

Ashley Laurent, Inc. and PALTEK Corporation Enter into Japanese Distribution Agreement

PALTEK to Promote Ashley Laurent Advanced Broadband Networking and Security Solutions to Japanese Market

AUSTIN, October 17, 2002 - Ashley Laurent, a global market leader in advanced embedded gateway and value-added services software for the broadband industry and PALTEK Corporation, a leading silicon and electronic solution supplier in Japan, announced today that they have entered into a distribution agreement for the sales of Ashley Laurent networking and security products, which are commonly used to secure and expand the capabilities of wired and wireless broadband communication devices.

As an authorized representative for Ashley Laurent, PALTEK will be able to offer access to the complete BroadWay™ suite of broadband networking and security products to customers in Japan. These products are designed to offer manufacturers access to service and security functionality that extends beyond what is often offered on a basic reference design. Using Ashley Laurent embedded gateway software, manufacturers are able to reduce time to market, reduce engineering costs, as well as create new revenue streams through the inclusion of managed services.

"We are very excited about adding Ashley Laurent as one of our key partners," said Tadahito Takahashi, the president of PALTEK Corporation. "With the addition of Ashley Laurent to our existing product lines, we believe that we can offer solutions which are more market competitive and cost effective to our broadband equipment customers in Japan."

"Ashley Laurent's solution represents the top tier of broadband solutions available to manufacturers today. Their software is designed to meet the needs of the entire broadband spectrum, from manufacturer to operator to end user," said Masanori Kanamori, Vice President of PALTEK Corporation. "We are pleased to promote Ashley Laurent's advanced solutions to our customers, giving them more choices when they look to differentiate their products in the market."

"PALTEK's experience in the Japanese marketplace will definitely help Ashley Laurent strengthen its presence in Asia. They will provide potential customers with the ability to receive technical sales assistance at the local level," said Jeffrey Goodwin, Chairman and CEO of Ashley Laurent, Inc. "With this partnership, we are bringing the advanced services and revenue generating capabilities of Ashley Laurent's BroadWay™ software to an even greater portion of the Asian market."

About BroadWay™ Integrated Services Software

BroadWay™ Integrated Service Software is a fully integrated broadband services management platform, security and provisioning solution for narrowband and broadband silicon suppliers, device manufacturers, and service providers. Using a zero-touch approach to device management, the Broadway ISS is engineered to provide coordinated delivery of subscription based integrated network and security related services to end users. Ashley Laurent offers a flexible licensing model and tiered subscriber support plan allowing manufacturers and MSOs to reduce capital costs and increase ROI while producing higher margins and free cash flow.

About PALTEK

Since the foundation in 1982, PALTEK Corporation has been providing silicon and software solutions to the Japanese manufactures. In particular PALTEK is very strong in providing solutions with Programmable Logic Devices (PLDs) produced by the San Jose-based ALTERA Corporation. Based on the sound business performance, PALTEK made initial public offering of stock on JASDAQ in 1998. PALTEK's philosophy is expressed in the phrase of "Kyo-Sei," or "cooperative growth" and is continuously making efforts to link people and technologies worldwide and foster common growth through business activities.

Further information is available at <http://www.paltek.co.jp>.

About Ashley Laurent

Ashley Laurent delivers advanced broadband gateway software that enables the deployment of managed services across broadband networks. By working directly with broadband equipment manufacturers and silicon providers, Ashley Laurent helps create profitable new relationships between service providers and their subscribers. Current customers include 3Com, CheckPoint, Conexant, D-Link, GlobespanVirata, IBM, Motorola, SMC, Texas Instruments, and others. Managed Service Partners include BsafeOnline (www.bsafeonline.com), a vertical service provider (VSP) that offers turn-key managed service options to service providers and retail consumers.

Ashley Laurent, Inc. is a privately held corporation based in Austin, Texas, with satellite sales and engineering support in Asia. For more information call (512) 322-0676 or visit www.ashleylaurent.com.

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