



NEWS RELEASE

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SATELLITE AND WiMAX BRING HIGH-SPEED WIRELESS BROADBAND TO REMOTE NORTHERN VIETNAM

*Intel, VDC, USAID Conclude Successful Phase I Internet Connectivity Trial,
Commence Phase II Using Satellite Up/Down Links;
Vietnam a First-mover in Adoption of Innovative Technology*

HANOI, September 20, 2007 – Intel Vietnam, Vietnam Data Communication Company (VDC) and the United States Agency for International Development (USAID) today announced a project to deploy high-speed wireless broadband in the remote northern Vietnamese village of Ta Van, near Sapa in Lao Cai province. Using an innovative combination of WiMAX and geo-synchronous satellite, the project is intended to connect rural villagers to 21st century internet knowledge opportunities.

Step towards a national internet coverage for Vietnam

The pilot project's larger goal is to develop an economical “connectivity in a box” solution that has the potential for scaling up across rural Vietnam -- and beyond to other emerging communities globally. The Ta Van project follows an earlier successful trial in the nearby provincial capital of Lao Cai where Intel, VDC and USAID used WiMAX to deploy high-speed wireless broadband access and applications in 19 different public and private community sites.

Phase II now focuses the more remote village of Ta Van, situated over nine kilometers away from the nearest town of Sapa, across mountainous terrain that makes terrestrial (cable-based) Internet connectivity all-but impossible. 11 sites in Ta Van are being connected, including a healthcare clinic, Post Office, school, guest houses and the local commune council. Internet connectivity at tourist guest houses is expected to become a new source of revenue for guesthouse owners.

Based on experience gained in Lao Cai (Phase I), the more difficult and challenging mountain location of Ta Van was selected (Phase II). With limited mobile phone coverage and only two PSTN phone lines in the whole area¹, ShinCorp’s IPSTAR satellite is being used to “spot-beam” Internet

¹ Ta Van People’s Committee office and communal Post Office

connectivity² down to a WiMAX/WiFi network on the ground. Local users in this area -- who previously had the lowest tele-density in Lao Cai province -- now have economical access to Internet services including "voice over IP (VoIP)" telephony along with many other internet and data uses.

Backbone Internet connectivity is delivered via IPSTAR satellite services with 2MBps downlink and 512Kbps uplink. A single Airspan 3.3GHz WiMAX base station receives IPSTAR's spot beam, then distributes it using an omni-directional antenna to cover the whole village of Ta Van.

Vietnam Partners developing worldwide model using satellite/WiMAX

"This project has tremendous implications for remote, underserved and marginalized communities worldwide," said Than Trong Phuc, Country Manager, Intel Vietnam. "The combination of satellite and WiMAX is now a proven reliable cost-effective way to connect people to the "knowledge economy" world-wide and all unlimited opportunities this offers individuals, families and communities. We applaud Vietnam's proactivity in bridging its digital-divide through this and other "World Ahead" initiatives," continued Mr. Than. World Ahead is Intel's US\$1 billion, five-year initiative to bring the benefits of technology to the world's next billion users.

"The satellite/WiMAX approach we are perfecting in Ta Van can readily be scaled for use in other locations," continued Mr. Than. "Intel intends to further its collaboration with NGOs, local authorities and others in the global ICT ecosystem to extend this solution to other remote and rural communities world-wide."

Dr. Pham Anh Chien, Chief of System Integration and Development Department, Vietnam Data Communications (VDC) stated: "This second phase deployment of broadband wireless technology in remote northern Vietnam confirms VDC's commitment to bring technologies, especially wireless infrastructure, to everyone. The provision of ICT services to remote areas represents a significant contribution of VNPT to development of these areas."

Mr. David Brunell, Economic Growth Program Manager, USAID commented: "USAID is pleased to work together with Intel and Vietnamese telecom leadership to pilot new technologies which create economic, educational and social opportunities for people of Lao Cai and Vietnam. As we extend this project to Ta Van and beyond, USAID remains committed to supporting Vietnam's bold far-sighted vision of a fully networked society to improve people's lives."

