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Daiwa Quantum Capital Acquires Shares of Alchip

Daiwa Quantum Capital Partners 1 (“DQCP”), a pan-Asian growth capital fund managed by Daiwa Quantum Capital Limited (“DQC”), has announced that it has entered into a definitive agreement to acquire new shares of Alchip Technologies, Limited (“Alchip”) (headquarters: Taipei, Taiwan).

Alchip is an open-foundry fabless IC design company focusing on advanced process ASIC and providing turnkey services. Alchip has proven track record and advanced know-how in the design of energy-saving and space-efficient chips. The company has developed a unique strategy in the turnkey services business that combines Taiwan’s world leading foundry business with Japan’s advanced electronics/semiconductor technologies and China’s growth potential. This corporate strategy fits well with the investment philosophy of DQCP.

DQCP’s capital infusion to Alchip this time is about US\$15.6 million. The money will be used for the expansion of design capacity and for working capital.

DQCP will send one independent director to Alchip to assist in its business expansion in Asia and increase corporate value. The two shareholders of DQC, namely Daiwa Securities Group and Quantum Leaps Corporation, will also make every effort to support Alchip.

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About Daiwa Quantum Capital (www.dqcap.com)

Daiwa Quantum Capital (Tadashi Mizushima, CEO) is a fund management company in Tokyo involved in pan-Asian growth capital investments. The company is the brain child of Daiwa Securities Group and Nobuyuki Idei, former CEO of Sony Corporation. The current fund under management is Daiwa Quantum Capital Partners 1, which has a commitment totaling US\$80 million. Daiwa Quantum Capital is actively seeking investment opportunities and investors in Asia.

About Alchip (www.alchip.com)

Alchip Technologies, Limited (Kinying Kwan, CEO), established in 2002 by Mr. Kwan, is a spin-off of Cadence Design System, an IC design service company listed on NASDAQ. The company is headquartered in Taipei, Taiwan, and has design teams in Shanghai (China), Hsinchu (Taiwan), and Yokohama (Japan). Alchip is recognized for its advanced design capability and proven track record of first silicon successes.