005, Esmertec has been listed on the SWX Swiss Exchange (ESMN). www.esmertec.com

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