

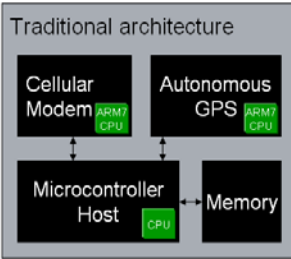
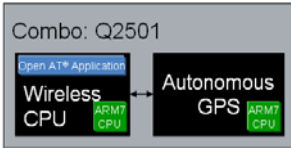
Paris, December 4th 2006

Subject: **C-GPS Launch & Wireless CPU[®] Q2501B End of General Availability**

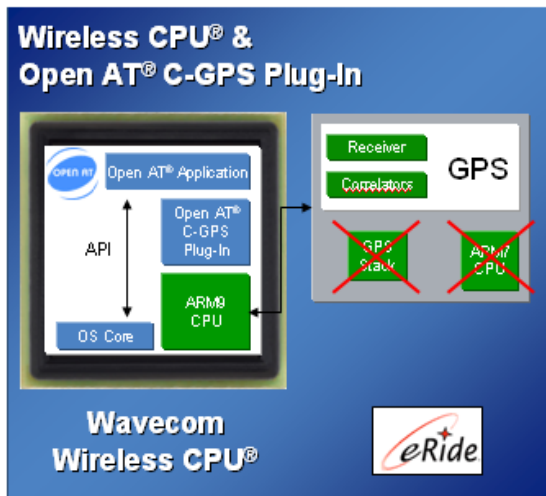
Dear valued customer,

In line with Wavecom's core customer focus of providing more architecturally efficient products that directly reduce the TCO (Total Cost of Ownership) of customer product designs, Wavecom recently announced the strategic partnership with e-Ride (see press release, 8th November) to provide a ground breaking solution for global cellular tracking systems.

This innovative solution brings you significant benefits over existing solutions available from not only Wavecom but also its competitors by introducing a companion GPS (C-GPS) solution as shown in the third evolutionary step below:

Architecture Choice	Description
 <p>Traditional architecture</p> <p>The diagram shows four components: Cellular Modem (ARM7 CPU), Autonomous GPS (ARM7 CPU), Microcontroller Host (CPU), and Memory. Arrows indicate connections between the Modem and Host, and between the GPS and Host.</p>	<p>The traditional architecture employs several CPUs to complete the system, making it large, power hungry and cost inefficient.</p>
 <p>Combo: Q2501</p> <p>The diagram shows three components: Open AT Application, Wireless CPU (ARM7 CPU), and Autonomous GPS (ARM7 CPU). Arrows indicate connections between the Wireless CPU and the GPS.</p>	<p>By replacing the cellular "modem" with a Wireless CPU[®] that utilises the Open AT[®] Software Suite to execute your product application, the combo solution becomes more efficient but there are still two ARM7 processors which exhibit some of the traditional architecture flaws.</p>

Wavecom has been innovative in elevating the architecture design to a new level of efficiency and introduces the worlds first and only Open AT[®] C-GPS Plug-In:



The Open AT® C-GPS Plug-In is compatible with the following Wireless CPU® devices and new ones in the roadmap:

Q2686 / Q2687 / WMP100 / WMP150

The Open AT® C-GPS Plug-In removes the final redundant processing block to provide the ultimate in architectural efficiency which in turn provides numerous benefits to your design as outlined below:

- ✓ Efficiency by design:
 - ✓ Architecture
 - ✓ Cost
 - ✓ Power consumption
 - ✓ Size: complete system in a match box
 - ✓ High performance
 - ✓ Single SKU for Wireless CPU® to cover the entire globe
 - ✓ Placement of the GPS components where you decide
- ✓ Upgradeable:
 - ✓ Via DOTA (Download Over The Air)
 - ✓ A-GPS and DR roadmap
- ✓ Freedom of evolution
 - ✓ Upgrade Wireless CPU® and GPS independently of one another
 - ✓ Easily evolve to new GPS (OPUS 3)
 - ✓ Select either chipset or module for GPS
 - ✓ Purchasing independence

As a result of introducing this new product offering, many of our customers have already recognised the benefits described above and have started to design new and exciting products with the new solution.

Wavecom has therefore initiated the process of discontinuing the following product, meaning that it is no longer recommended for new designs. In addition, no further software evolution beyond OS6.57 and current compatible Open AT® Plug-Ins will be performed.

Wireless CPU®	Phase	Schedule
Q2501B & OS6.57	Notification of end of general availability	December, 4 th 2006
	Last Time Buy	June, 15 th 2007
	Last Delivery Date	December, 31 st 2007

It should also be noted that Wavecom has received an end of life notice from the supplier of the GPS chipset used in Q2501B on 31st October 2006 which mirrors the phase out dates for Q2501B. Accurate forecasting for phase out quantities of Q2501B will therefore be especially critical in 2007 to ensure smooth and continuous supply.

Wavecom will continue to accept purchase orders for the Q2501B, including any last time buy quantities until **15th of June 2007**. Delivery of products for these purchase orders must be scheduled for shipment to your company no later than **December, 31st 2007**.

Mr. Jamie GARROCH
Product Marketing Director
Wavecom S.A.

For further information on the replacement solution, see: <http://www.wavecom.com/C-GPS>