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**Compal Communications Announces DVB-H Enabled Mass-Market Handset
Powered by Newport Media Inc.**

Compal's dual-band GPRS handset running Newport Media's high performance DVB-H solution to be demonstrated this week at IBC's Mobile Zone

AMSTERDAM, Netherlands (IBC 2006 Booth #M221), Sept. 7, 2006 – Compal Communications Inc., a leading manufacturer of IT and communication devices, announced today that it will demonstrate a dual-band General Packet Radio Service (GPRS) handset with integrated Digital Video Broadcasting-Handheld (DVB-H) operation at Newport Media's booth (M221), inside the Mobile Zone at IBC 2006, Sept. 8-12, in Amsterdam.

“Mass market adoption of mobile digital TV will be enabled by DVB-H capable cellular handsets targeted at price points and form factors that the majority of consumers can relate to,” said Stephen Chen, executive vice president of Compal Communications. “This handset is targeted to meet the needs of the majority of users who are looking to upgrade their current GSM handset and add a fantastic TV viewing experience. We have found Newport Media's Sundance *H* solution to be ideally suited for such a demanding application.”

The Compal DVB-H handset is a dual-band GPRS-feature phone platform that can be configured to support either global or North American band configurations for both GSM and DVB-H modes. It features a 1.8-inch Quarter Common Intermediate Format (QCIF) display with 176 x 220 pixel resolution.

“Newport Media is excited to be working with Compal on such an important project,” said Mohy Abdelgany, president and chief executive officer of Newport Media. “This handset is breaking new ground in the TV-enabled handset space and we are honored to be a part of it.”

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Newport Media's Sundance *H* solution enables wireless handsets and mobile digital TV players with dramatically increased viewing time while simultaneously improving key performance metrics like sensitivity, channel switching time and interference immunity. The solution combines a quad-band, direct-conversion radio tuner, DVB-H demodulator and all memory required to receive up to eight simultaneous channels.

About Compal Communications.

Compal Communications Inc. (CCI) (gsmwww.compal.com) is a professional ODM company in the wireless and communication industry. Its product lines include feature phones, smart phones, PDAs, GPS devices, VoIP devices, ZigBee modules, etc. CCI is proficient in wireless device designing. The company is located in Taiwan and has a manufacturing facility in China (Nan Jing).

About Newport Media, Inc.

Newport Media is a fabless semiconductor company that develops and sells highly integrated solutions for emerging digital audio and mobile TV broadcast standards. Newport Media has assembled a management and development team with comprehensive system semiconductor experience in wireless handset and digital set-top box industries. Newport Media's development team leverages its collective experience in these converging industries to develop broadcast multimedia architectures and IC implementations with unprecedented performance, power consumption, size and cost. For more information, visit www.newportmediainc.com.

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