



1st February 2007

Lite-On start Joint Venture with Philips *A New Alliance in the Optical Disc Drive Market*

The Lite-On IT Corporation ("Lite-On IT") has today announced that they will acquire 49% of Philips & BenQ Digital Storage Corporation ("PBDS") from BenQ Corporation ("BenQ") of Taiwan. PBDS, a joint venture company of Royal Philips Electronics ("Philips") and BenQ, will be renamed as 'Philips Lite-On Digital Solutions Corporation' ("PLDS").

The operations of PLDS will include Design, Development, Sales and Marketing of Digital IT Optical Disc Drive products. Lite-On IT will maintain full responsibility for the manufacturing process. For the European market, the new acquisition means that all operations currently handled by Lite-On IT BV based in Eindhoven (The Netherlands) will be continued under the new joint venture PLDS.

PLDS will continue to provide existing and new channel partners superior Lite-On branded optical disc products and support in the same way in which the previously named Lite-On IT carried out operations. With the new PLDS joint venture between Lite-On IT and Philips, Lite-On IT solidifies its global leadership position in the manufacturing and sales of optical storage products.

The alliance is expected to complete during the first quarter of 2007, subject to the normal regulatory approvals and conditions.

Notes to Editors:

If you would like to arrange an interview with the Marketing Manager for Lite-On IT or request a sample of their latest product, please see www.tru-pr.co.uk/press using the code 'lightup'

About Lite-On IT:

Lite-On IT Corporation is part of the Taiwanese Lite-On Group, which consists of nine consolidated companies. Lite-On Group is a world leading company in digital convergence (3C: Computer, Communications, and Consumer electronics) employing 35,000 people worldwide. Lite-On Group has 45 factories, 29 branch offices, and 4 R&D centers worldwide and generated total revenue of 5.2 Billion USD in 2005. Lite-On IT was founded in 1995 and has grown since to become the World's 2nd largest optical disc drive manufacturer. Check www.liteonit.com for further information.

LEARN MORE ABOUT **LITEON[®]** AT WWW.LITEONIT.COM

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