

Compal Communications and SKY MobileMedia Inc Licensing Agreement

Companies Partner on New Wireless Handsets Using SKY-MAP Software Solution

Taipei, Taiwan and San Diego, California– January 9, 2007 – Compal Communications, Inc (Taiwan: 8078.TW), a leader in mobile phone manufacturing, and SKY MobileMedia, Inc., a leading provider of application software solutions for the wireless handset industry, today announced that CCI has chosen SKY-MAP™ mobile applications software solutions for use across multiple handset programs addressing multiple market segments and geographic regions.

“We are pleased to be working with SKY MobileMedia to develop and launch new mobile handsets”, stated James Lo, Director of Product Marketing for CCI. “Our OEM customers depend on us to rapidly produce the highest quality mobile phones with a diverse set of requirements. SKY-MAP provides Compal Communications with a consistent mobile software platform allowing us to rapidly develop and customize new phones across multiple cellular hardware platforms, wireless operators, and handset specifications.”

SKY-MAP has been architected from the ground-up for modularity and portability across cellular chipsets, operating systems, and protocol stacks. This provides Compal Communications with the flexibility to select among many hardware platforms for their handsets while maintaining a common, pre-tested software solution. In addition, SKY’s powerful RapidPLUS™ development tools enable Compal Communications to differentiate their products by customizing the “look and feel” of their phones, providing a compelling user experience and improved branding for Compal Communications’ OEM customers. Compal is using SKY-MAP to address multiple market segments, mobile standards, and geographic regions with feature-rich and cost-effective handsets.

“SKY MobileMedia is very pleased that Compal Communications, a leading provider of handsets serving multiple major OEMs, has selected SKY-MAP for handset development”, stated Naser Partovi, CEO of SKY MobileMedia. “SKY is

dedicated to enabling CCI to rapidly develop and deliver a variety of exciting next generation mobile phones.”

Availability

The first handsets based on this partnership are expected to be available in the second half of 2007.

About SKY-MAP

SKY MobileMedia offers fully integrated software solutions that bring together all of the applications elements required for mass-market handsets, including the complete SKY-MMI reference MMI and applications suite, as well as standards-compliant, market-proven middleware engines such as browser, MMS, multimedia framework, 2D graphics, and more. Segment-specific SKY-MAP solutions are fully optimized for the cost, performance, and applications required for ultra-low-cost, entry-level, feature phones, and multimedia handsets, allowing rapid time-to-market and reduced R&D expenses for manufacturers. In addition, SKY provides the PC-based RapidPLUS™ set of MMI and applications software development tools. RapidPLUS enables third-party ISVs and handset manufacturers to quickly customize SKY-MAP to satisfy any handset “look and feel” and allow powerful product differentiation and branding.

About Compal Communications, Inc.

Compal Communications Inc. is a professional ODM company in the wireless field. CCI is expected to ship a total of 68 million handsets in 2006, up 80% year-on-year, according to the Chinese Commercial Times. The product lines include feature phone, smart phone, PDA phone, GPS device, and VoIP devices. CCI is proficient in wireless device designing. The company is located in Taiwan and owns manufacturing facilities in China.

About SKY MobileMedia, Inc. – Enabling Innovation in Multimedia Communications.™

SKY MobileMedia is a leading provider of complete pre-integrated turnkey software solutions for wireless handsets. SKY's market-tested application software platform, SKY-MAP™, has been commercially deployed in over 20 million phones worldwide. Headquartered in San Diego, California, SKY has additional development centers in Europe, Israel, and India, as well as customer support centers in Europe and China. For more information visit www.skymobilemedia.com