



Mobile VoIP start-up Truphone secures European tech sector's largest Series A funding of 2006

London, UK, January 9th 2007: Mobile Internet telephony start-up [Truphone](#) today announced a funding round of £12.5 million (\$24.5m). The round is the European technology sector's largest Series A venture funding of 2006. It was led by [Wellington Partners](#) (a leading pan-European VC), with [Independent News & Media](#) (a global media group) and [Burda Digital Ventures](#) (a global media group) joining existing investors [Eden Ventures](#) and business angels.

In 2006 Truphone introduced internet telephony ('VoIP') to mass market mobile phones, enabling users to make free calls from their handsets to other Truphone users and low internet-rate calls to any telephone worldwide. In late 2006 this was extended to free phone calls to a range of VoIP services.

The new funding will provide Truphone with resources to execute its vision of fundamentally changing the economics of mobile communications and providing revolutionary new services to mobiles, increasing the base of handsets it supports and launching the Truphone service across the globe. This will create a worldwide Mobile Internet Network Operator providing a critical mass of customers with a free/low-cost alternative to conventional cellular network service providers.

Joerg Ueberla of Wellington said: "We led this round of investment because we have followed the rapid rise of VoIP on the fixed-line network and believe that VoIP will now move to mobile devices. Other players offering free/low-cost VoIP-based telephone calls require the use of a PC or a fixed-line phone. Truphone is the only player that offers truly free mobile-to-mobile calls across the world – a veritable disruption. This value proposition has been proven by thousands of users who are spread around the globe and were acquired by word of mouth within weeks of the launch of the beta version."

"Truphone is a Mobile Internet Network Operator – we are radically changing the economics of the market and providing wholly new internet-enabled services to customers' handsets" said CEO James Tagg. "By securing this investment, we have passed a significant milestone in realising our vision."

John McMonigall, Truphone's chairman, said: "We are delighted to have attracted such high-calibre investors who share our vision of the future of mobile communications."

Truphone's true mobile VoIP service enables calls to be made between mobile devices entirely free of charge. Calls are carried via Wi-Fi over the Internet. The call need never enter a regular phone network, fixed or mobile, meaning there are no operator charges payable either to make or receive such a call.

As a result, using a Truphone-enabled handset to make an international call from a Wi-Fi hotspot abroad cuts out the usual, expensive, roaming charges, threatening one of the major sources of revenue for the existing cellular network operators.

In addition to lowering call costs, Truphone uses Wi-Fi to provide complementary pseudo-cellular coverage in blindspots - 26% of people in the major European countries have poor/no cellular reception at home.

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About Truphone – www.truphone.com

Truphone is a privately-owned UK technology company, founded in 2000 and funded by a mixture of private investment and venture capital. Today, Truphone is pioneering an all-SIP solution that enables mass market mobile phone handsets to make free and very low-cost calls using VoIP over wireless LAN.

Truphone's founders, investors, advisers and staff are dedicated to the development of mobile internet telephony in the cause of freedom and choice for mobile phone users. The company is also closely involved with the open source community and is developing Truphone in accordance with internationally-recognised open standards. The company has development teams and partners in locations across Finland, Romania, USA and the UK. In December 2006 Truphone was selected as a 'Technology Pioneer for 2007' by the World Economic Forum.

About Eden Ventures - www.edenventures.co.uk

Eden Ventures is a specialist early stage Venture Capital Fund, formed by a group of serial entrepreneurs with a stunning track record of founding and building exciting software companies. Their strategy is to back talented people with ideas and insights into markets and technologies, and to help them create valuable software companies in the telecommunications, media and technology sectors. Eden Ventures has 10 companies in its investment portfolio. For more information, contact Mark Farmer at mark.farmer@edenventures.co.uk

About Wellington Partners - www.wellington-partners.com

Founded in 1991, Wellington Partners is a leading pan-European VC investing in early-stage ICT and life science companies and helping them become global leaders in their specific markets. Wellington Partners currently has € 450 million under management and typically invests from €1m-€10m. To date Wellington Partners has invested in more than 85 companies, selling a third of them at a profit, in eight of these cases through an IPO

About Independent News & Media - <http://www.inmplc.com>

Independent News & Media PLC ['INM'] is a leading international newspaper and communications group, with its main interests in Australia, India, Ireland, New Zealand, South Africa and the United Kingdom. The Group publishes over 175 newspaper and magazine titles, delivering a combined weekly circulation of over 31 million copies. It is the largest radio operator and outdoor advertising operator in Australasia and also has leading outdoor advertising positions in Hong Kong, Malaysia, India, Indonesia and across Africa. INM has a strong and growing online presence, with over 70 editorial and classified sites. The Group manages gross assets of €4.0 billion, revenue of €1.8 billion and employs approximately 10,300 people worldwide. Further information is available on the Group's website www.inmplc.com

About Burda Digital Ventures - <http://www.burdadigital.de/ventures/strategie.html>

Burda Digital Ventures is the Venture Capital arm of Hubert Burda Media, one of Germany's leading media companies. Burda Digital Ventures is committed to building outstanding companies in the Digital Space together with the best entrepreneurial talent available. Since 1999 the company has invested in more than 30 companies that today define their respective markets in terms of applied technology, customer dedication and speed. Combined turnover of the current 21 portfolio companies in 2006 will surpass US\$ 390 million.

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