



Intel Capital to Make First Investment in South Africa

Announces a Strategic Investment in Allied Technologies Limited (Altech)

NEWS HIGHLIGHTS

- Intel Capital announces first investment in South Africa
- Intel Capital to invest in Altech, a high-tech telecommunications, multi-media and information technology solutions group
- Intel Capital has invested in 50 countries around the world

JOHANNESBURG, SOUTH AFRICA, 23 June, 2011 – **Intel Capital**, Intel's global investment organization, today announced an agreement to invest \$5M in JSE Listed **Allied Technologies Limited (Altech)**, Intel Capital's first investment in South Africa.

This commercial investment agreement, subject to Altech shareholder approval, is part of a strategic collaboration in which Intel and Altech will explore various areas of collaboration in the Telecommunications, Multi-media and Information Technology (TMT) sectors to accelerate the adoption of broadband services in Africa. With this investment, South Africa will become the 50th country to attract Intel Capital investment.

Arvind Sodhani, president of Intel Capital and Intel executive vice president said: "Altech has a track record of bringing new broadband services and products to the African marketplace. Intel Capital is excited to have our team in South Africa complete our first investment in the country, which also marks the 50th country where we are investing. This is a clear indication of Intel Capital's strategy to invest in successful companies around the world. We strive to foster technology innovation globally and stimulate economic activity on the African continent and we are actively seeking additional opportunities to invest in technology companies in emerging nations."

According to Altech CEO Craig Venter, the investment is evidence of the new market opportunities that are emerging as large scale broadband communications infrastructure becomes available in South Africa, West Africa and East Africa.

He stated that: "Communications plays a key role in job creation and economic development. As demand for more services grows, we will see more investment in communications infrastructure and the resultant services that follow on top of that infrastructure - be it mobile, broadband or data. Connectivity is a strategic driver of Africa's growth. It is a well-known fact that the level of broadband penetration within a country has a direct impact on GDP— as much as 1% for every 10% of broadband penetration achieved. This investment is part of an on-going strategic engagement to explore various areas of collaboration within the TMT sector across Africa and we look forward to working with Intel Capital in developing communication services in the region".

“Aligned to this, the migration to digital terrestrial television will be a stimulant for South Africa and the region’s telecommunication strategy – that of encouraging innovation, the development of local IP and the resultant creation of more employment, which is all linked to increased growth of the economies of these countries,” he said.

Christian Morales, Intel Corporation Vice-President for Europe, Middle East, Africa, stated that: “Africa remains a key growth region for Intel and we believe the collaboration with Altech will create exciting opportunities in Africa for both companies and bring a great experience to users.”

Intel Corporation has been trading in sub-Saharan Africa for over twelve years with offices in South Africa, Kenya and Nigeria. This Intel Capital investment forms part of Intel’s overall investment in the region which also includes education and corporate social investments such as training over 150 000 teachers on computer skills and the integration of ICT teaching and learning in the classroom.

Subject to the approval of Altech’s shareholders, Intel Capital will invest a convertible loan amount of USD\$5M into Altech. The loan will be convertible into Altech ordinary shares at any time between the first anniversary of the effective date of the transaction and the third anniversary thereof. The conversion price will be determined upfront and will be based on Altech’s volume weighted average price, 30 days prior to the effective date of the transaction, plus a premium of 5% thereon.

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About Intel Capital

Intel Capital, Intel's global investment organization, makes equity investments in innovative technology start-ups and companies worldwide. Intel Capital invests in a broad range of companies offering hardware, software, and services targeting enterprise, home, mobility, health, consumer Internet, semiconductor manufacturing and cleantech. Since 1991, Intel Capital has invested more than US\$10 billion in over 1,140 companies in 50 countries. In that timeframe, 191 portfolio companies have gone public on various exchanges around the world and 268 were acquired or participated in a merger. In 2010, Intel Capital invested US\$327 million in 119 investments with approximately 44 percent of funds invested outside the United States and Canada. For more information on Intel Capital and its differentiated advantages, visit www.intelcapital.com.

About Altech

Allied Technologies Limited (Altech) is listed on the Johannesburg Stock Exchange (JSE). It is focused on the Telecommunications, Multi-media and Information Technology (TMT) industries and employs more than 3 580 employees in South Africa and abroad.

As a leading South African multi-billion Rand group, Altech is involved in the design, development and convergence of Telecommunications, Multi-media systems and IT solutions.

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