Phase I completion in Lao Cai

Phase I first launched in Hanoi on June 14, 2006 by a Memorandum of Understanding (MOU) between Intel Vietnam, VDC and USAID. The objectives at the outset were to jointly enhance the lives and economic opportunities of Vietnam's rural and remote communities through the pioneering use of wireless broadband technology.

In Phase I of the project, teams from Intel, VDC and USAID deployed a single WiMAX base station that reached out to 20 receiving units across the township of Lao Cai. Various types of users benefited from high-speed Internet access - including schools, health clinics, Post Office, Internet cafés, farms, hotels, business and government/community service offices. Devices connected included both PCs and VoIP phones.

² 2MBps downlink, 512Kbps uplink

About Intel "World Ahead" Program

The Intel World Ahead Program aims to enhance lives by accelerating access to uncompromised technology for everyone, anywhere in the world. Focused on people in the world's developing communities, it integrates and extends Intel's efforts to advance progress into the areas of: accessibility, content, connectivity, and education. Intel's goal is not only to extend affordable PC access but to develop the PCs tailored to local needs, drive critical connectivity, cultivate sustainable local capabilities, and provide the technology education needed to make a meaningful difference in people's lives.

With the World Ahead program, Intel is working to promote WiMAX availability for low-cost broadband Internet access has helped spark more than 175 WiMAX trials now in progress worldwide. There are more than 35 commercial networks already deployed, and more than 40 commercial networks now use or plan to use Intel's WiMAX silicon. The first year of WiMAX deployments, currently under way, is ramping as fast as the first year of DSL deployments in the 1990s. For more information on Intel World Ahead, please visit www.intel.com/intel/worldahead.

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

About VDC

Vietnam Data Communication Company (VDC) – a member of Vietnam Post and Telecommunication Group (VNPT Group) is a biggest Internet provider in Vietnam. VDC delivers innovative and advanced telecommunications and IT services to residential, business and corporate customers.

Found in December 1989, VDC is the leading company in IT, Internet and data communications, providing to customers with more powerful communication tools than any other traditional ones at the most affordable costs. Its key products and services includes VIETPAC data communication, Frame Relay services across the country and to more than 150 countries in the world; VNN/Internet, the best Internet service in Vietnam and IP-based services with national backbone covering all cities and provinces in the country; online information services, e-trade, tele-news and e-printing and publishing, online multimedia broadcasting; IT services and solutions, integration solutions, designs, build and maintenance, training focusing on IT and data communication.

Additional information about VNPT is available at www.vnpt.com.vn

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About USAID

The US Agency for International Development (USAID) is the United States government agency responsible for administering U.S. development assistance to support long term socio-economic growth in countries around the world. USAID's assistance programs in Vietnam are designed to support economic reform and competitiveness, promote civil society & the rule of law, and mitigate problems challenging sustainable development such as HIV/AIDS, environmental degradation and avian influenza. Since 1995, the USAID program in Vietnam has expanded into areas such as legal reform, governance, financial sector development, humanitarian needs and anti-trafficking, HIV/AIDS prevention, environmental protection and disaster prevention. As part of that overall effort, USAID is now supporting a Public/Private Partnership with leading US companies to increase the benefits to rural areas of Vietnam of modern wireless broadband connectivity. USAID's Last Mile Initiative (LMI) provided support for this project, including providing wider access to the full spectrum of modern communication, along with

knowledge, skill, and productivity resources should dramatically improve the development prospects of farmers, entrepreneurs, schools and citizens throughout the country.

About IPSTAR Satellite

The IPSTAR (or THAICOM-4) satellite, operated by Shin Satellite of Thailand, is currently the world's largest broadband satellite launched to date serving 14 countries in Asia-Pacific with 45 Gigabits per second (Gbps) of capacity, or approximately 20 times the capacity of a conventional satellite.

Currently, IPSTAR provides full nationwide broadband satellite services in 8 countries with 11 gateways including: Australia, Cambodia, China, Laos, Thailand, Myanmar, New Zealand, and Vietnam. IPSTAR has deployed to date nearly 100,000 User Terminals including Thailand's Ministry of Education internet project to over 15,000 schools nationwide. In Australia, IPSTAR has deployed over 25,000 User Terminals for the broadband satellite consumer market and is one of the largest providers of broadband satellite services in the market. IPSTAR will continue to expand its service coverage to the rest of Asia-Pacific.

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