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ITOCHU Corporation Incorporates MeshNetworks Japan

*Licensing agreement addresses demand for mobile
broadband networking products in Asian markets*

Santa Clara, Calif. - April 19, 2004 -- ITOCHU Technology, Inc. (ITI), the Silicon Valley-based business development and venture investing arm of ITOCHU Corporation, a Fortune Global 20 company, today announced the establishment of MeshNetworks Japan. The new company will enable MeshNetworks, a leader in the development and commercialization of high performance mesh networking solutions, to sell products to Japanese manufacturers via MeshNetworks Japan, a company wholly owned by ITOCHU.

Under terms of the agreement, MeshNetworks Inc. will license its technology to ITOCHU which will then sublicense the technology to MeshNetworks Japan, a Japanese OEM. ITI will handle the distribution of products sold by ITOCHU subsidiaries and affiliates managing export compliance and related fulfillment activities.

Approximately three years ago, ITI identified a fit between MeshNetworks' products and the need for a robust peer-to-peer wireless broadband networking solution from public transportation, public safety, and telematics manufacturers in Asia. Armed with the knowledge of the Japanese government's growing demand for a market-ready communication solution to address potential natural disasters, as well as Japan's Intelligent Transportation System initiative to merge high-speed communications with mass transportation and traffic management, ITI identified a sustainable market for MeshNetworks' products.

"The MeshNetworks deal typifies how ITI can help US technology producers sell product in Asia by providing market research, business development and venture capital, export and fulfillment services and ongoing support. ITI coordinated technical due diligence product evaluation, heavily promoting the product line and making the initial introduction to ITOCHU, one of the most powerful technology reseller channels in Japan. As a result ITOCHU made a strategic investment in MeshNetworks' 2003 Series C round of funding," said Yo Hoshino, VP Business Development, ITI, who fostered the relationship between MeshNetworks and ITOCHU.

ITOCHU has been performing on-the-ground technical product testing in the Tokyo metropolitan area of Aoyama. Technical findings were reported at the 2003 Allied Testing Convention held in March 11th, 2004, at Nagoya, Japan by the Internet ITS committee.

“We endorse MeshNetworks’ technology vision where next generation telecommunications infrastructure will have multiple connections and leverage the same mesh architecture used in the Internet.” said Mr. Takao Kodama, Head of Project Management from ITOCHU Corporation. “We are impressed that MeshNetworks’ mobile networking products work well even in demanding services areas such as the subway and high-speed mobile transport. We believe that this technology is ready for customer acceptance in Asia.”

“We are pleased to strengthen our relationship with ITOCHU, one of the world’s most respected technology distribution companies,” said MeshNetworks’ CEO Richard Licursi. “By leveraging ITOCHU’s vast market knowledge and network of contacts, we can successfully deploy our unique mesh technologies and products into the Asian markets.”

MeshNetworks Enabled Architecture (MEA™) is the world’s first scalable peer-to-peer networking solution for mobile broadband networks. The MEA family of products enables vehicles, devices and individuals to instantly connect with each other and to the public telephone network, Internet and private networks. MEA also offers built-in precision position location - without the use of costly GPS receivers. MEA is unique in the market with its ability to support voice, video, data and position location from a single low-cost, integrated wireless IP network.

About ITOCHU Technology, Inc.

ITOCHU Technology, Inc. (ITI) provides market intelligence, business development, venture capital, fulfillment and relationship management for US technology producers expanding into world markets. More information about ITI can be found at <http://www.itochu.net/>.

ITI is backed by ITOCHU Corporation (www.itochu.co.jp), one of Japan's leading trading companies with annual sales exceeding 12.1 trillion yen (approx. US\$114 billion). Currently ranked 11th on Fortune Magazine's Global 500 list, ITOCHU Corporation has over 640 subsidiaries and associated companies worldwide, engaged in a wide variety of businesses, including information technology, finance, textiles, construction, chemicals, real estate, aerospace, machinery, energy and food products.

About MeshNetworks

MeshNetworks delivers innovative mobile broadband network solutions based on patented ad hoc peer-to-peer technology. The Company's MeshNetworks Enabled Architecture (MEA™) technology provides wireless broadband connectivity to fixed, portable and mobile devices. Voice, video, data, telemetry and position-location are supported to specifically meet the needs of mission critical communications networks. MEA technology has been successfully deployed and is in use worldwide, most recently in Medford, Oregon and Garland, Texas, the home of a 57-square-mile mobile mesh system. A live network in Maitland, Florida, has been in continuous operation for over three years. MeshNetworks offers these solutions through OEMs, Systems Integrators, and Value Added Resellers.

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