



CipherLab and G-HANZ Form Strategic Alliance to Increase AIDC Market Share in Emerging Markets

Companies to initially target new growth opportunities in India, Saudi Arabia and the United Arab Emirates

Taipei, Taiwan — February 5, 2007 — CipherLab (Taiwan OTC: 6160), a leading innovator in Automated Identification and Data Capture (AIDC) for the retail, warehouse, healthcare, government and distribution markets, today announced a strategic partnership with G-HANZ, a premier home entertainment and international business solutions provider based in Germany. As G-HANZ CIPHERLAB, the companies will jointly target emerging opportunities for supply chain management systems and auto ID equipment in India, Saudi Arabia and the United Arab Emirates. Local offices will be in Dubai, UAE and Mumbai, India.

“G-HANZ and CipherLab have similar high standards of product and service excellence,” said Stephen Gong, President of CipherLab. “Together, we can more efficiently deliver an exciting range of new technologies and products to emerging markets that have been virtually untapped up to now, despite their strong business potential. As an example, Venture Development Corporation, a U.S.-based industry research and analyst firm, consistently ranks India in the top five fastest growing markets worldwide for handheld barcode scanners – a product segment that CipherLab is well positioned to dominate.”

In 2007, G-HANZ CIPHERLAB will use G-HANZ’s existing network and channels to introduce CipherLab’s comprehensive range of AIDC products to targeted local markets. CipherLab products include a variety of handheld and fixed scanners and wireless and batch mobile computers designed to meet the needs of the entire supply chain process. They have been successfully deployed globally in such diverse settings as the employment offices of the Czech Republic’s Ministry of Labour and Social Affairs, retail co-ops and chains such as Londis and Costcutter in the United Kingdom, Associated Grocers in the United States, and warehouses for manufacturer and distributor Grupo Embotelladoras Unidas S.A. de C.V. in Mexico.

About G-HANZ

Located in the heart of Bavaria, Germany, G-HANZ is a brand with true character. It is achieving global leadership in the delivery of home entertainment and business solutions through its commitment to design, quality and innovation, transcending cultural and physical barriers to meet the needs of its customers. The highly competent professionals at G-HANZ understand corporate business from a global perspective, and service the company’s worldwide audience through local offices in the United Kingdom, Eastern Europe, Hong Kong, Australia, South Africa, United Arab Emirates and India. More information can be found on the web at <http://www.g-hanz.com>.

About CipherLab

CipherLab is a global leader in the design, manufacture and marketing of AIDC (Automatic Identification and Data Capture/Collection) products and systems. The company’s mobile computers and scanners are integrated into the networks of some of the world's best known logistics, retail, distribution, government installations and healthcare companies, helping them run more efficiently and effectively onsite and on the road. Headquartered in Taipei, Taiwan with

North American offices in Plano, TX and operations in EMEA, the Americas, Asia Pacific and China, CipherLab is publicly traded on the Taiwan stock exchange (Taiwan OTC: 6160). More can be found on the web at <http://www.cipherlab.com>.

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