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Intel, Taiwan Government to Establish Mobile Device Open Source Software Development Center, Intel Capital Intends to Invest NT$386 Million in VMAX for Mobile WiMAX

Initiatives to Accelerate Growth Opportunities for Intel, Mobile Device Makers

TAIPEI, Taiwan--(BUSINESS WIRE)--

Intel Corporation today announced agreements with government and industry in Taiwan intended to extend Taiwan's position as a leading center for developing and deploying the world's next generation of connected devices and related technologies.

Intel President and CEO Paul Otellini announced that Intel has signed an agreement with the Taiwan Ministry of Economic Affairs (MOEA) to jointly establish an enabling centre for Moblin, open source software and applications optimized for Intel(R) Atom(TM) processor-based devices. New software and applications are needed to deliver a richer, on-the-go Internet experience on the next generation of connected devices including Atom-based mobile Internet devices, netbooks, nettops and in-vehicle-infotainment systems.

Otellini also announced that, subject to closing conditions, Intel's global investment organization, Intel Capital, intends to invest NT$386 million (US$11.5 million(1)) in Taiwanese carrier VMAX. Intel Capital's intended investment and Intel's accompanying business engagement will enable VMAX to deploy Taiwan's first mobile WiMAX network, intended to be commercially available within the first half of next year.

"As the Internet evolves, the industry has an opportunity to deliver what consumers are seeking - a fast, seamless and personal mobile Internet experience, regardless of device or location," said Otellini. "Intel and Taiwan will continue to collaborate to create growth opportunities for the industry."

"With its robust industry ecosystem and ability to commercialize innovation, Taiwan has become a center for design and manufacturing of devices for the worldwide market," said Yiin Chi-Ming, Minister of the Taiwan MOEA. "With a shared vision to accelerate mobility industry momentum, our collaboration with Intel positions Taiwan to further capitalize on opportunities created by the next phase of the Internet."

With Intel and the MOEA's support, the Moblin Enabling Center's laboratory and its

engineers will train and consult to device and software vendors, resulting in faster time to market for Moblin-based devices powered by Intel Atom processors. Intel's support of the center includes engineering talent, software development resources and software contributions to moblin.org.

Taiwan's First 4G Wireless Network

Intel Capital's intended investment in VMAX and Intel's accompanying business engagement reflect its focus on accelerating the proliferation of WiMAX globally. More than 350 operators worldwide have deployed WiMAX networks. Through Intel Capital, Intel has invested in 30 WiMAX technology companies and service providers worldwide. Intel is a leading enabler of service providers as they deploy WiMAX, including Sprint and Clearwire in the United States, Packet 1 in Malaysia, UQ Communications in Japan, and others globally.

"WiMAX is a key component of Intel's strategy to enable the truly mobile Internet," said Otellini. "Intel Capital's investment in VMAX positions it to deliver Taiwan's first 4G wireless network."

"The deployment of WiMAX networks and the integration of WiMAX into mobile devices will create a truly mobile and personalized Internet experience," said Dr. C. K. Liu, chairman of VMAX. "With Intel Capital's support, VMAX intends to become the first-mover in bringing the benefits of high-speed wireless broadband to Taiwan. VMAX intends to be the first to deploy a 2.5GHz WiMAX network in Asia Pacific."

About Intel

Intel (NASDAQ:INTC), the world leader in silicon innovation, develops technologies, products and initiatives to continually advance how people work and live. Additional information is available at www.intel.com/pressroom and blogs.intel.com.

Intel Capital, Intel's global investment organization, makes equity investments in innovative technology start-ups and companies worldwide. Intel Capital invests in a broad range of companies offering hardware, software, and services targeting enterprise, home, mobility, health, consumer Internet, semiconductor manufacturing and cleantech. Since 1991, Intel Capital has invested more than US$7.5 billion in approximately 1,000 companies in 45 countries. In that timeframe, 168 portfolio companies have gone public on various exchanges around the world and 212 were acquired or participated in a merger. In 2007, Intel Capital invested about US$639 million in 166 deals with approximately 37 percent of funds invested outside the United States. For more information on Intel Capital and its differentiated advantages, visit www.intelcapital.com.

About the Taiwan Ministry of Economic Affairs

As the agency administering the national economy, the Ministry of Economic Affairs (MOEA) has implemented various economic policies and measures to help the Taiwan industries reinforce their competitive advantages at the different phases of the Taiwan's economic development. Additional information about MOEA is available at www.moea.gov.tw

About VMAX Telecom

VMAX Telecom, awarded WiMAX operator permit by the National Communications

Commission of Taiwan on July 26, 2007, is composed of and supported by an influential line-up of shareholders, containing Teco Electric & Machinery, Tecom and Vibo Telecom to form a technically strong and financially solid team for providing WiMAX service in North Taiwan.

VMAX Telecom, aiming to be the leading WiMAX service provider in Taiwan by providing customers anywhere, anytime with any devices the High Speed Internet Access, IPTV, VoIP, Online Games, LBS (Location Based Service) as well as the variety of Innovative value added services/applications, is building a customer oriented wireless broadband network that will deliver services to improve the quality of life and work productivity with performance at affordable cost.

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(1) According to foreign currency exchange rates as of Oct. 28, 2008.

Source: Intel Corporation