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Westell Takes Equity Stake in Contineo Systems

Plano, Texas-Based Company Develops Software Solutions For Broadband Applications

AURORA, Ill.--(BUSINESS WIRE)--

As part of the broadband leader's renewed commitment to rapid product innovation, Westell Technologies, Inc. (NASDAQ: WSTL) announces that it has made a significant equity investment in Contineo Systems, a communications software company.

Plano, Texas-based Contineo develops secure software solutions to enable broadband carriers to maximize revenue from existing customers. Westell's \$2.5 million investment includes 40 percent ownership of Contineo and two seats on the Board of Directors. The equity stake, a first for Westell, will enhance its product development efforts and speed time to market, according to Thomas Mader, Westell CEO.

"Westell is taking this position to acquire Contineo's expertise in communications security software," Mader said. "This allows us to expand our capabilities and increase our value as an end-to-end broadband solutions provider for our customers, who will benefit from a comprehensive solution for securing their broadband access connections. This solution will further enable our carrier customers to differentiate their service levels, and provides end-users with the flexibility to access online content in a highly secure and simple manner."

This investment will also give Westell more direct control over the software that is included within its product line, providing greater influence and better performance than a strategic partnership or licensing agreement. Contineo specializes in identity-management solutions which can be applied to secure broadband applications across a network. Westell made the deal with Contineo specifically to advance its research and development efforts, as part of Mader's mandate to refocus the company on product innovation.

"We are excited to be working with Westell as a leading provider of residential gateways and to be partnering with them to enable the secure convergence of communications services," said Brian Forbes, President and CEO of Contineo Systems. "Together we provide carriers with new ways to manage, measure and secure their broadband networks."

About Westell

Westell Technologies, Inc., (NASDAQ: WSTL) headquartered in Aurora, Ill., has a 25-year

history of broadband innovation, with more than 20 million devices shipped. Westell designs and builds carrier-class equipment that delivers high-speed communications for telecommunications operators and internet service providers throughout North America and Europe. These innovative, highly engineered solutions make it easy for carriers and service providers to meet ever-increasing customer demand for reliable, effective delivery of content, services and capabilities. Visit www.westell.com to learn more.

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Certain statements contained herein including, without limitation, statements containing the words "believe," "on track," "anticipate," "committed," "expect," "estimate," "await," "continue," "intend," "may," "will," "should," and similar expressions are forward looking statements that involve risks and uncertainties. These risks include, but are not limited to, product demand and market acceptance risks, need for financing, the economic downturn in the U.S. economy and telecom market, the impact of competitive products or technologies, competitive pricing pressures, product development, excess and obsolete inventory due to new product development, commercialization and technological delays or difficulties (including delays or difficulties in developing, producing, testing and selling new products and technologies), the effect of Westell's accounting policies, the need for additional capital, the effect of economic conditions and trade, legal social and economic risks (such as import, licensing and trade restrictions) and other risks more fully described in Westell's Annual Report on Form 10-K for the fiscal year ended March 31, 2007 under the section "Risk Factors." Westell undertakes no obligation to release publicly the result of any revisions to these forward looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Source: Westell Technologies, Inc.