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Fraunhofer Institut
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Press Release

Erlangen,
May 17, 2006

MPEG Surround: High Quality Multi-Channel Audio Combines Highest Efficiency and Backwards Compatibility

Development parties to jointly showcase the full potential of MPEG Surround at AES Pro Audio Expo in Paris

Visit us at
AES Pro Audio Expo Paris
MPEG Surround Demo Room 'Aise'
May 20–23, 2006

Agere Systems, Coding Technologies, Fraunhofer Institute for Integrated Circuits IIS and Philips, the inventors behind the groundbreaking MPEG Surround technique, jointly demonstrate the full potential of the new surround sound system at the AES (Audio Engineering Society) Pro Audio Expo in Paris. Combined with an underlying audio codec such as MPEG-1 Layer-2, MPEG-4 AAC or MPEG-4 HE-AAC (aka aacPlus), MPEG Surround fundamentally reduces bit rate requirements for high quality multi-channel audio compression and maintains backwards compatibility to existing stereo equipment at the same time.

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MPEG Surround comprises a full set of tools enabling the representation, reproduction and rendering of multi-channel audio for a broad spectrum of applications, from digital broadcasting, to mobile entertainment, to Internet music distribution. In the past month, already a number of real-world demonstrations have been showcased by the developing parties, such as 5.1 surround audio for digital radio and TV via DVB-T, DAB, or HD Radio. The MPEG Surround demonstration at the AES Pro Audio Expo will be the first joint presentation by all four parties, showcasing the full potential

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of MPEG Surround across various application fields. The new MPEG Surround standard will be frozen in July this year.

“We are excited to be jointly demonstrating the MPEG Surround technique. After mono and stereo, MPEG Surround is the next step for sound quality in today’s media entertainment”, commented Dr. Peter Kroon, Chief Multimedia Architect of Agere Systems Mobility Division. “It brings true surround sound to any media system at next to no overhead in transportation and storage, and preserves consumers’ investment as existing home stereo equipment can stay in use. This level of flexibility will be the key for MPEG Surround to be deployed on a global scale.”

“It has been the goal of MPEG to design something really outstanding in the multi-channel space, and thanks to the deep expertise of all four parties a system is available now that fits all needs and provides a remarkable performance”, says Martin Dietz, CEO and President of Coding Technologies. “Asked two years ago, not many experts would have expected this enormous accomplishment, and today it’s reality.”

“The surround sound world has been waiting for a technical solution to smoothly integrate multi-channel and stereo audio into present and future systems,” says Juergen Herre, Chief Scientist at Fraunhofer IIS. “MPEG Surround does even more than this: it easily outperforms any conventional technique with regards to features, performance, and flexibility. We are proud of our contribution to this exciting new standard.”

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“MPEG Surround is a great example how innovatively engineered solutions directly cater to the requirements of the market,” says Leon van de Kerkhof, Program Manager Audio, of Philips Applied Technologies. “Surround sound has proven to be a huge success in packaged media, and has an even stronger potential in new entertainment services. MPEG Surround creates added value and new opportunities for all parties across the chain, from content providers, to device manufacturers, to consumers.”

MPEG Surround will be demonstrated in the MPEG Surround demo room ‘Aise’ at AES Pro Audio Expo in Paris, May 20-23, 2006.

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Agere Systems

Agere Systems is a global leader in semiconductors for storage, wireless data, and public and enterprise networks. The company's chips and software power a broad range of computing and communications applications, from cell phones, PCs, PDAs, hard disk drives and gaming devices to the world's most sophisticated wireless and wireline networks. Agere's customers include top manufacturers of consumer electronics, communications and computing equipment. Agere's products connect people to information and entertainment at home, at work and on the road – enabling the connected lifestyle.

More information about Agere Systems is available from its web site at <http://www.agere.com>.

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Coding Technologies

Coding Technologies provides the best audio compression for mobile, broadcasting, and Internet. SBR™ (Spectral Band Replication) from Coding Technologies is a backward and forward compatible method to enhance the efficiency of any audio codec; putting the „PRO“ in mp3PRO and the „Plus“ in AACPlus. Parametric Stereo from Coding Technologies and Philips again significantly increases the efficiency of audio codecs for stereo signals at low bit rates. Products from Coding Technologies are fundamental enablers of open standards such as 3GPP, 3GPP2, MPEG, DVB, Digital Radio Mondiale, HD Radio, and the DVD Forum.

Coding Technologies is a privately held company with offices in Sweden, Germany, and Silicon Valley. Founded in 1997 in Stockholm, the company later merged with a spin-off of the renowned Fraunhofer Institute for Integrated Circuits IIS in Germany, the inventor of MP3. Coding Technologies' customers include America Online, EMP, iBiquity Digital, KDDI, mmO2, Nokia, Orange, RealNetworks, SK Telecom, Sprint, T-Mobile, Thomson, Texas Instruments, Vodafone, and XM Satellite Radio.

For more information, visit www.codingtechnologies.com.

Royal Philips Electronics

Royal Philips Electronics of the Netherlands (NYSE: PHG, AEX: PHI) is one of the world's biggest electronics companies and Europe's largest, with sales of \$37.7 billion (EUR 30.4 billion) in 2005. With activities in the three interlocking domains of healthcare, lifestyle and technology and 159,200 employees in more than 60 countries, it has market leadership positions in medical diagnostic imaging and patient monitoring, color television sets, electric shavers, lighting and silicon system solutions. News from Philips is located at www.philips.com/newscenter.

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Fraunhofer IIS

Founded in 1985 the Fraunhofer Institute for Integrated Circuits IIS in Erlangen, today with 450 staff members, ranks first among the Fraunhofer Institutes concerning headcount and revenues. With the development of the audio coding method MP3, Fraunhofer IIS has reached worldwide recognition.

It provides research services on contract basis and technology licensing.

The research topics are: Audio and video source coding, multimedia realtime systems, digital radio broadcasting and digital cinema systems, integrated circuits and sensor systems, design automation, wireless, wired and optical networks, localization and navigation, imaging systems and nanofocus X-ray technology, high-speed cameras, medical sensor solutions and communications technology in transport and logistics.

The budget of 52 million Euro is mainly financed by projects from industry, the service sector and public authorities. Less than 20 percent of the budget is subsidized by federal and state funds.