



NEWS ANNOUNCEMENT For Immediate Release

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AZUREWAVE SELECTS FRESCO MICROCHIP'S FM2050 FOR NEW PCTV DESIGNS

Innovative Architecture Enables Low Cost, Best-in-class USB Solution for Leading ODM

LAS VEGAS, Nevada, January 8, 2008 – Fresco Microchip Inc., a developer of leading edge RF, mixed-signal, and digital signal processing integrated circuits (ICs), today announced that its breakthrough FM2050 DVB-T/analog demodulator has been selected by AzureWave, a leading original design manufacturer (ODM) with headquarters in Taiwan, for next generation PCTV products.

Designed for high growth PCTV markets, AzureWave's latest products allow consumers to enjoy broadcast quality television on popular Personal Computer platforms. AzureWave offers a comprehensive family of products including USB sticks and mini-cards for embedded notebook applications.

"Fresco's FM2050 provides AzureWave a broadcast quality solution with proven field-tested performance, especially on key analog benchmarks, which are important for hybrid (digital and analog) markets," said Patrick Lin, AzureWave's director of marketing. "We now have the flexibility to select the best silicon tuner to deliver a highly integrated cost-effective solution to our growing customer base across the world."

"As a successful ODM in the PCTV industry, Azurewave is a valued partner whose close collaboration has accelerated product introduction into the marketplace,"

said John Tryhub, vice president of product marketing at Fresco Microchip. "Top-tier OEMs rolling out the platform later this quarter will benefit from the combination of best-in-class performance and AzureWave's robust software."

The FM2050 integrates universal analog (NTSC, PAL, SECAM) and audio demodulation, digital DVB-T video demodulation and IF processing into a single IC, eliminating multiple SAW filters, amplifiers and dozens of passive components. The FM2050's ultra-small footprint, low power and exceptional TV reception make it an ideal solution for DTVs, set-top boxes, DVD-Rs, DVRs and PCs.

The FM2050 supports all modes of the DVB-T standard and is compliant with free-to-air and cable analog demodulation broadcast standards.

The FM2050 is encapsulated in a 48-pin package. Samples are available now.

Fresco Microchip will demonstrate the FM2050 by appointment during the 2008 Consumer Electronics Show in a hospitality suite at the Las Vegas Hilton Hotel.

About AzureWave Technologies, Inc.

AzureWave Technologies, a member of the ASUSTek group, is specialized in wireless connectivity (including Wi-Fi, Bluetooth, WiMax, UWB, and GPS) and image processing (including DTV and camera modules) solutions. AzureWave's products have been widely adopted in personal computers, cellular phones, PDAs, TV game consoles, and consumer electronic devices. For additional information on AzureWave Technologies, Inc., please visit www.azurewave.com or contact +886-2-5599-5599.

About Fresco Microchip, Inc.

Fresco Microchip is a fabless semiconductor company focused on leading edge RF, mixed-signal and digital signal processing architectures for consumer markets. Founded in 2004, Fresco Microchip has established a team of technology, sales and marketing veterans in the TV semiconductor industry with strong track records, multiple design patents and long-standing customer relationships with the world's most recognizable and respected consumer electronic brands. The company is

headquartered in Toronto, Canada, with design centers in Ottawa, Canada and Irvine, California. For more information visit: www.frescomicrochip.com.

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