

**For Release**

## **INTEL AND UNIQUEST MAKE STRATEGIC INVESTMENT IN MAGNOLIA BROADBAND**

*World's Largest Chipmaker and Korean Semiconductor Distributor Invest in  
Developer of DiversityPlus™ Technology*

**Clinton, N.J. (January 10, 2005)** – Magnolia Broadband, Inc., a fabless semiconductor company and a leader in antenna diversity solutions for the wireless industry, today announced that it has secured an investment from both Intel Capital and Uniquet Corporation. The investment is an extension of the \$11 million round financing previously announced in October 2004.

Magnolia improves both transmission and reception in mobile terminals using dual antenna inputs and outputs to create more robust signals. Cell phones powered by its unique DiversityPlus™ chipset are designed to have longer battery life and enable carriers to improve coverage and data throughput, as well as serve twice as many subscribers with the same infrastructure.

Intel and Uniquet join the list of investors and bring the total equity investment in Magnolia to more than \$30 million. Magnolia is using this funding to expand into other markets including WCDMA, and increase its development programs for antenna diversity in cell phones.

"We are very pleased to have Intel and Uniquet join our family of investors as we execute our commercial plans and broaden our markets," said Haim Harel, CEO of Magnolia. "Intel is a major player in the next generation of wireless products and we believe their investment is key to penetrating these markets."

As previously announced, Uniquet signed a strategic distribution agreement with Magnolia in November 2004. The investment by Uniquet further solidifies the relationship, and the commitment of both companies to deploy DiversityPlus™ in the Korean telecom market.

### **About Magnolia Broadband**

Magnolia is an innovative developer of semiconductors for the wireless industry and the first company to provide diversity antenna technology using unique RF chipset products that incorporate both transmit and receive diversity. By using a unique RF (Radio Frequency) chipset product and algorithm, it incorporates a novel way of combining RF signals from two antennae for both transmit and receive signals in the mobile terminal, enabling carriers to serve twice as many subscribers within the same wireless infrastructure while boosting phone coverage, data rates and battery performance. Carriers and consumers also benefit from more reliable connections, improved quality of service while having small impact on cost.

Leading CDMA carriers and mobile terminal manufacturers have tested Magnolia's technology. Since its inception in 2001, Magnolia has raised more than \$30 million in capital from notable investors like Draper Fisher Jurvetson Gotham, ECentury Capital Partners, Intel Capital, SCP Private Equity Partners, Selway Partners and Silverstar Holdings. Magnolia has filed numerous patents related to its core technology and partnered with semiconductor industry notables such as Jazz Semiconductor, and Amkor Technology. For more information, go to [www.magnoliabroadband.com](http://www.magnoliabroadband.com).

DiversityPlus™ is a trademark of Magnolia Broadband, Inc.

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